

## MEMORANDUM

---

---

**TO:** THERESA O'DONNELL, DIRECTOR OF DEVELOPMENT SERVICES

**FROM:** JOHN FREGONESE

**SUBJECT:** COUNCIL COMMITTEE QUESTIONS

**DATE:** MARCH 31, 2006

In this memo, we have attempted to answer all of the questions raised by the Council Committee at their last meeting of March 7, 2006.

### Questions from Councilmember Hunt

- 1. The NCTCOG predicts that Dallas will grow by 90,000 households over the next twenty years. The comprehensive plan proposes that we increase by 220,000 households, with an emphasis on high density housing. We have a little over 450,000 households in Dallas today, and the plan proposes to increase it by 220,000. When and how did we determine that this is the "vision" of Dallas residents, and when residents were asked to choose among various scenarios, were the consequences (dramatic increase in multi-family) disclosed?*

**Response:** The plan is not only an accurate reflection of the vision of the citizens of Dallas, but it also captures recent decisions and past policy directions of the City Council for the growth and future development of the City.

A review of recent building activity is a strong indicator of future growth. Dallas currently builds about 5,000 new housing units a year. A straight line extrapolation for 30 years would yield 150,000 new units. This represents 60,000 more households than the present COG forecast. In fact, the City has today exceeded the COG projection for the year 2010, 4 years ahead of schedule. Another reliable indicator is available zoning capacity. The current available zoning capacity on undeveloped land will accommodate over 120,000 additional housing units. We believe that the City could justify, without adopting a comprehensive plan, a forecast of between 130,000 and 150,000 new households by the year 2030. It is these reasons, along with other analytical factors, that demonstrate that the current COG forecast substantially under-represents the amount of growth Dallas will recognize in the future, especially if the Council is successful in achieving its stated goals for growth and development.

The Council has already embraced several policy objectives that direct the growth and expansion of the city. These actions will bolster the building trends now being realized as Dallas continues to mature into a dynamic urban center. To cite a few:

- The Trinity River Plan adopted by the Council has an additional capacity of 48,000 additional households, almost entirely comprised of multifamily.
- Last year, the City Council approved the Strategic Engagement Plan 2005 that established its goals and direction for the newly formed Department of Economic Development. Included in this plan is the goal to build 30,000 units of new high density housing in the downtown core and the expanded downtown neighborhoods by the year 2015.
- The Southern Sector is the largest beneficiary of additional households assumed by the Vision, increasing by over 68,000 new housing units. This direction is in alignment with Council direction to focus development and build safe, attractive middle class neighborhoods in the Southern Sector.
- High-density, mixed use development around DART stations to leverage the significant public investment already made in this successful transportation system and accounts for a sizable amount of the increase contained in the plan.

The realization of just these 4 objectives of the Dallas City Council will entirely consume the 220,000 households targeted by this plan.

However, if the City were to restrain growth to satisfy the current COG projection, it would be necessary for the Council to employ growth control measures that would limit current building trends such as back-zoning existing property rights and limiting the number of new building permits issued to accommodate the shift in City Council priorities.

2. ***The plan proposes a dramatic increase in multi-family households versus single-family. Of the new households, only 25% will be single-family homes. We already have more than our share of multi-family in Dallas and multi-family brings with it its share of problems. Despite the claim that much of the proposed multi-family is made up of non-rental product, there is no means of ensuring that townhomes and condos remain owner-occupied. We need to rethink this.***

**Response:** Dallas only has enough suitable, undeveloped land to build another 50,000 units of traditional single family housing. At our present rate of construction, Dallas will build out by 2016. Dallas must embrace and encourage higher-density, owner-occupied housing or stop building within the next decade as the vacant land supply is exhausted. Texas, like many other states, has a revenue structure for local governments that is dependent on growth. Dallas competes internationally, nationally and regionally for tax base. If Dallas is to continue to thrive in the future, the housing form must change.

Consequently, an array of tools must be developed to maintain or increase the City's share of ownership housing. The preferred strategy is to develop neighborhoods that attract people who believe in the promise of Dallas and are willing to invest their livelihood in our city. Regardless of the regulations or the incentives the City adopts, without market demand for ownership housing, the City will not achieve its full potential.

