Update on Single Room Occupancy

2/12/08

Quality of Life Committee

Purpose

- To provide an update on the status of SROs in Dallas.

Overview

- Best practices in numerous other cities have been researched
- City staff and Task Force members have visited SRO Programs in:
  - Houston
    - New Hope Housing
    - Houston Housing Corporation
    - SEARCH
  - New York
    - Common Ground
    - Doe Fund
    - Bowery Mission
- Included in the 2005 bond program was an unspecified amount for SRO's in the $23.8 million proposition for the Homeless Assistance Center
  - Through consensus in subsequent Council and committee meetings, $2.5 million was designated for SRO's

SROs Defined
City of Dallas Development Code

- There is no zoning categorization of SROs and they are considered multifamily units if they meet the following criteria:
  - Three or more dwelling units located on a lot.
    - DWELLING UNIT means one or more rooms designed to be a single housekeeping unit to accommodate one family and containing one or more kitchens, one or more bathrooms, and one or more bedrooms
    - BATHROOM means any room used for personal hygiene and containing a shower or bathtub, or containing a toilet and sink."
    - KITCHEN means any room or area used for cooking or preparing food and containing one or more ovens, stoves, hot plates, or microwave ovens; one or more refrigerators; and one or more sinks.

Zoning Districts Permitted: By right in MF-2(A), MF-2(SAH), MF-3(A), MF-4(A), central area, and mixed use districts when located at least one mile, measured from property line to property line, from all other residential hotel uses.

SROs and the Ten Year Plan to End Chronic Homelessness

On June 23, 2004, the City Council approved the Dallas Ten-Year Plan to End Chronic Homelessness ("The Ten Year Plan")

- Developed through a collaborative effort between the City of Dallas, The United Way, and the Metro-Dallas Homeless Alliance and community stakeholders

Recommendations in the Ten Year Plan

- Develop a strategic plan which should include the following considerations:
  - Determine the target number of functioning SROs needed in the next 10 years
  - Research the funding issues surrounding the development of SROs
  - Identify a reliable stream of funding for the future development
  - Develop a plan for the construction, purchase, or renovation of the appropriate number of SROs over the next 10 years

Actions Taken

- City contracted with Corporation for Supportive Housing (CSH) in December 2006 for development of a financial modeling plan
- CSH prepared draft plan which includes SROs
- Draft SRO Master Plan is being used as the basis for City Wide Affordable Housing Master Plan being developed by Housing Committee of MDHA

Actions Taken

- Corporation for Supportive Housing
  - Provided a statewide workshop in Dallas in September
  - Continues to work with Central Dallas Ministries, Urban League, LifeNet, Fannie Mae, and other potential developers
  - Has set up a steering committee to seek added funding from the state for affordable supportive housing
    - City staff is on the committee

Actions Taken - Funding Issues

- Based on information from the Corporation for Supportive Housing, it is estimated that the development and construction cost per SRO unit will be $70,000
  - 1200 SROs will be needed in the next ten years
- In the 2005 bond program, funds for SRO development were included

Actions Taken - Funding Issues

- Request for SRO Development Applications sent to 75 developers, CHDOs, and providers of services to the homeless to access 2005 bond funds for SROs
  - It was anticipated that there will be $2.5 million from the bond program available for projects
    - $1 million is committed to the 511 Akard Project
      - An additional $500,000 has been requested to enhance services
  - LifeNet and the City have developed a partnership to utilize the remaining $1 million to develop 70 SROs in combination with HUD funds
  - City has no further funds available for SROs

Standards for SROs

- A general SRO Plan has been developed by the Corporation for Supportive Housing, Fannie Mae, and staff with the following recommendations:
  - There should be a minimum of 100 SRO units developed each year for the next 10 years
    - These units should be developed in addition to the 70 units of permanent supportive housing currently in the Ten Year Plan
    - These units should be developed independently of the HUD Continuum of Care funds
    - Each unit should be a minimum of 300 sq. ft. with a kitchenette and private bath

Standards for SROs

- If social services are provided on-site, they must be restricted to residents of the facility
- Developers must work with the neighbors to develop individual good neighbor agreements
- Mixed income developments will be encouraged
- At least 30% of the units in each development should serve the chronically homeless
- EHS will be the lead city department and will work collaboratively with the Housing Department

Current Projects

- Lifenet and City of Dallas Collaboration
  - An application was submitted as part of the Continuum of Care 07-08
    - Included 100 SRO units for special needs homeless population

Current Projects

- 511 North Akard, Council District 14
- 209 unit existing multifamily project
  - 132 – studio apartments, 75 one-bedrooms and 2 two-bedrooms
  - 21 units for households at or below 30% area median family income (AMFI)
  - 179 units for households at or below 60% area median family income (AMFI)
  - 9 Market rate units
  - 50 units of tenants transitioning out of homelessness (McKinney/Vento Definition)
  - Rents set at tax credit rents based on income levels
- Size and # of Floor Plans by type with kitchen arrangements:
  - Small Efficiencies 5 types (110 units) (less than 400 SF) 2 burner stove, microwave oven/one half refrigerator and a sink
  - Large Efficiencies 3 types (22 units) (more than 400 SF) – Full Kitchen
  - One Bedroom/One Bath 10 types (75 units) - Full Kitchen
  - Two Bedroom/One Bath 1 type (1 unit) – Full Kitchen
  - Two Bedroom/Two Bath 1 type (1 unit) – Full Kitchen
  - All units have 1 bath

City Walk at Akard Description

- **Applicant** – Akard Walk LP created by Central Dallas Community Development Corporation (CDCDC)
  - Central Dallas Community Development Corporation, General Partner
    - LLC ownership – 100% owned by CDCDC
    - Will be the initial 100% owner
  - Tax credit investor will be limited partner
- **Developer** – Co-developed by McCaslin and CDCDC

City Walk at Akard – 511 N. Akard

Current Status of City Walk @ Akard

- City Attorney and Housing Department are reviewing necessary actions for loan development.
  - Deed restrictions, terms of loan, etc.

Next Steps

- Updates on Comprehensive Permanent Supportive Housing Plan
- Provide additional updates on SRO projects
  - City Walk @ Akard
  - LifeNet/City Collaboration