

Rental Housing Needs Assessment

City of Dallas

December 2024

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HR&A

Dear Reader,

We are pleased to share the 2024 Rental Housing Needs Assessment for the City of Dallas. This is our second annual report focused on the gaps between supply and demand in the Dallas rental market as well as the broader demographic and economic forces shaping the housing ecosystem. The positive response to last year's report demonstrated the value of creating a shared understanding of rental housing affordability in Dallas. The data was referenced extensively in local media and contributed to discussions about policies, programs, and funding to meet the housing needs of Dallas residents, illustrating the importance of having a robust fact base to inform efforts citywide. A clear understanding of rental housing challenges enables us to assess whether interventions are aligned with current needs, track progress over time, and support more coordinated, collective efforts across different sectors.

Last year, we committed to updating the analysis annually to ensure that stakeholders have access to the most up-to-date information available. This year's report provides a detailed snapshot of the rental market in 2022, the most recent year with comprehensive data on local housing conditions. Although the report includes some comparisons to Dallas County and the larger DFW metropolitan area, the demand-supply gaps are calculated just for the City of Dallas and include all rental units that we can feasibly capture. We partnered with HR&A Advisors to prepare the analysis, and you can find more details about the methodology and limitations of the data within the report.

Key findings in this year's report include:

The greatest need in the rental housing market is affordable units for very low-income households.

- **The City of Dallas has a gap of 39,919 rental units affordable to households earning at or below 50% Area Median Income (AMI)**, which is \$48,700 for a family of four (2022). This means there are 65 affordable units for every 100 households at or below 50% AMI.
 - Larger households (4+ people) looking for 3-bedroom rental units face a particularly tight market: for every 100 households at or below 50% AMI, there are 66 affordable 3-bedroom units available. By 2035, there will be 15 affordable units for every 100 households of 4+ people at or below 50% AMI.
 - Dallas has 30K deed-restricted rental units, representing 10% of the total rental stock. Dallas ranks 4th out of the 12 largest cities for total deed-restricted units per 1,000 residents.

The gap between rental housing supply and demand for very low-income households is projected to grow in the years ahead.

- **Driven by an anticipated loss of over 54K unrestricted affordable housing units (a 98% decrease), we forecast the gap to grow to 76,073 units by 2035**, which means there will be 24 affordable units for every 100 households at or below 50% AMI. The demand-supply gap is projected to affect households up to 100% AMI – e.g., in 2035, there will be 66 affordable units for every 100 households at or below 80% AMI and 94 affordable units for every 100 households at or below 100% AMI.

Rents have grown faster than wages, and many Dallas renters are housing cost burdened.

- Despite improvement over time in educational attainment and wage growth within the City of Dallas, **the median rent is unaffordable for 71% of residents.**
- Although 49% of all renters in the City of Dallas are housing cost burdened (meaning they spend more than 30% on housing), some renters are disproportionately affected: 69% of senior renters, 79% of renting single parents with children, 56% of Black renters, and 51% of Hispanic/Latino renters are housing cost-burdened.
- **Although all workers have realized nominal wage growth, the top three most common job types in DFW have median wages less than \$45K.** Due to inflation, wage growth has not necessarily translated to improved purchasing power, and residual income (income after paying rent) is thin for low-income households. **Wage growth has also been uneven:** from 2012 to 2022, median income for Hispanic/Latino households grew the most (28%) and for Black households grew the least (8%), when adjusted for inflation.

The number of high-income households in Dallas has grown significantly in the last decade, but high-income households today are more likely to rent, putting downward pressure on the rental market.

- From 2012 to 2022, **Dallas realized a significant increase in high-income households** and a decline in the lowest income households. In 2022, there were 49K more households (+117%) earning \$150K+ but 29K fewer households (-29%) earning less than \$20K. **Higher income households are more likely to rent than a decade ago:** In 2012, 24% of households earning more than \$100,000 were renters, compared to 37% in 2022.
 - The number of workers in "Management" jobs grew significantly in the past year (+41K), moving from the fifth most common job type in the DFW metro to the fourth most common, with median wages of \$117K.

In closing, we invite your questions and feedback on this year's report, and we look forward to updating this analysis annually. We are also exploring ways to digitize the data and improve our understanding of the pipeline of rental units in production, helping to connect data-driven insights to potential solutions. If you would like to contribute to these efforts, we welcome your involvement.

Gratefully,

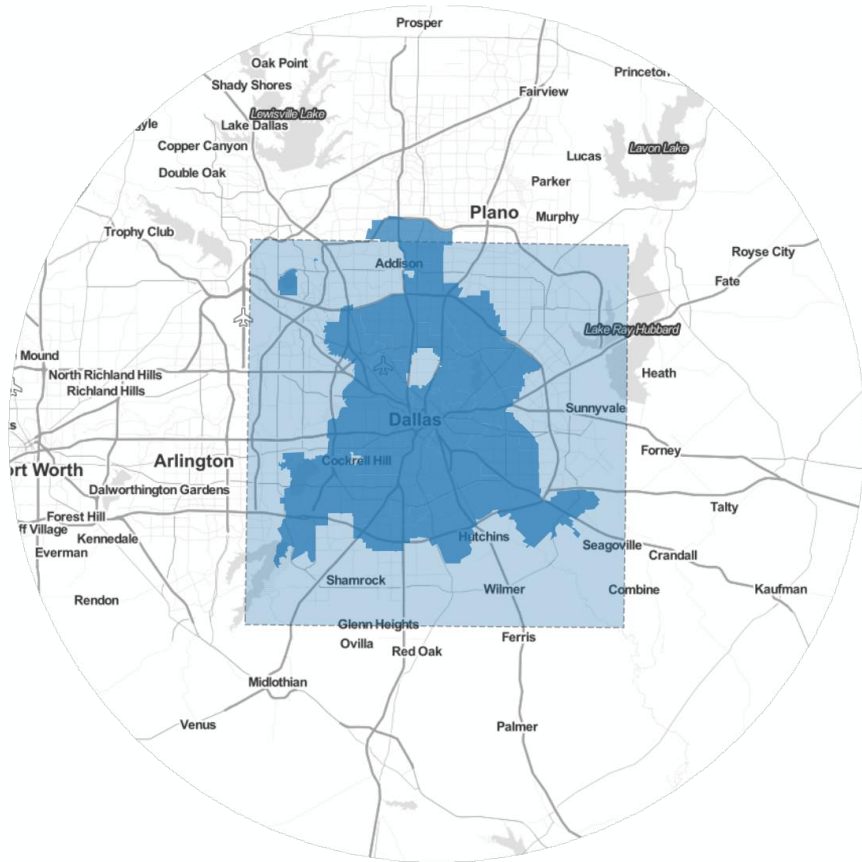
Ashley Flores, Chief of Housing, Child Poverty Action Lab

Alan Cohen, Founder and CEO, Child Poverty Action Lab

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Report Focus



A city's housing market is a result of a confluence of factors: regional economic opportunity, existing housing supply, migration patterns, historic inequities, macroeconomic trends, and household preferences, among others. Addressing housing goals can mean different things for different residents: building affordable housing, preventing displacement, creating homeownership opportunities, or repairing dilapidated housing stock.

In Dallas, addressing the needs of renters, who often face higher poverty rates and cost burdens, is crucial to foster a more equitable and inclusive community. Prioritizing affordable rental options can support lower-income households, essential workers, and homelessness prevention. **This report focuses on the rental housing needs for the City of Dallas' residents, with an emphasis on low-income households.**

Homeownership opportunities and rental affordability are often linked—in Dallas, trends suggest that moderate and high-income renters who are unable to purchase homes are bidding up rents for lower-income residents. Homeownership can be an important wealth-building tool and long-term stabilizer for families. CPAL is beginning to explore affordability challenges as they relate to homeownership and looks forward to sharing more in the future.

Methods: How to Interpret Data Updates

This report presents a snapshot of housing and demographic conditions in the City of Dallas. Our data covers all rental units in the housing stock as of 2022, including market-rate and deed-restricted. While some trends can be interpreted year-over-year, depending on the data source, this report is not a direct year-over-year comparison to the report released in May 2023.

- Most of the analysis in this report draws from the US Census Bureau's American Community Survey (ACS) 5-Year estimates. The ACS 5-year estimates capture the average characteristics of a place over a 5-year period. For this report update, we use data from the 2022 ACS Survey, which covers the years 2017-2022, compared to the 2016-2021 period covered in last year's report. **Because these surveys contain overlapping years, differences between these surveys cannot be interpreted as annual changes but rather as an updated snapshot reflecting current conditions.**
- There are, however, other data sources that do allow us to make direct annual comparisons, such as the Bureau of Labor Statistics and Zillow Rental Index. All data in this report is framed intentionally to reflect the limitations of its source.

Several changes in this year's update prevent direct comparison with our previous analysis.

- In the spirit of continuous improvement, and to incorporate suggested upgrades, at times we have updated our methodology or switched to a more reliable or complete dataset. These changes will always be noted in the footnotes, but we ask that the reader be mindful of data source and methodology notes if making direct comparisons to last year's report.
- Data on deed-restricted units comes from the National Housing Preservation Database (NHPD), the most comprehensive inventory of federally assisted housing. However, this is an imperfect database, and not all Dallas Housing Authority properties are included. In this year's report we have taken steps to reconcile and improve this inventory for Dallas.
- NHPD data also does not include properties subsidized through state or local programs. While we work to improve and verify property-level data to create a comprehensive inventory of affordable housing properties, we have transferred the property inventory (formerly in the appendix) to an internal database. For access to property-level information on deed-restricted housing, please contact us.

To further explore these changes to our methodology, see the Appendix.

An aerial photograph of a city skyline, likely New York City, with a dark blue semi-transparent overlay. The skyline features numerous skyscrapers and buildings. A prominent white vertical bar is on the left side of the overlay, and the number '01' is displayed in large white font. The text 'Executive Summary' is written in white below the number. In the bottom right corner, the number '6' is visible.

01

Executive Summary

The State of the Market in 2022

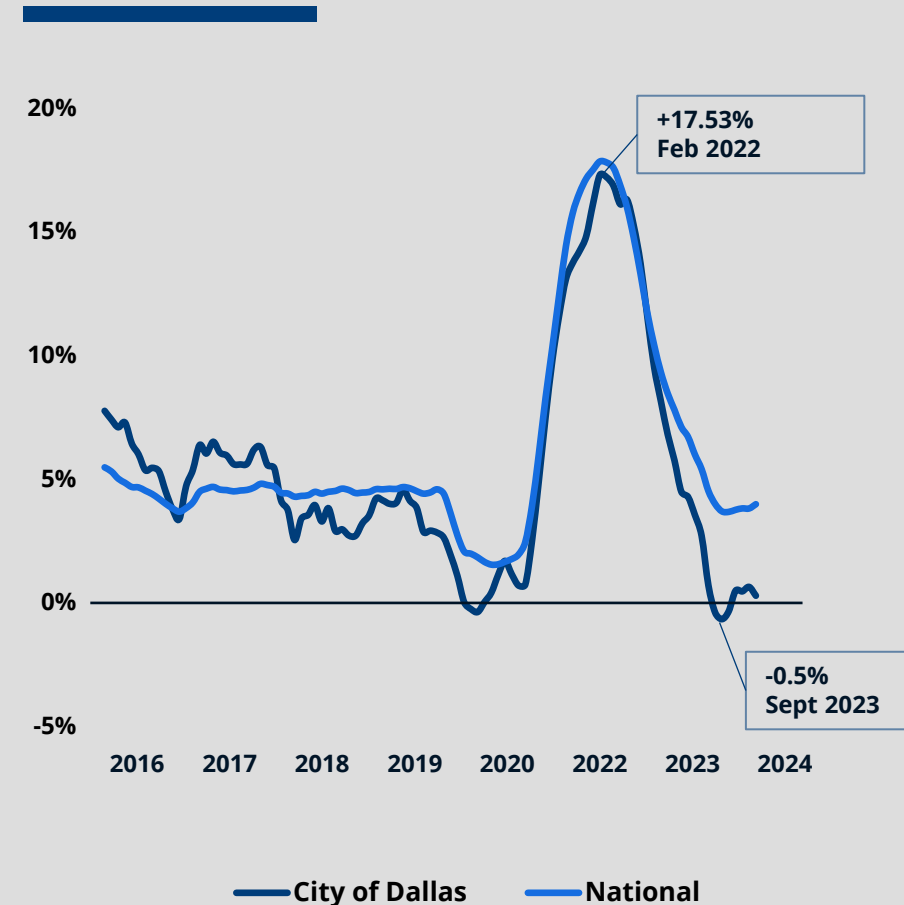
In 2022, the rental housing market began to cool and rent growth slowed.

- After record-high rent growth during the Covid-19 pandemic, the rate of rent increases across the country slowed in late 2022, signaling stabilization.
- Rent growth decelerated across all major housing markets but most rapidly in areas of the West and South.¹ In the City of Dallas, annual rent growth declined significantly from a peak of 17.3% in February 2022 to -0.5% in September 2023 when rents briefly went down.² In January 2024, the annual growth rate was only 0.3%, but rents remain well above pre-pandemic levels.

Simultaneously, wages increased but did not keep pace with high inflation and cost of living.

- U.S. inflation reached some of its highest levels since 1981, peaking at 9% in June 2022.³ Workers across the country experienced a rise in nominal wages, but these increases lagged rising inflation and high housing costs, perpetuating the affordability crisis.
- Nationally, 22.4 million renters were cost-burdened in 2022, a 2 million increase since 2019, marking the highest number on record.¹ Similar trends are evident in the City of Dallas, where, despite rising wages, low-income renters did not experience meaningful affordability gains.

Apartment Rent Growth
(January 2016-January 2024, Year-Over-Year Change (%))



1. Joint Center for Housing Studies of Harvard University. "The State of the Nation's Housing 2023."

2. Zillow Observed Rent Index (ZORI)

3. U.S. Bureau of Labor Statistics. "Consumer Prices Up 9.1 Percent Over the Year Ended June 2022, Largest Increase in 40 Years."

Key Takeaways

- 1** In 2022, the City of Dallas had a **39,919-unit gap in affordable housing** for households earning at or below 50% of AMI.¹ Four main factors have driven the rental housing gap in Dallas:
 - **Rapid regional growth:** The DFW metro-area has grown by more than 20% over the past decade.
 - **Prevalence of low-wage jobs:** While nominal wages increased in 2022, the top three most common jobs by occupation in the DFW metro all have median wages under \$45,000.
 - **Insufficient production of new affordable units:** Since 2010, only 9% of new units in the City of Dallas have been deed-restricted affordable homes.
 - **High housing costs:** While the rate of rent growth began to slow in 2022, rents remain well above pre-pandemic levels and wage growth has not kept pace.
- 2** **The gap is growing;** by 2035, the City of Dallas is projected to have a gap of 76,073 rental units for households at or below 50% AMI.
 - The widening of the rental housing gap will be driven by a projected loss of over 54,000 units of unrestricted affordable units for residents at or below 50% AMI.
- 3** Without intervention, the current trend will exacerbate existing inequalities across Dallas, **hindering economic mobility for low-income children.**
 - Dallas ranks 11th out of the 12 largest cities for share of affordable housing units in “high opportunity” census tracts² and remains the most segregated big city in Texas – and among the most segregated big cities in the nation.
 - Lack of housing affordability forces families to make tradeoffs with basic daily needs (e.g., food, clothing, transportation). On average, families at or below 50% AMI are spending nearly half their income on housing each month.

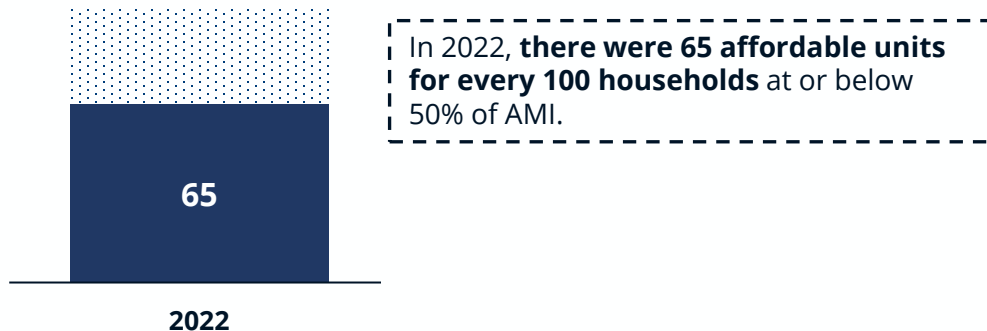
1. AMI stands for Area Median Income, a measure of the median income of a specific geographic area calculated by the Department of Housing and Urban Development (HUD). In the City of Dallas for 2022, 50% AMI is \$34,100 for a 1-person household; \$39,000 for a 2-person household; \$43,850 for a 3-person household, and \$48,700 for a 4-person household. More details on page 57.

2. High Opportunity Tracts are defined as tracts that have a median income higher than the median income of the city overall. These tracts are updated in accordance with the latest ACS data. Access to opportunity refers to the availability of resources, services, and amenities that can improve quality of life and enhance prospects for social and economic advancement for residents, such as education, employment, healthcare, transportation, and safety.

EXECUTIVE SUMMARY

Currently, the City of Dallas faces a **39,919-unit rental housing supply gap**, where demand for housing exceeds supply, for low-income residents earning at or below 50% AMI.

City of Dallas Units affordable per 100 Households at or below 50% AMI

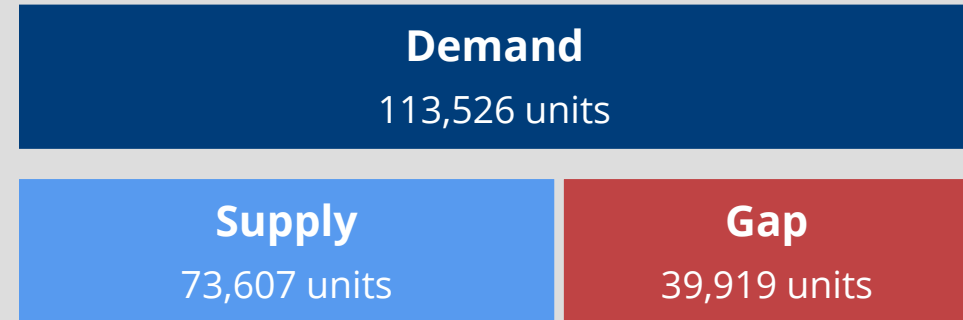


Note: AMI stands for Area Median Income, a measure of the median income of a specific geographic area calculated by the Department of Housing and Urban Development (HUD). In the City of Dallas for 2022, 50% AMI is \$34,100 for a 1-person household; \$39,000 for a 2-person household; \$43,850 for a 3-person household, and \$48,700 for a 4-person household. More details on page 57.

Source(s): ACS PUMS 2022, State of Texas (TEPP) Projections, HUD AMI Limits.

City of Dallas Current Rental Housing Supply Gap for ≤50% AMI

2022

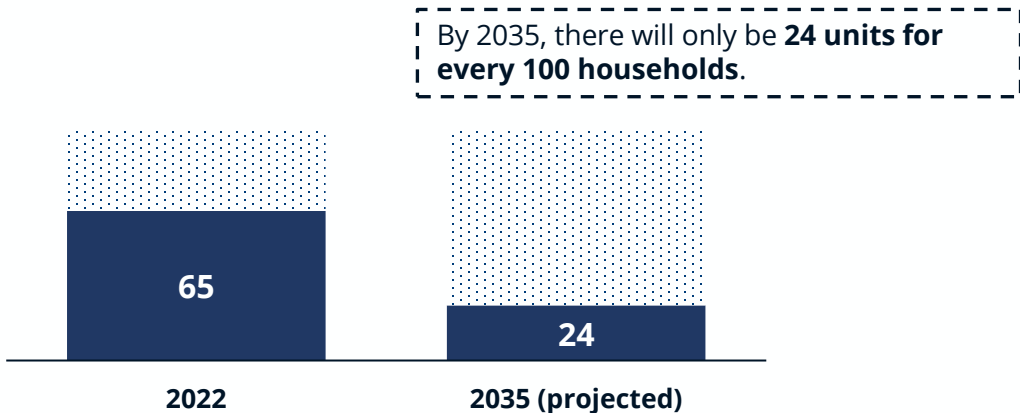


EXECUTIVE SUMMARY

This gap is projected to increase by 36,000 units to over **76,000 units by 2035.**

Last year's report projected an 83,500-unit rental housing gap for households making 50% AMI or less by 2030. The reduction in this gap is because households at the very lowest income levels (0-30% AMI) are projected to decline in total numbers due to rising wages, not because the projection of the supply of units at this price point will increase. In fact, the rental housing gap is projected to grow up the income spectrum to 60% and 100% AMI.

City of Dallas Units affordable per 100 Households at or below 50% AMI

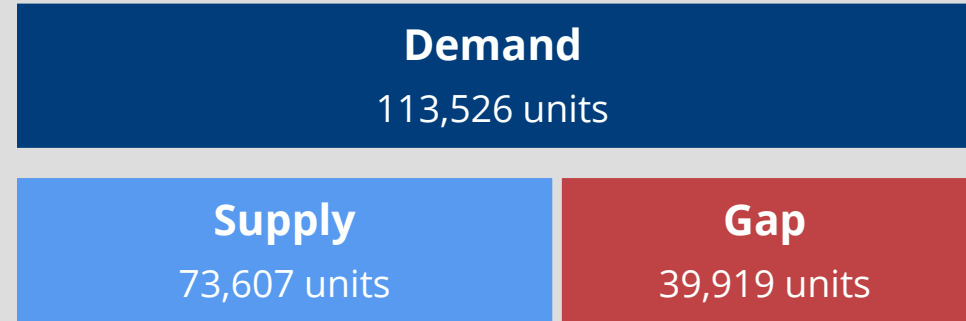


Note AMI stands for Area Median Income, a measure of the median income of a specific geographic area calculated by the Department of Housing and Urban Development (HUD). In the City of Dallas for 2022, 50% AMI is \$34,100 for a 1-person household; \$39,000 for a 2-person household; \$43,850 for a 3-person household, and \$48,700 for a 4-person household. More details on page 57

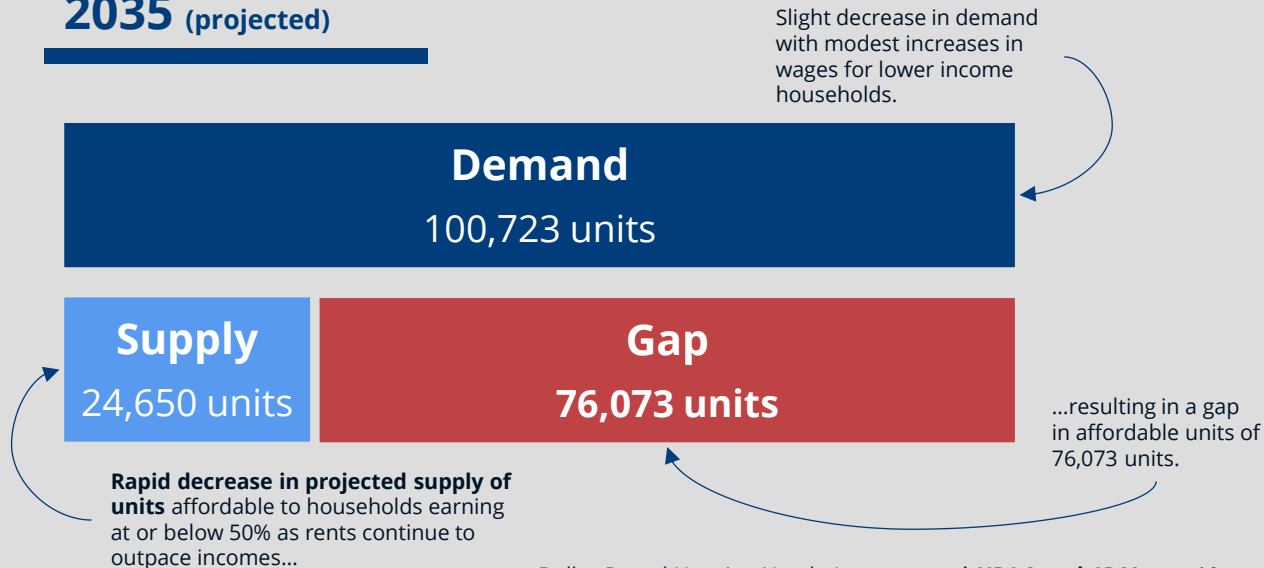
Source(s): ACS PUMS 2022, HR&A Calculations, State of Texas (TEPP) Projections, HUD AMI Limits.

City of Dallas Current and Future Housing Supply Gap for ≤50% AMI

2022



2035 (projected)



EXECUTIVE SUMMARY

There are **four main factors** driving the current housing gap in the City of Dallas.

Demand-Drivers

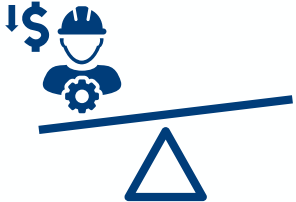
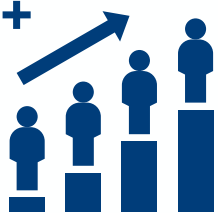
Supply-Drivers

Rapid Regional Growth

Prevalence of low-wage jobs

Insufficient delivery of affordable units, especially in high-opportunity areas

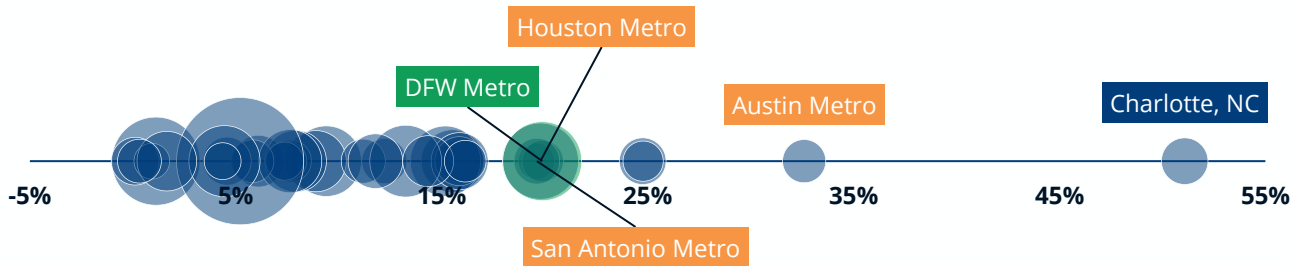
High housing costs



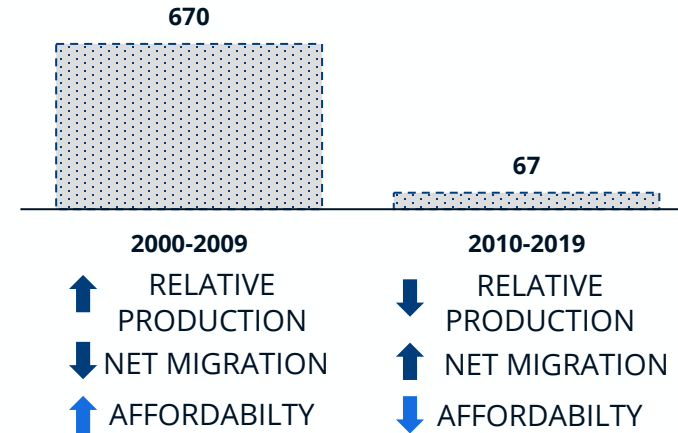
EXECUTIVE SUMMARY

Rapid Regional Growth | The Dallas-Fort Worth metro was the seventh fastest-growing large metro in the country, **growing over 20%** in the last decade.

Dallas-Fort Worth Metro Comparative Population Growth
2012-2022, Metro Areas (CBSAs) with population 1,000,000 or greater



City of Dallas New Units per 100 Net New Residents by Decade
2000-2019



The city built almost as many units in the 2000s (61,900 units) and the 2010s (71,000 units) but added 10 times as many residents in the 2010s (more than 100,000 residents versus less than 10,000 in the 2000s).

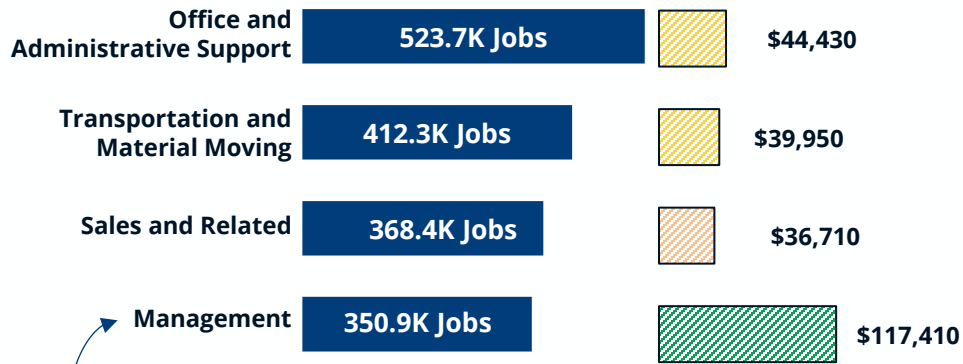
Note: New units based on building permits survey, Housing and Urban Development (HUD) BPS data.

Source(s): ACS Decennial 1990 & 2022 B01003: Population, BLS 2022 Occupation by Industry, Median Wage by Occupation, ACS 2022 B25001: Housing Units.

EXECUTIVE SUMMARY

Prevalence of Low-Wage Jobs | The metro area has a high prevalence of low-wage jobs—the top three most common jobs types in the metro all have a **median wage less than \$45,000**. While workers saw nominal wage increases in 2022, these did not result in real gains due to high inflation.

Metro Area Top 4 Employment by Occupation and Median Wage 2022



The number of workers in Management jobs in the DFW metro grew significantly over the past year, moving this higher-paying job category into the top four.

Source(s): BLS 2022 Employment by Occupation, Median Wage by Occupation, ACS PUMS 2022, HR&A Calculations.

Note: Relative to last year's report of 2021 data, households with 1-working adult and 1-working adult +1child have fewer units affordable to them, whereas larger households with 2-working adults and 2-working adults+2 children have more options. However, these data points reflect rolling 5-year averages and annual variation may not be reflective of a larger trend.

Units Available by Household Type 2022

Household Type	Total Household Income	Supportable Rent	Unit Type	Units Affordable per 100 households competing
1-working adult + 1 child	\$45,000	~\$1,100	2-BR+	41
1-working adult	\$45,000	~\$1,100	Studio/1-BR+	71
2-working adults + 2 children	\$90,000	~\$2,200	3-BR+	155
2-working adults	\$90,000	~\$2,200	1-BR+	203

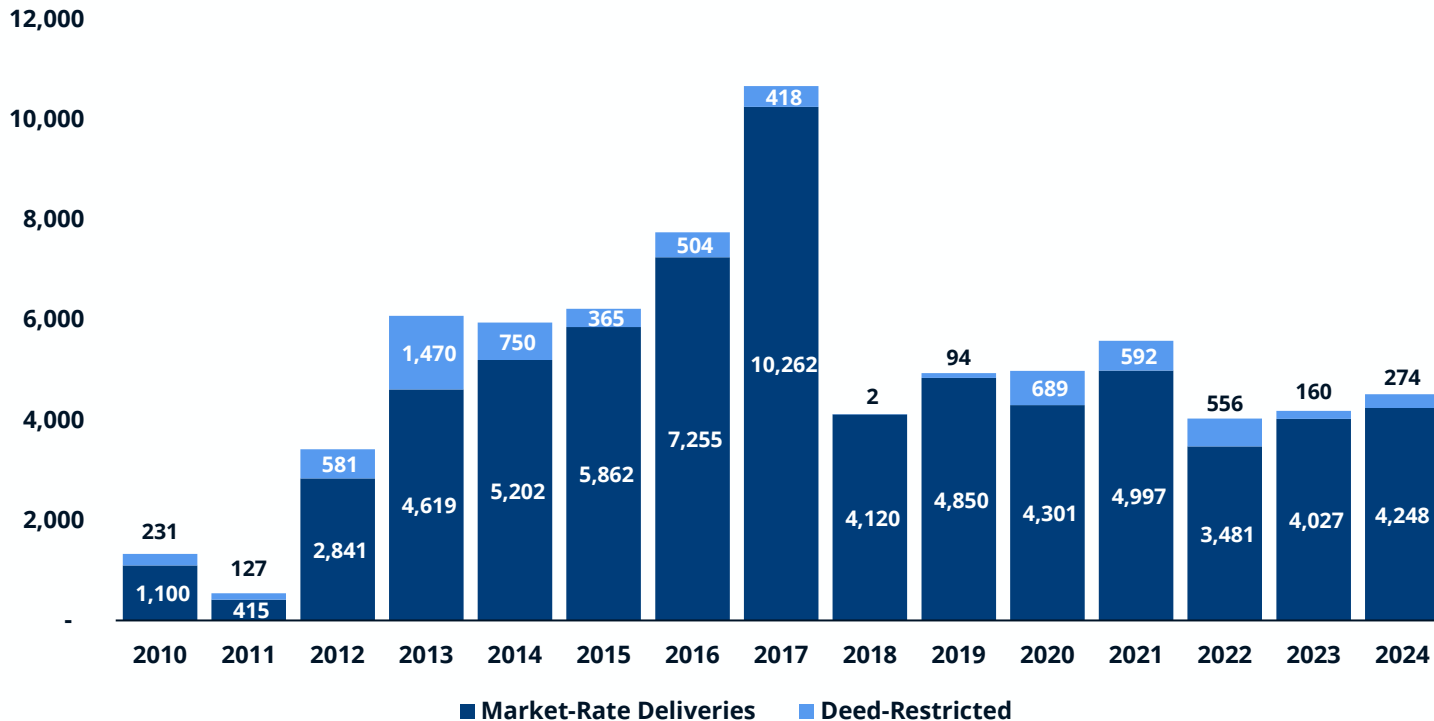
Single parents making \$45,000 who are looking for a two-bedroom unit available at or below \$1,100 per month have only **41 units available for every 100 households**.

The fewer the units affordable to the household, the less discretion they have over their housing choice. In the table above, 1-person households and the 2-working adults with no children are both competing for 1-bedroom units, but the dual income household has much more housing choice compared to the single-person household.

EXECUTIVE SUMMARY

Insufficient Delivery of New Deed-Restricted Units | Since 2010, only **9%** of new units in the city have been deed-restricted affordable units.

New Multifamily Units Since 2010
Affordable versus Market Rate (2010 - July 2024)



Dallas ranks 4th out of the 12 largest cities for total affordable units per 1,000 residents.

Affordable or deed-restricted affordable housing is a type of rental housing where the cost of renting a property is made more affordable through legal restrictions placed on the deed of the property. These restrictions are designed to ensure that the property remains affordable to low-or moderate-income households, even as market prices for other properties in the area rise. These restrictions are often in place in exchange for government subsidies, such as Low-Income Housing tax credits (LIHTC) or tax abatement.

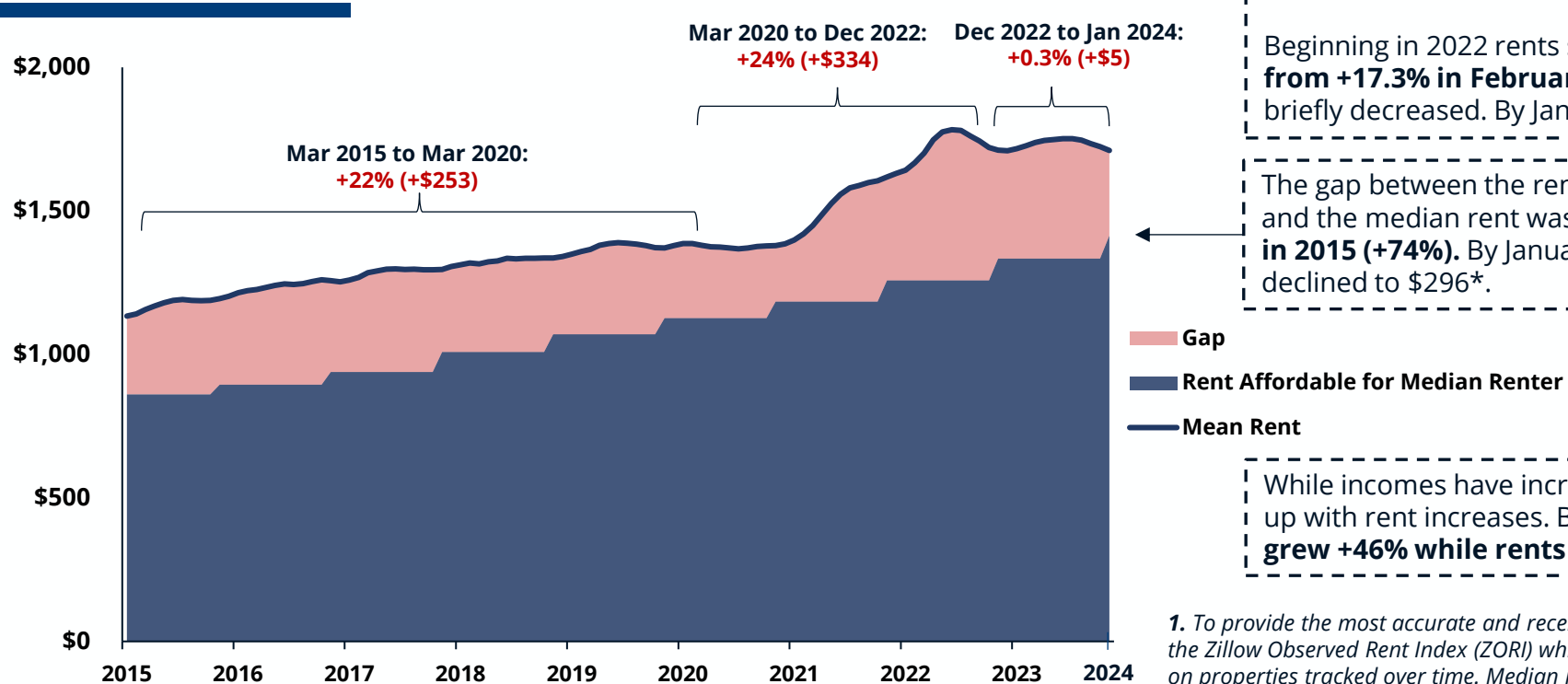
Note: Deed-restricted units include units subsidized by federal loan, insurance, and voucher programs, and by state Low-Income Housing Tax Credit and Section 236 programs. New deed-restricted units added in this year’s report for 2022-2024 represent Low-Income Housing Tax Credit awards from the Texas Department of Housing and Community Affairs. Subsidies issued by Texas Public Facility Corporation (PFC) communities are not captured in NHPD data unless they also have federal subsidies. PFC communities are inventoried by CoStar as ‘market/affordable’, which are included in ‘market-rate’, if the only subsidies are issued by the PFC. The full list of properties are provided in the appendix.

Source(s): CoStar, NHPD.

EXECUTIVE SUMMARY

High Housing Costs | Mirroring national trends, rents began stabilizing in 2022 after steadily increasing over the last decade and rapidly increasing during the pandemic. **While rent growth has slowed, rents remain high, and wage growth has not kept pace.**

City of Dallas Mean¹ Rents and Rents affordable to Median Renter (2015-2024)



Rents increased more in Dallas in the **2.5 years after the start of the pandemic** than in the **6 years before the pandemic**.

Beginning in 2022 rents started to stabilize. **Annual rent growth declined from +17.3% in February 2022 to -0.5% in September 2023** when rents briefly decreased. By January 2024, annual growth rate was only +0.3%.

The gap between the rent affordable to the median renter and the median rent was **\$463 in Dec 2022, up from \$276 in 2015 (+74%)**. By January 2024, the projected gap declined to \$296*.

While incomes have increased steadily, they have not kept up with rent increases. Between 2016-2022, **incomes grew +46% while rents grew +52%**.

¹ To provide the most accurate and recent estimates, average rent data is sourced from Zillow through the Zillow Observed Rent Index (ZORI) which is a weighted average rent index of observed rent changes on properties tracked over time. Median renter income data is sourced from the American Community Survey. *Census data for 2023 and 2024 have not yet been released, so median incomes for these years are projected based on historic trends.

EXECUTIVE SUMMARY

The lack of homes that are affordable to lower-income families disproportionately affects **Black renters, households with children, and seniors.**

For larger households, the housing supply gap is far more acute. In 2022, there were **66 3-bedroom units** affordable for households at or below 50% AMI for every **100 households** with 4 or more people.

Households with children, especially single parents with children, face a disproportionate housing cost burden. Nearly **four in five single parents with children** living in the city are cost-burdened.

Source(s): ACS PUMS 2022, HR&A Calculations.

Note: The supply gap for large households in the City of Dallas decreased relative to last year's report of 2021 data, which cited a gap of 16,299 units. This change is driven by an increase in the number of family-sized units, and a decrease in the number of large households. However, this data reflects a rolling 5-year average and annual variation may not be representative of a broader trend. Senior cost burden increased relative to 2021, which cited 55%. However, the 5-year trend is relatively stable and annual variation may be related to small sample size or pandemic-related support.

City of Dallas Housing Supply Gap for Large Households at or below 50% AMI 2022 (4+ Person Households, 3+ Bedrooms)



Cost Burdened Renters 2022

Cost Burden %	City of Dallas
All Renters	49%
Senior Renters	69%
Renter Households with Children	57%
Renter Single Parents with Children	79%
Black Renters	56%
Non-Hispanic White Renters	41%
Hispanic/Latino Renters	51%
Renters 35 and Below	45%

- 60% or more
- 55-59%
- 50-54%
- 45-49%
- 40-44%
- Less than or at 39%

EXECUTIVE SUMMARY

For low-income renters, a high housing cost burden means **the inability to meet basic needs**—especially as prices continue to rise.

A household's "residual income" is their budget after accounting for rent. Households that pay more than what is affordable in rent often do not have enough residual income to cover other necessary expenses like food, childcare, and medical bills.

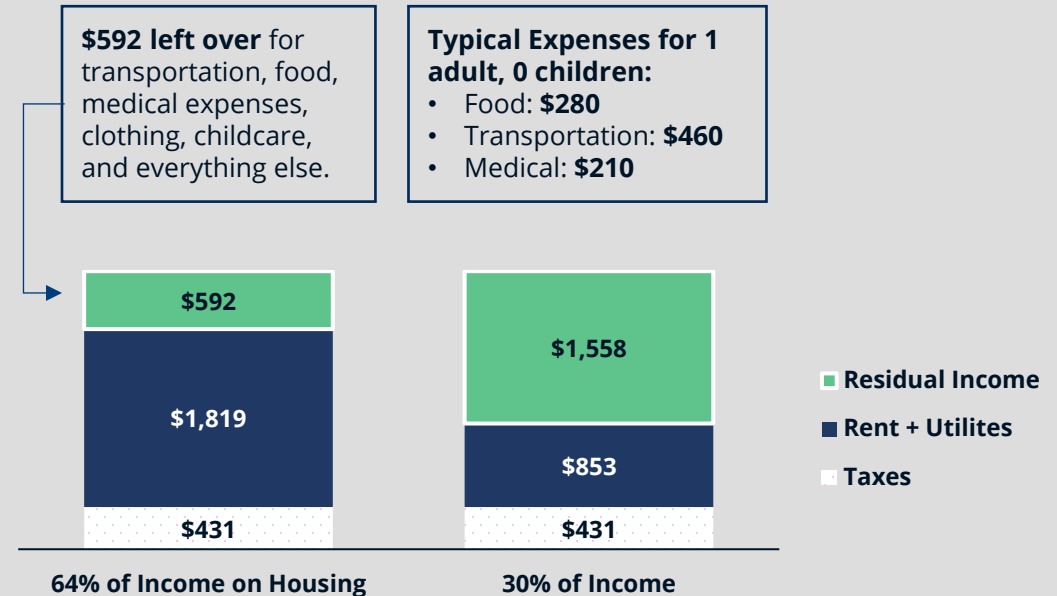
On average, households in the City of Dallas earning at or below 50% of AMI spend **64% of their income on housing costs**. For a renter making \$34,100, that means not being able to meet daily needs without government assistance.

Source(s): MIT Living Wage Calculator, ACS PUMS 2022, HR&A Calculations.

Note: Driven by higher levels of cost burden, households have less residual income in 2022. In last year's report of 2021 data, the average household earning 50% AMI spend 47% of income on housing. In 2022, this number increased to 64%, reducing residual income. This annual variation may be related pandemic-related supports experience through 2020-2021.

Sample Household Budget

Annual Income: \$34,100 (50% of AMI 1-person income, 2022), Monthly Income: \$2,842



Notes:

1. Based on City of Dallas average cost burden for households at or below 50% AMI in 2022.
2. Typical expenses from MIT Living Wage Calculator, 2022 for Dallas County,
3. Taxes and deductions include FICA, Medicare, and federal taxes.

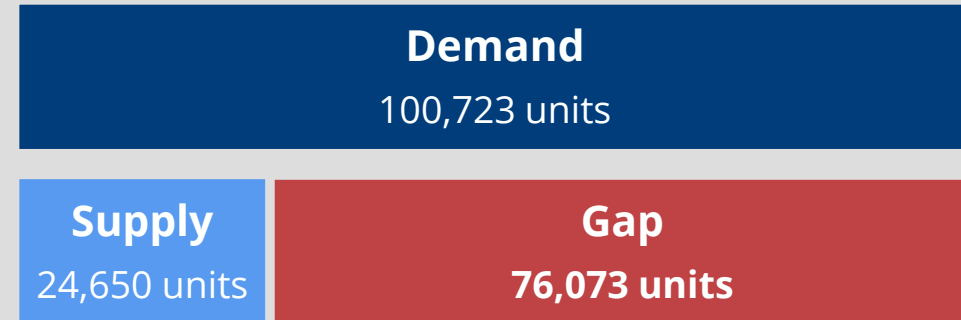
EXECUTIVE SUMMARY

By 2035, the housing supply gap is projected **increase to 76,000 units** for households earning at or below 50% of AMI.

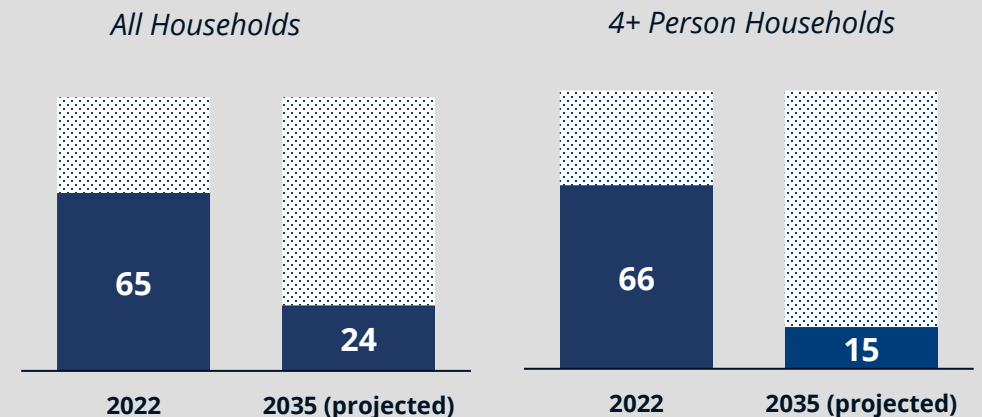
In 2022, there were **65 units affordable for every 100 households** at or below 50% of AMI. In 2035, there will be a projected **24 units affordable for every 100 households**.

In 2022, for **households with four or more people**, there were **66 units affordable for every 100 households** at or below 50% of AMI. In 2035, there will be a projected **15 units affordable for every 100 households**.

