

Memorandum



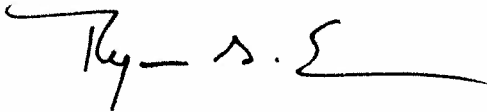
DATE May 31, 2013

TO Housing Committee Members: Carolyn R. Davis, Chair, Scott Griggs, Vice-Chair, Dwaine Caraway, Linda Koop, and Pauline Medrano

SUBJECT Hatcher Square Development

On Monday, June 3, 2013, you will be briefed on Hatcher Square Development. A copy of the briefing is attached.

Please let me know if you have any questions.



Ryan S. Evans
Assistant City Manager

c: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Rosa A. Rios, City Secretary
Tom P. Perkins, Jr., City Attorney
Craig Kinton, City Auditor
Daniel Solis, Administrative Judge, Municipal Court
A.C. Gonzalez, First Assistant City Manager
Forest Turner, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Jerry Killingsworth, Housing/Community Services Director
Stephanie Pegues-Cooper, Assistant to the City Manager



Hatcher Square Development

A Briefing to the Housing Committee

Housing/Community Services Department

June 3, 2013





Purpose










- Present a proposed transit-oriented development project to be located in the Frazier Neighborhood at Scyene Road and Hatcher Street
- Request approval of the Housing Committee for City Council consideration on June 26, 2013

