BUTLER AND CAVILE UPDATE
OCTOBER 15, 2019
WHAT IS ASSET REPOSITIONING?

- HUD funding has not kept pace with the capital needs of public housing units
  - Now estimated at over $30 billion nationally
- HUD has placed greater emphasis on repositioning assets away from Public Housing and toward the Section 8 platform
  - More sustainable funding
  - Access to outside capital
  - Public/private partnerships
BUTLER PLACE UPDATE

Poverty Deconcentration and Affordable Housing Preservation
BUTLER PLACE

- 412 units in 68 buildings
- Built in 1940
- Approximately 42 acres just east of downtown
- Rich African-American history
- Isolated concentration of poverty
RAD AND TRANSFER OF ASSISTANCE

- Rental Assistance Demonstration Program
  - Allows housing authorities to convert public housing subsidy to long-term Section 8 Housing Assistance Payment (HAP) Contracts
  - This approach deconcentrates poverty, preserves assistance of Butler residents, and helps to increase the number of affordable units in Fort Worth

- The RAD program allows housing authorities to move the converted assistance to a new geographic site(s), allowing them to:
  - Place assistance in areas of opportunity
  - Repurpose/sell the original site

- To-date, FWHS has utilized RAD to moving Butler-related subsidy to 13 different sites across the city
  - Residents are assisted with relocation and given choices in selecting their replacement units
  - All serving a mix of incomes beyond the RAD units
RESULTS

- Began Butler’s RAD conversions in 2015
- Closed 21 financing transactions, with 4 remaining closings expected in 2020
- In this process, FWHS has created 1,764 new affordable housing units since 2017
- 75% of Butler residents have been relocated to their replacement units in mixed-income communities in high opportunity areas
- On track to complete by the end of 2020
CAVILE PLACE/STOP SIX UPDATE

A Choice Neighborhood Initiative
THE STOP SIX STORY

- Received its name in the early 20th century due to the area being the sixth stop on the Interurban streetcar line to Dallas
- Developed into a thriving African-American residential neighborhood through the first half of the 20th century
- Has suffered in recent decades from blight, disinvestment, and stigma
- Home to the physically obsolete Cavile Place public housing community, needing $42 million in repairs
CHOICE NEIGHBORHOODS

- HUD’s signature place-based initiative for comprehensively revitalizing neighborhoods
- Provides competitive grants for planning, planning and action activities, and implementation
- Implementation Grants provide up to $35 Million over 6 years to leverage private/public commitments
  - Highly competitive
  - 30+ Applicants, 4-5 Awardees annually
ALIGNS WITH THE RACE AND CULTURE RECOMMENDATIONS

- Stop Six Neighborhood identified as a super-majority minority area (S-MMA) neighborhood
- Share strategies for 5 of the 7 priorities, including
  - Economic Development
    - Increase job training, education, minority entrepreneurship
  - Education
    - Grow involvement in early childhood education, civic engagement, college/career centers
  - Health
    - Improve access to active lifestyles, healthy foods, healthcare providers
  - Housing
    - Increase supply of affordable housing for extremely low-income renters, homebuyer assistance
  - Transportation
    - Address street and sidewalk conditions in S-MMAs, provide safe spaces for pedestrians and bicycles
A comprehensive approach for revitalizing neighborhoods

Focuses on three primary components:
- Housing
- People
- Neighborhood

WHAT MAKES A NEIGHBORHOOD OF CHOICE?

- Mix of incomes
- Mix of uses
- Mix of structure types
- Family and Senior Options
- Rental and homeownership opportunities

- Economic self-sufficiency
- Youth and Adult Education
- Health and Wellness
- Community Engagement

- Large and small businesses
- Infrastructure
- Transportation
- Public Amenities
- Public Safety
CHOICE IS NOT BUSINESS AS USUAL

- Choice Neighborhood is a complete departure from the traditional approach to housing development
  - Comprehensive, collaborative and coordinated investments to address the needs of a distressed community
    - Not only housing, but also:
      - Economic Development
      - Resident-Tailored Supportive Services
  - Increased reliance on partnerships and leveraging federal funds
  - Data-driven goals and outcomes
  - Focus on connectivity to other neighborhood, local, and regional assets
  - Push for catalytic investments
  - Emphasis on sustainability
COMMUNITY-DRIVEN PLANNING

