

IN THE UNITED STATES DISTRICT COURT  
 NORTHERN DISTRICT OF TEXAS  
 DALLAS DIVISION

The Inclusive Communities Project, Inc., \*  
 Plaintiff, \*  
 v. \*  
 \*  
 The Texas Department of \*  
 Housing and Community Affairs, and \*  
 Michael Gerber, \*  
 Leslie Bingham-Escareño, \*  
 Tomas Cardenas, \*  
 C. Kent Conine, \*  
 Dionicio Vidal (Sonny) Flores, \*  
 Juan Sanchez Muñoz, and \*  
 Gloria L. Ray in their official capacities, \*  
 Defendants. \*

Civil Action No. 3:08-CV-00546-D

APPENDIX IN SUPPORT OF ICP’S MOTION AND BRIEF FOR  
 LEAVE TO FILE BRIEF IN RESPONSE TO FRI AMICUS BRIEF

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ICP’S BRIEF IN RESPONSE TO FRI AMICUS BRIEF

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Frazier Revitalization, Inc.'s (FRI) Brief introduces new evidence on behalf of TDHCA. This response includes evidence already in the record as well as other documents to meet the new evidentiary arguments.

**Summary of ICP's arguments.**

The FRI's assertions about its tax credit application and its treatment in the 2011 TDHCA application cycle contradict two important elements of TDHCA's defenses. First, FRI claims that it was denied tax credits despite its having the higher selection criteria point score because TDHCA exercised its discretion to consider factors other than the 9% program scoring criteria. Second, FRI's land and site costs in a non-Caucasian area are higher than any of the total land and site costs in tax credit applications specifically set out in the record, including those in Caucasian areas. ICP exhibit 87.

TDHCA has made eight allocations of tax credits for 1,148 units in the two mile radius around FRI's proposed Hatcher Square project since 1992. ICP exhibits 5, 22, 26 (tax credit allocations in tracts 25 through 39.01). Despite these allocations serving FRI's interest in keeping tax credit units in non-Caucasian areas, the characteristics of the FRI two mile radius service area do not support FRI's assertion that FRI's interest serves African-Americans by providing the opportunity to live in stable neighborhoods. The area has 1,148 tax credit units, is declining in population, becoming poorer with higher unemployment, suffering from high crime, has few of the expected neighborhood services, and is blighted by industrial uses. Appendix pages 9 - 15, 21, 22, 39,43 .<sup>1</sup> The services, facilities, and infrastructure needed to solve these problems are not eligible for low income housing tax credit funding. 26 U.S.C. § 42.

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<sup>1</sup> "Appendix" refers to the Appendix In Support of ICP'S Brief in Response to FRI Amicus Brief.

The facts do not support FRI's assertion that the proposed remedy in the ICP Complaint caused its Hatcher Square application to lose tax credits to a North Dallas project with a lower point score in the 2011 9% tax credit cycle. The competing project site, Copperridge, was not in North Dallas. Appendix, pages 25, 78 - 80. Both sites were in TDHCA defined High Opportunity Areas because of nearby public transit facilities not because of demographic characteristics. Appendix pages 50 - 52 (Hatcher Square), 90 - 91 (Copperridge). FRI provides no evidence that TDHCA considered the prayer for relief in ICP's Complaint in TDHCA's decision denying Hatcher Square's application.

FRI also argues that the mere prospect of relief, should the Court find liability, is harming FRI's interest in the urban renewal of the Frazier neighborhood. Urban renewal or neighborhood revitalization is not a statutory purpose of the Texas Low Income Housing Tax Credit program. Transcript Vol. 1, pages 219 - 220, McIver testimony; Tex. Gov't Code § 2306.6701. There is ample precedent that the creation of a comparable number of units in Caucasian areas is compatible with provisions for the use of affordable housing in legitimate neighborhood revitalization efforts in non-Caucasian areas. City of Dallas Consent Decree, TDHCA exhibit 146, Consent Decree in *Walker v. HUD*, Sept. 24, 1990, pdf pages 6, 9 - 12, 64, 79 - 97. 24 CFR § 983.57 (e)(3)(vi); 24 CFR § 941.202.

FRI presented no authority for its argument that the only remedy for racial segregation is the creation of even more units in segregated non-Caucasian areas. The case law on remedy for racial segregation always requires at least the creation of units for minority use in Caucasian areas whether by race conscious or by other location preferences such as for suburban areas. *Hills v. Gautreaux*, 425 U.S. 284, 301, 306 (1976).

The social science study cited by FRI showing the higher degree of stress from desegregation and integration suffered by Caucasians<sup>2</sup> does not provide legal authority or policy support for restricting the housing choices of non-Caucasians to industrially impacted areas with high concentrations of existing low income tax credit housing, declining total populations, rising poverty rates, increasing unemployment, diminished or non-existent neighborhood facilities such as grocery stores, and high rates of criminal victimization. FRI's site includes all of these characteristics, yet it is asking the Court to consign all tax credit residents to such conditions as part of a remedy for racial segregation. FRI presents no evidence to show that the impact of these conditions on families is outweighed by the integration stresses set out in the quoted studies. FRI presents no argument that Black or African American families should not have a choice between integration and segregation, but presents only the assertion that FRI prefers segregation as a remedy.

The study cited by FRI on the 2000 to 2010 decrease in racial segregation in the Dallas area was based on definitions that classify Hispanics as non-Blacks and draws the conclusion that segregation among Blacks and non-Blacks is declining.<sup>3</sup> The Caucasian and non-Caucasian segregation is not mentioned in the study.

FRI's assertion that there is no evidence of intent ignores the Court's finding that ICP has produced enough evidence to make a prima facie case of discriminatory intent. *Inclusive*

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<sup>2</sup> "The impact of diversity is definitely greater among whites, but is visible as well among non-whites." Putnam, "E Pluribus Unum: Diversity and Community in the Twenty--first Century," 30 SCANDINAVIAN POL. STUD. 137, 154 (2007). Appendix, page 27

<sup>3</sup> Edward Glaeser & Jacob Vigdor, The End of the Segregated Century: Racial Separation in America's Neighborhoods, 1890–2010, MANHATTAN INSTITUTE CIVIC REPORT 66 (Jan. 2012), pages 1, 3. Appendix, pages 29 - 30.

*Communities Project, Inc. v. Texas Department of Housing and Community Affairs*, 749

F.Supp.2d 489, 501 - 502 (N.D. Tex. 2010). ICP's post trial briefing collected and summarized all of its additional evidence on intent. Most of this evidence is ignored by FRI.

The New Jersey case relied on by FRI has little applicability to this case given the New Jersey statutory requirement for use of tax credit housing in revitalization efforts, the New Jersey QAP preference for housing in court ordered remedies, and New Jersey's successful placement of 68% of its tax credit housing into the New Jersey suburbs. *In re Adoption of the 2003 Low Income Housing Tax Credit Qualified Allocation Plan*, 848 A.2d 1, 8 (N.J. Super. Ct.), *certif. denied*, 861 A.2d 846 (N.J. 2004); Defendants' exhibit 229, exhibit page 89.

**FRI's assertion that it lost a 2011 tax credit allocation to a lower scoring application contradicts TDHCA's defense that points determine the allocation awards.**

FRI's brief contradicts TDHCA's defense that the 9% program selection criteria point system is the cause of TDHCA disproportionately allocating tax credits to non-elderly units in minority areas leading to a concentration of such units in these areas. FRI asserts that while it scored "exceptionally well on the TDHCA's scoring criteria, the TDHCA denied Hatcher's application for a forward commitment for a tax credit, while granting a credit for a competing project called Copperridge." FRI Brief page 13. The brief asserts that Copperridge received a lower score than Hatcher and failed to satisfy several eligibility requirements. FRI Brief page 13. TDHCA made this decision at the same time that TDHCA was asserting in its post trial briefing that the 9% point system all but eliminated TDHCA's discretion. Defendants' Response to the Initial Post-Trial Brief of the Inclusive Communities Project, Inc. ("ICP"), Document 165, pages 2, 6, 11 - 12.

**FRI's total land costs of \$4,118,131 for 136 units on 4.19 acres in a non-Caucasian area exceed any of the other land costs itemized in the evidence and contradict TDHCA's defense that low land costs cause the segregation.**

FRI's tax credit proposal is for 136 units on 4.19 acres in a 1.2% Caucasian census tract in South Dallas. Appendix, pages 22 - 23, 32 . The total site acquisition cost for the land is \$2,379,226. Appendix, page 33. TDHCA takes the position that the relevant cost is the total land and site cost. ICP exhibit 393, Gouris 30(b)(6) deposition transcript pages 76 - 77. The total site work costs for Hatcher Square are \$1,738,905. Appendix, page 33. The total land and site work costs are \$30,280 per unit  $((\$2,379,226 + \$1,738,905)/136 \text{ units})$ . While there are tax credit units with high total land and site costs in both non-Caucasian areas and in Caucasian areas, this cost exceeds the highest per unit cost identified in the record, the 2009 \$25,075 per unit cost for Taylor Farms. Taylor Farms is in a non-Caucasian census tract. ICP exhibit 87, Land and site costs per unit and per Sq Ft.; ICP's Initial Post Trial Proposed Findings of Fact and Conclusions of Law, Document 159, pages 106 - 108. The FRI land and site costs contradict TDHCA's defense that high land costs in Caucasian areas cause the racial segregation.

**The evidence does not show that TDHCA's existing concentration of units in FRI's area has provided low income African Americans the opportunity to live in high quality stable neighborhood conditions.**

TDHCA's allocation of tax credits has, to date, clearly served FRI's interest in keeping low income housing tax credits out of Caucasian areas and in minority concentrated areas. 92.29% of LIHTC units in the city of Dallas were located in census tracts with less than 50% Caucasian residents. *Inclusive Communities Project, Inc*, 749 F.Supp.2d at 499. TDHCA's tax credit decisions have clearly served FRI's interests in providing tax credits for units located

within FRI's two mile radius service area.<sup>4</sup> TDHCA has already made eight separate allocations totaling \$5,659,387 in annual low income housing tax credits for 1,148 units in that non-Caucasian area. ICP exhibits 5, 22, 198 pages 1 - 2; ICP Appendix pages 9 - 23. These allocations have been for tax credit projects located from within a few blocks of the FRI location (Frazier projects and Southdale) to no more than 1.35 miles away (Eban Village I and II). ICP exhibits ICP exhibit 198, pages 1 - 2; Appendix page 9.<sup>5</sup>

### **Southdale tax credit project**

The Southdale tax credit project is less than .26 of a mile from the Hatcher Square site. Appendix, page 9. In 1992 TDHCA allocated tax credits for 188 units in the Southdale project located in the FRI service area in census tract 115. Appendix, pages 14 -15, 21 - 23.

- In the 2000 census, the population in that tract was 0% Caucasian, 62% below poverty, and had an 11% unemployment rate.

- In the 2010 census, the population in that tract was 0.9% Caucasian, had declined in total population by 36%, -1,771 persons, was 61% below poverty, and had an unemployment rate that had increased by 36.8% to 15.6%.

- While the tract was less than 1% Caucasian in 2010, the Black population had declined by 68% to 30.9% of the population. Appendix, page 21.

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<sup>4</sup> The FRI two mile service area is from the FRI Hatcher Square tax credit application referred to in the FRI brief. Appendix, page 38

<sup>5</sup> The larger market area shows the same concentrations throughout the southeast section of Dallas. ICP exhibit 350, St. Augustine Apartments 2005 underwriting analysis report excerpt included in Appendix at page 59; ICP exhibit 350, Frazier Fellowship 2004 underwriting analysis report excerpt included in Appendix at page 58.

**Eban Village I and II tax credit project**

The Eban Village I and II project is 1.35 miles from the Hatcher Square site. Appendix, page 9.

TDHCA allocated tax credits for 110 units at Eban Village I in the FRI service area in census tract 35 in 1995. Another allocation for 220 units at Eban Village II in the same tract was made in 1999. Appendix, pages 14 -15, 21 - 23.

- The 2000 census population for the tract was 2.5% Caucasian, 38% below poverty, and the unemployment rate was 6%.

- The 2010 census population for the tract was 5.9% Caucasian, total population had increased by 30%, 585 persons, along with an increase in the poverty rate from 38.4% to 51.9% and an unemployment rate of 20.4%, a 234% increase. Appendix, page 21.<sup>6</sup>

**Southern Terrace tax credit project**

The Southern Terrace tax credit project is .58 mile from the Hatcher Square site. Appendix, page 9. In 2003 TDHCA allocated tax credits for 234 units at Southern Terrace in the FRI service area in census tract 39.01. Appendix, pages 14 -15, 21 - 23.

- In the 2000 census, the tract's population was 1.9% Caucasian, 43.2% below poverty, and the unemployment rate was 9.4%.

- The 2010 census population for the tract was 0.9% Caucasian, was 47.2% below poverty, and the unemployment rate had increased to 38.1%. Appendix, page 21.

**Frazier Fellowship, Wahoo Frazier Townhomes, Mill City Parc Townhomes**

These three projects are .4 mile from the Hatcher Square site. Appendix, page 9. TDHCA

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<sup>6</sup> 2000 census tract 35 became part of a new 2010 census tract 203. The 2010 census data is for tract 203. Appendix pages 16 - 23.



allocated tax credits for the 76 unit Frazier Fellowship project in 2004. It allocated tax credits for the 118 unit Wahoo Frazier Townhomes in 2005. It allocated tax credits for the 116 unit Mill City Parc Townhomes in 2006. All 310 units are in the FRI service area in census tract 27.01.

Appendix pages 14 - 15, 21 - 23.

- In the 2000 census the tract's population was 0.7% Caucasian, 53.8% below poverty, and the unemployment rate was 11.6%.

- The 2010 census population for the tract was 0.7% Caucasian, 71.1% below poverty - a 32% increase - and the unemployment rate was 23.3%, a 100% increase. Appendix, page 22.

#### **Carpenter's Point tax credit project**

The Carpenter's Point project is .79 mile from the Hatcher Square site. Appendix, page 9. In 2008 TDHCA allocated tax credits for 150 units of elderly housing at Carpenter's Point in the FRI service area in census tract 25. Appendix, pages 14 - 15, 21 - 23.

- In the 2000 census the tract's population was 3.01% Caucasian, 32.5% below poverty, and the unemployment rate was 7.6%.

- The 2010 census population for the tract was 3.4% Caucasian, the total population had declined by 8%, -482 persons, 26% below poverty, a 6.5% decrease, and the unemployment rate was 11.1%, a 46% increase. Appendix, page 22.

#### **Hatcher Square site.**

The FRI proposed Hatcher Square site is in census tract 27.02. Appendix, pages 14 - 15.

- The 2000 census population for the tract was 4.64% Caucasian, 37.4% below poverty, and the unemployment rate was 10%.

- The 2010 census population for the tract was 1.2% Caucasian, total population had

declined by 17%, - 315 persons, was 35.8% below poverty, a 1.6% decrease, and had an unemployment rate of 21.3%, a 113% increase. Appendix page 22.

The declining population, along with the concentration of low income tax credit units, and the continuing high poverty population with an increasing unemployment rate contradict FRI's assertion that its Hatcher Square project would provide low income units in a stable neighborhood. There are other characteristics of the FRI service area that do not support FRI's assertion that FRI's interest serves African-Americans by providing the opportunity to live in stable neighborhoods.

TDHCA's 2008 underwriting report made the following findings concerning the Carpenter's Point project site and neighborhood:

Regarding the site inspector's "questionable" rating, the inspector wrote, "The neighborhood is unkempt and has many abandoned retail buildings as well as run down houses in the area. Directly South of the site is a railroad track. High voltage lines are present within 300' of site. Approximately 1/2 mile down road to the North is a large manufacturing facility for Schepps. Beyond railroad tracks to the south are two nice low income housing Projects Wahoo Frazier on the left and Mill City Parc on the right. There is a large cemetery across the street to the East. West of the site are low income houses in various conditions. ICP exhibit 350, Carpenter's Point report page 4.

TDHCA's 2003 underwriting report made the following findings concerning the Southern Terrace Apartments neighborhood:

Adjacent Land Uses:

Northwest: Hatcher Street, a community center, and an abandoned apartment building, with single-family residential beyond.

Southeast: single-family residences and Vannerson Drive, with an abandoned meat processing facility and vacant land beyond. ICP exhibit 350, report page 3.

As shown by these TDHCA reports and other evidence, despite TDHCA's eight allocations of tax credits for projects in that service area, it remains an industrially impacted area

with declining total populations, rising poverty rates, increasing unemployment, diminished or non-existent neighborhood facilities such as grocery stores, and high rates of criminal victimization.

The FRI service area includes large sites for industrial uses and is surrounded by other sites with industrial uses. ICP exhibit 45. The Hatcher Square site is adjacent to a large industrial use area as are the Southdale Apartments and the Southern Terrace Apartments. Appendix page 11.

The record evidence shows that the census tracts within which the existing tax credit projects in the FRI area are located had 2004 crime rates for the combined crimes of murder, aggravated assault, simple assault, robbery, and car jacking far in excess of the City of Dallas rate of 35 per 1,000 persons. (Eban Village tract 35, combined crime rate 224; Wahoo Frazier Townhomes, Mill City Parc Apartments, Frazier Fellowship, tract 27.01, combined crime rate 160; Southdale Apartments, tract 115, combined crime rate 120; Southern Terrace Apartments, tract 39.01, combined crime rate 119.) ICP exhibit 220. The FRI area, the Hatcher Square site, and most of the existing tax credit units in the FRI area are in City of Dallas Police Department Crime Hot Spots. Appendix, page 10.

FRI's application shows that TDHCA's allocation of millions of dollars in tax credits from 1992 through 2008 has not resulted in the provision of the services and facilities expected in a stable residential neighborhood. The "Retail Centers" listed in FRI's application include pawn shops, thrift stores, discount tire services, used furniture stores, a convenience store, and a church sponsored social work agency. The major employers in the two mile service area are day labor companies and similar entities. While these are important services for a poverty stricken

neighborhood, grocery stores, pharmacies, banks, restaurants, hardware stores, and other such services are not present in the neighborhood. Appendix, pages 39, 43.

FRI asserts that its Hatcher Square project is part of the City's revitalization plan for the Frazier Area. FRI's tax credit application does not cite any such plan in its claim for preference as a development to be located in a qualified census tract that will contribute to a concerted community revitalization plan. The section in FRI's application claiming these points refers to a City of Dallas letter that states that the provision of affordable housing is a City priority. There is no reference to any specific revitalization plans for the Frazier area. Appendix, pages 48 - 49, 57 - 58. The Fair Park South Dallas Neighborhood Element in the City's Comprehensive Plan Forward!Dallas referred to by the FRI brief does not recommend or mention additional multifamily housing in the area. Appendix, pages 61 - 69. The only housing related mention in that part of the plan is the report that the community input was that:

5) Continued rehabilitation of the existing housing stock was important, including programs that assist local area renters to purchase their first homes. Appendix, page 65.

The specific improvements requested by the neighborhood in the Neighborhood Element included street improvements, retail and other service facilities including grocery stores, and improved park facilities. Appendix, pages 64 - 69. These improvements are not eligible for low income housing tax credit funding. 26 U.S.C. § 42m. Other programs can and should provide such funding. 26 U.S.C. § 45D, New Markets Tax Credits.

When the City of Dallas was found liable and made a party to the *Walker v. HUD* case, the remedy involved both the funding for new units in non-minority areas and the equalization of conditions in the minority areas. One of the minority neighborhoods for which a spectrum of

improvements was ordered was the Frazier Courts neighborhood which includes the present site proposed for the FRI project. TDHCA exhibit 146, Consent Decree, Sept. 24, 1990, pdf pages 9 - 12, 64, 79 - 97. The major problems in this area persist despite the court ordered improvements and the eight allocations of tax credits in the area. This shows the intractability of the neighborhood problems that cannot be solved by additional tax credit housing. Despair is not the appropriate response but neither is FRI's proposal to place all tax credit units available in minority concentrated areas such as the Frazier neighborhood.

Given a choice, the families eligible for tax credit housing do not choose to live in such blighted areas. Transcript Vol. 2 page 22, McIver testimony. Given choices, tax credit investors and lenders would prefer not to invest in blighted and impoverished areas. Defendants' exhibit 223 McIver report, page 9. Those families with alternative choices will avoid these areas stigmatized by environmental disadvantages and other noxious and nuisance conditions. Those without such choices will be in effect drafted into the demand pool for the housing that is available only in such adverse conditions.

When TDHCA asked Ms. Demetria McCain, ICP's Director of Programs and Advocacy, about the Frazier Court neighborhood, she described it as an impoverished minority neighborhood in South Dallas. TDHCA then asked how residents of the Frazier Court neighborhood would react to ICP arguing that the credits should not be given to the Frazier Court neighborhood. Transcript Vol. 1, pages 141 - 142. Ms. McCain answered:

A. Well, you know, you certainly can't think that black people are monolithic. So depending on who that resident is, that resident might say, thank God, thank the Lord, let me get on my knees and pray because I wanted to get out of this neighborhood or you might have some that say, thank God, because this place is a mess and I want it to be better. It just depends. Transcript Vol. 1, page 142.

TDHCA then asked would there be residents who would be sorely disappointed by a decision that took a project away from the neighborhood. Ms. McCain answered that they might be disappointed but they could also go find housing not far away at the same cost. Transcript, Vol 1, page 143. Given the 1,148 tax credit units in the Frazier neighborhood, Ms. McCain was correct that the choice to stay in the neighborhood was already well served with tax credit housing. Appendix, pages 9, 21 - 22.

FRI's claim that the choice to provide opportunities outside minority concentrated areas such as Frazier would result in African American families living in lower quality units in Caucasian areas is based on the assertion that higher 9% tax credit program point scores reflect higher quality units. This claim is contradicted by the 9% program scoring criteria. Unit quality and amenity factors count for a maximum of 20 points. ¶¶ (A), (B), ICP exhibit 581, 2011 QAP, page 45. FRI does not explain why units in Caucasian areas would have fewer unit quality and amenity points as compared to fewer local government approval points (18) and fewer neighborhood association approval points (24 ) and fewer state elected official approval points (14 ). ICP exhibit 581, 2011 QAP, pages 45 - 48. None of these higher scoring point factors are related to unit quality.

**The lower scoring but preferred application was also in a non-Caucasian, high poverty location.**

FRI's competing project, Copperridge, was like Hatcher Square in a majority non-Caucasian (38% Caucasian, 47% Hispanic, 5.6% Black), and high poverty (25% below poverty) neighborhood between Love Field and Oak Lawn. Appendix, pages 25, 78 - 80. Since both projects were located close to public transit lines and stations, each project claimed selection criteria points for being in a High Opportunity Area under the QAP. The High Opportunity Area

factor was not based on income or race for either application but only on the presence of a public transit facility. Appendix, pages 50 - 52 (Hatcher Square), 90 - 91 (Copperridge), ICP exhibit 581, 2011 QAP, pages 13 (§ 3(D), 53 (§E). The public outcry about the choice of Copperridge cited by FRI in its Brief, page 14 n.1, included the general principle supporting “efforts to disperse low income housing across the city rather than concentrate it in already low-income areas.” Appendix, page 95, Editorial, *Extreme Makeover: Housing Board Reverses Bad Decision on Project*, Dallas Morning News (Jan. 18, 2012) at 12A.

FRI provides no facts for its assertion that the prayer for relief in ICP’s Complaint caused TDHCA to deny an allocation to FRI in the 2011 9% tax credit cycle. The ICP Complaint specifically provides that the remedy goal is not to be achieved by simply denying allocations to units because of non-Caucasian locations. ICP Complaint, page 16.

**The chilling effect of a possible remedy in a case for which liability has not been determined has not been shown by FRI.**

The alleged chilling effect of a proposed remedy in a case where liability has not been determined would be difficult to prove in any case. In this case, given the relief requested by ICP and the case law on the remedies made available in similar cases, there is no such chilling effect.

ICP’s Complaint includes several remedial requests:

- the creation of a comparable number of units in Caucasian areas without prohibiting approval of units in minority areas,
- enjoining the defendants from causing or perpetuating racial and ethnic segregation in the Low Income Housing Tax Credit program by denying Low Income Housing Tax Credits to units in the Dallas metropolitan area when such denial is made by taking the race and ethnicity of the residents of the area in which the project is to be located and the race and ethnicity of the

probable residents of the project into account.

- enjoining the defendants from approving financial assistance in the form of Low Income Housing Tax Credits to applications in the Dallas metropolitan area unless the site and neighborhoods in which the units will be located comply with civil rights standards, avoid undue concentrations of poor persons, are free from adverse conditions, and provide services and amenities that are at least equivalent to those in other neighborhoods containing similar but unassisted housing; and

- prohibiting defendants from administering the Low Income Housing Tax Credit program in a manner that causes or perpetuates racial and ethnic segregation. Complaint pages 16 - 17.

FRI states an objection only to the element of relief requesting a comparable number of units in Caucasian areas. ICP testified that it did not seek an end to the approval of housing tax credits in non-Caucasian areas but only an end to the disproportionate allocation of tax credits to units in non-Caucasian areas. Transcript, Vol. 1, page 132.

The need to remedy racial segregation always involves the use of scarce resources just as the implementation of racial segregation involves the allocation of scarce resources. The FRI argument that the only remedy for segregation of publicly assisted housing is the continued placement of such housing in the predominantly minority areas is not accompanied by any legal authority for the proposition. Brief pages 12 - 13. There is none. The remedial orders for the desegregation of publicly assisted low income housing have required the creation of additional units in non-minority areas. *Hills v. Gautreaux*, 425 U.S. 284, 301, 306 (1976); *U.S. v. Yonkers Bd. of Educ.*, 635 F.Supp. 1577, 1580 - 1582 (S.D. NY. 1986) (provision of mixed income



housing in non-minority areas of Yonkers), affirmed 837 F.2d 1181, 1184 (2d Cir. 1987), cert. denied, 486 U.S. 1055 (1988); *Clients' Council v. Pierce*, 711 F.2d 1406, 1425 -1426 (8<sup>th</sup> Cir. 1983); *N.A.A.C.P. v. Housing Authority of City of Commerce*, 1998 WL 320307, 1 (N.D. Tex. 1998); *Young v. Pierce*, 685 F.Supp. 986, 988 - 989, (E.D. Tex. 1988).

FRI's assertion that *Walker v. City of Mesquite*, 169 F.3d 973, 988 (5<sup>th</sup> Cir. 1999), cert. denied, 528 U.S. 1131 (2000) prohibits any use of race conscious relief is not accurate. The *Walker* opinion held that the use of a race conscious site selection policy before alternative, less intrusive remedies had not been tried was unconstitutional. The alternative, less intrusive remedy endorsed by the Court of Appeals was a race conscious Section 8 Housing Choice Voucher mobility program that the Court of Appeals required to be focused on non-black, non-poor neighborhoods and reached out to white landlords. *Id.* at 987.

**The Low Income Housing Tax Credit program is not an urban renewal program.**

FRI argues the relief sought by ICP would “impair desirable urban renewal efforts already underway.” FRI Brief page 11. This assumes a premise - tax credits are for urban renewal - that is not true or justified by the relevant law. Redevelopment of impoverished neighborhoods, urban renewal, is not a purpose of the Texas tax credit program. Transcript Vol. 1, pages 219 - 220, McIver testimony; Tex. Gov't Code § 2306.6701. FRI assumes that the purpose of the tax credit program is to place units in the lowest income areas where the residents have the lowest quality housing as part of urban renewal programs for inner city neighborhood. The tax credit program is not designed for such purposes and TDHCA does not allocate its tax credits with this purpose as a priority.

The federal tax code's low income housing tax credit provisions contain only two

references to community revitalization. The first reference states the requirement that local agencies give preference in allocating housing tax credit dollars among selected projects to projects located in qualified census tracts and the development of which project contributes to a concerted community revitalization plan. 26 U.S.C. § 42(m)(1)(B)(iii). The federal law does not specify how much of a preference must be given to such developments.

TDHCA does not give much of a preference. Under TDHCA's QAPs, applications for 9% tax credits are awarded points if they meet desirable selection criteria. The total of points received can be over 200. A proposed location in a qualified census tract the development of which will contribute to a concerted community revitalization plan earns an application just one point, equal to the bonus given to developments with a gazebo. *Inclusive Communities Project, Inc.*, 749 F.Supp.2d at 506.

The second reference in the federal tax code is the required inclusion of whether the project includes the use of existing housing as part of a community revitalization plan as part of the selection criteria. 26 U.S.C. § 42(m)(1)(C)(iii). TDHCA provides for six selection points if the proposal is for the use of existing housing as part of a community revitalization plan. ICP exhibit 582, 2011 QAP, page 50, ¶ (13). Six points would be categorized as “below the line” and a minor point category. Transcript Vol. 2, pages 13 - 14, McIver testimony. FRI's project is not an existing housing project. Appendix, page 32.

FRI's argument assumes that federal low income housing tax credits are used for urban renewal of the most impoverished neighborhoods. The assumption is not true. Only 34% of TDHCA's units are in the lowest income census tracts referred to as qualified census tracts. *Inclusive Communities Project, Inc.*, 749 F.Supp.2d at 506. The national percentage of tax credits

in such tracts is even lower, 26%. ICP 62, Summary of HUD lihtcpub 2007 data: LIHTC units in QCTS. Only 33.5% of TDHCA's tax credit units placed in service from 1995 through 2006 were in low to moderate income census tracts where more than half the households were below 60% of median income. Only 22.7% of TDHCA's tax credit units placed in service from 1995 through 2006 were in census tracts with over 30% of the households in poverty. Again, the national percentages were even lower. 27.5% of all tax credit units were in low to moderate income census tracts where more than half the households were below 60% of median income. 21.1% of the national total of tax credit units placed in service from 1995 through 2006 were in census tracts with over 30% of the households in poverty. Defendants' exhibit 229, pdf pages 105 - 106, document pages 95 - 96.

FRI assumes an irreconcilable conflict between neighborhood revitalization and remedies that end the disproportionate allocation of low income housing tax credits to minority concentrated areas. There is no such conflict. For example, the long-standing U.S. Department of Housing and Urban Development site selection regulations for project based vouchers provide a model for arriving at a balance of opportunities in both Caucasian and minority concentrated areas. The balance can be achieved while specifically allowing funding for housing in minority areas if that housing is an integral part of private investment that is demonstrably improving the economic character of the area.

Application of the "overriding housing needs" criterion, for example, permits approval of sites that are an integral part of an overall local strategy for the preservation or restoration of the immediate neighborhood and of sites in a neighborhood experiencing significant private investment that is demonstrably improving the economic character of the area (a "revitalizing area"). 24 CFR § 983.57 (e)(3)(vi). C.f. 24 CFR § 941.202 (public housing).

**The social science studies cited do not support FRI's willingness to eliminate desegregated tax credit housing choices for Blacks.**

The social science study cited by FRI showing the higher degree of stress from desegregation and integration suffered by Caucasians<sup>7</sup> does not provide legal authority or policy support for restricting the housing choices of non-Caucasians to industrially impacted areas with high concentrations of existing low income tax credit housing, declining total populations, rising poverty rates, increasing unemployment, diminished or non-existent neighborhood facilities such as grocery stores, and high rates of criminal victimization.<sup>8</sup>

FRI cites a law review cite of a study that allegedly shows that Blacks were willing to pay more for units in areas with more Black population. However, the study cited specifically warns that any association “may reflect the presence of centralized discriminatory practices in the market in addition to the direct preferences of households to live with others of the same race.” Bayer, et al, TIEBOUT SORTING, SOCIAL MULTIPLIERS AND THE DEMAND FOR SCHOOL QUALITY, 2004, Working Paper 10871, <http://www.nber.org/papers/w10871>, page 25 n. 32. Appendix, pages 98 - 99. The actual table used in the study shows what the warning means. The \$96.82 gap referred to in the Kushner article and in the FRI brief is not a measurement of what Black purchasers are willing to pay as the % Black of an area increases. The table is measuring the disparity between “Black vs. White” willingness to pay as the percent Black of an area increases by 10%. Bayer, TIEBOUT, at Table 4, page 42, Appendix, page 100.

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<sup>7</sup> “The impact of diversity is definitely greater among whites, but is visible as well among non-whites.” Putnam, “E Pluribus Unum” 30 SCANDINAVIAN POL. STUD. At 154. Appendix, page 27.

<sup>8</sup> The Putnam study cited by FRI found the same stresses arise from increasing economic diversity. “Generally speaking, people who live in neighbourhoods of greater economic inequality also tend to withdraw from social and civic life.” Putnam, Id. at 157.

For example, at 0% Black, Blacks and Whites are willing to pay the same amount. Assume that amount is \$1,000. At 10% Black, if Blacks are willing to pay \$1,000, Whites are only willing to pay \$1,000 - \$96.82. At 20% Black, if Blacks are willing to pay \$1,000, Whites are only willing to pay \$1,000 - (\$96.82 X 2) = \$806.36. Table 4 shows similar disparities between Hispanics vs. Whites (\$81.36) and Asians vs. Whites (\$92.49). *Id.*

The Kushner cynicism about housing desegregation was rebutted in the same symposium by other equally respected civil rights advocates of various races. Powell, REFLECTIONS ON THE PAST, LOOKING TO THE FUTURE: THE FAIR HOUSING ACT AT 40, 41 Ind. L. Rev. 605, 627 (2008)<sup>9</sup>; Roisman, LIVING TOGETHER: ENDING RACIAL DISCRIMINATION AND SEGREGATION IN HOUSING, 41 Ind. L. Rev. 507(2008). Racial housing segregation is incompatible with equal treatment for Caucasians and minorities as a matter of fact and law.

No one associated with any effort to integrate or desegregate any institution or other group of any size is going to represent that the process occurs without stress. Violence continues to be the response of those disturbed by housing integration and desegregation. Bell, THE FAIR HOUSING ACT AND EXTRALEGAL TERROR, 41 Ind. L. Rev. 537 (2008); *State of Tex. v. Knights of Ku Klux Klan*, 58 F.3d 1075, 1077 (5<sup>th</sup> Cir. 1995). Families who move also have to adjust and change patterns and adopt new ways. Rosenbaum and DeLuca, WHAT KINDS OF NEIGHBORHOODS CHANGE LIVES? THE CHICAGO GAUTREAUX HOUSING PROGRAM AND RECENT MOBILITY PROGRAMS, 41 Ind. L. Rev. 653, 657 (2008). But Black families do make the decision to move and want opportunities in non-minority

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<sup>9</sup> “Housing remains the linchpin of racial inequality because of its centrality and relationship with major economic, social, and political institutions. Failing to ensure fair housing for all Americans will undoubtedly undermine efforts to promote integration in every other area of American life.” Powell, REFLECTIONS, 41 Ind. L. Rev. at 627.

concentrated areas. *Inclusive Communities Project, Inc.*, 749 F.Supp.2d at 495 - 496.

ICP has assisted over 1,000 families who wanted to move to these areas. These are people who want to live in residential areas that are at least not hazardous and have adequate services and facilities. There are more people who want to move than ICP can help. Transcript Vol. 1 pages 123 - 124, 127 - 128, 142, 144, 145, 147, McCain testimony. Where there are non-elderly LIHTC units in Caucasian locations in the Dallas area, there are African American low income tenants. The Chaparral Townhomes in Allen is 64% Black occupied. The Garden Gates Apartments in Plano is 45% Black. The Bachon Townhomes in Wylie is 39% Black. The Fountains of Rosemeade in North Dallas is 46% Black. The Hebron Trails Apartments in Carrollton is 63% Black. The Tuscany at LakePointe in Lewisville is 67% Black. The Valley Ridge Apartments in Lewisville is 42% Black. ICP exhibit 364, pages 102, 107, 109, 171, 172, 180.

The evidence shows that African Americans who want the opportunity to choose tax credit units in a Caucasian area are a significant and substantial part of the eligible population. When DHA opened the waiting list for the Walker Settlement Program, 14,885 African American households applied for the geographically limited vouchers during the one week the list was open. ICP exhibit 558 page 3, Status Report in *Walker v. HUD*. Defendants' exhibit 172, page 19, Walker hearing on ICP 2008 plan and budget. TDHCA's proffered DHA Settlement Voucher report exhibits showed that the same. Defendants' exhibit 210 DHA Monthly Report May 2009, 6<sup>th</sup> page of exhibit; Defendants' exhibit 189, DHA report for December 2003, report exhibit IV-C; Defendants' exhibit 199, DHA report for December 2004, report exhibit IV-C.

**The report cited by FRI as finding a decrease in racial separation in the Dallas area counts a combined 100% Black and Hispanic census tract as non-racially separated and**

**does not account for the Caucasian/minority segregation at issue in this case.**

FRI argues that in addition to Black persons not wanting to live with Caucasians, they already do live with Caucasians in the Dallas area so no remedy would be needed. FRI Brief, page 16. However, the study cited by FRI does not show the Caucasian/Black or the Caucasian/non-Caucasian segregation at issue in this case. It counts only the racial separation of Blacks from those of any other race, e.g. persons of the White race including Hispanics. Glaeser, “The End of the Segregated Century”, pages 1, 3, Appendix, pages 29 - 30. A considerable percentage of the White by race population in the Dallas area is also Hispanic. Transcript Vol. 2, pages 168 - 170, Whiteside testimony; ICP exhibits 603, 604.

The conclusion that Caucasians and non-Caucasians are already integrated in the same neighborhoods does not follow. The 2010 Census shows that 51% of Blacks in the Dallas Metropolitan Area lived in census tracts with less than 25% Caucasian population. 45% of the Hispanics in the Dallas Metropolitan Area lived in census tracts with less than 25% Caucasian population. Only 6% of the Caucasians in the Dallas Metropolitan Area lived in census tracts with less than 25% Caucasian population. Appendix, page 24.

The Caucasian/Black segregation in the Frazier neighborhood did not lessen from 2000 to 2010. The only break in the segregation was some increases in the Hispanic population in a few of the FRI service area census tracts. Appendix, pages 21 - 23.

**The Fair Housing Act disparate impact standard includes a consideration of intent to discriminate.**

FRI argues that the disparate impact standard under the Fair Housing Act is unpopular and unlikely to survive any review by the current U.S. Supreme Court. The disparate impact test under the Fair Housing Act has been unpopular and controversial for a long time. But speculation

about how future U.S. Supreme Court decisions may shape the 42 U.S.C. § 3604 “because of race” liability must take into account the legal facts that a variety of legal authorities have accepted and enforced the disparate impact liability standard. The United States Courts of Appeals for the 1<sup>st</sup> through the 11<sup>th</sup> Circuits have all approved the use of some form of disparate impact case. “Through the Looking Glass and Beyond: the Future of Disparate Impact Doctrine under Title VIII”, Case Western Reserve L. R. 603, 604 n. 8, 648 - 649 (2010). The U.S. Department of Housing and Urban Development is the agency charged by the Fair Housing Act to make regulations implementing the Act and with the administrative enforcement of the Act. 42 U.S.C. § 3610; 42 U.S.C. § 3614(a). HUD has interpreted the Act to include a disparate impact test. 76 FR 70921, 11/16/2011. The U.S. Attorney General is charged with legal enforcement of the Act. 42 U.S.C. § 3614. The Attorney General interprets the Act to include a disparate impact test. Brief for the United States as Amicus Curiae in Support of Neither Party, *Magner v. Gallagher*, U.S. Sup. Ct. No. 10-1032.

There is also a significant difference between the disparate impact test under Title VII and the disparate impact standard under Title VIII, the Fair Housing Act. The Title VII test does not include any consideration of intent. The Fair Housing Act disparate impact standard does include consideration of discriminatory intent. *Inclusive Communities Project, Inc.*, 749 F.Supp.2d at 499 n. 11. This element of proof under the Fair Housing Act meets at least one of Mr. Justice Scalia’s objections to the Title VII standard. The Title VII standard is not used to uncover evidence of purpose. *Ricci v. DeStefano*, 557 U.S. 557, 129 S.Ct. 2658, 2675 (2009). The Title VIII test is. *Inclusive Communities Project, Inc.*, 749 F.Supp.2d at 501 - 502.

**FRI’s conclusory repetition of TDHCA’s arguments on the evidence does not require any additional response.**



FRI's observations on the evidence are general, cursory, and repeat the Defendants' post trial arguments. There is only one specific reference to the record in the section. FRI Brief pages 4 - 8. ICP's post trial briefing and proposed findings and conclusions have already responded to these arguments.

**The finding that New Jersey has affirmatively furthered fair housing in the adoption of a single year's QAP does not apply to this case challenging decades of disproportionately allocating tax credits to units in minority areas.**

The assertion by FRI that the New Jersey opinion *In re Adoption of the 2003 Low Income Housing Tax Credit Qualified Allocation Plan*, 848 A.2d 1 supports TDHCA's position ignores significant differences between Texas and New Jersey. The New Jersey tax credit allocation process had placed 68% of the tax credit units in the suburbs compared to the 26% of TDHCA's units in suburban locations. Defendants' exhibit 229, exhibit pages 89 - 90. The Texas statute does not include neighborhood revitalization as a low income housing tax credit program purpose. Transcript Vol. 1, pages 219 - 220, McIver testimony; Tex. Gov't Code § 2306.6701. The New Jersey statute providing for neighborhood revitalization as program purpose was an important fact in the decision that the New Jersey QAP affirmatively furthered fair housing. *In re Adoption of the 2003 Low Income Housing Tax Credit Qualified Allocation Plan*, 848 A.2d at 14 - 15.

The New Jersey case involved a challenge to a single year QAP, 2003. The 2002 QAP had included substantial set aside for suburban locations. *Id.* at 8. By contrast, this case challenges decades of TDHCA's decisions allocating tax credits during which there was never a set aside for suburban locations.

The challenged New Jersey QAP gave preference points for projects made part of a court-

ordered or administrative compliance plan. *Id.* at 16. TDHCA considered and then refused to provide a preference for projects implementing court ordered desegregation plans in the Dallas area. ICP exhibit 432, May 25, 1995 TDHCA Board materials, pdf pages 13, 42 (*Walker* desegregation preference proposed); ICP exhibit 432, May 25, 1995 TDHCA Board materials, transcript pages 69 - 73. TDHCA had already, in 1994, eliminated its once stated preference for desegregated housing choices in 1994. ICP exhibit 335, page 10; ICP exhibit 59; ICP exhibit 61, TDHCA 1994 Board document showing desegregation preference has been deleted. TDHCA refused a 1997 request for a general preference to units that would aid housing desegregation and instead added selection criteria points for units to be placed within low income areas. ICP exhibit 345, 1997 QAP, exhibit pages 5, 33 - 34.

### **Conclusion**

FRI's claim that it has been injured by the relief sought in ICP's Complaint is false. FRI lost to another application with fewer points but that was also for a location in a non-Caucasian, high poverty, inner city area. There is no evidence that the loss was caused by ICP's Complaint. FRI's assertions that Black tenants no longer want desegregated housing opportunities are contradicted by the evidence already in the record and by the evidence elicited to meet FRI's assertions based on facts outside the record.

Respectfully Submitted,

/s/ Michael M. Daniel

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Certificate of Service

I hereby certify that on March 13, 2012, I electronically submitted the foregoing document with the clerk of the court for the U.S. District Court, Northern District of Texas, using the electronic case files system of the court. The electronic case files system will send a "Notice of Electronic Filing" to the following individuals who have consented in writing to accept this Notice as service of this document by electronic means: Timothy E. Bray, Assistant Attorney General, State of Texas; Shelly Dahlberg, Assistant Attorney General, State of Texas; Michael C. Kelsheimer, William B Chaney, George Tomas Rhodus, James D MacIntyre.

s/ Michael M. Daniel

IN THE UNITED STATES DISTRICT COURT  
 NORTHERN DISTRICT OF TEXAS  
 DALLAS DIVISION

The Inclusive Communities Project, Inc., \*  
 Plaintiff, \*  
 v. \*  
 \*  
 The Texas Department of \*  
 Housing and Community Affairs, and \*  
 Michael Gerber, \*  
 Leslie Bingham-Escareño, \*  
 Tomas Cardenas, \*  
 C. Kent Conine, \*  
 Dionicio Vidal (Sonny) Flores, \*  
 Juan Sanchez Muñoz, and \*  
 Gloria L. Ray in their official capacities, \*  
 Defendants. \*

Civil Action No. 3:08-CV-00546-D

APPENDIX IN SUPPORT OF ICP'S  
 BRIEF IN RESPONSE TO FRI AMICUS BRIEF

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IN THE UNITED STATES DISTRICT COURT  
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DALLAS DIVISION

The Inclusive Communities Project, Inc., \*  
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v. \*  
\*  
The Texas Department of \*  
Housing and Community Affairs, and \*  
Michael Gerber, \*  
Leslie Bingham-Escareño, \*  
Tomas Cardenas, \*  
C. Kent Conine, \*  
Dionicio Vidal (Sonny) Flores, \*  
Juan Sanchez Muñoz, and \*  
Gloria L. Ray in their official capacities, \*  
Defendants. \*  
\*

Civil Action No. 3:08-CV-00546-D

DECLARATION OF ABIGAIL SELF

My name is Abigail Self and I am over the age of eighteen. I am employed as a researcher for Daniel & Beshara, P.C., and I am experienced in using GIS software to make GIS maps. My work for Daniel & Beshara, P.C. includes creating GIS maps.

I created the maps that are in this Appendix at Tabs 2 through 8, Appendix pages 9 to 15.

The program that I used to create the maps is ArcGIS Desktop 10 from Esri, a widely used program that is the industry leader in desktop GIS (Geographic Information Systems) software.

The following steps outline the process for creating the foundation for the maps regarding Hatcher Square neighborhood conditions:

I downloaded the Hatcher Square application from the TDHCA website at <http://www1.tdhca.state.tx.us/htc/2011apps/11098.pdf>. Based on the location

specified in the application for Hatcher Square as the Northwest corner of Scyene Road and Hatcher Blvd., I geocoded the address (placed a dot on the map) using that intersection.

The scope of the maps is the two mile service radius indicated on page 267 of the Hatcher Square application. I used the “Buffer” function in ArcGIS to create a two mile radius around Hatcher Square.

I drew the outline of the Hatcher Square development using the “Drawing” and “Line” functions in ArcGIS. I determined the boundaries based on the maps on pages 274-275 of the Hatcher Square application. I also viewed the proposed site using Google Earth.

I used the layer file created for ICP Exhibit 197 to indicate the physical address of each LIHTC property in the two mile radius. I originally created this layer using ICP Exhibit 5 to geocode the addresses of the LIHTC properties (placed the dots on the map) to indicate the physical address for each property. In creating these maps I then labeled the LIHTC properties that are located within the two mile radius of Hatcher Square.

To create the layer “Area Occupied by LIHTC Properties” I determined the area occupied by each property using Google Earth and the Multifamily Underwriting Analysis reports in ICP Exhibits 350 (Frazier Fellowship and Mill City Parc) and 517 (Wahoo Frazier). I then drew the boundaries using the “Drawing” and “Line” functions in ArcGIS.

The basemap is a satellite image layer entitled “World Imagery” that is



available as a feature of ArcGIS.

### **Map of Distance From Hatcher Square to Surrounding LIHTC Properties**

#### **(Appendix Page 9)**

In this map I drew a line between Hatcher Square and each of the LIHTC properties in the two mile radius. I then used the “Measure” function in ArcGIS to measure the distance between the two properties and labeled each line with the distance in miles from Hatcher Square. A similar map showing the proximity of LIHTC properties can be found in Exhibits 198.

### **Map of Hatcher Square and Surrounding LIHTCs with Crime Hot Spots (Appendix**

#### **Page 10)**

The crime hot spots were originally identified in the article, “A look into Dallas’ crime ‘hot spots’” by Tod Robberson, published in The Dallas Morning News on October 7, 2011. The article lists the source for the ‘hot spots’ as the Dallas Police Department’s Strategic Deployment Bureau and The Dallas Morning News. I obtained the shapefile (a type of GIS file) indicating the location of the hot spots through an email request to the staff at The Dallas Morning News. I added this shapefile to the map foundation described above.

### **Map of Hatcher Square and Surrounding LIHTCs with Industrial Land Use**

#### **(Appendix Page 11)**

I downloaded the shapefile “Land Use 2005” for Dallas County from the NCTCOG (North Central Texas Council of Governments) GIS Data Clearinghouse and added this to the map foundation. I also downloaded the metadata (information about the file) for the shapefile “Land Use 2005” which contained a chart showing the codes for each Land Use, from which I

saw that “131” is the code for Industrial. I added the shapefile to the map foundation, then changed the properties of the shapefile to only draw symbols for Industrial Land Use.

**Map of Hatcher Square and Surrounding LIHTCs with Low-Income Communities with Limited Access to Major Grocery Stores (Appendix Page 12)**

I downloaded the data on low income communities with limited access to major grocery stores from the United States Department of Agriculture’s Food Desert Locator (<http://www.ers.usda.gov/data/fooddesert/index.htm>). This was downloaded as a list of 2000 census tracts that fit their criteria for Food Deserts. I added the table to the map, added the shapefile for 2000 Census tracts (downloaded from the U.S. Census website), and joined the data to the 2000 census tracts to create the layer indicating which tracts on the map fit the criteria.


**Map of Neighborhood Conditions in Hatcher Square Application Two Mile Service Radius (Appendix Page 13)**

In this map I combined the conditions from the previous three maps and added them to the foundation map.

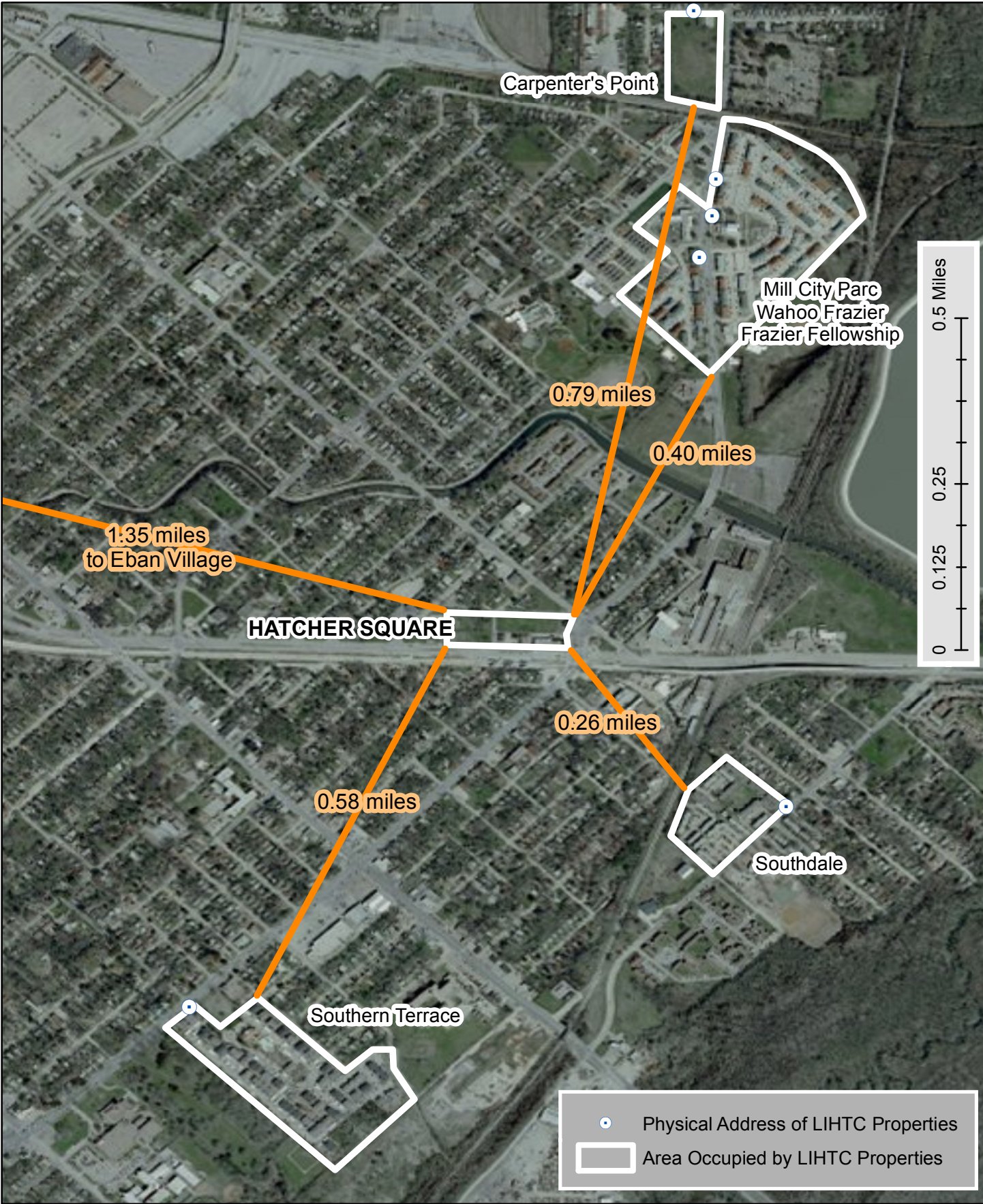
**Map of Hatcher Square and Surrounding LIHTCs with 2000 Census Tracts (Appendix Page 14) and Map of Hatcher Square and Surrounding LIHTCs with 2010 Census Tracts (Appendix Page 15)**

I downloaded shapefiles containing 2000 and 2010 Census tracts for Hatcher Square and surrounding LIHTCs from the U.S. Census website and added them to the foundation map to create these two maps.

I declare under penalty of perjury that the foregoing is true and correct. Executed on  
March 12, 2012.

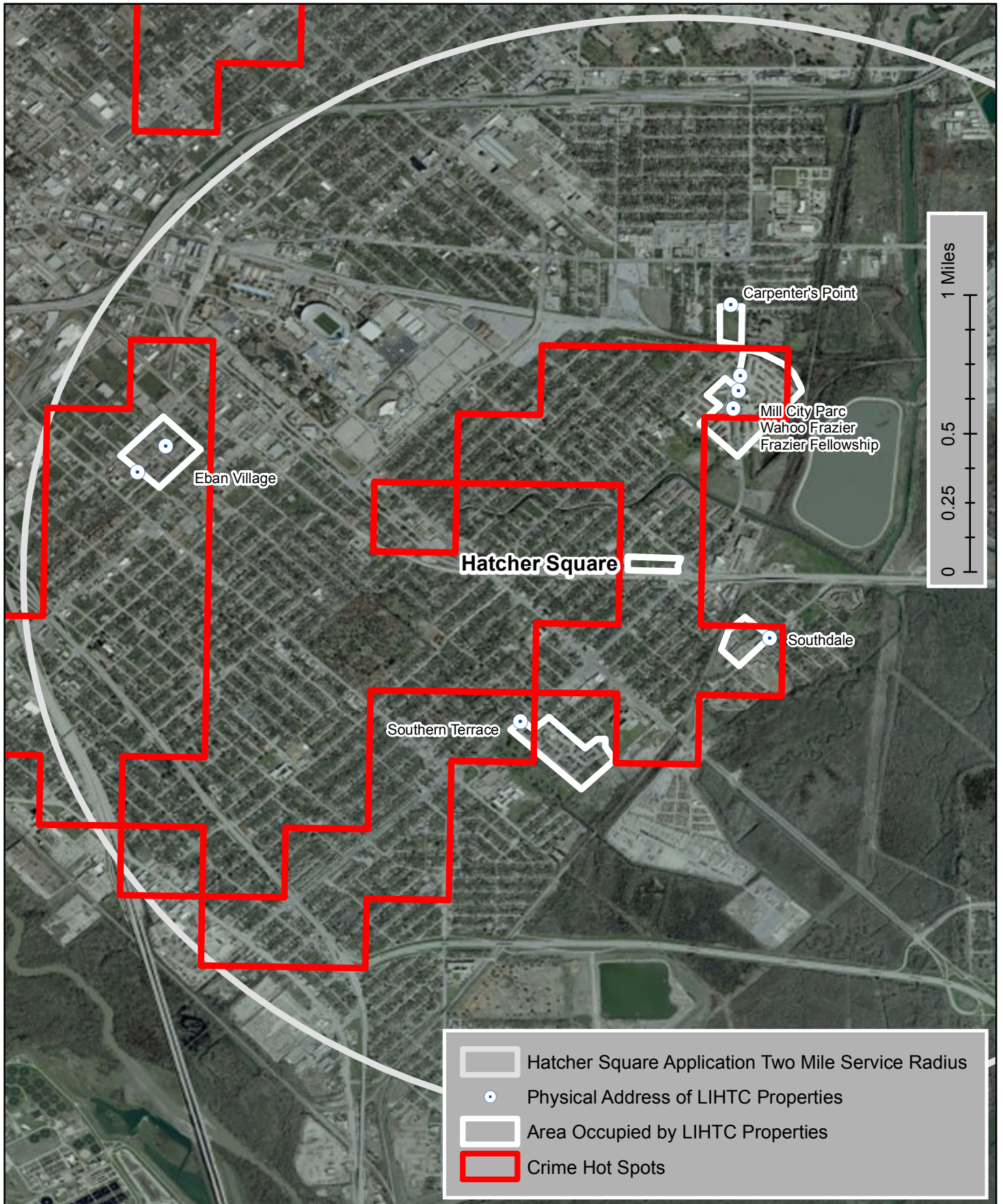
  
\_\_\_\_\_  
Abigail Self

Distance From Hatcher Square to Surrounding LIHTC Properties





# Crime Hot Spots in Hatcher Square Application Two Mile Service Radius



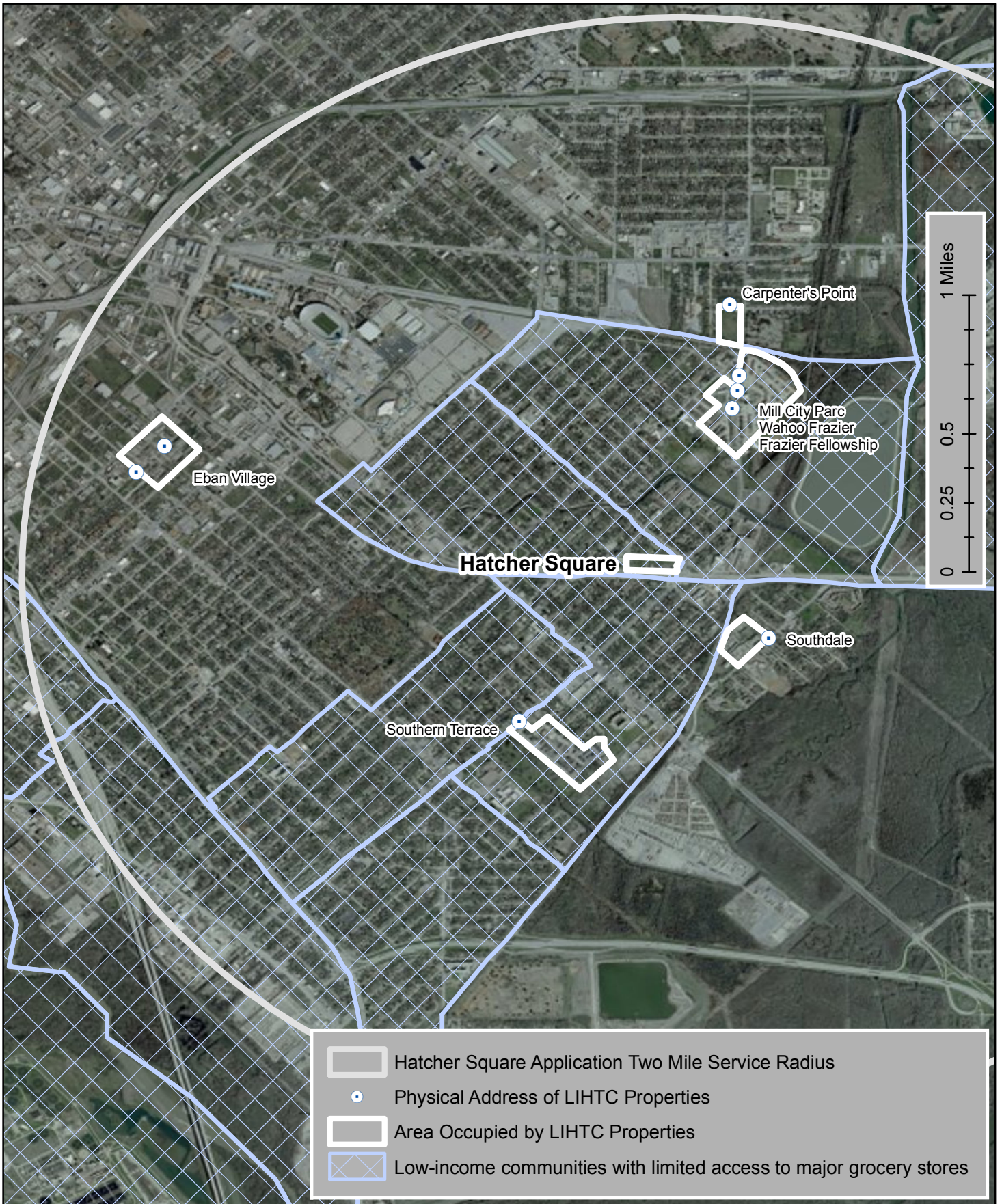


# Industrial Land Use in Hatcher Square Application Two Mile Service Radius



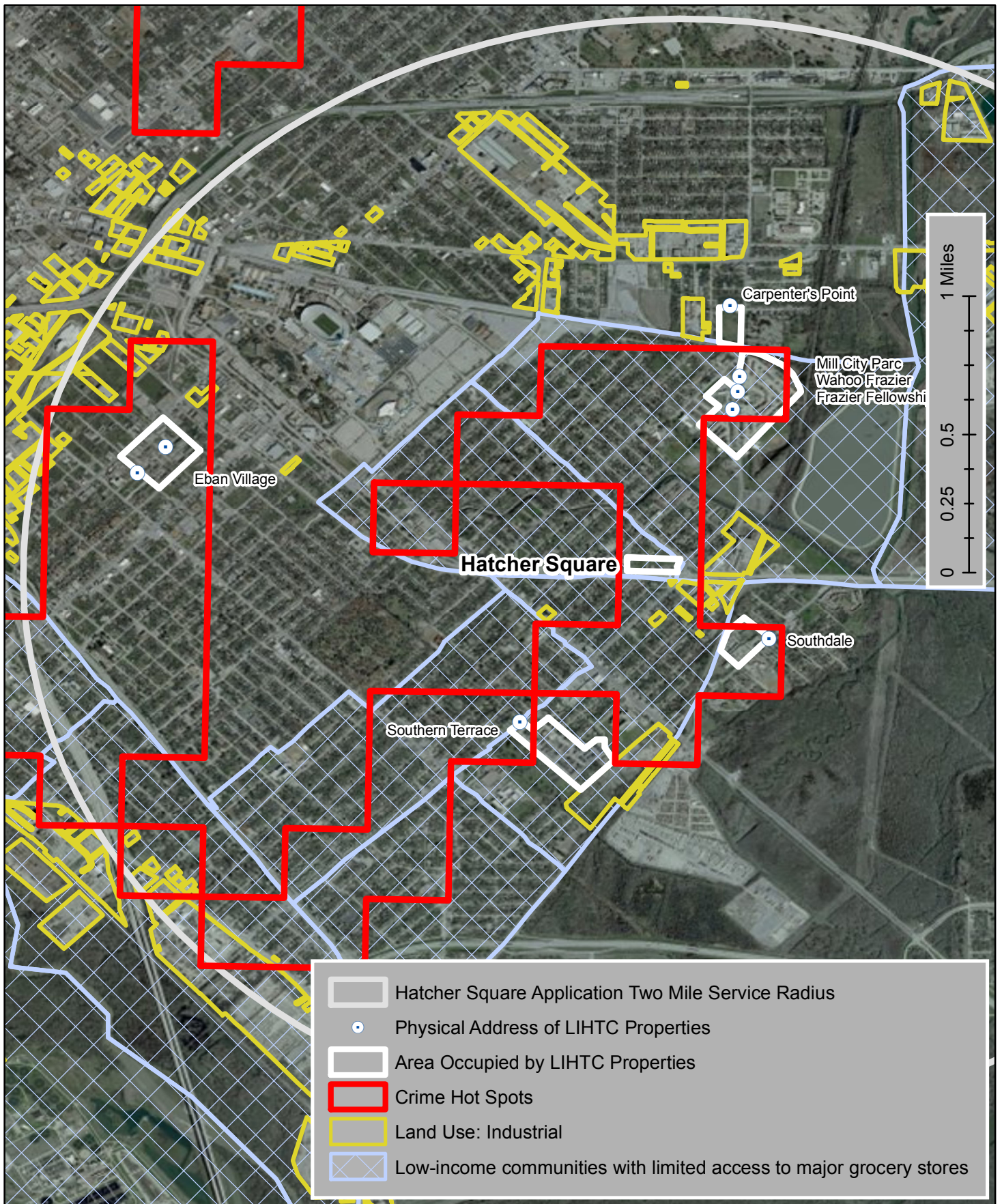


# Low Income Communities with Limited Access to Major Grocery Stores in Hatcher Square Application Two Mile Service Radius





# Neighborhood Conditions in Hatcher Square Application Two Mile Service Radius





# 2000 Census Tracts in Hatcher Square Application Two Mile Service Radius





# 2000 Census Tracts in Hatcher Square Application Two Mile Service Radius



IN THE UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION

The Inclusive Communities Project, Inc., \*  
Plaintiff, \*  
v. \*  
The Texas Department of \*  
Housing and Community Affairs, and \*  
Michael Gerber, \*  
Leslie Bingham-Escareño, \*  
Tomas Cardenas, \*  
C. Kent Conine, \*  
Dionicio Vidal (Sonny) Flores, \*  
Juan Sanchez Muñoz, and \*  
Gloria L. Ray in their official capacities, \*  
Defendants. \*

Civil Action No. 3:08-CV-00546-D

DECLARATION OF KATHERINE LOPEZ

My name is Katherine Lopez and I am over the age of eighteen. I am employed as a researcher at Daniel & Beshara, P.C. I obtained the information and made the spreadsheet charts that are in this Appendix at Tabs 10 through 13, Appendix pages 21 to 25.

**Document: LIHTC Properties within 2 mile radius of Hatcher Square (Appendix Pages 21-22):**

When creating the chart for the LIHTC properties within a 2 mile radius of Hatcher Square I started by downloading the application for Hatcher Square from TDHCA’s website: <http://www1.tdhca.state.tx.us/htc/2011apps/11098.pdf> I then had the property mapped by Abigail Self in our GIS mapping software to locate the developments within the 2 mile radius of Hatcher Square’s location. We found that there are 8 LIHTC properties within 2 miles of the proposed development. I then got the census tract of each of these 8 tax credit properties and the

information regarding each development (year awarded, address, total units, total LIHTC units, LIHTC awarded amount) from TDHCA's Property Inventory (ICP EX 5).

I downloaded all of the 2010 Census information (Census Tract, Population, Percent below Poverty, Unemployment, % White not Hispanic, % Black not Hispanic) from the U.S. Census Bureau's website American FactFinder

<http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml> for the census tracts of these eight tax credit properties. This information can be found in the following reports for each census tract: SF1\_P1, ACS\_10\_5YR\_S2301, ACS\_10\_5YR\_S1701, SF1\_P9, SF1\_DP3, SF3\_DP3, SF1\_DP1. The 2000 census information for race and poverty come directly from ICP exhibit 599.

Census Tract 35 from 2000 has since changed to Census Tract 203 (for 2010) so this information is paired in the analysis of both of the Eban Village Apartments.

The measurements of straight line distance by Abigail Self (point to point) from Hatcher Square's proposed location were mapped using GIS software. Each property was mapped and the closest two points from each individual property in the 2 mile radius to the proposed Hatcher Square location was measured. This information was then confirmed with Google Earth maps.

Using ICP EX 5, I then calculated the accumulating Total LIHTC units in the 2 mile radius of Hatcher Square in ascending order of the year each property was awarded. The same running total was calculated for the total LIHTC dollars awarded in the 2 mile radius for each time a development was awarded.

This data was analyzed by the change in number or percent for each data set by Census Tract from the 2000 Census data and the 2010 Census data. The difference from each year was



calculated by subtracting 2010 data from the 2000 census data. The final step taken was to calculate the percent change for each data set from 2000 to 2010 for each Census Tract containing a LIHTC development within the 2 mile radius of the proposed Hatcher Square Location.

**Document: Analysis of Census Tracts within the 2 mile Radius of Hatcher Square**

**(Appendix Page 23):**

The first step with this analysis was to for Abigail Self to map the 2 mile Radius to determine the Census Tracts within the range. I downloaded all of the 2010 Census information (Census Tract, Population, Percent below Poverty, Unemployment, % White not Hispanic, % Black not Hispanic) from the U.S. Census Bureau's website American FactFinder <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml> for all of the census tracts in the 2 mile radius. The data for the entire tract is used. This information can be found in the following reports for each census tract: SF1\_P1, ACS\_10\_5YR\_S2301, ACS\_10\_5YR\_S1701, SF1\_P9, SF1\_DP3, SF3\_DP3, SF1\_DP1. The 2000 census information for race and poverty come directly from ICP exhibit 599.

Census Tracts 29 and 35 from 2000 are now combined into one tract, CT 203 for the 2010 Census. In order to evaluate them together and separately there is an additional chart included to show these merged into one analysis.

The calculations done on this chart are the total population in the census tracts in the 2 mile radius for each Census year as well as the averages of all of the percentages of unemployment, poverty and population by race breakdowns.

**Document: Dallas Metro Division Population analysis by Census Tract (Appendix**

**Page 24):**

This chart looks at the breakdown of the population in the Dallas Metro Division by Census Tract. I started by downloading the summary file SF1\_P9 for 2010 for the Dallas Metropolitan Division from the Census Bureau's American FactFinder website. I then created a chart to calculate the total population, the Census Tracts with Black population greater than or equal to 50%, Census Tracts with Black population greater than or equal to 50% that have a White not Hispanic population of greater than or equal to 25% and Census Tracts with Black population greater than or equal to 50% with a Hispanic population of greater than or equal to 25%.

The next step was to calculate the percentages of Black, White and Hispanic populations in the various White not Hispanic Census Tracts. These were calculated for the top three deciles (90-100%, 80-90%, 70-80%) as well as the bottom 25% White not Hispanic Census Tracts.

**Document: Analysis of Champion Homes at Copper Ridge Location (Appendix Page 25):**

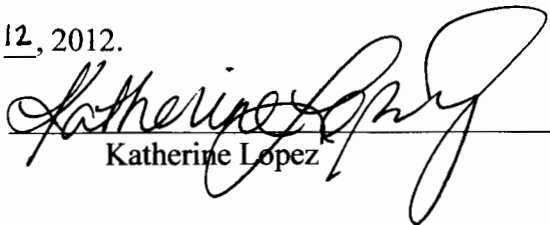
I first downloaded the application for Champion Homes at Copper Ridge from TDHCA's website archives to get the address of the development.

<http://www1.tdhca.state.tx.us/htc/2011apps/11139.pdf> I then entered the address of Copper Ridge into the U.S. Census Bureau's American FactFinder address lookup to find the Census Tract for the location which is 4.04. I then downloaded the 2000 and 2010 census data to get the following information: Population, Percent below Poverty, Unemployment, % White Not Hispanic and % Black not Hispanic for Census Tract 4.04.

The same data was pulled for 2010 for the City of Dallas, Dallas County and the Dallas Metro Division to compare to the data for Copper Ridge (CT 4.04).

The calculations done for this data were then calculated: the difference from 2000 to 2010 and the percent change from 2000 to 2010.

I declare under penalty of perjury that the foregoing is true and correct. Executed on March 12, 2012.



Katherine Lopez

**LIHTC Properties within 2 mile radius of Hatcher Square**

Year Awarded	Program Type	Development	Address	Total Units	Total LIHTC Units	Total LIHTC units in 2 mile Radius at this point	LIHTC amount awarded	Total awarded in 2 mile radius at this point
1992	9% HTC	Southdale Apartments	3727 Dixon Ave	188	188	188	\$ 175,356.00	\$ 175,356.00
Census Year	Census Tract	Population	Percent below Poverty	Unemployment	% White Not Hispanic	% Black Not Hispanic	Straight line distance (point to point) from Hatcher Square: .26 mi.	
2000	115	4956	62.2%	11.4%	0.0%	69.8%		
2010	115	3185	61.6%	15.6%	0.9%	30.9%		
Difference: 2000 to 2010		-1771	-0.6%	4.2%	0.9%	-38.9%		
Percent Change		-36%	-0.9%	36.8%	#DIV/0!	-55.7%		

Year Awarded	Program Type	Development	Address	Total Units	Total LIHTC Units	Total LIHTC units in 2 mile Radius at this point	LIHTC amount awarded	Total awarded in 2 mile radius at this point
1995	9% HTC	Eban Village Apartments	2710 Jefferies St.	110	110	298	\$ 372,412.00	\$ 547,768.00
1999	9% HTC	Eban Village Apartments	3023 Park Row Ave	220	165	463	\$ 830,897.00	\$ 1,378,665.00
Census Year	Census Tract	Population	Percent below Poverty	Unemployment	% White Not Hispanic	% Black Not Hispanic	Straight line distance (point to point) from Hatcher Square: 1.35 mi.	
2000	35	1983	38.4%	6.1%	2.5%	93.5%		
2010	203 (2010 ct)	2568	51.9%	20.4%	5.9%	86.9%		
Difference: 2000 to 2010		585	13.5%	14.3%	3.4%	-6.6%		
Percent Change		30%	35.1%	234.4%	135.1%	-7.0%		

Census Year	Census Tract	Population	Percent below Poverty	Unemployment	% White Not Hispanic	% Black Not Hispanic		
2000	39.01	1774	43.2%	9.3%	1.9%	89.6%		
Year Awarded	Program Type	Development	Address	Total Units	Total LIHTC Units	Total LIHTC units in 2 mile Radius at this point	LIHTC amount awarded	Total awarded in 2 mile radius at this point
2003	4% HTC	Southern Terrace Apartments	4701 Meadow St.	264	264	727	\$ 1,043,740.00	\$ 2,422,405.00
Census Year	Census Tract	Population	Percent below Poverty	Unemployment	% White Not Hispanic	% Black Not Hispanic	Straight line distance (point to point) from Hatcher Square: .58 mi.	
2010	39.01	1724	47.2%	38.1%	0.9%	92.5%		
Difference: 2000 to 2010		-50	4.0%	28.8%	-1.0%	2.9%		
Percent Change		-3%	9%	76%	-53%	3%		



**LIHTC Properties within 2 mile radius of Hatcher Square**

Census Year	Census Tract	Population	Percent below Poverty	Unemployment	% White Not Hispanic	% Black Not Hispanic		
2000	27.01	4066	53.8%	11.6%	0.7%	94.1%		
Year Awarded	Program Type	Development	Address	Total Units	Total LIHTC Units	Total LIHTC units in 2 mile Radius at this point	LIHTC amount awarded	Total awarded in 2 mile radius at this point
2004	9% HTC	Frazier Fellowship	4700-4900 Hatcher St.	76	60	787	\$ 581,022.00	\$ 3,003,427.00
2005	9% HTC	Wahoo Frazier Townhomes	East side of blocks 4700-4900 Hatcher St.	118	95	882	\$ 925,960.00	\$ 3,929,387.00
2006	4% HTC	Mill City Parc Apartments	4848 Hatcher Street	116	116	998	\$ 530,000.00	\$ 4,459,387.00
Census Year	Census Tract	Population	Percent below Poverty	Unemployment	% White Not Hispanic	% Black Not Hispanic	Straight line distance (point to point) from Hatcher Square: .4 mi.	
2010	27.01	3033	71.1%	23.3%	0.7%	89.1%		
Difference: 2000 to 2010		-1033	17.3%	11.7%	0.0%	-5.0%		
Percent Change		-25%	32.2%	100.9%	-1.4%	-5.3%		

Census Year	Census Tract	Population	Percent below Poverty	Unemployment	% White Not Hispanic	% Black Not Hispanic		
2000	25	5790	32.5%	7.6%	3.0%	40.8%		
Year Awarded	Program Type	Development	Address	Total Units	Total LIHTC Units	Total LIHTC units in 2 mile Radius at this point	LIHTC amount awarded	Total awarded in 2 mile radius at this point
2008	9% HTC	Carpenter's Point	3326 Mingo St.	150	150	1148	\$ 1,200,000.00	\$ 5,659,387.00
Census Year	Census Tract	Population	Percent below Poverty	Unemployment	% White Not Hispanic	% Black Not Hispanic	Straight line distance (point to point) from Hatcher Square: .79 mi.	
2010	25	5308	26.0%	11.1%	3.4%	26.1%		
Difference: 2000 to 2010		-482	-6.5%	3.5%	0.4%	-14.7%		
Percent Change		-8%	-20.0%	46.1%	13.0%	-36.0%		

Census Year	Census Tract	Population	Percent below Poverty	Unemployment	% White Not Hispanic	% Black Not Hispanic		
2000	27.02	1874	37.4%	10.0%	4.6%	94.1%		
2010	27.02	1559	35.8%	21.3%	1.2%	87.4%		
Difference 2000 to 2010		-315	-1.6%	11.3%	-3.4%	-6.7%		
Percent Change		-17%	-4%	113%	-74%	-7%		
Year Awarded	Program Type	Development	Address	Total Units	Total LIHTC Units	Total LIHTC units in 2 mile Radius (if awarded)	LIHTC amount awarded	Total awarded in 2 mile radius previous to this application
N/A	9% HTC	Hatcher Square	NW corner of Scyene Road and Hatcher Blvd.	136	136	1284	N/A	\$ 5,659,387.00

**Analysis of Census Tracts within the 2 mile Radius of Hatcher Square**

Census Tract	Total Population 2010	Total Population 2000	% change in population	2010 Unemployment	2000 Unemployment	2010 Poverty	2000 Poverty	2010 % white NH	2000 % white NH	2010 % Black	2000 % Black
27.01	3033	4066	-25.4%	23.30%	11.60%	71.10%	53.81%	0.7%	0.71%	89.1%	94.10%
27.02	1559	1874	-16.8%	21.30%	10.00%	35.80%	37.45%	1.2%	4.64%	87.4%	94.05%
37	3048	3565	-14.5%	13.20%	10.20%	33.90%	30.01%	1.3%	0.59%	90.1%	95.24%
39.01	1724	1763	-2.2%	38.10%	9.30%	47.20%	43.18%	0.9%	1.92%	92.5%	89.63%
25	5308	5790	-8.3%	11.10%	7.60%	26.00%	32.55%	3.4%	3.01%	26.1%	40.76%
29*	N/A	951	N/A	N/A	3.20%	N/A	43.71%	N/A	15.61%	N/A	78.55%
35*	N/A	1983	N/A	N/A	6.10%	N/A	38.41%	N/A	2.51%	N/A	93.45%
203*	2568	N/A	N/A	20.40%	N/A	51.90%	N/A	5.9%	N/A	86.9%	N/A
34	1146	1407	-18.6%	21.80%	9.60%	45.30%	44.44%	12.2%	14.50%	71.7%	44.44%
38	1956	2758	-29.1%	22.60%	9.40%	34.90%	36.22%	0.9%	0.29%	93.6%	95.17%
39.02	1860	2099	-11.4%	24.40%	13.30%	38.30%	43.83%	1.2%	0.00%	73.3%	88.08%
40	1082	1496	-27.7%	1.00%	15.10%	27.00%	39.64%	0.6%	1.63%	86.9%	89.23%
84	9859	9799	0.6%	7.90%	4.40%	28.80%	20.17%	10.7%	19.96%	5.3%	7.05%
115	3185	4956	-35.7%	15.60%	11.40%	61.60%	62.19%	0.9%	0.00%	30.9%	69.81%
TOTAL:	36328	42507	-14.5%								
Average:				18.39%	9.32%	41.82%	40.43%	3.34%	5.03%	69.48%	75.35%

*35 & 29 combined for 2000 replaced with 203 for 2010	2568	2934	-12.5%	20.40%	4.65%	51.90%	41.06%	5.9%	9.06%	86.9%	86.00%
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## Dallas Metro Division Population analysis by Census Tract

TOTAL Population in DMD	4235751
Tracts with Black population > = 50%	71
Tracts with Black pop. >=50% with white HN pop. >=25%	3
Tracts with Black pop. >=50% with Hispanic pop. >=25%	19

	Black	percent Black	White not Hispanic	percent White	Hispanic	percent Hispanic
total population in DMD	672961	15.89%	2002177	47.27%	1219348	28.79%

	Black population in category	percent of total Black population in category	White not Hispanic population in category	percent of total White not Hispanic population in category	Hispanic population in category	percent of total Hispanic population in category
total population in DMD in CT's with 90 to 100% White not Hispanic	339	0.05%	52622	2.63%	2284	0.19%
total population in DMD in CT's with 80 to 90% White not Hispanic	10120	1.50%	338202	16.89%	33342	2.73%
total population in DMD in CT's with 70 to 80% White not Hispanic	31253	4.64%	424309	21.19%	72496	5.95%
total population in DMD in CT's with 0% to 25% White not Hispanic	344959	51.26%	123763	6.18%	549761	45.09%

**Champion Homes of Copper Ridge Analysis**

Year Awarded	Program Type	Development	Address	Total Units	Total LIHTC Units		
2011	9% HTC	Champion Homes at Copper Ridge	5522 Maple Ave	252	252		
Census Year	Census Tract	Population	Percent below Poverty	Unemployment	% White Not Hispanic	% Black Not Hispanic	% Hispanic
2010	4.04	3451	25.0%	4.6%	38.0%	5.6%	46.9%
Census Year		Population	Percent below Poverty	Unemployment	% White Not Hispanic	% Black Not Hispanic	% Hispanic
2010	City of Dallas	1,187,285	22.3%	7.9%	28.8%	24.6%	42.4%
2010	Dallas County	2,321,014	17.6%	7.6%	33.1%	21.9%	38.3%
2010	Dallas Metro Division	6,154,265	13.4%	6.8%	50.2%	14.8%	27.5%

# *E Pluribus Unum: Diversity and Community in the Twenty-first Century* The 2006 Johan Skytte Prize Lecture

Robert D. Putnam\*

Ethnic diversity is increasing in most advanced countries, driven mostly by sharp increases in immigration. In the long run immigration and diversity are likely to have important cultural, economic, fiscal, and developmental benefits. In the short run, however, immigration and ethnic diversity tend to reduce social solidarity and social capital. New evidence from the US suggests that in ethnically diverse neighbourhoods residents of all races tend to 'hunker down'. Trust (even of one's own race) is lower, altruism and community cooperation rarer, friends fewer. In the long run, however, successful immigrant societies have overcome such fragmentation by creating new, cross-cutting forms of social solidarity and more encompassing identities. Illustrations of becoming comfortable with diversity are drawn from the US military, religious institutions, and earlier waves of American immigration.

One of the most important challenges facing modern societies, and at the same time one of our most significant opportunities, is the increase in ethnic and social heterogeneity in virtually all advanced countries. The most certain prediction that we can make about almost any modern society is that it will be more diverse a generation from now than it is today. This is true from Sweden to the United States and from New Zealand to Ireland. In this article, I want to begin to explore the implications of that transition to a more diverse, multicultural society for 'social capital' – the concept for which I have been honored by the Skytte Prize committee.<sup>1</sup>

I begin with a word or two about this concept, which has been the subject of an exponentially expanding and controversial literature over the last fifteen years. I prefer a 'lean and mean' definition: social networks and the associated norms of reciprocity and trustworthiness.<sup>2</sup> The core insight of this approach is extremely simple: like tools (physical capital) and training (human capital), social networks have value. Networks have value, first, to people who are in the networks. For example, economic sociologists have shown repeatedly that labor markets are thoroughly permeated by networks

\* Harvard University and University of Manchester. E-mail: robert\_putnam@harvard.edu

sense suggests that the opposite is more likely; if anything, selection bias probably artificially mutes the underlying causal pattern. In short, taking self-selection into account, our findings may *underestimate* the real effect of diversity on social withdrawal.<sup>29</sup>

### *Different Strokes for Different Folks?*

We considered the possibility that the effects of diversity on social capital might vary from group to group. Perhaps people in poor neighbourhoods are more sensitive to diversity than people in upscale neighbourhoods (or the reverse). Perhaps women are more likely to hunker in the presence of diversity than men (or the reverse). Perhaps conservatives are more allergic to diversity than liberals (or the reverse). Perhaps the basic relationship is different for different racial and ethnic groups. Perhaps younger people are less upset by diversity than older generations. Our base model directly controls for most of these variables, but the more subtle question here involves interaction effects: Does the relationship between diversity and sociability vary between men and women, upscale and downscale neighbourhoods, liberals and conservatives, whites and non-whites, young people and older generations?

The short answer is basically 'no'. The same pattern appears within each of these demographic groups. To be sure, the strength of the core patterns varies somewhat from group to group, partly perhaps as a function of sample size and reduced variance. Thus, for example, the impact of diversity on trust and sociability seems to be somewhat greater in lower-status neighbourhoods, but for measures of altruism the negative impact of diversity seems somewhat greater in upper-status areas. Diversity seems to affect men and women equally, though with minor variation across different indicators of sociability. The impact of diversity on sociability seems somewhat greater among conservatives, but it is significant among liberals, too. The impact of diversity is definitely greater among whites, but is visible as well among non-whites.

Broadly speaking, contemporary ethnic diversity in American communities reflects (in roughly equal measure) two quite different historical processes: the African slave trade of the seventeenth and eighteenth centuries and the growing immigration of Latinos and Asians into the United States in the twentieth and twenty-first centuries. Although all four racial-ethnic categories are represented in all parts of the country, African-Americans are disproportionately represented in the Southeast and the urban areas of the North, whereas Latinos and Asian-Americans are concentrated in the Southwest and West. Thus, in gross terms, variance in our basic measure of ethnic diversity can be partitioned into two distinct factors: the percentage of blacks in a given area and the percentage of immigrants in a given area. It is important to ask whether these two different types of diversity, with their very different historical matrices, have different effects on social capital.

THE END OF  
THE SEGREGATED CENTURY:  
Racial Separation in  
America's Neighborhoods,  
1890–2010

Edward Glaeser  
*Senior Fellow, Manhattan Institute*

Jacob Vigdor  
*Adjunct Fellow, Manhattan Institute*

Published by Manhattan Institute



CENTER FOR STATE AND LOCAL LEADERSHIP  
AT THE MANHATTAN INSTITUTE

# THE END OF THE SEGREGATED CENTURY: RACIAL SEPARATION IN AMERICA'S NEIGHBORHOODS, 1890–2010

Edward Glaeser & Jacob Vigdor

## INTRODUCTION

Over the past century, residential segregation in the United States has undergone two radical transformations. The first occurred between 1910 and 1960, as African-American migration to cities met with white hostility and produced massive ghettos in almost every major city. The second transformation is still ongoing, according to recently released data from the 2010 census. Segregation has declined steadily from its mid-century peak, with significant drops in every decade since 1970. As of 2010, the separation of African-Americans from individuals of other races stood at its lowest level in nearly a century. Fifty years ago, nearly half the black population lived in what might be termed a “ghetto” neighborhood, with an African-American share above 80 percent. Today, that proportion has fallen to 20 percent.

This report focuses on the pervasive decline in segregation that occurred during the first decade of the twenty-first century. Using the most common segregation index, the dissimilarity index, the separation of blacks from individuals of other races declined in all 85 of the nation's 85 largest metropolitan areas. In 657 out of 658 housing markets tracked by the Census Bureau, segregation is now lower than the average level of segregation marked in 1970.<sup>1</sup> Segregation declined in 522 out of 658 housing markets overall between 2000 and 2010.



would need to move in order to achieve perfect integration. In an important sense, though, the black residents are not isolated—after all, they live in a neighborhood that is 98 percent white.

The *isolation index* is designed to distinguish this sort of scenario from one where neighborhoods have dramatically different racial character. It measures the tendency for members of one group to live in neighborhoods where their share of the population is above the citywide average. In this hypothetical example, black residents live in a neighborhood that is 2 percent black, which is just 1 percentage point higher than what would be expected under perfect integration. The isolation index would therefore be on the order of 1 percent, rather than 50 percent.

Both indices require us to define a couple of terms. We must define a neighborhood and define the relevant collection of neighborhoods that together form a common housing market. In practice, both definitions are based on basic census geography. For purposes of this report, a neighborhood is defined as a *census tract*. In 2010, there were 72,531 census tracts in the United States, containing an average of 4,256 people. Not all census tracts are of equal population: in 2010, the largest tract corresponded to the Marine Corps base at Camp Pendleton near San Diego, and counted more than 37,000 residents. About 90 percent of the time, the population of a census tract varies between 1,500 and 7,500.

A housing market in this study corresponds to a Core Based Statistical Area (CBSA), as defined by the Office of Management and Budget. A CBSA is a collection of counties corresponding to a metropolitan or “micropolitan” area. There are 942 CBSAs in the United States. The largest, corresponding to the New York metropolitan area, comprises one county in eastern Pennsylvania, 12 counties in northern New Jersey, the five boroughs, and five suburban counties in New York, and counts nearly 19 million residents. The smallest, covering the city of Tallulah and Madison Parish in northeast Louisiana, counts only 12,000 residents. Approximately 20 million Americans live in rural areas not included in any CBSA. This report presents information on segregation only in CBSAs

that count at least 1,000 black residents, as segregation indices have little meaning when the black population is minute.

The concept of a CBSA did not exist as of 2000. This report includes information on segregation in both 2000 and 2010, using the CBSA definitions as amended by OMB on December 1, 2009.

Finally, segregation can be measured only after segmenting the population into two groups. In the case of racial segregation, this is not a trivial matter. Since 2000, the Census Bureau has permitted individuals to describe themselves as belonging to more than one racial category. As the overwhelming majority of respondents select exactly one category, this report will consider the segregation of African-Americans, counting only those individuals who identify themselves as African-American alone. Segregation indices computed using a more inclusive definition of African-American are nearly identical to the ones reported here (Glaeser and Vigdor, 2003). The indices reported here therefore describe the residential separation of blacks from both multiracial individuals and those of any other race.

## THE DECLINE IN SEGREGATION, 2000–2010

The dissimilarity and isolation indices can be computed using data from every census since 1890. Figure 1 reports average segregation levels—as experienced by the “average” urban black resident—for the 120-year span between 1890 and 2010. In the late nineteenth and early twentieth centuries, prior to the Great Migration of blacks from the rural South to urban areas, segregation was comparatively modest. Between 1910 and 1960, blacks moved to urban areas in vast numbers. Upon arriving, they often encountered legal obstacles in their choice of neighborhood, ranging from restrictive deed covenants (enforced until the late 1940s), federally sponsored redlining in mortgage lending, and outright discrimination by landlords, real-estate agents, or local public housing authorities. As a consequence, segregation rose dramatically. By mid-century, the



**2011 Multifamily Uniform Application Certification**

**Mailing Address: P.O. Box 13941, Austin, TX 78711-3941**

**Physical Address: 221 East 11th Street, Austin, TX 78701**

**Development Name:** Hatcher Square

**Development City:** Dallas

The undersigned hereby makes an Application to Texas Department of Housing and Community Affairs. The Applicant affirms that they have read and understand the 2011 Qualified Allocation Plan, and in particular understands the requirements under §49.12(a), Adherence to Obligations, as well as IRC Section 42. By signing this document, Applicant is affirming that all statements and representations made in this document, including all supporting materials, are true and correct under penalty of Chapter 37 of the Texas Penal Code titled Perjury and Other Falsification and subject to criminal penalties as defined by the State of Texas, TEX. PENAL CODE ANN. §§37.01 et seq. (VERNON 2003 & SUPP. 2007).

By: *Jon Edmonds*  
*Signature of Applicant*

Jon Edmonds  
*Printed Name*

2/18/11  
*Date*

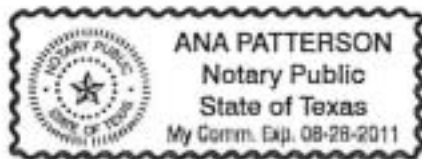
STATE OF: Texas

COUNTY OF: Dallas

I, the undersigned, a Notary Public in and for said County and State, do hereby certify that Jon Edmond whose name is signed to the foregoing statement, and who is known to be one in the same, has acknowledged before me on this date, that being informed of the contents of this statement, executed the same voluntarily on the date same foregoing statement bears.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 18th day of February, 2011

(Seal)



*Ana Patterson*  
*Notary Public Signature*

Notary Public, State of Texas

County of Dallas

My commission expires: 8-28-11

Volume 1, Tab 1  
Development Narrative

Hatcher Square is a new construction development located on 4.19 acres in Dallas, Texas at the Northwest corner of Scyene Road and Hatcher Boulevard. It will have 136 units of LIHTC units and approximately 10,000 square feet of commercial and retail space. It will target families with AMIs at or below 60%. Fourteen (14) of these units (10%) will be targeted to families at 30% AMI, 48 units (35%) will be 50% AMI, and 74 units (55%) will be leased to families at 60% AMI or below. There will be five physical buildings as shown in Volume 1, Tab 2, Part F worksheet. The development will have the following unit mix:

<b># of Units (A)</b>	<b># of Bedrooms</b>	<b># of Baths</b>	<b>Unit Size (Net Rentable Sq. Ft.) (B)</b>	<b>Total Net Rentable Sq. Ft. (A) x (B)</b>
32	1	1.00	696	22,272
59	2	2.00	990	58,410
7	2	2.00	1,141	7,987
7	2	2.00	1,189	8,323
31	3	2.00	1,386	42,408
136				139,400

In addition to the residential units there will be approximately 10,000 square feet of commercial/retail space for rent and a 3,651 community/leasing center.

**Volume 1, Tab 3. ACTIVITY OVERVIEW**

**Part A. Development Cost Schedule**

*This Development Cost Schedule must be consistent with the Summary Sources and Uses of Funds Statement. All applications must complete the total development cost column and the Tax Payer Identification column. Only HTC applications must complete the eligible basis columns and the Requested Credit calculation below:*

DEVELOPMENT NAME:

**Hatcher Square**

City: **Dallas**

**ACQUISITION**

TOTAL DEVELOPMENT SUMMARY			Expected Payee Taxpayer Identification Number (TIN) <sup>1</sup> (and % of cost if item involves multiple payees)
Total Cost	Eligible Basis (If Applicable)		
	Acquisition	New/Rehab.	
Site acquisition cost	2,379,226		27-4079924,20-3395474
Existing building acquisition cost			
Closing costs & acq. legal fees			
Other (specify) - see footnote 2			
Other (specify) - see footnote 2			
<b>Subtotal Acquisition Cost</b>	<b>\$2,379,226</b>	<b>\$0</b>	<b>\$0</b>

**OFF-SITES<sup>3</sup>**

Off-site concrete			
Storm drains & devices			
Water & fire hydrants			
Off-site utilities			
Sewer lateral(s)			
Off-site paving			
Off-site electrical			
Other (specify) - see footnote 2			
Other (specify) - see footnote 2			
<b>Subtotal Off-Sites Cost</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**SITE WORK<sup>4</sup>**

Demolition	297,935		75-2569799
Rough grading	124,925	124,925	75-2569799
Fine grading	35,000	35,000	75-2569799
On-site concrete	251,332	251,332	75-2569799
On-site electrical	125,280	125,280	75-2569799
On-site paving	499,645	499,645	75-2569799
On-site utilities	249,848	249,848	75-2569799
Decorative masonry		0	
Bumper stops, striping & signs		0	
Landscaping	99,940	99,940	75-2569799
Pool and decking		0	
Athletic court(s), playground(s)		0	
Fencing	55,000	55,000	75-2569799
Other (specify) - see footnote 2		0	
Other (specify) - see footnote 2		0	
<b>Subtotal Site Work Cost</b>	<b>\$1,738,905</b>	<b>\$0</b>	<b>\$1,440,970</b>

**DIRECT CONSTRUCTION COSTS\*:**

Concrete	1,548,943	1,548,943	75-2569799
Masonry	251,000	251,000	75-2569799
Metals	85,000	85,000	75-2569799
Woods and Plastics	2,365,143	2,365,143	75-2569799
Thermal and Moisture Protection	12,351	12,351	75-2569799
Roof Covering	249,849	249,849	75-2569799
Doors and Windows	61,264	61,264	75-2569799
Finishes	874,472	874,472	75-2569799
Specialties	86,916	86,916	75-2569799
Equipment	192,643	192,643	75-2569799

TOTAL DEVELOPMENT SUMMARY			Expected Payee Taxpayer Identification Number (TIN) <sup>1</sup> (and % of cost if item involves multiple payees)
Total Cost	Eligible Basis (If Applicable)		
	Acquisition	New/Rehab.	

DEVELOPMENT NAME:

**Hatcher Square**

City: **Dallas**

**DIRECT CONSTRUCTION COSTS (Continued):**

Furnishings			0	
Special Construction			0	
Conveying Systems (Elevators)			0	
Mechanical (HVAC; Plumbing)	1,590,927		1,590,927	75-2569799
Electrical	774,623		774,623	75-2569799
<b>Individually itemize costs below:</b>				
Detached Community Facilities/Building			0	
Carports and/or Garages			0	
Lead-Based Paint Abatement			0	
Asbestos Abatement			0	
Other (specify) - see footnote 2			0	
Other (specify) - see footnote 2			0	
<b>Subtotal Direct Const. Costs</b>	<b>\$8,093,130</b>	<b>\$0</b>	<b>\$8,093,130</b>	
<b>TOTAL DIRECT CONST. &amp; SITE WORK</b>	<b>\$9,832,034</b>	<b>\$0</b>	<b>\$9,534,099</b>	

**OTHER CONSTRUCTION COSTS**

General requirements (<6%)	6.00%	571,689		571,689	75-2569799
Field supervision (within GR limit)				0	
Contractor overhead (<2%)	2.00%	190,563		190,563	75-2569799
G & A Field (within overhead limit)				0	
Contractor profit (<6%)	6.00%	571,689		571,689	75-2569799
Contingency (<5%)	5.00%	476,408		476,408	75-2569799
<b>Subtotal Ancillary Hard Costs</b>		<b>\$1,810,349</b>	<b>\$0</b>	<b>\$1,810,349</b>	
<b>TOTAL DIRECT HARD COSTS</b>		<b>\$11,642,383</b>	<b>\$0</b>	<b>\$11,344,448</b>	

**INDIRECT CONSTRUCTION COSTS<sup>4</sup>**

Architectural - Design fees		500,000		500,000	20-18847332
Architectural - Supervision fees		100,000		100,000	20-18847332
Engineering fees		200,000		200,000	75-2498723
Real estate attorney/other legal fees		300,000		300,000	74-1201087
Accounting fees		28,300		28,300	75-2805390
Impact Fees				0	
Building permits & related costs		110,000		110,000	City of Dallas
Appraisal		16,252		16,252	74-2555586
Market analysis		18,750		18,750	74-2555586
Environmental assessment		10,000		10,000	75-1765259
Soils report		10,000		10,000	75-1765259
Survey		20,000		20,000	75-2498723
Marketing		85,000			
Partnership Hazard & liability insurance		125,000		125,000	75-2737533
Real property taxes		50,000		50,000	City of Dallas
Personal property taxes				0	
Tenant relocation expenses				0	
Other (specify) - see footnote 2				0	
Other (specify) - see footnote 2				0	
<b>Subtotal Indirect Const. Cost</b>		<b>\$1,573,302</b>	<b>\$0</b>	<b>\$1,488,302</b>	

**DEVELOPER FEES<sup>4</sup>**

Housing consultant fees <sup>5</sup>		150,000		150,000	26-4661532/75-2652155
General & administrative				0	
Profit or fee		2,062,000		2,062,000	20-3395474/75-2377044
<b>Subtotal Developer's Fees</b>	14.86%	<b>\$2,212,000</b>	<b>\$0</b>	<b>\$2,212,000</b>	

**Volume 1, Tab 4. Funding Request**  
**PART A. Summary of Sources and Uses of Funds**

*Describe all sources of funds and total uses of funds. Information must be consistent with the information provided throughout the Application (i.e. Financing Narrative, Commitment Letters and Development Cost Schedule). Where funds such as tax credits, loan guarantees, bonds are used, only the proceeds going into the development should be identified so that "sources" match "uses."*

Development Name: Hatcher Square

Development City: Dallas

Funding Description	Construction Period		Permanent Period					Financing Participants
	Loan/Equity Amount	Interest Rate (%)	Loan/Equity Amount	Interest Rate (%)	Amort	Term	Syndication Rate (\$)	
<b>DEBT</b>								
Conventional Loan	\$4,074,288	7.88%	\$4,074,288	7.880%	30	20		Amegy Mortgage Capital
Conventional Loan	\$6,845,795	5.00%						Amegy Mortgage Capital
Local Government Loan	\$1,025,000	0.00%	\$1,025,000	0.00%	N/A			City of Dallas
Local Government Loan	\$475,000	0.00%	\$475,000	0.00%	N/A			City of Dallas
Other (Please Describe)								
Other (Please Describe)								
<b>Third Party Equity</b>								
HTC Syndication Proceeds	\$6,749,325		\$14,998,500				\$0.75	National Equity Fund
Other (Please Describe)								
<b>Grant</b>								
Other (Please Describe)								
<b>Deferred Developer Fee</b>								
Deferred Developer Fee	\$1,500,000		\$96,620					Frazier Revitalization, Inc./Carleton Residential Limited Partnership
Other (Please Describe)								
<b>Other</b>								
Please Describe								
Please Describe								4
Please Describe								
Please Describe								
<b>TOTAL SOURCES OF FUNDS</b>	\$ 20,669,408		\$ 20,669,408					
<b>TOTAL USES OF FUNDS</b>			\$ 20,669,408					

## **Volume 1, Tab 4**

### **Hatcher Square Financing Narrative**

Hatcher is a new construction transportation oriented project by Frazier HS, LP. It will be financed with a combination of tax credit equity, debt, and deferred developer fee. During the construction period, the project will be funded by tax credit equity of \$6,749,325 from National Equity Fund, Inc., construction debt of \$10,920,083 from Amegy Mortgage Capital, a loan of \$1,025,000 from the City of Dallas, another loan of \$475,000 from the City of Dallas, and deferred developer fee of \$1,500,000. The tax credit equity represents 45% of the tax credit equity raised of \$14,998,500. The final capital structure will include tax credit equity of \$14,998,500 (representing \$0.75 per credit dollar) from National Equity Fund, Inc., permanent debt of \$4,074,288 from Amegy Mortgage Capital, a loan of \$1,025,000 from the City of Dallas, another loan of \$475,000 from the City of Dallas, and \$96,620 in deferred developer fee. Please see the attached commitment letters for further detail of the financing structure.

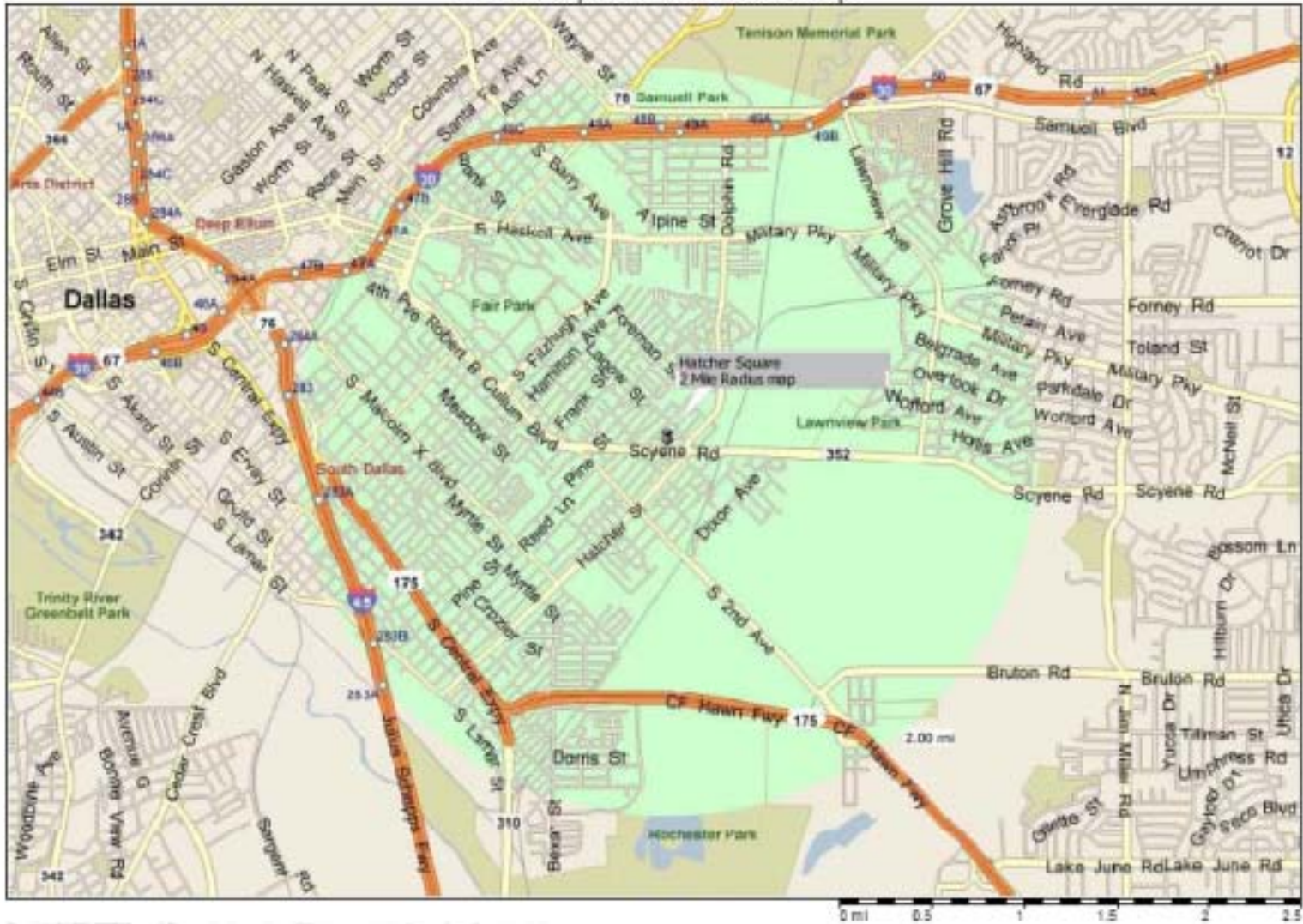






Volume 2, Tab 1, Part C  
Radius Map

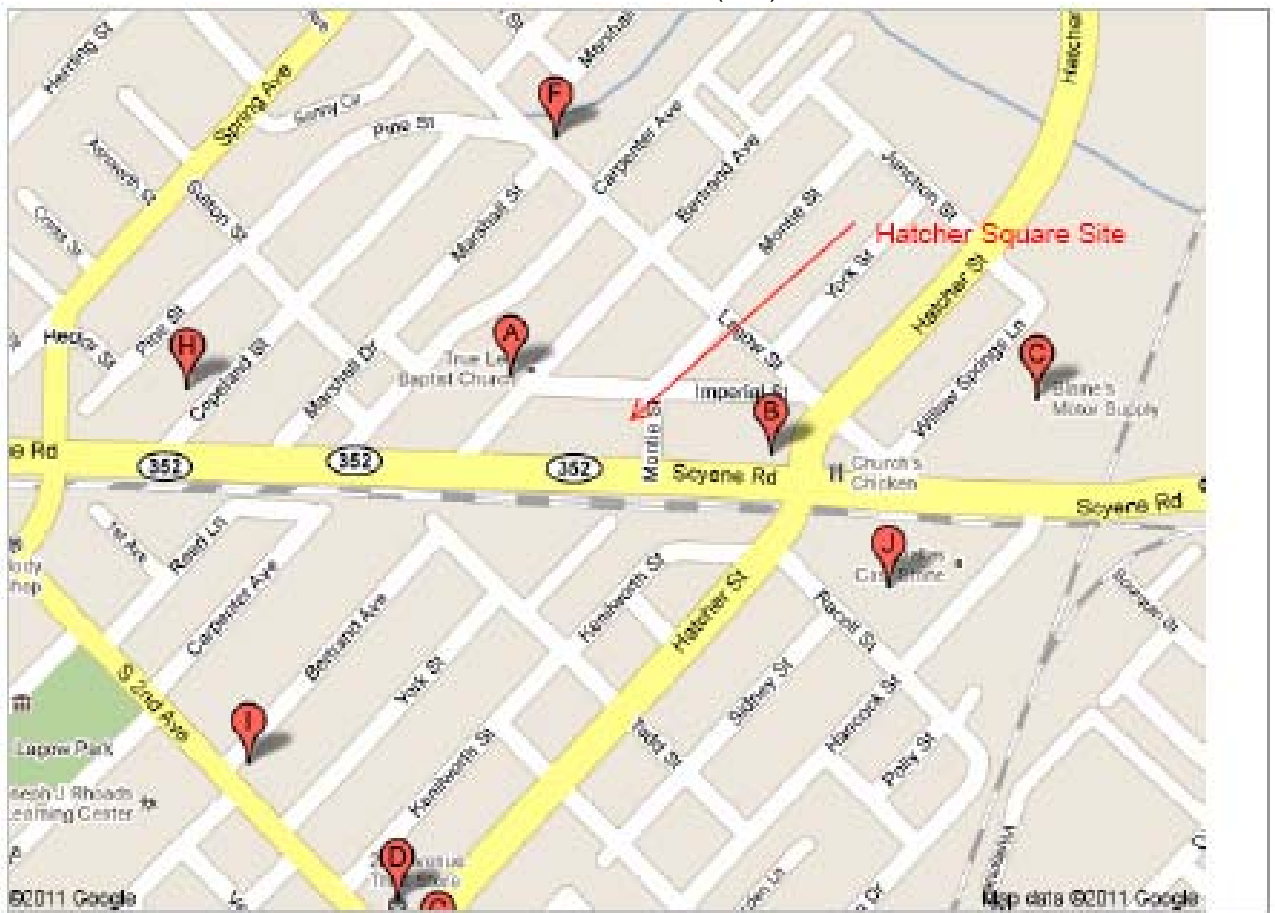
Hatcher Square - 2 mile radius map



Volume 2, Tab 1, Part C  
Retail Centers

- A. Hope Restoration Inc  
3907 Bertrand Ave, Dallas, TX -  
(214) 421-8300
- B. Moonlite Market  
4632 Scyene Road, Dallas, TX -  
(214) 421-9710
- C. Blaine's Motor Supply Inc  
4700 Scyene Road, Dallas, TX -  
(214) 426-4400
- D. 2nd Avenue Thrift Store  
4640 South 2nd Ave, Dallas, TX -  
(214) 428-3156
- E. Second Avenue Pawn Shop  
4727 South 2nd Ave, Dallas, TX -  
(214) 428-6170

- F. Diamond J Grocery Beer & Wine  
3022 Lagow Street, Dallas, TX -  
(214) 565-1707
- G. Harold's Discount Tire Services  
4700 South 2nd Ave, Dallas, TX -  
(214) 421-2099
- H. Triple B Hardware  
3623 Copeland St., Dallas, TX -  
(214) 421-4935
- I. John's Used Furniture  
4502 South 2nd Ave, Dallas, TX -  
(214) 421-5624
- J. Cladrite  
4828 Racell Street, Dallas, TX -  
(214) 928-9930



Volume 2, Tab 1, Part C  
 Medical Complexes

- |  |   |
|--|---|
| <p>A. <b>Optimum Healthcare</b><br/>                 2633 Ferris St, Dallas, Texas - (972) 261-2005</p> <p>C. <b>South East Health LLC</b><br/>                 4206 South Fitzhugh Avenue, Dallas, TX - (214) 928-9800</p> <p>E. <b>Hirsch Clinic - Dallas Hcg</b><br/>                 1902 Martin Luther King Junior Boulevard, Dallas, TX - (214) 421-1188</p> <p>G. <b>Klein Jennifer</b><br/>                 1906 Peabody Avenue, Dallas, TX - (214) 421-7848</p> <p>I. <b>Backworks of Dallas</b><br/>                 3116 Martin Luther King Jr Blv, Dallas, TX - (214) 956-6995</p> | <p>B. <b>Dr. Courtney J. Johnson, DDS</b><br/>                 2922 Martin Luther King Junior Boulevard, Dallas, TX - (214) 426-2686</p> <p>D. <b>Dr. David R. Maxwell, DDS</b><br/>                 2922 Martin Luther King Junior Boulevard, Dallas, TX - (214) 426-3645</p> <p>F. <b>Baxter Kathleen M</b><br/>                 2835 Grand Avenue, Dallas, TX - (214) 421 4111</p> <p>H. <b>Optimum Healthcare</b><br/>                 2633 Ferris Street, Dallas, TX - (972) 261-2005<br/>                 2 reviews</p> <p>J. <b>Malcom X Pediatrics</b><br/>                 4432 Malcolm X Boulevard, Dallas, TX - (214) 428-2010</p> |
|--|---|





Volume 2, Tab 1, Part C  
Recreational Facilities

**A. State Fair of Texas: Fair Time-Special Events**

3921 Martin Luther King Blvd., Dallas, Texas -  
(214) 565-9931

**B. Juanita Craft Recreation Center**

4500 Spring Ave, Dallas, TX - (214) 670-8203

**C. Larry Johnson Recreation Center**

3700 Dixon Avenue, Dallas, TX - (214) 670-8495

**D. KGS Bikes - Dallas**

731 Exposition Avenue, Dallas, TX -  
(210) 849-2501

**E. Dallas Aquarium at Fair Park**

1462 1st Ave, Dallas, Texas

**F. City of Dallas: Recreation Centers**

2922 Martin Luther King Jr Bl, Dallas, TX -  
(214) 670-8363

**G. Flowing Circle Aikido Center of Dallas**

3612 Commerce Street #102, Dallas, TX -  
(469) 767-5721

**I. Second Avenue Recreation**

2200 South 2nd Avenue, Dallas, TX -



(214) 428-9355

Volume 2, Tab 1, Part C  
Education Facilities

**A. James Madison High School: Schools**

3000 Martin L King Blvd, Dallas, TX -

(972) 925-2800

**B. Museum of Nature & Science's Children's Museum**

1318 South Second Avenue, Dallas, TX -

(214) 428-5555

**C. St. Phillips School**

1600 Pennsylvania Avenue, Dallas, TX -

(214) 421-5221

**D. St Anthony School**

3732 Myrtle Street, Dallas, TX - (214) 421-3645

**E. Schools: James Daniel (Chappie) Learning Center**

1718 Robert B Cullum Boulevard, Dallas, TX -

(972) 749-5200

**G. Science Place Head Start**

1620 1st Avenue, Dallas, TX - (214) 426-1188

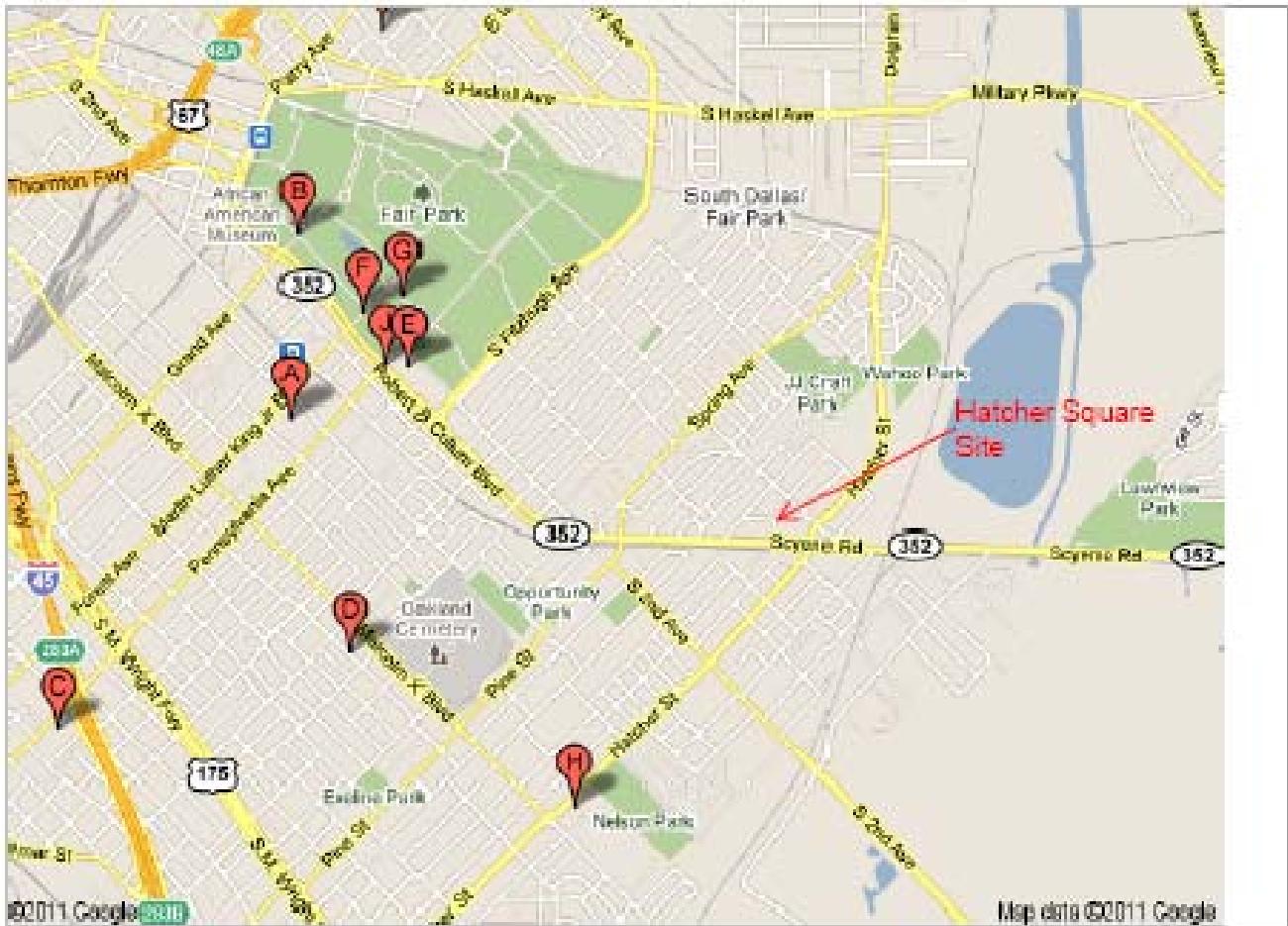
**H. Schools: Lincoln Humanities Communications Magnet**

2826 Hatcher Street, Dallas, TX -

(972) 925-7600

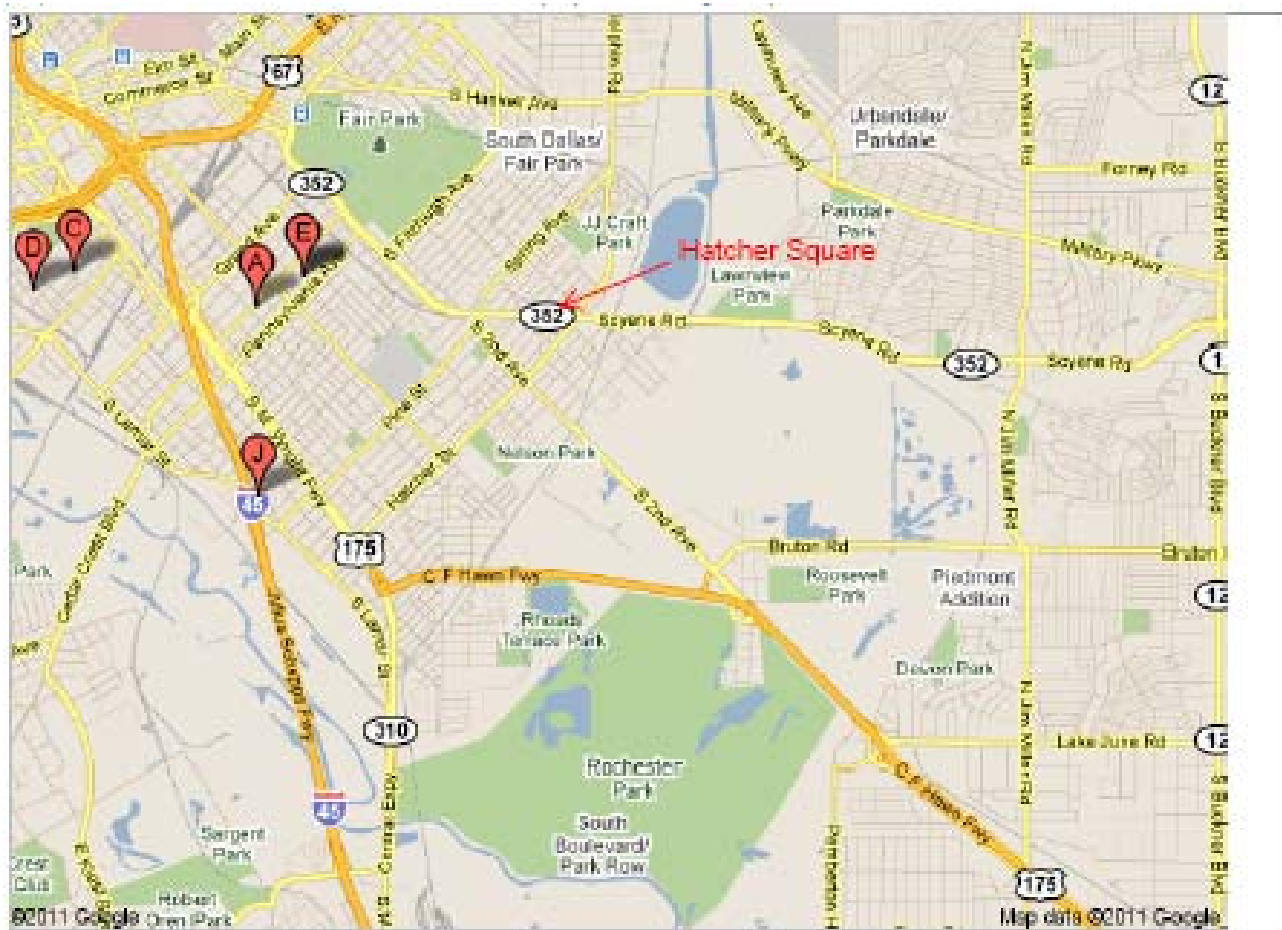
1/17/2011

Schools - Google Maps

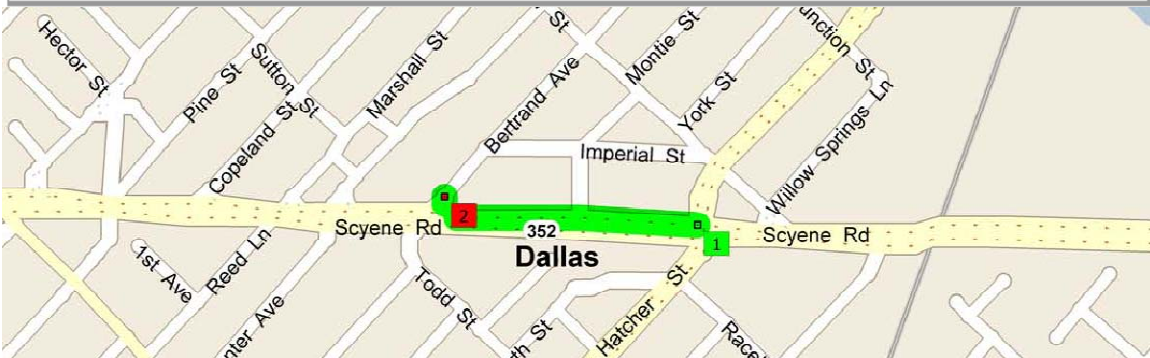
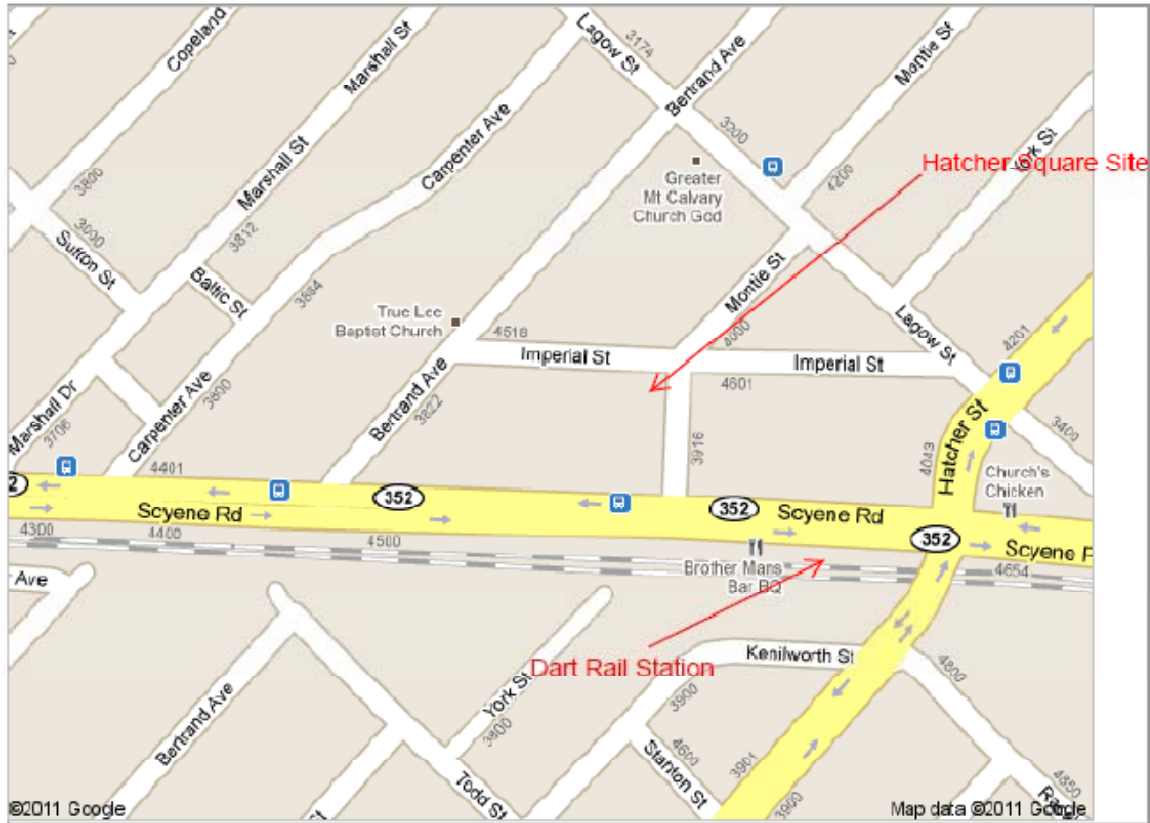


Volume 2, Tab 1, Part C  
Large Scale Employment Centers

- |   |   |
|---|---|
| <p>A. <b>All Temps 1 Personnel</b><br/>2606 Martin Luther King # 207, Dallas, TX -<br/>(214) 426-0091</p> <p>C. <b>Pacesetter Personnel Services</b><br/>1818 South Ervay Street, Dallas, TX -<br/>(214) 651-0202</p> <p>E. <b>City of Dallas: Employment Center</b><br/>2922 Martin Luther King Jr Bl, Dallas, TX -<br/>(214) 670-5955<br/>1 review</p> <p>G. <b>Ami Staffing Inc</b><br/>415 South Carroll Avenue, Dallas, TX</p> <p>I. <b>Greet America Public Record</b><br/>8035 E R L Thornton Fwy # 410, Dallas, TX -<br/>(214) 320-9836</p> | <p>B. <b>Kelly Services</b><br/>3801 Gaston Ave # 230, Dallas, TX -<br/>(214) 370-3823</p> <p>D. <b>Able Body Labor</b><br/>1712 South Akard Street, Dallas, TX -<br/>(214) 428-4372<br/>1 review</p> <p>F. <b>Staff Force Inc</b><br/>8344 E R L Thornton Fwy # 202, Dallas, TX -<br/>(214) 328-8039</p> <p>H. <b>Workforce Solutions</b><br/>2922 Martin L King Jr Bl # 104, Dallas, TX -<br/>(214) 421-2460</p> <p>J. <b>Eyes On Employment</b><br/>1622 Mcdonald Drive, Dallas, TX -<br/>(214) 741-3937</p> |
|---|---|



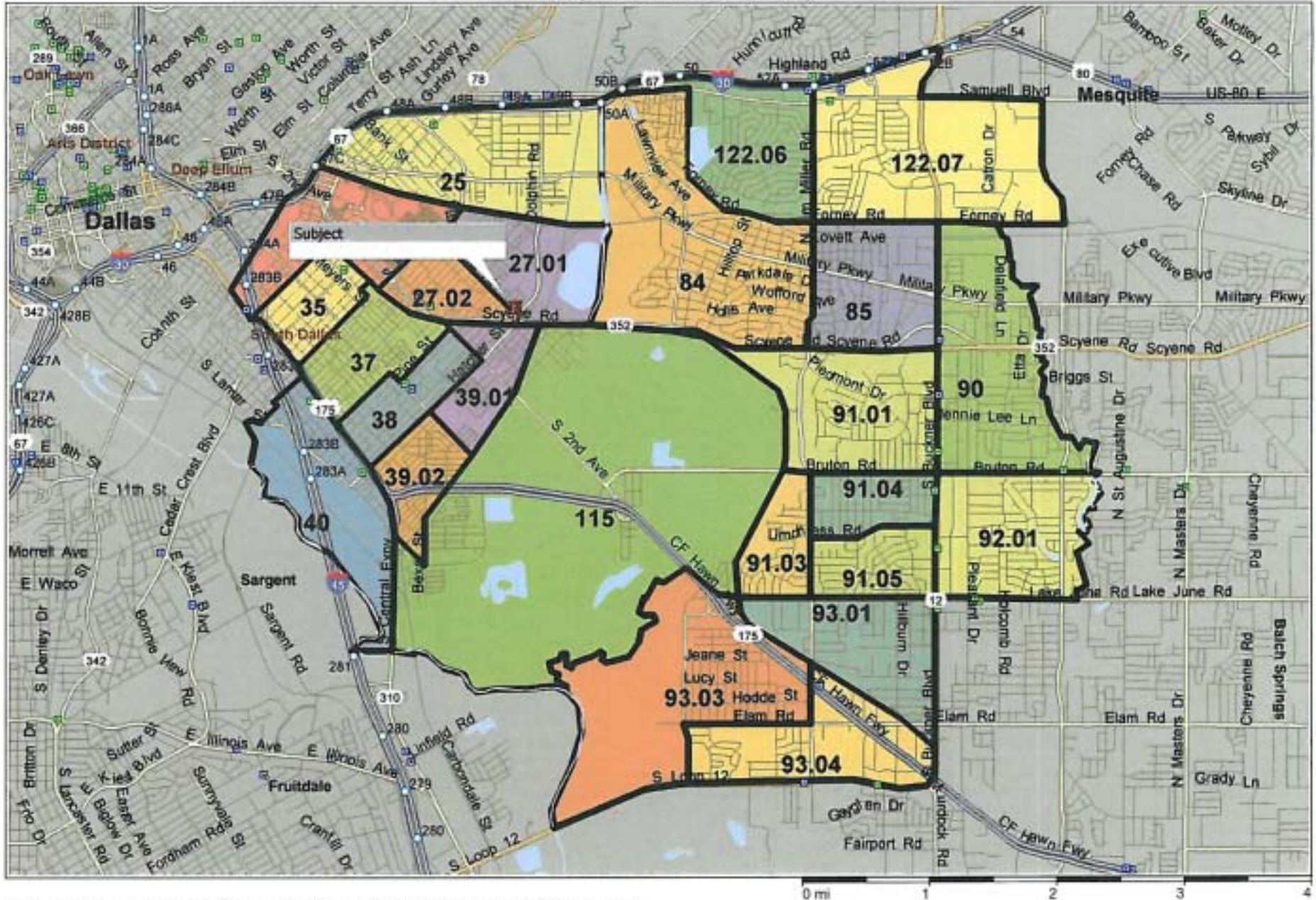
Volume 2, Tab 1, Part C  
Public Transportation



0.0 mi 1 Depart 4110 Hatcher St, Dallas, TX 75210 on SR-352 [Scyene Rd] (West) for 0.2 mi  
0.2 mi Bear RIGHT (North-West) onto Local road(s) for 32 yds  
0.2 mi 2 Arrive 3800 Bertrand Ave, Dallas, TX 75210



Primary Market Area (PMA)



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**Volume 4, Tab 1****APPLICANT SELF SCORE**

Instructions: Complete the following form and indicate all points requested for this Application. All evidence as required by §49.9(A) of the 2011 QAP must be submitted as outlined in the Application Submission Procedures Manual.

Development: Hatcher Square

City: Dallas

Tab #	§49.9(a)	Point Category	Points Requested
1	(1)	Financial Feasibility (28 Points Maximum)	28
2	(2)	Quantifiable Community Participation (Points Not Requested in Self Score)	N/A
3	(3)	The Income Levels of Tenants of the Development (22 Points Maximum)	22
4	(4)(A)	Size of the Units (6 Points)	6
4	(4)(B)	Quality of the Units (14 Points Maximum)	14
5	(5)	The Commitment of Development Funding by Units of General Local Government (18 Points Maximum)	18
6	(6)	Community Support from State Representative or State Senator (Points Not Requested in Self Score)	N/A
7	(7)	The Rent Levels of the Units (12 Points Maximum)	12
8	(8)	The Cost of the Development by Square Foot (10 Points)	10
9	(9)	Tenant Services (8 Points Maximum)	8
10	(10)	Declared Disaster Areas (7 Points)	7
11	(11)	Community Input Other Than Quantifiable Community Participation (6 Points Maximum)	N/A
12	(12)	Housing Needs Characteristics (6 Points Maximum)	4
13	(13)	Community Revitalization (6 Points Maximum)	3
14	(14)	Pre-Application Participation Incentive Points (6 Points)	6
15	(15)	Green Building Initiatives (6 Points Maximum)	6
16	(16)	Development Location (4 Points)	4
17	(17)	Economic Development Initiatives (4 Points)	4
18	(18)	Developments in Census Tracts with No Other Existing Same Type Developments Supported by Tax Credits (4 Points)	4
19	(19)	Tenant Populations with Special Housing Needs (4 Points)	4
20	(20)	Length of Affordability Period (4 Points Maximum)	4
21	(21)	Site Characteristics (4 Points)	4
22	(22)	Development Size (3 Points)	0
23	(23)	Sponsor Characteristics (2 Points)	1
24	(24)	Qualified Census Tracts with Revitalization (1 Point)	1
25	(25)	Developments Intended for Eventual Tenant Ownership – Right of First Refusal (1 Point)	1
26	(26)	Leveraging of Private, State, and Federal Resources (1 Point)	1
27	(27)	Third Party Funding Outside of Qualified Census Tracts (1 Point)	0
	(28)	Scoring Criteria Imposing Penalties (5 Point Deduction for Each Applicable Instance)	0
<b>Total Points Requested (must be 130 or greater (unless TRDO-USDA):</b>			<b>172</b>

**Volume 4, Tab 12**

**HOUSING NEEDS CHARACTERISTICS (§49.9(A)(12))**

Development location for which points are being requested (incorporated place or Census Designated Place):

Dallas

Points requested: 4

**Applicant is eligible for the points requested because one of the two options below is satisfied:**

- The Development is located in a "Place" as listed in the 2011 Housing Tax Credit Site Demographic Characteristics Report and the score indicated above matches the Affordable Housing Needs Score reflected in the Site Demographics Report and was requested on the Applicant's Self Score form. No further documentation is required.
  
- The Development is located in an area that is **NOT** listed in the 2011 Housing Tax Credit Site Demographic Characteristics Report and the score indicated above is for the closest incorporated "Place" to the Development; **AND**  
A map is provided that identifies the location of the Development Site and the boundaries of the "Place." The map should indicate the distance from the Development Site to the boundaries of the nearest Place.



**REMEMBER TO SUBMIT YOUR EVIDENCE BEHIND THIS FORM**

**Volume 4, Tab 13**

**COMMUNITY REVITALIZATION or HISTORIC PRESERVATION (§49.9(a)(13))**

The Application proposes:

- Community Revitalization**- the Development includes the use of an Existing Residential Development and proposes any Rehabilitation or any Reconstruction that is part of a Community Revitalization Plan. (§42(m)(1)(C)(iii))

**Evidence to be provided to satisfy this requirement:**

- Volume 2, Tab 1, Part B- 2011 Existing Residential Development Certification Form* is present in Volume 2, and is fully executed.

**AND**

- A letter from the Appropriate Local Official stating there is a Community Revitalization Plan in effect and the Development is within the area covered by the plan.

**If the Applicant is unable to obtain a letter from an Appropriate Local Official, then the following must be provided:**

- If the Community Revitalization Plan has specific boundaries, a copy of the Plan adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.

- Historic Preservation** - The Development includes the use of an existing building that is designated as historic by a federal or state Entity and proposes Rehabilitation (including Reconstruction) or Adaptive Reuse.

**Evidence to be provided includes:**

- The Development **includes\*** the use of an existing building that is designated as historic by a federal or state entity and proposes Rehabilitation (including reconstruction) or Adaptive Reuse.
- Proof of the historic designation from the appropriate Governmental Body is included.
- Letter from the Texas Historical Commission indicating the effect of the proposed rehabilitation on historical structure is included.

**\*The Development itself must have the designation; points in this subparagraph are not available for Developments simply located within historic districts or areas that do not have a designation on the building. The Development must include the historic building.**

- Rehabilitation** - Application proposes to build solely Rehabilitation.
- Reconstruction** - Application proposes to build solely Reconstruction.
- Adaptive Reuse** - Application proposes to build solely Adaptive Reuse.

- New Construction** - the Development is New Construction and is proposed to be located in an area that is part of a Community Revitalization Plan.

**Evidence to be provided includes one of the following:**

**Evidence to be provided to satisfy this requirement:**

- A letter from the Appropriate Local Official stating there is a Community Revitalization Plan in effect and the Development is within the area covered by the plan.

**If the Applicant is unable to obtain a letter from an Appropriate Local Official, then the following must be provided:**

- If the Community Revitalization Plan has specific boundaries, a copy of the Plan adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.



**REMEMBER TO PLACE YOUR EVIDENCE BEHIND THIS FORM**



January 20, 2011

Michael Gerber  
Executive Director  
Texas Department of Housing and Community Affairs  
P.O. Box 13941  
Austin, TX 78711-3941

Re: Hatcher Square - Scyene Road/Hatcher Boulevard

Dear Mr. Gerber:

It is our understanding that Hatcher Square at Scyene Road and Hatcher Boulevard, Dallas, Texas 75210 is considering a possible submission of an application with the Texas Department of Housing and Community Affairs for tax credit consideration.

The property is located within Census Tract 27.02, Block Group 3 which is a low-moderate income census tract as defined by the Department of Housing and Urban Development and the U.S. Census. The provision of affordable housing is a priority for the City of Dallas and this priority has been adopted in the City's Consolidated Plan which acts as the Community Revitalization Plan.

Please feel free to contact me at (214) 670-3619 should you have any questions or need more information.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Bernadette M. Mitchell'.

FCI Bernadette M. Mitchell,  
Assistant Director  
Housing/Community Services Department

## Volume 4, Tab 16

**DEVELOPMENT LOCATION (§49.9(a)(16))**

Applicants may qualify for 4 points for qualifying under this exhibit. Select the appropriate box for points requested:

- A) The Development is located in a census tract which has a median family income (MFI) that is higher than the median family income for the county in which the census tract is located. These Census Tracts are outlined in the 2011 Housing Tax Credit Site Demographic Characteristics Report.
- B) The proposed Development will serve families with children (at least 70% of the Units must have an eligible bedroom mix of two bedrooms or more) and is proposed to be located in an elementary school attendance zone that has an academic rating of "Exemplary" or "Recognized," or comparable rating if the rating system changes. An elementary attendance zone **does not** include magnet school or elementary schools with district-wide possibility of enrollment or no defined attendance zones. The date for consideration of the attendance zone is that in existence as of the opening date of the Application Round and the academic rating is the most current rating determined by the Texas Education Agency as of that same date. (§42(m)(1)(C)(vii))
- C) The proposed Development will expand affordable housing opportunities for low-income families with children outside of poverty areas. This must be demonstrated by showing that the Development will serve families with children (at least 70% of the Units must have an eligible bedroom mix of two bedrooms or more) and that the census tract in which the Development is proposed to be located has no greater than 10% poverty population according to the most recent census data. (§42(m)(1)(C)(vii)) These Census Tracts are outlined in the 2011 Housing Tax Credit Site Demographic Characteristics Report.
- D) The proposed Development is located in an urban core, on a site where the proposed use is not prohibited by the Unit of General Local Government via ordinance or regulation. For purposes of this item, an urban core is defined as a compact and contiguous geographical area that is located in a Metropolitan Statistical Area within the city limits with a population of no less than 150,000 composed of adjacent block groups of which is zoned to accommodate a mix of medium or high density residential and commercial uses and at least 50% of such land is actually being used for such purposes based on high density residential structures and/or commercial structures already constructed. Evidence must be submitted in the form of zoning maps and a certification provided in the Application.
- E) The proposed Development is located in a high opportunity area as identified in §49.5(d)(2)(D)(i) - (iii) of the 2011 QAP.



**REMEMBER TO PLACE EVIDENCE BEHIND THIS FORM**

We certify that Hatcher Square will meet be in a high opportunity area as defined in section 49.5(d)(2)(D)(iii). Specifically, it is a Transit Oriented development that is four stories with structured parking to be located within one-quarter mile (as soon on the attached map) of a local commuter rail station accessible to all residents including Persons with Disabilities.

A handwritten signature in blue ink, appearing to read "Jon Edmonds", written over a horizontal line.

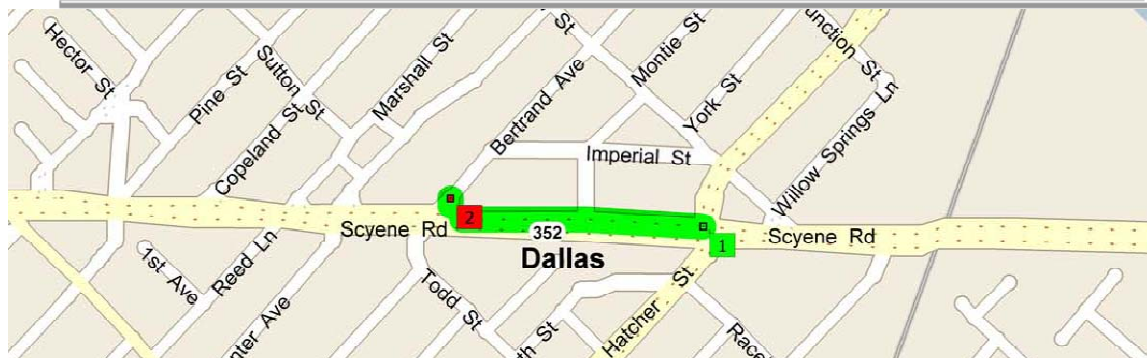
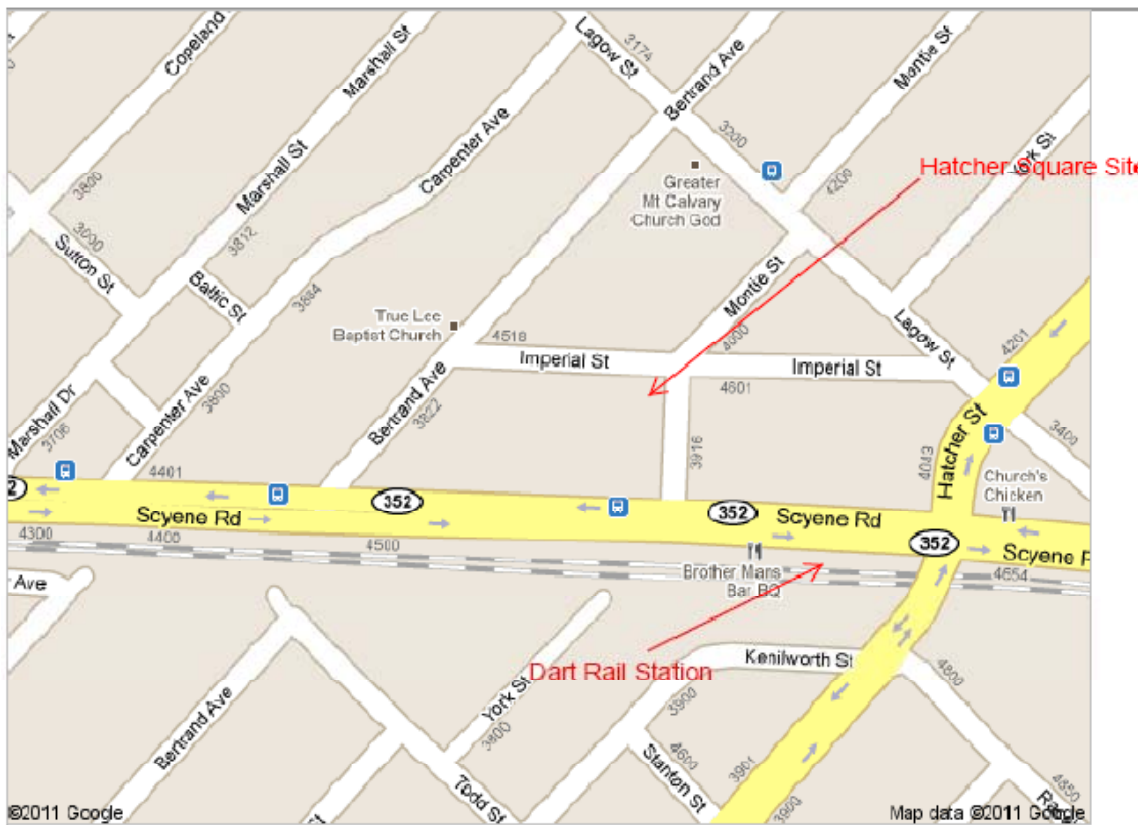
Jon Edmonds, President of general partner

2-18-11

Date



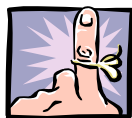
Volume 4, Tab 16



0.0 mi 1 Depart 4110 Hatcher St, Dallas, TX 75210 on SR-352 [Scyene Rd] (West) for 0.2 mi  
0.2 mi Bear RIGHT (North-West) onto Local road(s) for 32 yds  
0.2 mi 2 Arrive 3800 Bertrand Ave, Dallas, TX 75210

**Volume 4, Tab 18**

**DEVELOPMENTS IN CENSUS TRACTS WITH NO OTHER EXISTING DEVELOPMENTS SUPPORTED  
BY TAX CREDITS (§49.9(a)(18))**

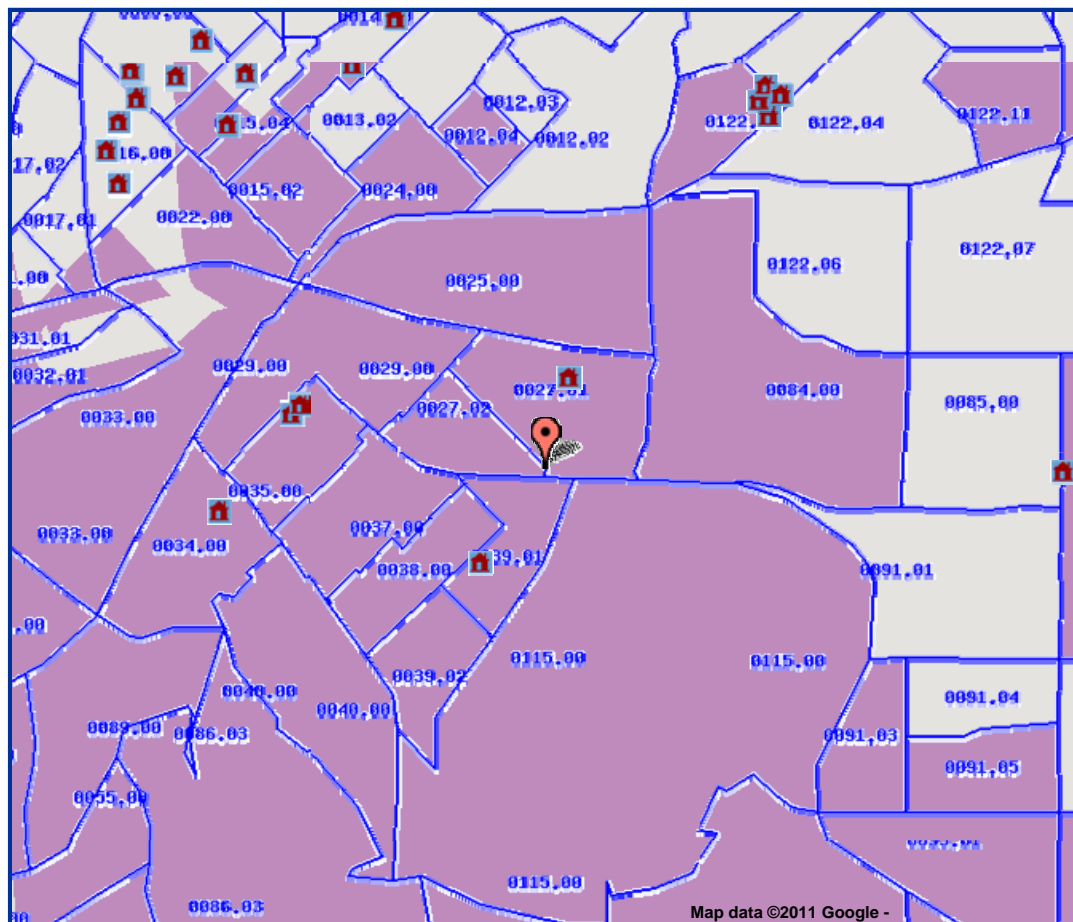


**REMEMBER TO SUBMIT YOUR EVIDENCE BEHIND THIS FORM**



U.S. Department of Housing and Urban Development  
Office of Policy Development and Research

The Address 4131 Hatcher Street, Dallas, Texas falls under Tract – 48113002702. This tract is **Qualified** for 2010  
This Tract was **Qualified** for 2006 – 2009



**SEARCH**

Map options - Clear|Reset

Address

4131 Hatcher Street, Dallas, Texas Search

**SELECT LAYERS TO BE DRAWN**

- 13 Current Zoom Level
- Show Tracts Outline (Zoom 11+)
- Show LIHTC Projects (Zoom 11+)
- Color Qualified Tracts

**CENSUS TRACT QUALIFICATIONS**

- Tract Outline
- Qualified Census Tracts (2010)

**Volume 4, Tab 21**

**SITE CHARACTERISTICS (§49.9(a)(21))**

**Applicants may qualify for up to 4 points for qualifying under this exhibit. Select the appropriate box for points requested:**

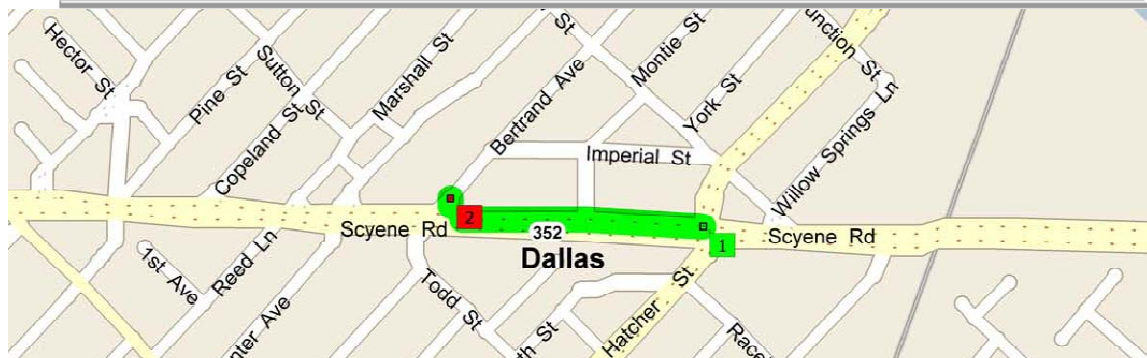
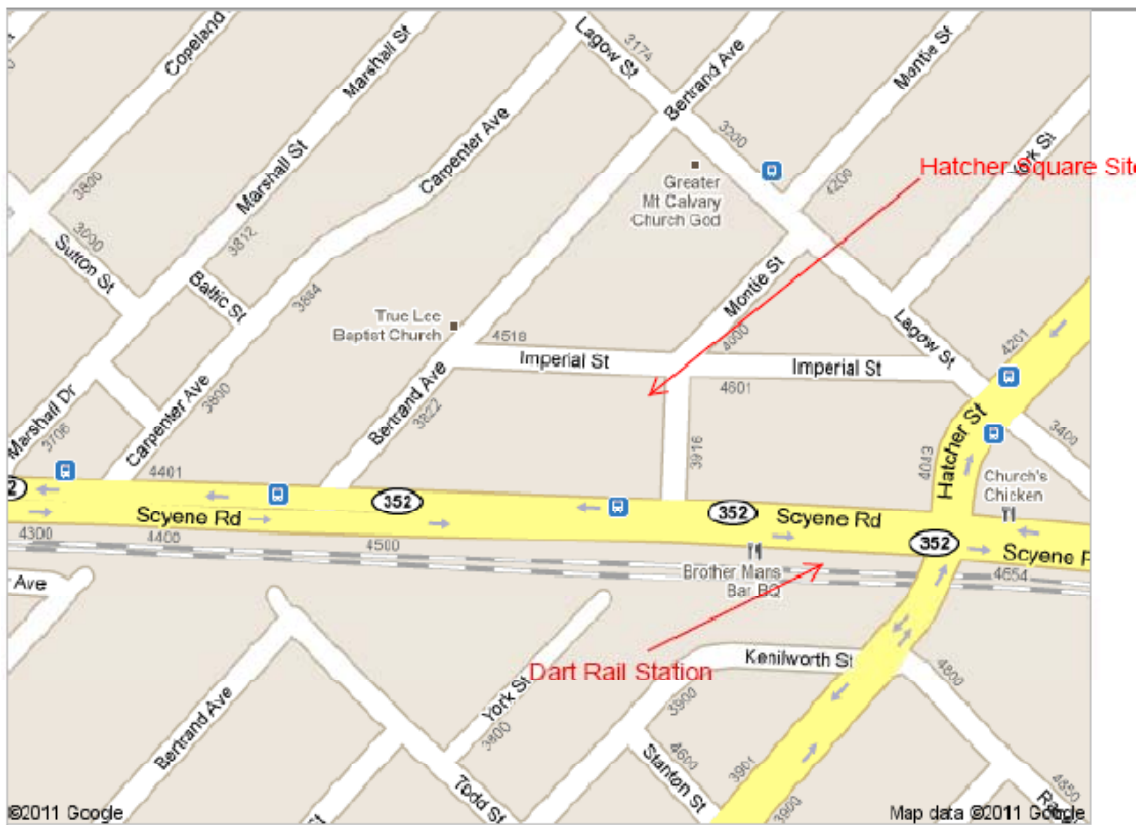
**(Select All That Apply)**

- A site located within one-quarter mile of public transportation that is accessible to all residents including Persons with Disabilities. A map that shows the location of the public transportation stop and a one-quarter mile radius around the Development Site must be provided.
- A site located within a community that has another form of transportation, including, but not limited to, special transit service or specialized elderly transportation for Qualified Elderly Developments. A description of the specific form of transportation to be used and/or any cost of funding such transportation service, if applicable, must be provided.
- A site located within a one mile radius (two-mile radius for Developments competing for a Rural Regional Allocation) of at least three services appropriate to the target population will receive four points. Only one service of each type listed below will count towards the points. **A map must be included identifying the one or two-mile radius, the Development Site and the location of the services.** The services must be identified by name on the map. If the services are not identified by name, points will not be awarded. By checking the boxes below, the Applicant certifies that all services currently exist or, if under construction, must be under active construction, post pad by the date the Application is submitted.
  - Full service grocery store or supermarket
  - Pharmacy
  - Convenience Store/Mini-market
  - Department or Retail Merchandise Store
  - Bank/Credit Union
  - Restaurant (including fast food)
  - Indoor public recreation facilities, such as civic centers, community centers, and libraries
  - Outdoor public recreation facilities such as parks, golf courses, and swimming pools
  - Hospital/medical clinic
  - Medical offices (physician, dentistry, optometry)
  - Public Schools (only eligible for Developments that are not Qualified Elderly Developments)
  - Senior Center



**REMEMBER TO SUBMIT YOUR EVIDENCE BEHIND THIS FORM**

Volume 4, Tab 21



0.0 mi 1 Depart 4110 Hatcher St, Dallas, TX 75210 on SR-352 [Scyene Rd] (West) for 0.2 mi  
0.2 mi Bear RIGHT (North-West) onto Local road(s) for 32 yds  
0.2 mi 2 Arrive 3800 Bertrand Ave, Dallas, TX 75210

**Volume 4, Tab 24**

**QUALIFIED CENSUS TRACTS with COMMUNITY REVITALIZATION PLAN (§49.9(a)(24))**

Applications may qualify to receive 1 point for this item if the Development is located within a Qualified Census Tract and contributes to a concerted Community Revitalization Plan

11-Digit Census Tract Number: 48113002702

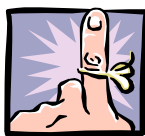
Is this a Qualified Census Tract?  Yes (confirm using list of 2011 Qualified Census Tracts in the Reference Manual)

**Evidence to be provided includes one of the following:**

A letter from the Appropriate Local Official stating there is a Community Revitalization Plan in effect and the Development is within the area covered by the plan.

**OR**

If the Community Revitalization Plan has specific boundaries, a copy of the Plan adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.



**REMEMBER TO SUBMIT YOUR EVIDENCE BEHIND THIS FORM**





January 20, 2011

Michael Gerber  
Executive Director  
Texas Department of Housing and Community Affairs  
P.O. Box 13941  
Austin, TX 78711-3941

Re: Hatcher Square - Scyene Road/Hatcher Boulevard

Dear Mr. Gerber:

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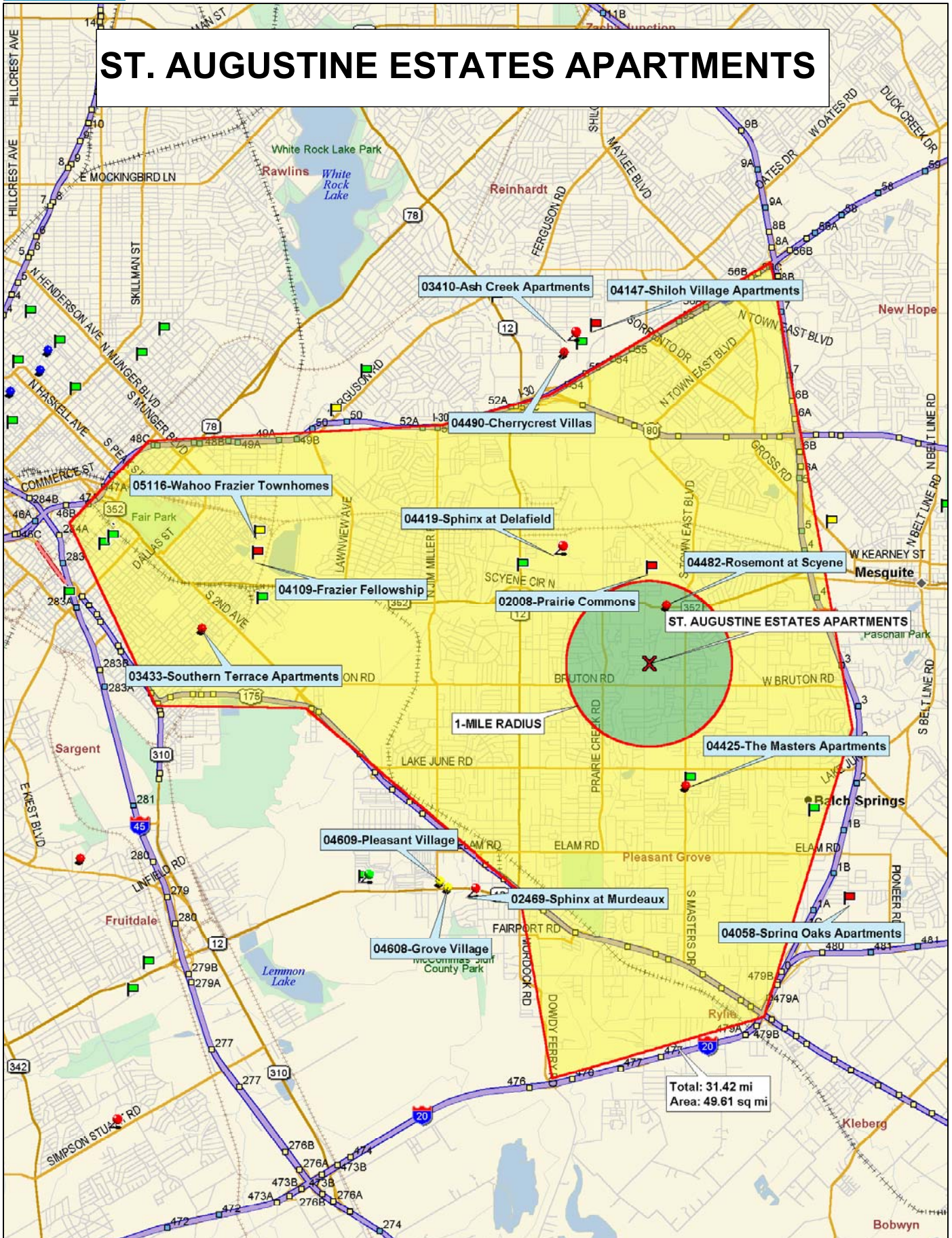
Sincerely,

A handwritten signature in cursive script, appearing to read 'Bernadette M. Mitchell'.

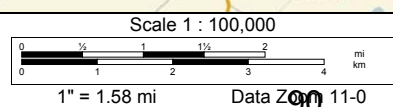
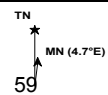
FCI Bernadette M. Mitchell,  
Assistant Director  
Housing/Community Services Department



# ST. AUGUSTINE ESTATES APARTMENTS

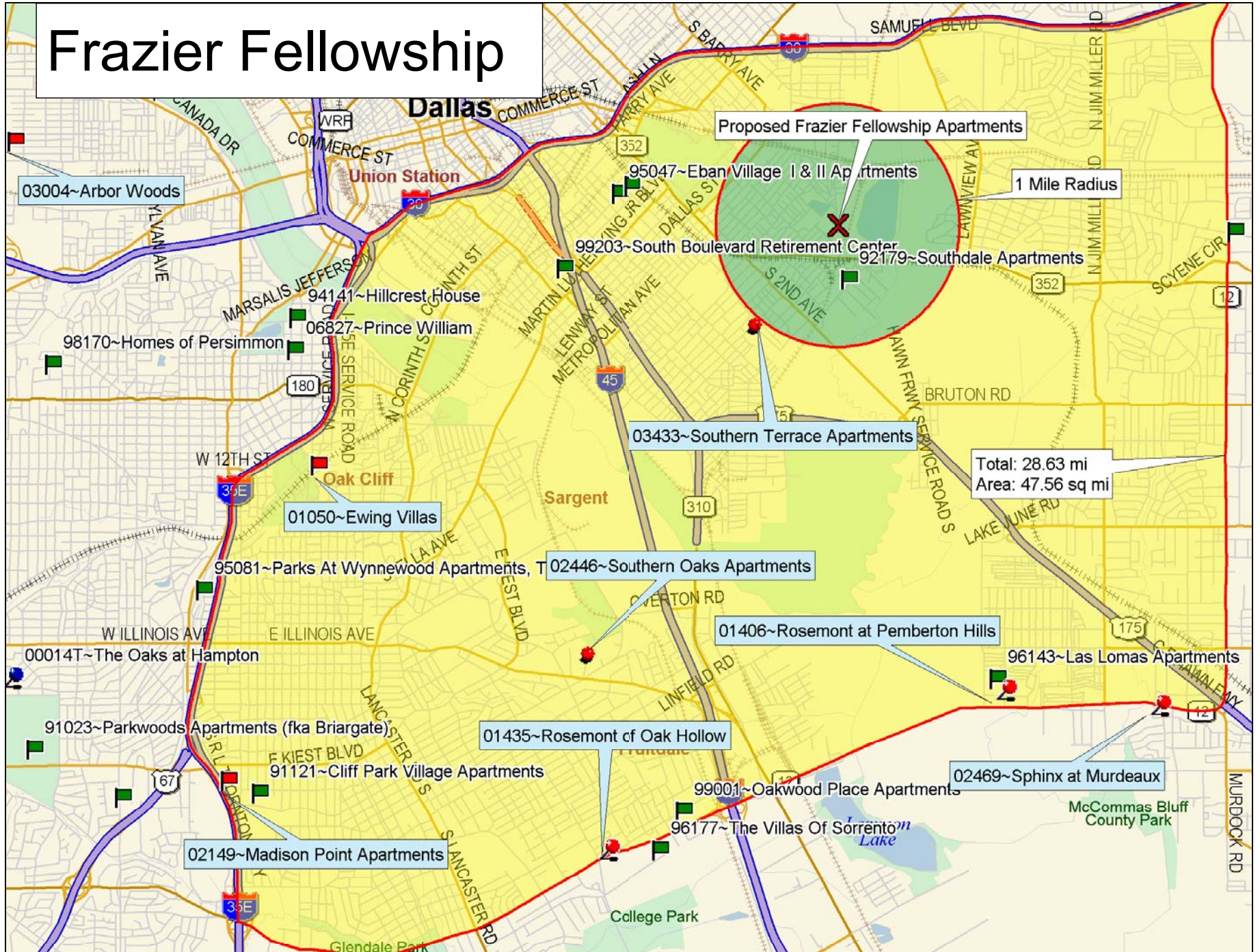


Total: 31.42 mi  
Area: 49.61 sq mi





# Frazier Fellowship

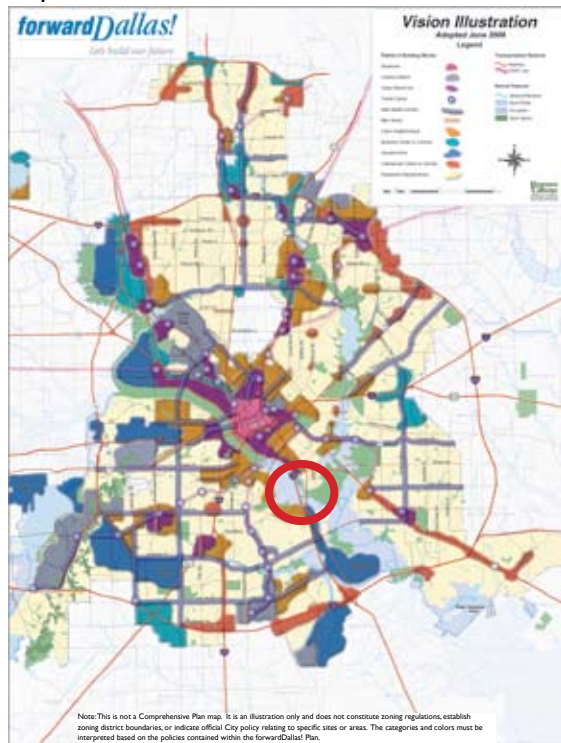






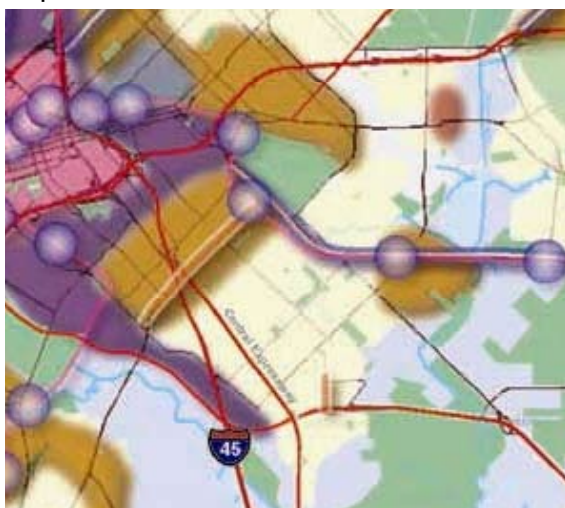
# SOUTH DALLAS/FAIR PARK NEIGHBORHOOD

Map III-2.6 Vision Illustration



South Dallas/Fair Park is circled above on the forwardDallas! Vision map.

Map III-2.7 Inset View of South Dallas/Fair Park



Inset view of the forwardDallas! Vision for South Dallas/Fair Park.

## History

An example of an area that has experienced a number of successful neighborhood planning efforts is the South Dallas/Fair Park neighborhood. This neighborhood, located adjacent to Fair Park, has a rich history of proactive involvement in planning for its future. From developing the South Dallas/Fair Park Neighborhood Preservation and Economic Development Plan in 1987 to adoption of the South Dallas/Fair Park Planned Development District in 2001, this neighborhood has been forthright with articulating its desires.

## Planning and Investment

There are a number of public investments that are anticipated in the South Dallas/Fair Park neighborhood. DART plans to build the Southeast Corridor light rail line with three stations in the neighborhood. Dallas Housing Authority is redeveloping two housing projects and planning for improvements in the surrounding areas. The Trinity Parkway is proposed to connect with C.F. Hawn Freeway and provide improved access to the neighborhood. The City of Dallas' Neighborhood Investment Program (NIP) is focused on improving streetscape and development along Bexar Street. A number of other neighborhood roadways and parks are also slated for improvements. Despite this array of public investments and neighborhood initiatives, the South Dallas/Fair Park neighborhood continues to face challenges and has not seen as much redevelopment and revitalization as could be expected given the public investments and neighborhood initiatives in the area.

## Other Activity

The area has many active neighborhood-based organizations and has seen numerous neighborhood initiatives led by organizations like Clean South Dallas and the Connectional Alliance. South Dallas also has a number of community development corporations (CDC) including South Fair, Inner City Development Corporation, Operation Relief Center, Saint Philip's and T.R. Hoover, among others, that have successfully completed single-family and multifamily residential developments that have helped bring stability to some of the most blighted parts of the neighborhood.

# MAJOR PLANS

Map III-2.8 The Fair Park Comprehensive Plan



The Fair Park Comprehensive Plan is one of many plans that have been developed for the South Dallas area.

In addition to the major investments planned, there are three major planning initiatives in the area that will affect the neighborhood dramatically.

In October of 2003, the Fair Park Development Plan was adopted for the 277-acre Fair Park National Historic Landmark. The focus of this plan is to make Fair Park a year-round destination for tourists and Dallas residents. While it focuses on the Fair Park grounds, implementation of the Plan will positively affect the surrounding areas by providing an anchor for residential and retail stabilization and growth. Plans for gateway and other improvements will enhance the entire South Dallas/Fair Park Area.

The Trinity River Corridor Plan was adopted in 2004 and is currently under implementation. There are several small Area Plans that affect this area, namely urban design plans for South Lamar, Rochester Park and the Ideal Neighborhood area. The implementation of these should coordinate public investment and stimulate the development and upgrading of these areas.

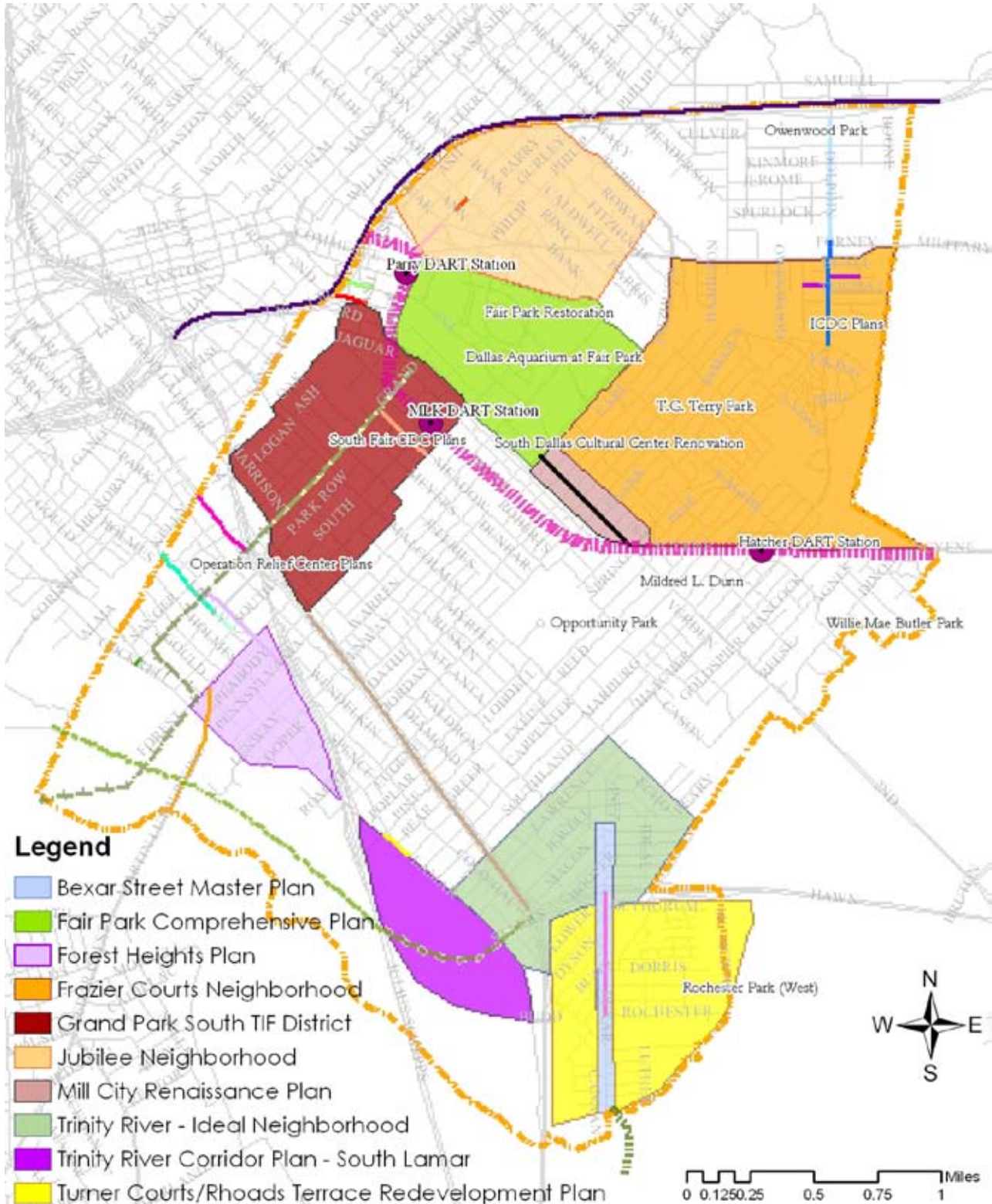
The DART Southeast Corridor extension will include three new stations in the South Dallas neighborhood. DART is initiating station Area Planning on this corridor and the intention is to identify and maximize redevelopment opportunities around the station areas, wherever compatible with City plans and neighborhood desires.

## The Challenge

Clearly this area is one of the most active in terms of local initiatives and capital expenditures. In reviewing the amount of activity, it is clear that there is a great deal of planning and investment under way in South Dallas/Fair Park. Yet there is still a concern expressed by the local neighborhood groups about the overall direction of the area. The activities are not guided by a neighborhood vision or plan, and while the activity is welcome, some feel that the various projects lack a sense of coordination. Much of the concern of the neighborhood is for smaller, shorter term projects—redevelopment of local eyesores, attracting additional retail (such as a grocery store), and preservation of the neighborhood's identity in the face of the coming changes.



Map III-2.9 Summary of initiatives and plans in the South Dallas/Fair Park area





# DEVELOPING A STRATEGIC VISION



More than 60 South Dallas residents participated in a workshop that helped form forwardDallas!. Such a strong turnout illustrates the commitment of area residents to the development of their community.

## Workshop Process

As part of the development of forwardDallas! plan a workshop was held in the South Dallas/Fair Park neighborhood that was attended by more than 60 participants. At this workshop, stakeholders reported on the many public and private initiatives occurring in the neighborhood. Workshop participants also worked interactively in groups with maps showing existing conditions in the neighborhood and with game pieces depicting a variety of future development options. Using these tools participants were able to see the interrelationships between the various community initiatives and planned public investments and develop their vision for the future of the neighborhood. The results of the workshop are captured in maps and show the composite vision of the neighborhood based on the maps developed by each of the groups that participated in the workshop.

## Workshop Findings

The workshop process and subsequent meetings with the neighborhood revealed that concerns revolved around several major areas:

- 1) There was a desire to better integrate the major ongoing planning activities so that neighborhood leaders and residents can monitor and influence the outcome. While the activity is appreciated, it also causes concern about changing the fundamental character of the area.
- 2) There was a desire for various small scale civic improvements—wider sidewalks, street lighting and park improvements were common themes in most workshop maps.
- 3) Major streets, notably Malcolm X, Martin Luther King Boulevard., Hatcher Street and Lamar Street are all identified as needing corridor improvements. In addition, the Malcolm X Boulevard. connection to Deep Ellum is in very poor condition and has been identified as an improvement that would assist in connecting South Dallas/Fair Park to Downtown.
- 4) Improvements to two key commercial nodes were seen as a potential improvement to retail and other services in the area and the beginning of “locally grown” stores and offices—specifically focusing on stimulating commercial development at the intersections of Malcolm X and Martin Luther King, and Hatcher and Malcolm X. The addition of a retail anchor such as a grocery store was seen as crucial to attract other smaller retailers to the area and to allow local entrepreneurs to thrive.

- 5) Continued rehabilitation of the existing housing stock was important, including programs that assist local area renters to purchase their first homes.

The South Dallas/Fair Park area probably does not need another planning initiative, so this action plan does not recommend the development of a typical Area Plan. Given that the implementation of the Trinity River Corridor Plan and the DART station Area Plans are imminent, the beginning of another planning process would be ill advised.

However, there is a need for a strategic process to organize the neighborhood's many advocates and provide an opportunity for coordinated action by a coalition of groups. The City of Dallas can facilitate the ongoing development of this area and the implementation of forwardDallas! by assisting in this process. The following were some the major concepts that were developed during the course of this study:

## Organization

1. Develop a process of regular meetings of the many interest groups and neighborhood activists to keep abreast of the ongoing activities, to identify common short-term objectives, to facilitate communication and coordination among the parties and to provide a forum for the neighborhood and those who care about it to impact City decisions. In addition to the participation of the City of Dallas, the involvement of the Black Chamber of Commerce was mentioned as helping organize such a meeting. The meeting would be at least annually, and more often during periods of great activity.
2. Develop an annual neighborhood action plan and a realistic set of annual objectives. This adds the voice of a coalition to an achievable set of goals. A group of people working for a common goal can achieve more than the uncoordinated activities of many.



Workshop participants indicated a desire for additional civic improvements including wider sidewalks, better lighting, and new parks.

# DEVELOPING A STRATEGIC VISION



Improving linkages between South Dallas and Downtown will help facilitate more interaction between South Dallas and the rest of the city.

## Connectivity and Transportation

1. The Trinity River Corridor Plan has identified a major project that will affect the neighborhood. The goal of the neighborhood was the efficient movement of regional traffic through the Trinity Parkway link without cutting the neighborhood in half. This development should involve the neighborhood thoroughly and use forwardDallas! Context Sensitive Design policies.
2. Another major Trinity River Corridor Plan project is the improvement of Lamar. The implementation of this plan should be a high priority for the City and should fully integrate key forwardDallas! concepts such as the small Area Planning process, the forwardDallas! Building Blocks and Context Sensitive Design.
3. Develop better linkages to Downtown through the DART light rail system, and identify transitoriented development opportunities. The South Dallas/Fair Park area is now somewhat isolated from the Downtown, but the DART Southeast Corridor will make Downtown a few minutes away. This can be used to benefit the neighborhood by attracting new investment around the DART stations.
4. Malcolm X Boulevard is one of the major connections with Downtown and Deep Ellum. It is in poor condition. In order to enhance the viability of Malcolm X as a neighborhood commercial corridor, it should get improved paving and street lighting. In addition, developing a gateway at the intersection of Martin Luther King Boulevard. would announce arrival in the neighborhood. These needs should be included in the City's capital improvements budgeting.



## Accessibility to Parks

1. The development of the Trinity River Corridor will diversify recreational options for residents. The planning of these improvements should include connections to neighborhood parks and playgrounds with safe routes that have protection from traffic but also good visibility in the neighborhood.
2. The neighborhood is fully developed, and it is inadvisable to create off-street paths and trails. However, the upcoming plans for the area should create linkages with pedestrian-scaled streetscapes. Therefore key routes to neighborhood destinations should be identified and receive priority for pedestrian-friendly improvements.
3. While South Dallas has some small parks, many residents expressed a desire to see parks expanded and improved. Some parks have a chronic problem with homeless people and loitering that intimidates some residents and keeps them from using the parks. These issues should be addressed and improvements made that will attract local residents and discourage undesirable uses.
4. The neighborhood should work with the Park and Recreation Departments to identify improvements to local parks (such as recreational fountains) that will attract residents and local children in a safe outdoor environment.

## Land Development

1. One of the often repeated desires of the neighborhood was to attract a retail anchor to the area. Many feel that if it locates in an existing commercial area and is integrated into the street, it would assist in developing the remainder of the area and provide an opportunity for local entrepreneurs to thrive. A good local example is the stimulating effect that the recent Fiesta Grocery store has had on the Jefferson Boulevard area. Local and City efforts should continue with an eye toward using the new location as an anchor to new neighborhood investment from large and small storeowners.
2. Two intersections that show a great deal of promise as neighborhood retail centers are the intersections of Malcolm X Blvd. and Martin Luther King Boulevard and Hatcher Street and Malcolm X Boulevard. These already have some retail and service activity, but both would benefit from small scale investments in sidewalks, lighting and tree planting in addition to developing a program for storefront improvement grants or loans.



Safe and active parks, easily accessible by area residents, will help create a more vibrant and active community.

# STRATEGIC ACTION RECOMMENDATIONS



South Dallas' Black Forest Theater hosts some of the biggest names in music.

## Cultural Identity

A key concern of residents was that the expected revitalization of the area would not result in widespread gentrification and displacement of existing residents. An often cited example was the development of State Thomas, which once was a primarily African-American community and now has few minority residents. Therefore, a strong program to preserve the diverse nature of this area should be initiated. As the City begins the development code amendments to implement forwardDallas!, this neighborhood should be actively involved, noting that some of the urban design, zoning and parking changes could be implemented to help retain the area's identity. Some of the concepts are:

1. Develop and encourage a distinctive building style and decoration. The building style used should not be an imitation of Uptown, but one unique to South Dallas/Fair Park that has roots in the existing neighborhood. Some neighborhoods similar to South Dallas/Fair Park have developed a distinctive style of development. For example, neighborhoods in other areas that have a large number of industrial buildings have developed new mixed-use building that use industrial building materials like corrugated metal in creative ways with surprisingly attractive results.
2. Enable locally determined street use policies. Dallas has many restrictions on using the public right-of-way for commercial purposes. However, successful neighborhood retail areas often have a blurred line when it comes to public and private property. Commercial and neighborhood activity often spills out into the sidewalk and street, and in many cultures this is a celebrated part of neighborhood life. While outright street vending is not seen as desirable, many other activities may be acceptable and discussions with the neighborhood should be conducted for a pilot program of relaxed street use policies in South Dallas/Fair Park, as well as other neighborhoods. The following ideas should be explored:
  - a. Awnings: Currently awnings are highly restricted and the City charges a high fee if they extend over the public right-of-way. Policies should be changed in South Dallas/Fair Park to encourage sidewalk shading by awnings, making them subject to a use agreement.
  - b. Retailing on the sidewalks: Extending retailing activity onto adjacent sidewalks is part of many neighborhoods. This includes small A-frame signs, some display of merchandise, and sidewalk seating for restaurants. This



should be permitted if it is adjacent to the business, the displays are limited so as not to obstruct the sidewalk, and an agreement is made for maintenance.

c. Festivals: South Dallas/Fair Park has a tremendous amount of unappreciated musical and artistic talent, as well as local craftsmen and excellent chefs. One way of improving the neighborhood's image is to sponsor festivals and street fairs that invite all of Dallas to spend a day or two enjoying the unique talents of this area.

d. Storefront improvement assistance: Storefront improvement grants can assist small businesses to make improvements to the exterior of buildings and properties in order to make these existing businesses compatible with the vision for the area. Painting, historic restorations, awnings and landscaping are typical improvements that can be supported particularly along important corridors such as Martin Luther King Boulevard, Second Avenue and Hatcher Street. A well-managed program can provide grants or revolving loans, and require at least 50 percent match from applicants.



In order to realize these recommendations, action will need to be taken. Given the many long range planning projects, these actions are intended to be short term and quickly devised. The key to these is the development of the annual neighborhood action plan, prioritized with a clear agenda and responsibilities for achieving that plan. Undoubtedly South Dallas/Fair Park will see a great deal of change in the coming decade. Only the continued involvement of the neighborhood will ensure that its vision is realized.



South Dallas/Fair Park has a tremendous amount of unappreciated musical and artistic talent.





# TEXAS DEPARTMENT OF HOUSING & COMMUNITY AFFAIRS

*Building Homes. Strengthening Communities.*

**2011 Multifamily Uniform Application Certification**  
Mailing Address: P.O. Box 13941, Austin, TX 78711-3941  
Physical Address: 221 East 11th Street, Austin, TX 78701

Development Name: Champion Homes at Copperridge

Development City: Dallas

The undersigned hereby makes an Application to Texas Department of Housing and Community Affairs. The Applicant affirms that they have read and understand the 2011 Qualified Allocation Plan, and in particular understands the requirements under §49.12(a), Adherence to Obligations, as well as IRC Section 42. By signing this document, Applicant is affirming that all statements and representations made in this document, including all supporting materials, are true and correct under penalty of Chapter 37 of the Texas Penal Code titled Perjury and Other Falsification and subject to criminal penalties as defined by the State of Texas. TEX. PENAL CODE ANN. §§37.01 et seq. (VERNON 2003 & SUPP. 2007).

By:   
*Signature of Applicant*

Saleem Jafar  
*Printed Name*

2/28/11  
*Date*


STATE OF: Texas

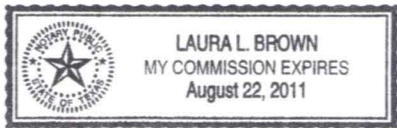
COUNTY OF: Dallas

I, the undersigned, a Notary Public in and for said County and State, do hereby certify that Saleem Jafar whose name is signed to the foregoing statement, and who is known to be one in the same, has acknowledged before me on this date, that being informed of the contents of this statement, executed the same voluntarily on the date same foregoing statement bears.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 28 day of February, 2011

(Seal)

  
*Notary Public Signature*



Notary Public, State of Texas  
County of Dallas  
My commission expires: 8/21/2011

<b>Volume 1, Tab 1</b>
<b>PART D. Development Narrative</b>

**PLACE DEVELOPMENT NARRATIVE HERE**

HTC 9% APPLICATION  
#11139

Champion Homes at Copperridge  
5522 Maple Avenue, Dallas, Texas 75235

Champion Homes at Copperridge, is the proposed new construction of a five story affordable housing, Transit Oriented Development (TOD). The +/- 3.4 acre site at 5522 Maple Avenue in Dallas, Texas is next door to the new DART Green line rail station that will serve the UT Southwestern, Children's and Parkland hospital district. The City of Dallas has prioritized TOD's in their urban planning strategy, particularly in their Urban Core. The residential units will be marketed to families earning 60% to 100% of the area median income for the DFW MSA for 2011. This medical district area is one of the largest employment centers in the City of Dallas. The area is dominated by commercial uses, which includes retail and industrial property, complimented with thousands of market rate apartments and medical student housing.

The property currently houses an auto parts distributor that is using the warehouse for inventory storage and shipping via its dock high doors. The City of Dallas has created the Maple Inwood TIF district around this DART transit station to promote the redevelopment of the property within ¼ mile of the DART station. Funding for affordable housing is available in the TIF budget. The City's economic development plan for this area includes re-zoning and economic development incentives for making TOD's a reality.

Transit oriented developments with affordable housing components are an established goal (#13) of the City and their Office of Economic Development. The City of Dallas passed a resolution of support for this development on February 24, 2010. The development is located in a community revitalization area with funds available from the City of Dallas or the Maple Inwood TIF or both, to facilitate redevelopment around the Green Line Station and specifically transit oriented developments. The Development is designed to the LEEDs Silver standard due to, among other factors, the use of green building, sustainability and energy efficiency features. (130% HTC boost)

This development will offer residents supportive services like adult education, homebuyer education, counseling services, credit education classes, health screening, youth\latchkey programs, and other classes at no additional cost to residents. Residents at each property will also enjoy a fitness center, business center with computers and internet access, community room, swimming pool, and controlled access to the property at no additional cost above the affordable housing rents. Each and every floor is elevator served and can be easily accessed from structured parking directly adjacent to each floor.

The development is consistent with newest approach to affordable, transit oriented development. It is mixed use, mixed income with 50% of the units affordable and 50% of the units are market rate.



Proposed Unit Mix

HTC Unit Designation	Other Designation/Subsidy	# of Units	# of Bedrooms	# of Baths	Unit Size (Net Rentable Sq. Ft.)	Total Net Rentable Sq. Ft.	Program Rent Limit	Tenant Paid Utility Allow.	Rent Collected /Unit	Total Monthly Rent
		(A)			(B)	(A) x (B)			(E)	(A) x (E)
TC60%		34	1	1.0	700	23,800	769	85	684	23,256
MR		37	1	1.0	700	25,900	840		840	31,080
TC30%	Sect 8	3	1	1.0	700	2,100	386	85	684	2,052
TC60%		22	1	1.0	750	16,500	769	85	684	15,048
MR		21	1	1.0	750	15,750	840		840	17,640
						0				-
TC60%		14	2	2.0	965	13,510	922	103	819	11,466
MR		16	2	2.0	965	15,440	1,110		1,110	17,756
TC30%	Sect 8	3	2	2.0	965	2,895	461	103	819	2,457
TC60%		31	2	2.0	1,080	33,480	922	103	819	25,389
MR		31	2	2.0	1,080	33,480	1,220		1,220	37,832
TC60%		7	2	2.0	1,185	8,295	922	103	819	5,733
MR		8	2	2.0	1,185	9,480	1,304		1,304	10,428
						0				-
TC60%		11	3	2.0	1,307	14,377	1,065	0	1,065	11,715
MR		13	3	2.0	1,307	16,991	1,438		1,438	18,690
TC30%	Sect 8	1	3	2.0	1,307	1,307	532	122	943	943
	<b>TOTAL</b>	252				233,305				231,486

**Volume 1, Tab 3. ACTIVITY OVERVIEW**

**Part A. Development Cost Schedule**

*This Development Cost Schedule must be consistent with the Summary Sources and Uses of Funds Statement. All applications must complete the total development cost column and the Tax Payer Identification column. Only HTC applications must complete the eligible basis columns and the Requested Credit calculation below:*

DEVELOPMENT NAME:

**Champion Homes at Coppe**

City: **Dallas**

TOTAL DEVELOPMENT SUMMARY			Expected Payee Taxpayer Identification Number (TIN) <sup>1</sup> (and % of cost if item involves multiple payees)
Total Cost	Eligible Basis (If Applicable)		
	Acquisition	New/Rehab.	

**ACQUISITION**

Site acquisition cost	4,000,000			Seller will not disclose
Existing building acquisition cost	700,000			Seller will not disclose
Closing costs & acq. legal fees	0			Seller will not disclose
Other (specify) - see footnote 2				
Other (specify) - see footnote 2				
<b>Subtotal Acquisition Cost</b>	<b>\$4,700,000</b>	<b>\$0</b>	<b>\$0</b>	

**OFF-SITES<sup>3</sup>**

Off-site concrete				
Storm drains & devices				
Water & fire hydrants				
Off-site utilities				
Sewer lateral(s)				
Off-site paving				
Off-site electrical				
Other (specify) - see footnote 2				
Other (specify) - see footnote 2				
<b>Subtotal Off-Sites Cost</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**SITE WORK<sup>4</sup>**

Demolition	300,000			20-3917666
Rough grading	93,000		93,000	20-3917666
Fine grading	52,000		52,000	20-3917666
On-site concrete	114,000		114,000	20-3917666
On-site electrical	85,000		85,000	20-3917666
On-site paving	425,000		425,000	20-3917666
On-site utilities	300,000		300,000	20-3917666
Decorative masonry	51,000		51,000	20-3917666
Bumper stops, striping & signs	13,000		13,000	20-3917666
Landscaping	250,000		250,000	20-3917666
Pool and decking	165,000		165,000	20-3917666
Athletic court(s), playground(s)	135,000		135,000	20-3917666
Fencing	220,000		220,000	20-3917666
Excavation	225,000		225,000	20-3917666
Other (specify) - see footnote 2				20-3917666
<b>Subtotal Site Work Cost</b>	<b>\$2,428,000</b>	<b>\$0</b>	<b>\$2,128,000</b>	

**DIRECT CONSTRUCTION COSTS\*:**

Concrete	2,100,000		2,100,000	20-3917666
Masonry	850,000		850,000	20-3917666
Metals	200,000		200,000	20-3917666
Woods and Plastics	3,000,000		3,000,000	20-3917666
Thermal and Moisture Protection	15,000		15,000	20-3917666
Roof Covering	750,000		750,000	20-3917666
Doors and Windows	375,000		375,000	20-3917666
Finishes	1,800,000		1,800,000	20-3917666
Specialties	300,000		300,000	20-3917666
Equipment	452,000		452,000	20-3917666

TOTAL DEVELOPMENT SUMMARY			Expected Payee Taxpayer Identification Number (TIN) <sup>1</sup> (and % of cost if item involves multiple payees)
Total Cost	Eligible Basis (If Applicable)		
	Acquisition	New/Rehab.	

DEVELOPMENT NAME:

**Champion Homes at Coppe**

City: **Dallas**

**DIRECT CONSTRUCTION COSTS (Continued):**

Furnishings	750,000		750,000	20-3917666
Special Construction	750,000		750,000	20-3917666
Conveying Systems (Elevators)	1,200,000		1,200,000	20-3917666
Mechanical (HVAC; Plumbing)	2,000,000		2,000,000	20-3917666
Electrical	1,350,000		1,350,000	20-3917666

**Individually itemize costs below:**

Detached Community Facilities/Building	500,000		500,000	20-3917666
Carports and/or Garages	3,000,000		3,000,000	20-3917666
Lead-Based Paint Abatement			0	
Asbestos Abatement	0		0	
Environmental Remediation	400,000		400,000	20-3917666
Other (specify) - see footnote 2			0	
<b>Subtotal Direct Const. Costs</b>	<b>\$19,792,000</b>	<b>\$0</b>	<b>\$19,792,000</b>	

**TOTAL DIRECT CONST. & SITE WORK**

<b>\$22,220,000</b>	<b>\$0</b>	<b>\$21,920,000</b>
---------------------	------------	---------------------

**OTHER CONSTRUCTION COSTS**

General requirements (<6%)	6.00%	1,315,200		1,315,200	20-3917666
Field supervision (within GR limit)				0	
Contractor overhead (<2%)	2.00%	438,400		438,400	20-3917666
G & A Field (within overhead limit)				0	
Contractor profit (<6%)	6.00%	1,315,200		1,315,200	20-3917666
Contingency (<5%)	5.00%	1,096,000		1,096,000	20-3917666
<b>Subtotal Ancillary Hard Costs</b>		<b>\$4,164,800</b>	<b>\$0</b>	<b>\$4,164,800</b>	

**TOTAL DIRECT HARD COSTS**

<b>\$26,384,800</b>	<b>\$0</b>	<b>\$26,084,800</b>
---------------------	------------	---------------------

**INDIRECT CONSTRUCTION COSTS<sup>4</sup>**

Architectural - Design fees		300,000		300,000	74-2751988
Architectural - Supervision fees		80,000		80,000	74-2751988
Engineering fees		400,000		400,000	RKM Engineering
Real estate attorney/other legal fees		200,000		200,000	Developer, Lender and investor counsel
Accounting fees		25,000		25,000	NOVOCO
Impact Fees		325,000		325,000	City of Dallas
Building permits & related costs		225,000		225,000	76-0128295
Appraisal		7,500		7,500	20-2323684
Market analysis		14,500		14,500	20-2323684
Environmental assessment		8,500		8,500	74-2320140
Soils report		15,000		15,000	TBD
Survey		15,000		15,000	TBD
Marketing		150,000			ORM
Partnership Hazard & liability insurance		300,000		300,000	Insgroup
Real property taxes		89,000		89,000	DCAD
Personal property taxes				0	
Tenant relocation expenses		0		0	
School/Traffic Study, consultant		20,000		20,000	TBD
Other (specify) - see footnote 2					
<b>Subtotal Indirect Const. Cost</b>		<b>\$2,174,500</b>	<b>\$0</b>	<b>\$2,024,500</b>	

**DEVELOPER FEES<sup>4</sup>**

Housing consultant fees <sup>5</sup>		482,643		482,643	HUD BISPRA on non TDHCA costs
General & administrative		482,643		458,390	42-1643966
Profit or fee		1,930,572		1,840,617	42-1643966
<b>Subtotal Developer's Fees</b>	9.46%	<b>\$2,895,857</b>	<b>\$0</b>	<b>\$2,781,650</b>	



TOTAL DEVELOPMENT SUMMARY			Expected Payee Taxpayer Identification Number (TIN) <sup>1</sup> (and % of cost if item involves multiple payees)
Total	Eligible Basis (If Applicable)		
Cost	Acquisition	New/Rehab.	

DEVELOPMENT NAME: Champion Homes at Coppe City: Dallas

**FINANCING:**

**CONSTRUCTION LOAN(S)<sup>4</sup>**

Interest	1,088,850		885,244	TBD
Loan origination fees	250,000		250,000	TBD
Title & recording fees	120,000		120,000	TBD
Closing costs & legal fees	30,000		30,000	Various
Inspection fees				
Credit Report				
Discount Points				
Other (specify) - see footnote 2				
Other (specify) - see footnote 2				

**PERMANENT LOAN(S)**

Loan origination fees	90,000			TBD
Title & recording fees	80,000			Various
Closing costs & legal	25,000			Various
Bond premium				
Credit report				
Discount points				
Credit enhancement fees				
Prepaid MIP				
Loan fees / Updated Studies	30,000			Various
Other (specify) - see footnote 2				

**BRIDGE LOAN(S)**

Interest				
Loan origination fees				
Title & recording fees				
Closing costs & legal fees				
Other (specify) - see footnote 2				
Other (specify) - see footnote 2				

**OTHER FINANCING COSTS<sup>4</sup>**

Tax credit fees	80,000			TDHCA
Tax and/or bond counsel				
Payment bonds				
Performance bonds				
Credit enhancement fees				
Mortgage insurance premiums				
Cost of underwriting & issuance				
Syndication organizational cost	70,000			Various
Tax opinion				
Contractor Guarantee Fee				
Developer Guarantee Fee				
Compliance Fee	5,320			TDHCA
Other (specify) - see footnote 2				
<b>Subtotal Financing Cost</b>	<b>\$1,869,170</b>	<b>\$0</b>	<b>\$1,285,244</b>	

**RESERVES**

Rent-up	200,000			33-1038405
Operating	150,000			33-1038440
Replacement				
Escrows	594,000			HUD requirement for 221 D 4
<b>Subtotal Reserves</b>	<b>\$944,000</b>	<b>\$0</b>	<b>\$0</b>	

**TOTAL HOUSING DEVELOPMENT COSTS<sup>6</sup>**

	\$38,968,327	\$0	\$32,176,194
--	--------------	-----	--------------

- Commercial Space Costs<sup>7</sup>

<b>TOTAL RESIDENTIAL DEVELOPMENT COSTS</b>	\$38,968,327		
--	--------------	--	--

TOTAL DEVELOPMENT SUMMARY			Expected Payee Taxpayer Identification Number (TIN) <sup>1</sup> (and % of cost if item involves multiple payees)
Total	Eligible Basis (If Applicable)		
Cost	Acquisition	New/Rehab.	

DEVELOPMENT NAME: Champion Homes at Coppe City: Dallas

The following calculations are for HTC Applications only.

**Deduct From Basis:**

Fed. grant proceeds used to finance costs in eligible basis  
 Non-qualified non-recourse financing  
 Non-qualified portion of higher quality units (42.(d)(5))  
 Historic Credits (residential portion only)

**Total Eligible Basis**

\*\*High Cost Area Adjustment (100% or 130%)

**Total Adjusted Basis**

Applicable Fraction<sup>u</sup>

**Total Qualified Basis**

Applicable Percentage<sup>u</sup>

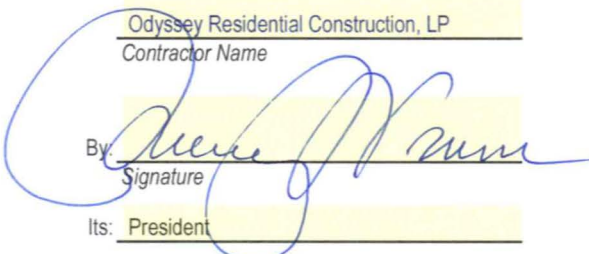
**Calculated Credits**

**Owner's Requested Credits**

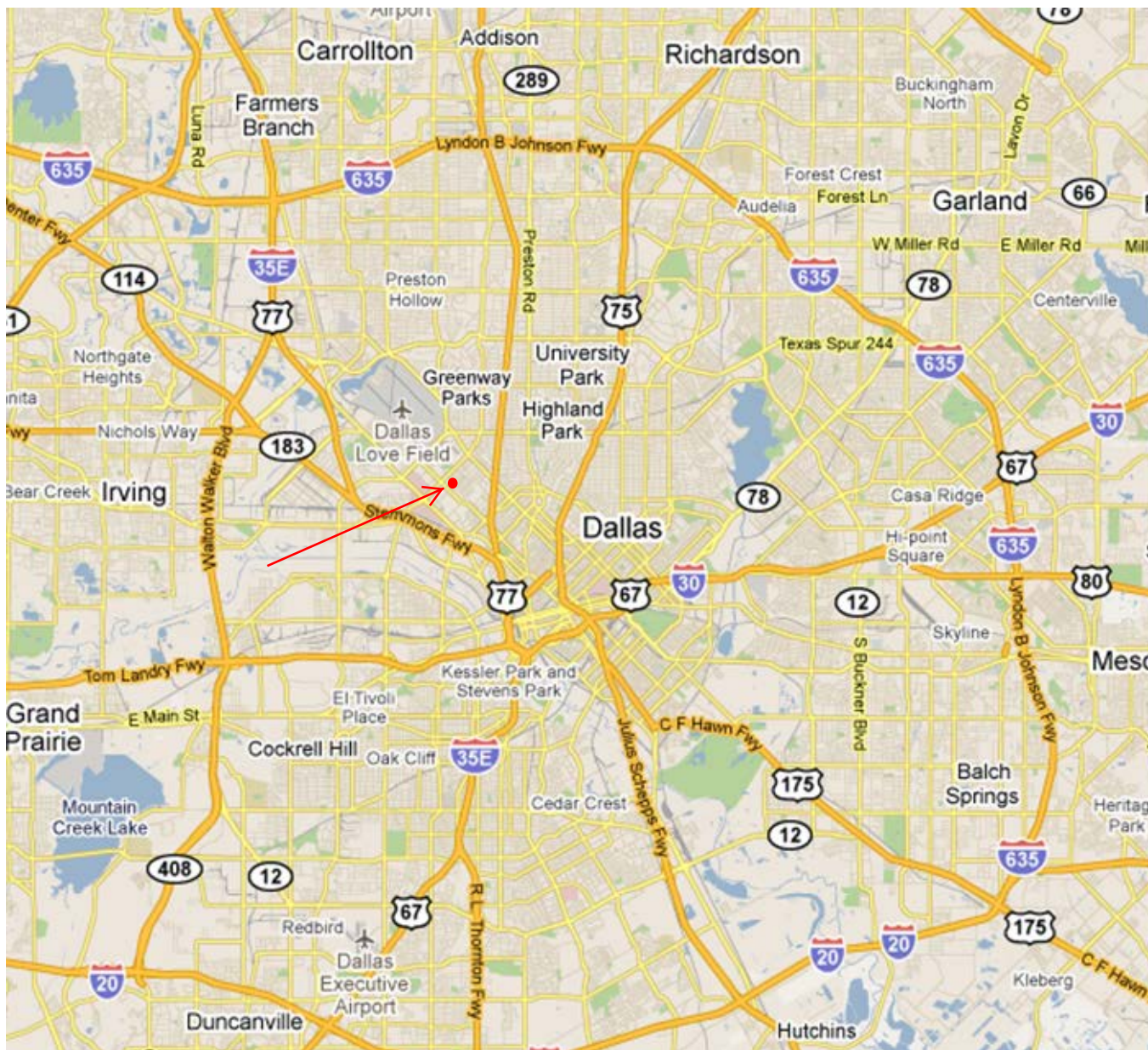
<b>Total Eligible Basis</b>	\$0	\$32,176,194
**High Cost Area Adjustment (100% or 130%)		130%
<b>Total Adjusted Basis</b>	\$0	\$41,829,052
Applicable Fraction <sup>u</sup>		50%
<b>Total Qualified Basis</b>	\$20,914,526	\$0
Applicable Percentage <sup>u</sup>		9.00%
<b>Calculated Credits</b>	\$1,882,307	\$0
<b>Owner's Requested Credits</b>	<b>\$1,882,307</b>	

Applicant and contractor certify that, to the best of their knowledge, the provided costs and supporting information represent an accurate, uninflated estimate of the costs associated with this development. They also certify that no fees, other than for activities identified in this form, will be paid to the contractor.

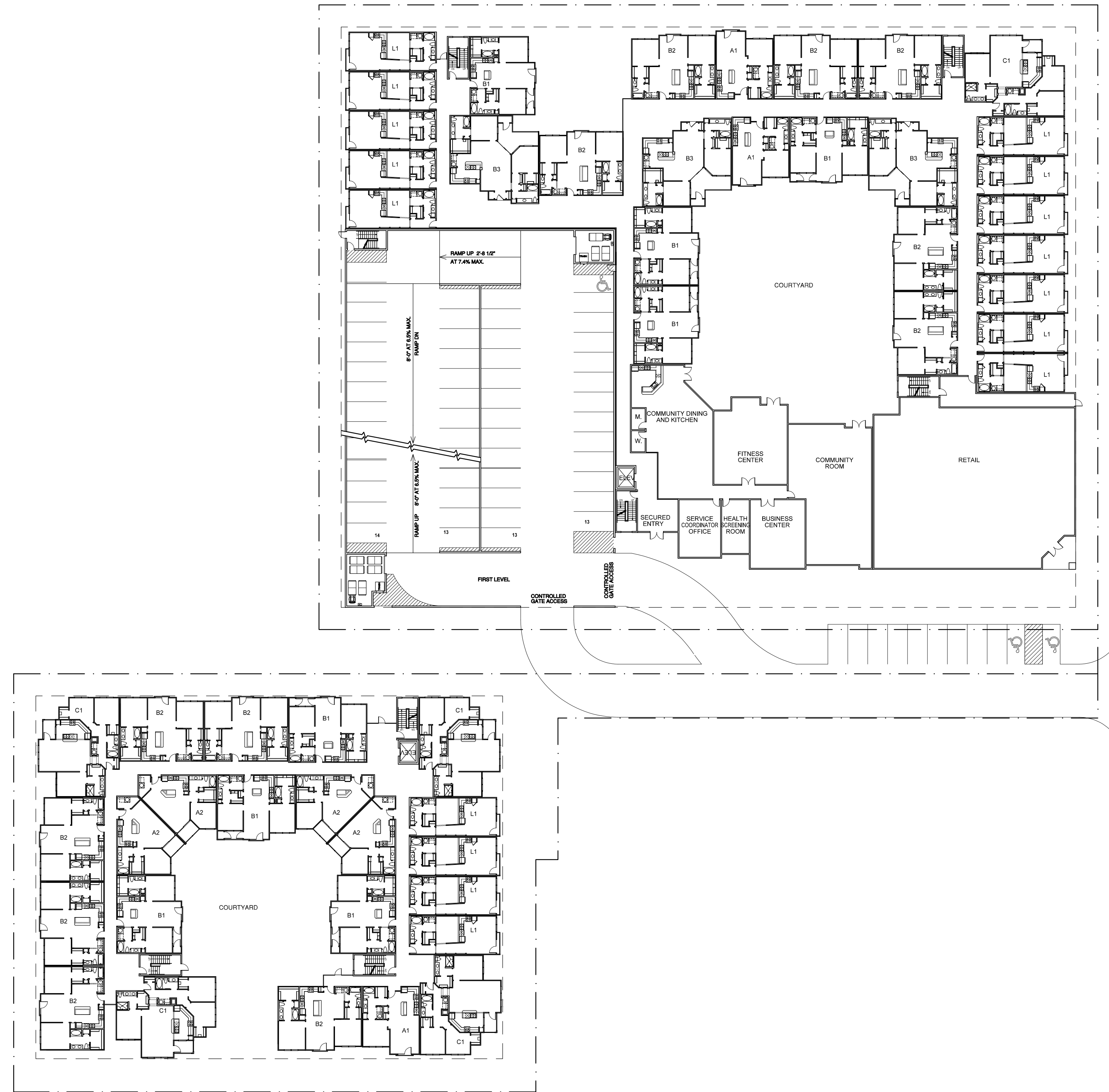
Chicory Court IX, LP  
 Development Owner Name  
 By:   
 Signature  
 Its: President of the GP  
 Date: 2/28/2011

Odyssey Residential Construction, LP  
 Contractor Name  
 By:   
 Signature  
 Its: President  
 Date: 2/28/2011

Champion Homes at Copperridge  
City Map  
5522 Maple Avenue, 75235



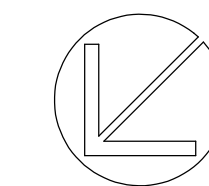




**SITE PLAN**

SCALE 1:30'

MAPLE AVENUE



REVISIONS

NO.	DATE	DESCRIPTION

**MAPLE CROSSING**

located in  
Dallas, Texas



4144 N. Central Expy.  
Suite 855  
Dallas, TX 75204  
214.520.8878  
bgoarchitects.com

DATE

03-01-11

PROJECT

11113

SHEET NUMBER

**1.1**

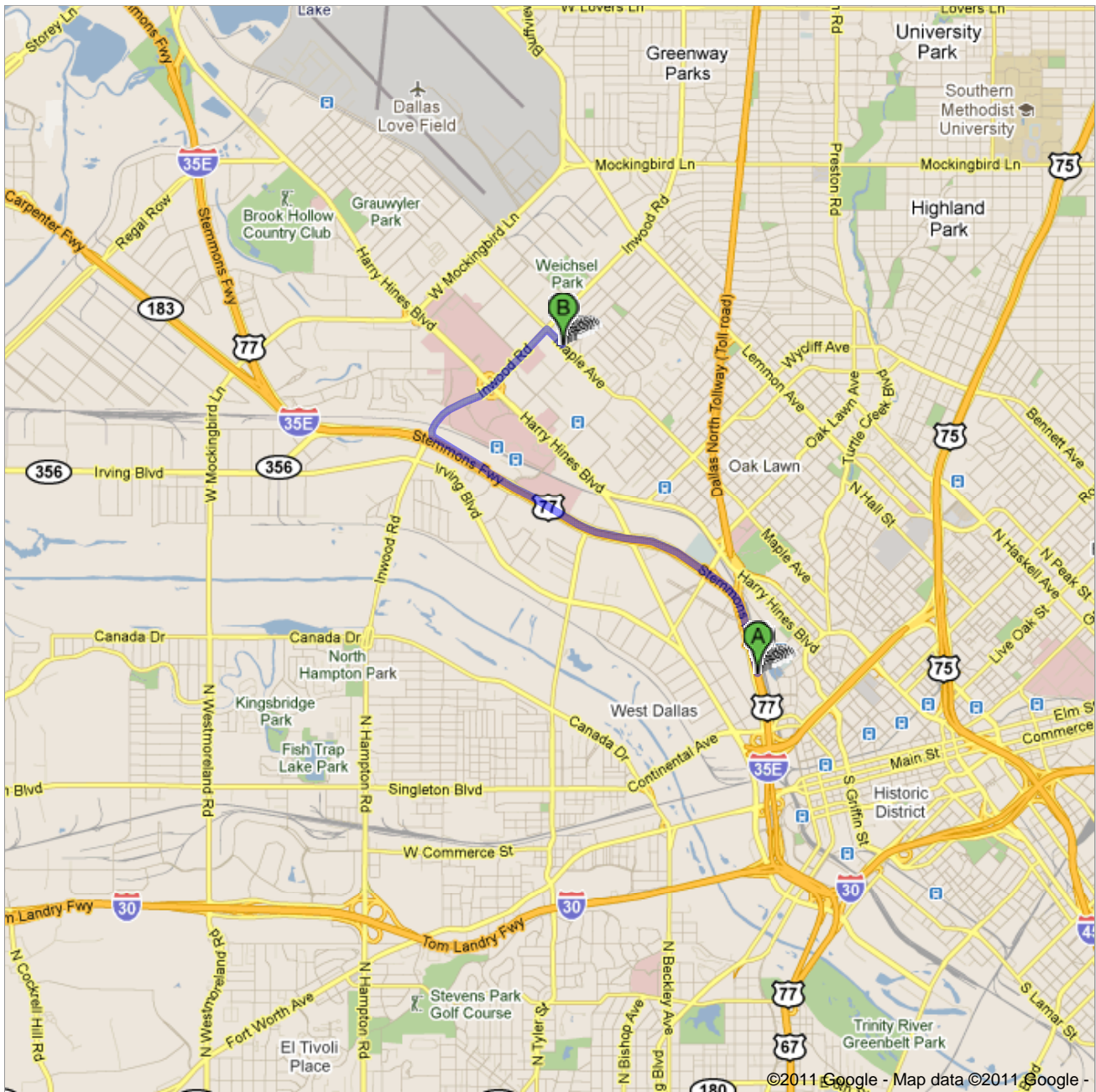
BUILDING PLAN

COPYRIGHT © Beeler, Guest, Owens, Architects - ALL RIGHTS RESERVED



Directions to 5522 Maple Ave, Dallas, TX 75235  
3.9 mi – about 6 mins

**Save trees. Go green!**  
Download Google Maps on your phone at [google.com/gmm](http://google.com/gmm)







Looking West on Maple



Looking East on Maple



Easement between lots 7 and 9, Looking North from Maple Avenue



Looking South, Across Maple, toward the elementary school





**Volume 4, Tab 1****APPLICANT SELF SCORE**

Instructions: Complete the following form and indicate all points requested for this Application. All evidence as required by §49.9(A) of the 2011 QAP must be submitted as outlined in the Application Submission Procedures Manual.

Development: Champion Homes at Copperridge

City: Dallas

Tab #	§49.9(a)	Point Category	Points Requested
1	(1)	Financial Feasibility (28 Points Maximum)	28
2	(2)	Quantifiable Community Participation (Points Not Requested in Self Score)	N/A
3	(3)	The Income Levels of Tenants of the Development (22 Points Maximum)	22
4	(4)(A)	Size of the Units (6 Points)	6
4	(4)(B)	Quality of the Units (14 Points Maximum)	14
5	(5)	The Commitment of Development Funding by Units of General Local Government (18 Points Maximum)	18
6	(6)	Community Support from State Representative or State Senator (Points Not Requested in Self Score)	N/A
7	(7)	The Rent Levels of the Units (12 Points Maximum)	12
8	(8)	The Cost of the Development by Square Foot (10 Points)	10
9	(9)	Tenant Services (8 Points Maximum)	8
10	(10)	Declared Disaster Areas (7 Points)	7
11	(11)	Community Input Other Than Quantifiable Community Participation (6 Points Maximum)	N/A
12	(12)	Housing Needs Characteristics (6 Points Maximum)	4
13	(13)	Community Revitalization (6 Points Maximum)	6
14	(14)	Pre-Application Participation Incentive Points (6 Points)	6
15	(15)	Green Building Initiatives (6 Points Maximum)	6
16	(16)	Development Location (4 Points)	4
17	(17)	Economic Development Initiatives (4 Points)	4
18	(18)	Developments in Census Tracts with No Other Existing Same Type Developments Supported by Tax Credits (4 Points)	4
19	(19)	Tenant Populations with Special Housing Needs (4 Points)	4
20	(20)	Length of Affordability Period (4 Points Maximum)	4
21	(21)	Site Characteristics (4 Points)	4
22	(22)	Development Size (3 Points)	0
23	(23)	Sponsor Characteristics (2 Points)	2
24	(24)	Qualified Census Tracts with Revitalization (1 Point)	0
25	(25)	Developments Intended for Eventual Tenant Ownership – Right of First Refusal (1 Point)	1
26	(26)	Leveraging of Private, State, and Federal Resources (1 Point)	1
27	(27)	Third Party Funding Outside of Qualified Census Tracts (1 Point)	0
	(28)	Scoring Criteria Imposing Penalties (5 Point Deduction for Each Applicable Instance)	-5
<b>Total Points Requested (must be 130 or greater (unless TRDO-USDA):</b>			<b>170</b>

**Volume 3, Tab 3**

**PART A. SITE INFORMATION**

Development Name: Champion Homes at Copperridge Development City: Dallas

**1. ZONING & CENSUS TRACT DESIGNATION**

The site is zoned for the proposed use: No The current zoning designation is: IR  
 The site is in the process of being rezoned: YES  
 Proposed Activity: New Construction  
 The present (and proposed) use of the property is non-conforming under existing zoning restrictions: No  
 11 Digit Census Tract Number: 48.113.0004.04 (Must submit proof of Census Tract location behind this tab)

**2. GEOGRAPHIC DESIGNATIONS**

Flood Zone Designation(s): N/A  
 Site is entirely outside a designated 100 yr. Flood Hazard Area or Flood Plain: YES  
 Site is within Hazard Area but the development is designed as required by program rules   
 Site is not in Hazard Area

Special Districts. Mark an "X" by each of the following that apply to the site:

- |  |   |
|--|---|
| <input type="checkbox"/> Listed in National Register of Historic Places  | <input type="checkbox"/> Within a Federal Historic District |
| <input type="checkbox"/> Listed in a Local Register of Historic Places   | <input type="checkbox"/> In a Municipal Historic District   |
| <input type="checkbox"/> A federally designation urban enterprise community  | <input type="checkbox"/> Qualified Census Tract (HTC)       |
| <input type="checkbox"/> An urban enhanced enterprise community  | <input type="checkbox"/> Difficult Development Area (HTC)   |
| <input type="checkbox"/> In an economically distressed area <sup>1</sup> or colonia  | <input type="checkbox"/> Targeted Texas County              |
| <input type="checkbox"/> Within a designated state or federal empowerment/enterprise zone. If so, what is the designation? |   |

Within a city-sponsored Tax Increment Financing Zone (TIF), Public Improvement District (PIDs), or other area or zone where a city or county has, through a local government initiative, specifically encouraged or channeled growth, neighborhood preservation or redevelopment. If so, what is the district designation?

TIF Reinvestment Zone #18 (Maple/Mockingbird TIF)

Within a non-impacted census block as defined per Young vs. Martinez. If so, what is the census block number?

N/A

**3. CONTROL AND ACQUISITION INFORMATION**

To the best of the Applicant's knowledge has this site been proposed for a previous TDHCA Application? Yes  
 If "Yes", what was the: Application Year: 2010 TDHCA #: 10134 TDHCA Program: Housing Tax Credit  
 Site Control is a:  Warranty Deed w/ settlement statement (unless identity of interest; Vol 3, Tab 6)  
 Contract for Deed  Purchase Option  In Escrow  
 Contract for Lease  Option to Lease  Letter of Intent  
 Expiration Date of:  
 Contract or Option: 8/11/2011 Feasibility Contingency: 8/11/11 Financing Contingency: 8/11/11  
 Acquisition Cost: \$4,700,000 Anticipated/Actual Closing Date: 8/1/2011  
 Seller Name: Maple/Douglas, LP Contact Thomas Colven  
 Address: 5420 LBJ Freeway, Suite 300 City: Dallas State: TX Zip: 75240  
 Is the seller affiliated with the Applicant, principal, sponsor, or any development team member? No  
 If "Yes", please explain: N/A  
 Did the seller acquire the property through foreclosure or deed in lieu of foreclosure? No

**Applicant or Applicant Representative Reminder:**

All of the sellers of the proposed Property for the 36 months prior to the first day of the Application Acceptance Period and their relationship, if any, to members of the Development team **MUST BE IDENTIFIED BEHIND THIS PAGE.**

<sup>1</sup> As defined by the Texas Water Development Board.



**Remember to place your census tract map behind this form**

**LAND USE STATEMENT**

*(Property located at 5602 Maple (Lot 7; Block A/5708) between Inwood & Butler  
On the northeast side of Maple abutting the DART Inwood Station)*

**I. PURPOSE OF REQUEST:**

The purpose of this request is to create a transit-oriented development. The project will contain approximately 100 multi-family dwelling units and will be designed for the future potential of retail, office, and personal services uses on the ground floor, oriented towards the DART pedestrian traffic.

The property is also being considered for a current year tax credit allocation and to date has received high scores from the Texas Department of Housing and Community Affairs.

**II. EXISTING LAND USE:**

The property is currently zoned IR Industrial/Research district. The property currently contains an office warehouse building.

**III. ADJACENT PROPERTY USES:**

Abutting the area of request is the DART parking lot for the Inwood Station that is currently under construction. To the northeast, of the site is the companion property that is also seeking rezoning for a market rate, mixed-use development.

**IV. PROPOSED USE OF THE REQUEST AREA:**

The intention is to create a multi-storey, multi-family project designed to accommodate active ground floor uses. The multi-family homes will provide affordable housing to working families in the community. The ground floor will immediately be used for multi-family accessory uses and will be converted to retail, office, and personal service uses as the commercial market matures in the area.

2090-169



**Volume 4, Tab 12**

**HOUSING NEEDS CHARACTERISTICS (§49.9(A)(12))**

Development location for which points are being requested (incorporated place or Census Designated Place):

DALLAS

Points requested: 4

**Applicant is eligible for the points requested because one of the two options below is satisfied:**

- The Development is located in a "Place" as listed in the 2011 Housing Tax Credit Site Demographic Characteristics Report and the score indicated above matches the Affordable Housing Needs Score reflected in the Site Demographics Report and was requested on the Applicant's Self Score form. No further documentation is required.
  
- The Development is located in an area that is **NOT** listed in the 2011 Housing Tax Credit Site Demographic Characteristics Report and the score indicated above is for the closest incorporated "Place" to the Development; **AND**  
A map is provided that identifies the location of the Development Site and the boundaries of the "Place." The map should indicate the distance from the Development Site to the boundaries of the nearest Place.



**REMEMBER TO SUBMIT YOUR EVIDENCE BEHIND THIS FORM**



## 2011 Housing Tax Credit Site Demographic Characteristics as of February 17, 2011

### Place Level - Sorted by Place

**Instructions:**

A site located outside the boundaries of a place (as designated by the 2000 U.S. Census) will use the Affordable Housing Need Score of the place whose boundary is closest to the development site.

If information for a specific place is not included in the table, or for any other questions relating to scoring for an application, submit questions in writing to Jason Burr via email at [jason.burr@tdhca.state.tx.us](mailto:jason.burr@tdhca.state.tx.us).

**Notes:**

(1) These area designations may be updated when TRDO releases the 2010 areas eligible for funding or applicants may petition TDHCA to update the "Rural" designation of a place within a metropolitan statistical area by providing a letter from a local official. Such letter must clearly indicate that the place has an incorporated area boundary that touches the boundary of another place with a population of over 25,000. Such petitions must be submitted in writing to Jason Burr at [jason.burr@tdhca.state.tx.us](mailto:jason.burr@tdhca.state.tx.us). To treat all applicants equitably, such communication must

Region	Place	County	Area Type- Rural or Urban (1)	2000 Census Population	2010 Population Estimate	Affordable Housing Need Score (2)	HTC Units in Place	Place Per Capita/ TX Per Capita	PI Per Cap >2x TX Per Cap (3)	CDP
3	Dallas	Dallas	Urban	1,188,580.00	1,302,008.00	4.00	19,271.00	1.8685	No	

**Volume 4, Tab 13**

**COMMUNITY REVITALIZATION or HISTORIC PRESERVATION (§49.9(a)(13))**

The Application proposes:

- Community Revitalization**- the Development includes the use of an Existing Residential Development and proposes any Rehabilitation or any Reconstruction that is part of a Community Revitalization Plan. (§42(m)(1)(C)(iii))

**Evidence to be provided to satisfy this requirement:**

- Volume 2, Tab 1, Part B- 2011 Existing Residential Development Certification Form* is present in Volume 2, and is fully executed.

**AND**

- A letter from the Appropriate Local Official stating there is a Community Revitalization Plan in effect and the Development is within the area covered by the plan.

**If the Applicant is unable to obtain a letter from an Appropriate Local Official, then the following must be provided:**

- If the Community Revitalization Plan has specific boundaries, a copy of the Plan adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.

- Historic Preservation** - The Development includes the use of an existing building that is designated as historic by a federal or state Entity and proposes Rehabilitation (including Reconstruction) or Adaptive Reuse.

**Evidence to be provided includes:**

- The Development **includes\*** the use of an existing building that is designated as historic by a federal or state entity and proposes Rehabilitation (including reconstruction) or Adaptive Reuse.
- Proof of the historic designation from the appropriate Governmental Body is included.
- Letter from the Texas Historical Commission indicating the effect of the proposed rehabilitation on historical structure is included.

**\*The Development itself must have the designation; points in this subparagraph are not available for Developments simply located within historic districts or areas that do not have a designation on the building. The Development must include the historic building.**

- Rehabilitation** - Application proposes to build solely Rehabilitation.

- Reconstruction** - Application proposes to build solely Reconstruction.

- Adaptive Reuse** - Application proposes to build solely Adaptive Reuse.

- New Construction** - the Development is New Construction and is proposed to be located in an area that is part of a Community Revitalization Plan.

**Evidence to be provided includes one of the following:**

**Evidence to be provided to satisfy this requirement:**

- A letter from the Appropriate Local Official stating there is a Community Revitalization Plan in effect and the Development is within the area covered by the plan.

**If the Applicant is unable to obtain a letter from an Appropriate Local Official, then the following must be provided:**

- If the Community Revitalization Plan has specific boundaries, a copy of the Plan adopted by the jurisdiction or its designee and a map showing that the Development is within the area covered by the Community Revitalization Plan.



**REMEMBER TO PLACE YOUR EVIDENCE BEHIND THIS FORM**



February 23, 2011

Attn: Ms. Robbye Meyer  
Director of Multi Family Finance  
Texas Department of Housing & Community Affairs  
P.O. Box 13941  
Austin, Texas 78711-3941

Re: Champion Homes at Copperridge/ 5522 Maple Avenue

Dear Ms. Robbye Meyer:

It is our understanding that Chicory Court IX, LP plans to develop a 266-unit mixed income apartment project at 5522 Maple Avenue, Dallas, Texas, 75235. Please be advised that site is not located within a State designated Enterprise Zone. The property is situated within Census Tract 4.04 Block Group 2, which pursuant to legislation adopted during the 2003 State legislative session, does not qualify as an Enterprise Zone. A list of the State Enterprise Zone Census 2000 qualifying block groups within Dallas County is attached. Our staff is not aware that any tax credits have been awarded for other projects in this census tract.

The proposed project will be a seven-story, 266-unit mixed income apartment home community, with 115 units offered to families earning 60% AMFI, and 151 units offered at market rate located at 5522 Maple Avenue.

**The site is located within the boundaries of the Maple/Mockingbird Tax Increment Financing Reinvestment Zone (Maple/Mockingbird TIF District) and within a quarter-of-a-mile (1/4) of the DART Green Line Rail Station.** The Maple/Mockingbird TIF District was established in December 2008, to encourage the redevelopment of obsolete multi-family and commercial buildings, inadequate retail centers, and underutilized industrial facilities in the area between Love Field Airport and the medical district to the southwest. This district promotes the development of denser, pedestrian-oriented residential development, expansion of retail activity and support of existing medical related uses while taking advantage of DART's expanding light rail system (two stations in or near Maple/Mockingbird area).

The City of Dallas' Office of Economic Development (OED) anticipates receiving an application for TIF funding from Chicory Court IX, LP in the coming weeks. Upon receipt and positive evaluation, staff intends to provide funding recommendations for TIF Board and City Council consideration of a tax increment financing development agreement for the project. The agreement will be conditioned on award of tax credits. All staff recommendations are subject to TIF Board and City Council approval.

Please feel free to contact me at 214-670-1685 should you have any questions or need more information.

A handwritten signature in black ink, appearing to read 'Karl Stundins'.

Karl Stundins  
Area Redevelopment Manager  
Office of Economic Development

**Volume 4, Tab 16**

**DEVELOPMENT LOCATION (§49.9(a)(16))**

**Applicants may qualify for 4 points for qualifying under this exhibit. Select the appropriate box for points requested:**

- A) The Development is located in a census tract which has a median family income (MFI) that is higher than the median family income for the county in which the census tract is located. These Census Tracts are outlined in the 2011 Housing Tax Credit Site Demographic Characteristics Report.
- B) The proposed Development will serve families with children (at least 70% of the Units must have an eligible bedroom mix of two bedrooms or more) and is proposed to be located in an elementary school attendance zone that has an academic rating of "Exemplary" or "Recognized," or comparable rating if the rating system changes. An elementary attendance zone **does not** include magnet school or elementary schools with district-wide possibility of enrollment or no defined attendance zones. The date for consideration of the attendance zone is that in existence as of the opening date of the Application Round and the academic rating is the most current rating determined by the Texas Education Agency as of that same date. (§42(m)(1)(C)(vii))
- C) The proposed Development will expand affordable housing opportunities for low-income families with children outside of poverty areas. This must be demonstrated by showing that the Development will serve families with children (at least 70% of the Units must have an eligible bedroom mix of two bedrooms or more) and that the census tract in which the Development is proposed to be located has no greater than 10% poverty population according to the most recent census data. (§42(m)(1)(C)(vii)) These Census Tracts are outlined in the 2011 Housing Tax Credit Site Demographic Characteristics Report.
- D) The proposed Development is located in an urban core, on a site where the proposed use is not prohibited by the Unit of General Local Government via ordinance or regulation. For purposes of this item, an urban core is defined as a compact and contiguous geographical area that is located in a Metropolitan Statistical Area within the city limits with a population of no less than 150,000 composed of adjacent block groups of which is zoned to accommodate a mix of medium or high density residential and commercial uses and at least 50% of such land is actually being used for such purposes based on high density residential structures and/or commercial structures already constructed. Evidence must be submitted in the form of zoning maps and a certification provided in the Application.
- E) The proposed Development is located in a high opportunity area as identified in §49.5(d)(2)(D)(i) - (iii) of the 2011 QAP.



**REMEMBER TO PLACE EVIDENCE BEHIND THIS FORM**



- tract as established by the U.S. Census Bureau for the most recent Decennial Census. Developments located in a QCT that has in excess of 30% Housing Tax Credit Units per households in the tract are not eligible to qualify for a 30% increase in Eligible Basis, which would otherwise be available for the Development Site pursuant to §42(d)(5)(C) of the Code, unless the Development is proposing only Reconstruction or Rehabilitation (excluding New Construction of non-residential buildings). Applicants must submit a copy of the census map clearly showing that the proposed Development is located within a QCT. The eleven (11) digit census tract number must be clearly marked on the map. These ineligible Qualified Census Tracts are outlined in the 2011 Housing Tax Credit Site Demographic Characteristics Report; or
- (2) The Development qualifies for and receives Renewable Energy Tax Credits. For purposes of this paragraph, the Application will be required to include an architect's letter or signed third party contractor bid as evidence that the Applicant will be eligible to request Renewable Energy Tax Credits in its income tax filings. In addition, the architect's letter or signed third party contractor bid must include a statement that the increased cost differential of the Renewable Energy items over non Renewable Energy alternatives exceeds the value of the energy tax credits to be received. The Applicant will be required to show proof of receipt of the Renewable Energy Tax Credits at the time of Cost Certification. Any amenities as it relates to this item must benefit the entire Development; or
- (3) Pursuant to the authority granted by H.R. 3221, the Development meets one of the criteria described in subparagraphs (A) - (D) of this paragraph:
- (A) Any Rural Development;
- (B) Developments proposing at least 50% of the total number of Units for Supportive Housing;
- (C) Developments proposing to provide 10% of the Low-Income Units, that will serve individuals and families at or below 30% of AMGI, in excess of those that are in §49.9(a)(3) of this chapter (relating to Selection Criteria); or
- (D) Developments proposed in high opportunity areas as provided in clauses (i) - (iii) of this subparagraph:
- (i) A four story or greater Development with structural parking that is proposed to be located within one-quarter mile of existing major bus transfer centers, regional or local commuter rail transportation stations, and/or Transit Oriented Districts that are accessible to all residents including Persons with Disabilities; or
- (ii) A Development that is proposed to be located in a census tract which has an AMGI that is higher than the AMGI of the county or place in which the census tract is located as of the first day of the Application Acceptance Period; or
- (iii) A Development that is proposed in a census tract that has no greater than 10% poverty population according to the most recent census data (these census tracts are designated in the 2011 Housing Tax Credit Site Demographic Characteristics Report).
- (4) The Development proposing to build in an area impacted by a disaster for which federal legislation providing additional credits has been enacted.

#### §49.6. Allocation Process.

- (a) **Regional Allocation Formula.** This formula, developed by the Department, establishes separate targeted tax credit amounts for Rural Areas and Urban Areas within each of the Uniform State Service Regions. Each Uniform State Service Region's targeted tax credit amount will be published on the Department's website. The regional allocation for Rural Areas is referred to as the Rural Regional Allocation and the regional allocation for Urban Areas is referred to as the Urban Regional Allocation. Developments qualifying for the Rural Regional Allocation must meet the Rural Development definition. The Regional Allocation target will reflect that at least 20% of the State Housing Credit Ceiling for each calendar year shall be allocated to Developments in

**Volume 4, Tab 21**

**SITE CHARACTERISTICS (§49.9(a)(21))**

**Applicants may qualify for up to 4 points for qualifying under this exhibit. Select the appropriate box for points requested:**

**(Select All That Apply)**

- A site located within one-quarter mile of public transportation that is accessible to all residents including Persons with Disabilities. A map that shows the location of the public transportation stop and a one-quarter mile radius around the Development Site must be provided.
- A site located within a community that has another form of transportation, including, but not limited to, special transit service or specialized elderly transportation for Qualified Elderly Developments. A description of the specific form of transportation to be used and/or any cost of funding such transportation service, if applicable, must be provided.
- A site located within a one mile radius (two-mile radius for Developments competing for a Rural Regional Allocation) of at least three services appropriate to the target population will receive four points. Only one service of each type listed below will count towards the points. **A map must be included identifying the one or two-mile radius, the Development Site and the location of the services.** The services must be identified by name on the map. If the services are not identified by name, points will not be awarded. By checking the boxes below, the Applicant certifies that all services currently exist or, if under construction, must be under active construction, post pad by the date the Application is submitted.
  - Full service grocery store or supermarket
  - Pharmacy
  - Convenience Store/Mini-market
  - Department or Retail Merchandise Store
  - Bank/Credit Union
  - Restaurant (including fast food)
  - Indoor public recreation facilities, such as civic centers, community centers, and libraries
  - Outdoor public recreation facilities such as parks, golf courses, and swimming pools
  - Hospital/medical clinic
  - Medical offices (physician, dentistry, optometry)
  - Public Schools (only eligible for Developments that are not Qualified Elderly Developments)
  - Senior Center



**REMEMBER TO SUBMIT YOUR EVIDENCE BEHIND THIS FORM**



Notes

2011 Maple Map

**1 DART Green Line Inwood Station**  
5575 Denton Drive Cut Off  
Dallas, TX 75235

[Show Map](#)

**2 5522 Maple Avenue - Copperridge**  
5522 Maple Ave  
Dallas, TX 75235  
(214) 637-6740 | [Website](#)

[Show Map](#)

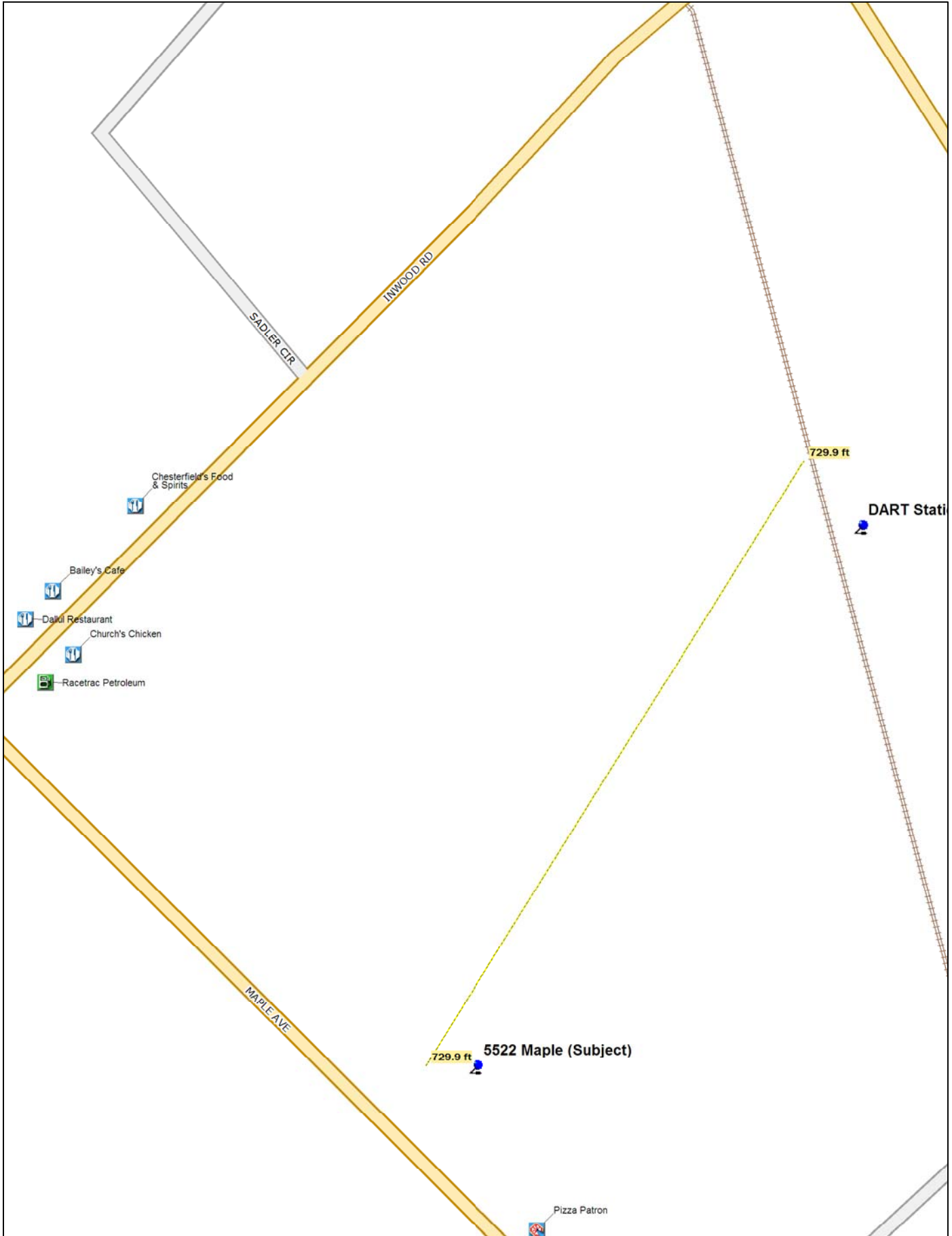
Commuter Train Station  
720 feet from property. (1/8 mile)



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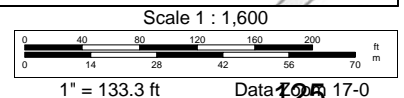
From the subject property, residents are able to walk across the DART parking lot, and into the Green Line Inwood Station to catch a train into downtown or any other place that the Dallas Area Rapid Transit services.



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Data 17-0



**EDITORIALS**

**BRIDGING DALLAS' NORTH-SOUTH GAP**

# Extreme Makeover

## Housing board reverses bad decision on project

Members of the state board that approves government subsidies for low-income housing projects did a disservice to Dallas by hastily favoring tax credits in October for a less-deserving apartment project near Love Field over a more worthy one in South Dallas. The board, facing a barrage of criticism for its initial decision, corrected the mistake Tuesday by reversing itself and revoking the credits.

The action restarts the application process, enabling the South Dallas project and others to apply for federal money later this year.

As a general principle, this newspaper supports efforts to disperse low-income housing across the city rather than concentrate it in already low-income areas. But all projects — regardless of location — must meet certain standards to qualify for subsidy, and it seems clear in this case that the Champions of Copperridge project near Love Field fell short.

When the board of the Texas Department of Housing and Community Affairs voted last fall to grant multimillion-dollar tax-credit subsidies to Copperridge it effectively removed a more worthy project in South Dallas from eligibility. That project, proposed by the nonprofit Frazier Revitalization Inc., is Hatcher Square.

The venue and vision for the Hatcher Square project distinguished it from the bad projects that have dragged down many neighborhoods. In fact, when state housing officials graded these two projects among others competing for highly sought-after tax credits, they gave the Hatcher Square project the highest score based on various viability measurements. When they reviewed Copperridge, they gave it a score so low that it shouldn't even have been in the running.

It's unclear precisely what prompted the board to favor the Love Field project. It's possible board members were misinformed regarding the specifics of each project or that they were under political pressure to favor the larger project simply because it was in a less economically depressed area.

### Comparing the projects

	Hatcher Square	Champions of Copperridge
Location	Hatcher Street at Scylene Road	5522 Maple Ave.
Type	Mixed-use retail and residential development	Luxury rental apartments
Units	136, all affordable housing	153 affordable-housing units, 99 market-rate units
Project cost	\$20.7 million, funded partially by \$15 million in tax-credit proceeds and \$1.5 million from the city of Dallas	\$39 million, funded partially by \$15.9 million in tax-credit proceeds and \$4.5 million from the city of Dallas

Whatever, the October decision left South Dallas community leaders flummoxed. Their project envisions transit-oriented development near the Hatcher DART rail station and builds on an already impressive track record of redevelopment in the nearby neighborhoods of Frazier, Dolphin Heights and Bexar Street. Frazier Revitalization's founder, J. McDonald Williams, who previously served as a director of the former company that published *The Dallas Morning News*, is a former Trammell Crow chief executive.

Copperridge's developer is a for-profit company, Odyssey. A principal figure behind Odyssey is Bill Fisher, who wore a wire to help convict former City Council member Don Hill in a high-profile corruption case. The federal government has a \$1 million tax lien against him, which in itself should have served as a red flag during the state review.

Tuesday's housing board decision has delayed progress toward launching Hatcher Square, but the project now has the opportunity to compete again for the credits. In the future, the state housing board should abide by the agency's own scoring rules and approve the worthiest projects on their merits.



NBER WORKING PAPER SERIES

TIEBOUT SORTING, SOCIAL MULTIPLIERS  
AND THE DEMAND FOR SCHOOL QUALITY

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Working Paper 10871  
<http://www.nber.org/papers/w10871>

NATIONAL BUREAU OF ECONOMIC RESEARCH  
1050 Massachusetts Avenue  
Cambridge, MA 02138  
October 2004

We are grateful to Pat Bajari, Steve Berry, Sandra Black, David Card, Ken Chay, Dennis Epple, Caroline Hoxby, Brian Jacob, David Lee, Tom Nechyba, Jesse Rothstein, Kim Rueben, Holger Sieg, Doug Staiger, and Chris Timmins for valuable discussions. We also thank Pedro Cerdan and Jackie Chou for help in assembling the data. This research was conducted at the California Census Research Data Center: our thanks to the CCRDC, and to Ritch Milby in particular. Financial support for this project provided by the NSF under grant SES-0137289, the Public Policy Institute of California, SSHRC Canada, and CAPES – Brazil is gratefully acknowledged. Correspondence may be sent to: Patrick Bayer, 37 Hillhouse Avenue, Dept. of Economics, Yale University, New Haven, CT 06511, [patrick.bayer@yale.edu](mailto:patrick.bayer@yale.edu), (203) 432-6292. The views expressed herein are those of the author(s) and not necessarily those of the National Bureau of Economic Research.

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Table 3 converts the estimates of the heterogeneity in MWTP for the average test score into dollar terms. The two columns of the table report results for specifications that exclude and include neighborhood sociodemographic characteristics, respectively. The first row of this table reports the estimated mean MWTP for the change listed in each column heading: for example, the first entry reports the \$82 mean MWTP for a one standard deviation increase in the average test score conditional on neighborhood sociodemographics initially reported in column 3 of Table 2. The remaining rows report the difference in MWTP associated with the comparison of household characteristics shown in the row heading. Thus, the second row shows how a household's MWTP changes with an increase of \$100,000 in income.

Analogously to the effect of including neighborhood sociodemographic variables on the estimates of the mean MWTP reported in Table 2, including these variables decreases the magnitude of the estimated heterogeneity in demand for school quality, decreasing the coefficient associated with household income by 60 percent, with education by 75 percent, and with race (which may proxy in part for wealth) by upwards of 80 percent. The estimates of the specification that includes neighborhood sociodemographics also returns the expected positive additional MWTP associated with the presence of school-aged children. Table 4 reports analogous measures of the heterogeneity in MWTP for selected housing and neighborhood attributes from the specification that includes neighborhood sociodemographic characteristics, revealing for example that increases in household income are typically associated with large increases in the demand for housing attributes, and that college educated households are willing to pay a substantial premium relative to less educated households to live with more

educated neighbors. Specifically, they are willing to pay around \$59 per month more than less educated households for a 10 percent increase in college-educated neighbors. Not surprisingly, strong racial interactions are also at work in the housing market, leading to significant sorting along this dimension as well.<sup>32</sup>

The pattern of heterogeneity revealed in Tables 3 and 4 is exactly the type of preference structure that gives rise to a substantial social multiplier in considering the effect of an exogenous school quality on neighborhood stratification. In particular, given the heterogeneity in preferences for school quality, Asian and white households and households with more education and income are generally more likely to sort into a neighborhood following an increase in school quality there. This initial effect on neighborhood composition then gives rise to additional re-sorting according to the preferences directly associated with neighborhood sociodemographic characteristics. This additional re-sorting works to reinforce the initial changes, multiplying the effects of the exogenous change in school quality up by a factor that may be sizeable given the magnitude of the parameters associated with neighborhood sociodemographics.

## **6 SCHOOL-RELATED SORTING AND NEIGHBORHOOD STRATIFICATION**

To explore the impact of school-related sorting on neighborhood stratification, we now turn to the main economic analysis of the paper. In particular, given the set of preference parameters estimated above, we simulate the housing market equilibrium in a

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<sup>32</sup> Note that the strength of the estimated racial interactions reported in Table 4 may reflect the presence of centralized discriminatory practices in the market in addition to the direct preferences of households to live with others of the same race. In this way, the counterfactual that we conduct below should be interpreted as

counterfactual world in which preferences for the average test score are set identically equal to zero for all households. The resulting reductions in stratification of households across neighborhoods on the basis of education and income provide measures of the general equilibrium impact of school-related sorting on stratification. Before describing these simulations in detail, however, we begin this section by discussing the pattern of neighborhood stratification in the Bay Area as well as the corresponding measures predicted by our model, providing a gauge of how well the model fits the data in this dimension.

**Initial Measures of Neighborhood Stratification.** To quantify the extent of neighborhood stratification in the Bay Area, we use a series of simple measures based on the average sociodemographic composition of the neighborhoods in which households with given characteristics live.<sup>33</sup> Using the underlying average exposure of households in each education category to one another, for example, we measure the level of neighborhood stratification by calculating the degree to which households with a high school degree or less and a college degree or more, respectively, are ‘over-exposed’ (i.e., exposed to a fraction greater than the average for the Bay Area as a whole) to households with the same education level.

To see these calculations more explicitly, consider the top panel (Panel A) of Table 5, which constructs two measures of neighborhood stratification on the basis of education using the sample of nearly a quarter of a million households. Households are

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holding the structure of racial interactions constant, regardless of the source. See Bayer, McMillan, and Rueben (2004b) for more discussion of this issue.

<sup>33</sup> We define neighborhoods on the basis of (synthetic) school attendance zones, as described in Section 4. Defining neighborhoods on the basis of alternative neighborhood definitions - Census block groups for

**Table 4. Heterogeneity in Marginal Willingness to Pay for Select Housing and Neighborhood Attributes***Specification Includes Neighborhood Sociodemographic Characteristics*

	House Characteristics			Neighborhood Sociodemographics				
	Own vs. Rent	+1 Room	Built in 1980s vs. pre-1960	+10% Black vs. White	+10% Hisp vs. White	+10% Asian vs. White	+10% College Educated	Blk Group Avg Income + \$10,000
<b>Mean MWTP</b>	161.05 (9.24)	118.93 (4.40)	95.55 (11.84)	-26.71 (3.98)	13.90 (6.31)	15.53 (5.57)	13.77 (4.45)	87.61 (4.00)
Household Income (+\$100,000)	218.37 (7.13)	61.19 (1.70)	105.07 (7.62)	-15.32 (3.89)	7.73 (4.13)	-0.50 (2.54)	26.17 (2.18)	15.44 (1.13)
Children Under 18 vs. No Children	-12.87 (6.67)	40.06 (1.80)	-24.52 (7.94)	10.38 (2.70)	15.03 (3.41)	12.17 (2.51)	-14.18 (2.15)	5.05 (1.06)
Black vs. White	-63.55 (13.25)	1.56 (3.40)	2.95 (16.38)	96.82 (3.62)	46.13 (5.75)	48.02 (4.84)	16.99 (4.40)	-0.45 (2.27)
Hispanic vs. White	-6.44 (9.53)	-14.14 (2.63)	-8.07 (12.00)	28.89 (3.68)	81.36 (4.01)	18.01 (3.81)	5.43 (3.19)	2.07 (1.41)
Asian vs. White	113.65 (8.96)	-32.92 (2.27)	43.94 (10.77)	27.74 (3.64)	21.95 (4.67)	92.49 (2.78)	-0.05 (2.91)	1.99 (1.41)
College Degree or More vs. Some College or Less	33.83 (7.67)	4.50 (2.05)	42.06 (9.57)	8.34 (3.27)	-4.16 (3.94)	-12.70 (2.91)	59.29 (2.37)	3.66 (1.29)
Householder Working vs. Not Working	42.72 (7.31)	3.69 (1.94)	60.60 (8.92)	-4.71 (2.88)	-2.17 (3.65)	-2.81 (2.82)	-12.62 (2.27)	3.88 (1.04)
Age (+10 years)	6.49 (0.21)	0.30 (0.06)	-2.07 (0.25)	-0.15 (0.08)	-0.56 (0.10)	-0.03 (0.08)	-0.12 (0.06)	0.11 (0.03)

*Note:* The first row of the table reports the mean marginal willingness-to-pay for the change reported in the column heading. The remaining rows report the difference in willingness to pay associated with the change listed in the row heading, holding all other factors equal. Standard errors are in parentheses.



Respectfully Submitted,

/s/ Michael M. Daniel

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Attorney for Plaintiff

Certificate of Service

I hereby certify that on March 13, 2012, I electronically submitted the foregoing document with the clerk of the court for the U.S. District Court, Northern District of Texas, using the electronic case files system of the court. The electronic case files system will send a "Notice of Electronic Filing" to the following individuals who have consented in writing to accept this Notice as service of this document by electronic means: Timothy E. Bray, Assistant Attorney General, State of Texas; Shelly Dahlberg, Assistant Attorney General, State of Texas; Michael C. Kelsheimer, William B Chaney, George Tomas Rhodus, James D MacIntyre.

s/ Michael M. Daniel