

Memorandum



CITY OF DALLAS

DATE December 4, 2015

TO Housing Committee Members: Scott Griggs, Chair, Carolyn King Arnold, Vice-Chair, Mayor Pro-Tem Monica R. Alonzo, Tiffinni A. Young, Mark Clayton, and Casey Thomas, II

SUBJECT Disaster Recovery Round 2: A Community Revitalization Model for Houston

On Monday, December 7, 2015, you will be briefed on Disaster Recovery Round 2: A Community Revitalization Model for Houston. 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 'Alan E. Sims'.

Alan E. Sims
Chief of Neighborhood Plus

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
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager
Eric D. Campbell, Assistant City Manager
Jill A. Jordan, P. E., Assistant City Manager
Mark McDaniel, Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor and Council

Disaster Recovery Round 2

A Community Revitalization Model for Houston



Annise Parker, Mayor



Neal Rackleff, Director

December 7, 2015

BUDGET: ~\$65 million

<1% - City of Houston General Funds

WE ARE 150 STRONG



Real Estate Professionals



Financial Analysts



Attorneys



Federal Regulations Experts



Client Counselors

HCDD Programs and Services



SINGLE-FAMILY

DOWNPAYMENT ASSISTANCE

HOME REPAIR

HOMEBUYER EDUCATION
CLASSES

ASSISTED 3,427
IN LAST 5 YEARS



PUBLIC SERVICES

COMMUNITY DEVELOPMENT
BLOCK GRANTS (CDBG)

40,556 SENIORS
117,856 YOUTH

HOUSING OPPORTUNITIES FOR
PERSONS WITH AIDS (HOPWA)

SPECIAL NEEDS
23,979

ENDING CHRONIC HOMELESSNESS
1,550 PERMANENTLY HOUSED SINCE 2012



COMMERCIAL / MULTIFAMILY

AFFORDABLE HOUSING
DEVELOPMENT

7,389 UNITS
IN LAST 5 YEARS



PUBLIC FACILITIES

CITY-OWNED
LIBRARIES
PARKS
COMMUNITY CENTERS

ORGANIZATION-OWNED
HEALTH CLINICS
CHARTER SCHOOLS

115 FACILITIES
IN LAST 5 YEARS

Common Goals

Dallas

Neighborhood Plus

- Collective impact framework
- Alleviate poverty
- Fight blight
- Attract and retain the middle class
- Expand homeownership
- Enhance rental options

Houston

Disaster Recovery

- Eliminate blue tarp roofs
- Offer housing choice & opportunity
- Revitalize historically underserved inner city
- Create affordable single and multifamily housing
- Engage community in planning & home design

Disaster Recovery Round 2



Historic Opportunity to Stimulate
Redevelopment of Underserved Communities

Seizing the Opportunity

Disaster Recovery Round 2 Funding* Grand Total: \$178 Million

<u>HOUSING TOTAL:</u>	\$152.2 million
<u>Special Grant Set Aside Activities**</u>	\$36.69 million
Single-Family Rental Housing:	\$6.4 million
Subsidized Housing:***	\$30.29 million
<u>General Housing Activities</u>	\$115.5 million
Single-Family Activities:	\$63.1 million
Multifamily Activities:	\$52.4 million
<u>INFRASTRUCTURE TOTAL:</u>	\$26.15 million

* All aggregate amounts are approximate.

** Activities (and distribution formula) stipulated and approved by the Houston-Galveston Area Council.

*** To be administered by the Houston Housing Authority.

Planning Study Creates Blueprint



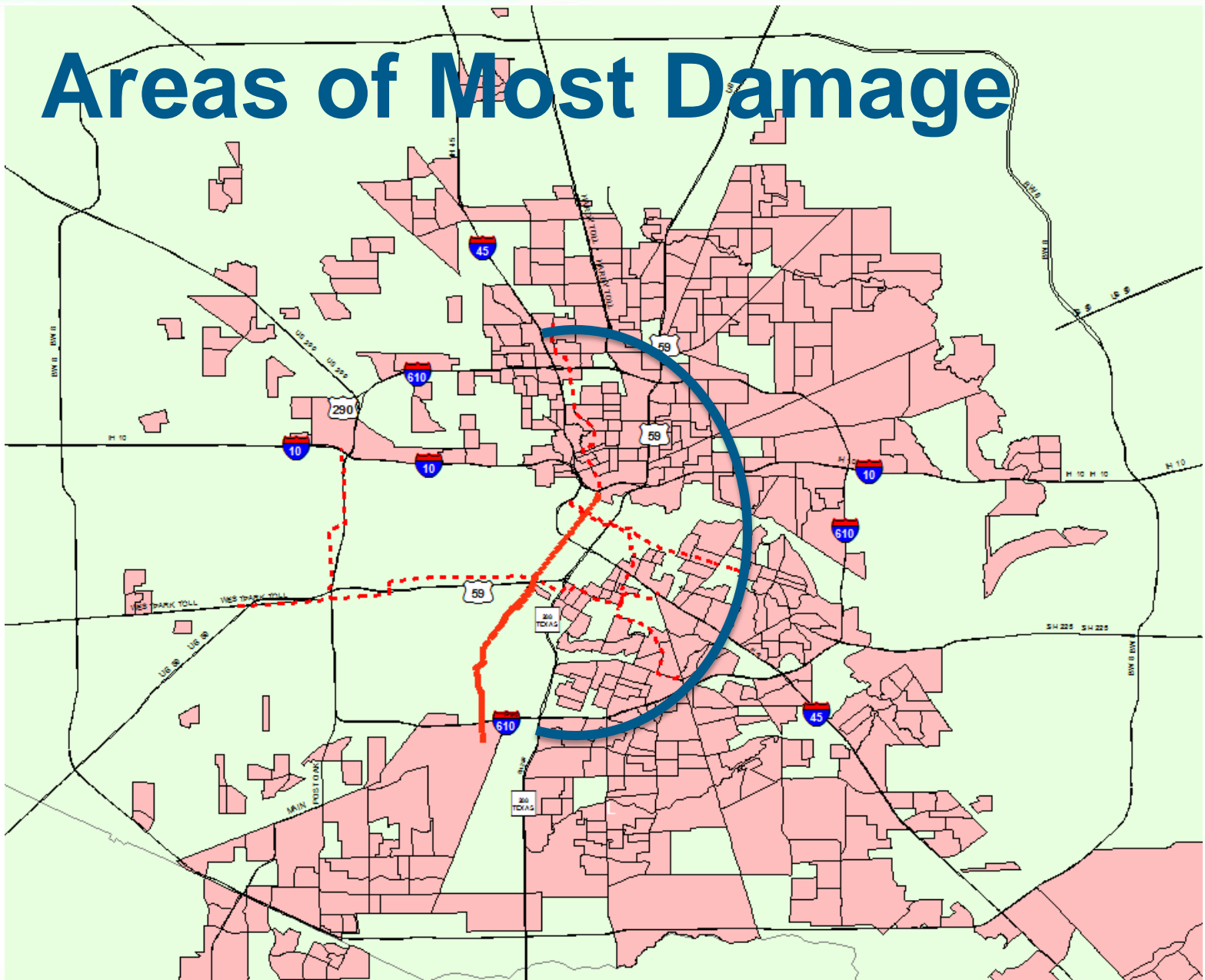
- Comprehensive revitalization plan
 - Stable, diverse communities
 - Near-term gentrification
 - Economically robust
 - Preserve affordable housing
- Greater racial and economic diversification

- Areas of Opportunity
 - Public and private investment
 - Catalyst for revitalization
 - Leverage DR 2 funds



