



City of Dallas

West End Lofts

a mixed-use, mixed-income, and transit-oriented development project proposed in and adjacent to the City Center TIF District

**Economic Development Committee
December 2, 2024**

Tamara Leak, Assistant Director (I)
Kevin Spath, Director (I)
Office of Economic Development

Overview



- Background
- Proposed Project
- Staff Recommendation
- TIF District Board Action and Next Steps

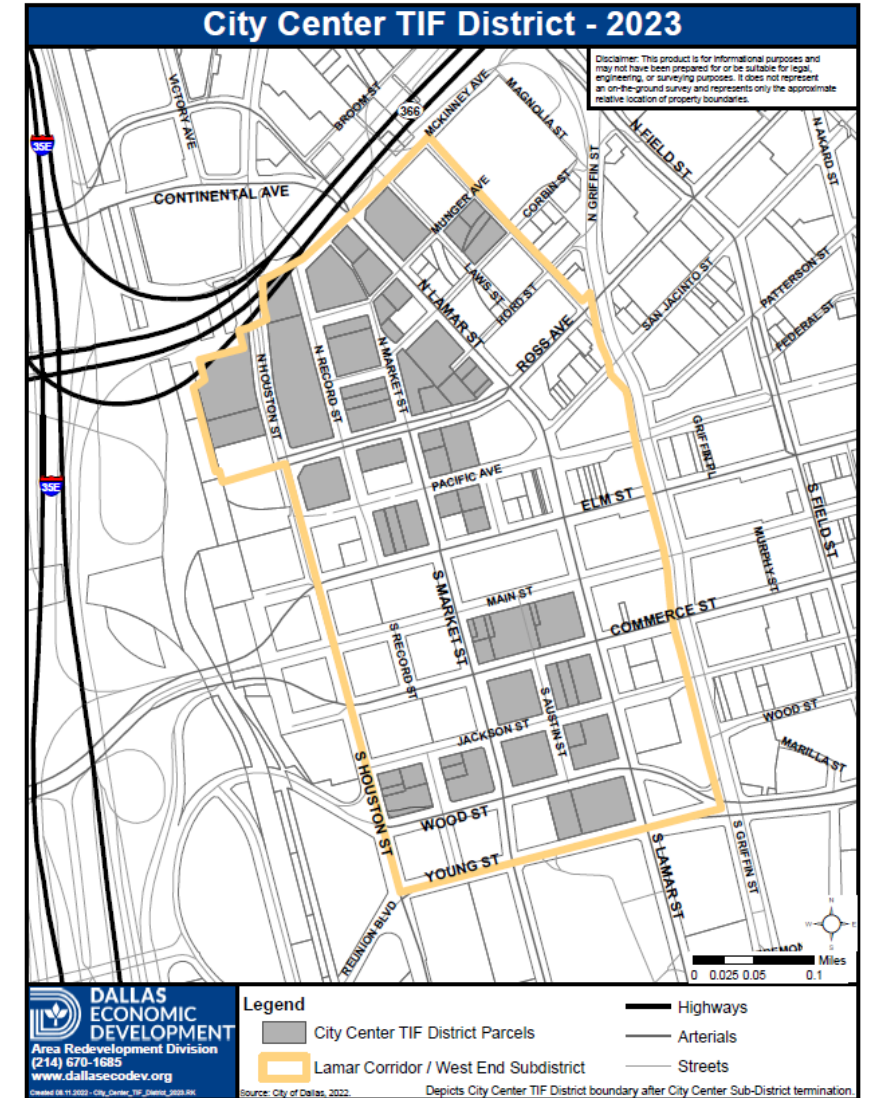
- Appendices



Background: City Center TIF District



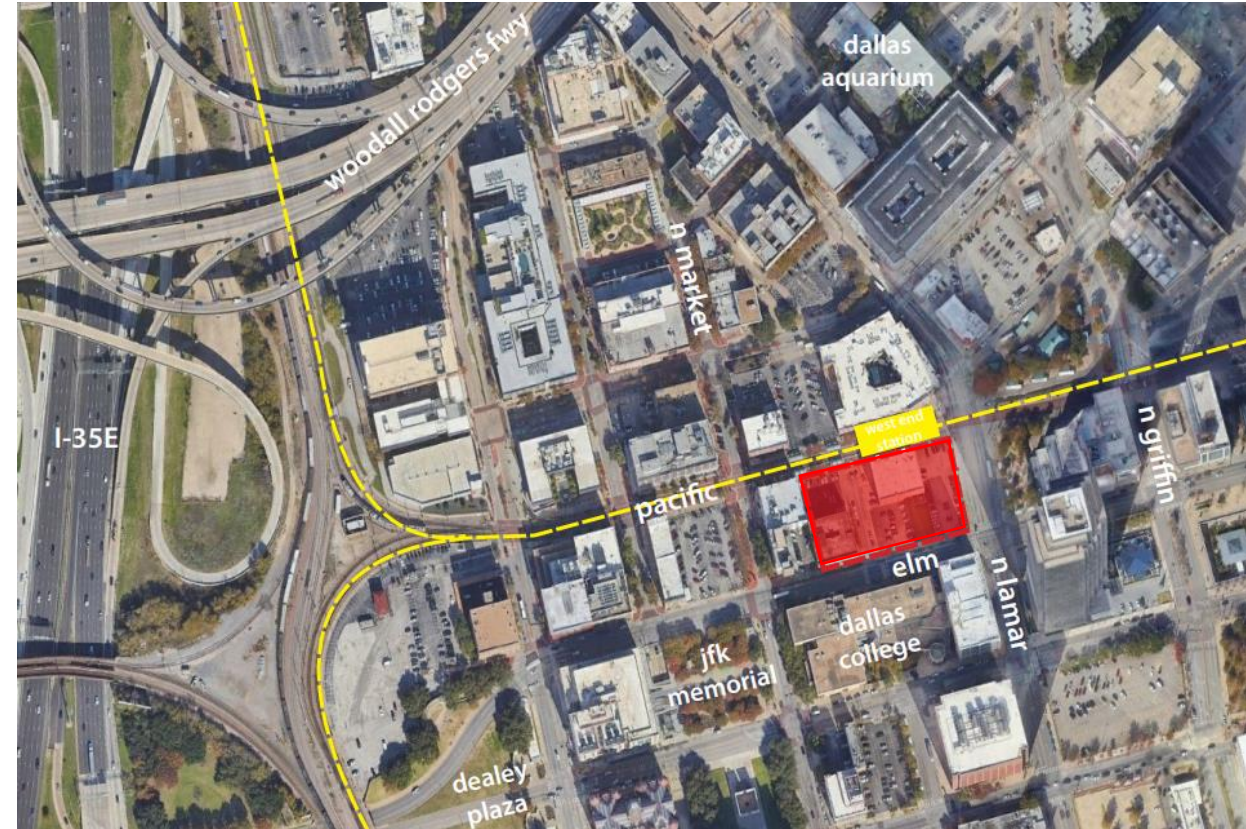
- Established in 1996 as a long-term tool to promote redevelopment, stabilization, and growth of the downtown area
 - City Center Sub-District (original core) expired on December 31, 2022
 - Amendments to City Center TIF District Project Plan and Financing Plan were approved in 2022 to reallocate TIF District budget in anticipation of City Center Sub-District expiration
- Lamar Corridor/West End Sub-District was created in 2012 for a term of 25 years (December 31, 2037 termination)
- City of Dallas (90%) and Dallas County (53%) are the two current participating jurisdictions
- To date, taxable value of real property in the Lamar Corridor/West End Sub-District has increased by \$237.4 million, an increase of 245% from the base value
- To date, only 267 residential units have been completed in the Lamar Corridor/West End Sub-District with TIF District funds (27 income-restricted units)



