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CITY SECRETARY  
DALLAS, TEXAS

Resolution No. 25-0870  
Approved on May 28, 2025  
Contract No. ECO-2025-00028260

STATE OF TEXAS                    §  
    §  
COUNTY OF DALLAS                §

**MANAGEMENT SERVICES CONTRACT FOR THE  
FAR EAST DALLAS PUBLIC IMPROVEMENT DISTRICT**

This Management Services Contract for the Far East Dallas Public Improvement District (the “Contract”) to provide management services to the Far East Dallas Public Improvement District (the “PID” or the “District”), effective as of January 1, 2026, is executed by and between the City of Dallas (the “City”), a Texas municipal corporation and the Ferguson Road Initiative (“Contractor” or “FRI”), a Texas nonprofit corporation. City and FRI are sometimes referred to in this Contract individually as a “Party” and collectively as the “Parties”.

**RECITALS**

**WHEREAS**, the City is (i) acting pursuant to authority granted by the State of Texas or for the benefit of the sovereign; (ii) entering into this agreement to primarily benefit the public at large; and (iii) if deemed by a court of competent jurisdiction to be acting in a proprietary capacity, is performing functions closely related or essential to the performance of governmental activities; and

**WHEREAS**, Chapter 372 of the Texas Local Government Code (the “Act”) allows for the creation of public improvement districts; and

**WHEREAS**, on February 1, 2025, FRI obtained signatures from property owners within the Far East Dallas Public Improvement District (the “District”) and submitted to the City a petition to authorize and create the District, attached hereto as **Attachment 2** (the “Petition”), pursuant to the Act and the City’s Public Improvement Districts Policy; and

**WHEREAS**, City staff reviewed the Petition and confirmed that it satisfied the minimum statutory requirements for creation under the Act, as it was signed by owners representing the appraised value and land area of taxable real property liable for assessment within the District; however, the Petition did not meet the City’s PID Policy threshold of at least 60% of the value, land area, or record ownership required for administrative approval; and

**WHEREAS**, on April 23, 2025, the City Council granted the Petitioner a waiver to the minimum public improvement district petition thresholds outlined in the City’s PID Policy, by Resolution No. 25-0660; and

**WHEREAS**, on May 28, 2025 the City Council: (i) made certain findings concerning the advisability of creating the District and providing supplemental services and improvements that confer a special benefit to the property in the District, the nature of the improvements, the estimated cost of the improvements, the boundaries of the District, the method of assessment, and the apportionment of the costs between the District and the City as a whole, (ii) authorized and created the District as a public improvement district (“PID”) under the Act, (iii) designated FRI as the entity responsible for providing the management services to the District, (iv) authorized the City Manager to enter into a management contract with FRI for the provision of services to the District, and (iv) approved the District’s seven-year Service Plan, attached hereto as **Exhibit A** (the “Petitioned Service Plan”) by Resolution No. 25-0870; and

**WHEREAS**, Section 252.022(a)(9) of the Texas Local Government Code provides for a general exemption from competitive bidding or competitive proposals for expenditures for paving, drainage, street widening, and other public improvements, or related matters, if at least one-third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements; and

**WHEREAS**, the Board of Directors of FRI, on behalf of the FRI, authorized the Board President of the FRI to enter into this Contract; and

**WHEREAS**, on June 25, 2025, the City of Dallas temporarily ceased enforcing its Business Inclusion and Development (BID) Policy requirement, including W/MBE subcontracting goals, until further notice by Resolution No. 25-1081

**NOW, THEREFORE**, in consideration of the supplemental services to be provided and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

**SECTION 1. Recitals Incorporated.** The recitals are incorporated into this Contract as if fully set forth herein.

**SECTION 2. Description of Services; Term.**

- (a) **Services.** For the consideration of “General and Administrative Expenses” defined in Section 3, Contractor shall provide, in accordance with this Contract, District management services and oversee the provision of supplemental services and improvements pursuant to the Petitioned Service Plan (**Exhibit A**) and the Annual Service Plan (the “Services and Improvements”) and in accordance with the Service Plan and the Act (the “Services”). The Petitioned Service Plan (**Exhibit A**) and the Annual Service Plan shall collectively be referred to as the “Service Plan.” The “Annual Service Plan” shall mean the annual update for the Petitioned Service Plan (**Exhibit A**) for the District, as adopted or amended by the

City Council pursuant to Section 4(f) and Section 4(h) of the Contract and Section 372.013 of the Act.

- (b) **Contract Term.** This Contract for the Services shall begin on January 1, 2026, and terminate on December 31, 2032, unless earlier terminated or otherwise agreed to in writing by the Parties (the “Term”). If for any reason the District is dissolved before December 31, 2032, this Contract shall terminate upon City’s payment to Contractor for the Services provided to the District prior to the date of dissolution and for the reasonable cost of services to wind down the District and conclude the District’s business.
- (c) **Termination of District by Petition.** To dissolve the District, a petition from the property owners must be submitted to the City. The petition to dissolve a PID must satisfy the same requirements for a petition to create or renew a PID, as set forth in Section 372.005 of the Act.

**SECTION 3. Fee; General and Administrative Expenses.** Contractor’s general and administrative expenses shall not exceed fifteen percent (15%) of the total Annual Service Plan budget, as adopted or amended by City Council in any year. General and administrative expenses may include, but are not limited to, non-program specific expenses for rent, utilities, equipment, and staff time (“General and Administrative Expenses”). Examples of non-program specific expenses include, but are not limited to, staff time for bookkeeping, preparing financial reports, and ordering general supplies; mailing costs; and other expenses that are not directly related to delivering the Services and Improvements. General and Administrative Expenses exclude costs related to any of the following: construction or installation of improvements; promotion; security; staff time spent directly delivering the Services and Improvements; and indirect costs allocated to Services and Improvements utilizing a logical, appropriate, and consistently applied allocation basis. Per the City’s PID Policy, the one-time, \$15,000.00 application fee required by the City to process the renewal of the District, City costs, and the City staff time related to overseeing and administering the District, annual audit costs, and insurance costs shall not count towards the fifteen percent (15%) maximum allocation for General and Administrative Expenses described in this Section. Any allocation under this Section shall be made on a reasonable basis by Contractor and formally documented so that an independent, third-party auditor may determine whether the allocation basis is adequate and the distribution of overhead costs reasonable. If an audit review results in a challenge of a specific cost allocation, Contractor is responsible for proving that its cost allocation methodology is reasonable and that its cost accounting system is adequate. Accordingly, Contractor shall maintain the Service Plan Records and related documentation to substantiate how indirect and direct cost functions are defined, how costs are segregated in its accounting system, and the procedures and controls used to properly identify costs by intermediate or final cost objectives or to preclude the improper classification of costs. Contractor shall follow the methodology for allocating indirect costs as specified in U.S. Generally Accepted Accounting Principles for Nonprofits as it relates to identifying and allocating expenses.

**SECTION 4. Scope of Services.** The Annual Service Plan budget and reporting shall follow the calendar year. In providing the Services, the Contractor shall comply with the PID Policy and all requirements of the Act. To the extent of a conflict between the terms of this Contract, the PID Policy, and the Act, the Act shall prevail. During the duration of this Contract, Contractor shall provide the Services in accordance with the Service Plan approved by the City Council, the Act, and the following provisions:

- (a) ***Timely Delivery of Services and Improvements.*** As a core component of the Services, Contractor shall ensure that property owners receive the benefit from assessments levied against such owners in a timely manner and ensure that such owners are not subjected to unchecked expansions in project scope and cost. Contractor shall set the priorities and schedules to implement the Service Plan, considering the needs and preferences of owners and tenants in the District and the availability of personnel and financial resources, and in alignment with the City's monthly payment of District assessments to the Contractor (defined herein). If necessary, Contractor shall secure and retain the services of qualified personnel to deliver the Services and Improvements.
- (b) ***Allowable Costs.*** Contractor shall only use District assessment funds (the "Funds") to pay for or reimburse expenditures or fees that are: (i) specifically listed in the Service Plan for a permissible public improvement project pursuant to Section 372.003 of the Act and directly related expenses; (ii) incurred after January 1, 2026; (iii) reasonably incurred to establish, administer or operate the District, as approved by the Director; (iv) satisfactorily documented; and (v) treated uniformly and consistently under the accounting system established by Contractor for these purposes ("Allowable Costs"). Contractor shall ensure that all costs and expenses that are not expressly incurred in connection with a permissible public improvement project as set forth in the Service Plan or to establish, administer or operate the District, are not paid for with any of the Funds. **Contractor shall be solely responsible for its failure to ensure that the Funds are used for Allowable Costs or in accordance with the Service Plan or any misuse of Funds.**
- (c) ***Commingling of Funds Prohibited.*** Contractor shall not commingle the Funds with any other funds in any manner that would prevent the City (or a third party retained by the City) from readily identifying expenditures for Allowable Costs or pursuant to the Service Plan.
- (d) ***Documentation of Costs and Access Rights to Records.*** Contractor shall support all costs paid or reimbursed from Funds by properly executed checks, orders, payrolls, time records, invoices, contracts, vouchers, or other accounting documents evidencing in detail the nature and propriety of the charges. Such documentation shall be maintained by Contractor, clearly identified, readily accessible and, to the extent possible, kept separate and apart from all other such documents. Further, Contractor shall promptly provide to the City access, upon City's request, to all informational tax returns, financial records, financial statements and supporting documentation, records of assets and liabilities, annual reports, audit reports, consultant reports, and contracts that relate to Contractor's Services, the

District's operation, the expenditures of Funds, the delivery of Services and Improvements, or the Service Plan ("Service Plan Records"). Contractor shall retain all Service Plan Records during the Term of this Contract and for at least five (5) years thereafter. At Contractor's sole cost, Contractor shall provide the Service Plan Records to the City pursuant to Section 17 or immediately release such Service Plan Records to the City if the Contract is terminated pursuant to Section 18.

- (e) ***Misappropriation of Funds.*** Contractor shall not use Funds for private, personal, non-public purposes, or for any other purposes not allowed under the Act or permitted by the Service Plan or this Contract. Contractor shall be liable to the City, property owners within the District, and any other injured party if Contractor permits (knowingly or unknowingly) any misappropriation of Funds, including but not limited to the expenditure of Funds for purposes other than Allowable Costs or for any other purpose not permitted by state law, the Service Plan, the PID Policy (defined herein), or this Contract.
- (f) ***Annual Service Plan Update.*** Contractor shall prepare an annual update of the Petitioned Service Plan (**Exhibit A**) to be presented to City Council for review and approval. The Annual Service Plan must include an assessment plan, an updated five-year budget for the Services and Improvements, a Notice of Obligation to Pay Improvement District Assessment form and, if applicable, account for any Carry Forward of Excess Funds as described in Section 4(l). The annual update should reflect a pro-rata allocation of the budget amount based on appraised values such that equal shares of the cost are imposed on property similarly benefitted, pursuant to Section 372.015 of the Act and the City's Public Improvement District Policy ("PID Policy"). The Annual Service Plan shall follow the calendar year. A preliminary Annual Service Plan is due to the City no later than July 1st each year. The City shall provide Contractor with printed reports or electronic copies of the assessment roll that will be used to prepare the District's final Annual Service Plan to be submitted to City Council for approval.
- (g) ***Program Category Ratios*** As part of the Annual Service Plan update process outlined in Section (4)(f), all Contractor modifications to the Program Category ratios and/or dollar values shown on the Petitioned Service Plan are subject to review of the City's Director of the Office of Economic Development or their designee (collectively the "Director") and approval by City Council. Any Program Category reduction or increase made as part of the Annual Service Plan update process that results in more than a 20% increase or reduction to the Program Category ratios and/or dollar values shown on the Petitioned Service Plan shall require a detailed explanation/justification to the Director of the rationale for the increase or reduction. The City shall determine in its sole discretion if any Program Category ratio/dollar value modification between the Petitioned Service Plan and the Annual Service Plan that exceeds 20% will be recommended for consideration and approval by City Council. Furthermore, any Program Category reduction that would result in an elimination of petitioned services and improvements shall not be recommended for approval and/or consideration by City Council.

(h) ***Mid-Year Service Plan Amendment Process.*** Pursuant to Section 372.013 of the Act, any annual service plan that is adopted or amended after September 1, 2021 must be by City Council ordinance or order except for hotel PID service plans. Once adopted by the City Council, the annual service plan cannot be amended (increased or decreased) without the City Council approval. If Contractor deems it necessary to amend (increase or decrease) the City Council adopted service plan, a mid-year amendment request shall be submitted in writing to the Director of the Office of Economic Development or his/her designee (the "Director") by July 1<sup>st</sup> for City Council consideration in August or September, concurrently with the adoption of the upcoming year's annual service plan. Requests for mid-year amendments must be disclosed to property owners during the property owners meeting or a special public meeting prior to submission to the City. Contractor will be responsible for all related public hearing costs, including legal notice publication costs, mailing costs, and staff time.

(i) ***Annual Public Meeting.*** Contractor shall hold an annual meeting open to all property owners in the District where an opportunity is provided for property owners to provide questions, comments, and input during the annual service plan update process, prior to presentation and approval by City Council. The meeting must be held in a public meeting space with written notice of the date, hour, place, and subject of the meeting provided to all property owners in the District at least two (2) weeks prior to the meeting. A public meeting ("Public Meeting") means one that is open to the public and therefore, precludes meeting locations that require the presentation of photo identification for admittance. In addition, pursuant to the Americans with Disabilities Act, a room in which the public meeting is held must be physically accessible to individuals with disabilities. The annual meeting may be conducted by telephone conference call or video conference. Teleconference calls must be set up to provide two-way communication during the entire conference call and the identity of each Party to the conference call to be clearly stated prior to speaking. Videoconference call meetings must have audio and visual equipment available to allow all participants in the videoconference call meeting to be able to see and hear each other during the meeting. Approved telephone or videoconference meetings are subject to the same notice requirements applicable to meetings held in a public space.

(j) ***Attendance at Annual PID Manager Workshop and Public Hearing.*** Contractor shall ensure that each year, a representative of the FRI attends the City's technical workshop for PID Managers and that a FRI representative with knowledge of its operations is available to answer questions and respond to concerns during the District's annual public hearing to adopt the District assessment roll, assessment rate, and Service Plan.

(k) ***No Over Collection of Assessments.*** City has no power to levy and collect assessments within the District in excess of the total cost of Services and Improvements that property owners agreed to when they signed the District's initial or renewal petition, as applicable. If appraised property values increase within the District, the apportionment of the cost

among the property owners may change on an annual basis but the cumulative amount of assessment revenue that is generated over the District's term cannot exceed the total cost of Services and Improvements as projected in the Petitioned Service Plan (**Exhibit A**). No over-collection of assessments is anticipated over the District's term. If, however, the District's cumulative, net assessment collections will exceed the cumulative assessments budgeted on the Petitioned Service Plan (**Exhibit A**), Contractor shall: (i) reduce the District's proposed assessment rate in a subsequent year(s) to offset the over-collection, (ii) reimburse the Funds (or portion thereof) to the property owners that paid such assessments, and/or (iii) retain and not expend such additional assessments until a revised petition for an early renewal of the District that includes the additional assessments and increased service levels/costs is signed by District property owners and approved by City Council, in accordance with the Act.

- (I) ***Carry-forward of Excess Funds.*** For any Service Plan year, if the District projects it will have unobligated surplus funds at year-end ("Excess Funds"), for example, due to greater than budgeted assessment collections and/or lower than budgeted costs resulting from program or hiring delays or cost adjustments then, on behalf of the District, Contractor may carry-forward the Excess Funds to a subsequent year(s) on the express condition that the District identifies and allocates all Excess Funds on the immediately subsequent year's annual service plan budget as emergency operational reserves, or as reserves for a future capital improvement, and/or to a budgeted Program Category; provided that (i) the District's cumulative assessment collections received pursuant to this Contract at any time (inclusive of unspent carry-forward revenue and interest generated from assessments received pursuant to this Contract), do not exceed the District's authorized seven-year revenue/expenditure total per the Petitioned Service Plan (**Exhibit A**). Alternatively, the City Council may require the Contractor, on behalf of the District, to absorb the Excess Funds by lowering the assessment rate and cost apportionment. If Excess Funds are equal to or greater than twenty percent (20%) of the District's budgeted assessments for any year, Contractor shall provide a written justification/explanation for the Excess Funds to the Director or his/her designee and prior disclosure to property owners (e.g., accumulated reserves for capital funding project expected to begin in year X of District term). The City Council shall have final approval as to whether Contractor is permitted to carry over such Excess Funds into the subsequent year, must reimburse property owners with such Excess Funds, or must absorb the Excess Funds by lowering the assessment rate. At no time shall Excess Funds be used for Services or Improvements that were not approved in the Petitioned Service Plan. Furthermore, if at the time Contractor submits its final, 2032 annual service plan year and Excess Funds are projected at the end of the District's term (i.e., December 31, 2032), City Council reserves the right to require Contractor to either: (i) reimburse to property owners the Excess Funds; or (ii) absorb the Excess Funds by adjusting the 2031 assessment rate (for the 2032 Service Plan year), if the City Council does not authorize including the Excess Funds into the annual service plan budget during the subsequent renewal term.