In terms of possible tools, a number of revisions to the zoning codes and subdivision regulations will be necessary to encourage ownership product. With the understanding that zoning laws are blind to ownership type, it must be acknowledged that the City cannot zone for "ownership" housing. Further, Dallas' current zoning and subdivision codes make the development of higher density, attached single-family housing difficult, leaving developers with little choice but to build apartments or condominiums. The City should draw a clear distinction between multi-family and attached single family units. These lines are blurred in existing regulations. Nevertheless, they are quite distinct housing types. Attached houses are considered single-family homes as long as the structure is not divided into more than one housing unit and has an independent outside entrance. In addition, these units are not categorized as multi-family by the US Census.

Therefore, of the 220,000 new units proposed in the plan, it is more accurate to say that 102,000 are single family homes, about half of which could be higher density, single family attached units. This number achieves a balance of approximately 46% single family housing, similar to the proportion of single family in Dallas today (52%, if attached and detached are included).

Looking at the mix of single family housing types in major cities such as Houston, Chicago, Los Angeles and San Diego, single family attached housing comprises between 10 and 17% of all single family units. Approximately 8% of Dallas single family housing stock is attached units. We believe that the attached single-family home has great market potential for future development as a desirable and efficient housing option.

The other major housing type is condominium. Over the past 10 years, this has become an increasingly popular type of development in Dallas and other cities. There are many advantages to condominium ownership especially for aging baby boomers who desire freedom from the maintenance responsibilities of a large home and yard.

Again, there is little the City can do in a regulatory sense to ensure housing is owner occupied. Leasing of condominium units is a problem facing many condominium

associations today. The "secondary mortgage market" is a primary source of mortgage money for condominium loans, both for purchases as well as refinances. These secondary mortgage lenders impose restrictions on the number of investor units in a condominium association. In general, no more than 40 to 50 percent of the units can be investor owned. If an association exceeds these limitations, it becomes difficult for potential purchasers and/or unit owners wishing to refinance to obtain mortgage financing.

Condominium Associations throughout the country have wrestled with this issue, and have come up with a number of potential solutions, including:

- An absolute leasing prohibition.
- Prohibiting existing owners (whether they be investors or not) from selling their unit to investors.
- Establishing a percentage of units within the Association which can be rented at any particular time.
- Permitting leasing for a fixed period of time, perhaps two years, after which the unit must be owner-occupied for at least another two years.

The City could develop an incentive package to encourage ownership by tying incentives such as density bonuses or height waivers to restrictive rental clauses in the condominium bylaws. While this could not be required by law, provisions could be voluntarily entered into by developers in exchange for City incentives. This would also provide a benefit to the owners of such units, given assurances that their investment will be secure and not be eroded by the purchase of a large percentage of units by investors.

The following recommendations can be added to Plan to boost the likelihood that ownership housing is built:

- Modifying the housing mix to emphasize attached single family housing. An estimated 10,000 additional housing units could be converted from Condominium to Attached Single Family in the plan without a significant change in the plan's beneficial effects.
- Revising the City's zoning and subdivision codes to allow a variety of densities of attached single family housing, so that future residents have a selection of types to choose from. These should include a number of urban design features common to attached housing developments, such as narrow alleys, garage access from alleys, narrow streets, short front yard setbacks, stoops and porches extending into front yard setbacks, and common small park areas.
- Adding incentive options for condominiums that are tied to limiting the investor owner, reserving the condominium to primarily owner occupancy.

While rental housing is frequently an unpopular subject, realistically over 40% of new Dallas households will only be able to afford to rent. The Forward Dallas housing element is based on meeting the needs of all new residents, even those who can't afford to buy a home yet. Because of these needs, we believe that the proposed mix of housing

is reasonable and realistic, and will work to strengthen the housing policies for owner occupied housing and maintain an economically diverse community.

- 3. There is no clear plan for coordinating with decision-makers at DISD to address the significant student enrollment increase that would result from implementation of this plan. One of the City's goals is to better coordinate with DISD. The decision makers at DISD are unaware of our comprehensive plan and have not discussed the possible implications on the school system. It appears that after my comments at the last briefing, we have engaged with DISD demographers. We need to also talk with the school board and superintendent about proposed population increase.*

**Response:** The City staff has coordinated with the DISD staff throughout the process. DISD staff has participated in workshops, public forums and advisory committee meetings. City staff will continue this collaboration and will also be working with the DISD administration through the remainder of the process.

- 4. The plan proposes reduced parking requirements. Without a reliable, usable mass transit system already in place, under-parking commercial and high density residential developments will result in severe parking deficits and problems for our neighborhoods and businesses. Dallas residents love their cars. Simply reducing parking availability is not going to make residents use mass transit, particularly when our mass transit system is, at best, in its adolescence. Useful mass transit must come first, and then we can discuss reducing parking requirements across the board.*

**Response:** The need to revise Dallas' antiquated parking standards goes beyond transit availability. In many instances, the Dallas code simply requires too much parking. This, in turn, chokes off reinvestment in crucial areas. The Plan does not propose wholesale revision of the parking code, but does recommend the parking code be context sensitive. In many cases, the need for off-street parking can be reduced, as it has in the Bishop Art's District, Downtown, and many other areas. By taking a "Parking District" approach, parking demand and supply can be pooled and shared across a district by many businesses. In this approach, total available parking can be reduced to reasonable levels, land can be conserved for better uses, and previously abandoned buildings can be returned to productive use.

For example, the Bishop Art's District relies on a common parking lot with about 60 spaces, on-street parking supplies another 50 spaces, and some small private off-street lots accommodate the remaining demand. If the standard Dallas parking requirements were applied to this development, an off-street lot of almost 300 spaces would be required. Satisfying this code would intrude into the fabric of the neighborhood and eliminate 3 acres of surrounding single family homes or seriously inhibit redevelopment in this vibrant neighborhood.

Dallas needs the flexibility to deal intelligently with these kinds of urban situations, and the parking proposal is designed to provide that tool.

5. *Despite statements of generic support for parks and greenspace, the plan does not require greenspace as part of the new dense developments. Simply referencing the Renaissance Plan is insufficient when the plan proposes to dramatically increase density. If we are going to more densely populate our city, we need to incorporate policy statements into the plan that require (not just “encourage”) set-asides for greenspace.*

**Response:** The City has recently adopted two major park and open space initiatives in the Renaissance Plan and the Trinity River Plan. The Forward Dallas plan did not attempt to second guess two excellent and widely supported plans. Rather, we concentrated on the Environmental Element, which adds a comprehensive environmental foundation and provides a policy framework for many existing initiatives, as well as developing new initiatives (e.g. stream protection). Policy analysis and implications for open space acquisition or dedications and the ongoing funding for O & M is a complex issue that we believe is appropriately addressed through a revision of the Renaissance Plan in collaboration with the Park Board.

6. *Most troublingly, the plan does not at this time represent the “vision” of Dallas residents, since eight public workshops on discrete planning projects at key intersections/transit locations do not translate into a vision for the other 340 square miles. What are our residents’ vision for the rest of the city? Where do they want to see growth and increased density?*

**Response:** (by Robin Rather, Collective Strength).

The research conducted for this plan was specifically designed to enable the planning team to understand the “people’s vision” and to carefully document their values and priorities. Citizen feedback formed a strong foundation for the plan from its very beginning.

To answer the question about where the residents want to see growth and density, perhaps the most compelling perspective comes from our initial polling questions. As you may recall, a survey was conducted among a statistically valid sample of almost 800 citizens and stratified to Census population estimates for ethnicity. The poll was also geographically balanced among all council districts.

In reviewing this data, it is clear that Dallas citizens overwhelmingly supported the idea that new development and growth should be located in both currently undeveloped areas as well as in areas where neighborhoods and development already exists. Only 8% of citizens believed that new development should be located mostly in undeveloped areas while 73% felt that it should be located in both.

When asked what should be the most important areas for investment, more than 75% of the citizens chose the Southern Sector or Central areas of the city. Ten percent chose North Dallas, while the rest had no preference.

In terms of housing choices, when asked if affordable or workforce housing should be spread throughout many neighborhoods or concentrated in just a few areas, nearly 70% thought it should be spread throughout while about 26% thought it should be more concentrated.

On the specific question of multifamily housing, 73% said they would like it to be built either in their own neighborhoods or somewhere else in Dallas or both. A much smaller number of citizens – about 25% - said they did not want it to be built at all. While Councilmember Hunt is correct that rental apartments and multifamily units “bring their share of problems,” citizens of Dallas clearly see the need for this kind of housing choice continuing in the future and support it as part of the overall comprehensive plan.

The biggest concerns that citizens had for the plan were not specific policies, but whether it would actually be implemented and whether elected officials would be able to rise above their differences on behalf of the city as a whole.

