

A group of people are seated in rows of folding chairs outdoors, likely at a community meeting or public hearing. The setting is under a covered area, possibly a pavilion or a large overhang, with a parking lot and trees visible in the background. The image is overlaid with a semi-transparent blue filter. The text is centered over the image.

Cornerstone Community Development Corporation

2025 CFL mTAP

CONTENTS

- 1 Our Partner
- 2 Mission Statement
- 3 Site Audit
- 4 Long Term Vision
- 5 Short Term Opportunities
- 6 Affordable vs. Market Rate Housing
- 7 Financial Gap Analysis
- 8 Next Steps

Our Partner



Offers a variety of community services, including food, clothing, and shower facilities for the homeless.



Cornerstone has acquired 52 parcels of property within a one-mile radius of the Cornerstone Campus.



Baptist Church which has a 60-year presence and outreach to the South Dallas / Fair Park Community



24 of the parcels have structures / buildings used for commercial, multi-family, CBC Church (program) use.

THE BRIEF

"Help Cornerstone Baptist Church develop a **Real Estate Development Plan** for our target area that will make the **best use** of the real estate that Cornerstone **currently possesses** and those that they **will acquire** to yield the ideal mix and economic growth for their South Dallas target area."



“We hope to develop the community,
bringing the people back to live, play
and worship”

CHALLENGES

PD595

PD595 was identified as restrictive, unable to allow for the types of use Cornerstone aim to provide. Previous mTAP advised rezoning.

Design

Past housing proposals have been rejected by the City without clarity on why, a clear understanding of the requirements of PD595 is needed.

Complexity

The church needs guidance on the development process and a set of actionable tools to help them understand their options and make decisions.

Finance

It's unclear if financial assistance is available and appropriate for Cornerstone development goals.

OUR APPROACH

Immersion and detailed research into PD595, permitted uses and form requirements for each parcel within the target development area.

Review of the past rejections and analysis against PD595. Provide actions to resolve the designs to ensure future compliance.

Provide a simple 'how to' guide for navigation the zoning requirements and understanding short and long term opportunities of each parcel.

Analyze Economic Development and Housing Department programs and present options that align with Cornerstone development goals.

Mission statement

Our mission is to provide **clear, actionable** recommendations that **balance** long-term **vision** with practical short-term development **solutions** to assist Cornerstone Baptist Church to create a **thriving** community for the future.

1

The long-term goal is to create a thriving neighborhood and foster economic opportunities within the Cornerstone community.

2

In the short term, our goal is to simplify complex zoning requirements, making city regulations accessible and easy to navigate.



3

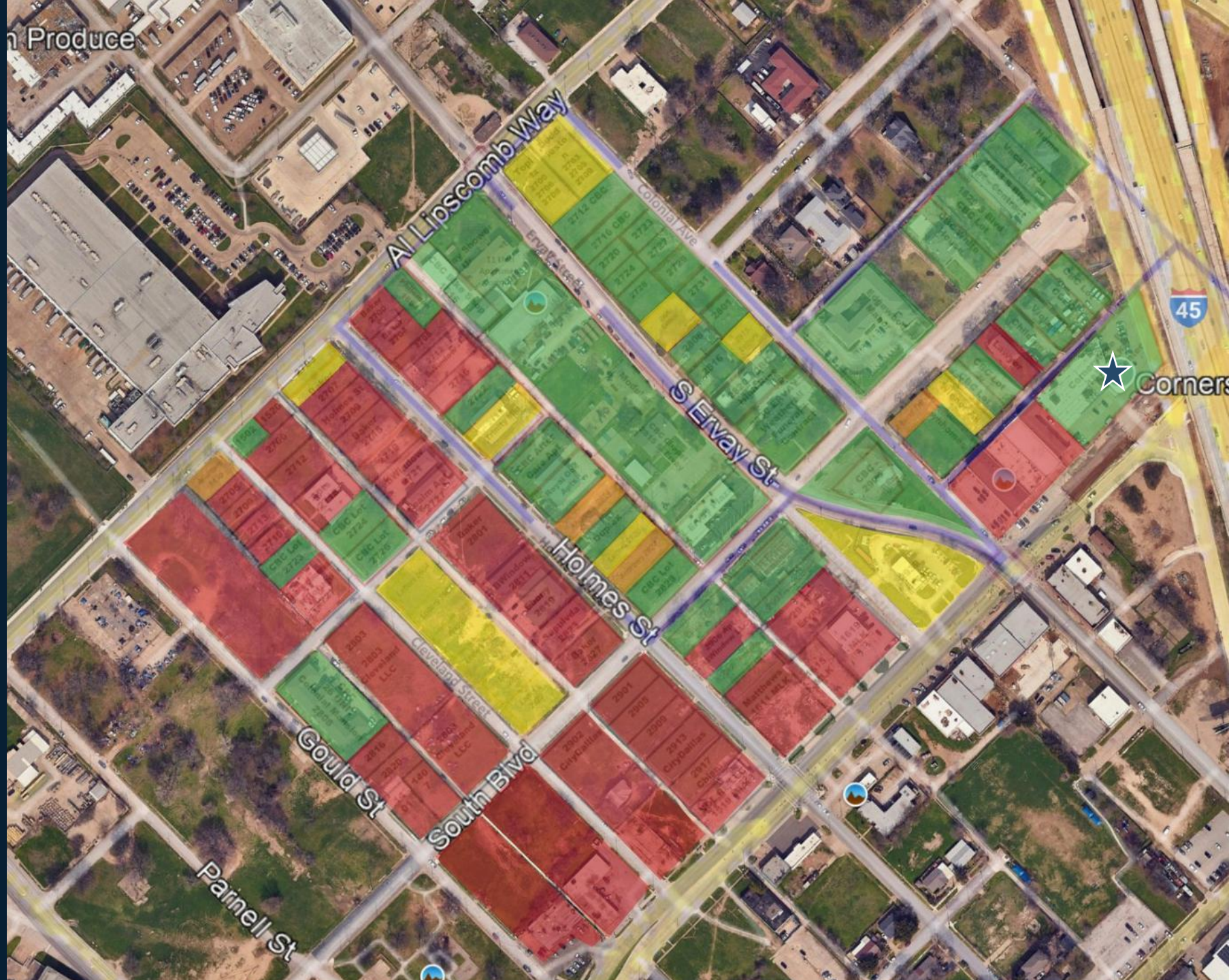
Offer strategic development options to kick-start projects, providing test fits tailored to zoning standards, and financial support guidance.

Our goals aim to build trust and foster sustainable, long-term collaboration between the city and Cornerstone, laying the groundwork for enduring success.

