

Memorandum



CITY OF DALLAS

DATE April 17, 2015

TO Housing Committee Members: Carolyn R. Davis, Chair, Scott Griggs, Vice-Chair, Monica Alonzo, Rick Callahan, Dwaine Caraway, and Philip Kingston

SUBJECT Greenleaf Ventures, LLC

On Monday, April 20, 2015, you will be briefed on Greenleaf Ventures, LLC. A copy of the briefing is attached.

Please let me know if you have any questions.

A handwritten signature in blue ink that reads "Theresa O'Donnell".

Theresa O'Donnell
Chief Planning Officer

c: The Honorable Mayor and Members of the City Council
A. C. Gonzalez, City Manager
Rosa A. Rios, City Secretary
Warren M.S. Ernst, City Attorney
Craig Kinton, City Auditor
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager
Eric D. Campbell, Assistant City Manager
Jill A. Jordan, P. E., Assistant City Manager
Mark McDaniel, Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor and Council

Greenleaf Ventures, LLC

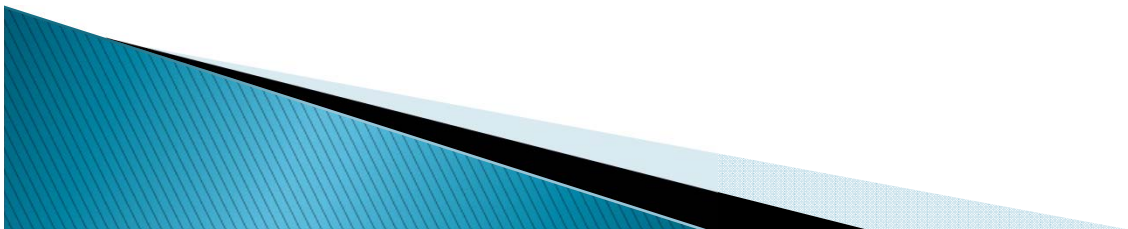
A BRIEFING TO THE
HOUSING COMMITTEE

Housing/Community Services Department
April 20, 2015



Purpose

- ▶ To present two single family housing projects which will provide 169 new housing opportunities in West Dallas and East Dallas
- ▶ To recommend consideration for two conditional grants using 2012 General Obligation Bond funds to gap finance infrastructure costs for each development



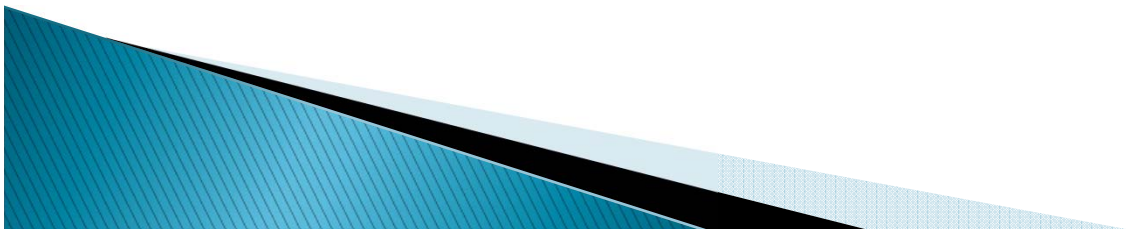
Proposal Process

- ▶ February 2, 2015, Single Family (SF) NOFA was issued
 - Provided to all known developers
 - Posted on City of Dallas website
- ▶ February 10, 2015, SF NOFA question and answer session was held with all interested parties
- ▶ March 6, 2015, SF NOFA applications were due

