

28 April 2022



Cornerstone Masterplan

CFL mTap team

- 01 The Client: Cornerstone Baptist Church
- 02 Location & Context
- 03 Masterplan
- 04 Partners
- 05 Financial Analysis
- 06 Action Plan
- 07 Q & A



ULI DFW CFL mTap TEAM



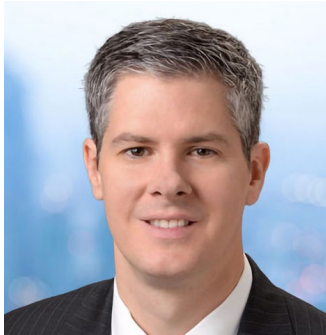
DJ Meagher
Finance



Taylor Blanchard
Development



Stephen Knowles
Planning



Brian Bolton
Legal



Edjuan Bailey
Development



Harry Krieger
Finance



Center for Leadership

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Cornerstone Baptist Church



The Cornerstone Baptist Church is a South Dallas place of worship offering a variety of community services, including food, clothing, and shower facilities for the homeless.

The Cornerstone Development Corporation is associated with Cornerstone Baptist Church which has a 60-year presence and outreach to the South Dallas / Fair Park Community.

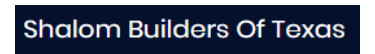
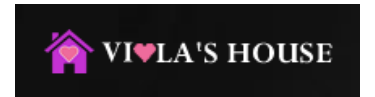
Cornerstone has acquired 32 properties within a one-mile radius of the Cornerstone Campus.



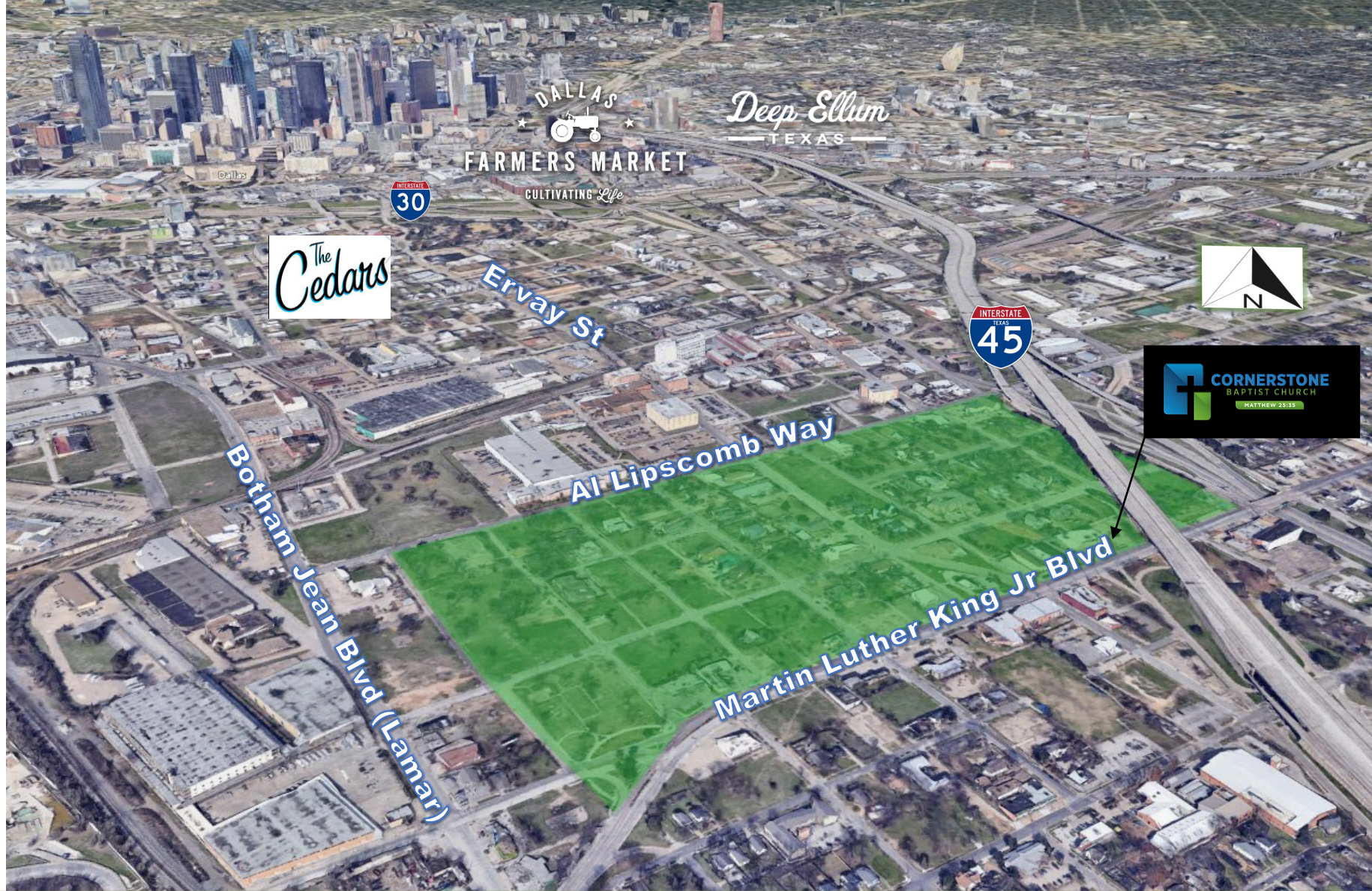
Services – Partnering Non-Profit organizations and ministries housed on the campus of Cornerstone and providing a ministry or service to meet the needs of the South Dallas and Fair Park Community.

- **The King's Academy** – The King's Academy, PreK-4 through 2nd Grade is housed in the Worship facilities of Cornerstone Baptist Church. TKA provides an exemplary Kingdom education by investing in the whole child: spiritually, academically, and emotionally.
- **The Viola House** - Viola's House is a non-profit emergency placement Maternity Home for teenage girls facing an unplanned pregnancy. Viola's House utilizes a holistic approach to help teenaged expectant mothers make enduring and positive changes in their lives by providing basic life necessities of housing, food and clothing, programming which includes life skills, education, and training in financial literacy, parenting and counseling.
- **Cornerstone Crossroads Academy** - Cornerstone Crossroads Academy exists to expose at-risk high school students to a quality education and to equip future leaders to impact their community. CCA graduates are equipped to become independent and productive members of society.
- **Bike Friendly** – Bike Friendly Bike Shop exists to help community residents learn how to safely ride a bike, be encouraged to ride their bikes, (which will improve community health outcomes) and provide opportunities for children and youth to earn their own bike.
- **Cornerstone Center for Economic Opportunity** - Cornerstone Center for Economic Opportunity focuses on empowering adults facing social, economic, addiction and other at-risk challenges that impedes their success to start their own business. CCEO provides dignified assistance and meaningful training to the potential business owners.

- **Trinity Restoration Ministries** - Trinity Restoration Ministries (TRM) is a prison mentoring and aftercare ministry which provides dignified assistance and meaningful training to men coming out of prison. TRM works to minister not only to inmates, but also to their children and families. TRM participants are required to be involved in the Cornerstone Church by using their gifts / talents to support the ministries of the church.
- **Shalom Builders of Texas** - Shalom Builders of Texas focuses on assisting Seniors with minor home repairs on their home. SBOT aims to address the tremendous repair needs of the uninsured, under-insured, disabled Senior homeowners. Construction needs are in the areas of Kitchen Make-overs, wheelchair ramps, bathroom repairs, and making homes ADA accessible.
- **Southpoint Community Market** - The Southpoint Community Market (Store) provides access to healthy and affordable food. The Market provides job opportunities which benefits the underserved area of South Dallas, Forest District, and the surrounding communities.
- **The Rock Medical Clinic** – medical and dentistry volunteers come to the community to provide care for individuals that cannot get access to services.



