

# Memorandum



CITY OF DALLAS

DATE September 28, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **Feasibility Analysis of Proposed Sites for Homeless Assistance Centers**

During the month of August 2018, several City Councilmembers requested staff from the Office of Homeless Solutions (OHS) to analyze the feasibility of the following sites as potential homeless assistance centers.

- |                      |                               |
|----------------------|-------------------------------|
| 1. Parkland Hospital | 5. Walnut Hill Medical Center |
| 2. Dawson State Jail | 6. Tri-City Hospital          |
| 3. Timberlawn        | 7. Forest Park Medical Center |
| 4. Gateway Motel     |                               |

In order to be considered a feasible location for a homeless assistance center, staff considered the following properties minimum threshold criteria:

1. Available for acquisition/purchase or long-term site control
2. Not located within 2 miles of an existing shelter serving 100+ overnight clients
3. Potential cost to comply with building and fire code
4. Location with a focus on rating of residential market based on Market Value Analysis (MVA)
5. Safety rating based on "hotspot" DPD Targeted Area Action Grid (TAAG)
6. Proximity to amenities such as public transportation, social services, and other public assembly facilities

Based on preliminary research and conversations with real estate management for each of these locations, none of these suggested sites are available for acquisition, purchase, or long-term site control. Furthermore, based on the preliminary requirements as prescribed in the minimum threshold criteria, staff does not recommend the suggested sites as feasible locations. A summary of the staff recommendation is provided in the attached table.

Should Councilmembers have additional information concerning these properties or desire to be briefed on the assessment of these sites, please feel to contact myself or Monica Hardman, Director of Office of Homeless Solutions.

  
Nadia Chandler Hardy  
Assistant City Manager and Chief Resilience Officer

[Attachments]

C:	T.C. Broadnax, City Manager	Majed A. Al-Ghafry, Assistant City Manager
	Chris Caso, City Attorney (I)	Jon Fortune, Assistant City Manager
	Carol Smith, City Auditor (I)	Joey Zapata, Assistant City Manager
	Biliera Johnson, City Secretary	M. Elizabeth Reich, Chief Financial Officer
	Preston Robinson, Administrative Judge	Directors and Assistant Directors
	Kimberly Bizar Tolbert, Chief of Staff to the City Manager	

**Preliminary Site Recommendation**

<b>Name of Property</b>	<b>Council District</b>	<b>Available for acquisition or site control</b>	<b>Mile Proximity to closest Homeless Shelter</b>	<b>Sq. Footage</b>	<b>Property Value (based on Dallas County Appraisal District)</b>	<b>Amenity Rating</b>	<b>Market Value analysis (MVA)</b>	<b>Known Code Violation/ Liens</b>	<b>DPD TAAG Area</b>
Parkland Hospital	2	No	0.7	35,913	Unknown*	Good	F	No	No
Dawson State Jail	6	No	1.6	255,840	Unknown*	Good	I	No	No
Timberlawn	7	No	4	20 acres	\$1.6 mil	Fair	D	Yes	No
Gateway Motel	11	No	12	107,000	\$2.5 mil	Good	E	No	Yes
Walnut Hill Medical Ctr.	13	No	6	175,072	\$21 mil	Good	D	No	No
Tri-City Medical Ctr.	5	No	12	106,405	\$1.1 mil	Good	H	Yes	No
Forest Park Medical Ctr.	10	No	3	112,986	\$27 mil	Good	H	No	No

*\*Tax exempt properties are not appraised by Dallas County Appraisal District. Per Texas law, commercial property owners are not required to disclose the sales price of properties bought/sold.*

See Attachements 1-7

**Former Parkland Hospital**  
 5201 Harry Hines Blvd.  
 City Council District 2

**Property Summary:** Prior to the opening of the new hospital at 5200 Harry Hines in August of 2015, Parkland operated a 900-bed hospital at 5201 Harry Hines. It is the teaching hospital for the University of Texas Southwestern Medical School.



