

# Memorandum



CITY OF DALLAS

DATE February 11, 2010

TO Housing Committee Members: Steve Salazar, Chair, Carolyn R. Davis, Vice-Chair, Tennell Atkins, Dwaine Caraway, Angela Hunt, Ann Margolin, Pauline Medrano

SUBJECT 2010 Low Income Housing Tax Credit Projects for Dallas

On Tuesday, February 16, 2010, you will be briefed on 2010 Low Income Housing Tax Credit Projects for Dallas. 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 'A.C. Gonzalez'.

A.C. Gonzalez, Assistant City Manager

c: The Honorable Mayor and Members of the City Council  
Mary K. Suhm, City Manager  
Deborah Watkins, City Secretary  
Tom P. Perkins, Jr., City Attorney  
Craig Kinton, City Auditor  
C. Victor Lander, Administrative Judge, Municipal Court  
Ryan S. Evans, First Assistant City Manager  
Forest Turner, Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager  
Dave Cook, Chief Financial Officer  
Jerry Killingsworth, Housing/Community Services Director  
Jeanne Chipperfield, Director, Financial Services  
Helena Stevens-Thompson, Assistant to the City Manager

# 2010 Low Income Housing Tax Credit Projects for Dallas

A Briefing To The  
Housing Committee

Housing/Community Services Department  
February 16, 2010



# Key Focus Area: Economic Vibrancy

## Purpose

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- ❑ Provide information regarding fourteen Low Income Housing Tax Credit (LIHTC) Projects for Dallas
  
- ❑ Provide recommendations for
  - ❑ the support of fourteen Low Income Housing Tax Credit Projects for Dallas
  - ❑ funding for certain applicants
  - ❑ waiver of the one mile rule, if applicable

# Background Information

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- December 2009, Texas Department of Housing & Community Affairs (TDHCA) released the Qualified Allocation Plan and Rules to allow for developers to apply for 2010 Low Income Housing Tax Credits (LIHTCs)
- January 8, 2010, Preapplications from developers were due to TDHCA
- January 22, 2010, applications from developers were due to the City of Dallas
- February 1, 2010, City Council Housing Committee was briefed on the LIHTC Program and notified of the applications which had been submitted to the City of Dallas

# LIHTC Applications Received

Project Name	Address	Council District	# of Units	Unit Types	Requested City Support
Akard Plaza	1011 S. Akard	2	203	SRO-PSH	\$1M TIF
Champion Homes at Copperridge	5542 Maple Ave.	2	107	Families	\$1M
Evergreen Residences	3800 Willow	2	100	SRO-PSH	\$4M
Greenhaus at East Side	4611 East Side Ave.	2	24	SRO-PSH	\$400K CDBG
Prince of Wales	4515 Live Oak	2	63	SRO-PSH	\$2.2M
Hillside West Seniors	32 Pinnacle Park	3	130	Senior	\$1.7M TIF
Terrace at Founders Square	1400 Englewood (at Tilden)	3	172	Senior	\$2.7M TIF
Wynnewood Village	1500 S.Zang	3	140	Senior	\$1.5M Sec.108
Hatcher Square	4600 Scyene	7	126	Families	\$4.7M Prop. 8
Sphinx at Lawnview	4120 Lawnview	7	130	Senior	\$1.6M
Kleberg Commons	12700 Kleberg Rd.	8	200	Senior	\$1.5M
Atmos Lofts	300 S.Harwood/1900 Jackson	14	107	Families	\$1.5M Sec.108
Evergreen Residences	2012 Jackson St.	14	100	SRO-PSH	\$4M
Jackson Square	1701 Jackson St.	14	100	Families	\$6.7M Sec.108