- 2013 Transformation Plan
  - FWHS in partnership with the City
  - Planning While Doing
    - City of Fort Worth Neighborhood Improvement Program
    - Cavile Place Demolition Approval
  - FWHS and City preparing for a Choice Neighborhood 2019 Implementation Grant NOFA
- 2019 Transformation Plan Updates
  - Resident and Stakeholder Meetings, Listening Sessions, and Design Workshops
UPDATED TRANSFORMATION PLAN

The Housing Plan
- Develops several high quality, mixed-income/mixed-use phases including nearly 1,000 new units
- Replaces all Cavile Place units, while adding workforce, market, and permanent supportive housing units
- Deconcentrates poverty, while also spreading investments throughout the neighborhood

The Neighborhood Plan
- Builds on assets and relationships in the neighborhood
- Provides a framework for development of a neighborhood of Choice
- Improves connectivity and infrastructure throughout the neighborhood
- Develops a multi-purpose Neighborhood Hub at the heart of the community

The People Plan
- Addresses the specific needs of the 252 Cavile households, along with 48 households from the Cavile Place waiting list
- Connects residents with supportive services in education, workforce development and healthcare
- Provides Case Management and creates Individual Development Plans to create roadmaps and track resident progress
The Neighborhood Plan works within the following goals and guiding principles identified through community engagement during the planning process:

- Introduce neighborhood-serving amenities, such as recreation, restaurants, and retail, to return vacant land to productive uses.
- Improve transportation and mobility through improved transit service, new and improved sidewalks and new bike lanes.
- Create open space/recreational opportunities through community gardens, multi-use trails, linear and pocket parks, and sports fields.
- Celebrate the neighborhood’s history and protect and preserve neighborhood character.
- Improve neighborhood stability through increased homeownership, reuse of vacant sites and demolition of vacant houses.
- Increase public safety by incorporating safety features into new construction, improving street lighting and working with the police department to increase the visibility of police in the neighborhood.
NEIGHBORHOOD PLAN- OVERVIEW

- Connect existing and proposed assets and investments
- Provide a state-of-the-art neighborhood hub
- Improve access to transit
  - Relocated bus stops
  - Bike share stations
- Improve streets, parks, and sidewalks
- Create space and environment where private market will invest
- Create a neighborhood identity and brand
NEIGHBORHOOD HUB AND ENVISION CENTER

- Primary proposed Critical Community Improvement in the application to HUD
- Replace MLK-based Envision Center
- Collocate services for neighborhood and city residents, potentially including:
  - Recreation/Fitness/Aquatics (YMCA)
  - Library (Fort Worth Library)
  - Health Clinic (Cook Children’s/JPS)
  - Mental Health Services
  - Headstart (Childcare & Associates)
  - Code Enforcement/Public Safety Substation
  - Community Garden
  - Shared office/meeting space
  - Space for target resident case management
- Adjacent to Rosedale Park
The Housing Strategy provides a comprehensive approach, plan and phasing sequence to revitalize the housing in the neighborhood, and addresses the following goals and guiding principles identified during community engagement throughout the planning process:

- Create a neighborhood comprised of high-quality, well-maintained, mixed-income housing that accommodates families and is compact and pedestrian-friendly with an interconnected network of streets and defensible public open spaces.
- Develop housing of the same design and construction quality, making assisted units indistinguishable from market rate, affordable and workforce housing and ensure adequate off-street parking.
- Follow a design approach that respects the historic “feel” of the neighborhood, and incorporates traditional elements like porches, masonry, and design details.
- Eliminate the stigma of Cavile Place by demolishing the site and dispersing HUD-assisted replacement units across multiple sites, and developing new mixed-income housing that blends with the density and character of the surrounding neighborhood.
- Allow all existing Cavile Place residents the right to return to the site.
- Build at densities that blend into the existing neighborhood character, scale, and building grouping.
- Incorporate sustainable building elements.
Presently relocating Cavile residents with Tenant Protection Vouchers; will demolish Cavile Place
  - 182 vouchers issued to date

Replace all 300 Cavile units in four mixed-income development locations throughout the neighborhood

Assist any qualifying former Cavile resident that wishes to return to replacement housing units

Mix of incomes to include (PBV), market rate units, and workforce housing (for between 30-80% of AMI)

Mix of unit sizes and structure types, as well as family and senior options

Provide market-quality in-unit and site amenities

Include ground floor commercial space at key neighborhood nodes

900 - 1,000 new rental units in the neighborhood
SAN ANTONIO - BEFORE AND AFTER EXAMPLE
STOP SIX - BEFORE AND AFTER