<b>Ownership</b>	Parkland Hospital
<b>Property Value</b>	Unknown – tax exempt per DCAD website
<b>Sales Price (if applicable)</b>	Unknown. Not disclosed due to confidentiality
<b>Zoning</b>	MU-3
<b>Site dimensions</b>	Land 553,007,000 sq. ft.; hospital 1,276,336 sq. ft.; office building 14,695 sq. ft.; medical office building 21,218 sq. ft.; parking garage 279,099 sq. ft.; hospital 279,000 sq. ft.
<b>Year Built</b>	1954 & 1980
<b>Known Code Violations</b>	No open cases

**Neighborhood Site Characteristics:**

-Property not located in DPD TAAG area

**-Distance from closest shelter**

- 0.7 mile from Union Gospel Mission

**-Proximity to public transportation, amenities, etc.**

- Under 1 mile from public transportation
- 2 miles from Reverchon Recreation Center
- Under 1 mile from grocery store
- Under 1 mile from hospital

**-MVA classification (A through I, representing the strongest residential market to the weakest, respectively)**

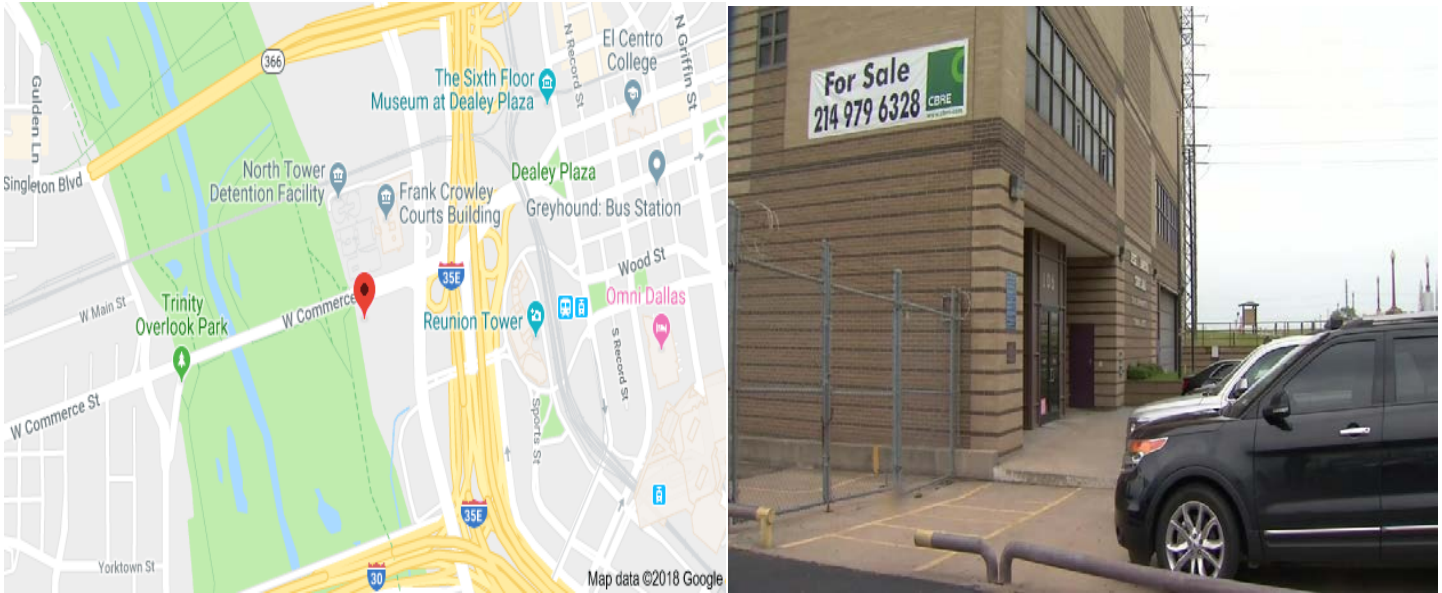
- Closest residential areas are F & G

**Community Feedback** (if any): N/A

**OHS Feasibility Analysis/Recommendation:** Parkland leadership has stated that facility is not available for use by the City as they are currently working with interested parties to utilize existing space for clinic and other development. Parkland is not a feasible option for a homeless assistance center.

**Former Dawson State Jail**  
 106 W. Commerce St.  
 City Council District 6

**Property Summary:** The Dawson State Jail is a 10-story building that housed more than 2,000 inmates prior to its closure in 2013. It has been on the market for sale since June of 2017.



<b>Ownership</b>	State of Texas
<b>Property Value</b>	Unknown - tax exempt per DCAD website
<b>Sales Price (if applicable)</b>	\$4.1 million based on media coverage. Consultant Dodd Communications unable to confirm due to confidentiality
<b>Zoning</b>	IR
<b>Site dimensions</b>	Land 39,534,000 sq. ft.; building 255,840 sq. ft.
<b>Year Built</b>	1995
<b>Known Code Violations</b>	No open cases

**Neighborhood Site Characteristics:**

-Property not located in DPD TAG area

**-Distance from closest shelter**

- 1.6 miles from Dallas Life

**-Proximity to public transportation, amenities, etc.**

- 1 mile from bus line
- Under 2 miles from Dallas Downtown Library
- Under 2 miles from Anna Martinez Recreation Center
- 2 miles from grocery
- Under 2 miles from hospital

**-MVA classification (A through I, representing the strongest residential market to the weakest, respectively)**

- Closest residential area to the NW is an I, residential area to the NE is a C (opposite side of Interstate 35).