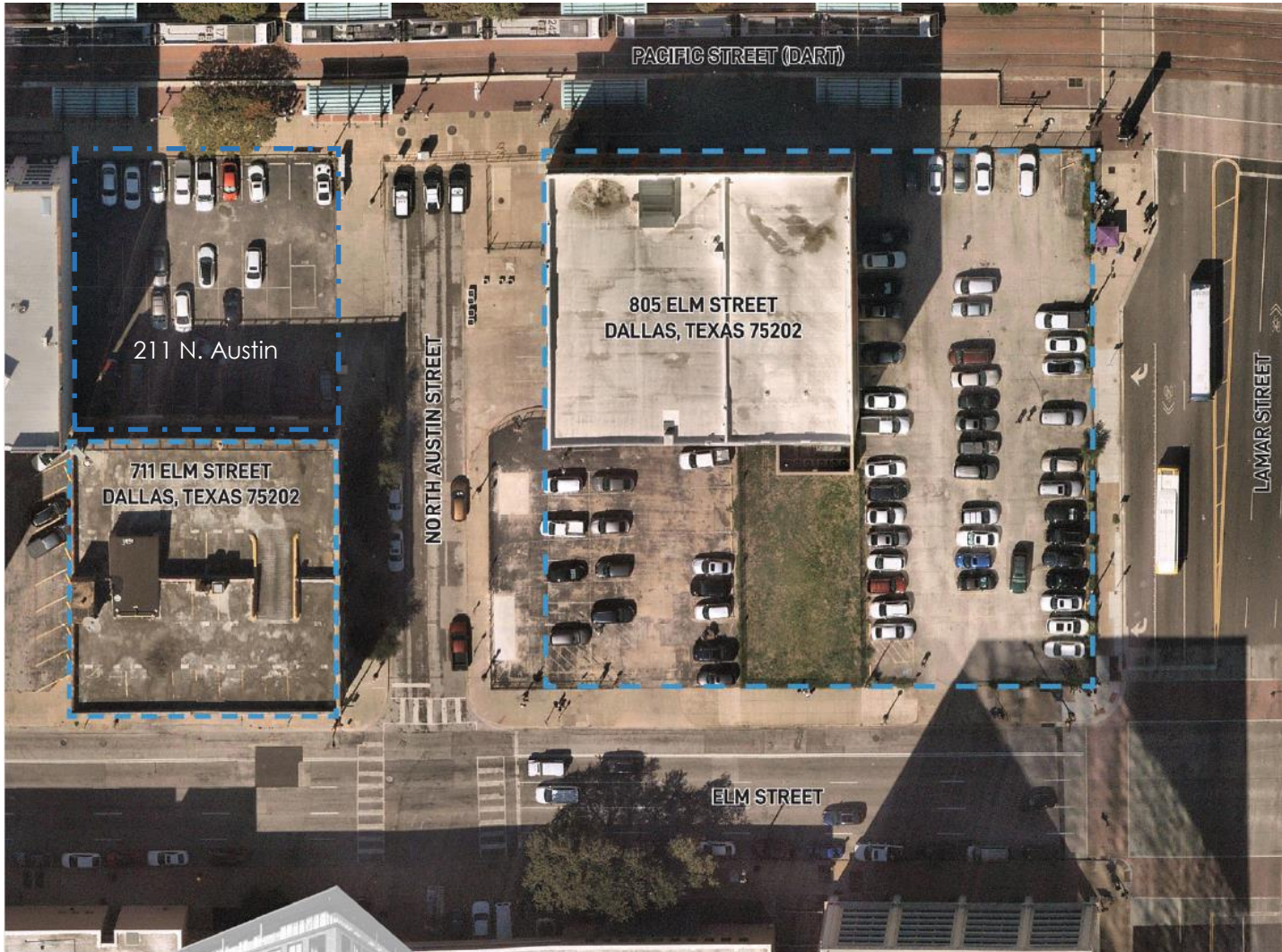
Background: Location of Property



- West End Lofts ("Project") includes redevelopment of 3 properties totaling 1.1 acres ("Property")
 - 805 Elm Street: 0.66 acres
 - 711 Elm Street: 0.23 acres
 - 211 N. Austin Street: 0.23 acres
- 711 Elm Street and 211 N. Austin Street are located in the City Center TIF District
- Directly south of the West End DART light rail station and directly north of El Centro (Dallas College)
- Zoning: Central Area CA-1(A) zoning district
- City Council District 14
- Located in the City's West End Historic District and listed on the National Register of Historic Places West End Historic District
- Located in a High Opportunity Area



