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HEAD: Failure or a new foundation? City's fortune and future reside in the sector it's long neglected
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SERIES: LOOKING SOUTH: DALLAS AT THE TIPPING POINT
ART: PHOTO(S): (DAVID LEESON/Staff Photographer) 1. The sidewalk steps are the sole remnants of a home that occupied this lot on Pennsylvania Avenue. Southern Dallas has 46 square miles of vacant, developable land. 2. Fred Franklin, a homeless Dallas native, makes a little money by collecting empty cans outside the liquor stores on South Lamar in Dallas. 3. Though warnings are posted prominently outside a storefront in southeast Dallas (above), 4. they're usually ignored, says Calvin Carter (right). He is the president and chief executive of the Sunny Acres Community Action Association. This blighted home near Pennsylvania Avenue and Jeffries Street has been condemned, and if no buyer is found, it probably will be bulldozed - leaving another empty lot. 5. Brazen evidence of a city sector in decline, prostitutes openly work the street on a Saturday afternoon near Pennsylvania Avenue. Violent crime is generally more common in the southern sector than in the northern part of the city. MAP(S): (TOM SETZER/Staff Artist) RACE, BOND SPENDING AND THE TAX BASE CHART(S): DALLAS AT THE TIPPING POINT

TEXT:

First of five parts

You get what you pay for. You reap what you sow.

Those lessons are coming home to the city of Dallas as it stakes its future on its southern sector - a panorama of blight whose ills are substantially of the city's own making.

There is no more room for development north of the Trinity River, and the city's economic growth has slowed to a crawl. City Hall needs desperately to grow Dallas' tax base, but it faces a terrible irony: The only place to do that is in the southern sector, an area it has befouled and neglected for decades.

"You're not starting out at ground level," said City Attorney Madeleine Johnson. "You're starting out by having to dig yourself out of a hole. You don't even see anything until you get out of the hole."

Here's one indicator of the depth of the hole: A Dallas Morning News analysis found that taxable land values in the southern sector are, on average, less than one-sixth of those in the northern sector.

City officials say they are determined to make the climb. The City Council this year made economic development its No. 1 priority, with emphasis on the southern sector. Improving neighborhood quality, particularly more vigorous enforcement of property codes, is another top-five goal.

"The city has to change the way we deliver services and the credibility that we have with our citizens and with the business community," said interim City Manager Mary Suhm. "That's a challenge that we face for the next several years."

For much of the 20th century, money from one bond program after another was funneled to the northern, predominantly white areas favored by developers. Federal funds designed to help poor neighborhoods were left lying on the table in Washington.

At the same time, officials carved up southern neighborhoods with freeways and saddled them with legions of trash dumps, heavy industries, public housing projects and liquor stores. Anecdotal evidence of these so-called noxious uses is visible even to a casual Dallas observer. The News' analysis, though, showed how strongly they are concentrated in southern Dallas.

When city leaders talk about reviving the southern sector, they aren't simply engaged in changing policy. They're fighting the weight of history.

Boston-based city planner Antonio DiMambro, who is working with several southern Dallas neighborhoods, encapsulates that history in five words: "The city pulled the plug."

A call to action

The News began exploring the performance of Dallas city government this spring in "Dallas at the Tipping Point," a special report based on an analysis by corporate strategists Booz Allen Hamilton.

That report showed how the economic vitality of Dallas' suburbs had masked a dramatic slowdown in growth inside the city. Booz Allen Hamilton said the city's response must include a strategy for southern Dallas, a sprawling area that is

home to nearly half a million people and whose northern boundaries are the Trinity River and Interstate 30.

To be sure, dramatic changes are happening in selected parts of the southern sector.

New subdivisions are appearing for the first time in 40 years. City Hall helped spur the creation of new business parks at Pinnacle Park and Mountain Creek, which have brought thousands of jobs south of the Trinity. The University of North Texas is establishing a campus that should transform the nearby communities.

"Last year we had more residential building permits in the southern sector than in North Dallas for the first time ever," said Mayor Laura Miller. "So there is a whole lot going on."

Even where there is nothing - the southern sector has 46 square miles of vacant, developable land, compared with eight square miles in the north - the emptiness presents a remarkable growth opportunity.

Still, individual residents and entire neighborhoods struggle under adverse conditions in much of the area. Tidy homes with trim lawns coexist with abandoned eyesores and weed-choked lots, often where the city itself tore down dilapidated houses. Piles of trash and old tires proliferate beside concrete steps leading to empty foundations.

The sure result of such neglect, Ms. Miller said, is "a completely demoralized neighborhood."

In some areas, liquor stores and bars outnumber other businesses. Drug houses and hot-sheet motels operate openly in areas where the Police Department assigns its least experienced officers.

Owners of derelict properties frequently go unpunished despite flagrant code violations and years' worth of unpaid taxes. Last year, the city began identifying parcels it may be able to seize and sell at low cost to community development corporations. The list, which is restricted to properties with at least six years of unpaid taxes, runs to more than 2,000, virtually all in the southern sector.

