Neighborhood Plus
The future of living in our city

Oak Cliff Chamber of Commerce

May 14th, 2015
Real Estate remained solid: “Overall apartment demand stayed strong and rent growth was solid, particularly in Dallas-Fort Worth where occupancy was at a multiyear high.”
How much do we spend on Housing?

Dallas-Fort Worth area average annual expenditures 2012-13

- Housing: $19,033 (33.5%)
- Transportation: $10,196 (17.9%)
- Food: $7,177 (12.6%)
- Personal insurance & pensions: $6,338 (11.2%)
- Healthcare: $3,744 (6.6%)
- All other: $10,339 (18.2%)

Total: $56,827

Source: U.S. BLS, Consumer Expenditure Survey.
2010 – 2015 DFW Employment Trends

Chart 1. Total nonfarm employment, over-the-year net change in the Dallas metropolitan area and its divisions, January 2010–January 2015

Net change (in thousands)

- Fort Worth-Arlington Metropolitan Division
- Dallas-Plano-Irving Metropolitan Division
- Dallas-Fort Worth-Arlington Metropolitan Statistical Area

Employment Change in the 12 Largest Metro Areas

Chart 3. Total nonfarm employment, over-the-year percent change, United States and 12 largest metropolitan areas, January 2015

Moving to Texas: Smart and Young

- Census data show Dallas has a greater proportion of 18 to 24 year-old with a Bachelor’s degree or higher than the State or US as a whole.
- This proportion grew from 2010 to 2013.

North Texas Real Estate
2014
TOP 10 U.S. METRO AREAS FOR JOB GROWTH

Number change April 2013-April 2014

- Los Angeles-Long Beach-Santa Ana: 118,200
- Dallas-Fort Worth-Arlington: 115,900
- New York-Northern New Jersey-Long Island: 94,300
- Houston-Sugar Land-Baytown: 85,800
- Miami-Fort Lauderdale-Pompano Beach: 74,600
- Atlanta-Sandy Springs-Marietta: 47,600
- Orlando-Kissimmee-Sanford: 47,200
- San Francisco-Oakland-Fremont: 46,000
- Seattle-Tacoma-Bellevue: 44,700
- Phoenix-Mesa-Glendale: 39,100

D-FW Job Growth

+118,200
D-FW Annual Jobs

2011 ~ 2.5% increase
2012 ~ 2.9% increase
2013p ~ 3.5% increase; YTD 3.6%
2010-2012 Population Changes

- DFW 274,781 (4.3%)
- New York 264,451 (1.3%)
- Houston 256,579 (4.3%)
- Washington D.C. 224,110 (4.0%)
- Los Angeles 224,079 (1.7%)
- Miami 198,060 (3.5%)
- Austin 118,017 (6.8%)
- San Antonio 91,495 (4.2%)

Source: U.S. Census Bureau
Largest Domestic Migration Growth
MAJOR METROPOLITAN AREAS: 2010-2013

- Dallas-Fort Worth, TX
- Houston, TX
- Austin, TX
- Phoenix, AZ
- Denver, CO
- San Antonio, TX
- Charlotte, NC-SC
- Orlando, FL
- Seattle, WA
- Tampa-St. Petersburg, FL

Derived from Census Bureau data
D-FW MSA Population 1970-2050
Collin, Dallas, Denton, Delta, Ellis, Hunt, Johnson, Kaufman, Parker, Rockwall, Tarrant and Wise Counties

1970-2010 = +4 million
2010-2050 = +10.4 million

At 2.7 people/HH; 10.4 million more people equals 3.85 million more HHs or 96,300 HHs/Year
D-FW Office Leasing

