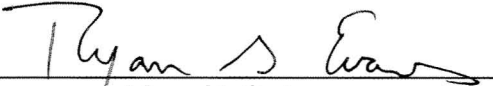



**FEBRUARY 11, 2009 CITY COUNCIL AGENDA  
CERTIFICATION**

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Agenda dated February 11, 2009. We hereby certify, as to those contracts, agreements, or other obligations on this Agenda authorized by the City Council for which expenditures of money by the City are required, that all of the money required for those contracts, agreements, and other obligations is in the City treasury to the credit of the fund or funds from which the money is to be drawn, as required and permitted by the City Charter, and that the money is not appropriated for any other purpose.

  
\_\_\_\_\_  
Mary K. Suhm  
City Manager

1-30-09  
Date

  
\_\_\_\_\_  
Edward Scott  
City Controller

1/30/09  
Date



RECEIVED

2009 JAN 30 PM 7:25

CITY SECRETARY  
DALLAS, TEXAS



# COUNCIL AGENDA

February 11, 2009

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DATE

(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.)

## 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 AT&T CityCable Channel 6B. 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 before 9:00 a.m. on the meeting date. 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 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.

## Informacion 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 AT&T CityCable Canal 6B. El Ayuntamiento Municipal se reúne 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 9 de la mañana del día de la asamblea. 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 Cortesia

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 asambleas del Ayuntamiento Municipal deben 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 esté 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 precisará al oficial que esté presidiendo la sesión a tomar acción." Según la sección 3.3(c) de las reglas de procedimientos del Ayuntamiento.

**AGENDA  
CITY COUNCIL MEETING  
WEDNESDAY, FEBRUARY 11, 2009  
ORDER OF BUSINESS**

Agenda items for which individuals have registered to speak will be considered no earlier than the time indicated below:

9:00 a.m.      **INVOCATION AND PLEDGE OF ALLEGIANCE**

**OPEN MICROPHONE**

**MINUTES**

Item 1

**CONSENT AGENDA**

Items 2 - 44

**ITEMS FOR INDIVIDUAL CONSIDERATION**

No earlier  
than 9:30 a.m.

Items 45 - 51

**PUBLIC HEARINGS AND RELATED ACTIONS**

1:00 p.m.

Items 52 - 59

**NOTE:** A revised order of business may be posted prior to the date of the council meeting if necessary.



**AGENDA**  
**CITY COUNCIL MEETING**  
**FEBRUARY 11, 2009**  
**CITY OF DALLAS**  
**1500 MARILLA**  
**COUNCIL CHAMBERS, CITY HALL**  
**DALLAS, TEXAS 75201**  
**9:00 A. M.**

Invocation and Pledge of Allegiance (Council Chambers)

Agenda Item/Open Microphone Speakers

VOTING AGENDA

1. Approval of Minutes of the January 28, 2009 City Council Meeting

CONSENT AGENDA

**Business Development & Procurement Services**

2. Authorize the purchase and installation of carpet at the J. Erik Johnson Central Public Library - Corporate Floors, Inc., lowest responsible bidder of three - Not to exceed \$186,567 - Financing: 2003 Bond Funds
3. Authorize the purchase of positive pressure ventilation equipment for Dallas Fire-Rescue - Metro Fire Apparatus Specialists, Inc., lowest responsible bidder of two - Not to exceed \$149,556 - Financing: Urban Area Security Initiative Grant Funds
4. Authorize a twenty-four-month master agreement for traffic signal heads, hardware and supplies - TraStar, Inc. in the amount of \$180,353, Texas Highway Products, LTD in the amount of \$135,615, Traffic Parts, Inc. in the amount of \$39,676, General Traffic Equipment, Corp. in the amount of \$29,150, and Paradigm Traffic Systems, Inc. in the amount of \$28,405, lowest responsible bidders of five - Total not to exceed \$413,199 - Financing: Current Funds

CONSENT AGENDA (Continued)**Business Development & Procurement Services** (Continued)

5. Authorize a thirty-six-month service contract for volunteer coordinator services - Volunteer Center of North Texas, lowest responsible bidder of two - Not to exceed \$301,450 - Financing: Current Funds (subject to annual appropriations)
6. Authorize a thirty-six-month service contract for cleaning City-owned parking lots - Commercial Environmental Solutions, Inc., lowest responsible bidder of nine - Not to exceed \$459,149 - Financing: Current Funds (subject to annual appropriations)
7. Authorize **(1)** the rejection of bids received for a service contract for a pilot program project for protective lining for manholes and other sewer structures for Water Utilities; and **(2)** the re-advertisement for new bids - Financing: No cost consideration to the City

**City Attorney's Office**

8. Authorize settlement of the lawsuit styled Jedd Champion v. City of Dallas and Yolanda Cotton, Cause No. 08-01344-K - Not to exceed \$50,000 - Financing: Current Funds
9. Authorize settlement of the lawsuit styled Jose Montiel v. City of Dallas, Cause No. 08-03043-D - Not to exceed \$40,000 - Financing: Current Funds
10. Authorize settlement of the lawsuit styled Webb Ruff, Sherika Royal, and Rosalyn Bell v. City of Dallas, Cause No. 08-10618-C - Not to exceed \$27,000 - Financing: Current Funds
11. Authorize Supplemental Agreement No. 1 to the appraisal services contract with the real estate appraisal firm of Integra Realty Resources DFW, LLP, for additional services necessary in the lawsuit styled AHF Community Development, LLC v. City of Dallas, et al., Cause No. 3:06-CV-1035-D - Not to exceed \$128,300, from \$18,000 to \$146,300 - Financing: Current Funds

**Department of Development Services**

12. Authorize acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from Barbosa Family Partners, Ltd. of approximately 814 square feet of unimproved land located near the intersection of Brockbank Drive and Bynum Avenue for the Brockbank Drive Street Improvements Project - \$8,208 (\$7,221 plus closing costs not to exceed \$987) - Financing: 2006 Bond Funds
13. Authorize **(1)** a Purchase Contract with the Trust for Public Land for acquisition of two tracts of land totaling approximately 3 acres located near Dickerson Street and the Dallas Area Rapid Transit right-of-way tracks for the Dickerson Street Project at a specific purchase price, and **(2)** the acquisition of these two tracts for the Dickerson Street Project from The Trust for Public Land - \$4,430,000 (\$4,400,000 plus closing costs not to exceed \$30,000) - Financing: 2003 Bond Funds (\$452,108), 2006 Bond Funds (\$3,977,892)



CONSENT AGENDA (Continued)**Department of Development Services** (Continued)

14. Authorize settlement in lieu of proceeding with condemnation of 2 tracts of land containing a total of approximately 5 acres from Family Design Homes, Inc., dba, Forney Building & Mortgage, located in Kaufman County for the Lake Tawakoni 144-inch Pipeline - \$358,820 (\$351,020 plus closing costs not to exceed \$7,800) - Financing: Water Utilities Capital Construction Funds
15. Authorize the deposit of a Special Commissioners' Award in City of Dallas v. Carback's Valley View, L.P., et al., Cause No. CC-07-03884-C, in the County Court at Law No. 3, for acquisition from Carback's Valley View, L.P., for a total of approximately 1,879 square feet of land located at the intersection of Alpha Road and Montfort Drive for the Alpha Road and Montfort Drive Improvements project - \$90,765 - Financing: 1998 Bond Funds (\$37,995) and 2006 Bond Funds (\$52,770)
16. Authorize the deposit of Jury's Award in City of Dallas v. HSM Montfort Plaza, Ltd. et al, Cause No. 05-06711-C, in the County Court at Law No. 3, for acquisition from HSM Montfort Plaza, Ltd., of approximately 1,777 square feet of land located at the intersection of Alpha Road and Montfort Drive for the Montfort Drive Improvements project from Peterson Lane to Alpha Road - \$225,000 - Financing: 2006 Bond Funds
17. Authorize the quitclaim of 16 properties acquired by the taxing authorities from the Sheriff's Sale to the highest bidders (list attached) - Revenue: \$299,210
18. Authorize moving expense and replacement housing payments for Ambrocia Ortega in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy - Not to exceed \$47,700 - Financing: 2003 Bond Funds
19. Authorize moving expense and replacement housing payments for Guadalupe Diaz in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy - Not to exceed \$29,200 - Financing: 2003 Bond Funds
20. Authorize moving expense and replacement housing payments for Manuel and Alejandra Reyes in the Cadillac Heights Neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy - Not to exceed \$29,800 - Financing: 2003 Bond Funds
21. Authorize moving expense and replacement housing payments for Noel Lara in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy - Not to exceed \$56,000 - Financing: 2003 Bond Funds

CONSENT AGENDA (Continued)

**Department of Development Services** (Continued)

- 22. Authorize moving expense and replacement housing payments for Rene and Josefina Saldivar in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy - Not to exceed \$44,800 - Financing: 2003 Bond Funds
- 23. Authorize moving expense and replacement housing payments for Rosaura Saldivar in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy - Not to exceed \$45,100 - Financing: 2003 Bond Funds

**Efficiency Team**

**Quality Policy, Occupational Safety and Health Policy Update**

**Note:** Item Nos. 24 and 25 must be considered collectively.

- 24. \* Authorize an amendment to the City's Quality Policy, established on January 24, 2007, by Resolution No. 07-0318, to update the language of the policy to maintain compliance with the International Organization for Standardization requirements - Financing: No cost consideration to the City
- 25. \* Authorize an amendment to the City's Occupational Safety and Health Policy, established on January 24, 2007, by Resolution No. 07-0319, to update the language of the policy to maintain compliance with the International Organization for Standardization requirements - Financing: No cost consideration to the City

**Environmental & Health Services**

- 26. Authorize a ten-year lease agreement with Marcer Investments, LLC. for approximately 6,000 square feet of office space located at 1113 East Jefferson Boulevard, to be used as a Women, Infants and Children Clinic for the period July 1, 2009 through June 30, 2019 - Not to exceed \$975,000 - Financing: Department of State Health Services Grant Funds (subject to annual appropriations)
- 27. Authorize a second amendment to the lease agreement with Rampart Properties, L.P. to extend the term of the lease for an additional six months of approximately 5,870 square feet of office space at the leased facility located at 351 West Jefferson Boulevard, Suite 300 for the continued use as a Women, Infants and Children Clinic for the period March 1, 2009 through August 31, 2009 - Total not to exceed \$45,493 - Financing: Department of State Health Services Grant Funds

CONSENT AGENDA (Continued)**Housing**

28. Authorize the reconstruction on-site of one home in accordance with the Reconstruction/SHARE Program Statement requirements for the property located at 2511 Chalk Hill Drive - Total not to exceed \$87,500 - Financing: 2006-07 Community Development Grant Funds
29. Authorize an amendment to the Reconstruction/SHARE Program Statement, previously approved on August 13, 2008 by Resolution No. 08-2063, to change the awarded contractor to reconstruct on-site one home in accordance with the Reconstruction/SHARE Program Statement requirements for the property located at 4619 Collins Avenue - Total not to exceed \$87,500 - Financing: 2007-08 Community Development Grant Funds
30. Authorize an amendment to the Reconstruction/SHARE Program Statement, previously approved on November 10, 2008, by Resolution No. 08-3055 to change the awarded contractor to reconstruct on-site two homes in accordance with the Reconstruction/SHARE Program Statement requirements for the properties located at 1944 Gallagher Street in the amount of \$87,500 and 2604 Larry Drive in the amount of \$87,500 - Total not to exceed \$175,000 - Financing: 2006-07 Community Development Grant Funds (\$8,150), 2007-08 Community Development Grant Funds (\$87,500), 2005-06 HOME Funds (\$52,186), and 2006-07 HOME Funds (\$27,164)

**Intergovernmental Services**

31. A resolution adopting the City's Federal Legislative Agenda for the 111th Congress - Financing: No cost consideration to the City

**Police**

32. Authorize an application for the ninth-year continuation of the Dallas Police Department Victim Services grant from the Office of the Governor, Criminal Justice Division to provide sufficient services to reach all eligible crime victims, for the period September 1, 2009 through August 30, 2010 - Not to exceed \$53,131 (local match in an amount not to exceed \$15,909 will be required if awarded) - Financing: This action has no cost consideration to the City
33. Authorize **(1)** public hearings to be held on March 25, 2009 and April 22, 2009 to receive comments on the modification and renewal of the Dallas juvenile curfew ordinance; and **(2)** at the close of the public hearing on April 22, 2009, consideration of an ordinance amending Chapter 31 of the Dallas City Code to re-adopt and continue in effect the Dallas juvenile curfew ordinance, with certain modifications establishing daytime curfew hours for minors in addition to the current nighttime curfew hours for minors - Financing: No cost consideration to the City

CONSENT AGENDA (Continued)**Public Works & Transportation**

34. Authorize a contract for the construction of erosion control improvements for five erosion projects at 1801 Altadena Drive, 622 West Five Mile Parkway, 938 West Five Mile Parkway, 906 Glen Oaks Boulevard, and 5919 Hunters View Lane - ARK Contracting Services, LLC, lowest responsible bidder of six - Not to exceed \$691,280 - Financing: 2003 Bond Funds (\$41,579) and 2006 Bond Funds (\$649,701)
35. Authorize a contract for the construction of streetscape, water and wastewater adjustment improvements on Elm Street from Akard Street to Ervay Street - Texas Standard Construction, Ltd., lowest responsible bidder of three - \$902,829 - Financing: 2006 Bond Funds (\$888,729) and Water Utilities Capital Construction Funds (\$14,100)
36. Authorize a professional services contract with Pierce Goodwin Alexander & Linville, Inc. to provide design services, preparation of construction documents and construction administration for a new field maintenance facility at Dallas Love Field - Not to exceed \$272,446 - Financing: Aviation Capital Construction Funds
37. Authorize a professional services contract with VAI Architects, Inc. to provide design services, preparation of construction documents and construction administration for improvements to the taxi cab holding area at Dallas Love Field - Not to exceed \$151,044 - Financing: Aviation Capital Construction Funds
38. Authorize an increase in the contract with Jeske Construction Company for additional water services, paving materials and other adjustments for the reconstruction of Bexar Street from C.F. Hawn Freeway (U.S.175) service road to Brigham Lane - Not to exceed \$144,730, from \$3,728,524 to \$3,873,254 - Financing: 2003 Bond Funds (\$86,365) and Water Utilities Capital Construction Funds (\$58,365)
39. Authorize an increase in the contract with Ken-Do Contracting, LP for additional pavement removal, new paving, additional construction costs associated with the reconstruction of a pedestrian bridge, modifications to the scope and traffic control adjustments necessary for the construction of paving and drainage improvements for a hike and bike trail for East Dallas Veloway, Phase II (Santa Fe Trail) from Glasgow Drive to Hill Street - Not to exceed \$607,899, from \$3,326,296 to \$3,934,195 - Financing: 2006 Bond Funds
40. Authorize Supplemental Agreement No. 1 to the contract with Urban Engineers Group, Inc. for surveying and additional design for water and wastewater improvements for Project Group 06-3009 (list attached) - Not to exceed \$57,590, from \$201,730 to \$259,320 - Financing: 2003 Bond Funds (\$20,400) and Water Utilities Capital Construction Funds (\$37,190)

CONSENT AGENDA (Continued)**Water Utilities**

41. An ordinance authorizing the issuance and placement sale of \$118,103,000 City of Dallas, Texas, Waterworks and Sewer System Revenue Bonds, Series 2009A (\$15.1 million), Series 2009B (\$8.28 million), and Series 2009C (\$94.723 million) with the Texas Water Development Board and enacting other provisions in connection therewith - Not to exceed \$278,785 - Financing: Water Utilities Current Funds
42. Authorize a Utility Joint Use Acknowledgement Agreement with the State of Texas, acting through the Texas Department of Transportation, in conjunction with the relocation of an existing 16-inch water main and the addition of fire line services, domestic water services, and wastewater services for the proposed new Woodall Rodgers Deck Plaza Park along Spur 366 (Woodall Rodgers Freeway) from Pearl Street to St. Paul Street - Financing: No cost consideration to the City
43. Authorize a contract for the construction of energy recovery facility utilities and digester improvements at the Southside Wastewater Treatment Plant - Archer Western Contractors, Ltd. lowest responsible bidder of three - \$6,354,000 - Financing: Water Utilities Capital Improvement Funds
44. Authorize a contract for the installation and lowering of a 48-inch water transmission main in an existing easement located in the City of Irving - S. J. Louis Construction of Texas, Ltd., lowest responsible bidder of five - \$1,943,126 - Financing: Water Utilities Capital Construction Funds

ITEMS FOR INDIVIDUAL CONSIDERATION**City Secretary's Office**

45. Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)

ITEMS FOR FURTHER CONSIDERATION**Business Development & Procurement Services**

46. Authorize a thirty-six-month master agreement for the purchase of valves, accessories and parts - Mueller Co., LTD in the amount of \$2,285,673, Clow Valve Company in the amount of \$1,688,690, M & H Valve Co. in the amount of \$310,422, and Kennedy Valve Co. in the amount of \$266,410, lowest responsible bidders of six - Total not to exceed \$4,551,195 - Financing: Water Utilities Current Funds

ITEMS FOR INDIVIDUAL CONSIDERATION (Continued)

ITEMS FOR FURTHER CONSIDERATION (Continued)

**Economic Development**

**City Center TIF District**

**Note:** Item Nos. 47 and 48 must be considered collectively.

- 47. \* Authorize **(1)** a development agreement with Brian Foster for the redevelopment of 1400 Main Street, located in Tax Increment Financing Reinvestment Zone Five (City Center TIF District); and **(2)** the City Center TIF District Board of Directors intent to dedicate future tax increment revenue of the City Center TIF District in an amount not to exceed \$475,000 - Not to exceed \$475,000 - Financing: City Center TIF District Funds
- 48. \* A resolution declaring the intent of Tax Increment Financing District Reinvestment Zone Number Five (City Center TIF District) to reimburse Brian Foster, for eligible expenditures pursuant to the development agreement with Brian Foster - Financing: No cost consideration to the City

**Note:** If Agenda Item Nos. 49 and 50 do not pass, Council will not consider Agenda Item No. 51.

**Hall Lone Star Associates, L.P.**

**Note:** Item Nos. 49 and 50 must be considered collectively.

- 49. \* Authorize **(1)** a development agreement with Hall Lone Star Associates, L.P., for the redevelopment of 2301 Ross Avenue (known as the Dallas Arts District Garage), located in Tax Increment Financing Reinvestment Zone Eleven (Downtown Connection TIF District); and **(2)** the Downtown Connection TIF District Board of Directors intent to dedicate future tax increment revenue of the Downtown Connection TIF District in an amount not to exceed \$7,000,000 plus interest up to \$2,000,000 for a total incentive amount, including interest, not to exceed \$9,000,000 - Not to exceed \$9,000,000 - Financing: Downtown Connection TIF District Funds
- 50. \* A resolution declaring the intent of Tax Increment Financing District Reinvestment Zone Number Eleven (Downtown Connection TIF District) to reimburse Hall Lone Star Associates, L.P., for eligible expenditures pursuant to the development agreement with Hall Lone Star Associates, L.P. - Financing: No cost consideration to the City
- 51. Authorize **(1)** an amendment to the sublease agreement dated January 23, 1986 with Metropolitan/Harbord Joint Venture, and its successor, Hall Lone Star Associates, L.P., a Texas limited partnership, for the Arts District Garage located at 2301 Ross Avenue to provide for a change in the operation of the Dallas Arts District Garage commencing on January 1, 2009, and **(2)** an amendment to the Garage Lease Agreement dated January 23, 1986 to provide certain conforming changes - Estimated Revenue: \$100,700,000

PUBLIC HEARINGS AND RELATED ACTIONS**Department of Development Services**ZONING CASES - CONSENT

52. A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a community service center on property zoned a CR Community Retail District and an R-5(A) Single Family District on the southeast corner of Angelina Drive and North Westmoreland Road  
Recommendation of Staff and CPC: Approval for a ten-year period with automatic renewals for additional ten-year periods, subject to a site plan and conditions  
Z089-123(WE)
53. A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 1659 for an alcoholic beverage establishment use for a bar, lounge, or tavern within Planned Development District No. 619 for mixed uses, on the south side of Main Street, west of Ervay Street  
Recommendation of Staff and CPC: Approval for a two-year period, subject to a site plan and conditions  
Z089-124(WE)

ZONING CASES - UNDER ADVISEMENT - INDIVIDUAL

54. A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development Subdistrict for an Animal clinic with outside run, Kennel with outside run, and LC Light Commercial Subdistrict Uses on property zoned an LC Light Commercial District Subdistrict within Planned Development District No. 193, the Oak Lawn Special Purpose District, on the northwest corner McKinney Avenue and Sneed Street with consideration being given to permitting the requested animal clinic with outside run and kennel with outside run by specific use permit  
Recommendation of Staff: Denial  
Recommendation of CPC: Approval, subject to a development plan and conditions  
Z078-239(RB)  
Note: This item was considered by the City Council at a public hearing on January 14, 2009, and was taken under advisement until February 11, 2009, with the public hearing open.

SPECIAL PROVISION SIGN DISTRICT - CONSENT

55. A public hearing to receive comments regarding consideration of amendments to the Downtown Special Provision Sign District to allow video boards (LED signs) as premise and non-premise signs in an area generally bound by Woodall Rodgers Freeway to the north, Interstate 45/US 75 to the east, Interstate 30 to the south and Interstate 35 to the west, excluding those areas included in the West End SPSPD, the Arts District SPSPD, and the Farmers Market SPSPD and an ordinance granting the amendments  
Recommendation of Staff: Approval, subject to staff conditions  
Recommendation of CPC: Approval, subject to CPC conditions  
SPSPD078-003

PUBLIC HEARINGS AND RELATED ACTIONS (Continued)

**Department of Development Services (Continued)**

SPECIAL PROVISION SIGN DISTRICT - UNDER ADVISEMENT - INDIVIDUAL

56. A public hearing to receive comments regarding an application for an amendment to the provisions of the Downtown Special Provision Sign District, to create a new Subdistrict to allow for video board signs on a tract of land generally between Main Street and Elm Street west of Akard Street

Recommendation of Staff: Approval, subject to staff conditions

Recommendation of CPC: Denial

SPSD067-003

Note: This item was considered by the City Council at public hearings on November 28, 2007, February 27, March 26, June 25 and September 10, 2008, and January 28, 2009, and was taken under advisement until February 11, 2009, with the public hearing open.

DEVELOPMENT CODE AMENDMENTS - CONSENT

57. A public hearing to receive comments regarding consideration of amendments to Section 51A-7.307 of the Dallas Development Code, to amend the provisions for relocation of detached non-premise signs (billboards) due to the acquisition by a governmental entity of the land the sign is located on and an ordinance granting the amendments

Recommendation of Staff and CPC: Approval

DCA078-015

MISCELLANEOUS HEARINGS

**Department of Development Services**

58. A public hearing to receive comments on a proposed municipal setting designation to prohibit the use of groundwater as potable water beneath properties owned by I-35 Star Partners I, Ltd. and MetroTex Association of Realtors, Inc. located near the intersection of Empire Central Drive and Empress Row and adjacent street right-of-way, and an ordinance authorizing support of the issuance of a municipal setting designation to I-35 Star Partners I, Ltd. by the Texas Commission on Environmental Quality and prohibiting the use of groundwater beneath the designated property as potable water - Financing: No cost consideration to the City

Recommendation of Staff: Approval



PUBLIC HEARINGS AND RELATED ACTIONS (Continued)

MISCELLANEOUS HEARINGS (Continued)

**Department of Development Services (Continued)**

59. A public hearing to receive comments on a proposed municipal setting designation to prohibit the use of groundwater as potable water beneath properties owned by Turnpike Sub, LLC; Trammell Crow Co. No. 60 LP; TDC #12, Ltd.; LIT-Deansbank No. 8; TXI Operations, LP; I-30 Distribution, LP; and Motiva Enterprises, LLC located near the intersection of La Reunion Parkway and French Settlement Road and adjacent street rights-of-way, and an ordinance authorizing support of the issuance of a municipal setting designation to Turnpike Sub, LLC; Trammell Crow Co. No. 60 LP; TDC #12, Ltd.; LIT-Deansbank No. 8; TXI Operations, LP; I-30 Distribution, LP; and Motiva Enterprises, LLC by the Texas Commission on Environmental Quality and prohibiting the use of groundwater beneath the designated property as potable water - Financing: No cost consideration to the City  
Recommendation of Staff: Approval

**Tax Foreclosure and Seizure Warrant Property Resales**  
Agenda Item #17

<u>Parcel No.</u>	<u>Address</u>	<u>Highest Bidder</u>	<u>Struck off Amount</u>	<u># of Bids</u>	<u>Square Footage</u>	<u>High Bid Amount</u>	<u>Minimum Bid Amount</u>	<u>DCAD Value</u>	<u>Zoning</u>	<u>Tax Council Code</u>	<u>District</u>	<u>Violations</u>
<b>Vacant Property</b>												
1.	2511 Cedar Crest	John Spike	\$3,590	1	5,980	\$3,510	\$3,500	\$5,980	CR	No	7	
2.	1033 Church	Deborah Wittenburg	\$1,500	1	2,690	\$1,300	\$1,000	\$5,750	PD 388	No	7	
3.	1725 Fordham	Walter Smith	\$14,326	3	7,533	\$1,800	\$1,000	\$28,210	TH-3(A)	No	4	
4.	3117 Fordham	Volney Woods, Jr.	\$21,138	1	16,080	\$11,000	\$10,500	\$46,970	R-7.5(A)	No	4	
5.	3921 Hamilton	Gosby King, Jr.	\$14,435	4	6,200	\$1,525.75	\$1,000	\$23,580	PD 595	No	7	
6.	5191 Lauderdale	LaMildredetta Hudson	\$16,790	5	9,100	\$5,302	\$2,000	\$16,380	R-7.5(A)	No	8	
7.	3736 West Ledbetter	Rahmat Shojajari	\$129,970	1	17,102	\$60,126	\$58,500	\$129,970	IR	No	8	
8.	2754 Locust	William Rice	\$20,483	5	7,424	\$6,200	\$5,100	\$27,540	R-5(A)	No	4	
9.	9526 McClung	Javier Martinez	\$18,890	2	15,609	\$12,000	\$9,400	\$52,390	R-7.5(A)	No	8	
10.	4205 Malcolm X	Yohannes Kumsa	\$24,963	1	6,375	\$22,010	\$12,500	\$67,640	PD 595	No	7	
11.	10302 Nantucket Village	Wilson A. Gonzalez	\$21,967	3	19,453	\$22,600	\$21,900	\$52,100	TH(2)	No	5	
12.	2028 Shaw	Semeregelai Ogbazgi	\$10,239	2	2,945	\$2,000	\$1,500	\$6,000	R-5(A)	No	3	
13.	1706 Sicily	Maria E. Martinez	\$8,040	2	3,588	\$2,675	\$2,000	\$8,040	R-5(A)	No	7	
14.	4510 Solar Lane	Darden McGlothin	\$2,000	1	7,100	\$3,050	\$2,000	\$2,000	CS	No	4	
15.	459 St. Augustine	Time Warner NY Cable, LLC	\$5,580	1	5,576	\$1,000	\$1,000	\$5,580	CR	No	8	
16.	2707 Weir	Tahmineh Bahrami	\$156,878	1	63,293	\$143,111	\$141,200	\$244,850	IM	No	3	

**Street Reconstruction, Project Group 06-3009**  
Agenda Item #40

<b><u>Street Reconstruction</u></b>	<b><u>Council District</u></b>
Beall Street from Dolphin Road to alley between Silver Avenue to Dolphin Street	7
Detonte Street from Dolphin Road to Silver Avenue	7
Mingo Street from Dolphin Road to Silver Avenue	7
Silver Avenue from Haskell Avenue to dead end	7
Alley between Silver Avenue and Dolphin Road from Haskell Avenue to Detonte Street	7

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

1. Contemplated or pending litigation, or matters where legal advice is requested of the City Attorney. Section 551.071 of the Texas Open Meetings Act.
2. The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.
3. A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.
4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.
5. The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.
6. Deliberations regarding Economic Development negotiations. Section 551.087 of the Texas Open Meetings Act.

February 11, 2009

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**PUBLIC MEETINGS FOR FEBRUARY 1 - FEBRUARY 14, 2009**

**Thursday, February 5, 2009**

Civil Service Board

8:30 a.m.

City Hall, Suite 1C-South

Community Development Commission

6:00 p.m.

City Hall, Room 6ES



## AGENDA DATE February 11, 2009

ITEM	OK	IND	DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	DESCRIPTION
1				All	V	NA	NA	NA	NA	Approval of Minutes of January 28, 2009 City Council Meeting
2				All	C	PBD, EBS, LIB, PWT	\$186,567.08	100.00%	100.00%	Authorize the purchase and installation of carpet at the J. Erik Johnson Central Public Library
3				All	C	PBD, FIR	GT	0.00%	0.00%	Authorize the purchase of positive pressure ventilation equipment for Dallas Fire-Rescue
4				All	C	PBD, PWT	\$413,199.00	43.65%	76.47%	Authorize a twenty-four-month master agreement for traffic signal heads, hardware and supplies
5				All	C	PBD, HRD	\$301,449.40	100.00%	0.00%	Authorize a thirty-six-month service contract for volunteer coordinator services
6				All	C	PBD, EBS, FIR, PKR, POL	\$459,148.40	0.00%	0.00%	Authorize a thirty-six-month service contract for cleaning City owned parking lots
7				All	C	PBD, WTR	NC	NA	NA	Authorize the rejection of bids received for a service contract for a pilot program project for protective lining for manholes and other sewer structures for Water Utilities; and the re-advertisement for new bids
8				N/A	C	ATT, POL	\$50,000.00	NA	NA	Authorize settlement of the lawsuit styled Jedd Champion v. City of Dallas and Yolanda Cotton, Cause No. 08-01344-K
9				N/A	C	ATT, POL	\$40,000.00	NA	NA	Authorize settlement of the lawsuit styled Jose Montiel v. City of Dallas, Cause No. 08-03043-D
10				N/A	C	ATT, WTR	\$27,000.00	NA	NA	Authorize settlement of the lawsuit styled Webb Ruff, Sherika Royal, and Rosalyn Bell v. City of Dallas, Cause No. 08-10618-C
11				N/A	C	ATT	\$128,300.00	100.00%	0.00%	Authorize Supplemental Agreement No. 1 to the appraisal services contract with the real estate appraisal firm of Integra Realty Resources DFW, LLP, for additional services necessary in the lawsuit styled AHF Community Development, LLC v. City of Dallas, et al., Cause No. 3:06-CV-1035-D
12				6	C	DDS	\$8,208.00	NA	NA	Authorize acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from Barbosa Family Partners, Ltd. of approximately 814 square feet of unimproved land located near the intersection of Brockbank Drive and Bynum Avenue for the Brockbank Drive Street Improvement Project
13				12	C	DDS, PKR, PWT	\$4,430,000.00	NA	NA	Authorize a Purchase Contract with the Trust for Public Land for acquisition of two tracts of land totaling approximately 3 acres located near Dickerson Street and the Dallas Area Rapid Transit right-of-way tracks for the Dickerson Street Project at a specific purchase price, and the acquisition of these two tracts for the Dickerson Street Project from The Trust for Public Land
14				Outside	C	DDS, WTR	\$358,820.00	NA	NA	Authorize settlement in lieu of proceeding with condemnation of 2 tracts of land containing a total of approximately 5 acres from Family Design Homes, Inc., dba, Forney Building & Mortgage, located in Kaufman County for the Lake Tawakoni 144-inch Pipeline
15				11	C	DDS	\$90,765.00	NA	NA	Authorize the deposit of a Special Commissioners' Award in City of Dallas v. Carback's Valley View, L.P., et al., Cause No. CC-07-03884-C, in the County Court at Law No. 3, for acquisition from Carback's Valley View, L.P., for a total of approximately 1,879 square feet of land located at the intersection of Alpha Road and Montfort Drive for the Alpha Road and Montfort Drive Improvements project
16				11	C	DDS	\$225,000.00	NA	NA	Authorize the deposit of Jury's Award in City of Dallas v. HSM Montfort Plaza, Ltd. et al, Cause No. 05-06711-C, in the County Court at Law No. 3, for acquisition from HSM Montfort Plaza, Ltd., of approximately 1,777 square feet of land located at the intersection of Alpha Road and Montfort Drive for the Montfort Drive Improvements project from Peterson Lane to Alpha Road
17				3, 4, 5, 7, 8	C	DDS	REV \$299,209.75	NA	NA	Authorize the quitclaim of 16 properties acquired by the taxing authorities from the Sheriff's Sale to the highest bidders
18				2	C	DDS, PWT	\$47,700.00	NA	NA	Authorize moving expense and replacement housing payments for Ambrocia Ortega in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy
19				2	C	DDS, PWT	\$29,200.00	NA	NA	Authorize moving expense and replacement housing payments for Guadalupe Diaz in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy
20				2	C	DDS, PWT	\$29,800.00	NA	NA	Authorize moving expense and replacement housing payments for Manuel and Alejandra Reyes in the Cadillac Heights Neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy

## AGENDA DATE February 11, 2009

ITEM #	OK	IND	DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	DESCRIPTION
21				2	C	DDS, PWT	\$56,000.00	NA	NA	Authorize moving expense and replacement housing payments for Noel Lara in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy
22				2	C	DDS, PWT	\$44,800.00	NA	NA	Authorize moving expense and replacement housing payments for Rene and Josefina Saldivar in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police
23				2	C	DDS	\$45,100.00	NA	NA	Authorize moving expense and replacement housing payments for Rosaura Saldivar in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy
24				All	C	ETM	NC	NA	NA	Quality Policy, Occupational Safety and Health Policy Update: Authorize an amendment to the City's Quality Policy, established on January 24, 2007, by Resolution No. 07-0318, to update the language of the policy to maintain compliance with the International Organization for Standardization requirements
25				All	C	ETM	NC	NA	NA	Quality Policy, Occupational Safety and Health Policy Update: Authorize an amendment to the City's Occupational Safety and Health Policy, established on January 24, 2007, by Resolution No. 07-0319, to update the language of the policy to maintain compliance with the International Organization for Standardization requirements
26				1	C	EHS, DDS	GT	NA	NA	Authorize a ten-year lease agreement with Marcer Investments, LLC. for approximately 6,000 square feet of office space located at 1113 East Jefferson Boulevard, to be used as a Women, Infants and Children Clinic for the period July 1, 2009 through June 30, 2019
27				1	C	EHS, DDS	GT	NA	NA	Authorize a second amendment to the lease agreement with Rampart Properties, L.P. to extend the term of the lease for an additional six months of approximately 5,870 square feet of office space at the leased facility located at 351 West Jefferson Boulevard, Suite 300 for the continued use as a Women, Infants and Children Clinic for the period March 1, 2009 through August 31, 2009
28				6	C	HSG	GT	NA	NA	Authorize the reconstruction on-site of one home in accordance with the Reconstruction/SHARE Program Statement requirements for the property located at 2511 Chalk Hill Drive
29				7	C	HSG	GT	NA	NA	Authorize an amendment to the Reconstruction/SHARE Program Statement, previously approved on August 13, 2008, by Resolution No. 08-2063 to change the awarded contractor to reconstruct on-site one home in accordance with the Reconstruction/SHARE Program Statement requirements for the property located at 4619 Collins Avenue
30				3	C	HSG	GT	NA	NA	Authorize an amendment to the Reconstruction/SHARE Program Statement, previously approved on November 10, 2008, by Resolution No. 08-3055 to change the awarded contractor to reconstruct on-site two homes in accordance with the Reconstruction/SHARE Program Statement requirements for the properties located at 1944 Gallagher Street and 2604 Larry Drive
31				All	C	IGS	NC	NA	NA	A resolution adopting the City's Federal Legislative Agenda for the 111th Congress
32				All	C	POL	NC	NA	NA	Authorize an application for the ninth-year continuation of the Dallas Police Department Victim Services grant from the Office of the Governor, Criminal Justice Division to provide sufficient services to reach all eligible crime victims, for the period September 1, 2009 through August 30, 2010
33				All	C	POL	NC	NA	NA	Authorize public hearings to be held on March 25, 2009 and April 22, 2009 to receive comments on the modification and renewal of the Dallas juvenile curfew ordinance; and at the close of the public hearing on April 22, 2009, consideration of an ordinance amending Chapter 31 of the Dallas City Code to re-adopt and continue in effect the Dallas juvenile curfew ordinance, with certain modifications establishing daytime curfew hours for minors in addition to the current nighttime curfew hours for minors
34				4, 5	C	PWT	\$691,280.00	26.36%	25.63%	Authorize a contract for the construction of erosion control improvements for five erosion projects at 1801 Altadena Drive, 622 West Five Mile Parkway, 938 West Five Mile Parkway, 906 Glen Oaks Boulevard, and 5919 Hunters View Lane
35				14	C	PWT, WTR	\$902,829.00	100.00%	28.00%	Authorize a contract for the construction of streetscape, water and wastewater adjustment improvements on Elm Street from Akard Street to Ervay Street
36				14	C	PWT, AVI	\$272,446.00	100.00%	52.28%	Authorize a professional services contract with Pierce Goodwin Alexander & Linville, Inc. to provide design services, preparation of construction documents and construction administration for a new field maintenance facility at Dallas Love Field



## AGENDA DATE February 11, 2009

ITEM #	OK	IND	DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	DESCRIPTION
37				14	C	PWT, AVI	\$151,044.00	100.00%	91.74%	Authorize a professional services contract with VAI Architects, Inc. to provide design services, preparation of construction documents and construction administration for improvements to the taxi cab holding area at Dallas Love Field
38				7	C	PWT, HSG, WTR	\$144,729.20	100.00%	39.58%	Authorize an increase in the contract with Jeske Construction Company for additional water services, paving materials and other adjustments for the reconstruction of Bexar Street from C.F. Hawn Freeway (U.S.175) service road to Brigham Lane
39				2	C	PWT, PKR	\$607,899.00	100.00%	21.71%	Authorize an increase in the contract with Ken-Do Contracting, LP for additional pavement removal, new paving, additional construction costs associated with the reconstruction of a pedestrian bridge, modifications to the scope and traffic control adjustments necessary for the construction of paving and drainage improvements for a hike and bike trail for East Dallas Veloway, Phase II (Santa Fe Trail) from Glasgow Drive to Hill Street
40				7	C	PWT, WTR, HSG	\$57,590.00	76.38%	94.76%	Authorize Supplemental Agreement No. 1 to the contract with Urban Engineers Group, Inc. for surveying and additional design for water and wastewater improvements for Project Group 06-3009
41				All	C	WTR	\$278,785.00	NA	NA	An ordinance authorizing the issuance and placement sale of \$118,103,000 City of Dallas, Texas, Waterworks and Sewer System Revenue Bonds, Series 2009A (\$15.1 million), Series 2009B (\$8.28 million), and Series 2009C (\$94.723 million) with the Texas Water Development Board and enacting other provisions in connection therewith
42				14	C	WTR	NC	NA	NA	Authorize a Utility Joint Use Acknowledgement Agreement with the State of Texas, acting through the Texas Department of Transportation, in conjunction with the relocation of an existing 16-inch water main and the addition of fire line services, domestic water services, and wastewater services for the proposed new Woodall Rodgers Deck Plaza Park along Spur 366 (Woodall Rodgers Freeway) from Pearl Street to St. Paul Street
43				8	C	WTR	\$6,354,000.00	20.78%	29.56%	Authorize a contract for the construction of energy recovery facility utilities and digester improvements at the Southside Wastewater Treatment Plant
44				Outside	C	WTR	\$1,943,125.61	0.00%	25.08%	Authorize a contract for the installation and lowering of a 48-inch water transmission main in an existing easement located in the City of Irving
45				N/A	I	SEC	NC	NA	NA	Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)
46				All	I	PBD, WTR	\$4,551,195.00	37.10%	0.00%	Authorize a thirty-six-month master agreement for the purchase of valves, accessories and parts
47				14	I	ECO	\$475,000.00	NA	NA	City Center TIF District: Authorize a development agreement with Brian Foster, for the redevelopment of 1400 Main Street, located in Tax Increment Financing Reinvestment Zone Five (City Center TIF District) and the City Center TIF District Board of Directors intent to dedicate future tax increment revenue
48				14	I	ECO	NC	NA	NA	City Center TIF District: A resolution declaring the intent of Tax Increment Financing District Reinvestment Zone Number Five (City Center TIF District) to reimburse Brian Foster, for eligible expenditures pursuant to the development agreement
49				14	I	ECO	\$9,000,000.00	NA	NA	Hall Lone Star Associates, L.P.: Authorize a development agreement with Hall Lone Star Associates, L.P., for the redevelopment of 2301 Ross Avenue (known as the Dallas Arts District Garage), located in Tax Increment Financing Reinvestment Zone Eleven (Downtown Connection TIF District); and the Downtown Connection TIF District Board of Directors intent to dedicate future tax increment revenue of the Downtown Connection TIF District
50				14	I	ECO	NC	NA	NA	Hall Lone Star Associates, L.P.: A resolution declaring the intent of Tax Increment Financing District Reinvestment Zone Number Eleven (Downtown Connection TIF District) to reimburse Hall Lone Star Associates, L.P., for eligible expenditures pursuant to the development agreement
51				14	I	ECO, EBS, DDS	REV \$100,700,000	NA	NA	Authorize an amendment to the sublease agreement dated January 23, 1986 with Metropolitan/Harbord Joint Venture, and its successor, Hall Lone Star Associates, L.P., a Texas limited partnership, for the Arts District Garage located at 2301 Ross Avenue to provide for a change in the operation of the Dallas Arts District Garage commencing on January 1, 2009, and an amendment to the Garage Lease Agreement dated January 23, 1986 to provide certain conforming changes
52				3	PH	DDS	NC	NA	NA	A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a community service center on property zoned a CR Community Retail District and an R-5(A) Single Family District on the southeast corner of Angelina Drive and North Westmoreland Road

## AGENDA DATE February 11, 2009

ITEM	IND								
#	OK	DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	DESCRIPTION
53			14	PH	DDS	NC	NA	NA	A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 1659 for an alcoholic beverage establishment use for a bar, lounge, or tavern within Planned Development District No. 619 for mixed uses, on the south side of Main Street, west of Ervay Street
54			14	PH	DDS	NC	NA	NA	A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development Subdistrict for an Animal clinic with outside run, Kennel with outside run, and LC Light Commercial Subdistrict Uses on property zoned an LC Light Commercial District Subdistrict within Planned Development District No. 193, the Oak Lawn Special Purpose District, on the northwest corner McKinney Avenue and Sneed Street with consideration being given to permitting the requested animal clinic with outside run and kennel with outside run by specific use permit
55			2, 14	PH	DDS	NC	NA	NA	A public hearing to receive comments regarding consideration of amendments to the Downtown Special Provision Sign District to allow video boards (LED signs) as premise and non-premise signs in an area generally bound by Woodall Rodgers Freeway to the north, Interstate 45/US 75 to the east, Interstate 30 to the south and Interstate 35 to the west, excluding those areas included in the West End SPSD, the Arts District SPSD, and the Farmers Market SPSD and an ordinance granting the amendments
56			14	PH	DDS	NC	NA	NA	A public hearing to receive comments regarding an application for an amendment to the provisions of the Downtown Special Provision Sign District, to create a new Subdistrict to allow for video board signs on a tract of land generally between Main Street and Elm Street west of Akard Street
57			All	PH	DDS	NC	NA	NA	A public hearing to receive comments regarding consideration of amendments to Section 51A-7.307 of the Dallas Development Code, to amend the provisions for relocation of detached non-premise signs (billboards) due to the acquisition by a governmental entity of land the sign is located on and an ordinance granting the amendments
58			6	PH	DDS	NC	NA	NA	A public hearing to receive comments on a proposed municipal setting designation to prohibit the use of groundwater as potable water beneath properties owned by I-35 Star Partners I, Ltd. and MetroTex Association of Realtors, Inc. located near the intersection of Empire Central Drive and Empress Row and adjacent street right-of-way, and an ordinance authorizing support of the issuance of a municipal setting designation to I-35 Star Partners I, Ltd. by the Texas Commission on Environmental Quality and prohibiting the use of groundwater beneath the designated property as potable water
59			3	PH	DDS	NC	NA	NA	A public hearing to receive comments on a proposed municipal setting designation to prohibit the use of groundwater as potable water beneath properties owned by Turnpike Sub, LLC; Trammell Crow Co. No. 60 LP; TDC #12, Ltd.; LIT-Deansbank No. 8; TXI Operations, LP; I-30 Distribution, LP; and Motiva Enterprises, LLC located near the intersection of La Reunion Parkway and French Settlement Road and adjacent street rights-of-way, and an ordinance authorizing support of the issuance of a municipal setting designation to Turnpike Sub, LLC; Trammell Crow Co. No. 60 LP; TDC #12, Ltd.; LIT-Deansbank No. 8; TXI Operations, LP; I-30 Distribution, LP; and Motiva Enterprises, LLC by the Texas Commission on Environmental Quality and prohibiting the use of groundwater beneath the designated property as potable water

**TOTAL      \$32,400,979.69**





**AGENDA ITEM # 2**

**KEY FOCUS AREA:** A Cleaner, Healthier City Environment

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services  
Equipment & Building Services  
Library  
Public Works & Transportation

**CMO:** Dave Cook, 670-7804  
Forest E. Turner, 670-3390  
Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** N/A

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**SUBJECT**

Authorize the purchase and installation of carpet at the J. Erik Johnson Central Public Library – Corporate Floors, Inc., lowest responsible bidder of three - Not to exceed \$186,567 - Financing: 2003 Bond Funds

**BACKGROUND**

This purchase and installation service contract will allow for the floor renovation of the L1 Level of the J. Erik Johnson Central Public Library which is the book processing, shipping, and receiving center of the entire Public Library network. The carpeting of the L1 area of the central library has not been replaced since the building was opened in 1981. This project will begin in early 2009 and services will remain uninterrupted during the renovation period. This entire level of the library will be modified in order to streamline the new book distribution and selection services processes.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 530 email bid notifications to vendors registered under the respective commodities. To further increase competition, BDPS uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the BDPS' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

**FISCAL INFORMATION**

\$186,567.08 – 2003 Bond Funds

**M/WBE INFORMATION**

- 178 - Vendors contacted
- 177 - No response
  - 1 - Response (Bid)
  - 0 - Response (No Bid)
  - 1 - Successful

530 M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution #08-2826 as amended.

**ETHNIC COMPOSITION**

Corporate Floors, Inc.

White Female	8	White Male	1
Black Female	0	Black Male	8
Hispanic Female	0	Hispanic Male	11
Other Female	0	Other Male	0

**BID INFORMATION**

The following bids were received from solicitation number BV0832 and opened on October 8, 2008. This purchase is being awarded in its entirety to the lowest responsive and responsible bidder.

\*Denotes successful bidder

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount of Bid</u></b>
*Corporate Floors, Inc.	1702 Minters Chapel Rd. Suite #116 Grapevine, TX 76051	\$186,567.08
Vector Concepts, Specialists, Inc.	3609 Conflans Irving, TX 75061	\$186,600.00
Floors, Inc.	200 Bank St. Houston, TX 77032	\$247,860.00

**OWNER**

**Corporate Floors, Inc.**

President, Thomas Holland

## **BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**

**PROJECT:** Authorize the purchase and installation of carpet at the J. Erik Johnson Central Public Library – Corporate Floors, Inc., lowest responsible bidder of three - Not to exceed \$186,567 - Financing: 2003 Bond Funds

Coporate Floors, Inc. is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

**PROJECT CATEGORY:** Other Services

### LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$186,567.08	100.00%
Total non-local contracts	\$0.00	0.00%
<b>TOTAL CONTRACT</b>	<b>\$186,567.08</b>	<b>100.00%</b>

### LOCAL/NON-LOCAL M/WBE PARTICIPATION

#### Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Corporate Floors	HOIM08435	\$186,567.08	100.00%
<b>Total Minority - Local</b>		<b>\$186,567.08</b>	<b>100.00%</b>

#### Non-Local Contractors / Sub-Contractors

None

### TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local &amp; Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$186,567.08	100.00%	\$186,567.08	100.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
<b>Total</b>	<b>\$186,567.08</b>	<b>100.00%</b>	<b>\$186,567.08</b>	<b>100.00%</b>



February 11, 2009

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

**Section 1.** That the purchase and installation of carpet at the J. Erik Johnson Central Public Library is authorized with Corporate Floors, Inc. (351674) in an amount not to exceed \$186,567.08.

**Section 2.** That the Purchasing Agent is authorized, upon appropriate requisition, to issue a purchase order for the purchase and installation of carpet at the J. Erik Johnson Central Public Library. If a formal contract is required for the purchase instead of a purchase order, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

**Section 3.** That the City Controller is authorized to disburse funds from the following appropriation, in an amount not to exceed \$186,567.08:

<u>FUND</u>	<u>DEPT</u>	<u>UNIT</u>	<u>OBJ</u>	<u>ACTV</u>	<u>AMOUNT</u>	<u>ENCUMBRANCE</u>
3R42	EBS	R662	3210	MMCF	\$186,567.08	CTEBS09R662CT15

**Section 4.** That this resolution shall 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.

**DISTRIBUTION:**

Business Development and Procurement Services, 3FN  
Equipment and Building Services, 6BN  
Dallas Public Library, 1500 Marilla St.  
Public Works and Transportation



**AGENDA ITEM # 3**

**KEY FOCUS AREA:** Public Safety Improvements and Crime Reduction

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services  
Fire

**CMO:** Dave Cook, 670-7804  
Ryan S. Evans, 670-3314

**MAPSCO:** N/A

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**SUBJECT**

Authorize the purchase of positive pressure ventilation equipment for Dallas Fire-Rescue – Metro Fire Apparatus Specialists, Inc., lowest responsible bidder of two - Not to exceed \$149,556 - Financing: Urban Area Security Initiative Grant Funds

**BACKGROUND**

This purchase will provide positive pressure ventilation (PPV) equipment that will be utilized by the Dallas Fire-Rescue. This is new equipment for Dallas Fire-Rescue and will consist of twenty-nine 18" electric portable style units and one 48" gasoline powered, trailer mounted unit. The 18" electric portable PPV and the 48" PPV are used to remove smoke, thereby increasing visibility for firefighters, improving survivability for victims and reducing property damage due to smoke. This type of equipment is used in buildings with vast open space, such as large gymnasiums, warehouses, shopping malls, convention centers and high rise buildings. The 18" electric portable unit will be used in confined spaces.

The 18" portable style PPV is equipped with some of the following features:

- roll cage design with a seven blade 18" airfoil propeller
- variable speed electric motor with direct drive
- rheostat controller
- weight 85 lbs., 18" deep X 22" wide X 20" high
- variable speed works on both 15 amp GFCI circuits and non GFCI service
- tilt control with four positions

## **BACKGROUND (Continued)**

The 48" gasoline powered PPV is trailer mounted and is equipped with some of the following features:

- 165 h.p. fuel injected engine
- fiberglass shroud, 49" I.D / 63" O.D.
- carbon fiber impeller
- performance volume, 20,000 to 250,000 cfm
- hydraulic scissor lift
- remote control
- engine cover for noise reduction
- water mist system

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 435 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the BDPS' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

## **FISCAL INFORMATION**

\$149,556.00 – Urban Area Security Initiative Grant Funds

## **M/WBE INFORMATION**

68 - Vendors contacted  
68 - No response  
0 - Response (Bid)  
0 - Response (No Bid)  
0 - Successful

435 M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution #08-2826 as amended.

**ETHNIC COMPOSITION**

Metro Fire Apparatus Specialists, Inc.

White Female	3	White Male	21
Black Female	0	Black Male	1
Hispanic Female	1	Hispanic Male	5
Other Female	0	Other Male	0

**BID INFORMATION**

The following bids were received from solicitation number BR0904 and opened on November 5, 2008. This purchase is being awarded to the lowest responsive and responsible bidder by line.

\*Denotes successful bidder

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount of Bid</u></b>
Metro Fire Apparatus Specialists, Inc.	6125 Nordling Road Houston, TX 77076	Line 1 - \$ 48,256.00 Line 2 - \$101,300.00
Municipal Emergency Services, Inc.	15865 International Plaza Houston, TX 77032	Line 1 - \$ 49,126.00 Line 2 - No Bid

**OWNER**

**Metro Fire Apparatus Specialists, Inc.**

Craig N. Russell, President  
Paulette Bazan, Secretary

## **BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**

**PROJECT:** Authorize the purchase of positive pressure ventilation equipment for Dallas Fire-Rescue – Metro Fire Apparatus Specialists, Inc., lowest responsible bidder of two - Not to exceed \$149,556 - Financing: Urban Area Security Initiative Grant Funds

Metro Fire Apparatus Specialist, Inc. is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

**PROJECT CATEGORY:** Goods

### **LOCAL/NON-LOCAL CONTRACT SUMMARY**

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$0.00	0.00%
Total non-local contracts	\$149,556.00	100.00%
<b>TOTAL CONTRACT</b>	<b>\$149,556.00</b>	<b>100.00%</b>

### **LOCAL/NON-LOCAL M/WBE PARTICIPATION**

#### **Local Contractors / Sub-Contractors**

None

#### **Non-Local Contractors / Sub-Contractors**

None

### **TOTAL M/WBE CONTRACT PARTICIPATION**

	<u>Local</u>	<u>Percent</u>	<u>Local &amp; Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	<b>\$0.00</b>	<b>0.00%</b>	<b>\$0.00</b>	<b>0.00%</b>

February 11, 2009

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

**Section 1.** That the purchase of the positive pressure ventilation equipment for the Dallas Fire-Rescue is authorized with Metro Fire Apparatus Specialists, Inc., (339015) in an amount not to exceed \$149,556.00.

**Section 2.** That the Purchasing Agent is authorized, upon appropriate requisition, to issue a purchase order for the positive pressure ventilation equipment for the Dallas Fire-Rescue. If a formal contract is required for the purchase instead of a purchase order, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

**Section 3.** That the City Controller is authorized to disburse funds from the following appropriation, in an amount not to exceed \$149,556.00:

<u>FUND</u>	<u>DEPT</u>	<u>UNIT</u>	<u>OBJ</u>	<u>AMT</u>	<u>ENCUMBRANCE</u>
F194	CMO	3280	2120	\$48,256.00	PO-DFD00000066591
F194	CMO	3280	4720	\$101,300.00	PO-DFD00000066591

**Section 4.** That this resolution shall 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.

**DISTRIBUTION:**

Business Development and Procurement Services, 3FS  
Dallas Fire-Rescue





**AGENDA ITEM # 4**

**KEY FOCUS AREA:** Public Safety Improvements and Crime Reduction

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services  
Public Works & Transportation

**CMO:** Dave Cook, 670-7804  
Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** N/A

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**SUBJECT**

Authorize a twenty-four-month master agreement for traffic signal heads, hardware and supplies - TraStar, Inc. in the amount of \$180,353, Texas Highway Products, LTD in the amount of \$135,615, Traffic Parts, Inc. in the amount of \$39,676, General Traffic Equipment, Corp. in the amount of \$29,150, and Paradigm Traffic Systems, Inc. in the amount of \$28,405, lowest responsible bidders of five - Total not to exceed \$413,199 - Financing: Current Funds

**BACKGROUND**

This twenty-four-month master agreement is for traffic signal heads, pedestrian signal heads, and related hardware. The purchases under this master agreement will be used in the construction of new traffic intersections and to upgrade or repair existing signal heads. Currently, there are approximately 1,290 signalized traffic intersections in the City.

This solicitation was structured in a manner which required bidders to submit a response using unit pricing; this bid resulted in a 16.0% increase from the previous bid in 2006.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services used its procurement system to send out 110 email bid notifications to vendors registered under respective commodities. To further increase competition, Business Development and Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the Business Development and Procurement Services' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

**PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On September 13, 2006, City Council authorized a twenty-four-month master agreement for traffic signal heads, hardware and supplies by Resolution #06-2413.

On April 14, 2004, City Council authorized a thirty-six-month master agreement for traffic signal hardware and supplies by Resolution #04-1188.

**FISCAL INFORMATION**

\$413,199.00 - Current Funds

**M/WBE INFORMATION**

- 8 - Vendors contacted
- 6 - No response
- 2 - Response (Bid)
- 0 - Response (No bid)
- 2 - Successful vendor

110 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardees have fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution #08-2826 as amended.

**ETHNIC COMPOSITION**

TraStar, Inc.

White Female	1	White Male	1
Black Female	0	Black Male	0
Hispanic Female	0	Hispanic Male	1
Other Female	2	Other Male	1

Texas Highway Products, LTD

White Female	2	White Male	8
Black Female	0	Black Male	0
Hispanic Female	2	Hispanic Male	4
Other Female	0	Other Male	0

## **ETHNIC COMPOSITION (Continued)**

### **Traffic Parts, Inc.**

White Female	3	White Male	3
Black Female	0	Black Male	0
Hispanic Female	0	Hispanic Male	0
Other Female	0	Other Male	0

### **General Traffic Equipment, Corp.**

White Female	4	White Male	1
Black Female	0	Black Male	0
Hispanic Female	9	Hispanic Male	4
Other Female	0	Other Male	0

### **Paradigm Traffic Systems, Inc.**

White Female	3	White Male	11
Black Female	1	Black Male	0
Hispanic Female	0	Hispanic Male	0
Other Female	0	Other Male	0

## **BID INFORMATION**

The following bids were received from solicitation number BA0902 and opened on October 23, 2008. This master agreement is being awarded to the lowest responsive and responsible bidders by line. Information related to this solicitation is available upon request.

\*Denotes successful bidders

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount of Bid</u></b>
*TraStar, Inc.	860 N. Dorothy Drive Suite # 600 Richardson, TX 75081	Multiple Lines
*Texas Highway Products, LTD	1309 Clark Street Round Rock, TX 78681	Multiple Lines
*Traffic Parts, Inc.	27895 Robinson Road Conroe, TX 77385	Multiple Lines
*General Traffic Equipment, Corp.	257 Broadway Newburgh, NY 12550	Multiple Lines

**BID INFORMATION (Continued)**

\*Paradigm Traffic  
Systems, Inc.

5705 Airport Freeway  
Haltom City, TX 76117

Multiple Lines

**OWNERS**

**TraStar, Inc.**

Peter Tian, President  
Lisa Lu, Treasurer/Secretary

**Texas Highway Products, LTD**

Darold R. Cherry, President  
Jeff Campbell, Vice President  
Mary Cherry, Secretary

**Traffic Parts, Inc.**

Tom Niemeyer, President  
Ken Hallock, Treasurer/Secretary

**General Traffic Equipment, Corp.**

Raymond Staffon, President  
Darcy Sarsfield, Secretary

**Paradigm Traffic Systems, Inc.**

Jackie Jameson, President

## BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

**PROJECT:** Authorize a twenty-four-month master agreement for traffic signal heads, hardware and supplies - TraStar, Inc. in the amount of \$180,353, Texas Highway Products, LTD in the amount of \$135,615, Traffic Parts, Inc. in the amount of \$39,676, General Traffic Equipment, Corp. in the amount of \$29,150, and Paradigm Traffic Systems, Inc. in the amount of \$28,405, lowest responsible bidders of five - Total not to exceed \$413,199 - Financing: Current Funds

TraStar, Inc. is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce. Texas Highway Products, LTD is a non-local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce. Traffic Parts, Inc., General Traffic Equipment, Corp., and Paradigm Traffic Systems, Inc. are non-local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforces.

**PROJECT CATEGORY:** Goods

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### LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$180,353.00	43.65%
Total non-local contracts	\$232,846.00	56.35%
<b>TOTAL CONTRACT</b>	<b>\$413,199.00</b>	<b>100.00%</b>

### LOCAL/NON-LOCAL M/WBE PARTICIPATION

#### Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
TraStar, Inc.	PMMB37418N0509	\$180,353.00	100.00%
<b>Total Minority - Local</b>		<b>\$180,353.00</b>	<b>100.00%</b>

#### Non-Local Contractors / Sub-Contractors

<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Texas Highway Products, LTD	WFWB35549N1108	\$135,615.00	58.24%
<b>Total Minority - Non-local</b>		<b>\$135,615.00</b>	<b>58.24%</b>

**TOTAL M/WBE CONTRACT PARTICIPATION**

	<b><u>Local</u></b>	<b><u>Percent</u></b>	<b><u>Local &amp; Non-Local</u></b>	<b><u>Percent</u></b>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$180,353.00	100.00%	\$180,353.00	43.65%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$135,615.00	32.82%
Total	<u>\$180,353.00</u>	<u>100.00%</u>	<u>\$315,968.00</u>	<u>76.47%</u>

February 11, 2009

**WHEREAS**, on April 14, 2004, City Council authorized a thirty-six-month master agreement for traffic signal hardware and supplies by Resolution #04-1188; and,

**WHEREAS**, on September 13, 2006, City Council authorized a twenty-four-month master agreement for traffic signal heads, hardware and supplies by Resolution #06-2413;

**NOW, THEREFORE,**

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

**Section 1.** That a master agreement for the purchase of traffic signal heads, hardware and supplies is authorized with TraStar, Inc. (VS0000009871) in the amount of \$180,353.00, Texas Highway Products, LTD (515889) in the amount of \$135,615.00, Traffic Parts, Inc. (254147) in the amount of \$39,676.00, General Traffic Equipment, Corp. (506443) in the amount of \$29,150.00, and Paradigm Traffic Systems, Inc. (344177) in the amount of \$28,405.00 for a term of twenty-four months in a total amount not to exceed \$413,199.00.

**Section 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for traffic signal heads, hardware and supplies. If a written contract is required or requested for any or all purchases of traffic signal heads, hardware and supplies under the master agreement instead of individual purchase orders, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

**Section 3.** That the City Controller is authorized to disburse funds in an amount not to exceed \$413,199.00.

**Section 4.** That this resolution shall 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.

**DISTRIBUTION:**

Business Development and Procurement Services, 3FS  
Public Works & Transportation





**AGENDA ITEM # 5**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services  
Human Resources

**CMO:** Dave Cook, 670-7804  
Mary K. Suhm, 670-5306

**MAPSCO:** N/A

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**SUBJECT**

Authorize a thirty-six-month service contract for volunteer coordinator services - Volunteer Center of North Texas, lowest responsible bidder of two - Not to exceed \$301,450 - Financing: Current Funds (subject to annual appropriations)

**BACKGROUND**

This service contract will provide volunteer services that will supplement and support various City departments in general duties and special events. The function of the volunteer coordinator is to manage and maintain the program by placing the best qualified volunteers with the requesting department or event. This program will also give residents an opportunity to become involved in City operation, learn how City services work, and make meaningful contributions to the City's departments. This program will not replace existing employees, but provide an increase in the level of service the City is able to provide to the residents of Dallas.

The Volunteer Center of North Texas, in collaboration with Human Resources staff will manage the volunteer coordination program utilizing a database for availability and placement of volunteers. The Volunteer Center of North Texas will provide each volunteer with a copy of the City's policies and guidelines. This joint effort will ensure the success of a Citywide coordination with a comprehensive plan that includes recruiting, background checks, training and placing interested volunteers.

Approximately 15,300 volunteers have worked over 158,000 hours, with an approximate value of \$19.51 an hour, for a benefit to the City of over 3 million dollars. These volunteers support City departments and special events, such as the Mayor's Back-to-School Fair at which several hundred volunteers helped distribute much needed school supplies.

## **BACKGROUND (Continued)**

The volunteers also played a major part in the City's emergency response to Hurricanes Gustav and Ike in 2008 and Hurricanes Katrina and Rita in 2005. The volunteers helped establish call centers, field operations and worked with the volunteer management system to refer individuals and groups to specific services.

This solicitation was structured in a manner which required bidders to submit a response using unit pricing; this bid resulted in a 17% increase over comparable unit prices for the bid awarded in 2005.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services used its procurement system to send out 54 email bid notifications to vendors registered under respective commodities. To further increase competition, Business Development and Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the Business Development and Procurement Services' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On November 9, 2005, City Council authorized a thirty-six-month service contract for volunteer coordinator services by Resolution #05-3301.

## **FISCAL INFORMATION**

\$301,449.40 - Current Funds (subject to annual appropriations)

## **M/WBE INFORMATION**

12 - Vendors contacted  
12 - No response  
0 - Response (Bid)  
0 - Response (No Bid)  
0 - Successful

54 M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution #08-2826 as amended.

## **ETHNIC COMPOSITION**

### **Volunteer Center of North Texas**

White Female	11	White Male	5
Black Female	8	Black Male	1
Hispanic Female	6	Hispanic Male	0
Other Female	0	Other Male	1

## **BID INFORMATION**

The following bids were received from solicitation number BM0908 and were opened on November 20, 2008. This service contract is being awarded in its entirety to the lowest responsive and responsible bidder.

\*Denotes successful bidder

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount of Bid</u></b>
*Volunteer Center of North Texas	2800 Live Oak St. Dallas, TX 75204	\$301,449.40
Gemstone Management & Consulting, LLC	12864 Biscayne Blvd. #344 Miami, FL 33181	\$416,000.00

## **OWNER**

### **Volunteer Center of North Texas**

Robert Dyer, President  
John Withers, Jr., Vice President  
Peter Lewis, Secretary  
Debbie Jackson, Treasurer

## **BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**

**PROJECT:** Authorize a thirty-six-month service contract for volunteer coordinator services - Volunteer Center of North Texas, lowest responsible bidder of two - Not to exceed \$301,450 - Financing: Current Funds (subject to annual appropriations)

Volunteer Center of North Texas is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

**PROJECT CATEGORY:** Other Services

### **LOCAL/NON-LOCAL CONTRACT SUMMARY**

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$301,449.40	100.00%
Total non-local contracts	\$0.00	0.00%
<b>TOTAL CONTRACT</b>	<b>\$301,449.40</b>	<b>100.00%</b>

### **LOCAL/NON-LOCAL M/WBE PARTICIPATION**

#### **Local Contractors / Sub-Contractors**

None

#### **Non-Local Contractors / Sub-Contractors**

None

### **TOTAL M/WBE CONTRACT PARTICIPATION**

	<u>Local</u>	<u>Percent</u>	<u>Local &amp; Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$0.00	0.00%	\$0.00	0.00%

February 11, 2009

**WHEREAS**, on November 9, 2005, City Council authorized a thirty-six-month service contract for volunteer coordinator services by Resolution #05-3301;

**NOW, THEREFORE,**

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

**Section 1.** That the City Manager is authorized to execute a service contract with Volunteer Center of North Texas (262154) for volunteer coordinator services for a term of thirty-six months, in an amount not to exceed \$301,449.40, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Volunteer Center of North Texas shall be based only on the amount of the services directed to be performed by the City and properly performed by Volunteer Center of North Texas under the contract.

**Section 2.** That the City Controller is authorized to disburse funds from the following appropriation in an amount not to exceed \$301,449.40 (subject to annual appropriations):

<u>FUND</u>	<u>DEPT</u>	<u>UNIT</u>	<u>OBJECT</u>	<u>AMOUNT</u>
0001	PER	1432	3099	\$301,449.40

**Section 4.** That this resolution shall 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.

**DISTRIBUTION:**

Business Development and Procurement Services, 3FS  
Human Resources



**KEY FOCUS AREA:** A Cleaner, Healthier City Environment

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services  
Equipment & Building Services  
Fire  
Park & Recreation  
Police

**CMO:** Dave Cook, 670-7804  
Forest E. Turner, 670-3390  
Ryan S. Evans, 670-3314  
Paul D. Dyer, 670-4071

**MAPSCO:** N/A

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**SUBJECT**

Authorize a thirty-six-month service contract for cleaning City-owned parking lots – Commercial Environmental Solutions, Inc., lowest responsible bidder of nine - Not to exceed \$459,149 - Financing: Current Funds (subject to annual appropriations)

**BACKGROUND**

This service contract for parking lot cleaning will be used for the sweeping, scraping and high pressure washing of City-owned parking lots. This service contract requires the reclaiming and proper disposal of the waste water in accordance with federal, state and local requirements regarding environmental protection. Dirt, debris and fluids from personal vehicles, service vehicles and heavy equipment accumulate in parking lots, service center lots, and under certain circumstances, sidewalks and other paved areas which require periodic cleaning.

Paved areas owned by the City to be cleaned under this service contract include:

- Dallas Fire-Rescue training and maintenance facility
- Zoo
- Fair Park
- athletic fields
- golf courses
- service centers
- municipal buildings

## **BACKGROUND (Continued)**

The use of environmentally friendly Green Seal certified cleaning products and supplies was a requirement in the specifications. Further, when additional products become certified, the vendor is required to use those products.

This solicitation was structured in a manner which required bidders to submit a response using unit pricing; this bid resulted in a 42.5% savings over comparable unit prices for the bid awarded in 2008.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 130 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the BDPS' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On February 13, 2008 City Council authorized a thirty-six-month service contract for parking lot cleaning by Resolution #08-0388.

On September 28, 2005, City Council authorized a thirty-six-month service contract for parking lot cleaning by Resolution #05-2774.

On May 12, 2004, City Council authorized a thirty-six-month service contract for parking lot cleaning by Resolution #04-1545.

## **FISCAL INFORMATION**

\$459,148.40 - Current Funds (subject to annual appropriations)

## **M/WBE INFORMATION**

24 - Vendors contacted  
23 - No Response  
1 - Response (Bid)  
0 - Response (No bid)  
0 - Successful

130 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution #08-2826 as amended.



## **ETHNIC COMPOSITION**

### **Commercial Environmental Solutions, Inc.**

White Female	4	White Male	31
Black Female	0	Black Male	0
Hispanic Female	0	Hispanic Male	1
Other Female	0	Other Male	0

## **BID INFORMATION**

The following bids were received from solicitation number BL0903 and were opened on November 19, 2008. This service contract is being awarded in its entirety to the lowest responsive and responsible bidder.

\*Denotes successful bidder

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount of Bid</u></b>
*Commercial Environmental Solutions, Inc.	5501 FM 637 Corsicana, TX 75109	\$459,148.40
Harman Commercial Services	9405 Buxhill Dr. Dallas, TX 75238	\$588,892.33
Advanced Enterprises, Inc.	101 California St. San Francisco, CA 94111	\$700,681.35
AOT Contractor	11904 Hoblitzelle Dr. Dallas, TX 75243	\$755,075.18
H & W Cleaning Systems, Inc.	13575 Goldmark St. Dallas, TX 75240	\$781,361.55
Midwest Services, Inc.	1104 Dallas Rd. Grapevine, TX 76051	\$787,839.71
MDR Commercial Services	P. O. Box 2272 Rockwall, TX 75087	\$4,216,892.00
Environmental Industries LP	1425 Billy Mitchell Dr. Addison, TX 75001	\$4,417,278.25
Procure Services LLC	515 Woodacre Dr. Dallas, TX 75241	\$8,443,983.15

**OWNER**

**Commercial Environmental Solutions, Inc.**

Nick Richardson, President  
Barry Bancroft, Vice-President

## **BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**

**PROJECT:** Authorize a thirty-six-month service contract for cleaning City owned parking lots – Commercial Environmental Solutions, Inc., lowest responsible bidder of nine - Not to exceed \$459,149 - Financing: Current Funds (subject to annual appropriations)

Commercial Environmental Solutions, Inc. is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

**PROJECT CATEGORY:** Other Services

### **LOCAL/NON-LOCAL CONTRACT SUMMARY**

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$0.00	0.00%
Total non-local contracts	\$459,148.40	100.00%
<b>TOTAL CONTRACT</b>	<b>\$459,148.40</b>	<b>100.00%</b>

### **LOCAL/NON-LOCAL M/WBE PARTICIPATION**

#### **Local Contractors / Sub-Contractors**

None

#### **Non-Local Contractors / Sub-Contractors**

None

### **TOTAL M/WBE CONTRACT PARTICIPATION**

	<u>Local</u>	<u>Percent</u>	<u>Local &amp; Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$0.00	0.00%	\$0.00	0.00%



February 11, 2009

**WHEREAS**, on May 12, 2004, City Council authorized a thirty-six-month service contract for parking lot cleaning by Resolution #04-1545; and,

**WHEREAS**, on September 28, 2005, City Council authorized a thirty-six-month service contract for parking lot cleaning by Resolution #05-2774; and,

**WHEREAS**, on February 13, 2008, City Council authorized a thirty-six-month service contract for parking lot cleaning by Resolution #08-0388;

**NOW, THEREFORE,**

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

**Section 1.** That the City Manager is authorized to execute a service contract with Commercial Environmental Solutions, Inc. (VS0000038232) for cleaning City owned parking lots for a term of thirty-six months in an amount not to exceed \$459,148.40, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Commercial Environmental Solutions, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by Commercial Environmental Solutions, Inc. under the contract.

**Section 2.** That the City Controller is authorized to disburse funds from the following in an amount not to exceed \$459,148.40 (subject to annual appropriations):

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Obj</u>	<u>Amount</u>
0001	POM	1233	3099	\$459,148.40

**Section 3.** That this resolution shall 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.

**DISTRIBUTION:**

Business Development and Procurement Services, 3FS  
Equipment & Building Services  
Fire  
Park & Recreation  
Police



**AGENDA ITEM # 7**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services  
Water Utilities

**CMO:** Dave Cook, 670-7804  
Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** N/A

---

**SUBJECT**

Authorize **(1)** the rejection of bids received for a service contract for a pilot program project for protective lining for manholes and other sewer structures for Water Utilities; and **(2)** the re-advertisement for new bids - Financing: No cost consideration to the City

**BACKGROUND**

Bids were advertised on October 9 and 16, 2008, for a pilot program for protective lining for manholes and other sewer structures. The closing date was extended by an additional week to allow for greater participation, and bids were opened November 6, 2008. After reviewing the bids, one bid was deemed non-responsive and the other bid exceeded the projected budget amount. Water Utilities and Business Development & Procurement Services determined it would be more advantageous to the City to reject the responsive bids and re-advertise for new bids.

In order to meet the projected budget the quantity of the estimated linear footage to be repaired for manholes and other sewer structures will be adjusted. Water Utilities will be re-evaluating strategies to help determine how to best address this need.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

**FISCAL INFORMATION**

No cost consideration to the City.





February 11, 2009

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

**Section 1.** That the bids received for the pilot program project for protective lining for manholes and other sewer structures for Water Utilities is hereby rejected and the re-advertisement for new bids is hereby authorized.

**Section 2.** That this resolution shall 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.

**DISTRIBUTION:**

Business Development & Procurement Services  
Water Utilities



**AGENDA ITEM # 8**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** City Attorney's Office  
Police

**CMO:** Thomas P. Perkins, Jr., 670-3491  
Ryan S. Evans, 670-3314

**MAPSCO:** N/A

---

**SUBJECT**

Authorize settlement of the lawsuit styled Jedd Champion v. City of Dallas and Yolanda Cotton, Cause No. 08-01344-K - Not to exceed \$50,000 - Financing: Current Funds

**BACKGROUND**

Plaintiff is represented by the Law Offices of Terry Hyatt, P.C.

**PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

Council was briefed in Closed Session on February 4, 2009.

**FISCAL INFORMATION**

Funding for this item is budgeted in the current fiscal year.

\$50,000 - Current Funds



February 11, 2009

**WHEREAS**, a lawsuit styled Jedd Champion v. City of Dallas and Yolanda Cotton, Cause No. 08-01344-K, was filed by Plaintiff seeking compensation from the City of Dallas for alleged bodily injuries sustained in an automobile accident on August 9, 2006, involving a Dallas Police Department vehicle; and

**WHEREAS**, Plaintiff, Jedd Champion, through his attorney, Law Offices of Terry Hyatt, P.C., has agreed to settle this lawsuit for the amount of \$50,000; **Now, Therefore**,

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

**SECTION 1.** That the settlement of the lawsuit styled Jedd Champion v. City of Dallas and Yolanda Cotton, Cause No. 08-01344-K, in an amount not to exceed \$50,000 is hereby approved.

**SECTION 2.** That the City Controller is authorized to pay to Jedd Champion and the Law Offices of Terry Hyatt, P.C., the amount of \$50,000 from Fund 0192, Department ORM, Unit 3890, Obj. 3521, Vendor CTATT001.

**SECTION 3.** That this resolution shall 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.



**AGENDA ITEM # 9**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** City Attorney's Office  
Police

**CMO:** Thomas P. Perkins, Jr., 670-3491  
Ryan S. Evans, 670-3314

**MAPSCO:** N/A

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**SUBJECT**

Authorize settlement of the lawsuit styled Jose Montiel v. City of Dallas, Cause No. 08-03043-D - Not to exceed \$40,000 - Financing: Current Funds

**BACKGROUND**

Plaintiff is represented by the law firm of Salinas & Legere, P.C.

**PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

Council was briefed in Closed Session on February 4, 2009.

**FISCAL INFORMATION**

Funding for this item is budgeted in the current fiscal year.

\$40,000 - Current Funds





February 11, 2009

**WHEREAS**, a lawsuit styled Jose Montiel v. City of Dallas, Cause No. 08-03043-D, was filed by Plaintiff seeking compensation from the City of Dallas for alleged bodily injuries sustained in an automobile accident on April 3, 2006, involving a Dallas Police Department vehicle; and

**WHEREAS**, Plaintiff, Jose Montiel, through his attorney, Salinas & Legere, P.C., has agreed to settle this lawsuit for the amount of \$40,000; **Now, Therefore**,

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

**SECTION 1.** That the settlement of the lawsuit styled Jose Montiel v. City of Dallas, Cause No. 08-03043-D, in an amount not to exceed \$40,000 is hereby approved.

**SECTION 2.** That the City Controller is authorized to pay to Jose Montiel and Salinas & Legere, P.C., the amount of \$40,000 from Fund 0192, Department ORM, Unit 3890, Obj. 3521, Vendor CTATT001.

**SECTION 3.** That this resolution shall 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.



**AGENDA ITEM # 10**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** City Attorney's Office  
Water Utilities

**CMO:** Thomas P. Perkins, Jr., 670-3491  
Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** N/A

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**SUBJECT**

Authorize settlement of the lawsuit styled Webb Ruff, Sherika Royal, and Rosalyn Bell v. City of Dallas, Cause No. 08-10618-C - Not to exceed \$27,000 - Financing: Current Funds

**BACKGROUND**

Plaintiffs are represented by Jay Murray of Murray & Pelletier.

**PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

Council was briefed in Closed Session on February 4, 2009.

**FISCAL INFORMATION**

Funding for this item is budgeted in the current fiscal year.

\$27,000 - Current Funds



February 11, 2009

**WHEREAS**, a lawsuit styled Webb Ruff, Sherika Royal, and Rosalyn Bell v. City of Dallas, Cause No. 08-10618-C, was filed by Plaintiffs seeking compensation from the City of Dallas for alleged bodily injuries sustained in an automobile accident on April 22, 2007, involving a Water Utilities Department vehicle; and

**WHEREAS**, Plaintiffs, Webb Ruff, Sherika Royal and Rosalyn Bell, through their attorney, Murray & Pelletier, have agreed to settle this lawsuit for the amount of \$27,000; **Now, Therefore**,

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

**SECTION 1.** That the settlement of the lawsuit styled Webb Ruff, Sherika Royal, and Rosalyn Bell v. City of Dallas, Cause No. 08-10618-C, in an amount not to exceed \$27,000 is hereby approved.

**SECTION 2.** That the City Controller is authorized to pay to Webb Ruff and Murray & Pelletier, the amount of \$11,500 from Fund 0192, Department ORM, Unit 3890, Obj. 3521, Vendor CTATT001.

**SECTION 3.** That the City Controller is authorized to pay to Sherika Royal and Murray & Pelletier, the amount of \$9,000 from Fund 0192, Department ORM, Unit 3890, Obj. 3521, Vendor CTATT001.

**SECTION 4.** That the City Controller is authorized to pay to Rosalyn Bell and Murray & Pelletier, the amount of \$6,500 from Fund 0192, Department ORM, Unit 3890, Obj. 3521, Vendor CTATT001.

**SECTION 5.** That this resolution shall 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.



**AGENDA ITEM # 11**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** City Attorney's Office

**CMO:** Thomas P. Perkins, Jr., 670-3491

**MAPSCO:** N/A

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**SUBJECT**

Authorize Supplemental Agreement No. 1 to the appraisal services contract with the real estate appraisal firm of Integra Realty Resources DFW, LLP, for additional services necessary in the lawsuit styled AHF Community Development, LLC v. City of Dallas, et al., Cause No. 3:06-CV-1035-D - Not to exceed \$128,300, from \$18,000 to \$146,300 - Financing: Current Funds

**BACKGROUND**

On July 10, 2007, pursuant to Administrative Action No. 07-1948, the City entered into an appraisal services contract with the real estate appraisal firm of Integra Realty Resources DFW, LLP, in an amount not to exceed \$18,000 to provide real estate appraisal review services in the lawsuit styled AHF Community Development, LLC v. City of Dallas, et al., Cause No. 3:06-CV-1035-D.

**PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

Council was briefed in Closed Session on February 4, 2009.

**FISCAL INFORMATION**

\$128,300 – Current Funds

**M/WBE INFORMATION**

The recommended awardee has fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution #08-2826 as amended.

**ETHNIC COMPOSITION**

**Integra Realty Resources DFW, LLP**

White Male	37	White Female	17
African-American Male	0	African-American Female	1
Hispanic Male	0	Hispanic Female	1
Other Male	0	Other Female	0

**OWNER**

**Integra Realty Resources DFW, LLP**

Mark R. Lamb, Managing Director



## **BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**

**PROJECT:** Authorize Supplemental Agreement No. 1 to the appraisal services contract with the real estate appraisal firm of Integra Realty Resources DFW, LLP, for additional services necessary in the lawsuit styled AHF Community Development, LLC v. City of Dallas, et al., Cause No. 3:06-CV-1035-D - Not to exceed \$128,300, from \$18,000 to \$146,300 - Financing: Current Funds

Integra Realty Resources DFW, LLP is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

**PROJECT CATEGORY:** Other Services

### **LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY**

	<u>Amount</u>	<u>Percent</u>
Local contracts	\$128,300.00	100.00%
Non-local contracts	\$0.00	0.00%
<b>TOTAL THIS ACTION</b>	<b>\$128,300.00</b>	<b>100.00%</b>

### **LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION**

#### **Local Contractors / Sub-Contractors**

None

#### **Non-Local Contractors / Sub-Contractors**

None

### **TOTAL M/WBE PARTICIPATION**

	<u>This Action</u>		<u>Participation to Date</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	\$0.00	0.00%	\$0.00	0.00%



February 11, 2009

**WHEREAS**, on July 10, 2007, pursuant to Administrative Action No. 07-1948, the City entered into an appraisal services contract with the real estate appraisal firm of Integra Realty Resources DFW, LLP, to provide real estate appraisal review services in the lawsuit styled AHF Community Development, LLC v. City of Dallas, et al., Civil Action No. 3:06-CV-1035-D, in an amount not to exceed \$18,000; and

**WHEREAS**, the appraisal review services of Integra Realty Resources DFW, LLP, continue to be necessary in this lawsuit; **Now, Therefore,**

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

**SECTION 1.** That, following approval as to form by the City Attorney, the City Manager is hereby authorized to enter into Supplemental Agreement No. 1 to the appraisal services contract with Integra Realty Resources DFW, LLP, for additional services necessary in the lawsuit styled AHF Community Development, LLC v. City of Dallas, et al., Civil Action No. 3:06-CV-1035-D, in an amount not to exceed \$128,300, increasing the original contract, as supplemented, from \$18,000 to \$146,300.

**SECTION 2.** That the City Controller is authorized to disburse additional periodic payments in an amount not to exceed \$128,300 to Integra Realty Resources DFW, LLP, in accordance with the terms of the contract and Supplemental Agreement No. 1, from Fund 0192, Department ORM, Unit 3890, Obj. 3070, Encumbrance No. ATT389009C017, Vendor No. 351511.

**SECTION 3.** That this resolution shall 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.



**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 6  
**DEPARTMENT:** Department of Development Services  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 23T

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**SUBJECT**

Authorize acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from Barbosa Family Partners, Ltd. of approximately 814 square feet of unimproved land located near the intersection of Brockbank Drive and Bynum Avenue for the Brockbank Drive Street Improvements Project - \$8,208 (\$7,221 plus closing costs not to exceed \$987) - Financing: 2006 Bond Funds

**BACKGROUND**

This item authorizes the acquisition of approximately 814 square feet of unimproved land. This property will be used for paving, drainage, water and wastewater improvements to Brockbank Drive from Lombardy Lane to Wheelock Street. The consideration is based upon an independent appraisal.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

**FISCAL INFORMATION**

2006 Bond Funds - \$8,208

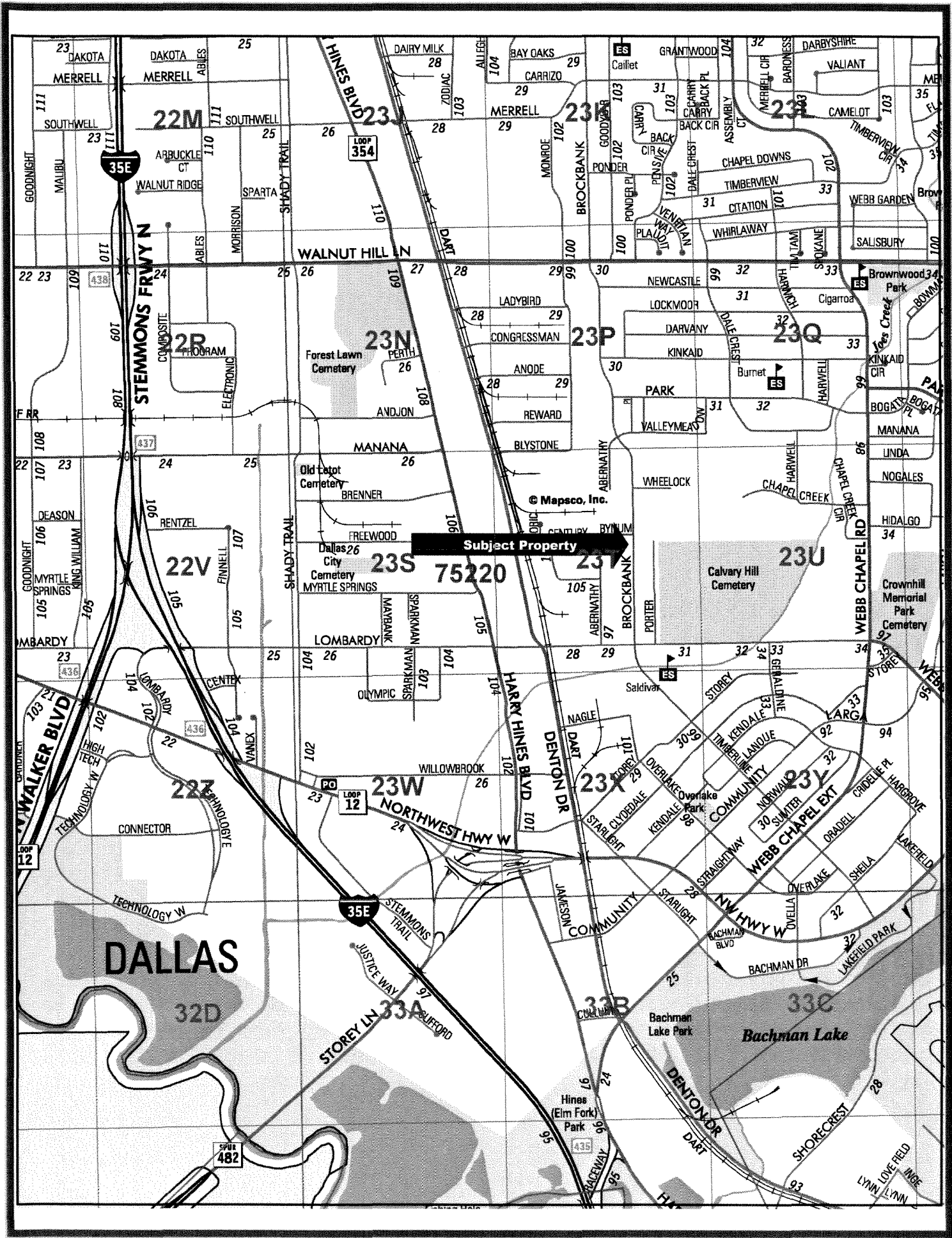
**OWNERS**

**Barbosa Family Partners, Ltd.**

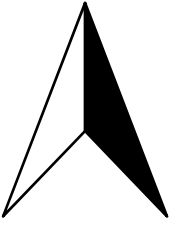
Frank Andrew Barbosa, General Partner

**MAPS**

Attached



N



2A/6451

Bynum Avenue

Abernathy Avenue

Brockbank Drive

Wheelock Street

Lombardy Lane



= Subject property





February 11, 2009

**A RESOLUTION DETERMINING UPON THE NECESSITY OF ACQUIRING REAL PROPERTY AND AUTHORIZING ITS APPROPRIATION AND/OR CONDEMNATION FOR A MUNICIPAL PURPOSE AND PUBLIC USE.**

**DEFINITIONS:** For the purposes of this resolution, the following definitions of terms shall apply:

"CITY": The City of Dallas.

"PROPERTY": The tracts or parcels of land described in "Exhibit A", attached hereto and made a part hereof for all purposes.

"PROJECT": Brockbank Drive Street Improvements project

"PROPERTY INTEREST": Fee Simple

"OFFER AMOUNT": \$7,221

"CLOSING COSTS": Not to exceed \$987

"AUTHORIZED AMOUNT": \$8,208

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

**SECTION 1.** That the PROJECT is a municipal and public purpose and a public use.

**SECTION 2.** That public necessity requires that the CITY acquire the PROPERTY INTEREST in the PROPERTY for the PROJECT.

**SECTION 3.** That for the purpose of acquiring the PROPERTY INTEREST in the PROPERTY, the Assistant Director of the Development Services Department, Real Estate Division, or such person as she may designate, is hereby authorized and directed to offer the OFFER AMOUNT as payment for the PROPERTY INTEREST in the PROPERTY.

**SECTION 4.** That in the event the OWNER accepts the OFFER AMOUNT, the City Controller is authorized and directed to draw a warrant in favor of the OWNER, the then current owner of record, or the title company closing the transaction described herein in the OFFER AMOUNT and CLOSING COSTS payable out of Street and Transportation Improvements Fund, Fund No. 6T22, Department PBW, Unit U777, Activity THRF, Program No. PB06U777, Object 4250, Encumbrance No. CT-DEVU777DM91. The OFFER AMOUNT - \$7,221 and the CLOSING COSTS - \$987 together shall not exceed the AUTHORIZED AMOUNT - \$8,208.

February 11, 2009

**SECTION 5.** That the CITY is to have possession of the PROPERTY at closing; and the CITY will pay any title expenses and closing costs. In the event of condemnation the CITY will pay court costs as may be assessed by the Special Commissioners or the court. Further, that litigation expenses determined by the City Attorney to be necessary are authorized for payment. All costs and expenses described in this section shall be paid from the previously described funds.

**SECTION 6.** That if the OWNER refuses to accept the OFFER AMOUNT the CITY will appropriate the PROPERTY INTEREST in the PROPERTY for the PROJECT under the laws of eminent domain and the provisions of the Charter of the City of Dallas. In such case, the City Attorney is authorized and requested to file the necessary suit(s) and take the necessary action for the prompt acquisition of the PROPERTY INTEREST in the PROPERTY by condemnation or in any manner provided by law.

**SECTION 7.** That in the event it is subsequently determined that additional persons other than those named herein have an interest in the PROPERTY, the City Attorney is authorized and directed to join said parties as defendants in said condemnation suit(s).

**SECTION 8.** That in the event the Special Commissioners in Condemnation appointed by the Court return an award that is the same amount or less than the OFFER AMOUNT, the City Attorney is hereby authorized to settle the lawsuit for that amount and the City Controller is hereby authorized to issue a check drawn on the previously described funds in an amount not to exceed the Commissioners' award made payable to the County Clerk of Dallas County, to be deposited into the registry of the Court, to enable the CITY to take possession of the PROPERTY without further action of the Dallas City Council.

**SECTION 9.** That this resolution shall take effect immediately from and after its passage as provided in the Charter of the City of Dallas.

**APPROVED AS TO FORM:**  
**THOMAS P. PERKINS, JR., City Attorney**

By:   
**Assistant City Attorney**

# Exhibit "A"

## FIELD NOTES DESCRIBING LAND TO BE ACQUIRED BY THE CITY OF DALLAS IN BLOCK 2A/6451 FROM BARBOSA FAMILY PARTNERS FOR AN EASEMENT FOR THE WIDENING OF BROCKBANK DRIVE

**ALL THAT** certain lot, tract or parcel of land lying and being situated in the City and County of Dallas, Texas and being more particularly described as follows:

**BEING** a 824 Sq. Ft. tract of land situated in the James Shelby Survey, Abstract No. 1354 in the City of Dallas, Dallas County, Texas, and being a portion of Block 6451, official City of Dallas Block Numbers, and being a portion of that tract conveyed in a Special Warranty Deed to F.A. Barbosa, Jr. and Janet Barbosa, recorded in Volume 96103, Page 2725, Deed Records, Dallas County, Texas (DRDCT) and being more particularly described as follows:

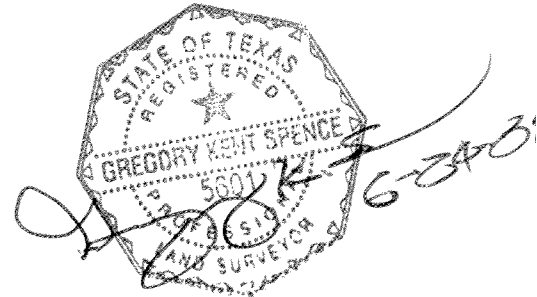
**BEGINNING** at a 1/2 inch iron rod found at the existing Western Right of Way line of Brockbank Drive (50' R.O.W.), said point also being the Southeast corner of an 11.79 acres tract of land as conveyed in a Special Warranty Deed to D.I.S.D, Dr. Larry Groppel, recorded in Volume 200600050106, (DRDCT);

**THENCE** North 89°34'23" East with said existing Western Right of Way line of Brockbank Drive, a distance of 5.14 feet to a point for corner;

**THENCE** South 00°31'10" East, continuing with said existing Western Right of Way line of Brockbank Drive, a distance of 101.16 feet to a point for corner, said point being the Northeast corner of a tract of land as described in Warranty Deed for Westbank Limited, and recorded in Volume 79242, Page 2207 (DRDCT), Texas;

**THENCE** South 88°43'50" West, leaving said existing Western Right of Way line of Brockbank Drive, a distance of 8.14 feet to a 5/8 inch iron rod with a red plastic cap stamped "City of Dallas" (hereinafter referred as "with cap") set for a corner;

**THENCE** North 00°31'10" West, a distance of 101.28 feet to a 5/8 inch iron rod with cap set for a corner;



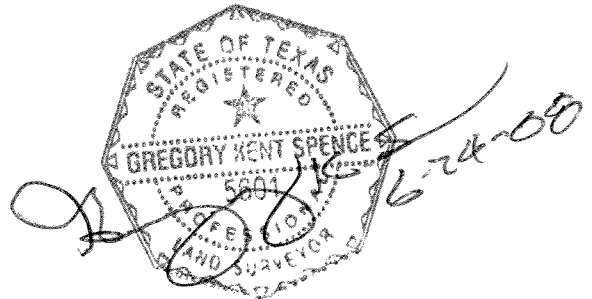
# Exhibit "A"

## FIELD NOTES DESCRIBING LAND TO BE ACQUIRED BY THE CITY OF DALLAS IN BLOCK 2A/6451 FROM BARBOSA FAMILY PARTNERS FOR AN EASEMENT FOR THE WIDENING OF BROCKBANK DRIVE

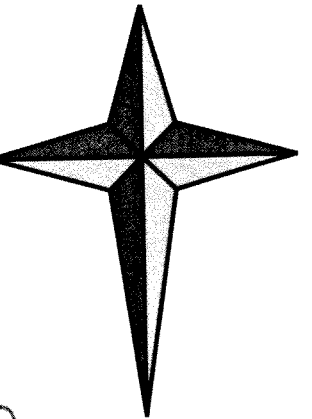
**THENCE** North 89°34'23" East, a distance of 3.00 feet to a 1/2 inch iron rod found and the **POINT OF BEGINNING**.

**SAID** tract containing 0.019 acres (824 Sq. Ft.) of land.

**BASIS OF BEARING:** Bearings are based on field observations using the North Texas Cooperative Real Time Kinematic Virtual Reference Station Global Positioning System survey instruments and procedures, North American Datum of 1983.



# Exhibit "A"



N

BARBOSA FAMILY PARTNERS  
Vol. 96103, Pg. 2725

WALTON SQUARE, Vol. 1985  
68178, Pg. 1985  
3

BROCKBANK DRIVE

WHEELOCK DRIVE

18

19

14

10

BLOCK  
6454

9

3 OF 3

### LEGEND



AREA TO BE ACQUIRED



RIGHT-OF-WAY BOUNDARY



ADDITION BOUNDARY

LOT BOUNDARY



**AGENDA ITEM # 13**

**KEY FOCUS AREA:** Better Cultural, Arts and Recreational Amenities

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 12

**DEPARTMENT:** Department of Development Services  
Park & Recreation  
Public Works & Transportation

**CMO:** A. C. Gonzalez, 671-8925  
Paul D. Dyer, 670-4071  
Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** 6J

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**SUBJECT**

Authorize **(1)** a Purchase Contract with the Trust for Public Land for acquisition of two tracts of land totaling approximately 3 acres located near Dickerson Street and the Dallas Area Rapid Transit right-of-way tracks for the Dickerson Street Project at a specific purchase price, and **(2)** the acquisition of these two tracts for the Dickerson Street Project from The Trust for Public Land - \$4,430,000 (\$4,400,000 plus closing costs not to exceed \$30,000) – Financing: 2003 Bond Funds (\$452,108), 2006 Bond Funds (\$3,977,892).

**BACKGROUND**

This item authorizes (1) a Purchase Contract; and (2) the acquisition of two tracts of land for the Dickerson Street Project. The property will serve as a neighborhood park where there is currently a service gap, a future trail head, and possibly a satellite maintenance service center. This property represents approximately 40 percent of the land that has been identified for a future park. Additional land acquisition will be required to complete the assemblage for this future park site.

Approximately 8,408 square feet of the subject property will be reserved for realignment and improvements to Dickerson Street. Accordingly, the Public Works and Transportation Department will participate in the cost of this acquisition in the amount of \$241,982 which represents the pro-rata cost for the Dickerson Street project.

The City will acquire this property from the Trust for Public Land who has acquired, or has received an option to acquire the land from JB&C - Dickerson, L.P. in advance of availability of the City's bond funds.

## **BACKGROUND (continued)**

The property currently contains a commercial building with several leases. The City will maintain leases on the property until such time as additional land is acquired and is developed for park purposes.

The Trust for Public Land is a non profit organization whose mission is to assist in the acquisition of land for public use. The Trust for Public Land assists local governments in preserving property that is needed for public use, when acquisition by the local government cannot occur immediately. The Trust for Public Land acquires property and holds it for exclusive purchase by the local government at a later date when funding is available. This enables the local government to preserve a property from outside development as well as protect against inflation by agreeing to a pre-determined purchase price.

The City has worked with the Trust for Public Land on past projects, including the Pacific Plaza project and the Southern White Rock Creek Greenbelt project.

The dedication of this property as officially dedicated park land is not recommended to occur until such time as all land is acquired for this project and is developed for park purposes.

The total consideration for this acquisition is \$4,400,000 based on an independent appraisal, plus closing costs.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Briefed to Park Board on December 4, 2008

## **FISCAL INFORMATION**

2003 Bond Funds - \$452,108.02

2006 Bond Funds - \$3,977,891.98 (\$3,947,891.98, plus closing costs not to exceed \$30,000)



## **OWNERS**

### **The Trust for Public Land**

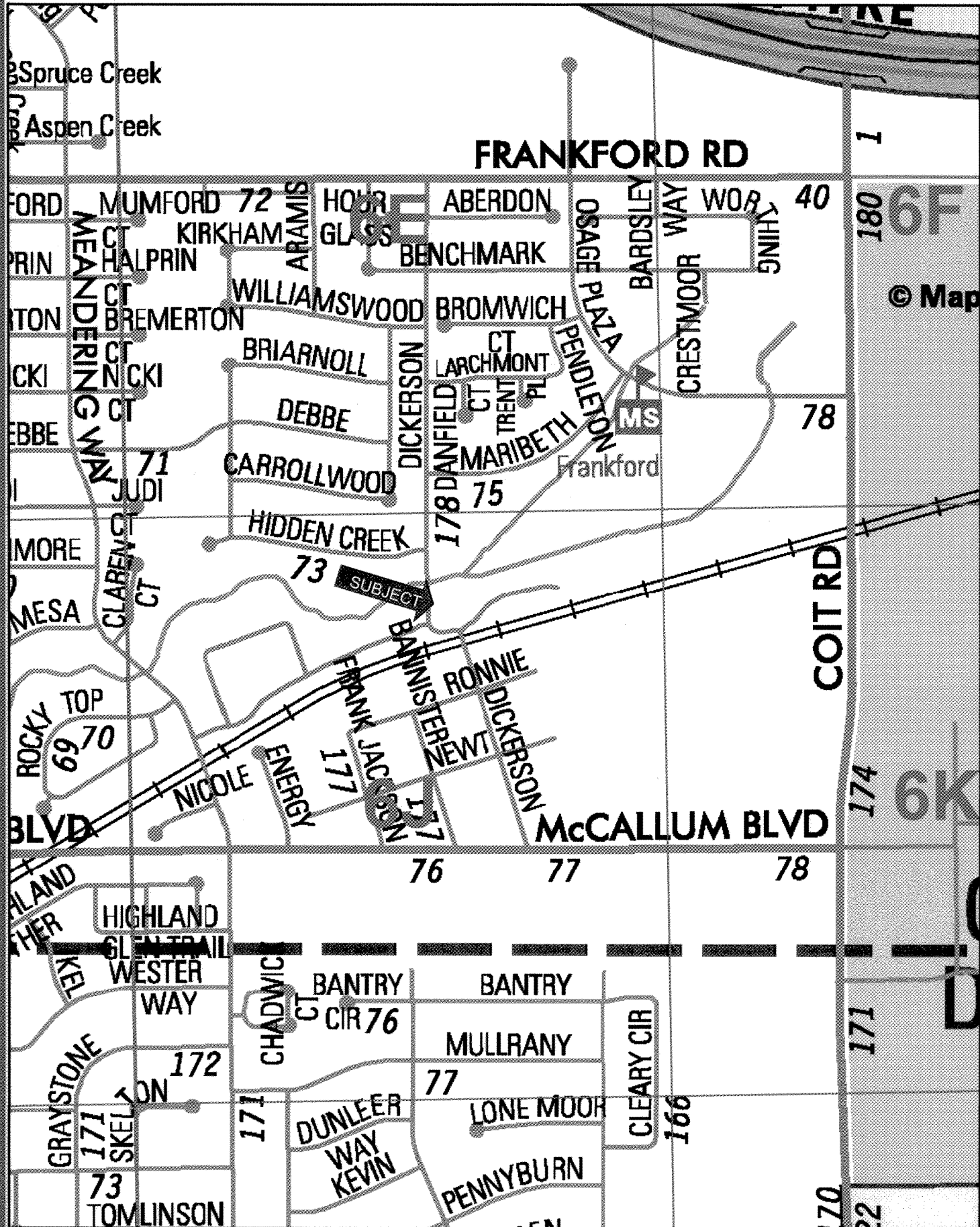
William B. Rogers, President  
Felicia Marcus, Executive Vice-President  
Bowen Blair, Senior Vice-President  
D. Ernest Cook, Senior Vice-President  
Alan Front, Senior Vice-President  
Rose Harvey, Senior Vice-President  
Reed Holderman, Senior Vice-President  
Nelson J. Lee, Senior Vice-President  
Cynthia Scherer, Senior Vice-President  
Cynthia M. Whiteford, Senior Vice-President

### **JB&C - Dickerson, L.P.**

JB&C - Dickerson Management, LLC, General Partner  
John C. Caruth, Manager  
John W. Bass, Manager

## **MAPS**

Attached





Dickerson Street

Tract 2

Tract 1  
11/8725

Dickerson Street

 Site



February 11, 2009

**A RESOLUTION DETERMINING UPON THE NECESSITY OF ACQUIRING REAL PROPERTY AND AUTHORIZING ITS APPROPRIATION AND/OR CONDEMNATION FOR A MUNICIPAL PURPOSE AND PUBLIC USE.**

**DEFINITIONS:** For the purposes of this resolution, the following definitions of terms shall apply:

"CITY": The City of Dallas.

"PROPERTY": The tracts or parcels of land described in "Exhibit A", attached hereto and made a part hereof for all purposes. There is approximately 8,408 square feet of land being acquired that is designated for street purposes for the planned realignment and improvements to Dickerson Street.

"PROJECT": Dickerson Street Project

"PROPERTY INTEREST": Fee Simple

"OWNER": The Trust for Public Land, provided, however, that the term "OWNER" as used in this resolution means all persons having an ownership interest, regardless of whether those persons are actually named herein.

"OFFER AMOUNT": \$ 4,400,000

"CLOSING COSTS": \$ 30,000

"AUTHORIZED AMOUNT": \$4,430,000

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

**SECTION 1.** That the PROJECT is a municipal and public purpose and a public use.

**SECTION 2.** That public necessity requires that the CITY acquire the PROPERTY INTEREST in the PROPERTY for the PROJECT.

**SECTION 3.** That for the purpose of acquiring the PROPERTY INTEREST in the PROPERTY, the Assistant Director of the Development Services Department, Real Estate Division, or such person as she may designate, is hereby authorized and directed to offer the OFFER AMOUNT as payment for the PROPERTY INTEREST in the PROPERTY.

February 11, 2009

**SECTION 4.** That in the event the OWNER accepts the OFFER AMOUNT, the City Controller is authorized and directed to draw a warrant in favor of the OWNER, or the then current owner of record, the transaction described herein in the OFFER AMOUNT payable out of 2003 Bond Funds: \$309,416.02, Fund No. 4R05, Department PKR, Unit K211, Activity PKLA, Program No. PK06T214, Object 4210; \$92,472, Fund No. 5R05, Department PKR, Unit K211, Activity PKLA, Program No. PK06T214, Object 4210; \$50,220 Fund No. 6R05, Department PKR, Unit K211, Activity PKLA, Program No. PK06T214, Object 4210; and 2006 Bond Funds: \$1,500,000, Fund No. 8T00, Department PKR, Unit T214, Activity PKLA, Program No. PK06T214, Object 4210; \$2,074,626, Fund No. 7T00, Department PKR, Unit T215, Activity PKLA, Program No. PK06T214, Object 4210; \$131,283.98 Fund No. 8T00, Department PKR, Unit T215, Activity PKLA, Program No. PK06T214, Object 4210, Encumbrance No. PKR09019032.

**SECTION 5.** That in the event the OWNER accepts the OFFER AMOUNT, the City Controller is authorized and directed to draw a warrant in favor of the OWNER, or the then current owner of record, the transaction described herein in the OFFER AMOUNT payable out of 2006 Bond Funds: \$241,982, Fund No. 7T22, Department PBW, Unit U761, Activity TGTN, Program No. PB06U761, Object 4210, Encumbrance No. DEVU777DM92.

**SECTION 6.** That in the event the OWNER accepts the OFFER AMOUNT, the City Controller is authorized to draw a warrant in favor of the title company closing the transaction described above, in the amount of the CLOSING COSTS, payable out of Park and Recreation Funds: \$30,000, Fund No. 8T00, Department PKR, Unit T215, Activity PKLA, Object 4230, Program No. PK06T214, Encumbrance No. PKR09019032. The OFFER AMOUNT and the CLOSING COSTS together shall not exceed the AUTHORIZED AMOUNT.

**SECTION 7.** That any and all proceeds that may accrue from the property to be deposited to Fund 0530 Capital, gifts, donations, and development, Department PKR, Unit P516, Activity RFSI, Revenue Source 8471 for future land acquisition and development of the park.

**SECTION 8.** That the CITY is to have possession of the PROPERTY at closing; and the CITY will pay any title expenses and closing costs. In the event of condemnation the CITY will pay court costs as may be assessed by the Special Commissioners or the court. Further, that litigation expenses determined by the City Attorney to be necessary are authorized for payment. All costs and expenses described in this section shall be paid from the previously described funds.

February 11, 2009

**SECTION 9.** That if the OWNER refuses to accept the OFFER AMOUNT the CITY will appropriate the PROPERTY INTEREST in the PROPERTY for the PROJECT under the laws of eminent domain and the provisions of the Charter of the City of Dallas. In such case, the City Attorney is authorized and requested to file the necessary suit(s) and take the necessary action for the prompt acquisition of the PROPERTY INTEREST in the PROPERTY by condemnation or in any manner provided by law.

**SECTION 10.** That in the event it is subsequently determined that additional persons other than those named herein have an interest in the PROPERTY, the City Attorney is authorized and directed to join said parties as defendants in said condemnation suit(s).


**SECTION 11.** That in the event the Special Commissioners in Condemnation appointed by the Court return an award that is the same amount or less than the OFFER AMOUNT, the City Attorney is hereby authorized to settle the lawsuit for that amount and the City Controller is hereby authorized to issue a check drawn on the previously described funds in an amount not to exceed the Commissioners' award made payable to the County Clerk of Dallas County, to be deposited into the registry of the Court, to enable the CITY to take possession of the PROPERTY without further action of the Dallas City Council.

**SECTION 12.** The use and dedication of Property as an officially dedicated municipal park is not approved until such time as all of the property is acquired and developed for park purposes.

**SECTION 13.** That approximately 8,408 square feet of land, as shown in Exhibit B, is reserved for street purposes and will not be subject to use for park purposes.

**SECTION 14.** That this resolution shall 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.

**APPROVED AS TO FORM:**  
**THOMAS P. PERKINS, JR., City Attorney**

BY   
**Assistant City Attorney**

# EXHIBIT A

**Field Notes Describing an 11,613 Square Foot, or 0.267 Acre Tract of Land  
to Be Acquired in Block 11/8725  
From  
JB&C Dickerson, L.P.**

All that tract, or parcel of land begin situated in the Collin County School Land Survey, Abstract Number 169, Collin County, Texas, and being all of the land conveyed to JB&C-Dickerson, L.P. by Special Warranty Deed with Vendor's Lien dated December 29, 2004 and recorded in Volume 5884, Page 2979 of the Deed Records of Collin County, and being more particularly described as follows:

**BEGINNING** at a ½ inch dia. steel rod found in the North Right-of-Way line of Dickerson Street, at the Southeast corner of this tract, being also the most Westerly Southwest corner of Lot 3, Block 11/8725 of the Morse Addition, an addition to the City of Dallas, as shown on the plat thereof recorded in Volume K, Page 38 of the Plat Records of Collin County:

**THENCE** S 76°43'05" W with the said North line of Dickerson Street a distance of 45.73 feet to a 5/8" dia. steel rod with cap marked "DALLAS" (hereafter referred to as "5/8" steel rod w/cap) set at the Southwest corner of this tract, at an inside corner of said Dickerson Street Right-of-Way:

**THENCE** N 0°51'42" W with the East line of Dickerson Street a distance of 252.26 feet to the Northwest corner of this tract, in the center of a creek (unable to monument):

**THENCE** N 89°12'53" E, departing the last said Easterly line of Dickerson Street, a distance of 48.57 feet to a 5/8" steel rod w/cap set at the Northeast corner of this tract:

**THENCE** S 0°47'07" E a distance of 52.64 feet to a 5/8" steel rod found at the Northwest corner of the above said Lot 3, Block 11/8725 of the Morse Addition:

**THENCE** S 0°17'50" W with the West line of said Lot 3 a distance of 189.76 feet to the **POINT OF BEGINNING**, containing 0.267 acres of land.

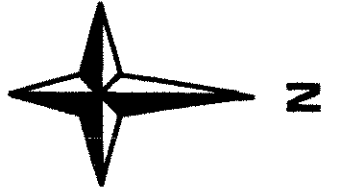
**BASIS OF BEARINGS:** Bearings are based on the West line of Lot 3, Block 11/8725 of the Morse Addition, at N 00°17'50" E, as shown on the plat thereof recorded in Volume K, Page 38 of the Plat Records of Collin County, Texas.



*Scott Holt*  
12-08



# EXHIBIT A



**Dickerson St.**  
(60' R.O.W.)

*Plano Independent School District  
Clerk's File 96-0095043*

*JB&C Dickerson, L.P.  
Volume 05145, Page 1907  
Platted 3.24 Acres*

**MORSE ADDITION**  
Volume K, Page 38  
Collin County Plat Records

**BLOCK  
198725**

**LOT 3**

*BSFR Enterprises LLC  
Vol. 4760, Pg. 2103*

**LOT 4**

*JB&C Dickerson, L.P.  
Vol. 5884, pg. 2979  
11,613 Sq. Ft.  
(0.267 Acres)*

*Dallas Area Rapid Transit  
Vol. 3424, pg. 126*

**Dickerson St.**  
(60' R.O.W.)

Found  
CONCRETE  
MONUMENT  
and POINT OF  
BEGINNING

Found  
CONCRETE  
MONUMENT

Found  
CONCRETE  
MONUMENT

*Bellar Communications, Inc.  
Volume 2581, Page 353*

*Dallas Area Rapid Transit  
Vol. 3424, pg. 126  
Vol. 100' R.O.W.*

**Area To Be Acquired**

**LOCATOR MAP**

Sheet 2 of 2

**JB&C DICKERSON, L.P.**

Project #FB174083

Dickerson St. @ D.A.R.T. Line

DEPT. OF PUBLIC WORKS & TRANSPORTATION

SURVEY DIVISION CITY OF DALLAS, TEXAS

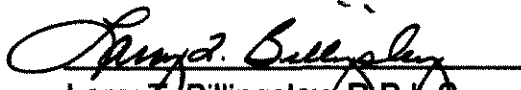
DATE	1-18-08
BY	J. Hoek
CHECKED	S. Hoek
PROJECT	BLOCK 198725
FILE NO.	044D-35A

# EXHIBIT A

**Field Notes Describing Land to Be Acquired In Block 11/8725  
From  
JB&C Dickerson, L.P.**

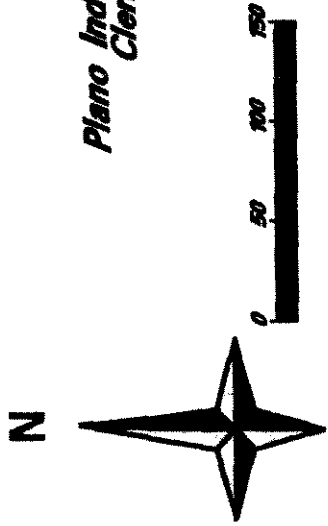
Being situated in the Collin County School Land Survey, Abstract Number 169, Collin County, Texas, and being all of Lot 3, Block 11/8725, of the Morse Addition, an addition to the City of Dallas, recorded in Volume K, Page 38, Plat Records of Collin County, and being a part of the property conveyed to JB&C Dickerson, L.P., by Warranty Deed With Vendor's Lien, dated April 1, 2002, and recorded in Volume 5145, Page 1907, Deed Records of Collin County, and containing 3.24 acres of land, based on survey results and said Morse Addition Plat.

This description is approved as to form.

  
Larry Billingsley, R.P.L.S.  
Chief City Surveyor

01-17-08  
Date

Plano Independent School District  
Clerk's File 96-0095043



JB&C Dickerson, L.P.  
Vol. 5884, Pg. 2979

MORSE ADDITION  
Volume K, Page 38  
Collin County Plat Records

JB&C Dickerson, L.P.  
Volume 05145, Page 1907  
Platted 3.24 Acres

Bellar Communications, Inc.  
Volume 2581, Page 353

Dallas Area Rapid Transit  
Vol. 3424, Pg. 126

Area To Be Acquired

LOCATOR MAP

Sheet 2 of 2

JB&C DICKERSON, L.P.

Project #P8174093

Dickerson St. @ D.A.R.T. Line

DEPT. OF PUBLIC WORKS & TRANSPORTATION  
SURVEY DIVISION CITY OF DALLAS, TEXAS

OPERNAME	DESIGN FILE NAME	SCALE	DATE
S. HAR	P:\MORSE\ADD\LOCATOR\Map Addn Plat.dwg	As Platted	1-17-08
PNRTY CRFB	CALCULATIONS	PLOTTED	FILE NO.
J. Scambler	S. HAR	BLOCK 116725	0440-35

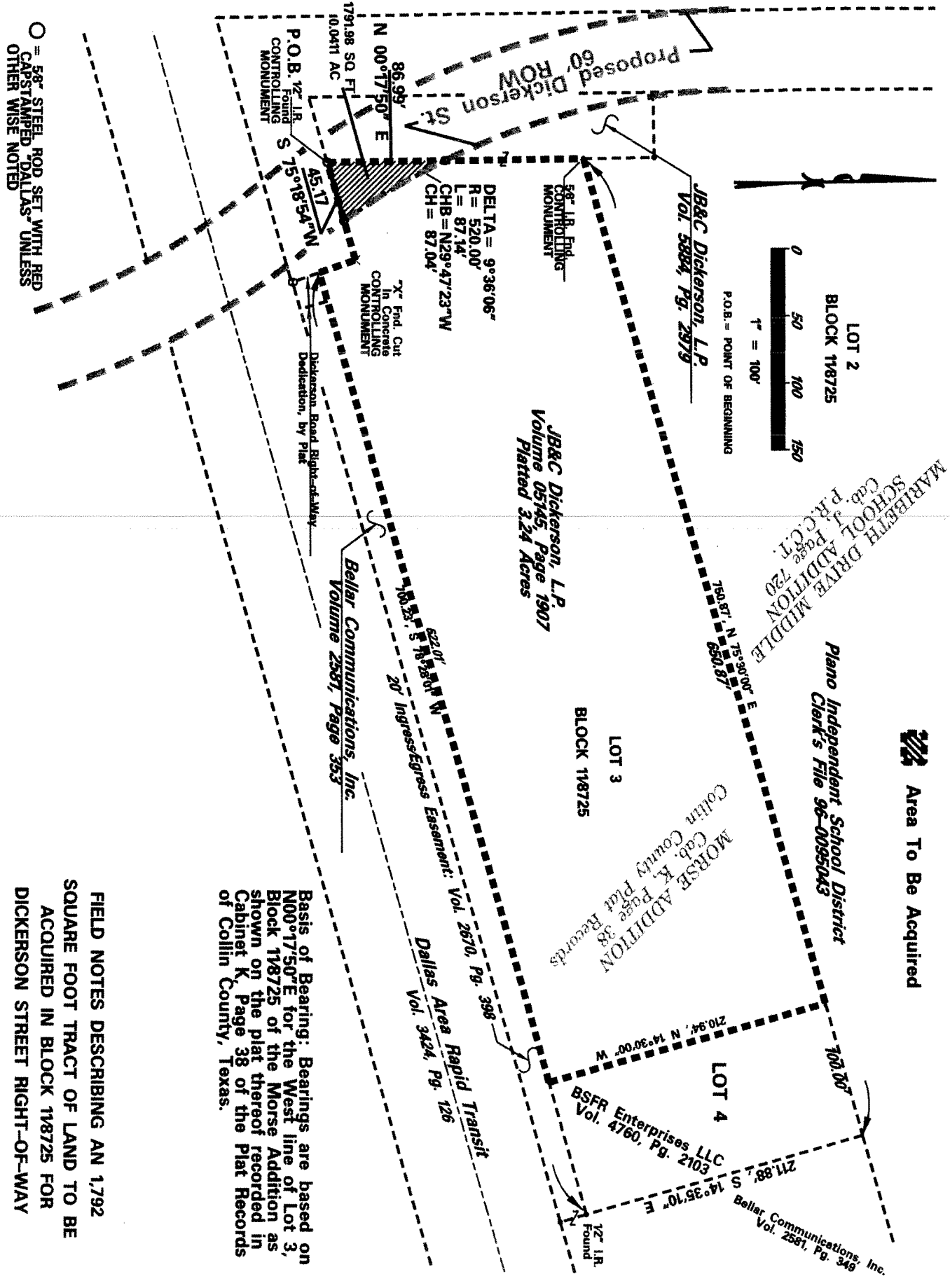
Dickerson St.

Dickerson St.

Dallas Area Rapid Transit  
Vol. 3424, Pg. 126

EXHIBIT A

EXHIBIT B



**Area To Be Acquired**

Plano Independent School District  
Clerk's File 96-0095043

MARIBETH DRIVE MIDDLE SCHOOL ADDITION  
Cab. J. Page 720  
P.R.C.C.M.

MORSE ADDITION  
Collin County Plat Records  
Cab. K. Page 38

JB&C Dickerson, L.P.  
Vol. 5884, Pg. 2979

JB&C Dickerson, L.P.  
Volume 05145, Page 1907  
Platted 3.24 Acres

BSFR Enterprises LLC  
Vol. 4760, Pg. 2103

Bellar Communications, Inc.  
Vol. 2581, Pg. 349

Dallas Area Rapid Transit  
Vol. 3424, Pg. 126

Bellar Communications, Inc.  
Volume 2581, Page 353

Basis of Bearing: Bearings are based on N00°17'50"E for the West line of Lot 3, Block 118725 of the Morse Addition as shown on the plat thereof recorded in Cabinet K, Page 38 of the Plat Records of Collin County, Texas.

FIELD NOTES DESCRIBING AN 1,792 SQUARE FOOT TRACT OF LAND TO BE ACQUIRED IN BLOCK 118725 FOR DICKERSON STREET RIGHT-OF-WAY

○ = 58" STEEL ROD SET WITH RED CAPSTAMPED DALLAS UNLESS OTHERWISE NOTED

EXHIBIT B



○ = 5/8" STEEL ROD WITH REDCAP  
 STAMPED (DALLAS) UNLESS  
 OTHER WISE NOTED



Area To Be Acquired



Plano Independent School District  
 Clerk's File 96-0095043

MARLBOROUGH DRIVE MIDDLE  
 SCHOOL ADDITION  
 Cad. P.R.C.O.C.T. Page 720

MORSE ADDITION  
 Cad. P.R.C.O.C.T. Page 38

BSFR Enterprises LLC  
 Vol. 4760, Pg. 2103

BLOCK 8758

Proposed Dickerson St.  
 (60' R.O.W.)

LOT 2  
 BLOCK 118725

LOT 3  
 BLOCK 118725

LOT 4

JB&C Dickerson, A.P.  
 Vol. 5884, Pg. 2919

JB&C Dickerson, L.P.  
 Volume 05145, Page 1907  
 Platted 3.24 Acres

DELTA = 5°24'13"  
 R = 580.00'  
 L = 54.70'  
 CH = 54.68'  
 CHB = N29°53'51"W

DELTA = 18°01'08"  
 R = 520.00'  
 L = 163.53'  
 CH = 162.96'  
 CHB = S16°13'26"E

6,616 SQ FT  
 0.1519 AC

12" I.R. Fnd. CONTROLING MONUMENT and POINT OF BEGINNING

5/8" I.R. Fnd. CONTROLING MONUMENT

3" Fnd. Cut In Concrete CONTROLING MONUMENT

Dickerson Road Right-of-Way

Beller Communications, Inc.  
 Volume 2581, Page 353

Dallas Area Rapid Transit  
 Vol. 3424, Pg. 126

Basis of Bearing: Bearings are based on N00°17'50"E for the West line of Lot 3, Block 118725 of the Morse Addition as shown on the plat thereof recorded in Cabinet K, Page 38 of the Plat Records of Collin County, Texas.

FIELD NOTES DESCRIBING A 6,616 SQUARE FOOT TRACT OF LAND TO BE ACQUIRED IN BLOCK 118725 FOR DICKERSON STREET RIGHT-OF-WAY



**AGENDA ITEM # 14**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** Outside City Limits

**DEPARTMENT:** Department of Development Services  
Water Utilities

**CMO:** A. C. Gonzalez, 671-8925  
Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** N/A

---

**SUBJECT**

Authorize settlement in lieu of proceeding with condemnation of 2 tracts of land containing a total of approximately 5 acres from Family Design Homes, Inc., dba, Forney Building & Mortgage, located in Kaufman County for the Lake Tawakoni 144-inch Pipeline - \$358,820 (\$351,020 plus closing costs not to exceed \$7,800) - Financing: Water Utilities Capital Construction Funds

**BACKGROUND**

This item authorizes a settlement for the acquisition of a total of approximately 5 acres for the construction of a 144-inch raw water transmission line for the Lake Tawakoni pipeline. This settlement will allow acquisition of the property without resorting to condemnation proceedings.

This acquisition is part of the Lake Fork Project currently underway by Dallas Water Utilities which will allow the construction of a third pipeline from Lake Tawakoni to the Tawakoni Balancing Reservoir, and then to the Eastside Water Treatment Plant. Ultimately, a new 144-inch pipeline will be placed parallel to the existing 72-inch and 84-inch pipelines. The construction of the third pipeline from Lake Tawakoni to Dallas will allow capacity for Lake Fork to supply water to meet current City needs and future water demands.

**PRIOR ACTION / REVIEW (COUNCIL BOARDS, COMMISSIONS)**

Authorized acquisition on December 12, 2007, by Resolution No. 07-3776

**FISCAL INFORMATION**

Water Utilities Capital Construction Funds - \$358,820 (\$351,020 plus closing costs not to exceed \$7,800)

**OWNER**

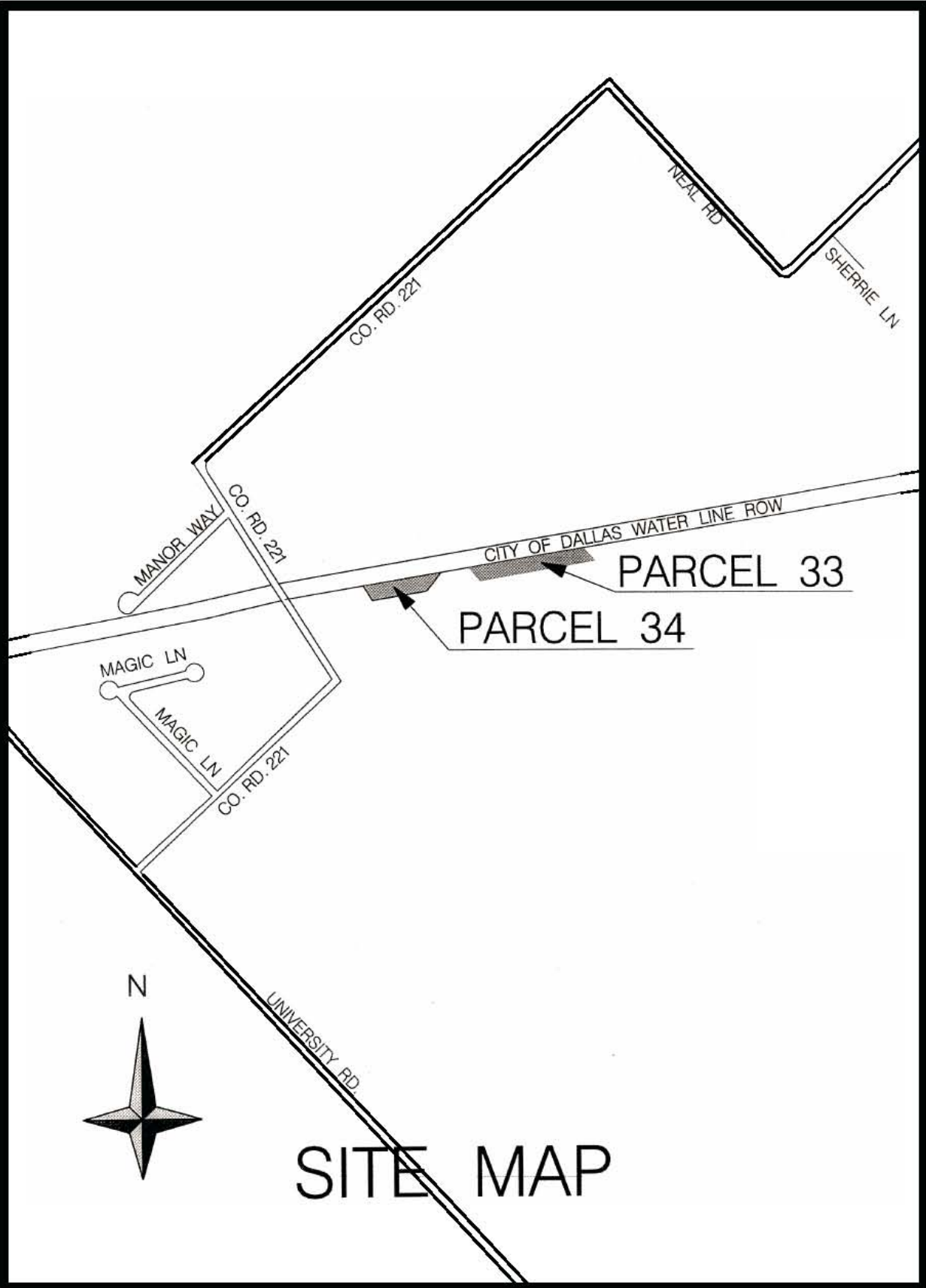
**Family Design Homes, Inc., dba, Forney Building & Mortgage**

Paula Martin, President

**MAPS**

Attached





CO. RD. 221

NEAL RD

SHERRIE LN

MANOR WAY  
CO. RD. 221

CITY OF DALLAS WATER LINE ROW

PARCEL 33

PARCEL 34

MAGIC LN  
MAGIC LN  
CO. RD. 221

UNIVERSITY RD



SITE MAP



February 11, 2009

**WHEREAS**, the Dallas City Council by the FIRST RESOLUTION authorized acquisition, by purchase and/or eminent domain, of the INTERESTS in the PROPERTY held by OWNER for the PROJECT (all said capitalized terms being defined below); and

**WHEREAS**, OWNER has refused the official offer as authorized by the FIRST RESOLUTION; and

**WHEREAS**, OWNER and the City of Dallas desire to settle in lieu of proceeding further with condemnation proceedings: **Now, Therefore,**

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

**SECTION 1.** That the following definitions shall apply to this resolution:

FIRST RESOLUTION: Resolution No. 07-3776 approved by the Dallas City Council on December 12, 2007

PROJECT: Lake Tawakoni 144-inch Raw Water Transmission Pipeline

OWNER: Family Design Homes, Inc., dba Forney Building & Mortgage, provided, however, that the term "OWNER" as used in this resolution means all persons having an ownership interest, regardless of whether those persons are actually named herein.

INTERESTS: Fee Simple

PROPERTY: Approximately 5 acres located in Kaufman County, and being the same property more specifically described as Exhibit A in the FIRST RESOLUTION.

IMPROVEMENTS: NONE

CONSIDERATION: \$358,820

**SECTION 2.** That in lieu of proceeding further with condemnation proceedings, the City Manager is authorized to acquire the INTERESTS in the PROPERTY and IMPROVEMENTS from OWNER for the CONSIDERATION after approval of same as to form by the City Attorney.

**SECTION 3.** That the City will have possession at closing and will pay all closing costs and title expenses.

February 11, 2009

**SECTION 4.** That the City Controller is authorized to draw checks for the CONSIDERATION, closing costs and title expenses, payable out of Water Utilities Capital Construction Funds, Fund 0102, Dept. DWU, Unit CW20, Activity RWPT, Object 4210, Program 704041, CT-DWU704041CG, and said payment shall be delivered to a title insurance company after evidence of satisfactory title has been provided to and approved by the City Attorney. The OFFER AMOUNT - \$351,020 and the CLOSING COSTS - \$7,800 together shall not exceed the AUTHORIZED AMOUNT- \$358,820.

**SECTION 5.** That appropriate acquisition instruments be forwarded to a title insurance company for preparation of the necessary documents for closing, which shall be forwarded to the City Attorney for review and approval as to form and, subsequent to closing, filed with the County Clerk and returned, along with the original Owner's Policy of Title Insurance, to the City Secretary for permanent record.

**SECTION 6.** That this resolution shall 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.

**APPROVED AS TO FORM:  
THOMAS P. PERKINS, CITY ATTORNEY**

BY: \_\_\_\_\_

**Assistant City Attorney**

**FIELD NOTES**  
**DESCRIBING A TRACT OF LAND TO BE ACQUIRED FOR THE RIGHT-OF-  
 WAY FOR THE LAKE TAWAKONI RAW WATER TRANSMISSION MAIN**  
**KAUFMAN COUNTY, TEXAS**  
**Parcel: 33**

BEING a 2.692 acre tract of land in the Ruth Peckum Survey, Abstract No. 374, and being located in Kaufman County, Texas, and being a portion of a tract of land described in Warranty Deed (Cash) to Family Design Homes, Inc. dba Forney Building & Mortgage, dated November 9, 2005, as recorded in Volume 2771, Page 482 of the Deed Records of Kaufman County, Texas (D.R.K.C.T.), and being more particularly described as follows:

COMMENCING at a 5/8-inch found iron rod for the south corner of said Forney Building & Mortgage tract;

THENCE North 45 degrees 51 minutes 00 seconds West, passing at a distance of 63.02 feet the east corner of a tract of land described in Trustees' Deed to the Levorsen Living Trust, et al., dated October 20, 1997, as recorded in Volume 1280, Page 786, D.R.K.C.T., and continuing along the common line between said Levorsen Living Trust tract and said Forney Building & Mortgage tract for a total distance of 1,821.47 feet to a 1/2-inch set iron rod with a red plastic cap stamped "DAL-TECH" (hereinafter referred to as "with cap") for the POINT OF BEGINNING;

THENCE North 45 degrees 51 minutes 00 seconds West, continuing along said common line, a distance of 152.76 feet to a 1/2-inch set iron rod with cap for the intersection of said common line with the southeast line of a City of Dallas Water Line Right-of-Way (130 feet wide) as recorded in Volume 437, Page 270, and in Volume 444, Page 404, and in Volume 444, Page 413, and in Volume 444, Page 407, D.R.K.C.T., said corner being North 75 degrees 49 minutes 44 seconds East, a distance of 35.33 feet from a found broken concrete monument on the southeast line of said City of Dallas Water Line Right-of-Way, and said corner being North 75 degrees 49 minutes 44 seconds East, a distance of 1,376.24 feet from a found P.K. Nail at the intersection of the southeast line of said City of Dallas Water Line Right-of-Way with the center of Kaufman County Road No. 221 (unrecorded right-of-way), said point also being South 45 degrees 51 minutes 00 seconds West, a distance of 20.83 feet from a found broken concrete monument;

THENCE North 75 degrees 49 minutes 44 seconds East, along the southeast line of said City of Dallas Water Line Right-of-Way, a distance of 902.18 feet to a 1/2-inch set iron rod with cap for the intersection of the northeast line of said Forney Building & Mortgage tract with the southeast line of said City of Dallas Water Line Right-of-Way, said point being the west corner of a tract of land described in General Warranty Deed (Cash) to George C. Martin, dated August 29, 1996, as recorded in Volume 1225, Page 682, D.R.K.C.T.;

THENCE South 45 degrees 44 minutes 48 seconds East, departing the southeast line of said City of Dallas Water Line Right-of-Way and along the common line between the northeast line of said Forney Building & Mortgage tract and the southwest line of said George C. Martin tract, a distance of 152.59 feet to a 1/2-inch set iron rod with cap for corner, said corner being North 45 degrees 44 minutes 48 seconds West, a distance of 1,348.55 feet from a 1/2-inch found iron rod with a plastic cap stamped "RPS 3935 DCA" for the south corner of said George C. Martin tract and the east corner of said Forney Building & Mortgage tract;

REVIEWED BY *Don H. Gould*  
10-25-07

FIELD NOTES  
DESCRIBING A TRACT OF LAND TO BE ACQUIRED FOR THE RIGHT-OF-  
WAY FOR THE LAKE TAWAKONI RAW WATER TRANSMISSION MAIN  
KAUFMAN COUNTY, TEXAS

Parcel: 33

THENCE South 75 degrees 49 minutes 44 seconds West, departing said common line and crossing said Forney Building & Mortgage tract and along a line parallel with and 130 feet perpendicularly distant southeast from the southeast line of said City of Dallas Water Line Right-of-Way, a distance of 901.86 feet to the POINT OF BEGINNING AND CONTAINING 117,263 square feet or 2.692 acres of land, more or less.

All bearings for this tract refer to the NAD-83 Texas State Plane Coordinate System, North Central Zone 4202, according to measurements made at NGS continuously operating reference stations Collin CORS ARP, Dallas CORS ARP, Kaufman CORS ARP, Tyler CORS ARP, and Paris CORS ARP. The Kaufman County scale factor of 1.000114077 as published by the Texas Department of Transportation, Dallas District was used for this project.

A plat of even survey date herewith accompanies this legal description.

Company Name: DAL-TECH Engineering, Inc.

By: [Signature] Date: 10-19-07

Surveyor's Name: Mark D. Yale  
Registered Professional Land Surveyor  
Texas No. 5975



REVIEWED BY [Signature]  
10-22-07

REVIEWED BY *Dr. H. Good*  
10-29-07

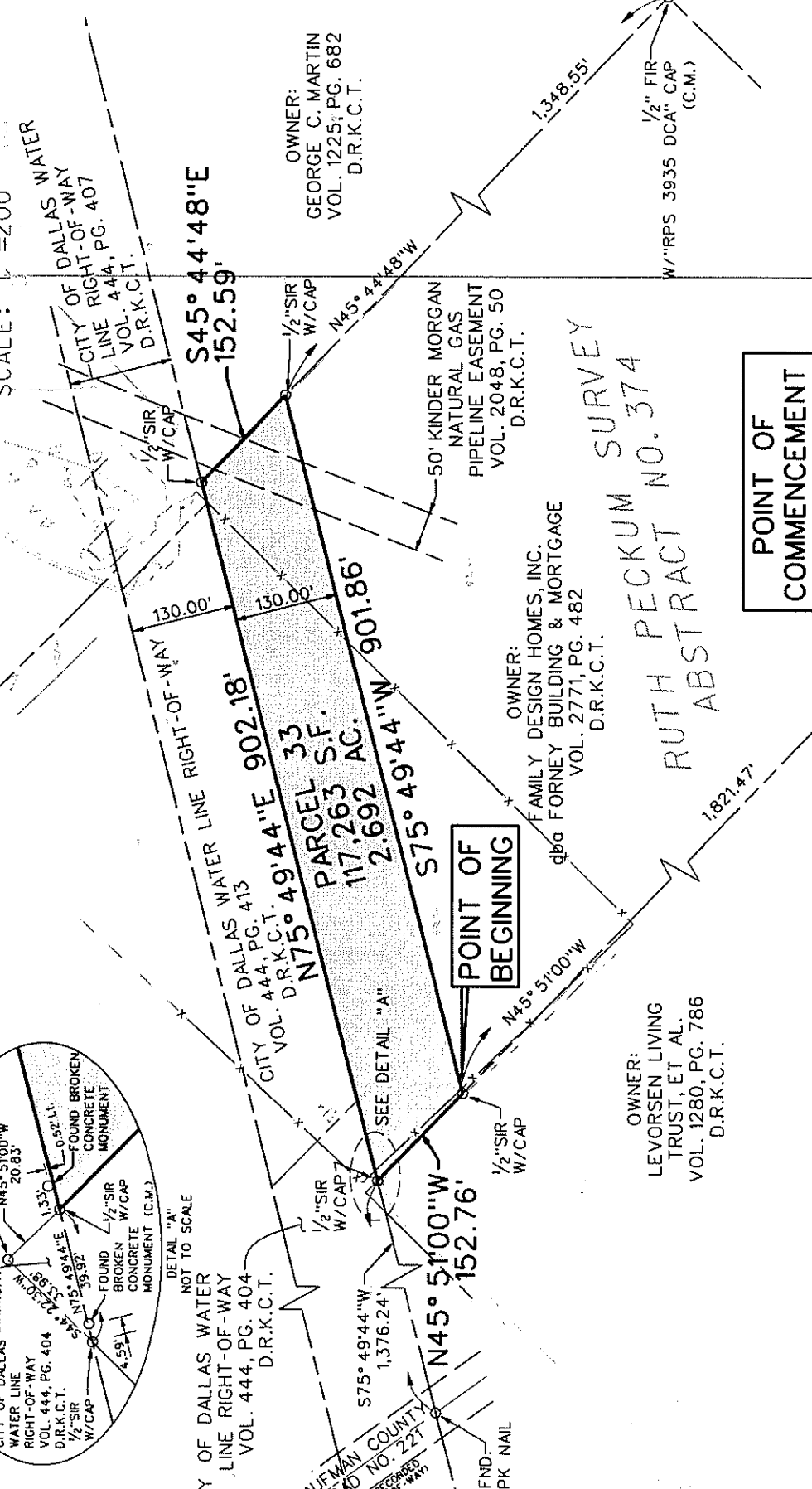
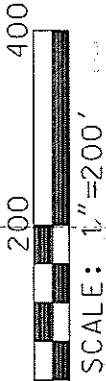
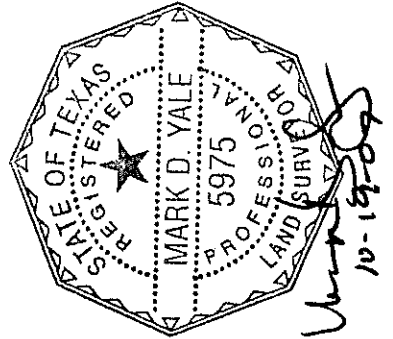


EXHIBIT OF A  
**RIGHT-OF-WAY ACQUISITION**  
SITUATED IN THE  
RUTH PECKUM SURVEY, ABSTRACT NO. 374  
KAUFMAN COUNTY, TEXAS  
FOR THE  
**CITY OF DALLAS**  
BY  
DAL-TECH ENGINEERING, INC., 1731 DALLAS PKWY., SUITE 300  
DALLAS, TEXAS 75248, TEL. (972)260-2727, FAX (972)260-4774  
SCALE: 1"=200' FILE: 055 5-SET 3 OF 3

ALL BEARINGS FOR THIS TRACT REFER TO THE NAD-83 TEXAS STATE PLANE COORDINATE SYSTEM, NORTH CENTRAL ZONE 4202. ACCORDING TO MEASUREMENTS MADE AT NGS CONTINUOUSLY OPERATING REFERENCE STATIONS COLLIN CORS ARP, DALLAS CORS ARP, KAUFMAN CORS ARP, TYLER CORS ARP, AND PARIS CORS ARP. THE KAUFMAN COUNTY SCALE FACTOR OF 1.000114077 AS PUBLISHED BY THE TEXAS DEPARTMENT OF TRANSPORTATION, DALLAS DISTRICT WAS USED FOR THIS PROJECT.

LEGEND:

S.F.	SQUARE FEET
C.M.	CONTROL MONUMENT
O.F.P.	FOUND IRON ROD
O.F.P.	FOUND IRON PIPE
O 1/2" SIR	1/2" SET IRON ROD
W/CAP	WITH A RED PLASTIC CAP STAMPED "DAL-TECH"
SX	SET "X" CUT IN CONCRETE
FPK	FOUND PK. NAIL
SPK	SET PK. NAIL







**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 11  
**DEPARTMENT:** Department of Development Services  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 15N

---

**SUBJECT**

Authorize the deposit of a Special Commissioners' Award in City of Dallas v. Carbuck's Valley View, L.P., et al., Cause No. CC-07-03884-C, in the County Court at Law No. 3, for acquisition from Carbuck's Valley View, L.P., for a total of approximately 1,879 square feet of land located at the intersection of Alpha Road and Montfort Drive for the Alpha Road and Montfort Drive Improvements project - \$90,765 - Financing: 1998 Bond Funds (\$37,995) and 2006 Bond Funds (\$52,770)

**BACKGROUND**

This item authorizes deposit of a Special Commissioners' Award for the acquisition of a total of approximately 1,879 square feet of land. The property is improved with monument sign. The original offer of \$30,877 for the Alpha Road Project and \$31,378 for the Montfort Drive Project totaling \$62,225 was based on an independent appraisal. The offer was not accepted by the owners and an eminent domain case was filed to acquire the land. The Special Commissioners awarded \$90,765.

The City has no control over Special Commissioners appointed by the county court at law judges or any award that is subsequently rendered by the Special Commissioners. The City, in order to acquire possession and proceed with its improvements, must deposit the Commissioners' Award in the Registry of the Court.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Authorized acquisition on October 27, 2004, by Resolution No. 04-2912.

**FISCAL INFORMATION**

1998 Bond Funds - \$37,995  
2006 Bond Funds - \$52,770

**OWNER**

**Carbuck's Valley View, L.P.**

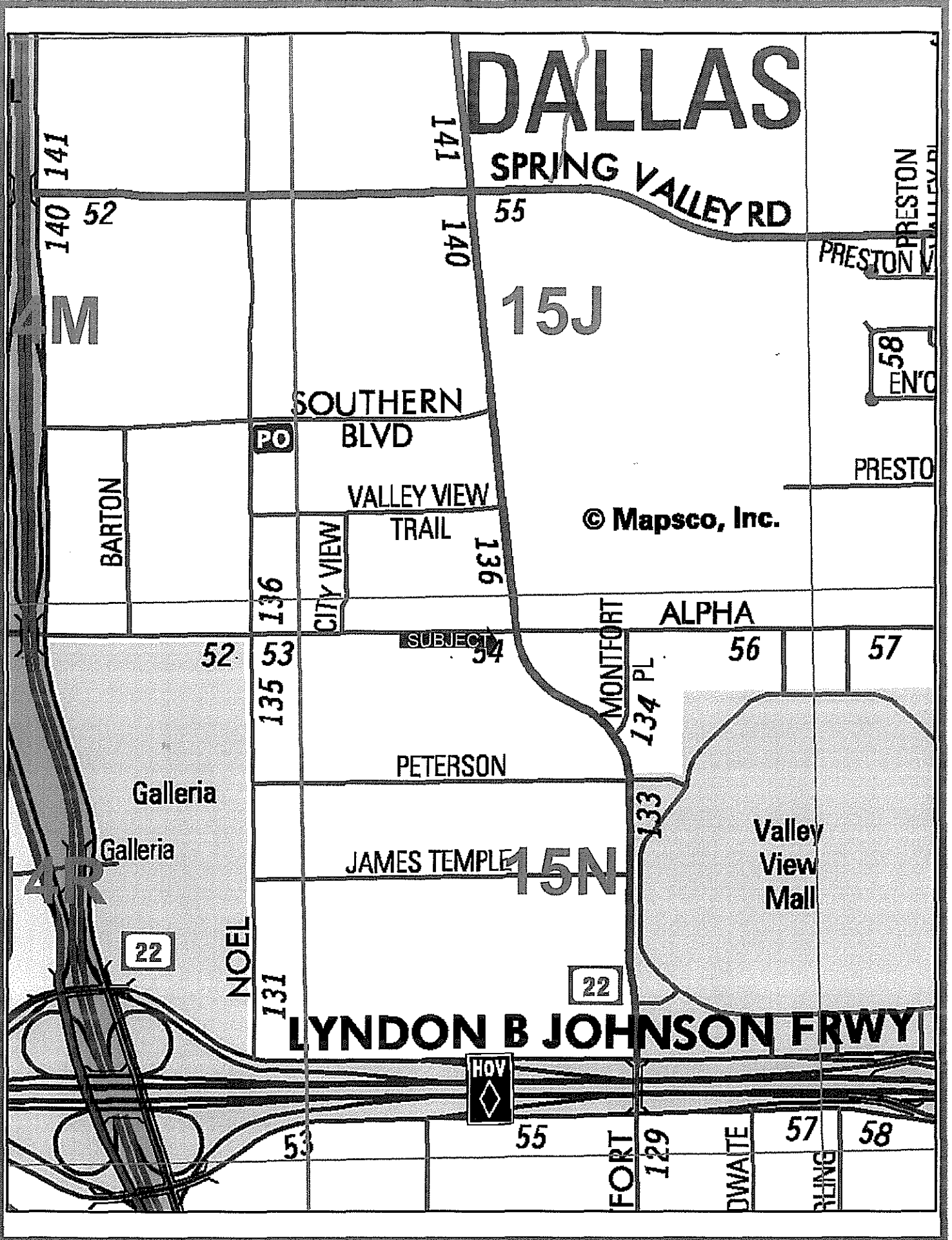
Carbuck's Management, L.L.C., General Partner

Howard Akin, Member

**MAPS**

Attached

# DALLAS



SPRING VALLEY RD

15J

SOUTHERN BLVD

VALLEY VIEW TRAIL

© Mapsco, Inc.

ALPHA

SUBJECT

Galleria

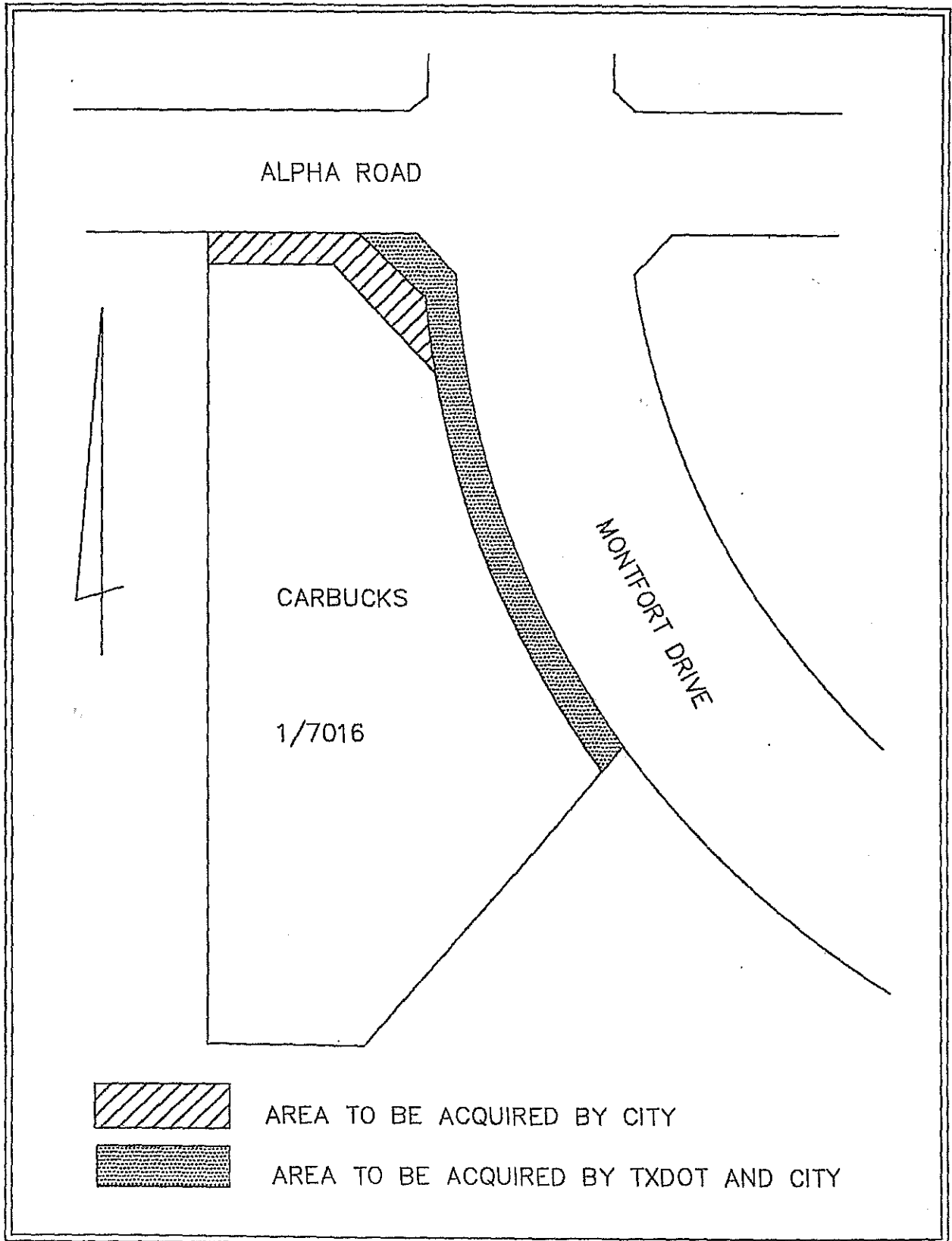
Galleria

Valley View Mall

JAMES TEMPLE 15N

LYNDON B JOHNSON FRWY





February 11, 2009

**A RESOLUTION AUTHORIZING THE DEPOSIT OF A SPECIAL COMMISSIONERS' AWARD AND SETTLEMENT OF THE CONDEMNATION SUIT FOR THE AWARD.**

**IN THIS RESOLUTION THE FOLLOWING DEFINITIONS SHALL APPLY:**

CONDEMNATION SUIT: Cause No. CC-07-03884-C, in County Court at Law No. 3, and styled City of Dallas v. Carback's Valley View, L.P., et al., filed pursuant to City Council Resolution Nos. 04-2912 and 04-3024.

PROPERTY: Approximately 1,879 square feet of land situated in City Block 1/7016, Lot 1/A in the City of Dallas, Dallas County, Texas, as described in said condemnation suit.

PROJECTS: Alpha Road Improvements and Montfort Drive Improvements from Peterson Lane to Alpha Road.

OFFICIAL OFFER: \$30,877.00 for the Alpha Road Project and \$31,378.00 for the Montfort Drive Project, for a total of \$62,225.00.

AWARD: \$90,765.00

DESIGNATED FUNDS: \$37,995 from Street and Thoroughfare Improvement Fund No. 0P22, Dept. PBW, Unit N607, Activity THRF, Object 4210, Program No. PB98N607 and \$52,770 from Street and Transportation Fund No. 6T22, Dept. PBW, Unit U221, Activity INGV, Object 4210, Program No. PB06U221, Encumbrance No. DEVU221EG99.

**WHEREAS**, an OFFICIAL OFFER having been made and refused, the City Attorney instituted a CONDEMNATION SUIT for the acquisition of the PROPERTY for the PROJECT; and

**WHEREAS**, the Special Commissioners in Condemnation appointed by the Court in the CONDEMNATION SUIT made the AWARD, which the City Council wishes to deposit with the County Clerk of Dallas County, Texas, so that the City may take possession of the PROPERTY; and

**WHEREAS**, the City Council desires to authorize the City Attorney to settle the CONDEMNATION SUIT for an amount not to exceed the special commissioners' AWARD; **Now, Therefore**,

February 11, 2009

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

**SECTION 1.** That the City Controller is hereby authorized and directed to issue a check, paid out of and charged to the following DESIGNATED FUNDS, in the amount of the AWARD payable to the County Clerk of Dallas County, Texas, to be deposited by the City Attorney with said County Clerk,

**SECTION 2.** That the City Attorney is authorized to settle said CONDEMNATION SUIT for an amount not to exceed the special commissioners' AWARD.

**SECTION 3.** That this resolution shall 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.

**APPROVED AS TO FORM**  
**THOMAS P. PERKINS, Jr., City Attorney**

By:   
**Assistant City Attorney**

# EXHIBIT A

FIELD NOTES DESCRIBING A 807 SQUARE FOOT TRACT OF LAND TO BE ACQUIRED FOR STREET WIDENING IN LOT 1/A, BLOCK 1/7016, FROM CARBUCKS VALLEY VIEW, L.P., A TEXAS LIMITED PARTNERSHIP.

PAGE 1 OF 1.

ALL THAT certain lot, tract or parcel of land lying and being situated in the City and County of Dallas, Texas, more particularly described as follows:

BEING a 807 square foot tract of land situated in the Hiram Wilburn Survey, Abstract No. 1567 and being a part of Lot 1/A, Block 1/7016, official City of Dallas Block numbers, of the Valley View Car Wash Addition, an Addition to the City of Dallas as recorded in Volume 77211, Page 668, of the Deed Records of Dallas County, Texas, and being a part of the property conveyed to Carbucks Valley View, L.P., A Texas Limited Partnership, by deed dated February 24, 2000, and recorded in Volume 2000039, Page 3193, Deed Records, Dallas County, Texas, and being more particularly described as follows:

COMMENCING at the Northeast corner of European Designs Addition, Volume 98046, Page 5002, Deed Records, Dallas County, Texas, same being on the West line of Lot 4 of the unrecorded White City Addition and a set 5/8" iron rod with red plastic cap stamped "Dallas";

THENCE South 89°53'30" East, along the present South line of Alpha Rd. (Variable width right of way), and being at all times 37.00 perpendicularly distant South from and parallel to the Centerline of Alpha Rd., a distance of 1071.00 feet to the present Northeast Corner of Lot 16, Block A/7017, same being the **Point of Beginning** of the herein described tract;

THENCE continuing South 89°53'30" East, along the present South line of Alpha Rd., a distance of 47.83 feet to a point for corner;

THENCE South 49°43'36" East, a distance of 32.06 feet to a point of a non-tangent curve to the left having a Central Angle of 02°05'30" and a chord which bears South 12°37'06" East, 18.08 feet;

THENCE along said curve to the left thru a Radius of 495.00 feet, an Arc Distance of 18.08 feet to a set 5/8" iron rod with red plastic cap stamped "Dallas";

THENCE North 50°53'07" West, departing said curve, a distance of 48.17 feet to a set 5/8" iron rod with red plastic cap stamped "Dallas";

THENCE North 89°53'30" West, a distance of 38.86 feet to a set 5/8" iron rod with red plastic cap stamped "Dallas", same being on the West line of Lot 1/A;

THENCE North 00°03'25" West, along the West line of Lot 1/A, a distance of 8.00 feet to the **POINT OF BEGINNING** and containing approximately 807 square feet of land.

**BASIS OF BEARINGS:** Horizontal and Vertical Control established by the City of Dallas Survey Section and recorded in the City of Dallas Survey Records Vault under file number 320R-304.

alpha.011  
9-18-03  
JLJ/jlj

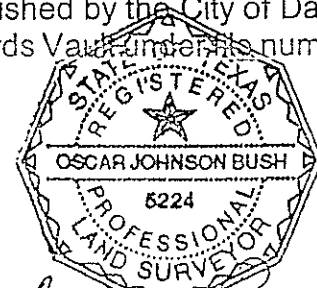


EXHIBIT "A"

County Dallas  
Parcel 6  
Highway Montfort Drive  
Project Limits From: Peterson Lane  
To: Alpha Road  
CSJ: 0918-45-577  
Account: 9118-00-068

Page 1 of 2  
D-15-  
February, 2002

Legal Land Description for Parcel 6

BEING A 0.0100 HECTARES [0.0246 ACRES] PARCEL OF LAND SITUATED IN THE H. WILBURN SURVEY, ABSTRACT NO. 1567 OF DALLAS COUNTY, TEXAS BEING A PART OF LOT 1/A, BLOCK 1/7016 OF THE VALLEY VIEW CARWASH ADDITION AN ADDITION TO THE CITY OF DALLAS RECORDED IN VOLUME 77211, PAGE 0668, OF THE PLAT RECORDS OF DALLAS COUNTY, TEXAS, (P.R.D.C.T.) AND BEING A PART OF A CALLED 0.509 TRACT OF LAND AS DEEDED TO CARBUCKS VALLEY VIEW L.P. AND RECORDED IN VOLUME 2000039, PAGE 3193, OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS (D.R.D.C.T.). SAID 0.0100 HECTARES [0.0246 ACRES] PARCEL OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING for reference at a found "X" cut in concrete at the southerly end of the southeasterly line of the aforesaid Lot 1/A Valley View Carwash Addition, Volume 77211 Page 0668 (P.R.D.C.T.) and being in the northwesterly line of a called 2.087 acre tract of land deeded to Montfort Plaza S.C. Ltd. Recorded in Volume 99074, Page 1044 same being Lot 6. Block 1/7016 of the Montfort Plaza recorded in Volume 78030, Page 1652 (P.R.D.C.T.)

THENCE N 43° 18' 11" E a distance of 28.794 meters [94.47 feet] to a set 5/8-inch iron rod with aluminum disk marked Texas Department of Transportation, (TxDOT), in a non tangent circular curve to the right, whose radius is 150.993 meters [495.38 feet] being the POINT OF BEGINNING;

- 1) THENCE along said curve to the right having a delta angle of 17°43'53", an arc distance of 46.728 meters [153.31 feet] and a chord which bears N 21° 02' 14" W, a distance of 46.542 meters [152.70 feet] to a set 5/8-inch iron rod with aluminum disk marked Texas Department of Transportation (TxDOT);
- 2) THENCE N 50° 19' 33" W, a distance of 9.773 meters [32.06 feet] to a set 5/8-inch iron rod with aluminum disk marked Texas Department of Transportation (TxDOT) in the southerly Right of Way Line of Alpha Road (74 foot Right of Way)
- 3) THENCE N 89° 30' 18" E, along said Right of Way Line, a distance of 4.842 meters [15.89 feet] to a found 1/2-inch iron rod at the northerly end of an existing corner clip for the Southwest Corner of the aforesaid Alpha Road and Montfort Drive.
- 4) THENCE S 50° 30' 38" E, with the aforesaid corner clip, a distance of 4.670 meters [15.32 feet], to a point from which a found 5/8-inch iron rod bears N 75° 24' 08" W, a distance of 0.084 meters [0.28 feet] being the beginning of a non-tangent circular curve to the left whose radius is 149.352 meters [490.00 feet] pmw

REVIEWED BY *[Signature]* 1-2-03



EXHIBIT "A"

County Dallas  
Parcel 6  
Highway Montfort Drive  
Project Limits From: Peterson Lane  
                          To: Alpha Road  
CSJ: 0918-45-577  
Account: 9118-00-068

Page 2 of 2  
D-15-  
February, 2002

Legal Land Description for Parcel 6

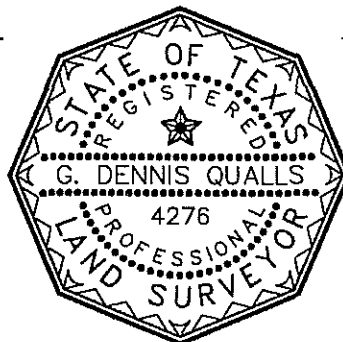
- 5) THENCE along said curve to the left having a delta angle of 18°42'30", an arc distance of 48.769 meters [160.00 feet], and a chord which bears S 20° 27' 35" E, a distance of 48.553 meters [159.29 feet], to a found 5/8-inch iron rod at the northerly end of the aforesaid southeasterly line of the Valley View Carwash Addition, Volume 77221 Page 0668, (P.R.D.C.T.)
- 6) THENCE S 43° 18' 11" W, a distance of 1.732 meters [5.68 feet] with a portion of the said Southeasterly Line of the Valley View Carwash Addition, Volume 77211 Page 0668, to the POINT OF BEGINNING, and containing 0.0100 Hectares [0.0246 Acres] of land.

All Bearings are on the Texas State Plane Coordinate System, North Central Zone, NAD 83  
A Plat at even survey date herewith accompanies this Legal Description

I, G. Dennis Qualls, a Registered Professional Land Surveyor, do hereby certify that this survey was made on the ground of the area shown hereon during July, 2001 under my direction and supervision; that it is true to the best of my knowledge and belief. *gmw*

REVIEWED BY *[Signature]* 1-9-03

*[Signature]*  
G. Dennis Qualls, R.P.L.S.  
Registered Professional Land Surveyor  
Texas Registration No. 4276



*2/27/02*  
Date



**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 11  
**DEPARTMENT:** Department of Development Services  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 15N

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**SUBJECT**

Authorize the deposit of Jury's Award in City of Dallas v. HSM Montfort Plaza, Ltd. et al, Cause No. 05-06711-C, in the County Court at Law No. 3, for acquisition from HSM Montfort Plaza, Ltd., of approximately 1,777 square feet of land located at the intersection of Alpha Road and Montfort Drive for the Montfort Drive Improvements project from Peterson Lane to Alpha Road - \$225,000 - Financing: 2006 Bond Funds

**BACKGROUND**

This item authorizes deposit of the Jury's Award for the acquisition of approximately 1,777 square feet of land. The property is improved with a parking lot. The original offer of \$70,134 was based on an independent appraisal. The offer was not accepted by the owners and an eminent domain case was filed to acquire the land. The Jury awarded \$225,000.

The City has no control over a jury appointed by the county court at law judges or any award that is subsequently rendered by the Jury. The City, in order to acquire possession and proceed with its improvements, must deposit the Jury's Award in the Registry of the Court.

**PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Authorized acquisition on August 11, 2004, by Resolution No. 04-2912

**FISCAL INFORMATION**

2006 Bond Funds - \$225,000

**OWNERS**

**HSM Montfort Plaza, Ltd.**

HSM Montfort Plaza GP, LLC, General Partner

Henry S. Miller Interests, Inc., Director

Jacqueline Miller Stewart, President

Patricia Miller Stewart, President

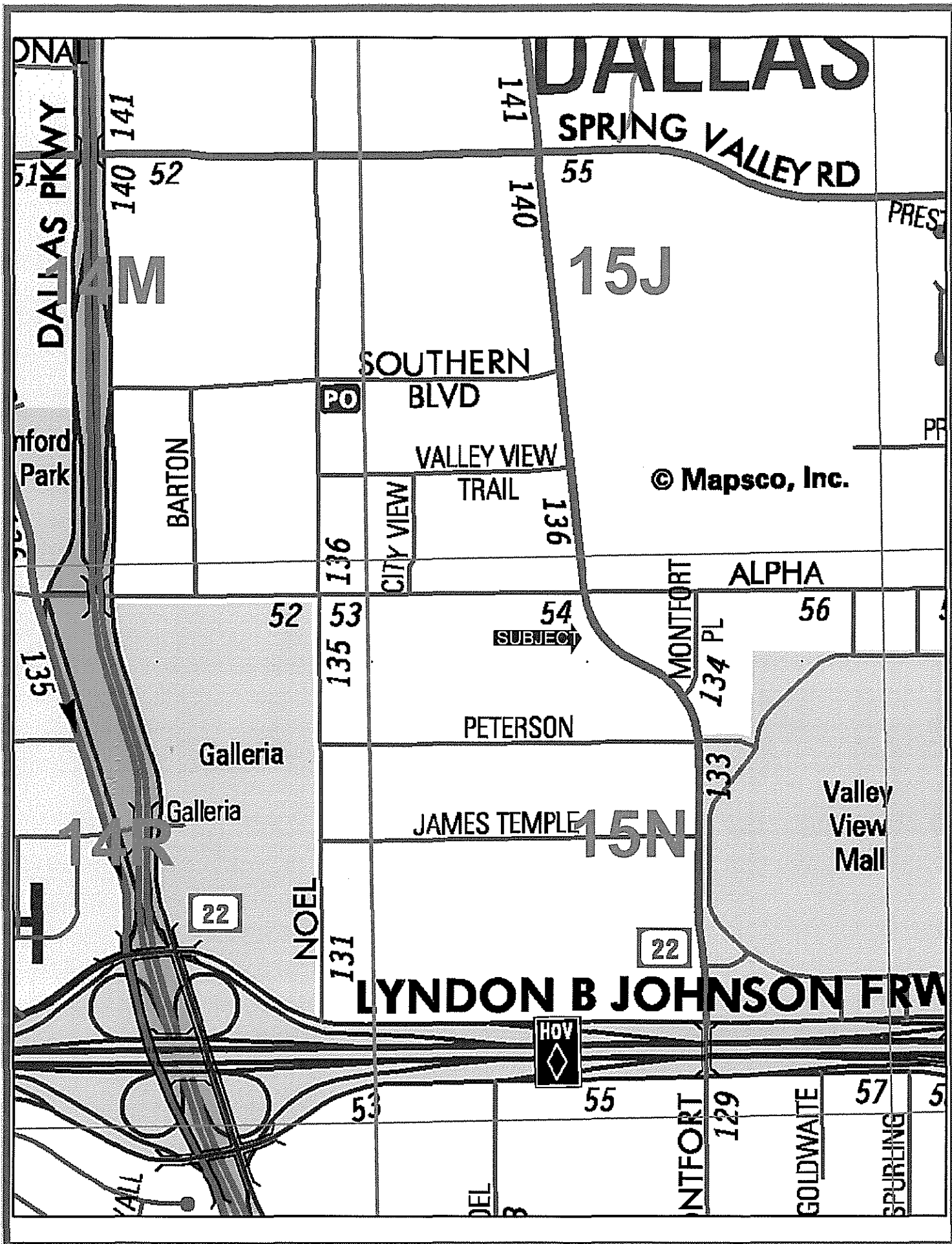
Patricia Miller Donosky, Vice President

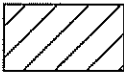
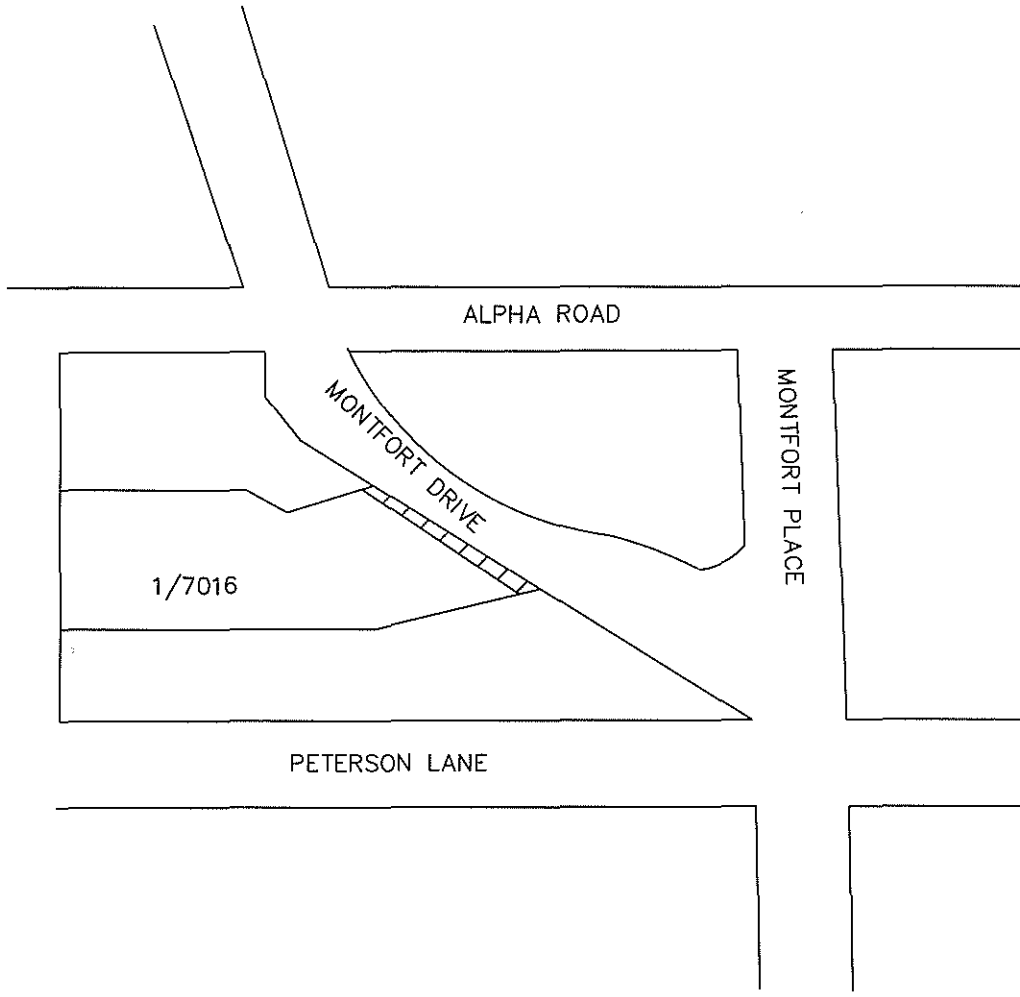
Vance C. Miller, Secretary

Henry S. Miller, Chairman

**MAPS**

Attached





AREA TO BE ACQUIRED

February 11, 2009

**WHEREAS**, judgment was entered against the City of Dallas in Cause No. 05-06711-C, styled City of Dallas v. HSM Montfort Plaza, Ltd., et. al., and which case is an eminent domain proceeding to acquire certain property for public use in connection with street and road improvements to Montfort Drive from Peterson Lane to Alpha Road; and

**WHEREAS**, the amount of the Special Commissioners' Award previously deposited on May 31, 2006 was \$59,832.

**WHEREAS**, the case was tried to a jury beginning on or about May 20, 2008, and the said jury returned a verdict of \$256,562 in damages, and

**WHEREAS**, on or about July 17, 2008 the court entered judgment against the City of Dallas for the sum of \$196,730 plus interest; and

**WHEREAS**, the amount of the judgment as of March 31, 2009, including interest, is \$224,622.54; and

**WHEREAS**, it is the desire of the City Council to satisfy said judgment.

**Now, Therefore,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS:**

**SECTION 1.** That the judgment entered in Cause No. 05-06711-C be satisfied.

**SECTION 2.** That the City Controller is hereby authorized to issue a check in an amount not to exceed \$225,000 and made payable to HSM Montfort Plaza, Ltd. and charged to Street and Transportation Improvements Fund 6T22, Agency PBW, Org. U221, Activity INGV, Object 4210, Job No. PB06U221, CT-DEVU221EG96.

**SECTION 3.** That this resolution shall 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.

**APPROVED AS TO FORM**

**Thomas P. Perkins Jr.**

**City Attorney**

By: 

**Assistant City Attorney**

EXHIBIT "A"

County Dallas  
Parcel 4  
Highway Montfort Drive  
Project Limits From: Peterson Lane  
                                  To: Alpha Road  
CSJ: 0918-45-577  
Account: 9118-00-068

Page 1 of 2  
D-15-  
February 2002

Legal Land Description for Parcel 4

BEING A 0.0135 HECTARES [0.0333 ACRES] PARCEL OF LAND SITUATED IN THE H. WILBURN SURVEY, ABSTRACT NO. 1567 OF DALLAS COUNTY, TEXAS BEING OUT OF LOTS 4 and 5; BLOCK 1/7016 OF THE MONTFORT PLAZA, LOT 4 CALLED TO BE 2.087 ACRES AND LOT 5 BEING A CALLED 0.966 ACRE TRACT, CITY OF DALLAS BLOCK 1/7016 RECORDED IN VOLUME 78030, PAGE 1652, OF THE PLAT RECORDS OF DALLAS COUNTY, TEXAS, (P.R.D.C.T.) AND BEING A PART OF A CALLED 2.087 TRACT OF LAND AS DEEDED TO MONTFORT PLAZA S.C. LTD. AND RECORDED IN VOLUME 99074, PAGE 1044, OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS (D.R.D.C.T.). SAID 0.0135 HECTARES [0.0333 ACRES] PARCEL OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING for reference at a found "X" cut in concrete at the southern end of the northern most line of Lot 5 of the aforesaid Montfort Plaza Lot 5, Volume 78030 Page 1652.

THENCE N 53° 11' 25" E a distance of 18.043 meters [59.20 feet] to a set x-cut in concrete for the POINT OF BEGINNING

- 1) THENCE N 53°11'25" E, a distance of 1.660 meters [5.45 feet] to a point in the westerly Right of Way of Montfort Drive (80 ft. Right of Way), being in a circular curve to the left having a radius of 149.352 meters [490.00 feet] ;
- 2) THENCE along said curve to the left having a delta angle of 26°03'56", an arc distance of 67.945 meters [222.92 feet] and having a chord which bears S 49°50'30" E, a distance of 67.360 meters [221.00 feet] to a point;
- 3) THENCE S 62°52'32" E, a distance of 12.795 meters [41.98 feet] to a point from which a found 3/8-inch iron rod bears N 88°31'51" W 0.043 meters [0.14 feet] at the north end of the division line between the Steak and Shake Addition Volume 76248 Page 2674 (P.R.D.C.T.) and Montfort Plaza Volume 78030, Page 1652 (P.R.D.C.T.)
- 4) THENCE S 00°33'48" E, with a portion of said division line a distance of 1.884 meters [6.18 feet] to a set 5/8-inch iron rod with aluminum disk marked Texas Department of Transportation (TxDOT);
- 5) THENCE N 62°52'15" W, a distance of 13.669 meters [44.85 feet] to a set "X" in concrete the beginning of a circular curve to the right having a radius of 150.993 meters [495.38 feet]; *pmw*

REVIEWED BY *[Signature]* 1-2-02



EXHIBIT "A"

County Dallas  
Parcel 4  
Highway Montfort Drive  
Project Limits From: Peterson Lane  
To: Alpha Road  
CSJ: 0918-45-577  
Account: 9118-00-068

Page 2 of 2  
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February 2002

Legal Land Description for Parcel 4

- 6) THENCE along said curve to the right having a delta angle of 26°04'13", an arc distance of 68.704 meters [225.41 feet] and having a chord which bears N 49°50'09" W, a distance of 68.113 meters [223.47 feet] to a point to the POINT OF BEGINNING, and containing 0.0135 hectares [0.0333 acres] of land, more or less.

All Bearings are on the Texas State Plane Coordinate System, North Central Zone, NAD 83  
A Plat at even survey date herewith accompanies this Legal Description

I, G. Dennis Qualls, a Texas Registered Professional Land Surveyor, do hereby certify that this survey was made on the ground of the area shown hereon during July, 2001 under my direction and supervision; that it is true to the best of my knowledge and belief. *fnw*

REVIEWED BY *[Signature]*  
1-9-03

*[Signature]*  
G. Dennis Qualls, R.P.L.S.  
Registered Professional Land Surveyor  
Texas Registration No. 4276

*2/27/02*  
Date

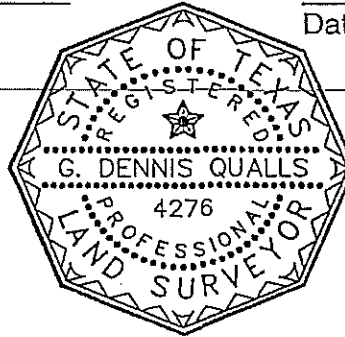


EXHIBIT "A"

County Dallas  
Parcel 5  
Highway Montfort Drive  
Project Limits From: Peterson Lane  
                                  To: Alpha Road  
CSJ: 0918-45-577  
Account: 9118-00-068

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D-15-  
February, 2002

Legal Land Description for Parcel 5

BEING A 0.0030 HECTARES [0.0075 ACRES] PARCEL OF LAND SITUATED IN THE H. WILBURN SURVEY, ABSTRACT NO. 1567 OF DALLAS COUNTY, TEXAS BEING A PART OF LOT 6, BLOCK 1/7016 OF THE MONTFORT PLAZA ADDITION AN ADDITION TO THE CITY OF DALLAS RECORDED IN VOLUME 78030, PAGE 1652, OF THE PLAT RECORDS OF DALLAS COUNTY TEXAS, (P.R.D.C.T.) AND BEING A PART OF A CALLED 0.3215 ACRE TRACT OF LAND AS DEEDED TO MONTFORT PLAZA S.C. LTD. AND RECORDED IN VOLUME 99074, PAGE 1044, OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS (D.R.D.C.T.). SAID 0.0030 HECTARES [0.0075 ACRES] PARCEL OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING for reference at a found "X" cut in concrete at an interior ell corner in the southerly line of said Lot 6 of the Montfort Plaza Addition;

THENCE N 53° 11' 25" E a distance of 18.043 meters [59.20 feet] to a set x-cut in concrete and being in a circular curve to the right, having a radius of 150.993 meters, [495.38 feet], said set 5/8-inch iron rod with aluminum disk being also the POINT OF BEGINNING;

- 1) THENCE along said curve to the right having a delta angle of 06°53' 52", an arc distance of 18.178 meters [59.64 feet] and having a chord which bears N 33°21'07" W, a distance of 18.167 meters [59.60 feet] to a set 5/8-inch iron rod with aluminum disk marked Texas Department of Transportation (TxDOT) in the northerly most line of the aforesaid Lot 6 Montfort Plaza, said set 5/8-inch iron rod with aluminum disk being also in the southeasterly line of Lot 1/A, Block 1/7016 of the Valley View Carwash Addition recorded in Volume 77211 Page 0668 (P.R.D.C.T.), same being a called 0.509 acre tract of land deeded to Carbucks Valley View L.P. and recorded in Volume 2000039, Page 3193 (D.R.D.C.T.)
- 2) THENCE N 43°18'11" E, a distance of 1.732 meters [5.68 feet] to a found 5/8-inch iron rod in the westerly Right of Way line of Montfort Drive (80 foot Right of Way) and being in a non tangent circular curve to the left having a radius of 149.352 meters [490.00 feet];
- 3) THENCE along said curve to the left having a delta angle of 07°05'20", an arc distance of 18.480 meters [60.63 feet] and having a chord which bears S 33°15'52" E, a distance of 18.467 meters [60.59 feet] to the northerly end of the division line between Lot 5 Montfort Plaza and Lot 6 Montfort Plaza Volume 78030 Page 1652 (P.R.D.C.T.)

*pmw*

REVIEWED BY *[Signature]* 12-11-02

EXHIBIT "A"

County Dallas  
Parcel 5  
Highway Montfort Drive  
Project Limits From: Peterson Lane  
                          To: Alpha Road  
CSJ: 0918-45-577  
Account: 9118-00-068

Page 2 of 2  
D-15-  
February, 2002

Legal Land Description for Parcel 5

- 4) THENCE S 53°11'25" W, with a portion of said division line a distance of 1.660 meters [5.45 feet] to the POINT OF BEGINNING, and containing 0.0030 hectares [0.0075 acres] of land, more or less.

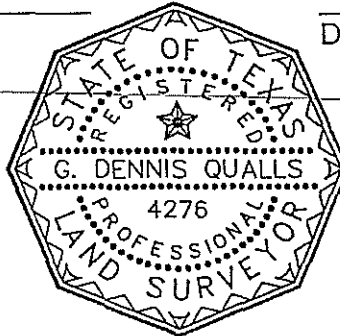
All Bearings are on the Texas State Plane Coordinate System, North Central Zone, NAD 83  
A Plat at even survey date herewith accompanies this Legal Description

I, G. Dennis Qualls, a Texas Registered Professional Land Surveyor, do hereby certify that this survey was made on the ground of the area shown hereon during July, 2001 under my direction and supervision; that it is true to the best of my knowledge and belief. *pmw*

REVIEWED BY *[Signature]* 12-11-02

*[Signature]*  
G. Dennis Qualls, R.P.L.S.  
Registered Professional Land Surveyor  
Texas Registration No. 4276

*2/28/02*  
Date





**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 3, 4, 5, 7, 8  
**DEPARTMENT:** Department of Development Services  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 42Q 44J 46R Y 55E G L 56W Z 59C 63F 65C 66J 69B P

---

**SUBJECT**

Authorize the quitclaim of 16 properties acquired by the taxing authorities from the Sheriff's Sale to the highest bidders (list attached) – Revenue \$299,210

**BACKGROUND**

This item authorizes the quitclaim of 16 properties that were foreclosed by the Sheriff's Department for unpaid taxes pursuant to judgments or seizure warrants from a District Court. These properties are being sold to the highest bidders and will return to the tax rolls upon conveyance.

Successful bidders are required to sign a certification stating that they are not purchasing these properties on behalf of the foreclosed owners and that they have no debts owed to the City, no pending code violations and that they are not chronic code violators.

All properties have been reviewed by the Housing Department for infill housing and are not desired for this program.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

**FISCAL INFORMATION**

Revenue: \$299,210

**OWNERS**

**Time Warner NY Cable, LLC**

Robert Muel, President, North Texas Division

Christopher Loy, Vice President, Finance

John Spike

Deborah Wittenburg

Walter Smith

Volney Woods, Jr.

Gosby King, Jr.

LaMildredetta Hudson

Rahmat Shojajar

William Rice

Javier Martinez

Yahannes Kumsa

Wilson A Gonzalez

Semeregela Ogbazgi

Maria E. Martinez

Darden McGlothlin

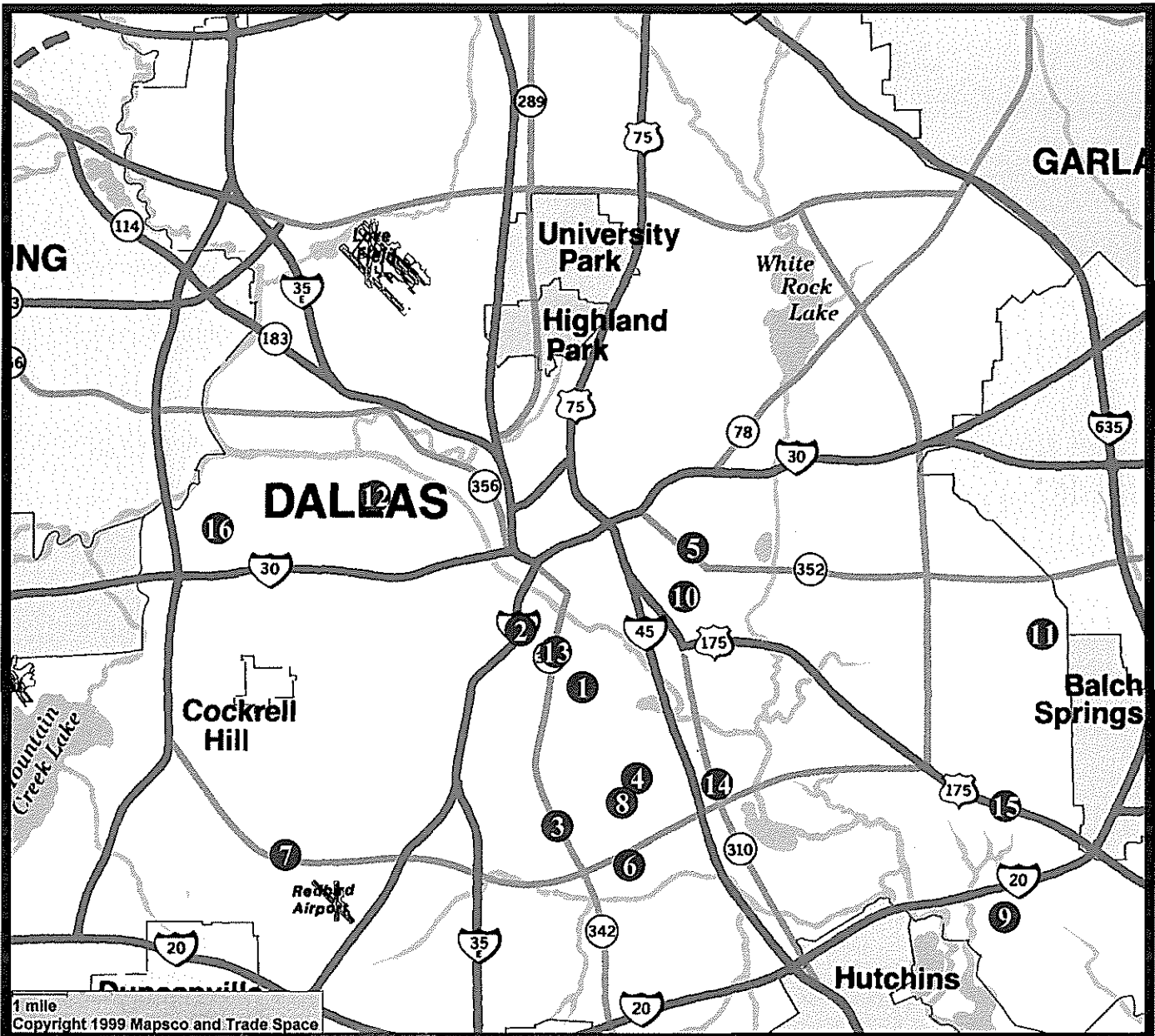
Tahmineh Bahrami

**MAP**

Attached

## Tax Foreclosure and Seizure Warrant Property Resales

<u>Parcel No.</u>	<u>Address</u>	<u>Highest Bidder</u>	<u>Struck off Amount</u>	<u># of Bids</u>	<u>Square Footage</u>	<u>High Bid Amount</u>	<u>Minimum Bid Amount</u>	<u>DCAD Value</u>	<u>Zoning</u>	<u>Tax Council Code</u>	<u>District</u>	<u>Violations</u>
<b>Vacant Property</b>												
1.	2511 Cedar Crest	John Spike	\$3,590	1	5,980	\$3,510	\$3,500	\$5,980	CR	No	7	
2.	1033 Church	Deborah Wittenburg	\$1,500	1	2,690	\$1,300	\$1,000	\$5,750	PD 388	No	7	
3.	1725 Fordham	Walter Smith	\$14,326	3	7,533	\$1,800	\$1,000	\$28,210	TH-3(A)	No	4	
4.	3117 Fordham	Volney Woods, Jr.	\$21,138	1	16,080	\$11,000	\$10,500	\$46,970	R-7.5(A)	No	4	
5.	3921 Hamilton	Gosby King, Jr.	\$14,435	4	6,200	\$1,525.75	\$1,000	\$23,580	PD 595	No	7	
6.	5191 Lauderdale	LaMildredetta Hudson	\$16,790	5	9,100	\$5,302	\$2,000	\$16,380	R-7.5(A)	No	8	
7.	3736 West Ledbetter	Rahmat Shojajari	\$129,970	1	17,102	\$60,126	\$58,500	\$129,970	IR	No	8	
8.	2754 Locust	William Rice	\$20,483	5	7,424	\$6,200	\$5,100	\$27,540	R-5(A)	No	4	
9.	9526 McClung	Javier Martinez	\$18,890	2	15,609	\$12,000	\$9,400	\$52,390	R-7.5(A)	No	8	
10.	4205 Malcolm X	Yohannes Kumsa	\$24,963	1	6,375	\$22,010	\$12,500	\$67,640	PD 595	No	7	
11.	10302 Nantucket Village	Wilson A. Gonzalez	\$21,967	3	19,453	\$22,600	\$21,900	\$52,100	TH(2)	No	5	
12.	2028 Shaw	Semeregelai Ogbazgi	\$10,239	2	2,945	\$2,000	\$1,500	\$6,000	R-5(A)	No	3	
13.	1706 Sicily	Maria E. Martinez	\$8,040	2	3,588	\$2,675	\$2,000	\$8,040	R-5(A)	No	7	
14.	4510 Solar Lane	Darden McGlothlin	\$2,000	1	7,100	\$3,050	\$2,000	\$2,000	CS	No	4	
15.	459 St. Augustine	Time Warner NY Cable, LLC	\$5,580	1	5,576	\$1,000	\$1,000	\$5,580	CR	No	8	
16.	2707 Weir	Tahmineh Bahrami	\$156,878	1	63,293	\$143,111	\$141,200	\$244,850	IM	No	3	



- |     |                   |     |     |                         |     |
|-----|-------------------|-----|-----|-------------------------|-----|
| 1.  | 2511 Cedar Crest  | 55L | 11. | 10302 Nantucket Village | 59C |
| 2.  | 1033 Church       | 55E | 12. | 2028 Shaw               | 44J |
| 3.  | 1725 Fordham      | 65C | 13. | 1706 Sicily             | 55G |
| 4.  | 3117 Fordham      | 56W | 14. | 4510 Solar Lane         | 56Z |
| 5.  | 3921 Hamilton     | 46R | 15. | 459 St. Augustine       | 69B |
| 6.  | 5191 Lauderdale   | 66J | 16. | 2707 Weir               | 42Q |
| 7.  | 3736 W. Ledbetter | 63F |     |                         |     |
| 8.  | 2754 Locust       | 56W |     |                         |     |
| 9.  | 9526 McClung      | 69P |     |                         |     |
| 10. | 4205 Malcolm X    | 46Y |     |                         |     |



February 11, 2009

**WHEREAS**, the City of Dallas, the State of Texas, ("State"), the County of Dallas, ("County"), and/or the Dallas Independent School District, ("DISD"), acquired a Sheriff's Deed to the properties, ("Properties"), at a sheriff's tax sale, ("the First Sale"), authorized by a District Court of Dallas County, Texas, by a Judicial Foreclosure ("the Judgment") in a tax foreclosure sale or a Seizure Warrant, ("Warrant") and the subsequent Sheriff's Deeds were filed in the Real Property Records of Dallas County, Texas, all as described on "Exhibit A", attached hereto and made a part hereof; and

**WHEREAS**, in accordance with Attorney General Opinion No. JM-1232, the City of Dallas, pursuant to the provisions of Section 34.05(a) of the Property Tax Code, may sell the Properties at any time, ("the Second Sale"), subject to any right of redemption existing at the time of the Second Sale; and

**WHEREAS**, pursuant to the provisions of Chapter 34, Section 34.05 of the Property Tax Code, a taxing unit is authorized to resell the Properties; and

**WHEREAS**, by accepting its pro rata proceeds from the Second Sale, the State concurs in the transfer of Properties in which it has an interest; and

**WHEREAS**, the City Manager, acting on behalf of the County, when granted consent pursuant to a County Commissioner's Court Order, and DISD, when granted consent pursuant to a School Board Resolution, has the authority to execute a quitclaim deed to the Properties quitclaiming to the purchasers the right, title, and interest acquired or held by each taxing unit that was a party to the judgment foreclosing tax liens on the Properties or the warrant authorizing Seizure of the Properties; and

**WHEREAS**, the Properties were advertised in the Dallas Morning News on the dates as indicated on Exhibit A; and

**WHEREAS**, the City Council has previously approved the resale of other properties where funds were not received and have not been disbursed prior to the April 1, 2001 Tax Collection Consolidation with Dallas County; and

**WHEREAS**, the distribution of the proceeds of the resale will be in accordance with Chapter 34, Section 34.06 of the Property Tax Code; **Now, Therefore,**

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

**SECTION 1.** That upon receipt of the monetary consideration from the bidder for each parcel from the list of Properties, as specified in Exhibit A, and upon consent by the County and DISD, the City Manager is hereby authorized to execute Quitclaim Deeds, subject to the right of redemption, if any, and to the terms, conditions and release of the taxing entities therein, to be attested by the City Secretary upon approval as to form by the City Attorney.

February 11, 2009

**SECTION 2.** That the consideration received shall be distributed pursuant to Chapter 34, Section 34.06 of the Property Tax Code and applied to payment of the judgment, court costs, interest, and cost of sale owed to the taxing entities by the delinquent taxpayer or the amount of delinquent taxes, penalties, the amount secured by any municipal health or safety liens on the Property included in the Warrant application, court costs, interest and cost of seizure and sale owed by the delinquent taxpayer to any of the taxing entities shall be distributed in the manner described in Section 34.03 of the Property Tax Code.

**SECTION 3.** That the purchasers shall be responsible for the pro rata property taxes assessed from the date of closing for the remaining part of the then current calendar year. These Properties shall be placed back on the tax rolls effective as of the date of execution of the deed.

**SECTION 4.** That to the extent authorized by law the liens securing the taxes referenced in Section 2 above are hereby released.

**SECTION 5.** That any and all proceeds for the resale of the properties listed on Exhibit A and for the properties previously approved for resale by the City Council where funds were not received and have not been disbursed prior to the April 1, 2001 Tax Collection Consolidation with Dallas County be deposited to General Fund 0001, Department DEV, Balance Sheet Account 0519.

**SECTION 6.** That upon receipt of the consideration, the City Controller is authorized to disburse proceeds of the resale of the properties listed on Exhibit A, in accordance with Chapter 34, Section 34.06 of the Property Tax Code, which calculations for disbursement shall be provided by the Director of Development Services, to the City of Dallas Land Based Receivables, the Dallas County District Clerk and the Dallas County Tax Office from the account specified in Section 5 above.

**SECTION 7.** That upon receipt of the consideration, the City Controller is authorized to disburse proceeds pursuant to Chapter 34, Section 34.06 of the Property Tax Code, which calculations for disbursement shall be provided by the Director of Development Services, for properties previously approved for resale by the City Council where funds have not been disbursed prior to the April 1, 2001 Tax Collection Consolidation with Dallas County from the account specified in Section 5 above.

**SECTION 8.** That any procedures required by Section 2-24 of the Dallas City Code that are not required by state laws are hereby waived with respect to this conveyance.

February 11, 2009

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

**APPROVED AS TO FORM:**  
**THOMAS P. PERKINS, Jr., City Attorney**

BY   
Assistant City Attorney

Distribution: City Attorney's Office - Sarah Hasib

**EXHIBIT A**  
**TAX-FORECLOSED (TF) AND SEIZURE WARRANT (SW) PROPERTY RESALES**  
**FEBRUARY 11, 2009 AGENDA**

ITEM #	STREET ADDRESS LEGAL DESCRIPTION	TF/ SW	VAC/ IMP	OWNED BY TAXING ENTITIES *	DMN DATES ADVERTISED	# BIDS	MINIMUM BID	HIGHEST BID AMOUNT	HIGHEST BIDDER
1	<b>2511 Cedar Crest</b> Tract 7, Portion of City Block 5887	TF	VAC	1,2,3	11-16/17-08	1	\$3,500	\$3,510	<b>John Spike</b>
2	<b>1033 Church</b> Part of Lot 12, Block 84A/ 3065, Original Town of Oak Cliff	TF	VAC	1,2,3	11-16/17-08	1	\$1,000	\$1,300	<b>Deborah Wittenburg</b>
3	<b>1725 Fordham</b> Lot 1E, Block 26/4322, Bellevue Addition	TF	IMP	1,2,3	11-16/17-08	3	\$1,000	\$1,800	<b>Walter Smith</b>
4	<b>3117 Fordham</b> Lot 4, Block D/6088, Bonnie View Gardens	TF	IMP	1,2,3	11-16/17-08	1	\$10,500	\$11,000	<b>Volney Woods, Jr.</b>
5	<b>3921 Hamilton</b> Lot 12, Block B/1816, Camps Second Avenue Addition	TF	IMP	1,2,3	11-16/17-08	4	\$1,000	\$1,525.75	<b>Gosby King, Jr.</b>
6	<b>5191 Lauderdale</b> Lot 11-B, Block A/6857, Goldmine Addition	TF	IMP	1,2,3	11-16/17-08	5	\$2,000	\$5,302	<b>LaMildredetta Hudson</b>
7	<b>3736 W. Ledbetter</b> Tract 3, Block 6043, Enoch Horton Survey	TF	IMP	1,2,3	11-16/17-08	1	\$58,500	\$60,126	<b>Rahmat Shojajari</b>
8	<b>2754 Locust</b> Lot 5, Block 3/6082, Southgate Manor Addition, No. 2	TF	IMP	1,2,3	11-16/17-08	5	\$5,100	\$6,200	<b>William Rice</b>

\*1=CITY, 2=DISTRICT, 3=COUNTY, 4=STATE All properties are located in the City of Dallas, Dallas County, Texas  
All Sheriff's Deeds are recorded in the Dallas County Deed Records

**EXHIBIT A**  
**TAX-FORECLOSED (TF) AND SEIZURE WARRANT (SW) PROPERTY RESALES**  
**FEBRUARY 11, 2009 AGENDA**

ITEM #	STREET ADDRESS LEGAL DESCRIPTION	TF/SW	VAC/IMP	OWNED BY TAXING ENTITIES *	DMN DATES ADVERTISED	# BIDS	MINIMUM BID	HIGHEST BID AMOUNT	HIGHEST BIDDER
9	<b>9526 McClung</b> Lot 16, Block A/8504, Tea Garden Place Addn	TF	IMP	1,2,3	11-16/17-08	2	\$9,400	\$12,000	<b>Javier Martinez</b>
10	<b>4205 Malcolm X</b> Lot 25, Block 1745, Exline-Ellis Addition	TF	IMP	1,2,3	11-16/17-08	1	\$12,500	\$22,010	<b>Yohannes Kumsa</b>
11	<b>10302 Nantucket Village</b> Lot 1, Block A/6772, Nantucket Village North Addition	TF	IMP	1,2,3	11-16/17-08	3	\$21,900	\$22,600	<b>Wilson Gonzalez</b>
12	<b>2028 Shaw</b> East 31.84 Feet of Lot 1, Block 7127-25, Victory Gardens Addition	TF	VAC	1,2,3	11-16/17-08	2	\$1,500	\$2,000	<b>Semeregelai Ogbazgi</b>
13	<b>1706 Sicily</b> Part of Lot 1, Block C/5905, Pleasant View Addition	TF	IMP	1,2,3	11-16/17-08	2	\$2,000	\$2,675	<b>Maria Martinez</b>
14	<b>4510 Solar Lane</b> Lot 2, Block B/7647 Central Avenue Addition No. 2	TF	VAC	1,2,3	11-16/17-08	1	\$2,000	\$3,050	<b>Darden McGlothlin</b>
15	<b>459 St. Augustine</b> Lot 2.1, Block A/7790 St. Augustine Road Addition	TF	VAC	1,2,3	11-16/17-08	1	\$1,000	\$1,000	<b>Time Warner NY Cable, LLC</b>
16	<b>2707 Weir</b> Tract 6, Block 7193	TF	IMP	1,2,3	11-16/17-08	1	\$141,200	\$143,111	<b>Tahmineh Bahrami</b>

\*1=CITY, 2=DISD, 3=COUNTY, 4=STATE All properties are located in the City of Dallas, Dallas County, Texas  
All Sheriff's Deeds are recorded in the Dallas County Deed Records



**KEY FOCUS AREA:** A Cleaner, Healthier City Environment

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Department of Development Services  
Public Works & Transportation

**CMO:** A. C. Gonzalez, 671-8925  
Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** 55H

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**SUBJECT**

Authorize moving expense and replacement housing payments for Ambrocia Ortega in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy - Not to exceed \$47,700 - Financing: 2003 Bond Funds

**BACKGROUND**

Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas provides moving expense and replacement housing payments for homeowners displaced by the City of Dallas in conjunction with its real property acquisition activities. On June 11, 2008, the City Council approved Resolution No. 08-1668 which authorized the acquisition of real property known as 902 Packard Street for the new Dallas Police Academy. Ambrocia Ortega will be displaced as a direct result of this property acquisition. She has qualified for a \$1,300 moving expense payment and a \$46,400 replacement housing payment pursuant to City Code and will use the replacement housing payment to acquire a replacement property.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 11, 2008, the City Council authorized the acquisition of single family homes in the Cadillac Heights neighborhood for the new Dallas Police Academy by Resolution No. 08-1668.

**FISCAL INFORMATION**

2003 Bond Funds - \$47,700

**OWNER**

Ambrocia Ortega

**MAP**

Attached



# DALLAS POLICE ACADEMY PROJECT RELOCATION ASSISTANCE



Lot 13, Block 2/6641 — 902 Packard Street



February 11, 2009

**WHEREAS**, on May 5, 2003, Dallas voters approved the use of General Obligation Bonds to acquire property for a new Dallas Police Academy facility; and

**WHEREAS**, Ambrocia Ortega will be displaced as a direct result of this property acquisition and will vacate the property; and

**WHEREAS**, Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas provides moving expense and replacement housing payments for homeowners displaced by City of Dallas property acquisition activities; and

**WHEREAS**, on June 11, 2008, the City Council approved Resolution No. 08-1668 authorizing the acquisition of 902 Packard Street located in the Cadillac Heights neighborhood, to be used in conjunction with the construction of the new Dallas Police Academy; and

**Now Therefore,**

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

**Section 1.** That Ambrocia Ortega will be displaced in conjunction with the new Dallas Police Academy and is entitled to moving expense and replacement housing payments pursuant to Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas.

**Section 2.** That Ambrocia Ortega is eligible to receive a moving expense payment in the amount of \$1,300 and a replacement housing payment in the amount of \$46,400.

**Section 3.** That the City Controller is authorized to draw warrants in favor of Ambrocia Ortega in the amount of \$47,700 representing moving expense and replacement housing payments.

These warrants are to be paid as follows:

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Obj</u>	<u>Act Code</u>	<u>Prog No</u>	<u>CT</u>	<u>Vendor No</u>	<u>Amount</u>
6R44	PBW	R960	4240	POFA	PB03R960	PBW03R960C3	VC0000006491	\$46,400
6R44	PBW	R960	4240	POFA	PB03R960	PBW03R960C4	VC0000006490	\$ 1,300

February 11, 2009

**Section 4.** That this resolution shall take effect immediately from and after its passage in accordance with provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Distribution:

Department of Development Service – Theresa O'Donnell

City Attorney – Thomas P. Perkins, Jr.

City Controller – Sherrian Parham, 4BN

Public Works and Transportation – Rosemary Prichard, OCMC, Room 101

**KEY FOCUS AREA:** A Cleaner, Healthier City Environment

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Department of Development Services  
Public Works & Transportation

**CMO:** A. C. Gonzalez, 671-8925  
Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** 55H

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**SUBJECT**

Authorize moving expense and replacement housing payments for Guadalupe Diaz in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy - Not to exceed \$29,200 - Financing: 2003 Bond Funds

**BACKGROUND**

Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas provides moving expense and replacement housing payments for homeowners displaced by the City of Dallas in conjunction with its real property acquisition activities. On June 11, 2008, the City Council approved Resolution No. 08-1668 which authorized the acquisition of real property known as 2943 Alex Street for the new Dallas Police Academy. Guadalupe Diaz will be displaced as a direct result of this property acquisition. She has qualified for an \$1,800 moving expense payment and a \$27,400 replacement housing payment pursuant to City Code and will use the replacement housing payment to acquire a replacement property.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 11, 2008, the City Council authorized the acquisition of single family homes in the Cadillac Heights neighborhood for the new Dallas Police Academy by Resolution No. 08-1668.

**FISCAL INFORMATION**

2003 Bond Funds - \$29,200

**OWNER**

Guadalupe Diaz

**MAP**

Attached

# DALLAS POLICE ACADEMY PROJECT RELOCATION ASSISTANCE



Lot 79, Block 6642 — 2943 Alex Street





February 11, 2009

**WHEREAS**, on May 5, 2003, Dallas voters approved the use of General Obligation Bonds to acquire property for a new Dallas Police Academy facility; and

**WHEREAS**, Guadalupe Diaz will be displaced as a direct result of this property acquisition and will vacate the property; and

**WHEREAS**, Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas provides moving expense and replacement housing payments for homeowners displaced by City of Dallas property acquisition activities; and

**WHEREAS**, on June 11, 2008, the City Council approved Resolution No. 08-1668 authorizing the acquisition of 2943 Alex Street located in the Cadillac Heights neighborhood, to be used in conjunction with the construction of the new Dallas Police Academy; and

**Now Therefore,**

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

**Section 1.** That Guadalupe Diaz will be displaced in conjunction with the new Dallas Police Academy and is entitled to moving expense and replacement housing payments pursuant to Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas.

**Section 2.** That Guadalupe Diaz is eligible to receive a moving expense payment in the amount of \$1,800 and a replacement housing payment in the amount of \$27,400.

**Section 3.** That the City Controller is authorized to draw warrants in favor of Guadalupe Diaz in the amount of \$29,200 representing moving expense and replacement housing payments.

These warrants are to be paid as follows:

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Obj</u>	<u>Act Code</u>	<u>Prog No</u>	<u>CT</u>	<u>Vendor No</u>	<u>Amount</u>
6R44	PBW	R960	4240	POFA	PB03R960	PBW03R960E7	VC0000006781	\$27,400
6R44	PBW	R960	4240	POFA	PB03R960	PBW03R960E8	VC0000006780	\$ 1,800

February 11, 2009

**Section 4.** That this resolution shall take effect immediately from and after its passage in accordance with provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Distribution:

Department of Development Service – Theresa O'Donnell

City Attorney – Thomas P. Perkins, Jr.

City Controller – Sherrian Parham, 4BN

Public Works and Transportation – Rosemary Prichard, OCMC, Room 101

**KEY FOCUS AREA:** A Cleaner, Healthier City Environment

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Department of Development Services  
Public Works & Transportation

**CMO:** A. C. Gonzalez, 671-8925  
Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** 55H

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**SUBJECT**

Authorize moving expense and replacement housing payments for Manuel and Alejandra Reyes in the Cadillac Heights Neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy - Not to exceed \$29,800 - Financing: 2003 Bond Funds

**BACKGROUND**

Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas provides moving expense and replacement housing payments for homeowners displaced by the City of Dallas in conjunction with its real property acquisition activities. On November 12, 2007, the City Council approved Resolution No. 07-3294 which authorized the acquisition of real property known as 1019 Packard Street for the new Dallas Police Academy. Manuel and Alejandra Reyes will be displaced as a direct result of this property acquisition. They have qualified for a \$1,400 moving expense payment and a \$28,400 replacement housing payment pursuant to City Code and will use the replacement housing payment to acquire a replacement property.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On November 12, 2007, the City Council authorized the acquisition of single family homes in the Cadillac Heights neighborhood for the new Dallas Police Academy by Resolution No. 07-3294.

**FISCAL INFORMATION**

2003 Bond Funds - \$29,800

**OWNERS**

Manuel Reyes  
Alejandra Reyes

**MAP**

Attached

# DALLAS POLICE ACADEMY PROJECT RELOCATION ASSISTANCE



Lot 3, Block 1/6641 — 1019 Packard Street



February 11, 2009

**WHEREAS**, on May 5, 2003, Dallas voters approved the use of General Obligation Bonds to acquire property for a new Dallas Police Academy facility; and

**WHEREAS**, Manuel and Alejandra Reyes will be displaced as a direct result of this property acquisition and will vacate the property; and

**WHEREAS**, Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas provides moving expense and replacement housing payments for homeowners displaced by City of Dallas property acquisition activities; and

**WHEREAS**, on November 12, 2007, the City Council approved Resolution No. 07-3294 authorizing the acquisition of 1019 Packard Street located in the Cadillac Heights neighborhood, to be used in conjunction with the construction of the new Dallas Police Academy; and

**Now Therefore,**

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

**Section 1.** That Manuel and Alejandra Reyes will be displaced in conjunction with the new Dallas Police Academy and is entitled to moving expense and replacement housing payments pursuant to Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas.

**Section 2.** That Manuel and Alejandra Reyes are eligible to receive a moving expense payment in the amount of \$1,400 and a replacement housing payment in the amount of \$28,400.

**Section 3.** That the City Controller is authorized to draw warrants in favor of Manuel and Alejandra Reyes in the amount of \$29,800 representing moving expense and replacement housing payments.

These warrants are to be paid as follows:

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Obj</u>	<u>Act Code</u>	<u>Prog No</u>	<u>CT</u>	<u>Vendor No</u>	<u>Amount</u>
6R44	PBW	R960	4240	POFA	PB03R960	PBW03R960B7	VC0000006489	\$28,400
6R44	PBW	R960	4240	POFA	PB03R960	PBW03R960B8	VC0000006485	\$ 1,400

February 11, 2009

**Section 4.** That this resolution shall take effect immediately from and after its passage in accordance with provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Distribution:

Department of Development Service – Theresa O'Donnell

City Attorney – Thomas P. Perkins

City Controller – Sherrian Parham, 4BN

Public Works and Transportation – Rosemary Prichard, OCMC, Room 101



**KEY FOCUS AREA:** A Cleaner, Healthier City Environment

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Department of Development Services  
Public Works & Transportation

**CMO:** A. C. Gonzalez, 671-8925  
Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** 55H

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**SUBJECT**

Authorize moving expense and replacement housing payments for Noel Lara in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy - Not to exceed \$56,000 - Financing: 2003 Bond Funds

**BACKGROUND**

Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas provides moving expense and replacement housing payments for homeowners displaced by the City of Dallas in conjunction with its real property acquisition activities. On June 11, 2008, the City Council approved Resolution No. 08-1668 which authorized the acquisition of real property known as 809 LaSalle Drive for the new Dallas Police Academy. Noel Lara will be displaced as a direct result of this property acquisition. He has qualified for a \$1,600 moving expense payment and a \$54,400 replacement housing payment pursuant to City Code and will use the replacement housing payment to acquire a replacement property.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 11, 2008, the City Council authorized the acquisition of single family homes in the Cadillac Heights neighborhood for the new Dallas Police Academy by Resolution No. 08-1668.

**FISCAL INFORMATION**

2003 Bond Funds - \$56,000

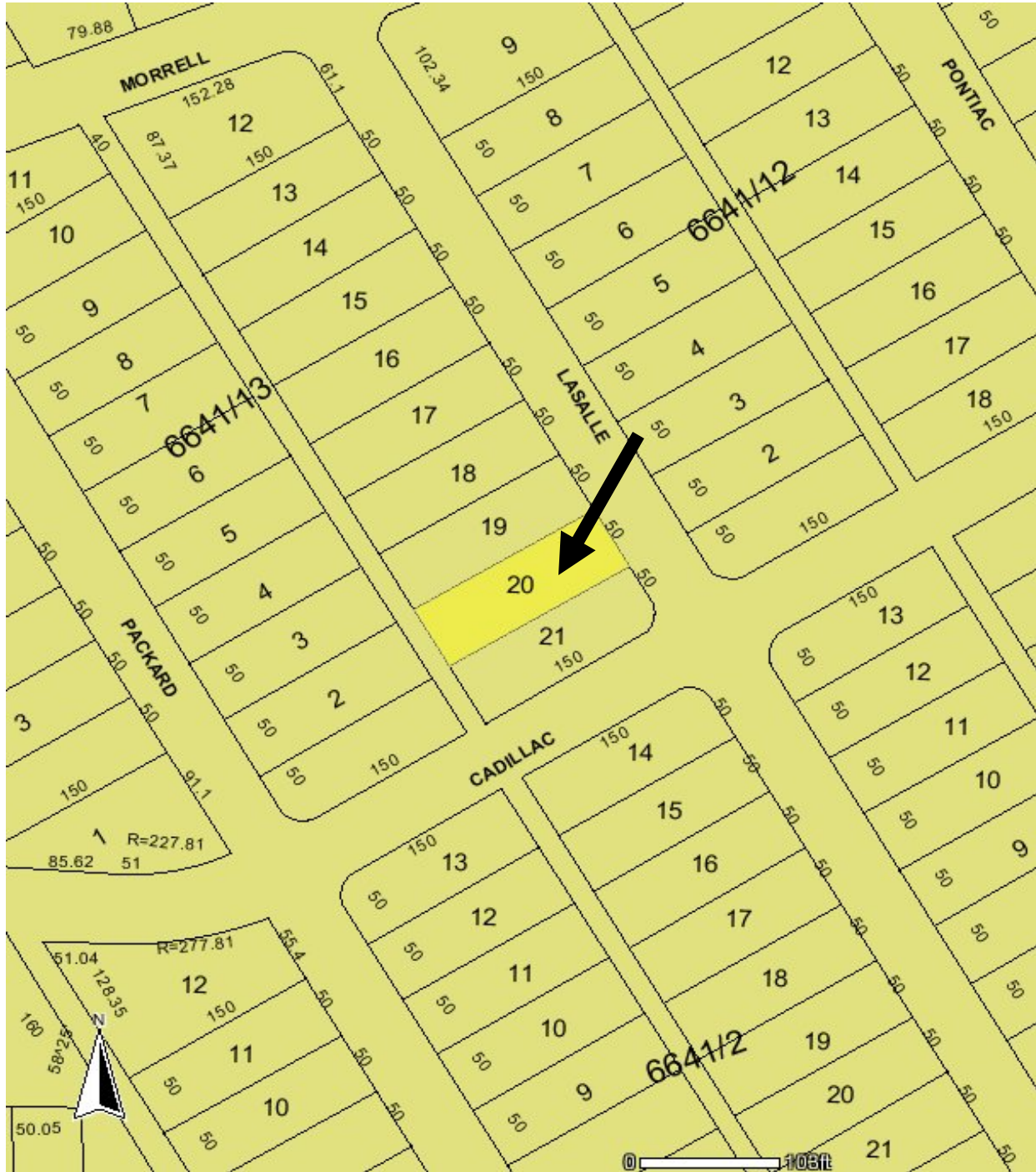
**OWNER**

Noel Lara

**MAP**

Attached

# DALLAS POLICE ACADEMY PROJECT RELOCATION ASSISTANCE



Lot 20, Block 13/6641 — 809 LaSalle Drive



February 11, 2009

**WHEREAS**, on May 5, 2003, Dallas voters approved the use of General Obligation Bonds to acquire property for a new Dallas Police Academy facility; and

**WHEREAS**, Noel Lara will be displaced as a direct result of this property acquisition and will vacate the property; and

**WHEREAS**, Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas provides moving expense and replacement housing payments for homeowners displaced by City of Dallas property acquisition activities; and

**WHEREAS**, on June 11, 2008, the City Council approved Resolution No. 08-1668 authorizing the acquisition of 809 LaSalle Drive located in the Cadillac Heights neighborhood, to be used in conjunction with the construction of the new Dallas Police Academy; and

**Now Therefore,**

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

**Section 1.** That Noel Lara will be displaced in conjunction with the new Dallas Police Academy and is entitled to moving expense and replacement housing payments pursuant to Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas.

**Section 2.** That Noel Lara is eligible to receive a moving expense payment in the amount of \$1,600 and a replacement housing payment in the amount of \$54,400.

**Section 3.** That the City Controller is authorized to draw warrants in favor of Noel Lara in the amount of \$56,000 representing moving expense and replacement housing payments.

These warrants are to be paid as follows:

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Obj</u>	<u>Act Code</u>	<u>Prog No</u>	<u>CT</u>	<u>Vendor No</u>	<u>Amount</u>
6R44	PBW	R960	4240	POFA	PB03R960	PBW03R960E5	VC0000006779	\$54,400
6R44	PBW	R960	4240	POFA	PB03R960	PBW03R960E6	VC0000006778	\$ 1,600

February 11, 2009

**Section 4.** That this resolution shall take effect immediately from and after its passage in accordance with provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Distribution:

Department of Development Service – Theresa O'Donnell

City Attorney – Thomas P. Perkins, Jr.

City Controller – Sherrian Parham, 4BN

Public Works and Transportation – Rosemary Prichard, OCMC, Room 101

**KEY FOCUS AREA:** A Cleaner, Healthier City Environment

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Department of Development Services  
Public Works & Transportation

**CMO:** A. C. Gonzalez, 671-8925  
Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** 55H

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**SUBJECT**

Authorize moving expense and replacement housing payments for Rene and Josefina Saldivar in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy - Not to exceed \$44,800 - Financing: 2003 Bond Funds

**BACKGROUND**

Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas provides moving expense and replacement housing payments for homeowners displaced by the City of Dallas in conjunction with its real property acquisition activities. On June 11, 2008, the City Council approved Resolution No. 08-1668 which authorized the acquisition of real property known as 810 Packard Street for the new Dallas Police Academy. Rene and Josefina Saldivar will be displaced as a direct result of this property acquisition. They have qualified for a \$1,400 moving expense payment and a \$43,400 replacement housing payment pursuant to City Code and will use the replacement housing payment to acquire a replacement property.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 11, 2008, the City Council authorized the acquisition of single family homes in the Cadillac Heights neighborhood for the new Dallas Police Academy by Resolution No. 08-1668.

**FISCAL INFORMATION**

2003 Bond Funds - \$44,800

**OWNERS**

Rene Saldivar  
Josefina Saldivar

**MAP**

Attached



# DALLAS POLICE ACADEMY PROJECT RELOCATION ASSISTANCE



Lot 3, Block 13/6641 — 810 Packard Street



February 11, 2009

**WHEREAS**, on May 5, 2003, Dallas voters approved the use of General Obligation Bonds to acquire property for a new Dallas Police Academy facility; and

**WHEREAS**, Rene and Josefina Saldivar will be displaced as a direct result of this property acquisition and will vacate the property; and

**WHEREAS**, Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas provides moving expense and replacement housing payments for homeowners displaced by City of Dallas property acquisition activities; and

**WHEREAS**, on June 11, 2008, the City Council approved Resolution No. 08-1668 authorizing the acquisition of 810 Packard Street located in the Cadillac Heights neighborhood, to be used in conjunction with the construction of the new Dallas Police Academy; and

**Now Therefore,**

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

**Section 1.** That Rene and Josefina Saldivar will be displaced in conjunction with the new Dallas Police Academy and are entitled to moving expense and replacement housing payments pursuant to Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas.

**Section 2.** That Rene and Josefina Saldivar are eligible to receive a moving expense payment in the amount of \$1,400 and a replacement housing payment in the amount of \$43,400.

**Section 3.** That the City Controller is authorized to draw warrants in favor of Rene and Josefina Saldivar in the amount of \$44,800 representing moving expense and replacement housing payments.

These warrants are to be paid as follows:

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Obj</u>	<u>Act Code</u>	<u>Prog No</u>	<u>CT</u>	<u>Vendor No</u>	<u>Amount</u>
6R44	PBW	R960	4240	POFA	PB03R960	PBW03R960C7	VC0000006495	\$43,400
6R44	PBW	R960	4240	POFA	PB03R960	PBW03R960C8	VC0000006494	\$ 1,400

February 11, 2009

**Section 4.** That this resolution shall take effect immediately from and after its passage in accordance with provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Distribution:

Department of Development Service – Theresa O'Donnell

City Attorney – Thomas P. Perkins, Jr.