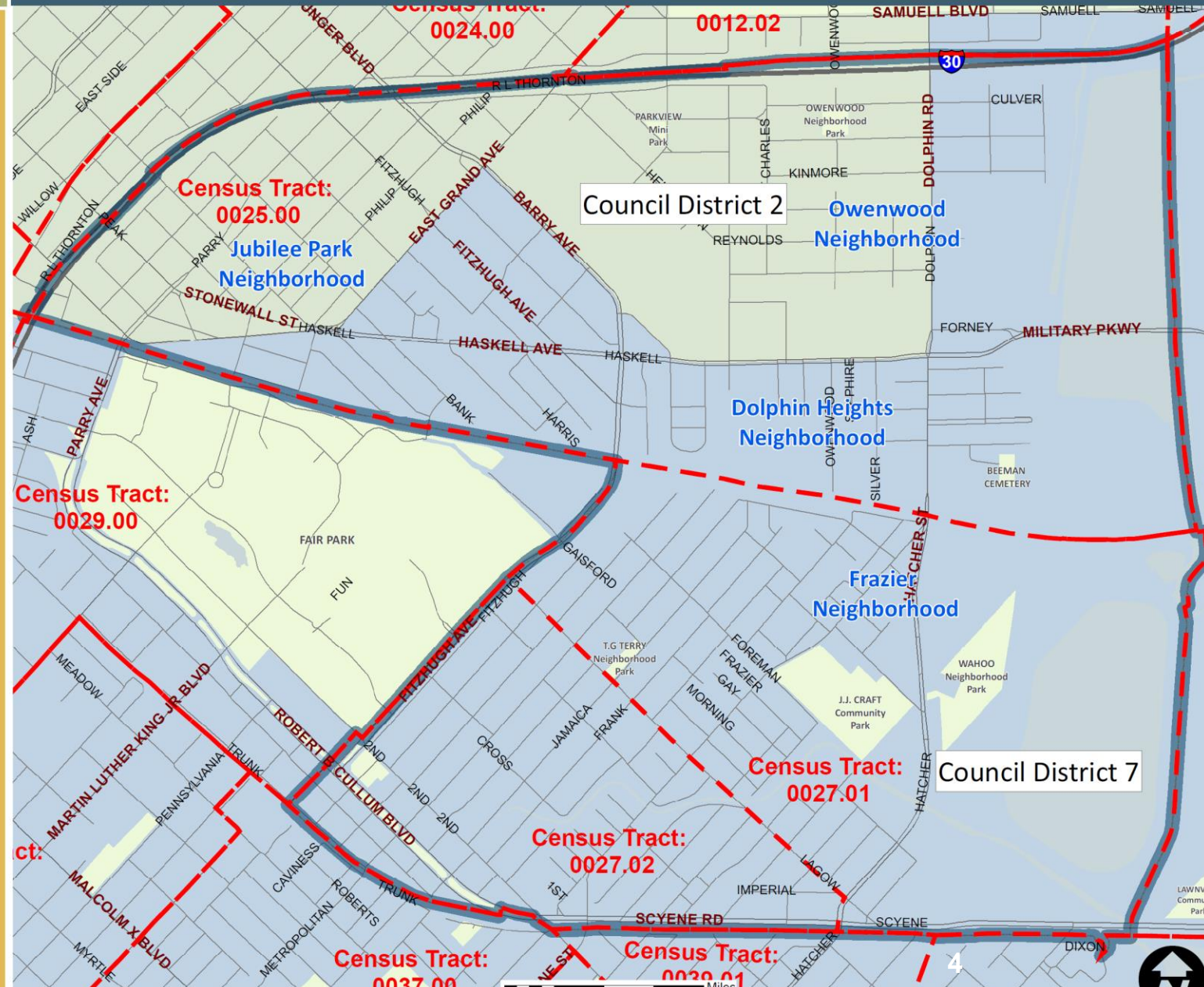


Frazier/Dolphin Neighborhood

- Census Tract 27, Council District 7
- Located in South Dallas
- Bounded by Haskell Avenue, Dolphin Road/ Hatcher Street, Scyene Road, and Fair Park
- Neighborhood Investment Program Area

COUNCIL DISTRICTS

-  Census Tracts
-  NIP Area Boundary
-  Highway
-  Major Arterial
-  Minor Arterial
-  Lakes and Rivers
-  Parks
-  Council District 2
-  Council District 7



Project Location Map





Background

