



**City of Dallas**

# **Action Plans for Implementing Dallas Housing Policy 2033**

**Housing & Homelessness  
Solutions Committee**

**12.10.24**

Thor Erickson, Assistant Director  
Department of Housing & Community Development

Jasmine Bazley, Area Redevelopment Manager  
City of Dallas

Aaron Abelson, Partner  
HR&A Advisors

# Presentation Overview



- Purpose
- Background
- Aligning Action Plan
- Action Plan
- Next Steps



# Purpose



- Introduce the Housing Action Plans that
  - Provide a strategy for implementing Dallas Housing Policy 2033 (DHP33)
  - Guide uses of limited department resources to focus on higher priorities for affordable housing
  - Measure accomplishments while tracking ongoing needs



# Background



- On April 13, 2023, City Council adopted the Dallas Housing Policy 2033 (DHP33) and the Dallas Housing Resource Catalog (DHRC)
- Housing has presented quarterly updates on the implementation of the DHP33 since July 2023
- In July 2024 IHTF was launched, and they have reviewed and commented on the draft Action Plans
- On September 23, 2024, Housing briefed HHSC on the draft Housing Needs Assessment



# Background



- The Housing Needs Assessment identified five main challenges in Dallas:
  - Housing Cost Burden
  - Accessing Homeownership
  - Preservation of Housing
  - Shortage of lower-income rental units
  - Supply needed to meet projected demand/population growth
- Dallas is projected to gain 68,000 net new households by 2033
  - To meet future demand, half of the housing produced should be ownership units and half should be rental units



# Developing Action Plan



- HR&A Advisors has been supporting Housing staff to develop Action Plans that align with the Housing Needs Assessment and DHP33 Pillars for both Equity Strategy Target Areas (ESTA) and Citywide strategies
- To form the Action Plan, City Staff & HR&A:
  - Conducted data analysis
  - Reviewed related plans and policies
  - Met with community stakeholders, city staff, and DPFC, DHFC, DHADC corporations, and housing developers
  - Reviewed programs and policies from other municipalities



# Past Performance



- To refine action plans, current and past performance was reviewed
- Between January 2017 and September 2024, the City approved certificates of completion for roughly 63,000 – an average of 7,870 new homes annually.
- FY 2023-24, the Housing Department supported nearly 60% of this annual average (4,726 units)
- Based on FY 2023-24 performance by the Housing Department, 32% of the annual average would be affordable units, and 17% would be affordable to households at or below 50% AMI

City-Supported Housing Deliveries, FY2023-24

Administrator	Program/Tool	Affordable Units	Market Rate Units	Total Units	Total Projects
Department of Housing and Community Development (HCD)	Notice Of Funding Availability (NOFA)	144	0	144	144
	Mixed Income Housing Density Bonus (MIHDB)	308	1,538	1,891	9*
Office of Economic Development (ECO)	Tax Incremental Financing (TIF)	188	26	214	2
Dallas Housing and Acquisition Development Corporation (DHADC)	Land Bank Program	17	0	17	17
	Land Transfer Program	64	0	64	64
Dallas Housing Finance Corporation (DHFC)	Tax-Exempt Bonds and Related Supports	1,466	186	1,652	6*
Dallas Public Facilities Corporation (DPFC)	Property Tax Exemptions	485	473	958	4
<b>TOTAL</b>		<b>2,672</b>	<b>2,268</b>	<b>4,940</b>	<b>246</b>