01 Client



FAIR PARK

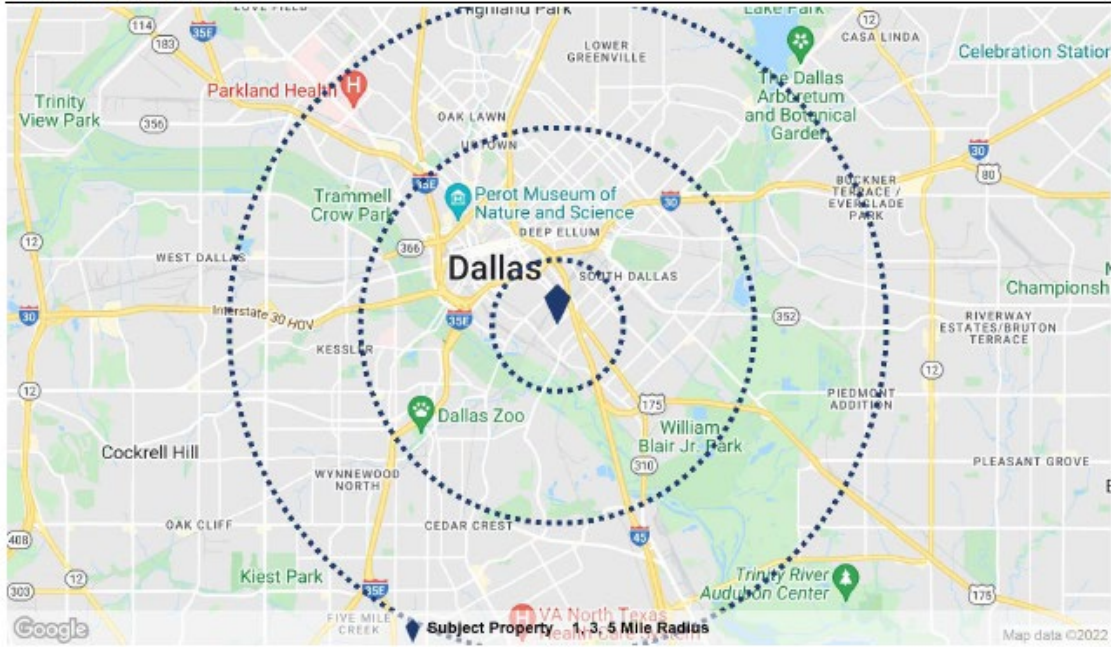
01
Client



Center for
Leadership

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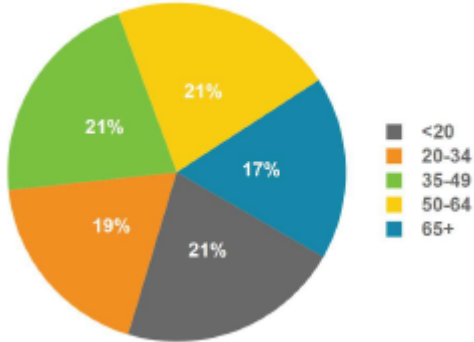
DEMOGRAPHIC RADIUS RINGS



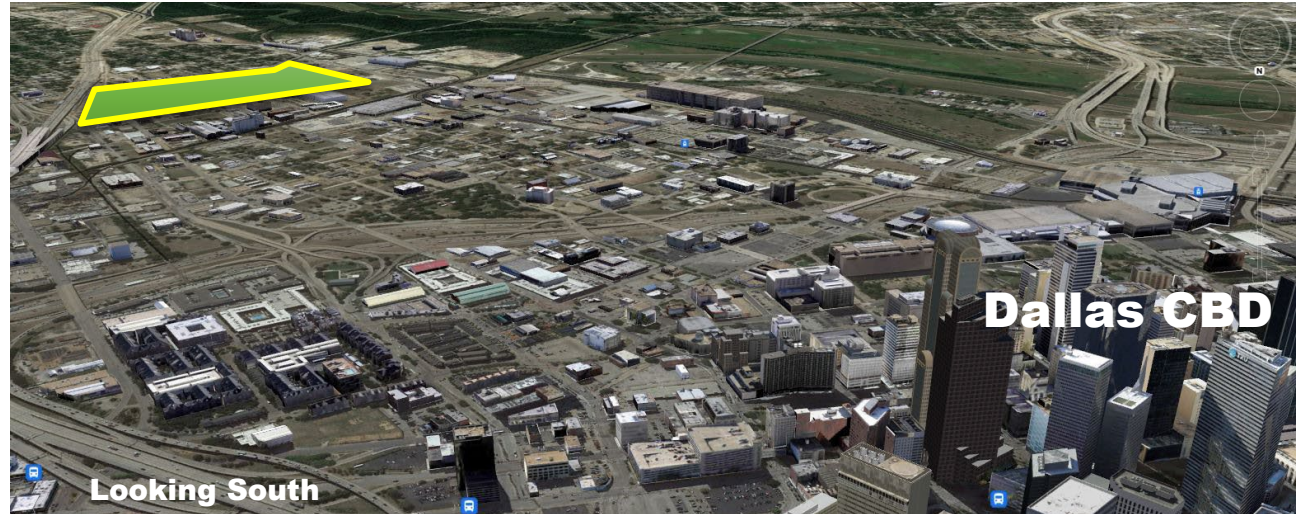
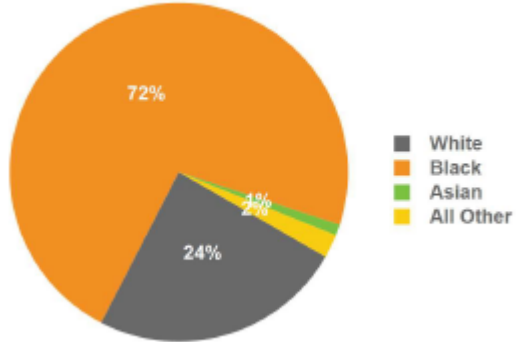
DEMOGRAPHIC SUMMARY

Demographic	1 Mile	3 Mile	5 Mile
Population			
2022 Population	7,872	127,222	369,638
2027 Population	8,132	131,961	376,325
Pop Growth 2022-2027	3.3%	3.7%	1.8%
2022 Average Age	41	38	36
Households			
2022 Households	3,554	55,707	148,531
2027 Households	3,673	58,052	151,712
Household Growth 2022-2027	3.4%	4.2%	2.1%
Median Household Income	\$34,021	\$57,511	\$61,068
Average Household Size	2.0	2.1	2.3
Average HH Vehicles	1	1	2
Housing			
Median Home Value	\$145,230	\$232,649	\$291,738
Median Year Built	1967	1988	1969