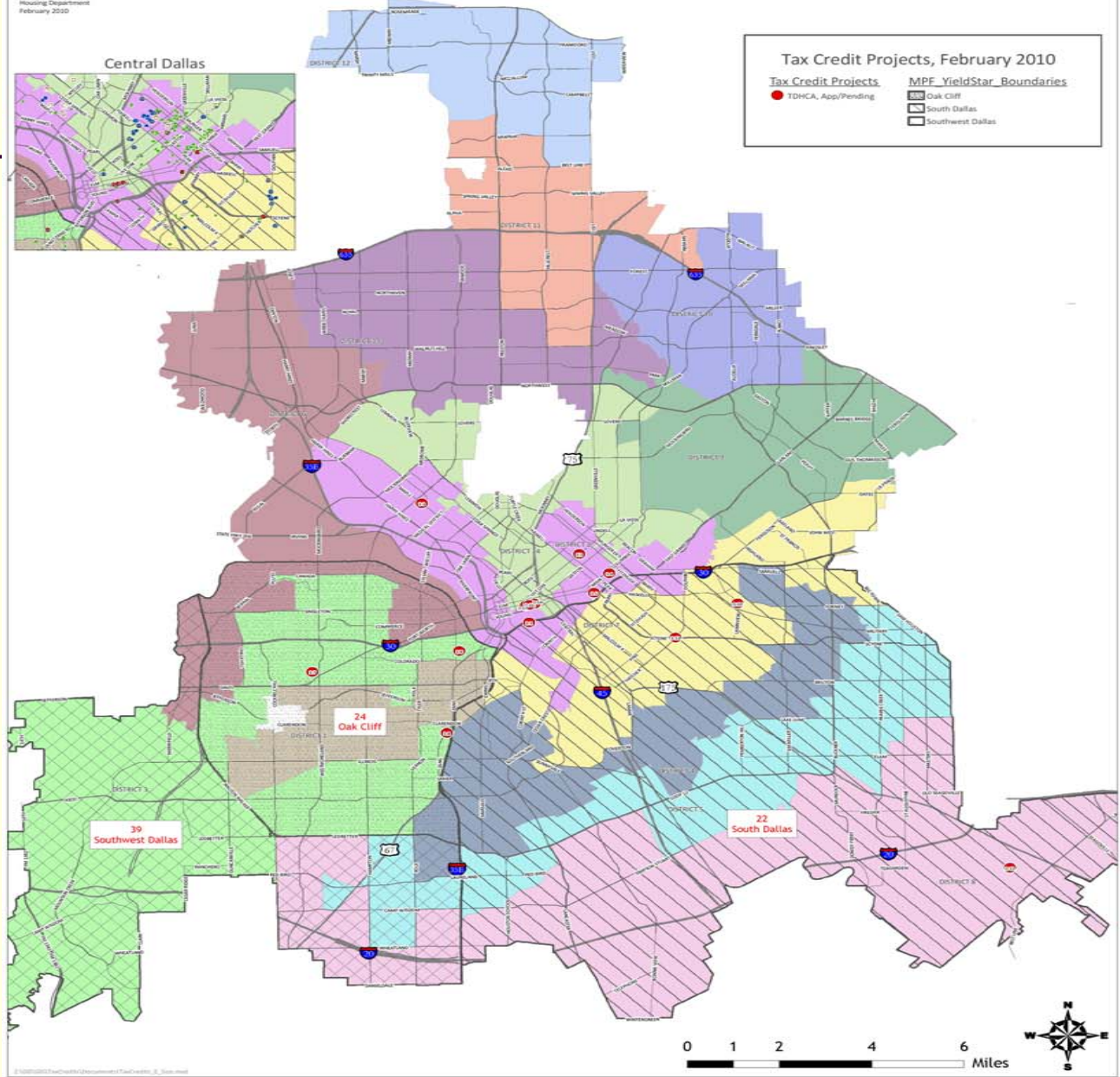
# Dallas Low Income Housing Tax Credit Projects

Map Produced by:  
City of Dallas  
Housing Department  
February 2010



**Tax Credit Projects, February 2010**

Tax Credit Projects	MPF_YieldStar_Boundaries
● TDHCA, App/Pending	▨ Oak Cliff
	▨ South Dallas
	▨ Southwest Dallas



# Akard Plaza 1011 S. Akard

- **Description:**
  - Adaptive/Reuse of an existing hotel to create Permanent Supportive Housing
  - 140 efficiency units and 60 two-bedrooms at or below 50% area median family income
  - No market rate units
  
- **Applicant** – Hamilton 1011 LP, GO-KAL LP, ULYSSES LLLP, Ltd.
  - Partners Include:
    - Lawrence E. Hamilton, Lawrence E. Hamilton, III, Gerald W. Kintzle, The Capnick Family Trust, Menchel Family Trust of 1994, Sandra nd Giovanni Mastromonaco, Timothy J. Jordan, Elizabeth A. Heid, Astoria 1011 LP, Carell Family Trust, Randall R. Turner
    - Mahvash Goharizi, Fariba NsamiriKalantari and Parvaneh Namiri Kalantari
    - Lawrence Hamilton and E.M. Heppenstall
  
- **Developer** – Central Dallas Community Development Corporation and Hamilton Properties are partnering on The Plaza - John Greenan and Ted Hamilton
  
- **Property Manager:** Pinnacle, an American Management Services Central Co.

