

Memorandum



CITY OF DALLAS

DATE May 16, 2014

TO Housing Committee Members: Carolyn R. Davis, Chair, Scott Griggs, Vice-Chair, Monica Alonzo, Rick Callahan, Dwaine Caraway, and Philip Kingston

SUBJECT City Wide Community Development Corporation Organizational Overview

On Monday, April 21, 2014, you will be briefed on City Wide Community Development Corporation Organizational Overview. A copy of the briefing is attached.

Please let me know if you have any questions.

A handwritten signature in black ink, appearing to read 'Theresa O'Donnell'.

Theresa O'Donnell
Interim Assistant City Manager

c: The Honorable Mayor and Members of the City Council
A. C. Gonzalez, City Manager
Rosa A. Rios, City Secretary
Warren M.S. Ernst, City Attorney
Craig Kinton, City Auditor
Judge Daniel Solis, Administrative Judge
Ryan S. Evans, Interim First Assistant City Manager
Forest E. Turner, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Shawn Williams, Interim Public Information Officer
Bernadette Mitchell, Housing/Community Services, Interim Director
Elsa Cantu, Assistant to the City Manager – Mayor and Council

City Wide Community Development Corporation Organizational Overview

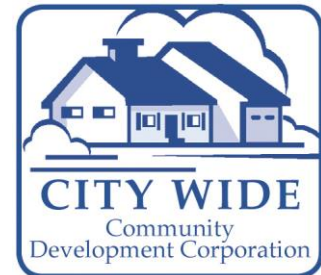
A Briefing To The
Housing Committee

Housing/Community Services Department
May 19, 2014



City Wide CDC's Mission

The mission of City Wide CDC is to provide safe, quality, affordable housing for low-to-moderate income individuals and families and to revitalize neighborhoods through the development of affordable housing, economic development, educational, counseling programs that empower individuals and families to improve their quality of life.



City Wide CDC's History

- Formed in 2001
- A nonprofit organization, 501(c)3, a Certified Community Housing Development Organization (CHDO), and a Community Based Development Organization (CBDO)
- Target areas include zip codes 75216, 75241 & 75217
- Six (6) person Board of Directors
- Four (4) staff persons
 - Sherman Roberts, President & CEO

Economic Development History

- In 2008, CWCDC acquired the 5,750 sq. ft. retail strip shopping center located at 3730 S. Lancaster with the City's assistance that is in the process of being remodeled as part of the Lancaster-Opal Project.
 - It currently serves as City Wide CDC's main office as well as offices for RBO Records BBQ, Moore Law Firm, and the local office of Texas State Representative Toni Rose.
- In 2014, CWCDC completed construction of the new building for Rudy's Chicken located at 3103 S. Lancaster



Housing Development History

- Blossom Garden – 5650 Gaston Ave.

Acquisition and renovation of a 12-unit garden-style apartment complex that is dedicated to providing permanent housing and supportive services to formerly homeless seniors. Funding provided by City of Dallas-HOME program, The Meadows Foundation and Texas Mezzanine Fund for a total investment of \$850,000 .



Housing Development History (continued)

- Village of Runyon Springs (75241)– Scattered sites

Acquisition of 13 foreclosed undeveloped lots and the new construction of 13 single-family homes that were all sold to families and/or individuals for homeownership.

The homes had open-floor plans, energy efficiency enhancements, and ranged between 1,750 to 2,200 sq. ft. Total investment \$1.5M from City of Dallas-Neighborhood Stabilization Program



Housing Development History (continued)

- Retail Estate Owned Property (REO) Program

CWCDC participates in the REO Donation program with several financial institutions. Since 2009, they have received donated properties, single-family homes, and infill lots for future housing development.

City Wide CDC prides itself on remodeling these homes to upgrade every room to exceed housing quality standards. City Wide CDC rents these properties for less than market rate rents and offers clients the opportunity to become home owners after they meet qualification requirements.