While the subsequent “insert survey” data is not statistically reliable due to the smaller number of responses, there is directional input from that data as well that is instructive for the purpose of capturing a community vision.

In that survey, by far the most citizens who responded agreed with the guiding principles, understood the plan, were enthusiastic about the plan and wanted to see their elected officials implement it. Furthermore, most respondents believed that it is “possible to increase the population and preserve neighborhoods” and more than half saw “more density in some neighborhoods” as a benefit for “people like me.”

In short, the planning team has worked to ensure that the “people’s vision” for the plan was understood right from the start and has taken great care to build in citizen feedback. The plan has been benchmarked in a statistically reliable way so that as the plan evolves and is implemented, citizen feedback can continue to be incorporated and guide the process.

We are confident that the “people’s vision” has been highly valued and respected throughout this process. Further, the Plan is intended to be a dynamic and flexible document to ensure that the vision and policies will remain relevant in the future.

7. *Since the draft plan was made public in late January, there have been only two public meetings to collect input on this complex plan. Furthermore, we are requiring the public to submit comments in writing at our public meetings, even though staff could and should write down their comments (as we do at bond and budget townhalls). The public could submit comments in writing if they so desire, but verbal comments by those attending public meetings should be respected as well. There needs to be additional meetings after staff has incorporated public comments into the plan. The public needs an opportunity to be presented with an updated plan to see that their input has been incorporated.*

**Response:** The planning team has conducted ten weeks of follow up meetings and continues to respond to frequent requests from stakeholder groups, neighborhood

associations and many interested parties. There has been tremendous written responses; hundreds of pages submitted to date. This documentation has proved to be invaluable in many ways, from historical reference to accuracy and accountability. In addition, many of these comments will be integrated into the next draft. All comments, as written by their authors, will be available to the Council as they undertake their deliberations. By empowering our citizens to contribute to building the plan rather than merely critique it has proven highly successful.

8. *Staff has stated in public meetings that the “Vision Illustration” will be used in making future zoning decisions. However, there are significant problems with what is proposed by the map. For example, the “Vision Illustration” marks some areas “urban neighborhood” that should be single-family. We need time to discuss and go over the map in detail.*

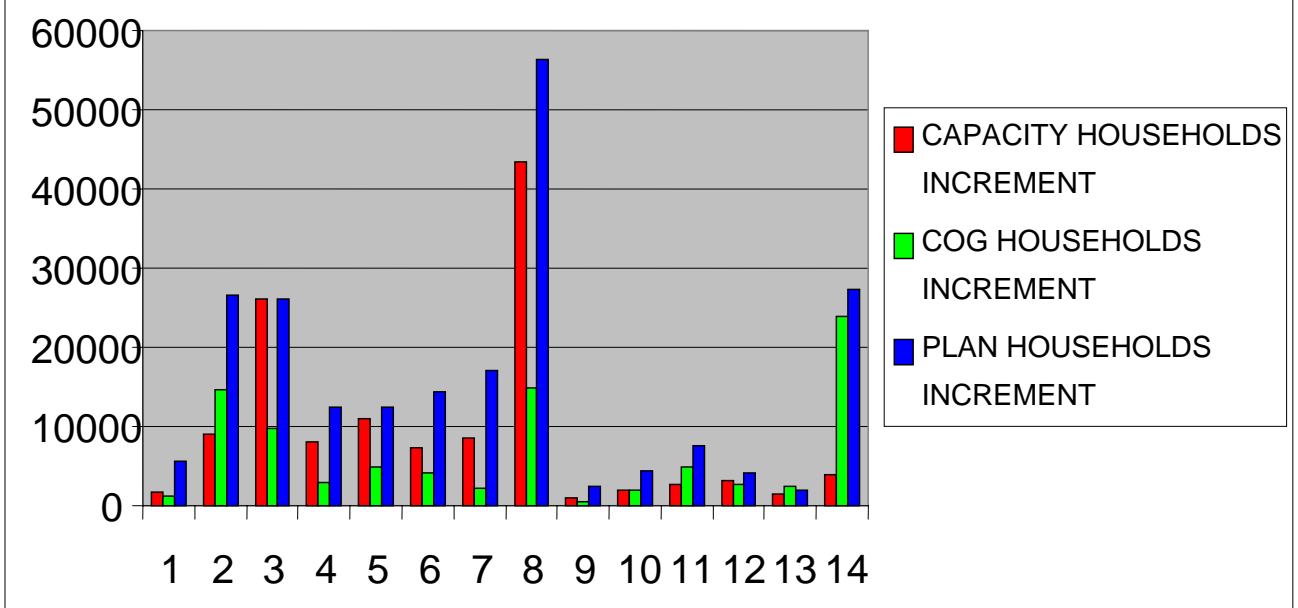
**Response:** The Vision Illustration is constructed of building blocks that propose ideal development types and mixes and is specifically not intended to be a detailed map. The designation “Urban Neighborhood” specifically includes single family areas. (see description on page 3-27). In addition, the illustration is intended to be used in guiding the City’s strategic planning activities in developing area plans. This is discussed on Page 3-45 and 3-46, under the heading “Using the Plan to Evaluate Zoning Changes”. This section helps explain the intent of the Vision Illustration:

”While zoning changes will continue, the City should approach them differently than in the past. Since the Vision Illustration is not a regulatory document, zoning changes are not required to strictly comply with the illustration. The proposals should be compared against the ideals and standards contained in the Vision and the Policy Plan. If a zone change is suggested to implement a building block, the development should be compatible with all the elements of that building block – density, use mix, amenities, and urban design, as well as the role in developing the capacity to implement the plan. A range of zoning districts are possible within each building block.”

9. *One of the stated goals of the plan is to “increase zoning capacity”, and yet no analysis has been done on underutilized zoning rights (only vacant land). This is essential.*

**Response:** The analysis was completed in July of 2005 but was edited out of the final Plan document due to length. We have included some of the results in the graph that follows, and will include more of the analysis in the final document in the “Monitoring Chapter.”

## Household Increment: Zoning Capacity, NCTCOG Forecast, and Forward Dallas Plan by City Council District



10. *Pedestrianism is given short shrift in the plan. The proposal lacks a plan for bicycle use. How do we plan to incorporate bike lanes into our transit system? The proposed changes to sidewalk requirements must also be enhanced. The graphics provided with each sidewalk scenario are not to scale, and make the sidewalk area appear much larger than is actually being proposed. Our sidewalks need to be wider, particularly if we are proposing to more densely populate our city.*

**Response:** (from Kurt Shulte, Kimley Horn Associates)

The intent of Context Sensitive Design or CSD is to create a balance between the pedestrian realm and the travel way. In contrast to current City policy, CSD strives to create an environment where both pedestrians and vehicles are embraced. In our graphics, bike lanes are described as “multi-use” lanes in an effort to reduce City liability. The “multi-use” definition was discussed in detail at meetings with city staff and the terminology was agreed upon early in the planning process. Many of the residential and urban corridor/mixed use areas include a “multi-use” lane. Bike trails are an essential part of a transportation network and are significant when discussing circulation and connectivity within a plan.

With the current illustration, the sidewalk or pedestrian realm may have confused some people unfamiliar or new to the process. To ensure clarity, new graphics will be included in the revised document that illustrate that both the sidewalk and buffer are one continuous space. For example, in an urban area the cross-section calls for a tree-well buffer of six feet and a sidewalk dimension of six feet. Pedestrian pavement would, in fact, cover the entire twelve foot area with small cuts for planted trees.

In addition to simplifying the graphic to more clearly portray these pedestrian spaces, we have enhanced our high density areas to provide additional pedestrian space. For instance, in the downtown area on our couplet (one way) streets we included on-street parking on both sides of the road. This only occurs on one side in many instances and would therefore allow for an additional eight feet to be allocated to the pedestrian realm.

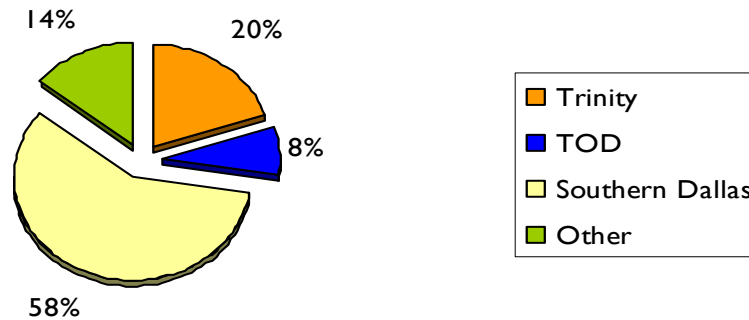
Finally, our guidelines also outline priority elements that would permit an increase or decrease of elements based on right-of-way constraints. In many cases the pedestrian realm is the highest priority and would receive additional space when available. Context Sensitive Design should create a feeling of balance and security, generating an ideal environment for vitality and stability.