4.4 m.s.f
## Top U.S. Office Leasing Markets for 2013

<table>
<thead>
<tr>
<th>City</th>
<th>Sq. Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York</td>
<td>7.1 million sq.ft.</td>
</tr>
<tr>
<td>Dallas</td>
<td>4.2 million sq.ft.</td>
</tr>
<tr>
<td>Houston</td>
<td>3.9 million sq.ft.</td>
</tr>
<tr>
<td>San Jose</td>
<td>2.4 million sq.ft.</td>
</tr>
<tr>
<td>Atlanta</td>
<td>2.3 million sq.ft.</td>
</tr>
<tr>
<td>Denver</td>
<td>1.9 million sq.ft.</td>
</tr>
<tr>
<td>Boston</td>
<td>1.7 million sq.ft.</td>
</tr>
<tr>
<td>Seattle</td>
<td>1.7 million sq.ft.</td>
</tr>
<tr>
<td>Chicago</td>
<td>1.5 million sq.ft.</td>
</tr>
</tbody>
</table>

Source: Cassidy Turley
D-FW Office Building

18 buildings
5.9 million sq.ft.
D-FW Industrial Building

16.5 m.s.f
<table>
<thead>
<tr>
<th>Market</th>
<th>MF Building Markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>D-FW</td>
<td>26,971</td>
</tr>
<tr>
<td>New York</td>
<td>25,405</td>
</tr>
<tr>
<td>Washington, D.C.</td>
<td>25,315</td>
</tr>
<tr>
<td>Houston</td>
<td>19,320</td>
</tr>
<tr>
<td>Seattle</td>
<td>14,728</td>
</tr>
</tbody>
</table>
D-FW Home Listings

- 2.1 months
- 20-year low
- **Supply of preowned houses:**

<table>
<thead>
<tr>
<th>City</th>
<th>Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plano</td>
<td>1.1</td>
</tr>
<tr>
<td>Grapevine</td>
<td>1.3</td>
</tr>
<tr>
<td>Richardson</td>
<td>1.0</td>
</tr>
<tr>
<td>Coppell</td>
<td>1.2</td>
</tr>
<tr>
<td>Allen</td>
<td>1.5</td>
</tr>
<tr>
<td>McKinney</td>
<td>1.6</td>
</tr>
</tbody>
</table>
Dallas Annual Home Sales

2012 up 18%
2013p up 20%; YTD up 22%

Source: Real Estate Center at Texas A&M
North Texas Home Starts

![Bar chart showing home starts from 2005 to 2013. The peak in 2006 is around 50,000, and by 2013, it has decreased to around 21,000.]
Homebuilding jobs

2013: 2.1 million

SOURCE: National Association of Home Builders

Troy Oxford/Staff Artist
D-FW New Home Inventory

2,423
Households with Children (2013)

<table>
<thead>
<tr>
<th></th>
<th>Renter Occupied</th>
<th>Owner Occupied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dallas</td>
<td>43%</td>
<td>57%</td>
</tr>
<tr>
<td>4 County Region</td>
<td>38%</td>
<td>62%</td>
</tr>
<tr>
<td>Texas</td>
<td>37%</td>
<td>63%</td>
</tr>
</tbody>
</table>
Median Household Income by Tenure (2013)

- **Dallas**
  - Owner occupied: 62,635
  - Renter occupied: 32,898

- **4 County Region**
  - Owner occupied: 79,019
  - Renter occupied: 37,778

- **Texas**
  - Owner occupied: 66,924
  - Renter occupied: 33,133
Percent of Households that have Children Under 18

- Renter-Occupied: 22% (Dallas), 26% (4 County Region), 27% (Texas)
- Owner-Occupied: 21% (Dallas), 29% (4 County Region), 26% (Texas)
- Occupied Housing Units: 22% (Dallas), 28% (4 County Region), 26% (Texas)
Texas Cities by Generational Composition

Overarching Goals:

- Foster vital neighborhoods throughout Dallas
- Think beyond just housing – encompass education, health, mobility, business, and safety
Purpose of the Plan

• Shape Housing Policy and set a new direction for housing development in Dallas.

• Strengthen Neighborhood Revitalization policy and develop a planning and decision-making framework to guide community investment decisions.

• Acknowledge the inter-dependence of local government with other public and private agencies, non-profits and philanthropic institutions.

