

Memorandum



CITY OF DALLAS

DATE February 15, 2019

TO Honorable Mayor and City Council

SUBJECT **Taking Care of Business – February 12, 2019**

Update Items

[Encampment Resolution Schedule –February 12 and 19, 2019](#)

The Office of Homeless Solutions (OHS) has scheduled the following sites for homeless encampment resolution on Tuesday, February 12 and February 19, 2019:

February 12, 2019	February 19, 2019
<ul style="list-style-type: none">• Medical District at Stemmons (District 6)• Interstate I-35 at Inwood (District 6)• Stemmons Freeway at NW Highway (District 6)• Lyndon B Johnson Freeway at Dallas Parkway (District 11)• Lyndon B Johnson Freeway at Josey Lane (District 6)	<ul style="list-style-type: none">• 929 Barry Ave (District 2)• 2600 Taylor St (District 2)• 2621 Hickory St (District 7)• 2600 Dawson St (District 7)• 2600 Louise Ave (District 7)• 1800 South Blvd (District 7)• 2200 N Field St. (District 14)

OHS Street Outreach team will continue to engage with homeless individuals to provide notice of clean-up and connect to resources and shelter. OHS Community Mobilization staff are meeting with stakeholders to determine long-term sustainability of encampment sites and will provide periodic updates. Should you have any questions or concerns, please contact Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer or Monica Hardman, Director of Office of Homeless Solutions.

[2019 Council Retreat and Planning Session](#)

On Wednesday, February 20th, the City Council will meet for the annual City Council Retreat and Planning Session at the Brain Performance Institute (2200 W. Mockingbird Lane, Dallas 75235) from 8:30 a.m. to 5:00 p.m. Similar to last year, several dedicated planning discussions will occur between a few outside speakers. Staff are currently finalizing details for a productive day and will provide further information once completed. Should you have questions or concerns, please contact Kimberly Bizer Tolbert, Chief of Staff or Carrie Prysock, Managing Director of the Mayor and City Council Office.

[Availability and Disparity Study](#)

The Office of Business Diversity kicked off its Availability and Disparity (A&D) Study with a public engagement meeting on February 5, 2019. Held within Council Chambers, nearly 200 people participated in-person and 275 participated virtually (250 telephone/25 webcast). The public engagement meetings target minority/women-owned business entrepreneurs to gain feedback about the process of doing business with the City of

Dallas. That data will inform the utilization phase of the study. **The next public engagement meeting will be at the Bill J. Priest Economic Development Institute from 6 p.m. – 8 p.m. on February 26.** Persons wishing to attend may register [here](#). Commissioned by the City in 2018, the Availability & Disparity Study is being independently conducted by MGT Consulting. The public engagement meetings are available to view [here](#). Should you have questions or concerns, please contact Zarin Gracey, Managing Director of the Office of Business Diversity.

New Items

[Single Family Rental Program Community Engagement Meetings](#)

The Department of Code Compliance Services is continuing its Single-Family Rental Program Community Engagement meetings. The meetings are focused on informing individuals who rent single family homes about their rights as a renter, as well as resources available to them if they are experiencing issues. A list of upcoming meetings is available below. Additionally, flyers have been attached for quick reference and distribution. Should you have any questions or concerns, please contact Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer, or Lynetta Kidd, Interim Director of the Department of Code Compliance Services.

Date	Time	Location
February 13	6:00 p.m.	Highland Hills Branch Library 6200 Bonnie View Rd. Dallas, TX 75241
February 20	6:00 p.m.	Fretz Park Branch Library 6990 Belt Line Rd. Dallas, TX 75254
February 25	6:00 p.m.	Bachman Recreation Center 2750 Bachman Dr. Dallas, TX 75220
February 27	6:00 pm	Skillman Southwestern Branch Library 5707 Skillman St. Dallas, TX 75206

[Love Field Joins Aira Airport Network](#)

Dallas Love Field has a new amenity to assist blind and low-vision customers. The airport launched Aira Access (www.aira.io) and joined the Aira Airport Network, a nationwide network of more than 30 airports. Customers with the Aira smartphone application will receive a notification that they have entered an Aira-enabled facility upon arriving at Love Field. With the help of their smartphone lens, customers connect with a live agent who will talk them through all aspects of the airport experience including navigation, check-in, and concessions at no cost to the customer. Love Field is the first airport in North Texas to enable Aira Access. Should you have any questions or concerns, please contact Mark Duebner, Director of Aviation.

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[15A Reporting Itemized Expenses of City-Funded Officeholder Account for Prior Fiscal Year](#)

Effective July 1, 2017, [Dallas City Code Section 15A-7.4\(h\) of the Elections Code](#) requires each Councilmember to file an annual statement [form](#) itemizing the expenses paid from the City-funded officeholder accounts during the prior fiscal year. The form is due to the City Secretary's Office by 5:00 p.m. on April 30, 2019. Itemized transactions have been provided to Council staff to begin review. Should you have any questions or concerns, please contact Carrie Prysock, Director of Mayor and City Council Office.

[Dallas Youth Commission Position Statement on the Juvenile Curfew](#)

The Dallas Youth Commission continues to meet on the second Tuesday of every month from 6 p.m. to 8 p.m. On February 12th the Youth Commission will discuss the Juvenile Curfew and vote on a position statement. In developing their position, the Commission wanted to receive input on the issue from various interests. Last month, the Commission received input from the Dallas Police Department and Texas Apple Seed. The Commission is planning to present their position statement at the February 13, 2019 City Council meeting.

The Commission is also working with the City Council, community organizations, and City departments to increase youth engagement through multiple initiatives such as the Census 2020, their plan for a city-wide publication, a community mural on Katy Trail, and an arts showcase for youth during the Mayor's Arts Month. Additionally, the Commission is currently planning a spring Youth Summit on April 27th at the Federal Reserve Bank located downtown where they have partnered with local school districts, the YMCA, and other area youth groups. The summit will include a youth town hall, workshops on leadership and civic engagement, as well as an opportunity for eligible students to register to vote.

We will continue to keep you updated on the Youth Commission's activities. Should you have questions or concerns, please contact Brett Wilkinson, Director of the Office of Strategic Partnerships and Government Affairs.

[Media Inquiries](#)

As of February 11th, the City has received media requests from various news outlets regarding the following topics:

- Blue Star Recycling
- Lake Ray Hubbard
- Dallas Marshal's Office Warrant Roundup
- DFR Impacted by Defibrillator Recall
- Accident Involving DFR Rescue Unit Sends 3 To Hospital with Minor Injuries
- DFR Responds to 2-Alarm Apartment Fire in North Dallas
- Two DFR Medics Hospitalized After Fatal Accident Involving Ambulance
- DFR Paramedic Recovering in Hospital Following Accident

Please see the attached document compiling information provided to the media outlets for the week of February 5th – February 11th for your reference and in the event you are

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contacted by the press. Should you have any questions or concerns, please contact Kimberly Bizzor Tolbert, Chief of Staff.

Upcoming Items

City Electricity Procurement

The City's current electricity supply contract with TXU Energy will expire May 31, 2019. Tradition Energy has been hired to serve as the City's Electricity Procurement Advisor during this procurement process. They bring a wealth of experience in developing customized local solutions originating from "best practices" developed working with national clients. A briefing is scheduled for Government Performance and Financial Management on April 1st to provide the following information:

- Explain the approach to the procurement.
- Seek City Council support for a resolution confirming a policy to purchase renewable energy.
- Discuss the potential for this procurement to leverage modest funding for renewable energy-focused programs to assist disadvantaged citizens, in an effort to lower their household energy expenses through renewables. A multi-departmental team would gather to discuss and further develop specific program elements based on the funding that may result.

A new electricity supply contract needs to be in place mid to late April to provide a comfortable transition period by May 31, 2019, whether or not TXU Energy is the successful proposer. It has been brought to our attention that Councilmembers are receiving meeting requests from both TXU and others regarding the upcoming procurement and we request that they be forwarded to staff. Please know that the procurement advisor was hired to ensure that we have independent, third-party market analysis to take advantage of the City's energy profile and result in a procurement strategy that delivers sustainable, low-cost electricity and budget certainty for years to come. Should you have any questions or concerns, please contact Errick Thompson, Director of Building Services.



T.C. Broadnax
City Manager

c: Chris Caso, City Attorney (I)
Carol A. Smith, City Auditor (I)
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor 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
M. Elizabeth Reich, Chief Financial Officer
Laila Alequresh, Chief Innovation Officer
Directors and Assistant Directors



**City of Dallas
Public Affairs & Outreach
Media Requests
February 5 - 12**

February 5, 2019; Jack Highberger, NBC 5 Reporter: Reaching out to see what the latest is on Blue Star Recycling's facility in south Dallas off South Central Expressway. In December, the city filed a lawsuit seeking a temporary restraining order, alleging large-scale illegal dumping.

What came of the lawsuit and has the facility been cleared for operation? Is current activity at the site considered legal?

City Response: The lawsuit is ongoing. The operations appear to the city to be excessive of the limits imposed by Blue Star's permits through the Texas Commission on Environmental Quality. That agency is investigating the facility.

February 5, 2019; Maria Guerrero, NBC 5 Reporter: Morning, I am looking to speak with the public works director about the ongoing expansion of South Cesar Chavez Boulevard downtown. I need to know what's going on with the project – that is still not complete. What's the holdup, timeline, etc. It's not for today – but I need information as soon as possible. And I want an on-camera interview with him about this – possibly early next week. Please let me know when you get this email.

City Response: Good afternoon Maria, The reconstruction project, which includes sections of Central Expressway, Pearl, and Live Oak, is approximately 80% complete and is scheduled to be completed in August 2019. As a reconstruction project, a large amount of underground utility work had to be and is still currently being completed. In addition to the underground utility work, a number of basements and buried fuel tanks have had to be addressed and/or removed in preparation of the final paving. Overall, the City of Dallas is making good progress on this project and is aggressively working towards its goal of completion in August 2019. Additionally, you can use this link <https://gis.dallascityhall.com/bond/> to check for updates on projects throughout the city. Is this something you're still interested on doing an on-camera interview on?

February 6, 2019; Jason Trahan, WFAA Investigative Producer: I'm circling back with the city of Garland to ask them why they never told you all about this, even after they were busted by the state for not disclosing it.

Of course, not disclosing it to Dallas means that Dallas can't do any real time tests of Lake Ray Hubbard to measure the impact of that 14-million-gallon effluent discharge.

I assume this that you all would have liked to have been informed of this back in October when it occurred, yes? Would you have done testing at the time?



City of Dallas

City Response:

I assume this that you all would have liked to have been informed of this back in October when it occurred, yes?

Garland is legally required to contact the Texas Commission on Environmental Quality and local governments in the event of an unauthorized discharge of effluent water. When speaking with Garland, they state that they were aware of their obligation to contact TCEQ (which they did) but were not aware of the need to contact Dallas.

DWU struggles in receiving timely notification from the lake cities concerning discharges into the lake. We have been making efforts to reach out to each entity individually to identify the proper contact person to share with them our request to be notified and the numbers they can call to reach us 24/7. We are making some headway, but still struggling in this area.

We would like to mention late last year; the City of Garland did contact us for our notification/contact information so that they could update their notification procedures to include the City of Dallas.

Would you have done testing at the time?

Yes. Upon notification the Reservoir/Watershed team would respond to perform an investigation and collect samples if necessary. Attached is a copy of our form which outlines what information we would collect and field parameters we would test for.

On a final note, we would like to add that the water treatment plant monitors raw water quality and will make treatment adjustments when necessary to ensure finished water quality (i.e. tap water) continues to meet and/or exceed all regulatory standards for drinking water.

Each and every day, including these days in October, the East Side Water Treatment Plant successfully treats the raw water to a high-water quality standard that not only meets, but continuously exceeds all regulatory standards for drinking water.

February 6, 2019; Erin Jones, CBS 11 Reporter: I'm working on an update today on the situation with Blue Star Recycling in south Dallas.

About two months after the City of Dallas filed a lawsuit requesting a temporary restraining order, alleging widespread illegal dumping it appears it might be happening again according to residents.

Is this something that is on the city's radar?

Is this something the city would want to give comment on?

Also, councilman Tennell Atkins - who represents this area - has been vocal about this in the past. I'm wondering if he would like to give a comment on this?



City of Dallas

City Response: We will inform CM Atkins' office about your inquiry. Below is the City's statement:

"The lawsuit is ongoing. The operations appear to the City to be excessive of the limits imposed by Blue Star's permits through the Texas Commission on Environmental Quality. That agency is investigating the facility. "

February 6, 2019; Erin Jones, CBS 11 Reporter: Following the filing of the lawsuit, I'm wondering if Blue Star reached out to the city attempting any sort of settlement? You said there is a hearing set for March regarding the lawsuit. What is the purpose of the hearing?

City Response: The suit seeks compliance with the law. The purpose of the hearing is to obtain a temporary injunction against Blue Star in the event that they do not continue to work toward compliance according to the terms of our agreements.

February 7, 2019; Lourdes Sanchez Vazquez, Digital Content Producer, Univision: Good evening, I am working on a story about the Dallas Marshal's office collaborating with the North Texas Food Bank. I wanted to know what type of warrants would this apply to? Also when does warrant round up begin and how many people have been arrested in years prior during the round up? Is this the first time the city is working with NTFB to clear warrants? My deadline is Friday at 2 p.m.

City Response: Good morning Lourdes, The canned drive applies to class c misdemeanor city warrants and only to cases where there is no plea entered yet. The donation of three canned goods waives a \$50 warrant fee per case, this is a City fee, not a state mandated fee. This is the first time the Dallas Marshal's Office is partnering with NTFB during warrant round-up. During last year's warrant round up, the Marshal's Office executed 551 warrants which led to 74 arrests.

February 8, 2019; Marysol Gonzalez, Assignment Manager, Univision: We wanted to know if the City of Dallas plans on pretreating the streets due to possible sleet tonight, wintry mix? Thank you.

City Response: The City is monitoring the weather.



City of Dallas

Dallas Fire-Rescue Department
Media Requests: February 4th – February 10th, 2019.

Tuesday, February 5th: CBS 11 News (Giles Hudson) - Saw this today and was asked to check with local hospitals and fire departments to see if you folks use this brand.

Thanks.

<https://www.ajc.com/news/national/fda-recall-stryker-recalls-defibrillators-after-people-die-from-malfunction/7oN3UYVdoFPRitHdK1McuJ/>

City Response - Dallas Fire-Rescue (DFR) was recently made aware of a recall notice, issued by the Food and Drug Administration (FDA), in regards to the defibrillators we use. According to the notice, certain Stryker LIFEPAK 15 Monitor/Defibrillators can experience a lock-up condition after a defibrillation shock is delivered; rendering the unit unresponsive despite visual indicators of it having power. According to the manufacturer, over 13,000 of the units could be potentially impacted.

DFR utilizes a total of 53 LIFEPAK 15's, with 17 of those meeting the recall criteria. As it currently stands, none of those units have experienced the reported issue; however, the Department is already in the process of working with the manufacturer to apply the appropriate corrective measures in a timely fashion. In the meantime, DFR will continue providing service with excellence to the citizens of Dallas until the matter is fully resolved.

For more detail on the recall, and to view the actual notice, you can visit the manufacturer's website at: <http://www.strykeremergency.com/productnotices>

Thursday, February 7th: NBC 5 (Don Peritz) - Can you tell us about a major accident involving Rescue 22 at Forest and Central? Injuries?

City Response - Just after 08:00 a DFR Rescue unit was involved in an accident with another vehicle, at the intersection of Forest Lane and Interstate-75, while driving code 3 to a medical call.

One firefighter/paramedic, and the female civilian driving the other vehicle, was taken to a local hospital with non-life-threatening injuries.

Another rescue unit was immediately dispatched to address the original call.

Saturday, February 9th: All local media outlets – May we obtain information on a 2-alarm fire DFR is responding to?

City Response - At 18:39 Dallas Fire-Rescue responded to a 911 call for a structure fire at the Spring Creek Apartments, located at 14833 Sprink Creek Road, in North Dallas.

The fire grew to a second-alarm response, as flames quickly made it into the attic space of the two-story apartment building. Around 50 firefighters worked to attack the fire and extinguish it in just over an hour.

An undetermined number of units were rendered uninhabitable, but the American Red Cross was called out to assist with the needs of those displaced. Thankfully, there were no injuries reported, to any residents or firefighters, as a result of the fire.



City of Dallas

Investigators are still looking into what happened; but as it currently stands, the cause of the fire is undetermined.

Sunday, February 10th: All local media outlets – Can we get more detail on an accident that a DFR ambulance was involved in overnight?

City Response - At approximately 3:15 a.m., a Dallas Fire-Rescue (DFR) rescue unit, while responding lights and sirens to a Medical Emergency, was struck by another vehicle at the intersection of W. Davis Street and N. Westmoreland Road.

Both medics, and the civilian driver of the other vehicle, were taken to a local hospital after being extricated from the wreckage.

The medic who was driving the ambulance is doing okay, and expected to be discharged from the hospital. The passenger-side medic sustained more serious injuries, and has been admitted for ongoing treatment and observation. Unfortunately, the injuries suffered by the civilian driver would prove to be fatal, as he was pronounced dead at the hospital.

Monday, February 11th: Sent the following update to all local media about the ambulance crash:

DFR Paramedic Recovering from Ambulance Crash

A Dallas Fire-Rescue (DFR) firefighter/paramedic continues his recovery at Dallas Methodist Hospital after being involved in a weekend accident that sent him and his partner to the hospital; but sadly resulted in the death of the driver who struck them.

On Sunday, February 10th, at approximately 3:15 a.m., Dallas Fire-Rescue's (DFR) Rescue 15 was struck by a pick-up truck, at the intersection of W. Davis Street and N. Westmoreland Road, while responding to a Medical Emergency. Both medics, and the civilian driver of the truck, were taken to a local hospital after being extricated from the wreckage.

While the officer driving the rescue unit (who wished to remain unidentified) sustained minor injuries, and was released from the hospital later that morning, his partner, 29 year-old Nicholas Granados, wasn't as fortunate. The collision, which occurred on the passenger side of the rescue unit, left Officer Granados with a collapsed lung, a fractured rib and multiple lacerations, contusions and abrasions over multiple areas of his body. Officer Granados was taken to Dallas Methodist Hospital where his injuries were treated and, thanks to the outstanding work of the medical staff, is expected to make a full recovery. Despite the challenging road ahead, he is thankful to be in the company of his immediate family, friends and loved ones to help him along. He also wishes to thank everyone who has reached out to him with their will-wishes, thoughts and prayers.

SPEAK

**WE WANT TO HEAR
FROM YOU!**

UP

Know your rights! Bring questions to any of our Single-Family Rental meetings and get the answers you need.
Learn more at the meeting below.

WEDNESDAY, FEBRUARY 13
6 - 7:30 p.m.
HIGHLAND HILLS LIBRARY

CONTACT FELICIA.FLYE-LEWIS@DALLASCITYHALL.COM FOR MORE INFORMATION



City of Dallas

SPEAK **WE WANT TO HEAR** **FROM YOU!** **UP**

Know your rights! Bring questions to any of our Single-Family Rental meetings and get the answers you need.
Learn more at the meeting below.

WEDNESDAY, FEBRUARY 20
6 - 7:30 p.m.
FRETZ PARK LIBRARY

CONTACT FELICIA.FLYE-LEWIS@DALLASCITYHALL.COM FOR MORE INFORMATION



City of Dallas

SPEAK **WE WANT TO HEAR** **FROM YOU!** **UP**

Know your rights! Bring questions to any of our Single-Family Rental meetings and get the answers you need.
Learn more at the meeting below.

WEDNESDAY, FEBRUARY 27
6 - 7:30 p.m.
SKILLMAN SOUTHWESTERN
LIBRARY

CONTACT FELICIA.FLYE-LEWIS@DALLASCITYHALL.COM FOR MORE INFORMATION



City of Dallas

SPEAK **WE WANT TO HEAR** **FROM YOU!** **UP**

Know your rights! Bring questions to any of our Single-Family Rental meetings and get the answers you need. Learn more at the meeting below.

MONDAY, FEBRUARY 25
6-7:30 p.m.
BACHMAN
RECREATION CENTER

CONTACT FELICIA.FLYE-LEWIS@DALLASCITYHALL.COM FOR MORE INFORMATION



City of Dallas

Memorandum



DATE February 15, 2019

CITY OF DALLAS

TO Honorable Mayor and Members of the City Council

SUBJECT **2019 Mayor and City Council Strategic Planning Session**

On February 20, 2019, the Dallas City Council will hold its annual strategic planning session. The final agenda and suggested pre-reading materials are attached.

As noted in our original memo, this year's retreat comes at a pivotal time for our City. We look forward to a productive discussion and an opportunity for an open dialogue about how we can move forward – equitably and without hesitation – to become the community we want to be and should be.

Logistics for the Session

The retreat will be held at The Center for Brain Health, Brain Performance Institute. The location is at 2200 West Mockingbird Lane Dallas, TX 75235. A map and driving directions to the center are attached (Attachment 1). There's ample free parking in front of the Institute.

General Session Objectives

As last year, the retreat is intended to be an informal, work-session style forum – collaborative and interactive in nature. Dress is casual.

Key objectives for the session include:

1. Provide a retrospective and update of key initiatives identified in the 2018 planning session for Year 1 and Year 2.
2. Reaffirm Year 2 priorities and identify new priorities for Year 3 (Council's list and proposed from Staff).
3. Through the "Dot Exercise," we will build consensus around 2019-20 strategic priorities for the City Council, including actionable items tied to policies.
4. Following this exercise, Leon Andrews, Director of the Race, Equity and Leadership program for National League of Cities, will select a key priority and walk us through how we as a City can apply an equity lens to that particular priority.

To maximize our time together, please review the attached full list of priorities resulting from the 2018 City Council Retreat (Attachment 6) and submit **3-5 new priorities** you feel are missing from the current list. **New priorities must be emailed to Kimberly Bizer Tolbert, Chief of Staff by close of business, Tuesday, February 19th.**

Thank you for making time on your calendars for this session and for your participation. We look forward to a productive session. See you on Wednesday.



T.C. Broadnax
City Manager

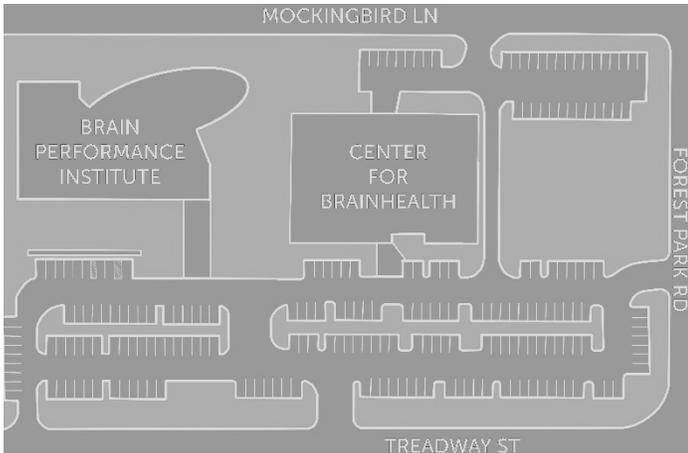
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|--|---|
| Chris Caso, City Attorney (Interim) | Jon Fortune, Assistant City Manager |
| Carol A. Smith, City Auditor (Interim) | Joey Zapata, Assistant City Manager |
| Billieae Johnson, City Secretary | Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer |
| Preston Robinson, Administrative Judge | M. Elizabeth Reich, Chief Financial Officer |
| Kimberly Bizer Tolbert, Chief of Staff to the City Manager | Laila Alequresh, Chief Innovation Officer |
| Majed A. Al-Ghafry, Assistant City Manager | Directors and Assistant Directors |

Attachments:

1. Brain Performance Institute Directions and Parking
2. Council Planning Session Agenda
3. WiFi Information
4. Menu
5. Speaker Bios
6. 2018 City Council Overarching Initiatives
7. Beyond Gentrification: Towards More Equitable Urban Growth

Brain Performance Institute Directions and Parking

2200 W Mockingbird Lane
Dallas, Texas 75235
PH: 972-883-3400



Parking



Brain Performance Institute

Directions from downtown Dallas:

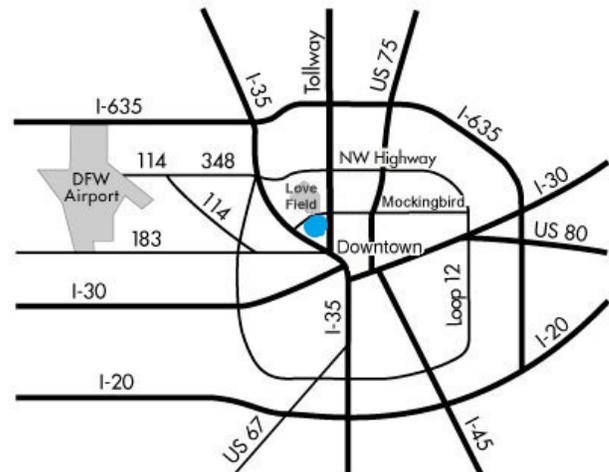
Take Exit 45A and I-35E to N Stemmons Fwy. Take Exit 432A from I-35E.

Take Inwood Rd and Harry Hines Blvd to W Mockingbird Lane.

Turn right onto Forest Park Ln. Immediately after turn, turn right through gates into parking lot.

Continue through parking lot to the front of the Brain Performance Institute, the second building on the right (see parking map below).

Please park in any available spot and we will be in the lobby to greet you.





RECEIVED

2019 FEB 15 PM 4:49

CITY SECRETARY
DALLAS, TEXAS

AGENDA
CITY COUNCIL PLANNING SESSION
FEBRUARY 20, 2019

Brain Performance Institute, First Floor Conference Room
2200 W. Mockingbird Lane, Dallas, TX 75235
9:00 a.m.

- | | | |
|------------|---|---|
| 8:30 a.m. | Breakfast | |
| 9:00 a.m. | Welcome/Order of Business | Mayor Mike Rawlings |
| 9:05 a.m. | Grandest Challenge: Brain Health
Tactics to Optimize Brain Performance | Sandra Bond Chapman, PhD
Founder and Chief Director,
Center for BrainHealth

Jennifer Zientz, MS
Brain Performance Institute |
| 11:00 a.m. | Break | |
| 11:15 a.m. | 2017-18 Retrospective
and 2018-19 Policy Priorities | T.C. Broadnax
City Manager |
| 12:00 p.m. | Lunch | |
| 1:00 p.m. | The Future of Dallas Through
An Equity Lens | Leon Andrews
Director – Race, Equity, And
Leadership Program (REAL)
National League of Cities (NLC) |
| 2:00 p.m. | Break | |
| 2:10 p.m. | The Future of Dallas Through
An Equity Lens – Continued | Mr. Andrews |
| 3:15 p.m. | Effective Leadership
in a Diverse Environment | Angeles Valenciano
Chief Executive Officer
National Diversity Council |
| 4:30 p.m. | Dinner & Debrief of Today's Session Topics | |
| 6:45 p.m. | Adjourn | |

The above schedule represents an estimate of the order for the indicated items and is subject to change at any time.

EXECUTIVE SESSION NOTICE

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code
a. §551.071]
2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]
3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]
4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code
a. §551.074]
5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]
6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex. Govt. Code §551.087]
7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex. Govt. Code §551.089]

Handgun Prohibition Notice for Meetings of Governmental Entities

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista."



Dallas City Council
Strategic Planning Session
Wednesday, February 20, 2019

WIFI INFORMATION

Network: CBHGuest or PBIGuest

A new internet window will open, if not, open your browser of choice. You should be redirected to this webpage. Enter your **email address** in the space provided and click **accept** to agree to the terms of service.

Welcome to the Guest Wi-Fi network.

Ty Khien
214.671.9494 (will roll to his cell)



Dallas City Council
Strategic Planning Session
Wednesday, February 20, 2018

Breakfast: J.J.'s Café

District 10

Eggs, potatoes, bacon, sausage, toast,
biscuits, coffee, orange juice



Lunch: Mama's Daughter's Diner

District 6



Dinner: Pie Tap – District 2





Sandra Bond Chapman, PhD
Founder and Chief Director, Center for BrainHealth
Co-leader, The BrainHealth Project



Sandra Bond Chapman, PhD – founder and chief director of the Center for BrainHealth® at The University of Texas at Dallas, where she holds the Dee Wyly Distinguished University Chair – is committed to maximizing cognitive performance and improving healthy brain development across the lifespan. A cognitive neuroscientist with more than 50 funded research grants and more than 200 publications, Dr. Chapman conducts scientific studies that apply novel approaches to advance creative and critical thinking, strengthen brain resilience and incite innovation throughout life.

Dr. Chapman collaborates with scientists across the country and around the world to solve important issues concerning the brain and its health. On the frontier of brain health research, her scientific study melds interdisciplinary expertise including cognitive neuroscience, rehabilitation, brain imaging, medicine and neuroengineering. The goals: to understand how to better evaluate higher-order, strategic cognition; and to develop, test and implement protocols to achieve optimal brain performance through enhancing and preserving frontal lobe function. The frontal lobe networks are the connections in the brain responsible for reasoning, planning, decision-making, creativity, emotional down-regulation, and judgment. Dr. Chapman coined the term “brainomics” to define the high economic cost of poor brain performance, and she sees the brain as the most significant path through which to raise the standard of living globally.

Dedicated to improving lives today and changing how the public thinks and acts about the brain and its health, in 2017 the Center for BrainHealth launched its Brain Performance Institute™ as the translational arm to deliver to the public rapidly emerging discoveries in cognitive brain health. In 2019, it opened the BrainHealth Imaging Center with a unique focus on human brain research.

Dr. Chapman is also the co-leader of The BrainHealth Project, an international, multi-year research collaboration of brain scientists and change-makers focused on harnessing the brain’s potential to lengthen and strengthen its functionality. This initiative is committed to establishing an objective, predictive and standardized set of brain health measures, and it will accelerate further discovery by making the largest cognitive data set ever collected freely available to researchers worldwide.

Her work to advance cognitive capacity aims to help people of all ages improve their lives, whether they have a healthy brain, a brain disease or brain injury. Her vision elevates people from all walks, including overstressed high achievers, veterans transitioning to civilian life, people who have experienced concussions or more serious forms of brain injury, people diagnosed with Alzheimer’s or related dementias, and people with attention deficit hyperactivity disorder (ADHD), autism spectrum disorder, bipolar disorder and more.



Jennifer Zientz, MS, CCC/SLP
Head of Clinical Services
Center for Brain Health



Jennifer Zientz is Associate Director and Head of Clinical Services at the Brain Performance Institute, the translational research arm of the Center for BrainHealth at The University of Texas at Dallas. She studies healthy cognitive function – with an emphasis in high performance – across the lifespan.

Her work focuses on cognitive resilience-building and regeneration by administering assessments that establish benchmarks of high-level cognitive function and training elite thinkers to reach beyond their perceived potential.

She facilitates high-performance brain training that was developed by BrainHealth neuroscientists and clinicians, with forward-thinking individuals and groups including C-Suite executives, executive leadership teams, active duty special ops teams, veterans and first responders.

She leads Brain Performance Institute teams that execute high-performance assessments and brain training. She is responsible for the development and oversight of training certification programs. Jennifer also administers assessments to study the cognitive effects of degenerative disorders such as Alzheimer's disease and Frontotemporal dementia, and the short- and long-term effects of concussion.

Jennifer has published papers in numerous peer-reviewed journals and is a frequent speaker on human cognitive performance development.

Jennifer obtained her Bachelor of Science degree from The University of Texas at Austin and her Master of Science degree from The University of Texas at Dallas.



Leon Andrews
Director
Race, Equity, And Leadership Program (REAL)
National League of Cities (NLC)



Leon T. Andrews, Jr. is the first director of NLC's Race, Equity And Leadership (REAL) Program. He was appointed to this position in 2014. Leon previously served as the senior fellow and program director for NLC's Institute for Youth, Education, and Families. For eight years, he led all of the Institute's youth development work with mayors and other municipal leaders around the country including in areas related to childhood obesity, disconnected youth, youth engagement and leadership, and youth master planning.

Before joining NLC, Leon completed a research fellowship at The Forum for Youth Investment. Leon has an extensive background working in government, the community, the private sector, and academia for the last 25 years, including the United States Department of Justice, the office of United States Senator Barbara A. Mikulski, the United States Public Interest Research Group, the Allegheny County Department of Human Services, YouthBuild Pittsburgh, the Development Corporation of Columbia Heights, and PricewaterhouseCoopers. Leon also served as an adjunct professor in the Department of Political Science at Eastern Michigan University. He is a published author, a presenter at several conferences and other forums both nationally and internationally. He serves on several national and local boards including ChangeLab Solutions (chair), National Recreation and Parks Association (past chair), National Council on Crime and Delinquency, and the National Network for Youth.

Leon received his Bachelor of Arts in Political Science from Howard University, a Master of Science in Public Policy and Management from Carnegie Mellon University, and is a PhD candidate in the Urban and Regional Planning program at The University of Michigan. Leon is married to an amazing woman, Dr. Kristine M. Andrews. They have three beautiful daughters – Jessica Austin, Julia Iris, and Joanna Jonas.



Angeles Valenciano Chief Executive Officer National Diversity Council



Angeles Valenciano was recently appointed as chief executive officer of the National Diversity Council (NDC), becoming the first female CEO of this major nonprofit. In this role, she will continue to advance the NDC's mission of fostering diversity and inclusion in the workplace. She will also focus on strengthening partnerships with businesses, academia and the community at large.

Ms. Valenciano is a seasoned strategist with more than 20 years of experience in human resources, primarily focused on diversity, organizational change, and development. She was previously president of the Healthcare Diversity Council and executive vice president of the NDC. In the latter role, she oversaw the growth of several national markets, including California and Arizona. In addition, she also served as vice president of business development for the Texas Diversity Council (TXDC), one of the NDC state councils.

Ms. Valenciano was the TXDC's first executive director with responsibility over operations and policy implementation as adopted by the Board of Directors. She directed the agendas of the regional diversity council's advisory boards in Austin, San Antonio, Dallas, and Houston. Under her leadership, the annual Women in Leadership Symposium was created and is now a national and global event held in more than twelve states and several countries including England, Mexico, and Argentina.

Formerly, Ms. Valenciano was the director of diversity and inclusion for 84 Lumber Company. She provided leadership and direction for the infrastructure, design, formulation, implementation and execution of the organization's overall diversity strategy, which included external communications, public relations, and community engagement. She was also responsible for ensuring the efficacy of these business practices, processes, and procedures. Ms. Valenciano's role was carried out in the company's business expansion into Mexico and Canada.