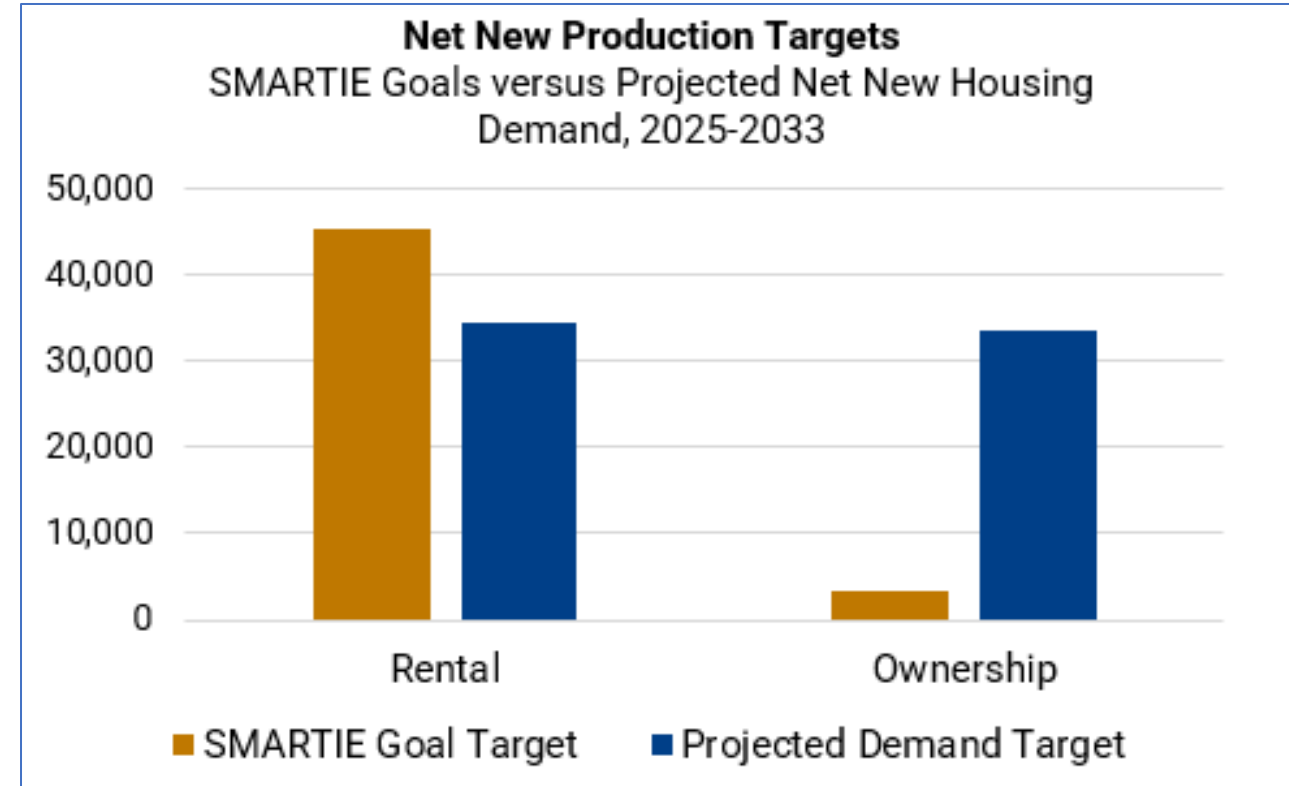
Source: Department of Housing and Community Development Housing Project List, FY2023-24, reflective of properties labeled as "Completed". New production total does not include any affordable deliveries made by the Dallas Housing Authority or other PHAs in the last fiscal year.



# Needs Assessment vs. SMARTIE Goals



- To meet Dallas' future housing needs, 3,400 rental units and 3,400 ownership units must be delivered annually; a share must be affordable
- SMARTIE Goals were developed prior to the Housing Needs Assessment and based on production capacity, not future demand
  - City-supported rental production could exceed the projected overall market demand for net new rental by 2033
  - ownership production would be below the estimated 34,000 for-sale homes needed
- Without action, 7,700 deed-restricted affordable homes are at risk of losing their affordability covenants by 2033
- Without intervention, the supply gap for renter households at or below 50% AMI could grow from 39,900 to 70,210 units





# Action Plan Alignment to Needs



- Adjusting production & preservation practices
  - Prioritizing rental at or below 50% AMI (consideration for threshold in high vs. low-poverty areas)
  - Funding preferences for homeownership units and deeper affordability
  - Cross-department collaboration for a wider variety of ownership options
  - Strategically partnering for rental preservation
- Needs extend beyond what the City can supply
  - Average City subsidy to produce one rental unit at or below 60% AMI: \$47,461
  - Average City subsidy to produce one ownership unit: \$48,737
  - To meet the projected need for homeownership and rental units, roughly \$200 M in annual subsidy would be needed, of which Housing currently funds about \$40 M in annual subsidy
  - Long range: of the projected need for 68,000 units, the City could support up to 32,000 units, and the market or other outside forces would have to help supply the other 36,000 units needed by 2033