• Establish a collaborative relationship that leverages planning and investment choices to strengthen Dallas’ regional leadership.
Public Engagement Workshops
**Power in Partnerships**

- Overwhelming support has been demonstrated by our partners.
- Countless large and small programs and projects deliver successful results to our residents and neighbors.

“If you want to go fast, go alone. If you want to go far, go together.” — African proverb
Partnerships in Action
Understanding Dallas in the Regional Context

• “If you don’t know where you’ve come from, you don’t know where you are going” – Maya Angelou
Dallas is the engine of the 4th largest metropolitan economy in the nation
Steady Population Growth

US Decennial Census 1980-2010, ACS 2012 one year estimate, Woods & Poole
Population Projections 2020 and 2035
Dallas is younger than the Region, Texas and the US by an increasing margin.

Median Age, 1980-2010

Source: U.S. Census Bureau, downloaded via Social Explorer, Decennial Census 1980 (SE:T11), 2000 (SE:T13), and 2010 (SE:T44)
Change in Ethnic Mix

Change in Ethnic Mix, 1980 to 2013

Change in Generational Split

Change in Generations: Dallas County Over Time

- **Gen Alpha** (Born after 2010)
- **Gen Z** (Born 1995 to 2010)
- **Millennials** (Born 1980 to 1994)
- **Gen X** (Born 1965 to 1979)
- **Baby Boomers** (Born 1945 to 1964)
- **The GI Generation** (Born 1930 to 1944)
- **The Greatest Generation** (Born before 1930)

Source: Historical Population Data and Forecasts from Woods & Pool for Dallas County
Inbound commuters make up a large segment of Dallas’ workforce

Source: U.S. Census Bureau, Center for Economic Studies downloaded via OnTheMap.ces.census.gov
Inbound commuters have higher incomes among Dallas’ workforce

**Income distribution of workforce, 2011**

- **Inbound commuters**
  - Less than $15,000: 14%
  - $15,000 to $39,999: 32%
  - $40,000 or more: 53%

- **Live and work in city**
  - Less than $15,000: 16%
  - $15,000 to $39,999: 41%
  - $40,000 or more: 43%

- **Outbound commuters**
  - Less than $15,000: 21%
  - $15,000 to $39,999: 41%
  - $40,000 or more: 38%

Source: U.S. Census Bureau, Center for Economic Studies downloaded via OnTheMap.ces.census.gov
Median Income in Dallas is declining sharply

Sources: Median Household Income (Adjusted to 2013 Dollars) retrieved from Social Explorer of US Decennial Census 1980 (T53), 1990 (T43), 2000 (T93), and ACS 2008-2012 5 year estimates (T57)
Dallas has a declining share of middle income households

Change in Share of Households (2000-2012)

Source: Census 2000 (in 2012 Dollars) and American Community Survey 2012 1 Year Estimates
Poverty in Dallas has reached crisis proportions

% Families below Poverty Line

Concentrated areas with high percentage of housing in poor condition

* Excludes blocks with fewer than 500 people per sq. mile.

**Housing Conditions**
Percent of Housing in Poor Condition
- 15% and over
- 10% - 15%
- 5% - 10%
- 1% - 5%
- 0%

- A few landlords owning multiple properties account for a significant number of single family rental properties in poor condition.
Does Dallas Offer Adequate Housing Choice?

- “Safety and security don’t just happen, they are the result of collective consensus and public investment” – Nelson Mandela
What type of housing do we have today?

Current Housing Stock, City of Dallas

- **Standard and Large Lot SF**: 142,442 (31%)
- **Small Lot SF**: 77,949 (17%)
- **Townhome**: 18,106 (4%)
- **Multifamily**: 217,947 (47%)
- **Mobile Home/Other**: 5,556 (1%)

Source: Census Bureau, ACS 2009-2013 (5-year Estimate)
Renters and Owners

City of Dallas

- Rent: 58%
- Own: 42%

4 County Area

- Rent: 41%
- Own: 59%
Comparing Owner Household Incomes with Occupied Units Affordable at Each Income Level

Few homes are affordable at lower incomes levels, unless they are mortgage-free.

