

Memorandum



DATE August 30, 2019

CITY OF DALLAS

TO Honorable Mayor and Members of the City Council

SUBJECT **More Responses to Questions on Proposed FY 2019-20 Budget**

Thank you for your questions regarding the City Manager's proposed FY 2019-20 and FY 2020-21 budget. Below is the fifth set of responses to questions thus far. Additional responses will be provided on a rolling basis.

Public Safety

1. How many police officers have been with the City for at least 20 years?

Currently, 732 sworn personnel have been with the City for 20 years or more. Another group of about 15 will join them next month.

Mobility Solutions, Infrastructure, & Sustainability

2. Please provide information about street and alley conditions by Council district.

Under the proposed FY 2019-20 budget, the overall Pavement Condition Index (PCI) rating for the streets network will decline by 0.5 points from 65.1 to 64.6. Public Works will work with a consultant next fiscal year to model alleys similar to streets to determine how funding levels affect the overall condition of the alley network. Please refer to the attachment for a breakdown of street and alley conditions by grade in each Council district.

Letter	PCI Range
A	100-85
B	70-84.9
C	55-69.9
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3. Regarding capital funding for City facilities, what plans are in place for the \$12.4 million in land acquisition funding remaining as of June 30?

This funding is for the Cadillac Heights community, identified as an area prone to flooding and lead contamination issues. Approximately 74 properties remain to be acquired. The funding for these acquisitions is from prior bond programs, as well as the 2017 Bond Program. Bond projects are selected from a Needs Inventory prepared by relevant City departments. The selected projects are then presented to City Council for approval to be included as part of a bond program, which must ultimately be approved by Dallas voters.

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4. What is the \$4.7 million in police facilities for?

Ten police facilities projects were approved as part of Proposition G of the 2017 Bond Program (Public Safety Facilities). Of the \$4.7 million in the proposed FY 2019-20 budget, \$3.2 million is related to these 10 projects, which are currently under construction or design. These projects include security improvements at Jack Evans Headquarters and the seven substations, as well as preliminary work on the parking lot expansion at the Southwest Patrol Station. The remaining \$1.5 million was allocated to various projects funded from previous bond programs, including \$1.33 million for Phase I of the Police Academy design project and \$50,000 for installing lights in the expanded South Central Patrol Station parking lot, anticipated to be completed in November.

5. Regarding the Dynamic Message Signs at Fair Park, please provide an inventory of existing signs, including the date of purchase, installation, and failure and any maintenance to date.

In the late 1990s, the City elected to install Dynamic Message Signs (DMS) around Fair Park to help guide attendees to the correct gates for various events at the park.

Between 2000 and 2002, staff installed (1) 15 large signs over the roadway before certain gates to inform drivers which gate to use and (2) six small signs at intersections at the gates to identify the types of vehicles that could use each gate.

These signs typically have a 10-year life cycle, but around 2008, the manufacturer stopped supporting the sign hardware, including display panels, and software and replacement pieces became more difficult to acquire. From 2011 to 2013, multiple signs began to fail around Fair Park. Unable to fund replacements, staff began switching them with other functional signs from around the city. Parts from the signs that were removed were then used as replacement pieces. Staff was able to replace three small DMS at a cost of \$24,700, which were installed before the 2013 State Fair.

In 2019, only five of the 15 large signs are still operating, and as signs fail, parts from those signs have been used as replacements to keep others active. However, we currently have no additional replacement parts; once these signs fail, they will no longer be repairable.

6. Do the cameras on the proposed new DMS have secure streaming capability? Are they compliant with federal Criminal Justice Information Services policies?

The proposed cameras would be similar to cameras used by the Dallas Police Department, but these cameras would be used for incident management and traffic monitoring. The cameras would also be secure and compliant with TxDOT and City of Dallas protocol.

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Economic & Neighborhood Vitality

7. Did the Department of Housing and Urban Development (HUD) require the City to return funds based on the number of units we produced?

HUD's requirement for returning funds in 2018 was the result of the lack of timely expenditure, not production counts. The City has two years to commit and four years to expend HOME Investment Partnerships Program (HOME) funds. When timelines are missed, the City must return unexpended funds.