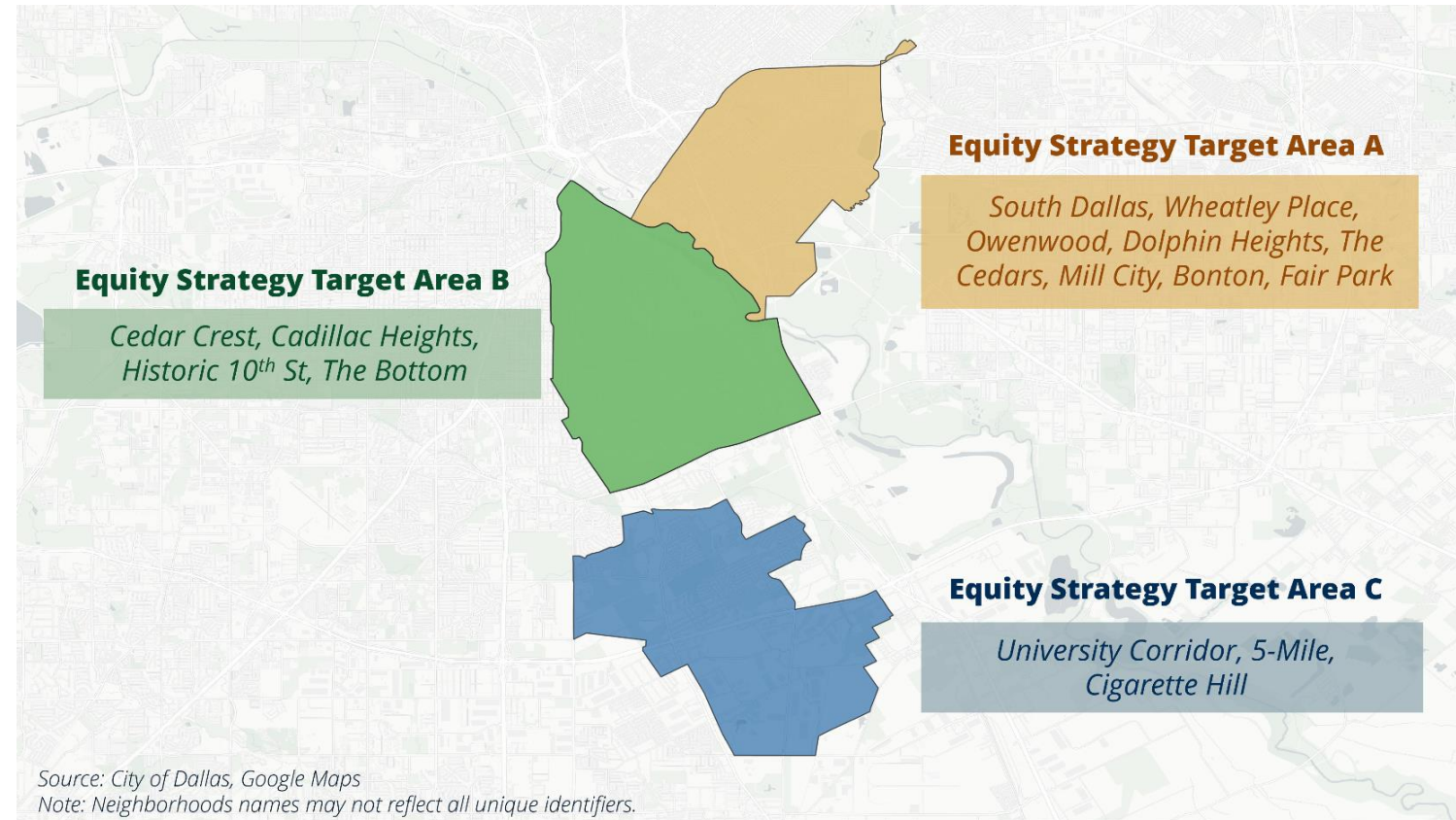
# Action Plan Equity Strategy Target Areas



The Equity Strategy Target Areas (ESTAs) were created to address historic disparity and underinvestment. Data used to create them included the:

- Market Value Analysis (MVA)
- Dallas Racial Impact Assessment Tool

The ESTAs are intended to attract both public and private investment



# ESTA A Implementation Efforts



- Completed:
  - Dedicated community development staff has been assigned to the areas
- In progress:
  - Market Home Repair and Down Payment programs to residents in areas with dedicated TIF funding
- Short range (to 5-year mark):
  - City land will be assessed for buildability and solicited for development
  - Strategically outreach to the owners of the 543 units of expiring deed-restricted properties and discuss preservation option
  - Incorporate area-appropriate anti-displacement strategies
- Long range (to 10-year mark):
  - Set goal to produce 300 rental units and 3,100 homeowner units of the 68,000 units needed by 2033
  - Increase Homeownership options to balance out the 67% rent/ 33% owner split
  - Identify Transit Oriented Development opportunity
  - Identify rental projects that focus on households 60%AMI and above and are mixed-income



**32,908** area residents, living across  
**13,237** households



The median household earns **\$36,530** annually



**67%** of homes are rented, **33%** are owned



**55%** of households are Black,  
**37%** are of Hispanic origin



**43%** of area employees work in the Service Industry,  
**18%** in Construction, and **13%** in Retail



Sources: Department of Housing & Community Development; ESRI Business Analyst (Housing Profile, Community Profile,)

NOTE: There are roughly 2,000 acres of vacant land in ESTA A. The City owns an estimated 25% of this vacant land.



# ESTA B Implementation Efforts



- Done:
  - Dedicated community development staff has been assigned to the areas
- In progress:
  - Market Home Repair and Down Payment programs to residents in areas with dedicated TIF funding
- Short range (to 5-year mark):
  - City land will be assessed for buildability and solicited for development
  - Strategically outreach to the owners of the 707 units of expiring deed-restricted properties and discuss preservation option
  - Incorporate area-appropriate anti-displacement strategies
- Long range (to 10-year mark):
  - Set goal to produce 2,200 rental units and 1,400 homeowner units of the 68,000 units needed by 2033
  - Focus on Homeownership preservation options to maintain the 49% rent/ 51% owner split
  - Identify Transit Oriented Development opportunity
  - Identify rental projects that focus on households 60%AMI and above and are mixed-income



**42,807** area residents, living across **17,104** households



The median household earns **\$33,054** annually



**49%** of homes are rented, **51%** are owned



**56%** of households are Black, **42%** are of Hispanic origin



**43%** of area employees work in the Service Industry, **17%** in Construction, and **11%** in Transportation

Sources: Department of Housing & Community Development; ESRI Business Analyst (Housing Profile, Community Profile.)



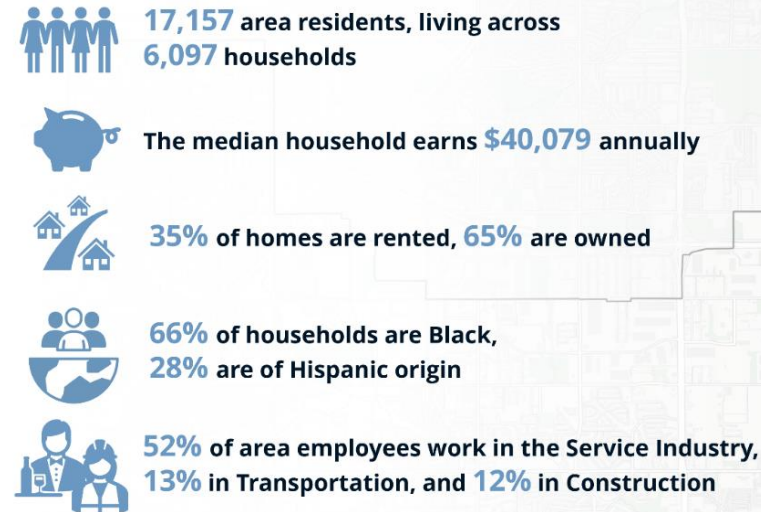
NOTE: There are roughly 2,530 acres of vacant land in ESTA B. The City owns an estimated 41% of this vacant land.