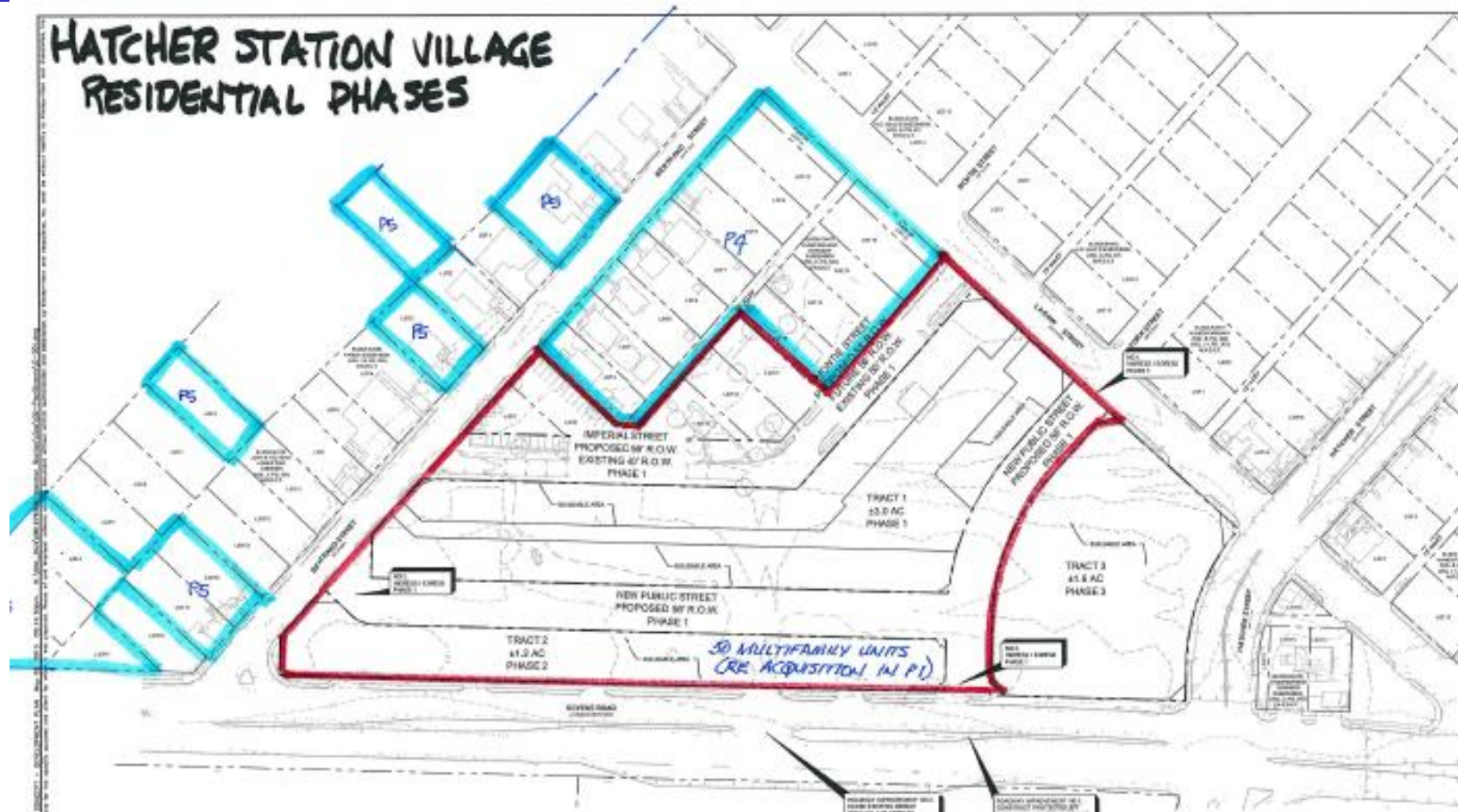
- Frazier Revitalization Inc. was formed in 2005 as a 501(c)3, non-profit organization for the purpose of providing leadership and support for the implementation of the Frazier redevelopment vision
- FRI has received over \$6M in philanthropy and grants as well as bank and other loans over \$2M, demonstrating the civic and business commitment to this revitalization initiative
- Dorothy Hopkins is President & CEO of this organization