City of Dallas Projected Housing Supply Gap for 50% AMI 2035 (projected)



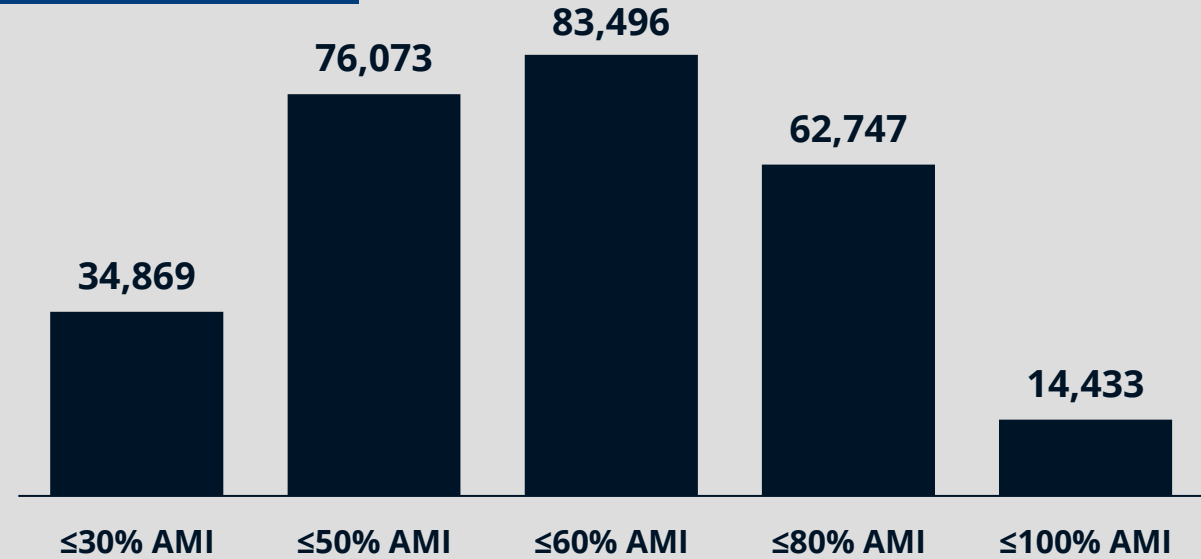
City of Dallas Units affordable per 100 Households at 50% AMI



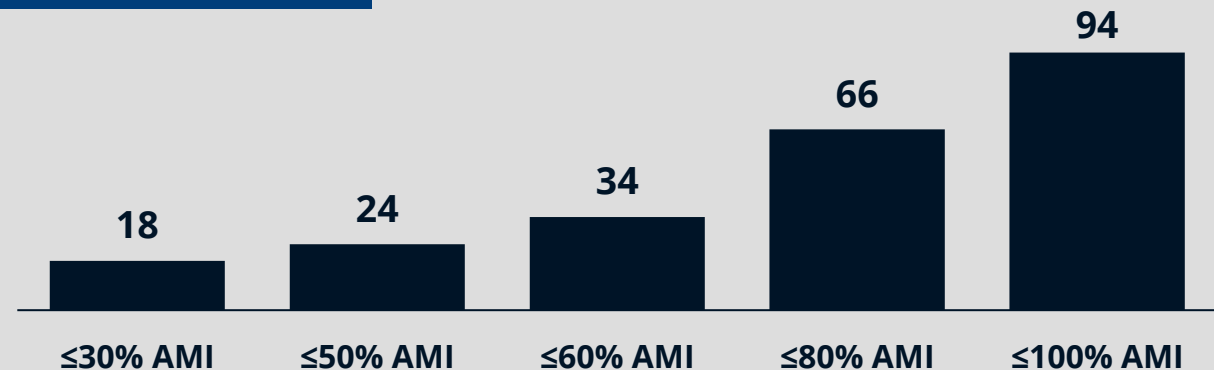
EXECUTIVE SUMMARY

The rental housing supply gap will begin to affect higher income households, with a **gap of 62,747 units for households earning up to 80% of AMI.**

City of Dallas Projected Housing Supply Gap
2035 (projected)



City of Dallas Projected Housing Supply Gap
2035 (projected)
Units affordable per 100 Households by AMI



Note: The projected rental housing supply gap increased relative to last year's report, which cited 23,300-unit gap by 2030. **Source(s):** State of Texas (TEPP) Projections, ACS PUMS 2022, HR&A Calculations.

EXECUTIVE SUMMARY

The key driver that is widening the gap is the **loss of unrestricted affordable units** that are projected to rapidly increase in rent, given current market trends.

Unrestricted affordable units are affordable rental homes that are not subsidized by government programs such as the Low-Income Housing Tax Credit (LIHTC) or public housing. These properties are typically owned by private landlords or small-scale property owners who rent out units at price points below market rates, often due to their age, location, or condition.

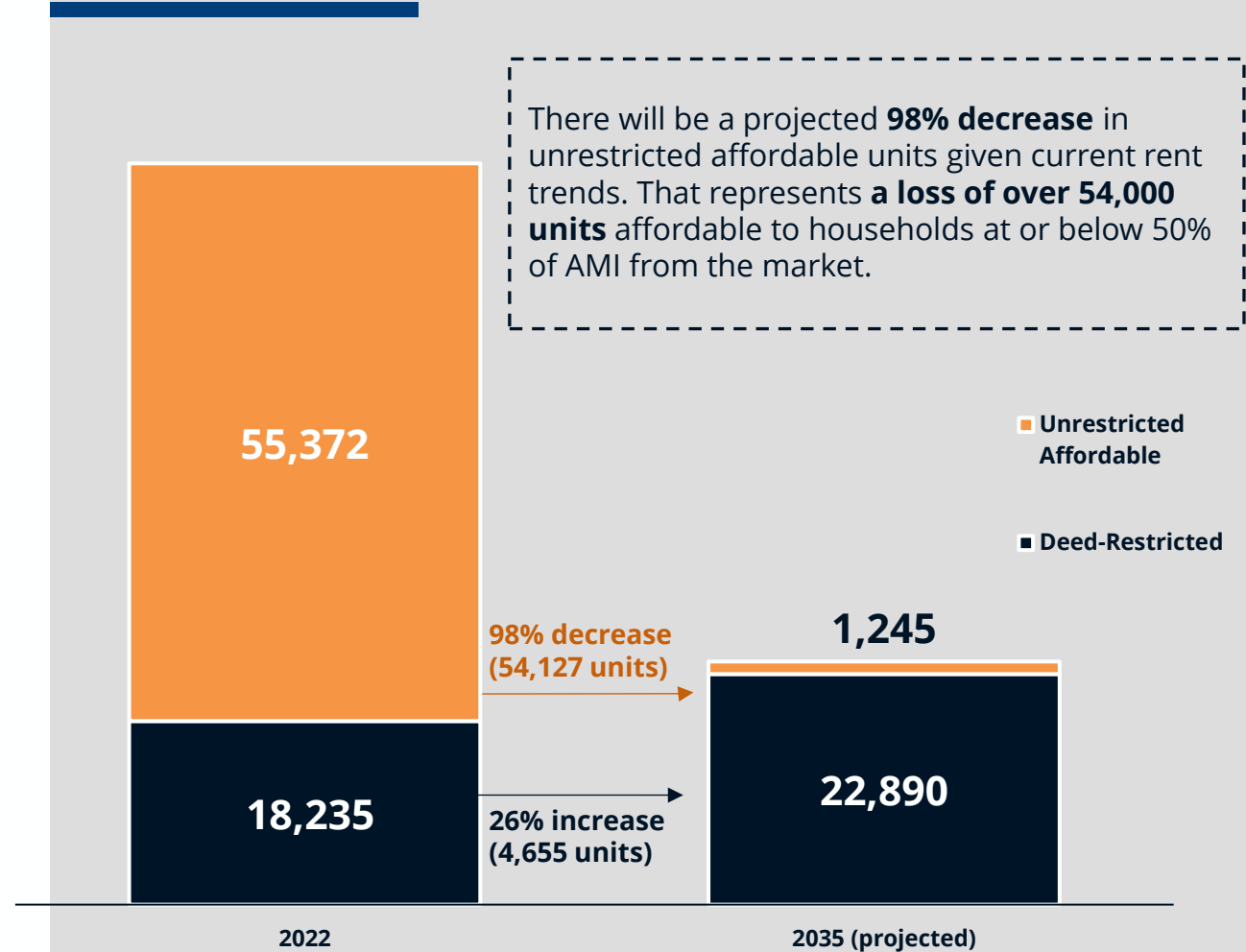
Unrestricted affordable properties can provide a critical source of affordable housing for low-income households, especially in high-cost areas where subsidized housing is limited.

Because unrestricted affordable properties are not subsidized by government programs, they are **vulnerable to market pressures such as rising property values and rents**, which has led to the loss of affordable housing units.

Note: Potential New based on 20th-80th percentile average of development from 2012-2022. Units potentially expiring reflects last known covenant on property. The projected loss of unrestricted affordable units increased compared to our previous report, which reported an 87% decrease in these units between 2021-2030.

Source(s): ACS 2022 B25032: Tenure by Units in Structure, B25068: Bedrooms by Gross Rent, NHPD.

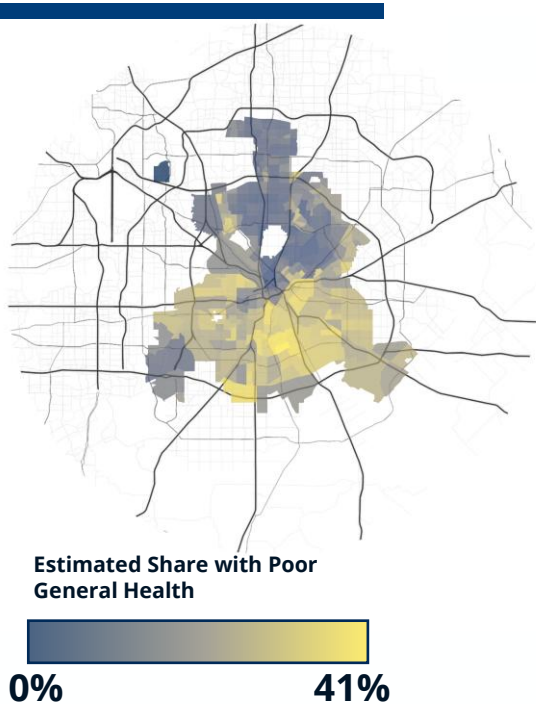
Projected Unrestricted Affordable Units (at or below 50% AMI) 2022, 2035 (projected), City of Dallas



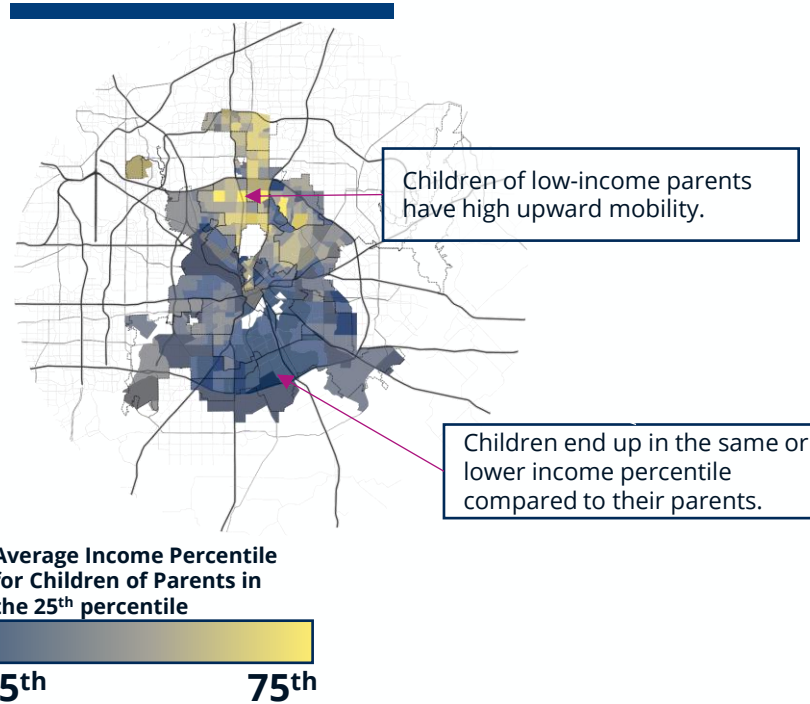
EXECUTIVE SUMMARY

Where you live shapes your future. Locating housing in high opportunity areas, with access to schools, transportation, and jobs, empowers families with tools to achieve future success, improve their health outcomes, and realize upward economic mobility.

General Health by Census Tract
2022



Economic Mobility by Census Tract
2022



Access to opportunity refers to the availability and accessibility of resources, services, and amenities that can improve the quality of life and enhance the prospects for social and economic advancement for residents. It encompasses various aspects of a community, such as education, employment, healthcare, transportation, and safety, which can affect the well-being of individuals and families living in a particular area.

General health outcomes and **economic mobility** are two measures of opportunity—both of which are highly correlated with neighborhood and geography in the United States.

Source(s): Centers for Disease Control and Prevention (CDC) PLACES Data, Chetty et. al, Opportunity Atlas.

Note: High Opportunity Tracts are defined as tracts that have a median income higher than the median income of the city overall. These tracts are updated in accordance with the latest ACS data.

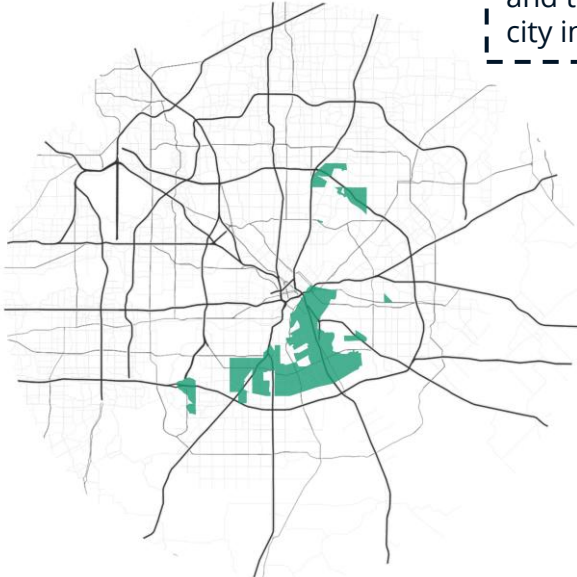
Dallas remains **one of the most segregated cities** in the nation and is the most segregated big city in Texas.

**City of Dallas Census Tract by Majority Race
2022**

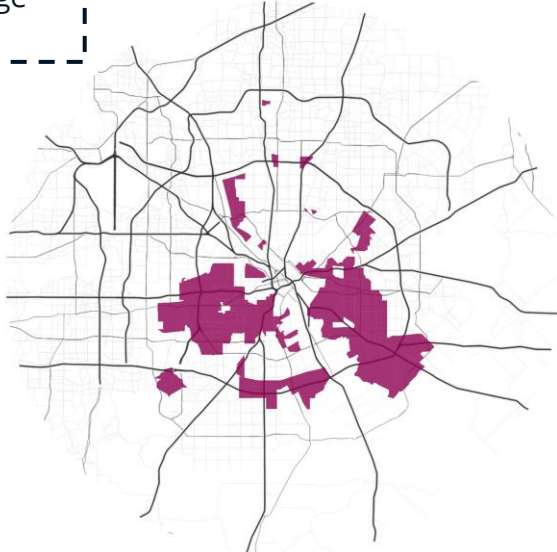
Of all cities nationally with a population greater than 500,000, Dallas ranks as the **tenth most segregated city** (out of 37 cities) and the most segregated large city in Texas.



Non-Hispanic White



Black



Hispanic / Latino

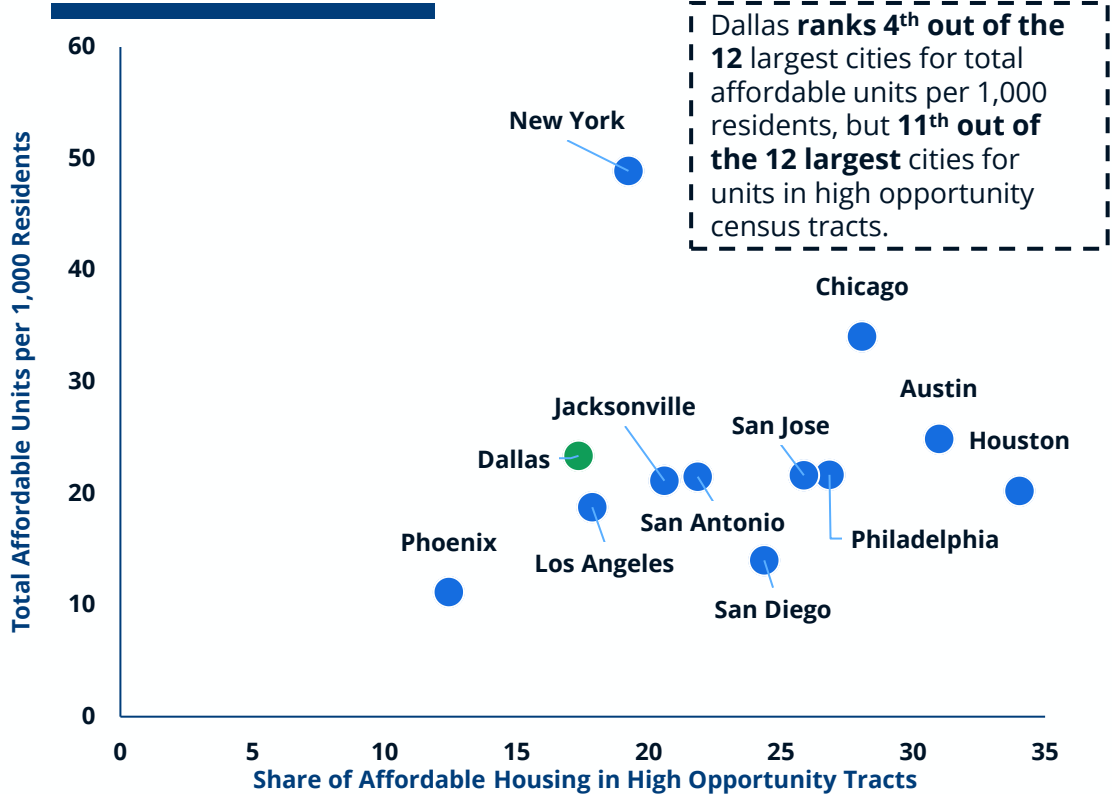
Source(s): ACS 2022 B02001: Race, B03002: Hispanic or Latino Origin by Race.

EXECUTIVE SUMMARY

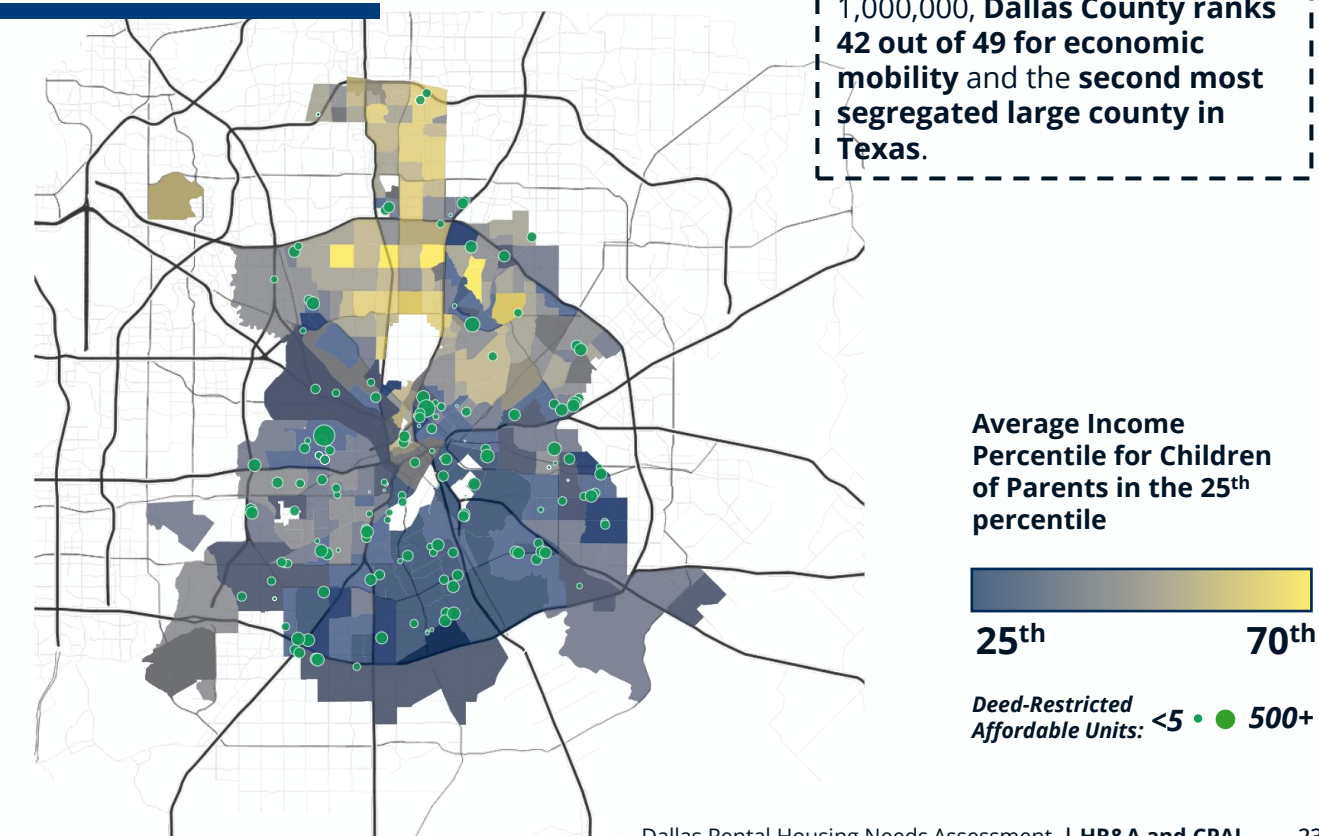
Development trends have exacerbated existing inequities. Deed-restricted affordable housing is concentrated in southern Dallas, while most new market-rate development is concentrated in the northern parts of the city.

Affordable Units by Access to Opportunity

12 Largest Cities (2022)



Deed Restricted Affordable Units by Location & Economic Mobility by Census Tract



Source(s): NHPD, U.S. Census Opportunity Atlas, ACS PUMS 2022, HR&A Calculations.

This page was updated in October 2024 to include Dallas Housing Authority (DHA) properties.

Note: High Opportunity Tracts are defined as tracts that have a median income higher than the median income of the city overall. These tracts are updated in accordance with the latest ACS data.



02

Demographic Overview

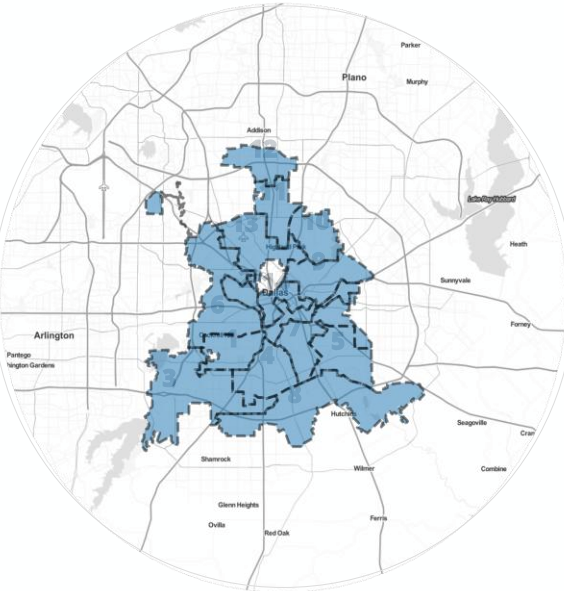
Key Takeaways

- 1** The City of Dallas has grown steadily since 1990, adding approximately **300,000 residents**—but lags explosive growth across the metro and state.
- 2** Segregation remains a key issue across the city. Of all cities nationally with a population greater than 500,000, **Dallas ranks as the tenth most segregated city (out of 37 cities) and the most segregated large city in Texas**, based on a dissimilarity index (page 36).
- 3** Over the past decade, **median incomes in the City of Dallas grew faster relative to the metro, county, and nation, but remained comparatively low**. The median City of Dallas household earns \$6,700 and \$19,400 less than their counterparts in Dallas County and the Dallas-Fort Worth-Arlington (DFW) metro area, respectively.
- 4** **Income growth is uneven across racial and ethnic groups** in the City of Dallas. Despite growth in wages across all demographics, the income gap between Non-Hispanic White households and Black and Hispanic/Latino households continues to widen.
- 5** Higher income households are much more likely to be renters than a decade ago. In 2012, about **24%** earning more than \$100,000 were renters, compared to almost **37%** in 2022, putting further pressure on rents for low-income renters.

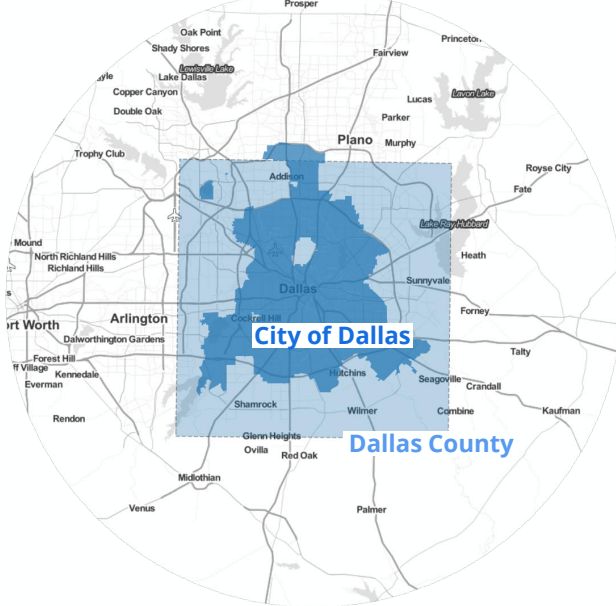
GEOGRAPHIES OF INTEREST

This report focuses on the rental housing needs for the City of Dallas, with comparisons to Dallas County and the surrounding Dallas-Fort Worth-Arlington metropolitan statistical area.

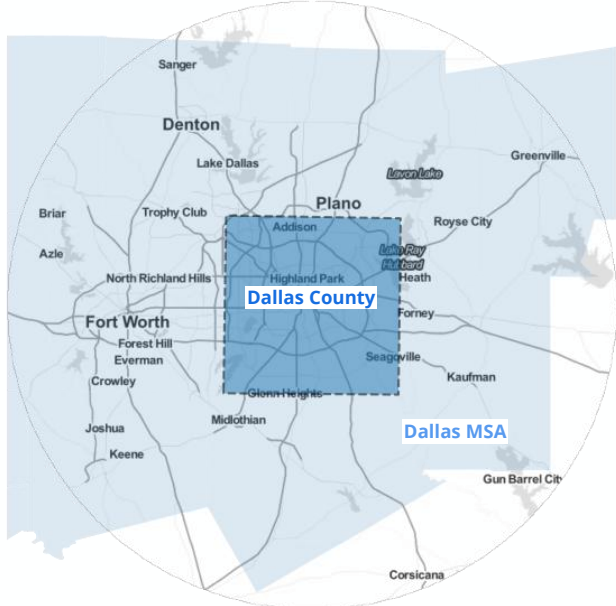
City of Dallas Council Districts



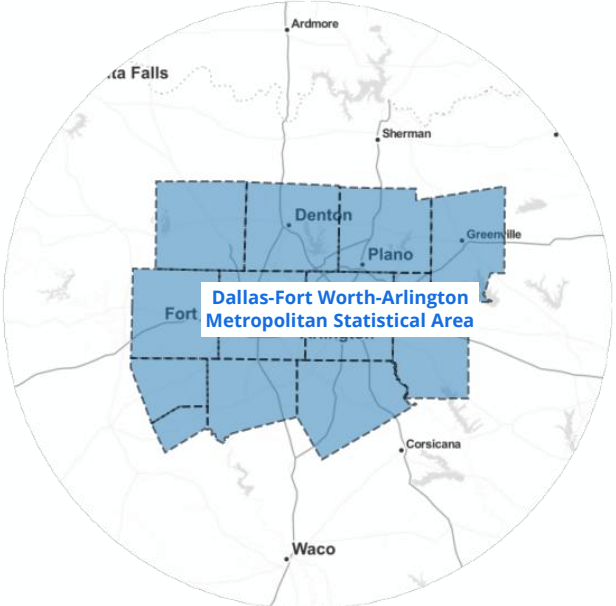
City of Dallas



Dallas County



Dallas-Fort Worth-Arlington MSA



Note(s): All analysis for City of Dallas City Council Districts reflects current boundaries. The Dallas MSA and DFW refer to the Dallas-Fort Worth-Arlington Metropolitan Statistical Area, which aggregate the thirteen counties in the Dallas-Plano-Irving and Fort Worth-Arlington-Grapevine metropolitan divisions.
Source(s): TIGER Shapefiles, US Census.

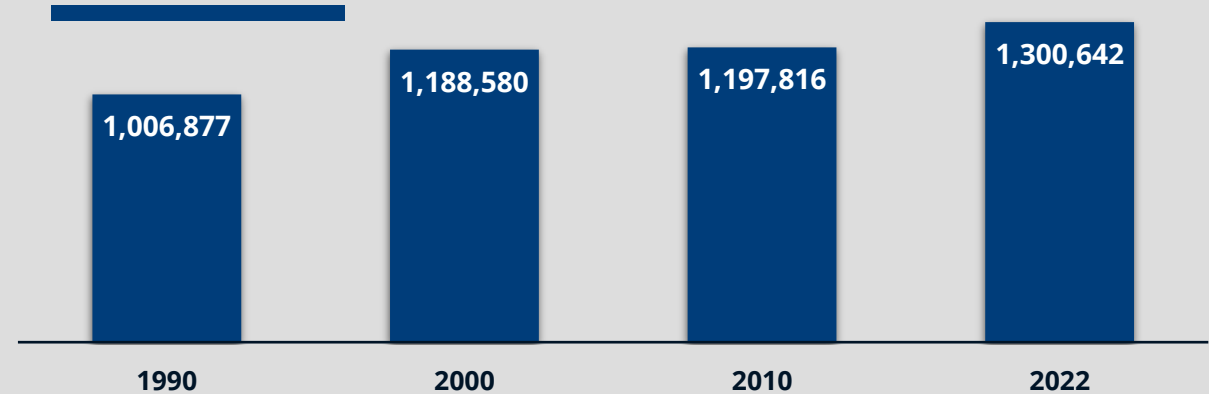
DEMOGRAPHIC OVERVIEW | POPULATION

The City of Dallas population has grown steadily since 1990 but at a slower rate than Dallas County and the DFW metro area—since 2010, the city has added more than 100,000 new residents.

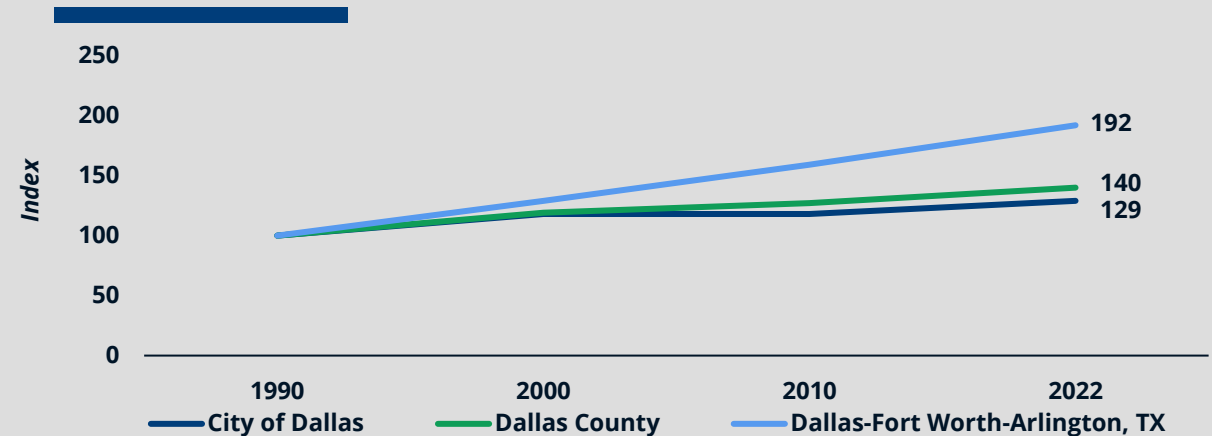
The City of Dallas has grown steadily over the last three decades—gaining approximately 300,000 new residents at a 29% overall growth rate. However, in the context of Dallas MSA’s rapid growth (+92% since 1990), Dallas lags its neighbors.

The growth of the Dallas MSA over time has been characterized by a shift in population away from the City of Dallas and towards the surrounding suburbs and outlying areas. In 1950, over 90% of the population of the Dallas MSA lived within the city limits of Dallas. By 2022, this percentage had dropped to around 17%. This has been driven in large part by residential construction outside the city.

City of Dallas Population
(1990-2022)



Comparative Population Growth
(1990-2022), Index (Values Scaled to 100 for 1990)

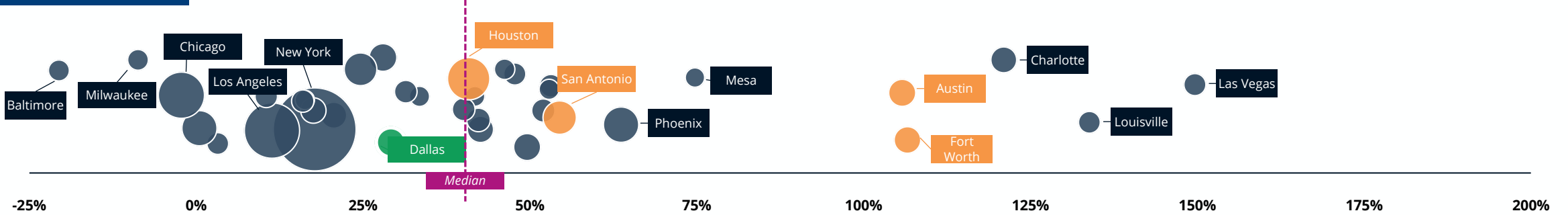


Note: Dallas County and DFW Metro figures are inclusive of their smaller geographies.
Source(s): ACS Decennial 1990 & 2022 B01003: Population.

DEMOGRAPHIC OVERVIEW | POPULATION

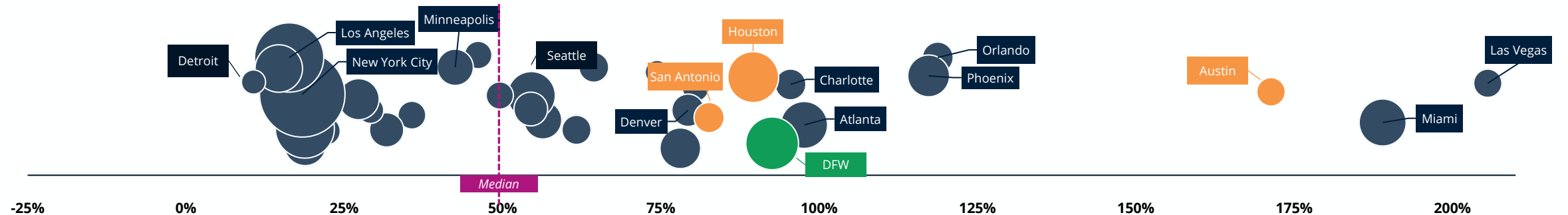
The Dallas-Fort Worth metro was the 8th fastest growing large metro in the country between 1990 and 2022 (out of 40), while the City of Dallas experienced slower population growth compared to its major city peers.

City of Dallas Comparative Population Growth (1990-2022) Cities with population 500,000 or greater



Dallas-Fort Worth Metro Comparative Population Growth (1990-2022) Metro Areas (CBSAs) with population 1,500,000 or greater

Note: Metro areas are denoted by their principal city.



Source(s): Decennial 1990 & ACS 2022 B01003: Population.

DEMOGRAPHIC OVERVIEW | POPULATION

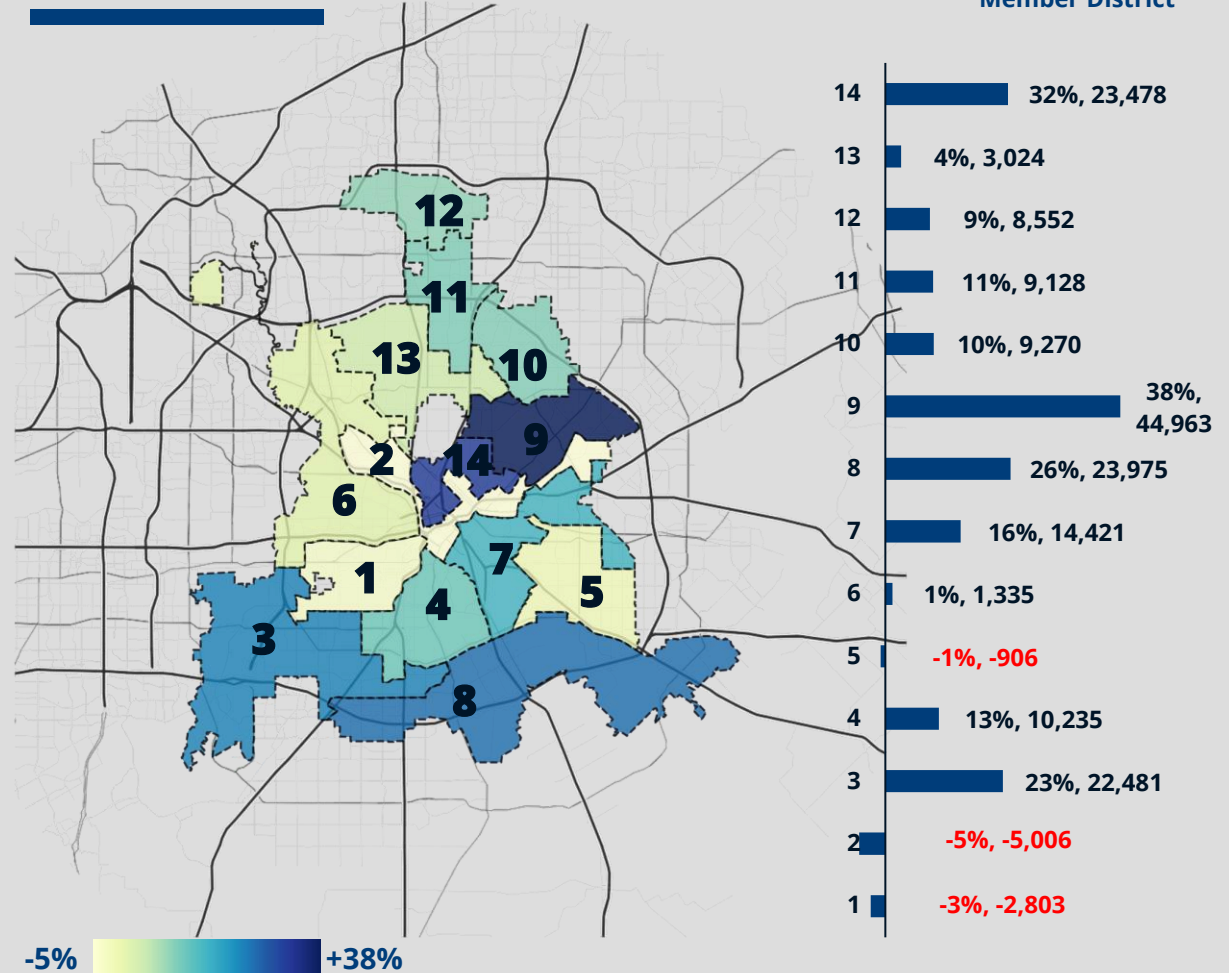
Population growth has varied widely within the city, from up to 38% growth in central and eastern parts of the city, to stagnation and some population decline in west of the Dallas North Tollway.

Population growth impacts the number of residents served by Council Member Districts; while household growth (how the new population organizes into households) impacts the demand for housing units.

Council Districts 9 and 14 saw the greatest rates of growth across the city, their populations growing 38% (+45,000) and 32% (+23,500), respectively. The southern portions of the city also increased in population, with Council District 3 adding ~22,500 new residents (+23%) and Council District 8 adding 24,000 residents (+26%).

Council Districts 1, 2 and 5 lost population (-2,800, -5,000 and -900, respectively) while Districts 6 and 13 added less than 5% in population over the decade.

Population Change (2012-2022)



Note: All analysis of Dallas Council Districts are based on the district boundaries as they were in the corresponding year of the data.

Source(s): ACS 2012-2022 B01003: Population.

DEMOGRAPHIC OVERVIEW | HOUSEHOLD SIZE

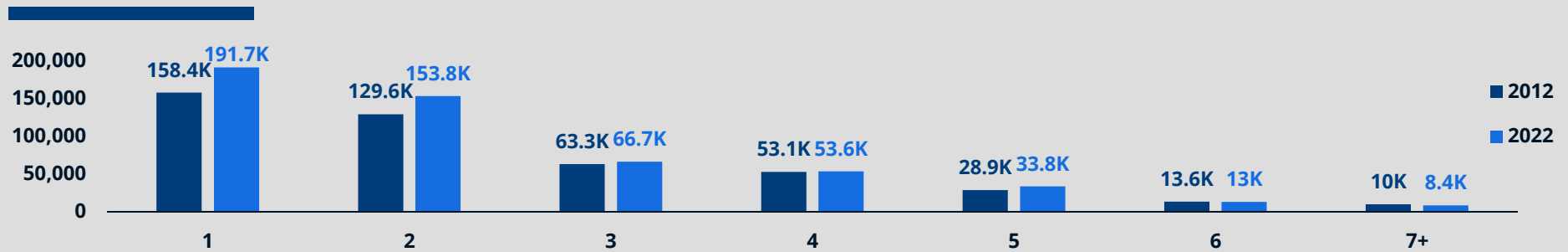
Households in the City of Dallas are increasingly smaller than those in Dallas County and the Metro area—one and two-person households represent 88% of net new households in the city.

While the City of Dallas historically had a smaller average household compared to the DFW metro, this gap has grown in the last decade, with the metro area averaging 0.29 people more per household compared to the city.

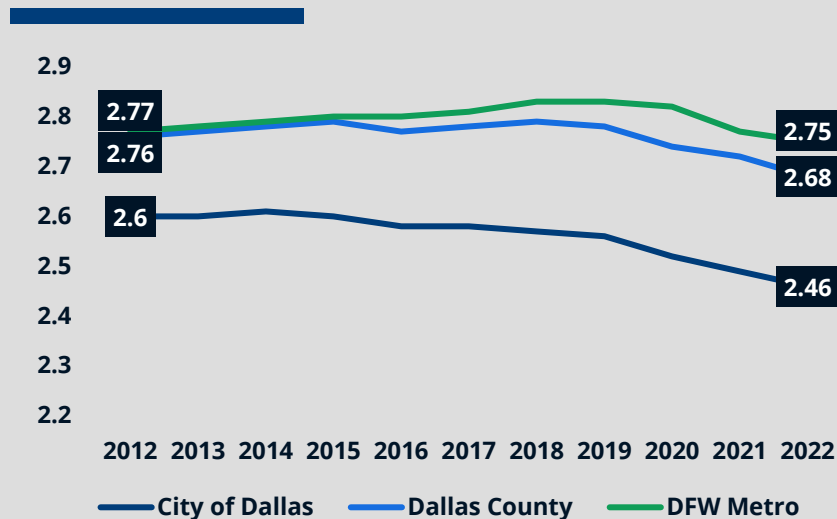
Declining household sizes are a national trend as shown similarly across the City of Dallas, Dallas-Fort Worth metro, and Dallas County. While the metro area had temporarily bucked this trend, household sizes have started to decrease. This may suggest that families in the city are unable to find attractive and affordable options within the city (based on schools or neighborhood amenities) and are instead moving to suburban counties.

IRS data that tracks out-migrants from Dallas County in 2022 shows that more than 6,000 households moved from Dallas County to Collin (7,115), Denton (6,490), Kaufman (7,667) County each. **The average household size of out-migrants was 15% larger than those who moved in.**

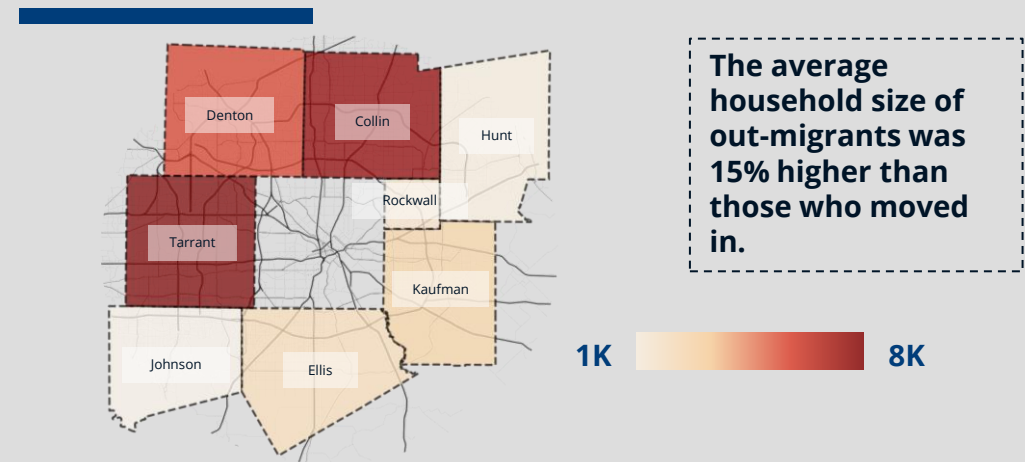
City of Dallas Household Size (2012-2022)



Average Household Size (2012-2022)



Net Out-Migrants from Dallas County to other Metro Counties (2022)



Note: IRS data covers tax season 2021-2022 migration data. Origin is from 2021 and destination is from 2022. **Source(s):** ACS 2012-2022 ACS B25010: Average Household Size, IRS 2022 Out-migrants by income.

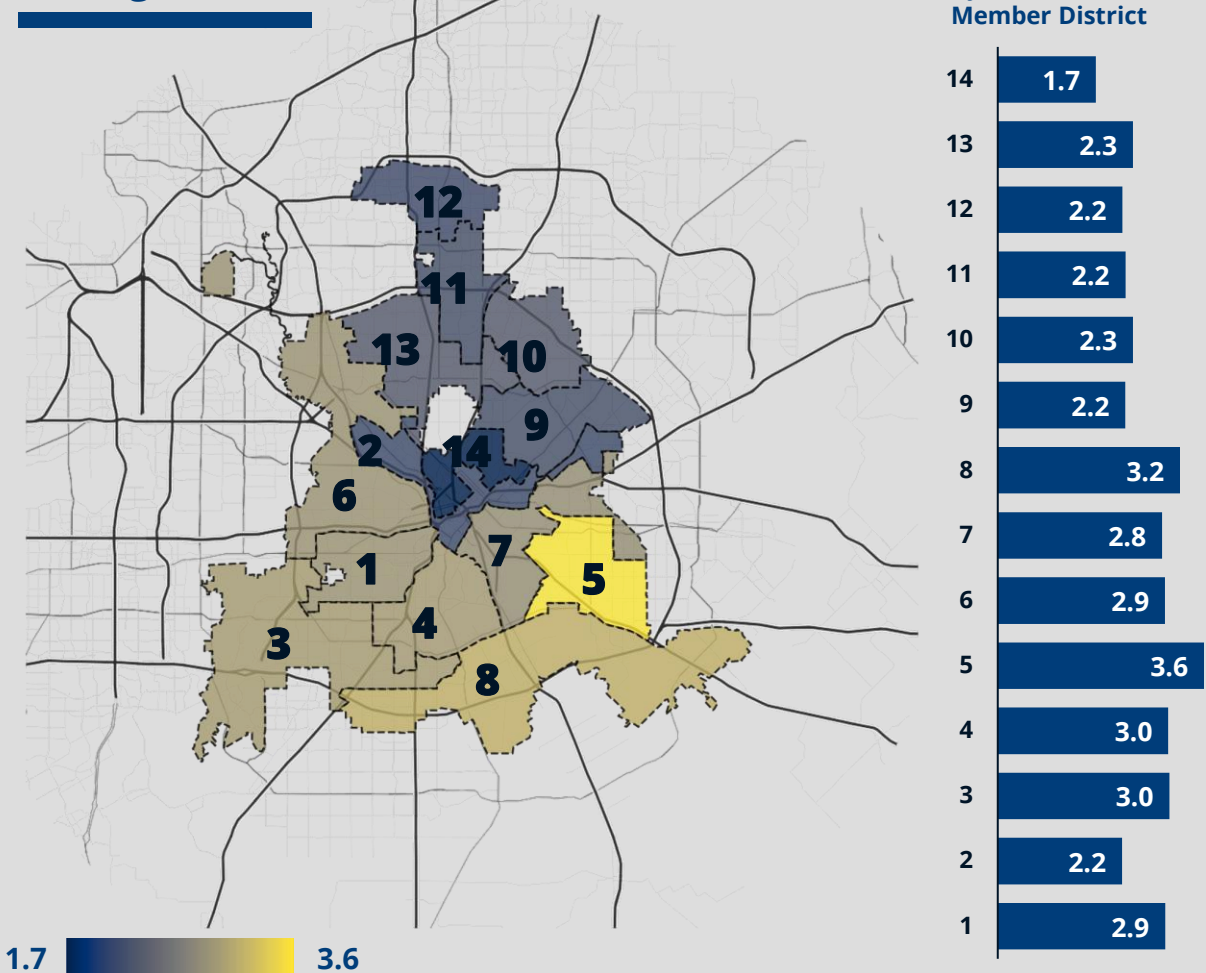
DEMOGRAPHIC OVERVIEW | HOUSEHOLD SIZE

There is a wide range of household sizes across the city—from less than 2 people per household in District 14, to an average household size 3 or greater in Southern Dallas council districts.

The average household size varies across council districts. In the northern districts—2, 9, 10, 11, 12, 13, and 14—the average household size is smaller, at 1.9 persons per household.

In Southern Dallas, which includes districts 1, 3, 4, 5, 6, 7, and 8, the average household size is larger, with 3 people per household as of 2022.

Average Household Size (2022)



Note: All analysis of Dallas Council Districts are based on the district boundaries as they were in the corresponding year of the data.

Source(s): ACS 2022 B25010: Average Household Size.