# ESTA C Implementation Efforts



- Done:
  - Dedicated community development staff has been assigned to the areas
- In progress:
  - Market targeted Home Repair Programs
  - Invest in infrastructure that supports developing affordable homeownership housing units
- Short range (to 5-year mark):
  - City land will be assessed for buildability and solicited for development
  - Form relationships with local employers to encourage/fund/support the production of homes that meet worker needs
  - Incorporate area-appropriate anti-displacement strategies
- Long range (to 10-year mark):
  - Set goal to produce 3,200 of rental units and 600 of homeowner units of the 68,000 units needed by 2033
  - Focus on Homeownership preservation options to maintain the 35% rent/ 65% owner split
  - Identify Transit Oriented Development opportunity
  - Identify rental projects that focus on households 60%AMI and above and are mixed-income



Sources: Department of Housing & Community Development; ESRI Business Analyst (Housing Profile, Community Profile)

NOTE: There are roughly 3,460 acres of vacant land in ESTA C. The City owns an estimated 9% of this vacant land.



# Production Implementation Efforts



- Completed:
  - Modify NOFA to preference deeper affordability, mixed-income projects, and homeownership
  - Designate Housing staff city-wide and in ESTAs who will form cross-departmental working groups, ensure affordable housing is included in Small Area Plans, and participate in neighborhood-led planning efforts
- In progress:
  - Use land use regulatory tools to increase housing supply and diversify options
- Short range (to 5-year mark):
  - Identify city-owned land for housing production and incentivize development
  - Support zoning updates to allow residential units in more areas and align priorities with ForwardDallas 2.0
  - Explore a single-family density bonus
  - Develop Transit Oriented Development overlay districts
- Long range (to 10-year mark):
  - Develop 10,500 rental units and 10,200 homeowner units of the 68,000 total units needed by 2033



**1.3 million** area residents, living across **521,200** households



The median household earns **\$64,000** annually



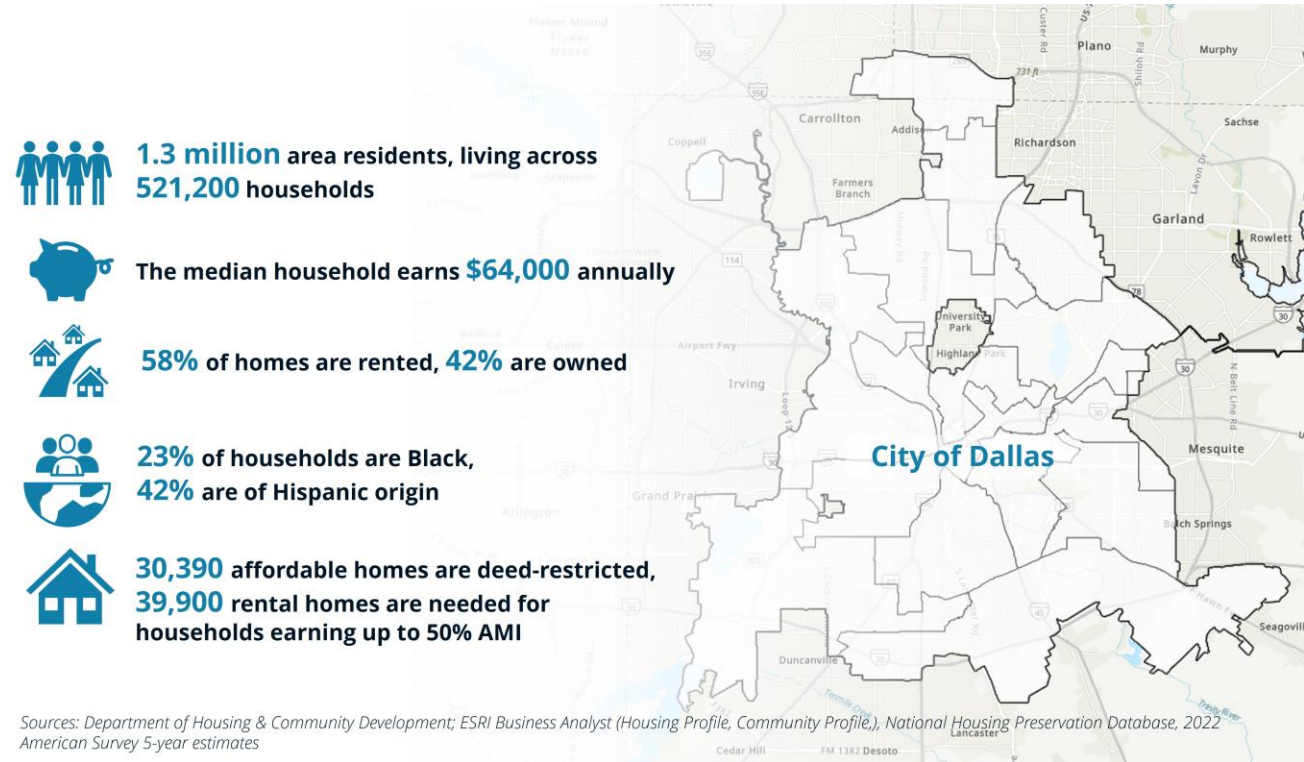
**58%** of homes are rented, **42%** are owned



