Memorandum

DATE February 14, 2014

TO Housing Committee Members: Carolyn R. Davis, Chair, Scott Griggs, Vice-Chair, Monica Alonzo, Rick Callahan, Dwaine Caraway, and Philip Kingston

SUBJECT Community Revitalization Plans (CRP)

On Tuesday February 18, 2014, you will be briefed on Community Revitalization Plans (CRP). A copy of the briefing is attached.

Please let me know if you have any questions.

Theresa O'Donnell
Interim Assistant City Manager

c: The Honorable Mayor and Members of the City Council
A. C. Gonzalez, City Manager
Rosa A. Rios, City Secretary
Warren M.S. Ernst, City Attorney
Craig Kinton, City Auditor
Judge Daniel Solis, Administrative Judge
Ryan S. Evans, Interim First Assistant City Manager
Forest E. Turner, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Frank Librio, Public Information Officer
Bernadette Mitchell, Housing/Community Services, Interim Director
Elsa Cantu, Assistant to the City Manager – Mayor and Council

“Dallas, The City That Works: Diverse, Vibrant and Progressive.”
Purpose

The purpose of this briefing is to provide an overview of the Community Revitalization Plan (CRP) process and policy.
History

- In 2003, the City Council authorized the Neighborhood Investment Program (NIP) as a strategic approach to target and leverage public resources to achieve sustainable and visible community redevelopment in targeted neighborhoods.

- Currently, there are 5 NIP target areas:
  - South Dallas / Greater Fair Park (Frazier Courts)
  - South Dallas / Ideal-Rochester Park (Bexar Street)
  - West Dallas
  - North Oak Cliff
  - Lancaster Corridor / Cigarette Hill

- Since the NIP’s inception, the City has committed nearly $60M in public improvements and development assistance to its Neighborhood Investment Program target areas.
Target Areas

Neighborhood Investment Program

NEIGHBORHOOD/TARGET AREAS:
WEST DALLAS
SOUTH DALLAS/Fair Park
SOUTH DALLAS/IDEAL/Rochester Park
NORTH OAK CLIFF/Marsalis Avenue
LANCASTER CORRIDOR

Legend:
- **NIP Area Boundary**
- Highway
- Major Highway
- Lakes and Rivers
- Parks
NIP Selection Criteria

Initial 2003 Target Area Selection Criteria
- 100 point criteria developed and applied to all eligible CDBG census tracts (159) with populations 1000+
- The top 5 tracts with the highest point ranking were designated as NIP target areas

2005 Target Area Selection Criteria
- In 2005, the initial criteria was expanded to allow for greater staff discretion in “connecting the redevelopment dots”
- Applied to the expansion of 3 target areas (2005) and selection of 2 additional target areas (2008)
- This continued with reauthorizations every 2 years
In late 2012, Texas Department of Housing and Community Affairs included a category in their application yielding points for developers who would build in Community Revitalization Plan areas.

**Definition**

- A plan adopted by the municipality where the tax credit development is to be located
- Assesses various revitalization factors
- Must have goals and objectives
- Must have funding committed to the Plan’s implementation
- Points are awarded for a tax credit project located within an approved CRP
  - The municipality can only designate one project within a CRP area
  - Points are awarded based on the amount of funding committed to the plan for implementation
The Opportunity for tax credit funding in these revitalization areas would help to leverage the City’s investment in these communities.

Adopting the NIPs as Community Revitalization Plan areas would allow the City to:

1. Advance revitalization efforts in focus areas; and
2. Achieve the maximum allowable QAP points for a LIHTC application/project within a CRP area.

In keeping with this philosophy, on November 12, 2012, the City Council authorized the City Manager to initiate the development of Community Revitalization Plans for all Neighborhood Investment Program target areas.
Revised and expanded Qualified Allocation Plan criteria was used to designate NIPs as CRPs

- Revitalization plans must address certain factors and have funding from the City to implement those factors (2-4 pts based on City budget for the CRP)

- CRPs must include 5 of the 8 factors listed:
  - Adverse environmental conditions
  - Presence of blight
  - Presence of inadequate transportation or infrastructure
  - Lack of accessibility to health care facilities and other public services
  - Presence of crime
  - Performance of public education
  - Lack of employment opportunities
  - Efforts to promote diversity
Designations as NIP target areas and CRPs were authorized for a two year period on November 12, 2012. Review of both designations would be presented to City Council by November 12, 2014.

