5/15/2024

Developer Guidebook

Housing & Neighborhood Revitalization

Contents

Introduction and Summary

Background

The Mixed Income Housing Development Bonus (MIHDB) Program incentivizes mixed income multifamily housing development through various zoning bonuses.

Created in 2019 and amended in 2022, the MIHDB program trades additional development rights (such as height, floor area ratio, density, and reduced parking minimums) in multifamily and mixed-use developments for onsite reserved housing units or a fee in lieu of onsite provision.

For example, property zoned MF-1(A) is limited to 36’ in height, 60% lot coverage, and strict density limits. Multifamily developments in these districts that do not use the bonus must provide a minimum of one parking space per *bedroom*. With the bonus, multifamily developments in MF-1(A) can be built to 85’ in height, with 85% lot coverage, and a reduced parking minimum of one-half of a parking space per *unit*. There is no parking maximum, so developments in this program may provide as much parking as needed for the project.

These bonuses are in exchange for a certain percentage of the units being reserved for households under a certain income threshold **or** payment of a fee in lieu of (instead of) onsite provision. Details of the affordability requirements and the fee calculation are available below.

The program provides for certain program participation fees, including $1,390 for the initial application as well as an additional one-time fee of $485 for the first year and $11,082 for onsite affordability monitoring (if applicable) during the 20-year affordability period.

The Dallas Development Code Chapter 51A-4.1100 Mixed Income Housing, the Dallas City Code Chapter 20A-II, the City of Dallas Comprehensive Housing Policy and the individual zoning districts regulate the program.

Eligible Properties

Properties zoned MF-1(A), MF-2(A), MF-3(A), MU-1, MU-2, and MU-3, and properties zoned planned development district (PD) with bonuses that refer to compliance with Chapter 51A-4.1100 of the Dallas Development Code are eligible for the bonus by right, without additional City Council action. Each of the zoning districts provides bonuses and affordability requirements that are unique to the district. Owners of property with other zoning may apply - through the standard City of Dallas zoning process - to change the zoning to one of these eligible categories. Under the new zoning, the property would then qualify for the bonus.

Requirements and Application Process

During the application process, property owners must decide 1) whether they want to use the bonus and 2) whether they want to provide the reserved units onsite or pay the fee in lieu of onsite provision.

Program participants must declare their intent to use the bonus by applying through the Department of Housing & Neighborhood Revitalization website, here: https://dallascityhall.com/departments/housing-neighborhood-revitalization/Pages/Mixed-Income-Housing-Development.aspx.

Participants must also apply for a building permit through the normal permit application process.

Affordability Standards

Affordability standards vary based on the Market Value Analysis (MVA) Category of the project. The MVA Categories indicate relative residential market strength, with MVA A being the strongest market types and MVA I being the weakest. In general, the stronger the market, the lower the required income band for reserved units.

Developments participating in the onsite program generally must reserve between 5% and 15% of their units for households under 100% of the Area Median Income (AMI) for the Dallas area. Rent limits are set at 30% of monthly household income at the required AMI based on the set household size and include utility costs. Developments also must not discriminate against holders of housing vouchers. The specific percentage to be reserved and the specific household income required vary by Market Value Analysis (MVA) category and the requirements of the zoning district.

Fee in Lieu Calculations

Developments choosing to pay the fee in lieu must pay a set amount and, in exchange, may access the bonuses available in their zoning district.

The fee is determined by the residential floor area (as defined in Sec. 51A-2.102(38) of the Dallas Development Code) times a dollar amount determined by the MVA category and the number of stories in the development. The chart below shows the applicable per square foot fee. Beginning January 2025, the fees will increase yearly by a percentage equal to the percentage change in the consumer price index for housing in Dallas-Fort Worth-Arlington.

For example, a high rise in an MVA Category C with 300,000 square feet of residential floor area would pay 300,000 * $9.31 = $2,793,000 in lieu of providing the onsite units.

Number of Stories	MVA Categories A-F	MVA Categories G-I
< 6 stories	$3.58	$2.51
6-8 stories	$5.73	$4.01
9-12 stories	$7.15	$5.01
>12 stories	$9.31	$6.52

The in-lieu fees are deposited into a dedicated MIHDB fund To attend future discussions about how to use this local funding to support housing in Dallas, sign up for the Housing Policy Task Force emails and meetings, here.

