

Memorandum



DATE January 15, 2021

CITY OF DALLAS

TO Honorable Mayor and Members of the City Council

SUBJECT **Revitalization Activities underway for the Jeffries-Meyers-Merlin Neighborhood**

A cross departmental effort is underway to revitalize the Jeffries-Meyers-Merlin Neighborhood. This memorandum captures responsibilities being carried out by the Office of Environmental Quality & Sustainability (OEQS), Department of Housing & Neighborhood Revitalization (Housing) and Planning & Urban Design (PUD). An Area Planning effort has been initiated for the larger South Dallas area that includes the Jeffries-Meyers-Merlin Neighborhood. This effort is in its early stages, the Council member having recently appointed a community stakeholder Task Force and affirmed the boundary definition. The process is expected to take a year to yield a draft plan after extensive community engagement. The task force that will be regularly engaged through this process will also serve as a forum for sharing of information in a coordinated fashion with stakeholders and the community related to ongoing City projects and initiatives. The impetus for this area planning effort is provided by several considerations, including the concentration of Housing NOFA sites, the recently completed Fair-Park Master Plan, and TxDOT-led freeway reconstruction planning projects for I-30, I-45/US-75, and I-345. Additionally, Councilmember Bazaldua's expressed a desire to conduct an authorized a hearing to amend the zoning in the area. This planning effort is intended to focus on establishing a land development vision and recommending specific City actions related to land development to advance that vision. These will include actions related to zoning, infrastructure, development incentives and environmental mitigation.

Staff from the Office of Environmental Quality & Sustainability (OEQS) reviewed several environmental reports completed on property in the Jeffries/Meyers/Merlin area, to understand the historical uses/conditions and current environmental impacts in the area based on the findings provided in the reports. Reports reviewed are listed below.

Recently completed environmental assessments reviewed:

- Draft Phase II Environmental Site Assessment (ESA), dated July 6, 2020, performed on Jeffries-Meyers-Merlin Land Transfer Lots located in the 2400, 2500, and 2600 blocks of Jeffries, Merlin, and Meyers Streets prepared by Pape-Dawson Engineers, Inc. (Pape-Dawson)
- Draft Phase I ESA, dated April 24, 2020, performed on Jeffries-Merlin Land Transfer Property including 17 individual lots by Pape-Dawson
- Phase I ESA, dated March 10, 2020, performed on 2.75 Acres of land made up of 11 parcels along the 2500 block of Jeffries, Merlin, and Meyers Streets by Pape-Dawson and Integrated Environmental Solutions, LLC (IES)
- Phase I ESA, dated July 29, 2020, performed on 11 non-contiguous, vacant residential lots located along on Merlin, Jeffries & Meyers Streets by Braun Intertec Corporation (Braun Intertec)

DATE January 15, 2021
SUBJECT **Environmental Review of reports completed for Jeffries-Meyers-Merlin
Land Transfer**

Previously completed environmental assessments reviewed:

- Phase II ESA, dated February 28, 2007, performed on the 2400 and 2500 Blocks of Meyers, Jeffries, and Merlin Streets by Rone Engineering Services, Ltd (Rone)
- Phase I ESA, dated June 2006, performed on the 2400 and 2500 Blocks of Meyers, Jeffries, and Merlin Streets by Rone
- Municipal Setting Designation (MSD) application submitted by Dallas Area Rapid Transit (DART) for their Central Rail Operating Facility located at 3021 Oak Lane (MSD ordinance #31013, approved on 9/25/2018)

The recently completed environmental assessments were performed as part of the environmental due diligence required of the preferred developers identified in the 2019 Single Family NOFA prior to the planned acquisition and development of the City-controlled Land Transfer parcels. The 2007 environmental assessments were completed for the City of Dallas using the City of Dallas Brownfields Assessment Grant at that time. The properties located in the 2400/2500/2600 blocks of Merlin/Jeffries/Meyers were identified in the Grand Park South Tax Increment Financing District Project Plan & Reinvestment Zone Financing Plan, dated June 13, 2007, as an anticipated single family/town home development project. The MSD for DART includes environmental data collected between 2005 and 2017.

Preferred Developers

The Department of Housing and Neighborhood Revitalization identified preferred developers through the 2019 Single Family Notice of Funding Availability process. Applicants submitted development proposals which were subsequently scored by a selection committee. Because the three proposals in question overlapped with regards to desired parcels for development, the Department of Housing and Neighborhood Revitalization and the developers worked together to identify a comprehensive proposal that includes elements of each individual developer's original proposal.

The three preferred developers include 1) the Muse Family Foundation, 2) Texas Community Builders, and 3) Dallas Housing Foundation. All three developers are non-profit entities and are committed to building single-family homes for households between 60-120% of the Area Median Income (AMI).

In total, the Jeffries-Meyers development includes 39 Land Transfer parcels—all of which are slated to be developed by the three preferred developers. The Department of Housing and Neighborhood Revitalization recommended a \$31,000.00/parcel contingency amount in addition to gap financing for each developer. Contingency funds are specifically included to address unknown environmental and infrastructure concerns on the parcels. Upon Council-approval, each developer was given a 120-day due diligence period to examine the lots and to conduct the requisite environmental assessments that are summarized in this memo.

Upon receipt and review of the environmental assessments for the Jeffries-Meyers parcels, the Office of Environmental Quality and Sustainability, in collaboration with Housing staff, outlined recommendations for safely developing the parcels.