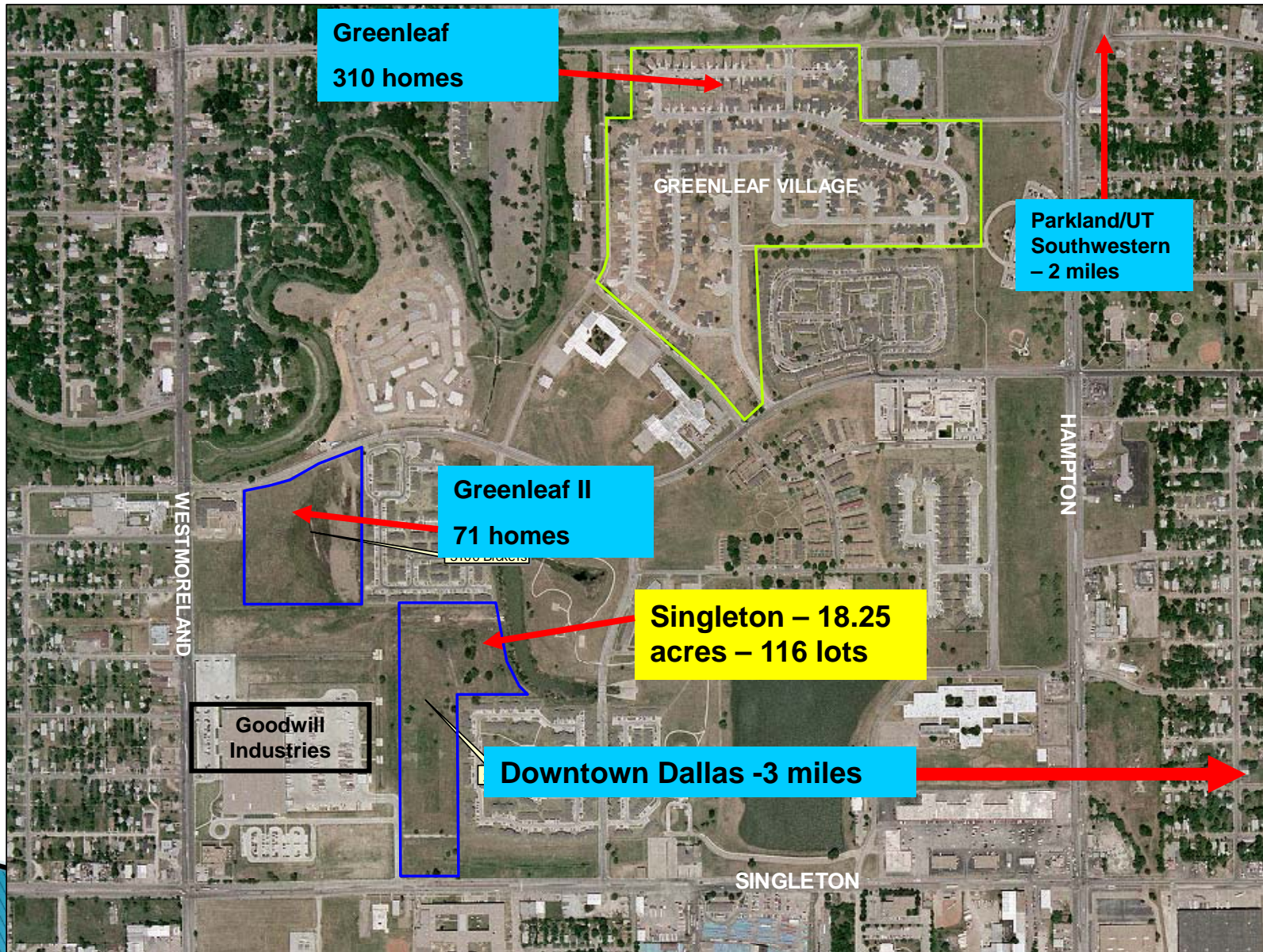


Bridgeview on Singleton

- Council District 6
- The eighteen-acre vacant tract is located near Westmoreland on Singleton Blvd.
- Less than a half-mile on DART bus line to
 - Shopping centers
 - El Centro Community College
 - Dallas Public library
- Development of 116 lots for single-family homes to be sold to builders
 - 58 lots discounted for homebuyers at or below 140% AMFI
 - Remaining lots for sale at market rate
 - Infrastructure will also be installed for retail/commercial space along Singleton



Bridgeview on Singleton



Buckner Terrace Project

- Council District 7
- The 8.8 acre site is on Chariot and St. Francis Road in the Buckner Terrace area of East Dallas
- Less than a mile on DART bus line to
 - Restaurants
 - Shopping
- Development of 50 to 53 lots for single-family homes to be sold to builders
 - 27 lots discounted for homebuyers at or below 140% AMFI
 - Remaining lots for sale at market rate



Buckner Terrace - Property Today



Developer, Greenleaf Ventures, LLC

- ▶ Greenleaf Ventures, LLC (GLV) is a for-profit Texas limited liability company, with Victor Toledo as Project Manager.
- ▶ GLV contributed greatly to the redevelopment in West Dallas. Since 2002, GLV and its affiliates have sold 381 new single family lots in the Greenleaf Village I & II projects.
- ▶ The Greenleaf Village projects are nationally recognized by HUD Secretary Alphonso Jackson as a "best practice" for affordable housing public-private partnership.