Contact Information

Contact the Department of Housing & Neighborhood Revitalization at 214-670-3644.

For permitting, building inspections, and other construction questions, contact Building Inspection at biadmin@dallascityhall.com.

Disclaimer

Activities in this program must comply with the Dallas City Code. If this document conflicts with any adopted regulation, ordinance, or code, the adopted regulation, ordinance, or code will govern.

Bonuses and Zoning Types

Introduction

The Mixed Income Housing Development Bonus (MIHDB) provides zoning bonuses to developments providing on-site reserved housing or a fee in lieu. Available bonuses are dependent upon the zoning type, the zoning district, and the Market Value Analysis (MVA) category of the development's location. The specific bonuses available help incentivize the type of developments that fit with Dallas's vision of housing equity and opportunity.

Primarily, the zoning bonuses and requirements provided aim to increase affordable housing in areas of opportunity and to revitalize neighborhoods with a history of disinvestment while providing additional housing throughout Dallas.

Zoning Types (Type 1, 2, and 3)

There are three Zoning Types that serve as the priority for what bonuses are available to a development.

Type One developments include those located in MF(A) – Multifamily and MU – Mixed Use districts (including those with public deed restrictions) and in PDs that default to the MF(A) and MU districts as base zoning and do not alter the yard, lot, space, or parking regulations. Type One developments are eligible to receive the current regulatory bonuses in those districts. On March 3, 2022, City Plan Commission recommended an additional reduction in minimum parking requirements for participating developments in these districts. Developments participating in the mixed income bonus program are required to provide a minimum of one-half parking space per multifamily unit (down from a minimum of 1 per bedroom in Sec. 51A-4.209).

Type Two developments include those in planned development districts that specify mixed-income development bonuses or that reference compliance with Div. 51A-4.1100. In these PDs, both the base and the bonus are specified in the PD conditions and are unique to that PD.

Type Three developments are generally new PDs that expressly reference compliance with Section 51A-4.1106(f), a new set menu of bonuses for density, floor area ratio, height, stories, and parking. The reductions in minimum parking requirements in Type Three developments mirror those in Type One developments with an additional range of reductions in minimum parking requirements for certain non-residential uses.

Bonuses and Requirements in General

MIHDB provides a wide menu of development incentives and allows flexibility to identify the incentives that best fit a specific development proposal and location. MIHDB now provides a by-right menu of bonuses in multifamily and mixed-use zoning districts (Type One), a set of specific bonuses in existing PDs (Type Two), and a new menu of bonuses in Type Three developments.

Options for provision provide additional flexibility. Under MIHDB, developers can provide units on-site (preferred) or pay a fee in lieu of on-site provision. Developers providing units on-site may also be eligible for financial incentives from Housing.

Developments using the bonus must follow the design standards as written in the applicable zoning, including the standards written in Section 51A-4.1107, unless specifically exempted.

Unless otherwise stated in the applicable zoning district, the minimum parking requirement for developments using the bonus is one-half space per multifamily unit.

Some incentives may have additional qualifications or limitations not described in this document. The zoning district, Chapter 51A-4.1100 of the Dallas Development Code, and Chapter 20A-II of the Dallas City Code regulate these bonuses.

Type One Developments

Type One Developments may receive specific designated bonuses based on the specific zoning district, the MVA category, the income band for reserved (affordable) units, and the percentage of units that have been reserved.

MVA Categories can be identified here, and details of bonuses and reserved unit requirements are provided below.

In addition to the increased development rights listed below, Type One developments participating in the mixed income bonus program are only required to provide a minimum of one-half parking space per multifamily *unit* (down from a minimum of 1 per *bedroom* in Sec. 51A-4.209).