- (m) **Expenditure Overrun.** For any Service Plan year, if the District projects to have a deficit at year-end, for example, due to lower than budgeted assessment collections or greater than budgeted costs, Contractor shall take measures to avoid a negative fund balance at year-end by: (i) reducing spending among Program Categories in a manner that best serves the interest of the property owners, tenants, and/or residents within the District and if appropriate, submit a formal Mid-Year Service Plan Amendment request as set forth in Section 4(h); (ii) accessing amounts set-aside in a budgeted contingency reserve category as applicable, and/or (iii) accessing Excess Funds carried forward from previous years.
- (n) **Quarterly Reports.** Contractor shall prepare and deliver to the City within forty-five (45) days of the end of each calendar quarter the following reports (“Quarterly Reports”):
  - i. a Financial Report detailing budgeted versus actual Annual Service Plan revenues and expenditures incurred from the beginning of the calendar year through the end of each calendar quarter in a format to be provided by the City of Dallas, attached hereto as **Exhibit B**;
  - ii. a Statement of Activities (also known as an income statement in for-profit companies or Profit & Loss Statement) generated from Contractor’s accounting system or in another City approved format from start of service plan year to reporting period end;
  - iii. a Balance Sheet Account generated from Contractor’s accounting system as of the reporting period end (optional);
  - iv. a signed Quarterly Progress Report certifying that submitted Quarterly Report information is complete, true, and accurate; in the format attached hereto as **Exhibit C**; and
  - v. a report on the participation of Minority/Women Owned Business Enterprises (“M/WBE”) providing Services and Improvements to the District for any biddable items for contracts over \$50,000.00 in the form attached hereto as **Exhibit D1** and further described in this Contract. **Exhibit D2** should be submitted on an annual basis or as required.
- (o) **Annual Financial Audit.** At Contractor’s sole expense, Contractor shall commission an annual financial audit of all District revenues and expenditures of the Funds using generally accepted accounting principles (“GAAP”), and submit it to the City within one hundred twenty (120) calendar days of the end of the calendar year. The annual financial audit must be completed by an independent Certified Public Accounting firm. Upon City’s request, Contractor shall provide additional documents to allow the City to confirm that Contractor’s use of the Funds is only for Allowable Costs.
- (p) **Form 990 Submission.** Contractor shall submit annually to the United States Internal Revenue Service (“IRS”) the Form 990 “Return of Organization Exempt From Income Tax” or the equivalent (“Form”). Contractor shall submit a copy of the Form to the City by May 31 of each year for the prior tax year. If Contractor files extension request Form 8868

“Application for Extension of Time to File an Exempt Organization Return” with the IRS, Contractor shall submit a copy of Form 8868 to the City within fifteen (15) days of submitting to the IRS. If the IRS approves such extension request, the Contractor shall submit a copy of the Form to the City within fifteen (15) days of submitting the Form to the IRS, but no later than November 30 of each year for the prior tax year.

- (q) **Bylaws Submission.** Upon request, Contractor shall submit a copy of its bylaws and pertinent governance policies, which outline, as applicable, procedures related to ethics, conflicts of interest, whistleblower protections; document retention and destruction; gift and/or donations; executive compensation; and steps taken to safeguard the organization's tax-exempt status.
- (r) **Internal Controls.** Throughout the Term, Contractor should periodically complete an internal control self-assessment or survey so that Contractor can identify risks, implement appropriate internal controls, and incrementally improve the internal control system to reduce the risk of financial loss, reputational damage, and significant audit observations.
- (s) **Exempt Jurisdictions.** Contractor may enter into contracts with exempt jurisdictions (if applicable) for the payment of assessments or the provision of Services and Improvements to the District.
- (t) **Future Administrative Changes.** Contractor agrees to cooperate in good faith should the City make any further adjustments to its financial, compliance, and/or other processes to increase the efficiency or effectiveness of the City's PID program or comply with state, local, or federal law, rules, and regulations. Contractor understands that from time to time the City Council may adopt changes to its PID Policy. The Contractor shall comply with any amendments to the Dallas City Code and/or the City's PID Policy.
- (u) **Requests for Deadline Extensions.** Any requests for additional time to submit the deliverables outlined above and in **Exhibit E**, including but not limited to the quarterly financial, progress, and M/WBE reports; annual audit; and annual public meeting must be submitted in writing for consideration and approval by the Director or his or her designee prior to end of day on the contract deliverable due date. **UNLESS DIRECTOR OR THEIR ASSIGNEE PROVIDES CONTRACTOR WITH A PRIOR WRITTEN EXTENSION, THE FAILURE TO SUBMIT ANY QUARTERLY REPORT ITEM OUTLINED UNDER SECTION 4(u) FOR MORE THAN 30 DAYS SHALL CONSTITUTE A DEFAULT UNDER SECTION 18 OF THE CONTRACT.**
- (v) **Other Action.** Contractor shall take other actions reasonably necessary for the management of the District pursuant to the Service Plan and authorized by the Act and the provision of the Services and Improvements described herein to the property owners in the District.

**SECTION 5. Collection, Distribution, and Investment of Assessments.** The Dallas County Tax Office (the “County”) shall collect the annual assessments for the District pursuant to the terms of a separate contract between the City and the County (“Collection Contract”). Funds shall be accounted for and distributed to the Contractor as provided herein except as modified by Section 5(b):

- (a) ***Collection Service Fee.*** Pursuant to the Collection Contract (including collecting delinquent accounts) the County shall retain a fee (currently \$2.90 per account and subject to change by the County) as approved by City Council (the “Collection Service Fee”). The Collection Service Fee will be deducted each tax year. After the Collection Service Fee has been paid, subsequent collections will be transferred to the City and segregated into a separate District fund in the City treasury until disbursed to Contractor pursuant to Section 5(d), as required by state law.
- (b) ***Reimbursement of City Costs.*** Contractor shall be financially responsible for City costs related to processing the renewal application as well as annual expenses related to oversight of the District, including actual costs for the publication of legal notices, mailing, and City staff time spent monitoring and administering this Contract (i.e., attending District meetings, reviewing reports and audit, preparing tax rolls and City Council documents, collecting daily disbursements, preparing monthly disbursements, preparing year-end account statements, etc.) The City will retain the one-time renewal application fee of \$15,000.00 submitted by Contractor to cover City costs related to the renewal, with no refund to Contractor. Once the application fee is used, all additional City and administrative costs shall be netted out of assessment payments to be made by the City to Contractor or offset from Retainage (as defined below in Section 5(c)) funds following the City’s fiscal year close-out, and the City shall provide, within a reasonable time, a detailed accounting of all such costs to Contractor.
- (c) ***Retainage.*** The City will retain an additional five percent (5%) of the net assessments (the “Retainage”) for repayments, if any, required by the County in settlement of tax protests. Any Retainage funds remaining after any repayments shall be distributed by the City to Contractor within a reasonable period following the City’s overall financial year close out. If Retainage funds are not sufficient to address repayments, any additional funds needed will be provided by Contractor as described in Section 5(e). Delinquent assessments collected after the District has been dissolved may also be retained by the City, however, the retention of such assessments shall be used to reimburse the County for repayment to any taxpayer who is legally entitled to a refund of all or a portion of an assessment and any interest required by law to be paid.
- (d) ***Disbursements.*** The disbursement of assessments to the Contractor is not authorized unless the Contract is executed by the Parties as of the Effective Date, and Contractor shall not seek or accept such unauthorized disbursement. The City will authorize the transfer of assessments net of Retainage and Collection Service Fees to County to an account of

Contractor by Automated Clearing House, wire transfer, or other means mutually agreed to by the City and Contractor. With the exception of the Collection Services Fee and Retainage, the City will transfer the Funds to Contractor at least thirty (30) to forty-five (45) calendar days from the end of the previous month. The Contractor bank account shall be a separate account used only for District assessments, to ensure that District assessments are not commingled with other Contractor funding sources.

- (e) ***Refunds to Property Owners.*** If necessary, at any time during the Service Plan year including after reimbursement by the City of funds retained under Section 5(c), Contractor shall make available to the County or to the City sufficient funds to reimburse the County or repay any taxpayer who is legally entitled to a refund of all or a portion of an assessment and any interest required by law to be paid. Contractor is wholly responsible for any and all such disbursements. In addition, Contractor understands and agrees that the City does not warrant or guarantee that the assessment to be levied by the City will be upheld as valid, lawful, enforceable or constitutional in the event the statutory authority for same is challenged by court action. In the event any such court action results in a repayment obligation to property owners in the District, Contractor shall be solely responsible for such repayment without recourse to the City, and without any obligation by the City to pay Contractor. City (if notified by the County Tax Office) shall make a good faith effort to timely notify Contractor of such potential situations (including, but not limited to, lawsuits and tax protests) so that Contractor is aware of the reserve needed to cover any such refunds and interests.
- (f) ***Investment of District Assessments.*** If the District elects to invest assessments, then, Contractor will invest the District assessments received from the City and any income earned on those assessments in accordance with the investment policies and strategies prescribed in the Public Funds Investment Act, pursuant to Chapter 2256 of the Texas Government Code to achieve the following investment objectives, in order of priority: (i) understanding of the suitability of the investment to the financial requirements of the entity; (ii) preservation and safety of principal; (iii) liquidity; (iv) marketability of the investment if the need arises to liquidate the investment before maturity; (v) diversification of the investment portfolio; and (vi) yield. In addition, Contractor shall comply with the City of Dallas Investment Policy adopted by the City Council on November 13, 2024, by Resolution No. 24-1619, as may be amended from time to time, and attached hereto as **Exhibit F**. The assessments and any interest or other income earned on such public funds shall be used by Contractor for Allowable Costs. Additional assessments collected, which exceed the total budget approved for the Petitioned Service Plan (**Exhibit A**), and any interest or other income earned thereon, are subject to the prohibition on over-collection of assessments outlined in Section 4(k).

**SECTION 6. Ethics; Conflicts of Interest; Prohibited Financial Interests.** Contractor shall follow ethics requirements outlined in City's PID Policy. Additionally, no board member, board directors, officer, or employee of Contractor shall use their position, the Services, the Funds, the

petition process, or the Services and Improvements for impermissible private benefit as defined by Section 501(c)(3) of the Internal Revenue code and the Regulations thereunder or private inurement as interpreted by revenue rulings and case law.

- (a) ***Prohibited Conflicts of Interest.*** Contractor and its employees, agents, or associates are required to make regular, timely, continual, and full disclosures to the Director of all significant outside interests and responsibilities that may give rise to a direct conflict of interest, including, but not limited to, any and all significant outside interests and responsibilities that could reasonably be expected to impair independence of judgment in Contractor's performance of the Services or delivery of the Services and Improvements under this Contract. Such disclosures must be made no later than ten (10) days following Contractor's receipt of notice or becomes aware of the event giving rise to the potential or actual conflict of interest for the duration of the Term. A potential or actual conflict of interest exists when commitments and obligations to the City or widely recognized professional norms are likely to be compromised in Contractor's performance of the Services or delivery of the Services and Improvements by the existence of Contractor's other professional relationships, contracts, obligations, or commitments. Failure to disclose such a conflict of interest may result in a Default under Section 18 of the Contract.
- (b) ***Prohibited personal benefits to others.*** To avoid a conflict of interest, in providing the Services or delivering the Services and Improvements, Contractor's board members, board directors, officers, or employees shall not use their position to take, or refrain from taking, action on behalf of the Contractor that will knowingly result in a personal benefit to such director, officer or employee.
- (c) ***Prohibited Financial Interests.*** The following section of the Charter of the City of Dallas shall be one of the conditions, and a part of, the consideration of this Contract, to wit:

**“CHAPTER XXII. Sec. 11. FINANCIAL INTEREST OF EMPLOYEE OR OFFICER PROHIBITED –**

- (a) No city official or employee shall have any financial interest, direct or indirect, in any contract with the city, or be financially interested, directly or indirectly, in the sale to the city of any land, materials, supplies or services, except on behalf of the city as a city official or employee. Any violation of this section shall constitute malfeasance in office, and any city official or employee guilty thereof shall thereby forfeit the city official's or employee's office or position with the city. Any violation of this section, with knowledge, express or implied, of the person or corporation contracting with the city shall render the contract involved voidable by the city manager or the city council.
- (b) The alleged violations of this section shall be matters to be determined either by the trial board in the case of employees who have the right to appeal to the trial board, and by the city council in the case of other employees.

- (c) The prohibitions of this section shall not apply to the participation by city employees in federally-funded housing programs, to the extent permitted by applicable federal or state law.
- (d) This section does not apply to an ownership interest in a mutual or common investment fund that holds securities or other assets unless the person owns more than 10 percent of the value of the fund.
- (e) This section does not apply to non-negotiated, form contracts for general city services or benefits if the city services or benefits are made available to the city official or employee on the same terms that they are made available to the general public.
- (f) This section does not apply to a nominee or member of a city board or commission, including a city appointee to the Dallas Area Rapid Transit Board. A nominee or member of a city board or commission, including a city appointee to the Dallas Area Rapid Transit Board, must comply with any applicable conflict of interest or ethics provisions in the state law the Dallas City Code, and the Dallas City Charter.”
- (d) **Gift to Public Servant.** It shall constitute a Default under Section 18 of the Contract if Contractor has offered or agreed to confer any benefit upon a City employee or official that the City employee or official is prohibited by law from accepting. For purposes of this action, “benefit” means anything reasonably regarded as pecuniary gain or pecuniary advantage, including benefit to any other person in whose welfare the beneficiary has a direct or substantial interest, but does not include a contribution or expenditure made and reported in accordance with law.
- (e) **Removal.** Notwithstanding any other legal remedies, City may require Contractor to remove any board member, director, officer, employee, or person having management or supervisory responsibility of Contractor from the District who has violated the restrictions of this Section or any similar state or federal law, and obtain reimbursement for any expenditures using the Funds in violation of this Section.”

**SECTION 7. Notice of Contract Claim.** This Contract is subject to the provisions of Section 2-86 of the Dallas City Code, as amended, relating to requirements for filing a notice of a breach of contract claim against City. Section 2-86 of the Dallas City Code, as amended, is expressly incorporated by reference and made a part of this Contract as if written word for word in this Contract. Contractor shall comply with the requirements of this ordinance as a precondition of any claim relating to this Contract, in addition to all other requirements in this Contract related to claims and notice of claims.

**SECTION 8. Offset.** City may, at its option, offset any amounts due and payable under this Contract against any debt (including taxes or assessments) lawfully due to City from Contractor,

regardless of whether the amount due arises pursuant to the terms of this Contract or otherwise and regardless of whether or not the debt due to City has been reduced to judgment by a court.

**SECTION 9. No Partnership or Joint Venture.** It is specifically understood that the relationship described in this Contract between Contractor and the City is contractual in nature and is not to be construed to create an agency, partnership, joint or co-employer, or joint venture relationship between Contractor and the City; nor shall one Party be liable for any debts incurred by the other Party in the conduct of such other Party's business or function. Contractor shall have no authority, express or implied, to act as agent of City or any of its affiliates for any purpose. Further, City shall not be liable for any actions or inactions of Contractor. City and Contractor shall not be construed to be joint tortfeasors.

**SECTION 10. Independent Contractor.** Contractor's status shall be that of an independent contractor and not an officer, agent, servant, employee, or representative of City in the performance of the Services or delivery of the Services and Improvements under this Contract. Contractor shall exercise independent judgment in performing duties under this Contract and shall have exclusive control of, and the exclusive right to control the details of the work and Services, and all persons performing same, and shall be responsible for the acts and omission of its officers, members, agents, servants, employees, contractors, clients, licensees or invitees. No term or provision of this Contract or act of Contractor in the performance of this Contract shall be construed as making Contractor the officer, agent, servant, or employee of City, or making Contractor or any of its employees eligible for the fringe benefits, such as retirement, insurance, and worker's compensation, which City provides its employees.

**SECTION 11. Subcontractor Monitoring.** Contractor shall develop a monitoring plan for each Subcontractor and conduct routine monitoring and risk assessments of all Subcontractors and their delegated activities related to this Contract. Contractor shall conduct non-routine monitoring, as needed. Contractor shall file compliance reports with City as may be required by the Director or their designee. Notwithstanding the foregoing language, Contractor shall be solely responsible for the performance and delivery of the Services required hereunder.

**SECTION 12. Business Inclusion and Development Plan.** Consistent with **Exhibit D**, Contractor to the extent permitted by law agrees to:

- i) meet the M/WBE inclusion goals set forth in **Exhibit D** with respect to the contracts over \$50,000 it awards in providing Services and Improvements with Funds; or
- ii) shall demonstrate and document a good faith effort to include the participation of M/WBE set forth in (i) with respect to the contracts over \$50,000 it awards for providing the Services and Improvements to the District. Contractor agrees to cooperate in good faith should the City make any further adjustments to its Business Inclusion and Development Policy.

