

Memorandum



CITY OF DALLAS

DATE June 4, 2021

TO Honorable Mayor and Members of the City Council

SUBJECT **Community Transformation Action Roadmap Update**

In August 2020, City Council was briefed on a new strategy that the City of Dallas would embark upon. A thirty-six-month journey, the Community Transformation Action Roadmap (CTAR) is coordinated through the Chief of Economic Development and Neighborhood Services. It encompasses forty-two projects and initiatives that are underway or on the horizon. It connects the dots between Economic Development, Historic Preservation, Housing, Planning and Urban Design, Sustainable Development and Construction, other city Departments, and external partnerships to make the work more fluid and efficient to ignite economic growth and social progress. The following is an update on several of the CTAR's projects and initiatives.

Project Management Software / Dashboard

A key component of the Community Transformation Action Roadmap is transparency, seamless tracking and reporting, and accountability. Since November 2020, staff has been working to secure a viable to solution to manage the status of and efficiently report on each of the CTAR's projects and initiatives, and to visualize the progress through a public dashboard. This includes the recently approved City of Dallas Economic Development Policy. The City of Dallas has chosen Envisio as its project management and dashboard solution. This software is being used by other municipalities in Texas, and other cities across the United States. The 3-year contract was purchased through a reseller and finalized at the end of April. This platform will streamline CTAR project and initiative management and serve as one portal for content input and output. The project management software platform and dashboard are scheduled for a soft launch in mid to late summer.

Hensley Field Master Plan

The City Council Economic Development Committee is scheduled to be briefed in August 2021 on the evaluation of three alternative development scenarios. These scenarios explore viability, costs and benefits of various development opportunities on the 738-acre City-owned lakefront property. Scenario exploration will aid in identifying the catalytic infrastructure needs to support redevelopment of the site. The scenario that is chosen will serve as the foundation for a detailed master plan and implementation strategy. A component of the ongoing engagement strategy includes a press conference and discovery tour of the Hensley Field on June 5. Staff, in collaboration with the consultant team continues to work with a Stakeholder Advisory Group, Technical Advisory Group, and focus groups. The completed Hensley Field Master Plan is scheduled for City Council review and action in Spring 2022.

forwardDallas! Comprehensive Plan Update

On April 28, 2021 Council approved a consultant contract for the forwardDallas! update. Subsequently on May 26, 2021, City Council approved an amendment to the City Plan Commission (CPC) Rules establishing a new standing CPC Comprehensive Land Use Plan Committee. This committee will oversee the forwardDallas! plan update, provide recommendations to the CPC on the draft plan, and serve as a forum for stakeholder input

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throughout the planning process. The consultant team on-boarding process is underway as are appointments to the new CPC Committee. The goal is to launch public engagement and CPC Committee meetings in early August 2021, and to develop a draft plan for public review by Summer/Fall 2022.

Economic Development Policy / Entity

On May 26th, the City Council unanimously adopted the Economic Development Policy which includes recommendations to create a new economic development entity. The adoption also directs the City Manager to nominate members of a task force to assist with implementation. In June, the City Council will consider two agenda items to further Policy and Entity progress. Staff will bring an agenda item to engage consultants to collaborate with staff and work with the task force over the next 18 months. TIP Strategies will be engaged to stand up the new Entity. HR&A Advisors will lead the one-year transition period to put in place processes and infrastructure to support Policy implementation. Additionally, City Council will consider an agenda item to approve the Economic Development Task Force. The Task Force will advise staff and the consulting team as experts in areas relevant to the Policy work.

1,000 Unit Affordable Housing Challenge

After the release of the memorandum initiating the 1,000 Unit Affordable Housing Challenge on July 1, 2020, staff in the Department of Planning and Urban Design began to analyze the land owned by the City of Dallas for buildability and the potential for transit-oriented development. Staff identified five qualifying sites for immediate development.

Housing staff issued a Request for Proposals (RFP) to more than 120 developers to build diverse housing on the five tracts of land. Staff received 10 applications for three of the five sites. A scoring committee composed of staff from four departments identified three applications to refer to City Council for final approval. 3015 Al Lipscomb Way, proposed by Brinshore, Southfair CDC, and bcWorkshop; 6601 S Lancaster Rd proposed by Innovan Neighborhoods and Matthews Southwest; 4515 S Lancaster Rd proposed by Lavoro. These three developments will add 732 new TOD Units. Staff will begin assisting the developers chosen to conduct due diligence on the sites. They will also assist developers with preparing and submitting applications for any necessary zoning changes, variances, re-platting, funding, environmental reviews, permitting, and partnership agreements, as well as community engagement sessions to finalize development plans and project specifications.

Nexus Study

BAE Urban Economics completed the Nexus Study and presented it to the Housing and Homelessness Solutions (HHS) Committee in October 2020. The study analyzed and illustrated the growing need for affordable housing based on the city's growing economy. The study proposed potential voluntary fees that the City could use to offset the need for affordable housing. These voluntary fees were proposed for any new residential or commercial development requesting zoning bonuses or other incentives.