POPULATION BY AGE IN 1 MILE RADIUS



POPULATION BY RACE IN 1 MILE RADIUS



01
Client

Ask

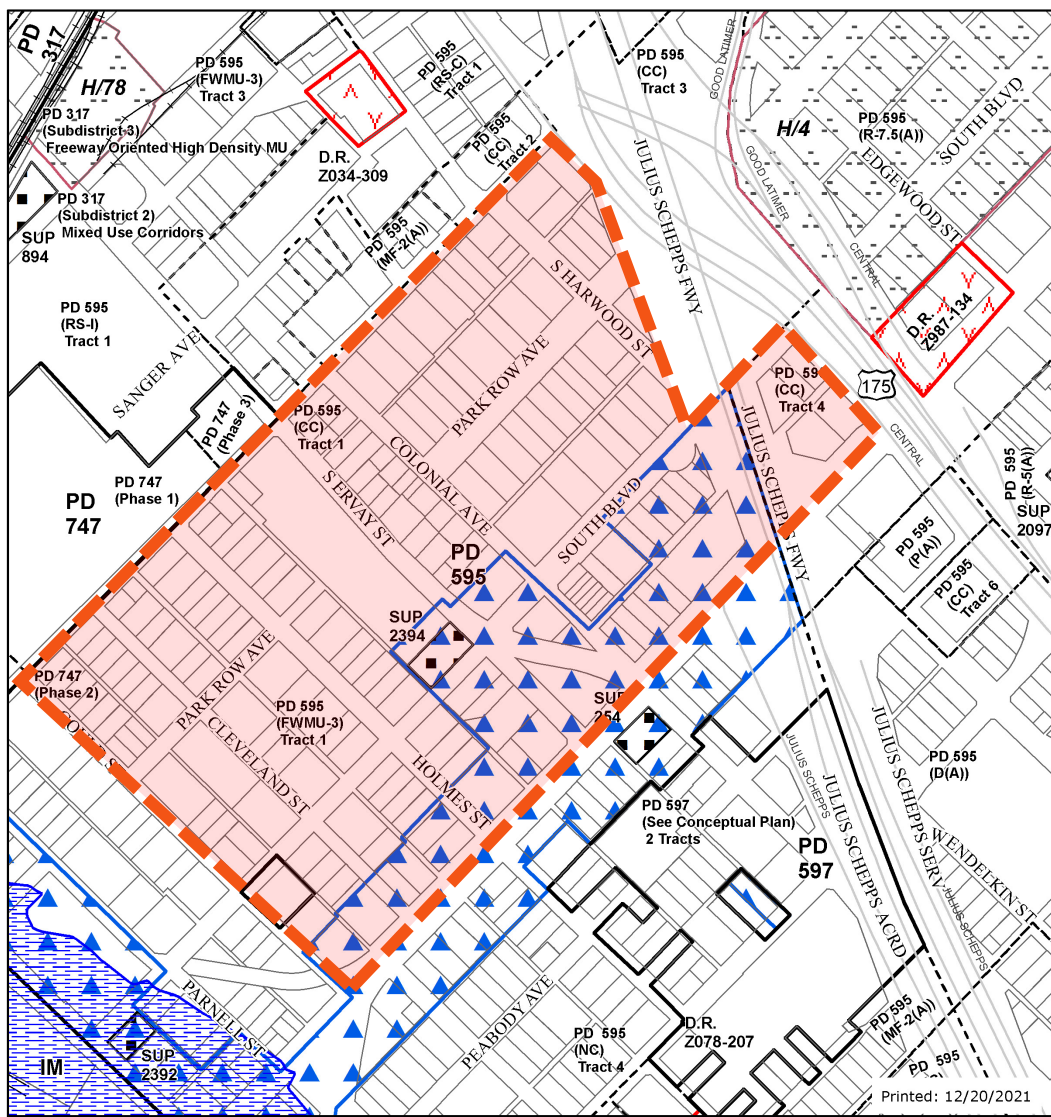
- Help develop a **Master Plan** for our target area that will make the best use of the real estate that Cornerstone currently possesses and will acquire.
 - Develop a plan that will be congruent with the Economic and Community Plan of the City of Dallas.
 - A plan that will bring economic opportunities to the community and its residence.
 - A plan that will produce the following:
 - Affordable Housing
 - Multi-use building, retail downstairs, residential upstairs
 - Mix Income Complex
 - Senior Complex
 - Single family dwellings with Accessory Dwelling Unit option

Focus

- **Master Plan**
 - Identify restriction in **Zoning** to request adjustment:
 - **PD595** (F form subdistrict) – WMU-3
 - Map property for short-term housing goals
 - Long term vision for location for services & economic growth
- **Housing:**
 - Understanding that Cornerstone wants to control the land long term.
 - Return property from City of Dallas ownership to Cornerstone
 - Look at location for a Mixed-Use housing project with a partner.



PD595 (F) WMU-3



PD595 Division 51A

District

F Form subdistrict

WMU-3

Setbacks

Front
Side/Rear
Other No Min.

5/15
5/15

Height

50'
3.5 stories

Lot Coverage

80%

FAR

3.2 Base

Frontage

90% Primary
40% Side Street

Residential Uses

College dormitory,
fraternity, or sorority house
Duplex
Group residential facility
Handicap group dwelling unit
Multifamily
Live-Work
Retirement housing
Single Family

College dormitory,
fraternity, or sorority house
Duplex
Group residential facility
Multifamily
Residential hotel.
Retirement housing

Legend

- City Limits
- School
- Floodplain
- 100 Year Flood Zone
- Mill's Creek
- Peak's Branch
- X Protected by Levee
- Parks
- railroad
- Certified Parcels
- Base Zoning
- PD193 Oak Lawn
- Dallas Environmental Corridors
- SPSD Overlay
- Deed Restrictions
- SUP
- Dry Overlay
 - D
 - D-1
 - CP
 - SP
 - MD Overlay
 - Historic Subdistricts
 - Historic Overlay
 - Height Map Overlay
- CD Subdistricts
- PD Subdistricts
- PDS Subdistricts
- NSD Subdistricts
- NSD Overlay
- Escarpment Overlay
- Parking Management Overlay
- Shop Front Overlay

This data is to be used for graphical representation only. The accuracy is not to be taken/used as data produced by a Registered Professional Land Surveyor (RPLS) for the State of Texas. This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. (Texas Government Code § 2051.102)



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Cornerstone Master Plan

Short Term
Zoning + Housing Options

Long Term
Framework for Community

02 Context



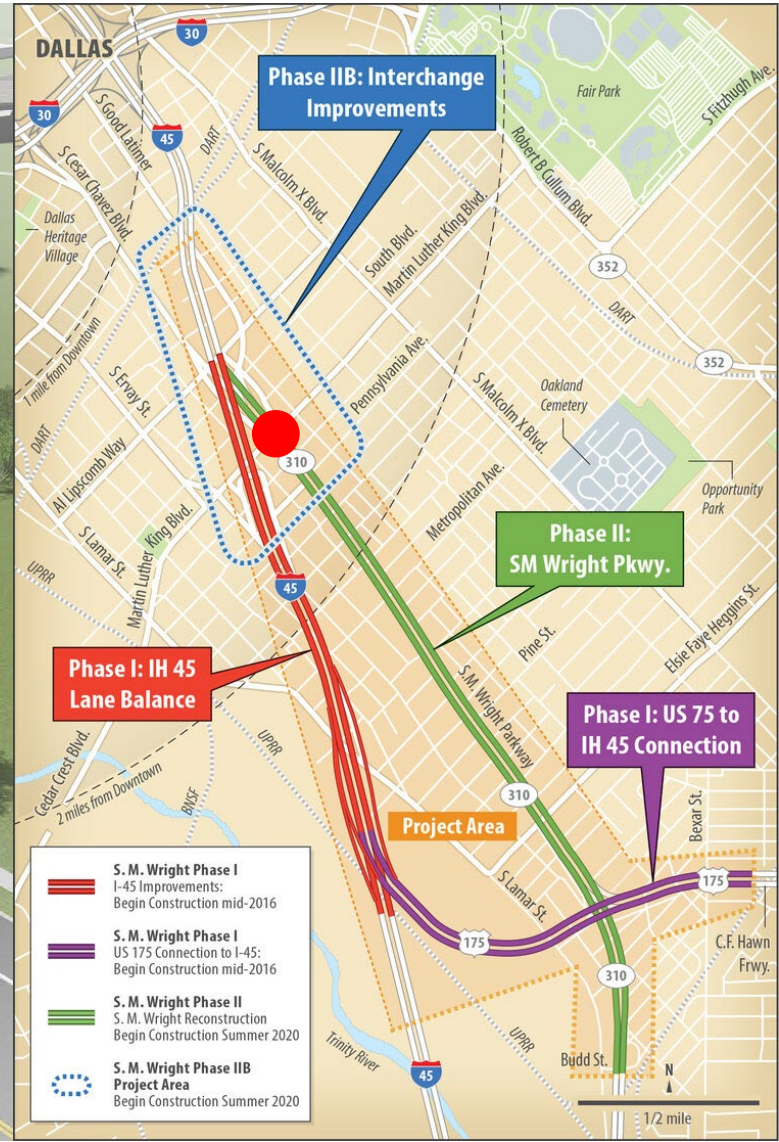
Shop Front Overlay

(F) Form subdistrict WMU-3
Walkable Mixed Use



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Leadership**

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Area Improvements



Transit Oriented Community

Transportation is key to accessing such opportunities as employment, education, and health care. But not everyone has equal access to high-quality, reliable, and safe transportation. *The Urban Institute* is assisting the *South Dallas Transportation Initiative (SDTI)* by identifying promising practices that could help increase transportation equity in South Dallas.