Proposed Ownership, Developer and Management Company

- ▶ Owner/Developer
 - ▶ Greenleaf Ventures, LLC: Texas limited liability company
 - ▶ Has owned both of these Properties for 9 years
 - ▶ Victor Toledo and Kent Casey are the parties in ownership of the LLC

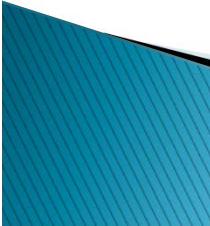
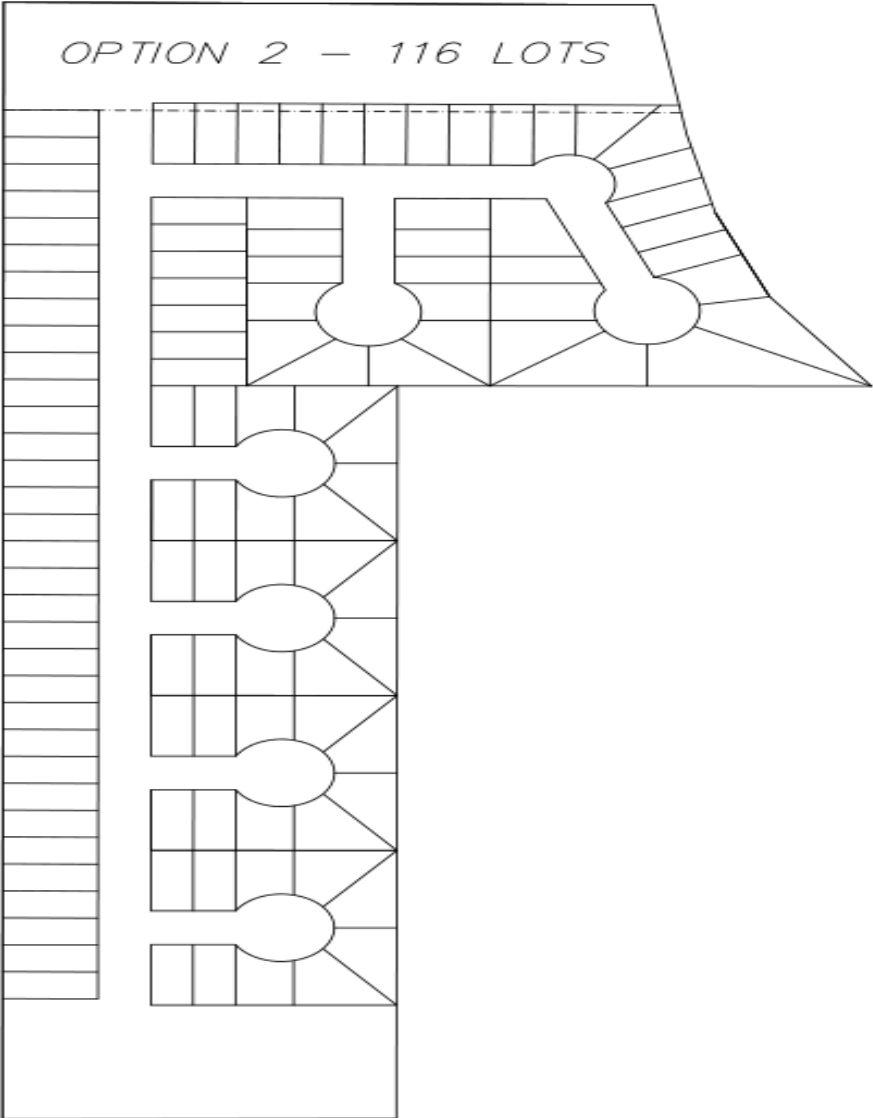
- ▶ Project Manager:
 - ▶ Victor Toledo
 - ▶ Has over 25 years of experience in real estate law and development with such companies as Highland Homes and KB Homes.