City Controller – Sherrian Parham, 4BN

Public Works and Transportation – Rosemary Prichard, OCMC, Room 101

**KEY FOCUS AREA:** A Cleaner, Healthier City Environment  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 2  
**DEPARTMENT:** Department of Development Services  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 55H

---

**SUBJECT**

Authorize moving expense and replacement housing payments for Rosaura Saldivar in the Cadillac Heights neighborhood as a result of an official written offer of just compensation to purchase real property for the new Dallas Police Academy - Not to exceed \$45,100 - Financing: 2003 Bond Funds

**BACKGROUND**

Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas provides moving expense and replacement housing payments for homeowners displaced by the City of Dallas in conjunction with its real property acquisition activities. On June 11, 2008, the City Council approved Resolution No. 08-1668 which authorized the acquisition of real property known as 806 Packard Street for the new Dallas Police Academy. Rosaura Saldivar will be displaced as a direct result of this property acquisition. She has qualified for a \$1,700 moving expense payment and a \$43,400 replacement housing payment pursuant to City Code and will use the replacement housing payment to acquire a replacement property.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 11, 2008, the City Council authorized the acquisition of single family homes in the Cadillac Heights neighborhood for the new Dallas Police Academy by Resolution No. 08-1668.

**FISCAL INFORMATION**

2003 Bond Funds - \$45,100

**OWNER**

Rosaura Saldivar

**MAP**

Attached

# DALLAS POLICE ACADEMY PROJECT RELOCATION ASSISTANCE



Lot 4, Block 13/6641 — 806 Packard Street





February 11, 2009

**WHEREAS**, on May 5, 2003, Dallas voters approved the use of General Obligation Bonds to acquire property for a new Dallas Police Academy facility; and

**WHEREAS**, Rosaura Saldivar will be displaced as a direct result of this property acquisition and will vacate the property; and

**WHEREAS**, Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas provides moving expense and replacement housing payments for homeowners displaced by City of Dallas property acquisition activities; and

**WHEREAS**, on June 11, 2008, the City Council approved Resolution No. 08-1668 authorizing the acquisition of 806 Packard Street located in the Cadillac Heights neighborhood, to be used in conjunction with the construction of the new Dallas Police Academy; and

**Now Therefore,**

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

**Section 1.** That Rosaura Saldivar will be displaced in conjunction with the new Dallas Police Academy and is entitled to moving expense and replacement housing payments pursuant to Chapter 39A of the Revised Code of Civil and Criminal Ordinances of the City of Dallas.

**Section 2.** That Rosaura Saldivar is eligible to receive a moving expense payment in the amount of \$1,700 and a replacement housing payment in the amount of \$43,400.

**Section 3.** That the City Controller is authorized to draw warrants in favor of Rosaura Saldivar in the amount of \$45,100 representing moving expense and replacement housing payments.

These warrants are to be paid as follows:

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Obj</u>	<u>Act Code</u>	<u>Prog No</u>	<u>CT</u>	<u>Vendor No</u>	<u>Amount</u>
6R44	PBW	R960	4240	POFA	PB03R960	PBW03R960C5	VC0000006493	\$43,400
6R44	PBW	R960	4240	POFA	PB03R960	PBW03R960C6	VC0000006492	\$ 1,700

February 11, 2009

**Section 4.** That this resolution shall take effect immediately from and after its passage in accordance with provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Distribution:

Department of Development Service – Theresa O'Donnell

City Attorney – Thomas P. Perkins, Jr.

City Controller – Sherrian Parham, 4BN

Public Works and Transportation – Rosemary Prichard, OCMC, Room 101

**AGENDA ITEMS # 24,25**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Efficiency Team

**CMO:** Dave Cook, 670-7804

**MAPSCO:** N/A

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**SUBJECT**

**Quality Policy and Occupational Safety and Health Policy Update**

- \* Authorize an amendment to the City's Quality Policy, established on January 24, 2007, by Resolution No. 07-0318, to update the language of the policy to maintain compliance with the International Organization for Standardization requirements - Financing: No cost consideration to the City
- \* Authorize an amendment to the City's Occupational Safety and Health Policy, established on January 24, 2007, by Resolution No. 07-0319, to update the language of the policy to maintain compliance with the International Organization for Standardization requirements - Financing: No cost consideration to the City

**BACKGROUND**

The City of Dallas is implementing a Quality Management System (QMS), based on International Organization for Standardization (ISO) 9001 principles to enhance the quality of products and services, reduce costs and improve customer service. The ISO 9001 standards require that the City establish an appropriate Quality Policy that is reviewed for continuing suitability.

The City is also implementing an Occupational Safety and Health Management System to reduce accidents, injuries and cost of worker's compensation and insurance premiums. The OHSAS 18001 standard requires that the City establish an Occupational Safety and Health Policy to serve as a platform for effective decision making, and to drive health and safety performance improvement in the City. This policy also requires review for continuing suitability.

## **BACKGROUND** (continued)

On January 24, 2007, by Resolution No. 07-0318, City Council authorized a Quality Policy to **(1)** pursue continual improvements in customer service delivery by efficiently utilizing all available resources to enhance the vitality and quality of life for the Dallas community; and **(2)** comply with ISO requirements for registration.

On January 24, 2007, by Resolution No. 07-0319, City Council also authorized an Occupational Safety and Health Policy to **(1)** demonstrate excellence in protecting people and property, and minimizing exposure to financial loss; and **(2)** comply with ISO requirements for registration.

Approval of this agenda item will update the Quality Policy and the Occupational Safety and Health Policy with additional language needed to maintain compliance with the ISO standards.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On January 9, 2008, by Resolution No. 08-0126, City Council authorized a professional service contract with the University of Texas at Arlington/Texas Manufacturing Assistance Center (TMAC) for Phase II of the ISO 9001 Quality Management System implementation in various City departments.

On November 12, 2007, by Resolution No. 07-3278, City Council authorized a thirty-six-month professional services contract with three additional twelve-month renewal periods at the City's option to Bureau Veritas Certification North America, for the registration of City departments to the ISO 9001, 14001 and OHSAS 18001.

Briefed the Transportation and Environment Committee on October 22, 2007.

On May 10, 2006, by Resolution No. 06-1417, City Council authorized a professional services contract to implement an ISO 9001 Quality Management System in thirteen City departments.

On April 10 and 24, 2006, staff briefed the Quality of Life and the Finance, Audit & Accountability Committees. Both committees supported the implementation of ISO 9001 throughout various City departments and recommended approval to the full Council.

Briefed the Commission on Productivity and Innovation on March 27, 2006.

Briefed the Quality of Life Committee on November 28, 2005.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (continued)

On February 23, 2005, by Resolution No. 05-0679, City Council authorized a professional service contract with the University of Texas at Arlington/Texas Manufacturing Assistance Center (TMAC) to implement ISO 9001 within one division of the Department of Street Services. As Street Services began to see the benefits of standardizing business processes, the City Manager expressed interest in expanding this initiative to multiple departments.

**FISCAL INFORMATION**

No cost consideration to the City.



February 11, 2009

**WHEREAS**, on January 24, 2007, by Resolution No. 07-0318, the City of Dallas established a Quality Policy to pursue continual improvement in the delivery of customer service by efficiently utilizing all available resources to enhance the vitality and quality of life for all in the community; and

**Now, Therefore,**

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

**Section 1.** That Section 2 of Resolution No. 07-0318 is hereby amended to read as follows:

That the Quality Policy shall read as follows: The City of Dallas shall pursue continual improvement in our delivery of customer service with its commitment to comply with requirements by efficiently using all available resources to enhance the vitality and quality of life for all in the Dallas community.

**Section 2.** That this resolution shall 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.





February 11, 2009

**WHEREAS**, on January 24, 2007, by Resolution No. 07-0319, the City of Dallas established an Occupational Safety and Health Policy to demonstrate excellence in protecting people and property, and minimizing exposure to financial loss;

**Now, Therefore,**

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

**Section 1.** That Section 2 of Resolution No. 07-0319 is hereby amended to read as follows:

That the Occupational Safety and Health Policy shall read as follows: The City of Dallas strives to demonstrate excellence in protecting people and property, and minimizing exposure to financial loss. Every employee, contractor, and visitor or guest to our facilities will be encouraged to take personal responsibility for safety by adhering to the following principles:

- **Safety:** Maintain a safe workplace, plan our work, perform it safely and ensure accountability for the safety of ourselves, coworkers, and guests.
- **Health:** Commitment to prevention of injuries and ill health within our workplace and community.
- **Compliance:** Achieve and comply with applicable legal requirements and with other requirements to which the City subscribes that relate to its occupational safety and health hazards.
- **Community:** Maintain open, proactive and constructive relationships with our employees, neighbors, regulators, and other stakeholders.
- **Continual Improvement:** Make continual improvements in occupational safety and health performance.

**Section 2.** That this resolution shall 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.



**KEY FOCUS AREA:** A Cleaner, Healthier City Environment  
Economic Vibrancy

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 1

**DEPARTMENT:** Environmental & Health Services  
Department of Development Services

**CMO:** Forest E. Turner, 670-3390  
A. C. Gonzalez, 671-8925

**MAPSCO:** 55A

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**SUBJECT**

Authorize a ten-year lease agreement with Marcer Investments, LLC. for approximately 6,000 square feet of office space located at 1113 East Jefferson Boulevard, to be used as a Women, Infants and Children Clinic for the period July 1, 2009 through June 30, 2019 - Not to exceed \$975,000 - Financing: Department of State Health Services Grant Funds (subject to annual appropriations)

**BACKGROUND**

This item authorizes a ten-year lease agreement with Marcer Investments, LLC. for approximately 6,000 square feet of office space. This lease will provide a new site for the Women, Infants and Children (WIC) Clinic to serve the residents in the Oak Cliff area. This new site will replace the WIC clinic currently located at 351 West Jefferson Boulevard.

The WIC program is a United States Department of Agriculture program administered in Texas by the Department of State Health Services. The countywide program has been administered by the City of Dallas' Environmental and Health Services Department since 1974. The WIC program provides vouchers for nutritious food, nutrition education, breastfeeding promotion and support, referrals to health services, and immunizations. The program serves infants and children under age 5 and pregnant, postpartum and breastfeeding women.

The lease will begin on July 1, 2009 and end on June 30, 2019.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

**FISCAL INFORMATION**

\$975,000 - Department of State Health Services Grant Funds (subject to annual appropriations)

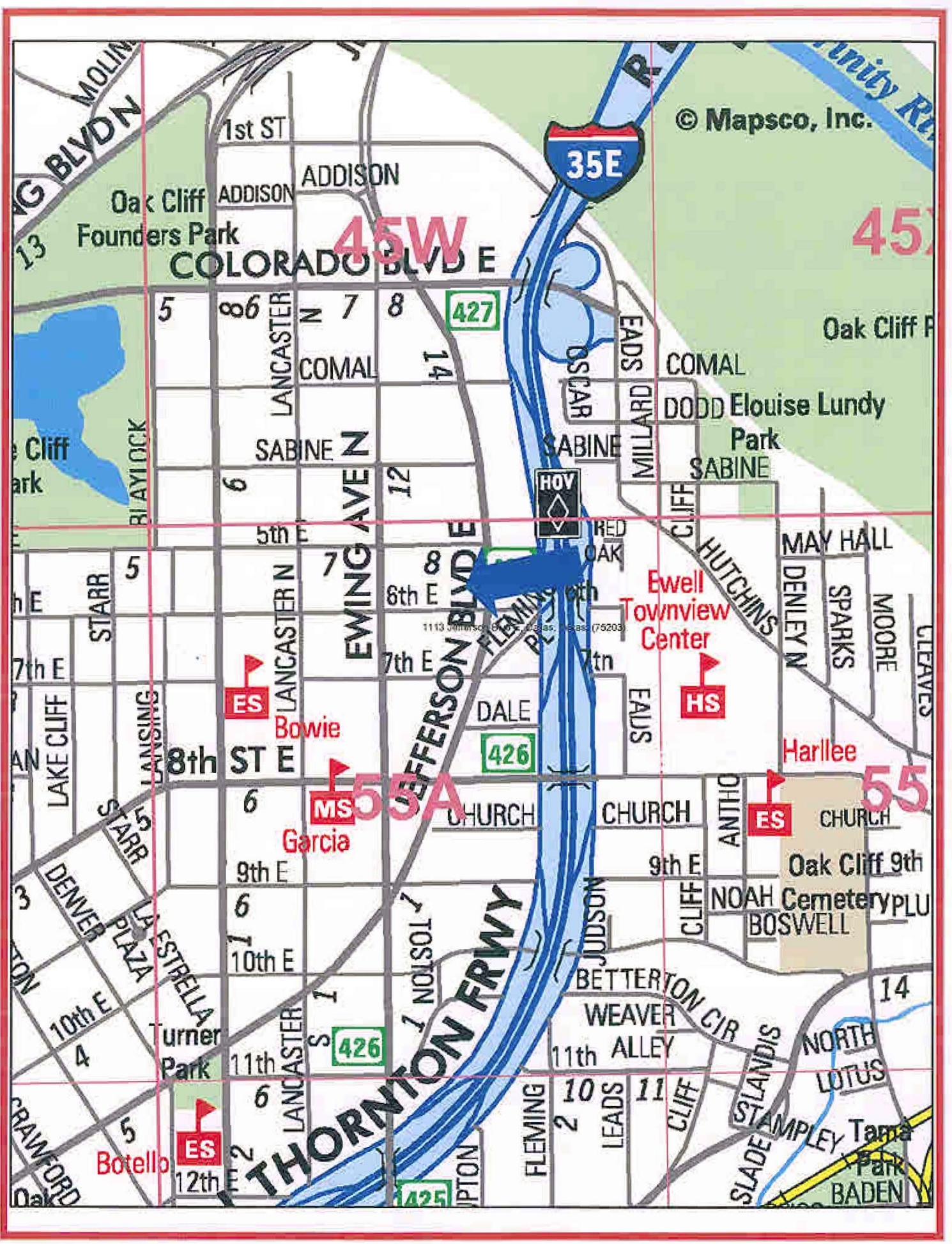
**OWNER**

**Marcer Investments, LLC.**

Raul B. Estrada, Manager

**MAPS**

Attached



© Mapsco, Inc.

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February 11, 2009

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

**Section 1.** That the City Manager, upon approval as to form by the City Attorney, is hereby authorized to execute a lease agreement between Marcer Investments, LLC., a Texas limited liability company, or its successor and assigns hereinafter referred to as "Landlord", and the City of Dallas, as Tenant, hereinafter referred to as "City" for approximately 6,000 square feet of office space located in a two-story office building at 1113 East Jefferson Boulevard, Dallas, Dallas, County, Texas ("Premises") to be used by the Environmental and Health Services Women, Infants and Children Program.

**Section 2.** That the special terms and conditions of the lease are:

- a. The lease is for a term of ten (10) years beginning July 1, 2009 and ending June 30, 2019.
- b. Monthly rental payments during the term shall be as follows:

July 1, 2009 - June 30, 2019 - \$8,125.00 per month

The rental payments shall begin upon the latter of (i) July 1, 2009 or (ii) the date certain leasehold improvements as specified in the lease are completed and accepted ("Rental Commencement Date"). If the Rental Commencement Date is other than the first of the month rent for the resulting partial month shall be prorated by days.

- c. The Landlord agrees to provide the City with a Certificate of Occupancy.
- d. The Landlord shall pay all real estate taxes on the Premises during the lease term.
- e. The City shall be responsible for the installation, maintenance and expense of its own telephone and communication services to the Premises.
- f. The City shall pay all charges for utilities and janitorial services to the Premises during the lease term
- g. The Landlord shall provide the City with an asbestos survey at Landlord's expense.
- h. The Landlord shall maintain the roof, foundation, exterior walls, lighting, termites and pest extermination, parking areas and all public and commons areas constituting a part of and/or serving the Premises during the lease term.

February 11, 2009

- i. The Landlord shall maintain all equipment and systems, including, but not limited to, all electrical mechanical and plumbing systems, including heating and air conditioning equipment, front and rear doors light fixtures, plumbing and floor drains, exhaust fans, windows, interior walls, ceiling and floors in or constituting part of and/or serving the Premises.
- j. The Landlord shall provide certain improvements and repairs (leasehold improvements) to the leased Premises as specified in the lease agreement.
- k. The Landlord shall provide City a minimum of thirty parking spaces.
- l. The Landlord shall provide adequate dumpster facilities for City's trash.
- m. The City reserves the right to terminate the lease on the last day of any current fiscal year due to non-appropriation of funds.

**Section 3.** That the City Controller is hereby authorized to draw warrants payable to Marcer Investments, LLC. or its successors and assigns on the first day of each month in advance during the lease term beginning July 1, 2009 in the amounts specified below:

July 1, 2009 - June 30, 2019 - \$8,125.00 per month  
(subject to annual appropriations)

**Section 4.** That payments will be charged as follows:

July 1, 2009 - June 30, 2010: Fund F209, Dept. EHS, Unit 1615, Object Code 3330, Encumbrance No. EHSLEASE687, Commodity Code 97145, Vendor No. VS0000031092

July 1, 2010 - June 30, 2011: Fund TBD, Dept. EHS, Unit TBD, Object Code 3330, Encumbrance No. TBD, Commodity Code 97145, Vendor No. VS0000031092

July 1, 2011 - June 30, 2012: Fund TBD, Dept. EHS, Unit TBD, Object Code 3330, Encumbrance No. TBD, Commodity Code 97145, Vendor No. VS0000031092

July 1, 2012 - June 30, 2013: Fund TBD, Dept. EHS, Unit TBD, Object Code 3330, Encumbrance No. TBD, Commodity Code 97145, Vendor No. VS0000031092



February 11, 2009

July 1, 2013 - June 30, 2014: Fund TBD, Dept. EHS, Unit TBD, Object Code 3330, Encumbrance No. TBD, Commodity Code 97145, Vendor No VS0000031092

July 1, 2014 - June 30, 2015: Fund TBD, Dept. EHS, Unit TBD, Object Code 3330, Encumbrance No. TBD, Commodity Code 97145, Vendor No VS0000031092

July 1, 2015 - June 30, 2016: Fund TBD, Dept. EHS, Unit TBD, Object Code 3330, Encumbrance No. TBD, Commodity Code 97145, Vendor No VS0000031092

July 1, 2016 - June 30, 2017: Fund TBD, Dept. EHS, Unit TBD, Object Code 3330, Encumbrance No. TBD, Commodity Code 97145, Vendor No VS0000031092

July 1, 2017 - June 30, 2018: Fund TBD, Dept. EHS, Unit TBD, Object Code 3330, Encumbrance No. TBD, Commodity Code 97145, Vendor No VS0000031092

July 1, 2018 - June 30, 2019: Fund TBD, Dept. EHS, Unit TBD, Object Code 3330, Encumbrance No. TBD, Commodity Code 97145, Vendor No VS0000031092

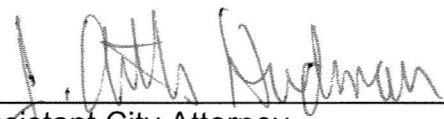
**Section 5.** That the City Controller is hereby authorized to draw warrants payable to the respective telephone, communications, utility and janitorial companies upon receipt of a bill for services or other applicable charges throughout the term of the lease.

**Section 6.** That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas and it is accordingly so resolved.

**APPROVED AS TO FORM**

Thomas P. Perkins Jr., City Attorney

BY:

  
Assistant City Attorney



**KEY FOCUS AREA:** A Cleaner, Healthier City Environment  
Economic Vibrancy

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 1

**DEPARTMENT:** Environmental & Health Services  
Department of Development Services

**CMO:** Forest E. Turner, 670-3390  
A. C. Gonzalez, 671-8925

**MAPSCO:** 54G

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**SUBJECT**

Authorize a second amendment to the lease agreement with Rampart Properties, L.P. to extend the term of the lease for an additional six months of approximately 5,870 square feet of office space at the leased facility located at 351 West Jefferson Boulevard, Suite 300 for the continued use as a Women, Infants and Children Clinic for the period March 1, 2009 through August 31, 2009 - Total not to exceed \$45,493 - Financing: Department of State Health Services Grant Funds

**BACKGROUND**

This item authorizes a second amendment to the lease agreement with Rampart Properties, L.P. to extend the lease for an additional six-months for leased office space located at 351 West Jefferson Boulevard, Suite 300. This amendment provides the City of Dallas the right to terminate the lease upon thirty (30) days written notice.

The Women, Infant and Children (WIC) program is a United States Department of Agriculture program administered in Texas by the Department of States Health Services. The countywide program has been administered by the City of Dallas' Environmental and Health Services Department since 1974. The WIC program provides vouchers for nutritious food, nutrition education, breastfeeding promotion and support, referrals to health services, and immunizations. The program serves infants and children under age 5, and pregnant, postpartum and breastfeeding women.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Authorized an amendment to the lease agreement on June 25, 2008, by Resolution No. 08-1787.

Authorized a lease agreement on April 9, 2003, by Resolution No. 03-1194.

**FISCAL INFORMATION**

\$45,492.48 - Department of State Health Services Grant Funds

**OWNER**

**Rampart Properties, L.P.**

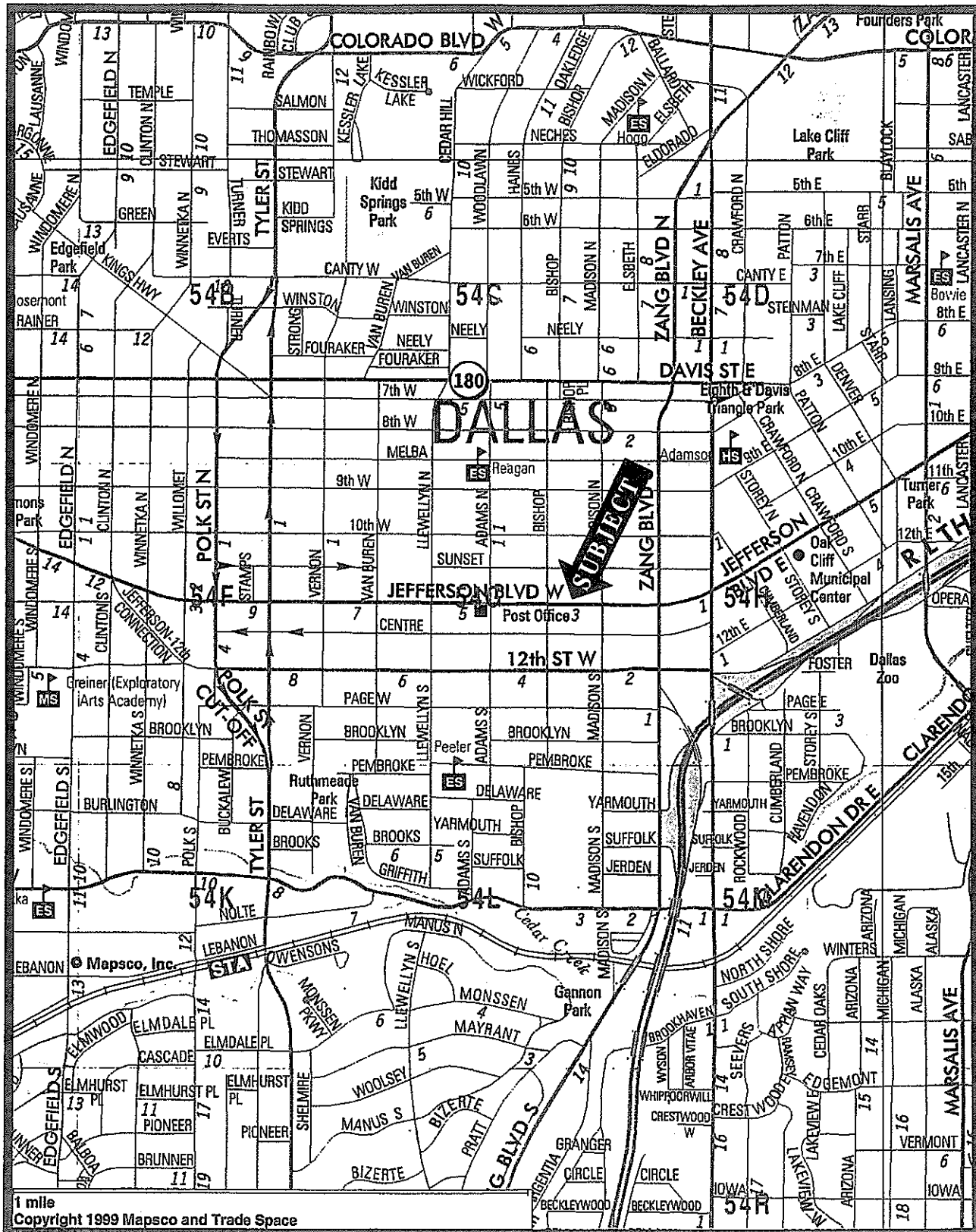
Rampart Group, L.P., General Partner

Rampart Alliance Corporation, General Partner

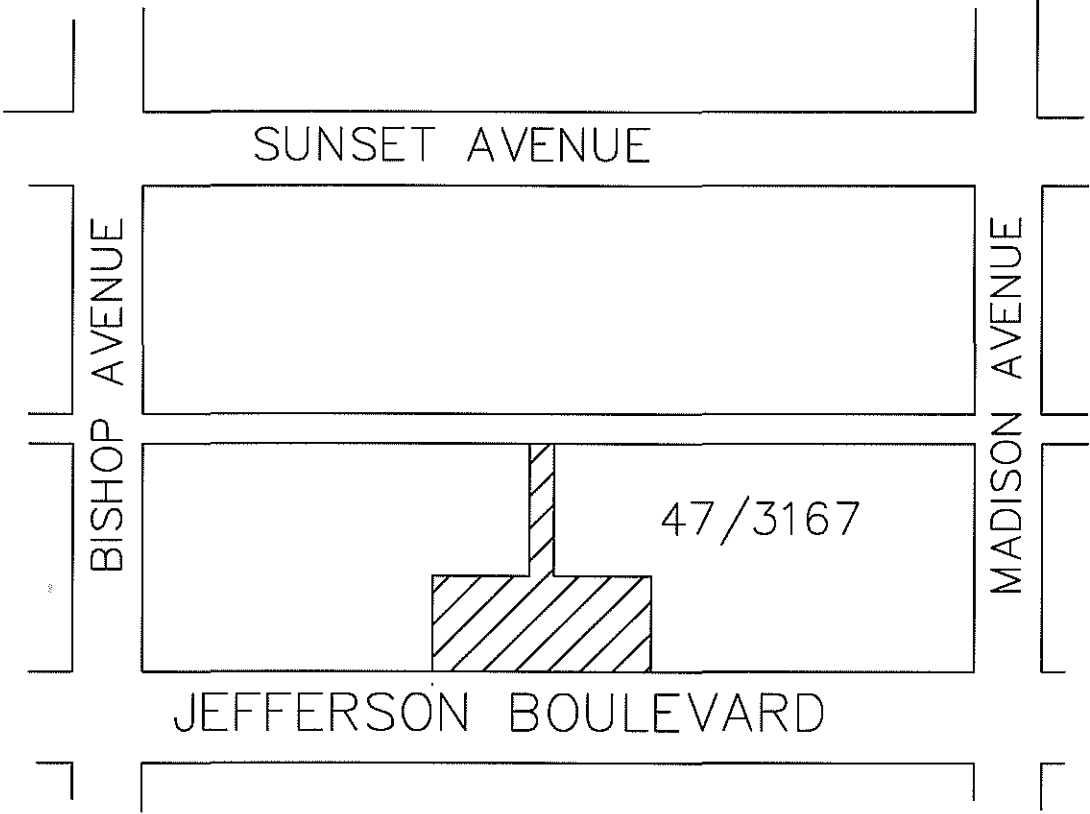
J. H. Carpenter, President

**MAPS**

Attached



**MAPSCO 54G**



 JEFFERSON TOWER  
351 WEST JEFFERSON BLVD

February 11, 2009

**WHEREAS**, on April 9, 2003, by Resolution No. 03-1194, City Council approved Resolution No. 03-1194, authorizing the City Manager to execute a lease agreement dated April 22, 2003, (the "Lease") between Jefferson Tower, L.P., as Lessor and the City of Dallas, as Lessee ("City") for approximately 5,870 square feet of office space located at 351 W. Jefferson, Suite 300, Dallas, Dallas County, Texas for use as Women Infant and Children Program Services office; and

**WHEREAS**, on June 9, 2006 the property was sold to SourceOne Capital, L.P., a Nevada limited partnership; and

**WHEREAS**, on June 10, 2006 the property was conveyed to Rampart Properties, L.P., a Texas limited partnership ("Landlord"); and

**WHEREAS**, the original lease term was continued through a month-to-month holdover basis through July 31, 2008; and

**WHEREAS**, the Lease was amended and extended for a six (6) month term by an Amendment to Lease Agreement dated June 26, 2008;

**WHEREAS**, the extended lease term ended December 31, 2008 and the Lease has continued on a month-to-month holdover basis as provided in the Lease through February 28, 2009; and

**WHEREAS**, City and Landlord desire to extend the Term of the Lease, as previously amended, for an additional six month period, upon certain amended terms, as provided below;

**NOW, THEREFORE;**

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

**Section 1.** That the City Manager, upon approval as to form by the City Attorney, be and is hereby authorized to execute a Second Amendment to the Lease Agreement between Rampart Properties, L.P. and the City of Dallas.

**Section 2.** That the special terms and conditions of the Second Amendment to Lease Agreement are:

- (a) The term of the Lease is extended for an additional six (6) months, effective March 1, 2009 through August 31, 2009, provided however, that the City has the right to terminate the Lease upon thirty (30) days written notice and as provided elsewhere therein.

February 11, 2009

**Section 2.** That the special terms and conditions of the Second Amendment to Lease Agreement are: (Continued)

(b) All other terms of the Lease, as previously amended, not expressly amended, hereby shall remain unchanged and in full force and effect.

**Section 3.** That the City Controller be and is hereby authorized to draw warrants payable to Rampart Properties, L.P. or its successors and assigns on the first day of each month in advance during the lease term effective March 1, 2009 in the amount specified below:

March 1, 2009 - August 31, 2009                      \$7,582.08 per month

**Section 4.** That the payments will be charged as follows:

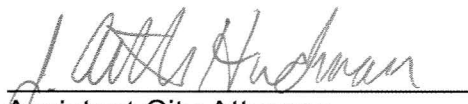
March 1, 2009 - August 31, 2009: Fund F209, Dept. EHS, Unit 1615, Object 3330, Encumbrance No. EHSLEASE686, Commodity Code 97145, Vendor No. VS0000011581

**Section 5.** That the City Controller is hereby authorized to draw warrants payable to the respective security and communication companies upon receipt of a bill for charges throughout the lease term.

**Section 6.** That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas and it is accordingly so resolved.

**APPROVED AS TO FORM:**

Thomas P. Perkins, Jr., City Attorney

By:   
Assistant City Attorney



**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 6  
**DEPARTMENT:** Housing  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 42U

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**SUBJECT**

Authorize the reconstruction on-site of one home in accordance with the Reconstruction/SHARE Program Statement requirements for the property located at 2511 Chalk Hill Drive – Total not to exceed \$87,500 - Financing: 2006-07 Community Development Grant Funds

**BACKGROUND**

On November 12, 2007, City Council approved an amendment to the Program Statement for the Home Repair Program which authorizes loans for reconstruction on site of new homes to low-income homeowners in Dallas earning less than 50% Citywide and 80% in NIP areas of Area Median Family Income (AMFI).

On April 23, 2008, City Council approved an amendment to the Program Statement for the Reconstruction/SHARE program to provide to the homeowners up to \$5,900 of the maximum \$87,500 for an amenities package. (Maximum Program funding is \$87,500 for a new home on-site of approximately 1,200 sq ft).

City Council authorization is also required prior to proceeding with reconstruction on site when all of the following conditions exist: (a) repairs necessary to meet the City's locally adopted Housing Rehabilitation Standards or Federal Housing Quality Standards and all applicable codes cannot be accomplished within the program funding limits; (b) the conditions of the home create an imminent danger to the life, health and/or safety of the residents and/or the neighborhood; and (c) repairs are not feasible in that they will not extend the life of the repaired structure beyond 15 years.

## **BACKGROUND (continued)**

On October 8, 2008, City Council approved an amendment to the Program Statement for the Home Repair Program which authorizes loans for reconstruction on-site of new homes to low-income homeowners in Dallas earning less than 80% of Area Median Family Income (AMFI) and who are older than 62 years of age or disabled and provide assistance with one (1) tax and insurance payment.

The following homeowners are at 80% and below AMFI, are eligible for a loan to reconstruct the home on-site and the property described is eligible: a couple Jose M. & his wife Maria J. Martinez, 73 & 70 years old, reside at 2511 Chalk Hill Dr.

This action provides authority to proceed with reconstruction of one single-family home on-site, as all conditions noted above have been met.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On October 28, 1998, the City Council approved the Program Statement authorizing the Housing Department to implement the Home Improvement Loan Program and included clarification of procedures for reconstruction on-site under certain conditions by Council Resolution No. 98-3157.

On August 23, 2000, the City Council authorized approval of the Program Statement for the Home Improvement Loan Program by Resolution No. 00-2656.

On June 27, 2001, the City Council authorized approval of a program statement for the Home Repair Program by Resolution No. 01-2049.

On August 14, 2002, the City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-2272.

On October 23, 2002, the City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-3047.

On October 22, 2003, the City Council authorized the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 03-2833.

On June 23, 2004, the City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 04-2097.

On October 18, 2004, the Housing and Neighborhood Development Committee recommended increasing the Maximum loan for a replacement home to \$70,000.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (continued)**

On November 10, 2004, the City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program to increase the maximum amount to \$70,000 by Resolution No. 04-3194.

On November 12, 2007, the City Council approved the Program Statement authorizing the Housing Department to implement the Reconstruction/SHARE Program Statement for reconstruction on-site under certain conditions for assistance up to \$87,500 by Resolution No. 07-3307.

On April 23, 2008, the City Council authorized an amendment to the Reconstruction/SHARE Program Statement to add an amenities package up to \$5,900 by Resolution No. 08-1266.

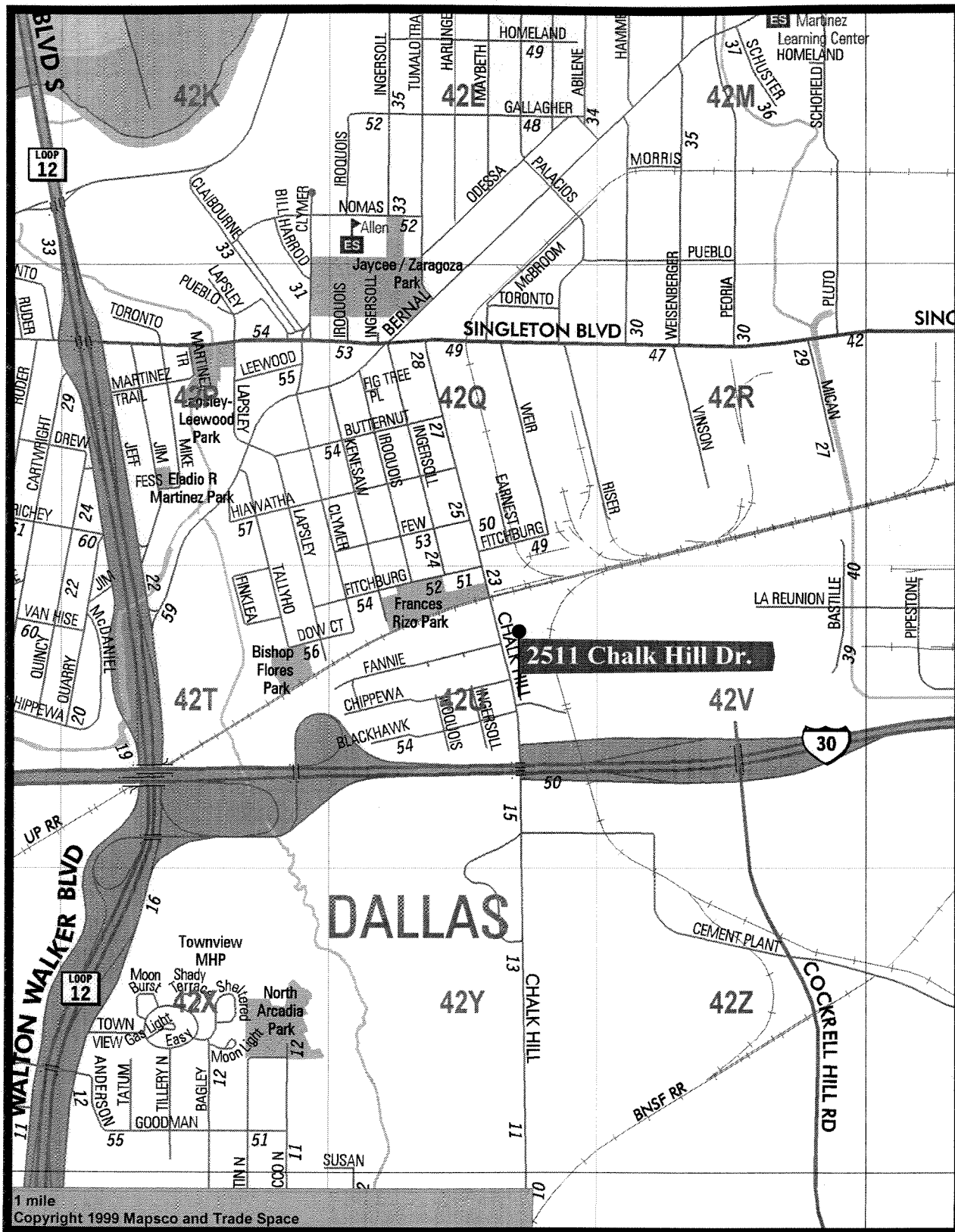
On October 8, 2008, the City Council authorized an amendment to the Reconstruction/SHARE Program Statement to assist low-income homeowners in Dallas earning less than 80% of Area Median Family Income (AMFI) and who are older than 62 years of age or disabled and provide assistance with one (1) tax and insurance payment by Resolution No. 08-2768.

## **FISCAL INFORMATION**

2006-07 Community Development Grant Funds - \$87,500

## **MAP(S)**

Attached



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February 11, 2009

**WHEREAS**, on October 28, 1998, the City Council approved the Program Statement authorizing the Housing Department to implement the Home Improvement Loan Program and included clarification of procedures for reconstruction on-site under certain conditions by Council Resolution No. 98-3157; and

**WHEREAS**, on August 23, 2000, the City Council authorized approval of the Program Statement for the Home Improvement Loan Program by Resolution No. 00-2656; and

**WHEREAS**, on June 27, 2001, the City Council authorized approval of a program statement for the Home Repair Program by Resolution No. 01-2049; and

**WHEREAS**, on August 14, 2002, the City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-2272; and

**WHEREAS**, on October 23, 2002, the City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-3047; and

**WHEREAS**, on October 22, 2003, the City Council authorized the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 03-2833; and

**WHEREAS**, on June 23, 2004, the City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 04-2097; and

**WHEREAS**, on October 18, 2004, the Housing and Neighborhood Development Committee recommended increasing the Maximum loan for a replacement home to \$70,000; and

**WHEREAS**, on November 10, 2004, the City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program to increase the maximum amount to \$70,000 by Resolution No. 04-3194; and

**WHEREAS**, on November 12, 2007, the City Council approved the Program Statement authorizing the Housing Department to implement the Reconstruction/SHARE Program Statement for reconstruction on-site under certain conditions for assistance up to \$87,500 by Council Resolution No. 07-3307; and

**WHEREAS**, on April 23, 2008, the City Council authorized an amendment to the Reconstruction/SHARE Program Statement to add an amenities package up to \$5,900 by Resolution No. 08-1266; and

February 11, 2009

**WHEREAS**, on October 8, 2008, the City Council authorized an amendment to Reconstruction/SHARE Program Statement to assist low-income homeowners at 80% of AMFI who are older than 62 years old or disabled and to provide assistance with one (1) tax and insurance payment; and

**WHEREAS**, the homeowners described made application to the Home Repair Program; Jose M. & Maria J. Martinez, at 2511 Chalk Hill Dr.; and

**WHEREAS**, all three conditions outlined in the Reconstruction/SHARE Program Statement for reconstruction of a home on-site have been met for the property owners Jose M. & Maria J. Martinez; **NOW THEREFORE**,

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

**SECTION 1.** That the application and property from homeowners described for a reconstruction loan be approved under the Reconstruction/SHARE Program: Jose M. & Maria J. Martinez, at 2511 Chalk Hill Dr., all in the amounts shown in Section 3 hereof.

**SECTION 2.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute loan documents with Jose M. & Maria J. Martinez for reconstruction on-site of the home to be located at 2511 Chalk Hill Dr.

**SECTION 3.** That the City Controller is authorized to make payments for reconstruction of the home in accordance with the funding information listed according to:

Fund 06RP Dept HOU, Unit 3230, Obj 3100 CT HOU 3230D184 (\$87,500)  
Vendor #VS0000030352 - Reasaq Homes, LLC. – 2511 Chalk Hill Dr.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas and it is accordingly so resolved.

**DISTRIBUTION:**

Housing Department  
City Attorney's Office  
Office of Financial Services/Community Development, 4FS

**KEY FOCUS AREA:** A Cleaner, Healthier City Environment  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 7  
**DEPARTMENT:** Housing  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 47N

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**SUBJECT**

Authorize an amendment to the Reconstruction/SHARE Program Statement, previously approved on August 13, 2008, by Resolution No. 08-2063 to change the awarded contractor to reconstruct on-site one home in accordance with the Reconstruction/SHARE Program Statement requirements for the property located at 4619 Collins Avenue - Total not to exceed \$87,500 - Financing: 2007-2008 Community Development Grant Funds

**BACKGROUND**

On November 12, 2007, City Council approved an amendment to the Program Statement for the Home Repair Program which authorizes loans for reconstruction on-site of new homes to low-income homeowners in Dallas earning less than 50% Citywide and 80% in NIP areas of Area Median Family Income (AMFI).

On April 23, 2008, City Council approved an amendment to the Program Statement for the Reconstruction/SHARE program to provide to the homeowners up to \$5,900 of the maximum \$87,500 for an amenities package. (Maximum Program funding is \$87,500 for a new home on-site of approximately 1,200 sq ft).

City Council authorization is also required prior to proceeding with reconstruction on site when all of the following conditions exist: (a) repairs necessary to meet the City's locally adopted Housing Rehabilitation Standards or Federal Housing Quality Standards and all applicable codes cannot be accomplished within the program funding limits; (b) the conditions of the home create an imminent danger to the life, health and/or safety of the residents and/or the neighborhood; and (c) repairs are not feasible in that they will not extend the life of the repaired structure beyond 15 years.

The following homeowner and property described is eligible for a loan to reconstruct the home on-site: Bennie D. Mitchell, a 68 year old elderly male residing at 4619 Collins Avenue is at 50% and below AMFI, and is eligible for a loan to reconstruct the home on-site.

## **BACKGROUND (continued)**

This action provides authority to proceed with reconstruction of one (1) single-family home on-site, as all conditions noted above have been met.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On October 28, 1998, the City Council approved the Program Statement authorizing the Housing Department to implement the Home Improvement Loan Program and included clarification of procedures for reconstruction on-site under certain conditions by Council Resolution No. 98-3157.

On August 23, 2000, the City Council authorized approval of the Program Statement for the Home Improvement Loan Program by Resolution No. 00-2656.

On June 27, 2001, the City Council authorized approval of a program statement for the Home Repair Program by Resolution No. 01-2049.

On August 14, 2002, the City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-2272.

On October 23, 2002, the City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-3047.

On October 22, 2003, the City Council authorized the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 03-2833.

On June 23, 2004, the City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 04-2097.

On October 18, 2004, the Housing and Neighborhood Development Committee recommended increasing the Maximum loan for a replacement home to \$70,000.

On November 10, 2004, the City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program to increase the maximum amount to \$70,000 by Resolution No. 04-3194.

On November 12, 2007, the City Council approved the Program Statement authorizing the Housing Department to implement the Reconstruction/SHARE Program Statement for reconstruction on-site under certain conditions for assistance up to \$87,500 by Council Resolution No. 07-3307.



**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (continued)**

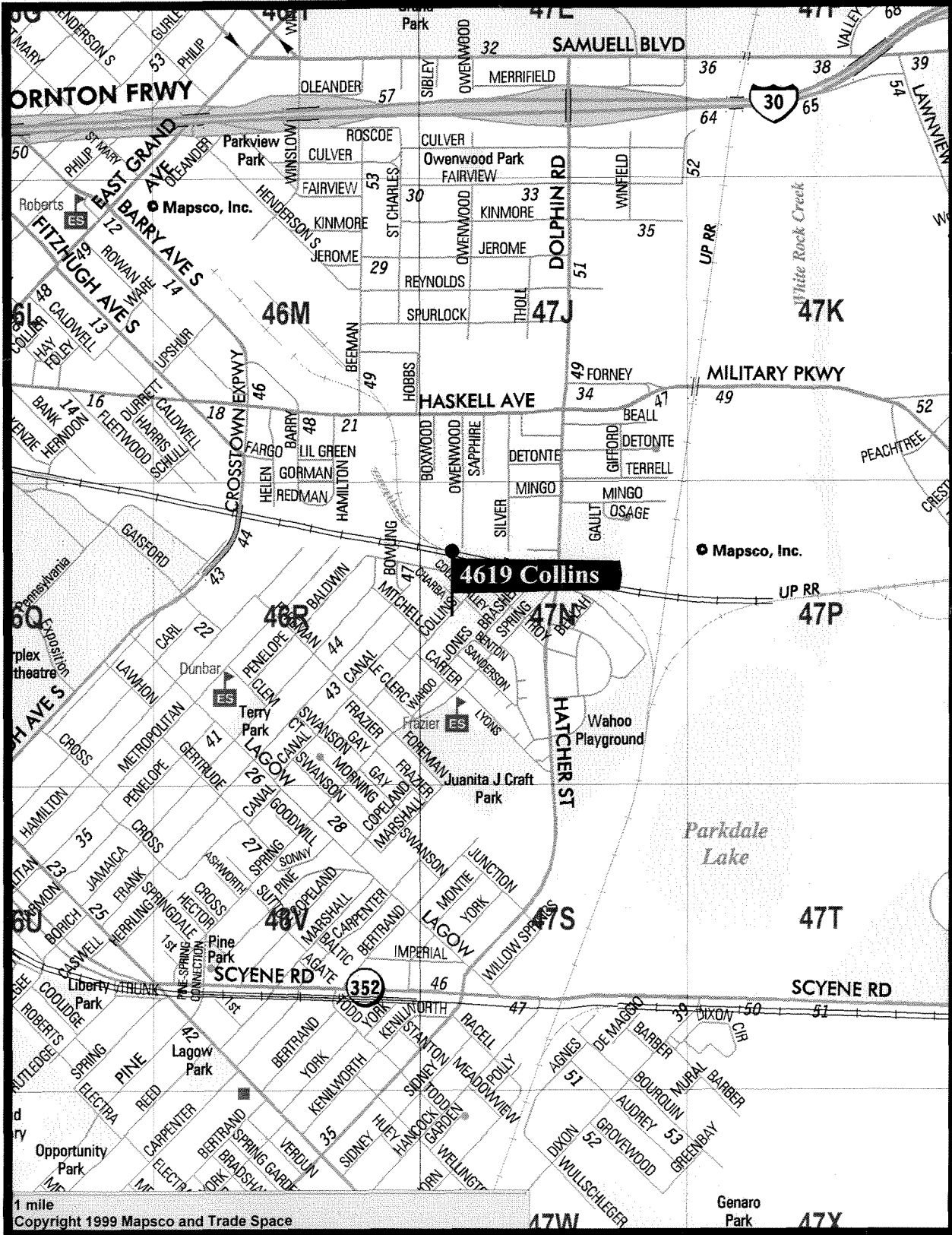
On April 23, 2008 the City Council authorized an amendment to the Reconstruction/SHARE Program Statement to add an amenities package up to \$5,900 by Resolution No. 08-1266.

**FISCAL INFORMATION**

2007-2008 Community Development Grant Block Funds - \$87,500

**MAP(S)**

Attached



**Mapsco 47N**

February 11, 2009

**WHEREAS**, on October 28, 1998, the City Council approved the Program Statement authorizing the Housing Department to implement the Home Improvement Loan Program and included clarification of procedures for reconstruction on-site under certain conditions by Council Resolution No. 98-3157; and

**WHEREAS**, on August 23, 2000, the City Council authorized approval of the Program Statement for the Home Improvement Loan Program by Resolution No. 00-2656; and

**WHEREAS**, on June 27, 2001, the City Council authorized approval of a program statement for the Home Repair Program by Resolution No. 01-2049; and

**WHEREAS**, on August 14, 2002, the City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-2272; and

**WHEREAS**, on October 23, 2002, the City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-3047; and

**WHEREAS**, on October 22, 2003, the City Council authorized the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 03-2833; and

**WHEREAS**, on June 23, 2004, the City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 04-2097; and

**WHEREAS**, on October 18, 2004, the Housing and Neighborhood Development Committee recommended increasing the Maximum loan for a replacement home to \$70,000; and

**WHEREAS**, on November 10, 2004, the City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program to increase the maximum amount to \$70,000 by Resolution No. 04-3194; and

**WHEREAS**, on November 12, 2007, the City Council approved a Program Statement for the Reconstruction/SHARE Program; and

**WHEREAS**, the homeowner described made application to the Home Repair Program; Bennie D. Mitchell, 4619 Collins Avenue; and

**WHEREAS**, all three conditions outlined in the Reconstruction/SHARE Program Statement for reconstruction of a home on-site have been met for the property Bennie D. Mitchell; and

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

February 11, 2009

**SECTION 1.** That the application and property from the homeowner described for a reconstruction loan be approved under the Reconstruction/SHARE Program: Bennie D. Mitchell, 4619 Collins Avenue.

**SECTION 2.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute loan documents with Bennie D. Mitchell.

**SECTION 3.** That the City Controller is authorized to make payments for reconstruction of the homes in accordance with the funding information listed according to:

Fund CD07 Dept HOU, Unit 2894, Obj 3099 CTHOU2894I072  
Vendor #341864 VS0000030352/ ~~TEXAN CERTIFIED HOMES~~ Reasaq Homes, LLC -  
\$87,500 – 4619 Collins Avenue

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas and it is accordingly so resolved.

**DISTRIBUTION:**

Housing Department  
City Attorney's Office  
Office of Financial Services/Community Development, 4FS

**KEY FOCUS AREA:** A Cleaner, Healthier City Environment

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 3

**DEPARTMENT:** Housing

**CMO:** A. C. Gonzalez, 671-8925

**MAPSCO:** 44J 38R

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**SUBJECT**

Authorize an amendment to the Reconstruction/SHARE Program Statement, previously approved on November 10, 2008, by Resolution No. 08-3055 to change the awarded contractor to reconstruct on-site two homes in accordance with the Reconstruction/SHARE Program Statement requirements for the properties located at 1944 Gallagher Street in the amount of \$87,500 and 2604 Larry Drive in the amount of \$87,500 – Total not to exceed \$175,000 - Financing: 2006-07 Community Development Grant Funds (\$8,150), 2007-08 Community Development Grant Funds (\$87,500), 2005-06 HOME Funds (\$52,186), and 2006-07 HOME Funds (\$27,164)

**BACKGROUND**

On November 12, 2007, City Council approved an amendment of the Program Statement for the Home Repair Program which authorizes loans for reconstruction on site of new homes to low-income homeowners in Dallas earning less than 50% Citywide and 80% in NIP areas of Area Median Family Income (AMFI).

On April 23, 2008, City Council approved an amendment to the Program Statement for the Reconstruction/SHARE program to provide to the homeowners up to \$5,900 of the maximum \$87,500 for an amenities package. (Maximum Program funding is \$87,500 for a new home on-site of approximately 1,200 sq ft).

City Council authorization is also required prior to proceeding with reconstruction on site when all of the following conditions exist: (a) repairs necessary to meet the City’s locally adopted Housing Rehabilitation Standards or Federal Housing Quality Standards and all applicable codes cannot be accomplished within the program funding limits; (b) the conditions of the home create an imminent danger to the life, health and/or safety of the residents and/or the neighborhood; and (c) repairs are not feasible in that they will not extend the life of the repaired structure beyond 15 years.

## **BACKGROUND (continued)**

The following homeowner(s) are at 80% and below AMFI, are eligible for a loan to reconstruct the homes on-site and the property(s) described are eligible for a loan: a disabled male, Billy Joe Hood, 58 years old, resides at 1944 Gallagher Street; an elderly female, Celia Guzman, 73 years old, resides at 2604 Larry Drive.

This action provides authority to proceed with reconstruction of two single-family homes on-site, as all conditions noted above have been met.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On October 28, 1998, the City Council approved the Program Statement authorizing the Housing Department to implement the Home Improvement Loan Program and included clarification of procedures for reconstruction on-site under certain conditions by Council Resolution No. 98-3157.

On August 23, 2000, the City Council authorized approval of the Program Statement for the Home Improvement Loan Program by Resolution No. 00-2656.

On June 27, 2001, the City Council authorized approval of a program statement for the Home Repair Program by Resolution No. 01-2049.

On August 14, 2002, the City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-2272.

On October 23, 2002, the City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-3047.

On October 22, 2003, the City Council authorized the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 03-2833.

On June 23, 2004, the City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 04-2097.

On October 18, 2004, the Housing and Neighborhood Development Committee recommended increasing the Maximum loan for a replacement home to \$70,000.

On November 10, 2004, the City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program to increase the maximum amount to \$70,000 by Resolution No. 04-3194.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (continued)**

On November 12, 2007, the City Council approved the Program Statement authorizing the Housing Department to implement the Reconstruction/SHARE Program Statement for reconstruction on-site under certain conditions for assistance up to \$87,500 by Resolution No. 07-3307.

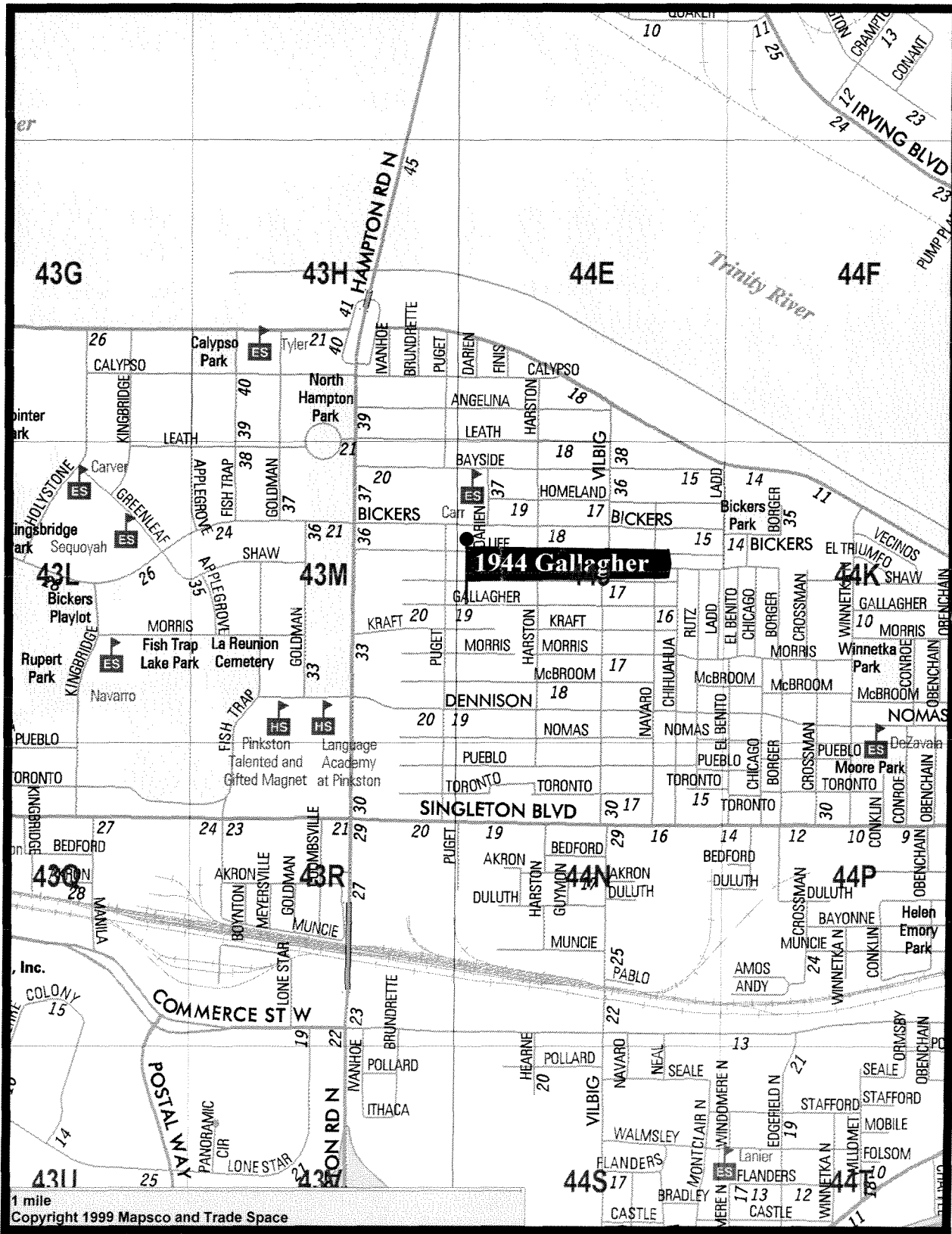
On April 23, 2008, the City Council authorized an amendment to the Reconstruction/SHARE Program Statement to add an amenities package up to \$5,900 by Resolution No. 08-1266.

**FISCAL INFORMATION**

2006-07 Community Development Grant Funds - \$8,150  
2007-08 Community Development Grant Funds - \$87,500  
2005-06 HOME Funds - \$52,186  
2006-07 HOME Funds - \$27,164

**MAP(S)**

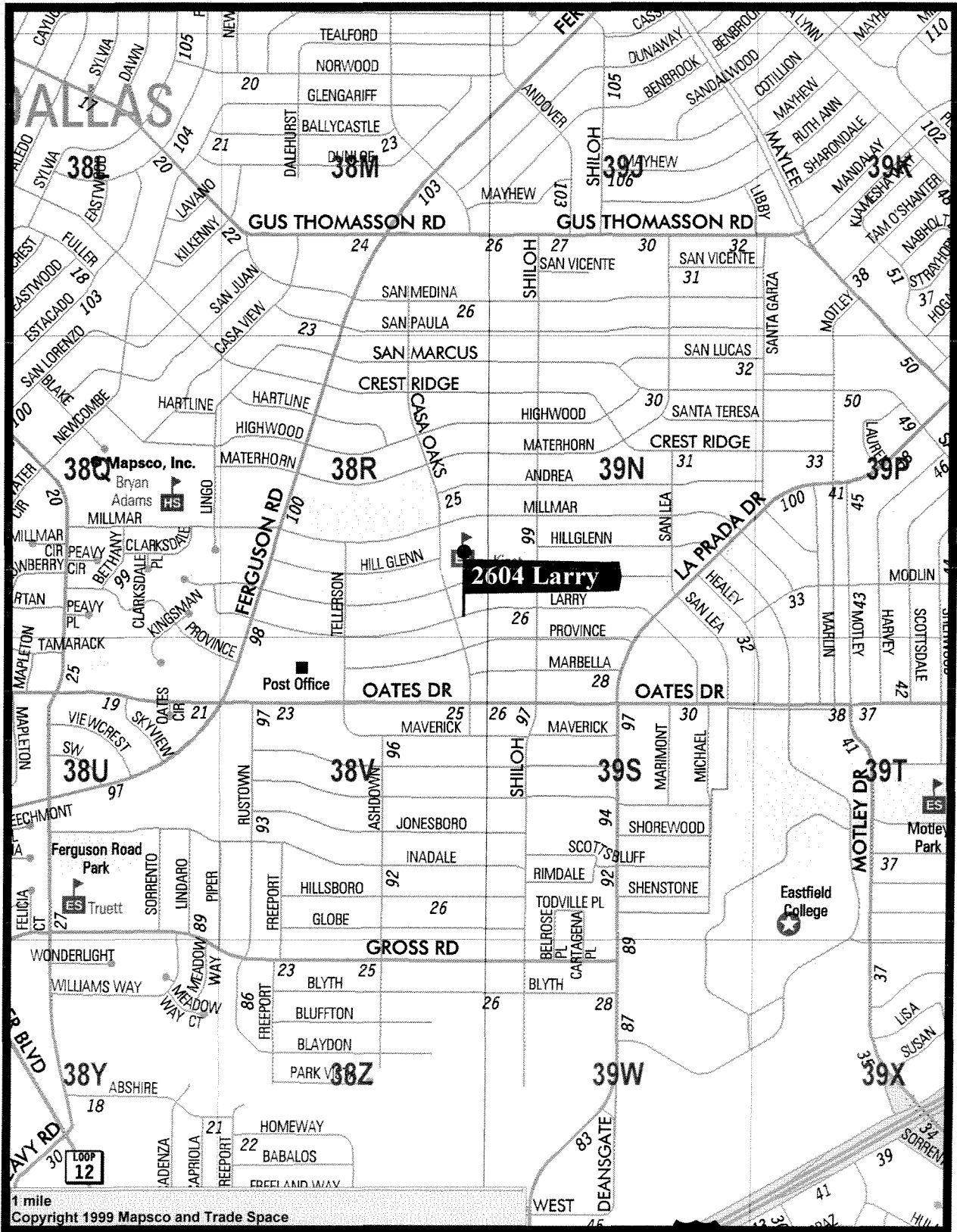
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 Copyright 1999 Mapsco and Trade Space

Mapsco 44J





**Mapsco 38R**



February 11, 2009

**WHEREAS**, on October 28, 1998, the City Council approved the Program Statement authorizing the Housing Department to implement the Home Improvement Loan Program and included clarification of procedures for reconstruction on-site under certain conditions by Council Resolution No. 98-3157; and

**WHEREAS**, on August 23, 2000, the City Council authorized approval of the Program Statement for the Home Improvement Loan Program by Resolution No. 00-2656; and

**WHEREAS**, on June 27, 2001, the City Council authorized approval of a program statement for the Home Repair Program by Resolution No. 01-2049; and

**WHEREAS**, on August 14, 2002, the City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-2272; and

**WHEREAS**, on October 23, 2002, the City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-3047; and

**WHEREAS**, on October 22, 2003, the City Council authorized the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 03-2833; and

**WHEREAS**, on June 23, 2004, the City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 04-2097; and

**WHEREAS**, on October 18, 2004, the Housing and Neighborhood Development Committee recommended increasing the Maximum loan for a replacement home to \$70,000; and

**WHEREAS**, on November 10, 2004, the City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program to increase the maximum amount to \$70,000 by Resolution No. 04-3194; and

**WHEREAS**, on November 12, 2007, the City Council approved the Program Statement authorizing the Housing Department to implement the Reconstruction/SHARE Program Statement for reconstruction on-site under certain conditions for assistance up to \$87,500 by Council Resolution No. 07-3307; and

**WHEREAS**, on April 23, 2008 the City Council authorized an amendment to the Reconstruction/SHARE Program Statement to add an amenities package up to \$5,900 by Resolution No. 08-1266; and

February 11, 2009

**WHEREAS**, the homeowners described made applications to the Home Repair Program; Billy Joe Hood, 1944 Gallagher Street; Celia Guzman, 2604 Larry Drive; and

**WHEREAS**, all three conditions outlined in the Reconstruction/SHARE Program Statement for reconstruction of a homes on-site have been met for the property owners Billy Joe Hood and Celia Guzman; **NOW THEREFORE**,

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

**SECTION 1.** That the application and property from the homeowner described for a reconstruction loan be approved under the Reconstruction/SHARE Program: Billy Joe Hood, 1944 Gallagher Street and Celia Guzman, 2604 Larry Drive: all in the amounts shown in Section 3 hereof.

**SECTION 2.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute loan documents with Billy Joe Hood and Celia Guzman, for reconstruction on-site of a home to be located at 1944 Gallagher Street and 2604 Larry Drive.

**SECTION 3.** That the City Controller is authorized to make payments for reconstruction of the home in accordance with the funding information listed according to:

Fund HM05 Dept HOU, Unit 4389, Obj 3100 CT HOU3230A135 (\$52,186)

Fund CD06 Dept HOU, Unit 3962, Obj 3100 (\$8,150)

Fund HM06 Dept HOU, Unit 3979, Obj 3100 (\$27,164)

Vendor #~~337558~~ 339393 – ~~Builder's of Hope~~ Bethel Construction- 1944 Gallagher Street

Fund CD07 Dept HOU, Unit 2894, Obj 3100 CT HOU3230A133 (\$87,500)

Vendor #~~339393~~ VS0000024909 - ~~Bethel Construction~~ JB's Kool Air & Painting Service – 2604 Larry Drive

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas and it is accordingly so resolved.

**DISTRIBUTION:**

Housing Department

City Attorney's Office

Office of Financial Services/Community Development, 4FS

**AGENDA ITEM # 31**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Intergovernmental Services

**CMO:** Mary K. Suhm, 670-5306

**MAPSCO:** N/A

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**SUBJECT**

A resolution adopting the City's Federal Legislative Agenda for the 111th Congress - Financing: No cost consideration to the City

**BACKGROUND**

The City of Dallas adopts a federal legislative agenda every two years at the beginning of the Congressional session. The agenda includes a general statement regarding the City's legislative focus and a comprehensive list of legislative initiatives on which the City of Dallas will be focused during the session.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Authorized adoption of the 106th Federal Legislative Agenda on February 10, 1999, by Resolution No. 99-0574.

Authorized adoption of the 107th Federal Legislative Agenda on February 28, 2001, by Resolution No. 01-0824.

Authorized adoption of the 108th Federal Legislative Agenda on February 12, 2003, by Resolution No. 03-0630.

Authorized adoption of the 109th Federal Legislative Agenda on February 23, 2005, by Resolution No. 05-0751.

Authorized adoption of the 110<sup>th</sup> Federal Legislative Agenda on February 28, 2007, by Resolution No. 07-0711.

Briefed to the Legislative Ad Hoc Committee on February 3, 2009.

**FISCAL INFORMATION**

No cost consideration to the City.

February 11, 2009

**WHEREAS**, the 111th Congress convened in January 2009; and

**WHEREAS**, the 111th Congress will consider many issues that affect local governments; and

**WHEREAS**, the City of Dallas wishes to express its desires and concerns regarding federal issues by adopting an agenda; and

**WHEREAS**, the City of Dallas has developed recommendations for the federal legislative agenda;

**NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS;**

**SECTION 1.** That the 2009 City's Federal Legislative Agenda for the 111th Congress is hereby adopted.

**SECTION 2.** That the City Manager is directed to communicate the items included in the federal legislative agenda to members of the U.S. Congress.

**SECTION 3.** That the City Manager is directed to support legislation that upholds City of Dallas' home-rule authority, as well as oppose legislation that diminishes home rule authority.

**SECTION 4.** That this resolution shall 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.





**KEY FOCUS AREA:** Public Safety Improvements and Crime Reduction

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Police

**CMO:** Ryan S. Evans, 670-3314

**MAPSCO:** N/A

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**SUBJECT**

Authorize an application for the ninth-year continuation of the Dallas Police Department Victim Services grant from the Office of the Governor, Criminal Justice Division to provide sufficient services to reach all eligible crime victims, for the period September 1, 2009 through August 30, 2010 - Not to exceed \$53,131 (local match in an amount not to exceed \$15,909 will be required if awarded) - Financing: This action has no cost consideration to the City

**BACKGROUND**

The Police Department is applying for funding from the Office of the Governor, Criminal Justice Division, for a continuation grant, Dallas Police Department Victim Services/9, in the amount of \$53,131. This grant will provide ninth-year funding for the salaries, benefits, and training for one full-time victim advocate and two part-time victim advocates to provide crime victim compensation application assistance, follow-up, information and referral, crisis counseling, personal advocacy and court advocacy for victims/family survivors of homicides, sexual assaults, robbery, aggravated assaults, traffic fatalities or injuries due to Failure to Stop and Render Aid and Driving While Intoxicated. The Office of the Governor, Criminal Justice Division specifically requires governing body approval for application for this grant. If this grant is approved and awarded, matching funds in an amount not to exceed \$15,909, or 20% of all expenses, will be required and incorporated into the 2009-10 budget. Should this grant be awarded to the City, approval by the City Council for the acceptance of the grant, provision of cash match, and execution of the grant agreement will be requested.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Authorized an application for the Dallas Police Department Victim Services/2 grant on February 13, 2002, by Resolution No. 02-0662.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (Continued)

Authorized the acceptance of the Dallas Police Department Victim Services/2 grant on June 26, 2002, by Resolution No. 02-1962.

Authorized an application for the Dallas Police Department Victim Services/3 grant on January 22, 2003, by Resolution No. 03-0389.

Authorized the acceptance of the Dallas Police Department Victim Services/3 grant on June 25, 2003, by Resolution No. 03-1864.

Authorized an application for the Dallas Police Department Victim Services/4 grant on January 14, 2004, by Resolution No. 04-0205.

Authorized the acceptance of the Dallas Police Department Victim Services/4 grant on August 11, 2004 by Resolution No. 04-2310.

Authorized an application for the Dallas Police Department Victim Services/5 grant on February 23, 2005, by Resolution No. 05-0696.

Authorized the acceptance of the Dallas Police Department Victim Services/5 grant on August 24, 2005, by Resolution No. 05-2477.

Authorized an application for the Dallas Police Department Victim Services/6 grant on April 12, 2006, by Resolution No. 06-1095.

Authorized the acceptance of the Dallas Police Department Victim Services/6 grant on August 23, 2006, by Resolution No. 06-2236.

Authorized an application for the Dallas Police Department Victim Services/7 grant on April 25, 2007, by Resolution No. 07-1292.

Authorized the acceptance of the Dallas Police Department Victim Services/7 grant on September 26, 2007, by Resolution No. 07-2767.

Authorized an application for the Dallas Police Department Victim Services/8 grant on March 26, 2008, by Resolution No. 08-0885.

Authorized the acceptance of the Dallas Police Department Victim Services/8 grant on September 24, 2008, by Resolution No. 08-2563.

On February 2, 2009, the Public Safety Committee was briefed.

**FISCAL INFORMATION**

This action has no cost consideration to the City.

February 11, 2009

**WHEREAS**, the City of Dallas finds it in the best interest of the citizens of Dallas that the Victim Services/9 grant from the Office of the Governor, Criminal Justice Division be operated for the 2009-10 fiscal year; and

**WHEREAS**, the City of Dallas agrees to provide applicable matching funds for the said project as required by the Office of the Governor, Criminal Justice Division Victim Services/9 grant application; and

**WHEREAS**, it is in the best interest of the City of Dallas to apply for such funding;

**Now, Therefore,**

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

**Section 1.** That the City Manager is hereby authorized to apply for the Dallas Police Department Victim Services/9 grant, for the period September 1, 2009 through August 30, 2010, in an amount not to exceed \$53,131 from the Office of the Governor, Criminal Justice Division.

**Section 2.** That in the event that the grant is awarded, that the City Manager be and is hereby authorized to accept, reject, alter or terminate the grant on behalf of the applicant agency.

**Section 3.** That in the event that the grant is awarded, that the City Manager be authorized to provide the required cash match in an amount not to exceed \$15,909, or 20% of all expenses. City Council approval for acceptance of the grant, provision of cash match, and execution of the grant agreement will be requested upon grant award.

**Section 4.** That in the event that the grant is awarded, the City of Dallas assures that funds will be returned to the Criminal Justice Division in full in the event of loss or misuse of Criminal Justice Division funds.

**Section 5.** That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.



**AGENDA ITEM # 33**

**KEY FOCUS AREA:** Public Safety Improvements and Crime Reduction

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Police

**CMO:** Ryan S. Evans, 670-3314

**MAPSCO:** N/A

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**SUBJECT**

Authorize **(1)** public hearings to be held on March 25, 2009 and April 22, 2009 to receive comments on the modification and renewal of the Dallas juvenile curfew ordinance; and, **(2)** at the close of the public hearing on April 22, 2009, consideration of an ordinance amending Chapter 31 of the Dallas City Code to re-adopt and continue in effect the Dallas juvenile curfew ordinance, with certain modifications establishing daytime curfew hours for minors in addition to the current nighttime curfew hours for minors - Financing: No cost consideration to the City

**BACKGROUND**

Enforcement of the Dallas juvenile curfew ordinance began May 1, 1994. Section 370.002 of the Local Government Code requires that the curfew ordinance be reviewed every three years after conducting public hearings to receive citizen comments on whether the curfew ordinance should be abolished, continued, or modified. The last renewal of the Dallas juvenile curfew ordinance was approved on April 26, 2006 and became effective May 1, 2006. Another review and re-adoption must be accomplished by May 1, 2009 or the juvenile curfew ordinance will automatically expire.

In addition to continuing the current nighttime curfew hours for minors, the proposed ordinance will establish daytime curfew hours for minors, with certain defenses. The daytime juvenile curfew hours will be 9:00 a.m. until 2:30 p.m., Monday through Friday.

**PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

On January 8, 2009, the Youth Commission was briefed.

On January 5, 2009, and February 2, 2009, the Public Safety Committee was briefed.

**FISCAL INFORMATION**

No cost consideration to the City.

February 11, 2009

**WHEREAS**, enforcement of the Dallas juvenile curfew ordinance began on May 1, 1994; and

**WHEREAS**, Section 370.002 of the Local Government Code requires that a city's juvenile curfew ordinance be reviewed and re-adopted every three years, after public hearings are conducted to receive citizen comments; and

**WHEREAS**, it has been almost three years since the last renewal of the Dallas juvenile curfew ordinance, which renewal became effective May 1, 2006; and

**WHEREAS**, another review and re-adoption must be accomplished by May 1, 2009 or the City's juvenile curfew ordinance will automatically expire; and

**WHEREAS**, a modification to the juvenile curfew ordinance is being proposed that would establish daytime curfew hours for minors, with certain defenses, as a tool to combat truancy, thereby reducing juvenile crime, juvenile violence, and juvenile gang activity occurring in the City during school hours;

**Now, Therefore,**

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

**Section 1.** That public hearings on re-adopting and continuing in effect Section 31-33 of Chapter 31, "OFFENSES - MISCELLANEOUS," of the Dallas City Code, which establishes the City's juvenile curfew ordinance, with certain modifications to establish daytime curfew hours for minors in addition to the current nighttime curfew hours for minors, will be held on March 25 and April 22, 2009, in the City Council Chambers to receive citizen comments on the modification and renewal of the Dallas juvenile curfew ordinance.

**Section 2.** That an ordinance to re-adopt and continue in effect Section 31-33 of Chapter 31, "OFFENSES - MISCELLANEOUS," of the Dallas City Code, which establishes the City's juvenile curfew ordinance, with certain modifications to establish daytime curfew hours for minors in addition to the current nighttime curfew hours for minors, will be considered by the City Council on April 22, 2009, after the public hearing.

**Section 3.** That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.





**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 4, 5  
**DEPARTMENT:** Public Works & Transportation  
**CMO:** Ramon F. Miguez, P.E., 670-3308  
**MAPSCO:** 64F G P Q W

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**SUBJECT**

Authorize a contract for the construction of erosion control improvements for five erosion projects at 1801 Altadena Drive, 622 West Five Mile Parkway, 938 West Five Mile Parkway, 906 Glen Oaks Boulevard, and 5919 Hunters View Lane - ARK Contracting Services, LLC, lowest responsible bidder of six - Not to exceed \$691,280 - Financing: 2003 Bond Funds (\$41,579) and 2006 Bond Funds (\$649,701)

**BACKGROUND**

The projects consist of construction and installation of gabion retaining walls, alley pavement and other miscellaneous items necessary to provide protection against further creek bank erosion to two homes, a roadway, and an alley. These projects are specific items in the 2003 and 2006 Bond Programs. Two locations are along Woody Branch, another two locations are along Five Mile Creek and one location is along a tributary of Woody Branch. This action will provide for the construction of erosion control improvements at 1801 Altadena Drive, 622 West Five Mile Parkway, 938 West Five Mile Parkway, 906 Glen Oaks Boulevard, and 5919 Hunters View Lane.

ARK Contracting Services, LLC, has completed no contractual activities for the past three years.

**ESTIMATED SCHEDULE OF PROJECT**

Began Design	February 2008
Completed Design	November 2008
Begin Construction	February 2009
Complete Construction	August 2009

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Authorized a professional services contract with ANA Consultants, L.L.C. on June 27, 2007, by Resolution No. 07-1982.

Authorized a professional services contract with Metropolitan Infrastructure, PLLC, on June 23, 2008, by Resolution No. 08-0324.

**FISCAL INFORMATION**

2003 Bond Funds - \$41,579.10  
2006 Bond Funds - \$649,700.90

Design

1801 Altadena Drive	\$ 14,273.90
622 West Five Mile Parkway	\$ 23,380.00
938 West Five Mile Parkway	\$ 31,330.00
906 Glen Oaks Boulevard	\$ 24,882.00
5919 Hunters View Lane	<u>\$ 18,752.00</u>

Total Design Cost \$112,617.90

Construction

1801 Altadena Drive	\$ 83,570.00
622 West Five Mile Parkway	\$180,384.00
938 West Five Mile Parkway	\$171,874.00
906 Glen Oaks Boulevard	\$115,363.00
5919 Hunters View Lane	<u>\$140,089.00</u>

Total Construction Cost \$691,280.00

Total Project Cost \$803,897.90

<u>Council District</u>	<u>Amount</u>
4	\$607,710
5	<u>\$ 83,570</u>
Total	\$691,280

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

**ARK Contracting Services, LLC**

Hispanic Female	0	Hispanic Male	84
African-American Female	0	African-American Male	0
White Female	3	White Male	12
Other Female	0	Other Male	0

**BID INFORMATION**

The following bids with quotes were received and opened on November 20, 2008:

\*Denote successful bidder(s)

<b><u>BIDDERS</u></b>	<b><u>BID AMOUNT</u></b>
*ARK Contracting Services, LLC 420 S. Dick Price Road Kennedale, Texas 76060	\$ 691,280.00
Geotechnical Environmental, Inc.	\$ 719,711.80
Linder Construction	\$ 849,326.00
Retaining Wall Structures	\$ 914,545.98
Austin Filters Systems	\$ 916,311.00
Texas Standard Construction	\$ 1,796,299.00

Engineers estimate: \$680,000

**OWNER**

**ARK Contracting Services, LLC**

Steve C. Bowman, President

**MAP**

Attached.

## **BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**

**PROJECT:** Authorize a contract for the construction of erosion control improvements for five erosion projects at 1801 Altadena Drive, 622 West Five Mile Parkway, 938 West Five Mile Parkway, 906 Glen Oaks Boulevard, and 5919 Hunters View Lane - ARK Contracting Services, LLC, lowest responsible bidder of six - Not to exceed \$691,280 - Financing: 2003 Bond Funds (\$41,579) and 2006 Bond Funds (\$649,701)

ARK Contracting Services, LLC is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

**PROJECT CATEGORY:** Construction

### **LOCAL/NON-LOCAL CONTRACT SUMMARY**

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$182,200.00	26.36%
Total non-local contracts	\$509,080.00	73.64%
<b>TOTAL CONTRACT</b>	<b>\$691,280.00</b>	<b>100.00%</b>

### **LOCAL/NON-LOCAL M/WBE PARTICIPATION**

#### **Local Contractors / Sub-Contractors**

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
D.E.E.R Trucking	BMDB35903Y1208	\$75,000.00	41.16%
Gar-Tex Consulting Company	HMDB38275Y0809	\$95,200.00	52.25%
Universal Fence Co.	WFWB37703N0609	\$7,000.00	3.84%
<b>Total Minority - Local</b>		<b>\$177,200.00</b>	<b>97.26%</b>

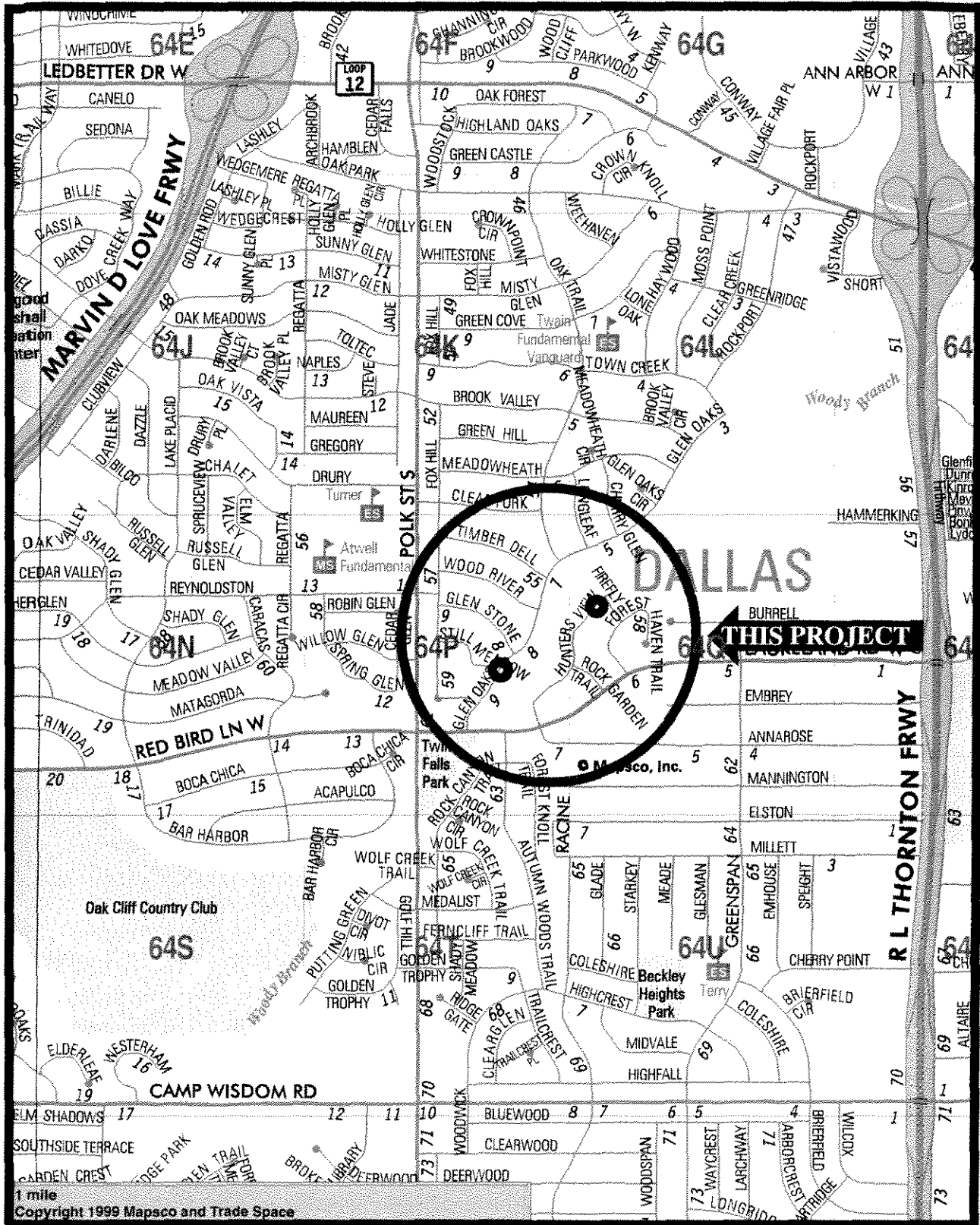
#### **Non-Local Contractors / Sub-Contractors**

None

### **TOTAL M/WBE CONTRACT PARTICIPATION**

	<u>Local</u>	<u>Percent</u>	<u>Local &amp; Non-Local</u>	<u>Percent</u>
African American	\$75,000.00	41.16%	\$75,000.00	10.85%
Hispanic American	\$95,200.00	52.25%	\$95,200.00	13.77%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$7,000.00	3.84%	\$7,000.00	1.01%
<b>Total</b>	<b>\$177,200.00</b>	<b>97.26%</b>	<b>\$177,200.00</b>	<b>25.63%</b>

# EROSION CONTROL IMPROVEMENT GLEN OAKS 906 HUNTERS VIEW 5919

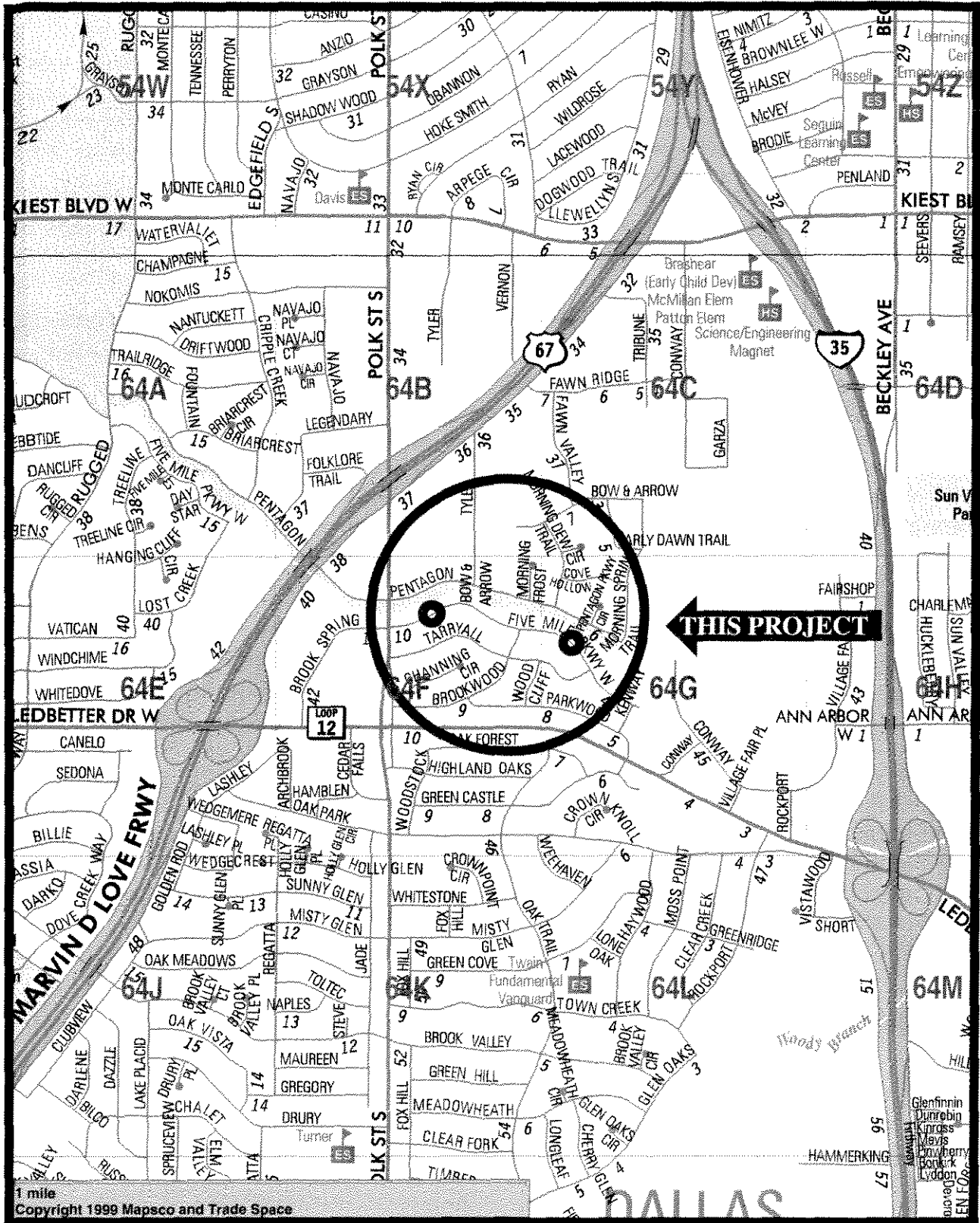


MAPSCO 64P, Q

# EROSION CONTROL IMPROVEMENT

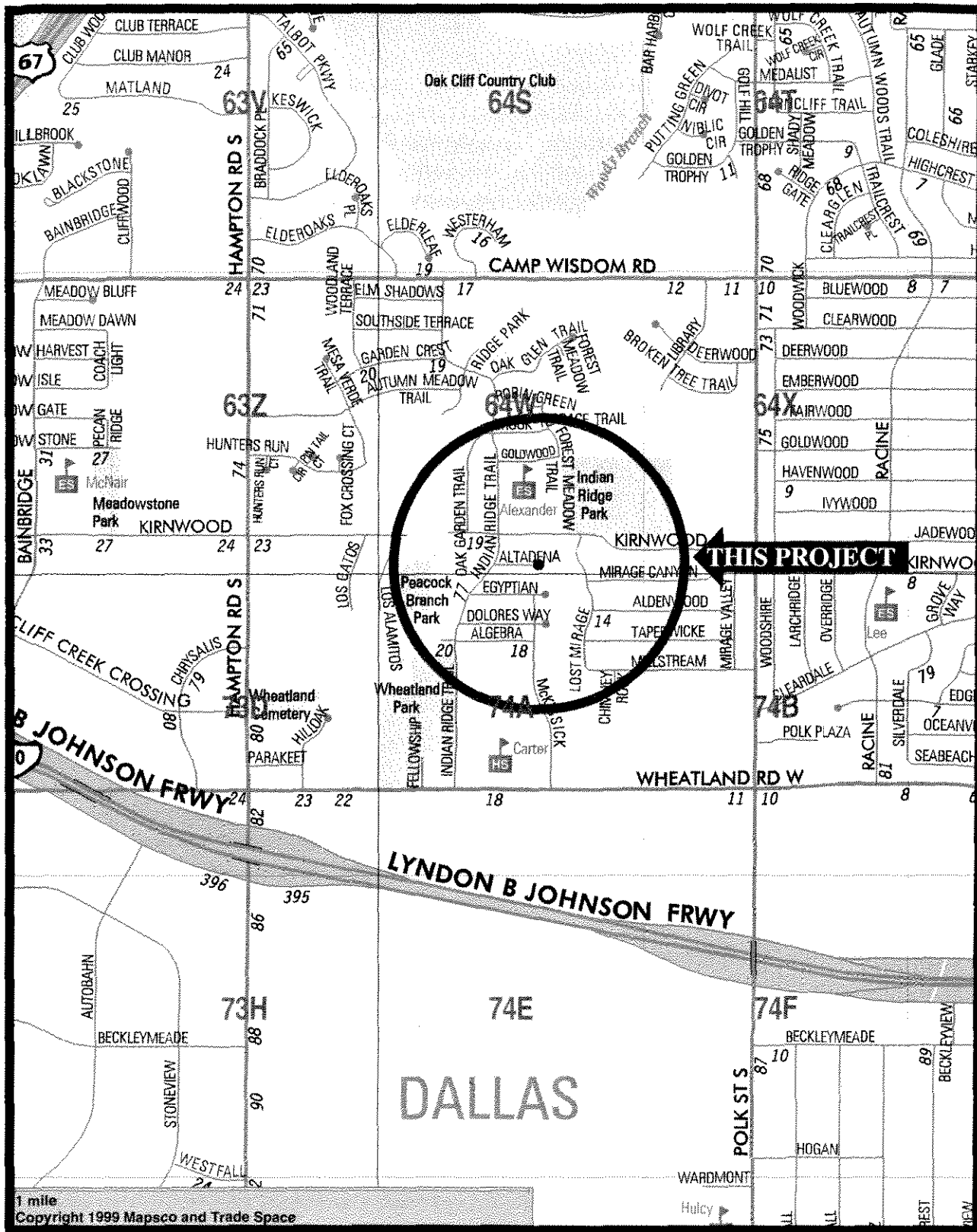
## FIVE MILE PARKWAY W. 622 – PB06T465

## FIVE MILE PARKWAY W. 938 – PB06T466



**MAPSCO 64F, G**

# EROSION CONTROL IMPROVEMENT ALTADENA DRIVE – PB03R690



MAPSCO 64W





February 11, 2009

**WHEREAS**, on June 27, 2007, Resolution No. 07-1982 authorized a professional services contract with ANA Consultants, L.L.C., for the design of erosion control improvements for 1801 Altadena Drive, in an amount not to exceed \$14,273.90.

**WHEREAS**, on January 23, 2008, Resolution No. 08-0324 authorized a professional services contract with Metropolitan Infrastructure, PLLC, for the design of erosion control improvements for 622 West Five Mile Parkway, 938 West Five Mile Parkway, 906 Glen Oaks Boulevard, and 5919 Hunters View Lane, in an amount not to exceed \$98,344.

**WHEREAS**, the following bids were received on November 20, 2008, for the construction of erosion control improvements for five erosion projects at 1801 Altadena Drive, 622 West Five Mile Parkway, 938 West Five Mile Parkway, 906 Glen Oaks Boulevard, and 5919 Hunters View Lane with ARK Contracting Services, LLC, as follows:

<b><u>BIDDERS</u></b>	<b><u>BID AMOUNT</u></b>
ARK Contracting Services, LLC	\$ 691,280.00
Geotechnical Environmental, Inc.	\$ 719,711.80
Linder Construction	\$ 849,326.00
Retaining Wall Structures	\$ 914,545.98
Austin Filters Systems	\$ 916,311.00
Texas Standard Construction	\$ 1,796,299.00

**Now, Therefore,**

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

**Section 1.** That the City Manager is hereby authorized to execute the contract with ARK Contracting Services, LLC, for the construction of erosion control improvements for five erosion projects at 1801 Altadena Drive, 622 West Five Mile Parkway, 938 West Five Mile Parkway, 906 Glen Oaks Boulevard, and 5919 Hunters View Lane, in an amount not to exceed \$691,280, this being the lowest responsive bid received as indicated by the tabulations of bids.

**Section 2.** That the City Manager is hereby authorized to execute the contract after it has been approved as to form by the City Attorney.

February 11, 2009

**Section 3.** That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Flood Protection and Storm Drainage Facilities Fund  
Fund 3R23, Department PBW, Unit R690, Act. ERCT  
Obj. 4510, Program #PB03R690, CT PBW03R690E1-01  
Vendor #VS0000017816, in an amount not to exceed \$ 41,579.10

Flood Protection and Storm Drainage Facilities Fund  
Fund 6T23, Department PBW, Unit R690, Act. ERCT  
Obj. 4510, Program #PB03R690, CT PBW03R690E1-02  
Vendor #VS0000017816, in an amount not to exceed \$ 41,990.90

Flood Protection and Storm Drainage Facilities Fund  
Fund 6T23, Department PBW, Unit T465, Act. ERCT  
Obj. 4510, Program #PB06T465, CT PBW03R690E1-03  
Vendor #VS0000017816, in an amount not to exceed \$ 13,101.40

Flood Protection and Storm Drainage Facilities Fund  
Fund 7T23, Department PBW, Unit T465, Act. ERCT  
Obj. 4510, Program #PB06T465, CT PBW03R690E1-04  
Vendor #VS0000017816, in an amount not to exceed \$ 4,554.60

Flood Protection and Storm Drainage Facilities Fund  
Fund 8T23, Department PBW, Unit T465, Act. ERCT  
Obj. 4510, Program #PB06T465, CT PBW03R690E1-05  
Vendor #VS0000017816, in an amount not to exceed \$162,728.00

Flood Protection and Storm Drainage Facilities Fund  
Fund 8T23, Department PBW, Unit T466, Act. ERCT  
Obj. 4510, Program #PB06T466, CT PBW03R690E1-06  
Vendor #VS0000017816, in an amount not to exceed \$171,874.00

Flood Protection and Storm Drainage Facilities Fund  
Fund 6T23, Department PBW, Unit T468, Act. ERCT  
Obj. 4510, Program #PB06T468, CT PBW03R690E1-07  
Vendor #VS0000017816, in an amount not to exceed \$101,589.40

Flood Protection and Storm Drainage Facilities Fund  
Fund 7T23, Department PBW, Unit T468, Act. ERCT  
Obj. 4510, Program #PB06T468, CT PBW03R690E1-08  
Vendor #VS0000017816, in an amount not to exceed \$ 13,773.60

February 11, 2009

**Section 3.** (Continued)

Flood Protection and Storm Drainage Facilities Fund Fund 6T23, Department PBW, Unit T477, Act. ERCT Obj. 4510, Program #PB06T477, CT PBW03R690E1-09 Vendor #VS0000017816, in an amount not to exceed	\$132,246.40
Flood Protection and Storm Drainage Facilities Fund Fund 7T23, Department PBW, Unit T477, Act. ERCT Obj. 4510, Program #PB06T477, CT PBW03R690E1-10 Vendor #VS0000017816, in an amount not to exceed	<u>\$ 7,842.60</u>
Total in an amount not to exceed	\$691,280.00

**Section 4.** That this resolution shall 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.

Distribution:           Public Works and Transportation, Jean Mitchell, OCMC, Room 101  
                          Public Works and Transportation, Modesta Pena, OCMC, Room 307  
                          City Attorney  
                          Controller's Office, Sherrian Parham, 4BN



**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 14

**DEPARTMENT:** Public Works & Transportation  
Water Utilities

**CMO:** Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** 45K L

**SUBJECT**

Authorize a contract for the construction of streetscape, water and wastewater adjustment improvements on Elm Street from Akard Street to Ervay Street - Texas Standard Construction, Ltd., lowest responsible bidder of three - \$902,829 - Financing: 2006 Bond Funds (\$888,729) and Water Utilities Capital Construction Funds (\$14,100)

**BACKGROUND**

The 2006 Bond Program originally funded the design and construction of streetscape, water and wastewater improvements on Elm Street from Akard Street to Ervay Street. The design was completed by Freese and Nichols, Inc. and was funded by Downtown Dallas. Bids were received in mid December 2008, and it is now necessary to authorize a construction contract with Texas Standard Construction, Ltd.

The streetscape improvements include landscape, traffic lighting upgrades, barrier free ramps, sidewalk replacement, crosswalk brick pavers, planters, pedestrian and street lighting, trash receptacles and other miscellaneous street improvement items. In addition, existing water and wastewater facilities will be adjusted.

The following chart shows Texas Standard Construction, Ltd's completed contractual activities for the past three years:

	<u>PWT</u>	<u>WTR</u>	<u>PKR</u>
Projects Completed	5	0	0
Change Orders	0	0	0
Projects Requiring Liquidated Damages	0	0	0
Projects Completed by Bonding Company	0	0	0

**ESTIMATED SCHEDULE OF PROJECT**

Began Design	April 2007
Completed Design	October 2008
Begin Construction	April 2009
Complete Construction	November 2009

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

**FISCAL INFORMATION**

2006 Bond Funds - \$888,729  
Water Utilities Capital Construction Funds - \$14,100

Design	\$	0.00
Construction		
Paving & Drainage - (PBW)	\$888,729.00	
Water & Wastewater - (DWU)	<u>\$ 14,100.00</u>	
Total Project Cost	\$902,829.00	

**ETHNIC COMPOSITION**

Texas Standard Construction, Ltd.

Hispanic Female	2	Hispanic Male	58
African-American Female	0	African-American Male	0
Other Female	0	Other Male	0
White Female	3	White Male	8

**BID INFORMATION**

The following bids with quotes were received and opened on December 11, 2008:

\*Denotes successful bidder(s)

<b><u>BIDDERS</u></b>	<b><u>BID AMOUNT</u></b>
*Texas Standard Construction, Ltd. P.O. Box 210768 Dallas, Texas 75211	\$902,829.00
Hassen Construction Services	\$964,202.38
Gibson Associates, Inc.	\$981,161.38
Original estimate: PBW - \$1,727,630 DWU - <u>\$ 14,000</u>	
Total	\$1,741,630

**OWNER**

**Texas Standard Construction, Ltd.**

Ronald H. Dalton, President

**MAP**

Attached.

## **BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**

**PROJECT:** Authorize a contract for the construction of streetscape, water and wastewater adjustment improvements on Elm Street from Akard Street to Ervay Street - Texas Standard Construction, Ltd., lowest responsible bidder of three - \$902,829 - Financing: 2006 Bond Funds (\$888,729) and Water Utilities Capital Construction Funds (\$14,100)

Texas Standard Construction, Ltd. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

**PROJECT CATEGORY:** Construction

### **LOCAL/NON-LOCAL CONTRACT SUMMARY**

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$902,829.00	100.00%
Total non-local contracts	\$0.00	0.00%
<b>TOTAL CONTRACT</b>	<b>\$902,829.00</b>	<b>100.00%</b>

### **LOCAL/NON-LOCAL M/WBE PARTICIPATION**

#### **Local Contractors / Sub-Contractors**

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Kenyatta Sand & Gravel	BMDB37836Y0709	\$252,792.00	28.00%
<b>Total Minority - Local</b>		<b>\$252,792.00</b>	<b>28.00%</b>

#### **Non-Local Contractors / Sub-Contractors**

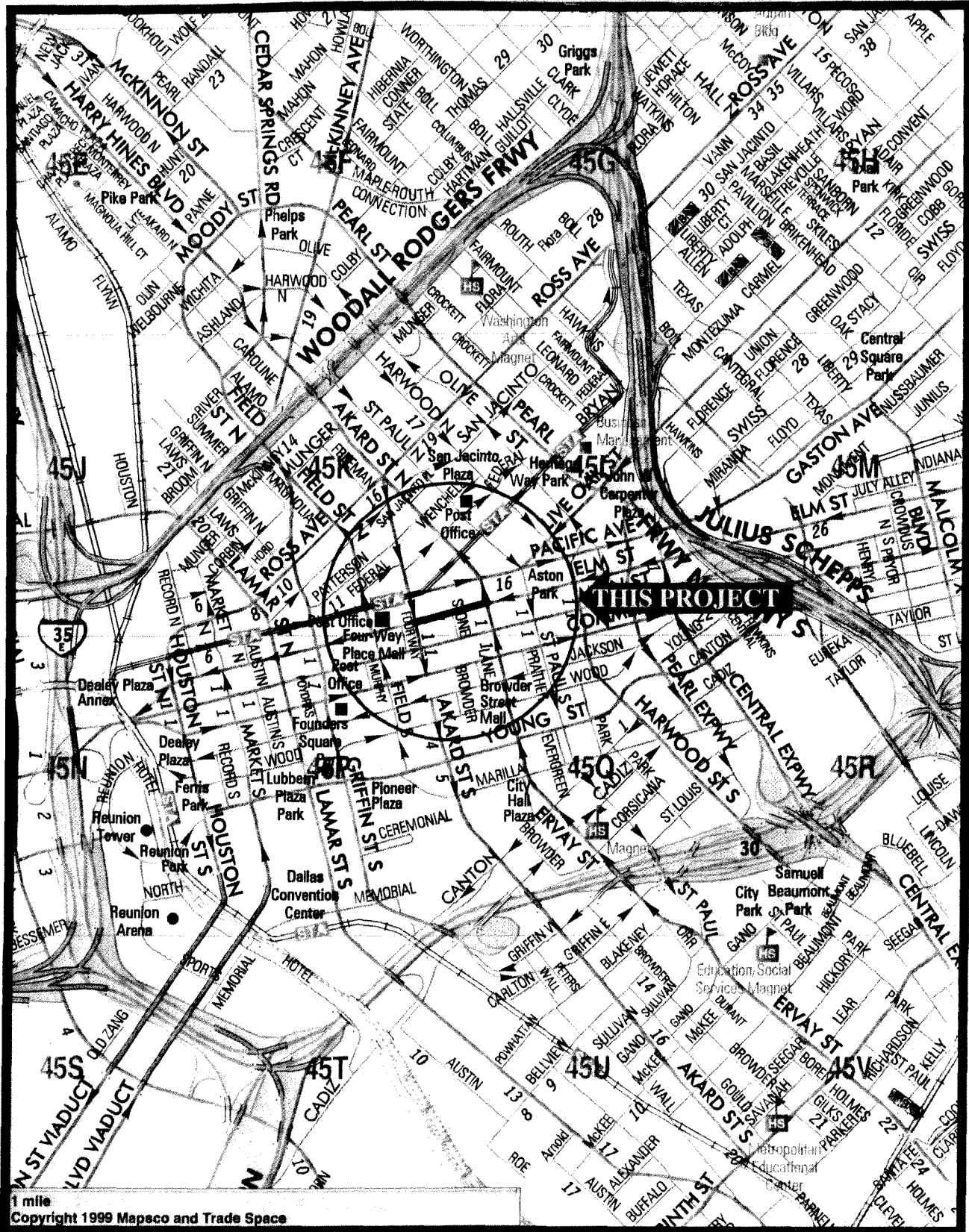
None

### **TOTAL M/WBE CONTRACT PARTICIPATION**

	<u>Local</u>	<u>Percent</u>	<u>Local &amp; Non-Local</u>	<u>Percent</u>
African American	\$252,792.00	28.00%	\$252,792.00	28.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
<b>Total</b>	<b>\$252,792.00</b>	<b>28.00%</b>	<b>\$252,792.00</b>	<b>28.00%</b>



# STREETSCAPE IMPROVEMENTS ELM STREET from AKARD STREET to ERVAY STREET



MAPSCO 45K+L



February 11, 2009

**WHEREAS**, bids were received on December 11, 2008, for the construction of streetscape, water and wastewater adjustment improvements on Elm Street from Akard Street to Ervay Street, as follows:

<b><u>BIDDERS</u></b>	<b><u>BID AMOUNT</u></b>
Texas Standard Construction, Ltd.	\$902,829.00
Hassen Construction Services	\$964,202.38
Gibson Associates, Inc.	\$981,161.38

**Now, Therefore,**

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

**Section 1.** That the City Manager is hereby authorized to enter into a contract with Texas Standard Construction, Ltd. for the construction of streetscape, water and wastewater adjustment improvements on Elm Street from Akard Street to Ervay Street in an amount not to exceed \$902,829.00, this being the lowest responsive bid received as indicated by the tabulation of bids.

**Section 2.** That the City Manager is hereby authorized to execute the contract after it has been approved as to form by the City Attorney.

**Section 3.** That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Street and Transportation Improvements Fund  
Fund 7T22, Department PBW, Unit U734, Act. SSUD  
Obj. 4510, Program #PB06U734, CT PBW06U734E1-01  
Vendor #339573, in an amount not to exceed \$250,000

Street and Transportation Improvements Fund  
Fund 8T22, Department PBW, Unit U734, Act. SSUD  
Obj. 4510, Program #PB06U734, CT PBW06U734E1-02  
Vendor #339573, in an amount not to exceed \$638,729

Water Construction Fund  
Fund 0102, Department DWU, Unit CW42, Act. RELP  
Obj. 3221, Program #709051, Reporting WX96, CT PBW709051EN  
Vendor #339573, in an amount not to exceed \$ 10,400

February 11, 2009

Wastewater Construction Fund	
Fund 0103, Department DWU, Unit CS42, Act. RELP	
Obj. 3222, Program #709052, Reporting TO42, CT PBW709052EN	
Vendor #339573, in an amount not to exceed	<u>\$ 3,700</u>
Total in an amount not to exceed	\$902,829

**Section 4.** That this resolution shall 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.

Distribution:   Public Works and Transportation, Jean Mitchell, OCMC, Room 101  
                  Public Works and Transportation, Dell Cole, OCMC, Room 307  
                  Water Utilities, Esther Darden, 3AN  
                  Controller's Office, Sherrian Parham, 4BN  
                  City Attorney

**AGENDA ITEM # 36**

**KEY FOCUS AREA:** Public Safety Improvements and Crime Reduction

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 14

**DEPARTMENT:** Public Works & Transportation  
Aviation

**CMO:** Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** 34K

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**SUBJECT**

Authorize a professional services contract with Pierce Goodwin Alexander & Linville, Inc. to provide design services, preparation of construction documents and construction administration for a new field maintenance facility at Dallas Love Field - Not to exceed \$272,446 - Financing: Aviation Capital Construction Funds

**BACKGROUND**

This action will authorize a professional services contract with Pierce Goodwin Alexander & Linville, Inc. to provide design services, preparation of construction documents and construction administration for a new Field Maintenance Facility at Dallas Love Field Airport.

Dallas Love Field currently operates field maintenance from an aging and inadequate facility on the east side of the airport. The project consists of demolishing the existing Maintenance Facility and designing, constructing, and providing construction administration for a new facility. It will also include paving for parking and maneuvering of equipment, sheltered parking for equipment, and new material bins. The new facility will meet current FAA design criteria for maintaining and storage of snow removal equipment. The existing 30-year old building, a former cargo building, does not provide for proper equipment parking or maneuvering and maintenance clearances. The project will provide a facility capable of maintaining field maintenance equipment with improved working conditions and a safer working environment.

In addition, other airport equipment and maintenance operations are to benefit from a planned improvement program.

**BACKGROUND** (Continued)

The scope of work for the Architect will include working with Public Works and Transportation and airport managers to program the affordable improvements. This will include determining the best location for the new facility. It is anticipated that the modified facility will be a complement to the vast airport modernization projects concurrently planned. The construction budget for the project is set at \$2,000,000.

The facility will target Silver LEED certification.

After a qualifications-based selection process, City staff determined that Pierce Goodwin Alexander & Linville Architects, Inc. (PGAL) was the most qualified firm for this project. Pierce Goodwin Alexander & Linville, Inc. will be providing full design services across all disciplines for this project.

**ESTIMATED SCHEDULE OF PROJECT**

Begin Design	March 2009
Complete Design	January 2010
Begin Construction	March 2010
Complete Construction	March 2011

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

**FISCAL INFORMATION**

Aviation Capital Construction Funds - \$272,446

Design (this action)	\$ 272,446
Testing	\$ 100,000
Contract Administration	\$ 100,000
Construction	\$2,000,000
Development Expenses (Public Art, etc.)	<u>\$ 227,554</u>
Total Project Cost	\$2,700,000

**M/WBE INFORMATION**

See attached.

## **ETHNIC COMPOSITION**

### **Pierce Goodwin Alexander & Linville, Inc.**

Hispanic Female	13	Hispanic Male	21
African-American Female	12	African-American Male	5
Other Female	10	Other Male	15
White Female	46	White Male	62

## **OWNER(S)**

### **Pierce Goodwin Alexander & Linville, Inc.**

Jeff Gerber, President and Chief Executive Officer  
Ken Brown, Executive Vice President

## **MAP**

Attached

## BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

**PROJECT:** Authorize a professional services contract with Pierce Goodwin Alexander & Linville, Inc. to provide design services, preparation of construction documents and construction administration for a new field maintenance facility at Dallas Love Field - Not to exceed \$272,446 - Financing: Aviation Capital Construction Funds

Pierce Goodwin Alexander & Linville, Inc. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

**PROJECT CATEGORY:** Professional Services

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### LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$272,446.00	100.00%
Total non-local contracts	\$0.00	0.00%
<b>TOTAL CONTRACT</b>	<b>\$272,446.00</b>	<b>100.00%</b>

### LOCAL/NON-LOCAL M/WBE PARTICIPATION

#### Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
IEG Consulting Engineers	BMMB36797N0209	\$54,256.00	19.91%
Apex Cost Consultants	BMDB37804Y0709	\$10,040.00	3.69%
DFW Fire Protection	BMDB37967Y0709	\$6,000.00	2.20%
Pacheco Koch Consulting	HMDB38318Y0909	\$12,000.00	4.40%
CP&Y, Inc.	PMDB38124Y0809	\$60,150.00	22.08%
<b>Total Minority - Local</b>		<b>\$142,446.00</b>	<b>52.28%</b>

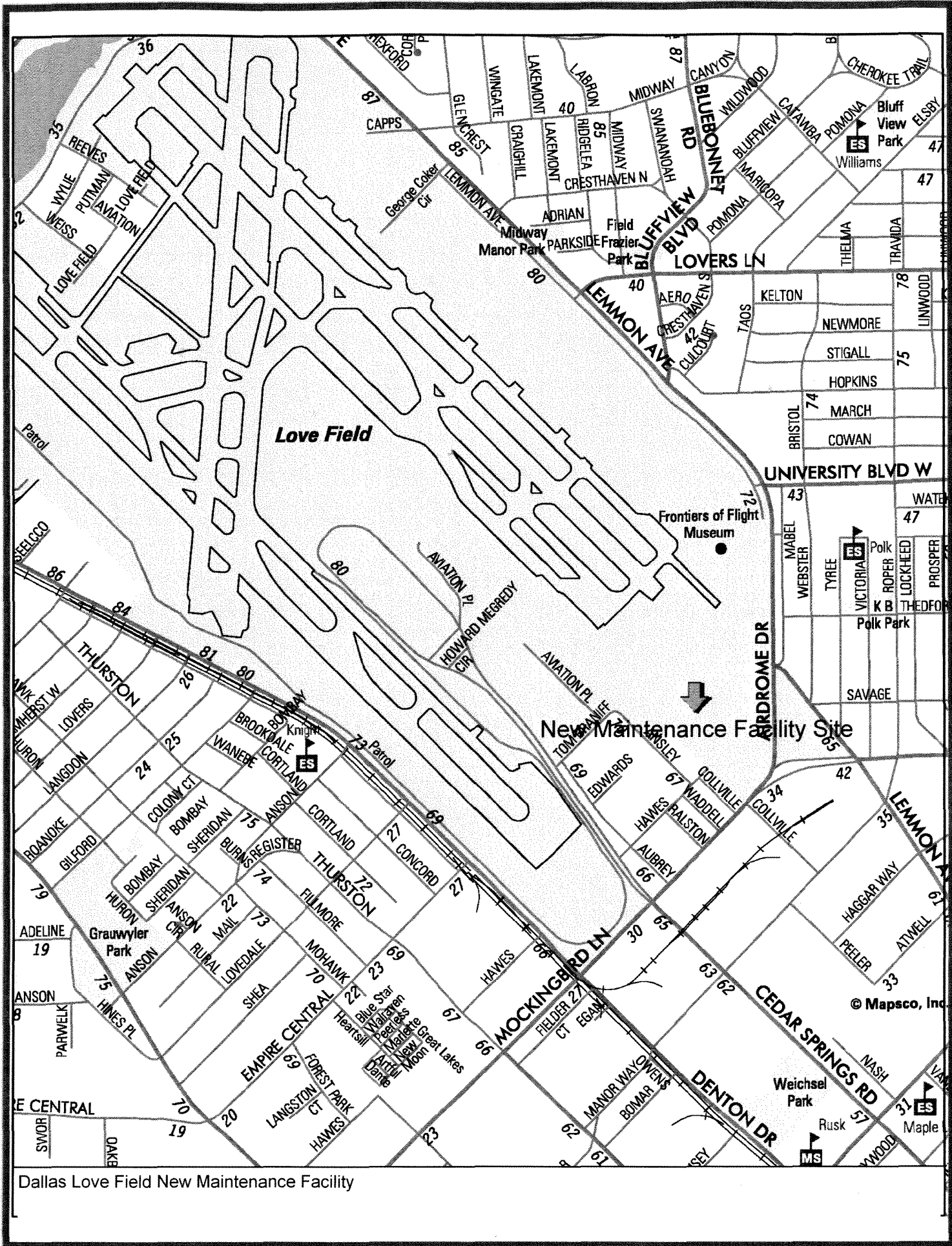
#### Non-Local Contractors / Sub-Contractors

None



**TOTAL M/WBE CONTRACT PARTICIPATION**

	<b><u>Local</u></b>	<b><u>Percent</u></b>	<b><u>Local &amp; Non-Local</u></b>	<b><u>Percent</u></b>
African American	\$70,296.00	25.80%	\$70,296.00	25.80%
Hispanic American	\$12,000.00	4.40%	\$12,000.00	4.40%
Asian American	\$60,150.00	22.08%	\$60,150.00	22.08%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
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Total	\$142,446.00	52.28%	\$142,446.00	52.28%



Dallas Love Field New Maintenance Facility



February 11, 2009

**WHEREAS**, it is now desirable to authorize a professional services contract with Pierce Goodwin Alexander & Linville, Inc. to provide design services, preparation of construction documents and construction administration for a new field maintenance facility at Dallas Love Field in an amount not to exceed \$272,446.

**Now, Therefore,**

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

**Section 1.** That the City Manager is hereby authorized to execute a contract with Pierce Goodwin Alexander & Linville, Inc. to provide design services, preparation of construction documents and construction administration for a new field maintenance facility at Dallas Love Field in an amount not to exceed \$272,446.

**Section 2.** That the City Manager is hereby authorized to enter into the contract after it has been approved as to form by the City Attorney.

**Section 3.** That the City Controller is hereby authorized to transfer 100% of the design, construction and administration cost from the Passenger Facility Charge (PFC) Fund 0477, Dept. AVI, Balance Sheet Account 0001 (cash account) to Aviation Capital Construction Fund 0131, Dept. AVI, Balance Sheet Account 0001 (cash account). The PFC Application No. 08-02-OC-00-DAL was approved by Federal Aviation Administration (FAA) on December 20, 2007.)

**Section 4.** That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Aviation Capital Construction Funds  
Fund 0131, Dept. AVI, Unit 8748, Act. AAIP  
Obj. 4111, Program #AVI8748, Major Program #AVI8748, CT AVI8748C016  
Vendor #VS0000018030, in an amount not to exceed \$272,446

**Section 5.** That this resolution shall 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.

Distribution: Public Works and Transportation, Jean Mitchell, OCMC, Room 101  
Public Works and Transportation, Terry Williams, OCMC, Room 321  
Aviation  
City Attorney  
Office of Financial Services  
Controller's Office, Sherrian Parham, 4BN



**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 14

**DEPARTMENT:** Public Works & Transportation  
Aviation

**CMO:** Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** 34K

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**SUBJECT**

Authorize a professional services contract with VAI Architects, Inc. to provide design services, preparation of construction documents and construction administration for improvements to the taxi cab holding area at Dallas Love Field - Not to exceed \$151,044 - Financing: Aviation Capital Construction Funds

**BACKGROUND**

This action will authorize a professional services contract with VAI Architects, Inc. to provide design services, preparation of construction documents and construction administration for improvements to the Taxi Cab Holding Area at Dallas Love Field Airport.

Dallas Love Field taxi operators currently queue at a remote location on the east side of the airport from which they are dispatched as needed to the Main Terminal pickup lines approximately 1.8 miles away. The current facilities include a worn restroom building and two temporary portable buildings for lounge facilities.

It is anticipated that the modified facility will be a complement to the Love Field Modernization Program (LFMP) concurrently planned. The construction budget for the project is set at \$1.2 million.

After a qualifications-based selection process, City staff determined that VAI Architects, Inc. was the most qualified firm for this project. VAI Architects, Inc. will be providing full design services across all disciplines for this project.

**ESTIMATED SCHEDULE OF PROJECT**

Begin Design	March 2009
Complete Design	November 2009
Begin Construction	March 2010
Complete Construction	November 2010

**PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

**FISCAL INFORMATION**

Aviation Capital Construction Funds - \$151,044

Design (this action)	\$ 151,044
Construction	1,200,000
Development Expenses	<u>148,956</u>
Total Project Cost	\$1,500,000

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

VAI Architects, Inc.

Hispanic Female	0	Hispanic Male	1
African-American Female	0	African-American Male	1
Other Female	3	Other Male	4
White Female	2	White Male	12

**OWNER(S)**

**VAI Architects, Inc.**

William Vidaud, President  
Barton Drake, Vice President

**MAP**

Attached.

## BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

**PROJECT:** Authorize a professional services contract with VAI Architects, Inc. to provide design services, preparation of construction documents and construction administration for improvements to the taxi cab holding area at Dallas Love Field - Not to exceed \$151,044 - Financing: Aviation Capital Construction Funds

VAI Architects, Inc. is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

**PROJECT CATEGORY:** Architecture & Engineering

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### LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$151,044.00	100.00%
Total non-local contracts	\$0.00	0.00%
<b>TOTAL CONTRACT</b>	<b>\$151,044.00</b>	<b>100.00%</b>

### LOCAL/NON-LOCAL M/WBE PARTICIPATION

#### Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Apex Cost Consultants	BMDB37804Y0709	\$5,200.00	3.44%
VAI Architects, Inc.	HMDB37285Y0609	\$99,964.00	66.18%
Charles Gojer & Associates, Inc.	HMDB37500Y0509	\$28,400.00	18.80%
Caye Cook & Associates	WFDB39174Y0409	\$5,000.00	3.31%
<b>Total Minority - Local</b>		<b>\$138,564.00</b>	<b>91.74%</b>

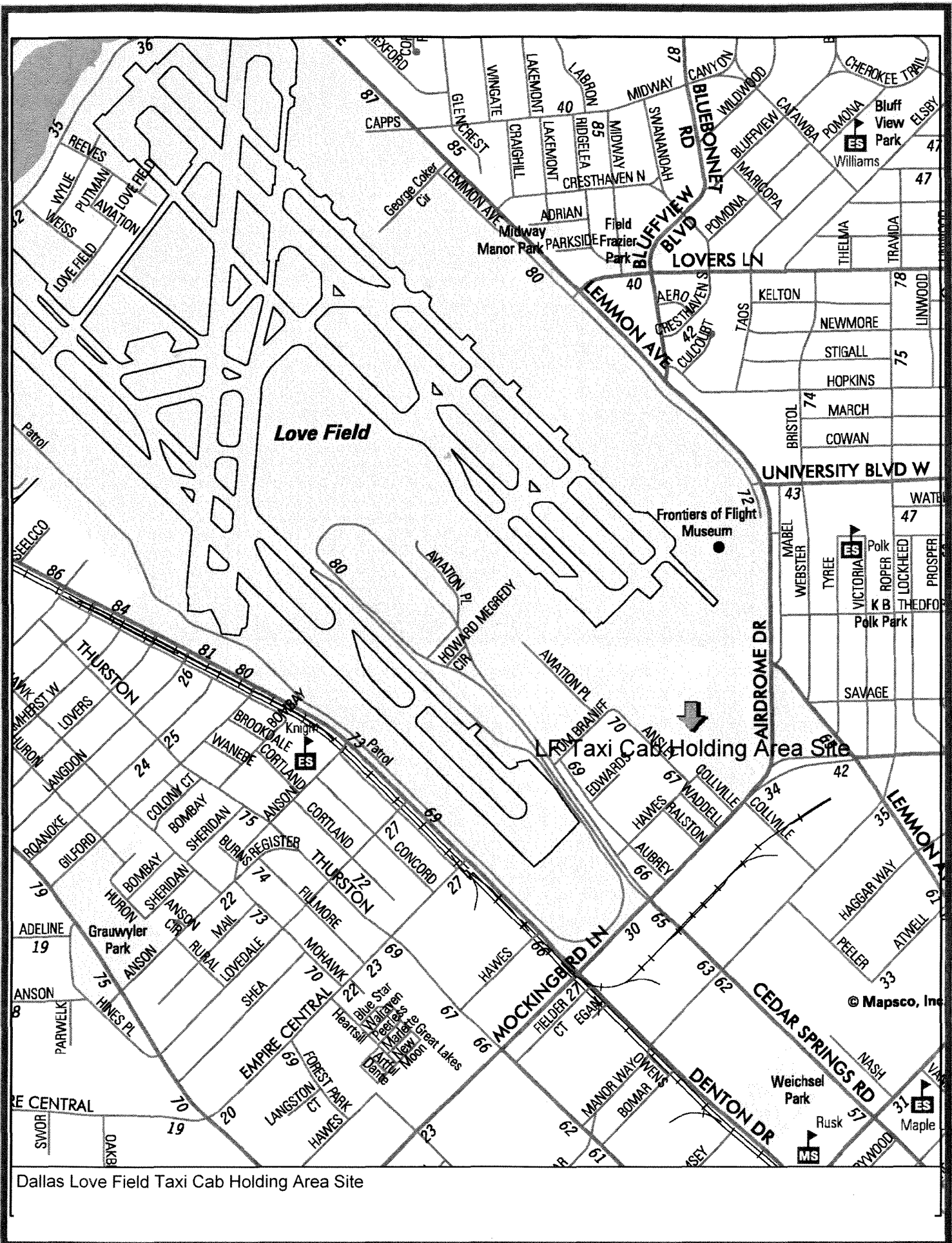
#### Non-Local Contractors / Sub-Contractors

None

**TOTAL M/WBE CONTRACT PARTICIPATION**

	<b><u>Local</u></b>	<b><u>Percent</u></b>	<b><u>Local &amp; Non-Local</u></b>	<b><u>Percent</u></b>
African American	\$5,200.00	3.44%	\$5,200.00	3.44%
Hispanic American	\$128,364.00	84.98%	\$128,364.00	84.98%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$5,000.00	3.31%	\$5,000.00	3.31%
Total	<u>\$138,564.00</u>	<u>91.74%</u>	<u>\$138,564.00</u>	<u>91.74%</u>





Dallas Love Field Taxi Cab Holding Area Site





February 11, 2009

**WHEREAS**, it is now desirable to authorize a professional services contract with VAI Architects, Inc. to provide design services, preparation of construction documents and construction administration for improvements to the taxi cab holding area at Dallas Love Field in an amount not to exceed \$151,044.

**Now, Therefore,**

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

**Section 1.** That the City Manager is hereby authorized to execute a contract with VAI Architects, Inc. to provide design services, preparation of construction documents and construction administration for a new taxi cab holding area at Dallas Love Field in an amount not to exceed \$151,044.

**Section 2.** That the City Manager is hereby authorized to enter into the contract after it has been approved as to form by the City Attorney.

**Section 3.** That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Aviation Capital Construction Fund  
Fund 0131, Dept. AVI, Unit P441, Act. AAIP  
Obj. 4111, Program #AVP441-DAL, Major Program #AVP441, CT AVIP441C017  
Vendor #211286, in an amount not to exceed \$151,044

**Section 4.** That this resolution shall 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.

Distribution: Public Works and Transportation, Jean Mitchell, OCMC, Room 101  
Public Works and Transportation, Terry Williams, OCMC, Room 321  
Aviation  
City Attorney  
Office of Financial Services  
Controller's Office, Sherrian Parham, 4BN



**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Public Works & Transportation  
Housing  
Water Utilities

**CMO:** Ramon F. Miguez, P.E., 670-3308  
A. C. Gonzalez, 671-8925

**MAPSCO:** 56C

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**SUBJECT**

Authorize an increase in the contract with Jeske Construction Company for additional water services, paving materials and other adjustments for the reconstruction of Bexar Street from C.F. Hawn Freeway (U.S.175) service road to Brigham Lane - Not to exceed \$144,730, from \$3,728,524 to \$3,873,254 - Financing: 2003 Bond Funds (\$86,365) and Water Utilities Capital Construction Funds (\$58,365)

**BACKGROUND**

This action will authorize Change Order No. 5 to the construction contract originally authorized with Jeske Construction Company on November 8, 2006, for the reconstruction of Bexar Street from C.F. Hawn Freeway service road to Brigham Lane. Included with the reconstruction of Bexar Street, are improvements to the pavement, storm drainage system, streetscape, street and pedestrian lighting, and water and wastewater mains.

This project was designed to accommodate both the thoroughfare plan and the Housing Department's Master Plan for the Redevelopment of the Bexar Street area. Changes to the Master plan caused by a change in development concepts necessitated the bulk of the changes included in this change order. Also included in this change order are minor miscellaneous items or slight increases to items necessary to complete the project.

To accommodate the changes to the Master Plan, 24 additional water services and water meter boxes will be added. This will require the removal and replacement of some of the concrete pavement and sidewalk panels. Also, a change in the power source for the street lights, pedestrian lights, and art piece is required. Additional quantities of some electrical conduits, paving, landscaping and drainage items are needed and included in this change order.

## **BACKGROUND** (Continued)

Authorization of Change Order No. 5 will allow Jeske Construction Company to complete the reconstruction of the Bexar Street project and accommodate the revised master plan.

## **ESTIMATED SCHEDULE OF PROJECT**

Began Construction	April 2007
Complete Construction	March 2009

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Authorized NIP Selection Criteria on February 26, 2003, by Resolution No. 03-0830.

Authorized FY 2003-04 Consolidated Plan Budget on August 13, 2003, by Resolution No. 03-2191.

Authorized Public Hearing on December 8, 2003, for hearing to be held on January 14, 2004, by Resolution No. 03-3388.

Briefed to the Housing and Neighborhood Development Committee on December 15, 2003.

Authorized Public Improvement Plan for Neighborhood Investment Program on January 14, 2004, by Resolution No. 04-0202.

Authorized a professional services contract for engineering services on May 26, 2004, by Resolution No. 04-1684.

Authorized a construction contract on November 8, 2006, by Resolution No. 06-3124.

Authorized Change Order No. 1 to the construction contract on June 13, 2007, by Resolution No. 07-1759.

Authorized Change Order No. 2 to the contract on January 23, 2008, by Resolution No. 08-0320.

Authorized Change Order No. 3 to the contract on May 14, 2008, by Resolution No. 08-1417.

Authorized Change Order No. 4 to the contract on September 24, 2008, by Resolution No. 08-2567.

**FISCAL INFORMATION**

2003 Bond Funds - \$86,365.00

Water Utilities Capital Construction Funds - \$58,364.20

Design	\$ 171,626.24
Construction	\$ 2,361,321.20
Paving (PBW)	\$ 784,424.00
Water & Wastewater (DWU)	\$ 24,607.00
Supplemental Agreement No. 1	\$ 188,117.31
Change Order No. 1	\$ 184,495.80
Change Order No. 2	\$ 106,523.00
Change Order No. 3	\$ 151,495.00
Change Order No. 4	\$ 140,265.00
Change Order No. 5 (this action)	<u>\$ 144,729.20</u>

Total Project Cost \$ 4,257,603.75

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

Jeske Construction Company

Hispanic Female	0	Hispanic Male	20
African-American Female	0	African-American Male	7
Other Female	0	Other Male	0
White Female	1	White Male	5

**OWNER**

**Jeske Construction Company**

Steve Jeske, President

**MAP**

Attached.

## **BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**

**PROJECT:** Authorize an increase in the contract with Jeske Construction Company for additional water services, paving materials and other adjustments for the reconstruction of Bexar Street from C.F. Hawn Freeway (U.S.175) service road to Brigham Lane - Not to exceed \$144,730, from \$3,728,524 to \$3,873,254 - Financing: 2003 Bond Funds (\$86,365) and Water Utilities Capital Construction Funds (\$58,365)

Jeske Construction Company is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

**PROJECT CATEGORY:** Construction

### **LOCAL/NON-LOCAL CONTRACT SUMMARY**

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$144,729.20	100.00%
Total non-local contracts	\$0.00	0.00%
<b>TOTAL CONTRACT</b>	<b>\$144,729.20</b>	<b>100.00%</b>

### **LOCAL/NON-LOCAL M/WBE PARTICIPATION**

#### **Local Contractors / Sub-Contractors**

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Tri Star Utilities	HMMD35696N1208	\$57,278.00	39.58%
<b>Total Minority - Local</b>		<b>\$57,278.00</b>	<b>39.58%</b>

#### **Non-Local Contractors / Sub-Contractors**

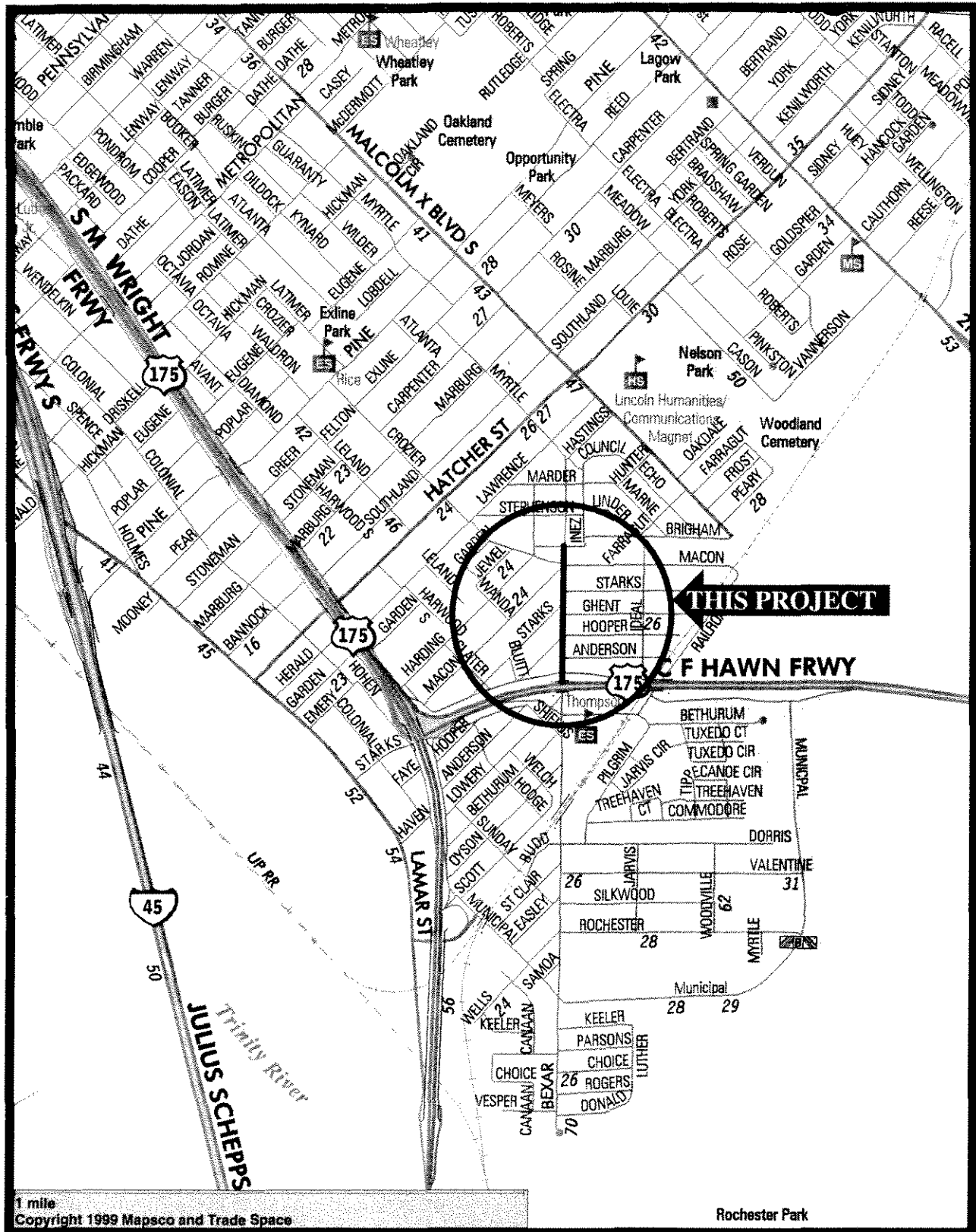
None

### **TOTAL M/WBE CONTRACT PARTICIPATION**

	<u>Local</u>	<u>Percent</u>	<u>Local &amp; Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$57,278.00	39.58%	\$57,278.00	39.58%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
<b>Total</b>	<b>\$57,278.00</b>	<b>39.58%</b>	<b>\$57,278.00</b>	<b>39.58%</b>



# Bexar Street From C. F. Hawn (U.S. 175) To Brigham Lane



**MAPSCO 56C**



February 11, 2009

**WHEREAS**, on February 26, 2003, Resolution No. 03-0830 authorized the NIP Selection criteria, authorizing the top five (5) ranking census tracts (CT 49.00, CT 101.01, CT 25.00, CT 39.02 and CT 89.00) to be designed as NIP target areas for a two-year period, after which time the City Council shall review the success of the NIP and the target area selection criteria prior to selecting new neighborhoods for program participation; and,

**WHEREAS**, on August 13, 2003, Resolution No. 03-2191 authorized the FY 2003-04 Consolidated Plan Budget, including funding for NIP public improvements; and,

**WHEREAS**, on December 8, 2003, Resolution No. 03-3388 authorized a public hearing for January 14, 2004 to receive public input on the proposed FY 2003-04 Consolidated Plan Reprogramming Budget #3 to provide an additional \$1,639,187 for NIP public Improvements; and,

**WHEREAS**, on December 15, 2003, the Housing and Neighborhood Development Committee voted to recommend approval of the proposed FY 2003-04 Neighborhood Investment Program Public Improvement Plan as recommended by staff; and,

**WHEREAS**, on January 14, 2004, Resolution No. 04-0202 authorized a Public Improvement Plan for Neighborhood Investment Program target areas, including \$1,972,069 for streetscape and infrastructure improvements along Bexar Street in CT 39.02; and,

**WHEREAS**, on May 26, 2004, Resolution No. 04-1684 authorized a professional services contract with Williams-Russell and Johnson, Inc. for the design of streetscape and infrastructure, water and wastewater main improvements for Bexar Street from C.F. Hawn (U.S. 175) service road to Brigham Lane in the amount of \$171,626.24; and,

**WHEREAS**, on July 26, 2006, Administrative Action No. 06-2299 authorized Supplemental Agreement No. 1 to the engineering contract with Williams-Russell and Johnson, Inc. for the design of paving and drainage improvements for Bexar Street from C.F. Hawn (U.S. 175) service road to Brigham Lane in the amount of \$24,607.00; and,

**WHEREAS**, bids were received on September 14, 2006, for the reconstruction of street paving, storm drainage, streetscape, street and pedestrian lighting, water and wastewater main improvements for Bexar Street from C.F. Hawn (U.S. 175) service road to Brigham Lane; and,

February 11, 2009

**WHEREAS**, on November 8, 2006, Resolution No. 06-3124 authorized a contract for the reconstruction of street paving, storm drainage, streetscape, street and pedestrian lighting, water and wastewater main improvements for Bexar Street from C.F. Hawn (U.S. 175) service road to Brigham Lane, in an amount not to exceed \$3,145,745.20; and,

**WHEREAS**, on June 13, 2007, Resolution No. 07-1759 authorized Change Order No. 1 to the contract with Jeske Construction Company for the construction of a temporary road and the installation of new water services to accommodate new development along Bexar Street during the reconstruction of street paving, storm drainage, streetscape, street and pedestrian lighting, water and wastewater main improvements on Bexar Street from C.F. Hawn Freeway (U.S. 175) service road to Brigham Lane, in the amount of \$184,495.80, increasing the contract from \$3,145,745.20 to \$3,330,241.00; and,

**WHEREAS**, on January 23, 2008, Resolution No. 08-0320 authorized Change Order No. 2 to the contract with Jeske Construction Company for additional quantities of paving materials and subgrade preparation needed for the reconstruction of street paving, storm drainage, streetscape, street and pedestrian lighting, water and wastewater main improvements on Bexar Street from C.F. Hawn Freeway (U.S. 175) service road to Brigham Lane, in the amount of \$106,523, increasing the contract from \$3,330,241.00 to \$3,436,764.00.

**WHEREAS**, on May 14, 2008, Resolution No. 08-1417 authorized Change Order No. 3 to the contract with Jeske Construction Company for additional water and wastewater main extensions, wastewater access devices, manholes and quantities of paving materials needed for the reconstruction of Bexar Street from C. F. Hawn Freeway (U.S. 175) service road to Brigham lane in the amount of \$151,495, increasing the contract from \$3,436,764.00 to \$3,588,259.00.

**WHEREAS**, on September 24, 2008, Resolution No. 08-2567 authorized Change Order No. 4 to the contract with Jeske Construction Company for additional paving materials, a clock tower, other adjustments and improvements for the reconstruction of Bexar Street from C. F. Hawn Freeway (U.S. 175) service road to Brigham Lane in the amount of \$140,265.00, increasing the contract from \$3,588,259.00 to \$3,728,524.00.

**WHEREAS**, it is now necessary to authorize Change Order No. 5 to the contract with Jeske Construction Company for additional water services, paving materials, other adjustments and improvements for the reconstruction of Bexar Street from C. F. Hawn Freeway (U.S. 175) service road to Brigham Lane in the amount of \$144,729.20, increasing the contract from \$3,728,524.00 to \$3,873,253.20.

February 11, 2009

**Now, Therefore,**

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

**Section 1.** That the City Manager is hereby authorized to execute Change Order No. 5 to the contract with Jeske Construction Company for additional water services, paving materials, and improvements for the reconstruction of Bexar Street from C. F. Hawn Freeway (U.S. 175) service road to Brigham Lane in the amount of \$144,729.20, increasing the contract from \$3,728,524.00 to \$3,873,253.20.

**Section 2.** That the City Manager is hereby authorized to execute the contract after it has been approved as to form by the City Attorney.

**Section 3.** That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions of the agreement from:

Specified Street Projects Fund Fund 6R21, Dept. PBW, Unit R873, Act. HOIN Obj. 4510, Program #PBNIP001, CT PBWNIP001B1 Vendor #083791, in an amount not to exceed	\$ 86,365.00
Water Construction Fund Fund 0102, Dept. DWU, Unit CW42, Act. RELP Obj. 4550, Program #706103, Rept. WX75, CT PBW706103EA Vendor #083791, in an amount not to exceed	<u>\$ 58,364.20</u>
Total in an amount not to exceed	\$144,729.20

**Section 4.** That this resolution shall 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.

Distribution: Public Works and Transportation, Jean Mitchell, OCMC, Room 101  
Public Works and Transportation, Paulette Williams, OCMC, Room 307  
Water Utilities, Esther Darden, 3AN  
Controller's Office, Sherrian Parham, 4BN  
Budget and Management Services/Community Development, 4FS  
City Attorney



**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Public Works & Transportation  
Park & Recreation

**CMO:** Ramon F. Miguez, P.E., 670-3308  
Paul D. Dyer, 670-4071

**MAPSCO:** 46 C D F G K

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**SUBJECT**

Authorize an increase in the contract with Ken-Do Contracting, LP for additional pavement removal, new paving, additional construction costs associated with the reconstruction of a pedestrian bridge, modifications to the scope and traffic control adjustments necessary for the construction of paving and drainage improvements for a hike and bike trail for East Dallas Veloway, Phase II (Santa Fe Trail) from Glasgow Drive to Hill Street - Not to exceed \$607,899, from \$3,326,296 to \$3,934,195 - Financing: 2006 Bond Funds

**BACKGROUND**

On February 27, 2008, Council Resolution No. 08-0678, authorized a contract with Ken-Do Contracting, LP, for the construction of paving and drainage improvements for a hike and bike trail for East Dallas Veloway, Phase II (Santa Fe Trail). The scope of this project is to construct a 12-foot wide concrete hike and bike trail from Glasgow Drive to Hill Street. This trail will utilize the unused Santa Fe rail corridor and is part of a multi-phase project. Construction of the East Dallas Veloway, Phase II began in March 2008, and Change Order No. 2 is now needed for changes required during construction.

The majority of the work associated with this change order is located on Peak Street and Carroll Avenue, which are important to traffic circulation during the State Fair of Texas. Street reconstruction work needed to be completed before the opening of the Fair, which required a high early strength concrete to be applied in order to complete the Peak Street reconstruction and open lanes in time for the State Fair. Similarly, additional asphalt was necessary to detour traffic around the work zone, in order to minimize the time necessary to reconstruct the street. Excavation of Peak Street revealed unanticipated pavement thickness, which resulted in additional removal costs, and additional pavement costs to replace new pavement to the proposed finished grade of the street.

**BACKGROUND** (Continued)

Additionally, the limits of construction on Peak Street were extended, in order to connect the proposed concrete pavement to existing pavement that is in good condition. Wood bollards were also required at several cross street locations in order to minimize vehicular traffic on the newly-constructed trail.

This action will authorize an increase in the contract amount for changes to the construction contract with Ken-Do Contracting, LP. No future council action is anticipated in order to finalize the construction of this project.

**ESTIMATED SCHEDULE OF PROJECT**

Began Design	June 2004
Completed Design	October 2007
Began Construction	March 2008
Complete Construction	May 2009

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Authorized Trail Funding Program Call for Projects on January 24, 2001, by Resolution No. 01-0372.

Authorized a professional services contract with Nathan D. Maier Consulting Engineers, Inc. on May 26, 2004, by Resolution No. 04-1683.

Authorized Supplemental Agreement No. 1 to the contract with Nathan D. Maier Consulting Engineers, Inc. on August 24, 2005, by Resolution No. 05-2421.

Authorized an Interlocal Agreement with Dallas County on August 24, 2005, by Resolution No. 05-2422.

Authorized a License Agreement with Dallas Area Rapid Transit on August 24, 2005, by Resolution No. 05-2423.

Authorized a construction contract with Ken-Do Contracting, LP, on February 27, 2008, by Resolution No. 08-0678.

Authorized an increase in the contract with Ken-Do Contracting, LP, on August 13, 2008, by Resolution No. 08-2084.

Authorized Supplemental Agreement No. 2 to the contract with Nathan D. Maier Consulting Engineers, Inc. on December 23, 2008, by Administrative Action No. 08-3513.



**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (Continued)

Authorized Supplemental Agreement No. 3 to the contract with Nathan D. Maier Consulting Engineers, Inc. on January 28, 2009, by Resolution No. 09-0308.

**FISCAL INFORMATION**

2006 Bond Funds - \$607,899

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

**Ken-Do Contracting, LP**

Hispanic Female	3	Hispanic Male	26
African-American Female	0	African-American Male	0
Other Female	0	Other Male	0
White Female	0	White Male	1

**OWNER**

**Ken-Do Contracting, LP.**

Ken Halverson, President

**MAP**

Attached.

## **BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**

**PROJECT:** Authorize an increase in the contract with Ken-Do Contracting, LP for additional pavement removal, new paving, additional construction costs associated with the reconstruction of a pedestrian bridge, modifications to the scope and traffic control adjustments necessary for the construction of paving and drainage improvements for a hike and bike trail for East Dallas Veloway, Phase II (Santa Fe Trail) from Glasgow Drive to Hill Street - Not to exceed \$607,899, from \$3,326,296 to \$3,934,195 - Financing: 2006 Bond Funds

Ken-Do Contracting, LP is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

**PROJECT CATEGORY:** Professional Services

### **LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY**

	<u>Amount</u>	<u>Percent</u>
Local contracts	\$607,899.00	100.00%
Non-local contracts	\$0.00	0.00%
<b>TOTAL THIS ACTION</b>	<b>\$607,899.00</b>	<b>100.00%</b>

### **LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION**

#### **Local Contractors / Sub-Contractors**

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
SYB Construction Company, Inc.	WFDB39015Y1009	\$120,439.50	19.81%
<b>Total Minority - Local</b>		<b>\$120,439.50</b>	<b>19.81%</b>

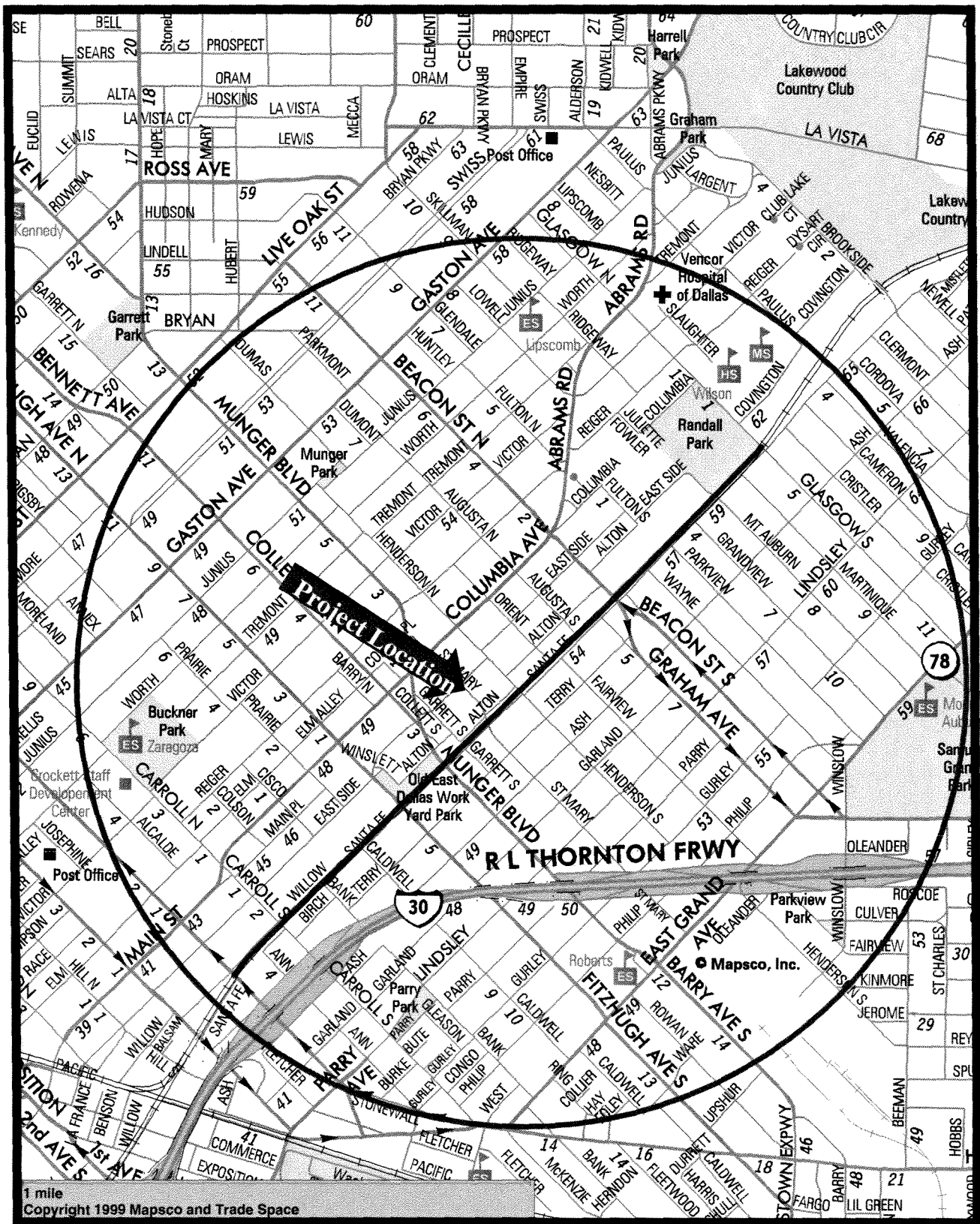
#### **Non-Local Contractors / Sub-Contractors**

None

### **TOTAL M/WBE PARTICIPATION**

	<u>This Action</u>		<u>Participation to Date</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$120,439.50	19.81%	\$854,126.50	21.71%
<b>Total</b>	<b>\$120,439.50</b>	<b>19.81%</b>	<b>\$854,126.50</b>	<b>21.71%</b>

# East Dallas Velway



Mapsco 46 CDFGK



February 11, 2009

**WHEREAS**, on January 24, 2001, Resolution No. 01-0372 authorized Trail Funding Program Call for Projects with Dallas County; and,

**WHEREAS**, on May 26 2004, Resolution No. 04-1683 authorized a professional services contract with Nathan D. Maier Consulting Engineers, Inc.; and,

**WHEREAS**, on August 24, 2005, Resolution No. 05-2421 authorized Supplemental Agreement No. 1 to the contract with Nathan D. Maier Consulting Engineers, Inc.; and,

**WHEREAS**, on August 24, 2005, Resolution No. 05-2422 authorized an Interlocal Agreement with Dallas County; and,

**WHEREAS**, on August 24, 2005, Resolution No. 05-2423 authorized a License Agreement with Dallas Area Transit; and,

**WHEREAS**, on November 27, 2008, Resolution No. 08-0678 authorized a contract with Ken-Do Contracting, LP for the construction of paving and drainage improvements of a hike and bike trail, the East Dallas VeloWay Phase II (Santa Fe Trail), from Glasgow Drive to Hill Street in an amount not to exceed \$2,900,101.75; and,

**WHEREAS**, on August 13, 2008, Resolution No. 08-2084 authorized Change Order No. 1 for changes to the construction contract in the amount of \$426,194.50, increasing the contract from \$2,900,101.75 to \$3,326,296.25; and,

**WHEREAS**, on December 23, 2008, Administrative Action No. 08-3513 authorized Supplemental Agreement No. 2 to the contract with Nathan D. Maier Consulting Engineers, Inc. for additional services related to East Dallas Veloway, Phase II Extension in the amount of \$4,530, increasing the contract from \$210,265 to \$214,795; and,

**WHEREAS**, on January 28, 2009, Resolution No. 09-0308 authorized Supplemental Agreement No. 3 to the contract with Nathan D. Maier Consulting Engineers, Inc. for the design of the East Dallas Veloway, Phase II Extension, from Elm Street to Parry Avenue in the amount of \$167,410, increasing the contract from \$291,895 to \$459,305.

**WHEREAS**, It is now necessary to authorize funding for Change Order No. 2 for changes to the construction contract in the amount of \$607,899.00 increasing the contract from \$3,326,296.25 to \$3,934,195.25.

**Now, Therefore,**

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

February 11, 2009

**Section 1.** That the City Manager is hereby authorized to increase the contract with Ken-Do Contracting, LP for additional pavement removal, new paving, construction costs, modifications to the scope and traffic control adjustments necessary for the construction of paving and drainage improvements of a hike and bike trail for East Dallas Veloway, Phase II (Santa Fe Trail) from Glasgow Drive to Hill Street in an amount not to exceed \$607,899.00, increasing the contract from \$3,326,296.25 to \$3,934,195.25.

**Section 2.** That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Park and Recreation Improvement Fund  
Fund 7T00, Department PKR, Unit T313, Act. HIBT  
Obj. 4599, Program #PK06T313, CT PBW03R136E1  
Vendor #VS0000012910, in an amount not to exceed \$607,899

**Section 3.** That this resolution shall 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.

Distribution: Public Works and Transportation, Jean Mitchell, OCMC, Room 101  
Public Works and Transportation, Dawna Brown, City Hall L1BS  
Park and Recreation, Dawna Ray, City Hall 6FN  
Controller's Office, Sherrian Parham, 4BN  
City Attorney

**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Public Works & Transportation  
Water Utilities  
Housing

**CMO:** Ramon F. Miguez, P.E., 670-3308  
A. C. Gonzalez, 671-8925

**MAPSCO:** 47J & N

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**SUBJECT**

Authorize Supplemental Agreement No. 1 to the contract with Urban Engineers Group, Inc. for surveying and additional design for water and wastewater improvements for Project Group 06-3009 (list attached) - Not to exceed \$57,590, from \$201,730 to \$259,320 - Financing: 2003 Bond Funds (\$20,400) and Water Utilities Capital Construction Funds (\$37,190)

**BACKGROUND**

The professional services contract with Urban Engineers Group, Inc. was approved by Council on April 23, 2008, for the engineering design of paving, alley and drainage infrastructure improvements for low to moderate income housing developments pursuant to the City Housing Program. This action will authorize Supplemental Agreement No. 1 for surveying and additional design for water and wastewater improvements for Project Group 06-3009, increasing the contract with Urban Engineers Group, Inc. by \$57,590, from \$201,730 to \$259,320.

Project Group 06-3009 includes improvements to Beall Street from Dolphin Road to the alley between Silver Avenue to Dolphin Road, Mingo Street from Dolphin Road to Silver Avenue and the alley between Silver Avenue and Dolphin Road from Haskell Avenue to Detonte Street. It will also include the resurfacing of Detonte Street from Dolphin Road to Silver Avenue and Silver Avenue from Haskell Avenue to Dead End.

**BACKGROUND** (Continued)

This action is needed to allow additional survey work in order to include new 4-foot reinforced concrete sidewalk on the south side of Beall Street and several corner clips for barrier free ramps throughout the project. It will also include the design of additional water and wastewater main for Detonte Street from Silver Avenue to Dolphin Road (8-inch water, approximately 540 LF and 8-inch wastewater, approximately 414 LF) and for Silver Avenue from Haskell Avenue to Dead End (8-inch water, approximately 450 LF and 10-inch wastewater, approximately 818 LF). Additional action by the City Council will be required in the future to award the construction phase of this project.

**ESTIMATED SCHEDULE OF PROJECT**

Began Design	May 2008
Complete Design	February 2009
Begin Construction	June 2009
Complete Construction	May 2010

**PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Authorized a professional services contract on April 23, 2008, by Resolution No. 08-1280.

**FISCAL INFORMATION**

2003 Bond Funds - \$20,400  
Water Utilities Capital Construction Funds - \$37,190

Design	\$ 201,730.00
Construction	
Paving & Drainage - (PBW)	\$1,313,324.00 (est.)
Water & Wastewater - (DWU)	\$ 946,782.00 (est.)
Supplemental Agreement No. 1 (this action)	<u>\$ 57,590.00</u>
Total Project Cost	\$2,519,426.00 (est.)

**M/WBE INFORMATION**

See attached.



**ETHNIC COMPOSITION**

**Urban Engineers Group, Inc.**

African-American Female	0	African-American Male	1
Hispanic Female	1	Hispanic Male	0
White Female	2	White Male	0
Other Female	0	Other Male	1

**OWNER**

**Urban Engineers Group, Inc.**

Faisal Syed, P.E., Professional Traffic Operation Engineer, Manager

**MAP**

Attached.

## Street Reconstruction, Project Group 06-3009

<b><u>Street Reconstruction</u></b>	<b><u>Council District</u></b>
Beall Street from Dolphin Road to alley between Silver Avenue to Dolphin Street	7
Detonte Street from Dolphin Road to Silver Avenue	7
Mingo Street from Dolphin Road to Silver Avenue	7
Silver Avenue from Haskell Avenue to Dead End	7
Alley between Silver Avenue and Dolphin Road from Haskell Avenue to Detonte Street	7

## **BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**

**PROJECT:** Authorize Supplemental Agreement No. 1 to the contract with Urban Engineers Group, Inc. for surveying and additional design for water and wastewater improvements for Project Group 06-3009 (list attached) - Not to exceed \$57,590, from \$201,730 to \$259,320 - Financing: 2003 Bond Funds (\$20,400) and Water Utilities Capital Construction Funds (\$37,190)

Urban Engineers Group, Inc. is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

**PROJECT CATEGORY:** Professional Services

### **LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY**

	<u>Amount</u>	<u>Percent</u>
Local contracts	\$43,990.00	76.38%
Non-local contracts	\$13,600.00	23.62%
<b>TOTAL THIS ACTION</b>	<b>\$57,590.00</b>	<b>100.00%</b>

### **LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION**

#### **Local Contractors / Sub-Contractors**

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Urban Engineers Group, Inc.	HFDB37601Y0509	\$43,990.00	100.00%
<b>Total Minority - Local</b>		<b>\$43,990.00</b>	<b>100.00%</b>

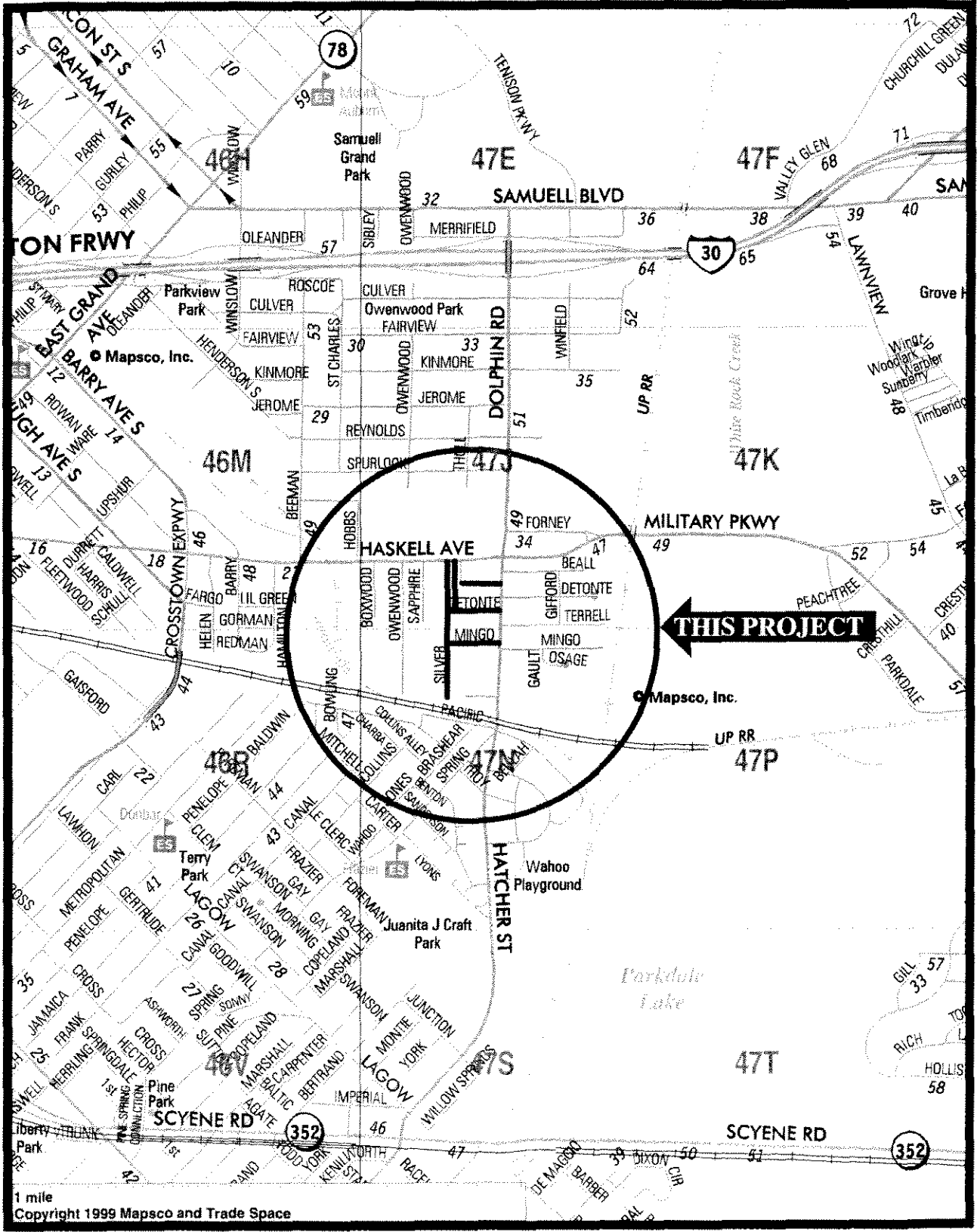
#### **Non-Local Contractors / Sub-Contractors**

None

### **TOTAL M/WBE PARTICIPATION**

	<u>This Action</u>		<u>Participation to Date</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$43,990.00	76.38%	\$205,720.00	79.33%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$40,000.00	15.42%
<b>Total</b>	<b>\$43,990.00</b>	<b>76.38%</b>	<b>\$245,720.00</b>	<b>94.76%</b>

# PROJECT GROUP 06-3009



1 mile  
Copyright 1999 Mapsc0 and Trade Space

## MAPSCO 47J & N

February 11, 2009

**WHEREAS**, on April 23, 2008, Resolution No. 08-1280 authorized a professional services contract for the engineering design of Project Group 06-3009 for street, alley and drainage infrastructure improvements; and,

**WHEREAS**, it is now necessary to authorize Supplemental Agreement No. 1 to the engineering contract with Urban Engineers Group, Inc. for surveying and additional design for water and wastewater improvements for Project Group 06-3009 in the amount of \$57,590, increasing the contract from \$201,730 to \$259,320.

**Now, Therefore,**

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

**Section 1.** That the City Manager is hereby authorized to execute Supplemental Agreement No. 1 to the engineering contract with Urban Engineers Group, Inc. for surveying and additional design for water and wastewater improvements for Project Group 06-3009 in the amount of \$57,590, increasing the contract from \$201,730 to \$259,320.

**Section 2.** That the City Manager is hereby authorized to execute the contract after it has been approved as to form by the City Attorney.

**Section 3.** That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions of the agreement from:

Specified Street Projects Fund Fund 5R21, Dept. PBW, Unit R873, Act. HOIN Obj. 4111, Program #PB03R873, CT PBW03R873G1 Vendor #511462, in an amount not to exceed	\$20,400.00
Water Construction Fund Fund 0102, Dept. DWU, Unit CW42, Act. RELP Obj. 4111, Program #708169, Rept. WX76, CT PBW708169EA Vendor #511462, in an amount not to exceed	\$23,057.80
Wastewater Construction Fund Fund 0103, Dept. DWU, Unit CS42, Act. RELP Obj. 4111, Program #708170, Rept. TO26, CT PBW708170EA Vendor #511462, in an amount not to exceed	<u>\$14,132.20</u>
Total in an amount not to exceed	\$57,590.00

February 11, 2009

**Section 4.** That this resolution shall 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.

Distribution:      Public Works and Transportation, Jean Mitchell, OCMC, Room 101  
                         Public Works and Transportation, Dell Cole, OCMC, Room 307  
                         Water Utilities, Esther Darden, 3AN  
                         Controller's Office, Sherrian Parham, 4BN  
                         Housing, Dannita Williams, 6DN  
                         City Attorney

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Water Utilities  
**CMO:** Ramon F. Miguez, P.E., 670-3308  
**MAPSCO:** All

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**SUBJECT**

An ordinance authorizing the issuance and placement sale of \$118,103,000 City of Dallas, Texas, Waterworks and Sewer System Revenue Bonds, Series 2009A (\$15.1 million), Series 2009B (\$8.28 million), and Series 2009C (\$94.723 million) with the Texas Water Development Board and enacting other provisions in connection therewith - Not to exceed \$278,785 - Financing: Water Utilities Current Funds

**BACKGROUND**

On December 12, 2007 and June 25, 2008, the City Council in separate actions (Ordinances 07-3795 and 08-1829 respectively) authorized the City Manager and the Director of the Water Utilities Department to apply for loans from the Texas Water Development Board (TWDB) for three Water Utilities projects: Cedar Crest Direct Recycling Pipeline Extension Project (\$15.1 million), Lake Ray Hubbard Recycled Water Project (\$8.28 million), and Eastside Water Purification Plant Improvements Project (\$94.723 million). Total bond issuance and placement is \$118,103,000. As part of these loans, the Water Utilities Department will issue bonds that will be subsequently purchased by the TWDB (State of Texas) in order to close water infrastructure loans by the Water Utilities Department with the State of Texas. Through the purchase of our bonds, the TWDB will in turn provide Dallas with an interest rate that is 200 basis points below the TWDB's average market rate.

**ESTIMATED SCHEDULE OF PROJECT**

Bid Date and Acceptance February 11, 2009  
Delivery of Proceeds March 2009

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On December 12, 2007, the City Council authorized the City Manager to enter into a contract for financial assistance with the TWDB for the Cedar Crest Direct Recycling Pipeline Extension Project and the Lake Ray Hubbard Recycled Water Project.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (Continued)

On June 25, 2008, the City Council authorized the City Manager to enter into a contract for financial assistance with the TWDB for the Eastside Water Purification Plant Improvements Project.

Briefed the Finance, Audit & Accountability Committee on August 12, 2008.

**FISCAL INFORMATION**

Water Utilities Current Funds - \$278,785

**M/WBE INFORMATION**

The total estimated bond issuance costs are \$278,785. This amount includes \$94,394 or 33.9% to be paid to M/WBE firms for various services. Estrada Hinojosa & Co., #259910, acts as co-financial advisor and will receive \$51,574 or 18.5% of the total issuance costs. The Escamilla & Poneck, Inc., #518903, acts as co-bond counsel and will receive an estimated \$48,820 or 15.4% of the total issuance costs.



**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 14  
**DEPARTMENT:** Water Utilities  
**CMO:** Ramon F. Miguez, P.E., 670-3308  
**MAPSCO:** 45 F K

---

**SUBJECT**

Authorize a Utility Joint Use Acknowledgement Agreement with the State of Texas, acting through the Texas Department of Transportation, in conjunction with the relocation of an existing 16-inch water main and the addition of fire line services, domestic water services, and wastewater services for the proposed new Woodall Rodgers Deck Plaza Park along Spur 366 (Woodall Rodgers Freeway) from Pearl Street to St. Paul Street - Financing: No cost consideration to the City

**BACKGROUND**

This item will authorize the Utility Joint Use Acknowledgement Agreement with the Texas Department of Transportation (TxDOT) and will allow the State to proceed with advertisement and award of their construction contract, including water and wastewater improvements.

TxDOT has plans for the Woodall Rodgers Deck Plaza along Spur 366 (Woodall Rodgers Freeway) from Pearl Street to St. Paul Street. The Dallas Water Utilities Department (DWU) involvement consists of relocating an existing 16-inch water main and the addition of fire line services, domestic water services, and wastewater services for the proposed new Woodall Rodgers Deck Plaza Park in advance of TxDOT's paving and deck improvements. Prior to their scheduled advertisement in April 2009, TxDOT is now requesting that DWU enter into a Utility Joint Use Acknowledgement Agreement. This Utility Joint Use Acknowledgement Agreement, between the State of Texas acting through TxDOT and DWU, provides for joint usage of the project area within the limits of the highway right-of-way for both highway and utility purposes.

**ESTIMATED SCHEDULE OF PROJECT**

Begin Construction      June 2009  
Complete Construction    February 2011

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

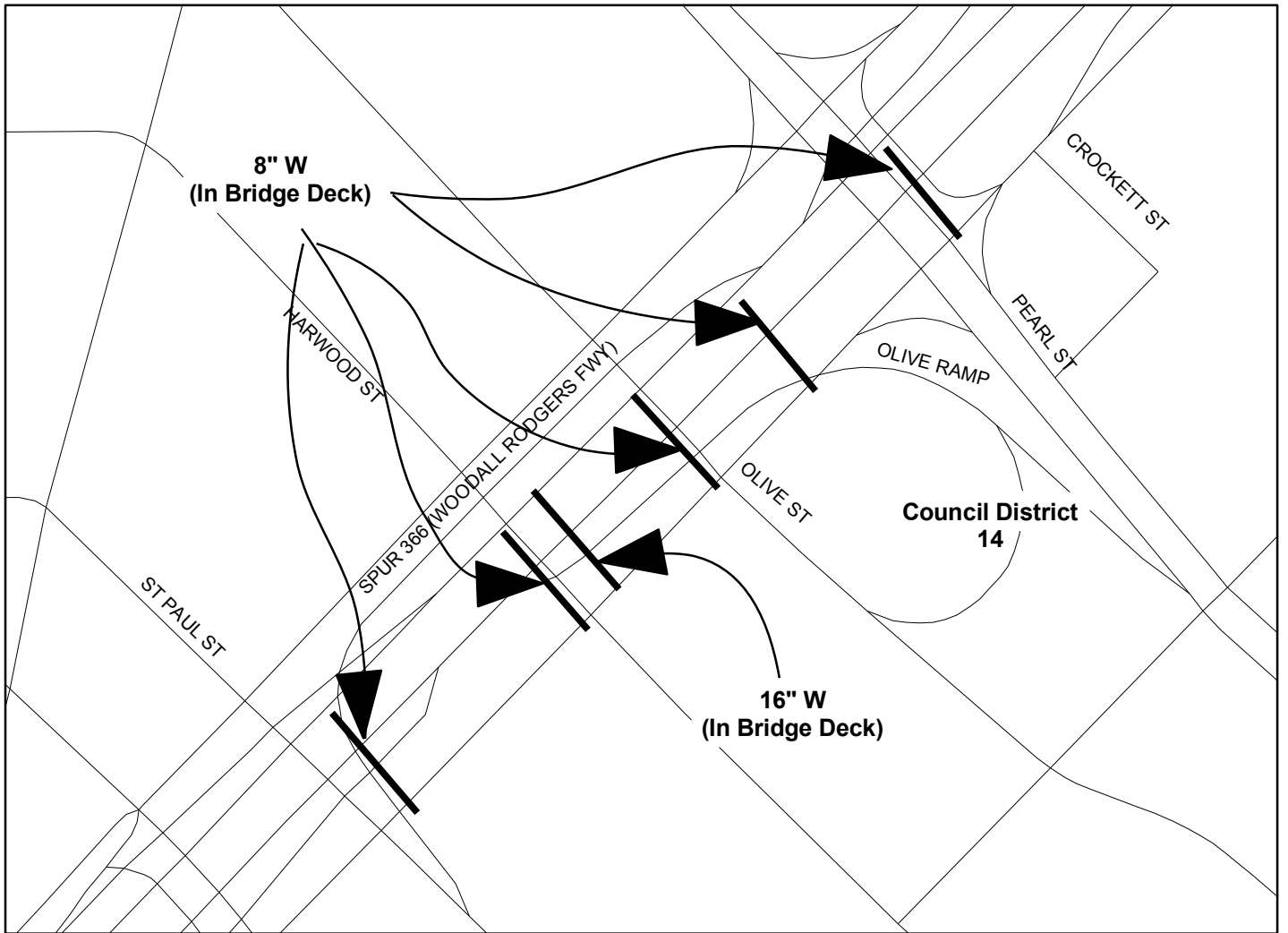
This item has no prior action.

**FISCAL INFORMATION**

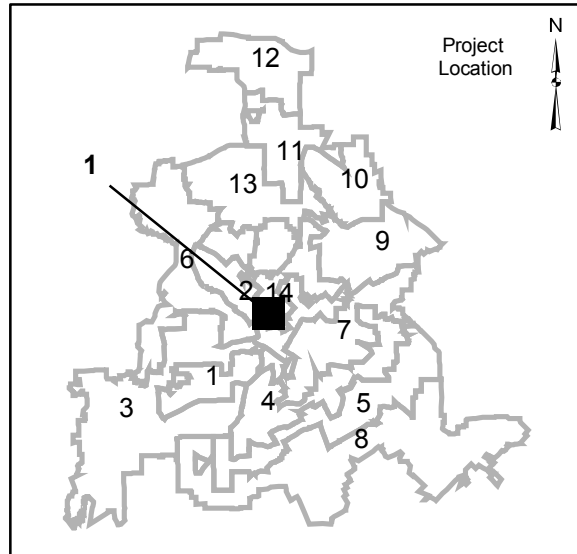
No cost consideration to the City.

**MAP**

Attached



1: Mapsco: 45F, K  
 Council District: 14



**Dallas Water  
 Utilities**

Contract Nos. 08-265F and 08-266F  
 Utility Joint Use Acknowledgement Agreement  
 Water Main Relocation and Fire Line Service to  
 Woodall Rodgers Deck Plaza



February 11, 2009

**WHEREAS**, the Texas Department of Transportation has submitted a Utility Joint Use Acknowledgement Agreement that provides for joint usage of the project area within the limits of the highway right-of-way for both highway and utility purposes; and,

**WHEREAS**, the City of Dallas and the Texas Department of Transportation believes this agreement is in the best interest of both parties; **Now, Therefore**,

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

**Section 1.** That the City Manager be and is hereby authorized to enter into a Utility Joint Use Acknowledgement Agreement with the State of Texas, acting through the Texas Department of Transportation, in conjunction with the relocation of an existing 16-inch water main and the addition of fire line services, domestic water services, and wastewater services for the proposed new Woodall Rodgers Deck Plaza Park along Spur 366 (Woodall Rodgers Freeway) from Pearl Street to St. Paul Street, after approval by the City Attorney.

**Section 2.** That this resolution shall 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.

DISTRIBUTION: Water-Administration, 4AN, Cheryl Glenn  
Water-Contracts, 2121 Main Street, Suite 400, Karen Harbin  
Water-Accounting, 5AN, Esther Darden  
Office of Financial Services, 4FN, Jeanne Chipperfield



**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 8  
**DEPARTMENT:** Water Utilities  
**CMO:** Ramon F. Miguez, P.E., 670-3308  
**MAPSCO:** 79 G

---

**SUBJECT**

Authorize a contract for the construction of energy recovery facility utilities and digester improvements at the Southside Wastewater Treatment Plant - Archer Western Contractors, Ltd. lowest responsible bidder of three - \$6,354,000 - Financing: Water Utilities Capital Improvement Funds

**BACKGROUND**

This project consists of the construction of gas piping, hot water piping, water and wastewater mains, and associated appurtenances to support the energy recovery facility project. These site utilities will be constructed from the appropriate connection points within the Southside Wastewater Treatment Plant (SWWTP) process areas to the site identified for the energy recovery facility. These utilities are required to transport biogas (methane) produced by the anaerobic digestion process to the facility, transport hot water produced as a by-product from the facility to heat the digesters, and to provide water and wastewater services. This project also includes the installation of three hot-water heat exchangers at the existing digester complex to utilize heat produced at the energy recovery facility for the purpose of heating the digesters.

The energy recovery facility project, which was awarded on November 10, 2008, is a twenty-year lease development contract in which the Lessee finances, designs, constructs, and operates a facility utilizing Plant biogas for the purpose of generating electricity. Engine generators will convert the biogas to electricity, which will then be sold back to the SWWTP at a discounted price. The project will reduce the plant's grid derived electricity needs by 60 to 70 percent helping the City meet the State mandated requirements to reduce electrical consumption. The project will also result in electricity cost savings of approximately \$1.5 to \$2 million per year.

**BACKGROUND** (Continued)

Archer Western Contractors, Ltd. contractual activities for the past three years:

	<u>PWT</u>	<u>DWU</u>	<u>PKR</u>
Projects Authorized	0	7	0
Change Orders	0	2	0
Projects Requiring Liquidated Damages	0	0	0
Projects Completed by Bonding Company	0	0	0

**ESTIMATED SCHEDULE OF PROJECT**

Begin Construction            March 2009  
Complete Construction        March 2010

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Authorized a professional services contract with Camp, Dresser & McKee, Inc. for development of an Electrical Utility Deregulation Plan Phase 1, on April 12, 2000, by Resolution No. 00-1094.

Authorized Supplemental Agreement No. 2 with Camp, Dresser & McKee, Inc. for electrical utility deregulation Phase 2, on March 28, 2001, by Resolution No. 01-1053.

Authorized Supplemental Agreement No. 4 with Camp, Dresser & McKee, Inc. for the energy recovery facility contract provisions, on August 28, 2002, by Resolution No. 02-2359.

Authorized Supplemental Agreement No. 5 with Camp, Dresser & McKee, Inc. for the design of the energy recovery facility at the Southside Wastewater Treatment Plant, on March 9, 2005, by Resolution No. 05-0915.

Authorized a twenty-year lease agreement with Ameresco Dallas, LLC for the development of an energy recovery facility at the Southside Wastewater Treatment Plant, on November 10, 2008, by Resolution No. 08-3087.

Briefed to the Transportation and Environment Committee on September 8, 2008

**FISCAL INFORMATION**

\$6,354,000.00 - Water Utilities Capital Improvement Funds

**M/WBE INFORMATION**

See attached.



## **ETHNIC COMPOSITION**

### **Archer Western Contractors, Ltd.**

Hispanic Female	24	Hispanic Male	951
Black Female	2	Black Male	58
Other Female	2	Other Male	17
White Female	29	White Male	297

## **BID INFORMATION**

The following bids with quotes were opened on November 6, 2008:

\*Denotes successful bidder

<b><u>Bidders</u></b>	<b><u>Bid Amount</u></b>
*Archer Western Contractors, Ltd. 2121 Avenue J, Suite 103 Arlington, Texas 76006	\$6,354,000.00
Cajun Constructors, Inc.	\$6,359,000.00
Gracon Construction, Inc.	\$6,612,500.00

## **OWNER**

### **Archer Western Contractors, Ltd.**

Matthew Walsh, President

## **MAP**

Attached

## BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

**PROJECT:** Authorize a contract for the construction of energy recovery facility utilities and digester improvements at the Southside Wastewater Treatment Plant - Archer Western Contractors, Ltd. lowest responsible bidder of three - \$6,354,000 - Financing: Water Utilities Capital Improvement Funds

Archer Western Contractors, Ltd. is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

**PROJECT CATEGORY:** Construction

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### LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$1,320,086.00	20.78%
Total non-local contracts	\$5,033,914.00	79.22%
<b>TOTAL CONTRACT</b>	<b>\$6,354,000.00</b>	<b>100.00%</b>

### LOCAL/NON-LOCAL M/WBE PARTICIPATION

#### Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Clemons Trucking Company	BFDB38817Y1009	\$2,154.00	0.16%
Aurora Construction	HFMB38377N0909	\$22,962.00	1.74%
James C. Paris Company, Inc.	NMDB38979Y1009	\$804,970.00	60.98%
Accurate Advantage Group, Inc.	WFWB38714Y1009	\$490,000.00	37.12%
<b>Total Minority - Local</b>		<b>\$1,320,086.00</b>	<b>100.00%</b>

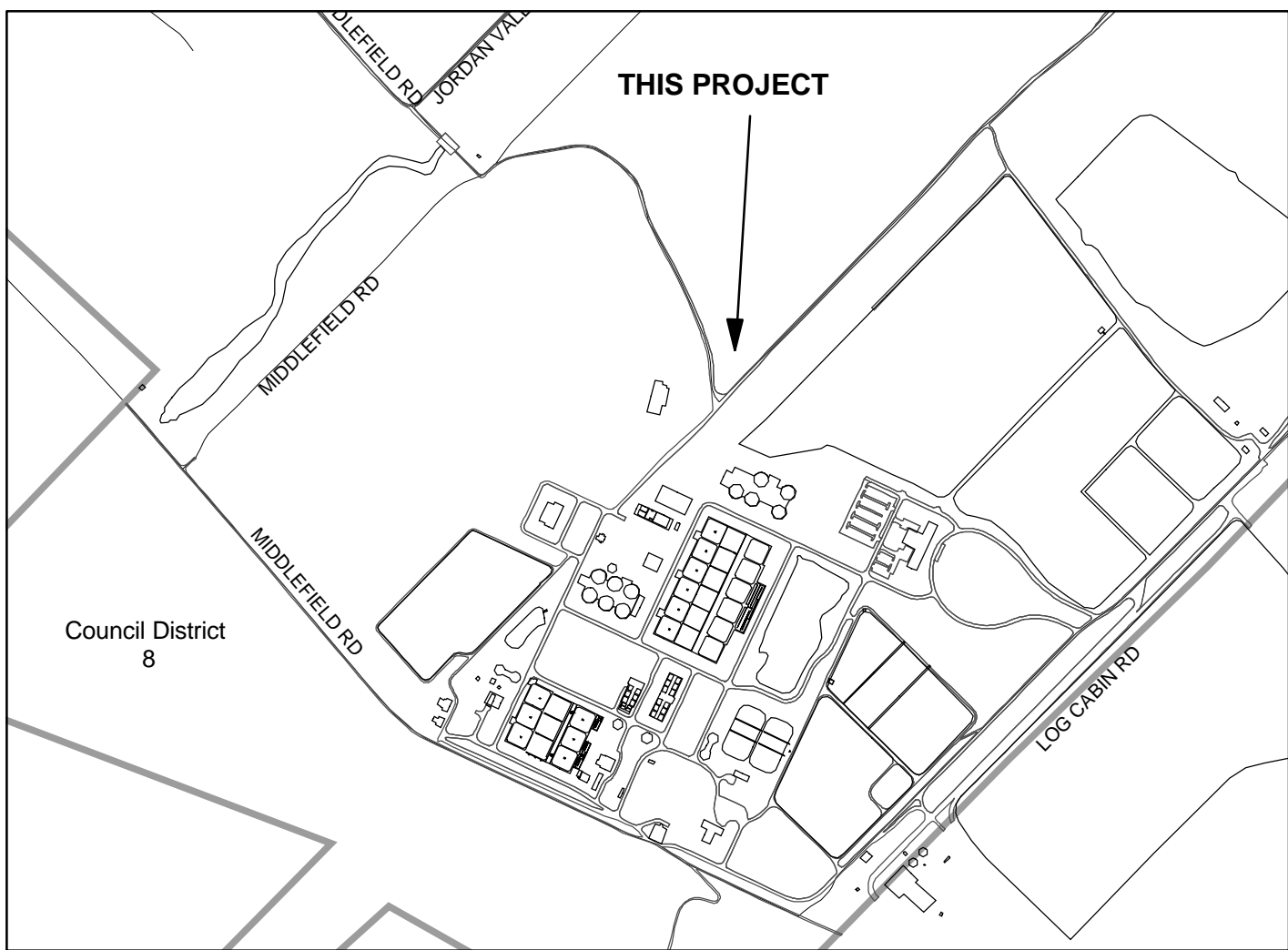
#### Non-Local Contractors / Sub-Contractors

<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
ATS Drilling, LP	PMMB37324Y0409	\$420,633.43	8.36%
J. D. & Bodine, Inc.	WFWB36399N0109	\$116,947.00	2.32%
Eagle Aggregate Transportation, LLC	WFDB38821Y1009	\$20,455.00	0.41%
<b>Total Minority - Non-local</b>		<b>\$558,035.43</b>	<b>11.09%</b>

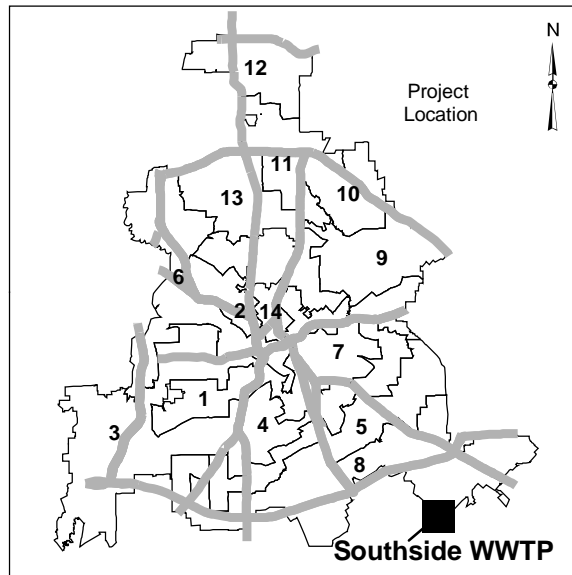
**BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**  
**Page 2**

**TOTAL M/WBE CONTRACT PARTICIPATION**

	<u>Local</u>	<u>Percent</u>	<u>Local &amp; Non-Local</u>	<u>Percent</u>
African American	\$2,154.00	0.16%	\$2,154.00	0.03%
Hispanic American	\$22,962.00	1.74%	\$22,962.00	0.36%
Asian American	\$0.00	0.00%	\$420,633.43	6.62%
Native American	\$804,970.00	60.98%	\$804,970.00	12.67%
WBE	\$490,000.00	37.12%	\$627,402.00	9.87%
	-----	-----	-----	-----
Total	\$1,320,086.00	100.00%	\$1,878,121.43	29.56%



Southside WWTP: Mapsco: 79 G  
 Council District: 8



**Dallas Water  
 Utilities**

Contract No. 07-234  
 Southside Wastewater Treatment Plant  
 Energy Recovery Facility Utilities and  
 Digester Improvements

February 11, 2009

**WHEREAS**, bids were received on November 6, 2008 for the construction of energy recovery facility utilities and digester improvements at the Southside Wastewater Treatment Plant, Contract No. 07-234, listed as follows:

<u>BIDDERS</u>	<u>BID AMOUNT</u>
Archer Western Contractors, Ltd.	\$6,354,000.00
Cajun Constructors, Inc.	\$6,359,000.00
Gracon Construction, Inc.	\$6,612,500.00

and,

**WHEREAS**, the bid submitted by Archer Western Contractors, Ltd., 2121 Avenue J, Suite 103, Arlington, Texas 76006, in the amount of \$6,354,000.00 is the lowest and best of all bids received; **Now, Therefore**,

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

**Section 1.** That the bid submitted by Archer Western Contractors, Ltd., in the amount of \$6,354,000.00, for doing the work covered by the plans, specifications, and contract documents, Contract No. 07-234, be accepted.

**Section 2.** That the City Manager be and is hereby authorized to enter into a contract with Archer Western Contractors, Ltd., for the construction of energy recovery facility utilities and digester improvements at the Southside Wastewater Treatment Plant, after having approval of the contract documents by the City Attorney.

**Section 3.** That the City Controller be and is hereby authorized to pay the amount of \$6,354,000.00 from the Wastewater Improvement Series C Fund as follows:

<u>FUND</u>	<u>DEPT</u>	<u>UNIT</u>	<u>ACT</u>	<u>OBJ</u>	<u>PRO</u>	<u>REP</u>	<u>ENCUMBRANCE</u>	<u>VENDOR</u>
1180	DWU	PS31	WWTP	4599	707234	TO39	CTDWU707234CP	343436

Archer Western Contractors, Ltd. - (Contract No. 07-234) - \$6,354,000.00

**Section 4.** That this resolution shall 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.

DISTRIBUTION: Water-Administration, 4AN, Cheryl Glenn  
Water-Contracts, 2121 Main Street, Suite 400, Karen Harbin  
Water-Accounting, 5AN, Esther Darden  
Office of Financial Services, 4FN, Jeanne Chipperfield  
Office of Financial Services, 4BN, Sherrian Parham



**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** Outside City Limits  
**DEPARTMENT:** Water Utilities  
**CMO:** Ramon F. Miguez, P.E., 670-3308  
**MAPSCO:** 11B E

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**SUBJECT**

Authorize a contract for the installation and lowering of a 48-inch water transmission main in an existing easement located in the City of Irving - S. J. Louis Construction of Texas, Ltd., lowest responsible bidder of five - \$1,943,126 - Financing: Water Utilities Capital Construction Funds

**BACKGROUND**

This project consists of constructing approximately 1,350 feet of 48-inch water transmission main by tunnel bore along the same alignment as the existing 48-inch water main. The existing 48-inch water transmission main supplies treated water to the City of Irving and the Dallas-Fort Worth International Airport. This portion of the existing water transmission main is currently out of service due to the collapsing of a retaining wall.

**ESTIMATED SCHEDULE OF PROJECT**

Begin Construction        March 2009  
Complete Construction    September 2009

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Authorized a professional services contract with TCB, Inc. to provide engineering services for the study and assessment of an existing water transmission main in the City of Irving and the design of a pipeline interconnect at the Hackberry Pump Station on June 27, 2007, by Resolution No. 07-1995.

Authorized a professional services contract with TCB, Inc. to provide engineering services for the study, surveying, and design of a water transmission main from the City of Hutchins West Corporate limits to the Sorcey Pump Station and design of a water transmission main relocation in the City of Irving at Marchant Lane on September 12, 2007, by Resolution No. 07-2590.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (Continued)

Briefed to the Council on September 17, 2008.

**FISCAL INFORMATION**

\$1,943,125.61 - Water Utilities Capital Construction Funds

**M/WBE INFORMATION**

See attached.

**ETHNIC COMPOSITION**

S. J. Louis Construction of Texas, Ltd.

Hispanic Female	2	Hispanic Male	121
Black Female	0	Black Male	0
Other Female	0	Other Male	86
White Female	7	White Male	39

**BID INFORMATION**

The following bids with quotes were opened on December 4, 2008:

\*Denotes successful bidder

<b><u>Bidders</u></b>	<b><u>Bid Amount</u></b>
*S. J. Louis Construction of Texas, Ltd. 520 South Sixth Avenue Mansfield, Texas 76063	\$1,943,125.61
Circle "C" Construction Company	\$2,351,020.00
Barson Utilities, Inc.	\$2,438,741.00
Ark Contracting Services, LLC	\$2,563,820.00
Southland Contracting, Inc.	\$2,581,340.00

**OWNER**

**S. J. Louis Construction of Texas, Ltd.**

Les V. Whitman, Owner  
James L. Schueller, Owner



**MAP**

Attached

## BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

**PROJECT:** Authorize a contract for the installation and lowering of a 48-inch water transmission main in an existing easement located in the City of Irving - S. J. Louis Construction of Texas, Ltd., lowest responsible bidder of five - \$1,943,126 - Financing: Water Utilities Capital Construction Funds

S. J. Louis Construction of Texas, Ltd. is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

**PROJECT CATEGORY:** Construction

### LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$0.00	0.00%
Total non-local contracts	\$1,943,125.61	100.00%
<b>TOTAL CONTRACT</b>	<b>\$1,943,125.61</b>	<b>100.00%</b>

### LOCAL/NON-LOCAL M/WBE PARTICIPATION

#### Local Contractors / Sub-Contractors

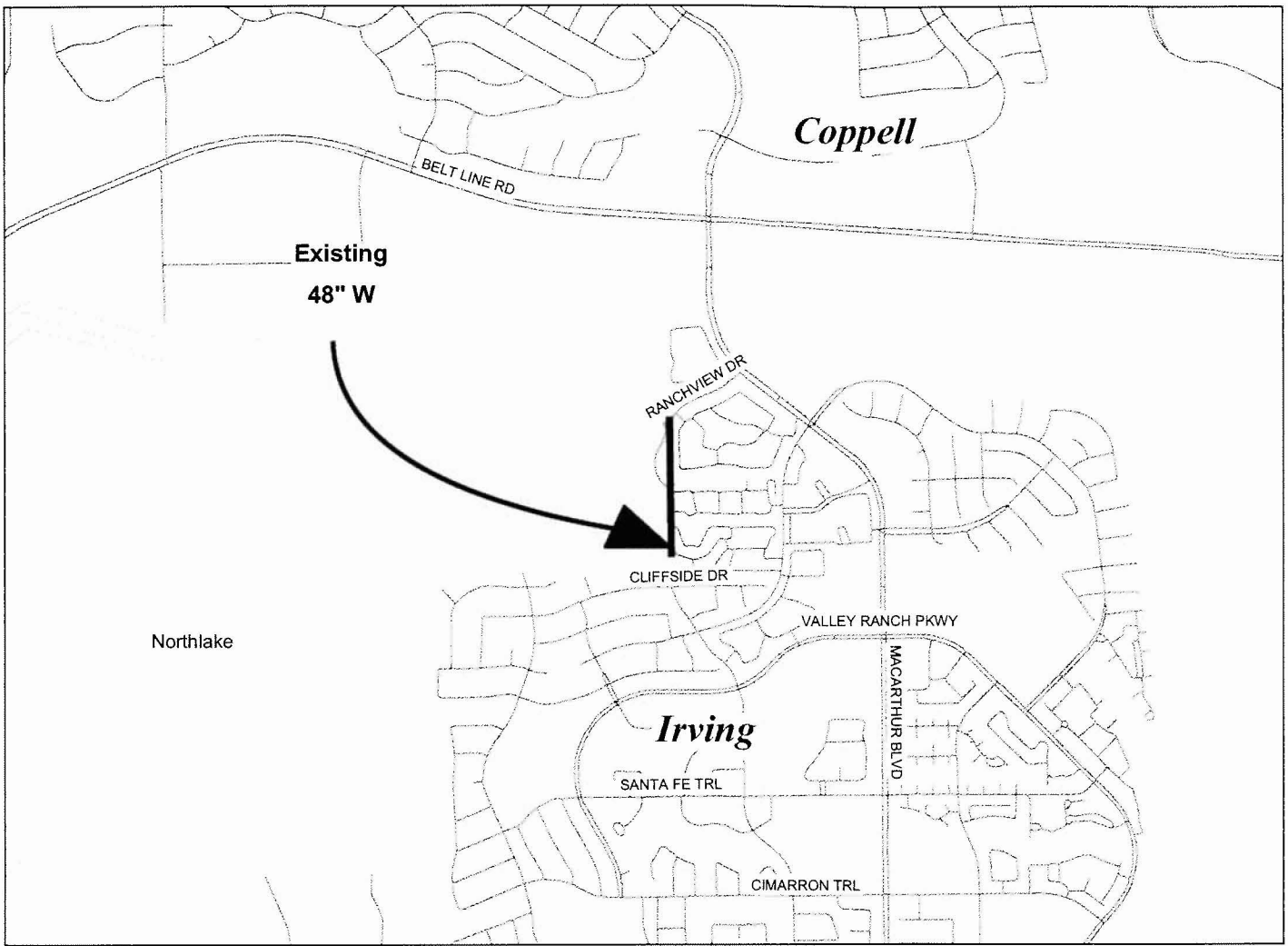
None

#### Non-Local Contractors / Sub-Contractors

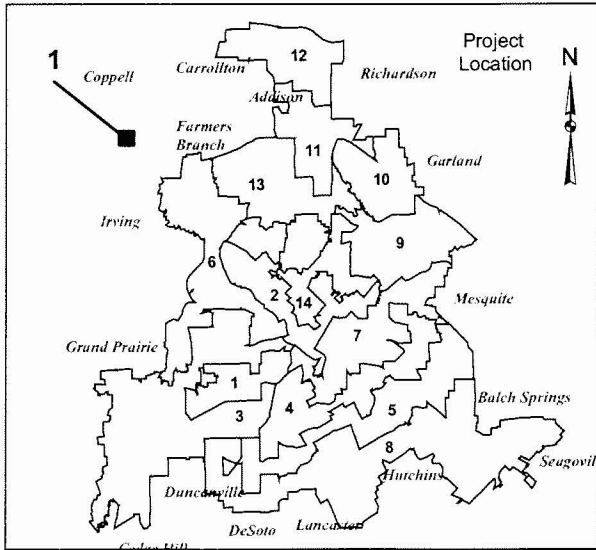
<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Spooner & Associates, Inc.	NMDB38585Y0909	\$1,300.00	0.07%
Choctaw Pipe & Equipment, Inc.	WFWB38170Y0809	\$486,000.00	25.01%
<b>Total Minority - Non-local</b>		<b>\$487,300.00</b>	<b>25.08%</b>

### TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local &amp; Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$1,300.00	0.07%
WBE	\$0.00	0.00%	\$486,000.00	25.01%
<b>Total</b>	<b>\$0.00</b>	<b>0.00%</b>	<b>\$487,300.00</b>	<b>25.08%</b>



1: Mapsco: 11B E  
 Cities: Outside City Limits



**Dallas Water  
 Utilities**

Contract No. 09-053  
 Water Main Installation  
 Irving / DFW Airport Supply Line



February 11, 2009

**WHEREAS**, bids were received on December 4, 2008 for the installation and lowering of a 48-inch water transmission main in an existing easement located in the City of Irving, Contract No. 09-053, listed as follows:

<u>BIDDERS</u>	<u>BID AMOUNT</u>
S. J. Louis Construction of Texas, Ltd.	\$1,943,125.61
Circle "C" Construction Company	\$2,351,020.00
Barson Utilities, Inc.	\$2,438,741.00
Ark Contracting Services, LLC	\$2,563,820.00
Southland Contracting, Inc.	\$2,581,340.00

and,

**WHEREAS**, the bid submitted by S. J. Louis Construction of Texas, Ltd., 520 South Sixth Avenue, Mansfield, Texas 76063, in the amount of \$1,943,125.61 is the lowest and best of all bids received; **Now, Therefore**,

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

**Section 1.** That the bid submitted by S. J. Louis Construction of Texas, Ltd. in the amount of \$1,943,125.61, for doing the work covered by the plans, specifications, and contract documents, Contract No. 09-053, be accepted.

**Section 2.** That the City Manager be and is hereby authorized to enter into a contract with S. J. Louis Construction of Texas, Ltd., for the installation and lowering of a 48-inch water transmission main in an existing easement located in the City of Irving, after having approval of the contract documents by the City Attorney.

**Section 3.** That the City Controller be and is hereby authorized to pay the amount of \$1,943,125.61 from the Water Construction Fund as follows:

<u>FUND</u>	<u>DEPT</u>	<u>UNIT</u>	<u>ACT</u>	<u>OBJ</u>	<u>PRO</u>	<u>REP</u>	<u>ENCUMBRANCE</u>	<u>VENDOR</u>
0102	DWU	CW40	MPSA	4550	709053	WX87	CTDWU709053EN	356847

S. J. Louis Construction of Texas, Ltd. - (Contract No. 09-053) - \$1,943,125.61

**Section 4.** That this resolution shall 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.

DISTRIBUTION: Water-Administration, 4AN, Cheryl Glenn  
 Water-Contracts, 2121 Main Street, Suite 400, Karen Harbin  
 Water-Accounting, 5AN, Esther Darden  
 Office of Financial Services, 4FN, Jeanne Chipperfield  
 Office of Financial Services, 4BN, Sherrian Parham









**AGENDA ITEM # 46**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services  
Water Utilities

**CMO:** Dave Cook, 670-7804  
Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** N/A

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**SUBJECT**

Authorize a thirty-six-month master agreement for the purchase of valves, accessories and parts - Mueller Co., LTD in the amount of \$2,285,673, Clow Valve Company in the amount of \$1,688,690, M & H Valve Co. in the amount of \$310,422, and Kennedy Valve Co. in the amount of \$266,410, lowest responsible bidders of six - Total not to exceed \$4,551,195 - Financing: Water Utilities Current Funds

**BACKGROUND**

This master agreement will supply Water Utilities with valves, accessories and parts. The valves, accessories and parts will be used to repair, and replace valves as needed, allowing the City to maintain its water system to specified standards.

The agreement will be used to purchase safety and control valves that set, release, start, and stop pressure throughout the City's piping systems. These valves will also regulate the flow of liquids, gases, and air. Water Utilities maintains 4,800 miles of water mains throughout the water distribution system.

The City replaces approximately two-hundred valves annually due to standard aging. An additional two-hundred valves are annually repaired during routine maintenance checks. These valves are in constant motion regulating the flow of water, sludge, debris, etc., which require regular repair and replacement.

This solicitation was structured in a manner which required bidders to submit a response using unit pricing; this bid resulted in a 58% increase over comparable unit prices for the bid awarded in 2005.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services used its procurement system to send out 160 email bid notifications to vendors registered under respective commodities.

**BACKGROUND (Continued)**

To further increase competition, Business Development and Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the Business Development and Procurement Services' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On January 28, 2009, this item was deferred by vote by City Council.

On September 14, 2005, City Council authorized a thirty-six-month master agreement for valves and accessory parts by Resolution #05-2619.

**FISCAL INFORMATION**

\$4,551,195.00 - Water Utilities Current Funds

**M/WBE INFORMATION**

- 21 - Vendors contacted
- 21 - No response
  - 0 - Response (Bid)
  - 0 - Response (No Bid)
  - 0 - Successful

160 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardees have fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution #08-2826 as amended.

**ETHNIC COMPOSITION**

Mueller Co., LTD

White Female	34	White Male	423
Black Female	6	Black Male	54
Hispanic Female	0	Hispanic Male	0
Other Female	0	Other Male	3

**ETHNIC COMPOSITION (Continued)**

Clow Valve Company

White Female	41	White Male	391
Black Female	1	Black Male	5
Hispanic Female	3	Hispanic Male	32
Other Female	0	Other Male	8

M & H Valve Co.

White Female	17	White Male	152
Black Female	0	Black Male	69
Hispanic Female	2	Hispanic Male	2
Other Female	0	Other Male	2

Kennedy Valve Co.

White Female	26	White Male	336
Black Female	3	Black Male	12
Hispanic Female	0	Hispanic Male	4
Other Female	0	Other Male	6

**BID INFORMATION**

The following bids were received from solicitation number BM0836 and opened on September 24, 2008. This master agreement is being awarded to the lowest responsive and responsible bidders by line; the referenced solicitation contained 93 lines, information related to this solicitation is available upon request.

\*Denotes successful bidders

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount</u></b>
*Mueller Co., LTD	500 W. Eldorado St. Decatur, IL 62522	Multiple Lines
*Clow Valve Company	2640 Tarna Dr. Dallas, TX 75229	Multiple Lines
*M & H Valve Co.	605 W. 23rd St. Anniston, AL 36201	Multiple Lines
*Kennedy Valve Co.	1021 E. Water St. Elmira, NY 14901	Multiple Lines

**BID INFORMATION (Continued)**

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount</u></b>
Integrated 8(a) Solution, Inc.	1500 W. Balboa Blvd. #202B Newport Beach, CA 92663	Non-Responsive**
Municipal Water Works Supply, L. P.	5924 W. Parker Rd. #200 Plano, TX 75093	Non-Responsive**

Integrated 8(a) Solution, Inc. and Municipal Water Works Supply, L.P. were deemed non-responsive due to not meeting specifications.

**OWNERS**

**Mueller Co., LTD**

Dale Smith, President  
Mike Williams, Vice President  
Robert Holcombe, Vice President  
Dan Curry, Vice President

**Clow Valve Company**

Leon Mc Cullough, Executive Vice President  
Jim Wakefield, Accounting General Manager  
Mike Vore, General Sales Manager

**M & H Valve Co.**

Thomas Walton, General Manager  
Mike Mazivs, Assistant General Manager  
Jerry Soules, Controller

**Kennedy Valve Co.**

Phillip McWane, President  
Leon McCullough, Vice President  
Michelle McNamee, Secretary  
Charlie Nowlin, Treasurer

## BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

**PROJECT:** Authorize a thirty-six-month master agreement for the purchase of valves, accessories and parts - Mueller Co., LTD in the amount of \$2,285,673, Clow Valve Company in the amount of \$1,688,690, M & H Valve Co. in the amount of \$310,422, and Kennedy Valve Co. in the amount of \$266,410, lowest responsible bidders of six - Total not to exceed \$4,551,195 - Financing: Water Utilities Current Funds

Clow Valve Company is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce. Mueller Co., LTD, M & H Valve Co., and Kennedy Valve Co. are non-local, non-minority firms, have signed the "Business Inclusion & Development" documentation, and propose to use their own workforces.

**PROJECT CATEGORY:** Goods

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### LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$1,688,690.00	37.10%
Total non-local contracts	\$2,862,505.00	62.90%
<b>TOTAL CONTRACT</b>	<b>\$4,551,195.00</b>	<b>100.00%</b>

### LOCAL/NON-LOCAL M/WBE PARTICIPATION

#### Local Contractors / Sub-Contractors

None

#### Non-Local Contractors / Sub-Contractors

None

### TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local &amp; Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
Total	<u>\$0.00</u>	<u>0.00%</u>	<u>\$0.00</u>	<u>0.00%</u>



February 11, 2009

**WHEREAS**, on September 14, 2005, City Council authorized a thirty-six-month master agreement for valves and accessory parts by Resolution #05-2619;

**NOW, THEREFORE,**

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

**Section 1.** That a master agreement for the purchase of valves, accessories and parts is authorized with Mueller Co., LTD (VS0000021750) in the amount of \$2,285,673.00, Clow Valve Company (049362) in the amount of \$1,688,690.00, M & H Valve Co. (VS0000036187) in the amount of \$310,422.00, and Kennedy Valve Co. (044178) in the amount of \$266,410.00 for a term of thirty-six months in a total amount not to exceed \$4,551,195.00.

**Section 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for valves, accessories and parts. If a written contract is required or requested for any or all purchases of valves, accessories and parts under the master agreement instead of individual purchase orders, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

**Section 3.** That the City Controller is authorized to disburse funds in an amount not to exceed \$4,551,195.00.

**Section 4.** That this resolution shall 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.

**DISTRIBUTION:**

Business Development and Procurement Services, 3FS  
Water Utilities





**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 14  
**DEPARTMENT:** Office of Economic Development  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 45 P

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**SUBJECT**

**City Center TIF District**

- \* Authorize **(1)** a development agreement with Brian Foster, for the redevelopment of 1400 Main Street, located in Tax Increment Financing Reinvestment Zone Five (City Center TIF District); and **(2)** the City Center TIF District Board of Directors intent to dedicate future tax increment revenue of the City Center TIF District in an amount not to exceed \$475,000 - Not to exceed \$475,000 - Financing: City Center TIF District Funds
- \* A resolution declaring the intent of Tax Increment Financing District Reinvestment Zone Number Five (City Center TIF District) to reimburse Brian Foster, for eligible expenditures pursuant to the development agreement with Brian Foster - Financing: No cost consideration to the City

**BACKGROUND**

The Office of Economic Development staff has been working with Brian Foster on plans for the rehabilitation of 1400 Main Street, an existing, vacant building located in the heart of the downtown retail district. Mr. Foster intends to make an investment of at least \$4,000,000, including hard costs, and construction related soft costs.

The 2-story building was constructed in 1954. It is located in the Main Street core across from the Davis Building and adjacent to the Adolphus Hotel. The building contains over 11,000 square feet of obsolete space. The project includes the renovation of the building with a full-service restaurant, basement ultra lounge and a second-level upscale dining and cocktail area.

## **BACKGROUND** (Continued)

The restaurant will be required to maintain the hours of 11:00 AM to 8:00 PM (Sunday – Wednesday) and 11:00 AM to 11:00 PM (Thursday – Saturday). The developer has secured letters of support from the management of the Davis Building, Adolphus Hotel, and DOWNTOWNDallas, Inc.

On January 28, 2009, the City Council will consider entering into a development agreement with Brian Foster to provide funding for the redevelopment of 1400 Main Street in the City Center TIF District in an amount not to exceed \$475,000 (\$275,000 payable 12 months after receipt of Final Certificate of Occupancy and \$200,000 payable 24 months after receipt of Final Certificate or Occupancy).

TIF funding shall be used to reimburse the developer for TIF-eligible improvements including: (1) Façade Improvements - \$425,000 and (2) Interior and Exterior Demolition - \$50,000. Expenditures may be shifted from one TIF-eligible category to another as long as the total amount of TIF funding does not exceed \$475,000.

As a condition of payment of TIF funds, the developer shall be required to meet jointly with the Dallas Police Department and the Office of Economic Development staff every three (3) months after receipt of Final Certificate of Occupancy, to discuss security and operations matters. Staff shall be required to submit a written summary of these meetings to the City Center TIF District Board of Directors every 12 months.

The location of this site and the planned façade improvements will create an attractive gateway portal for those entering into the Main Street core. The redevelopment of this building and the planned upscale operations will make a significant contribution to the City Center TIF District goal of developing downtown into a vibrant, destination neighborhood.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 26, 1996, the City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Five (City Center TIF District or District) and established a Board of Directors for the District to promote development or redevelopment in the City Center area by Ordinance No. 22802.

On February 12, 1997, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the City Center TIF District by Ordinance No. 23034.

On September 10, 2008, the City Council authorized a Special Use Permit for an alcoholic beverage establishment for a bar, lounge, or tavern use and a commercial amusement (inside) use limited to a Class A dance hall at 1400 Main Street by Ordinance No. 27312.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (Continued)

On September 11, 2008, the City Center TIF District Board of Directors reviewed and approved TIF funding for the redevelopment of 1400 Main Street in an amount not to exceed \$475,000 and recommended City Council approval of the same.

On November 3, 2008, a memo was submitted to the Economic Development Committee regarding the request for TIF funding for the redevelopment of 1400 Main Street in an amount not to exceed \$475,000.

On December 10, 2008, this item was deferred by Councilmember Angela Hunt.

On January 28, 2008, this item was deferred by Councilmember Angela Hunt.

**FISCAL INFORMATION**

\$475,000 – City Center TIF District Funds

**OWNER**

**Brian Foster**

Brian Foster,  
Sole Proprietor

**DEVELOPER**

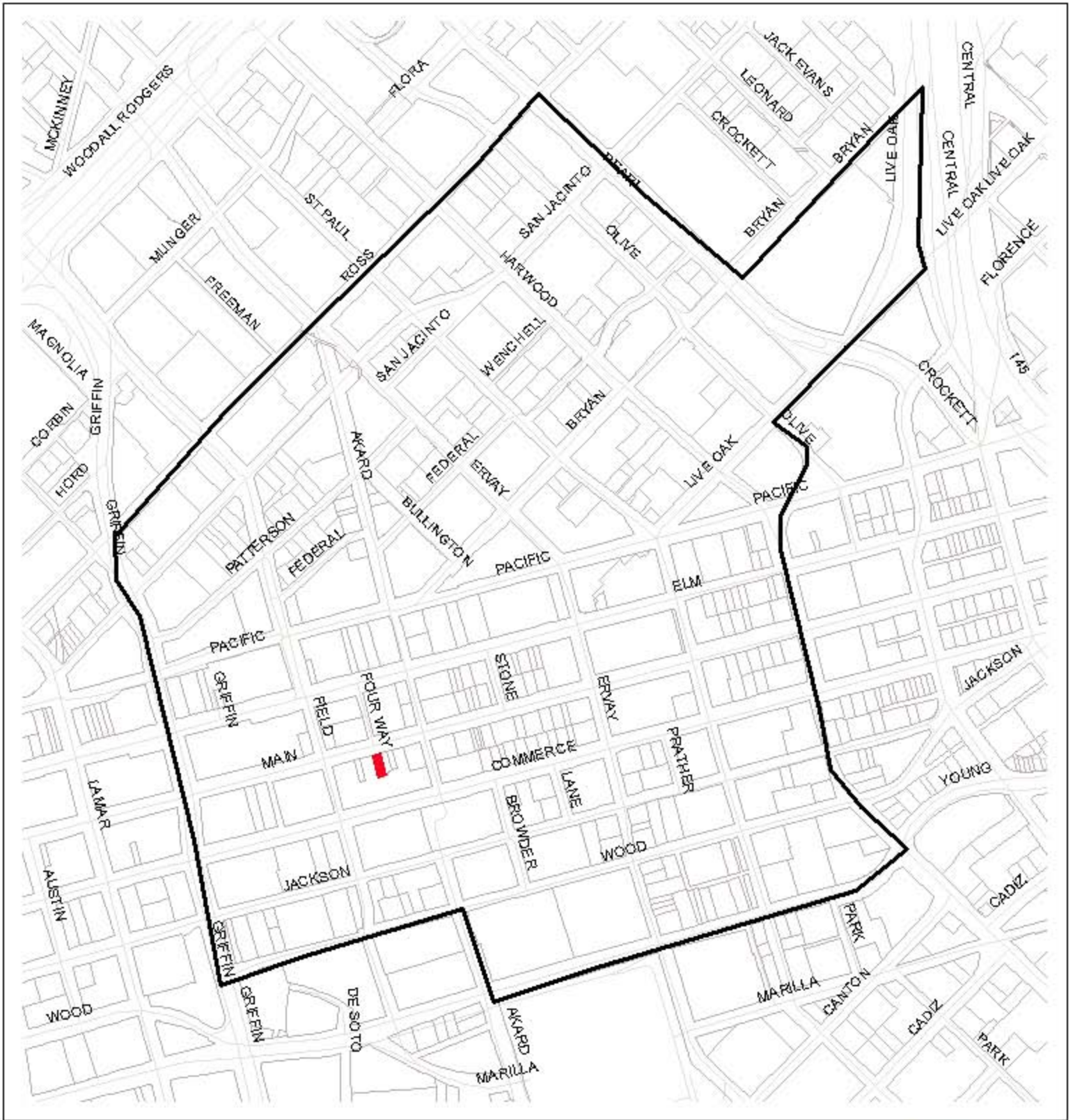
**Brian Foster**



Brian Foster,  
Sole Proprietor

**MAP**

Attached.

# 1400 Main Street



-  City Center TIF District
-  1400 Main Street



**City of Dallas**

Office of Economic Development  
October 2008

February 11, 2009

**WHEREAS**, the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS**, on June 26, 1996, the City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Five (City Center TIF District or District) and established a Board of Directors for the District to promote development or redevelopment in the City Center area by Ordinance No. 22802; and

**WHEREAS**, on February 12, 1997, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the City Center TIF District by Ordinance No. 23034; and

**WHEREAS**, on September 10, 2008, the City Council authorized a Special Use Permit for an alcoholic beverage establishment for a bar, lounge, or tavern use and a commercial amusement (inside) use limited to a Class A dance hall at 1400 Main Street by Ordinance No. 27312; and

**WHEREAS**, on September 11, 2008, the City Center TIF District Board of Directors reviewed and approved TIF funding for the redevelopment of 1400 Main Street in an amount not to exceed \$475,000 and recommended the City Council approval of the same; and

**WHEREAS**, the expenditure of TIF funds supporting this development is consistent with promoting development and redevelopment of the City Center TIF District in accordance with the purposes for its creation, the City's revised Public/Private Partnership Guidelines and Criteria, the ordinance adopted by the City Council approving the Project and Financing Plan, and is for the purpose of making public improvements consistent with and described in the Project and Financing Plan for the City Center TIF District.

**NOW, THEREFORE,**

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

**Section 1.** That the City Manager upon approval as to form by the City Attorney is hereby authorized to execute a development agreement with Brian Foster on behalf of the City Center TIF District for the redevelopment of 1400 Main Street.

**Section 2.** That the City Center TIF District Board of Directors is authorized to dedicate future City Center TIF revenues in an amount not to exceed \$475,000 for the redevelopment of 1400 Main Street located in the City Center TIF District.

February 11, 2009

**Section 3.** That the City Controller is hereby authorized to encumber and disburse funds from future tax increments and subject to future appropriations from: Fund 0035, Department ECO, Unit P509, Object 3072, Activity TCCN, Program No. CCTIF002, Encumbrance No. CT ECOP509B033, Vendor No. VS0000034612, in an amount not to exceed \$475,000.

**Section 4.** That nothing in this resolution shall be construed to require the City to approve future dedications of City Center TIF revenues (the "TIF Subsidy") from any source of City funds other than the City Center TIF District Fund. Any portion of the TIF Subsidy that remains unpaid due to lack or unavailability of City Center TIF District funds shall no longer be considered project costs of the City Center TIF District, and the obligation of the City Center TIF District or the City to pay Brian Foster shall automatically expire.

**Section 5.** That the TIF subsidy to be provided to Brian Foster will be based on the City Center TIF District's approved priority order reimbursement method once all contingencies are met and if and when increment becomes available, and after prior City Center TIF District obligations have been met.

**Section 6.** That in addition to the conditions set out above, the Agreement is hereby expressly made subject to all of the following contingencies which must be performed or occur:

- A. Brian Foster shall acquire the property at 1400 Main Street on or before December 31, 2008, for redevelopment in accordance with the City Center TIF Project Plan.
- B. Brian Foster shall invest a minimum of \$4,000,000 in hard costs, and construction related soft costs, including financing costs for the redevelopment of 1400 Main Street.
- C. Brian Foster shall create a minimum of 9,500 square feet of retail/commercial space including 2,500 square feet of ground floor space specifically for use as a full-service restaurant.
- D. Brian Foster shall privately bid the construction and abide by the City's Good Faith Effort Policy and City Center TIF District Fair Share Agreement.

February 11, 2009

**Section 6.** (Continued)

- E. Brian Foster shall obtain building permits for the redevelopment of 1400 Main Street by December 31, 2008.
- F. Brian Foster shall complete construction (receive final certificate of occupancy) and obtain a final certificate of acceptance issued by the Department of Public Works and Transportation for the improvements by April 1, 2009.
- G. Brian Foster shall rehabilitate 1400 Main Street in conformance with the Budget and Façade Improvement Plan as described in **Exhibit A and Exhibit B.**

**Section 7.** That Brian Foster shall meet jointly with the Dallas Police Department and Economic Development staff every three (3) months after receipt of Final Certificate of Occupancy, to discuss and address security and operations matters. Staff shall be required to submit a written summary of these meetings to the City Center TIF District Board of Directors every 12 months.

**Section 8.** That should Brian Foster not perform one or more of the contingencies listed above, the City Manager is authorized to terminate the development agreement and disallow the total TIF subsidy up to an amount not to exceed \$475,000.

**Section 9.** That the Office of Economic Development Director may authorize adjustments to the contingencies listed above should reasonable adjustments be needed and supported by additional consideration.