PROPERTY OWNERSHIP

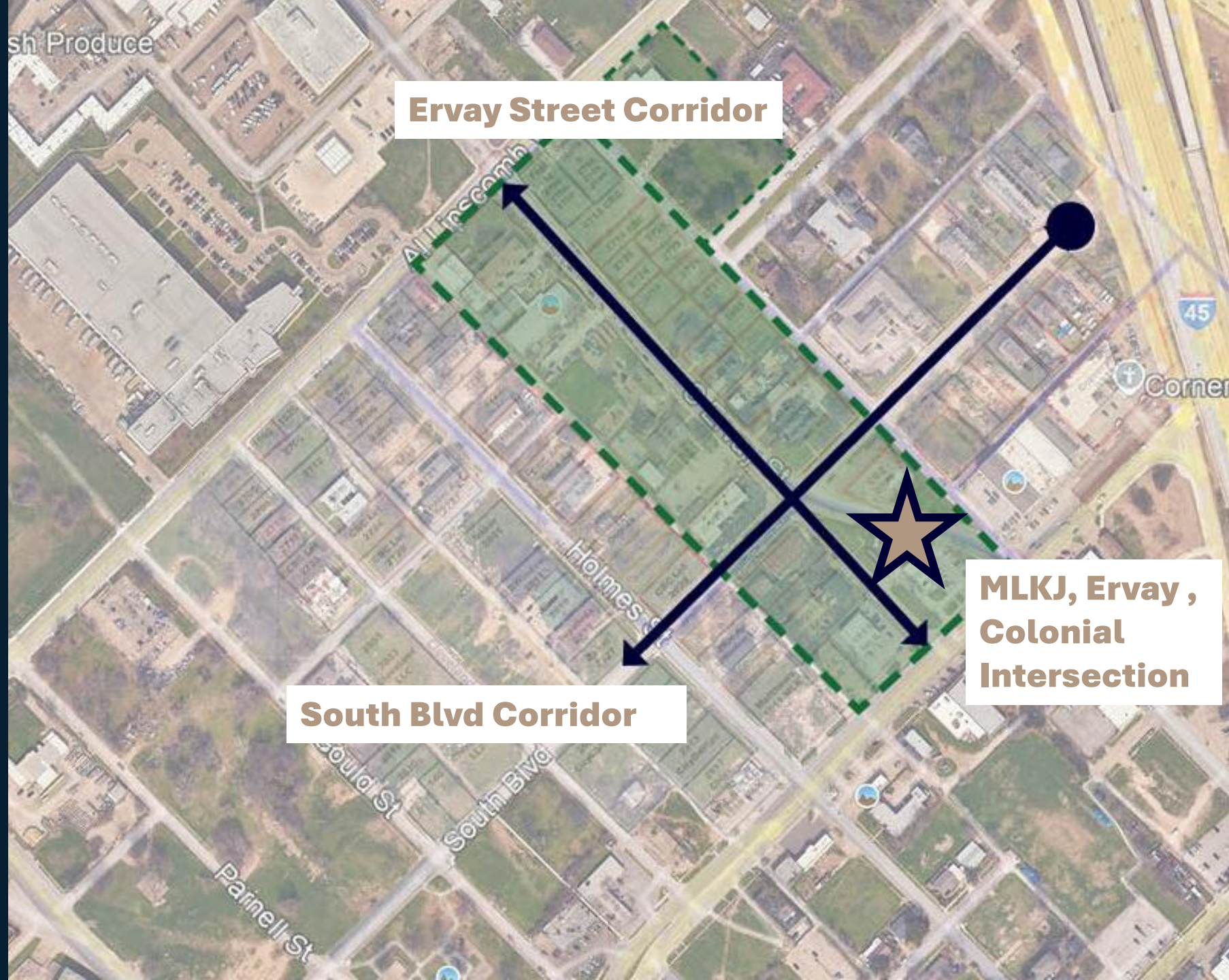
This diagram indicates the properties currently owned by Cornerstone or affiliated entities, those that they are seeking to acquire, and those that are owned by others, and as such are excluded from any short-term planning for the neighborhood.

-  Cornerstone Owned
-  Cornerstone Priority Purchase (Owned by Others)
-  City Owned
-  Owned by Others



LONG TERM VISION

- 1** Identify locations that are suitable for higher density
- 2** Determine which properties could be purchased as priorities to enable future development
- 3** Assess where improvements to public realm and infrastructure are required to support community