Description of the Proposed Development

- Hatcher Square is a mixed-use transit-oriented development
- The proposed development includes several phases:
 - Phase I would include the construction of 39 single family homes
 - Phase II would include the construction of a medical facility
 - Phase III would include the construction of 50 multifamily units and Retail/Commercial space

Proposed Development Map





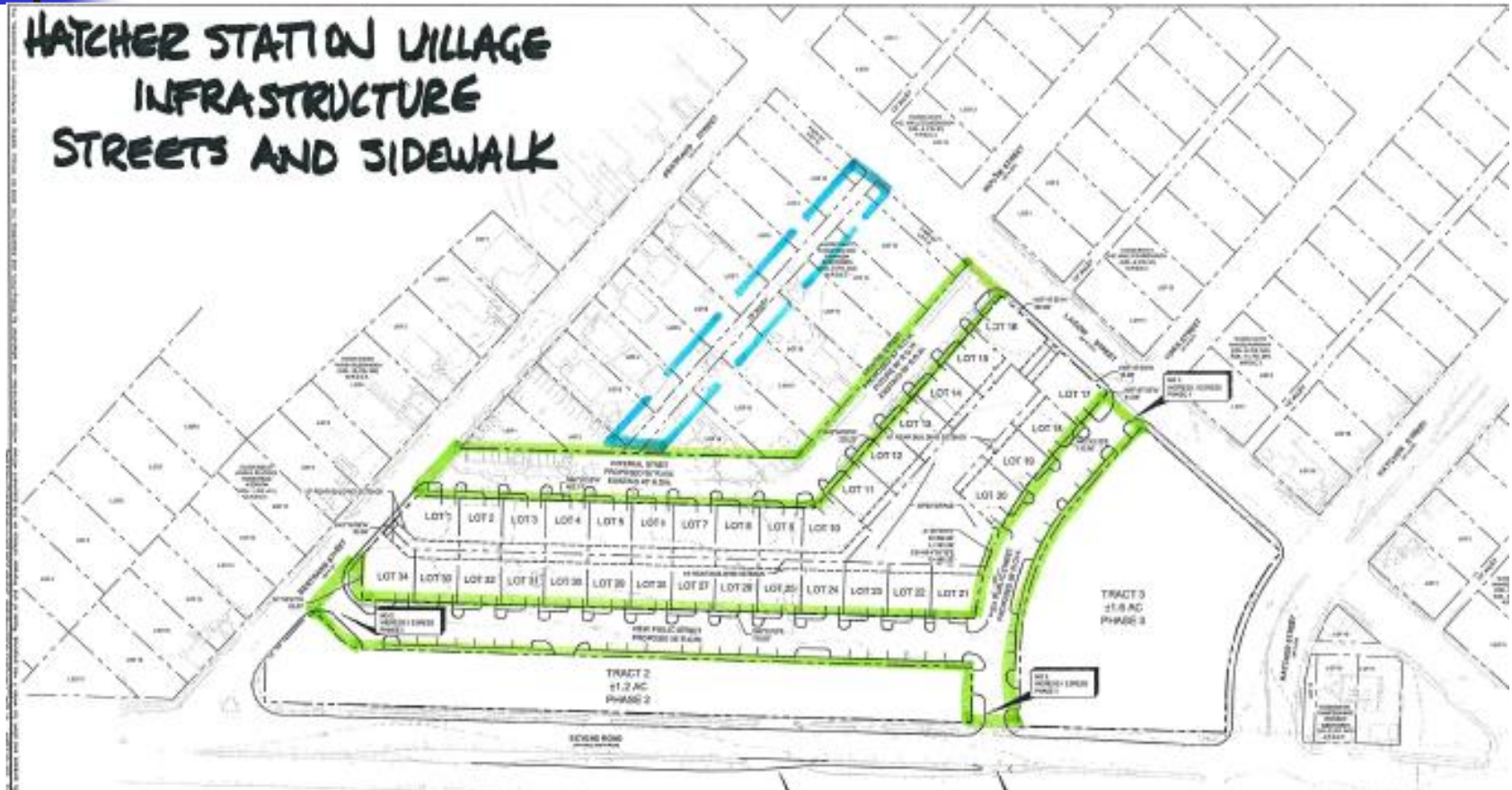
Phase I –Single Family Homes

- Phase I of the Development would be constructed in three parts
 - Part 1: 6 homes to begin construction in the Fall of 2013
 - Part 2: 28 homes to be constructed in 2014
 - Part 3: 5 homes to be constructed in 2015

Phase I Development Map



Streets/Sidewalks Map



Water/Sewer Map





Sources and Uses

Sources

City of Dallas-General Obligation Bonds	\$
650,000	
City Infrastructure Bond	\$ 1,329,900
FRI (grants & loans)	<u>\$ 9,018,000</u>
Total	\$10,997,900

Uses

Land Costs	\$ 1,185,500
Soft Costs	\$ 760,500
Infrastructure Costs	\$ 1,329,900
Construction Costs-SF	\$ 7,722,000



City of Dallas Investment

- The City of Dallas would contract with FRI for a \$650,000 conditional grant to utilize for acquisition, demolition, relocation, predevelopment costs, and construction costs
 - FRI would be capped at \$50,000 in construction assistance per home
 - Low-to-Moderate Income Homebuyers would have to agree to a ten year deed restriction to maintain occupancy and affordability
- The City of Dallas would prioritize infrastructure development for FY 2013-14



City of Dallas Investment (continued)

- In the event that FRI is successful in completing the construction of the first six homes within one year of the first award, the City of Dallas will consider approval of a second \$650,000 conditional grant with similar conditions
 - The combined funding of FRI & the City of Dallas is expected to produce 39 new homes and homebuyers for the Frazier Neighborhood
- Eligible homebuyers with incomes at or below 80% AMFI may apply to the Mortgage Assistance Program for closing cost, downpayment, and principal reduction assistance
- FRI is expected to begin construction by the Fall of 2013 provided that infrastructure priority can be provided by the City of Dallas



RECOMMENDATION

- City would:
 - prioritize infrastructure development to facilitate forward movement of this project
 - provide \$650,000 conditional grant from 2012 General Obligation Bond Funds
 - require deed restrictions on each property benefiting from the grant
- FRI will have one year to complete Phase I of this project



Next Steps

- City Council consideration of \$650,000 grant to FRI on June 26, 2013
- Construction begins Fall 2013