Although bond money has been distributed more evenly since the advent of single-member council districts in 1991, The News' analysis found that some of the old inequities persist.

In the last two bond programs, passed in 1998 and 2003, the average resident of the northern sector got $1.35 for every $1 spent on streets, alleys and sidewalks in the south.

The analysis found that the level of spending on those items also correlates with the race of neighborhood residents. Generally, the whiter the immediate area, the higher the outlays.

"The city has written off certain neighborhoods," said attorney Mike Daniel, who has successfully sued the city more than once on behalf of disadvantaged residents.

The price of living in forgotten neighborhoods is all too plain. But there is a serious financial cost to the city as well, as measured in lost property taxes. On average, the Dallas Central Appraisal District values northern sector land at $173,000 an acre. In the south, the average acre is valued at $27,000.

Some variation between more and less affluent areas is inevitable. But if even one-quarter of Dallas' yawning gap stems from City Hall's actions - or inaction - the city has cost itself roughly $30 million a year in property taxes on southern-sector land alone.

Dallas is not unique. Elise Bright, an associate professor of urban affairs at the University of Texas at Arlington, concludes that blight is so pervasive in so many cities that "it's tempting to conclude that the killing of our original neighborhoods was premeditated murder."

"But premeditated murder requires the ability to plan well and assess the impacts of one's actions," two skills she finds conspicuously absent among leaders in U.S. cities.

"Thus," she concludes, "I am inclined toward a verdict of accidental homicide."

The lay of the land

Among cities, geography is destiny. Most of them, including Dallas, sprang up along established trade routes.

Within cities, topography is destiny. That is particularly true in a city such as Dallas, situated on a river with the capacity to deliver devastating floods. Large swaths of the southern sector lie within the Trinity River flood plain.

Such areas are commonly pocked with gravel deposits, which, once mined, provide natural sites for landfills. Early manufacturing districts also tended to gravitate to creeks and rivers. The railroads that were the city's lifeblood sought higher, firmer ground.

If you're looking for the original source of the southern sector's woes, said developer Bennett Miller, "blame the river; blame the MKT Railroad."

Of course, America also has a social and spiritual topography, and its unit of measure is skin color.

Well into the 20th century, city law confined Dallas' black residents to certain neighborhoods, typically in the Trinity flood plain. After World War II, when blacks flocked to the city, violence met attempts to integrate some previously white neighborhoods.

The dynamic changed dramatically in the 1960s and '70s, after federal courts directed the Dallas Independent School District to desegregate and later ordered busing. Whites stampeded to the suburbs and to northern reaches of the city served by suburban school districts.

The developers followed the market, and the city followed the developers. A News analysis of appraisal district records found that of the roughly 20,000 middle-class homes built in Dallas since 1970, fewer than one-fifth are in DISD.

In Oak Cliff, subdivision construction stopped virtually overnight, leaving eerie stretches of streets and gutters unaccompanied by houses. Elsewhere in the southern sector, vast tracts were left without roads and water or sewer lines.

What did get built, particularly in West Dallas, were sprawling, racially segregated - and politically invisible - public housing projects.

The southern sector's fortunes "tipped a long time ago," said West Dallas council member Steve Salazar. "It tipped when we started segregating low-income housing in West Dallas. No one noticed because of the kind of people who lived there."

Only a federal court order in a lawsuit filed by Mr. Daniel persuaded the city to make some investments in the poorest neighborhoods.

Over time, the southern sector's decline prompted black and Hispanic families to follow the whites, fleeing to better neighborhoods with better schools - inside or outside the city limits - as soon as they could.

In the early 1990s, the city staff's response was to draft a rating system that allotted city investments to neighborhoods based on their perceived viability. Because of the way the ratings were calculated, "viable" appeared to some to be a code word for "white." And the policy seemed to say that black neighborhoods should be left to deteriorate until developers became interested in replacing them wholesale.

The City Council, newly converted to all single-member districts and concerned that the policy had racial overtones, never adopted the staff plan. Still, it is the

staff that continues to shape development initiatives and put together bond packages.

"The public disinvestment was every bit as bad as the private disinvestment," said Henry Lawson, executive director of the SouthFair Community Development Corp. "They weren't doing jack."

"The city has been complicit" in the southern sector's woes, agreed Deputy Mayor Pro Tem Don Hill, who represents District 5 in the south. "But the private sector always drove development and drove the politics of development."

Among the ways those developer-driven policies failed the southern sector, ultimately damaging the city's own interests, were:

*Routing of freeways and other highways. Between the interstates - I-35, I-45 and I-30 - and lesser freeways such as U.S. Highway 175 and State Highway 310, planners chopped some neighborhoods into isolated islands. Another example is the decision to route I-30 between Fair Park and downtown, dividing two of the city's greatest assets.