- Extensive public participation
- Agreement of fair housing advocates

Areas of Most Damage



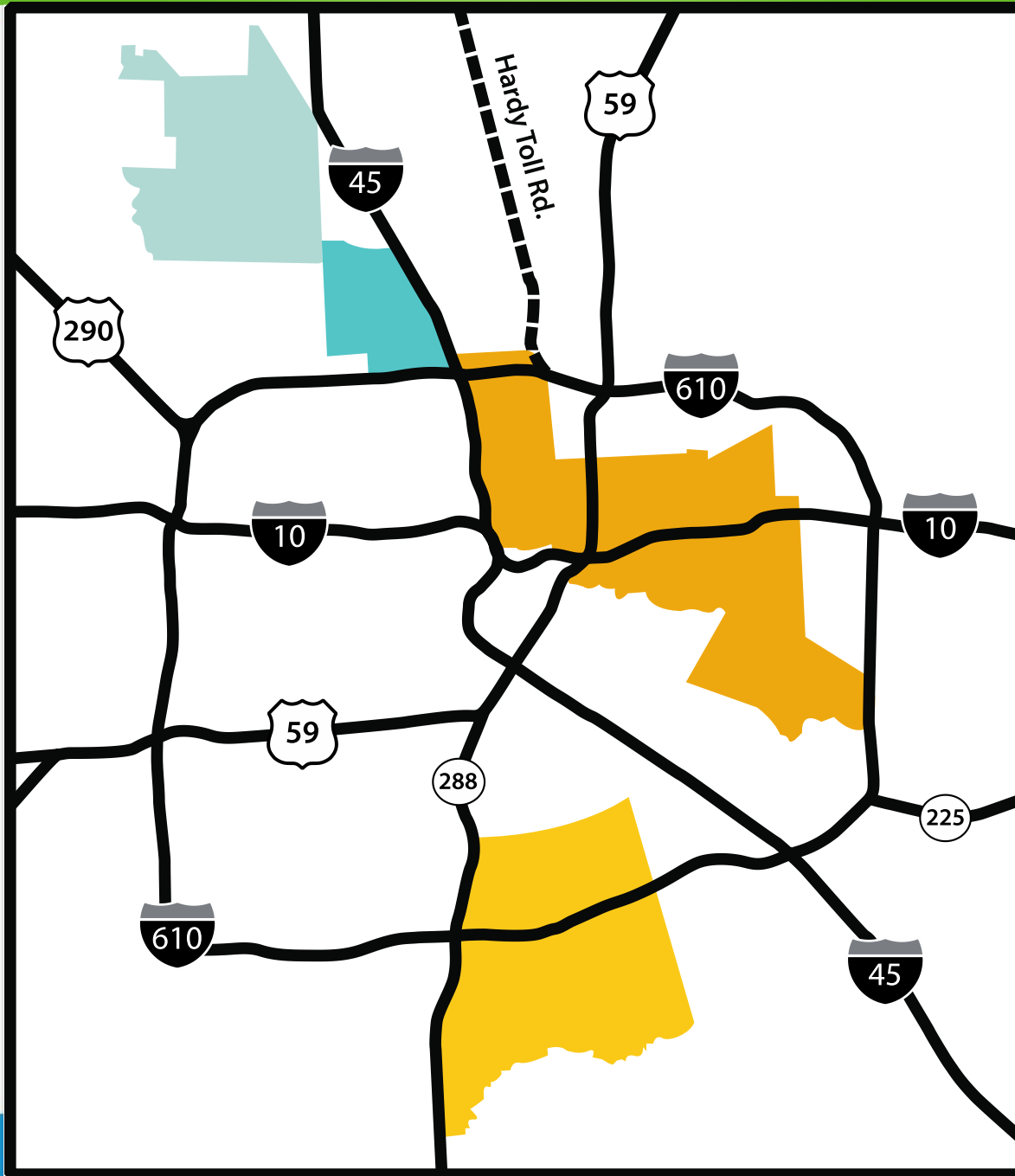
Legend
— METRO Lightrail
- - - Phase 2 Light Rail Transit

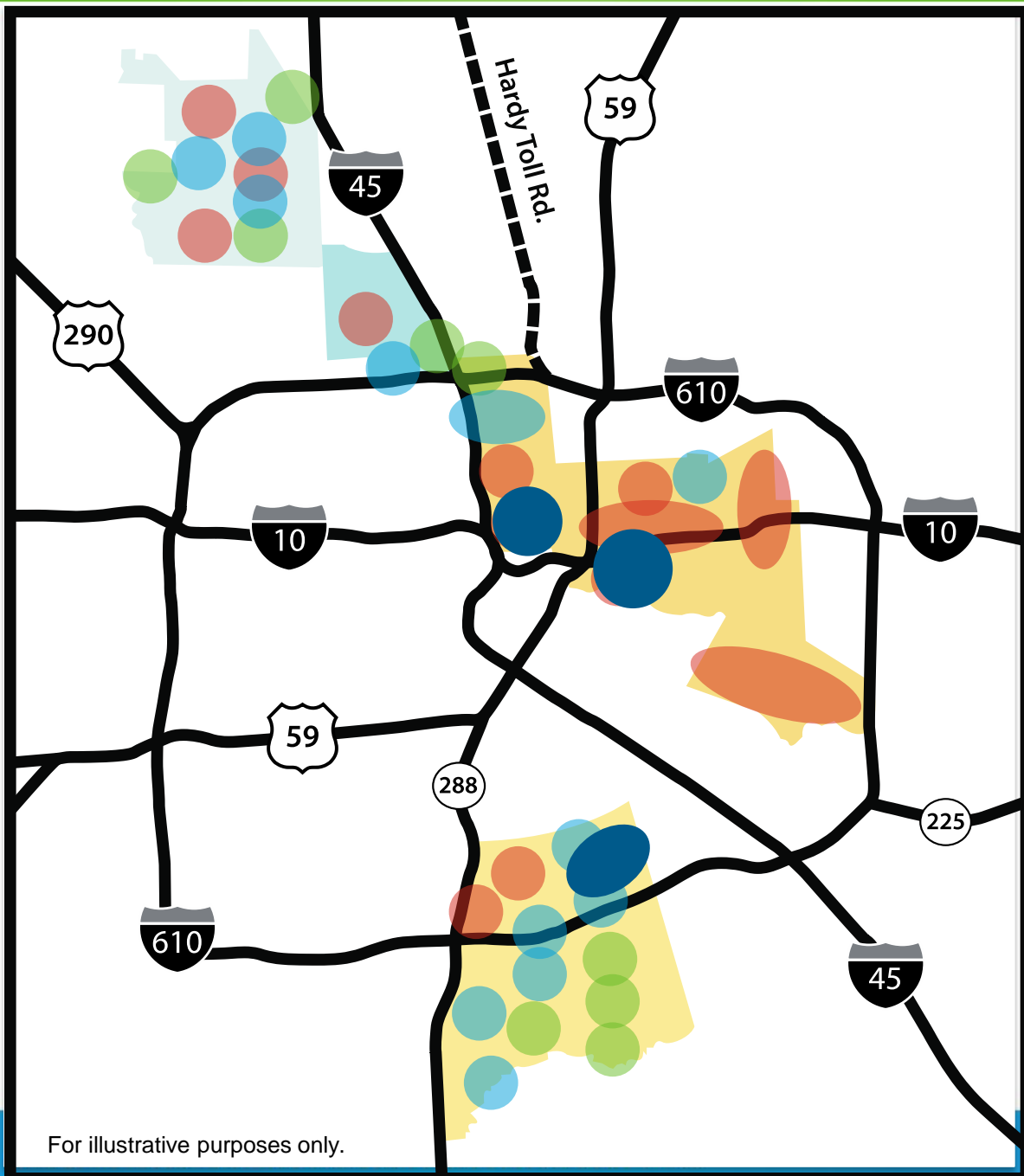
Defining Our Place-Based Investment Strategy

■ Neighborhoods
■ Of Opportunity

Partners in the Conversation:

- City of Houston
- HUD
- TOP
- Civic Leadership
- Texas Low Income Housing Information Service
- Texas Appleseed
- LISC
- Enterprise Community Partners





Reinvestment Nodes

Worked with LISC to hold:

- 13 community meetings
- 500 participants

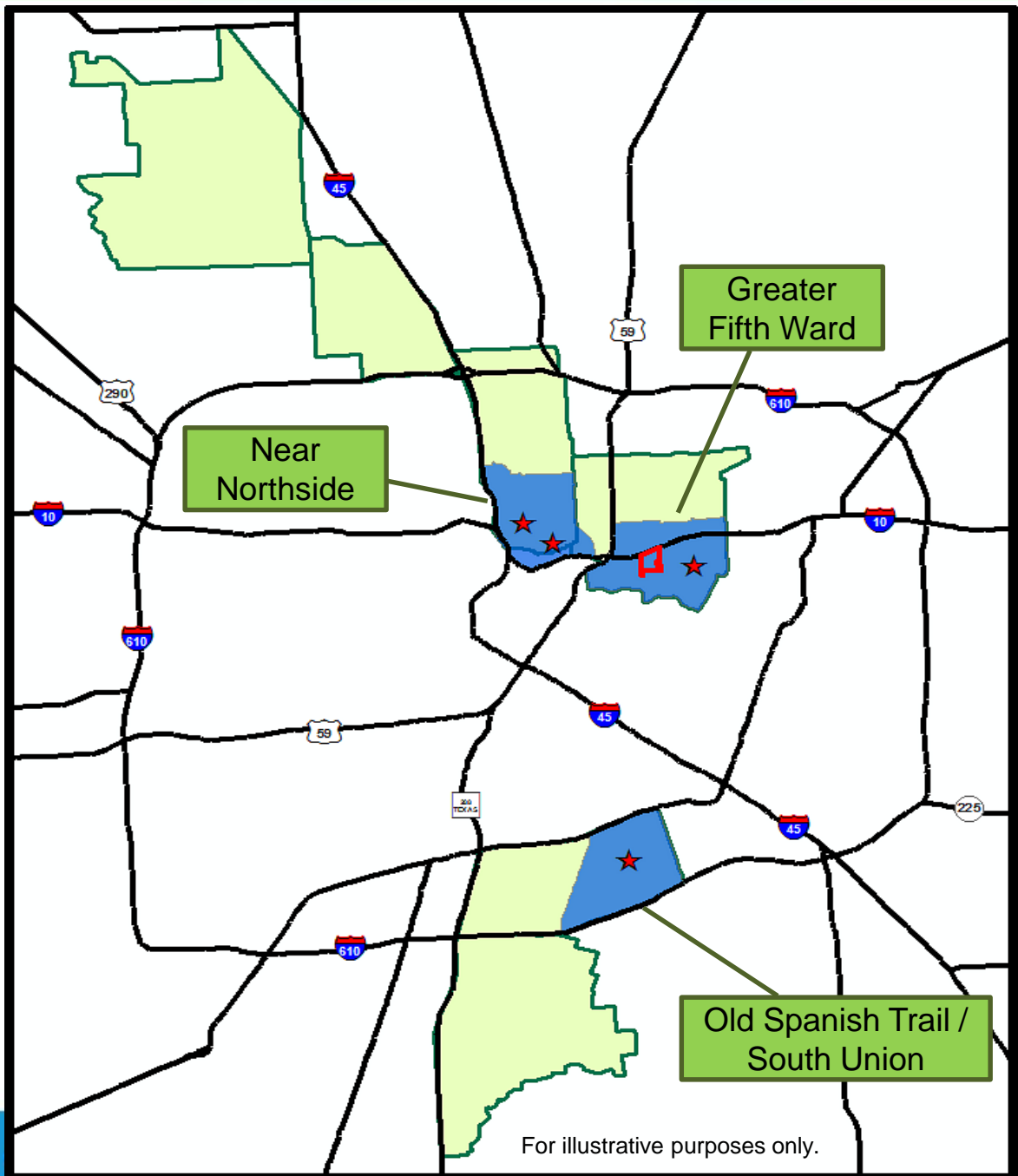
- Tier 1 = 1st Choice
- Tier 2 = 2nd Choice
- Tier 3 = 3rd Choice

Community Reinvestment Areas

Based on:

- Needs assessment
- Planning study
- Location of competitive MF proposals

For illustrative purposes only.



For illustrative purposes only.

 CRA Outreach Areas

 Community Reinvestment Areas (CRAs)

 Proposed Multifamily Projects

 Proposed Scattered Single-Family Rental Site

CRAs: Alignment of Specific Characteristics



- Poised for revitalization
- Critical to preserve affordable housing options
- Public transportation options
 - Light rail
 - Bus routes
- Accomplish slum and blight removal
- Near area amenities

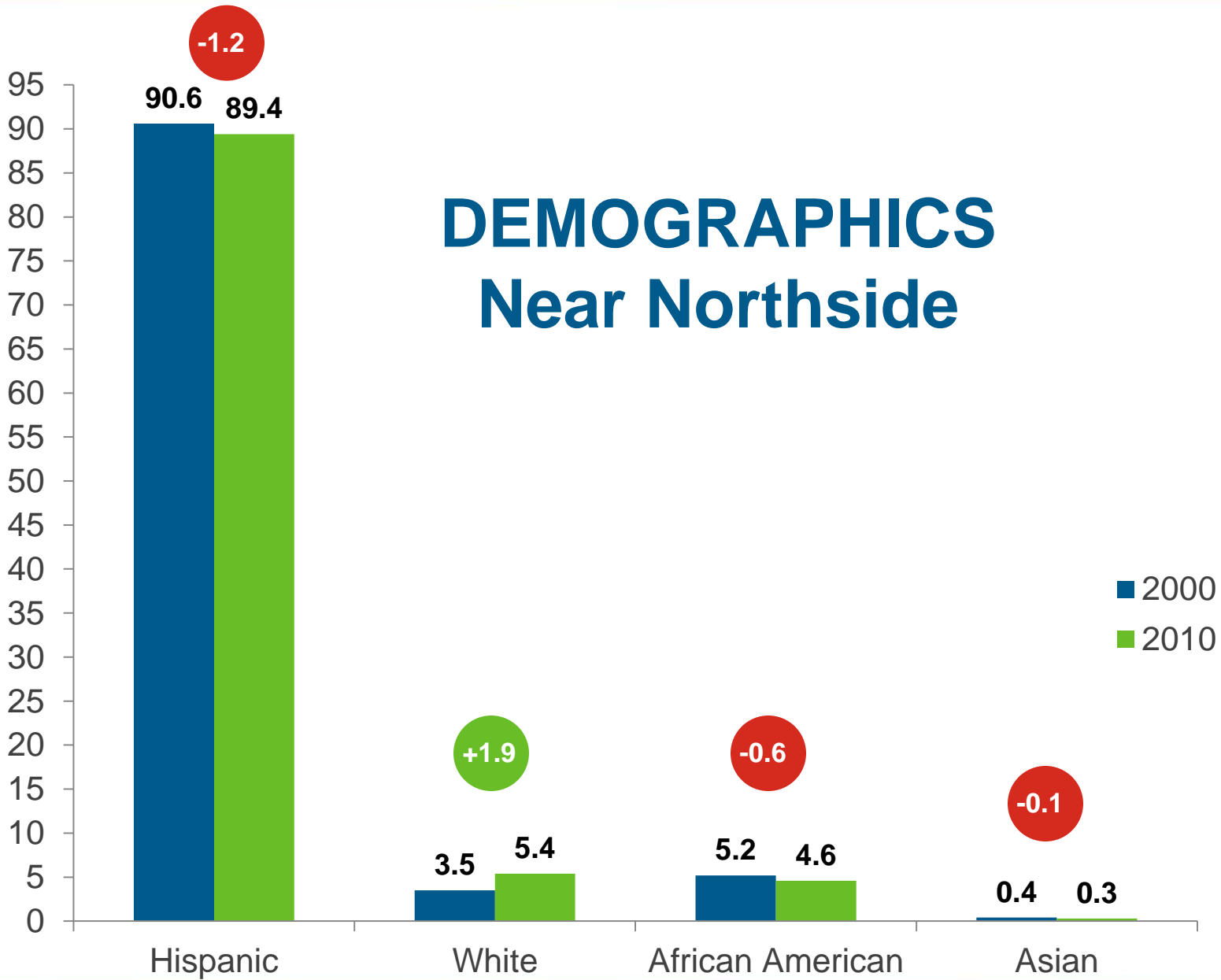
Disaster Recovery 2 Multifamily Finalists

- All 5 city projects approved by GLO
- 4 of 5 projects closed
- 4 projects under construction