CITY SERVICES
"LIBRARY" /
"COMMUNITY CENTER"

DART

CITY

(MMR)
RESIDENTIAL

(MMR)
RESIDENTIAL

GREENWAY

GREENWAY

Historic residential district

(MMR)
RESIDENTIAL

MISSING
MIDDLE
RESIDENTIAL

CHURCH CAMPUS

T.O.D. MIXED USE

PARK

FOOD TRUCKS
(MIXED-USE)

(MIXED-USE)

Hwy

GATEWAY
M.L.K.

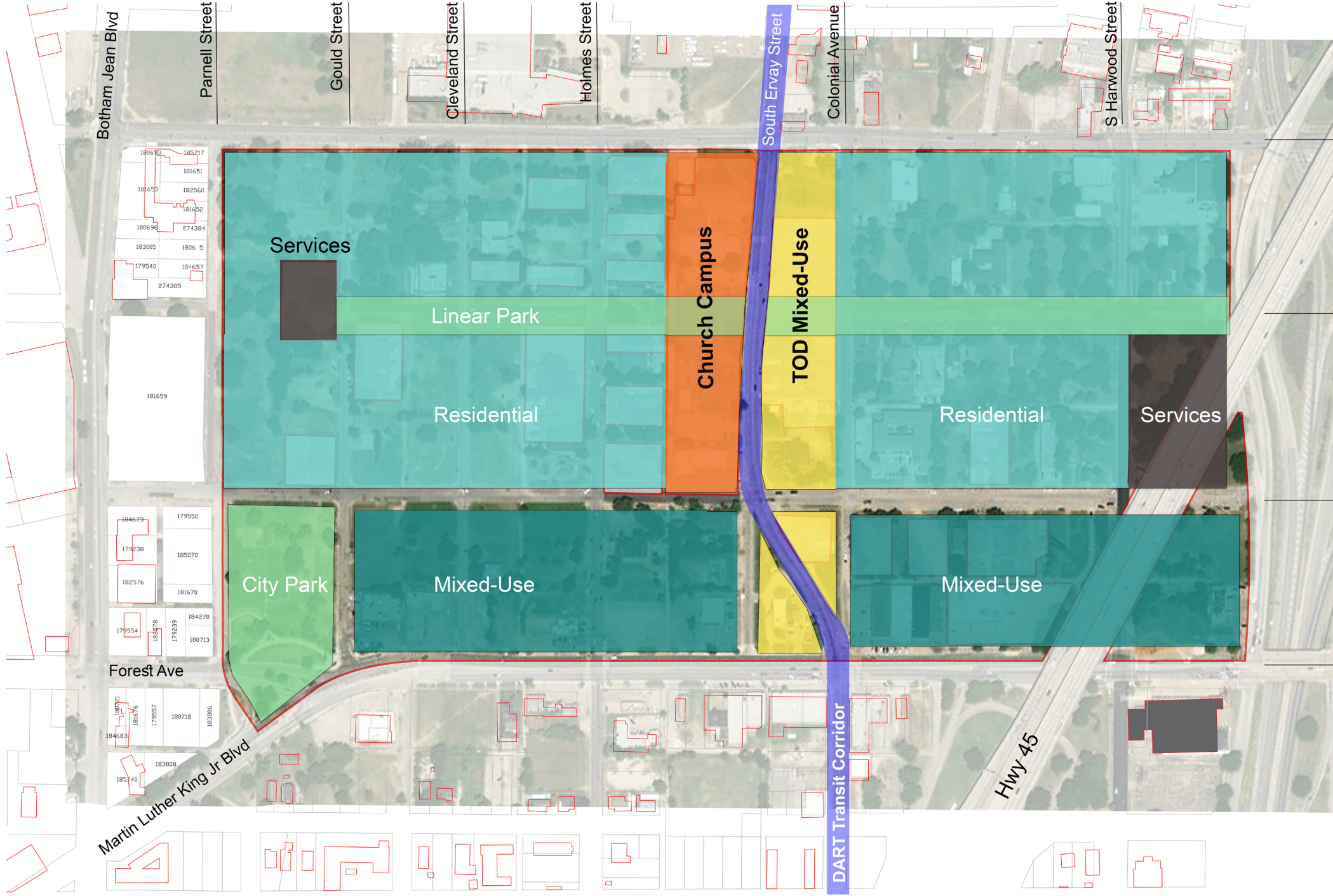
Forest Theater
Community Center



Cornerstone Master Plan Study
Forest District

- Corrington Property
- Contracted Property
- City of Dallas Property

03 Masterplan



Al Lipscomb Way

Park Row Avenue

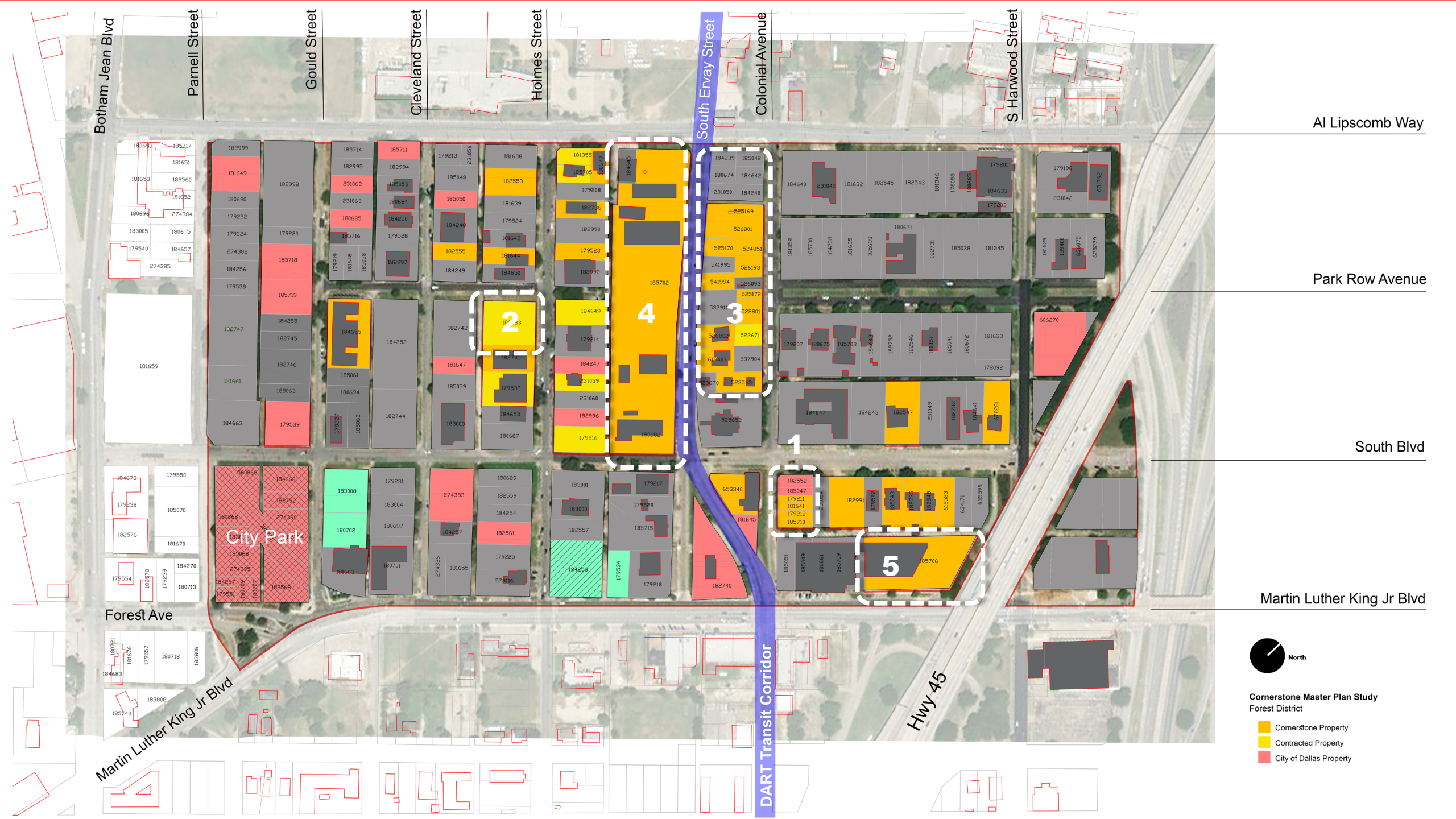
South Blvd

Martin Luther King Jr Blvd



Cornerstone Master Plan Study
Forest District

Re-zoning Diagram



Botham Jean Blvd

Parnell Street

Gould Street

Cleveland Street

Holmes Street

South Ervey Street

Colonial Avenue

S Harwood Street

Al Lipscomb Way

Park Row Avenue

South Blvd

Martin Luther King Jr Blvd

Forest Ave

Martin Luther King Jr Blvd

DART Transit Corridor

Hwy 45

City Park

4

2

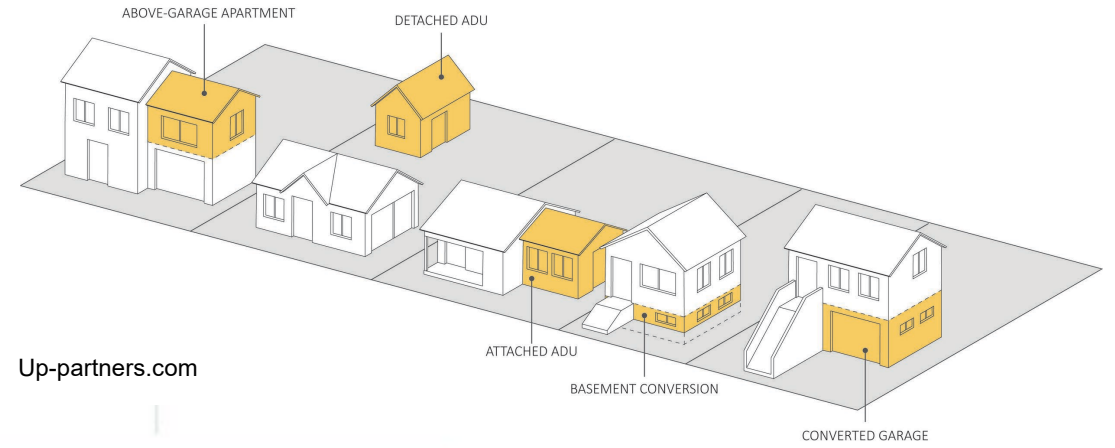
3

5



Cornerstone Master Plan Study
Forest District

- Cornerstone Property
- Contracted Property
- City of Dallas Property





iStock.com



Swww-ai.com



Plant Pre-fab



INCREMENTAL DENSITY

2018

2015

2017

2021

WC-Studio



Habitusliving.com

03 Masterplan



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The 701, Fort Worth project, by Dodson Commercial Real Estate

03 Masterplan



Townhomes

Five properties – 22' x 100' (2221.8 SF)

One property - 31' x 100' (3643.3 SF)



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1