### **SECTION 13. Nondiscrimination.**

- (a) Contractor shall not discriminate against any employee or applicant for employment because of any protected characteristic under Title VII of the Civil Rights Act of 1964 or the Texas Labor Code, as amended. Contractor shall take affirmative action to ensure that applicants are employed and that employees are treated during their employment without regard to any of their protected characteristic(s) under Title VII of the Civil Rights Act of 1964 or the Texas Labor Code, as amended. This action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection of training, including apprenticeship. Contractor shall also comply with all applicable requirements of the Americans with Disabilities Act, 42 U.S.C.A. §§ 12101-12213, as amended. Contractor agrees to post in conspicuous places a notice, available to employees and applicants, setting forth the provisions of this non-discrimination clause.
- (b) Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of FRI, state that all qualified applicants will receive consideration for employment without regard to any protected characteristic under Title VII of the Civil Rights Act of 1964 or the Texas Labor Code, as amended.
- (c) Contractor shall furnish all information and reports required by the Director and shall permit the Director to review its payrolls and personnel records which pertain to current contracts with City for purposes of ascertaining compliance with this Section.
- (d) Contractor shall file compliance reports with City as may be required by the Director or his/her designee. Compliance reports must be filed within the time prescribed by the Director or their designee, must contain information as to the employment practices, policies, programs, and statistics, and must be in the form that the Director or their designee prescribes.
- (e) Contractor's failure to comply with the equal employment opportunity provisions of this Contract shall constitute a Default under Section 18 of this Contract and remedies of City are set forth in Section 18 and specifically include declaring the Contractor ineligible for further City contracts until Contractor is determined to be in compliance.

**SECTION 14. Assignment.** Contractor has the right to sell, assign, transfer, or convey this Contract, in whole or in part, only with the prior written consent of Director. As an express condition of consent to any assignment, Contractor shall remain liable for completion of the Services or delivery of the Services and Improvements in the event of Default (as defined in Section 18(a)) by the assignee. Any attempted assignment of same without approval shall be void and shall constitute a breach of this Contract.

**SECTION 15. Insurance.** Contractor shall obtain and carry in full force and effect throughout the Term of this Contract, in a good and solvent, nationally known insurance company (or companies) licensed to do business in the State of Texas, the minimum insurance coverage contained in **Exhibit G**, and Contractor shall require reasonable insurance coverage from its contractors hired to provide Services or deliver the Services and Improvements to the District.

Contractor and its subcontractors (if any are utilized) shall each furnish (i) a completed insurance industry standard Certificate of Insurance, and (ii) sufficient evidence of conformity to City's requirements for insurance coverage (consisting of copies of applicable insurance policies and insurance policy endorsements) to City's Risk Management department ("Risk Management"), for review. The Certificate of Insurance shall be completed by an agent authorized to bind the named underwriter to the coverages, limits, and termination provisions shown in the Certificate. The evidence of conformity shall furnish and contain all required information referenced or indicated under City's insurance requirements to show that the required coverages exist. **CITY SHALL HAVE NO DUTY TO EXECUTE OR PERFORM UNDER THIS CONTRACT UNTIL THE CERTIFICATE AND SUFFICIENT EVIDENCE OF CONFORMITY TO CITY'S INSURANCE REQUIREMENTS SHALL HAVE BEEN DELIVERED AND APPROVED BY RISK MANAGEMENT, AND NO CITY OFFICER OR EMPLOYEE SHALL HAVE AUTHORITY TO WAIVE THIS REQUIREMENT.**

**SECTION 16. INDEMNIFICATION.**

CONTRACTOR AGREES TO DEFEND, FULLY INDEMNIFY, AND HOLD HARMLESS, THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, AGENTS, REPRESENTATIVES, AND EMPLOYEES, FROM AND AGAINST ANY AND ALL COSTS, ALLEGED OR ACTUAL CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND COURT COSTS), FEES, FINES, PENALTIES, PROCEEDINGS, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND LAWSUITS FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, OR OTHER HARM OF ANY KIND, MADE UPON THE CITY, DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATED TO THE SERVICES OR THIS CONTRACT, INCLUDING ANY BREACH, VIOLATION OF LAW, FALSE REPRESENTATION OR WARRANTY, ACT OR OMISSION OF CONTRACTOR, ITS DIRECTORS, OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, OR SUBCONTRACTORS; EXCEPT THAT THE INDEMNITY PROVIDED FOR IN THIS SECTION SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE NEGLIGENCE OR FAULT OF THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, AGENTS, REPRESENTATIVES, OR SEPARATE CONSULTANTS.

THE OBLIGATIONS OF CONTRACTOR UNDER THIS SECTION ARE AT ITS SOLE EXPENSE, BY OR THROUGH ATTORNEYS THAT DO NOT HAVE A CONFLICT OF INTEREST WITH THE CITY AND ARE OTHERWISE SATISFACTORY TO THE CITY. THE CITY SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONTRACTOR SHALL BE LIABLE FOR ALL COSTS INCURRED BY

CITY. THE CITY SHALL ALSO HAVE THE RIGHT, AT ITS OPTION, TO BE REPRESENTED BY ADVISORY COUNSEL OF ITS OWN SELECTION AND AT ITS OWN EXPENSE, WITHOUT WAIVING ANY OF THE FOREGOING.

THE CITY IS NOT AND SHALL NOT BE LIABLE FOR ANY DEBTS OR OBLIGATIONS OF CONTRACTOR, INCLUDING AN OPERATING DEFICIT THAT MAY ARISE. CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS AGAINST ANY COST, CLAIM, EXPENSE, LIABILITY, AWARD OR JUDGMENT ARISING IN WHOLE OR IN PART OUT OF, OR ALLEGED TO ARISE IN WHOLE OR IN PART OUT OF THE OPERATIONS OR ACTIVITIES OF CONTRACTOR. THE CITY MAY SET-OFF AND APPLY AGAINST ANY SUCH CLAIM (OR AGAINST THE CITY'S COST OF DEFENDING AGAINST ANY SUCH CLAIM) ANY AMOUNT THE CITY OWES CONTRACTOR.

THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY AND SHALL SURVIVE THE TERMINATION OR EXPIRATION OF THE TERM OF THIS CONTRACT.

NOTHING IN THIS SECTION 16 SHALL BE DEEMED TO BE OR CONSTITUTE A WAIVER OF ANY RIGHTS OF CONTRACTOR UNDER APPLICABLE LAW.

#### **SECTION 17. Compliance with the TPIA.**

- (a) The Parties acknowledge that the Services, Improvements and Service Plan Records are governed by the Texas Public Information Act, codified in Texas Government Code, Chapter 552 ("TPIA"). Upon the City's written request, Contractor agrees to make available to the City the Service, Improvements, or Service Plan Records retained as set forth in Section 4(d). The Parties acknowledge that the City cannot guarantee that any information the City receive will be kept confidential, and this Contract is not a basis to withhold information from required public disclosure under the TPIA. The City will, to the extent permissible under the TPIA, subpoena, court order, search warrant, or legal process, take appropriate measures to comply with all applicable laws and regulations with respect to any confidential information which may be obtained by the City and City staff from Contractor. The City acknowledges that Contractor may possess certain sensitive, private information gathered from its clients, employees, business partners, and other entities. The Parties agree, represent, and warrant to take appropriate precautions not to disclose confidential information except as provided in this Contract or as required by the TPIA, subpoena, court order, search warrant, or legal process. Contractor understands that the City is required to comply with the TPIA as interpreted by judicial ruling and opinions of the Attorney General of the State of Texas, when responding to open records requests made under TPIA. If the City receives a request for information related to Contractor or this Contract, including information regarding expenditure of the Funds, Contractor shall provide such information to the City within three (3) business days after receiving the request for the information from the City to permit the City to evaluate whether such

information must be disclosed under the TPIA. If the City receives a request for information that the City considers, in its sole discretion, may be exempted from public disclosure or to which the TPIA does not apply, the City may seek a decision from the Texas Attorney General's Office. The Parties acknowledge that the TPIA requires a letter brief to be submitted to the Texas Attorney General's Office that includes a copy of the requested information and explains why the claimed exceptions apply to the requested information. Nothing in this Contract should be interpreted to create an obligation for the City to submit a letter brief to the Texas Attorney General's Office on behalf of Contractor. Should the City determine no brief will be submitted, City shall make a good faith effort to notify Contractor in accordance with the TPIA to allow Contractor to timely submit a letter brief. The City shall only be responsible for providing such additional supporting information, if requested by the Texas Attorney General's Office, which is in the City's sole possession. Should the Texas Attorney General determine that all or part of the information must be disclosed, the City shall comply with such determination unless Contractor successfully challenges the Texas Attorney General in accordance with the requirements of the TPIA. Contractor bears the burden of demonstrating to the satisfaction of the Texas Attorney General's Office that the information should not be disclosed in accordance with the TPIA. Nothing in this Contract shall require the City to institute, participate in, or fund any litigation or proceeding that relates to a request for information that Contractor desires to withhold from release.

- (b) The requirements of TPIA, Subchapter J apply to this Contract and Contractor agrees that notwithstanding Section 17, it is a Default by Contractor under this Contract if Contractor knowingly or intentionally fails to comply with a requirement of TPIA, Subchapter J. Furthermore, the City may not accept a contract described by section 552.371 of the TPIA or award a contract to an entity if the City determines such entity has knowingly or intentionally failed to comply with TPIA, Subchapter J in a previous bid or contract, described by section 552.371 of the Act, unless the City determines and documents that such entity has taken adequate steps to ensure future compliance with the requirements of TPIA, Subchapter J.

#### **SECTION 18. Events of Default, Termination, and Recapture.**

- (a) ***Contractor Default.*** Both Parties are executing this Contract in good faith and with the intent that all provisions contained herein shall be met. A default shall exist if any one or more of the following (a "Default") occurs:
  - (i) Contractor fails to timely perform, observe, or otherwise breaches any term, condition, obligation or covenant contained herein;
  - (ii) Contractor fails to submit or obtain City Council approval of an annual Service Plan for the District;

- (iii) Contractor fails to maintain the General and Administrative Expenses cap or restrict the use of the Funds for Allowable Costs related to Services and Improvements;
- (iv) Contractor fails to comply with the TPIA, the PID Policy, applicable provisions of the Dallas City Code, or the Act;
- (v) Contractor is convicted of a violation under 8 U.S.C. Section 1324a; and/or
- (vi) Any statement, warranty or representation contained herein is reasonably determined by City to be false.

(b) ***Notice of Default and Cure Period.*** For a Default, other than one that poses an imminent hazard or threat to health and safety, the City shall provide written notice to Contractor of such Default and shall provide up to thirty (30) calendar days as a corrective action period (“Cure Period”). During the Cure Period, Contractor has the opportunity to show that either the Contractor was never in Default or that the event of Default has been corrected and will not reoccur. Sufficient documentation of correction of the Default must be received by the City during the Cure Period for an event to be considered corrected during the Cure Period. A Default that remains uncured after the applicable Cure Period is deemed an “Uncured Default.”

(c) ***Remedies of City.*** In the event of an Uncured Default, City shall have the right to elect any or all of the following actions in its sole discretion:

- (i) Terminate this Contract effective immediately upon written notice of such intent to Contractor and demand immediate repayment by Contractor of any portion of the Funds paid pursuant to this Contract that have not been expended in accordance with the Act and as authorized by this Contract, and said portion of the Funds shall be immediately due and payable by Contractor without further or additional notice, and any amount due and owing to the City after the demand date by the City shall accrue interest at the maximum rate of interest allowed by law. In the event of termination of this Contract under this clause, any Funds available but unpaid to Contractor pursuant to this Contract shall be immediately rescinded and Contractor shall have no further right to such Funds; and/or
- (ii) Pursue any other legal remedies available at law or equity, including but not limited to injunction or specific performance; and/or
- (iii) Recover Recapture Liability, as described herein. In the event of an Uncured Default, all Funds that have been paid to Contractor will automatically become a debt to the City from Contractor and shall be due, owing and paid to the City by Contractor within thirty (30) days of the expiration of the Cure Period. In the event of a Default under clause (v) in Section 18(a), Contractor shall repay City in

accordance with **Exhibit H**, “Certification Regarding the Employment of Undocumented Workers.”

- (e) **Damages, Attorney's Fees, and Court Costs.** Contractor does hereby grant to City the right to prosecute or take appropriate action, at law or in equity, against Contractor to recover any Funds amount or to enforce any other covenant or agreement contained in this Contract. If the City prevails in a legal proceeding against Contractor, the City is further entitled to recover damages, reasonable attorney's fees, and court costs from Contractor.
- (f) **Termination by Default.** Contractor shall cease performing all Services under this Contract upon the date specified in a notice of termination. In addition to termination, the City shall recover those portions of the Funds, including interest or other income earned on such public funds that exceed the General and Administrative Expenses cap or that are not spent on Allowable Costs, plus any other damages suffered by the City as a result of Contractor's Default. Contractor may invoice City for all Services completed in accordance with the Contract: (i) prior to the date specified in the notice of termination; or (ii) after termination of this Contract if such services are necessary to perform its duties under this Contract, the Act, or other applicable local, state or federal law in dissolving the District. In addition, the City may approve compensation for reasonable expenditures under existing service contracts during the pendency of the termination notice period and reasonable expenditures required to complete capital improvements but only if such capital improvement is an Allowable Cost initiated prior to Contractor's receipt of a notice to terminate and sufficient Funds are available to complete such capital improvement. The City shall not approve compensation for any capital improvement carryovers for projects that: (i) are not initiated prior to the termination notice; (ii) are not an Allowable Costs, or (iii) lack sufficient Funds. A previous payment or approval of payment of all or any portion of the Funds by City shall not be deemed a waiver of the City's rights under this Section. Any express waiver by the City of a violation by Contractor shall not be deemed to waive any subsequent violation by Contractor. Payments for Allowable Costs are limited to available Funds and must be in accordance with the Service Plan. Upon termination, Contractor, at its sole expense, shall provide Service Plan Records for the immediately preceding five- (5) year period to the City.

**SECTION 19. Notice.** Except as otherwise provided in Section 8, any notice, payment, statement, or demand required or permitted to be given under this Contract by either Party to the other may be affected by personal delivery in writing or by mail, postage prepaid. Mailed notices shall be addressed to the Parties at the addresses appearing below, but each Party may change its address by written notice in accordance with this Section. Mailed notices shall be deemed communicated as of three (3) days after mailing or to such other addresses as the Parties may request, in writing, from time to time:

If to Contractor:

If to the City:

Ferguson Road Initiative  
 PO BOX 570417  
 Dallas, TX 75357

City of Dallas  
 Attn: Director  
 1500 Marilla Street, Rm 6DN  
 Dallas, TX 75201

**SECTION 20. Right of Review and Audit.** In addition to the annual financial audit required under Section 4(o), the Contractor shall submit to a financial, operational or compliance audit, at Contractor's sole expense, by any auditor of the City's choosing, of all Service Plan Records related to the performance of the Services and the Services and Improvements acquired under this Contract. Contractor shall retain such records for a minimum of five (5) years following the expiration or termination of this Contract. Any payment, settlement, satisfaction, or release provided under this Contract shall be subject to City's rights as may be disclosed by such audit. Contractor agrees to provide such assistance as may be necessary to facilitate such an audit to ensure compliance with the Act, the Service Plan, and the PID Policy or to determine whether Contractor has committed any acts prohibited under this Contract or by state, federal, or local law, rule or regulation. Contractor shall use best efforts to include in subcontractor agreements entered into by Contractor for the performance of any work by subcontractor in connection with Services performed and the Services and Improvements acquired under this Contract a provision requiring subcontractor to retain all records, documentation, and correspondence relating to subcontractor's performance of its services under subcontractor agreements. The reasonable estimated costs of an audit under this Section 20 may be paid from funds held in reserve in accordance with the Section 4(l).

**SECTION 21. Compliance with Laws and Regulations.** This Contract is entered into subject to and controlled by the Charter and ordinances of the City of Dallas and all applicable laws, rules, and regulations of the State of Texas and the Government of the United States of America. Contractor shall, during the course of performance of this Contract, comply with all applicable City codes and ordinances, as amended, and all applicable state and federal laws, rules and regulations, as amended.

Notwithstanding any other legal remedies, the City may require Contractor to remove any officer, director, employee, or person having management or supervisory responsibility of Contractor from the District who has been found guilty, pled nolo contendere, or agreed to deferred adjudication in connection with the commission (or alleged commission) of fraud, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or violating local, state, or federal law involving a crime of moral turpitude (e.g., swindling, blackmail, bank fraud, mail fraud, or conspiracy to bribe a public official), insurrection, or domestic terrorism.

**SECTION 22. Duty to Execute.** Contractor understands and agrees that this Contract is entered into as permitted by the Charter, ordinances of the City of Dallas, the Act, and other applicable state and federal laws, rules and regulations, each of which may be amended from time to time. To the extent any such requirement is not otherwise set forth herein, Contractor agrees to execute such amendments, agreements, or documents as may be necessary, proper, or reasonably required

– in the City's sole but reasonable discretion - to comply with local, state or federal laws, rules and regulations.

**SECTION 23. Venue.** The obligations of the Parties to this Contract shall be performable in Dallas County, Texas, and if legal action is necessary in connection with or to enforce rights under this Contract, exclusive venue shall lie in Dallas County, Texas.

**SECTION 24. Governing Law.** This Contract shall be governed by and construed in accordance with the laws and court decisions of the State of Texas, without regard to conflict of law or choice of law principles of Texas or of any other state.

**SECTION 25. Legal Construction.** In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Contract, and this Contract shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this Contract.

**SECTION 26. Miscellaneous.** Contractor hereby represents that (i) it does not engage in business with Iran, Sudan or any foreign terrorist organization and (ii) it is not listed by the Texas Comptroller under Section 2252.153, Texas Government Code, as a company known to have contracts with or provide supplies or services to a foreign terrorist organization. As used in the immediately preceding sentence, "foreign terrorist organization" shall have the meaning given such term in Section 2252.151, Texas Government Code.

**SECTION 27. Counterparts.** This Contract may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument. If this Contract is executed in counterparts, then it shall become fully executed only as of the execution of the last such counterpart called for by the terms of this Contract to be executed.