Background: Existing Property Conditions



Background: History of Property



The Property includes two historic structures:

805 Elm Street

- Antioch Church Building (historically known as the Emerson-Brantingham Building and part of Sanger Bros Department Store) was constructed in 1904 and consists of 5 stories above grade and a basement
- basement and first floor were renovated in 2013 to accommodate the church tenant and a retail space; the remaining levels remained vacant
- parcel includes a surface parking lot



805 Elm Street

711 Elm Street

- 140-space parking structure was constructed in 1925 and consists of 5 stories, including 4,247 square feet of ground floor retail space



711 Elm Street



Proposed Project: Summary



Project Developer: West End Lofts, LP and/or a direct affiliate (“Developer”)

Project Summary:

- 805 Elm Street: 154 multi-family residential units, of which 63 (41%) will be income-restricted for 45 years per LIHTC Land Use Restriction Agreement (LURA)
 - rehabilitation and adaptive reuse of the historic 5-story building to create 56 units
 - new ground-up construction of a 6-story building to create 98 units
 - tenant amenities (approximately 40,000 square feet) including pool, pavilion, and recreational/social activity spaces
- rehabilitation of approximately 26,462 gross square feet of ground floor retail/commercial space (22,215 gross square feet at 805 Elm and 4,247 gross square feet at 711 Elm)
- creation of approximately 25,751 square foot plaza and promenade (open space) spanning between the 805 Elm residential building and the 711 Elm parking garage
- 711 Elm Street: rehabilitation of approximately 140 parking spaces in historic parking garage

Estimated Total Project Cost: \$103.2 million

Construction Start Date: anticipated Q2 2025

Substantial Completion Date: anticipated Q1 2027

	Resid Units
30% AMFI	23
60% AMFI	23
70% AMFI	4
80% AMFI	13
Low/Mod Income Total	63
Market Rate	91
Total Units	154

Bedroom Type	Bdrm Count
Efficiency	56
1 Bedroom	25
2 Bedroom	69
3 Bedroom	4
Total Units	154



Proposed Project: Housing Tax Credits



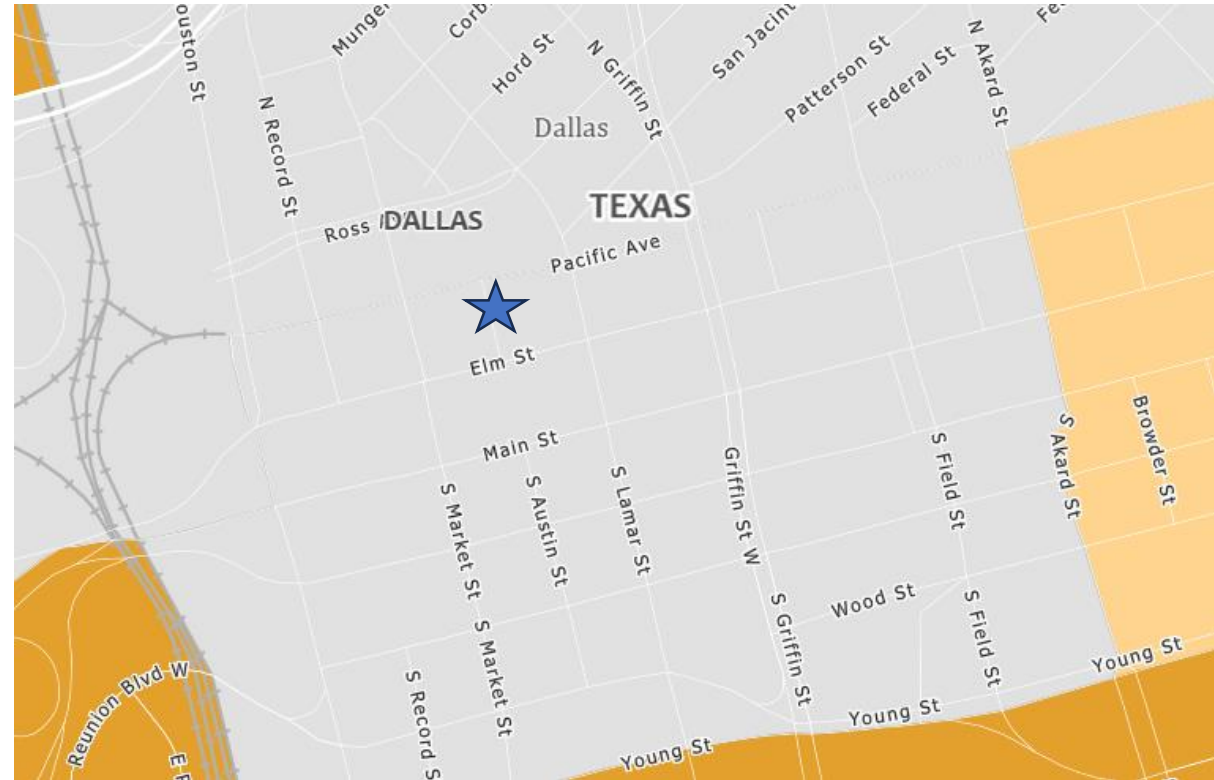
- On January 22, 2024, the Housing and Homelessness Solutions Committee was briefed by memorandum regarding the proposed Project and the Developer's request for a Resolution of Support related to its application to Texas Department of Housing and Community Affairs (TDHCA) for competitive 9% Low Income Housing Tax Credits (housing tax credits or LIHTC) in the 2024 application cycle
- On February 14, 2024, City Council authorized a Resolution of Support for Developer related to its application to TDHCA for competitive 9% housing tax credits in the 2024 application cycle for the proposed Project by Resolution No. 24-0255
- On July 25, 2024, the TDHCA Board awarded housing tax credits to the proposed Project (3rd highest scoring/top-ranked application out of 15 total applications in Region 3/Urban)



