

Mixed Income Housing Development Bonus



City of Dallas

**Zoning Ordinance
Advisory Committee (ZOAC)
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Request



- Consideration of amending the Dallas Development Code Chapter 51A-4.1100 Mixed Income Housing, to support and align with the *One Dallas Options* Program within the City of Dallas Comprehensive Housing Policy.



Background



- Proposed amendments to Chapter 51A are part of a larger initiative supported by the City Manager to create a program called *One Dallas Options*.
- Expands existing Mixed Income Housing Development Bonus (MIHDB) program.
- Includes additional flexibility



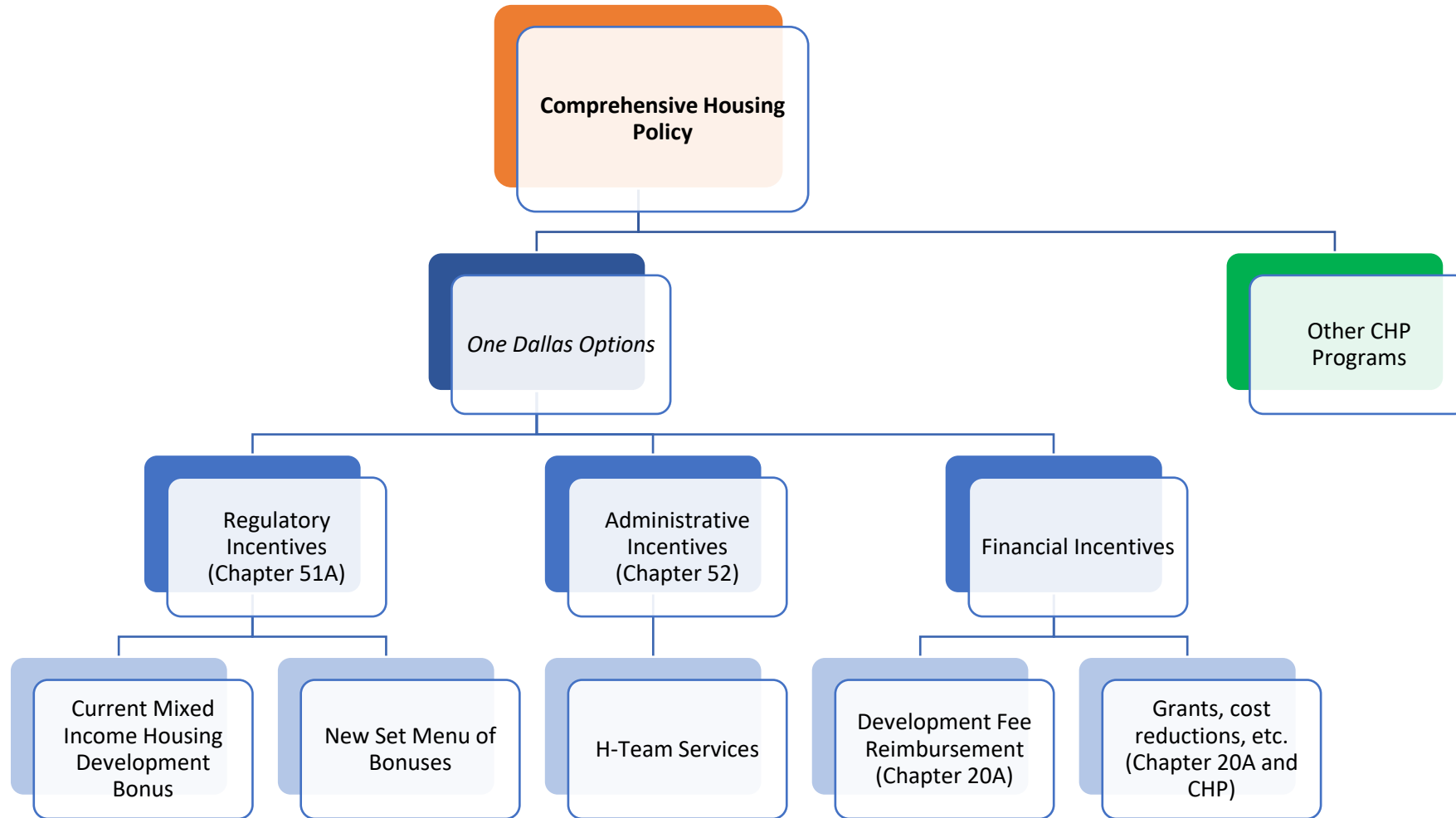
Background – One Dallas Options



- Three forms of incentives: administrative, financial, and regulatory.
- Menu of options for compliance: on-site, off-site, land dedication, or a fee to be paid in lieu of providing reserved units.
- Fee in lieu to be set high enough so that on-site or off-site provision is financially more viable in all but the most expensive high-rise developments.
 - Fee in lieu to be paid into a new One Dallas Fund
 - One Dallas participants and others can apply for funding for mixed income housing from this new fund managed by the Housing Department