**SECTION 28. Captions.** The captions to the various clauses of this Contract are for informational purposes only and shall not alter the substance of the terms and conditions of this Contract.

**SECTION 29. Successors and Assigns.** This Contract shall be binding upon and inure to the benefit of the Parties and their respective successors and, except as otherwise provided in this Contract, their assigns.

**SECTION 30. Entire Contract; No Oral Modifications.** This Contract (with all referenced exhibits, attachments, and provisions incorporated by reference) embodies the entire agreement of both Parties, amending, restating, and superseding all oral or written previous and contemporary agreements between the Parties relating to matters set forth in this Contract. Except as otherwise provided elsewhere in this Contract, this Contract cannot be modified without written supplemental agreement executed by both Parties.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGE.]**

**EXECUTED** on November 18, 2025, and effective as of the 1st day of January 2026 (the "Effective Date"), by City, signing by and through its City Manager, duly authorized to execute same by Resolution No. 25-0870 approved by the City Council on May 28, 2025, and by Contractor, acting through its authorized officials.

**APPROVED AS TO FORM:**

Tammy Palomino  
City Attorney

BY: Elena Ruiz  
Elena Ruiz (Nov 18, 2025 17:38:07 CST)  
Assistant City Attorney *VB*

**CITY OF DALLAS**

Kimberly Tolbert  
City Manager

BY: Robin Bentley  
Robin Bentley (Oct 22, 2025 15:08:25 CDT)  
Robin Bentley  
Assistant City Manager

**RECOMMENDED BY DIRECTOR:**

BY: Kevin Spath  
Kevin Spath (Nov 18, 2025 14:12:39 CST)  
Kevin Spath, Director  
Office of Economic Development

**CONTRACTOR:**

**FERGUSON ROAD INITIATIVE,**  
a Texas nonprofit corporation

BY: Vikki J. Martin  
Vikki J. Martin (Oct 22, 2025 15:08:25 CDT)  
NAME: Vikki J. Martin  
ITS: Executive Director

**Attachments:**

**Attachment 1** - Resolution No. 25-0870 approved on May 28, 2025

**Attachment 2** - Approved Petition

**Exhibits:**

- Exhibit A** – Petitioned Service Plan
- Exhibit B** – Quarterly Financial Report Form
- Exhibit C** – PID Quarterly Progress Report Form
- Exhibit D, D1, D2** – M/WBE Documents
- Exhibit E** – Schedule of Contract Deliverables
- Exhibit F** – City of Dallas Investment Policy Resolution No. 24-0549 excerpt
- Exhibit G** – Insurance Requirements
- Exhibit H** – Certification Regarding the Employment of Undocumented Workers



City of Dallas

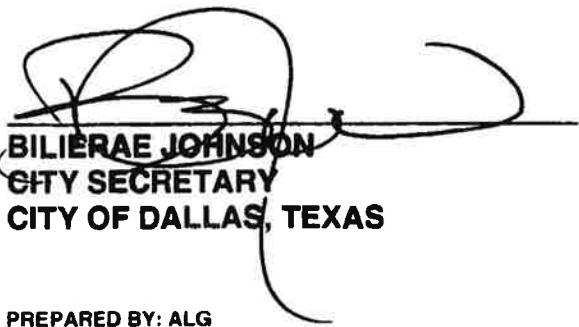
**STATE OF TEXAS** §  
**COUNTY OF DALLAS** §  
**CITY OF DALLAS** §

I, **BILIERAE JOHNSON**, City Secretary of the City of Dallas, Texas, do hereby certify that the attached is a true and correct copy of:

**RESOLUTION NO. 25-0870**

which was passed by the Dallas City Council on **May 28, 2025**.

WITNESS MY HAND AND THE SEAL OF THE CITY OF DALLAS, TEXAS, this the **30<sup>th</sup>** day of **May, 2025**.

  
**BILIERAE JOHNSON**  
**CITY SECRETARY**  
**CITY OF DALLAS, TEXAS**

PREPARED BY: ALG



**Dallas County  
John F. Warren  
Dallas County Clerk**

**Instrument Number:** 202500113621

eRecording - Real Property

Recorded On: June 03, 2025 08:06 AM

Number of Pages: 10

**" Examined and Charged as Follows: "**

Total Recording: \$57.00

\*\*\*\*\* THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\*

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY  
because of color or race is invalid and unenforceable under federal law.

**File Information:**

Document Number: 202500113621  
Receipt Number: 20250602000184  
Recorded Date/Time: June 03, 2025 08:06 AM  
User: Roger J  
Station: CC150

**Record and Return To:**

CSC Global

**STATE OF TEXAS  
COUNTY OF DALLAS**

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time  
printed hereon, and was duly RECORDED in the Official Records of Dallas County, Texas.

John F. Warren  
Dallas County Clerk  
Dallas County, TX




**Far East Dallas Public Improvement District (District)  
Petition for Creation**

The undersigned ("Petitioner") who owns or are authorized representatives of real property in the proposed **Far East Dallas Public Improvement District** ("District"), which includes property located within the city limits, respectfully files this petition (the "Petition") requesting the Dallas City Council (the "City Council") create the "District" as described and depicted in **Exhibit A** and in accordance with Texas Local Government Code, Chapter 372 (the "Act").

**SECTION I: PROPERTY INFORMATION****Property Address:**

(Street address, City, State, Zip code)

**DCAD Account Number\*****Named Owner per DCAD\****\* Additional addresses and DCAD accounts may be attached for other properties on Exhibit C.***IS THE NAMED OWNER AN INDIVIDUAL(S) OR AN ENTITY? CHECK ONE:**

- A. INDIVIDUAL PERSON(S) (If checked, proceed to Section II A.)
- B. ENTITY (I.E., CORPORATION, LIMITED LIABILITY COMPANY, ETC). (If checked, proceed to Section II B.)

**SECTION II: PETITION APPROVAL (ONLY SIGN ONCE BELOW)****A. IF OWNER IS AN INDIVIDUAL(S), READ AND SIGN BELOW:**

The Petitioner, whose signature appears herein, represents, and warrants that they are the property owner named in this Petition and/or listed on **Exhibit C**, and that they request or concur with the proposed District creation. With respect to community property, the City may accept the signature of a spouse as a representation of both spouses that they support the proposed District creation absent a separate property agreement. However, if staff is made aware of any disagreement between the owners of community property those petitions will not be counted.

Owner Signature \_\_\_\_\_ Date \_\_\_\_\_

**B. IF OWNER IS AN ENTITY, READ AND SIGN BELOW (DO NOT SIGN SECTION II.A ABOVE):**

**VERIFICATION OF SIGNATORY AUTHORITY:** I, the undersigned, am duly authorized to sign for the Entity, property accounts, and addresses named above and/or listed in **Exhibit C** and by executing this Petition, I hereby certify on behalf of the Entity that I have the authority to legally bind the Entity and to execute this Petition requesting or concurring with the proposed District creation on behalf of the Entity. I affirm that such binding authority has been granted by the Entity.

Signature of Authorized Signatory \_\_\_\_\_ Date \_\_\_\_\_

Printed Name of Authorized Signatory \_\_\_\_\_

Title of Authorized Signatory \_\_\_\_\_

**SECTION III: CONTACT INFORMATION**

Email: \_\_\_\_\_ Daytime Phone: \_\_\_\_\_

**Original executed petitions should be returned on or before January 15, 2025 to:**

Far East Dallas Public Improvement District, Attn: Vikki Martin

PO Box 570417, Dallas, TX 75357

214-324-5116

**Far East Dallas Public Improvement District (District)  
Petition for Creation**

**Exhibit C**  
Additional Properties

This Exhibit C is an extension of the Far East Dallas Public Improvement District Petition signed by the Petitioner. By signing this Petition, the Petitioner represents that they also are the owner of or have the authority to sign as the Authorized Representative for, each property listed below.

<b>DCAD Account Number:</b>	<b>Owner Name:</b>
<b>Property Address:</b> (Street address, City, State, Zip code)	
<b>DCAD Account Number:</b> _____ <b>Owner Name:</b> _____	
<b>Property Address:</b> (Street address, City, State, Zip code)	
<b>DCAD Account Number:</b> _____ <b>Owner Name:</b> _____	
<b>Property Address:</b> (Street address, City, State, Zip code)	
<b>DCAD Account Number:</b> _____ <b>Owner Name:</b> _____	
<b>Property Address:</b> (Street address, City, State, Zip code)	
<b>DCAD Account Number:</b> _____ <b>Owner Name:</b> _____	
<b>Property Address:</b> (Street address, City, State, Zip code)	
<b>DCAD Account Number:</b> _____ <b>Owner Name:</b> _____	
<b>Property Address:</b> (Street address, City, State, Zip code)	
<b>DCAD Account Number:</b> _____ <b>Owner Name:</b> _____	
<b>Property Address:</b> (Street address, City, State, Zip code)	

Original executed petitions should be returned on or before January 15, 2025 to:

Far East Dallas Public Improvement District, Attn: Vikki Martin

PO Box 570417, Dallas, TX 75357

214-324-5116

**Far East Dallas Public Improvement District (District)  
Petition for Creation**

**Original executed petitions must be signed on or by January 15, 2025, and can be returned in one of the following ways:**

1. DocuSign
2. Mailed to:  
Far East Dallas Public Improvement District, Attn: Vikki Martin  
PO Box 570417, Dallas, TX 75357
3. FRI Staff pick up from you

By signing this petition, Petitioner agrees to pay a special assessment to be levied against his/her/their property for proposed services and improvements to be provided by Ferguson Road Initiative (FRI) for the Far East Dallas Public Improvement District (the "District"). Petitioner further agrees and concurs with all the following concerning the proposed District creation and assessment method, including excluded property as detailed herein:

1. **General Nature of the Proposed Services and Improvements.** The purpose of the assessments to be levied in the District is to supplement and enhance services provided to or for the District's benefit including, but not limited to: public safety and enhanced security, beautification, recreation, common area improvements permissible under the Act, capital improvements, trail improvements, distinctive lighting and signage, business recruitment, and development to promote the area in and around the District, marketing and promotional activities, and related expenses incurred to establish, administer, and operate the District as authorized by the Act and City Council. To the extent of a conflict between the proposed permissible services and improvements reference in this Petition, the Service Plan, and the Act, the Act shall prevail.
2. **Estimated Cost of the Proposed Services and Improvements; No Bonded Indebtedness.** During the seven (7) year term of the District, the annual cost of proposed services and improvements to be provided by Far East Dallas Public Improvement District is expected to begin at approximately \$792,250.00 in 2026 and to end at \$2,384,040.00 in 2032. The total estimated net assessment revenue to be collected during the seven-year period is approximately \$10,014,589.00. The District shall not incur bonded indebtedness. The seven (7) year budget detailing the estimated cost per year and the total estimated costs for the entire term (the "Service Plan") is attached as **Exhibit B**. The proposed services and improvements cost shall be paid solely from assessment funds or sources other than additional City funds.
3. **Proposed District Boundaries.** The proposed District boundary is located wholly within the City of Dallas, Texas, a Texas home-rule municipality. The proposed District boundary is described and depicted in **Exhibit A**.
4. **Proposed Method of Assessment.** Petitioner requests that the City Council apportion the proposed services and improvements cost each year among property based on special benefits accruing to such property. The costs shall be assessed according to the real property value and real property improvements as determined by the Dallas Central Appraisal District. Based on current City policy, the total assessment each year shall not exceed \$0.15 per \$100.00 of appraised value as determined by the Dallas Central Appraisal District. The proposed assessment amounts shown in Exhibit B are based on a rate of \$0.12 per \$100.00 of appraised value as determined by the Dallas Central Appraisal District, however, the rate is subject to increase up to a maximum of \$0.15 per \$100.00 of appraised value or decrease throughout the District Term based on apportionment of costs. The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Tax Code (except under the provisions of Texas Property Code, Sections 11.24 and 11.28) will not be subject to an assessment on that portion of the assessed property value exempt from City real property taxes. Payment of assessments by other exempt jurisdictions and entities must be established by contract.

**Original executed petitions should be returned on or before January 15, 2025 to:**

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**Far East Dallas Public Improvement District (District)  
Petition for Creation**

**5. Apportionment of Cost between the District and the City.** The City is not obligated to provide any funds to finance the proposed services and improvements, other than from assessments levied on the District. The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the proposed services and improvements based on the appraised property value results in the apportionment of the costs based on special benefits accruing to the property.

- a. City of Dallas-owned property, including but not limited to rights-of-way and public parks;
- b. Nonprofit organization-owned property, if exempt from City real property taxes under the Texas Property Tax Code;
- c. Railroad rights-of-way;
- d. Cemeteries; and
- e. Religious organizations, if exempt from City real property taxes under the Texas Property Tax Code;

Property owners that are not excluded from District assessment shall pay the proposed services and improvements cost by special assessment against their property. The City shall not pay assessments for City-owned property in the District. Payment of assessments by other exempt jurisdictions and entities must be established by contract.

**6. District Assessment Collections and Annual Service Plan Update.** In accordance with the Act and the City's current PID policy, as amended:

- a. The managing entity is responsible for submitting the Annual Service Plan and hosting an annual property owner meeting;
- b. Amendments to the adopted Annual Service Plan totals require City Council approval by state law;
- c. If the District's cumulative, net assessment collections will exceed \$10,014,589.00, Ferguson Road Initiative shall: (i) reduce the District's assessment rate in a subsequent year(s) to offset the over-collection; (ii) reimburse the funds (or portion thereof) to the property owners that paid such assessments, and/or (iii) retain and not expend such additional assessments until a revised petition for an early renewal of the District that includes the additional assessments and increased service levels/cost is signed by property owners and approved by City Council.
- d. The managing entity is permitted to carry over up to 20% of the funds budgeted annually to the following year, provided that the cumulative 7-year total (\$10,014,589.00) is not exceeded as a result of such carry-over; If carryover funds exceed twenty percent (20%) of the District's budgeted assessments for any year, Ferguson Road Initiative shall provide a written justification/explanation for the excess funds to the Director of the Office of Economic Development or his/her designee. The City Council shall have final approval as to whether the District is permitted to carry over funds into the subsequent year.
- e. The Annual Service Plan shall show such carryover funds and be approved by the City Council during the annual Service Plan adoption and shall be presented to the property owners during the annual meeting.

**7. District Term.** Subject to City Council approval, the created Far East Dallas Public Improvement District will operate from January 1, 2026 through December 31, 2032.

**8. District Management.** Subject to City Council approval, the District shall be managed by contract between the City and Ferguson Road Initiative, a Texas nonprofit corporation established under the provisions of Section 501(c)(3) of the Internal Revenue Code, or its successors or assigns, as approved by property owners and the City Council. Ferguson Road Initiative will be responsible for the management of the District, development, and recommendation of an annually updated Service Plan, and perform other required responsibilities pursuant to a contract with the City, approved as to form by the City Attorney.

**Original executed petitions should be returned on or before January 15, 2025 to:**

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214-324-5116

**Far East Dallas Public Improvement District (District)  
Petition for Creation**

The City Council will review and approve annually the Service Plan and assessment plan, determine, and levy assessments and conduct other functions as required by the Act. The Ferguson Road Initiative's Board of Directors and its Executive Director must abide by any applicable provisions of the City's PID policy and the terms of the management agreement to be executed between the City and Ferguson Road Initiative.

9. **Advisory Body.** Although an advisory body may be established to develop and recommend the Service plan to the City Council. The Petitioner specifically requests that the City Council not appoint such an advisory board. Instead, the Petitioner requests that the District be managed by Ferguson Road Initiative, or a successor entity approved by the City Council. The Ferguson Road Initiative Board makeup should represent the interests of a majority of property owners in the District subject to assessment.
10. **Request for Creation.** Petitioner requests or concurs with the creation of the District. Petitioner requests that this Petition be considered at the earliest possible time and that the City Council take those lawful steps necessary to creation the District, and authorize the improvements and services described herein, levy the necessary assessments to pay for the improvements and services and take any additional actions required under the Act for the benefit of the District.