8. How much has the City had to repay HUD each year for the past five years?

The table provides the total amount of voluntary and required repayments to HUD since FY 2014-15, including HOME, Housing Opportunities for Persons with AIDS (HOPWA), Continuum of Care, Neighborhood Stabilization Program, and Community Development Block Grant (CDBG) funds.

FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
\$0	\$586,109.14	\$77,944.61	\$111,422.21	\$424,634.52

9. Why was the housing production forecast so much lower than the previous year's number?

The target of 6,667 was based on the need for affordable housing as shown in the Market Value Analysis (MVA). The forecasted production of 318 is based on the actual amount of funding available to produce housing from contracts executed prior to 2016. Between 2016 and 2018, the City did not enter any new contracts for housing development. Housing and Neighborhood Revitalization (HOU) was focused on producing the Comprehensive Housing Policy (CHP) and reorganizing staff to better align with the goals in the CHP.

10. Why is production for the Home Improvement and Preservation Program so low?

HOU has experienced a number of changes in the past three years that have resulted in delays in the program, including development of the CHP, reorganization of staff to align with the goals in the CHP, revisions to the contractor application, and revisions to the program to better serve the needs of the communities.

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11. What happened to the \$14 million for the Housing Trust Fund intended to deliver 6,667 housing units?

The Housing Policy Task Force (HPTF) is charged with developing the framework for uses of the fund. The HPTF will make recommendations in early FY 2019-20, which City Council will then be able to evaluate and approve.

12. How much funding does the Office of Economic Development (ECO) have for incentive and 380 programs? Where does it come from?

ECO manages various economic development incentive programs, including tax abatements on real property and business personal property, New Markets Tax Credits (NMTC), the Property Assessed Clean Energy (PACE) program, the Public/Private Partnership Fund (PPPF), and tax increment financing (TIF).

The funding source and structure for each program varies. We do not set aside funding for tax abatements—these simply result in foregone revenue. ECO administers NMTC allocations from the U.S. Department of the Treasury through the Dallas Development Fund (DDF). To date, DDF has received \$185 million in four allocations since 2009, and ECO is seeking projects for the most recent \$55 million allocation.

The PACE financing program allows commercial, industrial, and multifamily property owners to obtain private sector loans for energy-efficient improvements, which are secured by a senior lien placed on the property by the City (similar to property tax liens). The Texas PACE Authority administers this program at no cost to the City.

The proposed FY 2019-20 allocation for the PPPF is \$8.3 million. Funds are transferred to the PPPF as payment in lieu of taxes (PILOT), as authorized by the City Charter and annual appropriations approved by City Council. Some of those funds will be encumbered or used for existing and future commitments already authorized by City Council. The proposed budget also includes \$85 million for reinvestments in the City's 19 TIF districts.

13. Why is the Planning and Urban Design (PUD) forecast for FTEs under budget, and why does the proposed FY 2019-20 budget restore them?

The proposed FY 2019-20 budget actually reduces the number of FTEs in PUD from 29.20 to 28.40. The forecast for FY 2018-19 is low because PUD had unusually high staff turnover during the course of the current fiscal year in a number of positions, including the Chief of Economic Development and Neighborhood Vitality, the Chief's Executive Assistant, three Senior Planners, a Grants Administrator, and a Public Information Representative.

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Some of these vacancies were used as an opportunity to reorganize positions and create service area managers, mirroring similar reorganizations in HOU and ECO to facilitate proactive coordination on projects between the three departments. This involved budget-neutral position reclassifications with a net reduction of one FTE as reflected in the City Manager's budget proposal. Only two full-time positions are currently vacant, and PUD is on track to fill them by the start of the next fiscal year.

Government Performance & Financial Management

14. Can we put lane detection sensors in squad cars to reduce accidents? How much would it cost?

Yes, the City could begin purchasing squad cars with lane detection at a cost of \$350 per vehicle. Staff would need to conduct additional research to determine the impact on driving safety and any resulting cost reduction.

15. How close are similar cities to the rollback rate?

The table below shows a comparison of the Dallas' rollback rate to other Texas cities.