Multifamily Developments

Zoning Category	MVA Category	Reserved Unit Minimum	Max Height	Max Lot Coverage	Max Unit Density Per Acre
MF-1(A) MF-2(A)	**A, B, C**	5% at 51%-60% AMI	51 ft	80%	N/A
		5% at 51%-60% AMI; and 5% at 61%-80% AMI	66ft	80%	N/A
		5% at 51%-60% AMI; and 5% at 61%-80% AMI; and 5% at 81%-100% AMI	85 ft	85%	N/A
	D, E, F	5% at 61%-80% AMI	51 ft	80%	N/A
		10% at 61%-80% AMI	66 ft	80%	N/A
		10% at 61%-80% AMI; and 5% at 81%-100% AMI	85 ft	85%	N/A
	G, H, I	5% at 81%-100% AMI	85 ft	85%	N/A
MF-3(A)	**A, B, C**	5% at 51%-60% AMI	90 ft	80%	100
		5% at 51%-60% AMI; and 5% at 61%-80% AMI	105 ft	80%	120
		5% at 51%-60% AMI; and 5% at 61%-80% AMI; and 5% at 81%-100% AMI	120 ft	85%	150
	D, E, F	5% at 61%-80% AMI	90 ft	80%	100
		10% at 61%-80% AMI	105 ft	80%	120
		10% at 61%-80% AMI; and 5% at 81%-100% AMI	120 ft	85%	150
	G, H, I	5% at 81%-100% AMI	120 ft	85%	150

Mixed Use Developments

Zoning Category	MVA Category	Reserved Unit Minimum	Additional Maximum Density*	
MU-1	A, B, C	5% at 51%-60% AMI	65 per acre	
		5% at 51%-60% AMI; and 5% at 61%-80% AMI	80 per acre	
		5% at 51%-60% AMI; and 5% at 61%-80% AMI; and 5% at 81%-100% AMI	105 per acre	
	D, E, F	5% at 61%-80% AMI	65 per acre	
		10% at 61%-80% AMI	80 per acre	
		10% at 61%-80% AMI; and 5% at 81%-100% AMI	105 per acre	
	G, H, I	5% at 81%-100% AMI	105 per acre	
MU-2	A, B, C	5% at 51%-60% AMI	40 per acre	
		5% at 51%-60% AMI; and 5% at 61%-80% AMI	60 per acre	
		5% at 51%-60% AMI; and 5% at 61%-80% AMI; and 5% at 81%-100% AMI	80 per acre	
	D, E, F	5% at 61%-80% AMI	35 per acre	
		10% at 61%-80% AMI	55 per acre	
		10% at 61%-80% AMI; and 5% at 81%-100% AMI	75 per acre	
	G, H, I	5% at 81%-100% AMI	75 per acre	
		Reserved Unit Minimum	**Addition Floor Area Ratio****	**Max Lot Coverage**
MU-3	A, B, C	5% at 51%-60% AMI	1.0	80%
		5% at 51%-60% AMI; and 5% at 61%-80% AMI	2.0	85%
		5% at 51%-60% AMI; and 5% at 61%-80% AMI; and 5% at 81%-100% AMI	3.0	85%
	D, E, F	5% at 61%-80% AMI	1.0	80%
		10% at 61%-80% AMI	2.0	85%
		10% at 61%-80% AMI; and 5% at 81%-100% AMI	3.0	85%
	G, H, I	5% at 81%-100% AMI	3.0	85%

*Density is represented as units in addition to those already allowed in the available zoning category.
**FAR is represented in addition to the FAR already allowed in the available zoning category.

Example – MF-1(A) Zoning

A developer is seeking to develop a new multifamily housing development on a lot zoned MF-1(A). Except for the zoning constraints, their designs fit on the lot and work well in their neighborhood, which the Market Value Analysis (MVA) has categorized as an E. The planned design falls between 70 and 80 feet in height and will use between 80% and 85% of the lot, which will also reduce the available space for parking. This design does not fit with standard MF-1(A) zoning, even if it will be a benefit and is supported by the community.

Instead of fully rezoning the property, the developer can use MIHDB to meet their needs. The following **applicable language** has been lifted from the language of Chapter 51A-4.1100 to show how the development may be built by reserving 15% of their units as affordable housing or paying a fee in lieu (described in more detail later).

From Ch 51A-4.116(a)(4)(I):

(i) Height and lot coverage. Except as provided in this paragraph, the following increased height and lot coverage requirements apply: (see chart)

MVA Categories	Reserved Dwelling Unit	**Height**	**Max lot coverage**
MVA Categories D, E, F	5% at Income band 2;	51 ft.	80%
	10% at Income band 2	66 ft.	80%
	10% at Income band 2; and 5% at Income band 1	**85 ft.**	**85%**

(ii) Residential proximity slope. In addition to the items listed in Section 51A-4.408 (a)(2)(A), the following additional items may project through the residential proximity slope to a height not to exceed the maximum structure height, or four feet above the slope, whichever is less:

(aa) railings;

(bb) parapet walls;

(cc) trellises; and

(dd) structures such as wind barriers, wing walls, and patio dividing walls.