# Akard Plaza

## Sources & Uses

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### SOURCES

Tax Credit Equity	\$12,960,000
First Mortgage	4,000,000
TIF Funds	1,000,000 *
Grants and Contributions	<u>5,004,850</u>
Total Sources	\$22,964,850

### USES

Land Acquisition	\$1,450,000
Building Acquisition	5,250,000
Construction Costs	10,742,600
Architect	578,000
Construction Loan	415,000
Developer Fee	3,350,000
Legal Fees	225,000
Soft Costs	<u>954,250</u>
Total Uses	\$22,964,850

\* Requested City of Dallas Support



# Champion Homes of Copperidge

## 5542 Maple Ave.

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- **Description:**
  - New construction of 107 multifamily units for families
  - 53 One Bedroom Units and 54 Two Bedroom Units
  - 6 units for households at or below 30% area median family income
  - 38 units for households at or below 50% area median family income
  - 63 units for households at or below 60% area median family income
  - Near Maple/Inwood DART Station
  
- **Applicant** – Chickory Court IX, LP, Odyssey Residential Holdings, LP
  - Partners include:
    - Saleem Jafar, Bill Fisher
  
- **Developer** – Saleem Jafar & Bill Fisher
  
- **Property Manager** – Odyssey Residential Management, LLC

# Champion Homes at Copperridge

## Sources & Uses

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### SOURCES

Permanent Debt	\$3,150,000
City's Loan	1,000,000 *
Tax Credit Equity	9,739,545
Deferred Developer Fee	150,474
Total Sources	\$14,040,019

### USES

Land Acquisition	\$2,120,000
Sitework	963,000
Hard Construction Costs	5,904,520
Contractor's Fees	961,453
Contingency	343,376
Professional Fees	680,000
Interim Financing Costs	1,089,250
Permanent Financing Fees	316,420
Development Fee	1,262,000
Reserves & Other Costs	400,000
Total Uses	\$14,040,019

\* Requested City of Dallas Support

# DISD Schools Servicing Copperridge

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## Elementary (PK thru 5)

Onesimo Hernandez  
5555 Maple  
Dallas, Texas 75235  
Enrollment: 513 kids  
Building Utilization 86%

## Middle School (6-8)

TJ Rusk  
2929 Inwood  
Dallas, Texas 75235  
Enrollment: 864  
Building Utilization 105%

## High School (9-12)

North Dallas  
3120 N. Haskell  
Dallas, Texas 75204  
Enrollment: 1482  
Building Utilization 120%

# Evergreen Residences

## 3800 Willow

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- **Description:**
  - New construction of 100 Permanent Supportive Housing Units
  - 100 efficiency units for households below 30% area median family income
  - Energy efficient-LEED Platinum
  
- **Applicant** –Evergreen Residential, Ltd, FPC Housing, LLC, GREENarc Corp
  - Partners include:
    - Rev. Dr. Bruce Buchanan, Janice Estes, Lee Hutchins, Graham Greene
  
- **Developer** – Graham Greene and Rev. Dr. Bruce Buchanan
  
- **Property Manager** – FPC Housing, LLC
  
- **Service Provider** – First Presbyterian Church/Stewpot

# Evergreen Residences 3800 Willow

## Sources and Uses

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### SOURCES

Conventional Loan	\$910,116
City Loan	4,000,000 *
Tax Credit Equity	9,750,000
Equity Contribution	853,234
Total Sources	\$15,513,350

### USES

Land Acquisition	\$1,500,000
Hard Construction Costs	8,480,000
Soft Costs	2,679,000
Financing Costs	70,000
Developer Fee	1,804,350
Syndication Costs	300,000
Debt Service Fund	350,000
Real Estate and Mortgage Costs	330,000
Total Uses	\$15,513,350

\* Requested City of Dallas Support

# Greenhaus at East Side

## 4611 East Side Ave.

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- **Description:**
  - New construction of 24 Permanent Supportive Housing units
  - 12 two bedrooms and 12 three bedrooms for households below 30% area median family income
  - Energy efficient-LEED Platinum
  
- **Applicant** – Shared Housing Center, Inc. –nonprofit agency
  
- **Developer** – OM Housing, LLC
  
- **Property Manager** – To be determined
  
- **Service Provider** – Shared Housing Center, Inc.

# Greenhaus at East Side

## Sources and Uses

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### Sources

Conventional Loan	\$630,000
Tax Credit Equity	2,443,134
Developer's Note	339,700
City Loan	400,000 *
Total Sources	\$3,812,834

### Uses

Land Acquisition	\$350,000
Sitework	208,800
Hard Construction Costs	1,992,300
Soft Costs	456,332
Financing Costs	191,925
Developer Fee	535,476
Operating Reserve	52,001
Syndication Costs	5,000
Real Estate & Mortgage Costs	21,000
Total Uses	\$3,812,834

\* City of Dallas support provided 11/9/09

# DISD Schools Servicing Greenhaus at East Side

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## Elementary (PK thru 5)

Zaragoza Elementary  
4550 Worth Street  
Dallas, Texas 75246  
Enrollment: 539 kids  
Building Utilization 82%

## Middle School (6 thru 8)

Spence Middle School  
4001 Capitol Avenue  
Dallas, Texas 75204  
Enrollment: 1085 kids  
Building Utilization 116%

## High School (9 thru 12)

North Dallas High School  
3120 N. Haskell Avenue  
Dallas, Texas 75204  
Enrollment: 1482 kids  
Building Utilization 120%



# Prince of Wales 4515 Live Oak

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- **Description:**
  - Rehabilitation of 63 Permanent Supportive Housing units
  - 61 efficiencies and 2 one-bedrooms for households below 30% area median family income
  
- **Applicant** – Prince of Wales, Partnership, Ltd., Prince of Wales, LLC, Undermain Corp, Greenfield Operations, LLC
  - Partners include:
    - Eric Anderson, Graham Greene
  
- **Developer** – Prince of Wales Partnership, Ltd. And Undermain Corp.
  
- **Property Manager** – Prince of Wales, LLC with the First Presbyterian Church/Stewpot

# Prince of Wales

## Sources and Uses

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### SOURCES

First Lien City Loan	\$2,205,000 *
Tax Credit Equity	4,568,996
Equity Contribution	207,527
Total Sources	\$6,981,523

### USES

Construction Costs	\$3,392,000
Soft Costs	928,620
Financing Costs	200,000
Developer Fee	910,603
Syndication Costs	200,000
Debt Service Reserve Fund	300,300
Real Estate and Mortgage Costs	1,050,000
Total Uses	\$6,981,523

\* Requested City of Dallas Support

# DISD Schools Servicing Prince of Wales

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## Elementary (PK thru 3)

James Fannin  
4800 Ross Street  
Dallas, Texas 75204  
Enrollment: 285 kids  
Building Utilization 58%

## Elementary (4-5)

John F. Kennedy  
1802 Moser  
Dallas, Texas 75206  
Enrollment: 647  
Building Utilization 78%

## Middle School (6 thru 8)

Spence Middle School  
4001 Capitol Avenue  
Dallas, Texas 75204  
Enrollment: 1085 kids  
Building Utilization 116%

## High School (9 thru 12)

North Dallas High School  
3120 N. Haskell Avenue  
Dallas, Texas 75204  
Enrollment: 1482 kids  
Building Utilization 120%

# Hillside West Seniors

## 32 Pinnacle Park

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- **Description:**
  - New construction of 130 senior units
  - 40 one-bedrooms and 90 two-bedrooms
  - 7 units for households at or below 30% area median family income
  - 65 units for households at or below 50% area median family income
  - 58 units for households at or below 60% area median family income
  
- **Applicant** – Hillside West Seniors, LP
  - Partners include:
    - Brandon Bolin and Alan McDonald
  
- **Developer** – Hillside West Seniors, LP
  
- **Property Manager** – To be determined

# Hillside West Seniors

## Sources and Uses

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### SOURCES

Conventional Loan	\$4,850,000
Equity	8,858,993
Developer's Note	1,587,413
Construction Loan Bridge	<u>1,656,613</u> *
Total Sources	\$16,953,019

### USES

Land Acquisition	\$2,000,000
Taxes and Insurance	355,000
Financing	1,143,006
Architectural/Engineering	599,935
Legal	167,500
Site Work	1,169,996
Hard Construction Costs	8,054,082
Soft Costs	1,336,087
Contingency	540,000
Developer Fee	<u>1,587,413</u>
Total Uses	\$16,953,019

