



**City of Dallas**

# **Hensley Field Redevelopment Plan**

**Economic Development  
Committee  
November 7, 2022**

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# Presentation Overview



- Purpose & Background
- Plan Overview & Recommendations
- Environmental Remediation
- Governance
- Next Steps





# Purpose



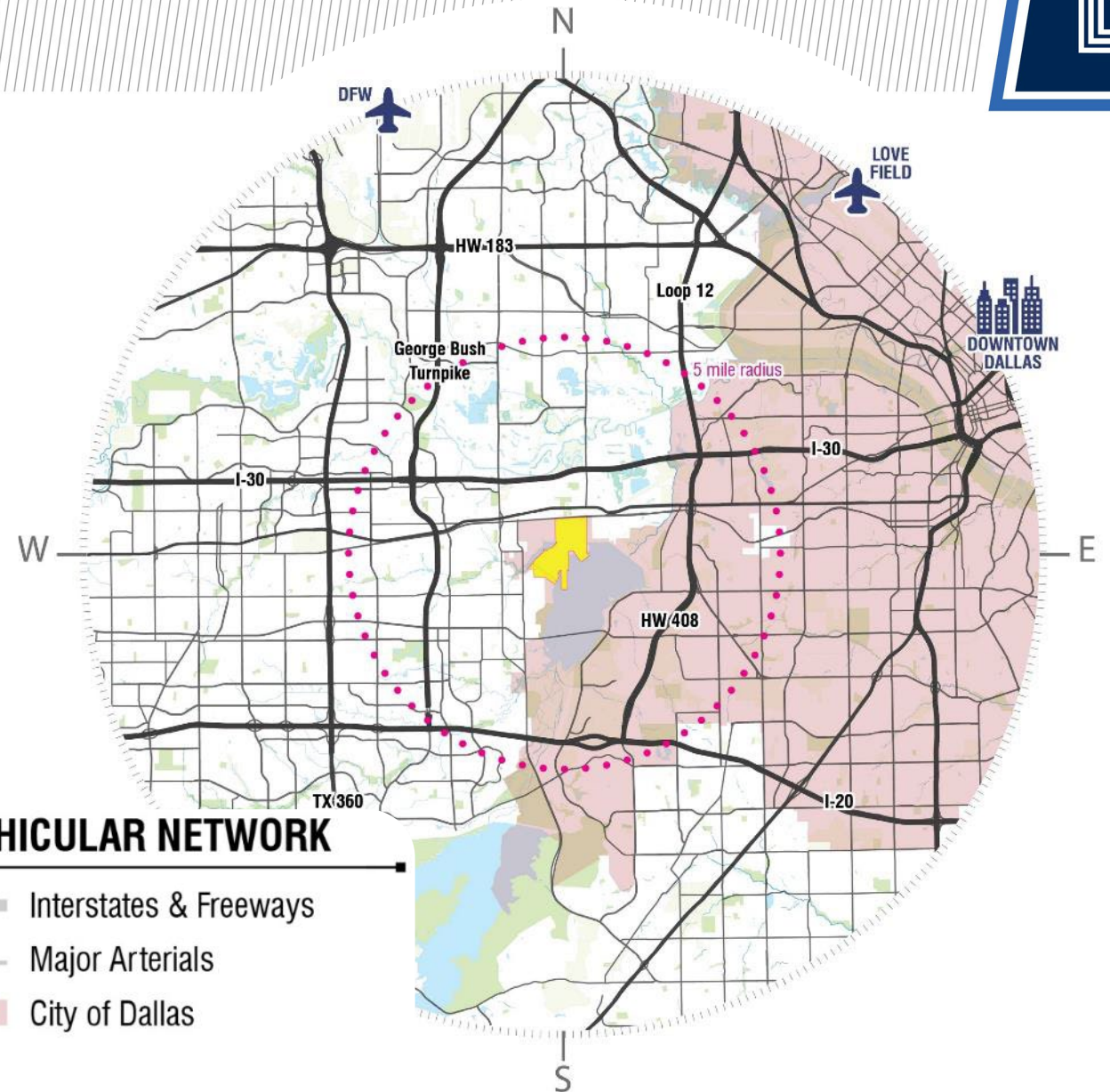
Brief the Committee on the Draft Hensley Field Master Plan and next steps ahead of the City Council public hearing



# Background



- 738-acre City-owned site on north shore of Mountain Creek Lake with 2 ½ miles of lake frontage
- Located at Dallas' southwestern edge adjacent to Grand Prairie with regional access via E. Jefferson Street, Loop 12, Beltline Road, and I-30





# Background



- Hensley Field was **leased by the U.S. Navy from 1949 to 1999**. The site has been used for temporary storage, City functions, and other unrelated leases.
- The **U.S. Navy is obligated to clean up Hensley Field** and a redevelopment **master plan was developed to provide clarity** on the City's vision to facilitate cleanup.
- City Council **authorized execution** of a professional services contract with McCann Adams Studio to develop a master plan on **August 26, 2020** for \$2,000,000.



