

Memorandum



CITY OF DALLAS

DATE October 16, 2009

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

SUBJECT Turner Courts Development

On Monday, November 2 2009, you will be briefed on Turner Courts Development. A copy of the briefing is attached.

Please let me know if you have any questions.

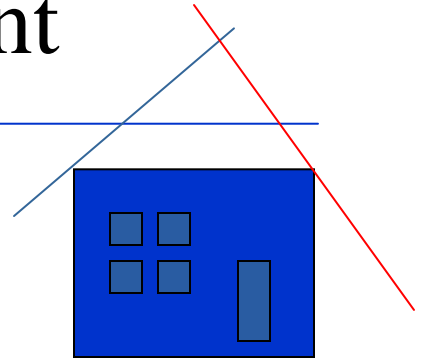
A handwritten signature in black ink, appearing to read 'A.C. Gonzalez'.

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, Judiciary
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

Turner Courts Development

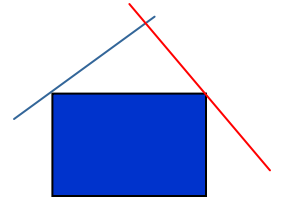
A Briefing to the Housing Committee



November 2, 2009

Housing Department





Purpose

To present for the Housing Committee's consideration using 2006 Proposition 8 Bond funds for assistance for infrastructure and community center improvements for a 206 unit apartment project of the Dallas Housing Authority's Turner Courts community.

Area Description

- Turner Courts is immediately adjacent to Bexar Street Phase II on 10.73 acres of land, bordered by
 - Municipal Street to the North
 - Bexar Street to the East
 - The Trinity River levee to the South
 - Railroad tracks to the West

- Bexar Street Phase II is nearly 25 acres, bordered by
 - CF Hawn to the North
 - Rear lots of Bexar Street commercial properties to the East
 - The Trinity River levee to the South
 - Railroad tracks to the West

Background

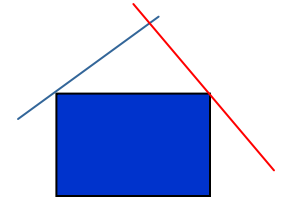
Project Significance:

Turner Courts represents a critical component to revitalizing the entire Bexar Street corridor because

- Crime Reduction
- New Multigenerational Housing
- Increased Greenspace



Background



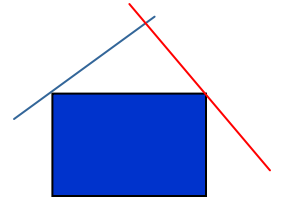
A number of neighborhood improvements are underway in this target area

- DHA Rhoads Terrace: New mixed income housing proposed
 - 140 Seniors Units
 - 168 Market Rate Units
 - 132 Public Housing Units
- Street, infrastructure, streetscape & utility improvements, and community art
 - Brick Pavers
 - Pedestrian Lighting
 - New Sewer & Water
- Mixed use commercial/retail/residential development
 - V's Kitchen
 - Culinary Training Center

Background

- Proposed employment center (Operation Oasis & HIS Bridgebuilders)
- NTTA ramp improvements to CF Hawn Freeway (Trinity Parkway)
- Neighborhood code enforcement with land banking for infill development
- Trinity River Buckeye Trail Improvements
- **DHA Turner Courts Redevelopment**: 334 new family, senior and Town Home units

Background – Turner Courts



- Originally built in 1952
 - 294 Housing Units – Two Story Buildings
- Turner Courts is “severely distressed” and requires total demolition and reconstruction
 - Elevated rates of vandalism and criminal activity
 - Original design and the age of the structures rendered the long standing “band aid” repair approach to be futile
 - 22 of the those 294 units were uninhabitable due to severe termite infestation
 - 55 units were vacant
 - Despite a DHA tenant waiting list of over 8,000 – the units were never fully occupied because potential tenants chose not to locate there

Turner Courts – Proposed Project

□ Proposed Project Plans:

- Complete demolition of all existing residential structures
- 334 units of new construction (senior, family and townhouse units)
- The new development boasts increased green-spaces including a central park, a farmers market, eight (8) village gardens, two (2) playgrounds and a centrally located waterfall.
- Phase 1 – 4% Tax Exempt Bond \$29,594,351 (Including \$2.5M Prop 8 Bridge Loan from City of Dallas)
 - 206 units (Senior Housing, Family Apartments & Townhouses) and 18,000 sf of community space
- Phase 2 – 9% Low Income Housing Tax Credits (LIHTC)
 - 116 units (Townhomes) and 18,000 sf Head Start School
- Phase 3 – Off Site Infill Single Family Homes (Ownership)
 - 12 units to be developed by Habitat

Turner Courts – Proposed Project

Project Amenities/Community Facilities

- Head Start Building
 - Building Size: 18,000 sq. ft. (approximately)
 - Use: Preschool Attendance (6 months -5 years)
- Teen Network Center
 - Building Size: 8,000 sq. ft. (approximately)
 - Use: GED, Job skills training, computer lab, teen center
- Community Building
 - Building Size: 10,000 sq. ft. (approximately)
 - Use: Resident Manager & Council offices, meeting rooms, maintenance facility
- Village Gardens
 - Community Gardens (community education, environmental awareness, produce sales)

Turner Courts – Proposed Project

Other

- 12 off-site Single Family Infill Housing units
 - Homeownership units
 - Developer: Habitat
- Renovation of the existing Community Recreation Center
- Increases the total number of units by 28
 - New site design will provide more green space, high visibility, defensible private and semi-private activity areas, and a fully policeable street grid system or layout
 - The use of 2, 3& 4 story buildings creates increased green space
 - Previous 2 story barrack styled units used almost all of the land
 - Did not maximize an efficient use of the site.

Site Plan

FOR REVIEW ONLY. NOT FOR REGULATORY APPROVAL, PERMITTING, OR CONSTRUCTION. ARCHITECT: JOHN "BUZ" OWENS #6184

LEGEND

- REAR PARKING TOWNHOUSES
- FRONT PARKING TOWNHOUSES
- SINGLE HOUSING
- SENIOR APARTMENTS
- COMMUNITY FACILITIES
- EXISTING RECREATION CENTER
- PUBLIC STREET

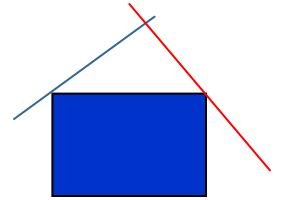


09-10-09

TURNER COURTS



Elevations



BUILDING TYPE B-F LEFT SIDE ELEVATION



BUILDING TYPE A-F LEFT SIDE ELEVATION

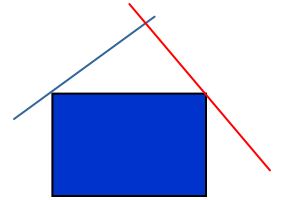


BUILDING TYPE A-F FRONT ELEVATION

TURNER COURTS
DALLAS, TEXAS

FOR DALLAS HOUSING AUTHORITY
10-05-09 

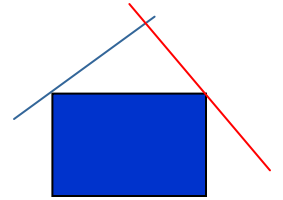
Developer



Dallas Housing Authority:

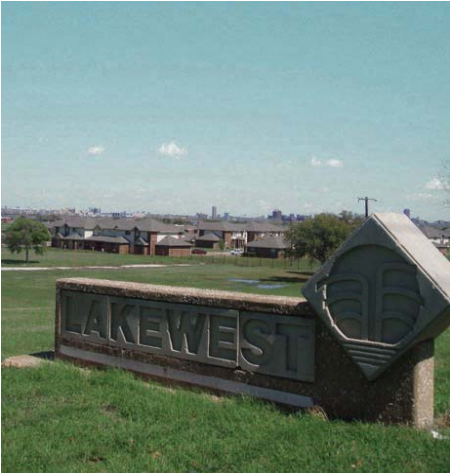
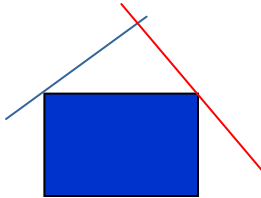
- Offers housing assistance to low-income families
- Provides housing opportunities to nearly 60,000 people through public housing developments and Housing Choice Voucher programs
- Owns nearly 3,900 public housing units
- Manages more than 500 landlord properties under the voucher program with more than 12,000 units from which to choose

Developer



- Over the past 9 years, the DHA has built or reconstructed over 3,200 units at a cost of approximately \$105M through the use of Low Income Tax Credits, Hope VI funds (1998, 2002), housing bonds and other financing partnerships

Developer – Other Projects



Partnership Strategy

- This partnership is not only to rebuild Turner Courts but to rejuvenate an entire neighborhood. Through this loan, the HOPE VI investment will be used to:
 - Completely demolish Turner Courts with the exception of an existing recreation center
 - Redevelop a mixed income rental property
 - As a bonus, DHA will leverage the HOPE VI investment at Turner and will raze the entire Rhoads Terrace site.
- Beyond the scope of Turner Courts & Rhoads Terrace, DHA and the City of Dallas will be active partners in carrying out the blueprint of the Bexar Street Corridor Master Plan.

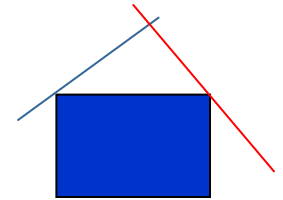
Hope VI Grant Application

- DHA plans to submit application to HUD for \$10.2M on November 17, 2009
- As part of the application, DHA must show
 - Ability to Finance
 - Ability to Perform
 - Ability to Obtain “Firm Commitments” from Local Partners
- The City’s financial commitment to the project is a vital component of the application to HUD

Financing Plan of City's Commitment

- DHA seeks City's commitment of \$2.5M to be used for
 - New Infrastructure
 - Renovation to the existing Community Center
- City staffs response is to recommend that the commitment be in the form of a bridge loan which will be funded with Prop 8 funds scheduled to be sold in 2011. These funds will be lent to DHA and will be repaid out of the developer fees expected by December 2012 assuming construction commences by June 2010.

Sources and Uses



SOURCES

1 st Mortgage	\$ 5,868,535
DHA Frazier Court Proceeds	1,000,000
Tax Credit Equity (DHA Bridge)	8,311,623
HOPE VI Funds	10,200,000
Proposition 8 Bond Funds Bridge	2,500,000
Habitat for Humanity	0
Deferred Developer Fee	<u>1,714,193</u>
TOTAL SOURCES	\$29,594,351

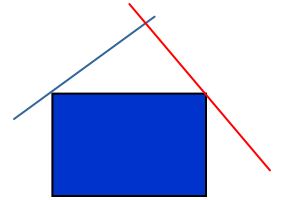
USES

Acquisition/Demolition	\$ 0
Hard Costs	21,901,263
Soft Costs	1,755,038
Financing Costs	2,179,519
Reserves	474,900
Prop 8 Bond Fund Reserve	183,333
Developer Fee	<u>3,100,298</u>
TOTAL USES	\$29,594,351

Recommendation

- City loan \$2.5M of 2006 Bond funds (subject to appropriation and the future sale of bonds) to the Dallas Housing Authority to fund infrastructure and community center improvements in support of the reconstruction of the Dallas Housing Authority's Turner Courts community, consisting of 206 new senior, family apartments and townhouse units

Next Steps



- November 9, 2009 City Council vote to approve the loan (subject to appropriation and the future sale of bonds)