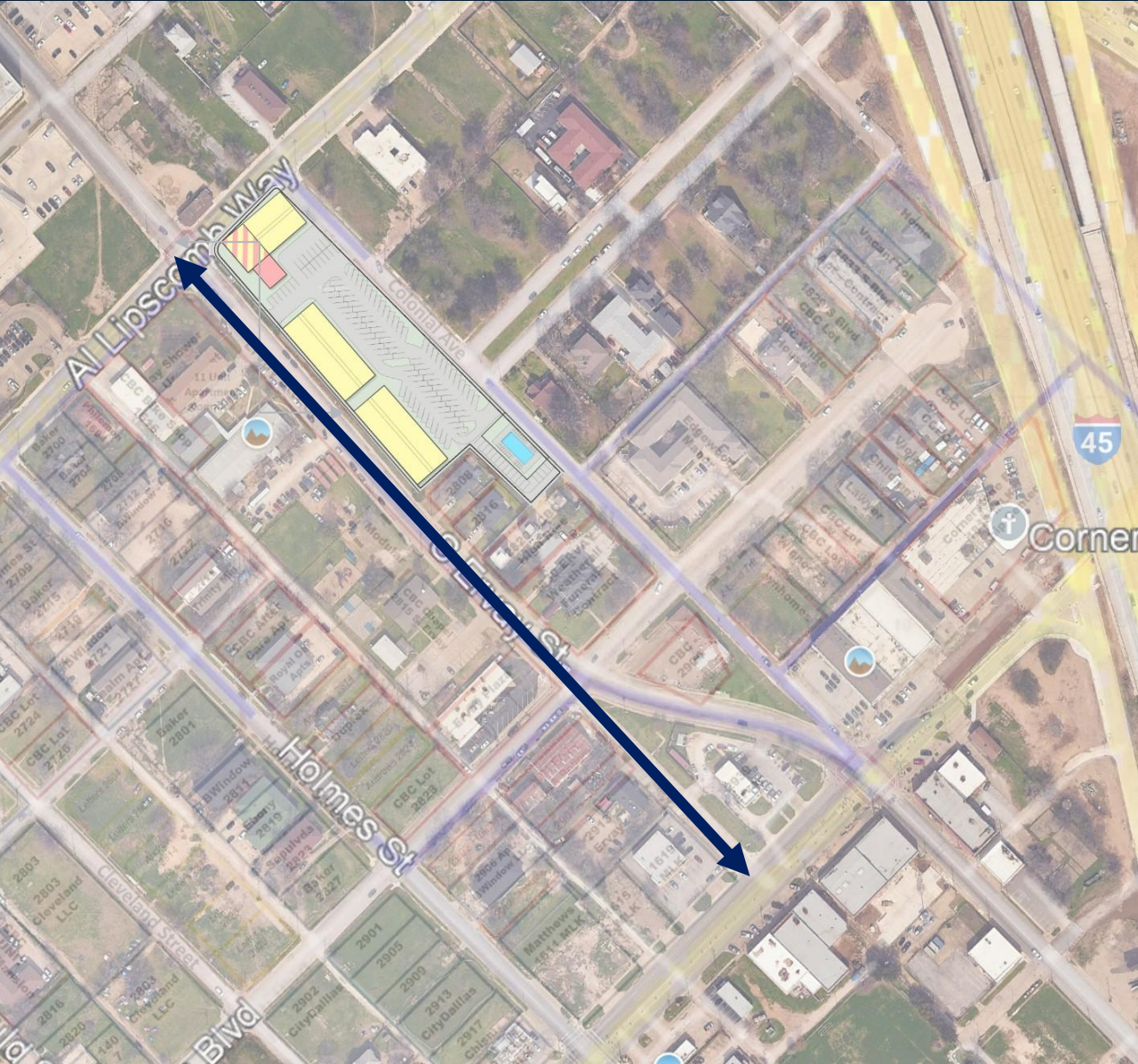


Ervay Street Corridor

South Blvd Corridor

MLKJ, Ervay, Colonial Intersection

ERVAY ST CORRIDOR – Capacity Study

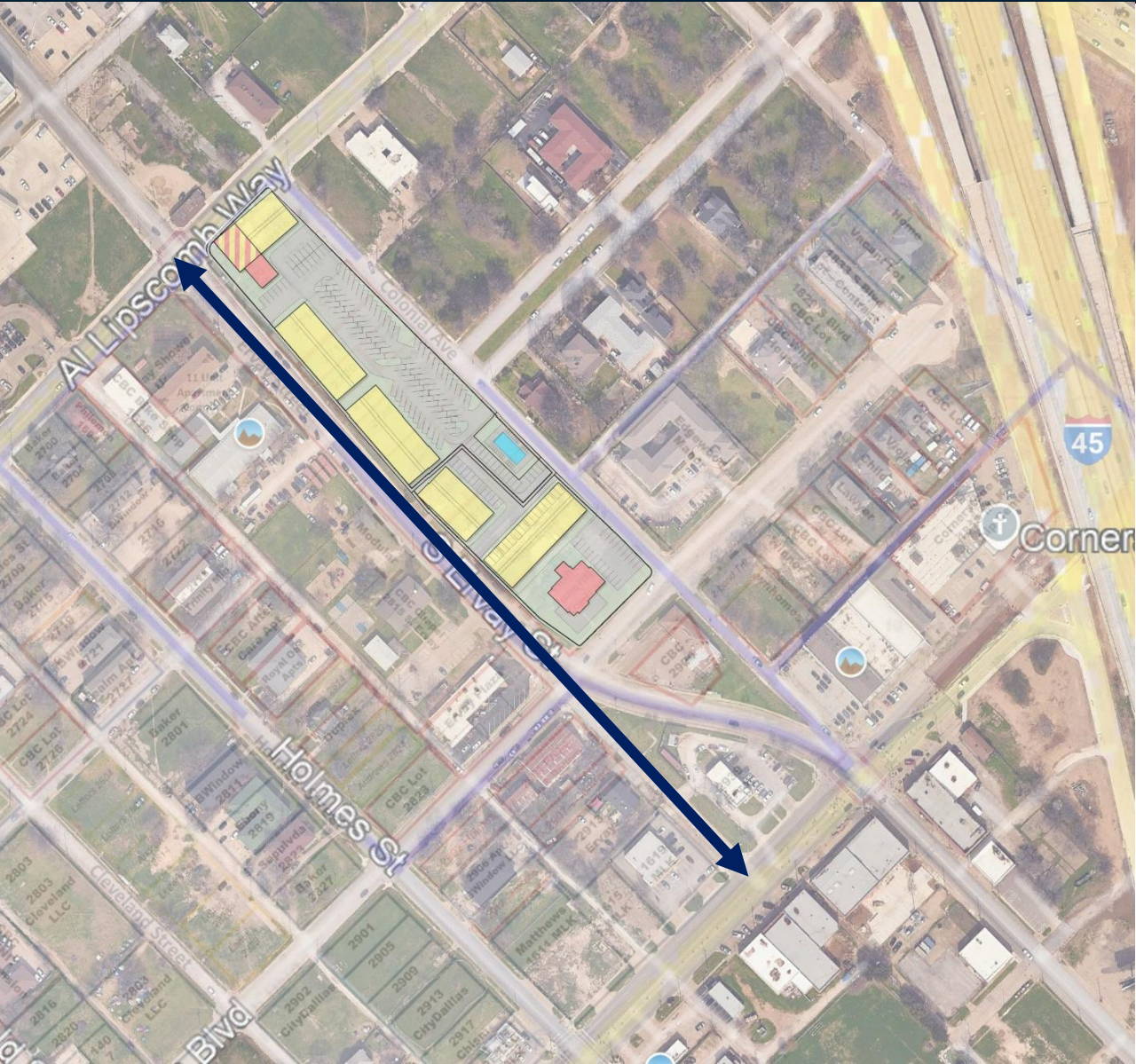


Capacity Study to show the development opportunities along the Ervay Street corridor.

PHASE 1 – Development of Vacant Land

- Up to 70 Multi Family Units – 3 Story, Surface parking only
- Strategic retail / F&B on intersection of Al Lipscomb Way
- Opportunity for Ground Floor Commercial space – live /work units

ERVAY ST CORRIDOR – Capacity Study



Capacity Study to show the development opportunities along the Ervay Street corridor.

