Fort Worth Housing Finance Corporation and
Columbia at Renaissance Square

Fort Worth Housing Finance Corporation (FWHFC) was created in 1979 pursuant to the Texas Housing Finance Corporation Act. FWHFC was organized for the purpose of financing the cost of residential ownership and development of single family and multifamily dwellings for persons of low and moderate income. FWHFC has served as a housing development arm of the City of Fort Worth (City) and has participated in a number of partnerships and activities that have included the acquisition of land, development, construction of new single family homes and financing the construction of multifamily housing that are decent, safe, sanitary, accessible and affordable to the citizens of Fort Worth.

Southeast Fort Worth Region

Since 2010, the population of Fort Worth has increased more than 9%, from approximately 741,000 people to 812,000. One of the more populated areas, southeastern Fort Worth provides easy access to major highways and interstates, retail, outdoor recreation, and entertainment destinations. Average incomes in this area range from $29,444 - $55,625 per year, indicating a need for quality affordable housing opportunities in this region of Fort Worth.

"This groundbreaking is an exciting next step in the overall revitalization efforts... Starting first in Renaissance Square, these apartments coming in will not only provide an excellent housing option, but also pair nicely with our city-wide efforts to focus on health, education and engagement," said Fort Worth Mayor Betsy Price. "I am confident that by growing the relationships with our already strong partners in the area we will continue to increase the vibrancy in this community for years to come."

With several major retailers recently coming online in the area at the Shoppes at Renaissance Square, there is no shortage of employment opportunities. These retailers include Walmart, Marshalls, GameStop, and Walgreens, as well as LegacyTexas bank and an office branch of Cook Children’s. Also nearby are the Uplift Mighty Preparatory Academy, Tarrant County College’s South Campus, and Texas Wesleyan University, providing access to excellent educational opportunities.

Just a few blocks away, the City invested $520,000 for the purchase and rehabilitation of a vacant building to become the award-winning Southeast Community Health Center. North Texas Area Community Health Centers, Inc., a local non-profit who owns and operates the center. Opening in May of 2014, the Health Center’s goal is to work with consumers to reduce strain on already overburdened hospitals before they need emergency care. NTACHC is a Federal Tort Claims Act-designated facility, saving millions of dollars in malpractice insurance premiums and reinvesting those dollars into services for their consumers.

Recreational activities are located in the Southeast region by way of Cobb Park, Titus Paulsel Park, Englewood Park, and Sycamore Park which are all in close proximity of the Columbia at Renaissance Square development. Families can enjoy picnics, fishing, playgrounds, and hiking. The YMCA has also started construction on the nearby McDonald Southeast YMCA, which will offer reduced fees to residents of the housing development.
FWHFC Participation in Development Efforts

Columbia at Renaissance Square Multifamily Development

The 2013 Analysis of Impediments, a HUD required report on the current state of impediments within the City of Fort Worth, stated that the City had an “overconcentration of vouchers, assisted housing, and lower-income housing in selected areas of the City”. This report also noted that residents in lower income areas did not have equal access to the transit system.

One solution to these issues was for the FWHFC to award its first loan for Columbia Renaissance Square I, L.P. to develop, own and manage Phase I of Columbia at Renaissance Square in southeast Fort Worth. Financing included 2015 9% housing tax credits from the Texas Department of Housing and Community Affairs, a conventional loan, $700,000 loan from the FWHFC, and $1.2 million in HOME Investment Partnerships Program (HOME) funds from the City of Fort Worth have ensured that the $24 million project is fully funded.

A Purpose Built Community provides a holistic approach to helping make a positive impact and includes “a community quarterback”, typically an individual or nonprofit who leads the revitalization by engaging community members, building partnerships, securing funding, and ensuring implementation of the housing, education, and wellness components of the model as part of the community’s vision. The community quarterback helps to establish mixed-income housing opportunities, a cradle-to-college education pipeline, and community wellness facilities and programs to create a defined neighborhood.

Located in the Berry Hill-Mason Heights Neighborhood Empowerment Zone and designated a Purpose Built Community, which includes Renaissance Heights Development Group acting as the “community quarterback”. Renaissance Heights Development Group is working in collaboration with a group of community partners known as the Renaissance Heights United initiative. They are dedicated to the proposition that everyone deserves the opportunity to live and raise their children in communities where they can achieve their full potential.

The community leaders involved in the partnership include The Shoppes at Renaissance Square, United Communities, ACH Child and Family Services, Uplift Education, Cook Children’s, The YMCA, Texas Wesleyan University, North Texas Area Community Health Centers, Inc., UNT Health Science Center, Renaissance Heights, Columbia Residential, and Purpose Built Communities. Columbia at Renaissance Square is place-based and neighborhood-focused and has become a vibrant community where everyone will have the opportunity to thrive.

Within an approved Community Revitalization Plan, Columbia at Renaissance Square provides mixed-income housing opportunities within all phases of its development. The current phase includes an 11.15-acre property, consisting of 140 one, two, and three-bedroom rental units that range in size from 750 – 1,250 square feet. 119 of these units are affordable for low- to moderate income level households, specifically to households earning 60% or less of the Area Median Income (AMI) as established by HUD.