City	FY 2018-19 Adopted Rate	FY 2019-20 Proposed Rate	\$ Change	Effective Rate	Rollback Rate
Dallas	\$0.7767	\$0.7800	\$0.0033	\$0.7472	\$0.7962
Arlington	\$0.6348	\$0.6240	(\$0.0108)	\$0.5805	\$0.6298
Austin	\$0.4403	\$0.4386	(\$0.0017)	\$0.4092	\$0.4386
Carrollton	\$0.5950	\$0.5950	\$0.0000	\$0.5630	\$0.5950
El Paso	\$0.8433	\$0.9073	\$0.0640	\$0.8551	\$0.9073
Fort Worth	\$0.7850	\$0.7475	(\$0.0375)	\$0.7826	\$0.8288
Frisco	\$0.4466	\$0.4466	\$0.0000	\$0.4347	\$0.4635
Garland	\$0.7046	\$0.7696	\$0.0650	\$0.6682	\$0.7791
Grand Prairie	\$0.6700	\$0.6700	\$0.0000	\$0.6115	\$0.6700
Houston	\$0.5883	\$0.5679	(\$0.0204)	\$0.5880	\$0.6163
Mesquite	\$0.7340	\$0.7340	\$0.0000	\$0.6948	\$0.7348
Plano	\$0.4603	\$0.4482	(\$0.0121)	\$0.4482	\$0.4770
Richardson	\$0.6252	\$0.6252	\$0.0000	\$0.5899	\$0.6252
San Antonio	\$0.5583	\$0.5583	\$0.0000	\$0.5450	\$0.5771

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Please contact me or Jack Ireland, Director of the Office of Budget, if you have more questions.



M. Elizabeth Reich
Chief Financial Officer

[Attachment]

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Mark Swann, City Auditor
Bilierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizor Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager

Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
Michael Mendoza, Chief of Economic Development and Neighborhood Services
Laila Alequresh, Chief Innovation Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors

Street Lane Miles by Condition (A-E)						
Council District	A	B	C	D	E	Total
1	41.23	174.71	299.42	179.68	54.92	749.96
2	80.44	278.96	281.47	195.33	100.99	937.19
3	218.28	382.45	264.69	102.16	27.60	995.18
4	52.19	229.40	370.38	204.67	66.75	923.39
5	42.84	227.88	248.58	145.79	45.10	710.19
6	154.07	404.67	342.09	131.16	48.54	1,080.53
7	93.81	320.15	255.38	147.56	56.00	872.90
8	220.18	302.74	182.45	122.77	55.58	883.72
9	49.66	296.46	333.72	187.00	42.67	909.51
10	83.30	328.98	217.59	83.56	19.68	733.11
11	29.96	259.87	212.57	95.28	24.65	622.33
12	91.42	330.68	141.87	51.88	9.74	625.59
13	51.87	351.48	374.58	177.20	55.40	1,010.53
14	33.30	167.73	230.58	199.16	109.57	740.34
Total	1,242.55	4,056.16	3,755.37	2,023.20	717.19	11,794.47
<i>Percentage</i>	11%	34%	32%	17%	6%	100%

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A	100-85
B	70-84.9
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Alley Lane Miles by Condition (A-E)						
Council District	A	B	C	D	E	Total
1	35.05	19.90	22.35	5.12	13.41	95.83
2	13.43	10.42	14.62	4.79	14.08	57.34
3	19.82	11.50	23.77	9.43	22.91	87.43
4	19.31	20.04	33.56	10.06	30.44	113.41
5	11.91	9.93	21.88	8.82	38.74	91.28
6	5.21	2.54	8.42	3.82	23.30	43.29
7	9.36	9.22	24.72	12.17	31.37	86.84
8	10.69	12.52	19.12	4.35	14.15	60.83
9	19.92	14.25	31.80	14.65	98.26	178.88
10	8.12	6.53	30.60	23.15	57.18	125.58
11	2.29	0.47	21.39	10.90	53.69	88.74
12	11.35	4.28	48.82	21.86	34.30	120.61
13	12.34	10.68	34.97	14.94	105.87	178.80
14	23.19	7.30	10.79	6.42	25.41	73.11
Total	201.99	139.58	346.81	150.48	563.11	1,401.97
<i>Percentage</i>	14%	10%	25%	11%	40%	100%

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