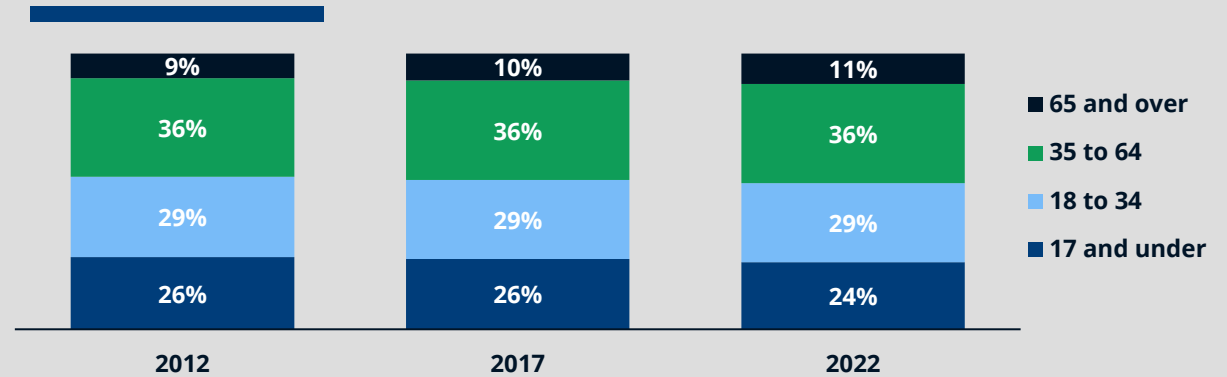
DEMOGRAPHIC OVERVIEW | AGE DISTRIBUTION

The age distribution of residents of the City of Dallas has remained relatively constant since 2012 and is comparable to the county and metro area.

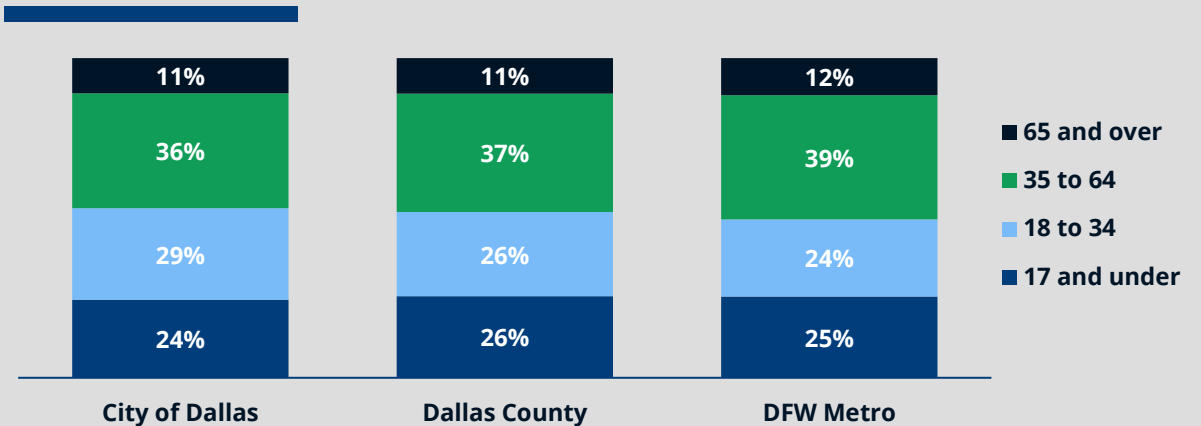
The City of Dallas has a median age of 33.1, lower than the metro area (35.5) and the lowest of Texas’s four largest cities (Houston, Dallas, Austin, and San Antonio).

The age distribution of residents has remained relatively consistent since 2012, with a slight increase in seniors ages 65 and over and a slight decrease in children below the age of 18, in line with national trends.

City of Dallas Age Distribution (2012-2022)



Comparative Age Distribution (2022)



DEMOGRAPHIC OVERVIEW | MEDIAN INCOME

While the City of Dallas median income has increased rapidly since 2012, it remains below both the county and the DFW metro, at \$63,985.

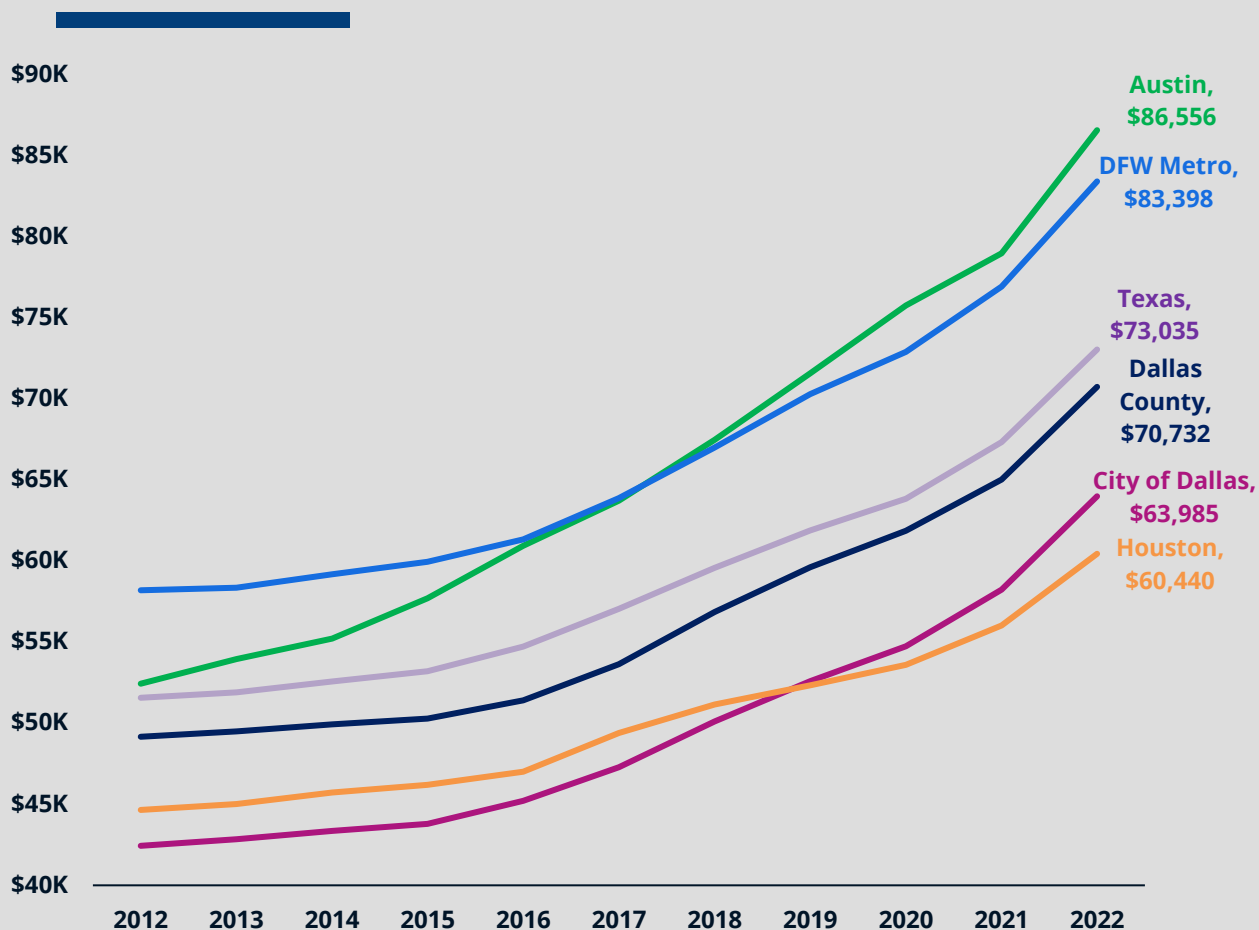
Median incomes in the City of Dallas grew faster than that of the county and metro area in the last decade. However, the metro area's median income remains substantially higher than the State's, whereas both the City and County fall below the state average. The median City of Dallas household earns \$6,700 and \$19,400 less than their counterparts in Dallas County and the DFW metro area, respectively.

Median Income	2012 (Nominal)	2022	Change	Delta
City of Dallas	\$42,436	\$63,985	\$21,549	+50.8%
Dallas County	\$49,159	\$70,732	\$21,573	+43.9%
DFW Metro	\$58,190	\$83,398	\$25,208	+43.3%
Austin	\$52,431	\$86,556	\$34,125	+65.0%
Houston	\$44,648	\$60,440	\$15,792	+35.4%

Note: Driven by a rise in nominal wages, the median income in Dallas has increased by more than \$5,700 compared to last year's report of 2021 data. This trend is consistent with similar increases in Dallas County, the Dallas-Fort Worth metro area, Austin, and Houston. However, these data points reflect rolling 5-year averages and annual variation may not be reflective of a larger trend. Inflation adjusted figures can be found in the appendix.

Source(s): ACS 2012-2022 B19013: Median Household Income.

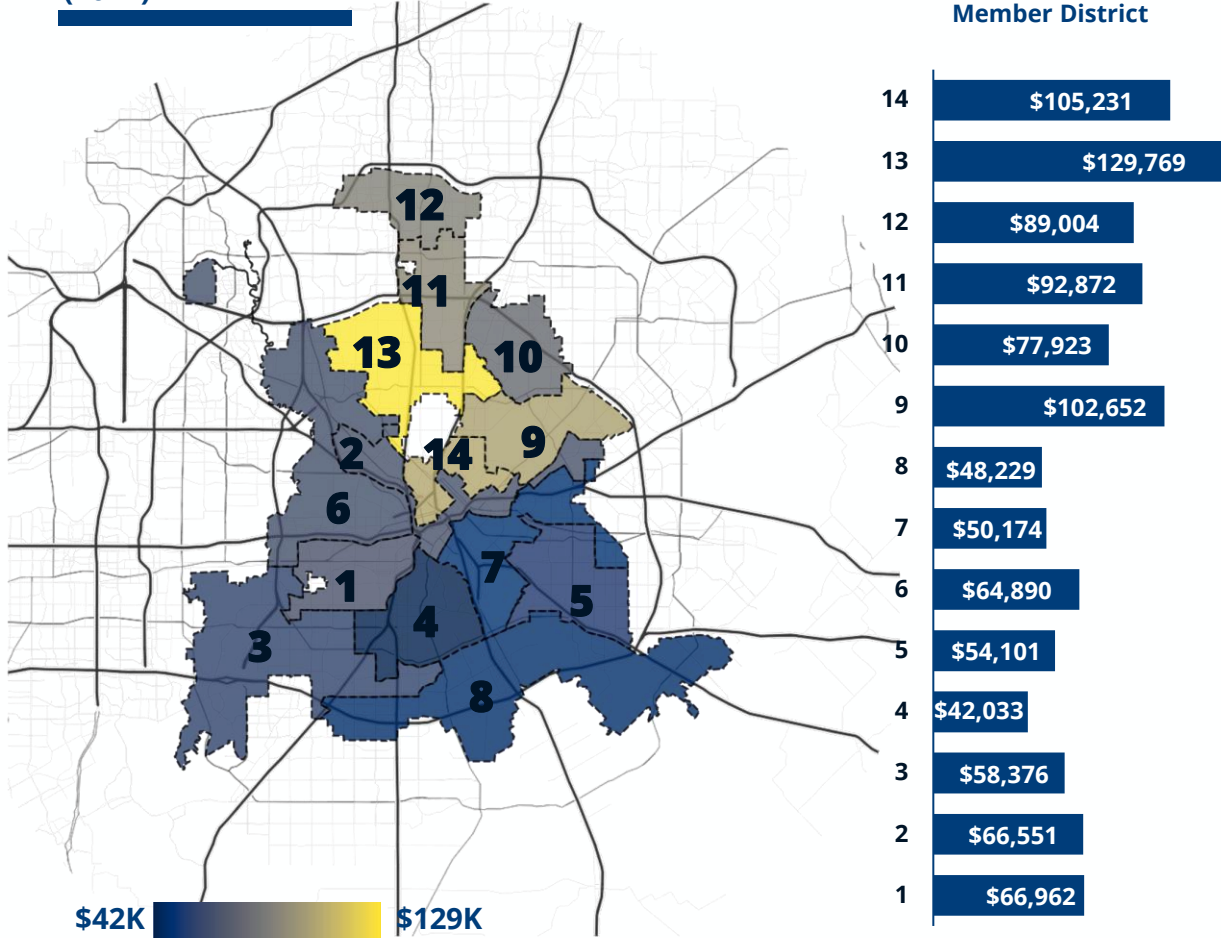
Comparative Median Income (2012-2022, Nominal)



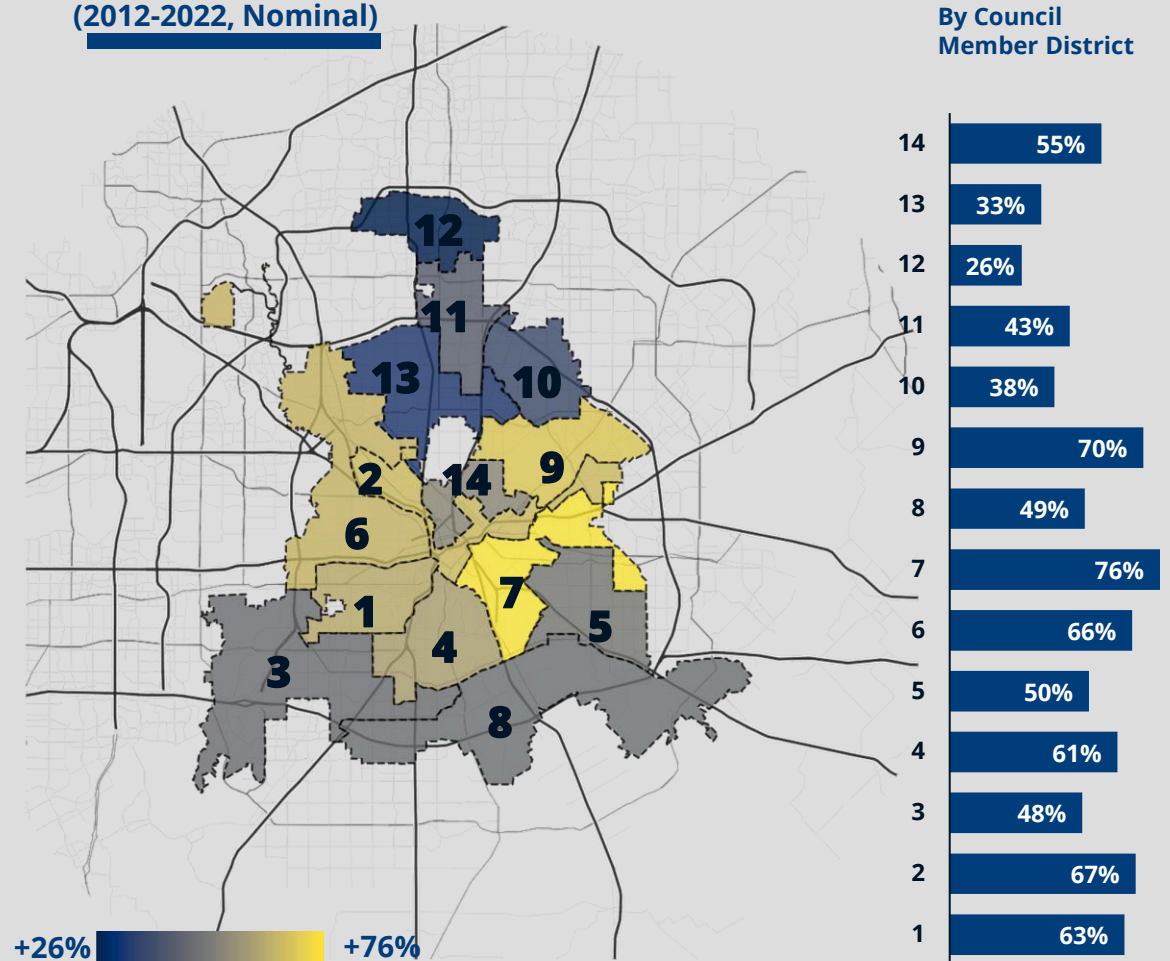
DEMOGRAPHIC OVERVIEW | **MEDIAN INCOME**

Incomes have grown unequally across the city.

Median Income (2022)



Change in Median Income (2012-2022, Nominal)



Note: All analysis of Dallas Council Districts are based on the district boundaries as they were in the corresponding year of the data.

Source(s): ACS 2012-2022 B19013: Median Household Income.

DEMOGRAPHIC OVERVIEW | RACE AND ETHNICITY

Non-White households account for 90% of total household growth since 2012, with 25,900 net new Hispanic/Latino and 17,000 new Black households in the City of Dallas.

Household population grew across all racial and ethnic groups in the city population, with the largest relative increases for Multi-Race (+493%, 1,048)*, Other (+127%, 1,901)*, and Asian households (+45%, 6,534).

Relative to the metro, the City of Dallas has a higher proportion of Black, Hispanic/Latino, and Other households (mostly comprised of multi-racial households), while about half of the households in the metro area are Non-Hispanic White.

Comparative Household Distribution by Race/Ethnicity (2022)

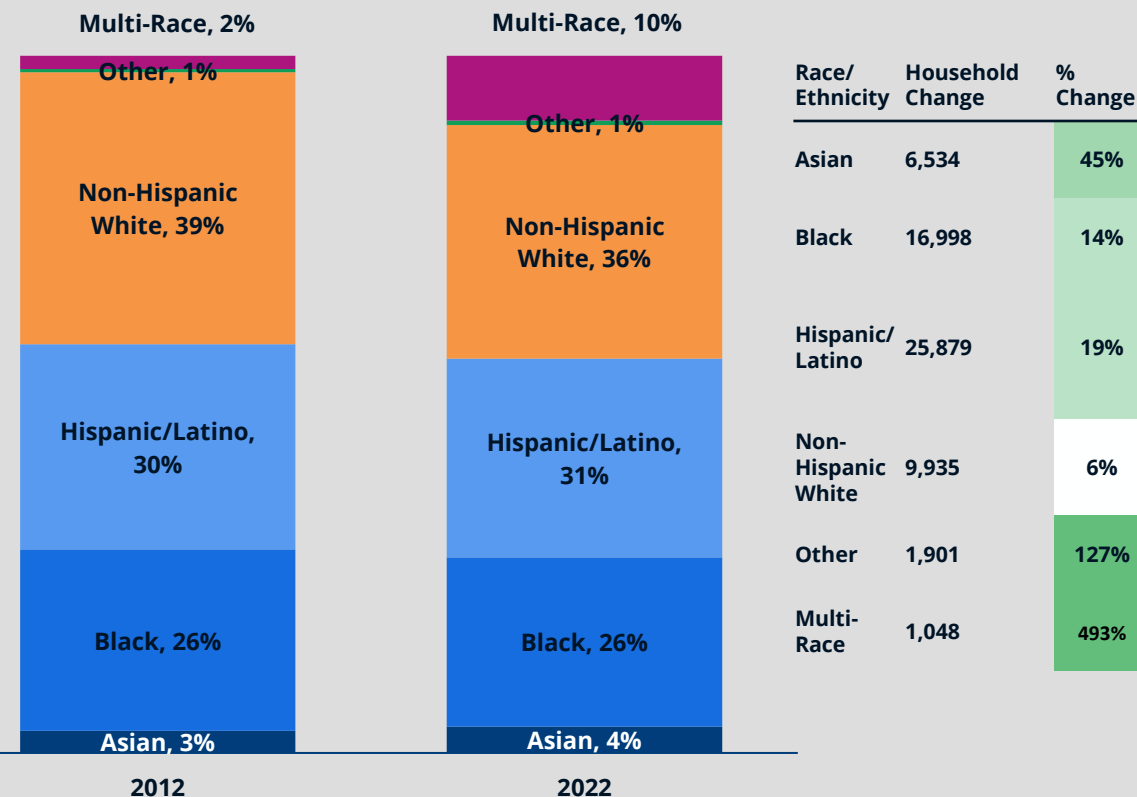
Household Race/Ethnicity	City of Dallas	DFW Metro
Asian	4.1%	6.9%
Black	26.4%	17.3%
Hispanic/Latino	31.0%	22.4%
Non-Hispanic White	36.4%	50.8%
Other	0.7%	0.6%
Multi-Race	10.1%	8.7%

Note: The percentages for the categories may not total 100%. Respondents can identify with more than one race, indicating mixed racial heritage by selecting options like "American Indian" and "White."

*Revisions to the Census form in 2020 resulted a marked increase in "Other" and "Multiracial American" ([source](#)).

Source(s): ACS 2012-2022 B25003A: Tenure By Race.

City of Dallas Households by Race/Ethnicity (2012-2022)

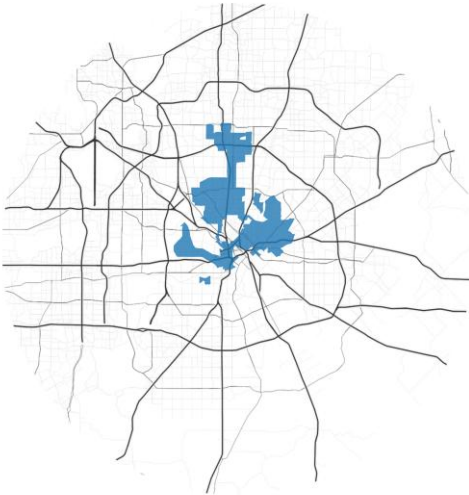


DEMOGRAPHIC OVERVIEW | RACE AND ETHNICITY

Despite a diverse population, the City of Dallas' racial and ethnic groups are quite segregated. Over 70% of the population lives in a Census tract in which one group is more than 50% of the population.

City of Dallas Census Tract by Majority Race/Ethnicity (2022)

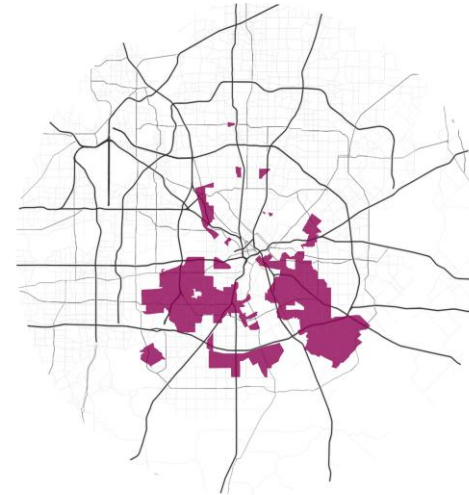
Non-Hispanic White



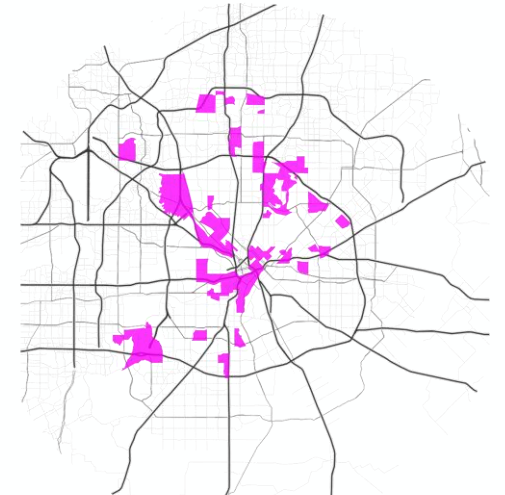
Black



Hispanic / Latino



No Majority Race/Ethnicity



One measure of segregation is a **dissimilarity index**, which compares the proportion of racial groups in census tracts to the proportion of racial groups in the overall city. The index ranges from 0 (complete integration) to 1 (complete segregation), with higher values indicating greater segregation. Of all cities nationally with a population greater than 500,000, **Dallas ranks as the tenth most segregated city** (out of 37 cities) and the **most segregated large city in Texas**.

DEMOGRAPHIC OVERVIEW | RACE AND ETHNICITY

Despite steady gains in median income across racial groups, the income gap between Non-Hispanic White households and Black and Hispanic/Latino households continues to widen in the City of Dallas.

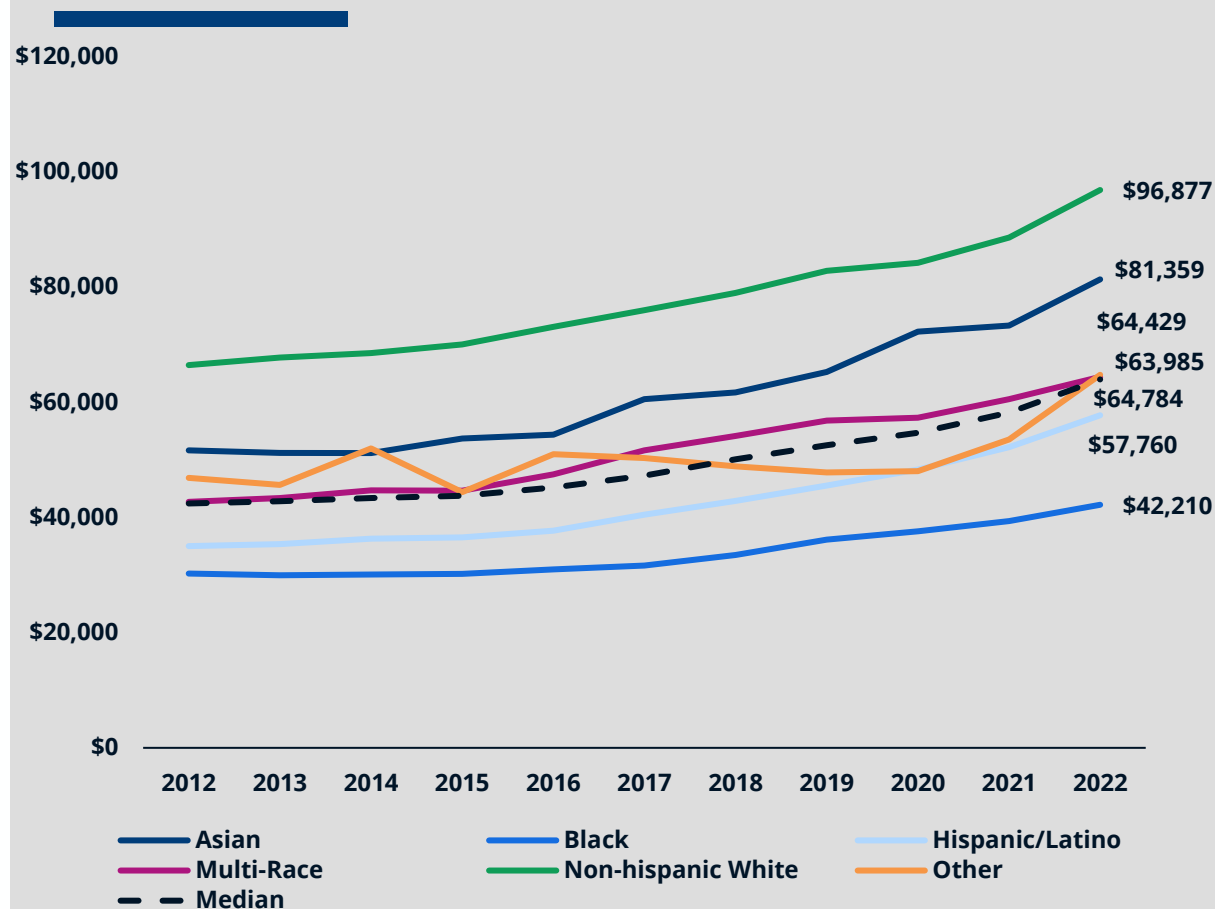
While incomes have grown across all racial groups, they have grown the slowest for Black households, who have a median income of \$42,210, up 40% from 2012 but \$21,775 below the overall median household income. Hispanic/Latino and Asian households' median incomes grew the fastest in the last decade at 65% and 57%, respectively.

The median Non-Hispanic White household has a household income that is \$54,667 more than the median Black household in Dallas. This White-Black income gap has widened from \$36,218 in 2012.

City of Dallas Median Income by Race/Ethnicity
(2012-2022, Nominal)

Race/Ethnicity	2012	2022	Change		Diff. from N-H White Med. Income
Median	\$42,436	\$63,985	\$21,549	51%	-\$32,892
Asian	\$51,685	\$81,359	\$29,674	57%	-\$15,518
Black	\$30,250	\$42,210	\$11,960	40%	-\$54,667
Hispanic/Latino	\$35,035	\$57,760	\$22,725	65%	-\$39,117
Non-Hispanic White	\$66,468	\$96,877	\$30,409	46%	\$0
Other	\$46,892	\$64,784	\$17,892	38%	-\$32,093
Multi-Race	\$42,721	\$64,429	\$21,708	51%	-\$32,448

City of Dallas Median Income by Race/Ethnicity
(2012-2022, Nominal)



Note: According to the Census Bureau's definition, ACS Median Household Income estimates do not include stimulus checks.

Source(s): ACS 2012-2022 B19013 (A, B, C, D, E, F, G, H, I): Median Household Income (By Race).

DEMOGRAPHIC OVERVIEW | RACE AND ETHNICITY

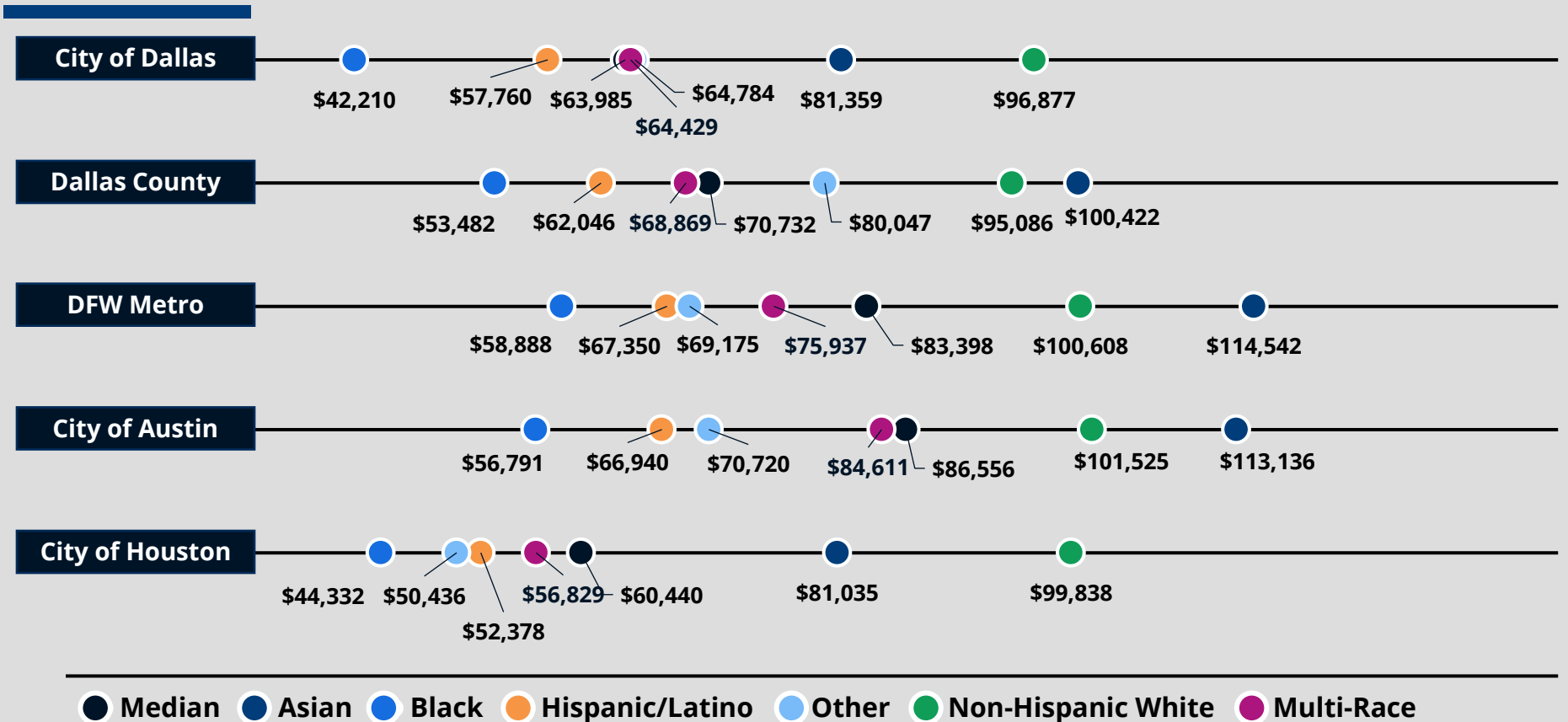
The Non-White population in the City of Dallas and Dallas County earns less than those in the DFW metro area. Asian and Non-Hispanic White households have higher income than other racial groups across regions.

The disparity in median household income across the city, county, and metro varies widely by racial group.

Asian and Black households have the largest disparity. In 2022, the median Black household in the City of Dallas had a household income of \$42,210—**21% less than the median Black household in Dallas County and 28% less than those in the metro region.** The median Asian household in the city earns 19% less than Asian households in the county and **29% less** than counterparts in the metro region.

Non-Hispanic White households in the city have a slightly higher income (2%) than those in the county and only 4% less than those in the metro region.

Median Income by Race/Ethnicity (2022)



Source(s): ACS 2012-2022 B19013 (A, B, C, D, E, F, G, H, I): Median Household Income (By Race).

DEMOGRAPHIC OVERVIEW | TENURE

Renters represent 75% of the net growth in households over the last decade across the City of Dallas—driving down the city’s homeownership rate from 44% in 2012 to 42% in 2022.

The homeownership rate in the City of Dallas has fallen slightly from 44% in 2012 to 42% in 2022—adding 48,500 new renter households compared to only 15,700 new owner households.

Mirroring trends observed in large cities across the country, the cities in the metro that have seen homeownership fall the fastest are those with the highest levels of population growth. Homeownership rates in Plano, Frisco, Allen, Grapevine, and Richardson have all fallen more than seven percentage points.

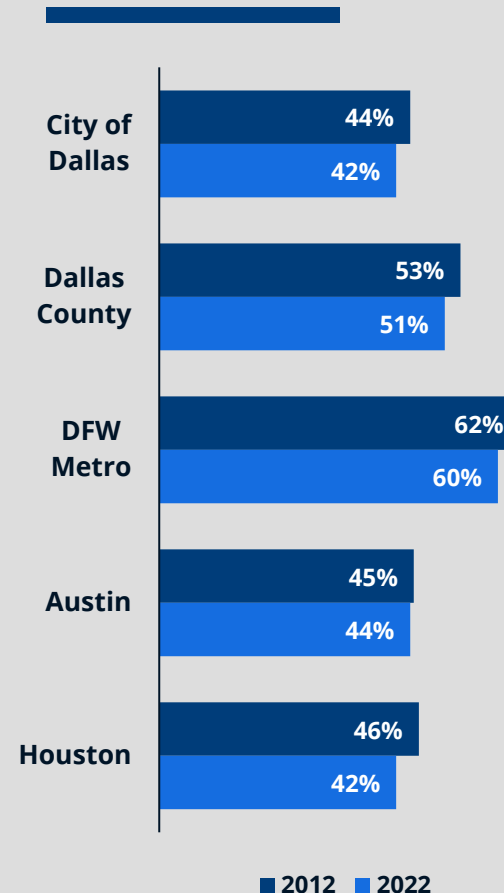
Homeownership in the Dallas-Fort Worth metro has fallen at a similar rate to the City—by two percentage points overall—and remains 18 points higher than the city.

City of Dallas Households by Tenure

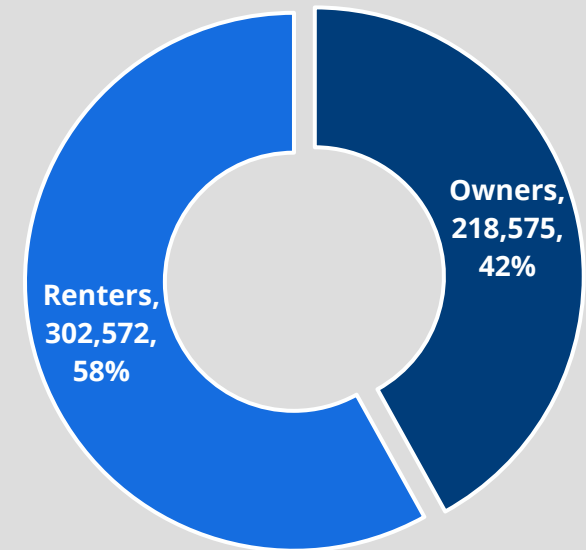
Tenure Type	2012	2022	Delta	% Change
Owners	202,880	218,575	15,695	7%
Renters	254,091	302,572	48,481	19%
Total	456,971	521,147	64,176	14%

Source(s): ACS 2012-2022 B25003: Tenure.

Homeownership Rate (2012-2022)



City of Dallas Households by Tenure (2022)



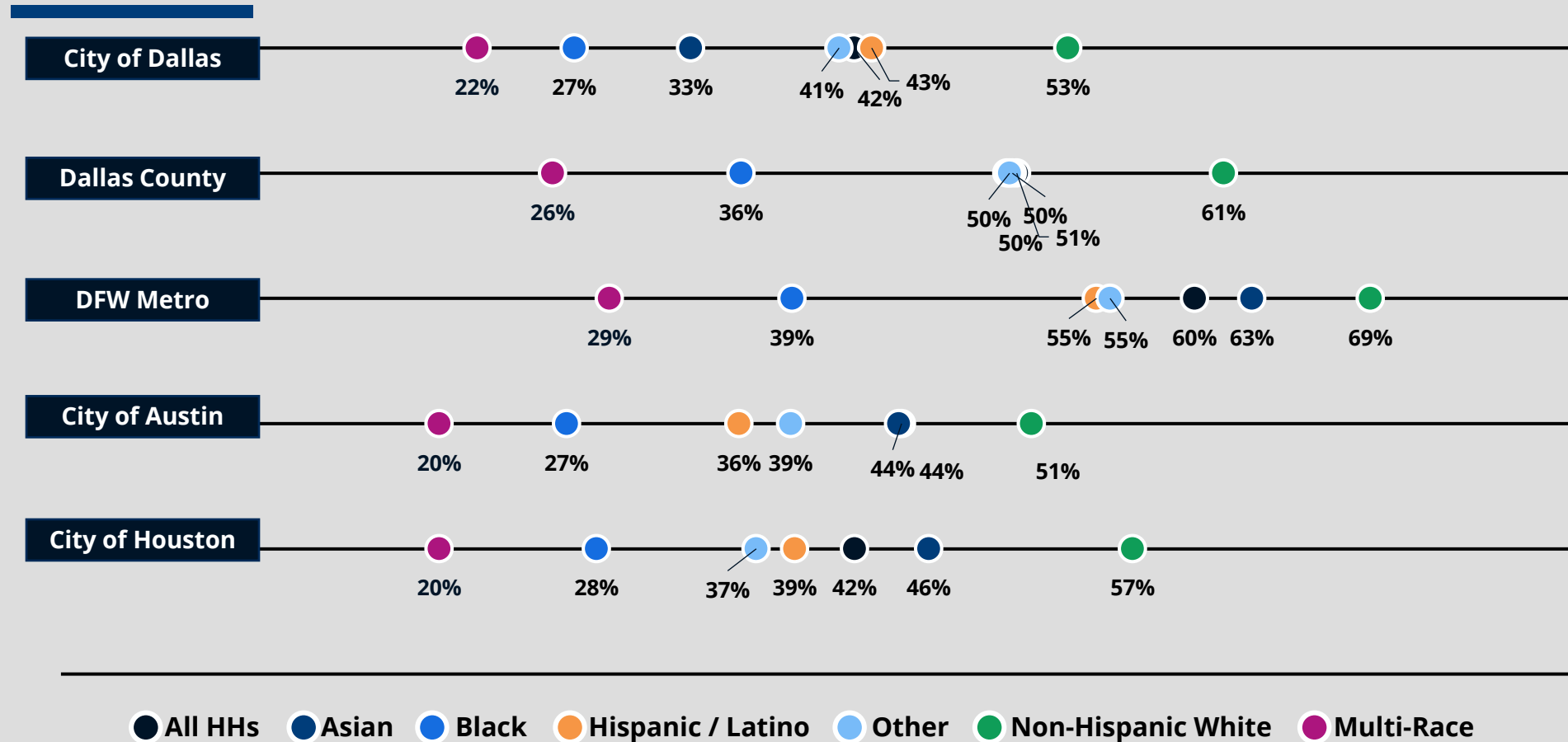
DEMOGRAPHIC OVERVIEW | TENURE BY RACE AND EHTNICITY

The City of Dallas' Black homeownership rate is similar to Austin's and Houston's, and significantly lower than the greater metro's.

The 26-point gap in Black and Non-Hispanic White homeownership rates in the City of Dallas is slightly lower than in Houston (29-point gap) and slightly higher than in Austin (24-point gap).

While the homeownership rate for all racial groups is higher in the county and metro area, so are the gaps between minority homeownership rates and the Non-Hispanic White homeownership rate.

Homeownership Rate by Race (2022)



Source(s): ACS 2022 B25003 (A, B, C, D, E, F, G, H, I): Tenure (By Race).

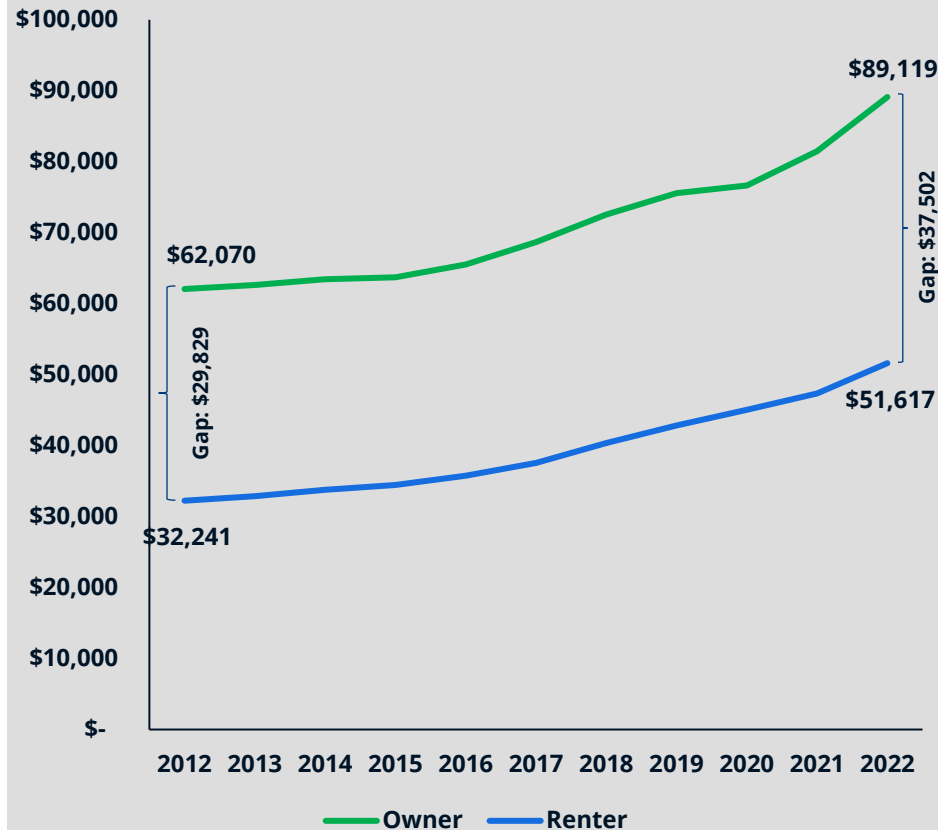
DEMOGRAPHIC OVERVIEW | TENURE BY INCOME

The gap between median owner households and median renter households is growing, with the gap expanding by \$7,600, marking a 26% increase since 2012.

The median owner household in the City of Dallas has an income of \$89,100—\$37,500 more than renter households in the City. This gap has increased from \$29,800 in 2012, a 26% jump, despite the increase in high income renter households.

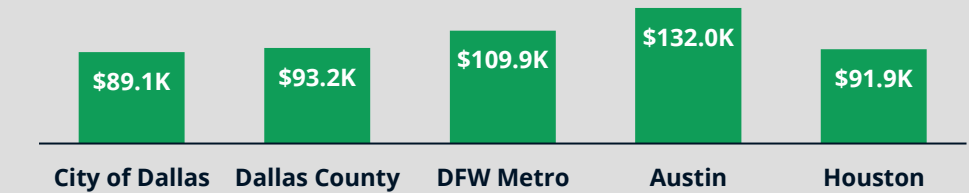
Compared to median incomes in the County and Metro area, City of Dallas owners and renters lag slightly behind their counterparts.

City of Dallas Median Income by Tenure Type (2012-2022, Nominal)

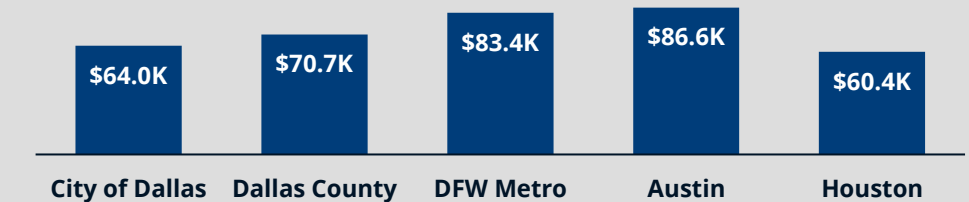


Comparative Income by Tenure Type (2022)

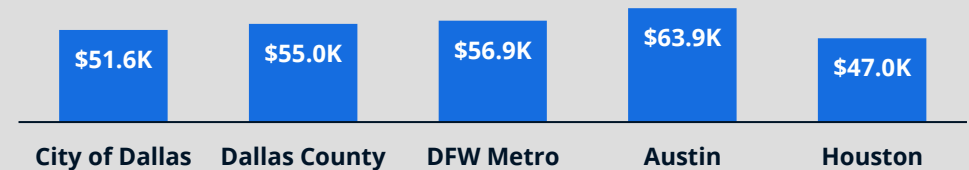
Owner Households



All Households



Renter Households



Source(s): ACS 2012-2022 B25119: Median Household Income By Tenure.

DEMOGRAPHIC OVERVIEW | EDUCATIONAL ATTAINMENT

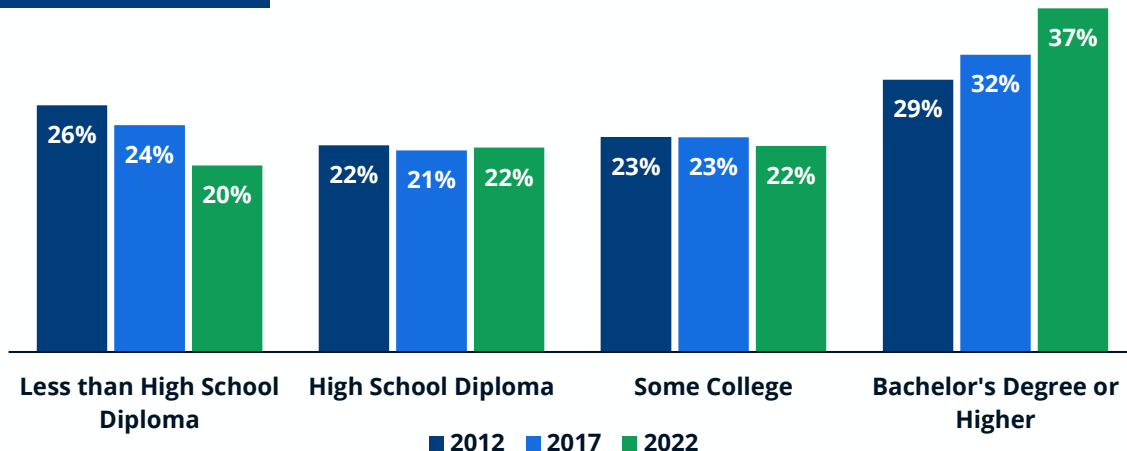
While educational attainment has increased rapidly in the City of Dallas, median rent remains unaffordable for 71% of residents, particularly residents without a bachelor's degree.

Educational attainment has increased rapidly in the City of Dallas over the past decade, with a six percentage-point decrease in those without a high school diploma and an eight percentage-point increase in those with a bachelor's degree or higher.

Due to rising incomes, residents with a bachelor's degree have seen a modest improvement in housing affordability but still hover just above the income needed to comfortably afford the median-priced rental unit.

