



Legislation Text

File #: 23-627, Version: 1

STRATEGIC PRIORITY: Housing & Homelessness Solutions

AGENDA DATE: April 12, 2023

COUNCIL DISTRICT(S): All

DEPARTMENT: Department of Housing & Neighborhood Revitalization

EXECUTIVE: Majed Al-Ghafry

SUBJECT

Authorize (1) the approval and adoption of the Dallas Housing Policy 2033 attached as Exhibit A to replace the Comprehensive Housing Policy (CHP); and (2) the Department of Housing and Neighborhood Revitalization ([Housing](#)) to continue operating its current programs, previously adopted under the [CHP Comprehensive Housing Policy](#), now to be included in a new document known as the Dallas Housing Resource Catalog (to be adopted separately); (3) [Housing will have a 6 -12 month implementation plan](#); (4) [Housing will establish an advisory Housing Task Force](#); and (5) [Housing will report on progress to City Council](#) - Financing: No cost consideration to the City

BACKGROUND

Over the last four years, the CHP has created structure, transparency, and accountability for housing projects with city investments. Development proposals seeking city subsidies are self-scored by applicants, verified by staff, and underwritten by third parties. Low Income Housing Tax Credit (LIHTC) projects are evaluated by staff for compliance with the tax credit policy and assessed by the Office of Equity & Inclusion Fair Housing Division before City Council deliberates on granting resolutions of support or no objection. Mixed-Income Housing Development Bonuses are driving investment decisions on affordable housing, and the Land Transfer Program is nearly sold out of inventory. These programs combined have produced a pipeline of more than 14,000 housing units.

Housing has continued to improve its compliance and administrative management of federal and nonfederal funding for programs and projects to provide mixed-income housing. In 2022, the United States Department of Housing and Urban Development conducted a remote monitoring of the HOME Investment Partnership Program, the first monitoring after the 2017 HUD HOME Monitoring findings that shut down the programs in 2018. The result of the monitoring was an affirmation of the City's improvement in managing its HOME funds. Annually, the external auditor conducts audits on the City's Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) where no findings were identified on CDBG and HOME funded activities.

The 2018 changes made with the adoption of the CHP, improved operations through development of

additional compliance policies and procedures. With the addition of third-party underwriting criteria for all development proposals and contractor certification for home repairs, Housing has structured its process for participation and simultaneously increased opportunity for new participants. However, contract approval and timely expenditure of funds continue to be a challenge for the City. Housing struggles with meeting commitment and expenditure timelines due to the multi-month City Council approval process that Housing will seek to streamline by working with City Council regarding proposed program changes that can improve client eligibility, financial terms and timelines.

The Dallas Housing Policy 2033 (DHP33) encompasses development and preservation goals that the City has pursued for years, the difference is its racial equity lens. On December 14, 2021, TDA Consulting, Inc., (TDA) presented the Comprehensive Housing Policy Racial Equity Assessment and offered recommendations on how the CHP can be improved to address equity blind spots. The eleven recommendations offered were based on listening sessions with community stakeholders, tours of underserved areas, and reviews of the CHP. The recommendations were further refined through townhalls with community stakeholders and follow up interviews.

The recommendations are the following:

1. Create a CHP vision statement articulating how the affordable housing playing field will be leveled for all racial groups and across the North/South Divide;
2. Create a comprehensive, city-wide strategic road map for coordinating the CHP's array of tools while also leveraging community partnerships to address the very different needs for change from one area of the city to another;
3. Establish SMART (Specific, Measurable, Achievable, Relevant, Time-Bound) goals for the CHP that point to the desirable state;
4. Strengthen linkages between the CHP and neighborhood revitalization strategies that leverage infrastructure improvements, economic revitalization, and mixed-use master planning to build a foundation for increasing generational wealth in historically Black and Brown communities;
5. Add a CHP goal around remedying the enormous infrastructure deficit that has persisted in Southern Dallas for generations;
6. Utilize an "All 14 Districts" model to combat ubiquitous "Not in my Backyard" (NIMBYism) across all areas of Dallas;
7. Create a dedicated revenue stream that is scaled to the magnitude of Dallas' affordable housing shortage;
8. Expand and refine existing CHP programs to create a comprehensive, integrated strategy for preventing displacement during neighborhood revitalization;
9. Use the CHP to mandate education for the city staff, policymakers, and the public about what racial equity means in the context of affordable housing and community development;
10. Strategically utilize Low-Income Housing Tax Credit (LIHTC) financing in both high opportunity areas with low poverty rates and distressed areas with higher rates; and
11. Amend the CHP to include myth-busting strategies to help dispel myths about affordable

housing that fuel NIMBYism.

The recommendations provided address more than the production of housing. They encompass overall neighborhood revitalization and quality of life improvements for all Dallas residents regardless of racial ethnicity or zip code. Staff are working across departments to coordinate efforts on infrastructure improvements, public safety, economic development, transportation, and budget allocations. As mentioned previously, staff and consultants have laid out a housing plan with measurable goals and requests for resources that are not currently available. The eleven recommendations have served as the policy direction for implementing the new Dallas Housing Policy 2033.

In December 2022, Housing along with the Community Equity Strategies (CES) consulting group presented an update on the draft of the new Dallas Housing Policy. The new policy incorporates these recommendations to further relationships and initiatives in the future. CES was engaged to draft a new housing policy for the Department that would turn the 11 recommendations into a policy that will be the strategic direction for the Department over the next 10 years. The new policy is named the Dallas Housing Policy 2033 and is structured around seven (7) Pillars: Equity Strategy Targets, Citywide Production, Citywide Preservation, Infrastructure, Collaboration and Coordination, Engagement, and Education. These Pillars are the new policy which have a strategic direction and SMARTIE goals that Housing will update progress on over the next ten (10) years. The Programs will be included in a Dallas Housing Resource Catalog that highlights the relationship between the programs and the pillars of the housing policy. The Catalog will be adopted as a separate action item from the DHP33. The Catalog will provide details on the adopted programs, corporations and agreements, as well as include description of the tools that will enable Housing to manage compliance, transparency and accountability for affordable housing production.

This action will authorize **(1)** the approval and adoption of the Dallas Housing Policy 2033 attached as Exhibit A to replace the Comprehensive Housing Policy; and **(2)** the Department of Housing and Neighborhood Revitalization (Housing) to continue operating its current programs, previously adopted under the Comprehensive Housing Policy, now to be included in a new document known as the Dallas Housing Resource Catalog (to be adopted separately).

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 27, 2022, the City Council adopted the eleven recommendations for the Comprehensive Housing Policy Racial Equity Assessment, by Resolution No. 22-0664.

The Housing and Homeless Solutions Committee was briefed by Community Equity Strategies on the new Dallas Housing Policy on December 15, 2022.

The City Council was briefed on the Dallas Housing Policy 2033 on March 1, 2023.

FISCAL INFORMATION

No cost consideration to the City.