Additionally, the One Dallas Housing Options strategy was proposed. This strategy includes a menu of options for a developer to choose from to provide diverse housing opportunities. The menu was designed with findings from the Nexus study in mind. These options include on-site or off-site development of affordable housing units, land dedication, a fee in lieu of on-site development, or any combination of the three. The City has contracted with Daedalus Advisory Services to collect stakeholder feedback and refine the proposed ideas. Daedalus will also produce a developers' handbook to facilitate the strategy's implementation.

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Daedalus will present their progress to the Housing and Homelessness Solutions Committee on June 8, 2021. City Code amendments, including an amendment to the Dallas Development Code, will be required to implement the One Dallas Housing Options strategy. Timing of these amendments is still to be determined and will be based partially on feedback received from the HHS Committee.

PFC Creation

The Dallas Public Facility Corporation (DPFC) Board of Directors currently has three appointed members. The DPFC has a 15-member Board which means the City still needs five members to begin approving partnerships/developments. A draft application has been developed based on the requirements of the Public Facility Corporation Act and the DPFC's bylaws. However, potential amendments to the Act at the State Legislature may require modifications to the application and the program overall. Developer interest in the DPFC remains strong and it should prove to be powerful tool for the City to develop high-quality mixed-income housing as well as meet the production goals of the Road Map. Two of the recently approved 1,000 Unit Housing Challenge Applications anticipate partnering with the DPFC and should create 643 mixed-income/transit-oriented development units.

Housing Units Production Pipeline

Housing staff are supporting a wide variety of programs and projects, with thousands of new housing units in preparation. Many historic projects in the pipeline have reached completion, including 89 ownership units in Joppa, Chariot Village, Shady Hollow, and other scattered sites. An 84-home development in Prairie Creek has reached 90% completion with new units selling every month. Another 87 units from older projects are in pre-construction phases off Singleton Boulevard in West Dallas and in the Bottom. Both projects require infrastructure to be completed before construction can begin.

All three Notice of Funding Availability (NOFA) multifamily projects approved in the 2018-19 NOFA are under construction. Estates at Shiloh (264 units) is 85% complete, 2400 Bryan (215 units) is 45% complete, and Palladium Red Bird (300 units) is almost 100% complete and leased. The first projects from the 2019-20 single-family NOFA are underway, with closing complete or pending for four projects accounting for 157 new homes. Three of these developers have begun pulling permits, and two have started construction. An additional 156 homes are awaiting closing between staff and the developers. The 2020-21 standing NOFA has been a success with Housing receiving applications for 992 units. City Council has approved funding for 428 units thus far. As of early April, there are over \$8 million of NOFA funds still available for applications still under review and any developers interested in applying.

Housing staff are tracking Low-Income Housing Tax Credit (LIHTC) and Dallas Housing Finance Corp (DHFC) projects, as well. All three 2018-2019 NOFA projects are under construction and on schedule. The DHFC closed on the acquisition and rehabilitation of Ridgecrest Terrace Apartment in December 2020 and 250 units are currently being renovated. Five complexes with 1,280 units have received a Preliminary Inducement from the DHFC and closing is expected to occur in the next couple months on four of the five developments. Three properties totaling 361 units that City Council provided Resolutions of Support in 2020 have received 9% tax credit allocations are close to beginning construction. TDHCA is still in the process of awarding the 2021 9% tax credit allocations. On February 24, 2021, City Council provided Resolutions of Support for 8 developments with a total of 869 units.

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Since its reopening in 2018, the land bank has received, and City Council has approved applications for the construction of homes on 144 lots. Of these lots, 37 homes have been built and sold, four are built and pending sale, 19 have been permitted for construction, and the remaining 84 are in preconstruction phases. Outside of the NOFA, City Council has approved the sale of 134 Land Transfer lots that are in the process of closing with developers, and staff are processing applications for the sale of an additional 40 lots.

For home repairs, the 2018-2019 Home Improvement and Preservation Program is almost complete, with 15 homes repaired or reconstructed and four reconstruction projects nearing completion. All 42 of the 2019-2020 applications have closed with the homeowner, and 39 are under construction. So far, this fiscal year, staff have closed with 15 homeowners and contractors have begun construction on 11 homes. Another 41 homes have been inspected, and many will begin closing as contractors complete their 2019-2020 projects. The Dallas Tomorrow Fund has completed 3 home repairs so far this year with one more under construction, and the Targeted Repair Program is now beginning to prequalify applicants and inspect homes.

Staff will continue to provide progress updates on CTAR projects and initiatives via memorandum and committee briefings. We are committed to this journey, appreciate your support, and look forward to receiving any feedback or questions that may arise.



Dr. Eric A. Johnson
Chief of Economic Development and Neighborhood Services

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| T.C. Broadnax, City Manager | Majed A. Al-Ghafry, Assistant City Manager |
| Chris Caso, City Attorney | Jon Fortune, Assistant City Manager |
| Mark Swann, City Auditor | Joey Zapata, Assistant City Manager |
| Biliera Johnson, City Secretary | M. Elizabeth Reich, Chief Financial Officer |
| Preston Robinson, Administrative Judge | M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion |
| Kimberly Bizer Tolbert, Chief of Staff to the City Manager | Directors and Assistant Directors |