



Legislation Text

File #: 22-1886, **Version:** 1

STRATEGIC PRIORITY: Housing & Homelessness Solutions
AGENDA DATE: September 14, 2022
COUNCIL DISTRICT(S): All
DEPARTMENT: Department of Housing & Neighborhood Revitalization
EXECUTIVE: Majed Al-Ghafry

SUBJECT

Authorize a four-year consulting contract, with two three-year renewal options, with Reinvestment Fund, Inc. to **(1)** update the Market Value Analysis; **(2)** complete a Displacement Risk Ratio for the City of Dallas; and **(3)** provide associated research and technical support - Not to exceed \$236,144.00 - Financing: General Fund (subject to annual appropriations)

BACKGROUND

On July 27, 2017, the City of Dallas contracted with Reinvestment Fund, Inc. via Administrative Action to provide consultant services for the first Market Value Analysis (MVA). MVA is a tool for neighborhood revitalization and investment that guides interventions not only to where there is a need for them, but also to places where public investment can stimulate private market activity and capitalize on larger revitalization efforts. The MVA has previously been used in Houston, San Antonio, Pittsburgh, New Orleans, Baltimore, and other cities.

In 2017, the MVA was partially funded through private funds, with the City paying \$50,000.00 of the total cost. Research was completed to the satisfaction of City staff and was used in the development of the Comprehensive Housing Policy (CHP) and implemented within Dallas City Code Chapter 51A establishing the Mixed Income Housing Development Bonus (MIHDB). After five years, the data is becoming out of date and should be updated to ensure accuracy.

The MVA uses cluster analysis to identify and categorize housing markets throughout the city. The tool identifies similar characteristics between census block geographies and classifies each area as a strong, middle, or weak residential market. This categorization can be used as a guide for community development, neighborhood revitalization, development bonuses, and other investment to ensure that City policy and interventions address the needs of each area.

The Displacement Risk Ratio (DRR) identifies key indicators for displacement risk. Groups such as housing, community development, and advocacy organizations; residents; and City Council have asked the Department of Housing & Neighborhood Revitalization (Housing) to begin exploring anti-displacement policies. This research serves as a first step in identifying the scale of displacement and displacement potential within Dallas.

Housing is continuing to work with other anti-displacement efforts including the anti-displacement toolkit in partnership with Builders of Hope and Southern Methodist University.

The associated research and technical support included as part of the agreement will allow Housing staff to update and maintain the data underlying the MVA and to do additional related research during the time in between each MVA update.

Due to the specialized data that needs to remain consistent for this next MVA update, Housing is procuring the contract with Reinvestment Fund, Inc. in an amount not to exceed \$236,144.00 via Special Need/Justification in accordance with Administrative Directive 4-5.10.5.6. This contract will include the following services:

- 2022 - Full MVA update, including costs for necessary data acquisition
- 2023 - Technical support and data acquisition for staff-led update
- 2024 - Technical support and data acquisition for staff-led update
- 2025 - Full MVA update, including costs for necessary data acquisition

The two three-year renewals will allow Housing to continue receiving technical support with full updates to the MVA every three years and will follow a similar annual schedule as the 2023 to 2025 schedules.

Full updates provided by Reinvestment Fund, Inc. will include additional products including:

- DRR
- Extrapolation of MVA into non-residential areas
- Comparison between current and previous MVAs

The MVA has been used in the creation of multiple regulations and policies throughout the City of Dallas, including the MIHDB and policies within the CHP. With completed and pending updates to both items, an update to the MVA is imperative to ensure new policies and programs are created and operated effectively.

City Council approval of this item will authorize a new four-year contract and two three-year renewals for the MVA and associated research with Reinvestment Fund, Inc.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 9, 2018, City Council adopted the CHP by Resolution No. 18-0704, as amended.

On March 27, 2019, City Council approved amendments to Chapter 51A and approved Article 20A-II to create the MIHDB by Resolution No. 19-0429 and Ordinance No. 31142.

On May 11, 2022, City Council approved amendments to Chapter 20A-II, Chapter 51A, and the CHP to modify the MIHDB to allow for a fee in lieu of on-site provision of affordable units by Resolution Nos. 22-0743, 22-0744, and 22-0767, and Ordinance Nos. 32195 and 32210.

[The Housing and Homelessness Solutions Committee was briefed by memorandum on August 22, 2022. <https://cityofdallas.legistar.com/View.ashx?M=F&ID=11144746&GUID=ED632E25-2FF8-4D7E-9968-DFD137569D74>](https://cityofdallas.legistar.com/View.ashx?M=F&ID=11144746&GUID=ED632E25-2FF8-4D7E-9968-DFD137569D74)

FISCAL INFORMATION

Fund	FY 2022-23	FY 2023-24	Future Years
General Fund	\$236,144.00	\$0.00	\$0.00