Attachments:

**Exhibit A – Far East Dallas Public Improvement District Description and Map**

**Exhibit B – Far East Dallas Public Improvement District Service Plan**

**Exhibit C – Additional Properties (if needed)**

**Original executed petitions should be returned on or before January 15, 2025 to:**

Far East Dallas Public Improvement District, Attn: Vikki Martin

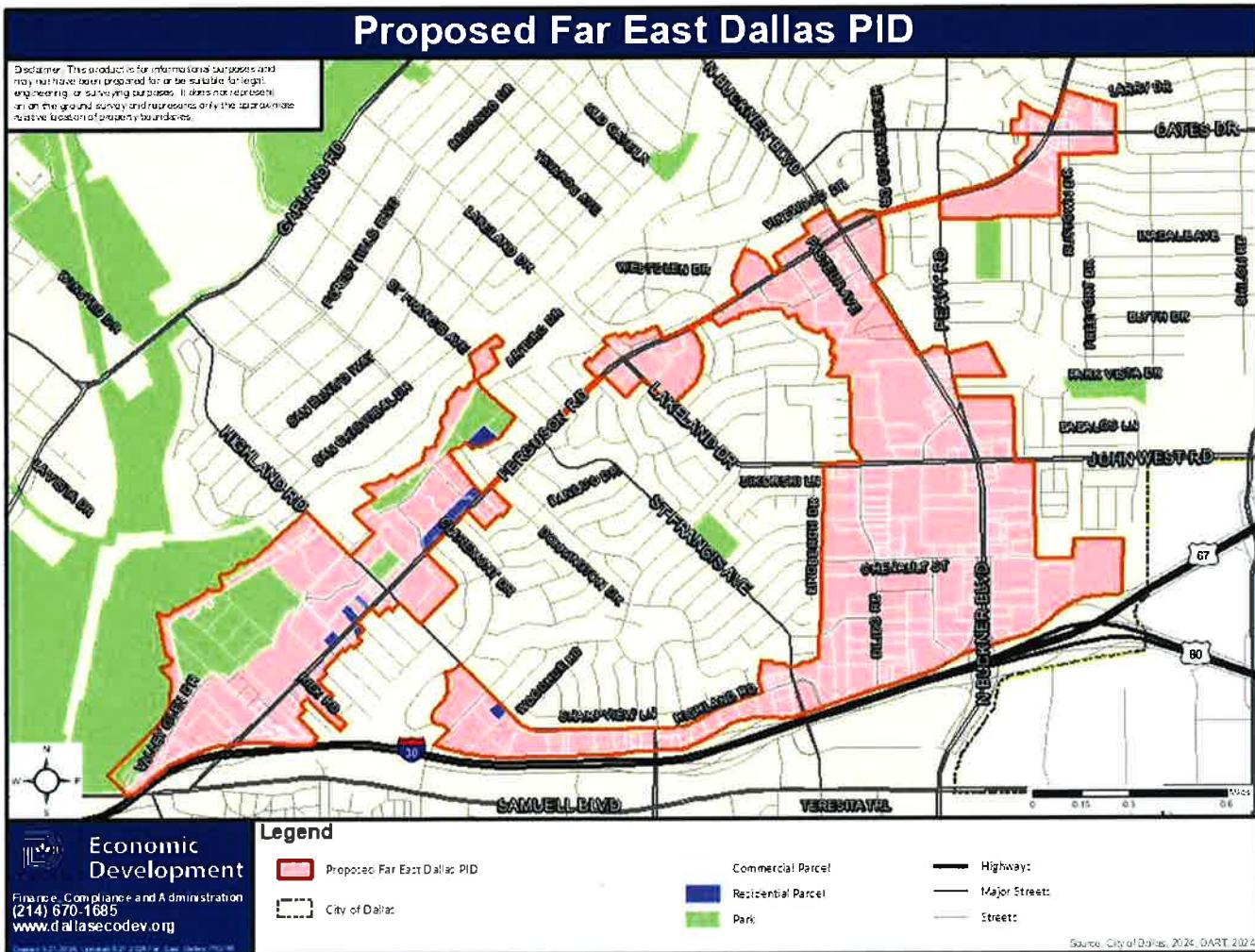
PO Box 570417, Dallas, TX 75357

214-324-5116

**Far East Dallas Public Improvement District (District)  
Petition for Creation**

**Exhibit A**

Description: The boundary of the Far East Dallas PID is generally bounded by north of Interstate 30 (I-30), generally following Ferguson Road northwest and southeast, Buckner Boulevard on the east and west, and includes The Loop Trail on the west. For a high-resolution, PDF or GIS shape file, please contact Ferguson Road Initiative.



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PO Box 570417, Dallas, TX 75357  
214-324-5116

**Far East Dallas Public Improvement District (District)  
Petition for Creation**

**Exhibit B**

<b>EXHIBIT B</b> <b>FAR EAST DALLAS PUBLIC IMPROVEMENT DISTRICT</b> <b>PETITION SERVICE PLAN</b>								
	%	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET	2032 BUDGET
<b>REVENUE</b>								
<sup>1</sup> Fund Balance from Previous Year		-	116,172	163,482	180,642	217,715	244,929	285,600
Interest on cash balances		3,500	3,900	3,400	3,800	3,750	4,800	5,300
<sup>2</sup> Net Assessment Revenue		904,922	1,040,660	1,196,759	1,376,273	1,582,714	1,820,121	2,093,140
<b>TOTAL REVENUE</b>		<b>\$ 908,422</b>	<b>\$ 1,160,732</b>	<b>\$ 1,363,642</b>	<b>\$ 1,560,715</b>	<b>\$ 1,804,179</b>	<b>\$ 2,069,850</b>	<b>\$ 2,384,040</b>
<b>EXPENDITURES</b>								
<sup>1</sup> Public Area Improvements	19.3%	175,000	210,000	260,000	290,000	340,000	375,000	550,000
<sup>2</sup> Capital Improvements	0.0%	-	-	50,000	55,000	70,000	75,000	116,540
<sup>3</sup> Business Development & Recruitment	4.4%	40,000	60,000	50,000	50,000	55,000	60,000	95,000
<sup>4</sup> Marketing & Promotion	6.6%	60,000	70,000	70,000	80,000	95,000	115,000	175,000
<sup>5</sup> Public Safety	41.3%	375,000	480,000	545,000	630,000	730,000	850,000	1,065,000
<sup>6</sup> Administration	13.8%	125,000	160,000	190,000	220,000	250,000	290,000	340,000
<sup>7</sup> Audit	0.8%	7,750	7,750	7,750	7,750	8,750	8,750	12,500
<sup>8</sup> Insurance	1.0%	9,500	9,500	10,250	10,250	10,500	10,500	15,000
<sup>9</sup> PID Renewal Fee	0.0%	-	-	-	-	-	-	15,000
<b>TOTAL EXPENDITURES</b>		<b>87.2% \$ 782,250</b>	<b>\$ 997,250</b>	<b>\$ 1,183,000</b>	<b>\$ 1,343,000</b>	<b>\$ 1,559,250</b>	<b>\$ 1,784,250</b>	<b>\$ 2,384,040</b>
<b>FUND BALANCE / RESERVES<sup>11</sup></b>		<b>12.8% \$ 116,172</b>	<b>\$ 163,482</b>	<b>\$ 180,642</b>	<b>\$ 217,715</b>	<b>\$ 244,929</b>	<b>\$ 285,600</b>	<b>\$ 0</b>
<b>TOTAL EXPENDITURES &amp; RESERVES</b>		<b>100.0% \$ 908,422</b>	<b>\$ 1,160,732</b>	<b>\$ 1,363,642</b>	<b>\$ 1,560,715</b>	<b>\$ 1,804,179</b>	<b>\$ 2,069,850</b>	<b>\$ 2,384,040</b>
<b>Category Details</b>								
<sup>1</sup> Estimated PID funds from prior term to carryover to the new term to be utilized for petitioned services								
<sup>2</sup> Net assessment reflects the deduction of City and County fees from the gross assessment collection at \$0.12 per \$100 of value								
<sup>3</sup> The % for each expense service category is calculated by dividing the \$ amount of each category by the total revenue. The carryover % is calculated by dividing the total carryover \$ amount by the net assessment revenue								
<sup>4</sup> Estimated PID funds to carry over to the new service plan year for contingency fund during the term. All fund balance/reserve will be expensed by the end of the term.								
<sup>5</sup> Ongoing improvements to public areas not covered under capital improvements, such as landscaping and irrigation along intersections and medians, pedestrian lighting along sidewalks and streets, installation and improvements to street signage and markers, and acquisition and installation of public art/murals.								
<sup>6</sup> Design and construction for capital improvement such as intersection improvements, lighting along trails, new and improved playground equipment in parks within the PID.								
<sup>7</sup> Ongoing business and recruitment retention for district businesses and promotion districtwide								
<sup>8</sup> Marketing and promotion consist of cultural enhancements and community events, communication efforts to enhance brand and delivery service enhancement updates, and creation of PID website.								
<sup>9</sup> Public safety consist of crime prevention through environmental design, DPD expanded neighborhood patrol, supplemental security patrol for non-peak hours, and public safety community meetings and events.								
<sup>10</sup> PID overhead costs to operate and maintain PID functions								
<sup>11</sup> Contractual required annual independent audit								
<sup>12</sup> Contractual required insurance coverage as applicable (i.e. Workers' Comp & Employers Liability, Business Automobile Liability, Commercial General Liability, Commercial Crime, Directors and Officers/Professional Liability)								
<sup>13</sup> PID creation/renewal Application fee, payable at end of term								

**Original executed petitions should be returned on or before January 15, 2025 to:**

Far East Dallas Public Improvement District, Attn: Vikki Martin

PO Box 570417, Dallas, TX 75357

214-324-5116

## Exhibit A

250870

### EXHIBIT A FAR EAST DALLAS PUBLIC IMPROVEMENT DISTRICT PETITION SERVICE PLAN

FAR EAST DALLAS PUBLIC IMPROVEMENT DISTRICT PETITION SERVICE PLAN						
REVENUE	2026 % <sup>1</sup> BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
Fund Balance from Previous Year	-	116,172	163,482	180,642	217,715	244,929
Interest on cash balances	3,500	3,900	3,400	3,800	3,750	4,800
• Net Assessment Revenue	904,922	1,040,660	1,196,759	1,376,273	1,532,714	1,820,121
<b>TOTAL REVENUE</b>	<b>\$ 908,422</b>	<b>\$ 1,160,732</b>	<b>\$ 1,363,642</b>	<b>\$ 1,560,715</b>	<b>\$ 1,804,179</b>	<b>\$ 2,069,850</b>
<b>EXPENDITURES</b>						<b>\$ 2,384,040</b>
1 Public Area Improvements	19.3%	175,000	210,000	260,000	290,000	340,000
2 Capital Improvements	0.0%	-	-	50,000	55,000	70,000
3 Business Development & Recruitment	4.4%	40,000	60,000	50,000	50,000	60,000
4 Marketing & Promotion	6.6%	60,000	70,000	70,000	80,000	95,000
5 Public Safety	41.3%	375,000	480,000	545,000	630,000	730,000
6 Administration	13.8%	125,000	160,000	190,000	220,000	250,000
7 Audit	0.9%	7,750	7,750	7,750	7,750	8,750
8 Insurance	1.0%	9,500	9,500	10,250	10,250	10,500
9 PID Renewal Fee	0.0%	-	-	-	-	15,000
<b>TOTAL EXPENDITURES</b>	<b>87.2%</b>	<b>\$ 792,250</b>	<b>\$ 997,250</b>	<b>\$ 1,183,000</b>	<b>\$ 1,343,000</b>	<b>\$ 1,559,250</b>
<b>FUND BALANCE / RESERVES<sup>11</sup></b>						<b>\$ 1,784,250</b>
<b>TOTAL EXPENDITURES &amp; RESERVES</b>	<b>100.0%</b>	<b>\$ 908,422</b>	<b>\$ 1,160,732</b>	<b>\$ 1,363,642</b>	<b>\$ 1,560,715</b>	<b>\$ 1,804,179</b>
						<b>\$ 2,069,850</b>
						<b>\$ 2,384,040</b>

#### Category Details

<sup>1</sup> Net assessment reflects the deduction of City and County fees from the gross assessment collection at \$0.12 per \$100 of value

<sup>†</sup> The % for each expense service category is calculated by dividing the \$ amount of each category by the total revenue. The carryover % is calculated by dividing the total carryover \$ amount by the net assessment revenue

<sup>11</sup> Estimated PID funds to carry over to the new service plan year for contingency fund during the term. All fund balance/reserve will be expensed by the end of the term.

<sup>1</sup> Ongoing improvements to public areas not covered under capital improvements, such as landscaping and irrigation along intersections and medians, pedestrian lighting along sidewalks and streets, installation and improvements to street signage and markers, and acquisition and installation of public art/murals.

<sup>2</sup> Design and construction for capital improvement such as intersection improvements, lighting along trails, new and improved playground equipment in parks within the PID.

<sup>3</sup> Ongoing business and recruitment retention for district businesses and promotion districtwide

<sup>4</sup> Marketing and promotion consist of cultural enhancements and community events, communication efforts to enhance brand and delivery service enhancement updates, and creation of PID website.

<sup>5</sup> Public safety consist of crime prevention through environmental design, DPD expanded neighborhood patrol, supplemental security patrol for non-peak hours, and public safety community meetings and events.

<sup>6</sup> PID overhead costs to operate and maintain PID functions

<sup>7</sup> Contractual required annual independent audit

<sup>8</sup> Contractual required insurance coverage as applicable (i.e. Workers' Comp & Employers Liability, Business Automobile Liability, Commercial General Liability, Commercial Crime, Directors and Officers/Professional Liability)

<sup>9</sup> PID creation/renewal Application fee, payable at end of term

## Exhibit B

## 2025 (PID) SERVICE PLAN BUDGET ROLLUP

## REPORTING QUARTER: (SELECT QTR)

SERVICE PLAN CATEGORY DETAIL	ADOPTED BUDGET 2025 (REVENUE TOTAL AND EXPENDITURES TOTAL MUST MATCH TOTALS APPROVED BY CITY COUNCIL)	Q1 2025 ACTUALS (JAN 1-MAR 31)		Q2 2025 ACTUALS (APR 1-JUN 30)		Q3 2025 ACTUALS (JUL 1-SEP 30)		Q4 2025 ACTUALS (OCT 1-DEC 31)		YTD ACTUALS AS % OF BUDGET	YEAR-END ESTIMATE AS % OF BUDGET	YEAR-END ESTIMATE \$ VARIANCE TO BUDGET (OVER/UNDER)	% YEAR-END ESTIMATE VARIANCE TO BUDGET	NOTES
		Q1 2025 ACTUALS (JAN 1-MAR 31)	Q2 2025 ACTUALS (APR 1-JUN 30)	Q3 2025 ACTUALS (JUL 1-SEP 30)	Q4 2025 ACTUALS (OCT 1-DEC 31)	YTD ACTUALS (JUL 1-DEC 31)								
REVENUE		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%	0%	0%
Net Assessment Revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%	0%	0%
Surplus Carried Forward		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%	0%	0%
Interest Income		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%	0%	0%
<b>REVENUE TOTAL</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>	<b>\$0</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
EXPENDITURES														
Public Safety		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%	\$0	0%
Capital Improvements		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%	\$0	0%
Beautification / Janitorial		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%	\$0	0%
Marketing & Community Outreach		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%	\$0	0%
Administration		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%	\$0	0%
Audit		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%	\$0	0%
Insurance		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%	\$0	0%
PID Renewal Fee		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%	\$0	0%
<b>EXPENDITURES TOTAL</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>	<b>\$0</b>	<b>0%</b>	<b>\$0</b>	<b>0%</b>
FUND BALANCE / RESERVES (CARRY FORWARD)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%	\$0	0%

## 2025 PID SERVICE PLAN BUDGET ROLLUP INSTRUCTIONS

### General Information

**DRAFT**

Using the "Service Plan Rollup" tab, PID managers must report service plan revenues as expenditure actuals as compared to service plan categories adopted by City Council.

### Column B (Service Plan Category Detail)

Identify the revenue source and expenditure category where the service or improvement is budgeted in the current year's Service Plan budget.

### Column C (Adopted Budget 2025)

No data entry needed. Amounts pre-filled by OED staff using current year's adopted Service Plan budget by revenue source and expenditure category.

### Columns D-G (Quarterly Period Actuals)

Enter the amount actually collected or expended during the selected reporting period (i.e. Q1, Q2, Q3, or Q4). Rounding up to nearest whole dollar is acceptable.

### Column H (Year-to-Date Actuals)

No data entry needed. Field automatically sums year-to-date quarterly actuals entered in columns D-G.

### Column I (Year-to-Date Actuals as % of Budget)

No data entry needed. Field automatically calculates the PID's year-to-date actuals as a percent of the amount budgeted for a given revenue source or expenditure category (column H divided by column C).

### Column J (Year-End Estimate)

Enter the PID's year-end projection for a given revenue source or expenditure category; it is the department's best guess of revenue or expenditure actuals by year-end.

### Column K (Year-End Estimate as % of Budget)

No data entry needed. Field automatically calculates the PID's year-end projection as a percent of the amount budgeted for a given revenue source or expense category (column J divided by column C).

### Column L (Year-End Estimate \$ Variance to Budget (Over/Under))

No data entry needed. Field automatically calculates the dollar amount difference between the PID's year-end projection and budget (column J minus column C).

### Column N (% Year-Estimate Variance to Budget)

No data entry needed. Field automatically calculates the PID's projected percentage variance over or under budget (column L divided by column C).

2025 (PID) SERVICE PLAN BUDGET ROLLUP

## REPORTING QUARTER: (SELECT QTR)



**Calendar Year 2025**  
 **Fiscal Year 2025**

**(SELECT QUARTER)****RESET FORM****(PID) QUARTERLY PROGRESS REPORT****NOTE: If no activity for a category was conducted please enter NO ACTIVITY COMPLETED****I. DISTRICT ACTIVITIES**

a) During the quarter, for each service plan category, what service enhancements did District owners benefit from? ([PID] 2025 Service Plan categories listed; admin-related categories are not listed)

**Security:** (Police patrol of the PID area, Homeless Outreach, owner safety coordination, safety enhancements in lighting, and other CPTED projects)

**Capital Improvements:** (Park and trail upgrades, right-of-way improvements, median upgrades, and lighting)

**Beautification / Janitorial:** (Sidewalk, public planters, waste disposal, clean area programs, and landscape improvements throughout the District)

**Promotion & Communication:** (Communication coordination among owners in the District, program services for area promotion and awareness)



## (PID) QUARTERLY PROGRESS REPORT (continued)

b) During the quarter, did management experience any service delivery challenges or delays, or internal/external challenges to implementing the current service plan? If so, what were they and have they been resolved?

c) During the quarter, were there any significant variances between the City Council approved budget and actuals at year-end for any program category (%)? If yes, what was the reason(s) for the variance(s)?