The affordable units include 9 floating HOME units on the property and there are 35 Project-Based Vouchers from Fort Worth Housing Solutions. Also included in the unit count are 10 Section 811 units, 8 of which have 1 bedroom and 2 that have 2 bedrooms. Social services for the tenants of these units will be provided by a local nonprofit and supported by the Fort Worth Housing Finance Corporation.
Columbia at Renaissance Square Multifamily Development (cont.)

This development has the potential to impact hundreds of families every year, helping their kids with involvement in nearby after-school activities, with a walking trail throughout the community, leading to destinations such as the YMCA as well as to Uplift Mighty. Uplift Education is a free, public, college-preparatory, charter school serving grades K-12. Uplift Mighty is located immediately adjacent to the site and residents of Columbia are given admissions priority. The community also offers onsite amenities, including a play area for kids, a clubhouse, a business center, and a library made available to residents.

Phase 2 of this development will include 120 affordable rental units specifically for seniors and Phase 3 of the development will add an additional 140 rental units. Additional housing typologies such as townhomes, garden homes, and single family homes will be constructed with future partners in Phases 4 and 5.

One of the community wellness components included an agreement with YMCA that provided funding through the City of Fort Worth, in which YMCA provides reduced fees for 50 households of the Columbia at Renaissance Square, including access to additional programs like after-school and summer programs, wellness programs, and more. Residents will also have access to the new aquatic center at the McDonald Southeast YMCA, located less than a block away from Columbia at Renaissance Square, which will be accessible to all City residents. Cook Children’s has been actively engaged to ensure access to health programs as well, saying “Becoming a part of the Purpose Built Communities Network offers us a unique opportunity to collaborate in a way that would not have been possible otherwise”.

Columbia at Renaissance Square is within walking distance to a stop provided by The T, Fort Worth’s public transportation system, as well as the proximity to local highways, Columbia at Renaissance Square affords residents the opportunity to be closer to work, reducing commute times and travel costs, leading to increased disposable income as well as time to enjoy the area attractions and activities.

Columbia at Renaissance Square serves as a model on how developers partnering with housing finance agencies and cities can provide residents with better live-work-play lifestyle as well as to provide quality affordable housing options in planned communities built with purpose.
Areal Map and Photo
Community Photos
Interior Photos
Sources and Uses

Sources:

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Operating Budget

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***2018 Full year stabilized estimate
People living in south Fort Worth won't have to travel to do basic shopping.
The developer of the Renaissance Square shopping center announced 10 retailers who will set up shop with Walmart.

The center will be built near Highway 287 between on Berry Street and Mitchell Boulevard. The city said southeast Fort Worth neighborhoods have gone too long without basic needs such as a grocery store. Many residents go to other cities to shop, which costs Fort Worth sales tax dollars, the city said.

Audelia Hernandez, who lives about a block away from the development, is looking forward to the shopping center. "It's a blessing," she said. "It's great. I need it, and I guess everyone else does, too."
Hernandez relies on her family to drive her places but will be able to do some shopping on her own when the development opens. "It's walking distance," she said. "I can walk -- a little exercise for myself."
The developer plans on breaking ground this spring with an opening in January of next year.
Southeast Fort Worth Development Brings Jobs, Shopping

First major development in decades already having a positive effect

Published at 6:09 PM CST on Nov 6, 2013 on nbcdfw.com

After more than four decades with little to no development, new businesses are opening up and hiring locals in southeast Fort Worth.

While many people might not think twice about retail stores such as Marshall's, Ross and Rue 21 opening, it's a big deal to the neighborhood along East Berry Street near U.S. Highway 287. The Renaissance Square development offers convenience.

"We had to go way out to the Wal-Marts on Lancaster, the Sav-A-Lots," Willie Winfield said. "It was always way out, but this here is more convenient." "You know, I done wasted a bunch of time and more money, and I'm just glad everything is here," said Marie Love, of Glencrest Civic League Neighborhood Association. "It makes it easier."

But the development is about more than just convenient shopping -- it is also helping to turn around a long neglected part of the city. "This is a beautiful place, and I think it's going to continue to enhance and be an opportunity for other people who see southeast as a new mecca," said Devoyd Jennings, President and CEO of the Fort Worth Metropolitan Black Chamber of Commerce. "And this mother ship, which has landed, will make a difference."

In some ways, it already has made a difference. An Uplift Academy will open up nearby, and new homes and more businesses are likely with more people in the area finding jobs. "When you look at the unemployment rate in this section of the city, [it] was tremendously high," Jennings said. "Now you go into any of these stores, and they're employing people from their own community."

While it's clear more development is coming, the success so far shows that this community's dream is realized. "I've lived here 41 years, and we never dreamed of seeing this here happen," said Winfield, saying they very much appreciate the help to their community. It's been more than 40 years since a development of this size has gone into southeast Fort Worth. It cost developer Lockard around $75 million in investments.
Affordable housing project trying again for tax credits for Renaissance Square

Posted on February 17, 2015 8:04 PM on star-telegram.com

FORT WORTH – An affordable apartment complex planned for Renaissance Square is applying for state tax credits again — after being denied last year — and the Fort Worth City Council approved changes Tuesday night to make its application more competitive at the state level.