(iii) No minimum lot area per dwelling unit. No minimum lot area per dwelling unit is required for qualifying developments.

(iv) Developments with transit proximity. For a development with transit proximity as defined in Section 51A-4.1102, maximum lot coverage is 85 percent.

(v) Urban form setback. An additional 10-foot front yard setback is required for that portion of a structure above 45 feet in height.

(vi) Retirement housing. The density limits in Section 51A-4.209(b)(5.2)(E)(ii) do not apply.

From 51A-4.1107 (amended)

(c) Off-street parking and loading.

(1) In general. Except as provided in this section, consult the use regulations in Division 51A-4.200 for the specific off-street parking and loading requirements for each use.

(2) Multifamily parking. Except as provided in this paragraph, the lesser of one-half space per dwelling unit or the minimum number of parking spaces required in Division 51A-4.200, as amended, is required.

(A) At least 15 percent of the required parking must be available for guest parking.

Type Two Developments

Type Two developments are not selected from a menu of options and have instead been negotiated as part of the Planned Development District (PD) during the rezoning process. Applying for and receiving new zoning can add significant time to the development timeline, as applicants will have to submit an application, meet with the zoning staff, receive community feedback, and receive approval from the City Plan Commission and City Council.

The benefit of Type Two, though, is that the zoning can be customized for the type of development and the needs of the surrounding land. Incentives and requirements are negotiated as part of the zoning process, described in more detail later in this document.

There is no standard menu of options, as the requirements are written explicitly into the PD.

Type Three Developments

Type Three Developments may receive specific designated bonuses based on the MVA category and three specific tiers of affordability. Like Type Two developments, the base is negotiated. Unlike Type Two developments, the bonus comes from a menu of options. The developer chooses which Tier to use during the MIHDB application process.

For all MVA categories, those requirements are as follows:

- *Tier 1* shows incentives that are available for reserving 3% of the building's total units for incomes that are less than or equal to 50% AMI;
- *Tier 2* shows incentives that are available for reserving 5% of the building's total units for incomes that are between 51% and 80% AMI;
- *Tier 3* shows incentives that are available for reserving 10% of the building's total units for incomes that are between 81% and 100% AMI.

MVA Categories can be identified here, and details of bonuses and reserved unit requirements are provided below.

MVA Category	Bonus Type Based on Reserved Unit Minimum	Tier 1	Tier 2	Tier 3
A, B, C D, E, F	Dwelling Unit Bonus	+50% or +80 units	+30% or +60 units	+20% or +40 units
	Floor Area Ratio Bonus	+25% or +1.5 FAR	+15% or +1.0 FAR	+10% or +0.5 FAR
	Height Bonus	+25% or +50 ft	+15% or +30 ft	+10% or +15 ft
	Stories Bonus	+25% or +4 stories	+15% or +3 stories	+10% or +2 stories
	Parking Reduction	100%	50%	20%
G, H, I	Dwelling Unit Bonus	+60% or +80 units	+40% or +60 units	+30% or +40 units
	Floor Area Ratio Bonus	+45% or +2.5 FAR	+35% or +2.0 FAR	+20% or +1.0 FAR
	Height Bonus	+45% or +50 ft	+35% or +30 ft	+20% or +15 ft
	Stories Bonus	+45% or +4 stories	+35% or +3 stories	+20% or +2 stories
	Parking Reduction	100%	70%	40%

Note: Bonuses are shown in a percentage or numeric increase from what is allowed in the base zoning, whichever is greater. The parking reduction only applies to certain non-residential uses. Multifamily minimum parking is 0.5 spaces per unit.

The incentives in this category provide revenue enhancements to the developer through additional development area (floor area ratio), units, and height (collectively) as well as a reduction in parking spaces required for a given project.

The various bonuses provide additional development rights. The density, floor area ratio (FAR), height, and stories bonus are designed to work together.

All bonuses in Type 3 are presented as a "Base Plus Bonus." In other words, every standard zoning or PD has an allowable base zoning that any development at the site can follow. A development meeting the requirements set forth by MIHDB, either by right or by negotiation within a PD, are allowed a bonus in addition to the base. When presented in this format, the two are added together.

Most bonuses in Type 3 are also presented as a percentage or numerical growth, whichever is greater.