**Section 10.** That this resolution shall 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.

Distribution: Office of Economic Development, Tenna Kirk, 5CS  
Office of Economic Development, Sajid Safdar, 2CN  
Office of Economic Development, Bryan Haywood, 2CN  
City Attorney's Office - Barbara Martinez

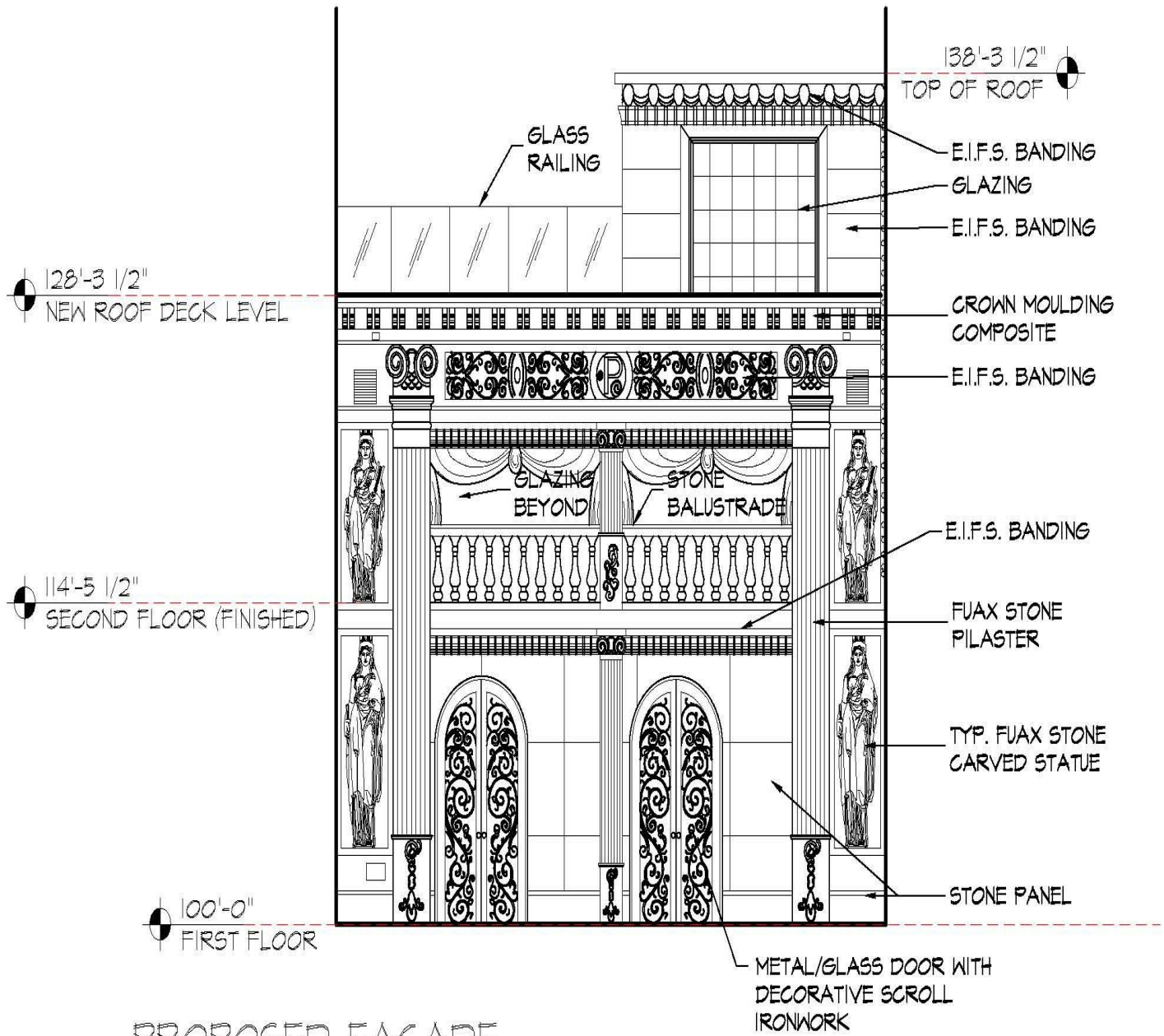




**Exhibit A  
Budget  
for 1400 Main Street**

<b>Land/Building</b>	
Land Cost (Acquisition)	\$1,900,000
<b>Total Acquisition</b>	\$1,900,000
<b>HARD COST:</b>	
General Conditions	\$176,800
Site Work	\$42,020
Concrete	\$21,300
Masonry	\$242,400
Metals	\$261,000
Doors and Windows	\$148,000
Fire and Smoke Protection (Proofing)	\$18,500
Wood and Millwork	\$80,000
Finishes	\$493,000
Mechanicals	\$295,000
Electrical	\$240,000
Conveying Systems	\$75,000
Other	\$274,000
Contingency	236,702
<b>TOTAL HARD COST</b>	\$2,603,722
<b>SOFT COST:</b>	
Architectural and Engineering	\$155,100
Consulting/developer fee	\$20,000
Property taxes	\$49,514
<b>TOTAL SOFT COSTS</b>	\$244,614
<b>TOTAL PROJECT COST</b>	\$4,728,336

**Exhibit B**  
**Façade Improvement Plan**  
**for 1400 Main Street**



PROPOSED FAÇADE

1/8" SCALE

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 14  
**DEPARTMENT:** Office of Economic Development  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 45 G & L

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**SUBJECT**

**Hall Lone Star Associates, L.P.**

- \* Authorize **(1)** a development agreement with Hall Lone Star Associates, L.P., for the redevelopment of 2301 Ross Avenue (known as the Dallas Arts District Garage), located in Tax Increment Financing Reinvestment Zone Eleven (Downtown Connection TIF District); and **(2)** the Downtown Connection TIF District Board of Directors intent to dedicate future tax increment revenue of the Downtown Connection TIF District in an amount not to exceed \$7,000,000 plus interest up to \$2,000,000 for a total incentive amount, including interest, not to exceed \$9,000,000 - Not to exceed \$9,000,000 - Financing: Downtown Connection TIF District Funds
- \* A resolution declaring the intent of Tax Increment Financing District Reinvestment Zone Number Eleven (Downtown Connection TIF District) to reimburse Hall Lone Star Associates, L.P., for eligible expenditures pursuant to the development agreement with Hall Lone Star Associates, L.P. - Financing: No cost consideration to the City

**BACKGROUND**

Economic Development staff has been working with Hall Lone Star Associates, L.P. represented by Craig Hall on the construction of a mixed-use building at 2301 Ross Avenue to create approximately 430,000 square feet of gross office space and 30,000 square feet of gross ground floor retail space on top of the Dallas Arts District Garage.

Hall Lone Star Associates, L.P. plans to make an investment of at least \$120,000,000, including hard costs and construction related soft costs except for financing and legal costs.

## **BACKGROUND** (Continued)

The size and location of this site coupled with the planned investment makes this project critical in reaching the Downtown Connection TIF District goals.

TIF funding is also contingent on approval by the Dallas City Council of the Amended and Restated Parking Sublease Agreement dated as of December 10, 2008, between the City of Dallas and Hall Lone Star Associates L.P. Should the Amended and Restated Parking Sublease Agreement fail to be approved by City Council by December 10, 2008 or is not executed for any reason, the City Manager is authorized to disallow the total TIF subsidy.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 8, 2005, the City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Eleven, ("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 to promote development and redevelopment in the Uptown and Downtown areas through the use of tax increment financing by Ordinance No. 26020.

On August 29, 2005, the City Council authorized the adoption of the Downtown Connection Tax Increment Financing District Project Plan and Reinvestment Zone Financing Plan (the "Project and Financing Plan") by Ordinance No. 26096.

On October 22, 2008, City Council authorized the ability of the City to direct lease or sell city-owned/city-controlled property located within the Downtown Connection TIF District, without complying with auction and bidding requirements on the condition that the property is redeveloped in accordance with the Downtown Connection TIF District Plan.

On December 1, 2008, the Economic Development Committee approved and recommended approval by the City Council, authorization for an 80-year lease agreement (with a right to purchase option) with Hall Lone Star Associates, L.P. for operation and management of the Dallas Arts District Garage.

On December 1, 2008, the Economic Development Committee was briefed on the request for TIF funding for Hall Lone Star Associates, L.P. for the development of the Dallas Arts District Garage project in an amount not to exceed \$7,000,000 plus interest up to \$2,000,000 for a total incentive amount, including interest, not to exceed \$9,000,000.

On December 10, 2008, this item was deferred by Councilmember Angela Hunt.

On January 28, 2008, this item was deferred by Councilmember Angela Hunt.

**FISCAL INFORMATION**

\$9,000,000 - Downtown Connection TIF District Funds

**OWNER**

**Hall Lone Star Associates, L.P.**

Craig Hall, Chairman  
Hall Financial Group

**DEVELOPER**

**Hall Lone Star Associates, L.P.**

Craig Hall, Chairman  
Hall Financial Group

Larry E. Levey, Executive Vice President  
Hall Financial Group

**MAP**

Attached.

# Dallas Arts District Garage

## 2301 Ross Avenue



Dallas Arts District Garage



Downtown Connection TIF, amended 12/10



**City of Dallas**

Office of Economic Development  
November 2008

February 11, 2009

**WHEREAS**, the City recognizes the importance of its continued role in local economic development; and

**WHEREAS**, on June 8, 2005, the City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Eleven, (the “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 through the use of tax increment financing by Ordinance No. 26020; and

**WHEREAS**, on August 29, 2005, the City Council authorized the adoption of the Downtown Connection Tax Increment Financing District Project Plan and Reinvestment Zone Financing Plan (the “Project and Financing Plan”) by Ordinance No. 26096; and

**WHEREAS**, on October 22, 2008, City Council pursuant to Ordinance No. 27377, authorized the ability of the City to direct lease or sell city-owned/city-controlled property located within the Downtown Connection TIF District, without complying with auction and bidding requirements on the condition that the property is redeveloped in accordance with the Downtown Connection TIF District Plan; and

**WHEREAS**, on November 24, 2008, the Downtown Connection TIF District Board of Directors reviewed and approved TIF funding for the Arts District Garage project in an amount not to exceed \$7,000,000 plus interest up to \$2,000,000 for a total incentive amount, including interest, not to exceed \$9,000,000; and

**WHEREAS**, on December 1, 2008, the Economic Development Committee approved and recommended approval by the City Council, authorization for an 80-year lease agreement (with a right to purchase option) with Hall Lone Star Associates, L.P. for operation and management of the Dallas Arts District Garage; and

**WHEREAS**, on December 1, 2008, the Economic Development Committee was briefed on the request for TIF funding for Hall Lone Star Associates, L.P. for the development of the Dallas Arts District Garage project in an amount not to exceed \$7,000,000 —plus interest up to \$2,000,000 for a total incentive amount, including interest, not to exceed \$9,000,000; and

**WHEREAS**, the expenditure of TIF funds supporting this development is consistent with promoting development and redevelopment of the Downtown Connection TIF District in accordance with the purposes for its creation, the City’s revised Public/Private Partnership Guidelines and Criteria, the ordinance adopted by the City Council approving the Project and Financing Plan, and is for the purpose of making public improvements consistent with and described in the Project and Financing Plan for the Downtown Connection TIF District.

February 11, 2009

**NOW, THEREFORE,**

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

**Section 1.** That the City Manager, upon approval as to form by the City Attorney is hereby authorized to execute a development agreement with Hall Lone Star Associates, L.P. on behalf of the Downtown Connection TIF District for the construction of a mixed-use building at 2301 Ross Avenue.

**Section 2.** That the Downtown Connection TIF District Board of Directors is authorized to dedicate future Downtown Connection TIF revenues in an amount not to exceed \$7,000,000 plus interest up to \$2,000,000 for a total incentive amount, including interest, not to exceed \$9,000,000 for the construction of a mixed-use building at 2301 Ross Avenue located in the Downtown Connection TIF District.

**Section 3.** That the City Controller is hereby authorized to encumber and disburse funds from future tax increments and subject to future appropriations from: Fund 0044, Department ECO, Unit P510, Object 3072, Activity DTTI, Program No. DCTIF0005, CT ECOP510B034, Vendor No. VS0000038004, in an amount not to exceed \$9,000,000.

**Section 4.** That nothing in the resolution shall be construed to require the City to approve future dedications of Downtown Connection TIF revenues (the "TIF Subsidy") from any source of City funds other than the Downtown Connection TIF District Fund. Any portion of the TIF Subsidy that remains unpaid due to lack or unavailability of Downtown Connection TIF District funds shall no longer be considered project costs of the Downtown Connection TIF District, and the obligation of the Downtown Connection TIF District or the City to pay Hall Lone Star Associates, L.P. or its Affiliate shall automatically expire.

**Section 5.** That the TIF Subsidy to be provided to Hall Lone Star Associates, L.P. will be based on the Downtown Connection TIF District's approved reimbursement method once all contingencies are met and if and when increment becomes available, after annual Downtown Connection TIF District bond and reserve obligations are met, after the Tower Petroleum/1900 Pacific, and after all affordable housing, park and Uptown project improvement obligations have been met.

**Section 6.** That in addition to the conditions set out above, the Agreement is hereby expressly made subject to all of the following contingencies which must be performed or occur:

- A. The transfers to the Downtown Dallas Development Authority in support of bonds issued or to be issued and other commitments per the Priority Schedule established by the Downtown Connection TIF District and the Downtown Dallas Development Authority Board of Directors on February 9, 2006.



February 11, 2009

**Section 6.** (Continued)

- B. Hall Lone Star Associates, L.P. shall construct public and private improvements that conform in design, materials and elevations as shown on **Exhibits A, B, C1** and **C2** attached.
- C. Hall Lone Star Associates, L.P. shall construct a building with a minimum of 450,000 square feet of gross building area.
- D. Hall Lone Star Associates, L.P. shall invest a minimum of \$120,000,000 in hard costs and construction related soft costs, not including financing and legal costs.
- E. Hall Lone Star Associates, L.P. shall complete repairs and maintenance to the parking garage by December 31, 2009.
- F. Hall Lone Star Associates, L.P. shall obtain staff approval of project design and site plan prior to obtaining building permits.
- G. Hall Lone Star Associates, L.P. shall obtain staff approval of any one-time reconfiguration of public parking spaces and ramps to allow for appropriate office and retail parking.
- H. Hall Lone Star Associates, L.P. shall obtain building permits for the office tower by December 31, 2012.
- I. Hall Lone Star Associates, L.P. shall obtain a final certificate of occupancy for the entire project by December 31, 2015.
- J. Hall Lone Star Associates, L.P. shall comply with all City and Downtown Connection TIF District M/WBE Fair Share policies with a goal of twenty-five percent (25%) participation for TIF-eligible public improvement project construction and for the private improvement construction with a participation goal in an amount of 10% of total private construction cost (this amount is based on the total proportion of TIF financial participation in the project) and meet the requirements in accordance with the TIF Plan.
- K. Hall Lone Star Associates, L.P. shall submit quarterly project status reports (once every three months, from the construction start date to receipt of final certificate of occupancy) to the Office of Economic Development staff (format to be provided).

February 11, 2009

**Section 7.** That, Hall Lone Star Associates, L.P. shall be eligible for immediate reimbursement upon completion as stipulated in Section 6E above, up to an amount not to exceed \$2,000,000 plus interest, for costs associated with the improvements to the parking garage and pedestrian plaza.

**Section 8.** That, should Hall Lone Star Associates, L.P. not perform one or more of the contingencies listed in Section 6, not including 6(E) above, the City Manager is authorized to terminate the development agreement and disallow the total TIF subsidies up to an amount not to exceed \$9,000,000.

**Section 9.** That the Office of Economic Development Director may authorize adjustments to the contingencies listed above should reasonable adjustments be needed and supported by additional consideration.

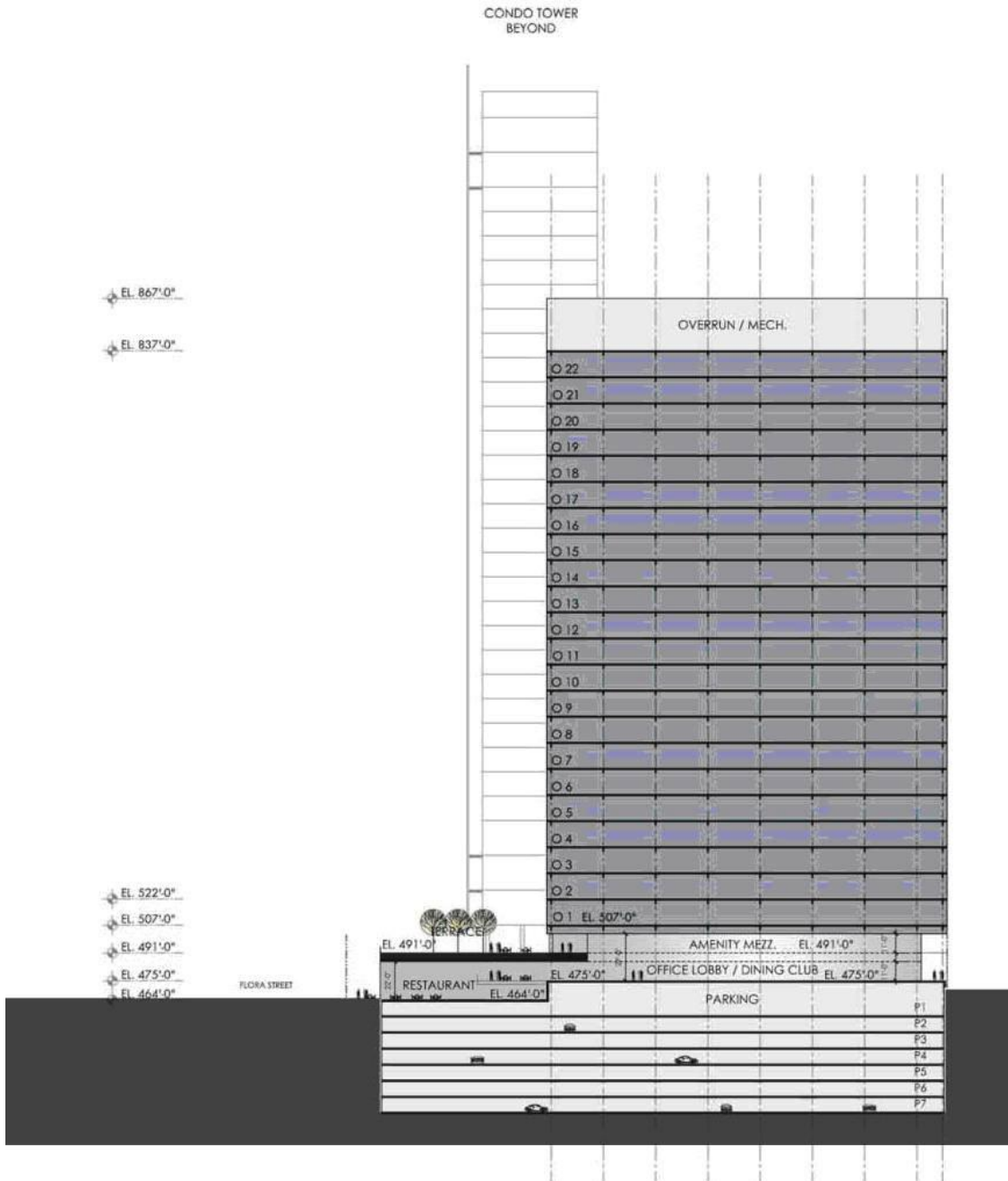
**Section 10.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

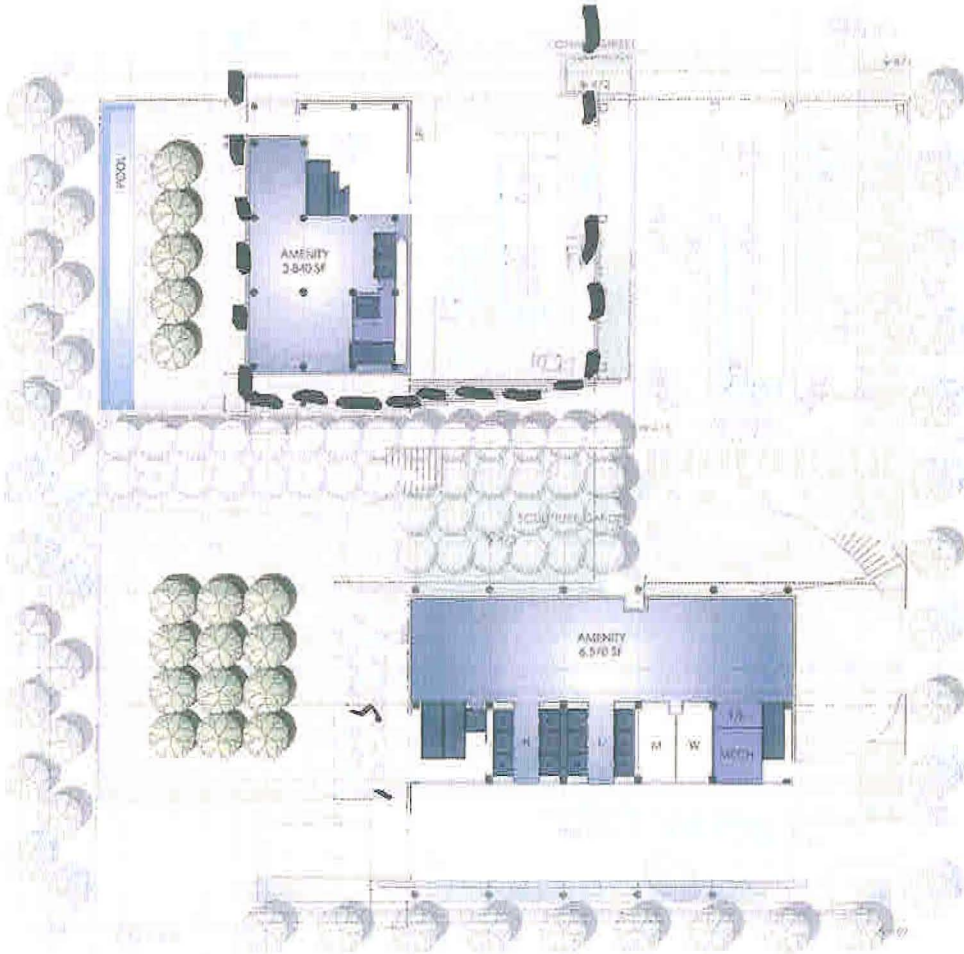
Distribution: Office of Economic Development, Tenna Kirk, 5CS  
Office of Economic Development, Bryan Haywood, 2CN  
Office of Economic Development, Vernae Martin, 2CN  
City Attorney's Office - Warren Ernst  
City Attorney's Office - Barbara Martinez

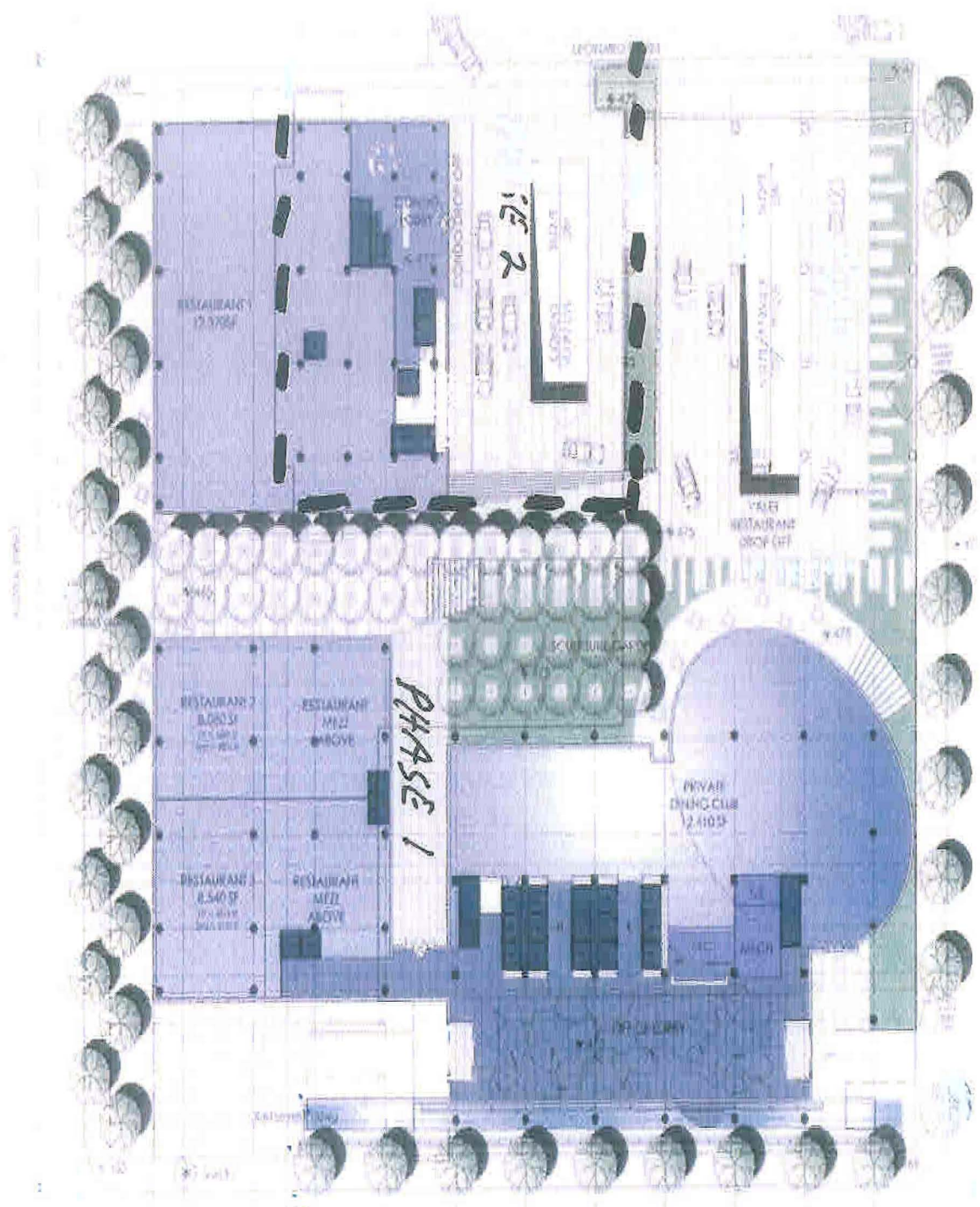
EXHIBIT "A"  
DESIGN PLAN  
OFFICE TOWER



EXHIBIT "B"  
 ELEVATION PLANS  
 OFFICE TOWER







12.15.2006

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 14  
**DEPARTMENT:** Office of Economic Development  
Equipment & Building Services  
Department of Development Services  
**CMO:** A. C. Gonzalez, 671-8925  
Forest E. Turner, 670-3390  
**MAPSCO:** 45 G

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**SUBJECT**

Authorize **(1)** an amendment to the sublease agreement dated January 23, 1986 with Metropolitan/Harbord Joint Venture, and its successor, Hall Lone Star Associates, L.P., a Texas limited partnership, for the Arts District Garage located at 2301 Ross Avenue to provide for a change in the operation of the Dallas Arts District Garage commencing on January 1, 2009, and **(2)** an amendment to the Garage Lease Agreement dated January 23, 1986 to provide certain conforming changes - Estimated Revenue: \$100,700,000

**BACKGROUND**

Economic Development staff has been working with Hall Lone Star Associates, L.P. on the construction of one or more mixed-use buildings at 2301 Ross Avenue, site of the Dallas Arts District Garage. This project entails the development of a minimum 450,000 square foot facility (430,000 s.f. of office and 30,000 s.f. of ground floor retail space). Hall Lone Star Associates, L.P. plans to make an investment of at least \$120,000,000, including hard costs and construction related soft costs. The size and location of this site coupled with the planned investment makes this project critical in reaching the Downtown Connection TIF District goals.

In 1986, the City entered into a 200-year lease agreement (effective in 1988) with the site's owner, Metropolitan/Harbord Joint Venture, related to the development of the Arts District Garage. As part of the transaction, the City financed construction of a 1,787 space underground garage on its leasehold to support parking needs in the Arts District. Metropolitan financed and retained fee ownership of 145 of the 1,787 spaces and sublet an additional 442 spaces from the City for 20-years (with nine 20-year options). The initial 20-year sublease term expires December 31, 2008.

## **BACKGROUND** (Continued)

Metropolitan's original development plan contemplated construction of two 50-story office towers and a second underground garage. The office towers and second garage were not constructed due to poor market conditions associated with the real estate crash of the mid-to-late 1980's.

In 1995, affiliates of Hall Financial Group purchased fee simple title to the surface land, air rights and the interest that Metropolitan had in the garage.

Hall is in default under the sublease and owes the City \$618,592.86 in rent through the end of December 2008. The City filed suit on April 11, 2007. This proposed amendment is the result of negotiations to settle the dispute, which includes the payment by Hall of the back rent owed to the City.

This action authorizes the amendment and restatement of the existing Sublease Agreement wherein the sublease will be modified into an 80-year sublease beginning January 1, 2009. Pursuant to the amended and restated sublease, Hall or its designee will manage the garage and make annual rent payments as follows: \$250,000 annually for years 2009-2012; \$300,000 annually for years 2013-2016; \$500,000 annually for years 2017-2028; \$750,000 annually for years 2029-2038; \$1 million annually for years 2039-2048; \$1.5 million annually for years 2049-2058; \$2 million annually for years 2059-2088. Total rental payments over the term are \$100.7 million with a Net Present Value of \$9.9 million (6% discount rate).

Other primary terms for the restated lease are as follows:

- Hall must apply for a building permit on or before December 31, 2012 and substantially complete the initial building of new facility by December 31, 2015.
- The City has the option to terminate the sublease should either date described above, not be met.
- Hall must apply for a building permit on or before December 31, 2014 for the second building of the development. If Hall does not apply for the building permit by such time, on January 1, 2015, base rent under the amended and restated sublease shall increase by \$100,000 annually, until such time that Hall commences construction of the second facility.
- Hall will manage or contract for management and be responsible for all operating, insurance and maintenance costs and is entitled to revenues from garage operations.
- Hall is permitted the right to purchase the City's interest in the Garage for the greater of fair market value as determined by appraisal or \$11.3 million (plus an annual escalator, see Exhibit A).
- Hall cannot purchase the Garage prior to December 31, 2012 unless it has obtained a building permit for its tower.
- The sublease is not assignable by Hall to a non-affiliate prior to a certificate of occupancy for the initial building.



## **BACKGROUND** (Continued)

- A lender/mortgagee can assume the sublease in case of default subject to the terms and conditions minus the obligation to build.
- Any assignment, other than in connection with the mortgagees lien interests, is subject to City approval which will not be unreasonably withheld.
- Hall agrees to make any outstanding American Disability Act repairs plus any needed engineering items for health and structural safety by December 31, 2009.
- In association with construction of the proposed building, Hall will make additional improvements and alterations to the Garage including relocation of elevators, adding streetscape improvements and valet areas, and reconfiguration of public parking spaces and ramps to allow for appropriate condo and retail parking.
- Hall agrees to honor existing City agreements regarding the use of parking. Furthermore, the City will maintain operational control of the valet area and approximately 140 parking spaces used by the Symphony.
- Hall may request, subject to normal City requirements and procedures, a license to construct a tunnel on/through City right-of-way associated with Ross Avenue.
- City agrees to provide ombudsman to facilitate permitting and zoning.

In addition, as a result of the terms of the amended sublease, as described above, the parties propose to amend the garage lease to make certain conforming changes regarding the parties' insurance and maintenance responsibilities.

As part of this transaction, Hall will seek TIF funding approval from the Downtown Connection TIF Board and the City Council. Should either the Amended and Restated Parking Sublease Agreement or the TIF funding fail to be approved by City Council, the City will continue to manage the Arts District Garage. Further, Hall has informed City staff that it will not exercise its option pursuant to the existing sublease.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item was briefed to the Economic Development Committee on June 16, 2008.

On December 1, 2008, a memo was submitted to the Economic Development Committee regarding the Arts District Garage settlement agreement.

On December 10, 2008, this item was deferred by Councilmember Angela Hunt.

On January 28, 2008, this item was deferred by Councilmember Angela Hunt.

## **FISCAL INFORMATION**

Estimated Revenue: \$100,700,000

**DEVELOPER(S)**

**Hall Lone Star Associates, L.P.**

Craig Hall, Chairman  
Hall Financial Group

Larry E. Levey, Executive Vice President  
Hall Financial Group

**MAP**

Attached.

# Dallas Arts District Garage

## 2301 Ross Avenue



Dallas Arts District Garage



Downtown Connection TIF, amended 12/10



**City of Dallas**

Office of Economic Development  
November 2008



February 11, 2009

**WHEREAS**, on January 23, 1986, the City entered into a Garage Lease Agreement, as amended, for the Arts District Garage located at 2301 Ross Avenue with Metropolitan/Harbord Joint Venture; and

**WHEREAS**, on January 23, 1986, the City entered into a Parking Sublease Agreement, as amended, for the Arts District Garage located at 2301 Ross Avenue with Metropolitan/Harbord Joint Venture; and

**WHEREAS**, Hall Lone Star Associates, L.P., a Texas limited partnership, ("Hall") has succeeded Metropolitan/Harbord Joint Venture in the Parking Sublease Agreement and Garage Lease Agreement; and

**WHEREAS**, the initial 20-year lease term of the Parking Sublease Agreement expires on December 31, 2008 should Hall Lone Star Associates not exercise its option to renew; and

**WHEREAS**, both parties desire to amend, restate, extend, and/or modify the Sublease to provide for operation of the facility by Hall commencing on January 1, 2009 and to provide that Hall Lone Star Associates, L.P., shall make certain additional public and private improvements and refurbishments to the Arts District Garage; and

**WHEREAS**, both parties desire to amend the Garage Lease to provide certain conforming changes.

**NOW, THEREFORE;**

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

**Section 1.** That the City Manager, upon approval as to form by the City Attorney is hereby authorized to execute an amended and restated Parking Sublease Agreement between Hall Lone Star Associates, L.P., a Texas limited partnership and the City of Dallas.

**Section 2.** That the special terms and conditions of the amendment to the Parking Sublease Agreement include:

- A. The existing sublease will be modified into an 80-year sub-lease beginning January 1, 2009.
- B. Annual rent payments are as follows: \$250,000 annually for years 2009-2012; \$300,000 annually for years 2013-2016; \$500,000 annually for years 2017-2028; \$750,000 annually for years 2029-2038; \$1million annually for years 2039-2048; \$1.5 million annually for years 2049-2058; \$2 million annually for years 2059-2088.

February 11, 2009**Section 2.** (Continued)

- C. Hall must apply for a building permit on or before December 31, 2012 for the initial building of the development and substantially complete the initial building by December 31, 2015.
- D. The City has the option to terminate the sublease should either date, described in Section 2.C. above, not be met.
- E. Hall must apply for a building permit on or before December 31, 2014 for the second building of the development. If Hall does not apply for the building permit by such time, on January 1, 2015, base rent under the amended and restated sublease shall increase by \$100,000 annually, until such time that Hall commences construction of the second facility.
- F. Hall will manage or contract for management and be responsible for all operating, insurance and maintenance costs and is entitled to revenues from garage operations.
- G. Hall is permitted the right to purchase the City's interest in the Garage for the greater of fair market value as determined by appraisal or \$11.3 million (plus an annual escalator, see **Exhibit A**).
- H. Hall cannot purchase the Garage prior to December 31, 2012 unless it has obtained a building permit for initial building.
- I. The sublease is not assignable by Hall to a non-affiliate prior to a certificate of occupancy for the tower.
- J. A lender/mortgagee can assume the sublease in case of default subject to the terms and conditions minus the obligation to build.
- K. Any assignment, other than in connection with the mortgagees lien interests is subject to City approval which will not be unreasonably withheld.
- L. Hall agrees to make any outstanding American Disability Act repairs plus any needed engineering items for health and structural safety by December 31, 2009.
- M. In association with construction of the proposed building, Hall will make additional improvements and alterations to the Garage including relocation of elevators, adding streetscape improvements and valet areas, and reconfiguration of public parking spaces and ramps to allow for appropriate condo and retail parking.
- N. Hall agrees to honor existing City agreements regarding the use of parking.
- O. Hall may request, subject to normal City requirements and procedures, a license to construct a tunnel on/through City right-of-way associated with Ross Avenue.

**Section 3.** That the City Manager, upon approval as to form by the City Attorney is hereby authorized to execute an amendment to the Garage Lease between Hall Lone Star Associates, L.P., a Texas limited partnership and the City of Dallas conforming the Garage Lease to the amended and restated Parking Sublease Agreement, and such other ancillary documents as are necessary to fulfill the purposes of this resolution.

February 11, 2009

**Section 4.** That the City Controller is hereby authorized to receive and deposit rent or sale proceeds pursuant to Section 2.B. and/or Section 2.G. above as appropriate in Fund 0001, Department EBS, Unit 3081, Revenue Source 7893, in an amount not to exceed \$100,700,000.

**Section 5.** That the City Controller is hereby authorized to receive and deposit annual payments-in-lieu-of-taxes as appropriate pursuant to Section 2.D. above and as further described in the amended and restated Sublease Agreement in Fund 0352, Department ECO, Unit 9992, Revenue Source 8476.

**Section 6.** That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas and it is accordingly so resolved.

Distribution: Office of Economic Development, Tenna Kirk, 5CS  
Office of Economic Development, Hammond Perot, 2CN  
Equipment and Building Services, Sheila Singleton, 6BN  
City Attorney's Office - Barbara Martinez

### EXHIBIT A - Potential Sale Price

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	
Staff Calculated Value	11,300,000	11,300,000	11,728,000	12,181,680	12,662,581	13,172,336	13,662,676	
PV Accrual		678,000	703,680	730,901	759,755	790,340	819,761	
Rent (credit)		(250,000)	(250,000)	(250,000)	(250,000)	(300,000)	(300,000)	
Purchase Price	11,300,000	11,728,000	12,181,680	12,662,581	13,172,336	13,662,676	14,182,436	
	Yr 8	Yr 9	Yr 10	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15
Staff Calculated Value	14,182,436	14,733,383	15,117,385	15,524,429	15,955,894	16,413,248	16,898,043	17,411,925
PV Accrual	850,946	884,003	907,043	931,466	957,354	984,795	1,013,883	1,044,716
Rent (credit)	(300,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)
Purchase Price	14,733,383	15,117,385	15,524,429	15,955,894	16,413,248	16,898,043	17,411,925	17,956,641



**AGENDA ITEM # 52**

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 3  
**DEPARTMENT:** Department of Development Services  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 43 F

**SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for a community service center on property zoned a CR Community Retail District and an R-5(A) Single Family District on the southeast corner of Angelina Drive and North Westmoreland Road  
Recommendation of Staff and CPC: Approval for a ten-year period with automatic renewals for additional ten-year periods, subject to a site plan and conditions  
Z089-123(WE)



**HONORABLE MAYOR AND CITY COUNCIL      WEDNESDAY, FEBRUARY 11, 2009**

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**ACM: A. C. Gonzalez**

**FILE NUMBER:**                      Z089-123(WE)                      **DATE FILED:**    November 25, 2008

**LOCATION:**                              Angelina Drive and North Westmoreland Road, southeast corner

**COUNCIL DISTRICT:**    3    **MAPSCO:**            43-F

**SIZE OF REQUEST:**    Approx. 1.0446 acres              **CENSUS TRACT:**    102.0

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**APPLICANT:**                          Brother Bill's Helping Hand

**OWNER:**                                      Gemstone, Inc.

**REPRESENTATIVE:**              Shanks Architects, Inc.

**REQUEST:**                              An application for a Specific Use Permit for community service center on property zoned a CR Community Retail District and an R-5(A) Single Family District.

**SUMMARY:**                              The purpose of this request is to allow for development of a one-story, 11,000 square foot community center.

**CPC RECOMMENDATION:**    Approval for a ten year period with automatic renewals for additional ten year periods, subject to a site plan and conditions

**STAFF RECOMMENDATION:**    Approval for a ten year period with automatic renewals for additional ten year periods, subject to a site plan and conditions.

**BACKGROUND INFORMATION:**

- The applicant’s request for a Specific Use Permit will allow for the development of a one-story, 11,000 square foot community service center.
- The proposed community center is located within a CR Community Retail District and a small portion of an R-5(A) Single Family District. The R-5(A) District is developed with residential uses.
- The request site is adjacent to auto related uses to the south, undeveloped land to the north, across Angelina Drive, and several undeveloped parcels of land to the west, across Westmoreland Road. Moreover, there is a restaurant use and a cellular tower directly west of the site, which is also across Westmoreland Road.

**Zoning History:** There has not been any recent zoning change request in the area.

**Thoroughfares/Streets:**

Thoroughfare/Street	Type	Existing ROW	Proposed ROW
Angelina Drive	Collector	60 ft.	60 ft.
N. Westmoreland Road	Principal Arterial	100 ft.	100 ft.

**Land Use:**

	Zoning	Land Use
<b>Site</b>	CR & R-5(A)	Undeveloped
<b>North</b>	CR	Undeveloped, Single family
<b>South</b>	CR	Auto related use
<b>East</b>	R-5(A)	Single family
<b>West</b>	CR w/SUP 1547on a portion	Restaurant, Undeveloped, Cell tower

**COMPREHENSIVE PLAN:** The *fowardDallas! Comprehensive Plan* was adopted by the City Council in June 2006, and recommends the following goals and policies as it relates to future development in the Dallas area.

The community service center will serve the residence in the area as well as provide some economic development in the area.

**Economic**

**Goal 2.1** Promote balanced growth

Policy 2.1.1 Ensure that zoning is flexible enough to respond to changing economic conditions

**STAFF ANALYSIS:**

**Land Use Compatibility:** The 1.0446 acre site is undeveloped and is located mostly within a CR Community Retail District that forms a linear corridor along N. Westmoreland Road. A small portion of the request site is in an R-5(A) District. The applicant is proposing to develop the site to operate a one story, 11,000 square foot community service center. In addition, the applicant is proposing to operate the community service center between 8:00 a.m. and 4:00 p.m., Monday through Saturday.

The property will have a total of four ingress and egress points to access the site; two on N. Westmoreland Road and two on Angelina Drive. The land uses adjacent to the request site consist of residential uses to the east, undeveloped land to the north, across Angelina Drive and auto related uses to the south. West of the site, across N. Westmoreland Road are several undeveloped tracts of land, a cellular tower (SUP No. 1547), and a restaurant use.

Staff is recommending approval of the applicant’s requests for a Specific Use Permit for a community service center, for a ten year period with eligibility for automatic renewals for additional ten year periods, subject to a site plan and conditions.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The request does not appear to have an adverse impact on the surrounding zoning and land uses.

**Development Standards:**

DISTRICT	SETBACKS		Density	Height	Lot Coverage	Special Standards	PRIMARY Uses
	Front	Side/Rear					
CR – Existing Community Retail	15'	20' adjacent to residential OTHER: No Min.	0.75 FAR overall 0.5 office	54' 4 stories	60%	Proximity Slope Visual Intrusion	Retail & personal service, office

**Landscaping:** Landscaping of any development will be in accordance with Article X, as amended.

**Traffic:** The Engineering Section of the Department Development Services has reviewed the request and determined that it will not impact the surrounding street system for the proposed development.

**Miscellaneous – Conditions:** Staff has reviewed and supports the applicant Specific Use Permit conditions. The community service center hours of operation proposed by the applicant should not have a significant impact on the adjacent uses. The City Plan Commission recommended approval of the applicant's request for a ten year period with eligibility for automatic renewals for additional ten year periods.

**CPC Action** (January 8, 2009)

**Motion:** It was moved to recommend **approval** of a Specific Use Permit for community service center for a ten year-period with automatic renewals for additional ten-year periods, subject to a revised site plan and conditions on property zoned a CR Community Retail District and an R-5(A) Single Family District on the southeast corner of Angelina Drive and North Westmoreland Road.

Maker: Gary  
Second: Rodgers  
Result: Carried: 13 to 0

For: 13 - Prothro, Gary, Davis, Rodgers, Lozano,  
Bagley, Lavallaisaa, Weiss, Lueder, Buehler,  
Ekblad, Emmons, Alcantar

Against: 0  
Absent: 1 - Wolfish  
Vacancy: 1 - District 2

**Notices:** Area: 300 Mailed: 55

**Replies:** For: 2 Against: 0

**Speakers:** For (Did not speak): Jim Rogers, 3208 Trevolle Pl., Dallas, TX, 45204  
R. E. Shaw, Sr., 5151 Beltline Rd., Dallas, TX, 75254  
David Shanks, 5151 Beltline Rd., Dallas, TX, 75254  
Debra Wilson, 805 E. Grubb Dr., Mesquite, TX, 75149  
Victor Toledo, 9925 Lakeway Ct., Dallas, TX, 75230  
Suzanna Griffin, 4411 Glenwood Ave., Dallas, TX, 75205  
Walker Harman, Sr., 3600 Colgate Ave., Dallas, TX, 75225  
Jim Lake, 1350 Manufacturing St., Dallas, TX, 75207  
Arrvel Wilson, 2215 Canada Dr., Dallas, TX, 75212

Against: None

**BOARD OF TRUSTEES  
BROTHER BILL'S HELPING HAND**

- Walker Harman                      President
- Bill Sims                              Vice President, Treasurer
- Janet Denison                      Secretary
- Brad Bowman
- Sheila Cook
- Carla Robinson
- Jim Rogers
- Craig Schenkel
- Debra Wilson

**LIST OF OFFICERS  
GEMSTONE, INC**

- Tim Willis                              President
- Jeanie Willis                          Vice President
- Tim Willis                              Director

**CPC RECOMMENDED CONDITIONS**

1. USE: The use authorized by this specific use permit is a community service center.

1. SITE PLAN: Use and development of the Property must comply with the attached site plan.

2. TIME LIMIT: This specific use permit expires on \_\_\_\_\_(ten years from the passage of this ordinance), but is eligible for automatic renewal for additional ten-year periods pursuant to Section 51A-4.219 of 51A of the Dallas City Code, as amended. For automatic renewal to occur, the Property owner must file a complete application for automatic renewal with the director before the expiration of the current period. Failure to timely file a complete application will render this specific use permit ineligible for automatic renewal. (Note: The Code currently provides that applications for automatic renewal must be filed after the 180th but before the 120th day before the expiration of the current specific use permit period. The Property owner is responsible for checking the Code for possible revisions to this provision. The deadline for application for automatic renewal is strictly enforced.)

3. LANDSCAPING: Landscaping must be provided and maintained in accordance with Article X of the Dallas Development Code, as amended

4. HOURS OF OPERATION: The community service center may only operate between 8:00 a.m. and 4:00 p.m., Monday through Saturday.

5. INGRESS/ EGRESS: Ingress and egress must be provided as shown on the attached site plan. No other ingress or egress is permitted.

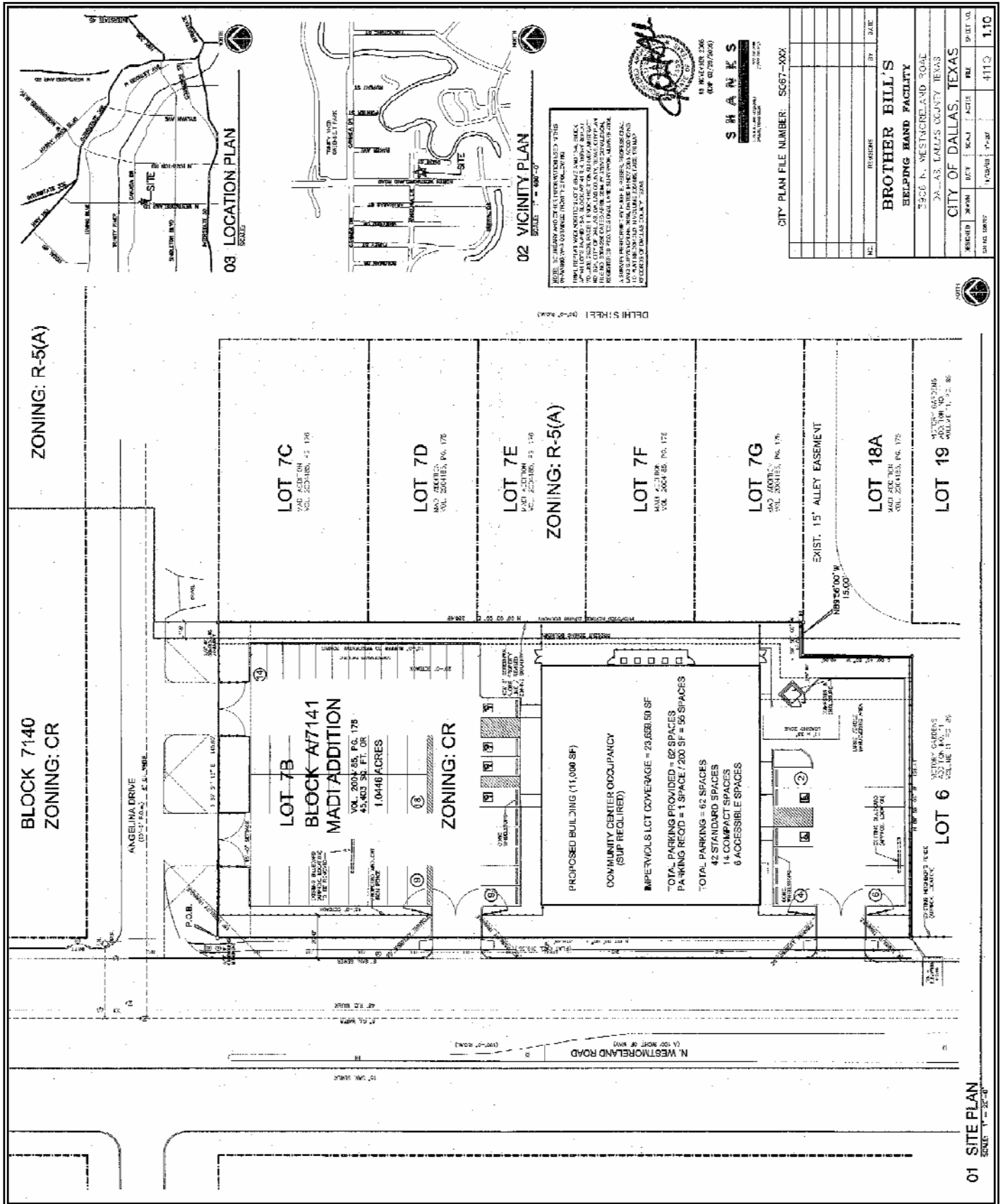
6. PARKING: Off-street parking must be located as shown on the attached site plan.

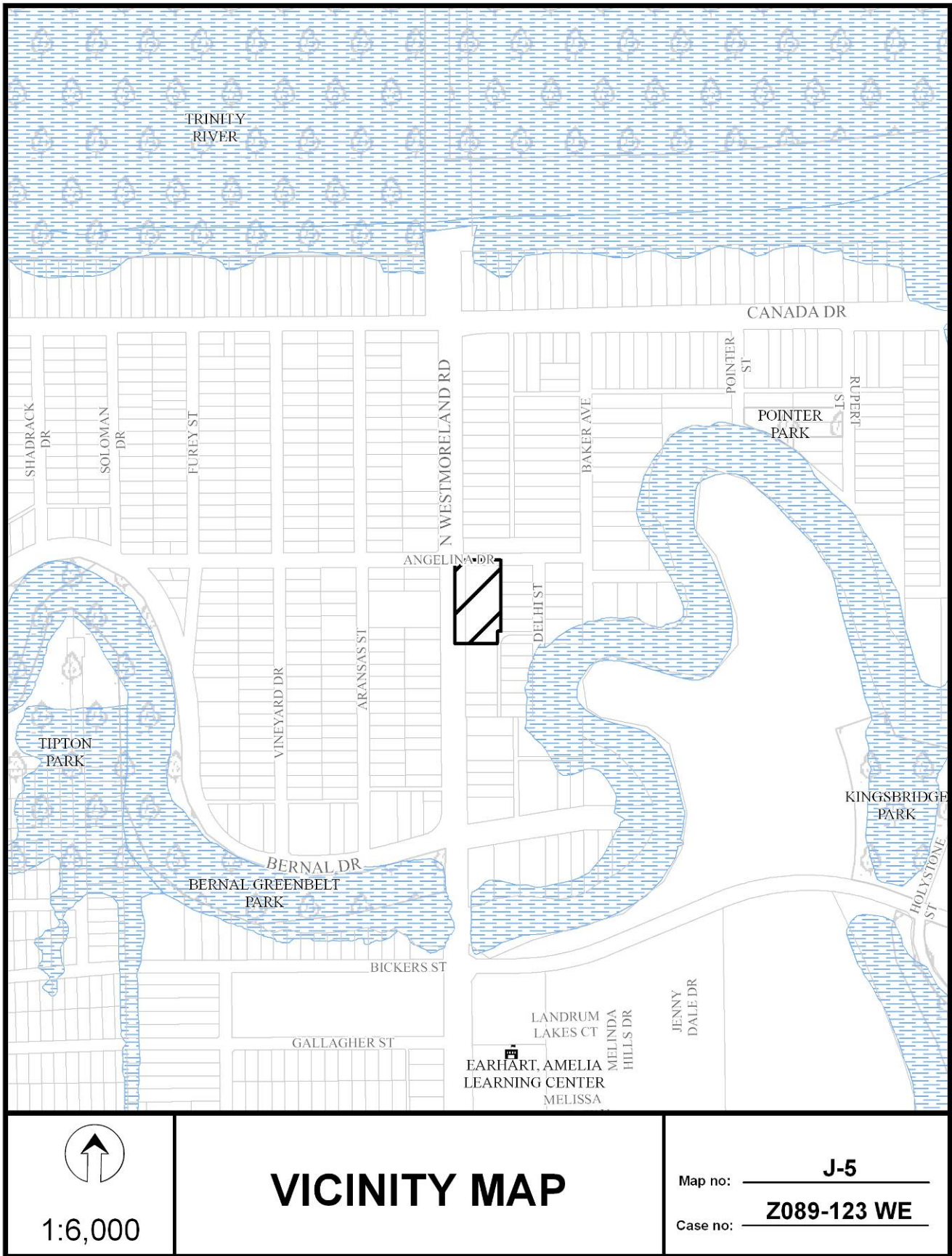
7. MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.

8. GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.



**PROPOSED SITE PLAN**



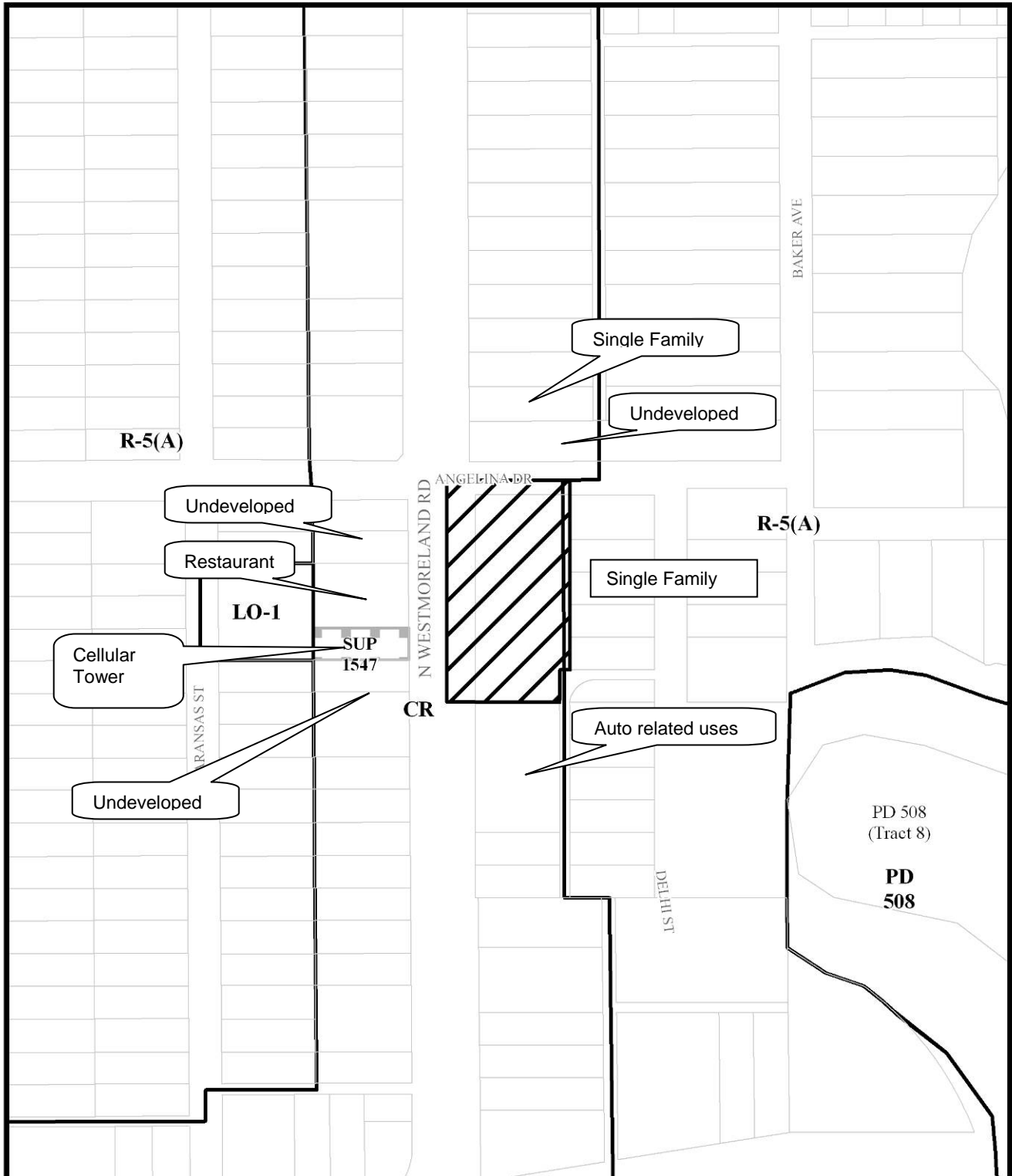


1:6,000

# VICINITY MAP

Map no: J-5

Case no: Z089-123 WE

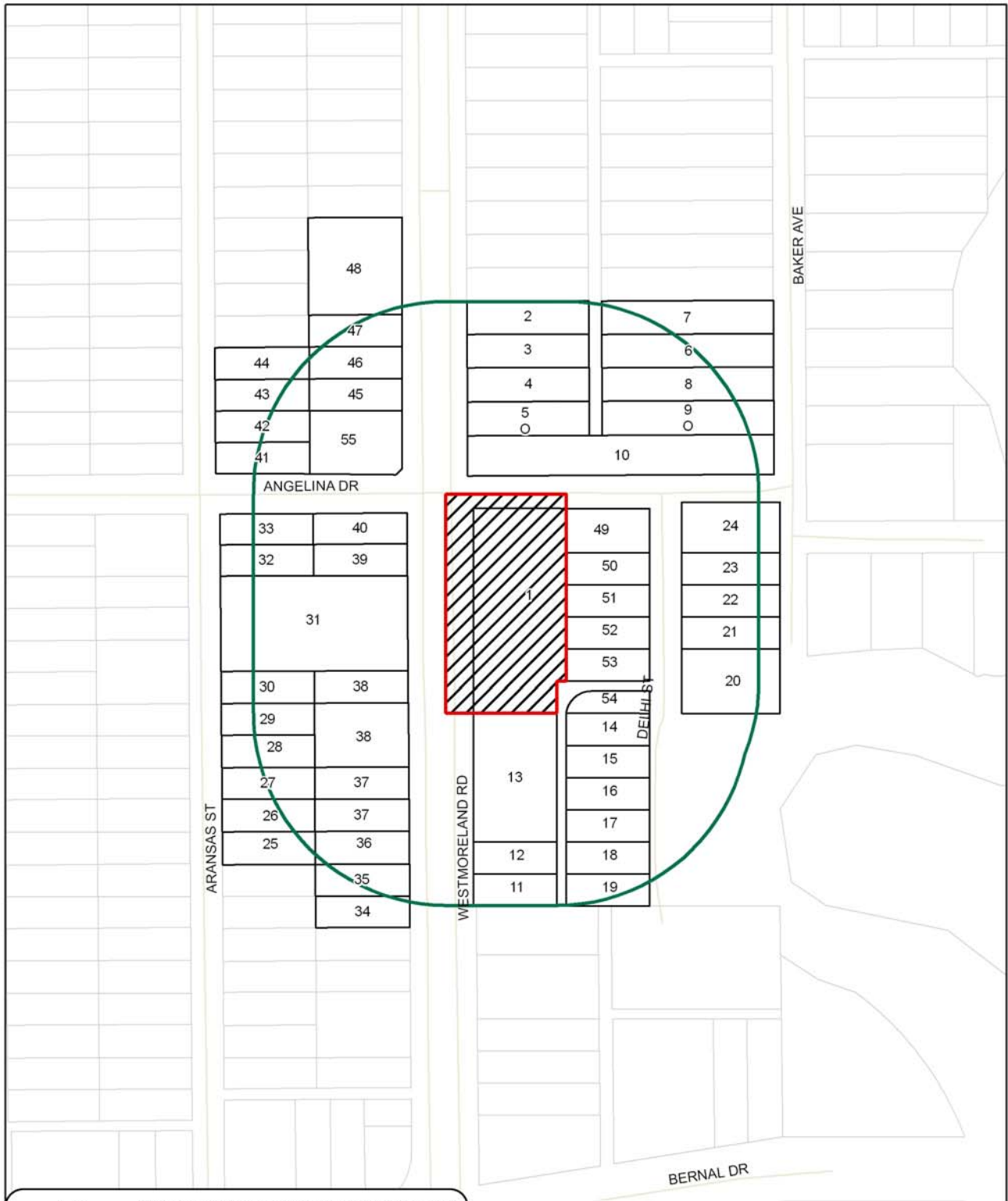


1:2,400

# ZONING AND LAND USE

Map no:           J-5            
Case no:           Z089-123 WE

**CPC RESPONSES**



<b>55</b>	Property Owners Notified (57 parcels)
<b>2</b>	Replies in Favor (2 parcels)
<b>0</b>	Replies in Opposition (0 parcels)
<b>300'</b>	Area of Notification
<b>01/08/2009</b>	Date

**Z089-123 (J-5)**  
**CPC**



1:2,400

## **Notification List of Property Owners**

### **Z089-123**

#### **55 Property Owners Notified**

<b>Label #</b>	<b>Address</b>	<b>Owner</b>
1	3906 WESTMORELAND	GEMSTONE INC
2	4014 WESTMORELAND	BARRON JUANITA
3	4012 WESTMORELAND	RAUDALEZ HELEN &
4	4010 WESTMORELAND	RAUDALEZ HELEN GIL
5	4006 WESTMORELAND	MARTINEZ REYNALDO
6	4019 BAKER	MARTIN DALLAS INC
7	4021 BAKER	ORTIZ RAYMOND Z & MARIA P
8	4015 BAKER	GOMEZ ESPERANZA
9	4007 BAKER	MAREZ JULIO ETAL
10	3200 ANGELINA	POWER BUILDING COMPANY LLC
11	3810 WESTMORELAND	CAMPBELL DAVID
12	3814 WESTMORELAND	ETI MGMT CO INC
13	3822 WESTMORELAND	LOPEZ MARTHA A
14	3903 DELHI	REED EUGENE
15	3827 DELHI	TAYLOR ROSE & LILLIE TAYLOR
16	3805 DELHI	PATRICK D J ESTATE OF
17	3819 DELHI	JACOB DORETHA & GIRRY
18	3815 DELHI	PENA CATALINA
19	3809 DELHI	CAMPBELL DAVID & MILDRED B
20	3910 DELHI	GARCIA MANUELA
21	3918 DELHI	GARCIA EVA VICENTA
22	3922 DELHI	DIAZ MARY ANN % TASHA DIAZ
23	3924 DELHI	PALOMO IGNACES EST OF
24	3928 DELHI	ORTEGA FRANK
25	3818 ARANSAS	SILMON JOHNNIE JACKSON
26	3822 ARANSAS	W3B HOMES LTD PS

**Monday, December 08, 2008**

<b>Label #</b>	<b>Address</b>	<b>Owner</b>
27	3826 ARANSAS	WOODS RAKISHA MARCHELLE
28	3830 ARANSAS	MCGOWN ANNIE L
29	3902 ARANSAS	PADILLA JESUS
30	3906 ARANSAS	DIAZ MIGUEL
31	3915 WESTMORELAND	CONLEY R T
32	3922 ARANSAS	BIGGINS CLYDE
33	3926 ARANSAS	HILL JERRY LYNN
34	3811 WESTMORELAND	MITCHELL EDDIE MARIE
35	3815 WESTMORELAND	MITCHELL ROY D
36	3819 WESTMORELAND	BADILLO MARGARITO
37	3827 WESTMORELAND	WASHINGTON CLIFTON ET AL
38	3907 WESTMORELAND	GIPSON JOSEPH LEE & BEVERLY JEAN GIPSON
39	3923 WESTMORELAND	BIGGINS CLYDE & LORETTA
40	3927 WESTMORELAND	ELLER MEDIA COMPANY
41	4002 ARANSAS	LOPEZ HECTOR
42	4006 ARANSAS	PEGRAM JOHN W &
43	4010 ARANSAS	BROWN POLK MARY LOUISE
44	4014 ARANSAS	POLK MARIAN L
45	4011 WESTMORELAND	MALDONADO LUCIO
46	4015 WESTMORELAND	CLINE DOROTHY MAE APT 507
47	4019 WESTMORELAND	HMK LTD
48	4027 WESTMORELAND	BUSSEY WILLIAM M
49	3927 DELHI	VELA MIGUEL
50	3923 DELHI	CAMPOS JUAN ANTONIO
51	3919 DELHI	REYES GONZALO & MARILIN
52	3915 DELHI	BENAVIDES VICTOR & CUELLAR PEDRO
53	3911 DELHI	LERMA EDY & CARMEN
54	3907 DELHI	DE LA LUZ RAMOS MARIA
55	4001 WESTMORELAND	CHAMBERS H & D LTD

**Monday, December 08, 2008**

Z089-123(WE)

Al Romero  
PO Box 870875  
Mesquite, TX 75150

Anthony Jones  
PO Box 0711  
Galveston, TX 77553

Betty Wadkins  
2843 Modesto Drive  
Dallas, TX 75227  
**ENZ089-123**

Bill Dahlstrom  
901 Main St., Ste 6000  
Dallas, TX 75202

Cindy Harris  
4310 Buena Vista #8  
Dallas, TX 75205

Clarence F Cope  
10404 Ferndale  
Dallas, TX 75238

Jane Guerrini  
7032 Lupton  
Dallas, TX 75225

Jeff Bosse  
PO Box 4738  
Dallas, TX 75208

Leanne Witek  
16660 N Dallas Pkwy #1200  
Dallas, TX 75248

Marcus Wood  
6060 N Central Expy Ste 333  
Dallas, TX 75206

Pam Conley  
901 N Madison Avenue  
Dallas, TX 75208

Rob Baldwin  
401 Exposition  
Dallas, TX 75226

Robert P. Garza  
412 E. Sixth St.  
Dallas, TX 75203

Sheryl Jean, Newsroom-Business  
508 Young St.  
Dallas, TX 75265

Steve Craft  
P O Box 542225  
Dallas, TX 75354

Steve Kim  
4318 Sexton Ln.  
Dallas, TX 75229

Alpha Testing, Inc  
Virginia Brown  
2209 Wisconsin St, Ste 100  
Dallas, TX 75229

Am. Metro/Study Corp  
Marque Nelson  
14881 Quorum Dr #400  
Dallas, TX 75240

Arborilogical Services, Inc.  
Bill Seaman  
16 Steel Rd.  
Wylie, TX 75098

Bluffview Homeowner  
Pat White  
4714 Wildwood  
Dallas, TX 75209

Dallas ISD  
Orlando Alameda  
3700 Ross Ave, Box 61  
Dallas, TX 75204

Dallas Planning Assoc  
Stuart Pully  
P O Box 781609  
Dallas, TX 75378

McGraw-Hill Construction  
Nancy Castillo  
9155 Sterling Dr. Ste 160  
Dallas, TX 75063

INCAP Fund  
Lauren Odell  
300 Crescent Court, Ste.1100  
Dallas, TX 75201

Jackson Walker  
Suzan Kedron  
901 Main St. #6000  
Dallas, TX 75202

Jackson Walker  
Jonathan Vinson  
901 Main St. #6000  
Dallas, TX 75202

Kiestwood Neighbors  
Neoma Shafer  
2538 W Kiest Blvd  
Dallas, TX 75233

Z078-208 (WE)  
Koons Real Estate Law  
James Schnurr  
3400 Carlisle St, #400  
Dallas, TX 75204

Lake Highlands AIA  
Terri Woods  
1516 San Saba Dr.  
Dallas, TX 75218

Law Office of R Albright  
Roger Albright  
3301 Elm St  
Dallas, TX 75226

Master Plan  
J Kimborough  
900 Jackson St  
Dallas, TX 75202

MetroStudy Corp  
Rebecca Webb  
14881 Quorum Dr #400  
Dallas, TX 75254

Micheal R Coker Co  
Michael R Coker  
2700 Swiss Ave. #100  
Dallas, TX 75209

Minyards Properties Inc  
Dennis O'Malley  
777 Freepoint Pkwy  
Coppell, TX 75019

N Pk Lovefied Comm Civic League  
Joyce Lockley  
4718 Wateka Dr.  
Dallas, TX 75209

PARC DU LAC  
Linda Sharp  
12126 Vendome Place  
Dallas, TX 75230

PWS Architects Inc.  
Phillip Shepherd  
4616 Abbott Ave  
Dallas, TX 75205

Quick Trip Co.  
Teri Dorazil  
14450 Trinity Blvd. #300  
Fort Worth, TX 76155

Robert Reeves & Assoc. Inc.  
Robert Reeves  
900 Jackson St, Suite 160  
Dallas, TX 75202

Signs Manufacturing  
William Watson  
4610 Mint Way  
Dallas, TX 75236

United HOA  
Thelma J. Norman  
2628 Blackstone Dr.  
Dallas, TX 75237

W.A.R.N.  
Tashia Moseley  
5353 Maple Ave. Ste. 200  
Dallas, TX 75235

Gabriel Camacho  
11002 Creekmere  
Dallas, TX 75218

Vicki Keene  
738 Cedar Hill Dr  
Dallas, TX 75208

Joseph Ryerson & Son  
James W Pilarski  
4606 Singleton Blvd  
Dallas, TX 75212

Ledbetter Coalition  
David Barrientos  
5414 Bernal Drive  
Dallas, TX 75212

W Dal Chamber of Commerce  
John Ward  
P O Box 224301  
Dallas, TX 75222

**ENZ089-123**



**AGENDA ITEM # 53**

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 14  
**DEPARTMENT:** Department of Development Services  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 45 L

**SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 1659 for an alcoholic beverage establishment use for a bar, lounge, or tavern within Planned Development District No. 619 for mixed uses, on the south side of Main Street, west of Ervay Street  
Recommendation of Staff and CPC: Approval for a two-year period, subject to a site plan and conditions  
Z089-124(WE)



**HONORABLE MAYOR AND CITY COUNCIL      WEDNESDAY, FEBRUARY 11, 2009**

**ACM: A. C. Gonzalez**

**FILE NUMBER:**                      Z089-124 (WE)                      **DATE FILED:**    November 26, 2008

**LOCATION:**                              South side of Main Street, west of Ervay Street

**COUNCIL DISTRICT:**    14                                      **MAPSCO:**            45- L

**SIZE OF REQUEST:**    Approx. 3,442 sq. ft.              **CENSUS TRACT:**    31.01

---

**APPLICANT:**                      John Eric Rockenbach

**OWNER:**                              Main Street, Ltd.

**REPRESENTATIVE:**    John Eric Rockenbach

**REQUEST:**                      An application for the renewal of Specific Use Permit No. 1659 for an alcoholic beverage establishment use for a bar, lounge, or tavern within Planned Development District No. 619 for mixed uses.

**SUMMARY:**                      The purpose of this request is to renew SUP No. 1659 and continue operating the bar, tavern or lounge in the basement level of the existing development.

**CPC RECOMMENDATION:**    Approval, for a two-year period, subject to a site plan and conditions

**STAFF RECOMMENDATION:**    Approval, for a two-year period, subject to a site plan and conditions

**BACKGROUND INFORMATION:**

- The applicant is requesting to renew Specific Use Permit No. 1659 in order to continue operating a bar, lounge or tavern. The request site is located within PDD No. 619 which requires an SUP for a bar, lounge or tavern use.
- Planned Development District No. 619 was created as a result of several public and private studies that developed retail strategies for the CBD area and promoted the downtown core as a “full time” activity area. Moreover, the goal was to encourage the development of retail and service uses in the area and create a mixed use urban activity center.
- On June 12, 2002, the City Council approved Planned Development District No. 619.
- On April 11, 2007, the City Council approved a Specific Use Permit for an alcoholic beverage establishment use limited to a bar, lounge, or tavern at this location for a two year period.
- There are no proposed changes to the original SUP conditions except to extend the time period.

**Zoning History:** There have been three zoning changes requested and two Board of Adjustment cases in the area.

1. Z012-137                      On April 24, 2002, the City Council approved an amendment to the Historic Overlay District on property zoned a CA-1(A) Central Area District CP Core Pedestrian Precinct on 1525 Main Street, 1520 Elm Street and Stone Place.
2. Z067-141                      On April 11, 2007, the City Council approved a Specific Use Permit for an alcoholic beverage establishment use limited to a bar, lounge, or tavern within Planned Development District No. 619 for mixed uses at 1608 Main Street.
3. Z089-104                      On January 28, 2009, the City Council approved an amendment to Planned Development District No. 619 for mixed uses to create a new Subdistrict on property generally bounded by Commerce Street, Browder Street, Jackson Street and Field Street.

- 4. B023-054            On June 22, 2004, the Board of Adjustment Panel A approved a variance of 13 parking spaces and a variance to the off-street parking requirements at 1524 Main Street and 1530 Main Street.
  
- 5. B034-181            On March 14, 2003, the Board of Adjustment Panel A approved a variance of 3 parking spaces and 1 loading space to the parking and loading requirements at 1520 - 1522 Main Street.

**Note:** On August 9, 2006, the City Council approved a Specific Use Permit for an Alcoholic Beverage Establishment use for a bar, lounge, or tavern on property zoned Planned Development District No. 619 for mixed uses with Historic Overlay No. 87. The SUP was amended on December 13, 2006. This property is approximately 1-1/2 blocks west of the request site.

**Thoroughfares/Streets:**

Thoroughfare/Street	Type	Existing ROW	Proposed ROW
Main Street	Local Street	80 ft.	80 ft.
Ervay Street	Local Street	50 ft.	50 ft.

**Land Use:**

	Zoning	Land Use
<b>Site</b>	PDD No. 619	Bar, Lounge & Tavern
<b>North</b>	PDD No. 619	Retail, Multifamily, Restaurant
<b>South</b>	PDD No. 619	Retail, Restaurant, Residential
<b>East</b>	PDD No. 619	Retail
<b>West</b>	PDD No. 619	Retail, Off-street parking

**COMPREHENSIVE PLAN:** The *fowardDallas! Comprehensive Plan* was adopted by the City Council in June 2006, and recommends the following goals and policies. The applicant’s proposal for an SUP meets the goals in the *fowardDallas! Comprehensive Plan* as it relates to business expansion and retention within the downtown area.

**Land Use:**

**Goal 1.1** Align Land Use strategies with economic development priorities.

Policy 1.1.3 Build a dynamic and expanded Downtown

**Economic Development:**

**Goal 2.3** Build a dynamic and expanded downtown

Policy 2.3.1 Restore Downtown Dallas as the economic and cultural heart of North Central Texas

**STAFF ANALYSIS:**

**Land Use Compatibility:** The request site is located within an existing multi-tenant structure on Main Street. The site is contiguous to a variety of mixed uses, which consist of retail, multifamily, restaurant and off-street parking uses. The applicant is requesting renewal of Specific Use Permit No. 1659 to continue operating a bar, lounge or tavern within Planned Development District No 619. The PDD specifically requires a SUP for an alcoholic beverage establishment use when that use is located below street level. The size of the proposed bar, lounge or tavern contains approximately 3,442 square feet of floor area, which includes the staircase. Ingress and egress to the site will be located from an existing covered breezeway, which is known as the “Main Street Alley”.

The Specific Use Permit will extend from the staircase to the proposed bar, lounge, or tavern on the basement level. There are no additional changes from the original Specific Use Permit ordinance that was approved by City Council in Aril, 2007. The existing alcoholic beverage establishment use for a bar, lounge or tavern will continue to reinforce the overall intent of PDD No. 619 in the downtown area. Planned Development District No. 619 was created to encourage the “development of retail and service uses” and “create a mixed use urban activity center.”

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The request does not appear to have an adverse impact on the surrounding zoning and land uses.

**Development Standards:**

DISTRICT	SETBACKS		Density	Height	Lot Coverage	Special Standards	PRIMARY Uses
	Front	Side/Rear					
PDD No. 619 Central area	0'	0'	20.0 FAR	Any legal height	100%	75% of street frontage retail	Retail, Office High Density Residential

**Landscaping:** Landscape in this district must comply with all landscaping requirements set forth for the CA-1(A) District, and should be consistent with any design guidelines for the district approved by the council.

**Traffic:** The Engineering Section of the Department Development Services has reviewed the request and determined that it will not impact the surrounding street system for the proposed development.

**CPC Action** (January 8, 2009)

**Motion:** It was moved to recommend **approval** of the renewal of Specific Use Permit No. 1659 for an alcoholic beverage establishment use for a bar, lounge, or tavern for a two-year period, subject to a site plan and conditions within Planned Development District No. 619 for mixed uses, on the south side of Main Street, west of Ervay Street.

Maker: Gary  
Second: Rodgers  
Result: Carried: 13 to 0

For: 13 - Prothro, Gary, Davis, Rodgers, Lozano,  
Bagley, Lavallaisaa, Weiss, Lueder, Buehler,  
Ekblad, Emmons, Alcantar

Against: 0  
Absent: 1 - Wolfish  
Vacancy: 1 - District 2

**Notices:** Area: 200 Mailed: 31  
**Replies:** For: 0 Against: 0

**Speakers:** None

**LIST OF OFFICERS**

**Main Street Investors Joint Venture**

Thomas W. Taylor – Partner (50%)

John C. Tatum – Partner (50%)

**Main Street Alley, Ltd.**

Thomas W. Taylor – Partner (50%)

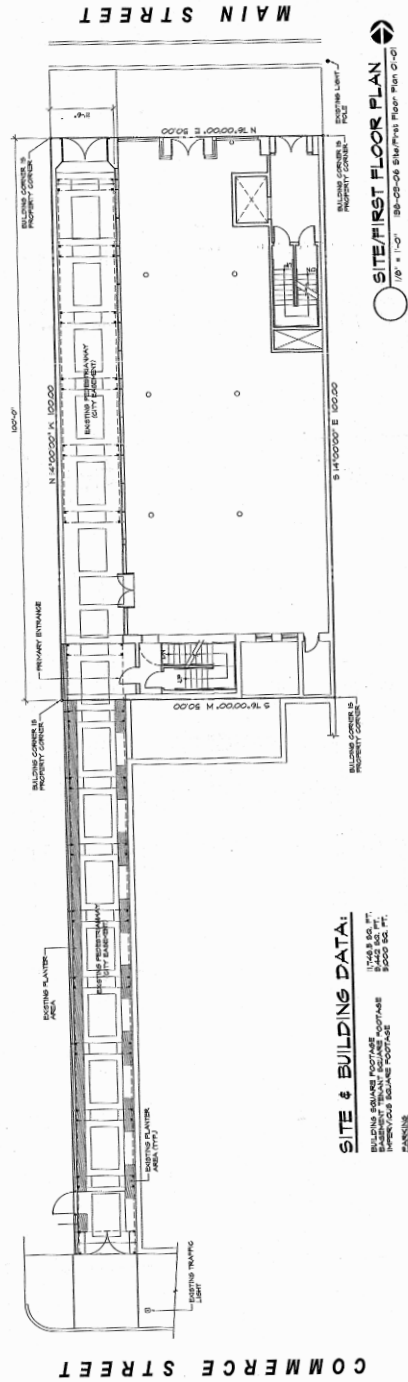
John C. Tatum – Partner (50%)



**CPC RECOMMENDED CONDITIONS**

1. USE: The only use authorized by this specific use permit is an alcoholic beverage establishment limited to a bar, lounge, or tavern. The staircase connecting the bar, lounge or tavern to the street level is part of this specific use permit.
2. SITE PLAN: Use and development of the Property must comply with the attached site plan.
3. TIME LIMIT: This specific use permit shall automatically terminate on (two years from the passage of this ordinance).
4. LANDSCAPING: Landscaping must comply with landscaping requirements for Planned Development District No. 619. Plant materials must be maintained in a healthy, growing condition.
5. FLOOR AREA: The maximum floor area is 3,666 square feet including the square footage of the staircase that connects the bar, lounge, or tavern to the street level.
6. HOURS OF OPERATION: The bar, lounge, or tavern may only operate between 8:00 p.m. and 2:00 a.m. the next day, Tuesday through Saturday.
7. MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.
8. GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

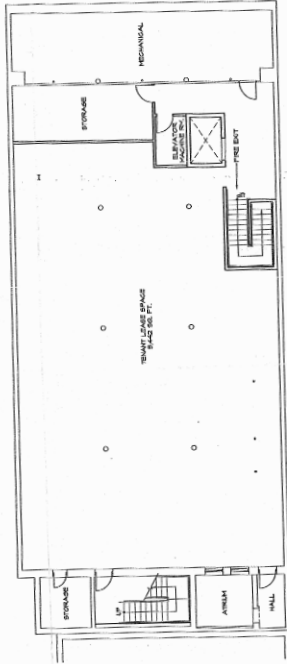
# PROPOSED SITE PLAN



**SITE & BUILDING DATA:**

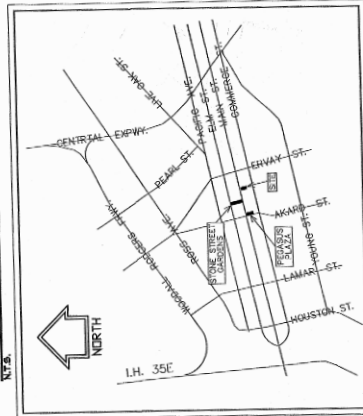
17,750 SQ. FT.  
 BUILDING SQUARE FOOTAGE 17,750 SQ. FT.  
 INTERLOCK SQUARE FOOTAGE 5,000 SQ. FT.  
 MARKING  
 LANDINGS TO BE REQUIRED  
 NO TREES LOCATED ON PROPERTY

SITE/FIRST FLOOR PLAN  
 1/8" = 1'-0" 38'-00-00 814-1141 Floor Plan C-03



BASEMENT PLAN  
 1/8" = 1'-0" 38'-00-00 814-1141 Basement Plan C-03

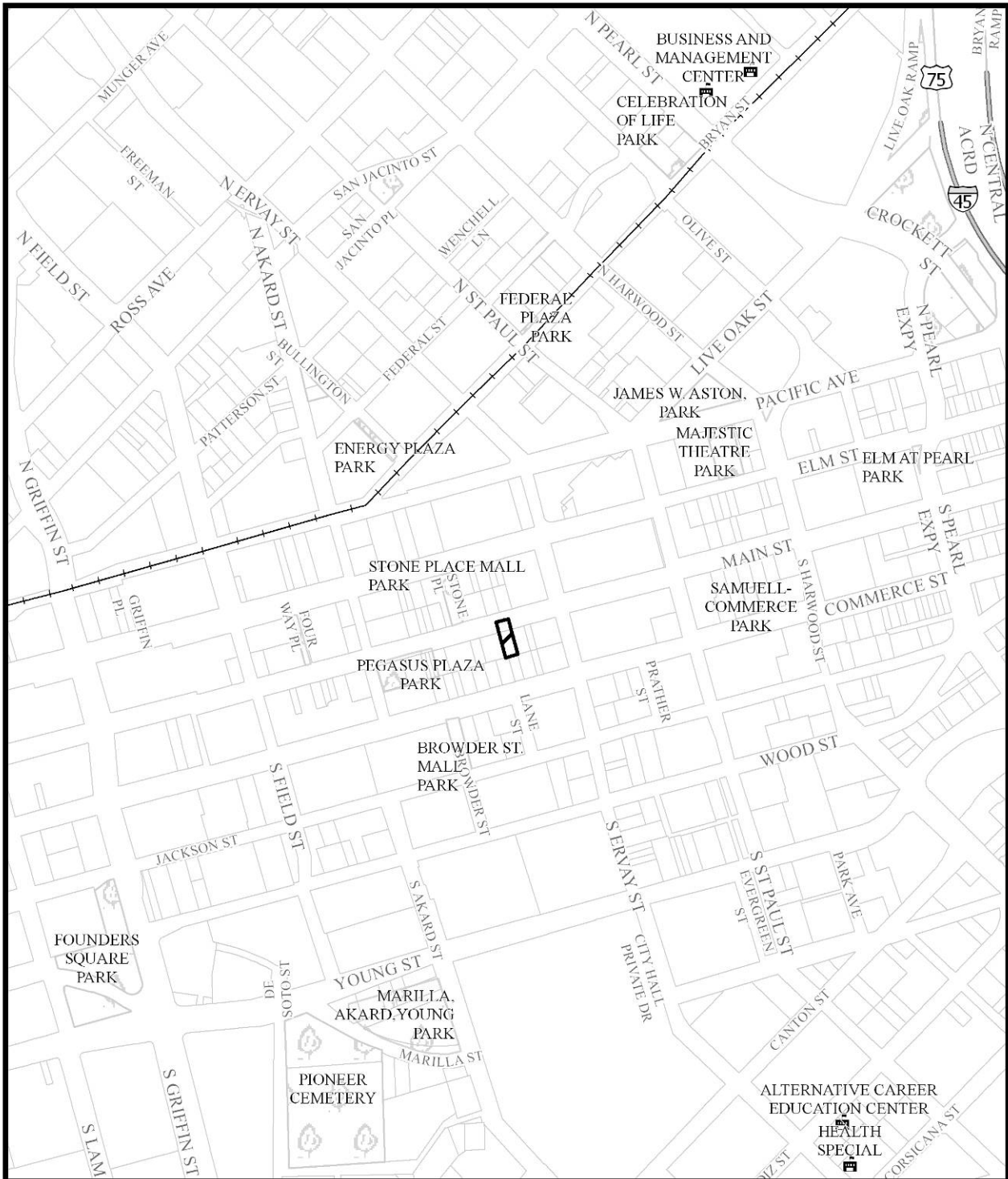
**VICINITY MAP:**




Zoning Case No. **Z067-141**

SITE PLAN	
1608 MAIN STREET	
Dallas, Dallas County, TEXAS	
<b>Selzer ASSOCIATES</b>	
454 Texas Blvd., Suite 201, Dallas, Texas 75202	
DATE	1/11/07
SCALE	AS SHOWN
BY	1308-03-04
NO.	1 of 1

Z067-141



  
1:6,000

# VICINITY MAP

Map no:           J-7            
Case no:           Z089-124 WE

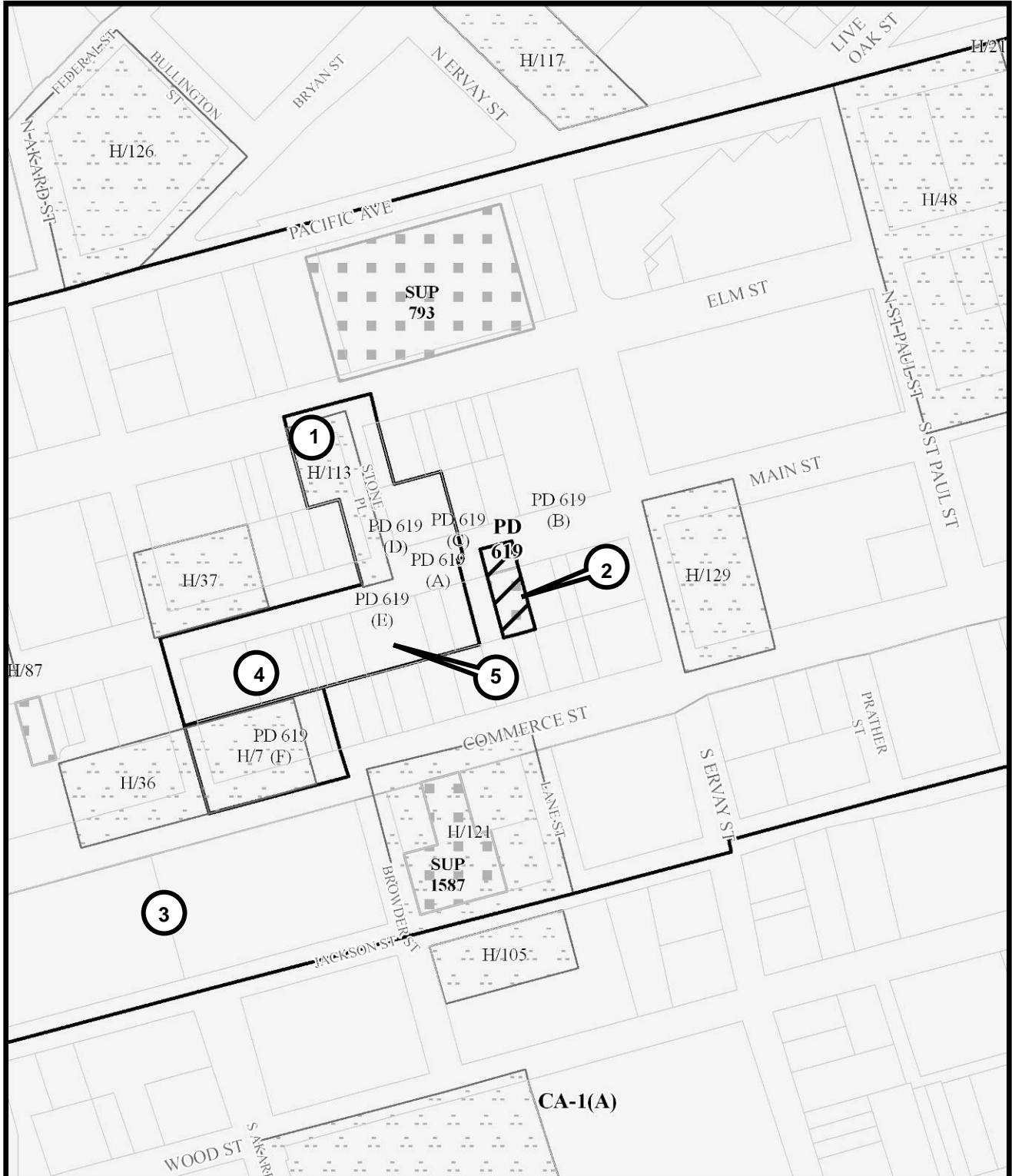


1:2,400

# ZONING AND LAND USE

Map no: J-7

Case no: Z089-124 WE



↑  
1:2,400

# ZONING HISTORY

Map no:           J-7            
Case no:           Z089-124 WE

**CPC RESPONSES**



<b>31</b>	Property Owners Notified (30 parcels)
<b>0</b>	Replies in Favor (0 parcels)
<b>0</b>	Replies in Opposition (0 parcels)
<b>200'</b>	Area of Notification
<b>01/08/2009</b>	Date

**Z089-124 (J-7)**  
**CPC**



**1:2,400**

## **Notification List of Property Owners**

### **Z089-124**

#### **31 Property Owners Notified**

<b>Label #</b>	<b>Address</b>	<b>Owner</b>
1	1608 MAIN	MAIN STREET ALLEY LTD
2	1521 MAIN	GORMAN THOMAS BISHOP OF ROMAN
3	1600 ELM	WALKER JAMES
4	1606 ELM	CHARALAMBOPOULOS FAY
5	1607 MAIN	TEXAS PRAETORIAN LLC SUITE 200
6	1623 MAIN	FC WP BUILDING LLC
7	1614 ELM	DALLAS MAIN STREET DEV % RITA SCARFO PRES
8	1612 ELM	FINO MOUSA A LLC
9	1610 ELM	WALKER JIMMY A
10	1611 MAIN	FC QP BUILDING LLC
11	1615 MAIN	DALLAS MAIN ST DEV LLC % RUTA SCARFO
12	1603 COMMERCE	NEIMAN MARCUS CO LESSEE ATTN: GEORGE A RAWLINGS
13	1603 COMMERCE	NEIMAN MARCUS CO ATTN: GEORGE A RAWLINGS
14	1511 COMMERCE	WESTMOUNT PLAZA LTD SUITE 616
15	1600 MAIN	WISCHKOWSKY CAMILLA
16	1600 MAIN	WISCHKOWSKY GEORGE
17	1600 MAIN	WISCHKOWSKY RICHARD
18	1600 MAIN	CLARK AGATHA R ESTATE % JAMES R LEH
19	1600 MAIN	RUSSO VIRGINIA M
20	1600 MAIN	LEH ANN R
21	1600 MAIN	RUSSO JANE M
22	1505 COMMERCE	WESTMOUNT PLAZA LTD STE 616
23	1523 COMMERCE	PACIFICO PARTNERS LTD STE A205
24	1525 COMMERCE	POLLOCK ROBERT ETAL ATTN: GEORGE A RAWLINGS
25	1607 COMMERCE	ROGERS WILLIAM S ETAL ATTN: GEORGE A RAWLINGS
26	1609 COMMERCE	NEIMAN MARCUS GROUP INC ATTN: GEORGE A

**Monday, December 08, 2008**

Z089-124 (WE)

Al Romero  
PO Box 870875  
Mesquite, TX 75150

Anthony Jones  
PO Box 0711  
Galveston, TX 77553

Betty Wadkins  
2843 Modesto Drive  
Dallas, TX 75227  
**ENZ089-124**

Bill Dahlstrom  
901 Main St., Ste 6000  
Dallas, TX 75202

Cindy Harris  
4310 Buena Vista #8  
Dallas, TX 75205

Clarence F Cope  
10404 Ferndale  
Dallas, TX 75238

Jane Guerrini  
7032 Lupton  
Dallas, TX 75225

Jeff Bosse  
PO Box 4738  
Dallas, TX 75208

Leanne Witek  
16660 N Dallas Pkwy #1200  
Dallas, TX 75248

Marcus Wood  
6060 N Central Expy Ste 333  
Dallas, TX 75206

Pam Conley  
901 N Madison Avenue  
Dallas, TX 75208

Rob Baldwin  
401 Exposition  
Dallas, TX 75226

Robert P. Garza  
412 E. Sixth St.  
Dallas, TX 75203

Sheryl Jean, Newsroom-Business  
508 Young St.  
Dallas, TX 75265

Steve Craft  
P O Box 542225  
Dallas, TX 75354

Steve Kim  
4318 Sexton Ln.  
Dallas, TX 75229

Alpha Testing, Inc  
Virginia Brown  
2209 Wisconsin St, Ste 100  
Dallas, TX 75229

Am. Metro/Study Corp  
Marque Nelson  
14881 Quorum Dr #400  
Dallas, TX 75240

Arborilogical Services, Inc.  
Bill Seaman  
16 Steel Rd.  
Wylie, TX 75098

Bluffview Homeowner  
Pat White  
4714 Wildwood  
Dallas, TX 75209

Dallas ISD  
Orlando Alameda  
3700 Ross Ave, Box 61  
Dallas, TX 75204

Dallas Planning Asoc  
Stuart Pully  
P O Box 781609  
Dallas, TX 75378

McGraw-Hill Construction  
Nancy Castillo  
9155 Sterling Dr. Ste 160  
Dallas, TX 75063

INCAP Fund  
Lauren Odell  
300 Crescent Court, Ste.1100  
Dallas, TX 75201

Jackson Walker  
Suzan Kedron  
901 Main St. #6000  
Dallas, TX 75202

Jackson Walker  
Jonathan Vinson  
901 Main St. #6000  
Dallas, TX 75202

Kiestwood Neighbors  
Neoma Shafer  
2538 W Kiest Blvd  
Dallas, TX 75233



Z089-124 (WE)

Koons Real Estate Law  
James Schnurr  
3400 Carlisle St, #400  
Dallas, TX 75204

Lake Highlands AIA  
Terri Woods  
1516 San Saba Dr.  
Dallas, TX 75218

Law Office of R Albright  
Roger Albright  
3301 Elm St  
Dallas, TX 75226

Master Plan  
J Kimborough  
900 Jackson St  
Dallas, TX 75202

MetroStudy Corp  
Rebecca Webb  
14881 Quorum Dr #400  
Dallas, TX 75254

Micheal R Coker Co  
Michael R Coker  
2700 Swiss Ave. #100  
Dallas, TX 75209

Minyards Properties Inc  
Dennis O'Malley  
777 Freeport Pkwy  
Coppell, TX 75019

N Pk Lovefied Comm Civic League  
Joyce Lockley  
4718 Wateka Dr.  
Dallas, TX 75209

PARC DU LAC  
Linda Sharp  
12126 Vendome Place  
Dallas, TX 75230

PWS Architects Inc.  
Phillip Shepherd  
4616 Abbott Ave  
Dallas, TX 75205

Quick Trip Co.  
Teri Dorazil  
14450 Trinity Blvd. #300  
Fort Worth, TX 76155

Robert Reeves & Assoc. Inc.  
Robert Reeves  
900 Jackson St, Suite 160  
Dallas, TX 75202

Signs Manufacturing  
William Watson  
4610 Mint Way  
Dallas, TX 75236

United HOA  
Thelma J. Norman  
2628 Blackstone Dr.  
Dallas, TX 75237

W.A.R.N.  
Tashia Moseley  
5353 Maple Ave. Ste. 200  
Dallas, TX 75235

Alan Pierce  
3912 Cedar Springs  
Dallas, TX 75219

Allen W. Rubin  
2714 Turtle Creek Circle  
Dallas, TX 75219

Bryan K. Haywood  
City Hall, Rm. 2CN  
Dallas, TX 75201  
**ENZ089-124**

Cullen Rogers  
3030 McKinney Ave. #2001  
Dallas, TX 75204

Jeannie Ball  
3030 McKinney Ave. #906  
Dallas, TX 75204

Jeri Arbuckle  
4800 Victor St.  
Dallas, TX 75246

Laura French  
3856 W Beverly  
Dallas, TX 75209

Margaret L Ray  
3211 Cherrywood  
Dallas, TX 75235

Megan P Bryant  
1010 Allen St. #214  
Dallas, TX 75204

Pam Veshia  
City Hall, Rm. 2CN  
Dallas, TX 75201

Vicki Keene  
738 Cedar Hill Dr  
Dallas, TX 75208

Bryan Place NA  
Sonali Patnaik  
928 Pavillion St  
Dallas, TX 75204

Z089-124 (WE)

Bryan Place NA  
Christopher R Craig  
1540 McCoy Street  
Dallas, TX 75204

Bryan Place NA  
Drake Frazier  
3112 Trevolle Place  
Dallas, TX 75204

Cedars NA  
Eric Anderson  
7329 Lakehurst Ave.  
Dallas, TX 75230

Cochran Heights  
Hector Garcia  
3601 Turtle Creek Blvd #901  
Dallas, TX 75219

Crime Watch VIP  
Sandra Graham  
4203 Junius St.  
Dallas, TX 75246

Downtown Dallas  
Jim Wood  
1412 Main #2500  
Dallas, TX 75202

Friends of the Katy Trail  
Eric Van Steenburg  
3523 McKinney Ave, PMB 441  
Dallas, TX 75204

Harwood International, Inc.  
Julie Morris  
2828 N Harwood, Suite 1600  
Dallas, TX 75201

Harwood International, Inc.  
Jerry Jackson  
2828 N Harwood, Suite 1600  
Dallas, TX 75201

Junius Heights HOA  
Kara Kunkel  
5527 Tremont Street  
Dallas, TX 75214

La Tour HA  
Hanne Klein  
3030 McKinney Ave. #502  
Dallas, TX 75204

Lower Greenville Assoc  
Chuck Cole  
5820 Penrose Ave  
Dallas, TX 75206

Meadows Foundation, Inc.  
Robert Weiss, V.P Admin.  
3003 Swiss Ave.  
Dallas, TX 75209

Old E Dallas Renaissance  
Rick Leggio  
4503 Reiger Avenue  
Dallas, TX 75246

Orion Real Estate Group  
Bill Lamm  
PO Box 540021  
Dallas, TX 75354

Preston Hollow Asso  
M Thomas Lardner  
5811 Redwood Court  
Dallas, TX 75209

Raleigns-Hall Group  
Frank M Stick  
4224 N Hall St  
Dallas, TX 75219

Swiss Ave Hist Dist Assn  
V. McAlester/D. Savage  
5703 Swiss Avenue  
Dallas, TX 75214

Thompson & Knight, LLP  
Laurie Infante  
1700 Pacific Ave, Ste. 3300  
Dallas, TX 75201

Urban Pioneers  
Marian Gibson  
4940 Worth Street  
Dallas, TX 75214

**ENZ089-124**

**AGENDA ITEM # 54**

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 14  
**DEPARTMENT:** Department of Development Services  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 45 B

**SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development Subdistrict for an Animal clinic with outside run, Kennel with outside run, and LC Light Commercial Subdistrict Uses on property zoned an LC Light Commercial District Subdistrict within Planned Development District No. 193, the Oak Lawn Special Purpose District, on the northwest corner McKinney Avenue and Sneed Street with consideration being given to permitting the requested animal clinic with outside run and kennel with outside run by specific use permit

Recommendation of Staff: Denial

Recommendation of CPC: Approval, subject to a development plan and conditions  
Z078-239(RB)

Note: This item was considered by the City Council at a public hearing on January 14, 2009, and was taken under advisement until February 11, 2009, with the public hearing open.



**FILE NUMBER:** Z078-239(RB)

**DATE FILED:** May 28, 2008

**LOCATION:** McKinney Avenue and Sneed Street, Northwest Corner

**COUNCIL DISTRICT:** 14

**MAPSCO:** 45 B

**SIZE OF REQUEST:** Approx. 19,776 Sq. Ft.

**CENSUS TRACT:** 18

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**APPLICANT:** Marvin V. Cannon, Representative and Owner

**REQUEST:** An application for a Planned Development Subdistrict for an Animal clinic with outside run, Kennel with outside run, and LC Light Commercial Subdistrict Uses on property zoned an LC Light Commercial Subdistrict within Planned Development District No. 193, the Oak Lawn Special Purpose District. Consideration will also be given to permitting the requested animal clinic with outside run and kennel with outside run by specific use permit.

**SUMMARY:** The applicant is proposing to add an outside run component to the existing veterinarian office.

**CPC RECOMMENDATION:** Approval, subject to a development plan and conditions.

**STAFF RECOMMENDATION:** Denial.

**BACKGROUND INFORMATION:**

- The request site consists of a one-story structure that is currently utilized as an animal clinic. The property includes two off-street parking areas; one parallel to McKinney Avenue and one along the west façade with access from Sneed Street.
- The applicant is requesting a PDS to add the animal clinic with outside run and kennel with outside run uses while retaining the LC Subdistrict uses and standards.

**Zoning History:** There has been no recent zoning activity in the immediate area relevant to the request

<b><u>Thoroughfare/Street</u></b>	<b><u>Existing &amp; Proposed ROW</u></b>
McKinney Avenue	Minor Arterial; 60' & 60' ROW
Sneed Street	Local; 45' ROW

**STAFF ANALYSIS**

**Area Plans:**

The Oak Lawn Special Purpose District and the Oak Lawn Plan include the following objectives:

- (1) To achieve buildings more urban in form.
- (2) To promote and protect an attractive street level pedestrian environment with continuous street frontage activities in retail areas.
- (3) To encourage the placement of off-street parking underground or within buildings similar in appearance to non-parking buildings.
- (4) To promote development appropriate to the character of nearby neighborhood uses by imposing standards sensitive to scale and adjacency issues.
- (5) To use existing zoned development densities as a base from which to plan, while providing bonuses to encourage residential development in commercial areas.
- (6) To discourage variances or zoning changes which would erode the quantity or quality of single-family neighborhoods, or would fail to adhere to the standards for multiple-family neighborhoods and commercial areas.
- (7) To promote landscape/streetscape quality and appearance.

The applicant's request will not alter the existing physical structure other than the addition of an outside run. Due to adjacent residential uses, the characteristics associated with the outside run are counter to No. 4. The remaining above referenced items are not applicable to the request.

**Comprehensive Plan:**

The applicant is proposing to add the outside run component to compliment the existing animal clinic use. Other than the outside run component, no other improvements are being proposed. Due to adjacent residential uses and to a certain degree, the close proximity of the public elementary school across Sneed Street, the characteristics of the proposed use could affect these uses.

For these reasons, the request is not in compliance with the Urban Design Element outlined in forwardDallas!

GOAL 5.1 Promote a sense of place, safety, and walkability

Policy 5.1.3 Encourage complementary building height, scale, design and character.

**Land Use Compatibility:** The request site consists of a one-story structure that is currently utilized as an animal clinic. The property includes two off-street parking areas; one parallel to McKinney Avenue and one along the west façade with access from Sneed Street.

Surrounding land use consists of medium to high density residential to the west and east, with office/structured parking to the north and PDS No. 45 (Travis Elementary) to the south across Sneed Street.

The existing animal clinic is allowed under the existing LC Subdistrict. The addition of the outside run is a concern to staff in that the noise associated with the use can negatively impact the residential character and to a certain degree, the outside activities associated with the adjacent school.

For this reason, staff cannot support the applicant's request. Should the City Council be inclined to support the request, staff would recommend the requested uses be permitted by Specific Use Permit regulated by a site plan and conditions inclusive of a defined time period (with or without eligibility for automatic renewal).

**Traffic:** The Engineering Section of the Building Inspection Division of the Department of Development Services has reviewed the request and determined it will not significantly impact the surrounding street system.

**Off-Street Parking:** The proposed use requires one off-street space for each 300 square feet of floor area. The applicant is proposing 21 spaces, while the use requires 24 spaces. Staff has not seen any alternatives to address the three parking space deficiency. It should be noted that additional spaces could be provided between the eastern façade and the McKinney Avenue property line as well as utilizing a provision within PDD No. 193 that give a one-space credit (maximum of two spaces) for each dumpster that meets the required setback and landscape provisions of the PDD.

**Landscaping:** The site possesses mature landscaping that was provided during development of the property. The applicant’s request does not trigger a requirement for additional landscaping, nor is staff recommending any.

**CPC ACTION**

(November 13, 2008)

**Motion:** It was moved to recommend **approval** of a Planned Development District for an Animal clinic with outside run, Kennel with outside run, and LC Light Commercial Subdistrict Uses, subject to a development plan and applicant’s conditions on property zoned an LC Light Commercial Subdistrict within Planned Development District No. 193, the Oak Lawn Special Purpose, on the northwest corner of McKinney Avenue and Sneed Street with the following additions: To ensure the health, safety and welfare of the community, compatibility with the surrounding land uses, and to reduce noise, the maximum number of dogs permitted in the outside run at any one time is six and two in the not-well dog run, employee must be in attendance at all times at the outside dog run when occupied by any number of dogs with the development plan and conditions to return on a future miscellaneous docket.

Maker: Emmons  
Second: Lueder  
Result: Carried: 13 to 0

For: 13 - Prothro, Gary, Davis, Rodgers, Lozano, Bagley, Lavallaisaa, Lueder, Buehler, Wolfish, Ekblad, Emmons, Alcantar

Against: 0  
Absent: 1 - Weiss  
Vacancy: 1 - District 2

**Notices:** Area: 500 Mailed: 288  
**Replies:** For: 0 Against: 168



**Speakers:** For: Marvin Cannon, 3101 McKinney Ave., Dallas, TX, 75204  
Mary Rawlins, 3610 Congress Ave., Dallas, TX, 75219  
Adria Gonzales, 14223 Reissen Ln., Houston, TX, 77069  
Cathi Wood, 5027 Stoneleigh Ave., Dallas, TX, 75235  
Marlynn Burgess, 9569 Ash Creek Dr., Dallas, TX, 75228  
Elizabeth Brant, 2305 Worthington St., Dallas, TX, 75204

Against: Roger Albright, 3301 Elm St., Dallas, TX, 75226  
Barry Knight, 5400 Renaissance Tower, Dallas, TX, 75270  
Matt Didyk, 2001 Stonemont Ct., Allen, TX, 75013  
James Batchelor, 3030 McKinney Ave., Dallas, TX, 75204  
Stella DiPasqua, 3030 McKinney Ave., Dallas, TX, 75204  
Hanne Klein, 3030 McKinney Ave., Dallas, TX, 75204  
Danny Horan, 9005 Gunnison Dr., Dallas, TX, 75231  
Ray Green, 3030 McKinney Ave., Dallas, TX, 75204  
Marla McDonald, 3030 McKinney Ave., Dallas, TX, 75204  
Alphonso DiPasqua, 3030 McKinney Ave., Dallas, TX, 75204  
Dolores Rogers, 3030 McKinney Ave., Dallas, TX, 75204

Against (Did not speak): Jack L. Klein, 3030 McKinney Ave., Dallas, TX, 75204  
Leslie Brosi, 3030 McKinney Ave., Dallas, TX, 75204  
Lynette Batchelor, 3030 McKinney Ave., Dallas, TX, 75204

(November 20, 2008)

**Motion:** It was moved to **approve** the development plan and conditions submitted in conjunction with an application for a Planned Development Subdistrict for an Animal clinic with outside run, Kennel with outside run, and LC Light Commercial Subdistrict Uses on property zoned an LC Light Commercial Subdistrict within Planned Development District No. 193, the Oak Lawn Special Purpose, on the northwest corner of McKinney Avenue and Sneed Street.

Maker: Emmons  
Second: Wolfish  
Result: Carried: 14 to 0

For: 14 - Prothro, Gary, Davis, Rodgers, Lozano,  
Bagley, Lavallaisaa, Weiss, Lueder, Buehler,  
Wolfish, Ekblad, Emmons, Alcantar

Against: 0  
Absent: 0  
Vacancy: 1 - District 2

**Speakers:** None

List of Partners/Principals/Officers

For Planned Development Sub-District request within PD 193 located at the northwest corner of McKinney Avenue and Sneed Street, Block 17/965. 3101 McKinney Avenue.

Property Owners:

3101 McKinney Ave

Cannon Properties LP

Corporate Office  
2727 Oak Lawn Ave  
Dallas, TX 75219

Alternate Address  
3335 University Park Lane  
Irving, TX 75062

Marvin V. Cannon, Managing Partner  
Leah M. Cannon, Limited Partner

2078-239

**CPC RECOMMENDED CONDITIONS**

**“DIVISION S**

**PD SUBDISTRICT**

**SEC. S- \_\_\_\_ .101. LEGISLATIVE HISTORY.**

PD Subdistrict \_\_\_\_ was established by Ordinance No. \_\_\_\_\_, passed by the Dallas City Council on \_\_\_\_\_.

**SEC. S- \_\_\_\_ .102. PROPERTY LOCATION AND SIZE.**

PD Subdistrict \_\_\_\_ is established on property located at the northwest corner of McKinney Avenue and Sneed Street. The size of PD Subdistrict \_\_\_\_ is approximately 19,776 square feet.

**SEC. S - \_\_\_\_ .103. DEFINITIONS AND INTERPRETATIONS.**

(a) Unless otherwise stated, the definitions and interpretations in Chapter 51 and in Part I of this article apply to this division. If there is a conflict, this division controls. In the event of a conflict between Chapter 51 and Part I of this article, Part I of this article controls.

(b) In this division, SUBDISTRICT means a Subdistrict of PD 193.

(c) Unless otherwise stated, all references to articles, divisions, or sections in this article are to articles, divisions, or sections in Chapter 51.

(d) This subdistrict is considered to be a nonresidential zoning district.

**SEC. S- \_\_\_\_ .104. EXHIBIT.**

The following exhibit is incorporated into this article: Exhibit \_\_\_\_A: development plan.

**SEC. S - \_\_\_\_ .105. DEVELOPMENT PLAN.**

(a) For an animal clinic with outside run, development and use of the Property must comply with the development plan (Exhibit \_\_\_\_A). If there is a conflict between the text of this division and the development plan, the text of this division controls.

(b) For all other uses, no development plan is required and the provisions of Section 51A-4.701 regarding submission of or amendments to a development plan, site analysis plan, development schedule, and landscape plan do not apply.

**SEC. S - \_\_\_\_\_.106. MAIN USES PERMITTED.**

(a) Except as provided in this section, the only main uses permitted in this subdistrict are those main uses permitted in the LC Light Commercial Subdistrict, subject to the same conditions applicable in the LC Light Commercial Subdistrict, as set out in Part I of this article. For example, a use permitted in the LC Light Commercial Subdistrict only by specific use permit (SUP) is permitted in this subdistrict only by SUP; a use subject to development impact review (DIR) in the LC Light Commercial Subdistrict is subject to DIR in this subdistrict; etc.

(b) The following additional uses are permitted:

- Animal clinic with outside run.
- Kennel with outside run. [Limited to boarding only.]

(c) The following uses are prohibited:

- Airport or landing field.
- Amateur communication tower.
- Bar, lounge, or tavern.
- Car wash.
- Inside commercial amusement,
- Commercial parking lot or garage.
- Commercial radio or television transmitting station.
- Dance hall.
- Liquor store.
- Passenger bus station and terminal.
- Private club.
- Service station.
- Sewage pumping station.
- Sewage treatment plant.
- Water reservoir, well, or pumping station.
- Water treatment plant.

**SEC. S - \_\_\_\_\_.107.            ACCESSORY USES.**

As a general rule, an accessory use is permitted in any subdistrict in which the main use is permitted. Some specific accessory uses, however, due to their unique nature, are subject to additional regulations in Section 51P-193.108, Accessory Uses. For more information regarding accessory uses, consult Section 51P-193.108.

**SEC. S - \_\_\_\_\_.108.            YARD, LOT, AND SPACE REGULATIONS.**

(Note: The yard, lot, and space regulations in this section must be read together with the yard, lot, and space regulations in Part I of this article. If there is a conflict, between this section and Part I of this article, this section controls.)

(a) In general. Except as provided in this section, the yard, lot, and space regulations of the LC Light Commercial Subdistrict apply.

(b) Front yard. For an animal clinic with outside run and a kennel with outside run, minimum front yard on McKinney Avenue is 37 feet and minimum front yard on Sneed Street is nine feet.

(c) Side yard. For an animal clinic with outside run and a kennel with outside run, no side yard is required on McKinney Avenue; minimum side yard on Sneed Street is 42 feet.

(d) Floor area. For an animal clinic with outside run and a kennel with outside run limited to boarding, maximum floor area is 7,056 square feet located as shown on the development plan.

**SEC. S - \_\_\_\_\_.109.            OFF-STREET PARKING AND LOADING.**

(a) Except as provided in this section, consult Part I of this article for the specific off-street parking and loading requirements for each use.

(b) For an animal clinic with outside run and a kennel with outside run, off-street parking must be provided in the location shown on the development plan.

**SEC. S - \_\_\_\_\_.110.            ENVIRONMENTAL PERFORMANCE STANDARDS.**

See Article VI.

**SEC. S - \_\_\_\_\_.111. LANDSCAPING.**

(a) For an animal clinic with outside run, landscaping must comply with the development plan (Exhibit A).

(b) For all other uses, landscaping and screening must be provided in accordance with Part I of this Article.

(c) All plant materials must be maintained in a healthy, growing condition.

**SEC. S - \_\_\_\_\_.112. SIGNS.**

Signs must comply with the provisions for business zoning districts in Article VII.

**SEC. S - \_\_\_\_\_.113. ADDITIONAL PROVISIONS.**

(a) In general.

(1) The Property must be properly maintained in a state of good repair and neat appearance.

(2) Development and use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the city.

(3) Except as otherwise provided in this division or shown on the development plan, development and use of the Property must comply with Part I of this article.

(b) Animal clinic with outside run and a kennel with outside run.

(1) The outside run areas must be located as shown on the development plan and the maximum outside run area is:

(A) For Outside Run A, 395 square feet.

(B) For Outside Run B, 160 square feet.

(2) The outside run area may only operate between 7:00 a.m. and 7:00 p.m., Monday through Sunday.

(3) To ensure the healthy, safety, and welfare of the community, compatibility with surrounding land uses, and to reduce noise:

(A) the maximum number of animals permitted at any one time is six for Outside Run A and two for Outside Run B; and

(B) an attendant must be present anytime an animal is in an outside run.

**SEC. S - \_\_\_\_\_.114. COMPLIANCE WITH CONDITIONS.**

(a) All paved areas, permanent drives, streets, and drainage structures, if any, must be constructed in accordance with standard city specifications, and completed to the satisfaction of the director of public works and transportation.

(b) The building official shall not issue a building permit to authorize work, or a certificate of occupancy to authorize the operation of a use, in this district until there has been full compliance with this article, the Dallas Development Code, the construction codes, and all other ordinances, rules, and regulations of the City of Dallas.

**SEC. S - \_\_\_\_\_.115. ZONING MAP.**

PD Subdistrict \_\_\_\_ is located on Zoning Map No. I-7.

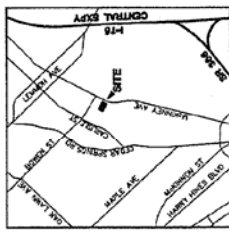
**SITE DATA**

USE: ANIMAL CLINIC WITHOUT OUTSIDE RUNS  
 CURRENT: CLINIC WITHOUT OUTSIDE RUNS  
 PROPOSED: ANIMAL CLINIC WITH OUTSIDE RUNS  
 PROPOSED: ANIMAL CLINIC & HOTEL WITH OUTSIDE RUNS

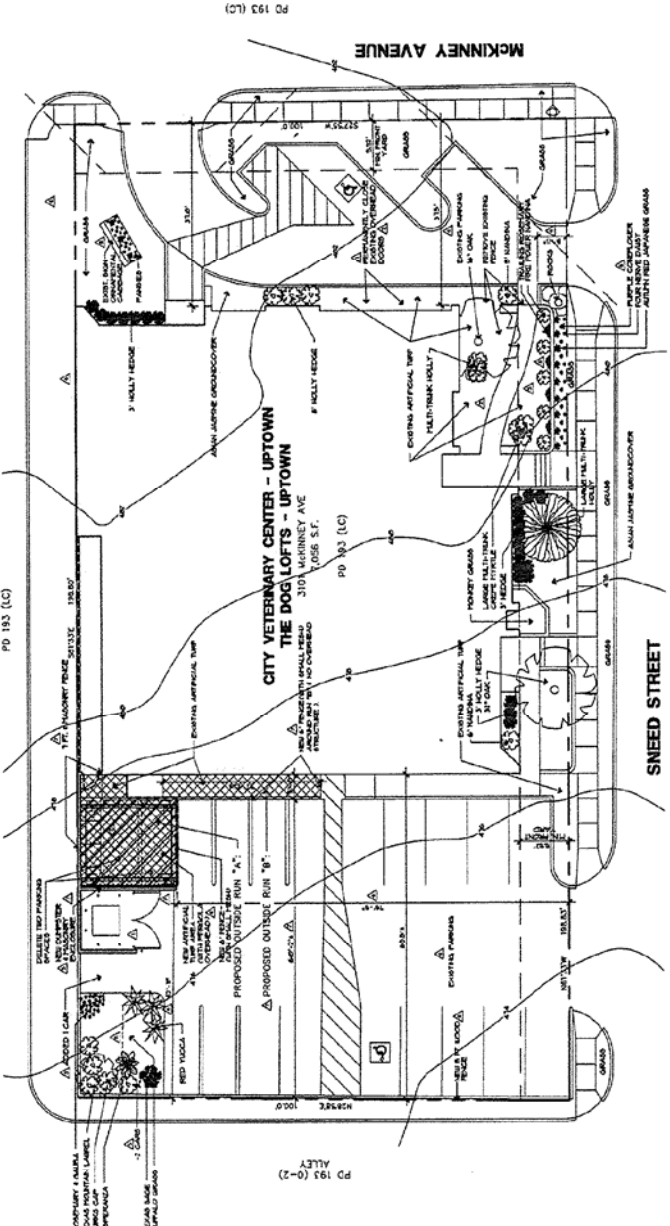
SITE AREA: 19,771 SQ.FT.  
 COSTING BUILDING AREA: 7,656 SQ.FT.  
 LAND AREA OF PROPOSED OUTSIDE RUNS: Δ, Δ, Δ, Δ  
 Δ AREA OF PROPOSED OUTSIDE RUN "A": 395 SQ. FT.  
 Δ AREA OF PROPOSED OUTSIDE RUN "B": 160 SQ. FT.  
 Δ 10' AL: 555 SQ. FT.  
 LOT COVERAGE: 35.7% Δ

HEIGHT: 30 FT.  
 FEET: ONE STORY (SPUT LEVEL)  
 STORES: 24 CARS  
 21 CARS Δ Δ

PARKING: REQUIRED ○ 1 CAR/200 S.F.  
 PROVIDED



**AREA MAP**  
 NOT TO SCALE



**DEVELOPMENT PLAN**  
 SCALE: 1" = 10'-0"

OUTSIDE RUNS Δ

PO 193 (POS 45)

**Proposed Development Plan**

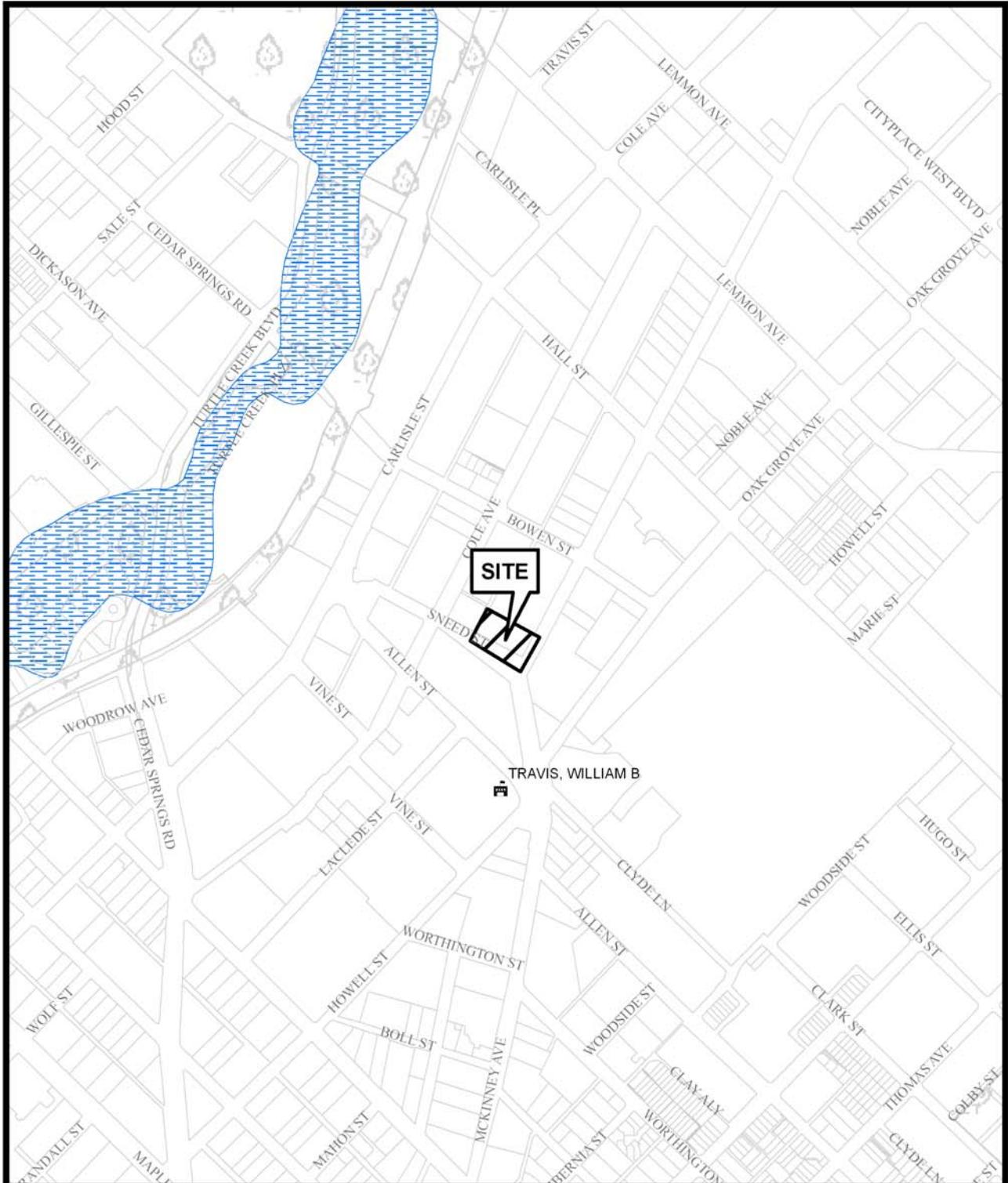


**DANIELS & ASSOCIATES ARCHITECTS**  
 4324 N. BRIDGES RD.  
 SUITE C202  
 DALLAS, TEXAS 75246  
 972-235-1315  
 972-235-4141 fax



<b>ZONING PROPOSAL</b>	
CASE NUMBER: Z078-239 (RB)	
3101 MCKINNEY AVE.	
LOT 11, BLOCK 17/985	
CITY OF DALLAS, DALLAS COUNTY, TEXAS	
OWNER: CANNON PROPERTIES LP	
Dallas, Texas 75219	
214-522-0007/214-522-0049 fax	
2177 Oak Lawn Ave., Suite 201	
DATE	DESCRIPTION
3-23-08	100% PRELIMINARY PLAN
4-4-08	10-23-08
9-2-08	11-17-08
10-7-08	
<b>A1</b>	





1:6,000

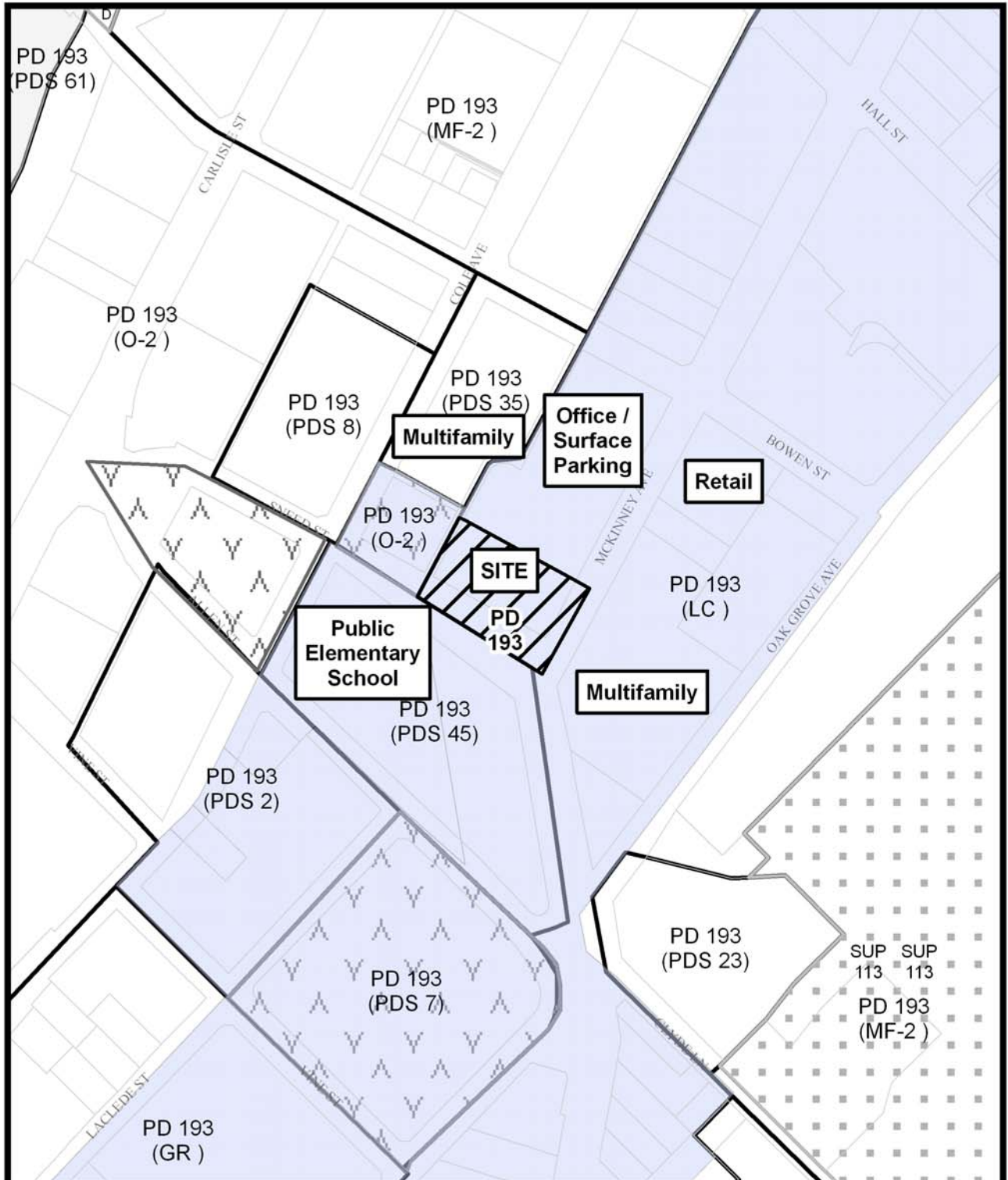
# VICINITY MAP

Map no: 1-7

Case no: Z078-239 RB

DATE: 06/23/2008

GIS TECHNICIAN: KRua



 1:2,400	<h1>ZONING AND LAND USE</h1>	Map no: <u>      I-7      </u> Case no: <u>      Z078-239 RB      </u>
--	----------------------------------	---

DATE: 06/23/2008

GIS TECHNICIAN: KRua



## *Notification List of Property Owners*

### *Z078-239*

#### *342 Property Owners Notified*

<i>Label #</i>	<i>Address</i>	<i>Owner</i>
1	3101 MCKINNEY	CANNON PROPERTIES LP
2	2501 HALL	GREENWOOD CEMETERY ASSN
3	3100 OAK GROVE	GREENWOOD CEMETERY ASSN
4	3100 OAK GROVE	GREENWOOD CEMETERY ASSN
5	3124 MCKINNEY	MCKINNEY AVENUE
6	3004 MCKINNEY	COLUMBUS REALTY TRUST
7	3120 MCKINNEY	MCKINNEY AVENUE
8	3153 OAK GROVE	MCKINNEY AVENUE TRANSIT
9	2824 COLE	NICHOLS DOUGLAS R &
10	2808 COLE	KESTREL HOLDINGS INC
11	3001 MCKINNEY	DALLAS ISD
12	2902 CARLISLE	CARLISLE PARTNERS L P
13	3031 ALLEN	FOUR DIRT FRIENDS LLC
14	3000 CARLISLE	WESTON PLAZA LTD
15	3131 MCKINNEY	TR MCKINNEY CORP
16	3100 CARLISLE	WESTON PLAZA LTD
17	3111 COLE	ANDERSON MICHAEL J
18	3107 COLE	BOUCHER DANIEL D
19	3112 BOWEN	KASNETZ ANDREW B
20	3205 COLE	KASNETZ ANDREW B
21	3205 COLE	KASNETZ ANDREW B
22	3211 MCKINNEY	DAY GLEN W FAMILY TRUST
23	3207 MCKINNEY	DAY GLEN W FAMILY TRUST
24	3230 MCKINNEY	LISAR INC
25	3128 MCKINNEY	AZIZA INVESTMENTS INC
26	2801 ALLEN	POST APARTMENT HOMES LP

*Monday, June 23, 2008*

<i>Label #</i>	<i>Address</i>	<i>Owner</i>
27	2801 LACLEDE	POST APARTMENT HOMES LP
28	2909 COLE	ABERFELDY LIMITED PS
29	2803 COLE	POST APARTMENT HOMES LP
30	3006 COLE	ROCKLAND LP
31	3007 COLE	POST APARTMENT HOMES LP
32	3207 COLE	WARNICK HAROLD B
33	3201 MCKINNEY	3201 MCKINNEY AVE LTD
34	3208 COLE	Owner Withheld per Sec 25.025 &
25.026		
35	3208 COLE	PINKER MARC
36	3208 COLE	JAMES KIM
37	3208 COLE	HOLBERT ELLYN
38	3208 COLE	RATLIFF ROLAND J & ANNE A
39	3208 COLE	SAMUEL ANN LINDA
40	3208 COLE	CROSBIE PETER J
41	3208 COLE	PAK CHRISTOPHER
42	3208 COLE	MILLER CAROLINE M
43	3208 COLE	HOOVER FRANK A
44	3208 COLE	CAHILL HEATHER
45	3208 COLE	ARNOLD NANCY G
46	3208 COLE	HANNA MARY C
47	3208 COLE	ELMS ALLYSON
48	3208 COLE	DUELKS BRADFORD B
49	3208 COLE	GONZALEZ RAY L
50	3208 COLE	RHODES MARK & GWENA
51	3208 COLE	LINNEMAN LOUIS P JR ETAL
52	3208 COLE	VARGHESE THOMAS
53	3208 COLE	ROBERTS SHARON D
54	3208 COLE	MITTAL ALKA
<b>X</b> 55	3208 COLE	MITTEN JENNIFER
<b>X</b> 56	3208 COLE	SCRUGGS JACK C
<b>X</b> 57	3208 COLE	HAYES JILL BETH

*Monday, June 23, 2008*

Z078-239(RB)

<i>Label #</i>			<i>Address</i>	<i>Owner</i>
X 58	3208	COLE		LAWS PETER QUINN II &
X 59	3208	COLE		DEMIRKOL HANDE
X 60	3208	COLE		WEDEBERG BRADLEY A
X 61	3208	COLE		KRACKE KIM B
X 62	3208	COLE		DILLING CARA
X 63	3208	COLE		BELL THERESA MARIE
X 64	3208	COLE		KNOTT LAURA G
X 65	3208	COLE		CURRA CHRISTOPHER J
X 66	3208	COLE		PATTERSON THERESA
RANDALL				
X 67	3208	COLE		HOUCK TROY
X 68	3208	COLE		WOODS JOSEPH D
X 69	3208	COLE		NEUNERT CINDY E
X 70	3208	COLE		COLMENERO ANGELA V
X 71	3208	COLE		HARE JAMIE
X 72	3208	COLE		LATHAM KATHLEEN
X 73	3208	COLE		HERNANDEZ CARDENAS ANN
V				
X 74	3208	COLE		EGGEBRECHT DARREN W
X 75	3208	COLE		CALEGARI MAUD B
X 76	3208	COLE		BALDERAS VALESKA
X 77	3208	COLE		DENTON CAROL A
X 78	3208	COLE		GRACE GAIL A
X 79	3208	COLE		LLOYD GEOFFREY D
X 80	3208	COLE		HARLOW CHARLES J
X 81	3208	COLE		DAVIS JENNIFER
X 82	3208	COLE		ROMAN LUIS A & HERBY M
X 83	3208	COLE		MORRIS ALLISON V
X 84	3208	COLE		GELPI CATHY
X 85	3208	COLE		RITCHEY KATHERINE
X 86	3208	COLE		DAVIS NICHOLAS &
X 87	3030	MCKINNEY		ROBINSON INDUSTRIES, INC

Monday, June 23, 2008

<i>Label #</i>	<i>Address</i>	<i>Owner</i>
X 88	3030 MCKINNEY	BRINKMAN JEANNIE &
X 89	3030 MCKINNEY	AMMON SUSAN
X 90	3030 MCKINNEY	HERSHMAN SCOTT S
X 91	3030 MCKINNEY	NELSON JACK JR
X 92	3030 MCKINNEY	HAYS RAYMOND R & DINAH D
X 93	3030 MCKINNEY	LATHIM JAMES A JR
X 94	3030 MCKINNEY	LAWSON LILLIAN I
X 95	3030 MCKINNEY	KLEINE WILLIAMS D & ANN
X 96	3030 MCKINNEY	BROSI SCOTT C &
X 97	3030 MCKINNEY	RICHARDS PATRICK
X 98	3030 MCKINNEY	KNAPE SUSAN A
X 99	3030 MCKINNEY	SIMPSON BERNARD R &
X 100	3030 MCKINNEY	HAIRE SCOTT L
X 101	3030 MCKINNEY	PHILLIPS WAYNE D
X 102	3030 MCKINNEY	STEELE JOHN RODMAN
X 103	3030 MCKINNEY	BOKTOR AMIR & DIANA
X 104	3030 MCKINNEY	BERTHOLD ROMBERG &
X 105	3030 MCKINNEY	WAGMAN FELICIA A MD
X 106	3030 MCKINNEY	MULLICAN MARY A
X 107	3030 MCKINNEY	VU CHI T
X 108	3030 MCKINNEY	NEAL BARBARA H
X 109	3030 MCKINNEY	REDMOND MICHAEL R
X 110	3030 MCKINNEY	DAVIDSON FRILEY S
X 111	3030 MCKINNEY	KLEIN JACK L & HANNE
X 112	3030 MCKINNEY	DYKES DONALD E
X 113	3030 MCKINNEY	GOLDFARB ABRAHAM
X 114	3030 MCKINNEY	PEPMILLER DELMAR D &
X 115	3030 MCKINNEY	RILEY MICHAEL M
X 116	3030 MCKINNEY	SAMARA KENNETH J
X 117	3030 MCKINNEY	BLUMENTHAL AMY M
X 118	3030 MCKINNEY	BATCHELOR JAMES F &

*Monday, June 23, 2008*

<i>Label #</i>	<i>Address</i>	<i>Owner</i>
X 119	3030	MCKINNEY BRANTLEY GLADYS
X 120	3030	MCKINNEY GRIFFIN ELIZABETH R
X 121	3030	MCKINNEY ERB DONNA
X 122	3030	MCKINNEY BRITTINGHAM EDUARDO M &
X 123	3030	MCKINNEY PETTIT MICHAEL B &
X 124	3030	MCKINNEY AINSWORTH RICHARD K
X 125	3030	MCKINNEY WALKER DAVID G
X 126	3030	MCKINNEY CAMPEAU CORP TEXAS
X 127	3030	MCKINNEY GWYN JAMES W & V MARIE
X 128	3030	MCKINNEY SEAMAN GARY L & CAROLYN K
X 129	3030	MCKINNEY BERGERON TOM
X 130	3030	MCKINNEY SPIEGELMAN WILLARD
X 131	3030	MCKINNEY CAMPEAU CORP TEXAS
X 132	3030	MCKINNEY PRESCOTT CLIFFORD R
X 133	3030	MCKINNEY DONALDSON NIGEL A
X 134	3030	MCKINNEY RIOJAS GILBERTO
X 135	3030	MCKINNEY SANDKNOP RYAN
X 136	3030	MCKINNEY LAMB SHELLY S
X 137	3030	MCKINNEY MOSSER ROBERT E
X 138	3030	MCKINNEY MCKEE JOHN
X 139	3030	MCKINNEY BALL JEANNIE C
X 140	3030	MCKINNEY KHOSHNOUDI AHMAD &
X 141	3030	MCKINNEY WOOD ELLEN
X 142	3030	MCKINNEY MCDONALD MARLA
X 143	3030	MCKINNEY ADAMS JAMES W SR &
X 144	3030	MCKINNEY WANSTRATH LAURA
X 145	3030	MCKINNEY BRITTINGHAM GUILLERMO M &
X 146	3030	MCKINNEY DUFFIELD ANNE E
X 147	3030	MCKINNEY FULLER DAVID A & NANCY M
X 148	3030	MCKINNEY DIPASQUA ALPHONSO &
X 149	3030	MCKINNEY BROWN WILLIAM T

*Monday, June 23, 2008*



<i>Label #</i>	<i>Address</i>	<i>Owner</i>
X 150	3030 MCKINNEY	MILES WILLIAM K & JANIS C
X 151	3030 MCKINNEY	RAMAGE CALVIN L
X 152	3030 MCKINNEY	GILHOOLY STEPHEN
X 153	3030 MCKINNEY	FREEMAN JOE E & CHERYL W
X 154	3030 MCKINNEY	WAUGH MARY M
X 155	3030 MCKINNEY	SELLARS JOHN P
X 156	3030 MCKINNEY	MCALLISTER MICHAEL
X 157	3030 MCKINNEY	ASTECA MILLING CO
X 158	3030 MCKINNEY	PEREZ ALBERTO D
X 159	3030 MCKINNEY	POWELL REBECCA H
X 160	3030 MCKINNEY	MUIR J DUNCAN
X 161	3030 MCKINNEY	PRICE H JACK
X 162	3030 MCKINNEY	PETERKIN NELL & LAWRENCE
X 163	3030 MCKINNEY	MOSTYN GREGORY
X 164	3030 MCKINNEY	MCCURRY MARGARET O
X 165	3030 MCKINNEY	CUNNINGHAM GENE M
X 166	3030 MCKINNEY	BRYAN BARRY
X 167	3030 MCKINNEY	KHOSHNOUDI BAHAR
X 168	3030 MCKINNEY	MAASOUMI EFANDIAR
X 169	3030 MCKINNEY	BUCKMAN EARL L
X 170	3030 MCKINNEY	HARRIS ELIZABETH K
X 171	3030 MCKINNEY	KANESELLERS M LAURA
X 172	3030 MCKINNEY	WOOD STERLING C
X 173	3030 MCKINNEY	JORDAN STEVEN C
X 174	3030 MCKINNEY	LADD DENNIS &
X 175	3030 MCKINNEY	AHNERT EDWARD F &
X 176	3030 MCKINNEY	TRIMBLE RODNEY B
X 177	3030 MCKINNEY	JAMES MICHAEL S
X 178	3030 MCKINNEY	WHITWELL STEPHEN
X 179	3030 MCKINNEY	SCHMIDT KEITH A
X 180	3030 MCKINNEY	BARNES HERSHELL L JR

*Monday, June 23, 2008*

<i>Label #</i>	<i>Address</i>	<i>Owner</i>
X 181	3030 MCKINNEY	BERG ALAN &
X 182	3030 MCKINNEY	KELLY MICHAEL J
X 183	3030 MCKINNEY	HAKIM CAMILLE A &
X 184	3030 MCKINNEY	PAULSON PATRICIA L
X 185	3030 MCKINNEY	WALTHER UDO
X 186	3030 MCKINNEY	FARROWGILLIESPIE ALAN C
X 187	3030 MCKINNEY	FRANKS ROBERT C &
X 188	3030 MCKINNEY	WEINSTEIN REBECCA J
X 189	3030 MCKINNEY	ROSSI HENRY J
X 190	3030 MCKINNEY	PUTNAM DONOVAN &
X 191	3030 MCKINNEY	APPERSON MARK W
X 192	3030 MCKINNEY	COLLINS FLOYD W
X 193	3030 MCKINNEY	ROGERS CULLEN A &
X 194	3030 MCKINNEY	CORTEZ CARLOS R
X 195	3030 MCKINNEY	MCLAUGHLIN KATHLEEN
X 196	3030 MCKINNEY	BIRKNER JOHN H
X 197	3030 MCKINNEY	SHELMIRE SUSAN
X 198	3030 MCKINNEY	WEATHERBY LESTER C JR
X 199	3030 MCKINNEY	HAKIM CAMILLE & HAIFA TR
X 200	3030 MCKINNEY	ATLIN NEIL J
X 201	3030 MCKINNEY	BUTTS KELEM B &
X 202	3030 MCKINNEY	HEPFNER JAMES P
X 203	3030 MCKINNEY	PHELAN CALVIN R &
X 204	3030 MCKINNEY	BURNS L D & CAROL
X 205	3030 MCKINNEY	BLACKBURN MARVIN DANIEL
X 206	3030 MCKINNEY	NELSON RANDALL & KIMBERLY
X 207	3030 MCKINNEY	BERGNER JOHN F &
X 208	3030 MCKINNEY	STEWART JEFFREY G
X 209	3030 MCKINNEY	WAGNER TODD R
X 210	3030 MCKINNEY	BURNS L D & CAROL A
X 211	3030 MCKINNEY	HAWLEY JOHN R & MARCIA H

*Monday, June 23, 2008*

Z078-239(RB)

<i>Label #</i>	<i>Address</i>	<i>Owner</i>
X 212	3030 MCKINNEY	WAGNER TODD R
X 213	3030 MCKINNEY	WAGNER TODD R
X 214	3030 MCKINNEY	WAGNER TODD R
X 215	2950 MCKINNEY	CLYDE LANE CONDO DEV
X 216	2950 MCKINNEY	CLYDE LANE CONDO DEV
X 217	2950 MCKINNEY	CLYDE LANE CONDO DEV
X 218	2950 MCKINNEY	CLYDE LANE CONDO DEV
X 219	2950 MCKINNEY	CLYDE LANE CONDO DEV
X 220	2950 MCKINNEY	CLYDE LANE CONDO DEV
X 221	2950 MCKINNEY	CLYDE LANE CONDO DEV
X 222	2950 MCKINNEY	CLYDE LANE CONDO DEV
223	2950 MCKINNEY	CLYDE LANE CONDO DEV
224	2950 MCKINNEY	CLYDE LANE CONDO DEV
225	2950 MCKINNEY	CLYDE LANE CONDO DEV
226	2950 MCKINNEY	CLYDE LANE CONDO DEV
227	2950 MCKINNEY	CLYDE LANE CONDO DEV
228	2950 MCKINNEY	CLYDE LANE CONDO DEV
229	2950 MCKINNEY	CLYDE LANE CONDO DEV
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231	2950 MCKINNEY	CLYDE LANE CONDO DEV
232	2950 MCKINNEY	CLYDE LANE CONDO DEV
233	2950 MCKINNEY	CLYDE LANE CONDO DEV
234	2950 MCKINNEY	CLYDE LANE CONDO DEV
235	2950 MCKINNEY	CLYDE LANE CONDO DEV
236	2950 MCKINNEY	CLYDE LANE CONDO DEV
237	2950 MCKINNEY	CLYDE LANE CONDO DEV
238	2950 MCKINNEY	CLYDE LANE CONDO DEV
239	2950 MCKINNEY	CLYDE LANE CONDO DEV
240	2950 MCKINNEY	CLYDE LANE CONDO DEV
241	2950 MCKINNEY	CLYDE LANE CONDO DEV
242	2950 MCKINNEY	CLYDE LANE CONDO DEV
243	2950 MCKINNEY	CLYDE LANE CONDO DEV

*Monday, June 23, 2008*

<i>Label #</i>	<i>Address</i>	<i>Owner</i>
244	2950 MCKINNEY	CLYDE LANE CONDO DEV
245	2950 MCKINNEY	CLYDE LANE CONDO DEV
246	2950 MCKINNEY	CLYDE LANE CONDO DEV
247	2950 MCKINNEY	CLYDE LANE CONDO DEV
248	2950 MCKINNEY	CLYDE LANE CONDO DEV
249	2950 MCKINNEY	CLYDE LANE CONDO DEV
250	2950 MCKINNEY	CLYDE LANE CONDO DEV
251	2950 MCKINNEY	CLYDE LANE CONDO DEV
252	2950 MCKINNEY	CLYDE LANE CONDO DEV
253	2950 MCKINNEY	CLYDE LANE CONDO DEV
254	2950 MCKINNEY	CLYDE LANE CONDO DEV
255	2950 MCKINNEY	CLYDE LANE CONDO DEV
256	2950 MCKINNEY	CLYDE LANE CONDO DEV
257	2950 MCKINNEY	CLYDE LANE CONDO DEV
258	2950 MCKINNEY	CLYDE LANE CONDO DEV
259	2950 MCKINNEY	CLYDE LANE CONDO DEV
260	2950 MCKINNEY	CLYDE LANE CONDO DEV
261	2950 MCKINNEY	CLYDE LANE CONDO DEV
262	2950 MCKINNEY	CLYDE LANE CONDO DEV
263	2950 MCKINNEY	CLYDE LANE CONDO DEV
264	2950 MCKINNEY	CLYDE LANE CONDO DEV
265	2950 MCKINNEY	CLYDE LANE CONDO DEV
266	2950 MCKINNEY	CLYDE LANE CONDO DEV
267	2950 MCKINNEY	CLYDE LANE CONDO DEV
268	2950 MCKINNEY	CLYDE LANE CONDO DEV
269	2950 MCKINNEY	CLYDE LANE CONDO DEV
270	2950 MCKINNEY	CLYDE LANE CONDO DEV
271	2950 MCKINNEY	CLYDE LANE CONDO DEV
272	2950 MCKINNEY	CLYDE LANE CONDO DEV
273	2950 MCKINNEY	CLYDE LANE CONDO DEV
274	2950 MCKINNEY	CLYDE LANE CONDO DEV

*Monday, June 23, 2008*

<i>Label #</i>	<i>Address</i>	<i>Owner</i>
275	2950 MCKINNEY	CLYDE LANE CONDO DEV
276	2950 MCKINNEY	CLYDE LANE CONDO DEV
277	2950 MCKINNEY	CLYDE LANE CONDO DEV
278	2950 MCKINNEY	CLYDE LANE CONDO DEV
279	2950 MCKINNEY	CLYDE LANE CONDO DEV
280	2950 MCKINNEY	CLYDE LANE CONDO DEV
281	2950 MCKINNEY	CLYDE LANE CONDO DEV
282	2950 MCKINNEY	CLYDE LANE CONDO DEV
283	2950 MCKINNEY	CLYDE LANE CONDO DEV
284	2950 MCKINNEY	CLYDE LANE CONDO DEV
285	2950 MCKINNEY	CLYDE LANE CONDO DEV
286	2950 MCKINNEY	CLYDE LANE CONDO DEV
287	2950 MCKINNEY	CLYDE LANE CONDO DEV
288	2950 MCKINNEY	CLYDE LANE CONDO DEV
289	2950 MCKINNEY	CLYDE LANE CONDO DEV
290	2950 MCKINNEY	CLYDE LANE CONDO DEV
291	2950 MCKINNEY	CLYDE LANE CONDO DEV
292	2950 MCKINNEY	CLYDE LANE CONDO DEV
293	2950 MCKINNEY	CLYDE LANE CONDO DEV
294	2950 MCKINNEY	CLYDE LANE CONDO DEV
295	2950 MCKINNEY	CLYDE LANE CONDO DEV
296	2950 MCKINNEY	CLYDE LANE CONDO DEV
297	2950 MCKINNEY	CLYDE LANE CONDO DEV
298	2950 MCKINNEY	CLYDE LANE CONDO DEV
299	2950 MCKINNEY	CLYDE LANE CONDO DEV
300	3100 COLE	AFTABROUSHADR KAMBIZ
301	3100 COLE	ALLSION CHRIS
302	3100 COLE	RAFFEL SCOTT J & KATHY E
303	3100 COLE	ZHANG HELEN X Y
304	3100 COLE	HICKEY KIRK D
305	3100 COLE	WILEMAN LEONARD

*Monday, June 23, 2008*

<i>Label #</i>	<i>Address</i>	<i>Owner</i>
306	3100 COLE	RUSSELL JOE D
307	3100 COLE	SAENZ SERGIO A &
308	3100 COLE	MAGUIRE MANDY J
309	3100 COLE	SOPATA CHAD T
310	3100 COLE	REYES ROBERT M
311	3100 COLE	MCKAY AMANDA ELIZABETH
312	3100 COLE	RAFEA VEEDA
313	3100 COLE	DEVITO ALEXANDRA
314	3100 COLE	KJELDGAARD DAVID
315	3100 COLE	MATAMOROS JOSEPH A
316	3100 COLE	YENKO CHARISSE S
317	3100 COLE	DOUNDOULAKIS THOMAS
318	3100 COLE	MORALES MARLENE ELENA
319	3100 COLE	WHEAT DAVID G
320	3100 COLE	RODGERS KURTIS
321	3100 COLE	KELJO MICHAEL D
322	3100 COLE	LEESLEY SIMON
323	3100 COLE	PHAM BAILEY AJ
324	3100 COLE	PARISH BRETT MATTHEW
325	3100 COLE	SKAINES JONATHAN B
326	3100 COLE	NOSS DOUGLAS A
327	3100 COLE	HASTEDT BRADLEY
328	3100 COLE	BAE ANDREW
329	3100 COLE	SALANON EMANUEL JOEL &
330	3100 COLE	SODEN ERIC D
331	3100 COLE	VELASQUEZ AIDA N
332	3100 COLE	MILLIET MARK JOSEPH
333	3100 COLE	MAYES EVAN Z
334	3100 COLE	REISMAN MARK L
335	3100 COLE	POLEK WHITNEY J
336	3100 COLE	ROSENBAUM RICO

*Monday, June 23, 2008*

Z078-239(RB)

<i>Label #</i>	<i>Address</i>	<i>Owner</i>
337	3100 COLE	YOUNG LINDSAY &
338	3100 COLE	BUSCH ROBERT JOHN
339	3100 COLE	MARQUESEN SARAH JEAN
340	3100 COLE	BAUMGARDNER TIMOTHY T
341	3100 COLE	BAYDUSS BRETT
342	3100 COLE	DEMEIS DANIEL G

*Monday, June 23, 2008*

Al Romero  
PO Box 870875  
Mesquite, TX 75150

Anthony Jones  
PO Box 0711  
Galveston, TX 77553

Betty Wadkins  
2843 Modesto Drive  
Dallas, TX 75227

**ENZ078-239**

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Dallas, TX 75202

Bridge Ballowe c/o Nextel  
1680 N. Prospert Dr.  
Ricardson, TX 75081

Cindy Harris  
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Dallas, TX 75205

Clarence F Cope  
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Dallas, TX 75238

Jane Guerrini  
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Dallas, TX 75225

Jeff Bosse  
PO Box 4738  
Dallas, TX 75208

Leanne Witek  
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Dallas, TX 75248

Marcus Wood  
6060 N Central Expy Ste 333  
Dallas, TX 75206

Pam Conley  
901 N Madison Avenue  
Dallas, TX 75208

Rob Baldwin  
401 Exposition  
Dallas, TX 75226

Robert P. Garza  
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Dallas, TX 75203

Sheryl Jean, Newsroom-Business  
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Dallas, TX 75265

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Steve Kim  
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Dallas, TX 75229

Alpha Testing, Inc  
Virginia Brown  
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Dallas, TX 75229

Am. Metro/Study Corp  
Marque Nelson  
14881 Quorum Dr #400  
Dallas, TX 75240

Arborilogical Services, Inc.  
Bill Seaman  
16 Steel Rd.  
Wylie, TX 75098

Bluffview Homeowner  
Pat White  
4714 Wildwood  
Dallas, TX 75209

Dallas ISD  
Stan Armstrong  
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Dallas, TX 75204

Dallas Planning Asoc  
Stuart Pully  
P O Box 781609  
Dallas, TX 75378

FW Dodge Reports  
Donna McGuire  
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Dallas, TX 75063



INCAP Fund  
Lauren Odell  
300 Crescent Court  
Dallas, TX 75208

Jackson Walker  
Suzan Kedron  
901 Main St. #6000  
Dallas, TX 75202

Jackson Walker  
Jonathan Vinson  
901 Main St. #6000  
Dallas, TX 75202

Kiestwood Neighbors  
Neoma Shafer  
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Dallas, TX 75233

Koons Real Estate Law  
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3400 Carlisle St, #400  
Dallas, TX 75204

Lake Highlands AIA  
Terri Woods  
1516 San Saba Dr.  
Dallas, TX 75218

Law Office of R Albright  
Roger Albright  
3301 Elm St  
Dallas, TX 75226

Master Plan  
J Kimborough  
900 Jackson St  
Dallas, TX 75202

MetroStudy Corp  
Rebecca Webb  
14881 Quorum Dr #400  
Dallas, TX 75254

Micheal R Coker Co  
Michael R Coker  
2700 Swiss Ave. #100  
Dallas, TX 75209

Minyards Properties Inc  
Dennis O'Malley  
777 Freeport Pkwy  
Coppell, TX 75019

N Pk Lovefied Comm Civic League  
Joyce Lockley  
4718 Wateka Dr.  
Dallas, TX 75209

PARC DU LAC  
Linda Sharp  
12126 Vendome Place  
Dallas, TX 75230

PWS Architects Inc.  
Phillip Shepherd  
4616 Abbott Ave  
Dallas, TX 75205

Quick Trip Co.  
Teri Dorazil  
14450 Trinity Blvd. #300  
Fort Worth, TX 76155

Robert Reeves & Assoc. Inc.  
Robert Reeves  
900 Jackson St, Suite 160  
Dallas, TX 75202

Signs Manufacturing  
William Watson  
4610 Mint Way  
Dallas, TX 75236

United HOA  
Norma Parry  
1515 Reynaldston Ln.  
Dallas, TX 75232

United HOA  
Thelma J. Norman  
2628 Blackstone Dr.  
Dallas, TX 75237

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Tashia Moseley  
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Dallas, TX 75235

Alan Pierce  
3912 Cedar Springs  
Dallas, TX 75219  
**ENZ078-239**

Allen W. Rubin  
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Dallas, TX 75219

Art Rogers  
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City Hall, Rm. 2CN  
Dallas, TX 75201

Cullen Rogers  
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Dallas, TX 75204

Jeannie Ball  
3030 McKinney Ave. #906  
Dallas, TX 75204

Jeri Arbuckle  
4800 Victor St.  
Dallas, TX 75246

Judith Hearst  
2512 Thomas Ave  
Dallas, TX 75201

John McKee  
3030 McKinney Ave., #905  
Dallas, TX 75204

Laura French  
3856 W Beverly  
Dallas, TX 75209

Leslie Brosi  
3030 McKinney Ave. #205  
Dallas, TX 75204

Margaret L Ray  
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Dallas, TX 75208

1999 McKinney Ave HOA  
Dick Brink  
1999 McKinney Ave 1207  
Dallas, TX 75201

Bryan Place NA  
Sonali Patnaik  
928 Pavillion St  
Dallas, TX 75204

Caddo Street TH HOA  
Julia Alderete  
1429 Caddo St, Unit F  
Dallas, TX 75204

Cedars NA  
Eric Anderson  
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Dallas, TX 75230

Cochran Heights  
Hector Garcia  
3601 Turtle Creek Blvd #901  
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Downtown Dallas  
Jim Wood  
1412 Main #2500  
Dallas, TX 75202

Friends of the Katy Trail  
Eric Van Steenburg  
3523 McKinney Ave, PMB 441  
Dallas, TX 75204

Friends of State-Thomas  
Judy Hearst  
2512 Thomas Ave  
Dallas, TX 75201

Harwood International, Inc.  
Julie Morris  
2828 N Harwood, Suite 1600  
Dallas, TX 75201

Harwood International, Inc.  
Jerry Jackson  
2828 N Harwood, Suite 1600  
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Junius Heights HOA  
Kara Kunkel  
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Dallas, TX 75214

La Tour HA  
Hanne Klein  
3030 McKinney Ave. #502  
Dallas, TX 75204

La Tour HA  
Marla McDonald  
3030 McKinney Ave #1003  
Dallas, TX 75204

Lower Greenville Assoc  
Chuck Cole  
5820 Penrose Ave  
Dallas, TX 75206

Meadows Foundation, Inc.  
Robert Weiss, V.P Admin.  
3003 Swiss Ave.  
Dallas, TX 75209

Oak Lawn Committee  
P O Box 190912  
Dallas, TX 75219

Z078-239(RB)

Orion Real Estate Group  
Bill Lamm  
PO Box 540021  
Dallas, TX 75354

Park Towers C Assoc  
Estelle Carter  
3310 Fairmount  
Dallas, TX 75201

Preston Hollow Asso  
M Thomas Lardner  
5811 Redwood Court  
Dallas, TX 75209

Raleigns-Hall Group  
Frank M Stick  
4224 N Hall St  
Dallas, TX 75219

Thomas Court RA  
Mitchell L Stone  
2833 Thomas Ave  
Dallas, TX 75204

Trust For Public Land  
Paul M. Lehner  
1717 Main St. Ste 3060  
Dallas, TX 75201

Uptown Public Improv. District  
Tracy Curts  
2808 Mckinney Ave. Ste 100  
Dallas, TX 75204

**ENZ078-239**



**AGENDA ITEM # 55**

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 2, 14  
**DEPARTMENT:** Department of Development Services  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 45 F G J K L M N P Q R S T

**SUBJECT**

A public hearing to receive comments regarding consideration of amendments to the Downtown Special Provision Sign District to allow video boards (LED signs) as premise and non-premise signs in an area generally bound by Woodall Rodgers Freeway to the north, Interstate 45/US 75 to the east, Interstate 30 to the south and Interstate 35 to the west, excluding those areas included in the West End SPSD, the Arts District SPSD, and the Farmers Market SPSD and an ordinance granting the amendments

Recommendation of Staff: Approval, subject to staff conditions

Recommendation of CPC: Approval, subject to CPC conditions

SPSD078-003



**FILE NUMBER:** SPSD078-003      **DATE INITIATED:** MAY 7, 2008

**LOCATION:** Area generally bound by Woodall Rogers Frwy to the north, Interstate 45/US 75 to the east, Interstate 30 to the south and Interstate 35 to the west, excluding those areas included in the West End SPSD, the Arts District SPSD, and the Farmers Market SPSD.

**COUNCIL DISTRICT:** 2, 14      **MAPSCO:** 45-G,J,K,L,M,N,P,QR,S,T

**SIZE OF REQUEST:** Approx 740 acres      **CENSUS TRACT:** 17.01

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**PROPOSAL:** Consideration of amendments to the Downtown Special Provision Sign District to allow video boards (LED signs) as premise and non-premise signs.

**SUMMARY:** The purpose of this proposal is to allow video board displays (high resolution LED signs) as premise and non-premise signs subject to specific regulations and restrictions.

**STAFF RECOMMENDATION:** Approval

**CPC RECOMMENDATION:** Approval

## **BACKGROUND INFORMATION:**

- City Council directed staff to look at possibly amending the Downtown Special Provision Sign District to allow LED video board style signs with non-premise advertising as a result of an application to amend the Special Sign District to allow such signage on a specific structure.
- The City Plan Commission had recommended denial of an earlier application to permit a video board on a single building in the Downtown SPSP. This was due in part to concerns that a general policy relative to such signs in the Downtown Special Sign District should be established first. The proposed amendment would establish that policy.
- The Zoning Ordinance Advisory Committee (ZOAC) and Special Sign District Advisory Committee (SSDAC) conducted a series of joint meetings to consider the issue.
  - Met 6 times from June 19th to October 7th
  - One meeting, August 25th, was noticed by mail to property owners
  - Industry representatives, both manufacturers and advertisers, participated in meetings
- Major issues considered at these meetings included:
  - Location Issues
    - Area of District Permitted in
    - Spacing and limitations on number
    - Relationship to intersections / traffic controls
    - Eligible buildings
  - Size of Display area
  - Projecting over R-O-W (sidewalk/street)
  - Safety
  - Time Between Messages
  - Streaming video and audio
  - Brightness and quality
  - Hours of operation
  - Non-premise advertising
- On November 4th SSDAC recommended denial of any modifications to allow LED signs.
- On November 6th ZOAC recommended approval of:
  - Allowing LED premise signs as other premise signs are currently permitted in the Downtown Special Provision Sign District
  - Allowing a limited number of LED signs as Non Premise District Activity Video Boards by Specific Use Permit in a test area.



**SPECIAL SIGN DISTRICT ADVISORY COMMITTEE ACTION (November 4, 2008)**

The Special Sign District Advisory Committee voted to recommend denial of the proposed amendments.

**ZOAC ACTION (November 6, 2008)**

The Zoning Ordinance Advisory Committee voted to recommend approval of the proposed amendments in a series of motions, but to permit a maximum of three non-premise district activity boards.

**CPC ACTION (December 11, 2008)**

**Motion:** It was moved to recommend **approval** of the amendments to Chapter 51A, the Dallas Development Code, to amend regulations pertaining to the Downtown Special Provision Sign District to allow video board displays with a maximum of five non-premise district activity boards be permitted.

Maker: Buehler  
Second: Weiss  
Result: Carried: 9 to 3

For: 9 - Gary, Davis, Lozano, Lavallaisaa, Weiss, Lueder, Buehler, Ekblad, Alcantar

Against: 3 - Rodgers, Wolfish, Emmons

Absent: 2 - Prothro, Bagley

Vacancy: 1 - District 2

**Notices:** Area: 200 Mailed: 1070

**Replies:** For: 23 Against: 16

**Speakers:** For (Did not speak):  
Robert Fedler, 1200 Ross Ave., Dallas, TX, 75202  
Dustin Bullard, 1309 Main St., Dallas, TX, 75202  
Ashley Newton, 222 Browder St., Dallas, TX, 75201  
J. Maisel, 1122 Jackson St., Dallas, TX, 75202  
William Cothrum, 900 Jackson St., Dallas, TX, 75202

Against: None

ORDINANCE NO. \_\_\_\_\_

An ordinance amending Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code by amending Sections 51A-7.909, 51A-7.910, and 51A-7.911; allowing non-premise district activity videoboard signs in the downtown special provision sign district; allowing changeable message technology on attached signs in the downtown special provision sign district; providing a penalty not to exceed \$2,000; providing a saving clause; providing a severability clause; and providing an effective date.

WHEREAS, the city plan commission and the city council, in accordance with the Charter of the City of Dallas, the state law, and the ordinances of the City of Dallas, have given the required notices and have held the required public hearings regarding this amendment to the Dallas City Code; Now, Therefore,

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

SECTION 1. That Sections 51A-7.909, "Reserved," and 51A-7.910, "Reserved," of Division 51A-7.900, "Downtown Special Provision Sign District," of Article VII, "Sign Regulations," of Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code is amended to read as follows:

**"SEC[§]. 51A-7.909. NON-PREMISE DISTRICT ACTIVITY VIDEOBOARD SIGNS.**

(a) Content. Non-premise district activity videoboard signs must display district activity messages a minimum of five percent of every operational hour and must display either district activity messages or premise messages for an additional minimum of 15 percent of every operational hour.

(b) Location and number.

*ZOAC Recommendation*

(1) A maximum of three non-premise district activity boards are permitted and may be erected on buildings with frontage on Elm Street, Main Street, or Commerce between Field Street and Ervay Street in the Retail Subdistrict.

*Staff, CPC, Recommendation*

(1) A maximum of five non-premise district activity boards are permitted and may be erected on buildings with frontage on Elm Street, Main Street, or Commerce between Field Street and Ervay Street in the Retail Subdistrict.

(2) A maximum of one non-premise district activity videoboard sign is permitted per block face.

(c) Size. Non-premise district activity videoboard signs must have a minimum of 100 square feet in effective area and may have a maximum 150 square feet in effective area.

(d) SUP required.

(1) Non-premise district activity videoboard signs are only permitted by SUP.

(2) All applications for non-premise district activity videoboard signs must include a report from a traffic engineer stating that the video board placement does not interfere with the effectiveness of traffic control devices within 300 ft of the sign.

(3) If there is a conflict between Subsection 51A-4.206(1) and this section, this section controls.

(4) Applications and renewals for non-premise district activity videoboard signs must include an affidavit stating that the building meets the occupancy requirements in Subsection (f).

(5) Within 10 days of expiration or revocation of the SUP the non-premise district activity videoboard sign must be removed.

(e) Projecting signs. Projecting non-premise district activity video board signs:

(1) must have a vertical orientation with height exceeding the width at a minimum 16:9 height-to-width ratio;

(2) may project a maximum of 12 feet into the right-of-way, subject to:

(A) the licensing and franchise requirements of Chapter XIV of the City Charter, Article VI of Chapter 43 of the Dallas City Code, the Dallas Building Code, and the requirements of all other applicable laws, codes, ordinances, rules, and regulations;

(B) review by the director of public works and transportation to ensure that the sign will not pose a traffic hazard or visibility obstruction; and

(C) provided that no portion of a projecting sign may be located less than two feet from a vertical plane extending upward from the back of a street curb;

(3) must have a minimum clearance of 15 ft above the sidewalk and a maximum clearance of 35 feet above the sidewalk; and

(4) must have videoboard displays on both sides of the sign.

(f) Building occupancy requirements. Non-premise district activity videoboard signs are only permitted on buildings with retail and personal service uses (other than commercial parking lot or garage) or office uses occupying at least 75 percent of the leasable ground floor area and an overall building occupancy of at least 50 percent. The director shall notify City Council of any building that fails to re-establish the occupancy requirement within 120 days.

**SEC. [THRU] 51A-7.910.**

**OPERATIONAL REQUIREMENTS FOR VIDEOBOARD SIGNS.**

(a) Display.

(1) All videoboards:

(A) must contain a default mechanism that freezes the image in one position in case of a malfunction;

(B) must automatically adjust intensity of display based on natural ambient light conditions in compliance with the following table:

***INSERT TABLE A;***

(C) must be turned off between 1:00 a.m. and 7:00 a.m. Monday through Friday and 2:00 a.m. and 8:00 a.m. on Saturday and Sunday.

(D) may not display light of such intensity or brilliance to cause glare, impair the vision of an ordinary driver, or constitute a nuisance;

(2) Non-premise district activity videoboards:

(A) must be a full color display able to display a minimum of 281 trillion color shades;

(B) must be able to display a high quality image with a minimum resolution equivalent to the following table:

**INSERT TABLE B;**

(b) Sign permits. Prior to the issuance of a videoboard sign permit, the applicant shall provide written certification from the sign manufacturer that the light intensity has been factory programmed to comply with the maximum brightness and dimming standards and that the intensity level is protected from end-user manipulation by password-protected software, or other method satisfactory to the building official.

(c) Change of message. Except as provided in this section, changes of message must comply with the following:

(1) Each message must be displayed for a minimum of eight seconds.

(2) Changes of message must be accomplished within two seconds.

(3) Changes of message must occur simultaneously on the entire sign face.

(4) No flashing, dimming, or brightening of message is permitted except to accommodate changes of message.

(d) Streaming information. If a special events permit has been issued for district activities, streaming video and audio is permitted, except that ticker tape streaming is permitted at all times when the videoboard is operating. Ticker tape streaming must be located within the bottom ten percent of the effective area.

(e) Malfunction. Videoboard sign operators must respond to a malfunction or safety issue within one hour after notification.

**[RESERVED.]**

SECTION 2. That Subsection (a), "Attached Signs in General," of Section 51A-7.911, "Attached Premise Signs," of Division 51A-7.900, "Downtown Special Provision Sign District," of Article VII, "Sign Regulations," of Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code is amended to read as follows:

**“SEC. 51A-7.911. ATTACHED PREMISE SIGNS.**

(a) Attached signs in general.

(1) Attached signs must be securely attached.

(2) Attached signs overhanging the public way are permitted, except that no sign may project closer than two feet to the vertical plane extending through the back of a street curb.

(3) The total effective area for all signs on a facade may not exceed 30 percent of the area in the lower or upper level sign area. Projecting attached signs are not included in these effective area calculations.

(4) Except as otherwise provided, attached signs may only be located in the lower level sign area or in the upper level sign area.

(5) Attached signs may not project more than four feet above the roof line.

(6) Attached premise signs may be videoboard signs, provided that the message content concerns businesses on the premise which are open for business for a minimum of 50 weeks per year with employees present a minimum of 30 hours per week. For operational and maintenance requirements see 51A-7.910.”

SECTION 3. That Subsection (f), “ Marquee Signs,” of Section 51A-7.911, “Attached Premise Signs,” of Division 51A-7.900, “Downtown Special Provision Sign District,” of Article VII, “Sign Regulations,” of Chapter 51A, “Dallas Development Code: Ordinance No. 19455, as amended,” of the Dallas City Code is amended to read as follows:

“(f) Marquee signs.

(1) No marquee sign may:

(A) exceed 225 square feet for buildings with an entertainment facility housing 150 seats or less; or

(B) exceed 375 square feet for buildings with an entertainment facility housing more than 150 seats.

(2) No marquee sign may be longer than two-thirds of the length of the frontage of the building to which the marquee is attached.

(3) ~~[The message area on a marquee sign may consist of LED, LCD, or other changeable message technology.]~~ The message area on any marquee sign may not exceed 60 percent of the effective area of the sign.

(4) Marquee signs must have a height dimension of not less than two feet.

(5) No premise may have more than one marquee sign per street frontage.

(6) Only an entertainment facility may have a marquee sign.”

SECTION 4. That a person violating a provision of this ordinance, upon conviction, is punishable by a fine not to exceed \$2,000.

SECTION 5. That Chapter 51A of the Dallas City Code shall remain in full force and effect, save and except as amended by this ordinance.

SECTION 6. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

SECTION 7. That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:  
THOMAS P. PERKINS, JR., City Attorney

By \_\_\_\_\_  
Assistant City Attorney

Passed \_\_\_\_\_

**Table A**  
**256 Level Dimming Control Chart**

Shows the ambient light change versus sign brightness change  
(for example : the sign brightness is 9000nit)

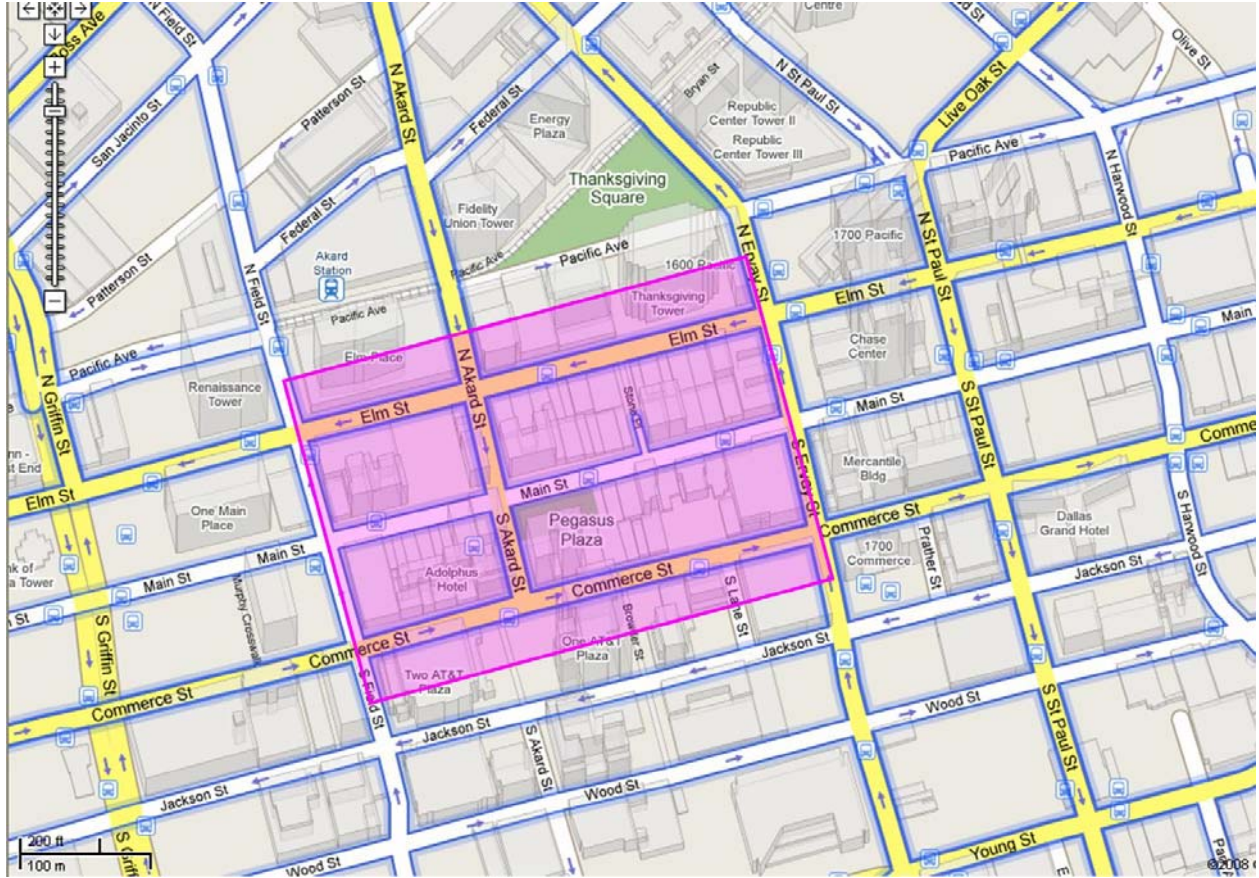
Ambient light	Dim level	Brightness level	Sign brightness
0~255	0	0%	0
256~511	1	0.39%	35.1
512~767	2	0.78%	70.2
768~1023	3	1.5%	140.4
●	●	●	●
●	●	●	●
●	●	●	●
●	●	●	●
●	●	●	●
●	●	●	●
●	●	●	●
65026~65281	254	99.6%	8964
65282~65536	255	100%	9000

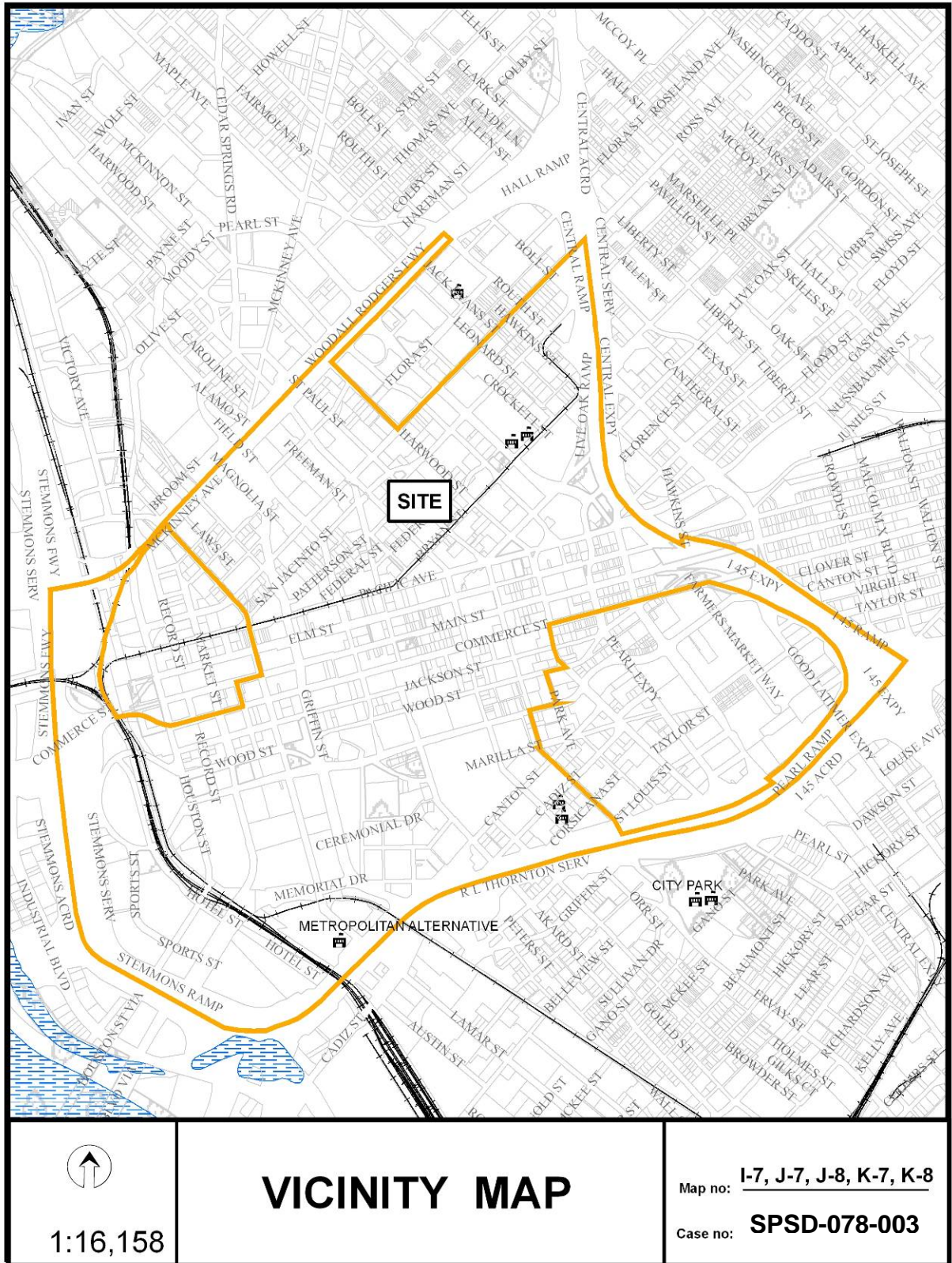


Table B  
**Minimum Resolution Chart**

Size of LED Panel	Maximum Pixel Size
< 50 s/f	10 mm
50 s/f to 125 s/f	14 mm
>125 s/f	16 mm

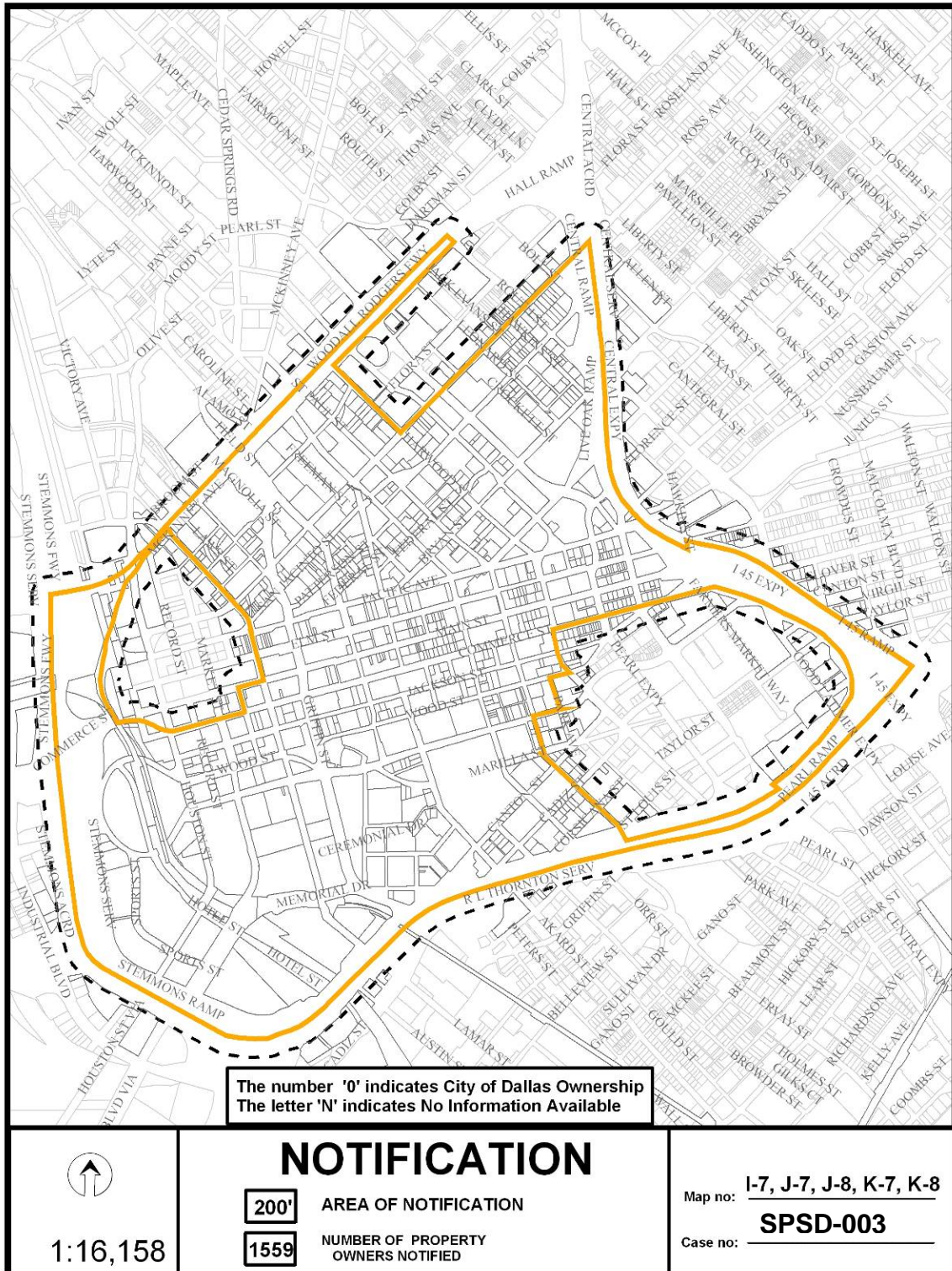
Area Permissible for District Activity Boards





DATE: 05/20/2008

GIS TECHNICIAN: KRua



DATE: 05/20/2008

GIS TECHNICIAN: KRua

Due to the number of properties on the notification list, the list is not included in this material. The property owner notification list is available for review in Room 5BN of Dallas City Hall.

**AGENDA ITEM # 56**

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 14  
**DEPARTMENT:** Department of Development Services  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 45 K P

**SUBJECT**

A public hearing to receive comments regarding an application for an amendment to the provisions of the Downtown Special Provision Sign District, to create a new Subdistrict to allow for video board signs on a tract of land generally between Main Street and Elm Street west of Akard Street

Recommendation of Staff: Approval, subject to staff conditions

Recommendation of CPC: Denial

SPSD067-003

Note: This item was considered by the City Council at public hearings on November 28, 2007, February 27, March 26, June 25 and September 10, 2008, and January 28, 2009, and was taken under advisement until February 11, 2009, with the public hearing open.



FILE NUMBER: SPSD 067-003

DATE FILED: July 11, 2007

LOCATION: Generally located on the north side of Main St, west of Akard St

COUNCIL DISTRICT: 14

MAPSCO: 45 K, P

CENSUS TRACT: 31.01

SIZE OF REQUEST: 29,006 s/f

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APPLICANT/OWNER: DLD Properties, LTD

REPRESENTATIVE: Willie Cothrum, Masterplan

REQUEST: An application for an amendment to the provisions of the Downtown Special Provision Sign District, to create a new subdistrict and to amend the provisions for video board signs.

SUMMARY: The applicant is proposing to amend the provisions for video board signs and create a new subdistrict, the Main at Akard Subdistrict, where a maximum of 3 video board sign faces would be permitted, each restricted to a maximum 150 square feet of effective area. The applicant is proposing that any message be allowed on the signs including non-premise advertising.

STAFF RECOMMENDATION: Approval subject to staff conditions

CPC RECOMMENDATION: Denial

**BACKGROUND INFORMATION:**

- A Special Provision Sign District (SPSD) is an overlay district for the purpose of establishing, enhancing, preserving, or developing the unique character and quality of an area through special sign standards. The Special Provision Sign District only addresses sign standards and does not impact the land uses allowed on those properties.
- The Downtown SPSPD was created to allow different sign regulations to promote a pedestrian environment, such as banners, awning signs, canopy signs, projecting attached signs and marquee signs. Other regulations were intended to encourage preserving the architecture of buildings by restricting the locations of most signs to the lower level (below 36 ft) and upper areas (12 ft to 36 ft below the top of a building depending on its height).
- The District has been amended to allow other types of signs such as supergraphic signs and kiosk signs which may display non-premise advertising.
- Generally the city prohibits new non-premise advertising signs but has approved exceptions to this policy in the Downtown SPSPD, Deep Ellum SPSPD and the Victory SPSPD.
- DowntownDallas: The Association, has submitted a letter in support of the applicant's request.

**Proposal Summary:**

The applicant's request is two fold; 1) to create a new subdistrict limited to a single building site on the north side of Main St, 50 ft west of Akard; and 2) to amend the provisions for video board signs to allow up to three video board signs faces, two on the Main St side of the subject area and one on the Elm St side of the subject area. Additionally the signs would be allowed to display any message (both premise and non-premise messages), be limited to 150 s/f in effective area, and be allowed to extend to the curb edge provided they were a minimum of 15 ft above the surface grade.



Existing Provisions	Proposed Provisions
One video board sign may be located on a building adjacent to the Main St subdistrict (Pegasus Plaza)	Allow up to three video board sign faces in a new subdistrict, the Main at Akard subdistrict.
Maximum effective area (lower level) <ul style="list-style-type: none"> <li>- Video board signs no maximum</li> <li>- Projecting attached signs 30s/f</li> <li>- Flat attached signs 40 to 60 s/f</li> </ul>	Maximum effective area (lower level) <ul style="list-style-type: none"> <li>- Video board signs 150 s/f</li> <li>- Others the same</li> </ul>
No portion of a sign may be located less than two feet from the back of curb	Signs may project to the curb but may not project out over a street
Non-premise advertising allowed on <ul style="list-style-type: none"> <li>- Supergraphics</li> <li>- Kiosks</li> <li>- Video boards</li> </ul>	Same

**Comprehensive Plan:**

The proposed amendments can be evaluated against the following goals and polices of the comprehensive plan.

**URBAN DESIGN ELEMENT**

**GOAL 5.1 PROMOTE A SENSE OF PLACE, SAFETY AND WALKABILITY**

**Policy 5.1.4 Enhance visual enjoyment of public space.**

- Public signage and gateway features will help define neighborhoods and districts.
- Civic institutions and community events, such as street fairs, parades, farmers markets and live performances, all give Dallas an important cultural and urban flair.

**GOAL 5.2 STRENGTHEN COMMUNITY AND NEIGHBORHOOD IDENTITY**

**Policy 5.2.2 Promote the character of the city’s significant districts, linkages and areas.**

The quality and character of developed and natural destinations and amenities in Dallas attract tourists, visitors and residents alike. Their perception and experiences of these significant areas, as well as key pathways throughout the city, contribute collectively to the identity and image of Dallas as a whole. Enhancing these assets, which define Dallas’ character, should be fostered through strong urban design principles.

**STAFF ANALYSIS:**

Staff is generally supportive of signage which helps promote a pedestrian environment and contributes to giving the downtown area a unique atmosphere. However, staff is concerned with continuing to expand the exceptions to the general prohibition on new non-premise advertising and further diluting this general prohibition. Staff is especially concerned with allowing non-premise advertising overhanging the right-of-way. To date only small scale advertising or sponsorship has been allowed in the right-of-way. Banners on street light poles are limited to 20 s/f in area and sponsor areas are limited to 10 percent of the area of the banner. Kiosks sign faces are approximately 22 s/f in area and one sign face is dedicated to a public message.

Staff is also concerned with the proposed scale of the signage. The largest effective area allowed for lower level signs (the building façade area from grade to 36 ft in height), is 40 s/f for signs within 15 ft of the right-of-way (60 s/f if setback more than 15 ft). The one exception to this is marquee signs associated with an entertainment venue which can be up to 375 s/f for venues with more than 150 seats (225 s/f for venues less than 150 seats). The scale of the proposed signage, as well as the allowed projection, indicates to staff that the target audience for the sign is as much vehicular traffic as pedestrian.

Staff is concerned that streaming video on signs oriented towards traffic could pose a hazard to pedestrian traffic and vehicular traffic. There is a crosswalk without traffic controls mid-block on Main Street between Akard and Field and streaming video could be a distraction to motorist. Depending on the placement of the sign, streaming video could be a distraction

The applicant has correctly observed that larger video board signs are allowed in the Victory SPSP. However the sliding media wall signs are only allowed on a façade facing the plaza. While visible from adjacent streets the signs are not oriented to vehicular traffic. The additional changeable message sign above the WFAA studio is clearly visible from traffic approaching on Houston Street but it is a flat attached sign and does not overhang right-of-way. The signs are intended to promote the festival atmosphere of the plaza area and the entertainment complex. Similarly the permitted video board sign allowed adjacent to Pegasus Plaza is intended to promote pedestrian oriented plaza activities.

Staff recommends the following restrictions:

- Limit the effective area of video board signs in the new subdistrict to 60 s/f
- Require a minimum 2 feet setback from back of curb
- Prohibit streaming video on any sign overhanging ROW and oriented towards traffic (Such signs may only display static messages)
- Require a minimum of 8 seconds between static copy changes
- Prohibit non-premise advertising on any sign overhanging ROW except messages advertising district activities

**CPC ACTION** (September 20, 2007)

**Motion I:** In considering an amendment to the provisions of the Downtown Special Provision Sign District, to create a new Subdistrict to allow for video board signs on a tract of land generally bounded by Main Street, Akard Street, Elm Street and Field Street it was moved to **hold** this case under advisement until October 4, 2007.

Maker: Jones-Dodd  
Second: Prothro

**Commissioner Jones-Dodd withdrew her motion and  
Commissioner Prothro withdrew his second.**

**Motion II:** It was moved to recommend **approval** of an amendment to the provisions of the Downtown Special Provision Sign District, to create a new Subdistrict to allow for video board signs, subject to staff's conditions on a tract of land generally bounded by Main Street, Akard Street, Elm Street and Field Street with the following conditions: 1) Limit the effective area of video board signs of this new district to 150 sq. ft. 2) Allow three video board panels; two facing Main Street and one facing Elm Street. 3) Require video board signs to be setback a minimum of 2 ft. from back of curb. 4) Allow video board signs to display screening videos, however; requiring static messages a minimum of eight second between static copies. 5) Allow video board signs to display non-premise and premise messages.

Maker: Jones-Dodd  
Second: Weiss  
Result: Failed: 4 to 8  
For: 4 - Jones-Dodd, Weiss, Buehler, Ekblad

Against: 8 - Prothro, Strater, Gary, Marshall, Bagley, Hill, Wolfish,  
Emmons

Absent: 2 - Woolen Lipscomb, Cunningham

Vacancy: 1 - District 6

**Substitute Motion:** It was moved to recommend **denial without prejudice** of an amendment to the provisions of the Downtown Special Provision Sign District, to create a new Subdistrict to allow for video board signs on a tract of land generally bounded by Main Street, Akard Street, Elm Street and Field Street.

Maker: Emmons  
Second: Gary  
Result: Carried: 11 to 1

SPSD 067-003

For: 11 - Prothro, Strater, Gary, Marshall, Bagley, Jones-Dodd,  
Hill, Buehler, Wolfish, Ekblad, Emmons

Against: 1 - Weiss

Absent: 2 - Woolen Lipscomb, Cunningham

Vacancy: 1 - District 6

**Notices:** Area: 500 Mailed: 120

**Replies:** For: 0 Against: 0

**Speakers:** For: Robert Miklos, 1717 Main St., Dallas, TX, 75201  
John Crawford, 1412 Main St., Dallas, TX, 75202  
Against: None

SPSD 067-003

DLD Properties, Ltd.

List of Partners / Principals / Officers

The General Partner of Applicant DLD Properties, Ltd. is DLD Management, LLC.

The Limited Partner of Applicant DLD Properties, Ltd. is LBL Management Trust.

The Officers are as follows:

President: Brian Bergersen

**PROPOSED DRAFT ORDINANCE  
AMENDING THE DOWNTOWN SPECIAL PROVISION SIGN DISTRICT**

**Division 51A-7.900. Downtown Special Provision Sign District.**

**SEC. 51A-7.901. DESIGNATION OF DOWNTOWN SPECIAL PROVISION SIGN DISTRICT.**

(a) The Downtown Special Provision Sign District is designated to be known as the Downtown Sign District. For purposes of this article, the boundaries of the Downtown Sign District is that area bounded by the following lines:.....

**SEC 51A-7.901.1. DESIGNATION OF SUBDISTRICTS.**

(a) This district is divided into ~~four~~five subdistricts: the Retail Subdistrict, the General CBD Subdistrict, the Downtown Perimeter Subdistrict, the Main Street Subdistrict, and the Main ~~Street~~at Akard Subdistrict.

(b) The Retail Subdistrict is that central area of downtown within the following described boundaries: .....

(c) The General CBD Subdistrict is that area of the district within the Freeway Loop, more particularly described in metes and bounds as follows:....

(d) The Downtown Perimeter Subdistrict is that area outside of the freeway loop within the downtown sign district.

(e) The Main Street Subdistrict is that area of downtown described in Exhibit A, which is attached to and made a part of this ordinance.

(Ord. Nos. 24606; 24925)

(f) The Main at Akard Subdistrict is that area of downtown described in Exhibit B, which is attached to and made a part of this ordinance.

**SEC. 51A-7.902. PURPOSE.**

The purpose of this division is to regulate both the construction of new signs and the alterations of existing signs with a view towards enhancing, preserving, and developing the unique character of the downtown area while addressing the diversity of businesses and promoting the economy of downtown. The general objectives of this division include those listed in Section 51A-7.101 as well as aesthetic considerations to ensure that signs are appropriate to the architecture of the district, do not obscure significant architectural features of its buildings, and lend themselves to the developing retail and residential uses and the pedestrian character of the area. The district regulations are in large part inspired by the high level of pedestrian activity and the need to maximize effective orientation of signage toward the walking public. (Ord. Nos. 19455; 20167; 21404; 24606)

**SEC. 51A-7.903. DEFINITIONS.**

In this division:

(1) **ACTIVITY DISTRICT** means a group of entertainment, cultural, performance, retail, or restaurant establishments that generate pedestrian activity within a particular geographic area, and that has a known name as a destination such as, but not limited to, the Farmers Market, Main Street, or the Arts District.

(2) **ARCADE SIGN** means any sign that is mounted under a canopy or awning and is perpendicular to the building to which the canopy or awning is attached. This sign is intended to be read from the pedestrian walkway that the canopy or awning covers.

(3) **AWNING** means a fabric or vinyl surface supported by a metal structure, which is applied to the face of a building.

(4) **AWNING SIGN** means a sign attached to, painted on, or otherwise applied to an awning.

(5) **BANNER** means a sign applied on a strip of cloth, vinyl, or similar material and attached to a building or structure. Awning, canopy signs, and flags are not banners.

(6) **CANOPY** means a permanent, non-fabric architectural element projecting from the face of a building.

(7) **CANOPY SIGN** means a sign attached to, applied on, or supported by a canopy, with no changeable message area.

(8) **CHANGEABLE MESSAGE SIGN** means a sign composed of LED/LCD elements, slide lettering, slated rotating surfaces, or other changeable message technology that displays different designs or advertisements.

(9) **DISTRICT** or **THIS DISTRICT** means the Downtown Sign District.

(10) **DISTRICT ACTIVITIES** means activities that take place on five or more premises within an activity district.

(11) **EFFECTIVE AREA** means:

(A) for a detached sign other than outlined in (B) below, the area within a minimum imaginary rectangle of vertical and horizontal lines that fully contains all extremities of the sign, excluding its supports. This rectangle is calculated from an orthographic projection of the sign viewed horizontally. The viewpoint for this projection that produces the largest rectangle must be used. If elements of the sign are moveable or flexible, such as a flag or a string of lights, the measurement is taken when the elements are fully extended and parallel to the plane of view;

(B) for signs placed on a fence, non enclosing wall, planter, or other similar structure that is designed to serve a separate purpose other than to support the sign, the entire area of such structure may not be computed, and the effective area must be measured by the rule for effective area for attached signs; and

(C) for an attached sign, the sum of the areas within minimum imaginary rectangles of vertical and horizontal lines, each of which fully contains a word. If a design, outline, illustration, or interior illumination surrounds or attracts attention to a word, then it is included in the calculation of effective area.

(12) **ENTERTAINMENT FACILITY** means a structure or building for sports events or the performing arts, including indoor motion picture theaters, theaters for live musical or dramatic performances, indoor and outdoor concert halls, and exhibition halls.

(13) **FACADE** means any separate face of a building, including parapet walls and omitted wall lines, or any part of a building which encloses or covers usable space, chimneys, roof-mounted equipment, mounted antennas, or water towers. Where separate faces are oriented in the same direction or in directions within 45 degrees of one another, they are to be considered as part of a single facade. A roof is not a facade or part of a facade. Multiple buildings on the same lot will each be deemed to have separate facades.

(14) **FLAT ATTACHED SIGN** means an attached sign projecting 12 inches or less from a building, and the face of which is parallel to the building facade.

(15) **FREEWAY LOOP** means the area of the city within Woodall Rogers Freeway, R.L. Thornton Freeway, Central Expressway (elevated bypass), and Stemmons Freeway.

(16) **GENERIC GRAPHICS** means any pattern of shapes, colors, or symbols that does not commercially advertise.

(17) **KIOSK** means a multi-sided structure for the display of premise and nonpremise signs.

(18) **LANDSCAPE SIGN** means a sign that is a part of a single landscape design which creates a base for the sign in conjunction with a retaining wall or an open space created with the use of water or planting material.

(19) **LOWER LEVEL SIGN** means an attached sign wholly situated within the lower level sign area.

(20) **LOWER LEVEL SIGN AREA** means the portion of a facade less than 36 feet above grade.

(21) **MARQUEE SIGN** means a sign attached to, applied on, or supported by a permanent canopy projecting over a pedestrian street entrance of a building, and consisting primarily of changeable panels, words, or characters.

(22) **MESSAGE AREA** means the area within the effective area of a sign that provides a specific commercial or non-commercial message and that excludes all extremity and intra-areas associated with the sign fixture.

(23) **MONUMENT SIGN** means a detached sign applied directly onto a grade-level support structure (instead of a pole support) with no separation between the sign and grade.

(24) **MOVEMENT CONTROL SIGN** means a sign that directs vehicular and pedestrian movement within this district.

(25) **PROJECTING ATTACHED SIGN** means an attached sign projecting more than 12 inches from a building at an angle other than parallel to the facade.

(26) **PROMOTIONAL MESSAGE** means a message that identifies or promotes a cultural activity within this district, any special event being conducted in this district, any event



being conducted, in whole or in part, in an entertainment complex, or any other event that will benefit the city. Benefit to the city is established by:

- (A) use of city property in accordance with a contract, license, or permit;
- (B) the receipt of city monies for the activity or event; or
- (C) an ordinance or resolution of the city council that recognizes the activity or event as benefitting the city.

(27) PUBLIC AREA means any publicly or privately-owned outdoor area that is accessible to the public.

(28) RESIDENTIAL USES means those uses defined in Section 51A-4.209.

(29) RETAIL & PERSONAL SERVICE USES means those uses defined in Section 51A-4.210.

(30) SIGN HARDWARE means the structural support system for a sign, including the fastening devices that secure a sign to a building facade or pole.

(31) SPECIAL SIGN DISTRICT ADVISORY COMMITTEE means that committee created by Section 51A-7.504 of the Dallas Development Code, as amended.

(32) TEMPORARY SIGN means a sign erected for a limited time that identifies an event or activity of limited duration. Examples include signs advertising the sale or lease of property, construction activity in progress, or a concert or other cultural event.

(33) UPPER LEVEL SIGN means an attached sign wholly or partially situated 36 feet above grade.

(34) UPPER LEVEL SIGN AREA means the portion of a facade more than 36 feet above grade and within the top 12 feet of a facade on buildings 18 stories or less, or within the top 36 feet of a facade on buildings more than 18 stories.

(34.1) VIDEOBOARD SIGN means a [sign consisting of a flat screen that is capable of displaying intermittent changeable messages and moving images similar to television images, by light-emitting diode or other similar technology, and that is mounted to the exterior of a building.](#)

(35) WELCOME MESSAGE means a message that identifies and greets heads of state, foreign dignitaries, groups using city property in accordance with a contract, license, or permit, or government organizations.

(36) WINDOW ART DISPLAY means an exhibit or arrangement placed within a storefront window of a building and designed to be viewed from a street or public area.

(37) WINDOW SIGN means a sign painted or affixed to a window.

(38) WORD: For purposes of this division, each of the following is considered to be one word:

- (A) Any word in any language found in any standard unabridged dictionary or dictionary of slang.

- (B) Any proper noun or any initial or series of initials.
- (C) Any separate character, symbol, or abbreviation such as "&", "\$", "%", and "Inc."
- (D) Any telephone number, street number, or commonly used combination of numerals and symbols such as "\$5.00" or "50%."
- (E) Any Internet website, network, or protocol address, domain name, or universal record locator.
- (F) Any symbol or logo that is a registered trademark but which itself contains no word or character.
- (G) A street address is not considered to be a word. (Ord. Nos. 20167; 21404; 22425; 24606; 24925)

**SEC. 51A-7.904. DETACHED NON-PREMISE SIGNS.**

Except as provided in this division, no person may erect a detached non-premise sign in this district. (Ord. Nos. 19455; 20167; 21404; 24606; 24925)

**SEC. 51A-7.905. SIGN PERMIT REQUIREMENT.**

- (a) Except as provided in Sections 51A-7.908, 51A-7.914 and 51A-7.915, a person shall not alter, place, maintain, expand, or remove a sign in this district without first obtaining a sign permit from the city.
- (b) The procedure for obtaining a sign permit is outlined in Section 51A-7.505 of this article. Section 51A-7.602 of this article does not apply to signs in this district.
- (c) A person who violates Subsection (a) is guilty of a separate offense for each day or portion of a day during which the violation is continued. (Ord. Nos. 20167; 21404; 24606; 24925)

**SEC. 51A-7.906. GENERAL PROVISIONS FOR ALL SIGNS IN THE DOWNTOWN SIGN DISTRICT.**

- (a) Except as provided in ~~Subsection~~[Subsections \(b\) and \(c\)](#), the regulations of Section 51A-7.303 apply in this district.
- (b) For retail and personal service uses within the retail and Main Street subdistricts, the measurements of luminance are taken from any premise or public right-of-way other than an alley outside the retail subdistrict or and Main Street subdistrict, respectively.
- (c) [Section 51A-7.303 does not apply to videoboard signs in the Main at Akard Subdistrict. No part of the structure of a videoboard sign in the Main at Akard Subdistrict may move or rotate.](#)
- (d) Illuminated signs in this district must comply with Section 51A-6.104 of the Dallas Development Code, as amended. (Ord. Nos. 24606; 24925)

**SPECIAL PROVISIONS FOR SIGNS WITHIN  
THE GENERAL CBD, MAIN STREET AND RETAIL SUBDISTRICTS.**

**SEC. 51A-7.907. GENERAL PROVISIONS.**

(a) Signs over the right-of-way.

(1) Signs may be located within the public right-of-way subject to the franchise requirements of Chapter XIV of the City Charter, Article VI of Chapter 43 of the Dallas City Code, as amended, Chapter 45 of the Dallas Building Code, and the requirements of all other applicable laws, codes, ordinances, rules, and regulations.

(2) The director of development services shall review the location of any sign located in or overhanging the public right-of-way to ensure that the sign will not pose a traffic hazard or visibility obstruction.

**APPLICANT**

(3) ~~No~~ With the exception of videoboard signs in the Main at Akard Subdistrict, no portion of a sign may be located less than two feet from the back of a street curb. No videoboard sign in the Main at Akard Subdistrict may project over a street.

**STAFF**

(3) No portion of a sign may be located less than two feet from the back of a street curb.

(b) Signs in general.

(1) Except as provided in Division 51A-7.900 of Article VII, all applications for certificates of appropriateness for detached signs in this district must be reviewed by the special sign district advisory committee using the permit procedures set forth in Division 51A-7.500. The director procedure in Division 51A-7.500 is not available for detached signs in this district. All applications for certificates of appropriateness for other types of signs in this district must be in accordance with Division 51A-7.500 of Article VII.

(2) Unless otherwise provided, all signs in this district must be premise signs.

(3) All wind devices except for flags and banners are prohibited in this district unless allowed under a special events permit issued under Chapter 42A of the Dallas City Code, as amended. (Ord. 24606; 24925; 25047)

**SEC. 51A-7.908. VIDEOBOARD SIGN.**

(a) One videoboard sign may be attached to a building adjacent to the Main Street Subdistrict.

~~(b) The videoboard sign may display any message.~~

**APPLICANT**

(b) A maximum of two videoboard signs may be attached to any building located wholly within the Main at Akard Subdistrict, one of which may be located adjacent to Main Street and the other which may be located adjacent to Elm Street. The videoboard sign adjacent to Main Street may contain two sign faces that face different directions. The videoboard sign adjacent to Elm Street shall be limited to one sign face. Each sign face shall be limited to 150 square feet in effective area. If a videoboard sign overhangs a sidewalk, there shall be a minimum clearance of 15 feet between the sidewalk and the lowest portion of a videoboard sign. Intermittent changeable messages (as opposed to streaming video, or moving images similar to television images) on a videoboard sign shall not change messages more often than every six seconds. Nothing herein is intended to prevent streaming video on a videoboard sign. The regulations in this subsection apply only to videoboard signs in the Main at Akard Subdistrict.

(c) A videoboard sign may display any message.

**STAFF**

(b) A maximum of two videoboard signs may be attached to any building located wholly within the Main at Akard Subdistrict, one of which may be located adjacent to Main Street and the other which may be located adjacent to Elm Street. The videoboard sign adjacent to Main Street may contain two sign faces that face different directions. The videoboard sign adjacent to Elm Street shall be limited to one sign face. Each sign face shall be limited to 60 square feet in effective area. Intermittent changeable messages (as opposed to streaming video, or moving images similar to television images) on a videoboard sign shall not change messages more often than every eight seconds. Nothing herein is intended to prevent streaming video on a videoboard sign that is a flat attached sign. All images and messages on a video board sign which overhangs right-of-way that is not a flat attached sign is limited to intermittent changeable messages. The regulations in this subsection apply only to videoboard signs in the Main at Akard Subdistrict.

(c) A videoboard sign in the Main Street subdistrict may display any message. A videoboard sign in the Main at Akard subdistrict may display premise messages and messages promoting district activities.

(ed) A certificate of appropriateness is required for approval of the specific size and location of ~~the~~a videoboard sign.

(de) ~~The~~A videoboard sign may not be placed on a landmark structure. (Ord. 24925)

**SECS. 51A-7.909 THRU 51A-7.910. RESERVED.**

(Ord. Nos. 20167; 21404; 24606; 24925)

**SEC. 51A-7.911. ATTACHED PREMISE SIGNS.**

(a) Attached signs in general.

(1) Attached signs must be securely attached.

(2) Attached signs overhanging the public way are permitted, except that no sign may project closer than two feet to the vertical plane extending through the back of a street curb.

(3) The total effective area for all signs on a facade may not exceed 30 percent of the area in the lower or upper level sign area. Projecting attached signs are not included in these effective area calculations.

(4) Except as otherwise provided, attached signs may only be located in the lower level sign area or in the upper level sign area.

(5) Attached signs may not project more than four feet above the roof line.

(b) Arcade signs.

(1) An arcade sign must be located at least 15 feet from any other arcade sign.

(2) No arcade sign may exceed six square feet in effective area.

(3) No arcade sign may be lower than 10 feet above grade.

(c) Awning signs.

(1) Awning signs in the general CBD subdistrict.

(A) No awning sign may:

(i) project more than two inches from the surface of the awning; or

(ii) be lower than 10 feet above grade.

(B) The total effective area for any one awning sign may not exceed six square feet.

(C) The total effective area for all awning signs combined on each street frontage may not exceed 150 square feet.

(2) Awning signs in the Main Street and retail subdistricts.

(A) No awning sign may:

(i) project more than two inches from the surface of the awning; or

(ii) be lower than 10 feet above grade.

(B) The total effective area for each awning sign may not exceed eight square feet.

(C) The total effective area for all awning signs combined on each premise may not exceed 180 square feet on each street frontage.

(d) Canopy signs.

(1) Canopy signs in the general CBD subdistrict.

(A) No canopy sign may:

(i) exceed 50 percent of the length of the canopy facade to which it is attached;

- (ii) project horizontally more than two inches from the surface of the canopy; or
- (iii) be lower than 10 feet above grade.

(B) The total effective area for all canopy signs combined on each street frontage may not exceed 150 square feet.

(C) No canopy sign may project vertically above the surface of the canopy if a lower level flat attached sign is maintained at that occupancy on the same facade.

(D) No canopy sign may project vertically above the surface of the canopy more than 15 percent of the overall length of the sign.

(E) A canopy sign may only be located over a pedestrian entrance to a premise.

(2) Canopy signs in the Main Street and retail subdistricts.

(A) No canopy sign may:

- (i) exceed 60 percent of the length of the canopy facade to which it is attached;
- (ii) project horizontally more than 12 inches from the surface of the canopy; or
- (iii) be lower than 10 feet above grade.

(B) The total effective area for all canopy signs combined on each street frontage may not exceed 180 square feet.

(C) No canopy sign may project vertically above the surface of the canopy if a lower level flat attached sign is maintained at that occupancy on the same facade.

(D) No canopy sign may project vertically above the surface of the canopy more than 20 percent of the overall length of the sign.

(E) Canopy signs may only be located over a pedestrian entrance to a premise.

(e) Flat attached signs.

(1) Lower level flat attached signs.

(A) The maximum number of lower level flat attached signs permitted on a facade is the sum obtained by counting all of the street entrances and first floor occupants with windows on that facade with no street entrances.

(B) In the general CBD subdistrict, the maximum effective area for a lower level flat attached sign is:

- (i) 30 square feet if the sign is within 15 feet of the right-of-way; and
- (ii) 50 square feet if the sign is more than 15 feet from the right-of-way.

(C) In the Main Street and retail subdistricts, the maximum effective area for a lower level flat attached sign is:

- (i) 40 square feet if the sign is within 15 feet of the right-of-way; or

(ii) 60 square feet if the sign is more than 15 feet from the right-of-way.

(2) Upper level flat attached signs.

(A) Each upper level flat attached sign may have a maximum of eight words that contain any character of a height equal to or exceeding four inches.

(B) Upper level flat attached signs must be wholly located within the upper level sign area.

(f) Marquee signs.

(1) No marquee sign may:

(A) exceed 225 square feet for buildings with an entertainment facility housing 150 seats or less; or

(B) exceed 375 square feet for buildings with an entertainment facility housing more than 150 seats.

(2) No marquee sign may be longer than two-thirds of the length of the frontage of the building to which the marquee is attached.

(3) The message area on a marquee sign may consist of LED, LCD, or other changeable message technology. The message area on any marquee sign may not exceed 60 percent of the effective area of the sign.

(4) Marquee signs must have a height dimension of not less than two feet.

(5) No premise may have more than one marquee sign per street frontage.

(6) Only an entertainment facility may have a marquee sign.

(g) Projecting attached signs.

(1) Lower projecting attached signs.

(A) No premise may have more than one lower projecting attached sign per pedestrian entrance.

(B) No lower projecting attached sign may exceed 15 square feet in effective area in the general CBD subdistrict, or 30 square feet in effective area in the retail and Main Street subdistricts.

(C) No lower projecting attached sign may be lower than 10 feet above grade, or project vertically above the roof of a building, or 25 feet above grade, whichever is lower.

(D) No lower projecting attached sign may project more than five feet into the public right-of-way.

(2) Upper projecting attached signs.

(A) No premise may have more than one upper projecting attached sign.

(B) No upper projecting attached sign may project more than five feet into the public right-of-way.

(C) An upper projecting attached sign:

- (i) may be located outside the upper level sign area; and
- (ii) may not be lower than 12 feet above grade.

(D) The lowest point of an upper projecting attached sign must be located within 36 feet above grade.

(E) No upper projecting attached sign may exceed 180 square feet in effective area.

(3) The board of adjustment may authorize a special exception to the effective area, height, or location restrictions for a projecting attached sign if the board finds, after a public hearing, that the special exception will not be contrary to the public interest, adversely affect neighboring properties, or create a traffic hazard and that the special exception will be in harmony with the general purpose and intent of this division. In no event may a special exception granted under this paragraph authorize a sign to exceed 300 square feet in effective area or 45 feet in height. (Ord. 20927; 21404; 21694; 24606; 24925)

#### **SEC. 51A-7.912. DETACHED PREMISE SIGNS.**

(a) Unless otherwise provided, all detached premise signs must be monument signs or landscape signs.

(b) No detached premise sign may be located within five feet of a public right-of-way, except for monument signs or landscape signs, which may be located at the building line.

(c) Detached premise signs located within 15 feet of a public right-of-way may not exceed 20 square feet in effective area, or five feet in height.

(d) Detached premise signs with a setback of 15 feet or greater from a public right-of-way may not exceed 50 square feet in effective area, or 15 feet in height.

(e) A detached premise sign may contain only the name, logo, and address of the premise building and its occupants.

(f) Section 51A-7.304(c) of the Dallas Development Code, as amended, does not apply to monument signs or landscape signs in these subdistricts.

(g) A premise having more than 450 feet of frontage along a street may have no more than one additional detached premise sign for each additional 100 feet of frontage or fraction thereof. For purposes of this subsection, "street" means a right-of-way that provides primary access to adjacent property. (Ord. Nos. 20167; 21404; 22425; 24606; 24925)

#### **SEC. 51A-7.913. SIGNS ON CONSTRUCTION BARRICADES.**

(a) The director of development services shall review all signs to be placed on a construction barricade for consistency with the construction fence requirements of the Dallas Central Business District Streetscape plan. Upon approval of the signs by the director, a sign permit for the signs may be issued. This review is a condition precedent for any permit issued for



a construction barricade. No additional sign permits for the barricade may be issued after the barricade permit is issued.

(b) A sign that is affixed to a construction barricade may not project more than two inches from the surface of the construction barricade.

(c) A sign that is affixed to a construction barricade may neither be lighted nor contain any moving parts.

(d) A sign that is affixed to a construction barricade must be removed when the construction barricade is removed.

(e) The information contained on a sign placed on a construction barricade may only convey information regarding what is being constructed on the site and who is conducting the construction, including the owners, developers, future tenants, lenders, architects, engineers, project consultants, and contractors. The sign may not advertise a product.

(f) The message area on a sign that is affixed to a construction barricade may not exceed 50 square feet in effective area.

(g) A construction barricade may be fully decorated or graphically designed if:

(1) no decoration or graphic horizontally projects more than two inches from the surface of the barricade; or

(2) no decoration or graphic vertically projects more than four feet above the top of the barricade. (Ord. Nos. 19455; 20167; 21404; 24606; 24925; 25047)

#### **SEC. 51A-7.914. BANNERS ON STREETLIGHT POLES.**

Banners on streetlight poles in the freeway loop are subject to the following regulations:

(a) A banner must display a promotional message, a welcome message, or generic graphics.

(b) No more than 10 percent of the effective area of a banner may contain a welcome message that identifies and greets a group using city property in accordance with a contract, license, or permit.

(c) Up to 10 percent of the effective area of a banner may contain the word(s) or logo(s) that identify a sponsor of a cultural event or activity if the sponsor's name is part of the name of the activity or event.

(d) A banner having either a promotional message or a welcome message may not be erected more than 90 days prior to the beginning of the advertised activity or event, and must be removed no later than 15 days after that activity or event has ended. The sign hardware for a banner may be left in place between displays of a banner.

(e) A banner and its sign hardware must:

(1) be mounted on a streetlight pole;

(2) meet the sign construction and design standards in the Dallas Building Code;

(3) be at least 12 feet above grade, unless it overhangs a roadway, in which case it must be at least 15 feet above grade;

(4) be made out of weather-resistant and rust-proof material;

(5) not project more than three feet from the pole onto which it is mounted; and

(6) not exceed 20 square feet in effective area.

(f) No sign permit or certificate of appropriateness is required to erect or remove a banner. (Ord. Nos. 21404; 24606; 24925)

**SEC. 51A-7.915. WINDOW ART DISPLAYS IN VACANT BUILDINGS.**

Window art displays on the ground floor of a vacant building are allowed subject to the following regulations:

(a) A window art display may contain only a promotional message, generic graphics (including three-dimensional artifacts), a message identifying the sponsor of the display, or a message referring to the sale or lease of the premises.

(b) Window signs in a window art display may not:

(1) cover more than 25 percent of the surface area of a window;

(2) contain a logo or word that has any character that exceeds five inches in height;

(3) advertise a specific product or service other than the cultural event or activity; or

(4) have more than 10 percent or four square feet, whichever is less, of its effective area devoted to sponsorship identification.

(c) No sign permit or certificate of appropriateness is required to erect or remove a window art display. (Ord. Nos. 21404; 24606; 24925)

**SEC. 51A-7.916. NONCOMMERCIAL MESSAGE NONDISCRIMINATION.**

Notwithstanding any other provision of this division, any sign that may display a type of noncommercial message may display in place of that message any other type of noncommercial message, so long as the sign complies with other requirements of this article and other ordinances that do not pertain to the content of the message displayed. Section 51A-7.209 of the Dallas Development Code, as amended, applies to this district. (Ord. Nos. 21404; 24606; 24925)

**SEC. 51A-7.917. ACTIVITY DISTRICT CHANGEABLE MESSAGE SIGNS.**

(a) No more than six activity district changeable message signs may be located in this district.

(b) Activity district changeable message signs in the general CBD subdistrict:

(1) may be attached or detached signs;

(2) must be located at least 1500 feet apart;

- (3) if attached signs, must be located on separate facades; and
- (4) may not exceed 450 square feet in effective area.
- (c) Activity district changeable message signs in the retail and Main Street subdistricts:
  - (1) must be attached signs;
  - (2) must be located at least 300 feet apart;
  - (3) must be located on separate facades; and
  - (4) may not exceed 200 square feet in effective area.
- (d) A maximum of four activity district changeable message signs may be located in the general CBD subdistrict, and a maximum of two activity district changeable message signs may be located in the retail and Main Street subdistricts collectively.
- (e) Activity district changeable message signs may not exceed 60 feet in height.
- (f) Activity district changeable message signs may only promote district activities within this district or West End Special Provision Sign District, Deep Ellum Special Provision Sign District, Arts District Special Provision Sign District, and Farmers Market Special Provision Sign District.
- (g) No more than 10 percent of the effective area of a district changeable message sign may be devoted to sponsorship identification.
- (h) No more than eight permanent words may be located on an activity district changeable message sign.
- (i) There is no limit to the number of words on the changeable message portion of an activity district changeable message sign.
- (j) No attached activity district changeable message sign may project above the roof.
- (k) Activity district changeable message signs must be securely anchored and meet design standards approved by the Special Sign District Advisory Committee. (Ord. Nos. 24606; 24925)

**SEC. 51A-7.918. KIOSKS.**

- (a) Kiosks for which permits were issued after March 9, 2005.
  - (1) Kiosks may only be erected as part of a city- wide kiosk program approved by the city council.
  - (2) Kiosks are not subject to this section, and must meet the design standards of a city- wide kiosk program approved by the city council.
- (b) Kiosks for which permits were issued on or before March 9, 2005.
  - (1) Kiosks may display premise or non-premise messages.
  - (2) Kiosks must be spaced at least 300 feet apart.