At highest incomes, households are less likely to pay a 30% of income on housing, so mismatch is less than it appears.

Source: Envision Tomorrow Balanced Housing Model; ACS 2009-2013.
Comparing Rental Household Incomes with Occupied Units Affordable at Each Income Level

Mismatch at low end indicates poorest residents are stretching to rent housing that costs more than 30% of their monthly income.

More people than housing units affordable at this level than people earning this much.

Source: Envision Tomorrow Balanced Housing Model; ACS 2009-2013.
81,000 rental households make more than $50,000
54,300 homeowners have incomes less than $35,000.
About 20% of single family homes are rentals.
The majority of households with children are renting.

Households with Children (2013)

- **Dallas**: 57% Renter Occupied, 43% Owner Occupied
- **4 County Region**: 38% Renter Occupied, 62% Owner Occupied
- **Texas**: 37% Renter Occupied, 63% Owner Occupied

57% of households with children are renting

Source: ACS 2009-2013 (5 year estimates) downloaded from Social Explorer; ACS B25012; Counting all Children under 18.
Who Is Dallas Attracting?

Psychographics
Combines demographics, socio-economics, preferences

Top 10 Tapestry Segments

Barrios Urbanos: 58,297
Metro Renters: 52,58
NeWest Residents: 46,757
Top Tier: 30,41
Young and Restless: 25,25
Metro Fusion: 22,453
Urban Chic: 20,912
American Dreamers: 20,531
Modest Income...: 17,551
Family Foundations: 14,041

Source: ESRI Tapestry data

Top Ten Psychographic Segments Represent 67% of the Dallas Population
Dominant Groups in Dallas

- **Young Diverse Families**
  - 21%
  - Barrios Urbanos, NeWest Residents, Las Casas
  - Who are they and what do they like?

- **Urban Loving Millennials**
  - 16%
  - Metro Renter, Young & Restless, Laptop & Lattes
  - Where do they live?

- **Dallas Baby Boomers**
  - 8%
  - Top Tier, Savvy Suburbanites, Exurbanites
  - What are the characteristics of these areas?

- **Hardworking Households**
  - 7%
  - Family Foundations, Traditional Living, Modest Income Households
Young Diverse Families

Barrios Urbanos; NeWest Residents; Las Casas

- 21% of City of Dallas (112,627 households in 2012)

- Families with kids, often multigenerational
- Younger families newer to the city live mostly in apartments
- Tend to prefer single family homes - some as renters
- Own cars but frequently carpool
- Love soccer, favor energy drinks, spend on diapers, furniture, magazines, keeping up personal style
Urban Loving Millennials

- Metro Renters; Young & Restless; Laptops & Lattes
  - 16% of City of Dallas (84,140 households in 2012)

- Singles - active online social networkers, quick to buy newest gadgets
- Renters - typically in large apartment complexes
- Well educated - with medium to well paying jobs
- Environmentally conscious - less likely to own a vehicle
- Shop at Trader Joe’s and Whole Foods
Urban Loving Millennials
City of Dallas, 2012

Source: U.S. Census Bureau, American Community Survey 2012 1-Year Estimates, retrieved via NHGIS.org
Dallas Baby Boomers

- Savvy Suburbanites, Top Tier, and Exurbanites
  - 8% of City of Dallas (44,512 households in 2012)

- Empty nesters who typically own high value single family homes
- Like gardening and DIY home improvements
- Stay active, buy organic food and luxury cars/SUVs
- Listen to WRR, shop on the internet and rack up airline miles
Hard Working Households

- Family Foundations; Traditional Living; Modest Income Households
  - 7% of City of Dallas (36,269 households in 2012)
  - Reside in modest single family homes or rental units
  - Moderate education, lower paying jobs, higher unemployment, often receive social assistance
  - Disproportionately older (45 & above); single parent households
  - Despite lower incomes, still want to keep their family happy and content, value style and spending money on clothes, entertainment, and home furnishings
Key Strategies for Change

• “If you are going to achieve excellence in big things, you develop the habit in little matters. Excellence is not an exception, it is a prevailing attitude.” — Colin Powell
Neighborhood Plus
The future of living in our city