Columbia at Renaissance Square, to be located in the Berry Hill-Mason Heights neighborhood in southeast Fort Worth, was awarded $1.2 million in 2014 from the city’s federal HOME Investment Partnerships Program to build 112 affordable-rent apartments and 28 market-rate units.

Despite that support from the city, the project did not score enough high enough on its application for state tax credits.

To make projects the city is backing more competitive, the council approved a policy change to grant resolutions of support — which earn more points on the state application — only to projects that are financially backed by the city.

Other projects that meet the city’s standards for affordable housing, like being appropriately zoned and getting financial backing from another local entity, will receive resolutions of no objection, which are worth fewer points on the state application.

In a presentation to the council in January, Cynthia Garcia, interim director of the neighborhood services department, said the staff had to “scramble” to find another project for the federal funds after Columbia at Renaissance Square fell through.

“That is another reason we would like to see the projects we are backing with HOME funds, actually funded with the low-income tax credit,” Garcia said.

Renaissance Square is a 67-acre development between Mitchell Boulevard and Wichita Street west of U.S. 287 and south of Berry Street, in the city’s Mason Heights neighborhood.

On Tuesday, the council unanimously approved the resolution of support for Columbia, to be developed by Columbia Residential of Atlanta.

The council also approved a resolution of no objection for Race Place L.P. in its application for state tax credits. To be located in southeast Fort Worth, that project will have 250 units, with 225 affordable units and 25 at market rate.
Renaissance Heights Development Group in Fort Worth, TX Joins Purpose Built Communities Network

Posted on April 27, 2015 on purposebuiltcommunities.org

Atlanta, GA – Purpose Built Communities is proud to announce that its newest Network Member is the Renaissance Heights Development Group in Fort Worth, TX, the second Network Member from Texas and the 11th nationally. It is the “community quarterback” organization that will help implement the shared vision of the community and partners known as the Renaissance Heights United Initiative. The initiative is primarily focused on a 200-acre site in southeast Fort Worth.

For nearly 100 years, the Mason Heights area in southeast Fort Worth functioned as an orphanage operated by the Masonic Lodge. When funding for the orphanage dried up, the Masons closed the orphanage and then sold the land in 2005. Today the area is home to an emerging 200 acre master-planned, mixed-use development 4 miles southeast of downtown Fort Worth. To date, more than $125 million has been invested in the site, including 330,000 square feet of retail space, providing neighborhood residents close proximity to a grocery store and other retail/commercial entities. The Renaissance Heights United initiative builds on the positive momentum of other efforts currently underway in the larger southeast Fort Worth area, with a specific focus on these 200 acres.

The numerous partners in this effort, ACH Child and Family Services, Columbia Residential, Cook Children’s Health Care System, Uplift Education, the YMCA and The Shoppes at Renaissance Square have built or are building major facilities within the 200 acre site. North Texas Area Community Health Centers, Inc. and Texas Wesleyan University are located close to Renaissance Heights and UNT Health Science Center is operating a mobile clinic in the neighborhood. These organizations are committed to improve the quality of life for the people that call these neighborhoods home.

“Becoming a part of the Purpose Built Communities Network offers us a unique opportunity to collaborate in a way that would not have been possible otherwise,” said Larry Tubb, Chairman of the Renaissance Heights Development Group. “The speed with which we’ve come together is a striking testament to the power of like-minded collaborators working to improve where we live, work, play and pray. Thanks to the efforts of a host of others in the community, the recently developed retail and commercial space on the site is already complete and occupied. There is no question that this partnership will make Renaissance Heights a crown jewel in southeast Fort Worth and the entire city.”

The Renaissance Heights United initiative will include the construction of new mixed-income housing, a cradle-to-college education pipeline and community wellness programs and facilities within the 200-acre site and will provide services and resources to families in the broader southeast Fort Worth community.

“We are very excited to welcome the Renaissance Heights Development Group to the Purpose Built Communities Network,” said Carol Naughton, Senior Vice President of Purpose Built Communities. “This is an outstanding group of committed partners with strong leadership and we have no doubt they will make a lasting impact on this neighborhood that will provide opportunities for children, families and individuals for generations to come, creating a place of possibility for people of all income levels.”
Fort Worth Renaissance

Some boys never get over playing in the dirt. Happy Baggett is one. It’s just that the amount of dirt he’s playing with these days is measured in acres. Lots of acres. He’s the driving force behind Renaissance Square, a massive development at Berry Street and U.S. Highway 287 that is bringing shopping, health care and housing to one of the most undeserved and poorest areas of Fort Worth. It started as a business deal, and while it is still that, it has morphed into a project bringing together many different interests in Fort Worth, in Texas and from across the country that is remaking the face and fabric of Southeast Fort Worth.