**Community Feedback** (if any): Several community members have expressed desire or interest in repurposing jail to house homeless.

**OHS Feasibility Analysis/Recommendation:** According to consultant Sarah Dodd of Dodd Communications, Dawson State Jail is currently under contract for purchase. Development team is assessing possibility of utilizing facility as a housing solution for the homeless. Developer will not be requesting any financial assistance from the City; will only need appropriate zoning approvals. Recommendation is to monitor progress and provide support as necessary.



**Former Timberlawn Psychiatric Hospital**  
 4600 Samuell Blvd.  
 City Council District 7

**Property Summary:** Timberlawn operated as a 144-bed psychiatric facility and was forced to close February 16, 2018 after failed state inspection and revocation of their operating license. The hospital is owned by Universal Health Services, Inc.



<b>Ownership</b>	UHS of Timberlawn, Inc.
<b>Property Value</b>	\$1,650,000
<b>Sales Price (if applicable)</b>	Price Not Disclosed due to confidentiality
<b>Zoning</b>	R-7.5 (A) + SUP No. 105 for a convalescent home and institutional use
<b>Site dimensions</b>	Land 552,371 sq. ft. and 276,140 sq. ft.; Dorm 5,655 sq. ft.; Hospital 12,413 sq. ft.; Hospital 23,058 sq. ft.; Warehouse 5,228 sq. ft.; Hospital 15,576 sq. ft.; Office Building 11,008 sq. ft.; Dorm 2,640; Medical Office Building 48,100 sq. ft.; Dorm 30,838 sq. ft.
<b>Year Built</b>	Dorm 1955; Hospital 1966; Hospital 1962; Warehouse 1959; Hospital 1955; Office Building 1955; Dorm 1968; Medical Office Building 1985; Dorm 1984
<b>Known Code Violations</b>	No open cases; however, knowledge of several issues/concerns to include asbestos, mold, knob and tube electric, and old HVAC system.

**Neighborhood Site Characteristics:**

-Property not located in DPD TAAG area

**-Distance from closest shelter**

- 4 miles from Austin Street

**-Proximity to public transportation, amenities, etc.**

- Under 1 mile from bus line
- 1 mile from Skyline Branch Library
- 2 miles from Juanita Craft Recreation Center
- 3 miles from grocery store
- 4 miles from hospital