\* Requested City of Dallas Support from TIF Funds

# Terrace at Founders Square

## 1400 Englewood (at Tilden)

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- **Description:**
  - New construction of 172 units for seniors
  - 116 one bedroom units and 56 two Bedroom units
  - 7 units for households at or below 30% area median family income
  - 77 units for households at or below 50% area median family income
  - 88 units for households at or below 60% area median family income
  
- **Applicant** – Oak Cliff DMA NS Housing, LLC, Neighborhood Strategies, LLC, and DMA Development Company, LLC
  - Partners include:
    - Diana McIver and Linda McMahon
  
- **Developer** –DMA Development Company, LLC
  
- **Property Manager** – DMA Properties, LLC

# Terrace @ Founders Square

## Sources and Uses

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### SOURCES

Conventional Loan	\$6,250,000
Tax Credit Equity	13,764,123
Developer's Note	724,487
TIF Funds	2,700,000 *
Total Sources	\$23,438,610

### USES

Land Acquisition	\$2,744,280
Sitework	1,548,000
Hard Construction Costs	13,278,737
Architect/Engineering	825,000
Interim Costs	1,287,625
Loan Origination Fee	185,000
Soft Costs	281,400
Tax Credit Costs	104,850
Legal Fees Tax Opinion	12,500
Development Fees	2,600,000
Reserves & Others	571,218
Total Uses	\$23,438,610

\* Requested City of Dallas Support from TIF Funds

# Wynnewood Village

## 1500 S. Zang Blvd.

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- **Description:**
  - New construction of 140 units for Seniors
  - 73 one bedrooms and 67 two bedrooms
  - 7 units for households at or below 30% area median family income
  - 56 units for households at or below 50% area median family income
  - 77 units for households at or below 60% area median family income
  
- **Applicant** – Wynnewood Senior Housing, L.P.
  - Partners Include:
    - Central Dallas CDC, Banc of America Community Development Corporation
  
- **Developer** – Bank of America, CDC
  
- **Property Manager** – To be determined



# Wynnewood Village

## Sources and Uses

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### SOURCES

Conventional Loan	1,755,838
Section 108 Loan	1,459,247 *
Tax Credit Equity	14,714,548
Deferred Developer Fee	1,465,225
Total Sources	\$19,394,858

### USES

Land Acquisition/Demolition	\$2,337,500
Hard Construction Costs	10,630,145
Rehabilitation Soft Costs	2,909,085
Developer Fees	2,520,001
Other Soft Costs	284,325
Reserves & Others	713,802
Total Uses	\$19,394,858

\* Requested City of Dallas Support

# Hatcher Square 4600 Scyene

- Description:
  - New construction of 126 units for families
  - 105 two bedrooms and 21 three bedrooms
  - 68 units for households at or below 50% area median family income
  - 45 units for households at or below 60% area median family income
  - 13 Market Rate
  
- **Applicant** - Hatcher Square LP, MBA Development Co., Frazier Revitalization Inc.-nonprofit
  - Partners include:
    - Richard Baron, Kevin McCormack, Tony Salazar
  
- **Developer** – McCormack Baron Salazar
  
- **Property Manager** – McCormack Baron Ragan Management Services, Inc. (MBR) Alan Ragan, President

# Hatcher Square

## Sources and Uses

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### SOURCES

Conventional Loan	\$2,437,575
Tax Credit Equity	12,233,000
City Funding	4,707,593 *
Total Sources	\$19,378,168

### USES

Hard Construction Costs	\$11,484,349
Community Bld Construction	237,065
General Requirements	1,406,570
Permit and Fees	234,428
Contingency	668,121
Financing & Soft Costs	2,437,721
Developer Fee	2,470,238
Operating Reserve	439,676
Total Uses	\$19,378,168

\* Requested City of Dallas Support; \$750,000 has already been provided in land acquisition

# DISD Schools Servicing Hatcher Square

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## Elementary (PK thru 5)

Joseph Rhoads  
4401 2<sup>nd</sup> Ave.  
Dallas, Texas 75210  
Enrollment: 451 kids  
Building Utilization 67%

## Middle School (6 thru 8)

Pearl Anderson  
3400 Garden Lane  
Dallas, Texas 75215  
Enrollment: 537 kids  
Building Utilization 44%