Investors Mark and Shauna Trieb were vacationing in Italy in 2006 when they decided to participate in the deal without ever seeing the land. They initially expected to hold the land for perhaps three years and make a killing on the investment. “That’s what our intention was,” Mark Trieb said. “Our intention changed. Our intention now is to create a sort of a master planned community in the inner city of Southeast Fort Worth that will bring together families and kids in an environment that is supported by a number of different healthy attributes, and cradle-to-college education.” For as long as most people can remember, folks in the area had to go elsewhere to shop for virtually anything, especially fresh produce that wasn’t available at countless convenience stores. Many had no transportation other than buses.

Now Southeast Fort Worth is home to Tarrant County’s largest Walmart, on 19 acres of what once was the Masonic Home and School of Texas, which operated on 206 acres from June 1899 to May 2005. It was the largest undeveloped piece of land in Fort Worth inside Loop 820, and big tracts are rare in the inner city. The Mallick Group Inc., a Fort Worth-based real estate and energy-related investment firm, bought the land in 2006. Baggett puts deals together, and mutual friends connected him with Michael Mallick. Then, says Mallick, it was “luck and fate.” Mallick had worked to free up developable land on the site that had been encumbered by natural gas leases, and he was having dinner with a potential investor group after a day of touring Southeast Fort Worth when Baggett walked by the table and asked what deal he was working on. So Mallick told him. “Hap is that way, something I like about him,” said Mallick.

“Hap leaned down and told me that he wanted to buy the property right away. I didn’t think much of that exchange until the next morning when Hap showed up at my office wanting to work out a purchase and sale agreement.” Baggett is a horizontal developer. He works with the dirt and finds other people to do the vertical development.

One developer backed out in 2008 when the economy went south, but Lockard, a major developer based in Cedar Falls, Iowa, stepped in and Moriah Real Estate Co., out of Midland, joined as a capital partner. Baggett, who is from Odessa, says he’s been doing deals with Moriah for 20 years. Others might not have been so bold, given the economy at the time. But John Flint, executive vice president of asset management for Lockard, says Moriah’s involvement was one of two key factors in the decision. “To be perfectly honest, they were just as excited about the overall economic impact for that entire part of the city as they were the financial impact that investment would have for them,” he said. “Patient capital,” he called it. The second factor was the financial commitment from the City of Fort Worth. “They understood that this would be a difficult area of town to develop in. It had not been happening for decades. They knew they were going to have to step up and provide a financial assistance for the project in order for it to move forward,” he said. “It’s a great project in a part of town that’s been long overlooked, and we’re really proud of it and appreciate other folks feeling the same about it.”
The project also caught the attention of Purpose Built Communities, an Atlanta-based nonprofit consulting group that works with local leaders to plan and implement holistic revitalization efforts. Baggett notes that Purpose Built is not a developer, but it is a resource for a planned Renaissance Heights United Foundation and the holistic development concept. The project is now a network member of Purpose Built. The dream is to radically change Southeast Fort Worth.

“It already has,” said Carl Pointer, a resident of the nearby Rolling Hills neighborhood and a leader in a neighborhood alliance called United Communities Association of South Fort Worth. The seven census tracts that immediately surround Renaissance Heights give a picture of the issues that have faced parts of Southeast Fort Worth for decades. The median household income in the area is $27,707; that’s 54 percent of Fort Worth’s median income of $51,105. Five percent of residents in the area have college, advanced or professional degrees compared with 26 percent of Fort Worth as a whole. But the draw area for the shopping at Renaissance Square is much larger than those seven census tracts, and a 2008 study by Social Compact Inc. commissioned by the City of Fort Worth showed a larger marketplace than was previously known. Called the Southeast Fort Worth Neighborhood Market Drill Down, the study found aggregate household income of about $2.5 billion — $516 million more than the conventional market estimate of roughly $2 billion. “That was a very important part of the deal,” Baggett said.

DOGS AND FLEAS

Baggett is known all over Texas for his mission statement. “‘Find the big dog, lay down next to it, and let the fleas jump on you.’ That’s how I do deals,” he said. He had worked well for him over four decades of doing deals in Dallas, Roanoke, Trophy Club and the Alliance area. “My joke with Hillwood was they’re elephant killers. I kill lions, tigers and bears,” he said. He might have been a Broadway musical comedy star. In the 1960s Odessa High School was to music what Odessa Permian was to football, and Baggett was offered a scholarship to study music at what was then West Texas State in Canyon. “I would never have imagined his interest in real estate back in high school in the late 1960s,” said high school classmate and longtime friend Aubin Petersen. “Happy was active in junior high and high school a cappella choirs and ensembles,” she said.

He was highly respected in high school, was repeatedly voted runner-up for Most Dependable, and was Class Favorite runner-up his senior year. “Happy was always my go-to friend when I needed advice, a ride, a friend or just someone to hang out with.” Classmates included Larry Rudy and Steve Gatlin of the Gatlin Brothers. But Baggett gave up his music career when he got married and started a family. He attended Odessa Junior College briefly before his father-in-law offered him $200 a week to work for him. He didn’t quit singing, but performed only as an amateur in local productions. “We did everything — industrial, retail, office, residential. That’s where I got my start in real estate,” Baggett said. “I started out digging footings with shovels, putting in rebar, pouring the concrete. My father-in-law’s concept was if you don’t know how to do the job, you can’t bid, you can’t watch it, you don’t know what to expect from people who are working for you.”