As an assistant vice president and officer at JPMorgan, she served in the capacity of leadership development consultant in Credit Card Services and Organizational Development, and consultant to Customer Services' clients. Ms. Valenciano also managed the strategic direction and execution of organizational-wide development processes as well as diversity programs and initiatives. She served as subject matter expert on global diversity, overseeing the company's initiatives in Latin America, Canada and Mumbai, India.

Active in charitable and civic affairs, Ms. Valenciano is a graduate of the Instituto Tecnológico y de Estudios Superiores de San Luis Potosí located in the City of San Luis Potosí in Mexico with a degree in business and computer information systems. She holds a Professional in Human Resources (PHR) Certificate from University of Villanova. She has completed various leadership and professional development programs across the country and abroad.

Ms. Valenciano is fluent in English and Spanish. She serves on the board of the Science, Engineering and Technology at St. Mary's University in San Antonio, TX. She is a strong advocate and chairs several committees for people with disabilities in the workplace. She is a proud ally to the LGBT community and is active with several chambers of commerce across the country. Ms. Valenciano lives in San Antonio, TX, with her children Tony, Diego and Mario.

2018 City Council Planning Session

Total	17/18	18/19	Overarching Initiatives
11	9	2	Comprehensive Housing Policy/Strategic Plan
9	6	3	Strategic Plan to End Homelessness
8	4	4	Comprehensive Economic Development Policy/Strategic Plan
8	2	6	Develop and Implement a 5-year Infrastructure Management Program
8	7	1	Sustainable Development and Construction Improvements "One Stop Shop"
7	3	4	CDBG/HOME Consolidated Plan Alignment and Accountability
7	7	0	Comprehensive Transportation and Mobility Strategy
7	1	6	Develop a Comprehensive Database of all City-owned Building and Land
7	4	3	Develop and Effective Strategy to Reduce/Eliminate Aggressive Panhandling
7	3	4	Update the City's Comprehensive Plan
6	2	4	Alley and Sidewalk Repair Improvement Programs
6	3	3	Develop a Green Space Plan
6	1	5	Mixed Use and Transit Oriented Development
6	2	4	Multi-Family Recycling Ordinance
5	4	1	Comprehensive Park Land Dedication and Tree Mitigation Policy/Ordinance
5	1	4	Develop Senior Living Strategic Plan
5	3	2	Develop/update Dallas Police Department Strategic Plan
5	2	3	Fair Park Management & Operations Contract
5	1	4	Redevelopment of Underutilized Commercial/Retail Centers
4	1	3	Establish a Comprehensive Plan for Smart Streetlight Conversion
4	2	2	Establish a Unified Development Code to Standardize Development Activities and Requirements
4	3	1	Targeted Economic Development Programs
4	2	2	Tax Relief and Spending Control Strategy
3	3	0	Affordable and Mixed Income Housing Development
3	0	3	Community Oriented Code Compliance and Responsiveness
3	2	1	Dallas Animal Services Comprehensive Code Review
3	1	2	Develop a Diversity, Equity and Inclusion Plan
3	2	1	Develop a Smart City Strategy
3	1	2	Gentrification Mitigation Strategy Development
3	1	2	Improve the Use of Data Throughout the City Organization to Inform Policy Development and Decision Making
2	0	2	Availability and Disparity Study
2	1	1	Develop a Citywide Litter Policy and Litter Abatement Plan
2	2	0	Develop an Anchor Institution Program
2	1	1	Programs to Improve the City's Housing Stock
2	1	1	RIGHT Care Pilot Program Implementation
1	0	1	City Council Professional Development and Training
1	0	1	Creation of City Council District Scorecards
1	0	1	Cultural Plan 2018
1	1	0	Develop a Digital Equity Strategy
1	0	1	Develop a Proactive Business Recruitment and Retention Plan
1	0	1	Develop/update Dallas Fire Rescue Strategic Plan
1	1	0	Street Feeding Ordinance and Policy Review
0	0	0	Develop a Strategy to Eliminate Food Desert in Southern Dallas
0	0	0	Develop Contractor Accountability Guidelines
0	0	0	Downtown Parking Utilization and Parking Efficiency Study
0	0	0	Fleet Management Efficiency Study
0	0	0	Streamline/Automate the Assistance Programs Across All Providers

Beyond Gentrification: Towards More Equitable Urban Growth

by Center for Opportunity Urbanism

Synopsis: Review of the overall effects of gentrification in Chicago, Los Angeles/Orange County, and Dallas and general recommendations.

Dallas-specific recommendations:

1. Completely overhaul its zoning law and permitting process, as Detroit has done, accelerating approval times and deregulating over-restrictive code provisions.
2. Promote the creation of a large-scale non-profit land bank, and issuing bonds backed by co-investment equity stake in new affordable homes, so the city can recycle some of the profits from rising values.
3. Press the legislature to permit property tax breaks for community land trusts and allow long-term tax freezes on new owner-occupied homes in redevelopment zones, to induce buyers and foster a market for developers.
4. Support non-profit programs to advance stable home ownership among disadvantaged communities, in part through better financial education.
5. Development policies should prioritize locally owned businesses as engines of both revitalization and neighborhood stability.

BEYOND GENTRIFICATION

Towards More Equitable Urban Growth



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Wendell Cox is a senior fellow at the Center for Opportunity Urbanism in Houston and the Frontier Centre for Public Policy in Canada. He was appointed to three terms on the Los Angeles County Transportation Commission, served on the Amtrak Reform Council and served as a visiting professor at the Conservatoire National des Arts et Metiers, a Paris university.

Joel Kotkin is the RC Hobbs Presidential Fellow in urban futures at Chapman University and director of the Chapman Center for Demographics and Policy and executive director of the Center for Opportunity Urbanism in Houston, Texas. He is author of eight books and co-editor of the recently released *Infinite Suburbia*. He also serves as executive director of the widely read website www.newgeography.com and is a regular contributor to the *Orange County Register*, *Forbes.com*, *Real Clear Politics*, the *Daily Beast* and the *City Journal*.

Karla López del Río is a community development executive committed to supporting low- and moderate-income families build wealth and thriving communities. Her work fosters public-private-grassroots partnerships resulting in innovative community-led projects, affordable housing solutions, homeownership opportunities, and small business development across Southern California. Karla contributes to the field her insight as a first-generation immigrant, a background in real estate, experience in social enterprise management, as well as a Bachelor's in Development from the University of California, Berkeley. She has received awards from UC Berkeley's Blum Center for Developing Economies and NeighborWorks America in the categories of poverty alleviation and community building.

Pete Saunders is a writer and researcher whose work focuses on urbanism and public policy. Pete has been the editor/publisher of the *Corner Side Yard*, an urbanist blog, since 2012. Pete is also an urban affairs contributor to *Forbes Magazine's* online platform. Pete's writings have been published widely in traditional and internet media outlets, including the feature article in the December 2018 issue of *Planning Magazine*. Pete has more than twenty years' experience in planning, economic development, and community development, with stops in the public, private and non-profit sectors. He lives in Chicago.

Marshall Toplansky is Clinical Assistant Professor of Management Science at Chapman University's Argyros School of Business and Economics, and Research Fellow at the university's C. Larry Hoag Center for Real Estate. He is also Senior Advisor of The Cicero Group, based in Salt Lake City, Utah. A pioneer in the use of big data and sentiment analysis, Marshall is formerly Managing Director at KPMG, and co-founder of the firm's Lighthouse Center of Excellence for Data & Analytics.

RESEARCH TEAM

Andre Cabrera (data and analytics) earned his Bachelor of Sciences degree in Business Administration in June 2018 from the Argyros School of Business at Chapman University. Currently, he is a data scientist and analyst in the Media & Entertainment industry.

Matthew Heinrichs (database expert) earned a Bachelor of Sciences degree in Psychology from Crean College of Health and Behavioral Sciences at Chapman University in 2016. He is currently enrolled in Chapman's Master of Business Administration program and will be graduating in the Spring of 2019.

Zina Klapper (editor) is a writer/editor/journalist with many years of national credits. Most recently, she edited and helped develop a signature 1,200-page volume of 52 essays for MIT's Center for Advanced Urbanism, scheduled for publication by Princeton Architectural Press in 2017. During the past decade, her international media outreach and writing for the Levy Economics Institute of Bard College has included numerous commentaries on major news outlets worldwide.

Alicia Kurimska (lead researcher and copyeditor) is a research associate at the Center for Opportunity Urbanism and Chapman University's Center for Demographics and Policy. She is also an editor for NewGeography.com, a website focused on economics, demographics, and policy. She graduated from Chapman University with a degree in history.

Kenneth E. Murphy (technical consultant) is the associate provost responsible for leading the academic operations of Chapman University. He is a leader in implementing business analytics at the University with the goal of applying data driven decision-making to academic, business and social challenges. He is the business leader of the university-wide business intelligence project, "Panther Analytics", as well as a visionary for process improvement and technology implementation projects in academic operations. Additional duties include managing learning and office spaces, hiring of lecturers, scheduling of classes and allocating other academic resources to advance Chapman's mission of delivering a personalized education of distinction.

Chad Lonski (researcher) is a recent graduate of the University of Southern California holding a B.S. in Real Estate Development and a minor in Architecture. He currently works for Melia Homes, a residential developer based in Irvine, CA, serving as a Land Acquisition Analyst assisting with financial underwriting and forward planning research. During his time at USC he held internships with the County of Orange Development Services (Planning) Department, residential developer The Olson Company, and the Reason Foundation as a Transportation Policy Research Intern.

Ali Modarres (geographer) is the Director of Urban Studies at University of Washington Tacoma. He served as the editor of *Cities: The International Journal of Urban Policy and Planning* from 1999 to 2017. Dr. Modarres earned his Ph.D. in geography from the University of Arizona and holds master and bachelor degrees in landscape architecture from the same institution. He specializes in urban geography and his primary research and publication interests are the socio-spatial urban dynamics of American cities. Some of his recent publications appear in *Current Opinions in Environmental Sustainability*, *Current Research on Cities*, *Transport Geography*, and *International Journal of Urban and Regional Research*.

Charlie Stephens (social media coordinator) works with leaders to weave new identities and frameworks that build strong brands and create thriving communities. He is currently a Senior Analyst at the brand consulting firm, Innovation Protocol, where he has worked with companies such as PayPal, Korn Ferry, Bureau Veritas, and the Diocese of Orange. Charlie has also performed research for MIT's Future of Suburbia and Chapman University's Building Cities for People, and has co-authored articles for the Orange County Register and The Daily Beast. Charlie holds a dual degree in Business Administration and Public Relations/Advertising from Chapman University, and an MBA from Chapman's Argyros School of Business and Economics.

Alex Thomas (researcher) is from San Jose, CA, and is currently a senior at Chapman University pursuing a B.A. in Political Science. He has worked for the Metropolitan Policy Program at the Brookings Institution in Washington, D.C., and hopes to further his interest in public policy through continued study.

Javell Valley (researcher) is a 2018 graduate from the Communications Studies program at Chapman University. A native of Las Vegas, he works on poverty issues not only in this project but at his church in Southern California.



The Failed Promise: Gentrification and The American City

Introduction by Joel Kotkin and Wendell Cox

A metropolitan economy, if it is working well, is constantly transforming many poor people into middle-class people, many illiterates into skilled people, many greenhorns into competent citizens... Cities don't lure the middle class. They create it.--- Jane Jacobs¹

The past two decades have been heady times for America's urban cores. After drifting towards decrepitude since the 1970s, many core cities have experienced real, and often bracing, turnarounds, particularly in the urban centers of our largest metropolitan areas. Yet there is concern that revitalization has often left part of these cities better off, to the detriment of many residents whose neighborhoods have been transformed.

At the center of this perceived, and sometimes real, recovery has been "gentrification," which a 1978 U.S. Housing and Urban Development working paper described as "... a newly-coined term" that "has come to mean the process by which a neighborhood occupied by lower-income households undergoes revitalization or reinvestment through the arrival of upper-income households."²

The term was first used in 1964 to describe developments in Inner London by sociologist Ruth Glass, who wrote: "Once this process of "gentrification" starts in a district, it goes on rapidly until all or most of the original working class occupiers are displaced, and the whole social character of the district is changed."³ By the 1970s and 1980s, gentrification had emerged in US inner cities.⁴

Gentrification is generally an urban core issue. It can occur either organically, as a result of market forces, as a result of conscious public policies, or a combination of both. The attention of this report is principally on measures that can be controlled by governments, especially public policies that can exacerbate the negative impacts on middle and working class residents through gentrification.

Direct policy interventions include examples such as tax incentives (like tax increment financing), subsidies or urban renewal projects, which typically rely on "eminent domain."⁵ Other policy interventions could have a less direct but important impact, such as significant public infrastructure spending on urban rail lines or urban containment policies, which drive up the price of land.⁶

Nonetheless, displacement is real and a source of concern not only among low-income communities but also more broadly in public policy. The extent of displacement is dramatically illustrated in Washington, D.C. and Portland, OR, two major metropolitan areas (over 1,000,000 in population) that include the municipalities evaluated as having the third and fourth fastest gentrification rates by *Realtor.com*.⁷ Both have seen substantial displacement of their African-American populations.⁸ In Portland, 10,000 of the 38,000 residents of its historic African-American section, Albina, have been “pushed to other parts of the city.”⁹ The concern about gentrification and its consequences on low-income and increasingly middle-income households is by no means abating.

Gentrification has often been perceived as a “back to the city” phenomenon, consisting of residents who forsake the suburbs for inner cities. There is virtually no evidence at the metropolitan area level (the functional city) that there has been any such net movement. Neil Smith of CCNY has been widely cited for his theory of gentrification work that concluded: “Gentrification is a back to the city movement all right, but of capital rather than people.”¹⁰

Urban revitalization induced displacement creates a conundrum described by the National Urban Coalition as: “The benefits of a strengthened tax base and some gains in residential and commercial revitalization are clashing with the deprivation, frustration and anger of those who are becoming the new urban nomads.”¹¹ The fundamental problem: a neighborhood “improves” through urban revitalization, but its residents are disadvantaged by being forced out.

Often, the new urban core residents are educated, young professionals. This notion has been further bolstered by decisions such as Amazon’s choice to locate its expanded headquarters near the urban centers of Washington and New York. The globalized urban core, it is argued, represents the future, with little need for them to worry much about their own periphery, as well as other cities and towns.¹² Some also proclaim that urban cores have emerged as the dominant drivers of the American economy.¹³

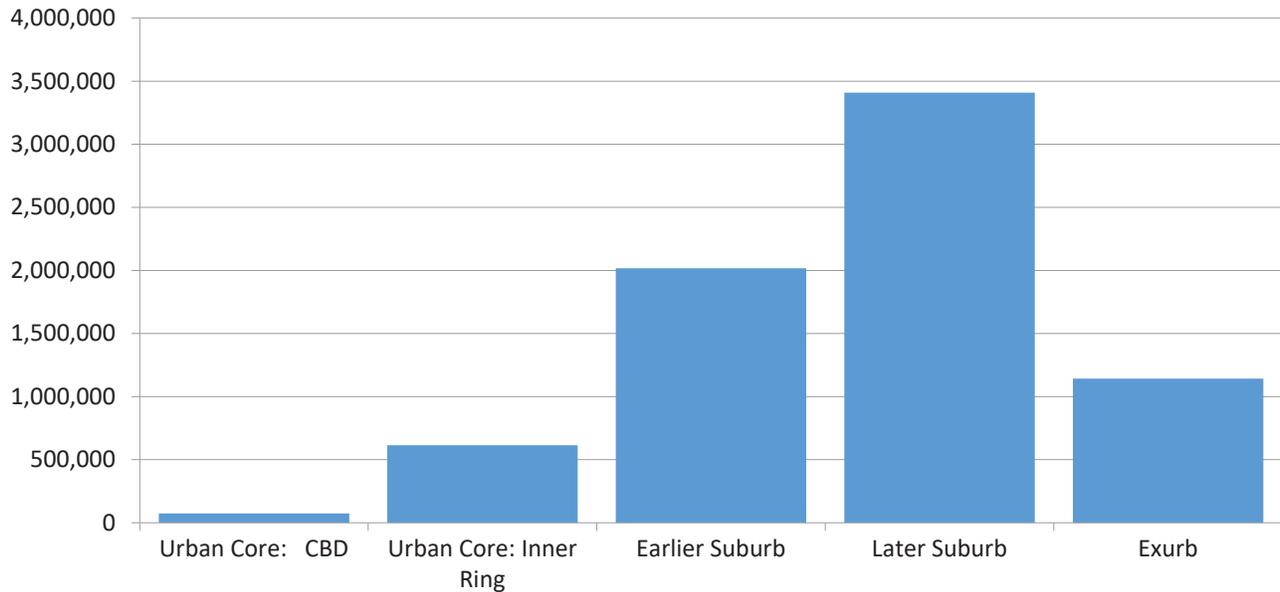
THE LIMITS OF GENTRIFICATION

Yet upon closer examination this is a vast overstatement. The spurt of urban core growth that occurred immediately after the housing bust was short lived. The preponderance of metropolitan growth has returned to the suburbs and exurbs, as had been the case at least since the late 1940s.¹⁴

What occurred instead was significant in changing both perceptions and the reality in many cities. In what started as a largely organic process, certain groups, notably young people, began reclaiming parts of the urban core, albeit at the cost of rapidly rising rents and crowding for residents, a pattern that we see increasingly in many other cities.¹⁵

Population Trend: 2010-2012/2016

53 MAJOR METROPOLITAN AREAS



Derived from Census Bureau data & City Sector Model

Figure 2

The initial success of gentrification inspired cities to focus their revitalization strategy on accelerating this movement, often using public funds of financial incentives. This conscious strategy rested in part on the ground-breaking work of University of Toronto’s Richard Florida. His central focus was on the importance of luring a “creative class” of young professionals who would not only come into the city for opportunity but stay there, re-creating the dynamic grassroots economy and thriving urban middle class. Yet today, even Florida admits that this phase of the great urban revival is now “over”.¹⁶

City Sector Model Criteria

CITY SECTOR & Relationship to City	Criteria 1	Criteria 2
Pre-WW2 Urban Core : Downtown (URBAN CORE-CBD) (in physical and functional city)	Employment density >19,999 per square mile	
Pre-WW2 Urban Core: Outside Downtown (URBAN CORE-INNER RING) (in physical and functional city)	In principal urban area (AND) Population density >7,499 density per square mile (AND) Transit, Walk & Bike Share >19.9%	(OR) In pr. urban area (&) Median year house built before 1946
Post-WW2 Suburban : Earlier (EARLIER SUBURB) (in physical and functional city)	Not URBAN CORE (AND) Not EXURB	(AND) Median year house built before 1980
Post-WW2 Suburban : Later (LATER SUBURB) (in physical and functional city)	Not URBAN CORE (AND) Not EXURB	(AND) Median year house built after 1979
Exurban (EXURB) (In functional city, not physical city)	Outside 2010 principal urban area (largest urban area in the metropolitan area).	(OR) Under 250 density per square mile

Figure 3

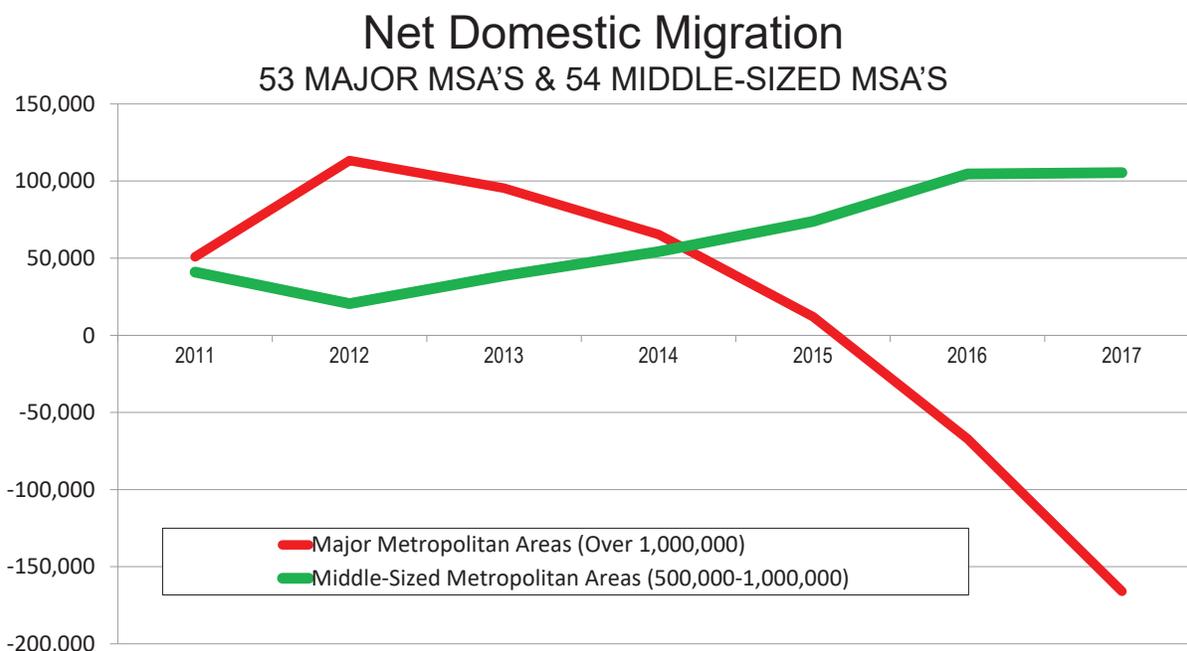
However, if the trend has changed, as Florida has suggested, policies remain stuck in the “creative class” paradigm. In their desperation to attract hipsters and tech workers, many cities invested heavily in arts districts, cultural installations, and sports stadia, often using scarce public dollars that could have been otherwise spent to improve basic infrastructure, education and create long-term jobs. Most economists believe stadia have little long-term economic benefit---except to the owners and those who can afford to attend the games.¹⁷



Many cities invested massively in transit, notably rail lines, hoping to reduce auto use. Despite implementation in many cities, transit ridership has either stagnated or declined, although this is rarely mentioned in reportage.¹⁸ Bus service, critical to poor and working-class residents, has often been reduced while rail service, which serves more affluent riders, has expanded.¹⁹

Many others have emphasized the construction of high-density housing, which is in large part funded by foreign investors who often work through shell companies. This has created housing that is both expensive and often unoccupied for much of the year. Nationwide, as much as 80 to 90 percent of new product is luxury oriented and not for middle- or working-class families who desperately need affordable housing.²⁰

The limits of gentrification can be seen by looking at the latest demographic and economic information. Over the past few years, the movement of people out of the largest core cities has increased, as they seek more affordable locales. Among the core districts of the metropolitan areas with more than 1,000,000 population, there was a small loss of only 10,000 net domestic migrants in 2012, which grew to an outflow of nearly 440,000 by 2017. Meanwhile, net domestic migration has turned negative among the metropolitan areas over 1,000,000 population, while turning more positive in those with 500,000 to 1,000,000 in population.

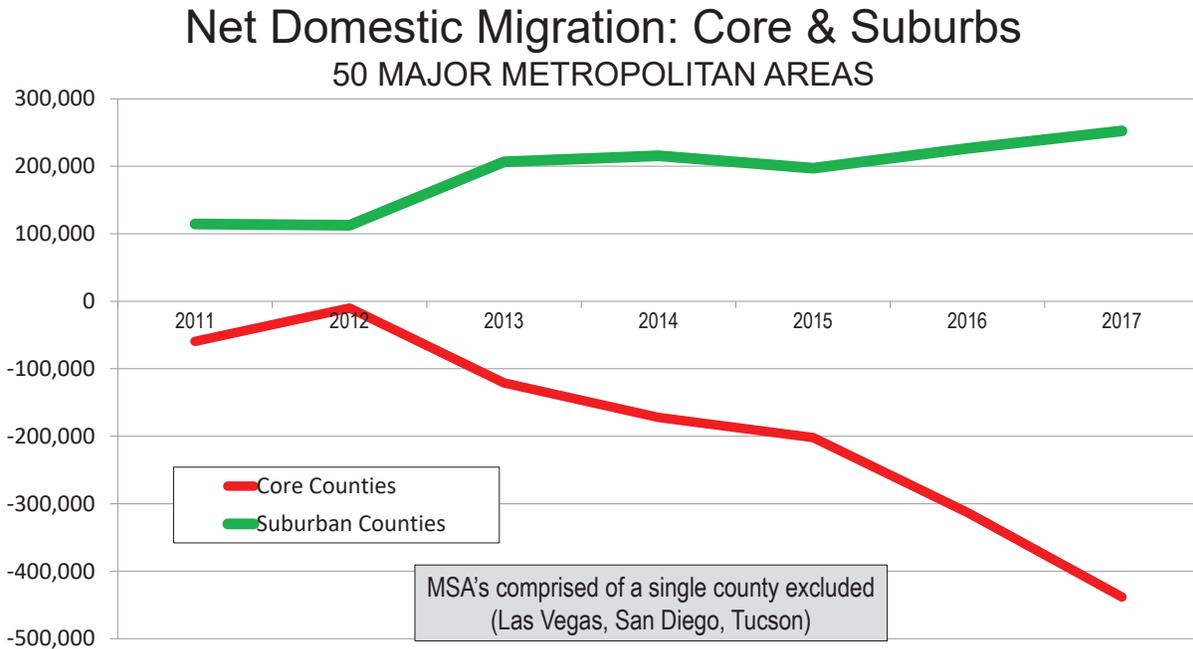


Derived from Census Bureau data

Figure 4

In New York, a city coterminous with five counties, the net domestic migration loss has been 1.1 million since 2010. New York's borough of Brooklyn, the epicenter of early 21st Century urban growth, lost population in 2017. Net domestic migration has plummeted in San Francisco by 80 percent since the early 2010s.²¹ The key here has been surging prices which eat up much of the big city wage "premium" that some booster boasts about.²²

Instead of clustering in large urban cores, nearly all the urban growth in the country continues to take place in suburbs and exurbs.²³ This is particularly marked among aging millennials who are headed, like their parents, to suburban areas. Most of the growth among millennials now takes place outside the urban core, which account for only 21 percent of the growth in our largest 53 metropolitan areas.

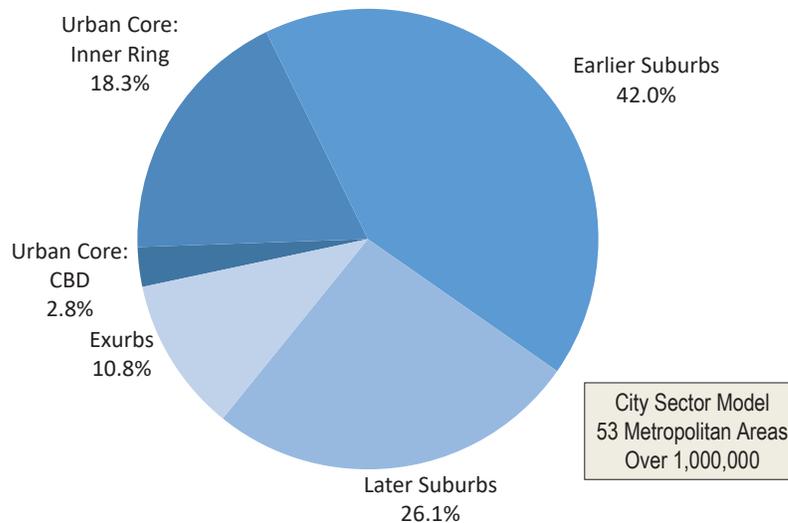


Derived from Census Bureau data

Figure 5

Age 25-34 Mid-Decade Trend

SHARE OF POPULATION INCREASE: 2010 – 2013-2017



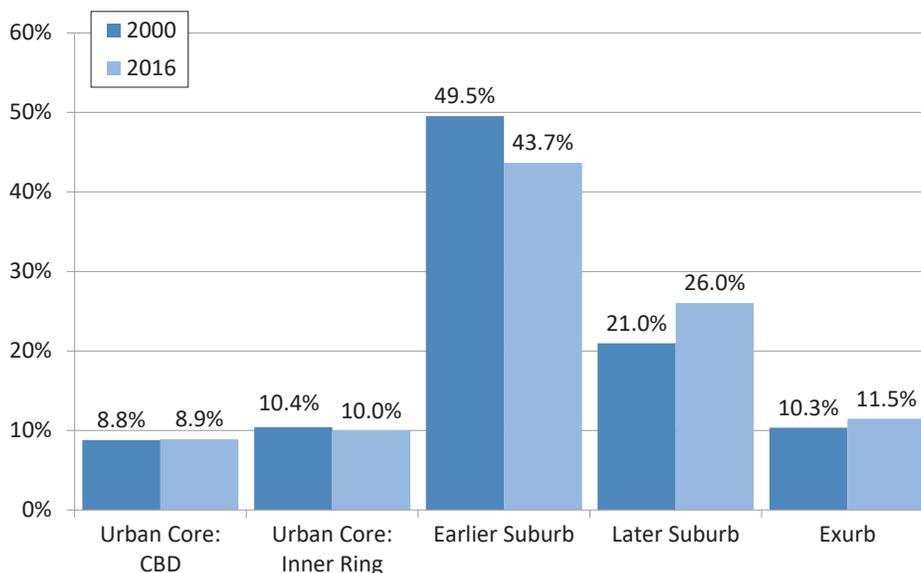
Derived from 2010 Census & ACS (2013-2017): City Sector Model

Figure 6

6

Much the same can be said about the economy. Over the past twenty years many core cities have improved, as HG Wells predicted over a century ago as “a bazaar, a great gallery. And places of concourse and rendezvous”.²⁴ But for the most part they have not generated more jobs. Today, the proportion of jobs in the urban core and adjacent areas remains largely as it was in 2000.

Employment Share: 2000-2016 53 MAJOR METROPOLITAN AREAS



Derived from County Business Patterns & City Sector Model

Figure 7

To be sure, an elite, well-paid and educated demographic has raised incomes, sometimes dramatically, in the urban core. But these represent a minute portion of the urban population, much less the metropolitan area.

NO PLACE FOR THE WORKING CLASS

Perhaps nothing demonstrates the limits of gentrification more than its inability to do anything to address the problems of middle- and working-class families. Richard Florida, in his book *The New Urban Crisis*, makes clear that the “creative class” gentrification strategy has failed to improve the lives of most city residents.

“If the old urban crisis was defined by the flight of business, jobs, and the middle class to the suburbs, the New Urban Crisis is defined by the back-to-the-city movement of the affluent and the educated—accompanied by rising inequality, deepening economic segregation, and increasingly unaffordable housing.”²⁵

It is critical to understand the geography of cities. The relatively small populations of downtowns often have done better, but overall the surrounding areas have not. In the city of Philadelphia, whose central core has rebounded between 2000 and 2014, for every district that gained in income, two suffered income declines.²⁶ Similarly, research by urban analysts Joe Cortright and Dillon Mahmoudi shows that the number of high poverty (greater than 30% below the poverty line) neighborhoods in the US has tripled since 1970 from 1,100 to 3,100.²⁷

It seems clear that gentrification has not benefited the poor and may well have harmed them by spiking housing prices and, perhaps less obviously, restructuring urban economies in ways that hurt blue collar workers. Reporters and politicians might swoon over the latest “hip” urban manifestation, but the poverty rate is still two-thirds higher in urban cores than in the suburbs.²⁸

Crime, which was dropping during the period of the most intense gentrification, has begun to worsen in many cities. In the first six months of 2015 in Chicago, someone was shot every 150 minutes. Homicides have risen in such cities as Baltimore, New Orleans and St. Louis. This crime is heavily concentrated in poorer areas; five percent of city streets, according to one study, create half of city crime nationwide.²⁹

Not surprisingly, many working-class urban core residents feel gentrification offers them little. Cities tussle to bring in high-tech jobs but few poor inner-city residents are likely to work as programmers for Google or Amazon.³⁰ The San Francisco area experienced population losses among African Americans from 2010 to 2017, ranging from 3.6 percent in Oakland to 7.2 percent in San Francisco and 10.1 percent in San Jose. The tech powerhouse city of Portland (Oregon) saw its African American population drop 8.4 percent. The cities of Chicago (10.7 percent), Detroit (9.7 percent) and Cleveland also suffered African American population losses.³¹ There are serious concerns in each of these places about gentrification induced displacement. Notes Harry Alford, President of the National Black Chamber of Commerce:

“When I was growing up in Ventura County we would drive up and visit relatives in San Francisco. The city was about 30 percent Black and had thriving Black neighborhoods like the “Filmore” area. Then, one day in the 1970’s they came in with bulldozers and started leveling buildings and gutting the Filmore via eminent domain. The Black population of San Francisco quickly dropped to 18 percent by the 1970’s and now, today, it is below 3 percent. That 3 percent is predominantly living under the poverty level and is being pushed out to extinction. They first pushed the Black masses to Oakland. Now, the gentrification is happening in Oakland. Where do Black folks of modest means go? One thing is for sure, they are getting the Hell out of these gentrified areas.”³²

These concerns have spread from the earlier locations to more recently gentrifying cities like Los Angeles, Atlanta, and Denver.³³ In some cases, this has even led to vandalism designed to repel potential gentrifiers.³⁴

Overall, the cities most widely associated with urban revival also suffer some of the worst evidence of homelessness, poor sanitation and overall breakdown of society. They may be role models for real estate speculators and progressive politicians, but not so much for the working classes.³⁵



Yet despite these shortcomings urban analyst Aaron Renn suggests that city leaders are little concerned about these trends, and support policies that are likely to exacerbate them:

“None of these forces appear to make the upscale classes of Chicago sad. You certainly don’t hear anyone sounding the alarm about black population loss and saying that the city needs to do something about it. In fact, the city’s ineffective policing would appear to be a contributor to driving blacks out, meaning black population decline is de facto public policy.”³⁶

THE DECLINE OF THE URBAN MIDDLE CLASS

The largest gaps between the bottom and top quintiles of median incomes in the 53 major metropolitan areas, as reported by Pew Research, are in some of the most progressive metropolitan areas, such as San Francisco (#1), New York (#2), San Jose (#3), Los Angeles (#4), and Boston (#5).³⁷ Clearly the growth of downtown and the decline of middle class neighborhoods means that urban cores are going to continue losing families. Urban cores have dramatically lower percentages of children than suburbs and exurbs.