**23%** of households are Black, **42%** are of Hispanic origin



**30,390** affordable homes are deed-restricted, **39,900** rental homes are needed for households earning up to **50% AMI**



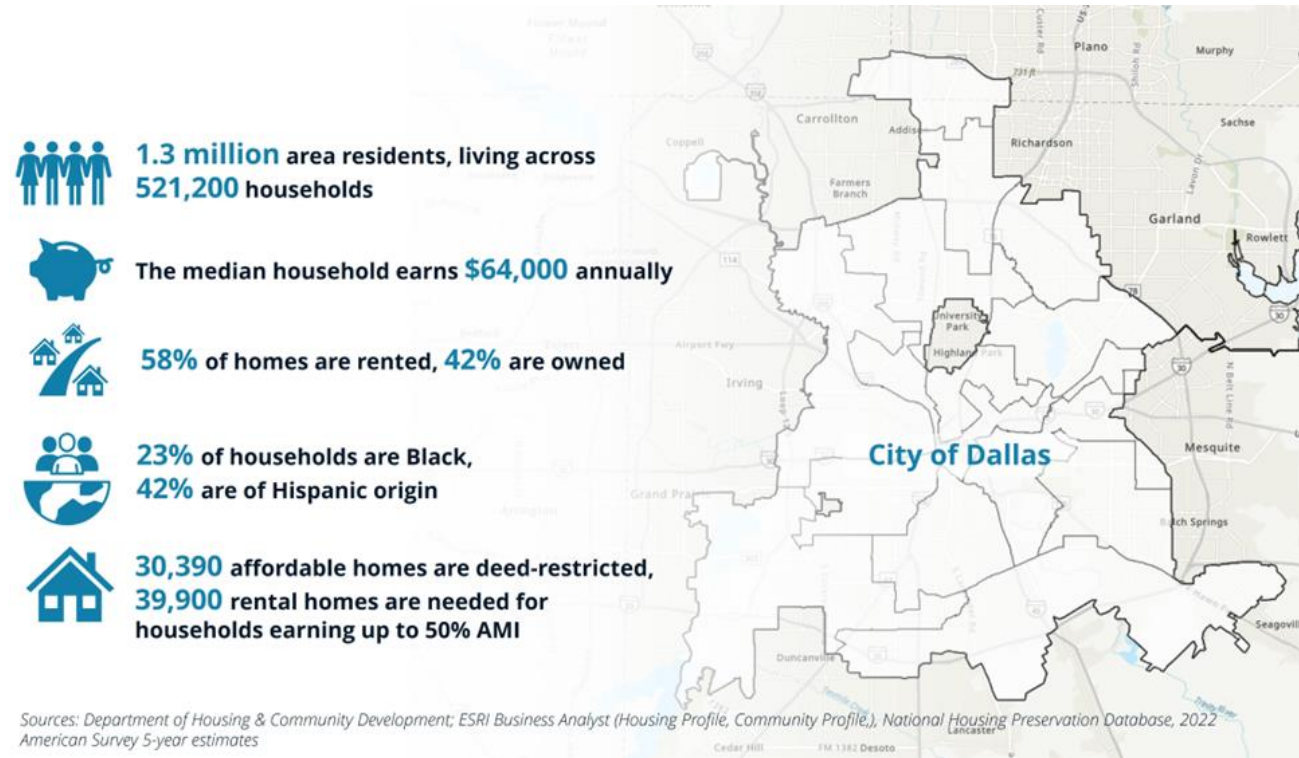
Sources: Department of Housing & Community Development; ESRI Business Analyst (Housing Profile, Community Profile,); National Housing Preservation Database, 2022 American Survey 5-year estimates