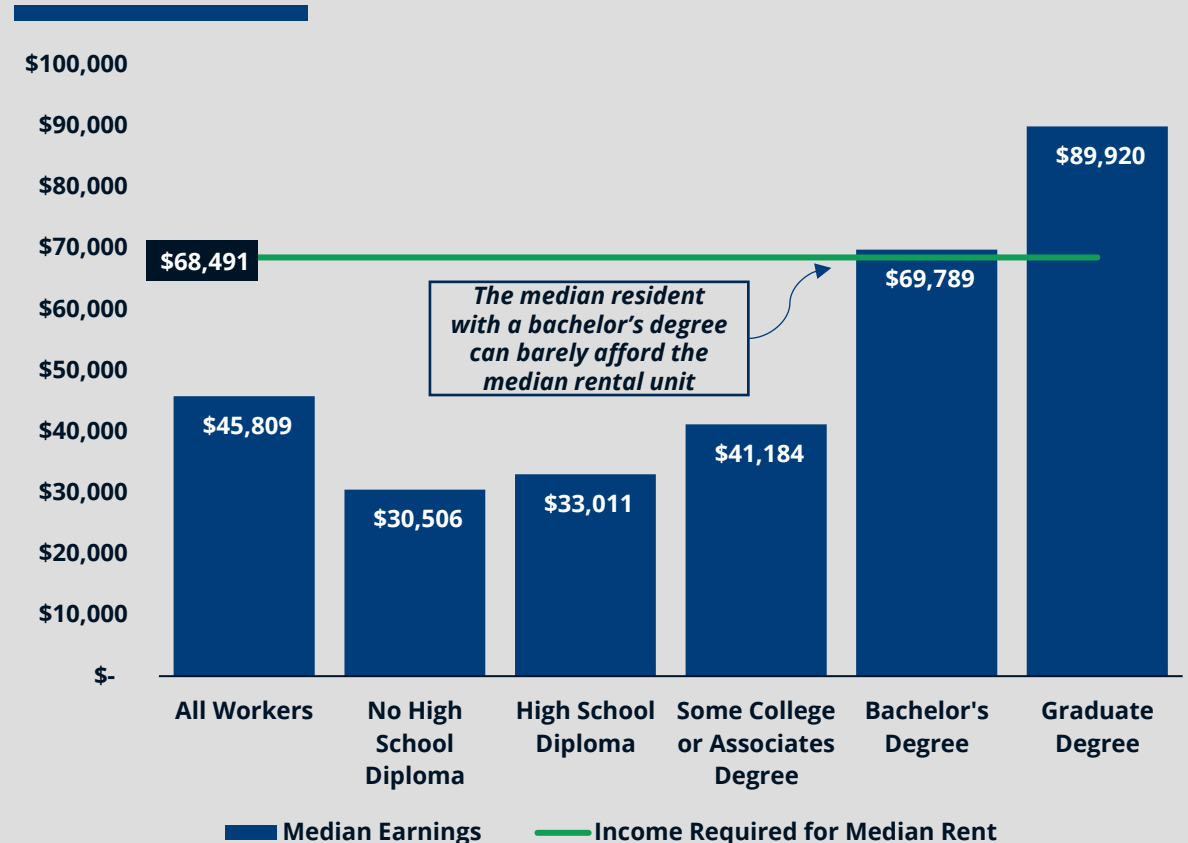
Despite these gains, median rent remains unaffordable to 71% of residents, particularly those without a bachelor's degree.

City of Dallas Educational Attainment (2012, 2017, 2022)



Source(s): ACS 2012-2022 B15003: Educational Attainment for the Population 25 Years and Over, B20004: Median Earnings by Sex by Educational Attainment for the Population 25 Years and Older, B25064: Median Gross Rent, Zillow Observed Rent Index (ZORI).

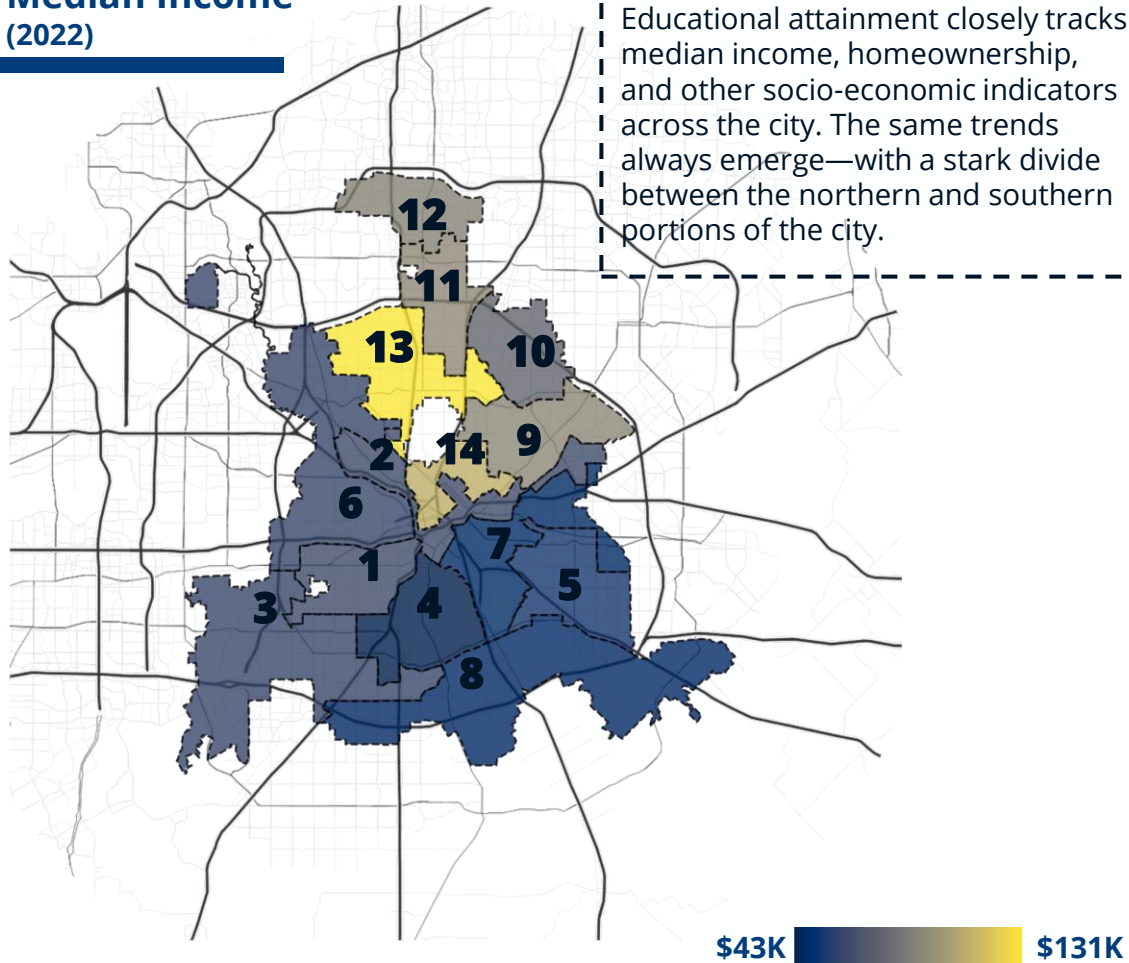
Median Earnings by Educational Attainment and Income Required for Median Rent (2022)



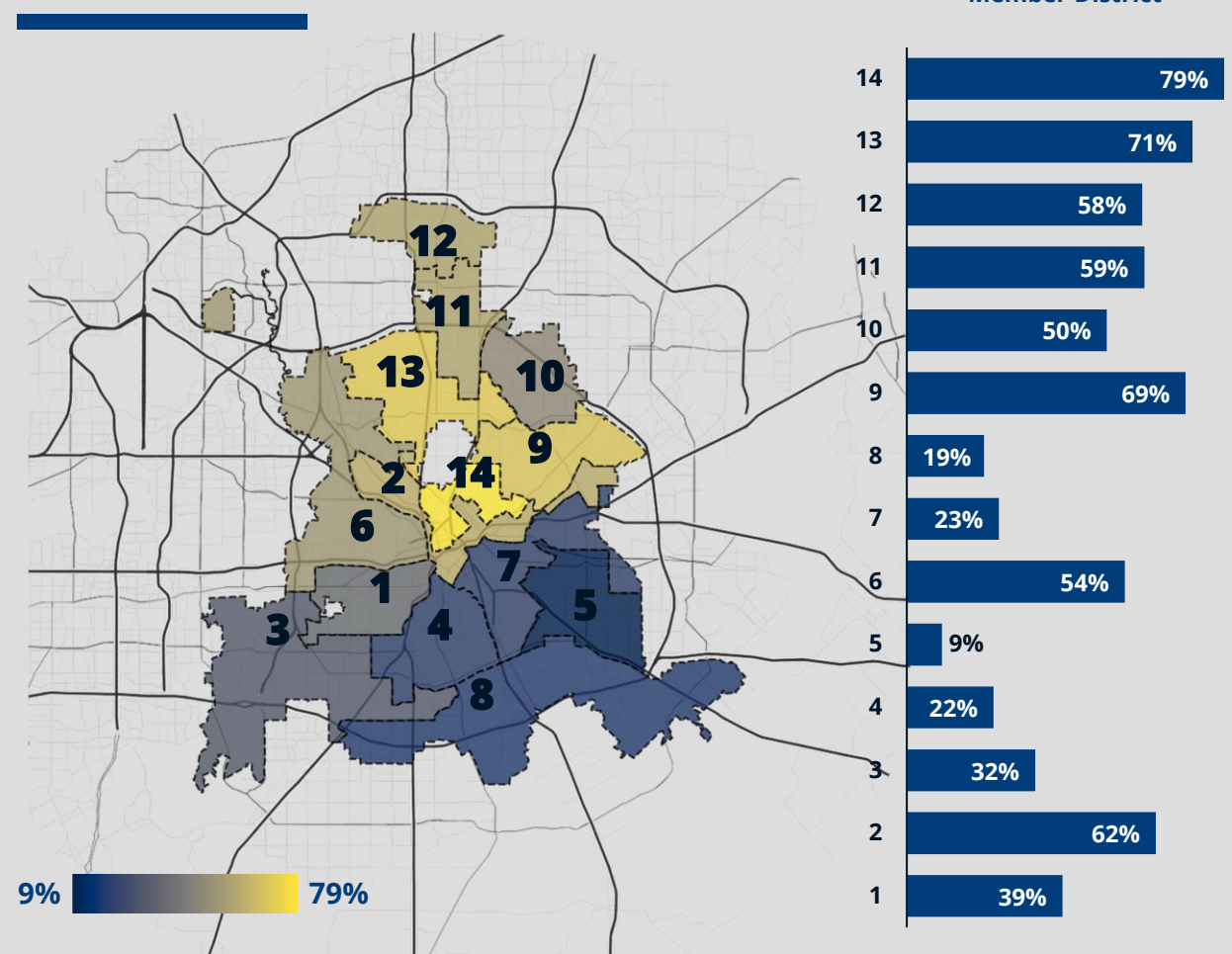
DEMOGRAPHIC OVERVIEW | MEDIAN INCOME BY EDUCATIONAL ATTAINMENT

Within the City of Dallas, there is a wide disparity in educational attainment levels. Nearly 80% of heads of households in District 14 have a Bachelor's degree or higher, compared to less than 10% in District 5.

Median Income (2022)



Households with a Bachelor's Degree or Higher (2022)



Source(s): ACS 2022 B19013: Median Household Income, B25013: Tenure By Educational Attainment of Householder.

DEMOGRAPHIC OVERVIEW | HOUSEHOLD INCOME

Dallas continues to experience changes in household earnings, with a significant increase in the number of households earning over \$100,000, potentially driven by rising wages or higher income households moving into Dallas.

City of Dallas Households by Income
(2012, 2022)



Source(s): ACS 2012-2022 ACS 2012 & 2022 B19001: Household Income.

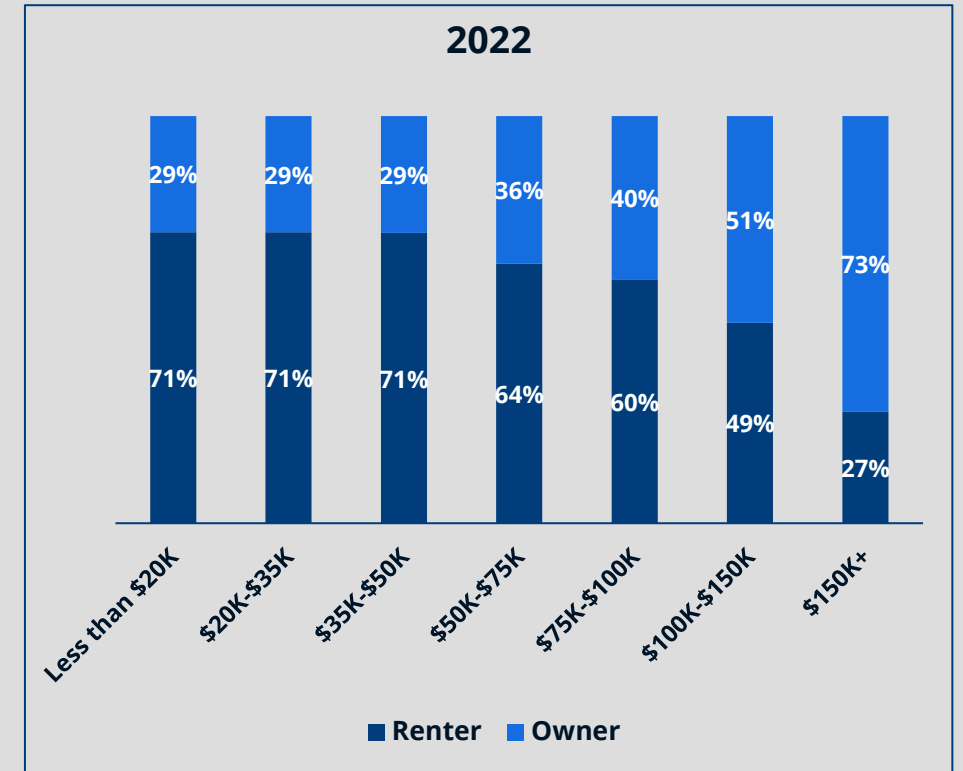
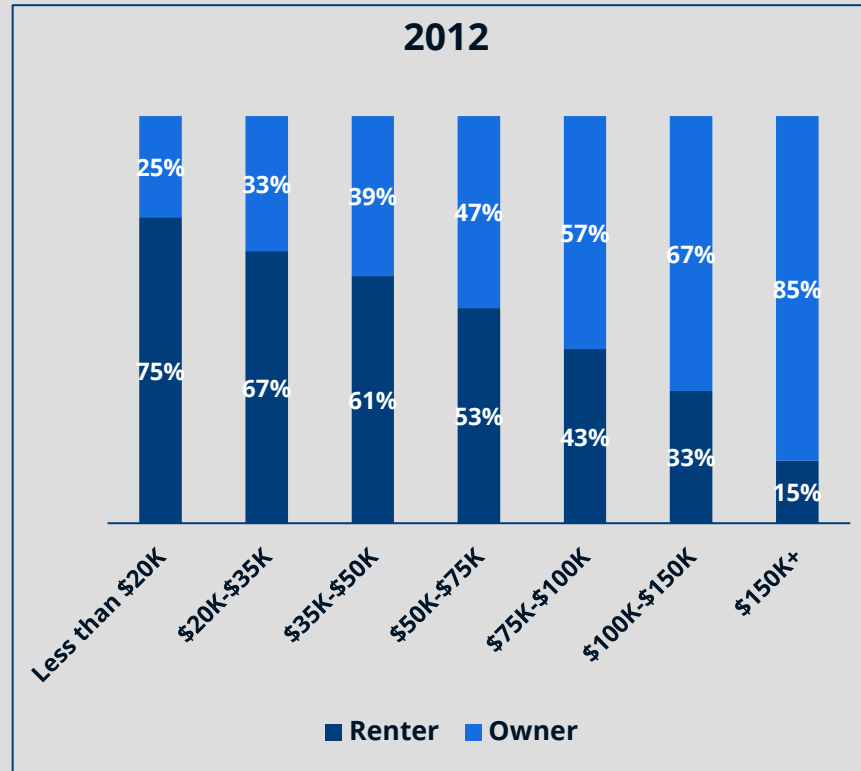
DEMOGRAPHIC OVERVIEW | INCOME BY TENURE

Higher income households are much more likely to be renters than a decade ago. In 2012, 24% households earning more than \$100,000 were renters, compared to 37% in 2022.

Though renter household earnings have increased the last decade, home prices have increased faster, precluding many renter households from making the transition to homeowners.

In 2019, the income required to purchase the median priced home was around \$50,100 and the median renter income was \$43,000*. In 2022, due to both interest rate and price pressure, **the median income required to purchase the median home has reached \$100,000, while the median renter income is just \$51,600.**

Households by Income by Tenure (2012-2022)



Note: *Using 2019 as a reference year to reflect pre-pandemic home prices. Homeowners insurance and Homeowner Association Fees are included in the income required calculation.

Source(s): ACS 2012-2022 B25118: Tenure by Household Income, Zillow Observed Rent Index (ZORI), Zillow Home Value Index (ZHVI), FRED Monthly 30 Year Rate Mortgage Average, Dallas County Tax Assessor Millage Rates.



03

Economic Overview

Key Takeaways

- 1** **The Dallas-Fort Worth metro area leads in post-pandemic employment growth**, surpassing pre-pandemic levels by adding 348,000 net new jobs between February 2020 and December 2023, more than any other large U.S. metro area.
- 2** The Dallas-Fort Worth metro area experienced the **fastest growth among large U.S. metros in jobs paying above \$50,000**, with an increase of 42% from 2013 to 2023. While workers across the income spectrum experienced a rise in wages, **lower-paying retail, service, and support jobs still represent about 45%** of the total labor pool.
- 3** The City, County, and Metro all have a labor force participation rate of around **69%, staying constant since 2019** and higher than both state and national figures.
- 4** Projections suggest that the metro area will add an additional **587,000 net new jobs between 2024 and 2034**.

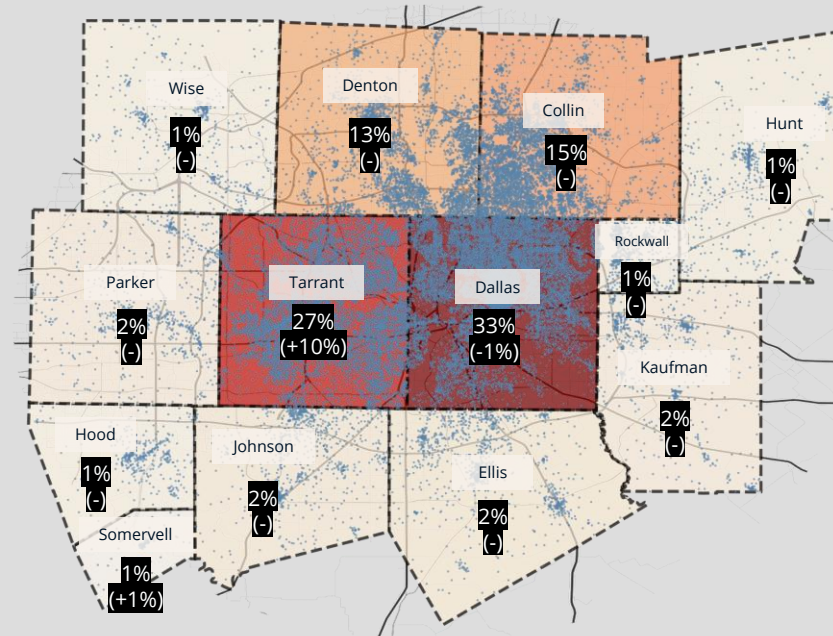
ECONOMIC OVERVIEW | EMPLOYMENT

The Dallas-Fort Worth metro area has surpassed its pre-pandemic employment levels, adding 348,000 net new jobs between February 2020 and December 2023. Between 2022 and 2023 alone, the metro area added 70,000 jobs, reflecting a 2% increase in employment—a rate of growth comparable to that of the Austin and Houston metro.

The Dallas-Fort Worth metro leads in post-pandemic employment growth among large U.S. metros, surpassing pre-pandemic levels in both net new jobs and percentage increase since 2020. The metro has made a strong recovery, with an unemployment rate below 4%, compared to a pandemic high of 11.5% in May 2020.

Jobs are becoming increasingly distributed across metro area counties. In 2010, 38% of all jobs in the metro area were in Dallas County, but by 2023, 33% of all jobs were in Dallas County, slight decrease from 34% in 2022. Notably, Tarrant County experienced significant increases in their share of jobs, with each adding more than 10 percentage points between 2022 and 2023 alone.

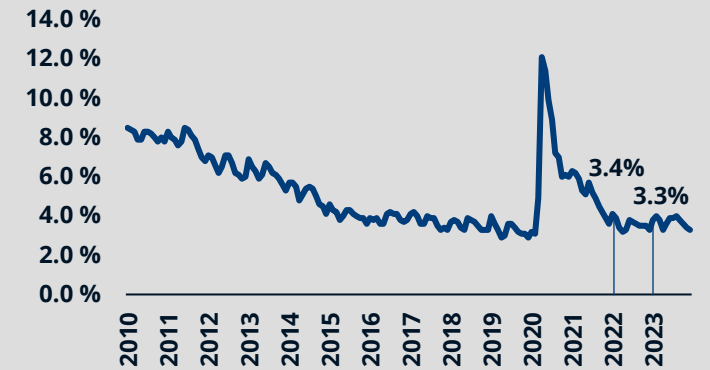
DFW Share of Employment by County (2023)



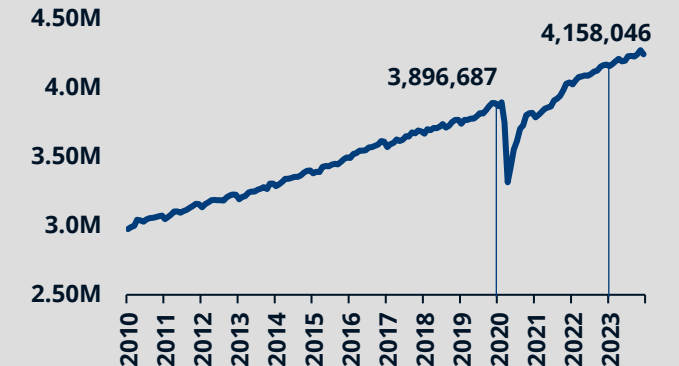
● Location of Employer by Size

Note: The percentages at the top indicate the share of employment by county in 2023, while the percentages in parentheses below represent the change from 2022.

DFW Metro Unemployment Rate (2010-2023)



DFW Metro Total Employment (2010-2023)



Source(s): Bureau of Labor Statistics (BLS) 2010-2023 Employment, Unemployment.

ECONOMIC OVERVIEW | EMPLOYMENT

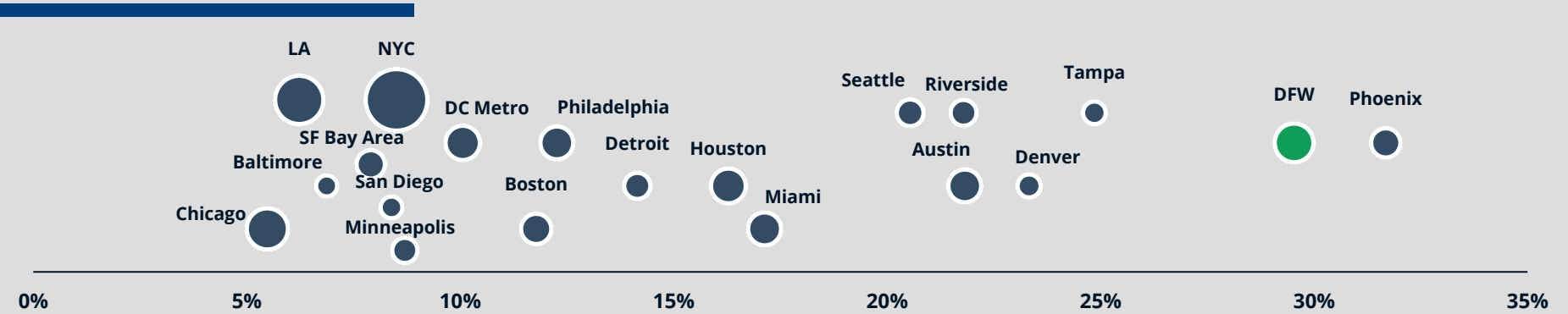
Over the last decade, jobs in the Dallas-Fort Worth metro increased by 28%, the second highest across the top twenty metros in the nation.

The total number of jobs in the Dallas-Fort Worth metro area has grown by 28% since 2013, making it the second fastest-growing large metro area in the country.

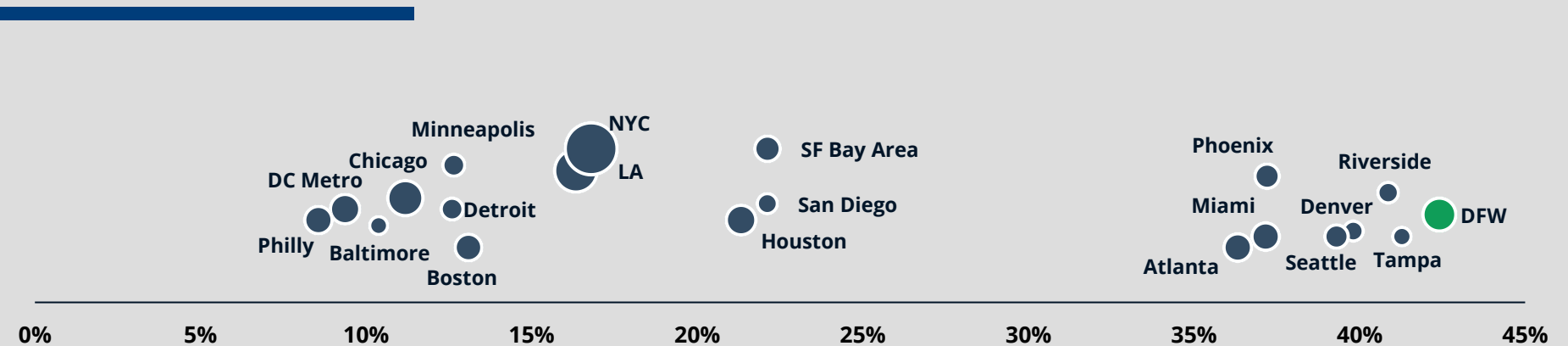
Despite a wave of high-profile layoffs in the tech industry in metros like the SF Bay Area and Seattle, the DFW metro has seen significant job gains in both the tech and healthcare sectors, fueling growth in jobs paying above \$50,000.

The metro experienced the fastest growth among large U.S. metros (out of 40) in number of jobs paying above \$50,000 from 2013 to 2023, with an increase of 42%.

Metro Area Percentage Change in Net Jobs (2013-2023)



Metro Area Percentage Change of Jobs with Wages above \$50,000 (2013-2023)



Source(s): BLS QCEW 2013-2023 Job Count by Occupation, Median Wage by Occupation, Lightcast 2013-2023 Occupation, Top 20 Metro Areas by ACS 2022 B01003: Population.

Note: The vertical position the bubbles are randomized for legibility. The size of the bubbles correspond to the relative size of the employment market.

ECONOMIC OVERVIEW | EMPLOYMENT AND AFFORDABILITY

Dallas-Fort Worth remains one of the more affordable metros in the country, with a lower home price to salary ratio compared to coastal peers, but has been rapidly becoming less affordable.

In 2023, the median home in the Dallas-Fort Worth metro area was priced at 7.9x the median salary, an increase from 7.5x in 2022. Housing in the DFW metro remains more affordable compared to California metros such as the Bay Area and Los Angeles, despite higher median salaries in those metros.

However, the Dallas metro area is less affordable than Houston by this metric due to higher sales prices.

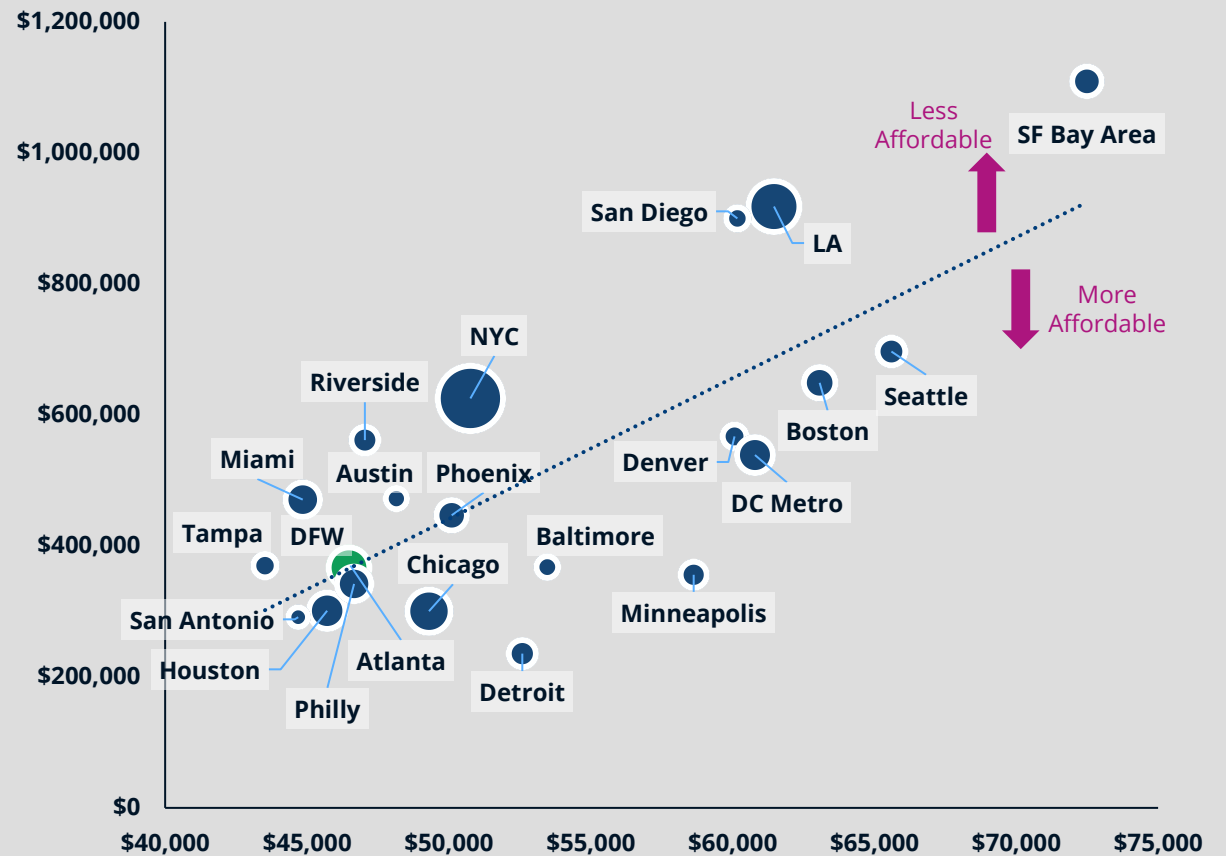
Dallas-Fort Worth's affordability has decreased precipitously. The median home cost was 4.1x the median salary in 2012, rose to 6.2x in 2019, and 7.5x in 2022. In 2023 this ratio rose to 7.9x, indicating a **continuing trend of decreasing housing affordability over time.**

Common underwriting standards suggest a household income to home price ratio of 3x-5x for first-time homebuyers, which excludes most single-income households from homeownership.

Source(s): ACS 2012-2019 B24031: Median Earnings, BLS 2023 Occupations Wages, Zillow 2023 Median List Price, Top 20 Metro Areas by ACS 2022 B01003: Population.

Metropolitan Statistical Area	Median Salaries per Median Home
San Francisco Bay Area	15.30
San Diego, CA	14.96
Los Angeles, CA	14.94
New York City	12.31
Riverside, CA	11.94
Seattle, WA	10.62
Miami, FL	10.49
Boston, MA	10.29
Denver, CO	9.44
Phoenix, AZ	8.92
Washington, DC	8.86
Tampa, FL	8.50
Atlanta, GA	7.95
Dallas-Fort Worth, TX	7.89
Philadelphia, PA	7.33
Baltimore, MD	6.88
Houston, TX	6.58
Chicago, IL	6.09
Minneapolis, MN	6.07
Detroit, MI	4.48

Median Wage versus Median Home Sale Price (2023)



Note: The size of the bubble corresponds to the number of jobs of the metro area.

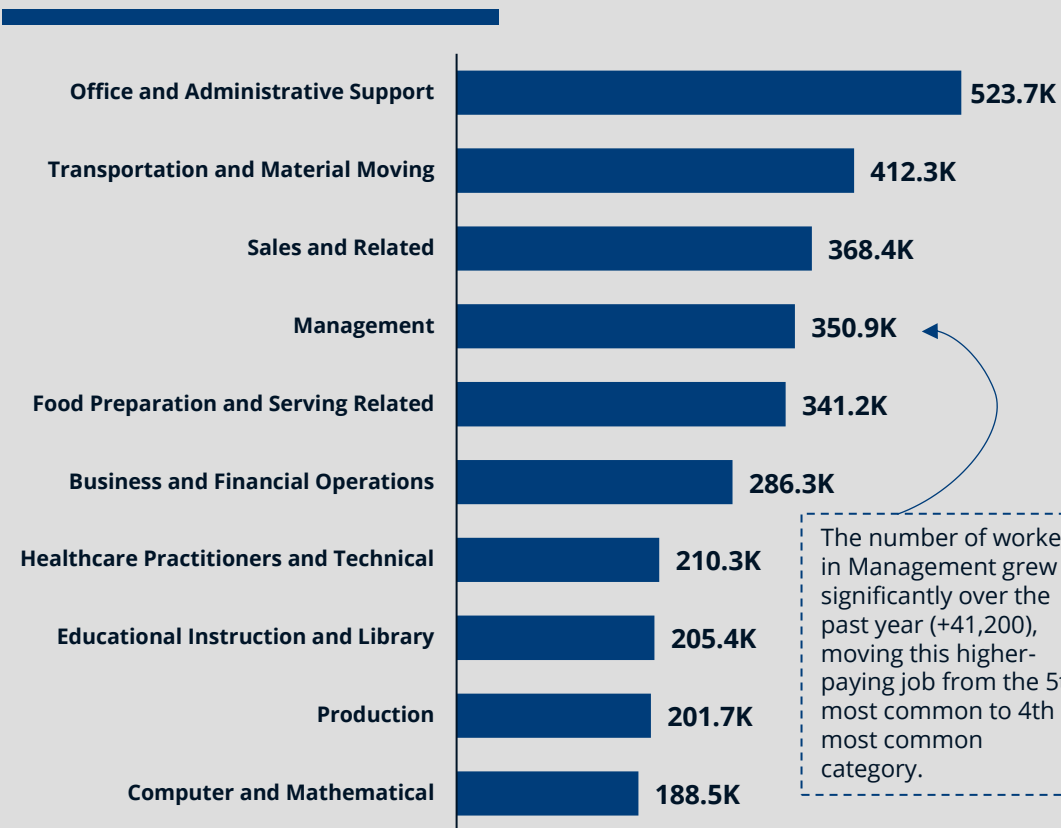
ECONOMIC OVERVIEW | OCCUPATIONS

The DFW metro has a diverse job market, but lower-paying retail, service, and support jobs represent about 45% of total jobs in 2023, an increase from 40% in 2022.

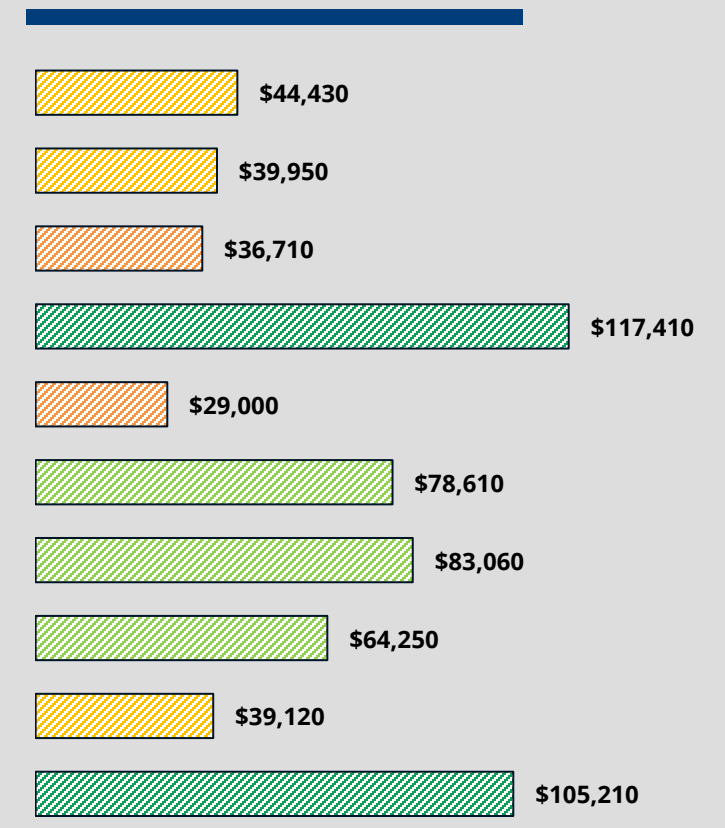
The three most common job types in Dallas pay \$45,000 or less.

However, between 2018 and 2023, the highest growth occupations were Management, Transportation, Business, and Computer Science jobs, indicating a shift towards higher-paying professional service sector jobs.

Metro Area Employment by Occupation (2023)



Metro Area Median Wage by Occupation (2023)



Low Income High Income

Source(s): BLS 2023 Employment by Industry, Median Wage by Industry. Lightcast 2018-2023 Historic Growth by Occupation.

ECONOMIC OVERVIEW | LABOR FORCE PARTICIPATION

The city, county, and metro all have a labor force participation rate of around 69%, higher than both state and national figures.

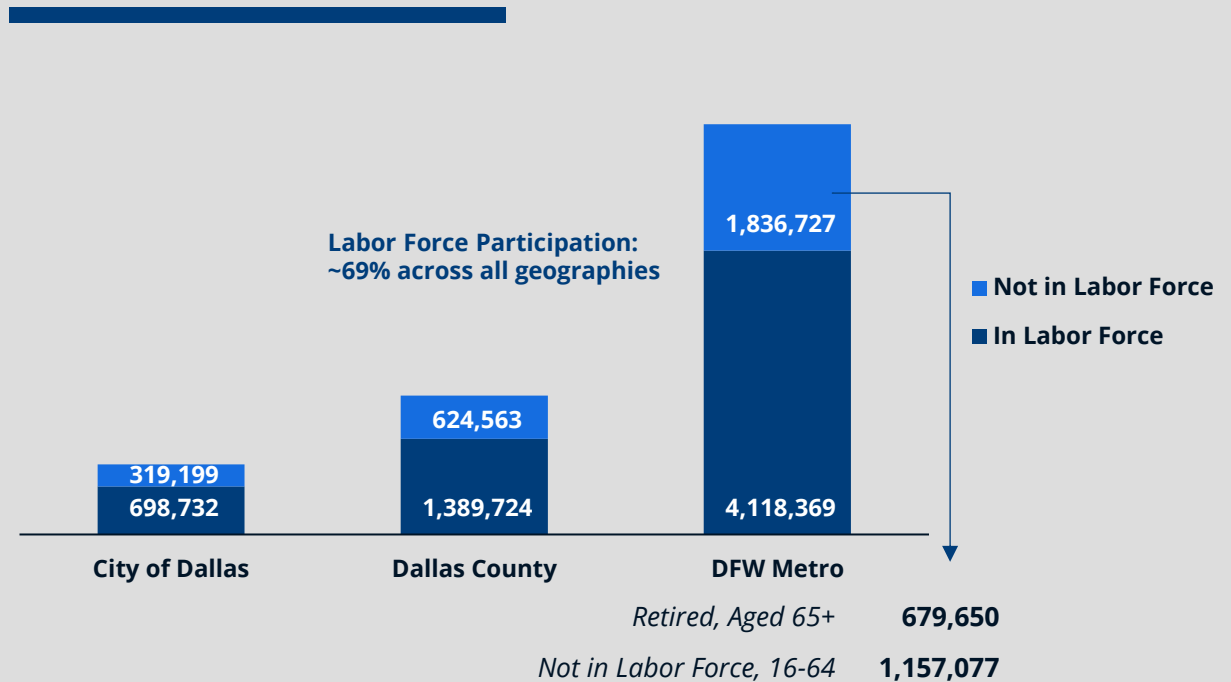
Despite stagnating labor force participation statewide (around 65%) and nationally (around 63%) since 2019, the Dallas region is seeing a higher participation rate (around 69%) —due to both a large increase in available jobs in the region and domestic and international immigration to support these jobs.

A higher labor force participation rate means that a larger percentage of the working-age population actively participates in the labor market and earns income. Dallas’ affordability challenges suggest that a lack of jobs are not a core driver—rather, the wages that these jobs offer and the lack of affordable supply drive housing challenges.

Note: The ACS B23001 data on labor force participation by age and sex has consistently shown a rate of 69% since 2018. This is different from last year's report, which indicated a rate of 66% in 2018. The discrepancy arises from a change in the dataset used; last year, we used the "BLS Population Employment Status" data. The ACS data is available for more geographies and is therefore a better source to use going forward.

Source(s): ACS 2022 B23001: Sex by Age by Employment Status for the Population 16 Years and Over.

Population Aged 16 and Above (2022)



ECONOMIC OVERVIEW | FUTURE LABOR FORCE

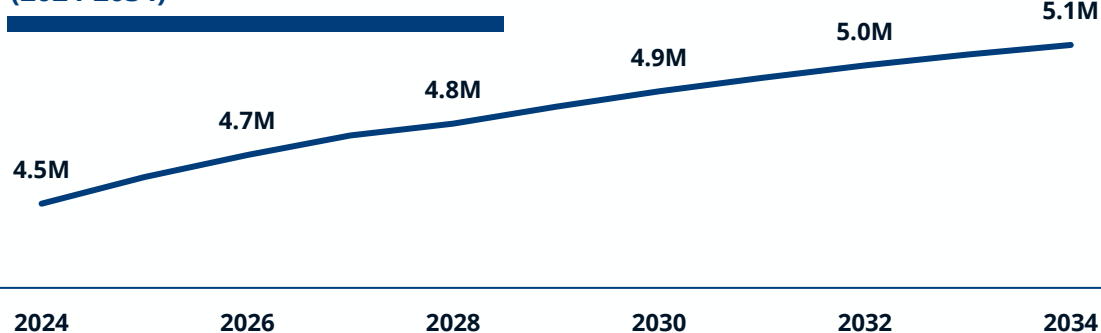
Projections suggest that by 2034 the metro area will net an additional 587,000 new jobs and that more than half of all jobs will pay less than \$50,000 in 2024 dollars.

Labor projections by [Lightcast](#)—a labor market analysis firm—project a 13% (587,000) increase in total net new jobs by 2034. While this is a significant projected increase, it is less than the 27% increase the region experienced in the previous decade. This adjustment reflects that recent job growth has fallen below expectations, leading to downward revisions in projections.

Using Lightcast occupation-level projections, HR&A estimated the net change in jobs by projected salary and age range. These projections suggest that despite the increase in higher income jobs, the metro area will continue to have a long right tail, with a concentration of lower paying jobs under \$50,000.

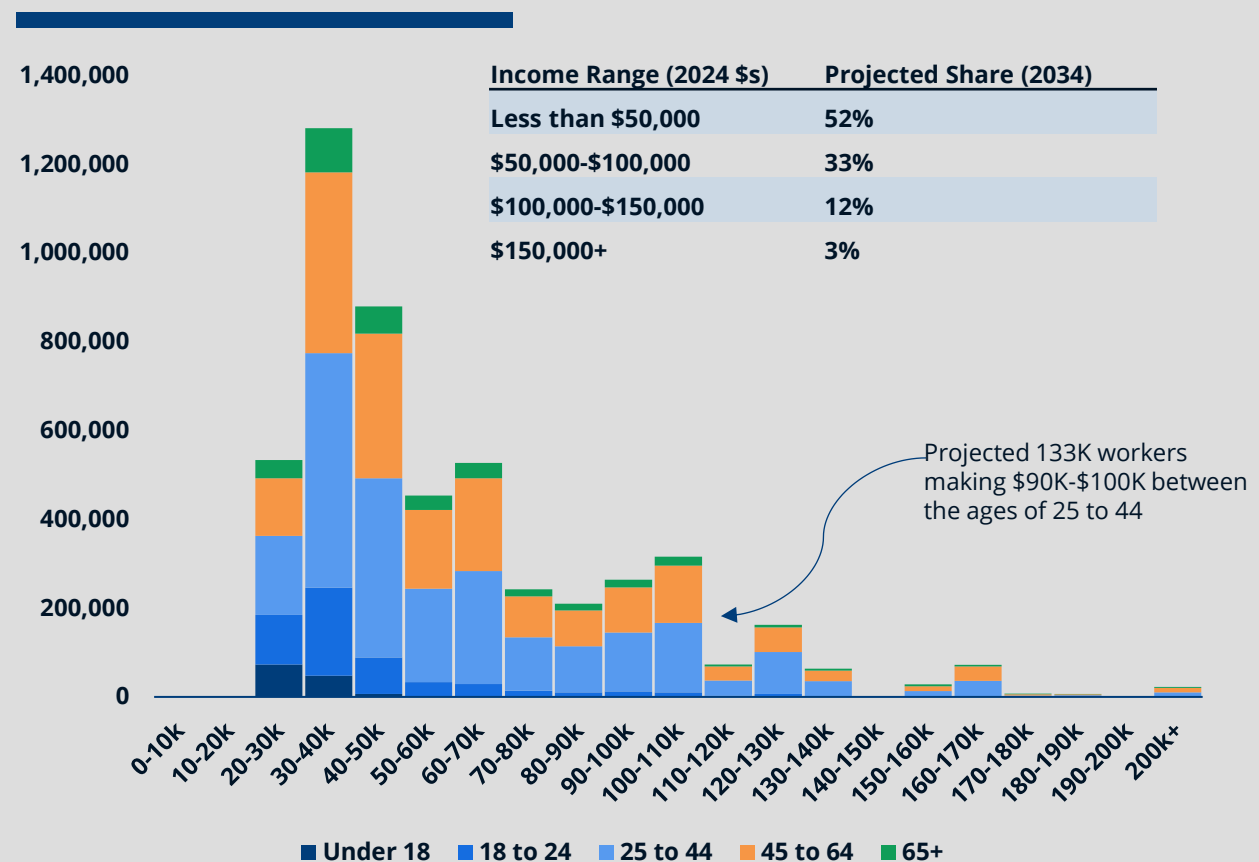
An increase in occupations paying less than \$50K in wages increases the demand for housing affordable to low-income cohorts—already facing a large and growing housing gap. However, the rise in wages at the very lowest income levels will relieve some of this pressure.

Dallas-Fort Worth Metro Total Jobs (projected) (2024-2034)



Note: Lightcast provides occupation projections up to 2034, and these forecast figures are not intended to be updated annually.
Source(s): Lightcast 2024-2034 Wage Projections based on QCEW Estimates and Projections. Includes GCEW Employees, Non-QCEW Employees, and Self-Employed.

Metro Area Projected Workforce by Wage and Age (2034, in 2024 dollars)



ECONOMIC OVERVIEW | FUTURE LABOR FORCE

The housing affordability crisis is experienced differently by households of different sizes. There is a shortage of units for single-income households and a deeper shortage for single-income households with children.

Housing affordability is dependent on the household's income and size. Household income determines what a household can pay in rent, while the number and type of household members determine the adequate unit size.

Assuming income earners hold the most common occupation in Dallas, single-income households experience a shortage of units, just 71 available for every 100 working adults and 41 available for every 100 single working adults with a child. While there is an excess of units available to households with two working adults and those with two working adults with children, the same units are not affordable to single-income households.

Rent Affordable by Family Type to the Most Common Employee (2023)

Most Common Occupation: **Office and Administrative Support, \$44.4K**



	1 working adult	1 working adult 1 child	2 working adults	2 working adults 2 children
Income	\$45,000	\$45,000	\$90,000	\$90,000
Rent Affordable	~\$1,100	~\$1,100	~\$2,200	~\$2,200
Unit Types	Studio/1-Bed+	2-Bed+	1-Bed+	3-Bed+
Units Available per 100 households	71	41	155	203

Note: Relative to last year's report of 2021 data, households with 1-working adult and 1-working adult +1child have fewer units affordable to them, whereas larger households with 2-working adults and 2-working adults+2 children have more options. However, these data points reflect rolling 5-year averages and annual variation may not be reflective of a larger trend.

Source(s): BLS 2023 Employment by Industry, Median Wage by Industry. ACS PUMS 2022, HR&A Calculations.



04

Current Housing Needs

Key Takeaways

- 1** After a drastic spike in rents following the pandemic, **rent growth in the City of Dallas slowed and began to stabilize** in 2022. Annual rent growth declined significantly from **17.3% in February 2022 to 4.5% by February 2023**.
- 2** While rents grew more slowly in 2022, **housing costs remained high and wage growth has not kept pace**. Renters in Dallas are facing **increasingly high rates of housing cost burden**, including extremely low-income renters (93%), senior renters (69%), and single parent households with children (79%).
- 3** Dallas has added **6,800 new deed-restricted affordable units to the housing stock since 2010**, with a total deed-restricted affordable housing stock of 30,391 units in 2022 (about 10% of the total rental housing stock).
- 4** Due to the loss of affordable rental units over time, there is now a **39,919-unit gap in affordable units** available to households earning at or below 50% of AMI*. For households at or below 30% of AMI, there is **a gap of 41,535 units**.

**Note: AMI stands for Area Median Income, a measure of the median income of a specific geographic area calculated by the Department of Housing and Urban Development (HUD). In the City of Dallas for 2022, 50% AMI is \$34,100 for a 1-person household; \$39,000 for a 2-person household; \$43,850 for a 3-person household, and \$48,700 for a 4-person household. More details on page 57.*

CURRENT HOUSING NEEDS | MOVING FROM INCOMES TO AMI

Supply gaps are calculated using Area Median Incomes (AMIs), which account for household size as well as income.

