

Memorandum



CITY OF DALLAS

DATE September 13, 2013

TO Tennell Atkins (Chair), Rick Callahan (Vice Chair), Scott Griggs, Adam Medrano, Jerry R. Allen, Lee Kleinman

SUBJECT **Vickery Meadow Mixed-Use Library Project**

On Monday, September 16, 2013 the Economic Development Committee will be briefed on the Vickery Meadow Mixed-Use Library Project. The City Council will be asked to consider approval of the item on September 25, 2013.

A copy of the briefing material is attached. Staff will be available at the meeting to answer questions.

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

A handwritten signature in blue ink that reads "Ryan S. Evans".

Ryan S. Evans
Interim First Assistant City Manager

C: The Honorable Mayor and Members of the City Council

A.C. Gonzalez, Interim City Manager

Warren M. S. Ernst, Interim City Attorney

Judge Daniel F. Solis, Administrative Judge

Rosa A. Rios, City Secretary

Craig D. Kinton, City Auditor

Jill A. Jordan, P. E., Assistant City Manager

Forest E. Turner, Assistant City Manager

Joey Zapata, Assistant City Manager

Charles M. Cato, Interim Assistant City Manager

Theresa O'Donnell, Interim Assistant City Manager

Jeanne Chipperfield, Chief Financial Officer

Frank Libro, Public Information Officer

Karl Zavitkovsky, Director, Office of Economic Development

J. Hammond Perot, Assistant Director, Office of Economic Development

Elsa Cantu, Assistant to the City Manager – Mayor and Council

Vickery Meadow Mixed-Use Library Project

Economic Development Committee
September 16, 2013



Overview

- Background on the grant and planning process
- Summary of RFP Process
- Project Summary
- Recommendation



Background: HUD Grant

- Dallas awarded a \$2.225 million Community Challenge Planning Grant on October 22, 2010 through a competitive grant process.
- One of the largest planning grants awarded; average grant size was \$1.09 M
- Grant activities split into two categories: planning and preconstruction (see appendix A, Summary of other preconstruction projects)

Background: HUD Grant

- Planning activities focus on DART's Red, Green and Blue light rail lines anchored by transit stations at:
 - Park Lane and Walnut Hill Stations (Red)
 - VA Medical Center and Kiest Stations (Blue)
 - MLK, Hatcher, and Buckner Stations (Green)
- Five planning areas (Vickery Meadow, Lancaster Corridor, Buckner, MLK and Hatcher) selected for preliminary planning analysis
- Planning process was initiated in 2012, after selection of consulting team through a RFP process

HUD Grant: Catalyst Project Vickery Meadow Library Site

- Mixed-use development on vacant site owned by the City of Dallas (concept generated by area plan)
- Proposed as ground floor library, accompanied by a health clinic and mixed income apartments
- Form: Four-story development with tuck-under parking (covered by elevated building, surface parking).
- Station Proximity: Less than 1,000 feet from Park Lane Station.
- Parking: 208 surface and tuck-under spaces



RFP Process

- On April 18, 2013, City of Dallas issued an RFP to identify a qualified developer for a mixed-use library development at 8255 Park Lane
 - ~4 acres, city owned
- Requested a vertical mixed-use development which may include residential, retail, office, medical, or a mixture of uses, in addition to the library
- Design of ground floor space was requested to accommodate a variety of uses
- Original response period was 6 weeks; held open for an additional 2 weeks for additional responses (revised closing date June 12)
- One submission received
- City review panel made recommendation to proceed in July
 - Scope of work for preconstruction activities defined
- Review package with Council agenda item went to auditor's office on August 6, 2013
- Auditor made determination that Procurement followed AD 4-05 provisions for processing this single bid on September 10, 2013

Recommended Consultant/Developer Group

- City Staff recommends proceeding with DMA Development Company, LLC (DMA) a co-developer with Carleton Residential Properties (Carleton)
- DMA was formed in 1999 by Diana McIver
 - Austin-based company
 - Completed 25 developments (1,855 units) in Texas (Dallas, Austin and San Antonio, among other cities), Georgia and Washington DC.
- Carleton was founded in 1991
 - Dallas-based company
 - Partners in firm have experience developing more than 20,000 multifamily units throughout Southwest
- Oglesby | Greene identified as project architect
 - Designed Grauwlyer Park Branch library (constructed) and North Oak Cliff Branch (design stage)
- See Appendix B for senior leadership of each entity

Mixed-use Library Proposal

- DMA's response proposed approximately 300 affordable apartment units (primarily 1-2BR), a 20,000 sq ft library, additional retail/flex space and structured parking
- After meeting between the Developer Team and the City, DMA indicated they would work with City to re-scope project, including by increasing number of market rate apartments (up to 15%), decreasing the number of 1 BR apartments and including 3 BR units
 - Will conduct a market study to get a better understanding of local area and revise unit mix
 - Once project is re-scoped and redesigned, DMA/Carleton and City will work through financing package
 - Current estimated total project cost is approximately \$41 million

Next Steps

- \$750,000 in grant funds are proposed to be used for the preconstruction activities related to this project
 - \$445,000 previously approved from Vickery Meadow TIF as local match for the grant (February 27, 2013)
 - \$305,000 in federal funds
- While planning work is on-going, Development Team will work with City to negotiate a development agreement
- Committee approval sought for \$750,000 for preconstruction expenses

Recommendations

- Recommend approval of a \$750,000 consultant contract with DMA Development Company, LLC to proceed with preconstruction work for a mixed-use library at 8255 Park Lane.
- Council consideration on September 25, 2013

Appendix A

PRECONSTRUCTION PROJECTS



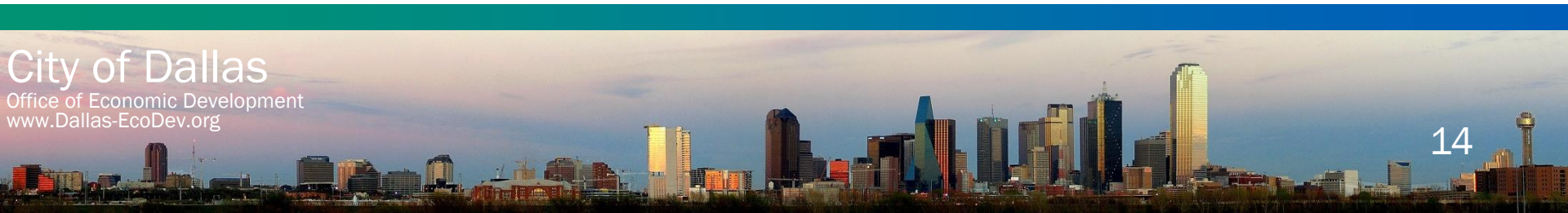
Approved Preconstruction Projects

- Hall family project (MLK Station)
 - \$200,000
- Urban League Expansion (Lancaster Corridor)
 - \$200,000
- Lancaster Opal (Lancaster Corridor)
 - \$135,000
- Hatcher Station Village (Hatcher Station)
 - \$200,000
- Hatcher Gardens (Hatcher Station)
 - \$100,000



Appendix B

COMPANY OFFICERS



Company Officers

DMA Development Company

- Diana McIver, President
- Joellen Smith, Executive Vice President
- Janine Sisak, Sr. Vice President, General Counsel

Carleton Residential Properties

- Printice Gary, Founder, Managing Partner
- Neal Hildebrandt, Partner, COO of Carleton Construction
- Jeff Fulenchek, Partner, Director of Development

Oglesby | Greene

- Joe McCall, Principal Architect
- Graham Greene, Principal Architect