Proposed Project: High Opportunity Area



- Project is in a High Opportunity Area (depicted in grey color on the map)
- A High Opportunity Area within the city of Dallas is where the Census tract has a poverty rate of 20% or below
- High Opportunity Areas often have attributes that, based on recent research, appear to have a positive effect on the economic mobility of residents



High Opportunity Areas



Proposed Project: Urban Design



- On June 28, 2024, City's Urban Design Peer Review Panel ("UDPRP") reviewed the Project. The following summarizes the design recommendations
- UDPRP commended the development team for securing affordable housing and developing/redeveloping in the historic West End
- UDPRP recommended:
 - Designing the new building to replicate historic West End buildings' engagement to street through proportion and detail in design
 - Considering the provision of a pedestrian friendly connection with landscaping along the former Austin Street that is appropriate within the context of the neighborhood's urban fabric, with design of the promenade to accommodate a fire lane and utilities while discouraging use as a vehicular street
 - Performing an inventory of nearby parks and plazas to determine a pedestrian network to guide appropriate location, access to, and use of the open space
 - Examining historic maps to determine support of pedestrian bridge and transparency in its design to incorporate appropriate industrial railroad aesthetics
 - Exploring ways to reduce urban heat island effects
- As a result, Developer agreed to accommodate UDPRP's recommendations, will continue to coordinate with staff, and will provide updated design documents prior to building permit application



Proposed Project: Site Plan



Proposed Project: Renderings



View from
DART station
to Property



805 Elm Street
connection to
711 Elm Street
parking garage
via skybridge
and promenade

805 Elm
Street –
historic
building in
background



Illustration of new
ground-up
construction on
existing surface
lot portion of 805
Elm Street

Conceptual Architectural Design

EMERSON-BRANTINGHAM LOFTS
DALLAS, TEXAS

14 June 2024

ARCHITECTURE
INTERIORS
PLANNING
bennett
partners



Proposed Project: Renderings



Historic 805 Elm Street building

New ground-up construction portion of 805 Elm Street

Sky bridge to connect 805 Elm Street to 711 Elm Street parking garage

Open Space/Plaza

Promenade



ARCHITECTURE
INTERIORS
PLANNING
bennett
partners

Proposed Project: Elevations



Proposed Project: Sources and Uses



Project Funding (Sources)

Sources of Funds	Amount	Percent
Permanent Loan	\$21,000,000	20%
Low Income Housing Tax Credits (LIHTC) Equity	\$17,398,260	17%
Historic Rehabilitation Tax Credits (RTC) Equity (Federal and State)	\$9,990,284	10%
Retail Loan (estimate, if obtained) or Developer Retail Equity	\$2,000,000	2%
Deferred Developer Fee	\$3,835,541	4%
City of Dallas	\$49,000,000	47%
TOTAL	\$103,224,085	100%

Project Budget (Uses)

Uses	Amount	Percent
Acquisition	\$24,000,000	23%
On-Site Preparation	\$1,430,145	1%
Site Amenities	\$1,308,060	1%
Building Construction, Finish-Out & Furniture	\$44,287,909	43%
Contingency (5%)	\$2,351,306	2%
Contractor Overhead & Profit	\$5,727,720	6%
Professional Fees (e.g. A&E, landscape architecture, interior design)	\$1,756,976	2%
Soft Costs (e.g. legal, marketing and financing fees, leasing commissions)	\$9,319,485	9%
Reserves	\$1,642,484	2%
Developer Fee (may be invested into project expenditures)	\$11,400,000	11%
TOTAL USES	\$103,224,085	100%



Proposed Project: Summary of Benefits



- Rehabilitation of 2 historic buildings (mostly vacant)
- Development of 2 surface parking lots (one as residential structure and other as plaza/open space)
- Deeper and more affordability than minimum requirement of TIF Program
- High Opportunity Area
- 805 Elm Street becomes taxable
- Activation of ground floor space
- TOD development
- Proximity to El Centro campus of Dallas College
- “Eyes on the street” to mitigate against loitering
- More residents and users of space to support West End retail/services
- Good faith effort goal of 40% M/WBE participation in construction (exceeds City minimum of 32%)
- Implementation of City Center TIF District Plan
- Implementation of Downtown 360 Plan



Staff Recommendation: City Subsidy



- On November 13, 2024, staff executed a Letter of Intent (LOI) with Developer
- Staff recommends authorization of a development agreement with West End Lofts, LP (“Developer”) and/or its affiliates in an amount not to exceed **\$49,000,000** (“City Subsidy”) as gap funding to make the Project financially feasible. The City Subsidy shall be payable upon completion of the Project and upon Developer’s satisfaction of all terms and conditions of the development agreement
- **City Subsidy comprised of:**
 - 1) not to exceed \$28,275,676 sourced from existing and future tax increment in the City Center TIF District (“TIF Subsidy”)**
 - 2) not to exceed \$20,724,324 in the form of an economic development grant (“Grant”) sourced as follows:**
 - not to exceed \$7,357,605 from from the City’s Public/Private Partnership Fund
 - not to exceed \$7,724,324 from the City’s 2024 General Obligation Bond Fund (Proposition G - see Appendix I on Slide 38 for more information)
 - not to exceed \$5,642,395 from the City’s 2012 General Obligation Bond Fund (Proposition 3 – see Appendix H on Slide 37 for more information)



Staff Recommendation: TIF Subsidy



- The budget shown below outlines the recommended TIF Subsidy for the Project, in accordance with the established budget for the City Center TIF District

Budget Category	Amount
Affordable Housing	\$11,875,676
District-Wide Set Aside (Open Space/Plaza)	\$2,200,000
Redevelopment/Development Project Costs	\$14,200,000
TOTAL TIF SUBSIDY – amount not to exceed	\$28,275,676