# Preservation Implementation Efforts



- Completed:
  - Focus marketing on neighborhoods with aging owner-occupied housing and targeted funding for housing preservation
  - Implemented operational and program design improvements to Major-Systems Repair Program
  - Shift department tracking and performance reporting to monitor the preservation of rental units
- In progress:
  - Streamline program applications, approvals, and contracting processes
  - Create a database of property owners with aging properties or expiring affordability restrictions, to connect them with resources
- Short range (to 5-year mark):
  - Create risk-based strategy for prioritization of funding
  - Explore a strike fund dedicated to serve expiring properties
  - Align with historic preservation efforts by identifying and pursuing adaptive reuse opportunities
- Long range (to 10-year mark):
  - Preserve 6,450 rental units and 1,180 homeowner units



# Infrastructure Implementation Efforts



- Completed:
  - Identify target areas (ESTAs) around planned infrastructure investments
- In progress:
  - Map Bond project timelines alongside Housing's ongoing, and planned activities
  - Develop Land Bank/Land Transfer Annual Plans around planned infrastructure investment
  - Establish baseline metric to capture current needs and required resources
  - Formalize interdepartmental collaboration and designate staff for working groups
- Short range (to 5-year mark):
  - Collaborate with Transportation, Public Works, and Dallas Water Utilities to identify infrastructure needed to support affordable housing through future Bond proposals
  - Align resources to close infrastructure gaps in historically underserved areas
- Long range (to 10-year mark):
  - Leverage City-owned land to develop affordable housing following infrastructure investments





# Collaboration & Coordination Implementation Efforts



- Completed:
  - Develop collaborative agreements with internal departments and external partners
- In progress:
  - Create a shared tracking database for *all* city-wide housing activities
  - Bring together private and public funders to align work and identify underutilized resources
  - Collaborate internally on the predevelopment process to expedite affordable housing projects
- Short range (to 5-year mark):
  - Complete cross-department applications for federal and state funds
  - Partner with housing authorizes, school districts, and the county on projects that pool together public resources for housing
  - Support the creation of entities like Community Land Trusts (CLTs)
  - Assist with the realignment of City real estate
- Long range (to 10-year mark):
  - Formalize engagement with corporate and philanthropic partners to support co-investments in housing production and preservation, including investments in workforce housing



# Engagement Implementation Efforts



- Completed:
  - Launch and develop the Inclusive Housing Task Force
  - Participate in quarterly developer roundtables
  - Modified engagement to more equitably serve residents in existing Home Repair Programs
- In progress:
  - Host regular multi-lingual opportunities to engage with Housing staff so that stakeholders and residents can help inform decision-making
  - Stand up yearly engagement calendar, including developing a regular schedule for community meetings in tandem with other city departments
  - Launch a housing preference survey to better understand the types of housing people may favor in different parts of the City, which can be used to guide funding priorities
- Short range (to 5-year mark):
  - Host monthly developer mentorship/capacity-building workshops
  - Host educational workshops for new realtors to help expand and target the DHAP program
- Long range (to 10-year mark):
  - Have forums with stakeholders to know the housing needs and how we can all align our efforts



# Education Implementation Efforts



- Completed:
  - Develop messaging to help the public and housing stakeholders to know what affordable housing is and how it supports the City
- In progress:
  - Develop and maintain a live dashboard that will display department performance metrics, funding, and expenditures to continue with data transparency
- Short range (to 5-year mark):
  - Continue partnering with organizations that provide support for estate planning, intergenerational property transfers, tangled title, and eviction prevention
- Long range (to 10-year mark):
  - Identify partners to help tell the story of housing in Dallas
  - Partner with community organizations to identify housing needs, challenges, and opportunities
  - Continue partnerships with advocacy groups, legal groups, and others that can assist with educational opportunities around housing



## Housing 101



# Next Steps



## Ongoing

- Continue Implementation of DHP33
- Continue to present quarterly production and preservation updates at HHSC
- Present annual updates on overall progress

## Short-range

- Refine Housing dashboard
- Host progress reports for Action Plans at [dallashousingpolicy.com](http://dallashousingpolicy.com)

## Long-range

- Update housing data for housing needs assessment and housing action plans every three years





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