

Memorandum



CITY OF DALLAS

DATE February 15, 2013

TO Members of the Economic Development Committee:
Tennell Atkins (Chair), Ann Margolin (Vice-Chair), Jerry R. Allen, Monica Alonzo,
Sheffie Kadane

SUBJECT **Authorize Vickery Meadow TIF funds to Serve as the Match to the HUD Sustainable Communities Challenge Grant**

At the February 27 Council meeting, you will consider an agenda item to authorize the use of \$445,000 in Vickery Meadow TIF funds as the required matching funds for the City's Sustainable Communities Grant from HUD to support the development of affordable housing in the Vickery Meadow TIF District.

The City of Dallas was awarded a Sustainable Communities Community Challenge Planning Grant on October 20th, 2010 under the Notice of Funding Availability for the Department of Housing and Urban Development's Community Challenge Planning Grants and the Department of Transportation's TIGER II Planning Grants. The funds are to be used for the planning and predevelopment activities related to the development of affordable housing near Dallas Area Rapid Transit (DART) stations.

Under this grant \$2,225,000 is available for planning, land acquisition and preconstruction during a three year period. The grant requires a 20% (\$445,000) match.

Overall, the grant focuses on three different DART lines, Red, Green and Blue, anchored by seven transit stations: VA Medical Center, Kiest, Martin Luther King (MLK), Hatcher, Buckner, Park Lane and Walnut Hill.

On December 14, 2011, the City approved a contract with Fregonese Associates to conduct planning exercises at these five station areas. Fregonese Associates completed five station area plans and also identified catalyst projects for each of the station areas. These catalyst projects were designed to be implementable in the short term and bring new housing and mixed-use activity to each station area. The proposed catalyst project for Vickery Meadow would be anchored by a new Dallas Public Library and also contain approximately 200 apartment units, of which a minimum of 20% would be affordable. It would be constructed on property that is currently City-owned. An RFP to solicit developers for this project is expected to be issued in the near future..

Through these grant activities, the City is supporting HUD's livability principles of

promoting equitable, affordable housing, enhancing economic competitiveness by providing access to employment centers, educational opportunities, services and other basic needs by workers, and supporting existing communities by targeting federal funds for projects that embrace transit-oriented, mixed-use development and land recycling.

On January 16, 2013, the Vickery Meadow TIF board recommended City Council authorization of \$445,000 in Vickery Meadow TIF District funds to be used to support the Vickery Meadow catalyst project, encourage the development of mixed income housing in the Vickery Meadow TIF District and serve as the match for the federal grant.

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



Ryan S. Evans
Assistant City Manager

C: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Rosa Rios, City Secretary
Tom Perkins, City Attorney
Craig Kinton, City Auditor
Judge Daniel Solis, Administrative Judge Municipal Court
A.C. Gonzalez, First Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Forest Turner, Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Karl Zavitkovsky, Director, Office of Economic Development
J. Hammond Perot, Assistant Director, Office of Economic Development
Stephanie Pegues-Cooper, Assistant to the City Manager

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SUBJECT **Agreement with the State of Texas for the Kessler Theater Pedestrian Amenities Project, February 27, 2013 Council Agenda**

Background

This action will authorize an agreement between the City of Dallas and the State of Texas for streetscape improvements within public right-of-way associated with the Kessler Theater.

On October 26, 2006, the Texas Transportation Commission (the "Commission") approved a memorandum of understanding (MOU) with the Regional Transportation Council (RTC), which is the transportation policy council of the North Central Texas Council of Governments (NCTCOG), concerning the use of surplus toll revenue in the region; allowing the RTC to select projects to be financed using surplus revenue from a toll project, subject to Commission concurrence.

On September 29, 2011, the RTC selected the Kessler Theater Pedestrian Amenities project to be funded from the State Highway 161 Subaccount regional toll road revenues ("RTR funds") for the construction of sidewalk enhancements and pedestrian improvements along West Davis Street from Clinton Avenue to North Winnetka Avenue; and along North Clinton Avenue from West Davis Street to West Seventh Street. The project scope also includes the public alley to the east of the theater site.

The \$179,200 in RTR funds will be leveraged (including required local match) by approximately \$60,000 of the \$1 million that the Stratford Land Fund III, L.P., deposited into Davis Garden TIF District Tax Increment Fund pursuant to Resolution No. 11-1750 on June 22, 2011 and pursuant to a development agreement with Kessler Theater, LLC as amended by Resolution No. 13-0209 on January 23, 2013.

Design of the project has been commissioned by the Kessler Theater, LLC that will utilize a portion of this TIF funding. Construction of the improvements will be advertised and awarded by the City with RTR funding used to pay for eligible project costs.

Agreement for Kessler Theater Pedestrian Amenities Project
February 15, 2013
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Should you have any questions or concerns, please contact me at (214) 670-3296.



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Hammond Perot, Assistant Director, Office of Economic Development

Stephanie Pegues-Cooper, Assistant to the City Manager

Kessler Pedestrian Amenities Preliminary Conceptual Site Plan