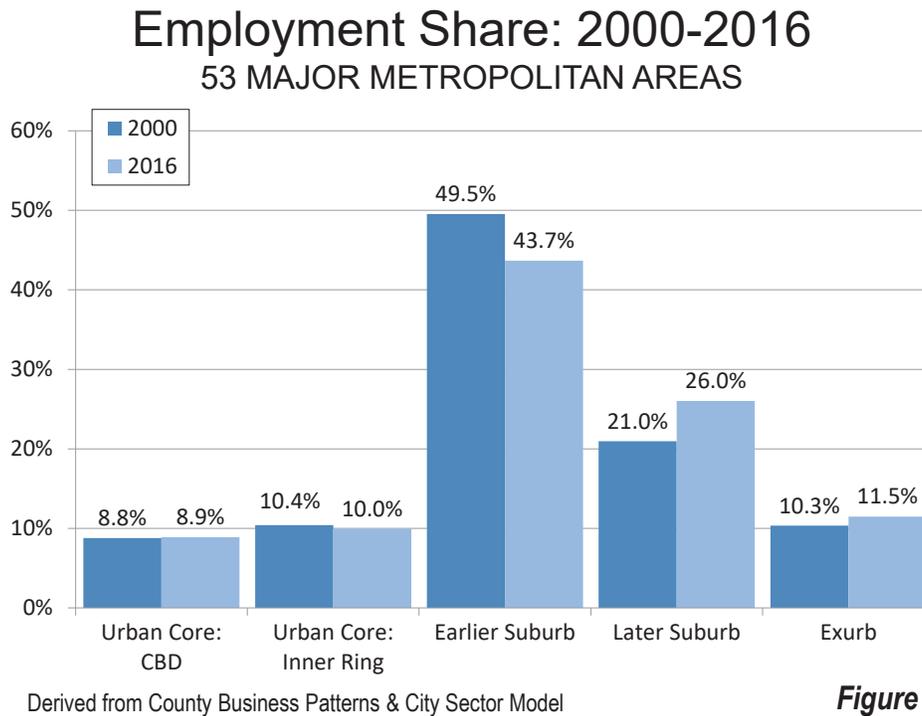
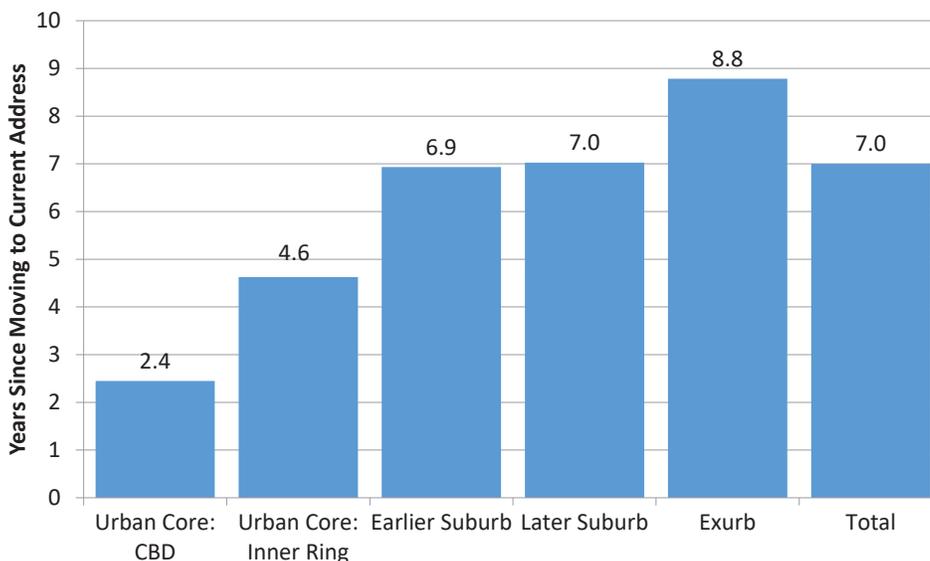


Figure 8

In many cases, gentrification resembles something of a “movable feast” as developers build expensive and dense housing for a relatively small sector of largely young, and childless, households. These populations tend to be short-timers who are indulging the “urban phase” of their life.

Residing at Same Address: All Households

MEDIAN: 53 MAJOR METROPOLITAN AREAS: 2012/2016



Estimated from Census Bureau data & City Sector Model

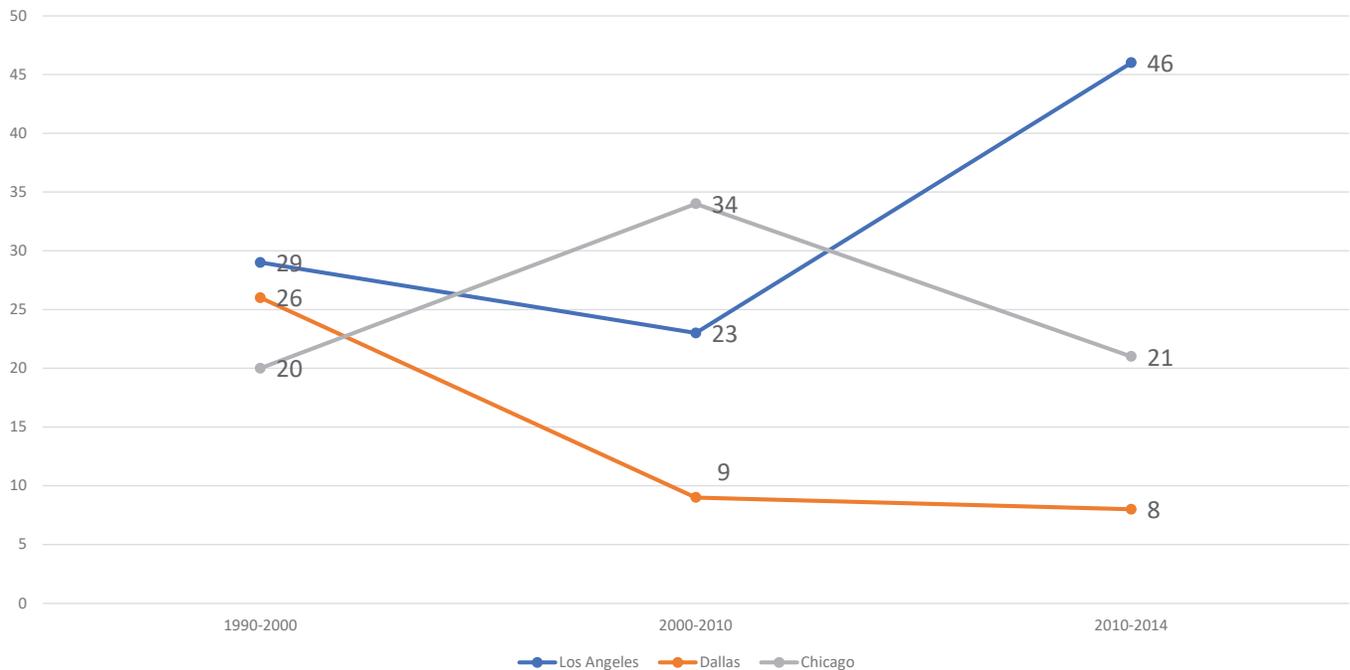
Figure 9

Allan Mallach, in *On the Edge: America’s Middle Neighborhoods*, points out that many of the middle and working class neighborhoods that served as the ballast --- and supplied the workforce --- for a diverse urban economy are systematically being undermined.³⁸ Teachers, firemen and police officers are struggling to afford homes in many of America’s major cities, according to a new study from *Trulia*, a real estate website.³⁹ This also applies to many skilled blue-collar professions such as technicians, construction workers and mechanics.⁴⁰ Inclusive economic growth --- the core value of this paper --- is now all too rarely found in American cities, and virtually never in those that have seen gentrification.⁴¹

THE PLAN FOR THIS REPORT

People, of course, do not live in cities *per se* but in places with their own unique histories, social trajectories and economies. To understand what is going on in urban America, we looked deeply at three specific cities, with analysis conducted by people expert in that geography.

Number of Census Tracts Meeting Gentrification Income Criteria - 1990 to 2014
Los Angeles, Chicago and Dallas-Fort Worth Metropolitan Areas



We start with Chicago, the quintessential American city, and among the first places in the country to experience large scale gentrification. Urban affairs analyst Pete Saunders, a longtime local resident, demonstrates how the city of Chicago has experienced a remarkable transition in and around its urban core, one of the most attractive central districts in the world. Yet this revival, he points out, has bypassed much of the city’s poorer wards, populated largely by African-Americans and Latinos, causing widespread resentment in these communities.

Following Chicago, we look at the Los Angeles area, with its more recent gentrification. Researchers Marshall Toplansky, Ken Murphy, and Karla López del Río note that Los Angeles has concentrated wealth in its long disdained downtown, fueled by massive investment from both the public and private sectors, causing gentrification in some nearby neighborhoods.⁴² Yet, overall, the LA area suffers some of the nation’s worst levels of poverty, and soaring rents have convinced many in the city that real estate speculation will force them out either to further flung areas or, in all too many cases, the streets.⁴³

Finally, we focus on Dallas, the core city of arguably one of the most successful large urban areas in this century. Dallas’s leaders have focused heavily on the downtown area, which has historically lagged the rest of the region. In Dallas, notes analyst Cullum Clark, virtually all economic and demographic growth continues to occur far from the urban core. Attempts to gentrify the central area have had some success, but the city’s predominately minority southside has continued to suffer from persistent disinvestment and rising poverty.⁴⁴

After our three specific reports, we will summarize our findings and look towards possible alternative policies that can spark more inclusive growth. Our hope is that this discussion will lead policy-makers, business and community leaders to develop a new model for urban growth, one that does not leave so many of our neighborhoods, and the people who live there, as orphans in their own cities.

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Chicago: A Tale of Two Very Different Cities

By Pete Saunders



Figure 1: Chicago Skyline. Source: archdaily.com

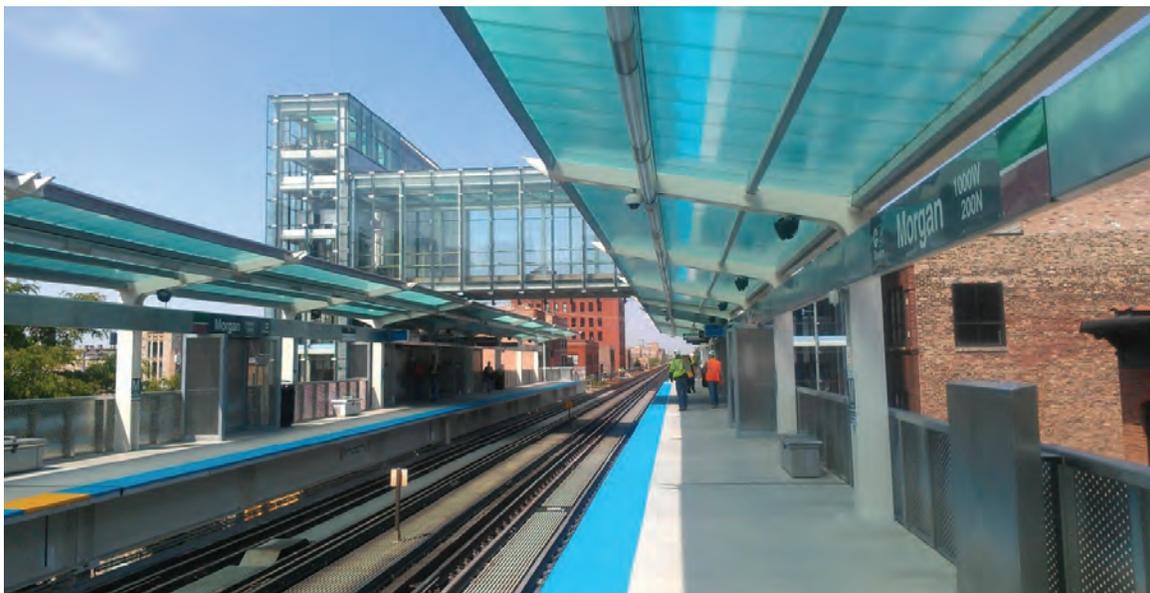
On its surface, the city of Chicago exhibits many of the characteristics associated with gentrification in the nation's top global cities, like New York, Boston, and Washington, D.C. on the East Coast, and San Francisco and Seattle on the West Coast. It has a gleaming downtown booming with new construction; surrounding neighborhoods with large concentrations of young, educated and affluent urbanites; and dense, walkable areas adjacent to transit, retail, entertainment and institutional development that has sprouted to serve the rapidly rising demographic. The revitalization apparent in the nation's 'superstar' cities is visible in Chicago.

A deeper look into Chicago, the Midwest's largest city, as well as its economic and cultural capital, shows that it exhibits just as many traits commonly found in its surrounding area. It is at the forefront of revitalization in a region that still suffers from the loss of manufacturing employment and from rigid segregation patterns established during the Great Migration.

CHICAGO'S GENTRIFICATION CATALYSTS

It is becoming clearer that gentrification in Chicago has benefited from a series of local policy actions, along with the implementation of state and federal policies. Those policies, listed roughly chronologically, are:

- Public housing development and placement¹
- Interstate highway development²
- Urban renewal clearance³
- Transit improvements on targeted Chicago Transit Authority lines
- City investment in targeted public facilities (parks, police and fire stations; selected schools)
- Widespread utilization of Tax Increment Financing (TIF) districts⁴
- Magnet and charter schools development and expansion
- Deconstruction of Chicago Housing Authority public housing complexes⁵
- School closures on a large scale by Chicago Public Schools⁶



*Figure 2: The new Morgan Station on the Chicago Transit Authority Green Line, which opened in 2012.
Source: chicagotribune.com*

Sadly, however, the policy tools designed to create a better city have rarely been used in an equitable fashion. Chicago's broader gentrification pattern has been influenced by its legacy of segregation established in the aftermath of the Great Migration that brought African-Americans north from rural, southern states over the first half of the twentieth century. Early on, Chicago adopted a segregation strategy facilitated by the real estate industry, which was enforced by police and even mob violence. Chicago became a bifurcated city. The areas where the legacy of segregation was minimal thrive, and the other areas, starved of the investment that fuels growth elsewhere, lag.

CHICAGO'S GENTRIFICATION PATTERNS

The focus of this analysis is on those Chicago neighborhoods that were working-class or low-income, or became so, generally following World War II, and not on those that remained steadily affluent and middle class. Chicago has had three iterations of revitalization since the 1950's, and is now experiencing a fourth.



Figure 3: Scene from Chicago's Lincoln Park neighborhood. Source: wikipedia.org

THE FIRST WAVE (1955-1975)

The Near North Side, immediately north of the Loop, and Lincoln Park, adjacent to the Near North Side's northern border, were among Chicago's earliest recipients of gentrification activity.^{7 8} Historically, both communities developed as working-class white ethnic enclaves in the early twentieth century, with Italians and Irish on the Near North Side and Eastern Europeans in Lincoln Park. Following World War II, residents that were worried about the deterioration of housing in both communities created new luxury housing in towers in Lincoln Park, and public housing — the Cabrini-Green housing projects — on the Near North Side. Through the 1970s and onward, both communities continued to change from low-income status to high-income status. Today, both are among the wealthiest areas in the entire Chicago metro.



Figure 4: The Edgewater neighborhood in Chicago. Source: choosechicago.com

THE SECOND WAVE (1970-1990)

As home prices and rents steadily rose in the Near North Side and Lincoln Park, people seeking similar neighborhoods broadened their searches to adjacent areas. The Uptown neighborhood was perhaps the most diverse North Side community in the 1970s. About 23% of its residents were persons of color in 1970 (most North Side lakefront neighborhoods were in the 3-5% range at the time). Uptown failed to get significant gentrification activity during this period, despite being adjacent to strong revitalization on all sides.⁹



Figure 5: Residences in Wicker Park. Source: bestchicagoproperties.com

THE THIRD WAVE (1985-2005)

Chicago's gentrified areas became more so, and gentrification moved inland. Lincoln Park, Lake View and Edgewater became affluent communities. Incremental expansion of gentrification in other areas included the Pilsen neighborhood on the Near Southwest Side, the first gentrification of the South Side.

Daniel Kay Hertz, a senior policy analyst for the Center for Tax and Budget Accountability in Chicago, a well-regarded urbanism blogger and the author of the upcoming book, *The Battle of Lincoln Park: Urban Renewal and Gentrification in Chicago*, has written:

The general pattern of gentrification in Chicago has been to reclaim low-income, white ethnic communities as artist's communities first, and then have them morph into affluent neighborhoods over time. A lot of effort during that time was put into finding ways to contain the growing African-American population on the South and West sides, mostly to 'protect' middle class and working class communities and residents who might be inclined to take off for the suburbs.¹⁰



Figure 6: Recent residential development in Chicago's University Village area.
Source: propecon.com

THE FOURTH WAVE (2000-PRESENT)

Chicago is currently in the middle of its fourth wave of gentrification. There continues to be affluence concentration in areas where gentrification started earliest, particularly in Wicker Park, Bucktown and Logan Square, and slow movement into adjacent areas like Humboldt Park and Bronzeville (the Douglas, Grand Boulevard and Oakland communities). Yet much, indeed most, of the city has not been gentrified, and after the housing collapse we witnessed the hollowing out of many West Side and South Side neighborhoods. Housing vacancies increased substantially in areas far from the strongest gentrification activity.

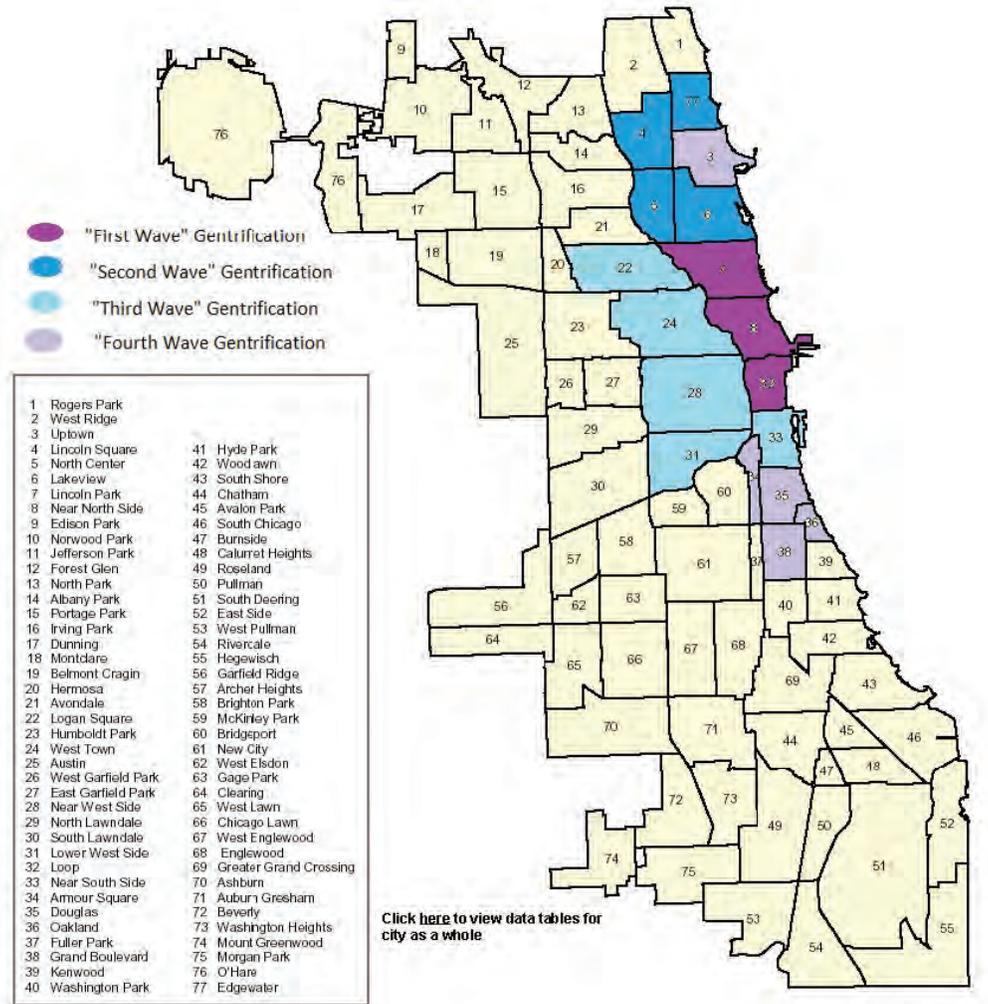


Figure 7: Chicago “Waves” of Gentrification. Map Source: Consortium of Chicago School Research

The census tract maps document how gentrification has spread through Chicago. The mapped data, taken from the U.S. Census and American Community Survey, includes changes in median household income by census tract from 1990 through 2016.

Green census tracts represent areas with median household incomes that were higher than that of the overall Chicago urbanized area at the time. Yellow census tracts show areas with income higher than Chicago’s median household income, but lower than that of the urbanized area.

The 1990 map captures a snapshot of a Chicago in the early stages of its third wave of gentrification. Affluent census tracts are concentrated in three areas: the far northwest, the far southwest, and the cluster of Loop, Near North Side and Lincoln Park on the north lakefront.

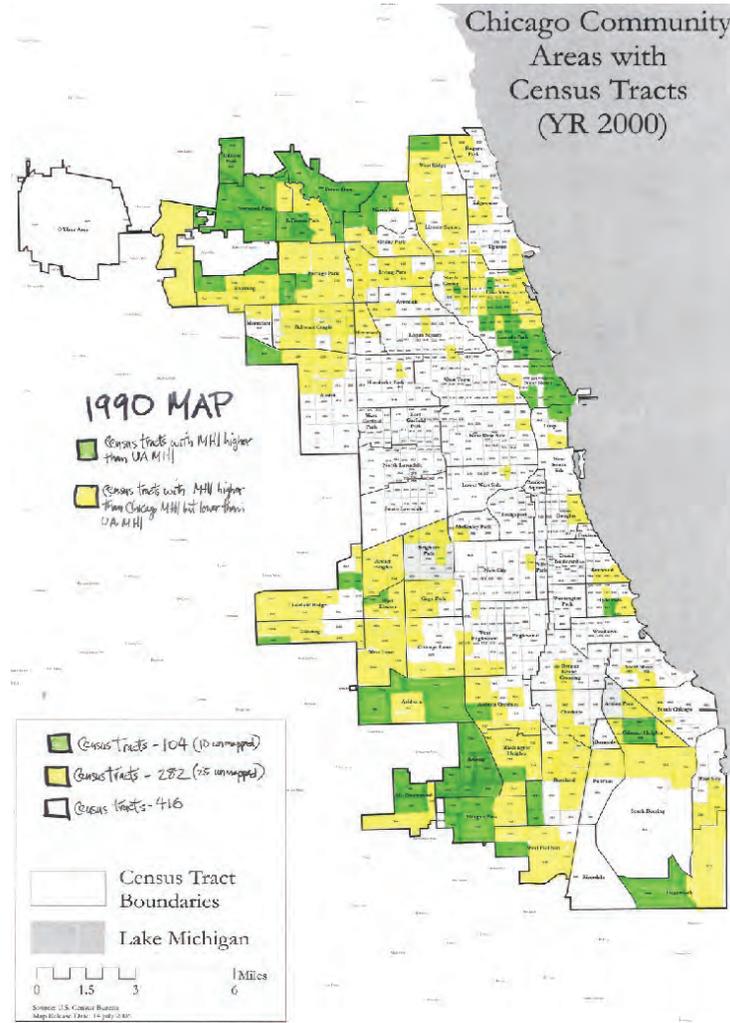


Figure 8: Gentrified and Gentrifying Census Tracts, 1990 (preliminary)

The 2000 map demonstrates how gentrification deepened along the north lakefront — how yellow (moderate) income tracts turned green — and how it spread to adjacent inland areas. The Logan Square, West Town, Near West Side and Near South Side areas saw rapid increases in median household income between 1990 and 2000, thrusting them from working class status onto a path toward affluence. This impacted largely white, ethnic enclaves: Polish and Ukrainian areas in West Town, Norwegian in Logan Square, and Italian on the Near West Side. Predominately African-American areas like the Douglas, Grand Boulevard and Oakland neighborhoods did not see the same kind of revitalization.

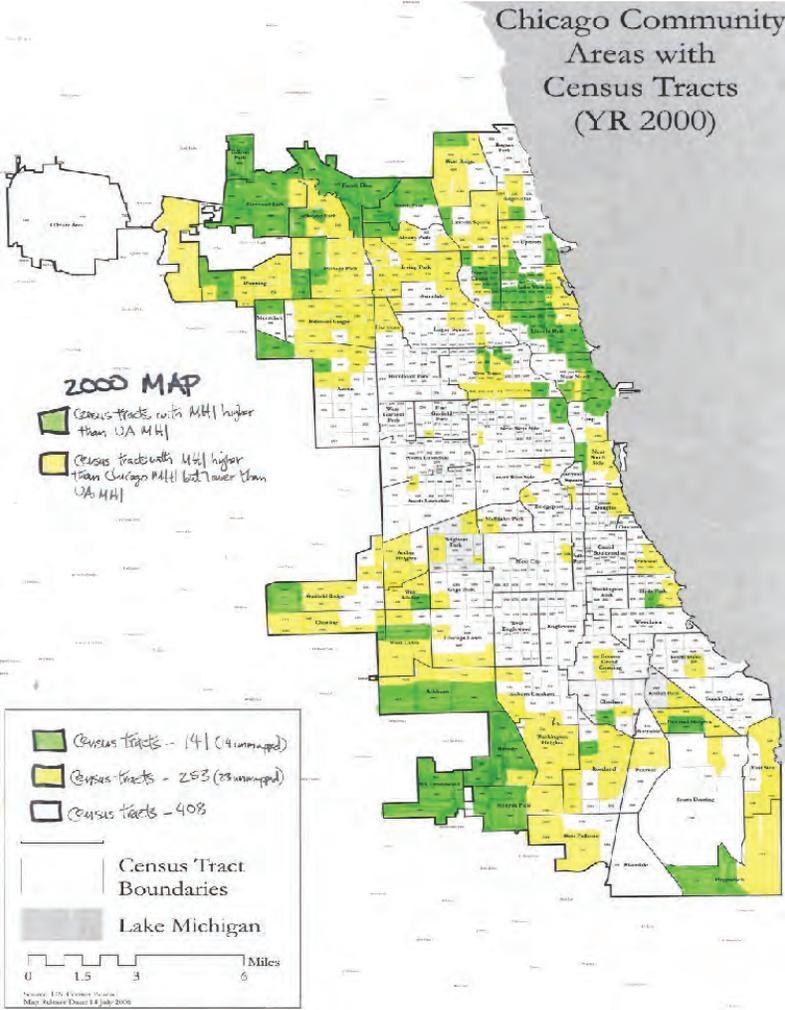


Figure 9: Gentrified and Gentrifying Census Tracts, 2000 (preliminary)

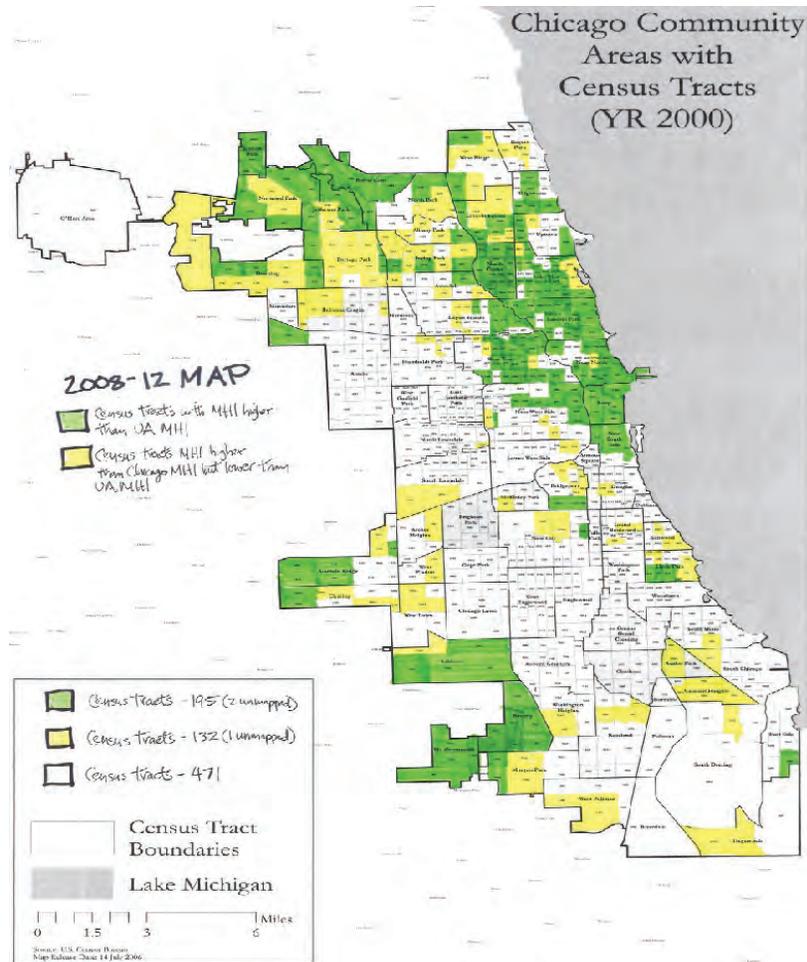


Figure 10: Gentrified and Gentrifying Census Tracts, 2008-2012 (preliminary)

A DATA ANALYSIS OF CHICAGO'S TRAJECTORY

One notable characteristic of Chicago gentrification is that it is taking place largely within former working-class and low-income white ethnic areas, and not within majority African-American and Latino areas, irrespective of the area's income levels.

In its first and second waves on the city's North Side, gentrification activity moved swiftly northward and inward from North Side lakefront areas. But by the start of the third wave in the 1990's, the pace of expansion slowed significantly. During the third and fourth waves, gentrification largely deepened where it was already established, and expanded outward only when gentrified areas became saturated and housing became unaffordable.

Particular tools of public policy were used during each wave:

- Public housing construction, interstate highway development and urban renewal in the first wave;
- Targeted transit improvements and targeted city facility improvements in the second wave;
- Tax Increment Financing districts, expansion of the magnet and charter school network, and deconstruction of public housing in the third wave;
- School closures that aid in the hollowing out of neighborhoods in the fourth wave.

Much has been made by urbanists about Chicago's population loss since the start of this century, putting it in stark contrast with other cities nationwide. However, an argument could be made that, if not for Chicago's unique brand and pattern of gentrification, it would show signs of population increase. This becomes evident when viewing Figure 11.

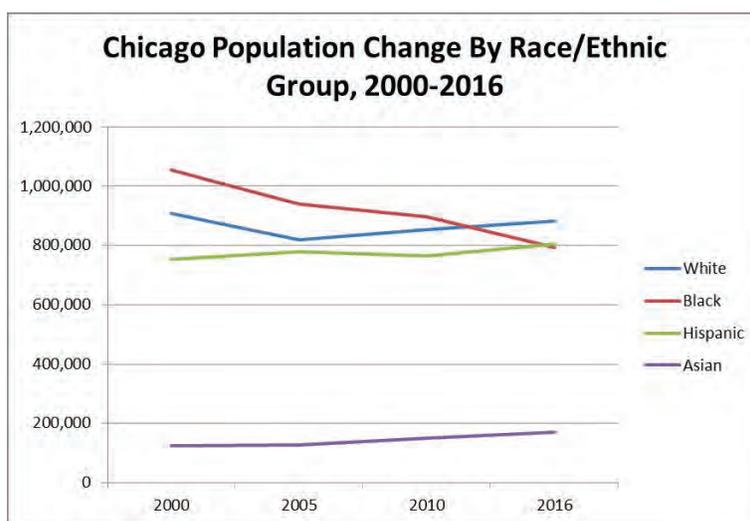


Figure 11: Chicago Population Change by Race/Ethnic Group, 2000-2016. Source: U.S. Census, American Community Survey

Chicago's population has fallen by nearly 7% since 2000, going from 2.9 million to 2.7 million over that time. Non-Hispanic white population dropped by nearly 10% between 2000 and 2005, but has since rebounded by nearly 8% since 2005. The city's rise in Hispanic population has slowed since its boom in the '80s and '90s, but it has still increased by 7% since 2000. Asian population has seen astounding growth since 2000, increasing 37%. Yet Chicago's African-American population has decreased by nearly 25% since 2000, singlehandedly contributing to the city's overall population loss.¹¹

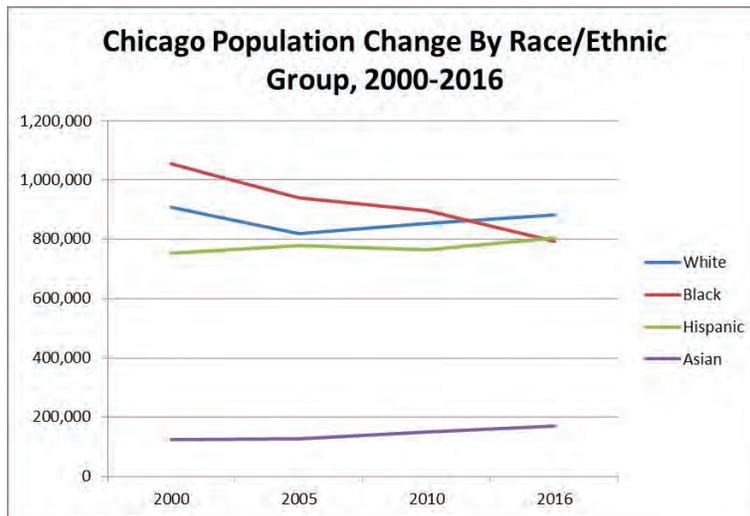


Figure 12: Chicago Median Household Income Change by Race/Ethnic Group, 2000-2016. Source: U.S. Census, American Community Survey

An examination of median household income values by race and ethnicity shows that the growing prosperity of the city is not shared equally.

Overall, Chicago’s median household income (all figures are in actual dollars) rose from \$38,000 to \$53,000 between 2000 and 2016. For non-Hispanic whites, the median grew by 56%, from \$47,000 to \$73,000. Asian households saw the largest gain, 61%, rising from \$41,000 to \$65,000. Hispanic households witnessed a 34% gain, rising from \$37,000 to \$49,000. African-American households, however, remained virtually unchanged over the period, rising just 6%, going from \$29,000 to \$31,000. The conclusion should not be drawn that the incomes of African-Americans are stuck in neutral. Rather, many middle class African-Americans have simply moved out of Chicago, to the suburbs or elsewhere.