## High School (9 thru 12)

Lincoln  
2826 Hatcher  
Dallas, Texas 75215  
Enrollment: 1243 kids  
Building Utilization 92%

# Sphinx at Lawnview

## 4120 Lawnview Ave.

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- **Description:**

- New construction of 130 Units for seniors
- 7 units for households at or below 30% area median family income
- 45 units for households at or below 50% area median family income
- 78 units for households at or below 60% area median family income

- **Applicant** – SDC Lawnview Villas, LP

- Partners include:
  - Jay Oji

- **Developer** – Sphinx Development Corporation

- **Property Manager** – Alpha Barnes

# Sphinx at Lawnview

## Sources and Uses

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### SOURCES

Conventional Loan	\$3,289,000
City of Dallas Loan	1,600,000 *
Tax Credit Equity	10,498,950
Deferred Developer Fee	630,426
Total Sources	\$16,018,376

### USES

Land Acquisition/Demolition	\$767,150
Hard Construction Costs	10,370,965
Architect and Engineering	510,500
Permits and Fees	180,100
Financing	516,500
Construction Period Interest	475,000
Tax Credit Costs	84,850
Soft Costs	128,914
Legal Fees	127,500
FFE/Pre-Stabilization	614,075
Reserves	438,639
Developer Fees	1,804,183
Total Uses	\$16,018,376

\* Requested City of Dallas Support

# DISD Schools Servicing Lawnview

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## Elementary (PK thru 5)

Edna Rowe  
4918 Hovenkamp  
Dallas, Texas 75227  
Enrollment: 693 kids  
Building Utilization 117%

## Middle School (6 thru 8)

Harold W. Lang Sr.  
1678 Chenault St.  
Dallas, Texas 75228  
Enrollment: 1386 kids  
Building Utilization 121%

## High School (9 thru 12)

Skyline Center  
7777 Forney Rd.  
Dallas, Texas 75227  
Enrollment: 4587 kids  
Building Utilization 123%

# Kleberg Commons Housing

## 12700 Kleberg

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### ■ **Description:**

- New construction of 200 multifamily units for seniors
- 100 one-bedrooms and 100 two-bedrooms
- 30 units for households at or below 30% area median family income
- 70 units for households at or below 50% area median family income
- 100 units for households at or below 60% area median family income

### ■ **Applicant** – Kleberg Leased Housing, L.P.

#### ■ Partners include:

- Dale Lancaster and Jeffrey spicer

### ■ **Developer** – Arrington Developers, LLC

### ■ **Property Manager** – Guardian Asset Management, Inc.



# Kleberg Commons

## Sources and Uses

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### SOURCES

Taxable Loan	\$3,700,000
City Loan	1,500,000 *
Tax Credit Equity	13,727,417
Deferred developer fee	559,285
Total Sources	\$19,486,702

### USES

Land Acquisition	\$1,800,000
Hard Construction Costs	13,197,096
Architect/Engineering	303,500
Permits and Fees	95,600
Financing	356,720
Construction Period Interest	444,000
Tax Credit Costs	103,432
Soft Costs	58,681
Legal	40,000
FFE	152,300
Prestabilization Costs	210,000
Reserves	569,707
Developer Fee	2,155,666
Total Uses	\$19,486,702

\* Requested City of Dallas Support

# Atmos Lofts 1900 Jackson St.

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- **Description:**
  - Adaptive/Reuse of office buildings to create 107 multifamily units for families
  - 37 efficiencies, 56 one-bedrooms, 14 two-bedrooms
  - 6 units for households at or below 30% area median family income
  - 49 units for households at or below 50% area median family income
  - 52 units for households at or below 60% area median family income
  
- **Applicant** –FC Atmos, Inc.
  - Partners Include:
    - Lawrence E Hamilton and Lawrence E Hamilton III
  
- **Developer** – Hamilton Development
  
- **Property Manager** – Pinnacle, an American management Services Central Co.