**-MVA classification (A through I, representing the strongest residential market to the weakest, respectively)**

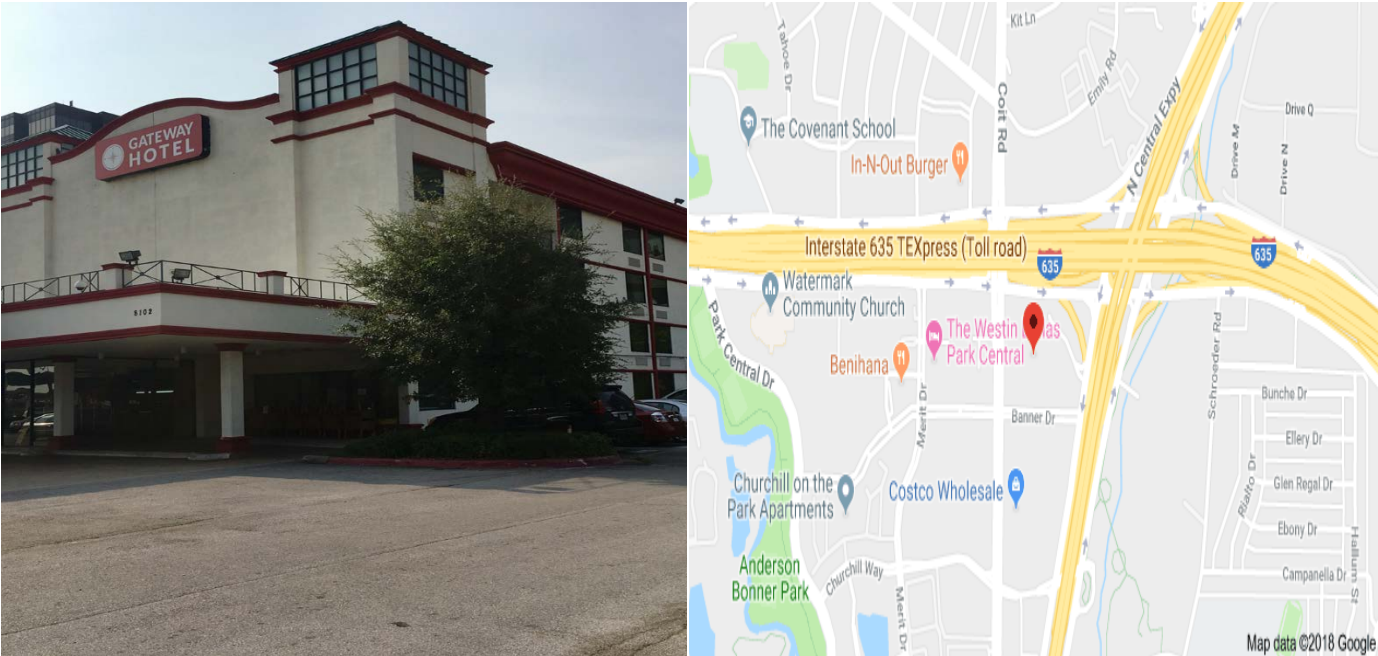
- Residential area is a D

**Community Feedback** (if any): OHS and City Council has received significant feedback from community members that oppose the use of Timberlawn as a homeless assistance center.

**OHS Feasibility Analysis/Recommendation:** Timberlawn currently has several offers under contract for purchase. If the City was interested in purchasing, it would have to pay full market value which is estimated at \$4 million. It is estimated that \$15-20 million would be necessary to bring all buildings up to Code (remediate asbestos/mold, and upgrade HVAC, electric, and plumbing systems). Timberlawn is not a feasible option for a homeless assistance center.

**Gateway Hotel**  
 8102 LBJ Freeway  
 City Council District 11

**Property Summary:** The Gateway Hotel is a 195-room, 4-story hotel located at the corner of LBJ and Coit Rd. It has operated under several names in the past including Ramada, the Park Central Hotel and Clarion Hotel.



<b>Ownership</b>	JEESUNG Investment, Inc.
<b>Property Value</b>	\$3,530,9360
<b>Sales Price (if applicable)</b>	Not available for sale
<b>Zoning</b>	MU-3
<b>Site dimensions</b>	175,172,000 sq. ft land; hotel 107,000 sq. ft; restaurant 15,000 sq. ft
<b>Year Built</b>	1968
<b>Known Code Violations</b>	No open cases

**Neighborhood Site Characteristics:**

-Property is located in DPD TAAG area (Coit Springvalley)

**-Distance from shelter**

- 12 miles from Family Place

**-Proximity to public transportation, amenities, etc.**

- Under 1 mile from bus line
- 2 miles from Forest Green Branch Library
- Under 1 mile from Willie B Johnson Recreation Center

**-MVA classification (A through I, representing the strongest residential market to the weakest, respectively)**

- Closest residential areas are E

**Community Feedback** (if any): None

**OHS Feasibility Analysis/Recommendation:** The property is currently open and receiving guests. According to hotel staff at the property, there are no plans to sell or vacate the property. This location would not be feasible as a homeless assistance center.

**Former Walnut Hill Medical Center**  
 7502 Greenville Ave.  
 City Council District 13

**Property Summary:** Walnut Hill Medical Center opened in 2014 as a 100-bed acute care hospital. The hospital closed on May 1, 2017 and filed for bankruptcy.



<b>Ownership</b>	JC 7502 Greenville Ave., LLC
<b>Property Value</b>	\$21,000,000
<b>Sales Price (if applicable)</b>	Not available due to bankruptcy proceedings
<b>Zoning</b>	PD-783
<b>Site dimensions</b>	Land 103,977,000; hospital 175,072 sq. ft.; garage 172,897 sq. ft.
<b>Year Built</b>	Constructed in 1973 and renovated in 2013
<b>Known Code Violations</b>	No open cases

**Neighborhood Site Characteristics:**

-Property not located in DPD TAAG area

**-Distance from shelter**

- 6 miles from Family Place

**-Proximity to public transportation, amenities, etc.**

- Under 1 mile to bus line
- 2 miles to Skillman Library
- Under 3 miles to Lake Highlands Recreation Center
- Under 1 mile to grocery store
- Under 1 mile from hospital