He also learned that it wasn’t construction that interested him. It was finding and acquiring the land that intrigued him. He moved to Dallas and through church connections and other relationships worked for and became partners with some of the biggest developers in North Texas. “What I’ve done since ’96 is raise capital with investor partners. I put the deals together and go to investor partners who come help me develop the site,” he said. Happy Baggett has a well-developed sense of humor but he’s always serious about business. He mostly worked in green fields — open land waiting for development — and that’s a different beast than inner city development. “People go, ‘Well, you can come into the inner city and buy land cheap.’ No you can’t, because it costs you so much to redevelop it because the water’s underserved, the sewers underserved,” he said. “It’s probably twice and maybe three times as expensive to develop in the inner city as it is to go out to Alliance and buy a raw piece of dirt.”

BUILDING TRUST

The chance to buy the old Masonic Home property came in 2006, when there already were unfavorable economic signs on the horizon. “Things were starting to turn down a little bit. I’d been looking and seeing things slowing down in the green fields I was developing. I was always out in front. So now I’m way behind,” he said. “So I made this 180 degree turn, it was the largest undeveloped tract of land inside the Loop in Tarrant County, so to find raw land like that is just, ‘Wow.’” Happy Baggett freely admits that he didn’t quite know what he was getting himself into. What he saw was a big piece of dirt with a lot of possibilities. The rest — the social impact part — came later. “I didn’t even know how much was going on in the community and the need here, but when you’ve done this for 45 years, you go, ‘That’s a deal. Let’s go get it,’” he said. Integral to making the project a success was gaining the support of neighborhoods weary of unfulfilled promises and developers who residents thought were simply trying to milk the neighborhoods. Mallick had given him a head start on that.

“Around 2002 or so, Michael Mallick talked to a group of us about buying the Masonic Home and about rezoning and about his plans to redevelop it and have a commercial corridor,” said Pointer. Mallick was developing a residential community about a mile away called Sierra Vista. “We all just hit it off. He understood what our concerns were. He explained his concerns. It was a meeting of the minds — it was kind of the Vulcan mind merge,” Pointer said. Mallick asked what the neighborhood wanted. And the group told him what they didn’t want. “We don’t want pawnshops. We don’t want tattoo parlors. We don’t want any more liquor stores. We don’t want places selling fortified liquor,” Pointer said.
But they did want a Walmart. They had raised money and placed a full-page ad in the Benton, Ark., newspaper — where Walmart is headquartered — urging the company to come to Southeast Fort Worth. They collected signatures and letters and mailed them to every member of the Walmart board of directors. Then “Michael got with Hap and that’s when things got rolling,” Pointer said. Even before the deal closed, Mallick urged Baggett to go to a meeting of United Communities “There was a little 83-year-old lady who rolled up in a wheelchair and she told me what you want to do. I said I’m going to go through the presentation.

She said, ‘Mr. Happy’ — I’m Mr. Happy in Southeast Fort Worth — ‘we need a grocery store. It’s over 20 miles roundtrip for me to get fresh vegetables and I’ve got diabetes,’” Baggett said. Infant mortality in the primary ZIP codes — 76105, 76112, 76119 and 76120 — is consistently among the highest in Tarrant County. Household income is low. “So the need part just started coming in,” he said. Community trust was important for a number of reasons, not the least of which was to avoid challenges to proposed zoning changes necessary to make the housing component of the project work in a later phase. “When you’ve been in an area of town … that feels it has been lied to for 30 years by community leaders — we’re going to do this, we’re going to do that — and nothing has happened, you’ve got to build trust,” Baggett said. “There’s still an element of that here,” said Pointer. Baggett took that to heart, and in the just over three years before breaking ground on the Walmart, his logbook shows 671 entries — large group meetings, small group meetings, one-on- ones, phone calls with community leaders in the area and other related calls. The Walmart opened in the first quarter of 2013.

THE NON-PROFIT COMPONENT
The retail and housing aspect of the project is easy for even a layperson to understand, but Renaissance Square is much more complex than that. There also is a nonprofit and institutional aspect to it. At one point, Mallick owned more than 300 acres in the area, something most developers at the time would have considered risky. That included more than 100 acres at East Berry Street and South Riverside Drive that became the Sierra Vista housing development. New housing is a big deal for Southeast Fort Worth because home stock in the area is aging. The percentage of ownership and rental properties roughly tracks Fort Worth and Tarrant County, but in the area immediately surrounding Renaissance Square, the percentage of vacant properties is higher, and the housing is older. The median year of construction is 1957, compared with 1983 for Fort Worth and 1984 for the county.