# Background – Engagement



- Hensley Field Discovery Tour
- Virtual tour and survey The Technical Advisory Group (TAG)
  - 60 members representing City departments and partner agencies
- The Stakeholder Advisory Group (SAG)
  - 39 members representing a diversity of interest groups
- Focus Group Meetings
  - Specific topic area meetings



# Background - Project Mission



Leverage the value of this **City-owned asset** to create an implementable plan that **achieves community objectives** related to social equity, economic vitality and environmental stewardship.





# Plan Overview





# Plan Overview



- Walkable, well-designed, mixed-use and mixed-income community
- Interconnected network of open spaces and orientation to Mountain Creek Lake
- Historic preservation and adaptive reuse
- Multi-modal transportation system
- Net-zero construction and the maximization of renewable energy sources





# Plan Recommendation





# Plan Recommendations



## Land Use and Urban Design

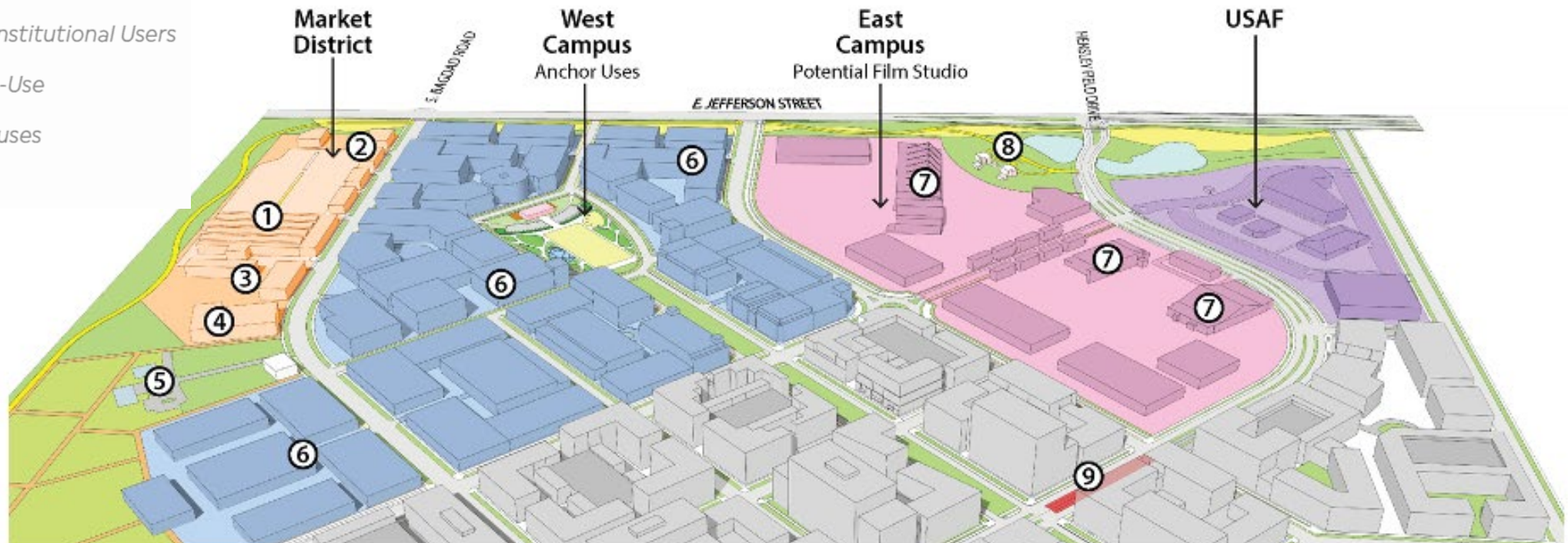
- Reserve **60 to 80 acres** of land along the Jefferson Street frontage for one or more **corporate or institutional** user(s) and consider film studio complex
- Reserve a 10-acre site for GPISD **public school** and locate the facility adjacent to a 10-acre playfield area
- Reserve a site for a future **Fire/EMS station**
- Plan for food access with space for a full-service **grocery store and urban farm**
- **Urban design standards** included within the zoning and entitlement framework



# Plan Recommendations



- ① Full Service Grocery Store
- ② Regional Retail
- ③ Fire / EMS Station
- ④ Composting / Recycling Center
- ⑤ Urban Farm
- ⑥ Corporate and/or Institutional Users
- ⑦ Existing Hangar Re-Use
- ⑧ Historic Officer Houses
- ⑨ BRT Station