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- 179211
- 181641
- 179212
- 185710

- 182742
- 181647
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- 183003
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- 179532
- 184653
- 180687
- 184649
- 179214
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- 180682

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- 274383
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- 231054
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**ARTICLE XIII: Form Districts
Chapter 51A**

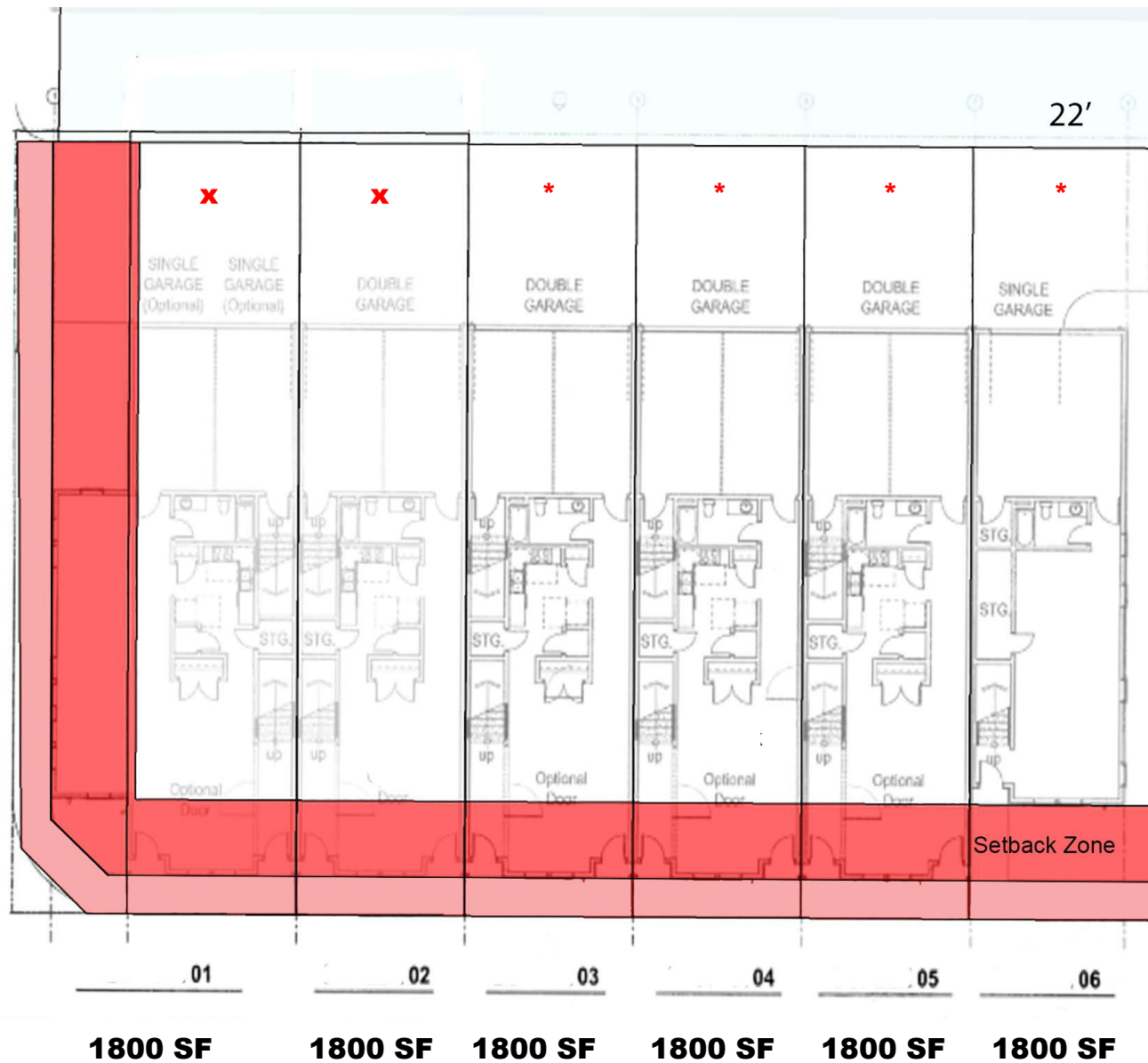
WMU-3 Zoning

Set Backs: 5/15
 Min Stories: 1
 Max Stories: 3.5
 Max. Height: 50 ft
 Street Frontage: 90%
 Side Frontage: 40%

Parking:
 Residential 2 (per 3 bdrm)
 Office 4 (per unit 1)
 3 (per units 2-6)
 Total 31 stalls

Reductions:
bus or trolley transit. - The building official may approve a five percent reduction in the number of required parking spaces for uses with a main entrance within a 600-foot walking distance of an improved bus or trolley transit stop providing both shade and seating. This reduction will be granted only where a rail transit station is not available.
Affordable housing - The building official may approve a reduction in the number of spaces for each standard affordable housing dwelling unit, as defined in Division 51A-4.900, to 50 percent of the spaces required in Section 51A-13.402(a)(2)

On-street Parking - A parking space located on a public street may be included in the calculation of parking requirements if it is adjacent to the building site where the use is located.