Housing Development History (continued)

- Lancaster Urban Village

Lancaster Urban Village is a mixed-use, transit-oriented development that will incorporate 193-unit apartment complex that features a resort style pool, a café, a club house and plenty of private parking spaces. The development will also offer 14,000 sq. ft. of retail space and a 392 space parking garage.

Partnerships on the project included City of Dallas Economic Development and Housing/Community Services Departments, Department of Housing and Urban Development (HUD), US Bank, Grey-Stone and Texas Mezzanine Fund. Total investment of \$30M.



Development Future Plans

- Economic Development
 - Complete lease-up of 14,000 sq.ft. of retail space in Lancaster Urban Village complex in 2014.
 - Begin development of Lancaster-Kiest Office Plaza, located at 3115 S. Lancaster, in 2015.
 - Begin development of Lancaster-Opal Village, located at 3702 S. Lancaster, in 2015.
- Housing
 - Serenity Place Apartment Project (45 units)-begin construction in 2015.
 - Begin development of Lancaster-Opal Village in 2015 to include housing units.
 - Begin development of mixed-income housing units to be located on the 3000 block of South Lancaster in 2016

Lancaster-Opal Village Project History

- August 4, 2008- Housing Committee was briefed on a development proposal from City Wide Community Development Corporation to begin acquisition along the 3700 block of South Lancaster for future development of a mixed-use project
- September 10, 2008-City Council approved \$500,000 development loan to CWCDC from general obligation bond funds to begin acquisition, demolition, relocation, and predevelopment.
- August 12, 2009- City Council approved an additional \$500,000 to continue acquisition and predevelopment
- January 12, 2011- City Council approved an additional \$275,000 to continue acquisition and predevelopment
- April 24, 2013- City Council approved an economic development grant of \$135,000 for planning and preconstruction activities
- August 28, 2013- City Council extended the deadline to develop the property to September 12, 2016

Lancaster-Opal Village Project

- The City has invested \$1,031,326 in acquisition, demolition, relocation, and other related costs in this project, plus \$135,000 in planning and preconstruction
- To date, ten properties have been acquired with five more to be acquired
- City Wide CDC has completed architectural renderings and estimated budgets for full completion
- City Wide CDC has requested additional funds in the amount of \$300,000 to complete the acquisitions, demolish properties, and provide relocation as needed
- City Wide CDC will begin replatting process and applying for private and public financing to begin construction in 2015

Acquisition of Land

- The developer submitted the following items for staff review prior to purchase:
 - Property survey
 - Title Commitment
 - Environmental Assessment
 - Appraisal performed by an independent fee appraiser
 - Sales contract
 - Settlement Statements
- Once all items were reviewed by staff and approved, funds were wired to the title company for the closing
- The City of Dallas has a first lien deed of trust and deed restrictions on all parcels acquired with these funds

Other allowable costs

- In the assemblage of land and preparation for redevelopment, other allowable costs that were reimbursed were:
 - Closing costs
 - Surveys
 - Broker fees
 - Consulting fees
 - Relocation and moving costs
 - Demolition and asbestos removal costs
 - Architect and engineering work
 - Zoning and planning fees