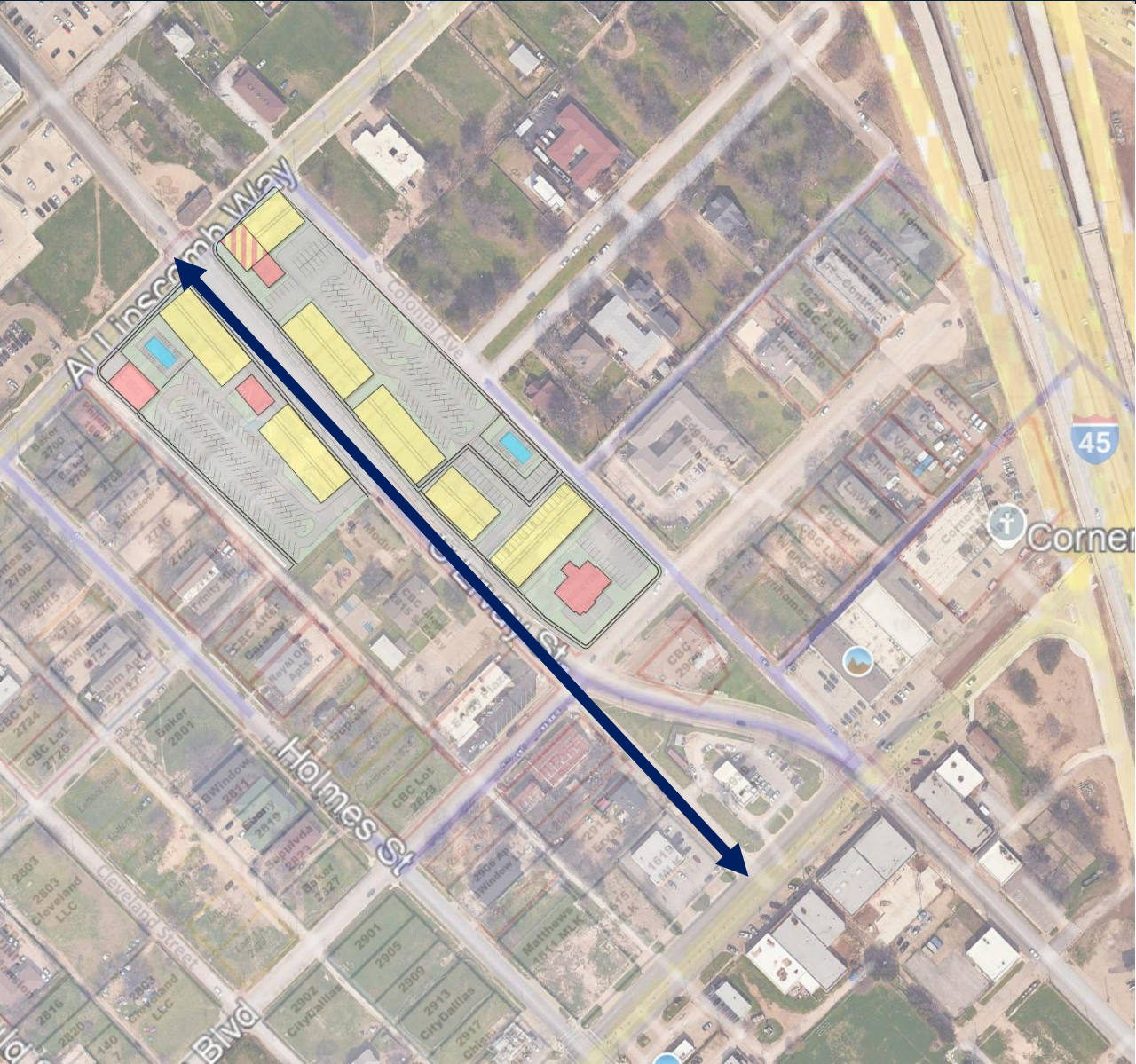
PHASE 1 – Development of Vacant Land

- Up to 70 Multi Family Units - 3 Story, Surface parking only
- Strategic retail / F&B on intersection of Al Lipscomb Way
- Opportunity for Ground Floor Commercial space – live /work units

PHASE 2 – Strategic demolition for densification

- Up to 50 Multi Family Units - 3 Story, Surface parking and some tuck under
- Conversion of Historic property to retail / F&B use

ERVAY ST CORRIDOR – Capacity Study



Capacity Study to show the development opportunities along the Ervay Street corridor.

PHASE 1 – Development of Vacant Land

- Up to 70 Multi Family Units - 3 Story, Surface parking only
- Strategic retail / F&B on intersection of All Lipscomb Way
- Opportunity for Ground Floor Commercial space – live /work units

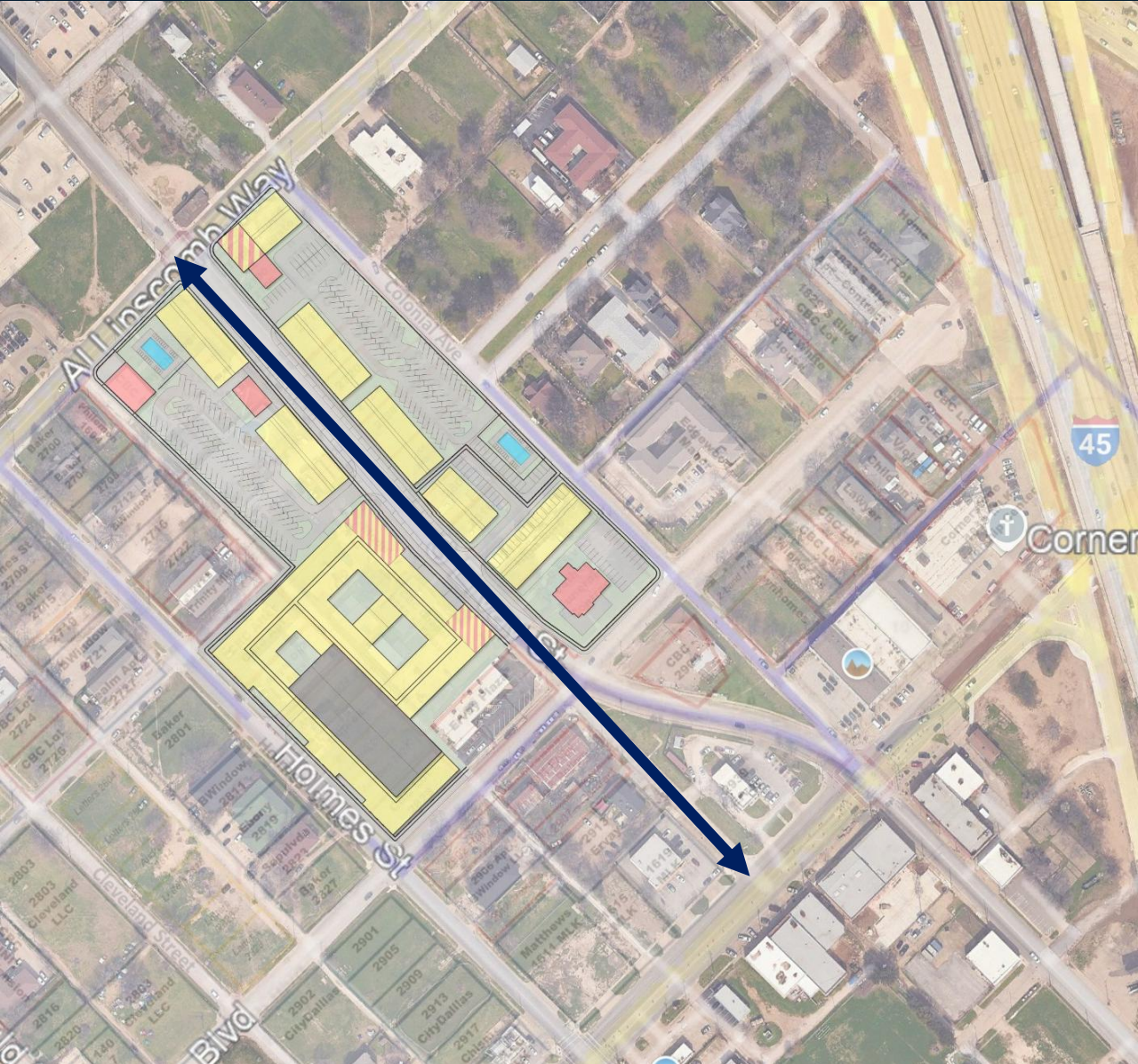
PHASE 2 – Strategic demolition for densification

- Up to 50 Multi Family Units - 3 Story, Surface parking and some tuck under
- Conversion of Historic property to retail / F&B use

PHASE 3 – SW Ervay densification

- Up to 70 Multi Family Units - 3 Story, Surface parking only
- Strategic retail / F&B

ERVAY ST CORRIDOR – Capacity Study



Capacity Study to show the development opportunities along the Ervay Street corridor.

