

# Memorandum



DATE April 18, 2014

TO Members of the Economic Development Committee:  
Tennell Atkins (Chair), Rick Callahan (Vice Chair), Adam Medrano, Scott Griggs  
Lee Kleinman, Jerry R. Allen

SUBJECT **Southern Dallas Adaptive Reuse Pilot Program; April 23, 2014 Council Agenda**

## **BACKGROUND**

On April 23, 2014, City Council will be asked to consider authorizing the Southern Dallas Adaptive Reuse Pilot Program.

This item is being placed on the Addendum based on the April 7, 2014 Economic Development Committee direction to formulate a southern Dallas Adaptive Reuse Pilot Program for Council consideration on April 23, 2014

Adaptive reuse is the practice of repurposing underutilized buildings to support better use as an alternative to demolition, vacancy or undesirable use. There are many existing occupied and vacant small buildings in southern Dallas that have fallen into disrepair and become an eyesore to the community. Many are boarded up and/or have code violations. There are opportunities to transform this existing building stock to better serve needs of the community while removing urban blight. This program will be designed to support small building owner/business operator businesses in southern Dallas and is intended to be a pilot for one year or until funding is depleted. There are established parameters and guidelines for eligibility and use. **(Program Statement - Attachment A)**

Area TOD plans funded by the \$2.255 million HUD Sustainable Communities Challenge Grant received by the City identified the adaptive reuse of unused and/or underutilized small commercial buildings as a crucial strategy to upgrade unsightly deteriorating structures and bring amenities to underserved neighborhoods, without the need for large-scale redevelopment. The five Dallas TOD plans funded by the grant were adopted by Dallas City Council in April 2013.

The adaptive reuse of existing buildings contributes to economic vitality, aesthetic appeal and a more vibrant community.

Public Private Partnership funding for the program in an amount not to exceed \$150,000 will be awarded on a project by project basis via Administrative Actions approved by the City Manager in accordance with program criteria and eligibility and a Grant Agreement securing the obligation of the Grantee.

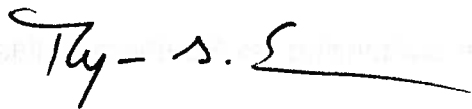
**MAP**

Attached

**RECOMMENDATION**

Staff recommends approval of the subject item.

Should you have any questions or concerns, please contact me at (214) 670-3296.



Ryan S. Evans  
Interim First Assistant City Manager

C: The Honorable Mayor and Members of the City Council

- A.C. Gonzalez, City Manager
- Warren M. S. Ernst, City Attorney
- Judge Daniel F. Solis, Administrative Judge
- Rosa A. Rios, City Secretary
- Craig D. Kinton, City Auditor
- Jill A. Jordan, P. E., Assistant City Manager
- Forest E. Turner, Assistant City Manager
- Joey Zapata, Assistant City Manager
- Charles M. Gato, Interim Assistant City Manager
- Theresa O'Donnell, Interim Assistant City Manager
- Jeanne Chipperfield, Chief Financial Officer
- Shawn Williams, Interim, Public Information Officer
- Karl Zavitkovsky, Director, Office of Economic Development
- J. Hammond Perot, Assistant Director, Office of Economic Development
- Lee McKinney, Assistant Director, Office of Economic Development
- Elsa Cantu, Assistant to the City Manager – Mayor and Council