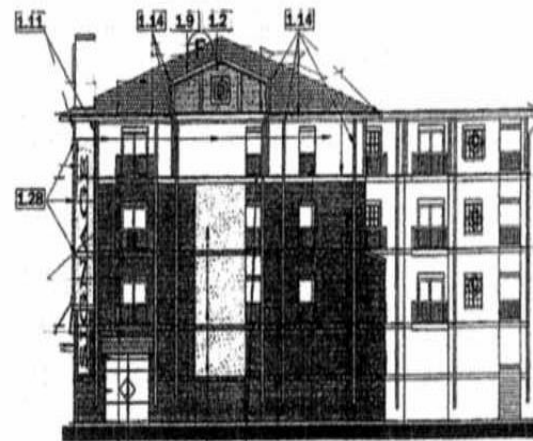
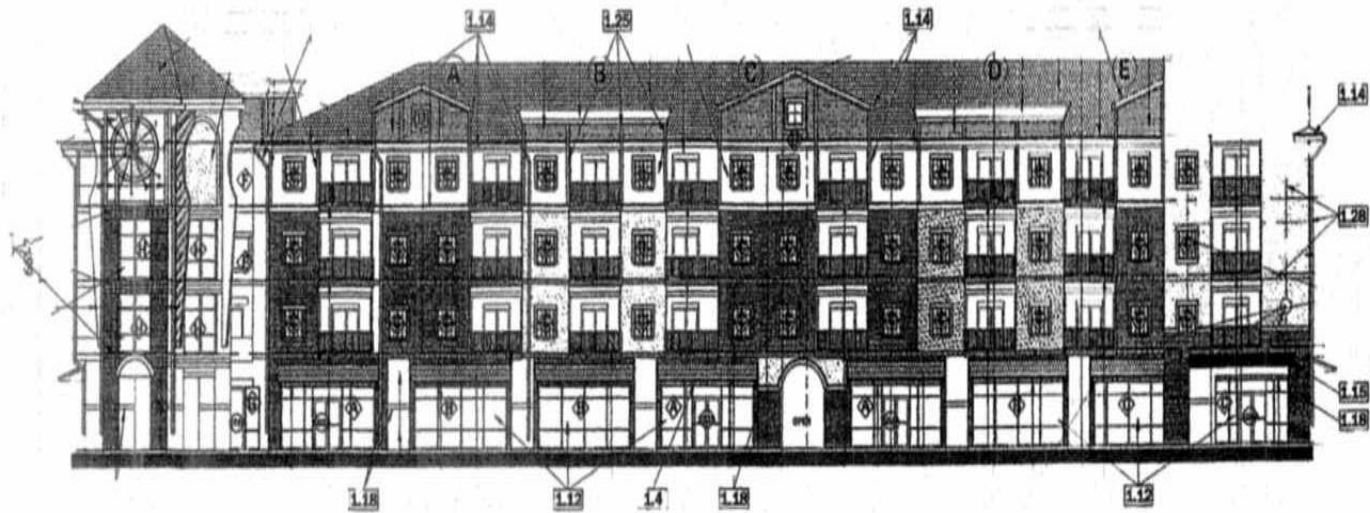
Comparison of appraised values and purchase prices

Address	Independent Appraised Value	Acquisition Cost
8 Opal	\$101,700	\$90,000.00
3711 Opal		
3710 S. Lancaster		
3714 S. Lancaster		
3718 S. Lancaster		
3715 Opal	\$18,000	\$18,000.00
3702 S. Lancaster	\$35,000	\$30,000.00
3706 S. Lancaster	\$35,000	\$30,000.00
3726 S. Lancaster	\$150,000	\$125,000.00
3730 S. Lancaster	\$515,000	\$500,000.00
Totals	\$854,700	\$793,000.00