PHASE 1 – Development of Vacant Land

- Up to 70 Multi Family Units - 3 Story, Surface parking only
- Strategic retail / F&B on intersection of All Lipscomb Way
- Opportunity for Ground Floor Commercial space – live /work units

PHASE 2 – Strategic demolition for densification

- Up to 50 Multi Family Units - 3 Story, Surface parking and some tuck under
- Conversion of Historic property to retail / F&B use

PHASE 3 – SW Ervay densification

- Up to 70 Multi Family Units - 3 Story, Surface parking only
- Strategic retail / F&B

PHASE 4 – Development opportunity with commercial partner

- Requires Combining lots
- Up to 300 Multi Family Units – 3 Story with structured parking
- Strategic retail / F&B

Parallel parking introduced along Ervay Street form improved walkability, traffic calming and parking for commercial uses

SOUTH STREET CORRIDOR – Complete Street

- South Boulevard is significantly oversized based on its land use and traffic patterns, creating challenges with comfort, safety and walkability.
- Consider reducing street section through adding a median, or widening sidewalk along one edge and creating a linear green space.
- New development should minimize setbacks to activate the street edge.
- Screening to reduce the noise and visibility of I-45 would provide a more pleasant and comfortable environment.



MLKJ, ERVAY , COLONIAL INTERSECTION






In The Forest MLK District Neighborhood revitalization Plan by Catalyst Urban Development studied the wider community around the targeted cornerstone development area. The proposal for the reconfiguration of the plot at the intersection of Ervay, MLK and Colonial is the preferred solution, subject to land acquisition and city approval. This proposal creates a public space at the heart of the community.



SHORT TERM OPPORTUNITIES




1. Mixed Use development
2. Infill - Residential
3. Townhomes or MF
4. Mixed Use / Public space
5. Cornerstone BC Community Office
6. Infill - Residential
7. Townhomes or MF
8. Townhomes or MF
9. Townhomes or MF
10. Trinity Restoration Ministries (TRM) expansion
11. Infill - Residential
12. Senior Living or Townhomes
13. Davis Manor House

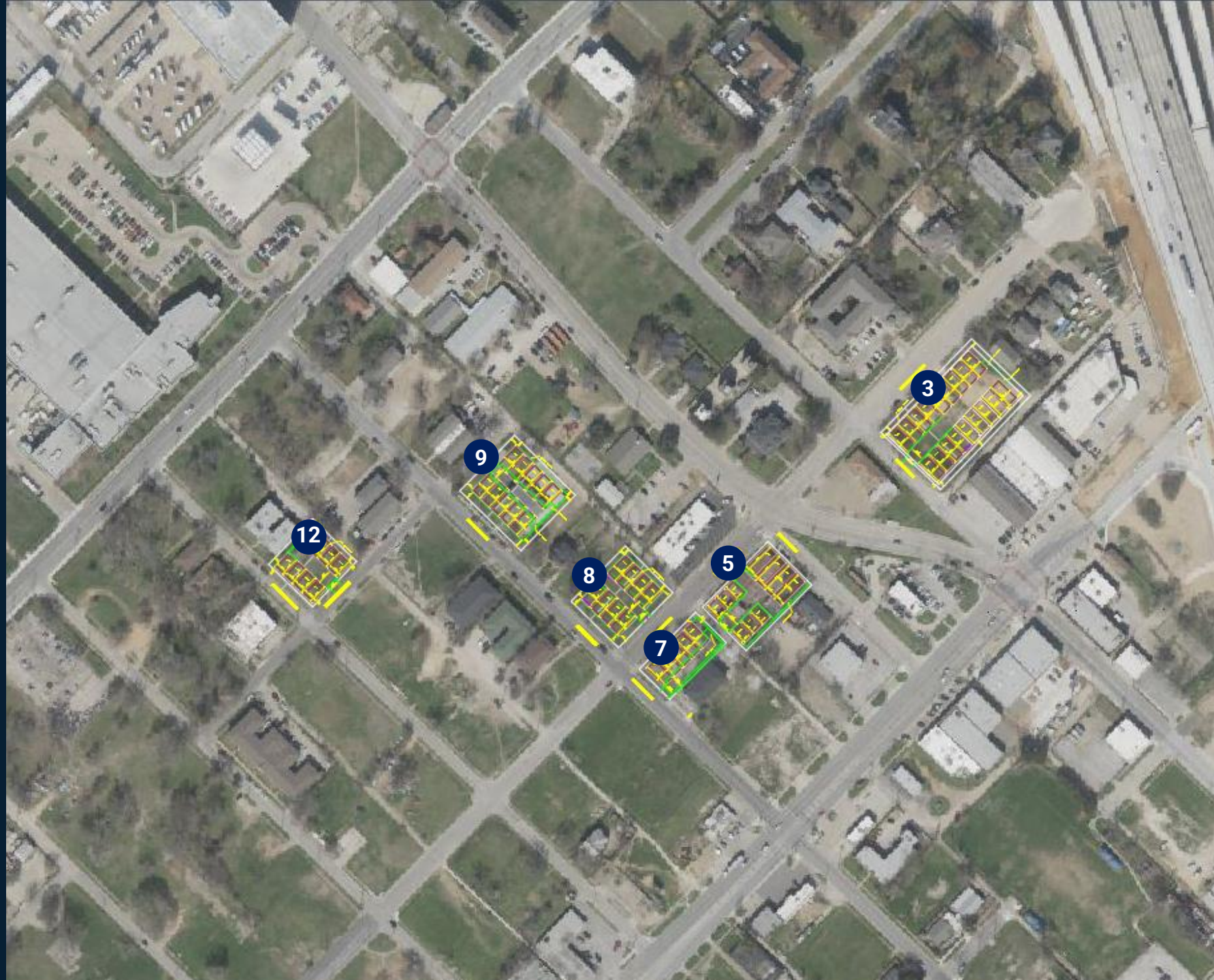
-  Development Opportunity
-  Infill - Townhomes or MF
-  Retained as Existing