DATE January 15, 2021

SUBJECT **Environmental Review of reports completed for Jeffries-Meyers-Merlin
Land Transfer**

Environmental Conditions

Included below is a summary of environmental conditions with respect to protective standards for residential use comparing historical and current sampling data.

- Historic uses identified in the 2020 Phase II ESA as environmental concerns for the area being investigated are 1) Martin Foundry, 2) the DART Central Rail Operating Facility, 3) and a historic auto repair shop formerly located at 2422 Merlin Street.
- The DART facility is located northwest of the project area and data provided in the MSD documents a TCE plume in groundwater that was estimated to extend beneath properties in the north and northwest portion of the area (nearest Oak Lane).
- As part of the 2020 Phase II ESA, existing wells (that were previously installed as part of other investigations) were identified in the south/southeastern portion of the area and sampled.
 - Tetrachloroethene (PCE) was identified in groundwater.
 - Minimal historical data available for review in this area to evaluate if concentrations have increased.
- Based on comparison of 2006 groundwater sampling results in Rone's report with 2020 groundwater sampling results, the following observations were made:
 - Trichloroethene (TCE) concentrations have degraded over time; especially in the northeastern portion of the area.
 - Tetrachloroethene (PCE) concentrations were not identified in 2006 sampling results.
 - The southernmost well located at 2525 Jeffries Street that was tested in 2006 did not identify PCE; 2020 sample results identify PCE above standards protective of groundwater ingestions standards.
 - Additional PCE concentrations identified in the 2020 sampling results are from monitor wells further south than the 2006 sampling area.
- 2020 groundwater data indicates volatile organic compounds (VOCs, including TCE and PCE) in groundwater exceed levels protective of groundwater ingestion, but do not exceed levels protective of human health exposure.
- Impacted groundwater is deeper than standard construction depths.
 - Recent monitoring results provided in the 2020 Phase II ESA indicated groundwater measured at depths between 25 and 34 feet below ground surface.
 - Groundwater is deeper than standard utility lines.
 - Exposure risk is minimized because of depth to impacted groundwater.
- Laboratory analyses of groundwater samples indicates semi volatile organic compounds (SVOCs) and total petroleum hydrocarbons (TPH) were not detected in soil or groundwater samples.

DATE January 15, 2021

SUBJECT **Environmental Review of reports completed for Jeffries-Meyers-Merlin
Land Transfer**

- Laboratory analyses of soil indicates VOC samples exceed levels protective of ingestion (or background), but do not exceed levels protective of human health in one sample location.
 - The only soil sample results exceeding protective standards is for TCE from a deep sample collected from a boring near Oak Lane at 2401 Jeffries Street in the groundwater zone that is located.
- Soil sample results for metals do not exceed background levels except for lead; however, these samples are below human health levels.

Potential Next Steps

- Environmental consultants should evaluate data to determine if additional soil or groundwater testing is needed.
 - Should shallow soil near Martin Foundry be tested?
 - Should groundwater near the former auto repair shop be tested?
- Environmental consultants should consider collecting soil gas data to demonstrate if a vapor intrusion (VI) risk from the VOCs in groundwater present a potential risk to indoor air of future planned structures.
 - TCE and PCE in groundwater exceed default EPA screening levels that warrant additional evaluation.
 - Expected attenuation of VOCs from groundwater due to depth greater than 25 feet BGS and clay rich lithology could be verified with testing; additional data beneficial as documentation of diligence to be protective of human health.
 - Potential installation of a vapor barrier or other vapor mitigation system during construction as a measure completed out of an abundance of caution in consideration of potential migration of VOC impacted groundwater.
- The developers receiving grant funding from Housing related to the NOFA should enter their properties in a regulatory cleanup program, such as the Voluntary Cleanup Program (VCP).
 - An MSD could be obtained to restrict the shallow use of groundwater as drinking water, which reduces exposure risk and removes the need to cleanup to drinking water standards.
 - If additional investigations do not identify higher concentrations of chemical in soil or groundwater, then no excavation or remediation will be needed.

Additional Considerations

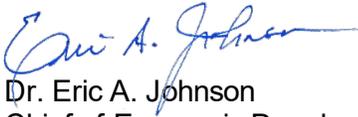
- Recent Stormwater and air compliance inspections by OEQS staff did not identify violations at the Martin Foundry facility.
- The Brownfields Assessment Grant could be used to conduct environmental assessments on City-owned property.
- The Brownfields Assessment Grant could be used to supplement the NOFA developers' additional investigations including costs to enter a cleanup program.

DATE January 15, 2021

SUBJECT **Environmental Review of reports completed for Jeffries-Meyers-Merlin
Land Transfer**

- City-led investigations/actions could be initiated
 - Conduct soil gas, soil and groundwater testing beneath City streets near potential source areas and evaluate utility corridors for potential vapor concerns.
 - An MSD for the area could be obtained to close out concerns related to groundwater.
 - Air quality studies would provide data to verify if active industrial operations are meeting standards to protect air quality.

Should you have any questions please do not hesitate to contact me.



Dr. Eric A. Johnson
Chief of Economic Development and Neighborhood Revitalization

c: T. C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager

Jon Fortune, Assistant City Manager
Majed A. Al-Ghafry, Assistant City Manager
Joey Zapata, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors