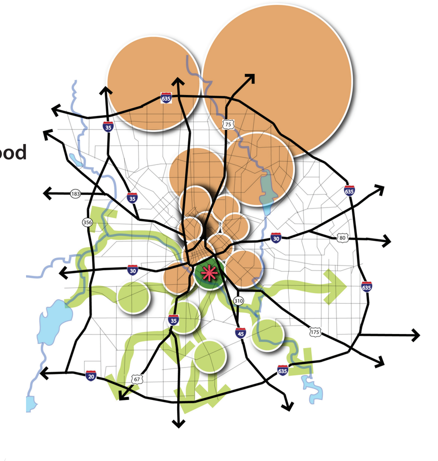
Redefining the Vista

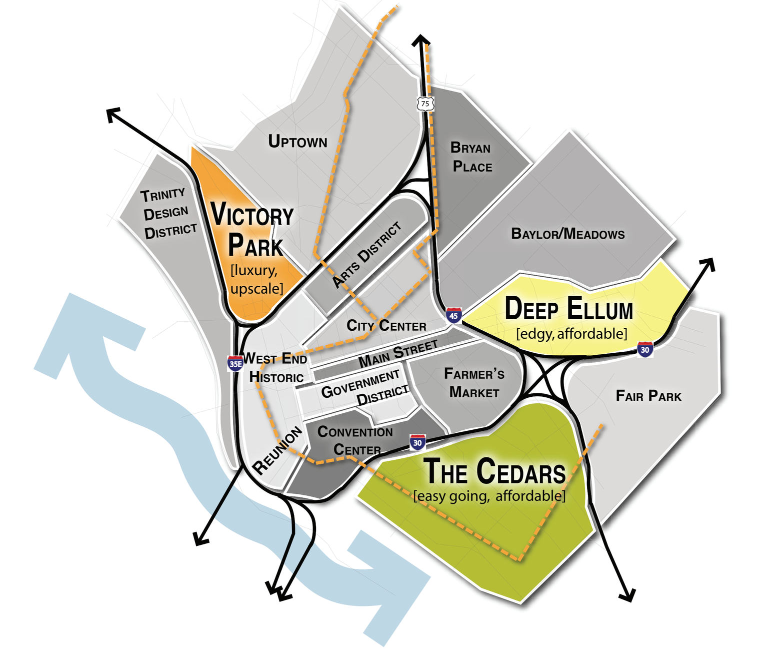
Recognizing the market need for a district catering to moderate income and young professionals, Redefining the Vista builds on current cultural and institutional assets while creating a unique destination in South Dallas. The Cedars reconnects with downtown Dallas via multi-modal transportation networks and by appealing to numerous senses, especially vision. By reorienting structural elements and providing green spaces, vistas will unite the Cedars with downtown and the Trinity River corridor, a defining aspect of the project. A series of new plazas and parks encompassing native vegetation, water features, sculptures, gateway elements, and a mix of residential and retail uses anchor the site. Integrating environmental, social, and feasibility principles, this project requires collaboration among both private and public partners to ensure a vibrant place. With a focus on sustainability, this lively district creates a hub for entertainment, recreation, and artistry all within the boundaries of an easy-going community.

Regional Context

- 23.5 AC Catalyst Site
- "Favored Corridor" Neighborhood
- Cedars Neighborhood
- Future Dallas Redevelopment
- "Green" Growth Corridor