AMI stands for Area Median Income, which is a measure of the median income of a specific geographic area calculated by the Department of Housing and Urban Development (HUD) to determine eligibility for housing assistance programs.

HUD calculates AMI annually for each metropolitan area and non-metropolitan county in the United States. The calculation is based on the income levels of all households in the area, regardless of their tenure status (i.e., whether they own or rent their homes). The AMI for a specific area is then used as a benchmark for determining eligibility for various housing assistance programs.

For example, for the Low-Income Housing Tax Credit Program, HUD's income limits are based on a percentage of the AMI. Generally, households with incomes at or below 60% of the AMI are eligible for assistance, while households with incomes between 60% and 80% of the AMI may also be eligible, depending on other factors such as family size and local rental market conditions.

Using AMIs serve as relative household income bands that can be compared over time—inflation and other economic pressures impact raw income but not their income relative to others.

Source(s): HUD User 2022 Income Limits.

City of Dallas AMI Table (2022)

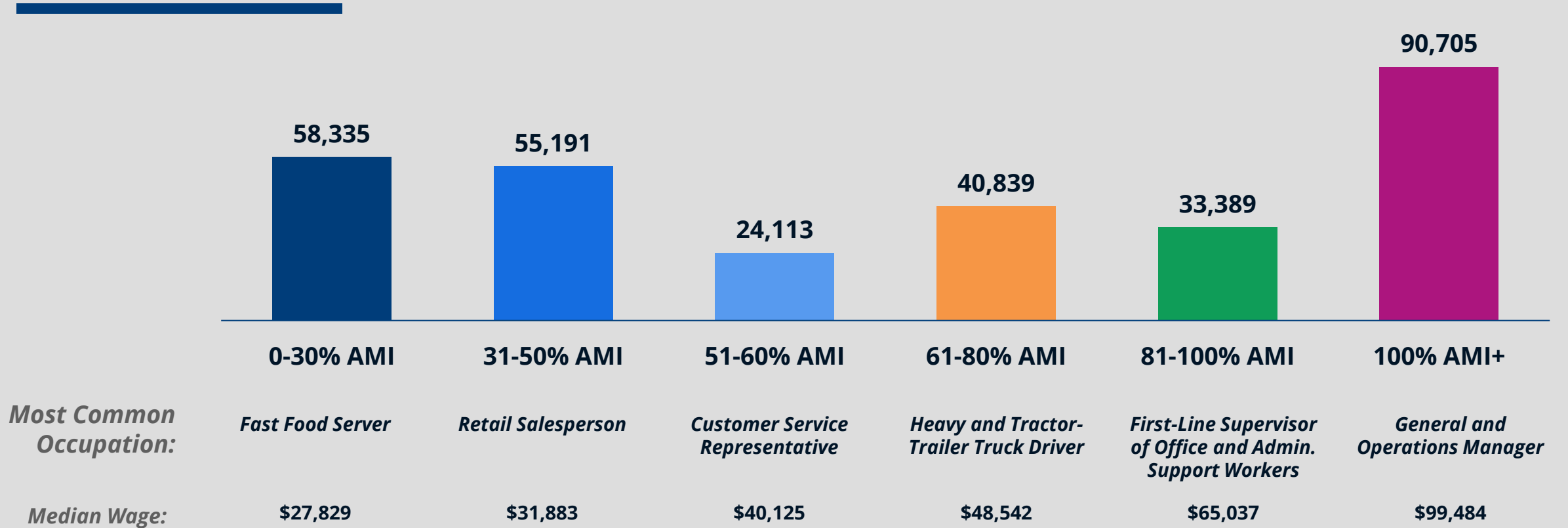
Income Band	Household Size							
	1	2	3	4	5	6	7	8+
30% AMI	\$20,460	\$23,400	\$26,310	\$29,220	\$31,560	\$33,900	\$36,240	\$38,580
50% AMI	\$34,100	\$39,000	\$43,850	\$48,700	\$52,600	\$56,500	\$60,400	\$64,300
60% AMI	\$40,920	\$46,800	\$52,620	\$58,440	\$63,120	\$67,800	\$72,480	\$77,160
80% AMI	\$54,560	\$62,400	\$70,160	\$77,920	\$84,160	\$90,400	\$96,640	\$102,880
100% AMI	\$68,200	\$78,000	\$87,700	\$97,400	\$105,200	\$113,000	\$120,800	\$128,600

Note: All 100% AMI+ households earn incomes more than the households in the 100% AMI income band.

CURRENT HOUSING NEEDS | **MOVING FROM INCOMES TO AMI**

In the City of Dallas, 35% of renter households (113,526) are at or below 50% of AMI and 18% (58,335) are at or below 30% of AMI.

City of Dallas Renter Households by AMI
(2022)



Source(s): ACS PUMS 2022 Households by AMI. Lightcast 2022 Occupation data.

CURRENT HOUSING NEEDS | COST BURDEN

In 2022, 89% of all renters earning at or below 50% of AMI were housing cost burdened, spending more than 30% of their gross income on housing costs.

The mismatch between what people can afford and the supply of housing has led an increasing number of households in Dallas to be cost burdened—spending more than 30% of their gross income on housing.

Cost burden figures are higher than the rental supply gap. This is because many households choose to spend more than 30% of their income on housing to access high quality schools, safer conditions, proximity to employment centers, or amenities which are often unavailable near lower priced units.

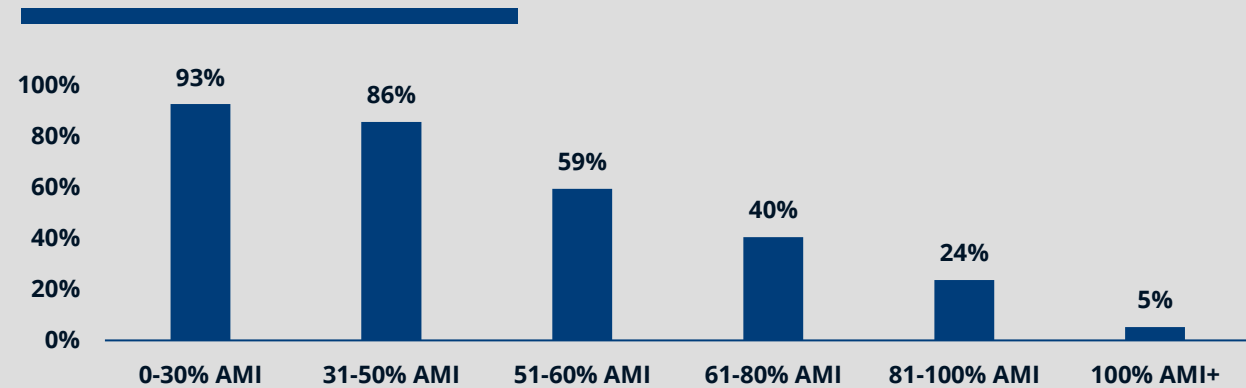
“The rent eats first.” For low-income households, spending a disproportionate amount of income on housing is often called **shelter poverty**.

After paying for housing costs, many households do not have enough to adequately cover other necessary expenses like transportation, food, and healthcare.

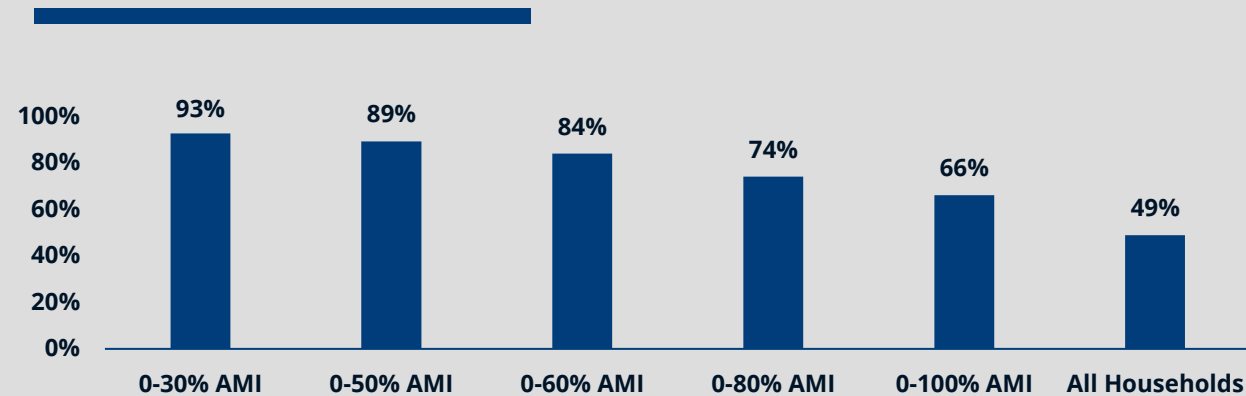
Almost 1 in 2 renters (49%) across the city are housing cost burdened.

Source(s): Desmond, Matthew, Evicted. 2016, HUD User 2022 Income Limits. ACS PUMS 2022 Cost Burden by AMI by tenure.

Share of Cost Burdened Renter Households by Income Band (2022)



Cumulative Share of Cost Burdened Renter Households by AMI Band (2022)

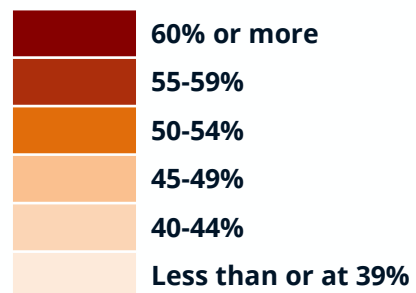


CURRENT HOUSING NEEDS | COST BURDEN

Vulnerable renter populations across the city face disproportionate cost burden—more than three in four single parent renters with children in the city are cost burdened, and the share of cost burdened senior renters is rising.

Some population cohorts are impacted more severely by housing cost burden than the overall population.

Single parents with children face a disproportionate burden, as they often need larger units than can be supported on a single income. Senior renters (age of 65+) are more likely to live on a fixed income, making them particularly vulnerable to cost burden from rising rents.



Source(s): ACS PUMS 2022 Cost Burden by AMI by tenure.

***Note:** Senior cost burden increased relative to last year's report, which cited 55%. However, the 5-year trend is relatively stable and annual variation may be related to small sample size or pandemic-related support.

Cost Burdened Renters (2022)

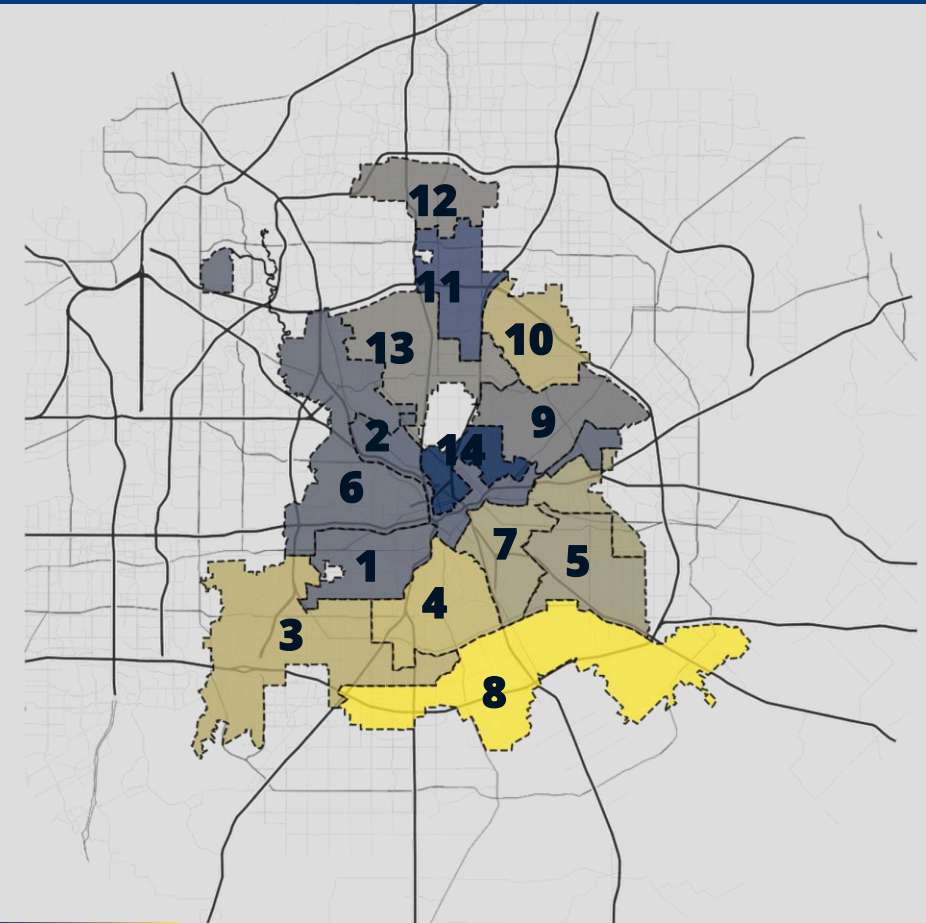
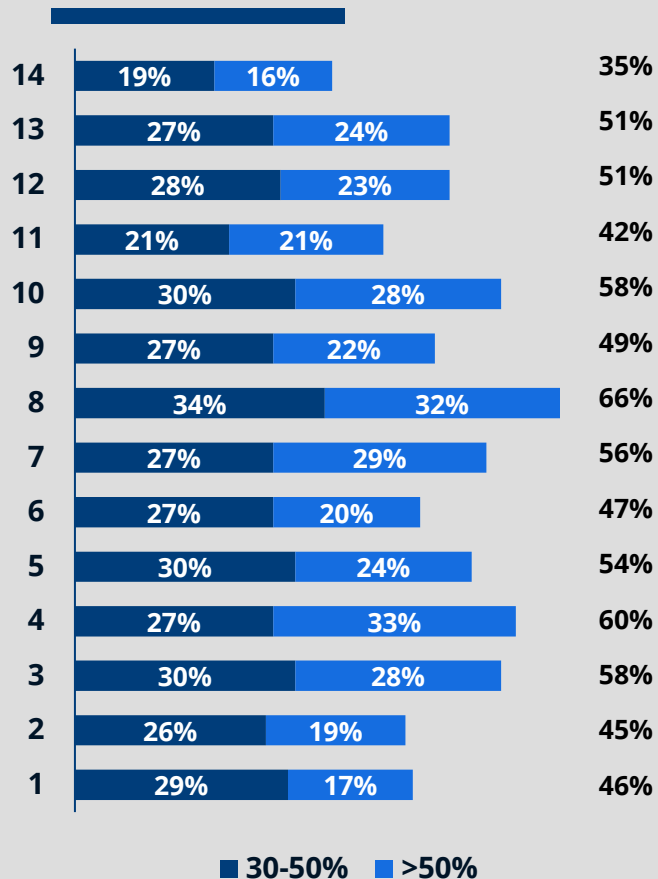
Cost Burden %	City of Dallas	Dallas County	DFW Metro
All Renters	49%	49%	49%
Senior Renters*	69%	70%	72%
Renter Households with Children	57%	54%	51%
Renter Single Parents with Children	79%	77%	75%
Black Renters	56%	56%	56%
Hispanic/Latino Renters	51%	51%	50%
Non-Hispanic White Renters	41%	43%	45%
Renters 35 and Below	45%	45%	45%

CURRENT HOUSING NEEDS | COST BURDEN

Cost burden rates largely follow income and poverty trends— southern Council Districts face higher rates of cost burden.

Mirroring median income and poverty trends, the southern portion of Dallas faces the highest rates of cost burden. In Districts 4 and 8, more than three in ten renters are severely cost-burdened —leaving very little for transportation, food, and other needs.

Renter Cost Burden by Council District (2022)



35% 66%

Presence of Cost Burdened Renters (2022)

Source(s): ACS 2022 B25074: Household Income by Gross Rent as a Percentage of Household Income.

Cost burdened households dedicate 30-50% of their income to housing costs. **Severely cost burdened** households dedicate more than 50% of their income to housing costs.

CURRENT HOUSING NEEDS | **MEDIAN RENTS**

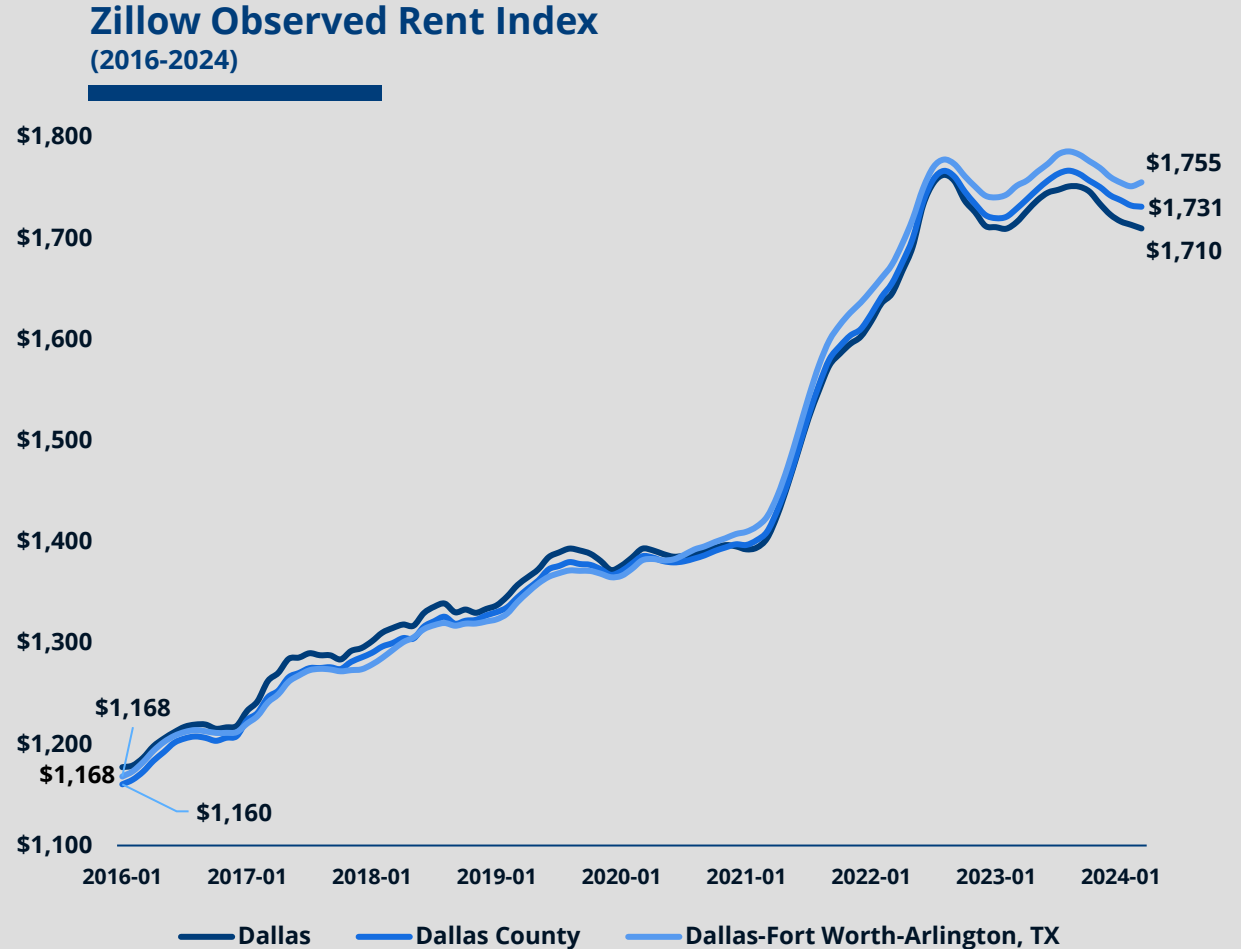
After a drastic spike in rents during the pandemic, rent growth in Dallas slowed and began to stabilize towards the end of 2022, in line with broader regional and national trends.

In 2022, rent growth slowed and began to stabilize, though rents remained well above pre-pandemic levels. Annual rent growth declined significantly from 17.3% in February 2022 to 4.5% by February 2023.

While rent growth has slowed, housing costs have been on the rise for years and remain near record high. Rents in the City of Dallas increased by 46 percentage point since 2016, accelerated by the Covid-19 pandemic, and wage growth has not kept pace.

In January 2016, using the 30% affordability benchmark, households in Dallas needed to make about \$47,100 to afford the average rental unit in Dallas. In January 2024, a household needed **more than \$68,700**.

Across the city, the lowest rents are in southern and western parts of Dallas, with downtown-adjacent rents the highest across the city.



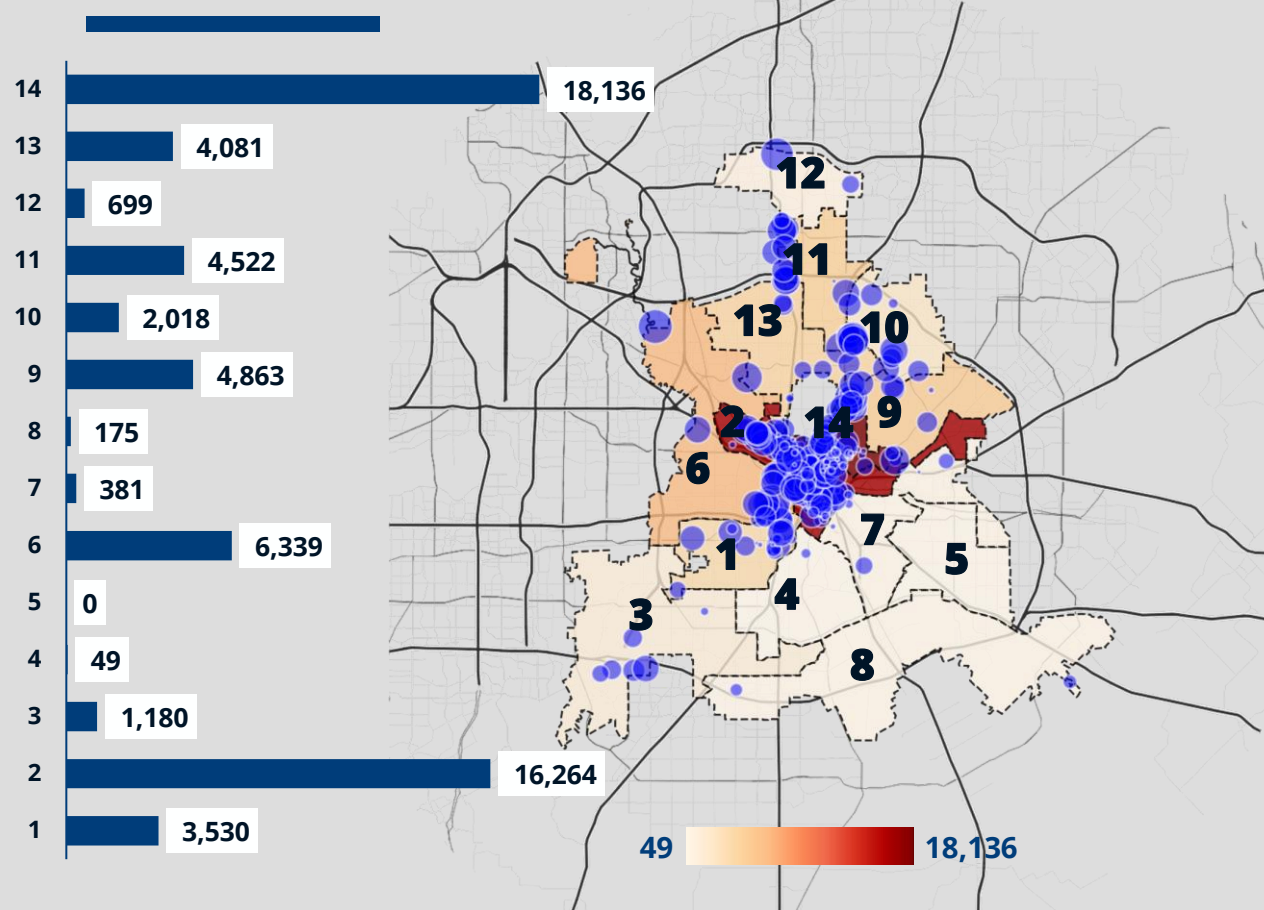
Source(s): Zillow January 2016- January 2024 Zillow Observed Rent Index (ZORI), ACS 2022 B25119: Median Household Income by Tenure.

CURRENT HOUSING NEEDS | NEW HOUSING PRODUCTION

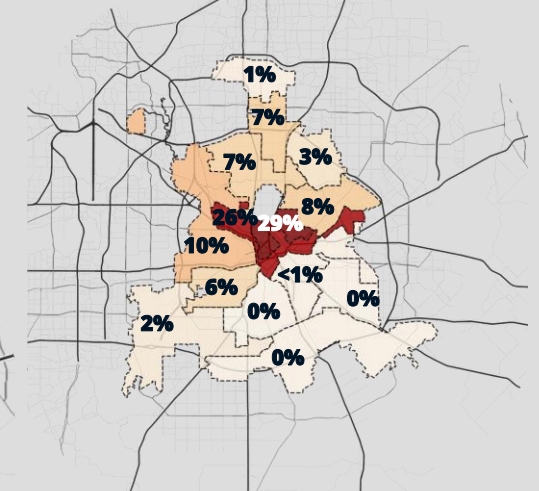
Most new housing production has been concentrated in central Dallas with some corridors of development in North Dallas along US-75 and the Dallas North Tollway.

Central Districts 2 and 14 account for 55% of the multifamily units delivered since 2011. Development in the southern Dallas districts 3, 4, 5, 7, and 8 account for **less than 3% of total development** across the city.

New Market Rate Multifamily Units Delivered
(By Council Member District, 2011-2023)



Share of New Market Rate Deliveries
(2011-2023)



Source(s): CoStar.

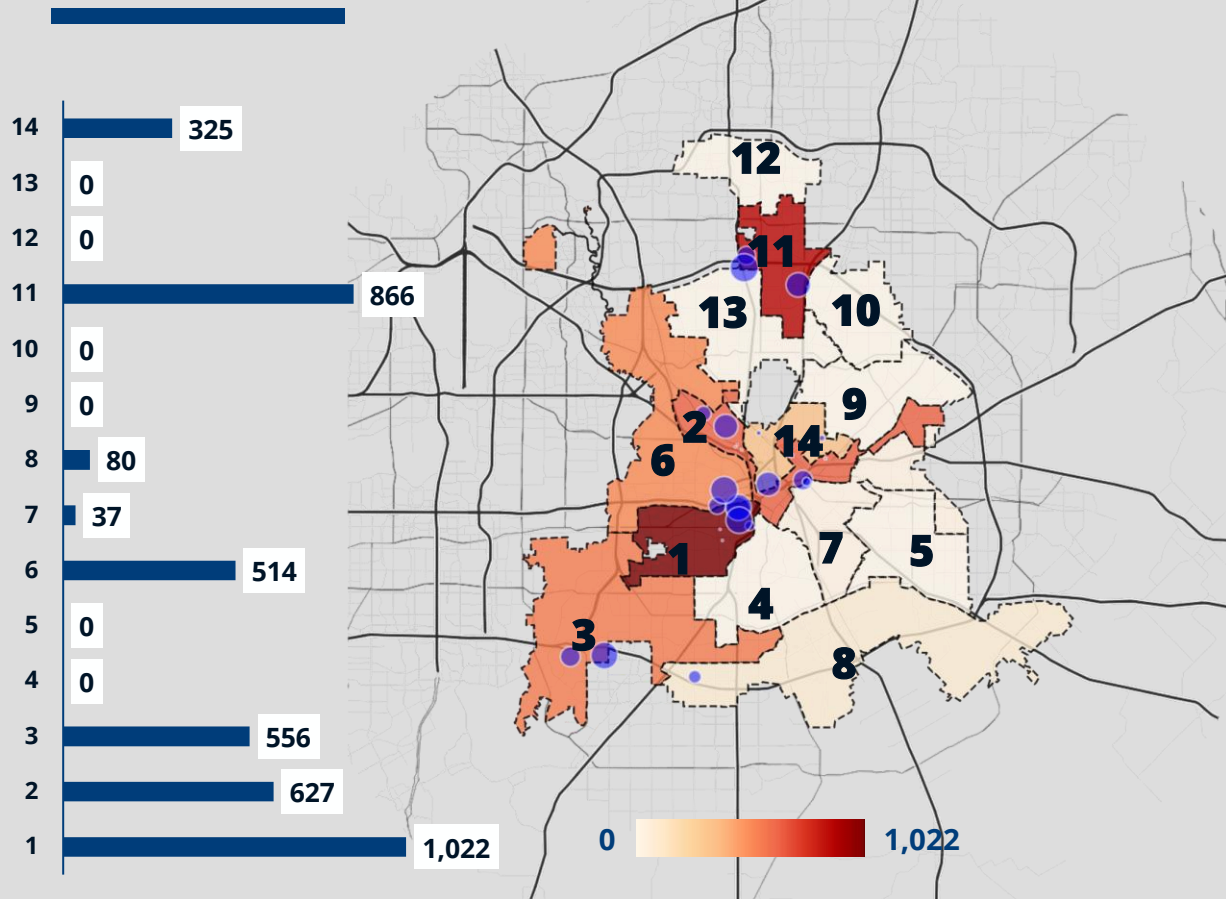
Note: Multifamily CoStar data is only inclusive of properties with 5 or more units.

CURRENT HOUSING NEEDS | NEW HOUSING PRODUCTION

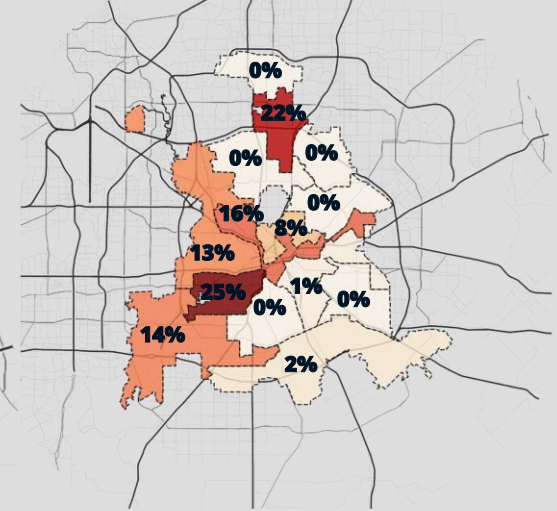
However, southern Dallas districts 1 and 3 saw significant market rate developments in 2023.

In 2023, approximately 4,030 new units were added across the city, with over 40% constructed in the six southern districts (1, 3, 4, 5, 7, and 8). Notably, District 1 alone accounted for one quarter of the new multifamily units citywide.

New Market Rate Multifamily Units Delivered (By Council Member District, 2023)



Share of New Market Rate Deliveries (2023)



Source(s): CoStar.

Note: Multifamily CoStar data is only inclusive of properties with 5 or more units.

CURRENT HOUSING NEEDS | AFFORDABLE DELIVERIES

Dallas has added **6,800 new deed-restricted affordable units to the housing stock since 2010***, with a total deed-restricted affordable housing stock of about **30,390 units**.

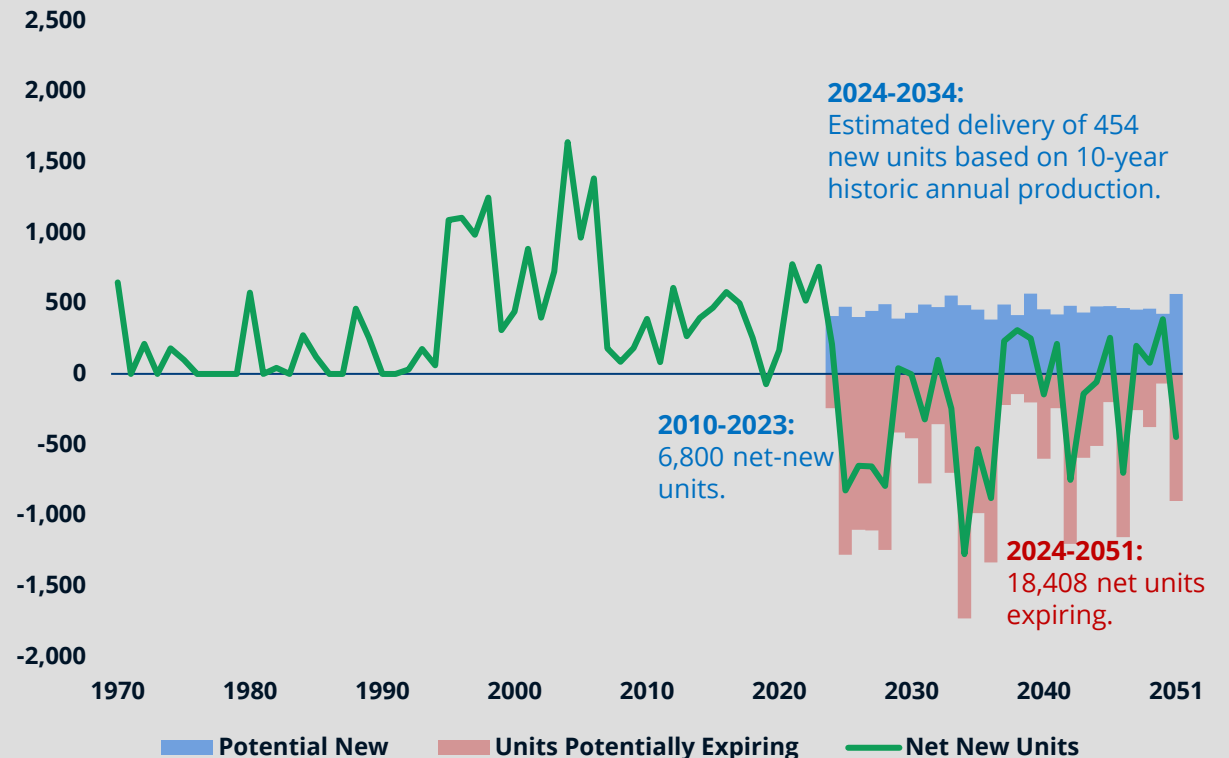
Deed-restricted units are designed to remain affordable for a set period of time based on legal restrictions that require owners to keep rents affordable at an agreed-upon price. When legal restrictions expire, units are at-risk of losing their rental affordability as they either receive new affordability restrictions or are subject to market-rate rents.

In exchange for affordability, these units often receive an operating or construction subsidy. In Dallas, most of the units are subsidized using the Low-Income Housing tax credit (LIHTC), which are affordable for a minimum of 30 years.

After the 30-year compliance period is over, the LIHTC restrictions expire, and the owner can choose to either continue to operate the property as affordable housing or convert it to market-rate housing. **Between 2024 and 2051, there are 18,408 units that are at risk of expiring affordability restrictions, of which more than 60% are owned by for-profit entities, which are at a higher risk of losing affordability.**

However, many LIHTC properties' owners choose to continue to operate as affordable housing beyond the initial 30-year period through various means such as refinancing and re-syndicating the property.

City of Dallas Deed-Restricted Affordable Units: Potential Deliveries and Expiration (1970-2051)



Note: *The number of total affordable units added since 2010, including that have expired.
Source(s): NHPD. Potential New based on 20th-80th percentile average of development from 2012-2022. Units potentially expiring reflects last known covenant on property.

CURRENT HOUSING NEEDS | AFFORDABLE HOUSING UNITS

Dallas' deed-restricted affordable units are mostly concentrated outside areas of high economic mobility and opportunity.

The City of Dallas ranks 4th out of the 12 largest cities in America for total affordable units per 1,000 residents, providing an important resource for low-income residents.

However, when considering **access to opportunity**, the city falls behind. **Only 17% of the city's deed-restricted affordable housing stock is in high opportunity neighborhoods** (here defined as census tracts that are at or above the city's median income of \$63,985).

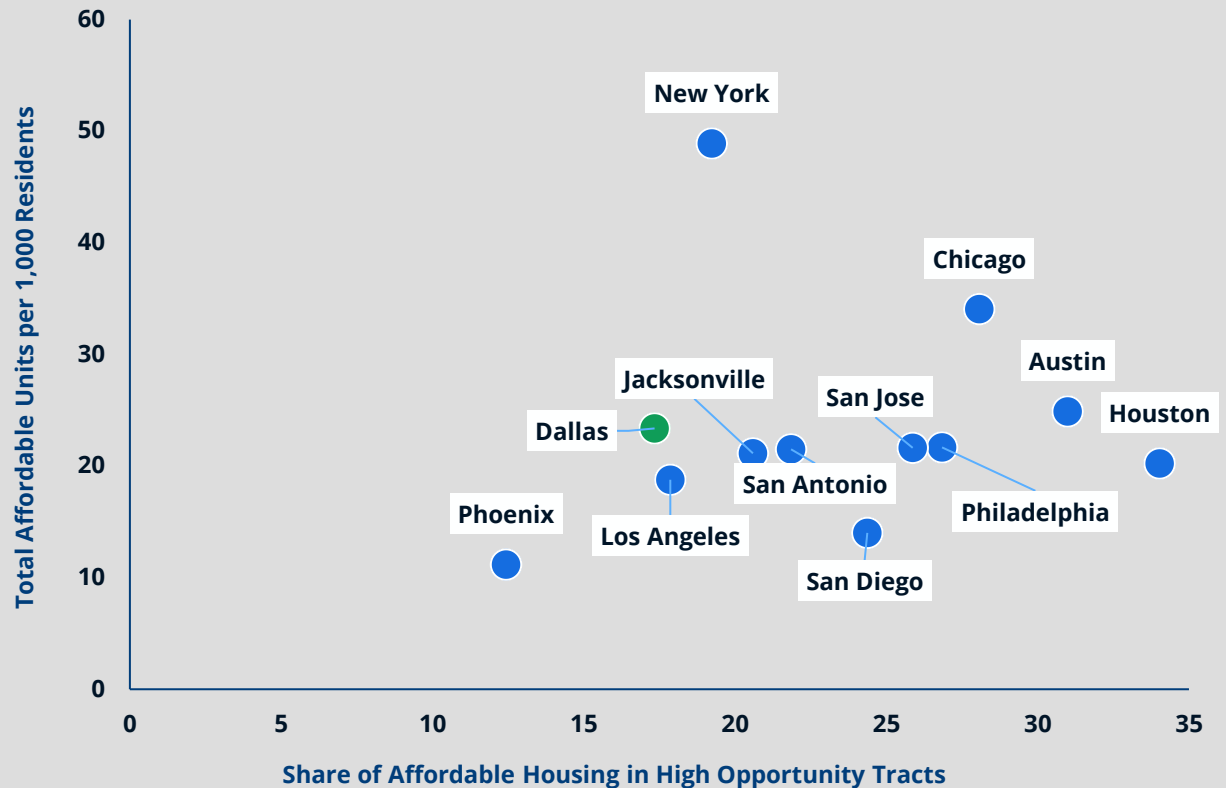
Neighborhoods have a significant impact on a family's quality of life and future opportunities. When individuals have access to affordable housing in safe and stable neighborhoods with good schools, employment opportunities, and community resources, they are more likely to thrive and succeed.

Dallas ranks **4th** out of the 12 largest cities for total affordable units per 1,000 residents, but **11th** out of the 12 largest cities for units in high opportunity census tracts.

Note: High Opportunity Tracts are defined as tracts that have a median income higher than the median income of the city overall. These tracts are updated in accordance with the latest ACS data. The increase in the share of deed-restricted units in high opportunity neighborhoods compared to last year's report is explained by more census tracts meeting this definition due to increased median incomes.

Source(s): Calculated from NHPD and ACS 2022 Affordable Housing Concentration.

Affordable Units by Access to Opportunity 12 Largest Cities (2022)

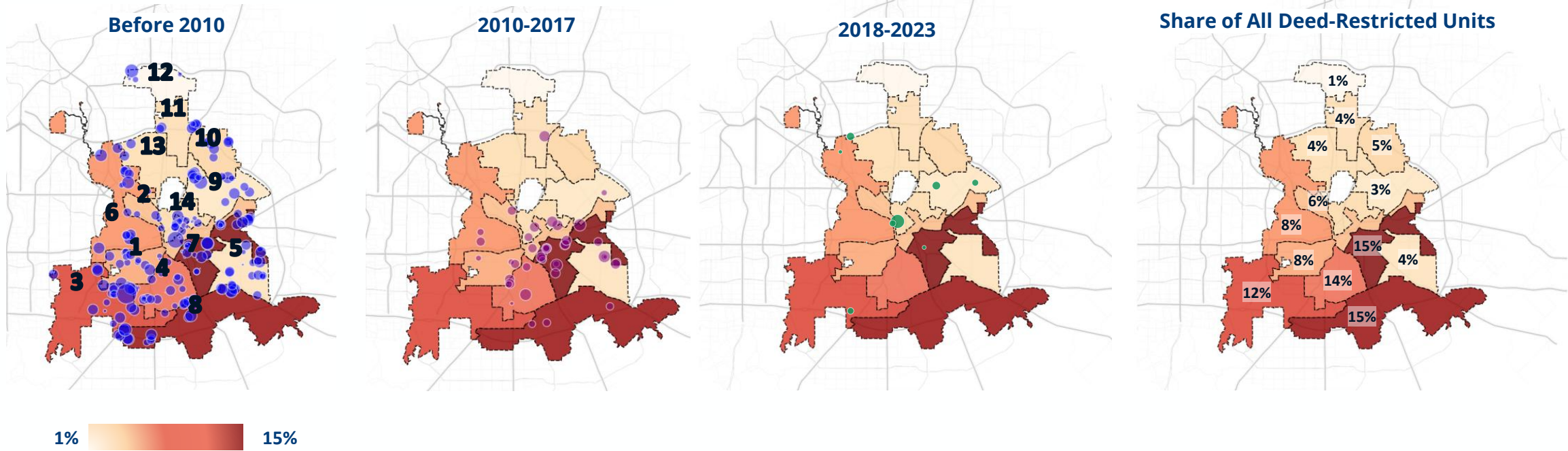


CURRENT HOUSING NEEDS | AFFORDABLE DELIVERIES

Since 2010, construction of deed-restricted affordable housing has primarily occurred in southern and central Dallas, including over 1,450 new units in District 7.

Deed-Restricted Inventory by Year Built & Council District

Almost 40% of all new deed-restricted units built between 2010 and 2023 were in Districts 7 and 8. Between 2010 and 2023, only **34% of affordable unit deliveries were in the seven Districts with the seven highest median incomes (13, 14, 9, 11, 12, 10 and 1)**, versus 66% in the seven districts with the lowest median incomes.



Share of Total Deed-Restricted Units

Source(s): NHPD. Excludes inconclusive units.

Maps were updated in December 2024 to include Dallas Housing Authority (DHA) properties. Analyses of deed-restricted units elsewhere in this report only include federally-assisted properties reported by the National Housing Preservation Database (NHPD).

CURRENT HOUSING NEEDS | RENT TRENDS

There are approximately 64,700 rental units available for under \$1,000 (deed-restricted units and unrestricted affordable units). Districts 7 and 10 have the highest number, while Districts 4 and 7 have the largest proportion of these affordable units relative to their total housing stock.

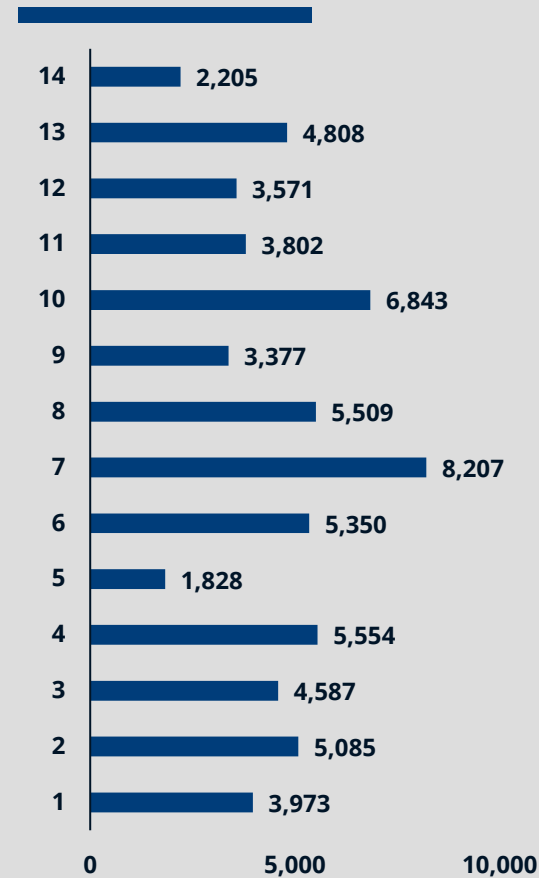
Affordable housing units in Dallas can either be deed-restricted or what's called NOAH (Naturally Occurring Affordable Housing), a term used to describe existing rental housing affordable to households at 60% AMI or less that is not subsidized by government programs such as the Low-Income Housing Tax Credit (LIHTC) or public housing.

Many units in Dallas with rents under \$1,000 are part of the NOAH housing stock, in properties owned by private landlords or small-scale property owners who rent out units at lower price points.

Because NOAH properties are not subsidized by government programs, they are vulnerable to market pressures such as rising property values and rents, which can lead to the loss of affordable housing units.

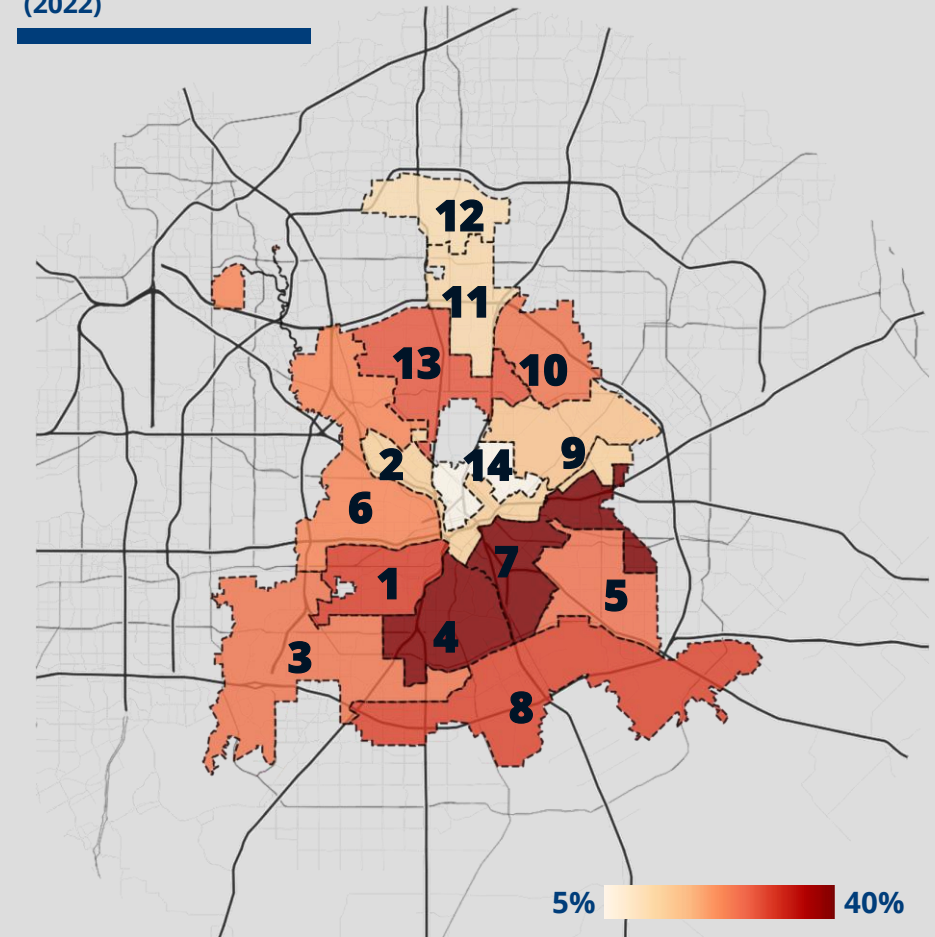
Units with Rent Under \$1,000

(2022)



Share of Units in Council District With Rent <\$1,000

(2022)



Note: Due to record-high rent growth during the Covid-19 pandemic, Dallas saw a reduction of more than 33,560 rental units available for under \$1,000 compared to last year's report using 2021 data, which affected all council districts. However, these data points reflect rolling 5-year averages and annual variation may not be reflective of a larger trend.

Source(s): ACS 2022 B25068: Bedrooms by Gross Rent.

