

Memorandum



DATE December 20, 2024

CITY OF DALLAS

TO Honorable Mayor and Members of the City Council

SUBJECT **Update on Transit-Oriented Development**

This memo provides an update on recent transit-oriented development (TOD) in Dallas.

City-supported TOD projects that are completed, under construction, or in predevelopment as of the date of this memo will result in 1,415 units of multi-family housing (of which 919 are income-restricted) and more than 38,000 square feet of commercial and retail development. These projects will result in more than \$428 million in private investment, all of which will occur in TOD areas of the city. Half a dozen additional TOD projects are in the pipeline as discussed below, which should result in hundreds of additional residential units and millions more in additional private investment.

In July 2020, a memorandum was issued by the chairpersons of the City's Housing and Homelessness Solutions Committee, Transportation and Infrastructure Committee, Economic Development Committee, and Workforce, Education, & Equity Committee of the City Council, challenging the City to utilize all available land owned by the City or Dallas Area Rapid Transit (DART) within a half-mile of DART light rail stations to produce mixed-income housing developments ("Housing Challenge"). In addition to the residential projects that have emerged from the Housing Challenge efforts on City and DART owned sites, the City has supported several additional TOD projects on publicly and privately owned sites.

Phase I of the Housing Challenge

For Phase I of the City's efforts to meet the Housing Challenge, the City's Department of Housing & Community Development issued a Request for Proposals (RFP) in January 2021 to solicit TOD proposals for five City-owned sites adjacent to DART light rail stations. In May 2021, City Council approved the recommended proposals by Resolution No. 21-0928. Over the past three and half years, staff has provided status updates and/or summary reports at various intervals to the Housing & Homelessness Solutions Committee regarding Phase I of the Housing Challenge. Please see the most recent status updates for Phase I in the attached **Exhibit A**.

Phase II of Housing Challenge

In December 2021, DART and the City's Office of Economic Development executed a Memorandum of Understanding allowing the City to solicit TOD proposals for six DART-owned sites adjacent to DART light rail stations. Phase II of the City's efforts to meet the Housing Challenge focused on DART-owned sites at the following light rail stations:

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- 8th & Corinth Station
- Hampton Station
- Westmoreland Station
- Lake June Station
- Buckner Station
- Royal Lane Station

In September 2022, the City issued six RFPs to solicit TOD proposals (one RFP for each of the six DART-owned sites). In June 2023, City Council approved the recommended proposals (one for each DART-owned site) and authorized exclusive negotiation agreements (one with each selected proposer). Please see the most recent status updates for Phase II in the attached **Exhibit B**.

Other TODs not specifically related to the Housing Challenge

In addition to the City-owned sites and DART-owned sites in the Housing Challenge, the City has also been facilitating TODs with housing components through other City incentive tools and public-private partnerships. TODs developed on other publicly and privately owned properties include:

Mockingbird Station East

This \$123 million mixed-income and transit-oriented development project at 5465 East Mockingbird Lane is within the TOD TIF District adjacent to Mockingbird Station.

In February 2022, City Council authorized a development agreement with Trammell Crow Company Development, LLC and associated TIF Subsidy of up to \$29 million. The project will include 399 apartments, of which 20% (80 units) will be affordable at/below 80% area family median income (AFMI).

The project site is owned by DART, and the developer is working in partnership with DART through a 99-year ground lease to redevelop an existing 725-space surface parking lot at Mockingbird Station. The developer will also deliver a new underground public parking garage that will be owned/operated by DART.

In July 2022, the Regional Transportation Council (RTC) approved \$20 million in Surface Transportation Block Grant (STBG) funds to support the construction of DART's underground parking garage.

The developer anticipates commencement of construction in 2025.

West End Lofts

This \$103 million mixed-income, mixed-use, and transit-oriented development project at 805 Elm Street, 711 Elm Street, and 211 N. Austin Street is within and adjacent to the City Center TIF District and adjacent to the West End Station.