Downtown District Context



Cedars Character District and Connectivity

Current Area Conditions

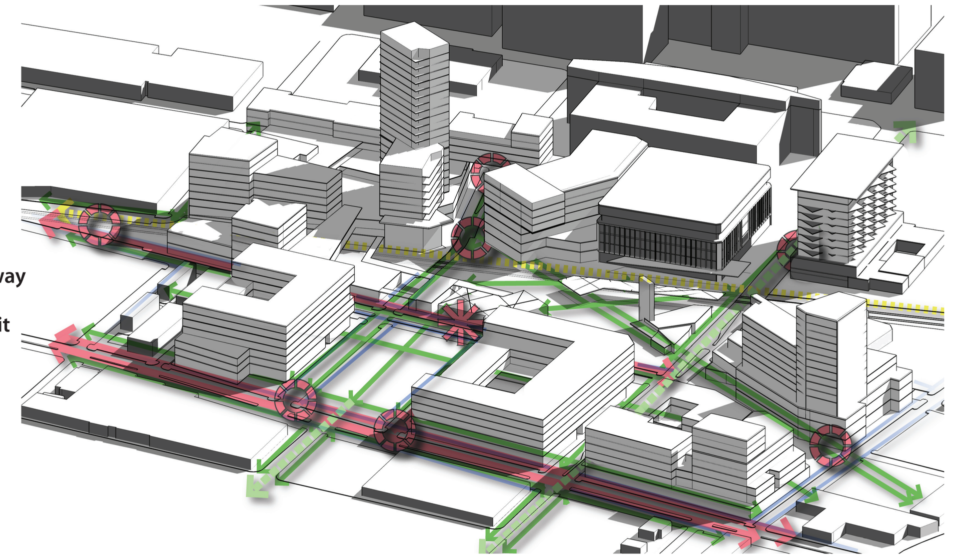
Master Plan Phase I

Master Plan Phase II

Shade Diagram - Morning   Shade Diagram - Noon   Shade Diagram - Afternoon

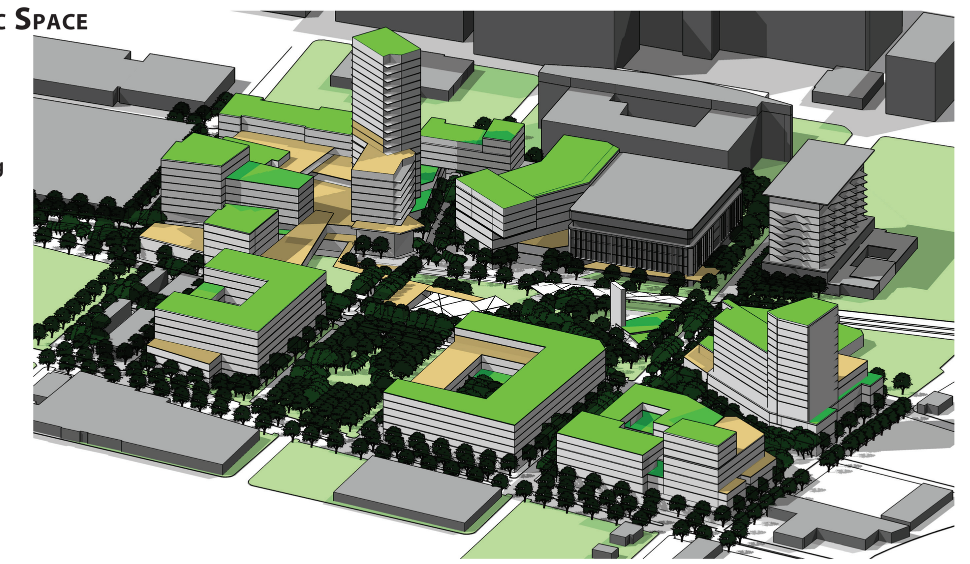
Circulation Plan

- On-street Parking
- DART Transit Line
- Vehicular Parkway
- Bus Transit Route
- Pedestrian Greenway Route
- Multi-Modal Transit Hub
- Site Gateway