**GENTRIFICATION TODAY:
PILSEN, KENWOOD-OAKLAND, AND ROSELAND**

Tour Chicago today and you will find construction cranes dotting the prairie landscape from the South Loop to the North Shore. Indeed, for the third year in a row Chicago ranks second to Seattle for the number of construction cranes in major American cities.¹² Office and residential towers are sprouting up near the lakefront, taking advantage of wonderful views and easy access to one of the world’s most dynamic downtowns.

Figure 11: Chicago Figure 13: Construction of the 1345 Wabash condo tower, in 2015. Source: yochicago.com Population Change by Race/Ethnic Group, 2000-2016. Source: U.S. Census, American Community Survey

However, one does not have to go far to find evidence of disinvestment and neglect. A scant two or three miles south of the Loop, or just two or three miles inland from Lake Michigan, neighborhoods are full of vacant lots, abandoned or distressed buildings, and resignation and frustration among residents.

For example, the Pilsen neighborhood on the city's Near Southwest Side is one of the city's oldest neighborhoods. Once a pillar of Eastern European immigration, it became a destination for Latino immigrants in the 1950s and 1960s.

Jose Requena is a graduate student, studying urban planning and public policy at the nearby University of Illinois-Chicago (UIC), and a volunteer community organizer for Pilsen Alliance. Formed in 1998, the alliance was created in reaction to encroaching development from UIC and the creation of a TIF district to stimulate development.

“University Village is where I first experienced and understood gentrification in Chicago,” says Requena, “It’s where I learned that gentrification [is] a long-term real estate scheme. It’s a 40-year process.”

Starting in the 1990s, UIC took a lead role in redeveloping the area to match what it perceived as its own character — townhouses and condos that would be attractive to university faculty, staff, and to other professionals, with updated amenities.¹³

University Village would eventually replace Pilsen’s largely working-class homes, as well as the Maxwell Street market and bazaar (Maxwell Street had been the home of Jane Addams’ Hull House, and later became the place where the Chicago Blues sound originated). In the process, much of Chicago’s most precious heritage was lost.



Figure 14: Scene from Chicago's Pilsen neighborhood. Source: wikipedia.org



Figure 15: CTA Pink Line Damen Station, in Pilsen. Source: wikipedia.org

Today, Requena and Pilsen Alliance members are concerned about development patterns in central and western Pilsen, much of it based around the Chicago Transit Authority's Pink Line.

According to Requena, "TOD [transit-oriented development] is being used against neighborhoods. Don't get me wrong, I enjoy and prefer public transit. But the way the city targets its transit investments, it essentially encourages developers to harvest the profits of the surrounding land."¹⁴



Figure 16: Aging greystone next to new development in Kenwood-Oakland. Source: yochicago.com

Yet outside of Pilsen, many neighborhoods appear abandoned, rather than targeted for gentrification. Nearby Kenwood-Oakland is indeed known for being the home of President Barack Obama and his family, and has long been the neighborhood of many affluent and professional class residents. But just north of 47th Street, there are struggling commercial corridors along Cottage Grove Avenue and 43rd Street, and public housing complexes. Vacant lots have been scattered throughout the northern half of the community for decades.

Jawanza Malone, executive director of the Kenwood-Oakland Community Organization (KOCO), believes the north/south divide in Kenwood-Oakland “...isn’t natural; this was created.”

Malone is a firm believer that the area suffers from “displacement by disinvestment,” the process of driving residents and businesses out of a community, which pushes prices downward and sets the stage for future development.¹⁵



*Figure 17: New construction adjacent to vacant land in Kenwood-Oakland.
Source: jamesiska.blogspot.com*

Malone cites the Chicago Housing Authority’s “Plan for Transformation,” which saw the demolition of thousands of public housing units on the South Side replaced by limited mixed-income housing development, and the round of school closures in 2013. He is currently wary of the development potential of the former U.S. Steel South Works site, an expansive (600+ acre) development site that could add as many as 20,000 housing units on the south lakefront. Development is currently stalled, but the megaproject has received considerable city assistance — site acquisition, demolition, environmental cleanup and more — since the late 1990s.

Malone has also been involved in the debate over the development of the proposed Obama Presidential Center about two miles south of Kenwood-Oakland. Activists like Malone have been pushing the Obama Foundation to agree to a community benefits agreement to mitigate the higher property values and rents they believe will result from the development. Obama Foundation officials say they do not believe the presidential center will have a displacement impact; activists like Malone say it already has. Indeed, a recent report by DePaul University’s Institute of Housing Studies says as much. The report developed a “displacement pressure” typology for all census tracts in Chicago, and found that Woodlawn was already experiencing increasing pressure on prices and rents. This was particularly the case for moderate income renters and homeowners.¹⁶



Figure 18: Two-flats in Chicago's Roseland neighborhood. Source: estately.com

About five miles south of Kenwood-Oakland and ten miles south of the Loop, Chicago's Roseland community has become poorer, with the loss of steel and automotive jobs.

Abraham Lacey and Janece Simmons are the Executive Director and Director of workforce development and regional housing strategies, respectively, for the Far South Community Development Corporation. They believe that the city's use of TIFs — tax increment financing — starves essential services, like schools.

“The school closures by CPS (Chicago Public Schools) was an outcome of TIF policy,” says Lacey, referring to the closure of 54 schools citywide in 2013, mostly on the South and West sides.¹⁷ “Many were in fact underperforming and underutilized, but the schools were starved for investment. CPS just didn't have the resources to make the improvements residents wanted...the lack of investment is often viewed as a lack of importance to the city. It's a signal that residents here aren't as important.”¹⁸

THE BIFURCATED CITY

Marisa Novara, vice president of Chicago's Metropolitan Planning Council, says that the city's divided nature is nearly as old as the city itself. Novara led MPC's two-pronged effort over the last two years, in partnership with the Urban Institute, to examine Chicago's segregation. *The Cost of Segregation* quantified differences in wages, housing costs, educational attainment, crime and even lives lost due to segregation and *Our Equitable Future* outlined policies that would effectively reduce the city's strong segregation patterns.¹⁹

Researchers sought to learn what segregation costs the city, and what we can do to change the patterns of segregation. They found that if Chicago's level of segregation was at national median levels, it would result in an increase in total regional income of \$4.4 billion, led by a \$2,982 rise in income for African-Americans, per person, per year. Chicago's homicide rate would likely drop by as much as 30%, saving 229 lives, and 83,000 more people would have bachelor's degrees.²⁰

As for segregation's impact on the city's residential patterns, Novara said, "There's a real disconnect in knowledge across city neighborhoods. Affluent residents aren't aware of affordable options in parts of the city they don't typically visit, and low income residents may not be aware of employment opportunities that go unfilled in affluent areas. Some low income residents may even resist going to affluent areas, for fear of negative interactions."

The challenges of Chicago's persistent segregation are often lost on many of the city's affluent residents, who view Chicago as more diverse and inclusive than at any time in its history. This is true in some ways, but gentrification appears to be widening the divides. Daniel Kay Hertz notes that "Chicago's north lakefront was once exclusively a white ethnic, working class bastion, but it's become more diverse as it's become more affluent." Chicago, he says, is at a demographic crossroads. "The inventory of old white ethnic enclaves in pre-World War II neighborhoods is drying up, and it's uncertain whether developers or residents are ready or willing to move into less familiar areas."²¹

This is, of course, a national issue. Richard Rothstein, a Senior Fellow at the Haas Institute at the University of California, Berkeley School of Law, and author of *The Color of Law: A Forgotten History of How Our Government Segregated America*, has examined the history of segregation in the United States, particularly as it relates to housing.²²

He notes how public housing construction authorized by the Housing Acts of 1937 and 1949 was used to segregate American cities, including Chicago. The federal government guaranteed low-interest loans to finance the development of new homes on the urban periphery, but African-Americans were excluded at every level. Homebuilders explicitly excluded them from purchasing homes in burgeoning suburbia, and provisions of the G.I. Bill that offered mortgage financing were not offered to them. In an interview with *The New York Times* Rothstein said, "We have created a caste system in this country, with African-Americans kept exploited and geographically separate by racially explicit government policies. Although most of these policies are now off the books, they have never been remedied and their effects endure." The residue of policies meant to contain African-Americans in the Rust Belt remains to this day.²³

THE COMING WAVE?

Chicago's current trajectory is likely to heighten bifurcation, as it becomes a wealthier city in some places and a poorer one overall. The West and South Side are not likely to gentrify, but we are likely to see these neighborhoods continue to empty, further driving up racial and economic inequality. Some gentrification activity can be expected in previously untouched West and South Side areas.

The city is going to be even more subject to displacement by disinvestment. Five largely African-American South Side communities, and four largely African-American West Side communities, together have lost one-fifth of their population, from a combined 417,000 in 2000 to 335,000 in 2015. The population loss was most acute on the South Side, where the population of the five South Side communities fell by 23%.²⁴



Figure 19: A vacant home being prepared for demolition in Chicago's Englewood neighborhood.
Source: dnainfo.com



Figure 20: Vacant lots dot the landscape of Englewood and other South and West Side Chicago communities.
Source: openlistings.com

Cities that undergo significant displacement by disinvestment are marked by severe racial, ethnic and economic inequality. Affluence is likely to be concentrated in certain pockets, while poverty occupies larger parts of these cities. Few middle class communities, and the jobs that support them, are apparent.

Although Chicago leads this transition, Cleveland, Detroit, Milwaukee and St. Louis all show traits of affluence clustering at the same time that poverty spreads.

A BETTER WAY FOR CHICAGO

In 2012, the International Organization for Economic Co-operation and Development (OECD) published a territorial review of the Chicago metropolitan area, the first created in the US.²⁵ The report identified many strengths for the region; it is affluent and well-educated, with a diversified economy. But it suffers from a serious skills mismatch that stymies economic growth, and, as a result, underperforms economically relative to its strengths. Persistent unemployment, it reports, particularly in African-American and Latino communities, have been made worse by spatial segregation, and play a significant role in the region's underperformance. The report received little public recognition, perhaps because Chicago's political and business leaders were critical of the conclusions.

Chicago follows a different path than many of the nation's superstar cities, or than its Sun Belt fast-growth brethren. The city's population continues to fall, but new commercial and residential towers continue to rise. Economic inequality deepens as poverty becomes more entrenched, yet overall city income is rising, as more affluent residents move in. Violent crime continues to plague vast segments of the city, but its affluent neighborhoods are as safe as similar neighborhoods in New York City, making them among the safest urban areas in the world. Chicago's split personality makes simplistic characterization difficult.

Although there has been some notable growth in the core city, nothing has altered the pervasive lack of inclusive growth. This heightens racial and class tensions, while putting a ceiling on the city's potential.

It may be the case that social and cultural factors have as much influence on future revitalization in Chicago as economic ones. The city's legacy of segregation influenced where gentrification would first start, and it has determined how gentrification would expand. It is also clear that the city's public policy influenced the where and how of gentrification, and continues to do so today.

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Gentrification in Los Angeles

By Marshall Toplansky, Karla López del Río and Ken Murphy

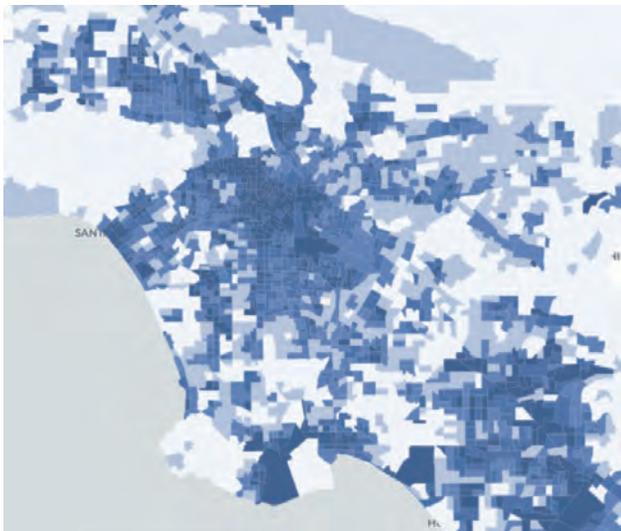
Like Chicago, Los Angeles represents a distinct face of American urbanity. It has led the way toward the polycentric and dispersed form that now characterizes virtually all major metropolitan areas.¹ Unlike traditional, monocentric cities, Los Angeles accommodated growth by expanding outwards. Only in recent years has LA experienced gentrification of its older, urban core.

The process of gentrification — repairing or rebuilding homes and businesses in a deteriorating neighborhood, accompanied by an influx of the middle-class or affluent — often results in the displacement of earlier, usually poorer residents.² One criterion used to quantify gentrification is the movement of people from the 40th percentile (or below) of income to the 60th percentile (or above), a metric recommended by *Governing Magazine*.³

THE TRAJECTORY OF LA GENTRIFICATION

Los Angeles has a lack of access to affordable housing, goods, and services in low-income neighborhoods that is arguably worse than in the early 90s, the time of the riots. Many in the area, according to surveys, feel a repeat is entirely possible, if not inevitable.⁴ Since 1990, only a handful of LA neighborhoods have experienced gentrification. Within the Los Angeles-Anaheim Metropolitan Statistical Area (MSA), they represent between 1% and 2% of all census tracts.

Gentrification started later in LA than it did in Chicago or New York. Spurred by the city's 1999 Adaptive Reuse Ordinance, massive investment accelerated in the long neglected core. Affected sectors included housing and transportation (notably the subway and light rail lines). In addition, the library was restored, the convention center was improved, and the Staples Center, which cost city taxpayers an estimated \$71.1 million, was built.⁵



The map to the left represents the percentage of renting households in 2015 in LA County. Darker areas have higher concentrations of renters.

LA gentrification has not, for the most part, been created through organic growth, but rather through government policy and massive real estate investment from outside the city. The LA area ranked as the No. 1 choice in North America in a survey of global commercial real estate investors who had a combined total of \$1.7 trillion to spend on property in 2017.⁶

The motivations of city leaders and investors in LA are largely the same as in other cities. Peter Moskowitz, author of *How to Kill a City: Gentrification, Inequality, and the Fight for the Neighborhood*, describes gentrification as an unspoken effort to pull in richer residents who will boost tax revenues, as well as enact land-use policies and subsidies that reward developers and investors for building luxury housing.⁷

City leaders and investors are betting on converting LA into a launching pad for ambitious millennials that will fill up high-end residential vacancies. If this would lead to more mid-range jobs, including in manufacturing (LA remains the largest industrial area in the country), this might bring some succor to the poor. However, the impact has been stronger on real estate speculation than it has on broad-based economic growth. Sadly, job creation, particularly for upward mobility, is not the goal of gentrification.

According to one study that examined changes in median home value, household income, and population with a bachelor's degree, the 90014 area code in DTLA (downtown Los Angeles) absolutely crushed every other US ZIP Code. Home values increased 707%, household income nearly doubled, and the population with a degree increased a staggering 857%. The ZIP Code only holds about 8,000 people, but it is symbolic of a greater transition happening in the downtown area. The 90013 ZIP Code, containing a portion of Skid Row, was also in the US top 20.⁸

On May 1, 2015, *The New York Times* outlined the allure of Los Angeles to a creative class demographic attracted by an evolving art scene:

“More than 50 galleries have sprouted since late 2013... [A] fashion A-list is turning its sights west... entire neighborhoods, many clustered on the city's east side, are undergoing a much-documented haute-boho revival... [A repurposed downtown] has become a trend factory, brimming with Beaux-Arts loft condos, galleries, groundbreaking restaurants like Baco Mercat and, inevitably, a new Ace Hotel to serve as ‘Portlandia’ south.”⁹

Over the past decade the city has also allowed for densification in areas such as Hollywood and has made plans to increase density in vulnerable neighborhoods like the Crenshaw district, often overriding long-established zoning ordinances, and often against neighborhood desires.¹⁰

THE POLITICS OF GENTRIFICATION

This conscious gentrification has created deep concerns in many neighborhoods. Under Mayor Eric Garcetti, the LA city planning commission has acceded to developers' plans to increase densities well beyond the amount allowed by the zoning in LA's 35 Community Plans about 90% of the time, and ignored established land use regulations, notes one *Los Angeles Times* study.¹¹

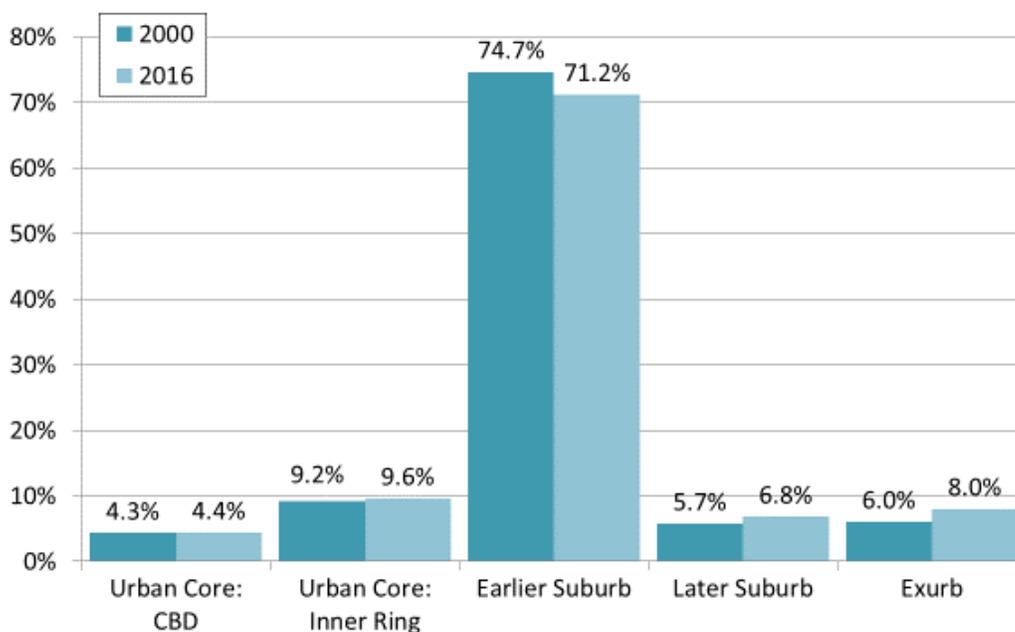
Changes in zoning are often warranted, of course, but the critical question is, “For what purpose?” To many community activists, these moves reflect a desire, as described by Moskowitz, to change the demographics of the city, replacing current residents in favor of a more affluent population. “The only jobs that LA is looking to bring in are in the tech industry,” suggests Crenshaw district organizer Damien Goodmon. “Wealthy white and Asian men... are the only ones who benefit from these jobs; LA seems to want to become a rich person’s paradise.”¹²

THE RESULTS SO FAR

Neither downtown revitalization nor policies to boost densities have made the city richer. New sports stadia have created many lower-wage jobs, but the area has actually lost jobs that pay more than \$75,000 annually over the past decade.¹³ And despite the notion that dense urban places spark high-wage growth, the LA area falls in the bottom half of major metropolitan areas for professional and business services growth, well behind not only Silicon Valley and San Francisco, but trailing boomtowns such as Nashville, Dallas-Fort Worth, Austin, Orlando, San Antonio, Salt Lake City, and Charlotte. Most California metros, including Los Angeles, fell in the bottom half of the rankings.¹⁴ LA, by far the state’s largest metropolitan area, suffers among the highest poverty rates of major US metros.¹⁵ From 2000-12, median rents increased by 25% in LA County. During the same period, income declined 9%.¹⁶

To be sure, the once desolate downtown has seen a considerable increase in housing, with more than 70,000 additional units planned by 2040.¹⁷ Yet it has not become a major job center; since 2010, its share of total employment in the region is no larger. The most rapid job growth continues to be in newer suburbs and exurbs.¹⁸

Employment Share: 2000 - 2016 LOS ANGELES METROPOLITAN AREA



Derived from County Business Patterns & City Sector Model

Nor has the surge of downtown housing relieved the city's severe shortage of affordable units. The new developments, many pushed by foreign investors, tend to be neither affordable nor highly desired. Landlords of luxury apartments in DTLA often offer free parking and periods of free rent.¹⁹ In September of 2017, downtown vacancy rates hit an all-time high with about 2,000 empty units.²⁰

Mayor Garcetti was warned by his own housing department chief, in a 2015 Housing and Community Investment Department report, that LA's luxury-housing overkill had created a huge 12% vacancy rate (5% is considered healthy) in all housing built since 2005. Savvy Chinese real estate website *Mingtiandi* is warning investors that DTLA is heading for "... an imminent glut of luxury condos, amid a wave of up to 30,000 new residential units to hit the city's market over the next three years."²¹

Other city-sanctioned high-density developments, many of them tied to transit projects, have made LA's housing woes worse. Efforts to densify areas around transit stops have had the effect of making property and rents higher cost, and, perversely, replacing mostly-poor transit riders with affluent residents who tend to drive. Some displaced poorer people, according to a recent University of California study, have been forced to move so far from convenient transit connections that they have felt compelled to purchase cars.²²

But perhaps nothing illustrates the futility of the city strategy better than the surge in homelessness. Last February, *The Los Angeles Times* launched an editorial board series that called the ever-worsening gentrification/homeless situation in Los Angeles "a national disgrace."²³ The LA homeless population soared again last year, from 28,464 to 34,189, and is now being called "our Katrina" by critical local groups.²⁴ Plans by the city to gentrify the Skid Row section, with its permanent homeless population of over 2000, have been opposed by those who say it would essentially be an eviction.²⁵

THE POLITICS OF GENTRIFICATION

Given the failures of gentrification and densification, those forces face considerable opposition in many neighborhoods.²⁶ Although most of the region has not seen the intense gentrification like in New York or Chicago, the fear of its effects are being strongly felt in many of the city's historically disadvantaged neighborhoods.²⁷

The map of 46 census tracts that have increased in household incomes from the 40th to the 60th percentile from 2010-2014 shows the changes throughout the entire LA-Anaheim MSA. The red areas (on land, not sea) represent the census tracts that meet the income criteria for gentrification.

Los Angeles Change In Home Ownership Rates			
	1990-2000	2000-2010	2010-2014
Number census tracts with significantly above average decline in home ownership*	229	368	543
Total Number of Census Tracts in LA/ANA MSA* (adjusted for changes in tract definitions)	2876	2876	2876
Percent of census tracts with significantly above average decline in home ownership	7.96%	12.80%	18.88%
Change in home ownership rate defined as “significantly above average” for the period	-7.46%	-8.05%	-6.37%
Average change in home ownership rate for the period	-0.01%	-1.14%	-1.49%

*Significantly above average is defined as census tracts that have more than one standard deviation difference from the zero rate of decline in the metro market. Source: American Community Survey and Census data, U.S. Census Bureau. Census tracts normalized by GeoLytics across time periods.

Yet many LA working-class neighborhoods possess a strong homeowner ethos that developed over the last half-century. These neighborhoods may have intense poverty and rundown retail strips, but they remain human-scaled with pride of ownership.³⁰

This ethos is keenly felt in many parts of South-Central Los Angeles and several neighborhoods south of downtown.³¹ Once a predominately African-American community but now predominately Latino, South-Central is among the most overcrowded neighborhoods in the country.³² The population is composed of nearly 80% renters and 45% in poverty. Conditions have worsened considerably since the 1992 riots.³³



Picture Courtesy of Boyle Heights Beat, March 19, 2017, <https://boyleheightsbeat.com/boyle-heights-six-unit-property-listed-for-1-6-million/>.

New development in the area, such as the \$1.2 billion luxury apartment project called ‘The Reef,’ has engendered major neighborhood pushback from advocacy groups. A report from Human Impact Partners found that nearly 45,000 residents within two miles of the mega-project are at risk of displacement.³⁴

Another particularly hot spot is in the predominately African-American Crenshaw district, long a stable community that includes not only poor people, but a considerable number of working and middle-class homeowners. There are fears about new development, including a high-end mall. Luxury apartments around the Crenshaw light-rail line, which will connect the area to both Downtown and LAX, promise to displace many current residents and black-owned businesses.³⁵

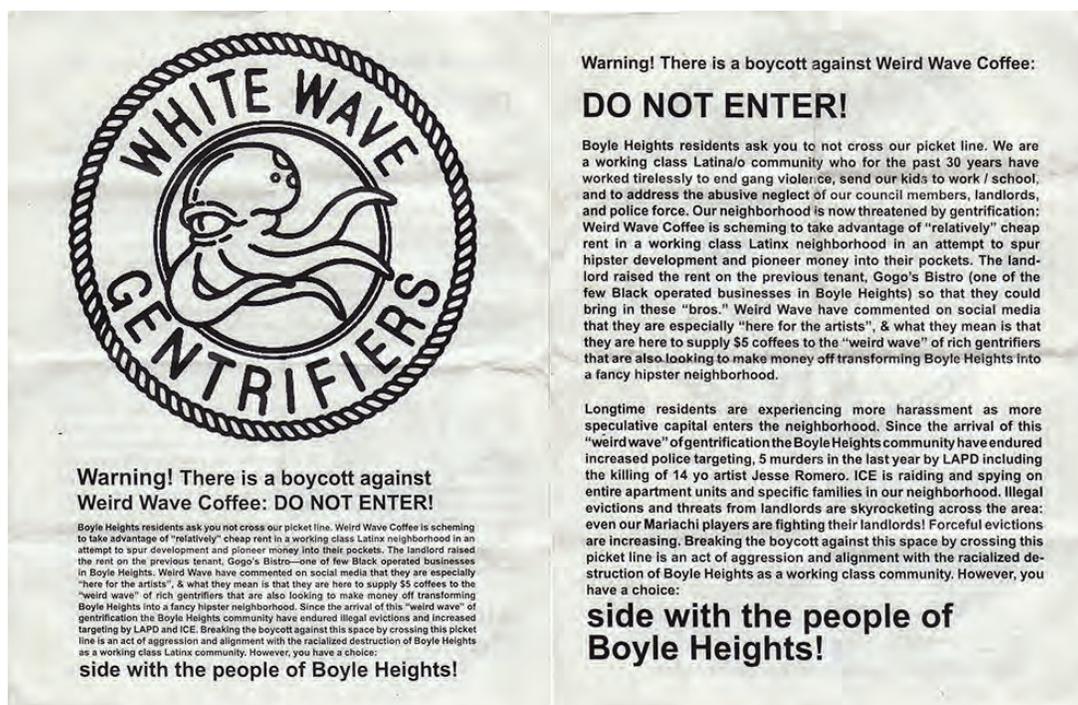
IMPACTED NEIGHBORHOODS: LATINO BOYLE HEIGHTS/EASTSIDE; DTLA ARTS DISTRICT

Perhaps LA's sharpest conflict over gentrification is taking place in Boyle Heights, just east of downtown. Long an affordable, predominantly Latino area, it is experiencing an unprecedented wave of speculation. In 2017, for example, a Boyle Heights property listed for \$1.59 million, almost three times what the previous owner sold it for in 2015. Its value is driven by its rental potential on Airbnb.³⁶

In Boyle Heights, single-family dwellings that abut noisy, pollution-spewing freeways can fetch \$600,000. These homes sold for approximately one-third their current value as recently as 2015.³⁷ "Home owners get offers for their homes even if they have not put them up for sale," says Vivian Escalante, a long-time Boyle Heights resident.

Older residents remember how the arrival of Dodger Stadium, just across the freeway, caused cultural and economic erosion in the long-existing Chavez Ravine community. The current fear of displacement centers not on stadia or huge projects, but hipsters and artists who themselves have been pushed out by downtown real estate speculation.

In 2015, Adaptive Realty littered downtown LA's Arts District with a "Why Rent Downtown When You Could Own in Boyle Heights?" flyer. Realtors promoted a bike tour through the "...charming, historic, walkable and bikeable neighborhood." After the realtor received messages like "Stay outta my hood" and "I hope your 60-minute bike ride is a total disaster," the event was canceled.³⁸



Headlines have highlighted Boyle Heights anti-gentrification groups that have taken extreme actions. Desperate to make their concerns heard, they have vandalized property and sent intimidating messages to white, hipster newcomers.³⁹ Groups such as Defend Boyle Heights have created boycott campaigns and, with homemade flyers, picketed hipster businesses.

Nearby, LA's downtown Arts District used to serve as an edgy locale for local creatives but has experienced upwards of 140% in rent increases since the year 2000. Even long-tenured artists that have put LA on the map for decades are faced with eviction notices.⁴⁰

One sign of impending gentrification: More than a dozen galleries have popped up in the industrial district along Anderson Street, nestled between the 101 and the LA River.

IMPACTED NEIGHBORHOODS: LITTLE TOKYO/ KOREATOWN/ CHINATOWN



The “Ugly Wall of Chinatown” planned to rise 7-14 stories above Chinatown.

it would create what is being called “The Ugly Wall of Chinatown.” The development would be a physical barrier separating neighborhood residents from the park and inhibiting transit.⁴²

Downtown Los Angeles is surrounded by several well-established Asian-American communities. These areas face challenges from gentrification that are often financed across the Pacific. Wealthy investors from China and other Asian countries are locally seen as threats that hurt the area's existing low-income Asian communities.⁴¹

Chinatown's proximity to downtown has made it attractive to speculators. New development plans like Elysian Parks Lofts, which hopes to capitalize on the recent \$20 million renovation of the LA State Historic Park, would not only be too expensive for residents,

Little Tokyo, located on the northern edge of downtown, also faces growing gentrification. The tenants of 800 Traction Ave, for example, are several prominent Japanese-American artists. Many of them had moved to the area during the 1990s to find a creative space within LA's Japanese community. But in January, residents were served eviction notices shortly after the property was bought, as the new owners tried to convert the building into luxury housing. These artists, many of them over 60 years old, will be forced to relocate from their current live/work spaces, most likely further away from the historic heart of the local Japanese-American community.⁴³

Similar threats have risen in LA's HiFi — Historic Filipinotown — neighborhood. Located near Westlake, the area is predominantly Latino, but it has also served as an enclave for Filipino families and businesses in LA. Plans for a North Westlake Design District near HiFi, suggests Michelle Magalong, a prominent local activist, “...represent a cartoonish manifestation” of local residents' worst fears about gentrification. A 2014 draft of the plan included art galleries, bakeries, bars, cafes, and co-working spaces, but prohibited automotive repair shops, bail bond brokers, fortune telling services, drive-through restaurants, and public storage facilities, precisely the kinds of businesses that working-class Angelinos own, work out of, or patronize.⁴⁴

Koreatown exhibits all the worst characteristics of gentrification and is perhaps the most advanced case of it in Los Angeles.⁴⁵ *Curbed LA* reports that, in Koreatown's roughly 20 square blocks, more than 52 commercial and residential projects are under development, one of the highest densities of development in the city.

Attorney Grace Yoo suggests that sweetheart deals between politicians and developers, many of them from overseas, push people out of these historical immigrant neighborhoods:

"Favorable terms for developers and the city plus the state are what pushes for this development of high-rises."⁴⁶ Another factor is expanded public transportation, which the state said would be a huge incentive for the people that live in this area. However, studies have shown that there has been a steady decline in the number of transit riders, and the overall majority of the people riding are from lower income homes.⁴⁷

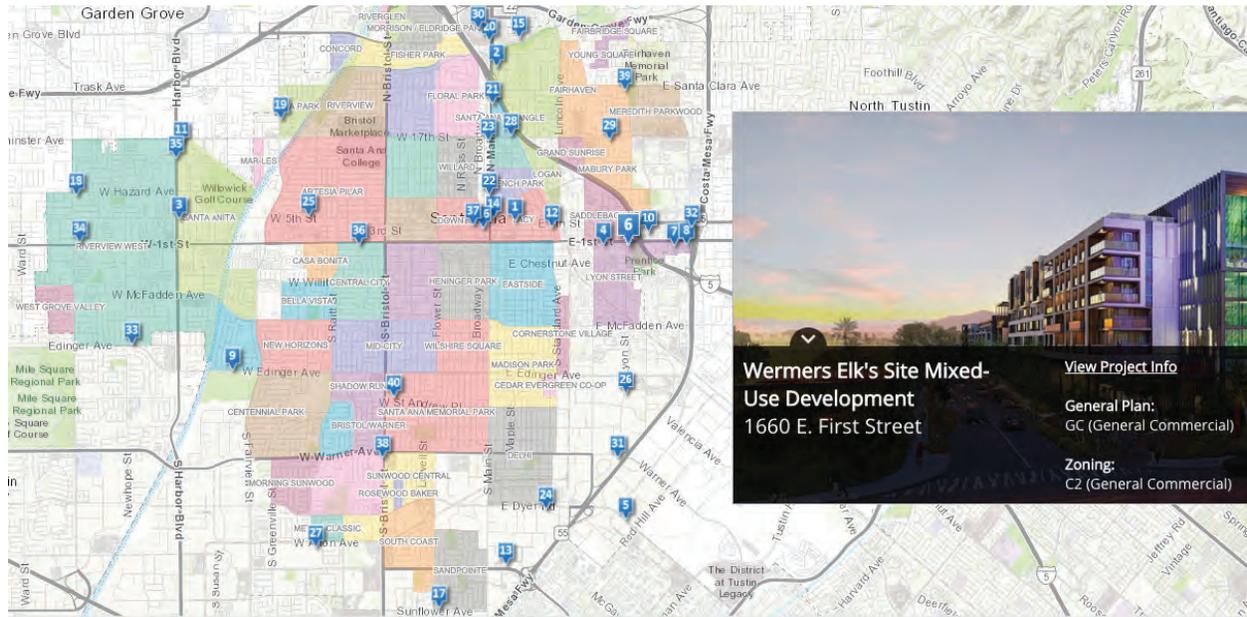
LEFT BEHIND BY GENTRIFICATION: SANTA ANA CASE STUDY

Encircled by wealthier communities such as Orange, Irvine, and Costa Mesa, Santa Ana seems to be a prime spot for gentrification. With a population that is about 80% Latino, Santa Ana is a hub of Latino culture in a county that has relatively recently become majority-minority. The opening of upscale bars, eateries, and shops in downtown Santa Ana has given rise to outspoken criticism from residents. The Fourth Street Marketplace and the Artist Village in particular have been viewed as monuments to the forces of gentrification, as local businesses are pushed out in favor of trendier and more Instagrammable spots.