## II. DISTRICT ENGAGEMENT

a) During the quarter, were meetings held with key stakeholders (property owners, elected officials, City departments, other external partners, etc.) to discuss significant PID-related issues? If yes, please briefly describe the significant issues discussed.

YES  NO

b) During the quarter, did the District execute or consider executing any agreements with the City? If yes, please list City departments involved and details below.

YES  NO

c) During the quarter, were any PID funds expended or committed towards the acquisition, installation, or maintenance of public art? Were art-related events held (exhibitions or similar)? If yes please list artwork sites, event dates, and locations below.

YES  NO

d) During the quarter, were any PID-related activities featured by the news media? If yes, please provide links to articles below. If providing info in separate document list document name below.

YES  NO

e) During the quarter or soon thereafter, are there any City Council agenda items under consideration that are District-rated? If yes, provide the forecasted agenda date, a brief description of the agenda item, and City departments involved below.

YES  NO


**(PID) QUARTERLY PROGRESS REPORT (continued)**
**III. INSURANCE REQUIREMENTS**

Please list all City-required insurance policies below and their expiration date:

Coverage Type	Check if Required	Expiration Date	Coverage Type	Check if Required	Expiration Date
Auto	<input type="checkbox"/>	<input type="checkbox"/>	Professional Liability	<input type="checkbox"/>	<input type="checkbox"/>
Commercial Crime	<input type="checkbox"/>	<input type="checkbox"/>	Worker's Compensation	<input type="checkbox"/>	<input type="checkbox"/>
General Liability	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

**IV. SUPPORTING DOCUMENTATION CHECKLIST**

Along with this report, I am submitting:

<input type="checkbox"/>	Updated BID-FRM-212 PID Contractor's Affidavit-Schedule of Work and Actual Payment to end of reporting quarter; signature section at bottom of form must be completely filled out
<input type="checkbox"/>	City's Quarterly Financial Report Form showing budgeted versus actual revenues and expenses from the start of the service plan year to end of reporting quarter
<input type="checkbox"/>	Statement of Activities / Profit & Loss Statement generated from PID accounting system from the start of the service plan year to end of reporting quarter <i>Note: If budget vs. actuals are not displayed on the Statement of Activities or Profit and Loss, please attach a detailed separate report showing quarterly budgeted vs. actual revenues and expenses</i>
<input type="checkbox"/>	Balance Sheet generated from PID accounting system as of end of reporting quarter <b>(optional)</b>
<input type="checkbox"/>	(If including additional document, replace this text with document name)

**V. SELF-CERTIFICATION**

Use of Assessment Funds:	YES	NO
Were any assessment funds used for a private, personal, or non-public purpose?	<input type="checkbox"/>	<input type="checkbox"/>
Were any assessment expenditures made outside the Petitioned Service Plan program categories as allowed by Chapter 372 of the Local Government Code?	<input type="checkbox"/>	<input type="checkbox"/>

*By submitting this report, the District's management entity certifies that this information is complete, true and accurate. Any statement and representation made by the District's management entity and is deemed to be false shall be a default of the Management Contract. Upon request, the District's management entity agrees to provide documentation of all income sources and expenditures to the Director of the Office of Economic Development to show compliance with the Management Contract.*

<b>Management Entity:</b>	
(PID Mgmt Entity-already added to each PID's customized blank form)	
<b>Submitted By:</b>	<b>Title:</b>
<input type="text"/>	<input type="text"/>
<b>Signature:</b>	<b>Date:</b>
<input type="text"/>	<input type="text"/>

**EXHIBIT D**

Per Dallas City Council Resolution No. 25-1081, adopted June 25, 2025, the City of Dallas has temporarily ceased enforcing its Business Inclusion and Development (BID) Policy requirements until further notice.

**Exhibit A****Business Inclusion and Development Policy****Business Inclusion and Development (BID) Policy Statement**

It is the policy of the City of Dallas to involve certified Minority and Women-Owned Business Enterprises (M/WBEs) to the greatest extent feasible on the City's construction, general services, and professional services contracts. It is the policy of the City of Dallas to encourage the growth and development of M/WBEs that can successfully compete for contracting opportunities. The City and its contractors shall not discriminate on the basis of race, age, color, ancestry, national origin, place of birth, religion, sex, sexual orientation, gender identity and expression, military or veteran status, genetic characteristics, or disability unrelated to job performance in the award and performance of contracts. In consideration of this policy, the City of Dallas has adopted the Business Inclusion and Development (BID) Policy for all City of Dallas contracts.

**Scope of BID Policy**

The BID Policy shall apply to all contracts for the purchase of goods or services over \$50,000 with special emphasis on those contracts with first tier subcontracting opportunities. The provision of the BID Policy takes precedence over any departmental plans or procedures in conflict herewith, except for specific requirements mandated by the terms or conditions of agreements in force between the City and the Federal Government or the State of Texas that require different procedures than those described in the BID Policy.

**BID Policy Objectives**

The objectives of the BID Policy are to:

- promote inclusion of M/WBEs by providing equal opportunity for participating in City construction, general services and professional services contracts
- provide procedures for monitoring, enforcement, and compliance with M/WBE requirements
- provide conditions for growth and development of M/WBEs by providing training and access to business resources and opportunities
- promote diverse competition through marketing initiatives on all City contracts for the purchase of goods or services over \$50,000

**Administration of the BID Policy**

The City Manager will take all usual and legal administrative actions necessary to implement the BID Policy and is ultimately responsible for the administration of the BID Policy.

The City Manager is designated to serve as the City's M/WBE Liaison Officer for the BID Policy. The Liaison Officer is responsible for implementing, coordinating, and managing the BID Policy. The M/WBE Liaison Officer has designated the Business and Workforce Inclusion (BWI) division of the Office of Economic Development to be responsible for the following:

- Developing, managing, implementing, and evaluating the BID Policy
- Disseminating information related to business opportunities
- Maintaining and providing a directory of certified\* M/WBE vendors
- Maintaining and providing a directory of registered City of Dallas vendors
- Tracking and monitoring M/WBE participation including subcontractor utilization with emphasis on subcontractor utilization post council award
- Tracking and monitoring payments to prime contractors from the City and payments from prime contractors to subcontractors with emphasis on prompt payment as outlined in Government Code Section 2251.022
- Granting evaluation points to encourage a meaningful inclusion of M/WBE participation in response to proposals estimated to be more than \$250,000.
- Advising prospective contractors/proposers on Business Inclusion and Development compliance requirements
- Communicating M/WBE goals and BID compliance requirements
- Maintaining and submitting accurate and current reports on M/WBE performance
- Providing opportunities for networking among contractors and firms
- Creating programs that build the capacity of M/WBEs
- Creating programs that result in diverse competition on City contracts

\* The City of Dallas is a member of the North Central Texas Regional Certification Agency (NCTRCA), Dallas Fort Worth Minority Supplier Diversity Council (DFWMSDC), and Women Business Council-Southwest (WBC).

#### **BID Policy Procedures to Ensure Equal Opportunity**

BWI will facilitate participation of M/WBEs in construction, general services and professional services contracts. To ensure compliance with the BID Policy, at a minimum, BWI will:

- Conduct outreach functions to communicate contracting and procurement opportunities and procedures
- Provide education and assistance services related to starting, maintaining, and growing a business through the Broadening Urban Investment to Leverage Dallas (B.U.I.L.D.) ecosystem

**EXHIBIT D**

- Explain Business Inclusion and Development compliance procedures
- Encourage prime and subcontracting relationships
- Encourage joint ventures and teaming agreements
- Communicate the City's M/WBE goals and Business Inclusion and Development requirements
- Maintain and distribute a directory of certified and registered M/WBEs
- Review Business Inclusion and Development documentation to ensure compliance with the BID Policy
- Review specifications for large contracts prior to the issuance of a request for proposal or request for a bid to determine and/or identify unbundling opportunities to increase M/WBE participation
- Review project specifications for opportunities to remove barriers and restrictive language
- Perform regular site visits based on project type, award amount or stakeholder concerns to ensure compliance with BID Policy
- Monitor compliance of prime contractors and subcontractors and recommend measures to deal with prime and sub-contractors deemed to be non-compliant with BID Policy criteria
- Develop an owner-controlled insurance policy owned by the City of Dallas
- Maintain a public sector group to provide recommendations on industry best practices focusing on new programs, small business resources, and contracting opportunities that have historically been overlooked

**BID Policy Certification of M/WBEs**

The City of Dallas is a member of the North Central Texas Regional Certification Agency (NCTRCA), Dallas Fort Worth Minority Supplier Diversity Council (DFWMSDC), and Women Business Council-Southwest (WBC). These agencies certify M/WBE ownership and control and provide M/WBE certification services for the City of Dallas. The City reserves the right to accept M/WBE certifications issued by other certifying organizations or agencies that use the same or similar certification criteria as the certification agencies listed above. Self-certification does not meet the City's M/WBE certification requirements. Dallas also recognizes Native American-owned businesses with tribal cards associated with that business as M/WBE.

**BID Policy Other Provisions**

In addition to this goal-based policy, it is the preference of the City of Dallas for the workforce of its contractors to be reflective of the diversity of the residents of the City of Dallas. In accordance with Chapter 15B of the Dallas City Code, awardees of construction contracts involving the expenditure of more than \$10,000 and awardees for the procurement of goods and services involving an expenditure of more than \$50,000 are required to incorporate an equal employment opportunity clause which provides that the contractor shall not discriminate against any employer or applicant for employees because of race, age, color, ancestry, national origin, place of birth, religion, sex, sexual orientation, gender identity and expression, military or veteran status, genetic characteristics, or disability unrelated to job performance. The City reserves the right to request

EXHIBIT D

a contractor's affirmative action plan or equal opportunity plan. In addition, if the contractor plans to hire additional staff to complete the contract, the City reserves the right to request a local hiring plan.

The BID Policy or the diverse workforce preference is not to be construed to require the City of Dallas to award a contract to anyone other than the lowest responsible bidder or most advantageous proposer. The BID Policy is also not to be construed to require contractors/proposers to award subcontracts/sub-proposals to or make significant material purchases from M/WBEs who do not submit the lowest responsible sub-bid.

Before award of a contract, the City of Dallas will require bidders/proposers to document good faith efforts to meet established goals.

Failure to adequately document a good faith effort to obtain M/WBE participation may result in award to the next-lowest bidder or advantageous proposer.

Failure to utilize M/WBEs listed in Business Inclusion and Development forms without properly documenting and explaining the change will be deemed as non-compliant and will result in non-compliance actions and will be considered in future awards.

Upon receipt of each payment from the City of Dallas, the awarded vendor is required to report payment data in the City's contract compliance system. Sub-contractors will be prompted to confirm payment data as reported by the prime in the City's contract compliance system.

The City of Dallas maintains the option to waive BID Policy criteria where there is no opportunity or availability for M/WBE inclusion.

The City Manager's Office is responsible for procedures and processes related to the administration of this Policy.

**BID Policy Goals**

Construction	32.00%
Architectural & Engineering	34.00%
Professional Services	38.00%
Other Services	N/A
Goods	32.00%





**CITY OF DALLAS**  
**ETHNIC WORKFORCE COMPOSITION REPORT**

(Note: Please use the Tab button, mouse or arrows to move from one section to the next. Please DO NOT use the "Enter" key.)

**Company name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Bid #:** \_\_\_\_\_

**Telephone  
Number:** \_\_\_\_\_

Ext. \_\_\_\_\_

**Email Address:** \_\_\_\_\_

**Please complete the following sections based on the ethnic composition of the (location) entity in the address line above.**

<b>Employee Classification</b>	<b>Total No. Employees</b>		<b>White</b>		<b>Black</b>		<b>Hispanic</b>		<b>Other</b>	
	<b>Male</b>	<b>Female</b>	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>
Administrative/ Managerial										
Professional										
Technical										
Office/Clerical										
Skilled										
Semiskilled										
Unskilled										
Seasonal										
<b>Totals:</b>										
<b># of employees living in Dallas:</b>										
<b>Total % of employees living in Dallas</b>										

\_\_\_\_\_  
**Officer's Signature**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Typed or Printed Name**

\_\_\_\_\_  
**Date**

**EXHIBIT D1**

Per Dallas City Council Resolution No. 25-1081, adopted June 25, 2025, the City of Dallas has temporarily ceased enforcing its Business Inclusion and Development (BID) Policy requirements until further notice.

**EXHIBIT D1****Exhibit D1****CITY OF DALLAS**
**Office of Economic Development - Business and Workforce Inclusion  
PID Contractor's Affidavit - Schedule of Work and Actual Payment (BWI-FRM-212)**

Project Name: \_\_\_\_\_ Contract Year: \_\_\_\_\_ Year of \_\_\_\_\_ Quarter: \_\_\_\_\_ Quarter 1

**Instructions:**

Column 1: List the contract year for services. For current and past years, show all projects with expenses greater than \$50k. For future years, enter a lump sum budget for each year.

Column 2: List scope of work to be performed.

Column 3: List name of firm; M/WBE Certification Number (if applicable).

Column 4: List firm(s); contact name; address; telephone number.

Column 5: List ethnicity of firm(s) owner as B=African American; H=Hispanic; I=Asian Indian; N=Native American; P=Asian Pacific; W=Woman; NON=other than M/WBE.

Column 6: Indicate firm's location as L=local (within Dallas county limits); N=Non-local (Outside Dallas county limits).

Column 7: Indicate dollar amount of value of work for the Prime contractor

Column 8: Percentage of total contract amount will autopopulate.

Column 9: Indicate total payments year to date.

Column 10: Indicate payments during current quarter.

Year	Scope of Work	Name of Firm & M/WBE Certification (If Applicable) [3]	Contact Name Address, City, State, Zip & Tel. Number [4]	Ethnicity [5]	L or N [6]	Value of Work (\$) [7]	Percent (%) [8]	Payments to Date (\$) [9]	Payment this Quarter (\$) [10]
Year									
<b>Notes: Calendar Year</b>									
Year									
<b>Notes: Calendar Year</b>									
Year									
<b>Notes: Calendar Year</b>									
Year									
<b>Notes: Current Year</b>									
Year									

The undersigned intends to enter into a formal agreement with the contractors listed. If any changes are made to this list, the PID Manager must submit to the City for approval a revised schedule with documented explanations for the changes and the Change of M/WBE Subcontractor Form. Failure to comply with this provision could result in termination of the contract and/or ineligibility for future City contracts.

Officer's signature:

**Printed Name:**

CONTINUATION

Data

**EXHIBIT D2**

Per Dallas City Council Resolution No. 25-1081, adopted June 25, 2025, the City of Dallas has temporarily ceased enforcing its Business Inclusion and Development (BID) Policy requirements until further notice.

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## Exhibit D2

EXHIBIT D2



**CITY OF DALLAS**  
**Office of Economic Development - Business**  
**PID Project Forecast (BWI-F)**

**Project Name:** \_\_\_\_\_ **Contract Year:** \_\_\_\_\_ **Year — of —**

ctions: Column 1: Select the Contract Type from the drop-down menu: Goods, Other Services, Professional Services, Architecture & Engineering, Construction

Column 3: List the Scope of Work to be performed.

**Column 5: List all Subcontracting opportunities: Lists of centisized M/WBE businesses will be provided for all subcontracting opportunities listed**

Column 6: Selected file Anticipated Advertisement Date of the contract from the drop-down menu

Column 7: Select the Anticipated Start Date of the contract from the drop-down menu

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Rev. 1 - 11/1/2020

Officer's Signature:

Printed Writing

Canadian

BWI-FRM-200

Page 2 of 2

BRW1-FRM-200

**DRAFT****Exhibit E****Exhibit E**

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**Schedule of Annual Contract Deliverables**

#	Description	Reporting Period	Due No Later Than
1	Q1 Quarterly Reports, including financial report form, progress report form, Statement of Activities/Profit & Loss, and Balance Sheet (Balance Sheet optional) M/WBE report for any biddable items for contracts over \$50k.	January 1 - March 31	45 days after the end of the reporting quarter
2	Annual City of Dallas PID Management Workshop	N/A	N/A
3	Annual Public Meeting	Meeting should discuss proposed service plan for upcoming year.	June 15
4	Draft Annual Service Plan Budget Due	Upcoming five calendar years	July 1
5	Review of Annual Service Plan Update with PID management and City staff		To be scheduled sometime between July 1-July 15th
6	Service Plan Amendment Requests (if any)	For the current year	July 1
7	Q2 Quarterly Reports, including financial report form, progress report form, Statement of Activities/Profit & Loss, and Balance Sheet (Balance Sheet optional) M/WBE report for any biddable items for contracts over \$50k.	April 1 - June 30	45 days after the end of the reporting quarter
8	Q3 Quarterly Reports, including financial report form, progress report form, Statement of Activities/Profit & Loss, and Balance Sheet (Balance Sheet optional) M/WBE report for any biddable items for contracts over \$50k.	July 1 - September 30	45 days after the end of the reporting quarter
9	Q4 Quarterly Reports, including financial report form, progress report form, Statement of Activities/Profit & Loss, and Balance Sheet (Balance Sheet optional) M/WBE report for any biddable items for contracts over \$50k.	October 1 - December 31	45 days after the end of the reporting quarter
10	Annual Financial Audit	January 1 - December 31	120 days after the end of the calendar year
11	Form 990 Return of Organization Exempt from Income Tax or equivalent, and signed and dated Form 8879 e-file Signature Authorization form	January 1 - December 31	May 31 The Form 990 is due within 15 days of filing with the IRS but no later than November 30 of each year. If a filing extension is requested a copy of the submitted Form 8868, Application for Automatic Extension of Time to File an Exempt Organization Return, must be emailed to the City within fifteen (15) business days of its submittal to the IRS, no later than May 31st.