- Payment of the TIF Subsidy may be made from the Affordable Housing, District-Wide Set-Aside (for open space/plaza), and Redevelopment/Development budget categories
 - to reimburse costs related to design, engineering and construction for environmental remediation, interior and exterior demolition, façade improvements, and historic façade restoration on properties within the TIF District boundary and/or to supplement the Affordable Housing budget category
- Allocation of the TIF Subsidy may be shifted among budget categories as long as the total does not exceed \$28,275,676 and shall be based on actual expenditures
- TIF Subsidy is subject to appropriation and availability, and no interest shall be paid on any delay in payments



TIF District Board Action and Next Steps



November 19, 2024: City Center TIF District Board of Directors reviewed and unanimously recommended approval of a TIF Subsidy in an amount not to exceed \$28,276,676 (\$49,000,000 total City Subsidy) as gap funding for the West End Lofts Project, subject to requiring Developer to make best efforts to provide a minimum of two square feet per residential unit for pet relief facilities

December 11, 2024: City Council





Appendices



Appendices



- Appendix A:** Agreement Conditions
- Appendix B:** Ownership Structure
- Appendix C:** Project Development Team
- Appendix D:** City Center TIF District Budget
- Appendix E:** Projected Taxable Value and City Center TIF District Project Plan
- Appendix F:** Project Underwriting
- Appendix G:** Downtown 360 Plan
- Appendix H:** 2012 Bond Program
- Appendix I:** 2024 Bond Program



Appendix A: Agreement Conditions



- Required Minimum Investment. Developer will invest (or cause to be invested) and document a minimum of \$67,000,000 in investment expenditures for the delivery of the Project, including site acquisition, off-site infrastructure, on-site preparation, site amenities, building construction/finish-out/furnishings, and professional fees
 - Construction management may be included if directly related to the quality of construction and is performed by an independent and unaffiliated third-party
- Required Project Components. The Project will include at minimum:
 - a. rehabilitation of the entire 5-story historic building to create 56 multi-family residential units
 - b. new ground-up construction to create 98 multi-family residential units
 - c. of the 154 multi-family units, 40% (63) shall be set aside for households earning at/below 30%, 60%, 70%, and 80% AMI for 15 years ("TIF Affordability Period") (although according to LIHTC LURA, set aside for 45 years)
 - d. rehabilitation of the historic parking garage to provide residential parking for the Project
 - e. 16,000 net rentable square feet of ground floor commercial space
 - f. 14,000 square feet of publicly accessible plaza and promenade (open space)
 - g. site improvements (public and private) necessary to complete the Project (e.g. utilities, demolition, lighting, landscaping, signage, streetscape)





Appendix A: Agreement Conditions

- Affordability and Vouchers.
 - Minimum 40% (63) affordable units shall be of identical finish-out and materials as market rate units and shall not be segregated or concentrated in any one floor or area of the Project but shall be dispersed throughout all of the residential portions of the Project
 - Developer shall make best efforts to lease up to 10% of the Project's residential units to voucher holders during the TIF Affordability Period (per Chapter 20A)
 - Prior to 50% construction completion of Project, the affordability and voucher requirements shall be impressed upon the Property by deed restriction for the term of the TIF Affordability Period
 - Developer shall submit an Affirmative Fair Housing Marketing Plan for approval by City's Office of Equity and Inclusion
- Ground Floor Space.
 - Developer shall construct or cause to be constructed and make "white-box" ready, which shall include completion of all construction to make ready for tenant improvements, a minimum of 16,000 square feet of net rentable square footage for retail/commercial use
 - Developer may opt to utilize 20% (or up to 3,200 net rentable square feet) of the ground floor space for supplemental tenant amenities
 - In addition, Developer may opt to utilize 50% (or up to 8,000 net rentable square feet) of the ground floor space for live-work units or, with the Office of Economic Development Director (OED Director) written approval, may propose alternative active ground floor use
 - In no case shall less than 4,800 net rentable square feet be utilized for retail/commercial use



Appendix A: Agreement Conditions



- Building Permit Deadline. Developer will obtain a building permit by December 31, 2026; a foundation permit may constitute meeting the obligation of this requirement (a grading permit shall not meet this requirement)
- Substantial Completion Deadline. Construction of all components of the Project will be substantially complete by December 31, 2028 or the placed in-service deadline established by Texas Department of Housing and Community Affairs (TDHCA) as evidenced by certificate(s) of occupancy, letter of acceptance, certificate of completion, or similar documentation from the City ("Substantial Completion")
 - All portions of the ground floor space (minimum "white-box ready"), parking garage, and open space shall be complete at time of Substantial Completion
- Property Management. The proposed management entity for the Project must be submitted at least three months prior to Substantial Completion for review by the OED Director to consider acceptance based on the management entity's comparable experience. Any replacement or successor management entity must also be approved by OED Director
- Public Access to Infrastructure not owned by City. Prior to City's payment of any portion of the City Subsidy and at no cost to City, Developer shall provide reasonable public access easements, deed restrictions, or other instruments reasonably acceptable to the OED Director if any street, utility, or open space improvements associated with the Project remain in non-City ownership but require public access



Appendix A: Agreement Conditions



- Operating and Maintenance Agreement. Developer will execute a 20-year Operating and Maintenance (O&M) Agreement for any Non-Standard Public Improvements prior to Substantial Completion
 - Includes public infrastructure improvements that exceed the City's standard design requirements and shall include specially designed street/pedestrian lighting, brick pavers, bollards, sidewalks, public art, fountains, landscaping, and irrigation
 - Developer shall submit documentation evidencing the O&M Agreement was recorded with the Dallas County Clerk's Office
 - O&M Agreement is binding upon the successors and assigns and may be assignable, subject to OED Director approval, in whole or in part, to a new owner of all or a portion of the Project
 - Developer shall remain responsible for the maintenance of the Non-Standard Public Improvements for 20-year term even if Developer chooses to forgo the City Subsidy or is not paid the City Subsidy as a result of default
- M/WBE Inclusion in Construction of Project. Developer will make a good faith effort to comply with City's Business Inclusion and Development ("BID") goal of 40% participation by certified Minority/Women-owned Business Enterprises ("M/WBE") for all hard construction expenditures (public and private improvements) of the Project and meet all reporting requirements