Santa Ana's recent developments ride the new gentrification formula, driven by city policy and funded by government and professional investors. The Renaissance Plan, introduced around 2008, painted a picture of a trendy downtown decorated by artists, with upscale restaurants and mixed-use apartment buildings.⁴⁸ Since then, the city has seen a rise in high-end developments centered around the Artist Village, Orange County's first subsidized artist colony, that included investments of about \$6 million from the city's own general fund and from federal funds.⁴⁹ Another \$22 million was invested in purchasing vacant lots around downtown for redevelopment purposes.⁵⁰ Santa Ana also attracted roughly \$300 million in federal and state funding to build an exclusive downtown street car that will connect a tiny fraction of the city with a nearby Metrolink station and is slated for completion in 2021.⁵¹

Santa Ana's Artists District and Fourth Street Marketplace have attracted retail businesses and a loyal following among contemporary consumers, both Anglo and Latino.

A cluster of developments is also underway in downtown Santa Ana, along Main Street and First Street, with easy access to the 5, 22, and 55 Freeways. The plan includes mostly high-end residential and commercial developments and hotels, sprinkled with little to none affordable projects such as Meta Housing's Santa Ana Arts Collective building. One can almost feel the push from the outskirts of the city towards the center, where we see almost no projects aimed at the wellbeing of low and moderate-income residents.⁵²

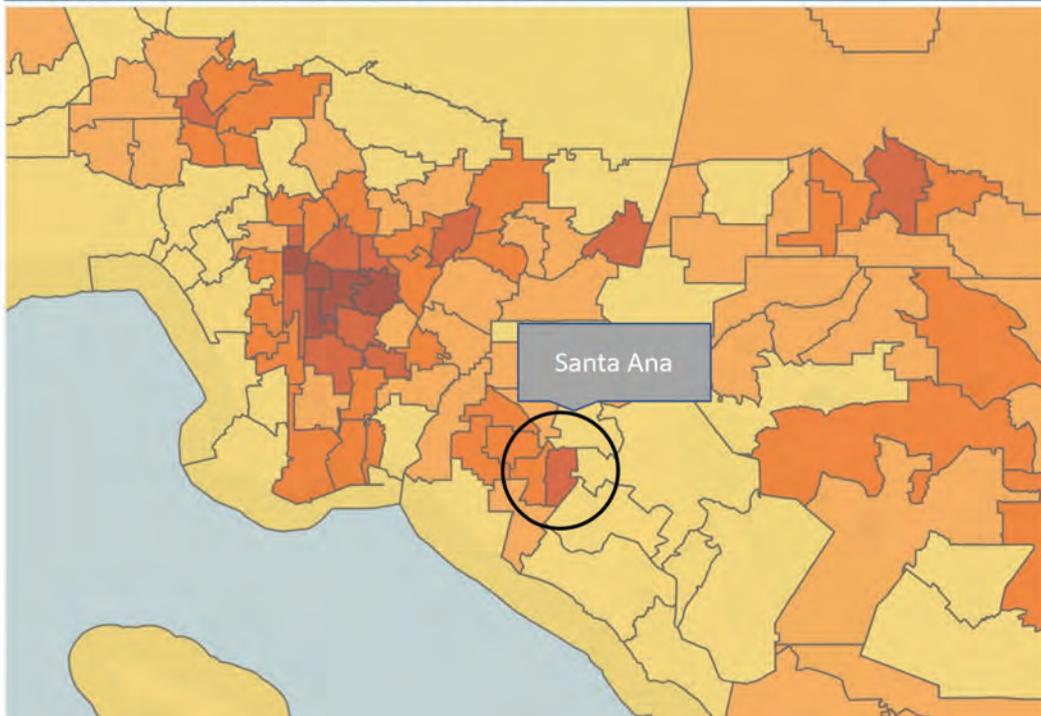


Source: “Santa Ana – Major Development Activity Report,” City of Santa Ana’s Website, Updated August 2018, <http://santa-ana.maps.arcgis.com/apps/MapTour/index.html?appid=b1721834401f4cf48012577a443f2b42&index=6>.

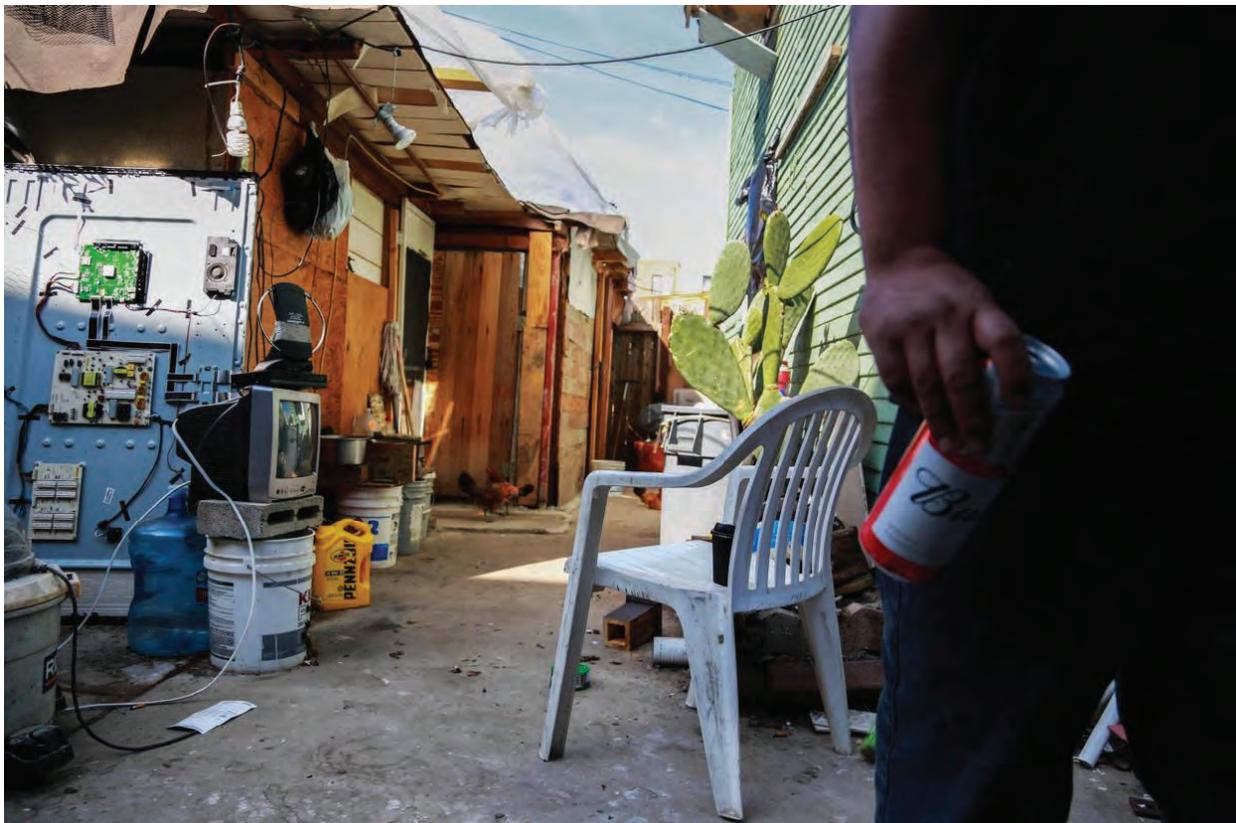
Despite two decades of attempts at gentrification, most Santa Ana residents are poor, the city does not have a strong middle-class base to attract new residents, and it does not have industries that provide enough jobs for residents, outside of the low-paying service jobs created in the newly renovated areas. This leaves Santa Ana with extraordinarily high levels of poverty, including some neighborhoods, according to United Way, that are among the poorest in California. Housing is far too expensive, given incomes, with a median multiple for housing at 7.6 (slightly lower than Orange County’s overall 8.6). The United Way Real Cost Measure Map shows Santa Ana as the most economically challenged city in Orange County, with 58% of the population estimated to earn below what is required by a family in the area.⁵³

Research by the Kennedy Commission, a local affordable housing advocacy organization, found that “... it is common in Santa Ana for five to seven people to share a one-bedroom apartment.”⁵⁴ Some people, unable to find rooms to share, resort to makeshift shelters between single-family homes as a desperate way to cope. Santa Ana’s overcrowding issues are exacerbated by the lack of affordable housing in nearby wealthier cities; it houses many workers unable to afford higher rents near their workplaces in other parts of OC.

Percentage of Households below Real Cost Measure
Struggling to Stay Afloat: The Real Cost Measure in California 2018



Map Source: United Way of California, "Struggling to Stay Afloat: The Real Cost Measure in California 2018," <https://www.unitedwaysca.org/realcost/neighborhood-maps>.



Makeshift rooms between single-family homes for construction workers that are not able to find affordable rooms for rent. Photo by Julie Leopo.



Home renter, who sublets rooms in the home, offers cooking services for renters. Refrigerators stacked on top of each other belong to different families/individuals who live in the home. About nine households live in this house. Photo by Julie Leopo.



Grandmother helping granddaughter get ready for school in the kitchen/living room area where they spend most of their time since the grandmother rents all other rooms in the home to afford rent. Photo by Julie Leopo.

As in Los Angeles, soaring rents have contributed to a swelling homeless population. “I have worked in Santa Ana for decades and had never witnessed people living on the streets passing right outside of my office until recent years,” says Pat Velazquez, a Santa Ana realtor.⁵⁵ The problem is growing exponentially. According to the latest point-in-time count in March 2018, Santa Ana’s homeless population had more than doubled from 2017.⁵⁶

Yet perhaps more than other parts of the region, Santa Ana may have the potential to provide a new template for gentrification. Unlike its Los Angeles mega-sized neighbor to the north, smaller Santa Ana has the advantage of a closer community where private, public, and civic leaders could plan and implement policies with more ease.

Affordable housing is part of the city’s planning process. Although controversial in a fiscally conservative county, Santa Ana’s inclusionary housing ordinance forces leadership to incorporate workforce housing into the long-term vision. It is important to note, however, that Santa Ana builds at a much slower rate than other cities in the region. According to a report from the Southern California Association of Governments, in 2016, Santa Ana issued an average of 0.6 permits per 1,000 residents while the county averaged 3.4 permits per 1,000 residents. Nonetheless, 13.6 percent of new housing stock was single-family residences and affordable housing projects.⁵⁷

Developers such as C&C Development have created innovative projects that have earned prestigious awards.⁵⁸ The Terraces at Santiago, a workforce housing development in the gentrifying Lacy neighborhood, won the Platinum award in the Best Urban Infill category from *Professional Builder Magazine*. If done right, Santa Ana’s investments in new single-family residences could provide critical homeownership opportunities for low- and moderate-income families.

Santa Ana’s downtown commercial corridor is still unique in the region, with a mix of authentic Latino establishments and new trendy developments. Ryan Chase, who owns the new Fourth Street Market, comes from a family that has

been in the city for almost a century. On a street that is still lined with Quinceañera dress shops, he purposely recruits local entrepreneurs for his innovative food court “start-up” kitchens.⁵⁹

To avoid displacement, a similar platform that pays attention to the city’s existing Latino market, as noted in a California Endowment study, has the potential of bringing in more than \$137 million in new sales per year while offering much needed goods and services to current residents.⁶⁰ And according to a report by the Opportunity Fund, a statewide community development financial institution, working with small businesses that focus on local markets, including street vendors characteristic of Latino culture, can have a ripple effect for a city’s entrepreneurial community.⁶¹ Maintaining a healthy balance between businesses that cater to residents and those geared to visitors can increase the city’s revenue and contribute to a unique downtown experience for those of various income levels.



CONCLUDING THOUGHTS

Gentrification in LA over the past 50 years has been distinctly rental-oriented. The massive run up in residential real estate pricing across the region has fueled the quest by developers to gentrify lower cost properties and generate premium rents. At the same time, the displacement and economic impact on poorer people has been exacerbated.

Access to exceptionally inexpensive capital for developers has enabled this trend to accelerate during the past ten years. The supply of cheap money may, however, be dropping, as the Federal Reserve has announced it is aiming to increase interest rates. Another factor in this monetary supply equation is Asia. Regulatory restrictions on both sides of the Pacific could have a significant effect on gentrification projects.

Sensitivity to the impact of gentrification is growing. Local community organizers appear to be having greater success mobilizing people in affected communities to speak up and act. The likely outcome of these trends is greater scrutiny of development plans. There is also the potential to develop creative alternatives, which thus far have ranged from more active partnerships between developers and community organizations to somewhat increased access to lower cost housing for the displaced. However, no magic formula has emerged that solves the supply problem in a meaningful way— yet.

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Gentrification in Dallas

By Cullum Clark

The Dallas region is a microcosm of America's latest urban evolution.¹ The Dallas-Fort Worth metro area is booming, fueled by a range of thriving industries and a tremendous influx of people and businesses. The city of Dallas — home to 1.3 million of the 7.4 million in the DFW metro — has experienced a stunning resurgence from the dark days of the 1980s oil and real estate crash.

Yet for all its heady growth, Dallas still faces many of the defining challenges bedeviling other major cities and the nation as a whole: a dwindling middle class, growing bifurcation into “have” and “have-not” neighborhoods, an emerging home affordability problem, and rising numbers of poor citizens for whom twenty-first century prosperity seems a sham. In certain respects, the city's revival has compounded these challenges.

Dallas remains among the most economically and racially segregated cities in America, in part reflecting the heritage of Jim Crow. The poverty rate in the city of Dallas is nearly 23%, one of the highest among large American cities.² At the same time, Dallas has a greater opportunity to address these challenges than most of its peers, in view of the DFW area's economic vibrancy and the city's comparatively abundant and inexpensive land. Unlike most big cities, Dallas has the potential to build its way out of its current challenges.

Dallas urgently needs to pursue three policy directions in order to shift to a more inclusive and sustainable pattern of urban growth. First, it needs to spark a new home building boom focused on middle and lower-income families, especially in depressed southern Dallas. Second, it should adopt a range of smart policies to preserve and rehabilitate as much of the existing housing and commercial real estate stock as possible in less advantaged areas. And third, it needs to get considerably more creative about bringing urban amenities — innovative schools, stores, restaurants, health clinics, greenspace and arts facilities, and the middle-skilled jobs that come with them — to historically underserved areas. If it gets these things right, Dallas can become a national leader in reviving upward mobility and the promise of the middle-class American Dream.

FADING AFFORDABILITY IN TWENTY-FIRST CENTURY DALLAS

The city's renaissance over the last generation has transformed the city center and the booming neighborhoods of North Dallas, the region's traditional center of affluence. Markers of urban success and opulence abound: the spectacular new performance halls, museums, and parks of the Arts District; the two graceful Santiago Calatrava bridges spanning the previously neglected Trinity River; the sleek offices, luxury apartment towers, and upscale eateries of Uptown; and the ubiquitous mansions of Highland Park and Preston Hollow. The city has become dramatically more interesting than it was in the 1980s.

It has also become far more expensive.

Over the last decade, median home prices in the DFW metro area have risen from 51% of the average level for top 40 US metros to 82%, adjusted for household income levels, based on data from the research group Demographia.³

The housing market is far more strained in the urban core. As of August 2018, the median transaction price for a single family home in Dallas County was \$268,200, up 73% since 2007.⁴ Median house prices have reached 5.2 times Dallas's median household income. Dallas's ratio is far above the national average of 3.7 times, and 86% above "affordable" levels for the median family, based on conventional measures.⁵

Average monthly rents, meanwhile, reached \$1,451 in the city of Dallas in 2018, 40% above the 2011 level, and slightly above the national average. One-third of homeowners and more than half of renters in Dallas County are now "housing cost-burdened," based on federal standards.⁶

As in other booming cities, the most severe price appreciation has been towards the low end of the housing market. Homes for sale at price levels considered attainable for the median family — \$150,000 or less, based on the convention that a family should spend at most 30% of income on housing — have virtually disappeared from the market. So have rental units affordable for households with income below \$40,000, amounting to about one-third of the city's population.⁷

Rising prices are pushing the dream of home ownership out of reach for more and more families in the city of Dallas. The share of households owning their home collapsed from 47% to 41% between 2006 and 2017. Dallas's ownership rate is now the lowest of the big Texas cities. Although still higher than the ultra-high-priced cities of the West Coast and Northeast, it has been falling even faster this decade than it has in Los Angeles.⁸ The surge in renting among lower-income families means that the city's most vulnerable citizens increasingly do not have any hedge against soaring property values and rents, and little prospect for building household wealth.

Figure 1 illustrates the decline in the ownership rate over the last decade for Dallas County, which has experienced a slightly less severe drop than the city of Dallas proper.

Dallas County Home Ownership Rate



Source: Federal Reserve Bank of St. Louis FRED database; U.S. Census data.

Recent data from the Pew Research Center shows that while the share of the population earning middle class incomes is falling in all of America's top 40 metro areas, it is holding up better than average in the DFW area as a whole. The middle class constitutes a higher proportion of the metro area population than it does in large coastal metros like New York, Washington, or Los Angeles.⁹

This position is under threat, particularly in the urban core of Dallas, as the lower and upper ends of the income distribution scale grow at the expense of the middle. One marker: the city's college-educated population, a proxy for middle-class or higher status, has grown only slightly as a share of population since 2000, even while increasing by 8% in the nation overall.¹⁰

At the low end, families are stuck. Non-profits serving the city's growing homeless population report that more of the people they serve are mothers with children who have been evicted from their rental units, rather than mentally ill and substance-addicted individuals.¹¹ Virtually all of the modest increase in the urban core's population since 2000 has been in the low-income population. While the DFW metro's population has grown 42% over this period, growth among middle and upper-middle class families has taken place almost entirely outside the city, despite Dallas's striking improvements in amenities for high-end professionals.

At its heart, the housing price challenge reflects inadequate growth and reinvestment in the housing stock. As in almost all thriving American cities, new construction has lagged far behind the home-building pace of the late twentieth century, adjusted for population size. New units per year in relation to population are down 32% over the past decade from the 1985-2000 level in the metro area. This drop has been less severe than in US coastal cities, but is nonetheless enough to leave what one *Zillow* economist called "a permanent scar" on the housing market.¹²

Slow expansion of the housing stock is not due to space constraints. A brief drive around Dallas leaves no doubt that the city has vast tracts of under-used land, and equally vast amounts of moribund retail and industrial real estate that could one day be repurposed for residential development.

It is also not due to a failure by the city to invest in its urban core. Dallas has spent more than \$5 billion over the last 20 years on an inefficient and under-used light rail system. Both the city and the booming suburbs to the north have created dozens of high-density, walkable mixed-use developments, fulfilling the wishes of "New Urbanist" thinkers. These neighborhoods, however, almost universally consist of upscale apartments catering to well-paid urban hipsters. They have not contributed much to sustaining the middle class in the city of Dallas, much less helping lower-income citizens.

GENTRIFICATION, DALLAS STYLE

It is a mistake, finally, to attribute the troubles with the Dallas housing stock primarily to "gentrification." It is true that the development of Uptown in the 1990s resulted in a major displacement of the minority neighborhoods that previously existed just north of downtown, including the city's original Freedmen's Town and the Little Mexico community. But the extent of high-displacement gentrification in Dallas since then has been relatively modest compared to Southern California, San Francisco, or New York.¹³

On the contrary, one can point to several models of successful, low-displacement neighborhood revitalizations in the vicinity of downtown Dallas. For example, old East Dallas has managed, over the past four decades, to combine a moderate pace of new construction of middle-class homes, significant rehabilitation activity, economic and ethnic diversity, and considerable social cohesion. The neighborhood's success reflects thoughtful zoning decisions by the city in response to neighborhood pressure in the 1970s.

Another case: the red-hot Bishop Arts neighborhood, one of the most depressed areas of the city in the 1990s, has seen the rise of a highly walkable restaurant and retail community that attracts people from throughout Dallas along with a vibrant, diverse resident population.

And just south of downtown, the emergence of the Cedars neighborhood reflects an increasingly prevalent national pattern: African-American middle-class families moving "back" into rapidly improving black-majority neighborhoods, recreating the kinds of cohesive mixed-income communities that once thrived in American cities but became all too rare after the 1960s.¹⁴ Finally, the roll-out of upscale apartment developments into West Dallas, lately considered ground zero for gentrification in Dallas, has so far displaced few families because it has largely occurred on the area's enormous store of vacant land.

That said, lower-income residents of all these neighborhoods are nervous. Given present trends, Dallas will likely follow the path of other large cities towards rising displacement, as soaring rental rates force out more low-income renters.

Dallas's experience is consistent with what economists have discovered on the emotional subject of gentrification. Neighborhood revitalization does not lead to greater displacement of low-income people than neighborhood stagnation and decay do. Rather than new construction, the factors that best predict high displacement in a neighborhood are constrained housing supply and a low home-ownership rate.¹⁵

THE FORGOTTEN SOUTH

The city's increasingly stark bifurcation into the (mostly) prosperous north and the often-forgotten south explains much about why the city is facing a housing crisis and a vanishing middle class. The roots of the city's north-south divide lie deep in a painful history that most Dallas leaders would sooner forget.

Dallas became the first Texas city to impose racial housing segregation by law in 1916.¹⁶ During the 1930s and after, the federal government reinforced segregation in Dallas and other cities through the policies of New Deal agencies like the Federal Housing Authority and the Works Progress Administration, as historian Richard Rothstein recounts in his book *The Color of Law*.¹⁷ The FHA, moreover, financed the postwar build-out of North Dallas and white suburbs to the north, while virtually no public funds found their way to home construction in black South Dallas between the 1930s and the 1960s.¹⁸

In the 1960s and 1970s, the city, state, and federal governments obliterated numerous historic black neighborhoods to pursue “urban renewal” schemes and to make way for Central Expressway, Woodall Rogers Freeway, and other highways connecting outlying white neighborhoods with downtown. Shamefully, the city government seized more than 50 acres of private real estate near Fair Park by eminent domain at the behest of the State Fair of Texas in 1966, wiping out many black-owned businesses. The city’s stated objectives were to build a huge parking lot used three weeks of the year, and to relieve white visitors of what State Fair documents called the “intense emotional discomfort” of seeing “poor Negroes in their shacks.”¹⁹

In the 1960s, local authorities extended geographic segregation to the rising Hispanic population by using language proficiency tests to separate Hispanic students into separate schools in West Dallas and other ethnic enclaves.²⁰

Explicit legal segregation ended in the 1970s, but the 1980s and 1990s saw the continuation of “redlining” practices by the banking industry that largely cut off Southern Dallas from private mortgage finance. In addition, stepped-up housing code enforcement resulted in the demolition of thousands of dilapidated minority-owned homes. Virtually no new construction nor public infrastructure investment took place in southern Dallas during these decades.

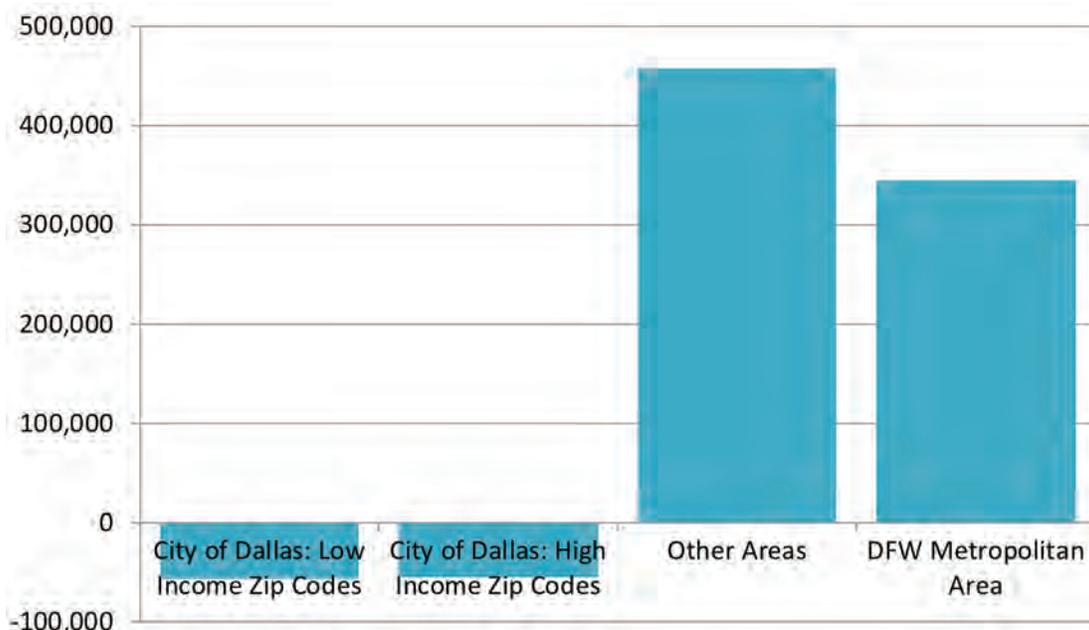
A Ford Motor plant near Fair Park that once employed more than 3,000 people, the largest employer in southern Dallas in the 1950s and 1960s, closed its doors in 1970. City Hall made little discernible effort to attract businesses to southern Dallas after this shock, largely ceding the corporate relocation market to the northern suburbs.²¹

The geographic patterns of today are Dallas’s physical inheritance from more than a hundred years of history that the city cannot easily reverse. Southern Dallas came into the twentieth century with an antiquated and crumbling housing stock, failing all-minority schools, an exodus of private-sector employers, and a near-total absence of modern amenities. Just as damaging, this history left a poisonous legacy of racial mistrust that still creates high barriers to revitalization policies. *Dallas Morning News* columnist Robert Wilonksy has written that the Fair Park neighborhood “has been betrayed so often by City Hall that no one trusts anyone.”²²

Over the last two decades, the housing stock in southern Dallas has continued to shrink, despite the end of old-fashioned redlining. Reports from the Dallas Regional Chamber show that the number of permits for new homes as well as for commercial development remains tiny. New code-enforcement initiatives have driven a growing number of landlords out of the market, eliminating some dubious “slumlords” but failing to introduce any kind of replacement.

Opportunities for upward mobility remain meager in southern Dallas. The number of jobs in these lower-income zip codes, an area with more than 750,000 residents, has declined 16.6% since 2000, even as the area’s population has grown 7.1%.²³ The DFW metro area’s prodigious job growth since 2000 has occurred entirely outside the city of Dallas, as the figure below shows.

Job Growth in the DFW Metro Area (2000 – 2014)

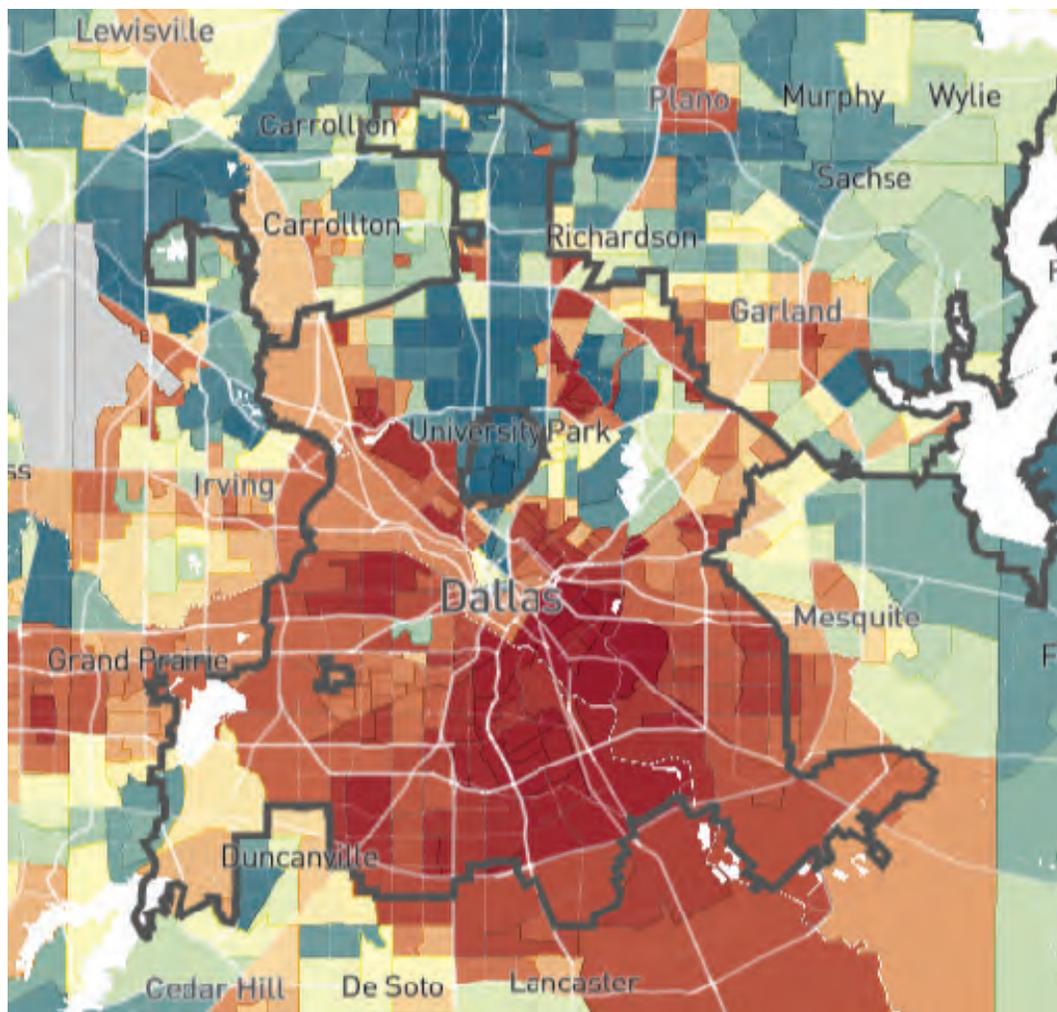


Source: Proprietary research by Wendell Cox, based on U.S. Census data

Public transit, often promoted as the solution to urban issues, does little to create opportunities for the South’s residents. Less than 1% of metro area jobs are reachable within a 30-minute commute by transit from the heart of southern Dallas. Only 11% are within a two-hour commute without a car.²⁴

The city is experiencing not only high income inequality — Dallas ranked last in a 2018 Urban Institute ranking of 274 US cities for economic inclusiveness — but also rising economic segregation.²⁵ Economists have found that while housing segregation on racial lines has moderately declined in America since the 1970s, segregation on income lines has increased over the same period.²⁶ According to a 2015 study led by urban scholar Richard Florida, the DFW metro is the seventh most economically segregated of the 53 metros with more than a million people, and the second most segregated of the top ten.²⁷ Another study finds that 37% of children in the city of Dallas live in neighborhoods of concentrated poverty, far higher than all but a handful of US cities.²⁸

Upward Mobility in Dallas neighborhoods



Source: Raj Chetty et al., “The Opportunity Atlas: Mapping the Childhood Roots of Social Mobility,” <https://opportunityinsights.org>. Green signifies areas of relatively high upward mobility, while red signifies areas of relatively low upward mobility.

Dallas’s challenge in achieving a more inclusive pattern of growth is not primarily a result of high-displacement gentrification, as one might more accurately say of San Francisco, Seattle, and other coastal cities. It is a result of egregious dis-investment, particularly in southern Dallas. Policymakers have recently attributed the city’s housing supply problem to labor shortages, high raw material prices, and the rising value of fully permitted land, factors that have indeed played a role over the last several years. But the problem long predates these market fluctuations, and its causes are chiefly rooted in public policy.

WHY POLICYMAKERS SHOULD FOCUS ON INCLUSIVE URBAN GROWTH

A skeptical economist might ask whether these patterns really call for policy intervention. Given an unequal distribution of incomes, one might argue, low and middle-income people have to live someplace. So what is wrong with the emerging pattern in which the poor live in economically segregated southern Dallas and the middle class live in outlying suburbs like Plano and McKinney?

This perspective ignores several economic realities. One is that urban real estate markets are already heavily regulated in Dallas and most other cities. Dallas's North-South divide is the result of decades of policy decisions, including choices over the investment of public and private resources. It is not just the "natural" working of private markets.

Economic segregation imposes an economic cost on the metro area as a whole. Rising geographic separation between workers and jobs implies increasing labor market inefficiencies, with labor shortages in high-opportunity areas and under-used talent in depressed areas. And vast zones of concentrated poverty block upward mobility for the families who live in them, and impose enormous costs on society, as Chetty and his colleagues have forcefully pointed out.²⁹

If all metro area cities and towns believe that low-income housing markets are not their problem, then the metro area will become altogether unaffordable for part of its population, as the San Francisco Bay area has, raising questions of morality as well as of economic sustainability. The city of Dallas risks a "death spiral" scenario in which the North Dallas rich bear an increasing burden from supporting the growing southern poor, until the rich start leaving, as they are doing in Connecticut and New Jersey.

Policymakers must confront the reality that the private market, left to its own devices, simply cannot produce new homes that the city's lower-income citizens can afford. The city must also ask itself what it means for social cohesion and quality of life if virtually all its policemen, firefighters, teachers, artists, chefs, medical technicians, plumbers, and other middle-income professionals live far outside the city, as is increasingly the case.

URBAN GROWTH POLICY IN DALLAS

Until very recently, one could fairly characterize the policy of the City of Dallas on affordable housing and neighborhood revitalization as one of inaction, for the most part, punctuated by occasional *ad hoc* and politically driven deals with developers. The city has sporadically toyed with "incentive zoning," that is, offering tax breaks or relaxing code restrictions to induce developers to set aside perhaps 10% or 20% of the units in a new middle-class development as "affordable." These efforts have accomplished little, however, as a result of poor definitions of "affordability," and economically senseless deals that offer far more in tax breaks for each affordable unit than it would have cost to build a free-standing house.³⁰

The city government has provided useful support to a handful of non-profits and Community Housing Development Corporations that have achieved good progress in specific neighborhoods. CitySquare and Jubilee Park, two respected non-profits funded largely by wealthy North Dallas church communities, have made transformational changes over the past decade to a pair of neighborhoods near downtown. Innerscity Development Corporation, a CHDO headed by former city councilwoman Diane Ragsdale, has built a number of attractive homes in another Fair Park neighborhood.

But these geographically targeted programs operate at small scale. CitySquare, for instance, has delivered several hundred homes over 10 years, while estimates of the city's need for new affordable units range from 20,000 to 60,000.

Dallas's Tax Increment Financing (TIF) program has also made a significant contribution. Since 2005, the program has generated market-price developments that have more than paid for themselves through incremental tax revenues, while delivering more than 2,300 "affordable" units, according to government figures. But the TIF program has failed to attract much private capital to southern Dallas, and very few of these new homes are within reach for families with incomes below \$50,000.

