

**WHEREAS**, the City recognizes the importance of its role in local economic development; and

**WHEREAS**, on June 8, 2005, 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 (the "Act") to promote development and redevelopment in the Uptown and Downtown areas through the use of tax increment financing by Ordinance No. 26020; as amended; and

**WHEREAS**, on August 29, 2005, City Council authorized the Downtown Connection Tax Increment Financing District Project Plan and Reinvestment Zone Financing Plan by Ordinance No. 26096; as amended; and

**WHEREAS**, on May 12, 2011, the Downtown Connection TIF District Board of Directors reviewed and approved TIF funding for Ricchi 1954 Development Group, LLC, for the redevelopment of 1954 Commerce Street in an amount not to exceed \$3,020,350, subject to review and approval of description and detail of the work to be completed by line item for the project; and

**WHEREAS**, on June 6, 2011, the Economic Development Committee was briefed and recommended approval of the request for TIF funding for Ricchi 1954 Development Group, LLC, for the redevelopment of 1954 Commerce Street (Former Dallas Public Library Building) in an amount not to exceed \$3,020,350; and

**WHEREAS**, in furtherance of the Downtown Connection TIF District Project Plan and Reinvestment Zone Financing Plan and to promote within the Downtown Connection TIF District: (1) development and diversification of the economy, (2) elimination of unemployment and underemployment, and (3) development and expansion of commerce, the City desires to provide economic incentives to the Owner for the redevelopment of the 1954 Commerce Street in the Downtown Connection TIF District as depicted in the Conceptual Site Plan, Streetscape/Landscape Plan and Elevations, attached hereto as Exhibits **A**, **B** and **C**, respectively; 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 Ricchi 1954 Development Group, LLC and the City of Dallas, on behalf of the Downtown Connection TIF District, thereby confirming the Downtown Connection TIF District Board of Directors' dedication of future tax increment revenues in an amount not to exceed \$3,020,350 to provide funding for TIF-eligible project costs, \$2,020,350 in environmental remediation, demolition, façade restoration and street and utility improvements and \$1,000,000 in the form of an Economic Development TIF grant as shown in the TIF Funded Project Budget attached hereto as **Exhibit D**. These costs include, but are not limited to design, engineering, construction management, and professional services, environmental remediation, demolition, historic façade restoration, street and utility improvements, streetscape improvements and land acquisition and an Economic Development TIF grant to offset redevelopment costs for 1954 Commerce Street to implement the Downtown Connection TIF District Project Plan and Reinvestment Zone Financing Plan and the Downtown Connection TIF Board of Directors may therefore pledge or dedicate future TIF revenues in satisfaction of this agreement.

**Section 2.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

**Section 3.** That the City Controller is hereby authorized to encumber and disburse funds from future tax increments and subject to future appropriations from:

Downtown Connection TIF District Fund - Fund 0044, Department ECO, Unit P672, Object 3072, Activity DTTI, Program No. DCTIF0007, CT ECOP672H131-01, Vendor No. VS0000064301, in an amount not to exceed \$2,020,350; and

Downtown Connection TIF District Fund - Fund 0044, Department ECO, Unit P672, Object 3016, Activity DTTI, Program No. DCTIF0007, CT ECOP672H131-02, Vendor No. VS0000064301, in an amount not to exceed \$1,000,000; and

Total amount not to exceed \$3,020,350.

Funds may be shifted among categories as long as the total principal TIF funding does not exceed \$3,020,350.

**Section 4.** That the Owner shall design, fund and/or construct public improvements to support the redevelopment of 1954 Commerce Street in the Downtown Connection TIF District up to \$3,020,350 of TIF-eligible project costs, may be paid from the Downtown Connection TIF District Funds in accordance with the terms of the development agreement described in hereof, but only to the extent such Downtown Connection TIF District funds are available for such purpose.

**Section 5.** That nothing in the resolution shall be construed to require the City to approve payment from any source of City funds other than the Downtown Connection TIF District Fund.

Any funds expended under the development agreement that remain unpaid upon termination of the Downtown Connection TIF District, due to lack or unavailability of Downtown Connection TIF District Funds, shall no longer be considered project costs of the Downtown Connection TIF District or the City and the obligation of the Downtown Connection TIF District to pay the Owner shall automatically expire.