- (3) No kiosk may be illuminated by a detached, independent external light source.
- (4) Kiosks may not be located on sidewalks unless:
  - (A) an unobstructed sidewalk width of 10 feet is maintained on any side with a message area; or
  - (B) an unobstructed sidewalk width of seven feet is maintained with no message area.
- (5) Kiosks must be securely anchored.
- (6) Except as provided in this section, kiosks must meet the design standards of a city-wide kiosk program approved by the city council.
- (7) Kiosks may contain coin-operated public toilets.
- (8) Kiosks may not exceed:
  - (A) 10 feet in height;
  - (B) 80 square feet in effective area; or
  - (C) 100 square feet in effective area if a kiosk contains a coin-operated public toilet.
- (9) The effective area of a kiosk is measured using the rule for measuring the effective area of detached signs.
- (10) The message area of a kiosk may not exceed 60 percent of the effective area of the kiosk.
  - (A) One-third of the message area of a kiosk must identify a district activity or be an area way-finding map. The message area identifying a district activity or containing an area way-finding map must be oriented to be visible from a sidewalk within the public right-of-way.
  - (B) There is no limit as to the number of words containing characters of a height equal to or exceeding four inches on a kiosk.
- (11) Kiosks with area way-finding maps must have the word "information" or an information symbol above the message area.
- (12) Kiosks may be relocated within this district, provided the new location and kiosk design complies with this section. (Ord. Nos. 24606; 24925; 25926)

**SEC. 51A-7.919. MOVEMENT CONTROL SIGNS.**

- (a) Movement control signs must direct vehicular or pedestrian movement within this district or to adjacent districts and may include the name or logo of any premise located in this district or the name or logo of any adjacent district.
- (b) Movement control signs that include the name or logo of two or more premises may:
  - (1) be attached or detached signs;

- (2) not exceed 30 square feet in effective area;
  - (3) be located in a public right-of-way; or
  - (4) be erected anywhere within the district without limit as to number.
- (c) Movement control signs that include the name or logo of one premise may:
- (1) be attached or detached signs;
  - (2) be erected on the premise without limit as to number;
  - (3) not exceed two square feet in effective area; and
  - (4) not be located in the public right-of-way. (Ord. Nos. 24606; 24925)

**SEC. 51A-7.920. DISTRICT IDENTIFICATION SIGNS.**

- (a) A district identification sign may only:
- (1) identify the name or logo of the Main Street or retail subdistrict as approved by the city council; and
  - (2) be located in the subdistrict that it identifies.
- (b) A district identification sign may be located in the right-of-way.
- (c) No district identification sign may be a changeable message sign.
- (d) A district identification sign may only be a monument sign, a banner sign, or be located on a structure that spans a right-of-way or on a nonenclosing wall.
- (e) A maximum of six district identification signs are allowed in the retail and Main Street subdistricts collectively.
- (f) No district identification sign may exceed 50 square feet in effective area.
- (g) No district identification sign may exceed five words.
- (h) A structure that spans a right-of-way or a nonenclosing wall containing a district identification sign:
- (1) may not exceed 900 square feet in effective area;
  - (2) must be at least 15 feet above grade; and
  - (3) may not exceed 25 feet in height.
- (i) Monument identification signs located within 15 feet of a public right-of-way may not exceed 20 square feet in effective area, or five feet in height.
- (j) Monument identification signs located more than 15 feet from a public right-of-way may not exceed 50 square feet in effective area, or 15 feet in height.

(k) Banner district identification signs and their hardware must meet the sign construction and design standards contained in the Dallas Building Code, and be at least 12 feet above grade, unless they overhang a roadway, in which case they must be at least 15 feet above grade;

(1) No banner district identification sign and its hardware may exceed 25 feet in height;

(2) No banner district identification sign and its hardware may project more than three feet from the pole on which they are mounted;

(3) A banner district identification sign and its hardware must be spaced at least 100 feet from other banner district identification signs;

(4) A banner district identification sign and its hardware may not exceed 24 square feet in effective area; and

(5) A banner district identification sign and its hardware must be made of weather-resistant and rust proof material. (Ord. Nos. 24606; 24925)

**SEC. 51A-7.921. PROTECTIVE SIGNS.**

(a) The occupant of a premise may erect no more than two detached protective signs in accordance with the following provisions:

(1) No sign may exceed 700 square inches in effective area.

(2) No detached sign may exceed two feet in height.

(3) No word may exceed four inches in height, unless otherwise required by law.

(b) The occupant of a premise may erect attached protective signs at each entrance to a premise in accordance with the following provisions:

(1) No sign may exceed 700 square inches in effective area.

(2) The cumulative messages may not exceed 1,300 square inches per entrance.

(3) No word may exceed four inches in height, unless otherwise required by law. (Ord. Nos. 24606; 24925)

**SEC. 51A-7.922. SPECIAL PURPOSE SIGNS.**

(a) Illumination. Special purpose signs may be externally or internally illuminated.

(1) Attached signs.

(A) Only one attached premise special purpose sign may be located on each facade per premise up to four times within any 12-month period as long as:

(i) the sign is maintained for no more than 45 days each time during that 12-month period;

(ii) the sign conforms to all other regulations for attached signs; and

(iii) the effective area of the sign does not exceed:

- (aa) 30 percent of the building facade for an entertainment facility; or
- (bb) 10 percent of the building facade for other uses.

(B) There is no limit to the number of words permitted on an attached premise special purpose sign.

(2) Detached special purpose signs are prohibited in this district. (Ord. Nos. 24606; 24925)

**SEC. 51A-7.923. OTHER TEMPORARY SIGNS.**

(a) In addition to the protective signs permitted under Section 51A-7.921, temporary protective signs may be erected anywhere on a construction site at anytime during construction subject to the following provisions:

- (1) There is no limit on the number of temporary protective signs on a construction site.
- (2) No sign may exceed 20 square feet in effective area, or eight feet in height.
- (3) Temporary protective signs may be illuminated, but no lighting source may project more than three inches from the vertical surface, or six inches above the top, of the sign.
- (4) All temporary protective signs must be removed upon completion of the construction.

(b) "For Sale," "For Lease," "Remodeling," and "Under Construction" signs. Signs that relate exclusively to the sale, lease, remodeling, or construction of the premises on which they are located are permitted subject to the following provisions:

- (1) Attached signs.
  - (A) There is no limit on the number of attached signs permitted.
  - (B) If the sign is attached to a window, the maximum effective area of the sign is 16 square feet.
  - (C) If the sign is attached to other portions of a facade, the maximum effective area of the sign is 32 square feet.

- (2) Detached signs.
  - (A) Detached signs are limited to one for each 100 feet of frontage on a public street or private access easement.
  - (B) No detached sign may exceed 128 square feet in effective area, or 16 feet in height. (Ord. Nos. 24606; 24925)

**SECS. 51A-7.924 THRU 51A-7.929. RESERVED.**

**SEC. 51A-7.930. SUPERGRAPHIC SIGNS.**

(a) Definitions. In this section:

(1) INNER LOOP AREA means the Main Street Subdistrict, the Retail Subdistrict and the General CBD Subdistrict.

(2) SUPERGRAPHIC SIGN means a large attached premise or non-premise sign on a mesh-type surface.

(b) Visual display and coverage.

(1) A supergraphic sign must have one large visual display with a minimum of 92 percent non-textual graphic content (no more than eight percent text). Multiple displays giving an appearance of multiple signs are prohibited.

(2) A supergraphic sign must cover at least 90 percent of the face of the building to which it is attached. The lower 10 feet of the face may not be covered and is disregarded in calculating the coverage area.

(3) Supergraphic signs are intended to be creative and artful and not strictly a representation of an advertised product. It is the intent of this provision to:

(A) encourage the use of illustrative images or other non-repetitive design elements;

(B) encourage visually interesting, vibrant, and colorful designs;

(C) discourage use of solid colors or repetitive design elements; and

(D) discourage an image of a single product or product logo without other graphic elements.

(c) Effective area. Maximum permitted effective area of a supergraphic sign is 20,000 square feet. Minimum permitted effective area is 10,000 square feet.

(d) Height. No supergraphic sign may exceed 150 feet in height.

(e) Number of signs permitted. No more than six supergraphic signs are permitted within the inner loop area. No supergraphic signs are permitted outside of the inner loop area.

(f) Extensions prohibited. A supergraphic sign may not extend beyond the edge of the face of the building to which it is attached.

(g) Location.

(1) A supergraphic sign may only be located on a blank face of a building.

(2) No supergraphic sign may:

(A) cover any window or architectural or design feature of the building to which it is attached;

(B) be attached to an historic or landmark structure; or

(C) be attached to a building or structure erected after June 1, 2005.

(h) Message duration. A supergraphic sign may not display the same message for more than four consecutive months in any 12-month period.



(i) Hardware fasteners. All hardware fasteners for a supergraphic sign must comply with the Dallas Building Code and all other ordinances, rules, and regulations of the City of Dallas.

(j) HBA signs prohibited. No supergraphic sign may be a Highway Beautification Act (HBA) sign as defined in Section 51A-7.102.

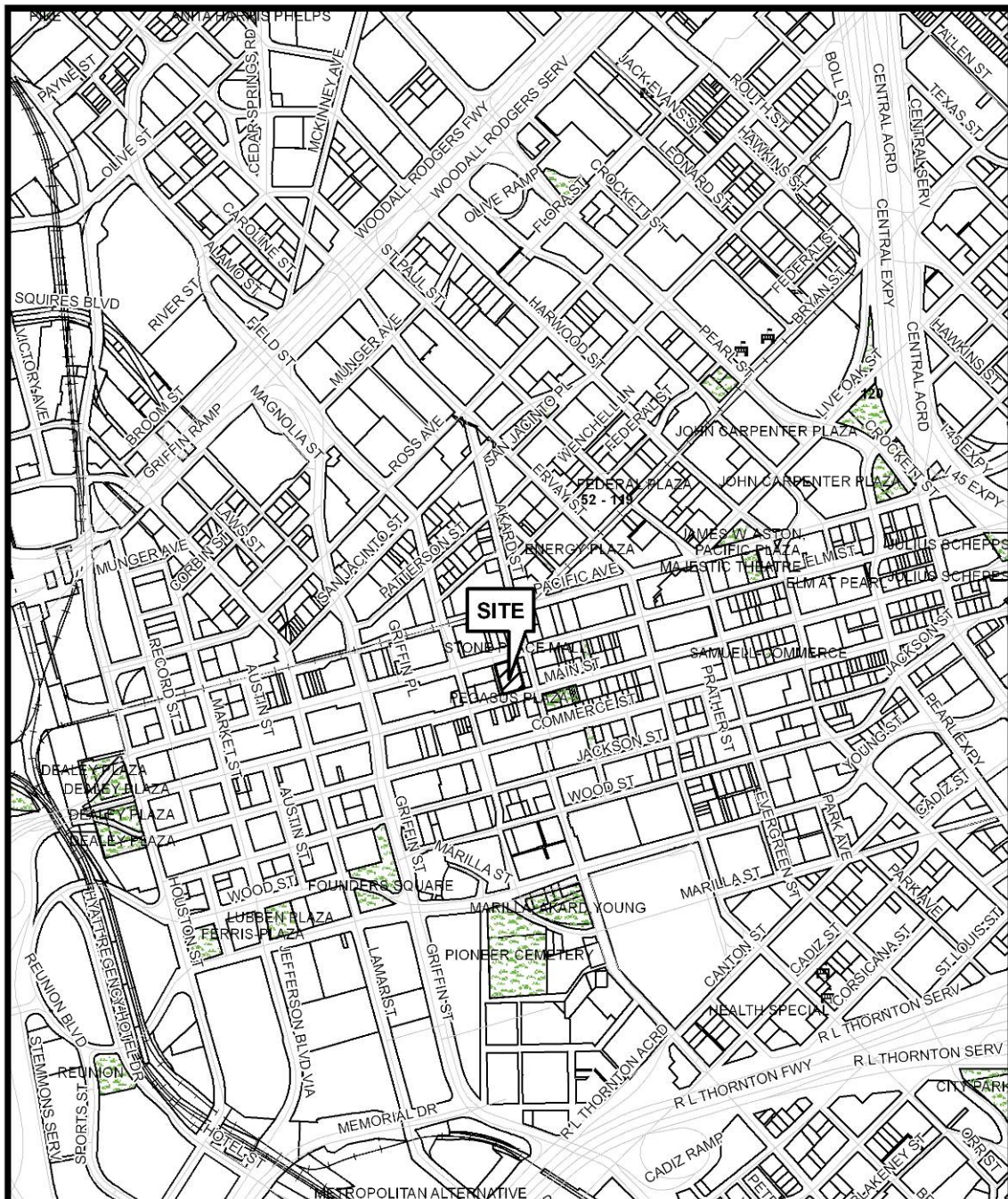
(k) Sign permit application review. All applications for sign permits for supergraphics signs shall be reviewed using the director procedure in Section 51A-7.505.

(l) Mandatory removal in 2008. All supergraphic signs must be removed on or before September 1, 2008. This section does not confer a nonconforming or vested right to maintain a supergraphic sign after September 1, 2008, and all permits authorizing supergraphic signs shall automatically expire on that date.

(m) Sunset. This section expires on September 1, 2008, unless re-enacted with amendment prior to that date. The city plan commission and city council shall review this section prior to its expiration date. (Ord. Nos. 24717; 24925; 24926; 25291; 25995)



Rendering of proposed sign on Main Street façade of the building



<p>↑</p> <p>1:10,000</p>	<h1>VICINITY MAP</h1>	<p><b>J-7</b></p> <p>Map no: _____</p> <p><b>SPSD067-003 DC</b></p> <p>Case no: _____</p>
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DATE: 09/05/2007

GIS TECHNICIAN: KRua



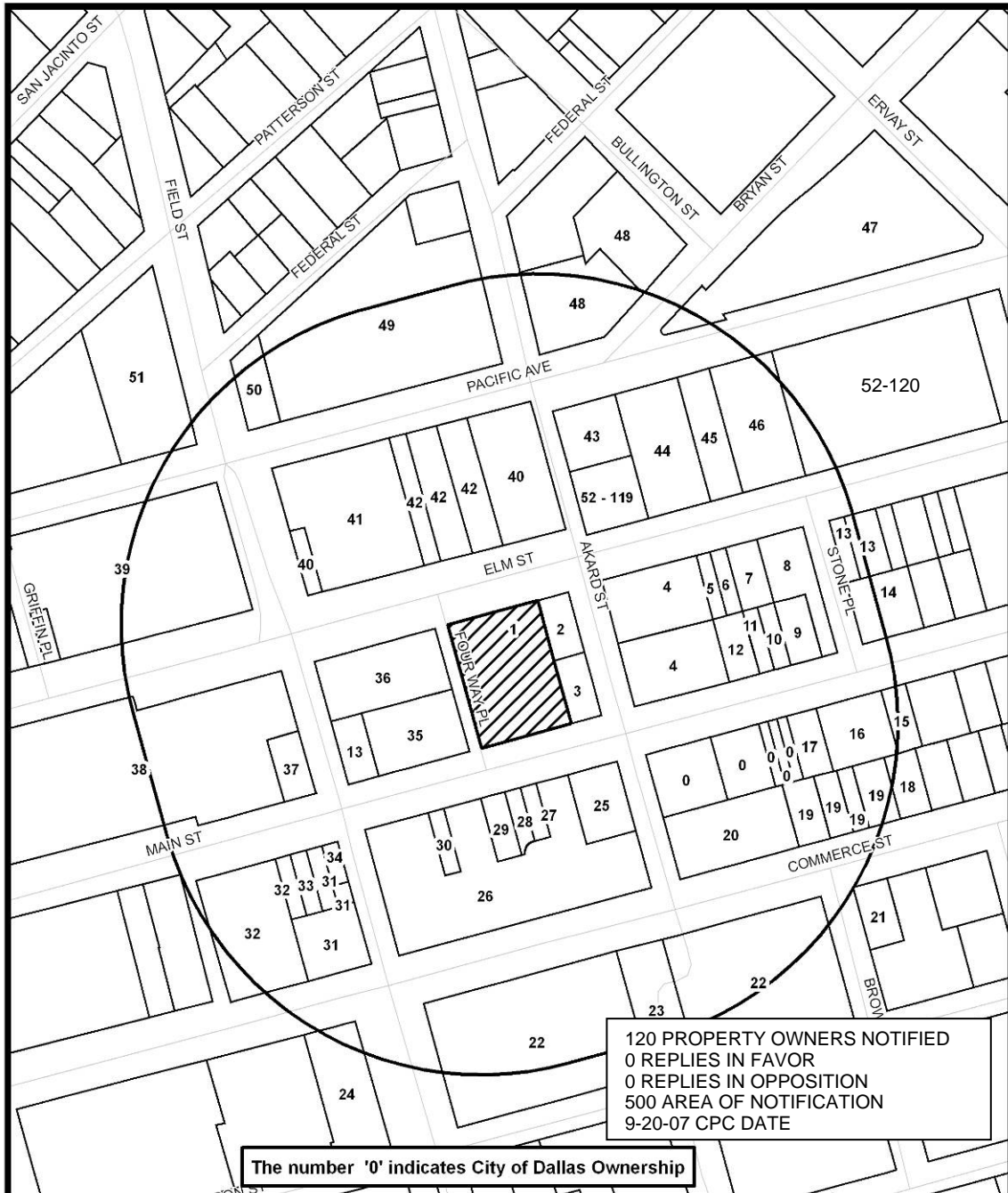
↑  
1:2,400

# ZONING

**J-7**  
Map no: \_\_\_\_\_  
**SPSD067-003 DC**  
Case no: \_\_\_\_\_

DATE: 09/05/2007

GIS TECHNICIAN: KRua



120 PROPERTY OWNERS NOTIFIED  
 0 REPLIES IN FAVOR  
 0 REPLIES IN OPPOSITION  
 500 AREA OF NOTIFICATION  
 9-20-07 CPC DATE

The number '0' indicates City of Dallas Ownership

 1:2,400	<h2 style="text-align: center;">NOTIFICATION</h2> <p><b>500'</b> AREA OF NOTIFICATION</p> <p><b>120</b> NUMBER OF PROPERTY OWNERS NOTIFIED</p>	<p style="text-align: center;"><b>J-7</b></p> <p>Map no: _____</p> <p style="text-align: center;"><b>SPSD067-003 DC</b></p> <p>Case no: _____</p>
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DATE: 09/05/2007

GIS TECHNICIAN: KRua

## *Notification List of Property Owners*

### *SPSD067-003 (DC)(KRua)*

#### *120 Property Owners Notified*

<i>Label</i>	<i>Address</i>	<i>Owner</i>
1	1404 ELM	DLD PROPERTIES
2	1414 ELM	ELM 1414 PPTIES, LTD
3	1415 MAIN	GS RENAISSANCE LTD PS
4	1501 MAIN	HUGHES KIRBY LTD
5	1512 ELM	CADE SARAH G TRUST ET AL
6	1514 ELM	B & R INVESTMENT CO
7	1516 ELM	MCKINNEY BOLL PROP #3 LTD
8	1520 ELM	STONE PLACE MALL INV1 LTD
9	1521 MAIN	GORMAN THOMAS
10	1519 MAIN	1519 MAIN LP
11	1517 MAIN	FONBERG PETER D TR ET AL
12	1515 MAIN	LEGAL AID OF NORTHWEST TE
13	1604 ELM	WALKER JAMES
14	1607 MAIN	C G H PROPERTIES CORP
15	1600 MAIN	WISCHKOWSKY CAMILLA
16	1530 MAIN	DUNHILL 1530 MAIN LP
17	1520 MAIN	MAIN STREET INVESTORS JV
18	1513 COMMERCE	PACIFICO PARTNERS LTD
19	1511 COMMERCE	WESTMOUNT PLAZA LTD
20	1401 COMMERCE	HOLTZE MAGNOLIA LLLP
21	1500 COMMERCE	HAMILTON DPL LP
22	208 AKARD	SOUTHWESTERN BELL
23	1226 COMMERCE	DOWNTOWN HOUSING ASSC LTD
24	1208 COMMERCE	DAVIS MRS HELEN BOUCHE
25	1412 MAIN	BN 1412 MAIN LP
26	1315 COMMERCE	ADOLPHUS ASSOC JV

*Thursday, September 06, 2007*

<i>Label</i>	<i>Address</i>	<i>Owner</i>
27	1404 MAIN	ENSTAM RAYMOND A TR
28	1402 MAIN	TIER DEVELOPMENT GROUP LC
29	1400 MAIN	DDL MAIN STREET LP
30	1306 MAIN	RUTCHIK MORRIS TR
31	1212 MAIN	LB 1200 MAIN LP
32	1208 MAIN	LB 1200 MAIN LP
33	1210 MAIN	LB 1200 MAIN LP
34	1214 MAIN	LB 1200 MAIN LP
35	1309 MAIN	DAVIS METRO LP
36	1302 ELM	DAVIS METRO LP
37	1217 MAIN	DALLAS ROOF GARDENS INC
38	1201 MAIN	RAK MAIN PLACE ASSOC LP
39	1201 ELM	TRIZEC RENAISSANCE INC
40	1405 ELM	SCIROEV TEXAS PARTNERS LP
41	1401 ELM	ELM TOWER REALTY LP
42	1403 ELM	K & HT CORPORATION
43	208 AKARD	SOUTHERN METHODIST UNIV
44	1511 ELM	DALLAS MINNESOTA INV LLC
45	1600 PACIFIC	ANDREWS DILLINGHAM PPTIES
46	1600 PACIFIC	1600 PACIFIC BUILDING LP
47	1627 PACIFIC	THANKSGIVING SQUARE FDN
48	1511 BRYAN	HAMILTON FIDELITY, LP.
49	1401 PACIFIC	DALLAS AREA RAPID TRANSIT
50	1307 PACIFIC	J & D MERRIMAN LTD
51	1201 PACIFIC	PRUDENTIAL INSURANCE CO
52	1505 ELM ST	ASTORIA DOWNTOWN DALLAS
53	1505 ELM ST	DUCOTEY WARREN 2002 TR
54	1505 ELM ST	JOBE REAGAN V
55	1505 ELM ST	MILLER MARK E
56	1505 ELM ST	BUTLER KELLY A
57	1505 ELM ST	1505 ELM LP

*Thursday, September 06, 2007*

<i>Label</i>	<i>Address</i>	<i>Owner</i>
58	1505 ELM ST	HATCHER STEPHEN M
59	1505 ELM ST	WHITFIELD LATERRAS R
60	1505 ELM ST	SEAGRAVES GEORGE
61	1505 ELM ST	SCHAAF MARK EDWARD
62	1505 ELM ST	DOHERTY MARK & BLANCA
63	1505 ELM ST	SCHMIDT MICHAEL
64	1505 ELM ST	STEWART ANDREW E
65	1505 ELM ST	BEWER STEPHEN D &
66	1505 ELM ST	BECKMAN JAMIE W & SARA N
67	1505 ELM ST	SAPIO RICHARD
68	1505 ELM ST	SAPIO RICHARD
69	1505 ELM ST	HERTIG KELSEY
70	1505 ELM ST	HARVEY JAMES
71	1505 ELM ST	LUMLEY JIMMY G
72	1505 ELM ST	GHASSEMIEH KAMBIZ &
73	1505 ELM ST	ALONSO PETER M
74	1505 ELM ST	ALHADEFF MARY ANNE
75	1505 ELM ST	DUGAS ELIZABETH H & JASON RAYMOND
76	1505 ELM ST	MYERS CHARLES R
77	1505 ELM ST	SONNETT JOHN
78	1505 ELM ST	BRAIR GHASSAN B
79	1505 ELM ST	MAGAN NAVIN
80	1505 ELM ST	SLATTERY DAVID E
81	1505 ELM ST	STEVENS KATHERINE A
82	1505 ELM ST	POTTER BRITON J III &
83	1505 ELM ST	FISCHER DAVID &
84	1505 ELM ST	ESTERLINE ELAYNE
85	1505 ELM ST	ACHAR SANDRA
86	1505 ELM ST	MORRILL MARTHA L
87	1505 ELM ST	MOORE ROBERT E
88	1505 ELM ST	OWENS MELISSA

*Thursday, September 06, 2007*



<i>Label</i>	<i>Address</i>	<i>Owner</i>
89	1505 ELM ST	NICHUALS DANIEL M
90	1505 ELM ST	FRYMIRE THOMAS R JR &
91	1505 ELM ST	ANTERHAUS ROBERT H &
92	1505 ELM ST	MUNOZ ROLANDO & DONNA W
93	1505 ELM ST	MCKNIGHT BILLY REA
94	1505 ELM ST	DILENA R J
95	1505 ELM ST	MARCUIS ALAN J & AMY F
96	1505 ELM ST	HOLLOWAY MICHAEL S &
97	1505 ELM ST	FRAZEE STEVEN K
98	1505 ELM ST	DANE EUGENE
99	1505 ELM ST	GRAU CARLA
100	1505 ELM ST	MCLAIN WILLIAM T &
101	1505 ELM ST	MITTELSTET STEPHEN K
102	1505 ELM ST	SINGER ARTURO
103	1505 ELM ST	BAUMANN MICHAEL B
104	1505 ELM ST	ROBERTS FINES &
105	1505 ELM ST	COLLETT BRIAN J &
106	1505 ELM ST	NIENDORFF CARL A IV
107	1505 ELM ST	POSEY GAYLE R
108	1505 ELM ST	IRWIN CASEY
109	1505 ELM ST	FURRH JAMES MADISON &
110	1505 ELM ST	HARVEY JEFFREY M
111	1505 ELM ST	SWAYDEN CHRISTOPHER G
112	1505 ELM ST	SWAIM GARY DON
113	1505 ELM ST	DEUTSCHE BANK NA TR CO
114	1505 ELM ST	VARDEMAN RYAN
115	1505 ELM ST	GAGE SHAWN C
116	1505 ELM ST	VILLANUEVA CHRIS S
117	1505 ELM ST	DOYLE STEPHEN A &
118	1505 ELM ST	SALVATORE PAUL & LILLY A
119	1505 ELM ST	BLUE STAR MORTGAGE INC
120	1601 ELM ST	T TOWER LP

*Thursday, September 06, 2007*



**AGENDA ITEM # 57**

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Department of Development Services  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** N/A

**SUBJECT**

A public hearing to receive comments regarding consideration of amendments to Section 51A-7.307 of the Dallas Development Code, to amend the provisions for relocation of detached non-premise signs (billboards) due to the acquisition by a governmental entity of the land the sign is located on and an ordinance granting the amendments  
Recommendation of Staff and CPC: Approval  
DCA078-015



**FILE NUMBER:** DCA 078-015

**DATE INITIATED:** May 27, 2008

**TOPIC:** Relocation of Billboards

**CITY COUNCIL DISTRICTS:** All

**CENSUS TRACTS:** All

**PROPOSAL:** Consideration of amendments to Chapter 51A, the Dallas Development Code, to amend regulations pertaining to the relocation of detached non-premise signs (billboards)

**SUMMARY:** This proposal amends provisions related to the relocation of billboards necessitated due to right-of-way and property acquisition by a governmental entity. The proposed amendment would change the time a relocation permit must be applied for from within one year of the date the property is acquired to within one year of the billboard being removed. The proposed amendments also change several provisions regulating how and where the signs may be relocated.

**CPC RECOMMENDATION:** Approval of the attached ordinance.

**ZOAC RECOMMENDATION:** Approval of the attached ordinance.

**STAFF RECOMMENDATION:** Approval of the attached ordinance.

## BACKGROUND

- On May 27, 2008, the City Council Transportation and Environment Committee directed staff to look at amendments to the provisions regulating the relocation of billboards.
- The primary catalyst for the proposed changes were 25 billboards which were displaced as a result of construction of the northwest and southeast DART lines.
- Section 51A-7.307 permits relocation of billboards located on or overhanging land acquired by a governmental entity subject to certain restrictions.
- Billboards are often located on land needed for highway expansion projects and rail transit projects.
- State rules regarding the amortization of billboards has made simply acquiring the billboards cost prohibitive, therefore it is necessary to provide for their relocation.
- The Zoning Ordinance Advisory Committee considered this issue at three public meetings between October and December of 2008. The meetings were attended by billboard industry representatives, DART representatives and interested citizens.
- The relocation of billboards are currently regulated as follows:
  - May not be relocated to be on an expressway if the billboard is not currently on an expressway.
  - May be relocated as close as 500 ft to another billboard (for expressway signs the measurement is made on the same side of the expressway, for non-expressways signs the measurement is radial).
  - May not have a greater effective area than it had at its original location
  - May not contain new materials that are more than 5 feet above grade (foundation support can be new, but remainder of the sign must be the existing materials of the relocated sign).
  - May not be relocated to within 2,000 feet of the Trinity River
  - May not be relocated to be within 200 feet of an intersection involving.
    - Two or more arterials
    - An expressway frontage road and ramp
    - Expressway travel lane and ramp
  - May not be relocated to within 500 ft of a:
    - Historic district
    - Public park
    - City owned lake; or
    - Escarpment zone

- Non Highway Beautification Act (HBA) signs may not be relocated to within 500 feet of a non-business district except by Specific Use Permit
- HBA signs may not be relocated to within 300 ft of a non-business district except by Specific Use Permit

## **PROPOSAL**

Proposed amendments to billboard relocation provisions.

- Allow sign removal to trigger the one year time period to apply for a permit to relocate rather than one year from land acquisition.
- Allow signs located in rail ROW to be relocated within the same ROW subject to all other relocation rules if they cannot be relocated within 500 ft of their original location due to physical constraints.
- Allow signs to combine square footage from multiple signs provided the overall effective area is equal to or less than the signs combined and all other size restrictions are complied with and the number of signs is reduced.
- Allow sign structures to be updated to meet current building code standards when relocated.
- Allow expressway HBA signs to be relocated to LO(A), MO(A) and GO(A) districts.
- Allow a relocated expressway sign to have a height up to 42.5 feet above the grade of the nearest main travel lane, but no greater than 80 feet from ground level (currently restricted to no more than 60 feet from ground level).

## **ZOAC ACTION (December 4, 2008)**

The Zoning Ordinance Advisory Committee voted 6 to 0 to recommend approval of the proposed amendments.

In Favor      Ann Bagley  
                    Robert Ekblad  
                    Jack Craycroft  
                    Jim Rogers  
                    Mattye Jones  
                    Patty Tafoya

**CPC ACTION (January 8, 2009)**

**Motion:** It was moved to recommended **approval** of the amendments to Section 51A-7.307 of the Dallas Development Code, to amend the provisions for relocation of detached non-premise signs (billboards) due to the acquisition by a governmental entity of the land the sign is located on.

Maker: Buehler  
Second: Bagley  
Result: Carried: 13 to 0

For: 13 - Prothro, Gary, Davis, Rodgers, Lozano, Bagley,  
Lavallaisaa, Weiss, Lueder, Buehler, Ekblad, Emmons, Alcantar

Against: 0

Absent: 1 - Wolfish

Vacancy: 1 - District 2

**Speakers:** For: Jake Smith, 1111 Calais, South Lake, TX, 76092  
Judy Jamison, 7611 Ledbetter Rd., Arlington, TX, 76001  
Teresa Moore, 3616 Watanga St., Ft. Worth, 76107  
Against: None



ORDINANCE NO. \_\_\_\_\_

An ordinance amending Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code by amending Section 51A-7.307; amending the provisions for relocation of detached non-premise signs; providing a penalty not to exceed \$2,000; providing a saving clause; providing a severability clause; and providing an effective date.

WHEREAS, the city plan commission and the city council, in accordance with the Charter of the City of Dallas, the state law, and the ordinances of the City of Dallas, have given the required notices and have held the required public hearings regarding this amendment to the Dallas City Code; Now, Therefore,

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

SECTION 1. That Section 51A-7.307, "Relocation of Certain Detached Non-Premise Signs," of Division 51A-7.300, "Provisions for Business Zoning Districts," of Article VII, "Sign Regulations," of Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code is amended to read as follows:

**"SEC. 51A-7.307. RELOCATION OF CERTAIN DETACHED NON-PREMISE SIGNS.**

(a) In general. [~~Legal and~~] N[on]on-conforming detached non-premise signs located on or overhanging a parcel of land acquired by a governmental entity may be relocated subject to the restrictions in this section.

(b) Application. The owner of the sign and the governmental entity must sign a relocation ~~[an]~~ application ~~[requesting the relocation]~~. The owner of the sign must submit the relocation application within one year after the sign is actually removed from the parcel of land pursuant to a request of the governmental entity. The relocation must be completed within one year after approval of the relocation application ~~[of the date that the governmental entity becomes the owner of the property]~~.

(c) Compliance required.

(1) Except as provided in this section, ~~[All]~~ relocated signs must fully comply with the size, height, spacing, setback, and other restrictions in this article.

(2) A relocated sign may not exceed an overall height of 42.5 feet measured from the highest point of the sign to the grade level of the centerline of the nearest travel lane, not including ramps, closest to the sign, at a point perpendicular to the sign location, except that in no instance may a relocated sign exceed 80 feet measured from ground level.

(d) Relocation to remainder.

(1) All relocated signs must be relocated on the remainder of the tract from which the parcel of land was acquired unless relocating to the remainder is not possible for reasons such as:

(A~~[4]~~) there is no remainder;

(B) the sign owner is unable to obtain an agreement from the property owner of the remainder; or

(C~~[2]~~) the remainder is not of sufficient size or suitable configuration to allow the relocated sign;

(i) to be as visible as the original sign from the nearest main traveled thoroughfare; or

(ii) to fully comply with the size, height, spacing, setback, and other restrictions in this article.

(2) All signs located on a railroad right-of-way must be relocated within that same railroad right-of-way. Relocated signs must be relocated within 500 feet of their original location unless possible locations are not of a suitable size or configuration or are otherwise unusable. . If a sign cannot be relocated within 500 feet of its original location, it can be relocated anywhere in the railroad right-of-way, but must fully comply with the size, height, spacing, setback, and other restrictions in this article. Relocated signs may not be less conforming than the original sign

(e[b]) Restrictions on relocations.

(1) No [detached non-premise] sign may be relocated within 1,000 feet of a new expressway.

(2) No [detached non-premise] sign may be relocated within 100 feet of an expressway unless it was originally located within 100 feet of an expressway or new expressway.

(3) No sign message on a relocated [detached non-premise] sign may be oriented to be visible from a new expressway.

(4) No sign message on a relocated [detached non-premise] sign may be oriented to be visible from an expressway unless it was originally oriented to be visible from an expressway or new expressway.

(5[e]) A non-HBA sign must [may] be relocated at least [as close as] 500 feet from [to] another non-premise sign.

(6) An HBA sign must [may] be relocated at least [as close as] 500 feet from [to] another non-premise sign on the same side of the expressway.

(7) No more than one relocation is permitted between the sites or former sites of non-premise signs that existed on April 26, 2000 unless the distance between the sites or former sites in feet equals or exceeds the number of relocated signs [~~X-~~multiplied by~~}] 1,500.~~

(8[d]) No relocated [detached non-premise] sign may have a greater effective area than it had at its original location, except that the effective area of multiple relocated signs may be combined, provided that: [or contain new materials that are more than five feet above grade.]

(A) the overall number of structures within the city is reduced;

(B) the effective area of the combined sign is equal to or less than the sum of the effective area of the individual signs; and

(C) except as provided in Paragraph (g)(3), the effective area does not exceed 400 square feet for a combined non-expressway sign or 672 square feet for a combined expressway sign.

For purposes of this paragraph, the effective area of a relocated sign does not include the sign skirting if no part of the sign message appears on the skirting other than the name of the sign company.

(9) Two one-faced signs may be relocated to create one two-faced sign, provided that:

(A) the two faces are oriented within 60 degrees of one another; and

(B) except as provided in Paragraph (g)(3), the effective area does not exceed 400 square feet for a combined non-expressway sign or 672 square feet for a combined expressway sign.

This paragraph controls over Paragraphs (5) and (6).

(10) All relocated signs must be built to comply with the building code.

(11[e]) No [detached non-premise] sign may be relocated until demolition and other required permits have been applied for and approved by the city.

(12[f]) No [detached non-premise] sign may be relocated within 2,000 feet of the Trinity River. For purposes of this paragraph [subsection], the term "Trinity River" means the portion of the river south of the confluence of the Elm and West forks as depicted on the most recent version of the flood insurance rate maps published by the Federal Emergency Management Agency.

(13[g]) No [detached non-premise] sign may be relocated within 500 feet of a historic district, public park, city-owned lake, or the escarpment zone or geologically similar areas.

(14) A [No detached] non-HBA sign may not be relocated within 500 feet of a non-business or residential zoning district.

(15) An [No detached] HBA sign may not be relocated within 300 feet of a non-business or residential zoning district except that HBA signs may be relocated to LO, MO and GO districts. [The city council may grant a specific use permit to authorize a detached non-premise sign to have lesser spacing than that required in this paragraph. For more information regarding specific use permits, see Section [51A-4.219.](#)]

(16[g]) No ~~[detached non-premise]~~ sign may be relocated within 200 feet of any intersection involving:

(A[4]) two or more arterials;

(B[2]) an expressway frontage road and an arterial; or

(C[3]) expressway travel lanes or ramps.

~~[(i) The effective area of a relocated detached non-premise sign does not include the sign skirting if no part of the sign message appears on the skirting other than the name of the sign company.]~~

(17[j]) No new ~~[electrical or mechanical]~~ properties, such as electrical, mechanical, or LED, may be added to a relocated ~~[detached non-premise]~~ sign. (For example, a non-illuminated sign may not be converted to an illuminated sign, and a plain billboard may not be converted to a digital or tri-vision sign ~~[type].~~)

~~[(k) No detached non-premise sign in a CR, RR, MU-1, MU-1(SAH), MU-2, MU-2(SAH), MC-1, or MC-2 zoning district, or in an SC or GR subdistrict of a PD district, may exceed 72 square feet in effective area or 20 feet in height.]~~

~~[(f)]~~ Relocated e[E]xpressway signs.

(1) A relocated ~~[detached non-premise]~~ expressway sign that is in a business zoning district may exceed the effective area in Subsection (g) ~~[(k)].~~

(2) A relocated ~~[detached non-premise]~~ expressway sign must have a setback of at least 40 feet from the nearest expressway travel lane but [and] may not be relocated more than 200 feet from the nearest expressway travel lane. A relocated expressway sign may not have an effective area that exceeds 672 square feet.

(3) The effective area of a relocated ~~[detached non-premise]~~ expressway sign does not include extensions of the sign face if:

(A) the extensions do not collectively exceed 20 percent of the original area of the sign face; and

(B) no individual extension exceeds 80 percent of the original length or 50 percent of the original height of the sign face.

(4) The height of relocated [~~detached non-premise~~] expressway signs is governed by Section [51A-7.304](#).

(g[~~h~~]) Limitations on size [~~Other areas of the city~~]. Except as provided [~~In areas of the city not described~~] in Subsection[s] (f) [~~(k) or (l)~~]:

(1) no relocated [~~detached non-premise~~] sign with an effective area of 72 square feet or less may exceed 20 feet in height; and

(2) no relocated [~~detached non-premise~~] sign with an effective area greater than 72 square feet may exceed 400 square feet in effective area or 30 feet in height.

(3) No relocated sign in a CR, RR, MU-1, MU-1(SAH), MU-2, MU-2(SAH), MC-1, or MC-2 zoning district, or in an SC or GR subdistrict of a PD district, may exceed 72 square feet in effective area or 20 feet in height. This provision controls over paragraphs (1) and (2).

(h[~~n~~]) Measurements. Measurements of distance under this section pertaining to minimum separation between signs are linear [~~are taken radially~~] unless otherwise specified in the provision. A “linear” measurement is taken from a sign or proposed sign location to the nearest point on another sign. Measurements of distance under this section pertaining to minimum distance from zoning districts or locations are taken radially unless otherwise specified in this provision. “Radial” measurement is a measurement taken along the shortest distance between a sign or proposed sign location and the nearest point of a private property line in a restricted [~~on another sign or on a~~] zoning district or location [~~boundary~~].

(i) Lesser spacing by specific use permit. The city council may grant a specific use permit to authorize a detached non-premise sign to have lesser spacing than that required in Paragraphs (e) (12), (13), (14) or (15). For more information regarding specific use permits, see Section [51A-4.219](#).

SECTION 2. Relocation of signs that were properly removed prior to enactment of this ordinance and after (Date) will be governed by this ordinance.

SECTION 3. That a person violating a provision of this ordinance, upon conviction, is punishable by a fine not to exceed \$2,000.

SECTION 4. That Chapter 51A of the Dallas City Code shall remain in full force and effect, save and except as amended by this ordinance.

SECTION 5. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

SECTION 6. That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

THOMAS P. PERKINS, JR., City Attorney

By \_\_\_\_\_  
Assistant City Attorney

Passed \_\_\_\_\_





**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 6  
**DEPARTMENT:** Department of Development Services  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 33P Q

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**SUBJECT**

A public hearing to receive comments on a proposed municipal setting designation to prohibit the use of groundwater as potable water beneath properties owned by I-35 Star Partners I, Ltd. and MetroTex Association of Realtors, Inc. located near the intersection of Empire Central Drive and Empress Row and adjacent street right-of-way, and an ordinance authorizing support of the issuance of a municipal setting designation to I-35 Star Partners I, Ltd. by the Texas Commission on Environmental Quality and prohibiting the use of groundwater beneath the designated property as potable water - Financing: No cost consideration to the City  
Recommendation of Staff: Approval

**BACKGROUND**

Based on information provided by the applicant, the designated property is underlain by shallow groundwater that is encountered at depths between 32 and 40 feet below ground surface (bgs) and is underlain by the Eagle Ford Shale at depths ranging between approximately 51 to 60 feet bgs. The thickness of the Eagle Ford Shale ranges between 150 to 500 feet and reduces the potential for vertical migration of chemicals to deeper groundwater-bearing units. The direction of groundwater flow beneath the designated property is to the southeast. This groundwater has been affected by trichloroethylene (TCE) at concentrations above groundwater ingestion standards. The possible onsite sources appear to be the historical operations of former printing operations located in the historic building at the designated property between 1960 and 1980.

The property was entered into the Voluntary Cleanup Program (VCP) administered by the Texas Commission on Environmental Quality (TCEQ) in June 2007. The site is designated as VCP Facility ID No. 2059.

**BACKGROUND** (continued)

The applicant has requested that the City support its application for a Municipal Setting Designation (MSD). A public meeting was held on January 5, 2009 to receive comments and concerns. Notices of the meeting were sent to 172 property owners within 2,500 feet of the property and 136 private well owners within 5 miles of the property. There are no other municipalities within one-half mile of the property.

This item is a municipal setting designation ordinance prohibiting the use of potable groundwater beneath properties near the intersection of Empire Central Drive and Empress Row including adjacent street right-of-way; and supporting the issuance of a MSD by TCEQ.

The applicant's current plan is to obtain a VCP Certificate of Completion, supported by a MSD. The anticipated future use will remain commercial.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

**FISCAL INFORMATION**

No cost consideration to the City

**OWNERS**

**I-35 Star Partners I, Ltd.**

International Capital, LLC, Sole Managing Member  
Starchris, L.L.C., General Partner  
Christiane Hepfer, President

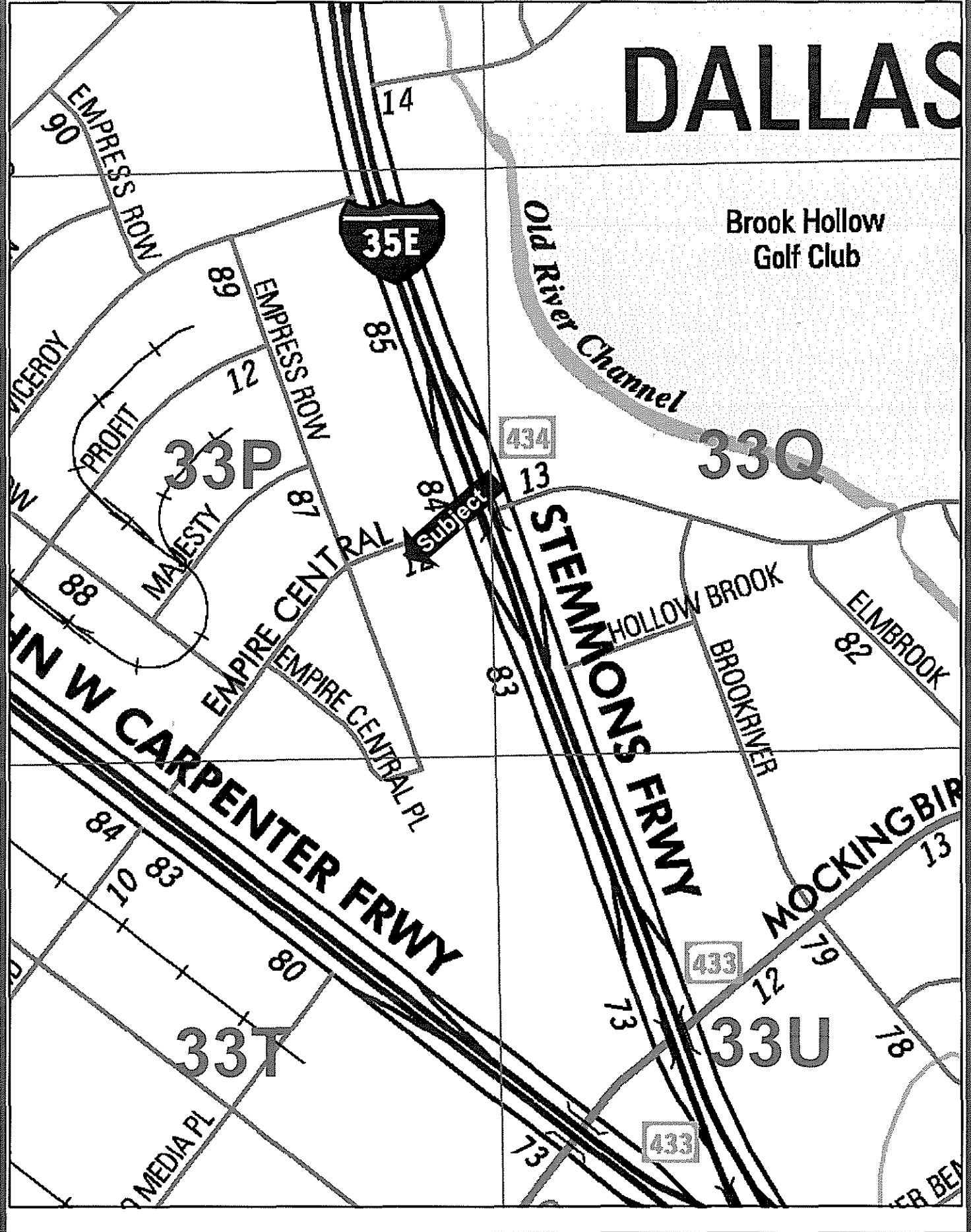
**MetroTex Association of Realtors, Inc.**

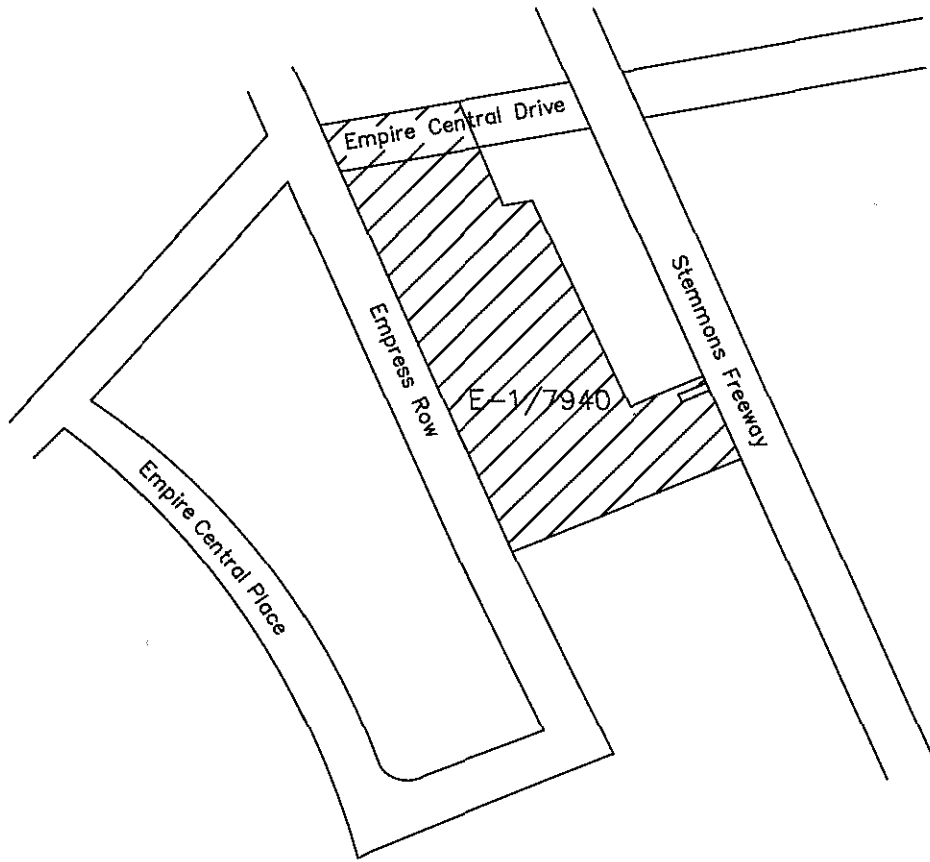
Richard Thomas, CEO

**MAPS**

Attached

# DALLAS





Subject Area

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 3  
**DEPARTMENT:** Department of Development Services  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 42R V 43J N P S T

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**SUBJECT**

A public hearing to receive comments on a proposed municipal setting designation to prohibit the use of groundwater as potable water beneath properties owned by Turnpike Sub, LLC; Trammell Crow Co. No. 60 LP; TDC #12, Ltd.; LIT-Deansbank No. 8; TXI Operations, LP; I-30 Distribution, LP; and Motiva Enterprises, LLC located near the intersection of La Reunion Parkway and French Settlement Road and adjacent street rights-of-way, and an ordinance authorizing support of the issuance of a municipal setting designation to Turnpike Sub, LLC; Trammell Crow Co. No. 60 LP; TDC #12, Ltd.; LIT-Deansbank No. 8; TXI Operations, LP; I-30 Distribution, LP; and Motiva Enterprises, LLC by the Texas Commission on Environmental Quality and prohibiting the use of groundwater beneath the designated property as potable water - Financing: No cost consideration to the City  
Recommendation of Staff: Approval

**BACKGROUND**

Based on information provided by the applicant, the designated property is underlain by clays and silty clays and shallow groundwater that is encountered at depths between 10 and 35 feet below ground surface (bgs), which is underlain by the Eagle Ford Group at depths between 20 and 40 feet bgs. The thickness of the Eagle Ford Group ranges between 200 to 400 feet and reduces the potential for vertical migration of chemicals to deeper groundwater-bearing units. The direction of groundwater flow beneath the designated property is variable; flow is to the southeast at the northern and central portion and flow is to the northwest in the southern portion of the designated property. This groundwater has been affected by petroleum hydrocarbon related chemicals (benzene; toluene; ethylbenzene; total xylenes; 1,2-dichloroethane; 1,2-dichloropropane; and total petroleum hydrocarbons (TPH)) at concentrations above groundwater ingestion standards. The onsite sources appear to be the historical operation of the former Texaco refinery and associated tank farm, and releases from the bulk fuel terminal operations.

## **BACKGROUND** (continued)

Several of the properties were entered into the Voluntary Cleanup Program (VCP) administered by the Texas Commission on Environmental Quality (TCEQ) in October 2001, April 2002 and August 2004. The sites are designated as VCP Facility ID Nos. 1386, 1453, and 1720, respectively. One property was also entered into the TCEQ Corrective Action Program in October 1992 and designated SWR No. 31775. This facility was issued a closure letter from TCEQ.

The applicants have requested that the City support the application for a Municipal Setting Designation (MSD). A public meeting was held on January 29, 2009 to receive comments and concerns. Notices of the meeting were sent to 713 property owners within 2,500 feet of the property and 144 private well owners within 5 miles of the property. There are no other municipalities within one-half mile of the property.

This item is a municipal setting designation ordinance prohibiting the use of groundwater for potable purposes beneath properties near the intersection of La Reunion Parkway and French Settlement Road including adjacent street rights-of-way; and supporting the issuance of a MSD by TCEQ.

Applicants owning properties with ongoing response actions under the VCP plan to continue their response actions to obtain a VCP Certificate of Completion supported by the MSD. The future uses of the properties are not anticipated to change from the current uses, which include predominantly large warehouse/distribution facilities that are commercial or industrial in nature, as well as a commercial bulk fuel storage and distribution facility. Properties south of IH-30 are expected to be used for commercial or light industrial uses.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

## **FISCAL INFORMATION**

No cost consideration to the City

## **OWNERS**

### **I-30 Distribution, LP**

I-30 Distribution GP, LLC, General Partner  
TCC-Lion Industrial, LLC, Managing Member  
TC Industrial GP, LLC, Managing Member  
TC Industrial, Inc., Managing Member  
Robert Sulentic, President/CEO

**OWNERS** (continued)

**Turnpike Sub, LLC**

Principal Real Estate Portfolio, Inc., General Partner  
Randall C. Mundt, President/CEO

**Trammell Crow Company No. 60 LP**

Crow Family 1991 Limited Partnership, General Partner  
Crow Family, Inc., General Partner  
Harlan Crow, President/CEO

**TDC #12, Ltd.**

Trammell Crow Company No. 60 LP  
Crow Family 1991 Limited Partnership, General Partner  
Crow Family, Inc., General Partner  
Harlan Crow, President/CEO

**LIT-Deansbank No. 8**

LIT-ENVP Limited Partnership, General Partner  
LIT-ENVGP, L.L.C., General Partner  
LIT Industrial Limited Partnership, Managing Member  
LIT Holdings GP, LLC, General Partner  
Lion Industrial Properties, L.P., Managing Member  
LIT GP Sub, LLC, General Partner  
Lion Industrial Trust, Managing Member  
James C. Hendricks, President

**TXI Operations, LP**

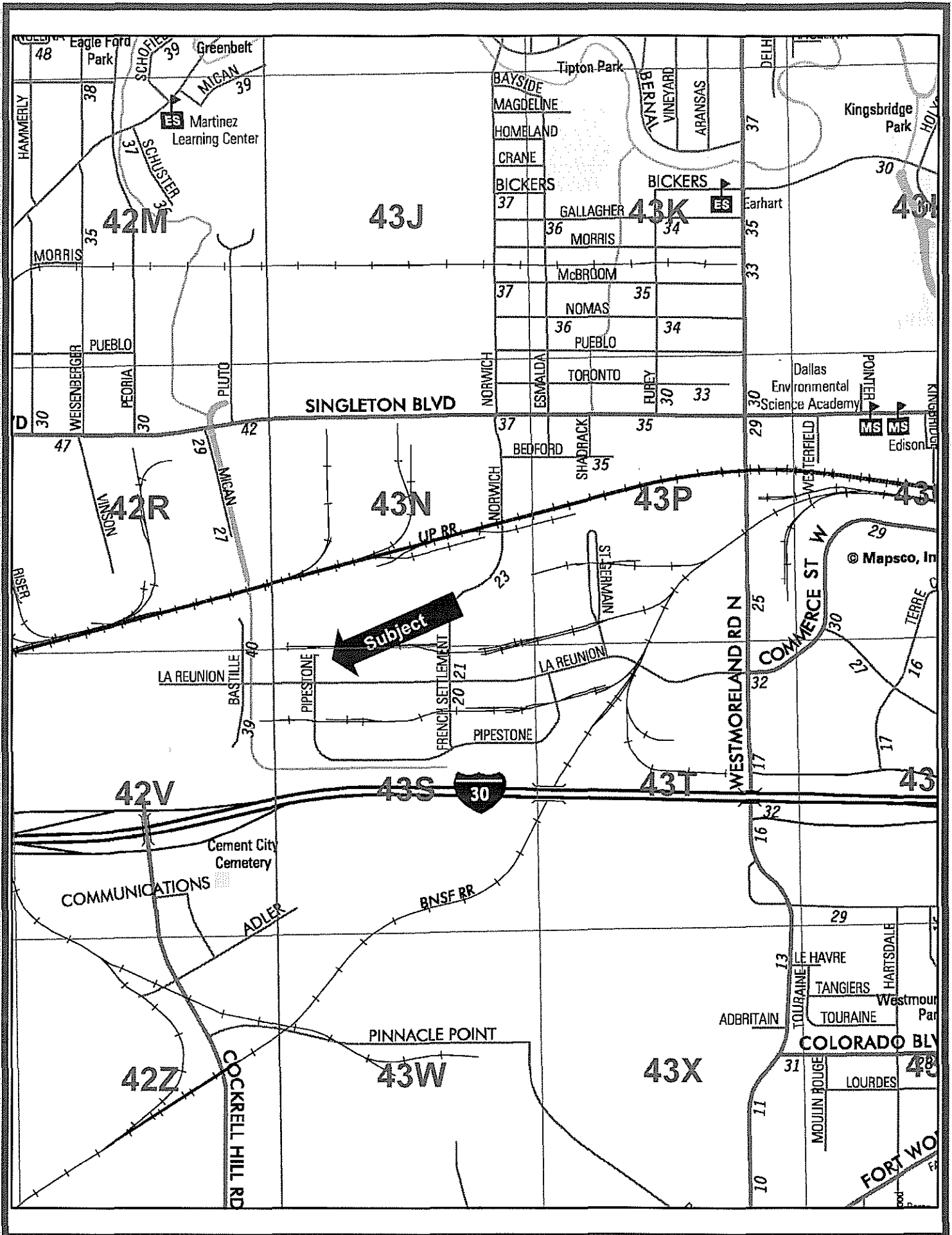
TXI Operating Trust, General Partner  
Texas Industries, Inc., General Partner  
Mel G. Brekhus, President/CEO

**Motiva Enterprises, LLC**

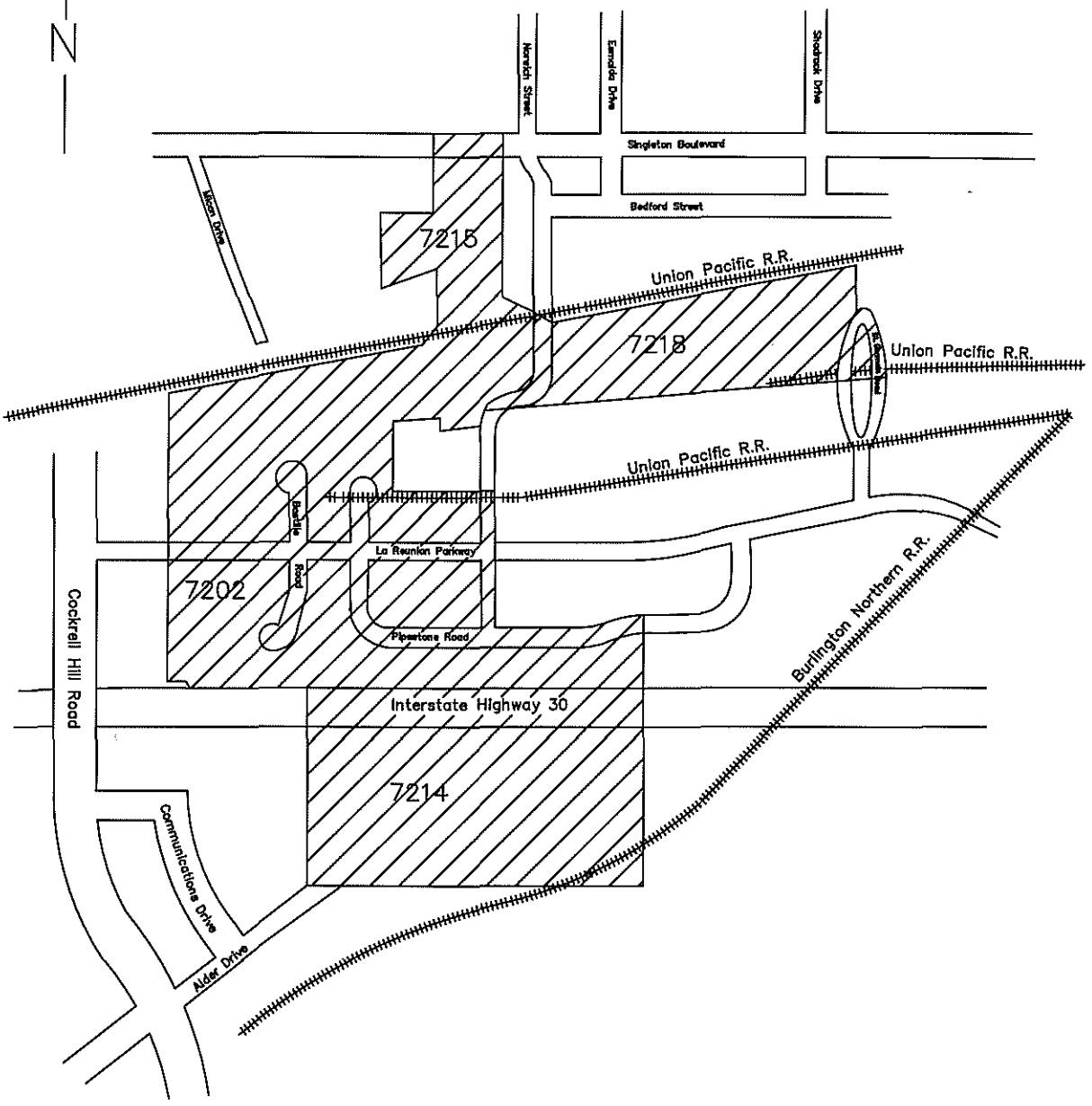
Saudi Refining Inc., Managing Member  
TMR Company, Managing Member  
SOPC Holdings East LLC, Managing Member  
Robert Pease, President

**MAPS**

Attached





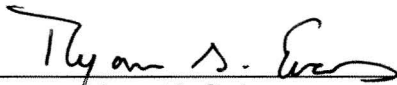


Subject Area

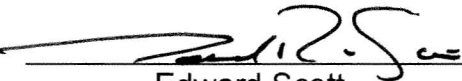


**FEBRUARY 11, 2009 CITY COUNCIL ADDENDUM  
CERTIFICATION**

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Addendum dated February 11, 2009. We hereby certify, as to those contracts, agreements, or other obligations on this Agenda authorized by the City Council for which expenditures of money by the City are required, that all of the money required for those contracts, agreements, and other obligations is in the City treasury to the credit of the fund or funds from which the money is to be drawn, as required and permitted by the City Charter, and that the money is not appropriated for any other purpose.

  
\_\_\_\_\_  
Mary K. Suhm  
City Manager

2-6-09  
Date

  
\_\_\_\_\_  
Edward Scott  
City Controller

2-16-09  
Date



RECEIVED

2009 FEB -6 PM 8:07

CITY SECRETARY  
DALLAS, TEXAS

**ADDENDUM  
CITY COUNCIL MEETING  
WEDNESDAY, FEBRUARY 11, 2009  
CITY OF DALLAS  
1500 MARILLA  
COUNCIL CHAMBERS, CITY HALL  
DALLAS, TX 75201  
9:00 A.M.**

**REVISED ORDER OF BUSINESS**

Agenda items for which individuals have registered to speak will be considered no earlier than the time indicated below:

9:00 a.m.      **INVOCATION AND PLEDGE OF ALLEGIANCE**

**SPECIAL PRESENTATIONS**

**OPEN MICROPHONE**

**CLOSED SESSION**

**MINUTES**

Item 1

**CONSENT AGENDA**

Items 2 - 44

**CONSENT ADDENDUM**

Items 1 - 17

**ITEMS FOR INDIVIDUAL CONSIDERATION**

No earlier  
than 9:30 a.m.

Items 45 - 51  
Addendum Items 18 - 20

**PUBLIC HEARINGS AND RELATED ACTIONS**

1:00 p.m.

Items 52 - 59



**ADDENDUM  
CITY COUNCIL MEETING  
FEBRUARY 11, 2009  
CITY OF DALLAS  
1500 MARILLA  
COUNCIL CHAMBERS, CITY HALL  
DALLAS, TEXAS 75201  
9:00 A. M.**

ADDITIONS:

CONSENT ADDENDUM

**Business Development & Procurement Services**

1. Authorize a twenty-four-month master agreement for liquid ferric sulfate for the City's three water purification treatment plants - General Chemical Performance Products, LLC., lowest responsible bidder of two - Not to exceed \$19,805,000 - Financing: Water Utilities Current Funds

**Purchase of Mobile Data Computers and Lease of Desktop & Laptop Computers**

**Note:** Addendum Item Nos. 2 and 3 must be considered collectively.

2. \* Authorize a sixty-month master agreement, with three twelve-month renewal options, for **(1)** the purchase of mobile data computers, equipment mounting hardware, and maintenance for Police and Dallas Fire-Rescue in the amount of \$11,943,800, and **(2)** professional installation services in the amount of \$534,400 - Austin Ribbon & Computer Supplies, Inc., most advantageous proposer of eight - Total not to exceed \$12,478,200 - Financing: Current Funds (\$5,580,777), 2008 Equipment Acquisition Contractual Obligation Notes (\$6,897,424)
3. \* Authorize a sixty-month contract, with three twelve-month renewal options, for the lease or purchase, of all forms of computers and computer related equipment and accessories to include various managed services - Austin Ribbon & Computer Supplies, Inc., most advantageous proposer of eight - Not to exceed \$18,762,347 - Financing: Current Funds

**CAD System Maintenance, Support & Acquisition of In-vehicle Mobile Application**

**Note:** Addendum Item Nos. 4 and 5 must be considered collectively.

4. \* Authorize Supplemental Agreement No. 1 to increase the original maintenance contract to add maintenance and support for mobile application and to fund an additional sixty-months of maintenance for Computer Aided Dispatch system with TriTech Software Systems - Not to exceed \$4,864,260, from \$0 to \$4,864,260 - Financing: Current Funds (subject to annual appropriations)

**ADDENDUM  
CITY COUNCIL MEETING  
FEBRUARY 11, 2009**

ADDITIONS: (Continued)

CONSENT ADDENDUM (Continued)

**Business Development & Procurement Services** (Continued)

**CAD System Maintenance, Support & Acquisition of In-vehicle Mobile Application** **Note:** Addendum Item Nos. 4 and 5 must be considered collectively.  
(Continued)

5. \* Authorize **(1)** Supplemental Agreement No. 5 to the service contract for twenty-months of on-site technical support for the Computer Aided Dispatch system in the amount of \$250,000, and **(2)** Supplemental Agreement No. 6 for the acquisition of an in-vehicle mobile application for Police and Dallas Fire-Rescue in the amount of \$4,812,570 with TriTech Software Systems - Total not to exceed \$5,062,570, from \$5,756,623 to \$10,819,193 - Financing: 2008 Equipment Acquisition Contractual Obligation Notes (\$4,812,570), Current Funds (\$250,000) (subject to annual appropriations)

**City Secretary's Office**

6. An ordinance amending Ordinance No. 20231, as amended, to adopt certain revised election precincts - Financing: No cost consideration to the City

**Economic Development**

7. A resolution declaring the City of Dallas' support of and consent to the creation of the Cypress Waters Management District (Cypress Waters MMD) subject to certain limitations in the creation of, and exercise of powers by, the Cypress Waters MMD to promote the development and redevelopment of the area - Financing: No cost consideration to the City
8. A resolution declaring the City of Dallas' support of and consent to the creation of the North Oak Cliff Management District (North Oak Cliff MMD) subject to certain limitations in the creation of, and exercise of powers by, the North Oak Cliff MMD to promote the development and redevelopment of the area - Financing: No cost consideration to the City
9. A resolution declaring the City of Dallas' support of and consent to the creation of the Trinity River West Management District (Trinity River West MMD) subject to certain limitations in the creation of, and exercise of powers by, the Trinity River West MMD to promote the development and redevelopment of the area - Financing: No cost consideration to the City



**ADDENDUM  
CITY COUNCIL MEETING  
FEBRUARY 11, 2009**

ADDITIONS: (Continued)

CONSENT ADDENDUM (Continued)

**Economic Development** (Continued)

10. Authorize **(1)** establishment of a non-profit corporation, the Dallas Development Fund for the purpose of applying for a New Markets Tax Credit (NMTC) allocation, **(2)** approval of the Corporation's certificate of formation and bylaws, **(3)** appointment of the Corporation's initial Board of Directors, **(4)** the City Manager to file the Corporation's certificate of formation with the Secretary of State, and **(5)** the Corporation to apply for certification as a Community Development Entity and for NMTC allocations from the United States Department of the Treasury for qualified projects in designated areas - Financing: No cost consideration to the City
  
11. Authorize an amendment to Resolution No. 08-2918, previously approved on October 22, 2008, which authorized Supplemental Agreement No. 3 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to: **(1)** extend the due dates of each of the remaining option fee payments by 12 months; **(2)** direct the transfer of title of the Atmos Complex without auction and bidding from ~~FC Atmos, Inc.~~ Forest City to Hamilton Atmos LP for redevelopment in accordance with the Downtown Connection TIF Project Plan through the transfer of stock in FC Atmos, Inc. and without requiring the acceleration of payment of the unpaid portion of the \$750,000 option fee prior to the new deadline dates; **(3)** require ~~FC Atmos, Inc.~~ Forest City to retain maintenance obligations through October 26, 2010 and limiting Forest City maintenance obligations to an amount not to exceed \$250,000; and **(4)** require ~~FC Atmos, Inc.~~ Forest City to continue obligations for payment of option fees in the amount of \$250,000 on October 26, 2009 and an additional \$250,000 on October 26, 2010, if Hamilton Atmos LP is unable to obtain building permits by those dates - Financing: No cost consideration to the City

**Office of Financial Services**

**Oncor Electric Delivery Company LLC**

**Note:** Addendum Item Nos. 12 and 13 must be considered collectively.

12. \* Authorize adoption of a compromise, settlement and release agreement between City of Dallas and Oncor Electric Delivery Company LLC - Estimated Annual Revenue: \$500,000
  
13. \* An ordinance granting a franchise to Oncor Electric Delivery Company LLC, for a term of fifteen years to provide electric distribution services within the City and providing for compensation - Estimated Annual Revenue: \$48,000,000

**ADDENDUM  
CITY COUNCIL MEETING  
FEBRUARY 11, 2009**

ADDITIONS: (Continued)

CONSENT ADDENDUM (Continued)

**Office of Financial Services** (Continued)

14. Authorize **(1)** the City's continued participation in the Steering Committee of Texas Utilities Electric Service Area Cities in hearings before the Public Utilities Commission of Texas concerning electric restructuring and rates to be charged by Oncor Electric Delivery, and **(2)** the increase in appropriations in the amount of \$128,050 in the Texas Utilities Reserve Funds to pay the City's 2008 assessment - Not to exceed \$128,050 - Financing: Texas Utilities Reserve Funds
  
15. **(1)** An ordinance authorizing the issuance of City of Dallas, Texas Waterworks and Sewer System Series D short term obligations in an aggregate principal amount not to exceed \$300,000,000; authorizing such short term obligations to be issued, sold and delivered in various forms, including commercial paper notes and a bank note; making certain covenants and agreements in connection therewith; establishing the 10-year tenor of the program with a maturity date of September 30, 2019; resolving other matters related to the issuance, sale, security and delivery of such short term obligations, including **(a)** authorizing a thirty-six-month Credit Agreement with U.S. Bank Trust National Association, as agent for the syndicate, that includes California State Teacher's Retirement System and California Public Employees' Retirement System, **(b)** the appointment of U.S. Bank Trust National Association as the Issuing and Paying Agent and authorizing the execution of an Issuing and Paying Agent Agreement, and, **(c)** the appointment of Banc of America Securities LLC and M R Beal & Company as the co-dealers and authorizing the execution of a Dealer Agreement; approving the payment of issuance costs in connection with the issuance of the short term obligations; approving the use of an Offering Memorandum in connection with the sale of the short term obligations; and providing an effective date; and **(2)** a resolution authorizing amendments to the Credit Agreement with Bank of America, N.A. for the City of Dallas, Texas Waterworks and Sewer System Series B and Series C short term obligations to permit the Series D short term obligations to have parity with the Series B and Series C short term obligations - Total program costs not to exceed \$27,200,198 - Financing: Water Utilities Current Funds (\$905,288 upfront closing costs plus annual fees of \$2,631,776 for a total 10-year cost of \$27,200,198) (subject to annual appropriations)

**ADDENDUM  
CITY COUNCIL MEETING  
FEBRUARY 11, 2009**

ADDITIONS: (Continued)

CONSENT ADDENDUM (Continued)

**Office of Financial Services** (Continued)

16. Authorize **(1)** an extension through September 30, 2009 for Community Development Grant funded projects which have not met the twelve-month obligation or twenty-four-month expenditure requirement; **(2)** the reprogramming of Community Development Block Grant Funds (CDBG) in the amount of \$1,703,407 in conjunction with the FY 2009-10 Consolidated Plan Budget; **(3)** the adoption of the preliminary FY 2008-09 Consolidated Plan Reprogramming Budget #3 as recommended by the City Council's Housing Committee; and **(4)** a public hearing to be held on March 25, 2009 to receive comments on the proposed use of funds for FY 2008-09 Consolidated Plan Reprogramming Budget #3 - Financing: No cost consideration to the City

**Public Works & Transportation**

17. An ordinance amending Chapter 15D of the Dallas City Code, Emergency Vehicles, to **(1)** revise qualifications and requirements for emergency wrecker service licenses and emergency wrecker driver's permits; **(2)** add grounds for suspension, revocation, and nonrenewal of emergency wrecker service licenses and emergency wrecker driver's permits and provide for appeals; **(3)** revise operating, staffing, vehicle, and equipment requirements for emergency wrecker services; **(4)** regulate apparel for emergency wrecker drivers; **(5)** expand and provide procedures and requirements for the city's rapid response program; **(6)** establish rapid response locations; **(7)** adjust fees allowed to be charged for emergency wrecker service; **(8)** provide restrictions on the location of emergency wrecker service businesses; **(9)** make certain non-substantive changes; and **(10)** provide a penalty not to exceed \$1,000 - Financing: No cost consideration to City

ITEMS FOR INDIVIDUAL CONSIDERATION

**Economic Development**

18. An ordinance amending the Project Plan and Reinvestment Zone Financing Plan (the "Project Plan") for Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District) to: **(1)** establish the City Center TIF District Grant Program to implement the Project Plan and Reinvestment Zone Financing Plan (Project Plan) for Tax Increment to promote economic development within the City Center TIF District and **(2)** expand the Environment Remediation/Interior-Exterior Demolition, Façade Improvement budget line item to include TIF Grants - Financing: No cost consideration to the City

**ADDENDUM  
CITY COUNCIL MEETING  
FEBRUARY 11, 2009**

ADDITIONS: (Continued)

ITEMS FOR INDIVIDUAL CONSIDERATION (Continued)

**Economic Development** (Continued)

19. An ordinance amending the Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District) Project Plan and Reinvestment Zone Financing Plan (Project Plan) originally approved on August 29, 2005, by Ordinance No. 26096, to: **(1)** expand the development goals and specific objectives to the Project Plan; **(2)** expand the Redevelopment of Vacant/Underutilized Downtown Buildings budget line item to include the Development of Underdeveloped Parcels and Surface Parking Lots; and **(3)** update 2008 increment corrections and future increment assumptions under the authority of the Tax Increment Financing Act, as amended (V.T.C.A, Tax Code Chapter 311) - Financing: No cost consideration to the City

ITEMS FOR FURTHER CONSIDERATION

**Convention and Event Services**

20. Approve the execution of the Hotel Operating Agreement between Omni Hotels Management Corporation and the Dallas Convention Center Hotel Development Corporation, the City's local government corporation - Financing: No cost consideration to the City

CORRECTION:

**Water Utilities**

41. ~~An ordinance~~ Ordinances authorizing the issuance and ~~placement~~ sale of ~~\$118,103,000~~ City of Dallas, Texas, Waterworks and Sewer System Revenue Bonds, Series 2009A (\$15.1 million); City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009B (\$8.28 million); and City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009C (\$94.723 million) ~~with~~ to the Texas Water Development Board and enacting other provisions in connection therewith - Not to exceed \$278,785 - Financing: Water Utilities Current Funds

DELETION:

**Department of Development Services**

17. Authorize the quitclaim of 16 properties acquired by the taxing authorities from the Sheriff's Sale to the highest bidders (list attached) - Revenue: \$299,210

# ADDENDUM DATE February 11, 2009

ITEM #	OK	IND DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	DESCRIPTION
1			All	C	PBD, WTR	\$19,805,000.00	2.00%	3.29%	Authorize a twenty-four-month master agreement for liquid ferric sulfate for the City's three water purification treatment plants
2			All	C	PBD, CIS	\$12,478,200.00	100.00%	100.00%	Purchase of Mobile Data Computers and Lease of Desktop & Laptop Computers: Authorize a sixty-month master agreement, with three twelve-month renewal options, for the purchase of mobile data computers, equipment mounting hardware, and maintenance for Police and Dallas Fire-Rescue and professional installation services
3			All	C	PBD, CIS	\$18,762,347.00	100.00%	100.00%	Purchase of Mobile Data Computers and Lease of Desktop & Laptop Computers: Authorize a sixty-month contract, with three twelve-month renewal options, for the lease or purchase, of all forms of computers and computer related equipment and accessories to include various managed services
4			All	C	PBD, CIS, POL, FIR	\$4,864,260.00	4.47%	13.43%	CAD System Maintenance, Support & Acquisition of In-Vehicle Mobile Application: Authorize Supplemental Agreement No. 1 to increase the original maintenance contract to add maintenance and support for mobile application and to fund an additional sixty-months of maintenance for Computer Aided Dispatch system with TriTech Software Systems
5			All	C	PBD, CIS, POL, FIR	\$5,062,570.00	4.47%	13.43%	CAD System Maintenance, Support & Acquisition of In-Vehicle Mobile Application: Authorize Supplemental Agreement No. 5 to the service contract for twenty-months of on-site technical support for the Computer Aided Dispatch system, and Supplemental Agreement No. 6 for the acquisition of an in-vehicle mobile application for Police and Dallas Fire-Rescue with TriTech Software Systems
6			All	C	SEC	NC	NA	NA	An ordinance amending Ordinance No. 20231, as amended, to adopt certain revised election precincts
7			12	C	ECO	NC	NA	NA	A resolution declaring the City of Dallas' support of and consent to the creation of the Cypress Waters Management District (Cypress Waters MMD) subject to certain limitations in the creation of, and exercise of powers by, the Cypress Waters MMD to promote the development and redevelopment of the area
8			1, 3	C	ECO	NC	NA	NA	A resolution declaring the City of Dallas' support of and consent to the creation of the North Oak Cliff Management District (North Oak Cliff MMD) subject to certain limitations in the creation of, and exercise of powers by, the North Oak Cliff MMD to promote the development and redevelopment of the area
9			6	C	ECO	NC	NA	NA	A resolution declaring the City of Dallas' support of and consent to the creation of the Trinity River West Management District (Trinity River West MMD) subject to certain limitations in the creation of, and exercise of powers by, the Trinity River West MMD to promote the development and redevelopment of the area
10			1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15	C	ECO	NC	NA	NA	Authorize establishment of a non-profit corporation, the Dallas Development Fund for the purpose of applying for a New Markets Tax Credit (NMTC) allocation, approval of the Corporation's certificate of formation and bylaws, appointment of the Corporation's initial Board of Directors, the City Manager to file the Corporation's certificate of formation with the Secretary of State, and the Corporation to apply for certification as a Community Development Entity and for NMTC allocations from the United States Department of the Treasury for qualified projects in designated areas
11			14	C	ECO	NC	NA	NA	Authorize an amendment to Resolution No. 08-2918, previously approved on October 22, 2008, which authorized Supplemental Agreement No. 3 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City)
12			N/A	C	OFS	REV \$500,000	NA	NA	Authorize adoption of a compromise, settlement and release agreement between City of Dallas and Oncor Electric Delivery Company LLC
13			N/A	C	OFS	REV \$48,000,000	NA	NA	An ordinance granting a franchise to Oncor Electric Delivery Company LLC, for a term of fifteen years to provide electric distribution services within the City and providing for compensation
14			N/A	C	OFS	\$128,050.00	NA	NA	Authorize the City's continued participation in the Steering Committee of Texas Utilities Electric Service Area Cities in hearings before the Public Utilities Commission of Texas concerning electric restructuring and rates to be charged by Oncor Electric Delivery

**ADDENDUM DATE February 11, 2009**

ITEM	IND								
#	OK	DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	DESCRIPTION
15			N/A	C	OFS	\$27,200,198.00	NA	NA	An ordinance authorizing the issuance of City of Dallas, Texas Waterworks and Sewer System Series D short term obligations in an aggregate principal amount not to exceed \$300,000,000; authorizing such short term obligations to be issued, sold and delivered in various forms, including commercial paper notes and a bank note; making certain covenants and agreements in connection therewith; establishing the 10-year tenor of the program with a maturity date of September 30, 2019; resolving other matters related to the issuance, sale, security and delivery of such short term obligations and a resolution authorizing amendments to the Credit Agreement with Bank of America, N.A. for the City of Dallas, Texas Waterworks and Sewer System Series B and Series C short term obligations to permit the Series D short term obligations to have parity with the Series B and Series C short term obligations
16			All	C	OFS	NC	NA	NA	Authorize an extension through September 30, 2009 for Community Development Grant funded projects which have not met the twelve-month obligation or twenty-four-month expenditure requirement; the reprogramming of Community Development Block Grant Funds (CDBG) in the amount of \$1,703,407 in conjunction with the FY 2009-10 Consolidated Plan Budget; the adoption of the preliminary FY 2008-09 Consolidated Plan Reprogramming Budget #3 as recommended by the City Council's Housing Committee; and a public hearing to be held on March 25, 2009 to receive comments on the proposed use of funds for FY 2008-09 Consolidated Plan Reprogramming Budget #3
17			All	C	PWT	NC	NA	NA	An ordinance amending Chapter 15D of the Dallas City Code, Emergency Vehicles, to revise qualifications and requirements for emergency wrecker service licenses and emergency wrecker driver's permits; add grounds for suspension, revocation, and nonrenewal of emergency wrecker service licenses and emergency wrecker driver's permits and provide for appeals; revise operating, staffing, vehicle, and equipment requirements for emergency wrecker services; regulate apparel for emergency wrecker drivers; expand and provide procedures and requirements for the city's rapid response program; establish rapid response locations; adjust fees allowed to be charged for emergency wrecker service; provide restrictions on the location of emergency wrecker service businesses; make certain non-substantive changes; and provide a penalty not to exceed \$1,000
18			14	I	ECO	NC	NA	NA	An ordinance amending the Project Plan and Reinvestment Zone Financing Plan (the "Project Plan") for Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District) to: establish the City Center TIF District Grant Program to implement the Project Plan and Reinvestment Zone Financing Plan (Project Plan) for Tax Increment to promote economic development within the City Center TIF District and expand the Environment Remediation/Interior-Exterior Demolition, Façade Improvement budget line item to include TIF Grants
19			2, 14	I	ECO	NC	NA	NA	An ordinance amending the Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District) Project Plan and Reinvestment Zone Financing Plan (Project Plan) originally approved on August 29, 2005, by Ordinance No. 26096, to: expand the development goals and specific objectives to the Project Plan; expand the Redevelopment of Vacant/Underutilized Downtown Buildings budget line item to include the Development of Underdeveloped Parcels and Surface Parking Lots; and update 2008 increment corrections and future increment assumptions under the authority of the Tax Increment Financing Act, as amended (V.T.C.A., Tax Code Chapter 311)
20			2	I	CES	NC	NA	NA	Approve the execution of the Hotel Operating Agreement between Omni Hotels Management Corporation and the Dallas Convention Center Hotel Development Corporation, the City's local government corporation

**TOTAL \$88,300,625.00**

**KEY FOCUS AREA:** A Cleaner, Healthier City Environment

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services  
Water Utilities

**CMO:** Dave Cook, 670-7804  
Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** N/A

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**SUBJECT**

Authorize a twenty-four-month master agreement for liquid ferric sulfate for the City's three water purification treatment plants – General Chemical Performance Products, LLC., lowest responsible bidder of two - Not to exceed \$19,805,000 - Financing: Water Utilities Current Funds

**BACKGROUND**

This master agreement will provide liquid ferric sulfate for the City's three water purification treatment plants for the removal of dirt, algae, bacteria, etc., from Dallas drinking water as required by the Environmental Protection Agency (EPA) and Texas Commission on Environmental Quality (TCEQ). The liquid ferric sulfate is essential to reduce turbidity in finished water to meet TCEQ regulations.

Ferric sulfate is added to the water to begin coagulation and flocculation. As ferric sulfate dissolves, it causes dirt and other floating particles in the water to bind together. The combined weight of the dirt and ferric sulfate particles (floc) causes the floc to sink to the bottom of the large sedimentation basins. Some of the floc is removed by settling in this process. The remaining floc is removed by filtration as the water passes through layers of anthracite filter, sand, and gravel to remove any remaining impurities.

Water Utilities provides service to an estimated two million people in Dallas and surrounding communities. On an average, the City treats approximately 417 million gallons of fresh water per day.

This solicitation was structured in a manner which required bidders to submit a response using unit pricing; this bid resulted in a 64% increase over comparable unit prices for the bid awarded in 2007. In an effort to increase vendor participation for this bid, the solicitation was extended by a week and telephone calls were made to potential vendors.

## **BACKGROUND (Continued)**

Some of the vendors contacted could not handle the large volume required by the City. Bids were received from General Chemical Performance Products, LLC. and Kemira Companies, Inc. who are the two major manufacturers of this product with plants in Frisco and Houston respectively. Upon bid closing, the price being recommended was compared to other cities prices for the same commodity and was found to be reasonable. See comparison below:

Dallas (low bidder)	\$233.00 per ton
Austin	\$1,358.00 per ton
Midland	\$398.00 per ton
North Texas Municipal Water District	\$247.00 per ton
Houston (awarded 7/05 for 60 months)	\$215.00 per ton
Ft. Worth (awarded 11/07 – currently rebidding)	\$179.00 per ton

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 93 email bid notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the BDPS' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach. As a result of these additional efforts, a Minority/Women-Owned Business Enterprise (M/WBE) sub-contractor has been identified.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On February 9, 2009, this item is scheduled to be briefed to the Transportation and Environment Committee.

On December 12, 2007, City Council authorized a twelve-month master agreement for liquid ferric sulfate for the City's three water purification treatment plants by Resolution #07-3687.

On September 28, 2005, City Council authorized a twenty-four-month master agreement for liquid ferric sulfate by Resolution #05-2856.

On June 8, 2005, City Council authorized a temporary unit price increase in the master agreement for liquid ferric sulfate for the period of June 9, 2005 through September 30, 2005 by Resolution #05-1737.



**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)**

On December 8, 2004, City Council authorized a thirty-six-month master agreement for liquid ferric sulfate for Central Wastewater Treatment and Southside Wastewater Treatment Plants by Resolution #04- 3448.

On August 25, 2004, City Council authorize the rejection of the only bid received for liquid ferric sulfate and the re-advertisement for new bids by Resolution #04-2429.

**FISCAL INFORMATION**

\$19,805,000.00 - Water Utilities Current Funds

**M/WBE INFORMATION**

- 4 - Vendors contacted
- 4 - No response
- 0 - Response (Bid)
- 0 - Response (No bid)
- 0 - Successful vendor

93 M/WBE and Non-M/WBE vendors were contacted

The recommended awardee has fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution #08-2826 as amended.

**ETHNIC COMPOSITION**

General Chemical Performance Products, LLC.

White Female	70	White Male	1
Black Female	0	Black Male	11
Hispanic Female	8	Hispanic Male	27
Other Female	0	Other Male	70

**BID INFORMATION**

The following bids were received from solicitation number BC0901 and opened on November 20, 2008. This master agreement is being awarded in its entirety to the lowest responsive and responsible bidder.

\*Denotes successful bidder

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount of Bid</u></b>
*General Chemical Performance Products, LLC.	90 East Halsey Rd. Parsippany, NJ 07054	\$19,805,000.00
Kemira Companies, Inc.	3211 Clinton Parkway Ct. Lawrence, KS 66047	\$38,808,450.00

**OWNER**

**General Chemical Performance Products, LLC.**

William E. Redmond, President

Thomas Testa, Vice President

James Imbriaco, Secretary

Thomas Testa, Treasurer

## **BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY**

**PROJECT:** Authorize a twenty-four-month master agreement for liquid ferric sulfate for the City's three water purification treatment plants – General Chemical Performance Products, LLC., lowest responsible bidder of two - Not to exceed \$19,805,000 - Financing: Water Utilities Current Funds

General Chemical Performance Products, Inc. is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

**PROJECT CATEGORY:** Goods

### **LOCAL/NON-LOCAL CONTRACT SUMMARY**

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$396,100.00	2.00%
Total non-local contracts	\$19,408,900.00	98.00%
<b>TOTAL CONTRACT</b>	<b>\$19,805,000.00</b>	<b>100.00%</b>

### **LOCAL/NON-LOCAL M/WBE PARTICIPATION**

#### **Local Contractors / Sub-Contractors**

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Richocet Fuel	WFDB39120Y1109	\$396,100.00	100.00%
<b>Total Minority - Local</b>		<b>\$396,100.00</b>	<b>100.00%</b>

#### **Non-Local Contractors / Sub-Contractors**

<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Rucker Transport	WFWB39964N0210	\$255,000.00	1.31%
<b>Total Minority - Non-local</b>		<b>\$255,000.00</b>	<b>1.31%</b>

### **TOTAL M/WBE CONTRACT PARTICIPATION**

	<u>Local</u>	<u>Percent</u>	<u>Local &amp; Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$396,100.00	100.00%	\$651,100.00	3.29%
<b>Total</b>	<b>\$396,100.00</b>	<b>100.00%</b>	<b>\$651,100.00</b>	<b>3.29%</b>



February 11, 2009

**WHEREAS**, on August 25, 2004, City Council authorize the rejection of the only bid received for liquid ferric sulfate and the re-advertisement for new bids by Resolution 04-2429; and,

**WHEREAS**, on December 8, 2004, City Council authorized a thirty-six-month master agreement for liquid ferric sulfate for Central Wastewater Treatment and Southside Wastewater Treatment Plants by Resolution #04- 3448; and,

**WHEREAS**, on June 8, 2005, City Council authorized a temporary unit price increase in the master agreement for liquid ferric sulfate for the period of June 9, 2005 through September 30, 2005 by Resolution #05-1737; and,

**WHEREAS**, on September 28, 2005, City Council authorized a twenty-four-month master agreement for liquid ferric sulfate by Resolution #05-2856; and,

**WHEREAS**, on December 12, 2007, City Council authorized a twelve-month master agreement for liquid ferric sulfate for the City's three water purification treatment plants by Resolution #07-3687;

**NOW, THEREFORE,**

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

**Section 1.** That a master agreement for the purchase of liquid ferric sulfate for the City's three water purification treatment plants is authorized with General Chemical Performance Products, LLC. (053277) for a term of twenty-four months in an amount not to exceed \$19,805,000.00.

**Section 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for liquid ferric sulfate for the City's three water purification treatment plants. If a written contract is required or requested for any or all purchases of liquid ferric sulfate for the City's three water purification treatment plants under the master agreement instead of individual purchase orders, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

**Section 3.** That the City Controller is authorized to disburse funds in an amount not to exceed \$19,805,000.00.

**Section 4.** That this resolution shall 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.

**DISTRIBUTION:**

Business Development and Procurement Services, 3FS  
Water Utilities



**ADDENDUM ITEM # 2,3**

**KEY FOCUS AREA:** Public Safety Improvements and Crime Reduction

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services  
Communication and Information Services

**CMO:** Dave Cook, 670-7804  
Ramon F. Miguez, P.E., 670-3308

**MAPSCO:** N/A

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**SUBJECT**

**Purchase of Mobile Data Computers and Lease of Desktop & Laptop Computers**

- \* Authorize a sixty-month master agreement, with three twelve-month renewal options, for **(1)** the purchase of mobile data computers, equipment mounting hardware, and maintenance for Police and Dallas Fire-Rescue in the amount of \$11,943,800, and **(2)** professional installation services in the amount of \$534,400 - Austin Ribbon & Computer Supplies, Inc., most advantageous proposer of eight - Total not to exceed \$12,478,200 - Financing: Current Funds (\$5,580,776), 2008 Equipment Acquisition Contractual Obligation Notes (\$6,897,424)
- \* Authorize a sixty-month contract, with three twelve-month renewal options, for the lease or purchase, of all forms of computers and computer related equipment and accessories to include various managed services - Austin Ribbon & Computer Supplies, Inc., most advantageous proposer of eight – Not to exceed \$18,762,347 - Financing: Current Funds

**BACKGROUND**

This service contract is for the lease and purchase of computers, computer related equipment and accessories. The current service agreement is expiring and it is now necessary to approve a replacement agreement. Included in this contract are vendor provided services for warranty, repair, and installation of this computer equipment, as well as a vendor maintained web site for ordering.

**BACKGROUND (Continued)**

Computer equipment covered under this service contract includes desktop personal computers (PC), laptops and mobile data computers (MDC). The MDCs in this agreement will become the new standard for Public Safety, replacing the current MDCs in Police and Fire vehicles. During the term of this agreement an estimated 2,000 MDCs will be purchased and installed. MDCs still under warranty will be redeployed to Code and other City departments.

To ensure the most cost effective pricing for the City, standards have been established for all new and replacement computer orders. Efficiencies in the maintenance and repair of this equipment will also be achieved through the standardization of this equipment.

Currently there are over 7,000 desktop PC's and laptops distributed throughout the City, most of which are in the following departments:

- Police 1900 units
- Library 1212 units
- Water 643 units
- Park and Recreation 550 units
- CIS 471 units
- Dallas Fire-Rescue 345 units

Leased equipment procured under this service agreement will become City owned property at the end of the lease term of thirty-six months.

A four-member evaluation committee was selected from the following departments to evaluate submitted proposals:

- Communication and Information Services
- Police
- Dallas-Fire Rescue
- Code Compliance

The successful proposer was selected by the committee on the basis of the following criteria:

- Cost 30 points
- Capability and expertise 30 points
- Functional match to City requirements 15 points
- Technical match of proposed solution 15 points
- Evaluations from field and bench testing 10 points



## **BACKGROUND (Continued)**

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 552 email proposal notifications to vendors registered under respective commodities. To further increase competition, BDPS uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more proposals, notifications were sent by the BDPS' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

## **PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On February 2, 2009, the Public Safety Committee was briefed.

On March 26, 2008, City Council authorized Supplemental Agreement No. 3 to the master lease agreement with Dell Marketing L.P. to increase funding for leased computer hardware and extend the master lease agreement until February 28, 2009 by Resolution #08-0833.

On October 11, 2006, City Council authorized Supplemental Agreement No. 2 to the Master Lease Agreement with Dell Marketing L.P. to increase funding for leased computer hardware and extend the master lease agreement until February 28, 2008 by Resolution #06-2760.

On August 11, 2004, City Council authorized Supplemental Agreement No. 1 to the Master Lease Agreement with Dell Marketing L.P. to lease computer hardware by Resolution #04-2286.

## **FISCAL INFORMATION**

\$24,343,123.00 - Current Funds

\$ 6,897,424.00 - 2008 Equipment Acquisition Contractual Obligation Notes

## **M/WBE INFORMATION**

94 - Vendors contacted

93 - No response

1 - Response (Bid)

0 - Response (No Bid)

1 - Successful

552 M/WBE and Non-M/WBE vendors were contacted

**M/WBE INFORMATION (Continued)**

The recommended awardee has fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution #08-2826 as amended.

**ETHNIC COMPOSITION**

Austin Ribbon & Computer Supplies, Inc.

White Female	16	White Male	29
Black Female	2	Black Male	2
Hispanic Female	2	Hispanic Male	7
Other Female	0	Other Male	2

**PROPOSAL INFORMATION**

The following proposals were received from solicitation number BGZ0805 and opened on June 18, 2008. This service contract is being awarded to the most advantageous proposer.

\*Denotes successful proposer

<b><u>Proposer</u></b>	<b><u>Address</u></b>	<b><u>Points</u></b>
*Austin Ribbon & Computer Supplies, Inc.	111 W. Spring Valley Richardson, TX 75081	Group 1: 86.41 Group 2: 92.28
Dell Marketing, LP	One Dell Way Round Rock, TX 78682	Group 1: 82.14 Group 2: 88.71
Motorola	1507 LBJ Frwy. Suite 700 Farmers Branch, TX 75234	Group 1: Non-Responsive Group 2: 85.14
TIG	5800 Granite Pkwy. Suite 280 Plano, TX 75024	Group 1: 83.18 Group 2: 88.00
Datalux	155 Aviation Dr. Winchester, VA 22602	Group 2: 66.40
CompuCom Systems	7171 Forest Ln. Dallas, TX 75230	Group 1: 82.14 Group 2: 88.71

**PROPOSAL INFORMATION (Continued)**

<b><u>Proposer</u></b>	<b><u>Address</u></b>	<b><u>Points</u></b>
Insight	6820 S. Harl Ave. Tempe, AZ 85283	Group 1: 70.46 Group 2: 83.43
CDW-G	230 N. Milwaukee Ave. Vernon Hills, Ill 60061	Group 1: 81.07 Group 2: 88.00

**OWNER**

**Austin Ribbon & Computer Supplies, Inc.**

Jana Grimes, Chief Executive Officer  
Ryan Grant, President  
Clark Hoffman, Chief Financial Officer

## BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

### PROJECT: Purchase of Mobile Data Computers and Lease of Desktop & Laptop Computers

- \* Authorize a sixty-month master agreement, with three twelve-month renewal options, for **(1)** the purchase of mobile data computers, equipment mounting hardware, and maintenance for Police and Dallas Fire-Rescue in the amount of \$11,943,800, and **(2)** professional installation services in the amount of \$534,400 - Austin Ribbon & Computer Supplies, Inc., most advantageous proposer of eight - Total not to exceed \$12,478,200 - Financing: Current Funds (\$5,580,777), 2008 Equipment Acquisition Contractual Obligation Notes (\$6,897,424)
- \* Authorize a sixty-month contract, with three twelve-month renewal options, for the lease or purchase, of all forms of computers and computer related equipment and accessories to include various managed services - Austin Ribbon & Computer Supplies, Inc., most advantageous proposer of eight – Not to exceed \$18,762,347 - Financing: Current Funds

Austin Ribbon & Computer Supplies, Inc. is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use their own workforce.

PROJECT CATEGORY: Other Services

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### LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$31,240,547.00	100.00%
Total non-local contracts	\$0.00	0.00%
<b>TOTAL CONTRACT</b>	<b>\$31,240,547.00</b>	<b>100.00%</b>

### LOCAL/NON-LOCAL M/WBE PARTICIPATION

#### Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Austin Ribbon & Computer, Inc.	WFWB38676N0909	\$31,240,547.00	100.00%
<b>Total Minority - Local</b>		<b>\$31,240,547.00</b>	<b>100.00%</b>

#### Non-Local Contractors / Sub-Contractors

None

**TOTAL M/WBE CONTRACT PARTICIPATION**

	<b><u>Local</u></b>	<b><u>Percent</u></b>	<b><u>Local &amp; Non-Local</u></b>	<b><u>Percent</u></b>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$31,240,547.00	100.00%	\$31,240,547.00	100.00%
Total	<u>\$31,240,547.00</u>	<u>100.00%</u>	<u>\$31,240,547.00</u>	<u>100.00%</u>



February 11, 2009

**WHEREAS**, on August 11, 2004, City Council authorized Supplemental Agreement No. 1 to the Master Lease Agreement with Dell Marketing L.P. to lease computer hardware by Resolution #04-2286; and,

**WHEREAS**, on October 11, 2006, City Council authorized Supplemental Agreement No. 2 to the master lease agreement with Dell Marketing L.P. to increase funding for leased computer hardware and extend the master lease agreement until February 28, 2008 by Resolution #06-2760; and,

**WHEREAS**, on March 26, 2008, City Council authorized Supplemental Agreement No. 3 to the master lease agreement with Dell Marketing L.P. to increase funding for leased computer hardware and extend the master lease agreement until February 28, 2009 by Resolution #08-0833;

**NOW, THEREFORE,**

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

**Section 1.** That the City Manager is authorized to execute contracts with a term of sixty-months , followed by three twelve-month renewal options, along with related documents, including lease schedules, with Austin Ribbon & Computer Supplies, Inc. (263234) for **(1)** the purchase of mobile data computers for Police and Dallas Fire-Rescue, mounting hardware, and maintenance in the amount of \$11,943,800.00, **(2)** professional installation services in the amount of \$534,400.00 upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Austin Ribbon & Computer Supplies, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by Austin Ribbon & Computer Supplies, Inc. under the contract.

**Section 2.** That the City Manager is authorized to execute contracts with a term of sixty-months , followed by three twelve-month renewal options, along with related documents, including lease schedules, with Austin Ribbon & Computer Supplies, Inc. (263234) to execute a lease and the purchase of all forms of computers and computer related equipment and accessories, including various managed services in the amount of \$18,762,347.00, upon approval as to form by the City Attorney. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Austin Ribbon & Computer Supplies, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by Austin Ribbon & Computer Supplies, Inc. under the contract.

February 11, 2009

**Section 3.** That the City Controller is authorized to disburse funds from the following appropriations in an amount not to exceed \$31,240,547.00:

<u>FUND</u>	<u>DEPT</u>	<u>UNIT</u>	<u>OBJ</u>	<u>AMOUNT</u>
0001	POM	1233	3062	\$24,343,123.00
0600	DSV	E297	3110	\$ 6,897,424.00

**Section 4.** That this resolution shall 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.

**DISTRIBUTION:**

Business Development and Procurement Services, 3FS  
Communication and Information Services



**KEY FOCUS AREA:** Public Safety Improvements and Crime Reduction

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Business Development & Procurement Services  
Communication and Information Services  
Police  
Fire

**CMO:** Dave Cook, 670-7804  
Ramon F. Miguez, P.E., 670-3308  
Ryan S. Evans, 670-3314

**MAPSCO:** N/A

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**SUBJECT**

**CAD System Maintenance, Support & Acquisition of In-vehicle Mobile Application**

- \* Authorize Supplemental Agreement No. 1 to increase the original maintenance contract to add maintenance and support for mobile application and to fund an additional sixty-months of maintenance for Computer Aided Dispatch system with TriTech Software Systems - Not to exceed \$4,864,260, from \$0 to \$4,864,260 – Financing: Current Funds (subject to annual appropriations)
- \* Authorize **(1)** Supplemental Agreement No. 5 to the service contract for twenty-months of on-site technical support for the Computer Aided Dispatch system in the amount of \$250,000, and **(2)** Supplemental Agreement No. 6 for the acquisition of an in-vehicle mobile application for Police and Dallas Fire-Rescue in the amount of \$4,812,570 with TriTech Software Systems - Total not to exceed \$5,062,570, from \$5,756,623 to \$10,819,193 – Financing: 2008 Equipment Acquisition Contractual Obligation Notes (\$4,812,570), Current Funds (\$250,000) (subject to annual appropriations)

**BACKGROUND**

On June 8, 2005, the City approved the acquisition of TriTech Software System's VisiCAD Command System, Computer Aided Dispatch (CAD) to replace the City's 30 year old legacy mainframe system. The CAD system supports the mobilization of Police and Dallas Fire-Rescue personnel and resources in response to 9-1-1 calls. The core functions of the CAD system have performed reliably since implementation.

## **BACKGROUND (Continued)**

From project inception, planning, and through implementation, it was decided to retain the City's existing mobile application and to interface the legacy application with the new CAD system until such time as the public safety mobile data computers could be modernized so that a newer application could be utilized. City staff is currently recommending a service contract that will replace the mobile data computers used by Police and Dallas Fire-Rescue.

TriTech Software Systems is the developer of the City's current CAD system. TriTech Software Systems also develops a mobile application known as VisiNet Mobile. The VisiNet mobile system is designed to integrate seamlessly with the CAD and was recently piloted by the City with positive results.

By implementing the VisiNet mobile System the City will gain several operational and business improvements over the current application; some of these improvements are:

- Improved accuracy of status reporting by officers from the field (aka Ghost Clears)
- Improved emergency button function – all units in a division are notified of the location of the officer that activates the emergency button
- Improved response time of data transmission between the vehicles and the dispatch system
- Improved user interface with simpler on-screen display and organization/navigation
- Ability by agency to automatically place the responding unit "on scene" (aka Geo-Fence)
- Ability for officers to see visual displays of the location of other units on a map

This supplemental agreement also includes twenty-months of extended on-site technical support consultant services for the CAD system as stipulated in the original contract.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On February 2, 2009, the Public Safety Committee was briefed.

On October 08, 2008, City Council authorized an increase in the contract for professional services to comply with the Federal Bureau of Investigation's security requirements to access the Criminal Justice Information System (CJIS) to perform record checks against state and federal records by Resolution #08-2788.

On September 14, 2005, City Council authorized Supplemental Agreement No. 1 to the contract to upgrade the panels and transformers, and install wiring for the Computer Aided Dispatch consoles by Resolution #05-2614.

On September 6, 2005, the Public Safety Committee was briefed.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)**

On June 8, 2005, City Council authorized the purchase of computer hardware, software, training, managed services, installation, and support for a Computer Automated Dispatch system by Resolution #05-1795.

On June 6, 2005, the Public Safety Committee was briefed.

**FISCAL INFORMATION**

\$5,114,260 - Current Funds (subject to annual appropriations)  
\$4,812,570 – 2008 Equipment Acquisition Contractual Obligation Notes

**M/WBE INFORMATION**

The recommended awardee has fulfilled the requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution #08-2826 as amended.

**ETHNIC COMPOSITION**

TriTech Software Systems

White Female	34	White Male	32
Black Female	1	Black Male	0
Hispanic Female	6	Hispanic Male	5
Other Female	8	Other Male	8

**OWNER**

**TriTech Software Systems**

Chris Maloney, President

## BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

**PROJECT:**

**CAD System Maintenance, Support & Acquisition of In-vehicle Mobile Application**

- \* Authorize Supplemental Agreement No. 1 to increase the original maintenance contract to add maintenance and support for mobile application and to fund an additional sixty-months of maintenance for Computer Aided Dispatch system with TriTech Software Systems - Not to exceed \$4,864,260, from \$0 to \$4,864,260 – Financing: Current Funds (subject to annual appropriations)
- \* Authorize **(1)** Supplemental Agreement No. 5 to the service contract for twenty-months of on-site technical support for the Computer Aided Dispatch system in the amount of \$250,000, and **(2)** Supplemental Agreement No. 6 for the acquisition of an in-vehicle mobile application for Police and Dallas Fire-Rescue in the amount of \$4,812,570 with TriTech Software Systems - Total not to exceed \$5,062,570, from \$5,756,623 to \$10,819,193 – Financing: 2008 Equipment Acquisition Contractual Obligation Notes (\$4,812,570), Current Funds (\$250,000) (subject to annual appropriations)

TriTech Software Systems is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractor.

PROJECT CATEGORY: Other Services

**LOCAL/NON-LOCAL CONTRACT SUMMARY - THIS ACTION ONLY**

	<u>Amount</u>	<u>Percent</u>
Local contracts	\$443,430.00	4.47%
Non-local contracts	\$9,483,400.00	95.53%
<b>TOTAL THIS ACTION</b>	<b>\$9,926,830.00</b>	<b>100.00%</b>

**LOCAL/NON-LOCAL M/WBE PARTICIPATION THIS ACTION**

**Local Contractors / Sub-Contractors**

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Orion Communications	WFDB38101Y0809	\$443,430.00	100.00%
<b>Total Minority - Local</b>		<b>\$443,430.00</b>	<b>100.00%</b>

**Non-Local Contractors / Sub-Contractors**

None

**TOTAL M/WBE PARTICIPATION**

	<b>This Action</b>		<b>Participation to Date</b>	
	<b><u>Amount</u></b>	<b><u>Percent</u></b>	<b><u>Amount</u></b>	<b><u>Percent</u></b>
African American	\$0.00	0.00%	\$881,412.00	5.62%
Hispanic American	\$0.00	0.00%	\$770,688.74	4.91%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$443,430.00	4.47%	\$453,430.00	2.89%
Total	<u>\$443,430.00</u>	<u>4.47%</u>	<u>\$2,105,530.74</u>	<u>13.43%</u>



February 11, 2009

**WHEREAS**, on June 8, 2005, City Council authorized the purchase of computer hardware, software, training, managed services, installation, and support for a Computer Automated Dispatch system by Resolution #05-1795; and,

**WHEREAS**, on September 14, 2005, City Council authorized Supplemental Agreement No. 1 to the contract to upgrade the panels and transformers, and install wiring for the Computer Aided Dispatch consoles by Resolution #05-2614; and,

**WHEREAS**, on September 27, 2005, Supplemental Agreement No. 2 to the contract to reallocate funds for training authorized by Administrative Action; and,

**WHEREAS**, on June 07, 2007, Supplemental Agreement No. 3 to the contract to address VisiCAD Command interface issues authorized by Administrative Action; and,

**WHEREAS**, on October 08, 2008, City Council authorized an increase in the contract for professional services to comply with the Federal Bureau of Investigation's security requirements to access the Criminal Justice Information System (CJIS) to perform record checks against state and federal records by Resolution #08-2788; and,

**NOW, THEREFORE,**

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is hereby authorized to execute Supplemental Agreement No. 1 to increase the original maintenance contract to add maintenance and support for mobile application and to fund an additional sixty-months of maintenance for Computer Aided Dispatch system with TriTech Software Systems (51468) in an amount not to exceed \$4,864,260.00, from \$0 to \$4,864,260.00.

**Section 2.** That following approval as to form by the City Attorney, the City Manager is hereby authorized to execute **(1)** Supplemental Agreement No. 5 to the service contract for twenty-months on-site technical support for the Computer Aided Dispatch system in the amount of \$250,000.00, and **(2)** Supplemental Agreement No. 6 for the acquisition of an in-vehicle mobile application for Police and Dallas Fire-Rescue in the amount of \$4,812,570.00 with TriTech Software Systems in a total amount not to exceed \$5,062,570.00, from \$5,756,623 to \$10,819,193.00.

February 11, 2009

**Section 3.** That the City Controller is authorized to disburse funds in an amount not to exceed \$9,926,830.00.

<u>FUND</u>	<u>DEPT</u>	<u>UNIT</u>	<u>OBJ</u>	<u>ENCUMBRANCE</u>	<u>AMOUNT</u>
0198	DSV	1675	3110	DSV09CADMNT	\$ 100,000.00 (subject to annual appropriations)
0198	DSV	1675	3110	DSV10CADMNT	\$ 150,000.00 (subject to annual appropriations)
0198	DSV	1675	3110	DSV10VISCAD	\$1,098,330.00 (subject to annual appropriations)
0198	DSV	1675	3110	DSV11VISCAD	\$1,098,330.00 (subject to annual appropriations)
0198	DSV	1675	3110	DSV12VISCAD	\$1,098,330.00 (subject to annual appropriations)
0198	DSV	1675	3110	DSV13VISCAD	\$1,098,330.00 (subject to annual appropriations)
0198	DSV	1675	3110	DSV14VISCAD	\$ 470,940.00 (subject to annual appropriations)
0600	DSV	E297	4735	DSV09CADUPG	\$3,734,880.00
0600	DSV	E297	3070	DSV09CADUPG	\$ 450,300.00
0600	DSV	E297	3110	DSV09CADUPG	\$ 627,390.00

**Section 4.** That this resolution shall 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.

**DISTRIBUTION:**

Business Development and Procurement Services, 3FN  
 Communication and Information Services  
 Police  
 Fire



**ADDENDUM ITEM # 6**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** City Secretary

**CMO:** Deborah Watkins, 670-0653

**MAPSCO:** N/A

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**SUBJECT**

An ordinance amending Ordinance No. 20231, as amended, to adopt certain revised election precincts - Financing: No cost consideration to the City

**BACKGROUND**

Section 42.061 of the Texas Election Code requires that the City establish precincts for the city elections. The City adopts as city election precincts those county election precincts that are wholly or partially within the City. Denton County has added new election precincts and/or revised existing election precincts since the last time the City adopted precincts in 2004. The proposed ordinance would revise the city election precincts to conform with Denton County election precincts to the extent that the county precincts are within the City of Dallas.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

**FISCAL INFORMATION**

No cost consideration to the City.



ORDINANCE NO. \_\_\_\_\_

An ordinance amending Ordinance No. 20231, as amended, passed by the city council on March 8, 1989; adopting the boundaries of election precincts to the extent that they are within the corporate limits of the city; revising certain existing election precincts to coincide with Denton County election precincts; providing a saving clause; and providing an effective date.

WHEREAS, the city council of the city of Dallas passed Ordinance No. 20231 on March 8, 1989, which was amended by Ordinance No. 20741 on September 26, 1990, Ordinance No. 21350 on June 24, 1992, Ordinance No. 21579 on February 24, 1993, Ordinance No. 22343 on February 22, 1995, Ordinance No. 22693 on February 28, 1996, Ordinance No. 23348 on November 14, 1997, Ordinance No. 24800 on January 9, 2002, and Ordinance No. 25696 on August 11, 2004, to adopt as the election precincts of the city those county election precincts that had previously been established by order of the commissioners' courts of Dallas County, Collin County, and Denton County, Texas, to the extent that each county election precinct is within the corporate limits of the city of Dallas; and

WHEREAS, since the passage of Ordinance Nos. 20231, 20741, 21350, 21579, 22343, 22693, 23348, 24800, and 25696, the commissioners' court of Denton County, Texas has added new Denton County election precincts and renumbered and revised the boundaries of existing Denton County election precincts, which changes became effective January 1, 2008, and some of those precincts are within the corporate limits of the city of Dallas; and

WHEREAS, in order to comply with Section 42.061 of the Texas Election Code, which prohibits city election precincts from dividing county election precincts except as necessary to follow the city's boundaries, the city council is required to establish boundaries for city election

precincts that coincide with county election precincts to the extent that the county precincts are within the corporate limits of the city; Now, Therefore,

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

SECTION 1. That Section 1 of Ordinance No. 20231, passed by the city council on March 8, 1989, as amended by Ordinance Nos. 20741, 21350, 21579, 22343, 22693, 23348, 24800, and 25696, is amended by renumbering and revising the boundaries of existing Denton County election precincts in accordance with Exhibits A, B, and C, which are attached to and made a part of this ordinance by reference. Exhibit A is a copy of Denton County Commissioners' Court Order No. 07-0241, which adopted the 2008 changes to the Denton County election precincts. Exhibit B contains maps of the renumbered and revised Denton County election precincts that are located within the corporate limits of the city of Dallas. Exhibit C is a map showing the 2008 Denton County election precincts, including those that are located within the corporate limits of the city of Dallas. The changes are effective upon the effective date of this ordinance, subject to preclearance approval by the United States Justice Department.

SECTION 2. That Ordinance No. 20231, as amended, will remain in full force and effect, save and except as amended by this ordinance.

SECTION 3. That this ordinance will take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

THOMAS P. PERKINS, JR., City Attorney

By \_\_\_\_\_  
Assistant City Attorney

Passed \_\_\_\_\_  
LC/UC/0141/U

**EXHIBIT A**

**A COPY OF DENTON COUNTY COMMISSIONERS' COURT  
ORDER NO. 07-0241 ADOPTING NEW, RENUMBERED, AND  
REVISED DENTON COUNTY ELECTION PRECINCTS.**

# DENTON COUNTY COMMISSIONERS COURT

April 24, 2007  
Month Day Year

Court Order Number: 07-0241

13.D)

THE ORDER To Approve the adjustment of boundary lines for County Election Precincts 107, 110, 118, 119, 122, 124, 137, 207, 209, 210, 211, 212, 214, 216, 218, 224, 225, 226, 304, 305, 306, 307, 309, 310, 311, 317, 319, 32, 322, 404, 405, 406, 412, 414, 415, 416, 421, and 427 and creation of Precinct 139 (Frisco)

Motion by Eads

Seconded by How

County Judge Yes   
Mary Horn Abstain   
No   
Absent

Commissioner Pct No 1 Yes   
Cynthia White Abstain   
No   
Absent

Commissioner Pct No 2 Yes   
Ron Marchant Abstain   
No   
Absent

Commissioner Pct No 3 Yes   
Bobbie J. Mitchell Abstain   
No   
Absent

Commissioner Pct No 4 Yes   
Andy Eads Abstain   
No   
Absent

Motion Carried 5-0-0

Other Action: Pulled from Consent  No Action  Postponed

BY ORDER OF THE COMMISSIONERS COURT:

ATTEST:  
Cynthia Mitchell, County Clerk  
and Ex-Officio Clerk of the  
Commissioners Court of  
Denton County, Texas

Mary Horn  
Presiding Officer

APPROVED AS TO FORM:  
Rin Gill  
Assistant District Attorney



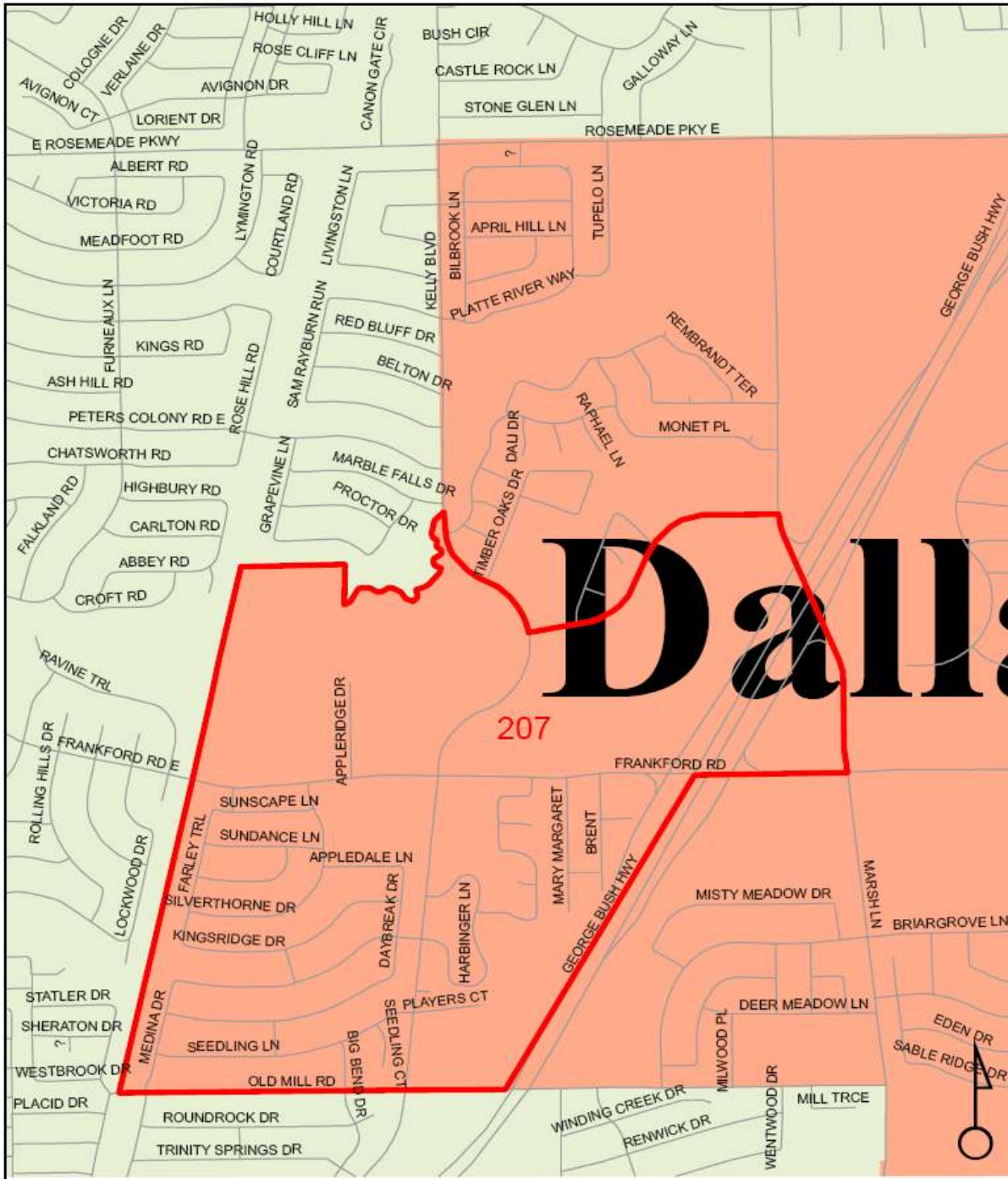
BY: Kathleen Braxford  
Deputy County Clerk

**EXHIBIT B**

**MAPS OF THE RENUMBERED AND REVISED DENTON  
COUNTY ELECTION PRECINCTS THAT ARE LOCATED IN  
THE CITY OF DALLAS.**

# 2008 Voter Precinct 207

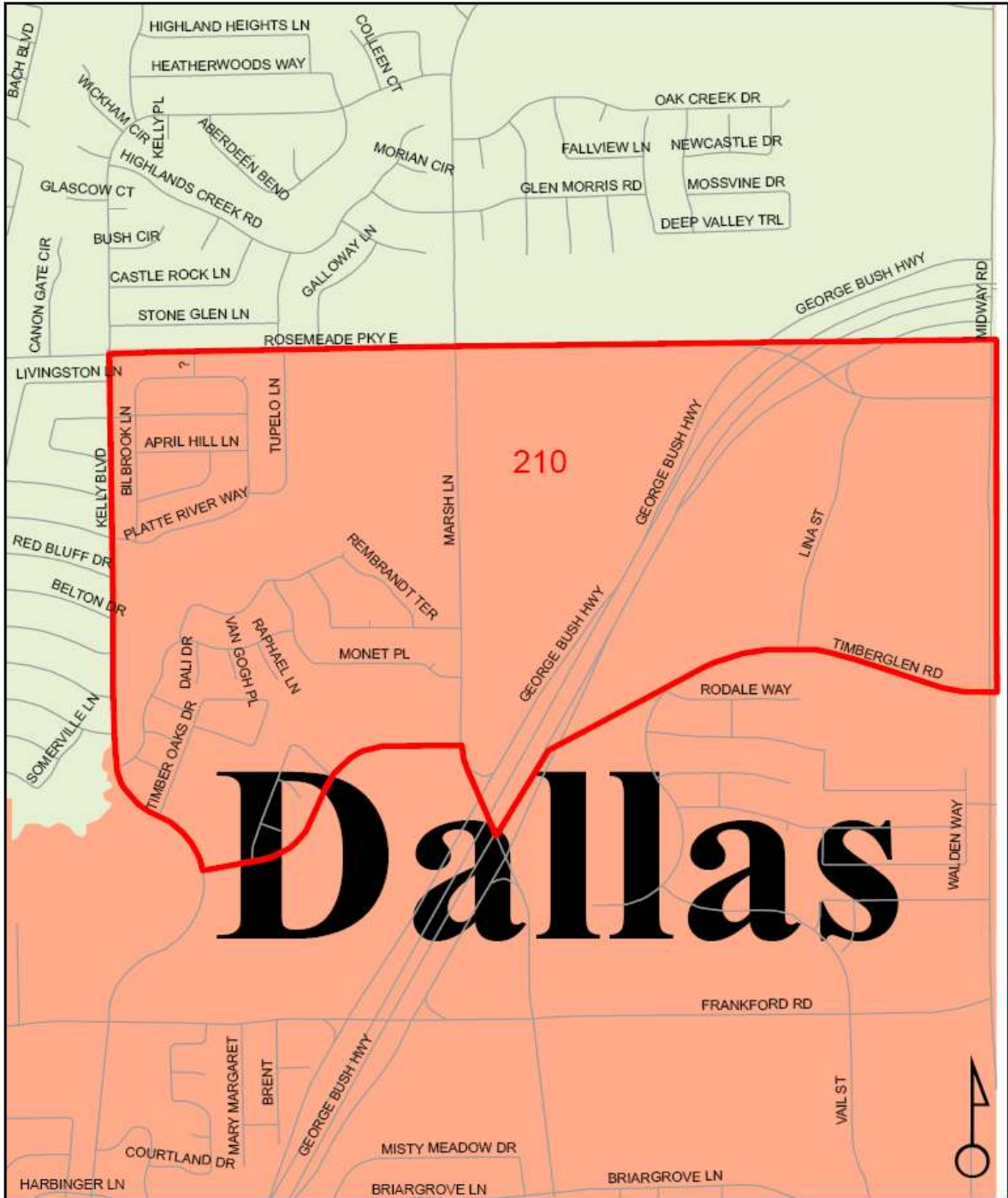
207/216 pcts merged





# 2008 Voter Precinct 210

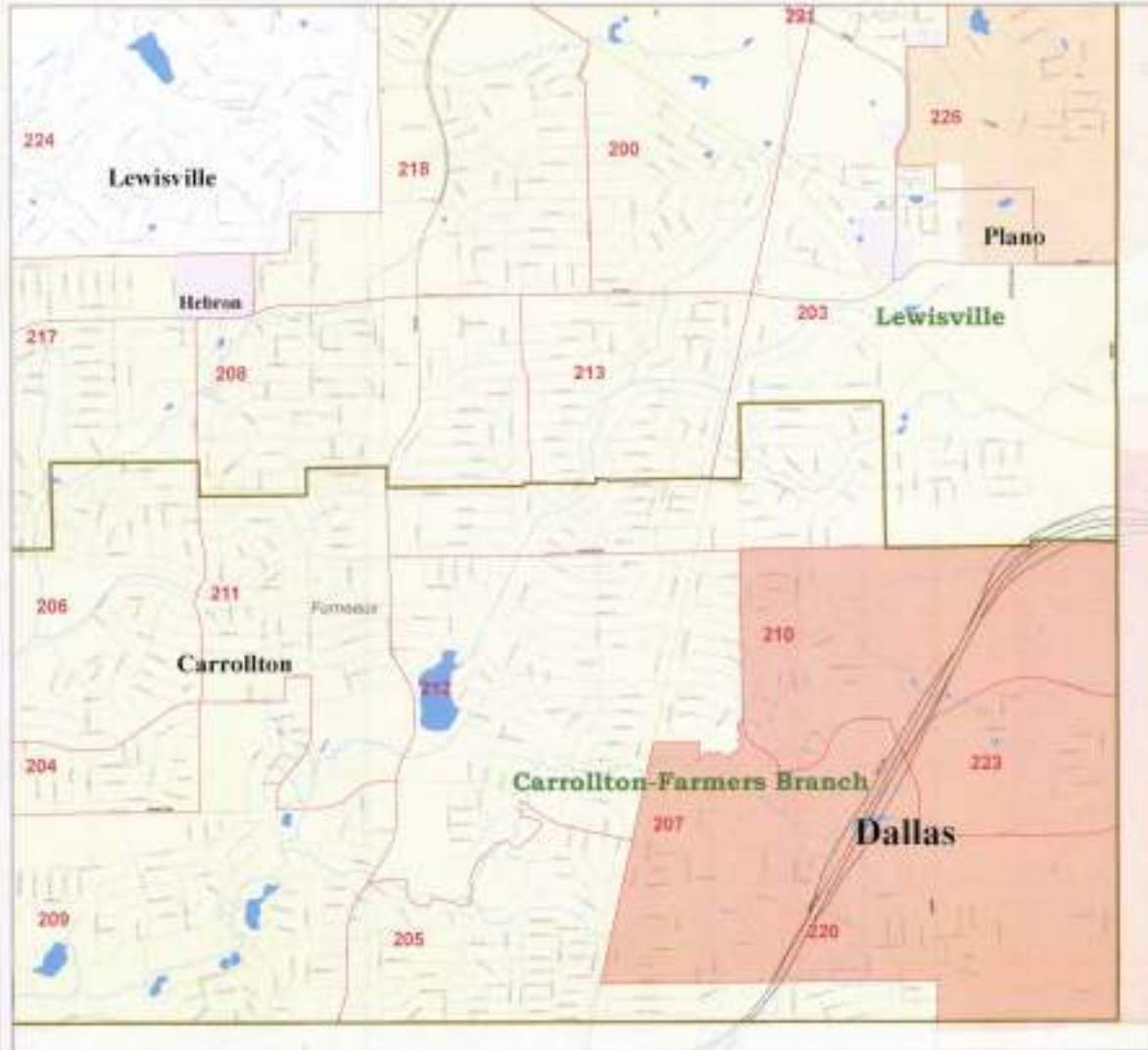
210/226 pcts merged



**EXHIBIT C**

**A MAP OF THE 2008 DENTON COUNTY ELECTION  
PRECINCTS, INCLUDING THOSE LOCATED IN THE CITY OF  
DALLAS.**

# City of Dallas



**City Population**  
Lewisville: 100,000  
Plano: 180,000  
Carrollton: 120,000  
Farmers Branch: 100,000  
Dallas: 1,300,000



Map prepared by the City of Dallas, Planning and Economic Development Department, in cooperation with the Tarrant County Office of Economic Development.





**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 12  
**DEPARTMENT:** Office of Economic Development  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 11A B-D, 11A F-H, 11A K-M & 11A P-R

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**SUBJECT**

A resolution declaring the City of Dallas' support of and consent to the creation of the Cypress Waters Management District (Cypress Waters MMD) subject to certain limitations in the creation of, and exercise of powers by, the Cypress Waters MMD to promote the development and redevelopment of the area - Financing: No cost consideration to the City

**BACKGROUND**

Approval of this item allows the State of Texas to create the Cypress Waters Management District, a municipal management district formed under Chapter 375 of the Texas Local Government Code. This request was originated by a major property owner, Billingsley, for the 942-acre site as a means of providing additional financing for infrastructure improvements in the area.

Municipal Management Districts (MMD) are self-governed, political subdivisions of the State of Texas. MMDs have the power to levy taxes, assessments and impact fees to property owners in the district. In addition, MMDs can supply additional services that are supplemental or complementary to regular municipal services. Real property taxes must be approved by a majority of eligible voters in the MMD.

MMDs may issue bonds that are not considered municipal debt and does not impact City of Dallas bonding capacity. This financing tool has been used in other cities, especially in conjunction with Tax Increment Financing Districts.

This proposal was briefed to the Economic Development Committee on January 20, 2009, January 27, 2009 and February 2, 2009. Based on this discussion, City support of the creation of this MMD is subject to several limitations described below:

- A. The negotiation of a comprehensive development agreement for the District that provides a comprehensive development plan for public infrastructure and including the financing of the same.

**BACKGROUND** (Continued)

- B. Prior to initiating any action to further develop in the area through the use of the proposed municipal management district that any tax or fee or assessment levied by the District and any additions of property to the District must be approved by owners of taxable real property representing more than sixty five percent (65%) of the appraised value of taxable real property in the District and record owners of taxable real property who constitute more than sixty five percent (65%) of all record owners of taxable real property and who constitute more than sixty five percent (65%) of the area of all taxable real property in the District.
- C. That City Council approval by resolution shall be obtained for:
  - 1. Any commitments of Chapter 380 subsidies on a project by project basis.
  - 2. The issuance of bonds, notes, credit agreements or other obligations, including the terms of such issuance, the principal amount, notional amount, interest rate or rates, redemption provisions, and other terms and conditions relating to such issuances.
  - 3. The appointment of all District directors with the exception of the initial directors.
- D. Waterworks and sanitary sewer improvements may be undertaken by the district within the boundaries of the district, subject to the following conditions:
  - 1. The City requests that the waterworks or sanitary sewer improvements be funded by the District.
  - 2. The City maintains exclusive power to construct, own, operate and maintain the improvements.
  - 3. The comprehensive development agreement has been executed and City Council has approved the issuance of any debt obligations as a condition of such improvements being funded by the District.
- E. The presentation to the City Council of an annual report of audited District financing documents.
- F. A plan to maintain infrastructure development by the District.
- G. No property may be removed from the District unless or until the District is terminated or all obligations of the District have been paid in full.

**BACKGROUND** (Continued)

- H. The City of Dallas shall not be obligated to provide any additional capital improvements or expenditures in the area which the City Council has not already approved including assessments or fees.
  
- I. The creation of the District shall be recorded in the official real property records of Dallas County, Texas and separately and clearly disclosed in the closing documents for the sale of any property in the District.

Approval of this item creates another financing tool to enhance redevelopment possibilities in the Cypress Waters area.

**ESTIMATED SCHEDULE OF PROJECT**

Legislation Filed	March 2009
Legislation Approved	May 2009

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On January 20, 2009, the Economic Development Committee was briefed on the Municipal Management Districts.

On January 27, 2009, the Economic Development Committee was briefed on the Municipal Management Districts.

On February 2, 2009, the Economic Development Committee was briefed on the Municipal Management Districts

**FISCAL INFORMATION**

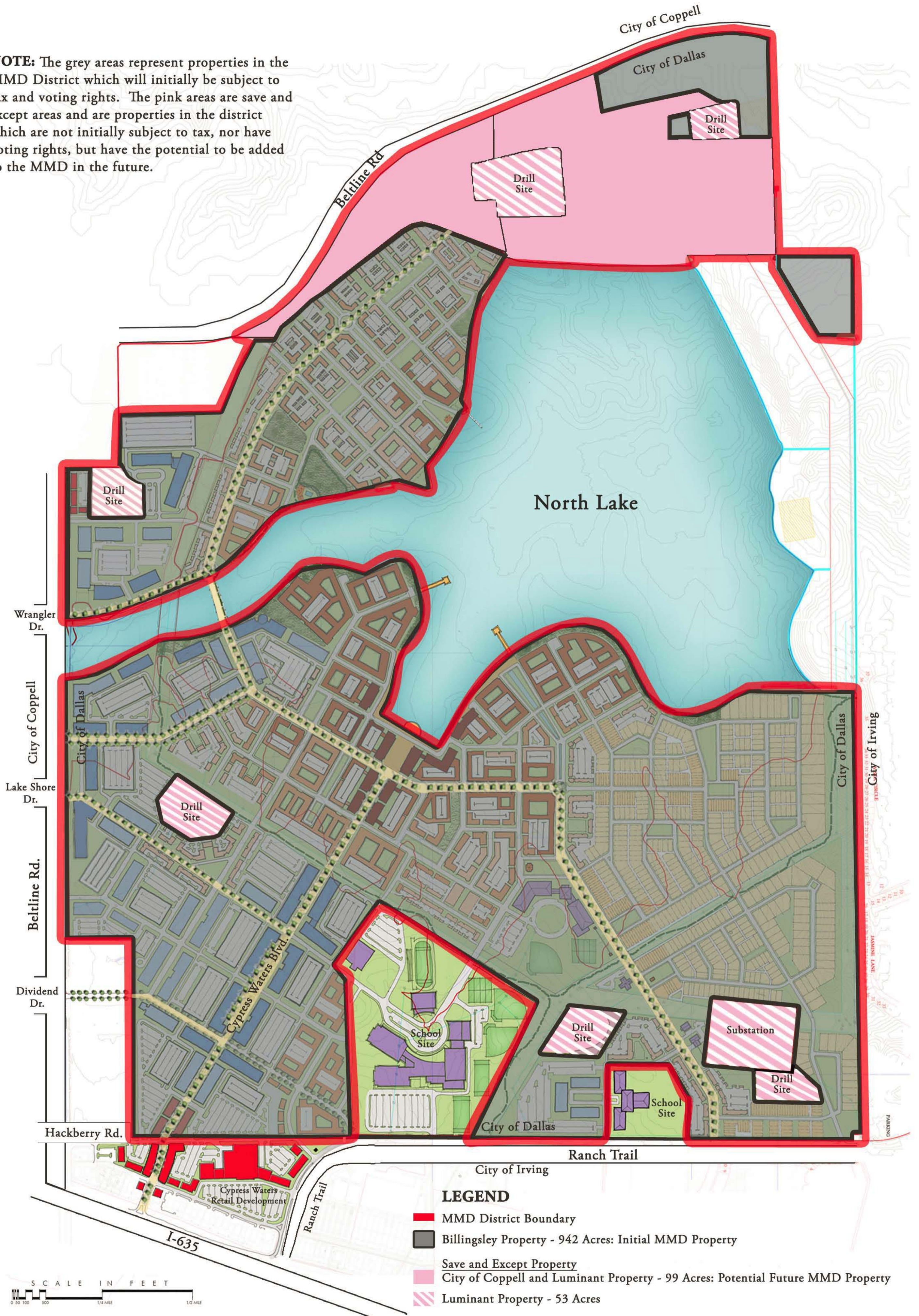
No cost consideration to the City

**MAP(S)**

Attached.

# CYPRESS WATERS MMD AND TIF AREA MAP

**NOTE:** The grey areas represent properties in the MMD District which will initially be subject to tax and voting rights. The pink areas are save and except areas and are properties in the district which are not initially subject to tax, nor have voting rights, but have the potential to be added to the MMD in the future.

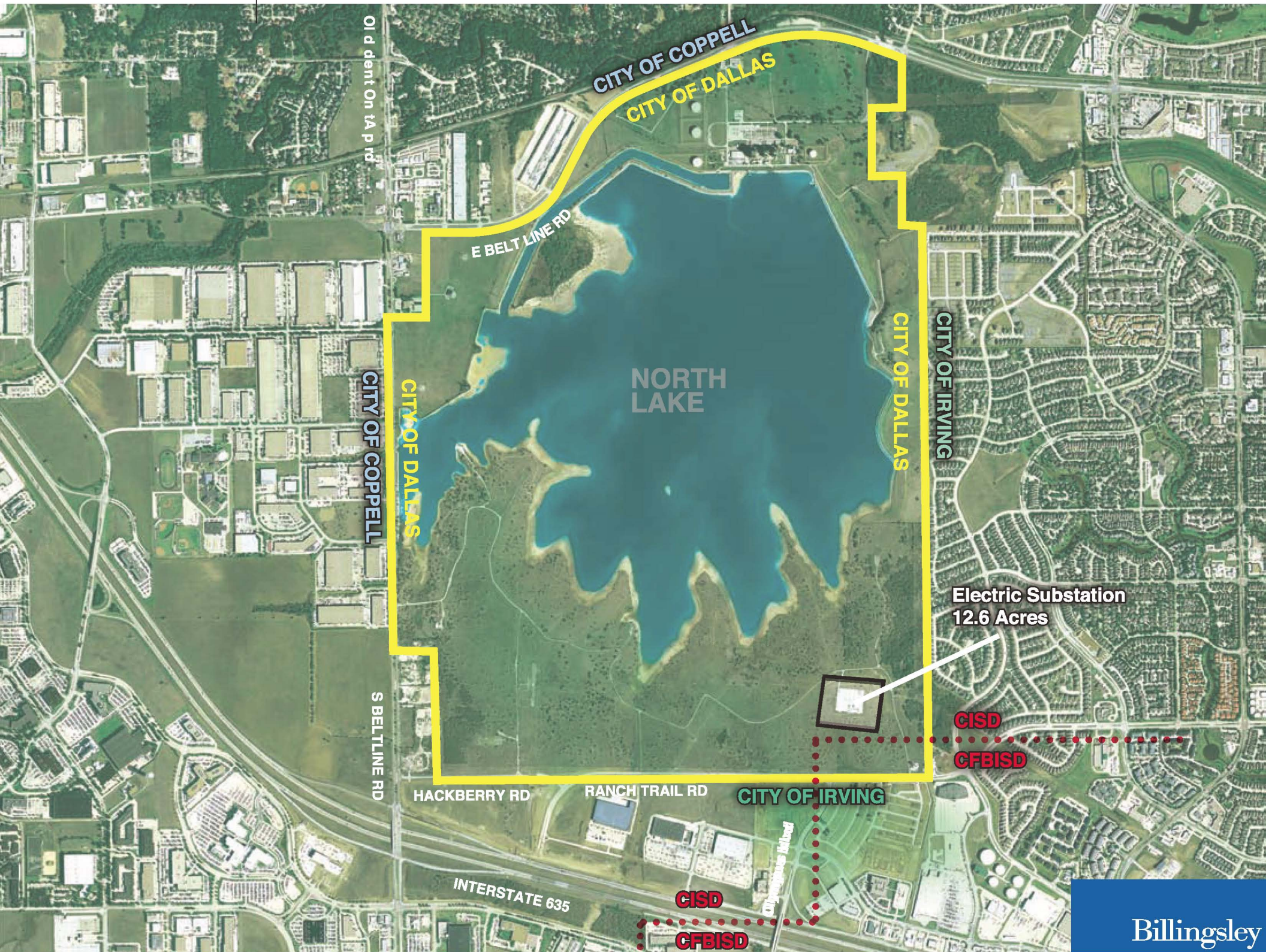


### LEGEND

- █ MMD District Boundary
- Billingsley Property - 942 Acres: Initial MMD Property
- Save and Except Property
- City of Coppell and Luminant Property - 99 Acres: Potential Future MMD Property
- Luminant Property - 53 Acres

Date: February 4, 2009







February 11, 2009

**WHEREAS**, the City of Dallas has received a request from property owners in the Cypress Waters area as set forth in **Exhibit A** attached hereto that the City consent to the creation of a municipal management district to facilitate the economic development and redevelopment of the area; and

**WHEREAS**, the property owners in the Cypress Waters area have represented to the City that the area is in need of infrastructure improvements to assist the City with the development and redevelopment of the area; and

**WHEREAS**, the creation of a municipal management district can assist with that development and redevelopment by providing a mechanism for the property owners within the district to finance public improvements in the area; and

**WHEREAS**, the City and the property owners have agreed to certain limitations in the creation of, and exercise of powers by, the municipal management district to promote the development and redevelopment of the area certain of such limitations as set forth herein and in the attached draft legislation creating the municipal management district.

**NOW, THEREFORE,**

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

**Section 1.** That the City Council hereby declares its support of the creation of the CYPRESS WATERS MANAGEMENT DISTRICT (the "District") by the Legislature of the State of Texas in the current legislative session; provided that the legislation contains the minimum requirements outlined in Section 3 below and such legislation does not materially differ from the legislation attached hereto as **Exhibit A** which is incorporated herein by this reference and made a part hereof for all purposes.

**Section 2.** That the City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this resolution and the subject matter thereof has been disclosed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

February 11, 2009

**Section 3.** That among the limitations that the City of Dallas and the property owners have agreed to and that are to be included in the legislation creating the municipal management district for the Cypress Waters area are provisions that mandate and require the following:

- A. The negotiation of a comprehensive development agreement for the District that provides a comprehensive development plan for public infrastructure and including the financing of the same.
- B. Prior to initiating any action to further develop in the area through the use of the proposed municipal management district that any tax or fee or assessment levied by the District and any additions of property to the District must be approved by owners of taxable real property representing more than sixty five percent (65%) of the appraised value of taxable real property in the District and record owners of taxable real property who constitute more than sixty five percent (65%) of all record owners of taxable real property and who constitute more than sixty five percent (65%) of the area of all taxable real property in the District.
- C. That City Council approval by resolution shall be obtained for:
  - 1. Any commitments of Chapter 380 subsidies on a project by project basis.
  - 2. The issuance of bonds, notes, credit agreements or other obligations, including the terms of such issuance, the principal amount, notional amount, interest rate or rates, redemption provisions, and other terms and conditions relating to such issuances.
  - 3. The appointment of all District directors with the exception of the initial directors.
- D. Waterworks and sanitary sewer improvements may be undertaken by the district within the boundaries of the district, subject to the following conditions:
  - 1. The City requests that the waterworks or sanitary sewer improvements be funded by the District.
  - 2. The City maintains exclusive power to construct, own, operate and maintain the improvements.
  - 3. The comprehensive development agreement has been executed and City Council has approved the issuance of any debt obligations as a condition of such improvements being funded by the District.

February 11, 2009

**Section 3.** (Continued)

- E. The presentation to the City Council of an annual report of audited District financing documents.
- F. A plan to maintain infrastructure development by the District.
- G. No property may be removed from the District unless or until the District is terminated or all obligations of the District have been paid in full.
- H. The City of Dallas shall not be obligated to provide any additional capital improvements or expenditures in the area which the City Council has not already approved including assessments or fees.

**Section 4.** That should legislation not be enacted in the current legislative session to create the District, or should such legislation not contain the minimum requirements outlined in Section 3 above, the support of the City Council as stated in this resolution shall expire.

**Section 5.** That the property owner shall notify the Dallas City Council of all changes made by the Legislature of the State of Texas during the current legislative session to the proposed legislation attached herein.

**Section 6.** That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

Distribution: Office of Economic Development, Tenna Kirk, 5CS  
Office of Economic Development, Karl Stundins, 2CN  
City Attorney's Office - Barbara Martinez



\_\_\_\_.B. \_\_\_\_

By\_\_\_\_\_

AN ACT

Amending the Special District Local Law Code by adding a Chapter creating the Trinity River West Municipal Management District and enacting related matters

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The Special District Local Laws Code is amended to add a Chapter creating the Cypress Waters Municipal Management District (the “District”), which Chapter shall be and read as follows:

CHAPTER \_\_\_\_ . CYPRESS WATERS MUNICIPAL MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. \_\_\_\_ .001. DEFINITIONS. In this chapter:

(1) “Board” means the district’s board of directors.

(2) “City” means the City of Dallas.

(3) “District” means the Trinity River West Municipal Management District.

(4) “Improvement project” means any program or project authorized by Section \_\_\_\_ .102, inside the district and in areas outside but adjacent to the district if for the purpose of extending public infrastructure improvements beyond the boundaries to a

logical terminus.

Sec. \_\_\_\_\_.002. CREATION AND NATURE OF DISTRICT. The district is a special district created under Section 59, Article XVI, Texas Constitution, with all of the powers granted in this Chapter.

Sec. \_\_\_\_\_.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this Chapter. By creating the district and in authorizing the City and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.

(c) The district is created to supplement and not to supplant City services provided in the district.

Sec. \_\_\_\_\_.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted



under this chapter.

(c) The creation of the district is in the public interest and is essential to further the public purposes of:

- (1) developing and diversifying the economy of the state;
- (2) eliminating unemployment and underemployment; and
- (3) developing or expanding transportation and commerce.
- (4) providing quality residential housing

(d) The district will:

- (1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;
- (2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a residential community and business center; and
- (3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, vehicle parking, and street art objects are parts of and necessary components of a street and are considered to be an improvement project that includes a street or road improvement.

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. \_\_\_\_ .005. DISTRICT TERRITORY. (a) The district is composed of the territory described by Section 2 of the Act enacting this chapter, as that territory may have been modified under:

(1) Section \_\_\_\_ .107; or

(2) other law.

(b) A mistake in the field notes of the district contained in Section 2 of the Act enacting this chapter or in copying the field notes in the legislative process does not in any way affect:

(1) the district's organization, existence, or validity;

(2) the district's right to contract, including the right to issue any type of bond or other obligation for a purpose for which the district is created;

(3) the district's right to impose or collect an assessment, tax, or any other revenue; or

(4) the legality or operation of the board.

Sec. \_\_\_\_ .006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. (a) All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created by the City under Chapter 311, Tax Code;

(2) a tax abatement reinvestment zone created by the City under Chapter 312,

Tax Code; or

(3) an enterprise zone created by the City under Chapter 2303, Government Code.

(b) If the City creates a tax increment reinvestment zone described by subsection (a) of this Section, the City and the board of directors of the zone, by contract with the district, may grant money deposited in the tax increment fund to the district to be used by the district for the purposes permitted for money granted to a corporation under Section 380.002(b), Local Government Code, including the right to pledge the money as security for any bonds issued by the district for an improvement project. Each project to receive public funds pursuant to the provisions of Section 380.002(b), Local Government Code, shall have received the approval by resolution of the governing body of the City.

(c) A tax increment reinvestment zone created by the City within the District shall not be subject to the limitations set forth in Chapter 311.006 (b) of the Tax Code.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. \_\_\_\_ .051. GOVERNING BODY; TERMS. The district is governed by a board of nine directors consisting initially of the following persons:

<u>Place No.</u>	<u>Name of Initial Director</u>
<u>Place 1</u>	<u>Lucy Billingsley</u>
<u>Place 2</u>	<u>Joel Overton</u>
<u>Place 3</u>	

Place 4

Place 5

Place 6

Place 7      City of Dallas Assistant City Manager

Place 8      City of Dallas Chief Financial Officer

Place 9      City of Dallas Economic Development Director

The terms of the initial occupants of Places 1, 2, 3 and 4 expire on July 1, 2011, and the terms of the initial occupants of Places 5, 6, 7, 8 and 9 expire on July 1, 2013. Replacement directors are each appointed for four year terms by the governing body of the City under Section \_\_\_\_\_.052.

Sec. \_\_\_\_\_.052. APPOINTED DIRECTORS. (a) Directors appointed by the governing body of the City shall meet the qualifications established in Section \_\_\_\_\_.053.

(b) A person may not be appointed to the board if the appointment of that person would result in fewer than three of the directors who reside within the City and who meet at least one of the qualifications established in Subdivisions (2), (3), (4), (5) or (6) of Subsection (a) of Section \_\_\_\_\_.053.

(c) The governing body of the City shall appoint a director to fill a vacancy that occurs on the board, with the appointee to serve for the unexpired term of the former director.

(d) All directors shall be subject to removal from the board with or without cause at any time by a vote of a majority of the governing body of the City.

(e) The board of directors shall conduct its meetings in accordance with all requirements of the Open Meetings Act, Chapter 551, Texas Government Code, as amended (the “Open Meetings Act”). The board shall hold its meetings at any place accessible to the public. Notice of all meetings shall be given in accordance with the Open Meetings Act, and a copy of the notice shall be filed with the City Secretary of the City for posting at Dallas City Hall.

(f) The board may not create an executive committee to exercise the powers of the Board of Directors.

Sec. .053. ELIGIBILITY OF APPOINTED DIRECTORS. (a) To be qualified to serve as an appointed director, a person must be at least 18 years old and must be:

- (1) a resident of the district who is also a registered voter of the district;
- (2) an owner of property in the district;
- (3) an owner of stock, whether beneficial or otherwise, of a corporate owner of property in the district;
- (4) an owner of a beneficial interest in a trust that owns property in the district; or
- (5) an agent, employee, or tenant of a person covered by Subdivision (2), (3), or (4) of this Subsection; or
- (6) an initial director;
- (7) an assistant city manager of the City appointed by the city manager;
- (8) the chief financial officer of the City; or

(9) the economic development director of the City.

(b) Section 49.052, Water Code, does not apply to the district.

(c) If an office described in Subsection (a) is renamed, changed, or abolished, the governing body of the City may appoint another City officer or employee who performs duties comparable to those performed by the officer described by Subsection (a).

Sec. \_\_\_\_ .055. INITIAL AND APPOINTED DIRECTOR'S OATH OR AFFIRMATION. An initial and an appointed director's oath or affirmation of office shall be filed with the district and the district shall retain the oath or affirmation in the district records. A copy of each director's oath or affirmation of office shall be filed with the City Secretary of the City.

Sec. \_\_\_\_ .056. OFFICERS. The board shall elect from among the initial and appointed directors a chair, a vice chair, and a secretary. The offices of chair and secretary shall not be held by the same person concurrently.

Sec. \_\_\_\_ .057. COMPENSATION; EXPENSES, LIABILITY INSURANCE FOR DIRECTORS. (a) The district may compensate each director in an amount not to exceed \$50 for each board meeting. The total amount of compensation per director per year may not exceed \$2,000.

(b) Directors are entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of a director.

(c) The district may obtain and pay for comprehensive general liability insurance

coverage from commercial insurance companies or other sources that protect and insure the directors against personal liability and from any and all claims for actions taken as directors or actions and activities taken by the district or by others acting on its behalf.

Sec. \_\_\_\_ .058. CONFLICTS OF INTEREST. (a) Initial and appointed directors may participate in all board votes and decisions after compliance with the requirements of Subsections (b), (c), and (d) of this Section.

(b) Initial and appointed directors are subject to Section 171.004, Local Government Code including disclosure and abstention requirements. A copy of any director's disclosure affidavit required pursuant to Section 171.004, Local Government Code shall be filed with the City Secretary of the City.

, (c) After the disclosure affidavit is filed, the director may participate in a discussion or vote.

(d) the appointed director is an owner of property in the district.

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. \_\_\_\_ .101. GENERAL POWERS AND DUTIES. The district has the duties imposed by this Chapter and the powers provided by:

(1) the general laws relating to conservation and reclamation districts created under Section 59, Article XVI, Texas Constitution, including Chapters 49 and 54, Water Code, except that the district's bonds and other securities are not subject to the

jurisdiction or supervision of the Texas Commission on Environmental Quality under Chapter 49, Water Code, or other law;

(2) the general laws relating to road districts and road utility districts created under Section 52, Article III, Texas Constitution, including Chapter 441, Transportation Code, except that the district may exercise any power granted by this Chapter without regard to any provision or requirement of, or procedure prescribed in, Chapter 441, Transportation Code;

(3) Subchapter A, Chapter 372, Local Government Code, in the same manner as a municipality or a county;

(4) Chapter 375, Local Government Code;

(5) Chapter 311 of the Tax Code; and

(6) Chapter 1371, Government Code.

Sec. \_\_\_\_\_ .102. IMPROVEMENT PROJECTS. (a) The district may provide, or it may enter into contracts with a governmental or private entity to provide, the following types of public works or public improvement projects located in the district or activities in support of or incidental to such projects:

(1) a supply and distribution facility or system to provide potable and nonpotable water to the residents and businesses of the district, including a wastewater collection facility, a paved, macadamized, or graveled road, street, or turnpike, inside and outside the district, to the full extent authorized by Section 52, Article III, Texas Constitution;



(2) the planning, design, construction, improvement, and maintenance of:

(A) landscaping;

(B) highway right-of-way or transit corridor beautification and improvement;

(C) lighting, banners, and signs;

(D) a street or sidewalk;

(E) a hiking and cycling path or trail;

(F) a pedestrian walkway, skywalk, crosswalk, or tunnel;

(G) a park, lake, garden, recreational facility, community activities center, dock, wharf, sports facility, open space, scenic area, or related exhibit or preserve;

(H) a fountain, plaza, or pedestrian mall; or

(I) a drainage or storm-water detention improvement;

(3) protection and improvement of the quality of storm water that flows through the district;

(4) the planning, design, construction, improvement, maintenance, and operation of

(A) a water or sewer facility; or

(B) an off-street parking facility or heliport;

(5) the planning and acquisition of:

(A) public art and sculpture and related exhibits and facilities; or

(B) an educational facility, and a cultural exhibit or facility;

(6) the planning, design, construction, acquisition, lease, rental, improvement, maintenance, installation, and management of and provision of furnishings for a facility for:

(A) a conference, convention, or exhibition;

(B) a manufacturer, consumer, or trade show;

a civic, community, or institutional event; or

(C) an exhibit, display, attraction, special event, or seasonal or cultural celebration or holiday;

(7) the removal, razing, demolition, or clearing of land or improvements in connection with public works or public improvement projects;

(8) the acquisition and improvement of land or other property for the mitigation of the environmental effects of an improvement project if such costs are incurred pursuant a development agreement and reimbursement of such costs are conditioned upon the completion of substantial vertical development, or are related to a transit or mobility project;

(8) the acquisition of property or an interest in property in connection with an authorized public works or public improvement project, including any project or projects that are authorized by Subchapter A of Chapter 372, Local Government Code;

(10) a special or supplemental service for the improvement and promotion of the

district or an area adjacent to the district or for the protection of public health and safety in or adjacent to the district, including:

(A) advertising;

(B) promotion;

(C) tourism;

(D) health and sanitation;

(E) public safety;

(F) security;

(G) fire protection or emergency medical services;

(H) business recruitment;

(I) elimination of traffic congestion, including rail services; and

(J) recreational, educational, or cultural improvements, enhancements, and services; or

(11) any similar public improvement, facility, or service.

(b) The district may not undertake a public work or improvement project under this section unless the board determines the public work or improvement project to be necessary to accomplish a public purpose of the district and has received the approval of the City, in accordance with Section \_\_\_\_ .160.

(c) Any public work or improvement project must comply with any applicable codes and ordinances of the City.

(d) The district may not provide, conduct, or authorize any public work or improvement project on the City streets, highways, rights-of-way, or easements without the consent of the governing body of the City.

(e) Subject to any agreement between the district and the City, the City may:

(1) by ordinance, order, or resolution require that title to all or any portion of any public work or improvement project vest in the City; or

(2) unless prohibited by subsection (h) of this section, by ordinance, order, or resolution or other directive authorize the district to own, encumber, maintain, and operate any public work or improvement project, subject to the right of the City to order a conveyance of the public work or improvement project to the City on a date determined by the City.

(f) The district shall immediately comply with any City ordinance, order, or resolution adopted under Subsection (e).

(g) For the purposes of this section, planning, design, construction, improvement, and maintenance of a lake includes work done for drainage, reclamation, or recreation.

(h) Waterworks and sanitary sewer improvements may be undertaken by the district in or outside the boundaries of the district, subject to the conditions set forth below.

(1) The City shall request that waterworks or sanitary sewer improvements be funded by the district;

(2) The City shall construct, own, operate and maintain the improvements;  
and

(3) The provisions of Section \_\_\_\_ .152, \_\_\_\_ .157 and \_\_\_\_ .160 are satisfied as  
a condition of the improvements being funded by the district.

Sec. \_\_\_\_ .103. GENERAL POWERS REGARDING CONTRACTS. (a) The district  
may:

(1) contract with any person to accomplish any district purpose, including a  
contract for:

(A) the payment, repayment, or reimbursement of costs incurred by that  
person on behalf of the district, including all or part of the costs of any public  
work or improvement project and interest on the reimbursed cost; or

(B) the use, occupancy, lease, rental, operation, maintenance, or  
management of all or part of a proposed or existing public work or improvement  
project; and

(2) apply for and contract with any person to receive, administer, and perform a  
duty or obligation of the district under a federal, state, local, or private gift, grant, loan,  
conveyance, transfer, bequest, or other financial assistance arrangement relating to the  
investigation, planning, analysis, study, design, acquisition, construction, improvement,  
completion, implementation, or operation by the district or others of a proposed or  
existing public work or improvement project.

(b) A contract the district enters into to carry out a purpose of this chapter may be on any terms and for any period the board determines, including a negotiable or nonnegotiable note or warrant payable to the City or Dallas County and/or to any other person.

(c) Any person, including but not limited to the City, may contract with the district to carry out the purposes of this chapter without further statutory or other authorization.

Sec. \_\_\_\_\_ .104. RULES; ENFORCEMENT. (a) The district may adopt rules:

(1) to administer or operate the district;

(2) for the use, enjoyment, availability, protection, security, and maintenance of the district's property and facilities; or

(3) to provide for public safety and security in the district.

(b) The district may enforce its rules by injunctive relief.

(c) To the extent a district rule conflicts with a City rule, order, or regulation, the City rule, order, or regulation controls.

(d) The district shall provide the City with written notice no later than \_\_\_\_\_ days prior to the meeting at which rules are to be adopted by the district. The district may not adopt any rule affecting the use of a municipally owned asset, such as public park, a street, sidewalk, transit facility, or public right of way unless the governing body of the City has approved the rule by ordinance, order or resolution.

Sec. \_\_\_\_\_ .105. NAME CHANGE. The board by resolution may change the district's

name. The board shall give written notice of the change to the City.

Sec. .107. ADDING OR REMOVING TERRITORY. The board may add or remove territory under Subchapter J, Chapter 49, and Section 54.016, Water Code, except that:

(1) the addition or removal of the territory must be approved by:

(A) the governing body of the City by ordinance, order or resolution; and

(B) the owners of the territory being added or removed;

(2) a reference to a tax in Subchapter J, Chapter 49, or Section 54.016, Water Code, means an ad valorem tax; and

(3) territory may not be removed from the district if bonds or other obligations of the district payable, wholly or partly, from ad valorem taxes or assessments levied or assessed on the territory are outstanding.

Sec. .108. ECONOMIC DEVELOPMENT.

(A) The district may create economic development and other programs pursuant to Section 52-a, Article III, Texas Constitution, including the levy and collection of ad valorem taxes for such purposes and including the economic development powers that Chapter 380, Local Government Code, provides to a municipality with a population of more than 100,000, except that each economic development program and each project to receive public funds pursuant to the economic development program, must be approved by the governing body of the City by ordinance, order or resolution.

(B)The District shall provide the city written notice no later than \_\_\_ days prior to

the meeting at which terms of an economic development program are to be adopted. The district may not adopt an economic development program or public work or improvement to be funded pursuant to an economic development program unless the governing body of the City has approved the program or public work or improvement by ordinance, order, or resolution.

Sec. \_\_\_\_ .109. NO EMINENT DOMAIN POWER. The district does not have the power of eminent domain.

\_\_\_\_.110 TERMS OF EMPLOYMENT; COMPENSATION. The board may employ and establish the terms of employment and compensation of an executive director or general manager and any other district employees the board considers necessary. No employee salary shall exceed \$150,000 from public funds of the district. The Board of directors may increase the salary beyond that level with private sources, or from assessment generated revenues of the district.

\_\_\_\_.111 NOTICE TO PROPERTY OWNERS (a) The board of directors shall annually provide owners of real property within the district written notice by US Mail, first class postage prepaid, that sets forth the tax of the district for the ensuing fiscal year of the district, in sufficient clarity to describe the tax rate for the operation and maintenance of the district and the tax rate for the payment of debt service of obligations issued or incurred by the district.

(b) The notice shall clearly state that the tax rates on real property levied and collected within the district are in addition to the ad valorem taxes levied and collected by other taxing



units which tax real property within the boundaries of the district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. \_\_\_\_\_ .151. GENERAL POWERS REGARDING FINANCIAL MATTERS. Except as provided by Section \_\_\_\_\_ . 160, the district may:

(1) impose an ad valorem tax on all taxable property in the district to pay for any public work or improvement project of the types authorized by Section 52, Article III, and Section 59, Article XVI, Texas Constitution, and to secure the payment of bonds issued for such purposes;

(2) impose an assessment on property in the district to pay the cost and/or the cost of maintenance of any authorized public work or improvement project in the manner provided for:

(A) a district under Subchapters A, E, and F, Chapter 375, Local Government Code; or

(B) a municipality or county under Subchapter A, Chapter 372, Local Government Code;

(3) provide or secure the payment or repayment of any bond, note, or other temporary or permanent obligation or reimbursement or other contract with any person, and the costs and expenses of the establishment, administration, and operation of the district and the district's costs or share of the costs or revenue of any public work or

improvement project or district contractual obligation or indebtedness by or through:

(A) the imposition of an ad valorem tax, and/or an assessment, user fee, concession fee, or rental charge; and/or

(B) any other revenue or resources of the district, or other revenues authorized by the City, including revenues from a tax increment reinvestment zone created by the City under applicable law;

(4) establish user charges related to the operation of storm-water facilities, including the regulation of storm water for the protection of water quality in the district;

(5) establish user charges for the use of non-potable water for irrigation purposes, subject to the approval of the governing body of the City;

(6) undertake separately or jointly with other persons, including the City or Dallas County, all or part of the cost of any public work or improvement project, including an improvement project:

(A) for improving, enhancing, and supporting public safety and security, fire protection and emergency medical services, and law enforcement in and adjacent to the district; or

(B) that confers a general benefit on the entire district or a special benefit on a definable part of the district; and

(7) enter into a tax abatement agreement in accordance with the general laws of this state authorizing and applicable to tax abatement agreements by municipalities.

(8) Any ad valorem tax to pay for any public work or improvement project under this chapter must be first approved by an election. Any election to approve the levy and collection of an ad valorem tax to pay for an improvement project under this chapter shall be held in accordance with the Texas Election Code, and must be called by a petition signed by; 1) at least 65% of the record owners of real property of the district; or 2) owners representing 65% of the value in the district; or 3) owners representing at least 65% of the surface area in the district.

Sec. \_\_\_\_ .152. BORROWING MONEY. The district may borrow money for a district purpose by issuing or executing bonds, notes, credit agreements, or other obligations of any kind found by the board to be necessary or appropriate for any district purpose. The bond, note, credit agreement, or other obligation may be secured by and payable from ad valorem taxes, assessments, or any combination thereof and/or from other district revenue. The governing body of the city shall approve the issuance of bonds, notes, credit agreements, or other obligations of the district, and the terms of such issuance, including the principal amount, notional amount, interest rate or rates, redemption provisions, and other terms and conditions relating to such issuance, as set forth in the project development agreement approved by the city in accordance with Section \_\_\_\_ .160. The district is obligated to file annual audited financial statements with the City Secretary.

Sec. \_\_\_\_ .153. ASSESSMENTS; EXEMPTION. (a) The district may impose an assessment on property in the district, including an assessment on residential or commercial

property, only in the manner provided by Subchapter A, Chapter 372, or by Subchapter F, Chapter 375, Local Government Code, for a municipality, county, or public improvement district, according to the benefit received by the property.

(b) An assessment on property must be for the limited purpose of providing capital funding for:

(1) public water and wastewater facilities;

drainage and storm-water facilities; and

(2) streets and alleys.

(3) any authorized project under Chapter 372.

(3) any authorized project under Chapter 372.

(c) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

(1) are a first and prior lien against the property assessed; and

(2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes.

(d) The lien of an assessment against property runs with the land; that portion of an assessment payment obligation that has not yet come due is not eliminated by the foreclosure of an ad valorem tax lien, and any purchaser of property in a foreclosure of an ad valorem tax lien takes the property subject to the assessment payment obligations that have not yet come due and to the lien and terms of payment thereof under the applicable assessment ordinance or order.

North Oak Cliff Bill as of 020509

Exhibit A

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(e) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

( f ) Notice of any tax or assessment levied by the district shall be filed with the County Clerk of Dallas County, and on the District's web site.

Sec. \_\_\_\_ .154. RESIDENTIAL PROPERTY EXEMPT. Section 375.161, Local Government Code, does not apply to the district.

Sec. \_\_\_\_ .155. MAINTENANCE AND OPERATION TAX; ELECTION. The district may impose a tax for maintenance and operation purposes, including for:

(1) planning, constructing, acquiring, maintaining, repairing, and operating all improvement projects, including land, plants, works, facilities, improvements, appliances, and equipment of the district; and

(2) paying costs of services, engineering and legal fees, and organization and administrative expenses, including those of the City payable under the terms of the project development agreement described in Section \_\_\_\_ .160.

(b) Any maintenance and operation tax for improvement projects under this chapter must be approved by an election held for such purpose. Such an election will be called by a petition signed by at least 65% of the record owners of real property of the district liable for the tax.

(c) A maintenance and operation tax election may be held at the same time and in conjunction with any other district election. The election may be called by a separate election

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order or as part of any other election order.

Sec. \_\_\_\_ .156. USE OF SURPLUS MAINTENANCE AND OPERATION MONEY. If the district has surplus maintenance and operation tax money that is not needed for the purposes for which it was collected, the money may be used for any authorized purpose.

Sec. \_\_\_\_ .157. BONDS AND OTHER OBLIGATIONS. (a) Subject to the requirements of sections \_\_\_\_ 159 and \_\_\_\_ .160, the district may issue by public or private sale bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, or by assessments in the manner provided by Subchapter A, Chapter 372 or by Subchapter J, Chapter 375, Local Government Code.

(b) In exercising the district's borrowing power, the district may issue a bond or other obligation in the form of a bond, note, certificate of participation or other instrument evidencing a proportionate interest in payments to be made by the district, or any other type of obligation.

(c) In addition to the sources of money described by Subchapter A, Chapter 372, and in Subchapter J, Chapter 375, Local Government Code, district bonds may be secured and made payable, wholly or partly, by a pledge of any part of the money the district receives from system or improvement revenues or from any other source.

Sec. \_\_\_\_ .158. BOND MATURITY. Bonds may mature not more than 40 years from their date of issue.

Sec. \_\_\_\_ .159. TAXES FOR BONDS AND OTHER OBLIGATIONS. (a) At the time bonds or other obligations payable wholly or partly from ad valorem taxes are issued:

(1) the board shall impose a continuing direct annual ad valorem tax, for each year that all or part of the bonds are outstanding; and

(2) the district annually shall impose an ad valorem tax on all taxable property in the district in an amount sufficient to:

(A) pay the interest on the bonds or other obligations as the interest becomes due;

(B) create a sinking fund for the payment of the principal of the bonds or other obligations when due or the redemption price at any earlier required redemption date; and

Sec. \_\_\_\_ .160. DEVELOPMENT AND OPERATING AGREEMENT REQUIRED TO UNDERTAKE IMPROVEMENT PROJECTS, IMPOSE TAXES OR ASSESSMENTS AND BORROW MONEY, INCLUDING BONDS. After the district's board of directors is organized, but before the district may undertake any improvement project, issue bonds, impose taxes, levy assessments or fees, or borrow money, the district and the City must negotiate and execute a mutually approved and accepted development and operating agreement, including any limitations imposed by the City, regarding the plans and rules for:

(1) the exercise of the powers granted to the district under this Chapter, including the organization, development and operation of the district;

(2) the selection and description of improvement projects that may be undertaken

and financed by the district and the ownership, operation, and maintenance thereof;

(3) the terms, conditions, methods, means, and amounts of financing authorized by this Chapter that the district may undertake in providing improvement projects; and

(4) the amounts, methods, and times of reimbursement to the City for costs and expenses, if any, incurred by the City with respect to the development and operation of the district and the financing of improvement projects by the district.

An agreement authorized by this section shall not be effective until its terms and execution are approved by the board and the governing body of the City by resolution.

#### SUBCHAPTER E. DISSOLUTION

Sec. \_\_\_\_ .251. DISSOLUTION BY CITY ORDINANCE. (a) The City by ordinance may dissolve the district and any additional districts created under Subchapter E.

(b) The City may not dissolve a district until the district's outstanding indebtedness or contractual obligations that are payable from ad valorem taxes have been repaid or discharged, or the City has affirmatively assumed the obligation to pay such outstanding indebtedness from its lawfully available revenues.

(c) The City may not dissolve a district until the agreement under Section \_\_\_\_ .160 has been executed and the district's performance under the agreement has been fulfilled, including any right or obligation the district has to reimburse a developer or owner for the costs of public works or improvement projects.

Sec. \_\_\_\_ .252. COLLECTION OF ASSESSMENTS AND OTHER REVENUE. (a) If  
North Oak Cliff Bill as of 020509

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the dissolved district has bonds or other obligations outstanding secured by and payable from assessments or other revenue, other than ad valorem taxes, the City shall succeed to the rights and obligations of the district regarding enforcement and collection of the assessments or other revenue.

(b) The City shall have and exercise all district powers to enforce and collect the assessments or other revenue to pay:

(1) the bonds or other obligations when due and payable according to their terms;

or

(2) special revenue or assessment bonds or other obligations issued by the City to refund the outstanding bonds or obligations.

Sec. \_\_\_\_ .253. ASSUMPTION OF ASSETS AND LIABILITIES. (a) After the City dissolves the district, the City assumes, subject to the appropriation and availability of funds, the obligations of the district, including any bonds or other indebtedness payable from assessments or other district revenue.

(b) If the City dissolves the district, the board shall transfer ownership of all district property to the City.

SECTION 2. The district shall include the following land, described by metes and bounds as follows: [To Come]

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If

this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.

\_\_\_\_\_ B. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
President of the Senate \_\_\_\_\_ Speaker of the House

I hereby certify that (H)(S) B. No. \_\_\_\_\_ passed the Senate on \_\_\_\_\_, 2009, by the following vote: Yeas \_\_\_\_\_, Nays \_\_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Secretary of the Senate

I hereby certify that (H)(S) B. No. \_\_\_\_\_ passed the House on \_\_\_\_\_, 2009, by the following vote: Yeas \_\_\_\_\_, Nays \_\_\_\_\_, \_\_\_\_\_ not voting.

\_\_\_\_\_  
\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 1, 3  
**DEPARTMENT:** Office of Economic Development  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 43 W-Z, 44 T-V, 44 W-Z , 53 B-D & 54 A-C

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**SUBJECT**

A resolution declaring the City of Dallas' support of and consent to the creation of the North Oak Cliff Management District (North Oak Cliff MMD) subject to certain limitations in the creation of, and exercise of powers by, the North Oak Cliff MMD to promote the development and redevelopment of the area - Financing: No cost consideration to the City

**BACKGROUND**

Approval of this item allows the State of Texas to create the North Oak Cliff Management District, a municipal management district formed under Chapter 375 of the Texas Local Government Code. This request was originated by a major property owner, INCAP, for the 313-acre site as a means of providing additional financing for infrastructure improvements in the area.

Municipal Management Districts (MMD) are self-governed, political subdivisions of the State of Texas. MMDs have the power to levy taxes, assessments and impact fees to property owners in the district. In addition, MMDs can supply additional services that are supplemental or complementary to regular municipal services. Real property taxes must be approved by a majority of eligible voters in the MMD.

MMDs may issue bonds that are not considered municipal debt and does not impact City of Dallas bonding capacity. This financing tool has been used in other cities, especially in conjunction with Tax Increment Financing Districts.

This proposal was briefed to the Economic Development Committee on January 20, 2009, January 27, 2009 and February 2, 2009. Based on this discussion, City support of the creation of this MMD is subject to several limitations described below:

- A. The negotiation of a comprehensive development agreement for the District that provides a comprehensive development plan for public infrastructure and including the financing of the same.

**BACKGROUND** (Continued)

- B. Prior to initiating any action to further develop in the area through the use of the proposed municipal management district that any tax or fee or assessment levied by the District and any additions of property to the District must be approved by owners of taxable real property representing more than sixty five percent (65%) of the appraised value of taxable real property in the District and record owners of taxable real property who constitute more than sixty five percent (65%) of all record owners of taxable real property and who constitute more than sixty five percent (65%) of the area of all taxable real property in the District.
- C. That City Council approval by resolution shall be obtained for:
  - 1. Any commitments of Chapter 380 subsidies on a project by project basis.
  - 2. The issuance of bonds, notes, credit agreements or other obligations, including the terms of such issuance, the principal amount, notional amount, interest rate or rates, redemption provisions, and other terms and conditions relating to such issuances.
  - 3. The appointment of all District directors with the exception of the initial directors.
- D. Waterworks and sanitary sewer improvements may be undertaken by the district within the boundaries of the district, subject to the following conditions:
  - 1. The City requests that the waterworks or sanitary sewer improvements be funded by the District.
  - 2. The City maintains exclusive power to construct, own, operate and maintain the improvements.
  - 3. The comprehensive development agreement has been executed and City Council has approved the issuance of any debt obligations as a condition of such improvements being funded by the District.
- E. The presentation to the City Council of an annual report of audited District financing documents.
- F. A plan to maintain infrastructure development by the District.
- G. No property may be removed from the District unless or until the District is terminated or all obligations of the District have been paid in full.

**BACKGROUND** (Continued)

- H. The City of Dallas shall not be obligated to provide any additional capital improvements or expenditures in the area which the City Council has not already approved including assessments or fees.
- I. The creation of the District shall be recorded in the official real property records of Dallas County, Texas and separately and clearly disclosed in the closing documents for the sale of any property in the District.
- J. The District board may not impose taxes, assessments or fees or any other requirement for payment, construction, alteration, or dedication on single-family detached residential property, duplexes, triplexes, and quadraplexes.

Approval of this item creates another financing tool to enhance redevelopment possibilities in the North Oak Cliff area.

**ESTIMATED SCHEDULE OF PROJECT**

Legislation Filed	March 2009
Legislation Approved	May 2009

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On January 20, 2009, the Economic Development Committee was briefed on the Municipal Management Districts.

On January 27, 2009, the Economic Development Committee was briefed on the Municipal Management Districts.

On February 2, 2009, the Economic Development Committee was briefed on the Municipal Management Districts.

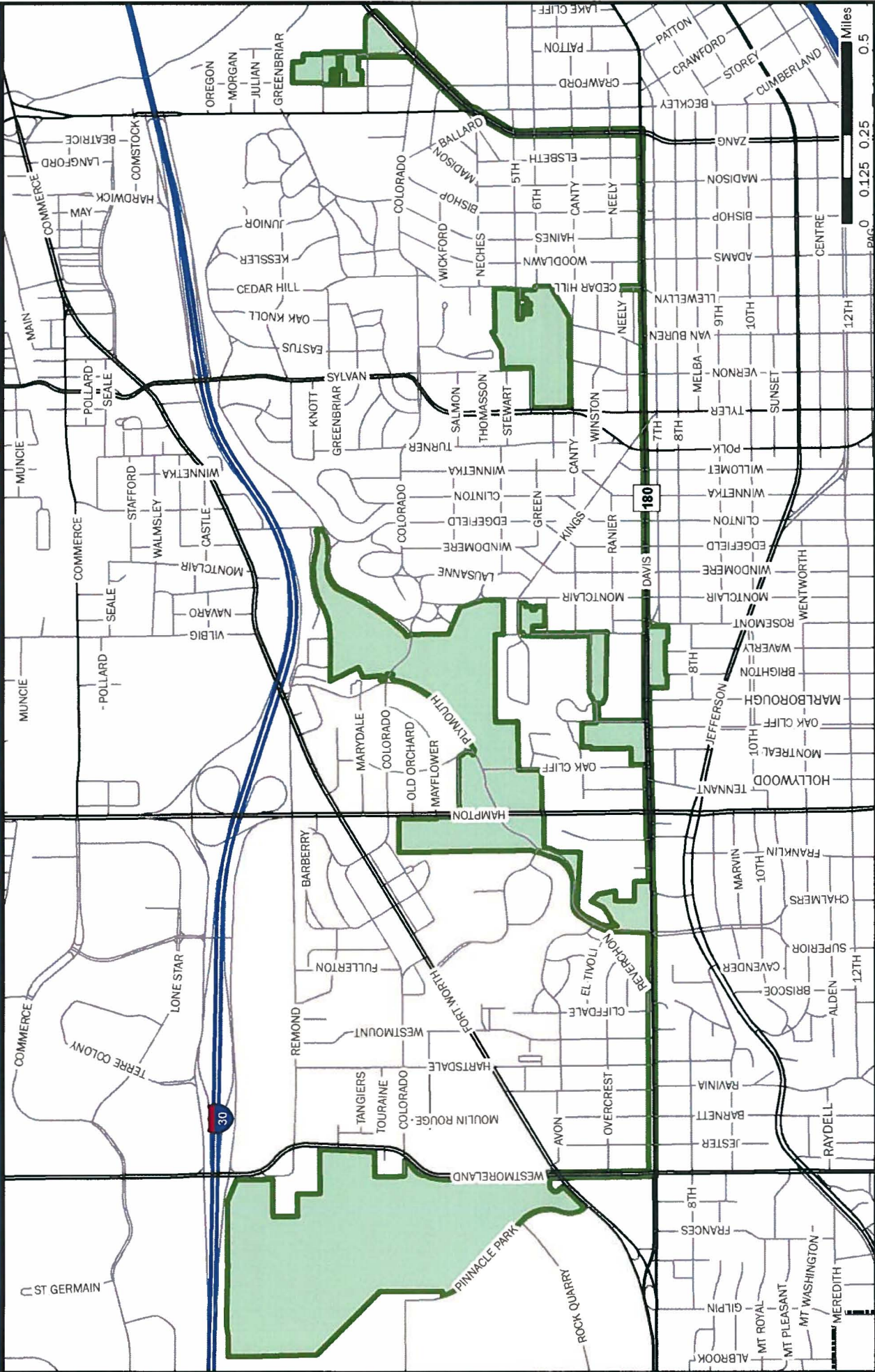
**FISCAL INFORMATION**

No cost consideration to the City

**MAP(S)**

Attached.

# Proposed INCAP MMD Boundary



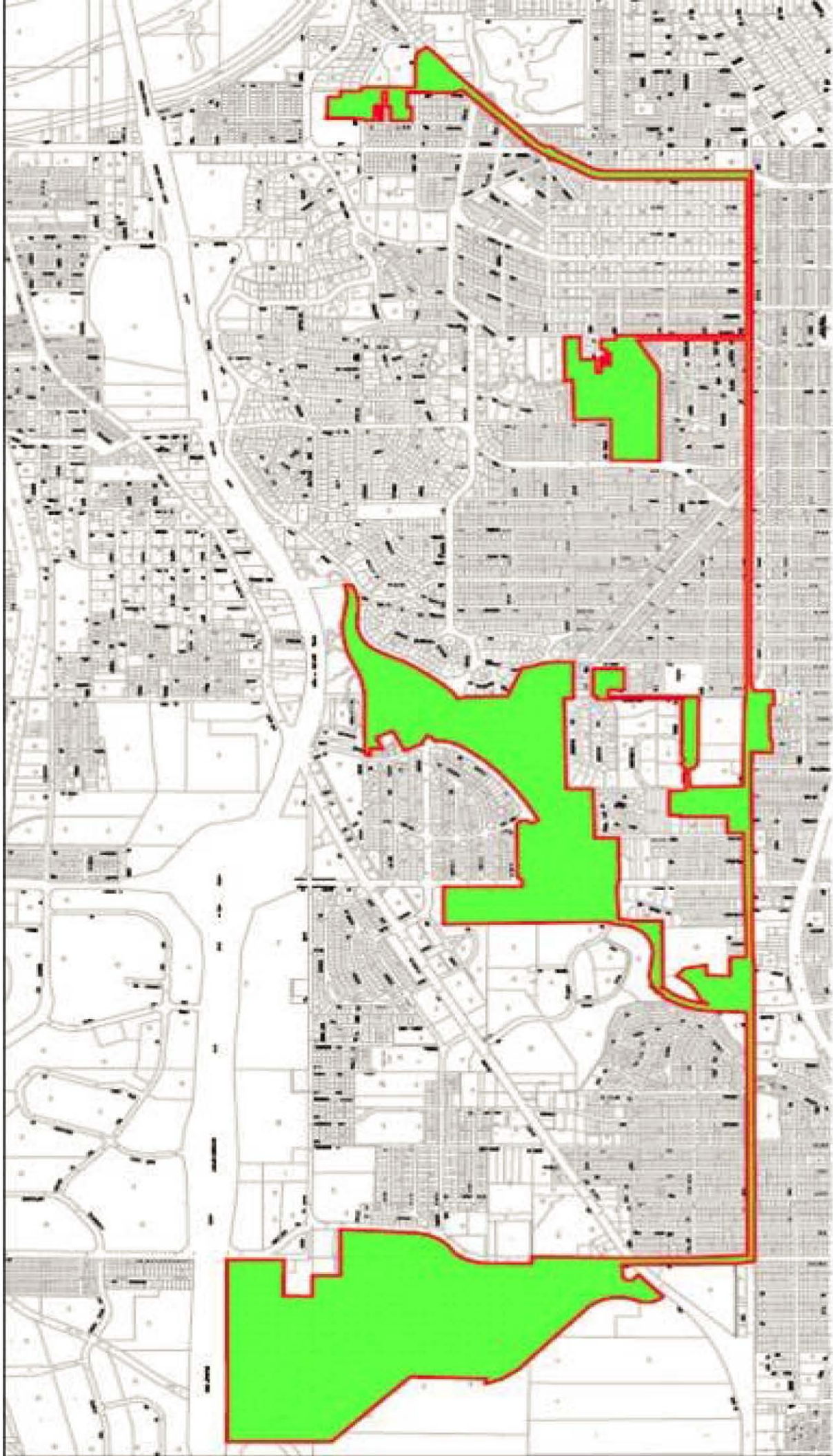
## Legend

- Proposed INCAP MMD
- Major Arterial
- Local Streets
- Primary Highway
- Secondary Highway
- City of Dallas

## Dallas Office of Economic Development

Research & Information Division  
 (214) 670-1685  
<http://www.Dallas-EcoDev.org>









February 11, 2009

**WHEREAS**, the City of Dallas has received a request from property owners in the North Oak Cliff area as set forth in **Exhibit A** attached hereto that the City consent to the creation of a municipal management district to facilitate the economic development and redevelopment of the area; and

**WHEREAS**, the property owners in the North Oak Cliff area have represented to the City that the area is in need of infrastructure improvements to assist the City with the development and redevelopment of the area; and

**WHEREAS**, the creation of a municipal management district can assist with that development and redevelopment by providing a mechanism for the property owners within the district to finance public improvements in the area; and

**WHEREAS**, the City and the property owners have agreed to certain limitations in the creation of, and exercise of powers by, the municipal management district to promote the development and redevelopment of the area certain of such limitations as set forth herein and in the attached draft legislation creating the municipal management district.

**NOW, THEREFORE,**

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

**Section 1.** That the City Council hereby declares its support of the creation of the NORTH OAK CLIFF MANAGEMENT DISTRICT (the "District") by the Legislature of the State of Texas in the current legislative session; provided that the legislation contains the minimum requirements outlined in Section 3 below and such legislation does not materially differ from the legislation attached hereto as **Exhibit A** which is incorporated herein by this reference and made a part hereof for all purposes.

**Section 2.** That the City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this resolution and the subject matter thereof has been disclosed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

February 11, 2009

**Section 3.** That among the limitations that the City of Dallas and the property owners have agreed to and that are to be included in the legislation creating the municipal management district for the North Oak Cliff area are provisions that mandate and require the following:

- A. The negotiation of a comprehensive development agreement for the District that provides a comprehensive development plan for public infrastructure and including the financing of the same.
- B. Prior to initiating any action to further develop in the area through the use of the proposed municipal management district that any tax or fee or assessment levied by the District and any additions of property to the District must be approved by owners of taxable real property representing more than sixty five percent (65%) of the appraised value of taxable real property in the District and record owners of taxable real property who constitute more than sixty five percent (65%) of all record owners of taxable real property and who constitute more than sixty five percent (65%) of the area of all taxable real property in the District.
- C. That City Council approval by resolution shall be obtained for:
  - 1. Any commitments of Chapter 380 subsidies on a project by project basis.
  - 2. The issuance of bonds, notes, credit agreements or other obligations, including the terms of such issuance, the principal amount, notional amount, interest rate or rates, redemption provisions, and other terms and conditions relating to such issuances.
  - 3. The appointment of all District directors with the exception of the initial directors.
- D. Waterworks and sanitary sewer improvements may be undertaken by the district within the boundaries of the district, subject to the following conditions:
  - 1. The City requests that the waterworks or sanitary sewer improvements be funded by the District.
  - 2. The City maintains exclusive power to construct, own, operate and maintain the improvements.
  - 3. The comprehensive development agreement has been executed and City Council has approved the issuance of any debt obligations as a condition of such improvements being funded by the District.

February 11, 2009

**Section 3.** (Continued)

- E. The presentation to the City Council of an annual report of audited District financing documents.
- F. A plan to maintain infrastructure development by the District.
- G. No property may be removed from the District unless or until the District is terminated or all obligations of the District have been paid in full.
- H. The City of Dallas shall not be obligated to provide any additional capital improvements or expenditures in the area which the City Council has not already approved including assessments or fees.
- I. the District board may not impose taxes, assessments or fees or any other requirement for payment, construction, alteration, or dedication on single-family detached residential property, duplexes, triplexes, and quadraplexes.

Approval of this item creates another financing tool to enhance redevelopment possibilities in the North Oak Cliff area.

**Section 4.** That should legislation not be enacted in the current legislative session to create the District, or should such legislation not contain the minimum requirements outlined in Section 3 above, the support of the City Council as stated in this resolution shall expire.

**Section 5.** That the property owner shall notify the Dallas City Council of all changes made by the Legislature of the State of Texas during the current legislative session to the proposed legislation attached herein.

**Section 6.** That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

Distribution: Office of Economic Development, Tenna Kirk, 5CS  
Office of Economic Development, Karl Stundins, 2CN  
City Attorney's Office - Barbara Martinez



\_\_\_\_.B. \_\_\_\_

By\_\_\_\_\_

AN ACT

Amending the Special District Local Law Code by adding a Chapter creating the Trinity River West Municipal Management District and enacting related matters

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The Special District Local Laws Code is amended to add a Chapter creating the North Oak Cliff Municipal Management District (the “District”), which Chapter shall be and read as follows:

CHAPTER \_\_\_\_ . NORTH OAK CLIFF MUNICIPAL MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. \_\_\_\_ .001. DEFINITIONS. In this chapter:

(1) “Board” means the district’s board of directors.

(2) “City” means the City of Dallas.

(3) “District” means the Trinity River West Municipal Management District.

(4) “Improvement project” means any program or project authorized by Section \_\_\_\_ .102, inside the district and in areas outside but adjacent to the district if for the purpose of extending public infrastructure improvements beyond the boundaries to a logical terminus.

Sec. \_\_\_\_\_.002. CREATION AND NATURE OF DISTRICT. The district is a special district created under Section 59, Article XVI, Texas Constitution, with all of the powers granted in this Chapter.

Sec. \_\_\_\_\_.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this Chapter. By creating the district and in authorizing the City and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.

(c) The district is created to supplement and not to supplant City services provided in the district.

Sec. \_\_\_\_\_.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(c) The creation of the district is in the public interest and is essential to further the

public purposes of:

- (1) developing and diversifying the economy of the state;
- (2) eliminating unemployment and underemployment; and
- (3) developing or expanding transportation and commerce.
- (4) providing quality residential housing

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a residential community and business center; and

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, vehicle parking, and street art objects are parts of and necessary components of a street and are considered to be an improvement project that includes a street or road improvement.

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. \_\_\_\_ .005. DISTRICT TERRITORY. (a) The district is composed of the territory

North Oak Cliff Bill as of 020509

described by Section 2 of the Act enacting this chapter, as that territory may have been modified under:

(1) Section \_\_\_\_ .107; or

(2) other law.

(b) A mistake in the field notes of the district contained in Section 2 of the Act enacting this chapter or in copying the field notes in the legislative process does not in any way affect:

(1) the district's organization, existence, or validity;

(2) the district's right to contract, including the right to issue any type of bond or other obligation for a purpose for which the district is created;

(3) the district's right to impose or collect an assessment, tax, or any other revenue; or

(4) the legality or operation of the board.

Sec. \_\_\_\_ .006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. (a) All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created by the City under Chapter 311, Tax Code;

(2) a tax abatement reinvestment zone created by the City under Chapter 312, Tax Code; or

(3) an enterprise zone created by the City under Chapter 2303, Government Code.

(b) If the City creates a tax increment reinvestment zone described by subsection (a) of



this Section, the City and the board of directors of the zone, by contract with the district, may grant money deposited in the tax increment fund to the district to be used by the district for the purposes permitted for money granted to a corporation under Section 380.002(b), Local Government Code, including the right to pledge the money as security for any bonds issued by the district for an improvement project. Each project to receive public funds pursuant to the provisions of Section 380.002(b), Local Government Code, shall have received the approval by resolution of the governing body of the City.

(c) A tax increment reinvestment zone created by the City within the District shall not be subject to the limitations set forth in Chapter 311.006 (b) of the Tax Code.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. \_\_\_\_ .051. GOVERNING BODY; TERMS. The district is governed by a board of nine directors consisting initially of the following persons:

<u>Place No.</u>	<u>Name of Initial Director</u>
<u>Place 1</u>	_____
<u>Place 2</u>	_____
<u>Place 3</u>	Brady Wood
<u>Place 4</u>	
<u>Place 5</u>	
<u>Place 6</u>	
<u>Place 7</u>	<u>City of Dallas Assistant City Manager</u>
<u>Place 8</u>	<u>City of Dallas Chief Financial Officer</u>

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Place 9      City of Dallas Economic Development Director

The terms of the initial occupants of Places 1, 2, 3 and 4 expire on July 1, 2011, and the terms of the initial occupants of Places 5, 6, 7, 8 and 9 expire on July 1, 2013. Replacement directors are each appointed for four year terms by the governing body of the City under Section \_\_\_\_\_.052.

Sec. \_\_\_\_\_.052. APPOINTED DIRECTORS. (a) Directors appointed by the governing body of the City shall meet the qualifications established in Section \_\_\_\_\_.053.

(b) A person may not be appointed to the board if the appointment of that person would result in fewer than three of the directors who reside within the City and who meet at least one of the qualifications established in Subdivisions (2), (3), (4), (5) or (6) of Subsection (a) of Section \_\_\_\_\_.053.

(c) The governing body of the City shall appoint a director to fill a vacancy that occurs on the board, with the appointee to serve for the unexpired term of the former director.

(d) All directors shall be subject to removal from the board with or without cause at any time by a vote of a majority of the governing body of the City.

(e) The board of directors shall conduct its meetings in accordance with all requirements of the Open Meetings Act, Chapter 551, Texas Government Code, as amended (the "Open Meetings Act"). The board shall hold its meetings at any place accessible to the public. Notice of all meetings shall be given in accordance with the Open Meetings Act, and a copy of the notice shall be filed with the City Secretary of the City for posting at Dallas City Hall.

(f) The board may not create an executive committee to exercise the powers of the Board of Directors.

Sec. \_\_\_\_ .053. ELIGIBILITY OF APPOINTED DIRECTORS. (a) To be qualified to serve as an appointed director, a person must be at least 18 years old and must be:

(1) a resident of the district who is also a registered voter of the district;

(2) an owner of property in the district;

(3) an owner of stock, whether beneficial or otherwise, of a corporate owner of property in the district;

(4) an owner of a beneficial interest in a trust that owns property in the district; or

(5) an agent, employee, or tenant of a person covered by Subdivision (2), (3), or

(4) of this Subsection; or

(6) an initial director;

(7) an assistant city manager of the City appointed by the city manager;

(8) the chief financial officer of the City; or

(9) the economic development director of the City.

(b) Section 49.052, Water Code, does not apply to the district.

(c) If an office described in Subsection (a) is renamed, changed, or abolished, the governing body of the City may appoint another City officer or employee who performs duties comparable to those performed by the officer described by Subsection (a).

Sec. \_\_\_\_ .055. INITIAL AND APPOINTED DIRECTOR'S OATH OR

AFFIRMATION. An initial and an appointed director's oath or affirmation of office shall be filed with the district and the district shall retain the oath or affirmation in the district records. A copy of each director's oath or affirmation of office shall be filed with the City Secretary of the City.

Sec. \_\_\_\_ .056. OFFICERS. The board shall elect from among the initial and appointed directors a chair, a vice chair, and a secretary. The offices of chair and secretary shall not be held by the same person concurrently.

Sec. \_\_\_\_ .057. COMPENSATION; EXPENSES, LIABILITY INSURANCE FOR DIRECTORS. (a) The district may compensate each director in an amount not to exceed \$50 for each board meeting. The total amount of compensation per director per year may not exceed \$2,000.

(b) Directors are entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of a director.

(c) The district may obtain and pay for comprehensive general liability insurance coverage from commercial insurance companies or other sources that protect and insure the directors against personal liability and from any and all claims for actions taken as directors or actions and activities taken by the district or by others acting on its behalf.

Sec. \_\_\_\_ .058. CONFLICTS OF INTEREST. (a) Initial and appointed directors may participate in all board votes and decisions after compliance with the requirements of Subsections (b), (c), and (d) of this Section.

(b) Initial and appointed directors are subject to Section 171.004, Local Government

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Code including disclosure and abstention requirements. A copy of any director's disclosure affidavit required pursuant to Section 171.004, Local Government Code shall be filed with the City Secretary of the City.

, (c) After the disclosure affidavit is filed, the director may participate in a discussion or vote.

(d) the appointed director is an owner of property in the district.

### SUBCHAPTER C. POWERS AND DUTIES

Sec. \_\_\_\_ .101. GENERAL POWERS AND DUTIES. The district has the duties imposed by this Chapter and the powers provided by:

(1) the general laws relating to conservation and reclamation districts created under Section 59, Article XVI, Texas Constitution, including Chapters 49 and 54, Water Code, except that the district's bonds and other securities are not subject to the jurisdiction or supervision of the Texas Commission on Environmental Quality under Chapter 49, Water Code, or other law;

(2) the general laws relating to road districts and road utility districts created under Section 52, Article III, Texas Constitution, including Chapter 441, Transportation Code, except that the district may exercise any power granted by this Chapter without regard to any provision or requirement of, or procedure prescribed in, Chapter 441, Transportation Code;

(3) Subchapter A, Chapter 372, Local Government Code, in the same manner as

a municipality or a county;

(4) Chapter 375, Local Government Code;

(5) Chapter 311 of the Tax Code; and

(6) Chapter 1371, Government Code.

Sec. \_\_\_\_\_ .102. IMPROVEMENT PROJECTS. (a) The district may provide, or it may enter into contracts with a governmental or private entity to provide, the following types of public works or public improvement projects located in the district or activities in support of or incidental to such projects:

(1) a supply and distribution facility or system to provide potable and nonpotable water to the residents and businesses of the district, including a wastewater collection facility, a paved, macadamized, or graveled road, street, or turnpike, inside and outside the district, to the full extent authorized by Section 52, Article III, Texas Constitution;

(2) the planning, design, construction, improvement, and maintenance of:

(A) landscaping;

(B) highway right-of-way or transit corridor beautification and improvement;

(C) lighting, banners, and signs;

(D) a street or sidewalk;

(E) a hiking and cycling path or trail;

(F) a pedestrian walkway, skywalk, crosswalk, or tunnel;

(G) a park, lake, garden, recreational facility, community activities center,

dock, wharf, sports facility, open space, scenic area, or related exhibit or preserve;

(H) a fountain, plaza, or pedestrian mall; or

(I) a drainage or storm-water detention improvement;

(3) protection and improvement of the quality of storm water that flows through the district;

(4) the planning, design, construction, improvement, maintenance, and operation of

(A) a water or sewer facility; or

(B) an off-street parking facility or heliport;

(5) the planning and acquisition of:

(A) public art and sculpture and related exhibits and facilities; or

(B) an educational facility, and a cultural exhibit or facility;

(6) the planning, design, construction, acquisition, lease, rental, improvement, maintenance, installation, and management of and provision of furnishings for a facility for:

(A) a conference, convention, or exhibition;

(B) a manufacturer, consumer, or trade show;

a civic, community, or institutional event; or

(C) an exhibit, display, attraction, special event, or seasonal or cultural celebration or holiday;

(7) the removal, razing, demolition, or clearing of land or improvements in

connection with public works or public improvement projects;

(8) the acquisition and improvement of land or other property for the mitigation of the environmental effects of an improvement project if such costs are incurred pursuant a development agreement and reimbursement of such costs are conditioned upon the completion of substantial vertical development, or are related to a transit or mobility project;

(8) the acquisition of property or an interest in property in connection with an authorized public works or public improvement project, including any project or projects that are authorized by Subchapter A of Chapter 372, Local Government Code;

(10) a special or supplemental service for the improvement and promotion of the district or an area adjacent to the district or for the protection of public health and safety in or adjacent to the district, including:

(A) advertising;

(B) promotion;

(C) tourism;

(D) health and sanitation;

(E) public safety;

(F) security;

(G) fire protection or emergency medical services;

(H) business recruitment;

(I) elimination of traffic congestion, including rail services; and



(J) recreational, educational, or cultural improvements, enhancements, and services; or

(11) any similar public improvement, facility, or service.

(b) The district may not undertake a public work or improvement project under this section unless the board determines the public work or improvement project to be necessary to accomplish a public purpose of the district and has received the approval of the City, in accordance with Section .160.

(c) Any public work or improvement project must comply with any applicable codes and ordinances of the City.

(d) The district may not provide, conduct, or authorize any public work or improvement project on the City streets, highways, rights-of-way, or easements without the consent of the governing body of the City.

(e) Subject to any agreement between the district and the City, the City may:

(1) by ordinance, order, or resolution require that title to all or any portion of any public work or improvement project vest in the City; or

(2) unless prohibited by subsection (h) of this section, by ordinance, order, or resolution or other directive authorize the district to own, encumber, maintain, and operate any public work or improvement project, subject to the right of the City to order a conveyance of the public work or improvement project to the City on a date determined by the City.

(f) The district shall immediately comply with any City ordinance, order, or resolution

adopted under Subsection (e).

(g) For the purposes of this section, planning, design, construction, improvement, and maintenance of a lake includes work done for drainage, reclamation, or recreation.

(h) Waterworks and sanitary sewer improvements may be undertaken by the district in or outside the boundaries of the district, subject to the conditions set forth below.

(1) The City shall request that waterworks or sanitary sewer improvements be funded by the district;

(2) The City shall construct, own, operate and maintain the improvements;  
and

(3) The provisions of Section .152, .157 and .160 are satisfied as a condition of the improvements being funded by the district.

Sec. .103. GENERAL POWERS REGARDING CONTRACTS. (a) The district may:

(1) contract with any person to accomplish any district purpose, including a contract for:

(A) the payment, repayment, or reimbursement of costs incurred by that person on behalf of the district, including all or part of the costs of any public work or improvement project and interest on the reimbursed cost; or

(B) the use, occupancy, lease, rental, operation, maintenance, or management of all or part of a proposed or existing public work or improvement

project; and

(2) apply for and contract with any person to receive, administer, and perform a duty or obligation of the district under a federal, state, local, or private gift, grant, loan, conveyance, transfer, bequest, or other financial assistance arrangement relating to the investigation, planning, analysis, study, design, acquisition, construction, improvement, completion, implementation, or operation by the district or others of a proposed or existing public work or improvement project.

(b) A contract the district enters into to carry out a purpose of this chapter may be on any terms and for any period the board determines, including a negotiable or nonnegotiable note or warrant payable to the City or Dallas County and/or to any other person.

(c) Any person, including but not limited to the City, may contract with the district to carry out the purposes of this chapter without further statutory or other authorization.

Sec. \_\_\_\_\_ .104. RULES; ENFORCEMENT. (a) The district may adopt rules:

(1) to administer or operate the district;

(2) for the use, enjoyment, availability, protection, security, and maintenance of the district's property and facilities; or

(3) to provide for public safety and security in the district.

(b) The district may enforce its rules by injunctive relief.

(c) To the extent a district rule conflicts with a City rule, order, or regulation, the City rule, order, or regulation controls.

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(d) The district shall provide the City with written notice no later than \_\_\_ days prior to the meeting at which rules are to be adopted by the district. The district may not adopt any rule affecting the use of a municipally owned asset, such as public park, a street, sidewalk, transit facility, or public right of way unless the governing body of the City has approved the rule by ordinance, order or resolution.

Sec. \_\_\_\_ .105. NAME CHANGE. The board by resolution may change the district's name. The board shall give written notice of the change to the City.

Sec. \_\_\_\_ .107. ADDING OR REMOVING TERRITORY. The board may add or remove territory under Subchapter J, Chapter 49, and Section 54.016, Water Code, except that:

(1) the addition or removal of the territory must be approved by:

(A) the governing body of the City by ordinance, order or resolution; and

(B) the owners of the territory being added or removed;

(2) a reference to a tax in Subchapter J, Chapter 49, or Section 54.016, Water Code, means an ad valorem tax; and

(3) territory may not be removed from the district if bonds or other obligations of the district payable, wholly or partly, from ad valorem taxes or assessments levied or assessed on the territory are outstanding.

Sec. \_\_\_\_ .108. ECONOMIC DEVELOPMENT.

(A) The district may create economic development and other programs pursuant to Section 52-a, Article III, Texas Constitution, including the levy and collection of ad valorem taxes for such purposes and including the economic development powers that

Chapter 380, Local Government Code, provides to a municipality with a population of more than 100,000, except that each economic development program and each project to receive public funds pursuant to the economic development program, must be approved by the governing body of the City by ordinance, order or resolution.

(B) The District shall provide the city written notice no later than \_\_\_ days prior the meeting at which terms of an economic development program are to be adopted. The district may not adopt an economic development program or public work or improvement to be funded pursuant to an economic development program unless the governing body of the City has approved the program or public work or improvement by ordinance, order, or resolution.

Sec. \_\_\_ .109. NO EMINENT DOMAIN POWER. The district does not have the power of eminent domain.

\_\_\_ .110 TERMS OF EMPLOYMENT; COMPENSATION. The board may employ and establish the terms of employment and compensation of an executive director or general manager and any other district employees the board considers necessary. No employee shall exceed \$150,000 from public funds of the district. The Board of directors may increase the salary beyond that level with private sources, or from assessment generated revenues of the district.

\_\_\_ .111 NOTICE TO PROPERTY OWNERS (a) The board of directors shall annually

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provide owners of real property within the district written notice by US Mail, first class postage prepaid, that sets forth the tax of the district for the ensuing fiscal year of the district, in sufficient clarity to describe the tax rate for the operation and maintenance of the district and the tax rate for the payment of debt service of obligations issued or incurred by the district.

(b) The notice shall clearly state that the tax rates on real property levied and collected within the district are in addition to the ad valorem taxes levied and collected by other taxing units which tax real property within the boundaries of the district

#### SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. \_\_\_\_ .151. GENERAL POWERS REGARDING FINANCIAL MATTERS. Except as provided by Section \_\_\_\_ . 160, the district may:

(1) impose an ad valorem tax on all taxable property in the district, including industrial, commercial, office, and residential to pay for any public work or improvement project of the types authorized by Section 52, Article III, and Section 59, Article XVI, Texas Constitution, and to secure the payment of bonds issued for such purposes;

(2) impose an assessment on property in the district to pay the cost and/or the cost of maintenance of any authorized public work or improvement project in the manner provided for:

(A) a district under Subchapters A, E, and F, Chapter 375, Local Government Code; or

(B) a municipality or county under Subchapter A, Chapter 372, Local

Government Code;

(3) provide or secure the payment or repayment of any bond, note, or other temporary or permanent obligation or reimbursement or other contract with any person, and the costs and expenses of the establishment, administration, and operation of the district and the district's costs or share of the costs or revenue of any public work or improvement project or district contractual obligation or indebtedness by or through:

(A) the imposition of an ad valorem tax, and/or an assessment, user fee, concession fee, or rental charge; and/or

(B) any other revenue or resources of the district, or other revenues authorized by the City, including revenues from a tax increment reinvestment zone created by the City under applicable law;

(4) establish user charges related to the operation of storm-water facilities, including the regulation of storm water for the protection of water quality in the district;

(5) establish user charges for the use of non-potable water for irrigation purposes, subject to the approval of the governing body of the City;

(6) undertake separately or jointly with other persons, including the City or Dallas County, all or part of the cost of any public work or improvement project, including an improvement project:

(A) for improving, enhancing, and supporting public safety and security, fire protection and emergency medical services, and law enforcement in and adjacent to the district; or

(B) that confers a general benefit on the entire district or a special benefit on a definable part of the district; and

(7) enter into a tax abatement agreement in accordance with the general laws of this state authorizing and applicable to tax abatement agreements by municipalities.

(8) Any ad valorem tax to pay for any public work or improvement project under this chapter must be first approved by an election. Any election to approve the levy and collection of an ad valorem tax to pay for an improvement project under this chapter shall be held in accordance with the Texas Election Code, and must be called by a petition signed by; 1) at least 65% of the record owners of real property of the district; or 2) owners representing 65% of the value in the district; or 3) owners representing at least 65% of the surface area in the district.

Sec. \_\_\_\_ .152. BORROWING MONEY. The district may borrow money for a district purpose by issuing or executing bonds, notes, credit agreements, or other obligations of any kind found by the board to be necessary or appropriate for any district purpose. The bond, note, credit agreement, or other obligation may be secured by and payable from ad valorem taxes, assessments, or any combination thereof and/or from other district revenue. The governing body of the city shall approve the issuance of bonds, notes, credit agreements, or other obligations of the district, and the terms of such issuance, including the principal amount, notional amount, interest rate or rates, redemption provisions, and other terms and conditions relating to such issuance, as set forth in the project development agreement approved by the city in accordance with Section \_\_\_\_ .160. The district is obligated to file annual audited financial statements with

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the City Secretary.

Sec. .153. ASSESSMENTS; EXEMPTION. (a) The district may impose an assessment on property in the district, including an assessment on residential or commercial property, only in the manner provided by Subchapter A, Chapter 372, or by Subchapter F, Chapter 375, Local Government Code, for a municipality, county, or public improvement district, according to the benefit received by the property.

(b) An assessment on property must be for the limited purpose of providing capital funding for:

(1) public water and wastewater facilities;

drainage and storm-water facilities; and

(2) streets and alleys.

(3) any authorized purpose under Chapter 372.

(c) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

(1) are a first and prior lien against the property assessed; and

(2) are superior to any other lien or claim other than a lien or claim for county,

school district, or municipal ad valorem taxes.

(d) The lien of an assessment against property runs with the land; that portion of an assessment payment obligation that has not yet come due is not eliminated by the foreclosure of an ad valorem tax lien, and any purchaser of property in a foreclosure of an ad valorem tax lien

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Exhibit A

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takes the property subject to the assessment payment obligations that have not yet come due and to the lien and terms of payment thereof under the applicable assessment ordinance or order.

(e) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

( f ) Notice of any tax or assessment levied by the district shall be filed with the County Clerk of Dallas County, and on the District's web site.

Sec. \_\_\_\_ .154. RESIDENTIAL PROPERTY EXEMPT. Section 375.161, Local Government Code, does not apply to the district.

Sec. \_\_\_\_ .155. MAINTENANCE AND OPERATION TAX; ELECTION. The district may impose a tax for maintenance and operation purposes, including for:

(1) planning, constructing, acquiring, maintaining, repairing, and operating all improvement projects, including land, plants, works, facilities, improvements, appliances, and equipment of the district; and

(2) paying costs of services, engineering and legal fees, and organization and administrative expenses, including those of the City payable under the terms of the project development agreement described in Section \_\_\_\_ .160.

(b) Any maintenance and operation tax for improvement projects under this chapter must be approved by an election held for such purpose. Such an election will be called by a petition signed by at least 65% of the record owners of real property of the district liable for the tax.

(c) A maintenance and operation tax election may be held at the same time and in conjunction with any other district election. The election may be called by a separate election order or as part of any other election order.

Sec. \_\_\_\_ .156. USE OF SURPLUS MAINTENANCE AND OPERATION MONEY. If the district has surplus maintenance and operation tax money that is not needed for the purposes for which it was collected, the money may be used for any authorized purpose.

Sec. \_\_\_\_ .157. BONDS AND OTHER OBLIGATIONS. (a) Subject to the requirements of sections \_\_\_\_ 159 and \_\_\_\_ .160, the district may issue by public or private sale bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, or by assessments in the manner provided by Subchapter A, Chapter 372 or by Subchapter J, Chapter 375, Local Government Code.

(b) In exercising the district's borrowing power, the district may issue a bond or other obligation in the form of a bond, note, certificate of participation or other instrument evidencing a proportionate interest in payments to be made by the district, or any other type of obligation.

(c) In addition to the sources of money described by Subchapter A, Chapter 372, and in Subchapter J, Chapter 375, Local Government Code, district bonds may be secured and made payable, wholly or partly, by a pledge of any part of the money the district receives from system or improvement revenues or from any other source.

Sec. \_\_\_\_ .158. BOND MATURITY. Bonds may mature not more than 40 years from their date of issue.

Sec. \_\_\_\_ .159. TAXES FOR BONDS AND OTHER OBLIGATIONS. (a) At the time

bonds or other obligations payable wholly or partly from ad valorem taxes are issued:

(1) the board shall impose a continuing direct annual ad valorem tax, for each year that all or part of the bonds are outstanding; and

(2) the district annually shall impose an ad valorem tax on all taxable property in the district in an amount sufficient to:

(A) pay the interest on the bonds or other obligations as the interest becomes due;

(B) create a sinking fund for the payment of the principal of the bonds or other obligations when due or the redemption price at any earlier required redemption date; and

Sec. .160. DEVELOPMENT AND OPERATING AGREEMENT REQUIRED TO UNDERTAKE IMPROVEMENT PROJECTS, IMPOSE TAXES OR ASSESSMENTS AND BORROW MONEY, INCLUDING BONDS. After the district's board of directors is organized, but before the district may undertake any improvement project, issue bonds, impose taxes, levy assessments or fees, or borrow money, the district and the City must negotiate and execute a mutually approved and accepted development and operating agreement, including any limitations imposed by the City, regarding the plans and rules for:

(1) the exercise of the powers granted to the district under this Chapter, including the organization, development and operation of the district;

(2) the selection and description of improvement projects that may be undertaken

and financed by the district and the ownership, operation, and maintenance thereof;

(3) the terms, conditions, methods, means, and amounts of financing authorized by this Chapter that the district may undertake in providing improvement projects; and

(4) the amounts, methods, and times of reimbursement to the City for costs and expenses, if any, incurred by the City with respect to the development and operation of the district and the financing of improvement projects by the district.

An agreement authorized by this section shall not be effective until its terms and execution are approved by the board and the governing body of the City by resolution.

#### SUBCHAPTER E. DISSOLUTION

Sec. \_\_\_\_ .251. DISSOLUTION BY CITY ORDINANCE. (a) The City by ordinance may dissolve the district and any additional districts created under Subchapter E.

(b) The City may not dissolve a district until the district's outstanding indebtedness or contractual obligations that are payable from ad valorem taxes have been repaid or discharged, or the City has affirmatively assumed the obligation to pay such outstanding indebtedness from its lawfully available revenues.

(c) The City may not dissolve a district until the agreement under Section \_\_\_\_ .160 has been executed and the district's performance under the agreement has been fulfilled, including any right or obligation the district has to reimburse a developer or owner for the costs of public works or improvement projects.

Sec. \_\_\_\_ .252. COLLECTION OF ASSESSMENTS AND OTHER REVENUE. (a) If

the dissolved district has bonds or other obligations outstanding secured by and payable from assessments or other revenue, other than ad valorem taxes, the City shall succeed to the rights and obligations of the district regarding enforcement and collection of the assessments or other revenue.

(b) The City shall have and exercise all district powers to enforce and collect the assessments or other revenue to pay:

(1) the bonds or other obligations when due and payable according to their terms;

or

(2) special revenue or assessment bonds or other obligations issued by the City to refund the outstanding bonds or obligations.

Sec. \_\_\_\_ .253. ASSUMPTION OF ASSETS AND LIABILITIES. (a) After the City dissolves the district, the City assumes, subject to the appropriation and availability of funds, the obligations of the district, including any bonds or other indebtedness payable from assessments or other district revenue.

(b) If the City dissolves the district, the board shall transfer ownership of all district property to the City.

SECTION 2. The district shall include the following land, described by metes and bounds as follows: [To Come]

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If

this Act does not receive the vote necessary for immediate effect, this Act takes effect September  
1, 2009.

\_\_\_\_\_ B. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
President of the Senate \_\_\_\_\_ Speaker of the House

I hereby certify that (H)(S) B. No. \_\_\_\_\_ passed the Senate on \_\_\_\_\_  
2009, by the following vote: Yeas \_\_\_\_\_, Nays \_\_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Secretary of the Senate

I hereby certify that (H)(S) B. No. \_\_\_\_\_ passed the House on \_\_\_\_\_, 2009,  
by the following vote: Yeas \_\_\_\_\_, Nays \_\_\_\_\_, \_\_\_\_\_ not voting.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
\_\_\_\_\_  
Date

\_\_\_\_\_  
\_\_\_\_\_  
Governor





**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 6  
**DEPARTMENT:** Office of Economic Development  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 44 Q

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**SUBJECT**

A resolution declaring the City of Dallas' support of and consent to the creation of the Trinity River West Management District (Trinity River West MMD) subject to certain limitations in the creation of, and exercise of powers by, the Trinity River West MMD to promote the development and redevelopment of the area - Financing: No cost consideration to the City

**BACKGROUND**

Approval of this item allows the State of Texas to create the Trinity River West Management District, a municipal management district formed under Chapter 375 of the Texas Local Government Code. This request was originated by a major property owner for the 342-acre site as a means of providing additional financing for infrastructure improvements in the area.

Municipal Management Districts (MMD) are self-governed, political subdivisions of the State of Texas. MMDs have the power to levy taxes, assessments and impact fees to property owners in the district. In addition, MMDs can supply additional services that are supplemental or complementary to regular municipal services. Real property taxes must be approved by a majority of eligible voters in the MMD.

MMDs may issue bonds that are not considered municipal debt and does not impact City of Dallas bonding capacity. This financing tool has been used in other cities, especially in conjunction with Tax Increment Financing Districts.

This proposal was briefed to the Economic Development Committee on January 20, 2009, January 27, 2009 and February 2, 2009. Based on this discussion, City support of the creation of this MMD is subject to several limitations described below:

- A. The negotiation of a comprehensive development agreement for the District that provides a comprehensive development plan for public infrastructure and including the financing of the same.

**BACKGROUND** (Continued)

- B. Prior to initiating any action to further develop in the area through the use of the proposed municipal management district that any tax or fee or assessment levied by the District and any additions of property to the District must be approved by owners of taxable real property representing more than sixty five percent (65%) of the appraised value of taxable real property in the District and record owners of taxable real property who constitute more than sixty five percent (65%) of all record owners of taxable real property and who constitute more than sixty five percent (65%) of the area of all taxable real property in the District.
- C. That City Council approval by resolution shall be obtained for:
  - 1. Any commitments of Chapter 380 subsidies on a project by project basis.
  - 2. The issuance of bonds, notes, credit agreements or other obligations, including the terms of such issuance, the principal amount, notional amount, interest rate or rates, redemption provisions, and other terms and conditions relating to such issuances.
  - 3. The appointment of all District directors with the exception of the initial directors.
- D. Waterworks and sanitary sewer improvements may be undertaken by the district within the boundaries of the district, subject to the following conditions:
  - 1. The City requests that the waterworks or sanitary sewer improvements be funded by the District.
  - 2. The City maintains exclusive power to construct, own, operate and maintain the improvements.
  - 3. The comprehensive development agreement has been executed and City Council has approved the issuance of any debt obligations as a condition of such improvements being funded by the District.
- E. The presentation to the City Council of an annual report of audited District financing documents.
- F. A plan to maintain infrastructure development by the District.

**BACKGROUND** (Continued)

- G. No property may be removed from the District unless or until the District is terminated or all obligations of the District have been paid in full.
- H. The City of Dallas shall not be obligated to provide any additional capital improvements or expenditures in the area which the City Council has not already approved including assessments or fees.
- I. The creation of the District shall be recorded in the official real property records of Dallas County, Texas and separately and clearly disclosed in the closing documents for the sale of any property in the District.
- J. The District board may not impose taxes, assessments or fees or any other requirement for payment, construction, alteration, or dedication on single-family detached residential property, duplexes, triplexes, and quadraplexes.

The approval of this item creates another financing tool to enhance redevelopment possibilities in the Trinity River West area.

**ESTIMATED SCHEDULE OF PROJECT**

Legislation Filed	March 2009
Legislation Approved	May 2009

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On January 20, 2009, the Economic Development Committee was briefed on the Municipal Management Districts.

On January 27, 2009, the Economic Development Committee was briefed on the Municipal Management Districts.

On February 2, 2009, the Economic Development Committee was briefed on the Municipal Management Districts.

**FISCAL INFORMATION**

No cost consideration to the City

**MAP**

Attached.

# TRINITY RIVER WEST MUNICIPAL MANAGEMENT DISTRICT \*

-  District Boundary
-  MMD Property



500 ft  
0

\*Note: Only public right-of-way and the properties shown in green are in the Management District.

HawesHillCaideron, Jan. 2009  
Aerial Imagery, 2007

February 11, 2009

**WHEREAS**, the City of Dallas has received a request from property owners in the Trinity West area as set forth in **Exhibit A** attached hereto that the City consent to the creation of a municipal management district to facilitate the economic development and redevelopment of the area; and

**WHEREAS**, the property owners in the Trinity West area have represented to the City that the area is in need of infrastructure improvements to assist the City with the development and redevelopment of the area; and

**WHEREAS**, the creation of a municipal management district can assist with that development and redevelopment by providing a mechanism for the property owners within the district to finance public improvements in the area; and

**WHEREAS**, the City and the property owners have agreed to certain limitations in the creation of, and exercise of powers by, the municipal management district to promote the development and redevelopment of the area certain of such limitations as set forth herein and in the attached draft legislation creating the municipal management district.

**NOW, THEREFORE,**

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

**Section 1.** That the City Council hereby declares its support of the creation of the TRINITY WEST MANAGEMENT DISTRICT (the "District") by the Legislature of the State of Texas in the current legislative session; provided that the legislation contains the minimum requirements outlined in Section 3 below and such legislation does not materially differ from the legislation attached hereto as **Exhibit A** which is incorporated herein by this reference and made a part hereof for all purposes.