## **ATTACHMENT A**

### **Southern Dallas Adaptive Reuse Pilot Program Statement**

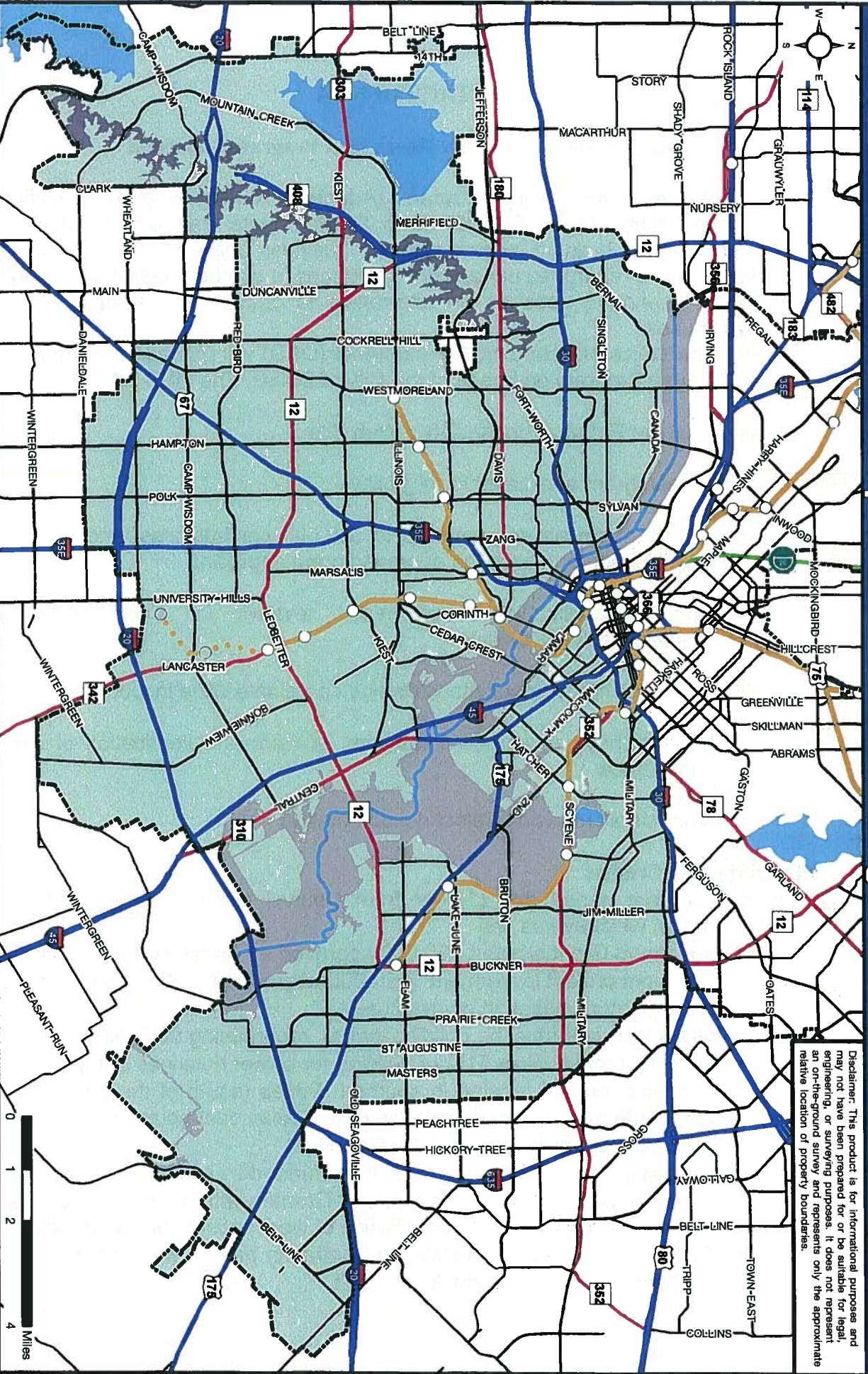
Award Adaptive Reuse Pilot Program (Adaptive Reuse Program) building improvement grants up to \$30,000 from Public/Private Partnership funds to eligible commercial building owners who are business operators in the building being improved to repurpose underutilized buildings in southern Dallas to support new and/or expanded uses as an alternative to demolition, vacancy and/or undesirable uses.

- The Office of Economic Development (OED) will manage the Adaptive Reuse Program on behalf of the City of Dallas. The OED will:
- Post the Program on the City's Web Site
- Screen grant applicants for eligibility
- Award improvement grants up to \$30,000 per business, and execute grant agreements with the approved grant applicant
- Conduct applicable environmental reviews for each approved property/business assisted
- Conduct improvement site visits and coordinate code inspections
- Process payments upon completion of work and verification of code compliance
- Maintain all relevant project documentation

#### **Eligibility and Criteria**

- Program period one (1) year from Council approval or depletion of funds, whichever is first
- Maximum Grant amount \$30,000 approved by Administrative Action
- Minimum project investment \$250,000 (acquisition and/or improvement)
- Documented validation of investment
- Grant recipient must be building owner, repurposing the building
- Recipient must utilize 51% of building for owner business operation
- Building must be located in southern Dallas (south of the Trinity River and south of I 30 from downtown to the Dallas east boundary)
- Maximum building size 10,000 square feet
- Written Estimate of cost for work to be funded by grant
- Payment of Grant proceeds made to Grantee with Invoice for payment and approval from Code Compliance of work satisfactorily completed
- ECO to verify funds availability to Contractor prior to work starting
- Prohibited uses per Grant Agreement

# Adaptive Reuse Pilot Program



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.

**DALLAS ECONOMIC DEVELOPMENT**  
 Research & Information Division  
 214.670.1685  
 dallas-ecodev.org

Source: City of Dallas, 2014

**Legend**

- Program Eligible Area
- Rail Station
- Future Station
- DART Light Rail
- Commuter Rail
- Future DART Light Rail
- Freeway
- Tollway
- Highway
- Arterial
- Trinity River
- Flood Plain
- Lake
- City of Dallas