**Section 6.** That in addition to the conditions set out above, the Agreement is hereby expressly made subject to review and approval of description and detail of the work to be completed by line item for the project:

- A. Ricchi 1954 Development Group, LLC shall construct a project comprising the renovation and construction of 1954 Commerce Street ("1954 Commerce"), with the following components:
1. Stage I. – Acquisition and Cleaning. This stage involves removal of all obsolete equipment, furniture and operating systems (mechanical, electrical and plumbing systems) in the building, asbestos abatement, and demolition of all interior walls. Interior space will be opened up and cleaned down to the concrete.
  2. Stage II. – Exterior Cleaning and Restoration and Internal Remolding and Renovation. This stage will involve the cleaning and restoration of all exterior elevations including entire curtain wall system and store front; renovation of the elevator, electrical, fire, and HVAC systems. The exterior of the building will be restored to its original condition.
  3. Private Investment. Minimum investment of \$9,368,350 including:
    - a. Stage I - \$6,638,500
    - b. Stage II - \$2,729,850

**Section 6. (Continued)**

- B. Ricchi 1954 Development Group, LLC shall submit for Downtown Connection TIF District Board of Directors review and approval a detailed description, by line item, of the work to be completed by the project.
- C. Downtown Connection TIF District Design Review Committee shall review and approve the project design and site plans prior to City Council consideration of the project. The project design plans shall include:
  - 1. A site plan showing the location of parcel boundaries, clearly differentiating publically accessible space from private space.
  - 2. A pedestrian lighting plan for the 1954 Commerce Street site using lighting acceptable to the City and spaced at approximately 75 feet unless otherwise required by the City's Public Works and Transportation Department. This lighting plan is required for all public and private streets included in the project.
  - 3. A sidewalk plan for each of the projects. Sidewalks with high anticipated levels of pedestrian traffic shall be designed to accommodate pedestrian traffic. The sidewalks shall have a minimum 7 foot walking zone and a minimum 3 foot landscaping and lighting zone, subject to existing sidewalk widths. Landscaping and pedestrian lights shall be placed in the area closest to the back of curb for the length of the sidewalk. Public access between Pacific Avenue and Elm Streets is required and shall conform to this standard.
  - 4. A landscape plan for project showing location and type of all landscaping material.
  - 5. Elevations for all side of the building visible from the public right of way.
- D. Site construction of project improvements shall be in general conformance with the site plan approved by the Downtown Connection TIF Board of Directors and Design Review Committee and Dallas City Council
- E. Ricchi 1954 Development Group, LLC shall obtain building and/or demolition permits and start construction and/or demolition for 1954 Commerce Street by January 31, 2012.
- F. Ricchi 1954 Development Group, LLC shall obtain final acceptance (Green Tag) of Stages I and II of the Project by January 31, 2013.

**Section 6. (Continued)**

- G. In addition to complying with a Business Inclusion and Development ("BID") goal of 25 percent for the TIF reimbursable improvements, Ricchi 1954 Development Group, LLC shall make a good faith effort to achieve a goal of certified minority/women-owned business enterprise (M/WBE) participation for the private improvement construction of 25 percent of total private expenditures, and meet all reporting requirements for each.
- H. Ricchi 1954 Development Group, LLC shall have the project managed by a management company acceptable to the Director of the Office of Economic Development, such approval not being unreasonably withheld.
- I. Ricchi 1954 Development Group, LLC shall submit to the Director of the Office of Economic Development a quarterly status report for ongoing work on the 1954 Commerce project, as well as public improvements. Such status reports will be due once every three months after the Council approval date.

**Section 7.** That, should Ricchi 1954 Development Group, LLC not perform one or more of the contingencies listed in Section 7 above, the City Manager is authorized to terminate the development agreement and disallow the total TIF subsidies up to an amount not to exceed \$3,020,350. If all other conditions for payment have been met, the City will administer the payment of the TIF subsidy pursuant to the Tax Increment Fund Allocation Policy approved by the Downtown Connection TIF District Board of Directors on May 12, 2011.

**Section 8.** That the Director of the Office of Economic Development may extend the project deadline up to 6 months and authorize adjustments to the contingencies listed above should reasonable adjustments be needed and supported by additional consideration.