When he struck the deal with Baggett and his investors, Mallick kept the land with the old Masonic Home buildings and went looking for a worthy charity to donate it to. He had prospered in the area, and “we wanted to have something of significance to give back to our community.” He could easily have sold the property. “We had many conventional parties who wanted to purchase the property for cash, and we turned all of them away. We had many nonprofits who solicited us, and whom we solicited, and several of them wanted the campus. Ultimately, ACH proved to be by far the most qualified and worthy recipient,” he said ACH, formerly known as All Church Home, works with children and families to deal with abuse, neglect and family separation and to help children overcome these things when they do happen. “The donation was a surprise,” said ACH CEO Wayne Carson. “ACH had a strategic plan that called for expanding our campus to better meet the increasing needs of children and families seeking help, but we had not started looking for options yet and had not publicly announced that we were looking to expand.

The timing of the opportunity was perfect for us, but it was unexpected and a very nice surprise.” What Carson calls the Wichita campus — the address is 3712 Wichita St. — in the long run will enable ACH to operate more efficiently. “There is adequate space to eventually allow us to move programs we currently operate on our Summit Avenue campus, which puts us in a position to sell the Summit property. This is a win-win for children and families because we will be able to offer programs on this beautiful campus,” he said. But ACH is not the only nonprofit on the site. The YMCA is building there, and Cook Children’s Health Care System has opened a clinic on perhaps the most prominent visual location on the northwest corner of Renaissance Square. Cook actively seeks areas where children are medically underserved to open clinics. “Our research when planning our latest neighborhood clinic revealed that ZIP code 76119 was one such area, and Renaissance Square was a destination point within that ZIP code,” said Larry Tubb, senior vice president/System Planning and The Center for Children’s Health at Cook Children’s.

A Dallas-based charter school, Uplift Education, bought the old Masonic Home high school and gymnasium, which was not included in the gift to ACH. Baggett said the community initially told him no charter school. “But their concept of a charter school is mine too, very small, strip center, underfunded,” he said. Uplift is different, and when he went back to the community to explain the differences, leaders agreed. The result is an 11-acre tract with an almost 200,000-square-foot school. Uplift Mighty Preparatory opened for the 2012-13 school year and has 747 students in the current school year. It is planned as a K-12th grade school, and currently teaches K-3 and 6-9.

Baggett’s partnership sold Uplift the land and made a $2 million donation. It gave the Y $600,000. That’s not completely altruistic, and like most things with Baggett it is founded in business. It keeps the appraised value of the land up, which helps in the next deal, and the partners get a tax write-off. “So at the end of the day, the nonprofits get what they need from a dollar standpoint, we get what we need from an investment standpoint,” he said. “We keep our land values up, and they get a cheaper price.” Baggett, who has a doctors’ office building planned for the site, thinks that ultimately “we’re going to be a very strong institutional site.” He has 40 acres for such placements. “That’s a different ballgame from retail and residential, and the more you get, the more you attract.”
BRINGING RETAIL

Lockard, the vertical developer at Renaissance Square for the 67-acre shopping center, is a key component in the mix. “Even though I’m a land guy, you have to know how retailers think,” Baggett said. “I sell my land to vertical developers who have long track records, who have built Targets and Walmarts all over the country.” He had early construction experience, but says, “If it’s taller than my height, I don’t build it.” That’s a good thing, because that would be 5 feet 6 inches. Financing on the project is complex, especially considering that the major development effort began in the worst recession since World War II. “When it does that for six years, everybody goes broke,” Baggett said. “This got car dealers, criminal defense attorneys, retailers; everybody got hit in this one. It wasn’t just oil and gas and savings and loans.”

People ask how the partners did it. “We got up every day and went to work. We knew infill. We knew there were 130,000 people in that area who had money, thanks to the Social Compact Inc. survey that the city paid for. So we proved that there were higher incomes, that there were higher housing stock values in that area.” Baggett had never done a tax increment financing agreement before Renaissance Square. “I’d never taken a dime from government on any project in my life,” he said. “I was proud of that. This one made sense to get the deal done.” But he didn’t have to ask for it. “The city came to us and said with your plans, this is what we’ll do. Of course, we get to pay for everything upfront and get paid back later. So the support we got from the city was just phenomenal.”

One mark of pride is that the late Chuck Silcox, a lovable curmudgeon and city council fiscal hawk, voted for it — the only TIF he ever voted for. “It’s strictly public improvement,” Baggett said. “We don’t get to spend anything on the building. It’s strictly streets, water, sewer, fencing, demolition and those types of costs.” City of Fort Worth participation in the project is $5,650,000 in the TIF, and a $12,500,000 Sales Tax Sharing Agreement.

Here’s how it works: “Walmart might say we need to do $50 million a year in sales, and the best number we can come up with is $35 million. The city runs the number. Everybody runs the number. There’s a gap here. How do we fill the gap until the market catches up?” Baggett said.

That’s where the TIF and tax sharing come into play on inner city developments — filling that early gap. And there is an additional lure for big national companies. When companies like Walmart and Marshall’s want to raise money from investors like CalPERS and other pension funds, the potential investors ask what the companies are doing in inner city America.

They get beat up all the time, and deals like Renaissance Square look good on their proposals. “So when you find one that works, that’s a gold star on your forehead,” Baggett said. Walmart owns its land and built its own building. The shopping center developer makes money by building suites and leasing to junior tenants and leasing or selling pad sites to other companies. “I pick the vertical developer,” Baggett said. “I set all the planned development guidelines, set-back, architecture. I do all of that. I don’t just sell a raw piece of dirt and say go do what you want with it.” The Shoppes at Renaissance Square held its Grand Opening on Nov. 6, 2013.

BUILDING HOUSING

With the retail development underway, the attention turned to housing. Baggett and his partners had laid the groundwork with the community so that when they asked for zoning changes to allow multifamily housing on the more than 100 acres that had been zoned for 5,000-square-foot lots, there would be no opposition. He needed multifamily housing because he needed the population density nearby, but community leaders were skeptical about apartments. “The community had this reputation of being opposed to development and was difficult to work with,” Pointer said. “Forsome many years, people wanted to put really cheap, exploitative type of businesses in. Cheap apartments that over four or five years would turn into some really bad places. That’s what people were afraid of.”

But the crumbling apartment complexes residents drove past daily were far from what Baggett and others had in mind. “We had a couple of people make offers to buy some land to build some apartments, but we just weren’t comfortable with them and weren’t comfortable with the quality of the apartments they were going to build,” said investor Trieb. “We didn’t really have our master plan in mind for what we were going to do, so we turned them down to kind of tread water for a while.” Then one day the Treibs were listening to The Time Of Our Lives: A Conversation About America by Tom Brokaw in their car during a trip. Brokaw talked of the successful revitalization of the East Lake Meadows community in Atlanta by real estate developer and philanthropist Tom Cousins.

It was a devastated area of Atlanta with some of the worst crime rates in the country, marked by drug use, substandard schools and extreme poverty. They just looked at each other, they said. “We didn’t know ahead of time that was what we were looking to do, but once we heard the story of somebody else having done it, we knew that was what we wanted to do,” said Shauna Trieb. The Atlanta effort began in 1995, and in 2009 it led to the establishment of Purpose Built Communities to help other communities deal with similar blighted areas. Under the Purpose Built plan, communities replace low-income housing with mixed-income housing, establish a "cradle-to-college" education pipeline and bring in wellness and support services.
That's followed by retail and job creation. Fort Worth did it in reverse, with retail first. Purpose Built has helped set up an organization called Renaissance Heights United to coordinate the delivery and availability of services in the area. Tubb, of Cook Children's, chairs the working group. Plans are underway to form a nonprofit called Renaissance Heights Development Group. Columbia Residential of Atlanta is developing the apartments, and Baggett said they will be mixed-income - voucher, rental assistance and market rate, with about a third in each category.

"The best way to help break the cycle of poverty is stop concentrating poverty," Baggett said. "Provide Class A housing stock that will attract market-rate tenants and put voucher tenants in a development that they would never hope to live in. Seeing a way out is the greatest hope you can give someone."

Baggett said 27 acres of the site are dedicated to apartments at 18 units per acre. Plans include about four acres of senior housing, about 14 acres of townhomes and 19 acres for single-family housing. An interesting statistic about Southeast Fort Worth is that the population in the area increases about 15 percent on Sundays, Baggett said, and he interprets that as people who grew up there and live somewhere else returning for church. They'd move back if they could find acceptable housing.

They don't want to refurbish a 50-year-old house. They want 10-foot ceilings, eight-foot doors, a clubhouse, a workout room and a resort-level swimming pool, Baggett said, and that is what the developer is going to build. "I talked with a lot of young professionals when we talked about spending the minimum of around $100,000 per unit with all of the amenities you'd have in any other really nice multifamily community in the Metroplex," Pointer said. "A lot of the younger folk were excited. But they want to get the best bang for their buck like everybody else."

COOPERATION
No matter whom you talk to, those involved in the development stress the collaborative effort it takes to redevelop the area. "All projects within the 300-plus acres my company assembled, entitled, purchased, developed and/or sold were only possible because of a true collaborative partnership with the neighbors who live within several Southeast Fort Worth neighborhoods, countless city staff members, thousands of hours of planning and the investors who backed developers like Hap," said Mallick. Lockard’s Flint noted that the city's commitment extended far beyond financial. "The City of Fort Worth has been phenomenal to deal with from the economic development folks all the way through engineering and permitting and inspections," he said. "All those folks have been really just a class act to deal with, and we really appreciate them."

The Treibs are from Dallas and praise the efforts of all involved in the project, and not just for a meeting here and there. "They keep going at this harder and harder, meeting after meeting, month after month, people taking on board positions and community positions, and reaching out to their friends and raising money. Not that we have any experience to say that someplace else couldn't do it, but it's been very impressive what people have come together to do," said Shauna Trieb. Husband Mark agreed. "The camaraderie that Fort Worth has and those leaders have together is pretty amazing for us to witness, and we're happy to be a part of it. We feel very fortunate to be in the position we are in now." Perhaps he summed up the vision and dream for all involved. "We look forward to coming back in 10 years and walking the neighborhood and seeing little kids playing in the park, and people smiling and talking to each other - a neighborhood like any middle-class, upper-class neighborhood, but in Southeast Fort Worth. We're looking forward to that. And working toward it." And it all happened in what people like to call the Fort Worth Way.
FORT WORTH, Texas, Sept. 20, 2016 /PRNewswire/ -- The partners of Columbia Renaissance Square I, L.P. hosted a ground-breaking ceremony for the first phase of the new Columbia at Renaissance Square development in Southeast Fort Worth. The event was held at the building site on W.G. Daniels Drive (west of Uplift Mighty Preparatory, off of Grayson Street) on Monday, September 19, 2016 at 10:00 a.m.