**Economic Development Opportunity at Hensley Field**

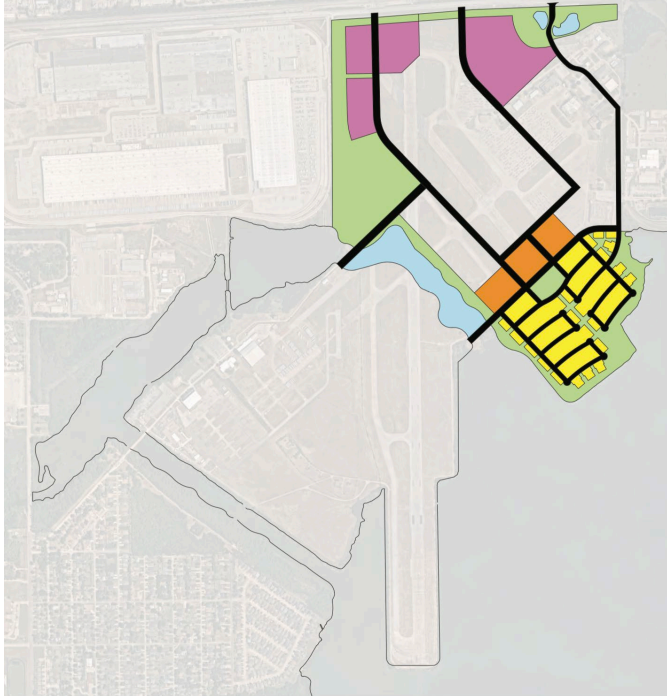




# Plan Recommendations – Phasing

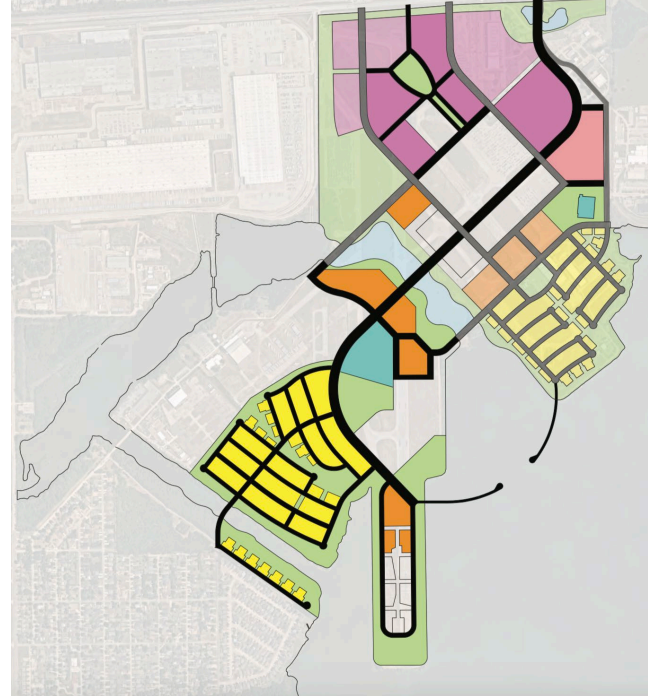


**PHASE ONE: 0-5 Years**



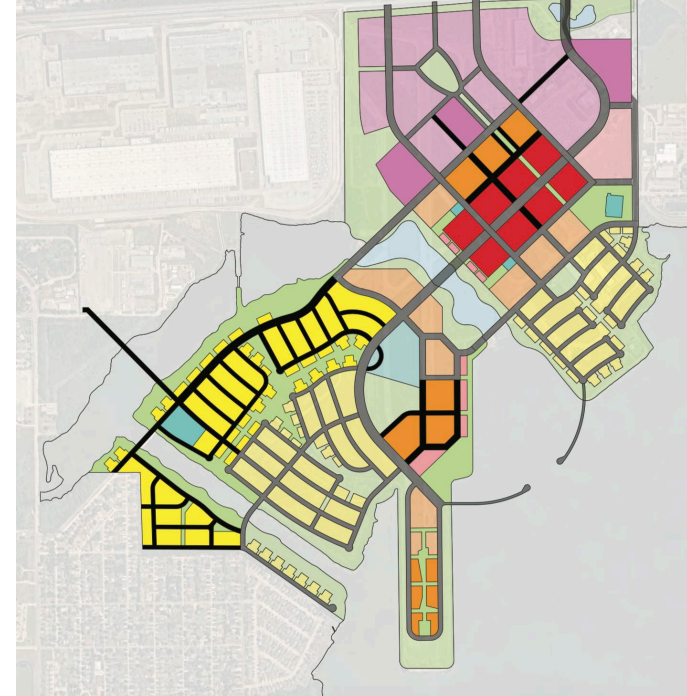
- **1,019 Dwelling Units**
  - 465 Single Family Homes
  - 554 Apartments
- **958,000 sf Non-Residential**
  - 824,000 sf Anchor Uses
  - 134,000 sf Commercial