**Section 9.** 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.

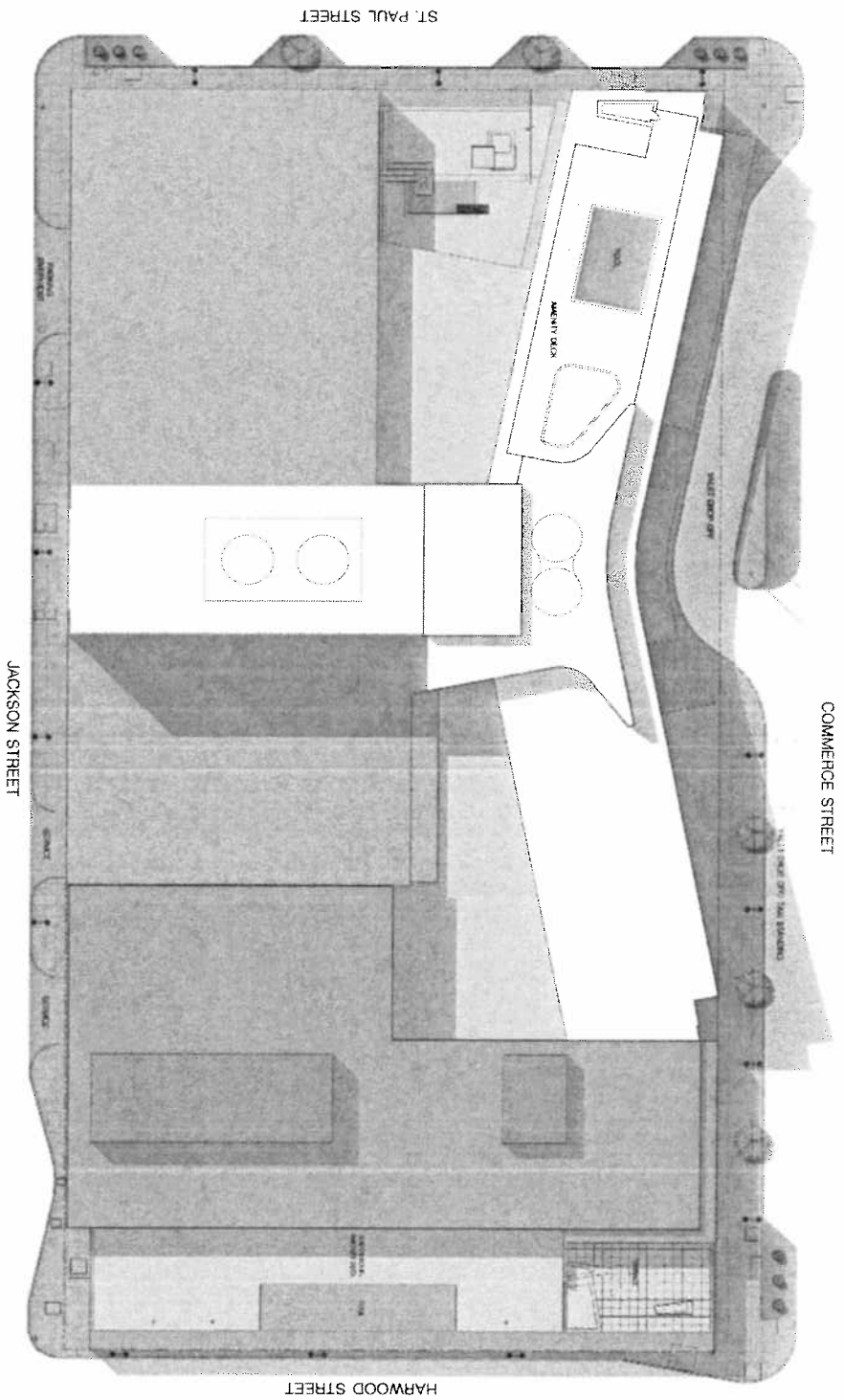
Distribution: Office of Economic Development, Tenna Kirk, 5CS  
Office of Economic Development, Sajid Safdar, 2CN  
City Attorney's Office - Barbara Martinez  
City Attorney's Office – Sarah Hasib

APPROVED BY  
CITY COUNCIL

JUN 22 2011

  
City Secretary

# Exhibit A – Site Plan



SITE PLAN 1" = 20'

STATLER HILTON AND OLD DALLAS PUBLIC LIBRARY

DALLAS, TEXAS

03.12.11

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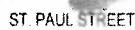