Dallas' permitting authorities are notoriously slow-moving and difficult to deal with. One measure of this problem is the near-total absence of national for-profit homebuilders from the Dallas market. (Remarkably, the largest builder of affordable homes is the non-profit Habitat for Humanity, whose construction pace is currently declining due to financial challenges.) The city has generally offered few incentives for restorative work on existing properties by homeowners or landlords, who often point out that investing in old structures yields negative returns because of the steep increases in assessed tax values that often follow.³¹

The Dallas Housing Authority, which administers the US Housing and Urban Development Department rental voucher system, mysteriously "ran out" of money in June 2018 and appears to be in disarray. City Hall has also been slow to pursue federal funding opportunities, such as the Low-Income Housing Tax Credit (LIHTC) program and the new tax law's "Opportunity Zone" incentives. Neither the government nor the non-profit sector has built a large-scale land bank to acquire cheap land in southern Dallas and elsewhere for future construction.

The last several years have seen early signs of reform. High-quality public charter school organizations like Uplift Education and KIPP Texas, as well as several "schools of choice" within the Dallas school district have achieved impressive learning gains, and now educate more than 25,000 low-income Dallas students, mostly in the south. Dallas's traditional public schools are showing hopeful signs of improvement. The "GrowSouth" initiative launched by Mayor Mike Rawlings has scored several early wins, including the re-launch of the formerly dilapidated Red Bird Mall and the emergence of an "Education Corridor" comprising the new South Dallas campus of the University of North Texas and the revitalized historically black institution Paul Quinn College.

In May 2018, City Hall passed a much-heralded housing policy. Its central promise is to promote the construction of 20,000 new affordable homes, including units that families earning as little as \$22,000 can afford. The policy also calls for targeting public funds towards a handful of redevelopment zones already showing signs of revitalization, based on an analysis of market trends at the neighborhood level.

AN EMERGING DEBATE

Debates over housing and neighborhood revitalization policy have grown more intense as the challenges to Dallas have deepened. Advocates for anti-gentrification measures tend to exaggerate how much displacement has actually occurred, to neglect evidence that new investment actually helps to promote mixed-income communities, and to downplay the costs of neighborhood stagnation. As one group of economists concluded in a study of gentrification in 2015, “For many at the lower end of the economic spectrum, stability means imprisonment.”³²

Another school of thought suggests that Dallas should promote greater neighborhood density as a means of increasing the supply of attainable living spaces. This simplistic solution misses a number of points, some of them specific to Dallas. Leaders on the ground indicate that high-density urban living is not what most people in the city’s disadvantaged neighborhoods want.³³ These residents believe that Dallas cannot replicate the unique charms of high-density New York or Boston, and should not throw away its own distinctive neighborhood vibes trying to do so. Greater density in the south would also mean paving over the area’s often beautiful greenspace, in a city that is already one of the fastest-warming urban heat islands in America.³⁴

And evidence from Dallas as well as other cities confirms that promoting high-density multifamily development means scraping away relatively affordable parts of the housing stock and replacing it with upscale apartments, exacerbating the affordability problem. A fascinating recent issue of *D Magazine* devoted entirely to promoting New Urbanist design in Dallas listed a series of success stories in the Dallas area. Every example consisted of luxury units, surrounded by high-end amenities.³⁵

One more debate focuses on whether the city should become more aggressive in adopting incentive zoning to promote attainable housing in high-income neighborhoods, or even mandatory “inclusionary” zoning for this purpose. (This would require new legislation by the Texas State Legislature, which currently bans it.) Advocates argue that dispersing low-income families among wealthier households in mixed-income neighborhoods would foster upward mobility.³⁶

But political and economic realism argue against making inclusionary zoning in higher-income neighborhoods a centerpiece of city policy. Politically, the power of existing homeowners in high-income neighborhoods to block new developments on “NIMBY” (not in my back yard) grounds means that such policies are not likely to accomplish much, as most cities can attest.

National housing experts have also pointed out that inclusionary zoning policies that might prove effective in, say, New York City, will not transfer well to Dallas. Land is not scarce in Dallas, so developers can always forego deals offered by the city and take their capital elsewhere.³⁷

A PATH TO MORE INCLUSIVE URBAN GROWTH

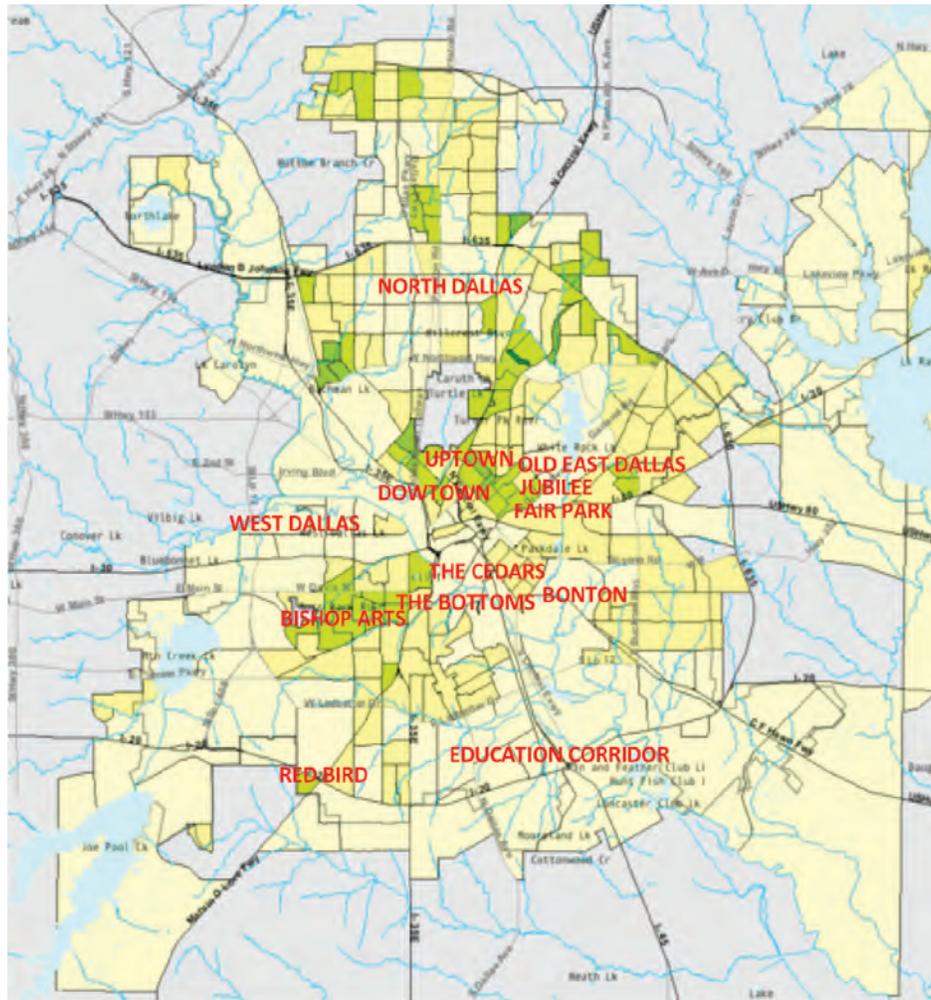
A realistic plan to promote a more inclusive pattern of growth in Dallas should start with an all-out effort to ignite a house-building boom across the city, especially in the south. The city is taking steps in the right direction, but policymakers should de-emphasize the unrealistic goal of deploying federal tax credits primarily in higher-income neighborhoods, and instead prioritize advancing neighborhood revitalization.

Dallas should completely overhaul its zoning law and permitting process, as Detroit has done, accelerating approval times and deregulating over-restrictive code provisions. The city should go from being one of the most inhospitable cities for national affordable housing developers to being one of the most welcoming.

It should also do what it can to help holistic revitalization efforts like Jubilee Park. And it should pursue innovative financial mechanisms to stretch dollars further, such as promoting the creation of a large-scale non-profit land bank, and issuing bonds backed by a co-investment equity stake in new affordable homes, so the city can recycle some of the profits from rising values.

The city's representatives in Austin should press the legislature to permit property tax breaks for community land trusts, as most other states have done. Preservation districts encouraging the city and the Dallas school district to use land it owns for attainable housing should also receive breaks. And the state should allow long-term tax freezes on new owner-occupied homes in redevelopment zones, to induce buyers and foster a market for developers.

What is needed is a light-bulb moment when Dallas recognizes the tremendous opportunity in the south. The vast land mass of southern Dallas exceeds the whole city of Atlanta. Real estate experts estimate that of its 250 square miles, 9 square miles are vacant and available for development. Non-profits commonly estimate that, in the neighborhoods they serve, one-third of the lots have an occupied home, one-third have an empty structure, and one-third are entirely vacant.³⁸ There are more than 170 acres of seldom-used parking lots and empty land in the Fair Park neighborhood, and dozens more in the Bottoms neighborhood, also close to downtown. Dallas's great opportunity is that its cheap and abundant land means it really can build 60,000 attainable homes over the next several years if it figures out how to mobilize private capital for the work ahead.



Source: U.S. Census Bureau; neighborhood labels added by the author. Figure 4 shows areas of greater and lesser population density, with dark green signifying high-density areas and light yellow representing the areas of lowest density. Southern Dallas generally features lower density than Northern Dallas.

STABILIZING NEIGHBORHOODS

Rather than abandoning depressed neighborhoods, Dallas should prioritize the preservation and rehabilitation of the existing housing stock wherever possible. It should support the stability and social cohesion of neighborhoods, whether they are rich, poor, or mixed-income. It should promote what Dallas developer Monte Anderson calls the “gentle-fication” rather than the “gentrification” of disadvantaged neighborhoods, which means investment in new appropriately scaled homes alongside historic preservation and renovation efforts.³⁹

“Gentle-fication” reflects the idea that the best defense against both displacement and disinvestment in a neighborhood is an ample housing supply, high ownership rates, and a moderate pace of new investment. “Gentle” revitalization should, as one leader with decades of experience in several cities said, “honor the wisdom and intelligence that’s already there in the neighborhood.”⁴⁰

The city should offer long-term tax freezes as a reward for rehab activity, perhaps financed by tax revenues on new structures in the same neighborhood. Dallas Representative Eric Johnson unsuccessfully proposed a bill allowing such deals during the 2017 state legislative session. Promoting small-scale renovation activity by property owners would recognize the advantages of “thinking small,” as urban theorist Charles Marohn of *Strong Towns* emphasizes.⁴¹ A wave of small improvements can make all the difference for a neighborhood, just as fixing broken windows has surprisingly strong effects on crime.

The city should also support non-profit programs to advance stable home ownership among disadvantaged communities, in part through better financial education. A large-scale effort in Indianapolis has delivered startling declines in mortgage defaults and notable progress in neighborhood stabilization.⁴²

HOLISTIC REVITALIZATION

A new inclusive growth path for Dallas, finally, requires bringing modern amenities and opportunities to the city’s blighted neighborhoods. In contrast to the enormous investments over the last two decades in downtown Dallas and the Uptown neighborhood, very little investment has made its way into southern Dallas. The 750,000-plus Dallasites living there deserve better.

An imaginative city policy would support creative efforts to roll out amenities that will make people want to move into today’s blighted neighborhoods. This includes new restaurants and retail venues like Red Bird Mall, affordable fresh food stores (perhaps in partnership with non-profits like Bonton Farms), well-maintained parks like Jubilee Park, quality health facilities like the community clinics operated by Parkland Hospital, and arts centers like the new project to revive the historic Forest Theater between downtown and Fair Park.

Policies to attract employers to southern Dallas should start from the premise that place-based economic development policies can only work if people want to live in targeted neighborhoods. Jobs follow people, in the sense that businesses will locate operations in places where qualified workers and paying customers wish to live. Development policies should prioritize locally owned businesses as engines of both revitalization and neighborhood stability.

Dallas has a talent for reinvention, as it showed by shaking off its history as a bastion of racial segregation after the 1960s and as an oil-dependent boom-and-bust town after the 1980s. It can point to a growing number of neighborhood success stories. With a better policy mix, and with concerted action by business, non-profit, and government leaders, Dallas just might reinvent itself as a model for inclusive urban growth in the 2020s and beyond.

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Looking Forward: A New Agenda

By Joel Kotkin and Wendell Cox

A city comes into being for the sake of life but exists for the sake of living well. - Aristotle.¹

Life may have improved for many in our urban centers, but, as we have seen, many others are being left behind. Gentrification strategies, often focused on the downtown core, have done little for either the remaining middle or the largely impoverished working class, who together comprise the majority of urbanites. A recent Brookings analysis found that from 2010 to 2015, of the 30 US metros that increased their productivity, average wages, and standard of living, only 11 metros achieved inclusive economic outcomes.²

Still, some urban writers embrace the idea of keeping poor neighborhoods as they are, with their low consumption rates and lack of cars, in part to reduce the area's carbon foot-print.³ This seems a cruel and misplaced view. Rather than treating inner city residents as environmental lab rats, we should embrace the idea that cities, first and foremost, be places of opportunity, not only for the well-heeled and well-educated, but for all residents. The current approaches, as we have shown, lead to negative consequences in terms of higher rents and house prices, and even in reduced economic opportunity.

We believe it is time to move beyond the focus on gentrification led by the “creative class,” as Richard Florida, the term's own author suggests.⁴ Overall, according to two recent Oregon studies, lower-income people in cities now experience less upward mobility than people from rural areas. The poorer people left in the urban core suffer from lack of opportunity, and seem to carry with them cultural and economic burdens that keep them from ascending to the middle class.⁵

This situation is not sustainable. History shows us repeatedly that huge income gaps and a sense of diminished opportunity can lead to disorder, alienation and a breakdown of the civic order, as evidenced by the growth of moves for rent control, greater housing subsidies and low levels of labor participation.⁶ Ancient Rome, industrial-era London, Manchester, St. Petersburg and Shanghai, for example, all experienced revolts, and in some cases revolutions, led by the neglected classes. Substantial unemployment and economic insecurity can undermine social stability.⁷

How do we meet this challenge? The current resources for this report were not sufficient to lay out a specific strategy. Instead, we provided a set of new principles that should shape urban policy. We do not oppose gentrification that occurs naturally, as people seek out the urban core. However, the massive funds that are spent to attract more of the creative class and appeal to the hyper-affluent have not, and will not, improve life for most urbanites. For many, this approach can only mean further impoverishment, largely due to higher rents, or lead to mass migration out of the cities that, for some, have been home for generations.

As a policy, the revival of “enterprise zones” could lead to some investment in poorer areas, but also lead to great inequities. Tax breaks for Amazon, in addition to massive subsidies, are not likely to help working class people in Queens or elsewhere. Rather than focus on breaks or programs to lift real estate values, we need to re-center our urban policies on practices that could actually help middle and working class residents.⁸

FIVE KEY PRINCIPLES FOR INCLUSIVE URBAN GROWTH

1. Poor, underserved communities should serve as focal points for urban growth. For example, critics charge that recent policies adopted by the city of Dallas amount to writing off most of the vast blighted areas of southern Dallas as irredeemable. One community leader blasts “the gall of the public sector” for systematically impoverishing southern Dallas for decades, and then pulling scarce resources away because property values became low.⁹ A viable response may be for community groups to set up land trusts, as we see in Buffalo, New York and Santa Ana, California, where land can be held for development that serves the population, not mainly as a vehicle for speculation.¹⁰ Low property taxes should not be seen as a hindrance. Rather, they suggest an opportunity for future growth. Contrary to the insistence of some that our cities are “built out,” they contain large tracts of undeveloped land. The South Dallas neighborhood is an estimated 160 thousand acres, larger than the land mass of Manhattan. A similar amount of land is classified as vacant (non-beach) and potentially buildable in Los Angeles and Orange County.¹¹ Large tracts of underutilized land — 7,559 acres of vacant land, or 11.8 square miles, 4.3% — can also be found in the city of Chicago.¹²

Many of these areas could be ideal for mid and low-density housing. Current national data suggests that single family houses are at least one-third less costly to construct than multi-family units.¹³ Lower density housing particularly appeals to young families and could, as we see in southern Dallas neighborhoods such as The Cedars, spark the return of middle class minorities to historic ethnic areas.¹⁴

2. Economic development needs to be aimed at creating middle skill, good paying jobs, including those provided by local entrepreneurs.¹⁵ Today’s gentrified approach, focused on tech and other high-wage jobs, also creates many low-end jobs, but creates few in the middle. City policy should focus on those mid-level jobs. For example, manufacturing, artisanal production and customer support provide good opportunities for families. There also needs to be a thoroughgoing reform of licensing practices, which serve to keep working class people away from opportunities in many service and light industrial fields.¹⁶

Few cities seem concerned with preserving industrial jobs, although some, such as San Antonio, Nashville and Grand Rapids, have embraced this strategy.¹⁷ In 1960, 33% of black workers in Chicago were employed in manufacturing, according to a report by the Great Cities Institute. By 2015, just 5% of black workers were, leaving lower-skilled workers to compete with each other for the few jobs left. Middle-tier jobs could be brought into inner cities, rather than being shipped abroad or to remote exurban areas.¹⁸

3. Urban redevelopment should be guided from the grassroots level. Instead, in almost all cities it is centralized. One model might be Dallas’s Jubilee Park (see sidebar), which combines services like education and recreation with the building of affordable single family homes. Residents of middle and working-class areas are justifiably cynical about efforts emanating from City Halls that are often dominated by entrenched political interests, well-connected developers and public employee unions.

As gentrification's forces push ahead, activists, desperate to make their concerns heard, have taken physical action, vandalizing property and sending intimidating messages to white, hipster newcomers. This tendency, which hurts any kind of revitalization, can be minimized if emphasis is placed on efforts by other residents, businesses, government officials, and grassroots organizations to invest in people and build on the community's assets.¹⁹

4. Step up infrastructure investments, citywide. Public transit, street and bike lane improvements, selective enrollment public schools, parks, and other infrastructure have attracted affluent residents to some inner city neighborhoods. However, similar improvements have not generally been made in the large, poor, adjacent inner city neighborhoods. To successfully promote interaction and engagement that lessens bifurcation, cities have to start making improvements beyond their 'hot spots'. One immediate benefit: infrastructure investment could enable low income residents to gain greater access to strong job markets.

In most cities, this means a different approach to transportation. Mass transit is not doing well in most cities. There is little that is more important to low and middle-income households than convenient, quick access to employment. A transportation system that achieves such an objective will also improve mobility for all purposes. Urban core transportation policy should improve the jobs available within a half-hour from home at the lowest cost per employee, rather than focus on particular strategies, such as urban rail.²⁰ Greater reliance on buses, and even subsidized car ownership would greatly expand the opportunities for low-income residents. Policy makers should closely watch developments in ride-hailing services and automated vehicles. Use of these newer transportation options could stretch limited public dollars to materially improve employment access, particularly to the jobs-rich suburbs and exurbs.²¹

5. Focus on education, particularly job training in practical skills. Too many cities, like Los Angeles and Chicago, boast first-class higher education resources, and even some excellent public schools. But in South LA, more than 50 schools ranked among the state's lowest 5% in 2015.²²

Rather than depend on 'luring' a middle class, we should, as the renowned urbanist Jane Jacobs suggested, endeavor instead to build one. This was a critical function of urban schools in the past, most obviously in New York, where free education extended to the college level for those who qualified. This includes efforts to bolster charter schools, which have had notable successes even in poor areas.²³ Cities need to serve students and families, not public employees.

America's cities have incubated opportunity and produced upward mobility for over a century. Now that they have begun to come back in many places, it would be tragic if they did so by leaving behind working and middle-class people. We believe cities should reflect Descartes's notion of providing "an inventory of the possible," places that do not construct barriers, but, rather, facilitate residents as they reach to achieve their aspirations.²⁴

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Jubilee Park

By Cullum Clark

Just over 20 years ago, a small group of leaders in a wealthy North Dallas church set out to make a difference in a forgotten corner of Dallas's depressed Fair Park area. The organization they founded, Jubilee Park, has since emerged as one of the brightest stars of community revitalization campaigns focused on a single urban neighborhood.



Jubilee Park, now known simply as “Jubilee,” runs a holistic revitalization effort in the Fair Park neighborhood with programs targeting affordable housing, education, public health, safety, and economic opportunity.

Its success is vividly apparent to anyone who visited the neighborhood early in the life of Jubilee Park and has returned over the last year. In 1997, the 62-block neighborhood was severely blighted: dilapidated houses with collapsing roofs and floors, ramshackle apartment structures long neglected by absentee slumlords, and an unmarked greenspace known only for drug deals crowded around narrow, unpaved streets. Today, elegant duplexes, two sprightly schools, and a welcoming community center surround a spacious, well-kept park with playgrounds, athletic fields, and a community garden.

Jubilee Park's success is visible also in the data. Crime rates have fallen by nearly three-quarters since 2000. The home ownership rate has risen more than 50 percent. Average household income levels have grown by more than 10 percent in inflation-adjusted terms, even as they have declined significantly in other nearby neighborhoods. The dramatic transformation of the Jubilee neighborhood represents an emerging success story in what Dallas developer Monte Anderson calls “gentle-fication,” stabilizing the community without displacing long-time residents.

The idea for Jubilee Park originated with Mark Anschutz, then the Rector of Saint Michael and All Angels Episcopal Church, and a handful of church leaders, looking for a transformational outreach initiative to mark the 50th anniversary of the church's founding. (Hence the name "Jubilee.") One of the founding leaders, retired oil executive and civic leader Walt Humann, ran the program from his personal office in its formative years, working tirelessly to eradicate drug houses and remove slumlords to clear the way for the park.

Jubilee Park opened its thoroughly renovated playground in 1997, the "Davids' Place" Head Start school in 2002, the Community Center in 2010, and an early Head Start (0-3) school in 2013. The organization re-launched its affordable housing program in 2011, and has since delivered 48 low-priced single-family, duplex, and senior living units.

Jubilee Park's current CEO, Ben Leal, joined the organization in 2011 after 15 years working for other non-profits, as well as stints with Texas Governor Rick Perry and the Texas House of Representatives. He leads a staff of 16, with an annual budget of \$1.7 million. Jubilee Park has been extraordinarily successful in mobilizing money and volunteer time from donors like J.P Morgan Chase, the Dallas property giant Trammell Crow Company, energy billionaire T. Boone Pickens, and The Real Estate Council, as well as thousands of volunteers from Saint Michael and other churches and civic organizations.

Two central elements of Jubilee Park's revitalization strategy stand out. One is the stunning transformation of the physical space in and around the park. The neighborhood takes notable pride in its new park, with more than 1,300 residents spending time there on a typical weekend and many participating in a successful crime watch program.

Just as important is the construction of the sturdy, streamlined, and inviting homes fronting the park. Over the last three years, Jubilee Park has partnered with a non-profit homebuilder, East Dallas Community Organization, under a model that relies on subsidies from the city government and the HUD Mortgage Assistance Payment program alongside private mortgage finance. As of 2016, the total cost to deliver a home in one of Jubilee's duplexes was \$165,000, with \$25,000 in support from the city in the form of a "soft-second-lien" mortgage and \$25,000 from Jubilee's private-sector donors. New home-owners have taken on a mortgage that is affordable for a family earning \$30,000 a year, based on federal affordability measures, and have benefited from Jubilee's home-owner education program.

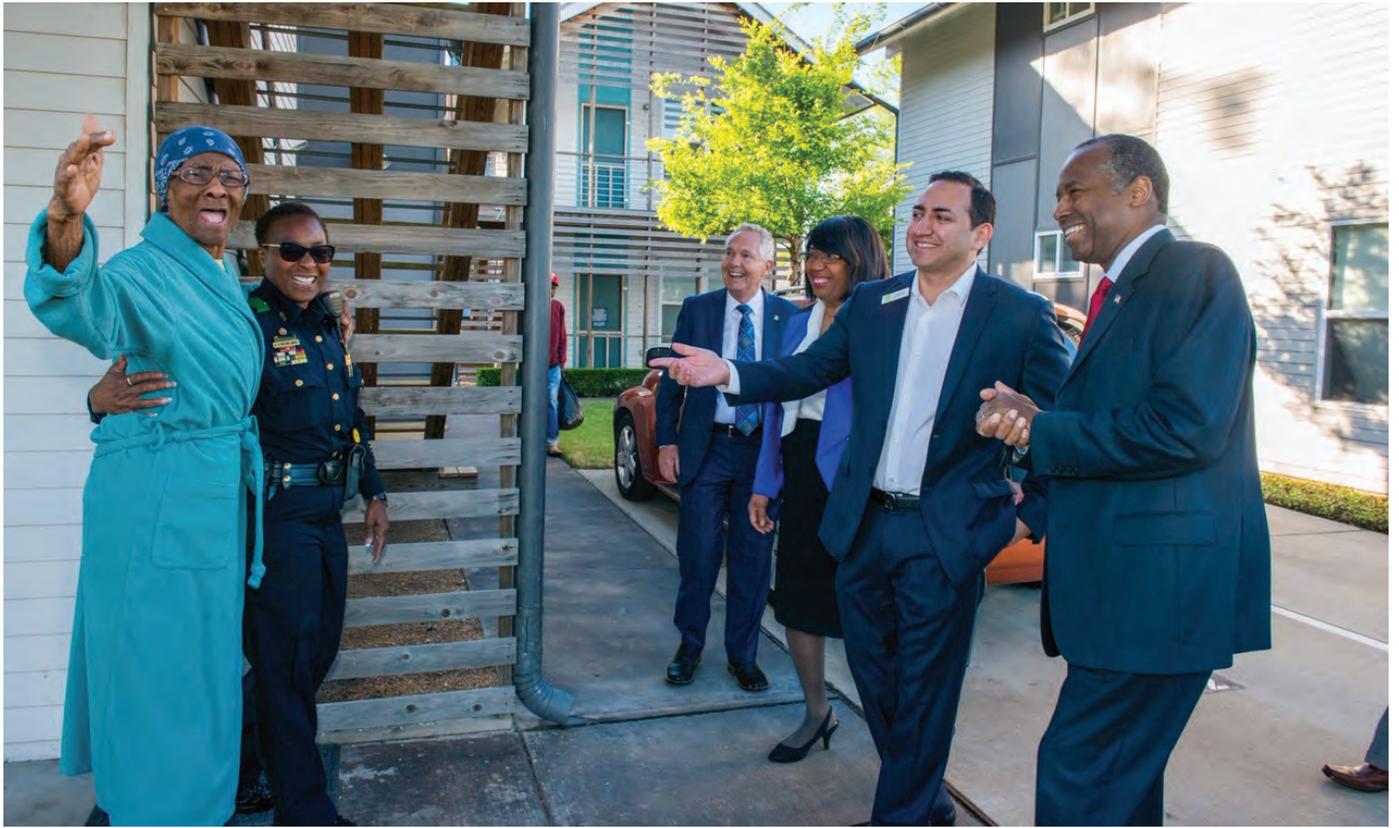


The other key element in the strategy is Jubilee Park’s holistic approach in providing services and amenities largely absent in Southern Dallas. In addition to its two pre-elementary schools, it offers out-of-school-time and summer learning programs that have contributed to meaningful improvements in math and reading scores among the 230-plus K-8 students who have participated. Almost 200 kids play in the K-6 soccer program, while dozens of adults attend regular Zumba and aerobics classes. Jubilee Park operates the only free mental health program in Southern Dallas. Growing numbers are attending Jubilee Park’s job fairs.

Despite its successes, Jubilee Park faces several significant challenges. Rising construction expenses have increased the cost of developing a new housing unit to more than \$225,000, while public sector subsidies have remained flat.

An additional challenge is the near-total lack of public and private investment in most of the wider area surrounding the neighborhood. The Fair Park area remains largely a “food desert.” Virtually no year-round jobs are within reach for Jubilee citizens without a car, though the State Fair of Texas hires a number of neighborhood residents for three weeks each fall.





These issues point to a larger challenge facing Southern Dallas as a whole: there are limits to Jubilee Park’s capacity to scale up, and there are very few other organizations doing what Jubilee is doing.

Still, as a longtime leader in the Fair Park area said, Jubilee Park offers “an example of how, if you’re patient and persistent, you can make a real difference.”

Memorandum



CITY OF DALLAS

DATE February 15, 2019

TO Honorable Mayor and Members of the City Council

SUBJECT **February 27, 2019 Upcoming Agenda Items - Government Performance & Financial Management Committee**

There will not be a meeting of the Government Performance & Financial Management Committee (GPFM) before the following items are considered by City Council on February 27, 2019. Therefore, we are providing the attached Agenda Items under the GPFM purview via memorandum for your review.

Please let me know if you need additional information.

M. Elizabeth Reich

M. Elizabeth Reich
Chief Financial Officer

Attachment

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Carol A. Smith, City Auditor (Interim)
Billierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer 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
Laila Alequresh, Chief Innovation Officer
Directors and Assistant Directors



Agenda Information Sheet

File #: 19-273

Item #: 21.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 27, 2019

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Office of Budget

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize **(1)** an extension through September 30, 2019 for Community Development Block Grant (CDBG) funded projects which have not met the City's twelve-month obligation or twenty-four-month expenditure requirement; **(2)** preliminary adoption of Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan to: **(a)** use unspent prior year CDBG funds in the total amount of \$2,883,673.00, for the Housing and Neighborhood Revitalization, 2018 Notice of Funding Availability (2018 NOFA); and **(b)** reclassify \$7,751,611.00 allocated for the 2018 NOFA from the reconstruction and rehabilitation category to the land acquisition category to allow for acquisition of land for residential purposes; and **(3)** a public hearing to be held on April 10, 2019 to receive comments on the proposed use of funds for Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan - Financing: This action has no cost consideration to the City (see Fiscal Information for potential future costs)

BACKGROUND

On August 18, 1993, Resolution No. 93-3001 established specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) funds. Funds are to be obligated within 12 months and expended within 24 months of budget adoption. On March 28, 2007, Resolution No. 07-0992, enhanced the City's existing expenditure policy with additional benchmarks. Additional time to obligate and expend funds may be granted by City Council.

Timely expenditure of CDBG funds by entitlement cities continues to be a primary concern of the U.S. Department of Housing and Urban Development (HUD). HUD requires that cities expend CDBG funds so that at least 60 days prior to the start of a new program year, the unexpended balance of CDBG funds should be less than 1.5 times the cities' CDBG allocation amount for the current year.

When the 60-day test was conducted on August 2, 2018, the City had a balance of \$20,014,279.00 in its line of credit, which is equivalent to 1.497 times its FY 2017 entitlement grant, and just under the 1.5 threshold. However, because the City had \$886,774.00 in program income in HUD's Integrated Disbursement and Information System on August 2, 2018, it failed the second test.

Adjusted to include program income, the City's line of credit balance was \$20,946,320.00 on August 2, 2018, which represents 1.57 equivalent grant years.

Because the City was above HUD's required limit for the second test, the City was required to develop a workout plan for the FY 2018-19 program year. The workout plan was submitted to HUD on December 12, 2018, and included anticipated expenditures resulting from the 2018 NOFA to return the program to full compliance with the timeliness standard.

For FY 2018-19, a review of the projects based on the timely expenditure policy (including the benchmarks), identified unspent funds remaining in 15 projects recommended for extension for a total of \$2,234,773.00 and unspent funds remaining in 19 projects recommended for reprogramming for a total of \$2,097,568.00.

The Community Development Commission (CDC) Financial Monitoring/Performance Standards Committee met on December 19, 2018 and on January 3, 2019, to review and make recommendations to the City Manager's proposed extensions and reprogramming of CDBG funds and made one amendment. This amendment removed one project from the extension list to the reprogramming list in the amount of \$786,105.54.

On January 3, 2019, the CDC reviewed and approved the CDC Financial Monitoring/Performance Standards Committee's recommendation. Unspent funds remaining in 14 projects recommended for extension for a total of \$1,448,667.00 and unspent funds remaining in 20 projects recommended for reprogramming for a total of \$2,883,673.00.

On February 4, 2019, the City Council's Economic Development and Housing (EDH) Committee was briefed on the FY 2018-19 CDBG Extensions and Reprogramming recommendations. The EDH Committee approved the CDBG Extensions and Reprogramming as recommended by the CDC to be used for the 2018 NOFA.

The briefing to the EDH Committee also included a recommendation for \$7,751,611.00 in CDBG funds allocated to the 2018 NOFA, to be reclassified from the reconstruction and rehabilitation category to the land acquisition category to allow for acquisition of land for residential purposes for projects that have been awarded through the 2018 NOFA process.

Funding for the 2018 NOFA included CDBG funds that were budgeted to the Housing and Neighborhood Revitalization Department in previous years and limited to reconstruction and rehabilitation. The City's new Housing Policy adopted in May 2018 directed the allocation of funds for housing purposes to be conducted for the deployment of Notices of Funding Availability or Requests for Applications.

Now that successful projects have been identified through the 2018 NOFA process, program descriptions must be expanded to include other eligible housing activities and funds must be reclassified to meet HUD requirements.

Source of Funds:

Reprogramming Budget No. 1 (Substantial Amendment No. 1) \$10,635,284.00

- Unspent Prior Year CDBG Funds - \$2,883,673.00

- 2017 and 2018 Reconstruction/Rehabilitation Funds - \$7,751,611.00

Use of Funds:

2018 NOFA (FY 2018-19 Residential Housing Development) \$10,635,284.00

This item includes authorization to adopt the preliminary FY 2018-19 Action Plan Reprogramming Budget No. 1 (Substantial Amendment No. 1) and calls for a public hearing to be held on April 10, 2019. This budget will be available for public review and comment from February 28, 2019 through April 10, 2019. Notice will also be published in the newspaper of general circulation during the comment period. Final adoption by the City Council is scheduled for April 10, 2019.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 18, 1993, City Council authorized to establish specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) Funds by Resolution No. 93-3001.

On March 28, 2007, City Council authorized to enhance the City's existing expenditure policy with additional benchmarks by Resolution No. 07-0992.

On January 3, 2019, the Community Development Commission was briefed and recommended extending and reprogramming of the CDBG project funds.

On February 4, 2019, the Economic Development & Housing Committee was briefed on the need to maintain ongoing compliance with HUD's timely expenditure policy and proposed Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan to use unspent prior year CDBG funds in the amount of \$2,883,673.00 along with funds previously budgeted in the reconstruction/rehabilitation category in the amount of \$7,751,611.00 (total amount of \$10,635,284.00) for the 2018 NOFA.

FISCAL INFORMATION

This action has no cost consideration to the City.