Appendix A: Agreement Conditions



- Quarterly Reporting. Until all Required Project Components have passed final building inspection and all required paperwork documenting Substantial Completion has been submitted, Developer will submit to the Office of Economic Development quarterly status reports for ongoing work on the Project
- Urban Design. Prior to submitting construction plans as part of a building permit application to City's Planning and Development Department (PDD), Developer shall submit a set of construction drawings to the Preservation and Urban Design staff of PDD and OED Director for a final staff review to ensure that the Project (public and private improvements) will be constructed in substantial conformance with the final approved conceptual drawings and renderings attached to the Agreement (reflecting recommendations offered by the City's Urban Design Peer Review Panel on June 28, 2024)
 - Allowable minor modifications to the Project's design may include those required to comply with development regulations administered by the City's PDD or other City departments, federal, state and local laws, codes and regulations
 - Prior to making any Project design changes that would be considered minor in nature, Developer shall notify the OED Director and submit proposed changes to the OED Director for review and approval



Appendix A: Agreement Conditions



- Local Hiring. For all permanent employment opportunities created by operation of the Project, Developer shall submit a written plan (“Local Hiring Plan”) for approval by OED Director describing (a) how Developer or property management group will use and document commercially reasonable efforts to recruit and hire residents of the city of Dallas and (b) how Developer or property management group will cause all non-residential tenants of all buildings in the Project to use and document commercially reasonable efforts to recruit and hire residents of the city of Dallas
 - At a minimum, the Local Hiring Plan shall describe how Developer, its property management group, and/or non-residential tenants will target local recruitment through local advertisement, community outreach, local engagement, participation in local job fairs, and/or coordination with local hiring sources
- Minimum Ground Floor Occupancy Requirement. Prior to payment of any portion of City Subsidy, Developer will provide evidence that a minimum of 40% of the net rentable ground floor space is leased and occupied



Appendix A: Agreement Conditions



- Ongoing Ground Floor Occupancy Requirement. After initial payment of the City Subsidy, Developer, for a period of 5 years thereafter (“Ground Floor Occupancy Compliance Period”), shall immediately notify City in writing if ground floor occupancy falls below the 40% minimum requirement (“Ground Floor Occupancy Default”)
 - Failure of Developer to cure the Ground Floor Occupancy Default within 180 calendar days following written notice by Developer or City shall constitute an uncured ground floor occupancy default (“Uncured Ground Floor Occupancy Default”). If Developer is making a good faith effort to cure by taking commercially reasonable and continuous steps to cure any Ground Floor Occupancy Default, the 180-calendar day period may be extended by the OED Director.
- Minor Modifications. OED Director may authorize minor modifications to the Project, including, but not limited to, adjustment in unit type (including decreases to the size of any unit by not more than 10%), unit mix, set-aside duration, and/or qualifying Area Median Income (if consistent with TDHCA’s Project requirements and City Center TIF District Policies and Plans). After approval of the City Center TIF District Board, the OED Director may also authorize an extension of the Project’s material dates and deadlines up to 12 months.
- Capital Commitment. Prior to or contemporaneously with City’s execution of Agreement, Developer shall provide evidence of binding commitments of all capital sources necessary to complete the Project, including Tax Credit Investor(s) firm commitment letter and/or loan agreements



Appendix A: Agreement Conditions



- Deadline for Execution of Agreement. Developer shall execute Agreement with City by December 31, 2025.
- Partnership with Dallas College. Prior to initial payment of the City Subsidy and for the duration of the Ground Floor Occupancy Compliance Period, Developer shall make commercially reasonable efforts to establish a partnership at the Property with Dallas College by responding to any/all solicitations from Dallas College regarding expansion or improvements to the El Centro campus, which may include its stated intent to utilize 2019 Dallas College General Obligation Bond Funds to build a Dallas Education and Innovation Hub downtown to serve the entire county, including a Business Training Center and a redesigned El Centro College campus. Developer shall provide evidence of such commercially reasonable efforts to OED Director each year by April 15. The City shall not deem it an event of default of the Agreement if Dallas College does not choose to establish a partnership at the Property.