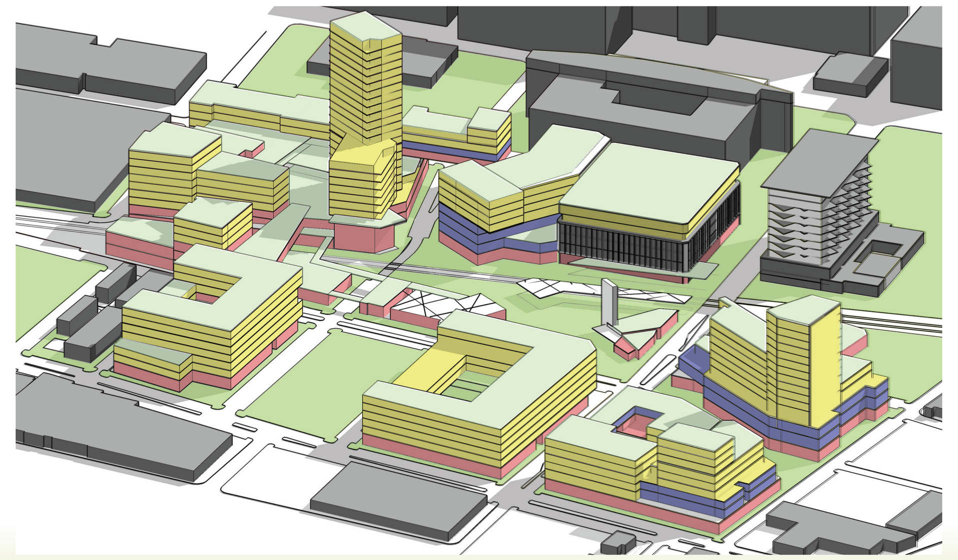
Private and Public Space

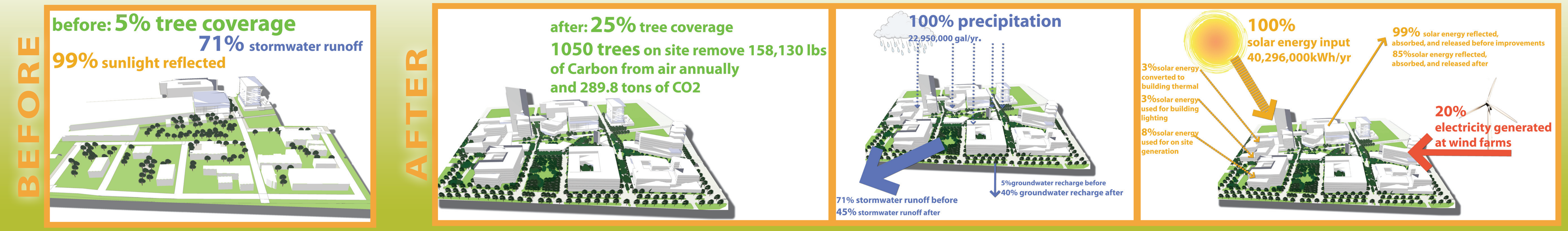
- Usable Roof Terrace
- Green Roof Building
- Green Space
- Existing Building