As stated previously, the Context Sensitive Design Plan built upon rather than ‘re-invented’ existing, well-supported plans. Therefore, the existing Dallas Bicycle Plan as well as the Dallas Thoroughfare Plan were respected and enhanced with these modifications.

***11. The plan needs a greater focus on developing Southern Sector. The Southern Sector is our future. It is underdeveloped, and this plan itself (not just the marketing language) needs to be devoted to achieving commercial and residential development in the Southern Sector.***

**Response:** As our analysis indicates, the Southern Sector has received a great deal of attention. In addition to existing priorities such as the Trinity River Plan, we have added major initiatives in the short term such as the UNT University District, the Westmoreland TOD, and the Southport Intermodal Area. Setting aside the impact of the Trinity River Plan, the Southern Sector receives an additional 121,000 new jobs and 96,000 new housing units.

**Increased Household Capacity between  
NCTCOG Forecast and Forward Dallas Plan**



12. *The plan fails to identify “successful” or “stable” neighborhoods. The plan often states that such neighborhoods will be protected from upzoning, but if we haven’t defined or identified those neighborhoods (as well as those areas ripe for change), how can we possibly protect them? We need to identify these areas of change and stability, even though it may be controversial and challenging*

**Response:** A map of stable areas was used in the plan analysis and may be included in the plan revision, along with a series of maps to serve as a complement to the Vision Illustration. All maps will be assigned the same weight as a decision making tool available to the City Council as they deliberate on a myriad of land use related issues.

13. *Overall, the plan seems to be moving too swiftly through approval process, even though parts of the plan are incomplete or missing, and much additional public input is needed. This is a complex document that will have substantial implications for the future of our city, and we need to get it right.*

**Response:** The Planning team is dedicated to providing the necessary resources to City Council as it deliberates this important step. Ample time will be given. However, there is a danger of taking too long to adopt the plan. Dallas has failed to take full advantage of many strategic assets due to the lack of a comprehensive plan. We believe that it is quite urgent that the Council adopt a plan and begin implementation. However, to delay this plan adoption too long leaves Dallas without a comprehensive strategy in a time of increasingly relentless competition, both nationally and regionally. We urge the Council to take the time necessary, but we must convey our sense of urgency that after 18 months and a great deal of work, Dallas needs a Plan.

## Comments from Council Member Chaney

*I recommend the plans for South Dallas Fair Park be completed.*

**Response:** The process we undertook in South Dallas Fair Park is similar to the neighborhood workshops we conducted for the other eight areas in the City. The product will not be a formal plan but rather a strategic document that details what needs to be accomplished in the short and long term. We met with neighborhood leaders on March 20, and are revising the document based on their input. We will have additional local meetings to ensure that this document has local support, and will publish the South Dallas Fair Park Area Strategy in the revised Comprehensive Plan Document.

## Questions from Council Member Koop

1. *The Comprehensive Plan calls for increased density, especially around rail stations. What mechanisms can be put in place to encourage and maximize "owner-occupied" residential developments?*

**Response:** The focus should be on emphasizing attached single family housing, rather than multi-family housing, and on providing incentives to condominium developments that voluntarily limit the availability of investor owned units. The additional recommendations mentioned previously in this memo could assist towards achieving this objective.

2. *What tools can be developed to encourage the razing and /or redevelopment of older apartment units?*

**Response:** The best programs developed across the country have included a combination of aggressive enforcement programs coupled with incentives to encourage redevelopment in geographically targeted areas. For example, targeted acquisitions of properties that demonstrate a combination of high crime and unpaid liens can be conducted through a variety of legal strategies. The property can then be redeveloped by local development corporations into better housing stock. We suggest that Dallas study and initiate such a program.

In addition, there are several areas of Dallas where the private sector has expressed interest in massive redevelopment of derelict apartments. However, the high cost of infrastructure upgrades often renders these projects market-infeasible. Without endorsing any specific proposal, we urge the Council to take a closer look at these proposals. Public-private partnerships are often the best and least expensive way to deal with the problem.