Project Name	# of Units	Affordable Units	Total Project Cost	Avg. \$ Per Unit Total	\$ Request from HCDD
Avenue Station <i>Closed</i>	68	55	\$12,504,186	\$183,885	\$5,500,000
Bayou Fifth	164	164	\$26,332,879	\$160,566	\$12,000,000
Cleme Manor <i>Closed</i>	284	284	\$30,345,973	\$106,852	\$3,000,000
Residence at Hardy Yards <i>Closed</i>	350	179	\$57,614,868	\$131,307	\$14,500,000
Village at Palm Center <i>Closed</i>	222	200	\$41,736,723	\$188,003	\$15,300,000
TOTAL	1,088	882	\$168,534,629	\$160,784	\$50,300,000

Percent of Total Area Population

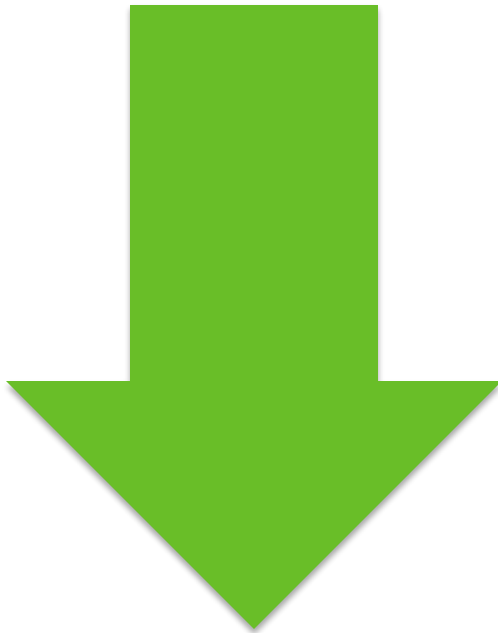
DEMOGRAPHICS Near Northside



Near Northside Household Incomes

(2000 to 2010)

Households Earning
Between \$25K
And \$50K



Households Earning
Between \$50K and \$100K
And Over \$200K



Near Northside Public Investment

Project/Activity	Source of Funds	Estimated Amount	Status
Metrorail Red Line North Extension	Federal & Harris County	\$756MM	Complete
Near Northside Infrastructure Improvements	DR 2.2	13.7MM	Underway
University of Houston Downtown	Texas HEAF	30.4MM	Complete
Residences at Hardy Yards	DR 2	14.5MM	Planned
Avenue Station (f.k.a. 2010 N. Main)	DR 2	5.5MM	Underway
TOTAL		\$820.1MM	

Near Northside Private Investment

Project/Activity	Estimated Amount	Status
Residences at Hardy Yards	\$57MM	Planned
Avenue Station (f.k.a. 2010 N. Main)	2.7MM	Underway
Hardy Yards Remediation	~5MM	Complete
Hardy Yards Redevelopment	~300MM	Underway
TOTAL	\$364.7MM	

Total Public/Private Investment: \$1.18 Billion

NEAR NORTHSIDE Avenue Station 2010 North Mail



- 68 Units
 - 55 affordable, 13 market rate
- **\$12,504,186 total cost**
 - \$5,500,000 COH investment
- Under construction
 - 20% complete
 - Projected completion March 2016



Near Northside DR2 Multifamily Projects

Residences at Hardy Yards ~350 Units

- 179 affordable, 171 market rate
- **\$58,351,173 total cost**
- \$14,500,000 requested from COH