* Cornerstone
 x City of Dallas



15 ft
 5 ft





2
180683

Multifamily

Property – 149' x 126.2' (18,804 SF)

- Multifamily
- Parking –
- Senior Housing
- Parking –



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Potential Housing Partners

- Elevate – Sr Housing
- Rehab Warriors





ELEVATE

SENIOR LIVING

BEYOND EXPECTED. WITHIN REACH.

OUR VISION

One day very soon, a senior living community offering quality care and an engaging lifestyle will be within reach of every senior in the country.

OUR MISSION

Guided by the passion, commitment and subject matter expertise of an experienced senior living team, ELEVATE will design, develop and construct Assisted Living and Memory Care communities purposely created for efficiency and value to meet the needs of the forgotten middle-market senior.





How Elevate Partners

- Cornerstone donates land
- Cornerstone and Elevate create JV
- Cornerstone retains 80% ownership
- Elevate uses a turnkey system to build the units
- Typical model is 96 units in six buildings
- These are AL/MC units, can be IL
- 100% private pay
- Built as attainable senior housing, Elevate strives for a rate \$1,000 less expensive than competition



How Cornerstone Benefits

- Retains 80% ownership and has steady income with no cash outlay
- Elevate manages the whole project, including qualifying customers
- Multiple options allow for 1-4 story units
- Fills a housing need
- Can be set up as a non-profit JV



BEFORE



AFTER

REHAB WARRIORS

A NEW APPROACH TO COMMUNITY REVITALIZATION

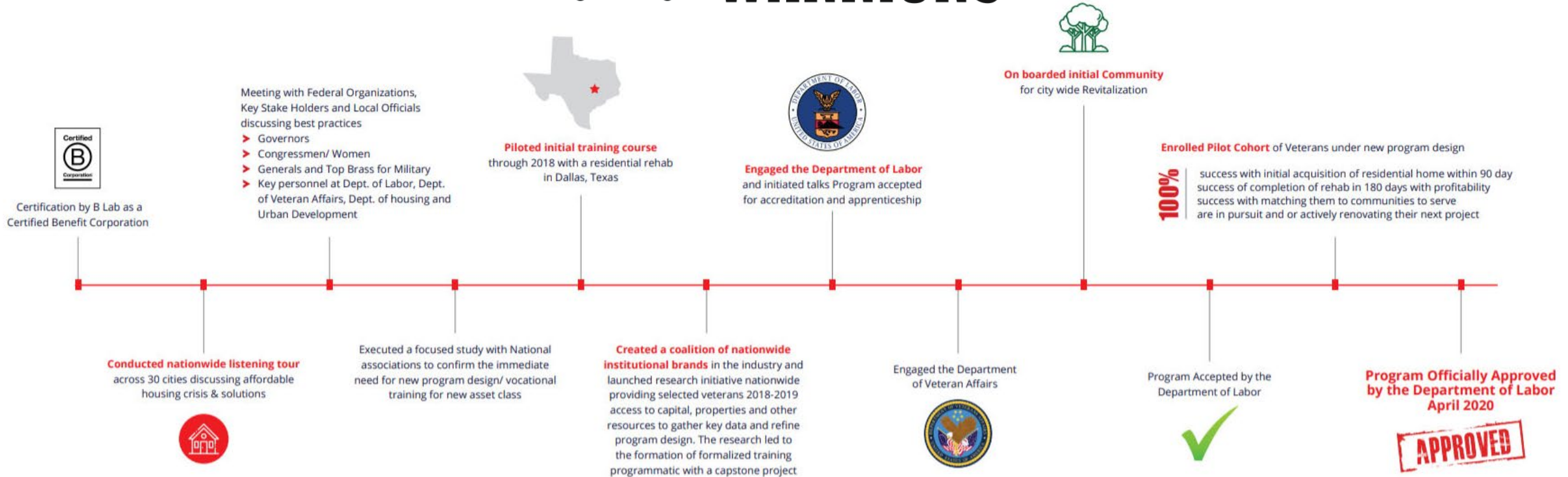
Rehab Warriors partners with community stakeholders to assess market conditions, specify goals and aspirations, and create community-driven redevelopment plans. Rehab Warriors and their partners plan not simply to redevelop property but to redirect market conditions and catalyze regeneration in our neighborhoods.

Rehab Warriors empowers banks, municipalities and institutions to revitalize community, remove neighborhood blight, and create workforce housing; while supporting military veterans with meaningful high earning post service careers as America's Developer.

Rehab Warriors is the nation's first and only certified and accredited workforce development model in residential development which comprehensively addresses veteran transition, affordable housing, and community revitalization; empowering military veterans with meaningful post service education, career readiness with civic leadership as a capable local property developer



REHAB WARRIORS



Andy Williams

Andy Williams, Founder



Clint Bruce

Co-Founder



John Palmer

Principal, Developments



Nick Stanley

VP of Business Development and Government Affairs





DISTRESSED SINGLE FAMILY HOME



COMPLETE RENOVATION



INFILL CITY LOT



NEW CONSTRUCTION SINGLE FAMILY HOME



10 ACRE INFILL TRACK UNDEVELOPED








NEW CONSTRUCTION MULTIFAMILY DEVELOPMENT

EXPERIENCE AND APPROACH

Rehab Warriors brings a team approach and the spirit of collaboration, innovative ideas, best practices and community engagement with a strong design aesthetic to create thriving neighborhood revitalization projects. Our projects are designed and coordinated with our communities to maximize long-term sustainability and minimize displacement.



HOW REHAB WARRIORS COULD PARTNER WITH CORNERSTONE

-  Help secure pre-development funding.
-  Assemble a development team of consultants to lead re-zoning and development efforts.
-  Assist in getting revised PD approved and land entitled.
-  Execute townhome development project on Cornerstone's six lot parcel.
-  Create revitalization/redevelopment continuum following execution of first project.

REHAB WARRIORS COALITION OF PARTNERS





Framework

Looking at alternative affordable and market rate housing product for neighborhood, while encouraging a potential development partner to enter a new submarket of Dallas for new construction

Scenarios

- Affordable Multi-Family or IL Sr. Housing
- Conventional Multi-Family or IL Sr. Housing
- Townhomes

Assumptions

- Multifamily – 0.43 Acre lot
- Townhome – 0.35 Acre lot
- Solving to a ~6%+ ROC based approximate market partner solved return

Townhome Development

Assumptions		
Lot Size	0.34 AC	14,810 SF
FAR		3.20
Stories		3
Gross Building SF		47,393 SF
Rentable %		23.0%
Net Rentable Area		10,900 SF
Total Apartment SF		10,900 SF
Avg Unit Size		1700
Total Apartment Units		6

Development Budget					
Building Cost	\$	150.00	X	10,900 SF	\$ 1,635,068
Soft Costs		20%		of bldg costs	\$ 327,014
Contingency		5%		of bldg cos	\$ 81,753
Land Cost	\$	9.00	X	14,810 SF	\$ 133,294
Total Project					\$ 2,177,129
\$ / Unit					\$ 339,538
\$ PSF					\$ 200