*Industrial zoning. Until recent years, huge swaths of the southern sector were zoned for industrial and manufacturing uses. Under the "cumulative zoning" policy then in place, builders could also put any "less intense" type of development on such land, including housing.

That's why some southern sector residents live cheek-by-jowl with industrial plants that are unpleasant or even dangerous.

Even today, after substantial rezoning, some parts of West Dallas have more than 80 parcels of industrially zoned land per square mile.

The northern sector is essentially devoid of industrial zoning outside the Harry Hines corridor.

"You don't find many lead smelters at the corner of Preston and Forest, do you?" asked Don Williams, chairman emeritus of Trammell Crow Co., who has become a champion of the southern sector.

*Concentrations of alcohol-related businesses. Some areas in the southern sector, including Oak Cliff, are dry. In others, zoning patterns allowed a proliferation of liquor stores and bars that put adjacent residents under a virtual state of siege. South Dallas, in particular, became a purveyor of liquor to dry parts of town, with more than 300 liquor stores in a dozen square miles.

"It was the zoning that did this to us," said Diane Ragsdale, who represented South Dallas on the council in the 1980s and early '90s. The area has since been

rezoned, but existing liquor businesses may continue to operate unless residents organize to petition for their closure.

*Landfills and illegal dumping. The tendency to use abandoned gravel pits for landfills means that most of the big ones in Dallas are in the southern sector. In addition, the city has failed to curb illegal dumping, which sometimes occurs on a staggering scale. In one instance, the city anticipates having to spend $35 million for the court-ordered cleanup of an 84-acre illegal dump off Jim Miller Road.

A drive through the poorest neighborhoods in South and West Dallas reveals mounds of trash of every description. Residents say that repeated complaints to the city typically bring little action.

At a recent council meeting, Mr. Salazar described how he and his children made a game of guessing how many phone calls it would take to get the city to remove two abandoned tires - which they nicknamed "Ben and Jerry" - from Singleton Boulevard. It took many calls over several weeks.

The code compliance department has undergone a shake-up in which more than 30 inspectors were fired for poor performance. Observers say the department is vastly improved, but Ms. Miller revealed that some fired workers have been reinstated after appeals heard by assistant city managers.

*Flood control. From at least the 1950s onward, plans existed to extend the city's levee system to protect southern neighborhoods such as Rochester Park and Cadillac Heights. However, voters repeatedly defeated bond issues for that purpose, leaving poor, minority residents at the river's mercy.

After serious flooding from 1989 to 1991, the city built a levee around Rochester Park. In 1998, voters finally approved bonds to cover the city's portion of the funding for a levee around Cadillac Heights, which will be built by the U.S. Army Corps of Engineers.

*Policing renegade property owners. State law does not require the city to pursue property tax delinquencies, and thousands were allowed to run for years. The extent of the problem is becoming evident as the city attorney's office compiles the inventory of properties that may be acquired for the land bank.

On a map showing the eligible parcels, several parts of the southern sector look like Swiss cheese, pocked with holes where the neighborhoods' vitality seeps away.

*Support for private redevelopment efforts. The land bank is one example of the city working with nonprofit community development corporations to bring new construction to blighted areas. Compared with similar programs in other cities, Dallas' efforts have been spotty and sporadic.

One example: Years ago, the city demolished several blocks' worth of drug- and crime-ridden apartments in the Jeffries-Meyers neighborhood, west of Fair Park. The land was to have been redeveloped by the SouthFair CDC, but the city put the deal on hold during its 2012 Olympics bid, earmarking the site for the athletes' village.

Although the Olympics bid died three years ago, the city still has not conveyed the land to SouthFair.

"A CDC try to get something through the city of Dallas? Are you kidding?" scoffed Mr. Williams, whose Foundation for Community Empowerment supports organizations such as SouthFair.

*Pursuit of federal dollars. Dallas not only skimped on investments in the southern sector, it generally turned its back on federal housing and anti-poverty programs designed to ameliorate conditions in blighted areas. City leaders feared the federal oversight attached to such money.

City Hall, said Dallas architect and urban planner James Pratt, "became a sort of hunkered-down bunker against the black people." In recent years, the city has become friendlier to federal money - and such money has become scarcer.

*Political inclusiveness and power-sharing. Dallas fought the advent of single-member districts every step of the way, long after most major cities accepted them.

The political wounds have yet to heal. The 14-1 electoral system brought new voices to the table, but the city is still weak in what political scientists call "social capital" - politically engaged residents and robust civic organizations.

Despite its many challenges, those who are working to better the southern sector say its potential is immense, and both nonprofits and private developers are beginning to turn certain neighborhoods around.

With just a few smart moves, they say, the city can unleash a torrent of pent-up energy among residents who want only a clear signal that City Hall is with them rather than against them.

"I've seen it in two other cities," said Jon Edmonds, who came from Indianapolis to run the Foundation for Community Empowerment. "It's like building a bomb. Nothing feels like it is happening for a long time. Then an explosion happens that surprises even those of us who are building it."

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