**PHASE TWO: 6 – 10 Years**



- **1,664 Dwelling Units**
  - 683 Single Family Homes
  - 981 Apartments
- **1,205,000 sf Non-Residential**
  - 968,000 sf Anchor Uses
  - 237,000 sf Commercial

**PHASE THREE: 11-20 Years**



- **3,789 Dwelling Units**
  - 957 Single Family Homes
  - 2,832 Apartments
- **1,373,000 sf Non-Residential**
  - 493,000 sf Anchor Uses
  - 880,000 sf Commercial





# Plan Recommendations - Housing



## Housing

- A complete spectrum of housing choices
  - 6,848 homes
  - 30% single-family
  - 70% apartments/condominiums
- A **mix of for-rent and for-sale housing**, such that there shall be no more that 60% of one or the other type of tenure



Detached on Small Lots



Clustered Rowhouses



Rowhouses



Apartments and Condominiums





# Plan Recommendations – Key Housing Policies



**Hensley Field will be an inclusive community of socially and economically diverse residents, a mixed-use and mixed-income community.**

- 20% of all homes will be priced for individuals or families earning 80% of AMI for ownership housing and 60% of AMI for rental units.
- An additional 10% of homes should be priced to buyers or renters earning between 81%-120% of AMI.
- Strategies for **long-term affordability** include Builder Cross Subsidies, Community Land Trusts, Rental Housing Agreements, and Low-Income Housing Tax Credits.
- A **non-profit stewardship entity** should be established to administer the affordable housing program with start-up capitalization and reserves for long-term operations.
- Affirmative **marketing plans** should be focused on education, wealth-building and financial assistance.
- Key selection criteria for the Master Developer partner should include **direct experience and commitment to the implementation of the affordable housing program.**



# Plan Recommendations – Public Open Space



- Ensure that every resident and employee is within a **five-minute walk of public open space**
  - Reserve at least 25% (185 acres) of the site for publicly-accessible open space
- Assess the **realignment of Cottonwood Creek**
- Achieve **40% tree canopy coverage** by 2050
- Construction of **multi-use trails** for recreation and transportation