05

City of Dallas Supply Deep Dive

CURRENT HOUSING NEEDS | THE HOUSING LANDSCAPE

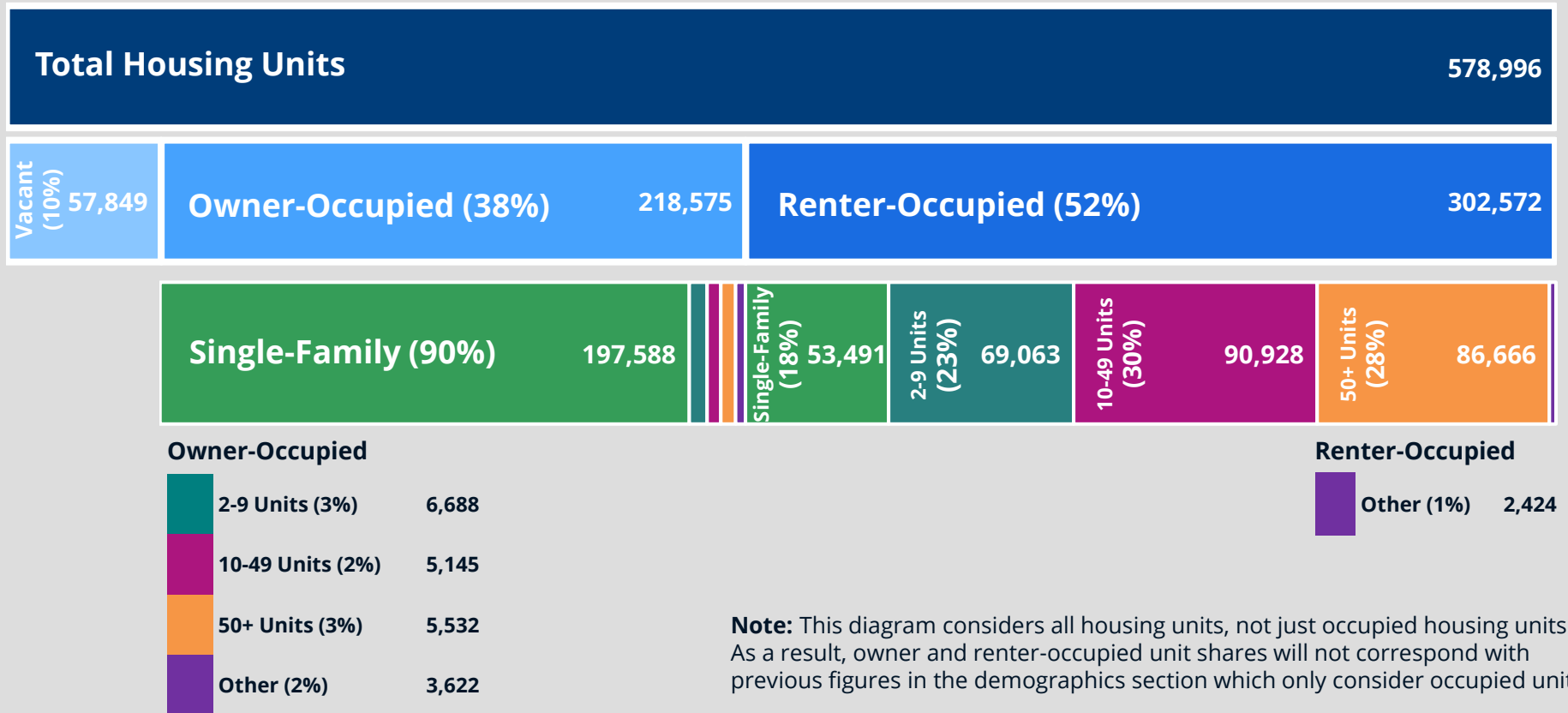
Approximately 10% of Dallas' housing stock is vacant and 38% is owner-occupied. The remaining 302,572 units (52%) are renter-occupied.

There are a total of 578,996 occupied housing units in Dallas, with 218,575 (38%) owner-occupied units and 302,572 (52%) renter-occupied units. The remaining units are vacant. 90% of owner-occupied units in Dallas are single-family homes.

In contrast, the renter-occupied market is more diversified in terms of typology. Single-family homes represent only 18% of all renter-occupied units, with multi-unit structures comprising the majority of the rental market. Specifically, 10–49-unit structures represent the largest segment of the renter-occupied market with 90,928 units (30%) followed by 50+ unit structures with 86,666 units (28%), and 2-9-unit structures with 69,063 units (23%).

Source(s): ACS 2022 B25002: Occupancy Status, B25032: Tenure by Units in Structure.

City of Dallas Housing Landscape Diagram (2022)



Note: This diagram considers all housing units, not just occupied housing units. As a result, owner and renter-occupied unit shares will not correspond with previous figures in the demographics section which only consider occupied units.

CURRENT HOUSING NEEDS | THE HOUSING LANDSCAPE

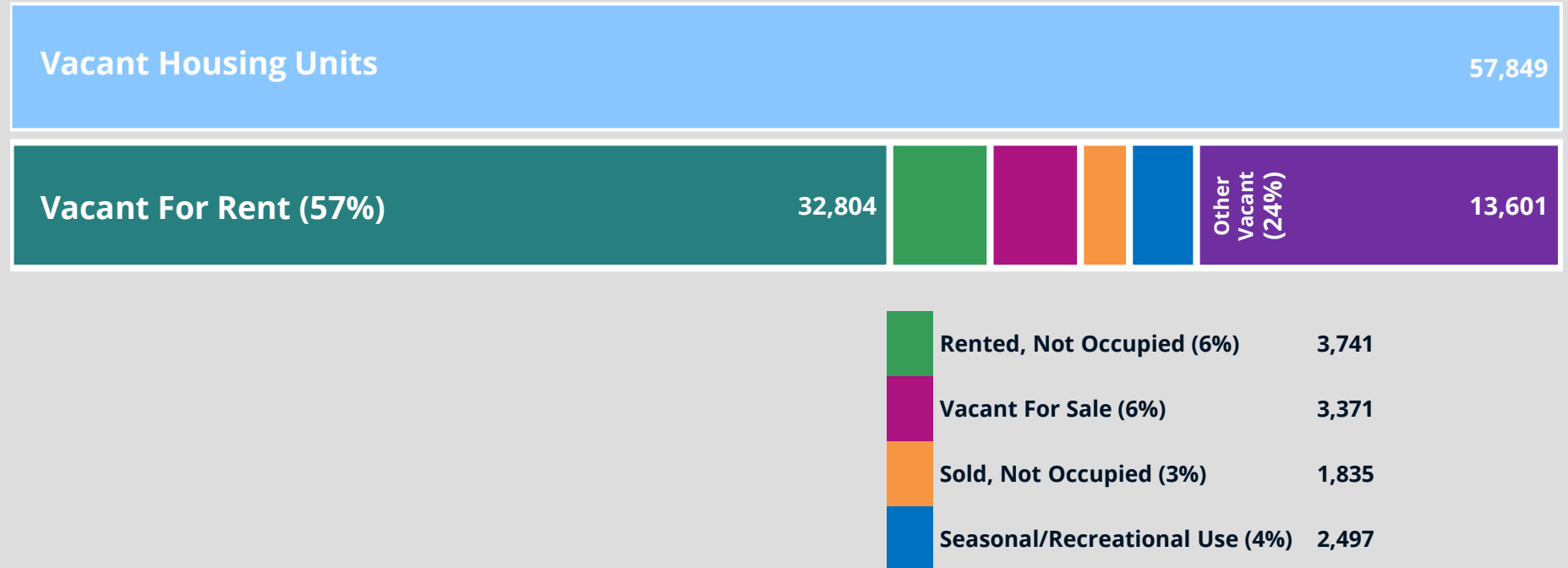
Approximately 10% of Dallas' housing stock is vacant—in line with national and statewide figures for similar cities.

Vacant Units

Of the 57,849 vacant units, 32,804 were vacant and available for rent, which represents the majority of the vacant units at 57%. Another 3,741 units were vacant and rented, but not yet occupied. 3,371 units were vacant and available for sale, while 1,835 units had been sold but were not yet occupied.

There were also 2,497 units that were classified as vacant for seasonal and recreational use. The remaining 13,601 units were classified as "other vacant," which could include units that are not currently available for rent or sale, such as those undergoing renovations or held for other reasons.

Vacant Housing Units by Vacancy Type (2022)



Source(s): ACS 2022 B25002: Occupancy Status, B25032: Tenure by Units in Structure, B25004: Vacancy Status.

SUPPLY DEEP DIVE | SUPPLY BY AFFORDABILITY

Of all renter-occupied housing units, 90% are market-rate units, with no affordability covenant or requirement, while about 30,390 are deed-restricted—affordable through a public subsidy and covenant.

272,181 units (90%) in Dallas are classified as unrestricted and 24,111 units (8%) can be classified as deed-restricted and active.

In addition, there are 6,280 rental units (2%) that are classified as deed-restricted but inconclusive. This means that it is unclear from the National Housing Preservation Database (NHPD) whether these units are currently subject to any deed restrictions or if the restrictions have expired.

While 10% deed-restricted may seem like a small share of the total housing stock, this is in line with comparable cities. Dallas ranks 4th out of the 12 largest cities for total affordable units per 1,000 residents.

Renter-Occupied Units by Affordability (2022)



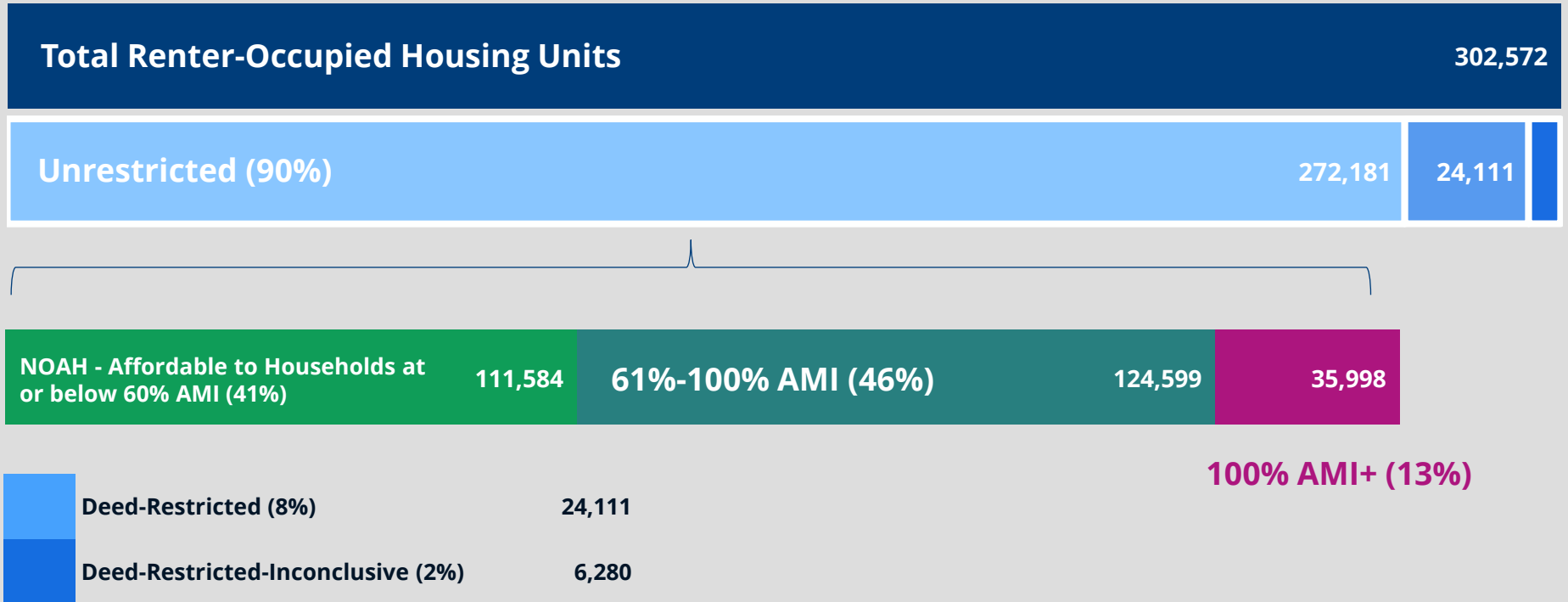
SUPPLY DEEP DIVE | SUPPLY BY AFFORDABILITY

Of all unrestricted units in the city, 41% are affordable to residents earning at or below 60% of area median income (AMI).

While rent growth slowed in 2022, the steep rise in rents over the past decade has led to a decline in Naturally Occurring Affordable Housing (NOAH) – defined as existing rental housing that is not subsidized by government programs but is affordable to households at or below 60% AMI.

Just 111,584 units (41%) are unrestricted and affordable to households earning at or below 60% of the Area Median Income (AMI), and an additional 124,599 units (46%) are affordable to households earning between 61% and 100% of the AMI. The remaining 35,998 units (13%) are affordable to households earning more than 100% of AMI.

Renter-Occupied Units by Affordability (2022)



Note: Deed-restricted units include units subsidized by federal loan, insurance, and voucher programs, and by state Low-Income Housing Tax Credit and Section 236 programs. Subsidies issued by Texas Public Facility Corporation (PFC) communities are not captured in NHPD data unless they also have federal subsidies. PFC communities are inventoried by CoStar as 'market/affordable', which is included in 'market-rate', if the only subsidies are issued by the PFC. The full list of properties is provided in the appendix.

Source(s): ACS PUMS 2022, NHPD 2024.

SUPPLY DEEP DIVE | THE HOUSING LANDSCAPE

Rental housing properties in Dallas are categorized by typology—by number of units and year built—to determine how properties depreciate and rent levels change over time.

# Units	Before 1960	1960-1979	1980-1999	2000-2009	After 2010
1-4					
5-49					
50+					

SUPPLY DEEP DIVE | NOAH SUPPLY

NOAH units are found in diverse building typologies but are concentrated in small multifamily buildings (2-49 units).

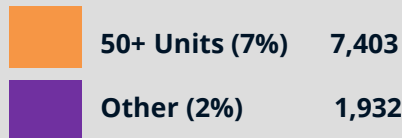
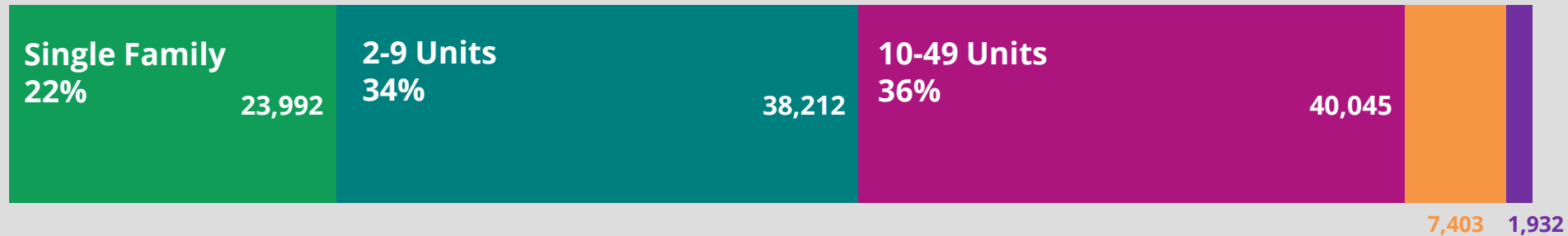
Most NOAH units are found in multi-unit structures, with 40,045 units (36%) in 10–49-unit structures and 38,212 units (34%) in 2–9-unit structures.

In addition, there are 23,992 NOAH units (22%) that are single-family homes, highlighting the importance of this typology in the NOAH market. There are also 7,403 NOAH units (7%) in structures with 50 or more units and 1,932 NOAH units (2%) in other structures, such as mobile homes.

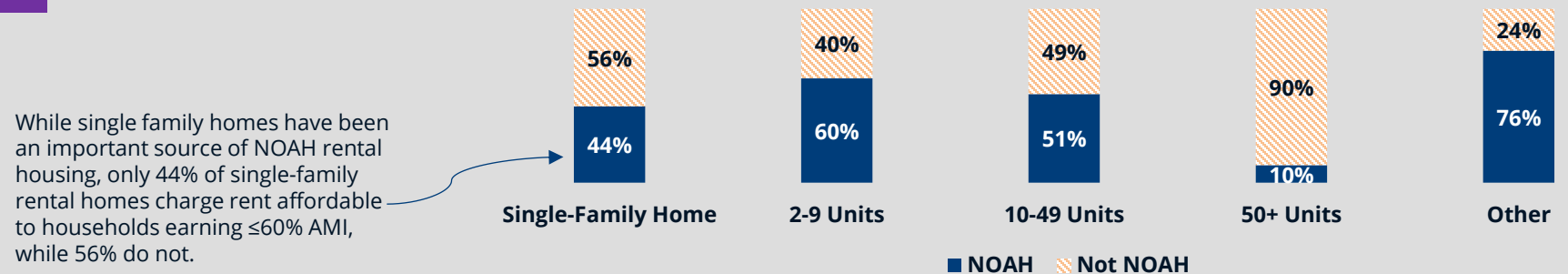
All Naturally Occurring Units Affordable (≤60% AMI) (2022)

Total Unrestricted Units ≤60% AMI

111,584



Unrestricted Units by NOAH Status (2022)



While single family homes have been an important source of NOAH rental housing, only 44% of single-family rental homes charge rent affordable to households earning ≤60% AMI, while 56% do not.

SUPPLY DEEP DIVE | NOAH SUPPLY

Across both NOAH and deed-restricted units, the plurality of affordable units are studios and one-bedrooms, with limited 3-bedroom availability for larger household sizes.

Only one in five units affordable under 60% of AMI across the city are deed-restricted. The remaining units are NOAH, subject to losing their affordable status if rent increases persist.

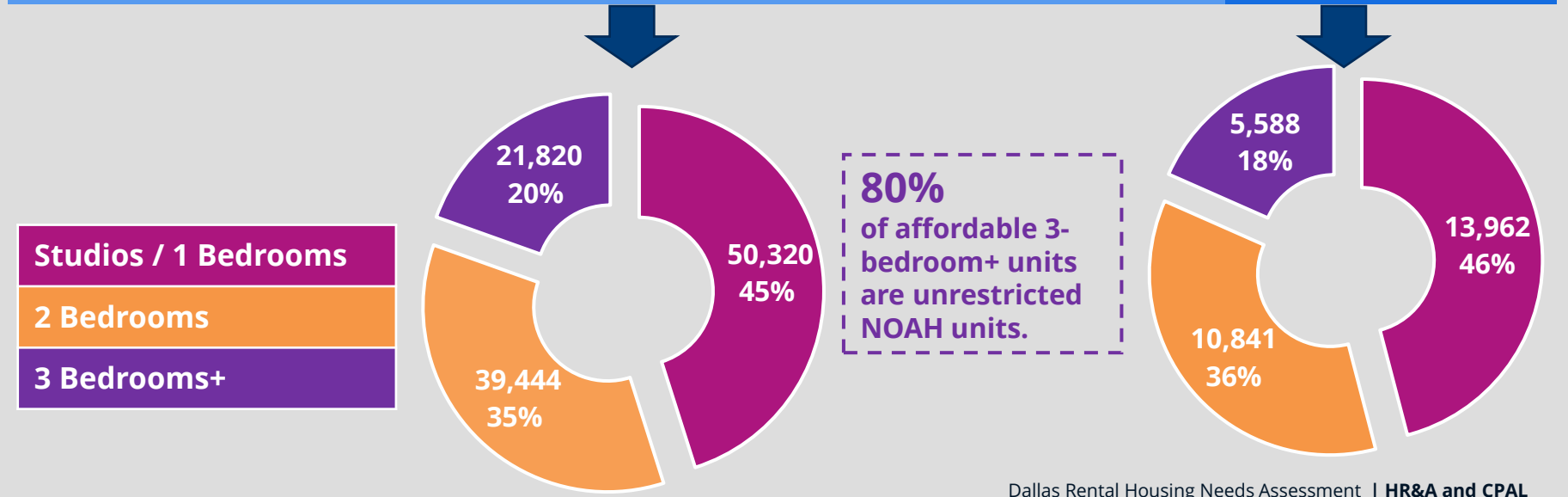
Across both NOAH and deed-restricted units, almost half of the units are studios and one-bedrooms. There is limited 3-bedroom availability for families with children—only 20% of NOAH units are three bedrooms or larger.

Note: Deed-restricted units include units subsidized by federal loan, insurance, and voucher programs, and by state Low-Income Housing Tax Credit and Section 236 programs. Subsidies issued by Texas Public Facility Corporation (PFC) communities are not captured in NHPD data unless they also have federal subsidies. PFC communities are inventoried by CoStar as 'market/affordable', which is included in 'market-rate', if the only subsidies are issued by the PFC. The full list of properties is provided in the appendix.

Note: The number of affordable units reflects the inventory in 2022, excluding any that have expired.

Source(s): ACS PUMS 2022, NHPD 2024.

All Affordable Units (2022)



SUPPLY DEEP DIVE | FINDING A HOUSING GAP

Finding a housing gap for the City of Dallas requires a deep dive into rental housing demand and supply.

The current housing supply gap measures the difference between what people can afford to pay in rent (demand) and the housing options available to them at that price point (supply).

For housing to be affordable, we assume that housing should cost no more than 30% of total monthly pre-tax household income—the Department of Housing and Urban Development’s standard for household affordability.

The **demand calculation** examines the maximum amount of affordable rent each household can pay at each income level.

The **supply calculation** evaluates how many units are available at current levels of monthly rent.

The difference between the demand and supply is the rental housing gap (housing gap). Housing gaps are summed cumulatively at varying income thresholds, because a household earning a higher income can afford any unit at or below their 30% threshold.

Many households pay less than 30% of gross income for housing, especially if there is a supply of low-cost rental units.

When there is an insufficient supply of quality housing that is affordable for one income group, many households in that group pay more than they can afford, creating competition with the income band above them.

** Annual income of 3-person household at 50% AMI.*

Note: This gap analysis considers all current renter households and occupied rental units in the city—not additional households who would move to Dallas if there was housing available. Therefore, the gap across all existing units is zero. Demand/supply calculations also consider household and unit sizes.

Source(s): HUD User 2022 Income Limits, JCHS, Metropolitan Area Planning Council (MAPC), Beacon Economics.

Housing Gap Example



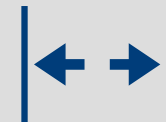
There are **103,400 households** in the City of Dallas making less than \$43,850*.



Housing costs must be **less than \$1,096** to be affordable to these households (inclusive of utilities).



Citywide, there are **only 64,700 units with rent less than \$1,096**. This does not account for quality or location of housing.



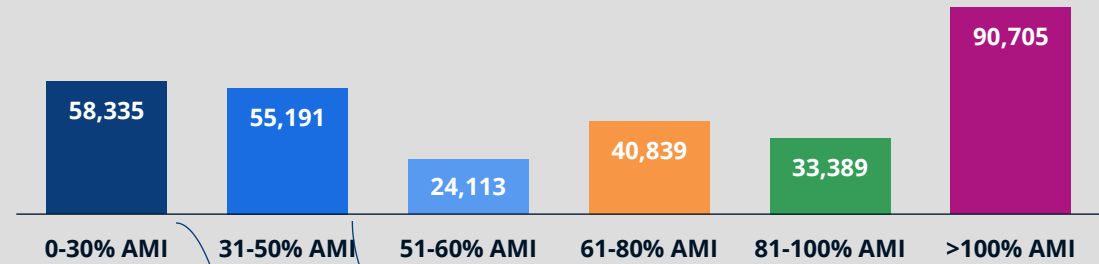
The supply gap for households making less than \$ 43,850 is **38,700 units**.

SUPPLY DEEP DIVE | HOUSING GAP

Arranging households by income (demand) along with units by rent affordable (supply) can help find the gap in affordable housing units across the city.

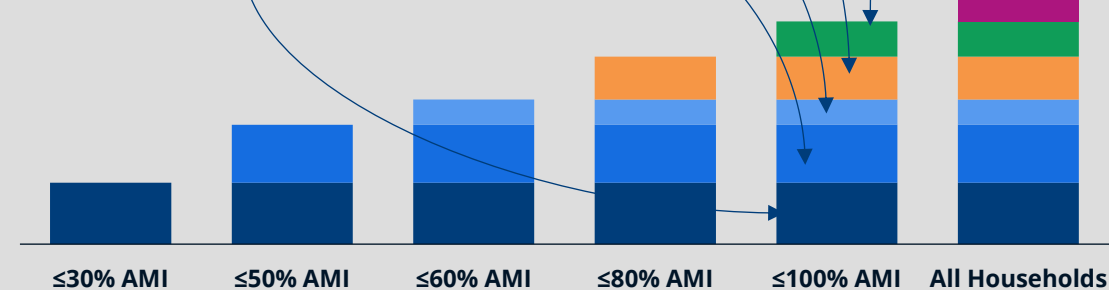
Rental Households by Income

(2022)



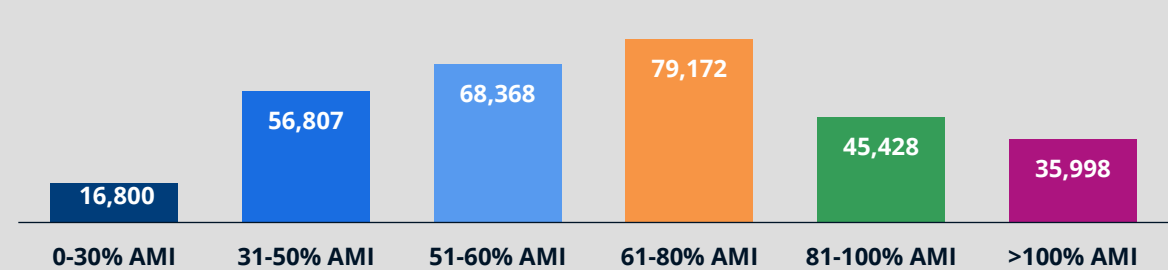
Cumulative Households by Income

(2022)



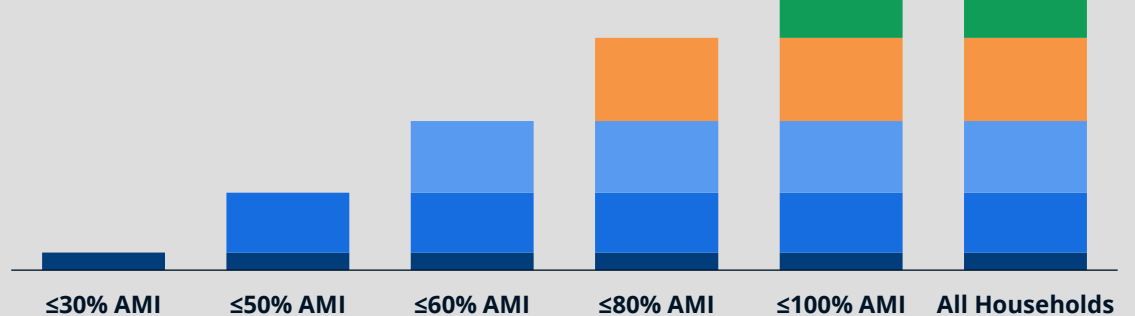
Units by Affordability

(2022)



Cumulative Units by Affordability

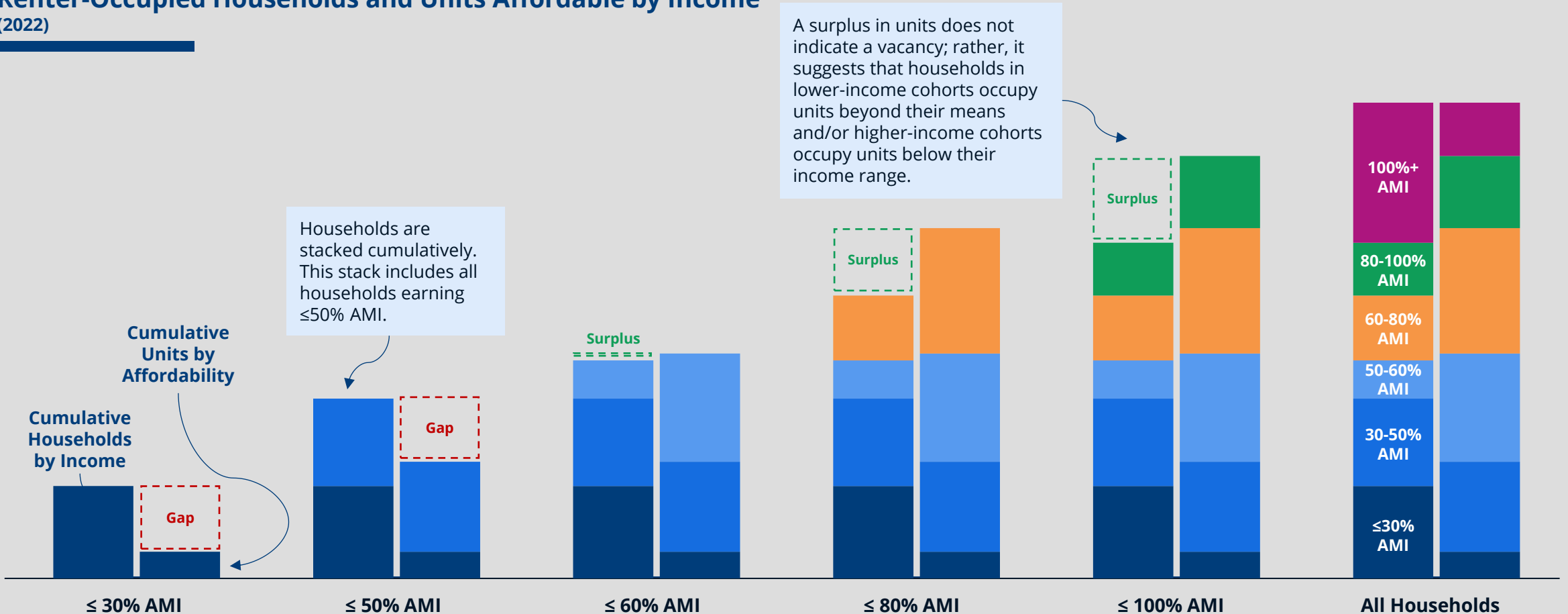
(2022)



SUPPLY DEEP DIVE | HOUSING GAP

Arranging households by income (demand) along with units by rent affordable (supply) can help find the gap of affordable housing units across the city.

Renter-Occupied Households and Units Affordable by Income (2022)



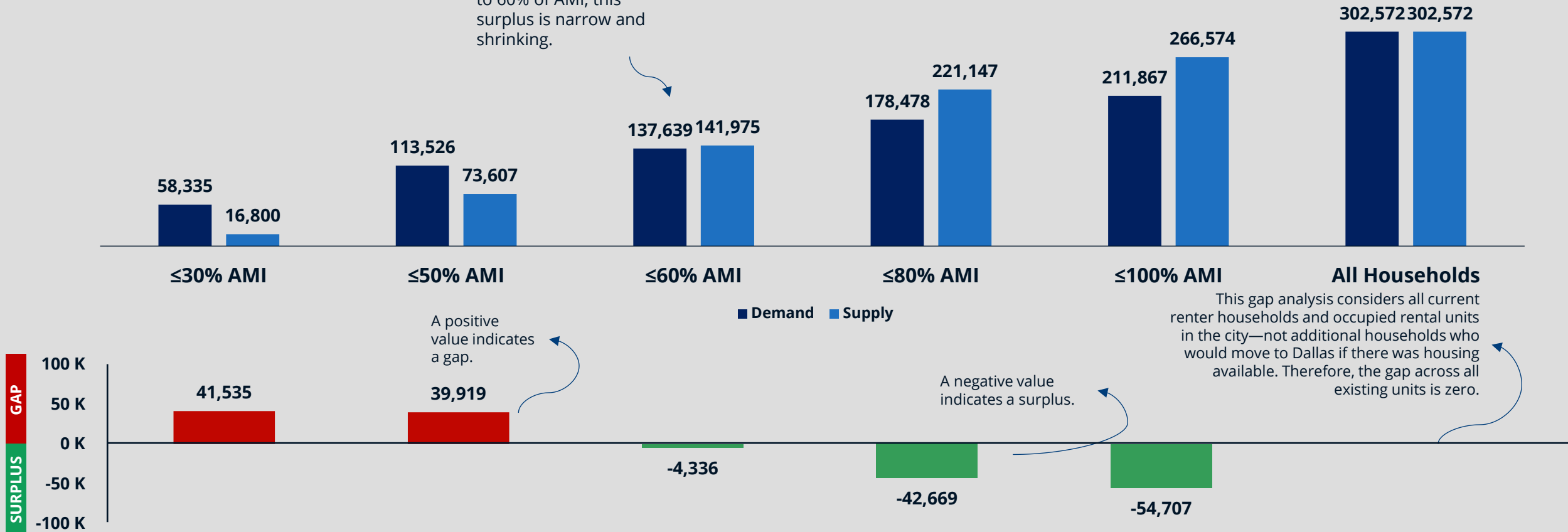
Source(s): ACS PUMS 2022.

SUPPLY DEEP DIVE | HOUSING GAP

Due to the loss of affordable rental units, there is now a 39,919-unit gap in affordable units available for households earning at or below 50% of AMI. For households at or below 30% of AMI, this gap increases to 41,535 units.

Rental Housing Supply Gap (2022)

While there is a surplus of rental units affordable to households making up to 60% of AMI, this surplus is narrow and shrinking.



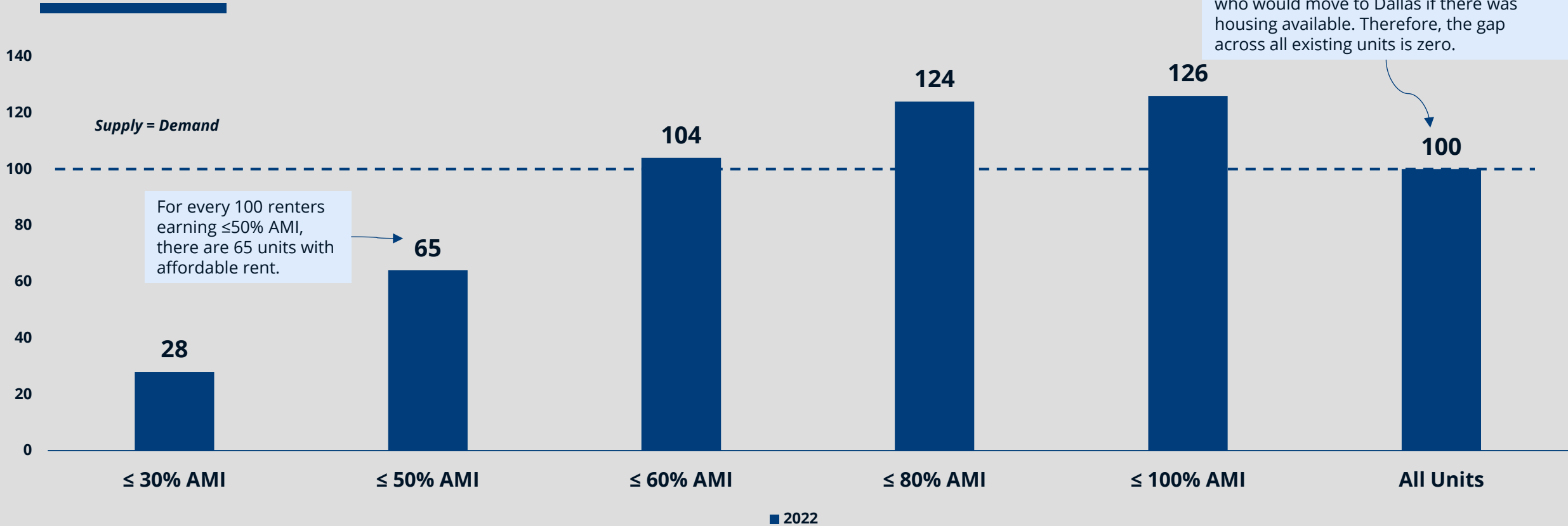
Source(s): ACS PUMS 2022.

Note: Demand and supply bars represent the cumulative demand by income category. E.g., ≤60% AMI demand includes households earning ≤50% AMI and earning ≤30% AMI.

SUPPLY DEEP DIVE | HOUSING GAP

There are only 28 units affordable for every 100 households at or below 30% of AMI, and only 65 units affordable for every 100 households at or below 50% of AMI.

Units Affordable per 100 Renter Households by Income (2022)



Note: Higher-income cohorts may elect to live in units below their means, widening each gap for lower-income cohorts.

Source(s): ACS PUMS 2022.



06

Future Housing Needs

Key Takeaways

- 1** According to the Texas Demographics Center (TDC) projections, the Dallas metro area will gain **1.79M households by 2035, an increase of 23%**, while Dallas County and the City of Dallas will grow by 11%.
- 2** The City of Dallas is projected to add **39,086 new renter households by 2035**, with the largest increase in households earning more than 100% of AMI.
- 3** Current trends suggest that production over the next decade will be skewed towards higher income renters, with **63% of new development only affordable to households earning above 80% of AMI**.
- 4** Given our demand and supply projections, the gap is projected to increase from 39,919 units to **76,073 units for households at or below 50% of AMI by 2035**. The gap is also projected to affect **households up to 100% of AMI**.

Note: AMI stands for Area Median Income, a measure of the median income of a specific geographic area calculated by the Department of Housing and Urban Development (HUD). In the City of Dallas for 2022, 50% AMI is \$34,100 for a 1-person household; \$39,000 for a 2-person household; \$43,850 for a 3-person household, and \$48,700 for a 4-person household. More details on page 57.

Demand and supply were projected for 2035 using findings in the current housing gap as the base case.

Demand

Forecast future population growth and characteristics

- 1. Population Growth:** Examine forecasts for population growth from the state demographer.
- 2. Labor Force Participation:** Locate the projected distribution of future residents by their labor force participation and occupation.
- 3. Workers by Income:** Estimate the city's future income distribution by AMI level, based on the projected job mix across the city.

Supply

Forecast future supply growth and characteristics

- 1. Future Supply:** Analyze historical construction rates, segmented by affordability, to project future housing supply.
- 2. Current Supply Filtering:** Estimate the projected change in current housing supply, based on filtering.

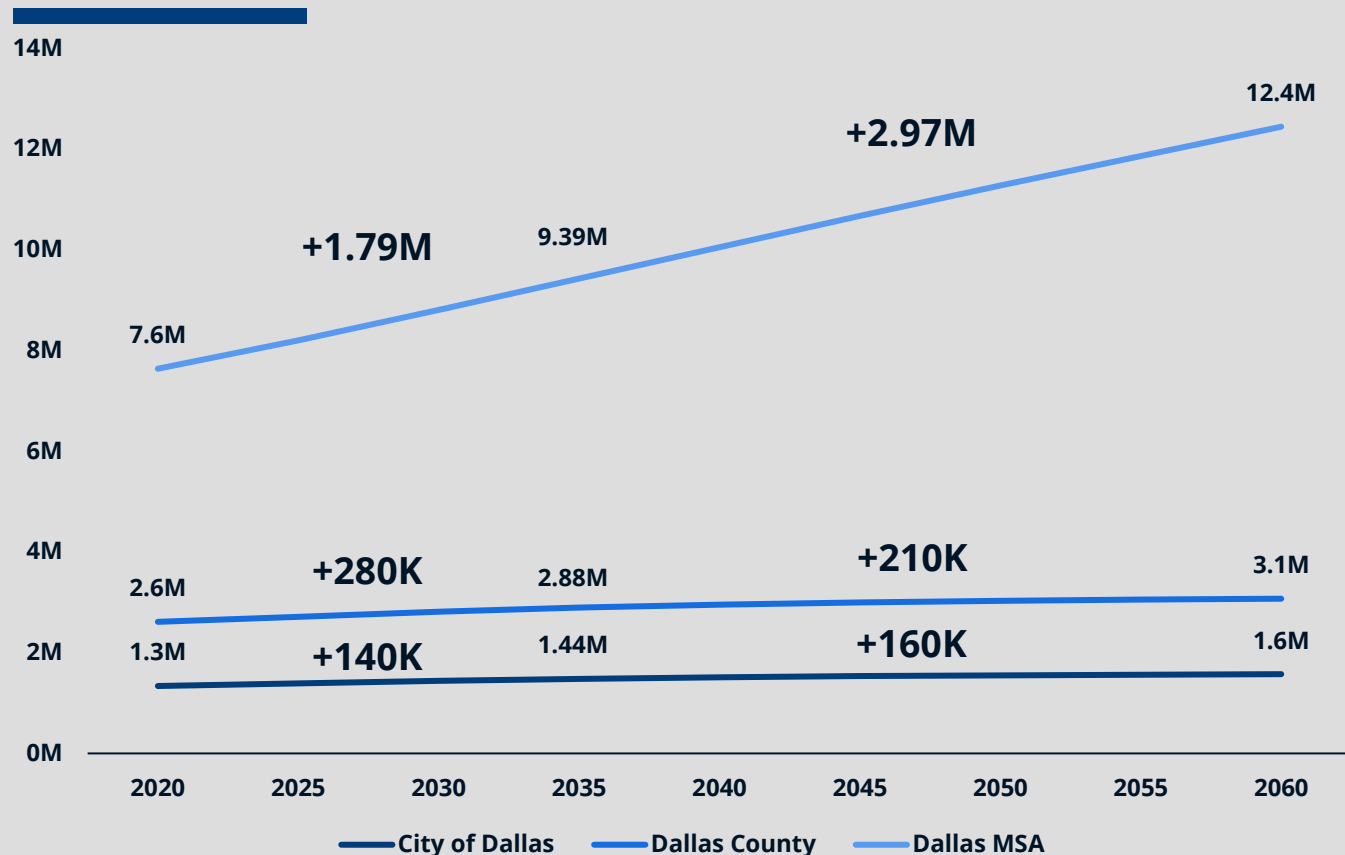
FUTURE HOUSING NEEDS | POPULATION GROWTH

According to TDC projections, the Dallas Metro will gain 1.79M households by 2035, an increase of 23%, while Dallas County and the City of Dallas will grow by 11%.

TDC estimates that the Dallas-Fort Worth Metro population growth is expected to continue outpacing population growth in Dallas County over the next ten years and through 2060.

Population projections from the TDC use the cohort component projection technique. To determine changes in the population by cohort, the current population by gender and age is projected based on historical birth, death, and net migration rates.

Total Population 2020-2060



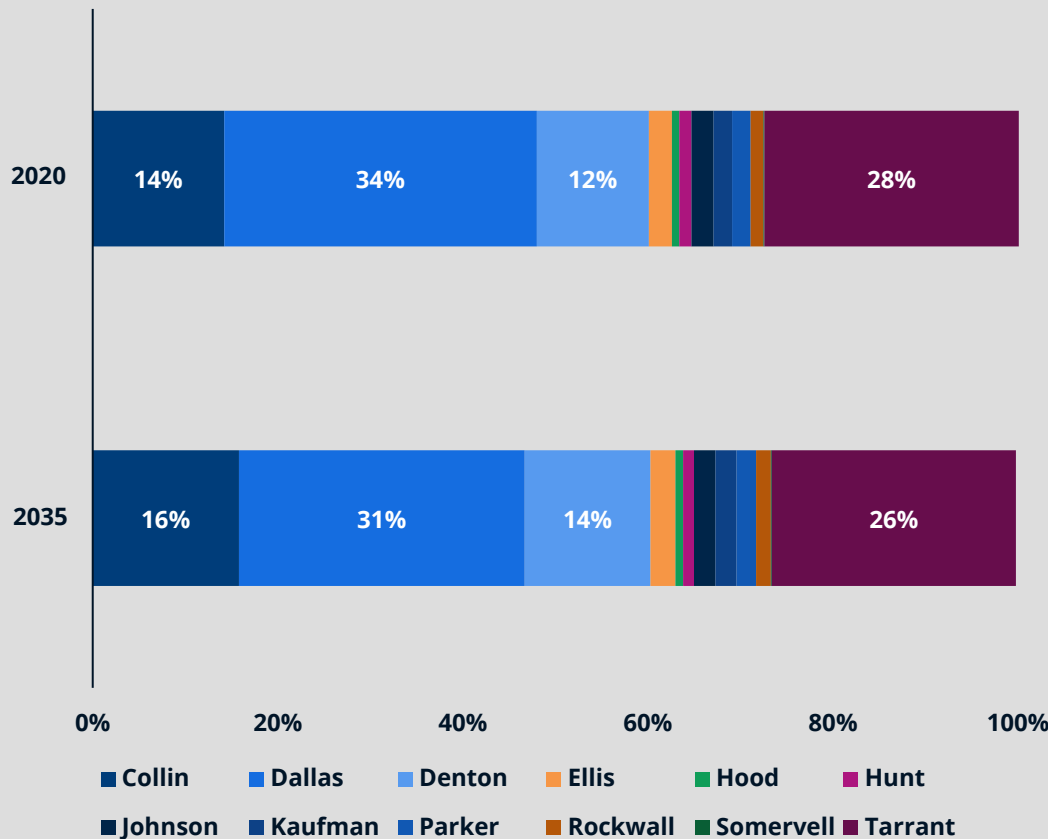
FUTURE HOUSING NEEDS | POPULATION GROWTH

Dallas County will add 280,000 people by 2035, contributing to 16% of the MSA's population growth. Dallas County's share of total metro population is projected to fall to 31% from 34%.

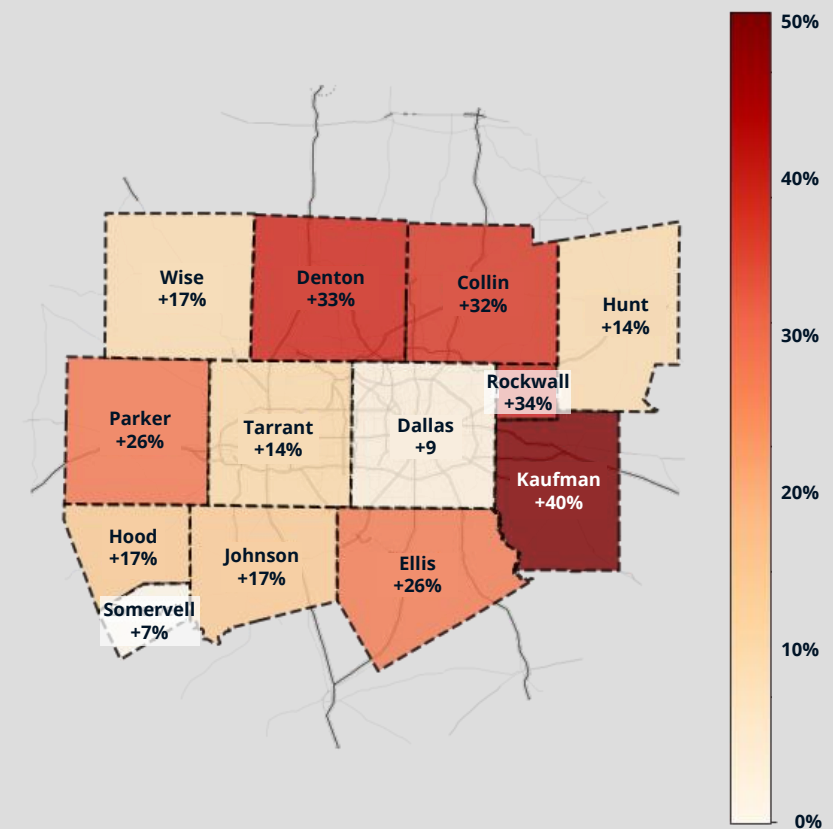
While Dallas County is projected to grow, other counties in the Dallas MSA are projected to grow at a faster rate.

Counties with the greatest projected growth are Denton and Collin counties, with additional growth in exurban counties like Rockwall and Kaufman. This suggests that people are increasingly choosing to live in outlying areas and the trend of people locating further away from the center of Dallas is likely to continue over time.

Projected Share of Population by County 2020, 2035



Projected Population Change by County 2020-2035



Source(s): TDC 2018-2022, ACS 2022 B01003: Population.

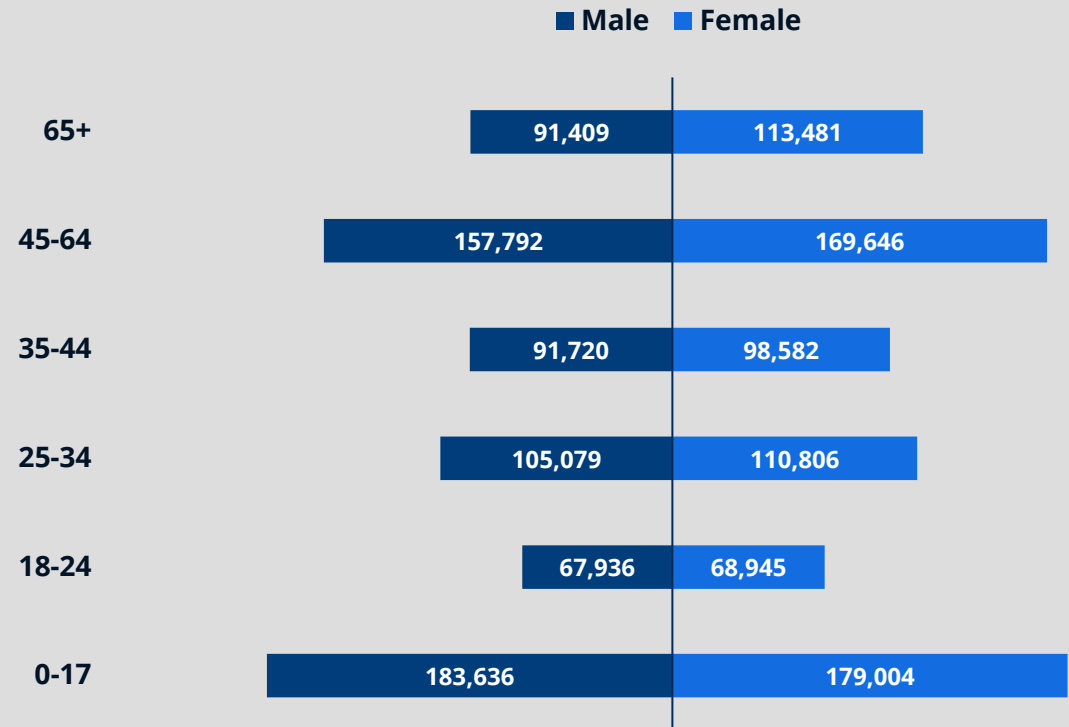
FUTURE HOUSING NEEDS | POPULATION GROWTH

Population projections are further subdivided into age and sex cohorts, using 2018 TDC distribution estimates.