SHORT TERM OPPORTUNITIES

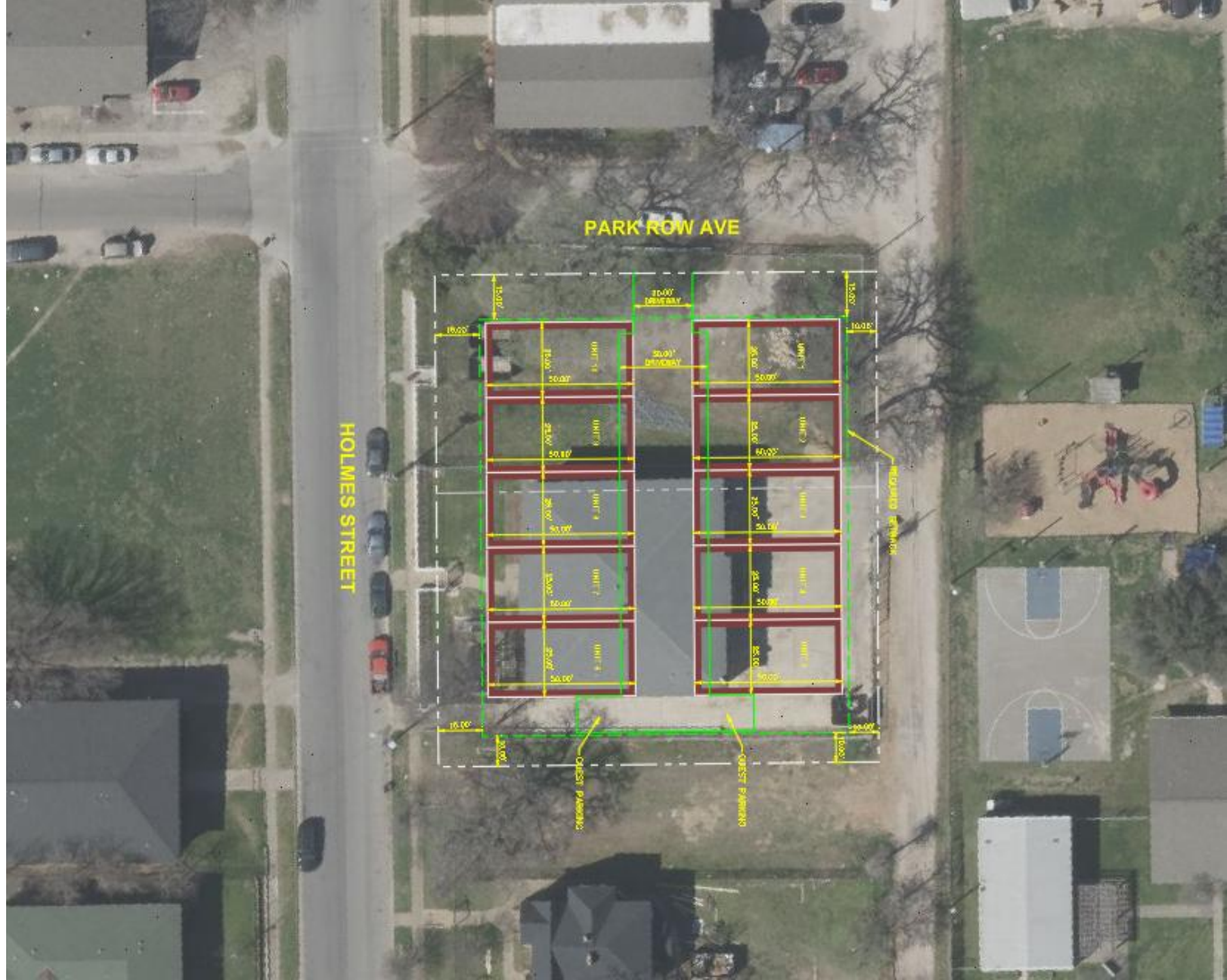
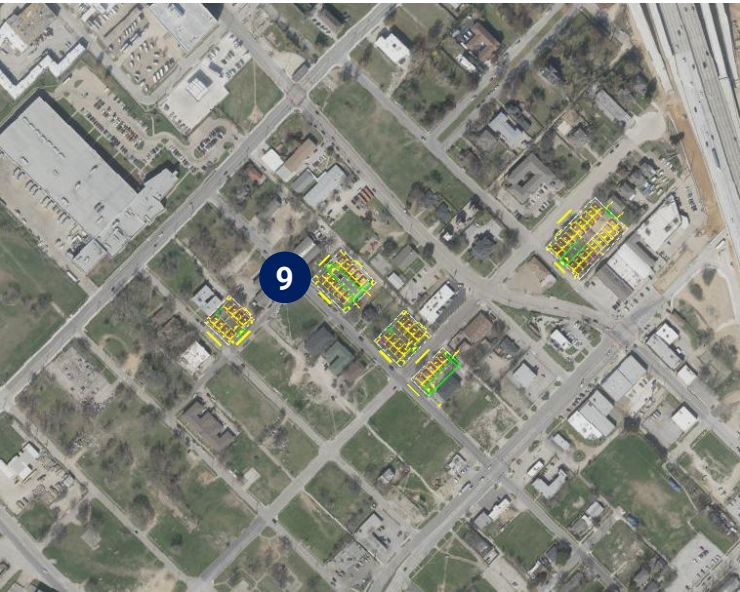
1. Mixed Use development
2. Infill - Residential
3. Townhomes or MF (18 units)
4. Mixed Use / Public space
5. Cornerstone BC Community Office
6. Infill - Residential
7. Townhomes or MF (5 units)
8. Townhomes or MF (8 units)
9. Townhomes or MF (10 units)
10. Trinity Restoration Ministries (TRM) expansion
11. Infill - Residential
12. Senior Living or Townhomes (8 units)
13. Davis Manor House

-  Development Opportunity
-  Infill - Townhomes or MF
-  Retained as Existing



Opportunity Zone 9

10 units



AFFORDABLE vs. MARKET RATE HOUSING

Affordable housing:

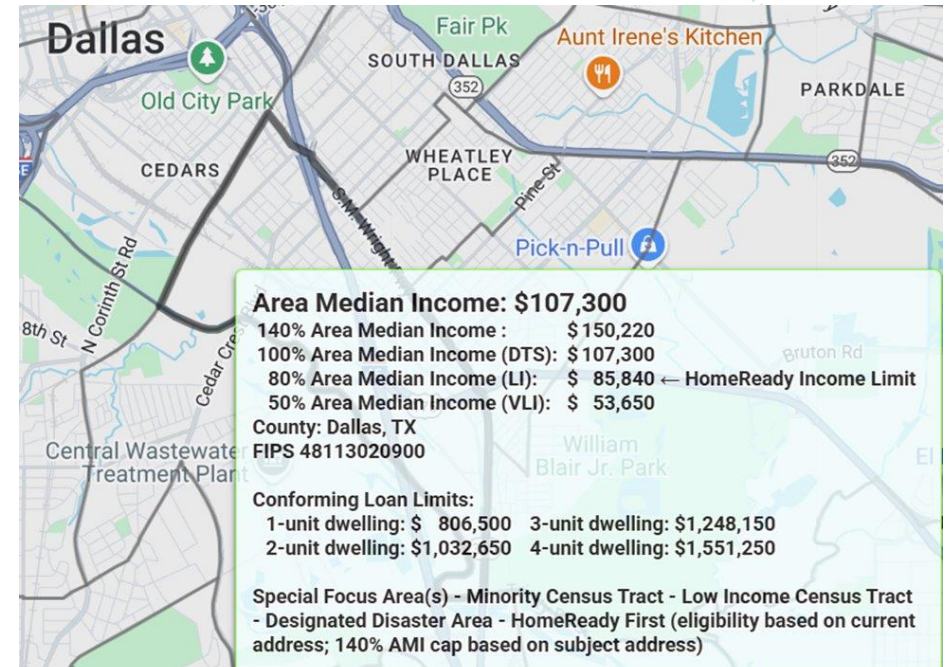
- The U.S. Department of Housing and Urban Development defines affordable housing as housing where the occupant is paying 30% or less of the gross income on total housing, including utilities.

Market rate pricing is influenced by:

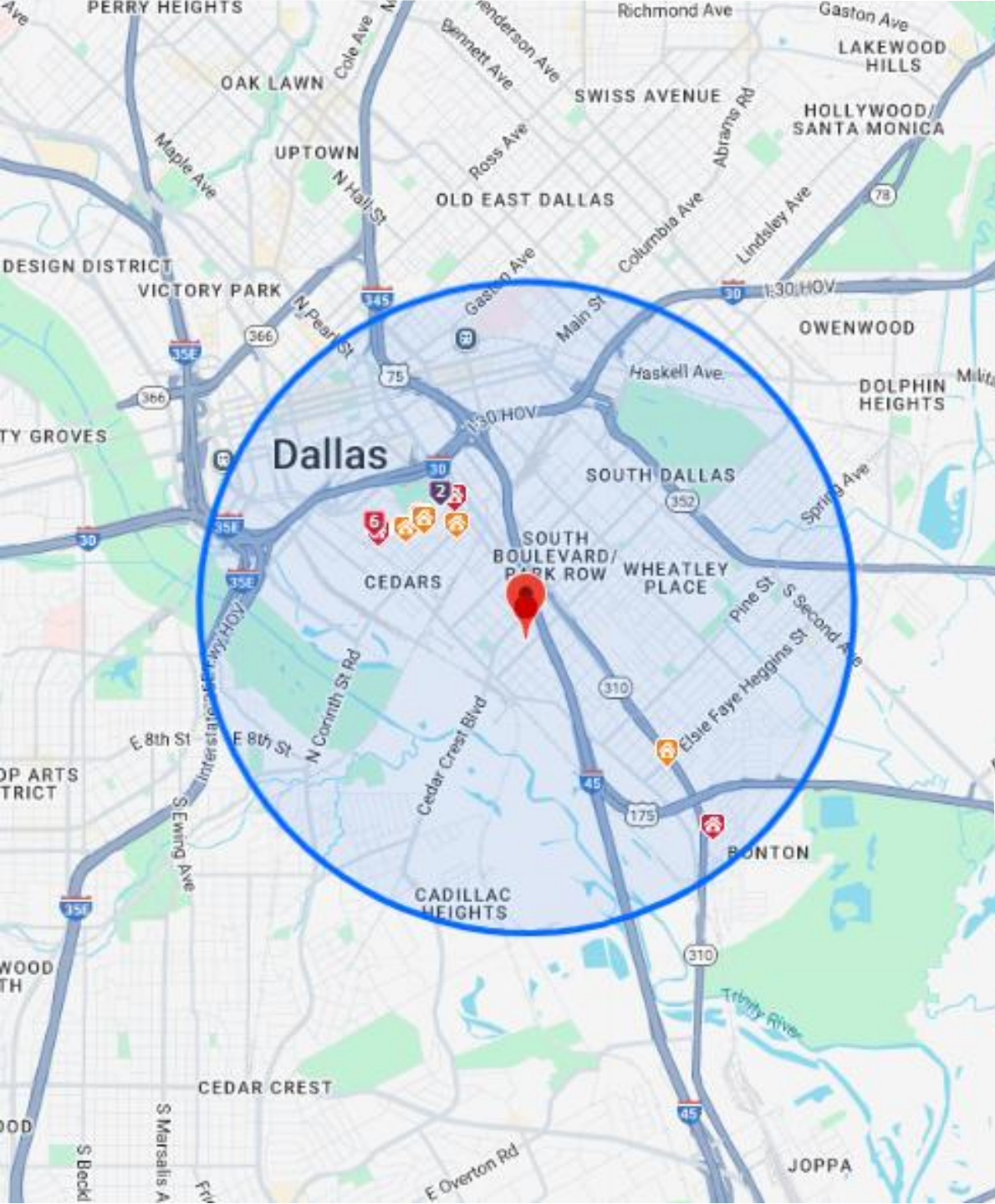
- Economics (supply vs demand)
- Cost to produce (construction, cost of capital, anticipated returns)
- Variable in nature

Affordable rate pricing is influenced by:

- Area Median Income (AMI) established by HUD
- Inflation, Location, Local Market Data (zip codes)
- Less variable, fixed in nature



FY2025 SAFMRs By Unit Bedrooms				
Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
\$1,190	\$1,240	\$1,460	\$1,830	\$2,350



TH's RENTING IN 75215

*Within the 75215 Zip Code & 2.0 Mile radius of CBC:

- Average lease: \$2,800
- Max lease: \$3,500
- Lowest lease: \$2,300

**Within the 75215 Zip Code & 2.0 Mile radius of CBC:

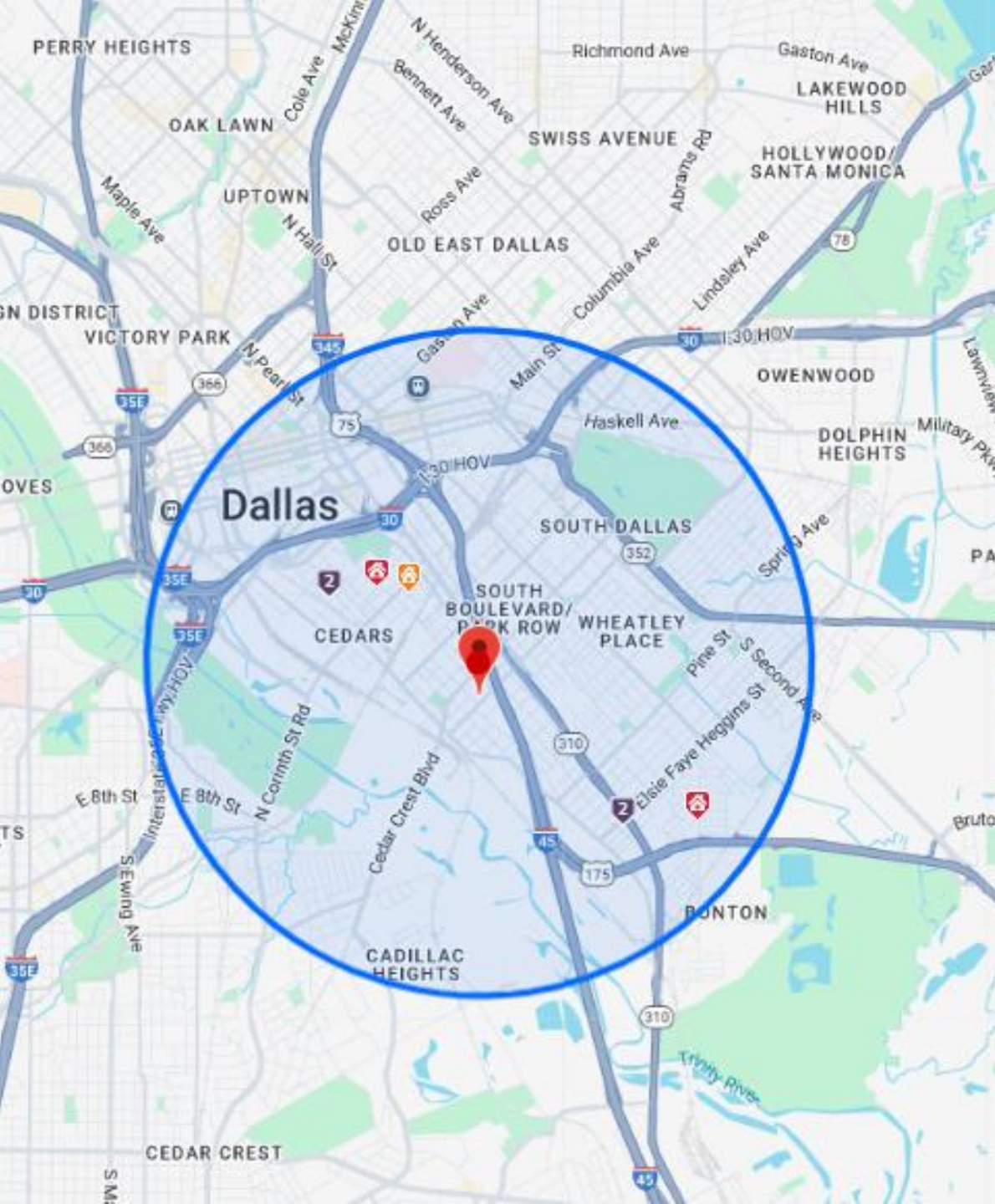
- Average lease: \$3,000
- Lowest price: \$2,300

Stats:

- 29 total listings
- 3 Active Listings: Avg - \$3,600
- 5 Canceled / 6 Expired
- 15 Closed: Avg - \$2,900

*Note: 2-3 bd/ba TH, within a 365-day window as of April 10, 2025

**Note: 2+ bd/ba TH, within a 365-day window as of April 10, 2025



TH's SELLING IN 75215

***Within the 75215 Zip Code & 2.0 Mile radius of CBC:**

- Average list price: \$510K
- Lowest list price: \$271k

****Within the 75215 Zip Code & 2.0 Mile radius of CBC:**

- Average list price: \$530K
- Lowest list price: \$271k .

Stats:

- 42 total listings
- 6 Active Listings: Avg - \$497k
- 18 Canceled / 10 Expired
- 8 Closed: Avg - \$530k

*Note: 2-3 bd/ba TH, within a 365-day window as of April 10, 2025

**Note: 2+ bd/ba TH, within a 365-day window as of April 10, 2025

AFFORDABLE vs. MARKET

Options to bridge the affordability gap*

- 1 Partner with a **non-profit builder** to qualify for sales tax exemption and reduce construction cost.
- 2 Reduce equity required from a 3rd party non-profit developer by **donating the land** to the development.
- 3 Reduce construction loan amount by obtaining a **forgettable loan** from philanthropic groups or **funds from the City** of Dallas (refer to Appendix for programs available through the Housing Department and Economic Development).
- 4 Reduce maintenance and operating costs by **self-managing** the rental properties through Cornerstone community services. Only cost would be insurance.
- 5 Apply for **property tax abatement** or property tax exemption.

*Note: We excluded LIHTC as a viable option for the first infill development due to the limited nature of the project.



Cornerstone Townhomes	FOR RENT	
	Market	Affordable
Total Uses		
Land Costs	\$ 150,000	\$ 150,000
Hard Costs	\$ 2,940,000	\$ 2,940,000
Soft Costs	\$ 1,025,622	\$ 1,025,622
Total	\$ 4,115,622	\$ 4,115,622
Total Sources		
Land Contribution / Donation	\$ -	\$ 150,000
City Funds / Forgettable Loan	\$ -	\$ 830,613
Developer Equity	\$ 1,496,249	\$ 1,346,249
Construction Loan	\$ 2,469,373	\$ 1,638,760
TIF district	\$ 150,000	\$ 150,000
Total	\$ 4,115,622	\$ 4,115,622
Rent per unit	\$ 2,475	\$ 1,830
Yield on cost	7.22%	5.34%
Rent per square foot	1.65	1.22
GPI with 0% vacancy	\$ 297,000	\$ 219,600
OpEx 10%	\$ (29,700)	\$ (21,960)
Property Tax 2.23%	\$ (68,907)	\$ (34,454)
NOI	\$ 198,393	\$ 163,187
Returns		
Debt Payment	\$ (172,856)	\$ (114,713)
DSCR	1.15	1.42
Cap Rate	5.00%	5.00%
Sales proceeds	\$ 4,335,788	\$ 3,263,730
Loan payback	\$ (2,469,373)	\$ (1,638,760)
Equity payback	\$ (1,496,249)	\$ (1,346,249)
Total	\$ 370,165	\$ 278,721
Project IRR	12%	10%
Equity Multiplier	1.25x	1.21x

- 1
- 2
- 3
- 4
- 5

NEXT STEPS

1

Identify resources to engage a **design professional** to prepare a site plan and building permit application for the first catalytic project – townhomes.

2

Partner with a **non-profit organization** to execute and complete the townhome development (preferably with an organization that has developed similar projects in the past).

3

Meet with City of Dallas to **request funding** or gap financing to complete the first development and make it affordable to the community.

4

Select **second development opportunity** referencing site audit and short-long term master plan.



THANK YOU



Sophie Bramall

Arcadis



Davide Guidetti

Realty Capital Residential



Reggie Jennings

Saigebrook Development/
O-SDA Industries



Jason Lehigh

Westwood



Erin Phillips

Witten Advisors



Shirin Namavar

University of Colorado