1. COLLECTIVE IMPACT

2. Alleviate Poverty
3. Fight Blight
4. Attract and Maintain the Middle Class
5. Expand Homeownership
6. Enhance Rental Options
Collective Impact – How We Get There

STRATEGIES

• Collective Impact Compact

• Super-Neighborhood Organization Framework

• Targeted Resources for Neighborhood Improvement
Alleviate Poverty – How We Get There

STRATEGIES

• Increase earnings for existing low wage earners
• Target and expand workforce training
• Prioritize Pre-K education opportunities for children in poverty
• Partner with health care and other agencies to improve community health
• Transportation, childcare, and health programs for low income workers
Prioritize Pre-K education opportunities for children in poverty

Support efforts to increase access to Pre-k education, promote parental engagement and provide opportunities for early learners outside the classroom.

“The question is not whether we can afford to invest in every child; it is whether we can afford not to.”
Marian Wright Edelman
Partnerships to improve community health

Parkland health center at Hatcher Station

St. Phillips Food Bank - Texas Food Bank

Fitness Zones - Trust for Public Land

Healthy Corner Store Initiative – Children at Risk; The Food Trust
Fight Blight – How We Get There

STRATEGIES

• Develop a unified blight removal and improvement program

• Create a comprehensive database of blighted properties

• Acquire and dispose of City-owned and land bank properties more strategically and efficiently

• Partner with health care agencies to address endemic health issues (e.g., asthma) through rigorous code enforcement
Create a unified blight removal and improvement program

Create a target area program to bring blighted properties into compliance through coordinated police and nuisance abatement team efforts.
Attract and Retain the Middle Class – How We Get There

STRATEGIES

• Brand Dallas to promote neighborhood assets and programs

• Support and coordinate with DISD, Charters, private and parochial schools to enhance school quality and school choice

• Create home improvement incentive programs for home-owners

• Make neighborhoods more desirable through improved infrastructure, recreation, and other amenities

• Eliminate barriers to neighborhood revitalization

• Develop a neighborhood infrastructure program to support infill and redevelopment
Support and coordinate with DISD and Charters for school quality and school choice programs.

Coordinate locations for new Choice Schools with targeted neighborhood improvement and incentive programs.
Home improvement incentive program

Provide **one-time incentive payments** to qualifying residents who make home improvements to encourage reinvestment in neighborhoods.
Make neighborhoods more desirable through improved recreation and other amenities

Make neighborhood improvement a key economic development priority through targeted investments.
PROGRAMS

• Expand homeownership by increasing infill housing development

• Encourage a wider range of housing types to meet emerging preferences

• Develop private sector partnerships to fill the gap for housing options up to $200K

• Expand mortgage assistance programs to reach a broader range of potential homebuyers

• Increase the number of eligible loan applicants
Encourage a wider range of housing types to meet emerging preferences

Cottage Homes, Courtyard Housing, Smaller Mixed Use, Duplexes
Develop private sector partnerships to fill gap for housing options up to $200K

Pilot/Demonstration Program:
Affordable Street of Dreams program that builds quality, affordable homes in a transitioning neighborhood, using city-owned or land bank properties.
Expand mortgage assistance programs to reach a broader range of potential homebuyers

• Expand affordable housing mortgage assistance options offered by the banks, City, local and State entities.
Enhance Rental Housing Options – How We Get There

STRATEGIES

• Strengthen and expand rental registration and inspection programs for multi-tenant, single family and condominium rental housing
• Improve design standards for multifamily development
• Require affordable housing in projects receiving public funds or other city entitlements

• Create joint TOD program to align planning, funding, and community investments with transit and transportation planning
• Create TOD partnerships with DART, DHA for mixed income development
Improve design standards for multifamily development

Encourage developers to create community amenities
Require affordable housing in projects receiving public funds or other city entitlements

Prioritize mixed income projects by leveraging investment and strengthening policies that require projects receiving public funds to provide at least 20% of affordable units.