BEFORE

AFTER
The needs assessment activities informed the overall People Vision, which serves as the guide for strategies designed to achieve the People Goals:

- Increase income and financial stability of target households
- Improve the health of target residents by delivering comprehensive family-centered support, and high quality/accessible health services to youth and families
- Improve educational outcomes of target youth by delivering comprehensive family-centered support, and educational career services
Five Pillars of Our People Plan

- Cavile residents (adults and children) will receive tailored supportive services
- Case Managers will work to pair residents with partner supportive service providers in areas such as:
  - Education
  - Health
  - Housing Stability
  - Economic Mobility
  - Policy and Resident Engagement
- Metrics will be established and monitored throughout the life of the grant to assess resident progress
## TRANSFORMATIVE OUTCOMES

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>CAVILE TODAY</th>
<th>SAMPLE CNI OUTCOMES</th>
</tr>
</thead>
<tbody>
<tr>
<td>EDUCATION</td>
<td>34% of residents over 18 do not have a High School Diploma/GED</td>
<td>100% of target youth graduated from high school in 2018-2019</td>
</tr>
<tr>
<td></td>
<td></td>
<td><em>Foote Homes Neighborhood, Memphis, TN (2015)</em></td>
</tr>
<tr>
<td>HEALTH</td>
<td>65% of adults have a primary care doctor</td>
<td>97% of adults have a primary care doctor</td>
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<tr>
<td></td>
<td></td>
<td><em>Beecher Terrace Neighborhood, Louisville, KY (2016)</em></td>
</tr>
<tr>
<td>EMPLOYMENT</td>
<td>$8,984 average annual household income</td>
<td>$19,000 increase in residents’ average earned annual income</td>
</tr>
<tr>
<td></td>
<td></td>
<td><em>Foote Homes Neighborhood, Memphis, TN (2015)</em></td>
</tr>
<tr>
<td>STOP SIX CRIME</td>
<td>3.5 times more crime occurs here compared to the city of Fort Worth</td>
<td>49% decrease in residential crime after 5 years</td>
</tr>
<tr>
<td></td>
<td></td>
<td><em>East Liberty, Pittsburgh, PA (2014)</em></td>
</tr>
<tr>
<td>STOP SIX HOME VALUE</td>
<td>$48,300 - 65,800 is the median home value range</td>
<td>200% increase in home values over 5 years</td>
</tr>
<tr>
<td></td>
<td></td>
<td><em>East Liberty, Pittsburgh, PA (2014)</em></td>
</tr>
</tbody>
</table>
OUR DREAM TEAM

Lead Applicant:
Fort Worth Housing Solutions

Co-Lead:
City of Fort Worth

Choice Neighborhood Consultant:
CVR Associates, Inc.

Housing Lead:
McCormack Baron Salazar

Neighborhood Lead:
City of Fort Worth

People Lead:
Urban Strategies, Inc.

Housing Lead Oversight:
Fort Worth Housing Solutions

Public Safety Partner:
Fort Worth PD

Education Lead:
Fort Worth ISD

People Lead Oversight and Service Coordination:
Fort Worth Housing Solutions

Stakeholders
Cavile Residents
Stop Six Residents
Elected Officials
Businesses
Places of Worship
Funders
Community Partners
TOTAL IMPLEMENTATION PLAN INVESTMENT

$288 Million
Includes $24.5M in Choice Funds

$29 Million
Includes $3.15M in Choice Funds

$20 Million
Includes $5.25M in Choice Funds

+$2.1M of Choice Funds for Grant Administration and Evaluation

Total CNI-Related Investment- $339 Million

*Values reflect estimates as of 10/13/19
## ESTIMATED SOURCES AND USES-HOUSING AND COMMERCIAL

### FWHS Predevelopment Investments

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Relocation and Demolition</td>
<td>$ 4,961,880</td>
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</table>

### Development Sources

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
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<tbody>
<tr>
<td>CNI</td>
<td>$ 24,500,000</td>
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<tr>
<td>First Mortgage/Equity</td>
<td>$ 168,588,877</td>
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<tr>
<td>City of Fort Worth (Subordinate Debt / Fee Waivers)</td>
<td>$ 11,060,000</td>
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<tr>
<td>City of Fort Worth (Public Improvements)</td>
<td>$ 25,000,000</td>
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<tr>
<td>FWHS (Master Planning, Acquisition, Legal)</td>
<td>$ 6,594,993</td>
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<tr>
<td>PSH Foundation Matching Funds</td>
<td>$ 1,250,000</td>
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<tr>
<td>Subordinate Debt/Grants/FWHS</td>
<td>$ 50,935,731</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$ 287,929,601</strong></td>
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### Development Uses