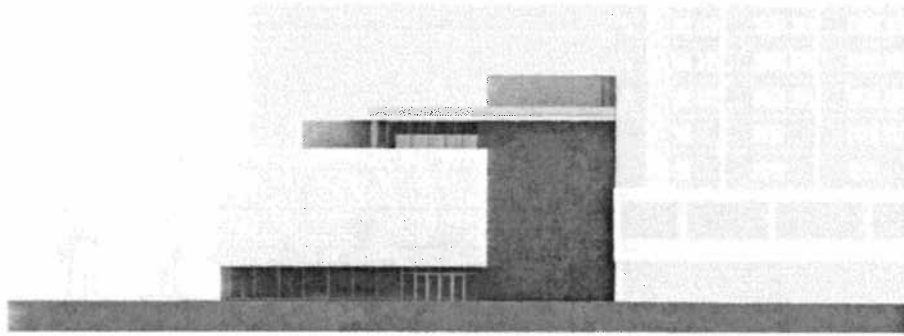
RICCHI DALLAS INVESTMENTS



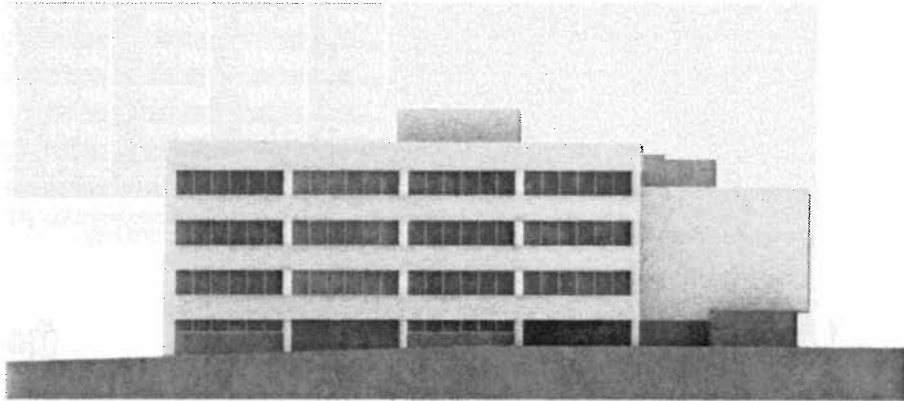
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## JACKSON STREET

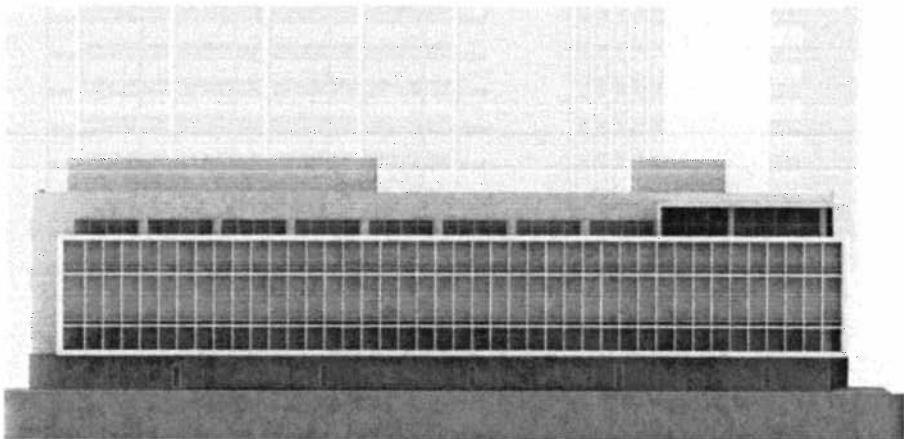




NORTH ELEVATION



SOUTH ELEVATION

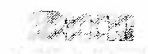


EAST ELEVATION



THIS PROJECT HAS BEEN REVIEWED BY THE NEW YORK CITY DEPARTMENT OF CITY PLANNING AND THE NEW YORK CITY DEPARTMENT OF ENVIRONMENTAL CONSERVATION.

1. PRELIMINARY APPROVAL BY THE NEW YORK CITY DEPARTMENT OF CITY PLANNING AND THE NEW YORK CITY DEPARTMENT OF ENVIRONMENTAL CONSERVATION.





**Exhibit D****1954 Commerce Street (Former Dallas Public Library) Redevelopment Project  
TIF Budget****Stage I****Asbestos Abatement, Mold & Demolition**

Library Building	\$960,000
Contingency Budget	\$250,000
Soft Costs	\$480,000
<b>Maximum Amount Allocated to Stage I</b>	<b>\$1,210,000</b>

**Stage II****Exterior Improvements**

Curtain Wall Renovation	\$198,000
Stone and Stucco Renovation	\$190,000
Store Front Renovation and Replacement	\$189,000
Landscaping and Walkways	\$86,000
External Illumination	\$97,350
Misc. Exterior	\$50,000
<b>Maximum Amount Allocated to Exterior Improvements</b>	<b>\$810,350</b>

**Interior Improvements**

Modernization of All Elevators	\$575,000
Main Water and Plumbing System <i>(including main boilers)</i>	\$392,000
Main Electrical System	\$425,000
Main Fire Safety Systems	\$125,000
Cooling Towers <i>(water source heat pump 500 tons)</i>	\$125,000
Main HVAC lines, pumps for main floors	\$225,000
Necessities for Main Floor Operations	\$375,000
Structural Repairs	\$387,500
<b>Maximum Amount Allocated to Interior Improvements</b>	<b>\$1,000,000</b>

<b>Total Amount Allocated to Stage II (Interior &amp; Exterior)</b>	<b>\$1,810,350</b>
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<b>Total TIF Reimbursement (Stages I &amp; II)</b>	<b>\$3,020,350</b>
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