Density

The unit density bonus provides additional dwelling units that are calculated based on the Tier (1-3) that the developer has selected and whether the development is in Market Value Analysis categories G, H, or I according to the MIHDB MVA map. Lower AMIs generate more bonus units than higher AMI levels.

For example, a multifamily development with a base of 100 units could earn an additional 20-60% bonus units by reserving three to ten percent of the total units as reserved units at the applicable AMI.

Dwelling unit bonus			
Location	**Tier 1 (<=50% AMI) 3%**	**Tier 2 (51-80% AMI) 5%**	**Tier 3 (81-100% AMI) 10%**
MVA Categories A-F	50% or 80 units	30% or 60 units	20% or 40 units
MVA Categories G-I	60% or 80 units	40% or 60 units	30% or 40 units

Floor Area Ratio (FAR)

Likewise, the bonus floor area ratio (FAR) is added to the base by-right FAR-allowable square footage, after accounting for other FAR bonuses, such as for mixed uses. A development that typically would be allowed a base FAR of 4.0 could instead allow an FAR of between 4.5 and 6.5.

FAR bonus			
Location	Tier 1 (<=50% AMI) 3%	Tier 2 (51-80% AMI) 5%	Tier 3 (81-100% AMI) 10%
MVA Categories A-F	+1.5	+1.0	+0.5
MVA Categories G-I	+2.5	+2.0	+1.0

Height

The bonus height is added to the base height of the building allowed by-right before any bonus calculations and is not required to be used on additional housing units. A development can receive between a 10% and 45% increase in height depending on its location and the selected affordability level. Any height bonus leading to an additional story is rounded to the next higher story.

Height bonus			
Location	Tier 1 (<=50% AMI) 3%	Tier 2 (51-80% AMI) 5%	Tier 3 (81-100% AMI) 10%
MVA Categories A-F	25%	15%	10%
MVA Categories G-I	45%	35%	20%

Stories

The bonus height is added to the base stories allowed by by-right before any bonus. A development choosing to use the stories bonus can increase the number of stories by 10% to 45%. Any story bonus leading to a fraction of an additional story is rounded to the next higher story.

Stories bonus			
Location	Tier 1 (<=50% AMI) 3%	Tier 2 (51-80% AMI) 5%	Tier 3 (81-100% AMI) 10%
MVA Categories A-F	25%	15%	10%
MVA Categories G-I	45%	35%	20%

Parking Reduction

Type Three developments participating in the MIHDB program are required to provide a minimum of one-half parking space per multifamily dwelling unit (rather than one space per bedroom) and one-quarter space per retirement housing unit. Multifamily developments that qualify for transit proximity reductions are required to provide a minimum of one-half space per multifamily unit.

In addition, Type Three developments may receive a reduction in minimum parking for all non-residential uses except bars, restaurants, and commercial amusement (inside and outside) according to the chart below.

Parking space reduction			
Location	Tier 1 (<=50% AMI)	Tier 2 (51-80% AMI)	Tier 3 (81-100% AMI)
MVA Categories A-F	100%	50%	20%
MVA Categories G-I	100%	70%	40%

Example – Type 3 Planned Development District Zoning

A developer is seeking to develop a new multifamily housing development, but because of rapidly changing market conditions, the developer is unsure exactly how much height or density will be needed. The Type Three zoning specifies a certain negotiated set of base conditions (height, density, etc.) and then allows for a set menu of bonus options that can be accessed during the MIHDB application and building permitting process.

For example, for a site in an MVA Category C, a developer may only be able to negotiate a base of four stories and a maximum density of 50 units an acre during the zoning change process, knowing that they will need more development rights to make the project work financially. They can request that their zoning refer to this new Type Three menu of bonuses. This allows the developer to decide later which Tier of bonuses they want to access, such as Tier 1, which allows for an additional 80 units per acre and 4 stories in exchange for providing 3% of the units to households under 50% of Area Median Income.

As a result, the developer has a viable project; the City gets much-needed housing; and an additional number of apartments are available to households under 50% of AMI.

Zoning Change Process

A zoning change is the method by which a developer can request the city change the zoning requirements of their property to allow for an intended development. There are two zoning change options that a developer may choose to pursue when intending to participate in MIHDB.