<table>
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<tr>
<th>Use</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Construction Hard Costs (Per residential unit)</td>
<td>$ 174,272,750</td>
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<tr>
<td>(Commercial and Mgmt. Spaces)</td>
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</tr>
<tr>
<td>Soft Costs (Architectural, Engineering, Financing, Legal, Professional and Other Fees, Reserves, FF&amp;E)</td>
<td>$ 65,329,000</td>
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<tr>
<td>Site Preparation and Remediation</td>
<td>$ 8,278,188</td>
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<tr>
<td>Offsite Public Improvements</td>
<td>$ 28,886,112</td>
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<tr>
<td>Fees</td>
<td>$ 4,568,558</td>
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<tr>
<td>Master Planning, Acquisition and Legal</td>
<td>$ 6,594,993</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 287,929,601</strong></td>
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*Values reflect estimates as of 10/13/2019
## ESTIMATED SOURCES AND USES - NEIGHBORHOOD

*Values reflect estimates as of 10/13/2019*

### Uses

<table>
<thead>
<tr>
<th>Uses</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>CCI Neighborhood HUB and Bikeshare</td>
<td>$29,325,000</td>
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<tr>
<td>Total</td>
<td>$29,325,000</td>
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</table>

### Sources

<table>
<thead>
<tr>
<th>Sources</th>
<th>Amount</th>
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<tbody>
<tr>
<td>CNI</td>
<td>$3,150,000</td>
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<tr>
<td>City of Fort Worth</td>
<td>$14,000,000</td>
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<tr>
<td>Philanthropic Contributions</td>
<td>$12,175,000</td>
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<tr>
<td>Total</td>
<td>$29,325,000</td>
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## ESTIMATED SOURCES AND USES - PEOPLE

### Uses

<table>
<thead>
<tr>
<th>Uses</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Workforce</td>
<td>$4,200,000</td>
</tr>
<tr>
<td>Education</td>
<td>$3,200,000</td>
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<tr>
<td>Healthcare</td>
<td>$2,200,000</td>
</tr>
<tr>
<td>Case Management</td>
<td>$10,400,000</td>
</tr>
<tr>
<td>Total</td>
<td>$20,000,000</td>
</tr>
</tbody>
</table>

### Sources

<table>
<thead>
<tr>
<th>Sources</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>CNI</td>
<td>$5,250,000</td>
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<tr>
<td>Grants/Philanthropic Contributions</td>
<td>$14,750,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$20,000,000</strong></td>
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</table>

*Values reflect estimates as of 10/13/2019*
## SAMPLE CITY INVESTMENTS FOR CNI GRANTEES

<table>
<thead>
<tr>
<th>City</th>
<th>Total Investment</th>
<th>Housing</th>
<th>Neighborhood</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tulsa, OK</td>
<td>$51 Million</td>
<td>$13 M</td>
<td>$38 M</td>
<td>401,800</td>
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<tr>
<td>St. Louis, MO</td>
<td>$85 Million</td>
<td>$19 M</td>
<td>$66 M</td>
<td>318,069</td>
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<tr>
<td>Baltimore, MD</td>
<td>$115 Million</td>
<td>$22 M</td>
<td>$93 M</td>
<td>619,493</td>
</tr>
<tr>
<td>Columbus, OH</td>
<td>$35 Million</td>
<td>$24 M</td>
<td>$11 M</td>
<td>879,170</td>
</tr>
</tbody>
</table>
Other public entities have already started making targeted investments in the Stop Six Neighborhood that align with our initiative.

These investments demonstrate a commitment and partnership to the neighborhood.

**Fort Worth ISD**
- Fort Worth Independent School District
- Bonds to renovate Dunbar High School and Young Men’s Leadership Academy
- Includes Competition Basketball Gym, which will bring people into the neighborhood

**Texas DPS**
- Texas Department of Public Safety
- Streetscape improvements of East Rosedale Street
- Improves sense of place, walkability, and flow of traffic
INITIAL TIMELINE

- Transformation Plan Update
- Application Submission
- Resident Relocation

- Grant Award
- Cavile Demolition
- Grant Award
- Initial Tax Credit Application(s)
- Initial HUD Approvals

- Break ground on initial Housing and Neighborhood projects

- Estimated completion of all proposed grant activities
THANK YOU!