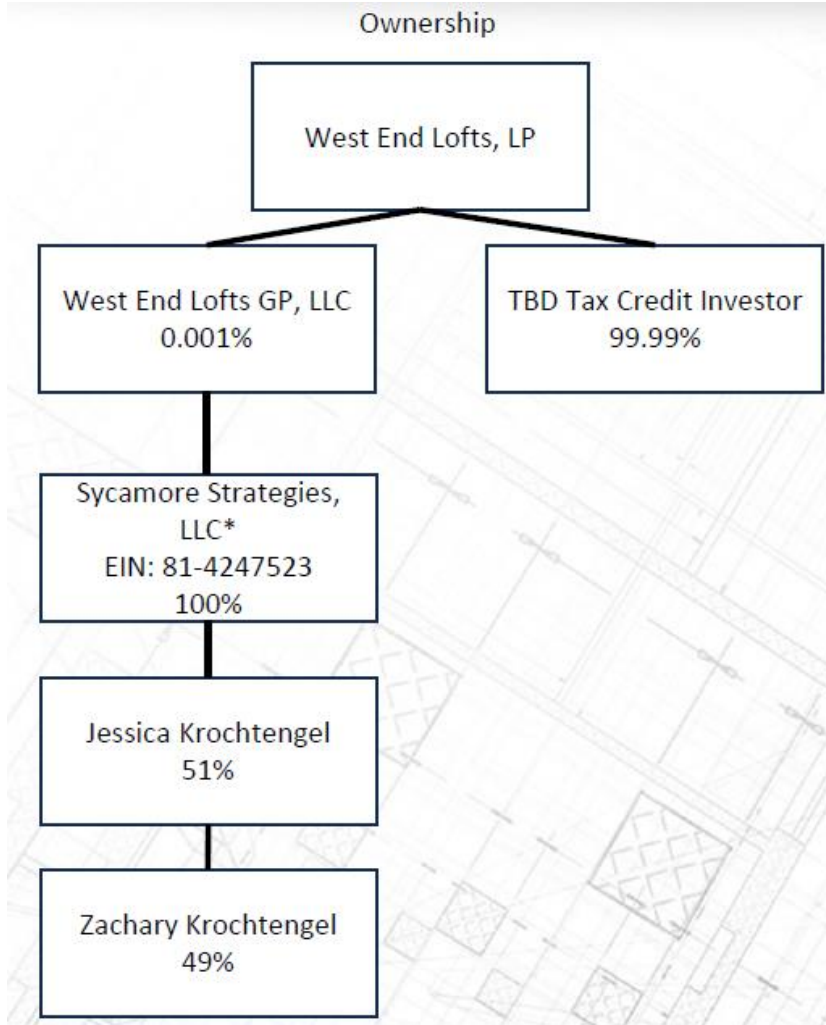
Appendix A: Agreement Conditions



- Post-Construction Audit and Possible Reduction in City Subsidy. Following completion of the Project and being placed in service and prior to disbursement of any portion of City Subsidy, the City shall conduct a post-construction audit to review the Developer's actual costs incurred to deliver the Project. For every \$100,000 in actual costs incurred below the estimated total cost of \$103,224,085, the City shall reduce the City Subsidy by \$40,000.
- Force Majeure. In the event the OED Director determines the Project has been delayed as a result of Force Majeure, after being provided written notice by Developer, Developer shall have additional time to complete the Project, so long as, within ten business days, Developer provides OED Director notice of such event and is diligently and faithfully pursuing completion of the Project. Extension of Project deadlines as a result of Force Majeure shall not require City Council approval. Developer shall be excused from doing or performing the same during such period of delay, so that the completion dates applicable to such performance, or to the construction requirement shall be extended for a period equal to the period of time Developer was delayed, subject to OED Director's approval.



Appendix B: Ownership Structure



• Limited Partners/Owners

- 0.01% owned by West End Lofts GP, LLC (General Partner)
- 100% by Sycamore Strategies, LLC
 - Founded in 2016 by Jessica Krochtengel, with Zachary Krochtengel as a minority member
 - Delivering 9% LIHTC developments in Dallas, including Villas at Western Heights and Cabana Design District
- 99.99% special limited partner (TBD tax credit investor)

Senior Lender: Citibank, N.A.
Construction Lender: Citibank, N.A.
Tax Credit Syndicator: Hunt Capital Partners (LOI provided)



Appendix C: Development Team



Role	Party Name
Developer Entity/Primary Contact	West End Lofts, LP (Sycamore Strategies, LLC)
Architect	Bennett Partners
General Contractor	Andres Construction
Property Management	To Be Determined
Leasing	To Be Determined



Appendix D: City Center TIF District Budget



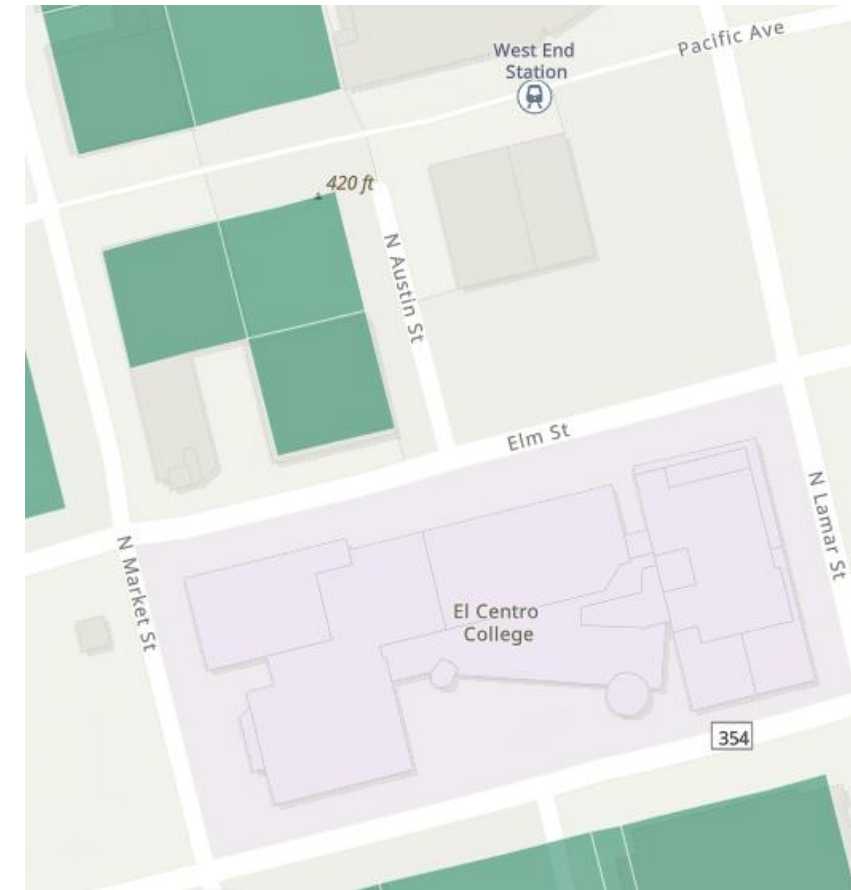
City Center TIF District Plan Budget Category	TIF Budget	Allocated/ Expended	Budget Allocated to West End Lofts	Budget Capacity Remaining
Original City Center TIF District Collection	\$75,696,253	\$75,696,253		\$0
Public Infrastructure Improvements	\$10,000,000	\$7,920,600		\$2,079,400
Redevelopment/Development Projects	\$43,112,293	\$20,654,813	\$14,200,000	\$8,257,480
District Wide Improvements	\$8,260,000	\$5,600,000	\$2,200,000	\$460,000
Affordable Housing	\$12,400,000	\$424,528	\$11,875,676	\$99,796
Plan Implementation/Administration	\$2,500,000	\$934,449		\$1,565,551
Total Project Costs	\$151,968,546	\$111,230,643	\$28,275,676	\$12,462,227