Future cost consideration - CDBG Funds - \$10,635,284.00

February 27, 2019

WHEREAS, on August 18, 1993, Resolution No. 93-3001 established specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) funds; and

WHEREAS, on March 28, 2007, Resolution No. 07-0992 enhanced the City's existing expenditure policy with additional benchmarks; and

WHEREAS, at the discretion of the City Council, the timeframes may be extended for obligating and expending CDBG funded activities; and

WHEREAS, the Community Development Commission (CDC) Financial Monitoring/Performance Standards Committee met on December 19, 2018 and on January 3, 2019, to review and make recommendations to the City Manager's proposed extensions and reprogramming of CDBG funds and made one amendment that removed one project from the extension list to the reprogramming list in the amount of \$786,105.54; and

WHEREAS, on January 3, 2019, the CDC reviewed and approved the CDC Financial Monitoring/Performance Standards Committee's recommendation. Unspent funds remaining in 14 projects recommended for extension for a total of \$1,448,667.00 and unspent funds remaining in 20 projects recommended for reprogramming for a total of \$2,883,673.00; and

WHEREAS, on February 4, 2019, the Economic Development & Housing Committee CDC was briefed on the need to maintain ongoing compliance with HUD's timely expenditure policy and proposed Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan to use unspent prior year CDBG funds in the amount of \$2,883,673.00 along with funds previously budgeted in the reconstruction/rehabilitation category in the amount of \$7,751,611.00 (total amount of \$10,635,284.00) for the Housing and Neighborhood Revitalization, 2018 Notice of Funding Availability (2018 NOFA).

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the Dallas City Council authorizes an extension to the timeframes for the obligation and expenditure of prior CDBG funds to September 30, 2019, per Attachment A.

SECTION 2. That the Dallas City Council authorizes the release of funds from their originally budgeted purposes for Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan to use unspent prior year CDBG funds in the amount of \$2,883,673.00 for the 2018 NOFA per Attachment B.

February 27, 2019

SECTION 3. That the Dallas City Council authorizes funds previously budgeted in the reconstruction/rehabilitation category in the amount of \$7,751,611.00 for the 2018 NOFA be reclassified from the reconstruction and rehabilitation category to the land acquisition category to allow for acquisition of land for residential purposes for projects that have been awarded through the 2018 NOFA process.

SECTION 4. That the preliminary FY 2018-19 Action Plan Reprogramming Budget No. 1 (Substantial Amendment No. 1) be approved as follow:

Source of Funds:

Reprogramming Budget No. 1 (Substantial Amendment No. 1) \$10,635,284.00

- Unspent Prior Year CDBG Funds - \$2,883,673.00
- 2017 and 2018 Reconstruction/Rehabilitation Funds - \$7,751,611.00

Use of Funds:

2018 NOFA (FY 2018-19 Residential Housing Development) \$10,635,284.00

SECTION 5. That a public hearing be held on April 10, 2019, before the Dallas City Council to receive comments on the FY 2018-19 Action Plan Reprogramming Budget No. 1 (Substantial Amendment No. 1).

SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

ATTACHMENT A

CDBG Extension of Expenditures/Commitment Policy

Recommended by Community Development Commission (CDC) 01/03/2019

Briefed to Economic Development & Housing Committee and the Government Performance & Financial Management Committee on 02/04/2019

	FY	Fund	Unit	Project Name	Amount
1	10-11	10RP	804D	NIP-Spring Avenue Infrastructure	\$14,358
2	10-11	CD10	493C	Community Based Development Org - EDCO	\$5,408
3	11-12	CD11	763D	Community Based Development Org - EDCO	\$74,041
4	11-12	CD11	805D	NIP-Spring Avenue Infrastructure	\$88,060
5	13-14	CD13	295F	NIP-South Dallas/Fair Park Public Improvements	\$148,040
6	13-14	CD13	313F	NIP-SDFP/Mingo/Beall Streets Public Improvement	\$310,350
7	15-16	CD15	16R2	Major Systems Repair Program	\$2,083
8	15-16	CD15	628H	Reconstruction Program	\$36,513
9	16-17	CD16	524A	Major Systems Repair Program	\$591,492
10	16-17	CD16	528A	People Helping People - Home Repair Program	\$8,352
11	17-18	CD17	204B	Citizen Participation/CDC Support/HUD Oversight	\$55,286
12	17-18	CD17	214B	OCC-Child Care Services Program	\$67,928
13	16-17	CD16	502A	Fair Housing Enforcement	\$40,057
14	17-18	CD17	202B	Fair Housing Enforcement	\$6,700
				Grand Total	\$1,448,667

ATTACHMENT B
CDBG Reprogramming of Expenditures/Commitment Policy
Recommended by Community Development Commission (CDC) 01/03/2019
Briefed to Economic Development & Housing Committee and the Government Performance &
Financial Management Committee on 02/04/2019

	FY	Fund	Unit	Project Name	Amount
1	17-18	CD17	211B	South Dallas/Fair Park Community Court	\$69,604
2	17-18	CD17	212B	South Oak Cliff Community Court	\$2,897
3	17-18	CD17	213B	West Dallas Community Court	\$36,298
4	15-16	15RP	16R1	Major Systems Repair Program	\$1,845
5	15-16	15RP	529A	Major Systems Repair Program	\$7,687
6	11-12	CD11	763D	Community Based Development Org - EDCO	\$4,017
7	12-13	CD12	951E	NIP-South Dallas Ideal/Rochester Park Public Improv	\$4,728
8	15-16	CD15	16R2	Major Systems Repair Program	\$200
9	15-16	CD15	625H	Major Systems Repair Program	\$75
10	15-16	CD15	628H	Reconstruction Program	\$6,149
11	15-16	CD15	680H	Housing Services Program - CWCDC	\$2,866
12	15-16	CD15	692H	NIP-South Dallas Ideal/Rochester Park Public Improv	\$786,106
13	16-17	CD16	521A	Housing Assistance Support	\$1,059
14	17-18	CD17	201B	Housing Management Support	\$58,410
15	17-18	CD17	223B	Support for Healthy Home Repair Program	\$628,246
16	17-18	CD17	215B	OCC-Senior Services Porgram	\$11,129
17	17-18	CD17	202B	Fair Housing Enforcement	\$22,344
18	14-15	CD14	496G	NIP-South Dallas Ideal/Rochester Park Public Improv	\$128,596
19	14-15	CD14	498G	NIP-South Dallas/Fair Park Public Improvements	\$816,738
20	Various			Reprogrammed Funds	\$294,681
				Grand Total	\$2,883,673



Agenda Information Sheet

File #: 19-255

Item #: 22.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 27, 2019

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Office of Budget

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a public hearing to be held on March 27, 2019 to receive comments on the FY 2019-20 Operating, Capital, and Grant & Trust Budgets - Financing: No cost consideration to the City

BACKGROUND

Each year the City of Dallas holds public hearings to provide the residents of Dallas the opportunity to speak on the upcoming year's budget. This public hearing is one of three to be held. Two will be at Dallas City Hall, on March 27, 2019 and August 28, 2019, and one will be at the Kleberg-Rylie Recreation Center on May 8, 2019. Resident input is an important part of the budget development process.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

No cost consideration to the City.

February 27, 2019

WHEREAS, the City Council is committed to providing the residents of Dallas with the opportunity to speak on the City's FY 2019-20 budget.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That a public hearing on the City's FY 2019-20 Operating, Capital, and Grant & Trust Budgets will be held on March 27, 2019 in the City Council Chambers.

SECTION 2. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



Agenda Information Sheet

File #: 19-99

Item #: 24.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 27, 2019

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a three-year service contract, with two one-year renewal options, for licenses, training, maintenance, and support for a citywide data back-up, recovery, and archival system for the Department of Communications and Information Services - SHI Government Solutions, Inc., most advantageous proposer of seven - Not to exceed \$469,405.20 - Financing: Data Services Fund (subject to annual appropriations)

BACKGROUND

This contract will provide licenses, training, maintenance, and support for a citywide data back-up, recovery, and archival system for the Department of Communications and Information Services.

This system provides back-up of all production servers for recoverability following unforeseen incidents involving natural and man-made disasters, human error events, and file corruption due to technical failures. The system also reduced overall storage costs by redirecting unused and old data into archival storage locations. Additionally, the system will recover data from the following critical systems and applications: Advantage Financial Management System, Citizen Request Management System, Computer-Aided Dispatch-9-1-1, Record Management System, and other Tier 0 systems.

Some key benefits to the system include:

- Provides an enterprise data back-up and retention system for physical, on-premise, and cloud virtual systems
- Provides archiving capabilities to move data that has not been accessed beyond a customized time period yet still within the data retention requirements
- Provides system migration capabilities, from a physical server to a virtual server, to improve system performance and longevity
- Provides a migration platform from the on-premise virtual center to the government cloud environment
- Provides for operational recovery of data due to inadvertent deletion or corruption

- Provides full server/application restoration for disaster recovery and business continuity
- Eliminates the need for tape backups, reducing the cost for tape, equipment rentals, and maintenance while increasing data integrity and security
- Provides annual training for two internal City server administrators

A seven member committee from the following departments reviewed and evaluated the qualifications:

- Park and Recreation Department (1)
- Department of Communication and Information Services (2)
- Department of Aviation (1)
- City Attorney's Office (1)
- Office of Business Diversity (1)*
- Office of Procurement Services (1)*

*The Office of Procurement Services only evaluated cost and the Office of Business Diversity only evaluated the Business Inclusion and Development Plan.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Cost 35 points
- Capabilities and expertise 20 points
- Technical match 15 points
- Functional match 15 points
- Business Inclusion and Development Plan 15 points

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 2,508 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

On November 10, 2015, by Resolution No. 15-2141, the City Council authorized a living wage policy that requires contractors to pay their employees a "living wage" rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County. The current calculated living wage during the solicitation process of this contract is \$11.15; the selected vendor(s) meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

City Council will be briefed by memorandum regarding this matter on February 15, 2019.

FISCAL INFORMATION

Data Services Fund - \$469,405.20 (subject to annual appropriations)

FY 2018-19 \$158,885.20

FY 2019-20 \$155,260.00 (subject to annual appropriations)

FY 2020-21 \$155,260.00 (subject to annual appropriations)

M/WBE INFORMATION

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$469,405.20	Other Services	23.80%	0.00%	\$0.00
<ul style="list-style-type: none"> • This contract does not meet the M/WBE goal, but complies with good faith efforts. 				

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Request for Competitive Sealed Proposal	<ul style="list-style-type: none"> • Utilized for high technology procurements, insurance procurements, and other goods and services • Recommended offeror whose proposal is most advantageous to the City, considering the relative importance of price, and other evaluation factors stated in the specifications • Always involves a team evaluation • Allows for negotiation on contract terms, including price
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The Office of Procurement Services received the following proposals from solicitation number BUZ1808. We opened them on June 14, 2018. We recommend the City Council award this service contract in its entirety to the most advantageous proposer.

*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Score</u>	<u>Amount</u>
*SHI Government Solutions, Inc.	1301 S. MoPac Expy. Suite 375 Austin, TX 78746	83.05	\$ 469,405.20
Clear Technologies, Inc.	16650 Westgrove Dr. Addison, TX 75001	75.37	\$ 524,578.40

Petrosys Solutions, Inc. dba Psitechnology	5909 W. Loop South Suite 390 Bellaire, TX 77401	74.87	\$ 599,134.24
Viscosity North America	4100 Midway Rd. Suite 1120 Carrollton, TX 75007	67.41	\$ 969,443.20
NWN Corporation	4802 N. Sam Houston Pkwy W. Suite 500 Houston, TX 77089	65.36	\$ 817,374.36
Tactura Network Solutions LLC	5057 Keller Springs Rd. Suite 300 Addison, TX 75001	57.34	\$1,088,790.40
CDW Government LLC	230 N. Milwaukee Ave. Vernon Hills, IL 60061	53.74	\$1,676,428.00

OWNER**SHI Government Solutions, Inc.**

Thai Lee, President
Al Fitzgerald, Vice President of Enterprise Sales

February 27, 2019

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to execute a service contract with SHI Government Solutions, Inc. (502145), approved as to form by the City Attorney, for licenses, training, maintenance, and support for a citywide data back-up, recovery, and archival system for the Department of Communications and Information Services for a term of three years, with two one-year renewal options, in an amount not to exceed \$469,405.20. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to SHI Government Solutions, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by SHI Government Solutions, Inc. under the contract.

SECTION 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$469,405.20 (subject to annual appropriations) to SHI Government Solutions, Inc. from Master Agreement Service Contract No. MASC-DSV-2018-00008180.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



Agenda Information Sheet

File #: 19-232

Item #: 25.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 27, 2019

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a five-year service price agreement for janitorial services for the Water Utilities Department and the Women, Infant, and Children Program facilities - Oriental Building Services, Inc. in an estimated amount of \$1,978,885.40 and Global Building Maintenance, Inc. in an estimated amount of \$991,163.50, lowest responsible bidders of nine - Total estimated amount of \$2,970,048.90 - Financing: Dallas Water Utilities Fund (\$2,332,947.40), Department of State Health Services Grant Funds (\$546,988.50), and Stormwater Drainage Management Fund (\$90,113.00)

BACKGROUND

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This service price agreement will provide janitorial services for the Water Utilities Department and the Women, Infant, and Children (WIC) program facilities. Janitorial service is an essential, basic element of building/facility operations. City buildings are occupied by staff and are open to the general public and therefore require daily janitorial services to maintain facility aesthetics and sanitary conditions.

This service price agreement will provide janitorial services at specific locations for the Water Utilities Department. The buildings were divided into four groups by location and each group was awarded to the lowest responsive and responsible bidder. The vendors will provide janitorial services in the following locations:

- 22 pumping stations
- 3 water treatment plants
- 2 wastewater treatment plants

- 8 material services
- 2 meter shops
- 7 storm drainage pump stations

This service price agreement will provide essential janitorial services for 14 WIC clinics and one warehouse to ensure appropriate sanitary standards are met. Hours per clinic vary; however, most clinics are available to clients weekdays and at least one Saturday per month. Over 72,000 clients receive WIC benefits monthly.

The use of environmentally friendly Green Seal certified cleaning products and supplies was a requirement in the specifications. Further, when additional products become certified, the vendor is required to use those products.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 11,869 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

On November 10, 2015 the City Council authorized a living wage policy that requires contractors to pay their employees a “living wage” rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$11.15; the selected vendors meet this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

City Council will be briefed by memorandum regarding this matter on February 15, 2019.

FISCAL INFORMATION

Dallas Water Utilities Fund - \$2,332,947.40 (Estimated Amount)
 Department of State Health Services Grant Funds - \$546,988.50 (Estimated Amount)
 Stormwater Drainage Management Fund - \$90,113.00 (Estimated Amount)

Fund	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	Total
Dallas Water Utilities Fund	\$466,589.48	\$466,589.48	\$466,589.48	\$466,589.48	\$466,589.48	\$2,332,947.40
Department of State Health Services Grant Funds	\$109,397.70	\$109,397.70	\$109,397.70	\$109,397.70	\$109,397.70	\$546,988.50
Stormwater Drainage Management Fund	\$18,022.60	\$18,022.60	\$18,022.60	\$18,022.60	\$18,022.60	\$90,113.00
Total	\$594,009.78	\$594,009.78	\$594,009.78	\$594,009.78	\$594,009.78	\$2,970,048.90

M/WBE INFORMATION

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$2,970,048.90	Other Services	23.80%	100.00%	\$2,970,048.90
<ul style="list-style-type: none"> • This contract exceeds the M/WBE goal. 				

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Low Bid	<ul style="list-style-type: none"> • Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements • Negotiations are not allowed
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The Office of Procurement Services received the following bids from solicitation number BQ1803. We opened them October 26, 2018. We recommend the City Council award this service price agreement to the lowest responsive and responsible bidders by group. Information related to this solicitation is available upon request.

*Denotes successful bidders

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Oriental Building Services, Inc.	2526 Manana Dr. #208 Dallas, TX 75220	Multiple Groups
*Global Building Maintenance, Inc.	2001 W. Northwest Hwy #130 Dallas, TX 75220	Multiple Groups
D&A Building Services, Inc.	13637 North Central Expwy. Unit D020 Dallas, TX 75243	Multiple Groups
American Facility Services, Inc.	1328 Union Hill Industrial Ct. Alpharetta, GA 30004	Multiple Groups
Rising Star Diversified Resources, Inc.	4308 Bryan St. Dallas, TX 75204	Multiple Groups

Callahan's Cleaning Service	9557 Castlefield Dr. Dallas, TX 75227	Multiple Groups
Andrew's Building Service	11503 Reeder Rd. Dallas, TX 75229	Multiple Groups
Magic Building Service, Inc.	11363 Denton Dr. #100 Dallas, TX 75229	Multiple Groups
UBM Enterprise, Inc.	11102 Ables Ln. Dallas, TX 75229	Non-responsive**

**UBM Enterprise, Inc. was deemed non-responsive due to not meeting specifications.

OWNERS

Oriental Building Services, Inc.

Steve Gye, President
Nixon Shum, Vice President
Moon Kim, Secretary
Sang J Gye, Treasurer

Global Building Maintenance, Inc.

Ky Kim, President

February 27, 2019

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to execute a service price agreement with Oriental Building Services, Inc. (VS0000031225) in an estimated amount of \$1,978,885.40 and Global Building Maintenance, Inc. (VS0000071382) in an estimated amount of \$991,163.50, approved as to form by the City Attorney, for janitorial services for the Water Utilities Department and the Women, Infant, and Children Program facilities, for a term of five years in the estimated total amount of \$2,970,048.90. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Oriental Building Services, Inc. and Global Building Maintenance, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by Oriental Building Services, Inc. and Global Building Maintenance, Inc. under the contract. The amount payable pursuant to this service price agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this service price agreement during its term.

SECTION 2. That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$2,970,048.90, but not more than the amount of budgetary appropriations for this service price agreement during its term to Oriental Building Services, Inc. and Global Building Maintenance, Inc. from Service Price Agreement No. POM-2019-00009142.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



Agenda Information Sheet

File #: 19-196

Item #: 27.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 27, 2019

COUNCIL DISTRICT(S): Outside City Limits

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a three-year master agreement for the purchase of sodium hexametaphosphate for the Water Utilities Department - Carus Corporation, lowest responsible bidder of three - Estimated amount of \$183,300 - Financing: Dallas Water Utilities Fund

BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods or services, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This master agreement will provide for the purchase of sodium hexametaphosphate for the Water Utilities Department. Sodium hexametaphosphate is used by the Eastside Water Treatment Plant to prevent scale formation in chemical feed lines and allows continuous feed of ammonia for the disinfection process. Ammonia by its nature forms scale and eventually restricts the flow in pipes delivering the chemical. Without the phosphate feed system, ammonia lines would become restricted, scaled, and the plant would be unable to meet disinfection requirements, resulting in regulatory violations. Ammonia is used in the water treatment process to combine with chlorine to provide a residual disinfectant in the plant process and distribution system.

The Water Utilities Department provides service to an estimated 2 million people in Dallas and surrounding communities. On average, the City pumps over 400 million gallons of water per day.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 407 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more

bids, the Office of Business Diversity sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 14, 2015, City Council authorized a three-year master agreement for sodium hexametaphosphate to be used by Water Utilities with Shannon Chemical Corporation by Resolution No. 15-0107.

City Council will be briefed by memorandum regarding this matter on February 15, 2019.

FISCAL INFORMATION

Dallas Water Utilities Fund - \$183,300.00 (Estimated amount)

FY 2018-19 \$61,100.00

FY 2019-20 \$61,100.00

FY 2020-21 \$61,100.00

M/WBE INFORMATION

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$183,300.00	Goods	N/A	N/A	N/A
• M/WBE goal waived due to no M/WBE availability				

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Low Bid	<ul style="list-style-type: none"> • Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements • Negotiations are not allowed
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The Office of Procurement Services received the following bids from solicitation number BG1806. We opened them on January 11, 2019. We recommend the City Council award this master agreement in its entirety to the lowest responsive and responsible bidder.

*Denotes successful bidder

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Carus Corporation	315 Fifth St. Peru, IL 61354	\$183,300.00
Tri-Chem Specialty Chemicals, dba Tri- Chem Industries Performance Moving minds play with a purpose	2600 N Cresson Hwy. Cresson, TX 76035	\$190,320.00
Shannon Chemical Corp.	2707 Weir St. Dallas, TX 75212	\$246,987.00

OWNER**Carus Corporation**

David J. Kuzy, President
Gerald B. Curran, Vice President

February 27, 2019

WHEREAS, on January 14, 2015, City Council authorized a three-year master agreement for sodium hexametaphosphate to be used by Water Utilities with Shannon Chemical Corporation, in an amount not to exceed \$390,800.00, by Resolution No. 15-0107.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That a master agreement for the purchase of sodium hexametaphosphate for the Water Utilities Department is authorized with Carus Corporation (VS0000052233), approved as to form by the City Attorney, for a term of three years in the estimated amount of \$183,300.00. The amount payable pursuant to this master agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this master agreement during its term.

SECTION 2. That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for sodium hexametaphosphate for the Water Utilities Department. If a written contract is required or requested for any or all purchases of sodium hexametaphosphate for the Water Utilities Department under the master agreement instead of individual purchase orders, the City Manager is hereby authorized to execute a contract, approved as to form by the City Attorney.

SECTION 3. That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$183,300.00, but not more than the amount of budgetary appropriations for this master agreement during its term to Carus Corporation from Master Agreement Contract No. DWU-2019-00009327.

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



Agenda Information Sheet

File #: 19-190

Item #: 28.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 27, 2019

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize Supplemental Agreement No. 2 to increase the service contract with Communicon, LTD dba Communication Concepts in the amount of \$796,726.09, from \$3,186,904.36 to \$3,983,630.45 and International Systems of America, LLC dba ISA Fire & Security in the amount of \$61,366.00, from \$245,464.00 to \$306,830.00, for citywide installation, monitoring, and maintenance of alarm systems and annual fire alarm inspections and to extend the term from March 23, 2019 to March 22, 2020 - Total not to exceed \$858,092.09, from \$3,432,368.36 to \$4,290,460.45 - Financing: General Fund (\$502,369.07), Equipment and Fleet Management Fund (\$38,600.00), Capital Construction Fund (\$8,600.00), Aviation Fund (\$94,000.00), and Dallas Water Utilities Fund (\$214,523.02)

BACKGROUND

This Supplemental Agreement No. 2 increase will allow for continued alarm monitoring at approximately 287 City facilities for fire and/or intrusion while the City reviews and revises the specifications. This increase will also provide for the maintenance of alarm equipment, programming alarm panels, annual fire alarm inspections, design, and installation of new alarm systems.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 27, 2012, City Council authorized a three-year service contract for installation, monitoring and maintenance of alarm systems and annual fire alarm inspections with Communicon, LTD dba Communication Concepts and Alarm Security Group, LLC dba ASG Security by Resolution No. 12-1606.

On December 10, 2014, City Council authorized supplemental agreement no. 1 to increase the service contract with Communication Concepts and Alarm Security Group, LLC for installation, monitoring and maintenance of alarm systems and annual fire alarm inspections by Resolution No. 14-2093.

On March 23, 2016, City Council authorized a three-year service contract for installation, monitoring

and maintenance of alarm systems and annual fire alarm inspections with Communicon, LTD dba Communication Concepts and International Systems of America, LLC dba ISA Fire & Security by Resolution No. 16-0416.

City Council will be briefed by memorandum regarding this matter on February 15, 2019.

FISCAL INFORMATION

General Fund - \$502,369.07
 Equipment and Fleet Management - \$38,600.00
 Capital Construction Fund - \$8,600.00
 Aviation Fund - \$94,000.00
 Dallas Water Utilities Fund - \$214,523.02

Fund	FY 2018-19	FY 2019-20
General Fund	\$413,455.69	\$88,913.38
Equipment and Fleet Management Fund	\$38,600.00	\$0
Capital Construction Fund	\$8,600.00	\$0
Dallas Water Utilities Fund	\$160,000.00	\$54,523.02
Aviation Fund	\$94,000.00	\$0
Total	\$714,655.69	\$143,436.40

M/WBE INFORMATION

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$858,092.09	Other Services	23.80%	22.10%	\$189,620.80
<ul style="list-style-type: none"> • This contract does not meet the M/WBE goal, but complies with good faith efforts. • Supplemental Agreement No. 2 - 22.10% Overall M/WBE participation 				

OWNERS

Communicon, LTD dba Communication Concepts

Jeff Mauldin, President

International Systems of America, LLC

Roy O. Messersmith, Executive Vice President, Field Operations

February 27, 2019

WHEREAS, on June 27, 2012, City Council authorized a three-year service contract for installation, monitoring and maintenance of alarm systems and annual fire alarm inspections with Communicon, LTD dba Communication Concepts in the amount of \$1,344,791.79 and Alarm Security Group, LLC dba ASG Security in the amount of \$311,049.00, by Resolution No. 12-1606; and

WHEREAS, on December 10, 2014, City Council authorized supplemental agreement no. 1 to increase the service contract with Communication Concepts \$336,197.00, from \$1,344,791.79 to \$1,680,988.79 and Alarm Security Group, LLC Alarm Security Group, LLC (335531) in the amount of \$77,762.00, from \$311,049.00 to 388,811.00 for installation, monitoring and maintenance of alarm systems and annual fire alarm inspections by Resolution No. 14-2093; and

WHEREAS, on July 6, 2015, Administrative Action Nos. 15-6268 and 15-6269 authorized supplemental agreement no. 2 to the service contract to extend the contract term from June 30, 2015 to December 30, 2015; and

WHEREAS, on December 2, 2015, Administrative Action Nos. 15-7276 and 15-7277 authorized supplemental agreement no. 3 to the service contract to extend the contract term from December 30, 2015 to March 31, 2016; and

WHEREAS, on March 23, 2016, City Council authorized a three-year service contract for installation, monitoring and maintenance of alarm systems and annual fire alarm inspections with Communicon, LTD dba Communication Concepts in the amount of \$3,186,904.36 and International Systems of America, LLC dba ISA Fire & Security in the amount of \$245,464.00, by Resolution No. 16-0416.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to execute Supplemental Agreement No. 1 to increase the service contract, approved as to form by the City Attorney, for installation, monitoring, and maintenance of alarm systems and annual fire alarm inspections with Communicon, LTD dba Communication Concepts (VS0000019084) in an amount not to exceed \$796,726.09, from \$3,186,904.36 to \$3,983,630.45 and International Systems of America, LLC dba ISA Fire & Security (VS87469) in an amount not to exceed \$61,366.00, from \$245,464.00 to \$306,830.00, in a total amount not to exceed \$858,092.09, increasing the service contract from \$3,432,368.36 to \$4,290,460.45 and to extend the term from March 23, 2019 to March 22, 2020.

February 27, 2019

SECTION 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$858,092.09 to Communicon, LTD dba Communication Concepts and International Systems of America, LLC dba ISA Fire & Security from Service Contract No. POM-2019-00008417.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly, so resolved.



Agenda Information Sheet

File #: 19-184

Item #: 29.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 27, 2019

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize Supplemental Agreement No. 3 to increase the service contract for the maintenance and repair of fuel pumps, dispensing equipment, lines, and tanks with D&H United Fueling Solutions, Inc. formerly known as United Safeguard Pump Services, Ltd. dba United Pump Supply and to extend the contract term through September 9, 2019 - Not to exceed \$446,141.17, from \$1,784,564.75 to \$2,230,705.92 - Financing: Equipment and Fleet Management Fund

BACKGROUND

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis. We anticipate the following City departments will use the agreement:

- Equipment and Fleet Management Department
- Fire-Rescue Department
- Department of Aviation
- Police Department
- Water Utilities Department
- Park & Recreation Department
- Department of Sanitation Services

This Supplemental Agreement No. 3 will allow for the maintenance and repair of the City's fuel pumps, dispensing equipment, lines, and tanks associated with above-ground and underground fuel storage tanks. The City's fueling sites include 58 fire stations, 8 service centers, the police heliport, auto pound, and numerous additional sites throughout the City.

This fuel dispensing equipment must be maintained in good working condition to ensure compliance with Texas Commission on Environmental Quality regulations and is subject to fines if it fails to pass annual inspections.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 17, 2015, City Council authorized a three-year service contract for the maintenance and repair of fuel pumps, dispensing equipment, lines and tanks by with United Safeguard Pump Services, Ltd. dba United Pump Supply by Resolution No. 15-1129.

City Council will be briefed by memorandum regarding this matter on February 15, 2019.

FISCAL INFORMATION

Equipment and Fleet Management Fund - \$446,141.17

M/WBE INFORMATION

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$446,141.17	Other Services	23.80%	0.00%	0.00%
<ul style="list-style-type: none"> • This contract does not meet the M/WBE goal, but complies with good faith efforts. • Supplemental Agreement No. 3 - 0.00% Overall M/WBE Participation 				

OWNER

D&H United Fueling Solutions Inc. formerly United Safeguard Pump, Ltd. dba United Pump Supply

John Farrell, President
Gerry Telle, Vice President

February 27, 2019

WHEREAS, on June 17, 2015, City Council authorized a three-year service contract for the maintenance and repair of fuel pumps, dispensing equipment, lines and tanks with United Safeguard Pump Services, Ltd. dba United Pump Supply, in an amount not to exceed \$1,784,564.75, by Resolution No. 15-1129; and

WHEREAS, on November 3, 2015, Administrative Action No. 16-5177 authorized approval of vendor reassignment from United Safeguard Pump Services Ltd. dba United Pump Supply to D&H United Fueling Solutions, Inc. for the maintenance and repair of fuel pumps dispensing equipment, lines and tanks; and

WHEREAS, on August 22, 2018, Administrative Action No. 18-6415 authorized Supplemental Agreement No. 2 to extend the term of the service contract with D&H United Fueling Solutions, Inc. formerly known as United Safeguard Pump Services Ltd. dba United Pump Supply for the maintenance and repair of fuel pumps dispensing equipment, lines and tanks through March 9, 2019.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to execute Supplemental Agreement No. 3 to increase the service contract with D&H United Fueling Solutions, Inc. formerly known as United Safeguard Pump Services Ltd. dba United Pump Supply (VS89310), approved as to form by the City Attorney, for the maintenance and repair of fuel pumps, dispensing equipment, lines, and tanks, in an amount not to exceed \$446,141.17, increasing the service contract from \$1,784,564.75 to \$2,230,705.92 and extend the contract term through September 9, 2019.

SECTION 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$446,141.17 to D&H United Fueling Solutions, Inc. formerly known as United Safeguard Pump Services Ltd. dba United Pump Supply from Service Contract No. BK1511.

SECTION 3. That this contract is designated as Contract No. POM-2018-00006312.

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



Agenda Information Sheet

File #: 19-238

Item #: 30.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 27, 2019

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize Supplemental Agreement No. 3 to increase the master agreement for aftermarket automotive and heavy equipment parts to maintain City vehicles and equipment with Midway Auto Supply, Inc. in the amount of \$478,526.25, from \$1,914,105.00 to \$2,392,631.25, Freedom Dodge in the amount of \$422,450.00, from \$1,689,800.00 to \$2,112,250.00, Installer Sales & Service in the amount of \$384,348.00, from \$1,537,392.00 to \$1,921,740.00, IEH Auto Parts LLC in the amount of \$240,457.50, from \$961,830.00 to \$1,202,287.50, and Alterstart Systems, Inc. in the amount of \$500.00, from \$2,000.00 to \$2,500.00 and to extend the term from February 24, 2019 to February 24, 2020 - Total not to exceed \$1,526,281.75, from \$6,105,127.00 to \$7,631,408.75 - Financing: Equipment and Fleet Management Fund

BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis.

The increase to the master agreement will allow Equipment and Fleet Management Department time to complete an evaluation of City needs and market availability. This master agreement provides aftermarket automotive and heavy equipment parts such as gaskets, engine mounts, oil pumps, steering components, suspension, radiators, water pumps, and hydraulic hose for approximately 5,205 vehicles. Aftermarket parts are used instead of original equipment manufacturer parts because they are of comparable quality and provide cost savings for the City.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 26, 2014, City Council authorized a three-year master agreement for aftermarket automotive and heavy equipment parts with Midway Auto Supply, Inc., Freedom Dodge, Installer Sales and Service, Uni-Select USA, and Alterstart Systems, Inc. by Resolution No. 14-0368.

City Council will be briefed by memorandum regarding this matter on February 15, 2019.

FISCAL INFORMATION

Equipment and Fleet Management Fund - \$1,526,281.75

M/WBE INFORMATION

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$1,526,281.75	Goods	18.00%	0.00%	\$0.00
<ul style="list-style-type: none"> • This contract does not meet the M/WBE goal, but complies with good faith efforts. • Supplemental Agreement No. 3 - 0.00% Overall M/WBE participation 				

OWNERS

Midway Auto Supply, Inc.

Martin Levine, President

Freedom Dodge

Matt Stinson, President

Installer Sales and Service

Wilson McMillion, President

IEH Auto Parts LLC

Wade Sharp, President
James Healy, Vice President
Matt Flannery, Secretary
James Healy, Treasurer

Alterstart Systems, Inc.

Patrick Nolan, President

February 27, 2019

WHEREAS, on February 26, 2014, City Council authorized a three-year master agreement for aftermarket automotive and heavy equipment parts with Midway Auto Supply, Inc. in the amount of \$1,914,105.00, Freedom Dodge in the amount of \$1,689,800.00, Installer Sales and Service in the amount of \$1,537,392.00, Uni-Select USA in the amount of \$961,830.00, and Alterstart Systems, Inc. in the amount of \$2,000.00, by Resolution No. 14-0368; and

WHEREAS, on March 9, 2017, Administrative Action No. 17-5722 authorized Supplemental Agreement No. 1 to the master agreement with Midway Auto Supply, Freedom Dodge, Installer Sales & Service, IEH Auto Parts, LLC, and Alterstart Systems, Inc. to extend the contract term from February 26, 2017 to February 25, 2018; and

WHEREAS, on March 1, 2018, Administrative Action No. 18-5388 authorized Supplemental Agreement No. 2 to the master agreement with Midway Auto Supply, Freedom Dodge, Installer Sales & Service, IEH Auto Parts, LLC, and Alterstart Systems, Inc. to extend the contract term from February 25, 2018 to February 24, 2019.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to execute Supplemental Agreement No. 3 to increase the master agreement, approved as to form by the City Attorney, for the purchase of aftermarket automotive and heavy equipment parts to maintain City vehicles and equipment with Midway Auto Supply, Inc. (006372) in the amount of \$478,526.25, from \$1,914,105.00 to \$2,392,631.25, Freedom Dodge (VS0000077189) in the amount of \$422,450.00, from \$1,689,800.00 to \$2,112,250.00, Installer Sales & Service (508181) in the amount of \$384,348.00, from \$1,537,392.00 to \$1,921,740.00, IEH Auto Parts LLC (VS91623) in the amount of \$240,457.50, from \$961,830.00 to \$1,202,287.50, and Alterstart Systems, Inc. (VS0000018618) in the amount of \$500.00, from \$2,000.00 to \$2,500.00, in a total amount not to exceed \$1,526,281.75, increasing the master agreement from \$6,105,127.00 to \$7,631,408.75 and to extend the term from February 24, 2019 to February 24, 2020.

