Memorandum



DATE February 23, 2024

TO Honorable Mayor and Members of the City Council

Housing response to question raised at the February 12, 2024, Workforce Education, & Equity Committee

Housing & Neighborhood (HOU) revitalization briefed the Workforce, Education, & Equity Committee on February 12, 2024, about the Dallas Housing Policy 2033 (DHP33) Implementation Update. The committee commented on the identified Equity Strategy Target Areas and requested to understand other areas of the city not selected as an Equity Strategy Target Areas that might be area 4 or 5.

While area 4, and 5 do not formally exist, this memorandum will provide an overview of the process that TDA Consultants conducted that led to the identification of the three Equity Strategy Target Areas.

Selection of Equity Strategy Target Areas: Background

TDA Consulting worked with City staff to define a methodology and selection process for a set of geographic areas for concentrated investment over the next five years. These Equity Strategy Target Areas were identified through a three-stage process:

(1) Equity Indicator and Market Condition Data Analysis:

To identify a preliminary set of Equity Strategy Target Areas, TDA developed a Housing Equity Index that combined the Dallas Racial Equity Impact Assessment Tool and the 2023 Market Value Analysis with an equal weighting and then looked at where other departments are working or planning to understand current housing conditions across the city. The result of this process can be seen on Map 1. **The numbers on the map indicate nearby areas for grouping purposes and are not a ranking of areas.**

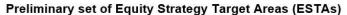
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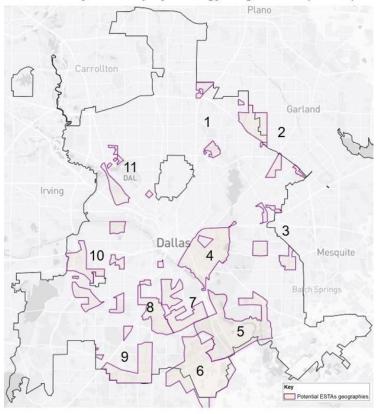
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Map 1

(2) Interdepartmental Coordination:

In August 2023, TDA and City staff presented the results of the data analysis work referenced above to department leaders. The team then met with department leaders individually to discuss each department's existing and planned investment that could benefit from coordination with DHP33.

(3) Community Engagement:

The prior two stages above produced scattered areas that could potentially be Equity Strategy Target Areas as a result of the highest need. To refine this set of preliminary areas down to final set, the team launched a community engagement initiative to seek input from residents. This initiative included:

• A Telephone Town Hall event that was hosted in English and Spanish and attended by 3,192 residents.

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- A digital Housing and Community Needs Survey that recorded over 600 responses.
- Individual Focus Group sessions for the following stakeholder groups: Community development corporations, senior and special needs populations, environmental and sustainability advocates, Latinx and immigrant populations, workforce housing stakeholders, and nonprofit/housing advocates. These sessions were attended by an aggregate total of over 50 individual stakeholders.

Analysis

The process revealed differing types of housing conditions and program needs across the city. In Target Areas identified in the northern part Dallas, housing density is greater than in the southern part of Dallas and fewer infill opportunities exist. Following Map 1, fewer than 1% of residential properties are vacant in areas 1 and 2, and roughly 2% of residential units were vacant in area 3.1 Residents in these areas sought support for rental assistance and housing preservation.

The construction of new for-sale units and homebuyer assistance were identified by Housing and Community Needs Survey respondents as the two types of housing investment that are of the "highest need" in Dallas. Several Southern Dallas target areas (4,6,7,8) include characteristics conducive to these activities. Areas 4 and 7 have the highest vacancy rate for residential properties of any of the 11 preliminary areas (6% of all residential units). Areas 6 and 7 contain the highest rates of homeowner-occupied units and median annual incomes below \$40,000.

Preliminary Areas 4,6,7,8, showed the highest potential to leverage cross-departmental investment in a way that aligns with community feedback. In the Housing and Community Needs Survey, infrastructure improvement (82% of respondents) and utility access (72% of respondents) were identified as the two types of investments that HOU should most align with.

The Result:

This analysis conducted using the various data sets and listening to the community during the engagement sessions has led to a conclusion that areas 4,6,7 from Map 1 were best suited to be the Equity Strategy Target Areas. These areas display the following characteristics: high potential for infill development, overlapping infrastructure investments, and high potential for coordination across departments and with community organizations.

The final step in selection of the three Equity Strategy Target Areas was to look at the completed set of Census Block Groups that surround 4, 6, 7, and combine into three major areas to provide a contiguous areas as seen in Map 2.

¹ Per Reinvestment Fund's 2023 Market Value Analysis.

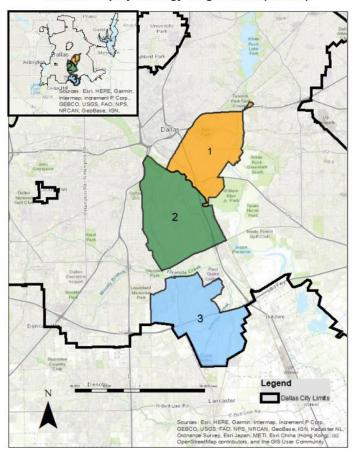
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Selected Equity Strategy Target Areas (ESTAs)



Map 2

These Equity Strategy Target Areas are meant to be a starting place to guide the housing work over the next 5 years and Pillar 1 – Equity Strategy Target Areas has the SMARTIE goal of By December 31, 2027, analyze Equity Strategy Target Areas to assess continuity or consider potential creation of new areas.

The process to update the areas will include a review of these areas to determine success and then decide if we should continue work in these areas or shift the boundaries by end of 2027, Housing will analyze a shifted focus area with updated data set of both the Equity Impact Assessment Tool and the updated Market Value Analysis scheduled for 2028.

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

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Majed A. Al-Ghafry, P.E. Assistant City Manager

T.C. Broadnax, City Manager Tammy Palomino, City Attorney Mark Swann, City Auditor Bilierae Johnson, City Secretary Preston Robinson, Administrative Judge Kimberly Bizor Tolbert, Deputy City Manager Jon Fortune, Deputy City Manager M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager Dr. Robert Perez, Assistant City Manager Jack Ireland, Chief Financial Officer Genesis D. Gavino, Chief of Staff to the City Manager Directors and Assistant Directors