**Section 2.** That the City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this resolution and the subject matter thereof has been disclosed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

February 11, 2009

**Section 3.** That among the limitations that the City of Dallas and the property owners have agreed to and that are to be included in the legislation creating the municipal management district for the Trinity West area are provisions that mandate and require the following:

- A. The negotiation of a comprehensive development agreement for the District that provides a comprehensive development plan for public infrastructure and including the financing of the same.
- B. Prior to initiating any action to further develop in the area through the use of the proposed municipal management district that any tax or fee or assessment levied by the District and any additions of property to the District must be approved by owners of taxable real property representing more than sixty five percent (65%) of the appraised value of taxable real property in the District and record owners of taxable real property who constitute more than sixty five percent (65%) of all record owners of taxable real property and who constitute more than sixty five percent (65%) of the area of all taxable real property in the District.
- C. That City Council approval by resolution shall be obtained for:
  - 1. Any commitments of Chapter 380 subsidies on a project by project basis.
  - 2. The issuance of bonds, notes, credit agreements or other obligations, including the terms of such issuance, the principal amount, notional amount, interest rate or rates, redemption provisions, and other terms and conditions relating to such issuances.
  - 3. The appointment of all District directors with the exception of the initial directors.
- D. Waterworks and sanitary sewer improvements may be undertaken by the district within the boundaries of the district, subject to the following conditions:
  - 1. The City requests that the waterworks or sanitary sewer improvements be funded by the District.
  - 2. The City maintains exclusive power to construct, own, operate and maintain the improvements.
  - 3. The comprehensive development agreement has been executed and City Council has approved the issuance of any debt obligations as a condition of such improvements being funded by the District.

February 11, 2009

**Section 3.** (Continued)

- E. The presentation to the City Council of an annual report of audited District financing documents.
- F. A plan to maintain infrastructure development by the District.
- G. No property may be removed from the District unless or until the District is terminated or all obligations of the District have been paid in full.
- H. The City of Dallas shall not be obligated to provide any additional capital improvements or expenditures in the area which the City Council has not already approved including assessments or fees;
- I. The creation of the District shall be recorded in the official real property records of Dallas County, Texas and separately and clearly disclosed in the closing documents for the sale of any property in the District.
- J. the District board may not impose taxes, assessments or fees or any other requirement for payment, construction, alteration, or dedication on single-family detached residential property, duplexes, triplexes, and quadraplexes.

Approval of this item creates another financing tool to enhance redevelopment possibilities in the Trinity River West area.

**Section 4.** That should legislation not be enacted in the current legislative session to create the District, or should such legislation not contain the minimum requirements outlined in Section 3 above, the support of the City Council as stated in this resolution shall expire.

**Section 5.** That the property owner shall notify the Dallas City Council of all changes made by the Legislature of the State of Texas during the current legislative session to the proposed legislation attached herein.

**Section 6.** That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

Distribution: Office of Economic Development, Tenna Kirk, 5CS  
Office of Economic Development, Karl Stundins, 2CN  
City Attorney's Office - Barbara Martinez





\_\_\_\_.B. \_\_\_\_

By\_\_\_\_\_

AN ACT

Amending the Special District Local Law Code by adding a Chapter creating the Trinity River West Municipal Management District and enacting related matters

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The Special District Local Laws Code is amended to add a Chapter creating the Trinity River West Municipal Management District (the “District”), which Chapter shall be and read as follows:

CHAPTER \_\_\_\_ . TRINITY RIVER WEST MUNICIPAL MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. \_\_\_\_ .001. DEFINITIONS. In this chapter:

(1) “Board” means the district’s board of directors.

(2) “City” means the City of Dallas.

(3) “District” means the Trinity River West Municipal Management District.

(4) “Improvement project” means any program or project authorized by Section \_\_\_\_ .102, inside the district and in areas outside but adjacent to the district if for the purpose of extending public infrastructure improvements beyond the boundaries to a logical terminus.

Sec. \_\_\_\_\_.002. CREATION AND NATURE OF DISTRICT. The district is a special district created under Section 59, Article XVI, Texas Constitution, with all of the powers granted in this Chapter.

Sec. \_\_\_\_\_.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this Chapter. By creating the district and in authorizing the City and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.

(c) The district is created to supplement and not to supplant City services provided in the district.

Sec. \_\_\_\_\_.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(c) The creation of the district is in the public interest and is essential to further the

public purposes of:

- (1) developing and diversifying the economy of the state;
- (2) eliminating unemployment and underemployment; and
- (3) developing or expanding transportation and commerce.
- (4) providing quality residential housing

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a residential community and business center; and

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, vehicle parking, and street art objects are parts of and necessary components of a street and are considered to be an improvement project that includes a street or road improvement.

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. \_\_\_\_ .005. DISTRICT TERRITORY. (a) The district is composed of the territory

described by Section 2 of the Act enacting this chapter, as that territory may have been modified under:

(1) Section \_\_\_\_ .107; or

(2) other law.

(b) A mistake in the field notes of the district contained in Section 2 of the Act enacting this chapter or in copying the field notes in the legislative process does not in any way affect:

(1) the district's organization, existence, or validity;

(2) the district's right to contract, including the right to issue any type of bond or other obligation for a purpose for which the district is created;

(3) the district's right to impose or collect an assessment, tax, or any other revenue; or

(4) the legality or operation of the board.

Sec. \_\_\_\_ .006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. (a) All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created by the City under Chapter 311, Tax Code;

(2) a tax abatement reinvestment zone created by the City under Chapter 312, Tax Code; or

(3) an enterprise zone created by the City under Chapter 2303, Government Code.

(b) If the City creates a tax increment reinvestment zone described by subsection (a) of

this Section, the City and the board of directors of the zone, by contract with the district, may grant money deposited in the tax increment fund to the district to be used by the district for the purposes permitted for money granted to a corporation under Section 380.002(b), Local Government Code, including the right to pledge the money as security for any bonds issued by the district for an improvement project. Each project to receive public funds pursuant to the provisions of Section 380.002(b), Local Government Code, shall have received the approval by resolution of the governing body of the City.

(c) A tax increment reinvestment zone created by the City within the District shall not be subject to the limitations set forth in Chapter 311.006 (b) of the Tax Code.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. \_\_\_\_ .051. GOVERNING BODY; TERMS. The district is governed by a board of nine directors consisting initially of the following persons:

<u>Place No.</u>	<u>Name of Initial Director</u>
<u>Place 1</u>	<u>Phil Romano</u>
<u>Place 2</u>	<u>Brent Jackson</u>
<u>Place 3</u>	<u>Monty Anderson</u>
<u>Place 4</u>	<u>Steve Swann</u>
<u>Place 5</u>	<u>Stuart Fitts</u>
<u>Place 6</u>	<u>Larry McGregor</u>
<u>Place 7</u>	<u>City of Dallas Assistant City Manager</u>
<u>Place 8</u>	<u>City of Dallas Chief Financial Officer</u>

The terms of the initial occupants of Places 1, 2, 3 and 4 expire on July 1, 2011, and the terms of the initial occupants of Places 5, 6, 7, 8 and 9 expire on July 1, 2013. Replacement directors are each appointed for four year terms by the governing body of the City under Section \_\_\_\_\_.052.

Sec. \_\_\_\_\_.052. APPOINTED DIRECTORS. (a) Directors appointed by the governing body of the City shall meet the qualifications established in Section \_\_\_\_\_.053.

(b) A person may not be appointed to the board if the appointment of that person would result in fewer than three of the directors who reside within the City and who meet at least one of the qualifications established in Subdivisions (2), (3), (4), (5) or (6) of Subsection (a) of Section \_\_\_\_\_.053.

(c) The governing body of the City shall appoint a director to fill a vacancy that occurs on the board, with the appointee to serve for the unexpired term of the former director.

(d) All directors shall be subject to removal from the board with or without cause at any time by a vote of a majority of the governing body of the City.

(e) The board of directors shall conduct its meetings in accordance with all requirements of the Open Meetings Act, Chapter 551, Texas Government Code, as amended (the "Open Meetings Act"). The board shall hold its meetings at any place accessible to the public. Notice of all meetings shall be given in accordance with the Open Meetings Act, and a copy of the notice shall be filed with the City Secretary of the City for posting at Dallas City Hall.

(f) The board may not create an executive committee to exercise the powers of the Board of Directors.

Sec. \_\_\_\_\_ .053. ELIGIBILITY OF APPOINTED DIRECTORS. (a) To be qualified to serve as an appointed director, a person must be at least 18 years old and must be:

(1) a resident of the district who is also a registered voter of the district;

(2) an owner of property in the district;

(3) an owner of stock, whether beneficial or otherwise, of a corporate owner of property in the district;

(4) an owner of a beneficial interest in a trust that owns property in the district; or

(5) an agent, employee, or tenant of a person covered by Subdivision (2), (3), or

(4) of this Subsection; or

(6) an initial director;

(7) an assistant city manager of the City appointed by the city manager;

(8) the chief financial officer of the City; or

(9) the economic development director of the City.

(b) Section 49.052, Water Code, does not apply to the district.

(c) If an office described in Subsection (a) is renamed, changed, or abolished, the governing body of the City may appoint another City officer or employee who performs duties comparable to those performed by the officer described by Subsection (a).

Sec. \_\_\_\_\_ .055. INITIAL AND APPOINTED DIRECTOR'S OATH OR

AFFIRMATION. An initial and an appointed director's oath or affirmation of office shall be filed with the district and the district shall retain the oath or affirmation in the district records. A copy of each director's oath or affirmation of office shall be filed with the City Secretary of the City.

Sec. \_\_\_\_ .056. OFFICERS. The board shall elect from among the initial and appointed directors a chair, a vice chair, and a secretary. The offices of chair and secretary shall not be held by the same person concurrently.

Sec. \_\_\_\_ .057. COMPENSATION; EXPENSES, LIABILITY INSURANCE FOR DIRECTORS. (a) The district may compensate each director in an amount not to exceed \$50 for each board meeting. The total amount of compensation per director per year may not exceed \$2,000.

(b) Directors are entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of a director.

(c) The district may obtain and pay for comprehensive general liability insurance coverage from commercial insurance companies or other sources that protect and insure the directors against personal liability and from any and all claims for actions taken as directors or actions and activities taken by the district or by others acting on its behalf.

Sec. \_\_\_\_ .058. CONFLICTS OF INTEREST. (a) Initial and appointed directors may participate in all board votes and decisions after compliance with the requirements of Subsections (b), (c), and (d) of this Section.

(b) Initial and appointed directors are subject to Section 171.004, Local Government



Code including disclosure and abstention requirements. A copy of any director's disclosure affidavit required pursuant to Section 171.004, Local Government Code shall be filed with the City Secretary of the City.

, (c) After the disclosure affidavit is filed, the director may participate in a discussion or vote.

(d) the appointed director is an owner of property in the district.(Reinserted)

### SUBCHAPTER C. POWERS AND DUTIES

Sec. \_\_\_\_ .101. GENERAL POWERS AND DUTIES. The district has the duties imposed by this Chapter and the powers provided by:

(1) the general laws relating to conservation and reclamation districts created under Section 59, Article XVI, Texas Constitution, including Chapters 49 and 54, Water Code, except that the district's bonds and other securities are not subject to the jurisdiction or supervision of the Texas Commission on Environmental Quality under Chapter 49, Water Code, or other law;

(2) the general laws relating to road districts and road utility districts created under Section 52, Article III, Texas Constitution, including Chapter 441, Transportation Code, except that the district may exercise any power granted by this Chapter without regard to any provision or requirement of, or procedure prescribed in, Chapter 441, Transportation Code;

(3) Subchapter A, Chapter 372, Local Government Code, in the same manner as

a municipality or a county;

(4) Chapter 375, Local Government Code;

(5) Chapter 311 of the Tax Code; and Chapter 1371, Government Code.

Sec. \_\_\_\_\_ .102. IMPROVEMENT PROJECTS. (a) The district may provide, or it may enter into contracts with a governmental or private entity to provide, the following types of public works or public improvement projects located in the district or activities in support of or incidental to such projects:

(1) a supply and distribution facility or system to provide potable and nonpotable water to the residents and businesses of the district, including a wastewater collection facility, a paved, macadamized, or graveled road, street, or turnpike, inside and outside the district, to the full extent authorized by Section 52, Article III, Texas Constitution;

(2) the planning, design, construction, improvement, and maintenance of:

(A) landscaping;

(B) highway right-of-way or transit corridor beautification and improvement;

(C) lighting, banners, and signs;

(D) a street or sidewalk;

(E) a hiking and cycling path or trail;

(F) a pedestrian walkway, skywalk, crosswalk, or tunnel;

(G) a park, lake, garden, recreational facility, community activities center, dock, wharf, sports facility, open space, scenic area, or related exhibit or preserve;

(H) a fountain, plaza, or pedestrian mall; or

(I) a drainage or storm-water detention improvement;

(3) protection and improvement of the quality of storm water that flows through the district;

(4) the planning, design, construction, improvement, maintenance, and operation of

(A) a water or sewer facility; or

(B) an off-street parking facility or heliport;

(5) the planning and acquisition of:

(A) public art and sculpture and related exhibits and facilities; or

(B) an educational facility, and a cultural exhibit or facility;

(6) the planning, design, construction, acquisition, lease, rental, improvement, maintenance, installation, and management of and provision of furnishings for a facility for:

(A) a conference, convention, or exhibition;

(B) a manufacturer, consumer, or trade show;

a civic, community, or institutional event; or

(C) an exhibit, display, attraction, special event, or seasonal or cultural celebration or holiday;

(7) the removal, razing, demolition, or clearing of land or improvements in connection with public works or public improvement projects;

(8) the acquisition and improvement of land or other property for the mitigation of the environmental effects of an improvement project if such costs are incurred pursuant a development agreement and reimbursement of such costs are conditioned upon the completion of substantial vertical development, or are related to a transit or mobility project;

(8) the acquisition of property or an interest in property in connection with an authorized public works or public improvement project, including any project or projects that are authorized by Subchapter A of Chapter 372, Local Government Code;

(10) a special or supplemental service for the improvement and promotion of the district or an area adjacent to the district or for the protection of public health and safety in or adjacent to the district, including:

(A) advertising;

(B) promotion;

(C) tourism;

(D) health and sanitation;

(E) public safety;

(F) security;

(G) fire protection or emergency medical services;

(H) business recruitment;

(I) elimination of traffic congestion, including rail services; and

(J) recreational, educational, or cultural improvements, enhancements, and

services; or

(11) any similar public improvement, facility, or service.

(b) The district may not undertake a public work or improvement project under this section unless the board determines the public work or improvement project to be necessary to accomplish a public purpose of the district and has received the approval of the City, in accordance with Section \_\_\_\_ .160.

(c) Any public work or improvement project must comply with any applicable codes and ordinances of the City.

(d) The district may not provide, conduct, or authorize any public work or improvement project on the City streets, highways, rights-of-way, or easements without the consent of the governing body of the City.

(e) Subject to any agreement between the district and the City, the City may:

(1) by ordinance, order, or resolution require that title to all or any portion of any public work or improvement project vest in the City; or

(2) unless prohibited by subsection (h) of this section, by ordinance, order, or resolution or other directive authorize the district to own, encumber, maintain, and operate any public work or improvement project, subject to the right of the City to order a conveyance of the public work or improvement project to the City on a date determined by the City.

(f) The district shall immediately comply with any City ordinance, order, or resolution adopted under Subsection (e).

(g) For the purposes of this section, planning, design, construction, improvement, and maintenance of a lake includes work done for drainage, reclamation, or recreation.

(h) Waterworks and sanitary sewer improvements may be undertaken by the district in or outside the boundaries of the district, subject to the conditions set forth below.

(1) The City shall request that waterworks or sanitary sewer improvements be funded by the district;

(2) The City shall construct, own, operate and maintain the improvements;  
and

(3) The provisions of Section .152, .157 and .160 are satisfied as a condition of the improvements being funded by the district.

Sec. .103. GENERAL POWERS REGARDING CONTRACTS. (a) The district may:

(1) contract with any person to accomplish any district purpose, including a contract for:

(A) the payment, repayment, or reimbursement of costs incurred by that person on behalf of the district, including all or part of the costs of any public work or improvement project and interest on the reimbursed cost; or

(B) the use, occupancy, lease, rental, operation, maintenance, or management of all or part of a proposed or existing public work or improvement project; and

(2) apply for and contract with any person to receive, administer, and perform a duty or obligation of the district under a federal, state, local, or private gift, grant, loan, conveyance, transfer, bequest, or other financial assistance arrangement relating to the investigation, planning, analysis, study, design, acquisition, construction, improvement, completion, implementation, or operation by the district or others of a proposed or existing public work or improvement project.

(b) A contract the district enters into to carry out a purpose of this chapter may be on any terms and for any period the board determines, including a negotiable or nonnegotiable note or warrant payable to the City or Dallas County and/or to any other person.

(c) Any person, including but not limited to the City, may contract with the district to carry out the purposes of this chapter without further statutory or other authorization.

Sec. \_\_\_\_ .104. RULES; ENFORCEMENT. (a) The district may adopt rules:

(1) to administer or operate the district;

(2) for the use, enjoyment, availability, protection, security, and maintenance of the district's property and facilities; or

(3) to provide for public safety and security in the district.

(b) The district may enforce its rules by injunctive relief.

(c) To the extent a district rule conflicts with a City rule, order, or regulation, the City rule, order, or regulation controls.

(d) The district shall provide the City with written notice no later than \_\_\_\_ days prior to

the meeting at which rules are to be adopted by the district. The district may not adopt any rule affecting the use of a municipally owned asset, such as public park, a street, sidewalk, transit facility, or public right of way unless the governing body of the City has approved the rule by ordinance, order or resolution.

Sec. .105. NAME CHANGE. The board by resolution may change the district's name. The board shall give written notice of the change to the City.

Sec. .107. ADDING OR REMOVING TERRITORY. The board may add or remove territory under Subchapter J, Chapter 49, and Section 54.016, Water Code, except that:

(1) the addition or removal of the territory must be approved by:

(A) the governing body of the City by ordinance, order or resolution; and

(B) the owners of the territory being added or removed;

(2) a reference to a tax in Subchapter J, Chapter 49, or Section 54.016, Water Code, means an ad valorem tax; and

(3) territory may not be removed from the district if bonds or other obligations of the district payable, wholly or partly, from ad valorem taxes or assessments levied or assessed on the territory are outstanding.

Sec. .108. ECONOMIC DEVELOPMENT.

(A) The district may create economic development and other programs pursuant to Section 52-a, Article III, Texas Constitution, including the levy and collection of ad valorem taxes for such purposes and including the economic development powers that Chapter 380, Local Government Code, provides to a municipality with a population of



more than 100,000, except that each economic development program and each project to receive public funds pursuant to the economic development program, must be approved by the governing body of the City by ordinance, order or resolution.

(B) the District shall provide the city written notice no later than \_\_\_ days prior to the meeting at which terms of an economic development program are to be adopted. The district may not adopt an economic development program or public work or improvement to be funded pursuant to an economic development program unless the governing body of the City has approved the program or public work or improvement by ordinance, order, or resolution.

Sec. \_\_\_\_ .109. NO EMINENT DOMAIN POWER. The district does not have the power of eminent domain.

\_\_\_\_.110 TERMS OF EMPLOYMENT; COMPENSATION. The board may employ and establish the terms of employment and compensation of an executive director or general manager and any other district employees the board considers necessary. No employee salary shall exceed \$150,000 from public funds of the district. The Board of directors may increase the salary beyond that level with private sources, or from assessment generated revenues of the district.

\_\_\_\_.111 NOTICE TO PROPERTY OWNERS (a) The board of directors shall annually provide owners of real property within the district written notice by US Mail, first class postage prepaid, that sets forth the tax of the district for the ensuing fiscal year of the district, in sufficient clarity to describe the tax rate for the operation and maintenance of the district and the tax rate

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Exhibit A

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for the payment of debt service of obligations issued or incurred by the district.

(b) The notice shall clearly state that the tax rates on real property levied and collected within the district are in addition to the ad valorem taxes levied and collected by other taxing units which tax real property within the boundaries of the district.

#### SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. .151. GENERAL POWERS REGARDING FINANCIAL MATTERS. Except as provided by Section . 160, the district may:

(1) impose an ad valorem tax on all taxable property in the district, including industrial, commercial, office, and residential to pay for any public work or improvement project of the types authorized by Section 52, Article III, and Section 59, Article XVI, Texas Constitution, and to secure the payment of bonds issued for such purposes;

(2) impose an assessment on property in the district to pay the cost and/or the cost of maintenance of any authorized public work or improvement project in the manner provided for:

(A) a district under Subchapters A, E, and F, Chapter 375, Local Government Code; or

(B) a municipality or county under Subchapter A, Chapter 372, Local Government Code;

(3) provide or secure the payment or repayment of any bond, note, or other temporary or permanent obligation or reimbursement or other contract with any person,

and the costs and expenses of the establishment, administration, and operation of the district and the district's costs or share of the costs or revenue of any public work or improvement project or district contractual obligation or indebtedness by or through:

(A) the imposition of an ad valorem tax, and/or an assessment, user fee, concession fee, or rental charge; and/or

(B) any other revenue or resources of the district, or other revenues authorized by the City, including revenues from a tax increment reinvestment zone created by the City under applicable law;

(4) establish user charges related to the operation of storm-water facilities, including the regulation of storm water for the protection of water quality in the district;

(5) establish user charges for the use of non-potable water for irrigation purposes, subject to the approval of the governing body of the City;

(6) undertake separately or jointly with other persons, including the City or Dallas County, all or part of the cost of any public work or improvement project, including an improvement project:

(A) for improving, enhancing, and supporting public safety and security, fire protection and emergency medical services, and law enforcement in and adjacent to the district; or

(B) that confers a general benefit on the entire district or a special benefit on a definable part of the district; and

(7) enter into a tax abatement agreement in accordance with the general laws of

this state authorizing and applicable to tax abatement agreements by municipalities.

(8) Any ad valorem tax to pay for any public work or improvement project under this chapter must be first approved by an election. Any election to approve the levy and collection of an ad valorem tax to pay for an improvement project under this chapter shall be held in accordance with the Texas Election Code, and must be called by a petition signed by: 1) at least 65% of the record owners of real property of the district; or 2) owners representing 65% of the value in the district; or 3) owners representing at least 65% of the surface area in the district.

Sec. \_\_\_\_ .152. BORROWING MONEY. The district may borrow money for a district purpose by issuing or executing bonds, notes, credit agreements, or other obligations of any kind found by the board to be necessary or appropriate for any district purpose. The bond, note, credit agreement, or other obligation may be secured by and payable from ad valorem taxes, assessments, or any combination thereof and/or from other district revenue. The governing body of the city shall approve the issuance of bonds, notes, credit agreements, or other obligations of the district, and the terms of such issuance, including the principal amount, notional amount, interest rate or rates, redemption provisions, and other terms and conditions relating to such issuance, as set forth in the project development agreement approved by the city in accordance with Section \_\_\_\_ .160. The district is obligated to file annual audited financial statements with the City Secretary.

Sec. \_\_\_\_ .153. ASSESSMENTS; EXEMPTION. (a) The district may impose an assessment on property in the district, including an assessment on residential or commercial

property, only in the manner provided by Subchapter A, Chapter 372, or by Subchapter F, Chapter 375, Local Government Code, for a municipality, county, or public improvement district, according to the benefit received by the property.

(b) An assessment on property must be for the limited purpose of providing capital funding for:

(1) public water and wastewater facilities;

drainage and storm-water facilities; and

(2) streets and alleys.

(3) any authorized purpose under Chapter 372.

(c) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

(1) are a first and prior lien against the property assessed; and

(2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes.

(d) The lien of an assessment against property runs with the land; that portion of an assessment payment obligation that has not yet come due is not eliminated by the foreclosure of an ad valorem tax lien, and any purchaser of property in a foreclosure of an ad valorem tax lien takes the property subject to the assessment payment obligations that have not yet come due and to the lien and terms of payment thereof under the applicable assessment ordinance or order.

(e) The board may make a correction to or deletion from the assessment roll that does

not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

( f ) Notice of any tax or assessment levied by the district shall be filed with the County Clerk of Dallas County, and on the District's web site.

Sec. \_\_\_\_ .154. RESIDENTIAL PROPERTY EXEMPT. Section 375.161, Local Government Code, does not apply to the district.

Sec. \_\_\_\_ .155. MAINTENANCE AND OPERATION TAX; ELECTION. The district may impose a tax for maintenance and operation purposes, including for:

(1) planning, constructing, acquiring, maintaining, repairing, and operating all improvement projects, including land, plants, works, facilities, improvements, appliances, and equipment of the district; and

(2) paying costs of services, engineering and legal fees, and organization and administrative expenses, including those of the City payable under the terms of the project development agreement described in Section \_\_\_\_ .160.

(b) Any maintenance and operation tax for improvement projects under this chapter must be approved by an election held for such purpose. Such an election will be called by a petition signed by at least 65% of the record owners of real property of the district liable for the tax.

(c) A maintenance and operation tax election may be held at the same time and in conjunction with any other district election. The election may be called by a separate election order or as part of any other election order.

Sec. \_\_\_\_ .156. USE OF SURPLUS MAINTENANCE AND OPERATION MONEY. If the district has surplus maintenance and operation tax money that is not needed for the purposes for which it was collected, the money may be used for any authorized purpose.

Sec. \_\_\_\_ .157. BONDS AND OTHER OBLIGATIONS. (a) Subject to the requirements of sections \_\_\_\_ 159 and \_\_\_\_ .160, the district may issue by public or private sale bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, or by assessments in the manner provided by Subchapter A, Chapter 372 or by Subchapter J, Chapter 375, Local Government Code.

(b) In exercising the district's borrowing power, the district may issue a bond or other obligation in the form of a bond, note, certificate of participation or other instrument evidencing a proportionate interest in payments to be made by the district, or any other type of obligation.

(c) In addition to the sources of money described by Subchapter A, Chapter 372, and in Subchapter J, Chapter 375, Local Government Code, district bonds may be secured and made payable, wholly or partly, by a pledge of any part of the money the district receives from system or improvement revenues or from any other source.

Sec. \_\_\_\_ .158. BOND MATURITY. Bonds may mature not more than 40 years from their date of issue.

Sec. \_\_\_\_ .159. TAXES FOR BONDS AND OTHER OBLIGATIONS. (a) At the time bonds or other obligations payable wholly or partly from ad valorem taxes are issued:

(1) the board shall impose a continuing direct annual ad valorem tax, for each year that all or part of the bonds are outstanding; and

(2) the district annually shall impose an ad valorem tax on all taxable property in the district in an amount sufficient to:

(A) pay the interest on the bonds or other obligations as the interest becomes due;

(B) create a sinking fund for the payment of the principal of the bonds or other obligations when due or the redemption price at any earlier required redemption date; and

Sec. \_\_\_\_ .160. DEVELOPMENT AND OPERATING AGREEMENT REQUIRED TO UNDERTAKE IMPROVEMENT PROJECTS, IMPOSE TAXES OR ASSESSMENTS AND BORROW MONEY, INCLUDING BONDS. After the district's board of directors is organized, but before the district may undertake any improvement project, issue bonds, impose taxes, levy assessments or fees, or borrow money, the district and the City must negotiate and execute a mutually approved and accepted development and operating agreement, including any limitations imposed by the City, regarding the plans and rules for:

(1) the exercise of the powers granted to the district under this Chapter, including the organization, development and operation of the district;

(2) the selection and description of improvement projects that may be undertaken and financed by the district and the ownership, operation, and maintenance thereof;

(3) the terms, conditions, methods, means, and amounts of financing authorized by this Chapter that the district may undertake in providing improvement projects; and



(4) the amounts, methods, and times of reimbursement to the City for costs and expenses, if any, incurred by the City with respect to the development and operation of the district and the financing of improvement projects by the district.

An agreement authorized by this section shall not be effective until its terms and execution are approved by the board and the governing body of the City by resolution.

#### SUBCHAPTER E. DISSOLUTION

Sec. \_\_\_\_ .251. DISSOLUTION BY CITY ORDINANCE. (a) The City by ordinance may dissolve the district and any additional districts created under Subchapter E.

(b) The City may not dissolve a district until the district's outstanding indebtedness or contractual obligations that are payable from ad valorem taxes have been repaid or discharged, or the City has affirmatively assumed the obligation to pay such outstanding indebtedness from its lawfully available revenues.

(c) The City may not dissolve a district until the agreement under Section \_\_\_\_ .160 has been executed and the district's performance under the agreement has been fulfilled, including any right or obligation the district has to reimburse a developer or owner for the costs of public works or improvement projects.

Sec. \_\_\_\_ .252. COLLECTION OF ASSESSMENTS AND OTHER REVENUE. (a) If the dissolved district has bonds or other obligations outstanding secured by and payable from assessments or other revenue, other than ad valorem taxes, the City shall succeed to the rights and obligations of the district regarding enforcement and collection of the assessments or other

revenue.

(b) The City shall have and exercise all district powers to enforce and collect the assessments or other revenue to pay:

(1) the bonds or other obligations when due and payable according to their terms;

or

(2) special revenue or assessment bonds or other obligations issued by the City to refund the outstanding bonds or obligations.

Sec. \_\_\_\_\_ .253. ASSUMPTION OF ASSETS AND LIABILITIES. (a) After the City dissolves the district, the City assumes, subject to the appropriation and availability of funds, the obligations of the district, including any bonds or other indebtedness payable from assessments or other district revenue.

(b) If the City dissolves the district, the board shall transfer ownership of all district property to the City.

SECTION 2. The district shall include the following land, described by metes and bounds as follows: \_\_\_\_\_ [To Come]

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.

\_\_\_\_\_ B. \_\_\_\_\_

\_\_\_\_\_  
President of the Senate \_\_\_\_\_ Speaker of the House

I hereby certify that (H)(S) B. No. \_\_\_\_\_ passed the Senate on \_\_\_\_\_,  
2009, by the following vote: Yeas \_\_\_\_\_, Nays \_\_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_  
Secretary of the Senate

I hereby certify that (H)(S) B. No. \_\_\_\_\_ passed the House on \_\_\_\_\_, 2009,  
by the following vote: Yeas \_\_\_\_\_, Nays \_\_\_\_\_, \_\_\_\_\_ not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor



**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15  
**DEPARTMENT:** Office of Economic Development  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** N/A

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**SUBJECT**

Authorize **(1)** establishment of a non-profit corporation, the Dallas Development Fund for the purpose of applying for a New Markets Tax Credit (NMTC) allocation, **(2)** approval of the Corporation's certificate of formation and bylaws, **(3)** appointment of the Corporation's initial Board of Directors, **(4)** the City Manager to file the Corporation's certificate of formation with the Secretary of State, and **(5)** the Corporation to apply for certification as a Community Development Entity and for NMTC allocations from the United States Department of the Treasury for qualified projects in designated areas - Financing: No cost consideration to the City

**BACKGROUND**

NMTC program and CDE designation

The Office of Economic Development wishes to apply for a New Markets Tax Credit allocation in the FY09 funding cycle. The New Markets Tax Credit (NMTC) program permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs). These investments must be used by the CDE for projects and investments in low-income communities, and the City believes the allocation would be beneficial to provide additional opportunities for development in low-income areas. The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a seven-year credit allowance period.

The first step in the NMTC allocation process is to obtain a CDE designation. A CDE serves as the vehicle to receive and apply for NMTC allocations, and can be a non-profit or for-profit entity. The deadline for the CDE designation is March 3, 2009.

The CDE must be a legal entity prior to the time of NMTC application. The CDE application must include the Employer Identification Number from the Internal Revenue Service, and Articles of Incorporation as filed at the state level, with amendments.

## **BACKGROUND** (Continued)

In addition, the CDE must have a primary mission of serving or providing investment capital to Low Income Communities (LIC) or Low Income Persons and at least 60% of its activities target Low Income Persons or Communities.

At least 20% of the board must represent LICs to demonstrate accountability to residents by residing in a LIC within a designated service area or representing interests of residents of LICs, through employment, board service, etc.

### **Creation of a non-profit corporation**

In order to apply and receive NMTC, the City Council is asked to authorize the creation of a non-profit corporation, the Dallas Development Fund (the "Corporation").

The Corporation is formed exclusively for the benefit of, and to assist in carrying out the economic development program and objectives of the City by generating private investment capital through the NMTC Program to be made available for investment in low-income communities.

### **Powers of the Corporation**

In the exercise of its powers granted by the State of Texas to non-profit corporations the Corporation may enter into and make contracts, employ agents, employees and consultants as necessary to carry-out the purposes of the Corporation, solicit proposals from low-income businesses and from potential investors in the NMTC program for projects related to the City's NMTC program, and attain and maintain its status as a qualified CDE.

The City Council will approve the Corporation's initial board members, the Corporation's bylaws and certificate of formation (and any amendments thereto) and the organizational documents for any for-profit CDE that the Corporation may create.

### **The Corporation's Board**

The Corporation's Board of Directors shall consist of seven (7) persons appointed by the City Manager. The initial board of directors will be confirmed by the City Council of the City. To be eligible to serve as a Director, a person must be a resident of the City and at least eighteen (18) years of age. In addition, at least five (5) members of the Board shall be representative of a "low-income community" (as defined in the laws and regulations governing the NMTC program). Directors may be removed from office at any time, with or without cause, by the City Manager.

Each initial Director shall serve for a term expiring September 30, 2011. Subsequent board members shall serve for a term of two years or until his successor is appointed by the City Manager. No board director may serve for more than six consecutive years.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

The Economic Development Committee was briefed on January 20, 2009.

On February 2, 2009, a memo was submitted to Economic Development Committee regarding the creation of Dallas Community Investment Corporation (CDE) New Markets Tax Credit.

**FISCAL INFORMATION**

No cost consideration to the City





February 11, 2009

**WHEREAS**, the United States Department of Treasury has established the New Markets Tax Credit (NMTC) program to stimulate investments in predominately low-income communities; and

**WHEREAS**, the NMTC program is administered by the Treasury Department through its Community Development Financial Institutions (CDFI) Fund and the Internal Revenue Service; and

**WHEREAS**, under the NMTC program, tax credits are competitively awarded annually by the CDFI Fund to qualified Community Development Entities (CDEs) after review and evaluation of applications submitted by CDEs, which are then made available to investors; and

**WHEREAS**, to qualify as a CDE, an entity must satisfy the following (1) be a duly organized entity with a federal employer identification number; (2) have a primary mission of serving or providing investment capital to low-income communities or low-income persons; (3) maintain accountability to residents of low-income communities through board participation; and (4) be certified as a CDE by the CDFI fund; and

**WHEREAS**, the City is committed to supporting enhanced economic development opportunities for low-income communities within the City and to low-income persons residing within those communities; and

**WHEREAS**, the goals and purposes of the NMTC program are consistent with and complementary to the economic development programs previously established by the City to support expanded economic development opportunities for low-income communities within the City and to low-income persons residing within those communities; and

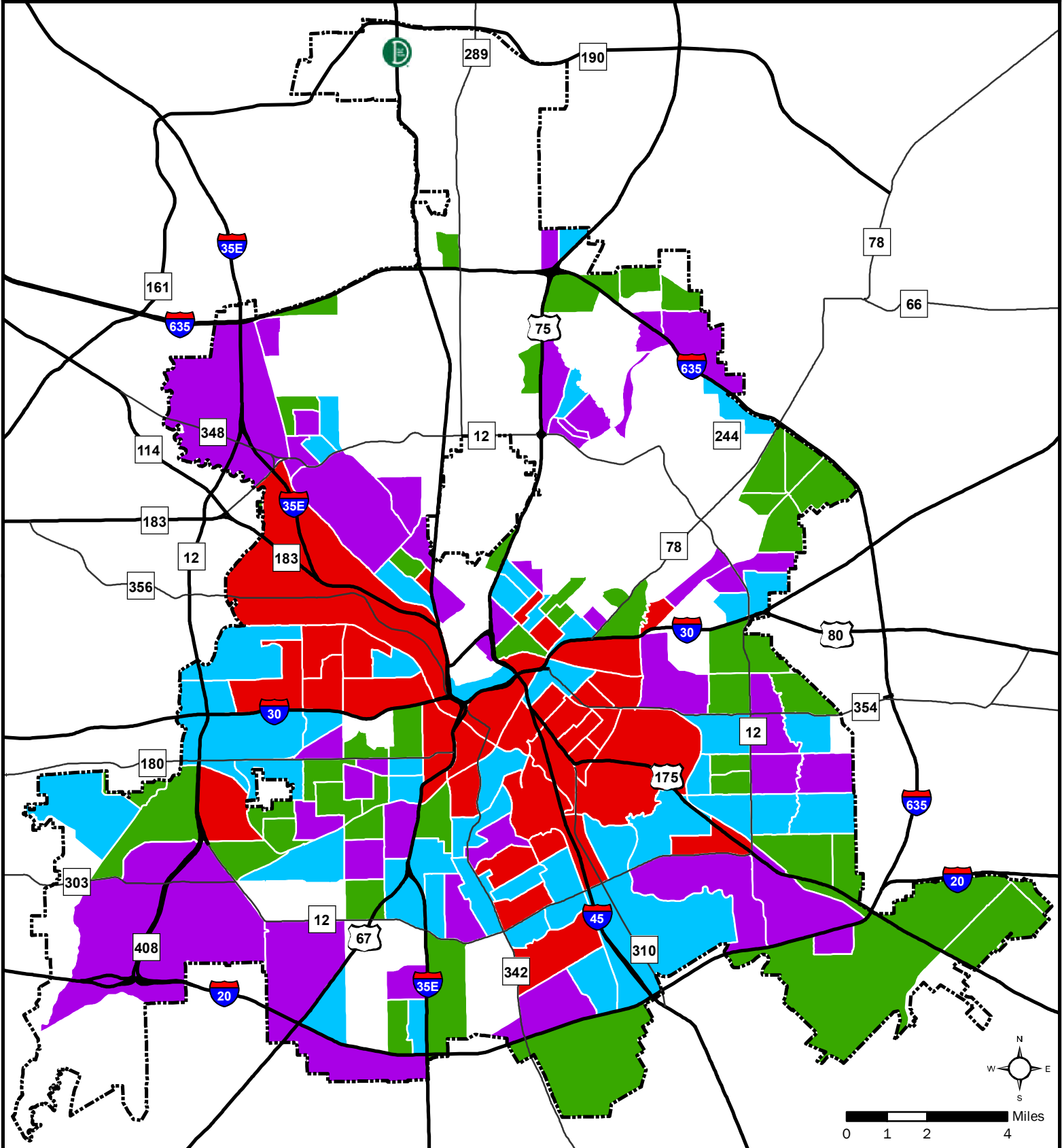
**WHEREAS**, the City supports: (1) the establishment of the Dallas Development Fund (the "Corporation"), a non-profit corporation with a primary mission of providing investment capital for low-income communities and low-income persons within the City; (2) the Corporation's application for certification as a CDE, including satisfying the requirement that the Corporation maintain accountability to residents of low-income communities benefitting from the NMTC program; (3) the Corporation's application for an allocation of tax credits under the NMTC program; and (4) the Corporation's transfer of tax credits allocated by the CDFI fund to the Corporation (if any) to one or more for-profit subsidiaries.

**NOW, THEREFORE,**

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



# Exhibit A - New Market Tax Credits: Eligible Census Tracts



City of Dallas  
Office of Economic Development



Research & Information Division  
(214) 670-1685  
<http://www.Dallas-EcoDev.org>

Created 1/28/09, Last Updated 1/29/08 - 09-01-28 Heather Lepaska.TCG

## Legend

- Eligible, Not Distressed
- Eligible, Meets One Distress Criterion
- Eligible, Meets Two Distress Criteria
- Eligible, Meets Three Distress Criteria

- Not Eligible
- City of Dallas
- Freeway
- Highway

Source: US Census Bureau, 2000

**EXHIBIT B**  
**CERTIFICATE OF FORMATION**  
**OF**  
**DALLAS DEVELOPMENT FUND**

We, the undersigned natural persons, each of whom is at least eighteen (18) years of age or more, and a resident of the City of Dallas, Texas (the “City”) and a citizen of the State of Texas, acting as incorporators of a corporation under the provisions of the Texas Nonprofit Corporation Law, Chapter 22, Texas Business Organizations Code (the “Act”), do hereby adopt the following Certification of Formation for such corporation:

**ARTICLE I**

The name of the corporation is DALLAS DEVELOPMENT FUND (the “Corporation”).

**ARTICLE II**

The Corporation is a public non-profit corporation.

**ARTICLE III**

The period of duration of the Corporation shall be perpetual. The commencement of the corporate existence of the Corporation shall be upon the filing of this Certificate of Formation.

**ARTICLE IV**

A. This Corporation is formed exclusively for the benefit of, and to assist in carrying out the economic development program and objectives of the City by generating private investment capital through the New Markets Tax Credit Program (the “N.M.T.C. Program”) to be made available for investment in low-income communities (as defined in the law and regulations governing the N.M.T.C. Program). In order to fulfill this purpose, and as required by the N.M.T.C Program, the Corporation shall (1) apply to the United States Treasury Department’s Community Development Financial Institution Fund (the “C.D.F.I. Fund”) for designation as a “Community Development Entity” as required by the N.M.T.C. Program and (2) apply for an allocation of tax credits under the N.M.T.C. Program and (3) if the Corporation receives an allocation of tax credits under the N.M.T.C. Program, to transfer that allocation to one (1) or more for-profit subsidiaries established in accordance with the regulations governing the N.M.T.C. Program for purposes of making investments in low-income communities in the City.

## **EXHIBIT B**

B. The Corporation is organized and shall be operated exclusively for the purposes described in subsection A. The Corporation shall have all such powers as are required by and are consistent with its purposes.

C. The Corporation shall also have the power to acquire and receive funds and property of every kind and nature, whatsoever whether by purchase, conveyance, lease, gift, grant, bequest, legacy or otherwise; own hold, expend, make gifts, grants and contributions of, and to convey, transfer and dispose of any funds and property and the income therefrom, all in furtherance of the purposes of the Corporation as hereinabove set forth; and which are afforded to the Corporation under the Act, as now enacted or as hereafter amended.

## **ARTICLE V**

The Corporation shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of the State of Texas to non-profit corporations incorporated under the Act subject to the following limitations:

Prior to the consummation of the sale and delivery of any bonds, notes, or other forms of debt instruments, the Corporation shall obtain the approval thereof from the City Council.

Prior to the Corporation's creation of any for-profit subsidiaries for which to transfer an allocation of tax credits under the N.M.T.C. Program, the City Council of the City shall approve the organizational documents for any such entity.

In the exercise of its powers, the Corporation may enter into loan, lease, trust, or other agreements as authorized by the Act and under the N.M.T.C. Program that are necessary and appropriate to the fulfillment of the public purpose of the Corporation, all of which agreements, and the specific uses, and the methods of withdrawal and expenditure, of the proceeds the bonds, notes, or other debt instruments proposed to be issued by the Corporation, shall be stated and described in the proceedings authorizing such bonds, notes, or other debt instruments, and must be included as a part of the approval process of the City Council required above. In connection with the issuance of its bonds, notes, or other debt instruments, the Corporation shall select bond counsel and financial advisors acceptable to the City Attorney and the City Manager.

In furtherance and not in limitation of its purposes set forth in Article IV above, it is expressly provided that the Corporation shall have the following powers:

A. to enter into, make and perform contracts of every sort and kind with any person, firm, association, corporation, municipality, body politic, housing authority, county, state, or with the federal government or any agency or instrumentality thereof; including, without limitation, contracts with the City for such staff support and financial assistance as may be

## **EXHIBIT B**

required by the Corporation;

B. to advance or lend money or provide equity capital to any person, association, corporation, municipality, body politic, housing authority, county or state in such manner and upon such terms as is deemed expedient;

C. to borrow money, to acquire, own, hold, sell, negotiate, assign, deal in, exchange, transfer, mortgage, pledge or otherwise dispose of mortgages, notes, evidences of indebtedness, and all other securities or choses in action issued or created by any person, firm, association, corporation, municipality, body politic, housing authority, county, state, or with the federal government or any agency or instrumentality thereof;

D. to sell, lease, sublease, or otherwise make available to any person, firm, association, corporation, municipal, body politic, housing authority, county or state any real estate or interest therein acquired by the Corporation;

E. to employ agents, employees, consultants and independent contractors necessary to carry out the purposes of the Corporation and to fix their compensation and terms and conditions of employment;

F. to solicit proposals from low-income businesses and from potential investors in the N.M.T.C. Program for projects meeting the economic development goals and objectives of the City and satisfy the requirements of the N.M.T.C. Program;

G. to attain and maintain its status as a qualified community development entity for purposes of the N.M.T.C. Program;

H. to do everything necessary, proper, convenient or incident to effect any or all of the purposes for which the Corporation is organized; and

I. without limiting the generality of the foregoing, the Corporation shall have all of the powers, privileges, rights, and immunities necessary or convenient for carrying out the purposes for which the Corporation is formed, and the directors hereby claim for the Corporation all the benefits, privileges, rights and powers created, given, extended or conferred, now or hereafter, by the provisions of all applicable laws of the State of Texas, pertaining to not-for-profit corporations, and any additions or amendments thereto.

## **ARTICLE VI**

The Corporation shall have no members and shall have no stock.

**EXHIBIT B**

**ARTICLE VII**

All powers of the Corporation shall be vested in a Board of Directors consisting of seven (7) persons who shall be appointed by the City Manager of the City. The initial Board of Directors shall be confirmed by the City Council of the City. To be eligible to serve as a Director, a person must be a resident of the City and at least eighteen (18) years of age. In addition, at least five (5) members of the Board shall be representative of a "low-income community" (as defined in the law and regulations governing the N.M.T.C. Program).

The initial Board members are identified in Article X below and shall serve for the term expiring on the date set forth thereon. Subsequent Board members shall serve for a term of two (2) years or until his or her successor is appointed by the City Manager of the City, unless such Board member has been appointed to fill an unexpired term, in which case the term of such Board member shall expire on the expiration date of the term of the Board member who he or she was appointed to replace. Board members shall be eligible for reappointment; provided however that no Director may serve for longer than six (6) years consecutively, unless such service is required to complete an unexpired term. Any Board member may be removed from office at any time, with or without cause, by the City Manager.

The Corporation is organized on a nonstock basis only. There shall be no shareholders or difference in classes of membership and the members of the Board of Directors shall be members of the Corporation. The Corporation shall be deemed to be performing essential public functions.

All other matters pertaining to the internal affairs of the Corporation shall be governed by the Bylaws of the Corporation, so long as such Bylaws are not inconsistent with this Certificate of Formation or the laws of the State of Texas.

**ARTICLE VIII**

The street address of the initial registered office of the Corporation is 1500 Marilla, Dallas, Texas 75201, which is within the city limits of the City, and the name of its initial registered agent at such address is Mary K. Suhm.

**ARTICLE IX**

The names and street addresses of the organizers, each of whom resides within the City, are:

NAME	ADDRESS
------	---------

**EXHIBIT B**

- 1. Mary K. Suhm                    1500 Marilla Street, #4FN, Dallas, Texas 75201
- 2. Ryan S. Evans                1500 Marilla Street, #4FN, Dallas, Texas 75201
- 3. A.C. Gonzalez                1500 Marilla Street, #4FN, Dallas, Texas 75201

**ARTICLE X**

The Corporation shall be governed by a Board of Directors consisting of seven (7) Directors. The names and street addresses of the initial Directors, each of whom resides within the City, are:

NAME	ADDRESS	INITIAL TERM EXPIRES
1. Gilbert Gerst	2707 South Blvd., Dallas, Texas	September 30, 2011
2. Charles O'Neal	4811 Dove Creek Way, Dallas, Texas	September 30, 2011
3. Mari Gonzalez	12320 Rockland Drive, Dallas, Texas	September 30, 2011
4. Anthony Pace	14939 Knoll View Drive, Dallas, Texas	September 30, 2011
5. Gloria Reynolds	3117 Amherst Ave, Dallas, Texas	September 30, 2011
6. Brent Shropshire	2905 Coteau Way, Dallas, Texas	September 30, 2011
7. Zenetta Drew	3852 Treeline Dr., Dallas, Texas	September 30, 2011

**ARTICLE XI**

A resolution approving the form of this Certificate of Formation has been adopted by the City Council of the City on February 11, 2009.

**ARTICLE XII**

No Director shall be liable to the Corporation for monetary damages for an act or omission in the Director's capacity as a Director, except for liability (i) for any breach of the Director's duty of loyalty to the Corporation, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for any transaction from which the Director received an improper benefit, whether the benefit resulted from an act taken



## **EXHIBIT B**

within the scope of the Director's office, or (iv) for acts or omissions for which the liability of a Director is expressly provided by statute. Any repeal or amendment of this Article by the Directors shall be prospective only, and shall not adversely affect any limitation on the personal liability of a Director existing at the time of such repeal or amendment. In addition to the circumstances in which a Director is not personally liable as set forth in the preceding sentences, a Director shall not be liable to the fullest extent permitted by any amendment to the Texas statutes hereafter enacted that further limits the liability of a Director.

## **ARTICLE XIII**

In accordance with the provisions of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), and regardless of any other provisions of this Certificate of Formation or the laws of the State of Texas, the Corporation: (a) shall not permit any part of the net earnings of the Corporation to inure to the benefit of any private individual (except that reasonable compensation may be paid for personal services rendered to or for the Corporation in effecting one or more of its purposes); (b) shall not direct any of its activities to attempting to influence legislation by propaganda or otherwise; (c) shall not participate in or intervene in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office; and (d) shall not attempt to influence the outcome of any election for public office or to carry on, directly or indirectly, any voter registration drives. Any income earned by the Corporation after payment of reasonable expenses, debt and such reserves as may be necessary as set forth in the authorizing documents related to the issuance of debt by the Corporation shall accrue to the City.

The Corporation shall not afford pecuniary gain, incidentally or otherwise, to its members, and no part of the net income or net earnings of the Corporation shall inure to the benefit of any member, private shareholder or individual, and no substantial part of its activities shall consist of carrying on propaganda or otherwise attempting to influence legislation.

The Corporation shall not participate in or intervene in (including the publishing or distributing of statement) any political campaign on behalf of any candidates for public office.

The Corporation shall not lend any of its assets to any officer or director or member of the Corporation or to any close relative of any such person or guarantee the repayment of a loan made to any such person. The term "close relative" as used herein shall mean any brother or sister of any director or officer, the forbearers and descendents of a director or officer or any such brothers or sister or any spouse of a director or officer or any of the aforesaid persons.

If the Board of Directors determines by resolution that the purposes for which the Corporation was formed have been substantially met and all debt obligations, if any, issued by and all other obligations incurred by the Corporation have been fully paid or provision made for such payment, the Board shall execute a certificate of dissolution which states those facts and

## **EXHIBIT B**

declares the Corporation dissolved in accordance with the requirements of the Act, or with applicable law then in existence. In the event of dissolution or liquidation of the Corporation, all assets will be turned over to the City for deposit into such account or fund as the City Council shall direct to the extent allowed under the law and regulations governing the N.M.T.C. Program.

## **ARTICLE XIV**

If the Corporation is a private foundation within the meaning of Section 509(a) of the Internal Revenue Code, the Corporation (a) shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code; (b) shall not engage in any act of self-dealing as defined in Section 4941 (d) of the Internal Revenue Code; (c) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; (d) shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code; and (e) shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

## **ARTICLE XV**

The business and conduct of affairs of the Corporation shall be regulated by the Bylaws of the Corporation adopted by the majority vote of the members of the Board of Directors. The Bylaws shall not be inconsistent with this Certificate of Formation. The initial Bylaws shall be substantially in the form attached as Exhibit B to the resolution adopted by the City Council of the City providing for the establishment of the Corporation. Any subsequent revisions, amendments or changes adopted by the Board to either the Certificate of Formation or the Bylaws must be approved by the City Council.

## **ARTICLE XVI**

A. The Corporation shall encourage public awareness of the activities of the Corporation to the maximum extent possible.

B. The Corporation shall, in its notice and conduct of meetings, comply with Chapter 551 of the Texas Government Code (“the Texas Open Meetings Act”), as now enacted or as hereafter amended, and the Corporation is subject to the provisions of Chapter 552 of the Texas Government Code (“the Texas Public Information Act”) relating to public records.

**EXHIBIT B**

IN WITNESS WHEREOF, we have hereunto set our hands this \_\_\_\_ day of \_\_\_\_\_, 2009.

\_\_\_\_\_  
Mary K. Suhm

\_\_\_\_\_  
Ryan S. Evans

\_\_\_\_\_  
A.C. Gonzalez

This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2009, by Mary K. Suhm, Ryan S. Evans and A.C. Gonzalez, being sworn on his/her oath that he/she is an individual residing in the City of Dallas, Texas.

Given under my hand and seal of office this \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

**EXHIBIT C**  
**BYLAWS**  
**OF**  
**DALLAS DEVELOPMENT FUND**

**ARTICLE I**

**PURPOSES**

The Dallas Development Fund (the "Corporation") is organized for the purpose of aiding, assisting, and acting on behalf of the City of Dallas, Texas (the "City") in the performance of its governmental functions to promote the common good and general welfare of the City, including, without limitation, for the benefit of, and to assist in carrying out the economic development program and objectives of the City by generating private investment capital through the New Markets Tax Credit Program (the "N.M.T.C. Program") to be made available for investment in low-income communities (as defined in the law and regulations governing the N.M.T.C. Program).

The Corporation is formed pursuant to the provisions of the Texas Nonprofit Corporation Law, Chapter 22, Business Organizations Code, Section 22.01, et seq. ("the Act").

The Corporation shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of the State of Texas to non-profit corporations incorporated under the Act.

The Corporation shall have all other powers of a like or different nature not prohibited by law which are available to non-profit corporations in Texas and which are necessary or useful to enable the Corporation to perform the purposes for which it is created, including the power to issue bonds, notes or other obligations, and otherwise exercise its borrowing power to accomplish the purposes for which it was created.

**ARTICLE II**

**BOARD OF DIRECTORS**

Section 1. *Appointment, Powers, Number, Eligibility, and Term of Office.* All powers of the Corporation shall be vested in the Board of Directors (the "Board"). The Board shall consist of seven (7) persons who shall be appointed by the City Manager of the City. The initial Board of Directors shall be confirmed by the City Council of the City. To be eligible to serve as a Director, a person must be a resident of the City and at least eighteen (18) years of age. In addition, at least five (5) members of the Board shall be representative of a "low-income community" (as defined in the law and regulations governing the New Markets Tax Credit Program). Any Director may be removed from office at any time, with or without cause, by the City Manager of the City.

## EXHIBIT C

Each initial Director shall serve for the term expiring on the date set forth in the Certificate of Formation. Each subsequent Director shall serve for a term of two (2) years, expiring on September 30th of such year the term expires or until his or her successor is appointed by the City Manager of the City, unless such Board member has been appointed to fill an unexpired term, in which case the term of such Board member shall expire on the expiration date of the term of the Board member who he or she was appointed to replace. Board members shall be eligible for reappointment; provided however that no Director may serve longer than six (6) years consecutively, unless such service is required to complete an unexpired term. Any Director may be removed from office at any time, with or without cause, by the City Manager of the City.

Section 2. *Meetings of Directors.* The Directors may hold their meetings and may have an office and keep the books of the Corporation at the City Hall, or such other place or places within the City as the Board may from time to time determine; provided, however, in the absence of any such determination, the City Hall shall be the registered office of the Corporation in the State of Texas.

The Board shall meet in accordance with and file notice of each meeting of the Board for the same length of time and in the same manner and location as is required of a City under Chapter 551, Government Code (the "Open Meetings Act").

The Corporation and the Board are subject to Chapter 552, Government Code (the "Public Information Act").

Section 3. *Annual Meetings.* The annual meeting of the Board shall be held at the time and at the location in the City designated by the resolution of the Board for the purposes of transacting such business as may be brought before the meeting.

Section 4. *Regular Meetings.* Regular meetings of the Board shall be held at such times and places as shall be designated, from time to time, by resolution of the Board.

Section 5. *Special and Emergency Meetings.* Special and emergency meetings of the Board shall be held whenever called by the President of the Board or by a majority of the Directors who are serving duly appointed terms of office at the time the meeting is called.

The Secretary shall give notice of each special meeting in person, by telephone, electronic transmission (e.g., facsimile transmission or electronic mail) or mail at least three (3) days before the meeting to each Director. Notice of each emergency meeting shall also be given in the manner required of the City under the Open Meetings Act. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered and acted upon at a special or emergency meeting.

## EXHIBIT C

Section 6. *Quorum.* A majority of the Board shall constitute a quorum for the consideration of matters pertaining to the purposes of the Corporation. If at any meeting of the Board there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. The act of a majority of the Directors present and voting at a meeting at which a quorum is in attendance shall constitute the act of the Board, unless the act of a greater number is required by law, by the Certificate of Formation, or by these Bylaws.

A Director who is present at a meeting of the Board at which any corporate action is taken shall be presumed to have assented to such action, unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file a written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of the action.

Section 7. *Conduct of Business.* At the meetings of the Board, matters pertaining to the purposes of the Corporation shall be considered in such order as from time to time the Board may determine.

At all meetings of the Board, the President shall preside, and in the absence of the President, the Vice President shall preside. In the absence of the President and the Vice President, an acting presiding officer shall be chosen by the Board from among the Directors present.

The Secretary of the Corporation shall act as secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any person to act as secretary of the meeting.

Section 8. *Compensation of Directors.* Directors, as such, shall not receive any salary or compensation for their services as Directors.

Section 9. *Director's Reliance on Consultant Information.* A Director shall not be liable if while acting in good faith and with ordinary care, the Director relies on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Corporation or another person that were prepared or presented by:

- (a) one or more other officers or employees of the Corporation;
- (b) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence; or

## ARTICLE III

## EXHIBIT C

### OFFICERS

Section 1. *Titles and Term of Office.* The officers of the Corporation shall be the President, the Vice President, the Secretary, the Treasurer, and such other officers as the Board may from time to time elect. One person may hold more than one office, except that one person shall not concurrently hold the offices of President and Secretary or the offices of Vice President and Secretary. The term of office for each officer shall be one (1) year with the term. Officers may be re-elected.

Section 2. *Powers and Duties of the President.* The President shall be a member of the Board and shall preside at all meetings of the Board. The President shall be the principal executive officer of the Corporation and, subject to the Board, he or she shall be in general charge of the properties and affairs of the Corporation. In furtherance of the purposes of the Corporation and subject to the limitations contained in the Certificate of Formation, the President or any Vice President may sign and execute all bonds, notes, deeds, conveyances, franchises, assignments, mortgages, notes, contracts and other obligations in the name of the Corporation. The President shall have such other duties as are assigned by the Board. The President may call special and emergency meetings of the Board as provided in these Bylaws.

Section 3. *Powers and Duties of the Vice President.* The Vice President shall be a member of the Board. The Vice President shall perform the duties and exercise the powers of the President upon the President's death, absence, disability, or resignation, or upon the President's inability to perform the duties of his or her office. Any action taken by the Vice President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to act of the President at the time such action was taken. A Vice President shall have such other powers and duties as may be assigned to him or her by the Board or the President.

Section 4. *Treasurer.* The Treasurer shall have custody of all the funds and securities of the Corporation which come into his or her hands. When necessary or proper, he or she may endorse, on behalf of the Corporation, for collection, checks, notes and other obligations and shall deposit the same to the credit of the Corporation in such bank or banks or depositories as shall be designated in the manner prescribed by the Board; he or she may sign all receipts and vouchers for payments made to the Corporation, either alone or jointly with such other officer as is designated by the Board; whenever required by the Board, he or she shall render a statement of his or her cash account; he or she shall enter or cause to be entered regularly in the books of the Corporation to be kept by him or her for that purpose full and accurate accounts of all moneys received and paid out on account of the Corporation; he or she shall perform all acts incident to the position of Treasurer subject to the control of the Board; and he or she shall, if required by the Board, give such bond for the faithful discharge of his or her duties in such form as the Board may require. The Treasurer need not be a member of the Board.

Section 5. *Secretary.* The Secretary shall keep or cause to be kept the minutes of all meetings of the Board in books provided for that purpose; he or she shall attend to the giving and

## EXHIBIT C

serving of all notices; in furtherance of the purposes of the Corporation and subject to the limitations contained in the Certificate of Formation, he or she may sign with the President in the name of the Corporation and/or attest the signatures thereof, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation; he or she shall have charge of the Corporation's books, records, documents and instruments, except the books of account and financial records and securities of which the Treasurer shall have custody and charge, and such other books and papers as the Board may direct, all of which shall at all reasonable times be open to the inspection of any Director upon application at the office of the Corporation during business hours; and, he or she shall in general perform all duties incident to the office of Secretary subject to the control of the Board. The Secretary need not be a member of the Board.

Section 6. *Staff.* The City Manager of the City or the designee thereof shall initially serve as the Executive Director of the Corporation. The City Manager's office shall provide administrative support services for the Corporation, and shall perform duties as prescribed by the Board and the City Council. Staff functions for the Corporation may be performed by City staff, as directed by the City Manager, and the Corporation shall pay the costs for such services as from time to time shall be billed to the Corporation by the City.

Section 7. *Compensation.* Officers, as such, shall not receive any salary or compensation for their services as Officers.

Section 8. *Officer's Reliance on Consultant Information.* In the discharge of a duty imposed or power conferred on an officer of the Corporation, the officer may in good faith and with ordinary care rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Corporation or another person, which were prepared or presented by:

(a) one or more other officers or employees of the Corporation, including members of the Board; or

(b) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence.

## ARTICLE IV

### MISCELLANEOUS PROVISIONS

Section 1. *Fiscal Year.* The fiscal year of the Corporation shall be the same as the City.

Section 2. *Seal.* The seal of the Corporation shall be such as from time to time may be approved by the Board.



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Section 3. *Notice and Waiver of Notice.* Whenever any notice whatever is required to be given under the provisions of these Bylaws, such notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his or her post office address, as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. A waiver of notice, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

Section 4. *Resignations.* Any Director or officer may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5. *Gender.* References herein to the masculine gender shall also refer to the feminine in all appropriate cases, and vice versa.

Section 6. *Appropriations and Grants.* The Corporation shall have the power to request and accept any allocation, appropriation, grant, contribution, donation, or other form of aid from the federal government, the State, any political subdivision, or municipality in the State, or from any other source.

## ARTICLE V

### INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. *Right to Indemnification.* Subject to the limitations and conditions as provided in this Article V and the Certificate of Formation, each person who was or is made a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative (hereinafter a "proceeding"), or any appeal in such a proceeding or any inquiry or investigation that could lead to such a proceeding, by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a Director or officer of the Corporation or while a Director or officer of the Corporation is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise shall be indemnified by the Corporation to the fullest extent permitted by the Texas Non-Profit Corporation Act, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment) against judgments, penalties

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(including excise and similar taxes and punitive damages), fines, settlements and reasonable expenses (including, without limitation, attorneys' fees) actually incurred by such person in connection with such proceeding, and indemnification under this Article V shall continue as to a person who has ceased to serve in the capacity which initially entitled such person to indemnity hereunder. The rights granted pursuant to this Article V shall be deemed contract rights, and no amendment, modification or repeal of this Article V shall have the effect of limiting or denying any such rights with respect to action taken or proceedings arising prior to any such amendment, modification or repeal. It is expressly acknowledged that the indemnification provided in this Article V could involve indemnification for negligence or under theories of strict liability.

Section 2. *Advance Payment.* The right to indemnification conferred in this Article V shall include the right to be paid in advance or reimbursed by the Corporation the reasonable expenses incurred by a person of the type entitled to be indemnified under Section 1 who was, is or is threatened to be made a named defendant or respondent in a proceeding in advance of the final disposition of the proceeding and without any determination as to the person's ultimate entitlement to indemnification; provided, however, that the payment of such expenses incurred by any such person in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of a written affirmation by such Director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification under this Article V and a written undertaking, by or on behalf of such person, to repay all amounts so advanced if it shall ultimately be determined that such indemnified person is not entitled to be indemnified under this Article V or otherwise.

Section 3. *Indemnification of Employees and Agents.* The Corporation, by adoption of a resolution of the Board, may indemnify and advance expenses to an employee or agent of the Corporation to the same extent and subject to the same conditions under which it may indemnify and advance expenses to Directors and officers under this Article V; and the Corporation may indemnify and advance expenses to persons who are not or were not Directors, officers, employees or agents of the Corporation but who are or were serving at the request of the Corporation as a Director, officer, partner, venture proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise against any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his or her status as such a person to the same extent that it may indemnify and advance expenses to Directors under this Article V.

Section 4. *Appearance as a Witness.* Notwithstanding any other provision of this Article V, the Corporation may pay or reimburse expenses incurred by a Director or officer in connection with his or her appearance as a witness or other participation in a proceeding involving the Corporation or its business at a time when he or she is not a named defendant or respondent in the proceeding.

Section 5. *Non-Exclusivity of Rights.* The right to indemnification and the advancement and payment of expenses conferred in this Article V shall not be exclusive of any

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other right which a Director or officer or other person indemnified pursuant to Section 3 of this Article V may have or hereafter acquire under any law (common or statutory), provision of the Articles of Incorporation of the Corporation or these Bylaws, agreement, vote of disinterested Directors or otherwise.

Section 6. *Insurance.* The Corporation may purchase and maintain insurance, at its expense, to protect itself and any person who is or was serving as a Director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a Director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, proprietorship, employee benefit plan, trust or other enterprise against any expense, liability or loss, whether the Corporation would have the power to indemnify such person against such expense, liability or loss under this Article V.

Section 7. *Notification.* Any indemnification of or advance of expenses to a Director or officer in accordance with this Article V shall be reported in writing to the members of the Board with or before the notice of the next regular meeting of the Board and, in any case, within the 12-month period immediately following the date of the indemnification or advance.

Section 8. *Savings Clause.* If this Article V or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify and hold harmless each Director, officer or any other person indemnified pursuant to this Article V as to costs, charges and expenses (including attorneys' fees), judgments, fines and in amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, to the full extent permitted by any applicable portion of this Article V that shall not have been invalidated and to the fullest extent permitted by applicable law.

## ARTICLE VI

### CODE OF ETHICS

Section 1. *Policy and Purposes.*

(a) It is the policy of the Corporation that Directors and officers conduct themselves in a manner consistent with sound business and ethical practices; that the public interest always be considered in conducting corporate business; that the appearance of impropriety be avoided to ensure and maintain public confidence in the Corporation; and that the Board establish policies to control and manage the affairs of the Corporation fairly, impartially, and without discrimination.

(b) This Code of Ethics has been adopted as part of the Corporation's Bylaws for the

## EXHIBIT C

following purposes: (a) to encourage high ethical standards in official conduct by Directors and corporate officers; and (b) to establish guidelines for such ethical standards of conduct.

### Section 2. *Conflicts of Interest.*

(a) Except as provided in subsection (c), a Director or officer is prohibited from participating in a vote, decision, or award of a contract involving a business entity or real property in which the Director or the officer has a substantial interest, if it is foreseeable that the business entity or real property will be economically benefitted by the action. A person has a substantial interest in a business (i) if his or her ownership interest is ten percent or more of the voting stock or shares of the business entity or ownership of \$15,000 or more of the fair market value of the business entity, or (ii) if the business entity provides more than ten percent of the person's gross income. A person has a substantial interest in real property if the interest is an equitable or legal ownership with a fair market value of \$2,500 or more. An interest of a person related in the second degree by affinity (marriage relationship) or the third degree by consanguinity (blood relationship) to a Director or officer is considered a substantial interest.

(b) If a Director or a person related to a Director in the first or second degree by affinity or the first, second, or third degree by consanguinity has a substantial interest in a business entity or real property that would be pecuniarily affected by any official action taken by the Board, such Director, before a vote or decision on the matter, shall file an affidavit stating the nature and extent of the interest. The affidavit shall be filed with the Secretary of the Board.

(c) A Director who has a substantial interest in a business entity that will receive a pecuniary benefit from an action of the Board may vote on that action if a majority of the Board has a similar interest in the same action or if all other similar business entities in the City will receive a similar pecuniary benefit.

(d) An employee of a public entity may serve on the Board.

Section 3. *Acceptance of Gifts.* No Director or officer shall accept any benefit as consideration for any decision, opinion, recommendation, vote or other exercise of discretion in carrying out official acts for the Corporation. No Director or officer shall solicit, accept, or agree to accept any benefit from a person known to be interested in or likely to become interested in any contract, purchase, payment, claim or transaction involving the exercise of the Director's or officer's discretion. As used here, a benefit does not include:

(a) a fee prescribed by law to be received by a Director or officer or any other benefit to which the Director or officer is lawfully entitled or for which he or she gives legitimate consideration in a capacity other than as a Director or officer,

(b) a gift or other benefit conferred on account of kinship or a personal, professional, or business relationship independent of the official status of the Director or officer;

## EXHIBIT C

(c) an honorarium in consideration for legitimate services rendered above and beyond official duties and responsibilities if:

- (1) not more than one honorarium is received from the same person in a calendar year;
- (2) not more than one honorarium is received for the same service; and
- (3) the value of the honorarium does not exceed \$250 exclusive of reimbursement for travel, food, and lodging expenses incurred by the Director or officer in performance of the services;
- (d) a benefit consisting of food, lodging, transportation, or entertainment accepted as a guest if reported as may be required by law.

Section 4. *Bribery.* A Director or officer shall not intentionally or knowingly offer, confer or agree to confer on another, or solicit, accept, or agree to accept from another:

(a) any benefit as consideration for the Director's or officer's decision, opinion, recommendation, vote, or other exercise of discretion as a Director or officer;

(b) any benefit as consideration for the Director or officer's decision, vote, recommendation, or other exercise of official discretion in a judicial or administrative proceeding; or

(c) any benefit as consideration for a violation of duty imposed by law on the Director or officer.

Section 5. *Nepotism.* No Director or officer shall appoint, or vote for, or confirm the appointment to any office, position, clerkship, employment or duty, of any person related within the second degree by affinity or within the third degree of consanguinity to the Director or officer so appointing, voting or confirming, or to any other Director or officer. This provision shall not prevent the appointment, voting for, or confirmation of any person who shall have been continuously employed in any such office, position, clerkship, employment or duty at least thirty (30) days prior to the appointment of the Director or officer so appointing or voting.

## ARTICLE VII

### AMENDMENTS

A proposal to alter, amend, or repeal these Bylaws shall be made by the affirmative vote of a majority of the full Board at any annual or regular meeting, or at any special meeting if

## **EXHIBIT C**

notice of the proposed amendment be contained in the notice of said special meeting. Any proposed change or amendment to the Bylaws, however, must be approved by the City Council of the City to be effective.

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 14  
**DEPARTMENT:** Office of Economic Development  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 45 L & Q

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**SUBJECT**

Authorize an amendment to Resolution No. 08-2918, previously approved on October 22, 2008, which authorized Supplemental Agreement No. 3 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to: **(1)** extend the due dates of each of the remaining option fee payments by 12 months; **(2)** direct the transfer of title of the Atmos Complex without auction and bidding from ~~FC Atmos, Inc.~~ Forest City to Hamilton Atmos LP for redevelopment in accordance with the Downtown Connection TIF Project Plan through the transfer of stock in FC Atmos, Inc. and without requiring the acceleration of payment of the unpaid portion of the \$750,000 option fee prior to the new deadline dates; **(3)** require ~~FC Atmos, Inc.~~ Forest City to retain maintenance obligations through October 26, 2010 and limiting Forest City maintenance obligations to an amount not to exceed \$250,000; and **(4)** require ~~FC Atmos, Inc.~~ Forest City to continue obligations for payment of option fees in the amount of \$250,000 on October 26, 2009 and an additional \$250,000 on October 26, 2010, if Hamilton Atmos LP is unable to obtain building permits by those dates - Financing: No cost consideration to the City

**BACKGROUND**

This action will amend Section 3.03, Article III of the development agreement with Forest City for the Mercantile Block, Continental Building and Atmos Complex, as amended, to extend the due date for payment of the second \$250,000 option fee payment from October 26, 2008 to October 26, 2009; and the third \$250,000 option fee payment from October 26, 2009 to October 26, 2010, and to allow for the transfer of title for the Atmos Complex without auction and bidding requirements from FC Atmos to Hamilton Atmos LP for redevelopment in accordance with the Downtown Connection TIF District Project Plan and without requiring the acceleration for payment of the unpaid portion of the \$750,000 option fee prior to the new deadline dates.

On August 29, 2005, City Council authorized a development agreement with Forest City for the Mercantile Block, Continental Building and Atmos Complex.

## **BACKGROUND** (Continued)

This development agreement allowed Forest City to redevelop the Atmos Complex or cause the Atmos Complex to be redeveloped by another developer.

If building permits were not obtained for the redevelopment of the Atmos Complex on or by October 26, 2007 Forest City was to pay a \$250,000 option fee to the City.

The City has received the October, 2007 option fee payment from Forest City. Additional option fee payments of \$250,000 are also to be paid to the City on October 26, 2008 and October 26, 2009, should Forest City fail to obtain building permits for the redevelopment of the Atmos Complex on or by those dates, respectively.

In September, 2008, staff began discussions with Forest City on allowing another developer to redevelop the Atmos Complex. This request to extend the remaining option fee payment dates would allow Forest City to cause the Atmos Complex to be redeveloped by Hamilton Atmos LP permitting the construction of 225 luxury residential units, 10,000 square feet of ground floor retail and 282 parking spaces.

FC Atmos shall remain liable for the payment of the option fees until building permits are obtained for the redevelopment of the Atmos Complex or until the new option fee payment deadline dates. In addition, FC Atmos shall maintain all obligations per the development agreement approved on August 29, 2005 regarding operational, maintenance, repair and utility costs until the Atmos Complex is completely redeveloped or the property is conveyed back to the City.

Should FC Atmos fail to cause Hamilton Atmos LP to pull building permits for the redevelopment of the entire complex by October 26, 2009, FC Atmos shall pay the City \$250,000 of the option fees. If Hamilton Atmos LP is unable to obtain building permits by October 26, 2010, FC Atmos shall pay the second option fee payment of \$250,000. The City shall not be required to reimburse FC Atmos or any other developer for any costs incurred on their behalf should the Atmos Complex fail to be redeveloped by either party.

Should FC Atmos transfer the Atmos Complex to Hamilton Atmos LP and Hamilton Atmos LP fails to obtain building permits for the redevelopment of the entire Atmos Complex by October 26, 2010, the Atmos Complex will revert to the City.

On June 8, 2005, the 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 to promote development and redevelopment in the Uptown and Downtown areas through the use of tax increment financing by Ordinance No. 26020.



## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 8, 2005, the City Council authorized sponsoring the DDDA as a local government corporation for the public purpose of aiding, assisting, and acting on behalf of the City in the performance of its governmental functions to promote the City, including the development of the geographic areas of the City included within Tax Increment Financing Zone No. Five, City of Dallas, Texas, (City Center TIF District) and the Downtown Connection TIF District and authorizing the City Manager to file the DDDA articles of incorporation with the Secretary of State by Resolution No. 05-1755.

On June 22, 2005, the City Council authorized the City Manager to negotiate definitive documents with Forest City subject to future City Council review and approval for the development of the Mercantile Block, the Continental Building, the Atmos Complex and the Main Street Gardens Park by Resolution No. 05-2012.

On August 26, 2005, the Downtown Connection TIF District Board of Directors reviewed and approved the terms, including TIF funding in an amount not to exceed \$70,500,000, for the Mercantile Complex, the Continental Building and the Atmos Energy Buildings including (a) authorization for the City Manager to enter into a development agreement with Forest City, (b) authorization of a tri-party agreement between the City, the Downtown Connection TIF District Board of Directors, and the DDDA (LGC) that permits the LGC to issue 30-year contract revenue bonds, approved by City Council and supported by TIF revenues and general fund annual appropriations of Chapter 380 grants, and (c) authorization for certain contracting rights and responsibilities to be assigned to DDDA.

On August 29, 2005, the City Council authorized the Downtown Connection TIF District Project Plan and Reinvestment Zone Financing Plan (the "Project and Financing Plan") by Ordinance No. 26096.

On August 29, 2005, the City Council authorized a development agreement among the City of Dallas, the Downtown Dallas Development Authority (DDDA), and Forest City, to provide for the funding of environmental remediation, demolition, facade improvements, and grants for the development and redevelopment of the Mercantile Complex at 1704 Main Street, 1802 Main Street, 1808 Main Street and 1807 Commerce Street, the Continental Building at 1810 Commerce Street, and the Atmos Complex at 1815 Wood Street, 1915 Wood Street, 301 S. Harwood, and 1900 Jackson), and design work for the Main Street Gardens Park bounded by Main, St. Paul, Commerce and Harwood in Tax Increment Financing Reinvestment Zone Eleven (Downtown Connection TIF District) by Resolution No. 05-2545.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (Continued)

On November 2, 2005, the City Council authorized acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from Susan Diggle Horton individually and as trustee of the trust created under the will of Sue Ragland Diggle, deceased; Alphonse Ragland, III; CSR Ventures, Ltd.; LTR Ventures #2, Ltd.; and Alphonso Ragland, III, Cruger S. Ragland and Lila Ragland Brown, as trustees of the trust created under the will of Portia Ragland McIver, deceased; of approximately 10,000 square feet of land located near the intersection of Commerce and St. Paul Streets for the Mercantile Block Redevelopment Project in Tax Increment Financing Reinvestment Zone Number Eleven (Downtown Connection TIF District) by Resolution No. 05-3196.

On March 8, 2006, the City Council authorized (1) the issuance and sale of up to \$51,000,000 in Downtown Dallas Development Authority Contract Tax Increment Revenue Bonds for the Mercantile project improvements; (2) approval of the Preliminary Official Statement, Trust Indenture and Bond Resolution; and, (3) enacting other provisions in connection therewith by Resolution No. 06-0873.

On March 8, 2006, the Downtown Dallas Development Authority Board of Directors authorized the issuance of Downtown Dallas Development Authority Tax Increment Contract Revenue Bonds, taxable series 2006, in an aggregate principal amount not to exceed \$51,000,000; approving a bond purchase agreement and other contract documents relating to the taxable series 2006 bonds; and containing other provisions related thereto.

On April 12, 2006, the City Council authorized the re-adoption of the Public/Private Partnership Program Guidelines and Criteria for Non-Residential Projects, pursuant to the Property Redevelopment and Tax Abatement Act (V.T.C.A., Tax Code, Chapter 312), governing tax abatement agreements and other city incentives intended to promote private investment, tax base growth and job creation.

On May 11, 2006, the Downtown Dallas Development Authority Board of Directors authorized an amendment to the provisions of Section 1.02 thereby consenting to Forest City's acquisition of the fee interest in the ground lease parcel in lieu of condemnation and reprogramming the \$2,500,000 in bond proceeds earmarked for condemnation to other programs in furtherance of the implementation of the Downtown Connection TIF District project and financing plan.

On June 14, 2006, this item was deferred by Councilmember Mitchell Rasansky.

On June 28, 2006, this item was deferred by Council majority.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (Continued)

On August 9, 2006, the City Council authorized Supplemental Agreement No. 1 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to revise the provisions of Section 1.02 thereby consenting to Forest City's acquisition of the fee interest in the ground lease parcel in lieu of condemnation and directing the DDDA to reprogram the \$2,500,000 in bond proceeds that have been earmarked for condemnation to other programs in furtherance of the implementation of the Downtown Connection TIF District project and financing plan by Resolution No. 06-2065.

On June 13, 2007, the City Council authorized Supplemental Agreement No. 2 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to extend the completion date of the Continental Building from October 3, 2009 to June 3, 2011 by Resolution No. 07-1821.

On September 30, 2008, the Downtown Connection TIF District and the Dallas Downtown Development Authority Board of Directors approved amending the Downtown Connection TIF District Project and Financing Plan to allow the City to lease, sell or convey interest in city-owned land, without solicitation of bids, to a developer for the restoration and redevelopment of the land in accordance with the objectives of Tax Increment Financing Zone Number Eleven, City of Dallas, Texas.

On October 14, 2008, the Downtown Connection TIF District and the Dallas Downtown Development Authority Board of Directors approved Supplemental Amendment No. 3 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the "DDDA"), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and Merc Lessee (collectively "Forest City") to: (a) extend the due dates of each of the remaining option fee payments by 12 months; (b) direct the transfer of title of the Atmos Complex without auction and bidding from FC Atmos to Hamilton Atmos LP for redevelopment in accordance with the Downtown Connection TIF Project Plan and without requiring the acceleration of payment of the unpaid portion of the \$750,000 option fee prior to the new deadline dates; (c) require FC Atmos to retain maintenance obligations through October 26, 2010; and (d) require FC Atmos to continue obligations for payment of option fees of \$250,000 on October 26, 2009 and an additional \$250,000 on October 26, 2010 if Hamilton Atmos LP is unable to obtain building permits by those dates.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (Continued)

On October 22, the City Council authorized Supplemental Agreement No. 3 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to: **(1)** extend the due dates of each of the remaining option fee payments by 12 months; **(2)** direct the transfer of title of the Atmos Complex without auction and bidding from FC Atmos, Inc. to Hamilton Atmos LP for redevelopment in accordance with the Downtown Connection TIF Project Plan and without requiring the acceleration of payment of the unpaid portion of the \$750,000 option fee prior to the new deadline dates; **(3)** require FC Atmos, Inc. to retain maintenance obligations through October 26, 2010; and **(4)** require FC Atmos, Inc. to continue obligations for payment of option fees of \$250,000 on October 26, 2009 and an additional \$250,000 on October 26, 2010 if Hamilton Atmos LP is unable to obtain building permits by those dates by Resolution No. 08-2918.

On January 23, 2009, the Downtown Connection TIF District and the Dallas Downtown Development Authority Board of Directors approved an amendment to Resolution No. 08-2918, previously approved on October 22, 2008, which authorized amending Resolution No. 08-2919, previously approved on October 22, 2008, which permit the transfer of the Atmos Complex through the transfer of stock in FC Atmos, Inc., in lieu of transferring the tile of the separate properties.

On February 2, 2009, a memo was submitted to the Economic Development Committee regarding the amendment to Resolution No. 08-2918, previously approved on October 22, 2008, to permit the transfer of the Atmos Complex through the transfer of stock in FC Atmos, Inc. to Hamilton Atmos, LP, in lieu of transferring the title of the separate properties.

**FISCAL INFORMATION**

No cost consideration to the City

**OWNER**

**Forest City**

Albert Ratner, Chairman of the Board

**DEVELOPER**

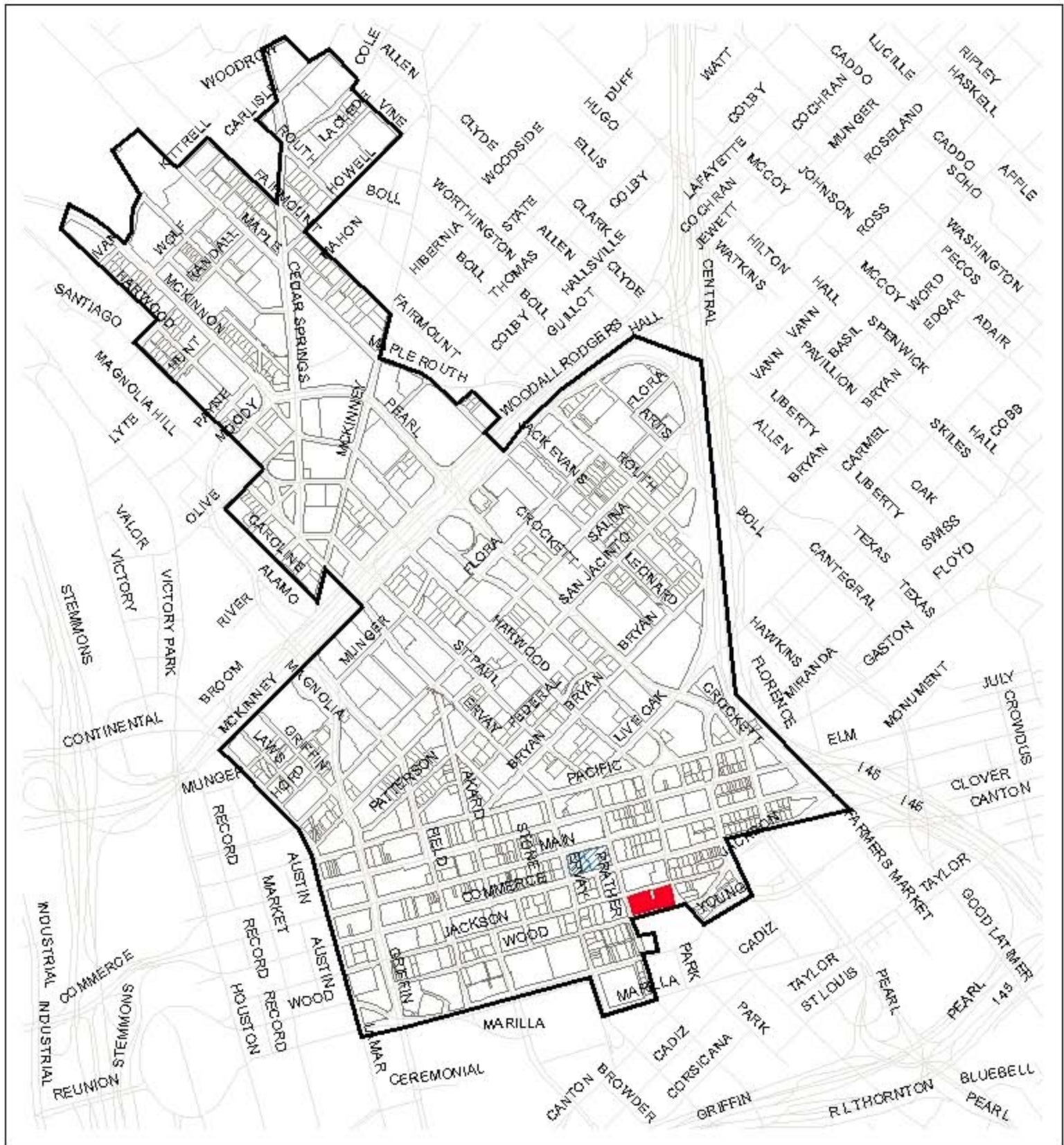
**Forest City**

David Levey, Executive for Residential Development

**MAP**

Attached.

# Mercantile Block & Atmos Complex



-  Downtown Connection TIF District
-  Atmos Complex
-  Mercantile Block



**City of Dallas**

Office of Economic Development  
October 2008



February 11, 2009

**WHEREAS**, on August 29, 2005, the City Council authorized the Downtown Connection TIF District Project Plan and Reinvestment Zone Financing Plan (the "Project and Financing Plan") by Ordinance No. 26096 (City Secretary File Number 05-2544); and

**WHEREAS**, on August 29, 2005, the City Council authorized a development agreement among the City of Dallas, the Downtown Dallas Development Authority (DDDA), and Forest City, as defined herein, to provide for the funding of environmental remediation, demolition, facade improvements, and grants for the development and redevelopment of the Mercantile Complex at 1704 Main Street, 1802 Main Street, 1808 Main Street and 1807 Commerce Street, the Continental Building at 1810 Commerce Street, and the Atmos Complex at 1815 Wood Street, 1915 Wood Street, 301 S. Harwood, and 1900 Jackson), and design work for the Main Street Gardens Park bounded by Main, St. Paul, Commerce and Harwood in Tax Increment Financing Reinvestment Zone Eleven (Downtown Connection TIF District) by Resolution No. 05-2545; and

**WHEREAS**, on November 2, 2005, the City Council authorized the acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from Susan Diggle Horton individually and as trustee of the trust created under the will of Sue Ragland Diggle, deceased; Alphonse Ragland, III; CSR Ventures, Ltd.; LTR Ventures #2, Ltd.; and Alphonso Ragland, III, Cruger S. Ragland and Lila Ragland Brown, as trustees of the trust created under the will of Portia Ragland McIver, deceased; of approximately 10,000 square feet of land located near the intersection of Commerce and St. Paul Streets for the Mercantile Block Redevelopment Project in Tax Increment Financing Reinvestment Zone Number Eleven (Downtown Connection TIF District) by Resolution No. 05-3196; and

**WHEREAS**, on March 8, 2006, the City Council authorized (1) the issuance and sale of up to \$51,000,000 in Downtown Dallas Development Authority Contract Tax Increment Revenue Bonds for the Mercantile project improvements; (2) approval of the Preliminary Official Statement, Trust Indenture and Bond Resolution; and, (3) enacting other provisions in connection therewith by Resolution No. 06-0873; and

**WHEREAS**, on April 12, 2006, the City Council authorize the re-adoption of the Public/Private Partnership Program Guidelines and Criteria for Non-Residential Projects, pursuant to the Property Redevelopment and Tax Abatement Act (V.T.C.A., Tax code, Chapter 312), governing tax abatement agreements and other city incentives intended to promote private investment, tax base growth and job creation; and

February 11, 2009

**WHEREAS**, on August 9, 2006, the City Council authorized Supplemental Agreement No. 1 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to revise the provisions of Section 1.02 thereby consenting to Forest City's acquisition of the fee interest in the ground lease parcel in lieu of condemnation and directing the DDDA to reprogram the \$2,500,000 in bond proceeds that have been earmarked for condemnation to other programs in furtherance of the implementation of the Downtown Connection TIF District project and financing plan by Resolution No. 06-2065; and

**WHEREAS**, on June 13, 2007, the City Council authorize Supplemental Agreement No. 2 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to extend the completion date of the Continental Building from October 3, 2009 to June 3, 2011 by Resolution No. 07-1821; and

**WHEREAS**, on September 30, 2008, the Downtown Connection TIF District and the Dallas Downtown Development Authority Board of Directors approved amending the Downtown Connection TIF District Project and Financing Plan to allow the City to lease, sell or convey interest in city-owned land, without solicitation of bids, to a developer for the restoration and redevelopment of the land in accordance with the objectives of Tax Increment Financing Zone Number Eleven, City of Dallas, Texas; and

**WHEREAS**, on October 14, 2008, the Downtown Connection TIF District and the Dallas Downtown Development Authority Board of Directors approved Supplemental Agreement No. 3 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the "DDDA"), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and Merc Lessee (collectively "Forest City") to (a) extend the due dates of each of the remaining option fee payments by 12 months; (b) direct the transfer of title of the Atmos Complex without auction and bidding from FC Atmos to Hamilton Atmos LP for redevelopment in accordance with the Downtown Connection TIF Project Plan and without requiring the acceleration of payment of the unpaid portion of the \$750,000 option fee prior to the new deadline dates; (c) require FC Atmos to retain maintenance obligations through October 26, 2010, and (d) require FC Atmos to continue obligations for payment of option fees of \$250,000 on October 26, 2009 and an additional \$250,000 on October 26, 2010 if Hamilton Atmos LP is unable to obtain building permits by those dates.



February 11, 2009

**WHEREAS**, on October 22, 2008, City Council authorized Supplemental Agreement No. 3 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the DDDA), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and FC Lessee (collectively Forest City) to (a) extend the due dates of each of the remaining option fee payments by 12 months; (b) direct the transfer of title of the Atmos Complex without auction and bidding from FC Atmos to Hamilton Atmos LP for redevelopment in accordance with the Downtown Connection TIF Project Plan and without requiring the acceleration of payment of the unpaid portion of the \$750,000 option fee prior to the new deadline dates; (c) require FC Atmos to retain maintenance obligations through October 26, 2010, and (d) require FC Atmos to continue obligations for payment of option fees of \$250,000 on October 26, 2009 and an additional \$250,000 on October 26, 2010 if Hamilton Atmos LP is unable to obtain building permits by those dates by Resolution No. 08-2918.

**WHEREAS**, On January 23, 2009, the Downtown Connection TIF District and the Downtown Dallas Development Authority Boards of Directors approved amending Supplemental Agreement #3 to the Mercantile Development Agreement to permit the transfer of stock in FC Atmos, Inc. to Hamilton Atmos, Inc. in lieu of transferring the separate properties comprising of the Atmos Complex.

**NOW, THEREFORE,**

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

**Section 1.** That Supplemental Agreement No. 3 to the development agreement among the City of Dallas, the Downtown Dallas Development Authority (the "DDDA"), and FC Merc Complex, L.P., FC Continental Complex, L.P., FC Atmos, Inc., and Merc Lessee (collectively "Forest City") is hereby approved, extending the due dates for payment of the second \$250,000 ~~option fees~~ liquidated damages payment by 12 months, from October 26, 2008 to October 26, 2009 and the third \$250,000 ~~option fees~~ liquidated damages payment from October 26, 2009 to October 26, 2010, and to allow for the transfer of ~~title for~~ the Atmos Complex without auction and bidding requirements from ~~FC Atmos~~ Forest City to Hamilton Atmos LP for redevelopment in accordance with the Downtown Connection TIF Project Plan through the transfer of stock in FC Atmos, Inc. and without requiring the acceleration of payment of the unpaid portion of the \$750,000 option fee prior to the new deadline dates.

**Section 2.** That in consideration for the payment extensions, ~~FC Atmos~~ Forest City shall: a) cause the Atmos Complex to be redeveloped by Hamilton Atmos LP, b) retain maintenance obligations in an amount not to exceed \$250,000, through October 26, 2010; and (c) continue obligations for payment of ~~option fees~~ liquidated damages of \$250,000 on October 26, 2009 and an additional \$250,000 on October 26, 2010 if Hamilton Atmos LP is unable to obtain building permits by those dates.

February 11, 2009

**Section 3.** That the Development Agreement, as previously amended, shall remain in full force and effect except as amended herein.

**Section 4.** That this resolution shall 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.

Distribution: Office of Economic Development - Tenna Kirk, 5CS  
Office of Economic Development - Vernae Martin, 2CN  
Office of Economic Development - Bryan Haywood, 2CN  
City Attorney's Office - Barbara Martinez

**ADDENDUM ITEM # 12**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Financial Services

**CMO:** Dave Cook, 670-7804

**MAPSCO:** N/A

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**SUBJECT**

Authorize adoption of a compromise, settlement and release agreement between City of Dallas and Oncor Electric Delivery Company LLC - Estimated Annual Revenue: \$500,000

**BACKGROUND**

Oncor Electric Delivery Company (formerly known as Texas Utilities Inc.) provides electric delivery service in Dallas in accordance with City franchise Ordinance No. 21666, as amended.

In 1999 with the adoption of SB7 by the State Legislature the electric industry was deregulated. As part of the deregulation process, SB7 prescribed a franchise fee methodology based on a fixed fee per kWh delivered within the franchise area.

In June of 2000 the City of Denton and 36 other cities sued TXU Electric (n.k.a Oncor Electric Delivery Company LLC) alleging that Oncor had underpaid franchise fees. Denton and the other cities claimed that Oncor had inappropriately excluded certain categories of revenue from gross receipts used to calculate franchise fees prior to deregulation. The City of Dallas was not a party to that suit due to differences in our franchise versus the other cities franchises. At issue were franchise fees paid on Contributions In Aid of Construction (CIAC) and some other discretionary service charges.

The litigating cities and Oncor reached a settlement of the law suit in 2002 resulting in a lump sum payment to the settling cities, additional fees being paid to the litigating cities going forward and no admission of liability by Oncor.

After months of negotiations, City Staff and Oncor have reached agreement on terms of the franchise renewal. As part of franchise negotiations staff requested Oncor to pay a 4% franchise fee on discretionary service charges including CIAC. Oncor is currently paying this fee to the litigating cities that settled with them.

**BACKGROUND** (Continued)

Oncor agreed to pay these franchise fees to the City as part of the new franchise provided that the City adopt a Compromise, Settlement and Release Agreement similar to the one adopted by the litigating cities. Future revenue to the City would be approximately \$500,000 annually to the General Fund.

**PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

The City Council was briefed on February 4, 2009.

**FISCAL INFORMATION**

Estimated Annual Revenue - \$500,000.

February 11, 2009

**WHEREAS** Oncor Electric Delivery Company LLC (formerly known as Texas Utilities Inc.) has provided electric delivery service in Dallas in accordance with City franchise Ordinance No. 21666, as amended; and

**WHEREAS** With the adoption of SB7 in 1999 by the State Legislature, the electric industry was deregulated; and as part of the deregulation process SB7 prescribed a franchise fee methodology based on a fixed fee per kWh delivered within the franchise area; and

**WHEREAS** In June of 2000 the City of Denton and 36 other Texas cities that did not include Dallas (the Litigating Cities) sued TXU Electric (n.k.a Oncor Electric Delivery Company LLC) alleging that Oncor had underpaid franchise fees, and Denton and the other cities claimed that Oncor had inappropriately excluded certain categories of revenue from gross receipts used to calculate franchise fees prior to deregulation (the "Litigation") and The City of Dallas was not a Litigating City due to differences in its franchise language compared to the franchise language of other cities; and

**WHEREAS** The franchise fees at issue in the Litigation were those paid on Contributions In Aid of Construction (CIAC) and certain other discretionary service charges; and

**WHEREAS** The Litigating Cities and Oncor reached a settlement of the Litigation in 2002 resulting in a lump sum payment to the Litigating Cities, additional fees being paid to the Litigating Cities going forward and no admission of liability by Oncor; and

**WHEREAS** After months of negotiations, City and Oncor have reached agreement on terms of the renewal of Oncor's franchise and as part of franchise negotiations City staff requested Oncor to pay a 4% franchise fee on discretionary service charges including CIAC, which Oncor is paying currently to the Litigating Cities; and

**WHEREAS** Oncor has agreed to pay these franchise fees to the City as part of the new franchise, on condition that the City adopt a Compromise, Settlement and Release Agreement similar to the one adopted by the litigating cities; and

**WHEREAS** The City of Dallas has never formally claimed that Oncor was obligated to pay to the City of Dallas any of the CIAC or the other fees that were at issue in the Litigation under the franchise nor demanded payment from Oncor of such fees, under Ordinance No. 21666, and any claims that the City of Dallas may have for payment of such fees under Ordinance No. 21666 would be doubtful as to validity and amount. Moreover, under the terms of the renewal of the franchise, the City of Dallas will be receiving consideration that is of reasonably equivalent value to any claims that are authorized for release by this Resolution.

February 11, 2009

**Now, Therefore,**

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

**Section 1.** That the City Manager, upon approval as to form by the City Attorney, is hereby authorized to execute a COMPROMISE, SETTLEMENT AND RELEASE AGREEMENT, by whatever name denominated, with Oncor Electric Delivery Company LLC, respecting any claims of the City for CIAC and other fees that were the subject of the Litigation for the period during which Oncor's franchise has been and will be effective under Ordinance No. 21666.

**Section 2.** That the City Controller is authorized to deposit revenues received from Oncor Electric Delivery LLC to Fund 0001, Dept. BMS, Unit 1246, Revenue Code 8203.

**Section 3.** That this resolution shall take affect 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.

**ADDENDUM ITEM # 13**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Financial Services

**CMO:** Dave Cook, 670-7804

**MAPSCO:** N/A

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**SUBJECT**

An ordinance granting a franchise to Oncor Electric Delivery Company LLC, for a term of fifteen years to provide electric distribution services within the City and providing for compensation - Estimated Annual Revenue: \$48,000,000

**BACKGROUND**

Oncor Electric Delivery Company LLC (formerly known as Texas Utilities Inc.) provides electric delivery service in Dallas in accordance with City franchise Ordinance No. 21666, as amended. The franchise will expire by its own terms on March 31, 2009.

In 1999 with the adoption of SB7 by the State Legislature the electric industry was deregulated. As part of the deregulation process, TXU Inc. required to functionally separate its business into separate entities. Oncor Electric Delivery Company LLC is the entity that owns and operates the Electric Transmission and Distribution system and is franchised by the City to use public rights-of-ways. SB7 in addition to requiring functional separation of the incumbent electric utility, also prescribed a franchise fee methodology based on a fixed fee per kWh delivered within the franchise area. The initial fee was based on 1998 actual franchise fees and 1998 kWh.

In January 2006 the City of Dallas and Oncor reached an agreement to resolve outstanding franchise issues (Resolution No. 06-0368). As part of that agreement Oncor was to increase its franchise fee factor by 5% over 4 years. The final portion of that increase went into effect January 1, 2009 and the associated expense to Oncor is included in its current rate case pending before the PUC of Texas.

After months of negotiations, City Staff and Oncor have reached an agreement on terms of the franchise renewal. This franchise Ordinance provides for the City's continued management of the public rights-of-ways as well as requiring reasonable compensation for its use by Oncor. The term of the franchise is for 15 years and will require Oncor to keep its principal office in the City of Dallas.

**PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

On September 10, 2008, the current franchise was extended by Ordinance No. 27317.

On February 4, 2009, the City Council was briefed.

**FISCAL INFORMATION**

Estimated Annual Revenue - \$48,000,000.



**ORDINANCE NO. \_\_\_\_\_**

**An Ordinance granting to Oncor Electric Delivery Company LLC a franchise for the purpose of constructing, maintaining, and using an electric delivery utility system in the City of Dallas; regulating the construction work done by the grantee in the city; requiring joint use of poles, trenches, and conduits in certain instances; prescribing the relationship and relative rights between grantee and others with respect to construction in the city and location of facilities; prescribing the duties, responsibilities, and rule making authority of the City Manager and the City with respect to administration of this franchise; requiring certain records and reports and providing for inspections and location of principal offices; reserving to the governing body of the city the right to set charges and rates of grantee; providing the rights and responsibilities of the governing body in setting the rates; providing for enforcement of the franchise; prescribing the compensation to the city from the grantee for the franchise privilege; providing for assignment of the franchise; providing indemnity of the city and its employees; providing for good faith effort; providing for insurance; setting forth the term of the franchise and its renewal; repealing Ordinance No. 21666 as amended; providing for acceptance of the franchise by grantee; and providing an effective date.**

**BE IT ORDAINED BY THE CITY COUNCIL OF DALLAS, TEXAS:**

**SECTION 1. GRANT OF AUTHORITY**

There is hereby granted to Oncor Electric Delivery Company LLC, its successors and assigns, (herein called "Company") the right, privilege, and franchise to construct, extend, maintain and operate in, along, under and across the present and future streets, alleys, highways, public utility easements, and public ways ("Public Rights-of-Way") of the City of Dallas, Texas, (herein called "City"), electric power lines, with all necessary or desirable appurtenances (including underground conduits, poles, towers, wires, transmission lines and other structures, and telephone and communication lines for Company's own use) ("System") for the purpose of delivering electricity to the City, the inhabitants thereof, and persons, firms and corporations beyond the corporate limits thereof, for the term set out in Section 16.

**SECTION 2. CITY AUTHORITY; DELEGATION**

(a) The City Manager of the City of Dallas or designee, if any (City Manager), is the principal City officer responsible for the administration of this franchise and shall oversee and review the operations of Company under this franchise. The City may delegate to the City Manager the exercise of any of the powers conferred upon the City by its charter or by law relating to supervising Company in the exercise of the rights and privileges herein conferred, including calculation of payments due to the City under this franchise or state law. The City Manager shall have the authority to make and publish, after notice to those affected and an opportunity to submit written comments, such rules and regulations necessary to carry out the duties and power conferred upon the City Manager.

(b) The governing body of the City reserves to itself exclusively the power to establish policy, and to fix and regulate the general charges, rates, and services of the Company, to the full extent that such power is provided in the charter, this franchise, and state law. The City Manager shall have the authority to make and publish, after notice to those affected and an

opportunity to submit written comments, such rules and regulations as necessary to assist the governing body of the City in exercising its reserved powers.

(c) The City and the City Manager shall have full authority to administer this franchise and to keep fully informed as to all matters in connection with or affecting the construction, reconstruction, maintenance, operation, and repair of the properties of the Company's System within the City's Public Rights-of-Way. Irrespective of whether City retains original jurisdiction over the rates and services of Company, the City and the City Manager shall maintain full authority to administer this franchise and to oversee and review the operations of the Company pursuant to the terms of this franchise.

(d) The City Manager shall provide written notice to the Company of any designee contemplated by this section. The City Manager may limit, change, or revoke such designation at will by service of written notice to the Company. Such designation, limitation, change or revocation shall not be effective until service of written notice thereof on the Company, except that changes due solely to succession in office or position of a City officer or employee shall become effective immediately and the City shall serve written notice thereof on the Company within a reasonable time.

### SECTION 3. REGULATION BY CITY & PLACEMENT OF COMPANY FACILITIES

(a) Work done in connection with the construction, reconstruction, maintenance, repair or operation of the Company's System shall be subject to and governed by all valid and enforceable ordinances, laws, rules, and regulations of the City and the State of Texas. To the extent that such City ordinances rules and regulations conflict with specific provisions of this Franchise, the Franchise provisions apply, to the extent allowed by law.

(b) Nothing herein shall be deemed a waiver, release or relinquishment of either party's right to contest, appeal, or file suit with respect to any action or decision of the other party, including ordinances adopted by the City that Company believes is in violation of any federal, state, or local law or regulation. The City will endeavor to provide Company notice and opportunity to review and comment upon proposed ordinances relating to the Public Rights-of-Way.

(c) The governing body of the City may require Company from time to time to place certain facilities underground. If the governing body of the City so requires placement of facilities underground, adequate provision shall be made to compensate Company for the increased costs involved.

(d) In accordance with direction given by the authority of the governing body under the police and regulatory powers of the City, the placement of poles and excavations and other construction in the Public Rights-of-Way shall interfere as little as practicable with the use of the streets, sidewalks, and alleys. Company has the right to request City Council review of this or any actions concerning Company use of the Public Rights-of-Way.

(e) Company shall construct its facilities in conformance with the applicable provisions of the National Electric Safety Code.

### SECTION 4. CONSTRUCTION AND MAINTENANCE; EXCAVATION

(a) Except in an emergency, the Company shall comply with applicable City ordinances and rules pertaining to notification, when excavating in any Public Rights-of-Way. The City shall be notified as soon as practicable regarding work performed under emergency conditions and Company shall comply with the City's reasonable requirements for restoration of the excavated area.

(b) City shall have the ability at any time to require Company to repair, remove or abate any distribution pole, wire, cable, or other distribution structure that is determined to be unnecessarily dangerous to life or property. After receipt of notice, Company shall either cure

said dangerous condition within a reasonable time, or provide City with facts or arguments in refuting or defending its position that said condition is not a condition that is unnecessarily dangerous to life or property. In the event City finds that Company has not sufficiently addressed said dangerous condition by either of the aforementioned methods, City shall be entitled to exercise any and all of the following cumulative remedies:

1. The commencement of an action against Company at law for monetary damages.
2. The commencement of an action in equity seeking injunctive relief or the specific performance of any of the provisions, which as a matter of equity, are specifically enforceable.

(c) The rights and remedies of City and Company set forth in this Franchise Agreement shall be in addition to, and not in limitation of, any other rights and remedies provided by law or in equity. City and Company understand and intend that such remedies shall be cumulative to the maximum extent permitted by law and the exercise by City of any one or more of such remedies shall not preclude the exercise by City, at the same or different times, of any other such remedies for the same failure to cure. However, notwithstanding this Section or any other provision of this Franchise, City shall not recover both liquidated damages and actual damages for the same violation, breach, or noncompliance, either under this Section or under any other provision of this Franchise.

(d) In the event that the performance by either party of any of its obligations or undertakings hereunder shall be interrupted or delayed by an act of God or the common enemy or the result of war, riot, civil commotion, sovereign conduct, or the act or conduct of any person or persons not party or privy hereto, then such party shall be excused from performance for a period of time as is reasonably necessary after such occurrence to remedy the effects thereof, and each party shall bear the cost of any expense it may incur due to the occurrence.

(e) Company shall promptly restore to as *good* condition as before working thereon, and to the reasonable satisfaction of the City, Public Rights-of-Way excavated by it.

#### SECTION 5. JOINT USE OF POLES, TRENCHES, AND CONDUITS

(a) Company may be required to attach its wires to poles owned and maintained by another person or corporation, or to permit the wires of another person or corporation to be attached to the poles owned and maintained by the Company, upon reasonable terms and for just compensation. The Company may require another person or corporation to furnish evidence of adequate insurance and provide indemnity covering the Company and adequate bonds covering the performance of the person or corporation attaching to the Company's poles as a condition precedent to giving permission to any person or corporation to attach wires to Company's poles. Company's requirement for such insurance and indemnity must be reasonable.

(b) The Company shall have authority to require that all work undertaken, by or on behalf of another person or corporation, on any Company poles shall be performed in accordance with the following safety and engineering standards; (1) the National Electrical Safety Code; (2) the rules and regulations of the Occupational Safety & Health Administration ("OSHA"); (3) other applicable laws or regulations of any governing authority or regulatory body, having jurisdiction; and (4) Company's standards and procedures, and shall not interfere with the erection, replacement, operation, repair, or maintenance of the wires and appurtenances of the persons or corporation occupying the poles. Company shall not be required to attach its wires to the poles of another person or corporation or to permit the wires of another person or corporation to be attached to Company's poles if it can be satisfactorily shown that Company will be subjected to increased risks of interruption of service or liability for accidents, or if the poles, wire, and appurtenances of such other person or corporation are not of the character, design, and

construction required by or are not being maintained in accordance with modern practice, or if sufficient clearance or space is not available on the pole.

(c) Company may be required by the city to share trench space for cables or ducts with another person or corporation for the placement of cables or wires underground. Compensation to the Company as well as terms of sharing trench space shall be resolved as provided in subsection (a) of this section. Also, Company may require insurance and indemnification as provided in subsection (a). Ducts, cables, or wires shall be placed in trenches in compliance with applicable safety standards and in a manner that does not interfere with Company's cables or wires, as provided in subsection (b).

#### SECTION 6. UNDERGROUND CONDUITS AND POLES -USE BY CITY.

(a) If Company shall from time to time have spare ducts in its underground conduits or space on any of its poles, in the allotted communications space, not then necessary in the conduct of its business, it shall permit the City to use one such duct in each conduit or reasonable communications space on poles, or both, for the City's police and fire alarm wires, traffic control wire or cable, fiber optic lines connecting City facilities or other similar, appropriate non-commercial, governmental use. If additional duct(s) or communications space is not available for City as requested, City shall be responsible for any and all construction costs related to providing the additional duct(s) or communications space as requested. If Company shall construct or extend additional conduits or erect additional poles, the governing body of the City may require the Company to provide one such duct in each conduit, or reasonable communications space on poles, or both, for the City's own use as aforesaid understanding that Company does not reserve conduit or communications space on poles for other parties. In either event, the City shall pay Company a fair rental therefore. The requirements of Section 5(b) apply to City use of Company conduits and poles.

(b) Company shall cooperate with the City at all times by providing timely and complete information regarding the location of conduits and poles, upon request. Company and City shall cooperate and coordinate their efforts to make the most efficient and economical use of facilities.

(c) City shall not sell, lease or otherwise make available its rights to use Company's facilities to any third party for commercial purposes. Such rights are provided solely for the non-commercial, governmental use by the City. However, this restriction shall not prevent the City from using the services of a third party commercial entity to manage or operate the City's facilities on behalf of the City, so long as no resale or other commercial use of such facilities shall occur.

(d) Company is not authorized to license or lease to any person or entity the right to occupy or use the City's Public Rights-of-Way for the conduct of any private business.

#### SECTION 7. CONFORMANCE WITH PUBLIC IMPROVEMENTS

Whenever by reason of any changes, of any street, sidewalk, curb, alley, highway or public way or in the location or manner of constructing any water or wastewater pipe, gas pipe, storm sewer, or other underground or overhead structure for any governmental purpose, it shall be deemed necessary by the governing body of the City to remove, alter, change, adapt, or conform the underground or overhead facilities of Company located in the public right-of-way, such alterations or changes shall be made as soon as practicable by Company when ordered in writing by the City, without claim for reimbursement or damages against the City; provided, however, if said requirements impose a financial hardship upon the Company, the Company shall have the right to present alternative proposals for the City's consideration. The City shall not require Company to remove its facilities from Public Rights-of-Way unless suitable alternatives are available either within other City Public Rights-of-Way or elsewhere agreeable

to the City and the Company.

#### SECTION 8. WORK BY OTHERS

(a) The City reserves the right to lay, and permit to be laid, storm sewer, gas, water, wastewater and other pipe lines, cables, and conduits, and to do and permit to be done any underground or overhead work that may be necessary or proper in, across, along, over, or under a Public Rights-of-Way occupied by the Company. The City also reserves the right to change in any manner any curb, sidewalk, highway, alley, public way or street. In permitting such work to be done, the City shall not be liable to the Company for any damage so occasioned, except as provided in Section 14 hereof, but nothing herein shall relieve any other person or corporation from responsibility for damages to the facilities of Company.

(b) In the event that the governing body of the City authorizes someone other than the Company to occupy space within the Public Rights-of-Way, such grant shall be subject to the rights herein granted or heretofore obtained by the Company. In the event that the governing body of the City shall close or abandon any Public Rights-of-Way which contains existing facilities of the Company, any conveyance of land within such closed or abandoned Public Rights-of-Way shall be subject to the rights herein granted or heretofore obtained by Company. Provided, that the Company may be ordered to vacate any land so conveyed if an alternate route is practicable and if the Company is reimbursed by the person to whom the property is conveyed for the reasonable costs of removal and relocation of facilities.

(c) If the City shall require Company to adapt or conform its facilities, or in any way or manner to alter, relocate, or change its property to enable any other corporation or person, except the City, to use, or use with greater convenience, said Public Rights-of-Way, Company shall not be bound to make any such changes until such other corporation or person shall have undertaken, with good and sufficient bond, to reimburse the Company for any cost, loss, or expense which will be caused by, or arise out of such change, alteration, or relocation of Company's property; provided however, that the City shall never be liable for such reimbursement, due to Company from such other corporation or person.

#### SECTION 9. COMPENSATION

As compensation for the rights and privileges herein conferred, Company shall pay to the City each quarter a sum of money equal to a franchise fee factor as authorized by Section 33.008(b) of PURA multiplied by each kilowatt hour (kWh) of electricity delivered by Company to each customer whose consuming facility's point of delivery is located within the City's municipal boundaries. The current factor at the signing of this franchise is \$0.002753 per kilowatt hour of electricity as a result of the Agreement to Resolve Outstanding Franchise issues dated January 27, 2006. If the Public Utility Commission of Texas denies recovery in Company's rates of compensation paid to City as provided for in the 1/27/2006 Agreement to Resolve Franchise issues, then the factor shall immediately revert to \$0.002622/kWh (factor as calculated in accordance with PURA Section 33.008(b) and in effect on December 31, 2005), and Company will not seek to impose a refund or credit obligation for franchise fees already paid under the increased franchise fee factors. However, such factor may be revised from time to time, as agreed upon between Company and City, in accordance with Section 33.008 of PURA or successor statute.

(A) Payment of the compensation provided for in this section will be made on a quarterly schedule and shall be made on or before the due dates listed below for the rights and privileges granted hereunder for the said calendar quarter (Privilege Period) and shall be based upon the kWh delivered in said calendar quarter (Basis Period) as follows :

<u>Payment Due Date</u>	<u>Basis Period</u>	<u>Privilege Period</u>
October 31	July 1 – September 30	October 1 – December 31
January 31	October 1 – December 31	January 1 – March 31
April 30	January 1 – March 31	April 1 – June 30
July 31	April 1 – June 30	July 1 – September 30

The first quarterly payment hereunder shall be due and payable on or before April 30, 2009 and will cover the Basis Period of January 1 through March 31, 2009 for the rights and privileges granted hereunder for the Privilege Period of April 1 through June 30, 2009. The final payment under this franchise is due on or before January 31, 2024 and covers the Basis Period of October 1 through December 31, 2023 for the rights and privileges of January 1 through March 31, 2024.

(B) Each payment shall be due and payable on or before the due date by electronic funds transfer or by other means that provide immediate available funds on the day the payment is due. If the due date falls on a weekend or holiday, then the payment is due on the business day prior to the due date. In the event any quarterly payment or partial payment is made after 3:00 p.m. on the due date, the Company shall pay the higher of either (1) such amount plus a daily penalty rate equal to 0.00022 multiplied by the total amount past due, as of 3:00 PM on the date paid, or (2) pay such amount plus interest, calculated in accordance with the interest rate for customer deposits established by the Public Utility Commission of Texas in accordance with Texas Utilities Code Section 183.003 for the time period involved, from such due date until payment is received by City.

(C) Company shall provide to the City at or before the time of payment a report indicating the amount of the payment and the basis upon which the payment is calculated. The report shall be at the level of detail being provided to City at the time this franchise is accepted.

These payments shall be exclusive of and in addition to all other general municipal taxes of whatever nature, including but not limited to ad valorem taxes, sales and use taxes and special taxes and assessments for public improvements. During the quarters for which payments are made to the City as compensation or part compensation for this franchise to use the Public Rights-of-Way of the City for the purpose of engaging in the business of providing electric delivery service, the payments shall be (insofar as the City has legal power so to provide and agree) in lieu of and shall be accepted as payment for all of Company's obligations to pay municipal charges, fees, rentals, pole rentals, wire taxes, inspection fees, easement taxes, franchise taxes, or other charges and taxes of every kind, except ad valorem taxes, sales and use taxes, and special taxes and assessments for public improvements. These payments shall not excuse payment of, and shall be in addition to, reimbursement to the City of allowable rate case expenses by Company under applicable state law or rules.

(D) a sum equal to four percent (4%) of gross revenues received by Company from services identified as DD1 through DD24 in Section 6.1.2 "Discretionary Service Charges," in its Tariff for Retail Delivery Service (Tariff), effective 1/1/2002, that are for the account and benefit of an end-use retail electric consumer. Company will, upon request by City, provide a cross reference to Discretionary Service Charge numbering

changes that are contained in Company's current approved Tariff.

1. The franchise fee amounts based on "Discretionary Service Charges" shall be calculated on an annual calendar year basis, i.e. from January through December 31 of each calendar year.
2. The franchise fee amounts that are due based on "Discretionary Service Charges" shall be paid at least once annually on or before April 30 each year based on the total "Discretionary Service Charges", as set out in Section 9(D), received during the preceding calendar year. The initial Discretionary Service Charge franchise fee amount will be paid on or before April 30, 2010 and will be based on the calendar year January 1 through December 31, 2009. The final Discretionary Service Charge franchise fee amount will be paid on or before April 30, 2025 and will be based on the calendar months January 1 through March 31, 2024.
3. Company may file a tariff or tariff amendment(s) to provide for the recovery of the franchise fee on Discretionary Service Charges.
4. City, to the extent authorized by law, agrees (i) to the extent the City acts as regulatory authority, to adopt and approve that portion of any tariff which provides for 100% recovery of the franchise fee on Discretionary Service Charges; (ii) in the event the City intervenes in any regulatory proceeding before a federal or state agency in which the recovery of the franchise fees on such Discretionary Service Charges is an issue, the City will take an affirmative position supporting the 100% recovery of such franchise fees by Company and; (iii) in the event of an appeal of any such regulatory proceeding in which the City has intervened, the City will take an affirmative position in any such appeals in support of the 100% recovery of such franchise fees by Company.
5. City, to the extent authorized by law, agrees that it will take no action, nor cause any other person or entity to take any action, to prohibit the recovery of such franchise fees by Company.
6. In the event of a regulatory disallowance of the recovery of the Discretionary Service Charges, Company will not be required to continue payment.

#### SECTION 10. RECORDS, REPORTS, AND INSPECTIONS

- (a) The Company shall use the system of accounts and the forms of books, accounts, records, and memoranda prescribed by the Public Utility Commission of Texas, or as mutually agreed to by the City and Company. Should the Public Utility Commission of Texas cease to exist, the City retains the right to require the Company to maintain a system of accounts and forms of books and accounts and memoranda prescribed either by the Federal Energy Regulatory Commission or the National Association of Regulatory Utility Commissioners or the successor of either of these organizations as mutually agreed to by the City and Company.
- (b) The City shall have the right to, pursuant to Section 33.008(e) of the Texas Utilities Code, conduct an audit or other inquiry in relation to a payment made by Company less than two (2) years before the commencement of such audit or inquiry. City and Company may agree to a different timeframe. The City may, if it sees fit, and upon reasonable notice to the Company, have the books and records of the Company examined by a representative of the City to ascertain the correctness of the franchise fee payments made under Section 9.
- (c) The City shall retain all of the investigative powers and other rights provided to the City by the charter and state law.
- (d) Company will make available public reports it provides to the PUC, FERC, or SEC as City may reasonably require in the administration of this franchise and upon specific request by City.

## SECTION 11. FRANCHISE AND OTHER VIOLATIONS

Upon evidence being received by the governing body of the City that a violation of this franchise, City charter provision, or ordinance lawfully regulating Company in the furnishing of service hereunder is occurring or has occurred, it shall at once cause an investigation to be made. If the governing body of the City finds that such a violation exists or has occurred, it shall take the appropriate steps to secure compliance.

## SECTION 12. PRESERVATION OF RECORDS; LOCATION

(a) The Company shall be a legal entity authorized to conduct business in this state under Texas law and having legal capacity and any authority that might be required under state or federal law to operate, construct, reconstruct, and maintain an electric delivery system in the City.

(b) Company shall make available all of its books, records, accounts, documents and papers relevant to (1) Company's use of the Public Rights-of-Way in accordance with this Franchise, and (2) Company's provision of retail electric delivery service within the City of Dallas for purposes of any City audit of franchise fees paid pursuant to this franchise; upon reasonable notice by the City of not less than 20 days, or such longer time as agreed to by City and Company. If Company disagrees that the information requested is relevant, Company and City shall select a third party agreeable to both to assist them in reaching agreement, with the cost, if any, shared equally. If after a reasonable time the parties are not able to reach agreement, City may seek to enforce its audit rights through any available remedies. Such production may be at Company's offices if within the City, appropriate City facilities or other location provided by the Company and agreeable to the City. City agrees that customer-specific information shall be provided only to City's Auditor, and the City's Auditor shall not provide such information to any other City department, employee or official without Company's prior consent.

(c) The City agrees, to the extent allowed by law, to maintain the confidentiality of any information obtained from Company that the Company, at the time the information is provided to City, has clearly designated as confidential or proprietary. City shall not be liable to Company for the release of any information the City is required by law to release. City shall provide notice to Company of any request for release of non-public information prior to releasing the information to the public so as to allow Company adequate time to pursue available remedies for protection. If the City receives a request under the Texas Public Information Act that includes Company's proprietary information, City will notify the Texas Attorney General of the proprietary nature of the document(s). The City also will provide Company with a copy of this notification, and thereafter Company is responsible for establishing that an exception under the Act allows the City to withhold the information.

(d) Company will keep its principal office in the City of Dallas.

## SECTION 13. ASSIGNMENT OF FRANCHISE.

(a) The rights granted by this Franchise inure to the benefit of Company. The Company may, without consent by City, transfer or assign the rights granted by this Franchise to a parent, subsidiary or affiliate, provided that such parent subsidiary or affiliate assumes all obligations of Company hereunder and is bound to the same extent as Company hereunder, and has net capital and liquid assets reasonably equivalent to the Company's as of the month immediately preceding the transfer or there are provided other guarantees or assurances of the transferee's or assignee's financial ability to perform this Franchise reasonably acceptable to the City. Company shall give City written notice thirty (30) days prior to such assignment.

(b) If Company engages in a transaction that requires filing with, and prior approval by, the Public Utility Commission of Texas pursuant to Section 37.154 or Section 39.915 of the Public Utility Regulatory Act or successor statute, Company shall give City notice within five (5)



working days of such filing. Nothing in this section shall be construed as to limit the ability of the City to take a position either for or against such approval in any regulatory proceeding.

(c) In the event that the Public Utility Commission of Texas no longer has the authority currently granted in PURA §§ 37.154 or 39.215, City will have the right to approve, by ordinance, the transfer or assignment of the franchise, except as provided in Section 13(a). City agrees that said approval shall not be unreasonably withheld or delayed. Any such assignment or transfer shall require that said Assignee assume all obligations of Company and be bound to the same extent as Company hereunder. If within the first 90 days after assignment to Assignee, City identifies a failure to comply with a material provision of this Franchise, City shall have the right, after notice and opportunity for hearing before Council, to terminate this Franchise.

#### SECTION 14. INDEMNITY

In consideration of the granting of this franchise, Company agrees to defend, indemnify and hold harmless the City and all of its officers, agents, and employees (the Indemnitees"), from and against all suits, actions, or claims or damages arising out of (i) any injury to or death of any person or persons, or (ii) damages to or loss of any property, in each case occasioned by Company or its officers', agents', employees', or subcontractors' intentional and/or negligent acts or omissions in connection with Company's operations in the Public Rights-of-Way or arising out of a breach of any of the terms or provisions of this ordinance by way of strict liability or negligence in the construction, maintenance, operation, or repair of the System; except that the indemnity provided for in this paragraph shall not apply to any liability determined by a court of competent jurisdiction to have resulted from the sole negligence or intentional acts or omissions of the City, its officers, agents, and employees. In addition, in the event of joint and concurrent negligence or fault of both the Company and the City, responsibility and indemnity, if any, shall be apportioned comparatively in accordance with the laws of the state of Texas without, however, waiving any governmental immunity available to the City under Texas law and without waiving any of the defenses of the parties under Texas law. It is understood that it is not the intention of the parties hereto to create liability for the benefit of third parties, but that this agreement shall be solely for the benefit of the parties hereto and shall not create or grant any rights, contractual or otherwise, to any person or entity.

#### SECTION 15. INSURANCE

Company will insure against the risks undertaken pursuant to their franchise including indemnification under Section 14 hereof. Such insurance may be in the form of self-insurance to the extent permitted by applicable law under a Company approved formal plan of self-insurance maintained in accordance with sound accounting practices otherwise, Company shall maintain reasonably adequate insurance covering its obligations of indemnity under Section 14 hereof. A certificate of insurance shall be provided to the City annually and upon any substantial change in the nature of its coverage under this section. Should Company elect to self-insure, its annual notice to the City shall contain information identifying the process for filing a claim.

#### SECTION 16. TERM

This franchise agreement shall commence on April 1, 2009, and expire on March 31, 2024; provided that, unless written notice is given by either party hereto to the other not less than sixty (60) days before the expiration of this franchise agreement, it shall be automatically renewed for an additional period of six (6) months from such expiration date and shall be automatically renewed thereafter for like periods until canceled by written notice given not less than sixty (60) days before the expiration of any such renewal period; provided that, in no event shall the maximum term under this franchise agreement exceed forty (40) years.

**SECTION 17. CONFORMITY TO CONSTITUTION, STATUTES, CHARTER, AND CITY CODE**

This ordinance is passed subject to the applicable provisions of the Constitution and Laws of the State of Texas, the Charter of the City, and the City Code. This franchise agreement shall in no way affect or impair the rights, obligations, or remedies of the parties under the Public Utility Regulatory Act of Texas, or amendments thereto.

**SECTION 18. GOOD FAITH EFFORT**

Company agrees to faithfully adhere to all applicable federal, state and City rules and regulations pertaining to non-discrimination, equal employment and affirmative action. Company also agrees to continue in its commitment to maintain fairness and equality in the workplace and in its purchases of goods, equipment, and other services.

**SECTION 19. RIGHT OF APPEAL**

Nothing herein shall be deemed a waiver, release or relinquishment of either party's right to contest or appeal any action or decision of the other party made contrary to any federal, state or local law or regulation.

**SECTION 20. REPEAL**

That Ordinance No. 21666, as amended, be and the same is hereby specifically repealed, as of the commencement date under Sec. 16 hereof. All other ordinances, rules, regulations, and agreements which in any manner relate to the regulation of or provision for electric utility services by Company shall remain in full force and effect until and unless duly modified pursuant to applicable state law.

This Ordinance shall supersede any and all other franchises granted by the City to Company, its predecessors and assigns.

**SECTION 21. EFFECTIVE DATE; AUTHENTICATION**

This ordinance shall take effect immediately from and after its passage, publication, and written acceptance by Company, said written acceptance to be filed by Company with the City within sixty (60) days after final passage and approval hereof, in accordance with the provisions of the Charter of the City, and it is accordingly so ordained. It is hereby officially found that the meeting at which this Ordinance is passed is open to the public and that due notice of this meeting was posted, all as required by law.

**SECTION 22. ACCEPTANCE OF FRANCHISE**

In order for this franchise to be effective, the Company shall, within sixty (60) days from the passage of this ordinance, file in the office of the City secretary a written instrument signed and acknowledged by a duly authorized officer, in substantially the following form:

To the honorable Mayor and City Council of the City of Dallas:

Oncor Electric Delivery Company LLC (Company), acting by and through the undersigned authorized officer, hereby accepts Ordinance No. \_\_\_\_\_granting a franchise to Company.

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Chairman & CEO  
Oncor Electric Delivery Company LLC

ATTEST:

\_\_\_\_\_  
Secretary

Executed this, the \_\_\_\_ day of \_\_\_\_\_, 2009.

The acceptance shall be duly acknowledged by the person executing the same. In the event the acceptance is not filed within the 60 day period this ordinance and the rights and privileges hereby granted shall terminate and become null and void.

**SECTION 23. NOTICE TO PARTIES**

Notices required to be given under this franchise shall be deemed to be given when delivered in writing, personally to the person designated below, or when five days have elapsed after it is deposited in the United States Mail with registered or certified mail postage prepaid to the person designated below, or on the next business day if sent by Express Mail or overnight air courier addressed to the person designated below:

If to City:

If to the Company:

City Manager

Director, Regulatory Affairs

City of Dallas

Oncor Electric Delivery Company LLC

1500 Marilla Street, Room 4 E North

1601 Bryan St., 23rd floor

Dallas, Texas 75201

Dallas, Texas 75201

with a copy to:

Office of Utility Management

City of Dallas

1500 Marilla Street, Room 4 F North

Dallas, Texas 75201

City or Company may change the position and/or addresses listed above by providing the other party with written notice of the change, with such change taking effect upon receipt of such notice.

RECOMMENDED BY:

\_\_\_\_\_  
David Cook, Chief Financial Officer

APPROVED AS TO FORM:

THOMAS P. PERKINS, JR., City Attorney

BY \_\_\_\_\_

Assistant City Attorney

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Oncor Electric Delivery Company LLC/City of Dallas Electric Franchise  
Page

**ADDENDUM ITEM # 14**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Financial Services

**CMO:** Dave Cook, 670-7804

**MAPSCO:** N/A

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**SUBJECT**

Authorize **(1)** the City's continued participation in the Steering Committee of Texas Utilities Electric Service Area Cities in hearings before the Public Utilities Commission of Texas concerning electric restructuring and rates to be charged by Oncor Electric Delivery, and **(2)** the increase in appropriations in the amount of \$128,050 in the Texas Utilities Reserve Funds to pay the City's 2008 assessment - Not to exceed \$128,050 - Financing: Texas Utilities Reserve Funds

**BACKGROUND**

In 1985, the Public Utilities Commission of Texas (PUC) issued a ruling that called for unified rates throughout the Texas Utility Electric service area. As a result, any rates established during a local proceeding were automatically appealed to the PUC for reconciliation with other local rates. When Texas Utility Electric filed its application for rate increase in 1990, the Steering Committee was created to provide a means for area cities to pool their resources and prevent duplicate effort while participating in that state level electric utility rate proceeding. The City of Dallas participated with this committee in the 1990 and 1993 rate cases. The City also participated with this Committee in the various regulatory proceedings relating to SB 7 and electric deregulations. As part of electric deregulation, T. U. Electric was required to functionally separate its wires operations into a separate entity, TXU Electric Delivery, which has subsequently changed its name to Oncor Electric Delivery Company (Oncor).

In 2004, the Steering Committee coordinated the activities of 20 member cities (including the City of Dallas) that initiated an investigation of TXU Electric Delivery's wires rates. As a result of the Steering Committee's activities TXU agreed to make settlement payments to the cities beginning in 2005 and to fund "beneficial public use" payments through the cities for the benefit of the city's ratepayers. Settlement payments from TXU will continue to be made annually through the entry of a final order in TXU's pending rate case (filed in June 2008). The City of Dallas has received in excess of \$12.7 million as a result of the settlement agreement.

## **BACKGROUND** (Continued)

The Steering Committee is actively involved in rate cases, appeals, rulemakings, and legislative efforts impacting the rates charged by Oncor Electric Delivery (formerly known as TXU Electric Delivery) within the City. Steering Committee representation is also strong at Electric Reliability Council of Texas. It is possible that additional efforts will be necessary on new issues that arise during the year, and it is important that the Steering Committee be able to fund its participation on behalf of its member cities. A per capita assessment has historically been used, and is a fair method for the members to bear the burdens associated with the benefits received from that membership.

Under Franchise Ordinance No. 21666, passed April 1993, Special Reserve Fund 0007, captioned the Rate Case Reimbursement Reserve Fund, was created to cover City rate case expenses. Original funding for this fund came from an advance payment of franchise fees by T.U. Electric. Funds for this activity would come from investment earnings accrued in this special fund.

## **PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

This item has no prior action.

## **FISCAL INFORMATION**

Texas Utilities Reserve Funds - \$128,050

February 11, 2009

**WHEREAS**, Texas Utilities Electric Company (TXU) provides electric service within the city limits of Dallas in accordance with City Franchise Ordinance No. 21666, and under the authority of a Certificate of Convenience and Necessity issued by the Public Utilities Commission of Texas (P.U.C.); and

**WHEREAS**, on June 18, 1999 the 76th Legislature of the State of Texas adopted SB 7, which restructures the electric industry in Texas; and

**WHEREAS**, the interests of the citizen/rate payers of Dallas would be best served by a more in-depth participation as an intervener in electric rate related proceedings before the P.U.C.; and

**WHEREAS**, a Steering Committee of the Texas Utilities Electric Service Area Cities was organized in 1990 for the purpose of providing a unified and coordinated representation of all cities served by Texas Utilities Electric Company before the P.U.C.; and

**WHEREAS**, the costs of participation in these proceedings would be shared by all member cities on a per capita basis; and

**WHEREAS**, Ordinance No. 21665 establishes a special reserve fund expressly for the purpose of covering expenses related to rate change requests and other rate related hearings. **Now, Therefore,**

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

**SECTION 1.** That the City Manager, City Attorney, Chief Financial Officer, and their designees are authorized to represent the interests of the City of Dallas and to support and cooperate with the Steering Committee in the joint efforts before the P.U.C. in matters related to electric rates and electric utility restructuring.

**SECTION 2.** That the City Manager be and is authorized to establish appropriations in Fund 0007, Dept. BMS, Unit P390, Object Code 3340 in the amount of \$128,050.

**SECTION 3.** That the City Controller is authorized to disburse funds in an amount not to exceed \$128,050 to the Steering Committee of Texas Utilities Electric Service Area Cities to assist in covering expenses arising from participation in these regulatory proceedings from Fund 0007, Dept. BMS, Unit P390, Object Code 3340, Encumbrance No. CT BMS09020010, Vendor 264729.

**SECTION 4.** That this resolution shall 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.





**ADDENDUM ITEM # 15**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Financial Services

**CMO:** Dave Cook, 670-7804

**MAPSCO:** N/A

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**SUBJECT**

**(1)** An ordinance authorizing the issuance of City of Dallas, Texas Waterworks and Sewer System Series D short term obligations in an aggregate principal amount not to exceed \$300,000,000; authorizing such short term obligations to be issued, sold and delivered in various forms, including commercial paper notes and a bank note; making certain covenants and agreements in connection therewith; establishing the 10-year tenor of the program with a maturity date of September 30, 2019; resolving other matters related to the issuance, sale, security and delivery of such short term obligations, including **(a)** authorizing a thirty-six-month Credit Agreement with U.S. Bank Trust National Association, as agent for the syndicate, that includes California State Teacher's Retirement System and California Public Employees' Retirement System, **(b)** the appointment of U.S. Bank Trust National Association as the Issuing and Paying Agent and authorizing the execution of an Issuing and Paying Agent Agreement, and, **(c)** the appointment of Banc of America Securities LLC and M R Beal & Company as the co-dealers and authorizing the execution of a Dealer Agreement; approving the payment of issuance costs in connection with the issuance of the short term obligations; approving the use of an Offering Memorandum in connection with the sale of the short term obligations; and providing an effective date; and **(2)** a resolution authorizing amendments to the Credit Agreement with Bank of America, N.A. for the City of Dallas, Texas Waterworks and Sewer System Series B and Series C short term obligations to permit the Series D short term obligations to have parity with the Series B and Series C short term obligations - Total program costs not to exceed \$27,200,198 - Financing: Water Utilities Current Funds (\$905,288 upfront closing costs plus annual fees of \$2,631,776 for a total 10-year cost of \$27,200,198) (subject to annual appropriations)

**BACKGROUND**

In 1987 City Council authorized an ordinance establishing a commercial paper program for a period of 10 years, ending in September 1997, with a maximum issuance amount of \$100 million.

## **BACKGROUND** (Continued)

On September 24, 1997, City Council authorized an ordinance establishing a commercial paper program for a period of 10 years, ending in September 2007, with a maximum issuance amount of \$120 million Series B notes. On September 26, 2001, City Council approved the FY2001-02 budget which included an increase in the size of the commercial paper program to \$150,000,000.

On September 30, 2002, City Council authorized an ordinance to effect an increase in the size of the commercial paper program to \$200 million by authorizing the issuance of \$50 million Series C notes.

On April 28, 2004, City Council authorized the City Manager to proceed with preparations to increase the size of the commercial paper program to \$300,000,000.

On September 24, 2004, City Council approved the FY2004-2005 budget which included an increase in the size of the commercial paper program to \$300,000,000.

On August 12, 2008, the Finance, Audit and Accountability Committee recommended staff proceed with plans to increase the commercial paper program. A larger program would maintain the award schedule for capital improvement projects; provide more flexibility in the timing and size of bond sales and shift more of the financing to short term rates.

On September 24, 2008, City Council authorized a revision to the Financial Management Performance Criteria to increase the limit of tax-exempt commercial paper from 10% to 20% of the 10-year capital improvement program in effect as the time of the commercial paper authorization. Dallas Water Utilities' current 10-year capital improvement program is \$3.3 billion. The recommended increase was \$300 million, for a total program size of \$600 million. The FY2008-09 DWU adopted budget assumes the additional \$300 million commercial paper program.

The commercial paper program provides interim financing for capital projects with the commercial paper being retired by the issuance of long-term debt. The use of commercial paper permits more cost efficient use of capital as short-term debt is issued to closely match the amount and timing of the payment of capital project contracts. Commercial paper notes are normally sold at rates of interest that are lower than rates available at the same time on long-term debt. Outstanding commercial paper is periodically reduced by refinancing it with long-term debt.

This action establishes a 10 year tenor for the program; however, the credit agreement with the U.S. Bank syndicate is for a 3-year period.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On January 26, 2009, Finance, Audit and Accountability Committee was briefed.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (Continued)

On September 24, 2008, City Council adopted the FY2008-09 Operating, Grants and Trusts and Capital Budgets, by Resolution No. 08-2615.

On September 24, 2008, City Council authorized a revision to the Financial Management Performance Criteria, by Resolution No. 08-2572.

On August 12, 2008, Finance, Audit and Accountability Committee was briefed.

On August 25, 2004, City Council authorized the issuance of \$200,000,000 Series B Commercial Paper Notes and \$100,000,000 Series C Commercial Paper Notes, by Ordinance No. 25718.

On August 24, 2004, Finance, Audit and Accountability Committee was briefed.

On April 28, 2004, City Council approved an increase in the size of the commercial paper program to \$300,000,000, by Resolution No. 04-1473.

On September 30, 2002, City Council authorized the issuance of \$50,000,000 Series C Commercial Paper Notes by Ordinance No. 25050.

On December 12, 2001, City Council authorized the issuance of \$150,000,000 Series B Commercial Paper Notes, by Ordinance No. 24794.

## **FISCAL INFORMATION**

\$27,200,198 – Water Utilities Current Funds (subject to annual appropriations)

The FY2008-09 Dallas Water Utilities budget assumes a \$600,000,000 commercial paper program.

Costs for the \$300,000,000 program are not to exceed \$27,200,198 (\$905,288 upfront closing costs, plus annual fees of \$2,631,776 for a total estimated 10-year cost of \$27,200,198).

## **M/WBE INFORMATION**

Total bond counsel costs are \$187,500. The amount includes \$66,000 or 35% to be paid to Escamilla & Poneck, Inc., which acts as co-bond counsel.

Total financial advisory costs are \$205,800. The amount includes \$80,800 or 39% to be paid to Estrada Hinojosa & Company, Inc., which acts as co-financial advisor.

**M/WBE INFORMATION** (Continued)

Annual dealer costs are not to exceed \$150,000. M. R. Beal & Company, will serve as co-dealer on this contract.

All work related to the Issuing and Paying Agent Agreement will be performed by U.S. Bank National Association and all work related to the Credit Agreement will be performed by U.S. Bank National Association.

**ETHNIC COMPOSITION**

U.S. Bank National Association

Hispanic female	2,133	Hispanic male	995
Black female	3,461	Black male	1,290
Other female	2,896	Other male	1,533
White female	27,427	White male	14,816

**OWNERS**

**U.S. Bank National Association** is a wholly owned subsidiary of U. S. Bancorp, a publicly held corporation whose stock is listed on the New York Stock Exchange.

Richard K. Davis, Chairman of the Board

## Schedule I

### Dallas Water Utilities \$300 Million Commercial Paper Program - Series "D"

#### ONE TIME COSTS

Co-Bond Counsel	\$187,500
Co-Financial Advisors	205,800
Liquidity Facility	463,288
Syndication Agent Fee	20,000
Rating Fees*	28,700
Issuing and Paying Agent	<u>Waived</u>
Total Estimated Upfront Closing Costs	\$905,288

#### ANNUAL FEES

Liquidity Facility	\$2,449,726
Amendment and Draw Fees	\$4,750
Issuing and Paying Agent	3,450
Dealer	150,000
Cusip Numbers	1,000
Rating Agencies*	<u>22,850</u>
Total Estimated Annual Fees	\$2,631,776

**Grand Total** \$3,514,214 \*\*

\* Initial Rating Agency fees at closing: Moody's \$11,700 and S&P \$17,000 (\$28,700). Year 2 and 3 Fees: Moody's \$5,850 and S&P \$17,000 per year (\$22,850).

\*\*Rating Agency fees for Year 1 (\$28,500) are included in one-time costs; Annual fee for Year 1 (\$22,850) not included in Grand Total



ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE approving and authorizing the issuance by the City of Dallas of its Waterworks and Sewer System Commercial Paper Notes, Series D, in an aggregate principal amount at any one time outstanding not to exceed \$300,000,000, to provide interim financing to pay Project Costs for Eligible Projects and to refund obligations issued in connection with Eligible Projects; authorizing the issuance and delivery of promissory notes in connection with the issuance, sale and delivery of Commercial Paper Notes, and prescribing the terms, features and characteristics of such instruments; approving and authorizing certain authorized officers and employees to act on behalf of the City in the selling and delivery of such Commercial Paper Notes, within the limitations and procedures specified herein; making certain covenants and agreements in connection therewith; resolving other matters incident and related to the issuance, sale, security and delivery of such Commercial Paper Notes, including the approval and authorizing the execution of a Credit Agreement, a Dealer Agreement and an Issuing and Paying Agent Agreement in the manner herein provided, and approving the use of an Offering Memorandum in connection with the sale from time to time of such Commercial Paper Notes; and providing an effective date.

THE STATE OF TEXAS :  
COUNTIES OF DALLAS, DENTON, COLLIN AND ROCKWALL :  
CITY OF DALLAS :

WHEREAS, the City of Dallas, Texas (the "City" or the "Issuer") is a "Home-Rule City", acting as such under the Constitution and laws of the State of Texas, and has a population in excess of 50,000; and

WHEREAS, the City currently has outstanding revenue bonds (hereinafter defined as the "Outstanding Prior Lien Bonds") payable from and secured by a first lien on and pledge of "Pledged Revenues", which include the Net Revenues of the System; and

WHEREAS, the ordinances authorizing the Outstanding Prior Lien Bonds reserve to the City the right to issue (i) additional bonds on a parity with the Outstanding Prior Lien Bonds, and (ii) bonds, notes or other obligations payable from and secured by a lien on and pledge of the Pledged Revenues subordinate to the first lien on and pledge of the Pledged Revenues securing the Outstanding Prior Lien Bonds and additional bonds issued on a parity therewith; and

WHEREAS, on August 25, 2004, the City Council adopted Ordinance No. 25714, which authorizes the issuance of its commercial paper notes pursuant to the provisions of Chapter 1371,

Texas Government Code (the "Act"), to provide interim financing for additions, improvements and extensions to the System in an aggregate principal amount at any one time outstanding not to exceed \$200,000,000 (the "Series B Commercial Paper Notes"); and

WHEREAS, on August 25, 2004, the City Council adopted Ordinance No. 25715, which authorizes the issuance of its commercial paper notes pursuant to the provisions of the Act, to provide interim financing for additions, improvements and extensions to the System in an aggregate principal amount at any one time outstanding not to exceed \$100,000,000 (the "Series C Commercial Paper Notes"); and

WHEREAS, Bank of America, N.A. ("Bank of America") provides liquidity support for the Series B Commercial Paper Notes pursuant to the terms of a Credit Agreement, dated September 1, 2004 and effective October 1, 2004, between the City and Bank of America; and

WHEREAS, Bank of America and the City entered into a letter agreement with respect to certain amendments to such Credit Agreement, effective September 28, 2008; and

WHEREAS, such Credit Agreement, as amended, is referred to herein as the "Series B Credit Agreement"; and

WHEREAS, Bank of America provides liquidity support for the Series C Commercial Paper Notes pursuant to the terms of a Credit Agreement, dated September 1, 2004 and effective October 1, 2004, between the City and Bank of America; and

WHEREAS, Bank of America and the City entered into a letter agreement with respect to certain amendments to such Credit Agreement, effective September 28, 2008; and

WHEREAS, such Credit Agreement, as amended, is referred to herein as the "Series C Credit Agreement"; and

WHEREAS, the City Council hereby finds and determines that authority to issue commercial paper notes in addition to the Series B Commercial Paper Notes and the Series C Commercial is desirable to enable the City to finance improvements and extensions to the System; and

WHEREAS, the commercial paper notes authorized to be issued pursuant to this Ordinance constitute bond anticipation notes which the City intends to retire through the issuance of its revenue bonds; and

WHEREAS, the City Council hereby finds and determines that the issuance of commercial paper notes and promissory notes, subject to the terms, conditions and limitations hereinafter prescribed, should be approved and authorized at this time;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS:



## ARTICLE I

### DEFINITIONS

**Section 1.01. Definitions.** Unless the context shall indicate a contrary meaning or intent, the terms below defined, for all purposes of this ordinance or any ordinance amendatory or supplemental hereto, shall be construed, are used and are intended to have the following meanings, to-wit:

"Act" shall mean Chapter 1371, Texas Government Code.

"Advance" shall mean a loan made under and subject to the conditions set forth in the Agreement.

"Agreement" or "Credit Agreement" shall mean the Credit Agreement approved and authorized to be entered into by **Section 2.14** hereof, as from time to time amended or supplemented, or other credit facility provided in lieu thereof in accordance with the provisions of **Section 4.03** hereof.

"Authorized Representative" shall mean one or more of the following officers or employees of the City, acting in concert or individually, to-wit: the Mayor, the City Manager, any Assistant City Manager, the Chief Financial Officer of the City, or such other officer or employee of the City designated in writing by the City Manager or the Chief Financial Officer, and approved by the City Council, to act as an Authorized Representative.

"Bank" shall mean U.S. Bank National Association.

"Bank of America" shall have the meaning given said term in the preamble to this Ordinance.

"Bank of America Note" shall mean, collectively, the bank notes issued by the City in accordance with the terms of the Series B Credit Agreement and the Series C Credit Agreement, respectively.

"Bond Counsel" shall mean an attorney or firm of attorneys which are nationally recognized as having expertise in the practice of tax-exempt municipal finance law, as approved by the City.

"Business Day" shall have the same meaning given said term in the Credit Agreement.

"CalPERS" shall mean the California Public Employees' Retirement System.

"CalSTRS" shall mean the California State Teachers' Retirement System.

"City" or "Issuer" shall mean the City of Dallas, Texas.

"City Council" shall mean the governing body of the City.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Commercial Paper Note" shall mean a commercial paper note issued pursuant to the provisions of this Ordinance, having the terms and characteristics specified in **Section 2.03** hereof and in the form described in **Section 2.05** hereof.

"Commitment" shall have the meaning given to said term in the Credit Agreement.

"Dealer" shall have the meaning given said term in **Section 3.04** hereof.

"Dealer Agreement" shall mean the agreement with the Dealer approved and authorized to be entered into by **Section 3.04** hereof, and any amendment or supplement thereto.

"Designated Office" shall mean the corporate trust office of the Issuing and Paying Agent where Commercial Paper Notes must be presented and delivered for receipt of payment of the principal amount thereof.

"DTC" shall mean The Depository Trust Company, New York, New York, or any substitute securities depository appointed pursuant to this Ordinance, or any nominee thereof.

"DTC Participant" shall mean a member of, or the participant in, DTC that will act on behalf of a Holder.

"Eligible Investments" shall mean any or all of the authorized investments described in the Public Funds Investment Act of 1987, Chapter 2256, Texas Government Code, which the City may purchase and sell and in which it may invest its funds and funds under its control, consistent with the City's investment policy.

"Eligible Project" shall mean the acquisition or construction of improvements, additions or extensions to the System, including capital assets and facilities incident and related to the operation, maintenance and administration thereof, all as provided in the Act or Chapter 1502, Texas Government Code.

"Fiscal Year" shall mean any consecutive twelve-month period declared by the City as its fiscal year, which currently runs from October 1 through September 30.

"Gross Revenues" and "Gross Revenues of the System" shall mean all revenues, income, and receipts of every nature derived or received by the City from the operation and ownership of the System, including the interest income from the investment or deposit of money in any fund or account created by the Prior Lien Bond Ordinance, or maintained by the City in connection with the System, other than revenues to be rebated to the United States of America pursuant to section 148 of the Code.

"Holder" or "Noteholder" shall mean any person, firm, association, or corporation who is in possession of any Note drawn, issued or endorsed to such person, firm, association or corporation or to the order of such person, firm, association or corporation or to bearer or in blank.

"Issuing and Paying Agent", "Paying Agent/Registrar" or "Registrar" shall mean the agent the appointment of which is confirmed pursuant to **Section 2.02** hereof, or any successor to such agent.

"Issuing and Paying Agent Agreement" shall mean the agreement with the Issuing and Paying Agent approved and authorized to be entered into by **Section 3.03** hereof, and any amendment or supplement thereto.

"Liquidity Provider" shall mean, collectively, the Bank, CalPERS and CalSTRS, or any subsequent or succeeding party to any of the foregoing under the terms of the Agreement.

"Liquidity Provider Note" shall mean, collectively, the promissory note or notes issued pursuant to the provisions of this Ordinance and the Agreement in evidence of Advances or Term Loans made under the Agreement, having the terms and characteristics contained therein and issued in accordance with the terms thereof.

"Master Note" shall mean the "Master Note" as defined in **Section 2.02** hereof.

"Maximum Interest Rate" shall mean 12%.

"Maximum Maturity Date" shall mean September 30, 2019.

"Net Revenues" and "Net Revenues of the System" shall mean all Gross Revenues after deducting and paying the current expenses of operation and maintenance of the System, as required by Section 1502.056, Texas Government Code, including all salaries, labor, materials, interest, repairs, and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the judgment of the City Council, reasonably and fairly exercised by the adoption of the appropriate resolution, as are necessary to keep the System in operation and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair the Prior Lien Bonds, shall be deducted in determining "Net Revenues". Payments made by the City for water supply or treatment of sewage which constitute under the law an operation and maintenance expense shall be considered herein as expenses incurred in the operation and maintenance of the System. Depreciation and any payments to the City in lieu of ad valorem taxes and any other similar payments shall never be considered as an expense of operation and maintenance.

"Note" or "Notes" shall mean the evidences of indebtedness authorized to be issued and at any time Outstanding pursuant to this Ordinance and shall include Commercial Paper Notes (including the Master Note), notes in such other form or forms as shall be approved by the City Council in an ordinance amending this Ordinance, and any Liquidity Provider Note, as appropriate.

"Offering Memorandum" shall mean the Offering Memorandum prepared by the Dealer in connection with the issuance and sale of the Commercial Paper Notes.

"Outstanding" means when used with respect to the Commercial Paper Notes, as of the date of determination, all Commercial Paper Notes theretofore delivered under this Ordinance, except:

(1) Commercial Paper Notes theretofore canceled and delivered to the City or delivered to the Issuing and Paying Agent for cancellation;

(2) Commercial Paper Notes deemed paid pursuant to the provisions of Chapter 1207, Texas Government Code; and

(3) Commercial Paper Notes upon transfer, or in exchange for or in lieu, of which other Commercial Paper Notes have been authenticated and delivered pursuant to this Ordinance;

provided, that in determining whether the Holders of the requisite principal amount of Outstanding Commercial Paper Notes have given any request, demand, authorization, direction, notice, consent, or waiver hereunder, any Commercial Paper Note owned by the City shall be deemed to be Outstanding as though it was owned by any other Holder.

"Outstanding Prior Lien Bonds" shall mean the Series 1993-A Bonds, the Series 1998 Bonds, the Series 1999 Bonds, the Series 2000 Bonds, the Series 2001 Bonds, the Series 2002 Bonds, the Series 2002-A Bonds, the Series 2003 Bonds, the Series 2003A Bonds, the Series 2005 Bonds, the Series 2006 Bonds, the Series 2007 Bonds and the Series 2008 Bonds.

"Pledged Revenues" shall mean

(1) the Net Revenues, plus

(2) any additional revenues, income, receipts, or other resources, including, without limitation, any grants, donations, or income received or to be received from the United States Government, or any other public or private source, whether pursuant to an agreement or otherwise, which hereafter may be pledged to the payment of the Prior Lien Bonds.

"Prior Lien Bond Ordinance" shall mean, collectively, the ordinance authorizing the issuance of the Series 1981 Bonds and the ordinances authorizing the issuance of Prior Lien Bonds on a parity with the Series 1981 Bonds.

"Prior Lien Bonds" shall mean, collectively, the Outstanding Prior Lien Bonds and any bonds issued on a parity therewith.

"Project Costs" shall mean all costs and expenses incurred in relation to Eligible Projects, including, without limitation, design, planning, engineering and legal costs, acquisition costs of land,

interests in land, rights-of-way and easements, construction costs, costs of machinery, equipment, and other capital assets incident and related to the operation, maintenance, and administration of an Eligible Project, financing costs, including interest during construction and thereafter, underwriter's discount and/or fees for legal, financial, and other professional services, and reimbursement for such Project Costs attributable to Eligible Projects incurred prior to the issuance of any Commercial Paper Notes.

"Registration Books" shall mean the "Registration Books" as defined in **Section 2.02** hereof.

"Regulations" shall mean the regulations of the U.S. Department of the Treasury promulgated under the Code or, if applicable, the Internal Revenue Code of 1954.

"Series B Commercial Paper Notes" shall have the meaning given said term in the preamble to this Ordinance.

"Series B Credit Agreement" shall have the meaning given said term in the preamble to this Ordinance.

"Series C Commercial Paper Notes" shall have the meaning given said term in the preamble to this Ordinance.

"Series C Credit Agreement" shall have the meaning given said term in the preamble to this Ordinance.

"Series D Note Construction Account" shall mean the account so designated in **Section 2.11** hereof.

"Series D Note Payment Fund" shall mean the fund so designated in **Section 2.09** hereof.

"Series 1981 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1981, dated April 1, 1981, and authorized by ordinance of the City passed April 1, 1981; the term "Series 1993-A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 1993-A, dated September 1, 1993, and authorized by ordinance of the City passed September 8, 1993; the term "Series 1998 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1998, dated September 1, 1998, and authorized by ordinance of the City passed November 4, 1998; the term "Series 1999 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1999, dated September 1, 1999, and authorized by ordinance of the City passed November 10, 1999; the term "Series 2000 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2000, dated September 1, 2000, and authorized by ordinance of the City passed November 8, 2000; the term "Series 2001 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2001, dated September 1, 2001, and authorized by ordinance of the City passed October 10, 2001; the term "Series 2002 Bonds" shall

mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2002, dated February 1, 2002, and authorized by ordinance of the City passed February 13, 2002; the term "Series 2002-A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2002-A, dated September 1, 2002, and authorized by ordinance of the City passed June 26, 2002; the term "Series 2003 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2003, dated January 1, 2003, and authorized by ordinance of the City passed December 11, 2002; the term "Series 2003A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2003A, dated September 1, 2003, and authorized by ordinance of the City passed November 5, 2003; the term "Series 2005 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2005, dated February 1, 2005, and authorized by ordinance of the City passed February 23, 2005; the term "Series 2006 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2006, dated April 1, 2006, and authorized by ordinance of the City passed April 12, 2006; the term "Series 2007 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2007, dated March 15, 2007, and authorized by ordinance of the City passed March 21, 2007; and the term "Series 2008 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2008, dated May 15, 2008, and authorized by ordinance of the City passed May 28, 2008.

"Subordinated Obligations" shall mean any bonds, notes, or other obligations issued or contractual obligations incurred pursuant to law payable in whole or in part from the Pledged Revenues and subordinate to the Prior Lien Bonds, the Bank of America Note and the Liquidity Provider Note.

"System" shall mean and include the City's combined existing waterworks and sewer system, together with all future extensions, improvements, enlargements, and additions thereto, and all replacements thereof; provided that, notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term System shall not include any waterworks or sewer facilities which are declared not to be a part of the System and which are acquired or constructed by the City with the proceeds from the issuance of "Special Facilities Bonds", which are hereby defined as being special revenue obligations of the City which are not secured by or payable from the Pledged Revenues as defined herein, but which are secured by and payable solely from special contract revenues or payments received from any other legal entity in connection with such facilities; and such revenues or payments shall not be considered as or constitute Gross Revenues of the System, unless and to the extent otherwise provided in the ordinance or ordinances authorizing the issuance of such "Special Facilities Bonds".

"Term Loan" shall have the meaning given said term in the Credit Agreement.

**Section 1.02. Construction of Terms Utilized in this Ordinance.** If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders. For all purposes of this Ordinance,

unless the context requires otherwise, all references to designated Sections and other subdivisions are to the Sections and other subdivisions of this Ordinance. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Ordinance as a whole and not to any particular Section or other subdivision. References to any named person means that party and its successors and assigns. References to any constitutional, statutory or regulatory provision means such provision as it exists on the date this Ordinance is adopted by the City and any future amendments thereto or successor provisions thereof. Certain terms not defined herein shall have the meaning given said terms in the Credit Agreement.

## ARTICLE II

### AUTHORIZATION OF NOTES

**Section 2.01. General Authorization.** Pursuant to authority conferred by and in accordance with the provisions of the Constitution and laws of the State of Texas, particularly the Act, Commercial Paper Notes shall be and are hereby authorized to be issued in an aggregate principal amount not to exceed **THREE HUNDRED MILLION DOLLARS (\$300,000,000)** at any one time Outstanding for the purpose of financing Project Costs of Eligible Projects and to refinance, renew or refund Notes, Prior Lien Bonds, Subordinated Obligations and any other authorized obligations of the System, including interest thereon, all in accordance with and subject to the terms, conditions, and limitations contained herein. In connection with the issuance of Commercial Paper Notes, a Liquidity Provider Note is hereby authorized to be issued and shall initially be issued in the initial aggregate principal amount of **THREE HUNDRED TWENTY SEVEN MILLION DOLLARS (\$327,000,000)**, reflecting the maximum principal amount of Commercial Paper Notes that may be issued plus interest thereon, calculated on the basis of a 360-day year, for two hundred seventy (270) days at the Maximum Interest Rate, for the purpose of evidencing Advances to retire Commercial Paper Notes; all in accordance with and subject to the terms, conditions and limitations contained herein and, with respect to the Liquidity Provider Note, the Agreement. For purposes of this **Section 2.01**, any portion of Outstanding Notes to be paid from money on deposit in the Series D Note Payment Fund held by the Issuing and Paying Agent on the day of calculation and from the available proceeds of Notes, Prior Lien Bonds or Subordinated Obligations or other obligations of the City issued on the day of calculation shall not be considered Outstanding. The authority to issue Commercial Paper Notes from time to time under the provisions of this Ordinance shall exist until the Maximum Maturity Date, regardless of whether prior to the Maximum Maturity Date there are at any time no Commercial Paper Notes Outstanding. Anything to the contrary herein notwithstanding, Commercial Paper Notes may not be issued to refinance or refund Prior Lien Bonds without the prior approval of the City Council.

Anything in this Ordinance to the contrary notwithstanding, in connection with the refinancing or refunding of Notes, Prior Lien Bonds, Subordinated Obligations and any other authorized obligations of the System, including interest thereon, such Notes, Prior Lien Bonds, Subordinated Obligations and any other authorized obligations of the System shall qualify as "obligations", as such term is defined in the Act at the time any such refinancing or refunding occurs. Further, any such refunding or refinancing, other than a simultaneous refunding, of Notes, Prior Lien Bonds, Subordinated Obligations and other obligations of the System, to the extent then required by

applicable law, shall be by means of a gross defeasance established at the time of the issuance of the refunding Commercial Paper Notes, and the selection of Notes, Prior Lien Bonds, Subordinated Obligations and any other authorized obligations of the System to be so refunded or refinanced shall be made in the manner as determined by the City Council.

**Section 2.02. Terms Applicable to Notes - General.** Subject to the limitations contained herein, Commercial Paper Notes herein authorized shall be dated as of their date of issuance or prior thereto, but within 30 days of the date of issuance (the "Note Date"), as determined by an Authorized Representative; shall bear interest at such fixed rate or rates per annum computed on the basis of actual days elapsed and a 365-day or 366-day year, as may be applicable (but in no event in any case to exceed the Maximum Interest Rate) as may be determined by an Authorized Representative and all Commercial Paper Notes authorized herein shall mature on or prior to the Maximum Maturity Date.

Subject to the Maximum Interest Rate limitation, Commercial Paper Notes authorized to be issued hereunder without a fixed numerical rate of interest for the term thereof shall bear interest in accordance with any clearly stated formula or method of calculation as determined by an Authorized Representative and such formula or method of calculation shall be set forth in the Commercial Paper Note.

Subject to applicable terms, limitations and procedures contained herein, Commercial Paper Notes may be sold in such manner at public or private sale and at par or at such discount (within the interest rate restrictions provided herein) as an Authorized Representative shall approve at the time of the sale thereof.

U.S. Bank National Association, New York, New York, is hereby selected and appointed to serve as Issuing and Paying Agent, Paying Agent/Registrar and Registrar for the Commercial Paper Notes, and the City covenants and agrees to keep and maintain with the Registrar at its Designated Office books and records (the "Registration Books") for the registration, payment, transfer and exchange of the Commercial Paper Notes, all as provided herein and in such reasonable rules and regulations as the Registrar may prescribe. The City covenants to maintain and provide a Registrar at all times while the Commercial Paper Notes are Outstanding, which shall be a national or state banking association or corporation or trust company organized and doing business under the laws of the United States of America or of any state and authorized under such laws to exercise trust powers. Should a change in the Paying Agent/Registrar for the Commercial Paper Notes occur, the City agrees to promptly cause a written notice thereof to be (i) sent to each registered owner of the Commercial Paper Notes then Outstanding by United States mail, first-class postage prepaid, and (ii) published in a financial newspaper or journal of general circulation in The City of New York, New York, once during each calendar week for at least two calendar weeks; provided, however, the publication of such notice shall not be required if notice is sent to each Holder of the Commercial Paper Notes. Such notice shall give the address of the successor Paying Agent/Registrar. A successor Paying Agent/Registrar may be appointed by the City without the consent of the Holders.

The Commercial Paper Notes shall be issued in registered form, without coupons; provided, however, Commercial Paper Notes may be registered to bearer. The principal of and interest on the



Commercial Paper Notes shall be payable in lawful money of the United States of America, without exchange or collection charges to the Holder of the Commercial Paper Note; the principal thereof to be payable upon presentation and surrender of the Commercial Paper Note at the Designated Office of the Issuing and Paying Agent and interest thereon to be payable to the registered owner thereof (when registered other than to bearer) either (i) by check sent by United States mail, first-class postage prepaid, to the address of the registered owner appearing on the Registration Books of the City maintained by the Registrar or (ii) by such other method, acceptable to the Issuing and Paying Agent, requested by the Holder, but interest on a Commercial Paper Note registered to bearer shall be payable only upon presentation of the Commercial Paper Note at the Designated Office of the Issuing and Paying Agent.

A copy of the Registration Books and any change thereto shall be provided to the City by the Paying Agent/Registrar, by means of telecommunications equipment or such other means as may be mutually agreeable thereto, within two Business Days of the opening of such Registration Books or any change therein, as the case may be.

The City and the Paying Agent/Registrar may treat the bearer (in the case of Commercial Paper Notes so registered) or the registered payee thereof as the absolute owner of any Commercial Paper Note for the purpose of receiving payment thereof and for all purposes, and the City and the Paying Agent/Registrar shall not be affected by any notice or knowledge to the contrary.

If an Authorized Representative determines that it is possible and desirable to provide for a book-entry only system of Commercial Paper Note registration with DTC, such Authorized Representative, acting for and on behalf of the City, is hereby authorized to approve, execute, and deliver a Letter of Representations to DTC and to enter into such other agreements and execute such instruments as are necessary to implement such book-entry only system, such approval to be conclusively evidenced by the execution thereof by said Authorized Representative. Under the initial book-entry only system with DTC, no physical Commercial Paper Note certificates will be delivered to DTC. The execution and delivery to the Issuing and Paying Agent, as custodian for DTC, of a master note (the "Master Note") with respect to the Commercial Paper Notes, is hereby authorized and approved. Except as provided herein, the ownership of the Commercial Paper Notes shall be registered in the name of Cede & Co., as nominee of DTC, which will serve as the initial securities depository for the Commercial Paper Notes. Ownership of beneficial interests in the Commercial Paper Notes shall be shown by book-entry on the system maintained and operated by DTC and DTC Participants, and transfers of ownership of beneficial interests shall be made only by DTC and the DTC Participants by book-entry, and the City and the Issuing and Paying Agent shall have no responsibility therefor. DTC will be required to maintain records of the positions of the DTC Participants in the Commercial Paper Notes, and the DTC Participants and persons acting through the DTC Participants will be required to maintain records of the purchasers of beneficial interests in the Commercial Paper Notes. During any period when a book-entry only system is in effect, except as provided above in this paragraph, the Commercial Paper Notes shall not be transferable or exchangeable, except for transfer to another securities depository or to another nominee of a securities depository.

With respect to Commercial Paper Notes registered in the name of DTC or its nominee, neither the City nor the Issuing and Paying Agent shall have any responsibility or obligation to any DTC Participant or to any person on whose behalf a DTC Participant holds an interest in the Commercial Paper Notes. Without limiting the immediately preceding sentence, neither the City nor the Issuing and Paying Agent shall have any responsibility or obligation with respect to (i) the accuracy of the records of DTC or any DTC Participant with respect to any ownership interest in the Commercial Paper Notes, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of the Commercial Paper Notes, as shown on the Registration Books, of any notice with respect to the Commercial Paper Notes, and (iii) the payment to any DTC Participant or any other person, other than a registered owner of the Commercial Paper Notes, as shown in the Registration Books, of any amount with respect to principal of or interest on the Commercial Paper Notes.

Whenever, during the term of the Commercial Paper Notes, the beneficial ownership thereof is determined by a book entry at DTC, the requirements in this Ordinance of holding, registering, delivering, exchanging, or transferring the Commercial Paper Notes shall be deemed modified to require the appropriate person or entity to meet the requirements of DTC as to holding, registering, delivering, exchanging, or transferring the book-entry to produce the same effect.

Either the City or DTC may determine to discontinue the book-entry only system and in such case, unless a new book-entry only system is put in place, physical certificates in the form set forth in **Section 2.05** shall be provided to the beneficial owners thereof.

If at any time, DTC ceases to hold the Commercial Paper Notes, all references herein to DTC shall be of no further force or effect.

Whenever the beneficial ownership of the Commercial Paper Notes is determined by a book-entry at DTC, delivery of Commercial Paper Notes for payment at maturity shall be made pursuant to DTC's payment procedures as are in effect from time to time and the DTC Participants shall transmit payment to beneficial owners whose Commercial Paper Notes have matured. The City and each of the Issuing and Paying Agent, the Liquidity Providers and the Dealer are not responsible for transfer of payment to the DTC Participants or beneficial owners.

**Section 2.03. Commercial Paper Notes.** Under and pursuant to the authority granted hereby and subject to the limitations contained herein, Commercial Paper Notes to be designated "**City of Dallas, Texas Waterworks and Sewer System Commercial Paper Notes, Series D**" are hereby authorized to be issued and sold and delivered from time to time in such principal amounts as determined by an Authorized Representative in denominations of \$100,000 or in integral multiples of \$1,000 in excess thereof, numbered in ascending consecutive numerical order in the order of their issuance and to mature and become due and payable on such dates as an Authorized Representative shall determine at the time of sale; provided, however, that no Commercial Paper Note shall (i) mature after the Maximum Maturity Date, (ii) have a term in excess of two hundred seventy (270) calendar days or (iii) be issued in a manner that would cause the City to violate the covenants set forth in **Section 4.01** hereof.

Interest, if any, on Commercial Paper Notes shall be payable at maturity with principal.

**Section 2.04. Liquidity Provider Note.** Under and pursuant to authority granted hereby and subject to the limitations contained herein and in the Agreement, a promissory note to be designated the "Liquidity Provider Note", as herein provided, are hereby authorized and approved in accordance with the terms of this Ordinance, the Agreement and the form thereof set forth in the Agreement.

**Section 2.05. Form of Commercial Paper Notes.** The Commercial Paper Notes and the Certificate of Authentication to appear on each of the Commercial Paper Notes shall be substantially in the forms set forth in this section with such appropriate insertions, omissions, substitutions and other variations as are permitted or required by this Ordinance and may have such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements thereon as may, consistently herewith, be approved by an Authorized Representative. Any portion of the text of any Commercial Paper Notes may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Commercial Paper Notes.

The Commercial Paper Notes shall be printed, lithographed, or engraved or produced in any other similar manner, or typewritten, all as determined and approved by an Authorized Representative.

Form of Commercial Paper Note:

UNITED STATES OF AMERICA  
STATE OF TEXAS  
CITY OF DALLAS, TEXAS  
WATERWORKS AND SEWER SYSTEM  
COMMERCIAL PAPER NOTE,  
SERIES D

No.:	_____	Note Date:	_____
Principal Amount:	_____	Maturity Date:	_____
Interest to Maturity:	_____	Number of Days:	_____
Due at Maturity:	_____	Interest Rate (%):	_____

Owner: \_\_\_\_\_

The City of Dallas (the "City"), in Dallas, Denton, Collin and Rockwall Counties, State of Texas, FOR VALUE RECEIVED, hereby promises to pay, solely from the sources hereinafter identified and as hereinafter stated, to the order of the party specified above on the maturity date specified above, the principal sum specified above and to pay interest, if any, on said principal amount at said maturity date, from the above specified note date to said maturity date at the per annum interest rate shown above (computed on the basis of actual days elapsed and a 365-day or 366-day year, as applicable); both principal and interest on this Note being payable in lawful money of the United States of America at the designated corporate trust office of the Issuing and Paying Agent

executing the "Certificate of Authentication" endorsed hereon and appearing below, or its successor. No interest will accrue on the principal amount hereof after said maturity date. Defined terms used herein shall have the same meaning given to said terms in the hereinafter defined Ordinance, unless the context of the use of such term indicates otherwise. The interest rate borne by this Note shall not exceed the Maximum Interest Rate.

This Note is one of an issue of Commercial Paper Notes which, together with other forms of short term obligations, including the below referenced Liquidity Provider Note, has been duly authorized and issued in accordance with the provisions of an ordinance (the "Ordinance") passed by the City Council of the City for the purpose of financing Project Costs of Eligible Projects for the System; to refund obligations issued in connection with an Eligible Project; and to refinance, renew or refund Notes, Prior Lien Bonds, Subordinated Obligations and any other authorized obligations of the System, including interest thereon, in accordance with the provisions of the Ordinance; all in accordance and in strict conformity with the provisions of the Act.

This Commercial Paper Note, together with the other Commercial Paper Notes, is payable from and equally secured by a lien on and pledge of (i) the proceeds from (a) the sale of other Commercial Paper Notes issued for such purpose and (b) the sale of a series or issue of Prior Lien Bonds or Subordinated Obligations to be issued by the City for such purpose, (ii) advances under and pursuant to the Credit Agreement between the City and the Liquidity Providers pursuant to which the Liquidity Providers have agreed to provide liquidity to the City for the Commercial Paper Notes, which advances are to be evidenced by a Liquidity Provider Note, and (iii) amounts in certain funds and accounts established pursuant to the Ordinance.

This Commercial Paper Note, together with the other Commercial Paper Notes, is payable solely from the sources hereinabove identified securing the payment thereof, and the Commercial Paper Notes do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any other property of the City or the System. The holder hereof shall never have the right to demand payment of this obligation from any sources or properties of the City except as identified above.

It is hereby certified and recited that all acts, conditions and things required by law and the Ordinance to exist, to have happened and to have been performed precedent to and in the issuance of this Commercial Paper Note, do exist, have happened and have been performed in regular and in due time, form and manner as required by law and that the issuance of this Commercial Paper Note, together with all other Commercial Paper Notes, is not in excess of the principal amount of Commercial Paper Notes permitted to be issued under the Ordinance.

This Commercial Paper Note has all the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

This Commercial Paper Note shall not be entitled to any benefit under the Ordinance or be valid or become obligatory for any purpose until this Commercial Paper Note shall have been authenticated by the execution by the Issuing and Paying Agent of the Certificate of Authentication hereon.

IN TESTIMONY WHEREOF, the City Council has caused the seal of the City to be duly impressed or placed in facsimile hereon, and this Note to be signed with the imprinted facsimile signature of the City Manager and attested by the facsimile signature of the City Secretary.

\*\*\*\*\*  
\_\_\_\_\_  
City Secretary, City of Dallas

\*\*\*\*\*  
\_\_\_\_\_  
City Manager, City of Dallas

(SEAL)

ISSUING AND PAYING AGENT'S  
CERTIFICATE OF AUTHENTICATION

This Commercial Paper Note is one of the Commercial Paper Notes delivered pursuant to the within mentioned Ordinance.

U.S. BANK NATIONAL ASSOCIATION,  
as Issuing and Paying Agent

By: \_\_\_\_\_  
Authorized Signatory

If Commercial Paper Notes are issued in book-entry only form pursuant to **Section 2.02**, they shall be issued in the form of the Master Note approved by the City Council pursuant to this Ordinance, to which there shall be attached the form of Commercial Paper Note as prescribed above, and it is hereby declared that the provisions of the Commercial Paper Note as prescribed above are incorporated into and shall be a part of the Master Note. It is further provided that this Ordinance and the form of Commercial Paper Note prescribed above shall constitute the "underlying records" referred to in the Master Note. Notwithstanding the provisions of **Section 2.06**, the Master Note may be executed on behalf of the City with the manual signature of the City Manager or the Chief Financial Officer of the City.

**Section 2.06. Execution - Authentication.** Under authority granted by Section 1371.055, Texas Government Code, the Commercial Paper Notes shall be executed on behalf of the City by the City Manager, and attested by the City Secretary under its seal reproduced or impressed thereon, all as provided in **Section 2.05** hereof. The signatures of said officers on the Commercial Paper Notes may be manual or facsimile. Commercial Paper Notes bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the date of passage of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of the initial sale and delivery of Commercial Paper Notes authorized to be issued hereunder or at the time Commercial Paper Notes are delivered

in subsequent sales, exchanges and transfers, all as authorized and provided in Section 1371.055 and Chapter 1206, Texas Government Code.

No Commercial Paper Note shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Commercial Paper Note a certificate of authentication executed by the Paying Agent/Registrar by manual signature, or, in the case of the Master Note, the Paying Agent/Registrar has executed the Master Note, and the execution of any Commercial Paper Note by the Paying Agent/Registrar shall be conclusive evidence, and the only evidence, that such Commercial Paper Note has been duly certified or registered and delivered.

**Section 2.07. Notes Mutilated, Lost, Destroyed or Stolen.** If any Note shall become mutilated, the City, at the expense of the Holder of said Note, shall execute and deliver a new Note of like tenor and number in exchange and substitution for the Note so mutilated, but only upon surrender to the City of the Note so mutilated. If any Note shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the City and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, the City, at the expense of the owner, shall execute and deliver a new Note of like tenor in lieu of and in substitution for the Note so lost, destroyed or stolen. Neither the City nor the Paying Agent/Registrar shall be required to treat both the original Note and any duplicate Note as being Outstanding for the purpose of determining the principal amount of Notes which may be issued hereunder, but both the original and the duplicate Note shall be treated as one and the same.

**Section 2.08. Negotiability, Registration and Exchangeability.** The obligations issued hereunder shall be, and shall have all of the qualities and incidents of, a negotiable instrument under the laws of the State of Texas, and each successive holder, in accepting any of the obligations, shall be conclusively deemed to have agreed that such obligations shall be and have all of the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

The Registration Books relating to the registration, payment and transfer or exchange of the Commercial Paper Notes shall at all times be kept and maintained by the City at the Designated Office of the Registrar, and the Registrar shall obtain, record and maintain in the Registration Books the name and address of each registered owner of the Commercial Paper Notes, except for Commercial Paper Notes registered to bearer, issued under and pursuant to the provisions of this Ordinance, and the Registrar further shall provide such information to the City as described in **Section 2.02** hereof. Any Commercial Paper Note may, in accordance with its terms and the terms hereof, be transferred or exchanged for Commercial Paper Notes of like tenor and character and of other authorized denominations upon the Registration Books by the Holder in person or by his duly authorized agent, upon surrender of such Commercial Paper Note to the Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Registrar.

Upon surrender for transfer of any Commercial Paper Note at the Designated Office of the Registrar, the Registrar shall register and deliver, in the name of the designated transferee or transferees (or to bearer, as appropriate), one or more new Commercial Paper Notes executed on behalf of, and furnished by, the City of like tenor and character and of authorized denominations and

having the same maturity, bearing interest at the same rate or rates and of a like aggregate principal amount as the Commercial Paper Note or Commercial Paper Notes surrendered for transfer.

Furthermore, Commercial Paper Notes may be exchanged for other Commercial Paper Notes of like tenor and character and of authorized denominations and having the same maturity, bearing the same rate or rates of interest and of like aggregate principal amount as the Commercial Paper Notes surrendered for exchange, upon surrender of the Commercial Paper Notes to be exchanged at the Designated Office of the Registrar. Whenever any Commercial Paper Notes are so surrendered for exchange, the Registrar shall register and deliver new Commercial Paper Notes of like tenor and character as the Commercial Paper Notes exchanged, executed on behalf of, and furnished by, the City to the Holder requesting the exchange.

The City and the Registrar may charge the Noteholder a sum sufficient to reimburse them for any expenses incurred in making any exchange or transfer after the first such exchange or transfer. The Registrar or the City may also require payment from the Holder of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto. Such charges and expenses shall be paid before any such new Commercial Paper Note shall be delivered.

New Commercial Paper Notes delivered upon any transfer or exchange shall be valid obligations of the City, evidencing the same debt as the Commercial Paper Notes surrendered, shall be secured by this Ordinance and shall be entitled to all of the security and benefits hereof to the same extent as the Commercial Paper Notes surrendered.

The City reserves the right to change the above registration and transferability provisions of the Commercial Paper Notes at any time on or prior to the delivery thereof in order to comply with applicable laws and regulations of the United States in effect at the time of issuance thereof.

**Section 2.09. Series D Note Payment Fund.** The City Council hereby creates and establishes with the Issuing and Paying Agent a separate and special fund to be designated as the "**City of Dallas, Texas Waterworks and Sewer System Series D Note Payment Interest and Sinking Fund**" (the "Series D Note Payment Fund"). Moneys on deposit in the Series D Note Payment Fund shall be used to pay principal of and interest on Commercial Paper Notes at the respective interest payment and maturity dates of each issue thereof as provided herein and the repayment of any Advances and Term Loans made pursuant to the Agreement (evidenced by the Liquidity Provider Note). Amounts remaining in the Series D Note Payment Fund not then necessary for the purposes thereof may be transferred to the Series D Note Construction Account (created pursuant to **Section 2.11** hereof) upon request of an Authorized Representative.

Additionally all proceeds of Advances shall be deposited into the Series D Note Payment Fund and used to pay the principal of and interest on the Commercial Paper Notes.

The Issuing and Paying Agent shall not have a lien on the Series D Note Payment Fund.

Pending the expenditure of moneys in the Series D Note Payment Fund for authorized purposes, moneys deposited therein may be invested at the direction of the Chief Financial Officer

of the City or the designee thereof in Eligible Investments; provided, that moneys received from a Liquidity Provider and moneys received in connection with a rollover of Commercial Paper Notes shall remain uninvested. Any income received from such investments shall be credited to the Revenue Fund, as established in the Prior Lien Bond Ordinance, and shall not, for purposes of this Ordinance, be considered an amount held in the Series D Note Payment Fund.

**Section 2.10. Pledge; Payments.** The Notes are obligations of the City payable from and secured solely by the funds pledged therefor pursuant to this Ordinance. The City agrees to make payments into the Series D Note Payment Fund at such times and in such amounts as are necessary to provide for the full payment of the principal of and the interest on the Notes when due.

To provide security for the payment of the principal of and interest on the Notes and any other amounts due under the Agreement as the same shall become due and payable, there is hereby granted a lien on and pledge of, subject only to the provisions of this Ordinance permitting the application thereof for purposes and on the terms and conditions set forth herein, (i) the proceeds from (a) the sale of Prior Lien Bonds or Subordinated Obligations issued for such purpose and (b) the sale of other Notes issued pursuant to this Ordinance for such purpose, (ii) Advances, (iii) the amounts held in the Series D Note Payment Fund until the amounts deposited therein are used for authorized purposes, provided, however, amounts in the Series D Note Payment Fund attributable to and derived from Advances shall be used only to pay, prior to any application to the payment of the Liquidity Provider Note, the principal of and interest on the Commercial Paper Notes in full, and (iv) the amounts remaining on deposit in the Series D Note Construction Account after the payment of all Project Costs, and it is hereby resolved and declared that the principal of and interest on the Notes and any other amounts due under the Agreement shall be and are hereby equally and ratably secured by and payable from a lien on and pledge of the sources hereinabove identified in clauses (i), (ii), (iii) and (iv) subject and subordinate only to the exceptions noted therein.

Additionally, to provide security for the payment of the principal of and interest on each Liquidity Provider Note and other amounts due under the Agreement as the same shall become due and payable, there is hereby granted to each Liquidity Provider a lien on and pledge of the Pledged Revenues, subject only to the provisions of this Ordinance permitting the application thereof for purposes and on the terms and conditions set forth herein, and the provisions of the Series B Credit Agreement and the Series C Credit Agreement, such lien on and pledge of the Pledged Revenues, however, being subordinate only to the lien on and pledge of the Pledged Revenues in support of the Prior Lien Bonds and the debt service and reserve funds relating thereto. As provided in the Credit Agreement, the lien on and pledge of the Pledged Revenues in support of the Liquidity Provider Note shall be on a parity with the lien on and pledge of the Pledged Revenues in support of the Bank of America Note.

Unless the Liquidity Provider Note is paid from the proceeds of Commercial Paper Notes, or Prior Lien Bonds or Subordinated Obligations issued for such purpose, or amounts available in the Series D Note Payment Fund or the Series D Note Construction Account, all as described above, such payments are to be made from Pledged Revenues on deposit in the "Liquidity Provider Note Account" in accordance with **Section 4.02** hereof.



**Section 2.11. Series D Note Construction Account.** The City Council hereby creates and establishes a separate account hereby designated as the "**City of Dallas, Texas Waterworks and Sewer System Series D Note Construction Account**" (the "Series D Note Construction Account"). The Series D Note Construction Account shall be held by the City with the City's depository bank, currently Bank of America, N.A. The City shall account for moneys deposited into the Series D Note Construction Account from Commercial Paper Notes issued. Moneys deposited in the Series D Note Construction Account shall remain therein until from time to time expended to pay for Project Costs, and to refund Notes issued in connection with Eligible Projects and shall not be used for any other purposes whatsoever, except as otherwise provided below, and pending such expenditure, moneys therein may be invested at the direction of the Chief Financial Officer of the City or the designee thereof in Eligible Investments. Any income received from such investments (except as otherwise required to be rebated to the United States of America in accordance with the provisions of **Section 4.06** hereof) shall be deposited, as received, into the Revenue Fund established by the Prior Lien Bond Ordinance and shall not, for purposes of this Ordinance, be considered an amount held in the Series D Note Construction Account.

Any amounts on deposit in the Series D Note Construction Account designated by an Authorized Representative as eligible to pay interest during construction and up to one year after construction is completed may be transferred from time to time at the direction of an Authorized Representative to the credit of the Series D Note Payment Fund from which proceeds of Commercial Paper Notes were deposited to the Series D Note Construction Account, for use in accordance with the terms of **Section 2.09** hereof. Any amounts remaining in the Series D Note Construction Account after the payment of all Project Costs shall be paid into the Series D Note Payment Fund and used for the payment of such maturities of the Commercial Paper Notes coming due at such times as may be selected by an Authorized Representative or for the payment of the Liquidity Provider Note, as the case may be. In the event no Commercial Paper Notes are Outstanding and there are no outstanding Advances, any amounts in the Series D Note Construction Account not anticipated to be needed to pay Project Costs shall be transferred to the Debt Service Fund established by the Prior Lien Bond Ordinance.

**Section 2.12. Cancellation.** All Commercial Paper Notes which at maturity are surrendered to the Paying Agent/Registrar for the collection of the principal and interest thereof or are surrendered for transfer or exchange pursuant to the provisions hereof shall, upon payment or issuance of new Commercial Paper Notes, be cancelled by the Paying Agent/Registrar, and the Paying Agent/Registrar forthwith shall transmit to the City a certificate identifying such Commercial Paper Notes and that such Commercial Paper Notes have been duly cancelled and destroyed.

**Section 2.13. Fiscal and Other Agents.** In furtherance of the purposes of this Ordinance, the City may from time to time appoint and provide for the payment of such additional fiscal, paying or other agents or trustees as it may deem necessary or appropriate in connection with the Notes.

**Section 2.14. Credit Agreement.** The Agreement, substantially in the form attached hereto as **Exhibit A**, is hereby approved, and shall be entered into with the Liquidity Providers. The

Liquidity Provider Notes substantially in the form contained in the Agreement are approved with the interest rate payable thereon to be determined as set forth therein. The City Manager or any Assistant City Manager is hereby authorized to execute and deliver the Credit Agreement, and any Liquidity Provider Note, and the City Secretary or an Assistant City Attorney is authorized to attest and to place the City seal thereon.

**Section 2.15. Funds Secured.** That moneys in all such Funds, to the extent not invested as permitted hereunder, shall be secured in the manner prescribed by law for securing funds of the City.

**Section 2.16. Application of Prior Covenants.** The covenants and agreements (to the extent the same are not inconsistent herewith) contained in the Prior Lien Bond Ordinance are hereby incorporated herein by reference and shall be deemed to be for the benefit and protection of each Liquidity Provider Note and the Holder thereof in like manner as applicable to the Prior Lien Bonds; provided, however, in the event of any conflict between the terms, covenants and agreements contained herein and the terms, covenants and agreements contained in the Prior Lien Bond Ordinance, the provisions of the Prior Lien Bond Ordinance shall control over the provisions hereof. Specifically, consistent with the provisions of the Prior Lien Bond Ordinance, if any property or facilities comprising all or a part of a system within the System are sold or exchanged, the acquisition, improvement or extension of such system having not been financed by the City in any manner with the proceeds of Prior Lien Bonds, or with the proceeds of obligations which were refunded in whole or in part with the proceeds of Prior Lien Bonds, then the City may utilize the proceeds of such sale or exchange for any lawful purpose not inconsistent with the City Charter of the City.

### ARTICLE III

#### ISSUANCE AND SALE OF NOTES

**Section 3.01. Issuance and Sale of Commercial Paper Notes.** (a) Commercial Paper Notes shall be completed and delivered by the Issuing and Paying Agent in accordance with telephonic, computer or written instructions of the Authorized Representative and in the manner specified below and in the Issuing and Paying Agent Agreement. To the extent such instructions are not written, they shall be confirmed in writing by the Authorized Representative within 24 hours. Said instructions shall specify the Commercial Paper Notes to be sold and such principal amounts, dates of issue, maturities, rates of discount or interest, or the formula or method of calculating interest and the basis upon which it is to be computed, and other terms and conditions which are hereby authorized and permitted to be fixed by the Authorized Representative at the time of sale of such Commercial Paper Notes. Such instructions shall include the purchase price of such Commercial Paper Notes, and, if such Commercial Paper Notes are not held in accordance with a book-entry only system, a request that the Issuing and Paying Agent authenticate such Commercial Paper Notes by counter signature of its authorized officer or employee and deliver them to the named purchaser or purchasers thereof upon receipt of payment in accordance with the custom then prevailing in the New York financial market in regard to such Commercial Paper Notes. The rules of the New York Clearinghouse shall apply thereto. Such instructions shall also contain provisions representing that all action on the part

of the City necessary for the valid issuance of the Commercial Paper Notes then to be issued has been taken, that all provisions of Texas and federal law necessary for the valid issuance of such Commercial Paper Notes with provision for interest exemption from federal income taxation have been complied with, if applicable, and that such Commercial Paper Notes in the hands of the Holders thereof will be valid and enforceable obligations of the City according to their terms, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that, if applicable, based upon the advice of Bond Counsel, the stated interest on the Commercial Paper Notes is exempt from federal income taxation. Such instructions shall also certify that:

(i) no Event of Default under **Section 5.01** hereof has occurred and is continuing as of the date of such Certificate and that the Issuing and Paying Agent has not received a Non-Issuance Instruction (as defined in the Credit Agreement);

(ii) the City has been advised by Bond Counsel that the projects to be financed with the proceeds of the Commercial Paper Notes will constitute Eligible Projects or that the obligations to be refunded were issued in connection with Eligible Projects;

(iii) the City is in compliance with the covenants set forth in **Article IV** hereof as of the date of such instructions;

(iv) the City has been advised by Bond Counsel that the proposed expenditure of the proceeds of such Commercial Paper Notes for such projects and the refunding of such Commercial Paper Notes issued for such projects will not cause the City to be in violation of its covenants set forth in **Section 4.06** hereof; and

(v) the sum of the interest payable on such Commercial Paper Note will not exceed a yield (calculated on the principal amount of the Commercial Paper Note on the basis of actual number of days elapsed, and a 365-day or 366-day year, as may be applicable) to the maturity date of such Commercial Paper Note in excess of the Maximum Interest Rate.

(b) Each Liquidity Provider Note shall be or has been delivered to the Liquidity Providers, and indebtedness may be incurred thereunder, all in accordance with the terms of the Agreement.

**Section 3.02. Proceeds of Sale of Commercial Paper Notes.** The proceeds of the sale of any Commercial Paper Notes (net of all expenses and costs of sale and issuance) shall be applied for any or all of the following purposes as directed by an Authorized Representative:

(i) Proceeds to be used for the payment of Prior Lien Bonds or Subordinated Obligations shall be deposited in such fund or account established by the City Council in the proceedings authorizing the use of Commercial Paper Notes to refinance or refund Prior Lien Bonds or Subordinated Obligations;

(ii) Proceeds to be used for the payment of Outstanding Commercial Paper Notes at or before maturity and the repayment of any borrowing (evidenced by the Liquidity Provider Note) or other amounts due under the Agreement shall be retained in the Series D Note Payment Fund, and expended therefor; and

(iii) Proceeds not retained in the Series D Note Payment Fund as provided in subparagraph (ii) above shall be transferred and deposited to the Series D Note Construction Account and used and applied in accordance with the provisions of **Section 2.11** hereof.

**Section 3.03. Issuing and Paying Agent Agreement.** The Issuing and Paying Agent Agreement, substantially in the form attached hereto as **Exhibit B**, is hereby approved, and shall be entered into with the Issuing and Paying Agent. The City Manager or any Assistant City Manager is hereby authorized to execute and deliver the Issuing and Paying Agent Agreement, and the City Secretary or an Assistant City Attorney is authorized to attest the execution thereby. Any Authorized Representative is hereby authorized to enter into any supplemental agreement with the Issuing and Paying Agent or with any successor Issuing and Paying Agent in order to implement the functions of the Issuing and Paying Agent or Registrar with respect to the Commercial Paper Notes. Any successor Issuing and Paying Agent shall be a financial institution organized and existing under the laws of the United States of America or the State of Texas and which has trust powers. The successor Issuing and Paying Agent shall have assumed the duties of the Issuing and Paying Agent to be replaced before such Issuing and Paying Agent shall be relieved of the obligation to perform the duties as Issuing and Paying Agent, and the successor Issuing and Paying Agent shall have executed an agreement substantially in the same form and substance as the Issuing and Paying Agent Agreement approved by this Ordinance.

**Section 3.04. Dealer Agreement.** The selection and appointment of Banc of America Securities LLC and M.R. Beal & Company, as the co-dealers for the Commercial Paper Notes (collectively, the "Dealer") is hereby approved. The Dealer Agreement by and between the City and the Dealer pertaining to the sale, from time to time, of Commercial Paper Notes or the purchase of Commercial Paper Notes from the City, substantially in the form attached hereto as **Exhibit C**, is hereby approved, and shall be entered into with the Dealer. The City Manager or any Assistant City Manager is hereby authorized to execute and deliver the Dealer Agreement, and the City Secretary or an Assistant City Attorney is authorized to attest the execution thereby. Any Authorized Representative is hereby authorized to enter into any supplemental agreement with the Dealer or with any successor Dealer in order to implement the functions of the Dealer with respect to the Commercial Paper Notes.

## ARTICLE IV

### COVENANTS OF THE CITY

**Section 4.01. Limitation on Issuance.** Unless this Ordinance is amended and modified by the City Council in accordance with the provisions of **Section 6.01** hereof, the City covenants that there

will not be issued and Outstanding at any time under this Ordinance more than \$300,000,000 in aggregate principal amount of Commercial Paper Notes. For purposes of this **Section 4.01** any portion of Outstanding Notes to be paid from money on deposit in the Series D Note Payment Fund held by the Issuing and Paying Agent on the day of calculation and from the available proceeds of Notes, Prior Lien Bonds or Subordinated Obligations or other obligations of the City issued on the day of calculation shall not be considered Outstanding. In addition to the foregoing, any improvement or extension to the System to be funded with Commercial Paper Notes must qualify as an Eligible Project, and the City shall not direct the Issuing and Paying Agent to issue Commercial Paper Notes that mature after the Business Day prior to the date the Credit Agreement expires or terminates in accordance with its terms.

Additionally, the City covenants and agrees that the total principal amount of all Commercial Paper Notes Outstanding at any one time and the total amount of interest accrued or to accrue thereon shall not exceed the Commitment.

**Section 4.02. Liquidity Provider Note Accounts.** There is hereby created and there shall be established and maintained a separate account to be known as the "Liquidity Provider Note Account" for the sole benefit of the Liquidity Provider Note within the Series D Note Payment Fund established by this Ordinance. After satisfying the requirements of the Prior Lien Bond Ordinance and any other ordinance with respect to the Prior Lien Bonds, with respect to the payment of principal of, and premium, if any, and interest on the Prior Lien Bonds and funding the reserve fund therefor, there shall be deposited by the City to the Liquidity Provider Note Account the amounts required by **Section 2.10** hereof for the payment of the Liquidity Provider Note.

**Section 4.03. Maintenance of Available Credit Facilities Requirement.** The City agrees and covenants that at all times up to and including the Maximum Maturity Date, unless the Commercial Paper Notes are no longer Outstanding it will maintain credit or liquidity facilities with banks or other financial institutions in amounts such that, assuming that all then Outstanding Commercial Paper Notes were to become due and payable immediately, the amount available for borrowing under such credit or liquidity facilities would be sufficient at that time to pay principal and interest of all Commercial Paper Notes. No Commercial Paper Note shall be issued if, after giving effect to the issuance thereof and, if applicable, the immediate application of the proceeds thereof to retire other Commercial Paper Notes secured by the credit or liquidity facility, the aggregate principal amount of all Commercial Paper Notes secured by or payable from the credit or liquidity facility would exceed the amount of the commitment thereunder. The availability for borrowing of such amounts under such facilities may be subject to reasonable conditions precedent, including but not limited to, bankruptcy of the City. In furtherance of the foregoing covenant, the City agrees that it will not issue any Commercial Paper Notes or make any borrowing which will result in a violation of such covenant, will not amend the Agreement in a manner which will cause a violation of such covenant and, if and to the extent necessary to maintain compliance with such covenant, will arrange for new credit or liquidity facilities prior to, or contemporaneously with, the expiration of the Agreement. Noteholders will be provided no less than fifteen (15) days notice prior to the effective date of any new credit or liquidity facility. The then existing credit or liquidity facility will remain in effect with respect to Commercial Paper Notes issued and Outstanding prior to the effective date of any new

credit or liquidity facility until all such Commercial Paper Notes have been paid in full. Any new credit or liquidity facility shall be effective only with respect to Commercial Paper Notes that are issued on or after the effective date of such new credit or liquidity facility.

**Section 4.04. Commercial Paper Notes Issued as Bond Anticipation Notes.** The City hereby acknowledges that the Commercial Paper Notes are being issued as bond anticipation notes, and therefore the City in good faith shall endeavor to sell a sufficient principal amount of Prior Lien Bonds or Subordinated Obligations, or a combination thereof, in order to have funds available, together with other moneys available therefor, to pay the Commercial Paper Notes and the interest thereon, or any renewals thereof, as the same shall become due, and to pay amounts due under the Agreement.

**Section 4.05. Punctual Payment.** The City will punctually pay or cause to be paid the principal of and interest, if any, on the Notes (but only from the sources pledged herein), in conformity with the Notes, this Ordinance and the Agreement.

**Section 4.06. Commercial Paper Notes to Remain Tax Exempt.** The City covenants to take any action to assure, or refrain from any action which would adversely affect, the treatment of the Commercial Paper Notes as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation if such Commercial Paper Notes are designated by the City as "tax exempt". In furtherance thereof, the City covenants as follows:

(a) to take any action to assure that no more than 10 percent of the proceeds of the Commercial Paper Notes or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use", as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds are so used, that amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on such Commercial Paper Notes, in contravention of section 141(b)(2) of the Code;

(b) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Commercial Paper Notes or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate", within the meaning of section 141(b)(3) of the Code, to the governmental use;

(c) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Commercial Paper Notes (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(d) to refrain from taking any action which would otherwise result in the Commercial Paper Notes being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(e) to refrain from taking any action that would result in the Commercial Paper Notes being "federally guaranteed" within the meaning of section 149(b) of the Code;

(f) to refrain from using any portion of the proceeds of the Commercial Paper Notes, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire "investment property" (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of such Commercial Paper Notes, other than investment property acquired with --

(1) proceeds of such Commercial Paper Notes invested for a reasonable temporary period of three years or less until such proceeds are needed for the purpose for which the obligations are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of such Commercial Paper Notes;

(g) to otherwise restrict the use of the proceeds of the Commercial Paper Notes or amounts treated as proceeds of such Commercial Paper Notes, as may be necessary, so that such Commercial Paper Notes do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

(h) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Commercial Paper Notes) an amount that is at least equal to 90 percent of the "Excess Earnings", within the meaning of section 148(f) of the Code, and to pay to the United States of America, not later than 60 days after the Commercial Paper Notes have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

The City represents and covenants that it will not expend, or permit to be expended, the proceeds of any Commercial Paper Notes in any manner inconsistent with its reasonable expectations as certified in a federal tax certificate to be executed from time to time with respect to the Commercial Paper Notes; provided, however, that the City may expend Commercial Paper Note proceeds in any manner if the City first obtains an unqualified opinion of Bond Counsel that such expenditure will not impair the exemption from federal income taxation of interest paid on the Commercial Paper Notes. The City represents that it has not been notified of any listing or proposed

listing by the Internal Revenue Service to the effect that it is an issuer whose arbitrage certifications may not be relied upon.

The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Regulations and, in the case of a refunding bond, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of the issuance of the Commercial Paper Notes. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify, or expand provisions of the Code, as applicable to the Commercial Paper Notes, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of Bond Counsel, will not adversely affect the exemption from federal income taxation of interest on the Commercial Paper Notes under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Commercial Paper Notes, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of Bond Counsel, to preserve the exemption from federal income taxation of interest on the Commercial Paper Notes under section 103 of the Code. In furtherance of such intention, the City Council hereby authorizes and directs the Mayor, the City Manager and the Chief Financial Officer of the City to execute any documents, certificates or reports required by the Code, and to make such elections on behalf of the City which may be permitted by the Code as are consistent with the purpose for the issuance of the Commercial Paper Notes.

In order to facilitate compliance with the above clause (h), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such Fund shall not be subject to the claim of any other person, including without limitation the Noteholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

**Section 4.07. Allocation of, and Limitation on, Expenditures for Eligible Projects.** The City covenants to account for on its books and records the expenditure of proceeds from the sale of the Commercial Paper Notes and any investment earnings thereon to be used for Eligible Projects by allocating proceeds to expenditures within 18 months of the later of the date that (a) the expenditure on a Eligible Project is made or (b) each Eligible Project is completed. The foregoing notwithstanding, the City shall not expend such proceeds or investment earnings more than 60 days after the later of (a) the fifth anniversary of the date of delivery of such Commercial Paper Notes or (b) the date the Commercial Paper Notes are retired, unless the City obtains an opinion of Bond Counsel substantially to the effect that such expenditure will not adversely affect the tax-exempt status of such Commercial Paper Notes. For purposes of this Section, the City shall not be obligated to comply with this covenant if it obtains an opinion of Bond Counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

**Section 4.08. Disposition of Eligible Projects.** The City covenants that the property constituting an Eligible Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of Bond Counsel



substantially to the effect that such sale or other disposition will not adversely affect the tax-exempt status of the Commercial Paper Notes. For purposes of this Section, the portion of the property comprising personal property and disposed of in the ordinary course of business shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this Section, the City shall not be obligated to comply with this covenant if it obtains an opinion of Bond Counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

**Section 4.09. Supplemental Ordinances.** Other than as permitted herein with respect to the issuance or incurrence of additional obligations of the City secured by the Pledged Revenues, the City will not adopt any supplemental ordinances with respect to the Pledged Revenues, pursuant to the Prior Lien Bond Ordinance or otherwise, without the written consent of the Liquidity Providers.

**Section 4.10. Opinion of Bond Counsel.** The City shall cause the legal opinion of Bond Counsel as to the validity of the Commercial Paper Notes and as to the exemption of interest on the Commercial Paper Notes from federal income taxation to be furnished to any Holder without cost. In addition, a copy of said opinion may be printed on each of the Commercial Paper Notes. In addition, in connection with the annual updating of the Offering Memorandum (as provided in accordance with **Section 6.08** hereof) as required by the Dealer Agreement, there shall be provided an annual updated opinion of Bond Counsel, at the cost of the City or the Dealer as agreed to in the Dealer Agreement.

**Section 4.11. Ongoing Continuing Disclosure Covenant.** To the extent required by the provisions of Rule 15c2-12, promulgated by the U.S. Securities and Exchange Commission, the City agrees to enter into an agreement to file financial information and operating data with respect to the Commercial Paper Notes with such entities as are designated pursuant to the terms of said Rule 15c2-12 as nationally recognized municipal securities information repositories and the state information depository in Texas. Under the provisions of said Rule 15c2-12, as they exist on the date this Ordinance is adopted, the City is exempted from complying with the undertaking described in the first sentence of this **Section 4.11**, as the Notes are to be issued in the form of Commercial Paper Notes.

**Section 4.12. Rates and Charges.** The City hereby agrees and reaffirms its covenants to the holders of the Prior Lien Bonds and Bank of America, as holder of the Bank of America Note, and covenants to the Holders of the Liquidity Provider Notes, that it will at all times maintain rates and charges for the services furnished, provided, and supplied by the System which shall comply with the provisions of the Prior Lien Bond Ordinance, be reasonable and non-discriminatory and produce income and revenues sufficient to pay:

(a) current expenses of operation and maintenance of the System, as required by Section 1502.056, Texas Government Code, including all salaries, labor, materials, interest, repairs, and extensions necessary to render efficient service;

(b) the interest on and principal of all Prior Lien Bonds, as and when the same shall become due; and

(c) to the extent the same are reasonably anticipated to be paid with Pledged Revenues, the interest on and principal of each Liquidity Provider Note and other amounts due each Liquidity Provider under the Credit Agreement, as and when the same shall become due; and

(d) to the extent the same are reasonably anticipated to be paid with Pledged Revenues, the interest on and principal of the Bank of America Note and other amounts due Bank of America under the Series B Credit Agreement and the Series C Credit Agreement, as and when the same shall become due; and

(e) any legal debt or obligation of the System as and when the same shall become due, including any Subordinated Obligations.

**Section 4.13. Revenue Fund.** Pursuant to **Section 2.16** hereof, the City hereby reaffirms its covenant to the holders of the Prior Lien Bonds and Bank of America, as holder of the Bank of America Note, and hereby covenants with respect to the Holders of the Liquidity Provider Notes, that all Gross Revenues shall be deposited as received in the "City of Dallas, Texas Waterworks and Sewer System Revenue Fund" (hereinafter referred to as the "Revenue Fund"), which shall be kept separate and apart from all other funds of the City. Revenues received for the Revenue Fund shall be deposited from time to time as received in such bank or banks as may be selected by the City in accordance with applicable laws relating to the selection of City depositories.

**Section 4.14. Compliance with Prior Lien Bond Ordinance and Other Documents.** The City will comply with the terms and provisions of the Prior Lien Bond Ordinance, and any other ordinance (including specifically, but not by way of limitation, the ordinances authorizing the issuance of the Series B Commercial Paper Notes and the Series C Commercial Paper Notes) or contract to which the City is a party, the non-compliance with which would materially adversely affect the ability of the City to make payments on the Notes when due. The City shall make the deposits to and payments from the Revenue Fund when and as required by the Prior Lien Bond Ordinance, and such deposits shall be made in the order and with the priorities set forth in the Prior Lien Bond Ordinance.

**Section 4.15. Reservation of Right to Issue or Incur Prior Lien Bonds and Obligations of Inferior Lien.** In accordance with **Section 4.09** hereof, the City hereby expressly reserves the right to hereafter issue Prior Lien Bonds in accordance with the provisions of the Prior Lien Bond Ordinance, payable from and secured by a lien on and pledge of the Pledged Revenues prior in right and claim to the lien and pledge securing the payment of the Liquidity Provider Notes. In accordance with **Section 4.09** hereof, the City also retains the right to issue or incur Subordinated Obligations.

**Section 4.16. Notice to Rating Agencies.** The City shall cause to be provided to the Rating Agencies (as defined in the Issuing and Paying Agent Agreement) notice of any proposed amendment to this Ordinance, or the occurrence of the termination or expiration of the Commitment or the substitution of credit or liquidity facilities prior to, or contemporaneously with, the expiration of the Agreement, or any change in the Issuing and Paying Agent or the Dealer, with such notice to be provided in the manner set forth in the Issuing and Paying Agent Agreement.

**Section 4.17. Purchase of Commercial Paper Notes by the City.** Notwithstanding anything to the contrary contained in this Ordinance, to the extent that the Dealer cannot sell Commercial Paper Notes to renew or refund Outstanding Commercial Paper Notes on their maturity, the City may use funds from sources other than (i) money on deposit in the Series D Note Payment Fund or the Series D Note Construction Account, (ii) the proceeds of Prior Lien Bonds or Subordinated Obligations, or (iii) money on deposit in any debt service fund or reserve fund established for the benefit of the Prior Lien Bonds or Subordinated Obligations, to purchase Commercial Paper Notes issued to renew and refund such maturing Commercial Paper Notes. Such payment, issuance and purchase are not intended to constitute an extinguishment of the obligation represented by such maturing Commercial Paper Notes and the City may issue Commercial Paper Notes to renew and refund the Commercial Paper Notes held by it when the Dealer is again able to sell Commercial Paper Notes. While such Commercial Paper Notes are held by the City they shall bear interest at the rate being earned by the funds used to purchase such Commercial Paper Notes on the date of purchase.

## **ARTICLE V**

### **EVENTS OF DEFAULT AND REMEDIES OF NOTEHOLDERS**

**Section 5.01. Events of Default.** If one or more of the following events shall occur:

(a) if default shall be made in the due and punctual payment of principal of any Commercial Paper Note when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if the City shall fail to make due and punctual payment of interest on any Commercial Paper Note when and as such interest installment shall become due and payable and such failure shall continue for five (5) Business Days;

(c) if the principal of the Liquidity Provider Note (and interest accrued thereon) shall become due and payable prior to the maturity thereof under the Liquidity Provider Note and the Agreement;

(d) if default shall be made by the City in the performance or observance of any other of the covenants, agreements or conditions on its part in this Ordinance or in the Commercial Paper Notes contained, and such default shall continue for a period of sixty (60) days after written notice thereof; provided, however, if such default cannot be cured within the sixty (60) day period but corrective action to cure such default is commenced and diligently pursued until the default is corrected no such Event of Default shall be deemed to have occurred; or

(e) if there shall occur the dissolution (without a successor being named to assume the rights and obligations) or liquidation of the City or the filing by the City of a voluntary petition in bankruptcy, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of its creditors, or the entry by the City into an agreement of composition with

its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceeding for the adjustment of its debts instituted under the provisions of the Bankruptcy Code, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted;

then such event as described above shall constitute an "Event of Default" under this Ordinance.

**Section 5.02. Suits at Law or in Equity and Mandamus.** In case one or more Events of Default shall occur, then and in every such case the Holder of any Note at the time Outstanding shall be entitled to proceed to protect and enforce such Holder's rights by such appropriate judicial proceeding as such Holder shall deem most effectual to protect and enforce any such right, either by suit in equity or by action at law, whether for the specific performance of any covenant or agreement contained in this Ordinance, or in aid of the exercise of any power granted in this Ordinance, or to enforce any other legal or equitable right vested in the Holders of Notes by this Ordinance or the Notes or by law. The provisions of this Ordinance shall be a contract with each and every Holder of Notes and the duties of the City shall be enforceable by any Noteholder by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

**Section 5.03. Remedies Not Exclusive.** No remedy herein conferred upon or reserved to the Holders of Notes is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised at any time or from time to time, and as often as may be necessary, by the Holder of any one or more of the Notes.

## ARTICLE VI

### MISCELLANEOUS

**Section 6.01. Amendments or Modifications Without Consent of Holders of Notes.** This Ordinance and the rights and obligations of the City and of the Holders of Notes may be modified or amended at any time by a supplemental ordinance, without notice to or the consent of any Noteholders, but only to the extent permitted by law, and, subject to the rights of the holders of the Notes, only for any one or more of the following purposes:

(1) to add to the covenants and agreements of the City in this Ordinance contained, other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the City;

(2) to increase the principal amount of Commercial Paper Notes that may be Outstanding at any one time under the terms of this Ordinance, provided that the City satisfies the requirements of **Section 4.03** hereof in providing liquidity or credit support with respect to the increased principal amount of Commercial Paper Notes authorized to be Outstanding at any one time;

(3) to cure any ambiguity or inconsistency, or to cure or correct any defective provision contained in this Ordinance, upon receipt by the City of an approving opinion of Bond Counsel selected by the City, that the same is needed for such purpose, and will more clearly express the intent of this Ordinance; or

(4) to supplement the security for the Notes, replace or provide additional credit facilities, make such changes, modifications or amendments as may be necessary or desirable in order to obtain the approval of this Ordinance by the Attorney General of Texas, as required by **Section 6.09** hereof, or to obtain or maintain the granting of a rating on the Notes by a nationally recognized municipal bond rating agency, or change the form of the Notes, or make such other changes in the provisions hereof as the City may deem necessary or desirable and which shall not materially adversely affect the interests of the Holders of the Notes; provided, however, that nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions of this Ordinance or of the Commercial Paper Notes so as to:

(A) Make any change in the maturity of any of the Outstanding Commercial Paper Notes;

(B) Reduce the rate of interest borne by any of the Outstanding Commercial Paper Notes;

(C) Reduce the amount of the principal payable on any of the Outstanding Commercial Paper Notes;

(D) Modify the terms of payment of principal of or interest on the Outstanding Commercial Paper Notes, or impose any conditions with respect to such payment;

(E) Affect the rights of the Holders of less than all of the Outstanding Commercial Paper Notes; or

(F) Reduce or restrict the pledge made pursuant to **Section 2.10** hereof for payment of the Commercial Paper Notes;

and provided, further, that no change, modification or amendment shall be made in this Ordinance or become valid and effective (i) without the approval of such change, modification or amendment by the Attorney General of the State of Texas, to the extent required by the Act, and (ii) without the written consent of the Liquidity Providers (which, in the case of an amendment authorizing an increase in the principal amount of Commercial Paper Notes at any one time Outstanding, shall mean the written consent of each entity providing, as of the effective date of the authority to issue additional Commercial Paper Notes in excess of the maximum principal amount of Commercial Paper Notes then authorized by the City Council at any one time to be Outstanding, the liquidity or credit support required by **Section 4.03** hereof).

**Section 6.02. Additional Actions.** (a) Any Authorized Representative, the City Secretary, and the other officers of the City, each are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Notes and otherwise to effectuate the purposes of this Ordinance, the Credit Agreement, the Dealer Agreement, the Issuing and Paying Agent Agreement and the Offering Memorandum. Specifically, by the adoption of this Ordinance, the City Council hereby authorizes the payment of the fees and expenses incurred and to be paid by the City in connection with the issuance, sale and delivery of the Notes and the execution and delivery of the Credit Agreement, the Dealer Agreement and the Issuing and Paying Agent Agreement, including, without limitation, fees of Rating Agencies, as further described in Schedule I attached hereto.

(b) In order for the City Council to be kept informed of the general activities and future needs of the System, the Chief Financial Officer of the City or the designee thereof shall report periodically to the Finance and Audit Committee duly appointed by the City Council, but no less frequently than once each calendar quarter, and provide the Finance and Audit Committee with a summary of recent events relating to the System and actions taken by the City with respect to such events.

**Section 6.03. Ordinance to Constitute a Contract; Equal Security.** In consideration of the acceptance of the Notes, the issuance of which is authorized hereunder, by those who shall hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the City and the Holders from time to time of the Notes and the pledge made in this Ordinance by the City and the covenants and agreements set forth in this Ordinance to be performed by the City shall be for the equal and proportionate benefit, security and protection of all Holders of the Notes, without preference, priority or distinction as to security or otherwise of any of the Notes authorized hereunder over any of the others by reason of time of issuance, sale or maturity thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Ordinance or, with respect to the Liquidity Provider Notes, the Agreement.

**Section 6.04. Severability of Invalid Provisions.** If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Notes issued hereunder.

**Section 6.05. Payment and Performance on Business Days.** Whenever under the terms of this Ordinance or the Commercial Paper Notes, the performance date of any provision hereof or thereof, including the payment of principal of or interest on the Commercial Paper Notes, shall occur on a day other than a Business Day, then the performance thereof, including the payment of principal of and interest on the Commercial Paper Notes, need not be made on such day but may be performed or paid, as the case may be, on the next succeeding Business Day with the same force and effect as if made on such day.

**Section 6.06. Defeasance.** If, when all or any portion of the Commercial Paper Notes shall have become due and payable in accordance with their terms or otherwise as provided in this Ordinance, the entire principal and interest so due and payable upon said Commercial Paper Notes shall be paid, or if at or prior to the date said Commercial Paper Notes have become due and payable, sufficient moneys or direct obligations of, or obligations guaranteed by, the United States of America the principal of and interest on which will provide sufficient moneys for such payment, shall be held in trust by the Issuing and Paying Agent and provision shall also be made for paying all other sums payable hereunder by the City with respect to said Commercial Paper Notes, the pledge herein created with respect to said Commercial Paper Notes shall thereupon cease, terminate and become discharged and said Commercial Paper Notes shall no longer be deemed Outstanding for purposes of this Ordinance and all the provisions of this Ordinance relating to the Commercial Paper Notes, including all covenants, agreements, liens and pledges made herein for the benefit thereof, shall be deemed duly discharged, satisfied and released.

**Section 6.07. Limitation of Benefits with Respect to the Ordinance.** With the exception of the rights or benefits herein expressly conferred, nothing expressed or contained herein or implied from the provisions of this Ordinance or the Notes is intended or should be construed to confer upon or give to any person other than the City, the Holders of the Notes, the Issuing and Paying Agent and the parties to the Dealer Agreement and the Credit Agreement, any legal or equitable right, remedy or claim under or by reason of or in respect to this Ordinance or any covenant, condition, stipulation, promise, agreement or provision herein contained. This Ordinance and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the City, the Holders of the Notes, the Issuing and Paying Agent and the parties to the Dealer Agreement and the Credit Agreement as herein and therein provided.

**Section 6.08. Use of Offering Memorandum.** The use by the Dealer of the Offering Memorandum, prepared by the Dealer in connection with the sale of Commercial Paper Notes, and the distribution of the Offering Memorandum by the Dealer, is approved subject to the approval thereof by an Authorized Representative. Any Authorized Representative is hereby authorized to provide to the Dealer such information as may, in the reasonable judgment of the Dealer, be necessary to update, on an annual basis, the Offering Memorandum.

**Section 6.09. Approval of Attorney General.** The Authorized Representative shall submit this Ordinance and a transcript of proceedings related thereto to the Attorney General of the State of Texas for approval, as required by the Act. No Notes herein authorized to be issued shall be sold or delivered by an Authorized Representative until the Attorney General of the State of Texas shall have approved this Ordinance, the Agreement and other agreements and proceedings as may be required in connection therewith, all as required by the Act. The City Council hereby authorizes the payment of the fee of the Office of the Attorney General of the State of Texas for the examination of the proceedings relating to the issuance of the Commercial Paper Notes, in the amount determined in accordance with the provisions of Section 1202.004, Texas Government Code.

**Section 6.10. Preamble.** The preamble to this Ordinance shall be considered an integral part of this Ordinance, and is herein incorporated as part of the body of this Ordinance for all purposes.

**Section 6.11. Immediate Effect.** This Ordinance shall be effective immediately from and after its passage in accordance with the provisions of Section 1201.028, Texas Government Code.

**Section 6.12. Open Meeting.** It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

PASSED AND APPROVED the 11th day of February, 2009.

APPROVED AS TO FORM:  
Thomas P. Perkins, Jr., City Attorney

By: \_\_\_\_\_



THE STATE OF TEXAS :  
COUNTIES OF DALLAS, DENTON, COLLIN AND ROCKWALL :  
CITY OF DALLAS :

I, DEBORAH WATKINS, City Secretary of the City of Dallas, Texas, do hereby certify that the above and foregoing is a true and correct copy of an excerpt from the minutes of the City Council of the City of Dallas, had in Regular Meeting on the 11th day of February, 2009, and an Ordinance authorizing the issuance and sale of commercial paper notes in an aggregate principal amount at any one time outstanding not to exceed \$300,000,000, which Ordinance is duly of record in the minutes of said City Council; and that said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

WITNESS MY HAND and seal of the City of Dallas, Texas, this the 11th day of February, 2009.

\_\_\_\_\_  
Deborah Watkins, City Secretary  
City of Dallas, Texas

(SEAL)



**WHEREAS**, Bank of America, N.A. currently provides liquidity services to the City of Dallas for the Waterworks and Sewer System Series B and Series C short term obligations; and

**WHEREAS**, the City of Dallas desires to establish a new short term obligation program, Waterworks and Sewer System Series D, in an aggregate principal amount not to exceed \$300,000,000.

**WHEREAS**, the City of Dallas desires to enter into a credit agreement with U.S. Bank N.A., California State Teachers' Retirement System and California Public Employees' Retirement System (the "Series D Liquidity Providers") to provide liquidity support for the Waterworks and Sewer System Series D short term obligations.