SECTION 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$1,526,281.75 to Midway Auto Supply, Inc., Freedom Dodge, Installer Sales & Service, IEH Auto Parts LLC, and Alterstart Systems, Inc. from Master Agreement Contract No. BJ1404.

SECTION 3. That this contract is designated as Contract No. POM-2017-00001660.

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



Agenda Information Sheet

File #: 19-260

Item #: 31.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 27, 2019

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Strategic Partnerships & Government Affairs

EXECUTIVE: Kimberly Bizer Tolbert

SUBJECT

A resolution adopting the City's Federal Legislative Program for the 116th Session of the United States Congress - Financing: No cost consideration to the City

BACKGROUND

The City of Dallas adopts a federal legislative program every two years at the beginning of the Congressional session. The agenda includes general statements regarding the City's legislative focus and a comprehensive list of legislative initiatives on which the City of Dallas will be focused during the session.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Legislative Ad Hoc Committee was briefed on February 9, 2015.

On February 25, 2015, City Council authorized adoption of the Federal Legislative Program for the 114th Session of Congress by Resolution No. 15-0375.

On March 22, 2017, City Council authorized adoption of the Federal Legislative Program for the 115th Session of Congress by Resolution No. 17-0517.

The Government Performance and Financial Management Committee was briefed by memorandum regarding this matter on February 4, 2019.

FISCAL INFORMATION

No cost consideration to the City.

February 27, 2019

WHEREAS, the 116th Session of the United States Congress convened on January 3, 2019; and

WHEREAS, the 116th Congress will consider many issues that affect local governments; and

WHEREAS, the City of Dallas wishes to express its desires and concerns regarding federal issues by adopting a legislative program; and

WHEREAS, the City of Dallas has developed recommendations for the federal legislative agenda.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City of Dallas' Federal Legislative Program for the 116th Session of the United States Congress is hereby adopted.

SECTION 2. That the City Manager is directed to communicate the items included in the federal legislative program and the impact on Dallas residents to members of the United States Congress.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



PROPOSED CITY OF DALLAS LEGISLATIVE PROGRAM FOR THE 116TH CONGRESS



City of Dallas

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DRAFT

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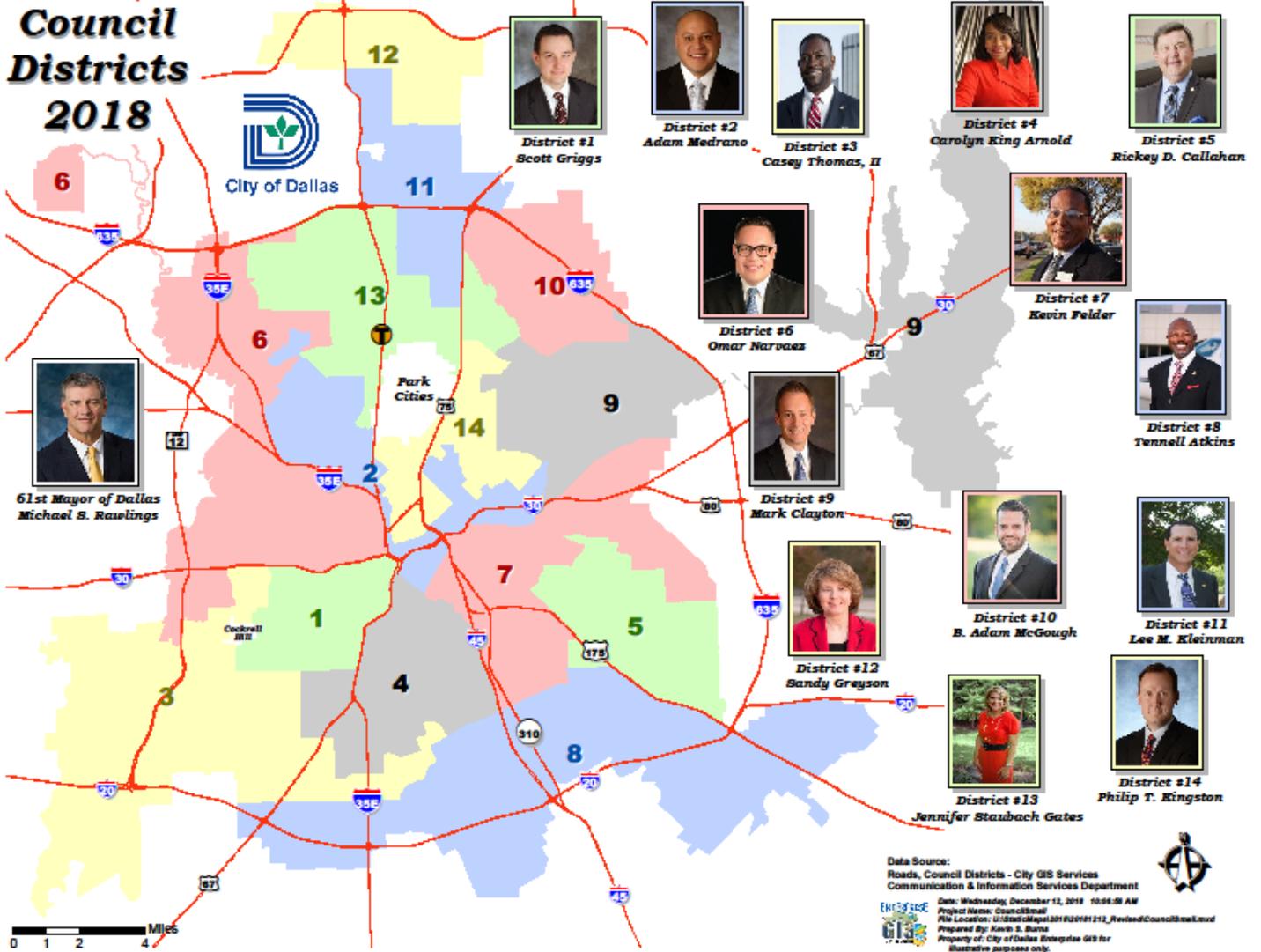
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Mayor and City Council 2017-2019



[Insert City Council Resolution]

DRAFT

GENERAL STATEMENTS OF CITY'S LEGISLATIVE FOCUS

The City of Dallas' legislative efforts focus on legislation that the City can influence and that will directly and positively impact the City of Dallas. The City appreciates its long-standing relationship with the congressional delegation to advance its federal priorities.

The City of Dallas supports legislation that:

- Creates more opportunities for individuals and businesses to thrive and prosper;
- Provides an equitable distribution of federal funds; and
- Addresses the concerns and issues confronting large metropolitan center cities, which range from the enhancement of urban transportation to reduction in crime to the availability of affordable housing and the development of neighborhoods that support quality family life.



The City of Dallas opposes any federal legislative action that would erode the home rule authority of municipalities or establish unfunded mandates that effectively constrain the ability of cities to allocate scarce resources to locally determined priorities.

Federal Mandates

The City of Dallas recognizes two basic types of federal mandates: those that impose costs directly on the City and those that, while not directly imposing costs on the City, intrude on the autonomy of the City by interfering with local decision-making authority and impacting the allocation of scarce local resources.

The City of Dallas opposes the imposition of either type of federal mandate.

The federal government calls on municipal governments, including the City of Dallas, to administer many federal government programs, requiring municipal governments to absorb all or most of the cost. In the interest of fairness and equity to its municipal government partners, the federal government should provide adequate funding for the local conduct of each of its programs.

Deficit Reduction

The City of Dallas supports a balanced approach to reducing the federal deficit. Elimination of the federal deficit solely through non-defense discretionary spending cuts is impossible and ill-advised.

The reduction of the federal deficit should not disproportionately harm national defense and our troops, safety net programs or our nation's cities. In particular, the City opposes deficit reduction efforts that disproportionately focus on core local government programs or reduce or delay much-needed investments in our nation's infrastructure.

INFRASTRUCTURE

Surface Transportation

The City of Dallas supports legislation to reauthorize federal surface transportation programs that:

- Provide for an equitable distribution of highway and transit funds;
- Maintain a guaranteed funding mechanism that ensures that all Highway Trust Fund revenues are spent on surface transportation programs;
- Maintain a strong metropolitan planning process that maximizes the decision-making power of local elected officials and communities;
- Continue and build on the federal investment of the past decade in transit and enables complete local flexibility regarding mode choices;
- Directly provide funds to cities for mode neutral, innovative urban transportation solutions;
- Directly address urban congestion and mobility, including incentives for metropolitan areas and cities that raise revenue and implement innovative financing mechanisms;
- Increase sub-allocation to metropolitan areas;
- Expand mode neutral choices and funding for cities and metropolitan areas;
- Expand sub-allocation via creation of a new program focused on cities and metropolitan areas or through increased sub-allocation of existing programs;
- Robustly fund the Transportation Alternatives Program;
- Fully fund the CMAQ program in order to help metropolitan areas meet federal clean air mandates, and
- Do not increase the required local share of funding for federally-assisted highway or transit projects.

Dallas Area Rapid Transit (DART) Core Capacity

The City of Dallas fully supports DART's Capital Investment Grant projects:

- Platform Extensions along the Red and Blue Lines (Core Capacity),
- Phase 1 of the Downtown Dallas 2nd light rail alignment (Core Capacity) and
- The Central Dallas Streetcar Link (Small Starts).

High-Speed & Intercity Passenger Rail

The City of Dallas supports the development of high-speed rail between Houston and the North Texas Region. The City's long-term plans envision development of a new intermodal hub near the high-speed rail station providing travelers with a seamless connection between intercity passenger rail (including high-speed rail), commuter rail, light rail and local surface transit (streetcar and bus). A strong federal-state-regional-local partnership will be needed to make this vision a reality. The City of Dallas also supports the development of a robust national passenger rail system and strongly supports full funding of passenger rail corridor improvement programs.

Water, Wastewater & Flood Control

The City of Dallas supports legislation that provides grants and financing assistance for high priority projects such as combined and separate sanitary sewer overflows and other wet weather projects, security-related projects, repair and replacement of aging infrastructure and water supply acquisition. Increased funding to local water and wastewater utilities for the improvement and maintenance of water and wastewater infrastructure and additional water supplies is of paramount importance. The City of Dallas also supports legislation which sustains and increases funding for, and increases the flexibility of, the Clean Water State Revolving Fund (CWSRF) the Drinking Water State Revolving Fund (DWSRF) and the Water Infrastructure Finance and Innovation Authority (WIFIA) programs, as well as federal funding for dam safety and reservoir modifications that will reduce the potential for structural failure.

The City of Dallas greatly appreciates the Dallas delegation's support of the critical Trinity River flood control projects and the strong federal partnership that the City has developed with the Army Corps of Engineers. The City appreciates the funding the congressional delegation work to obtain critical federal funding for the Dallas Floodway, the Dallas Floodway Extension, and the Lewisville Dam. Looking ahead, the City desires to continue this strong intergovernmental relationship, including preserving this critical federal funding for these flood control projects.

The City understands the level of effort expended towards clarifying authority and supports efforts to address changing environmental conditions, specifically through Executive Order 13690's revisions to the Federal Flood Risk Management Standards (FFRMS) set by the Federal Emergency Management Agency (FEMA). However, the City does not support a one-size-fits all approach. All watersheds behave differently, reflecting different climates, base geology, cover and topography.

The City of Dallas supports legislation that results in clear, consistent, predictable and economic Federal regulation and permitting. Federal statutory requirements; agency regulations and guidance; and permitting practices involving water supply and uses; water quality; and flood control should be clear and consistent. All requirements, regulations and permit practices should be practical, predictable, science-based, economic and should balance the financial impact of specific requirements with benefits to the public and environment. Additionally, public participation in the development of regulations helps to inform decision makers about critical tradeoffs, and produces increased levels of regulatory and project-related certainty.

National Flood Insurance Program

In general, the City of Dallas supports a long-term and fiscally responsible reauthorization of the NFIP that:

- Provides long-term financial solvency for the program;
- Ensures that flood insurance rate increases do not impose undue hardship on Dallas property owners or stymie central Dallas economic development plans;
- Includes a rate and premium structure that differentiates between flood plains that are protected by certified levees and those that are not;
- Provides remapped areas, newly designated as flood hazard areas, with a grace period before the purchase of flood insurance is mandatory, provided that local officials educate affected property owners about flood risk and flood insurance availability, and develop an evacuation plan for neighborhoods affected by flood hazard remapping; and

- Provides an exemption to the mandatory purchase of flood insurance in areas deemed flood hazard areas due to recently decertified levees, provided that local officials are implementing an approved plan to repair newly decertified levees, educating affected property owners about flood risk and flood insurance availability, and developing an evacuation plan for neighborhoods affected by flood hazard remapping.

Aviation

The City of Dallas supports a federal aviation program that:

- Maintains a guaranteed funding mechanism that ensures that all Airports and Airways Trust Fund revenues are spent on aviation programs;
- Maximizes the flexibility of the Airport Improvement Program (AIP);
- Maximizes the flexibility of how airports use Passenger Facility Charge (PFC) revenue, and
- Provides local governments and airport authorities with the resources they need to provide for a safe and efficient aviation system.

DRAFT

MUNICIPAL BONDS

The City of Dallas strongly opposes any efforts to cap or eliminate the tax exemption for municipal bonds, including “private activity” bonds. The elimination or capping of tax-exempt municipal bonds would increase City borrowing costs, resulting in delayed infrastructure investment or higher local taxes and utility rates, which would disproportionately impact low- and moderate-income households.

The City urges Congress to reinstate the advanced refunding of tax-exempt municipal bonds. The ill-advised repeal of advanced refunding by the Tax Cut & Jobs Act of 2017 means that the City cannot take advantage of lower interest rates to reduce borrowing costs and maximize infrastructure investment. The City also urges Congress to protect Build America Bonds from annual Budget Act sequestration. The reduction of Build America Bond payments is a breach of contract between the federal government, the City, and bondholders.

State and local governments are responsible for building and maintaining 75 percent of the nation's infrastructure, which is mostly financed through tax-exempt bonds. The tax exemption for municipal bonds represents an ideal federal-state-local partnership, allowing the federal government to assist infrastructure investment in a manner that maximizes local decision making.

In Dallas, municipal bonds finance core infrastructure that is the basis of civilized society and the foundation of our economy: water and wastewater, storm drainage, streets and sidewalks, hospitals, schools and other capital projects. In an era of diminishing grants and expanding mandates on local governments, eliminating or capping the tax exemption for municipal bonds would effectively signal a federal abandonment of infrastructure investment.

Per Texas law, all City of Dallas general obligation bonds are subject to voter referendum. The City's process is an example of open government and broad citizen participation, ensuring that bond dollars are targeted to broadly supported infrastructure priorities.

TELECOMMUNICATIONS

Franchising, Rights-of-Way & Zoning

The City of Dallas opposes any legislation or regulatory effort that would erode City authority to manage public rights-of-way and collect reasonable compensation for their use. The City also opposes any federal preemption of City zoning authority.

The City is especially concerned about recent Federal Communications Commission (FCC) actions (the 'Small Cell', the 'Moratoria Order', and the 'Cable Franchise Proposed Order') that can only be described as a broad and unprecedented federal government assault on local government authority and local government budgets. The 'Small Cell Order' is especially egregious in that it seeks to preempt the City's authority to manage City property and to collect fair market value for its use. If allowed to stand, the 'Small Cell Order' would establish a troubling precedent of allowing the federal government to dictate the terms of access to non-federal property.

Franchising is the backbone of local government telecommunications policy. It creates a framework for local management of public rights-of-way, collection of compensation for the use and management of public rights-of-way and resolution of consumer complaints. Federal law specifically preserves the authority of state and local governments to manage public rights-of-way and to collect compensation for their use by telecommunications providers.

A major goal of the telecommunications industry remains federal preemption of local control over public rights-of-way and the preemption of local fees collected from the industry for the use and management of public rights-of-way. In addition, industry has also sought legislation and regulation that would preempt local zoning authority over the location of telecommunications antennae and towers.

The City of Dallas would have to reduce services or raise taxes by more than \$100 million a year if revenue from rent charged to private corporations for the use of public rights-of-way was eliminated. In addition, City control of public rights-of-way and zoning for the placement of telecommunications facilities provides important public safety benefits, preserves City infrastructure investments and ensures that property values will not be impacted by incompatible uses.

PUBLIC SAFETY & CRIMINAL JUSTICE

Core Grant Programs

The City of Dallas calls on Congress to fully fund public safety assistance programs that directly benefit local governments, including the Justice Assistance Grant (JAG), Community Oriented Policing Services (COPS), the Assistance to Firefighters Grant Program and others. In 2016, public safety assistance programs have provided more than \$1 million to the City.

The City strongly opposes proposals that would consolidate state and local Homeland Security grant programs into a single block grant to the State, or otherwise shift funds away from high-risk, major metropolitan areas. In addition, formulas for the distribution of funding for public safety should emphasize crime data, and homeland security funds should be more targeted based on risk and threat.

Public Safety Broadband Network (FirstNet)

The City of Dallas supports the development of national public safety communication networks and encourages FirstNet to include local input in the structure and framework development process. Large metropolitan cities have already made extensive investments in towers, fiber optic lines and other infrastructure that will be valuable to the deployment of the PSBN.

Prisoner Re-Entry

The City of Dallas supports full funding of Second Chance Act programs and legislation that would provide additional resources for education, training, and work experience during incarceration and after they are released. Programs authorized by the Second Chance Act provide valuable assistance to state and local governments for a wide array of programs to help ex-offenders reintegrate.

Urban Areas Security Initiative Grants

Dallas and its regional partners also benefit from the Urban Area Security Initiative (UASI). UASI provides targeted assistance to major metropolitan areas and has helped ensure that the Metroplex is prepared to respond to a terrorist attack or other catastrophic incident. These programs have promoted regional cooperation and greatly improved readiness.

ECONOMIC DEVELOPMENT

Brownfields

The City of Dallas supports full funding of federal brownfields grant programs and continuation of the Brownfields Tax Incentive.

The Brownfields Program and the Brownfields Tax Incentive put property in the City of Dallas on a more level playing field with raw undeveloped properties, encouraging economic development and neighborhood revitalization. The City of Dallas enjoys a strong national reputation for its innovative projects that have redeveloped several formerly abandoned sites. Dallas has used these programs to redevelop several sites and has been designated by the EPA as one of its Brownfield Showcase Communities in recognition of the City's success in redeveloping Brownfields.

The City urges Congress to fully fund and otherwise require the Department of Navy to address the contamination of Hensley Field caused by the Navy's lease of the property for use as the former Naval Air Station Dallas. The Navy agreed to clean up Hensley Field to unrestricted, residential standards by 2017 in a 2002 Settlement Agreement with the City, but has delayed complying with the settlement agreement. The City further urges the Navy and other federal departments to identify appropriate funding to facilitate rapid redevelopment of the 740-acre Hensley Field consistent with its designation as a federal "opportunity zone" for reinvestment. Through the Navy prioritizing the cleanup and facilitating the redevelopment process, the Navy can remove itself as the primary barrier to redevelopment or other productive reuse of Hensley Field.

New Markets Tax Credit/Community Development Financial Institutions

The City of Dallas supports a permanent renewal of the NMTC program that expires on December 31, 2019 and full funding of other CDFI programs.

The New Markets Tax Credit (NMTC) and other programs administered by the Community Development Financial Institutions (CDFI) Fund at the Department of Treasury provide important incentives for private investment in historically disadvantaged and economically impacted localities. Since its 2009 award, the Dallas Development Fund (DDF) has provided a total of \$157 million in tax credit allocation to 16 projects aimed at improving low income communities. Total project cost of these 16 projects is greater than \$255 million. Projects include the Hatcher Station Parkland Clinic, Pioneer Foods manufacturing facility, Buckner Family Hope Center and the Girl Scouts STEM Center of Excellence. These projects have added high paying jobs or neighborhood services to their communities and have aided in the revitalization of their neighborhoods.

GrowSouth

GrowSouth is a comprehensive strategy to build a foundation for sustainable growth and outlines five key projects to jumpstart growth in key areas over the next three years. GrowSouth aims to strengthen and engage neighborhoods, develop a "culture of clean", debunk the myths and rebrand South Dallas, and create a financial and investment fund to promote opportunities in South Dallas. The City of Dallas supports

legislation that allows the City, stakeholders, and investors to take full advantage of the opportunities through GrowSouth.

Community Reinvestment Act

The City recognizes that Community Reinvestment Act (CRA) regulations may be overdue for an update. The banking industry has experienced major changes, notably with the advancement of technology, since federal banking regulators updated them.

However, the City urges that any updates to CRA regulations are undertaken with the primary goal of meeting CRA's underlying statutory goals of strengthening investment in historically underserved neighborhoods rather than simply making it easier for banks to receive a positive CRA rating under the guise of reducing the burden of CRA compliance for banks. While the goal of reducing CRA's regulatory burden on banks may have some merit, it does not override the importance of CRA's core goal of ensuring that banks meet the financial services needs of all communities.

The City filed comments on the Office of the Comptroller of the Currency (OCC) Advanced Notice of Proposed Rulemaking regarding an update of CRA regulations and will continue to track this issue closely.

EB-5 Program

The Employment Based Immigrant Investor Visa and Regional Center Programs (EB-5) are the nation's fastest growing federal programs to attract foreign investment into local development projects. Through the program, the City of Dallas Regional Center (CDRC) is able to identify investment opportunities, spur local economic development and attract investors for targeted development projects. The City of Dallas urges Congress and the Administration to reauthorize EB-5 on a long-term basis and establish rules for Targeted Employment Areas that drive EB-5 capital to areas that truly have high-unemployment.

SOCIAL SECURITY

The City of Dallas requests that the federal government work closely with local jurisdictions on the fiscal impacts of mandatory inclusion of local government employees in Social Security, especially as it relates to the potential impacts on local pension systems and budgets.

The Social Security Act of 1935 excludes state and local employees from mandatory participation in Social Security. The Federal Advisory Commission on Social Security has called for including all newly hired local government employees in Social Security. Doing so could have major implications on state and local governments and their taxpayers.

DRAFT

HOUSING, COMMUNITY DEVELOPMENT, AND HEALTHCARE

CDBG, HOME, HOPWA & Homeless Assistance

The City of Dallas calls on Congress and the Administration to fully fund CDBG, HOME, HOPWA and Homeless Assistance Grants. The City opposes any effort to limit the City's flexibility in using these funds. The City also strongly opposes any effort to shift control of these programs away from the local level or decrease the cap on administrative and planning costs.

In FY 2018, the City of Dallas received \$14.8 million from CDBG, \$5.8 million from HOME, \$6.6 million from HOPWA and \$1.2 million in Emergency Solutions Grants. Despite immense positive impact that these flexible, locally controlled programs have had on the nation's cities, they have been inadequately funded for many years. CDBG and HOME have an especially long and successful track record of providing quick, flexible and effective assistance to cities and states. In Dallas, they bolster City efforts to stabilize and sustain neighborhoods, preserve and expand the supply of affordable housing, expand economic opportunities, meet critical social needs and fund other critical needs in low- and moderate-income neighborhoods. The City of Dallas would be hard-pressed to meet these needs without direct and flexible federal assistance.

Affordable Housing

The City of Dallas supports the preservation and expansion of federal programs and tax incentives that support City efforts to expand and preserve affordable housing. The City specifically supports full funding of the Affordable Housing Trust Fund and preservation of the Low-Income Housing Tax Credit.

Affordable housing remains a critical issue for the nation's cities. The City of Dallas has developed a robust plan to address the City's housing needs. The focus of the plan is to maximize City resources by alleviating poverty, empowering neighborhoods, addressing concentrations of blight, and enhancing rental options. The City is also aiming to attract and retain the middle class by pursuing initiatives that will expand homeownership. A key component of the City's plan is to increase the supply of affordable and workforce housing and revitalize neighborhoods in a manner that creates truly mixed-income neighborhoods and avoids the displacement of longtime neighborhood residents.

Social Services Block Grant & Community Services Block Grant

The Social Services Block Grant (SSBG) is a flexible source of funds that states use to support a wide variety of social services activities. SSBG is an important main source of federal funds for protective services, which benefit elderly and disabled adults, and child protective services.

The Community Services Block Grant (CSBG) funds the delivery of services to low income Texas residents in all 254 counties. These funds support a variety of direct services to residents whom are among the most vulnerable in the community.

While the City of Dallas does not directly oversee the SSBG and CSBG, the funds they provide are important to the community and work to protect the City's most vulnerable populations. Any decrease in SSBG and CSBG funds will only place additional stress onto the City's taxpayers, and defenseless residents.

Healthcare

The City of Dallas urges Congress to take into consideration the effect that national health care legislation has on the nation's cities; to build upon, not tear down, the progress that has been made in recent years to the healthcare system; and to ensure that none of the 20 million newly covered individuals are left without health care coverage. In addition, the City encourages the new Administration and Congress to include mental health in any comprehensive health care reform measures.

Municipalities share a responsibility for the health and well-being of communities, which includes ensuring access to comprehensive and affordable health care. The City of Dallas has one of the highest rates of uninsured residents in the nation and seeks solutions that will provide its residents with easy access to health insurance. The City opposes health care programs that deny desperately needed access to care to individuals and families; place an undue burden on local hospitals; and do not provide safeguards for patients currently suffering from chronic and terminal illnesses.

DRAFT

CLEAN AIR & HEALTHY ENVIRONMENT

The City of Dallas looks forward to working with our partners in the Dallas-Fort Worth Metropolitan Area to meet air quality goals outlined by the Clean Air Act and water quality goals outlined by the Clean Water Act. Our nation faces the challenges of ensuring protection of public health, air, and water supply while continuing to encourage economic growth and energy independence. Although the challenges created by pollution and energy security are international and national in scope, local governments are well placed to implement policies and pursue innovations to meet those challenges, especially if they are given the resources and authority to do so.

The City of Dallas, and the Dallas-Fort Worth Metropolitan Area, have invested hundreds of millions of dollars into the regional transit system, converted municipal fleets to alternative fuels, and made public buildings more energy efficient. In addition, the City of Dallas supports the development of high-speed rail between Houston and the North Texas Region and other large transit-related infrastructure projects that provide a positive impact on our quality and might mitigate the impact of mobile source emissions on public health. The City of Dallas has been a national leader in this area, implementing a number of nationally-recognized and replicated sustainability programs that have decreased the City's operating and energy costs along with its environmental impact.

Direct Federal assistance is crucial to local governments that are well suited to meeting the challenge of protecting the environment. Local governments benefit from direct federal assistance that can be used to promote energy efficiency and conservation, alternative fuel, public education initiatives, emissions reductions, and other programs to reduce ozone and other air pollutants.

The City urges Congress and the Administration to empower the U.S. Environmental Protection Agency, Department of Transportation, and the Department of Energy, as well as the Texas Commission on Environmental Quality, so they may protect air quality at a broader, regional level. The City also urges EPA to explore national, carbon-free energy solutions that would result in economic growth and enhanced protection of public health and the environment.

The City of Dallas encourages Congress and the Administration to pursue imaginative solutions using reliable, peer-reviewed sources of scientific information in the effort to address clean air, climate change, and energy security. In particular, the City urges Congress act swiftly and meaningfully on climate change in a manner that does not economically burden the City or Dallas residents. Such action could include, but not be limited to, a carbon fee and dividend that benefits working families, significantly reduces emissions, and employs a carbon-content based border adjustment to protect the competitiveness of American businesses. The City further urges Congress to fully fund any mandates it imposes on local governments to meet these challenges.

The City also reiterates its disappointment that the Energy Efficiency and Conservation Block Grant (EECBG) was only funded once and calls on Congress to fully fund this innovative and forward looking federal-local partnership. Additionally, the City requests that Congress robustly fund the Transportation Alternatives Program, and fully fund the CMAQ program in order to help metropolitan areas meet federal clean air mandates.

Finally, the City of Dallas is taking actions necessary to join and participate in the C40 Cities group, which is an international effort to address climate change and deliver the most ambitious goals of the Paris Agreement at the local level, in addition to cleaning the air that we breathe. The City is committed to becoming an international leader in addressing environmental and climate issues.

DRAFT

EDUCATION, AFTER SCHOOL CARE, CHILD NUTRITION & EARLY CHILDHOOD EDUCATION

The City of Dallas urges Congress and the Administration to provide schools with the resources (including technology) they need and to reauthorize, expand and fully fund early childhood, extended learning time, child nutrition programs and to maximize resources and flexibility for out-of-school time and other education programs.

A strong public education system is crucial to the economic health and future of the City of Dallas and requires a strong federal investment in schools and children. Out-of-school time and child nutrition programs are a vital component of a strong educational system and play an important role in preventing youth crime and delinquency.

DRAFT

TRAVEL, TOURISM, ARTS & CULTURE

The City of Dallas is a major global city that attracts millions of visitors each year. Dallas Fort Worth International Airport warmly welcomes over 69 million passengers a year, elevating DFW to a status as one of the most frequently visited super hub airports in the world. Customers can choose from among 182 domestic and 62 international nonstop destinations. In 2019, DFW Airport was selected by Air Transport World as the Global Airport of the Year. The Dallas-Fort Worth Metropolitan Area is home to 22 Fortune 500 companies, hosts hundreds of major conventions each year and draws tourists from around the world for its world-class cultural offerings.

As the business and cultural hub of the nation's top exporting state and with plans for a major intermodal transportation hub to handle international freight traffic, the Dallas economy relies more than ever on international business and vacation visitors.

In addition, the arts have played a central role in the renaissance of downtown Dallas and are a cornerstone of the downtown Dallas economy. The federal government plays a small but important role in fostering and promoting the arts. The City supports the missions and the adequate funding of the National Endowment for the Arts, the National Endowment for the Humanities and the Institute of Museum and Library Services.

The City of Dallas further encourages federal policies, including tax policies, which foster the arts and recognize the important role they play in tourism and central city economies. The City also calls for federal policy that recognizes the role that art education plays in fostering artists and audiences.

2020 CENSUS AND AMERICAN COMMUNITY SURVEY

The City of Dallas supports funding for, and continuance of, the decennial Census, particularly the upcoming 2020 Census, the American Community Survey, Economic Census, Census of Governments, Annual Population Estimates, and other relevant surveys and statistics that would benefit municipalities.

The City of Dallas is vitally concerned that the U.S. Census Bureau is able to maintain production of quality data products. Several City programs and services, including planning and urban design, economic development, and the general allocation of municipal resources, rely heavily on data provided by the U.S. Census Bureau. Furthermore, the statistics produced by the Census are pivotal to the allocation of federal and state grants. Finally, the City of Dallas opposes the Administration's plan to add a citizenship question to the 2020 Census.

DRAFT

SOCIAL EQUITY, IMMIGRATION & WELCOMING COMMUNITIES

The City complies with all federal and state immigration laws.

The City of Dallas urges common sense, comprehensive immigration reform, including a legalization component, smart solutions to homeland security and pathway to citizenship for DREAMers & TPS holders.

The City of Dallas implements strategies to advance equity and increase economic mobility for vulnerable and marginalized residents. Dallas is a participating city in the Rockefeller Foundations' 100 Resilient Cities program, which is dedicated to helping citizens become resilient to the economic, social, and environmental challenge that are a part of the 21st century.

The City of Dallas strives to be a welcoming city for all. In 2017, the City established the Office of Welcoming Communities and Immigrant Affairs to bridge the space between newcomers and existing Dallas residents., to find common ground, foster informed understanding and promote shared leadership.

The city's population continues to grow with almost 25 percent of residents being foreign born. Immigrants make up almost 32 percent of the employed labor force of the Dallas-metro area and they play a critical role in several key industries including accounting for almost 70 percent of construction workers.

Their work contributes directly to the economic strength of the city, earning \$7.9 billion and contributing \$591.1 million to state and local taxes in 2016.

The City of Dallas is proud of its diversity and is committed to ensuring that residents are protected regardless of race, religion, gender, or sexual orientation. The City is recognized by the Human Rights Campaign for its leadership in non-discrimination protections in employment, housing, and public accommodations.

The City of Dallas supports federal legislative initiatives that promote diversity, and ensure equity and human rights for all people in this country.

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Memorandum



DATE February 15, 2019
TO Honorable Mayor and Members of the City Council
SUBJECT **City License Applications**

Attached is a list of the most recent Dance Hall, Sexual Oriented Business, Billiard Hall, and/or Amusement Center license applications received for the week of February 4, 2019 - February 8, 2019 by the Criminal Investigation Bureau Licensing Squad of the Dallas Police Department.

Please have your staff contact Sergeant Lisette Rivera, #7947 at (214) 670-4811 and/or by email at lisette.rivera@dpc.ci.dallas.tx.us should you need further information.



Jon Fortune
Assistant City Manager

cc: T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Carol A. Smith, City Auditor (Interim)
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizor Tolbert, Chief of Staff to the City Manager

Majed A. Al-Ghafry, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
M. Elizabeth Reich, Chief Financial Officer
Laila Aleqresh, Chief Innovation Officer
Directors and Assistant Directors

WEEKLY APPLICATION LOG REPORT

DISTRICT	NAME OF BUSINESS	STREET ADDRESS	TYPE OF LICENSE	DATE OF APPLICATION	STATUS (RENEWAL/NEW)	APPLICANT NAME
D7	THE BLAZING PHOENIX	5747 SAMUELL BLVD	AC	2/4/2019	NEW	MOHAMMAD BUTT
D6	AZUKITA	9009B SOVEREIGN ROW	SOB	2/5/2019	NEW	ARMANDO R. CEREZO

License Definitions:

- DH - Class "A" -Dance Hall - Dancing Permitted 3 Days Or More A Week
- DH - Class "B" Dance Hall - Dancing Permitted Less Than Three Days a Week
- DH - Class "C" Dance Hall - Dancing Scheduled One Day At A Time
- DH - Class "E" Dance Hall - Dancing Permitted Seven Days A Week for Persons Age 14 through Age 18 Only
- LH - Late Hours Permit - Can Operate A Dance Hall Until 4:00
- BH - Billiard Hall - Billiards Are Played
- SOB - Sexually Oriented Business - Adult Arcade / Adult Book/Video Store / Adult Cabaret / Adult Adult Theater / Escort Agency / Nude Model Studio
- AC - Amusement Center