- A developer may opt to rezone to Type 1 zoning and use the MIHDB available by right. For example, a developer may rezone an Industrial lot to MF-2(A) zoning and use MIHDB. Similarly, a developer wanting to do a mixed-use project could request to rezone from MF-1(A) to a MU-2 and use the by right bonus.
- A developer may opt to rezone to a Planned Development district and pursue either the Type 2 or Type 3 bonuses.

Zoning changes are not handled by Housing.

The developer should submit a zoning change request to Planning and Urban Design. The process will involve working with the Zoning staff to finalize the request and ensure that it is in accordance with standard and best practices. There will be a solicitation for community feedback on the zoning change, and the change must be approved by both the City Plan Commission and the Dallas City Council, regardless of Zoning Type.

For additional information, please see the below resources:

Zoning Changes
Zoning Amendments
Zoning Change Information Packet
Additional resources

Reserved (Affordable) Unit Requirements

Introduction

The population of the Dallas-Fort Worth area is outpacing housing construction, creating a housing shortage that is driving rents higher throughout the Metroplex. This problem disproportionately affects households at lower income levels who must choose between rent and other necessities or who must continue to move further from the city center.

The MIHDB program serves households whose incomes can no longer cover market-rate housing costs in Dallas, providing housing to people such as teachers and firefighters, mechanics and warehouse employees, baristas, waiters, librarians, hairstylists, and many others. An equitable Dallas provides housing for all income levels in all communities throughout Dallas.

MIHDB primarily provides zoning incentives rather than direct funding to offset the costs of providing units at lower rents. The program typically requires small numbers of reserved (affordable) units, ensuring that this program can be used throughout Dallas and ensuring that the development can still be feasible in higher-cost areas, providing affordable housing in areas of opportunity. The mixed-income component also ensures that the developments do not concentrate poverty in lower-income areas.

Specific requirements for each Type of development are listed in the detailed tables in the Bonuses and Zoning Types section above.

Additional Requirements

While the unit mix varies based on the development's location, zoning type, and selections from the developer, all MIHDB developments providing reserved units must follow certain requirements.

- The bonus and required reserved units are secured with a 20-year restrictive covenant recorded on the deed.
- Reserved units must be distributed throughout the unit types and throughout the development, constructed to the same standards as market rate units, and have a comparable finish-out to market rate units.
- Housing will publish an annual rent and income limit schedule that generally follows the rent and income schedules for the 9% Tax Credit program. The rent limits include a utility allowance which must be subtracted from the monthly rent due to the landlord.
- Development owners must submit quarterly status reports throughout the life of the affordability period.
- Developments must not discriminate against holders of housing vouchers and must register with one or more local providers of housing vouchers.

Section 51A-4.1106(b)(2) allows for a certain percentage of the units to be designated as "specialty units." These are generally penthouse units, club suites, or other types of units that are markedly different from the rest of the unit mix. Units may not be designated as specialty units solely due to the number of bedrooms in the unit.

Fee in Lieu of Reserved (Affordable) Units

Introduction

On May 11, 2022, City Council approved an option for developers to pay a fee in lieu of providing onsite units. Rather than basing the fee on the number of reserved units that would have been required, or on a calculation of the bonus, the fee is calculated based on the size and location of the final building.

The fee is based on the Market Value Analysis category (A-I), the number of stories in the development, and the final floor area (as defined Section 51A-2.102(38) of the Dallas Development Code). This provides for a transparent and reliable calculation of the fee. Large, high-rise developments in stronger MVA categories pay a larger fee, and smaller developments in weaker MVA categories pay a smaller fee.

The fee is then deposited in a dedicated MIHDB fund to be used to support housing opportunities throughout Dallas. Specific use of the fund is scheduled to be researched and determined in early 2023.

Process

Developments paying the fee in lieu follow this general process:

- Developer submits a Mixed Income Housing Development Bonus (MIHDB) application to Housing to use the bonus.
- On the application, developer chooses onsite or fee in lieu. If it is necessary to change this election, the developer must submit a new application and pay a new application fee. Please note: No changes are accepted after the invoice packet for the *in-lieu* fee has been sent.
- Once the application is reviewed and accepted, the developer pays the initial program participation fee (also known as the application fee), currently $1,390.
- Housing sends the executed MIHDB application to Building Inspection, which allows the development to begin the permit process (pre-development meeting, Q Team, etc.)
- The development begins the permit review process:
    - HOU requests monthly updates on permit review status
    - Plans are refined.
    - Minor changes to floor area, unit count, and unit mix during permit review do not affect the MIHDB application.
    - Please note: Changes to the plans that require a different level of bonus and/or a different level of affordability require an amended MIHDB application. Please contact Housing to amend the application
- Once plans are final:
    - Developer's architect attests to the calculation of the floor area and provides the plan sheet in the permit set demonstrating calculation of floor area(s).
    - Housing and Development Services calculate the final fee in lieu amount based on **final** permit drawings.
- Once fee is calculated, Housing prepares invoice packet to provide the applicant with:
    - Invoice
    - Copy of signed architect attestation
    - Electronic version in .pdf format of permit plan sheet showing number of buildings, stories, and floor area square footage.
    - Housing and Building Inspection confirmation of MVA category and number of buildings, number of stories, and floor area
    - MIHDB application (for reference)
    - Wire instructions
- Developer wires fee to City. Upon completion of wire transfer, developer provides Housing with bank confirmation numbers for verification.
- Housing transfers funds to MIHDB fund and prepares an acknowledgement letter
- The acknowledgement letter is recorded against deed. It memorializes development's participation in bonus program and serves in place of an onsite restrictive covenant. The letter includes the wire receipt; confirmation of MVA category, floor area, stories, and per square foot fee, and the metes and bounds legal description. City or developer records acknowledgement letter packet and provides a copy to Building Inspection to allow permit issue. Sensitive information from wire transfer is redacted prior to filing.
- The developer then completes the permitting process and constructs the project. No restrictive covenant is required or future activity such as monitoring is required, but the development must continue to remain in compliance with design standards related to the zoning bonus.

Fee Calculation

The fee is the floor area square footage (as floor area is defined in Sec. 51A-2.102(38)) times the applicable per square foot amount.

2024* Fees in Lieu of On-Site Provision of Units		
Number of Stories	**MVA Categories A-F**	**MVA Categories G-I**
< 6 stories	$3.58	$2.51
6-8 stories	$5.73	$4.01
9-12 stories	$7.15	$5.01
>12 stories	$9.31	$6.52

*Consumer Price Index adjustment. Beginning January 2025, the fees will increase yearly by a percentage equal to the percentage change in the consumer price index for housing in Dallas-Fort Worth-Arlington.

Design Standards

Developments seeking bonuses in the Type One zoning districts (multifamily (MF) and mixed use (MU)) must follow a set of design standards. Additional design standards can reduce auto dependency, reduce the need for parking, encourage alternative modes of transit, and improve transit accessibility, particularly for transit-dependent residents. The specific design standards are designed to reach these goals:

- Minimal surface parking, mostly in the side or rear of lot
- Ground-floor entrances open directly to sidewalk or open space
- Wide sidewalks and pedestrian lighting
- Parking structures wrapped by other uses or similar in materials to main building
- Only short fences with pedestrian gates allowed between the front of the building and the street.
- Open space - a minimum of 10 percent of the property must be open space. This open space is intended to provide active and passive recreation (such as playgrounds), to provide landscaping area, or to enable groundwater recharge, for example.

The details of the design standards are in Sec. 51A-4.1107 of the Dallas Development Code or in the design standards of the applicable planned development district. While Type Two and Type Three zoning districts (PDs) are not generally required to follow the design standards in Sec. 51A-4.1107, the specific design standards in the PD should achieve the same general goals – pedestrian-oriented development that reduces car dependency by design and encourages resident interaction by facing doors and windows to the street, minimizing fencing, and providing open space.

Additional Information

Standard Affordable Housing (SAH) Districts

The SAH districts were created in response to the Walker Consent Decree. They require compliance with Sec. 51A-4.900, which has an earlier iteration of bonuses, compliance, and monitoring regulations, none of which really work in the current development environment. In 2019 (and amended in 2022), City Council approved a new set of bonuses as part of the Mixed Income Housing Development Bonus program. All new bonus proposals use this new MIHDB program.

If a developer proposes a development on property currently zoned one of the SAH districts, it is best to talk with someone on the team in current planning about doing a general zoning change to a MF-(A) or MU district and then take advantage of the bonuses available to in those districts and in Sec. 51A-4.1100 as amended in May 2022.

The new minimum requirement for parking under MIHDB is 0.5 spaces per unit, down from 1.25 spaces per unit previously.