**WHEREAS**, as a condition to providing liquidity support for the Series D short term obligations, the Series D Liquidity Providers desire to be secured by a pledge of revenues of the City's Waterworks and Sewer System on a parity with Bank of America, N.A.

**WHEREAS**, Bank of America, N.A. has agreed to permit the Series D Liquidity Providers to be secured by a lien of such revenues on a parity with the lien of such revenues granted by the City in support of the liquidity provided by Bank of America, N.A., in support of the Series B and Series C short term obligations.

**Now Therefore,**

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

**Section 1.** That the City Manager be and is hereby authorized to execute an amendment the Credit Agreements for the Waterworks and Sewer System Series B and Series C short term obligations, after approval as to form by the City Attorney, between the City of Dallas and Bank of America, N.A., in substantially the form attached to this Resolution.

**Section 2.** That this resolution shall 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.

**DISTRIBUTION: Office of Financial Services, 4FS**



**ADDENDUM ITEM # 16**

**KEY FOCUS AREA:** Make Government More Efficient, Effective and Economical

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Financial Services

**CMO:** Dave Cook, 670-7804

**MAPSCO:** N/A

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**SUBJECT**

Authorize **(1)** an extension through September 30, 2009 for Community Development Grant funded projects which have not met the twelve-month obligation or twenty-four-month expenditure requirement; **(2)** the reprogramming of Community Development Block Grant Funds (CDBG) in the amount of \$1,703,407 in conjunction with the FY 2009-10 Consolidated Plan Budget; **(3)** the adoption of the preliminary FY 2008-09 Consolidated Plan Reprogramming Budget #3 as recommended by the City Council's Housing Committee; and **(4)** a public hearing to be held on March 25, 2009 to receive comments on the proposed use of funds for FY 2008-09 Consolidated Plan Reprogramming Budget #3 - Financing: No cost consideration to the City

**BACKGROUND**

On August 18, 1993, the City Council approved Resolution No. 93-3001 establishing specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) funds. Funds are to be obligated within 12 months and expended within 24 months of budget adoption. On March 28, 2007, the City Council approved Resolution No. 07-0992 enhancing the City's existing expenditure policy with additional benchmarks. Additional time to obligate and expend funds may be granted by the City Council.

Timely expenditure of CDBG funds by entitlement cities continues to be a primary concern of the U. S. Department of Housing and Urban Development (HUD). HUD requires that cities expend CDBG funds so that at least 60 days prior to the start of a new program year, the unexpended balance of CDBG funds should be less than 1.5 times the cities' CDBG allocation amount for the year. The City of Dallas continues to comply with this HUD regulation.

For FY 2008-09, a review of the projects based on the timely expenditure policy (including the benchmarks), identified unspent funds remaining in 48 projects recommended for extension with total of \$5.4M and unspent funds remaining in 52 projects recommended for reprogramming with a total of \$1.8M.

## **BACKGROUND** (Continued)

On December 11, 2008 the Community Development Commission (CDC) Financial Monitoring Committee reviewed and recommended the City Manager's proposed extensions and reprogramming of CDBG funds with 1 amendment. This amendment removed one project from the reprogramming list to the extension list (\$107,505).

On January 8, 2009, the Community Development Commission (CDC) reviewed and approved the CDC's Financial Monitoring Committee's recommendation from the December 11, 2008 committee meeting.

On February 2, 2009, the City Council's Housing Committee (HC) was briefed on the FY 2008-09 CDBG Extensions and Reprogramming recommendations. The HC recommended to amend the CDC's recommendation as follows:

1. Extend \$8,046 in the 2 City Attorney's Offender Re-entry programs (currently on the reprogramming list, \$2 on line 10 and \$8,044 on line 11 – Attachment B);
2. Reduce the recommended reprogramming amount by \$116,731 to fund the Sidewalk Improvement Program at no cost to property owners; and
3. Directly reprogram \$92,522 from N2WIN! (BAMA Pie)(line 44 - Attachment B) for MLK Blvd Business Facade/Revitalization Program. This would be an exception to Council Resolution No. 06-1521, which discontinued the use of CDBG funds for public improvement activities at non-profit organizations.

The HC considered and recommended approval of additional requests to appropriate CDBG funds for direct reprogramming as follows:

1. \$80,000 for two (2) new Business Assistance Centers (BACs) at \$40,000 each for 6 months beginning April 1, 2009 as expressed by the Economic Development Committee at their December 10, 2008 meeting.
2. \$55,450 for the Neighborhood Street Petition program. The Neighborhood Street Improvement Petition grant program provides financial assistance to low/moderate income resident property owners for their share of the cost of paving improvements. The program has received greater than anticipated applications and additional funds are needed to supplement current budget.
3. \$356,524 from the Minor Home Repair Program to Reconstruction/SHARE Program and Community Housing Development Organizations (CHDO's) Development Loan program

**BACKGROUND** (Continued)

**Source of Funds**

FY 08-09	CDBG	Extension/Reprogramming	<b>\$344,703</b>
FY 05-06	CD05	Minor Home Repair	\$21,070
FY 06-07	CD06	Minor Home Repair	<u>\$335,554</u>
			<b>\$356,624</b>
		<b>CDBG Total</b>	<b>\$701,327</b>

**Use of Funds:**

FY 08-09	08R3	Hispanic Contractors BAC	\$40,000
FY 08-09	08R3	Indo-American Chamber of Commerce BAC	\$40,000
FY 08-09	08R3	Neighborhood Street Imp Petition Program	\$55,450
FY 08-09	08R3	Sidewalk Improvement Program	\$116,731
FY 08 09	08R3	MLK Blvd Business Facade/Revitalization Program	<u>\$92,522</u>
			<b>\$344,703</b>
FY 05-06	CD05	Reconstruction/SHARE	\$21,070
FY 06-07	CD06	Reconstruction/SHARE	<u>\$335,554</u>
			<b>\$356,624</b>
		<b>CDBG Total</b>	<b>\$701,327</b>

On January 22, 2008, the Housing Committee of the City Council was briefed on Community Housing Development Organizations that work with the City of Dallas. On June 25, 2008, the City Council adopted the FY 2008-09 Consolidated Plan Budget. On August 18, 2008, the Housing Committee was briefed on the Basic Home Repair Program and the Reconstruction/SHARE Program.

In the adoption of the Consolidated Plan budget for FY 2008-09, \$1,144,140 was appropriated in the HOME grant for CHDO Development Loans. During the first quarter of FY 2008-09, all CHDO funds were committed to development projects. Subsequently, the Housing Department received additional CHDO proposals in excess of \$800,000 to be considered. Meanwhile, adjustments made to the Basic Home Repair Program and the Reconstruction/SHARE Program by the City Council October 8, 2008 by Resolution No. 08-2768 have slowed expenditures for the Basic Home Repair Program and sufficient funds exist from more current allocations to address applications in process.

**BACKGROUND** (Continued)

The HC also considered and recommended approval of additional requests to appropriate HOME funds for direct reprogramming as follows:

**Source of Funds**

FY 04-05	HMA4	Home Minor Repair Program	\$535,548
FY 05-06	HM05	Home Minor Repair Program	<u>\$326,829</u>
		<b>HOME Total</b>	<b>\$862,377</b>

**Use of Funds:**

FY 04-05	HMA4	CHDO Development Loan Program	\$535,548
FY 05-06	HM05	CHDO Development Loan Program	<u>\$326,829</u>
		<b>HOME Total</b>	<b>\$862,377</b>

Direct reprogramming requests will constitute FY 2008-09 Consolidated Plan Reprogramming Budget #3.

This item includes authorization to adopt the preliminary FY 2008-09 Consolidated Plan Reprogramming Budget #3 and calls for a public hearing for March 25, 2009 to allow citizens an opportunity to comment on the proposed use of funds. Notice will be published in the official newspaper beginning a 30-day comment period. Following the 30-day citizen comment period and public hearing, final adoption by the City Council is scheduled for March 25, 2009.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 12, 2002, the City Council adopted a policy to discontinue the use of CDBG funds for public improvement activities at non-profit organizations by Resolution No. 02-1778.

On May 24, 2006, the City Council amended its June 12, 2002 policy to discontinue the use of CDBG funds for public improvement activities at non-profit organizations to delete the provision that allows for consideration of CDBG public improvement activities for an eligible economic development project, by Resolution No. 06-1521.

The Housing Committee of the City Council was briefed on January 22, 2008 on the Community Housing Development Organizations that work with the City of Dallas.

On June 25, 2008, the City Council adopted the FY 2008-09 Consolidated Plan Budget by Resolution No. 08-1807.



**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (Continued)

The Housing Committee was briefed on August 18, 2008 on the Basic Home Repair Program and the Reconstruction/SHARE Program.

On October 8, 2008, the City Council authorized modifications on October 8, 2008, to the Basic Home Repair and Reconstruction/SHARE Program, by Resolution No. 08-2768.

The Community Development Commission was briefed on January 8, 2009 and recommended extending and reprogramming of the CDBG project funds.

The Housing Committee was briefed on February 2, 2009 and recommended extending and reprogramming of the CDBG project funds.

**FISCAL INFORMATION**

No cost consideration to the City



February 11, 2009

**WHEREAS**, on August 18, 1993, the City Council approved Resolution No. 93-3001 establishing specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) funds; and

**WHEREAS**, on March 28, 2007, the City Council approved Resolution No. 07-0992 enhancing the City's existing expenditure policy with additional benchmarks; and

**WHEREAS**, at the discretion of the City Council, the timeframes may be extended for obligating and expending CDBG funded activities; and

**WHEREAS**, on January 22, 2008, the Housing Committee of the City Council was briefed on Community Housing Development Organizations that work with the City of Dallas; and,

**WHEREAS**, on June 25, 2008, the City Council approved Resolution No. 08-1807 authorizing final adoption of the FY 2008-09 Consolidated Plan Budget; and,

**WHEREAS**, on August 18, 2008, the Housing Committee was briefed on the Basic Home Repair Program and the Reconstruction/SHARE Program; and,

**WHEREAS**, on October 8, 2008, the City Council approved Resolution No. 08-2768 authorizing modifications to the Basic Home Repair and Reconstruction/SHARE Program; and,

**WHEREAS**, on November 19, 2008, the City Council authorized the final adoption of the Consolidated Plan Reprogramming Budget #1; and,

**WHEREAS**, on December 10, 2008, the City Council authorized the final adoption of the Consolidated Plan Reprogramming Budget #2; and,

**WHEREAS**, to more effectively, and efficiently commit and expend HOME Investment Partnership Program funds; and,

**WHEREAS**, to continue Community Housing Development Organization (CHDO) projects during 2009; and,

**WHEREAS**, on January 8, 2009, the Community Development Commission was briefed on the extensions and reprogramming of the CDBG project funds and made recommendations. Unspent funds remaining in 46 CDBG projects, totaling \$5,884,909, were recommended for extension. In addition, 51 CDBG projects, totaling \$1,711,453 were identified for reprogramming in conjunction with the FY 2009-10 Consolidated Plan Budget; and

February 11, 2009

**WHEREAS**, on February 2, 2009, the City Council’s Housing Committee was briefed on the FY 2008-09 CDBG Extension and Reprogramming recommendations and made amendments. Unspent funds remaining in 47 CDBG projects, totaling \$5,874,059 were recommended for extension. Approval to extend the twelve-month obligation and twenty-four month expenditure requirement for these projects was requested through September 30, 2009. In addition, 51 CDBG projects, totaling \$1,703,407 were identified for reprogramming in conjunction with the FY 2009-10 Consolidated Plan Budget; and

**WHEREAS**, the City Council’s Housing Committee also recommended approval of preliminary adoption of FY 2008-09 Consolidated Plan Reprogramming Budget #3 which includes a recommendation to direct reprogramming funds for the MLK Blvd Business Facade/Revitalization Program; and

**WHEREAS**, the City’s Citizen Participation Plan and HUD regulations require a public comment period of not less than 30 days and a public hearing to receive comments; and,

**Now, Therefore,**

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

**Section 1.** That the City Council authorizes an extension to the timeframes for the obligation and expenditure of prior CDBG funds to September 30, 2009 per the attached Attachment A.

**Section 2.** That the City Council authorizes the release of funds from their originally budgeted purposes for future reprogramming in conjunction with the FY 2009-10 Consolidated Plan Budget per the attached Attachment B.

**Section 3.** That the preliminary FY 2008-09 Consolidated Plan Reprogramming Budget #3 be approved as follows:

**Source of Funds:**

FY 08-09	CDBG	Extension/Reprogramming	<b>\$344,703</b>
FY 05-06	CD05	Minor Home Repair	\$21,070
FY 06-07	CD06	Minor Home Repair	<u>\$335,554</u>
			<b>\$356,624</b>
		<b>CDBG Total</b>	<b>\$701,327</b>

February 11, 2009

**Section 3.** (Continued)**Use of Funds:**

FY 08-09	08R3	Hispanic Contractors BAC	\$40,000
FY 08-09	08R3	Indo-American Chamber of Commerce BAC	\$40,000
FY 08-09	08R3	Neighborhood Street Imp Petition Program	\$55,450
FY 08-09	08R3	Sidewalk Improvement Program	\$116,731
FY 08 09	08R3	MLK Blvd Business Facade/Revitalization Program	<u>\$92,522</u>
			<b>\$344,703</b>

FY 05-06	CD05	Reconstruction/SHARE	\$21,070
FY 06-07	CD06	Reconstruction/SHARE	<u>\$335,554</u>
			<b>\$356,624</b>

**CDBG Total**                    **\$701,327**

**Source of Funds:**

FY 04-05	HMA4	Home Minor Repair Program	\$535,548
FY 05-06	HM05	Home Minor Repair Program	<u>\$326,829</u>
		<b>HOME Total</b>	<b>\$862,377</b>

**Use of Funds:**

FY 04-05	HMA4	CHDO Development Loan Program	\$535,548
FY 05-06	HM05	CHDO Development Loan Program	<u>\$326,829</u>
		<b>HOME Total</b>	<b>\$862,377</b>

**Section 4.** That approval of the MLK Blvd Business Facade/Revitalization Program constitutes an exception to the City Council policy adopted on May 24, 2006, by Council Resolution No. 06-1521, to discontinue the use of CDBG funds for public improvement activities at non-profit organizations.

**Section 5.** That a public hearing be held on March 25, 2009 to receive comments on the proposed use of funds.

**Section 6.** That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

**DISTRIBUTION:**

City Attorney's Office, 7AN  
 Office of Financial Services/Community Development, 4FS  
 Housing Department, 6CN  
 Office of Economic Development, 5CS

**ATTACHMENT A**

**CDBG Extension of Expenditure/Commitment Policy**

**Recommended by Community Development Commission (CDC) on 01/09/09**

**Amended by Housing Committee (HC) on 02/02/09**

						<b>Amount</b>
<b>#</b>	<b>Year Funded</b>	<b>Fund</b>	<b>Unit</b>	<b>Project</b>	<b>Council District</b>	<b>Amount</b>
1	06-07	CD06	3906	Community Prosecution Program-Pleasant Grove	5	\$10,714
2	07-08	CD07	2842	Neighborhood Investment Program - Code Compliance	2,3,4,6,7	\$65,839
3	03-04	CD03	2452	Historic Preservation Reviews/ Mitigation	NDS	\$11,117
4	04-05	CD04	2621	Historic Preservation Reviews/Mitigation	NDS	\$48,650
5	07-08	CD07	2858	Adolescent Health Services Program	NDS	\$37,124
6	99-00	OCD9	9126	Alameda Heights Community Outreach Center*	8	\$107,505
7	07-08	CD07	2863	City Child Cares Services	NDS	\$75,000
8	96-97	OCD6	5877	E's Haven Academy Renovation and Expansion	3	\$39,000
9	97-98	OCD7	0842	E's Haven Academy Renovation and Expansion	3	\$100,000
10	00-01	0R00	5487	RBOC, Inc	1	\$24,275
11	06-07	CD06	3949	Teen Violence - Victim Outreach	14	\$4,943
12	06-07	CD06	3950	Temporary Emergency Housing	NDS	\$19,104
13	05-06	CD05	4335	Major Maintenance-City Facilities	2, 6	\$10,233
14	99-00	OCD9	9153	Home Repair Program	NDS	\$10,557
15	06-07	CD06	3956	Housing Assistance Support	NDS	\$80,257
16	05-06	CD05	4369	Minor Home Repair	NDS	\$21,070
17	06-07	CD06	06PI	Minor Home Repair	NDS	\$335,554
18	02-03	0R02	2431	Minor Home Repair Program	NDS	\$80,620
19	99-00	0RR99	CD76	Mortgage Assistance Program	NDS	\$107,765
20	05-06	CD05	4367	Mortgage Assistance Program	NDS	\$5,873
21	06-07	06R2	8682	Mortgage Assistance Program-Citywide	NDS	\$1,000,000
22	07-08	CD07	2896	Neighborhood Investment Public- Support (PPO)	2,3,4,6,7	\$3,585
23	04-05	CD04	2655	Neighborhood Investment Prog-Basic Home Repair Prog	2,3,4,6,7	\$17,003
24	04-05	CD04	2658	Neighborhood Investment Prog-Projects TBD	2,3,4,6,7	\$128,655
25	04-05	CD04	2657	Neighborhood Investment Prog-Public Improvements	2,3,4,6,7	\$663,243
26	03-04	03R3	2574	Neighborhood Investment Program - Public Improvements	2,3,4,6,7	\$116,299
27	05-06	CD05	4371	Neighborhood Investment Program-Public Improvements	2,3,4,6,7	\$107,881
28	06-07	CD06	3964	Neighborhood Investment Public- Support (P/PO)	NDS	\$705
29	02-03	CD02	2346	Residential Development Acq Loan Program	NDS	\$134,639
30	04-05	CD04	2650	Residential Development Acquisition Loan Program	NDS	\$300,000
31	05-06	CD05	4363	Residential Development Acquisition Loan Program	NDS	\$250,000
32	98-99	OCD8	7514	SHARE Program	NDS	\$27,500
33	99-00	OCD9	9164	SHARE Program	NDS	\$34,690
34	01-02	CD01	5444	SHARE Program	NDS	\$85,307

**ATTACHMENT A**

**CDBG Extension of Expenditure/Commitment Policy**

**Recommended by Community Development Commission (CDC) on 01/09/09**

**Amended by Housing Committee (HC) on 02/02/09**

						<b>Amount</b>
<b>#</b>	<b>Year Funded</b>	<b>Fund</b>	<b>Unit</b>	<b>Project</b>	<b>Council District</b>	<b>Amount</b>
35	02-03	CD02	2307	Bexar Street Retail Development Project	7	\$235,766
36	03-04	03R2	2571	Business Development Program-South Dallas/Fair Park Project	7	\$350,000
37	04-05	0R04	2690	Business Development Program - South Dallas/Fair Park Project	7	\$317,351
38	00-01	0R00	5496	Fair Park Commercial Corridor Demo Program - SD/FP Project	7	\$180,813
39	95-96	0CD5	4679	NRP - A - Business Facade	1, 3	\$350
40	05-06	CD05	4336	SDDC Revolving Loan	NDS	\$566,000
41	96-97	0R96	0960	Southern Skates (Loan)	5	\$765
42	97-98	0CD7	0916	Crawford - Elam Park - Trail Improvements	5	\$5,000
43	96-97	0R96	0961	Urbandale Park Site Improvements	4	\$5,000
44	05-06	CD05	4378	Residential Barrier -Free Ramps	NDS	\$1,189
45	05-06	CD05	4376	Sidewalk Improvement Program	NDS	\$139,072
				<b>Sub-Total Extension Recommendation</b>		<b>\$5,866,013</b>
<b>Additional Extensions recommended by HC on February 2,2009</b>						
46	06-07	CD06	3961	Offender Re-Entry Program	NDS	\$2
47	07-08	CD07	2834	Offender Re-entry Program	NDS	\$8,044
				<b>Sub-Total Extension Recommendation</b>		<b>\$8,046</b>
				<b>Total Extension Recommendation</b>		<b>\$5,874,059</b>

**ATTACHMENT B**  
**CDBG Funds for Reprogramming**  
**Recommended by Community Development Commission (CDC) on 01/09/09**  
**Amended by Housing Committee (HC) on 02/02/09**

#	Year Funded	Fund	Unit	Project	Council District	
1	07-08	CD07	2839	City Attorney Community Prosecution Management/Oversight	NDS	\$17,200
2	06-07	CD06	3907	City Attorney Community Prosecution Mgt/Oversight/Supp	NDS	\$284
3	07-08	CD07	2837	Community Prosecution Program - Oak Lawn	2	\$21,162
4	07-08	CD07	2838	Community Prosecution Program - Pleasant Grove	5	\$39,915
5	07-08	CD07	2835	Community Prosecution Program- North Oak Cliff	1	\$38,614
6	07-08	CD07	2836	Community Prosecution Program- Old East Dallas	2, 14	\$19,021
7	06-07	CD06	3903	Community Prosecution Program-North Oak Cliff	1	\$1,147
8	06-07	CD06	3905	Community Prosecution Program-Oak Lawn	2	\$15
9	07-08	CD07	2833	Neighborhood Investment Program- Community Prosecutor	2,3,4,6,7	\$40,104
10	06-07	CD06	3961	Offender Re-Entry Program	NDS	HC Recommended Extension
11	07-08	CD07	2834	Offender Re-entry Program	NDS	HC Recommended Extension
12	06-07	CD06	3901	South Dallas/ Fair Park Community Court	7	\$168
13	07-08	CD07	2832	South Dallas/Fair Park Community Court	7	\$249
14	07-08	CD07	2840	Grant Compliance	NDS	\$17,701
15	07-08	CD07	2841	Dedicated SAFE II Expansion Code Inspection	NDS	\$8,071
16	05-06	CD05	4321	Relocation Assistance	NDS	\$75,000
17	04-05	CD04	2610	Dedicated SAFE II Expansion Police Dept	NDS	\$1
18	07-08	CD07	2846	Dedicated SAFE II Expansion Code Inspection - DPD	NDS	\$43,529
19	05-06	CD05	4324	Dedicated SAFE II Expansion Code Inspection - Police	NDS	\$176
20	06-07	CD06	3915	Dedicated SAFE II Expansion Code Inspection-Police Dept	NDS	\$624
21	06-07	CD06	3930	Adolescent Substance Abuse-Inpatient	NDS	\$320
22	00-01	0R00	5484	Centurion Project/Human Svc Network	7	\$641
23	06-07	CD06	3933	Child Care Services Program	NDS	\$4,469
24	07-08	CD07	2863	City Child Cares Services	NDS	\$91,402
25	06-07	CD06	3938	City Minority Diabetes Program	NDS	\$43
26	07-08	CD07	2867	City Minority Diabetes Program	NDS	\$4,082
27	07-08	CD07	2866	City Office of Senior Affairs	NDS	\$1,786
28	06-07	CD06	3944	Health Contact Monitoring (PPO)	NDS	\$130
29	07-08	CD07	2872	Health Contract Monitoring (PPO)	NDS	\$10,810
30	06-07	CD06	3948	Senior Services Program	NDS	\$30
31	07-08	CD06	2875	Senior Services Program	NDS	\$383
32	07-08	CD07	2877	Temporary Emergency Housing	NDS	\$35
33	06-07	CD06	3951	Youth-Related Social Services	1	\$2,600
34	07-08	CD07	2889	Housing Assistance Support	NDS	\$224,769
35	07-08	CD07	2890	Housing Development Support	NDS	\$346,803
36	05-06	CD05	4366	Housing Management Support	NDS	\$200
37	07-08	CD07	2891	Housing Management Support (PPO)	NDS	\$92,620



**ATTACHMENT B**  
**CDBG Funds for Reprogramming**  
**Recommended by Community Development Commission (CDC) on 01/09/09**  
**Amended by Housing Committee (HC) on 02/02/09**

#	Year Funded	Fund	Unit	Project	Council District	
38	06-07	CD06	3965	English Language Tutoring Program	1,14	\$3,445
39	07-08	CD07	2882	Fine Arts Education and Training Summer Camp	14	\$20,000
40	06-07	CD06	3926	BAC#7 - Dallas Fashion Incubator	2	\$85,000
41	07-08	CD07	2849	Business Assistance Center- Prog Delivery	NDS	\$142,300
42	06-07	CD06	3918	Business Assistance Center-Program Delivery	NDS	\$12,269
43	06-07	CD06	3927	Economic Development (P/PO)	NDS	\$20,610
44	00-01	CD00	CD10	N2WIN! - Renovations (Bama Pie)	7	\$92,522
45	07-08	CD07	2885	Citizen Participation/CDC Support/HUD Oversight	NDS	\$37,273
46	07-08	CD07	2886	Fair Housing Enforcement	NDS	\$66,142
47	06-07	CD06	3969	Afterschool/Summer Programs- School Sites	NDS	\$2,080
48	07-08	CD07	2898	After-School/Summer Program-School Sites	NDS	\$19,114
49	00-01	CD00	CD53	Arcadia Park	3	\$4,766
50	06-07	CD06	3973	Summer Youth Program	NDS	\$93
51	07-08	CD07	2901	Youth Development	NDS	\$93,689
<b>Total Reprogramming Recommendation</b>						<b>\$1,703,407</b>
<b>Direct Reprogramming recommended by HC on February 2,2009 to Sidewalk Improvement Program</b>						
1	06-07	CD06	3930	Adolescent Substance Abuse-Inpatient	NDS	\$320
2	00-01	0R00	5484	Centurion Project/Human Svc Network	7	\$641
3	06-07	CD06	3933	Child Care Services Program	NDS	\$4,469
4	07-08	CD07	2863	City Child Care Services	NDS	\$91,402
5	06-07	CD06	3938	City Minority Diabetes Program	NDS	\$43
6	07-08	CD07	2867	City Minority Diabetes Program	NDS	\$4,082
7	07-08	CD07	2866	City Office of Senior Affairs	NDS	\$1,786
8	06-07	CD06	3944	Health Contact Monitoring (PPO)	NDS	\$130
9	07-08	CD07	2872	Health Contract Monitoring (PPO)	NDS	\$10,810
10	06-07	CD06	3948	Senior Services Program	NDS	\$30
11	07-08	CD06	2875	Senior Services Program	NDS	\$383
12	07-08	CD07	2877	Temporary Emergency Housing	NDS	\$35
13	06-07	CD06	3951	Youth-Related Social Services	1	\$2,600
<b>Sub-Total Direct Reprogramming for Sidewalk Improvement Program</b>						<b>\$116,731</b>
	00-01	CD00	CD10	N2WIN! - Renovations (Bama Pie)	7	\$92,522
<b>Sub-Total Direct Reprogramming for MLK Blvd Business Façade/Revitalization Program</b>						<b>\$92,522</b>



**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Public Works & Transportation  
**CMO:** Ramon F. Miguez, P.E., 670-3308  
**MAPSCO:** N/A

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**SUBJECT**

An ordinance amending Chapter 15D of the Dallas City Code, Emergency Vehicles, to **(1)** revise qualifications and requirements for emergency wrecker service licenses and emergency wrecker driver's permits; **(2)** add grounds for suspension, revocation, and nonrenewal of emergency wrecker service licenses and emergency wrecker driver's permits and provide for appeals; **(3)** revise operating, staffing, vehicle, and equipment requirements for emergency wrecker services; **(4)** regulate apparel for emergency wrecker drivers; **(5)** expand and provide procedures and requirements for the city's rapid response program; **(6)** establish rapid response locations; **(7)** adjust fees allowed to be charged for emergency wrecker service; **(8)** provide restrictions on the location of emergency wrecker service businesses; **(9)** make certain non-substantive changes; and **(10)** provide a penalty not to exceed \$1,000 - Financing: No cost consideration to City

**BACKGROUND**

This action is being proposed in response to the Greater Dallas Emergency Wrecker Association's request for a rate increase. The last rate increase for emergency wrecker service was June 27, 2001. City staff and representatives of the Greater Dallas Emergency Wrecker Association have worked for several months to incorporate the requested fees and to update the city code provisions governing emergency wrecker service. These changes do not affect non-consent motor vehicle tows, which are regulated under Chapter 48A of the Dallas City Code.

The proposed ordinance increases the fees for emergency wrecker service to reflect changes in the Consumer Price Index since 2001 and to be more consistent with the fees in other major Texas cities. For example, the average base price among other major Texas cities for a light duty tow is \$125.00. The proposed ordinance increases the base price for a light duty tow in Dallas from \$95.00 to \$121.00.

## **BACKGROUND** (Continued)

In 2007, the State of Texas passed the Texas Towing Act, which transfers regulatory authority for wreckers from the Texas Department of Transportation to the Texas Department of Licensing and Regulation (TDLR). Under the new law, TDLR licenses tow truck drivers and requires each emergency wrecker service company to establish a drug testing policy. The proposed ordinance reflects these changes in the state law.

Additionally, the city currently operates a pilot rapid response program in which emergency wreckers respond to accidents on major freeways within 15 minutes. The proposed ordinance codifies the pilot program and establishes procedures and requirements for the program.

Other changes contained in the proposed ordinance include, but are not limited to, requiring emergency wrecker service businesses to be located within or not more than one-half mile outside of the zone served; requiring emergency wrecker service companies to employ at least four permitted drivers and maintain at least four wreckers; revising vehicle and equipment requirements; regulating wrecker driver apparel, including requiring drivers to wear traffic safety vests; and providing appeals to the permit and license appeal board for denial or revocation of wrecker driver permits.

The Greater Dallas Emergency Wrecker Association has expressed its support for the recommended ordinance changes in a letter dated November 26, 2008.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

Briefed to the Transportation and Environment Committee on February 9, 2009.

## **FISCAL INFORMATION**

No cost consideration to the City.

2/4/2009

ORDINANCE NO. \_\_\_\_\_

An ordinance amending Sections 15D-13, 15D-15, 15D-20 through 15D-27, 15D-29, 15D-31, 15D-33, 15D-35, 15D-37, 15D-42, 15D-45, 15D-46, 15D-47, 15D-50 through 15D-58, and 15D-64 of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended; defining terms; revising qualifications and requirements for emergency wrecker service licenses and emergency wrecker driver's permits; adding grounds for suspension, revocation, and nonrenewal of emergency wrecker service licenses and emergency wrecker driver's permits and providing for appeals; revising operating, staffing, vehicle, and equipment requirements for emergency wrecker services; regulating apparel for emergency wrecker drivers; expanding and providing procedures and requirements for the city's rapid response program; establishing rapid response locations; adjusting fees allowed to be charged for emergency wrecker service; providing restrictions on the location of emergency wrecker service businesses; making certain semantic, grammatical, and structural changes; providing a penalty not to exceed \$1,000; providing a saving clause; providing a severability clause; and providing an effective date.

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

SECTION 1. That Section 15D-13, "Establishment of Rules and Regulations," of Division 1, "General Provisions," of Article II, "Emergency Wreckers," of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended, is amended to read as follows:

**“SEC. 15D-13. ESTABLISHMENT OF RULES AND REGULATIONS.**

(a) Before adopting, amending, or abolishing a rule or regulation, the director or the chief of police shall hold a public hearing on the proposal.

(b) The director or the chief of police shall fix the time and place of the hearing and, in addition to notice required under the Public Information [~~Open Meetings~~] Act (Chapter ~~552~~ [554], Texas Government Code), as amended, shall notify each licensee and such other persons as the director or chief of [~~or~~] police determines are interested in the subject matter of the hearing.

(c) After the public hearing, the director or the chief of police shall notify the licensees and other interested persons of the action taken and shall post an order adopting, amending, or abolishing a rule or regulation on the official bulletin board in the city hall for a period of not fewer than 10 days. The order becomes effective immediately upon expiration of the posting period.”

SECTION 2. That Section 15D-15, “Definitions,” of Division 1, “General Provisions,” of Article II, “Emergency Wreckers,” of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended, is amended to read as follows:

**“SEC. 15D-15. DEFINITIONS.**

In this article:

(1) ACCIDENT means any occurrence that renders a vehicle wrecked.

(2) APPLICANT means:

(A) for purposes of Division 2 of this article, a person in whose name a license to engage in emergency wrecker service will be issued under Section 15D-23 and each individual who has a 20 percent or greater ownership interest in the emergency wrecker service business; and

(B) for purposes of Division 3 of this article, an individual applying for a wrecker driver’s permit under Section 15D-30.

(3) BUSINESS LOCATION means the place of business, required to be designated in Section 15D-20, where a licensee’s primary emergency wrecker service business activity is conducted, which location is staffed by the licensed emergency wrecker company’s employees and equipped with standard office furniture, equipment, and other items necessary to conduct the normal activities and business of an emergency wrecker service.

(4)~~(3)~~ CHIEF OF POLICE means the chief of police for the city of Dallas, and includes representatives, agents, and department employees designated by the chief.

(5)~~(4)~~ CITY means the city of Dallas, Texas.

(6)~~(5)~~ CONVICTION means a conviction in a federal court or court of any state or foreign nation or political subdivision of a state or foreign nation that has not been reversed, vacated, or pardoned.

(7)~~(6)~~ CUSTODIAL ARREST means an arrest during which a peace officer employed by the city takes the owner or operator of a vehicle into custody and determines that it is necessary to cause the person's vehicle to be removed from the police scene for storage or for use in a criminal investigation.

(8)~~(7)~~ DIRECTOR means the director of the department designated by the city manager to enforce and administer this article, and includes representatives, agents, and department employees designated by the director.

(9)~~(8)~~ DISABLED VEHICLE means a vehicle that reasonably requires removal by a wrecker because it:

(A) has been rendered unsafe to be driven as the result of some occurrence other than a wreck, including, but not limited to, mechanical failure, breakdown, fire, or vandalism; or

(B) is in a safe driving condition, but the owner is not present, able, or permitted to drive.

(10)~~(9)~~ DRIVER means an individual who drives or operates a wrecker.

(11)~~(10)~~ EMERGENCY WRECKER COMPANY means a person who owns, controls, or has a financial interest in an emergency wrecker service.

(12)~~(11)~~ EMERGENCY WRECKER SERVICE means the business of towing or removing wrecked, disabled, or illegally parked vehicles from the streets upon request of the chief of police.

(13)~~(12)~~ HEAVY DUTY WRECKER means a wrecker that ~~has~~:

(A) has a manufacturer's gross vehicle weight rating of not less than 48,000 pounds; ~~and~~

(B) has a power-operated winch, winch line, and boom, with a factory-rated lifting capacity of not less than 50,000 pounds and a dual line capacity of not less than 20,000 pounds;

(C) has an underlift device with a factory-rated lifting capacity of not less than 14,000 pounds when extended;

(D) has a dual rear axle; and

(E) is capable of towing a vehicle that weighs up to 80,000 pounds.

(14)[(13)] ILLEGALLY PARKED VEHICLE means a vehicle that is parked on a street or other public property in violation of any city ordinance or state law regulating the parking of vehicles.

(15) INCIDENT MANAGEMENT TOWING OPERATOR'S LICENSE means a tow truck operator's license issued by the state under Section 2308.153 of the Texas Occupations Code, as amended.

(16)[(14)] LAWFUL ORDER means a verbal or written directive that:

(A) is issued by the director or the chief of police in the performance of official duties in the enforcement of this article and any rules and regulations promulgated under this article; and

(B) does not violate the United States Constitution or the Texas Constitution.

(17)[(15)] LICENSEE means a person licensed under this article to engage in emergency wrecker service. The term includes:

(A) any individual who has a 20 percent or greater ownership interest in the licensed business; and

(B) any [owner or] operator of the licensed business.

(18)[(16)] LIGHT DUTY WRECKER means a wrecker that has:

(A) a manufacturer's gross vehicle weight rating of not less than 12,500 [~~10,000~~] pounds; and

(B) either:

(i) a power-operated winch, winch line, and boom, with a factory-rated lifting capacity of not less than 8,000 pounds, single line capacity; or

(ii) an underlift device with a factory-rated lifting capacity of not less than 3,000 pounds when extended.



~~(19)~~~~(17)~~ LOWBOY UNIT means a vehicle that is designed and equipped so as to be capable of carrying another vehicle upon itself for the purpose of transporting the vehicle when it cannot be safely transported by a conventional wrecker and that:

(A) consists of:

(i) a dual-axle truck tractor equipped with a power-operated winch and winch line that has a factory-rated lifting capacity of not less than 20,000 pounds, single line capacity; and

(ii) a trailer with a steel or aluminum carrier bed that is at least 40 feet long, with a load rating of not less than 40,000 pounds; and

(B) complies with all applicable state and federal vehicle weight laws.

~~(20)~~~~(18)~~ MEDIUM DUTY WRECKER means a wrecker that has:

(A) a manufacturer's gross vehicle weight rating of not less than 18,000 pounds; and

(B) a power-operated winch, winch line, and boom, with a factory-rated lifting capacity of not less than 24,000 pounds and a dual line capacity of not less than 8,000 pounds.

~~(21)~~~~(19)~~ OPERATE means to drive or to be in control of a wrecker.

~~(22)~~~~(20)~~ OPERATOR means the holder of an emergency wrecker service license.

~~(23)~~~~(21)~~ PARKING BAN means certain hours of the day during which the standing, parking, or stopping of vehicles is prohibited along designated streets as indicated by signs authorized by the traffic engineer.

~~[(22) PEAK TRAVEL HOURS means time periods, as designated by the chief of police, when vehicular traffic is the most active.]~~

~~(24)~~~~(23)~~ PERMITTEE means an individual who has been issued a wrecker driver's permit under this article.

~~(25)~~~~(24)~~ PERSON means an individual, assumed name entity, partnership, joint-venture, association, corporation, or other legal entity.

~~(26)~~~~(25)~~ POLICE DEPARTMENT means the police department of the city of Dallas.

~~(27)~~~~(26)~~ POLICE SCENE means a location at which:

- investigation;
- (A) an accident has taken place that is subject to city police field investigation;
  - (B) city police have recovered a stolen vehicle;
  - (C) a vehicle has been abandoned on a street or other public property;
  - (D) a custodial arrest has taken place;
  - (E) a disabled vehicle is blocking a traffic lane of a street; or
  - (F) an illegally parked vehicle is subject by law to removal or impoundment by the chief of police or any other authorized city official.

~~(27)~~ (28) RAPID RESPONSE LOCATION means an area designated under Section 15D-53.1 ~~[by the chief of police]~~ to which an emergency wrecker must provide rapid removal of wrecked, disabled, or illegally parked vehicles.

(29) RAPID RESPONSE ROTATION LIST means a list, maintained by the chief of police as provided for in Section 15D-53 of this article, of licensed emergency wrecker companies participating in the rapid response program.

~~(28)~~ (30) ROTATION means an occasion when the chief of police calls an emergency wrecker from either the wrecker rotation list or the rapid response rotation list to perform a vehicle tow.

~~(29)~~ (31) STREET means any public street, road, right-of-way, alley, avenue, lane, square, highway, freeway, expressway, high occupancy vehicle lane, or other public way within the corporate limits of the city. The term includes all paved and unpaved portions of the right-of-way.

~~(30)~~ (32) TILT BED/ROLL BACK CARRIER means a motor vehicle that is designed and equipped so as to be capable of lifting another vehicle upon itself for the purpose of transporting the vehicle when it cannot be safely transported by a conventional wrecker and that:

- (A) has a manufacture's gross vehicle weight rating of not less than 15,000 pounds;
- (B) has a steel or aluminum carrier bed that is at least 17 feet long, with a load rating of not less than 8,000 pounds;
- ~~(B)~~ (C) has a power-operated winch and winch line, with a factory-rated lifting capacity of not less than 8,000 pounds, single line capacity; ~~and~~
- (D) has a wheel lift tow bar with a factory-rated lifting capacity of not less than 3,000 pounds; and

(E) [(E)] complies with all applicable state and federal vehicle weight laws.

(33)[(34)] VEHICLE means a device in, upon, or by which a person or property may be transported on a public street. The term includes, but is not limited to, an operable or inoperable automobile, truck, motorcycle, recreational vehicle, or trailer, but does not include a device moved by human power or used exclusively upon a stationary rail or track.

(34)[(32)] VEHICLE OWNER OR OPERATOR means a person, or the designated agent of a person, who:

- (A) holds legal title to a vehicle, including any lienholder of record;
- (B) has legal right of possession of a vehicle; or
- (C) has legal control of a vehicle.

(35)[(33)] VEHICLE STORAGE FACILITY has the meaning given that term in the Vehicle Storage Facility Act.

(36)[(34)] VEHICLE STORAGE FACILITY ACT means Chapter 2303 [~~Article 6687-9a~~], [~~Vernon's~~] Texas Occupations Code [~~Civil Statutes~~], as amended.

(37)[(35)] WRECKED VEHICLE means a vehicle that has been damaged as the result of overturning or colliding with another vehicle or object so as to reasonably necessitate that the vehicle be removed by a wrecker.

(38)[(36)] WRECKER means a vehicle designed for the towing or carrying of other vehicles.

(39)[(37)] WRECKER DRIVER'S PERMIT means a permit issued under this article to an individual by the director authorizing that individual to operate a wrecker for an emergency wrecker service in the city.

(40)[(38)] WRECKER ROTATION LIST means a list of licensed emergency wrecker companies maintained by the chief of police, as provided for in Section 15D-50 of this article.

(41)[(39)] ZONE means a geographical area in which a licensee is licensed by the city to operate.”

SECTION 3. That Division 2, “Emergency Wrecker Service License,” of Article II, “Emergency Wreckers,” of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended, is amended to read as follows:

**“Division 2. Emergency Wrecker Service License.**

**SEC. 15D-20. LICENSE REQUIRED; TRADE NAME REGISTRATION; BUSINESS LOCATION.**

(a) A person commits an offense if he, or his agent or employee, engages in emergency wrecker service in the city without a valid emergency wrecker service license issued by the director under this article. Only one license may be issued to each emergency wrecker company.

(b) The owner of an emergency wrecker company shall register with the director a trade name that clearly differentiates that emergency wrecker company from all other companies engaging in emergency wrecker service and shall use no other trade name for the emergency wrecker company.

(c) A licensee shall maintain a permanent and established place of business at a location in the city where an emergency wrecker service is not prohibited by the Dallas Development Code. This location must be either within the zone in which the licensee is licensed to operate an emergency wrecker service or within one-half mile outside [~~in such proximity to~~] the established boundaries of that zone [~~that, in the judgment of the director or the chief of police, the licensee can render efficient service to the zone and comply with this article and any rules and regulations established by the director or the chief of police under this article~~].

(d) A licensee shall operate the licensed emergency wrecker service from a location inside the city.

**SEC. 15D-21. LICENSE APPLICATION; CHANGE OF ZONE.**

(a) A person desiring to engage in emergency wrecker service in the city shall file with the director a written application upon a form provided for that purpose, accompanied by a nonrefundable application processing fee of \$50. The application must be signed by an individual who will own, control, or operate the proposed emergency wrecker service. The application must be verified and include the following information:

(1) The trade name under which the applicant does business and the street address and telephone number of the emergency wrecker service’s business location.

(2) The number and types of wreckers to be operated, including the year, make, model, vehicle identification number, and state license plate number of, and the type of winch or lifting device to be operated on, each wrecker.

(3) The name, address, and telephone number of the applicant.

(4) An agreement that the applicant will participate in the wrecker rotation list [~~and rotation to rapid response locations~~].

(5) A list, to be kept current, of the owners (including each owner's percentage of ownership) and management personnel of the emergency wrecker service, and of all employees who will participate in emergency wrecker service, including names, state driver's license numbers, [~~and~~] wrecker driver's permit numbers, and whether the person holds an incident management towing operator's license.

(6) A statement attesting that all property, both real and personal, used in connection with the emergency wrecker service has been rendered for ad valorem taxation in the city and that the applicant is current on payment of those taxes.

(7) Documentary evidence from an insurance company indicating a willingness to provide liability insurance as required by this article.

(8) Proof of an ability to provide emergency wrecker service with at least four wreckers, including a minimum of one [~~two~~] conventional light duty wrecker[s] and one [~~two~~] tilt bed/roll back carrier[s] (the other two wreckers may be either conventional light duty or tilt bed/roll back). that meet the requirements of this article and any rules and regulations promulgated by the director or the chief of police pursuant to this article.

(9) Detailed financial reports for the previous three years that include income statements and balance sheets covering all wrecker activities or, if the applicant does not prepare an annual financial report, copies of the applicant's federal income tax statements for the previous three calendar years relating to the business.

(10) Proof of a valid certificate of occupancy issued by the city in the name of the company and for the location of the emergency wrecker service business.

(b) If a licensee requests a change of zone, the requirements of an initial applicant must be met.

(c) The director may, at any time, require additional information of an applicant or licensee to clarify items on the application.

**SEC. 15D-22. LICENSE QUALIFICATIONS.**

(a) To qualify for an emergency wrecker service license, an applicant must:

- (1) be at least 19 years of age;
- (2) be currently authorized to work full-time in the United States;
- (3) be able to communicate in the English language; and
- (4) not have been convicted of a crime:

(A) involving:

- Penal Code;
- (i) criminal homicide as described in Chapter 19 of the Texas Penal Code;
- (ii) kidnapping as described in Chapter 20 of the Texas Penal Code;
- Penal Code;
- (iii) a sexual offense as described in Chapter 21 of the Texas Penal Code;
- (iv) an assaultive offense as described in Chapter 22 of the Texas Penal Code;
- Code;
- (v) robbery as described in Chapter 29 of the Texas Penal Code;
- (vi) burglary as described in Chapter 30 of the Texas Penal Code, but only if the offense was committed against a person with whom the applicant came in contact while engaged in a towing or wrecker service;
- (vii) theft as described in Chapter 31 of the Texas Penal Code, but only if the offense was committed against a person with whom the applicant came in contact while engaged in a towing or wrecker service;
- (viii) fraud as described in Chapter 32 of the Texas Penal Code, but only if the offense was committed against a person with whom the applicant came in contact while engaged in a towing or wrecker service;
- (ix) tampering with a governmental record as described in Chapter 37 of the Texas Penal Code, but only if the offense was committed against a person with whom the applicant came in contact while engaged in a towing or wrecker service;
- (x) public indecency (prostitution or obscenity) as described in Chapter 43 of the Texas Penal Code;
- (xi) the transfer, carrying, or possession of a weapon in violation of Chapter 46 of the Texas Penal Code, or of any comparable state or federal law, but only if the violation is punishable as a felony under the applicable law;
- (xii) a violation of the Texas Dangerous Drug Act (Chapter 483, Texas Health and Safety Code), or of any comparable state or federal law, but only if the violation is punishable as a felony under the applicable law;
- (xiii) a violation of the Texas Controlled Substances Act (Chapter 481, Texas Health and Safety Code), or of any comparable state or federal law, but only if the violation is punishable as a felony under the applicable law; or

(xiv) criminal attempt to commit any of the offenses listed in Subdivision (4)(A)(i) through (xiii) of this subsection; and

(B) for which:

(i) less than two years have elapsed since the date of conviction or the date of release from confinement imposed for the conviction, whichever is the later date, if the applicant was convicted of a misdemeanor offense;

(ii) less than five years have elapsed since the date of conviction or the date of release from confinement for the conviction, whichever is the later date, if the applicant was convicted of a felony offense; or

(iii) less than five years have elapsed since the date of the last conviction or the date of release from confinement for the last conviction, whichever is the later date, if, within any 24-month period, the applicant has two or more convictions of any misdemeanor offense or combination of misdemeanor offenses;

(5) not be addicted to the use of alcohol or narcotics;

(6) be subject to no outstanding warrants of arrest;

(7) not employ any person who is not qualified under this subsection;

(8) be able to provide emergency wrecker service with at least four wreckers, including a minimum of one ~~[two]~~ conventional light duty wrecker[s] and one ~~[two]~~ tilt bed/roll back carrier[s] (the other two wreckers may be either conventional light duty or tilt bed/roll back), that meet the requirements of this article and any rules and regulations promulgated by the director or the chief of police under this article; ~~[and]~~

(9) have at least three years experience in wrecker operations and provide detailed financial reports for the previous three years that include income statements and balance sheets covering all wrecker activities or, if the applicant does not prepare an annual financial report, copies of the applicant's federal income tax statements for the previous three calendar years relating to the business; and

(10) have an established drug testing policy as required under Chapter 2308 of the Texas Occupations Code, as amended.

(b) An applicant who has been convicted of, or who employs a person who has been convicted of, an offense listed in Subsection (a)(4), for which the required time period has elapsed since the date of conviction or the date of release from confinement imposed for the conviction, may qualify for an emergency wrecker service license only if the director determines that the applicant, or the employee, is presently fit to engage in the business of an emergency wrecker service. In determining present fitness under this section, the director shall consider the following:

- (1) the extent and nature of the applicant's, or employee's, past criminal activity;
- (2) the age of the applicant, or employee, at the time of the commission of the crime;
- (3) the amount of time that has elapsed since the applicant's, or employee's, last criminal activity;
- (4) the conduct and work activity of the applicant, or employee, prior to and following the criminal activity;
- (5) evidence of the applicant's, or employee's, rehabilitation or rehabilitative effort while incarcerated or following release; and
- (6) other evidence of the applicant's, or employee's, present fitness, including letters of recommendation from prosecution, law enforcement, and correctional officers who prosecuted, arrested, or had custodial responsibility for the applicant, or employee; the sheriff and chief of police in the community where the applicant, or employee, resides; and any other persons in contact with the applicant, or employee.

(c) It is the responsibility of the applicant, to the extent possible, to secure and provide to the director the evidence required to determine present fitness under Subsection (b) of this section.

(d) An applicant for an emergency wrecker service license has the burden of proving that the applicant is qualified to operate an emergency wrecker service under this article.

(e) In determining whether the applicant is qualified to operate an emergency wrecker service in the city, the director shall consider, but not be limited to considering, the fitness of the applicant to perform an emergency wrecker service as may be indicated by the experience in wrecker operation, the safety record of the applicant, and the applicant's compliance with other city, state, and federal laws.

**SEC. 15D-23. LICENSE ISSUANCE; FEE; DISPLAY; TRANSFERABILITY; EXPIRATION.**

(a) The director shall, within 30 days after the date of application, issue an emergency wrecker service license to an applicant who complies with this article.

(b) A license issued to an emergency wrecker service authorizes the licensee and any bona fide employee to engage in emergency wrecker service.



(c) The annual fee for an emergency wrecker service license is \$500, prorated on the basis of whole months. The fee for issuing a duplicate license for one lost, destroyed, or mutilated is \$5. The fee is payable to the director upon issuance of a license. No refund of a license fee will be made.

(d) An emergency wrecker service license issued pursuant to this article must be conspicuously displayed in the emergency wrecker service's business location.

(e) An emergency wrecker service license, or any accompanying permit, badge, sticker, ticket, or emblem, is not assignable or transferable.

(f) An emergency wrecker service license expires June 30 of each year and may be renewed by applying in accordance with Section 15D-21. Application for renewal must be made not less than 30 days or more than 60 days before expiration of the license and must be accompanied by the annual license fee.

(g) A licensee shall, not less than [~~within~~] 10 days before [~~after~~] any change of address or trade name, notify the director of such changes.

**SEC. 15D-24. REFUSAL TO ISSUE OR RENEW LICENSE.**

(a) The director shall refuse to issue or renew an emergency wrecker service license if the applicant or licensee:

(1) intentionally or knowingly makes a false statement as to a material matter in an application for a license or license renewal, or in a hearing concerning the license;

(2) has been convicted twice within a 12-month period or three times within a 24-month period for violation of this article or has had an emergency wrecker service license revoked within two years prior to the date of application;

(3) uses a trade name for the emergency wrecker company other than the one registered with the director;

(4) has had an emergency wrecker service license suspended on three occasions within 12 months for more than three days on each occasion;

(5) has been finally convicted for violation of another city, state, or federal law that indicates a lack of fitness of the applicant to perform emergency wrecker service;

(6) fails to meet the service standards in the rules and regulations established by the director or the chief of police;

(7) is not qualified under Section 15D-22 of this article; or

(8) uses a subcontractor to provide emergency wrecker service.

(b) If the director determines that a license should be denied the applicant or licensee, the director shall notify the applicant or licensee in writing that the application is denied and include in the notice the specific reason or reasons for denial and a statement informing the applicant or licensee of the right to, and process for, appeal of the decision.

**SEC. 15D-25. SUSPENSION OF LICENSE.**

(a) A representative of the director or chief of police may suspend an emergency wrecker service license for a definite period of time not to exceed three days, and the director or the chief of police may suspend an emergency wrecker service license for a definite period of time not to exceed 10 days or, if the deficiency is detrimental to public safety, then for a period of time until the deficiency is corrected, for one or more of the following reasons:

(1) Failure of the licensee to maintain any wrecker or equipment in a good and safe working condition.

(2) Violation by the licensee or an employee of the licensee of a provision of this article or of the rules and regulations established by the chief of police or the director under this article.

(3) Failure of the licensee's wrecker to arrive at a police scene location or a rapid response location within the prescribed time after having been notified to do so by the chief of police.

(4) Conviction of an emergency wrecker driver of a provision of the motor vehicle or traffic laws of this state or city while in the scope of employment in the licensee's emergency wrecker service.

(5) Failure to continuously employ at least four emergency wrecker drivers who hold valid wrecker driver's permits issued under this article.

(b) Written notice of the suspension must be served on the licensee and must include the reason for suspension, the date the suspension begins, the duration of the suspension, and a statement informing the licensee of the right of appeal.

(c) A licensee may appeal a suspension imposed under Subsection (a) in the following manner:

(1) A licensee who is suspended by a representative of the chief of police may appeal the suspension by written request to the chief of police within 10 days after written notification of suspension. The chief of police shall conduct a hearing and may sustain, reverse, or modify the action appealed. The action of the chief of police is final.

(2) A licensee who is suspended by a representative of the director may appeal the suspension by written request to the director within 10 days after written notification of suspension. The director shall conduct a hearing and may sustain, reverse, or modify the action appealed. The action of the director is final.

(3) A licensee who is suspended by the director or the chief of police may appeal the suspension to an appeals panel consisting of the chief of police, the director, and a representative of the city manager's office, in accordance with the following procedures:

(A) A written request to the director must be made within 10 days after written notice to the licensee.

(B) The appeals panel shall set a time, date, and place for a hearing and the licensee will be notified at least three days prior to the hearing.

(C) The appeals panel may sustain, reverse, or modify the action appealed. The action of the panel is final.

(d) The period of suspension begins on the date specified in the notice of suspension or, in the case of an appeal, on the date ordered by the appeal hearing officer or panel, whichever applies.

(e) A licensee whose emergency wrecker service license is suspended shall not operate an emergency wrecker service inside the city during the period of suspension.

#### **SEC. 15D-26. REVOCATION OF LICENSE.**

The director shall revoke an emergency wrecker service license if the director determines that the licensee:

(1) intentionally or knowingly made a false statement as to a material matter in an application or hearing concerning the license;

(2) used a trade name for the emergency wrecker company other than the one registered with the director;

(3) had the emergency wrecker service license suspended on three occasions within 12 months for more than three days on each occasion;

(4) had the emergency wrecker service license suspended for a deficiency that is detrimental to public safety and 20 days have elapsed without a correction of the deficiency;

(5) intentionally or knowingly failed to comply with applicable provisions of this article or with the conditions and limitations of the license;

(6) operated a towing or wrecker service not authorized by the license or other applicable law;

(7) has been finally convicted for violation of another city, state, or federal law that indicates a lack of fitness of the licensee to perform emergency wrecker service;

(8) is under indictment for or has been convicted of any felony offense while holding an emergency wrecker service license;

(9) does not qualify for a license under Section 15D-22 of this article; ~~[or]~~

(10) failed to pay a fee required under this article; or

(11) violated Section 15D-57(c)(1), (2), or (3) of this article.

**SEC. 15D-27. APPEALS.**

If the director denies issuance or renewal of a license or revokes a license, the applicant or licensee may file an appeal with the [a] permit and license appeal board in accordance with Section 2-96 of this code.”

SECTION 4. That Section 15D-29, “Qualifications for a Wrecker Driver’s Permit,” of Division 3, “Wrecker Driver’s Permit,” of Article II, “Emergency Wreckers,” of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended, is amended to read as follows:

**“SEC. 15D-29. QUALIFICATIONS FOR A WRECKER DRIVER'S PERMIT.**

(a) To qualify for a wrecker driver's permit, an applicant must:

(1) be at least 19 years of age;

(2) be currently authorized to work full-time in the United States;

(3) hold a valid driver's license and a valid incident management towing operator’s license issued by the State of Texas;

(4) be able to communicate in the English language;

(5) not be afflicted with a physical or mental disease or disability that is likely to prevent the applicant from exercising ordinary and reasonable control over a motor vehicle or that is likely to otherwise endanger the public health or safety, as determined by a medical doctor licensed to practice medicine in the United States;

(6) not have been convicted of more than four moving traffic violations arising out of separate transactions, nor involved in more than two motor vehicle accidents in which it could be reasonably determined that the applicant was at fault, within any 12 month period during the preceding 36 months;

(7) not have been convicted of a crime:

(A) involving:

(i) criminal homicide as described in Chapter 19 of the Texas Penal Code;

(ii) kidnapping as described in Chapter 20 of the Texas Penal Code;

(iii) a sexual offense as described in Chapter 21 of the Texas Penal Code;

(iv) an assaultive offense as described in Chapter 22 of the Texas Penal Code;

(v) robbery as described in Chapter 29 of the Texas Penal Code;

(vi) burglary as described in Chapter 30 of the Texas Penal Code, but only if the offense was committed against a person with whom the applicant came in contact while engaged in a towing or wrecker service;

(vii) theft as described in Chapter 31 of the Texas Penal Code, but only if the offense was committed against a person with whom the applicant came in contact while engaged in a towing or wrecker service;

(viii) fraud as described in Chapter 32 of the Texas Penal Code, but only if the offense was committed against a person with whom the applicant came in contact while engaged in a towing or wrecker service;

(ix) tampering with a governmental record as described in Chapter 37 of the Texas Penal Code, but only if the offense was committed against a person with whom the applicant came in contact while engaged in a towing or wrecker service;

(x) public indecency (prostitution or obscenity) as described in Chapter 43 of the Texas Penal Code;

(xi) the transfer, carrying, or possession of a weapon in violation of Chapter 46 of the Texas Penal Code, or of any comparable state or federal law, but only if the violation is punishable as a felony under the applicable law;

(xii) a violation of the Texas Dangerous Drug Act (Chapter 483, Texas Health and Safety Code), or of any comparable state or federal law, that is punishable as a felony under the applicable law;

(xiii) a violation of the Texas Controlled Substances Act (Chapter 481, Texas Health and Safety Code), or of any comparable state or federal law, that is punishable as a felony under the applicable law; or

(xiv) criminal attempt to commit any of the offenses listed in Subdivision (7)(A)(i) through (xiii) of this subsection;

(B) for which:

(i) less than two years have elapsed since the date of conviction or the date of release from confinement imposed for the conviction, whichever is the later date, if the applicant was convicted of a misdemeanor offense;

(ii) less than five years have elapsed since the date of conviction or the date of release from confinement for the conviction, whichever is the later date, if the applicant was convicted of a felony offense; or

(iii) less than five years have elapsed since the date of the last conviction or the date of release from confinement for the last conviction, whichever is the later date, if, within any 24-month period, the applicant has two or more convictions of any misdemeanor offense or combination of misdemeanor offenses;

(8) not have been convicted of, or discharged by probation or deferred adjudication for, driving while intoxicated:

(A) within the preceding 12 months; or

(B) more than one time within the preceding five years;

(9) not be addicted to the use of alcohol or narcotics;

(10) be subject to no outstanding warrants of arrest;

(11) be sanitary and well-groomed in dress and person;

(12) be employed by a licensee; and

(13) have successfully completed within the preceding 12 months a defensive driving course approved by the Texas Education Agency and be able to present proof of completion.

(b) An applicant who has been convicted of an offense listed in Subsection (a)(7) or (8), for which the required time period has elapsed since the date of conviction or the date of release from confinement imposed for the conviction, may qualify for a wrecker driver's permit only if the director determines that the applicant is presently fit to engage in the occupation of a wrecker driver. In determining present fitness under this section, the director shall consider the following:

- (1) the extent and nature of the applicant's past criminal activity;
- (2) the age of the applicant at the time of the commission of the crime;
- (3) the amount of time that has elapsed since the applicant's last criminal activity;
- (4) the conduct and work activity of the applicant prior to and following the criminal activity;
- (5) evidence of the applicant's rehabilitation or rehabilitative effort while incarcerated or following release; and
- (6) other evidence of the applicant's present fitness, including letters of recommendation from prosecution, law enforcement, and correctional officers who prosecuted, arrested, or had custodial responsibility for the applicant; the sheriff and chief of police in the community where the applicant resides; and any other persons in contact with the applicant.

(c) It is the responsibility of the applicant, to the extent possible, to secure and provide to the director the evidence required to determine present fitness under Subsection (b) of this section and under Section 15D-35 of this article.”

SECTION 5. That Section 15D-31, “Investigation of Application,” of Division 3, “Wrecker Driver’s Permit,” of Article II, “Emergency Wreckers,” of CHAPTER 15D, “EMERGENCY VEHICLES,” of the Dallas City Code, as amended, is amended to read as follows:

**“SEC. 15D-31. INVESTIGATION OF APPLICATION.**

(a) For the purpose of determining qualification under Section 15D-29(a)(5), the director may require an applicant to submit to a physical examination conducted by a licensed physician, at applicant's expense, and to furnish to the director a signed statement from the physician certifying that the physician has examined the applicant and that in the physician's professional opinion the applicant is qualified under Section 15D-29(a)(5).

(b) ~~The [Upon request of the] director[, the police department]~~ shall obtain a current official criminal history report (issued by the Texas Department of Public Safety within the preceding 12 months) on [investigate] each applicant to determine [and furnish the director a report concerning] the applicant's qualification under Section 15D-29. The ~~[municipal court shall furnish the]~~ director shall obtain a copy of the applicant's motor vehicle driving record and a list of any warrants of arrest for the applicant that might be outstanding.

(c) The director may conduct such other investigation as the director considers necessary to determine whether an applicant for a wrecker driver's permit is qualified.

(d) The director shall provide the applicant, upon written request, a copy of all materials contained in the applicant's file to the extent allowed under the Public Information Act (Chapter 552, Texas Government Code), as amended."

SECTION 6. That Section 15D-33, "Expiration of Wrecker Driver's Permit; Voidance Upon Suspension or Revocation of State Driver's License," of Division 3, "Wrecker Driver's Permit," of Article II, "Emergency Wreckers," of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended, is amended to read as follows:

**"SEC. 15D-33. EXPIRATION OF WRECKER DRIVER'S PERMIT; VOIDANCE UPON SUSPENSION OR REVOCATION OF STATE DRIVER'S LICENSE OR STATE TOWING OPERATOR'S LICENSE.**

(a) Except in the case of a probationary or provisional permit, a wrecker driver's permit expires one year from the date of issuance.

(b) If a permittee's state driver's license or incident management towing operator's license is suspended or revoked by the state, the wrecker driver's permit automatically becomes void. A permittee shall notify the director and the licensee for whom the permittee drives within three days after ~~[of]~~ a suspension or revocation of either ~~[a]~~ state ~~[driver's]~~ license and shall immediately surrender the wrecker driver's permit to the director."

SECTION 7. That Section 15D-35, "Probationary Permit," of Division 3, "Wrecker Driver's Permit," of Article II, "Emergency Wreckers," of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended, is amended to read as follows:

**"SEC. 15D-35. PROBATIONARY PERMIT.**

(a) The director may issue a probationary wrecker driver's permit to an applicant who is not qualified for a wrecker driver's permit under Section 15D-29 if the applicant:



(1) could qualify under Section 15D-29 for a wrecker driver's permit within one year from the date of application;

(2) holds a valid state driver's license or occupational driver's license; [~~and~~]

(3) holds a valid state incident management towing operator's license; and

(4) is determined by the director, using the criteria listed in Section 15D-29(b) of this article, to be presently fit to engage in the occupation of a wrecker driver.

(b) A probationary wrecker driver's permit may be issued for a period not to exceed one year.

(c) The director may prescribe appropriate terms and conditions for a probationary wrecker driver's permit as the director determines are necessary.”

SECTION 8. That Section 15D-37, “Display of Permit,” of Division 3, “Wrecker Driver’s Permit,” of Article II, “Emergency Wreckers,” of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended, is amended to read as follows:

**“SEC. 15D-37. DISPLAY OF PERMIT.**

A wrecker driver shall at all times keep a valid wrecker driver's permit in the driver's possession and shall allow the director, the chief of police, or a peace officer to examine the permit upon request.”

SECTION 9. That Section 15D-42, “Appeal from Denial, Suspension, or Revocation,” of Division 3, “Wrecker Driver’s Permit,” of Article II, “Emergency Wreckers,” of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended, is amended to read as follows:

**“SEC. 15D-42. APPEAL FROM DENIAL, SUSPENSION, OR REVOCATION.**

(a) If the director [~~denies,~~] suspends[~~—or revokes~~] a wrecker driver's permit, the action is final unless the permittee files an appeal, in writing, with the city manager not more than 10 business days after notice of the director's action is received.

(b) The city manager or a designated representative shall act as the appeal hearing officer in an appeal hearing under this section. The hearing officer shall give the appealing party an opportunity to present evidence and make argument. The formal rules of evidence do not apply to an appeal hearing under this section, and the hearing officer shall make a ruling on the basis of a preponderance of the evidence presented at the hearing.

(c) The hearing officer may affirm, modify, or reverse all or part of the action of the director being appealed. The decision of the hearing officer is final as to available administrative remedies.

(d) If the director denies issuance or renewal of a wrecker driver's permit or revokes a wrecker driver's permit, the applicant or permittee may file an appeal with the permit and license appeal board in accordance with Section 2-96 of this code.

SECTION 10. That Section 15D-45, "Apparel to Be Worn by Drivers," of Division 4, "Miscellaneous Licensee and Driver Regulations," of Article II, "Emergency Wreckers," of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended, is amended to read as follows:

**"SEC. 15D-45. APPAREL TO BE WORN BY DRIVERS.**

(a) A licensee shall specify and require an item of apparel or an item placed on the apparel to be worn by drivers employed by the licensee, which item must be of such distinctive and uniform design as to readily identify the licensee's emergency wrecker company and must bear the name of the licensee's emergency wrecker company. The item specified by each licensee must be approved by the director to ensure that drivers of one licensee may be easily distinguished from drivers of another.

(b) While on duty, a driver shall wear the item specified by the licensee who employs the driver and shall comply with such other identification regulations prescribed by the emergency wrecker service license.

(c) While on duty, a driver may not wear:

(1) apparel with offensive or suggestive language;

(2) cut offs;

(3) tank tops; or

(4) sandals.

(d) While on duty, a driver shall wear a traffic safety vest that is certified by the American National Standards Institute (ANSI) for visibility.

SECTION 11. That Subsection (d) of Section 15D-46, "Insurance," of Division 4, "Miscellaneous Licensee and Driver Regulations," of Article II, "Emergency Wreckers," of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended, is amended to read as follows:

"(d) The cargo/on hook insurance for vehicles while being loaded, unloaded, or transported must provide limits of liability of not less than \$25,000 for each light duty wrecker or tilt bed/roll back carrier and \$50,000 for each medium duty wrecker, heavy duty wrecker, or lowboy unit."

SECTION 12. That Section 15D-47, "Information to Be Supplied upon Request of Director," of Division 4, "Miscellaneous Licensee and Driver Regulations," of Article II, "Emergency Wreckers," of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended, is amended to read as follows:

**"SEC. 15D-47. INFORMATION TO BE SUPPLIED UPON REQUEST OF DIRECTOR.**

Upon request of the director, a licensee shall submit to the director the following information:

- (1) A [a] current consolidated list of vehicles.[;]
- (2) A [a] current financial statement that includes a balance sheet and income statement.[;]
- (3) Names [names] of current officers, owners, and managers.[;]
- (4) A [a] list of current drivers employed by the licensee, with their wrecker driver's permit numbers indicated, and a copy of the incident management towing operator's license issued by the state to each driver.
- (5) A copy of the licensee's drug testing policy established under Chapter 2308 of the Texas Occupations Code, as amended.
- (6) Any additional information deemed necessary by the director relating to the operations and activities of the emergency wrecker service."

SECTION 13. That Division 5, "Service Rules and Regulations," of Article II, "Emergency Wreckers," of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended, is amended to read as follows:

**"Division 5. Service Rules and Regulations.**

**SEC. 15D-50. EMERGENCY WRECKER SERVICE ZONES; WRECKER ROTATION LIST PROCEDURE.**

(a) The chief of police shall partition the city into zones for emergency wrecker service and shall place the names of all emergency wrecker companies licensed under this article on a wrecker rotation list. Notice of the boundary limits of each zone will be provided to each licensee on the rotation list. Each licensee may apply for and be assigned to only one zone.

(b) When an emergency wrecker is needed at a police scene, the police officer or other authorized city official at the scene will communicate that need immediately to the police department. On receiving the first request for emergency wrecker service, the dispatcher will call the first available emergency wrecker company on the rotation list assigned to the zone in which the police scene is located and order removal of the wrecked, disabled, or illegally parked vehicle to a place designated by the chief of police. On each succeeding request for emergency wrecker service, the dispatcher will call the next available emergency wrecker company on the rotation list that is assigned to the zone involved, or call the nearest available emergency wrecker in an adjacent zone if none are available in the zone involved. Proper notation of each call for emergency wrecker service must be made on the master rotation list.

(c) The chief of police may direct that an emergency wrecker be called out of its zone or out of rotation when determined to be in the best interest of the public health, safety, and welfare.

**SEC. 15D-51. REMOVAL OF A VEHICLE WITH A WRECKER.**

A licensee or permittee commits an offense if he, either personally or through an employee or agent, removes a vehicle from a street or other public property without:

- (1) using a wrecker; or
- (2) first completing every procedure required to secure the vehicle to the wrecker or wrecker equipment, including the attachment of any safety chains, so that the vehicle may be safely towed.

**SEC. 15D-52. REQUIREMENTS AND OPERATING PROCEDURES FOR EMERGENCY WRECKER SERVICE.**

- (a) A licensee shall comply with the following requirements and procedures:

(1) Maintain a 24 hour emergency wrecker service and operate a two-way communication system on a 24-hour basis. The licensee shall keep the business location required under Section 15D-20(c) open and staffed from 9:00 a.m. to 5:00 p.m. weekdays, except for:

(A) holidays recognized by the city; and

(B) other times for which the licensee has:

(i) obtained prior written approval from the chief of police;

and

(ii) provided the director with a copy of that approval.

(2) Arrive at the police scene, if it is not a rapid response location, within 30 minutes ~~[a reasonable time]~~ after having been notified to do so by the chief of police ~~[, such response time generally not to exceed 30 minutes]~~.

(3) ~~[Arrive at a dispatched location within a rapid response location within a reasonable time after having been notified to do so by the chief of police, such response time generally not to exceed 15 minutes.]~~

(4) Deliver, in every instance, the wrecked, disabled, or illegally parked vehicle directly to a location designated by the chief of police without stopping at any other location or for any reason other than mechanical breakdown or problems with the vehicle hookup to the wrecker. In the event of a mechanical breakdown or problem with the vehicle hookup to the wrecker, the wrecker driver or the licensee shall immediately notify the chief of police.

(4)~~(5)~~ Report to the director all changes in emergency wreckers and equipment used in the licensee's emergency wrecker service and render all additional vehicles for inspection by the director. A wrecker without a valid emergency wrecker inspection sticker is not allowed to participate in the wrecker rotation list or the rapid response rotation list.

(5)~~(6)~~ Employ at least four emergency wrecker drivers who hold valid wrecker driver's permits issued under this article and valid incident management towing operator's licenses.

(6)~~(7)~~ Upon arrival at the scene of an accident and in a manner that minimizes the duration of interference with normal traffic flow, promptly clear the wreckage and debris from the travelled portion of the roadway or confine it to the smallest possible portion of the travelled roadway while removal is taking place and, before leaving the accident site, completely remove from the site all resulting wreckage or debris, including all broken glass, but excluding truck or vehicle cargoes.

(7) Request the police officer or other authorized city official at a police scene to call for the dispatch of another emergency wrecker if additional wreckers are needed to clear a police scene.

(8) Not permit the use of the licensee's wrecker by another licensee.

(b) Nothing in this article permits the operation of a wrecker as an authorized emergency vehicle.

**SEC. 15D-53. RAPID RESPONSE PROGRAM [~~LOCATIONS~~].**

(a) The chief of police shall create a rapid response [wrecker] rotation list to assign licensed emergency wrecker companies to rapid response locations in a particular zone for each day of the week. The chief of police may modify the rotation list on a monthly basis to prevent one emergency wrecker company from always working the same day of the week in a rotation.

(b) Participation by a licensed emergency wrecker company in the rapid response program is voluntary. An emergency wrecker company may request to be placed on the rapid response rotation list only when applying for license issuance or renewal or at other times designated by the chief of police. An emergency wrecker company may request to have its name removed from the rapid response rotation list at any time [The chief of police shall keep a list in alphabetical order of every licensed emergency wrecker company].

(c) [The chief of police shall assign as many emergency wrecker companies as the chief of police determines are needed to provide rapid response service during peak travel hours.] Each participating [assigned] emergency wrecker company shall provide at least one conventional light duty [licensed emergency] wrecker and one tilt bed/roll back carrier to be available for a [one week during the] designated day assigned by the chief of police [hours] to remove vehicles as directed by the chief of police. The emergency wrecker company shall be available to provide emergency wrecker service under the rapid response program for the full 24 hours of its assigned day.

(d) On [During] each subsequent day [one week period], an adequate number of emergency wrecker companies next appearing [in alphabetical order] on the rapid response rotation list will be assigned to remove vehicles as directed by the chief of police.

(e) The chief of police shall designate back-up emergency wrecker companies in the event that a primary emergency wrecker company is unable to respond on an assigned day. If a primary emergency wrecker company is unable to respond, it shall immediately notify the chief of police, and the chief of police will dispatch a back-up emergency wrecker company to the police scene at the rapid response location.

(f) An emergency wrecker company responding to a dispatch under the rapid response program shall arrive at the dispatched location within 15 minutes after notification to do so by the chief of police.

(g) On its assigned day, an emergency wrecker company may stage its wreckers in strategic locations within its approved zone (but not on a freeway, highway, or expressway) to facilitate timely response to a police scene in a rapid response location. An emergency wrecker company may not respond to a police scene without first being dispatched by the chief of police.

(h) An emergency wrecker company dispatched to a rapid response location may conduct a “double tow” by loading two vehicles onto a single tilt bed/rollback carrier, but only when both vehicles are towed from a single police scene to the same location approved by the chief of police. If the emergency wrecker company receives a subsequent call for service at a different location, it must send another wrecker to the other location.

(i) All towed vehicles must be disposed of in accordance with Section 15D-54.

**SEC. 15D-53.1 RAPID RESPONSE LOCATIONS.**

The following are rapid response locations:

- (1) C. F. Hawn Freeway.
- (2) Central Expressway.
- (3) East R. L. Thornton Freeway.
- (4) Interstate Highway 20.
- (5) John W. Carpenter Freeway.
- (6) Julius Schepps Freeway.
- (7) Lyndon B. Johnson Freeway.
- (8) Marvin D. Love Freeway.
- (9) S. M. Wright Freeway.
- (10) South R. L. Thornton Freeway.
- (11) Stemmons Freeway.
- (12) Tom Landry Freeway.
- (13) Walton Walker Boulevard.
- (14) Woodall Rogers Freeway.
- (15) All entrance and exit ramps and all adjacent service roads of the freeways named in Paragraphs (1) through (14) of this section.
- (16) Any other area designated by the chief of police.

**SEC. 15D-54. DISPOSITION OF TOWED VEHICLES.**

(a) Except as provided in Subsection (b) of this section, a vehicle towed under this article will be kept at a vehicle storage facility designated by the chief of police until application for the vehicle's redemption is made by the vehicle owner, or the owner's authorized agent, who will be entitled to possession of the vehicle upon payment of all costs of removal and storage that may have accrued. If the vehicle is not redeemed by the vehicle owner or the owner's authorized agent, the vehicle will be disposed of in a manner prescribed by law.

(b) The owner or operator of a wrecked or disabled vehicle, or the owner or operator's authorized agent, may request that an emergency wrecker remove the vehicle to a location other than one designated in Subsection (a). Removal of the vehicle to a location designated by the vehicle owner or operator, or the owner or operator's authorized agent, must be authorized by the chief of police, or the chief's authorized representative at the police scene, and be in accordance with rules and regulations established by the chief of police.

(c) If a licensee or wrecker driver refuses to leave a towed vehicle at the vehicle owner or operator's designated delivery location for failure of the vehicle owner or operator to pay all fees allowed under Section 15D-57, the licensee or wrecker driver shall tow the vehicle to a location designated by the chief of police under Subsection (a) and report the change in the delivery location to the police department in accordance with Section 15D-55.

**SEC. 15D-55. NOTIFICATION OF POLICE DEPARTMENT; IMPOUNDED VEHICLE RECEIPTS.**

(a) A licensee or wrecker driver commits an offense if he fails to notify and provide all of the following information to the police department within two hours after removing a vehicle from a police scene with an emergency wrecker:

(1) The [~~the~~] location from which the vehicle was removed and the date and time of removal.<sub>[;]</sub>

(2) The [~~the~~] reason for removal of the vehicle.<sub>[;]</sub>

(3) A [~~a~~] physical description of the removed vehicle, including the year, make, model, color, state license plate number, and vehicle identification number of the vehicle.<sub>[;]</sub>

(4) The [~~the~~] trade name of the emergency wrecker service.<sub>[;]</sub>

(5) The [~~the~~] name, address, and telephone number of the vehicle storage facility or other location to which the vehicle was taken, ~~and~~<sub>[;]</sub>

(6) The [~~the~~] fee paid to the licensee or wrecker driver for removal of the vehicle and a copy of the receipt given to the owner or operator of the towed vehicle, which receipt must be signed by, and list the telephone number of, the vehicle's owner or operator.



(7) The dispatch number assigned by the chief of police to authorize the removal of the vehicle.

(b) A licensee or wrecker driver shall obtain from the chief of police impounded vehicle receipt forms on which to record the information required in Subsection (a) and any other information determined necessary by the director or the chief of police. A licensee or wrecker driver shall complete a separate impounded vehicle receipt for each vehicle removed by the licensee or wrecker driver under this article. The licensee or wrecker driver shall return copies of all completed impounded vehicle receipts to the police department in a manner and on a schedule required by the chief of police.

**SEC. 15D-56. CITY-OWNED WRECKERS.**

Nothing in this article prevents the chief of police from calling a city-owned wrecker to a police scene to render emergency wrecker service in lieu of calling an emergency wrecker from the wrecker rotation list or the rapid response rotation list.”

SECTION 14. That Section 15D-57, “Maximum Fee Schedule for Emergency Wrecker Service,” of Division 6, “Fee Schedule,” of Article II, “Emergency Wreckers,” of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended, is amended to read as follows:

**“SEC. 15D-57. MAXIMUM FEE SCHEDULE FOR EMERGENCY WRECKER SERVICE.**

(a) The following fees are authorized for providing emergency wrecker service to vehicles (except for vehicles owned by the city):

(1) \$~~121~~[95] for towage of a vehicle with a manufacturer's gross vehicle weight rating of not more than 10,000 pounds, plus a fee of \$~~64~~[50] for each hour over two [~~three~~] hours that is required to complete the tow, with partial hours paid in quarter hour increments.

(2) \$~~191~~[150] for towage of a vehicle with a manufacturer's gross vehicle weight rating of more than 10,000 pounds but not more than 26,000 pounds, plus a fee of \$~~95~~[75] for each hour over two hours that is required to complete the tow, with partial hours paid in quarter hour increments.

(3) \$~~445~~[350] for towage of a vehicle with a manufacturer's gross vehicle weight rating of more than 26,000 pounds, plus a fee of \$~~159~~[125] for each hour over two hours that is required to complete the tow, with partial hours paid in quarter hour increments.

(4) \$64~~[50]~~ for any service a wrecker operator or driver performs that renders a vehicle operable, including, but not limited to, removing or straightening a bumper or fender, or another similar service.

(5) When dispatched by the chief of police to a location more than 100 yards outside the corporate limits of the city to tow a vehicle from the dispatched location to a location inside the corporate limits of the city, \$3~~[4]~~ for each loaded one-way mile that the wrecker travels, measured from the dispatched location to the nearest point of the corporate limits of the city ~~[to the dispatched location]~~ using the most direct and expeditious route.

(6) When dispatched by the chief of police to a location inside the corporate limits of the city to tow a vehicle to a location more than 100 yards outside the corporate limits of the city, \$3 for each loaded one-way mile that the wrecker travels, measured from the nearest point of the corporate limits of the city to the vehicle delivery location using the most direct and expeditious route.

(7) No additional fee may be charged for linkage of a vehicle prior to a tow or for the use of towing dollies, go-jacks, winching, or air bags.

(b) The charges allowed in Subsections (a)(1), (2), and (3) are calculated from the time a wrecker is dispatched by the chief of police to the time the vehicle to be towed is delivered to a location designated by the chief of police.

(c) A licensee or permittee commits an offense if he, either personally or through an employee or agent:

(1) charges more than the maximum towage fee allowed by this section for the particular vehicle towed;

(2) charges any fee in addition to those lawfully charged under this section; or

(3) requests payment of a fee for emergency wrecker service from a person or in a manner not authorized by this article or rules and regulations established by the director or the chief of police pursuant to this article.”

SECTION 15. That Section 15D-58, “Vehicles and Equipment,” of Division 7, “Vehicles and Equipment,” of Article II, “Emergency Wreckers,” of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended, is amended to read as follows:

**“SEC. 15D-58. VEHICLES AND EQUIPMENT.**

(a) An applicant or licensee shall submit each wrecker to be used in the emergency wrecker service for inspection in a manner determined by the director. Each wrecker must:

(1) if used for towing a vehicle with a manufacturer's gross vehicle weight rating of not more than 10,000 pounds, meet the requirements for a light duty wrecker or a tilt bed/roll back carrier;

(2) if used for towing a vehicle with a manufacturer's gross vehicle weight rating of more than 10,000 pounds but not more than 26,000 pounds, meet the requirements for a medium duty wrecker;

(3) if used for towing a vehicle with a manufacturer's gross vehicle weight rating of more than 26,000 pounds, meet the requirements for a heavy duty wrecker or a lowboy unit;

(4) carry, as standard equipment, a tow bar, towing dollies, safety chains, a fire extinguisher, a wrecking bar, a broom, a shovel, at least six flares or three reflective triangles, absorbent material for oil or fuel leakages, and a container to carry debris, except that:

(A) towing dollies are not required on medium duty or heavy duty wreckers; and

(B) towing dollies and<sup>[5]</sup> tow bars<sup>[5]</sup> ~~and wheel lift systems~~ are not required on tilt bed/roll back carriers or lowboy units;

(5) be maintained in a safe and good working condition, contain equipment that is maintained in a safe and good working condition, and comply with all minimum safety and equipment standards required for a wrecker by city ordinance or state or federal law;

(6) have permanently affixed to each side of the front doors ~~[power unit]~~ of the wrecker legible letters and numbers, at least two inches high, in a color that contrasts with the front doors ~~[power unit]~~, stating the trade name and telephone number (including area code) of the emergency wrecker service and the motor carrier registration number of the wrecker; and

(7) be capable of providing two-way communication with the licensee's base station at all times.

(b) An inspection fee of \$23 must be paid for each wrecker that is used in the emergency wrecker service. Upon inspection and approval of each vehicle, the director shall issue a decal to the applicant or licensee. The decal must be affixed securely to the lower left corner of the front windshield of the inspected wrecker.

(c) The director, the chief of police, or a peace officer may, at any time, inspect a wrecker used by a licensee for emergency wrecker service to determine whether the vehicle complies with this section.

(d) A licensee or permittee commits an offense if he, either personally or through an employee or agent<sup>[5]</sup>

(1) uses a light duty wrecker, a tilt bed/roll back carrier, a medium duty wrecker, a heavy duty wrecker, or a lowboy unit to tow a vehicle that exceeds the manufacturer's gross vehicle weight rating allowed to be towed by the particular type of wrecker under Subsection (a)(1), (2), or (3), whichever is applicable; or

(2) tows a vehicle using a wrecker that does not have a valid city of Dallas emergency wrecker decal affixed to the windshield as required by Subsection (b) of this section."

SECTION 16. That Section 15D-64, "Offenses," of Division 8, "Enforcement," of Article II, "Emergency Wreckers," of CHAPTER 15D, "EMERGENCY VEHICLES," of the Dallas City Code, as amended, is amended to read as follows:

**"SEC. 15D-64. OFFENSES.**

(a) A person commits an offense if he violates a provision of this article applicable to him. ~~[A culpable mental state is not required for commission of an offense under this article unless the provision defining the conduct expressly requires a culpable mental state.]~~

(b) A separate offense is committed each day in which an offense occurs. An offense committed under this article is punishable by a fine of not less than \$200 ~~[n]~~ or more than \$1,000 as provided by Section 2308.505 of the Texas Occupations Code, as amended ~~[500]~~. The minimum fine established in this subsection will ~~[shall]~~ be doubled for the second conviction of the same offense within any 24-month period and trebled for the third and subsequent convictions of the same offense within any 24-month period. At no time may ~~[shall]~~ the minimum fine exceed the maximum fine established in this subsection.

(c) The culpable mental state required for the commission of an offense under this article is governed by Section 1-5.1 of this code.

(d) ~~[(b)]~~ Prosecution for an offense under Subsection (a) does not prevent the use of other enforcement remedies or procedures applicable to the person charged with the conduct or involved in the offense."

SECTION 17. That any person holding a valid emergency wrecker service license on February 11, 2009 is not required to comply with Section 15D-58(a)(6) of the Dallas City Code, as set forth in this ordinance, until July 1, 2009.

SECTION 18. That CHAPTER 15D of the Dallas City Code, as amended, will remain in full force and effect, save and except as amended by this ordinance.

SECTION 19. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of CHAPTER 1 of the Dallas City Code, as amended.

SECTION 20. That this ordinance will take effect on February 16, 2009, and it is accordingly so ordained.

APPROVED AS TO FORM:

THOMAS P. PERKINS, JR., City Attorney

By \_\_\_\_\_  
Assistant City Attorney

Passed \_\_\_\_\_

RM/DCC/000015



**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 14  
**DEPARTMENT:** Office of Economic Development  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 45 K L P and Q

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**SUBJECT**

An ordinance amending the Project Plan and Reinvestment Zone Financing Plan (the "Project Plan") for Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District) to: **(1)** establish the City Center TIF District Grant Program to implement the Project Plan and Reinvestment Zone Financing Plan (Project Plan) for Tax Increment to promote economic development within the City Center TIF District and **(2)** expand the Environment Remediation/Interior-Exterior Demolition, Façade Improvement budget line item to include TIF Grants - Financing: No cost consideration to the City

**BACKGROUND**

The Project Plan and Reinvestment Zone Financing Plan for the City Center TIF District were approved on February 12, 1997, by Ordinance No. 22802.

The amendment are as follows:

1. Establish the City Center TIF District Grant Program - The City Center TIF District Amendment will establish City Center TIF District Grant Program to implement the Project Plan and Reinvestment Zone Financing Plan (Project Plan) for Tax Increment to promote economic development within the City Center TIF District in accordance with the City Center TIF District Grant Program guidelines approved by the City Center TIF District Board on January 23, 2009.
2. Expand the Environmental Remediation/ Interior-Exterior Demolition, Façade Improvement budget line item - The City Center TIF District Amendment will also expand the Environmental Remediation/ Interior-Exterior Demolition, Façade Improvement budget line item to TIF Grants. This action will allow for the funding of potential projects within the City Center TIF District which will meet the long-term public needs to secure the growth and investment of the area.

## **BACKGROUND** (Continued)

With an enhanced focus on downtown initiatives, the City Center TIF District represents an expanded opportunity to fund key downtown development projects.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 26, 1996, the City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Five (City Center TIF District or District) and established a Board of Directors for the District to promote development or redevelopment in the City Center area by Ordinance No. 22802.

On February 12, 1997, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for Tax Increment Financing Reinvestment Zone Number Five, (City Center TIF District) by Ordinance No. 23034.

On January 23, 2009, the City Center TIF District Board of Directors reviewed and approved the establishment of the City Center TIF District Grant Program.

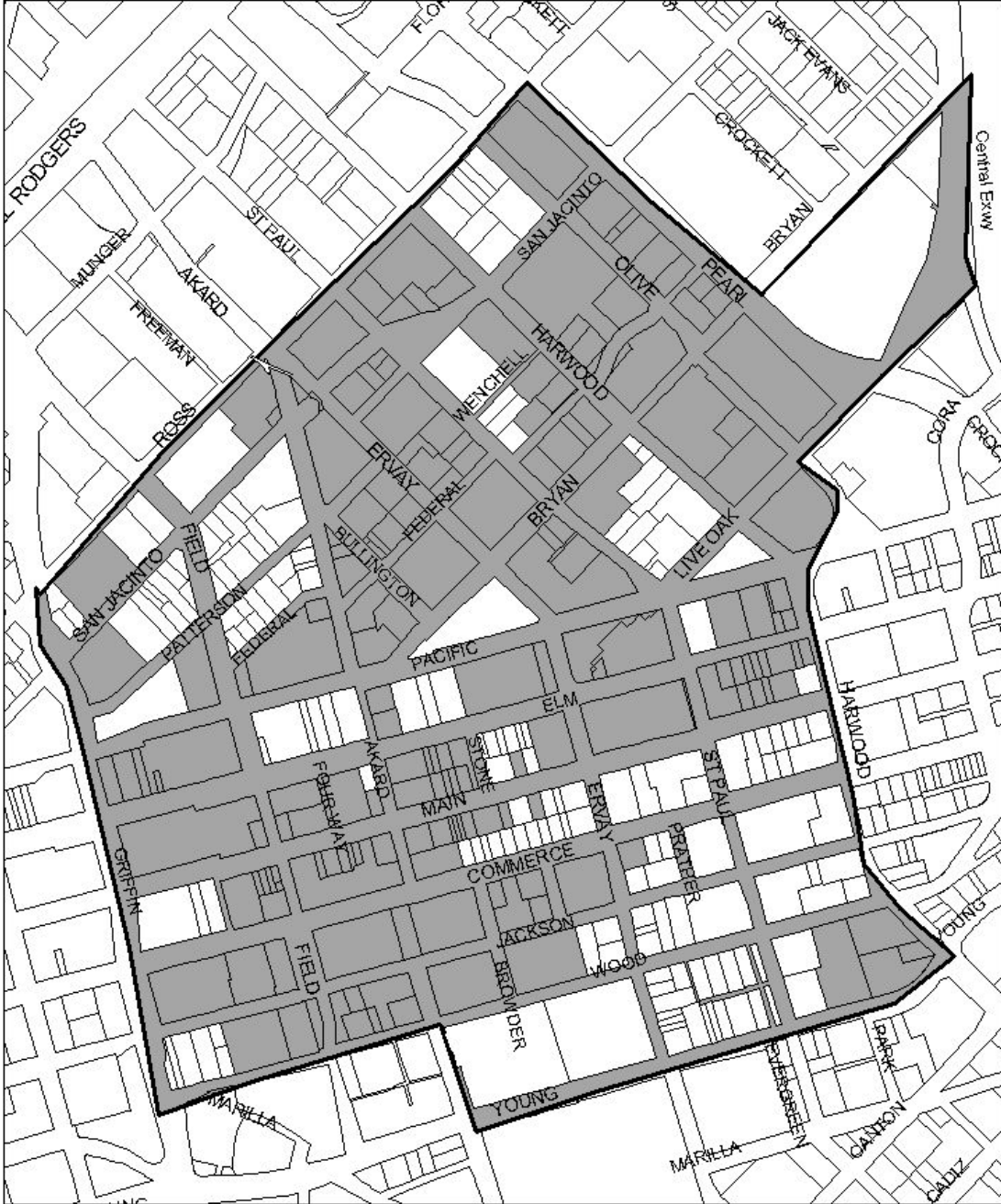
On February 2, 2009, a memo was submitted to the Economic Development Committee regarding the establishment of the City Center TIF District Grant Program.

## **FISCAL INFORMATION**




No Cost Consideration to the City



# City Center TIF District Plan Amendment



## City Center TIF District Amended

-  City Center TIF Boundary
-  Properties inside TIF
-  Excluded Property

Office of Economic Development  
March 2006





**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING THE DOWNTOWN CONNECTION TIF DISTRICT PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN ("PROJECT PLAN") ORIGINALLY APPROVED ON FEBRUARY 12, 1997, BY ORDINANCE NO. 23034, IN ACCORDANCE WITH THE TAX INCREMENT FINANCING ACT, (V.T.C.A. TAX CODE. CHAPTER 311), TO: (1) ESTABLISH THE CITY CENTER TIF DISTRICT GRANT PROGRAM TO IMPLEMENT THE PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN (PROJECT PLAN) FOR TAX INCREMENT TO PROMOTE ECONOMIC DEVELOPMENT WITHIN THE CITY CENTER TIF DISTRICT AND (2) EXPAND THE ENVIRONMENT REMEDIATION/ INTERIOR-EXTERIOR DEMOLITION, FAÇADE IMPROVEMENT BUDGET LINE ITEM TO INCLUDE TIF GRANTS.**

**WHEREAS**, on the City recognizes the importance of its role in local economic development; and

**WHEREAS**, the City Council authorized Ordinance No. 22802, on June 26, 1996, as amended, which created Tax Increment Financing Reinvestment Zone Number Five, City of Dallas, Texas (the "City Center TIF District") in accordance with V.T.C.A. Tax Code, Chapter 311 ("Act"), as amended; and

**WHEREAS**, the City Council authorized Ordinance No. 23034, on February 12, 1997, as amended, approving the Project Plan and Reinvestment Zone Financing Plan for the City Center TIF District; and

**WHEREAS**, the Downtown Connection TIF District Board of Directors adopted amendments to the Original Plan consistent with the requirements and limitations of the Act on January 12, 2006, a true and correct copy of which is attached hereto as Exhibit A (the "Amended Plan"); and

**WHEREAS**, on January 23, 2009, the City Center TIF District Board of Directors reviewed and approved an amendment to: (1) establish the City Center TIF District Grant Program to implement the Project Plan and Reinvestment Zone Financing Plan (Project Plan) for Tax Increment to promote economic development within the City Center TIF District and (2) expand the Environment Remediation/ Interior-Exterior Demolition, Façade Improvement budget line item to include TIF Grants. and recommended the City Council approval of the same; and

**WHEREAS**, on February 2, 2009, a memo was submitted to the Economic Development Committee regarding the establishment of the City Center TIF District Grant Program and the expansion of the Environment Remediation/ Interior-Exterior Demolition, Façade Improvement budget line item to include TIF Grants; and

**NOW THEREFORE,**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**SECTION 1.** That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

**SECTION 2.** That the amendment to the City Center TIF District described in **Exhibit A** are feasible and will result in benefits to the City, its residents and property owners, in general, and to the property, residents and property owners included in the City Center TIF District.

**SECTION 3.** That the amended City Center TIF District Project Plan meets the criteria for the creation of a reinvestment zone as set forth in the Act.

**SECTION 4.** That Ordinance No. 23034 is hereby amended to establish the City Center TIF District Grant Program to implement the Project Plan and Reinvestment Zone Financing Plan (Project Plan) for Tax Increment to promote economic development within the City Center TIF District.

**SECTION 5.** That Ordinance No. 23034 is hereby further amended to expand the Environment Remediation/Interior-Exterior Demolition, Façade Improvement budget line item to include TIF Grants.

**SECTION 6.** That the City hereby approves the Amended Plan as set forth in **Exhibit A** attached hereto.

**SECTION 7.** That the sections, paragraphs, sentences, clauses, and phrases of this ordinance are severable, and if any phrase, clause, sentence, paragraph, or section is declared unconstitutional or invalid by the valid judgment or decree of any court of competent jurisdiction, the unconstitutional or invalidity will not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this ordinance, since the same would have been enacted without the incorporation of any unconstitutional phrase, clause, sentence, paragraph, or section.

**SECTION 8.** That Ordinance Nos. 22802 and 23034 and the Original Plan, as previously amended, shall remain in full force and effect, save and except as amended by this ordinance or the Amended Plan.

**SECTION 9.** This ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

THOMAS P. PERKINS, JR.  
CITY ATTORNEY

By   
Assistant City Attorney

Passed \_\_\_\_\_



**CITY CENTER  
TAX INCREMENT FINANCING DISTRICT**

**FINAL**

**PROJECT PLAN  
&  
REINVESTMENT ZONE FINANCING PLAN**

ADOPTED - FEBRUARY 12, 1997  
AMENDED - JUNE 10, 1998  
AMENDED – FEBRUARY 14, 2001  
AMENDED – MAY 22, 2002  
AMENDED – AUGUST 28, 2002  
AMENDED – SEPTEMBER 25, 2002  
AMENDED – NOVEMBER 13, 2002  
AMENDED – APRIL 9, 2003  
AMENDED – JUNE 11, 2003  
AMENDED – OCTOBER 22, 2003  
AMENDED – FEBRUARY 23, 2005  
AMENDED – JUNE 8, 2005  
AMENDED – FEBRUARY 8, 2006  
AMENDED – NOVEMBER 12, 2007  
AMENDED – FEBRUARY 11, 2009

# SECTION 1 - EXECUTIVE SUMMARY

## Progress on Plan Implementation as of September 30, 2004

In less than eight years, the City Center TIF District has been an instrumental part in creating a positive investment climate in the historic downtown core. Twenty-six projects will generate approximately \$509.4 million in new investment.

- 2,260 completed, under construction or planned apartment units
- 2,286 completed, under construction or planned hotel rooms
- 276,600 square feet of completed, under construction or planned retail space
- 194,000 square feet of office space

City Center redevelopment projects and their status are below projects with direct TIF assistance and anticipated TIF assistance (shown in bold type):

Project	Units/Hotel Rooms	SF Retail or Office	Approx. Investment	Status	TIF \$	Year Comp.
1900 Elm (Titcher-Goettinger)	129 apartment units	15,000 s.f. of retail space	\$11.8 million	Complete	\$0	1997
Adams Mark Hotel – 400 North Olive Street	1,844 hotel rooms		\$70.0 million	Complete	\$0	1998
<b>Kirby Building – 1509 Main Street</b>	<b>156 apartment units</b>	<b>15,000 s.f. of retail space</b>	<b>\$21.5 million</b>	<b>Complete</b>	<b>\$1.375 million</b>	<b>1999</b>
<b>Wilson Building – 1623 Main Street</b>	<b>133 apartment units</b>	<b>10,000 s.f. of retail space</b>	<b>\$18.0 million</b>	<b>Complete</b>	<b>\$3.8 million</b>	<b>1999</b>
<b>Magnolia Building- – 1401 Commerce Street</b>	<b>330 hotel rooms/ suites</b>		<b>\$35.0 million</b>	<b>Complete</b>	<b>\$0.594 million</b>	<b>1999</b>
Santa Fe II – 1122 Jackson Street	205 Condominium Units		\$18.7 million	Complete	\$0	1999
2020 Live Oak Street		130,000 s.f. of office space	\$3.2 million	Complete	\$0	2000
<b>Stone Street Gardens – 1525 Main, 1520 Elm Streets</b>		<b>29,000 s.f. of retail space</b>	<b>\$3.0 million</b>	<b>Complete</b>	<b>\$0.876 million</b>	<b>2002</b>
<b>Universities Center at Dallas – 1901 Main Street</b>		<b>20,000 s.f. of educational space</b>	<b>\$2.21 million</b>	<b>Complete</b>	<b>\$2.24 million</b>	<b>2002</b>
Jackson Street Lofts – 1300 Jackson Street	8 Condominium Units	5,000 s.f. of retail space	\$4.0 million	Complete	\$0	2002
<b>Merriman</b>		<b>40,000 s.f.</b>	<b>\$1.0 million</b>	<b>Complete</b>	<b>\$50k</b>	<b>2002</b>



Architects – 300 N. Field Street		office space				
Davis Building – 1309 Main Street	183 apartment units	15,000 s.f. of retail space	\$34.0 million	Complete	\$1.35 million	2003
Hart Furniture Building – 1929-1933 Elm Street		16,600 s.f. of retail space	\$4.0 million	Complete	\$1.37 million	2003
Thompson Bldg – 1520-22 Main Street		19,000 s.f. of retail space	\$3.7 million	Complete	\$1.07 million	2004
1505 Elm Condos	65 Condominiums		\$12.0 million	Complete	\$0	2004
1217 Main St		28,000 s.f. retail space	\$5.2 million	Under Construction	\$ .97 million	2005
Dallas Power & Light Bldgs – 1506 & 1512 Commerce Street	154 apartments	28,000 s.f. retail space	\$24.0 million	Under Construction	\$7.5 million	2005
Interurban Building (1500 Jackson)	134 apartments	20,000 s.f. grocery store	\$15.0 million	Under Construction	\$5.0 million	2005
Gulf States Bldg- 1415 Main Street	68 apartment units		\$10.4 million	Under Construction	\$4.67 million	2006
1530 and 1524 Main Street	112 hotel rooms	15,000 s.f. retail space	\$24.0 million	Under Construction	\$8.5 million	2006
Republic Center – 300 N.Ervay Street	227 apartments		\$34.0 million	Under Construction	\$4.61 million	2006
1608 Main Street & Pedestrian Access-way		8,000 s.f. retail space; 4,000 s.f. office	\$3.4 million	Approved	\$1.55 million	2006
Davis Lot Garage – 1407 Main Street	85 apartments	20,000 s.f. of retail space + parking	\$23.3 million	Pending	Chapter 380 funds	2006
Fidelity Union - 1507 Pacific, 1511 Bryan & 318 North Akard Streets	440 units	23,000 s.f. of retail space	\$80.0 million	Pending	\$9.0 million	2008
1200 Main Street	273 Condominiums	10,000 s.f. of retail space	\$48.0 million	Pending	\$4.75 million	2008

<b>TOTAL</b>	<b>2,260 residential units and 2,286 hotel rooms</b>	<b>276,600 s.f. of retail space and 194,000 s.f. of office space</b>	<b>\$509.4 million</b>		<b>\$59.28 million</b>	
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### **Overview of Plan**

Tax Increment Financing Reinvestment Zone Number Five, City of Dallas, Texas (City Center TIF District) represents an important opportunity for the City of Dallas to develop an attractive, master-planned and viable “urban center.” The downtown area of the City of Dallas supplies a large portion of property tax revenue to the city, county and school district. Creation of the City Center TIF District will help protect this major investment and encourage redevelopment of underutilized space within the district.

As downtown Dallas matures, the land use mix is evolving from a heavy concentration of office space to a new more diverse mixture. Intown residential housing has become and continues to be a key component of the new urban center. Additional public parking and open space is needed to enhance the market for downtown residential and retail activity. This diversification and reinvestment program will improve the competitiveness of downtown Dallas as an employment center, and support the growing entertainment districts.

The City Center TIF District encompasses the traditional core of downtown Dallas and is bisected by the DART light rail transit line. The City Center area includes a number of excellent examples of late nineteenth century high-rise office structures, some new office buildings, surface and structured parking areas and some very successful urban parks such as Thanksgiving Square, Bell Plaza and Pegasus Plaza. Opportunities exist in converting underutilized Class B and Class C office space to new uses including retail, hotel and residential development.

Despite the documented demand for market rate intown housing and apartment construction near downtown Dallas, retail development within the City Center TIF District has not kept pace and threatens the continued residential growth and potential office growth. The lack of retail development in relationship to the growing residential population in and around downtown is due to a combination of factors most notably the lack of well-situated public parking facilities, attractive and well lighted pedestrian ways and public open spaces. In addition, the market for retail activity in the District is untested after years of decline. Residential units should continue to be developed to create a critical mass of retail.

### **Development Goals and Objectives**

The Board of Directors adopted development goals that they expect will meet the specific needs of the City Center TIF District:

- Make the City Center Area a safer place to live and work.
- Improve the access to the City Center Area.

- Improve the image of the City Center Area.
- Support redevelopment of the existing building stock.
- Develop a more diverse mixture of land uses within the City Center Area.
- Increase recreational opportunities in the City Center Area.

The follow specific objectives set the framework for the planned public improvements within the City Center TIF District:

- Improve street and pedestrian lighting within the City Center TIF District.
- Improve the pedestrian environment through landscaping, lighting and design standards for surface parking lots.
- Provide public parking and environmental remediation, interior and exterior demolition assistance, fire corridor improvements and facade improvement assistance to encourage redevelopment of underutilized downtown office space and create retail opportunities.
- Purchase facade beautification/conservation easements to ensure that new construction is compatible with surrounding historic buildings, particularly with regard to building quality.
- Coordinate linkages with the DART light rail transit mall by extending streetscape improvements from the transit mall to the Arts District, Main Street, public open spaces and City Hall.
- Direct overall development of the City Center area through the application of design standards for public improvements and design guidelines for private development.
- Encourage development of residential housing, including conversions of existing office space.
- Encourage redevelopment of street-front retail.
- Encourage redevelopment of school property and improve educational and training facilities within the district.
- Complement and protect existing historic structures.

The City Center TIF District Project Plan and Reinvestment Zone Financing Plan (referred to herein as the “Plan”) provides a long term program to replace and upgrade the infrastructure, assistance for the environmental remediation and related interior and exterior demolition of buildings to be renovated for retail and residential use, and assistance for façade improvements in the City Center TIF District. Tax increment financing will be used to assist with these improvements. Utilizing this program to encourage public infrastructure improvements, the economics of developing market rate housing in the City Center area and attracting more commercial investment is greatly improved. The City Center TIF District Project Plan and Reinvestment Zone Financing

Plan also provides for streetscaping, public parking and other amenities which complement existing and anticipated investment in the City Center area.

### **Planned Private Development**

The City Center TIF District development program includes:

- 2,500 residential units
- Absorption of 3.5 million square feet of the currently vacant office space in the district
- Absorption of 300,000 square feet of retail space

The total increased property value is forecasted to be approximately \$1.6 billion. The City Center TIF District's assessed tax value in 2007 was \$1,472,178,781. This represents an increase of \$595.9 million over the assessed value of the adjusted base year (1996) value, 68.01%. The total value increased in 2007 by \$204.8 million (16.2%) from the previous year.

The cumulative incremental property tax revenue potential of the planned development, including interest and parking revenue, will be approximately \$87.6 million that can support a net present value of approximately \$62.3 million in public improvement projects.

As of October 2007, the City Center TIF District has spent or committed to spend approximately \$76.9 million. In addition, there are several vacant or underutilized buildings that will remain in the City Center TIF District Boundary that will most likely require TIF funds for rehabilitation. It is estimated that TIF funding in the amount of approximately \$10 million will be needed for these additional buildings. Because it is doubtful that more than \$87.6 million in TIF increment can be collected by 2011, the City Center TIF District budget has been decreased from \$96,400,943 to \$87,567,717.

### **Public Improvements Project Plan and TIF District Grant Program**

The public improvements enumerated in the Project Plan provide for approximately \$87,567,717 million of streetscape, pedestrian, facade improvements, educational/training facilities, parking garages, acquisition and restoration of historic sites, streetlight upgrades, environmental remediation, interior and exterior demolition assistance, fire corridor improvements and facade improvement assistance, facade beautification easements, areas of public assembly outside the City Center TIF District, affordable housing outside the City Center TIF District and public-use improvements. Additionally, TIF funds may be used in the form of a grant in certain circumstances as described below.

Certain costs of improvements to development projects, as further discussed herein, have become eligible for funding with tax increment revenues under legislative actions taken in 2005. These improvements enumerated in the Project Plan provide for grants of TIF revenues, subject to final construction plans, for costs associated with redevelopment of vacant structures and costs of new development including, but not limited to, equipment, machinery, supplies and materials, to be purchased for the

benefit of the development project(s). The City will enact and implement controls sufficient to ensure that any funds provided will be used to fulfill the public purposes of developing and diversifying the economy of the District, eliminating unemployment or underemployment in the District, and developing or expanding transportation, business and commercial activity in the District. Such development projects may be eligible for TIF funds in the form of a grant if the developer proposing the City Center TIF District project also commitments to the development or redevelopment of an additional property, within the downtown freeway loop, but outside of the City Center TIF District, where additional public support is needed to make the project feasible (the second building may be within the Downtown Connection TIF District).

These improvements planned for the City Center TIF District are designed to meet the long-term public needs to secure the growth and investment of the area.

### Financing Plan

The Reinvestment Zone Financing Plan provides that the approximately \$87.6 million in planned public improvements be paid for with TIF funds. The total City Center TIF District Budget is now \$87,567,717. The Reinvestment Zone Financing Plan provides for incremental financing, and predicts revenues for the City Center TIF District.

#### Proposed Improvements in Current Dollars

	Current Dollars
Streetscape/ Pedestrian Linkages/ Lighting/ Streetlight Upgrades	\$12,339,598
Facade Easements	\$2,000,000
Educational/Training Facilities	\$2,236,550
Parking	\$2,525,154
Acquisition & Restoration of Historic Sites	\$4,022,486
Environmental Remediation/ Interior-Exterior Demolition, Facade Improvements, <u>TIF Grants</u>	\$54,451,027
Public-Use Improvements	\$207,500
Areas of public assembly/Outside TIF District	\$2,625,000
Affordable Housing/Outside TIF District	\$5,000,000
Plan Implementation/Administration	<u>\$2,160,402</u>
 Grand Total	 \$87,567,717

**Current \$ - Reflects projected actual collections. This number also includes projected interest (\$6 million) and parking (\$6.5 million) income. As of January 2005, approximately \$6.7 million of interest and parking income has been collected. It is anticipated that an additional \$5.8 million in interest and parking income will be collected from 2005 to 2012. Additional increment and interest collections may be used to offset insufficient parking income.**

## **Conclusions**

Based upon a set of assumptions and analysis of the Plan, as amended, the City Center TIF District Board of Directors has concluded that the Plan is feasible. From 2007 to 2011, it will take an average annual growth rate of 1.4% to collect the full City Center TIF District Budget. The success of the redevelopment project to create a more diversified urban core will support growth in residential, retail and office development in the area and enhance the district's image and entertainment activities.

## **Framework of Plan**

Section 1 contains the EXECUTIVE SUMMARY of the City Center TIF District Project Plan and Reinvestment Zone Financing Plan.

Section 2, PROJECT PLAN and contains background information, a description of the planning process, development goals and objectives, a description of the district including maps of current land use and zoning, and TIF boundaries. Also included is a general program description and a summary of the results of an earlier market feasibility study.

Section 3, PROJECT PLAN IMPROVEMENTS, provides a description of the planned public improvements, including a detailed project budget. Also the near term and long term expectations for private development are presented.

Section 4, FINANCING PLAN, includes an explanation of the increment financing, the financing strategy and the assumptions on which the Project Plan for the City Center TIF District is based. Also, the financial feasibility of the City Center TIF District is examined along with financial policies that have been adopted by the Board of Directors.

An APPENDIX has been compiled which includes a description of the public improvements and other supporting material.

## **SECTION 2 - PROJECT PLAN**

### **Background**

The need for certain public infrastructure improvements became evident when the City's ability to attract residential and retail uses were prevented by the lack of parking and poor image. Concepts for improving the City Center area's infrastructure and amenities to attract development evolved over several months of meetings. The results were documented in the *City Center Tax Increment Financing Plan and Area Development Plan* prepared by City Center TIF Advisory Committee, Central Dallas Association, and Consultant Team in January 1996.

This Development Plan formed the basis of the Plan. Several issues were identified and reviewed including crime, image, building stock, land pattern, open space. Goals were developed which were reflected in the Development Plan and in this document. An Assessment of Development Potential and an Economic Feasibility Report were also completed for the Development Plan.

## **Planning Process**

Beginning in the late 1970's, dramatic high-rise building projects began to be developed in downtown Dallas. The City Center area enjoyed a strong occupancy with growing demand that contributed to high lease rates. With the development of suburban office parks such as Las Colinas in Irving, Legacy in Plano and growing office corridors such as North Central Expressway and LBJ/Tollway, the Central Business District office occupancy began to decline.

In the mid-1980's, the Central Business District realized a flight of companies from their downtown Dallas locations to newer, campus-type suburban corporate office developments. In October 1989, Dallas City Council authorized the City's Public/Private Financial Incentive Guidelines and Criteria to be administered by the Economic Development Department with a special emphasis of retaining and attracting investment to downtown Dallas. This new direction resulted in a new emphasis by the Central Dallas Association to join with the City to develop programs that will increase the marketability of downtown Dallas.

In 1990, the City isolated downtown values from the City tax roll to display the real property value annually. The trend in downtown values through the 1995 tax roll, released in July 1995 and reflecting market as of January 1, 1995, was still down, although 1995 marked the first year since at least 1990 that the percentage of decline was in single digits.

From 2005 to 2007, the property value increased within the District. In 2007, the value was up 68.01 percent from the 2006 base year (adjusted). In 2007, the total value increased by \$204.8 million (16.2%) from the previous year. In 2007, the City Center TIF District collected \$3.03 million in incremental revenue.

In 1992, the Central Dallas Association, whose members consist of property owners, petitioned the City to create a Public Improvement District in the Central Business District to enhance public services for the area. The Dallas City Council subsequently approved the plan to provide for additional security, street and sanitation services and marketing activities.

## **Program Concepts**

The City Center TIF District represents an important opportunity for the City of Dallas to develop an attractive, master-planned and viable "urban center." As downtown Dallas matures, the land use mix is evolving from a heavy concentration of office space to a new more diverse mixture. Intown residential housing has become and is expected to continue to be a key component of the new urban center. Additional public parking and open space is needed to enhance the market for downtown residential and retail activity. This diversification and reinvestment program will improve the competitiveness of the

downtown Dallas as an employment center, and support the growing entertainment districts.

The City Center TIF District encompasses the traditional core of downtown Dallas and is bisected by the DART light rail transit line. The City Center area includes a number of excellent examples of late nineteenth century high-rise office structures, some new office buildings, surface and structured parking areas and some very successful urban parks such as Thanksgiving Square, Bell Plaza and Pegasus Plaza. Opportunities exist in converting underutilized Class B and Class C office space to new uses including retail and residential development. Despite a strong demand for Class A office space downtown, vacancy rates for Class B and Class C space are still high regionally and nationally.

Despite the documented demand for market rate intown housing and apartment construction near downtown Dallas, retail development within the City Center TIF District has not kept pace and threatens the continued residential growth and potential office growth. The lack of retail development in relationship to the growing residential population in and around downtown is due to a combination of factors most notably the lack of well-situated public short-term parking facilities, attractive and well lighted pedestrian ways, public open spaces, and competition from surrounding retail centers such as Knox/Henderson, West Village and Mockingbird Station. In addition, the market for retail activity in the District is untested after years of decline. Residential conversion should continue to be developed to create a critical mass for retail.

In addition to the residential population that needs to be served, the daytime office workers, the visitors/tourists, and the regional market also need a unique shopping environment in the downtown. An important vision for downtown is continuing the creation of a vibrant, multi-dimensional neighborhood that serves all sectors of the market including residents, a large daytime population, convention-goers, and regional tourists.

In response to these circumstances, the City Council, using the authority of the Tax Increment Financing Act (Chapter 311, Tax Code), approved Ordinance No. 22802 on June 26, 1996:

- declaring the City Center Area as a “reinvestment zone”
- establishing the boundaries for the City Center TIF District, excluding historic structures
- adopting a preliminary project and financing plan
- establishing a Board of Directors for the City Center TIF District

The Board of Directors was appointed on August 21, 1996 and included ten City Council appointees and five representatives of the other taxing jurisdictions participating in the City Center TIF District. The City Center TIF District By-Laws were amended on March 24, 2004. The Dallas County Hospital District has opted to waive its representation on the City Center TIF District Board. To maintain a fifteen member Board of Directors, the City of Dallas increased its number of appointments from ten to eleven.

## **Development Goals and Objectives**



The Board of Directors has adopted development goals that they expect will meet the specific needs of the City Center TIF District:

- The Board of Directors adopted development goals that they expect will meet the specific needs of the City Center TIF District:

- Make the City Center Area a safer place to live and work.
- Improve the access to the City Center Area.
- Improve the image of the City Center Area.
- Support redevelopment of the existing building stock.
- Develop a more diverse mixture of land uses within the City Center Area.
- Increase recreational opportunities in the City Center Area.

The follow specific objectives set the framework for the planned public improvements within the City Center TIF District:

- Improve street and pedestrian lighting within the City Center TIF District.
- Improve the pedestrian environment through landscaping, lighting and design standards for surface parking lots.
- Provide public parking and environmental remediation/interior and exterior demolition assistance to encourage redevelopment of underutilized downtown office space and create retail opportunities.
- Purchase facade beautification/conservation easements to ensure that new construction is compatible with surrounding historic buildings, particularly with regard to building quality.
- Coordinate linkages with new DART light rail transit mall by extending streetscape improvements from the transit mall to the Arts District, Main Street, public open spaces and City Hall.
- Direct overall development of the City Center area through the application of design standards for public improvements and design guidelines for private development.
- Encourage development of residential housing, including conversions of existing office space.
- Encourage redevelopment of street-front retail.
- Encourage redevelopment of school property and improve educational and training facilities within the district.
- Complement and protect existing historic structures.

The public improvements enumerated in the Project Plan provide for approximately \$87,567,717 million of streetscape, pedestrian, facade improvements, educational/training facilities, parking garages, acquisition and restoration of historic sites, streetlight upgrades, environmental remediation, interior and exterior demolition assistance, fire corridor improvements and facade improvement assistance, facade beautification easements, areas of public assembly outside the City Center TIF District, affordable housing outside the City Center TIF District and public-use improvements. These improvements planned for the City Center TIF District are designed to meet the long-term public needs to secure the growth and investment of the area.

Tax increment financing will be used to assist with these improvements. Utilizing this program to encourage public infrastructure improvements, the economics of developing market rate housing in the City Center area and attracting more commercial investment is greatly improved. The City Center TIF District Project Plan and Reinvestment Zone Financing Plan also provides for extensive streetscaping, public parking and other amenities which complement existing and anticipated investment in the City Center area.

### **Description of District**

The City Center TIF District is located in the heart of Downtown Dallas bounded by Ross Avenue, Pearl Street, Bryan Street, North Central Expressway, Live Oak Street, Olive Street, Harwood Street, Young Street, Akard Street, Wood Street and Griffin Street (see Exhibit A-1).

Excluded from the boundaries of the City Center TIF District is a portion of the Arts District, Trammell Crow Center, Texas Commerce Bank, Fountain Place, the Fairmont, the West End, NationsBank Tower, the Hyatt Regency and Union Station area, the Convention Center area, the Civic Center area south of Young Street, and the Farmers Market area. Several historic buildings, future potential park sites, other strategically selected structures, and surface lots located within the City Center TIF District boundaries have been excluded (See Exhibit A-2).

The City Center TIF District is essentially the central, traditional core of downtown Dallas. These boundaries were selected because public-improvements within the District are likely to increase the marketability of the downtown area and property values.

The total taxable appraised value of the City Center TIF District also depicted in Figure 1 as of September 30, 1996, according to the Dallas Central Appraisal District, was \$901,942,389. A detailed legal description of the boundaries of the City Center TIF District are included in Ordinance 22802 on June 26, 1996, as amended.

### **Existing Uses**

The City Center TIF District is a mixed-use area, primarily composed of existing office or vacant office structures (See Exhibit B). There was approximately 10 million square feet of vacant office space in downtown Dallas in December 1996. There are several surface and structured parking facilities scattered throughout the City Center TIF District. Neiman Marcus Department Store provides over 129,000 square feet of high quality retail development. Additional retail activity occurs at street level and underground. Several popular public open spaces are within the City Center TIF District Boundary.

## **EXHIBIT A**

There are several residential developments within the City Center TIF District including the Manor House, Majestic Lofts, the Wilson Building, the Kirby Building, and the Davis Building.

### **City Center Area Zoning**

The downtown Dallas area has the highest zoning district classification in the City. Revisions to the central area zoning districts were made at the request of the CDA Housing Committee in 2002 to eliminate some of the less desirable uses and to reduce the parking requirement for residential uses. The encouragement of mixed uses permitted by the zoning district could be a positive force in the creation of an urban neighborhood.

On June 12, 2002, City Council approved Planned Development District No. 619, establishing use regulations and development standards for the area bounded by the centerlines of Pacific Avenue, Harwood Street, Jackson Street, and Griffin Street.

Exhibit C shows existing zoning and the Planned Development District.

No zoning changes are planned within the City Center TIF District.

### **Market Feasibility**

The predominant land use in the planned 15-year City Center TIF District development program is for mixed-use development. If built as planned, residential and commercial uses in the development program will serve as the primary “self contained” market for the planned retail component. In addition, the residential development is also a principal source of demand for the anticipated early stage of new commercial office investment. Therefore, the market feasibility evaluation conducted by the City Center Advisory Committee in January, 1996 emphasized the Dallas Intown/CBD residential development market.

The past two decades of Downtown-related urban development activity in the larger U.S. cities has indicated that there is a “pent-up” demand for market rate housing

development, but that other land uses more often “outbid” residential projects for prime locations. In addition, the most successful downtown-oriented market rate housing projects have required large enough sites to implement multi-stage developments after an “urban village” atmosphere and residential locational identity are established.

While the appeal of being in downtown has been a key feature of these other projects, the greatest increases in the number of downtown residential units has occurred where a true sense of neighborhood has been created, and security has been provided through provision of physical amenities and buffers from “pass-through” traffic and other outside elements. In addition, there has been a demonstrated need to provide a self-contained sense of an “urban center” wherein shopping, professional services, recreation, and suitable entertainment are readily available and accessible in the context of a pedestrian environment.

The type of high density urban development contemplated in the plan will most certainly lead to a need for conveniently located parking facilities. Experience in other downtown

districts indicates that high density urban residential development requires convenient, secured parking facilities.

# Exhibit A-1 City Center TIF District Boundary



## Exhibit A-2 Properties Excluded from the City Center TIF District Boundary

Property Buildings	Address	Street Name	DCAD account #
Bryan Central JV	2400	Bryan	0000105778000000
Crozier Tech	2215	Bryan	0000105556000000
Old Public Dallas Library	1954	Commerce	0000101692000000
Kirby/Elm Street Garage	1501	Main	000076000A0010000
Seven Seventeen HB	2007	Live Oak	0000105340000000
Seven Seventeen HB	2117	Live Oak	0000105490000000
White Plaza Hotel (Aristcrat)	1933	Main	0000101944000000
Halebian	419	Olive	0000105379000000
Seven Seventeen HB	443	Olive	0000105373000000
Federal Reserve Bank	400	Akard (S)	0000101136000000
Lone Star Gas Buildings	1915	Wood	0000101767000000
	301	Harwood (S)	0000101782000000
	1815	Wood	0000010177000000
	1900	Jackson	0000010176400000
	1916	Jackson	0000010177900000
Mercantile Commerce Building	1712	Commerce	0000010169800000 and 100
Continental Building	1810	Commerce	0000010170100000
Dallas Grand	1900	Commerce	0000010169500000
Mercantile Buildings	1704	Main	0000010168930000
	1802	Main	0000010168940000
	1807	Commerce	0000010168950000
	1808	Main	0000010168910000
Elm Place	1401	Elm	0000010044100000 and D100
	1403	Elm	00000100441000100
	1405	Elm	00000100441000200
	1407	Elm	00000100441000300
	1409	Elm	00000100441000400
	1411	Elm	00000100441000500
Praetorian Building	1607	Main	0000010097500000
1600 Pacific	1600	Pacific	0000010087600000 and 100
1511 Elm	1511	Elm	00000100882000000
Tower Petroleum/1900 Pacific	1900	Pacific	0000010153000000
511 Akard	511	Akard (N)	0000010486000000
Jackson Building	1810	Jackson	0000010171300000 and 100
1414 Elm	1414	Elm	0000010067200000
1604 Main	1604	Main	0000010101700000
2020 Ross	2020	Ross	0000010523500000
505 N. Akard	505	Akard (N)	0000010492300000
Dallas Public Library	1515	Young	0000010125700000
Neiman Marcus	1616	Main	0000010108300000
	1618	Main	0000010101100000
	1622	Main	0000010100800000
	1603	Commerce	00000101005009900
	1603	Commerce	0000010107400000
	1607	Commerce	0000010107700000
	1609	Commerce	0000010108000000
<b>Fire Corridor &amp; Commerce</b>			
	1600	Elm	0000010097200000
	1604	Elm	0000010096600000
	1606	Elm	0000010096900000
	1610	Elm	0000010099000000

	1612	Elm	00000100987000000
	1614	Elm	00000100984009900
	1615	Main	00000100996000000
	1503	Commerce	00000101053000000
	1417	Commerce	00000101050000000
	1505	Commerce	00000101056000000
	1511	Commerce	00007701220010000
	1525	Commerce	00000101071000000
<b>Parks</b>			
	1921	Commerce	00000102004000000
	1917	Commerce	00000101998000000
	1913	Commerce	00000101995000000
	1906	Main	00000101992000000
	1910	Main	00000101989000000
	1912	Main	00000101986000000
	1916	Main	00000101983000000
	1920	Main	00000101980000000
	1924	Main	00000101977000000
	1928	Main	00000101974009900
	413	Harwood	00000110836000300
	401	Harwood	00000110836000000
	421	Harwood	00000110836000200
	322	St Paul	00000110836000100
	312	St Paul	00000110848000000
	306	St Paul	00000110749000000
	1901	Pacific	00000105397000000
	308	St Paul	00000110773000000
	300	St Paul	00000110836000400
	1100	Main	00000100498000100
	1100	Main	00000100498000000
	1014	Main	00000100492000000
	1627	Pacific Ave	00000110720000000
<b>Surface Lots</b>			
	1801	Young	00000102025000000
	1818	Wood	00000102010000000
	1802	Wood	00000102013000000
	1775	Young	00000102007000000
	401	St Paul (N)	00000102016000000
	408	Ervay (S)	00000101824000000
	404	Ervay (S)	00000101821000000
	400	Ervay (S)	00000101818000000
	1727	Young	00000101839000000
	1721	Young	00000101834009900
	1717	Young	00000101836000000
	420	Ervay (S)	00000101791000000
	1728	Wood	00000101794000000
	1715	Young	00000101803000000
	1713	Young	00000101800000000
	1706	Wood	00000101827000000
	1714	Wood	00000101830000000
	1721	Young	00000101833009900
	416	Ervay (S)	00000101788000000
	418	Ervay (S)	00000101815000000
	1705	Young	00000101806000000
	1707	Young	00000101797000000
	1718	Wood	00000101809000000
	1724	Wood	00000101812000000
	1916	Jackson	00000101779000000

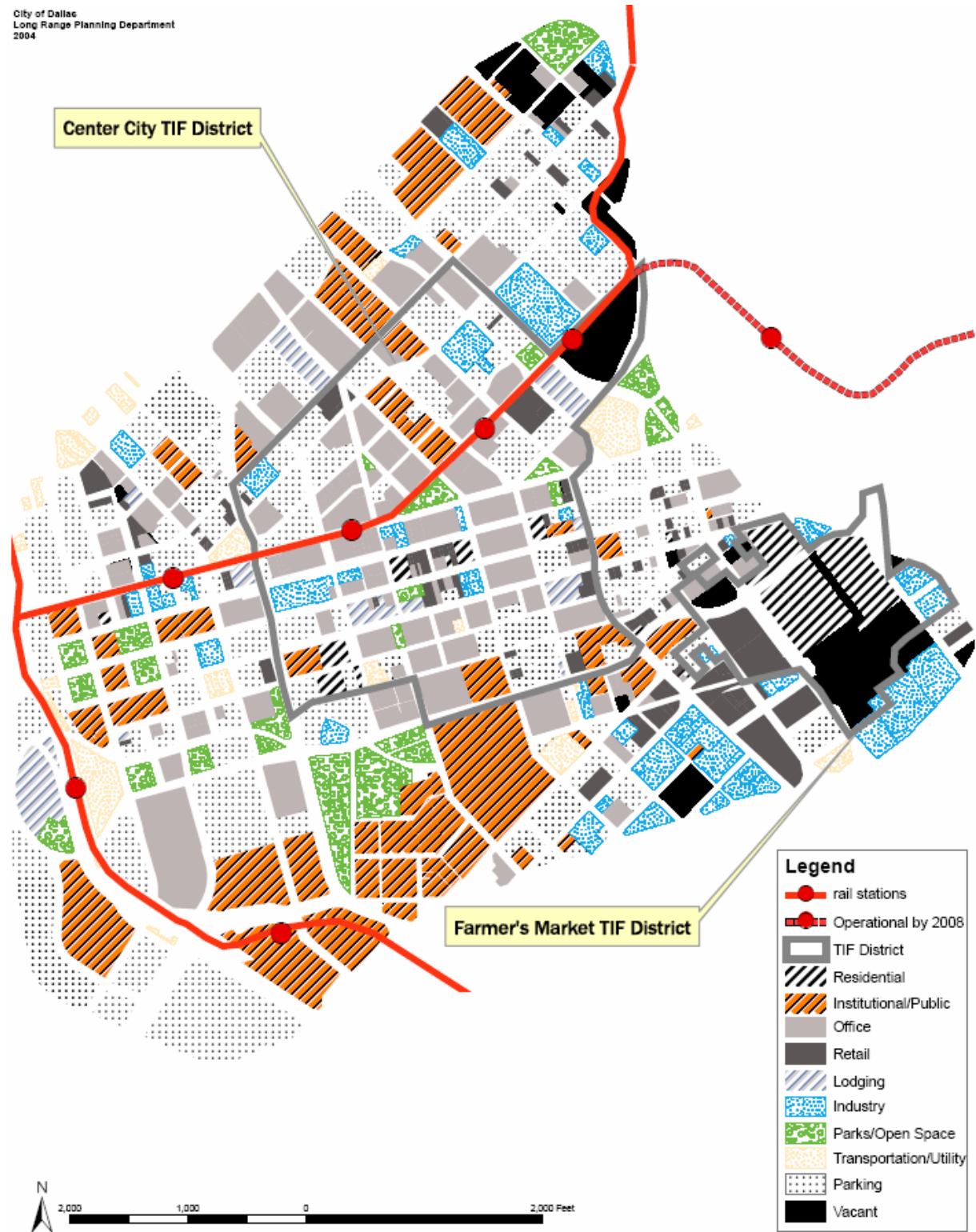
1600	Jackson	0000010112800D100
1600	Jackson	0000010112800D200
1600	Jackson	0000010112800D300
1600	Jackson	0000010112800D400
1600	Jackson	0000010112800D500
1600	Jackson	0000010112800D600
1600	Jackson	0000010112800D700
1600	Jackson	00000101128000000
1610	Jackson	00000101119000000
315	Ervay (S)	00000101125000000
1712	Commerce	00000101698000000
1513	Commerce	00000101062000000
1517	Commerce	00000101065000000
1523	Commerce	00000101068000000
2016	Ross	00000105250000000
2014	Ross	00000105259000000
2010	Ross	00000105256000000
2021	San Jacinto	00000105262000000
2000	Ross	00000105253000000
820	Harwood	00000105265000000
2013	San Jacinto	00000105241000000
1400	San Jacinto	000229000001A0000
401	Harwood	0004780A000010000
407	Harwood	0004780A000020000
1414	San Jacinto	00000104872000000
1406	San Jacinto	00000104875000000
1404	San Jacinto	00000104878000000
1415	Patterson	00000104920000000
1402	San Jacinto	00000104881000000
1411	Patterson	00000104917000000
417	Akard	00000104968000000
512	Field	00000104908000000
1407	Patterson	00000104914000000
415	Akard	00000104965000000
1338	San Jacinto	00000104884000000
1414	Patterson	00000104941000000
1309	Patterson	00000104911000000
413	Akard	00000104932000000
1320	San Jacinto	00000104887000000
409	Akard	00000104929000000
500	Field	00000104857000000
1217	Patterson	00000104890000000
1411	Federal	00000104935000000
1405	Federal	00000104938000000
501	Field	00000104905000000
1216	San Jacinto	00000104893000000
1214	San Jacinto	00000104896000000
1403	Federal	00000104944000000
1212	San Jacinto	00000104899000000
1314	Patterson	00000104950000000
1205	Patterson	00000104707000000



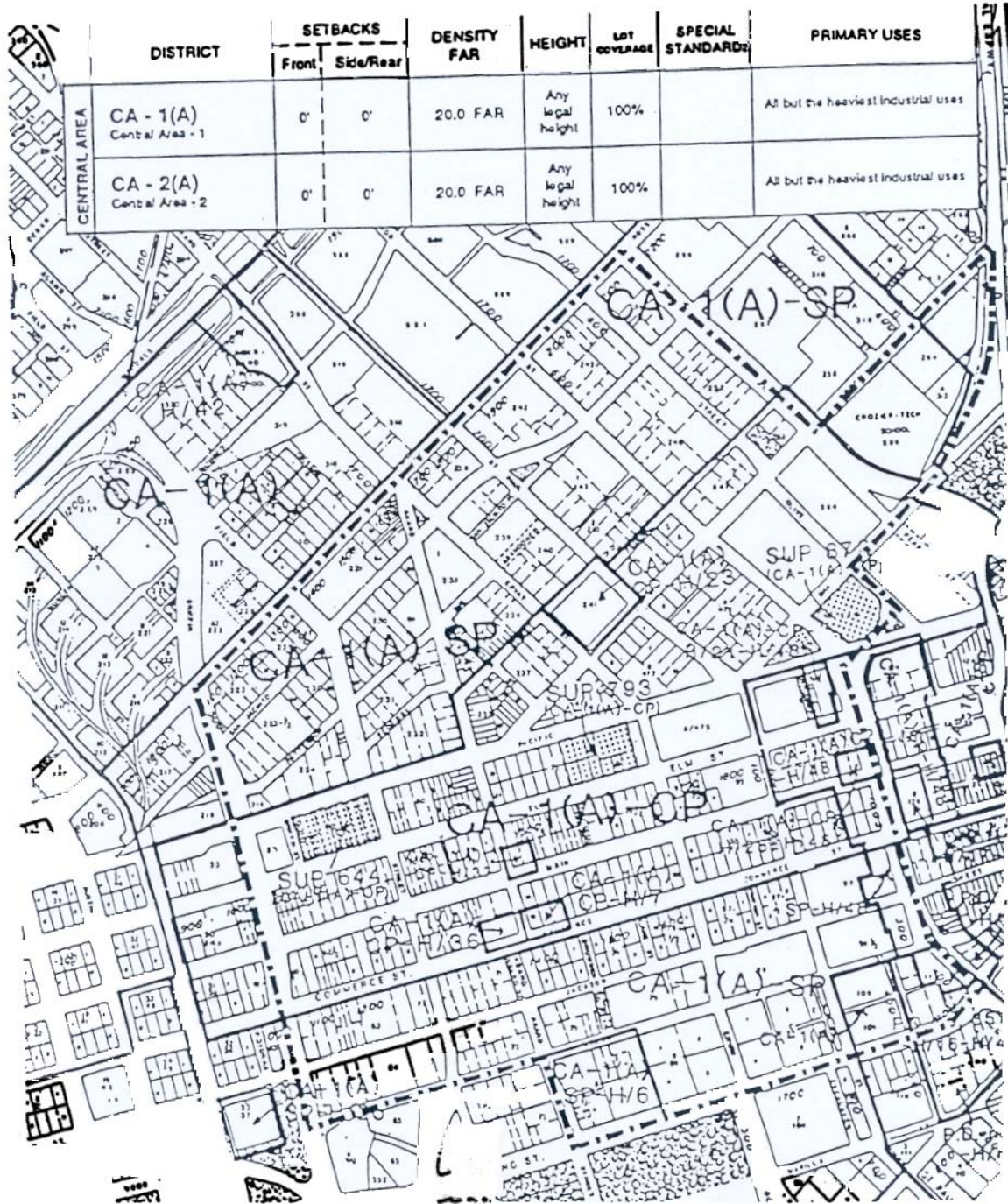
1215	Patterson	00000104902000000
1310	Patterson	00000104926000000
1319	Federal	00000104947000000
1317	Federal	00000104962000000
1313	Federal	00000104959000000
1311	Federal	00000104956000000
608	St Paul	00024300010000000
504	St Paul	00000105196000000
502	St Paul	00000105208000000
400	St Paul	00000105198000000
611	Field	00000104812000000
1300	Ross	00000104815000000
1100	Patterson	00000104716000000
1709	Jackson	00000101710100000
208	Ervay	00000101707000000
1710	Jackson	00000101746000000
1708	Jackson	00000101734000000
302	Ervay	00000101755000000
308	Ervay	00000101752000000
312	Ervay	00000101758000000
1104	Jackson	00000100564000000
1016	Jackson	00000100558000000
1100	Jackson	00000100555000000
1000	Wood	00000100565000100
300	Griffin	00000100565000000
1109	Wood	00000100561000000
<b>Properties with pre-existing Historic Tax Abatement</b>		
Davis Building	1309 Main	000076000A0010100
Kirby Building	1509 Main	00001009300000000
Joske's Building	1901 Main	Various Accounts
Magnolia Building	108 S. Akard	00001010440000000
Santa Fe Building	1122 Jackson	000064000A0010000

# Exhibit B City Center TIF District Land Use

City of Dallas  
Long Range Planning Department  
2004



# Exhibit C City Center TIF District Zoning and PDD 619





# ZONING

MAP NO. J-7  
CASE NO. 2012-123/11652-C(SR)

05-07-02

## SECTION 3 - PROJECT PLAN IMPROVEMENTS

The public improvements enumerated in the Project Plan provide for approximately \$87.6 million of streetscape, pedestrian, facade improvements, educational/training facilities, parking garages, acquisition and restoration of historic sites, streetlight upgrades, environmental remediation, interior and exterior demolition assistance, fire corridor improvements and historic facade restoration assistance, facade beautification easements, areas of public assembly outside the City Center TIF District, affordable housing outside the City Center TIF District and public-use improvements. These improvements planned for the City Center TIF District are designed to fully meet the long-term public needs to secure the growth and investment of the area. Exhibit E illustrates the Project Plan for the City Center District TIF. Planned improvements include:

Streetscape Improvements. The development plan includes lighting sidewalk and infrastructure improvements, expanded linkages between Dallas City Center and the Farmers Market, Art District, Convention Center, Deep Ellum, Dallas County offices and Uptown Districts to enhance pedestrian and vehicle continuity and other streetscape improvements related to specific projects.

Pedestrian Linkages/Lighting. Pedestrian linkages in the district, as well as throughout downtown, are a vital element in securing growth and investment within the area. Ties between the new DART light rail stations and hotels, the City Center and City Hall and the Convention Center will help enhance DART's large investment in the light rail start up system and the transit mall. Planned improvements are recommended for Field, Akard, Ervay, St. Paul, and Harwood.

Educational/Training Facilities. A distance learning center will help expand educational and training activities occurring within the City Center TIF District. Expanded and upgraded classroom space is an important component of redevelopment efforts in the City Center Area.

Parking. Research indicates that development of secure, convenient short-term parking facilities will increase opportunities to create an environment that supports additional retail, residential and office activity. A comprehensive parking analysis and strategy study was conducted by the firm of Kittelson & Associates for the City of Dallas using TIF funds. The consulting team, through an extensive public participation process developed the City Center TIF District Parking Strategy including Guiding Principles for making parking decisions.

## The Guiding Principles

1. Access should be provided to all users of the downtown, including transit, automobile, and bike/walk users. The City should strive to create and implement as many access options as possible. Parking management strategies and programs should support and complement all access modes.
2. The core area of downtown should provide the highest mix of access possible to support its role as the central access point connecting all the districts of the downtown. Employees, customers, visitors, and residents should be provided with multiple options for moving to, through, and within the core.
3. Sufficient parking should be provided to support desired economic activities in each downtown district. The most convenient parking spaces should be reserved to support customer/client/vendor/visitor access to those economic activities within each area.
4. Adequate parking should be provided to meet employee demand, in conjunction with a transportation system that provides balanced travel mode options. All parking strategies should be coordinated with transportation demand management goals and objectives to ensure that commuters and customers have reasonable options available for access.
5. On-street parking should be restored along strategic corridors to improve customer/visitor accessibility and to facilitate revitalization of street level activities. On-street parking and pedestrian access should, in some cases, take priority over street capacity and vehicle speeds.
6. Off-street parking facilities should be developed to serve a mix of uses to facilitate continued access activity throughout the day and into the evenings and weekends. Facilities should be strategically located to assure that such a mix of parking uses (particularly customer/visitor access) is conveniently and economically served.
7. Access linkages within the core and between districts should be clearly identified through signage, way finding measures, and other communication strategies to increase customer understanding of the downtown. Such access linkages include parking, transit, and pedestrian/bicycle facilities.
8. All access strategies should be coordinated with and highly and mutually supportive of residential, retail, and commercial office developments in the downtown.

The Guiding Principles derived from dialogue with the City and its stakeholders can serve as a solid foundation for coordinating parking and transportation decision-making and policy. The Guiding Principles are grounded in the long-term vision of the City in the areas of jobs, housing, regional sales, transit mode split and commercial/retail absorption. Their intent and purpose is to generate parking and transportation management strategies and programs that will complement the City's efforts in attaining its long-term growth and development vision.

A series of strategies related to implementation of the Parking Strategy Study were identified by the consulting team:

### **Maximize On-street Parking**

The TIF Board's first investment of parking funds must be to increase the supply of on-street metered parking within the TIF District. The goal of this strategy is to achieve an acceptable retail-supportive standard for on-street customer/visitor access. This standard is defined as approximately 80% of each block face dedicated to metered, on-street spaces. An effective return on TIF funds invested for off-street parking cannot be fully realized until the on-street parking system meets this retail-supportive standard.

**Timing of Implementation:** Immediate.

**Investment Required:** Approximately \$350,000 including standardizing all existing equipment.

### **Site Acquisition or Lease**

The second infrastructure investment the TIF Board will make is to acquire or lease a strategically located surface parking lot in an area with existing retail and identified for future retail expansion and growth. It is recommended that both options be pursued, using the criteria developed in detail in the *Summary Report* to guide decision-making related to acquisition or leasing of parking facilities. Criteria used in the site selection process are listed below:

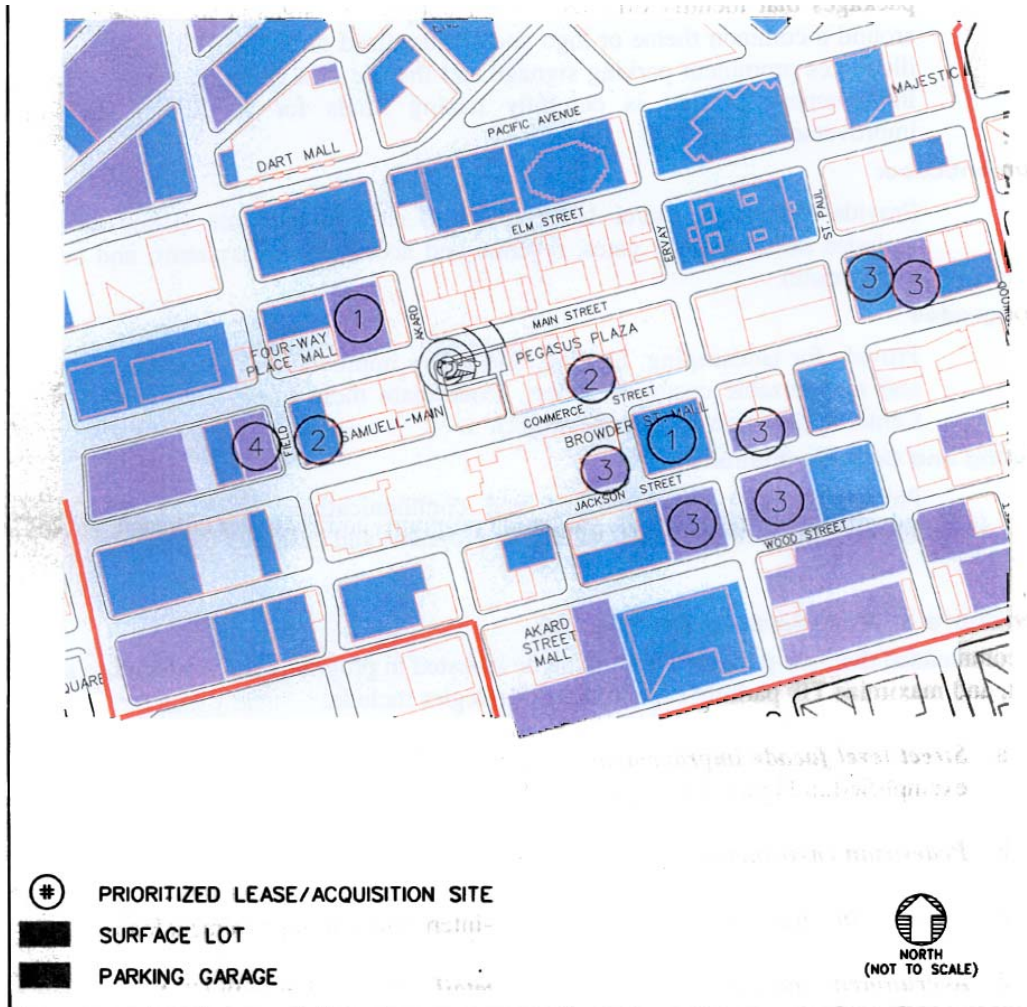
1. **Site size.** Sites must be a minimum of 200 feet by 100 feet (i.e., 20,000 SF). These dimensions are the minimum requirements for the construction of a parking garage. Acquired sites should allow for (a) near-term use as a surface parking facility and (b) long-term potential as a parking garage.
2. **Location.** Sites must be convenient to the retail core and located in close proximity to existing and planned retail.
3. **Retail-friendly environment.** Sites should be fully supported by on-street parking.
4. **Connections to transit.** Sites should be, or should allow for, quick and convenient connections to transit service, allowing patrons the opportunity to extend their "walk isochron" to all points within the retail core via transit.

Potential sites are shown in Exhibit D. It is not recommended that TIF funds be used to purchase sites that could not, at some future point, be developed into parking structures. Street-level retail should be part of any new parking structure.

**Timing of Implementation:** Immediate.

**Investment Required:** Up to approximately \$3.125 million for acquisition. Approximately \$1.4 million, if 5-year lease of 250 spaces.

# Exhibit D City Center TIF Potential Parking Sites





### **Additional Supply Expansion**

Two triggers will result in the expenditure of additional TIF parking funds to expand parking supply. The first trigger is when a major retail development is attracted to the TIF District. A public/private partnership can be formed to provide general public access structured parking in support of the development. The second trigger is when the existing on-street and off-street general public access parking supply reaches 85 percent of capacity. The second trigger could result in the provision of additional off-street supply through acquisition, lease, or construction of a parking structure. The timing of either of these triggers is unpredictable; however, it is expected that an aggressive retail retention and recruitment program will produce such results. Therefore, all remaining TIF parking funds must be held by the TIF Board until these triggers are met.

**Timing of Implementation:** When triggers are met.

**Investment Required:** Up to approximately \$14.225 million for a 150-space surface lot acquisition and site acquisition and construction of a 500-space parking structure.

### **Provide Collateral Support for Parking Expenditures**

Other programs and support infrastructure are appropriate expenditures of TIF parking funds and serve to support and maximize the overall investment in parking supply. Programs, strategies, and support infrastructure include the four categories listed and detail below.

### **Wayfinding/Signage**

Coincident with acquisition or lease of the first off-street facility, the TIF Board must invest in wayfinding and signage infrastructure to link new parking supply into an overall system of visitor access. This includes signage in the public right-of-way to direct patrons into the short-term, customer/visitor supply and on-site signage packages that identify off-street customer/visitor supply. All signage should be coordinated around a common theme or logo and standardized throughout the system.

**Timing of Implementation:** Immediately develop common theme or logo and wayfinding and signage plan. Implement plan immediately after off-street facility is acquired/leased.

**Investment Required:** \$250,000 initially.

### **Equipment/Labor**

Coincident with acquisition or lease of off-street facilities, the TIF Board must provide equipment and/or labor, as necessary, to facilitate the unique needs associated with customer/visitor parking.

**Timing of Implementation:** Immediately after off-street facility is acquired/leased.

**Investment Required:** \$150,000 if site is leased.  
None, if site is acquired (assumed in acquisition cost).

### **Site Upgrades**

Coincident with acquisition or lease of off-street facilities, the TIF Board must provide for landscaping, lighting and safety improvements, as necessary, to facilitate convenient and recognizable customer/visitor access.

**Timing of Implementation:** Immediately after off-street facility is acquired/leased.

**Investment Required:** \$175,000 if site is leased.  
None, if site is acquired (assumed in acquisition cost).

### **Marketing and Communications**

Coincident with acquisition or lease of off-street facilities, the TIF Board must provide funding for marketing and communications programs. This includes advertising, print materials, validation programs and customer outreach.

**Timing of Implementation:** Immediately after first off-street facility is acquired/leased.

**Investment Required:** \$350,000 for the first three years following acquisition/lease. On-going investment will likely be equivalent to approximately 15 percent of net revenues.

Acquisition and restoration of historic sites. The vacancy rate in historic buildings in the City Center Area is high. Acquisition and restoration of historic buildings by public entities will be supported as an eligible Project Cost to enable the redevelopment of these structures. Only buildings that are designated as a local historic landmark or listed on the National Register of Historic Places will be eligible for assistance under this program. The intent of this program is to support and preserve these recognized historic landmarks within the City Center TIF District.

Conveyance of City owned property. Conveyance of City owned property allows for the sale of City owned property at 1208 Main Street to LB 1200 Main LP at fair market value for the purpose of development and redevelopment of 1200 Main Street in accordance with the Plan.

Streetlight Upgrades. Central Dallas Association will complete a study of streetlights and pedestrian lights in the City Center District in spring of 1998. Upgrading streetlights, according to the recommendations of this plan (as accepted by City Council) is an important component of the City Center redevelopment effort. Funding under this category is for capital improvements only. Additional operating costs of fixtures supplemental to the standard service level for the City of Dallas may require funding by individual property owners.

Environmental Remediation, Interior/Exterior Demolition, Historic Facade Restoration Improvements/ Easements and Fire Safety Improvements. Downtown Dallas has several buildings that have been financially unfeasible to redevelop because of the cost of environmental remediation of asbestos, lead-based paint and other contaminants, interior and exterior demolition costs, façade improvement costs and fire accessibility issues. Interior and external demolition expenses are tied directly to the remediation expenses. These costs are eligible TIF expenditures. Remediation of environmentally hazardous materials and associated improvements, using TIF funds, greatly improves the marketability of these buildings. It is anticipated to inclusion of the category in the project budget is necessary for attracting a high impact mixed use project to the TIF District and to attract new retail activity in the ground floor of buildings in the Main Street core area.

Direct support of facade renovation efforts also provides an important incentive to assist new retail development in the City Center area. The City of Dallas, using TIF funds, can participate in such a facade restoration program. Historic facade restoration

improvements under this program will be reviewed by the City Center TIF Streetscape Committee to ensure compatibility with other improved structures and investment in the area.

Additionally, acquisition of a conservation or beautification easement may preserve the architectural i.e. aesthetic effects of enhancing the facade of new or redeveloped structures downtown. The City of Dallas, using TIF funds, can acquire such an interest in these architecturally or aesthetically significant structures in the District, leaving the maintenance to the property owner. Facade Easements may include funding for projects where additional facade expenditures are needed to ensure that new construction is compatible with historic buildings, particularly with regard to building quality.

Public Use Improvements. Public activity areas are an important amenity in a Downtown area. Several projects can help accomplish this objective. Use of these funds in the Main Street core area will further increase the marketability of this area for retail uses.

Areas of Public Assembly. Funding for creation of an improved Dallas County Plaza is included. This area of public assembly is part of an overall network of pedestrian corridors and open spaces that help connect the Main Street Retail area with pedestrian districts such as the Dallas County administration center, the West End and the American Airlines Center. These expenditures benefit the City Center TIF District.

Affordable Housing. Affordable housing is included in plan funding. A mixture of housing types and pricing is important for the community. This line item allows maximization of public benefit created by new affordable housing throughout the City. 12.55% of each year's increment over the remaining life of the TIF District, in an amount not to exceed \$5,000,000, of which \$1,000,000 has been spent, will be dedicated to affordable housing.

Plan Implementation. Administrative, including reasonable charges for the time spent by employees of the municipality and/or employees associated with any non-profit groups established to promote retail development in the City Center TIF District or manage parking within the City Center TIF District and upon approval by the City Center TIF Board of Directors and in connection with the implementation of the City Center Project Plan and Reinvestment Zone Financing Plan will be eligible for reimbursement as project costs. Other related administrative expenses including legal fees, consulting fees, management expenses, meeting expenditures and equipment are included in this category.

### **Planned Private Development**

The City Center TIF District development program includes:

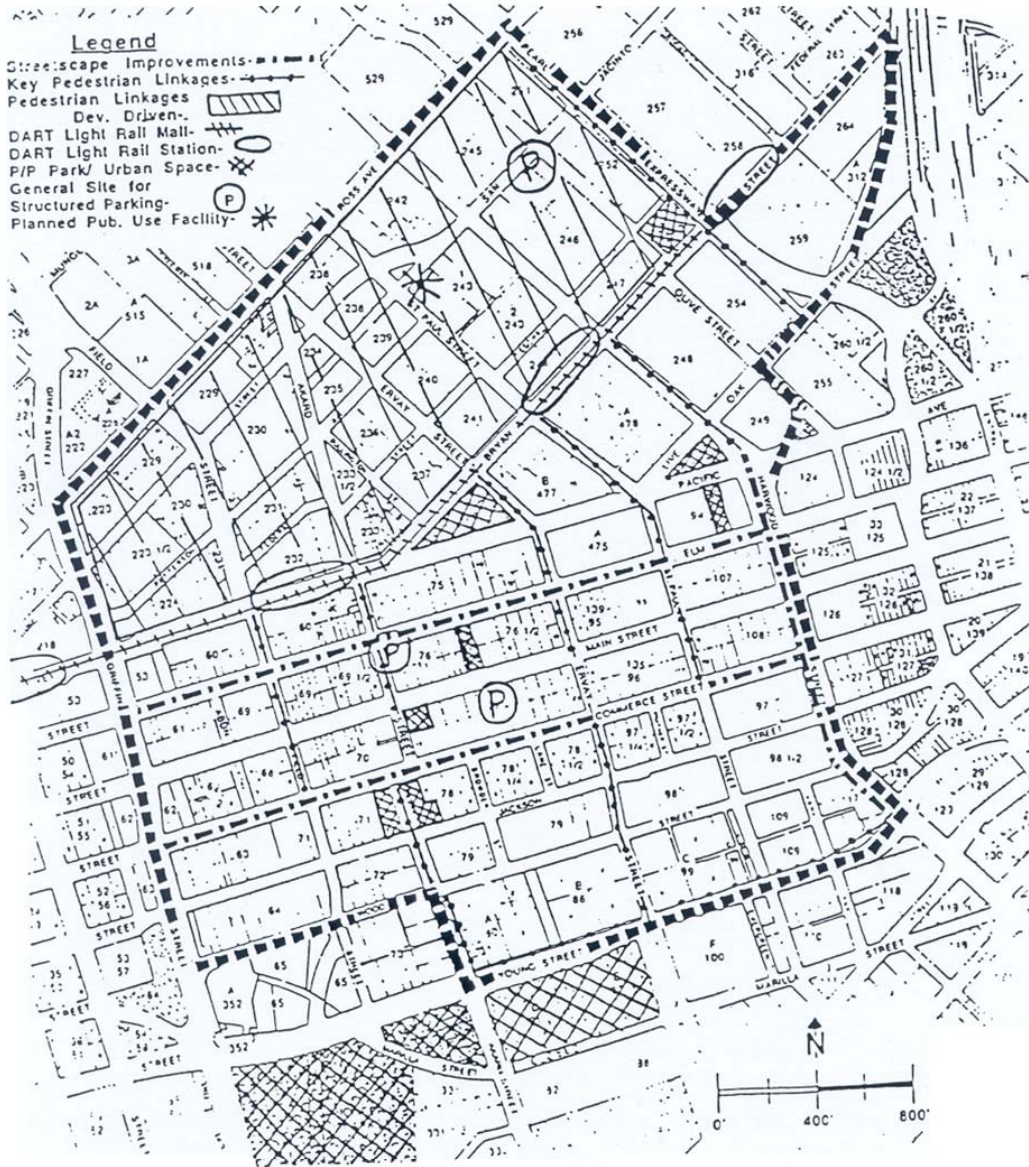
- 2,500 residential units
- Absorption of 3.5 million square feet of the currently vacant office space in the District
- Absorption of 300,000 square feet of retail space

The total increased property value is forecasted to be approximately \$1.6 billion. The City Center TIF District's assessed tax value in 2007 was \$1,472,178,781. This represents an increase of \$595.9 million over the assessed value of the adjusted base year (1996) value, 68.01%. The total value increased in 2007 by \$204.8 million (16.2%) from the previous year.

The cumulative incremental property tax revenue potential of the planned development, including interest and parking revenue, will be approximately \$87.6 million that can support a net present value of approximately \$62.3 million in public improvement projects.

No persons are expected to be displaced by redevelopment activity within the City Center TIF District. Relocation policies are not applicable for this reason.

# Exhibit E City Center TIF District Public Improvement Plan



## **SECTION 4 - FINANCING PLAN**

### **Tax Increment Financing**

The Tax Increment Financing Act (Chapter 311 of the Tax Code), provides for municipalities to create “reinvestment zones” within which various public works and improvements can be undertaken, using tax increment revenues, bonds or notes, to pay for those improvements (See Appendix A). At the time an area is designated a reinvestment zone for tax increment financing, the existing total of appraised value of real property in the zone is identified and designated as the “tax increment base.” Taxing units levying taxes in the zone during its life are limited to revenues from this base.

Public improvements are made in the area to attract private development that would not otherwise occur. As the costs of new development are added to the tax rolls, property values rise. This rise in new value is called the “captured appraised value.” Then the taxes that are collected by the participating taxing jurisdictions on the increment between the frozen value and the new, hopefully, higher value (the “tax increment”) are deposited into a TIF trust fund which is used to pay for the public improvements. Once the public improvements are completed and paid for, the TIF is dissolved and the full amount of the taxes collected in area are kept by the taxing jurisdictions. In effect, the taxing jurisdictions are “investing” future earnings to receive the benefit of higher tax revenues from new development. Also, taxing jurisdictions are not restricted from raising their tax rates during the life of the zone.

## Financing Plan

The Reinvestment Zone Financing Plan provides for incremental financing, and predicts revenues for the City Center TIF District.

### CHART 1 - Proposed Improvements in Current Dollars

	Current Dollars
Streetscape/ Pedestrian Linkages/ Lighting/ Streetlight Upgrades	\$12,339,598
Facade Easements	\$2,000,000
Educational/Training Facilities	\$2,236,550
Parking	\$2,525,154
Acquisition & Restoration of Historic Sites	\$4,022,486
Environmental Remediation/ Interior-Exterior Demolition, Facade Improvements, <u>TIF Grants</u>	\$54,451,027
Public-Use Improvements	\$207,500
Areas of public assembly/Outside TIF District	\$2,625,000
Affordable Housing/Outside TIF District	\$5,000,000
Plan Implementation/Administration	<u>\$2,160,402</u>
Grand Total	\$87,567,717

**Current \$ - Reflects projected actual collections. This number also includes projected interest (\$6 million) and parking (\$6.5 million) income. As of January 2005, approximately \$6.7 million of interest and parking income has been collected. It is anticipated that an additional \$5.8 million in interest and parking income will be collected from 2005 to 2012. Additional increment and interest collections may be used to offset insufficient parking income.**

Financing Method. Private groups will advance funds for public improvements in the reinvestment zone or funds will be paid directly from the City Center TIF District Fund. Advances will be repaid by the future cash flows to the City Center TIF District fund. Taxing jurisdictions need not guarantee these loan repayments with any other source. The City of Dallas, using TIF funds, may purchase facade easements for specific buildings. In addition, other public improvements included in the Project Plan may be funded directly from the City Center TIF District funds, as incremental revenue is available.

Financing Policy. The goal of the City Center TIF District is to leverage increment accrued to maximize development in the district. It is the intention of the Board of Directors that a portion of the increment received initially goes to public projects such as pedestrian and lighting improvements in addition to developer initiated projects.

Long Term Financing. The City has decided to finance all subsequent phases of work on a “pay-as-you-go basis.”

Expected Revenues. Cumulative increased property value is expected to exceed \$2.0 billion during the 15-year program. This assumes all taxing jurisdictions participating by 100%, except the Dallas Independent School District (participating at a rate of \$0.9201 per \$100 valuation) through the year 2001. The City of Dallas will participate at a rate equal to approximately 61% of incremental value from 2002 through 2005. Beginning in 2006 and through the end of the TIF term, the City of Dallas will participate at a rate of 90% of incremental value. Dallas County will participate at a rate of 53% of incremental value from 2002 through the end of the TIF term. The County’s post-2001 contribution will be capped at \$9.7 million.

### **Financial Assumptions**

The key factors influencing the financial feasibility study and its conclusions are the financial assumptions that have been adopted. The Economic Feasibility Study conducted for the City Center TIF Development Plan is still applicable. It is included in Appendix B. Several categories of assumptions, including development, activity, land appreciation, appreciation of improvements, removal of existing deteriorated structures, and tax rate changes are discussed below:

Inflation and Appreciation. The generally accepted inflator for construction costs and the value of improvements is five and three-quarters percent per annum. Net present values of the tax increment were calculated at this rate.

Tax Rate Changes. Although tax rates will certainly increase during the 15-year development period, the financial plan conservatively assumes that the tax rate will remain constant for the life of the City Center TIF District, except to incorporate tax rate changes when known.

Remittance to the TIF Fund. This assumes all taxing jurisdictions participating by 100%, except the Dallas Independent School District (participating at a rate of \$0.9201 per \$100 valuation) through the year 2001. The City of Dallas will participate at a rate equal to approximately 61% of incremental value from 2002 through 2005. Beginning in 2006 and through the end of the TIF term, the City of Dallas will participate at a rate of 90% of incremental value. Dallas County will participate at a rate of 53% of incremental value from 2002 through the end of the TIF term. The County’s post-2001 contribution will be capped at \$9.7 million.

### **Financial Feasibility**

The private development plans, public improvement program, general financing strategy and financial assumptions were all included in an economic feasibility study prepared by Stein Planning and Management.

Cumulative private development is expected to increase property value by over \$2.0 billion during the 15-year program. Since the TIF receives revenue only from the taxable



value which exceeds the base year, “captured” taxable value accruing to the City Center TIF District is approximately \$9.0 billion.

The TIF began receiving revenues in 1997 (project Year 1) in the amount of \$1,827,619. Exhibit F illustrates projected increment flow and net present value.

If revenues are received at the predicted rate, this will result in completion of the public improvements in Year 15.

In fact, on a strict “pay-as-you-go” basis, the progress of the public improvements portion of the development program is a direct result of the revenues received (and matched by the City’s contributions). Therefore, if revenues exceed these projections, then the public improvements can be completed ahead of schedule. If revenues do not meet expectations, then the pace of public improvements will be slowed or discontinued altogether based upon the advice of the Board of Directors and the approval of the City Council. No bonded indebtedness is anticipated for this project.

The Reinvestment Zone Financing Plan provides that the participating taxing jurisdictions will begin to realize additional revenues from the TIF in Year 15 of the project. Revenues would be generated as depicted in Exhibit F.

The cumulative increment column in Exhibit F shows the anticipated revenue for the TIF District. Expenditures will be made as increment funds become available. Public improvement construction is expected to be undertaken based on this projected increment stream.

Based upon a set of assumptions and analysis of the project and financing plan, the City Center Board of Directors has concluded that the plan is feasible, as amended.

### **Financial Policies**

General financial policies are governed by the City of Dallas Public/Private Partnership Program that was approved by the City Council on March 13, 1996. This program provides a framework for development incentives in a variety of areas. Within this framework the City Center Board of Directors has adopted specific policies for the City Center TIF District:

- Pedestrian/lighting projects are recognized as an important component of the City Center TIF District Public Improvement Plan, therefore, whenever possible a portion of the increment accrued will be set aside for such projects.
- Public improvements will be phased at a pace that coincides with private development. Public parking facility improvements will be phased to coincide with the pace of related non-parking improvements.
- Private developers desiring City participation in cost-sharing for infrastructure improvements needed for their projects must sign a Development Agreement with the City.

- Each Development Agreement is mutually exclusive—that is, the nature and extent of support with public funds may change over time as the District becomes more developed.
- If a developer needs infrastructure improvements constructed at a time when sufficient funds are not available in the TIF Reserve Fund, then improvements may be:
  - ~ deferred until funds are available
  - ~ constructed at the sole expense of the developer
  - ~ constructed at developer expense, with the City reimbursing the developer as funds become available
- Private development must substantially conform to "private development design guidelines" adopted by the City Center Board of Directors in order to receive cost participation benefits for infrastructure improvements.

The City Center Board may from time-to-time recommend amendments to these financial policies which will affect the operations of the TIF District.

### **Conclusions**

Based upon a set of assumptions and analysis of the City Center TIF District Project Plan and Reinvestment Zone Financing Plan, the City Center TIF District Board of Directors has concluded that the City Center TIF District Project Plan and Reinvestment Zone Financing Plan is feasible, as amended.

The success of the City Center TIF District development will allow downtown Dallas to become more of a “24-hour” activity center. The new residential population base will support downtown Dallas’ expanding retail and entertainment activities and enhance the area’s overall market image. The success of this program will protect and build on the region’s greatest real estate asset.

The City Center TIF District Project Plan and Reinvestment Zone Financing Plan was developed with these specific needs in mind.

## Exhibit F City Center TIF District Projected Increment Flow and Net Present Value

COLLECTION OF TOTAL \$87,567,717 CITY CENTER TIF DISTRICT BUDGET											
Tax Year	Property Value Estimate	Property Value Growth	Comp. Value Growth	Anticipated Captured Value	Anticipated Increment Revenue	Anticipated Accumulated Revenue (NPV)	Tax Increment Revenue	Tax Increment Revenue	Tax Increment Revenue	Tax Increment Revenue	Tax Increment Revenue
							City @ 61% 2002 on	Dallas County @ 53% 2002 on	DISD	DCCCD	DCHD
1996	\$901,942,389										
1997	\$994,337,840	10.2%	10.24%	\$92,395,451	\$1,827,619	\$1,728,245	\$573,933	\$185,715	\$850,131	\$46,198	\$171,643
1998	\$1,485,213,930	49.4%	64.67%	\$583,271,541	\$11,643,850	\$12,140,285	\$3,786,016	\$1,150,211	\$5,366,681	\$291,636	\$1,049,306
1999	\$1,522,128,601	2.5%	68.76%	\$620,186,212	\$12,587,299	\$22,783,956	\$4,139,743	\$1,215,565	\$5,706,333	\$310,093	\$1,215,565
2000	\$1,530,156,630	0.5%	69.65%	\$628,214,241	\$13,087,948	\$33,249,217	\$4,193,330	\$1,204,648	\$5,780,199	\$314,107	\$1,595,664
2001	\$1,526,243,120	-0.3%	69.22%	\$478,340,500	\$10,216,765	\$40,974,449	\$3,251,187	\$954,656	\$4,481,524	\$292,242	\$1,237,156
2002	\$1,378,252,371	-9.7%	52.81%	\$476,309,982	\$2,519,013	\$42,775,592	\$2,040,890	\$478,123	\$0	\$0	\$0
2003	\$1,257,003,421	-8.8%	39.37%	\$355,061,032	\$1,858,384	\$44,032,122	\$1,450,081	\$408,304	\$0	\$0	\$0
2004	\$1,264,050,073	0.6%	40.15%	\$362,107,684	\$2,011,322	\$45,318,115	\$1,566,373	\$393,441	\$0	\$0	\$0
County	\$1,262,631,581			\$360,689,192							
<b>Collection through 2004</b>					\$55,752,201	\$243,001,981	\$21,001,551	\$5,990,663	\$22,184,869	\$1,254,276	\$5,269,334
<b>Interest/Parking through 2004</b>					+ \$6,698,744						
<b>Income through 2004</b>					\$62,450,945						
<b>Less Funds released for Grant</b>					- \$12,500,000						
<b>Net Income through 2004</b>					\$49,950,945						
							<b>@ 90% 2006 on</b>				
1996	<b>\$876,220,931 New Base Year</b>										
2005	\$1,207,149,977	-4.5%	37.76%	\$330,929,046	\$1,474,804	\$46,209,799	\$1,474,804	\$0	\$0	\$0	\$0
2006	\$1,267,355,318	5.0%	44.63%	\$391,134,387	\$2,544,584	\$47,834,678	\$2,544,584	\$0	\$0	\$0	\$0
County	\$1,267,350,318	4.5%	44.63%	\$391,129,387	\$489,587	\$46,209,799	\$0	\$489,587	\$0	\$0	\$0
2007	\$1,472,178,781	16.2%	68.01%	\$595,957,850	\$4,731,923	\$50,372,647	\$4,011,452	\$720,471	\$0	\$0	\$0
2008	\$1,492,801,238	1.4%	70.36%	\$616,580,307	\$4,895,667	\$52,610,784	\$4,150,264	\$745,402	\$0	\$0	\$0
2009	\$1,513,712,577	1.4%	72.75%	\$637,491,646	\$5,061,703	\$54,799,004	\$4,291,020	\$770,683	\$0	\$0	\$0
2010	\$1,534,916,844	1.4%	75.17%	\$658,695,914	\$5,230,065	\$56,937,070	\$4,433,748	\$796,317	\$0	\$0	\$0
2011	\$1,556,418,144	1.4%	77.62%	\$680,197,213	\$5,400,787	\$59,024,879	\$4,578,475	\$822,311	\$0	\$0	\$0
2012	\$1,578,220,636	1.4%	80.11%	\$701,999,705	\$4,725,230	\$60,752,212	\$4,725,230	\$0	\$0	\$0	\$0
					<b>\$84,941,074</b>	\$60,752,212	\$51,211,129	\$6,060,418	\$22,184,869	\$1,254,276	\$5,269,334
						\$2,626,643 additional interest and parking revenue (thru 9.30.07)					\$85,980,025
<b>Growth Rate 1.0140081</b>						\$87,567,717 total collections					
											\$9,700,000 County Cap
						\$87,567,717 Total TIF Budget					

**Exhibit G**  
**City of Dallas**  
**City Center TIF Grant Program**

The City of Dallas wishes to establish the City to establish the City Center Tax Increment Financing (TIF) Grant Program pursuant to Chapter 311 of the Texas Tax Code, to implement the Project and Financing Plan (the "Project Plan") for the City Center Tax TIF District.

The purpose of the City Center TIF Grant Program is to promote: (1) development and diversification of the economy, (2) elimination of unemployment or underemployment, and (3) development or expansion of transportation, business, and commercial activity within the City Center TIF District. The City will achieve these objectives by making grants from the tax increment fund of the District in an aggregate amount not to exceed the amount of tax increment produced by the City and paid into the tax increment fund for the District.

**Use of Funds:**

The City Center TIF District Board of Directors will recommend and City Council will approve all grant award amounts and awardees. Nothing contained herein shall obligate the City to provide grant awards as this Program does not constitute an entitlement.

**Payment of Funds:**

No grant funds will be distributed until all conditions of the grant agreement have been fulfilled. Grants may be made up to the amount of tax increment produced by the City and paid into the tax increment fund for the City Center TIF District. The City may in the future negotiate with financial institutions to secure bonds or other obligations, or lines of credit, to aid in the funding of projects within the TIF District.

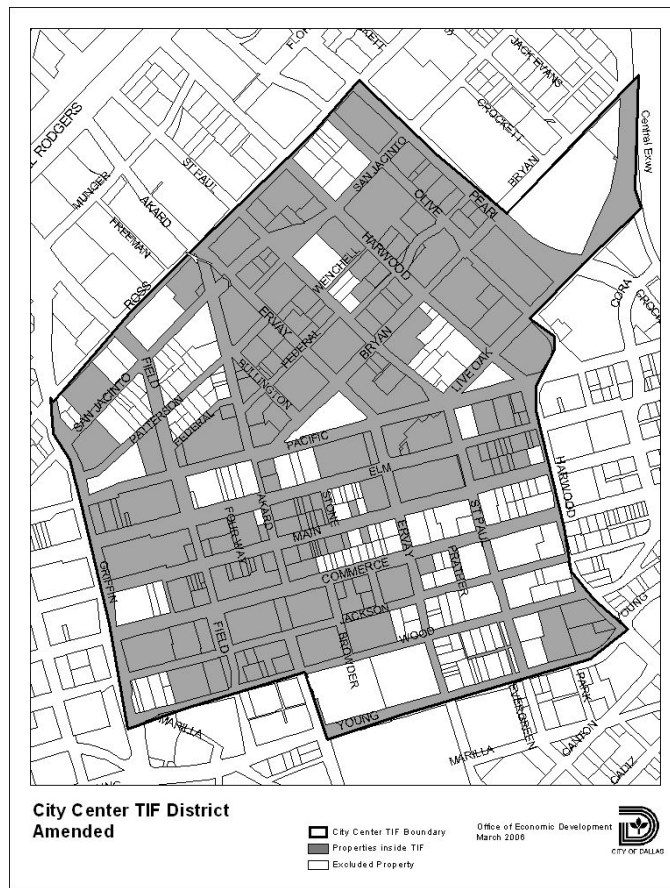
**Eligible types of projects**

Eligible types of projects are those projects which help met the goals of the District as identified in the Project Plan. The goals are to:

- Make the City Center Area a safer place to live and work
- Improve access to the City Center Area
- Improve the image of the City Center Area
- Take advantage of the existing building stock
- Develop a diverse mix of land uses within the City Center Area
- Increase recreational opportunities in the City Center Area

**Project requirements:**

- The developer must meet affordable housing requirements established by the City Center TIF District Project Plan and any related City requirements.
- The developer must competitively bid construction and public and improvements and follow the City's M/WBE Good Faith Effort Policy.
- The developer must follow the City's and the District's Fair Share Policy for M/WBE goals related to private construction.
- The must promote hiring of neighborhood residents for any new jobs created.
- The developer must comply with establish Design Guidelines for he District or in the absence of adopted Guidelines, receive a review and approval of the development standards by the City's Director of Economic Development or their assignee.



## **APPENDIX A**

### **TIF Requirements**

Section 311 of the State Tax Code (Tax Increment Financing Act) specifies that TIF project and financing plans meet certain requirements. These requirements are listed below, along with a reference indicating where these elements can be located in the plan.

#### **Project Plan**

- |   |                |
|---|----------------|
| 1. Map of existing uses and conditions.   | Exhibit B      |
| 2. Map of proposed improvements and uses. | Exhibit E      |
| 3. Proposed zoning changes.               | None.          |
| 4. Estimated non-project costs.           | None claimed.  |
| 5. Relocation plan for current residents. | Not Applicable |

#### **Financing Plan**

- |  |            |
|--|------------|
| 1. Detailed estimate of project costs.           | Chart 1    |
| 2. Proposed public improvements.                 | Chart 1    |
| 3. Economic feasibility study.                   | Appendix B |
| 4. Estimated amount of bonded indebtedness.      | None.      |
| 5. Time when costs/obligations will be incurred. | Appendix C |
| 6. Methods of financing, sources of revenues.    | Chart 1    |
| 7. Base Year and current total appraised value.  | Exhibit F  |
| 8. Estimated captured appraised value.           | Exhibit F  |
| 9. Duration of zone.                             | Exhibit F  |

## **APPENDIX C**

### **EXHIBIT A**

## **Funding Timetable**

Projects will be developer initiated

Project funding is expected to reflect collection of increment (see Exhibit F)

A parking facility is anticipated to be one of the first public improvement projects

Facade easements will be purchased only when funds have accrued to the TIF account





**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 2, 14  
**DEPARTMENT:** Office of Economic Development  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 45 A B E F K L P & Q

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**SUBJECT**

An ordinance amending the Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District) Project Plan and Reinvestment Zone Financing Plan (Project Plan) originally approved on August 29, 2005, by Ordinance No. 26096, to: **(1)** expand the development goals and specific objectives to the Project Plan; **(2)** expand the Redevelopment of Vacant/ Underutilized Downtown Buildings budget line item to include the Development of Underdeveloped Parcels and Surface Parking Lots; and **(3)** update 2008 increment corrections and future increment assumptions under the authority of the Tax Increment Financing Act, as amended (V.T.C.A, Tax Code Chapter 311) - Financing: No cost consideration to the City

**BACKGROUND**

The Project Plan and Reinvestment Zone Financing Plan for the Downtown Connection TIF District were approved on August 29, 2005 by Ordinance No. 26096.

The amendments are as follows:

1. Expand the Development Goals and Specific Objectives to the Project Plan - The Downtown Connection TIF District Amendment will expand the development goals and specific objectives from adaptive reuse of vacant/underutilized downtown buildings to include the development of new construction projects on existing surface parking lots and strategic underdeveloped sites, especially those located on key pedestrian linkages.
2. Expand the Redevelopment of Vacant/Underutilized Downtown Buildings budget line item - The Downtown Connection TIF District Amendment will also expand the Redevelopment of Vacant/Underutilized Downtown Buildings budget line item to include the Development of Underdeveloped Parcels and Surface Parking Lots.

## **BACKGROUND** (Continued)

This action will allow for the funding of potential projects located on existing surface parking lots and/or strategic underdeveloped sites, especially those located on key pedestrian linkages, which are not likely to be completed without some public financial incentives.

The current Downtown Connection TIF District Project Plan allows for TIF increment to be used in the form of a grant for vacant/underutilized buildings. This amendment also expand the use of TIF grants for the development of new construction projections located on underdeveloped parcels and existing surface parking lots if needed TIF subsidies are supported by the TIF District evaluation system.

3. Updates reflecting 2008 property values - The Downtown Connection TIF District Amendment will also update 2008 increment corrections and future increment assumptions. The value within the TIF District increased 55.85% between 2007 and 2008.

With an enhanced focus on downtown initiatives, the Downtown Connection TIF District represents an expanded opportunity to fund key downtown development projects.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 8, 2005, the City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District) by Ordinance No. 26020, as amended.

On August 29, 2005, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District); and authorized a participation agreement with Dallas County for the Downtown Connection TIF District by Ordinance No. 26096, as amended.

On March 8, 2006, the City Council authorized amendments to the Downtown Connection TIF District Project Plan and Reinvestment Zone Financing Plan to amend the Downtown Connection TIF District boundary to exclude 2400 Bryan Street and 2215 Bryan Street (Crozier Tech) by Ordinance No. 26291.

On October 22, 2008, the City Council authorized amendments to the Project Plan and Reinvestment Zone Financing Plan for Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District) to permit the direct lease or sale of City-owned/City-controlled property without auction and bidding requirements on the condition that the property is redeveloped in accordance with the Downtown Connection TIF District Plan.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (Continued)

On December 10, 2008, City Council authorized amendments to the Project Plan and Reinvestment Zone Financing Plan for Tax Increment Financing Reinvestment Zone Number Eleven, (Downtown Connection TIF District) to increase the geographic area of the Downtown Connection TIF District to include 2307 Caroline Street, 2311 Caroline Street, 1600 Ashland Street, and 1601 Cedar Springs Road.

On January 23, 2009, the Downtown Connection TIF District Board of Directors and the Dallas Downtown Development Authority reviewed and approved amendments to the Downtown Connection TIF District Project Plan and Reinvestment Zone Financing Plan to (a) expand the development goals and specific objectives to the Project Plan; (b) expand the Redevelopment of Vacant/ Underutilized Downtown Buildings budget line item to include the Development of Underdeveloped Parcels and Surface Parking Lots; and (c) update 2008 increment corrections and future increment assumptions and recommended the City Council approval of the same.

On February 2, 2009, a memo was submitted to the Economic Development Committee regarding amendments to the Downtown Connection TIF District Project Plan and Reinvestment Zone Financing Plan to (a) expand the development goals and specific objectives to the Project Plan; (b) expand the Redevelopment of Vacant/ Underutilized Downtown Buildings budget line item to include the Development of Underdeveloped Parcels and Surface Parking Lots; and (c) update 2008 increment corrections and future increment assumptions.

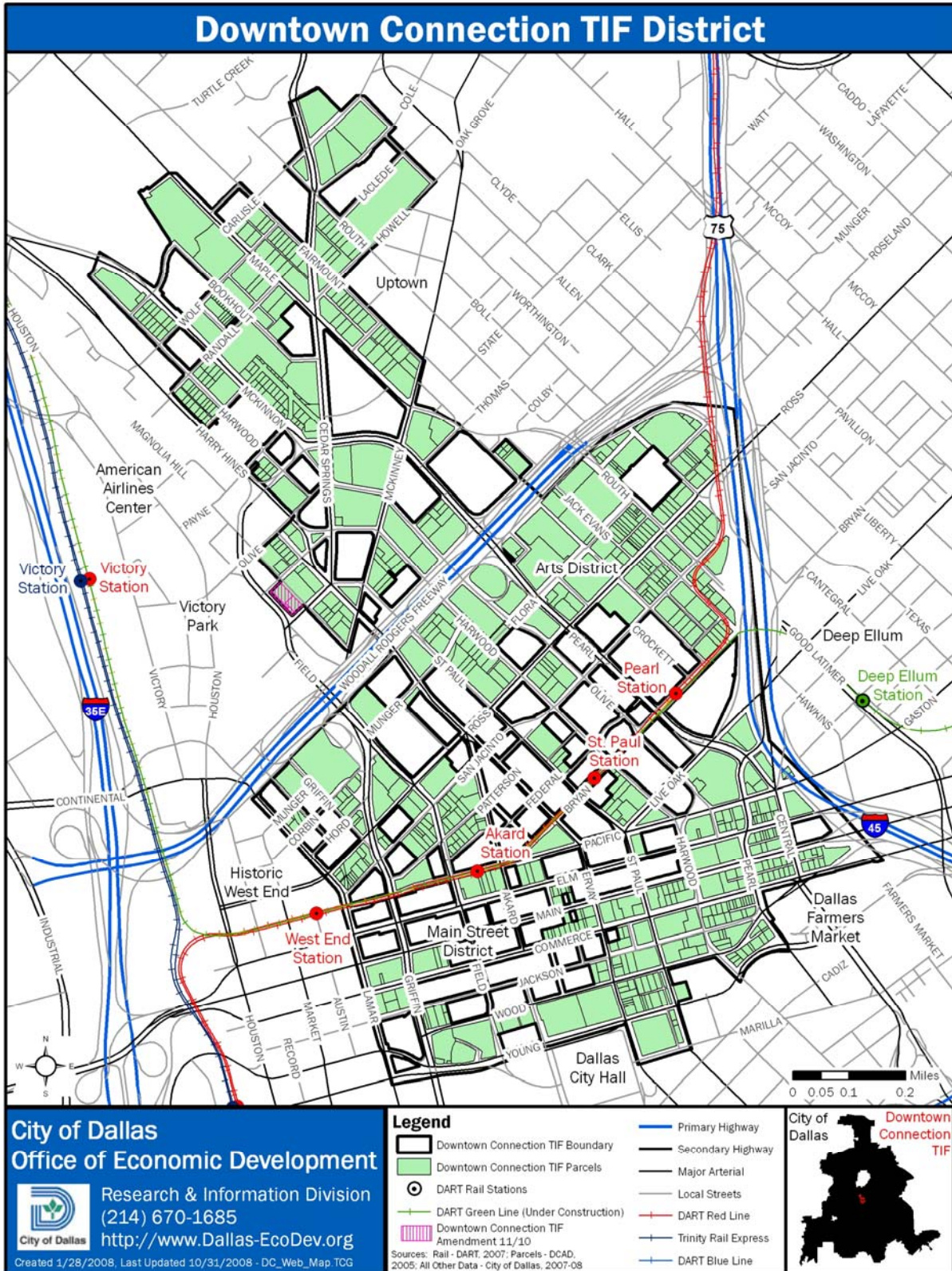
**FISCAL INFORMATION**

No cost consideration to the City

**MAP**

Attached.

# Downtown Connection TIF District Plan Amendment



**City of Dallas**  
Office of Economic Development



Research & Information Division  
(214) 670-1685  
<http://www.Dallas-EcoDev.org>

Created 1/28/2008, Last Updated 10/31/2008 - DC\_Web\_Map.TCG

**Legend**

- Downtown Connection TIF Boundary
- Downtown Connection TIF Parcels
- DART Rail Stations
- DART Green Line (Under Construction)
- Downtown Connection TIF Amendment 11/10
- Primary Highway
- Secondary Highway
- Major Arterial
- Local Streets
- DART Red Line
- Trinity Rail Express
- DART Blue Line

Sources: Rail - DART, 2007; Parcels - DCAD, 2005; All Other Data - City of Dallas, 2007-08



**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING THE DOWNTOWN CONNECTION TIF DISTRICT PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN ("PROJECT PLAN") ORIGINALLY APPROVED ON JUNE 8, 2005, BY ORDINANCE NO. 26020, IN ACCORDANCE WITH THE TAX INCREMENT FINANCING ACT, (V.T.C.A. TAX CODE. CHAPTER 311), TO: (1) EXPAND THE DEVELOPMENT GOALS AND SPECIFIC OBJECTIVES TO THE PROJECT PLAN; (2) EXPAND THE REDEVELOPMENT OF VACANT/UNDERUTILIZED DOWNTOWN BUILDINGS BUDGET LINE ITEM TO INCLUDE THE DEVELOPMENT OF UNDERDEVELOPED PARCELS AND SURFACE PARKING LOTS; AND (3) UPDATE 2008 INCREMENT CORRECTIONS AND FUTURE INCREMENT ASSUMPTIONS; AND MAKING ANY OTHER NECESSARY ADJUSTMENTS TO IMPLEMENT THE PLAN AMENDMENT; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR AN EFFECTIVE DATE; AND ORDAINING OTHER MATTERS RELATING THERETO.**

**WHEREAS**, the City recognizes the importance of its role in local economic development; and

**WHEREAS**, the City Council authorized Ordinance No. 26020, on June 8, 2005, as amended, which created Tax Increment Financing Reinvestment Zone Number Eleven, City of Dallas, Texas (the "Downtown Connection TIF District") in accordance with V.T.C.A. Tax Code, Chapter 311 ("Act"), as amended; and

**WHEREAS**, the City Council authorized Ordinance No. 26096, on August 29, 2005, as amended, approving the Project Plan and Reinvestment Zone Financing Plan for the Downtown Connection TIF District; and

**WHEREAS**, the Downtown Connection TIF District Board of Directors adopted amendments to the Original Plan consistent with the requirements and limitations of the Act on January 12, 2006, a true and correct copy of which is attached hereto as Exhibit A (the "Amended Plan"); and

**WHEREAS**, on January 23, 2009, the Downtown Connection TIF District Board of Directors and the Dallas Downtown Development Authority reviewed and approved an amendment to the Project Plan to: (1) expand the development goals and specific objectives to the Project Plan; (2) expand the Redevelopment of Vacant/Underutilized Downtown Buildings budget line item to include the Development of Underdeveloped Parcels and Surface Parking Lots; and (3) update 2008 increment corrections and future increment assumptions and recommended the City Council approval of the same.

**NOW THEREFORE,**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**SECTION 1.** That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

**SECTION 2.** That the amendment to the geographic area of the Downtown Connection TIF District described in **Exhibit A** are feasible and will result in benefits to the City, its residents and property owners, in general, and to the property, residents and property owners included in the Downtown Connection TIF District.

**SECTION 3.** That the amended Downtown Connection TIF District meets the criteria for the creation of a reinvestment zone as set forth in the Act.

**SECTION 4.** That Ordinance No. 26096 is hereby amended to expand the development goals and specific objectives of the Downtown Connection TIF District Project Plan to include the development of new construction projects on existing surface parking lots and strategic underdeveloped sites, especially those located on key pedestrian linkages.

**SECTION 5.** That Ordinance No. 26096 is hereby further amended to expand the Redevelopment of Vacant/Underutilized Downtown Buildings budget line item to include the Development of Underdeveloped Parcels and Surface Parking Lots.

**SECTION 6.** That Ordinance No. 26096 is hereby further amended to expand the use of TIF funds for grants for the development of underdeveloped parcels and existing surface parking lots, in accordance with the Downtown Connection TIF District Grant Program Criteria.

**SECTION 7.** That **Exhibit A** of Ordinance No. 26096 is hereby further amended to modify the text to reflect such changes pertaining to 2008 property values, increment corrections and future increment assumptions.

**SECTION 8.** That the City hereby approves the Amended Plan as set forth in **Exhibit A** attached hereto.

**SECTION 9.** That the sections, paragraphs, sentences, clauses, and phrases of this ordinance are severable, and if any phrase, clause, sentence, paragraph, or section is declared unconstitutional or invalid by the valid judgment or decree of any court of competent jurisdiction, the unconstitutional or invalidity will not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this ordinance, since the same would have been enacted without the incorporation of any unconstitutional phrase, clause, sentence, paragraph, or section.

**SECTION 10.** That Ordinance Nos. 26020 and 26096 and the Original Plan, as previously amended, shall remain in full force and effect, save and except as amended by this ordinance or the Amended Plan.

**SECTION 11.** This ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

THOMAS P. PERKINS, JR.  
CITY ATTORNEY

By   
Assistant City Attorney

Passed \_\_\_\_\_





**DOWNTOWN CONNECTION  
TAX INCREMENT FINANCING DISTRICT**

**FINAL**

**PROJECT PLAN  
&  
REINVESTMENT ZONE FINANCING PLAN**

**ADOPTED – AUGUST 29, 2005  
AMENDED – OCTOBER 19, 2005  
AMENDED – MARCH 8, 2006  
AMENDED – DECEMBER 12, 2007  
AMENDED – OCTOBER 22, 2008  
AMENDED – DECEMBER 10, 2008  
AMENDED – FEBRUARY 11, 2009**

# Section 1: Project Plan

## Background

The Downtown Connection TIF District represents the outgrowth of the City of Dallas' effort to create a downtown neighborhood with 10,000 plus residents, supporting retail establishments, adequate parks and open space, an attractive employment environment, and a variety of arts venues.

The City of Dallas created the first tax increment financing ("TIF") district for downtown, the City Center TIF District, in 1996. Its purpose was, and is, to create a fund for public capital improvements in the core of Downtown essential for redevelopment of key spaces and buildings. The City Center TIF District has collected \$52 million, all of which has been spent or allocated, creating the beginning of a vibrant downtown. This existing TIF zone is expected to generate tax growth to fund approximately \$29 million of remaining improvements from a total budget of \$87.6 million (total budget includes parking revenue and interest earnings). City Center TIF District projects relying on future increment for reimbursement include Republic Center Tower I, the Interurban Building, Eureka/Joule Hotel, Fidelity Union Tower (Mosaic), 1200 Main, 1608 Main, Dallas County Plaza and affordable housing.

In May 2003, the City Center TIF District Board of Directors attended a workshop to assess the direction in which unallocated TIF funds should be spent. At the time, because there was no application for a large catalyst project, the Board made a decision to focus the remaining funds on seed projects within the Main Street core area. This approach successfully brought projects such as Stone Street Gardens and the Thompson Building at Pegasus Plaza.

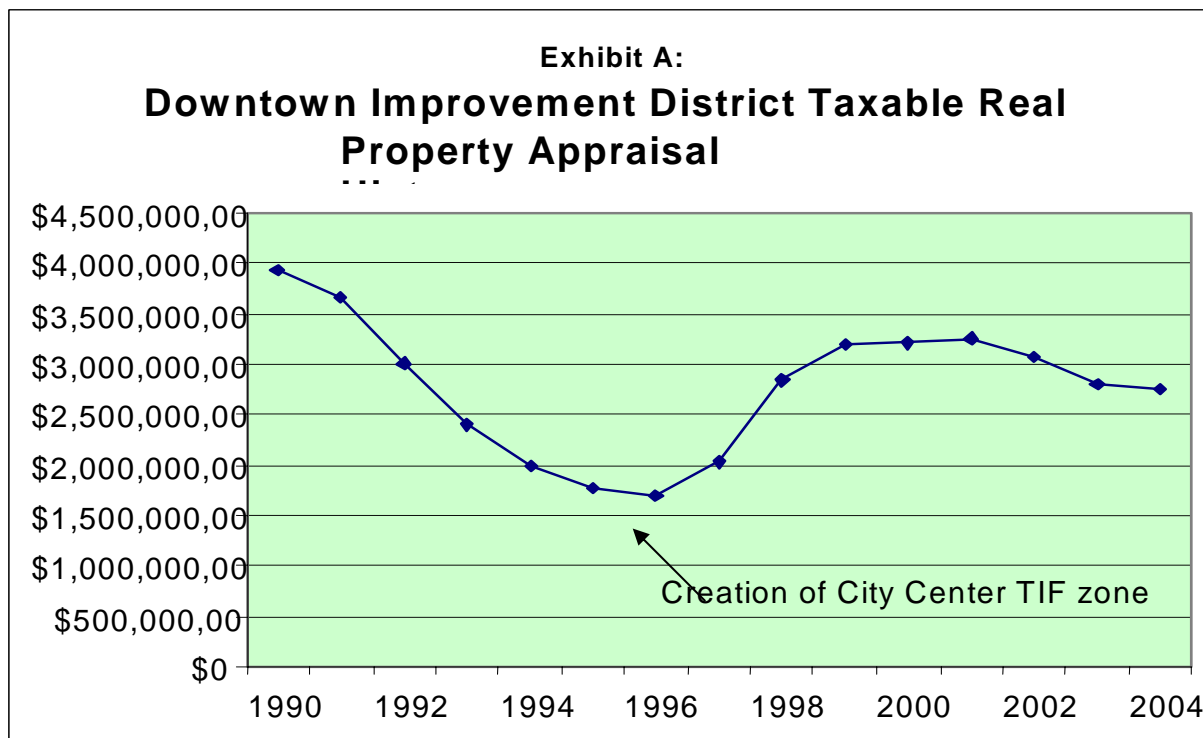
The Downtown Connection TIF District, while sharing similar goals of the City Center TIF District, focuses on catalyst projects to create a greater density and critical mass of development within the Main Street core area. This shift in approach will further develop downtown, making it a vibrant, destination neighborhood.

Even though the City Center TIF District has increased private investment in Downtown and zone values have increased since inception in 1996, a sluggish office market has pushed zone values down from a 2001 high. Because office buildings are more than 80% of appraised real property value in Downtown, their value will continue to drive total Downtown appraisals for years. The decrease in office values has diluted the accomplishment and added value generated by City Center TIF District projects. Exhibit A graphs taxable appraisals inside the Downtown freeway ring since 1990.

In response to a depressed office market's impact on increment collections for the City Center TIF fund, the Downtown Improvement District and the Uptown Public Improvement District jointly proposed to remove selected properties from the existing City Center TIF District and create a second TIF district in parts of Downtown and Uptown. A map of the amended City Center TIF District is Appendix B and the Downtown Connection TIF District is Exhibit B.

The Downtown Connection TIF District was initiated by petition, pursuant to Section 311.005 (a)(5), Texas Tax Code through the sponsorship of the Downtown Improvement District and Uptown Public Improvement District. The City Council, using the authority of the Tax Increment Financing Act (Chapter 311, Tax Code) established the Downtown Connection TIF District pursuant to Ordinance Number 26020 on June 8, 2005:

- Declaring portions of the Downtown/Uptown areas as a “reinvestment zone”
- Establishing the boundaries of Downtown Connection TIF District
- Adopting a preliminary project and financing plan
- Establishing a Board of Directors for the Downtown Connection TIF District



On June 8, 2005, the City Center TIF District boundary was amended. No properties were added to the existing City Center TIF District. Some, but not all, properties

removed from the City Center TIF District became part of the new Downtown Connection TIF District. The advantage of the new TIF zone is that it includes no major occupied office buildings and relatively few recently renovated buildings. Consequently, it leaves potential value increases for such buildings available to the general operating funds of the City and other taxing entities participating in the TIF program and it makes the tax increments for the new TIF fund less susceptible to fluctuation in the office market.

A successful Downtown Connection TIF District program will mean that most of the historic sites in the heart of Downtown and the surrounding area will have been adapted for reuse, most vacant buildings will no longer be vacant, and Downtown will have over 10,000 residences inside the freeway ring. These achievements are “must-do” items for a vibrant Downtown. A vibrant Downtown is essential for a first-class, competitive city.

The Downtown Connection TIF District Board of Directors include nine members consisting of six City Council appointees, one appointee by the State Senator (currently Royce West), one appointee from the State Representative (currently Dan Branch), and one member from Dallas County.

The duration of the Downtown Connection TIF District is 30 years; it is scheduled to terminate December 31, 2035.

## Development Goals and Objectives

The Board of Directors adopted development goals that they expect will meet the specific needs of the Downtown Connection TIF District:

- Improve ~~the access~~ pedestrian connections between and within the Uptown and Downtown areas.
- Improve the ~~image~~ appearance of the buildings, surface parking lots, undeveloped sites and parks and open spaces within Downtown Connection ~~Area~~ area.
- Support redevelopment of the existing building supply and surface parking lots located within the area.
- Develop a more diverse mixture of land uses within the Downtown Connection ~~Area~~ area
- Increase open space and recreational opportunities in the Downtown Connection ~~Area~~ area
- ~~Incentivize~~ After providing incentives for selected catalyst project(s) to accelerate residential ~~units~~ development, initiate a long-term plan to achieve critical mass goals related to housing and retail ~~development~~ establishments, and public ~~space~~ amenities needed for a vibrant downtown

- Facilitate private development within the Downtown Connection TIF District for the public purpose of developing and diversifying the economy of the District, eliminating unemployment or underemployment in the District, and developing or expanding transportation, business and commercial activity in the District.

The following specific objectives set the framework for the planned public improvements within the Downtown Connection TIF District:

- Improve street and pedestrian lighting within the Downtown Connection TIF District.
- ~~Offset Assist with~~ the costs of environmental remediation, interior and exterior demolition, fire corridor improvements and facade improvements to encourage redevelopment of underutilized downtown ~~buildings, office space and create retail opportunities.~~
- ~~Encourage the redevelopment of surface parking lots and undeveloped sites, especially those located on key pedestrian linkages, to create residential and~~ retail opportunities and ~~achieve critical mass goals within the district.~~
- ~~Purchase facade beautification/conservation easements to~~ Ensure that new construction and/or redevelopment projects are compatible with surrounding historic buildings, particularly with regard to building ~~design, material~~ quality and ~~pedestrian appeal at ground level.~~
- ~~Improve key Coordinate~~ linkages ~~between with~~ the DART light rail transit mall ~~and other significant Downtown and Uptown venues~~ by extending streetscape improvements ~~and encouraging street level pedestrian oriented development, from the transit mall to the surrounding Downtown and Uptown areas.~~
- ~~Promote higher quality Direct overall~~ development of the Downtown Connection area through the application of design standards for public improvements and design guidelines for private development ~~within the district.~~
- Encourage ~~the strategic~~ development of residential housing ~~within the area, including redevelopment of existing buildings, and new construction on existing surface parking lots and currently underdeveloped sites, conversions of existing office space.~~
- ~~Encourage redevelopment of street front retail.~~
- Encourage redevelopment of sites, such as the Arts District Garage site, where development activity was started over fifteen years ago but not completed and are not likely to be completed without some public financial incentives.
- Complement and protect existing historic structures.

The project costs enumerated in the Downtown Connection TIF District Project Plan and Reinvestment Zone Financing Plan (“Project Plan”) require the expenditure of

approximately \$189.8 million, primarily for catalyst projects and the redevelopment of vacant and underutilized buildings in downtown, including environmental remediation, interior and exterior demolition assistance, facade improvement assistance, purchase of facade beautification easements, fire corridor improvements, streetscape, street and utility improvements, land acquisition for pedestrian safety and accessibility, park sites, and key development sites, acquisition and restoration of historic sites and grants. In addition, the Project Plan makes Uptown/Downtown connectivity improvements a priority. The Woodall Rodgers Deck/Park will be undertaken early in the term of the TIF District, to the extent funds are available, to create a seamless link between Uptown and Downtown. The Project Plan also provides for a cash contribution for Affordable Housing that will be funded jointly with the catalyst project. These improvements planned for the Downtown Connection TIF District are designed to meet the long-term public needs to secure the growth and investment of the area.

Tax increment financing will be used to assist with these improvements. Utilizing this economic development tool to encourage public infrastructure improvements, the economics of developing market rate housing in the Downtown Connection area and attracting more commercial investment is greatly improved. The Project Plan also provides for extensive public improvements for the redevelopment of vacant and underutilized downtown buildings, streetscaping, connectivity and public use improvements and other amenities which complement existing and anticipated investment in the Downtown Connection area.

## **Downtown Connection TIF District Grant Program**

### Catalyst Project Grant Program

Certain costs of improvements to catalyst projects, as further discussed herein, have become eligible for funding with tax increment revenues under legislative actions taken in 2005. These improvements enumerated in the Project Plan provide for approximately \$39 million in grants of TIF revenues, subject to final construction plans, for costs associated with redevelopment of vacant structures and costs of new development including, but not limited to, equipment, machinery, supplies and materials, to be purchased for the benefit of the catalyst project. The City implemented controls per contract documents sufficient to ensure that all funds provided for the catalyst project are used to fulfill the public purposes of developing and diversifying the economy of the District, eliminating unemployment or underemployment in the District, and developing or expanding transportation, business and commercial activity in the District.

### Economic Development Grant Program

~~Further, such~~ In addition, TIF grants may be provided ~~for~~ to projects that meet Downtown Connection TIF District development goals and specific development objectives. Grants may be provided to facilitate the redevelopment of vacant/underutilized buildings if needed TIF subsidies are supported by the TIF District evaluation system and exceed non-grant TIF eligible costs. Project evaluations will be based on the Downtown Connection TIF District Grant Program Criteria established by the Downtown Connection TIF District Board of Directors, and, should there be justification to provide TIF funds in excess of non-grant TIF eligible

expenditures, TIF grants will be considered to make the project feasible. Grants may also be provided to facilitate the redevelopment of strategically located underdeveloped parcels and surface parking lots. Subsidies for these projects are also based on the Grant Program Criteria.

Other than for catalyst projects approved prior to the issuance of any debt obligations, no other project receiving TIF funds shall receive tax abatements within the Zone.

### **Direct Lease or Sale of City-owned/ City-controlled Property**

The City of Dallas is permitted to directly lease or sell City-owned/ City-controlled property within the Downtown Connection TIF District without complying with auction and bidding requirements on the condition that the property is redeveloped in accordance with the Downtown Connection TIF District Plan.

The City of Dallas owned the Dallas Arts District Garage when the Downtown Connection TIF District was established, and the Dallas Arts District Garage is located within the boundaries of the Downtown Connection TIF District. The City of Dallas entered into a new 80-year sub-lease with an option to purchase the Dallas Arts District Garage to a developer, for a minimum of fair market value, beginning January 1, 2009 and assigned the leasehold for the underdeveloped site to a developer for the purpose of, and subject to, restoration and redevelopment in accordance with the objectives of the City in stabilizing Tax Increment Financing Zone Number Eleven, City of Dallas, Texas, and as provided in the Act.

The Atmos Complex, which was donated to the City of Dallas and transferred to Forest City for redevelopment in accordance with the Downtown Connection TIF District Project Plan and is located within the boundaries of the Downtown Connection TIF District. The Atmos Complex was to be redeveloped by Forest City pursuant to the development agreement (“Development Agreement”) executed on October 5, 2005. On October 22, 2008, Dallas City Council directed the transfer of the Atmos Complex to Hamilton Atmos LP for redevelopment in accordance with the Downtown Connection TIF District Plan. Should Hamilton Atmos LP fail to obtain a building permit by October 20, 2010, ownership will revert back to Forest City pursuant to the provisions of the City’s Development Agreement.

### **TIF District Description**

The Downtown Connection TIF District is located in the core of Downtown Dallas and portions of Uptown. The District is generally bounded by the Katy Trail, Maple Avenue, Kittrell Street, Cedar Springs Road, Routh Street, Carlisle Street, Vine Street, Howell Street, Fairmount Street, McKinney Avenue, Maple-Routh Connection, Woodall Rodgers Freeway, Central Expressway, I-45, Commerce Street, Young Street, Marilla Street, Lamar Street, Caroline Street, Wichita Street, Harry Hines Boulevard, Randall Street, Harwood Street, Jack Street, McKinnon Street, and Ivan Street (see Exhibit B).

Boundaries that follow public streets and highways shall be construed to extend to the far sides of such rights-of-way, measured from the reinvestment zone. Boundaries that approximate property lines shall be construed as following such property lines. Any real property account within the City Center TIF zone after the date of designation of the Downtown Connection TIF zone is not within the Downtown Connection TIF zone. Rights of-ways, however, may lie within multiple zones unless a future interpretation of law precludes such a construction.

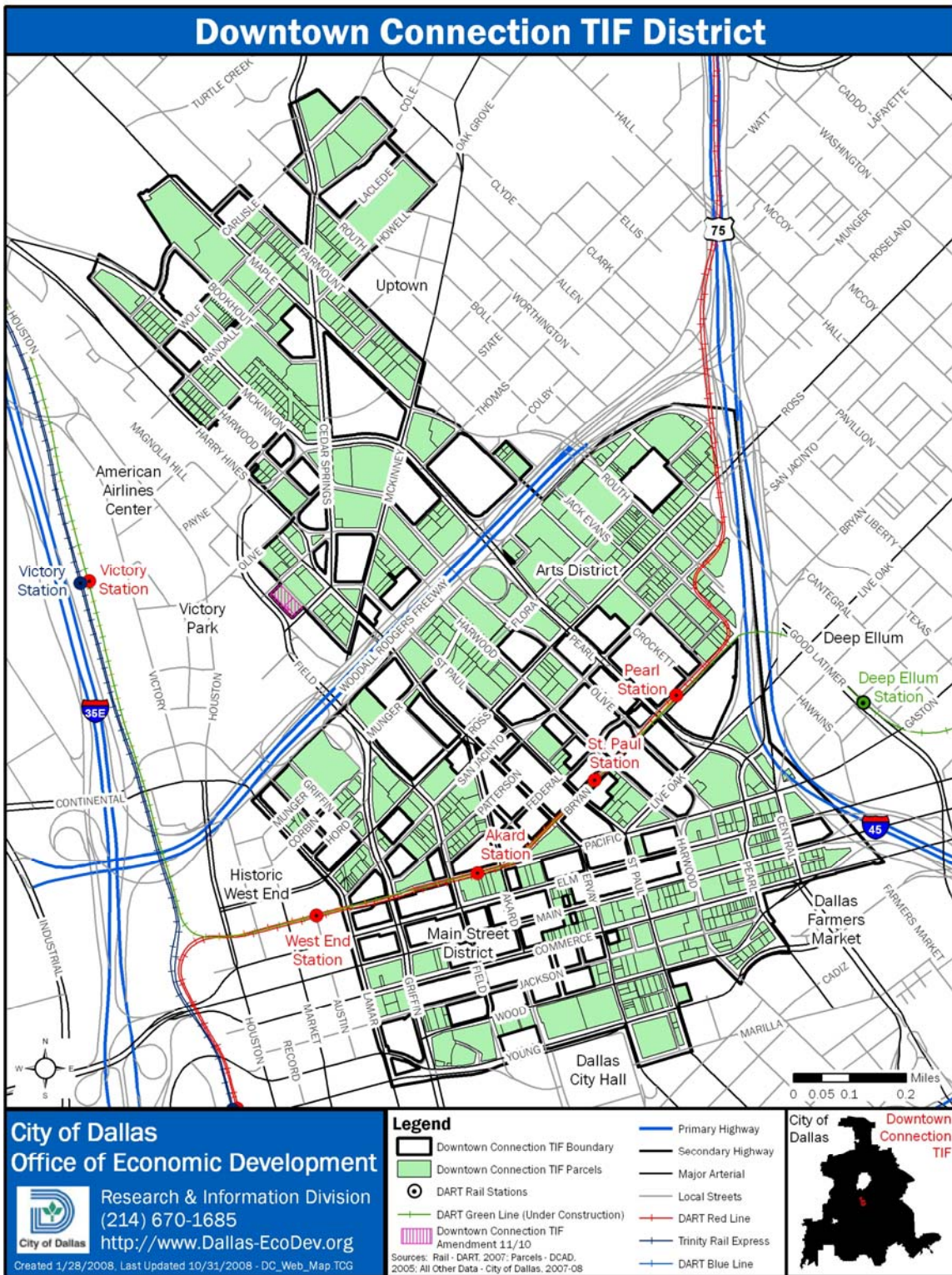
Appendix A attempts to identify all real property accounts within the Downtown Connection TIF zone boundary. Parcels identified as outparcels in Exhibit B are not within the TIF zone unless the boundaries are further amended in accordance with the law. The base value of the zone will be the total appraised value of all taxable real property in the zone as determined by the Dallas Central Appraisal District in the certified roll for 2005.

The Downtown Connection TIF District essentially includes vacant and underutilized buildings in the downtown core that are not being redeveloped as part of the City Center TIF District program, surface parking lots, and portions of the Uptown area.

The total taxable appraised value of the Downtown Connection TIF District for the 2005 base year is \$561,696,137, adjusted. Exhibit J and Appendix A are updated to reflect the adjusted base year and actual Dallas Central Appraisal District values, to date.



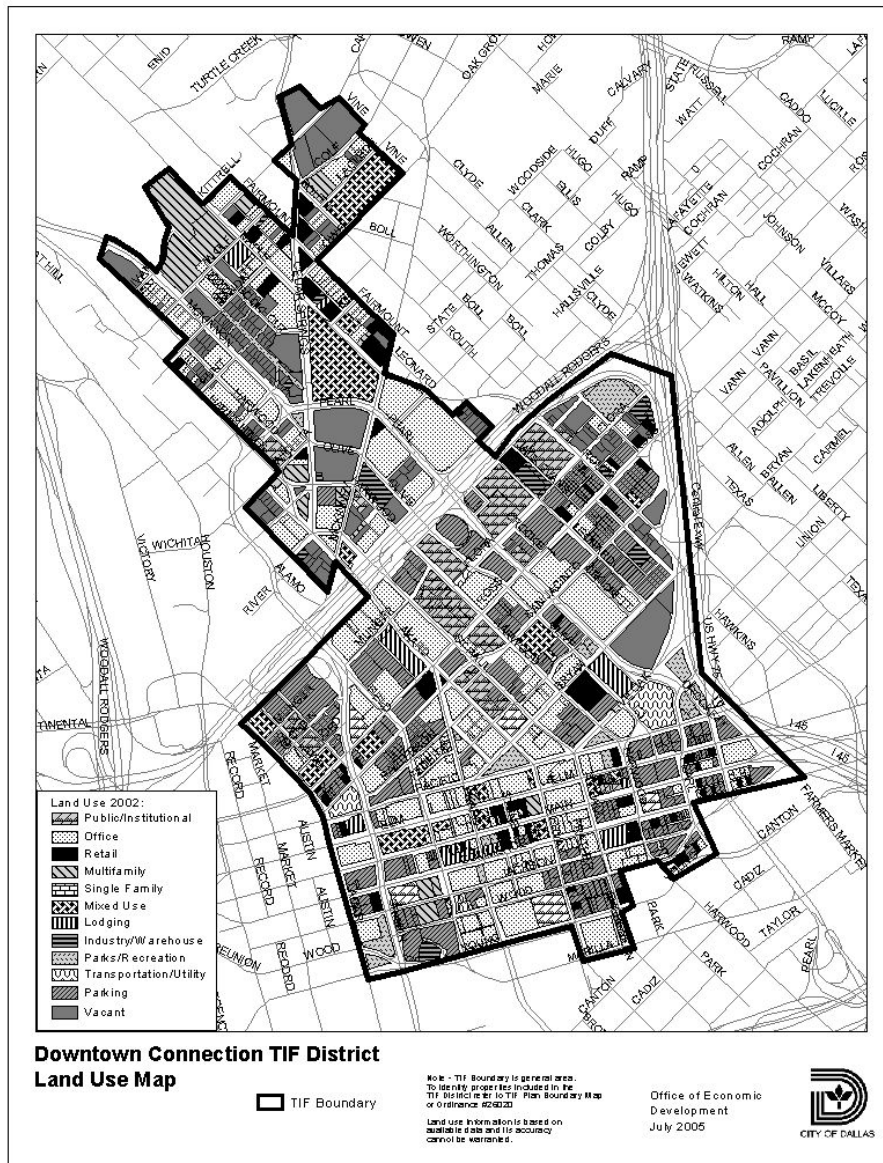
## Exhibit B:



## Existing Uses

The Downtown Connection TIF District is a mixed-use area, primarily composed of existing office or vacant office structures, surface parking lots, and undeveloped property. Exhibit C shows the existing land use for the area within the Downtown Connection TIF Boundary (for specific parcels included in the TIF District refer to Exhibit B the TIF Boundary Map).

### Exhibit C: Downtown Connection TIF District Land Use



## **Downtown Connection Area Zoning**

The Downtown Dallas area has the highest zoning district classification in the City. Revisions to the central area zoning districts were made at the request of the CDA Housing Committee in 2002 to eliminate some of the less desirable uses and to reduce the parking requirement for residential uses. The encouragement of mixed uses permitted by the zoning district could be a positive force in the creation of an urban neighborhood.

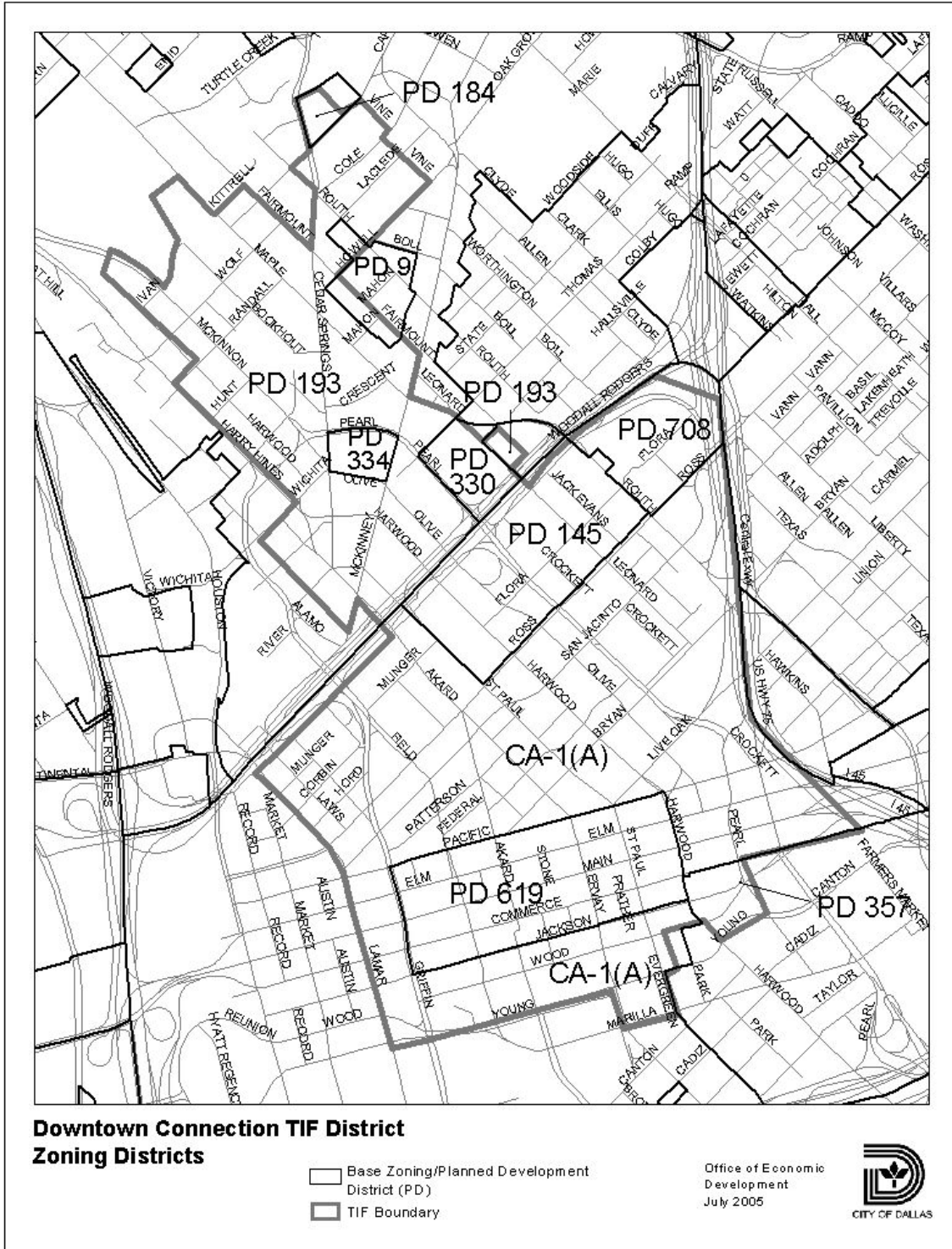
On June 12, 2002, City Council approved Planned Development (PD) District No. 619, establishing use regulations and development standards for the core downtown area bounded by the centerlines of Pacific Avenue, Harwood Street, Jackson Street, and Griffin Street. Other zoning districts in downtown include CA-1(A) Central Area, a portion of PD 357 near the Farmers Market, PD 145 in the Arts District, and PD 708 in the northeast corner.

Zoning districts in the Uptown portion of the TIF District include PD 193 (Oak Lawn), and smaller PDs 9,184, 330, and 334.

Exhibit D shows existing zoning and the Planned Development Districts in Downtown and Uptown.

The only zoning change contemplated at this time is an amendment for a special provision sign district.

# Exhibit D Downtown Connection TIF District Zoning



## **Market Feasibility**

The predominant land use in the planned 30-year Downtown Connection TIF District development program is for mixed-use development. If built as planned, the residential and commercial development will create a market for the planned retail component. In addition, the residential development should also drive the demand for new commercial office investment. Therefore, the market feasibility evaluation conducted by the City Center Advisory Committee in January, 1996 is correct in its conclusion that the Dallas Intown/CBD residential development market is still relevant, and is intended, in connection with the preparation of this Plan, to be used as part of the economic feasibility study for the Downtown Connection TIF District in accordance with the provisions of Section 311.011, Texas Tax Code.

The past two decades of Downtown-related urban development activity in the larger U.S. cities has indicated that there is a “pent-up” demand for market rate housing development, but that other land uses more often “outbid” residential projects for prime locations. In addition, the most successful downtown-oriented market rate housing projects have required large enough sites to implement multi-stage developments after an “urban village” atmosphere and residential locational identity are established.

While the appeal of being in downtown has been a key feature of these other projects, both within Dallas and in other cities, the greatest increases in the number of downtown residential units has occurred where a true sense of neighborhood has been created. In addition, there has been a demonstrated need to provide a multi-faceted and self-sustaining destination neighborhood where shopping, professional services, recreation, and suitable entertainment are readily available and accessible in the context of a pedestrian environment.

The type of high density urban development contemplated in the plan will most certainly lead to a need for conveniently located parking facilities. Experience in other downtown districts indicates that high density urban residential development requires convenient, secured parking facilities.

Exhibit E shows a forecast for downtown housing construction comparing the North Central Texas Council of Governments (NCTCOG) Household Forecast for downtown and the residential Pro Forma Downtown Housing Construction Schedule. By 2030, it is estimated that downtown will reach capacity of over 10,600 residential units.