Appendix E: Projected Taxable Value and City Center TIF District Project Plan



- 711 Elm Street and 211 N. Austin Street are currently taxable; 805 Elm Street is currently tax-exempt (church ownership)
 - 2024 total taxable value of the entire Property (per DCAD): \$4,721,320
- Upon completion of Project, the entire Property will be taxable, and the taxable value is projected to be approximately \$14,300,000 (using DCAD methodology for LIHTC developments)
- 711 Elm Street (parking garage) and 211 N. Austin (proposed plaza/open space) are within the City Center TIF District boundary (indicated in green); 805 Elm Street is not in the TIF District boundary
 - City Center TIF District Project Plan and Chapter 311 of the Texas Tax Code allow expenditure of TIF District funds outside the TIF District boundary for affordable housing
 - West End Lofts is an affordable housing development project and, as such, is eligible for TIF District funding because affordable housing benefits the TIF District
 - Dedicating TIF District funding to the West End Lofts Project is necessary and convenient to implement the City Center TIF District Project Plan



Appendix F: Project Underwriting



- Developer's amended development incentive application requested \$49,000,000 in City subsidy (TIF)
- Grow America under contract with the City, conducted independent underwriting of the development incentive application. Conclusions of independent underwriting:
 - **Development team:** highly qualified to carry out Project
 - **Equity investors:** as a tax credit project, \$27.4 million of project funding comes from equity generated from LIHTCs and HTCs; the tax credit investor requires several guarantees including completion. Should the Developer not perform, the special limited investor (99.99% owner) may intercede to complete the Project
 - **Permanent debt capacity of Project:** maximized; without consideration of potential ground floor retail, the stabilized net operating income established by the rents, operating expenses, and vacancy rates support the senior loan amount of \$21 million
 - **Appraisal and Market Study:** applicant's assumptions are consistent with information presented
 - **Cost estimates of Project:** construction cost per gross square foot is reasonable; however, when percentages of construction costs per project component are used to apportion the total project cost, above average costs are observed due to adaptive re-use of historic building and joining new construction to historic building
 - **Rationale for City Subsidy:** main drivers of the subsidy need is TDHCA's artificial restriction of the tax credits to \$2 million per year, limitation on deferring more than 50% of the developer fee, rent restrictions, cost of lending, and cost of constructing historic adaptive re-use and adjoining new construction. Underwriter concludes that a 5.99% IRR with City Subsidy is reasonable and does not provide an undue enrichment



Appendix G: Downtown 360 Plan



- **West End Lofts Project advances the Downtown 360 Plan vision and framework**
- **As part of the Building Complete Neighborhoods and Promote Great Placemaking Transformative Strategies:**
Diversify and Grow Housing

Diversity in Price Point - to recoup initial development costs, financial incentives must be more readily accessible for developers to supply affordable units throughout the City Center. Without incentives or subsidies, construction of new and affordable housing units becomes infeasible due to the high land and construction costs

Create Vibrant Parks and Neighborhood Spaces

Pocket parks or plazas - activate existing small lots and other “leftover” spaces to provide relief from buildings by creating intimate spaces for a range of activities

Activate the public realm

THE 360 PLAN

2017 PLAN FRAMEWORK

THE VISION

A COMPLETE AND CONNECTED
CITY CENTER

TRANSFORMATIVE STRATEGIES



Advance Urban
Mobility



Build Complete
Neighborhoods



Promote Great
Placemaking

“The City Center is envisioned as a collection of complete and connected neighborhoods. A complete neighborhood is one in which a variety of residents’ economic, social, and personal needs are met via convenient access to employment, affordable housing, recreation, goods and services, and education. A complete neighborhood also preserves the area’s history and culture while simultaneously evolving and contributing to a “sense of place” or identity relatable to, and valued by, all residents, workers, and visitors”



Appendix H: 2012 Bond Program



Proposition 3 (\$55,000,000)

- for southern Dallas and **transit-oriented development areas** (no Council District-specific allocations)
- providing funds for direct investment in public infrastructure that promotes economic development and for leveraged investment through **funding City's programs for economic development** including acquisition of properties, demolition of structures, **making grants of bond proceeds and otherwise providing assistance for private commercial, industrial, retail, residential and mixed-use development**
- shared between Office of Economic Development and Housing Department
- remaining to be committed/awarded (under the stewardship of Office of Economic Development)
 - \$1,035,802 (Mayor)
 - \$503,533 (savings from Wheatland Road project near UNT-Dallas)



Appendix I: 2024 Bond Program



Proposition G (\$72,300,000)

- providing funds for City's programs for economic development pursuant to City's **Economic Development Incentive Policy**, including making grants of bond proceeds and otherwise providing **assistance and incentives for commercial, industrial, retail, residential, mixed-use development** and other economic development and redevelopment, land acquisition, demolition, and infrastructure development
- \$29.2 million for Office of Economic Development; \$36.6 million for Housing Department; \$6.5 million for Council District-specific (District 1: \$2 million; District 3: \$1 million; District 11: \$3.5 million) to be used by either Office of Economic Development or Housing Department
- First issuance (November 2024) \$9.79 million (split between Office of Economic Development and Housing Department)
- Second issuance (planned late 2025) \$9.2 million (split between Office of Economic Development and Housing Department)





City of Dallas

West End Lofts

a mixed-use, mixed-income, and transit-oriented development project proposed in and adjacent to the City Center TIF District

**Economic Development Committee
December 2, 2024**

Tamara Leak, Assistant Director (I)
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