- ▶ Real Estate/Property Management:
 - ▶ Kent Casey
 - ▶ Has over 27 years of experience in commercial real estate and development and is Principal owner in Alliance Hospitality and Alliance Development.

SITE PLAN - Bridgeview on Singleton - West Dallas

*Site Plan is for 40' x 90' typical lots.

Final Lot count may vary by up to 20% depending on market demand



SOURCES AND USES – Bridgeview on Singleton

Sources:

Equity-Land	\$ 1,058,906
City of Dallas – Housing Dept. Grant	\$ 1,275,000
Private Lender (Texas Capital Bank)	<u>\$ 1,275,000</u>
Total	\$3,608,906

Uses:

Land	\$1,058,906
Engineering	\$ 171,600
Grading/Dirt Work	\$ 94,052
Sewer/Water/Drainage	\$ 836,460
Paving/Retaining Walls & Landscaping	\$ 783,948
Utilities	\$ 238,940
Contingency	\$ 318,750
Construction Management	<u>\$ 106,250</u>
Total	\$3,608,906



SITE PLAN – Buckner Terrace Place



*Site Plan is for 40' x 90' typical lots.

Final Lot count may vary by up to 20% depending on market demand

SOURCES AND USES – Buckner Terrace

Sources:

Equity-Land	\$ 450,000
City of Dallas – Housing Dept. Grant	\$ 450,000
Private Lender (Texas Capital Bank)	<u>\$ 600,000</u>
Total	\$ 1,500,000

Uses:

Land	\$ 450,000
Engineering/Grading/Utilitites	\$ 203,665
Sewer/Water/Drainage	\$ 366,400
Paving	\$ 219,410
Contingency	\$ 197,367
Construction Management	<u>\$ 63,158</u>
Total	\$ 1,500,000



Loan Terms

- ▶ Developer is requesting a conditional grant for the Bridgeview project of \$1,275,000 and a conditional grant for the Buckner project of \$450,000
 - Funds will be used in conjunction with private financing with Texas Capital Bank to offset the total infrastructure costs for construction
 - The City will subordinate the first lien position to the interim construction lender after City approval of the lender
- ▶ A lien will be placed on the property for performance purposes and released on a prorata basis as each City funded lot is built out and sold to a buyer at or below 140% AMFI
- ▶ Developer will have two years to complete buildout of homes

Sample Elevations

Square Footages Range from 1200 to 3200

Prices range from \$140,000 to \$170,000

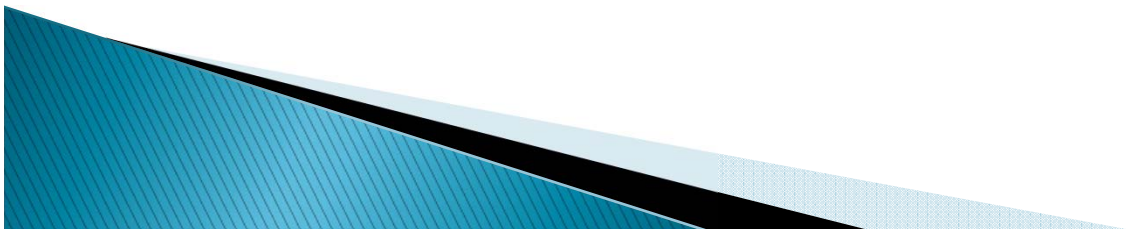
Costs per square foot range from \$60.71 to \$116.66



Homebuyer Income Limits

Affordable units may be purchased with homebuyers at or below 140% AMFI:

Household Size	1	2	3	4	5	6	7
Income Amount Maximum	\$68,992	\$78,848	\$88,704	\$98,560	\$106,445	\$114,330	\$122,214



Development Timeline

May 2015 – Execute Contracts
Lender Closings

June 2015 – Complete Engineering
Pull permits

July 2015 – Construction Start
Start presales to builders

Dec 2015 – Complete Infrastructure
Start home building



Next Steps

- May 13, 2015 – Council to consider approval of two conditional grants:
 - One for the Bridgeview Project in an amount not to exceed \$1,275,000
 - One for the Buckner Project in an amount not to exceed \$450,000
- May 2015 – Contract Execution
- July 2015 – Construction begins

