



City of Dallas

Proposed One Dallas Options

**Housing Policy Task Force
November 15, 2021**

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Neighborhood Revitalization
City of Dallas

Presentation Overview



- Purpose
- Background
 - MHDB program and production
- Proposed - One Dallas Options
 - Overview
 - Regulatory, administrative, and financial incentives
 - Options for compliance
 - One Dallas Fund
 - Current Housing development pipeline
- Proposed – additional amendments
- Next Steps



Purpose



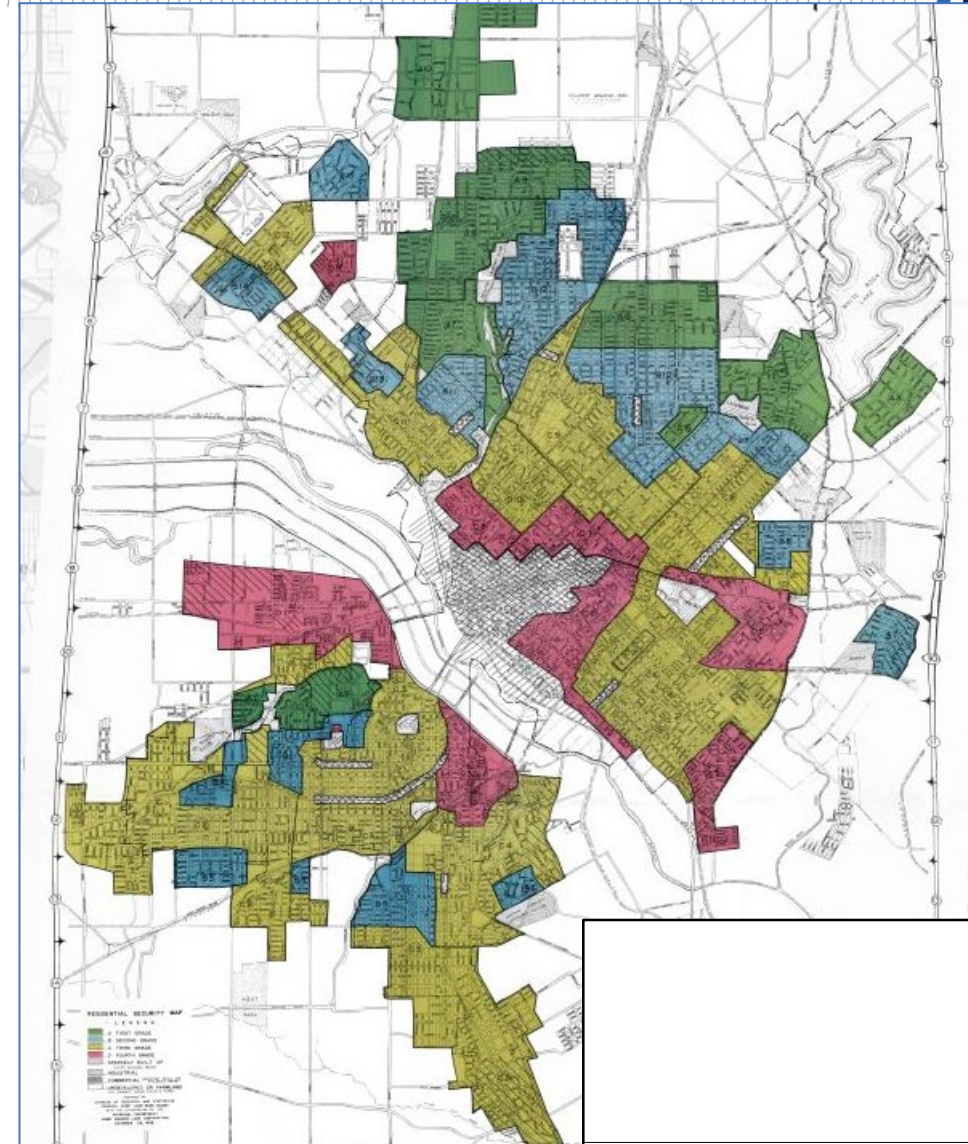
- Discuss the current Mixed Income Housing Development Bonus program (MIHDB)
- Review proposed One Dallas Options (an expansion of the current MIHDB program)
- Review proposed additional amendments to support mixed income production in Dallas
- Receive feedback on the proposed program and amendments



Equity Context



- In 1937, the Home Owners' Loan Corporation drew maps to show residential "mortgage security."
- HOLC coded the maps largely along racial, ethnic, and religious lines.
- In areas deemed "hazardous," the federal government would not insure loans.
- This is the legacy the City seeks to undo in its housing programs.