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In December 2024, City Council authorized a development agreement with West End Lofts LP and incentives of up to \$49 million. The project will also be partially funded with 9% Low Income Housing Tax Credits and Historic Rehabilitation Tax Credits.

The West End Lofts project will include 154 apartments, of which 15% (23 units) will be affordable at/below 30% AMFI, 15% (23 units) will be affordable at/below 60% AMFI, 3% (4 units) will be affordable at/below 70% AMFI, and 8% (13 units) will be affordable at/below 80% AMFI. The project will also include the development of residential amenities, historic rehabilitation of approximately 26,462 gross square feet of ground floor retail/commercial space, creation of an approximately 25,751 square foot plaza and promenade (open space), and rehabilitation of approximately 140 parking spaces in the historic 711 Elm Street parking garage.

The developer anticipates commencement of construction in 2025.

Oak Lawn Place

This \$31 million affordable transit-oriented development project at 5717-5725 Sadler Circle is within the Maple/Mockingbird TIF District and 0.1 miles from the Inwood/Love Field Station.

In October 2021 and September 2022, City Council authorized a development agreement with Sadler Circle Apartments LLC and associated TIF Subsidy of up to \$5,414,006 in future Maple/Mockingbird TIF District funds. The project was also partially funded with 9% Low Income Housing Tax Credits.

The Oak Lawn Place project is restricted to seniors (55 and older). The project includes 84 apartments, of which 25% (21 units) are affordable at/below 30% AMFI, 40% (34 units) are affordable at/below AMFI, and 35% (29 units) are affordable at/below 60% AMFI. Construction was completed and the project was placed in service in 2024.

Gateway Oak Cliff

This \$46 million mixed-income and transit-oriented development project at 400 South Beckley is within the Oak Cliff Gateway TIF District and 0.5 miles from the Bishop Arts Streetcar Station.

In June 2021, City Council authorized a development agreement with Gateway Oak Cliff, LP and associated TIF Subsidy of up to \$4,245,432 in future Oak Cliff Gateway TIF District funds. The project was also partially funded with 4% Low Income Housing Tax Credits.

Gateway Oak Cliff includes 230 apartments, of which 80% (184 units) are affordable at/below 60% AMFI. Construction was completed and the project was placed in service in 2024.

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Standard at Royal Lane (Public Facility Corporation)

This \$67.5 million mixed-income and transit-oriented development project is located at 2737 Royal Lane and is 0.2 miles from the Royal Lane DART Station.

In June 2021, City Council authorized a development agreement with LDG Development, LLC. The project was also partially funded with 4% Low Income Housing Tax Credits. The Standard at Royal Lane includes 300 apartments, of which 95 units are affordable to households at 0-50% AMI, 95 at 51-60% AMI and 95 at 61-80% AMI. Construction was completed and the project was placed in service in 2024.

2700 S. Westmoreland (Housing Finance Corporation)

This \$52.5 million mixed-income and transit-oriented development project is located at 2700 S. Westmoreland and is 0.3 miles from the Westmoreland DART Station.

In February 2021, City Council authorized a development agreement with Generation Housing Partners, LLC. The project was also partially funded with 4% Low Income Housing Tax Credits. 2700 S. Westmoreland includes 248 apartments, of which 89% (223 units) are affordable at/below 80% AMFI. City Subsidy in the amount of \$8 million in CDBG and HOME funds was provided. Construction was completed and the project was placed in service in 2023.

Should you have any questions or require any additional information, please contact me at Robin.Bentley@dallas.gov.

Service First, Now!



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Exhibit A - Phase I Update, City Owned Sites

Property Address	CD	Developer	Total Units	Project Status	Next Steps	Responsible Department
1900 Wheatland Road	8	No proposers	N/A	No proposals were received.	N/A	HOU
3015 Al Lipscomb Way	7	Brinshore Development, LLC	N/A	Proposal was received. Due to the close proximity to heavy industrial adjacent to a multifamily development, the developer was unable to achieve the required points by the Texas Department of Housing and Community Affairs resulting in the denial of competitive housing tax credits.	Staff will explore options for development of the site in 2025.	HOU
3011-3039 South Lancaster Road	4	UCR Development Services LLC	N/A	In May 2022, Office of Economic Development released a subsequent RFP seeking commercial development of the property. In October 2022, City Council authorized a development agreement to be negotiated with the selected proposal from UCR Development. In February 2024, City Council authorized development agreement and associated TIF Subsidy in an amount not to exceed \$1,778,000 for an 11,640 sf commercial retail development. The total project budget is \$5.5M. Expected completion is 2026.	Staff anticipates bringing recommended amendments to the development agreement to City Council in February 2025.	ECO
4515 South Lancaster Road	4	Lavorro Acquisitions, LLC	N/A	Proposal was received, but project was cancelled by developer.	Staff will explore options for development of the site in 2025.	HOU
6601 South Lancaster Road	8		202	121 two-bedroom/2.5 bath townhomes, 62 three-bedroom/2.5 bath townhomes, and 19 four-bedroom/3.5 bath garden homes (single-family detached). Square foot ranges from 1,150 – 1,900 across the three product types The Dallas City Council approved the zoning case on December 11, 2024.	Developer expects to submit full and complete development package with final scope of work and incentive request in early 2025.	HOU

Exhibit B - Phase II Update, DART Owned Sites

DART Station C D	Selected Developer	Unit Mix	Total Units	Project Status
8 th and Corinth	4 The John Trube Corporation	N/A	N/A	ENA executed August 2023; ENA terminated September 2023
Hampton Station	1 Brinshore Development, LLC	13 one-bedroom, 51 two-bedroom, and 11 three-bedroom unit apartment project (estimated \$31 million total cost); 8 units at/below 60% AFMI, 30 units at/below 80% AFMI, and 37 market rate units	75	ENA executed August 2023; Developer continues due diligence, application process for City incentives and planning approvals, and refinement of project's development and financing plan
Westmoreland Station	3 The John Trube Corporation	59 one-bedroom, 139 two-bedroom, and 50 three-bedroom apartment project (estimated \$74 million total cost); 63 units at/below 50% AFMI, 160 units at/below 60% AFMI and 25 market rate units	248	ENA executed August 2023; City Council approval of Resolution of No Objection February 2024; Urban Design Peer Review Panel April 2024; Developer continues due diligence, application process for City incentives and planning approvals, and refinement of project's development and financing plan
Lake June Station	5 JPI Multifamily Development, LLC	37 studio, 206 one-bedroom, 112 two-bedroom, and 19 three-bedroom apartment project (estimated \$90 million total cost); 150 units at/below 80% AFMI, 38 units at/below 60%, 186 market rate units; 36 for-sale units (single-family attached townhomes)	374	ENA executed August 2023; Urban Design Peer Review Panel March 2024; Developer continues due diligence, application process for City incentives and planning approvals, and refinement of project's development and financing plan
Buckner Station	5 Palladium USA International, Inc	90 one-bedroom, 147 two-bedroom, and 67 three-bedroom unit apartment project (estimated \$91 million total cost); 244 units at/below 60% AFMI and 60 market rate units	304	ENA executed August 2023; City Council approval of zoning November 2024; Urban Design Peer Review Panel March 2024; DHFC bond reservation inducement resolution October 2024; Developer continues due diligence, application process for City incentives and refinement of project's development and financing plan
Royal Lane Station	6 Servitas, LLC	102 three-bedroom unit apartment project (estimated \$57 million total cost); 102 units between 80% and 110% AFMI	102	ENA executed August 2023; Urban Design Peer Review Panel November 2023; Developer continues due diligence, application process for City incentives and planning approvals, and refinement of project's development and financing plan