TDC projects the future county population by sex and age cohort. HR&A allocated 49.8% of the total population for the county to the city, using the existing population share distribution. HR&A assumed that the age distribution of the population would be the same as the county—based on very similar existing age distributions.

Projections released in 2022 are not available at the MSA level. MSA forecasts aggregate the county-level projections to find the weighted average distributions by cohort.

City of Dallas Projected Distribution of Population 2035



FUTURE HOUSING NEEDS | LABOR FORCE PARTICIPATION

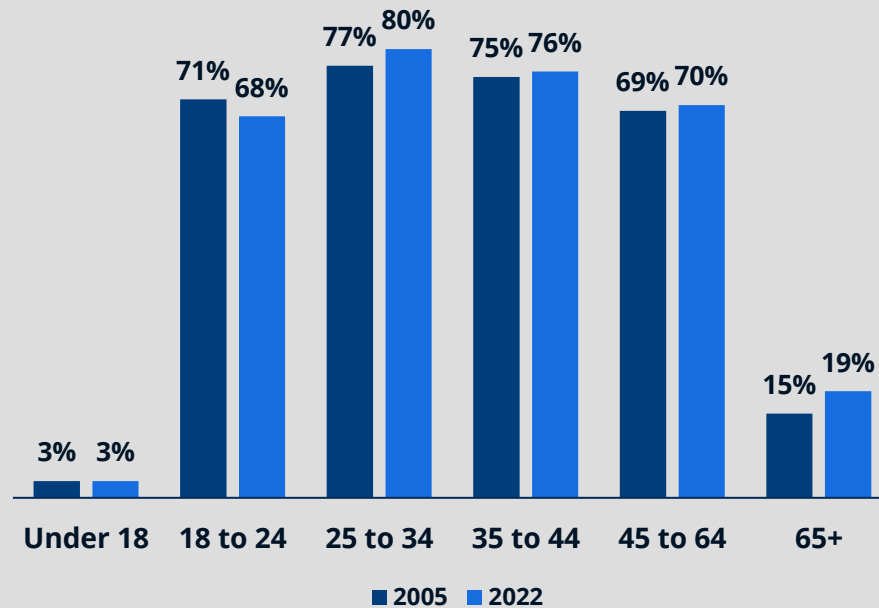
Each cohort—identified by age and sex—can be further categorized by their labor force participation, based on historical trends.

Labor force participation across the metro has remained relatively steady since 2005—except for a slight increase in older female participation (65+) and a decline in labor force participation for young men aged 18 to 24. While notable, HR&A did not project these trends out to 2035 and rather used the 2022 labor force participation rates to calculate projected labor force by age and sex.

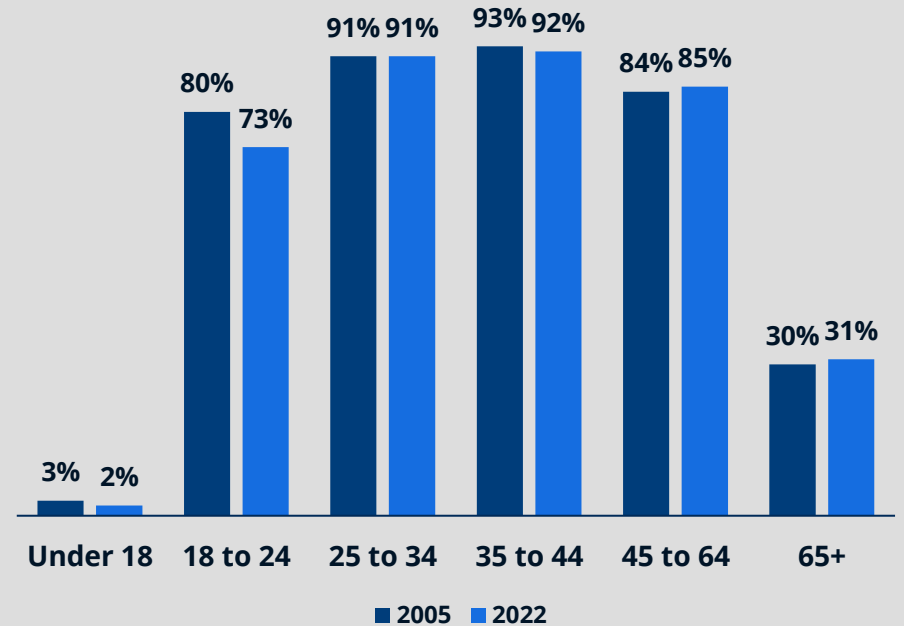
This is due to the relative recent volatility in labor force participation nationwide due to the Covid-19 pandemic and its repercussions. While the volatility is present in national BLS data, it is not clear if these trends are yet captured in ACS and PUMS data.

Dallas County Labor Force Participation 2005, 2022

Female



Male



Source(s): TDC 2018-2022, ACS PUMS Distributions 2022 accessed through IPUMS (EMPSTAT, PWGTP, SOC, AGE, SEX).

Note: The labor force is the working age population (16-65) that is employed or is actively seeking employment.

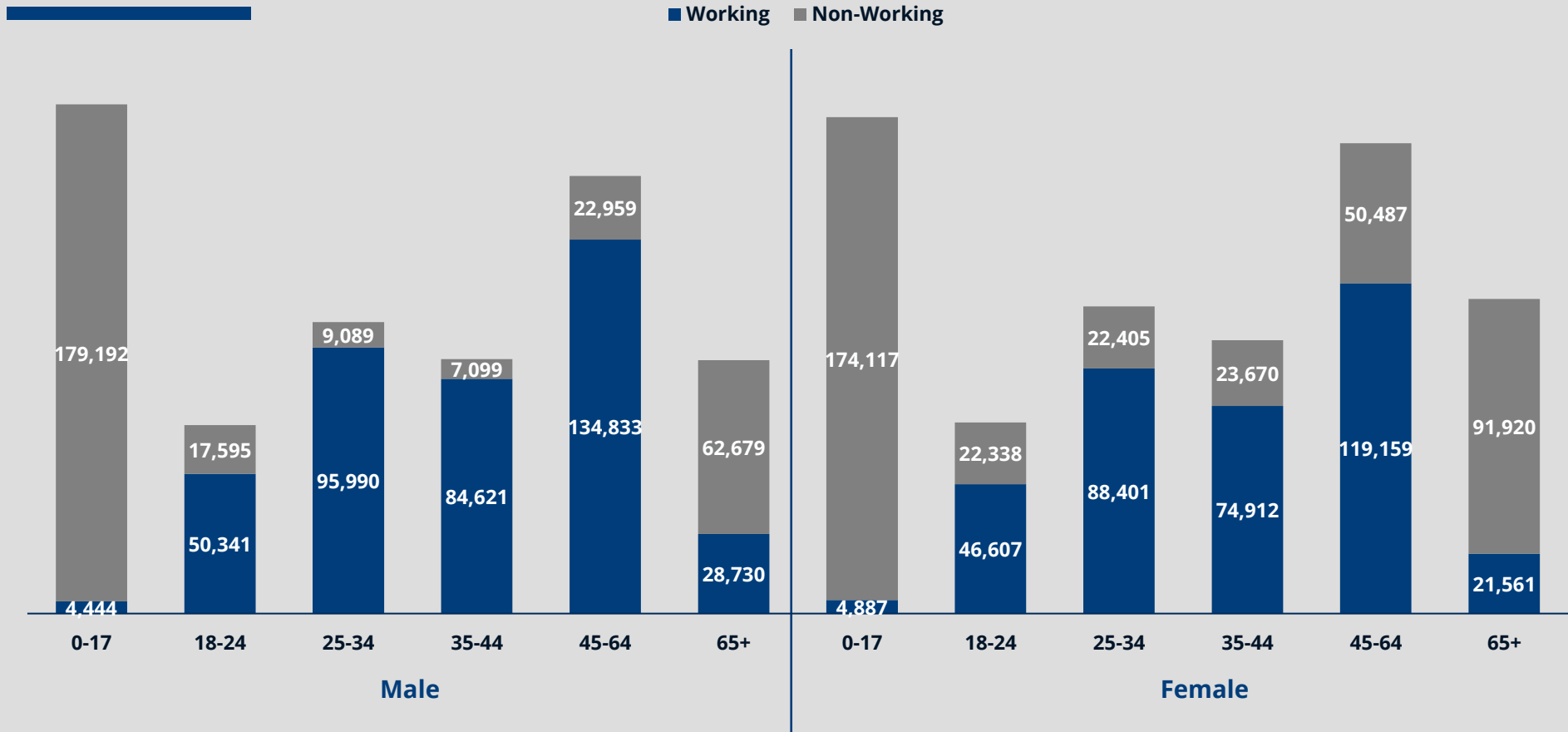
FUTURE HOUSING NEEDS | LABOR FORCE PARTICIPATION

The county is projected to have about 754,500 workers in 2035 and 683,600 residents not in the labor force—concentrated among children and seniors.

Overall, the highest labor force participation is observed among males aged 35-44 (92%), followed by males aged 25-34 (91%). In comparison, female labor force participation is lower across all age groups, with the highest rate found among females aged 25-34 (80%). Both male and female populations display the lowest labor force participation in the under 18 age group, at 3% and 2%.

Dallas County Projected Labor Force Participation

2035



Source(s): TDC 2018-2022, ACS PUMS Distributions 2022 accessed through IPUMS (EMPSTAT, PWGTP, SOC, AGE, SEX).

Note: The labor force is the working age population (16-65) that is employed or is actively seeking employment Dallas Rental Housing Needs Assessment | HR&A and CPAL

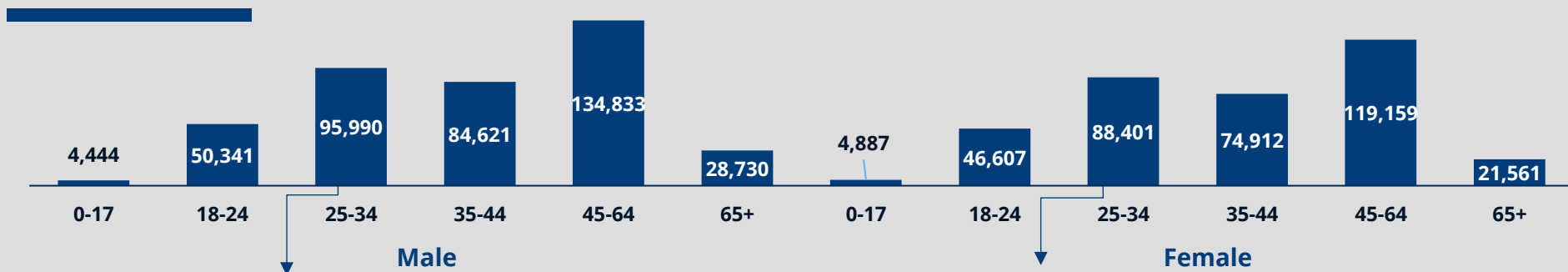
FUTURE HOUSING NEEDS | LABOR FORCE PARTICIPATION

Each labor cohort can be further distributed by their estimated wages—based on the Department of Labor’s occupation and wage projections for 2035.

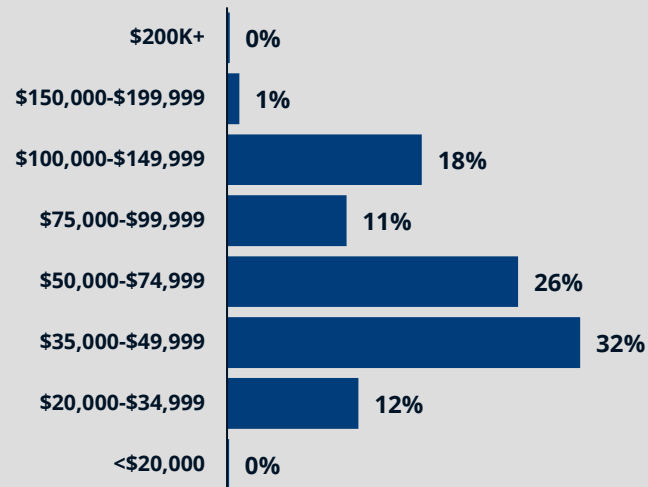
Labor force projections align population with occupation projections by providing sex, age, and wage distributions.

Each labor cohort was distributed by sex and age to calculate the number of individuals in each cohort, and aggregated into a full set of workers.

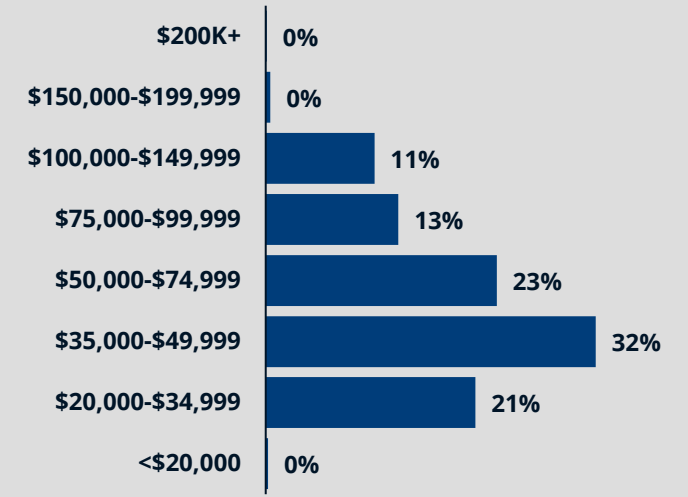
Dallas County Projected Labor Force Participation and Wages 2035



Male 25-34 Proj. Distribution of Wages (2035, 2023\$)



Female 25-34 Proj. Distribution of Wages (2035, 2023\$)



Note: The labor force is the working age population (16-65) that is employed or is actively seeking employment. Numbers may not add due to rounding.

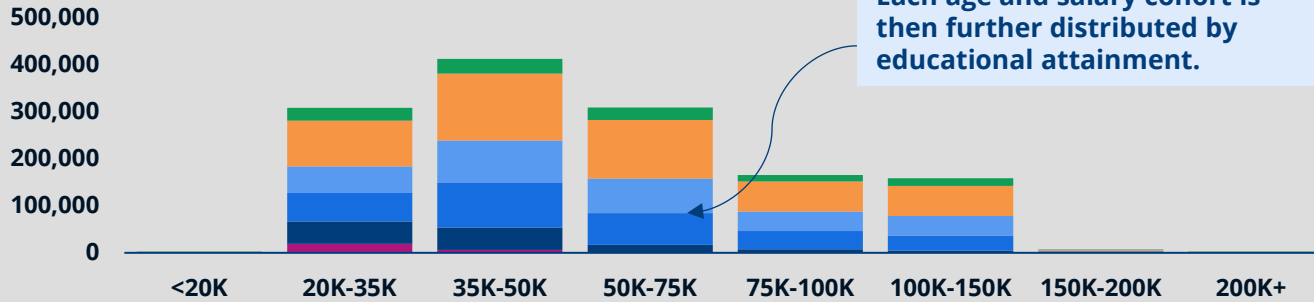
Source(s): TDC 2018-2022, ACS PUMS Distributions 2022 accessed through IPUMS (EMPSTAT, PWGTP, SOC, AGE, SEX).

FUTURE HOUSING NEEDS | WORKERS BY INCOME

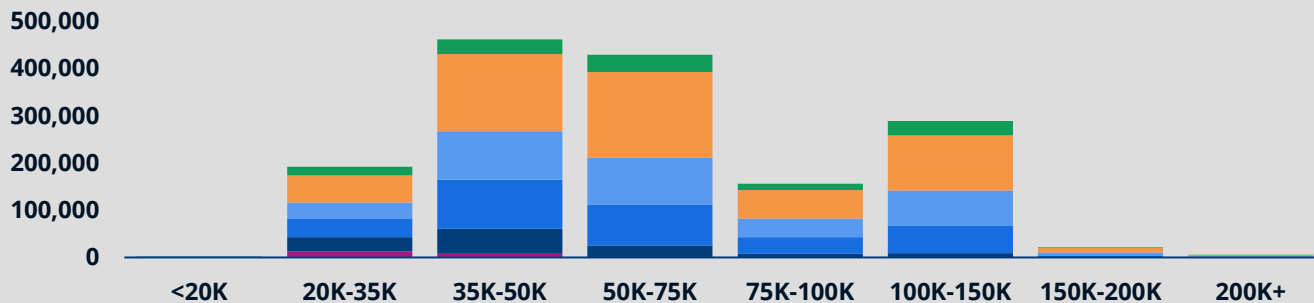
With independent cohorts by sex, age, and median wage, we can sort people into households based on national characteristics.

Dallas County Forecasted Employees by Income and Age
2035, in 2023\$

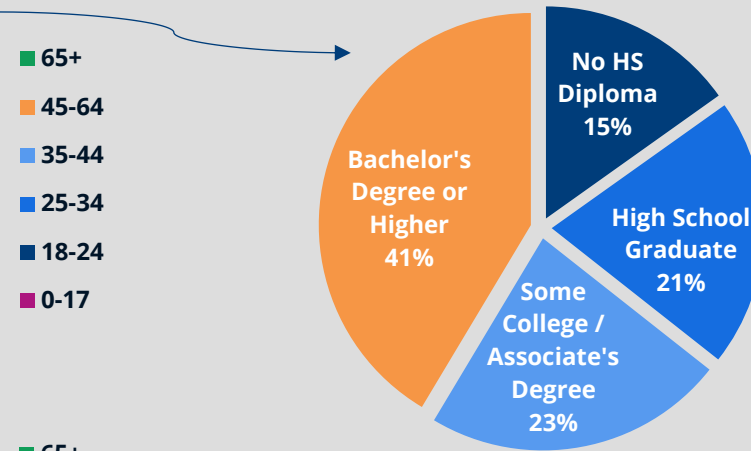
Female



Male



Educational Attainment
Women Earning \$50-\$75K, Aged 35 to 44:

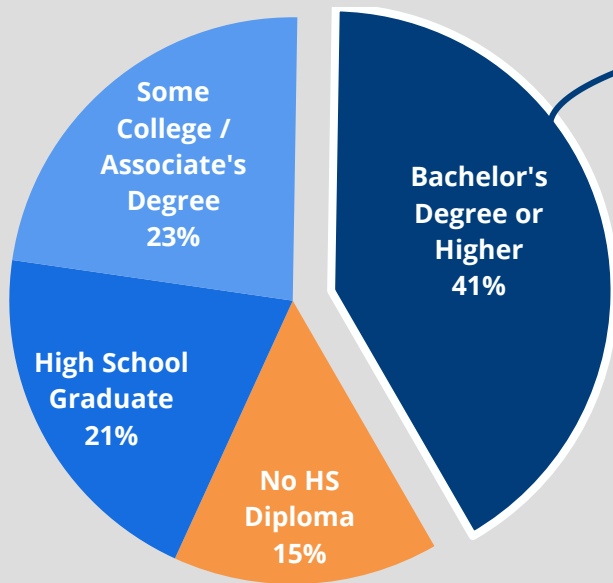


Source(s): Lightcast occupation by income and age projection, ACS PUMS Distributions 2022 accessed through IPUMS (WAGP, PWGTP, SOCP, AGEP, SEX).

FUTURE HOUSING NEEDS | WORKERS BY INCOME

With independent cohorts by sex, age, and median wage, we can sort people into households based on national characteristics.

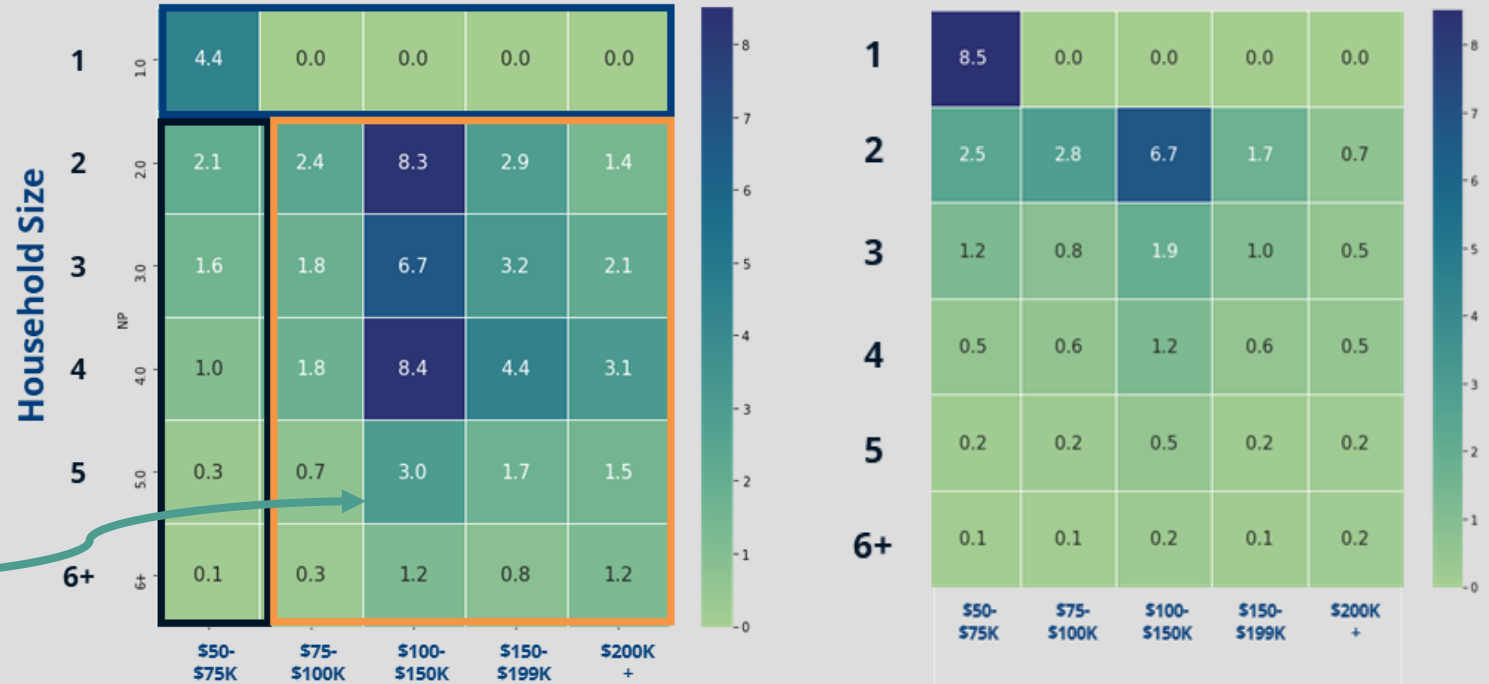
Educational Attainment (Illustrative Example) Women Earning \$50-\$75K, Aged 35 to 44:



Household Distribution for:
 1. Women,
 2. with Bachelor's Degrees,
 3. aged 25 to 44, and
 4. earning between \$50K-\$75K.

By Tenure

Owners Renters



The value in each square represents the number of people out of 100 in a cohort with a given household size, household income and tenure.
 Ex. 3 of every 100 people in this cohort will be owners in a household with 5 or more people with a household income of \$100-\$150K.

Source(s): Lightcast occupation by income and age projection, ACS PUMS Distributions 2022 accessed through IPUMS (WAGP, PWGTP, SOCP, AGE, SEX).

FUTURE HOUSING NEEDS | PROJECTED HOUSEHOLDS BY AMI

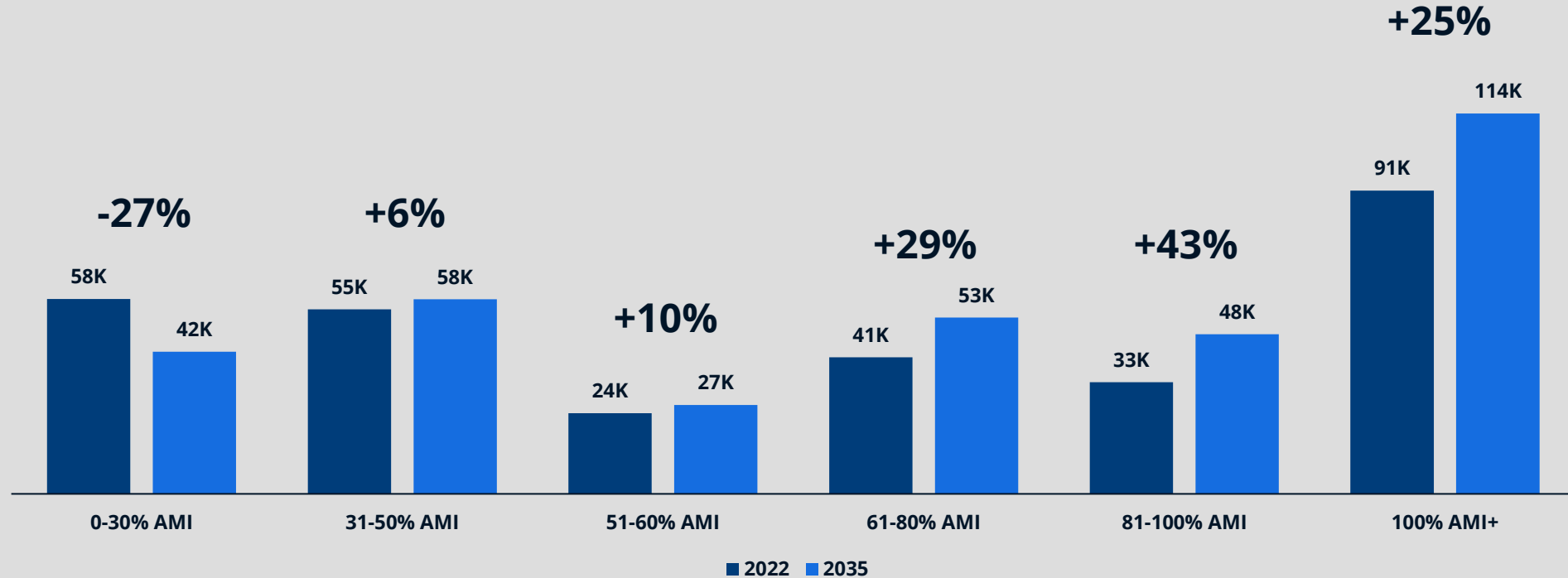
Based on growth trends by occupation, 94% of new renter households are expected to earn more than 60% of the AMI—and wage increases will reduce the share of renters earning less than 30% of the AMI.

The City of Dallas is projected to add 39,086 new renter households by 2035, with the largest increase in households earning more than 100% of AMI.

94% of the growth is projected to be in households earning **more than 60% of AMI** (49,386 households).

There is a significant projected decrease in renters earning below 30% of AMI by 16,000 households (-27%), due to increasing wages in lower-wage jobs.

City of Dallas Renter Households by AMI
(2022,2035 (projected))



Note: Numbers may not add to totals as figures are rounded to the nearest 1,000.

FUTURE HOUSING NEEDS | FUTURE HOUSING SUPPLY

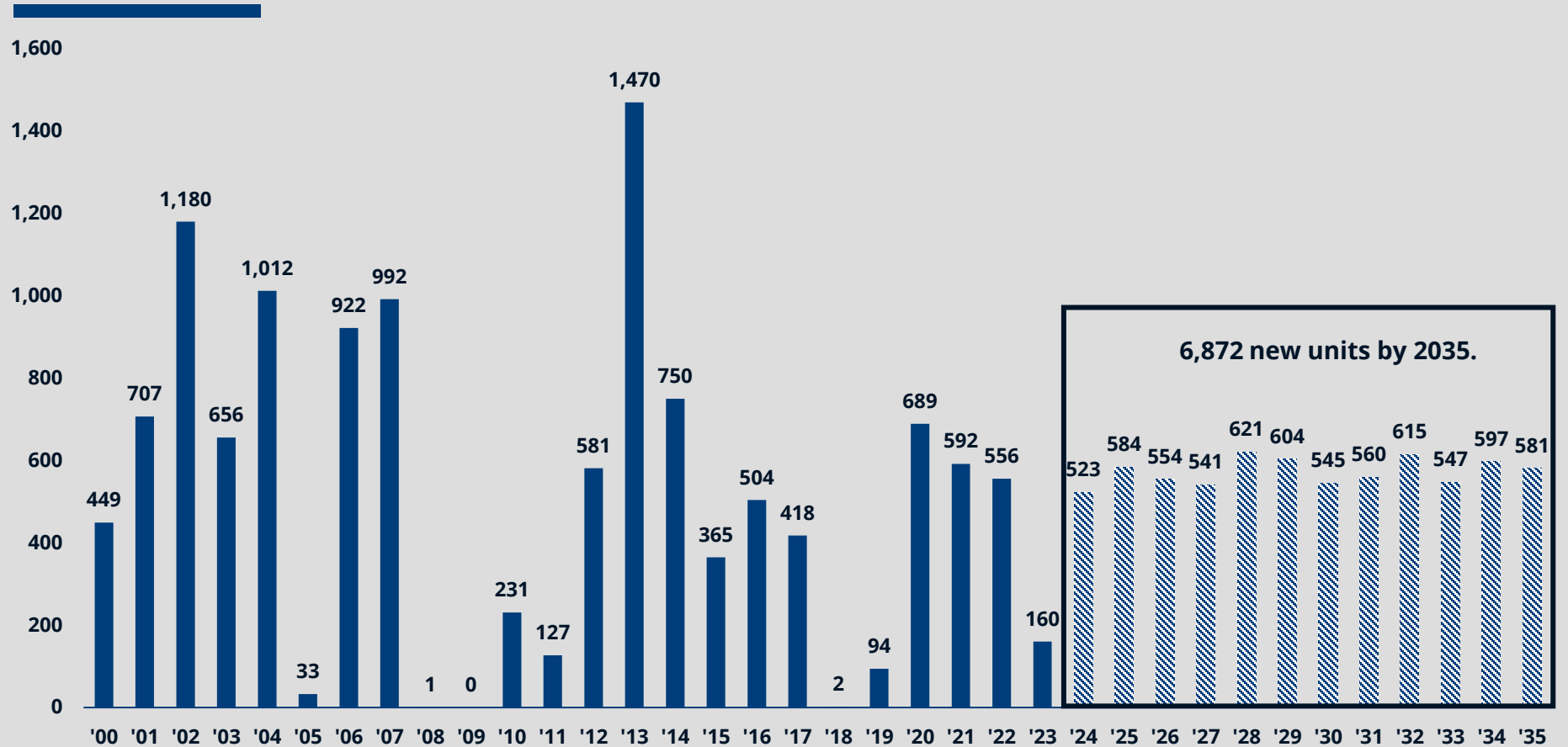
Deliveries of units with deed-restricted affordability have been much more volatile, based on statewide allocations and site availability.

The number of affordable unit deliveries in Dallas fluctuates considerably from year to year. In some years, such as 2002, 2003, and 2013, there were large increases in the number of new units delivered, while in other years, such as 2005 and 2009, the number of new units was much lower.

A possible explanation for these fluctuations could be changes in funding for affordable housing programs, through the Low-Income Housing Tax Credit (LIHTC) which could result in more or less construction of new units in a given year. There are also fluctuations in the number of LIHTC applications submitted each year.

The projection of 6,872 new units by 2035 is based on the long-term average production but will likely be a lot more volatile than the time series projection indicates.

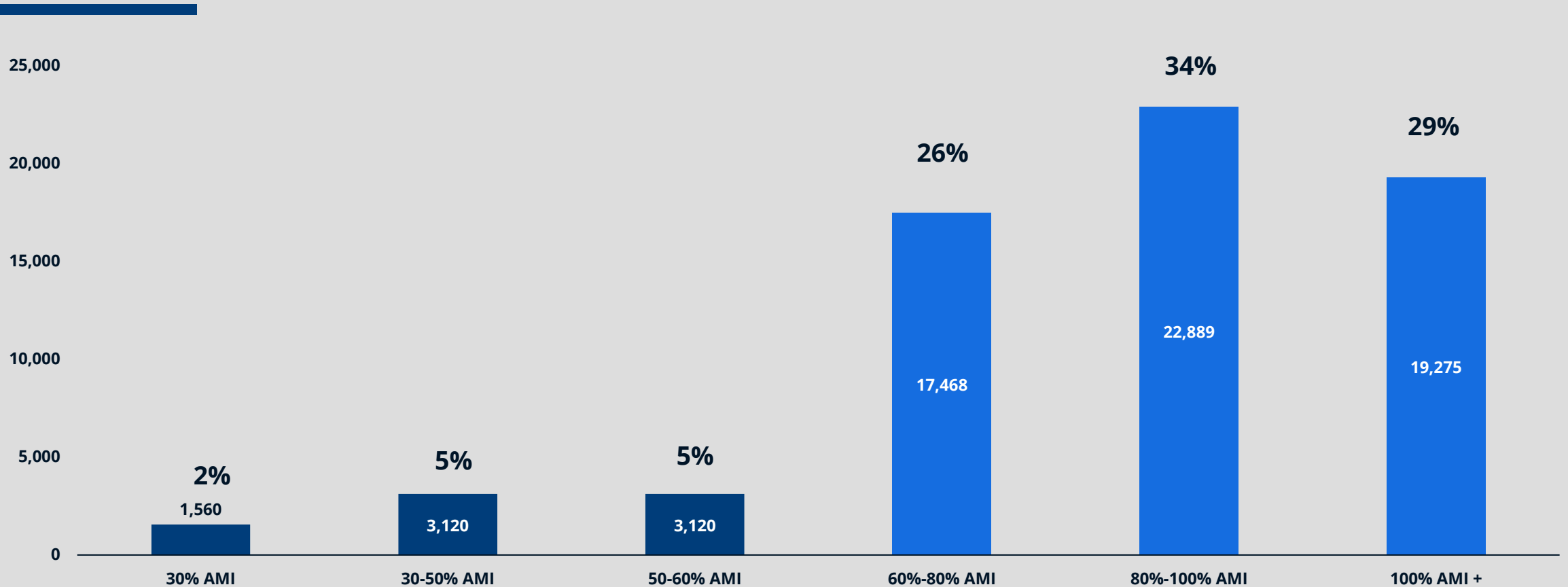
Deliveries of Deed-Restricted Rental Units by Year (2010,2035 (projected))



FUTURE HOUSING NEEDS | FUTURE HOUSING SUPPLY

These current trends suggest that production over the next decade will be skewed towards higher income renters, with 63% of new development only affordable to households earning above 80% of AMI.

Units Built 2022-2035 by Affordability
(2035 (projected))



Source(s): CoStar, State of Texas (TEPP) Projections, NHPD, HUD User 2022 Income Limits, ACS PUMS 2022.

FUTURE HOUSING NEEDS | EXISTING HOUSING SUPPLY

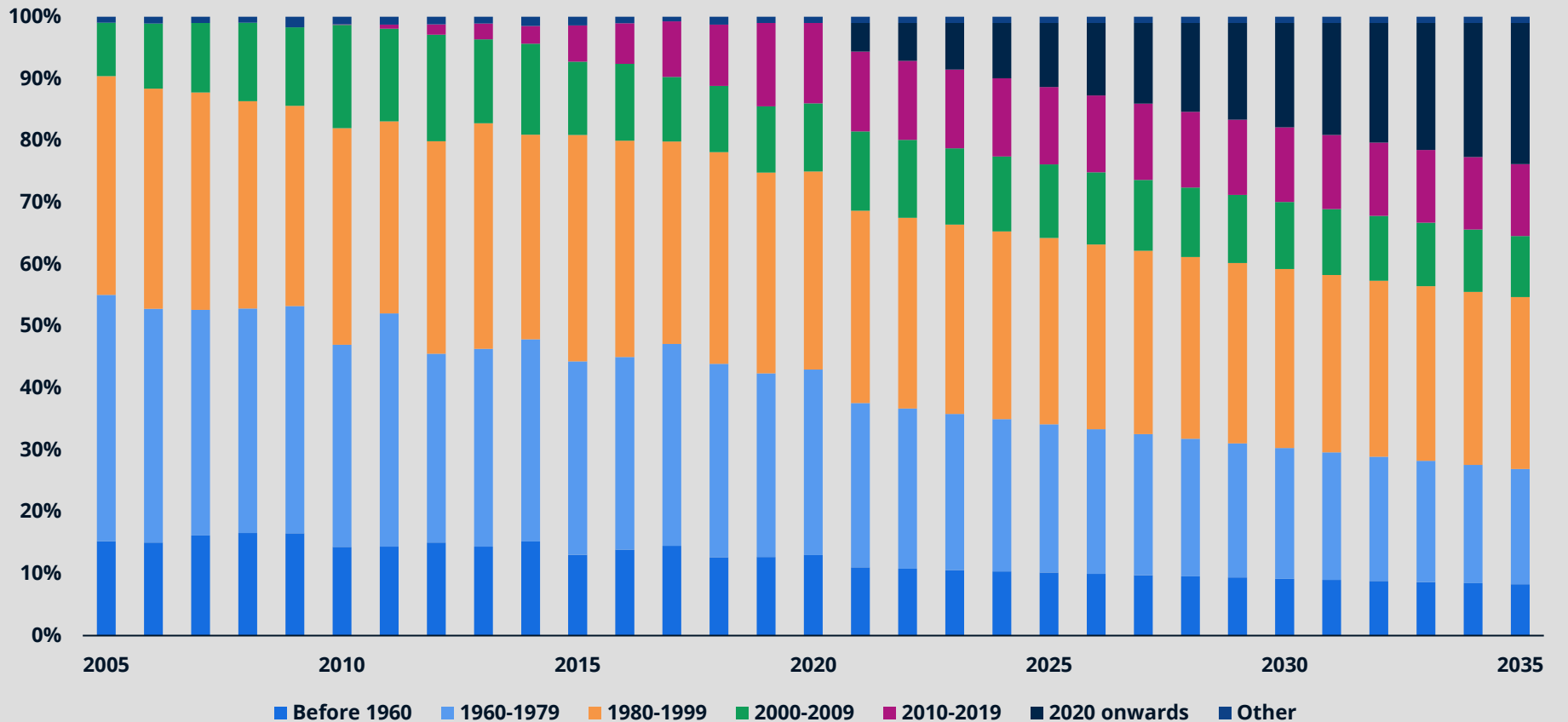
Existing units in the market can be lost due to redevelopment, structural loss, or conversion to ownership. Older units will account for a smaller share of the overall rental stock, with 55% of available units by 2035 projected to be built before 2000.

Overall, there has been a gradual shift towards newer rental units as they come online, with a declining share of units built before 1960 and an increasing share of units built after 2000.

From 2005 to 2020, the largest share of rental units were built in the 1960s to 1990s, ranging from 30% to 40% of total rental units. The share of units built before 1960 declined from 17% to 13% over this period, while the share of units built after 2000 increased from 9% to 24%.

From 2020 to 2035, the share of rental units built before 1960 is projected to decline further, reaching 8% by 2035. The share of units built after 2020 is expected to continue increasing, accounting for 23% of all units by 2035.

Presence of Units by Year Built (2005-2035)



Source(s): CoStar, State of Texas (TEPP) Projections, NHPD, HUD User 2022 Income Limits, ACS PUMS 2022, HR&A Calculations.

FUTURE HOUSING NEEDS | EXISTING HOUSING SUPPLY

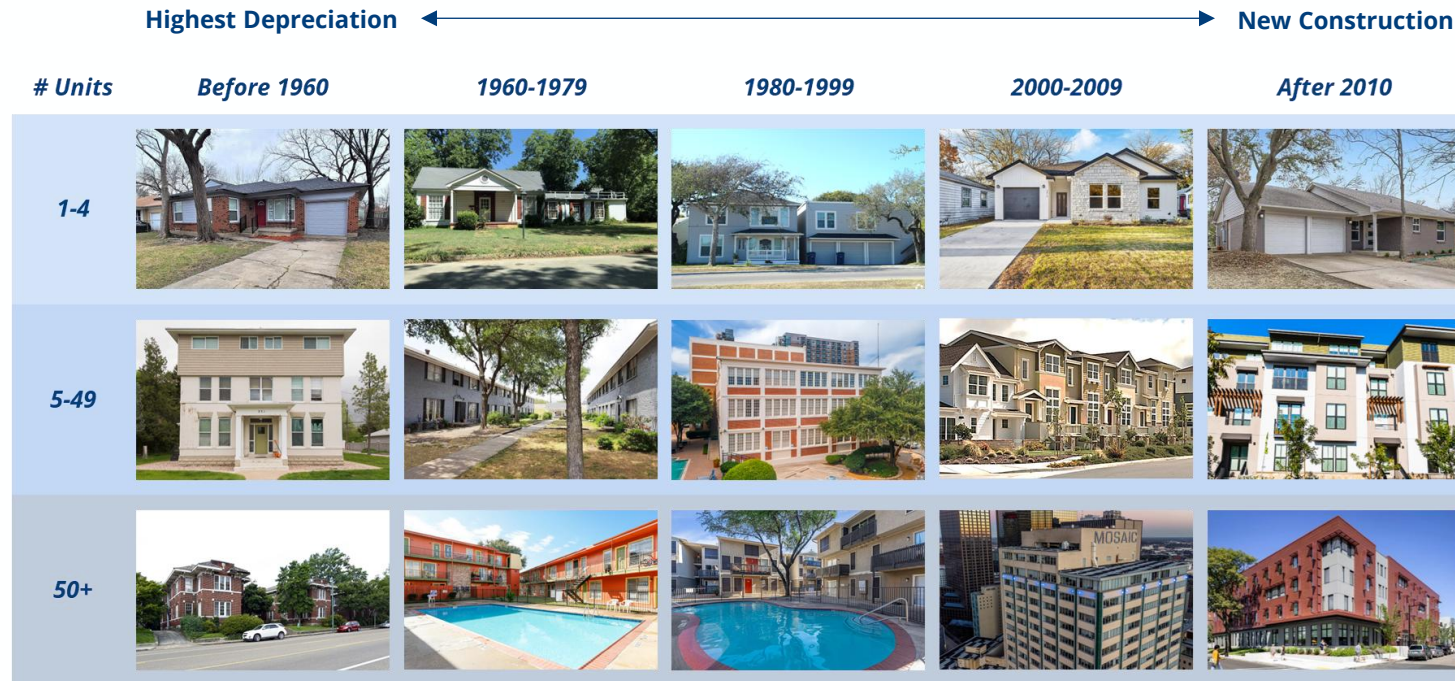
Units were filtered into 15 typologies based on decade built and type of unit. While most units filter down in relative rent, the speed of decline depends on the location and typology.

Rent filtering is a concept that describes the process through which housing units "filter down" through the market over time, becoming more affordable to lower-income households as they age and depreciate in value.

In a strong housing market like Dallas, demand for housing is high, and property values and rents are generally increasing. This can put pressure on the supply of affordable housing. However, rent filtering can still occur in such a market, albeit at a slower pace or in a more limited capacity.

Here's how rent filtering works in Dallas:

- 1. New construction:** In a strong housing market, developers typically build new housing units, often targeting higher-income households with more expensive, higher-quality units. This is because the profit margins are higher for these types of developments, and properties need to recoup construction costs.
- 2. Depreciation:** Over time, housing units naturally age and depreciate. As a result, their rental prices or sale values decrease relative to newer, more modern units. In a strong housing market, this depreciation process might happen more slowly, as demand for housing remains high, and landlords can still charge relatively high rents.
- 3. "Filtering down":** As older housing units depreciate, they eventually become more affordable to lower-income households. This is the process of filtering, where units that were once considered high-end eventually become more accessible to a broader range of income groups.

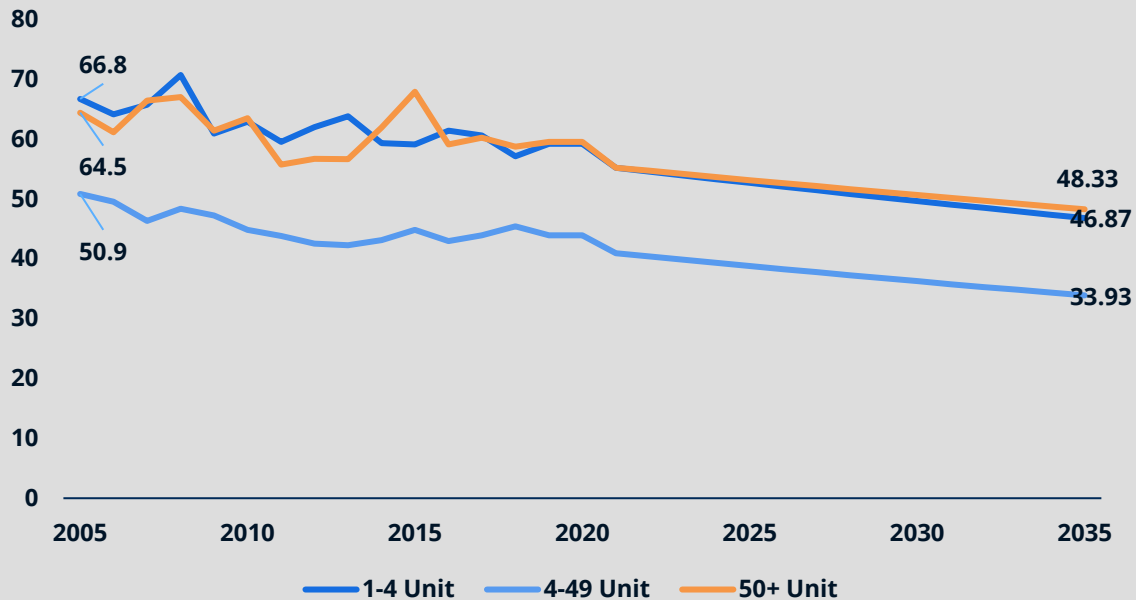


FUTURE HOUSING NEEDS | EXISTING HOUSING SUPPLY

Each of the 15 typologies were processed through time series projections to estimate where rents would be relative to the market by 2035.

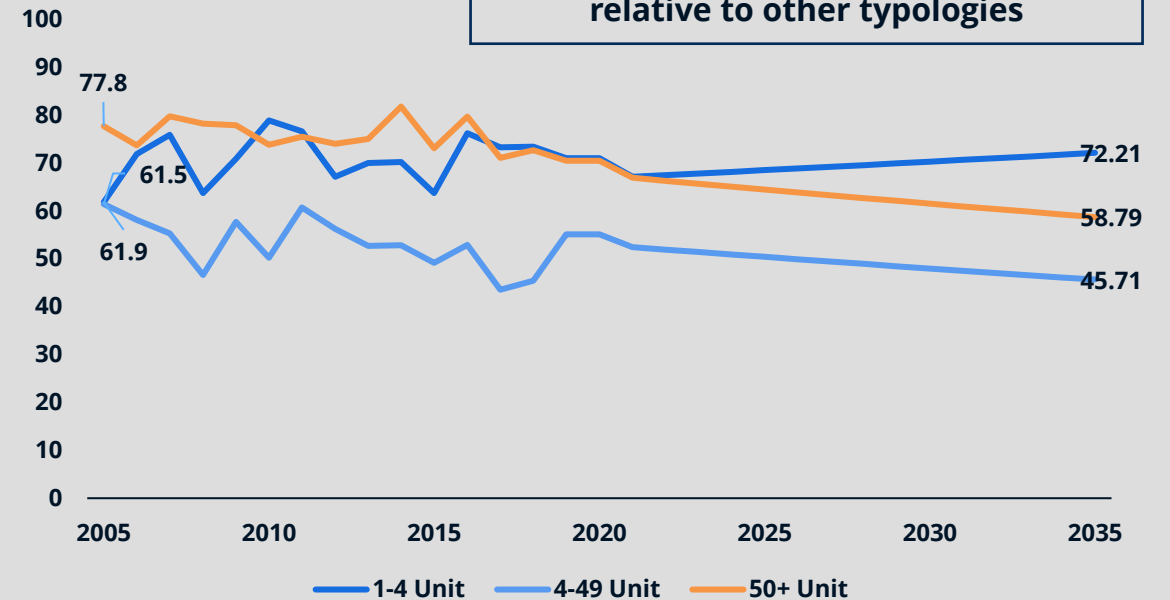
Relative Rent Percentile by Typology

Built between 1980-1999



Relative Rent Percentile by Typology

Built between 2000-2009



Source(s): CoStar, State of Texas (TEPP) Projections, NHPD, HUD User 2022 Income Limits, ACS PUMS 2022.

Note: These figures are examples for selected typologies, to illustrate how typologies were processed through a projection.

FUTURE HOUSING NEEDS | EXISTING HOUSING SUPPLY

Each typology was then processed through three rent scenarios: a base case, a median case, and an aggressive case—based on annual median rent increase projections.