One Dallas Options within CHP



Administrative Incentives



- Potential amendments to Chapter 52 Administrative Procedures for the Construction Codes.
 - Currently under discussion in Building Inspections
 - Potential “H-Team” would function as a Q-Team focused exclusively on residential development
 - Day-of-meeting approval of construction plans and permit issuance
 - Prioritized alternate review process for mixed income projects.



Financial Incentives



- Amendments to the Comprehensive Housing Policy and Chapter 20A Reimbursement of certain development fees
- Potential application for gap financing through the standing Notice of Funding Availability process as directed by the Comprehensive Housing Policy
 - Allows streamlining of funding application process
 - Projects should utilize our federal funding first and then can apply for funding from the One Dallas Fund



Regulatory Incentives – Ch. 51A-4.1100



- Existing regulatory bonuses for base MF(A) and MU zoning districts and existing PDs remain unchanged (Type 1 & 2).
- One Dallas Options creates a menu of regulatory bonuses for new or amended PDs (Type 3)
 - Range of increases in density, height/stories, and FAR.
 - Range of decreases in parking requirements
 - Varies based on MVA category and income band (collectively “tiers”)



Proposed Amendments



- Alignment of Chapter 51A with One Dallas Options
 - Define Types 1, 2, and 3
 - Add specific One Dallas Options Bonuses for Type 3
 - Add references to Chapter 20A to provide options of off-site provision of reserved units, land dedication, or fee in lieu of on- or off-site provision of reserved units
 - Developments paying the fee in lieu do not qualify for financial incentives
 - Off-site and land dedication subject to Council approval



Proposed Amendments (cont'd)



- Alignment of Chapter 51A with One Dallas Options (cont'd)
 - Increase the minimum number of reserved units from one to the higher of five or five percent
 - Amend certain procedures:
 - Add certified verification of participation in One Dallas
 - Make registration with a local provider of housing vouchers a requirement for certificate of occupancy



Proposed Amendments (cont'd)



- Minor non-substantive amendments to Chapter 51A-4.1100
 - Address method for rounding fractions of a required reserved unit
 - Amend parking requirements to align with potential future changes to parking requirements
 - Other text amendments





Development Types

- **Type 1:** Base MF(A) and MU districts (and those with public deed restrictions that only change allowed uses), PDs with MF(A) and MU base that only change allowed uses.
- **Type 2:** PDs with a development bonus for mixed income housing.
- **Type 3:** PDs that specifically reference compliance with the proposed *One Dallas Options* regulatory bonuses.