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Exhibit F

April 10, 2024

**WHEREAS**, in 1987 the City Council adopted the City's Investment Policy which was in compliance with the federal and state law and the City Charter; and

**WHEREAS**, in 1995 and 1997 through 2022, the City Council amended the City's Investment Policy to incorporate amendments required by the Public Funds Investment Act, improve management of the City's investments, and reflect organizational changes; and

**WHEREAS**, the Public Funds Investment Act requires that the City's investments shall be made in accordance with written policies approved, at least annually, by the governing body; and

**WHEREAS**, investment policies must address safety of principal, liquidity, yield, diversification and maturity, with primary emphasis on safety of principal.

**Now, Therefore,**

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

**SECTION 1.** That the attached City of Dallas Investment Policy and investment strategies have been reviewed by the City Council and shall be adopted as the guiding policy in the ongoing management of the specified funds in accordance with Federal and State law and the City Charter.

**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.



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Exhibit  
**F**



# CITY OF DALLAS

## INVESTMENT POLICY

**As Approved on April 10, 2024 by:**

**The Honorable Mayor  
and  
Members of the City Council**

Full policy can be found at: <https://dallascityhall.com/departments/budget/financialtransparency/Pages/Investment-Policy.aspx>

**Insurance Requirements****SECTION A.**

CONTRACTOR shall procure, pay for and maintain the following insurance written by companies approved by the State of Texas and acceptable to CITY. The insurance shall be evidenced by delivery to the CITY, at the address shown in **SECTION C** (a), certificates of insurance executed by the insurer or its authorized agent stating coverages, limits, expiration dates and compliance with all applicable required provisions. The CITY shall be named as an additional insured by endorsement to the policy and thus will be entitled to notice of cancellation of the policy in accordance with Section 1811 of the Texas Insurance Code. Upon request, the CITY shall be entitled to receive without expense, copies of the policies and all endorsements. CITY HAS NO DUTY TO PAY CONTRACTOR UNTIL SUCH CERTIFICATE HAS BEEN DELIVERED TO THE CITY.

**SECTION B.**

The CITY reserves the right to review the insurance requirements of this section during the effective period of the services or work performed by CONTRACTOR and to modify insurance coverages and their limits when deemed necessary and prudent by City's Office of Risk Management based upon changes in statutory law, court decisions or other relevant factors. The CONTRACTOR shall acquire and ensure execution of requests for deletions, revisions or modifications of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either CITY or CONTRACTOR).

**SECTION C. REQUIRED PROVISIONS**

The CONTRACTOR agrees, with respect to the required insurance as documented below, all certificate(s) of insurance will contain and state, in writing, the following required provisions:

- a) The certificate of insurance or policy and endorsements shall be evidenced by delivery to:
  - (i) Office of Economic Development, Attention: Joseph Nava, 1500 Marilla St, Dallas, Texas 75201 and
  - (ii) Director, Office of Risk Management, 1500 Marilla, 6A-South, Dallas, Texas 75201.
- b) All certificates of insurance shall identify the service or product being provided, by including the bid number and contract or solicitation name.
- c) All certificates of insurance shall name the City of Dallas as the Certificate Holder.

## Insurance Requirements

### **SECTION D. INSURANCE COVERAGE REQUIRED**

Subject to CONTRACTOR'S right to maintain reasonable deductibles, CONTRACTOR shall obtain and maintain in full force and effect for the duration of its engagement with the CITY and any extension hereof, at CONTRACTOR'S sole expense, insurance coverage in the following type(s) and amounts:

#### **1. WORKERS' COMPENSATION and EMPLOYERS' LIABILITY**

**Workers' Compensation** within the regulations of the Texas Workers' Compensation Act. The minimum policy limits for **Employers Liability** are:

Bodily Injury by Accident: \$500,000 Each Accident  
 Bodily Injury by Disease: \$500,000 Each Employee  
 Bodily Injury by Disease: \$500,000 Policy Limit

The policy shall include:

- a) An endorsement to waive subrogation in favor of the City of Dallas, its officers, employees and elected representatives, for bodily injury (including death) or any other loss.
- b) An endorsement to provide thirty (30) days prior written notice in the event of cancellation to the address as shown in Section C, a (i) and (ii), or in accordance with Section 1811.155 of the Texas Insurance Code, Notice of Cancellation in accordance with the Notice of Insured in the policy for cancellation due to non-payment of premium.

#### **NOTES:**

- i. If CONTRACTOR will not be providing services under the contract at a City facility, has no employees and/or is operating as a sole owner and single operator, CONTRACTOR shall provide a signed letter, with the current date, on official letterhead stating such to meet the requirement.
- ii. If CONTRACTOR is a non-subscriber or is self-insured, CONTRACTOR shall provide a copy of its Certificate of Authority to Self-Insure from the Texas Department of Insurance, Division of Workers' Compensation Self Insurance Regulation Program, evidence of alternative coverage and internal safety and injury coverage policies and procedures.

#### **2. BUSINESS AUTOMOBILE LIABILITY INSURANCE**

**Business Automobile Liability Insurance** covering owned, hired, and non-owned vehicles, with a minimum combined single limit for bodily injury (including death) and property damage limit of \$500,000 per occurrence.

The policy shall include

- a) An endorsement naming the City of Dallas and its officers, employees and elected representatives as additional insureds.
- b) An endorsement to waive of subrogation in favor of the City of Dallas, its officers and employees, for bodily injury (including death), property damage or any other loss.
- c) An endorsement to provide thirty (30) days prior written notice in the event of cancellation to the address as shown in Section C, a (i) and (ii), or in accordance

## Insurance Requirements

with Section 1811.155 of the Texas Insurance Code, Notice of Cancellation in accordance with the Notice of Insured in the policy for cancellation due to non-payment of premium.

- d) Provide that CONTRACTOR'S insurance is primary insurance as respects the CITY, its officers, employees and elected representatives.

**NOTE:**

- i. If CONTRACTOR has no owned, hired and non-owned autos or vehicles and/or no autos or vehicles will not be used in the performance of services under the contract, CONTRACTOR shall provide a letter on official letterhead stating such to meet the requirement for owned autos.

**3. COMMERCIAL GENERAL LIABILITY INSURANCE**

**Commercial General Liability Insurance** including, but not limited to, Premises/Operations, Personal & Advertising Injury, Products/Completed Operations, Independent Contractors and Contractual Liability with minimum combined bodily injury (including death) and property damage limits of \$1,000,000 per occurrence, \$2,000,000 products/completed operations aggregate, \$2,000,000 general aggregate.

The policy shall include:

- a) An endorsement naming the City of Dallas and its officers, employees and elected representatives as additional insureds.
- b) An endorsement to waive subrogation in favor of the City of Dallas, its officers and employees, for bodily injury (including death), property damage or any other loss.
- c) An endorsement to provide thirty (30) days prior written notice in the event of cancellation to the address as shown in Section C, a (i) and (ii), or in accordance with Section 1811.155 of the Texas Insurance Code, Notice of Cancellation in accordance with the Notice of Insured in the policy for cancellation due to non-payment of premium.
- d) Provide that CONTRACTOR'S insurance is primary insurance as respects the CITY, its officers, employees and elected representatives.
- e) If this insurance is written on a claims-made form, coverage shall be continuous (by renewal or extended reporting period) for not less than *twenty-four (24) months* following completion of the contract and acceptance by the City. Coverage, including any renewals, shall have the same retroactive date as the original policy.

**SECTION E. SELF-INSURED RETENTION (SIR)**

Contractor may satisfy all or part of the insurance requirements under the Contract by means of self-insurance so long as:

- a) the SIR is permitted under all laws applicable to Contractor at the time Contractor submits its bid or proposal;
- b) Contractor maintains a net worth (as shown by its financial statements audited in accordance with generally accepted accounting principles) of not less than One Hundred Million Dollars (\$100,000,000);

## **Insurance Requirements**

- c) if the Contractor is using their balance sheet to back the SIR, the SIR cannot exceed 10% of their net worth;
- d) Contractor, not less than annually, provides the City an audited financial statement, prepared by an independent certified public accountant in accordance with generally accepted accounting principles consistently applied, showing the net worth requirements outlined herein; and
- e) the SIR provides for loss reserves that are actuarially derived in accordance with accepted standards of the insurance industry and accrued (i.e., charged against earnings) or otherwise funded.

Any self-insured exposure shall be deemed to be an insured risk under the Contract. The beneficiaries of such insurance shall be afforded no less insurance protection than if such self-insured portion was fully insured by an insurance company of the quality and caliber required hereunder (including, without limitation, the protection of a legal defense, by attorneys reasonably acceptable to beneficiaries, and the payment of claims within the same time period that a third party insurance carrier of the quality and caliber otherwise required hereunder would have paid such claims).

The waiver of subrogation provided for hereunder shall be applicable to any self-insured exposure. All SIRs must be acceptable to and approved in writing by the City prior to implementation and the insurance required under the Contract must be maintained in excess of such SIRs. Any and all deductibles and/or SIRs for the insurance policies described in this Exhibit shall be assumed by and for the account of Contractor or any Contractor's subcontractors, as applicable, at its sole risk and expense.

### **SECTION F. SUBCONTRACTING LIABILITY**

(1) Without limiting any of the other obligations or liabilities of the CONTRACTOR, the CONTRACTOR shall require each Subcontractor performing work under the contract, at the Subcontractor's own expense, to maintain during the engagement with the CITY, types and limits of insurance that are appropriate for the work being performed, comply with all applicable laws and are consistent with industry standards. The Subcontractor's liability insurance shall name CONTRACTOR as an additional insured.

(2) CONTRACTOR shall obtain and monitor the certificates of insurance from each Subcontractor. CONTRACTOR must retain the certificates of insurance for the duration of the contract and shall have the responsibility of enforcing insurance requirements among its subcontractors. The CITY shall be entitled, upon request and without expense, to receive copies of these certificates.

### **SECTION G. CONTRACTOR LIABILITY**

Approval, disapproval or failure to act by the CITY regarding any insurance supplied by CONTRACTOR or its subcontractors shall not relieve CONTRACTOR of full responsibility or liability for damages and accidents as set forth in the contract documents. Neither shall the bankruptcy, insolvency nor denial of liability by the insurance company exonerate CONTRACTOR from liability.

### **SECTION H. INDEMNITY**

**Insurance Requirements**

CONTRACTOR agrees to defend, indemnify and hold the CITY, its officers, agents and employees, harmless against any and all claims, lawsuits, judgments, costs and expenses for personal injury (including death), property damage or other harm for which recovery of damages is sought, suffered by any person or persons, that may arise out of or be occasioned by CONTRACTOR'S breach of any of the terms or provisions of its engagement with the CITY, or by any negligent or strictly liable act or omission of CONTRACTOR, its officers, agents, employees, or subcontractors, in CONTRACTOR'S performance under its engagement with the CITY; except that the indemnity provided for in this paragraph shall not apply to any liability resulting from the sole negligence or fault of the CITY, its officers, agents or employees and in the event of joint and concurrent negligence or fault of CONTRACTOR and the CITY, responsibility and indemnity, if any, shall be apportioned comparatively in accordance with the laws of the State of Texas, without waiving any governmental immunity available to the CITY under Texas law and without waiving any defenses of the parties under Texas law. The provisions of this paragraph are solely for the benefit of the parties hereto and are not intended to create or grant any rights, contractual or otherwise, to any other person or entity.

**CONTRACTOR (COMPANY NAME):** Ferguson Road Initiative

**BY:** Vikki J. Martin  
Vikki J. Martin (Oct 22, 2025 15:08:25 CDT)

Signature of Authorized Representative

**NAME:** Vikki J. Martin  
Name of Authorized Representative (please print)

**DATE:** 10/22/2025

## Exhibit H

**CERTIFICATION REGARDING THE EMPLOYMENT OF  
UNDOCUMENTED WORKERS**

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) The business receiving any public subsidies provided pursuant to this agreement, or a branch, division, or department of the business, does not and will not knowingly employ undocumented workers. For purposes of this Certification, "Public Subsidies" means grants, loans, loan guarantees, benefits relating to an enterprise or empowerment zone, fee waivers or rebates, land price subsidies, infrastructure development and improvements designed to principally benefit a single business or defined group of businesses, matching funds, tax refunds, tax rebates, or tax abatements. For purposes of this Certification, "Undocumented worker" means an individual who, at the time of employment, is not:

- (A) lawfully admitted for permanent residence to the United States; or
- (B) authorized under law to be employed in that manner in the United States.

(2) Pursuant to V.T.C.A. Government Code § 2264.053 (Vernon 2007), if, after receiving the Public Subsidies provided herein, the business entity or a branch, division, or department of the business, is convicted of a violation under 8 U.S.C. Section 1324a(f), the business shall repay the amount of the Public Subsidy with interest accruing from the date of the violation on which the conviction is based, at the prime rate as published in the *Wall Street Journal* on the date of the Dallas City Council's initial approval of the agreement. Repayment shall be made not later than the 120th day after the date the City notifies the business of the violation. As provided by Section 2264.101(c) of the Texas Government Code, Developer shall not be liable for a violation by a subsidiary, affiliate, or franchisee of Developer or by a person with whom Developer contracts.

This certification is a material representation of fact upon which reliance was placed when this agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by V.T.C.A. Government Code § 2264 (Vernon 2007).

CONTRACTOR (COMPANY NAME): Ferguson Road Initiative

BY: Vikki J. Martin  
Vikki J. Martin [Oct 22, 2025 15:08:25 CDT]

Signature of Authorized Representative

NAME: Vikki J. Martin

Name of Authorized Representative (please print)

DATE: 10/22/2025

**Memorandum****CITY OF DALLAS****DATE** November 18, 2025**TO** Lacey Ruiz  
Office of Economic Development**SUBJECT** CERTIFICATE OF INSURANCE  
Vendor: Ferguson Road Initiative  
Name of Project: Far East Dallas Public Improvement District (2026-2032)  
Project /Bid Number: RR-261103-ECO-17960/ECO-2025-00028260

We have reviewed the certificate(s) of insurance for the project and contractor shown above and have found them to be in compliance with the insurance requirements of the contract.

To ensure the accuracy of our records and to ensure appropriate monitoring of this contract, please advise the end date for this project. If the end date changes, please update our office on the changed date to ensure insurance is monitored through the life of the contract.

Please call me at 214-671-5049 should you have any questions.

*Damesha Turner*

Damesha Turner  
Sr. Risk Analyst  
Office of Risk Management

# Proposed Far East Dallas PID

**Disclaimer:** This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. Note: Parcels shown based on available 2024 geography. Any parcels shown within the boundary lines of the PID are intended to be included even in the event of future platting creating new or reconfigured parcels.