Hardy Yards Site

August 2014

METRO Burnett Station Site



September 2015

Hardy Yards Site

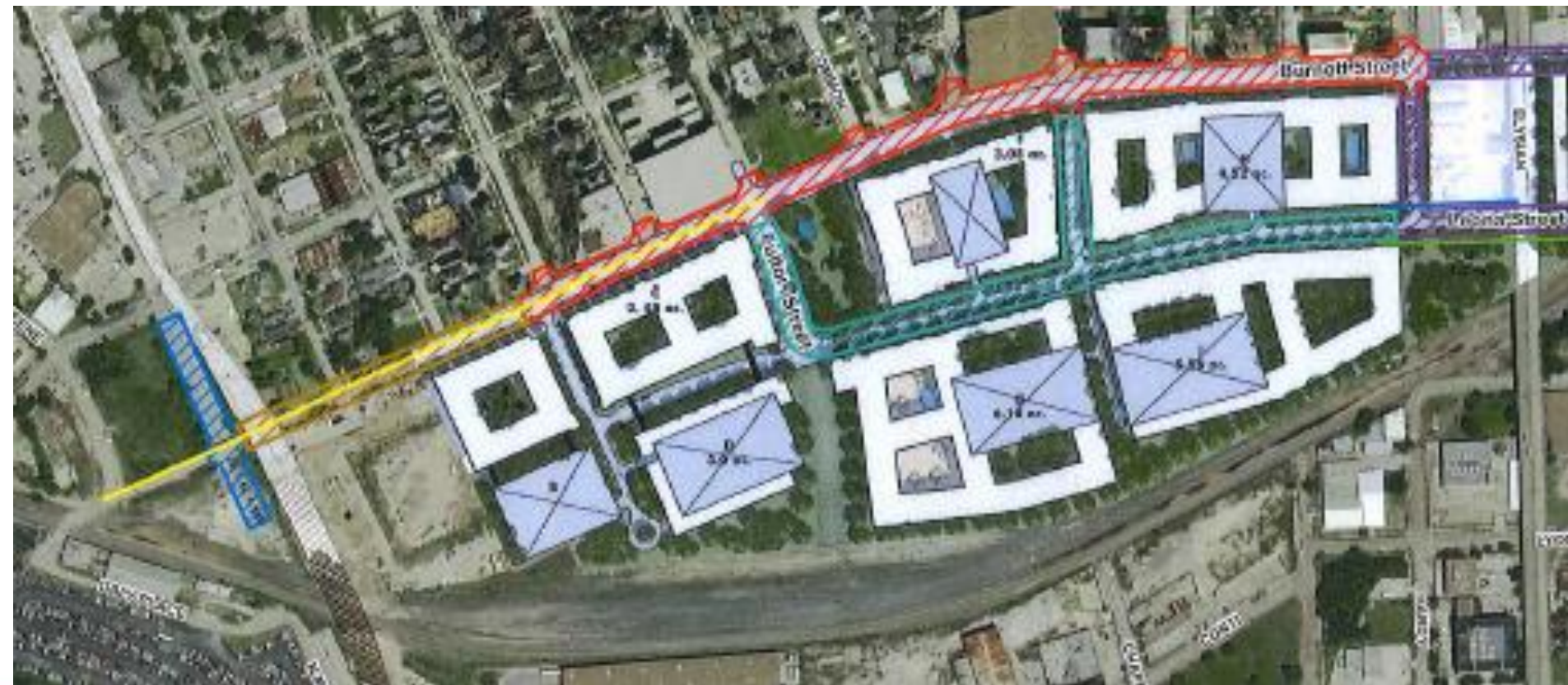
METRO Burnett Station Site

Hardy Yards

Infrastructure Progress



\$12 Million Infrastructure Project in the Near Northside CRA



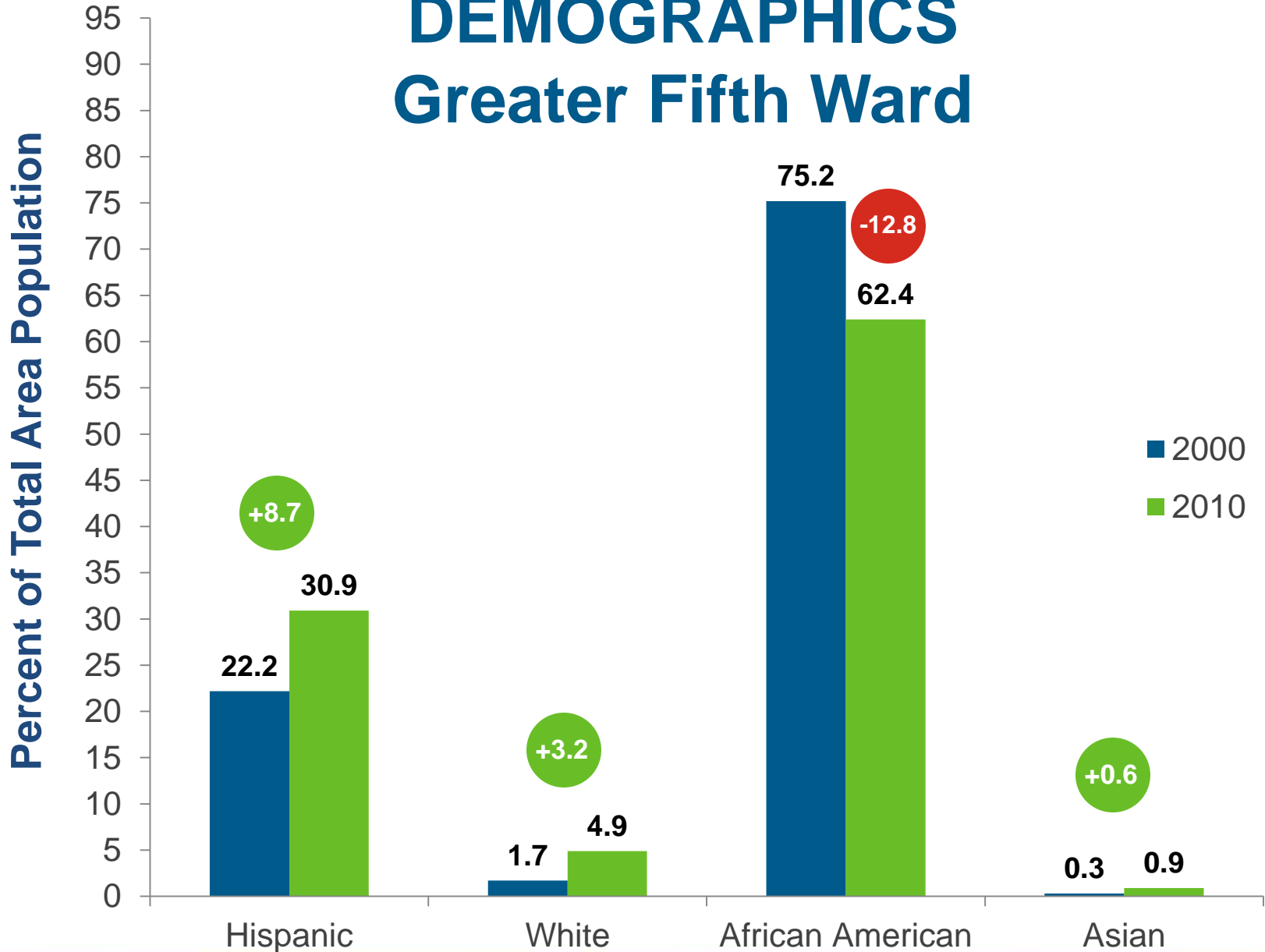
Hernandez Tunnel - Now Open

Interior Lighting and Other Finishes to Come



DEMOGRAPHICS

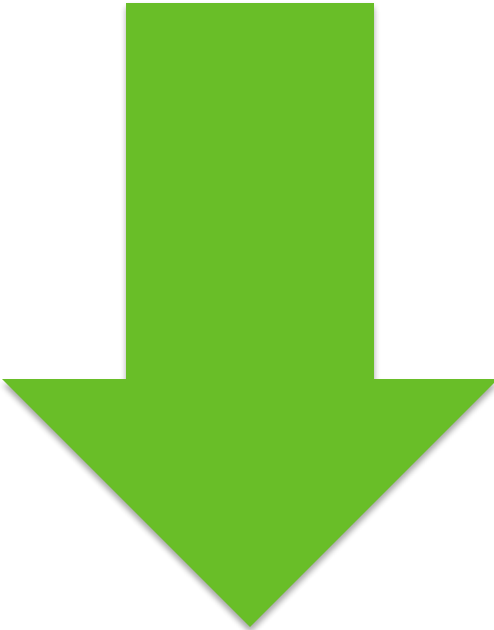
Greater Fifth Ward



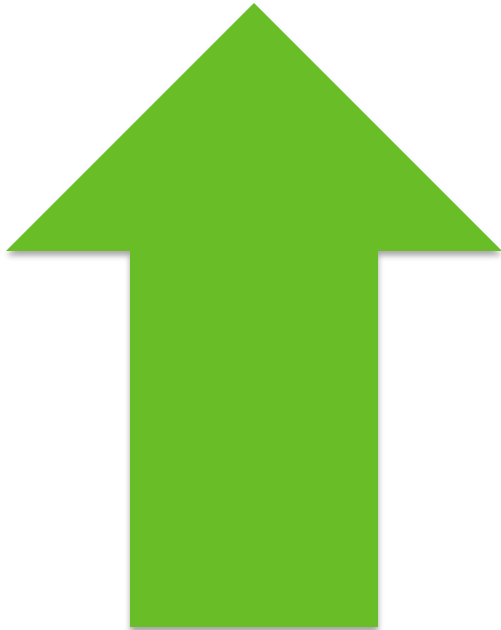
Greater 5th Ward Household Incomes

(2000 to 2010)

Lower Income
Household Groups



Households Earning
> \$75K



Fifth Ward Public Investment

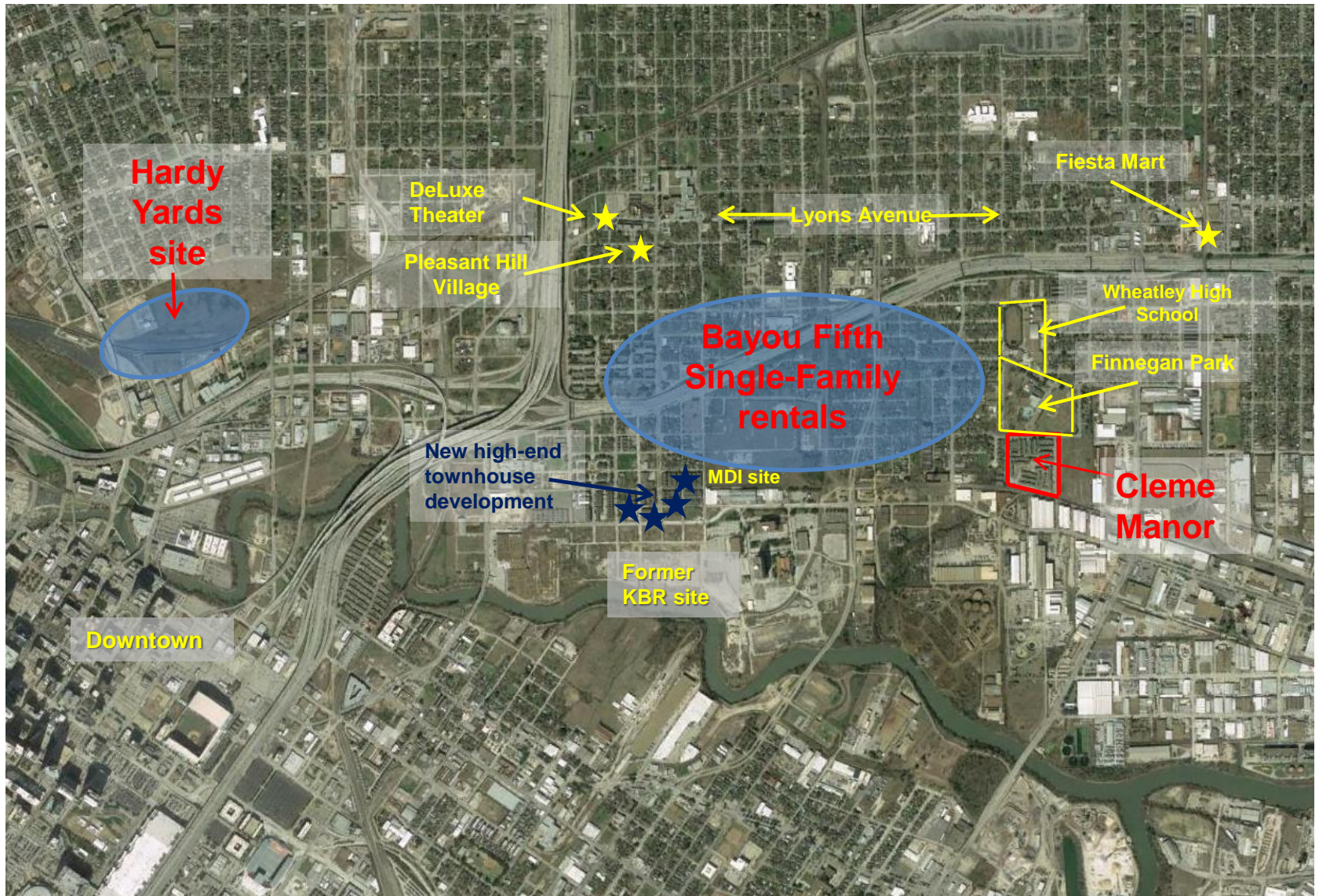
Project/Activity	Source of Funds	Estimated Amount	Status
Deluxe Theatre	CDBG	\$5MM	Opening 12/14/15
Pleasant Hill Village Apts.	CDBG	2MM	Planned
Bayou 5 th Rental Homes	DR 2	12MM	Planned
Cleme Manor Apts. Rehab	DR 2 and PSH	4.2MM	Underway
Bringhurst Infrastructure	DR 2.2	7.5MM	Underway
Open Ditch Infrastructure	DR 2.2	1.4MM	Underway
City Library	City of Houston	8MM	Planned
Finnigan Park Rehab	Harris County	1MM	Complete
Wheatley High School	HISD	35MM	Complete
TOTAL		\$76.1MM	