# Exhibit E

## Comparison of NCTCOG Household Forecast for Downtown and Pro Forma Downtown Housing Construction Schedule

Conclusion:

The pro forma's pace of Downtown housing additions tracks the forecast by the North Central Texas Council of Governments.  
NCTCOG

		Compare							
(a)	(b)	(c)	(d)	(e)	(f)	(g)			
NCTCOG Forecast of Downtown Households	Residences Needed to Meet NCTCOG Forecast @ 92% Occupancy	Cumulative Downtown Residential Units	After Completion of	Estimated Building Floor Area (SF) (excl. parking)	Approximate Residential Units Added @ 1,000 SF per Unit If Unknown	Status			
2000	1,654	1,798	1,798 **						
2001	2,090 *	2,272	1,806	1611 Main Street Lofts***		8	Complete		
2002	2,526 *	2,746	2,426	Camden Farmers Market, Ph. 1***		620	Complete		
2002	2,526 *	2,746	2,443	Camden Farmers Market Townhouses***		17	Complete		
2003	2,962 *	3,220	2,451	Residences at Jackson***		8	Complete		
2004	3,398 *	3,694	2,634	Davis Building***		183	Complete		
2004	3,398 *	3,694	2,701	1505 Elm Street Condominiums***		67	Complete		
2005	3,835 *	4,168	2,859	Dallas Power and Light***		158	Complete		
2005	3,835 *	4,168	3,063	West End Complex (1001 Ross)		204	Complete		
2005	3,835 *	4,168	3,197	Interurban Building***		134	Under Construction		
2006	4,271 *	4,642	3,482	Camden Farmers Market, Ph. 2***		285	Under Construction		
2007	4,707 *	5,116	3,572	1407 Main***		90	Under Construction		
2007	4,707 *	5,116	3,640	1415 Main (Gulf States Building)***		68	Under Construction		
2007	4,707 *	5,116	3,800	Santa Fe #4	159,791	160	Planned		
2007	4,707 *	5,116	3,891	The Lofts at Thanksgiving Square***		91	Planned		
2007	4,707 *	5,116	3,995	Merryvale***		104	Planned		
2007	4,707 *	5,116	4,222	Gables at Republic Center***		227	Under Construction		
2007	4,707 *	5,116	4,505	1200 Main (Metropolitan)***		283	Under Construction		
2008	5,143	5,590	4,937	Fidelity Union***		432	Planned		
2008	5,143 *	5,590	4,962	1414 Elm	35,000	25	Planned		
2008	5,143 *	5,590	5,337	Mercantile block	500,000	375	Planned		
2009	5,579 *	6,064	5,397	One Arts Plaza***		60	Planned		
2009	5,579 *	6,064	5,557	Continental Building	304,860	160	Planned		
2009	5,579 *	6,064	5,737	211 N. Ervay***	180,000	180	Developer Interest		
2009	5,849 *	6,357	6,137	Tower Petroleum/1900 Pacific	400,328	400	Planned		
2009	5,849 *	6,357	6,156	1600 Elm	19,210	19	Planned		
2009	5,849 *	6,357	6,654	1600 Pacific	498,270	498	Planned		
2009	5,849 *	6,357	6,702	1604 Main	47,720	48	Developer Interest		
2009	5,849 *	6,357	6,860	Praetorian Building	157,991	158	Developer Interest		
2010	6,015 *	6,538	6,860						
2010	6,015 *	6,538	7,062	Atmos block	86,586	202	Planned		
2010	6,015 *	6,538	7,642	511 Akard	580,000	580	Developer Interest		
2011	6,181 *	6,719	7,880	Federal Reserve Building	237,643	238	Developer Interest		
2015	6,846 *	7,442	8,070	Mercantile Commerce Building	190,221	190	Developer Interest		
2020	7,678 *	8,345	8,152	1954 Commerce	81,800	82	Developer Interest		
2022	8,010 *	8,707	8,389	500 South Ervay	614,176	237	Developer Interest		
2023	8,176 *	8,887	8,514	Crozier Tech	125,058	125	Developer Interest		
2026	8,675 *	9,429	8,836	Jackson Building	322,596	323	Developer Interest		
2027	8,841 *	9,610	9,348	Dallas Grand	511,584	512	Developer Interest		
2027	8,841 *	9,610	10,685	Elm Place	1,336,894	1,337	Developer Interest		
2030	9,340 *	10,152	10,685						
						8,887			

\*Straight-line interpolation between NCTCOG estimates  
 \*\*Assumes NCTCOG household count and 92% occupancy  
 \*\*\*Outside Downtown Connection TIF Zone

## Section 2 Project Plan Improvements

The public improvements enumerated in the Project Plan provide for approximately \$189.8 million for the public improvement categories listed below (see Exhibit F):

**I. Catalyst Projects** – Downtown projects with individual buildings or groups of buildings for which total project investment from all sources will exceed \$100 million. Anticipated catalyst projects include the Mercantile block, Continental Building, and Atmos Energy Buildings (including, but not limited to, environmental remediation, demolition, historic façade restoration, street and utility improvements, streetscape improvements, machinery, equipment, materials, and supplies). Alternatively, if those projects do not move forward, other projects with a combined investment of at least \$100 million will be considered.

**II. Vacant/Underutilized Downtown Buildings** – Projects under \$100 million for the redevelopment of key downtown buildings primarily in the area bounded by Marilla Street, Pearl Street, Ross Avenue, and Griffin Street.

### **I and II:**

**A. Environmental Remediation, Interior/Exterior Demolition, Historic Facade Restoration Improvements/ Easements and Fire Safety Improvements/Grants.**

Downtown Dallas has several buildings that have been financially unfeasible to redevelop because of the cost of environmental remediation of asbestos, lead-based paint and other contaminants, interior and exterior demolition costs, façade improvement costs and fire accessibility issues. Interior and external demolition expenses are tied directly to the remediation expenses. These costs are TIF eligible expenditures. Remediation of environmentally hazardous materials and associated improvements, using TIF funds, greatly improves the marketability of these buildings. This budget category is necessary for attracting a high impact mixed use project to the TIF District and to attract new retail activity in the ground floor of buildings in the downtown area.

Historic facade restoration improvements and new construction under this program will be reviewed for compliance with design guidelines to ensure compatibility with other improved structures and investment in the area.

**B. Acquisition and restoration of historic sites.** The vacancy rate in historic buildings in the downtown area is high. Acquisition and restoration of historic buildings by public entities will be supported as an eligible Project Cost to enable the

redevelopment of these structures. Only buildings that are designated as a local historic landmark or listed on the National Register of Historic Places will be eligible for assistance under this program. The intent of this program is to support and preserve these recognized historic landmarks within the Downtown Connection TIF District.

Acquisition of a conservation or beautification easement may preserve the architectural (i.e., aesthetic) effects of these buildings enhancing the facade of new or redeveloped structures downtown. The City of Dallas, using TIF funds, can acquire such an interest in these architecturally or aesthetically significant structures in the District, leaving the maintenance to the property owner. Facade easements may include funding for projects where additional facade expenditures are needed to ensure that new construction is compatible with historic buildings, particularly with regard to building quality.

State law has been amended to permit the Downtown Connection TIF District to consider making direct grants to accomplish these purposes.

As part of a proposed catalyst project, TIF funds may be used to purchase or re-purchase a vacant property or building and costs related to purchasing the building and developing a redevelopment plan for the building, consistent with the economic development objectives of the Downtown Connection TIF District.

**C. Street and utility improvements.** This category includes TIF eligible expenditures for street paving and related items, infrastructure upgrades/relocation (water, wastewater, storm sewer), and burial of overhead utilities.

**D. Streetscape Improvements.** The category includes lighting, sidewalk and infrastructure improvements, expanding linkages between the downtown core, the DART light rail system, the Farmers Market, the Arts District, the Convention Center, Deep Ellum, Dallas County offices and Uptown Districts to enhance pedestrian and vehicle continuity and other streetscape improvements related to specific projects.

**E. Land Acquisition.** The City may consider acquiring property, using eminent domain as necessary and to the extent permitted by law, to implement the TIF Plan. Potential land acquisitions may include: Properties needed for pedestrian safety and accessibility;

- 1) Park sites described in the CBD Park Master Plan;
- 2) Key development sites, which may be:
  - a) Locations adjacent to park sites in the Downtown core, as identified in the CBD Park Master Plan, or
  - b) Locations identified in the City Center TIF District Parking Strategy study as priority locations for public parking, or



- c) Catalyst projects.
- d) Land or rights to land obtained for a redevelopment project in accordance with a development agreement.

**F. Assistance for Affordable Housing.** On a case-by-case basis, additional TIF subsidies may be available to assist with meeting the Affordable Housing Requirement. Such funds may be available subject to City Council approval on or before December 31, 2008. The amount of TIF subsidy will be determined by the cost of providing the affordable units as described in Appendix C.

**G. TIF Grants.** Direct TIF grants for vacant/underutilized buildings and underdeveloped parcels and surface parking lots may be provided if TIF funds supported by the Downtown Connection TIF District Grant Program Criteria exceed TIF eligible costs.

**II. Uptown/Downtown Connection Improvements.** This category includes projects that enhance pedestrian accessibility and provide public activity areas, as well as other enhancements for the Uptown and Downtown areas. Potential projects include funding for a Woodall Rodgers Deck/Park, a Cedar Springs median, and a McKinney Avenue Trolley extension. Development of the Woodall Rodgers Deck/Park is a priority project for the Downtown Connection TIF District. Should City funds, Certificates of Obligation or General Obligation bonds not be issued to fund the City portion of the project, TIF increment, to the extent available, may be used to fund the development of the Woodall Rodgers Deck/Park. Should City funds, Certificates of Obligation or General Obligation bonds be issued to fund the City portion of the project, the City shall be reimbursed out of future TIF increment, to the extent available. It is anticipated that if TIF funds are not available, City will make its best efforts to fund the Woodall Rodgers Deck/Park with 2007 bond funds or other alternative funding sources.

**IV. Park and plaza design and acquisition.** Public open space is an important amenity in a Downtown area. Several projects can help accomplish this objective using the CBD Park Master Plan as a primary guide. Funding would be provided for design and land acquisition as necessary for implementation.

**V. Affordable Housing.** Funding for Affordable Housing (defined herein) inside the Downtown Connection TIF District is included in plan funding. A mixture of housing types and pricing is important for the downtown neighborhood. The \$3,000,000 described in Exhibit G as well as all buy-out (release) fees will be used for the following types of programs and incentives:

- 1) Homeownership Loans – The City will provide interest-free, soft-second mortgage assistance loans to qualified homebuyers to purchase downtown condominiums or townhouses.

- a) Households earning 51% - 80% AMFI may receive Homeownership Loans of up to \$40,000 toward purchase depending upon the income level of the eligible homebuyer. The amount of the loan, the income qualifications and the needs assessment will be determined and evaluated by the Housing Department of the City of Dallas;
- b) The Homeownership Loan shall not be repaid to the City but instead will remain with the unit, making the unit affordable for forty years. In the case of resale of the condominium or townhouse unit, the seller must ensure that the buyer is a qualified individual/household and shall sell the unit for no more than the adjusted affordable sales price. The unit will be deed restricted to ensure resale to a qualified individual/household; and
- c) In addition to the Homeownership Loan, the City may use federal funds available pursuant to its HOME Investment Partnership Program and Community Development Block Grant Program to augment homebuyer assistance for qualified households based on overall need/financial gaps.

2) Developer Loans/Grants – Developer assistance for affordable housing/mixed-income development projects will be considered on a case-by-case basis. The total subsidy to be provided for development projects may be increased for projects targeting lower income eligible individuals/households within the Downtown Connection TIF District.

3) Public Subsidy Option for expanding affordable housing opportunities to lower income households.

- a) On a case-by-case basis, the City may provide incentives to owners/developers who provide all or a portion of the 10 percent set-aside to those earning 50 percent or below the area median family income.
- b) The City shall calculate the assistance by considering the term of the lower income set-aside and the difference between the unit at 80 percent of median income compared to the unit price for the lower income individual/household (ie. 30 percent of 50 percent household income).

**VI. Retail Initiative/Streetscape Improvements.** This category allows for funding of retail incentives under the City of Dallas Main Street District Retail Initiative Loan and Grant Program. Retail recruitment funds are to be used primarily to subsidize façade improvements, tenant improvements, and/or rent for key retailers, unless or until the Policy is amended, based on a specific set of criteria and only within the Downtown Connection TIF District Boundary. Funding for streetscape improvements include the

fencing of surface parking lots within the District, and enhancing the pedestrian and retail environment.

**VII. Administration and Implementation.** Administrative costs, including reasonable charges for the time spent by employees of the municipality and/or employees associated with any non-profit groups established to assist with implementation within the TIF District will be eligible for reimbursement as project costs, upon approval by the TIF Board of Directors and in connection with the implementation of the Downtown Connection TIF Project Plan and Reinvestment Zone Financing Plan. Other related administrative expenses including legal fees and consulting fees of the City, management expenses, meeting expenditures and equipment are included in this category.

**VIII. Non-project Costs.** It is anticipated that the City may make economic development loans or grants either to the Downtown Connection TIF District or to the DDDA (hereinafter defined), in furtherance of implementing this Plan. Should such loans or grants be made, consistent with the financing documents authorizing the issuance of bonds or other obligations issued by the DDDA to finance project costs, tax increments may be transferred to the City, in an amount not to exceed \$15,000,000, to reimburse the City for the funds made available by any such Chapter 380 economic development loans or grants in furtherance of the implementation of this Plan, and fulfilling the public purposes of developing and diversifying the economy of the District, eliminating unemployment or underemployment in the District, and developing or expanding transportation, business and commercial activity in the District. All bonds issued by the DDDA are subject to City Council approval and to minimize the exposure to the City's general funds revenues, the DDDA shall maintain sufficient debt reserve accounts and coverage ratios.

### **Planned Private Development**

- 5,600 residential units in Downtown
- 3,200 additional units in Uptown
- Absorption of 3,000,000 square feet of the currently vacant office space in the District
- Absorption of 125,000 square feet of retail space in Downtown
- Absorption of 250,000 square feet of retail space in Uptown
- Absorption of 800,000 square feet of new office space in Downtown
- Absorption of 800,000 square feet of new office space in Uptown
- Creation of 20 acres of park and open space
- Leverage funding for improved connectivity between Downtown and Uptown.
- Restore property value "inside the Loop" to levels above the 1990 value

The total increased property value is forecasted to be approximately \$4.4 billion. The Downtown Connection TIF District's assessed tax value in 2004 was \$465,185,699.

The cumulative incremental property tax revenue potential of the planned development, will be approximately \$189.8 million (net present value) in public improvement projects.

Exhibit J and Appendix A are updated to reflect updated 2005 Dallas Central Appraisal District information.

No persons are expected to be displaced by redevelopment activity within the Downtown Connection TIF District. Relocation policies are not applicable for this reason.

The Downtown Connection TIF zone is created to promote Downtown redevelopment and mobility between Uptown and Downtown. Although a minor portion of Downtown Connection TIF funds will be used to strengthen physical connections between Uptown and Downtown, TIF project costs associated with building sites and related public improvements will be committed only for projects south of Woodall Rodgers Freeway.

Ten percent of all housing units to be constructed in the Downtown Connection TIF District assisted with TIF funds must comply with the City of Dallas' established criteria for affordable housing. "Affordable Housing" are those residential housing units that are occupied by a household whose income at the time of initial occupancy does not exceed 80% of the median annual household income for the Dallas Metropolitan Statistical Area (MSA) as determined annually by the U.S. Department of Housing and Urban Development, with adjustments for family size. Appendix C further describes the Policy for Affordable Housing within the District.

Other requirements to qualify for TIF funds shall be compliance with Fair Share Guidelines for private construction and promotion of hiring for neighborhood residents for permanent jobs created. This latter requirement means TIF applicants will agree to sponsor job fairs or other programs to attract residents to jobs.

The process for Fair Share Compliance and City Oversight will be as follows:

- Before bid solicitation, (1) City Business Development and Procurement Service Staff and Developer will recruit minority/women owned firms, and (2) information meeting will be held by City Staff and Developer to provide information overview of the bid to the prospective subcontractors and opportunity of subcontractor to meet one-on-one with developer.
- City Staff and Developer agree on pre-certified list to be used for solicitation.
- After review by City Staff, Bid Package is issued by Developer to certified list.
- Staff and Developer receive and open Bids.

- Award of Bids after evaluation by Staff and Development.
- Any substitution of a subcontractor requires notification to Staff with reason and evidence of additional contact with W/MBE firms for substitution.
- Noncompliance will result in a warning letter and if not cured, a cessation of public funding.

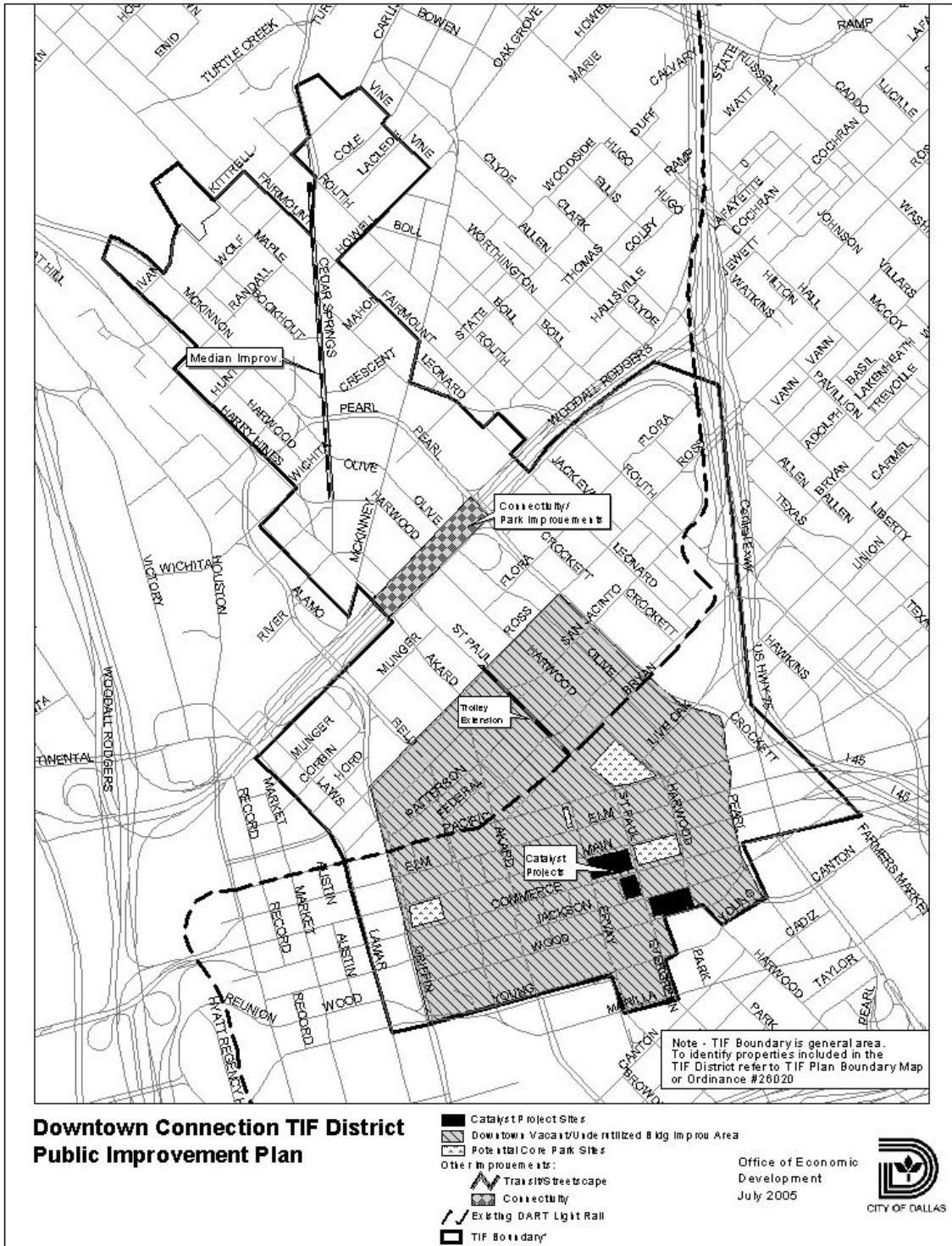
The City of Dallas created a local government corporation called the Dallas Downtown Development Authority (“DDDA”) to assist with the development of TIF improvements in the zone. The City also plans to develop urban design guidelines for the TIF zone by December 2006.

The City may consider use of eminent domain as necessary and convenient to implement the Downtown Connection TIF project and financing plan. Potential land acquisitions with eminent domain may include:

- Properties needed for pedestrian safety and accessibility;
- Park sites described in the CBD Park Master Plan;
- Key development sites, which may be:
  - a) Locations adjacent to park sites in the Downtown core, as identified in the CBD Park Master Plan, or
  - b) Locations identified in the City Center TIF District Parking Strategy study as priority locations for public parking, or
  - c) Catalyst projects.
  - d) Land or rights to land obtained for a redevelopment project in accordance with a development agreement.

# Exhibit F

## Downtown Connection TIF District Public Improvement Plan



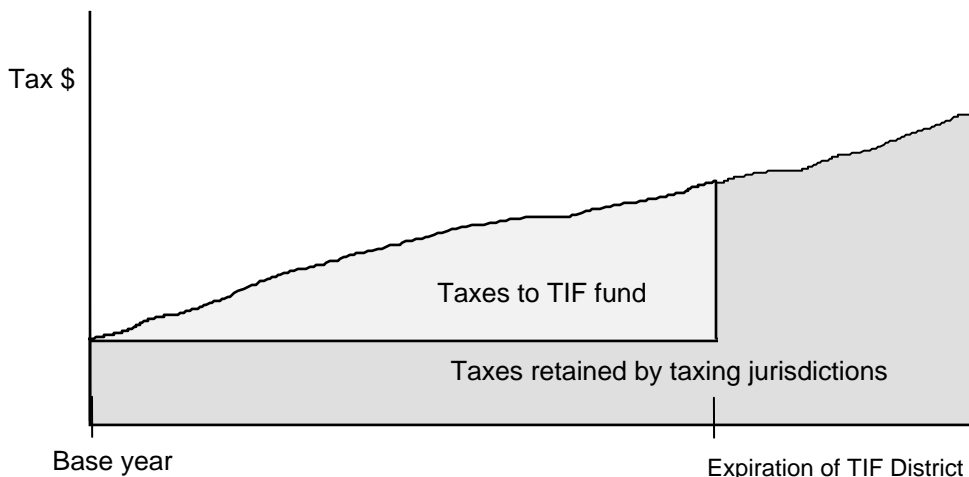
## Section 3: Financing Plan

Tax increment financing (“TIF”) is a tool local governments of Texas have used since 1986 to finance public improvements within defined areas that have unique challenges and opportunities for economic development. The improvements strengthen existing communities and attract investment. Statutes governing TIF are in Chapter 311 of the Texas Tax Code.

A municipality makes an area eligible for tax increment financing by designating a reinvestment zone. The additional tax dollars generated by growth of real property value flow to a “tax increment financing fund” (“TIF fund”) for a specified term of years. Money flowing to the TIF fund each year is disbursed according to a plan approved by a TIF board and the City Council, as prescribed by statutes and the ordinance designating the reinvestment zone. The Fund may be used to make grants in furtherance of the development for the District and for public improvements within the reinvestment zone. TIF funds may also to be used for public improvements at places of public assembly, such as a park, or for affordable housing, even though outside the zone.

The illustration below shows how tax from real properties in a TIF zone flows to a taxing jurisdiction and to a TIF fund. This assumes real property values in the TIF zone rise soon after the zone’s designation.

### Real Property Tax Flow with Tax Increment Financing



Inclusion of property in a TIF zone does not change any tax rate for the property. Tax rates in a TIF zone are the same as tax rates outside the zone and within the same set of taxing jurisdictions.

Once the public improvements are completed and paid for, the TIF is dissolved and the full amount of the taxes collected in area are kept by the taxing jurisdictions. In effect, the taxing jurisdictions are “investing” future earnings to receive the benefit of higher tax revenues from new development. Also, taxing jurisdictions are not restricted from raising their tax rates during the life of the zone.

### **Financing Plan**

The Reinvestment Zone Financing Plan provides for incremental financing, and predicts revenues for the Downtown Connection TIF District.



## Exhibit G: TIF Project Plan Improvements

Project costs are those costs paid or reimbursed by TIF that are eligible to be treated as project costs under Chapter 311, Texas Tax Code. Project costs may be changed in subsequent project and financing plan.		
(a) CATEGORY	(b) Estimated TIF Expenditure (in 2006 Dollars)	(c) Estimated TIF Expenditure (actual, anticipated*)
<b>Total TIF District Budget</b>	\$189,807,592	\$361,155,295
Interest		\$150,363,000
Catalyst Projects: Environmental remediation, demolition, historic façade restoration, street and utility improvements and streetscape improvements, acquisition, and non-project costs including, but not limited to, machinery, equipment, materials and supplies	\$68,000,000	\$68,000,000
Redevelopment of Vacant/Underutilized Downtown Buildings/ <u>Development of Underdeveloped Parcels and Surface Parking Lots</u> : Environmental remediation, demolition, historic façade restoration, street and utility improvements, streetscape improvements, land acquisition, TIF Grants, affordable housing	\$90,367,206	\$92,442,977
Uptown/Downtown connection improvements	\$20,500,000	\$30,045,367
Park and plaza design and acquisition	\$1,500,000	\$2,783,807
Affordable Housing	\$3,000,000	\$5,567,615
Retail Initiative/ Streetscape Improvements	\$2,500,000	\$4,639,679
Administration and implementation	\$3,940,386	\$7,312,850
Note: All values in column (b) discounted to 2006 dollars at 5% annually.		
Note 2: All values in column (c) are estimated expenditures based on Annual TIF Project Costs and Debt Service schedules. These values depend on timing of projects and will fluctuate. An interest rate of 5% is used throughout the TIF term. Includes non project costs.		
*If increment is collected sooner than anticipated, the total TIF budget (actual) will be reduced.		

The project principal costs in Exhibit G, Column B, were expressed as if paid in 2006. Cash for most of these expenditures won't be drawn, however, until later. Exhibit G, Column C estimates actual expenditures over the 30-year TIF term.

Financing Method. The City's current policy for financing TIF projects is for private groups to advance funds for public improvements in the reinvestment zone or to have funds paid directly from the Downtown Connection TIF District Fund as funds become available. The City has financed all its prior TIF District projects on a pay-as-you-go basis. Advances may be repaid by the future cash flows to the Downtown Connection TIF District fund. Taxing jurisdictions need not guarantee these loan repayments with any other source. The City of Dallas, using TIF funds, may purchase facade easements for specific buildings. In addition, other public improvements included in the Project Plan may be funded directly from the Downtown Connection TIF District funds, as incremental revenue is available.

In connection with the shift in approach from funding seed project to focusing resources into a large catalyst project, the City may consider using the TIF fund to reimburse project cost principal and interest and other financing costs. The City may negotiate with financial institutions to secure bonds or other obligations, or lines of credit, to aid in the funding of two categories of projects within the TIF zone, using any financial instrument, subject to City Council approval of the note or credit line or issue bonds or other obligations for:

- 1) Catalyst projects: These are public improvements related to individual buildings or groups of buildings for which total project investment from all sources will exceed \$100,000,000;
- 2) Accessibility/safety projects: These are public improvements to achieve greater safety or accessibility and to foster redevelopment of small commercial structures.
- 3) Other projects so determined by the Downtown Connection TIF District Board of Directors and the City Council.

The City, in its name or through the DDDA, may issue bonds or other obligations ("Bonds") in an aggregate principal amount estimated to be \$66 million to aid in the funding of project costs within the Downtown Connection TIF District, secured in whole or in part with City general fund annual appropriation of Chapter 380 grants and/or tax increment revenues, subject to City Council approval of the issuance of such Bonds. Bonds may be issued to fund capitalized interest and reserve funds for the Bonds. In addition, the DDDA may seek to obtain a line or letter of credit to support activities consistent with the objectives of this Plan.

Financing Policy and Long Term Financing. The goal of the Downtown Connection TIF District is to leverage increment accrued to maximize development in the District. It is the intention of the Board of Directors that the increment received initially goes to

catalyst projects such as the Mercantile block, Continental Building, and Atmos Energy Buildings.

It is anticipated that the City, the Downtown Connection TIF District Board of Directors and the will DDDA enter into an agreement pursuant to which:

- TIF revenues would be transferred from the TIF fund to the DDDA.
- The City delegates to the DDDA certain duties and responsibilities concerning implementation of the project plan
- The DDDA agrees to use the funds received to secure bonds and agrees to assume the duties and responsibilities delegated to it by the City, subject to the conditions of the agreement.

Expected Revenues. Exhibit H is a list of developments anticipated in the Downtown Connection TIF zone through 2027. Some of the identified developments will probably not occur, while other development projects likely will replace them. This schedule represents the best estimate of anticipated development in the area. Actual timing, floor area, uses and other attributes of the identified developments may differ from the schedule.

Unit values supporting appraisal estimates in Exhibit H are based on observations of values assigned to comparable developments by the Dallas Central Appraisal District (DCAD). Actual construction costs or trading prices may differ. Because tax increments are measured by DCAD values, these are the relevant measures of value for a TIF financing plan. To show the reasonableness of appraisal estimates in this plan, Exhibit I presents 2004 appraisals by DCAD of several properties in the TIF zone and nearby that are believed similar to the forecast development.

Within the next twenty years, the anticipated pace of development will likely consume much of the vacant land in the zone north of Woodall Rodgers Freeway. There is also strong probability that some land with existing structures in 2005 will redevelop within that time horizon.

The sites anticipated for redevelopment with the Downtown Connection TIF zone may constitute most of the redevelopment in the zone through 2027, although some unnamed sites will inevitably substitute for listed sites. Further redevelopment on both sides of Woodall Rodgers Freeway after 2027 is likely, but not forecast in this analysis for two reasons: (1) Tax increments are estimated to flow to the TIF zone for only twenty-two years (the legal life of the TIF is thirty years); (2) Forecasts further into the future become marginally reliable.

Based on the development projects identified in Exhibit H and other stated assumptions, Exhibit J estimates annual City/County real property taxes from the TIF zone and annual percentages and amounts of the real property tax growth increment reinvested each year in the Downtown Connection TIF fund. Cumulative increased property value is expected to be approximately \$4.17 billion during the 30-year term of the TIF District. Projects assume a 90% reinvestment rate for the City during the 30-year life of the TIF and 55% from the County with a term of twenty years or until the Project Cost Budget of \$189.8 million is reached. The County's contribution is capped at a net present value of \$18.5 million. The final terms of the County's contribution of its tax increment shall be set forth in an inter-local participation agreement between the City and the County.

### **Financial Assumptions**

The key factors influencing the financial feasibility study and its conclusions are the financial assumptions that have been adopted.

Inflation. The generally accepted inflation for construction costs and the value of improvements is 3.0% per annum. Based on current market rates, net present values of the tax increment were calculated at a discount rate of five percent per annum.

Appreciation. Property appreciation is assumed to be 2.5% per annum on average.

Tax Rate Changes. Although tax rates will certainly increase during the 30-year development period, the financial plan conservatively assumes that the tax rate will remain constant for the life of the Downtown Connection TIF District, except to incorporate tax rate changes when known.

Remittance to the TIF Fund. The City of Dallas will participate at a rate equal to approximately 90% of incremental value during the thirty-year term of the TIF or until the budget of \$189.8 million (net present value) is reached and Dallas County will participate at a rate of 55% of incremental value during the first twenty years of the term. Dallas County's participation is capped at a net present value of \$18.5 million.

### **Financial Feasibility**

The private development plans, public improvement program, general financing strategy and financial assumptions were all included in an economic feasibility study prepared by Stein Planning and Management. The study is intended to be used as part of the economic feasibility study for the District in accordance with the provisions of Section 311.011, Texas Tax Code, and is available upon request.

Cumulative increased property value is expected to be approximately \$4.17 billion during the 30-year term of the TIF District.

The TIF District projections provide for increment collections over the entire 30-year life of the District.

On a strict “pay-as-you-go” basis, the progress of the public improvements portion of the development program is a direct result of the revenues received (and matched by the City’s contributions). Therefore, if revenues exceed these projections, then the public improvements can be completed ahead of schedule. If revenues do not meet expectations, then the pace of public improvements will be slowed or discontinued altogether based upon the advice of the Board of Directors and the approval of the City Council.

The Reinvestment Zone Financing Plan provides that the County will begin to realize additional revenues from the TIF in Year 21 of the program. The City will begin to realize additional revenues from the TIF in Year 31.

Based upon a set of TIF District assumptions and analysis of the project and financing plan, the Downtown Connection Board of Directors has concluded that the plan is feasible.

## **Financial Policies**

General financial policies are governed by the City of Dallas Public/Private Partnership Program that was first approved by the City Council on March 13, 1996. This program provides a framework for development incentives in a variety of areas. Within this framework the Downtown Connection Board of Directors has adopted specific policies for the Downtown Connection TIF District:

- Catalyst projects are recognized as the major component of the Downtown Connection TIF District Public Improvement Plan, therefore, the majority of increment accrued will be set aside for such projects.
- Public improvements will be phased at a pace that coincides with private development.
- Private developers desiring City participation in cost-sharing for infrastructure improvements needed for their projects must sign a Development Agreement with the City.
- Each Development Agreement is mutually exclusive - that is, the nature and extent of support with public funds may change over time as the District becomes more developed.

- The City may negotiate with financial institutions to secure notes or lines of credit to aid in the funding of two categories of projects within the TIF zone, using any financial instrument, subject to City Council approval of the note or credit line, or issue certificates of obligation or TIF bonds for catalyst projects and accessibility/safety projects as described earlier in the Project Plan.
- If a developer needs infrastructure improvements constructed at a time when sufficient funds are not available in the TIF Reserve Fund, then improvements may be:
  - ~ deferred until funds are available
  - ~ constructed at the sole expense of the developer
  - ~ constructed at developer expense, with the City reimbursing the developer as funds become available
- Private development must substantially conform to "private development design guidelines" adopted by the Downtown Connection Board of Directors in order to receive cost participation benefits for infrastructure improvements.

The Downtown Connection TIF Board may from time-to-time recommend amendments to these financial policies which will affect the operations of the TIF District.

Should project costs be paid that directly benefit the developer of a catalyst project, such as the acquisition of machinery, equipment, materials and supplies, or grants made to a developer as permitted by Chapter 311, Texas Tax Code, the City will establish sufficient controls to ensure that the expenditure does result in the public purpose being carried out and that the public is protected in the use of public funds, such as the tax increment revenues, for the intended result.

The DDDA may undertake such activities as determined by the City Council to be necessary or convenient to implement the Plan, including the issuance of bonds or other obligations to finance the payment of project costs. No such bonds or other obligations shall be issued by the local government corporation without prior City Council approval.

The City reserves the right to amend this plan to provide for the establishment of a "sales tax increment" collection process, as permitted by Chapter 311, Texas Tax Code.

### **Other Financial Benefits**

New residents of Downtown will spend for goods and services subject to sales tax. Because the City has a one-cent sales tax, this generates municipal revenue. Exhibit K

estimates City sales tax attributed to new Downtown residences. The schedule makes no allowance for a share of purchases by Downtown residents outside Downtown, but it assumes these external purchases will be offset by purchases from tourists, convention attendees and visitors from outside Downtown who will be drawn to spend more time Downtown. Many of the buildings that will be adapted for residential use with help from the TIF program are expected to use ground level space for retail tenants or restaurants.

The Dallas Independent School District is not expected to participate in the Downtown Connection TIF program. State law governing school funding since September 1999 makes TIF participation generally unattractive for a school district. Nevertheless, the DISD will receive a windfall from the Downtown Connection zone estimated at roughly \$1.8 billion over forty years. All DISD tax projections bear risk that new Texas law may cap the rate of local property tax a school district may levy.

## **Conclusions**

Based upon a set of assumptions and analysis of the Downtown Connection TIF District Project Plan and Reinvestment Zone Financing Plan, the Downtown Connection TIF District Board of Directors has concluded that the Downtown Connection TIF District Project Plan and Reinvestment Zone Financing Plan is feasible.

The success of the Downtown Connection TIF District development will allow downtown Dallas to become more of an activity center. The new residential population base will support downtown Dallas' expanding retail and entertainment activities and enhance the area's overall market image. The success of this program will protect and build on the region's greatest real estate asset.

The Downtown Connection TIF District Project Plan and Reinvestment Zone Financing Plan was developed with these specific needs in mind.

# Exhibit H

## Anticipated Redevelopment Projects in Downtown Connection TIF District, updated with 2007 assumptions

**Assumptions:**

Sites, uses, floor areas and development timing are estimates by consultant and clients.  
Some listed developments will not happen; substitution by other development is possible.  
Some listed sites require public participation through TIF or other sources.

\* Fifteen year tax abatement on Mercantile Tower delays addition to tax roll until 2025 (60% of added value). Ten year tax abatement on Mercantile new construction delays addition to tax roll until 2018 (40% of added value).  
\*\* Hunt HQ appraisal is estimated at 21% of added real property taxable value for 2008 through 2017 with the remainder added in 2018.  
\*\*\* Ashton development reduced by 2/3 because DCAD has added much of the value to the 2005 tax roll.  
\*\*\*\* Gables Uptown Development reduced by 15% because DCAD has added value on preliminary construction to the 2005 tax roll.

(a) Site Number/Name	(b) Approximate Land Area (SF)	(c) Primary Use	(d) Floor Area Ratio	(e) Estimated Building Floor Area (SF) (excl. parking)	(f) (g) (h) Estimated DCAD Improvement Appraisals in 2005 Dollars			(i) Net New	(j) Assumed Complete Before Jan. 1,	(k) TIF Increment on Tax Roll	(l) Net New Improvement Appraisal on Jan. 1 After Completion, if 3.00% Post-Completion Inflation	(m) Net New Appraisal at Completion, Less Condo Homestead Exemptions @ 20% in 50% of Units
					per BSF	All New Improvements	Less Existing					
<b>North of Woodall Rodgers Freeway</b>												
Wells Fargo Bank - Cedar Springs	17,237	bank	0.23	3,919	\$100	\$391,900	\$0	\$391,900	2006	2006	\$403,657	\$403,657
Ashton***	90,000	apartments	7.37	663,000	\$85	\$18,785,000	\$0	\$18,785,000	2006	2006	\$19,348,550	\$19,348,550
Gables Uptown, Phase 1****	140,000	residential	2.33	326,550	\$75	\$20,817,563	\$0	\$20,817,563	2006	2006	\$21,442,089	\$21,442,089
Uptown Plaza shopping, 1	56,000	retail	0.63	35,000	\$85	\$2,975,000	\$0	\$2,975,000	2006	2006	\$3,064,250	\$3,064,250
ZOM Rosewood	181,724	apartments	1.87	340,538	\$95	\$36,981,760	\$0	\$36,981,760	2007	2007	\$39,233,949	\$39,233,949
Azure	57,000	condos	5.09	290,000	\$160	\$46,400,000	\$0	\$46,400,000	2009	2009	\$46,400,000	\$41,760,000
Ritz Carlton w 70 condos	207,000	hotel/condos	1.50	352,800	\$175	\$61,740,000	\$55,000	\$61,685,000	2008	2008	\$61,685,000	\$61,685,000
Gables Uptown, Phase 2	127,000	res./ retail	2.00	296,700	\$75	\$22,252,500	\$0	\$22,252,500	2009	2009	\$22,252,500	\$22,252,500
Stoneleigh Hotel renovations	65,000	condos/hotel	5.30	344,200	\$125	\$20,000,000	\$3,789,000	\$16,211,000	2009	2009	\$16,211,000	\$16,211,000
AMLJ Quadrangle	110,000	residential	1.75	192,500	\$85	\$22,750,000	\$0	\$22,750,000	2011	2011	\$22,750,000	\$22,750,000
Accor site	101,000	condos/hotel	2.73	275,730	\$90	\$24,815,700	\$0	\$24,815,700	2019	2019	\$24,815,700	\$22,334,130
Metropolitan site (Centurion)	19,000	condos	3.50	66,500	\$95	\$6,317,500	\$169,000	\$6,148,500	2021	2021	\$6,148,500	\$5,533,650
Lincoln/Corrigan site	126,000	office	0.00		\$95	\$72,000,000	\$19,000	\$71,981,000	2012	2012	\$71,981,000	\$71,981,000
Stoneleigh Tower Condos		condos				\$70,000,000	\$800,000	\$69,200,000	2009	2009	\$69,200,000	\$62,280,000
Maple Terrace renovation	63,226	condos	4.98	315,000	\$85	\$26,775,000	\$820,000	\$25,955,000	2010	2010	\$25,955,000	\$23,359,500
Uptown Plaza shopping, 2	84,000	retail	1.00	84,000	\$85	\$7,140,000	\$0	\$7,140,000	2015	2015	\$7,140,000	\$7,140,000
Greenway site	29,000	mixed	2.00	58,000	\$90	\$5,220,000	\$0	\$5,220,000	2019	2019	\$5,220,000	\$5,220,000
Granite/ Gables	93,426	mixed	-		\$100	\$120,000,000	\$0	\$120,000,000	2014	2014	\$120,000,000	\$108,000,000
St. Ann's Court	60,000	office	0.00		\$100	\$60,000,000	\$0	\$60,000,000	2011	2011	\$60,000,000	\$60,000,000
Ritz Carlton Tower 2	100,482	condos		250,000	\$170	\$105,000,000	\$0	\$105,000,000	2010	2010	\$105,000,000	\$94,500,000
unspecified site	50,000	condos	2.50	125,000	\$65	\$8,125,000	\$250,000	\$7,875,000	2028	2028	\$7,875,000	\$7,087,500
1900 McKinney (Hanover)		office			\$95	\$0	\$0	\$42,000,000	2013	2013	\$42,000,000	\$42,000,000
unspecified sites (infill)	50,000	condos	2.50	125,000	\$65	\$8,125,000	\$250,000	\$7,875,000	2030	2030	\$7,875,000	\$7,087,500
unspecified sites (infill)	50,000	mixed	2.50	125,000	\$65	\$8,125,000	\$250,000	\$7,875,000	2030	2030	\$7,875,000	\$7,087,500
unspecified sites (infill)	60,000	condos	2.50	150,000	\$65	\$9,750,000	\$250,000	\$9,500,000	2030	2030	\$9,500,000	\$8,550,000
<b>Subtotal</b>	<b>1,937,095</b>			<b>\$4,419,437</b>		<b>\$784,486,923</b>	<b>\$6,652,000</b>	<b>\$819,834,923</b>			<b>\$823,376,196</b>	<b>\$781,099,276</b>
<b>South of Woodall Rodgers Freeway</b>												
Aristocrat Hotel renovation	8,477	hotel	11.47	97,241	\$40	\$3,889,640	\$0	\$3,889,640	2007	2007	\$4,126,519	\$4,126,519
1414 Elm	-	apartments	-	35,000	\$75	\$2,625,000	\$300,000	\$2,325,000	2008	2008	\$2,540,590	\$2,540,590
Hunt Headquarters**	61,289	office	6.42	393,553	\$125	\$55,954,280	\$1,554,880	\$54,399,400	2008	2008, 2018	\$59,443,693	\$12,483,176
Mercantile block*	80,000	apartments	6.25	500,000	\$80	\$40,000,000	\$77,550	\$39,922,450	2010	2020, 2025	\$39,922,450	\$15,968,980
1600 Elm	7,300	apartments	2.63	19,210	\$65	\$1,248,650	\$183,940	\$1,064,710	2016	2016	\$1,064,710	\$23,953,470
Museum Tower		condos			\$125	\$143,800,000	\$200,000	\$144,000,000	2012	2012	\$144,000,000	\$144,000,000
1900 Pacific	10,836	condos				\$78,615,888	\$0	\$78,615,888	2012	2027	\$78,615,888	\$70,948,800
Tower Petroleum	10,836	hotel				\$17,544,112	\$112,000	\$17,304,000	2012	2027	\$17,304,000	\$17,304,000
Praetorian Building	9,820	apartments	16.09	157,991	\$90	\$14,219,190	\$311,810	\$13,907,380	2021	2021	\$13,907,380	\$13,907,380
1600 Pacific	30,000	apartments	16.61	498,270	\$50	\$24,913,500	\$3,212,990	\$21,700,510	2015	2015	\$21,700,510	\$21,700,510
500 South Ervay	110,853	apartments	5.54	614,176	\$65	\$39,921,440	\$1,391,470	\$38,529,970	2011	2011	\$38,529,970	\$38,529,970
Atmos block	75,000	apartments	3.33	250,000	\$75	\$18,750,000	\$581,890	\$18,168,110	2015	2015	\$18,168,110	\$18,168,110
Wood building								\$15,000,000	2014	2014	\$15,000,000	\$15,000,000
Dallas Grand	56,738	apartments	9.02	511,584	\$75	\$38,368,800	\$5,720	\$38,363,080	2021	2021	\$38,363,080	\$38,363,080
Federal Reserve Building	125,860	apartments	1.89	237,643	\$50	\$11,882,150	\$3,524,200	\$8,357,950	2021	2021	\$8,357,950	\$8,357,950
1712 Commerce	10,000	apartments	19.02	190,221	\$50	\$9,511,050	\$1,294,900	\$8,216,150	2015	2015	\$8,216,150	\$8,216,150
1954 Commerce	25,000	apartments	3.27	81,800	\$50	\$4,090,000	\$6,790	\$4,083,210	2020	2020	\$4,083,210	\$4,083,210
Santa Fe #4	35,632	hotel	4.48	159,791	\$90	\$14,381,190	\$719,820	\$13,661,370	2011	2011	\$13,661,370	\$13,661,370
1604 Main	7,650	apartments	6.24	47,720	\$50	\$2,386,000	\$5,050	\$2,380,950	2022	2022	\$2,380,950	\$2,380,950
1613-1615 Main/1614 Elm		retail/office			\$75	\$2,894,850	\$325,000	\$2,569,850	2025	2025	\$2,569,850	\$2,569,850
Elm Place	80,933	apartments	16.52	1,336,894	\$50	\$66,844,700	\$4,810,299	\$62,034,401	2025	2025	\$62,034,401	\$62,034,401
<b>Subtotal</b>	<b>746,224</b>			<b>\$5,169,692</b>		<b>\$591,840,440</b>	<b>\$18,618,309</b>	<b>\$588,710,131</b>			<b>\$594,206,894</b>	<b>\$585,258,984</b>
<b>Total</b>	<b>2,683,319</b>			<b>9,589,129</b>		<b>\$1,376,327,363</b>	<b>\$25,270,309</b>	<b>\$1,408,545,054</b>			<b>\$1,417,583,089</b>	<b>\$1,366,358,259</b>



## Exhibit I

# Comparable Developments based on DCAD 2004 Appraisals

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Development Name	Address	Improvements	Land	Total Value	Bldg. SF	IV per BSF	Land SF	Land per LSF	Total per BSF	FAR
Mixed use centers										
The Crescent	500 Crescent	\$242,570,000	\$25,984,920	\$268,554,920	1,722,192	\$141	433,082	\$60	\$156	3.98
	3699 McKinney	\$33,269,340	\$6,745,320	\$40,014,660	315,535		224,844			
	3699 McKinney	\$4,255,070	\$1,730,070	\$5,985,140	34,336		57,669			
West Village		\$37,524,410	\$8,475,390	\$45,999,800	349,871	\$107	282,513	\$30	\$131	1.24
Mockingbird Station	5307 Mockingbird	\$51,224,220	\$10,627,060	\$61,851,280	565,675	\$91	379,538	\$28	\$109	1.49
Retail centers										
One-Stop Mini-Mart	2324 McKinney	\$576,860	\$1,423,080	\$1,999,940	3,509	\$164	23,718	\$60	\$570	0.15
Knox Park Village	3001 Knox	\$12,182,090	\$2,798,910	\$14,981,000	81,893	\$149	87,172	\$32	\$183	0.94
Lincoln Park (retail with. grocery)	7700 W. Northwest	\$20,260,770	\$11,299,680	\$31,560,450	153,642	\$132	502,208	\$23	\$205	0.31
Highland Park Village	4201 Mockingbird	\$28,648,860	\$15,918,560	\$44,567,420	230,948	\$124	397,964	\$40	\$193	0.58
HPV parking north of M'bird	4200 Mockingbird	\$0	\$4,108,360	\$4,108,360	0	N.A.	102,709	\$40	N.A.	0.00
Highland Park Village total		\$28,648,860	\$20,026,920	\$48,675,780	230,948	\$124	500,673	\$40	\$211	0.46
Best Buy, CompUSA, Office Max	9358 N. Central	\$21,310,230	\$9,544,770	\$30,855,000	184,996	\$115	636,318	\$15	\$167	0.29
Office buildings										
Chase Tower	2200 Ross	\$151,599,640	\$2,799,830	\$154,399,470	1,250,000	\$121	111,993	\$25	\$124	11.16
Trammell Crow Center	2001 Ross	\$140,591,200	\$2,851,440	\$143,442,640	1,245,324	\$113	95,048	\$30	\$115	13.10
2100 McKinney	2100 McKinney	\$39,810,540	\$8,189,460	\$48,000,000	374,654	\$106	136,491	\$60	\$128	2.74
Fountain Place	1445 Ross	\$121,795,310	\$2,204,690	\$124,000,000	1,297,418	\$94	78,739	\$28	\$96	16.48
1845 Woodall Rodgers	1845 Woodall Rodgers	\$10,278,510	\$1,266,650	\$11,545,160	185,007	\$56	36,190	\$35	\$62	5.11
Residences										
1999 McKinney condos (62)	1999 McKinney	\$32,925,450	\$1,309,414	\$34,234,864	175,482	\$188	29,098	\$45	\$195	6.03
		(Improvement figures are estimates based on 100% of three middle floors.)								
Portobello townhouse condo unit	33xx Blackburn	\$415,870	\$59,130	\$475,000	2,606	\$160	N.A.	N.A.	N.A.	N.A.
Travis Terrace townhouse condo	39xx Travis	\$400,610	\$42,420	\$443,030	2,782	\$144	2,121	\$20	\$159	1.31
Lincoln Park	5445 Caruth Haven	\$35,455,780	\$9,544,220	\$45,000,000	395,377	\$90	636,281	\$15	\$114	0.62
The Abbey	2521 Worthington	\$4,155,550	\$944,450	\$5,100,000	48,082	\$86	29,514	\$32	\$106	1.63
Heights of State Thomas	3015 State	\$14,778,910	\$3,921,090	\$18,700,000	173,545	\$85	122,534	\$32	\$108	1.42
Knox Travis Park	4611 Travis	\$10,962,040	\$537,960	\$11,500,000	137,331	\$80	26,898	\$20	\$84	5.11
	2816 Guillot	\$10,364,586	\$3,185,490	\$13,550,076	171,403		91,014			
	2518 Colby	\$14,849,970	\$5,889,960	\$20,739,930	275,636		175,982			
	2427 Allen	\$8,687,790	\$1,962,210	\$10,650,000	123,754		61,319			

Uptown Village		\$33,902,346	\$11,037,660	\$44,940,006	570,793	\$59	328,315	\$34	\$79	1.74
Gables at Routh	2600 Cole	\$9,033,540	\$2,128,460	\$11,162,000	142,507	\$63	60,813	\$35	\$78	2.34
Mirabella	2600 Cole	\$9,033,540	\$2,128,460	\$11,162,000	142,507	\$63	60,813	\$35	\$78	2.34
Jefferson at Gaston	2752 Gaston	\$26,158,960	\$4,665,280	\$30,824,240	417,815	\$63	548,856	\$9	\$74	0.76
Block 588 Condos	3110 Thomas	\$13,603,550	\$1,636,450	\$15,240,000	229,074	\$59	51,139	\$32	\$67	4.48
Heights of State Thomas	3110 Thomas	\$16,111,970	\$3,688,030	\$19,800,000	299,362	\$54	115,251	\$32	\$66	2.60
Davis Building	1309 Main	\$12,876,320	\$873,000	\$13,749,320	241,481	\$53	14,550	\$60	\$57	16.60
Majestic Lofts Residences	1900 Elm	\$6,553,000	\$1,200,000	\$7,753,000	126,000	\$52	20,000	\$60	\$62	6.30
Kirby Building	1501 Main	\$9,849,880	\$900,120	\$10,750,000	203,824	\$48	15,002	\$60	\$53	13.59
Gables Concord	3003 Bookhout	\$6,044,580	\$4,755,420	\$10,800,000	138,390	\$44	158,514	\$30	\$78	0.87
Jefferson at the North End	2323 N. Field	\$25,754,460	\$16,395,540	\$42,150,000	623,997	\$41	468,444	\$35	\$68	1.33
Camden Farmers Market	2210 Canton	\$15,823,610	\$5,676,390	\$21,500,000	381,441	\$41	306,832	\$18	\$56	1.24
Wilson Building	1623 Main	\$8,985,000	\$1,740,000	\$10,725,000	250,778	\$36	29,000	\$60	\$43	8.65
Rovello	2610 Allen	\$13,960,180	\$4,727,740	\$18,687,920	397,294	\$35	132,117	\$36	\$47	3.01
Hotels										
The Mansion on Turtle Creek	2821 Turtle Creek	\$16,504,480	\$5,495,420	\$21,999,900	82,976	\$199	157,012	\$35	\$265	0.53
Hotel Zaza	2332 Leonard	\$11,782,940	\$2,918,340	\$14,701,280	102,010	\$116	48,639	\$60	\$144	2.10
	2007 Live Oak	\$3,898,390	\$1,521,000	\$5,419,390	0		43,457			
	2117 Live Oak	\$68,759,606	\$3,484,460	\$72,244,066	535,478		99,556			
	443 Olive	\$5,722,150	\$2,777,810	\$8,499,960	292,056		79,366			
	400 Olive	\$0	\$94,550	\$94,550	0		7,879			
Adam's Mark Hotel		\$78,380,146	\$7,877,820	\$86,257,966	827,534	\$95	230,258	\$34	\$104	3.59
	300 Reunion	\$62,744,660	\$3,287,340	\$66,032,000	657,212		205,549			
	500 S. Stemmons	\$0	\$2,491,750	\$2,491,750	0		177,982			
	201 Reunion	\$0	\$916,180	\$916,180	0		76,348			
	400 S. Stemmons	\$0	\$811,640	\$811,640	0		57,974			
	311 Reunion	\$0	\$237,240	\$237,240	0		16,946			
	300 Hyatt Regency	\$0	\$41,060	\$41,060	0		9,165			
Hyatt Regency Hotel		\$62,744,660	\$7,785,210	\$70,529,870	657,212	\$95	543,964	\$14	\$107	1.21
Hotel St. Germain	2516 Maple	\$500,790	\$540,400	\$1,041,190	8,273	\$61	15,440	\$35	\$126	0.54
	1717 N. Akard	\$24,721,980	\$2,462,520	\$27,184,500	579,037		87,947			
	1717 N. Akard	\$0	\$315,500	\$315,500	0		11,268			
Fairmont Hotel		\$24,721,980	\$2,778,020	\$27,500,000	579,037	\$43	99,215	\$28	\$47	5.84
Building floor area measurements exclude parking garages. Improvement appraisals include garages.										
Grocery stores										
Whole Foods Market	4100 Lomo Alto	\$3,382,000	\$1,775,900	\$5,157,900	35,600	\$95	70,236	\$25	\$145	0.51
Kroger Signature	5665 E. Mockingbird	\$2,623,330	\$4,188,550	\$6,811,880	79,228	\$33	349,046	\$12	\$86	0.23

# Exhibit J

## Estimated Annual Real Property Appraisals and City/County Tax to the TIF Fund, updated with 2008 values

Tax rate is assumed constant at 2008 rate. Actual rate will vary annually.  
 Tax appraisals are for Jan. 1 of the year. Levies occur by Sept. 30 of the year. Tax receipts generally occur 12-13 months after appraisal. Stream of annual investments in TIF reflects intent to retire TIF obligations after thirty years.

### PROJECTED TIF INCREMENT SCHEDULE

Tax Year	Property Value Estimate	Property Value Growth	Comp. Value Growth	Anticipated Captured Value	Anticipated Increment Revenue	Anticipated Accumulated Revenue (NPV)	Tax Increment Revenue into TIF *CITY @ 90%	Tax Increment Revenue into TIF **COUNTY @ 55%
Base 2005	\$561,696,137 (1)							
1 2006	\$714,774,902	35.13%	35.13%	\$197,337,311	\$1,542,634	\$1,469,175	1,295,085	247,549
2 2007	\$945,718,239	30.31%	76.09%	\$427,382,570	\$3,412,003	\$4,563,963	\$2,876,755	\$535,248
3 2008	\$1,464,745,587	55.85%	174.43%	\$979,758,216	\$7,891,242	\$11,380,714	\$6,594,851	\$1,296,391
4 2009	\$1,579,990,712	8.68%	198.24%	\$1,113,518,075	\$8,892,166	\$18,696,321	\$7,495,202	\$1,396,964
5 2010	\$1,717,094,567	10.35%	229.11%	\$1,286,919,300	\$10,276,887	\$26,748,531	\$8,662,383	\$1,614,505
6 2011	\$1,894,830,823	6.98%	252.07%	\$1,415,884,686	\$11,306,760	\$35,185,809	\$9,530,461	\$1,776,298
7 2012	\$2,027,020,344	16.57%	310.41%	\$1,743,585,207	\$13,923,661	\$45,081,095	\$11,736,246	\$2,187,415
8 2013	\$2,362,913,377	4.32%	328.15%	\$1,843,217,240	\$14,719,288	\$55,043,688	\$12,406,880	\$2,312,408
9 2014	\$2,465,036,212	6.99%	358.08%	\$2,011,340,075	\$16,061,858	\$65,397,305	\$13,538,531	\$2,523,327
10 2015	\$2,637,362,117	5.44%	382.99%	\$2,151,252,610	\$17,179,150	\$75,943,813	\$14,480,296	\$2,698,854
11 2016	\$2,780,772,466	7.19%	417.71%	\$2,346,244,439	\$18,736,287	\$86,898,532	\$15,792,806	\$2,943,481
12 2017	\$2,980,639,090	2.50%	430.65%	\$2,418,942,953	\$19,316,832	\$97,654,867	\$16,282,147	\$3,034,685
13 2018	\$3,055,155,067	4.08%	452.28%	\$2,540,419,448	\$20,286,901	\$108,413,443	\$17,099,817	\$3,187,083
14 2019	\$3,179,668,474	3.39%	470.99%	\$2,645,526,467	\$20,608,879	\$118,822,328	\$17,807,303	\$2,801,576
15 2020	\$3,287,403,170	3.13%	488.83%	\$2,745,759,223	\$18,481,980	\$127,712,476	\$18,481,980	\$0
16 2021	\$3,390,141,744	4.50%	515.33%	\$2,894,607,667	\$19,483,894	\$136,638,272	\$19,483,894	\$0
17 2022	\$3,542,711,399	2.57%	531.14%	\$2,983,396,212	\$20,081,538	\$145,399,781	\$20,081,538	\$0
18 2023	\$3,633,719,657	2.50%	546.92%	\$3,072,023,520	\$20,678,098	\$153,991,957	\$20,678,098	\$0
19 2024	\$3,724,562,649	2.50%	563.09%	\$3,162,866,512	\$21,289,571	\$162,416,964	\$21,289,571	\$0
20 2025	\$3,817,676,715	4.88%	595.44%	\$3,344,538,299	\$22,512,422	\$170,901,658	\$22,512,422	\$0
21 2026	\$4,003,890,297	2.50%	612.82%	\$3,442,194,160	\$23,169,753	\$179,218,264	\$23,169,753	\$0
22 2027	\$4,103,987,554	4.70%	646.35%	\$3,630,544,217	\$24,437,550	\$187,572,240	\$24,437,550	\$0
23 2028	\$4,297,046,363	2.67%	666.27%	\$3,742,437,726	\$6,865,937	\$189,807,592	\$6,865,937	\$0
24 2029	\$4,411,737,210	2.50%	685.43%	\$3,850,041,073	\$0	\$189,807,592	\$0	\$0
25 2030	\$4,522,030,640	3.03%	709.25%	\$3,983,847,003	\$0	\$189,807,592	\$0	\$0
26 2031	\$4,659,181,719	2.50%	729.48%	\$4,097,485,582	\$0	\$189,807,592	\$0	\$0
27 2032	\$4,775,661,262	2.50%	750.22%	\$4,213,965,125	\$0	\$189,807,592	\$0	\$0
28 2033	\$4,895,052,793	2.50%	771.48%	\$4,333,356,656	\$0	\$189,807,592	\$0	\$0
29 2034	\$5,017,429,113	2.50%	793.26%	\$4,455,732,976	\$0	\$189,807,592	\$0	\$0
30 2035	\$5,142,864,841	2.50%	815.60%	\$4,581,168,704	\$0	\$189,807,592	\$0	\$0
<b>Total</b>					<b>\$361,155,295</b>		<b>\$332,599,511</b>	<b>\$28,555,784</b>
<b>006 NPV @ 5%</b>					<b>\$189,807,592</b>		<b>\$171,307,592</b>	<b>\$18,500,000</b>

\* City of Dallas is expected to participate in the Downtown Connection TIF District for a period of 30 years at a rate of 90%.

\*\* Dallas County is expected to participate in the Downtown Connection TIF District for a period of 20 years at a rate of 55%.

NOTE: The 2008 property value information is from preliminary DCAD tax rolls.

(1) The base year has been adjusted from \$560,036,207 to accommodate boundary additions and deletions made prior to 2006 bonds sale and to accommodate account consolidations/duplications.

"anticipates," "plans" and "seeks," and comparable terms, are forward-looking statements. Forward-looking statements are not statements of historical fact and reflect staff's views and assumptions as of the date of this document regarding future events and operating performance. Because there is limited operating history, many statements are forward-looking statements. All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are important factors that could cause actual results to differ materially from those indicated in these statements. We believe that these factors include but are not limited to the following:

- lack of any meaningful operating history;
  - the possible need for additional capital;
  - actual results, changes in market conditions, the occurrence of catastrophic events and other factors outside our control;
  - changes in general economic conditions, including inflation, interest rates and other factors;
- This list of factors is not exhaustive.

If one or more of these or other risks or uncertainties materialize, or if underlying assumptions prove to be incorrect, actual results may vary materially from these projections. Any forward-looking statements you read in this document reflect current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to, among other things, actual operations. All subsequent written and oral forward-looking statements attributable to the City are expressly qualified in their entirety by this paragraph. The City undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future events or otherwise.

## Exhibit K

# Additional City Sales Tax Attributed to New Downtown Residences in the TIF District

Assumptions:

Average household has AGI of \$60,000 to \$70,000.  
 Average household has 1.3 people (1.3 exemptions).  
 Sales tax is based on 2004 IRS tables for Texas.  
 City sales tax rate remains at 1% of taxable sales.  
 Sales tax paid by Downtown residents outside Downtown equals tax on additional Downtown purchases by non-residents.  
 No increase of households after 2028.  
 No sales tax has been added for building construction materials.

(a) Year	(b) Anticipated Downtown Residential Units	(c) Households @ 92% Occupancy	(d) Households Added After 2005	(e) New Municipal Sales Tax @ \$131 per Added Household Plus Inflation @ 3.00%
2005	2,701	2,485	0	\$0
2006	3,482	3,203	719	\$96,950
2007	4,222	3,884	1,399	\$194,448
2008	5,397	4,965	2,480	\$355,023
2009	5,557	5,112	2,627	\$387,378
2010	7,062	6,497	4,012	\$609,344
2011	7,880	7,249	4,765	\$745,289
2012	7,880	7,249	4,765	\$767,647
2013	6,137	5,646	3,161	\$524,596
2014	6,137	5,646	3,161	\$540,334
2015	8,070	7,424	4,940	\$869,639
2016	8,070	7,424	4,940	\$895,728
2017	6,702	6,166	3,681	\$687,557
2018	6,702	6,166	3,681	\$708,184
2019	6,702	6,166	3,681	\$729,430
2020	8,152	7,500	5,015	\$1,023,509
2021	8,152	7,500	5,015	\$1,054,214
2022	8,389	7,718	5,233	\$1,133,051
2023	8,514	7,833	5,348	\$1,192,702
2024	6,860	6,311	3,827	\$878,998
2025	6,860	6,311	3,827	\$905,368
2026	8,836	8,130	5,645	\$1,375,624
2027	8,836	8,130	5,645	\$1,416,893
2028	10,685	9,830	7,345	\$1,899,073
2029	10,685	9,830	7,345	\$1,956,045
2030	10,685	9,830	7,345	\$2,014,726
2031	10,685	9,830	7,345	\$2,075,168
2032	10,685	9,830	7,345	\$2,137,423
2033	10,685	9,830	7,345	\$2,201,546
2034	10,685	9,830	7,345	\$2,267,592
2035	10,685	9,830	7,345	\$2,335,620
2036	10,685	9,830	7,345	\$2,405,688
2037	10,685	9,830	7,345	\$2,477,859
2038	10,685	9,830	7,345	\$2,552,195
2039	10,685	9,830	7,345	\$2,628,761
2040	10,685	9,830	7,345	\$2,707,624
2041	10,685	9,830	7,345	\$2,788,852
2042	10,685	9,830	7,345	\$2,872,518
2043	10,685	9,830	7,345	\$2,958,693
2044	10,685	9,830	7,345	\$3,047,454
2045	10,685	9,830	7,345	\$3,138,878
Sum for 40 years:				\$61,557,619

## Appendix A

### Real Property Accounts in the Downtown Connection TIF District (Base Year, Adjusted)

ACCOUNT NUMBER	PROPERTY ADDRESS	CITY TAXABLE BASE
00000100393000000	900 MAIN ST	\$2,836,620.00
00000100405000000	909 COMMERCE ST	\$112,500.00
00000100411000000	908 COMMERCE ST	\$500,000.00
00000100414000000	903 JACKSON ST	\$600,000.00
00000100417000000	907 JACKSON ST	\$500,000.00
00000100441000000	1401 ELM ST	\$5,648,680.00
00000100441000100	1403 ELM ST	\$600,060.00
00000100441000200	1405 ELM ST	\$1,199,880.00
00000100441000300	1407 ELM ST	\$300,060.00
00000100441000400	1409 ELM ST	\$600,060.00
00000100441000500	1411 ELM ST	\$150,000.00
0000010044100D100	1401 ELM ST	\$4,261,290.00
00000100492000000	1014 MAIN ST	\$1,964,700.00
00000100498000000	1100 MAIN ST	\$364,410.00
00000100498000100	1100 MAIN ST	\$535,320.00
00000100555000000	1100 JACKSON ST	\$441,000.00
00000100558000000	1016 JACKSON ST	\$421,800.00
00000100561000000	1109 WOOD ST	\$168,750.00
00000100564000000	1104 JACKSON ST	\$125,550.00
00000100565000000	300 S GRIFFIN ST	\$0.00
00000100565000100	1000 WOOD ST	\$157,710.00
00000100576000000	1114 WOOD ST	\$2,522,040.00
00000100594000000	1033 YOUNG ST	\$1,788,780.00
00000100801009700	403 S AKARD ST	\$270.00
00000100801009900	403 S AKARD ST	\$7,310.00
00000100876000000	1600 PACIFIC AVE	\$6,337,990.00
00000100876000100	1600 PACIFIC AVE	\$440,000.00
00000100882000000	1511 ELM ST	\$912,010.00
00000100966000000	1604 ELM ST	\$600,000.00
00000100969000000	1606 ELM ST	\$191,450.00
00000100972000000	1600 ELM ST	\$347,730.00
00000100975000000	1607 MAIN ST	\$1,326,170.00
00000100984009900	1614 ELM ST	\$113,530.00
00000100987000000	1612 ELM ST	\$189,930.00
00000100990000000	1610 ELM ST	\$326,000.00
00000100996000000	1615 MAIN ST	\$623,650.00
00000101005009900	1603 COMMERCE ST	\$4,828,340.00
00000101008000000	1622 MAIN ST	\$600,000.00
00000101011000000	1618 MAIN ST	\$150,000.00
00000101017000000	1604 MAIN ST	\$464,050.00
00000101050000000	1417 COMMERCE ST	\$305,630.00
00000101053000000	1503 COMMERCE ST	\$225,970.00
00000101056000000	1505 COMMERCE ST	\$226,950.00
00000101062000000	1513 COMMERCE ST	\$300,000.00
00000101065000000	1517 COMMERCE ST	\$300,000.00

00000101068000000	1523 COMMERCE ST	\$300,000.00
00000101071000000	1525 COMMERCE ST	\$272,080.00
00000101074000000	1603 COMMERCE ST	\$300,000.00
00000101077000000	1607 COMMERCE ST	\$150,000.00
00000101080000000	1609 COMMERCE ST	\$600,000.00
00000101083000000	1616 MAIN ST	\$300,000.00
00000101119000000	1610 JACKSON ST	\$294,940.00
00000101125000000	315 S ERVAY ST	\$472,500.00
00000101128000000	1600 JACKSON ST	\$89,480.00
0000010112800D100	1600 JACKSON ST	\$89,480.00
0000010112800D200	1600 JACKSON ST	\$44,740.00
0000010112800D300	1600 JACKSON ST	\$44,740.00
0000010112800D400	1600 JACKSON ST	\$22,370.00
0000010112800D500	1600 JACKSON ST	\$22,370.00
0000010112800D600	1600 JACKSON ST	\$22,370.00
0000010112800D700	1600 JACKSON ST	\$22,370.00
00000101136000000	400 S AKARD ST	\$8,272,000.00
00000101257000000	1515 YOUNG ST	\$0.00
00000101530000000	1907 ELM ST	\$5,000,000.00
00000101689100000	1808 MAIN ST	\$3,177,550.00
00000101689500000	1807 COMMERCE ST	\$500,000.00
00000101692000000	1954 COMMERCE ST	\$1,131,790.00
00000101695000000	1902 COMMERCE ST	\$2,510,000.00
00000101698000000	1712 COMMERCE ST	\$300,000.00
00000101698000100	1712 COMMERCE ST	\$4,907,100.00
00000101701000000	1810 COMMERCE ST	\$2,208,600.00
00000101707000000	208 S ERVAY ST	\$207,900.00
00000101710100000	1709 JACKSON ST	\$337,500.00
00000101713000000	1810 JACKSON ST	\$1,583,660.00
00000101734000000	1708 JACKSON ST	\$240,450.00
00000101746000000	1710 JACKSON ST	\$333,950.00
00000101752000000	308 S ERVAY ST	\$68,850.00
00000101755000000	302 S ERVAY ST	\$203,850.00
00000101758000000	312 S ERVAY ST	\$155,460.00
00000101764000000	1900 JACKSON ST	\$2,600,000.00
00000101767000000	1915 WOOD ST	\$994,080.00
00000101770000000	1815 WOOD ST	\$1,433,030.00
00000101779000000	1916 JACKSON ST	\$111,720.00
00000101782000000	301 S HARWOOD ST	\$1,298,790.00
00000101788000000	416 S ERVAY ST	\$39,410.00
00000101791000000	420 S ERVAY ST	\$105,000.00
00000101797000000	1707 YOUNG ST	\$91,920.00
00000101800000000	1713 YOUNG ST	\$34,880.00
00000101803000000	1715 YOUNG ST	\$38,750.00
00000101806000000	1705 YOUNG ST	\$80,100.00
00000101815000000	418 S ERVAY ST	\$88,830.00
00000101818000000	400 S ERVAY ST	\$312,000.00
00000101821000000	404 S ERVAY ST	\$50,000.00
00000101824000000	408 S ERVAY ST	\$99,830.00
00000101827000000	1706 WOOD ST	\$113,220.00
00000101830000000	1714 WOOD ST	\$318,600.00
00000101833009900	1721 YOUNG ST	\$116,030.00

00000101834009900	1721 YOUNG ST	\$20,480.00
00000101836000000	1717 YOUNG ST	\$70,530.00
00000101839000000	1727 YOUNG ST	\$77,000.00
00000101842000000	500 S ERVAY ST	\$2,500,000.00
00000101944000000	1933 MAIN ST	\$5,000,000.00
00000101974009900	1928 MAIN ST	\$500,000.00
00000101977000000	1924 MAIN ST	\$301,000.00
00000101980000000	1920 MAIN ST	\$343,330.00
00000101983000000	1916 MAIN ST	\$300,000.00
00000101986000000	1912 MAIN ST	\$300,000.00
00000101989000000	1910 MAIN ST	\$660,000.00
00000101992000000	1906 MAIN ST	\$1,133,400.00
00000101995000000	1913 COMMERCE ST	\$300,000.00
00000101998000000	1917 COMMERCE ST	\$0.00
00000102004000000	1921 COMMERCE ST	\$950,000.00
00000102007000000	1775 YOUNG ST	\$249,380.00
00000102016000000	401 N ST PAUL ST	\$67,500.00
00000102025000000	1801 YOUNG ST	\$316,440.00
00000102040000000	509 S ST PAUL ST	\$26,500.00
00000102049000000	515 S ST PAUL ST	\$92,220.00
00000102064000000	1800 YOUNG ST	\$53,000.00
00000102389000000	2001 ELM ST	\$956,480.00
00000102391000000	2009 ELM ST	\$45,000.00
00000102394000000	2115 ELM ST	\$154,240.00
00000102397000000	2120 PACIFIC AVE	\$228,160.00
00000102403000000	2101 ELM ST	\$112,000.00
00000102406000000	2108 PACIFIC AVE	\$181,200.00
00000102409000000	210 OLIVE ST	\$42,000.00
00000102412000000	2104 PACIFIC AVE	\$126,560.00
00000102415000000	2111 ELM ST	\$140,700.00
00000102418000000	2107 ELM ST	\$80,000.00
00000102481000000	2009 COMMERCE ST	\$0.00
00000102484000000	2033 COMMERCE ST	\$199,800.00
00000102487000000	2019 COMMERCE ST	\$0.00
00000102490000000	2020 MAIN ST	\$0.00
00000102493000000	2030 MAIN ST	\$0.00
00000102496000000	2012 COMMERCE ST	\$326,240.00
00000102499500000	210 S HARWOOD ST	\$0.00
00000102502000000	2002 COMMERCE ST	\$160,200.00
00000102505000000	2007 JACKSON ST	\$108,000.00
00000102508000000	2013 JACKSON ST	\$207,000.00
00000102514000000	2008 COMMERCE ST	\$333,820.00
00000102517000000	2016 COMMERCE ST	\$100,000.00
00000102520000000	2015 JACKSON ST	\$102,960.00
00000102523000000	2037 JACKSON ST	\$120,000.00
00000102526000000	2031 JACKSON ST	\$69,700.00
00000102529000000	2027 JACKSON ST	\$194,280.00
00000102538000000	2020 COMMERCE ST	\$45,000.00
00000102541000000	2022 COMMERCE ST	\$60,460.00
00000102544000000	2024 COMMERCE ST	\$150,000.00
00000102547000000	2026 COMMERCE ST	\$330,340.00
00000102550000000	2030 COMMERCE ST	\$45,000.00

00000102553000000	2032 COMMERCE ST	\$45,000.00
00000102556000000	2036 COMMERCE ST	\$0.00
00000102559000000	2036 COMMERCE ST	\$0.00
00000102562000000	2038 COMMERCE ST	\$0.00
00000102565009900	408 S HARWOOD ST	\$32,530.00
00000102568009900	408 S HARWOOD ST	\$32,530.00
00000102571009900	408 S HARWOOD ST	\$32,530.00
00000102574000000	2012 JACKSON ST	\$576,820.00
00000102592000000	2027 WOOD ST	\$95,580.00
00000102598000000	404 S HARWOOD ST	\$78,540.00
00000102601000000	300 S HARWOOD ST	\$170,560.00
00000102604000000	308 S HARWOOD ST	\$151,360.00
00000102607000000	412 S HARWOOD ST	\$135,000.00
0000010260700HS00	412 S HARWOOD ST	\$84,859.00
00000102610000000	2008 JACKSON ST	\$186,176.00
00000102613000000	312 S HARWOOD ST	\$0.00
0000010261300HS00	312 S HARWOOD ST	\$0.00
00000102616000000	2011 YOUNG ST	\$128,790.00
00000102619000000	2010 JACKSON ST	\$45,000.00
00000102622000000	317 S PEARL EXPY	\$1,000,000.00
00000102625000000	2027 YOUNG ST	\$260,000.00
00000102629000000	2023 YOUNG ST	\$200,000.00
00000102631000000	2017 YOUNG ST	\$243,020.00
00000102635000000	2011 YOUNG ST	\$267,520.00
00000102637000000	307 S PEARL EXPY	\$108,900.00
00000102766000000	2200 PACIFIC AVE	\$99,280.00
00000102769000000	210 S PEARL EXPY	\$37,910.00
00000102772000000	2221 ELM ST	\$73,340.00
00000102775000000	2222 PACIFIC AVE	\$204,000.00
00000102778000000	2219 ELM ST	\$46,660.00
00000102787000000	2217 ELM ST	\$70,000.00
00000102790000000	2210 PACIFIC AVE	\$221,500.00
00000102796000000	2213 ELM ST	\$35,000.00
00000102799000000	2211 ELM ST	\$35,000.00
00000102802000000	2209 ELM ST	\$70,000.00
00000102805000000	2208 PACIFIC AVE	\$55,130.00
00000102808000000	2205 ELM ST	\$40,000.00
00000102811000000	2203 ELM ST	\$27,880.00
00000102814000000	2125 MAIN ST	\$90,000.00
00000102817000000	2121 MAIN ST	\$1,400,640.00
00000102820000000	2107 MAIN ST	\$110,060.00
00000102823000000	2101 MAIN ST	\$182,340.00
00000102824000000	108 N PEARL EXPY	\$127,500.00
00000102829000000	2206 ELM ST	\$95,460.00
00000102832000000	2210 ELM ST	\$45,000.00
00000102835000000	2212 ELM ST	\$45,000.00
00000102838000000	2214 ELM ST	\$45,000.00
00000102841000000	2216 ELM ST	\$90,000.00
00000102844000000	2220 ELM ST	\$45,000.00
00000102847000000	2222 ELM ST	\$255,270.00
00000102850000000	2224 ELM ST	\$51,540.00
00000102853000000	2226 ELM ST	\$126,000.00



00000102856500000	2125 COMMERCE ST	\$0.00
00000102859000000	2121 COMMERCE ST	\$78,750.00
00000102862000000	2117 COMMERCE ST	\$155,070.00
00000102865000000	2113 COMMERCE ST	\$106,200.00
00000102868000000	2109 COMMERCE ST	\$500,900.00
00000102871000000	2105 COMMERCE ST	\$1,400,000.00
00000102874009900	2101 COMMERCE ST	\$39,380.00
00000102874509900	2101 COMMERCE ST	\$39,380.00
00000102877009900	2100 MAIN ST	\$59,060.00
00000102877509900	2100 MAIN ST	\$59,060.00
00000102880000000	2106 MAIN ST	\$241,360.00
00000102883000000	2110 MAIN ST	\$78,750.00
00000102886000000	2114 MAIN ST	\$114,750.00
00000102889000000	2120 MAIN ST	\$78,750.00
00000102892000000	2124 MAIN ST	\$78,750.00
00000103081000000	2306 PACIFIC AVE	\$594,100.00
00000103144400000	2214 MAIN ST	\$300,000.00
00000103144800000	2210 MAIN ST	\$236,250.00
00000103145000000	2208 MAIN ST	\$590,630.00
00000103159000000	2215 COMMERCE ST	\$207,000.00
00000103168000000	2211 COMMERCE ST	\$675,000.00
00000103174009900	2207 COMMERCE ST	\$450,000.00
00000103186400000	2222 MAIN ST	\$273,440.00
00000103187000000	2201 COMMERCE ST	\$105,080.00
00000104380000000	1910 N LAMAR ST	\$174,920.00
00000104383000000	906 MUNGER AVE	\$157,410.00
00000104386000000	1901 LAWS ST	\$248,580.00
00000104389000000	1902 N LAMAR ST	\$386,820.00
00000104392000000	911 CORBIN ST	\$423,680.00
00000104395000000	1914 N LAMAR ST	\$174,960.00
00000104419000000	1012 MCKINNEY AVE	\$1,916,110.00
00000104485000000	912 ROSS AVE	\$648,830.00
00000104488000000	406 N LAMAR ST	\$89,780.00
00000104491000000	400 N LAMAR ST	\$222,130.00
00000104500009900	913 SAN JACINTO ST	\$25,310.00
00000104503000000	915 SAN JACINTO ST	\$262,500.00
00000104506000000	505 N GRIFFIN ST	\$403,530.00
00000104509000000	911 SAN JACINTO ST	\$83,130.00
00000104515000000	1001 SAN JACINTO ST	\$246,440.00
00000104518000000	902 ROSS AVE	\$160,920.00
00000104521000000	1012 ROSS AVE	\$254,390.00
00000104527000000	1003 SAN JACINTO ST	\$141,990.00
00000104533000000	909 SAN JACINTO ST	\$83,130.00
00000104536000000	907 SAN JACINTO ST	\$128,250.00
00000104536500000	905 SAN JACINTO ST	\$90,010.00
00000104539009900	913 SAN JACINTO ST	\$53,440.00
00000104578000000	1108 CORBIN ST	\$198,170.00
00000104581000000	1110 CORBIN ST	\$143,150.00
00000104584000000	1102 CORBIN ST	\$242,130.00
00000104590000000	1810 N GRIFFIN ST	\$253,540.00
00000104597000000	1210 CORBIN ST	\$0.00
00000104602000000	1206 CORBIN ST	\$362,570.00

00000104617000000	1802 N GRIFFIN ST	\$525,530.00
00000104645000000	660 N GRIFFIN ST	\$0.00
00000104650000000	1102 HORD ST	\$225,610.00
00000104653000000	1708 N GRIFFIN ST	\$391,980.00
00000104683000000	1110 ROSS AVE	\$157,460.00
00000104686000000	1115 SAN JACINTO ST	\$130,000.00
00000104689000000	500 N GRIFFIN ST	\$231,910.00
00000104707000000	1205 PATTERSON AVE	\$722,570.00
00000104716000000	1100 PATTERSON AVE	\$1,294,800.00
00000104812000000	611 N FIELD ST	\$411,940.00
00000104815000000	1300 ROSS AVE	\$624,810.00
00000104857000000	500 N FIELD ST	\$95,810.00
00000104860000000	511 N AKARD ST	\$2,000,000.00
00000104872000000	1414 SAN JACINTO ST	\$150,900.00
00000104875000000	1406 SAN JACINTO ST	\$221,880.00
00000104878000000	1404 SAN JACINTO ST	\$152,050.00
00000104881000000	1402 SAN JACINTO ST	\$178,070.00
00000104884000000	1338 SAN JACINTO ST	\$85,960.00
00000104887000000	1320 SAN JACINTO ST	\$149,500.00
00000104890000000	1217 PATTERSON AVE	\$319,800.00
00000104893000000	1216 SAN JACINTO ST	\$74,750.00
00000104896000000	1214 SAN JACINTO ST	\$74,750.00
00000104899000000	1212 SAN JACINTO ST	\$282,570.00
00000104902000000	1215 PATTERSON AVE	\$149,500.00
00000104905000000	501 N FIELD ST	\$91,490.00
00000104908000000	512 N FIELD ST	\$84,140.00
00000104911000000	1309 PATTERSON AVE	\$159,900.00
00000104914000000	1407 PATTERSON AVE	\$309,400.00
00000104917000000	1411 PATTERSON AVE	\$154,700.00
00000104920000000	1415 PATTERSON AVE	\$211,460.00
00000104923000000	505 N AKARD ST	\$2,150,160.00
00000104926000000	1310 PATTERSON AVE	\$146,200.00
00000104929000000	409 N AKARD ST	\$164,320.00
00000104932000000	413 N AKARD ST	\$50,910.00
00000104935000000	1411 FEDERAL ST	\$158,260.00
00000104938000000	1405 FEDERAL ST	\$284,750.00
00000104941000000	1414 PATTERSON AVE	\$202,980.00
00000104944000000	1403 FEDERAL ST	\$188,550.00
00000104947000000	1319 FEDERAL ST	\$94,280.00
00000104950000000	1314 PATTERSON AVE	\$94,280.00
00000104953009900	411 N AKARD ST	\$8,208,980.00
00000104956000000	1311 FEDERAL ST	\$30,500.00
00000104959000000	1313 FEDERAL ST	\$98,000.00
00000104962000000	1317 FEDERAL ST	\$90,650.00
00000104965000000	415 N AKARD ST	\$115,700.00
00000104968000000	417 N AKARD ST	\$56,990.00
00000105196000000	504 N ST PAUL ST	\$331,140.00
00000105198000000	400 N ST PAUL ST	\$0.00
00000105208000000	502 N ST PAUL ST	\$355,600.00
00000105235000000	2020 ROSS AVE	\$868,270.00
00000105241000000	2013 SAN JACINTO ST	\$649,920.00
00000105250000000	2016 ROSS AVE	\$191,730.00

00000105253000000	2000 ROSS AVE	\$564,540.00
00000105256000000	2010 ROSS AVE	\$298,800.00
00000105259000000	2014 ROSS AVE	\$192,540.00
00000105262000000	2021 SAN JACINTO ST	\$848,400.00
00000105265000000	820 N HARWOOD ST	\$419,490.00
00000105397000000	1901 PACIFIC AVE	\$0.00
00000105534000000	2318 ROSS AVE	\$2,332,530.00
00000105592000000	2300 LIVE OAK ST	\$0.00
00000105607000000	435 N CENTRAL EXPY	\$0.00
00000105616000000	318 CROCKETT ST	\$0.00
00000105628000000	2201 PACIFIC AVE	\$0.00
00000105634000000	312 N PEARL EXPY	\$0.00
00000105646000000	2211 PACIFIC AVE	\$0.00
00000105652000000	2411 SAN JACINTO ST	\$158,400.00
00000105655000000	2401 SAN JACINTO ST	\$52,500.00
00000105658000000	810 LEONARD ST	\$36,000.00
00000105661000000	812 LEONARD ST	\$86,220.00
00000105664000000	2403 SAN JACINTO ST	\$60,000.00
00000105667000000	2407 SAN JACINTO ST	\$90,000.00
00000105676000000	2415 SAN JACINTO ST	\$48,570.00
00000105679000000	2419 SAN JACINTO ST	\$48,570.00
00000105682000000	2421 SAN JACINTO ST	\$48,570.00
00000105685000000	2425 SAN JACINTO ST	\$110,250.00
00000105688000000	2510 SALINA ALLEY DR	\$69,380.00
00000105691000000	2516 SALINA ALLEY DR	\$69,380.00
00000105694000000	2520 SALINA ALLEY DR	\$76,320.00
00000105697000000	1109 HAWKINS ST	\$41,630.00
00000105700000000	2425 FEDERAL ST	\$0.00
00000105703000000	2431 FEDERAL ST	\$0.00
00000105706000000	1015 HAWKINS ST	\$1,057,000.00
00000105718000000	1025 HAWKINS ST	\$502,340.00
00000105727000000	732 LEONARD ST	\$458,160.00
00000105739250000	700 LEONARD ST	\$141,280.00
00000105739500000	702 LEONARD ST	\$141,460.00
00000105739750000	722 LEONARD ST	\$178,910.00
00000105742000000	2401 FEDERAL ST	\$196,860.00
00000105757000000	2401 BRYAN ST	\$0.00
00000105760000000	2411 BRYAN ST	\$0.00
00000105763000000	2409 BRYAN ST	\$0.00
00000105766000000	2419 BRYAN ST	\$0.00
00000105769000000	2415 BRYAN ST	\$0.00
00000105790000000	2520 ROSS AVE	\$463,680.00
00000105799000000	2503 SAN JACINTO ST	\$318,470.00
00000105808000000	2508 ROSS AVE	\$98,550.00
00000105811000000	2501 SAN JACINTO ST	\$58,410.00
00000105814000000	2512 ROSS AVE	\$302,950.00
00000105817000000	2504 ROSS AVE	\$103,500.00
00000105820000000	2504 SALINA ALLEY DR	\$83,050.00
00000105823000000	2526 ROSS AVE	\$240,890.00
0000010582300D100	2526 ROSS AVE	\$33,460.00
0000010582300D200	2526 ROSS AVE	\$16,730.00
00000105826000000	2500 ROSS AVE	\$143,780.00

00000105829000000	1018 HAWKINS ST	\$0.00
00000105835000000	2500 SAN JACINTO ST	\$0.00
00000105838000000	2502 SAN JACINTO ST	\$0.00
00000105841000000	1039 ROUTH ST	\$0.00
00000105844000000	1026 HAWKINS ST	\$0.00
00000105845000000	2700 ROUTH ST	\$36,750.00
00000105853000000	1022 HAWKINS ST	\$0.00
00000105856000000	1010 HAWKINS ST	\$145,080.00
00000105859000000	1023 ROUTH ST	\$0.00
00000105862000000	904 HAWKINS ST	\$0.00
00000105997000000	2600 ROSS AVE	\$0.00
00000106000000000	2620 ROSS AVE	\$168,700.00
00000106003000000	2608 ROSS AVE	\$173,020.00
00000106006000000	2625 SAN JACINTO ST	\$192,890.00
00000106009000000	2615 ROSS AVE	\$199,260.00
00000106012000000	2615 SAN JACINTO ST	\$134,600.00
00000106015000000	2632 ROSS AVE	\$243,160.00
00000106018000000	2624 ROSS AVE	\$134,960.00
00000106021000000	2619 SAN JACINTO ST	\$148,650.00
00000106024000000	2616 ROSS AVE	\$168,700.00
00000106027000000	2603 SAN JACINTO ST	\$354,810.00
00000106030000000	2611 SAN JACINTO ST	\$136,760.00
00000106033500000	845 N CENTRAL EXPY	\$0.00
00000106105000000	400 N CENTRAL EXPY	\$0.00
00000106108000000	400 N CENTRAL EXPY	\$0.00
00000106687000000	2421 N AKARD ST	\$174,150.00
00000106690000000	2417 N AKARD ST	\$149,850.00
00000106693000000	2413 N AKARD ST	\$162,000.00
00000106696000000	2411 N AKARD ST	\$162,000.00
00000106699000000	2407 N AKARD ST	\$162,000.00
00000106702000000	2403 N AKARD ST	\$161,640.00
00000106705000000	2412 CAROLINE ST	\$324,000.00
00000106708000000	2416 CAROLINE ST	\$1,233,090.00
00000106711000000	2325 N AKARD ST	\$272,090.00
00000106714000000	2301 N AKARD ST	\$1,700,000.00
00000106726000000	1703 CEDAR SPRINGS RD	\$1,958,500.00
00000106741000000	1712 CEDAR SPRINGS RD	\$499,590.00
00000106744000000	2203 N AKARD ST	\$398,550.00
00000106747000000	1709 MCKINNEY AVE	\$224,210.00
00000106750000000	1708 CEDAR SPRINGS RD	\$373,980.00
00000106753000000	1701 MCKINNEY AVE	\$690,130.00
00000106756000000	2210 CAROLINE ST	\$450,630.00
00000106759000000	2222 CAROLINE ST	\$217,000.00
00000106762000000	2216 CAROLINE ST	\$217,000.00
00000106765000000	2215 N AKARD ST	\$208,250.00
00000106768000000	1899 MCKINNEY AVE	\$1,600,000.00
00000106936009900	2503 ROSS AVE	\$0.00
00000106939000000	2526 FLORA ST	\$0.00
00000106942009900	2501 ROSS AVE	\$162,980.00
00000106945000000	2509 ROSS AVE	\$89,480.00
00000106945000200	2511 ROSS AVE	\$0.00
00000106945000300	2507 ROSS AVE	\$0.00

00000106948000000	2513 ROSS AVE	\$0.00
00000106954000000	2515 ROSS AVE	\$0.00
00000106957000000	2525 ROSS AVE	\$0.00
00000106960000000	2500 FLORA ST	\$0.00
00000106963000000	2504 FLORA ST	\$0.00
00000106966000000	2508 FLORA ST	\$0.00
00000106969000000	2510 FLORA ST	\$133,350.00
00000106972000000	2512 FLORA ST	\$0.00
00000106975000000	2514 FLORA ST	\$200,100.00
00000106978000000	2518 FLORA ST	\$200,100.00
00000106981000000	1725 ROUTH ST	\$0.00
00000106984000000	1715 ROUTH ST	\$0.00
00000106987000000	1719 ROUTH ST	\$27,330.00
00000106990000000	1723 ROUTH ST	\$22,380.00
00000106993000000	2524 FLORA ST	\$0.00
00000106996000000	2522 FLORA ST	\$0.00
00000106999000000	2501 FLORA ST	\$0.00
00000107002000000	1901 ROUTH ST	\$0.00
00000107005000100	2706 WOODALL RODGERS FWY	\$80,610.00
00000107008000000	2702 WOODALL ROGERS FWY	\$127,880.00
00000107011000000	1904 ROUTH ST	\$33,330.00
00000107014000000	1902 ROUTH ST	\$26,270.00
00000107017000000	2704 WOODALL ROGERS FWY	\$56,530.00
00000107020000000	2609 WADE RD	\$473,330.00
00000107068000000	2600 MUNGER AVE	\$0.00
00000107071000000	2606 MUNGER AVE	\$0.00
00000107074000000	2605 WADE RD	\$0.00
00000107086000000	2607 WADE RD	\$18,010.00
00000107089000000	2608 MUNGER AVE	\$17,930.00
00000107110000000	2603 ROSS AVE	\$295,230.00
00000107113000000	2613 ROSS AVE	\$162,530.00
00000107116000000	2613 ROSS AVE	\$162,530.00
00000107374000000	1909 FAIRMOUNT ST	\$0.00
00000107374000100	1907 FAIRMOUNT ST	\$0.00
00000107419000000	2403 FLORA ST	\$0.00
00000107431000000	2401 FLORA ST	\$0.00
00000107449000000	1725 FAIRMOUNT ST	\$0.00
00000107452000000	2411 ROSS AVE	\$0.00
00000107455000000	1707 FAIRMOUNT ST	\$0.00
00000107458000000	2400 FLORA ST	\$0.00
00000107784509600	1035 YOUNG ST	\$0.00
00000107795000000	400 S GRIFFIN ST	\$0.00
00000107796000000	1002 WOOD ST	\$2,669,180.00
00000107845000000	1900 N AKARD ST	\$3,700,000.00
00000107908000000	2422 AKARD ST	\$0.00
00000107911000000	2402 HARRY HINES BLVD	\$0.00
00000107986000000	2607 N HARWOOD ST	\$150,000.00
00000107989000000	2611 N HARWOOD ST	\$150,000.00
00000107992000000	2617 N HARWOOD ST	\$270,000.00
00000107995000000	2614 HARRY HINES BLVD	\$120,000.00
00000108001000000	2612 HARRY HINES BLVD	\$150,000.00
00000108002000000	2610 HARRY HINES BLVD	\$128,970.00

00000108004000000	2501 N HARWOOD ST	\$2,710,000.00
00000110720000000	1627 PACIFIC AVE	\$0.00
00000110749000000	306 N ST PAUL ST	\$150,160.00
0000011074900D100	306 N ST PAUL ST	\$119,710.00
0000011074900D200	306 N ST PAUL ST	\$95,770.00
0000011074900D300	306 N ST PAUL ST	\$63,850.00
0000011074900D400	306 N ST PAUL ST	\$63,850.00
0000011074900D500	306 N ST PAUL ST	\$63,850.00
0000011074900D600	306 N ST PAUL ST	\$52,330.00
0000011074900D700	306 N ST PAUL ST	\$51,420.00
0000011074900D800	306 N ST PAUL ST	\$41,370.00
0000011074900D900	306 N ST PAUL ST	\$23,940.00
000001107490D1000	306 N ST PAUL ST	\$23,940.00
000001107490D1100	306 N ST PAUL ST	\$23,940.00
000001107490D1200	306 N ST PAUL ST	\$23,940.00
00000110773000000	308 N ST PAUL ST	\$97,786.00
00000110773000100	308 N ST PAUL ST	\$122,194.00
00000110836000000	401 N HARWOOD ST	\$1,124,870.00
00000110836000100	322 N ST PAUL ST	\$77,145.00
00000110836000300	413 N HARWOOD ST	\$462,420.00
00000110836000400	300 N ST PAUL ST	\$123,200.00
00000110836000500	322 N ST PAUL ST	\$208,105.00
00000110848000000	312 N ST PAUL ST	\$374,080.00
00000110848000100	312 N ST PAUL ST	\$41,815.00
00000112297000100	1717 N AKARD ST	\$315,000.00
00000112324000000	1616 WOODALL RODGRS FWY	\$7,500,000.00
00000112348000000	2012 N FIELD ST	\$2,800,000.00
00000112360000000	1820 N ST PAUL ST	\$0.00
00000112363000000	1701 N HARWOOD ST	\$0.00
00000112366000000	1730 N ST PAUL ST	\$0.00
00000112369000000	1811 N HARWOOD ST	\$0.00
00000112372000000	1807 N HARWOOD ST	\$0.00
00000112375000000	1903 ROSS AVE	\$0.00
00000112378000000	1729 N HARWOOD ST	\$0.00
00000112381000000	1717 N HARWOOD ST	\$0.00
00000112384000000	1727 N HARWOOD ST	\$0.00
00000112387000000	1735 N HARWOOD ST	\$0.00
00000112393000000	1919 ROSS AVE	\$0.00
00000112396000000	1802 N ST PAUL ST	\$0.00
00000112399000000	1810 N ST PAUL ST	\$0.00
00000112402000000	1901 MUNGER AVE	\$0.00
00000112405000000	1901 N HARWOOD ST	\$0.00
00000112408000000	1915 MUNGER AVE	\$0.00
00000112411000000	1922 N ST PAUL ST	\$0.00
00000112414000000	1915 N HARWOOD ST	\$0.00
00000112417000000	1916 N ST PAUL ST	\$0.00
00000112420000000	1912 N ST PAUL ST	\$0.00
00000112423000000	1936 MCKINNEY AVE	\$1,272,840.00
00000112456000000	1920 MCKINNEY AVE	\$320,200.00
00000112549000100	2001 PEARL ST	\$0.00
00000112579000100	1700 N HARWOOD ST	\$0.00
00000112636000000	1722 PEARL ST	\$0.00

00000112636000100	1726 PEARL ST	\$0.00
00000112636000200	2200 ROSS AVE	\$0.00
00000112636000300	2251 PEARL ST	\$0.00
00000112636009900	2251 PEARL ST	\$0.00
00000112708000000	2212 WOODALL RODGERS FWY	\$0.00
00000112723000000	1901 CROCKETT ST	\$0.00
00000112750000000	2101 PEARL ST	\$4,146,520.00
00000112753000000	2130 OLIVE ST	\$283,680.00
00000112765000000	2110 COLBY ST	\$257,250.00
00000112771000000	2122 OLIVE ST	\$713,760.00
00000112774000000	2121 PEARL ST	\$532,910.00
00000112777000000	2127 PEARL ST	\$195,510.00
00000112780000000	2131 PEARL ST	\$195,510.00
00000112969000000	2125 FAIRMOUNT ST	\$165,900.00
00000112970000000	2124 LEONARD ST	\$242,000.00
00000112972000000	2122 LEONARD ST	\$165,900.00
00000112975000000	2121 FAIRMOUNT ST	\$166,950.00
00000112978000000	2118 LEONARD ST	\$167,030.00
00000112981000000	2113 FAIRMOUNT ST	\$2,145,480.00
00000113647000000	1710 BOLL ST	\$0.00
00000113650000000	2701 ROSS AVE	\$0.00
00000113674000000	2700 FLORA ST	\$0.00
00000113692000000	1800 BOLL ST	\$1,301,590.00
00000113693000000	2802 WOODALL ROGERS FWY	\$320.00
00000113693000100	1802 BOLL ST	\$48,850.00
00000113785000000	2815 FLORA ST	\$56,840.00
00000113788000000	2880 WOODALL RODGERS FWY	\$0.00
00000113791000000	1817 WOODALL RODGERS FWY	\$9,810.00
00000113792000000	1900 BOLL ST	\$6,140.00
00000134365000000	2728 MCKINNON ST	\$6,595,340.00
00000134395000000	2819 MCKINNON ST	\$187,500.00
00000134398000000	2823 MCKINNON ST	\$187,500.00
00000134401000000	2825 MCKINNON ST	\$243,750.00
00000134404000000	2826 N HARWOOD ST	\$213,000.00
00000134407000000	2822 N HARWOOD ST	\$150,000.00
00000134410000000	2818 N HARWOOD ST	\$150,000.00
00000134413000000	2814 N HARWOOD ST	\$125,700.00
00000134431000000	2821 N HARWOOD ST	\$108,120.00
00000134434000000	2818 HARRY HINES BLVD	\$150,360.00
00000134437000000	2825 N HARWOOD ST	\$325,910.00
00000134440000000	2807 N HARWOOD ST	\$126,000.00
00000134443000000	2806 HARRY HINES BLVD	\$148,470.00
00000134446000000	2801 N HARWOOD ST	\$173,250.00
00000134449000000	2810 HARRY HINES BLVD	\$203,010.00
00000134452000000	2805 N HARWOOD ST	\$110,250.00
00000134455000000	2830 HARRY HINES BLVD	\$462,530.00
00000134458000000	2814 HARRY HINES BLVD	\$183,940.00
00000134461000000	2804 HARRY HINES BLVD	\$149,490.00
00000134464000000	2800 HARRY HINES BLVD	\$158,010.00
00000134467000000	2815 N HARWOOD ST	\$128,875.00
00000134470000000	2809 N HARWOOD ST	\$103,950.00
00000134473000000	2819 N HARWOOD ST	\$138,600.00

00000134476000000	2813 N HARWOOD ST	\$150,000.00
00000134518000000	3015 MCKINNON ST	\$170,950.00
00000134521000000	3009 MCKINNON ST	\$173,191.00
00000134524000000	3019 MCKINNON ST	\$195,760.00
00000134527000000	3023 MCKINNON ST	\$184,668.00
00000134533000000	3000 N HARWOOD ST	\$192,950.00
00000134536000000	3004 N HARWOOD ST	\$173,250.00
00000134539000000	3008 N HARWOOD ST	\$172,480.00
00000134542000000	3012 N HARWOOD ST	\$173,670.00
00000134545000000	3016 N HARWOOD ST	\$186,340.00
00000134548000000	3020 N HARWOOD ST	\$177,610.00
00000134551000000	3005 MCKINNON ST	\$175,480.00
00000134554000000	3024 N HARWOOD ST	\$249,180.00
00000134557000000	3003 MCKINNON ST	\$180,040.00
00000134923000000	2817 MAPLE AVE	\$870,000.00
00000134927000000	2905 MAPLE AVE	\$1,303,610.00
00000134947000000	2425 CEDAR SPRINGS RD	\$358,090.00
0000013494700HS00	2425 CEDAR SPRINGS RD	\$236,912.00
00000134962000000	2912 MAPLE AVE	\$545,380.00
00000134965000000	2917 FAIRMOUNT ST	\$308,800.00
00000134968000000	2921 FAIRMOUNT ST	\$400,120.00
00000134971000000	2926 MAPLE AVE	\$623,900.00
00000134974000000	2923 FAIRMOUNT ST	\$314,500.00
00000134977000000	2925 FAIRMOUNT ST	\$303,360.00
00000134980000000	3000 MAPLE AVE	\$900,000.00
00000134981000000	3008 MAPLE AVE	\$1,650,000.00
00000134983000000	3001 FAIRMOUNT ST	\$340,000.00
00000134986000000	3005 FAIRMOUNT ST	\$200,880.00
00000134991000000	3033 FAIRMOUNT ST	\$142,176.00
00000134991050000	3011 FAIRMOUNT ST	\$160,264.00
00000134991100000	3013 FAIRMOUNT ST	\$152,400.00
00000134991150000	3015 FAIRMOUNT ST	\$148,000.00
00000134991200000	3017 FAIRMOUNT ST	\$168,400.00
00000134991250000	3019 FAIRMOUNT ST	\$210,500.00
00000134991300000	3021 FAIRMOUNT ST	\$200,000.00
00000134991350000	3023 FAIRMOUNT ST	\$199,460.00
00000134991400000	3025 FAIRMOUNT ST	\$202,000.00
00000134991450000	3027 FAIRMOUNT ST	\$161,600.00
00000134991500000	3029 FAIRMOUNT ST	\$137,600.00
00000134991550000	3031 FAIRMOUNT ST	\$160,000.00
00000134995000000	3012 MAPLE AVE	\$389,790.00
00000135001000000	2902 MAPLE AVE	\$370,120.00
00000135106000000	3131 MAPLE AVE	\$10,000,000.00
00000135202000000	2222 N HARWOOD ST	\$2,066,140.00
00000135214000000	2001 MCKINNEY AVE	\$6,027,720.00
00000135301000000	2521 FAIRMOUNT ST	\$578,430.00
00000135304000000	2507 FAIRMOUNT ST	\$1,745,890.00
00000135307000000	2425 MCKINNEY AVE	\$1,720,260.00
00000135313000000	2515 FAIRMOUNT ST	\$234,300.00
00000135316000000	2519 FAIRMOUNT ST	\$580,000.00
00000135322000000	2421 MCKINNEY AVE	\$494,730.00
00000135340000000	2516 MAPLE AVE	\$900,000.00



00000135343000000	2525 FAIRMOUNT ST	\$700,200.00
00000135346000000	2527 FAIRMOUNT ST	\$440,000.00
00000135355000000	2504 MAPLE AVE	\$315,000.00
00000135356000000	2508 MAPLE AVE	\$746,220.00
00000135367000000	2603 FAIRMOUNT ST	\$1,032,470.00
00000135370000000	2611 FAIRMOUNT ST	\$737,510.00
00000135376000000	2701 FAIRMOUNT ST	\$380,000.00
00000135382000000	2707 FAIRMOUNT ST	\$371,700.00
00000135385000000	2628 MAPLE AVE	\$2,191,620.00
00000135388000000	2711 FAIRMOUNT ST	\$167,300.00
0000013538800HS00	2711 FAIRMOUNT ST	\$111,064.00
00000135391000000	2715 FAIRMOUNT ST	\$331,470.00
00000135394000000	2719 FAIRMOUNT ST	\$430,920.00
00000135397000000	2723 FAIRMOUNT ST	\$726,470.00
00000135400000000	2408 CEDAR SPRINGS RD	\$1,072,620.00
00000135403000000	2812 FAIRMOUNT ST	\$297,000.00
00000135406000000	2816 FAIRMOUNT ST	\$1,931,540.00
00000135409000000	2911 ROUTH ST	\$2,651,020.00
00000135415000000	2907 ROUTH ST	\$487,000.00
00000135418000000	2901 ROUTH ST	\$472,500.00
00000135421000000	2821 ROUTH ST	\$487,000.00
00000135424000000	2808 FAIRMOUNT ST	\$270,000.00
00000135427000000	2808 FAIRMOUNT ST	\$2,844,180.00
00000135430000000	2817 ROUTH ST	\$473,500.00
00000135433000000	2813 ROUTH ST	\$472,500.00
00000135436000000	2811 ROUTH ST	\$866,250.00
00000135439000000	2803 ROUTH ST	\$456,750.00
000063000A0010000	1000 COMMERCE ST	\$1,608,120.00
000073000A0010100	1301 YOUNG ST	\$2,258,890.00
00007701220210000	1511 COMMERCE ST	\$303,180.00
000114206901A0000	1414 ELM ST	\$975,000.00
00012500000010000	2000 ELM ST	\$4,000,010.00
00012500000019700	2000 ELM ST	\$7,070.00
00012500000019900	2000 ELM ST	\$611,360.00
000125003301A0000	2102 ELM ST	\$5,166,890.00
00012800300000000	317 S PEARL ST	\$29,880.00
00021700000000000	406 N LAMAR ST	\$20,510.00
00021700000030000	908 ROSS AVE	\$7,770.00
00021700000030100	908 ROSS AVE	\$129,560.00
00021700000030200	900 SAN JACINTO ST	\$112,910.00
00021900170010000	1100 MCKINNEY AVE	\$6,853,930.00
0002220B000090000	1704 N GRIFFIN ST	\$307,970.00
00022700000010000	704 N GRIFFIN ST	\$2,737,280.00
000228000A0030000	706 N GRIFFIN ST	\$191,720.00
000229000001A0000	1407 SAN JACINTO ST	\$1,602,900.00
00023500000010200	615 N AKARD ST	\$38,110.00
00024300010000000	608 N ST PAUL ST	\$2,208,770.00
00025500000010000	2110 LIVE OAK ST	\$0.00
00025500000010100	300 OLIVE ST	\$0.00
0002610A000010000	2400 ROSS AVE	\$2,052,120.00
000301000003A0000	2521 ROSS AVE	\$0.00
000301000004A0000	2525 ROSS AVE	\$176,900.00

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000306000003A0000	2623 ROSS AVE	\$699,600.00
00036000020010000	2414 N AKARD ST	\$3,900,000.00
0004780A000010000	401 N HARWOOD ST	\$743,200.00
000524000003A0000	1900 MCKINNEY AVE	\$4,194,840.00
000525000A0010000	2000 MCKINNEY AVE	\$6,304,950.00
000527000A01A0000	2021 FLORA ST	\$0.00
00052800000010000	901 PEARL ST	\$2,699,820.00
000529000A0010000	2101 ROSS AVE	\$3,752,280.00
00053000000010000	2301 ROSS AVE	\$4,364,500.00
00053000000019800	2301 ROSS AVE	\$0.00
00053000000019900	2301 ROSS AVE	\$899,990.00
0005310A000010000	1800 N PEARL EXPY	\$0.00
0005340A000010000	1825 LEONARD ST	\$0.00
000541000A01B0000	2222 MCKINNEY AVE	\$5,870,800.00
000541000A02B0000	2212 MCKINNEY AVE	\$2,629,180.00
000566000A03A0000	2809 ROSS AVE	\$0.00
000929000J06A0000	2101 CEDAR SPRINGS RD	\$4,174,050.00
000930000201A0000	2828 N HARWOOD ST	\$30,975,560.00
000930000202A0000	2815 MCKINNON ST	\$152,250.00
00093200020010000	3130 N HARWOOD ST	\$2,379,954.00
000933000201C0000	2840 BOOKHOUT ST	\$812,820.00
00093300030010000	2215 CEDAR SPRINGS RD	\$46,750,950.00
000938000H01A0000	2820 MCKINNON ST	\$12,870,730.00
000939000E02A0000	2925 BOOKHOUT ST	\$305,848.00
000939000E02B0000	2923 BOOKHOUT ST	\$392,150.00
000939000E04A0000	2921 BOOKHOUT ST	\$309,696.00
000939000E04B0000	2919 BOOKHOUT ST	\$313,016.00
000939000E06A0000	2917 BOOKHOUT ST	\$313,848.00
000939000E08A0000	2915 BOOKHOUT ST	\$309,784.00
000939000E08B0000	2911 BOOKHOUT ST	\$305,032.00
000939000E09C0000	2912 N PEARL ST	\$284,000.00
000939000E09D0000	2910 N PEARL ST	\$286,368.00
000939000E10A0000	2909 BOOKHOUT ST	\$309,696.00
000939000E10B0000	2907 BOOKHOUT ST	\$309,696.00
000939000E11C0000	2908 N PEARL ST	\$295,296.00
000939000E11D0000	2906 N PEARL ST	\$231,840.00
000939000E12A0000	2905 BOOKHOUT ST	\$392,150.00
000939000E12B0000	2903 BOOKHOUT ST	\$301,536.00
0009390E0001A0000	2920 PEARL ST	\$0.00
000942000I01A0000	2826 BOOKHOUT ST	\$2,112,530.00
000943000604A0000	2811 MAPLE AVE	\$1,734,880.00
000943000803A0000	2927 MAPLE AVE	\$436,530.00
000944000501A0000	2401 CEDAR SPRINGS RD	\$18,440,000.00
000944000702A0000	2905 FAIRMOUNT ST	\$1,429,910.00
000944000702A0100	2913 FAIRMOUNT ST	\$772,920.00
000944000702A0200	2915 FAIRMOUNT ST	\$270,380.00
000944000703A0000	2906 MAPLE AVE	\$423,000.00
000947001601A0000	2605 CEDAR SPRINGS RD	\$1,149,880.00
00094800030010000	2510 CEDAR SPRINGS RD	\$3,686,760.00
00094800030010100	2121 MCKINNEY AVE	\$8,741,160.00
000949000101A0000	2401 MCKINNEY AVE	\$1,921,140.00
000949000110A0000	2512 MAPLE AVE	\$2,333,330.00

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000950000301A0000	2610 MAPLE AVE	\$938,520.00
000950000301A0100	2616 MAPLE AVE	\$952,380.00
000950000309A0000	2620 MAPLE AVE	\$441,540.00
000956000001A0000	2800 ROUTH ST	\$16,056,500.00
000956000001A0300	2717 HOWELL ST	\$4,900,500.00
000956000001A9900	2800 ROUTH ST	\$0.00
000958001301E0000	2728 CEDAR SPRINGS RD	\$4,525,250.00
000959001202D0000	2650 CEDAR SPRINGS RD	\$7,797,552.00
000959001202D0100	2707 COLE AVE	\$11,942,590.00
00C03660000000301	2900 MCKINNON ST	\$9,613.48
00C03660000000302	2900 MCKINNON ST	\$4,798.21
00C03660000000303	2900 MCKINNON ST	\$5,245.53
00C03660000000304	2900 MCKINNON ST	\$8,053.57
00C03660000000305	2900 MCKINNON ST	\$8,335.98
00C03660000000306	2900 MCKINNON ST	\$5,245.53
00C03660000000307	2900 MCKINNON ST	\$4,798.21
00C03660000000308	2900 MCKINNON ST	\$9,543.35
00C03660000000401	2900 MCKINNON ST	\$9,613.48
00C03660000000402	2900 MCKINNON ST	\$4,798.21
00C03660000000403	2900 MCKINNON ST	\$5,245.53
00C03660000000404	2900 MCKINNON ST	\$8,053.57
00C03660000000405	2900 MCKINNON ST	\$8,335.98
00C03660000000406	2900 MCKINNON ST	\$5,245.53
00C03660000000407	2900 MCKINNON ST	\$4,798.21
00C03660000000408	2900 MCKINNON ST	\$9,543.35
00C03660000000501	2900 MCKINNON ST	\$9,613.48
00C03660000000502	2900 MCKINNON ST	\$4,798.21
00C03660000000503	2900 MCKINNON ST	\$5,245.53
00C03660000000504	2900 MCKINNON ST	\$8,053.57
00C03660000000505	2900 MCKINNON ST	\$8,335.98
00C03660000000506	2900 MCKINNON ST	\$5,245.53
00C03660000000507	2900 MCKINNON ST	\$4,798.21
00C03660000000508	2900 MCKINNON ST	\$9,543.35
00C03660000000601	2900 MCKINNON ST	\$9,613.48
00C03660000000602	2900 MCKINNON ST	\$4,798.21
00C03660000000603	2900 MCKINNON ST	\$5,245.53
00C03660000000604	2900 MCKINNON ST	\$8,053.57
00C03660000000605	2900 MCKINNON ST	\$8,335.98
00C03660000000606	2900 MCKINNON ST	\$5,245.53
00C03660000000607	2900 MCKINNON ST	\$4,798.21
00C03660000000608	2900 MCKINNON ST	\$9,543.35
00C03660000000701	2900 MCKINNON ST	\$14,529.21
00C03660000000702	2900 MCKINNON ST	\$4,798.21
00C03660000000703	2900 MCKINNON ST	\$5,245.53
00C03660000000704	2900 MCKINNON ST	\$8,053.57
00C03660000000705	2900 MCKINNON ST	\$8,335.98
00C03660000000706	2900 MCKINNON ST	\$5,245.53
00C03660000000707	2900 MCKINNON ST	\$4,798.21
00C03660000000708	2900 MCKINNON ST	\$14,576.59
00C03660000000801	2900 MCKINNON ST	\$9,613.48
00C03660000000802	2900 MCKINNON ST	\$4,798.21
00C03660000000803	2900 MCKINNON ST	\$5,245.53

00C0366000000804	2900 MCKINNON ST	\$8,053.57
00C0366000000805	2900 MCKINNON ST	\$8,335.98
00C0366000000806	2900 MCKINNON ST	\$5,245.53
00C0366000000807	2900 MCKINNON ST	\$4,798.21
00C0366000000808	2900 MCKINNON ST	\$19,951.01
00C0366000000901	2900 MCKINNON ST	\$14,529.21
00C0366000000902	2900 MCKINNON ST	\$4,798.21
00C0366000000903	2900 MCKINNON ST	\$5,245.53
00C0366000000904	2900 MCKINNON ST	\$8,053.57
00C0366000000905	2900 MCKINNON ST	\$8,335.98
00C0366000000906	2900 MCKINNON ST	\$5,245.53
00C0366000000907	2900 MCKINNON ST	\$4,798.21
00C0366000000908	2900 MCKINNON ST	\$9,543.35
00C0366000001001	2900 MCKINNON ST	\$9,613.48
00C0366000001002	2900 MCKINNON ST	\$4,798.21
00C0366000001003	2900 MCKINNON ST	\$5,245.53
00C0366000001004	2900 MCKINNON ST	\$8,053.57
00C0366000001005	2900 MCKINNON ST	\$8,335.98
00C0366000001006	2900 MCKINNON ST	\$5,245.53
00C0366000001007	2900 MCKINNON ST	\$4,798.21
00C0366000001008	2900 MCKINNON ST	\$9,543.35
00C0366000001101	2900 MCKINNON ST	\$14,635.35
00C0366000001102	2900 MCKINNON ST	\$4,798.21
00C0366000001103	2900 MCKINNON ST	\$5,245.53
00C0366000001104	2900 MCKINNON ST	\$8,053.57
00C0366000001105	2900 MCKINNON ST	\$8,335.98
00C0366000001106	2900 MCKINNON ST	\$5,245.53
00C0366000001107	2900 MCKINNON ST	\$4,798.21
00C0366000001108	2900 MCKINNON ST	\$14,570.91
00C0366000001201	2900 MCKINNON ST	\$14,635.35
00C0366000001202	2900 MCKINNON ST	\$4,798.21
00C0366000001203	2900 MCKINNON ST	\$5,245.53
00C0366000001204	2900 MCKINNON ST	\$8,053.57
00C0366000001205	2900 MCKINNON ST	\$8,335.98
00C0366000001206	2900 MCKINNON ST	\$5,245.53
00C0366000001207	2900 MCKINNON ST	\$4,798.21
00C0366000001208	2900 MCKINNON ST	\$20,004.08
00C0366000001401	2900 MCKINNON ST	\$14,635.35
00C0366000001402	2900 MCKINNON ST	\$4,798.21
00C0366000001403	2900 MCKINNON ST	\$5,245.53
00C0366000001404	2900 MCKINNON ST	\$13,528.44
00C0366000001405	2900 MCKINNON ST	\$13,970.06
00C0366000001406	2900 MCKINNON ST	\$5,245.53
00C0366000001407	2900 MCKINNON ST	\$4,798.21
00C0366000001408	2900 MCKINNON ST	\$14,576.59
00C0366000001501	2900 MCKINNON ST	\$14,635.35
00C0366000001502	2900 MCKINNON ST	\$4,798.21
00C0366000001503	2900 MCKINNON ST	\$5,227.52
00C0366000001504	2900 MCKINNON ST	\$8,053.57
00C0366000001505	2900 MCKINNON ST	\$13,970.06
00C0366000001506	2900 MCKINNON ST	\$5,245.53
00C0366000001507	2900 MCKINNON ST	\$4,798.21

00C03660000001508	2900 MCKINNON ST	\$9,536.72
00C03660000001601	2900 MCKINNON ST	\$14,635.35
00C03660000001602	2900 MCKINNON ST	\$4,798.21
00C03660000001603	2900 MCKINNON ST	\$5,227.52
00C03660000001604	2900 MCKINNON ST	\$8,053.57
00C03660000001605	2900 MCKINNON ST	\$8,335.98
00C03660000001606	2900 MCKINNON ST	\$5,345.04
00C03660000001607	2900 MCKINNON ST	\$4,798.21
00C03660000001608	2900 MCKINNON ST	\$14,576.59
00C03660000001701	2900 MCKINNON ST	\$14,635.35
00C03660000001702	2900 MCKINNON ST	\$4,798.21
00C03660000001703	2900 MCKINNON ST	\$5,227.52
00C03660000001704	2900 MCKINNON ST	\$13,528.44
00C03660000001705	2900 MCKINNON ST	\$13,964.38
00C03660000001706	2900 MCKINNON ST	\$5,345.04
00C03660000001707	2900 MCKINNON ST	\$4,798.21
00C03660000001708	2900 MCKINNON ST	\$14,576.59
00C03660000001801	2900 MCKINNON ST	\$14,635.35
00C03660000001802	2900 MCKINNON ST	\$4,798.21
00C03660000001803	2900 MCKINNON ST	\$5,245.53
00C03660000001804	2900 MCKINNON ST	\$8,053.57
00C03660000001805	2900 MCKINNON ST	\$8,335.98
00C03660000001806	2900 MCKINNON ST	\$5,386.73
00C03660000001807	2900 MCKINNON ST	\$4,798.21
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00C03660000001901	2900 MCKINNON ST	\$11,380.00
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00C03660000001903	2900 MCKINNON ST	\$5,245.53
00C03660000001904	2900 MCKINNON ST	\$8,053.57
00C03660000001905	2900 MCKINNON ST	\$8,335.98
00C03660000001906	2900 MCKINNON ST	\$5,386.73
00C03660000001907	2900 MCKINNON ST	\$4,798.21
00C03660000001908	2900 MCKINNON ST	\$14,576.59
00C03660000002001	2900 MCKINNON ST	\$9,613.48
00C03660000002002	2900 MCKINNON ST	\$4,798.21
00C03660000002003	2900 MCKINNON ST	\$5,245.53
00C03660000002004	2900 MCKINNON ST	\$8,053.57
00C03660000002005	2900 MCKINNON ST	\$8,424.12
00C03660000002006	2900 MCKINNON ST	\$5,386.73
00C03660000002007	2900 MCKINNON ST	\$4,798.21
00C03660000002008	2900 MCKINNON ST	\$19,992.71
00C03660000002101	2900 MCKINNON ST	\$9,613.48
00C03660000002102	2900 MCKINNON ST	\$4,798.21
00C03660000002103	2900 MCKINNON ST	\$5,245.53
00C03660000002104	2900 MCKINNON ST	\$13,528.44
00C03660000002105	2900 MCKINNON ST	\$13,876.24
00C03660000002106	2900 MCKINNON ST	\$5,386.73
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00C03660000002201	2900 MCKINNON ST	\$9,554.72
00C03660000002202	2900 MCKINNON ST	\$4,798.21
00C03660000002203	2900 MCKINNON ST	\$5,245.53

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00C0366000002205	2900 MCKINNON ST	\$13,869.61
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00C0366000002207	2900 MCKINNON ST	\$4,798.21
00C0366000002208	2900 MCKINNON ST	\$9,549.04
00C0366000002301	2900 MCKINNON ST	\$14,659.04
00C0366000002302	2900 MCKINNON ST	\$4,798.21
00C0366000002303	2900 MCKINNON ST	\$5,227.52
00C0366000002304	2900 MCKINNON ST	\$8,053.57
00C0366000002305	2900 MCKINNON ST	\$13,887.61
00C0366000002306	2900 MCKINNON ST	\$5,386.73
00C0366000002307	2900 MCKINNON ST	\$4,798.21
00C0366000002308	2900 MCKINNON ST	\$9,549.04
00C0366000002401	2900 MCKINNON ST	\$9,613.48
00C0366000002402	2900 MCKINNON ST	\$4,798.21
00C0366000002403	2900 MCKINNON ST	\$5,227.52
00C0366000002404	2900 MCKINNON ST	\$8,053.57
00C0366000002405	2900 MCKINNON ST	\$8,324.61
00C0366000002406	2900 MCKINNON ST	\$5,245.53
00C0366000002407	2900 MCKINNON ST	\$4,798.21
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00C0366000002503	2900 MCKINNON ST	\$5,227.52
00C0366000002504	2900 MCKINNON ST	\$8,053.57
00C0366000002505	2900 MCKINNON ST	\$13,887.61
00C0366000002506	2900 MCKINNON ST	\$5,386.73
00C0366000002507	2900 MCKINNON ST	\$4,798.21
00C0366000002508	2900 MCKINNON ST	\$9,549.04
00C0366000002601	2900 MCKINNON ST	\$9,613.48
00C0366000002602	2900 MCKINNON ST	\$4,798.21
00C0366000002603	2900 MCKINNON ST	\$5,227.52
00C0366000002604	2900 MCKINNON ST	\$8,053.57
00C0366000002605	2900 MCKINNON ST	\$8,335.98
00C0366000002606	2900 MCKINNON ST	\$5,245.53
00C0366000002607	2900 MCKINNON ST	\$4,798.21
00C0366000002608	2900 MCKINNON ST	\$9,549.04
00C0366000002701	2900 MCKINNON ST	\$14,653.36
00C0366000002702	2900 MCKINNON ST	\$4,798.21
00C0366000002703	2900 MCKINNON ST	\$5,227.52
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00C0366000002705	2900 MCKINNON ST	\$13,899.93
00C0366000002706	2900 MCKINNON ST	\$5,245.53
00C0366000002707	2900 MCKINNON ST	\$4,798.21
00C0366000002708	2900 MCKINNON ST	\$14,641.04
00C0366000002801	2900 MCKINNON ST	\$13,540.76
00C0366000002802	2900 MCKINNON ST	\$10,762.10
00C0366000002803	2900 MCKINNON ST	\$12,863.15
00C0366000002804	2900 MCKINNON ST	\$13,581.51
00C0366000002901	2900 MCKINNON ST	\$13,575.82
00C0366000002902	2900 MCKINNON ST	\$10,655.95
00C0366000002903	2900 MCKINNON ST	\$12,934.23

00C03660000002904	2900 MCKINNON ST	\$13,587.19
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00C4528000000H101	3001 MAPLE AVE	\$40,667.95
00C4528000000H102	3001 MAPLE AVE	\$28,022.49
00C4528000000H103	3001 MAPLE AVE	\$42,769.16
00C4528000000H104	3001 MAPLE AVE	\$52,401.30
00C4528000000H106	3001 MAPLE AVE	\$32,778.87
00C4528000000H107	3001 MAPLE AVE	\$32,659.48
00C4528000000H109	3001 MAPLE AVE	\$57,869.22
00C4528000000H110	3001 MAPLE AVE	\$36,150.35
00C4528000000H111	3001 MAPLE AVE	\$28,022.49
00C4528000000H112	3001 MAPLE AVE	\$40,667.95
00C4528000000H201	3001 MAPLE AVE	\$40,667.95
00C4528000000H202	3001 MAPLE AVE	\$28,022.49
00C4528000000H203	3001 MAPLE AVE	\$52,124.32
00C4528000000H204	3001 MAPLE AVE	\$38,132.17
00C4528000000H206	3001 MAPLE AVE	\$54,383.12
00C4528000000H207	3001 MAPLE AVE	\$37,573.44
00C4528000000H209	3001 MAPLE AVE	\$60,247.40
00C4528000000H210	3001 MAPLE AVE	\$46,771.01
00C4528000000H211	3001 MAPLE AVE	\$28,022.49
00C4528000000H212	3001 MAPLE AVE	\$40,667.95
00C4528000000H301	3001 MAPLE AVE	\$40,667.95
00C4528000000H302	3001 MAPLE AVE	\$28,022.49
00C4528000000H303	3001 MAPLE AVE	\$52,124.32
00C4528000000H304	3001 MAPLE AVE	\$38,132.17
00C4528000000H306	3001 MAPLE AVE	\$54,383.12
00C4528000000H307	3001 MAPLE AVE	\$37,573.44
00C4528000000H309	3001 MAPLE AVE	\$60,247.40
00C4528000000H310	3001 MAPLE AVE	\$46,771.01
00C4528000000H311	3001 MAPLE AVE	\$28,022.49
00C4528000000H312	3001 MAPLE AVE	\$40,667.95
00C4528000000H401	3001 MAPLE AVE	\$40,667.95
00C4528000000H402	3001 MAPLE AVE	\$28,022.49
00C4528000000H403	3001 MAPLE AVE	\$52,124.32
00C4528000000H404	3001 MAPLE AVE	\$38,132.17
00C4528000000H406	3001 MAPLE AVE	\$54,383.12
00C4528000000H407	3001 MAPLE AVE	\$37,573.44
00C4528000000H409	3001 MAPLE AVE	\$60,247.40
00C4528000000H410	3001 MAPLE AVE	\$46,771.01
00C4528000000H411	3001 MAPLE AVE	\$28,022.49
00C4528000000H412	3001 MAPLE AVE	\$40,667.95
00C4528000000H501	3001 MAPLE AVE	\$40,667.95
00C4528000000H502	3001 MAPLE AVE	\$28,022.49
00C4528000000H503	3001 MAPLE AVE	\$52,124.32
00C4528000000H504	3001 MAPLE AVE	\$38,132.17
00C4528000000H506	3001 MAPLE AVE	\$54,383.12
00C4528000000H507	3001 MAPLE AVE	\$37,573.44
00C4528000000H509	3001 MAPLE AVE	\$60,247.40
00C4528000000H510	3001 MAPLE AVE	\$46,771.01
00C4528000000H511	3001 MAPLE AVE	\$28,022.49

00C4528000000H512	3001 MAPLE AVE	\$40,667.95
00C4528000000H601	3001 MAPLE AVE	\$40,667.95
00C4528000000H602	3001 MAPLE AVE	\$28,022.49
00C4528000000H603	3001 MAPLE AVE	\$52,124.32
00C4528000000H604	3001 MAPLE AVE	\$38,132.17
00C4528000000H606	3001 MAPLE AVE	\$54,383.12
00C4528000000H607	3001 MAPLE AVE	\$37,573.44
00C4528000000H609	3001 MAPLE AVE	\$60,247.40
00C4528000000H610	3001 MAPLE AVE	\$46,771.01
00C4528000000H611	3001 MAPLE AVE	\$28,022.49
00C4528000000H612	3001 MAPLE AVE	\$40,667.95
00C4528000000H701	3001 MAPLE AVE	\$40,667.95
00C4528000000H702	3001 MAPLE AVE	\$28,022.49
00C4528000000H703	3001 MAPLE AVE	\$52,124.32
00C4528000000H704	3001 MAPLE AVE	\$38,132.17
00C4528000000H706	3001 MAPLE AVE	\$54,383.12
00C4528000000H707	3001 MAPLE AVE	\$37,573.44
00C4528000000H709	3001 MAPLE AVE	\$60,247.40
00C4528000000H712	3001 MAPLE AVE	\$103,217.14
00C4528000000T101	3001 MAPLE AVE	\$28,094.12
00C4528000000T103	3001 MAPLE AVE	\$28,094.12
00C4528000000T105	3001 MAPLE AVE	\$28,094.12
00C4528000000T107	3001 MAPLE AVE	\$28,094.12
00C4528000000T109	3001 MAPLE AVE	\$28,094.12
00C4528000000T111	3001 MAPLE AVE	\$28,094.12
00C4528000000T113	3001 MAPLE AVE	\$28,094.12
00C4528000000T115	3001 MAPLE AVE	\$28,094.12
00C4528000000T600	3001 MAPLE AVE	\$15,467.77
00C4528000000T601	3001 MAPLE AVE	\$10,730.49
00C4528000000T602	3001 MAPLE AVE	\$10,415.31
00C4528000000T603	3001 MAPLE AVE	\$16,413.31
00C4528000000T604	3001 MAPLE AVE	\$16,413.31
00C4528000000T605	3001 MAPLE AVE	\$8,839.41
00C4528000000T606	3001 MAPLE AVE	\$10,415.31
00C4528000000T607	3001 MAPLE AVE	\$10,730.49
00C4528000000T608	3001 MAPLE AVE	\$10,730.49
00C4528000000T609	3001 MAPLE AVE	\$11,045.68
00C4528000000T610	3001 MAPLE AVE	\$14,202.27
00C4528000000T611	3001 MAPLE AVE	\$15,782.95
00C4528000000T612	3001 MAPLE AVE	\$15,782.95
00C4528000000T614	3001 MAPLE AVE	\$10,730.49
00C4528000000T616	3001 MAPLE AVE	\$10,730.49
00C4528000000T700	3001 MAPLE AVE	\$15,467.77
00C4528000000T701	3001 MAPLE AVE	\$10,730.49
00C4528000000T702	3001 MAPLE AVE	\$10,415.31
00C4528000000T703	3001 MAPLE AVE	\$16,413.31
00C4528000000T704	3001 MAPLE AVE	\$16,413.31
00C4528000000T705	3001 MAPLE AVE	\$8,839.41
00C4528000000T706	3001 MAPLE AVE	\$10,415.31
00C4528000000T707	3001 MAPLE AVE	\$10,730.49
00C4528000000T708	3001 MAPLE AVE	\$10,730.49
00C4528000000T709	3001 MAPLE AVE	\$11,045.68



00C452800000T710	3001 MAPLE AVE	\$14,202.27
00C452800000T712	3001 MAPLE AVE	\$15,782.95
00C452800000T714	3001 MAPLE AVE	\$10,730.49
00C452800000T716	3001 MAPLE AVE	\$10,730.49
00C452800000T800	3001 MAPLE AVE	\$15,467.77
00C452800000T801	3001 MAPLE AVE	\$10,730.49
00C452800000T802	3001 MAPLE AVE	\$10,415.31
00C452800000T803	3001 MAPLE AVE	\$16,413.31
00C452800000T804	3001 MAPLE AVE	\$16,413.31
00C452800000T805	3001 MAPLE AVE	\$8,839.41
00C452800000T806	3001 MAPLE AVE	\$10,415.31
00C452800000T807	3001 MAPLE AVE	\$10,730.49
00C452800000T808	3001 MAPLE AVE	\$10,730.49
00C452800000T809	3001 MAPLE AVE	\$11,045.68
00C452800000T810	3001 MAPLE AVE	\$14,202.27
00C452800000T811	3001 MAPLE AVE	\$15,782.95
00C452800000T812	3001 MAPLE AVE	\$15,782.95
00C452800000T814	3001 MAPLE AVE	\$10,730.49
00C452800000T816	3001 MAPLE AVE	\$10,730.49
00C452800000T900	3001 MAPLE AVE	\$15,467.77
00C452800000T901	3001 MAPLE AVE	\$10,730.49
00C452800000T902	3001 MAPLE AVE	\$10,415.31
00C452800000T903	3001 MAPLE AVE	\$16,413.31
00C452800000T904	3001 MAPLE AVE	\$16,413.31
00C452800000T905	3001 MAPLE AVE	\$8,839.41
00C452800000T906	3001 MAPLE AVE	\$30,634.68
00C452800000T907	3001 MAPLE AVE	\$10,730.49
00C452800000T908	3001 MAPLE AVE	\$10,730.49
00C452800000T909	3001 MAPLE AVE	\$11,045.68
00C452800000T910	3001 MAPLE AVE	\$14,202.27
00C452800000T911	3001 MAPLE AVE	\$15,782.95
00C452800000T912	3001 MAPLE AVE	\$15,782.95
00C452800000T914	3001 MAPLE AVE	\$10,730.49
00C452800000T916	3001 MAPLE AVE	\$10,730.49
00C452800000T1000	3001 MAPLE AVE	\$15,467.77
00C452800000T1001	3001 MAPLE AVE	\$10,730.49
00C452800000T1002	3001 MAPLE AVE	\$10,415.31
00C452800000T1003	3001 MAPLE AVE	\$16,413.31
00C452800000T1004	3001 MAPLE AVE	\$16,413.31
00C452800000T1005	3001 MAPLE AVE	\$26,169.61
00C452800000T1006	3001 MAPLE AVE	\$10,415.31
00C452800000T1007	3001 MAPLE AVE	\$10,730.49
00C452800000T1009	3001 MAPLE AVE	\$11,045.68
00C452800000T1010	3001 MAPLE AVE	\$14,202.27
00C452800000T1012	3001 MAPLE AVE	\$15,782.95
00C452800000T1014	3001 MAPLE AVE	\$10,730.49
00C452800000T1016	3001 MAPLE AVE	\$10,730.49
00C452800000T1100	3001 MAPLE AVE	\$15,467.77
00C452800000T1101	3001 MAPLE AVE	\$10,730.49
00C452800000T1102	3001 MAPLE AVE	\$10,415.31
00C452800000T1103	3001 MAPLE AVE	\$16,413.31
00C452800000T1104	3001 MAPLE AVE	\$16,413.31

00C452800000T1105	3001 MAPLE AVE	\$8,839.41
00C452800000T1106	3001 MAPLE AVE	\$10,415.31
00C452800000T1107	3001 MAPLE AVE	\$10,730.49
00C452800000T1108	3001 MAPLE AVE	\$10,730.49
00C452800000T1109	3001 MAPLE AVE	\$11,045.68
00C452800000T1110	3001 MAPLE AVE	\$14,202.27
00C452800000T1111	3001 MAPLE AVE	\$15,782.95
00C452800000T1112	3001 MAPLE AVE	\$15,782.95
00C452800000T1114	3001 MAPLE AVE	\$10,730.49
00C452800000T1116	3001 MAPLE AVE	\$10,730.49
00C452800000T1200	3001 MAPLE AVE	\$15,467.77
00C452800000T1201	3001 MAPLE AVE	\$10,730.49
00C452800000T1202	3001 MAPLE AVE	\$10,415.31
00C452800000T1203	3001 MAPLE AVE	\$16,413.31
00C452800000T1204	3001 MAPLE AVE	\$16,413.31
00C452800000T1205	3001 MAPLE AVE	\$8,839.41
00C452800000T1206	3001 MAPLE AVE	\$10,415.31
00C452800000T1207	3001 MAPLE AVE	\$10,730.49
00C452800000T1208	3001 MAPLE AVE	\$10,730.49
00C452800000T1209	3001 MAPLE AVE	\$11,045.68
00C452800000T1210	3001 MAPLE AVE	\$14,202.27
00C452800000T1211	3001 MAPLE AVE	\$15,782.95
00C452800000T1212	3001 MAPLE AVE	\$15,782.95
00C452800000T1214	3001 MAPLE AVE	\$10,730.49
00C452800000T1216	3001 MAPLE AVE	\$10,730.49
00C452800000T1300	3001 MAPLE AVE	\$15,467.77
00C452800000T1301	3001 MAPLE AVE	\$10,730.49
00C452800000T1302	3001 MAPLE AVE	\$10,415.31
00C452800000T1303	3001 MAPLE AVE	\$16,413.31
00C452800000T1304	3001 MAPLE AVE	\$16,413.31
00C452800000T1305	3001 MAPLE AVE	\$8,839.41
00C452800000T1306	3001 MAPLE AVE	\$10,415.31
00C452800000T1307	3001 MAPLE AVE	\$10,730.49
00C452800000T1308	3001 MAPLE AVE	\$10,730.49
00C452800000T1309	3001 MAPLE AVE	\$11,045.68
00C452800000T1310	3001 MAPLE AVE	\$14,202.27
00C452800000T1311	3001 MAPLE AVE	\$15,782.95
00C452800000T1312	3001 MAPLE AVE	\$15,782.95
00C452800000T1314	3001 MAPLE AVE	\$10,730.49
00C452800000T1316	3001 MAPLE AVE	\$10,730.49
00C452800000T1400	3001 MAPLE AVE	\$15,467.77
00C452800000T1401	3001 MAPLE AVE	\$10,730.49
00C452800000T1402	3001 MAPLE AVE	\$10,415.31
00C452800000T1403	3001 MAPLE AVE	\$16,413.31
00C452800000T1404	3001 MAPLE AVE	\$16,413.31
00C452800000T1405	3001 MAPLE AVE	\$8,839.41
00C452800000T1406	3001 MAPLE AVE	\$10,415.31
00C452800000T1407	3001 MAPLE AVE	\$10,730.49
00C452800000T1408	3001 MAPLE AVE	\$10,730.49
00C452800000T1409	3001 MAPLE AVE	\$11,045.68
00C452800000T1410	3001 MAPLE AVE	\$14,202.27
00C452800000T1411	3001 MAPLE AVE	\$15,782.95

00C452800000T1412	3001 MAPLE AVE	\$15,782.95
00C452800000T1414	3001 MAPLE AVE	\$10,730.49
00C452800000T1416	3001 MAPLE AVE	\$10,730.49
00C452800000T1500	3001 MAPLE AVE	\$15,467.77
00C452800000T1501	3001 MAPLE AVE	\$10,730.49
00C452800000T1502	3001 MAPLE AVE	\$10,415.31
00C452800000T1503	3001 MAPLE AVE	\$16,413.31
00C452800000T1504	3001 MAPLE AVE	\$16,413.31
00C452800000T1505	3001 MAPLE AVE	\$8,839.41
00C452800000T1506	3001 MAPLE AVE	\$10,415.31
00C452800000T1507	3001 MAPLE AVE	\$10,730.49
00C452800000T1508	3001 MAPLE AVE	\$10,730.49
00C452800000T1509	3001 MAPLE AVE	\$11,045.68
00C452800000T1510	3001 MAPLE AVE	\$14,202.27
00C452800000T1511	3001 MAPLE AVE	\$15,782.95
00C452800000T1512	3001 MAPLE AVE	\$15,782.95
00C452800000T1514	3001 MAPLE AVE	\$10,730.49
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00C452800000T1600	3001 MAPLE AVE	\$20,200.26
00C452800000T1601	3001 MAPLE AVE	\$10,415.31
00C452800000T1603	3001 MAPLE AVE	\$16,728.49
00C452800000T1604	3001 MAPLE AVE	\$16,413.31
00C452800000T1605	3001 MAPLE AVE	\$8,839.41
00C452800000T1606	3001 MAPLE AVE	\$8,839.41
00C452800000T1607	3001 MAPLE AVE	\$10,415.31
00C452800000T1608	3001 MAPLE AVE	\$10,415.31
00C452800000T1610	3001 MAPLE AVE	\$14,837.40
00C452800000T1611	3001 MAPLE AVE	\$23,987.22
00C452800000T1612	3001 MAPLE AVE	\$15,152.58
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**EXHIBIT A**



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00C7270000001001	2555 N PEARL ST	\$0.00
00C7270000001002	2555 N PEARL ST	\$0.00
00C7270000001003	2555 N PEARL ST	\$0.00
00C7270000001004	2555 N PEARL ST	\$0.00
00C7270000001005	2555 N PEARL ST	\$0.00
00C7270000001101	2555 N PEARL ST	\$0.00
00C7270000001102	2555 N PEARL ST	\$0.00
00C7270000001103	2555 N PEARL ST	\$0.00
00C7270000001104	2555 N PEARL ST	\$0.00
00C7270000001105	2555 N PEARL ST	\$0.00
00C7270000001201	2555 N PEARL ST	\$0.00
00C7270000001202	2555 N PEARL ST	\$0.00
00C7270000001203	2555 N PEARL ST	\$0.00
00C7270000001204	2555 N PEARL ST	\$0.00
00C7270000001205	2555 N PEARL ST	\$0.00
00C7270000001301	2555 N PEARL ST	\$0.00
00C7270000001302	2555 N PEARL ST	\$0.00
00C7270000001303	2555 N PEARL ST	\$0.00
00C7270000001304	2555 N PEARL ST	\$0.00
00C7270000001305	2555 N PEARL ST	\$0.00
00C7270000001401	2555 N PEARL ST	\$0.00
00C7270000001402	2555 N PEARL ST	\$0.00
00C7270000001403	2555 N PEARL ST	\$0.00
00C7270000001404	2555 N PEARL ST	\$0.00
00C7270000001405	2555 N PEARL ST	\$0.00
00C7270000001501	2555 N PEARL ST	\$0.00
00C7270000001502	2555 N PEARL ST	\$0.00

00C72700000001503	2555 N PEARL ST	\$0.00
00C72700000001504	2555 N PEARL ST	\$0.00
00C72700000001505	2555 N PEARL ST	\$0.00
00C72700000001601	2555 N PEARL ST	\$0.00
00C72700000001602	2555 N PEARL ST	\$0.00
00C72700000001603	2555 N PEARL ST	\$0.00
00C72700000001604	2555 N PEARL ST	\$0.00
00C72700000001605	2555 N PEARL ST	\$0.00
00C72700000001701	2555 N PEARL ST	\$0.00
00C72700000001702	2555 N PEARL ST	\$0.00
00C72700000001703	2555 N PEARL ST	\$0.00
00C72700000001704	2555 N PEARL ST	\$0.00
00C72700000001705	2555 N PEARL ST	\$0.00
00C72700000001801	2555 N PEARL ST	\$0.00
00C72700000001802	2555 N PEARL ST	\$0.00
00C72700000001803	2555 N PEARL ST	\$0.00
00C72700000001804	2555 N PEARL ST	\$0.00
00C72700000001901	2555 N PEARL ST	\$0.00
00C72700000001902	2555 N PEARL ST	\$0.00
00C72700000001903	2555 N PEARL ST	\$0.00
00C72700000001904	2555 N PEARL ST	\$0.00
00C72700000002001	2555 N PEARL ST	\$0.00
00C72700000002002	2555 N PEARL ST	\$0.00
00C72700000002003	2555 N PEARL ST	\$0.00
00C72700000002101	2555 N PEARL ST	\$0.00
00C72700000002102	2555 N PEARL ST	\$0.00
00C72700000002200	2555 N PEARL ST	\$0.00
00C72700000002300	2555 N PEARL ST	\$0.00

**\$561,696,137.00**

**TO BE ADDED WITH 2009 VALUES**

'00029600030070000	1600 ASHLAND ST	\$421,350.00
00000106810000000	2311 CAROLINE ST	\$1,580,250.00
00000106822000000	2307 CAROLINE ST	\$966,080.00
00000106846000000	1601 CEDARS SPRINGS RD	\$253,500.00

## Appendix B: Center City TIF District As Amended on February 8, 2006



**APPENDIX C**  
**AFFORDABLE HOUSING PROGRAM**

**I. GENERAL REQUIREMENTS AND DEFINITIONS**

- A. Downtown Connection TIF District Affordable Housing Requirement. Ten percent of all housing units to be constructed in the Downtown Connection TIF District assisted with TIF funds must comply with the Affordable Housing criteria (hereinafter defined) as established by the City of Dallas. The Affordable Housing requirements as described herein shall be set out in the Development Agreement as a condition of TIF assistance for residential projects in the Downtown Connection TIF District. TIF subsidies shall not be payable unless and until the Affordable Housing requirements have been met by the owner/developer.
- B. Rental Affordable Housing. Owners/developers of projects assisted with TIF funds and developed in the Downtown Connection TIF District as rental housing must set aside ten percent of the residential units within the project as Affordable Housing for a period of 15 years (the “Affordability Period”) pursuant to the requirements of Option 1 (described herein).
- C. Owner-occupied/Condominium Affordable Housing. Owners/developers of projects assisted with TIF funds in the Downtown Connection TIF District developed for owner-occupancy (e.g. condominium or townhouse projects) must set aside ten percent of the residential units within the project as Affordable Housing for a term of 40 years. Owners/developers may select one of three options to comply with the Affordable Housing requirement. The owner/developer must select one of these options no later than six months prior to the date agreed for the issuance of a certificate of occupancy for the project as described in the Development Agreement. The options are:
1. Provide the Affordable Housing units in the property that is to be assisted with Downtown Connection TIF District funds; or
  2. Pay a Release Fee, as described herein, to the City of Dallas (Downtown Connection TIF District); or
  3. Transfer the Affordable Housing units (as determined by the applicable set aside requirement for the TIF-assisted project) to another property within the downtown freeway loop bounded generally by Central Expressway, I-30, I-35 and Woodall Rodgers

Freeway (the “Central Business District” or “CBD”), the “Transfer Option”.

- D. “Affordable” or “Affordable Housing” is defined herein as residential units that are occupied by a household that is either Low- or Moderate-Income. Low Income Households (“LIH”) are those whose income at the time of initial occupancy is, according to family size, 50 percent or below of the annual median family (or household) income (“AMFI”) for the Dallas Metropolitan Statistical Area (“MSA”) as determined annually by the U.S. Department of Housing and Urban Development (“HUD”), with adjustments for family size and published as its “Dallas, Texas – HUD Metro Fair Market Rent Area” ,median family income table. Moderate Income Households (“MIH”) are those at 80 percent to 51 percent of AMFI for the Dallas MSA per HUD with adjustments for family size. The income limits for 2007 are as follows:

Household Size	Income at 100% of AMFI	Income at 80% of AMFI	Income at 50% of AMFI
1 Person	\$46,550	\$37,240	\$23,275
2 Person	\$53,200	\$42,560	\$26,600
3 Person	\$59,850	\$47,880	\$29,925
4 Person	\$66,500	\$53,200	\$33,250
5 Person	\$71,820	\$57,456	\$35,910

In addition:

1. Affordable Housing that is for purchase by a LIH or MIH qualifies as Affordable Housing that is for purchase by a LIH or MIH qualifies as Affordable Housing only if the housing purchased from the owner/developer has a purchase price by the initial LIH or MIH that does not exceed a sales price, exclusive of closing costs, of up to \$140,000 per unit. However, the required ten percent of residential units set aside as Affordable within a project by the owner/developer may be priced up to \$190,000 if homeownership loans up to \$40,000 and HOME Investment Partnership Program and Community Development Block Grants up to \$10,000 (see Downtown Connection TIF District Plan for additional loan and grant information) are available to LIH and MIH to assist in securing an Affordable housing unit. Resale is restricted to subsequent LIHs and MIHs.

2. Affordable Housing that is for rent to LIHs or MIHs qualifies as

<u>Unit Type</u>	<u>**Monthly Maximum Rents 30% of 80% of AMFI (Including Utilities)</u>	<u>***Utility Allowance</u>	<u>Monthly Maximum Rent (Excluding Utilities)</u>
Efficiency	\$ 931.00	\$107	\$ 824.00
1 Bedroom	\$ 998.00	\$143	\$ 855.00
2 Bedroom	\$1,197.00	\$193	\$1,004.00
3 Bedroom	\$1,383.00	\$233	\$1,150.00

(Effective March 20, 2007)

\* Income limits are for 2007 and are subject to change annually upon notification from HUD. Figures listed are actual calculated figures. HUD allows for rounding to the nearest \$50 in determining eligibility.

\*\* Rents assume 1.5 persons per bedroom

\*\*\* Utility allowances are based on HUD's Section 8 allowances and assume that units are all electric; tenant pays for electric and water/sewer/trash collection; and the landlord furnishes the kitchen range and refrigerator.

Affordable Housing only if rents do not exceed 30% of the household income for the unit:

3. The City's Director of the Office of Economic Development may, with the concurrence of Dallas County, approve increases in these maximum purchase prices or rent limits in writing upon a showing of good cause (example: HUD updates/ changes in MSA median family income) and in his sole judgment.

E. Marketing. Owners/developers shall market their residential properties pursuant to an Affirmative Fair Housing and Marketing Plan approved by City and shall make available to all prospective tenants information pertaining to the City of Dallas' Downtown Homeownership Loan Program including contact information on all residential marketing materials.

F. Monitoring/Reporting Requirements. Owners/developers shall comply with all program requirements developed by the City to enforce the Affordable Housing requirements described herein. Owner/developer shall monitor and report to the City on the Affordable Housing provided in the property or in a substitute property pursuant to the Transfer Option to ensure such property is occupied by income-eligible households

throughout the Affordability Period. The reporting requirements in **Exhibit A** shall be completed by the owner/developer and submitted to the Department of Housing, with copy to the Office of Economic Development, semi-annually, for the term of the Affordability Period.

G. Use of Funds. Downtown Connection TIF District Affordable Housing funds will be used for various forms of Affordable Housing subsidies as described in the Downtown Connection TIF District Project and Financing Plan including:

1. Homeownership Loans for LIHs and MIHs
2. Developer Loans/Grants
3. Additional subsidies for projects specifically targeting LIHs within the CBD.

H. Additional Assistance for Affordable Housing. On a case-by-case basis, additional TIF subsidies may be available to assist with meeting the Affordable Housing Requirement if Option One (see below) is chosen. Such funds may be available if approved by City Council on or before December 31, 2008. Consideration may be given for an extension of the additional assistance for affordable housing based on the findings of a twelve month review. The amount of TIF subsidy will be determined by the cost of providing the affordable units as follows:

**For-Sale Projects** - Subtract \$190,000 from the market rate unit price of those units to be dedicated as Affordable units within the project. The difference/delta is the amount of Affordable housing assistance as described in the following example:

If each of the units dedicated as affordable units have comparable market unit prices of \$255,000 and there are 250 total units, 25 affordable, then the assistance would be \$1,625,000 [ $\$255,000 - \$190,000 = \$65,000 \times 25 = \$1,625,000$ ]. Note that in this example, each of the Affordable units are the same size and have been attributed the same value. For an actual project, it is anticipated that each unit will have a unique market price.

**Rental Project** - Subtract the HUD standard Affordable unit rent from the market unit rent x 10% of total units within the project x 15 years. The market rent calculations are to be based on the actual units to be dedicated as affordable units. The calculation will not include adjustments



for appreciation in market or affordable incomes/rents over time. As an example:

If each of the units dedicated as Affordable units have comparable market rental rates of \$1,600 per month (assumption: each is two bedroom, 1,000 square feet and would rent for \$1.60 per square foot), there are 250 total units, 25 affordable, and the Affordable rental rate is \$1,028 per month, then the one year difference in providing the Affordable units instead of market rate units would be \$171,600. The 15-year difference, the assistance request, would be \$2,574,000 [ $\$1,600 - \$1,028 = \$572 \times 25 \text{ units} \times 12 \text{ month} \times 15 \text{ years}$ ]. Note that in this example, each of the Affordable units are the same size and have been attributed the same rental rate. For an actual project, it is anticipated that each unit will have a unique market price.

Market rate units will be analyzed for reasonableness based on comparable project proformas. Assistance for Affordable housing will be in the form of TIF subsidies as such funds become available and in accordance with all TIF District policies and procedures. The assistance for Affordable housing will be calculated in current dollars; no net present value (NPV) adjustments will be made.

If at any time during the affordable set-aside period after the TIF subsidy has been paid, the owner/developer chooses to pay a release fee or transfer the units to an alternative property (see options two and three below), an amortized recapture of the Additional Assistance for Affordable Housing shall apply.

## **II. OPTION ONE: PROVIDE AFFORDABLE HOUSING UNITS WITHIN THE PROJECT ASSISTED WITH DOWNTOWN CONNECTION TIF DISTRICT FUNDS**

- A. This option may be selected for a TIF-assisted rental housing or owner-occupied (condominium or townhouse) project. If Option One is selected for the TIF-assisted project, the owner/developer shall set aside ten percent of the residential units within his or her project as Affordable Housing.
- B. Prior to the sale of any of the Affordable Housing units in a condominium or townhouse project, the owner/developer shall secure deed restrictions on each of the affordable units to ensure purchase and subsequent resale of the unit only to LIHs or MIHs. The deed restrictions shall be for a 40 year term and in the form required by the City, executed by the

property owner, consented to in writing by all lienholders, and recorded in the real property records of the county in which the property is located. Such deed restrictions shall govern the sale and resale of such units as Affordable, use and occupancy as the purchaser's principal residence, and maintenance of such units during the term of the deed restrictions.

- D. A portion of the Downtown Connection TIF District subsidy provided as part of the financing of the development of a rental project to a developer shall be a loan with the owner/developer executing a note payable to the City of Dallas in the amount of the TIF subsidy and secured by a deed of trust lien on or pledge of the project's real property to ensure the continued provision of Affordable Housing in the property in the event of sale or transfer of the property during the Affordability Period. The owner/developer of the project shall also execute deed restrictions on the property that provide that 10% of the project units will meet the Affordable Housing requirements. Such deed restrictions shall be for a 15 year term and in the form required by the City, executed by the property owner, consented to in writing by all lienholders, and recorded in the real property records of the county in which the property is located. Should the property be converted to owner-occupied housing during the fifteen year period, the property owner may choose to pay the release fee (see option two) at the time of conversion. The release fee may be reduced by the loss in revenue that resulted in providing the affordable housing units during the rental period.

### **III. OPTION TWO: PAY THE RELEASE FEE**

- A. Under this option, owners/developers of owner-occupied (condominium or townhouse) projects shall pay a Release Fee as determined by the applicable set aside requirement for Affordable units in lieu of providing the Affordable units within the project.
- B. The total Release Fee shall be an amount equal to fifty percent of the property's median sales price for the market units in the project multiplied by the number of set-aside units required for the property (For example: An owner of a project that has 150 units and a median market-rate unit sales price of \$350,000 would pay a Release Fee equal to:  $50\% \times \$350,000 \times 15$  set aside units, or \$2,625,000).
- C. The median unit price shall be determined by a certified price list to be provided to the City on the date on which the certificate of occupancy is issued.

- D. The Release Fee shall be paid to the City of Dallas in part at the time residential units in the property are sold in the amount of one percent of the median price of each unit at the closing of the sale of each unit. The balance of the Release Fee shall be finally due and payable to the City no later than eighteen months after the certificate of occupancy has been issued for the Project. The Developer shall have paid the total Release Fee by this date whether or not all the residential units have been sold.
- E. Release Fees will be deposited into the Downtown Connection TIF District fund and earmarked for Affordable Housing development in the Downtown Connection TIF District along with the \$3,000,000 previously set aside for this program.

**IV. OPTION THREE: TRANSFER AFFORDABLE HOUSING UNITS TO ANOTHER PROPERTY WITHIN THE CBD**

- A. The owner/developer shall provide the same number of units required in the TIF-assisted project to be designated for Affordable Housing in an alternative downtown project within the CBD, subject to the approval of the Director of the Office of Economic Development and Dallas County.
- B. Transfer Provision Criteria. The alternative downtown project (the "Transfer Property") providing the required number of affordable housing units must:
  - 1. be located within the CBD (stronger consideration will be given to projects within or adjacent to the Main Street core area);
  - 2. contain a minimum of 25 residential units;
  - 3. have no more than 30% of the building's residential units as Affordable units;
  - 4. have a minimum of 550 square feet of rentable, livable area;
  - 5. be disbursed among the building floors and have comparable views as the market rate units;
  - 6. be commensurate in quality to the building's market-rate units;
  - 7. remain affordable for fifteen (15) years;
  - 8. obtain a certificate of occupancy on the building, including all Affordable units prior to the disbursement of any TIF funds related to the TIF assisted project.
- C. Transfer Provision Enforcement Instruments. A portion of the Downtown Connection TIF District subsidy provided as part of the financing of the development of a project shall be in the form of a loan secured with a note and deed of trust lien on the TIF-assisted property by the owner to enforce the continued provision of Affordable Housing in the Transfer Property in

the event of sale or transfer of either the TIF-subsidized property or the Transfer Property during the Affordability Period. The owner/developer of the project shall also execute deed restrictions on the TIF-subsidized property to enforce the requirement that the number of affordable units required in the TIF-assisted project are actually provided in the Transfer property. Such deed restrictions shall be approved by the City, contain the consent of the owner/developer's lien holder, be recorded in the real property records of the county in which the property is located and continue for a period 15 years.

- D. Monitoring of the Transfer Provision. Two copies of the monitoring report shall be provided to the City of Dallas twice a year. The copies shall be submitted to the Department of Housing and the Office of Economic Development. The reports shall verify the incomes of the individuals/households in the alternative affordable units and shall also include the price for which each unit was rented.
- E. Adjustments to Increase Effectiveness. Adjustments may be made to the Affordable Housing Policy, subject to the consent of the Dallas County, should such changes improve the effectiveness of implementing and providing affordable housing in downtown Dallas.
- F. Default or Violation of Obligation. Any violation of the deed restrictions or other failure to maintain the Affordable units in the Transfer Property in the alternative downtown project will be considered a default of the development agreement.





**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 2  
**DEPARTMENT:** Convention and Event Services  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** N/A

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**SUBJECT**

Approve the execution of the Hotel Operating Agreement between Omni Hotels Management Corporation and the Dallas Convention Center Hotel Development Corporation, the City's local government corporation - Financing: No cost consideration to the City

**BACKGROUND**

Omni Hotels is locally owned and operated. They operate 39 luxury hotels and resorts in North America. In 2006, J.D. Power and Associates ranked Omni "Highest in Guest Satisfaction Among Upscale Hotel Chains." Omni Hotels has a well-balanced customer base: Group – 47%, Business – 36%, Leisure – 17%. Based on all factors Omni is the preferred Operator.

The current hotel program provides for approximately 1,000 guest rooms and includes an approximately 80,000 square feet of ballroom and meeting room space, as well as structured parking for 720 vehicles.

The hotel will have restaurants, an exercise facility and pool, and other supporting facilities consistent with a full-service four-star convention center hotel and Omni's brand standard for such amenities.

The Hotel Operating Agreement will be entered into by the City's LGC and Omni Hotels Management Corporation. The agreement will be a qualified management agreement for a term of 15 years.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On February 4, 2009 this item was deferred by Council majority.

On December 10, 2008, by Resolution No. 08-3416, the City Council authorized (1) amendment of the three-party Pre-Development Agreement between Matthews Holdings Southwest, Inc., the City of Dallas and the City's local government corporation (LGC) (Dallas Convention Center Hotel Development Corporation) to extend the deadline dates for execution of the developer agreement and the GMP construction contract until January 31, 2009, and (2) authorized the City Manager to finalize the documentation of the developer agreement for subsequent approval by the City Council and the LGC.

On December 5, 2008, the City Council Economic Development Committee was briefed on the proposed amendment of the Pre-Development Agreement.

On November 20, 2008, the City Council Economic Development Committee was briefed on the hotel operator selection.

On October 22, 2008, by Resolution No. 08-2907, the City Council authorized (1) execution of an amendment of the three-party Pre-Development Agreement between Matthews Holdings Southwest, Inc., the City of Dallas and the LGC to provide additional pre-development design services prior to issuance of hotel revenue bonds, (2) an economic development agreement in an amount not to exceed \$4,000,000 to the LGC for payment of specified pre-development services, in accordance with the terms for the three-party Pre-Development Agreement, as amended (to be reimbursed from the sale of Hotel Revenue Bonds), and (3) an increase in appropriations in the amount of \$4,000,000 in the Convention Center Hotel Development Corporation (LGC) Fund.

On September 10, 2008, by Resolution No. 08-2488, the City Council authorized (1) execution of a three-party Pre-Development Agreement between Matthews Holdings Southwest, Inc., the City of Dallas and the City's LGC for the development of the Hotel on the site commonly known as the Chavez site, (2) an economic development agreement in an amount not to exceed \$4,000,000 to the LGC for payment of specified pre-development costs in accordance with the terms of the three-party pre-development Agreement (to be reimbursed from the sale of Hotel Revenue Bonds), (3) proceeding with geotechnical and environmental studies of the Chavez site in accordance with the previously approved memorandum of Understanding between the City and Matthews Holdings Southwest, Inc., not to exceed \$400,000, (4) establishment of appropriations in the Convention Center Hotel Development Corporation (LGC ) Fund, and (5) other matters related thereto.



**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)**

On August 20, 2008, by Resolution No. 08-2198, the City Council authorized the creation of a local government corporation to be named the Dallas Convention Center Hotel Development Corporation for the purpose of aiding, assisting, and acting on behalf of the City in the performance of its governmental functions to promote the development of the geographic area of the City included or in the vicinity of the Dallas Convention Center in furtherance of the promotion, development, encouragement, and maintenance of employment, commerce, convention and meeting activity, tourism, and economic development, in the City and more specifically for financing the Dallas Convention Center Headquarters Hotel (the "Hotel").

**FISCAL INFORMATION**

No cost consideration to the City



February 11, 2009

**WHEREAS**, the construction and operation of a convention center hotel would result in approximately \$2.5 billion in economic activity within the City over a 30 year period; and

**WHEREAS**, a survey of convention meeting planners demonstrates that an adjacent headquarters hotel is the leading criterion in selecting Dallas as a convention destination; and

**WHEREAS**, on August 20, 2008, by Resolution No. 08-2198, the City Council authorized creation of the Dallas Convention Center Hotel Development Corporation (the LGC); and

**WHEREAS**, on September 10, 2008, by Resolution 08-2488, the City Council authorized the execution of a three-party, Pre-Development Agreement between Matthews Holdings Southwest, Inc., (MSW), the City of Dallas and the LGC for development of a convention center hotel; and

**WHEREAS**, on November 20, 2008, the City Council Economic Development Committee was briefed on the hotel operator selection; and

**WHEREAS**, on December 10, 2008, by Resolution No. 08-3416, the City Council authorized (1) an amendment to the three-party Pre-Development Agreement between Matthews Holdings Southwest, Inc., the City of Dallas and the City's LGC to extend the deadline dates for execution of the developer agreement and the GMP construction contract until January 31, 2009, and (2) authorized the City Manager to finalize the documentation of the developer agreement for subsequent approval by the City Council and the LGC.

**Now Therefore;**

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

**SECTION 1.** That the Hotel Operating Agreement between Dallas Convention Center Hotel Development Corporation and Omni Hotels Management Corporation, substantially in the form attached hereto, is hereby approved, and the LGC is authorized to execute the Hotel Operating Agreement, with such modifications and changes as may be deemed necessary by the LGC bond counsel and the City Attorney, and further subject to approval by the board of directors of the LGC. The execution of the Hotel Operating Agreement is contingent upon the subsequent approval by the City Council and LGC board of directors of certain related Hotel operating documents, such as the Guaranty, the Room Block Agreement, the Cash Management Agreement, the Technical Services/Pre-Opening Agreement, and Omni's commitment regarding ancillary development.

February 11, 2009

**SECTION 2.** That this resolution shall 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.

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Water Utilities  
**CMO:** Ramon F. Miguez, P.E., 670-3308  
**MAPSCO:** All

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**SUBJECT**

~~An ordinance~~ Ordinances authorizing the issuance and placement sale of \$118,103,000 City of Dallas, Texas, Waterworks and Sewer System Revenue Bonds, Series 2009A (\$15.1 million); City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009B (\$8.28 million); and City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009C (\$94.723 million) ~~with to~~ the Texas Water Development Board and enacting other provisions in connection therewith - Not to exceed \$278,785 - Financing: Water Utilities Current Funds

**BACKGROUND**

On December 12, 2007 and June 25, 2008, the City Council in separate actions (Ordinances 07-3795 and 08-1829 respectively) authorized the City Manager and the Director of the Water Utilities Department to apply for loans from the Texas Water Development Board (TWDB) for three Water Utilities projects: Cedar Crest Direct Recycling Pipeline Extension Project (\$15.1 million), Lake Ray Hubbard Recycled Water Project (\$8.28 million), and Eastside Water Purification Plant Improvements Project (\$94.723 million). Total bond issuance and placement is \$118,103,000. As part of these loans, the Water Utilities Department will issue bonds that will be subsequently purchased by the TWDB (State of Texas) in order to close water infrastructure loans by the Water Utilities Department with the State of Texas. Through the purchase of our bonds, the TWDB will in turn provide Dallas with an interest rate that is 200 basis points below the TWDB's average market rate.

**ESTIMATED SCHEDULE OF PROJECT**

Bid Date and Acceptance February 11, 2009  
Delivery of Proceeds March 2009

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On December 12, 2007, the City Council authorized the City Manager to enter into a contract for financial assistance with the TWDB for the Cedar Crest Direct Recycling Pipeline Extension Project and the Lake Ray Hubbard Recycled Water Project.

On June 25, 2008, the City Council authorized the City Manager to enter into a contract for financial assistance with the TWDB for the Eastside Water Purification Plant Improvements Project.

Briefed the Finance, Audit & Accountability Committee on August 12, 2008.

## **FISCAL INFORMATION**

Water Utilities Current Funds - \$278,785

## **M/WBE INFORMATION**

The total estimated bond issuance costs are \$278,785. This amount includes \$94,394 or 33.9% to be paid to M/WBE firms for various services. Estrada Hinojosa & Co., #259910, acts as co-financial advisor and will receive \$51,574 or 18.5% of the total issuance costs. The Escamilla & Poneck, Inc., #518903, acts as co-bond counsel and will receive an estimated \$48,820 or 15.4% of the total issuance costs.

**ORDINANCE NO. \_\_\_\_\_**

**ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF DALLAS, TEXAS WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES 2009A; AWARDED THE SALE OF THE BONDS; AND ALL OTHER MATTERS RELATED THERETO**

THE STATE OF TEXAS :  
COUNTIES OF DALLAS, DENTON, COLLIN AND ROCKWALL :  
CITY OF DALLAS :

WHEREAS, the City of Dallas (the "City" or the "Issuer") has heretofore issued its City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1981 (the "Series 1981 Bonds"); and

WHEREAS, defined terms used in this Ordinance shall have the meaning given said terms in Section 7 of this Ordinance, unless otherwise indicated herein; and

WHEREAS, in the ordinance authorizing the issuance of the Series 1981 Bonds (the "1981 Ordinance"), the City reserved the right to issue revenue bonds on a parity with the Series 1981 Bonds; and

WHEREAS, under authority of the right reserved in the 1981 Ordinance, the City issued and there currently remain outstanding revenue bonds from each series of bonds described in the definition of "Previously Issued Parity Bonds" set forth in Section 7 of this Ordinance; and

WHEREAS, in addition to the outstanding Previously Issued Parity Bonds, the City has authorized the issuance from time to time and at any one time outstanding of up to \$300,000,000 of its Waterworks and Sewer System Commercial Paper Notes, Series B and Series C (the "Commercial Paper Notes"), for the purpose of improving and extending the System; and

WHEREAS, the City deems it appropriate to issue the hereinafter authorized bonds for the purpose of extending and improving the System; and

WHEREAS, the Texas Water Development Board has committed to purchase the bonds hereinafter authorized pursuant to Subchapter Q of Chapter 15, Texas Water Code; and

WHEREAS, concurrently with the adoption of this Ordinance, the City is adopting an ordinance authorizing the sale of City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009B, in the aggregate principal amount of \$8,280,000 (the "Series 2009B Bonds"), and an ordinance authorizing the sale of City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009C, in the aggregate principal amount of \$94,723,000 (the "Series 2009C Bonds"), each for the purpose of extending and improving the System; and

WHEREAS, the Series 2009B Bonds and the Series 2009C Bonds shall be on a parity with the bonds hereinafter authorized, and the Texas Water Development Board has committed to purchase the Series 2009B Bonds and the Series 2009C Bonds pursuant to Subchapter Q of Chapter 15, Texas Water Code; and

WHEREAS, the bonds hereinafter authorized are to be issued and delivered pursuant to the laws of the State of Texas, including Chapter 1502, Texas Government Code; and

WHEREAS, the bonds hereinafter authorized shall be on a parity with the outstanding Previously Issued Parity Bonds;

**THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS;**

Section 1. **BONDS AUTHORIZED.** That the City's bonds (the "Bonds") are hereby authorized to be issued in the aggregate principal amount of \$15,100,000 for the purpose of extending and improving the System. The Bonds shall be designated as the "**City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009A**". The Bonds are issued as "Additional Bonds" as such term is defined in the 1981 Ordinance, and are in all respects on a parity with the outstanding Previously Issued Parity Bonds.

Section 2. **DATES AND MATURITIES.** That the Bonds shall be dated February 1, 2009, shall be in the denomination of \$1,000 or any integral multiple thereof (an "Authorized Denomination"), shall be numbered consecutively from R-1 upward, and shall mature on the maturity date, in each of the years and in the amounts as set forth in Schedule I to this Ordinance. The Texas Water Development Board ("TWDB") will purchase the Bonds in the manner described in Section 29 of this Ordinance.

Section 3. **REDEMPTION.** (a) That the City reserves the right to redeem the Bonds maturing on or after October 1, 2020, in whole or in part in principal amounts of \$1,000 or any integral multiple thereof, in inverse chronological order, on October 1, 2019, or on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption. If less than all of the Bonds are to be redeemed by the City, the City shall determine the maturity or maturities and the amounts thereof to be redeemed (subject to the limitation expressed in the preceding sentence that the Bonds be redeemed in inverse chronological order), and shall direct the Paying Agent/Registrar to call by lot Bonds, or portions thereof, within such maturity or maturities and in such principal amounts, for redemption; provided, that during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.



(b) The Bonds are not subject to mandatory sinking fund redemption prior to their scheduled maturities.

(c) At least thirty (30) days prior to the date any such Bonds are to be redeemed, (i) a written notice of redemption shall be given by the Paying Agent/Registrar to the registered owner of each Bond or a portion thereof being called for redemption by depositing such notice in the United States mail, first-class, postage prepaid, addressed to each such registered owner at the address thereof as shown on the Registration Books and (ii) a notice of such redemption shall be published one (1) time in a financial journal or publication of general circulation in the United States of America or the State of Texas carrying as a regular feature notices of municipal bonds called for redemption; provided, however, that should the TWDB be the owner of 100% in aggregate principal amount of the Bonds then outstanding, notice of redemption shall not be required to be published in the manner described in (ii) above; and provided, further, that should the TWDB not be the owner of 100% in aggregate principal amount of the Bonds then outstanding, the publication of notice as described in (ii) above shall be the only notice actually required in connection with or as a prerequisite to the redemption of any Bond, and the failure to send, mail or receive such notice described in (i) above, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption, due provision shall be made by the City with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or the portions thereof which are to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, the Bonds, or the portions thereof which are to be so redeemed, thereby automatically shall be redeemed prior to their scheduled maturities, and shall not bear interest after the date fixed for their redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/Registrar shall record in the Registration Books all such redemptions of principal of the Bonds or any portion thereof. If a portion of any Bond shall be redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any Authorized Denomination, at the written request of the registered owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in this Ordinance. In addition, notice of such redemption shall be provided in the manner described in Section 5(h) hereof, but the failure to provide such notice as described in Section 5(h) hereof shall not affect the validity or effectiveness of the proceedings for the redemption of the Bonds.

Section 4. **INTEREST.** That interest on the Bonds shall be payable on April 1, 2009, and semiannually thereafter on October 1 and April 1 of each year, until maturity or redemption prior to maturity, to the registered owner of any such Bond as of the Record Date (as defined in the FORM OF BOND) next preceding such interest payment date, in the manner provided in the FORM OF BOND, at the rates per annum as set forth in Schedule I to this Ordinance. Interest on the Bonds shall accrue from the date of delivery of the Bonds, and shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

**Section 5. PAYING AGENT/REGISTRAR; BOOK-ENTRY ONLY SYSTEM.** (a) That the City shall keep or cause to be kept at the corporate trust office designated by U.S. Bank National Association, as its place of payment for the Bonds, or such other bank, trust company, financial institution, or other entity duly qualified and legally authorized to serve and perform duties of and services of paying agent and registrar, named in accordance with the provisions of (g) of this Section hereof (the "Paying Agent/Registrar"), books or records of the registration and transfer of the Bonds (the "Registration Books"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep the Registration Books and make such transfers and registrations under such reasonable regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfers and registrations as herein provided. The place of payment so designated by the Paying Agent/Registrar shall be referred to herein as the "Designated Trust Office" of the Paying Agent/Registrar. It shall be the duty of the Paying Agent/Registrar to obtain from the registered owner and record in the Registration Books the address of such registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided. The Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any entity other than the City. Registration of each Bond may be transferred in the Registration Books only upon presentation and surrender of such Bond for transfer of registration and cancellation to the Paying Agent/Registrar at its Designated Trust Office during normal business hours, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing the assignment of the Bond, or any portion thereof in any Authorized Denomination, to the assignee or assignees thereof, and the right of such assignee or assignees to have the Bond or any such portion thereof registered in the name of such assignee or assignees. Upon the assignment and transfer of any Bond or any portion thereof, a new substitute bond or bonds shall be issued in exchange therefor in the manner herein provided. As of the date this Ordinance is approved by the City, the Designated Trust Office is the Dallas, Texas corporate trust office of U.S. Bank National Association.

(b) The entity in whose name any Bond shall be registered in the Registration Books at any time shall be treated as the absolute owner thereof for all purposes of this Ordinance, whether such Bond shall be overdue, and the City and the Paying Agent/Registrar shall not be affected by any notice to the contrary unless otherwise required by law; and payment of, or on account of, the principal of, premium, if any, and interest on any such Bond shall be made only to such registered owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(c) The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of, premium, if any, and interest on the Bonds, and to act as its agent to exchange or replace Bonds, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Bonds, and of all exchanges of the Bonds, and all replacements of the Bonds, as provided in this Ordinance.

(d) Each Bond may be exchanged for fully registered bonds in the manner set forth herein. Each Bond issued and delivered pursuant to this Ordinance, to the extent of the unpaid or unredeemed principal amount thereof, may, upon surrender thereof at the Designated Trust Office of the Paying Agent/Registrar, together with a written request therefor duly executed by the registered owner or the assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantee of signatures satisfactory to the Paying Agent/Registrar, at the option of the registered owner or such assignee or assignees, as appropriate, be exchanged for fully registered bonds, without interest coupons, in the form prescribed in the FORM OF BOND, in an Authorized Denomination (subject to the requirement hereinafter stated that each substitute Bond shall have a single stated maturity date), as requested in writing by such registered owner or such assignee or assignees, in an aggregate principal amount equal to the unpaid or unredeemed principal amount of any Bond or Bonds so surrendered, and payable to the appropriate registered owner, assignee, or assignees, as the case may be. If a portion of any Bond shall be redeemed prior to its scheduled maturity as provided herein, at the request of the registered owner a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in an Authorized Denomination, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon surrender thereof for cancellation. If any Bond or portion thereof is assigned and transferred, each Bond issued in exchange therefor shall have the same principal maturity date and bear interest at the same rate as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall exchange or replace Bonds as provided herein, and each fully registered substitute Bond delivered in exchange for or replacement of any Bond or portion thereof as permitted or required by any provision of this Ordinance shall constitute one of the Bonds for all purposes of this Ordinance, and may again be exchanged or replaced. On each substitute Bond issued in exchange for or replacement of any Bond or Bonds issued under this Ordinance there shall be printed thereon a Paying Agent/Registrar's Authentication Certificate, in the form set forth in the FORM OF BOND (the "Authentication Certificate"). An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, manually sign and date the Authentication Certificate, and no such Bond shall be deemed to be issued or outstanding unless the Authentication Certificate is so executed and dated. The Paying Agent/Registrar promptly shall cancel all Bonds surrendered for exchange or replacement. No additional ordinances, orders, or resolutions need be passed or adopted by the City Council or any other body or person so as to accomplish the foregoing exchange or replacement of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein, pursuant to Chapter 1206, particularly Subchapter B thereof. The duty of such exchange or replacement of Bonds as described in the preceding sentence is hereby imposed upon the Paying Agent/Registrar, and upon the execution of the Authentication Certificate, the exchanged or replaced Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which originally were delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts. Neither the City nor the Paying Agent/Registrar shall be required (1) to make any transfer or exchange during a period beginning at the opening of business 15 days before the day of the first mailing of a notice of redemption of Bonds and ending at the close of business on the day of such mailing, or (2) to transfer or exchange any Bond after it is selected for

redemption, in whole or in part, when such redemption is scheduled to occur within 30 calendar days; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

(e) All Bonds issued in exchange or replacement of any other Bond or portion thereof, (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on the Bonds to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be exchanged for other Bonds, (v) shall have the characteristics, (vi) shall be signed and sealed, and (vii) the principal of and interest on the Bonds shall be payable, all as provided, and in the manner required or indicated, in the FORM OF BOND.

(f) The City shall pay all of the Paying Agent/Registrar's reasonable and customary fees and charges for making transfers, conversions and exchanges of the Bonds in accordance with an agreement between the City and the Paying Agent/Registrar, but the registered owner of any Bond requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto. In addition, the City hereby covenants with the registered owners of the Bonds that it will pay the reasonable standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Bonds, when due.

(g) The City covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other entity duly qualified and legally authorized to serve as and perform the duties and services of Paying Agent/Registrar, to act as and perform the services of Paying Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be one entity. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than sixty (60) days' written notice to the Paying Agent/Registrar. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other entity duly qualified and legally authorized to serve as and perform the services of Paying Agent/Registrar, which shall be a corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers, subject to supervision or examination by federal or state authority, and whose qualifications substantially are similar to the previous Paying Agent/Registrar, to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the City and to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States mail, first-class, postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying

Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(h)(i) In addition to the manner of providing notice of redemption of Bonds as described in Section 3 hereof, the Paying Agent/Registrar shall give notice of redemption of Bonds by United States mail, first-class, postage prepaid, at least thirty (30) days prior to a redemption date to the SID and each NRMSIR. In addition, in the event of a redemption caused by an advance refunding of the Bonds, the Paying Agent/Registrar shall send a second notice of redemption to the persons specified in the immediately preceding sentence at least thirty (30) days but not more than ninety (90) days prior to the actual redemption date. Any notice sent to the SID and a NRMSIR shall be sent so that such notice is received at least two (2) days prior to the general mailing or publication date of such notice. The Paying Agent/Registrar shall also send a notice of redemption to the registered owner of any Bonds who has not sent the Bonds in for redemption sixty (60) days after the redemption date. The failure to send, mail or receive any such notice described in this clause (i), or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond.

(ii) Each redemption notice, whether required in the FORM OF BOND or otherwise by this Ordinance, shall contain a description of the Bonds to be redeemed including the complete name of the Bonds, the Series, the date of issue, the interest rate, the maturity date, the CUSIP number, the amounts called of each Bond, the publication and mailing date for the notice, the date of redemption, the redemption price, the name of the Paying Agent/Registrar and the address at which the Bond may be redeemed including a contact person and telephone number.

(iii) All redemption payments made by the Paying Agent/Registrar to the registered owners of the Bonds shall include a CUSIP number relating to each amount paid to such registered owner.

(i) The Bonds initially shall be issued and delivered in such manner that no physical distribution of the Bonds will be made to the public, and DTC initially will act as depository for the Bonds. DTC has represented to the City that it is a limited purpose trust company incorporated under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered under Section 17A of the Securities Exchange Act of 1934, as amended, and the City accepts, but in no way verifies, such representations. It is expected that upon the initial delivery of Bonds, DTC will hold the Bonds on behalf of the TWDB, and that the definitive Bonds held at DTC upon delivery of the Bonds to the TWDB shall be registered in the name of CEDE & CO., the nominee of DTC. So long as each Bond is registered in the name of CEDE & CO., the Paying Agent/Registrar shall treat and deal with DTC the same in all respects as if it were the actual and beneficial owner thereof. It is expected that DTC will maintain a book-entry system which will identify ownership of the Bonds in Authorized Denominations, with transfers of ownership being effected on the records of DTC and its participants pursuant to rules and regulations established by them, and that the Bonds initially deposited with DTC shall be immobilized and not be further exchanged for substitute Bonds except as hereinafter provided. The City is not responsible or liable

for any functions of DTC, will not be responsible for paying any fees or charges with respect to the services of DTC, will not be responsible or liable for maintaining, supervising, or reviewing the records of DTC or its participants, or protecting any interests or rights of the beneficial owners of the Bonds. It shall be the duty of the DTC Participants (in the case of the Bonds, the TWDB) to make all arrangements with DTC to establish this book-entry system, the beneficial ownership of the Bonds, and the method of paying the fees and charges of DTC. The City does not represent, nor does it in any way covenant, that the initial book-entry system established with DTC will be maintained in the future. Notwithstanding the initial establishment of the foregoing book-entry system with DTC, if for any reason any of the originally delivered Bonds is duly filed with the Paying Agent/Registrar with proper request for transfer and substitution, as provided for in this Ordinance, substitute Bonds will be duly delivered as provided in this Ordinance, and there will be no assurance or representation that any book-entry system will be maintained for the Bonds. The City heretofore has executed a "Blanket Letter of Representations" prepared by DTC in order to implement the book-entry system described above. The foregoing notwithstanding, for so long as TWDB is an owner of any outstanding Bonds, the City will not discontinue the DTC book-entry system without the consent of TWDB.

(j) The Paying Agent/Registrar shall complete the "Date of Delivery" on each installment of Bonds initially delivered to the TWDB, upon the satisfaction of the conditions described in Section 29 of this Ordinance.

Section 6. **FORM OF BONDS.** That the form of all Bonds, including the form of the Authentication Certificate, the form of Assignment, and the form of the Comptroller's Registration Certificate to accompany the Bonds on the initial delivery thereof, shall be, respectively, substantially in the form set forth in Exhibit A to this Ordinance, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance.

Section 7. **DEFINITIONS.** That, as used in this Ordinance, the following terms shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

The term "Additional Bonds" shall mean the additional parity revenue bonds which the City reserves the right to issue in the future, as provided in this Ordinance.

The term "Amortization Installment", with respect to any Term Bonds of any Previously Issued Parity Bonds, any of the Bonds designated in this Ordinance as Term Bonds, or any series of Additional Bonds, shall mean the amount of money which is required to be deposited into the Mandatory Redemption Account referred to in Section 10(b) hereof for retirement of such Term Bonds (whether at maturity or by mandatory redemption and including redemption premium, if any), provided that the total Amortization Installments for such Term Bonds shall be sufficient to provide for retirement of the aggregate principal amount of such Term Bonds.

The term "Authorized Denomination" shall have the same meaning as set forth in Section 2(a) hereof.

The terms "Bonds" and "Series 2009A Bonds" shall mean one or more, as the case may be, of the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009A, authorized to be issued by this Ordinance.

The term "Business Day" shall mean a day other than a Saturday, Sunday, a legal holiday, or a day on which banking institutions are authorized by law or executive order to close in the City or the city where the Designated Trust Office of the Paying Agent/Registrar is located.

The term "Chapter 9" shall mean Chapter 9, Texas Business & Commerce Code, as amended.

The term "Chapter 1206" shall mean Chapter 1206, Texas Government Code, as amended.

The term "Chapter 1208" shall mean Chapter 1208, Texas Government Code, as amended.

The terms "City" and "Issuer" shall mean the City of Dallas, Texas.

The term "Code" shall mean the Internal Revenue Code of 1986, as amended.

The term "DTC" shall mean The Depository Trust Company, New York, New York.

The term "DTC Participant" shall mean the securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants, and shall include, for so long as it is an owner of Bonds, the TWDB.

The term "Designated Trust Office" shall have the same meaning as set forth in Section 5(a) hereof.

The terms "Gross Revenues of the City's Combined Waterworks and Sewer System" and "Gross Revenues" shall mean all revenues, income, and receipts of every nature derived or received by the City from the operation and ownership of the System, including the interest income from the investment or deposit of money in any Fund created by this Ordinance, or maintained by the City in connection with the System.

The term "Interest and Sinking Fund" shall have the meaning as set forth in Section 10(a) hereof.

The term "MAC" shall mean the Municipal Advisory Council of Texas.

The term "MSRB" shall mean the Municipal Securities Rulemaking Board.

The terms "Net Revenues of the City's Combined Waterworks and Sewer System" and "Net Revenues" shall mean all Gross Revenues after deducting and paying the current expenses of operation and maintenance of the System, as required by Section 1502.056, Texas Government Code,

including all salaries, labor, materials, interest, repairs, and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the judgment of the City Council, reasonably and fairly exercised by the adoption of the appropriate resolution, are necessary to keep the System in operation and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair the Previously Issued Parity Bonds, the Bonds or Additional Bonds, shall be deducted in determining "Net Revenues". Payments made by the City for water supply or treatment of sewage which constitute under the law operation and maintenance expense shall be considered herein as expenses incurred in the operation and maintenance of the System. Depreciation and any payments to the City in lieu of ad valorem taxes and any other similar payments shall never be considered as an expense of operation and maintenance.

The term "1981 Ordinance" shall have the meaning set forth in the preamble to this Ordinance.

The term "NRMSIR" shall mean each person whom the SEC or its staff has determined to be a nationally recognized municipal securities information repository within the meaning of the Rule from time to time.

The term "Paying Agent/Registrar" shall have the meaning as set forth in Section 5(a) hereof.

The term "Pledged Revenues" shall mean

- (1) the Net Revenues, plus
- (2) any additional revenues, income, receipts, or other resources, including, without limitation, any grants, donations, or income received or to be received from the United States Government, or any other public or private source, whether pursuant to an agreement or otherwise, which hereafter may be pledged to the payment of the Previously Issued Parity Bonds, Bonds or Additional Bonds.

The term "Previously Issued Parity Bonds" shall mean the Series 1993-A Bonds, the Series 1998 Bonds, the Series 1999 Bonds, the Series 2000 Bonds, the Series 2001 Bonds, the Series 2002 Bonds, the Series 2002-A Bonds, the Series 2003 Bonds, the Series 2003A Bonds, the Series 2005 Bonds, the Series 2006 Bonds, the Series 2007 Bonds and the Series 2008 Bonds.

The term "Project" shall mean the extensions and improvements to the System to be funded with the proceeds of the Bonds, to-wit, the Cedar Crest Direct Recycling Pipeline Extension Project.

The term "Project Fund" shall have the meaning as set forth in Section 12 hereof.

The term "Registration Books" shall have the meaning as set forth in Section 5(a) hereof.

The term "Reserve Fund" shall have the meaning as set forth in Section 11 hereof.

The term "Revenue Fund" shall have the meaning as set forth in Section 9 hereof.



The term "Rule" shall mean SEC Rule 15c2-12, as amended from time to time.

The term "SEC" shall mean the United States Securities and Exchange Commission.

The term "Series 1981 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1981, dated April 1, 1981, and authorized by ordinance of the City passed April 1, 1981; the term "Series 1993-A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 1993-A, dated September 1, 1993, and authorized by ordinance of the City passed September 8, 1993; the term "Series 1998 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1998, dated September 1, 1998, and authorized by ordinance of the City passed November 4, 1998; the term "Series 1999 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1999, dated September 1, 1999, and authorized by ordinance of the City passed November 10, 1999; the term "Series 2000 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2000, dated September 1, 2000, and authorized by ordinance of the City passed November 8, 2000; the term "Series 2001 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2001, dated September 1, 2001, and authorized by ordinance of the City passed October 10, 2001; the term "Series 2002 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2002, dated February 1, 2002, and authorized by ordinance of the City passed February 13, 2002; the term "Series 2002-A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2002-A, dated September 1, 2002, and authorized by ordinance of the City passed June 26, 2002; the term "Series 2003 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2003, dated January 1, 2003, and authorized by ordinance of the City passed December 11, 2002; the term "Series 2003A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2003A, dated September 1, 2003, and authorized by ordinance of the City passed November 5, 2003; the term "Series 2005 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2005, dated February 1, 2005, and authorized by ordinance of the City passed February 23, 2005; the term "Series 2006 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2006, dated April 1, 2006, and authorized by ordinance of the City passed April 12, 2006; the term "Series 2007 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2007, dated March 15, 2007, and authorized by ordinance of the City passed March 21, 2007; and the term "Series 2008 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2008, dated May 15, 2008, and authorized by ordinance of the City passed May 28, 2008.

The term "SID" shall mean any person designated by the State of Texas or an authorized department, officer, or agency thereof as, and determined by the SEC or its staff to be, a state information depository within the meaning of the Rule from time to time.

The term "System" shall mean and include the City's combined existing waterworks and sewer system, together with all future extensions, improvements, enlargements, and additions thereto, and all replacements thereof; provided that, notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term System shall not include any waterworks or sewer facilities which are declared not to be a part of the System and which are acquired or constructed by the City with the proceeds from the issuance of "Special Facilities Bonds", which are hereby defined as being special revenue obligations of the City which are not secured by or payable from the Pledged Revenues as defined herein, but which are secured by and payable solely from special contract revenues or payments received from any other legal entity in connection with such facilities; and such revenues or payments shall not be considered as or constitute Gross Revenues of the System, unless and to the extent otherwise provided in the ordinance or ordinances authorizing the issuance of such "Special Facilities Bonds".

The term "Term Bonds" shall mean those Bonds (if any) so designated in this Ordinance, and those Previously Issued Parity Bonds or Additional Bonds so designated in the ordinances authorizing such bonds, which shall be subject to retirement by operation of the Mandatory Redemption Account referred to in Section 10(b) hereof.

The term "TWDB" shall mean the Texas Water Development Board.

The term "Year" shall mean the regular fiscal year used by the City in connection with the operation of the System, which may be any twelve consecutive months period established by the City.

Section 8. **PLEDGE.** (a) That the Previously Issued Parity Bonds, the Bonds and any Additional Bonds, and any interest payable thereon, are and shall be secured by and payable from an irrevocable first lien on and pledge of the Pledged Revenues; and the Pledged Revenues are further pledged irrevocably to the establishment and maintenance of the Interest and Sinking Fund and the Reserve Fund as hereinafter provided. The Previously Issued Parity Bonds, the Bonds and any Additional Bonds are and will be secured by and payable only from the Pledged Revenues, and are not secured by or payable from a mortgage or deed of trust on any real, personal or mixed properties constituting the System.

(b) Chapter 1208 applies to the issuance of the Bonds and the pledge of the Pledged Revenues granted by the City under subsection (a) of this Section, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the Pledged Revenues granted by the City is to be subject to the filing requirements of Chapter 9, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it

determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9 and enable a filing to perfect the security interest in said pledge to occur.

Section 9. **REVENUE FUND.** That there has been created and established on the books of the City, and accounted for separate and apart from all other funds of the City, a special fund entitled the "City of Dallas, Texas, Waterworks and Sewer System Revenue Fund" (the "Revenue Fund"). All Gross Revenues are and shall be credited to the Revenue Fund immediately upon receipt. All current expenses of operation and maintenance of the System are and shall be paid from such Gross Revenues as a first charge against same.

Section 10. **INTEREST AND SINKING FUND.** (a) That for the sole purpose of paying the principal of and interest on the Previously Issued Parity Bonds, the Bonds and any Additional Bonds, as the same come due, there has been created and established on the books of the City a separate fund entitled the "City of Dallas, Texas, Waterworks and Sewer System Revenue Bonds Interest and Sinking Fund" (the "Interest and Sinking Fund"). Monies in the Interest and Sinking Fund are and shall be maintained at an official depository bank of the City.

(b) That within the Interest and Sinking Fund there has been established the Mandatory Redemption Account, into which account shall be credited the Amortization Installments which shall be used for the payment of the principal of Term Bonds as the same shall come due, whether by maturity thereof or by redemption, through the operation of the Mandatory Redemption Account.

Section 11. **RESERVE FUND.** That there has been created and established on the books of the City a separate fund entitled the "City of Dallas, Texas, Waterworks and Sewer System Revenue Bonds Reserve Fund" (the "Reserve Fund"). Monies in the Reserve Fund shall be used solely for the purpose of retiring the last of any Previously Issued Parity Bonds, Bonds or Additional Bonds as they become due or paying principal of and interest on any Previously Issued Parity Bonds, Bonds or Additional Bonds when and to the extent the amounts in the Interest and Sinking Fund are insufficient for such purpose. Monies in the Reserve Fund shall be maintained at an official depository bank of the City.

Section 12. **PROJECT FUND.** (a) That there is hereby created, established and maintained on the books of the City, a separate fund to be entitled the "City of Dallas, Texas Waterworks and Sewer System Series 2009A Revenue Bonds Project Fund" (hereinafter called the "Project Fund"). Monies in the Project Fund shall be maintained at an official depository bank of the City.

(b) Except as otherwise provided in Section 15(a) hereof, the proceeds of the Bonds shall be deposited into the Project Fund and used by the City for payment of the costs of the Project, and the payment of costs associated therewith, including any costs for engineering, financing, financial consultation, administrative, auditing and legal expenses.

(c) Any surplus proceeds, including the investment earnings derived from the investment of monies on deposit in the Project Fund, from the Bonds remaining on deposit in the Project Fund after

completing the improvements and extensions to the System and upon the completion of the final accounting as described in Section 22(n) hereof, shall be transferred to the Interest and Sinking Fund to redeem, in inverse order of maturity, the Bonds owned by TWDB. The foregoing notwithstanding, it is further provided, however, that any interest earnings on monies on deposit in the Project Fund which are required to be rebated to the United States of America pursuant to Section 25 hereof in order to prevent the Bonds from being arbitrage bonds shall be transferred to the "Rebate Fund" hereinafter established and shall not be considered as interest earnings for purposes of this subsection.

(d) If required by TWDB as a condition to the purchase of the Bonds, the City Manager or the designee thereof may approve, execute and deliver an appropriate escrow agreement or establish an appropriate trust and agency fund on the books of the City. In either case, proceeds of the Bonds required to be deposited under an escrow agreement or into a trust and agency fund shall be disbursed in accordance with the TWDB Rules Relating to Financial Programs or as otherwise authorized and directed by TWDB.

Section 13. **DEPOSITS OF PLEDGED REVENUES; INVESTMENTS.** (a) That the Pledged Revenues shall be deposited in the Interest and Sinking Fund and the Reserve Fund when and as required by ordinances authorizing Previously Issued Parity Bonds and by this Ordinance.

(b) That money in any Fund established by this Ordinance or by ordinances authorizing Previously Issued Parity Bonds may, at the option of the City and to the extent permitted by law, be (A) placed in time deposits or certificates of deposit which are secured by (i) obligations of the type described in (B) hereinbelow, (ii) any obligations of the City, or (iii) any municipal bonds issued by a political subdivision in Texas bearing a rating by Standard & Poor's Corporation of "BBB" or Moody's Investors Service of "Baa", or better or (B) invested, including investments held in book-entry form, in (i) direct obligations of the United States of America, (ii) obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligations, or (iii) to the extent permitted by law, evidences of indebtedness issued, insured or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, United States Postal Service, Farmers Home Association, and the Federal Home Loan Mortgage Association; provided that all such deposits and investments shall have a par value (or market value when less than par) exclusive of accrued interest at all times at least equal to the amount of money credited to such Funds, and shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times. Money in the Reserve Fund shall not be invested in securities maturing later than the final maturity of the Previously Issued Parity Bonds, the Bonds, and Additional Bonds. Such investments shall be valued in terms of current market value as of the last day of each Year, except that direct obligations of the United States (State and Local Government Series) in book-entry form shall be continuously valued at their par or face principal amount. Such investments shall be sold promptly when necessary to prevent any default in connection with the Previously Issued Parity Bonds, the Bonds or Additional Bonds. All investments shall comply with the provisions of the Public Funds Investment Act, Chapter 2256, Texas Government Code.

Section 14. **FUNDS SECURED.** That money in all Funds created by this Ordinance, to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the City. All uninvested and unescrowed proceeds from the delivery of the Bonds shall be subject to the provisions of the Public Funds Collateral Act, Chapter 2257, Texas Government Code.

Section 15. **DEBT SERVICE REQUIREMENTS.** (a) That promptly after the delivery of the Bonds the City shall cause to be deposited to the credit of the Interest and Sinking Fund any accrued interest received from the sale and delivery of the Bonds, and any such deposit shall be used to pay part of the interest next coming due on the Bonds.

(b) That in addition to all amounts heretofore required to be transferred from the Pledged Revenues and deposited to the credit of the Interest and Sinking Fund by the ordinances authorizing the issuance of the Previously Issued Parity Bonds, the City shall transfer from the Pledged Revenues and deposit to the credit of the Interest and Sinking Fund the amounts, at the times, as follows:

(1) such amounts, deposited in approximately equal monthly installments on or before the 25th day of each month hereafter, commencing with the month during which the Bonds are delivered, or the month thereafter if delivery is made after the 25th day thereof, as will be sufficient, together with other amounts, if any, then on hand in the Interest and Sinking Fund and available for such purpose, to pay the interest scheduled to accrue and come due on the Bonds on the next succeeding interest payment date; and

(2) such amounts, deposited in approximately equal monthly installments on or before the 25th day of each month hereafter, commencing with the month during which the Bonds are delivered, or the month thereafter if delivery is made after the 25th day thereof, as will be sufficient, together with other amounts, if any, then on hand in the Interest and Sinking Fund and available for such purpose, to pay the principal scheduled to mature and come due on the Bonds on the next succeeding principal payment date.

Section 16. **RESERVE REQUIREMENTS.** That the Reserve Fund shall be maintained in an amount equal to the average annual principal and interest requirements (including Amortization Installments) of the Previously Issued Parity Bonds, the Bonds and Additional Bonds (the "Required Amount"). When and so long as the money and investments in the Reserve Fund are not less than the Required Amount, no deposits need be made to the credit of the Reserve Fund. When and if the Reserve Fund contains less than the Required Amount due to the issuance of the Bonds or Additional Bonds, beginning on the 25th day of the month following the delivery of the Bonds or Additional Bonds to the purchasers thereof, and continuing for sixty months, the City shall transfer from the Pledged Revenues and deposit to the credit of the Reserve Fund an amount equal to 1/60th of the difference determined as of such delivery date between the amount in the Reserve Fund and the Required Amount. When and if the Reserve Fund at any time contains less than the Required Amount due to any cause or condition other than the issuance of Additional Bonds, then, subject and subordinate to making the required deposits to the credit of the Interest and Sinking Fund, such

deficiency shall be made up as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose. The City may, at its option, withdraw and use for any lawful purpose not inconsistent with the City's Charter, all surplus in the Reserve Fund over the Required Amount.

Section 17. **DEFICIENCIES; EXCESS PLEDGED REVENUES.** (a) That if on any occasion there shall not be sufficient Pledged Revenues to make the required deposits into the Interest and Sinking Fund and the Reserve Fund, then such deficiency shall be made up as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose.

(b) That, subject to making the required deposits to the credit of the Interest and Sinking Fund and the Reserve Fund when and as required by this Ordinance, or any ordinance authorizing the issuance of Previously Issued Parity Bonds or Additional Bonds, the excess Pledged Revenues may be used by the City for any lawful purpose not inconsistent with the City's Charter.

Section 18. **PAYMENT OF THE BONDS AND ADDITIONAL BONDS.** That on or before October 1, 2009, and semiannually on or before each April 1 and October 1 thereafter while any of the Previously Issued Parity Bonds, the Bonds or Additional Bonds are outstanding and unpaid, the City shall make available to the paying agents therefor (including the Paying Agent/Registrar), out of the Interest and Sinking Fund and the Reserve Fund (if necessary), money sufficient to pay such interest on and such principal of the Previously Issued Parity Bonds, the Bonds and Additional Bonds as shall become due on such dates, respectively, at maturity or by redemption prior to maturity. The aforesaid paying agents (including the Paying Agent/Registrar) shall destroy all paid Previously Issued Parity Bonds, Bonds and Additional Bonds, and furnish the City with an appropriate certificate of cancellation or destruction.

Section 19. **FINAL DEPOSITS; GOVERNMENTAL OBLIGATIONS.** (a) That any Previously Issued Parity Bond, Bond or Additional Bond shall be deemed to be paid, retired and no longer outstanding within the meaning of this Ordinance when payment of the principal of, redemption premium, if any, on such bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption), or (ii) shall have been provided for by irrevocably depositing with, or making available to, a paying agent (or escrow agent) therefor, in trust and irrevocably set aside exclusively for such payment, (1) money sufficient to make such payment or (2) Government Obligations, as hereinafter defined in this Section, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation, and expenses of such paying agent pertaining to the bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of such paying agent. At such time as a Previously Issued Parity Bond, Bond or Additional Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefit of this Ordinance or such other ordinance securing such bond or a lien on

and pledge of the Pledged Revenues, and shall be entitled to payment solely from such money or Government Obligations.

(b) That any moneys so deposited with a paying agent may, at the direction of the City, also be invested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of the paying agent pursuant to this Section which is not required for the payment of the Previously Issued Parity Bonds, Bonds and Additional Bonds, the redemption premium, if any, and interest thereon, with respect to which such money has been so deposited, shall be remitted to the City.

(c) That the City covenants that no deposit will be made or accepted under clause (a)(ii) of this Section and no use will be made of any such deposit which would cause the Previously Issued Parity Bonds, Bonds or any Additional Bonds to be treated as "arbitrage bonds" within the meaning of section 148 of the Code.

(d) That for the purpose of this Section, the term "Government Obligations" shall mean direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

(e) That notwithstanding any other provisions of this Ordinance, all money or Government Obligations set aside and held in trust pursuant to the provisions of this Section for the payment of Previously Issued Parity Bonds, Bonds and Additional Bonds, the redemption premium, if any, and interest thereon, shall be applied to and used for the payment of such Previously Issued Parity Bonds, Bonds and Additional Bonds, the redemption premium, if any, and interest thereon.

(f) That in accordance with the provisions of Section 1207.033, Texas Government Code, the City may call for redemption, at a date earlier than their scheduled maturities, those Bonds which have been defeased to their maturity date. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Bonds defeased under the terms of this Ordinance that is made in conjunction with the payment arrangements specified in clauses (i) or (ii) of subsection (a) above shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the City expressly reserves the right to call Bonds so defeased for redemption; (2) the City gives notice of the reservation of that right to the owners of the Bonds so defeased immediately following the making of the payment arrangements; and (3) the City directs that notice of the reservation be included in any redemption notices that it authorizes.

(g) For so long as the TWDB is an owner of any Bond, the City will provide to the Development Fund Manager of the TWDB written notice of any defeasance of Bonds.

Section 20. **ADDITIONAL BONDS.** (a) That the City shall have the right and power at any time and from time to time to authorize, issue and deliver additional parity revenue bonds (herein called "Additional Bonds") in one or more series or issues, in accordance with law, in any amounts, for purposes of extending, improving or repairing the System or for the purpose of refunding of any Previously Issued Parity Bonds, Bonds, Additional Bonds or other obligations of the City incurred

in connection with the ownership or operation of the System. Such Additional Bonds, if and when authorized, issued and delivered in accordance with this Ordinance, shall be secured by and made payable equally and ratably on a parity with the Previously Issued Parity Bonds, the Bonds, and all other outstanding Additional Bonds, from an irrevocable first lien on and pledge of the Pledged Revenues.

(b) That the Interest and Sinking Fund and the Reserve Fund established by the 1981 Ordinance shall secure and be used to pay all Additional Bonds as well as the Previously Issued Parity Bonds and the Bonds. However, each ordinance under which Additional Bonds are issued shall provide and require that, in addition to the amounts required to be deposited to the credit of the Interest and Sinking Fund by the provisions of this Ordinance and the provisions of any other ordinance or ordinances authorizing Additional Bonds, the City shall deposit to the credit of the Interest and Sinking Fund at least such amounts as are required for the payment of all principal of and interest on said Additional Bonds then being issued, as the same come due; and that the aggregate amount to be accumulated and maintained in the Reserve Fund shall be increased (if and to the extent necessary) to an amount not less than the average annual principal and interest requirements (including Amortization Installments) of all Previously Issued Parity Bonds, Bonds and Additional Bonds which will be outstanding after the issuance and delivery of the then proposed Additional Bonds; and that the required additional amount shall be so accumulated by the deposit in the Reserve Fund of all or any part of said required additional amount in cash immediately after the delivery of the then proposed Additional Bonds, or, at the option of the City, by the deposit of said required additional amount (or any balance of said required additional amount not deposited in cash as permitted above) in monthly installments, made on or before the 25th day of each month following the delivery of the then proposed Additional Bonds, of not less than 1/60th of said required additional amount (or 1/60th of the balance of said required additional amount not deposited in cash as permitted above).

(c) That all calculations of average annual principal and interest requirements (including Amortization Installments) made pursuant to this Section shall be made as of and from the date of the Additional Bonds then proposed to be issued.

(d) That the principal of all Additional Bonds must be scheduled to be paid or mature on April 1 or October 1 (or both) of the years in which such principal is scheduled to be paid or mature; and all interest thereon must be payable on April 1 and October 1.

Section 21. **FURTHER REQUIREMENTS FOR ADDITIONAL BONDS.** That Additional Bonds shall be issued only in accordance with this Ordinance, but notwithstanding any provisions of this Ordinance to the contrary, no installment, Series or issue of Additional Bonds shall be issued or delivered unless:

(a) The Mayor and the City Secretary of the City sign a written certificate to the effect that the City is not in default as to any covenant, condition or obligation in connection with all outstanding Previously Issued Parity Bonds, the Bonds and Additional Bonds, and the ordinances



authorizing same, and that the Interest and Sinking Fund and the Reserve Fund each contains the amount then required to be therein.

(b) An independent certified public accountant, or independent firm of certified public accountants, signs a written certificate to the effect that, during either the next preceding Year, or any twelve consecutive calendar month period ending not more than ninety days prior to the date of the then proposed Additional Bonds, the Net Revenues were, in the opinion thereof, at least equal to 1.25 times the average annual principal and interest requirements (computed on a fiscal year basis) including Amortization Installments, of all Previously Issued Parity Bonds, the Bonds and Additional Bonds to be outstanding after the issuance of the then proposed Additional Bonds.

Section 22. **GENERAL COVENANTS.** That the City further covenants and agrees that in accordance with and to the extent required or permitted by law:

(a) **Performance.** It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance, and each ordinance authorizing the issuance of Previously Issued Parity Bonds and Additional Bonds, and in each and every Previously Issued Parity Bond, Bond and Additional Bond; it will promptly pay or cause to be paid the principal of and interest on every Previously Issued Parity Bond, Bond and Additional Bond, on the dates and in the places and manner prescribed in such ordinances and Previously Issued Parity Bonds, Bonds or Additional Bonds; and it will, at the times and in the manner prescribed, deposit or cause to be deposited the amounts required to be deposited into the Interest and Sinking Fund and the Reserve Fund; and any holder of the Previously Issued Parity Bonds, Bonds or Additional Bonds may require the City, its officials and employees to carry out, respect or enforce the covenants and obligations of this Ordinance, or any ordinance authorizing the issuance of Additional Bonds, by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the City, its officials and employees.

(b) **City's Legal Authority.** It is a duly created and existing home rule city of the State of Texas, and is duly authorized under the laws of the State of Texas to create and issue the Bonds; that all action on its part for the creation and issuance of the Bonds has been duly and effectively taken; and that the Bonds in the hands of the holders and owners thereof are and will be valid and enforceable special obligations of the City in accordance with their terms.

(c) **Title.** It has or will obtain lawful title to the lands, buildings, structures and facilities constituting the System, that it warrants that it will defend the title to all the aforesaid lands, buildings, structures and facilities, and every part thereof, for the benefit of the holders and owners of the Previously Issued Parity Bonds, Bonds and Additional Bonds, against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Pledged Revenues to the payment of the Previously Issued Parity Bonds, Bonds and Additional Bonds in the manner prescribed herein, and has lawfully exercised such rights.

(d) **Liens.** It will from time to time and before the same become delinquent pay and discharge all taxes, assessments and governmental charges, if any, which shall be lawfully imposed

upon it, or the System; it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge thereon, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein; and it will not create or suffer to be created any mechanic's, laborer's, materialman's or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, materialman's or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the City.

(e) **Operation of System; No Free Service.** It will, while the Previously Issued Parity Bonds, Bonds or any Additional Bonds are outstanding and unpaid, continuously and efficiently operate the System, and shall maintain the System in good condition, repair and working order, all at reasonable cost. No free service of the System shall be allowed, and should the City or any of its agencies or instrumentalities make use of the services and facilities of the System, payment of the reasonable value shall be made by the City out of funds from sources other than the revenues of the System, unless made from surplus or excess Pledged Revenues as permitted in Section 17(b) hereof.

(f) **Further Encumbrance.** It, while the Previously Issued Parity Bonds, Bonds or any Additional Bonds are outstanding and unpaid, will not additionally encumber the Pledged Revenues in any manner, except as permitted in this Ordinance in connection with Additional Bonds, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants and agreements of this Ordinance; but the right of the City to issue revenue bonds payable from a subordinate lien on the Pledged Revenues is specifically recognized and retained.

(g) **Sale or Disposal of Property.** It, while the Previously Issued Parity Bonds, the Bonds or any Additional Bonds are outstanding and unpaid, will not sell, convey, mortgage, encumber, lease or in any manner transfer title to, or otherwise dispose of the System, or any significant or substantial part thereof; provided that whenever the City deems it necessary to dispose of any property, machinery, fixtures or equipment, it may sell or otherwise dispose of such property, machinery, fixtures or equipment when it has made arrangements to replace the same or provide substitutes therefor, unless it is determined that no such replacement or substitute is necessary. Proceeds from any sale hereunder not used to replace or provide for substitution of such property sold, shall be used for improvements to the System or to purchase or redeem Previously Issued Parity Bonds, Bonds and Additional Bonds.

(h) **Insurance.** (1) It shall cause to be insured such parts of the System as would usually be insured by corporations operating like properties, with a responsible insurance company or companies, against risks, accidents or casualties against which, and to the extent, insurance is usually carried by corporations operating like properties, including, to the extent reasonably obtainable, fire and extended coverage insurance, insurance against damage by floods, and use and occupancy insurance. Public liability and property damage insurance shall also be carried unless the City Attorney of the City gives a written opinion to the effect that the City is not liable for claims which

would be protected by such insurance. At any time while any contractor engaged in construction work shall be fully responsible therefor, the City shall not be required to carry insurance on the work being constructed if the contractor is required to carry appropriate insurance. All such policies shall be open to the inspection of the bondholders and their representatives at all reasonable times. Upon the happening of any loss or damage covered by insurance from one or more of said causes, the City shall make due proof of loss and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to the City. The proceeds of insurance covering such property, together with any other funds necessary and available for such purpose, shall be used forthwith by the City for repairing the property damaged or replacing the property destroyed; provided, however, that if said insurance proceeds and other funds are insufficient for such purpose, then said insurance proceeds pertaining to the System shall be used promptly as follows:

(i) for the redemption prior to maturity of the Previously Issued Parity Bonds, the Bonds and Additional Bonds, ratably in the proportion that the outstanding principal of each series of Previously Issued Parity Bonds, Bonds or Additional Bonds bears to the total outstanding principal of all Previously Issued Parity Bonds, Bonds and Additional Bonds, provided that, if on any such occasion the principal of any such series is not subject to redemption, it shall not be regarded as outstanding in making the foregoing computation; or

(ii) if none of the outstanding Previously Issued Parity Bonds, Bonds or Additional Bonds is subject to redemption, then for the purchase on the open market and retirement of said Previously Issued Parity Bonds, Bonds and Additional Bonds in the same proportion as prescribed in the foregoing clause (i), to the extent practicable; provided that the purchase price for any Previously Issued Parity Bond, Bond or Additional Bond shall not exceed the redemption price of such Previously Issued Parity Bond, Bond or Additional Bond on the first date upon which it becomes subject to redemption; or

(iii) to the extent that the foregoing clauses (i) and (ii) cannot be complied with at the time, the insurance proceeds, or the remainder thereof, shall be deposited in a special and separate trust fund, at an official depository of the City, to be designated the Insurance Account. The Insurance Account shall be held until such time as the foregoing clauses (i) and/or (ii) can be complied with, or until other funds become available which, together with the Insurance Account, will be sufficient to make the repairs or replacements originally required, whichever of said events occurs first.

(2) The foregoing provisions of (1) above notwithstanding, the City shall have authority to enter into coinsurance or similar plans where risk of loss is shared in whole or in part by the City.

(3) The annual audit hereinafter required shall contain a section commenting on whether or not the City has complied with the requirements of this Section with respect to the maintenance of insurance, and listing all policies carried, and whether or not all insurance premiums upon the insurance policies to which reference is hereinbefore made have been paid.

(4) With respect to the Project financed with the proceeds of the Bonds, insurance coverage shall be in an amount sufficient to protect the Board's interest in the Project.

(i) **Rate Covenant.** The City Council of the City will fix, establish, maintain and collect such rates, charges and fees for the use and availability of the System at all times as are necessary to produce Gross Revenues sufficient, (1) to pay all current operation and maintenance expenses of the System, (2) to produce Net Revenues for each Year at least equal to 1.25 times the principal and interest requirements (including Amortization Installments) of all then outstanding Previously Issued Parity Bonds, Bonds and Additional Bonds for the Year during which such requirements are scheduled to be the greatest, and (3) to pay all other obligations of the System.

(j) **Records.** It will keep proper books of record and account in which full, true and correct entries will be made of all dealings, activities and transactions relating to the System, the Pledged Revenues and the Funds created pursuant to this Ordinance, and all books, documents and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any bondholders.

(k) **Audits.** After the close of each Year while any of the Previously Issued Parity Bonds, Bonds or any Additional Bonds are outstanding, an audit will be made of the books and accounts relating to the System and the Pledged Revenues by an independent certified public accountant or an independent firm of certified public accountants. As soon as practicable after the close of each such Year, and when said audit has been completed and made available to the City, a copy of such audit for the preceding Year shall be mailed to the MAC and to any holder of 5% or more in aggregate principal amount of then outstanding Previously Issued Parity Bonds, Bonds and Additional Bonds who shall so request in writing. Such annual audit reports shall be open to the inspection of the bondholders and their agents and representatives at all reasonable times. In addition to the foregoing, for so long as the State of Texas owns any of the Bonds, the City (1) shall mail a copy of the audit to the TWDB, and (2) monthly operating statements for the System shall be delivered by the City to the TWDB, and the monthly operating statement shall be in such detail as requested by the Development Fund Manager of the TWDB, until this requirement is waived thereby.

(l) **Governmental Agencies.** It will comply with all of the terms and conditions of any and all franchises, permits and authorizations applicable to or necessary with respect to the System, and which have been obtained from any governmental agency; and the City has or will obtain and keep in full force and effect all franchises, permits, authorization and other requirements applicable to or necessary with respect to the acquisition, construction, equipment, operation and maintenance of the System.

(m) **No Competition.** It will not grant any franchise or permit for the acquisition, construction or operation of any competing facilities which might be used as a substitute for the System's facilities, and, to the extent that it legally may, the City will prohibit any such competing facilities.

(n) **Final Accounting.** It shall render a final accounting to the TWDB in reference to the total cost incurred by the City for improvements and extensions to the System which were financed by the issuance of the Bonds, together with a copy of "as built" plans of such improvements and extensions upon completion.

(o) **Compliance with the Texas Water Development Board's Rules and Regulations.** It shall comply with the rules and regulations of the TWDB, and to maintain insurance on the System in such amount as may be required by TWDB.

(p) **Indemnification of the Texas Water Development Board.** It shall, to the extent permitted by law, indemnify, hold harmless and protect the TWDB from any and all claims arising from the sampling, analysis, transport, storage, treatment, removal and off-site disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be generated by the City, its contractors, consultants, agents, officials and employees as a result of activities relating to the Project financed with the proceeds of the Bonds.

(q) **Water Conservation Program.** It will implement an approved water conservation program, in satisfaction of the requirements of Section 363.42(a)(2)(F) of Chapter 363 of Title 31 of the Texas Administrative Code.

Section 23. **AMENDMENT OF ORDINANCE.** (a) That the holders of the Previously Issued Parity Bonds, Bonds and Additional Bonds aggregating in principal amount 51% of the aggregate principal amount of then outstanding Previously Issued Parity Bonds, Bonds and Additional Bonds shall have the right from time to time to approve any amendment to this Ordinance which may be deemed necessary or desirable by the City; provided, however, that without the consent of the holders of all of the Previously Issued Parity Bonds, Bonds and Additional Bonds at the time outstanding, nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions in this Ordinance or in the Previously Issued Parity Bonds, Bonds or Additional Bonds so as to:

- (1) Make any change in the maturity of the outstanding Previously Issued Parity Bonds, Bonds or Additional Bonds;
- (2) Reduce the rate of interest borne by any of the outstanding Previously Issued Parity Bonds, Bonds or Additional Bonds;
- (3) Reduce the amount of the principal payable on the outstanding Previously Issued Parity Bonds, Bonds or Additional Bonds;
- (4) Modify the terms of payment of principal of or interest on the outstanding Previously Issued Parity Bonds, Bonds or Additional Bonds or impose any conditions with respect to such payment;
- (5) Affect the rights of the holders of less than all of the Previously Issued Parity Bonds, Bonds and Additional Bonds then outstanding; or

- (6) Change the minimum percentage of the principal amount of Previously Issued Parity Bonds, Bonds and Additional Bonds necessary for consent to such amendment.

(b) That if at any time the City shall desire to amend the Ordinance under this Section, the City shall cause notice of the proposed amendment to be published in a financial newspaper or journal published in The City of New York, New York, once during each calendar week for at least two successive calendar weeks. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Paying Agent/Registrar for inspection by all holders of Previously Issued Parity Bonds, Bonds and Additional Bonds. Such publication is not required, however, if notice in writing is given to each holder of Previously Issued Parity Bonds, Bonds and Additional Bonds.

(c) That whenever at any time not less than thirty days, and within one year, from the date of the first publication of said notice or other service of written notice the City shall receive an instrument or instruments executed by the holders of at least 51% in aggregate principal amount of all Previously Issued Parity Bonds, Bonds and Additional Bonds then outstanding, which instrument or instruments shall refer to the proposed amendment described in said notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file with the Paying Agent/Registrar, the City Council may pass the amendatory ordinance in substantially the same form.

(d) That upon the passage of any amendatory ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be amended in accordance with such amendatory ordinance, and the respective rights, duties and obligations under this Ordinance of the City and all the holders of then outstanding Previously Issued Parity Bonds, Bonds and Additional Bonds shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such amendments.