## Economic Development

### Legend

 Proposed Far East Dallas PID

 City of Dallas

 Tax Parcels - 2024

 Park

 Highways

 Major Streets

 Streets

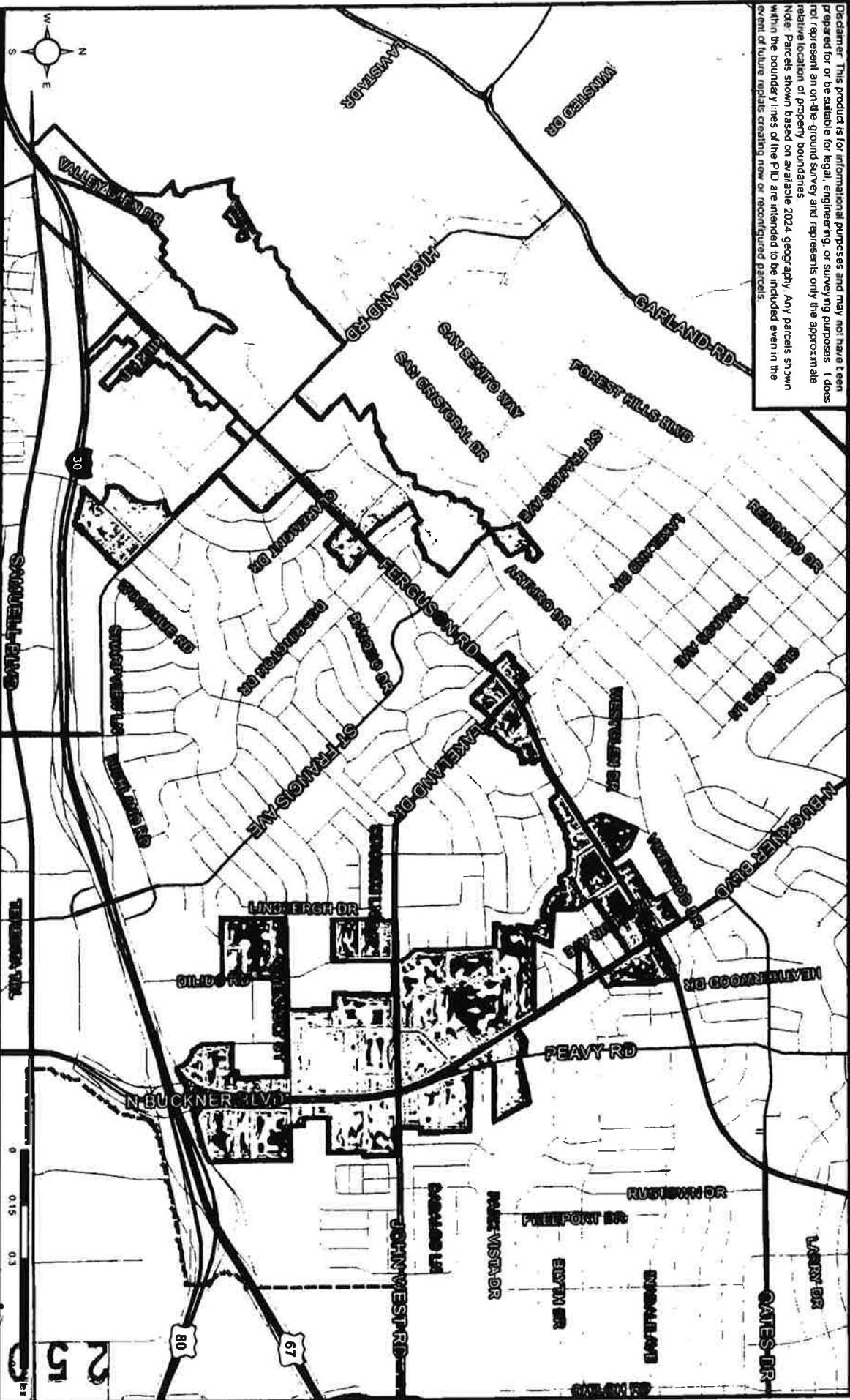


EXHIBIT B FAR EAST DALLAS PUBLIC IMPROVEMENT DISTRICT PETITION SERVICE PLAN						
	2026 % BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
<b>REVENUE</b>						
Fund Balance from Previous Year	-	116,172	163,482	180,642	217,715	244,929
Interest on cash balances	3,500	3,900	3,400	3,800	3,750	4,800
* Net Assessment Revenue	904,922	1,040,660	1,196,759	1,376,1273	1,582,714	1,820,121
<b>TOTAL REVENUE</b>	<b>\$ 908,422</b>	<b>\$ 1,160,732</b>	<b>\$ 1,363,642</b>	<b>\$ 1,580,715</b>	<b>\$ 1,804,179</b>	<b>\$ 2,069,850</b>
<b>EXPENDITURES</b>						
1 Public Area Improvements	19.3%	175,000	210,000	260,000	290,000	340,000
2 Capital Improvements	0.0%	-	-	50,000	55,000	75,000
3 Business Development & Recruitment	4.4%	40,000	60,000	50,000	50,000	60,000
4 Marketing & Promotion	6.6%	60,000	70,000	70,000	80,000	95,000
5 Public Safety	41.3%	375,000	480,000	545,000	630,000	730,000
6 Administration	13.8%	125,000	160,000	190,000	220,000	250,000
7 Audit	0.9%	7,750	7,750	7,750	7,750	8,750
8 Insurance	1.0%	9,500	9,500	10,250	10,250	10,500
9 PID Renewal Fee	0.0%	-	-	-	-	15,000
<b>TOTAL EXPENDITURES</b>	<b>87.2%</b>	<b>\$ 792,250</b>	<b>\$ 997,250</b>	<b>\$ 1,183,000</b>	<b>\$ 1,343,000</b>	<b>\$ 1,559,250</b>
<b>FUND BALANCE / RESERVES<sup>†</sup></b>	<b>12.8%</b>	<b>\$ 116,172</b>	<b>\$ 163,482</b>	<b>\$ 180,642</b>	<b>\$ 217,715</b>	<b>\$ 244,929</b>
<b>TOTAL EXPENDITURES &amp; RESERVES</b>	<b>100.0%</b>	<b>\$ 908,422</b>	<b>\$ 1,160,732</b>	<b>\$ 1,363,642</b>	<b>\$ 1,580,715</b>	<b>\$ 1,804,179</b>
						<b>\$ 2,069,850</b>
						<b>\$ 2,384,040</b>

**Category Details**

\* Net assessment reflects the deduction of City and County fees from the gross assessment collection at \$0.12 per \$100 of value

<sup>†</sup> The % for each expense service category is calculated by dividing the \$ amount of each category by the total revenue. The carryover % is calculated by dividing the total carryover \$ amount by the net assessment revenue

†† Estimated PID funds to carry over to the new service plan year for contingency fund during the term. All fund balances/reserve will be expensed by the end of the term.

1 Ongoing improvements to public areas not covered under capital improvements, such as landscaping and irrigation along intersections and medians, pedestrian lighting along sidewalks and streets, installation and improvements to street signage and markers, and acquisition and installation of public art/murals.

2 Design and construction for capital improvement such as intersection improvements, lighting along trails, new and improved playground equipment in parks within the PID.

3 Ongoing business and recruitment retention for district businesses and promotion districtwide

4 Marketing and promotion consist of cultural enhancements and community events, communication efforts to enhance brand and delivery service enhancement updates, and creation of PID website.

5 Public safety consist of crime prevention through environmental design, DPD expanded neighborhood patrol, supplemental security patrol for non-peak hours, and public safety community meetings and events.

6 PID overhead costs to operate and maintain PID functions

7 Contractual required annual independent audit

8 Contractual required insurance coverage as applicable (i.e. Workers' Comp & Employees Liability, Business Automobile Liability, Commercial General Liability, Commercial Crime, Directors and Officers/Professional liability)

9 PID creation/renewal Application fee, payable at end of term

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May 28, 2025

**WHEREAS**, Chapter 372 of the Texas Local Government Code ("the Act") allows for the creation of public improvement districts; and

**WHEREAS**, on February 1, 2025, the Ferguson Road Initiative ("FRI"), representing owners of real property located within the Far East Dallas Public Improvement District (the "District"), delivered to the City of Dallas a petition to create the District in accordance with the Act; and

**WHEREAS**, the Act requires signed petitions from owners of at least 50% of the appraised value of real property liable for assessment and at least 50% of the land area or 50% of the record owners of real property liable for assessment; and

**WHEREAS**, the City's Public Improvement District (PID) Policy requires signed petitions from owners of at least 60% of the appraised value of real property liable for assessment and at least 60% of the land area or 60% of the record owners of real property liable for assessment for new or renewing commercial or mixed-use district PIDs; and

**WHEREAS**, City staff reviewed the petitions and determined that owners of record representing at least 50% of the appraised value and at least 50% of the land area of real property liable for assessment have signed the petitions, thereby meeting the minimum requirements for creation set in the Act but falling below the City's petition approval threshold from owners of at least 60% of value of real property liable for assessment and at least 60% of the land area or 60% of the record owners of real property liable for assessment; and

**WHEREAS**, pursuant to the City's PID Policy, a waiver to the City's 60% threshold criteria shall only be authorized by a vote of a three-quarters majority of the City Council; and

**WHEREAS**, the Act further requires that prior to the adoption of the resolution providing for the establishment of the District to provide supplemental public services to be funded by assessments on real property and real property improvements, City Council must hold a public hearing on: (i) the advisability of the improvements; (ii) the nature of the improvements; (iii) the estimated cost of the improvements; (iv) the boundaries of the public improvement district; (v) the method of assessment; and (vi) the apportionment of costs between the district and the municipality as a whole; and

**WHEREAS**, On April 23, 2025, the City Council authorized a waiver to the minimum public improvement district petition thresholds outlined in the City's PID Policy, by Resolution No. 24-0602; and

**WHEREAS**, on April 23, 2025, the City Council called for a public hearing to be held on May 28, 2025, to hear comments and concerns regarding the creation of the District and at the close of the public hearing, to consider a resolution to create the District, by Resolution No. 24-0602; and

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May 28, 2025

**WHEREAS**, after providing the notices required by Section 372.009 of the Act, the City Council on May 28, 2025, conducted a public hearing on the advisability of the improvements and services, and adjourned such public hearing.

**Now, Therefore,**

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

**SECTION 1.** That pursuant to the requirements of the Act, the City Council, after considering the Petition for the proposed District and evidence and testimony presented at the public hearing on May 28, 2025, hereby finds and declares:

- A. District Name.** The name of the District is Far East Dallas Public Improvement District.
- B. Advisability of Services and Improvements Proposed for District.** It is advisable to create the District to provide the services and improvements described in this Resolution and **Exhibit B**.
- C. District Location.** The District is located wholly within the City of Dallas, Texas, a Texas home rule municipality. The boundaries of the District are shown on **Exhibit A**.
- D. Nature of the Proposed Services and Improvements.** The purpose of the assessments to be levied in the District is to supplement and enhance services provided to or for the District's benefit, including, but not limited to: public safety and enhanced security, beautification, recreation, common area improvements permissible under the Act, capital improvements, trail improvements, distinctive lighting and signage, business recruitment, and development to promote the area in and around the District, marketing and promotional activities, and related expenses incurred to establish, administer, and operate the District as authorized by the Act and the City Council. To the extent of a conflict between the proposed permissible services and improvements referenced in this Petition, the Service Plan, and the Act, the Act shall prevail.
- E. Estimated Cost of the Services and Improvements. No Bonded Indebtedness.** During the next seven-year term of the District, the estimated annual cost of services and improvements to be provided by the District is expected to begin at approximately \$792,250.00 in 2026 and to end at \$2,384,040.00 in 2032. The total estimated net assessment revenue to be collected during the seven-year period is approximately \$10,014,589.00. The District shall incur no bonded indebtedness. The seven year budget detailing the estimated cost per year and total estimated costs for the entire term (the "Service Plan") is attached as **Exhibit B**. The proposed

May 28, 2025**SECTION 1 (continued)**

services and improvement cost shall be paid solely from assessment funds or sources other than additional City funds.

**F. Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by the Dallas Central Appraisal District ("DCAD"). The net assessment amount for 2026 is proposed to

be \$904,922.00. The annual assessment rate for 2026 is approximately equal to \$0.12 per \$100.00 valuation. Once levied, this assessment rate shall not increase during the 2026 Service Plan year.

Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation, subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the City Council approval.

**G. Apportionment of Costs Between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property.

The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Tax Code (except under the provisions of Sections 11.24 and 11.28 of the Texas Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from the City real property taxes. Payment of assessments by exempt jurisdictions and entities must be established by contract. Property owned by tax-exempt religious organizations will be exempt from assessment as well as the City rights-of-way, the City parks, railroad rights-of-way, and cemeteries. The City of Dallas is not responsible for payment of assessment against the City-owned property in the District.

**H. District Management.** The District shall be managed by Ferguson Road Initiative (FRI), a Texas nonprofit corporation established under the provisions of Section 501(c)(3) of the Internal Revenue Code, or its successors or assigns, as approved by property owners and the City Council. Any successor or assignee shall be subject to approval by the Director of the Office of Economic Development. FRI will

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May 28, 2025**SECTION 1 (continued)**

be responsible for the management of the District, development, and recommendation of an annually updated Service Plan, and perform other required responsibilities pursuant to a contract with the City. The City Council will review and approve annually the Service Plan and assessment plan, determine and levy assessments and conduct other functions as required by the Act.

- I. **District Dissolution.** The District shall automatically dissolve on December 31, 2032, unless renewed or dissolved through the petition and approval process as provided by the Act. If the District is dissolved, the District nonetheless shall remain in effect for the purpose of meeting obligations of indebtedness for improvements.
- J. **Advisory Body.** An advisory body may be established to develop and recommend an improvement plan to the governing body of the municipality. At this time, staff is not recommending that an advisory board be appointed but is recommending that the responsibilities for the development and recommendation of the annual Service Plan and other duties of the advisory board contained in the Act be assigned to FRI or a successor entity approved by property owners and the City Council.

**SECTION 2.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and that the action of the City Council closing the public hearing in these proceedings is hereby ratified and confirmed.

**SECTION 3.** That the District is hereby authorized and established as a Public Improvement District under the Act in accordance with the findings as to the advisability of the services and improvements contained in this Resolution, with an effective date of January 1, 2026. The District shall be subject to all of the terms, conditions, limitations and reservations contained in the findings of Section 1 of this Resolution and **Exhibit B**.

**SECTION 4.** The District shall automatically dissolve on December 31, 2032 unless the District is renewed through the petition and approval process as provided by the Act, or the District is sooner terminated as provided by law. The power of the City to continue to levy and collect assessments within the District will cease, and the District will be dissolved on the date that a petition requesting dissolution is filed with the City Secretary of the City of Dallas and the petition contains the signatures of at least enough property owners in the District to make the petition sufficient under Section 372.005(b) of the Act.

**SECTION 6.** That City Council hereby approves the Petitioned Service Plan prepared by FRI which is attached hereto and made part hereof (**Exhibit B**) and directs FRI to implement it in accordance with the Act and the following contractually required administrative provisions:

- A. **Service Plan Budget Modifications.** The Petitioned Service Plan covers a period of seven years, groups services and improvements to be provided into program

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May 28, 2025**SECTION 6 (continued)**

categories ("Program Category"), and the percentage of available funds allocated to each Program Category by FRI. As required by the Act, changes to the adopted Annual Service Plan budget amounts require the City Council approval.

**B. No Collection of Assessments in Excess of Petitioned Cost Total.** The City has no power to levy and collect assessments within the District in excess of the total cost of services and improvements that property owners agreed to when they signed the District's creation petition. If appraised property values increase or decrease within the District, the apportionment of the cost among the property owners may change on an annual basis but the cumulative amount of assessment revenue that is generated over the District's term cannot exceed the total cost of services and improvements projected on the Petitioned Service Plan. No over-

collection of assessments is anticipated over the District's term. If, however, the District's cumulative, net assessment collections will exceed the cumulative assessments budgeted on the Petitioned Service Plan, FRI shall: (1) reduce the District's assessment rate in a subsequent year(s) to offset the over-collection, (2) return the assessment funds to the property owners, and/or (3) retain and not expend such additional assessments until a revised petition for an early renewal of the District that includes the additional assessments and increased service levels/costs is signed by the District property owners and approved by the City Council, in accordance with the Act and the City's PID Policy.

**C. Excess Funds.** The District must identify any unspent assessment funds arising from greater than anticipated collections and/or lower than budgeted costs on the upcoming year's Annual Service Plan as either revenue available for current/future expenditures or return the excess funds to property owners. The District's revenue at any time (inclusive of unspent carry-forward revenue and interest generated from assessments) does not exceed the total cost of services and improvements budgeted on the Petitioned Service Plan. Requests to carry-forward funds in excess of 20.0% of the District's budgeted collections, FRI must explain/justify why the District is carrying such a large fund balance (i.e., future capital improvement project, etc.). At no time shall carryover funds be used for services or improvements that were not approved in the District's Petition. If in the last year of the District's term, there are unspent funds, the City Council reserves the right to adjust the assessment rate to absorb such funds to the extent not otherwise approved by the City Council to be used during the District's ensuing creation term. In all instances, the City Council shall have final approval as to whether the District and/or FRI is permitted to carry over assessments to the following year.

**D. Expenditure Overruns and Use of Approved Fund Balance/Contingency Reserves.** If annual expenditures will exceed revenues (for example, due to lower

May 28, 2025

**SECTION 6** (continued)

than projected collections or greater than projected costs), FRI shall take measures to avoid a negative fund balance at year-end, such as: (1) reducing spending among Program Categories in a manner that best serves the interest of District property owners, tenants, and residents, provided that amendments to Program Category budget percentages require the City Council approval, (2) accessing approved amounts set-aside in a budgeted contingency reserve category as applicable, (3) and/or accessing approved excess assessments carried forward from prior year fund balance.

**SECTION 7.** That pursuant to the exception granted by Section 252.022(a)(9) of the Texas Local Government Code, the City Manager is hereby authorized and directed, upon approval as to form by the City Attorney, to enter into a contract with FRI to manage special supplemental services to be paid from the assessments collected. The contract with FRI shall be in accordance with the Petitioned Service Plan and this Resolution and shall provide for compliance by the FRI with the Business Inclusion and Development Plan for participation of minorities and women providing services and improvements to the District.

**SECTION 8.** That the contract with FRI shall also provide for assessment collection services by Dallas County ("County") to the FRI for collection of the special assessments. The County shall receive a fee per account as compensation for its collection services. Currently, the fee is \$2.90 per account and subject to change by the County.

**SECTION 9.** That the contract with FRI shall provide that the City shall be responsible for disbursement of the assessments to the District. City will transfer assessment funds to FRI at least 30-45 days from the end of the previous month. Additionally, City will retain a percentage of the net assessments (assessments less collection service fees) for repayments, if any, required by the County in settlement of tax protests ("retainage funds"). If the retainage funds are not sufficient to address repayments, the deficiency funds shall be provided by FRI.

**SECTION 10.** That the contract shall include, but not limited to, the terms and conditions as set forth in the City of Dallas Public Improvement District Policy as amended on January 8, 2025, by Resolution No. 25-0162.

**SECTION 11.** That the Director of the Office of Economic Development (or his or her designee) is directed to, no later than seven days after the date this resolution takes effect, shall file a copy of this resolution with the Dallas County Clerk's office in accordance with Section 372.010 of the Act.

**SECTION 12.** 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.