# Plan Recommendation

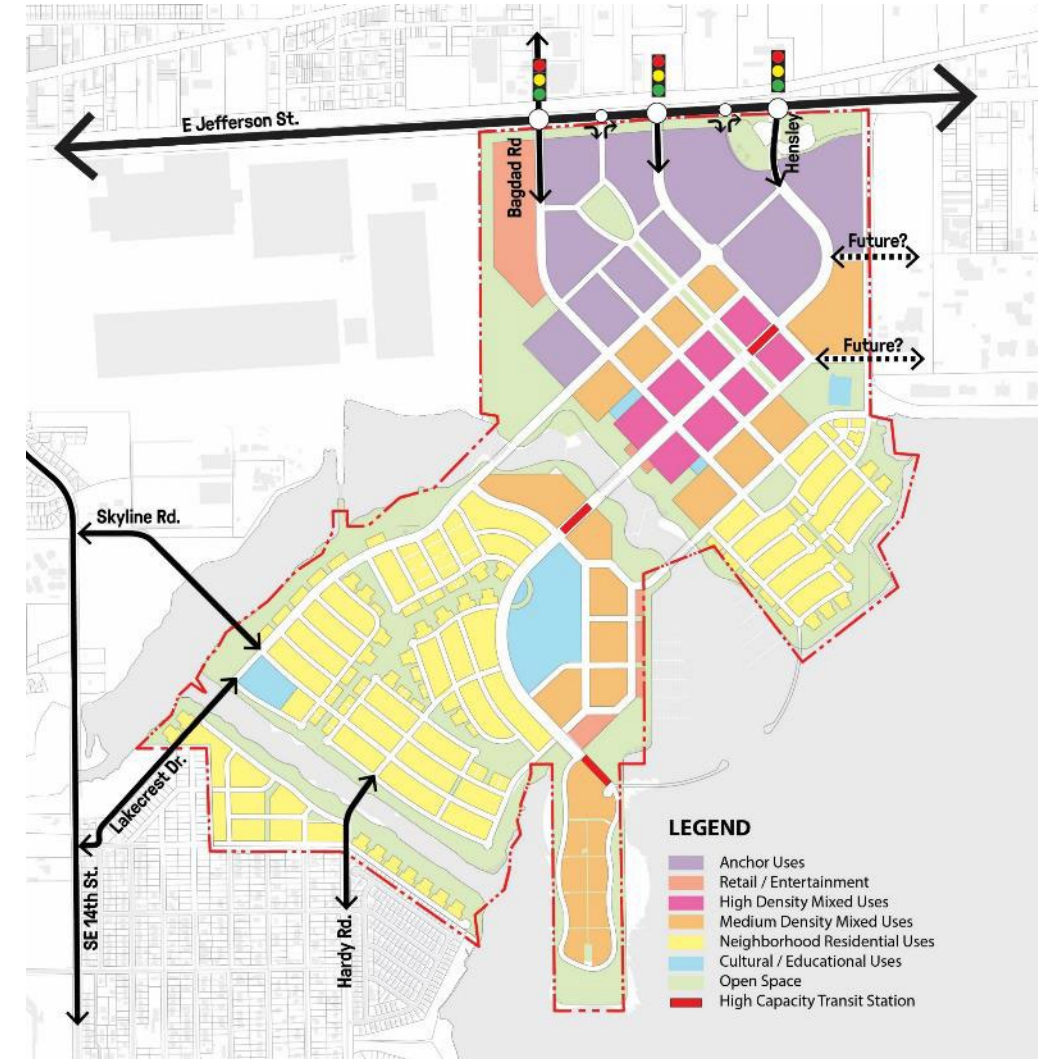




# Plan Recommendations – Mobility



- Maximize connections to surrounding roadway network to **reduce congestion and distribute trips**, including:
  - Signalized intersections on Jefferson Street
  - Hardy Road and Lakecrest Drive connections across the diversion channel
  - A Skyline Drive connection across Cottonwood Creek
  - Future eastern roadway connections to adjoining properties upon their development