Land Use Plan

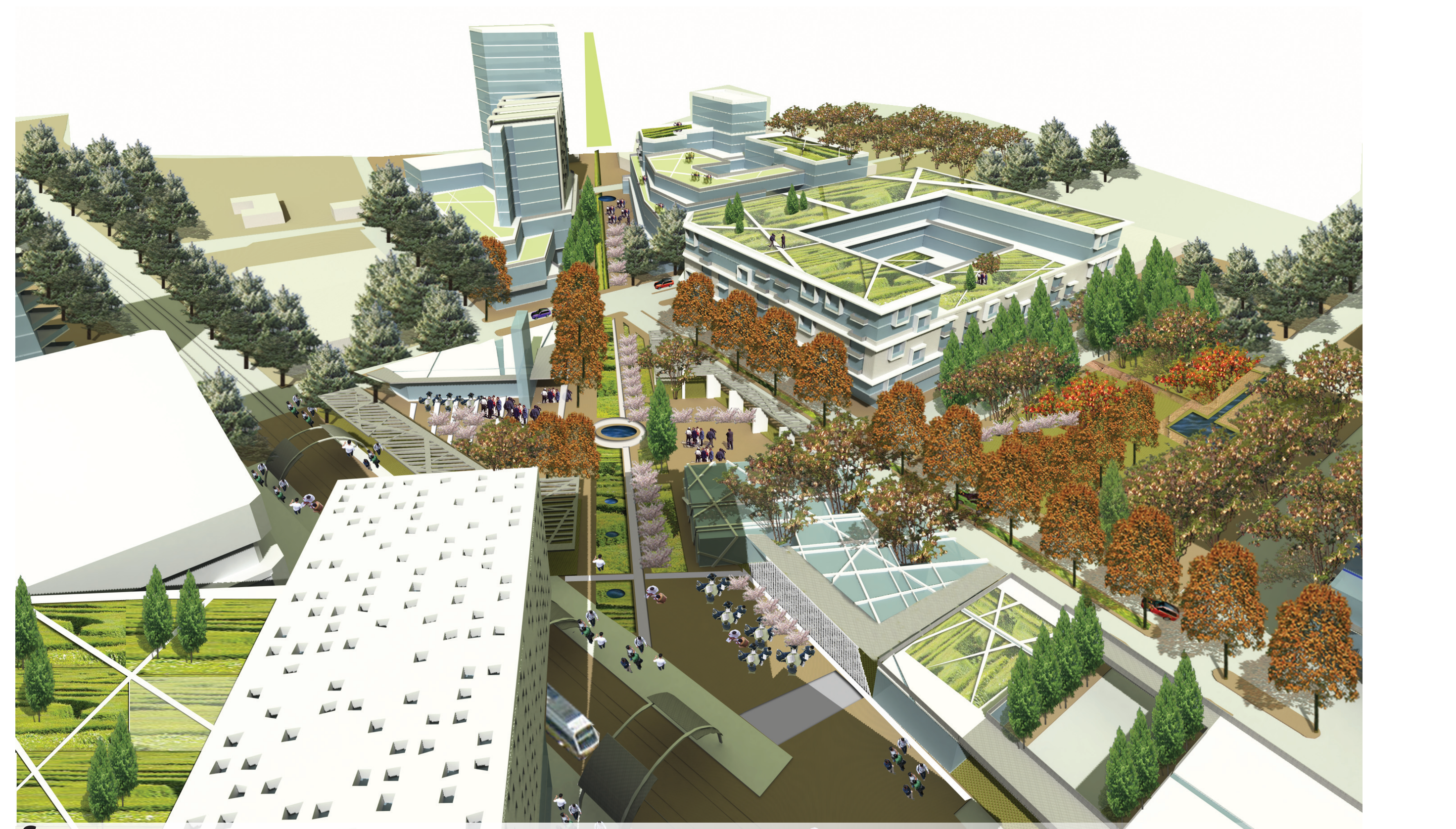
- Residential
- Commercial
- Retail
- Green Roof
- Green Space
- Existing Building