"This groundbreaking is an exciting next step in the overall revitalization efforts in our Stop Six neighborhood. Starting first in Renaissance Square, these apartments coming in will not only provide an excellent housing option, but also pair nicely with our city-wide efforts to focus on health, education and engagement," said Fort Worth Mayor Betsy Price. "I am confident that by growing the relationships with our already strong partners in the area we will continue to increase the vibrancy in this community for years to come."

Well-connected street networks, infrastructure to support biking, pedestrian oriented streetscapes, easy access to Cobb Park, large green spaces and play areas for children will support an active lifestyle for residents and visitors. A future YMCA facility, a grocery store and health clinics will be located on site. The property will also include space to host a farmer's market and support on-site gardening and farming for residents. The sustainable design of Columbia at Renaissance Square will increase access to nature and facilitate social engagement. Education centers, retail and office space is also located on site.

"Columbia at Renaissance Square is the result of hard work between all of our partners for the benefit of the future residents that will occupy this remarkable development," said Noel Khalil, chairman and CEO of Columbia Residential. "Our goal is to transform the existing site and provide high-quality and sustainable affordable housing for the people of Fort Worth to be proud of and enjoy for years to come."

Key partners involved in the project are Columbia Residential, the City of Fort Worth, BBVA Compass Bank, RBC Capital Markets and Renaissance Heights United. Located in southeast Fort Worth, Texas, Columbia Renaissance Square will contain three phases of mixed-income housing. The project closed in August 2016 and is expected to be completed by late 2017. Columbia Residential has already started construction on Phase I, which will include 140 units of mixed-income housing comprising of high-quality, sustainable design and construction. Phase II will contain 120 units of senior housing and is expected to begin construction in early 2017.

"BBVA Compass is proud to support a project that will put affordable housing within reach for the people of Fort Worth," said BBVA Compass Fort Worth CEO Brian Happel. "We want to be an engine of opportunity in this city, and our work at Columbia Renaissance Square puts a big exclamation point on that statement for us."

The vision for Columbia Renaissance Square was developed and refined by hundreds of people, including community officials, town planners and designers. The master planned community encompasses a number of community assets that will be available for residents, making it a unique site for the city. The project will mark a turning point for the neighborhood and its future residents.

Hon. Kelly Allen Gray and Mr. Hap Baggett served as co-hosts and emcees for the event. Other notable guests included Councilwoman Kelly Allen Gray, Fort Worth District 8, Reverend Carl Pointer, Mayor Betsy Price, Mayor of Fort Worth, Mr. Larry Tubb, Chairman, Renaissance Heights United, Texas State Representative Nicole Collier, Mr. Brian Happel, president of BBVA Compass Bank, Mr. Brian Flanagan, RBC Capital Markets, Ms. Carol Naughton, president of Purpose Built Communities, and Mr. Noel Khalil, chairman and CEO of Columbia Residential.
About Columbia Residential

Founded in 1991, Columbia Residential develops and manages multifamily affordable housing communities in locations that are underserved by the affordable housing industry. Columbia Residential provides quality, safe and affordable housing for moderate to low-income families that not only meet the needs of residents, but also satisfy the aesthetic standards of the community. Since it's founding, Columbia Residential has won more national awards for architectural excellence than any other housing provider.

About BBVA Compass

BBVA Compass is a Sunbelt-based financial institution that operates 674 branches, including 345 in Texas, 89 in Alabama, 75 in Arizona, 62 in California, 45 in Florida, 38 in Colorado and 20 in New Mexico, and commercial and private client offices throughout the U.S. BBVA Compass ranks among the top 25 largest U.S. commercial banks based on deposit market share and ranks among the largest banks in Alabama (2nd), Texas (4th) and Arizona (4th). BBVA Compass was recently named Best Digital Bank in North America by global finance magazine Euromoney, and earned top nods for best mobile app and best regional bank in the South & West in Money magazine's annual list of the Best Banks in America. Additional information about BBVA Compass can be found at bbvacompass.com, by following @BBVACompassNews on Twitter or visiting newsroom.bbvacompass.com.

Editor's Note: BBVA Compass is a trade name of Compass Bank.
Columbia at Renaissance Square breaks ground

Posted Oct. 4, 2016 on City News

Officials broke ground on the first phase of Columbia Renaissance Square, a public-private partnership in southeast Fort Worth.

Well-connected street networks, infrastructure to support biking, pedestrian-oriented streetscapes, easy access to Cobb Park, large green spaces and play areas for children will support an active lifestyle for residents and visitors.

A future YMCA facility, a grocery store and health clinics will be onsite. The property will also include space to host a farmers’ market and support onsite gardening and farming for residents.

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