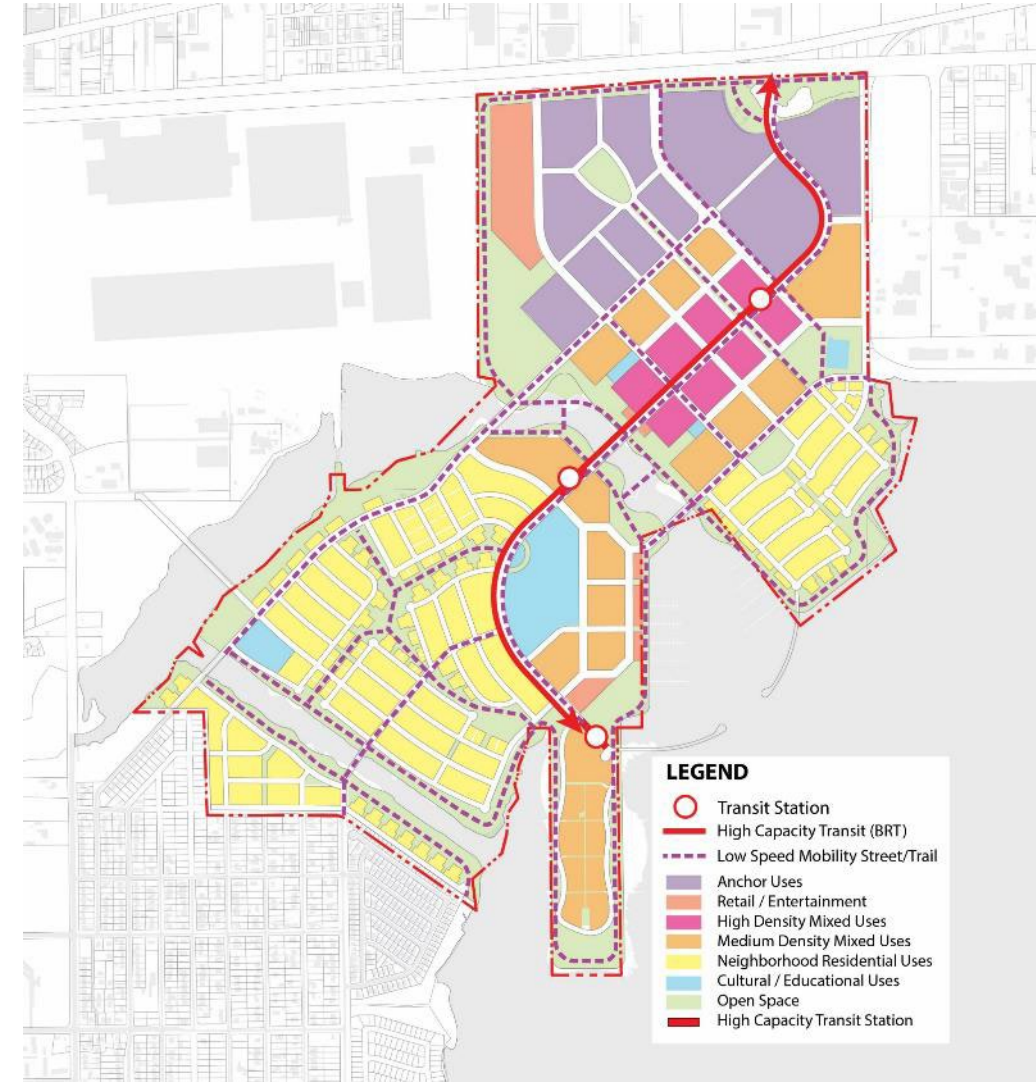




# Plan Recommendations – Mobility



- Ensure most residents are within a **10-minute walk of transit**
- Coordinate with DART to plan a **high-capacity transit** linkage to Hensley Field, including;
  - Center –running Bus Rapid Transit (BRT) with dedicated lanes
  - Exploration of future Light Rail Transit (LRT) with direct connections to Downtown
- Build a network of “**Low-Speed Mobility**” streets with protected bikeways
- Implement **Complete Streets** design that priorities a **high level of comfort** for pedestrians and bicyclists





# Plan Recommendation





# Plan Recommendation





# Plan Recommendations – Historic Preservation



- **Preserve and interpret the history of Hensley Field** so future residents and visitors can engage with and enjoy its unique character and identity.
  - Work with the COD Historic Preservation Office to develop a strategy for the protection, **reuse and interpretation** of historic landscapes and structures
  - Take steps to **stabilize** key historic facilities
  - Pursue a major, **publicly-oriented use** for the historic Dallas Naval Air Station (DNAS) Maintenance Hangar



Officers Homes, c. 1932



DNAS Hangar, c. 1941



Fuget Cemetery, c. 1864



DNAS Water Tower, c. 1941



Arms Magazine, c. 1952





# Plan Recommendation





# Plan Recommendations – Sustainability



- Establish Hensley Field as a living laboratory for resilience and a **proof of concept for CECAP**.
  - Achieve minimum Gold Certification LEED Cities and Communities
  - Establish **net zero energy** and low carbon healthy materials for all construction
  - Develop an “Innovation Village” on the Runway Peninsula as a **demonstration project** that tests state-of-the-art green infrastructure and emerging building technologies
  - Provide recycling and composting collection throughout Hensley Field aligning with City of Dallas’ **zero waste goal**



“Innovation Village” (with a non-profit or corporate sponsor) as a demonstration project



Coordinate with utility providers the commercial viability of District Energy and Micro Grid









# Environmental Remediation



- **Navy has agreed and is obligated to complete cleanup** to residential standards consistent with the Hensley Field Master Plan.
- Previous Remediation Work
  - Remediation of metals, petroleum hydrocarbon, polychlorinated biphenyls (PCBs), semi-volatile organic compounds, and chlorinated solvents **has been completed. Soil remediation completed and approved** by the Texas Commission on Environmental Quality (TCEQ).
  - **Groundwater** remediation has been **partially completed** and is in progress by the Navy.

