

# Memorandum



DATE December 10, 2024

CITY OF DALLAS

Honorable Members of the City Council Housing and Homelessness Solutions Committee: Jesse Moreno (Chair), Cara Mendelsohn (Vice Chair), Zarin Gracey, Chad West, Gay Donnell Willis

SUBJECT **Department of Housing and Community Development responses to questions at the September 23, 2024, Housing and Homelessness Solutions Committee**

This memorandum provides responses to the questions posed at the September 23, 2024, Housing and Homelessness Solutions Committee meeting regarding agenda item B: Dallas Housing Needs Assessment.

**Question: What is the total contract amount of HR&A Advisors and what is the cost of the housing needs assessment by HR&A Advisors?**

**Response:** The total contract amount for HR&A Advisors is \$3,995,000. The cost of the Housing Needs Assessment and Housing Action plan within this contract is \$350,000.

**Question: How does Dallas compare to the rest of the Metroplex in terms of Area Median Income?**

**Response:** The Dallas metro area, defined by the U.S. Department of Housing and Urban Development (HUD), includes Collin, Dallas, Denton, Ellis, Hunt, Kaufman, and Rockwall Counties. American Community Survey (ACS) 2023 1-Year Survey estimates the following median incomes for Dallas City and the counties within the larger metro area (in 2023 inflation adjusted dollars):

- Dallas City: \$70,121
- Collin County: \$119,155
- Dallas County: \$74,350
- Denton County: \$106,695
- Ellis County: \$89,488
- Hunt County: \$71,045
- Kaufman County: \$90,793
- Rockwall County: \$112,250

The average median income across the Counties listed above is \$94,825, about 35% higher than Dallas City's median income.

**Question: What is the growth rate of the first ring suburbs of Dallas?**

**Response:** The Housing Needs Assessment focuses on the City of Dallas. Data pertaining to housing outside of Dallas is not part of the scope of services.

**Question: What are the causes in decline of ownership rates?**

**Response:** Declining homeownership rates are likely attributed to higher for-sale home prices, interest rate increases, and rising rents that limit renters' ability to save for a down payment. Nationally, high interest rates have discouraged existing homeowners from putting their home on the market and risking the loss of their low interest rates, further fueling the limited supply of for-sale homes. Since, 2017, there have been more rental units built than for-sale units resulting in more units available to renters. Household incomes in the same period have not risen as fast as the cost of rents nor the down payments needed furthering the likelihood of renters becoming homeowners. Finally, investor activity in the Dallas housing market likely increased competition for for-sale homes that many families could have afforded.

**Question: What is the projected population growth for Dallas as defined by the North Central Texas Council of Governments (NCTCOG)?**

**Response:** HR&A's analysis uses the Texas Demographic Center (TDC) and ACS Decennial data. HR&A used TDC data as it is the state's lead agency for Texas Census data, working in collaboration with the U.S. Census Bureau through its State Data Center program. NCTCOG's regional population projection figures for 2045 are higher than TDC's (11.4 million versus 10.7 million). NCTCOG's Dallas City projections for 2045 are 1.6 million, compared to TDC's 1.5 million.

Should you have any questions, please contact Cynthia Rogers-Ellickson, Director, Department of Housing & Neighborhood Revitalization at [cynthia.rogersellic@dallas.gov](mailto:cynthia.rogersellic@dallas.gov) or 214-670-3601.

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