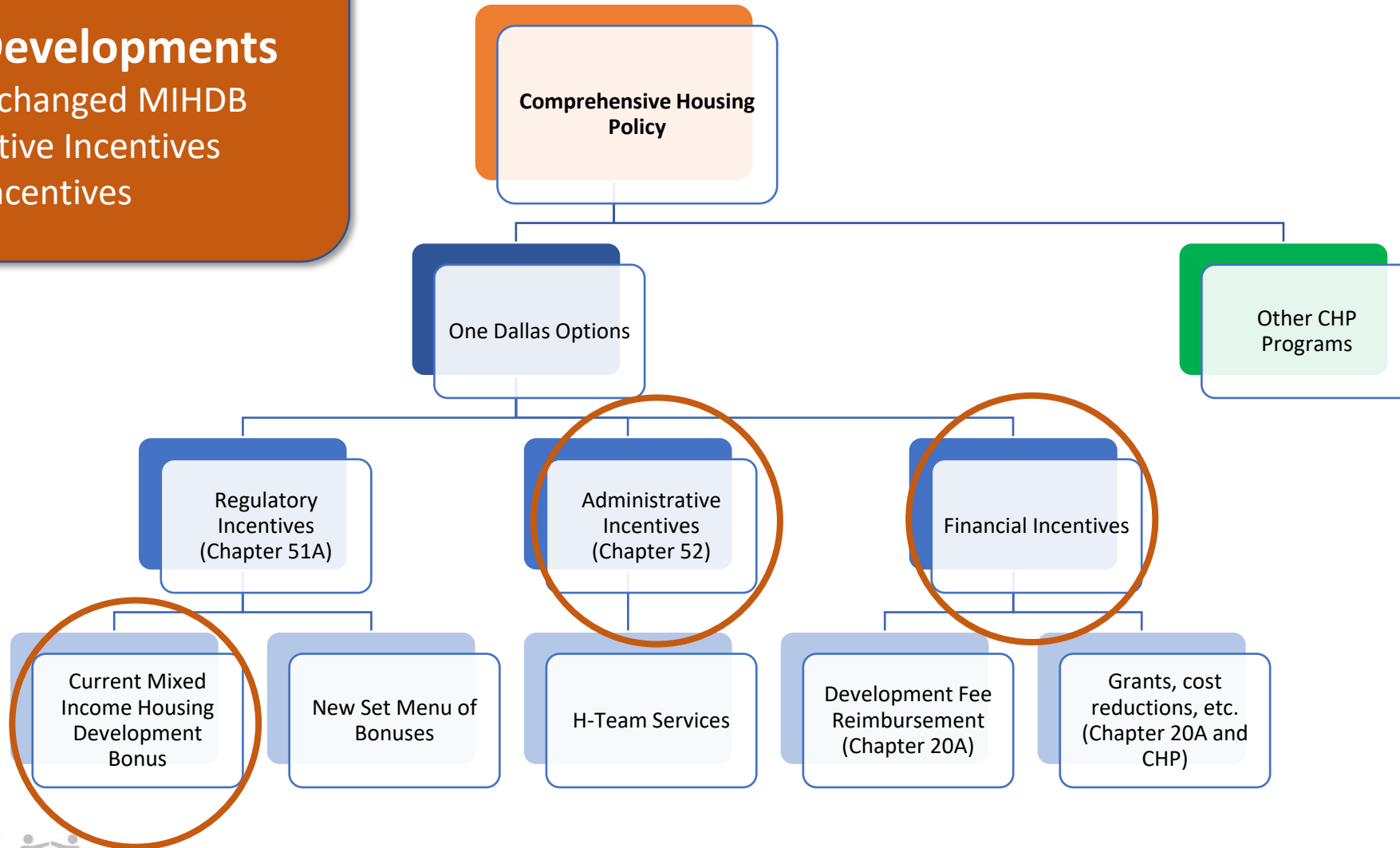


Available Incentives – Type 1



Type 1 Developments

- Current unchanged MIHDB
- Administrative Incentives
- Financial Incentives

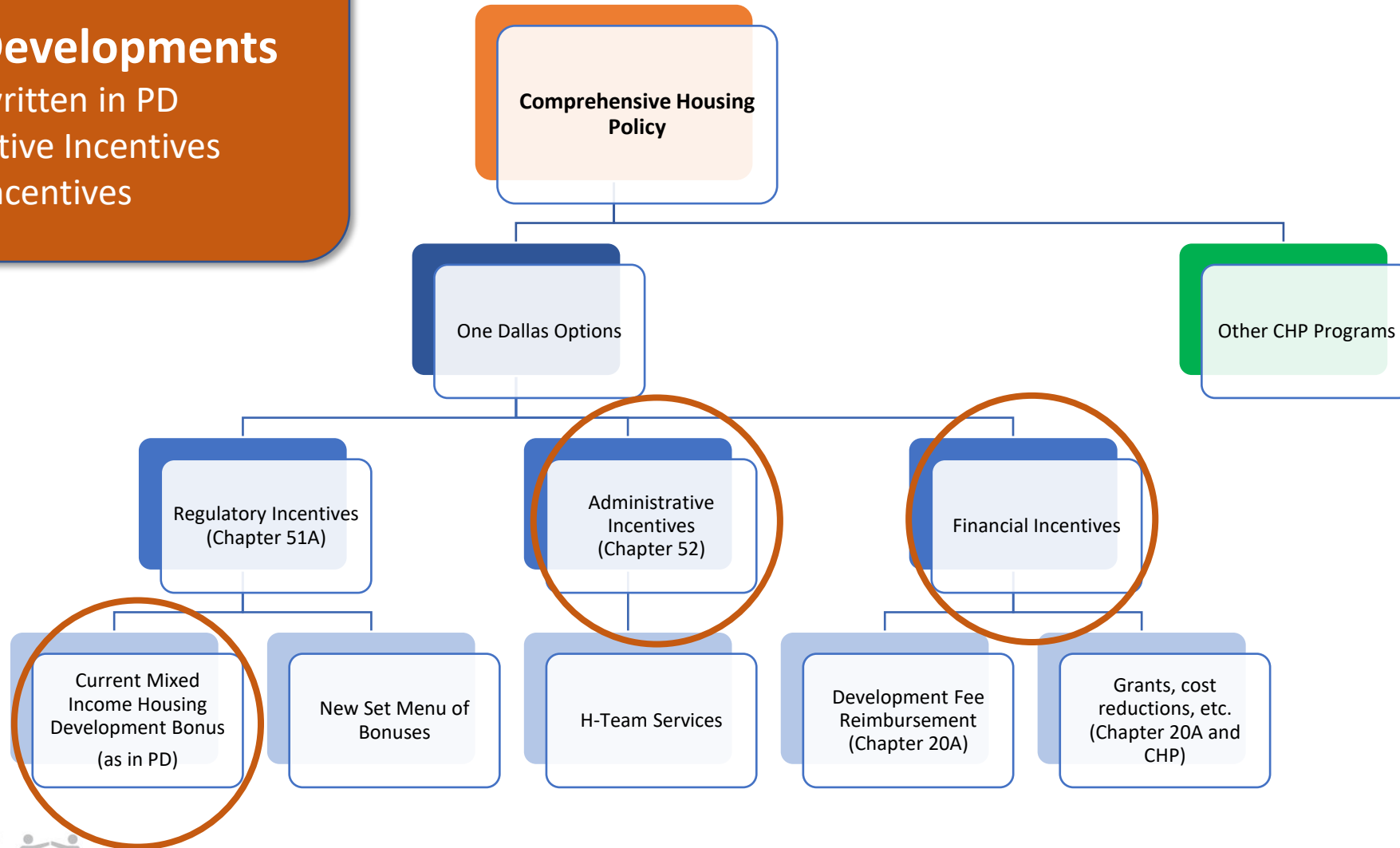


Available Incentives – Type 2



Type 2 Developments

- Bonus as written in PD
- Administrative Incentives
- Financial Incentives

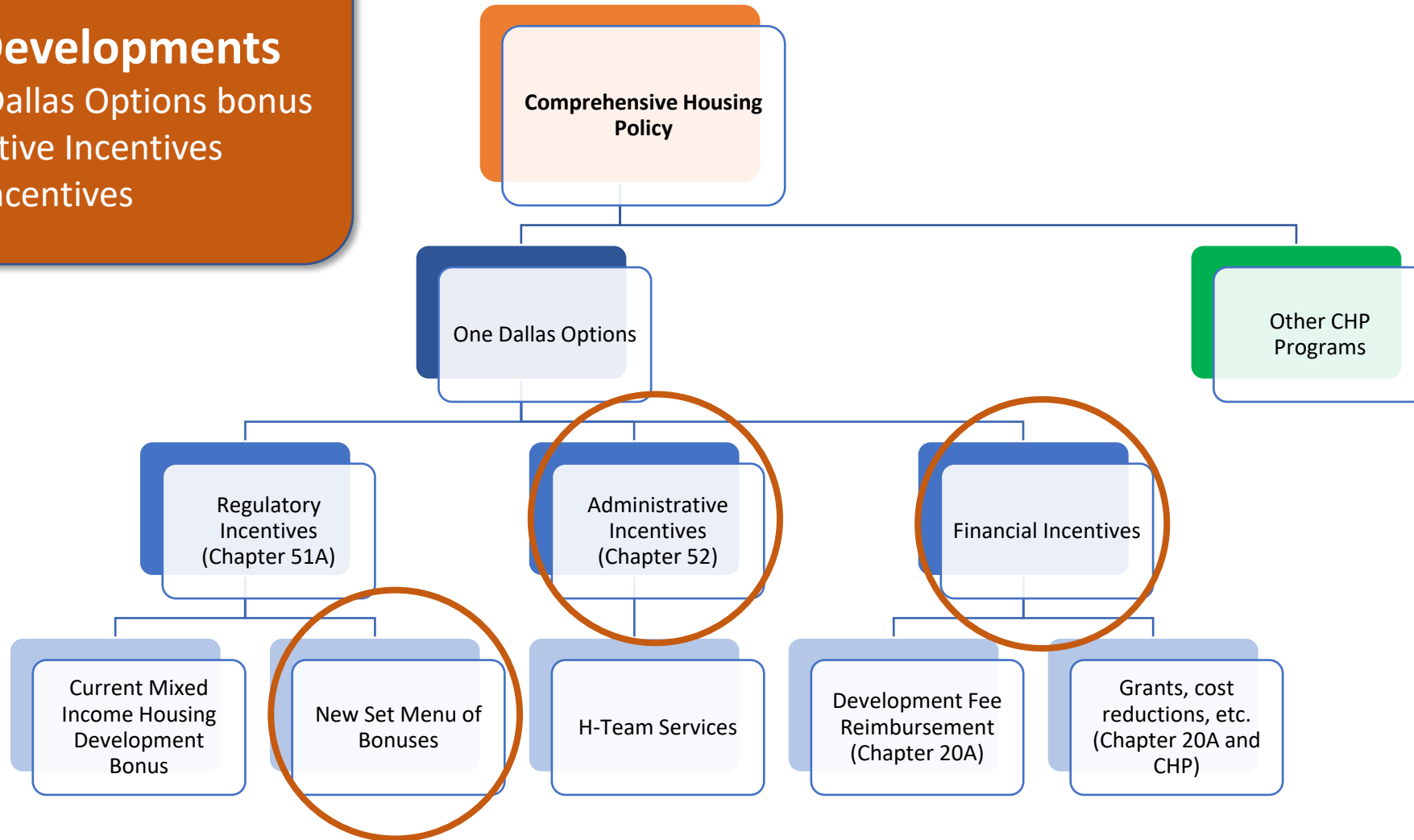


Available Incentives – Type 3



Type 3 Developments

- New One Dallas Options bonus
- Administrative Incentives
- Financial Incentives



Proposed One Dallas Options Bonus



- **Type 3: New or amended PDs**
 - Bonus is determined by MVA category group (A – F or G – I) of the development site and the Area Median Family Income (AMFI) bracket for which the units are reserved (tier).