Fifth Ward Private Investment

Project/Activity	Estimated Amount	Status
MDI Site Remediation	\$6MM	Complete
KBR Site Acquisition	55MM	Complete
NFL YET Ctr. At Finnigan Park	2MM	Complete
Existing Townhome Development	20MM	Complete
Future Residential Development on MDI	150+MM	Planned
Cleme Manor Apts. Rehab	22MM	Underway
Bayou 5 th Rental Homes	14MM	Planned
TOTAL	\$269MM	

Total Public/Private Investment: \$345 Million

Greater Fifth Ward CRA



Fifth Ward DR2 Multifamily Projects

Bayou Fifth - 164 Units

- All affordable units
- **\$26,332,879 total cost**
 - \$12,000,000 requested from HCDD
- Apartments and scattered site, freestanding homes in concentrated area
- **Projected completion: January 2018**

Cleme Manor Rehabilitation - 284 Units

- All affordable units
- **\$37,417,949 total cost**
 - \$4,260,000 requested from HCDD (includes DR2 and HOME funds)
 - **Under construction**

Cleme Manor Success



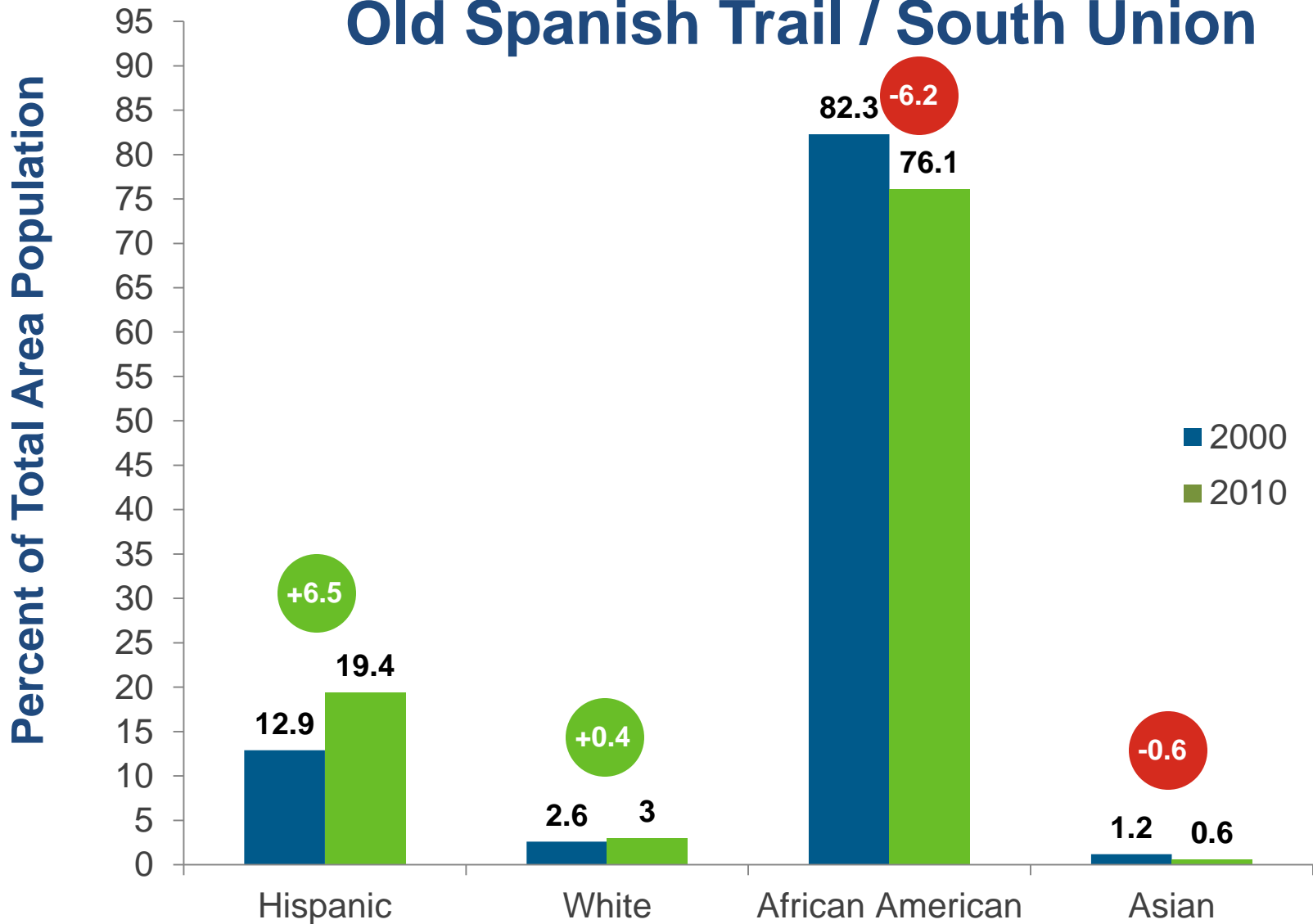
- Life safety repairs and the security camera installations completed
- All residents re-qualified
- HPD patrols increased
 - 45% reduction in crime
- **Projected completion: January 2018**

Fifth Ward Infrastructure Improvements



DEMOGRAPHICS

Old Spanish Trail / South Union



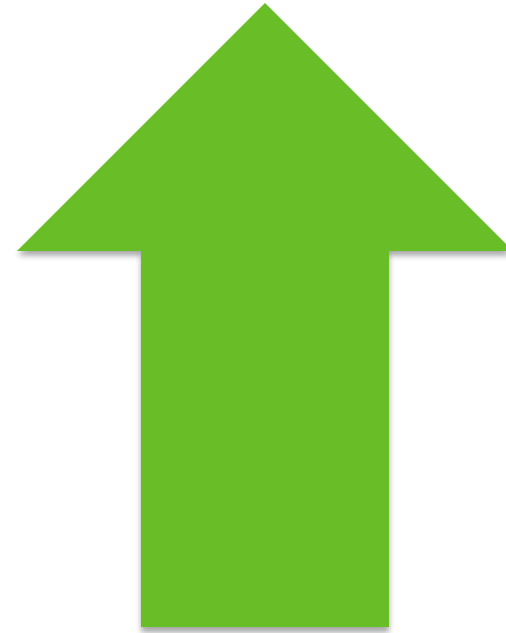
OST/South Union Household Incomes

(2000 to 2010)

