

Memorandum



CITY OF DALLAS

DATE December 2, 2011

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

SUBJECT **HUD grant consultant selection**

At the December 14th Council meeting, you will consider an agenda item to authorize a professional services contract with Fregonese Associates, Inc. for planning related to Transit-Oriented Development and affordable housing development.

The City was awarded a Community Challenge Planning Grant on October 20th, 2010 under the Notice of Funding Availability for the Department of Housing and Urban Development's (HUD) Community Challenge Planning Grants and the Department of Transportation's TIGER II Planning Grants. The funds are to be used for the planning and land acquisition related to the development of affordable housing near Dallas Area Rapid Transit (DART) stations. The focus will be on three different DART lines, Red, Green and Blue, anchored by seven transit stations: VA Medical Center, Lancaster-Kiest, Martin Luther King (MLK), Hatcher Square, Buckner, Park Lane and Walnut Hill.

Under this grant a total of \$2,225,000 is available from HUD for planning, land acquisition and pre-construction activities during a three year period. Approximately \$800,000 has been budgeted for planning, which will be the first activity funded by this grant.

Authorization of this professional services contract will allow the Office of Economic Development to hire a consultant firm to develop and implement a consistent set of design policies, guidelines, processes and standards for Transit-Oriented Development (TOD) and affordable housing. The deliverables will provide comprehensive plans in the context of a range of land development patterns that will promote affordable mixed-use housing, livability and sustainability in select Dallas communities. The consultant will work with staff, local agencies and members of the community to compile and analyze information to formulate deliverables that will help the City create a corridor plan, area plans and catalyst project concepts. Specifically, these planning activities to be funded under this grant include:

- The creation of a corridor plan in the Lancaster Corridor
- Area plans for the station areas located along the green line at MLK, Hatcher Square and Buckner
- An area plan in the Vickery Meadows/Five Points area, which includes the Park Lane and Walnut Hill DART station

Additionally, the second component of the planning process is the creation of catalyst project concepts. Catalyst sites will serve as focal points for development and redevelopment activity within each area.

Through these activities, the City will be 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.

The following proposals were received from solicitation number BRZ1129 and were opened on September 15, 2011. This contract is being awarded in its entirety to the most advantageous proposer. In compliance with state law concerning professional services evaluation, cost was neither considered in the evaluation nor reflected in the scoring.

*Denotes successful proposer

HUD Grant Consultant Selection

<u>Proposers</u>	<u>Address</u>	<u>Score</u>
*Fregonese Associates, Inc.	1525 SW Park Ave., Suite 200 Portland, OR 97201	93.8
Jacobs Engineering Group Inc.	6688 N. Central Expwy, Suite 400 Dallas, TX 75206	91.6
Crandall Arambula	520 SW Yamhill St. Roof Suite #4 Portland, OR 97204	89.0
Torti Gallas and Partners, Inc.	523 W. 6 th St. Suite 212 Los Angeles, CA 90014	87.0
RTKL Associates Inc.	1717 Pacific Ave. Dallas, TX 75201	85.2
Matthews Southwest	1660 S. Stemmons Frwy. Suite 100 Lewisville, TX 75067	84.8
Hellmuth, Obata & Kassabaum, LP	2711 N. Haskell Ave, Suite 2250 Dallas, TX 75204	83.2
Parsons Brinckerhoff Americas, Inc.	2777 N. Stemmons Frwy. Suite 1333 Dallas, TX 75207	78.6
Farr Associates Arch. & Urban Design	53 W. Jackson Blvd. Suite 650 Chicago, IL 60604	78.2
The Lakota Group, Inc.	212 W. Kinzie St. 3rd Floor Chicago, IL 60654	77.6
The Image Network, Inc. dba Dover Kohl & Partners	1571 Sunset Dr. Coral Gables, FL 33143	76.2
The Planning Partnership Ltd.	1255 Bay St. Suite 201 Ontario, Canada M5R 2A9	75.4
Space Between Design Studio, LLC	300 N. Akard St. Suite 1904 Dallas, TX 75201	71.4
Burns & McDonnell Engineering Co, Inc.	15950 N. Dallas Pkwy, Suite 700 Dallas, TX 75248	63.0
Terra Shelter, Inc dba Sustainable Dev. Resrcs	2215 Fyke Rd. Carrollton, TX 75006	46.8

A six member evaluation committee was selected from the following departments:

- o Economic Development (1)

HUD Grant Consultant Selection

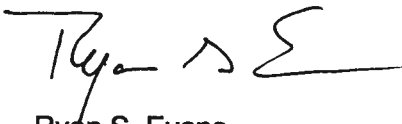
- Housing (1)
- Dallas City Design Studio (1)
- Sustainable Development and Construction Services (2)
- Business Development and Procurement Services (1) (BID Only)

The successful proposer was selected by the committee on the basis of demonstrated competence and qualifications under the following criteria: Experience and capacity of lead firm and sub-consultants (20 points), Project manager and Team (20 points), Quality of work plan (35 points), Coordination (10 points) and Business Inclusion & Development Plan (BID) (15 points)

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services (BDPS) used its procurement system to send out 1551 email bid notifications to appropriate vendor. Notifications were also sent by the BDPS' ResourceLink Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach, and 282 MWBE vendors were contacted

Fregonese Associates, Inc, from Portland, OR, was the successful bidder. Upon City Council approval, the City will enter into a thirteen-month contract with Fregonese. The total fee for the contract is \$799,968 and is payable based on tasks related to the scope of work. The \$799,968 will be reimbursed by HUD Community Challenge grant funds.