MIHDB – Current Program Design



- **Purpose** – Create mixed income development by providing zoning bonuses for multifamily developers in exchange for on-site housing for households at 51-100% AMFI *and voucher holders*
- Intended to incentivize additional mixed-income development without requiring additional financial incentives.
- State law requires the program to be voluntary
- Two tracks:
 - By-right bonus in multifamily and mixed use districts
 - Base plus bonus structure in planned development districts (PDs)



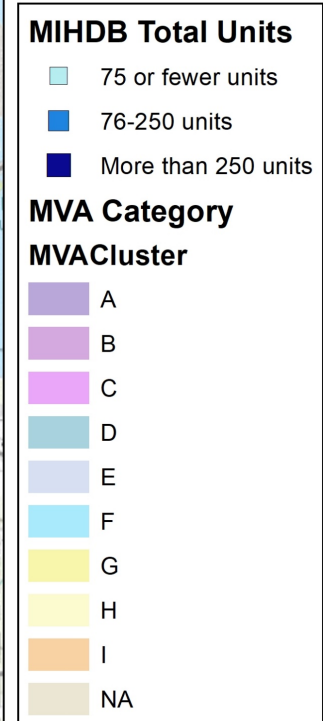
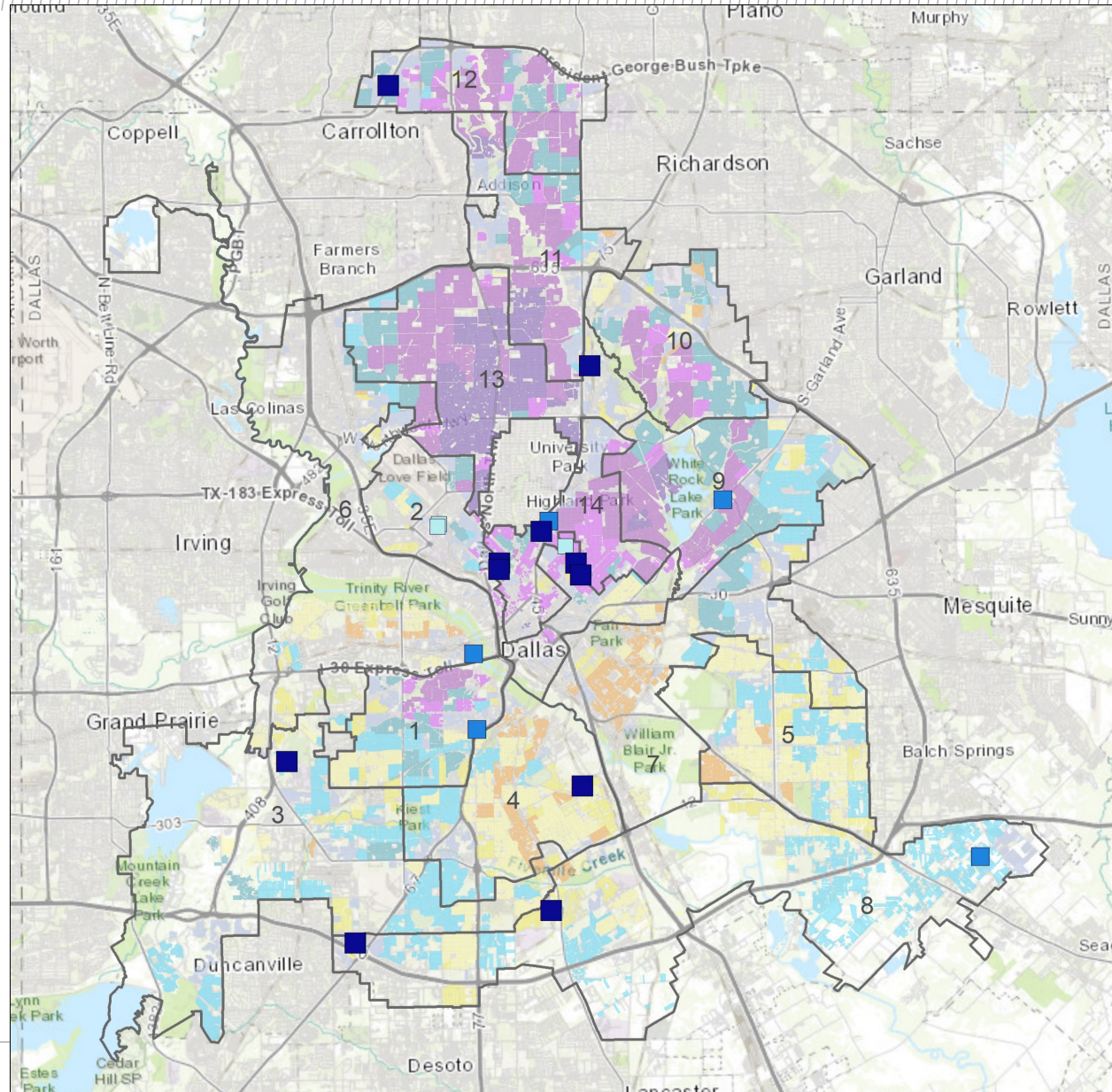
MIHDB – Project Pipeline