Market Snapshot - Rentable Townhome Comps					
	YOC	Units	Avg Size	Eff. Rent	Eff. RPSF
Echelon at Reverchon Bluffs	2022	82	1804	\$3,231	\$1.79
1553 Fiji	2017	1	1468	\$2,600	\$1.77
436 N Hill	1999	1	1988	\$2,950	\$1.48
5412 Garland Ave	1927/2019	1	1259	\$2,400	\$1.91
Summary	2013	21	1796	\$3,210	\$1.79
Subject	TBD	6	1700	\$2,805	\$1.65

Stabilized Income Analysis (Market Rate)				
Apartment Revenue		<i>per mo</i>		
Rent	\$1.65	\$	2,805	\$ 215,829
Vacancy	5%			\$ (10,791)
Apartments - Effective Rent				\$ 205,038
Operating Expenses	35% OpEx margin			\$ (71,763)
Net Operating Income				\$ 133,274
Return on Cost				6.12%
Target Return on Cost				6.00%
Delta to Achieve Target Return:		% of TDC		
Subsidy on Total Projects Costs		N/A		



Townhome for Rent
 Comp : Echelon at Reverchon
 Avg Unit: 1,804 SF
 \$1.76 - \$1.85 PSF (\$3,231 Effective)

Footnotes

- OpEx margin assumed lower due to reduced Payroll and R&M

Market Rate Housing Development

Assumptions		
Lot Size	0.43 AC	18,805 SF
FAR		3.20
Stories		3
Gross Building SF		60,176 SF
Rentable %	52.5%	
Net Rentable Area		31,592 SF
Total Apartment SF		31,592 SF
Avg Unit Size		900
Total Apartment Units		35

Development Budget					
Building Cost	\$	150.00	X	31,592 SF	\$ 4,738,823
Soft Costs		20%		of bldg cost	\$ 947,765
Contingency		5%		of bldg cost	\$ 236,941
Land Cost	\$	9.00	X	18,805 SF	\$ 169,244
Total Project					\$ 6,092,772
\$ / Unit					\$ 173,571
\$ PSF					\$ 193

Market Snapshot - Rent Comparable Set					
	YOC	Units	Avg Size	Eff. Rent	Eff. RPSF
Digit 1919	2017	102	789	\$1,340	\$1.70
Magnolia off Sylvan	2019	60	768	\$1,490	\$1.94
South Side Flats	2016	288	858	\$1,510	\$1.76
Cortland Good Latimer	2016	340	835	\$1,448	\$1.73
The Kirby	1999	156	853	\$1,433	\$1.68
Summary	2013	189	836	\$1,455	\$1.74
Subject	TBD	35	900	\$1,532	\$1.70

Stabilized Income Analysis (Market Rate)				
Apartment Revenue		<i>per mo</i>		
Rent	\$1.70	\$ 1,532	\$	645,446
Vacancy	5%		\$	(32,272)
Apartments - Effective Rent			\$	613,174
Operating Expenses	40% OpEx margin		\$	(245,270)
Net Operating Income			\$	367,904
Return on Cost				6.04%
Target Return on Cost				6.00%
Delta to Achieve Target Return:		% of TDC		
Subsidy on Total Projects Costs		N/A		



Conventional Apartments
 Comp : Digit 1919
 Avg Unit: 789 SF
 \$1.49 - \$1.79 PSF (\$1,340 Effective)

Affordable Housing Development

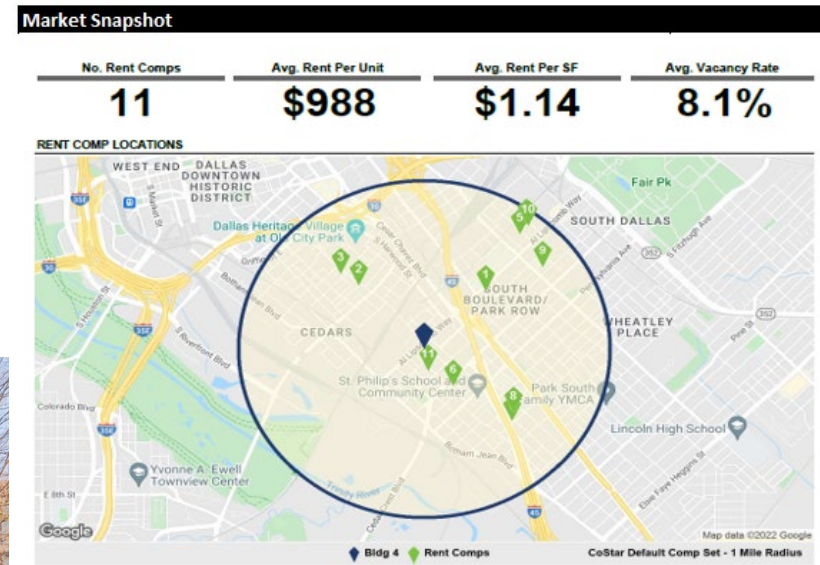
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Land Cost	\$	9.00	X	18,805 SF	\$ 169,244
Total Project				\$	6,092,772
\$/ Unit				\$	173,571
\$/ PSF				\$	193

Stabilized Income Analysis (Affordable Housing)				
Apartment Revenue			<i>per mo</i>	
Rent	\$	1.15	\$ 1,035	\$ 435,972
Vacancy		5%		\$ (21,799)
Apartments - Effective Rent				\$ 414,173
Operating Expenses		40% OpEx margin		\$ (165,669)
Net Operating Income				\$ 248,504
Return on Cost				4.08%
Target Return on Cost				6.00%
Delta to Achieve Target Return:			% of TDC	
Subsidy on Total Projects Costs			32%	\$ 1,951,041
or:				
Average Rents of				\$1.70 PSF / \$1,532



Affordable Apartments
 Comp : Life at Stone Crest
 Avg Unit: 839 SF
 \$1.04 - \$1.16 PSF (\$924 Effective)



- Comp Set within Snapshot is of significantly older vintage

Footnotes

- Rent underwritten at approximately 30% of the 1 Mile Radius HH Median Income (\$34,021) which is generally in line with the surrounding aged existing product as noted in the Market Snapshot.

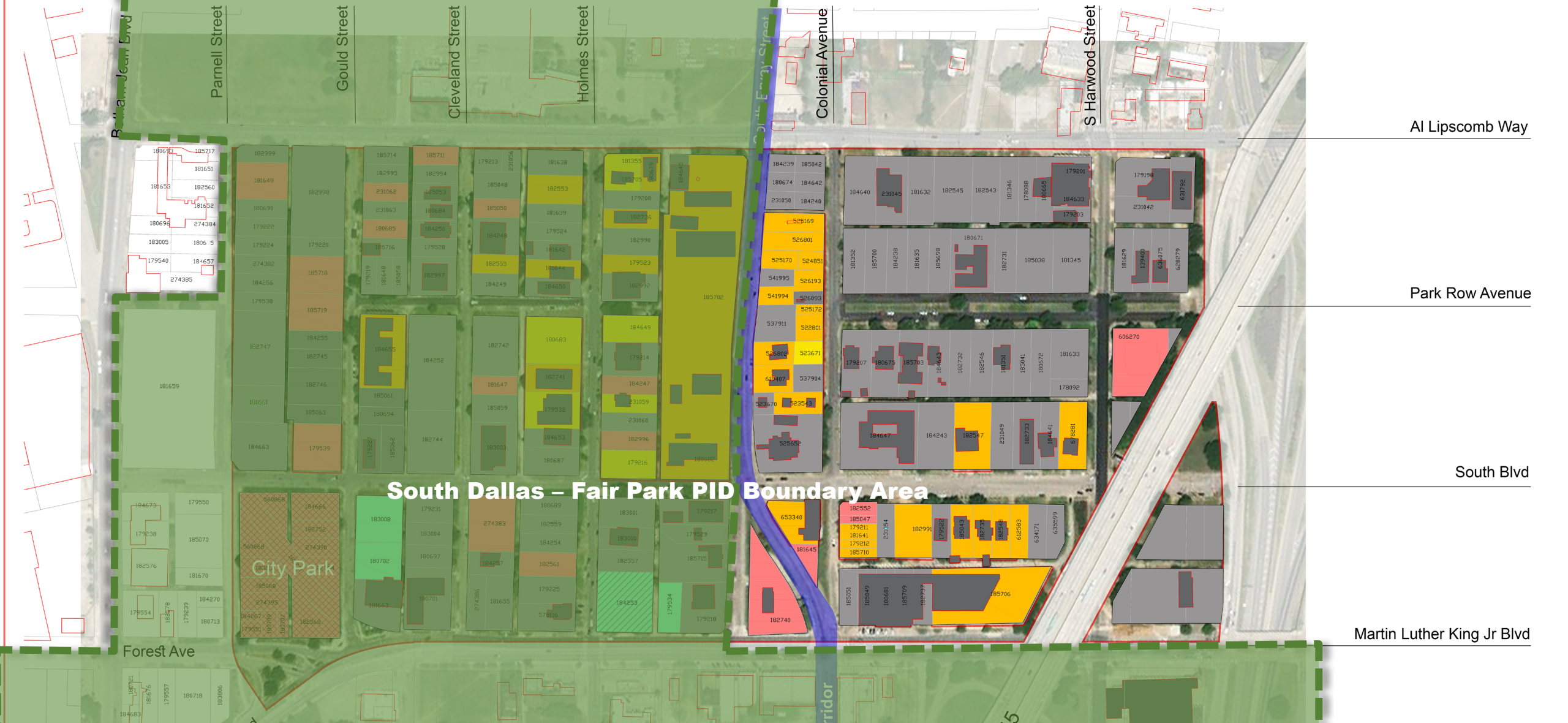
Economic Development Resources and Partners