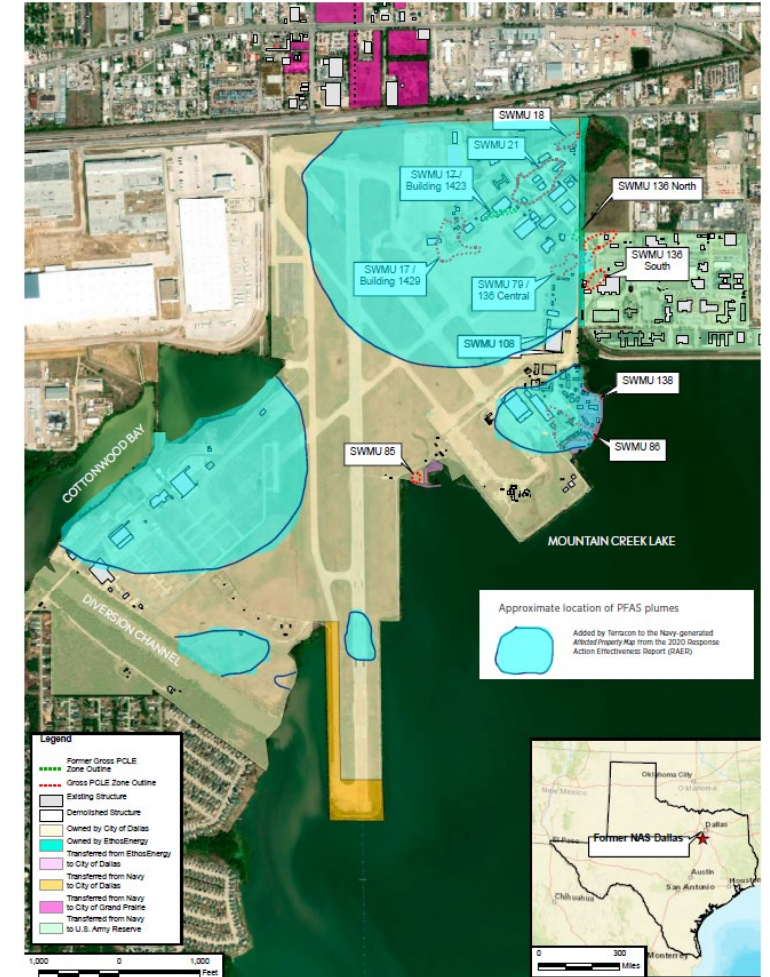


# Environmental Remediation (CONT...)



## PFAS Contamination

- Draft Final Remedial Investigation report documenting results of the Polyfluoroalkyl substances (PFAS) investigation, extent of PFAS, and **risk assessment was completed by the Navy in June 2022.**
- Feasibility study assessing remedial alternatives is expected to be complete by the end of 2023.
- Current **Navy plans indicate cleanup** of PFAS impacted soils **prior to redevelopment or in phases** with construction and coordinated with TCEQ.



Approximate Location of PFAS Groundwater Plumes





# Governance



- Public Private Partnership recommended between the City and a qualified Master Developer
- Select through a competitive RFQ/RFP process
- Master Developer would be responsible for managing development and sale of real estate for vertical development.

## Proposed Developer Selection Process



## SIMILAR PROJECTS



**MUELLER**  
Austin, Texas



**CENTRAL PARK**  
Denver, Colorado



**Mission Bay**  
San Francisco, California





# Governance – Development Costs



## Financial Analysis

	Phase I Years 0-5	Phase II Years 6-10	Phase III Years 11-20	Total Master Plan
<b>Costs</b>				
Site Preparation	\$22,694,980	\$8,700,010	\$5,189,690	\$36,584,680
Offsite Infrastructure	880,000	\$20,394,000	3,135,000	24,409,000
Site Bridges	0	1,870,000	4,026,000	5,896,000
Roadways / Utilities	47,389,650	81,768,775	59,386,938	188,545,363
Open Space	17,724,850	28,009,300	9,527,540	55,261,690
Emergency Services	8,250,000	0	0	8,250,000
Hanger / Building Stabilization	2,750,000	0	0	2,750,000
Sustainable Forward	9,785,600	11,875,050	7,518,500	29,179,150
Additional Contingencies and Soft Costs (10%) [1]	12,163,898	16,957,459	9,864,852	38,986,209
<b>Total</b>	<b>\$121,638,978</b>	<b>\$169,574,594</b>	<b>\$98,648,519</b>	<b>\$389,862,092</b>
<b>Revenues</b>				
Residential	\$43,843,000	\$79,679,600	\$136,610,000	\$260,132,600
Non-residential	30,842,250	38,153,550	23,460,900	92,456,700
<b>Total</b>	<b>\$74,685,250</b>	<b>\$117,833,150</b>	<b>\$160,070,900</b>	<b>\$352,589,300</b>
<b>Revenues Minus Costs</b>	<b>-\$46,953,728</b>	<b>-\$51,741,444</b>	<b>\$61,422,381</b>	<b>-\$37,272,792</b>
<b>Net Present Value over 20 Years at 15.0%</b>				<b>-\$78,454,316</b>

[1] Additional and unanticipated costs such as marketing, legal, and unforeseen costs.