- Under construction
 - 7 communities, total of 1,673 units (104 reserved)
- Pre-development
 - 8 communities, total of 1,707 units (124 reserved)
- Zoning
 - 16 zoning cases approved recently and expected to use the bonus in the near future
- By-right
 - 5 communities, total of 1,238 units (712 total affordable)



MIHDB – Project Pipeline



Proposed – One Dallas Options Overview



- One Dallas Options builds on the success of the MIHDB by offering additional flexibility
 - Menu of bonus options for new and amended PDs
 - Additional methods to meet the requirements of the bonuses, including paying a fee in lieu or dedicating land
- Fee to be deposited into a new One Dallas Fund



Proposed – One Dallas Options Bonuses



- Current MIHDB:
 - By-right bonuses in MF and MU districts
 - Specific bonuses in PDs
- One Dallas additions:
 - Menu of bonus options in new and amended PDs
 - Additional density, floor area ratio, and height
 - Parking reduction
 - Larger bonuses for lower income bands and for development in weaker housing markets
 - 5% reserved unit requirement for bonus



Proposed – One Dallas Options Bonuses



	MVA Category	Tier 1 (≤ 50% of AMFI)	Tier 2 (51 – 80% of AMFI)	Tier 3 (81 – 100% of AMFI)
Density Bonus	MVA A – F	20%	10%	5%
	MVA G - I	40%	30%	20%
FAR Bonus	MVA A – F	1.5	1	0.5
	MVA G - I	2.5	2	1
Height Bonus	MVA A – F	25%	15%	5%
	MVA G - I	45%	35%	20%
Parking Reduction	MVA A – F	100%	50%	20%
	MVA G - I	100%	70%	40%

Proposed – One Dallas Options



- Additional pathways for compliance
 - On-site provision of reserved dwelling units
 - Fee in lieu of on-site provision
 - Fee to be set high enough to preference on-site provision
 - Land dedication
- Additional incentives
 - Faster development review
 - Financial incentives for on-site provision