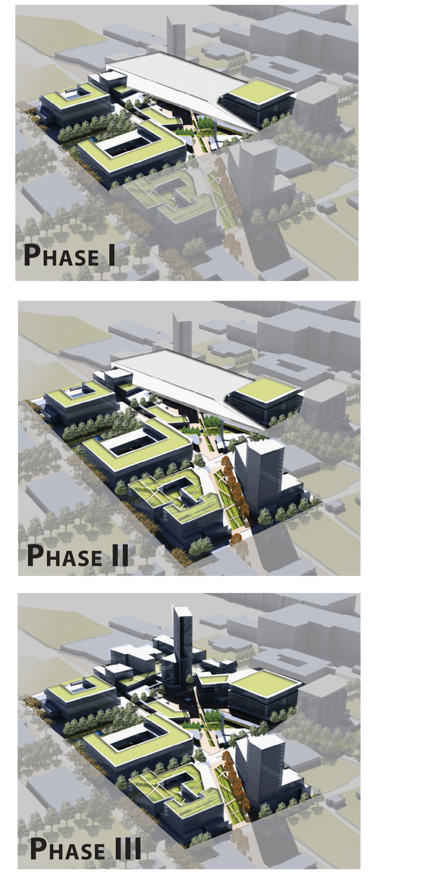


23.5 AC SITE PLAN

01 Sculpture Garden
02 Art Gallery and Museum
03 Yellow Rose planting on trellis
04 Porous Paving at existing Urban Lofts
05 Exterior Courtyard
06 Interior Walkway
07 Texas "Courthouse Square" Garden
08 Fountain
09 Pedestrian Connection to Old City Park
10 Special Paving
11 Bus Shelter and Drop-Off
12 Belleview Parkway
13 Steps to Public Upper Balcony
14 Sensory Wayfinding Garden
15 Texas native tree Garden
16 Sculpture
17 DART Station
18 New Station Plaza at IBM Building
19 Cafe
20 Interactive Fountain
21 Movie Theater Plaza
22 Service and Back of House