# Atmos Lofts

## Sources and Uses

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### Sources

Section 108 Loan	\$1,546,390 *
Tax Credit Equity	11,077,205
Total Sources	\$12,623,595

### Uses

Hard Costs	\$8,486,166
Indirect Costs	864,076
Developer Fee	2,100,494
Construction Bridge Loan	760,576
Other Financing Costs	85,892
Reserves	326,391
Total Uses	\$12,623,595

\* Requested City of Dallas Support; \$9 M has already been approved

# Evergreen Residences

## 2012 Jackson Street

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- Description;
  - New construction of 100 Permanent Supportive Housing units
  - 100 units for households below 30% area median family income
  - Energy efficient-LEED Platinum
  
- **Applicant** –Evergreen Residential, Ltd, FPC Housing, LLC, GREENarc Corp
  - Partners include:
    - Rev. Dr. Bruce Buchanan, Janice Estes, Lee Hutchins, Graham Greene
  
- **Developer** – Graham Greene and Rev. Dr. Bruce Buchanan
  
- **Property Manager** – FPC Housing, LLC
  
- **Service Provider** – First Presbyterian Church/Stewpot

# Evergreen Residences 2012 Jackson

## Sources and Uses

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### SOURCES

Conventional Loan	\$731,123
City Loan	4,000,000 *
Tax Credit Equity	9,750,000
Equity Contribution	1,089,977
Developer Note	315,000
Total Sources	\$15,886,100

### USES

Land Acquisition	\$1,707,750
Hard Construction Costs	8,480,000
Soft Costs	2,994,000
Financing Costs	70,000
Developer Fee	1,804,350
Syndication Costs	300,000
Debt Service Fund	350,000
Real Estate and Mortgage Costs	180,000
Total Uses	\$15,886,100

\* Requested City of Dallas Support

# Jackson Square 1701 Jackson Street

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- **Description:**
  - 100 units for families
  - 28 one-bedrooms, 55 two-bedrooms and 11 three-bedrooms
  - 5 units for households at or below 30% area median family income
  - 45 units for households at or below 50% area median family income
  - 50 units for households at or below 60% area median family income
  
- **Applicant** –Forest City Residential Group, Inc., Jim Truitt, Vice-Pres.
  - Partnership not yet formed
  
- **Developer** – Forest City Residential Group, Inc.
  
- **Property Manager** – Forest City Residential Management, Inc.

# Jackson Square

## Sources and Uses

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### SOURCES

Conventional Loan	\$3,106,500
City Loan Section 108	6,750,000 *
Tax Credit Equity	12,348,159
Forest City Equity	(17,122)
Total Sources	\$22,187,537

### USES

Land Acquisition	\$2,592,694
Hard Construction Costs	12,055,594
Architect/Engineering	600,000
Office	132,500
F/F/E	200,000
Legal	100,000
Marketing	195,000
Tax and Insurance	142,995
Developer Fee	1,627,505
Construction Manager	482,224
Financing	526,584
Reserves	789,857
Section 108 Interest Reserve/start-up	865,000
Contingency	1,205,559
Operating Deficit	672,025
Total Uses	\$22,187,537

\* Requested City of Dallas Support

# DISD Schools Servicing Jackson Square

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## Elementary (PK thru 5)

City Park  
1738 Gano St.  
Dallas, Texas 75215  
Enrollment: 200 kids  
Building Utilization 48%

## Middle School (6-8)

Billy Earl Dade  
2801 Park Row  
Dallas, Texas 75215  
Enrollment: 467  
Building Utilization 114%

## High School (9-12)

James Madison  
3000 MLK  
Dallas, Texas 75215  
Enrollment: 815  
Building Utilization 83%



# Low Income Housing Tax Credit Projects Project Review Criteria

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1. Does the project fit in the City's priorities?
2. Has the City already provided financial assistance?
3. Does the project eliminate slum or blight?
4. Does the project have appropriate zoning?
5. Proximity & capability of schools for project
6. Comments of owners/residents surrounding project
7. Over-concentration of multifamily projects in area
8. Has applicant agreed to incorporate safety/security features for project?
9. Willingness of applicant to address resident's concerns
10. Quality of proposed project
11. Project design and special accommodations for expected tenants
12. Will the project have adverse effect on the neighborhood?
13. Is the project compatible with existing or anticipated development of area?