All Households
Earning
>\$35K



Strong Growth in
Households Earning
\$50K-\$75K



OST/South Union Public Investment

Project/Activity	Source of Funds	Estimated Amount	Status
The Village at Palm Center	DR2	\$15.3MM	Underway
Metrorail Light Rail Purple Line	Federal & Harris County	657MM	Complete
Open Ditch Infrastructure Project	DR 2.2	3.7MM	Underway
Young Library	TIRZ 7	10.6MM	Planned
Park at Palm Center	TIRZ 7	960K	Complete
OST/Griggs Landscaping	TIRZ 7	5.3MM	Planned
Zollie Scales Apartments	NSP	8.8MM	Complete
TOTAL		\$701.6MM	

OST/South Union Private Investment

Project/Activity	Estimated Amount	Status
Houston Texans YMCA	\$5MM	Complete
The Village at Palm Center	26.4MM	Underway
Zollie Scales Apartments	2.2MM	Complete
TOTAL	\$33.6MM	

Total Public/Private Investment: \$735.2 Million

OST/SOUTH UNION

Village at Palm Center

5110 Griggs Road

\$41,736,723 total cost

\$15,300,000 City investment



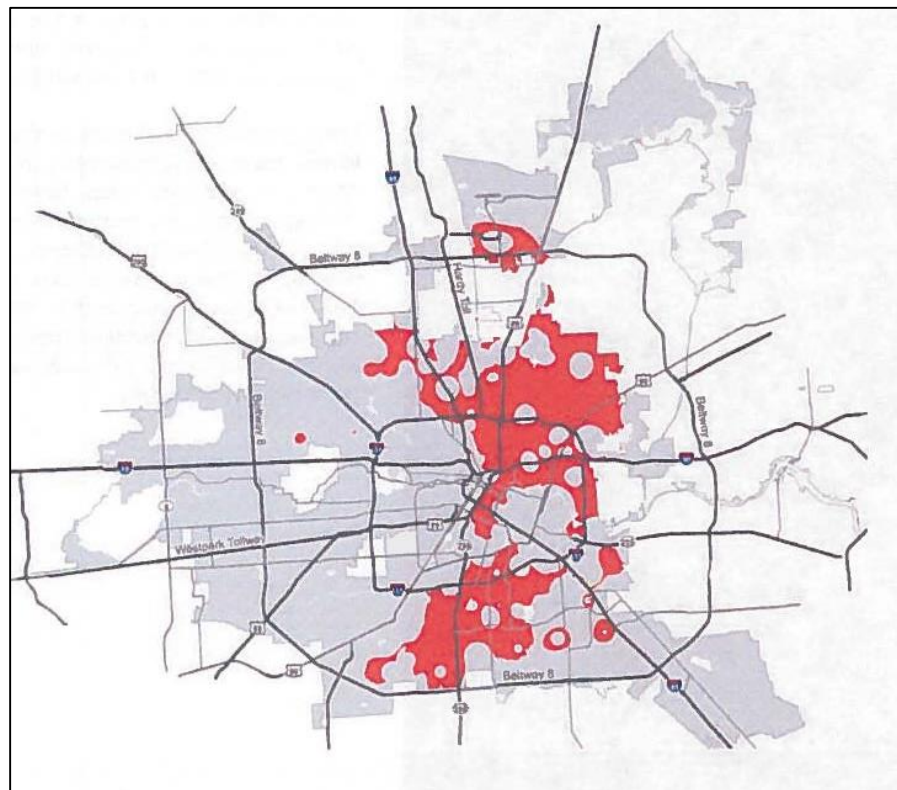
- 200 affordable units, 22 Market rate
- 154 apartments, 68 townhomes
- 14,500 square feet of retail
- Completion: Summer 2016

The Food Trust 2010 Study

Stats about Houston:

- Fewer grocery stores per capita than other large U.S. cities
- Low-income areas have **25-percent fewer grocery stores** than middle income areas
- 2/3 of Houstonians are overweight

Areas with Greatest Need in Houston



■ Low Income, Low Grocery Sales, High Death Rate

Access to Healthy Food Brings Communities **Triple Bottom-Line Benefits**

Revitalized
Economy

Job
Creation

Better
Health



Pyburn's Ribbon Cutting

July 31, 2015



Pyburn's Farm Fresh Foods

Ribbon Cutting – August 2015



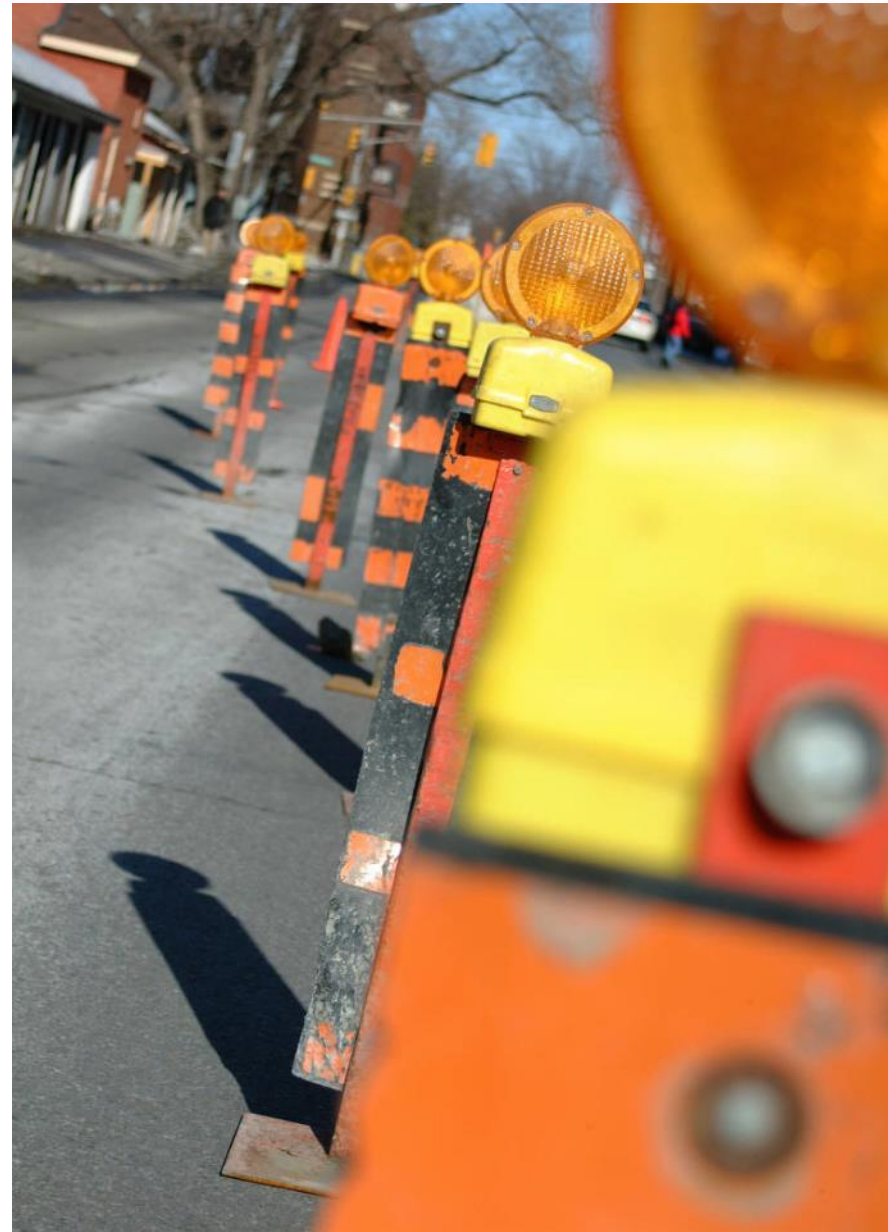
Fresh food



40 Local jobs

Disaster Recovery 2 Infrastructure

- Drainage and mobility improvements in Near Northside and Greater Fifth Ward
- Open ditch improvements in each CRA