Resources:

- Grand Park South Tax Increment Financing District
- South Dallas – Fair Park PID
- Brownfield Assessment Grant
- Chapter 380 Agreements
- Low-Income Housing Tax Credits
- Tax Abatements (not available)
- New Markets Tax Credits (not available)

Partners:

- Dallas Public Facility Corporation
- Dallas Housing Finance Corporation



South Dallas – Fair Park PID Boundary Area

05
Financial Analysis

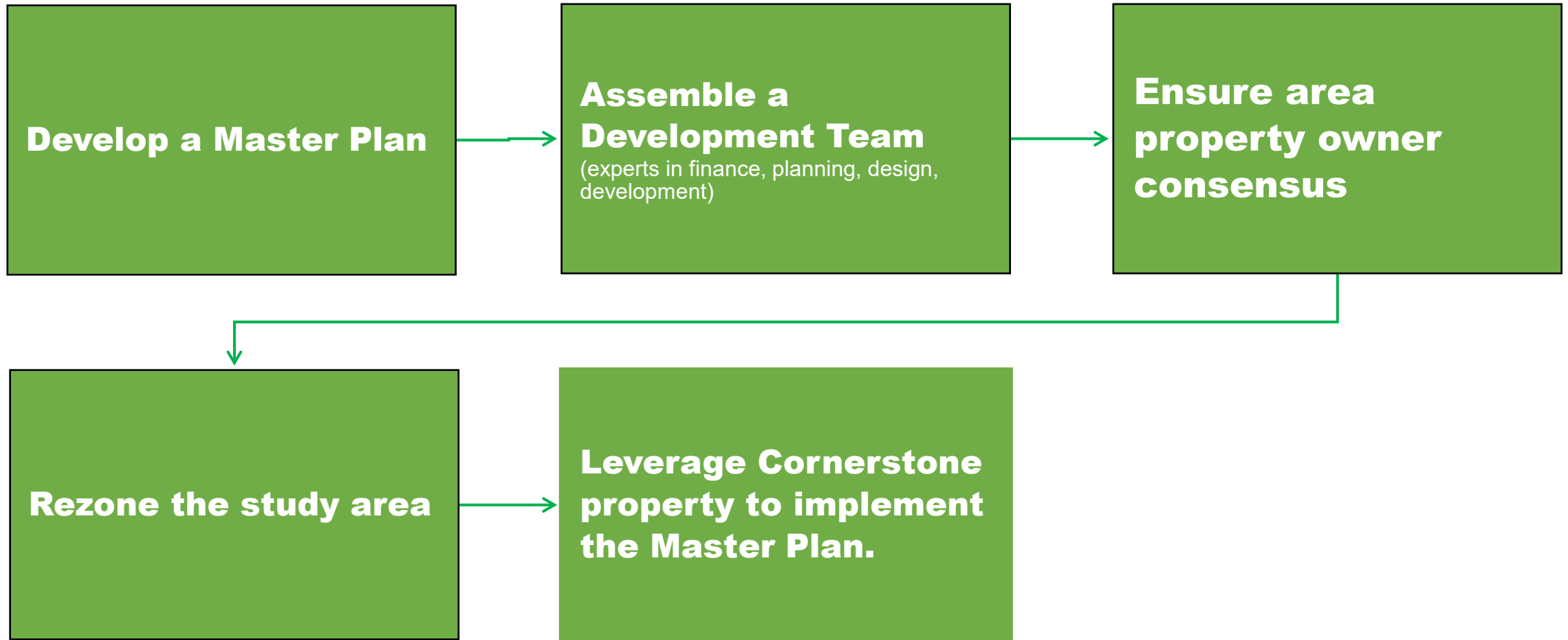
Short Term

- Land Acquisition
- Housing Product Proposed

Long Term

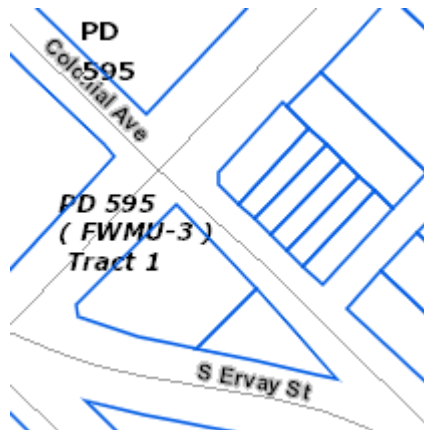
- Zoning Adjustment (PD595 F WMU-3)
- Housing Product Proposed
- Expanding Church Services for Community





Zoning Challenge

- The original PD 595 was written to stop certain developments in this area.
- Over the years the text amendments & overlays have made it such that the time and money required in initial due diligence and permitting is making development in this area (with lack of capital & market) difficult.
- Example:
 - Currently the six properties at the SE of the South Blvd. and Colonial Ave. intersection are platted for townhouse use and are zoned PD 595 FWMU-3, which makes it impossible to develop them as Townhouses or single-family homes because:
 - The base zoning is PD 595 with a subdistrict that follows Form Districts (F) to create Walkable Mixed Use with low density.
 - This allows Townhouse as a development type on these properties.
 - However, Form F properties have to follow regulations in Article XIII in the Dallas Development Code. Sec 51A-13.304 (g) (6) Development Type, TH Townhouse, Garage Placement regulates that:
 - Except for an alley, no garage access is permitted from a public street.
 - All vehicular access must be to the rear of the building.



Proposed Solution

- Amend the existing zoning in the study area to remove PD 595 and all the overlays and subdistricts.
- Create a new PD called Cornerstone PD that matches the vision of the Master Plan for this area
 - Simplified & easy to understand regulations
 - Incentivize development that creates economic gains while accommodating the existing population
- When the City completes their PD 595 amendment process the Cornerstone PD can be assimilated as a subdistrict
 - This could also be used by the City as a test model for zoning in similar areas



PD595

20 year old PD (26 September 2010)
Task Force Updating

MAY 24th

Taskforce Meeting

Starting in June

Community Outreach

2023+

Draft Plan

06 Action Plan



Center for
Leadership

PRESENTED BY ULI DALLAS-FORT WORTH



06 Action Plan



07

Q&A



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Leadership

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THANK YOU