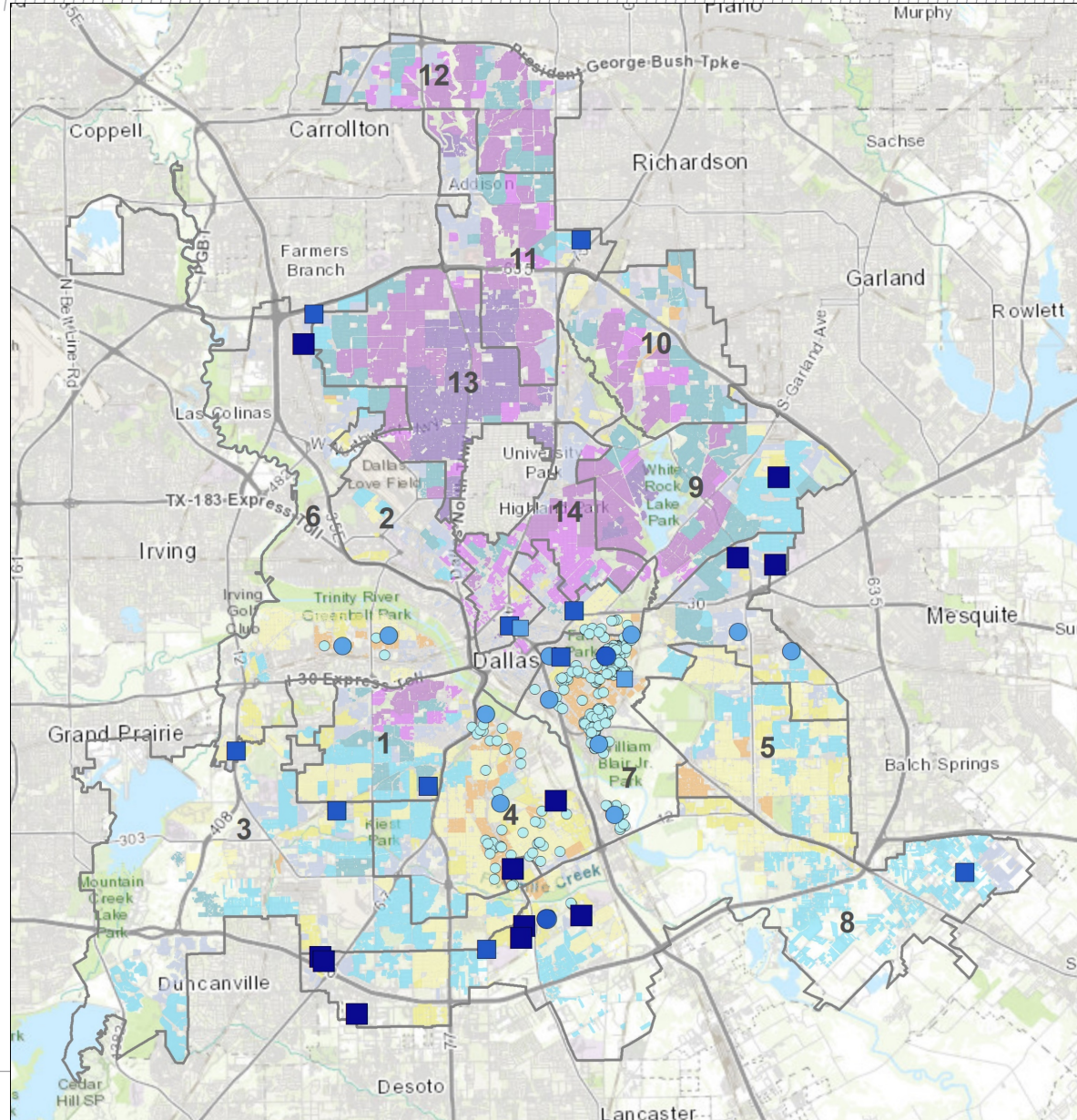
Proposed – One Dallas Fund Uses



- Fees collected through fee in lieu to be deposited into new One Dallas Fund
- Fund uses
 - Create/preserve reserved dwelling units and increase affordability in MVA Categories A, B, and C and rapidly gentrifying D, E, and F
 - Equitable revitalization in D through I
 - Incentivize new market-rate units in mixed income communities
 - Renovate existing affordable units
 - New neighborhood infrastructure
 - Expand programs in the CHP, including homeownership opportunities
 - Administration
- Funding awarded through existing development funding application processes



Current Development - Housing



Multifamily Development

- 75 or fewer units
- 76-250 units
- Greater than 250 units

Single-Family Development

- 1 home
- 75 or fewer homes
- Greater than 75 homes

Market Value Analysis

- A
- B
- C
- D
- E
- F
- G
- H
- I
- NA



Proposed – Additional Amendments



- Minor clarifications to the zoning language regarding
 - Parking (1.25 per unit, or per code, whichever is less)
 - Deed restrictions (MF and MU districts with deed restrictions can participate but must follow the stricter requirement)
 - Fractions of a required unit must be rounded up



Proposed – Additional Amendments



- Strengthen language in Chapter 20A – Fair Housing
- Multifamily managers shall:
 - Prioritize holders of housing vouchers for occupancy of reserved units
 - Register as a vendor with one or more local providers of housing vouchers
 - Actively market to holders of housing vouchers through their affirmative fair housing marketing plan



Proposed – Additional Amendments



- Currently, Chapter 20A-4.1 requires all multifamily developments that receive a financial subsidy from the City to set aside 10% of their units and lease them solely to voucher holders for 15 years.
- This requirement has effectively halted all mixed income housing production through the Tax Increment Financing (TIF) program
- Proposed change:
 - Remove the strict set-aside requirement
 - Strengthen the language as shown
 - Return to developing mixed income communities through the TIF and other programs



Next Steps



- Chapter 51A amendments are under review at Zoning Ordinance Advisory Committee
 - Next step: ZOAC approval, then City Plan Commission (timeline TBD)
- Housing and Homelessness Solutions Committee of the City Council will be briefed on December 14, 2021
- Council consideration of all proposed changes during first quarter 2022





Questions?

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