On December 12, 2012, the City Council approved four NIP CRPs including Lancaster Corridor/Cigarette Hill, South Dallas-Greater Fair park, South Dallas-Ideal/Rochester Park and West Dallas (CT 101.02).
Questions
APPENDIX

2013 Expanded NIP / CRP Selection Criteria & Ranking Factors
NIP Selection Criteria

Initial 2003 Target Area Selection Criteria

- 100 point criteria developed and applied to all eligible CDBG census tracts (159)* with populations 1000+
- The top 5 tracts with the highest point ranking were designated as NIP target areas

2003 Selection Criteria Ranking

1. Total vacant residential tax delinquent lots 20 points
2. Percentage of owner-occupied units 20 points
3. Percentage of streets in unsatisfactory condition 20 points
4. Number of active structural code violations 20 points
5. Age of housing Stock 20 points

100 maximum points

* 2000 US Census
NIP Selection Criteria

2005 Target Area Selection Criteria

- In 2005, the initial criteria was expanded to allow for greater staff discretion in “connecting the redevelopment dots”
- 3 target areas were expanded to better leverage city resources, DART and DHA projects
- Applied to the selection of 2 additional target areas in 2008
2013 LIHTC QAP Community Revitalization Plan

In order to classify NIP’s as Community Revitalization Plan areas, the following conditions must exist…or factors must be considered

2013 QAP Community Revitalization Plan Selection Criteria Factors*

- Adverse environmental conditions (eg. flooding, hazardous waste sites, location near heavy industrial uses, etc.)
- Presence of blighted structures
- Presence of inadequate transportation
- Lack of access to public facilities (eg. fire, park, library, etc.)
- Presence of significant crime
- Lack of access to top rated primary public education
- Lack of access to local businesses providing employment opportunities

*NOTE: A municipality is not required to identify and address all factors above
A revised and expanded NIP selection criteria included 2013 QAP Community Revitalization Plan factors

A. Presence of blighted structures 3 points
B. Presence of inadequate transportation 6 points
C. Lack of access to public facilities (park & library) 6 points
D. Presence of significant crime 4 points
E. Lack of access to local businesses providing employment opportunities 4 points
F. Total vacant residential tax delinquent lots 4 points
G. Percentage of owner-occupied units 3 points

Maximum 30 points
## Proposed NIP Ranking Criteria Summary

**October 2012**

<table>
<thead>
<tr>
<th>Criteria Element</th>
<th>Ranking Categories</th>
<th>Point Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(1) Transportation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Bus Stop Proximity</td>
<td>0-.25 mile</td>
<td>1</td>
</tr>
<tr>
<td>(b) Rail Station Proximity</td>
<td>.25-.50 mile</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>.50 or more mile</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>0-.50 mile</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>.50-1 mile</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>1 mile or more</td>
<td>3</td>
</tr>
<tr>
<td><strong>(1) Amenities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Proximity to Park</td>
<td>0-.25 mile</td>
<td>1</td>
</tr>
<tr>
<td>(b) Proximity to Library</td>
<td>.25-.50 mile</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>.5 or more mile</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>0-1 mile</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>1-2 miles</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>2 or more miles</td>
<td>3</td>
</tr>
<tr>
<td><strong>(1) Home Ownership</strong></td>
<td>More than 50%</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Less than 50%</td>
<td>3</td>
</tr>
<tr>
<td><strong>(1) Employment (# jobs)</strong></td>
<td>Quartile 4 (most jobs)</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Quartile 3</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Quartile 2</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Quartile 1 (fewest jobs)</td>
<td>4</td>
</tr>
<tr>
<td><strong>(1) Presence of Blighted Structures</strong></td>
<td>0-69% possible points</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>70-79%</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>80% or more</td>
<td>3</td>
</tr>
<tr>
<td><strong>(1) Crime</strong></td>
<td>Quartile 1 (fewest crimes)</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Quartile 2</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Quartile 3</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Quartile 4 (most crimes)</td>
<td>4</td>
</tr>
<tr>
<td><strong>(1) Tax Delinquency</strong></td>
<td>0-40 TD structures</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>41-60 TD structures</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>61-80 TD structures</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>81 or more TD structures</td>
<td>4</td>
</tr>
</tbody>
</table>

Total: 30
Proposed Expanded NIP Selection Criteria (cont.)

Criteria applied to all eligible Community Development Block Grant (CDBG) census tracts 137*

- Census tract must score/rank greater than 16 points to qualify for Final Consideration / Leveraging Assessment
- Tract designation: Staff recommendation to be made based on outcome of Leveraging Assessment
- Final Consideration / Leveraging Assessment to examine the potential to leverage city investments and resources to maximize neighborhood impact and/or connect to a broader economic development activity

**Leveraging Assessment Factors:**

- Proximity to Dallas Housing Authority community that has undergone or is proposed to undergo redevelopment
- Proximity to or location within a CHDO, non-profit or other planning target area
- Market dynamics are such that area requires public intervention to spur private market investment
- Connectivity to a broader economic development activity
- Connectivity to a transit oriented development

* 2010 US Census
Application of Proposed Expanded NIP Criteria

- Criteria applied to all 137 eligible CDBG census tracts

- All current 5 NIP target areas scored greater than 16 points:
  - South Dallas / Greater Fair Park
  - South Dallas / Ideal-Rochester Park
  - West Dallas
  - North Oak Cliff / Marsalis
  - Lancaster Corridor / Cigarette Hill

- All current 5 NIP target areas met more than half of the leveraging assessment factors

- Recommended designation of NIP areas based on limited ongoing targeted investments by City
  - Four of the five NIP areas met the maximum investment requirements now