# Low Income Housing Tax Credit Projects

## Project Review Criteria (continued)

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14. Project compatibility with zoning in area
15. Parking demand & undue burden on public facilities
16. Traffic caused by the project
17. Existing or proposed public transit availability
18. Location, density, height of buildings effect on future development for area
19. Preservation of natural beauty and concern for landscaping
20. Managers reside on site
21. Financial capacity of applicant to complete & operate the project
22. Can the market absorb the new rental units?
23. One mile concern
24. Applicant has presented a suitable development plan for the entire development site
25. Any other factor relevant to the best interest of the City

# Texas Department of Housing & Community Affairs (TDHCA) -One Mile Rules

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- An application is ineligible if the applicant proposes to construct a new development (including reuse) that is located one linear mile or less from a development that serves the same type of household and has received tax credits within the previous three years, unless the Governing Body has specifically voted to allow the development
- Within counties with populations of one million or greater, for applicants whose projects are one mile or less from each other, TDHCA will only fund one project per funding cycle
- Applications with one mile concerns:
  - Akard Plaza, Atmos Lofts, Evergreen Residences, Jackson Square
  - Evergreen Residences (Willow) and Greenhaus at East Side

# City of Dallas Available Funds for LIHTC Developments

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- Approximately \$2M available for direct financial assistance for projects
- Housing/Community Services has prioritized direct financial assistance for permanent supportive housing which has been briefed to the City Council Housing Committee
- Funding Sources Include:
  - Community Development Block Grant
  - Homeless Bond
  - Tax Increment Financing
  - Section 108 Loans
  - Proposition 8 Funds if sold & available

# TDHCA LIHTC Allocations & Scoring

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- In 2010, TDHCA will provide approximately \$10M for the North Texas Region including Dallas, Denton, Collin, Tarrant, and Grayson Counties
- 89.5% of that allocation (\$9.6M) will be provided to urban projects and 10.5% (\$1.1M) will be provided to rural projects
- TDHCA further categorizes projects statewide into a general pool and an “At Risk” pool
  - The “At Risk” projects are those where the units are currently low income and they are at risk of losing all financial benefits available to the development to keep them affordable
  - The “At Risk” pool will be funded for 15% of the total state allocation or approximately \$7.6M
- The LIHTC point based scoring system has a maximum of 240 points

# Overview of LIHTC Applicants

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- As a whole, applications represented:
  - 5 Permanent Supportive Housing Projects
  - 5 Senior Projects
  - 4 Family Projects
- Thirteen projects met the overall City criteria
- One project clearly lacked community support at this time

Note: In spite of the competitive nature of the projects and the one mile rule, the probability is that 1/3 of the projects will be awarded tax credits if approved by the City Council

# LIHTC Applications Recommendations

Project Name	Support or Deny	Funding	Current TDHCA Ranking
Akard Plaza	Deny	No funding	3 of 60
Champion Homes at Copperridge	Support	\$1M Prop 8 funds if available	5 of 60
Evergreen Residences Willow	Support	Compete for available \$2M	31 of 60
Greenhaus at East Side	Support	\$400K already invested	8 of 60
Prince of Wales	Support	Compete for available \$2M	4 of 34 (At Risk Category)
Hillside West Seniors	Support	TIF approval	25 of 60
Terrace at Founders Square	Support	TIF approval	21 of 60
Wynnewood Village	Support	108 application	11 of 34 (At Risk Category)
Hatcher Square	Support	Additional \$750K of Prop 8 funds if available	57 of 60
Sphinx at Lawnview	Support	No funding	40 of 60
Kleberg Commons	Support	No funding	27 of 60
Atmos Lofts	Support	108 application in process	1 of 60
Evergreen Residences Jackson	Support	Compete for available \$2M	30 of 60
Jackson Square	Support	108 application	23 of 60

**Note: All project support conditioned on neighborhood support**

# Next Steps

- ❑ February 24, 2010 – City Council approval of development tax credit applications to TDHCA
- ❑ March 1, 2010 or prior – City provides letters of support to tax credit applicants directly to TDHCA
- ❑ March 1, 2010 or prior - Developers present full application to TDHCA
  - ❑ If developer presented preapplication to TDHCA, community support letter is due March 1, 2010
  - ❑ If developer presents new application March 1, 2010, community support letter is due April 1, 2010
  - ❑ Developers will need to work with Councilmembers to ensure that affected groups are notified and meetings held prior to July 31
- ❑ April 14, 2010 at 6 pm-TDHCA will hold public hearing in Dallas at Central Library, 1515 Young Street for LIHTC projects
- ❑ July 1, 2010 or prior – Considerations for zoning, TIF, or other funding presented to City Council individually
- ❑ July 31, 2010 – TDHCA Board will decide on tax credit recipients



# Attachment A

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## Texas Department of Housing & Community Affairs Preapplication Log with Preliminary Scoring