 - Set menu of options in exchange for reserving units for a wider range of income levels than the current MIHDB





Proposed *One Dallas Options Bonus*

- Dwelling Unit Bonus. Number of reserved units is calculated based on the total number of dwelling units after the bonus is calculated

MVA Category	Tier 1 ($\leq 50\%$ AMFI)	Tier 2 (51 – 80% AMFI)	Tier 3 (81 – 100% AMFI)
MVA A – F	20%	10%	5%
MVA G – I	40%	30%	20%



Proposed One Dallas Options Bonus



- Floor Area Ratio Bonus

MVA Category	Tier 1 ($\leq 50\%$ AMFI)	Tier 2 (51 – 80% AMFI)	Tier 3 (81 – 100% AMFI)
MVA A – F	+1.5	+1.0	+0.5
MVA G – I	+2.5	+2.0	+1.0



Proposed One Dallas Options Bonus



- Height and Stories Bonus

MVA Category	Tier 1 ($\leq 50\%$ AMFI)	Tier 2 (51 – 80% AMFI)	Tier 3 (81 – 100% AMFI)
MVA A – F	25%	15%	5%
MVA G – I	45%	35%	20%



Proposed One Dallas Options Bonus



- Parking Reduction

MVA Category	Tier 1 ($\leq 50\%$ AMFI)	Tier 2 (51 – 80% AMFI)	Tier 3 (81 – 100% AMFI)
MVA A – F	100%	50%	20%
MVA G – I	100%	70%	40%

**Parking reduction as an incentive may not be needed in the future, depending on the outcome of the ongoing Development Code Amendment related to parking requirements.*



Next Steps / Action



- Forward the proposed amendments to Chapter 51A-4.1100 Mixed Income Housing to City Plan Commission for consideration.
- *One Dallas Options* (Ch. 51A, Ch. 20A, Ch. 52, and CHP amendments) scheduled to be briefed to Housing and Homelessness Committee in December for potential future action.



One Dallas Options



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