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, Interim City Secretary
Tom Perkins, City Attorney
Craig Kinton, City Auditor
Judge C. Victor Lander, 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, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Karl Zavitkovsky, Director, Office of Economic Development
Hammond Perot, Assistant Director, Office of Economic Development
Helena Stevens-Thompson, Assistant to the City Manager

Memorandum



DATE December 2, 2011

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

SUBJECT Cottages at Hickory Crossing, 1531 S. Malcom X Boulevard, 50 Units of Permanent Supportive Housing for Adults

The purpose of the briefing memorandum is to provide Budget, Finance and Audit Committee with information on the proposed Dallas Housing Finance Corporation (DHFC) request for authorization to issue tax-exempt bonds in an amount not to exceed \$5 Million for the acquisition and new construction of 50 Permanent Supportive Housing units, the Cottages at Hickory Crossing project located at 1531 S. Malcolm X Boulevard. On December 14, 2011, the City Council will be considering final approval for: (1) the Dallas Housing Finance Corporation to issue the tax-exempt bonds, (2) support of the 4% tax credits and waiver of the one mile/three year rule from the Texas Department of Housing and Community Affairs (Section 48.9 (2) (A-C)), and (3) for City staff to apply for a grant to provide funding to furnish the 50 Permanent Supportive Housing units.

PROJECT DESCRIPTION

Location: 1531 S. Malcolm X Boulevard at Louise, Council District 2

Construction of 50 new Permanent Supportive Housing multifamily units
50 units for households at or below 60% of the City of Dallas Area Median Family Income

- 400 Square Feet
- * \$625 per month with utilities included in the rent

Applicant: Central Dallas Community Development Corporation

- Tax credit investor will be limited partner

Developer: Central Dallas Community Development Corporation

Property Manager: CitySquare

- The property is currently zoned MU1

New Resource Center: Medical Clinic and a facility to house other CitySquare programs will be constructed across the street from the Cottages at Hickory Crossing.

SITE AMENITIES

This location is conveniently located near the city center, while also being private. The trees provide a natural, urban forestry setting, which also has a view of the Downtown Dallas skyline. The amenities for the project are still being determined, and may include, but not be limited to: gardens; walking paths; connections to public transportation; substance abuse counseling; case management; and, psychiatric counseling.

SERVICES TO BE PROVIDED ONSITE

- ◆ Individual Case Management
- ◆ Medication Management and Education
- ◆ Life Skills Training
- ◆ Mental Health Services
- ◆ Substance Abuse Services
- ◆ Employment Assistance
- ◆ Transportation as Needed

HOMELESSNESS – A COMPLEX ISSUE

Individuals who face these types of challenges face multiple barriers to housing stability because they may not have a stable supportive income, nor sufficiently served by the systems in which they interact (homeless shelters, emergency rooms, hospitals, publicly funded healthcare and law enforcement). The tremendous public costs placed on these systems can be mitigated through Permanent Supportive Housing with comprehensive services at a significantly reduced cost such as The Cottages at Hickory Crossing.

The Cottages at Hickory Crossing is a supportive housing demonstration project representing a unique collaborative effort among several leading organizations in Dallas, with Metrocare Services serving as the fiscal agent. The goal of the project is to improve the well-being of the people served, reduce recidivism, and realize cost savings to tax payers through reduced expenditures on public safety, behavioral health, and health care.

This project involves a research and evaluation component (being conducted by University of Texas Southwestern Medical Center), and will be replicable in other communities throughout the United States.

BACKGROUND

On September 6, 2001, the Housing Committee was briefed on the Cottages at Hickory Crossing and it was approved unanimously for the \$500,000 Homeless Bonds from Proposition 14 General Obligation Bonds approved on November 8, 2005.

On October 26, 2011, the City Manager was authorized to purchase deed restrictions from Central Dallas Community Development Corporation, or its wholly owned subsidiary, in an amount of \$500,000, taken from Proposition 14 General Obligation Bonds that were set aside for Homeless Assistance Facilities, including housing facilities for the homeless, to ensure affordable, permanent supportive housing units on the 1531 S. Malcolm X Boulevard through December 31, 2027, City Council Resolution No. 11-2883.

On November 3, 2011 the DHFC issued an Inducement Resolution demonstrating its intent to issue the tax-exempt bonds.

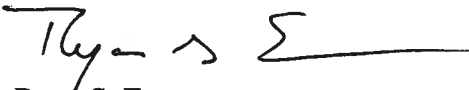
December 5, 2011, the briefing memo of the Cottages at Hickory Crossing financing plan to the Economic Development Committee and Housing/ Community Services Committee.

December 14, 2011, the City Council will consider granting the approval of the 4% tax credits pursuant to Section 48.9 (2) (A-C), the tax-exempt bond issuance by the DHFC and the application for City Staff to apply for a grant to furnish the units.

December 15, 2011, the DHFC will issue final inducement Resolution demonstrating its intent to issue and close on the tax-exempt bonds.

January 17, 2011, consideration of the 4% tax credit application by TDHCA after January 17, 2011, closing on tax-exempt bonds and 4% tax credits.

If you have any questions, please contact me if you have any questions.



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Assistant City Manager

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1531 Malcom X