# Governance – Funding Sources



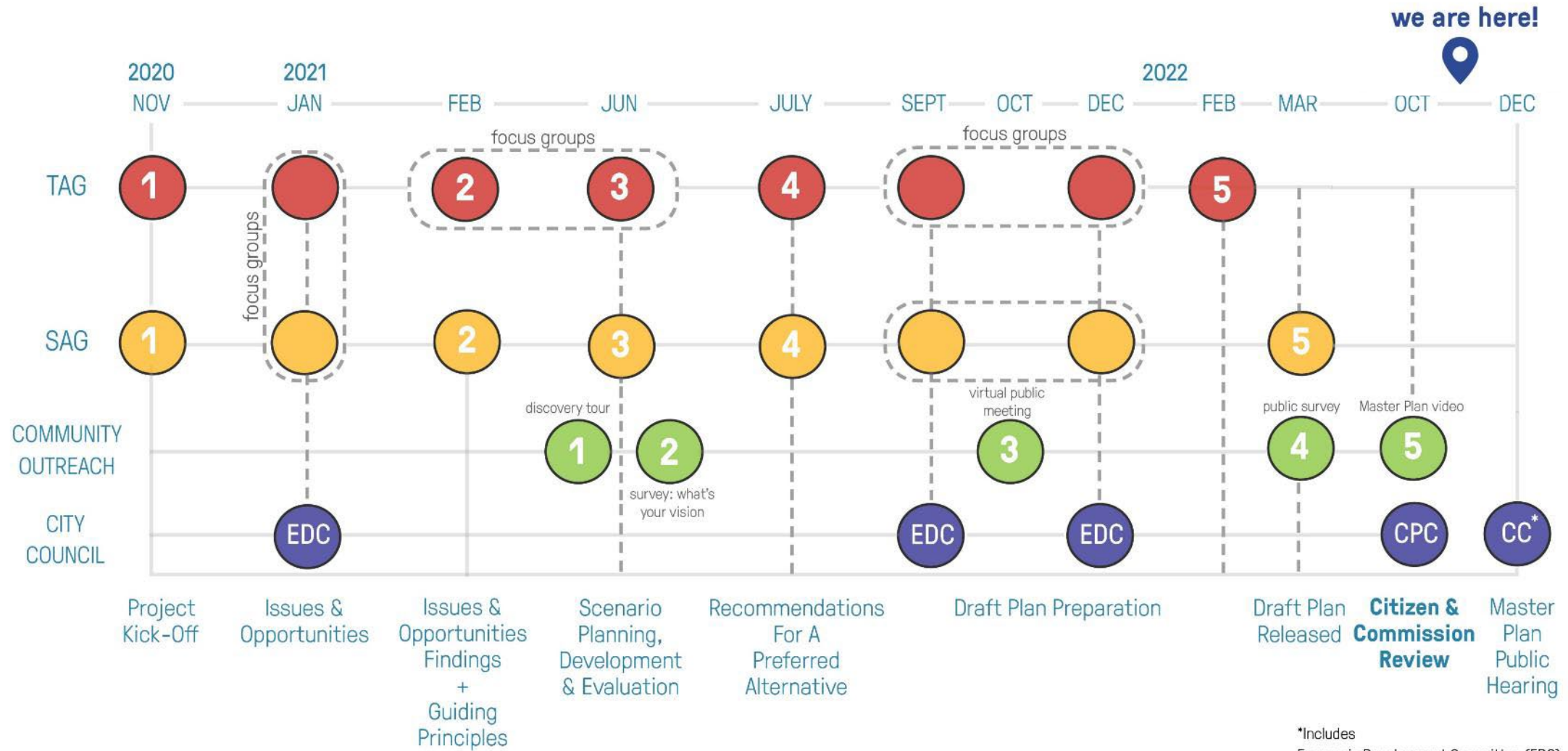
- Utilize TIF through Tax Incentive Reinvestment Zone (TIRZ) to fund infrastructure and public realm amenities:
  - TIF is estimated to generate \$198 to \$243 million over 20 years. Net present value of \$100 to \$123
  - Explore Hensley Field as a sub-district of Cypress Waters TIF District
- Other financing tools: Municipal Management District (MMO) Public Improvement District, Bond Program
- Grants can help fund sustainability components

Description	Inputs			Totals (\$ millions)
	Tax Rate	Contribution	TIF Rate	
<b>Tax Increment Low Scenario</b>				
Dallas County	0.22795	55%	0.12537	\$35.2
City of Dallas	0.77330	75%	0.57998	162.8
<b>Total</b>	<b>1.00125</b>		<b>0.70535</b>	<b>\$198.0</b>
<b>Present Value over 20 Years</b>	<b>5.0%</b>	<b>finance (discount) rate</b>		<b>\$100.3</b>
<b>Tax Increment High Scenario</b>				
Dallas County	0.22795	75%	0.17096	\$48.0
City of Dallas	0.77330	90%	0.69597	195.3
<b>Total</b>	<b>1.00125</b>		<b>0.86693</b>	<b>\$243.3</b>
<b>Present Value over 20 Years</b>	<b>5.0%</b>	<b>finance (discount) rate</b>		<b>\$123.3</b>





# Project Status



\*Includes  
Economic Development Committee (EDC)  
Environment and Sustainability Committee



# Next Steps



## December 14

- City Council Voting Agenda

## Proposed Timeline 2023-2025

- Continue to coordinate remediation with the Navy
- Initiate developer selection process (RFP)
- Negotiate a Master Developer Agreement with selected developer
- Prepare re-zoning
- Initiate development





# Thank you







**City of Dallas**

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