**-MVA classification (A through I, representing the strongest residential market to the weakest, respectively)**

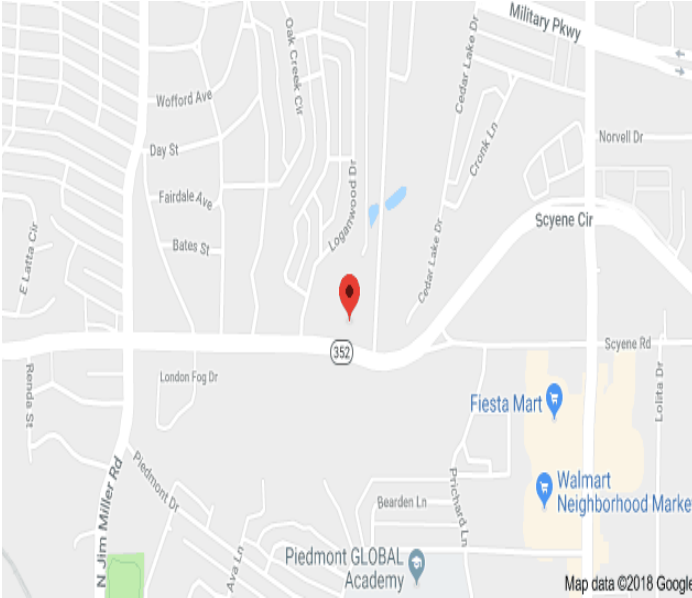
- Closest residential areas are D and E

**Community Feedback** (if any): None

**OHS Feasibility Analysis/Recommendation:** The property is currently in bankruptcy proceedings. OHS will need to monitor the case to determine if there is a future opportunity to purchase for utilization as a homeless assistance center.

**Former Tri City Hospital**  
7525 Scyene Rd.  
City Council District 5

**Property Summary:** Tri City Hospital operated as a 124-bed hospital for 43 years until its closing on 06/09/00. Reductions in Medicare and Medicaid payments were cited as reasons for the closure. According to a May 24, 2017 report by WFAA-TV, city inspectors said there are more than 70 safety and fire violations.



<b>Ownership</b>	New Start Foundation of Dallas, Inc.
<b>Property Value</b>	\$1,099,460
<b>Sales Price (if applicable)</b>	Not listed for sale or lease
<b>Zoning</b>	PD-86
<b>Site dimensions</b>	318,859,000 land; hospital 106,405 sq. ft.
<b>Year Built</b>	1973
<b>Known Code Violations</b>	One open case (substandard structure); 11 lien holds

**Neighborhood Site Characteristics:**

-Property not located in DPD TAAG area.

**-Distance from shelter**

- 12 miles from Austin Street

**-Proximity to public transportation, amenities, etc.**

- Under 1 mile from bus line
- 2 miles from Skyline Library Branch
- 2 miles from Pleasant Oaks Recreation Center
- Under 1 mile from grocery store
- 7 miles from hospital

**-MVA classification (A through I, representing the strongest residential market to the weakest, respectively)**

- Residential area is an H

**Community Feedback** (if any): None

**OHS Feasibility Analysis/Recommendation:** OHS has not been able to speak with property owners. Based on known information, Tri City Hospital could be a feasible location for a homeless assistance center. However, open code violations, liens, and repairs are factors that could cost a significant amount and take considerable time to resolve. Additional analysis required.



**Former Forest Park Medical Center**  
 11990 North Central Expressway  
 City Council District 10

**Property Summary:** The building was constructed as an 84-bed physician-owned hospital operated by Forest Park Medical Center, LLC until the owners filed for bankruptcy and sold the property. This property was acquired by Columbia Hospital Medical City Dallas on August 9, 2016 and has been renamed The Tower Medical Office Building. It is currently occupied by various medical professionals.



<b>Ownership</b>	Columbia Hospital Medical City Dallas Subsidiary LP
<b>Property Value</b>	\$26,856,200
<b>Sales Price (if applicable)</b>	Not available for sale
<b>Zoning</b>	PD-441
<b>Site dimensions</b>	224,290,000 sq. ft land; building 112,986 sq. ft; garage 297,700 sq. ft
<b>Year Built</b>	2010
<b>Known Code Violations</b>	No open cases

**Neighborhood Site Characteristics:**

-Property is not located in a DPD TAAG area

**-Distance from closest shelter**

- 3 miles from Family Place

**-Proximity to public transportation, amenities, etc.**

- Under 1 mile to Forest Lane Station
- 2 miles from Forest Green Branch Library
- Under 1 mile from Willie B Johnson Recreation
- Under 3 miles to grocery store
- Under 1 mile to hospital

**-MVA classification (A through I, representing the strongest residential market to the weakest, respectively)**

- Closest residential area is an H

**Community Feedback** (if any): None

**OHS Feasibility Analysis/Recommendation:** The property is not available for sale. Lease space is available for medical offices. Forest Park Medical Center is not a feasible option for a homeless assistance center.