Site Overview Looking Towards Downtown

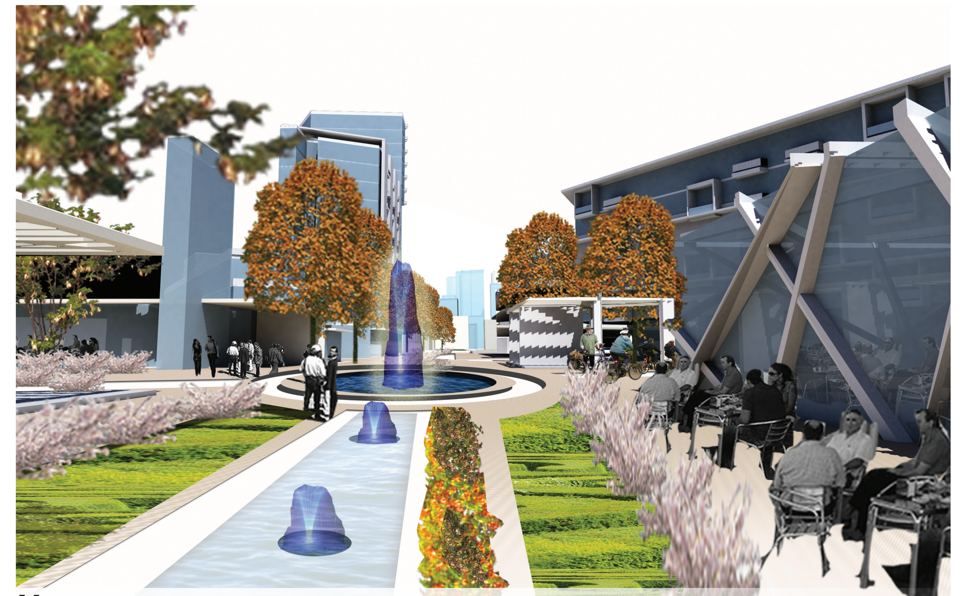


Phase I

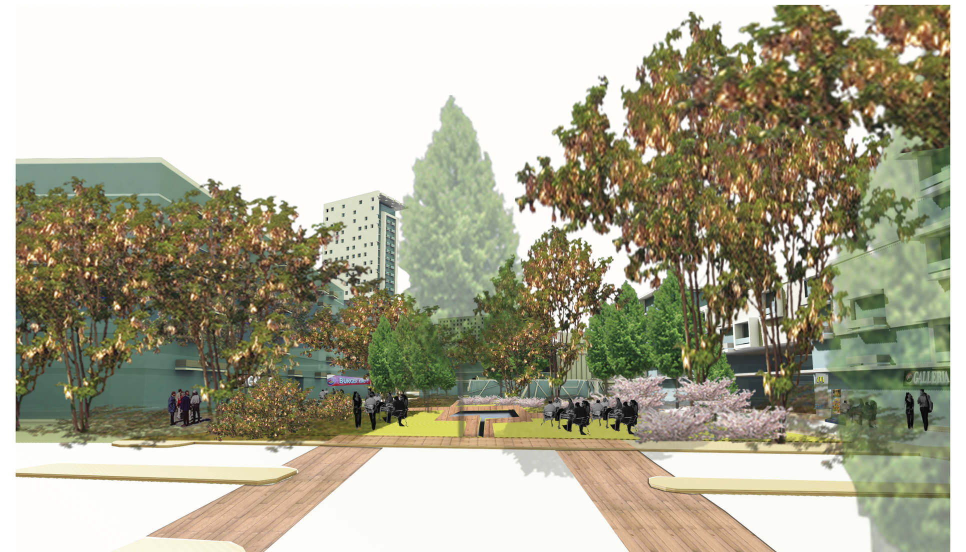
Phase II

Phase III

View Looking Towards Cedars Station at Night



View of Downtown from Cedars Station



View of Court House Square Park

View of Central Plaza from Second Level Cafe

North South Site Section

Business Plan

...cial challenge during the initial phase until a critical mass of buildings has been created around the transit station. The phasing of The Vistas will reduce this inherent risk.

Debt Service		0	4,429,598	4,429,598	4,429,598	9,457,0065	9,457,065	9,457,065	51,989,273	44,352,653	20,557,809
Taxes		(959,469)	(696,992)	410,566	663,481	119,522	1,118,835	404,475	2,069,630	2,075,256	12,515,659
Total Asset Value	8%										305,113,289
Total Costs of Sale	5%										15,255,664
After Tax Proceeds from Sale											134,661,704
Developer/Investor Equity		37,126,168	0	0	11,268,380	0	0	17,633,090	0	0	0
Net Cash Flow		**(36,053,619)**	**716,549**	**2,655,632**	**(5,937,510)**	**3,277,752**	**4,907,242**	**(12,653,171)**	**7,425,821**	**7,128,760**	**143,932,403**
Net Present Value @ 10%			**33,750,117**								
ATIRR of Development Equity			**19.15%**								

Multiyear Development Program												
Total Build out			2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Project Build out by Development Units												
Market-rate Housing	Rental	(units)	529	529	529	780	780	780	780	780	780	780
	For-Sale	(units)	0	0	0	0	0	0	226	226	226	226
Affordable Housing	Rental	(units)	101	101	101	152	152	152	152	152	152	152
	For-Sale	(units)	0	0	0	0	0	0	63	63	63	63
Office/Commercial		(s.f.)	0	0	0	53,171	53,171	53,171	160,869	160,869	160,869	160,869
Retail		(s.f.)	125,584	125,584	125,584	237,629	237,629	237,629	365,073	365,073	365,073	365,073
Built Structured Parking		(spaces)	222	222	222	1,335	1,335	1,335	2,624	2,624	2,624	2,624
Existing Structured Parking		(spaces)	1,500	1,500	1,500	1,500	1,500	1,500	0	0	0	0
On Street Parking		(spaces)	315	315	315	315	315	315	450	450	450	450
Project Build out by Area												
Market-rate Housing	Rental	(s.f.)	475,805	475,805	475,805	701,814	701,814	701,814	701,814	701,814	701,814	701,814
	For-Sale	(s.f.)	0	0	0	0	0	0	339,326	339,326	339,326	339,326
Affordable Housing	Rental	(s.f.)	90,629	90,629	90,629	136,921	136,921	136,921	136,921	136,921	136,921	136,921
	For-Sale	(s.f.)	0	0	0	0	0	0	84,831	84,831	84,831	84,831
Office/Commercial		(s.f.)	0	0	0	53,171	53,171	53,171	160,869	160,869	160,869	160,869
Retail		(s.f.)	125,584	125,584	125,584	237,629	237,629	237,629	365,073	365,073	365,073	365,073
Structured Parking		(s.f.)	73,163	73,163	73,163	440,569	440,569	440,569	865,912	865,912	865,912	865,912
Total (less parking)		(s.f.)	692,018	692,018	692,018	1,129,535	1,129,535	1,129,535	1,788,834	1,788,834	1,788,834	1,788,834