(e) That any consent given by the holder of a Previously Issued Parity Bond, Bond or Additional Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication of the notice or other service of written notice provided for in this Section, and shall be conclusive and binding upon all future holders of the same Previously Issued Parity Bond, Bond or Additional Bond during such period. Such consent may be revoked at any time after six months from the date of the first publication of such notice or other service of written notice by the holder who gave such consent, or by a successor in title, by filing notice thereof with the paying agent/registrar therefor and the City, but such revocation shall not be effective if the holders, identified in accordance with subsection (f) of this Section, of 51% in aggregate principal amount of the then outstanding Previously Issued Parity Bonds, Bonds and Additional Bonds have, prior to the attempted revocation, consented to and approve the amendment.

(f) That for the purpose of this Section, the fact of the holding of Previously Issued Parity Bonds, Bonds, or Additional Bonds issued in registered form without coupons and the amounts and numbers of such Previously Issued Parity Bonds, Bonds or Additional Bonds and the date of their

holding same shall be proved by the bond registration books of the paying agent/registrar therefor. For purposes of this Section, the holder of a Previously Issued Parity Bond, Bond or Additional Bond in such registered form shall be the owner thereof as shown on such registration books. The City may conclusively assume that such ownership continues until written notice to the contrary is served upon the City.

(g) The foregoing provisions of this Section notwithstanding, the City by action of the City Council may amend this Ordinance for any one or more of the following purposes:

(1) To add to the covenants and agreements of the City in this Ordinance contained, other covenants and agreements thereafter to be observed, grant additional rights or remedies to bondholders or to surrender, restrict or limit any right or power herein reserved to or conferred upon the City;

(2) To make such provisions for the purpose of curing any ambiguity, or curing, correcting or supplementing any defective provision contained in this Ordinance, or in regard to clarifying matters or questions arising under this Ordinance, including, without limitation, those matters described in Section 27(c)(v) hereof, as are necessary or desirable and not contrary to or inconsistent with this Ordinance and which shall not adversely affect the interests of the holders of the Previously Issued Parity Bonds, Bonds or Additional Bonds;

(3) To modify any of the provisions of this Ordinance in any other respect whatever, provided that (i) such modification shall be, and be expressed to be, effective only after all Previously Issued Parity Bonds outstanding at the date of the adoption of such modification shall cease to be outstanding, and (ii) such modification shall be specifically referred to in the text of all Additional Bonds issued after the date of the adoption of such modification.

**Section 24. DAMAGED, MUTILATED, LOST, STOLEN OR DESTROYED BONDS.**

(a) That in the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new Bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the applicant for a replacement bond shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the applicant shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the applicant shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued under this Ordinance.

(e) In accordance with Chapter 1206, particularly Subchapter B thereof, this Section of this Ordinance shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such bonds in the form and manner and with the effect, as provided in Section 5(d) of this Ordinance for Bonds issued in exchange for other Bonds.

Section 25. **TAX COVENANTS.** That the Issuer covenants to refrain from any action which would adversely affect, or to take any action to assure, the treatment of the Bonds as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(a) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use", as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds are so used, that amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(b) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not



"disproportionate", within the meaning of section 141(b)(3) of the Code, to the governmental use;

(c) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any), is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(d) to refrain from taking any action which would otherwise result in the Bonds being treated as "private activity bonds" within the meaning of section 141(a) of the Code;

(e) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(f) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with --

(1) proceeds of the Bonds invested for a reasonable temporary period of three years or, in the case of a current refunding, of 90 days or less, until such proceeds are needed for the purpose for which the Bonds are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(g) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

(h) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "excess earnings", within the meaning of section 148(f) of the Code, and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of a refunding bond, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of the issuance of the Bonds. It is the understanding

of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of the foregoing, the Mayor, the City Manager, the Chief Financial Officer of the City, and any Assistant City Manager may execute any certificates or other reports required by the Code and make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds. In order to facilitate compliance with the above clause (h), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such Rebate Fund shall not be subject to the claim of any other person, including without limitation the registered owners of the Bonds. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

**Section 26. ADDITIONAL TAX COVENANTS. (a) Allocation of, and Limitation on, Expenditures for the Project.** That the City covenants to account for on its books and records the expenditure of proceeds from the sale of the Bonds and any investment earnings thereon to be used for the Project in accordance with the requirements of the Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (a) the expenditure on a Project is made or (b) each such Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (a) the fifth anniversary of the date of delivery of the Bonds or (b) the date the Bonds are retired. The City agrees to obtain the advice of a nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes of this Section, the City shall not be obligated to comply with this covenant if it obtains an opinion of a nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

**(b) Disposition of Bond Financed Property.** The City covenants that property financed with the proceeds of the Bonds, or the property constituting a Project, will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel substantially to the effect that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of this Section, the portion of the property comprising personal property and disposed of in the ordinary

course of business shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this Section, the City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

**Section 27. CONTINUING DISCLOSURE UNDERTAKING. (a) Annual Reports.**

(i) That the City shall provide annually to each NRMSIR and any SID, within six months after the end of each Year ending in or after 2009, financial information and operating data with respect to the City of the general type included in the final application submitted to the TWDB and to the NRMSIRs and the SID with respect to the Previously Issued Parity Bonds. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles generally applicable to cities such as the City, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide unaudited financial statements by the required time and will provide audited financial statements for the applicable Year to each NRMSIR and any SID, when and if the audit report on such statements become available.

(ii) If the Year is changed by the City, the City will notify each NRMSIR and any SID of such change (and of the date of the new Year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section. The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to each NRMSIR and any SID or filed with the SEC.

(b) **Material Event Notices.** The City shall notify any SID and either each NRMSIR or the MSRB, in a timely manner, of any of the following events with respect to the Bonds, if such event is material within the meaning of the federal securities laws:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
7. Modifications to rights of holders of the Bonds;
8. Bond calls;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds; and
11. Rating changes.

The City shall notify any SID and either each NRMSIR or the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (a) of this Section by the time required by such subsection. Any filing under this Section may be made solely by transmitting such filing to the MAC as provided at <http://www.disclosureusa.org>, unless the SEC has withdrawn the interpretive advice stated in its letter to the MAC dated September 7, 2004.

**(c) Limitations, Disclaimers, and Amendments.** (i) The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with this Ordinance or applicable law that causes Bonds no longer to be outstanding.

(ii) The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

(iii) UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(iv) No default by the City in observing or performing its obligations under this Section shall comprise a breach of or default under this Ordinance for purposes of any other provision of this Ordinance. Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

(v) The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the

primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (A) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (B) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the holders and beneficial owners of the Bonds. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

(d) **Filings with MSRB.** Anything in this Ordinance to the contrary, effective July 1, 2009, all filings described in this Ordinance to be made to any NRMSIR or SID shall be made solely to the MSRB, in accordance with the Rule. All filings shall be made electronically, in the format specified by the MSRB.

Section 28. **DEFAULT AND REMEDIES.** (a) **Events of Default.** Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the registered owners of the Bonds, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any registered owner to the City.

(b) **Remedies for Default.**

(i) Upon the happening of any Event of Default, then and in every case, any registered owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the City, or any official, officer or employee of the City in their official capacity, for the purpose of protecting and enforcing the rights of the registered owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the registered owners hereunder or any combination of such remedies.

(ii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all registered owners of Bonds then outstanding.

(c) **Remedies Not Exclusive.**

(i) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Ordinance.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Bond authorized under this Ordinance, such registered owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or members of the City or the City Council.

(iv) None of the members of the City Council, nor any other official or officer, agent, or employee of the City, shall be charged personally by the registered owners with any liability, or be held personally liable to the registered owners under any term or provision of this Ordinance, or because of any Event of Default or alleged Event of Default under this Ordinance.

Section 29. **SALE OF BONDS.** (a) **Sale to TWDB.** That the Bonds are hereby sold to TWDB for the price of par. The Bonds may be delivered to TWDB in accordance with the schedule set forth in Schedule I of this Ordinance, and paid for in whole, or in installments at such times as shall be approved by the City Manager, provided none of the Bonds shall be so delivered without the City's receiving full payment therefor. The Bonds submitted to the Office of the Attorney General for review shall be registered in the name of the Texas Water Development Board.

(b) **City Manager to Execute Documents.** The City hereby authorizes the City Manager to approve and execute such documents necessary to effect the delivery of the Bonds.

(c) **Date of Delivery of Bonds.** The Paying Agent/Registrar shall complete the "Date of Delivery" on each Bond delivered to TWDB as provided in Section 5(j) of this Ordinance, and interest on the Bonds so delivered shall commence from such date.

(d) **Sale of Bonds by TWDB.** It is the intent of the parties to the sale of the Bonds that if TWDB ever determines to sell all or a part of the Bonds, it shall notify the City at least 60 days prior to the sale of the Bonds of the decision to so sell the Bonds.

Section 30. **APPROVAL AND REGISTRATION OF BONDS.** That the City Manager of the City is hereby authorized to have control of the Bonds and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds, the Comptroller of Public Accounts (or a deputy designated in writing to act therefor) shall manually sign the Comptroller's Registration Certificate set forth in the FORM OF BOND. The Bonds thus registered shall remain in the custody of the City Manager (or the designee thereof) until delivered to TWDB.

Section 31. **FURTHER PROCEDURES.** That the City Manager, the Chief Financial Officer of the City, any Assistant City Manager, and all other officers, employees, and agents of the City, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, and the sale and delivery of the Bonds and fixing all details in connection therewith. The City Council hereby authorizes the payment of the fee of the Office of the Attorney General of the State of Texas for the examination of the proceedings relating to the issuance of the Bonds, in the amount determined in accordance with the provisions of Section 1202.004, Texas Government Code.

Section 32. **PREAMBLE.** That the preamble to this Ordinance is incorporated by reference and made a part hereof for all purposes.

Section 33. **RULES OF CONSTRUCTION.** For all purposes of this Ordinance, unless the context requires otherwise, all references to designated Sections and other subdivisions are to the Sections and other subdivisions of this Ordinance. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Ordinance as a whole and not to any particular Section or other subdivision. Except where the context otherwise requires, terms defined in this Ordinance to impart the singular number shall be considered to include the plural number and vice versa. References to any named person means that party and its successors and assigns. References to any constitutional, statutory or regulatory provision means such provision as it exists on the date this Ordinance is adopted by the City and any future amendments thereto or successor provisions thereof. Any reference to the payment of principal in this Ordinance shall be deemed to include the payment of Amortization Installments (if any). Any reference to "FORM OF BOND" shall refer to the form of the Bonds set forth in Exhibit A to this Ordinance. The calculation of average annual principal and interest requirements as may be required by this Ordinance shall be made annually at the beginning of each Year and shall be the sum of the annual principal and interest requirements due for the current and each subsequent Year in which the Previously Issued Parity Bonds, the Bonds and any Additional Bonds are outstanding divided by the number of such Years, or partial Years, if applicable. Surplus moneys in the Reserve Fund the source of which are proceeds of bonds may be used only to complete projects for which such bond proceeds were issued, for improvements to the System, or for other costs for which the City could issue bonds for the System.

Section 34. **IMMEDIATE EFFECT.** That this Ordinance was adopted at a meeting of the City Council held in accordance with the provisions of Chapter 551, Texas Government Code, and

shall be effective immediately from and after its passage in accordance with the provisions of Section 1201.028, Texas Government Code.

PASSED AND APPROVED the 11th day of February, 2009.

APPROVED AS TO FORM:  
Thomas P. Perkins, Jr., City Attorney

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## SCHEDULE I

The Bonds shall mature on October 1 in each of the years, in the amounts, and bear interest at the interest rates per annum, as set forth in the following schedule:

<u>YEARS</u>	<u>AMOUNTS (\$)</u>	<u>INTEREST RATES (%)</u>
2009	650,000	0.423
2010	655,000	0.623
2011	655,000	0.933
2012	665,000	1.153
2013	670,000	1.303
2014	680,000	1.433
2015	690,000	1.583
2016	700,000	1.733
2017	715,000	1.883
2018	725,000	2.013
2019	740,000	2.133
2020	755,000	2.367
2021	775,000	2.489
2022	795,000	2.573
2023	815,000	2.649
2024	835,000	2.710
2025	860,000	2.759
2026	880,000	2.797
2027	905,000	2.832
2028	935,000	2.877

**Exhibit A**

**FORM OF BOND:**

NO. R-

\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
COUNTIES OF DALLAS, DENTON, COLLIN AND ROCKWALL  
CITY OF DALLAS, TEXAS  
WATERWORKS AND SEWER SYSTEM  
REVENUE BOND  
SERIES 2009A

<u>MATURITY</u> <u>DATE</u>	<u>INTEREST</u> <u>RATE</u>	<u>DATE OF DELIVERY</u>	<u>CUSIP</u>
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ON THE MATURITY DATE SPECIFIED ABOVE, THE CITY OF DALLAS, IN DALLAS, DENTON, COLLIN AND ROCKWALL COUNTIES, TEXAS (the "City"), hereby promises to pay to \_\_\_\_\_, or the registered assignee hereof (either being hereinafter called the "registered owner") the principal amount of

\_\_\_\_\_

and to pay interest thereon, from the original date of delivery of this Bond specified above, to the date of its scheduled maturity or the date of its redemption prior to scheduled maturity, at the rate of interest per annum specified above, with said interest being payable on April 1, 2009, and semiannually on each October 1 and April 1 thereafter, except that if the Paying Agent/Registrar's Authentication Certificate appearing on the face of this Bond is dated later than April 1, 2009, such interest is payable semiannually on each October 1 and April 1 following such date. Interest on this Bond shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity, or upon the date fixed for its redemption prior to maturity, at the designated corporate trust office in Dallas, Texas (the "Designated Trust Office"), of U.S. Bank National Association, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof as shown by the "Registration Books" kept by the Paying Agent/Registrar at the close of business on the Record Date (hereinafter defined) by check drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent/Registrar by United States mail, first-class, postage prepaid,

on each such interest payment date, to the registered owner hereof at its address as it appears on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described, or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. The record date ("Record Date") for the interest payable on any interest payment date means the 15th day of the preceding month. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date", which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class, postage prepaid, to the address of each registered owner of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice. The foregoing notwithstanding, so long as the Texas Water Development Board is the owner of 100% in aggregate principal amount of the Bonds then outstanding, payment of principal and interest on the Bonds shall be made by wire transfer, at no expense to the Texas Water Development Board. The City covenants with the registered owner of this Bond that no later than each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due, in the manner set forth in the ordinance authorizing the issuance of the bonds (the "Ordinance").

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions are authorized by law or executive order to close in the city where the Designated Trust Office of the Paying Agent/Registrar is located, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. Notwithstanding the foregoing, during any period in which ownership of the bonds of this Series is determined only by a book entry at a securities depository therefor, any payment to the securities depository, or its nominee or registered assigns, shall be made in accordance with existing arrangements between the City and the securities depository.

THIS BOND is one of a Series of bonds of like tenor and effect except as to denomination, number, maturity, interest rate and right of prior redemption, issued in the aggregate principal amount of \$15,100,000 for the purpose of improving and extending the System (as defined in the Ordinance). All Bonds of this Series are issuable solely as fully registered bonds, without interest coupons, in the denomination of any integral multiple of \$1,000 (an "Authorized Denomination").

THE BONDS of this Series scheduled to mature on and after October 1, 2020 may be redeemed prior to their scheduled maturities, in whole or in part, in inverse order of maturity, in principal amounts of \$1,000 or any integral multiple thereof, at the option of the City, on October 1, 2019, or on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption. If less than all of the Bonds are to be redeemed by the City, the City shall determine the maturity or maturities and the principal amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot Bonds, or portions thereof, within such maturity or maturities and in such principal amounts, for redemption; *provided*, that during any period in which ownership

of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.

AT LEAST 30 days prior to the date fixed for any such redemption, (i) a written notice of such redemption shall be given by the Paying Agent/Registrar to the registered owner of each Bond or a portion thereof being called for redemption by depositing such notice in the United States mail, first-class, postage prepaid, addressed to each such registered owner at his address shown on the Registration Books of the Paying Agent/Registrar and (ii) a notice of such redemption shall be published one (1) time in a financial journal or publication of general circulation in the United States of America or the State of Texas carrying as a regular feature notices of municipal bonds called for redemption; *provided, however*, that should the Texas Water Development Board be the owner of 100% in aggregate principal amount of the Bonds then outstanding, notice of redemption shall not be required to be published in the manner described in (ii) above; and *provided, further*, that should the Texas Water Development Board not be the owner of 100% in aggregate principal amount of the Bonds then outstanding, the publication of notice as described in (ii) above shall be the only notice actually required in connection with or as a prerequisite to the redemption of any Bond, and the failure to send, mail or receive such notice described in (i) above, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption due provision shall be made by the City with the Paying Agent/Registrar for the payment of the required redemption price for this Bond or the portion hereof which is to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, this Bond, or the portion hereof which is to be so redeemed, thereby automatically shall be redeemed prior to its scheduled maturity, and shall not bear interest after the date fixed for its redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/Registrar shall record in the Registration Books all such redemptions of principal of this Bond or any portion hereof. If a portion of this Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any Authorized Denomination, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender hereof for cancellation, at the expense of the City, all as provided in the Ordinance.

AS PROVIDED IN THE ORDINANCE, this Bond, or any unredeemed portion hereof, may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, and exchanged for a like aggregate principal amount of fully registered bonds, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, and bearing interest at the same rate, in any Authorized Denomination as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar at its Designated Trust Office for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any

portion or portions hereof in any Authorized Denomination to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. The City shall pay the Paying Agent/Registrar's reasonable standard or customary fees and charges for transferring, converting and exchanging any Bond or portion thereof; provided, however, that any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such transfer, conversion and exchange. In any circumstance, neither the City nor the Paying Agent/Registrar shall be required (1) to make any transfer or exchange during a period beginning at the opening of business 15 days before the day of the first mailing of a notice of redemption of bonds and ending at the close of business on the day of such mailing, or (2) to transfer or exchange any Bonds so selected for redemption when such redemption is scheduled to occur within 30 calendar days; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

WHENEVER the beneficial ownership of this Bond is determined by a book entry at a securities depository for the Bonds, the foregoing requirements of holding, delivering or transferring this Bond shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and promptly will cause written notice thereof to be mailed to the registered owners of the Bonds.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Ordinance is duly recorded and available for inspection in the official minutes and records of the City, and agrees that the terms and provisions of this Bond and the Ordinance constitute a contract between each registered owner hereof and the City.

THE CITY has reserved the right, subject to the restrictions stated, and adopted by reference, in the Ordinance, to issue additional parity revenue bonds which also may be made payable from, and secured by a first lien on and pledge of, the "Pledged Revenues" (as defined in the Ordinance).

THE REGISTERED OWNER HEREOF is not entitled to demand payment of this obligation out of any money raised or to be raised by taxation, or from any source whatsoever other than the Pledged Revenues.

IT IS HEREBY certified and covenanted that this Bond has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Bond have been performed, existed and been done in accordance with law; that this Bond is a special obligation; and that the principal of and interest on this Bond together with outstanding parity revenue bonds are payable from, and secured by a first lien on and pledge of, the Pledged Revenues, which include the Net Revenues (as defined in the Ordinance) of the System.

IN TESTIMONY WHEREOF, the City Council has caused the seal of the City to be duly impressed or placed in facsimile hereon, and this Bond to be signed with the imprinted facsimile signature of the Mayor and countersigned by the facsimile signatures of the City Manager and the City Secretary.

COUNTERSIGNED:

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City Manager,  
City of Dallas

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Mayor, City of Dallas

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City Secretary,  
City of Dallas

(SEAL)

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been issued under the provisions of the proceedings adopted by the City as described in the text of this Bond; and that this Bond has been issued in exchange for or replacement of a Bond, Bonds, or a portion of a Bond or Bonds of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated \_\_\_\_\_

U.S. BANK NATIONAL ASSOCIATION,  
Paying Agent/Registrar

By: \_\_\_\_\_  
Authorized Representative

(FORM OF COMPTROLLER'S CERTIFICATE ATTACHED TO  
THE BONDS UPON INITIAL DELIVERY THEREOF ONLY)

OFFICE OF COMPTROLLER :

REGISTER NO. \_\_\_\_\_

STATE OF TEXAS :

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

\_\_\_\_\_  
Comptroller of Public Accounts of  
the State of Texas

FORM OF ASSIGNMENT:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

---

Please insert Social Security or Taxpayer Identification Number of Transferee

/ \_\_\_\_\_ /

---

(Please print or typewrite name and address, including zip code of Transferee)

---

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

\_\_\_\_\_ attorney to

register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

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NOTICE: Signatures must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

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NOTICE: The signature above must correspond with the name of the registered owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.



THE STATE OF TEXAS :  
COUNTIES OF DALLAS, DENTON, COLLIN AND ROCKWALL :  
CITY OF DALLAS :

I, DEBORAH WATKINS, City Secretary of the City of Dallas, Texas, do hereby certify that the above and foregoing is a true and correct copy of an excerpt from the minutes of the City Council of the City of Dallas, had in Regular Meeting on the 11th day of February, 2009, and an Ordinance authorizing the issuance and sale of City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009A, which Ordinance is duly of record in the minutes of said City Council; and that said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

WITNESS MY HAND and seal of the City of Dallas, Texas, this the 11th day of February, 2009.

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Deborah Watkins, City Secretary  
City of Dallas, Texas

(SEAL)

**ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF DALLAS, TEXAS WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES 2009A; AWARDING THE SALE OF THE BONDS; AND ALL OTHER MATTERS RELATED THERETO**

**ADOPTED:  
February 11, 2009**

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**ORDINANCE NO. \_\_\_\_\_**

**ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF DALLAS, TEXAS WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES 2009B; AWARDED THE SALE OF THE BONDS; AND ALL OTHER MATTERS RELATED THERETO**

THE STATE OF TEXAS :  
COUNTIES OF DALLAS, DENTON, COLLIN AND ROCKWALL :  
CITY OF DALLAS :

WHEREAS, the City of Dallas (the "City" or the "Issuer") has heretofore issued its City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1981 (the "Series 1981 Bonds"); and

WHEREAS, defined terms used in this Ordinance shall have the meaning given said terms in Section 7 of this Ordinance, unless otherwise indicated herein; and

WHEREAS, in the ordinance authorizing the issuance of the Series 1981 Bonds (the "1981 Ordinance"), the City reserved the right to issue revenue bonds on a parity with the Series 1981 Bonds; and

WHEREAS, under authority of the right reserved in the 1981 Ordinance, the City issued and there currently remain outstanding revenue bonds from each series of bonds described in the definition of "Previously Issued Parity Bonds" set forth in Section 7 of this Ordinance; and

WHEREAS, the City deems it appropriate to issue the hereinafter authorized bonds for the purpose of extending and improving the System; and

WHEREAS, the Texas Water Development Board has committed to purchase the bonds hereinafter authorized pursuant to Subchapter Q of Chapter 15, Texas Water Code; and

WHEREAS, concurrently with the adoption of this Ordinance, the City is adopting an ordinance authorizing the sale of City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009A, in the aggregate principal amount of \$15,100,000 (the "Series 2009A Bonds"), and an ordinance authorizing the sale of City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009C, in the aggregate principal amount of \$94,723,000 (the "Series 2009C Bonds"), each for the purpose of extending and improving the System; and

WHEREAS, the Series 2009A Bonds and the Series 2009C Bonds shall be on a parity with the bonds hereinafter authorized, and the Texas Water Development Board has committed to purchase the Series 2009A Bonds and the Series 2009C Bonds pursuant to Subchapter Q of Chapter 15, Texas Water Code; and

WHEREAS, the bonds hereinafter authorized are to be issued and delivered pursuant to the laws of the State of Texas, including Chapter 1502, Texas Government Code; and

WHEREAS, the bonds hereinafter authorized shall be on a parity with the outstanding Previously Issued Parity Bonds;

**THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS;**

Section 1. **BONDS AUTHORIZED.** That the City's bonds (the "Bonds") are hereby authorized to be issued in the aggregate principal amount of \$8,280,000 for the purpose of extending and improving the System. The Bonds shall be designated as the "**City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009B**". The Bonds are issued as "Additional Bonds" as such term is defined in the 1981 Ordinance, and are in all respects on a parity with the outstanding Previously Issued Parity Bonds.

Section 2. **DATES AND MATURITIES.** That the Bonds shall be dated February 1, 2009, shall be in the denomination of \$1,000 or any integral multiple thereof (an "Authorized Denomination"), shall be numbered consecutively from R-1 upward, and shall mature on the maturity date, in each of the years and in the amounts as set forth in Schedule I to this Ordinance. The Texas Water Development Board ("TWDB") will purchase the Bonds in the manner described in Section 29 of this Ordinance.

Section 3. **REDEMPTION.** (a) That the City reserves the right to redeem the Bonds maturing on or after October 1, 2020, in whole or in part in principal amounts of \$1,000 or any integral multiple thereof, in inverse chronological order, on October 1, 2019, or on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption. If less than all of the Bonds are to be redeemed by the City, the City shall determine the maturity or maturities and the amounts thereof to be redeemed (subject to the limitation expressed in the preceding sentence that the Bonds be redeemed in inverse chronological order), and shall direct the Paying Agent/Registrar to call by lot Bonds, or portions thereof, within such maturity or maturities and in such principal amounts, for redemption; provided, that during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.

(b) The Bonds are not subject to mandatory sinking fund redemption prior to their scheduled maturities.

(c) At least thirty (30) days prior to the date any such Bonds are to be redeemed, (i) a written notice of redemption shall be given by the Paying Agent/Registrar to the registered owner of each Bond or a portion thereof being called for redemption by depositing such notice in the United States

mail, first-class, postage prepaid, addressed to each such registered owner at the address thereof as shown on the Registration Books and (ii) a notice of such redemption shall be published one (1) time in a financial journal or publication of general circulation in the United States of America or the State of Texas carrying as a regular feature notices of municipal bonds called for redemption; provided, however, that should the TWDB be the owner of 100% in aggregate principal amount of the Bonds then outstanding, notice of redemption shall not be required to be published in the manner described in (ii) above; and provided, further, that should the TWDB not be the owner of 100% in aggregate principal amount of the Bonds then outstanding, the publication of notice as described in (ii) above shall be the only notice actually required in connection with or as a prerequisite to the redemption of any Bond, and the failure to send, mail or receive such notice described in (i) above, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption, due provision shall be made by the City with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or the portions thereof which are to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, the Bonds, or the portions thereof which are to be so redeemed, thereby automatically shall be redeemed prior to their scheduled maturities, and shall not bear interest after the date fixed for their redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/Registrar shall record in the Registration Books all such redemptions of principal of the Bonds or any portion thereof. If a portion of any Bond shall be redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any Authorized Denomination, at the written request of the registered owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in this Ordinance. In addition, notice of such redemption shall be provided in the manner described in Section 5(h) hereof, but the failure to provide such notice as described in Section 5(h) hereof shall not affect the validity or effectiveness of the proceedings for the redemption of the Bonds.

Section 4. **INTEREST.** That interest on the Bonds shall be payable on April 1, 2013, and semiannually thereafter on October 1 and April 1 of each year, until maturity or redemption prior to maturity, to the registered owner of any such Bond as of the Record Date (as defined in the FORM OF BOND) next preceding such interest payment date, in the manner provided in the FORM OF BOND, at the rates per annum as set forth in Schedule I to this Ordinance. Interest on the Bonds shall accrue from the date of delivery of the Bonds, and shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Section 5. **PAYING AGENT/REGISTRAR; BOOK-ENTRY ONLY SYSTEM.** (a) That the City shall keep or cause to be kept at the corporate trust office designated by U.S. Bank National Association, as its place of payment for the Bonds, or such other bank, trust company, financial institution, or other entity duly qualified and legally authorized to serve and perform duties of and services of paying agent and registrar, named in accordance with the provisions of (g) of this

Section hereof (the "Paying Agent/Registrar"), books or records of the registration and transfer of the Bonds (the "Registration Books"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep the Registration Books and make such transfers and registrations under such reasonable regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfers and registrations as herein provided. The place of payment so designated by the Paying Agent/Registrar shall be referred to herein as the "Designated Trust Office" of the Paying Agent/Registrar. It shall be the duty of the Paying Agent/Registrar to obtain from the registered owner and record in the Registration Books the address of such registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided. The Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any entity other than the City. Registration of each Bond may be transferred in the Registration Books only upon presentation and surrender of such Bond for transfer of registration and cancellation to the Paying Agent/Registrar at its Designated Trust Office during normal business hours, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing the assignment of the Bond, or any portion thereof in any Authorized Denomination, to the assignee or assignees thereof, and the right of such assignee or assignees to have the Bond or any such portion thereof registered in the name of such assignee or assignees. Upon the assignment and transfer of any Bond or any portion thereof, a new substitute bond or bonds shall be issued in exchange therefor in the manner herein provided. As of the date this Ordinance is approved by the City, the Designated Trust Office is the Dallas, Texas corporate trust office of U.S. Bank National Association.

(b) The entity in whose name any Bond shall be registered in the Registration Books at any time shall be treated as the absolute owner thereof for all purposes of this Ordinance, whether such Bond shall be overdue, and the City and the Paying Agent/Registrar shall not be affected by any notice to the contrary unless otherwise required by law; and payment of, or on account of, the principal of, premium, if any, and interest on any such Bond shall be made only to such registered owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(c) The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of, premium, if any, and interest on the Bonds, and to act as its agent to exchange or replace Bonds, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Bonds, and of all exchanges of the Bonds, and all replacements of the Bonds, as provided in this Ordinance.

(d) Each Bond may be exchanged for fully registered bonds in the manner set forth herein. Each Bond issued and delivered pursuant to this Ordinance, to the extent of the unpaid or unredeemed principal amount thereof, may, upon surrender thereof at the Designated Trust Office of the Paying Agent/Registrar, together with a written request therefor duly executed by the registered owner or the assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantee of signatures satisfactory to the Paying Agent/Registrar, at the option of the registered owner or such assignee or assignees, as appropriate, be exchanged for fully



registered bonds, without interest coupons, in the form prescribed in the FORM OF BOND, in an Authorized Denomination (subject to the requirement hereinafter stated that each substitute Bond shall have a single stated maturity date), as requested in writing by such registered owner or such assignee or assignees, in an aggregate principal amount equal to the unpaid or unredeemed principal amount of any Bond or Bonds so surrendered, and payable to the appropriate registered owner, assignee, or assignees, as the case may be. If a portion of any Bond shall be redeemed prior to its scheduled maturity as provided herein, at the request of the registered owner a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in an Authorized Denomination, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon surrender thereof for cancellation. If any Bond or portion thereof is assigned and transferred, each Bond issued in exchange therefor shall have the same principal maturity date and bear interest at the same rate as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall exchange or replace Bonds as provided herein, and each fully registered substitute Bond delivered in exchange for or replacement of any Bond or portion thereof as permitted or required by any provision of this Ordinance shall constitute one of the Bonds for all purposes of this Ordinance, and may again be exchanged or replaced. On each substitute Bond issued in exchange for or replacement of any Bond or Bonds issued under this Ordinance there shall be printed thereon a Paying Agent/Registrar's Authentication Certificate, in the form set forth in the FORM OF BOND (the "Authentication Certificate"). An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, manually sign and date the Authentication Certificate, and no such Bond shall be deemed to be issued or outstanding unless the Authentication Certificate is so executed and dated. The Paying Agent/Registrar promptly shall cancel all Bonds surrendered for exchange or replacement. No additional ordinances, orders, or resolutions need be passed or adopted by the City Council or any other body or person so as to accomplish the foregoing exchange or replacement of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein, pursuant to Chapter 1206, particularly Subchapter B thereof. The duty of such exchange or replacement of Bonds as described in the preceding sentence is hereby imposed upon the Paying Agent/Registrar, and upon the execution of the Authentication Certificate, the exchanged or replaced Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which originally were delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts. Neither the City nor the Paying Agent/Registrar shall be required (1) to make any transfer or exchange during a period beginning at the opening of business 15 days before the day of the first mailing of a notice of redemption of Bonds and ending at the close of business on the day of such mailing, or (2) to transfer or exchange any Bond after it is selected for redemption, in whole or in part, when such redemption is scheduled to occur within 30 calendar days; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

(e) All Bonds issued in exchange or replacement of any other Bond or portion thereof, (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on the Bonds to be payable only to the registered owners thereof, (ii) may be redeemed prior to their

scheduled maturities, (iii) may be transferred and assigned, (iv) may be exchanged for other Bonds, (v) shall have the characteristics, (vi) shall be signed and sealed, and (vii) the principal of and interest on the Bonds shall be payable, all as provided, and in the manner required or indicated, in the FORM OF BOND.

(f) The City shall pay all of the Paying Agent/Registrar's reasonable and customary fees and charges for making transfers, conversions and exchanges of the Bonds in accordance with an agreement between the City and the Paying Agent/Registrar, but the registered owner of any Bond requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto. In addition, the City hereby covenants with the registered owners of the Bonds that it will pay the reasonable standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Bonds, when due.

(g) The City covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other entity duly qualified and legally authorized to serve as and perform the duties and services of Paying Agent/Registrar, to act as and perform the services of Paying Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be one entity. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than sixty (60) days' written notice to the Paying Agent/Registrar. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other entity duly qualified and legally authorized to serve as and perform the services of Paying Agent/Registrar, which shall be a corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers, subject to supervision or examination by federal or state authority, and whose qualifications substantially are similar to the previous Paying Agent/Registrar, to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the City and to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States mail, first-class, postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(h)(i) In addition to the manner of providing notice of redemption of Bonds as described in Section 3 hereof, the Paying Agent/Registrar shall give notice of redemption of Bonds by United States mail, first-class, postage prepaid, at least thirty (30) days prior to a redemption date to the SID and each NRMSIR. In addition, in the event of a redemption caused by an advance refunding of the Bonds, the Paying Agent/Registrar shall send a second notice of redemption to the persons specified

in the immediately preceding sentence at least thirty (30) days but not more than ninety (90) days prior to the actual redemption date. Any notice sent to the SID and a NRMSIR shall be sent so that such notice is received at least two (2) days prior to the general mailing or publication date of such notice. The Paying Agent/Registrar shall also send a notice of redemption to the registered owner of any Bonds who has not sent the Bonds in for redemption sixty (60) days after the redemption date. The failure to send, mail or receive any such notice described in this clause (i), or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond.

(ii) Each redemption notice, whether required in the FORM OF BOND or otherwise by this Ordinance, shall contain a description of the Bonds to be redeemed including the complete name of the Bonds, the Series, the date of issue, the interest rate, the maturity date, the CUSIP number, the amounts called of each Bond, the publication and mailing date for the notice, the date of redemption, the redemption price, the name of the Paying Agent/Registrar and the address at which the Bond may be redeemed including a contact person and telephone number.

(iii) All redemption payments made by the Paying Agent/Registrar to the registered owners of the Bonds shall include a CUSIP number relating to each amount paid to such registered owner.

(i) The Bonds initially shall be issued and delivered in such manner that no physical distribution of the Bonds will be made to the public, and DTC initially will act as depository for the Bonds. DTC has represented to the City that it is a limited purpose trust company incorporated under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered under Section 17A of the Securities Exchange Act of 1934, as amended, and the City accepts, but in no way verifies, such representations. It is expected that upon the initial delivery of Bonds, DTC will hold the Bonds on behalf of the TWDB, and that the definitive Bonds held at DTC upon delivery of the Bonds to the TWDB shall be registered in the name of CEDE & CO., the nominee of DTC. So long as each Bond is registered in the name of CEDE & CO., the Paying Agent/Registrar shall treat and deal with DTC the same in all respects as if it were the actual and beneficial owner thereof. It is expected that DTC will maintain a book-entry system which will identify ownership of the Bonds in Authorized Denominations, with transfers of ownership being effected on the records of DTC and its participants pursuant to rules and regulations established by them, and that the Bonds initially deposited with DTC shall be immobilized and not be further exchanged for substitute Bonds except as hereinafter provided. The City is not responsible or liable for any functions of DTC, will not be responsible for paying any fees or charges with respect to the services of DTC, will not be responsible or liable for maintaining, supervising, or reviewing the records of DTC or its participants, or protecting any interests or rights of the beneficial owners of the Bonds. It shall be the duty of the DTC Participants (in the case of the Bonds, the TWDB) to make all arrangements with DTC to establish this book-entry system, the beneficial ownership of the Bonds, and the method of paying the fees and charges of DTC. The City does not represent, nor does it in any way covenant, that the initial book-entry system established with DTC will be maintained in the future. Notwithstanding the initial establishment of the foregoing book-entry

system with DTC, if for any reason any of the originally delivered Bonds is duly filed with the Paying Agent/Registrar with proper request for transfer and substitution, as provided for in this Ordinance, substitute Bonds will be duly delivered as provided in this Ordinance, and there will be no assurance or representation that any book-entry system will be maintained for the Bonds. The City heretofore has executed a "Blanket Letter of Representations" prepared by DTC in order to implement the book-entry system described above. The foregoing notwithstanding, for so long as TWDB is an owner of any outstanding Bonds, the City will not discontinue the DTC book-entry system without the consent of TWDB.

(j) The Paying Agent/Registrar shall complete the "Date of Delivery" on each installment of Bonds initially delivered to the TWDB, upon the satisfaction of the conditions described in Section 29 of this Ordinance.

Section 6. **FORM OF BONDS.** That the form of all Bonds, including the form of the Authentication Certificate, the form of Assignment, and the form of the Comptroller's Registration Certificate to accompany the Bonds on the initial delivery thereof, shall be, respectively, substantially in the form set forth in Exhibit A to this Ordinance, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance.

Section 7. **DEFINITIONS.** That, as used in this Ordinance, the following terms shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

The term "Additional Bonds" shall mean the additional parity revenue bonds which the City reserves the right to issue in the future, as provided in this Ordinance.

The term "Amortization Installment", with respect to any Term Bonds of any Previously Issued Parity Bonds, any of the Bonds designated in this Ordinance as Term Bonds, or any series of Additional Bonds, shall mean the amount of money which is required to be deposited into the Mandatory Redemption Account referred to in Section 10(b) hereof for retirement of such Term Bonds (whether at maturity or by mandatory redemption and including redemption premium, if any), provided that the total Amortization Installments for such Term Bonds shall be sufficient to provide for retirement of the aggregate principal amount of such Term Bonds.

The term "Authorized Denomination" shall have the same meaning as set forth in Section 2(a) hereof.

The terms "Bonds" and "Series 2009B Bonds" shall mean one or more, as the case may be, of the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009B, authorized to be issued by this Ordinance.

The term "Business Day" shall mean a day other than a Saturday, Sunday, a legal holiday, or a day on which banking institutions are authorized by law or executive order to close in the City or the city where the Designated Trust Office of the Paying Agent/Registrar is located.

The term "Chapter 9" shall mean Chapter 9, Texas Business & Commerce Code, as amended.

The term "Chapter 1206" shall mean Chapter 1206, Texas Government Code, as amended.

The term "Chapter 1208" shall mean Chapter 1208, Texas Government Code, as amended.

The terms "City" and "Issuer" shall mean the City of Dallas, Texas.

The term "Code" shall mean the Internal Revenue Code of 1986, as amended.

The term "DTC" shall mean The Depository Trust Company, New York, New York.

The term "DTC Participant" shall mean the securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants, and shall include, for so long as it is an owner of Bonds, the TWDB.

The term "Designated Trust Office" shall have the same meaning as set forth in Section 5(a) hereof.

The terms "Gross Revenues of the City's Combined Waterworks and Sewer System" and "Gross Revenues" shall mean all revenues, income, and receipts of every nature derived or received by the City from the operation and ownership of the System, including the interest income from the investment or deposit of money in any Fund created by this Ordinance, or maintained by the City in connection with the System.

The term "Interest and Sinking Fund" shall have the meaning as set forth in Section 10(a) hereof.

The term "MAC" shall mean the Municipal Advisory Council of Texas.

The term "MSRB" shall mean the Municipal Securities Rulemaking Board.

The terms "Net Revenues of the City's Combined Waterworks and Sewer System" and "Net Revenues" shall mean all Gross Revenues after deducting and paying the current expenses of operation and maintenance of the System, as required by Section 1502.056, Texas Government Code, including all salaries, labor, materials, interest, repairs, and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the judgment of the City Council, reasonably and fairly exercised by the adoption of the appropriate resolution, are necessary to keep the System in operation and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair the Previously Issued Parity Bonds, the Bonds or Additional Bonds, shall be deducted in determining "Net Revenues". Payments made by the City for water supply or treatment of sewage which constitute under the law operation and maintenance expense shall be considered herein as

expenses incurred in the operation and maintenance of the System. Depreciation and any payments to the City in lieu of ad valorem taxes and any other similar payments shall never be considered as an expense of operation and maintenance.

The term "1981 Ordinance" shall have the meaning set forth in the preamble to this Ordinance.

The term "NRMSIR" shall mean each person whom the SEC or its staff has determined to be a nationally recognized municipal securities information repository within the meaning of the Rule from time to time.

The term "Paying Agent/Registrar" shall have the meaning as set forth in Section 5(a) hereof.

The term "Pledged Revenues" shall mean

(1) the Net Revenues, plus

(2) any additional revenues, income, receipts, or other resources, including, without limitation, any grants, donations, or income received or to be received from the United States Government, or any other public or private source, whether pursuant to an agreement or otherwise, which hereafter may be pledged to the payment of the Previously Issued Parity Bonds, Bonds or Additional Bonds.

The term "Previously Issued Parity Bonds" shall mean the Series 1993-A Bonds, the Series 1998 Bonds, the Series 1999 Bonds, the Series 2000 Bonds, the Series 2001 Bonds, the Series 2002 Bonds, the Series 2002-A Bonds, the Series 2003 Bonds, the Series 2003A Bonds, the Series 2005 Bonds, the Series 2006 Bonds, the Series 2007 Bonds and the Series 2008 Bonds.

The term "Project" shall mean the extensions and improvements to the System to be funded with the proceeds of the Bonds, to-wit, the Lake Ray Hubbard Recycled Water Project.

The term "Project Fund" shall have the meaning as set forth in Section 12 hereof.

The term "Registration Books" shall have the meaning as set forth in Section 5(a) hereof.

The term "Reserve Fund" shall have the meaning as set forth in Section 11 hereof.

The term "Revenue Fund" shall have the meaning as set forth in Section 9 hereof.

The term "Rule" shall mean SEC Rule 15c2-12, as amended from time to time.

The term "SEC" shall mean the United States Securities and Exchange Commission.

The term "Series 1981 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1981, dated April 1, 1981, and authorized by ordinance of the City passed April 1, 1981; the term "Series 1993-A Bonds" shall mean the City of Dallas,

Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 1993-A, dated September 1, 1993, and authorized by ordinance of the City passed September 8, 1993; the term "Series 1998 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1998, dated September 1, 1998, and authorized by ordinance of the City passed November 4, 1998; the term "Series 1999 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1999, dated September 1, 1999, and authorized by ordinance of the City passed November 10, 1999; the term "Series 2000 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2000, dated September 1, 2000, and authorized by ordinance of the City passed November 8, 2000; the term "Series 2001 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2001, dated September 1, 2001, and authorized by ordinance of the City passed October 10, 2001; the term "Series 2002 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2002, dated February 1, 2002, and authorized by ordinance of the City passed February 13, 2002; the term "Series 2002-A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2002-A, dated September 1, 2002, and authorized by ordinance of the City passed June 26, 2002; the term "Series 2003 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2003, dated January 1, 2003, and authorized by ordinance of the City passed December 11, 2002; the term "Series 2003A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2003A, dated September 1, 2003, and authorized by ordinance of the City passed November 5, 2003; the term "Series 2005 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2005, dated February 1, 2005, and authorized by ordinance of the City passed February 23, 2005; the term "Series 2006 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2006, dated April 1, 2006, and authorized by ordinance of the City passed April 12, 2006; the term "Series 2007 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2007, dated March 15, 2007, and authorized by ordinance of the City passed March 21, 2007; and the term "Series 2008 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2008, dated May 15, 2008, and authorized by ordinance of the City passed May 28, 2008.

The term "SID" shall mean any person designated by the State of Texas or an authorized department, officer, or agency thereof as, and determined by the SEC or its staff to be, a state information depository within the meaning of the Rule from time to time.

The term "System" shall mean and include the City's combined existing waterworks and sewer system, together with all future extensions, improvements, enlargements, and additions thereto, and all replacements thereof; provided that, notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term System shall not include any waterworks or sewer facilities which are declared not to be a part of the System and which are acquired or constructed by the City with the proceeds from the issuance of "Special Facilities Bonds", which are hereby defined

as being special revenue obligations of the City which are not secured by or payable from the Pledged Revenues as defined herein, but which are secured by and payable solely from special contract revenues or payments received from any other legal entity in connection with such facilities; and such revenues or payments shall not be considered as or constitute Gross Revenues of the System, unless and to the extent otherwise provided in the ordinance or ordinances authorizing the issuance of such "Special Facilities Bonds".

The term "Term Bonds" shall mean those Bonds (if any) so designated in this Ordinance, and those Previously Issued Parity Bonds or Additional Bonds so designated in the ordinances authorizing such bonds, which shall be subject to retirement by operation of the Mandatory Redemption Account referred to in Section 10(b) hereof.

The term "TWDB" shall mean the Texas Water Development Board.

The term "Year" shall mean the regular fiscal year used by the City in connection with the operation of the System, which may be any twelve consecutive months period established by the City.

Section 8. **PLEDGE.** (a) That the Previously Issued Parity Bonds, the Bonds and any Additional Bonds, and any interest payable thereon, are and shall be secured by and payable from an irrevocable first lien on and pledge of the Pledged Revenues; and the Pledged Revenues are further pledged irrevocably to the establishment and maintenance of the Interest and Sinking Fund and the Reserve Fund as hereinafter provided. The Previously Issued Parity Bonds, the Bonds and any Additional Bonds are and will be secured by and payable only from the Pledged Revenues, and are not secured by or payable from a mortgage or deed of trust on any real, personal or mixed properties constituting the System.

(b) Chapter 1208 applies to the issuance of the Bonds and the pledge of the Pledged Revenues granted by the City under subsection (a) of this Section, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the Pledged Revenues granted by the City is to be subject to the filing requirements of Chapter 9, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9 and enable a filing to perfect the security interest in said pledge to occur.

Section 9. **REVENUE FUND.** That there has been created and established on the books of the City, and accounted for separate and apart from all other funds of the City, a special fund entitled the "City of Dallas, Texas, Waterworks and Sewer System Revenue Fund" (the "Revenue Fund"). All Gross Revenues are and shall be credited to the Revenue Fund immediately upon receipt. All current expenses of operation and maintenance of the System are and shall be paid from such Gross Revenues as a first charge against same.



Section 10. **INTEREST AND SINKING FUND.** (a) That for the sole purpose of paying the principal of and interest on the Previously Issued Parity Bonds, the Bonds and any Additional Bonds, as the same come due, there has been created and established on the books of the City a separate fund entitled the "City of Dallas, Texas, Waterworks and Sewer System Revenue Bonds Interest and Sinking Fund" (the "Interest and Sinking Fund"). Monies in the Interest and Sinking Fund are and shall be maintained at an official depository bank of the City.

(b) That within the Interest and Sinking Fund there has been established the Mandatory Redemption Account, into which account shall be credited the Amortization Installments which shall be used for the payment of the principal of Term Bonds as the same shall come due, whether by maturity thereof or by redemption, through the operation of the Mandatory Redemption Account.

Section 11. **RESERVE FUND.** That there has been created and established on the books of the City a separate fund entitled the "City of Dallas, Texas, Waterworks and Sewer System Revenue Bonds Reserve Fund" (the "Reserve Fund"). Monies in the Reserve Fund shall be used solely for the purpose of retiring the last of any Previously Issued Parity Bonds, Bonds or Additional Bonds as they become due or paying principal of and interest on any Previously Issued Parity Bonds, Bonds or Additional Bonds when and to the extent the amounts in the Interest and Sinking Fund are insufficient for such purpose. Monies in the Reserve Fund shall be maintained at an official depository bank of the City.

Section 12. **PROJECT FUND.** (a) That there is hereby created, established and maintained on the books of the City, a separate fund to be entitled the "City of Dallas, Texas, Waterworks and Sewer System Series 2009B Revenue Bonds Project Fund" (hereinafter called the "Project Fund"). Monies in the Project Fund shall be maintained at an official depository bank of the City.

(b) Except as otherwise provided in Section 15(a) hereof, the proceeds of the Bonds shall be deposited into the Project Fund and used by the City for payment of the costs of the Project, and the payment of costs associated therewith, including any costs for engineering, financing, financial consultation, administrative, auditing and legal expenses.

(c) Any surplus proceeds, including the investment earnings derived from the investment of monies on deposit in the Project Fund, from the Bonds remaining on deposit in the Project Fund after completing the improvements and extensions to the System and upon the completion of the final accounting as described in Section 22(n) hereof, shall be transferred to the Interest and Sinking Fund to redeem, in inverse order of maturity, the Bonds owned by TWDB. The foregoing notwithstanding, it is further provided, however, that any interest earnings on monies on deposit in the Project Fund which are required to be rebated to the United States of America pursuant to Section 25 hereof in order to prevent the Bonds from being arbitrage bonds shall be transferred to the "Rebate Fund" hereinafter established and shall not be considered as interest earnings for purposes of this subsection.

(d) If required by TWDB as a condition to the purchase of the Bonds, the City Manager or the designee thereof may approve, execute and deliver an appropriate escrow agreement or

establish an appropriate trust and agency fund on the books of the City. In either case, proceeds of the Bonds required to be deposited under an escrow agreement or into a trust and agency fund shall be disbursed in accordance with the TWDB Rules Relating to Financial Programs or as otherwise authorized and directed by TWDB.

Section 13. **DEPOSITS OF PLEDGED REVENUES; INVESTMENTS.** (a) That the Pledged Revenues shall be deposited in the Interest and Sinking Fund and the Reserve Fund when and as required by ordinances authorizing Previously Issued Parity Bonds and by this Ordinance.

(b) That money in any Fund established by this Ordinance or by ordinances authorizing Previously Issued Parity Bonds may, at the option of the City and to the extent permitted by law, be (A) placed in time deposits or certificates of deposit which are secured by (i) obligations of the type described in (B) hereinbelow, (ii) any obligations of the City, or (iii) any municipal bonds issued by a political subdivision in Texas bearing a rating by Standard & Poor's Corporation of "BBB" or Moody's Investors Service of "Baa", or better or (B) invested, including investments held in book-entry form, in (i) direct obligations of the United States of America, (ii) obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligations, or (iii) to the extent permitted by law, evidences of indebtedness issued, insured or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, United States Postal Service, Farmers Home Association, and the Federal Home Loan Mortgage Association; provided that all such deposits and investments shall have a par value (or market value when less than par) exclusive of accrued interest at all times at least equal to the amount of money credited to such Funds, and shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times. Money in the Reserve Fund shall not be invested in securities maturing later than the final maturity of the Previously Issued Parity Bonds, the Bonds, and Additional Bonds. Such investments shall be valued in terms of current market value as of the last day of each Year, except that direct obligations of the United States (State and Local Government Series) in book-entry form shall be continuously valued at their par or face principal amount. Such investments shall be sold promptly when necessary to prevent any default in connection with the Previously Issued Parity Bonds, the Bonds or Additional Bonds. All investments shall comply with the provisions of the Public Funds Investment Act, Chapter 2256, Texas Government Code.

Section 14. **FUNDS SECURED.** That money in all Funds created by this Ordinance, to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the City. All uninvested and unescrowed proceeds from the delivery of the Bonds shall be subject to the provisions of the Public Funds Collateral Act, Chapter 2257, Texas Government Code.

Section 15. **DEBT SERVICE REQUIREMENTS.** (a) That promptly after the delivery of the Bonds the City shall cause to be deposited to the credit of the Interest and Sinking Fund any accrued interest received from the sale and delivery of the Bonds, and any such deposit shall be used to pay part of the interest next coming due on the Bonds.

(b) That in addition to all amounts heretofore required to be transferred from the Pledged Revenues and deposited to the credit of the Interest and Sinking Fund by the ordinances authorizing the issuance of the Previously Issued Parity Bonds, the City shall transfer from the Pledged Revenues and deposit to the credit of the Interest and Sinking Fund the amounts, at the times, as follows:

(1) such amounts, deposited in approximately equal monthly installments on or before the 25th day of each month hereafter, commencing with the month during which the Bonds are delivered, or the month thereafter if delivery is made after the 25th day thereof, as will be sufficient, together with other amounts, if any, then on hand in the Interest and Sinking Fund and available for such purpose, to pay the interest scheduled to accrue and come due on the Bonds on the next succeeding interest payment date; and

(2) such amounts, deposited in approximately equal monthly installments on or before the 25th day of each month hereafter, commencing with the month during which the Bonds are delivered, or the month thereafter if delivery is made after the 25th day thereof, as will be sufficient, together with other amounts, if any, then on hand in the Interest and Sinking Fund and available for such purpose, to pay the principal scheduled to mature and come due on the Bonds on the next succeeding principal payment date.

Section 16. **RESERVE REQUIREMENTS.** That the Reserve Fund shall be maintained in an amount equal to the average annual principal and interest requirements (including Amortization Installments) of the Previously Issued Parity Bonds, the Bonds and Additional Bonds (the "Required Amount"). When and so long as the money and investments in the Reserve Fund are not less than the Required Amount, no deposits need be made to the credit of the Reserve Fund. When and if the Reserve Fund contains less than the Required Amount due to the issuance of the Bonds or Additional Bonds, beginning on the 25th day of the month following the delivery of the Bonds or Additional Bonds to the purchasers thereof, and continuing for sixty months, the City shall transfer from the Pledged Revenues and deposit to the credit of the Reserve Fund an amount equal to 1/60th of the difference determined as of such delivery date between the amount in the Reserve Fund and the Required Amount. When and if the Reserve Fund at any time contains less than the Required Amount due to any cause or condition other than the issuance of Additional Bonds, then, subject and subordinate to making the required deposits to the credit of the Interest and Sinking Fund, such deficiency shall be made up as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose. The City may, at its option, withdraw and use for any lawful purpose not inconsistent with the City's Charter, all surplus in the Reserve Fund over the Required Amount.

Section 17. **DEFICIENCIES; EXCESS PLEDGED REVENUES.** (a) That if on any occasion there shall not be sufficient Pledged Revenues to make the required deposits into the Interest and Sinking Fund and the Reserve Fund, then such deficiency shall be made up as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose.

(b) That, subject to making the required deposits to the credit of the Interest and Sinking Fund and the Reserve Fund when and as required by this Ordinance, or any ordinance authorizing the issuance of Previously Issued Parity Bonds or Additional Bonds, the excess Pledged Revenues may be used by the City for any lawful purpose not inconsistent with the City's Charter.

Section 18. **PAYMENT OF THE BONDS AND ADDITIONAL BONDS.** That on or before April 1, 2013, and semiannually on or before each October 1 and April 1 thereafter while any of the Previously Issued Parity Bonds, the Bonds or Additional Bonds are outstanding and unpaid, the City shall make available to the paying agents therefor (including the Paying Agent/Registrar), out of the Interest and Sinking Fund and the Reserve Fund (if necessary), money sufficient to pay such interest on and such principal of the Previously Issued Parity Bonds, the Bonds and Additional Bonds as shall become due on such dates, respectively, at maturity or by redemption prior to maturity. The aforesaid paying agents (including the Paying Agent/Registrar) shall destroy all paid Previously Issued Parity Bonds, Bonds and Additional Bonds, and furnish the City with an appropriate certificate of cancellation or destruction.

Section 19. **FINAL DEPOSITS; GOVERNMENTAL OBLIGATIONS.** (a) That any Previously Issued Parity Bond, Bond or Additional Bond shall be deemed to be paid, retired and no longer outstanding within the meaning of this Ordinance when payment of the principal of, redemption premium, if any, on such bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption), or (ii) shall have been provided for by irrevocably depositing with, or making available to, a paying agent (or escrow agent) therefor, in trust and irrevocably set aside exclusively for such payment, (1) money sufficient to make such payment or (2) Government Obligations, as hereinafter defined in this Section, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation, and expenses of such paying agent pertaining to the bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of such paying agent. At such time as a Previously Issued Parity Bond, Bond or Additional Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefit of this Ordinance or such other ordinance securing such bond or a lien on and pledge of the Pledged Revenues, and shall be entitled to payment solely from such money or Government Obligations.

(b) That any moneys so deposited with a paying agent may, at the direction of the City, also be invested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of the paying agent pursuant to this Section which is not required for the payment of the Previously Issued Parity Bonds, Bonds and Additional Bonds, the redemption premium, if any, and interest thereon, with respect to which such money has been so deposited, shall be remitted to the City.

(c) That the City covenants that no deposit will be made or accepted under clause (a)(ii) of this Section and no use will be made of any such deposit which would cause the Previously Issued Parity Bonds, Bonds or any Additional Bonds to be treated as "arbitrage bonds" within the meaning of section 148 of the Code.

(d) That for the purpose of this Section, the term "Government Obligations" shall mean direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

(e) That notwithstanding any other provisions of this Ordinance, all money or Government Obligations set aside and held in trust pursuant to the provisions of this Section for the payment of Previously Issued Parity Bonds, Bonds and Additional Bonds, the redemption premium, if any, and interest thereon, shall be applied to and used for the payment of such Previously Issued Parity Bonds, Bonds and Additional Bonds, the redemption premium, if any, and interest thereon.

(f) That in accordance with the provisions of Section 1207.033, Texas Government Code, the City may call for redemption, at a date earlier than their scheduled maturities, those Bonds which have been defeased to their maturity date. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Bonds defeased under the terms of this Ordinance that is made in conjunction with the payment arrangements specified in clauses (i) or (ii) of subsection (a) above shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the City expressly reserves the right to call Bonds so defeased for redemption; (2) the City gives notice of the reservation of that right to the owners of the Bonds so defeased immediately following the making of the payment arrangements; and (3) the City directs that notice of the reservation be included in any redemption notices that it authorizes.

(g) For so long as the TWDB is an owner of any Bond, the City will provide to the Development Fund Manager of the TWDB written notice of any defeasance of Bonds.

Section 20. **ADDITIONAL BONDS.** (a) That the City shall have the right and power at any time and from time to time to authorize, issue and deliver additional parity revenue bonds (herein called "Additional Bonds") in one or more series or issues, in accordance with law, in any amounts, for purposes of extending, improving or repairing the System or for the purpose of refunding of any Previously Issued Parity Bonds, Bonds, Additional Bonds or other obligations of the City incurred in connection with the ownership or operation of the System. Such Additional Bonds, if and when authorized, issued and delivered in accordance with this Ordinance, shall be secured by and made payable equally and ratably on a parity with the Previously Issued Parity Bonds, the Bonds, and all other outstanding Additional Bonds, from an irrevocable first lien on and pledge of the Pledged Revenues.

(b) That the Interest and Sinking Fund and the Reserve Fund established by the 1981 Ordinance shall secure and be used to pay all Additional Bonds as well as the Previously Issued Parity Bonds and the Bonds. However, each ordinance under which Additional Bonds are issued shall provide and require that, in addition to the amounts required to be deposited to the credit of the

Interest and Sinking Fund by the provisions of this Ordinance and the provisions of any other ordinance or ordinances authorizing Additional Bonds, the City shall deposit to the credit of the Interest and Sinking Fund at least such amounts as are required for the payment of all principal of and interest on said Additional Bonds then being issued, as the same come due; and that the aggregate amount to be accumulated and maintained in the Reserve Fund shall be increased (if and to the extent necessary) to an amount not less than the average annual principal and interest requirements (including Amortization Installments) of all Previously Issued Parity Bonds, Bonds and Additional Bonds which will be outstanding after the issuance and delivery of the then proposed Additional Bonds; and that the required additional amount shall be so accumulated by the deposit in the Reserve Fund of all or any part of said required additional amount in cash immediately after the delivery of the then proposed Additional Bonds, or, at the option of the City, by the deposit of said required additional amount (or any balance of said required additional amount not deposited in cash as permitted above) in monthly installments, made on or before the 25th day of each month following the delivery of the then proposed Additional Bonds, of not less than 1/60th of said required additional amount (or 1/60th of the balance of said required additional amount not deposited in cash as permitted above).

(c) That all calculations of average annual principal and interest requirements (including Amortization Installments) made pursuant to this Section shall be made as of and from the date of the Additional Bonds then proposed to be issued.

(d) That the principal of all Additional Bonds must be scheduled to be paid or mature on April 1 or October 1 (or both) of the years in which such principal is scheduled to be paid or mature; and all interest thereon must be payable on April 1 and October 1.

Section 21. **FURTHER REQUIREMENTS FOR ADDITIONAL BONDS.** That Additional Bonds shall be issued only in accordance with this Ordinance, but notwithstanding any provisions of this Ordinance to the contrary, no installment, Series or issue of Additional Bonds shall be issued or delivered unless:

(a) The Mayor and the City Secretary of the City sign a written certificate to the effect that the City is not in default as to any covenant, condition or obligation in connection with all outstanding Previously Issued Parity Bonds, the Bonds and Additional Bonds, and the ordinances authorizing same, and that the Interest and Sinking Fund and the Reserve Fund each contains the amount then required to be therein.

(b) An independent certified public accountant, or independent firm of certified public accountants, signs a written certificate to the effect that, during either the next preceding Year, or any twelve consecutive calendar month period ending not more than ninety days prior to the date of the then proposed Additional Bonds, the Net Revenues were, in the opinion thereof, at least equal to 1.25 times the average annual principal and interest requirements (computed on a fiscal year basis) including Amortization Installments, of all Previously Issued Parity Bonds, the Bonds and Additional Bonds to be outstanding after the issuance of the then proposed Additional Bonds.

Section 22. **GENERAL COVENANTS.** That the City further covenants and agrees that in accordance with and to the extent required or permitted by law:

(a) **Performance.** It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance, and each ordinance authorizing the issuance of Previously Issued Parity Bonds and Additional Bonds, and in each and every Previously Issued Parity Bond, Bond and Additional Bond; it will promptly pay or cause to be paid the principal of and interest on every Previously Issued Parity Bond, Bond and Additional Bond, on the dates and in the places and manner prescribed in such ordinances and Previously Issued Parity Bonds, Bonds or Additional Bonds; and it will, at the times and in the manner prescribed, deposit or cause to be deposited the amounts required to be deposited into the Interest and Sinking Fund and the Reserve Fund; and any holder of the Previously Issued Parity Bonds, Bonds or Additional Bonds may require the City, its officials and employees to carry out, respect or enforce the covenants and obligations of this Ordinance, or any ordinance authorizing the issuance of Additional Bonds, by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the City, its officials and employees.

(b) **City's Legal Authority.** It is a duly created and existing home rule city of the State of Texas, and is duly authorized under the laws of the State of Texas to create and issue the Bonds; that all action on its part for the creation and issuance of the Bonds has been duly and effectively taken; and that the Bonds in the hands of the holders and owners thereof are and will be valid and enforceable special obligations of the City in accordance with their terms.

(c) **Title.** It has or will obtain lawful title to the lands, buildings, structures and facilities constituting the System, that it warrants that it will defend the title to all the aforesaid lands, buildings, structures and facilities, and every part thereof, for the benefit of the holders and owners of the Previously Issued Parity Bonds, Bonds and Additional Bonds, against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Pledged Revenues to the payment of the Previously Issued Parity Bonds, Bonds and Additional Bonds in the manner prescribed herein, and has lawfully exercised such rights.

(d) **Liens.** It will from time to time and before the same become delinquent pay and discharge all taxes, assessments and governmental charges, if any, which shall be lawfully imposed upon it, or the System; it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge thereon, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein; and it will not create or suffer to be created any mechanic's, laborer's, materialman's or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, materialman's or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the City.

(e) **Operation of System; No Free Service.** It will, while the Previously Issued Parity Bonds, Bonds or any Additional Bonds are outstanding and unpaid, continuously and efficiently operate the System, and shall maintain the System in good condition, repair and working order, all at reasonable cost. No free service of the System shall be allowed, and should the City or any of its agencies or instrumentalities make use of the services and facilities of the System, payment of the reasonable value shall be made by the City out of funds from sources other than the revenues of the System, unless made from surplus or excess Pledged Revenues as permitted in Section 17(b) hereof.

(f) **Further Encumbrance.** It, while the Previously Issued Parity Bonds, Bonds or any Additional Bonds are outstanding and unpaid, will not additionally encumber the Pledged Revenues in any manner, except as permitted in this Ordinance in connection with Additional Bonds, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants and agreements of this Ordinance; but the right of the City to issue revenue bonds payable from a subordinate lien on the Pledged Revenues is specifically recognized and retained.

(g) **Sale or Disposal of Property.** It, while the Previously Issued Parity Bonds, Bonds or any Additional Bonds are outstanding and unpaid, will not sell, convey, mortgage, encumber, lease or in any manner transfer title to, or otherwise dispose of the System, or any significant or substantial part thereof; provided that whenever the City deems it necessary to dispose of any property, machinery, fixtures or equipment, it may sell or otherwise dispose of such property, machinery, fixtures or equipment when it has made arrangements to replace the same or provide substitutes therefor, unless it is determined that no such replacement or substitute is necessary. Proceeds from any sale hereunder not used to replace or provide for substitution of such property sold, shall be used for improvements to the System or to purchase or redeem Previously Issued Parity Bonds, Bonds and Additional Bonds.

(h) **Insurance.** (1) It shall cause to be insured such parts of the System as would usually be insured by corporations operating like properties, with a responsible insurance company or companies, against risks, accidents or casualties against which, and to the extent, insurance is usually carried by corporations operating like properties, including, to the extent reasonably obtainable, fire and extended coverage insurance, insurance against damage by floods, and use and occupancy insurance. Public liability and property damage insurance shall also be carried unless the City Attorney of the City gives a written opinion to the effect that the City is not liable for claims which would be protected by such insurance. At any time while any contractor engaged in construction work shall be fully responsible therefor, the City shall not be required to carry insurance on the work being constructed if the contractor is required to carry appropriate insurance. All such policies shall be open to the inspection of the bondholders and their representatives at all reasonable times. Upon the happening of any loss or damage covered by insurance from one or more of said causes, the City shall make due proof of loss and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to the City. The proceeds of insurance covering such property, together with any other funds necessary and available for such purpose, shall be used forthwith by the City for repairing the property damaged or replacing the property destroyed;



provided, however, that if said insurance proceeds and other funds are insufficient for such purpose, then said insurance proceeds pertaining to the System shall be used promptly as follows:

(i) for the redemption prior to maturity of the Previously Issued Parity Bonds, the Bonds and Additional Bonds, ratably in the proportion that the outstanding principal of each series of Previously Issued Parity Bonds, Bonds or Additional Bonds bears to the total outstanding principal of all Previously Issued Parity Bonds, Bonds and Additional Bonds, provided that, if on any such occasion the principal of any such series is not subject to redemption, it shall not be regarded as outstanding in making the foregoing computation; or

(ii) if none of the outstanding Previously Issued Parity Bonds, Bonds or Additional Bonds is subject to redemption, then for the purchase on the open market and retirement of said Previously Issued Parity Bonds, Bonds and Additional Bonds in the same proportion as prescribed in the foregoing clause (i), to the extent practicable; provided that the purchase price for any Previously Issued Parity Bond, Bond or Additional Bond shall not exceed the redemption price of such Previously Issued Parity Bond, Bond or Additional Bond on the first date upon which it becomes subject to redemption; or

(iii) to the extent that the foregoing clauses (i) and (ii) cannot be complied with at the time, the insurance proceeds, or the remainder thereof, shall be deposited in a special and separate trust fund, at an official depository of the City, to be designated the Insurance Account. The Insurance Account shall be held until such time as the foregoing clauses (i) and/or (ii) can be complied with, or until other funds become available which, together with the Insurance Account, will be sufficient to make the repairs or replacements originally required, whichever of said events occurs first.

(2) The foregoing provisions of (1) above notwithstanding, the City shall have authority to enter into coinsurance or similar plans where risk of loss is shared in whole or in part by the City.

(3) The annual audit hereinafter required shall contain a section commenting on whether or not the City has complied with the requirements of this Section with respect to the maintenance of insurance, and listing all policies carried, and whether or not all insurance premiums upon the insurance policies to which reference is hereinbefore made have been paid.

(4) With respect to the Project financed with the proceeds of the Bonds, insurance coverage shall be in an amount sufficient to protect the Board's interest in the Project.

(i) **Rate Covenant.** The City Council of the City will fix, establish, maintain and collect such rates, charges and fees for the use and availability of the System at all times as are necessary to produce Gross Revenues sufficient, (1) to pay all current operation and maintenance expenses of the System, (2) to produce Net Revenues for each Year at least equal to 1.25 times the principal and interest requirements (including Amortization Installments) of all then outstanding Previously Issued Parity Bonds, Bonds and Additional Bonds for the Year during which such requirements are scheduled to be the greatest, and (3) to pay all other obligations of the System.

(j) **Records.** It will keep proper books of record and account in which full, true and correct entries will be made of all dealings, activities and transactions relating to the System, the Pledged Revenues and the Funds created pursuant to this Ordinance, and all books, documents and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any bondholders.

(k) **Audits.** After the close of each Year while any of the Previously Issued Parity Bonds, Bonds or any Additional Bonds are outstanding, an audit will be made of the books and accounts relating to the System and the Pledged Revenues by an independent certified public accountant or an independent firm of certified public accountants. As soon as practicable after the close of each such Year, and when said audit has been completed and made available to the City, a copy of such audit for the preceding Year shall be mailed to the MAC and to any holder of 5% or more in aggregate principal amount of then outstanding Previously Issued Parity Bonds, Bonds and Additional Bonds who shall so request in writing. Such annual audit reports shall be open to the inspection of the bondholders and their agents and representatives at all reasonable times. In addition to the foregoing, for so long as the State of Texas owns any of the Bonds, the City (1) shall mail a copy of the audit to the TWDB, and (2) monthly operating statements for the System shall be delivered by the City to the TWDB, and the monthly operating statement shall be in such detail as requested by the Development Fund Manager of the TWDB, until this requirement is waived thereby.

(l) **Governmental Agencies.** It will comply with all of the terms and conditions of any and all franchises, permits and authorizations applicable to or necessary with respect to the System, and which have been obtained from any governmental agency; and the City has or will obtain and keep in full force and effect all franchises, permits, authorization and other requirements applicable to or necessary with respect to the acquisition, construction, equipment, operation and maintenance of the System.

(m) **No Competition.** It will not grant any franchise or permit for the acquisition, construction or operation of any competing facilities which might be used as a substitute for the System's facilities, and, to the extent that it legally may, the City will prohibit any such competing facilities.

(n) **Final Accounting.** It shall render a final accounting to the TWDB in reference to the total cost incurred by the City for improvements and extensions to the System which were financed by the issuance of the Bonds, together with a copy of "as built" plans of such improvements and extensions upon completion.

(o) **Compliance with the Texas Water Development Board's Rules and Regulations.** It shall comply with the rules and regulations of the TWDB, and to maintain insurance on the System in such amount as may be required by TWDB.

(p) **Indemnification of the Texas Water Development Board.** It shall, to the extent permitted by law, indemnify, hold harmless and protect the TWDB from any and all claims arising from the sampling, analysis, transport, storage, treatment, removal and off-site disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be

generated by the City, its contractors, consultants, agents, officials and employees as a result of activities relating to the Project financed with the proceeds of the Bonds.

(q) **Water Conservation Program.** It will implement an approved water conservation program, in satisfaction of the requirements of Section 363.42(a)(2)(F) of Chapter 363 of Title 31 of the Texas Administrative Code.

Section 23. **AMENDMENT OF ORDINANCE.** (a) That the holders of the Previously Issued Parity Bonds, Bonds and Additional Bonds aggregating in principal amount 51% of the aggregate principal amount of then outstanding Previously Issued Parity Bonds, Bonds and Additional Bonds shall have the right from time to time to approve any amendment to this Ordinance which may be deemed necessary or desirable by the City; provided, however, that without the consent of the holders of all of the Previously Issued Parity Bonds, Bonds and Additional Bonds at the time outstanding, nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions in this Ordinance or in the Previously Issued Parity Bonds, Bonds or Additional Bonds so as to:

- (1) Make any change in the maturity of the outstanding Previously Issued Parity Bonds, Bonds or Additional Bonds;
- (2) Reduce the rate of interest borne by any of the outstanding Previously Issued Parity Bonds, Bonds or Additional Bonds;
- (3) Reduce the amount of the principal payable on the outstanding Previously Issued Parity Bonds, Bonds or Additional Bonds;
- (4) Modify the terms of payment of principal of or interest on the outstanding Previously Issued Parity Bonds, Bonds or Additional Bonds or impose any conditions with respect to such payment;
- (5) Affect the rights of the holders of less than all of the Previously Issued Parity Bonds, Bonds and Additional Bonds then outstanding; or
- (6) Change the minimum percentage of the principal amount of Previously Issued Parity Bonds, Bonds and Additional Bonds necessary for consent to such amendment.

(b) That if at any time the City shall desire to amend the Ordinance under this Section, the City shall cause notice of the proposed amendment to be published in a financial newspaper or journal published in The City of New York, New York, once during each calendar week for at least two successive calendar weeks. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Paying Agent/Registrar for inspection by all holders of Previously Issued Parity Bonds, Bonds and Additional Bonds. Such

publication is not required, however, if notice in writing is given to each holder of Previously Issued Parity Bonds, Bonds and Additional Bonds.

(c) That whenever at any time not less than thirty days, and within one year, from the date of the first publication of said notice or other service of written notice the City shall receive an instrument or instruments executed by the holders of at least 51% in aggregate principal amount of all Previously Issued Parity Bonds, Bonds and Additional Bonds then outstanding, which instrument or instruments shall refer to the proposed amendment described in said notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file with the Paying Agent/Registrar, the City Council may pass the amendatory ordinance in substantially the same form.

(d) That upon the passage of any amendatory ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be amended in accordance with such amendatory ordinance, and the respective rights, duties and obligations under this Ordinance of the City and all the holders of then outstanding Previously Issued Parity Bonds, Bonds and Additional Bonds shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such amendments.

(e) That any consent given by the holder of a Previously Issued Parity Bond, Bond or Additional Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication of the notice or other service of written notice provided for in this Section, and shall be conclusive and binding upon all future holders of the same Previously Issued Parity Bond, Bond or Additional Bond during such period. Such consent may be revoked at any time after six months from the date of the first publication of such notice or other service of written notice by the holder who gave such consent, or by a successor in title, by filing notice thereof with the paying agent/registrar therefor and the City, but such revocation shall not be effective if the holders, identified in accordance with subsection (f) of this Section, of 51% in aggregate principal amount of the then outstanding Previously Issued Parity Bonds, Bonds and Additional Bonds have, prior to the attempted revocation, consented to and approve the amendment.

(f) That for the purpose of this Section, the fact of the holding of Previously Issued Parity Bonds, Bonds, or Additional Bonds issued in registered form without coupons and the amounts and numbers of such Previously Issued Parity Bonds, Bonds or Additional Bonds and the date of their holding same shall be proved by the bond registration books of the paying agent/registrar therefor. For purposes of this Section, the holder of a Previously Issued Parity Bond, Bond or Additional Bond in such registered form shall be the owner thereof as shown on such registration books. The City may conclusively assume that such ownership continues until written notice to the contrary is served upon the City.

(g) The foregoing provisions of this Section notwithstanding, the City by action of the City Council may amend this Ordinance for any one or more of the following purposes:

(1) To add to the covenants and agreements of the City in this Ordinance contained, other covenants and agreements thereafter to be observed, grant additional rights or remedies to bondholders or to surrender, restrict or limit any right or power herein reserved to or conferred upon the City;

(2) To make such provisions for the purpose of curing any ambiguity, or curing, correcting or supplementing any defective provision contained in this Ordinance, or in regard to clarifying matters or questions arising under this Ordinance, including, without limitation, those matters described in Section 27(c)(v) hereof, as are necessary or desirable and not contrary to or inconsistent with this Ordinance and which shall not adversely affect the interests of the holders of the Previously Issued Parity Bonds, Bonds or Additional Bonds;

(3) To modify any of the provisions of this Ordinance in any other respect whatever, provided that (i) such modification shall be, and be expressed to be, effective only after all Previously Issued Parity Bonds outstanding at the date of the adoption of such modification shall cease to be outstanding, and (ii) such modification shall be specifically referred to in the text of all Additional Bonds issued after the date of the adoption of such modification.

**Section 24. DAMAGED, MUTILATED, LOST, STOLEN OR DESTROYED BONDS.**

(a) That in the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new Bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the applicant for a replacement bond shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the applicant shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the applicant shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued under this Ordinance.

(e) In accordance with Chapter 1206, particularly Subchapter B thereof, this Section of this Ordinance shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such bonds in the form and manner and with the effect, as provided in Section 5(d) of this Ordinance for Bonds issued in exchange for other Bonds.

Section 25. **TAX COVENANTS.** That the Issuer covenants to refrain from any action which would adversely affect, or to take any action to assure, the treatment of the Bonds as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(a) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use", as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds are so used, that amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(b) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate", within the meaning of section 141(b)(3) of the Code, to the governmental use;

(c) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any), is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(d) to refrain from taking any action which would otherwise result in the Bonds being treated as "private activity bonds" within the meaning of section 141(a) of the Code;

(e) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(f) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with --

(1) proceeds of the Bonds invested for a reasonable temporary period of three years or, in the case of a current refunding, of 90 days or less, until such proceeds are needed for the purpose for which the Bonds are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(g) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

(h) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "excess earnings", within the meaning of section 148(f) of the Code, and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of a refunding bond, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of the issuance of the Bonds. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the Issuer

agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of the foregoing, the Mayor, the City Manager, the Chief Financial Officer of the City, and any Assistant City Manager may execute any certificates or other reports required by the Code and make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds. In order to facilitate compliance with the above clause (h), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such Rebate Fund shall not be subject to the claim of any other person, including without limitation the registered owners of the Bonds. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

**Section 26. ADDITIONAL TAX COVENANTS. (a) Allocation of, and Limitation on, Expenditures for the Project.** That the City covenants to account for on its books and records the expenditure of proceeds from the sale of the Bonds and any investment earnings thereon to be used for the Project in accordance with the requirements of the Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (a) the expenditure on a Project is made or (b) each such Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (a) the fifth anniversary of the date of delivery of the Bonds or (b) the date the Bonds are retired. The City agrees to obtain the advice of a nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes of this Section, the City shall not be obligated to comply with this covenant if it obtains an opinion of a nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

**(b) Disposition of Bond Financed Property.** The City covenants that property financed with the proceeds of the Bonds, or the property constituting a Project, will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel substantially to the effect that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of this Section, the portion of the property comprising personal property and disposed of in the ordinary course of business shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this Section, the City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

**Section 27. CONTINUING DISCLOSURE UNDERTAKING. (a) Annual Reports.**  
(i) That the City shall provide annually to each NRMSIR and any SID, within six months after the



end of each Year ending in or after 2009, financial information and operating data with respect to the City of the general type included in the final application submitted to the TWDB and to the NRMSIRs and the SID with respect to the Previously Issued Parity Bonds. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles generally applicable to cities such as the City, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide unaudited financial statements by the required time and will provide audited financial statements for the applicable Year to each NRMSIR and any SID, when and if the audit report on such statements become available.

(ii) If the Year is changed by the City, the City will notify each NRMSIR and any SID of such change (and of the date of the new Year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section. The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to each NRMSIR and any SID or filed with the SEC.

(b) **Material Event Notices.** The City shall notify any SID and either each NRMSIR or the MSRB, in a timely manner, of any of the following events with respect to the Bonds, if such event is material within the meaning of the federal securities laws:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
7. Modifications to rights of holders of the Bonds;
8. Bond calls;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds; and
11. Rating changes.

The City shall notify any SID and either each NRMSIR or the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (a) of this Section by the time required by such subsection. Any filing under this Section may be made solely by transmitting such filing to the MAC as provided at <http://www.disclosureusa.org>, unless the SEC has withdrawn the interpretive advice stated in its letter to the MAC dated September 7, 2004.

**(c) Limitations, Disclaimers, and Amendments.** (i) The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with this Ordinance or applicable law that causes Bonds no longer to be outstanding.

(ii) The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

(iii) UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(iv) No default by the City in observing or performing its obligations under this Section shall comprise a breach of or default under this Ordinance for purposes of any other provision of this Ordinance. Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

(v) The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (A) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (B) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the holders and beneficial owners of the Bonds. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance

with subsection (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

(d) **Filings with MSRB.** Anything in this Ordinance to the contrary, effective July 1, 2009, all filings described in this Ordinance to be made to any NRMSIR or SID shall be made solely to the MSRB, in accordance with the Rule. All filings shall be made electronically, in the format specified by the MSRB.

Section 28. **DEFAULT AND REMEDIES.** (a) **Events of Default.** Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the registered owners of the Bonds, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any registered owner to the City.

(b) **Remedies for Default.**

(i) Upon the happening of any Event of Default, then and in every case, any registered owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the City, or any official, officer or employee of the City in their official capacity, for the purpose of protecting and enforcing the rights of the registered owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the registered owners hereunder or any combination of such remedies.

(ii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all registered owners of Bonds then outstanding.

(c) **Remedies Not Exclusive.**

(i) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter

existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Ordinance.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Bond authorized under this Ordinance, such registered owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or members of the City or the City Council.

(iv) None of the members of the City Council, nor any other official or officer, agent, or employee of the City, shall be charged personally by the registered owners with any liability, or be held personally liable to the registered owners under any term or provision of this Ordinance, or because of any Event of Default or alleged Event of Default under this Ordinance.

**Section 29. SALE OF BONDS.** (a) **Sale to TWDB.** That the Bonds are hereby sold to TWDB for the price of par. The Bonds may be delivered to TWDB in accordance with the schedule set forth in Schedule I of this Ordinance, and paid for in whole, or in installments at such times as shall be approved by the City Manager, provided none of the Bonds shall be so delivered without the City's receiving full payment therefor. The Bonds submitted to the Office of the Attorney General for review shall be registered in the name of the Texas Water Development Board.

(b) **City Manager to Execute Documents.** The City hereby authorizes the City Manager to approve and execute such documents necessary to effect the delivery of the Bonds.

(c) **Date of Delivery of Bonds.** The Paying Agent/Registrar shall complete the "Date of Delivery" on each Bond delivered to TWDB as provided in Section 5(j) of this Ordinance, and interest on the Bonds so delivered shall commence from such date.

(d) **Sale of Bonds by TWDB.** It is the intent of the parties to the sale of the Bonds that if TWDB ever determines to sell all or a part of the Bonds, it shall notify the City at least 60 days prior to the sale of the Bonds of the decision to so sell the Bonds.

**Section 30. APPROVAL AND REGISTRATION OF BONDS.** That the City Manager of the City is hereby authorized to have control of the Bonds and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds, the Comptroller of Public Accounts (or a deputy designated in writing to act therefor) shall manually sign the Comptroller's Registration Certificate set forth in the FORM OF BOND. The Bonds thus registered shall remain in the custody of the City Manager (or the designee thereof) until delivered to TWDB.

Section 31. **FURTHER PROCEDURES.** That the City Manager, the Chief Financial Officer of the City, any Assistant City Manager, and all other officers, employees, and agents of the City, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, and the sale and delivery of the Bonds and fixing all details in connection therewith. The City Council hereby authorizes the payment of the fee of the Office of the Attorney General of the State of Texas for the examination of the proceedings relating to the issuance of the Bonds, in the amount determined in accordance with the provisions of Section 1202.004, Texas Government Code.

Section 32. **PREAMBLE.** That the preamble to this Ordinance is incorporated by reference and made a part hereof for all purposes.

Section 33. **RULES OF CONSTRUCTION.** For all purposes of this Ordinance, unless the context requires otherwise, all references to designated Sections and other subdivisions are to the Sections and other subdivisions of this Ordinance. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Ordinance as a whole and not to any particular Section or other subdivision. Except where the context otherwise requires, terms defined in this Ordinance to impart the singular number shall be considered to include the plural number and vice versa. References to any named person means that party and its successors and assigns. References to any constitutional, statutory or regulatory provision means such provision as it exists on the date this Ordinance is adopted by the City and any future amendments thereto or successor provisions thereof. Any reference to the payment of principal in this Ordinance shall be deemed to include the payment of Amortization Installments (if any). Any reference to "FORM OF BOND" shall refer to the form of the Bonds set forth in Exhibit A to this Ordinance. The calculation of average annual principal and interest requirements as may be required by this Ordinance shall be made annually at the beginning of each Year and shall be the sum of the annual principal and interest requirements due for the current and each subsequent Year in which the Previously Issued Parity Bonds, the Bonds and any Additional Bonds are outstanding divided by the number of such Years, or partial Years, if applicable. Surplus moneys in the Reserve Fund the source of which are proceeds of bonds may be used only to complete projects for which such bond proceeds were issued, for improvements to the System, or for other costs for which the City could issue bonds for the System.

Section 34. **IMMEDIATE EFFECT.** That this Ordinance was adopted at a meeting of the City Council held in accordance with the provisions of Chapter 551, Texas Government Code, and shall be effective immediately from and after its passage in accordance with the provisions of Section 1201.028, Texas Government Code.

PASSED AND APPROVED the 11th day of February, 2009.

APPROVED AS TO FORM:

Thomas P. Perkins, Jr., City Attorney

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## SCHEDULE I

The Bonds shall mature on October 1 in each of the years, in the amounts, and bear interest at the interest rates per annum, as set forth in the following schedule:

<u>YEARS</u>	<u>AMOUNTS (\$)</u>	<u>INTEREST RATES (%)</u>
2013	445,000	1.303
2014	450,000	1.423
2015	460,000	1.583
2016	465,000	1.733
2017	475,000	1.883
2018	480,000	2.103
2019	490,000	2.133
2020	500,000	2.367
2021	515,000	2.489
2022	525,000	2.573
2023	540,000	2.649
2024	555,000	2.710
2025	570,000	2.759
2026	585,000	2.797
2027	600,000	2.832
2028	625,000	2.877

**Exhibit A**

**FORM OF BOND:**

NO. R-

\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
COUNTIES OF DALLAS, DENTON, COLLIN AND ROCKWALL  
CITY OF DALLAS, TEXAS  
WATERWORKS AND SEWER SYSTEM  
REVENUE BOND  
SERIES 2009B

<u>MATURITY</u> <u>DATE</u>	<u>INTEREST</u> <u>RATE</u>	<u>DATE OF DELIVERY</u>	<u>CUSIP</u>
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ON THE MATURITY DATE SPECIFIED ABOVE, THE CITY OF DALLAS, IN DALLAS, DENTON, COLLIN AND ROCKWALL COUNTIES, TEXAS (the "City"), hereby promises to pay to \_\_\_\_\_, or the registered assignee hereof (either being hereinafter called the "registered owner") the principal amount of

\_\_\_\_\_

and to pay interest thereon, from the original date of delivery of this Bond specified above, to the date of its scheduled maturity or the date of its redemption prior to scheduled maturity, at the rate of interest per annum specified above, with said interest being payable on April 1, 2013, and semiannually on each October 1 and April 1 thereafter, except that if the Paying Agent/Registrar's Authentication Certificate appearing on the face of this Bond is dated later than April 1, 2013, such interest is payable semiannually on each October 1 and April 1 following such date. Interest on this Bond shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity, or upon the date fixed for its redemption prior to maturity, at the designated corporate trust office in Dallas, Texas (the "Designated Trust Office"), of U.S. Bank National Association, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof as shown by the "Registration Books" kept by the Paying Agent/Registrar at the close of business on the Record Date (hereinafter defined) by check drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent/Registrar by United States mail, first-class, postage prepaid,



on each such interest payment date, to the registered owner hereof at its address as it appears on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described, or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. The record date ("Record Date") for the interest payable on any interest payment date means the 15th day of the preceding month. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date", which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class, postage prepaid, to the address of each registered owner of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice. The foregoing notwithstanding, so long as the Texas Water Development Board is the owner of 100% in aggregate principal amount of the Bonds then outstanding, payment of principal and interest on the Bonds shall be made by wire transfer, at no expense to the Texas Water Development Board. The City covenants with the registered owner of this Bond that no later than each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due, in the manner set forth in the ordinance authorizing the issuance of the bonds (the "Ordinance").

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions are authorized by law or executive order to close in the city where the Designated Trust Office of the Paying Agent/Registrar is located, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. Notwithstanding the foregoing, during any period in which ownership of the bonds of this Series is determined only by a book entry at a securities depository therefor, any payment to the securities depository, or its nominee or registered assigns, shall be made in accordance with existing arrangements between the City and the securities depository.

THIS BOND is one of a Series of bonds of like tenor and effect except as to denomination, number, maturity, interest rate and right of prior redemption, issued in the aggregate principal amount of \$8,280,000 for the purpose of improving and extending the System (as defined in the Ordinance). All Bonds of this Series are issuable solely as fully registered bonds, without interest coupons, in the denomination of any integral multiple of \$1,000 (an "Authorized Denomination").

THE BONDS of this Series scheduled to mature on and after October 1, 2020 may be redeemed prior to their scheduled maturities, in whole or in part, in inverse order of maturity, in principal amounts of \$1,000 or any integral multiple thereof, at the option of the City, on October 1, 2019, or on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption. If less than all of the Bonds are to be redeemed by the City, the City shall determine the maturity or maturities and the principal amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot Bonds, or portions thereof, within such maturity or maturities and in such principal amounts, for redemption; *provided*, that during any period in which ownership

of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.

AT LEAST 30 days prior to the date fixed for any such redemption, (i) a written notice of such redemption shall be given by the Paying Agent/Registrar to the registered owner of each Bond or a portion thereof being called for redemption by depositing such notice in the United States mail, first-class, postage prepaid, addressed to each such registered owner at his address shown on the Registration Books of the Paying Agent/Registrar and (ii) a notice of such redemption shall be published one (1) time in a financial journal or publication of general circulation in the United States of America or the State of Texas carrying as a regular feature notices of municipal bonds called for redemption; *provided, however*, should the Texas Water Development Board be the owner of 100% in aggregate principal amount of the Bonds then outstanding, notice of redemption shall not be required to be published in the manner described in (ii) above; and *provided, further*, that should the Texas Water Development Board not be the owner of 100% in aggregate principal amount of the Bonds then outstanding, the publication of notice as described in (ii) above shall be the only notice actually required in connection with or as a prerequisite to the redemption of any Bond, and the failure to send, mail or receive such notice described in (i) above, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption due provision shall be made by the City with the Paying Agent/Registrar for the payment of the required redemption price for this Bond or the portion hereof which is to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, this Bond, or the portion hereof which is to be so redeemed, thereby automatically shall be redeemed prior to its scheduled maturity, and shall not bear interest after the date fixed for its redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/Registrar shall record in the Registration Books all such redemptions of principal of this Bond or any portion hereof. If a portion of this Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any Authorized Denomination, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender hereof for cancellation, at the expense of the City, all as provided in the Ordinance.

AS PROVIDED IN THE ORDINANCE, this Bond, or any unredeemed portion hereof, may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, and exchanged for a like aggregate principal amount of fully registered bonds, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, and bearing interest at the same rate, in any Authorized Denomination as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar at its Designated Trust Office for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any Authorized Denomination to the assignee or assignees in whose

name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. The City shall pay the Paying Agent/Registrar's reasonable standard or customary fees and charges for transferring, converting and exchanging any Bond or portion thereof; provided, however, that any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such transfer, conversion and exchange. In any circumstance, neither the City nor the Paying Agent/Registrar shall be required (1) to make any transfer or exchange during a period beginning at the opening of business 15 days before the day of the first mailing of a notice of redemption of bonds and ending at the close of business on the day of such mailing, or (2) to transfer or exchange any Bonds so selected for redemption when such redemption is scheduled to occur within 30 calendar days; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

WHENEVER the beneficial ownership of this Bond is determined by a book entry at a securities depository for the Bonds, the foregoing requirements of holding, delivering or transferring this Bond shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and promptly will cause written notice thereof to be mailed to the registered owners of the Bonds.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Ordinance is duly recorded and available for inspection in the official minutes and records of the City, and agrees that the terms and provisions of this Bond and the Ordinance constitute a contract between each registered owner hereof and the City.

THE CITY has reserved the right, subject to the restrictions stated, and adopted by reference, in the Ordinance, to issue additional parity revenue bonds which also may be made payable from, and secured by a first lien on and pledge of, the "Pledged Revenues" (as defined in the Ordinance).

THE REGISTERED OWNER HEREOF is not entitled to demand payment of this obligation out of any money raised or to be raised by taxation, or from any source whatsoever other than the Pledged Revenues.

IT IS HEREBY certified and covenanted that this Bond has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Bond have been performed, existed and been done in accordance with law; that this Bond is a special obligation; and that the principal of and interest on this Bond together with outstanding parity revenue bonds are payable from, and secured by a first lien on and pledge of, the Pledged Revenues, which include the Net Revenues (as defined in the Ordinance) of the System.

IN TESTIMONY WHEREOF, the City Council has caused the seal of the City to be duly impressed or placed in facsimile hereon, and this Bond to be signed with the imprinted facsimile signature of the Mayor and countersigned by the facsimile signatures of the City Manager and the City Secretary.

COUNTERSIGNED:

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City Manager,  
City of Dallas

---

Mayor, City of Dallas

---

City Secretary,  
City of Dallas

(SEAL)

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been issued under the provisions of the proceedings adopted by the City as described in the text of this Bond; and that this Bond has been issued in exchange for or replacement of a Bond, Bonds, or a portion of a Bond or Bonds of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated \_\_\_\_\_

U.S. BANK NATIONAL ASSOCIATION,  
Paying Agent/Registrar

By: \_\_\_\_\_  
Authorized Representative

(FORM OF COMPTROLLER'S CERTIFICATE ATTACHED TO  
THE BONDS UPON INITIAL DELIVERY THEREOF ONLY)

OFFICE OF COMPTROLLER :

REGISTER NO. \_\_\_\_\_

STATE OF TEXAS :

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

\_\_\_\_\_  
Comptroller of Public Accounts of  
the State of Texas

FORM OF ASSIGNMENT:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

---

Please insert Social Security or Taxpayer Identification Number of Transferee

/ \_\_\_\_\_ /

---

(Please print or typewrite name and address, including zip code of Transferee)

---

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

\_\_\_\_\_ attorney to

register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

---

NOTICE: Signatures must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

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NOTICE: The signature above must correspond with the name of the registered owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

THE STATE OF TEXAS :  
COUNTIES OF DALLAS, DENTON, COLLIN AND ROCKWALL :  
CITY OF DALLAS :

I, DEBORAH WATKINS, City Secretary of the City of Dallas, Texas, do hereby certify that the above and foregoing is a true and correct copy of an excerpt from the minutes of the City Council of the City of Dallas, had in Regular Meeting on the 11th day of February, 2009, and an Ordinance authorizing the issuance and sale of City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009B, which Ordinance is duly of record in the minutes of said City Council; and that said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

WITNESS MY HAND and seal of the City of Dallas, Texas, this the 11th day of February, 2009.

---

Deborah Watkins, City Secretary  
City of Dallas, Texas

(SEAL)

**ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF  
DALLAS, TEXAS WATERWORKS AND SEWER SYSTEM REVENUE  
BONDS, SERIES 2009B; AWARDED THE SALE OF THE BONDS; AND  
ALL OTHER MATTERS RELATED THERETO**

**ADOPTED:  
February 11, 2009**



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**ORDINANCE NO. \_\_\_\_\_**

**ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF DALLAS, TEXAS WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES 2009C; AWARDED THE SALE OF THE BONDS; AND ALL OTHER MATTERS RELATED THERETO**

THE STATE OF TEXAS :  
COUNTIES OF DALLAS, DENTON, COLLIN AND ROCKWALL :  
CITY OF DALLAS :

WHEREAS, the City of Dallas (the "City" or the "Issuer") has heretofore issued its City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1981 (the "Series 1981 Bonds"); and

WHEREAS, defined terms used in this Ordinance shall have the meaning given said terms in Section 7 of this Ordinance, unless otherwise indicated herein; and

WHEREAS, in the ordinance authorizing the issuance of the Series 1981 Bonds (the "1981 Ordinance"), the City reserved the right to issue revenue bonds on a parity with the Series 1981 Bonds; and

WHEREAS, under authority of the right reserved in the 1981 Ordinance, the City issued and there currently remain outstanding revenue bonds from each series of bonds described in the definition of "Previously Issued Parity Bonds" set forth in Section 7 of this Ordinance; and

WHEREAS, in addition to the outstanding Previously Issued Parity Bonds, the City has authorized the issuance from time to time and at any one time outstanding of up to \$300,000,000 of its Waterworks and Sewer System Commercial Paper Notes, Series B and Series C (the "Commercial Paper Notes"), for the purpose of improving and extending the System; and

WHEREAS, the City deems it appropriate to issue the hereinafter authorized bonds for the purpose of extending and improving the System; and

WHEREAS, the Texas Water Development Board has committed to purchase the bonds hereinafter authorized pursuant to Subchapter Q of Chapter 15, Texas Water Code; and

WHEREAS, concurrently with the adoption of this Ordinance, the City is adopting an ordinance authorizing the sale of City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009A, in the aggregate principal amount of \$15,100,000 (the "Series 2009A Bonds"), and an ordinance authorizing the sale of City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009B, in the aggregate principal amount of \$8,280,000 (the "Series 2009B Bonds"), each for the purpose of extending and improving the System; and

WHEREAS, the Series 2009A Bonds and the Series 2009B Bonds shall be on a parity with the bonds hereinafter authorized, and the Texas Water Development Board has committed to purchase the Series 2009A Bonds and the Series 2009B Bonds pursuant to Subchapter Q of Chapter 15, Texas Water Code; and

WHEREAS, the bonds hereinafter authorized are to be issued and delivered pursuant to the laws of the State of Texas, including Chapter 1502, Texas Government Code; and

WHEREAS, the bonds hereinafter authorized shall be on a parity with the outstanding Previously Issued Parity Bonds;

**THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS;**

Section 1. **BONDS AUTHORIZED.** That the City's bonds (the "Bonds") are hereby authorized to be issued in the aggregate principal amount of \$94,723,000 for the purpose of extending and improving the System. The Bonds shall be designated as the "**City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009C**". The Bonds are issued as "Additional Bonds" as such term is defined in the 1981 Ordinance, and are in all respects on a parity with the outstanding Previously Issued Parity Bonds.

Section 2. **DATES AND MATURITIES.** That the Bonds shall be dated February 1, 2009, shall be in the denomination of \$1,000 or any integral multiple thereof (an "Authorized Denomination"), shall be numbered consecutively from R-1 upward, and shall mature on the maturity date, in each of the years and in the amounts as set forth in Schedule I to this Ordinance. The Texas Water Development Board ("TWDB") will purchase the Bonds in the manner described in Section 29 of this Ordinance.

Section 3. **REDEMPTION.** (a) That the City reserves the right to redeem the Bonds maturing on or after October 1, 2020, in whole or in part in principal amounts of \$1,000 or any integral multiple thereof, in inverse chronological order, on October 1, 2019, or on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption. If less than all of the Bonds are to be redeemed by the City, the City shall determine the maturity or maturities and the amounts thereof to be redeemed (subject to the limitation expressed in the preceding sentence that the Bonds be redeemed in inverse chronological order), and shall direct the Paying Agent/Registrar to call by lot Bonds, or portions thereof, within such maturity or maturities and in such principal amounts, for redemption; provided, that during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.

(b) The Bonds are not subject to mandatory sinking fund redemption prior to their scheduled maturities.

(c) At least thirty (30) days prior to the date any such Bonds are to be redeemed, (i) a written notice of redemption shall be given by the Paying Agent/Registrar to the registered owner of each Bond or a portion thereof being called for redemption by depositing such notice in the United States mail, first-class, postage prepaid, addressed to each such registered owner at the address thereof as shown on the Registration Books and (ii) a notice of such redemption shall be published one (1) time in a financial journal or publication of general circulation in the United States of America or the State of Texas carrying as a regular feature notices of municipal bonds called for redemption; provided, however, that should the TWDB be the owner of 100% in aggregate principal amount of the Bonds then outstanding, notice of redemption shall not be required to be published in the manner described in (ii) above; and provided, further, that should the TWDB not be the owner of 100% in aggregate principal amount of the Bonds then outstanding, the publication of notice as described in (ii) above shall be the only notice actually required in connection with or as a prerequisite to the redemption of any Bond, and the failure to send, mail or receive such notice described in (i) above, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption, due provision shall be made by the City with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or the portions thereof which are to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, the Bonds, or the portions thereof which are to be so redeemed, thereby automatically shall be redeemed prior to their scheduled maturities, and shall not bear interest after the date fixed for their redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/Registrar shall record in the Registration Books all such redemptions of principal of the Bonds or any portion thereof. If a portion of any Bond shall be redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any Authorized Denomination, at the written request of the registered owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in this Ordinance. In addition, notice of such redemption shall be provided in the manner described in Section 5(h) hereof, but the failure to provide such notice as described in Section 5(h) hereof shall not affect the validity or effectiveness of the proceedings for the redemption of the Bonds.

Section 4. **INTEREST.** That interest on the Bonds shall be payable on October 1, 2009, and semiannually thereafter on April 1 and October 1 of each year, until maturity or redemption prior to maturity, to the registered owner of any such Bond as of the Record Date (as defined in the FORM OF BOND) next preceding such interest payment date, in the manner provided in the FORM OF BOND, at the rates per annum as set forth in Schedule I to this Ordinance. Interest on the Bonds shall accrue from the date of delivery of the Bonds, and shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

**Section 5. PAYING AGENT/REGISTRAR; BOOK-ENTRY ONLY SYSTEM.** (a) That the City shall keep or cause to be kept at the corporate trust office designated by U.S. Bank National Association, as its place of payment for the Bonds, or such other bank, trust company, financial institution, or other entity duly qualified and legally authorized to serve and perform duties of and services of paying agent and registrar, named in accordance with the provisions of (g) of this Section hereof (the "Paying Agent/Registrar"), books or records of the registration and transfer of the Bonds (the "Registration Books"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep the Registration Books and make such transfers and registrations under such reasonable regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfers and registrations as herein provided. The place of payment so designated by the Paying Agent/Registrar shall be referred to herein as the "Designated Trust Office" of the Paying Agent/Registrar. It shall be the duty of the Paying Agent/Registrar to obtain from the registered owner and record in the Registration Books the address of such registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided. The Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any entity other than the City. Registration of each Bond may be transferred in the Registration Books only upon presentation and surrender of such Bond for transfer of registration and cancellation to the Paying Agent/Registrar at its Designated Trust Office during normal business hours, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing the assignment of the Bond, or any portion thereof in any Authorized Denomination, to the assignee or assignees thereof, and the right of such assignee or assignees to have the Bond or any such portion thereof registered in the name of such assignee or assignees. Upon the assignment and transfer of any Bond or any portion thereof, a new substitute bond or bonds shall be issued in exchange therefor in the manner herein provided. As of the date this Ordinance is approved by the City, the Designated Trust Office is the Dallas, Texas corporate trust office of U.S. Bank National Association.

(b) The entity in whose name any Bond shall be registered in the Registration Books at any time shall be treated as the absolute owner thereof for all purposes of this Ordinance, whether such Bond shall be overdue, and the City and the Paying Agent/Registrar shall not be affected by any notice to the contrary unless otherwise required by law; and payment of, or on account of, the principal of, premium, if any, and interest on any such Bond shall be made only to such registered owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(c) The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of, premium, if any, and interest on the Bonds, and to act as its agent to exchange or replace Bonds, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Bonds, and of all exchanges of the Bonds, and all replacements of the Bonds, as provided in this Ordinance.

(d) Each Bond may be exchanged for fully registered bonds in the manner set forth herein. Each Bond issued and delivered pursuant to this Ordinance, to the extent of the unpaid or unredeemed principal amount thereof, may, upon surrender thereof at the Designated Trust Office of the Paying Agent/Registrar, together with a written request therefor duly executed by the registered owner or the assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantee of signatures satisfactory to the Paying Agent/Registrar, at the option of the registered owner or such assignee or assignees, as appropriate, be exchanged for fully registered bonds, without interest coupons, in the form prescribed in the FORM OF BOND, in an Authorized Denomination (subject to the requirement hereinafter stated that each substitute Bond shall have a single stated maturity date), as requested in writing by such registered owner or such assignee or assignees, in an aggregate principal amount equal to the unpaid or unredeemed principal amount of any Bond or Bonds so surrendered, and payable to the appropriate registered owner, assignee, or assignees, as the case may be. If a portion of any Bond shall be redeemed prior to its scheduled maturity as provided herein, at the request of the registered owner a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in an Authorized Denomination, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon surrender thereof for cancellation. If any Bond or portion thereof is assigned and transferred, each Bond issued in exchange therefor shall have the same principal maturity date and bear interest at the same rate as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall exchange or replace Bonds as provided herein, and each fully registered substitute Bond delivered in exchange for or replacement of any Bond or portion thereof as permitted or required by any provision of this Ordinance shall constitute one of the Bonds for all purposes of this Ordinance, and may again be exchanged or replaced. On each substitute Bond issued in exchange for or replacement of any Bond or Bonds issued under this Ordinance there shall be printed thereon a Paying Agent/Registrar's Authentication Certificate, in the form set forth in the FORM OF BOND (the "Authentication Certificate"). An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, manually sign and date the Authentication Certificate, and no such Bond shall be deemed to be issued or outstanding unless the Authentication Certificate is so executed and dated. The Paying Agent/Registrar promptly shall cancel all Bonds surrendered for exchange or replacement. No additional ordinances, orders, or resolutions need be passed or adopted by the City Council or any other body or person so as to accomplish the foregoing exchange or replacement of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein, pursuant to Chapter 1206, particularly Subchapter B thereof. The duty of such exchange or replacement of Bonds as described in the preceding sentence is hereby imposed upon the Paying Agent/Registrar, and upon the execution of the Authentication Certificate, the exchanged or replaced Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which originally were delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts. Neither the City nor the Paying Agent/Registrar shall be required (1) to make any transfer or exchange during a period beginning at the opening of business 15 days before the day of the first mailing of a notice of redemption of Bonds and ending at the close of business on the day of such mailing, or (2) to transfer or exchange any Bond after it is selected for

redemption, in whole or in part, when such redemption is scheduled to occur within 30 calendar days; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

(e) All Bonds issued in exchange or replacement of any other Bond or portion thereof, (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on the Bonds to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be exchanged for other Bonds, (v) shall have the characteristics, (vi) shall be signed and sealed, and (vii) the principal of and interest on the Bonds shall be payable, all as provided, and in the manner required or indicated, in the FORM OF BOND.

(f) The City shall pay all of the Paying Agent/Registrar's reasonable and customary fees and charges for making transfers, conversions and exchanges of the Bonds in accordance with an agreement between the City and the Paying Agent/Registrar, but the registered owner of any Bond requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto. In addition, the City hereby covenants with the registered owners of the Bonds that it will pay the reasonable standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Bonds, when due.

(g) The City covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other entity duly qualified and legally authorized to serve as and perform the duties and services of Paying Agent/Registrar, to act as and perform the services of Paying Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be one entity. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than sixty (60) days' written notice to the Paying Agent/Registrar. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other entity duly qualified and legally authorized to serve as and perform the services of Paying Agent/Registrar, which shall be a corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers, subject to supervision or examination by federal or state authority, and whose qualifications substantially are similar to the previous Paying Agent/Registrar, to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the City and to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States mail, first-class, postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying



Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(h)(i) In addition to the manner of providing notice of redemption of Bonds as described in Section 3 hereof, the Paying Agent/Registrar shall give notice of redemption of Bonds by United States mail, first-class, postage prepaid, at least thirty (30) days prior to a redemption date to the SID and each NRMSIR. In addition, in the event of a redemption caused by an advance refunding of the Bonds, the Paying Agent/Registrar shall send a second notice of redemption to the persons specified in the immediately preceding sentence at least thirty (30) days but not more than ninety (90) days prior to the actual redemption date. Any notice sent to the SID and a NRMSIR shall be sent so that such notice is received at least two (2) days prior to the general mailing or publication date of such notice. The Paying Agent/Registrar shall also send a notice of redemption to the registered owner of any Bonds who has not sent the Bonds in for redemption sixty (60) days after the redemption date. The failure to send, mail or receive any such notice described in this clause (i), or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond.

(ii) Each redemption notice, whether required in the FORM OF BOND or otherwise by this Ordinance, shall contain a description of the Bonds to be redeemed including the complete name of the Bonds, the Series, the date of issue, the interest rate, the maturity date, the CUSIP number, the amounts called of each Bond, the publication and mailing date for the notice, the date of redemption, the redemption price, the name of the Paying Agent/Registrar and the address at which the Bond may be redeemed including a contact person and telephone number.

(iii) All redemption payments made by the Paying Agent/Registrar to the registered owners of the Bonds shall include a CUSIP number relating to each amount paid to such registered owner.

(i) The Bonds initially shall be issued and delivered in such manner that no physical distribution of the Bonds will be made to the public, and DTC initially will act as depository for the Bonds. DTC has represented to the City that it is a limited purpose trust company incorporated under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered under Section 17A of the Securities Exchange Act of 1934, as amended, and the City accepts, but in no way verifies, such representations. It is expected that upon the initial delivery of Bonds, DTC will hold the Bonds on behalf of the TWDB, and that the definitive Bonds held at DTC upon delivery of the Bonds to the TWDB shall be registered in the name of CEDE & CO., the nominee of DTC. So long as each Bond is registered in the name of CEDE & CO., the Paying Agent/Registrar shall treat and deal with DTC the same in all respects as if it were the actual and beneficial owner thereof. It is expected that DTC will maintain a book-entry system which will identify ownership of the Bonds in Authorized Denominations, with transfers of ownership being effected on the records of DTC and its participants pursuant to rules and regulations established by them, and that the Bonds initially deposited with DTC shall be immobilized and not be further exchanged for substitute Bonds except as hereinafter provided. The City is not responsible or liable

for any functions of DTC, will not be responsible for paying any fees or charges with respect to the services of DTC, will not be responsible or liable for maintaining, supervising, or reviewing the records of DTC or its participants, or protecting any interests or rights of the beneficial owners of the Bonds. It shall be the duty of the DTC Participants (in the case of the Bonds, the TWDB) to make all arrangements with DTC to establish this book-entry system, the beneficial ownership of the Bonds, and the method of paying the fees and charges of DTC. The City does not represent, nor does it in any way covenant, that the initial book-entry system established with DTC will be maintained in the future. Notwithstanding the initial establishment of the foregoing book-entry system with DTC, if for any reason any of the originally delivered Bonds is duly filed with the Paying Agent/Registrar with proper request for transfer and substitution, as provided for in this Ordinance, substitute Bonds will be duly delivered as provided in this Ordinance, and there will be no assurance or representation that any book-entry system will be maintained for the Bonds. The City heretofore has executed a "Blanket Letter of Representations" prepared by DTC in order to implement the book-entry system described above. The foregoing notwithstanding, for so long as TWDB is an owner of any outstanding Bonds, the City will not discontinue the DTC book-entry system without the consent of TWDB.

(j) The Paying Agent/Registrar shall complete the "Date of Delivery" on each installment of Bonds initially delivered to the TWDB, upon the satisfaction of the conditions described in Section 29 of this Ordinance.

Section 6. **FORM OF BONDS.** That the form of all Bonds, including the form of the Authentication Certificate, the form of Assignment, and the form of the Comptroller's Registration Certificate to accompany the Bonds on the initial delivery thereof, shall be, respectively, substantially in the form set forth in Exhibit A to this Ordinance, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance.

Section 7. **DEFINITIONS.** That, as used in this Ordinance, the following terms shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

The term "Additional Bonds" shall mean the additional parity revenue bonds which the City reserves the right to issue in the future, as provided in this Ordinance.

The term "Amortization Installment", with respect to any Term Bonds of any Previously Issued Parity Bonds, any of the Bonds designated in this Ordinance as Term Bonds, or any series of Additional Bonds, shall mean the amount of money which is required to be deposited into the Mandatory Redemption Account referred to in Section 10(b) hereof for retirement of such Term Bonds (whether at maturity or by mandatory redemption and including redemption premium, if any), provided that the total Amortization Installments for such Term Bonds shall be sufficient to provide for retirement of the aggregate principal amount of such Term Bonds.

The term "Authorized Denomination" shall have the same meaning as set forth in Section 2(a) hereof.

The terms "Bonds" and "Series 2009C Bonds" shall mean one or more, as the case may be, of the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009C, authorized to be issued by this Ordinance.

The term "Business Day" shall mean a day other than a Saturday, Sunday, a legal holiday, or a day on which banking institutions are authorized by law or executive order to close in the City or the city where the Designated Trust Office of the Paying Agent/Registrar is located.

The term "Chapter 9" shall mean Chapter 9, Texas Business & Commerce Code, as amended.

The term "Chapter 1206" shall mean Chapter 1206, Texas Government Code, as amended.

The term "Chapter 1208" shall mean Chapter 1208, Texas Government Code, as amended.

The terms "City" and "Issuer" shall mean the City of Dallas, Texas.

The term "Code" shall mean the Internal Revenue Code of 1986, as amended.

The term "DTC" shall mean The Depository Trust Company, New York, New York.

The term "DTC Participant" shall mean the securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants, and shall include, for so long as it is an owner of Bonds, the TWDB.

The term "Designated Trust Office" shall have the same meaning as set forth in Section 5(a) hereof.

The terms "Gross Revenues of the City's Combined Waterworks and Sewer System" and "Gross Revenues" shall mean all revenues, income, and receipts of every nature derived or received by the City from the operation and ownership of the System, including the interest income from the investment or deposit of money in any Fund created by this Ordinance, or maintained by the City in connection with the System.

The term "Interest and Sinking Fund" shall have the meaning as set forth in Section 10(a) hereof.

The term "MAC" shall mean the Municipal Advisory Council of Texas.

The term "MSRB" shall mean the Municipal Securities Rulemaking Board.

The terms "Net Revenues of the City's Combined Waterworks and Sewer System" and "Net Revenues" shall mean all Gross Revenues after deducting and paying the current expenses of operation and maintenance of the System, as required by Section 1502.056, Texas Government Code,

including all salaries, labor, materials, interest, repairs, and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the judgment of the City Council, reasonably and fairly exercised by the adoption of the appropriate resolution, are necessary to keep the System in operation and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair the Previously Issued Parity Bonds, the Bonds or Additional Bonds, shall be deducted in determining "Net Revenues". Payments made by the City for water supply or treatment of sewage which constitute under the law operation and maintenance expense shall be considered herein as expenses incurred in the operation and maintenance of the System. Depreciation and any payments to the City in lieu of ad valorem taxes and any other similar payments shall never be considered as an expense of operation and maintenance.

The term "1981 Ordinance" shall have the meaning set forth in the preamble to this Ordinance.

The term "NRMSIR" shall mean each person whom the SEC or its staff has determined to be a nationally recognized municipal securities information repository within the meaning of the Rule from time to time.

The term "Paying Agent/Registrar" shall have the meaning as set forth in Section 5(a) hereof.

The term "Pledged Revenues" shall mean

- (1) the Net Revenues, plus
- (2) any additional revenues, income, receipts, or other resources, including, without limitation, any grants, donations, or income received or to be received from the United States Government, or any other public or private source, whether pursuant to an agreement or otherwise, which hereafter may be pledged to the payment of the Previously Issued Parity Bonds, Bonds or Additional Bonds.

The term "Previously Issued Parity Bonds" shall mean the Series 1993-A Bonds, the Series 1998 Bonds, the Series 1999 Bonds, the Series 2000 Bonds, the Series 2001 Bonds, the Series 2002 Bonds, the Series 2002-A Bonds, the Series 2003 Bonds, the Series 2003A Bonds, the Series 2005 Bonds, the Series 2006 Bonds, the Series 2007 Bonds and the Series 2008 Bonds.

The term "Project" shall mean the extensions and improvements to the System to be funded with the proceeds of the Bonds, to-wit, the Eastside Water Purification Plant Improvements.

The term "Project Fund" shall have the meaning as set forth in Section 12 hereof.

The term "Registration Books" shall have the meaning as set forth in Section 5(a) hereof.

The term "Reserve Fund" shall have the meaning as set forth in Section 11 hereof.

The term "Revenue Fund" shall have the meaning as set forth in Section 9 hereof.

The term "Rule" shall mean SEC Rule 15c2-12, as amended from time to time.

The term "SEC" shall mean the United States Securities and Exchange Commission.

The term "Series 1981 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1981, dated April 1, 1981, and authorized by ordinance of the City passed April 1, 1981; the term "Series 1993-A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 1993-A, dated September 1, 1993, and authorized by ordinance of the City passed September 8, 1993; the term "Series 1998 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1998, dated September 1, 1998, and authorized by ordinance of the City passed November 4, 1998; the term "Series 1999 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1999, dated September 1, 1999, and authorized by ordinance of the City passed November 10, 1999; the term "Series 2000 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2000, dated September 1, 2000, and authorized by ordinance of the City passed November 8, 2000; the term "Series 2001 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2001, dated September 1, 2001, and authorized by ordinance of the City passed October 10, 2001; the term "Series 2002 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2002, dated February 1, 2002, and authorized by ordinance of the City passed February 13, 2002; the term "Series 2002-A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2002-A, dated September 1, 2002, and authorized by ordinance of the City passed June 26, 2002; the term "Series 2003 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2003, dated January 1, 2003, and authorized by ordinance of the City passed December 11, 2002; the term "Series 2003A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2003A, dated September 1, 2003, and authorized by ordinance of the City passed November 5, 2003; the term "Series 2005 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2005, dated February 1, 2005, and authorized by ordinance of the City passed February 23, 2005; the term "Series 2006 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2006, dated April 1, 2006, and authorized by ordinance of the City passed April 12, 2006; the term "Series 2007 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2007, dated March 15, 2007, and authorized by ordinance of the City passed March 21, 2007; and the term "Series 2008 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2008, dated May 15, 2008, and authorized by ordinance of the City passed May 28, 2008.

The term "SID" shall mean any person designated by the State of Texas or an authorized department, officer, or agency thereof as, and determined by the SEC or its staff to be, a state information depository within the meaning of the Rule from time to time.

The term "System" shall mean and include the City's combined existing waterworks and sewer system, together with all future extensions, improvements, enlargements, and additions thereto, and all replacements thereof; provided that, notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term System shall not include any waterworks or sewer facilities which are declared not to be a part of the System and which are acquired or constructed by the City with the proceeds from the issuance of "Special Facilities Bonds", which are hereby defined as being special revenue obligations of the City which are not secured by or payable from the Pledged Revenues as defined herein, but which are secured by and payable solely from special contract revenues or payments received from any other legal entity in connection with such facilities; and such revenues or payments shall not be considered as or constitute Gross Revenues of the System, unless and to the extent otherwise provided in the ordinance or ordinances authorizing the issuance of such "Special Facilities Bonds".

The term "Term Bonds" shall mean those Bonds (if any) so designated in this Ordinance, and those Previously Issued Parity Bonds or Additional Bonds so designated in the ordinances authorizing such bonds, which shall be subject to retirement by operation of the Mandatory Redemption Account referred to in Section 10(b) hereof.

The term "TWDB" shall mean the Texas Water Development Board.

The term "Year" shall mean the regular fiscal year used by the City in connection with the operation of the System, which may be any twelve consecutive months period established by the City.

Section 8. **PLEDGE.** (a) That the Previously Issued Parity Bonds, the Bonds and any Additional Bonds, and any interest payable thereon, are and shall be secured by and payable from an irrevocable first lien on and pledge of the Pledged Revenues; and the Pledged Revenues are further pledged irrevocably to the establishment and maintenance of the Interest and Sinking Fund and the Reserve Fund as hereinafter provided. The Previously Issued Parity Bonds, the Bonds and any Additional Bonds are and will be secured by and payable only from the Pledged Revenues, and are not secured by or payable from a mortgage or deed of trust on any real, personal or mixed properties constituting the System.

(b) Chapter 1208 applies to the issuance of the Bonds and the pledge of the Pledged Revenues granted by the City under subsection (a) of this Section, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the Pledged Revenues granted by the City is to be subject to the filing requirements of Chapter 9, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it

determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9 and enable a filing to perfect the security interest in said pledge to occur.

Section 9. **REVENUE FUND.** That there has been created and established on the books of the City, and accounted for separate and apart from all other funds of the City, a special fund entitled the "City of Dallas, Texas, Waterworks and Sewer System Revenue Fund" (the "Revenue Fund"). All Gross Revenues are and shall be credited to the Revenue Fund immediately upon receipt. All current expenses of operation and maintenance of the System are and shall be paid from such Gross Revenues as a first charge against same.

Section 10. **INTEREST AND SINKING FUND.** (a) That for the sole purpose of paying the principal of and interest on the Previously Issued Parity Bonds, the Bonds and any Additional Bonds, as the same come due, there has been created and established on the books of the City a separate fund entitled the "City of Dallas, Texas, Waterworks and Sewer System Revenue Bonds Interest and Sinking Fund" (the "Interest and Sinking Fund"). Monies in the Interest and Sinking Fund are and shall be maintained at an official depository bank of the City.

(b) That within the Interest and Sinking Fund there has been established the Mandatory Redemption Account, into which account shall be credited the Amortization Installments which shall be used for the payment of the principal of Term Bonds as the same shall come due, whether by maturity thereof or by redemption, through the operation of the Mandatory Redemption Account.

Section 11. **RESERVE FUND.** That there has been created and established on the books of the City a separate fund entitled the "City of Dallas, Texas, Waterworks and Sewer System Revenue Bonds Reserve Fund" (the "Reserve Fund"). Monies in the Reserve Fund shall be used solely for the purpose of retiring the last of any Previously Issued Parity Bonds, Bonds or Additional Bonds as they become due or paying principal of and interest on any Previously Issued Parity Bonds, Bonds or Additional Bonds when and to the extent the amounts in the Interest and Sinking Fund are insufficient for such purpose. Monies in the Reserve Fund shall be maintained at an official depository bank of the City.

Section 12. **PROJECT FUND.** (a) That there is hereby created, established and maintained on the books of the City, a separate fund to be entitled the "City of Dallas, Texas Waterworks and Sewer System Series 2009C Revenue Bonds Project Fund" (hereinafter called the "Project Fund"). Monies in the Project Fund shall be maintained at an official depository bank of the City.

(b) Except as otherwise provided in Section 15(a) hereof, the proceeds of the Bonds shall be deposited into the Project Fund and used by the City for payment of the costs of the Project, and the payment of costs associated therewith, including any costs for engineering, financing, financial consultation, administrative, auditing and legal expenses.

(c) Any surplus proceeds, including the investment earnings derived from the investment of monies on deposit in the Project Fund, from the Bonds remaining on deposit in the Project Fund after

completing the improvements and extensions to the System and upon the completion of the final accounting as described in Section 22(n) hereof, shall be transferred to the Interest and Sinking Fund to redeem, in inverse order of maturity, the Bonds owned by TWDB. The foregoing notwithstanding, it is further provided, however, that any interest earnings on monies on deposit in the Project Fund which are required to be rebated to the United States of America pursuant to Section 25 hereof in order to prevent the Bonds from being arbitrage bonds shall be transferred to the "Rebate Fund" hereinafter established and shall not be considered as interest earnings for purposes of this subsection.

(d) If required by TWDB as a condition to the purchase of the Bonds, the City Manager or the designee thereof may approve, execute and deliver an appropriate escrow agreement or establish an appropriate trust and agency fund on the books of the City. In either case, proceeds of the Bonds required to be deposited under an escrow agreement or into a trust and agency fund shall be disbursed in accordance with the TWDB Rules Relating to Financial Programs or as otherwise authorized and directed by TWDB.

Section 13. **DEPOSITS OF PLEDGED REVENUES; INVESTMENTS.** (a) That the Pledged Revenues shall be deposited in the Interest and Sinking Fund and the Reserve Fund when and as required by ordinances authorizing Previously Issued Parity Bonds and by this Ordinance.

(b) That money in any Fund established by this Ordinance or by ordinances authorizing Previously Issued Parity Bonds may, at the option of the City and to the extent permitted by law, be (A) placed in time deposits or certificates of deposit which are secured by (i) obligations of the type described in (B) hereinbelow, (ii) any obligations of the City, or (iii) any municipal bonds issued by a political subdivision in Texas bearing a rating by Standard & Poor's Corporation of "BBB" or Moody's Investors Service of "Baa", or better or (B) invested, including investments held in book-entry form, in (i) direct obligations of the United States of America, (ii) obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligations, or (iii) to the extent permitted by law, evidences of indebtedness issued, insured or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, United States Postal Service, Farmers Home Association, and the Federal Home Loan Mortgage Association; provided that all such deposits and investments shall have a par value (or market value when less than par) exclusive of accrued interest at all times at least equal to the amount of money credited to such Funds, and shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times. Money in the Reserve Fund shall not be invested in securities maturing later than the final maturity of the Previously Issued Parity Bonds, the Bonds, and Additional Bonds. Such investments shall be valued in terms of current market value as of the last day of each Year, except that direct obligations of the United States (State and Local Government Series) in book-entry form shall be continuously valued at their par or face principal amount. Such investments shall be sold promptly when necessary to prevent any default in connection with the Previously Issued Parity Bonds, the Bonds or Additional Bonds. All investments shall comply with the provisions of the Public Funds Investment Act, Chapter 2256, Texas Government Code.



Section 14. **FUNDS SECURED.** That money in all Funds created by this Ordinance, to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the City. All uninvested and unescrowed proceeds from the delivery of the Bonds shall be subject to the provisions of the Public Funds Collateral Act, Chapter 2257, Texas Government Code.

Section 15. **DEBT SERVICE REQUIREMENTS.** (a) That promptly after the delivery of the Bonds the City shall cause to be deposited to the credit of the Interest and Sinking Fund any accrued interest received from the sale and delivery of the Bonds, and any such deposit shall be used to pay part of the interest next coming due on the Bonds.

(b) That in addition to all amounts heretofore required to be transferred from the Pledged Revenues and deposited to the credit of the Interest and Sinking Fund by the ordinances authorizing the issuance of the Previously Issued Parity Bonds, the City shall transfer from the Pledged Revenues and deposit to the credit of the Interest and Sinking Fund the amounts, at the times, as follows:

(1) such amounts, deposited in approximately equal monthly installments on or before the 25th day of each month hereafter, commencing with the month during which the Bonds are delivered, or the month thereafter if delivery is made after the 25th day thereof, as will be sufficient, together with other amounts, if any, then on hand in the Interest and Sinking Fund and available for such purpose, to pay the interest scheduled to accrue and come due on the Bonds on the next succeeding interest payment date; and

(2) such amounts, deposited in approximately equal monthly installments on or before the 25th day of each month hereafter, commencing with the month during which the Bonds are delivered, or the month thereafter if delivery is made after the 25th day thereof, as will be sufficient, together with other amounts, if any, then on hand in the Interest and Sinking Fund and available for such purpose, to pay the principal scheduled to mature and come due on the Bonds on the next succeeding principal payment date.

Section 16. **RESERVE REQUIREMENTS.** That the Reserve Fund shall be maintained in an amount equal to the average annual principal and interest requirements (including Amortization Installments) of the Previously Issued Parity Bonds, the Bonds and Additional Bonds (the "Required Amount"). When and so long as the money and investments in the Reserve Fund are not less than the Required Amount, no deposits need be made to the credit of the Reserve Fund. When and if the Reserve Fund contains less than the Required Amount due to the issuance of the Bonds or Additional Bonds, beginning on the 25th day of the month following the delivery of the Bonds or Additional Bonds to the purchasers thereof, and continuing for sixty months, the City shall transfer from the Pledged Revenues and deposit to the credit of the Reserve Fund an amount equal to 1/60th of the difference determined as of such delivery date between the amount in the Reserve Fund and the Required Amount. When and if the Reserve Fund at any time contains less than the Required Amount due to any cause or condition other than the issuance of Additional Bonds, then, subject and subordinate to making the required deposits to the credit of the Interest and Sinking Fund, such

deficiency shall be made up as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose. The City may, at its option, withdraw and use for any lawful purpose not inconsistent with the City's Charter, all surplus in the Reserve Fund over the Required Amount.

Section 17. **DEFICIENCIES; EXCESS PLEDGED REVENUES.** (a) That if on any occasion there shall not be sufficient Pledged Revenues to make the required deposits into the Interest and Sinking Fund and the Reserve Fund, then such deficiency shall be made up as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose.

(b) That, subject to making the required deposits to the credit of the Interest and Sinking Fund and the Reserve Fund when and as required by this Ordinance, or any ordinance authorizing the issuance of Previously Issued Parity Bonds or Additional Bonds, the excess Pledged Revenues may be used by the City for any lawful purpose not inconsistent with the City's Charter.

Section 18. **PAYMENT OF THE BONDS AND ADDITIONAL BONDS.** That on or before October 1, 2009, and semiannually on or before each April 1 and October 1 thereafter while any of the Previously Issued Parity Bonds, the Bonds or Additional Bonds are outstanding and unpaid, the City shall make available to the paying agents therefor (including the Paying Agent/Registrar), out of the Interest and Sinking Fund and the Reserve Fund (if necessary), money sufficient to pay such interest on and such principal of the Previously Issued Parity Bonds, the Bonds and Additional Bonds as shall become due on such dates, respectively, at maturity or by redemption prior to maturity. The aforesaid paying agents (including the Paying Agent/Registrar) shall destroy all paid Previously Issued Parity Bonds, Bonds and Additional Bonds, and furnish the City with an appropriate certificate of cancellation or destruction.

Section 19. **FINAL DEPOSITS; GOVERNMENTAL OBLIGATIONS.** (a) That any Previously Issued Parity Bond, Bond or Additional Bond shall be deemed to be paid, retired and no longer outstanding within the meaning of this Ordinance when payment of the principal of, redemption premium, if any, on such bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption), or (ii) shall have been provided for by irrevocably depositing with, or making available to, a paying agent (or escrow agent) therefor, in trust and irrevocably set aside exclusively for such payment, (1) money sufficient to make such payment or (2) Government Obligations, as hereinafter defined in this Section, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation, and expenses of such paying agent pertaining to the bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of such paying agent. At such time as a Previously Issued Parity Bond, Bond or Additional Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefit of this Ordinance or such other ordinance securing such bond or a lien on

and pledge of the Pledged Revenues, and shall be entitled to payment solely from such money or Government Obligations.

(b) That any moneys so deposited with a paying agent may, at the direction of the City, also be invested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of the paying agent pursuant to this Section which is not required for the payment of the Previously Issued Parity Bonds, Bonds and Additional Bonds, the redemption premium, if any, and interest thereon, with respect to which such money has been so deposited, shall be remitted to the City.

(c) That the City covenants that no deposit will be made or accepted under clause (a)(ii) of this Section and no use will be made of any such deposit which would cause the Previously Issued Parity Bonds, Bonds or any Additional Bonds to be treated as "arbitrage bonds" within the meaning of section 148 of the Code.

(d) That for the purpose of this Section, the term "Government Obligations" shall mean direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

(e) That notwithstanding any other provisions of this Ordinance, all money or Government Obligations set aside and held in trust pursuant to the provisions of this Section for the payment of Previously Issued Parity Bonds, Bonds and Additional Bonds, the redemption premium, if any, and interest thereon, shall be applied to and used for the payment of such Previously Issued Parity Bonds, Bonds and Additional Bonds, the redemption premium, if any, and interest thereon.

(f) That in accordance with the provisions of Section 1207.033, Texas Government Code, the City may call for redemption, at a date earlier than their scheduled maturities, those Bonds which have been defeased to their maturity date. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Bonds defeased under the terms of this Ordinance that is made in conjunction with the payment arrangements specified in clauses (i) or (ii) of subsection (a) above shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the City expressly reserves the right to call Bonds so defeased for redemption; (2) the City gives notice of the reservation of that right to the owners of the Bonds so defeased immediately following the making of the payment arrangements; and (3) the City directs that notice of the reservation be included in any redemption notices that it authorizes.

(g) For so long as the TWDB is an owner of any Bond, the City will provide to the Development Fund Manager of the TWDB written notice of any defeasance of Bonds.

Section 20. **ADDITIONAL BONDS.** (a) That the City shall have the right and power at any time and from time to time to authorize, issue and deliver additional parity revenue bonds (herein called "Additional Bonds") in one or more series or issues, in accordance with law, in any amounts, for purposes of extending, improving or repairing the System or for the purpose of refunding of any Previously Issued Parity Bonds, Bonds, Additional Bonds or other obligations of the City incurred

in connection with the ownership or operation of the System. Such Additional Bonds, if and when authorized, issued and delivered in accordance with this Ordinance, shall be secured by and made payable equally and ratably on a parity with the Previously Issued Parity Bonds, the Bonds, and all other outstanding Additional Bonds, from an irrevocable first lien on and pledge of the Pledged Revenues.

(b) That the Interest and Sinking Fund and the Reserve Fund established by the 1981 Ordinance shall secure and be used to pay all Additional Bonds as well as the Previously Issued Parity Bonds and the Bonds. However, each ordinance under which Additional Bonds are issued shall provide and require that, in addition to the amounts required to be deposited to the credit of the Interest and Sinking Fund by the provisions of this Ordinance and the provisions of any other ordinance or ordinances authorizing Additional Bonds, the City shall deposit to the credit of the Interest and Sinking Fund at least such amounts as are required for the payment of all principal of and interest on said Additional Bonds then being issued, as the same come due; and that the aggregate amount to be accumulated and maintained in the Reserve Fund shall be increased (if and to the extent necessary) to an amount not less than the average annual principal and interest requirements (including Amortization Installments) of all Previously Issued Parity Bonds, Bonds and Additional Bonds which will be outstanding after the issuance and delivery of the then proposed Additional Bonds; and that the required additional amount shall be so accumulated by the deposit in the Reserve Fund of all or any part of said required additional amount in cash immediately after the delivery of the then proposed Additional Bonds, or, at the option of the City, by the deposit of said required additional amount (or any balance of said required additional amount not deposited in cash as permitted above) in monthly installments, made on or before the 25th day of each month following the delivery of the then proposed Additional Bonds, of not less than 1/60th of said required additional amount (or 1/60th of the balance of said required additional amount not deposited in cash as permitted above).

(c) That all calculations of average annual principal and interest requirements (including Amortization Installments) made pursuant to this Section shall be made as of and from the date of the Additional Bonds then proposed to be issued.

(d) That the principal of all Additional Bonds must be scheduled to be paid or mature on April 1 or October 1 (or both) of the years in which such principal is scheduled to be paid or mature; and all interest thereon must be payable on April 1 and October 1.

Section 21. **FURTHER REQUIREMENTS FOR ADDITIONAL BONDS.** That Additional Bonds shall be issued only in accordance with this Ordinance, but notwithstanding any provisions of this Ordinance to the contrary, no installment, Series or issue of Additional Bonds shall be issued or delivered unless:

(a) The Mayor and the City Secretary of the City sign a written certificate to the effect that the City is not in default as to any covenant, condition or obligation in connection with all outstanding Previously Issued Parity Bonds, the Bonds and Additional Bonds, and the ordinances

authorizing same, and that the Interest and Sinking Fund and the Reserve Fund each contains the amount then required to be therein.

(b) An independent certified public accountant, or independent firm of certified public accountants, signs a written certificate to the effect that, during either the next preceding Year, or any twelve consecutive calendar month period ending not more than ninety days prior to the date of the then proposed Additional Bonds, the Net Revenues were, in the opinion thereof, at least equal to 1.25 times the average annual principal and interest requirements (computed on a fiscal year basis) including Amortization Installments, of all Previously Issued Parity Bonds, the Bonds and Additional Bonds to be outstanding after the issuance of the then proposed Additional Bonds.

Section 22. **GENERAL COVENANTS.** That the City further covenants and agrees that in accordance with and to the extent required or permitted by law:

(a) **Performance.** It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance, and each ordinance authorizing the issuance of Previously Issued Parity Bonds and Additional Bonds, and in each and every Previously Issued Parity Bond, Bond and Additional Bond; it will promptly pay or cause to be paid the principal of and interest on every Previously Issued Parity Bond, Bond and Additional Bond, on the dates and in the places and manner prescribed in such ordinances and Previously Issued Parity Bonds, Bonds or Additional Bonds; and it will, at the times and in the manner prescribed, deposit or cause to be deposited the amounts required to be deposited into the Interest and Sinking Fund and the Reserve Fund; and any holder of the Previously Issued Parity Bonds, Bonds or Additional Bonds may require the City, its officials and employees to carry out, respect or enforce the covenants and obligations of this Ordinance, or any ordinance authorizing the issuance of Additional Bonds, by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the City, its officials and employees.

(b) **City's Legal Authority.** It is a duly created and existing home rule city of the State of Texas, and is duly authorized under the laws of the State of Texas to create and issue the Bonds; that all action on its part for the creation and issuance of the Bonds has been duly and effectively taken; and that the Bonds in the hands of the holders and owners thereof are and will be valid and enforceable special obligations of the City in accordance with their terms.

(c) **Title.** It has or will obtain lawful title to the lands, buildings, structures and facilities constituting the System, that it warrants that it will defend the title to all the aforesaid lands, buildings, structures and facilities, and every part thereof, for the benefit of the holders and owners of the Previously Issued Parity Bonds, Bonds and Additional Bonds, against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Pledged Revenues to the payment of the Previously Issued Parity Bonds, Bonds and Additional Bonds in the manner prescribed herein, and has lawfully exercised such rights.

(d) **Liens.** It will from time to time and before the same become delinquent pay and discharge all taxes, assessments and governmental charges, if any, which shall be lawfully imposed

upon it, or the System; it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge thereon, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein; and it will not create or suffer to be created any mechanic's, laborer's, materialman's or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, materialman's or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the City.

(e) **Operation of System; No Free Service.** It will, while the Previously Issued Parity Bonds, Bonds or any Additional Bonds are outstanding and unpaid, continuously and efficiently operate the System, and shall maintain the System in good condition, repair and working order, all at reasonable cost. No free service of the System shall be allowed, and should the City or any of its agencies or instrumentalities make use of the services and facilities of the System, payment of the reasonable value shall be made by the City out of funds from sources other than the revenues of the System, unless made from surplus or excess Pledged Revenues as permitted in Section 17(b) hereof.

(f) **Further Encumbrance.** It, while the Previously Issued Parity Bonds, Bonds or any Additional Bonds are outstanding and unpaid, will not additionally encumber the Pledged Revenues in any manner, except as permitted in this Ordinance in connection with Additional Bonds, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants and agreements of this Ordinance; but the right of the City to issue revenue bonds payable from a subordinate lien on the Pledged Revenues is specifically recognized and retained.

(g) **Sale or Disposal of Property.** It, while the Previously Issued Parity Bonds, the Bonds or any Additional Bonds are outstanding and unpaid, will not sell, convey, mortgage, encumber, lease or in any manner transfer title to, or otherwise dispose of the System, or any significant or substantial part thereof; provided that whenever the City deems it necessary to dispose of any property, machinery, fixtures or equipment, it may sell or otherwise dispose of such property, machinery, fixtures or equipment when it has made arrangements to replace the same or provide substitutes therefor, unless it is determined that no such replacement or substitute is necessary. Proceeds from any sale hereunder not used to replace or provide for substitution of such property sold, shall be used for improvements to the System or to purchase or redeem Previously Issued Parity Bonds, Bonds and Additional Bonds.

(h) **Insurance.** (1) It shall cause to be insured such parts of the System as would usually be insured by corporations operating like properties, with a responsible insurance company or companies, against risks, accidents or casualties against which, and to the extent, insurance is usually carried by corporations operating like properties, including, to the extent reasonably obtainable, fire and extended coverage insurance, insurance against damage by floods, and use and occupancy insurance. Public liability and property damage insurance shall also be carried unless the City Attorney of the City gives a written opinion to the effect that the City is not liable for claims which

would be protected by such insurance. At any time while any contractor engaged in construction work shall be fully responsible therefor, the City shall not be required to carry insurance on the work being constructed if the contractor is required to carry appropriate insurance. All such policies shall be open to the inspection of the bondholders and their representatives at all reasonable times. Upon the happening of any loss or damage covered by insurance from one or more of said causes, the City shall make due proof of loss and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to the City. The proceeds of insurance covering such property, together with any other funds necessary and available for such purpose, shall be used forthwith by the City for repairing the property damaged or replacing the property destroyed; provided, however, that if said insurance proceeds and other funds are insufficient for such purpose, then said insurance proceeds pertaining to the System shall be used promptly as follows:

(i) for the redemption prior to maturity of the Previously Issued Parity Bonds, the Bonds and Additional Bonds, ratably in the proportion that the outstanding principal of each series of Previously Issued Parity Bonds, Bonds or Additional Bonds bears to the total outstanding principal of all Previously Issued Parity Bonds, Bonds and Additional Bonds, provided that, if on any such occasion the principal of any such series is not subject to redemption, it shall not be regarded as outstanding in making the foregoing computation; or

(ii) if none of the outstanding Previously Issued Parity Bonds, Bonds or Additional Bonds is subject to redemption, then for the purchase on the open market and retirement of said Previously Issued Parity Bonds, Bonds and Additional Bonds in the same proportion as prescribed in the foregoing clause (i), to the extent practicable; provided that the purchase price for any Previously Issued Parity Bond, Bond or Additional Bond shall not exceed the redemption price of such Previously Issued Parity Bond, Bond or Additional Bond on the first date upon which it becomes subject to redemption; or

(iii) to the extent that the foregoing clauses (i) and (ii) cannot be complied with at the time, the insurance proceeds, or the remainder thereof, shall be deposited in a special and separate trust fund, at an official depository of the City, to be designated the Insurance Account. The Insurance Account shall be held until such time as the foregoing clauses (i) and/or (ii) can be complied with, or until other funds become available which, together with the Insurance Account, will be sufficient to make the repairs or replacements originally required, whichever of said events occurs first.

(2) The foregoing provisions of (1) above notwithstanding, the City shall have authority to enter into coinsurance or similar plans where risk of loss is shared in whole or in part by the City.

(3) The annual audit hereinafter required shall contain a section commenting on whether or not the City has complied with the requirements of this Section with respect to the maintenance of insurance, and listing all policies carried, and whether or not all insurance premiums upon the insurance policies to which reference is hereinbefore made have been paid.

(4) With respect to the Project financed with the proceeds of the Bonds, insurance coverage shall be in an amount sufficient to protect the Board's interest in the Project.

(i) **Rate Covenant.** The City Council of the City will fix, establish, maintain and collect such rates, charges and fees for the use and availability of the System at all times as are necessary to produce Gross Revenues sufficient, (1) to pay all current operation and maintenance expenses of the System, (2) to produce Net Revenues for each Year at least equal to 1.25 times the principal and interest requirements (including Amortization Installments) of all then outstanding Previously Issued Parity Bonds, Bonds and Additional Bonds for the Year during which such requirements are scheduled to be the greatest, and (3) to pay all other obligations of the System.

(j) **Records.** It will keep proper books of record and account in which full, true and correct entries will be made of all dealings, activities and transactions relating to the System, the Pledged Revenues and the Funds created pursuant to this Ordinance, and all books, documents and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any bondholders.

(k) **Audits.** After the close of each Year while any of the Previously Issued Parity Bonds, Bonds or any Additional Bonds are outstanding, an audit will be made of the books and accounts relating to the System and the Pledged Revenues by an independent certified public accountant or an independent firm of certified public accountants. As soon as practicable after the close of each such Year, and when said audit has been completed and made available to the City, a copy of such audit for the preceding Year shall be mailed to the MAC and to any holder of 5% or more in aggregate principal amount of then outstanding Previously Issued Parity Bonds, Bonds and Additional Bonds who shall so request in writing. Such annual audit reports shall be open to the inspection of the bondholders and their agents and representatives at all reasonable times. In addition to the foregoing, for so long as the State of Texas owns any of the Bonds, the City (1) shall mail a copy of the audit to the TWDB, and (2) monthly operating statements for the System shall be delivered by the City to the TWDB, and the monthly operating statement shall be in such detail as requested by the Development Fund Manager of the TWDB, until this requirement is waived thereby.

(l) **Governmental Agencies.** It will comply with all of the terms and conditions of any and all franchises, permits and authorizations applicable to or necessary with respect to the System, and which have been obtained from any governmental agency; and the City has or will obtain and keep in full force and effect all franchises, permits, authorization and other requirements applicable to or necessary with respect to the acquisition, construction, equipment, operation and maintenance of the System.

(m) **No Competition.** It will not grant any franchise or permit for the acquisition, construction or operation of any competing facilities which might be used as a substitute for the System's facilities, and, to the extent that it legally may, the City will prohibit any such competing facilities.

(n) **Final Accounting.** It shall render a final accounting to the TWDB in reference to the total cost incurred by the City for improvements and extensions to the System which were financed by the issuance of the Bonds, together with a copy of "as built" plans of such improvements and extensions upon completion.



(o) **Compliance with the Texas Water Development Board's Rules and Regulations.** It shall comply with the rules and regulations of the TWDB, and to maintain insurance on the System in such amount as may be required by TWDB.

(p) **Indemnification of the Texas Water Development Board.** It shall, to the extent permitted by law, indemnify, hold harmless and protect the TWDB from any and all claims arising from the sampling, analysis, transport, storage, treatment, removal and off-site disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be generated by the City, its contractors, consultants, agents, officials and employees as a result of activities relating to the Project financed with the proceeds of the Bonds.

(q) **Water Conservation Program.** It will implement an approved water conservation program, in satisfaction of the requirements of Section 363.42(a)(2)(F) of Chapter 363 of Title 31 of the Texas Administrative Code.

Section 23. **AMENDMENT OF ORDINANCE.** (a) That the holders of the Previously Issued Parity Bonds, Bonds and Additional Bonds aggregating in principal amount 51% of the aggregate principal amount of then outstanding Previously Issued Parity Bonds, Bonds and Additional Bonds shall have the right from time to time to approve any amendment to this Ordinance which may be deemed necessary or desirable by the City; provided, however, that without the consent of the holders of all of the Previously Issued Parity Bonds, Bonds and Additional Bonds at the time outstanding, nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions in this Ordinance or in the Previously Issued Parity Bonds, Bonds or Additional Bonds so as to:

- (1) Make any change in the maturity of the outstanding Previously Issued Parity Bonds, Bonds or Additional Bonds;
- (2) Reduce the rate of interest borne by any of the outstanding Previously Issued Parity Bonds, Bonds or Additional Bonds;
- (3) Reduce the amount of the principal payable on the outstanding Previously Issued Parity Bonds, Bonds or Additional Bonds;
- (4) Modify the terms of payment of principal of or interest on the outstanding Previously Issued Parity Bonds, Bonds or Additional Bonds or impose any conditions with respect to such payment;
- (5) Affect the rights of the holders of less than all of the Previously Issued Parity Bonds, Bonds and Additional Bonds then outstanding; or

- (6) Change the minimum percentage of the principal amount of Previously Issued Parity Bonds, Bonds and Additional Bonds necessary for consent to such amendment.

(b) That if at any time the City shall desire to amend the Ordinance under this Section, the City shall cause notice of the proposed amendment to be published in a financial newspaper or journal published in The City of New York, New York, once during each calendar week for at least two successive calendar weeks. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Paying Agent/Registrar for inspection by all holders of Previously Issued Parity Bonds, Bonds and Additional Bonds. Such publication is not required, however, if notice in writing is given to each holder of Previously Issued Parity Bonds, Bonds and Additional Bonds.

(c) That whenever at any time not less than thirty days, and within one year, from the date of the first publication of said notice or other service of written notice the City shall receive an instrument or instruments executed by the holders of at least 51% in aggregate principal amount of all Previously Issued Parity Bonds, Bonds and Additional Bonds then outstanding, which instrument or instruments shall refer to the proposed amendment described in said notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file with the Paying Agent/Registrar, the City Council may pass the amendatory ordinance in substantially the same form.

(d) That upon the passage of any amendatory ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be amended in accordance with such amendatory ordinance, and the respective rights, duties and obligations under this Ordinance of the City and all the holders of then outstanding Previously Issued Parity Bonds, Bonds and Additional Bonds shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such amendments.

(e) That any consent given by the holder of a Previously Issued Parity Bond, Bond or Additional Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication of the notice or other service of written notice provided for in this Section, and shall be conclusive and binding upon all future holders of the same Previously Issued Parity Bond, Bond or Additional Bond during such period. Such consent may be revoked at any time after six months from the date of the first publication of such notice or other service of written notice by the holder who gave such consent, or by a successor in title, by filing notice thereof with the paying agent/registrar therefor and the City, but such revocation shall not be effective if the holders, identified in accordance with subsection (f) of this Section, of 51% in aggregate principal amount of the then outstanding Previously Issued Parity Bonds, Bonds and Additional Bonds have, prior to the attempted revocation, consented to and approve the amendment.

(f) That for the purpose of this Section, the fact of the holding of Previously Issued Parity Bonds, Bonds, or Additional Bonds issued in registered form without coupons and the amounts and numbers of such Previously Issued Parity Bonds, Bonds or Additional Bonds and the date of their

holding same shall be proved by the bond registration books of the paying agent/registrar therefor. For purposes of this Section, the holder of a Previously Issued Parity Bond, Bond or Additional Bond in such registered form shall be the owner thereof as shown on such registration books. The City may conclusively assume that such ownership continues until written notice to the contrary is served upon the City.

(g) The foregoing provisions of this Section notwithstanding, the City by action of the City Council may amend this Ordinance for any one or more of the following purposes:

(1) To add to the covenants and agreements of the City in this Ordinance contained, other covenants and agreements thereafter to be observed, grant additional rights or remedies to bondholders or to surrender, restrict or limit any right or power herein reserved to or conferred upon the City;

(2) To make such provisions for the purpose of curing any ambiguity, or curing, correcting or supplementing any defective provision contained in this Ordinance, or in regard to clarifying matters or questions arising under this Ordinance, including, without limitation, those matters described in Section 27(c)(v) hereof, as are necessary or desirable and not contrary to or inconsistent with this Ordinance and which shall not adversely affect the interests of the holders of the Previously Issued Parity Bonds, Bonds or Additional Bonds;

(3) To modify any of the provisions of this Ordinance in any other respect whatever, provided that (i) such modification shall be, and be expressed to be, effective only after all Previously Issued Parity Bonds outstanding at the date of the adoption of such modification shall cease to be outstanding, and (ii) such modification shall be specifically referred to in the text of all Additional Bonds issued after the date of the adoption of such modification.

**Section 24. DAMAGED, MUTILATED, LOST, STOLEN OR DESTROYED BONDS.**

(a) That in the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new Bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the applicant for a replacement bond shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the applicant shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the applicant shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued under this Ordinance.

(e) In accordance with Chapter 1206, particularly Subchapter B thereof, this Section of this Ordinance shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such bonds in the form and manner and with the effect, as provided in Section 5(d) of this Ordinance for Bonds issued in exchange for other Bonds.

Section 25. **TAX COVENANTS.** That the Issuer covenants to refrain from any action which would adversely affect, or to take any action to assure, the treatment of the Bonds as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(a) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use", as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds are so used, that amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(b) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not

"disproportionate", within the meaning of section 141(b)(3) of the Code, to the governmental use;

(c) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any), is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(d) to refrain from taking any action which would otherwise result in the Bonds being treated as "private activity bonds" within the meaning of section 141(a) of the Code;

(e) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(f) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with --

(1) proceeds of the Bonds invested for a reasonable temporary period of three years or, in the case of a current refunding, of 90 days or less, until such proceeds are needed for the purpose for which the Bonds are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(g) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

(h) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "excess earnings", within the meaning of section 148(f) of the Code, and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of a refunding bond, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of the issuance of the Bonds. It is the understanding

of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of the foregoing, the Mayor, the City Manager, the Chief Financial Officer of the City, and any Assistant City Manager may execute any certificates or other reports required by the Code and make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds. In order to facilitate compliance with the above clause (h), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such Rebate Fund shall not be subject to the claim of any other person, including without limitation the registered owners of the Bonds. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

**Section 26. ADDITIONAL TAX COVENANTS. (a) Allocation of, and Limitation on, Expenditures for the Project.** That the City covenants to account for on its books and records the expenditure of proceeds from the sale of the Bonds and any investment earnings thereon to be used for the Project in accordance with the requirements of the Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (a) the expenditure on a Project is made or (b) each such Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (a) the fifth anniversary of the date of delivery of the Bonds or (b) the date the Bonds are retired. The City agrees to obtain the advice of a nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes of this Section, the City shall not be obligated to comply with this covenant if it obtains an opinion of a nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

**(b) Disposition of Bond Financed Property.** The City covenants that property financed with the proceeds of the Bonds, or the property constituting a Project, will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel substantially to the effect that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of this Section, the portion of the property comprising personal property and disposed of in the ordinary

course of business shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this Section, the City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

**Section 27. CONTINUING DISCLOSURE UNDERTAKING. (a) Annual Reports.**

(i) That the City shall provide annually to each NRMSIR and any SID, within six months after the end of each Year ending in or after 2009, financial information and operating data with respect to the City of the general type included in the final application submitted to the TWDB and to the NRMSIRs and the SID with respect to the Previously Issued Parity Bonds. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles generally applicable to cities such as the City, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide unaudited financial statements by the required time and will provide audited financial statements for the applicable Year to each NRMSIR and any SID, when and if the audit report on such statements become available.

(ii) If the Year is changed by the City, the City will notify each NRMSIR and any SID of such change (and of the date of the new Year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section. The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to each NRMSIR and any SID or filed with the SEC.

(b) **Material Event Notices.** The City shall notify any SID and either each NRMSIR or the MSRB, in a timely manner, of any of the following events with respect to the Bonds, if such event is material within the meaning of the federal securities laws:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
7. Modifications to rights of holders of the Bonds;
8. Bond calls;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds; and
11. Rating changes.

The City shall notify any SID and either each NRMSIR or the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (a) of this Section by the time required by such subsection. Any filing under this Section may be made solely by transmitting such filing to the MAC as provided at <http://www.disclosureusa.org>, unless the SEC has withdrawn the interpretive advice stated in its letter to the MAC dated September 7, 2004.

**(c) Limitations, Disclaimers, and Amendments.** (i) The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with this Ordinance or applicable law that causes Bonds no longer to be outstanding.

(ii) The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

(iii) UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(iv) No default by the City in observing or performing its obligations under this Section shall comprise a breach of or default under this Ordinance for purposes of any other provision of this Ordinance. Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

(v) The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the



primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (A) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (B) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the holders and beneficial owners of the Bonds. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

(d) **Filings with MSRB.** Anything in this Ordinance to the contrary, effective July 1, 2009, all filings described in this Ordinance to be made to any NRMSIR or SID shall be made solely to the MSRB, in accordance with the Rule. All filings shall be made electronically, in the format specified by the MSRB.

Section 28. **DEFAULT AND REMEDIES.** (a) **Events of Default.** Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the registered owners of the Bonds, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any registered owner to the City.

(b) **Remedies for Default.**

(i) Upon the happening of any Event of Default, then and in every case, any registered owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the City, or any official, officer or employee of the City in their official capacity, for the purpose of protecting and enforcing the rights of the registered owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the registered owners hereunder or any combination of such remedies.

(ii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all registered owners of Bonds then outstanding.

(c) **Remedies Not Exclusive.**

(i) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Ordinance.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Bond authorized under this Ordinance, such registered owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or members of the City or the City Council.

(iv) None of the members of the City Council, nor any other official or officer, agent, or employee of the City, shall be charged personally by the registered owners with any liability, or be held personally liable to the registered owners under any term or provision of this Ordinance, or because of any Event of Default or alleged Event of Default under this Ordinance.

Section 29. **SALE OF BONDS.** (a) **Sale to TWDB.** That the Bonds are hereby sold to TWDB for the price of par. The Bonds may be delivered to TWDB in accordance with the schedule set forth in Schedule I of this Ordinance, and paid for in whole, or in installments at such times as shall be approved by the City Manager, provided none of the Bonds shall be so delivered without the City's receiving full payment therefor. The Bonds submitted to the Office of the Attorney General for review shall be registered in the name of the Texas Water Development Board.

(b) **City Manager to Execute Documents.** The City hereby authorizes the City Manager to approve and execute such documents necessary to effect the delivery of the Bonds.

(c) **Date of Delivery of Bonds.** The Paying Agent/Registrar shall complete the "Date of Delivery" on each Bond delivered to TWDB as provided in Section 5(j) of this Ordinance, and interest on the Bonds so delivered shall commence from such date.

(d) **Sale of Bonds by TWDB.** It is the intent of the parties to the sale of the Bonds that if TWDB ever determines to sell all or a part of the Bonds, it shall notify the City at least 60 days prior to the sale of the Bonds of the decision to so sell the Bonds.

Section 30. **APPROVAL AND REGISTRATION OF BONDS.** That the City Manager of the City is hereby authorized to have control of the Bonds and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds, the Comptroller of Public Accounts (or a deputy designated in writing to act therefor) shall manually sign the Comptroller's Registration Certificate set forth in the FORM OF BOND. The Bonds thus registered shall remain in the custody of the City Manager (or the designee thereof) until delivered to TWDB.

Section 31. **FURTHER PROCEDURES.** That the City Manager, the Chief Financial Officer of the City, any Assistant City Manager, and all other officers, employees, and agents of the City, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, and the sale and delivery of the Bonds and fixing all details in connection therewith. The City Council hereby authorizes the payment of the fee of the Office of the Attorney General of the State of Texas for the examination of the proceedings relating to the issuance of the Bonds, in the amount determined in accordance with the provisions of Section 1202.004, Texas Government Code.

Section 32. **PREAMBLE.** That the preamble to this Ordinance is incorporated by reference and made a part hereof for all purposes.

Section 33. **RULES OF CONSTRUCTION.** For all purposes of this Ordinance, unless the context requires otherwise, all references to designated Sections and other subdivisions are to the Sections and other subdivisions of this Ordinance. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Ordinance as a whole and not to any particular Section or other subdivision. Except where the context otherwise requires, terms defined in this Ordinance to impart the singular number shall be considered to include the plural number and vice versa. References to any named person means that party and its successors and assigns. References to any constitutional, statutory or regulatory provision means such provision as it exists on the date this Ordinance is adopted by the City and any future amendments thereto or successor provisions thereof. Any reference to the payment of principal in this Ordinance shall be deemed to include the payment of Amortization Installments (if any). Any reference to "FORM OF BOND" shall refer to the form of the Bonds set forth in Exhibit A to this Ordinance. The calculation of average annual principal and interest requirements as may be required by this Ordinance shall be made annually at the beginning of each Year and shall be the sum of the annual principal and interest requirements due for the current and each subsequent Year in which the Previously Issued Parity Bonds, the Bonds and any Additional Bonds are outstanding divided by the number of such Years, or partial Years, if applicable. Surplus moneys in the Reserve Fund the source of which are proceeds of bonds may be used only to complete projects for which such bond proceeds were issued, for improvements to the System, or for other costs for which the City could issue bonds for the System.

Section 34. **IMMEDIATE EFFECT.** That this Ordinance was adopted at a meeting of the City Council held in accordance with the provisions of Chapter 551, Texas Government Code, and

shall be effective immediately from and after its passage in accordance with the provisions of Section 1201.028, Texas Government Code.

PASSED AND APPROVED the 11th day of February, 2009.

APPROVED AS TO FORM:  
Thomas P. Perkins, Jr., City Attorney

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## SCHEDULE I

The Bonds shall mature on October 1 in each of the years, in the amounts, and bear interest at the interest rates per annum, as set forth in the following schedule:

<u>YEARS</u>	<u>AMOUNTS (\$)</u>	<u>INTEREST RATES (%)</u>
2012	5,105,000	0.000
2013	5,105,000	0.000
2014	5,110,000	0.148
2015	5,120,000	0.338
2016	5,145,000	0.558
2017	5,180,000	0.798
2018	5,225,000	1.038
2019	5,290,000	1.452
2020	5,380,000	1.812
2021	5,485,000	2.139
2022	5,610,000	2.267
2023	5,745,000	2.532
2024	5,895,000	2.695
2025	6,060,000	2.804
2026	6,235,000	2.885
2027	6,420,000	2.931
2028	6,613,000	3.018

**Exhibit A**

**FORM OF BOND:**

NO. R-

\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
COUNTIES OF DALLAS, DENTON, COLLIN AND ROCKWALL  
CITY OF DALLAS, TEXAS  
WATERWORKS AND SEWER SYSTEM  
REVENUE BOND  
SERIES 2009C

MATURITY  
DATE

INTEREST  
RATE

DATE OF DELIVERY

CUSIP

ON THE MATURITY DATE SPECIFIED ABOVE, THE CITY OF DALLAS, IN DALLAS, DENTON, COLLIN AND ROCKWALL COUNTIES, TEXAS (the "City"), hereby promises to pay to \_\_\_\_\_, or the registered assignee hereof (either being hereinafter called the "registered owner") the principal amount of

\_\_\_\_\_

and to pay interest thereon, from the original date of delivery of this Bond specified above, to the date of its scheduled maturity or the date of its redemption prior to scheduled maturity, at the rate of interest per annum specified above, with said interest being payable on October 1, 2009, and semiannually on each April 1 and October 1 thereafter, except that if the Paying Agent/Registrar's Authentication Certificate appearing on the face of this Bond is dated later than October 1, 2009, such interest is payable semiannually on each April 1 and October 1 following such date. Interest on this Bond shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity, or upon the date fixed for its redemption prior to maturity, at the designated corporate trust office in Dallas, Texas (the "Designated Trust Office"), of U.S. Bank National Association, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof as shown by the "Registration Books" kept by the Paying Agent/Registrar at the close of business on the Record Date (hereinafter defined) by check drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent/Registrar by United States mail, first-class, postage prepaid,

on each such interest payment date, to the registered owner hereof at its address as it appears on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described, or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. The record date ("Record Date") for the interest payable on any interest payment date means the 15th day of the preceding month. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date", which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class, postage prepaid, to the address of each registered owner of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice. The foregoing notwithstanding, so long as the Texas Water Development Board is the owner of 100% in aggregate principal amount of the Bonds then outstanding, payment of principal and interest on the Bonds shall be made by wire transfer, at no expense to the Texas Water Development Board. The City covenants with the registered owner of this Bond that no later than each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due, in the manner set forth in the ordinance authorizing the issuance of the bonds (the "Ordinance").

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions are authorized by law or executive order to close in the city where the Designated Trust Office of the Paying Agent/Registrar is located, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. Notwithstanding the foregoing, during any period in which ownership of the bonds of this Series is determined only by a book entry at a securities depository therefor, any payment to the securities depository, or its nominee or registered assigns, shall be made in accordance with existing arrangements between the City and the securities depository.

THIS BOND is one of a Series of bonds of like tenor and effect except as to denomination, number, maturity, interest rate and right of prior redemption, issued in the aggregate principal amount of \$94,723,000 for the purpose of improving and extending the System (as defined in the Ordinance). All Bonds of this Series are issuable solely as fully registered bonds, without interest coupons, in the denomination of any integral multiple of \$1,000 (an "Authorized Denomination").

THE BONDS of this Series scheduled to mature on and after October 1, 2020 may be redeemed prior to their scheduled maturities, in whole or in part, in inverse order of maturity, in principal amounts of \$1,000 or any integral multiple thereof, at the option of the City, on October 1, 2019, or on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption. If less than all of the Bonds are to be redeemed by the City, the City shall determine the maturity or maturities and the principal amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot Bonds, or portions thereof, within such maturity or maturities and in such principal amounts, for redemption; *provided*, that during any period in which ownership

of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.

AT LEAST 30 days prior to the date fixed for any such redemption, (i) a written notice of such redemption shall be given by the Paying Agent/Registrar to the registered owner of each Bond or a portion thereof being called for redemption by depositing such notice in the United States mail, first-class, postage prepaid, addressed to each such registered owner at his address shown on the Registration Books of the Paying Agent/Registrar and (ii) a notice of such redemption shall be published one (1) time in a financial journal or publication of general circulation in the United States of America or the State of Texas carrying as a regular feature notices of municipal bonds called for redemption; *provided, however*, that should the Texas Water Development Board be the owner of 100% in aggregate principal amount of the Bonds then outstanding, notice of redemption shall not be required to be published in the manner described in (ii) above; and *provided, further*, that should the Texas Water Development Board not be the owner of 100% in aggregate principal amount of the Bonds then outstanding, the publication of notice as described in (ii) above shall be the only notice actually required in connection with or as a prerequisite to the redemption of any Bond, and the failure to send, mail or receive such notice described in (i) above, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption due provision shall be made by the City with the Paying Agent/Registrar for the payment of the required redemption price for this Bond or the portion hereof which is to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, this Bond, or the portion hereof which is to be so redeemed, thereby automatically shall be redeemed prior to its scheduled maturity, and shall not bear interest after the date fixed for its redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/Registrar shall record in the Registration Books all such redemptions of principal of this Bond or any portion hereof. If a portion of this Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any Authorized Denomination, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender hereof for cancellation, at the expense of the City, all as provided in the Ordinance.

AS PROVIDED IN THE ORDINANCE, this Bond, or any unredeemed portion hereof, may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, and exchanged for a like aggregate principal amount of fully registered bonds, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, and bearing interest at the same rate, in any Authorized Denomination as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar at its Designated Trust Office for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any Authorized Denomination to the assignee or assignees in whose



name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. The City shall pay the Paying Agent/Registrar's reasonable standard or customary fees and charges for transferring, converting and exchanging any Bond or portion thereof; provided, however, that any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such transfer, conversion and exchange. In any circumstance, neither the City nor the Paying Agent/Registrar shall be required (1) to make any transfer or exchange during a period beginning at the opening of business 15 days before the day of the first mailing of a notice of redemption of bonds and ending at the close of business on the day of such mailing, or (2) to transfer or exchange any Bonds so selected for redemption when such redemption is scheduled to occur within 30 calendar days; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

WHENEVER the beneficial ownership of this Bond is determined by a book entry at a securities depository for the Bonds, the foregoing requirements of holding, delivering or transferring this Bond shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and promptly will cause written notice thereof to be mailed to the registered owners of the Bonds.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Ordinance is duly recorded and available for inspection in the official minutes and records of the City, and agrees that the terms and provisions of this Bond and the Ordinance constitute a contract between each registered owner hereof and the City.

THE CITY has reserved the right, subject to the restrictions stated, and adopted by reference, in the Ordinance, to issue additional parity revenue bonds which also may be made payable from, and secured by a first lien on and pledge of, the "Pledged Revenues" (as defined in the Ordinance).

THE REGISTERED OWNER HEREOF is not entitled to demand payment of this obligation out of any money raised or to be raised by taxation, or from any source whatsoever other than the Pledged Revenues.

IT IS HEREBY certified and covenanted that this Bond has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Bond have been performed, existed and been done in accordance with law; that this Bond is a special obligation; and that the principal of and interest on this Bond together with outstanding parity revenue bonds are payable from, and secured by a first lien on and pledge of, the Pledged Revenues, which include the Net Revenues (as defined in the Ordinance) of the System.

IN TESTIMONY WHEREOF, the City Council has caused the seal of the City to be duly impressed or placed in facsimile hereon, and this Bond to be signed with the imprinted facsimile signature of the Mayor and countersigned by the facsimile signatures of the City Manager and the City Secretary.

COUNTERSIGNED:

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City Manager,  
City of Dallas

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Mayor, City of Dallas

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City Secretary,  
City of Dallas

(SEAL)

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been issued under the provisions of the proceedings adopted by the City as described in the text of this Bond; and that this Bond has been issued in exchange for or replacement of a Bond, Bonds, or a portion of a Bond or Bonds of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated \_\_\_\_\_

U.S. BANK NATIONAL ASSOCIATION,  
Paying Agent/Registrar

By: \_\_\_\_\_  
Authorized Representative

(FORM OF COMPTROLLER'S CERTIFICATE ATTACHED TO  
THE BONDS UPON INITIAL DELIVERY THEREOF ONLY)

OFFICE OF COMPTROLLER :

REGISTER NO. \_\_\_\_\_

STATE OF TEXAS :

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

\_\_\_\_\_  
Comptroller of Public Accounts of  
the State of Texas

FORM OF ASSIGNMENT:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

---

Please insert Social Security or Taxpayer Identification Number of Transferee

/ \_\_\_\_\_ /

---

(Please print or typewrite name and address, including zip code of Transferee)

---

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

\_\_\_\_\_ attorney to

register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

---

NOTICE: Signatures must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

---

NOTICE: The signature above must correspond with the name of the registered owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

THE STATE OF TEXAS :  
COUNTIES OF DALLAS, DENTON, COLLIN AND ROCKWALL :  
CITY OF DALLAS :

I, DEBORAH WATKINS, City Secretary of the City of Dallas, Texas, do hereby certify that the above and foregoing is a true and correct copy of an excerpt from the minutes of the City Council of the City of Dallas, had in Regular Meeting on the 11th day of February, 2009, and an Ordinance authorizing the issuance and sale of City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009C, which Ordinance is duly of record in the minutes of said City Council; and that said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

WITNESS MY HAND and seal of the City of Dallas, Texas, this the 11th day of February, 2009.

---

Deborah Watkins, City Secretary  
City of Dallas, Texas

(SEAL)

**ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF  
DALLAS, TEXAS WATERWORKS AND SEWER SYSTEM REVENUE  
BONDS, SERIES 2009C; AWARDING THE SALE OF THE BONDS; AND  
ALL OTHER MATTERS RELATED THERETO**

**ADOPTED:  
February 11, 2009**

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**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 14  
**DEPARTMENT:** Office of Economic Development  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 45 P

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**SUBJECT**

**City Center TIF District**

- \* Authorize **(1)** a development agreement with Brian Foster, for the redevelopment of 1400 Main Street, located in Tax Increment Financing Reinvestment Zone Five (City Center TIF District); and **(2)** the City Center TIF District Board of Directors intent to dedicate future tax increment revenue of the City Center TIF District in an amount not to exceed \$475,000 - Not to exceed \$475,000 - Financing: City Center TIF District Funds
- \* A resolution declaring the intent of Tax Increment Financing District Reinvestment Zone Number Five (City Center TIF District) to reimburse Brian Foster, for eligible expenditures pursuant to the development agreement with Brian Foster - Financing: No cost consideration to the City

**BACKGROUND**

The Office of Economic Development staff has been working with Brian Foster on plans for the rehabilitation of 1400 Main Street, an existing, vacant building located in the heart of the downtown retail district. Mr. Foster intends to make an investment of at least \$4,000,000, including hard costs, and construction related soft costs.

The 2-story building was constructed in 1954. It is located in the Main Street core across from the Davis Building and adjacent to the Adolphus Hotel. This property was listed as one of the 35 vacant downtown buildings presented to City Council as part of the City's Vacant Building Inspection and Registration Program under Ordinance No. 27248. The building contains over 11,000 square feet of obsolete space. The project includes the renovation of the building with a full-service restaurant, basement ultra lounge and a second-level upscale dining and cocktail area.

## **BACKGROUND** (Continued)

The restaurant will be required to maintain the hours of 11:00 AM to 8:00 PM (Sunday – Wednesday) and 11:00 AM to 11:00 PM (Thursday – Saturday). The developer has secured letters of support from the management of the Davis Building, Adolphus Hotel, and DOWNTOWNDallas, Inc.

On January 28, 2009, the City Council will consider entering into a development agreement with Brian Foster to provide funding for the redevelopment of 1400 Main Street in the City Center TIF District in an amount not to exceed \$475,000 (\$275,000 payable 12 months after receipt of Final Certificate of Occupancy and \$200,000 payable 24 months after receipt of Final Certificate of Occupancy).

TIF funding shall be used to reimburse the developer for TIF-eligible improvements including: (1) Façade Improvements - \$425,000 and (2) Interior and Exterior Demolition - \$50,000. Expenditures may be shifted from one TIF-eligible category to another as long as the total amount of TIF funding does not exceed \$475,000. TIF funding shall be in the form of an economic development grant.

As a condition of payment of TIF funds, the developer shall be required to meet jointly with the Dallas Police Department and the Office of Economic Development staff every three (3) months after receipt of Final Certificate of Occupancy, to discuss security and operations matters. Staff shall be required to submit a written summary of these meetings to the City Center TIF District Board of Directors every 12 months.

The location of this site and the planned façade improvements will create an attractive gateway portal for those entering into the Main Street core. The redevelopment of this building and the planned upscale operations will make a significant contribution to the City Center TIF District goal of developing downtown into a vibrant, destination neighborhood.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 26, 1996, the City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Five (City Center TIF District or District) and established a Board of Directors for the District to promote development or redevelopment in the City Center area by Ordinance No. 22802.

On February 12, 1997, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the City Center TIF District by Ordinance No. 23034.

On September 10, 2008, the City Council authorized a Special Use Permit for an alcoholic beverage establishment for a bar, lounge, or tavern use and a commercial amusement (inside) use limited to a Class A dance hall at 1400 Main Street by Ordinance No. 27312.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (Continued)

On September 11, 2008, the City Center TIF District Board of Directors reviewed and approved TIF funding for the redevelopment of 1400 Main Street in an amount not to exceed \$475,000 and recommended City Council approval of the same.

On November 3, 2008, a memo was submitted to the Economic Development Committee regarding the request for TIF funding for the redevelopment of 1400 Main Street in an amount not to exceed \$475,000.

On December 10, 2008, this item was deferred by Councilmember Angela Hunt.

On January 23, 2009, the City Center TIF District Board of Directors reviewed and approved amending the City Center TIF District Project Plan to establish the City Center TIF Grant Program TIF funding and recommended City Council approval of the same.

On January 28, 2009, this item was deferred by Councilmember Angela Hunt.

On February 2, 2009, a memo was submitted to the Economic Development Committee regarding the Plan Amendment to the City Center TIF District Project Plan establishing the City Center TIF District Grant Program.

**FISCAL INFORMATION**

\$475,000 – City Center TIF District Funds

**OWNER**

**Brian Foster**

Brian Foster,  
Sole Proprietor

**DEVELOPER**

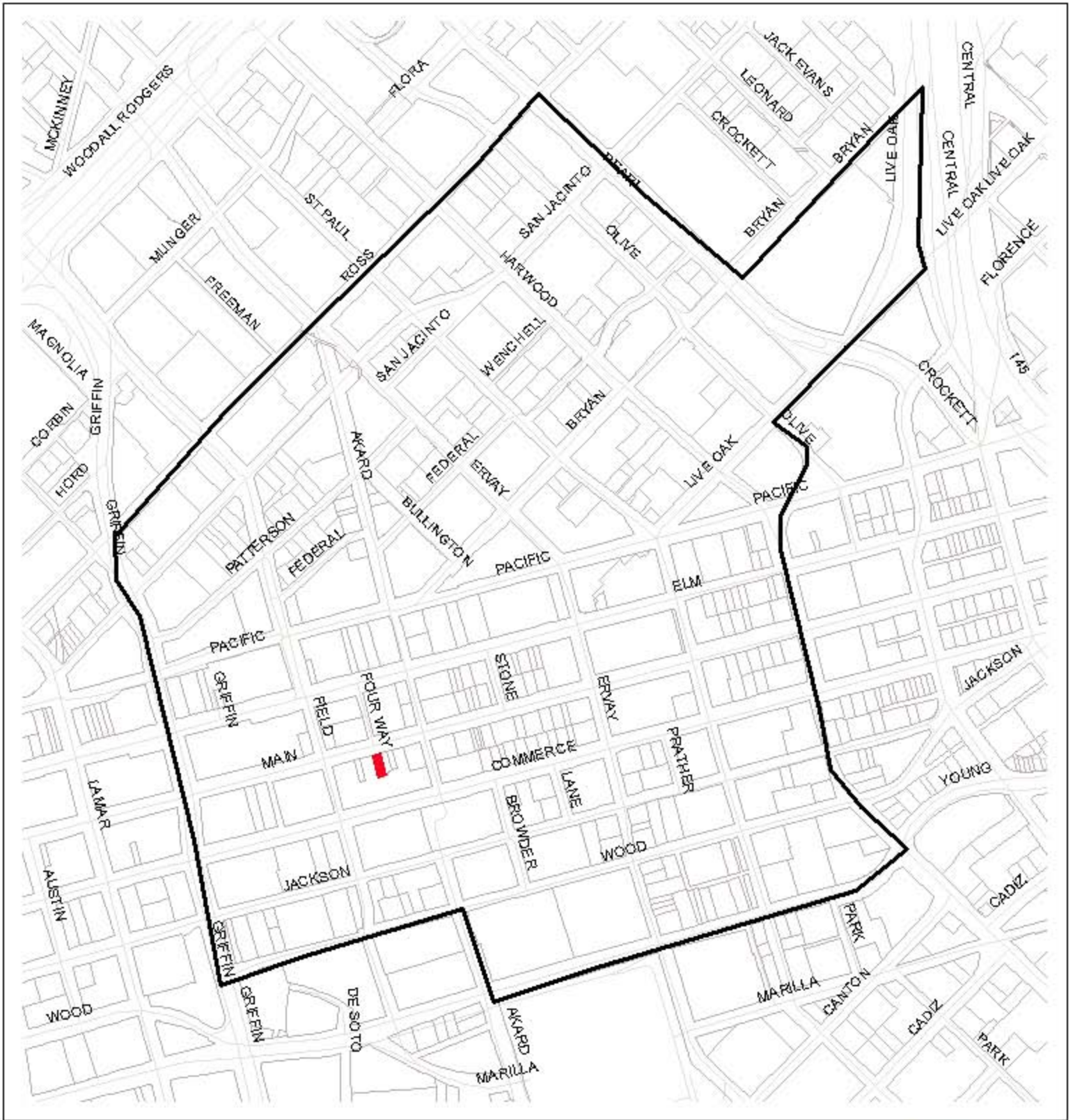
**Brian Foster**



Brian Foster,  
Sole Proprietor

**MAP**

Attached.

# 1400 Main Street



-  City Center TIF District
-  1400 Main Street



**City of Dallas**

Office of Economic Development  
October 2008

February 11, 2009

**WHEREAS**, the City recognizes the importance of its role in local economic development initiatives and programs; and

**WHEREAS**, on June 26, 1996, the City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Five (City Center TIF District or District) and established a Board of Directors for the District to promote development or redevelopment in the City Center area by Ordinance No. 22802; and

**WHEREAS**, on February 12, 1997, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the City Center TIF District by Ordinance No. 23034; and

**WHEREAS**, on September 10, 2008, the City Council authorized a Special Use Permit for an alcoholic beverage establishment for a bar, lounge, or tavern use and a commercial amusement (inside) use limited to a Class A dance hall at 1400 Main Street by Ordinance No. 27312; and

**WHEREAS**, on September 11, 2008, the City Center TIF District Board of Directors reviewed and approved TIF funding for the redevelopment of 1400 Main Street in an amount not to exceed \$475,000 and recommended the City Council approval of the same; and

**WHEREAS**, the expenditure of TIF funds supporting this development is consistent with promoting development and redevelopment of the City Center TIF District in accordance with the purposes for its creation, the City's revised Public/Private Partnership Guidelines and Criteria, the ordinance adopted by the City Council approving the Project and Financing Plan, and is for the purpose of making public improvements consistent with and described in the Project and Financing Plan for the City Center TIF District.

**NOW, THEREFORE,**

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

**Section 1.** That the City Manager upon approval as to form by the City Attorney is hereby authorized to execute a development agreement with Brian Foster on behalf of the City Center TIF District for the redevelopment of 1400 Main Street.

**Section 2.** That the City Center TIF District Board of Directors is authorized to dedicate future City Center TIF revenues in an amount not to exceed \$475,000 for the redevelopment of 1400 Main Street located in the City Center TIF District.

February 11, 2009

**Section 3.** That the City Controller is hereby authorized to encumber and disburse funds from future tax increments and subject to future appropriations from: Fund 0035, Department ECO, Unit P509, Object 3072, Activity TCCN, Program No. CCTIF002, Encumbrance No. CT ECOP509B033, Vendor No. VS0000034612, in an amount not to exceed \$475,000.

**Section 4.** That nothing in this resolution shall be construed to require the City to approve future dedications of City Center TIF revenues (the "TIF Subsidy") from any source of City funds other than the City Center TIF District Fund. Any portion of the TIF Subsidy that remains unpaid due to lack or unavailability of City Center TIF District funds shall no longer be considered project costs of the City Center TIF District, and the obligation of the City Center TIF District or the City to pay Brian Foster shall automatically expire.

**Section 5.** That the TIF subsidy to be provided to Brian Foster will be based on the City Center TIF District's approved priority order reimbursement method once all contingencies are met and if and when increment becomes available, and after prior City Center TIF District obligations have been met.

**Section 6.** That the TIF subsidy to be provided to Brian Foster will be in the form of an economic development grant in accordance with the City Center TIF District Grant program.

**Section 67.** That in addition to the conditions set out above, the Agreement is hereby expressly made subject to all of the following contingencies which must be performed or occur:

- A. Brian Foster shall acquire the property at 1400 Main Street on or before December 31, 2008, for redevelopment in accordance with the City Center TIF Project Plan.
- B. Brian Foster shall invest a minimum of \$4,000,000 in hard costs, and construction related soft costs, including financing costs for the redevelopment of 1400 Main Street.
- C. Brian Foster shall create a minimum of 9,500 square feet of retail/commercial space including 2,500 square feet of ground floor space specifically for use as a full-service restaurant.
- D. Brian Foster shall privately bid the construction and abide by the City's Good Faith Effort Policy and City Center TIF District Fair Share Agreement.

February 11, 2009

**Section 67.** (Continued)

- E. Brian Foster shall obtain building permits for the redevelopment of 1400 Main Street by December 31, 2008.
- F. Brian Foster shall complete construction (receive final certificate of occupancy) and obtain a final certificate of acceptance issued by the Department of Public Works and Transportation for the improvements by April 1, 2009.
- G. Brian Foster shall rehabilitate 1400 Main Street in conformance with the Budget and Façade Improvement Plan as described in **Exhibit A and Exhibit B.**

**Section 78.** That Brian Foster shall meet jointly with the Dallas Police Department and Economic Development staff every three (3) months after receipt of Final Certificate of Occupancy, to discuss and address security and operations matters. Staff shall be required to submit a written summary of these meetings to the City Center TIF District Board of Directors every 12 months.

**Section 89.** That should Brian Foster not perform one or more of the contingencies listed above, the City Manager is authorized to terminate the development agreement and disallow the total TIF subsidy up to an amount not to exceed \$475,000.

**Section 910.** That the Office of Economic Development Director may authorize adjustments to the contingencies listed above should reasonable adjustments be needed and supported by additional consideration.

**Section 4011.** That this resolution shall 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.

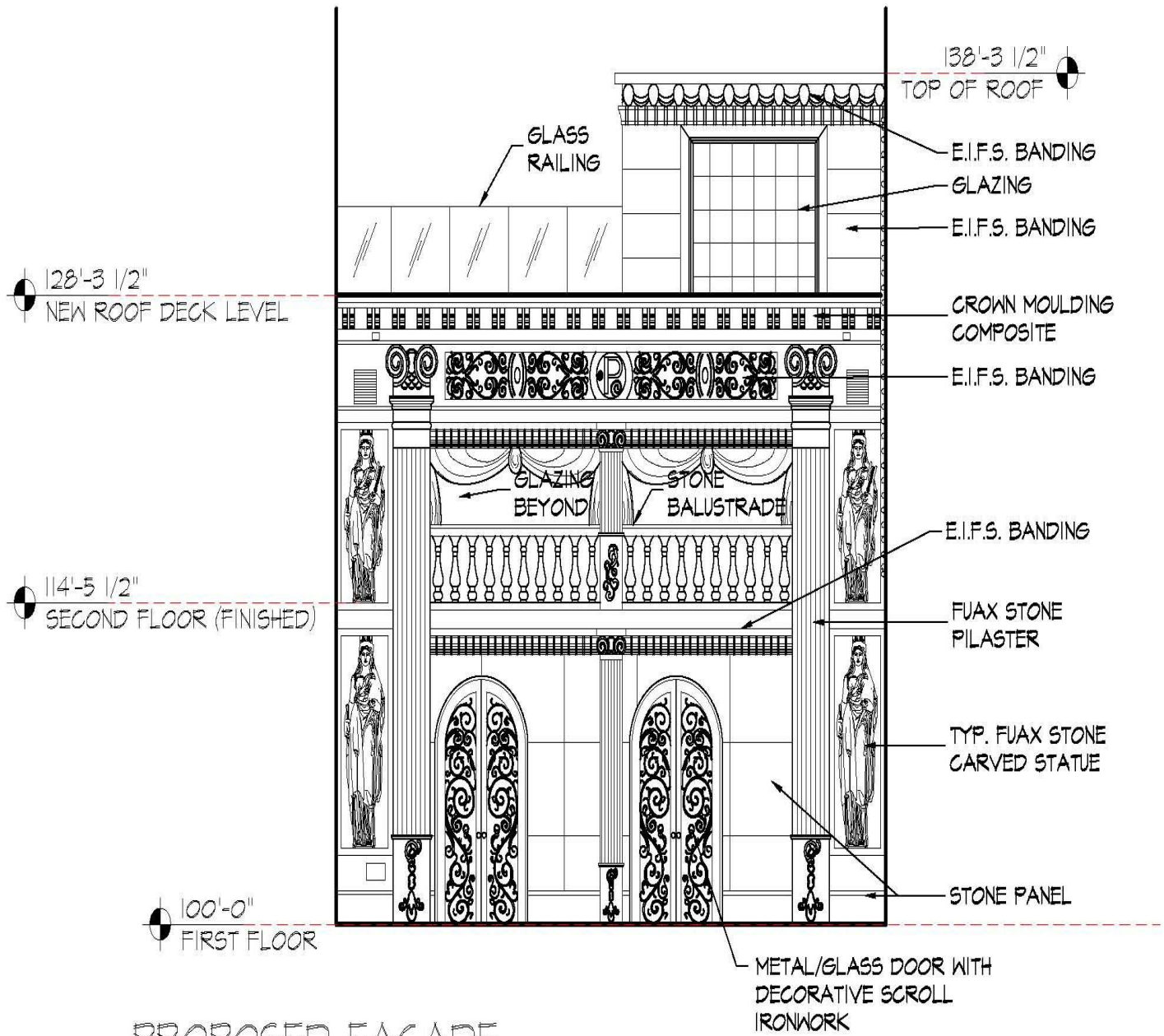
Distribution: Office of Economic Development, Tenna Kirk, 5CS  
Office of Economic Development, Sajid Safdar, 2CN  
Office of Economic Development, Bryan Haywood, 2CN  
City Attorney's Office - Barbara Martinez

**Exhibit A  
Budget  
for 1400 Main Street**

<b>Land/Building</b>	
Land Cost (Acquisition)	\$1,900,000
<b>Total Acquisition</b>	\$1,900,000
<b>HARD COST:</b>	
General Conditions	\$176,800
Site Work	\$42,020
Concrete	\$21,300
Masonry	\$242,400
Metals	\$261,000
Doors and Windows	\$148,000
Fire and Smoke Protection (Proofing)	\$18,500
Wood and Millwork	\$80,000
Finishes	\$493,000
Mechanicals	\$295,000
Electrical	\$240,000
Conveying Systems	\$75,000
Other	\$274,000
Contingency	236,702
<b>TOTAL HARD COST</b>	\$2,603,722
<b>SOFT COST:</b>	
Architectural and Engineering	\$155,100
Consulting/developer fee	\$20,000
Property taxes	\$49,514
<b>TOTAL SOFT COSTS</b>	\$244,614
<b>TOTAL PROJECT COST</b>	\$4,728,336



**Exhibit B**  
**Façade Improvement Plan**  
**for 1400 Main Street**



PROPOSED FAÇADE

1/8" SCALE



**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** February 11, 2009  
**COUNCIL DISTRICT(S):** 14  
**DEPARTMENT:** Office of Economic Development  
**CMO:** A. C. Gonzalez, 671-8925  
**MAPSCO:** 45 G & L

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**SUBJECT**

**Hall Lone Star Associates, L.P.**

- \* Authorize **(1)** a development agreement with Hall Lone Star Associates, L.P., for the redevelopment of 2301 Ross Avenue (known as the Dallas Arts District Garage), located in Tax Increment Financing Reinvestment Zone Eleven (Downtown Connection TIF District); and **(2)** the Downtown Connection TIF District Board of Directors intent to dedicate future tax increment revenue of the Downtown Connection TIF District in an amount not to exceed \$7,000,000 plus interest up to \$2,000,000 for a total incentive amount, including interest, not to exceed \$9,000,000 - Not to exceed \$9,000,000 - Financing: Downtown Connection TIF District Funds
- \* A resolution declaring the intent of Tax Increment Financing District Reinvestment Zone Number Eleven (Downtown Connection TIF District) to reimburse Hall Lone Star Associates, L.P., for eligible expenditures pursuant to the development agreement with Hall Lone Star Associates, L.P. - Financing: No cost consideration to the City

**BACKGROUND**

Economic Development staff has been working with Hall Lone Star Associates, L.P. represented by Craig Hall on the construction of a mixed-use building at 2301 Ross Avenue to create approximately 430,000 square feet of gross office space and 30,000 square feet of gross ground floor retail space on top of the Dallas Arts District Garage.

Hall Lone Star Associates, L.P. plans to make an investment of at least \$120,000,000, including hard costs and construction related soft costs except for financing and legal costs.

The size and location of this site coupled with the planned investment makes this project critical in reaching the Downtown Connection TIF District goals.

## **BACKGROUND** (Continued)

TIF funding is also contingent on approval by the Dallas City Council of the Amended and Restated Parking Sublease Agreement dated as of ~~December 10, 2008~~ February 11, 2009, between the City of Dallas and Hall Lone Star Associates L.P. Should the Amended and Restated Parking Sublease Agreement fail to be approved by City Council by ~~December 10, 2008~~ February 11, 2009 or is not executed for any reason, the City Manager is authorized to disallow the total TIF subsidy.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 8, 2005, the City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Eleven, ("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 to promote development and redevelopment in the Uptown and Downtown areas through the use of tax increment financing by Ordinance No. 26020.

On August 29, 2005, the City Council authorized the adoption of the Downtown Connection Tax Increment Financing District Project Plan and Reinvestment Zone Financing Plan (the "Project and Financing Plan") by Ordinance No. 26096.

On October 22, 2008, City Council authorized the ability of the City to direct lease or sell city-owned/city-controlled property located within the Downtown Connection TIF District, without complying with auction and bidding requirements on the condition that the property is redeveloped in accordance with the Downtown Connection TIF District Plan.

On December 1, 2008, the Economic Development Committee approved and recommended approval by the City Council, authorization for an 80-year lease agreement (with a right to purchase option) with Hall Lone Star Associates, L.P. for operation and management of the Dallas Arts District Garage.

On December 1, 2008, the Economic Development Committee was briefed on the request for TIF funding for Hall Lone Star Associates, L.P. for the development of the Dallas Arts District Garage project in an amount not to exceed \$7,000,000 plus interest up to \$2,000,000 for a total incentive amount, ~~including interest~~, not to exceed \$9,000,000.

On December 10, 2008, this item was deferred by Councilmember Angela Hunt.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (Continued)

On January 23, 2009, the Downtown Connection TIF District Board of Directors reviewed and approved amending the Downtown Connection TIF Project Plan to expand the development goals and specific objectives to the Project Plan to include new construction projects and to expand the Redevelopment of Vacant/Underutilized Downtown Buildings to include the Development of Underdeveloped Parcels and Surface Parking Lots.

~~On November 24, 2008~~ On January 23, 2009, the Downtown Connection TIF District Board of Directors reviewed and approved TIF funding for the Arts District Garage project in an amount not to exceed \$7,000,000 plus interest up to \$2,000,000 for a total incentive amount, including interest, not to exceed \$9,000,000.

On January 23, 2009, the Downtown Connection TIF District Board of Directors reviewed and approved an 20-year sub-lease with an option to purchase the Dallas Arts District Garage for fair market values beginning on January 1, 2009, without auction and bidding, subject to the development of a mixed-use project in accordance with the Downtown Connection TIF Project Plan.

On January 28, 2009, this item was deferred by Councilmember Angela Hunt.

On February 2, 2009, the Economic Development Committee was briefed on the 80-year lease agreement (with a right to purchase option) with Hall Lone Star Associates, L.P. for operation and management of the Dallas Arts District Garage.

On February 2, 2009, the Economic Development Committee was briefed on the request for TIF funding for Hall Lone Star Associates, L.P. for the development of the Dallas Arts District Garage project in an amount not to exceed \$7,000,000 plus interest up to \$2,000,000 for a total incentive amount, including interest, not to exceed \$9,000,000.

**FISCAL INFORMATION**

\$9,000,000 - Downtown Connection TIF District Funds

**OWNER**

**Hall Lone Star Associates, L.P.**

Craig Hall, Chairman  
Hall Financial Group

**DEVELOPER**

**Hall Lone Star Associates, L.P.**

Craig Hall, Chairman  
Hall Financial Group

Larry E. Levey, Executive Vice President  
Hall Financial Group

**MAP**

Attached.

# Dallas Arts District Garage 2301 Ross Avenue



Dallas Arts District Garage



Downtown Connection TIF, amended 12/10



**City of Dallas**

Office of Economic Development  
November 2008





February 11, 2009

**WHEREAS**, the City recognizes the importance of its continued role in local economic development; and

**WHEREAS**, on June 8, 2005, the City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Eleven, (the "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 through the use of tax increment financing by Ordinance No. 26020; and

**WHEREAS**, on August 29, 2005, the City Council authorized the adoption of the Downtown Connection Tax Increment Financing District Project Plan and Reinvestment Zone Financing Plan (the "Project and Financing Plan") by Ordinance No. 26096; and

**WHEREAS**, on October 22, 2008, City Council pursuant to Ordinance No. 27377, authorized the ability of the City to direct lease or sell city-owned/city-controlled property located within the Downtown Connection TIF District, without complying with auction and bidding requirements on the condition that the property is redeveloped in accordance with the Downtown Connection TIF District Plan; and

**WHEREAS**, on January 23, 2009, the Downtown Connection TIF District Board of Directors reviewed and approved amending the Downtown Connection TIF Project Plan to expand the development goals and specific objectives to the Project Plan to include new construction projects and to expand the Redevelopment of Vacant/ Underutilized Downtown Buildings to include the Development of Underdeveloped Parcels and Surface Parking Lots; and

**WHEREAS**, on ~~November 24, 2008~~ January 23, 2009, the Downtown Connection TIF District Board of Directors reviewed and approved TIF funding for the Arts District Garage project in an amount not to exceed \$7,000,000 plus interest up to \$2,000,000 for a total incentive amount, ~~including interest~~, not to exceed \$9,000,000; and

**WHEREAS**, on January 23, 2009, the Downtown Connection TIF District Board of Directors reviewed and approved an 20-year sub-lease with an option to purchase the Dallas Arts District Garage for fair market values beginning on January 1, 2009, without auction and bidding, subject to the development of a mixed-use project in accordance with the Downtown Connection TIF Project Plan; and

**WHEREAS**, on ~~December 1, 2008~~ February 2, 2009, the Economic Development Committee approved and recommended approval by the City Council, authorization for an 80-year lease agreement (with a right to purchase option) with Hall Lone Star Associates, L.P. for operation and management of the Dallas Arts District Garage; and

February 11, 2009

**WHEREAS**, on ~~December 1, 2008~~ February 2, 2009, the Economic Development Committee was briefed on the request for TIF funding for Hall Lone Star Associates, L.P. for the development of the Dallas Arts District Garage project in an amount not to exceed \$7,000,000 -plus interest up to \$2,000,000 for a total incentive amount, including interest, not to exceed \$9,000,000; and

**WHEREAS**, the expenditure of TIF funds supporting this development is consistent with promoting development and redevelopment of the Downtown Connection TIF District in accordance with the purposes for its creation, the City's revised Public/Private Partnership Guidelines and Criteria, the ordinance adopted by the City Council approving the Project and Financing Plan, and is for the purpose of making public improvements consistent with and described in the Project and Financing Plan for the Downtown Connection TIF District.

**NOW, THEREFORE,**

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

**Section 1.** That the City Manager, upon approval as to form by the City Attorney is hereby authorized to execute a development agreement with Hall Lone Star Associates, L.P. on behalf of the Downtown Connection TIF District for the construction of a mixed-use building at 2301 Ross Avenue.

**Section 2.** That the Downtown Connection TIF District Board of Directors is authorized to dedicate future Downtown Connection TIF revenues in an amount not to exceed \$7,000,000 plus interest up to \$2,000,000 for a total incentive amount, including interest, not to exceed \$9,000,000 for the construction of a mixed-use building at 2301 Ross Avenue located in the Downtown Connection TIF District.

**Section 3.** That the City Controller is hereby authorized to encumber and disburse funds from future tax increments and subject to future appropriations from: ~~Fund 0044, Department ECO, Unit P510, Object 3072, Activity DTTI, Program No. DCTIF0005, CT ECOP510B034, Vendor No. VS0000038004, in an amount not to exceed \$9,000,000.~~

Fund 0044, Department ECO, Unit P510, Object 3072, Activity DTTI, Program No. DCTIF0005, CT ECOP510B034-01, Vendor No. VS0000038004, in an amount not to exceed \$7,000,000 and

Fund 0044, Department ECO, Unit P510, Object 4310, Activity DTTI, Program No. DCTIF0005, CT ECOP510B034-02, Vendor No. VS0000038004, in an amount not to exceed \$2,000,000 for a total amount not to exceed \$9,000,000.

February 11, 2009

**Section 4.** That nothing in the resolution shall be construed to require the City to approve future dedications of Downtown Connection TIF revenues (the "TIF Subsidy") from any source of City funds other than the Downtown Connection TIF District Fund. Any portion of the TIF Subsidy that remains unpaid due to lack or unavailability of Downtown Connection TIF District funds shall no longer be considered project costs of the Downtown Connection TIF District, and the obligation of the Downtown Connection TIF District or the City to pay Hall Lone Star Associates, L.P. or its Affiliate shall automatically expire.

**Section 5.** That the TIF Subsidy to be provided to Hall Lone Star Associates, L.P. will be based on the Downtown Connection TIF District's approved reimbursement method once all contingencies are met and if and when increment becomes available, after annual Downtown Connection TIF District bond and reserve obligations are met, after the Tower Petroleum/1900 Pacific, and after all affordable housing, park and Uptown project improvement obligations have been met.

**Section 6.** That in addition to the conditions set out above, the Agreement is hereby expressly made subject to all of the following contingencies which must be performed or occur:

- A. The transfers to the Downtown Dallas Development Authority in support of bonds issued or to be issued and other commitments per the Priority Schedule established by the Downtown Connection TIF District and the Downtown Dallas Development Authority Board of Directors on February 9, 2006.
- B. Hall Lone Star Associates, L.P. shall construct public and private improvements that generally conform in design, materials and elevations as shown on **Exhibits A, B, C1** and **C2** attached.
- C. Hall Lone Star Associates, L.P. shall construct a building with a minimum of 450,000 square feet of gross building area.
- D. Hall Lone Star Associates, L.P. shall invest a minimum of \$120,000,000 in hard costs and construction related soft costs, not including financing and legal costs.
- E. Hall Lone Star Associates, L.P. shall complete repairs and maintenance to the parking garage ~~by December 31, 2009~~ within twelve months of settlement agreement.
- F. Hall Lone Star Associates, L.P. shall obtain staff approval of project design and site plan prior to obtaining building permits.

February 11, 2009

**Section 6.** (Continued)

- G. Hall Lone Star Associates, L.P. shall obtain staff approval of any ~~one-time~~ reconfiguration of public parking spaces and ramps to allow for appropriate office and retail parking.
- H. Hall Lone Star Associates, L.P. shall obtain building permits for the Phase 1 office tower by December 31, 2012.
- I. Hall Lone Star Associates, L.P. shall obtain a final certificate of occupancy for Phase 1 of the ~~entire~~ project by December 31, 2015.
- J. Hall Lone Star Associates, L.P. shall comply with all City and Downtown Connection TIF District M/WBE Fair Share policies with a goal of twenty-five percent (25%) participation for TIF-eligible public improvement project construction and for the private improvement construction with a participation goal in an amount of 10% of total private construction cost (this amount is based on the total proportion of TIF financial participation in the project) and meet the requirements in accordance with the TIF Plan.
- K. Hall Lone Star Associates, L.P. shall submit quarterly project status reports (once every three months, from the construction start date to receipt of final certificate of occupancy) to the Office of Economic Development staff (format to be provided).

**Section 7.** That, Hall Lone Star Associates, L.P. shall be eligible for immediate reimbursement upon completion as stipulated in Section 6E above, up to an amount not to exceed \$2,000,000 plus interest, for costs associated with the improvements to the parking garage and pedestrian plaza.

**Section 8.** That, should Hall Lone Star Associates, L.P. not perform one or more of the contingencies listed in Section 6, not including 6(E) above, the City Manager is authorized to terminate the development agreement and disallow the total TIF subsidies up to an amount not to exceed \$9,000,000.

**Section 9.** That the Office of Economic Development Director may authorize adjustments to the contingencies listed above should reasonable adjustments be needed and supported by additional consideration.

February 11, 2009

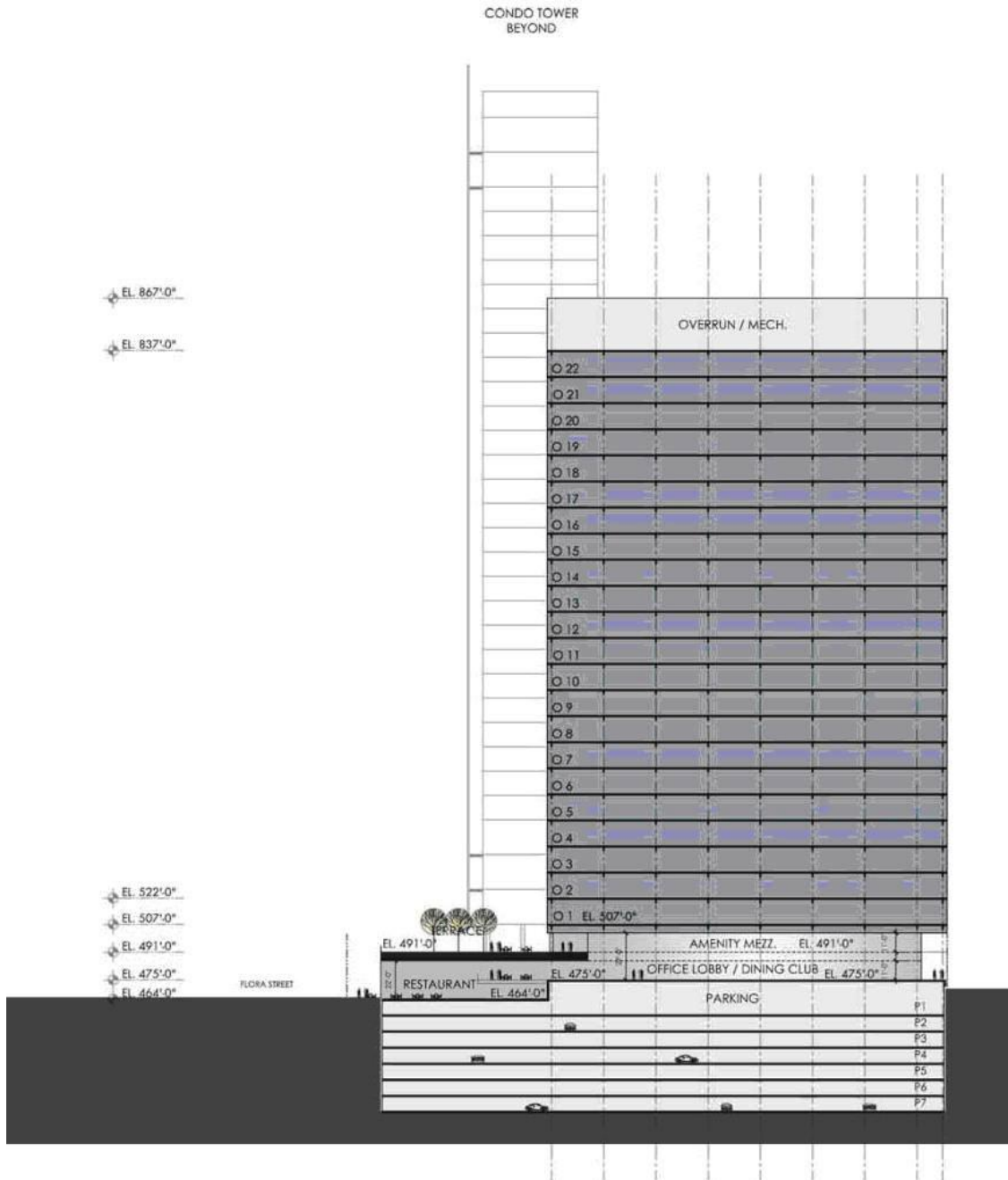
**Section 10.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

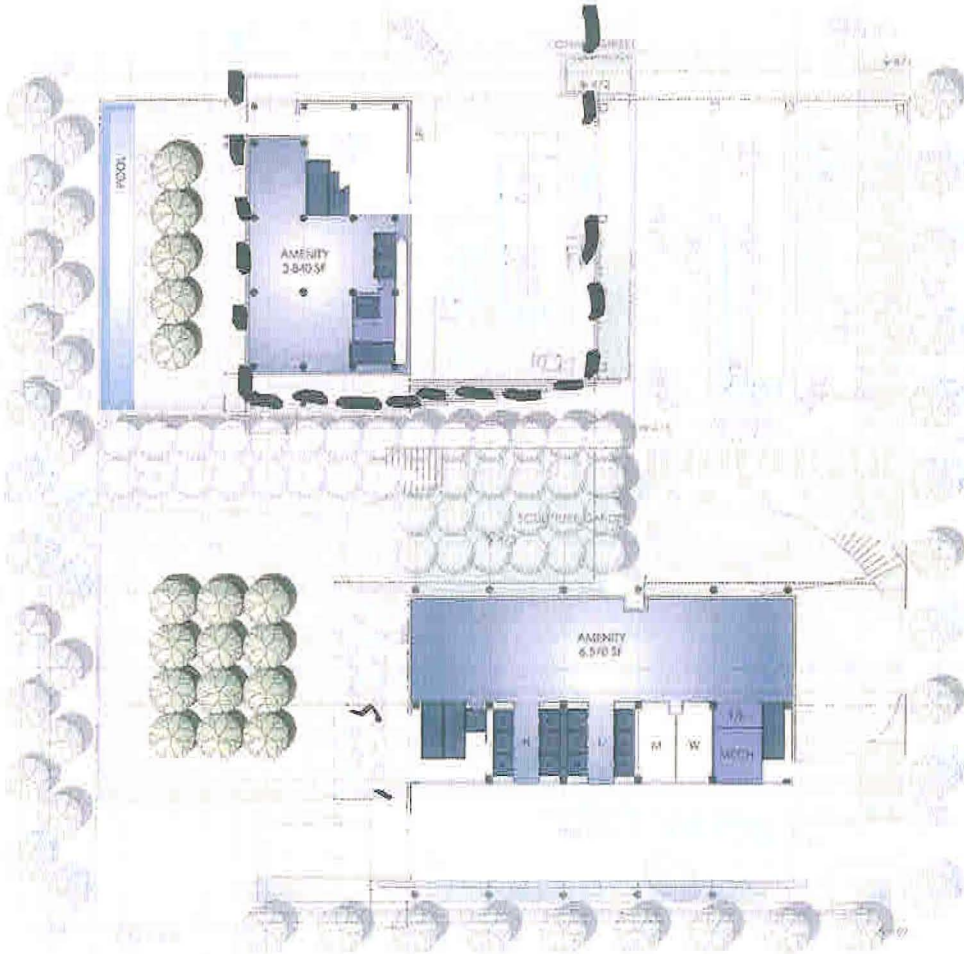
Distribution: Office of Economic Development, Tenna Kirk, 5CS  
Office of Economic Development, Bryan Haywood, 2CN  
Office of Economic Development, Vernae Martin, 2CN  
City Attorney's Office - Warren Ernst  
City Attorney's Office - Barbara Martinez

EXHIBIT "A"  
DESIGN PLAN  
OFFICE TOWER



EXHIBIT "B"  
 ELEVATION PLANS  
 OFFICE TOWER











**KEY FOCUS AREA:** Economic Vibrancy

**AGENDA DATE:** February 11, 2009

**COUNCIL DISTRICT(S):** 14

**DEPARTMENT:** Office of Economic Development  
Equipment & Building Services  
Department of Development Services

**CMO:** A. C. Gonzalez, 671-8925  
Forest E. Turner, 670-3390

**MAPSCO:** 45 G

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**SUBJECT**

Authorize **(1)** an amendment to the sublease agreement dated January 23, 1986 with Metropolitan/Harbord Joint Venture, and its successor, Hall Lone Star Associates, L.P., a Texas limited partnership, for the Arts District Garage located at 2301 Ross Avenue to provide for a change in the operation of the Dallas Arts District Garage commencing on January 1, 2009, and **(2)** an amendment to the Garage Lease Agreement dated January 23, 1986 to provide certain conforming changes - Estimated Revenue: \$100,700,000

**BACKGROUND**

Economic Development staff has been working with Hall Lone Star Associates, L.P. on the construction of one or more mixed-use buildings at 2301 Ross Avenue, site of the Dallas Arts District Garage. This project entails the development of a minimum 450,000 square foot facility (430,000 s.f. of office and 30,000 s.f. of ground floor retail space). Hall Lone Star Associates, L.P. plans to make an investment of at least \$120,000,000, including hard costs and construction related soft costs. The size and location of this site coupled with the planned investment makes this project critical in reaching the Downtown Connection TIF District goals.

In 1986, the City entered into a 200-year lease agreement (effective in 1988) with the site's owner, Metropolitan/Harbord Joint Venture, related to the development of the Arts District Garage. As part of the transaction, the City financed construction of a 1,787 space underground garage on its leasehold to support parking needs in the Arts District. Metropolitan financed and retained fee ownership of 145 of the 1,787 spaces and sublet an additional 442 spaces from the City for 20-years (with nine 20-year options). The initial 20-year sublease term expires December 31, 2008.

## **BACKGROUND** (Continued)

Metropolitan's original development plan contemplated construction of two 50-story office towers and a second underground garage. The office towers and second garage were not constructed due to poor market conditions associated with the real estate crash of the mid-to-late 1980's.

In 1995, affiliates of Hall Financial Group purchased fee simple title to the surface land, air rights and the interest that Metropolitan had in the garage.

Hall is in default under the sublease and owes the City \$618,592.86 in rent through the end of December 2008. The City filed suit on April 11, 2007. This proposed amendment is the result of negotiations to settle the dispute, which includes the payment by Hall of the back rent owed to the City.

This action authorizes the amendment and restatement of the existing Sublease Agreement wherein the sublease will be modified into an 80-year sublease beginning January 1, 2009. Pursuant to the amended and restated sublease, Hall or its designee will manage the garage and make annual rent payments as follows: \$250,000 annually for years 2009-2012; \$300,000 annually for years 2013-2016; \$500,000 annually for years 2017-2028; \$750,000 annually for years 2029-2038; \$1 million annually for years 2039-2048; \$1.5 million annually for years 2049-2058; \$2 million annually for years 2059-2088. Total rental payments over the term are \$100.7 million with a Net Present Value of \$9.9 million (6% discount rate).

Other primary terms for the restated lease are as follows:

- Hall must apply for a building permit on or before December 31, 2012 and substantially complete the initial building of new facility by December 31, 2015.
- The City has the option to terminate the sublease should either date described above, not be met.
- Hall must apply for a building permit on or before December 31, 2014 for the second building of the development. If Hall does not apply for the building permit by such time, on January 1, 2015, base rent under the amended and restated sublease shall increase by \$100,000 annually, until such time that Hall commences construction of the second facility.
- Hall will manage or contract for management and be responsible for all operating, insurance and maintenance costs and is entitled to revenues from garage operations.
- Hall is permitted the right to purchase the City's interest in the Garage for the greater of fair market value as determined by appraisal or \$11.3 million (plus an annual escalator, see Exhibit A).
- Hall cannot purchase the Garage prior to December 31, 2012 unless it has obtained a building permit for its tower.
- The sublease is not assignable by Hall to a non-affiliate prior to a certificate of occupancy for the initial building.

## **BACKGROUND** (Continued)

- A lender/mortgagee can assume the sublease in case of default subject to the terms and conditions minus the obligation to build.
- Any assignment, other than in connection with the mortgagees lien interests, is subject to City approval which will not be unreasonably withheld.
- Hall agrees to make any outstanding American Disability Act repairs plus any needed engineering items for health and structural safety by December 31, 2009, within 12 months of it's possession of the property.
- In association with construction of the proposed building, Hall will make additional improvements and alterations to the Garage including relocation of elevators, adding streetscape improvements and valet areas, and reconfiguration of public parking spaces and ramps to allow for appropriate condo and retail parking.
- Hall agrees to honor existing City agreements regarding the use of parking. Furthermore, the City will maintain operational control of the valet area and approximately 140 parking spaces used by the Symphony.
- Hall may request, subject to normal City requirements and procedures, a license to construct a tunnel on/through City right-of-way associated with Ross Avenue.
- City agrees to provide ombudsman to facilitate permitting and zoning.

In addition, as a result of the terms of the amended sublease, as described above, the parties propose to amend the garage lease to make certain conforming changes regarding the parties' insurance and maintenance responsibilities.

As part of this transaction, Hall will seek TIF funding approval from the Downtown Connection TIF Board and the City Council. Should either the Amended and Restated Parking Sublease Agreement or the TIF funding fail to be approved by City Council, the City will continue to manage the Arts District Garage. Further, Hall has informed City staff that it will not exercise its option pursuant to the existing sublease.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item was briefed to the Economic Development Committee on June 16, 2008.

On December 1, 2008, a memo was submitted to the Economic Development Committee regarding the Arts District Garage settlement agreement.

On December 10, 2008, this item was deferred by Councilmember Angela Hunt.

On January 28, 2008, this item was deferred by Councilmember Angela Hunt.

## **FISCAL INFORMATION**

Estimated Revenue: \$100,700,000

**DEVELOPER(S)**

**Hall Lone Star Associates, L.P.**

Craig Hall, Chairman  
Hall Financial Group

Larry E. Levey, Executive Vice President  
Hall Financial Group

**MAP**

Attached.

# Dallas Arts District Garage

## 2301 Ross Avenue



Dallas Arts District Garage



Downtown Connection TIF, amended 12/10



**City of Dallas**

Office of Economic Development  
November 2008





February 11, 2009

**WHEREAS**, on January 23, 1986, the City entered into a Garage Lease Agreement, as amended, for the Arts District Garage located at 2301 Ross Avenue with Metropolitan/Harbord Joint Venture; and

**WHEREAS**, on January 23, 1986, the City entered into a Parking Sublease Agreement, as amended, for the Arts District Garage located at 2301 Ross Avenue with Metropolitan/Harbord Joint Venture; and

**WHEREAS**, Hall Lone Star Associates, L.P., a Texas limited partnership, ("Hall") has succeeded Metropolitan/Harbord Joint Venture in the Parking Sublease Agreement and Garage Lease Agreement; and

**WHEREAS**, the initial 20-year lease term of the Parking Sublease Agreement expires on December 31, 2008 should Hall Lone Star Associates not exercise its option to renew; and

**WHEREAS**, both parties desire to amend, restate, extend, and/or modify the Sublease to provide for operation of the facility by Hall commencing on January 1, 2009 and to provide that Hall Lone Star Associates, L.P., shall make certain additional public and private improvements and refurbishments to the Arts District Garage; and

**WHEREAS**, both parties desire to amend the Garage Lease to provide certain conforming changes.

**NOW, THEREFORE;**

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

**Section 1.** That the City Manager, upon approval as to form by the City Attorney is hereby authorized to execute an amended and restated Parking Sublease Agreement between Hall Lone Star Associates, L.P., a Texas limited partnership and the City of Dallas.

**Section 2.** That the special terms and conditions of the amendment to the Parking Sublease Agreement include:

- A. The existing sublease will be modified into an 80-year sub-lease beginning January 1, 2009.
- B. Annual rent payments are as follows: \$250,000 annually for years 2009-2012; \$300,000 annually for years 2013-2016; \$500,000 annually for years 2017-2028; \$750,000 annually for years 2029-2038; \$1million annually for years 2039-2048; \$1.5 million annually for years 2049-2058; \$2 million annually for years 2059-2088.

February 11, 2009**Section 2.** (Continued)

- C. Hall must apply for a building permit on or before December 31, 2012 for the initial building of the development and substantially complete the initial building by December 31, 2015.
- D. The City has the option to terminate the sublease should either date, described in Section 2.C. above, not be met.
- E. Hall must apply for a building permit on or before December 31, 2014 for the second building of the development. If Hall does not apply for the building permit by such time, on January 1, 2015, base rent under the amended and restated sublease shall increase by \$100,000 annually, until such time that Hall commences construction of the second facility.
- F. Hall will manage or contract for management and be responsible for all operating, insurance and maintenance costs and is entitled to revenues from garage operations.
- G. Hall is permitted the right to purchase the City's interest in the Garage for the greater of fair market value as determined by appraisal or \$11.3 million (plus an annual escalator, see **Exhibit A**).
- H. Hall cannot purchase the Garage prior to December 31, 2012 unless it has obtained a building permit for initial building.
- I. The sublease is not assignable by Hall to a non-affiliate prior to a certificate of occupancy for the tower.
- J. A lender/mortgagee can assume the sublease in case of default subject to the terms and conditions minus the obligation to build.
- K. Any assignment, other than in connection with the mortgagees lien interests is subject to City approval which will not be unreasonably withheld.
- L. Hall agrees to make any outstanding American Disability Act repairs plus any needed engineering items for health and structural safety by December 31, 2009 within 12 months of it's possession of the property.
- M. In association with construction of the proposed building, Hall will make additional improvements and alterations to the Garage including relocation of elevators, adding streetscape improvements and valet areas, and reconfiguration of public parking spaces and ramps to allow for appropriate condo and retail parking.
- N. Hall agrees to honor existing City agreements regarding the use of parking.
- O. Hall may request, subject to normal City requirements and procedures, a license to construct a tunnel on/through City right-of-way associated with Ross Avenue.

**Section 3.** That the City Manager, upon approval as to form by the City Attorney is hereby authorized to execute an amendment to the Garage Lease between Hall Lone Star Associates, L.P., a Texas limited partnership and the City of Dallas conforming the Garage Lease to the amended and restated Parking Sublease Agreement, and such other ancillary documents as are necessary to fulfill the purposes of this resolution.

February 11, 2009

**Section 4.** That the City Controller is hereby authorized to receive and deposit rent or sale proceeds pursuant to Section 2.B. and/or Section 2.G. above as appropriate in Fund 0001, Department EBS, Unit 3081, Revenue Source 7893, in an amount not to exceed \$100,700,000.

**Section 5.** That the City Controller is hereby authorized to receive and deposit annual payments-in-lieu-of-taxes as appropriate pursuant to Section 2.D. above and as further described in the amended and restated Sublease Agreement in Fund 0352, Department ECO, Unit 9992, Revenue Source 8476.

**Section 6.** That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas and it is accordingly so resolved.

Distribution: Office of Economic Development, Tenna Kirk, 5CS  
Office of Economic Development, Hammond Perot, 2CN  
Equipment and Building Services, Sheila Singleton, 6BN  
City Attorney's Office - Barbara Martinez

## EXHIBIT A - Potential Sale Price

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	
Staff Calculated Value	11,300,000	11,300,000	11,728,000	12,181,680	12,662,581	13,172,336	13,662,676	
PV Accrual		678,000	703,680	730,901	759,755	790,340	819,761	
Rent (credit)		(250,000)	(250,000)	(250,000)	(250,000)	(300,000)	(300,000)	
Purchase Price	11,300,000	11,728,000	12,181,680	12,662,581	13,172,336	13,662,676	14,182,436	
	Yr 8	Yr 9	Yr 10	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15
Staff Calculated Value	14,182,436	14,733,383	15,117,385	15,524,429	15,955,894	16,413,248	16,898,043	17,411,925
PV Accrual	850,946	884,003	907,043	931,466	957,354	984,795	1,013,883	1,044,716
Rent (credit)	(300,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)
Purchase Price	14,733,383	15,117,385	15,524,429	15,955,894	16,413,248	16,898,043	17,411,925	17,956,641