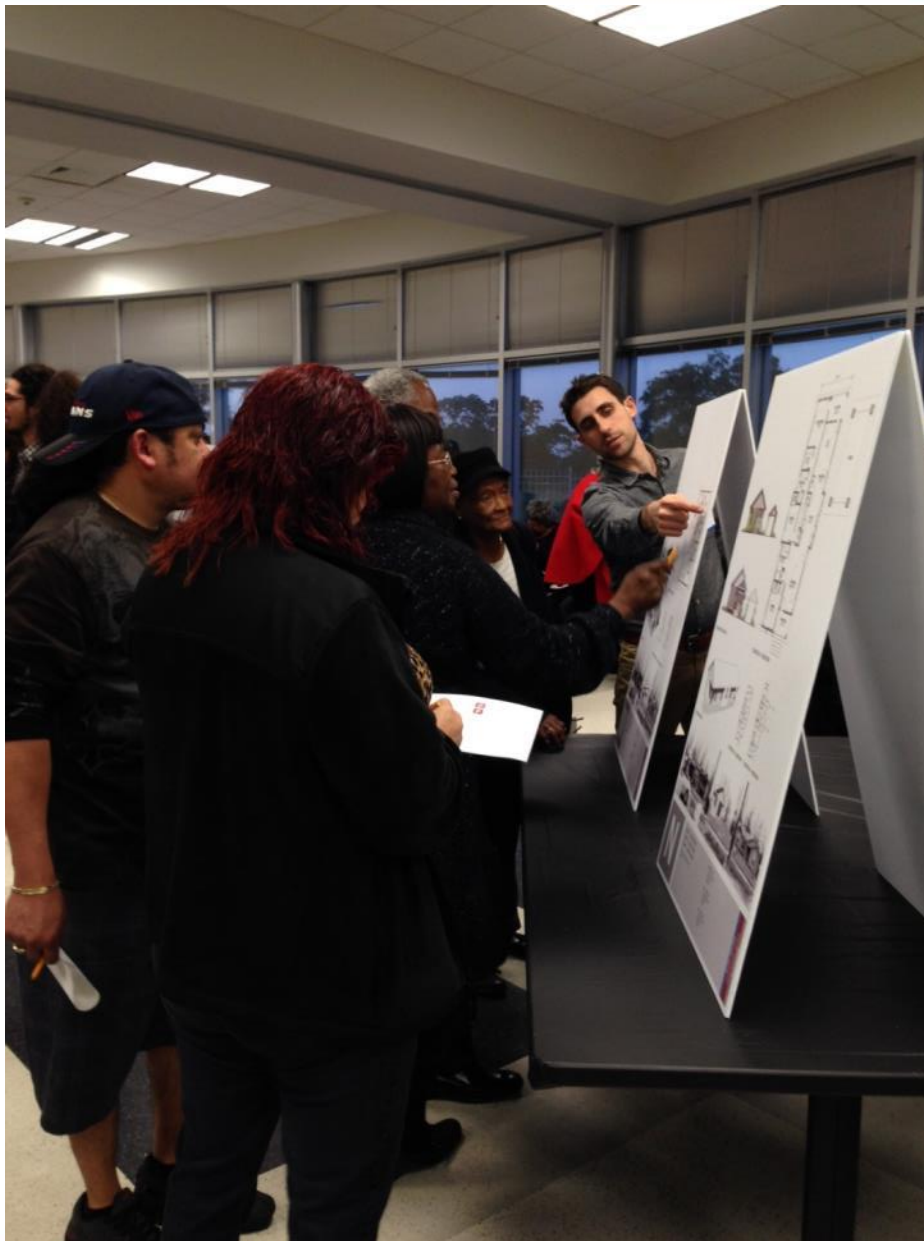


DR 2 Infrastructure Budget

Project	Total	PD-COH*	Engineering	Construction
NNS	11,986,000	226,000	1,923,000	9,384,000
Fifth Ward	7,456,986	129,980	1,002,000	5,981,047
Open Ditch*	6,706,000	140,000	933,085	5,331,915
TOTAL	26,148,986	522,980	3,858,085	20,696,962

* Open Ditch Project Detail

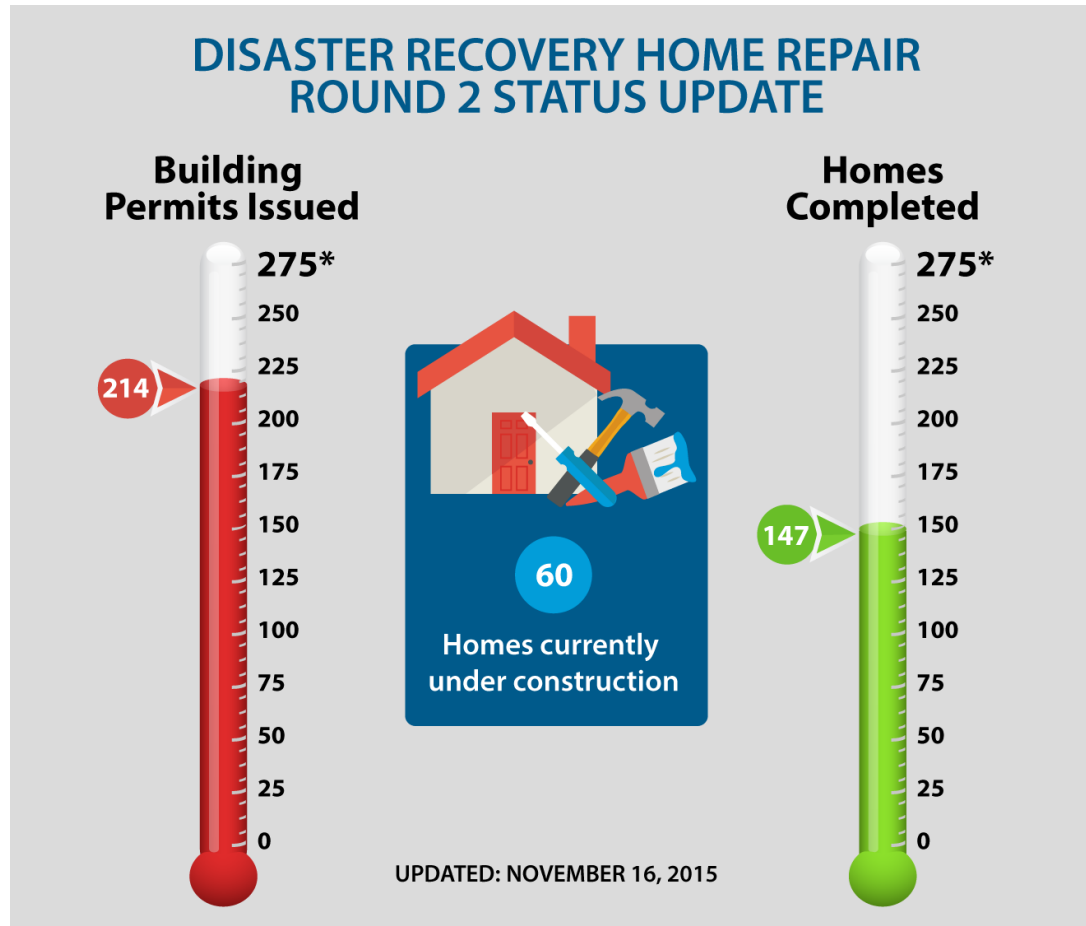
Project	Total	Engineering	Construction	LF
NNS-Gano	1,693,917	233,315	1,349,255	13,100
G5W-Nichols	1,064,152	154,055	838,405	9,300
G5W-Coke	347,113	70,770	249,801	2,440
OSTSU-Calhoun	3,600,818	474,945	2,894,454	38,100
TOTAL	6,706,000	933,085	5,331,915	62,940



Single-Family Home Repair Program Design Process

- Extensive community engagement
- Over 500 unduplicated participants
- **Participants have choice in design of their homes**
 - Preserve character of neighborhood

Disaster Recovery 2 Single Family Status



\$63 Million Available
Completion: Dec. 31, 2016

Home Styles Preserve Neighborhood Character





Before



After

Old Spanish Trail CRA

Near Northside CRA



Before



After



Before

Acres
Homes
CRA
Outreach
Area



After

THANK YOU



HOUSTONHOUSING.ORG