Affordable Housing	
Dallas AMI	
$	36,340
For - Rent Housing	
50% AMI Monthly Rent	
$	424.97
80% AMI Monthly Rent	
$	678.35
For - Sale Housing	
50% AMI Mortgage	
$	74,670
80% AMI Mortgage	
$	119,472

Property Disposition	
Total Asset Value	
$	305,113,289
Cost of Sale	
$	15,255,664
Taxable Gain	
$	65,287,404
Capital Gains Taxes	
$	9,793,111
Loan Repayment	
$	145,402,810
Net Cash Flow	
$	134,661,704

Sources		Phase I	Phase II	Phase III
Debt		59,903,483	67,988,729	105,743,388
Total Equity		**51,028,893**	**22,662,910**	**35,247,796**
TIF Equity	38%	13,311,885	10,878,197	16,918,942
Other Equity Sources*	2%	590,840	516,333	695,764
Developer / Investor Equity	61%	37,126,168	11,268,380	17,633,090

* Infrastructure Participation, Brwonfields Assesment

Financing Assumptions	
Construction Loan	6.25%
Permanent Financing (250 bps over 7yr Treasury)	6.00%
Debt Coverage	1.2

TIF Phase	% Requested of Total
Phase I	63%
Phase II	60%
Phase III	60%

Affordable Housing

The Vistas will be a mixed-income community, providing 20% of its units at affordable prices. 10% of the housing stock will be set aside for residents making 50% of the area median income (AMI) and another 10% will be reserved for residents at 80% AMI. These income restricted residences will ensure that The Vistas remains a vibrant mixed income region for years to come.

Financing

Despite utilizing conservative assumptions, the financial analysis reflects an after tax internal rate of return of 19% to the equity investor. With the current flight to quality in the credit markets, the financial model relies only on a primary mortgage, As liquidity returns into the market, the development team will examine other debt sources such a mezzanine loans to further reduce the equity. By using conservative assumptions throughout the pro forma, the project has a higher upside return potential and lower downside risk.

In addition to the developer / investor equity and the loans taken out on the property, The Vistas will require a public / private partnership to meet all goals established by the developer. This public private partnership will request funding from three sources, Tax Increment Financing (TIF), Infrastructure Participation Grants, and Brownfield Assessment Grants for each phase of development. The Vistas selected a TIF as the primary source of public funding because it will utilize a portion of the increased tax revenues generated from the development. By using a TIF as the primary source of public partnership, money does not have to be diverted to finance the site from other portions of the city's budget. These funding sources reduce the investor equity requirements of project, providing the returns to attract external investors.

Summary

The Vistas will catalyze the redevelopment of the Cedars. The plan creates a mixed-use, mixed-income community that will invigorate the surrounding neighborhoods and encourage investment into South Dallas. Through a comprehensive phasing strategy, conservative assumptions, and the creation of a public / private partnership, the project will be a financial and environmental success that will become a case study and showcase the success of introducing a walkable urban environment as a tool for redeveloping a disadvantaged neighborhood.

Implementation: form 2 organizations to revitalize cedars

Non-Profit Redevelopment Authority Initiatives

Citizens Advisory Committee
Involve the Cedar's residents
Design Frameworks for Districts
Artistic interpretation of urban form
Affordable Housing Preservation Committee
Ensures a mixed-income community

Sustainability Implementation Team
Artist Community Collaborative
Establish artist overlay district
Initiate artist property ownership program
Land Redevelopment Authority
Acquire land for redevelopment

Cedars DDA

TIF Funding Administration
Manage the Cedar's TIF
Infrastructure Improvement
Maintain and improve infrastructure
Beautification Program
Develop streetscapes that attract visitors

Maintain higher level of cleanliness than the standard city
Common Space Activity Program
Establish lively common areas through programming
Create an experience based neighborhood
Cedars Marketing Initiative
Advertise the Cedar's redevelopment to the community