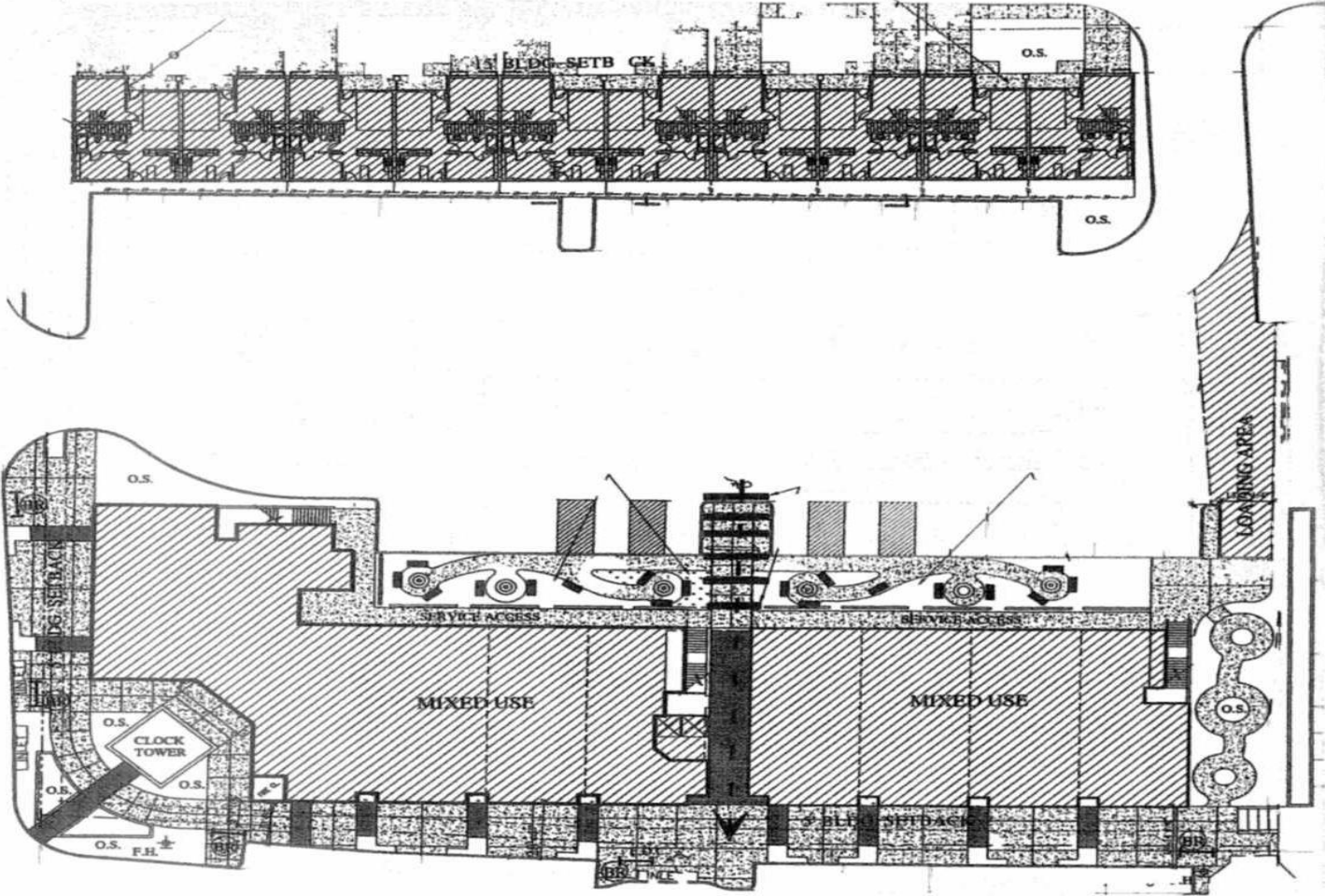
Other costs incurred

Closing Costs	\$ 8,097.73
Environmental Report	\$ 4,250.00
Surveys & Appraisals	\$ 9,800.00
Broker Fees	\$ 5,000.00
Consulting Fees	\$ 28,900.00
Relocation & Moving Costs	\$ 64,897.61
Demolition	\$ 55,570.00
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Total Other Costs	\$ 176,515.34
Plus Land Costs	<u>\$ 793,000.00</u>
Grand Total	<u><u>\$ 969,515.34</u></u>

Elevations



Site Plan



Lancaster-Opal Village Project Budget

Land	\$ 1,067,000
Construction	\$10,121,400
Soft Costs	\$ 1,125,000
Reserves	\$ 412,284
Developer Fee	<u>\$ 500,000</u>
Total	\$13,225,684

Note: Proposed 15,089 sq.ft. of retail/office space, sixty-three (63) affordable rental units, and 10 townhome units

Requested Approval

- Housing Committee approval of an increase to the existing development loan not to exceed \$300,000 of 2012 general obligation bond funds with City Wide Community Development Corporation (CWCDC) for acquisition, demolition, relocation, and other related costs for the Lancaster-Opal Project

Next Steps

- June 25, 2014 - City Council consideration of an increase to the existing development loan agreement with City Wide Community Development Corporation to further the Lancaster-Opal project
- June 2014 – modification of contract
- Fall 2014- acquisitions complete and replatting begins