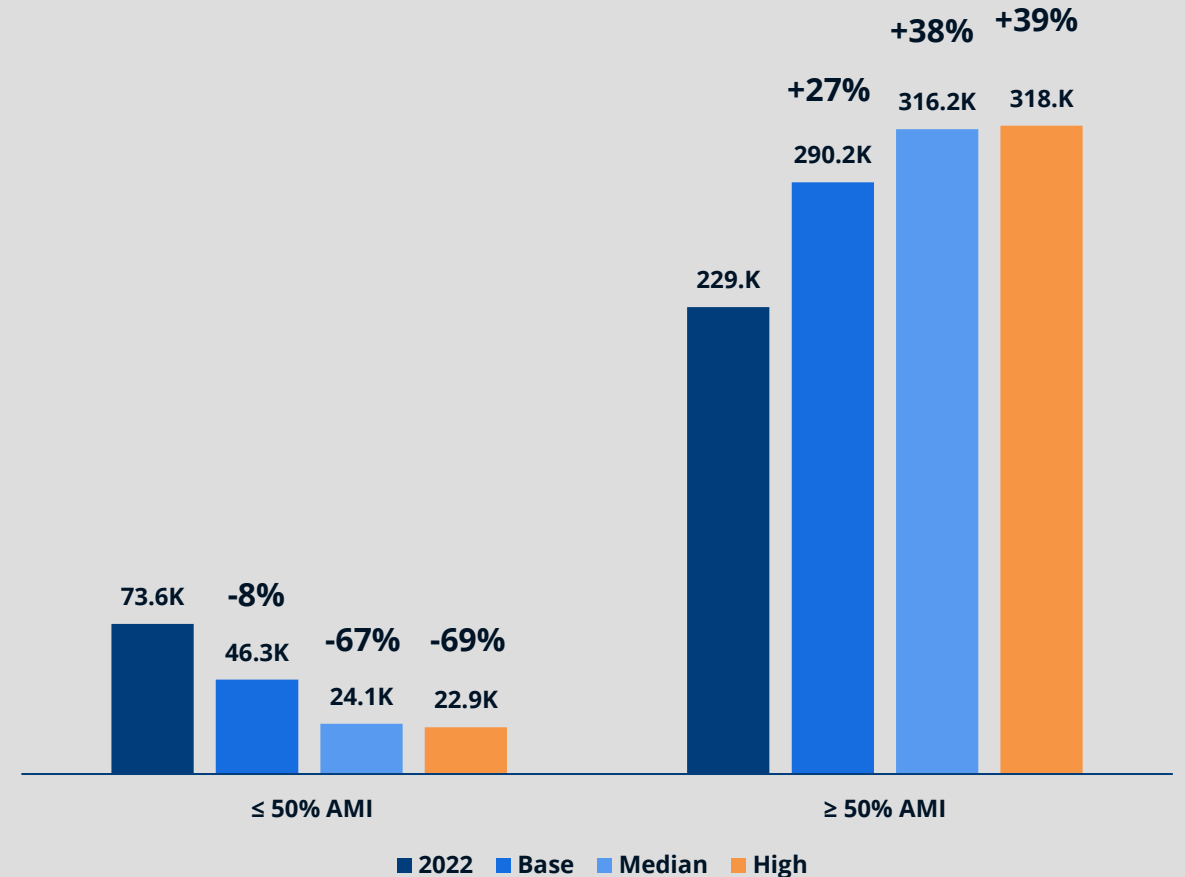
The median case projects a drop of 67% in units (48,900 net) renting for less than 50% of AMI, while the base case projects a loss of 8%, and the aggressive rent growth scenario projects almost 70% loss in units.

Supply projections account for loss of units due to redevelopment, new units (market-rate and deed-restricted affordable) and change in rents for existing units.

- The **base case** projects a median rent growth rate of 3% annually.
- The **median case** projects a growth rate of 5.25% annually—in line with historic rent trends since 2015.
- The **aggressive growth rate** projects growth rates at 7%—in line with the 3-year average pandemic rent growth rate.

Each case assumes a different rent growth rate, resulting in varied future rents, levels of affordability, and housing gaps.

City of Dallas Rental Units by AMI Level
(2022, 2035 (projected))



FUTURE HOUSING NEEDS | CITY-SUBSIDIZED SUPPLY

The City of Dallas has created a series of programs that have supported and will continue to drive the development of new affordable and market rate housing for Dallas residents.

The City of Dallas has worked to create new programs to sustainably increase the supply of units affordable to low- and moderate-income residents. These programs can provide the mechanism to administer subsidies with increased funding.

To create and preserve deeply affordable units, those with rents affordable to renters earning $\leq 50\%$ AMI, city programs are layered with state and federal subsidy sources, such as LIHTC equity, HOME loans, and tenant- and project-based subsidies. City programs are crucial to developing affordable units in the face of the rising cost to acquire land, construct housing, and preserve affordability.

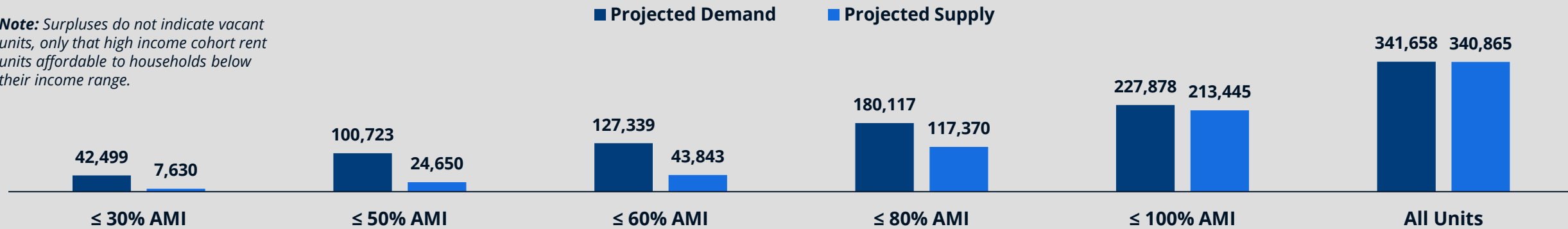
Funding Program Example	Description	Future Benefit
DEV NOFA <i>Renews funding awards annually</i>	Provides loans and grants to mixed-income development in areas of targeted reinvestment	Reduces the housing gap for $\leq 50\%$ AMI renters
Dallas Housing Finance Corporation Financing <i>Established in 1984</i>	Provides tax-exempt mortgage bonds to support the <ol style="list-style-type: none"> 1. repair of existing substandard multifamily developments, 2. rehabilitation of existing multifamily developments 3. new construction of housing for special needs; and 4. Low-Income Housing Tax Credit (LIHTC), with priority given to master-planned, mixed-income and TOD. 	Reduces housing gaps for vulnerable populations, including $\leq 50\%$ AMI renters
Dallas Housing Acquisition and Development Corporation <i>Established in 2004</i>	Provides a land bank that acquires and transfers uninhabitable property to support the creation of units affordable to $\leq 115\%$ AMI renters	Increases the availability of affordable housing units
Mixed Income Housing Development Bonus (MIHDB) <i>Established in 2020</i>	Provides developers the ability to trade additional development rights in multifamily and mixed-use developments for onsite affordable housing units or a fee in lieu of onsite units	Reduces the rental housing gap for $\leq 80\%$ AMI renters and increases access to areas of high opportunity
Dallas Public Facility Corporation Financing <i>Established in 2020</i>	Provides financing and refinancing to support the creation of units affordable to $\leq 80\%$ AMI renters; requires at least 10% of units within a development to be affordable at $\leq 60\%$ AMI	Reduces the housing gap for $\leq 80\%$ AMI renters
Community Land Trust <i>Established in 2020</i>	Provides homes affordable to purchase to low- and moderate-income residents by offering nonprofits tax exemptions and the ability to separate the cost of owning land and its improvements with a 99-year ground lease	Increases availability of affordable units for low-income resident ownership

FUTURE HOUSING NEEDS | HOUSING GAP

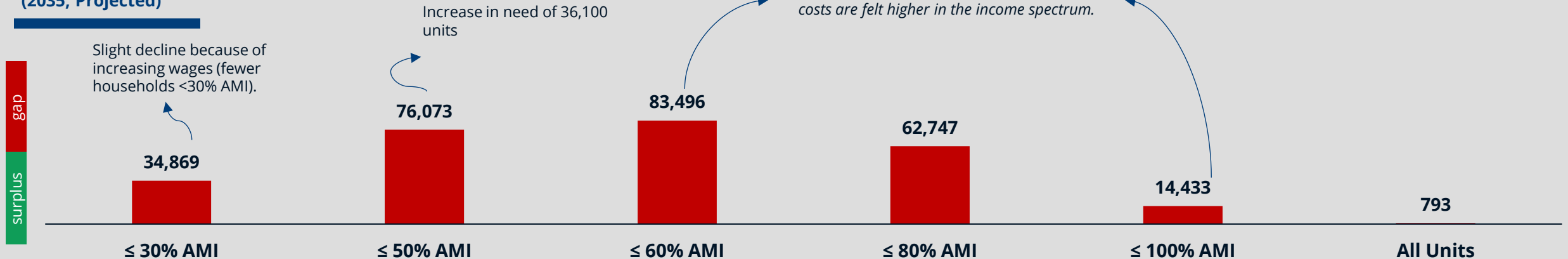
Given our demand and supply projections, the gap is projected to increase from 39,919 units to **76,073 units for households at or below 50% of AMI**. The gap is also projected to affect **households up to 100% of AMI**.

City of Dallas Housing Supply Gap (2035, Projected)

Note: Surpluses do not indicate vacant units, only that high income cohort rent units affordable to households below their income range.



City of Dallas Housing Supply Gap (2035, Projected)



FUTURE HOUSING NEEDS | HOUSING GAP

By 2035, there will be only **24 units affordable for every 100 households at or below 50% of AMI**, and only 34 units affordable for every 100 households at or below 60% of AMI.

Units Affordable per 100 Renter Households by Income

(2035, Projected)



Note: Higher-income cohorts may elect to live in units below their means, widening each gap for lower-income cohorts.

Source(s): ACS PUMS 2022, HR&A Calculations.

An aerial photograph of a city skyline, likely New York City, featuring numerous skyscrapers and buildings. A semi-transparent blue horizontal bar is overlaid across the middle of the image. The word "Appendix" is written in a large, white, sans-serif font within this bar. A vertical white line is positioned to the left of the text.

Appendix

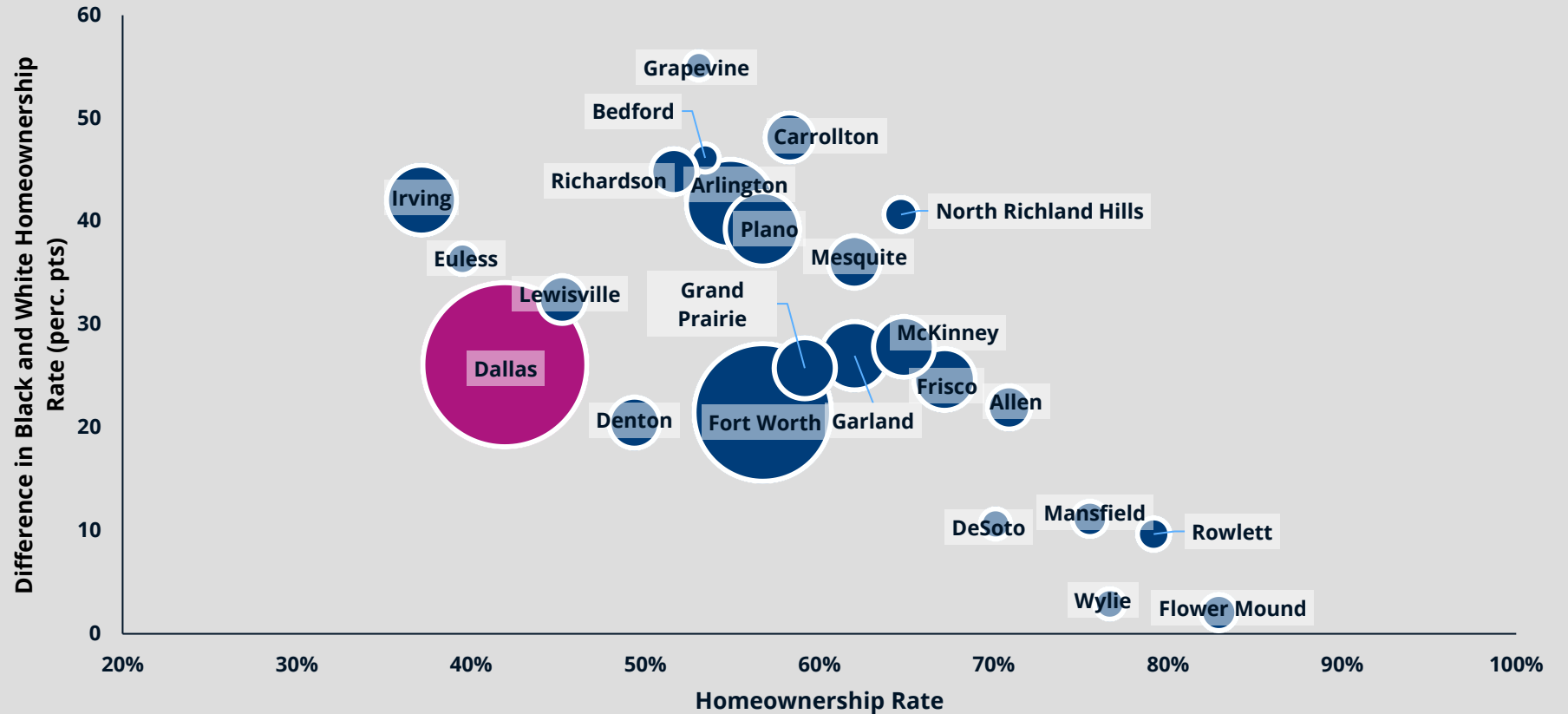
APPENDIX | TENURE BY RACE COMPARISONS

In Dallas, the Black-White homeownership gap is 26 percentage points, which is narrower than cities like Richardson, Arlington, and Plano but wider than Fort Worth, Frisco, Denton and DeSoto.

While the City of Dallas has a wider Black and Non-Hispanic White homeownership rate gap than Fort Worth (26 points and 21 points, respectively), the Dallas gap is narrower than the rapidly growing cities to the north and west of Dallas, like Richardson, Arlington, and Plano.

While those cities are adding new housing stock to the market, most new units are rental units, and many single-family homes that were previously owner-occupied are now renter-occupied. New Black and Hispanic/Latino residents entering these markets compete with higher-income Asian and Non-Hispanic White residents, further exacerbating the homeownership rate gap.

Difference in Black and Non-Hispanic White Homeownership Rate for DFW Cities (2022, limited to cities with population over 50,000)



Source(s): ACS 2022 B25003 (A, B): Tenure (By Race).

Note: The size of the bubble corresponds to the population of the city.

APPENDIX | TENURE BY RACE COMPARISONS

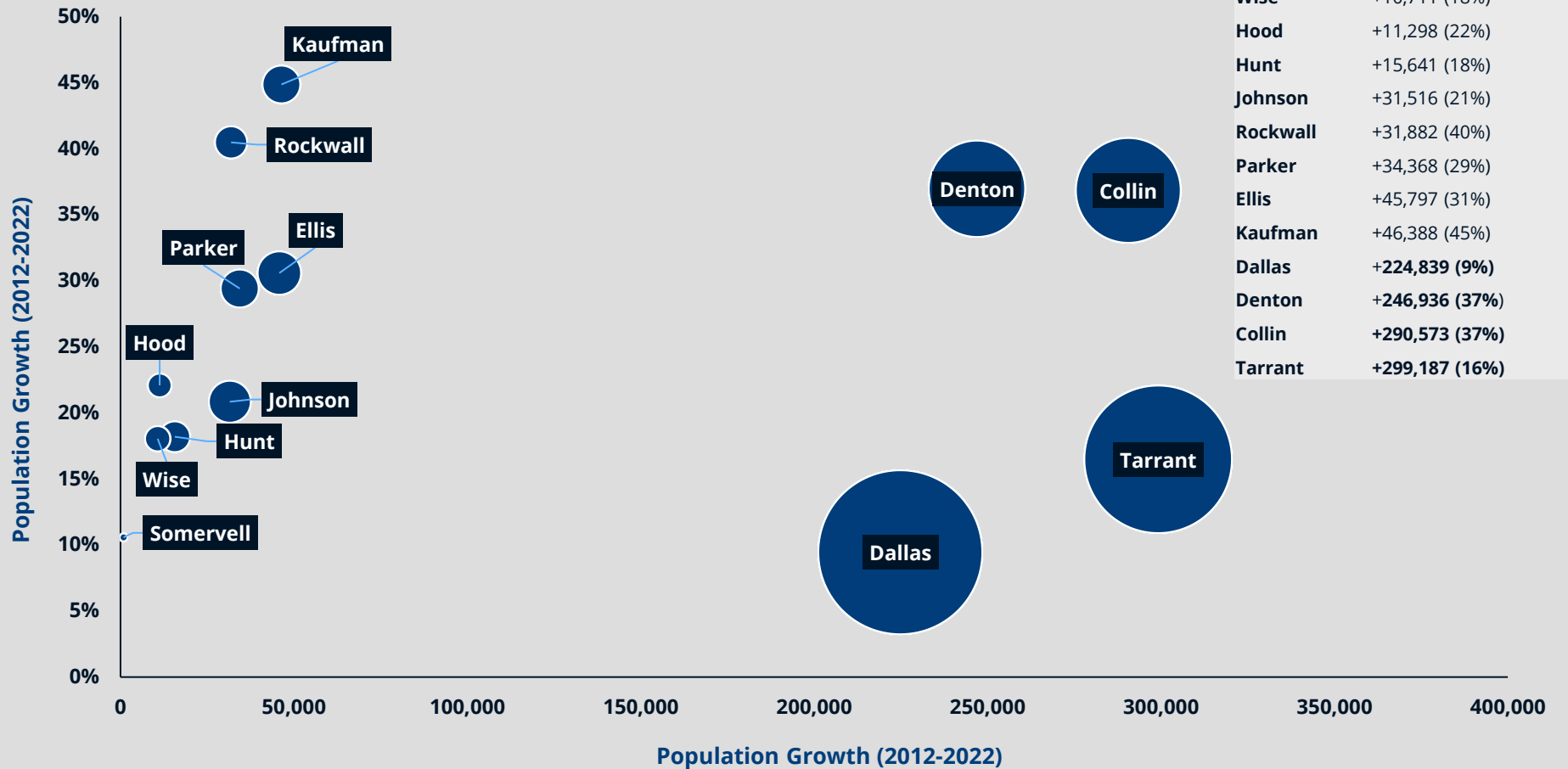
Small and medium sized counties in the Dallas-Fort Worth Metro led growth relative since 2012, while Tarrant, Collin, and Denton County added more people than Dallas County between 2012 and 2022.

Within the Dallas-Fort Worth Metro, Dallas County, the largest in the area, experienced the lowest population growth rate at 9%.

In contrast, both small and medium-sized counties such as Kaufman, Rockwall, Denton, and Collin saw significant increases, with their populations growing by 37%+ since 2012.

Tarrant, Collin, and Denton County added more people than Dallas County between 2012 and 2022 (~299,000, 291,000 and 247,000, respectively).

Dallas-Fort Worth Metro Area Population Growth by County (2012-2022)

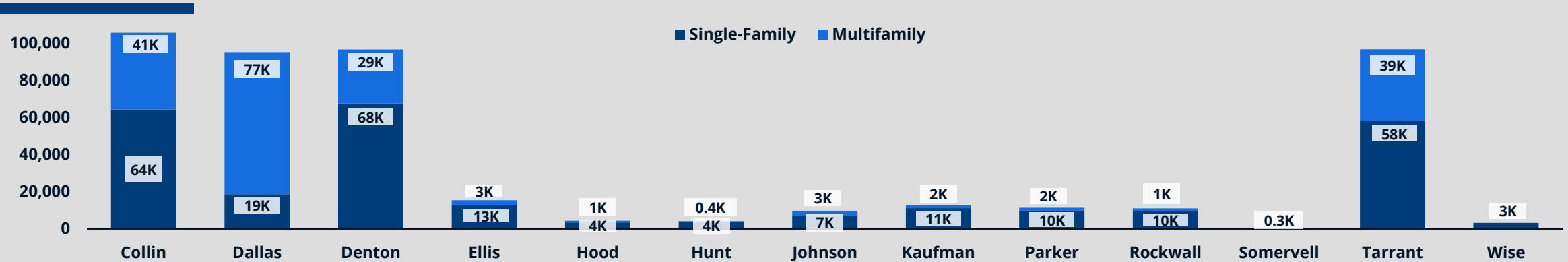


Source(s): ACS 2012-2022 B01003: Total Population.

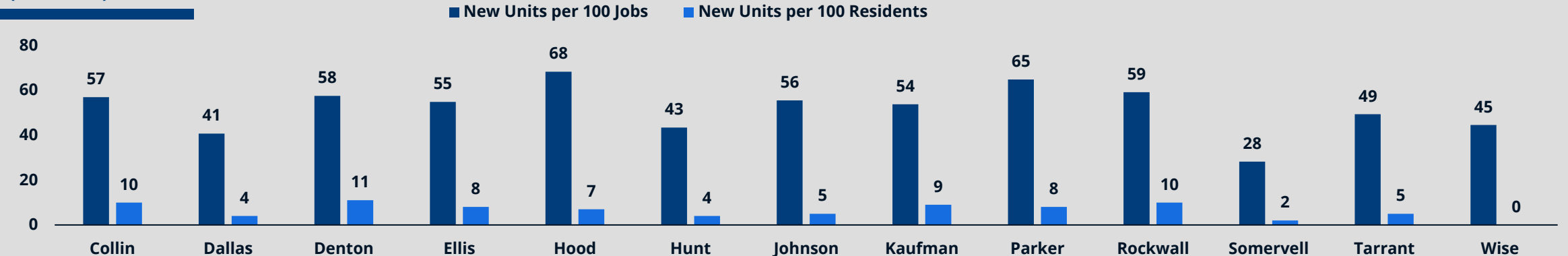
APPENDIX | HOUSING PRODUCTION

Most new housing production has been in Collin, Dallas, Denton, and Tarrant County. However, housing production has not kept pace with population and job growth across all counties - Dallas has only added 41 new housing units for every 100 new jobs added to the market since 2012.

Net New Unit Production (2012-2022)



New Units Per 100 New Residents and Jobs Added Since 2012 (2012-2022)

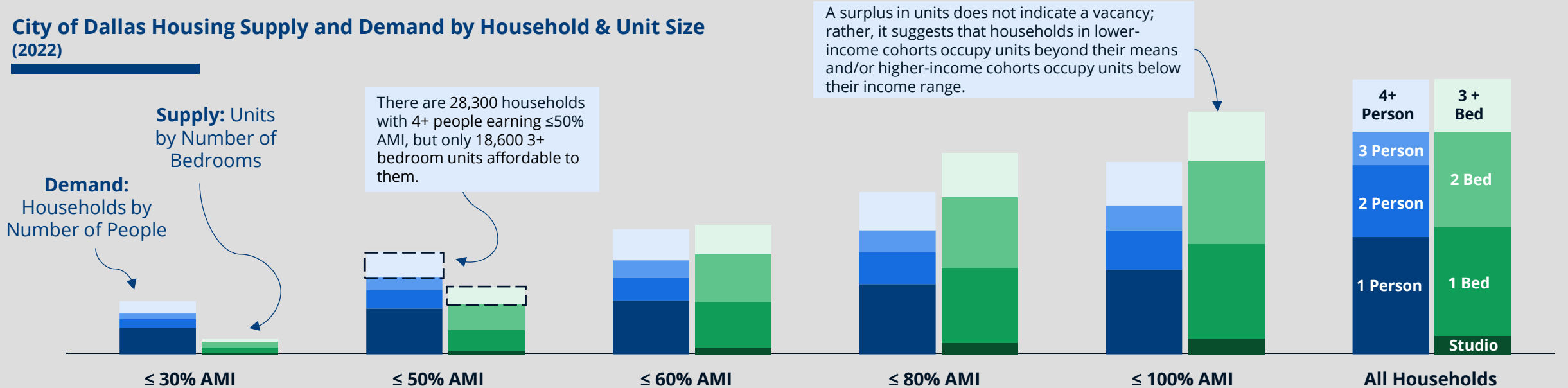


Source(s): HUD, Units in Single-Family, Units in Multifamily, ACS 2012-2022 B25001: Housing Units.

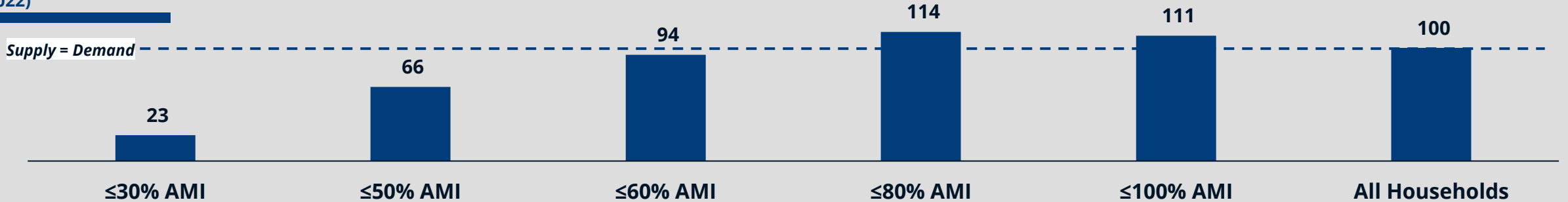
APPENDIX | SUPPLY GAP

Breaking out households by size (demand) and units by bedrooms (supply) at each income and affordability level helps us understand the gap in affordable housing units and what types of units are needed.

City of Dallas Housing Supply and Demand by Household & Unit Size (2022)

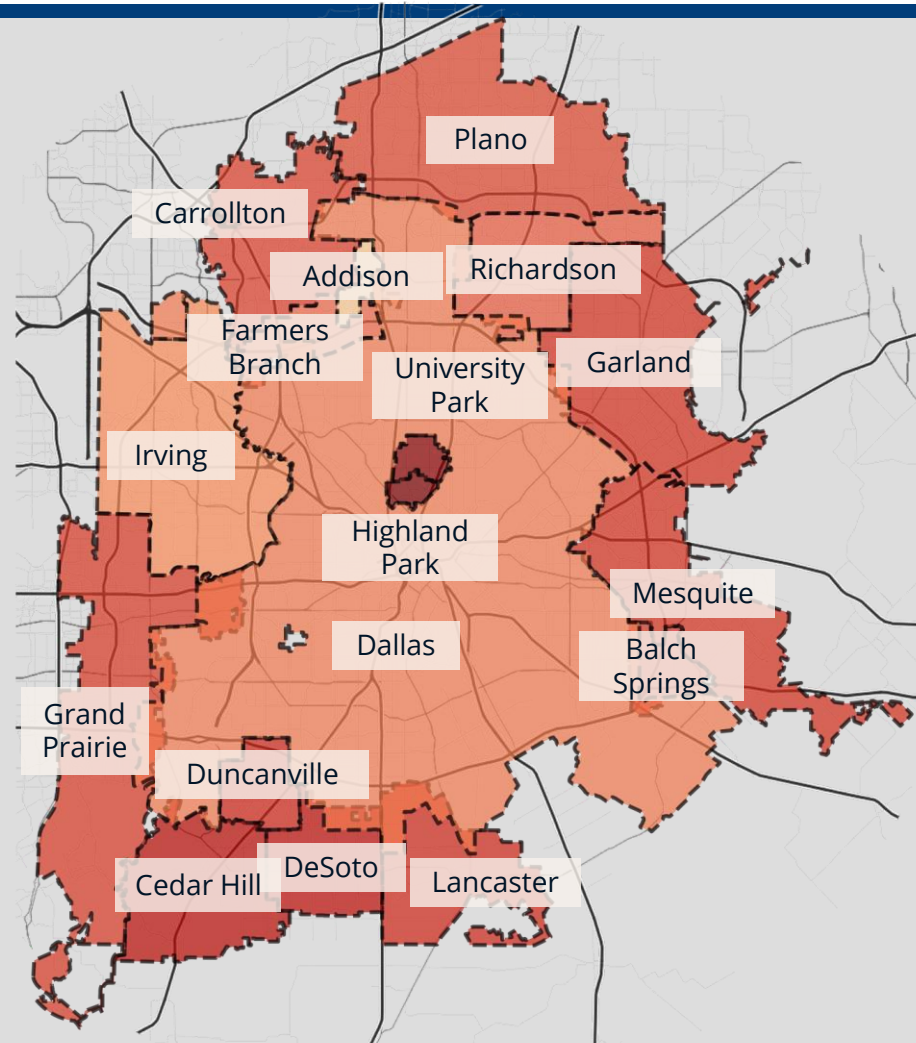
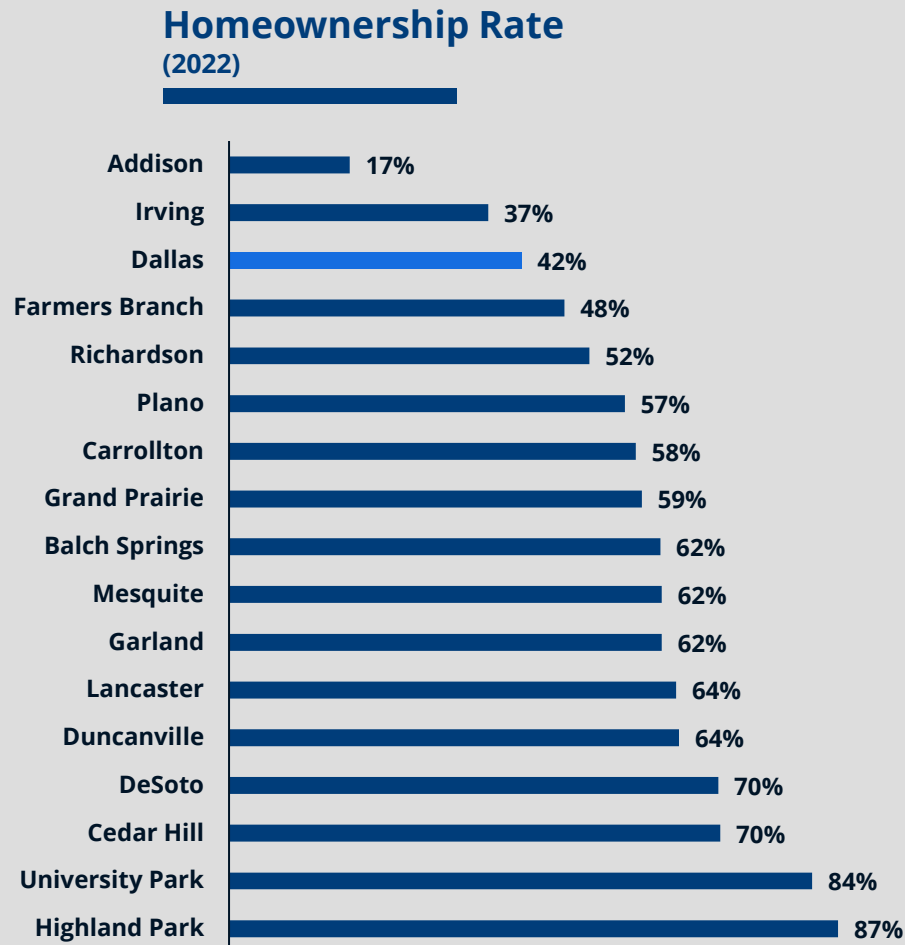


Units Affordable per 100 Large Renter Households (4+ Person, 3+ Bedrooms) by Income (2022)



APPENDIX | HOMEOWNERSHIP

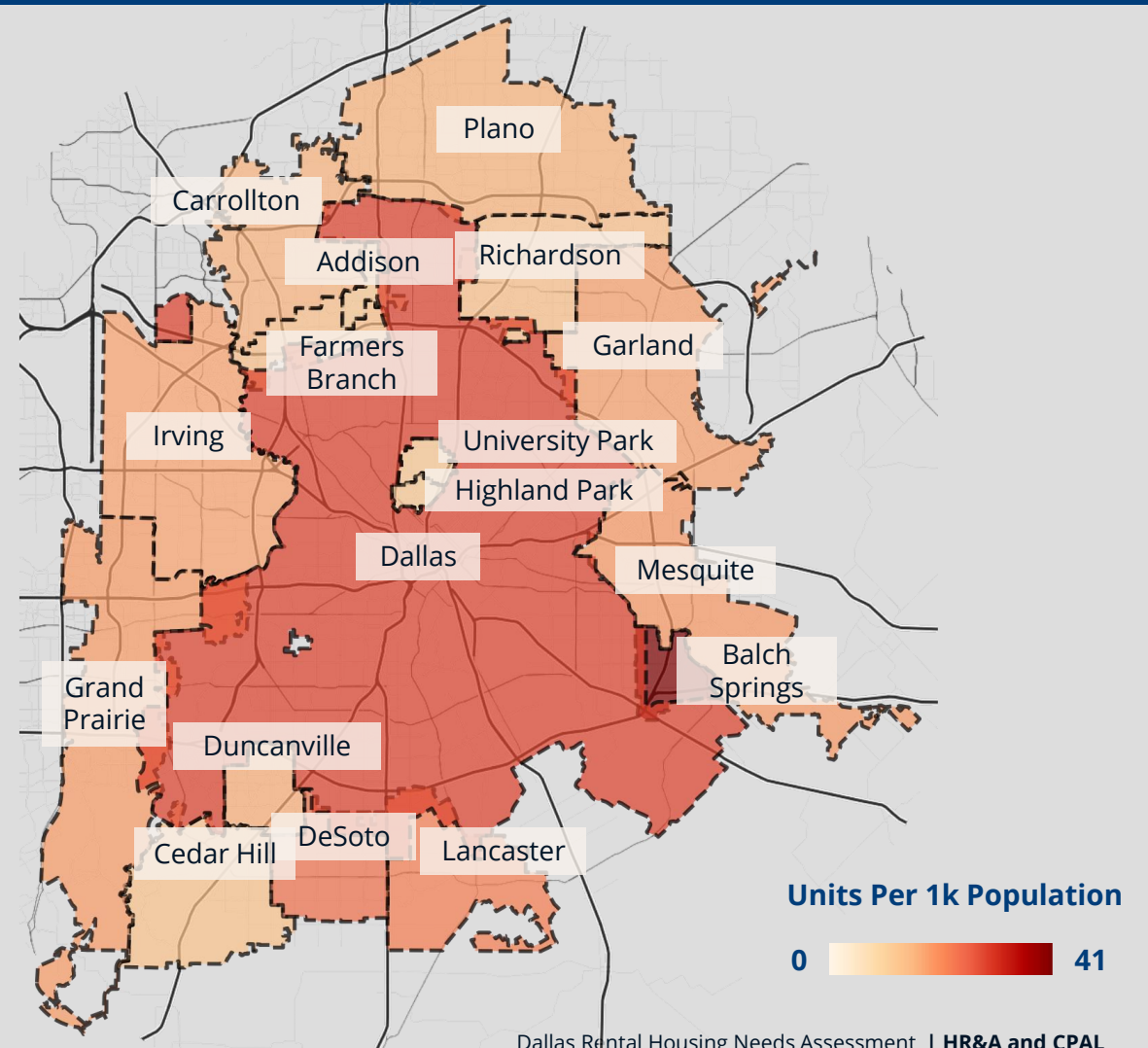
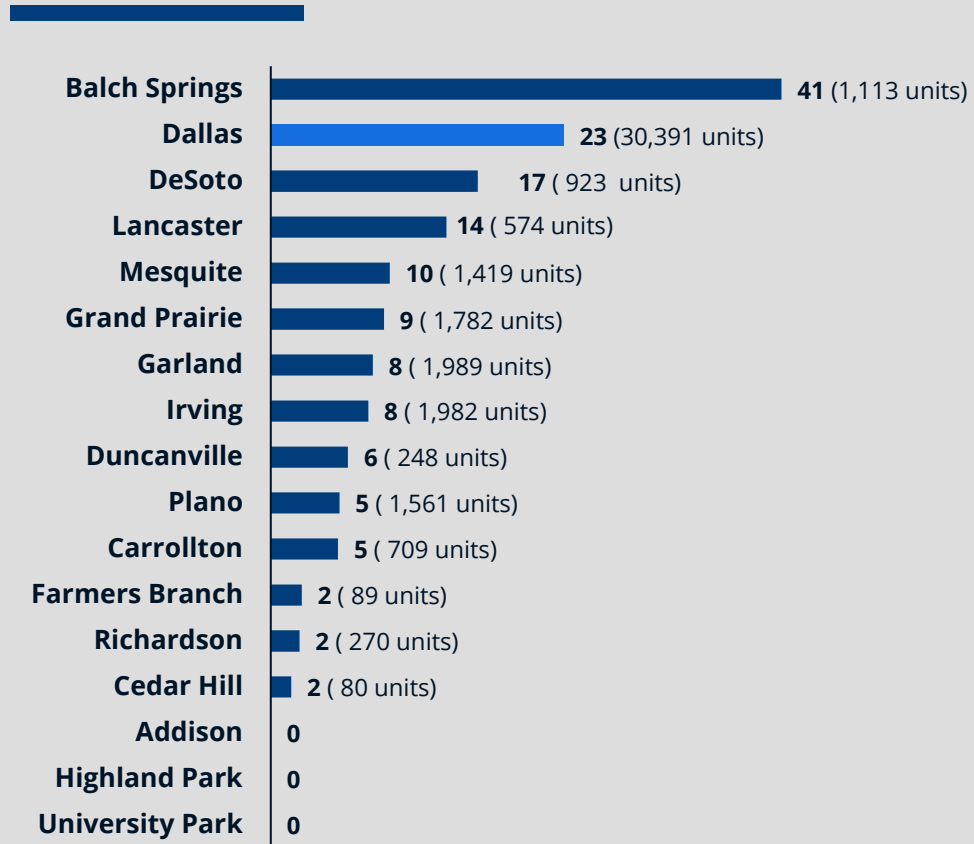
The City of Dallas has a homeownership rate of 42%, lower than 12 of its of 14 neighboring municipalities.



APPENDIX | **DEED-RESTRICTED AFFORDABLE HOMES**

The City of Dallas has 23 deed-restricted units per 1,000 people, a higher rate relative to all neighboring municipalities, with the exception of Balch Springs.

**Deed-Restricted Affordable Units per 1,000 Population
And Total Deed-Restricted Units
(2022)**

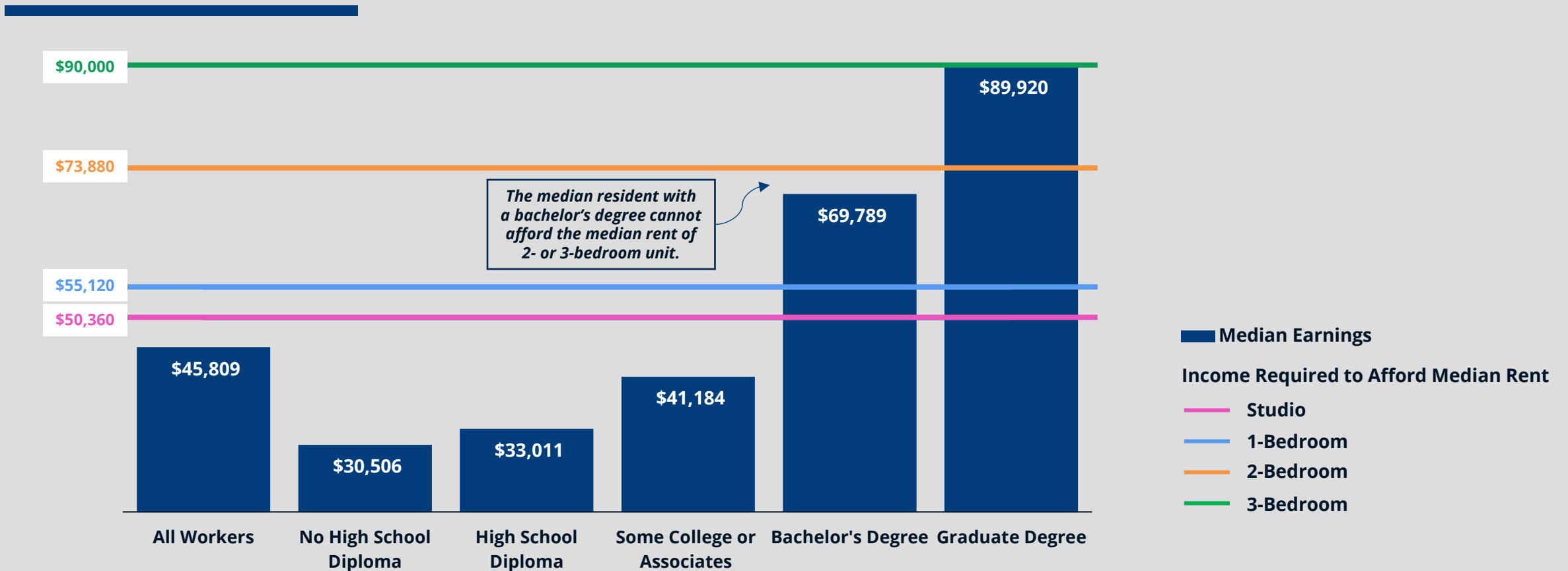


Source(s): ACS 2022 Population, National Housing Preservation Database (NHPD).

APPENDIX | EDUCATIONAL ATTAINMENT

While educational attainment has increased in the City of Dallas, rent remains unaffordable for many, especially those without a bachelor's degree. This is especially true for larger, family-sized units.

Median Earnings by Educational Attainment and Income Required to Afford Median Rent by Unit Size (2022)



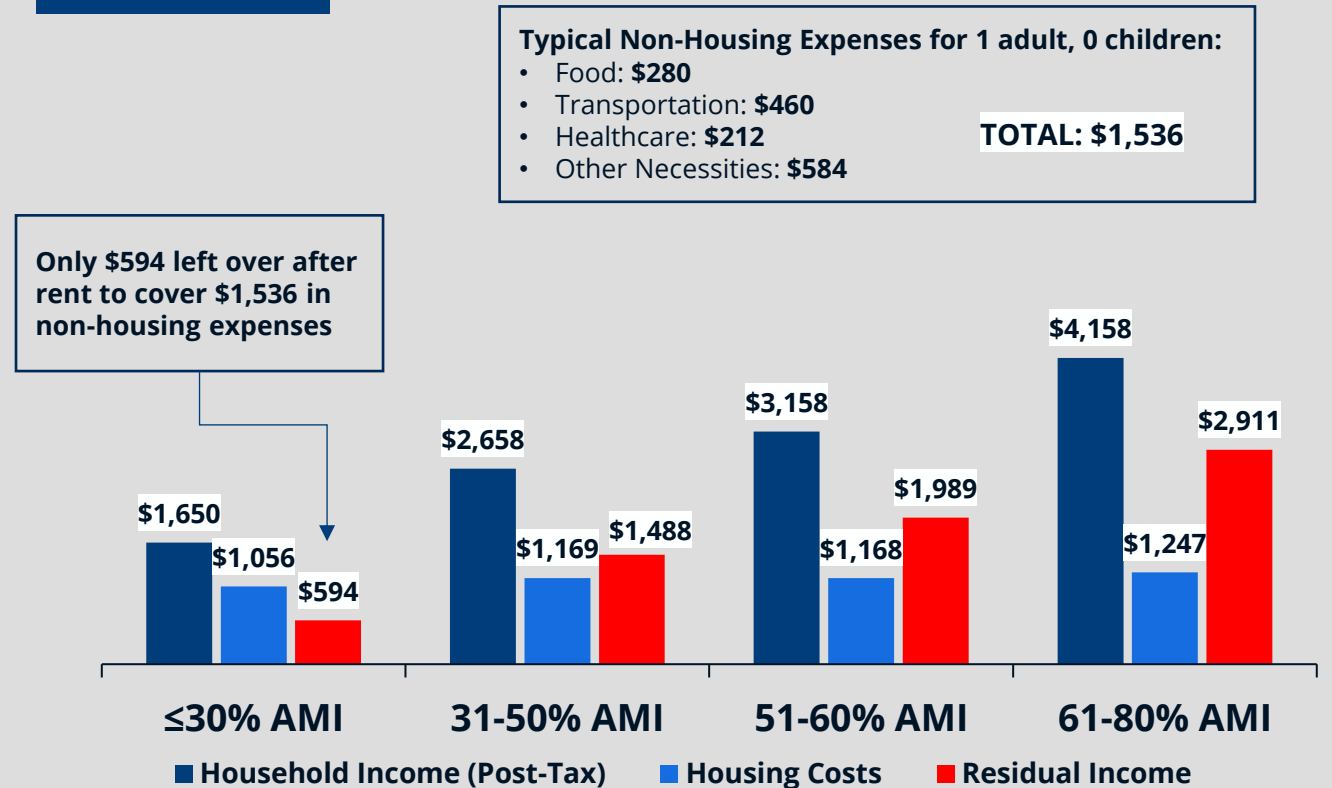
APPENDIX | MEASURING AFFORDABILITY

Housing affordability is typically measured by the 30% rule, which suggests housing should not exceed 30% of income. The residual income approach can provide a more comprehensive way to measure affordability.

A household's "residual income" is the money left after paying rent to cover essential expenses like food, transportation, and healthcare. If this amount is insufficient, the household is "residual-income cost burdened."

In the City of Dallas, a typical 1-adult household faces \$1,536 in non-housing expenses per month. Some costs, like transportation, are bundled with housing costs and are a direct function of where a household can afford to live.¹ Using the residual income approach, **the typical household earning 50% AMI or less in Dallas experiences residual-income cost burden.**

Monthly Residual Income Estimates by AMI, Typical 1-Adult Household (2022)



Source(s): ACS PUMS 2022; MIT Living Wage Calculator 2022 for Dallas County

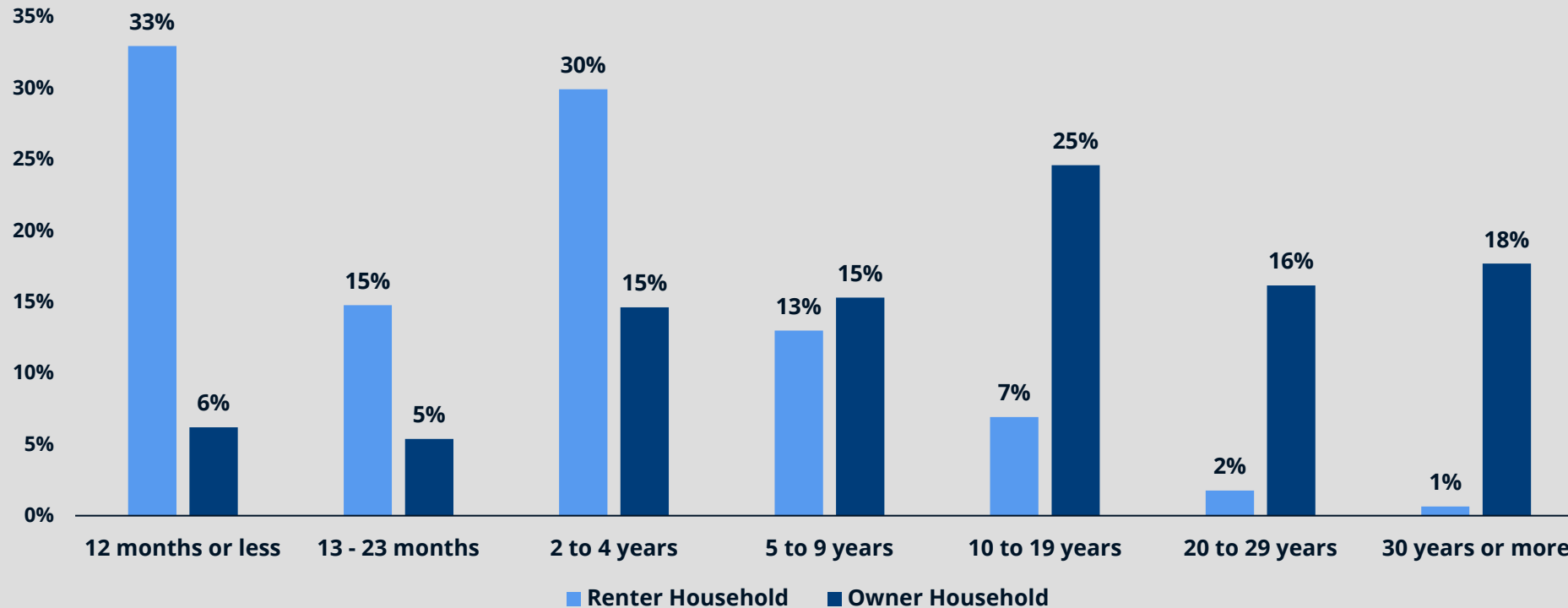
¹ The Center for Neighborhood Technology Housing + Transportation Index

Notes: Incomes are based on HUD AMI Income Limits for a family of 1. Housing Costs are calculated based on the percent of income households at each AMI level typically spend on housing. For example, households at 31-50% AMI typically spend 44% of their income on housing costs. Housing costs for the 0-30% AMI category has been adjusted to account for zero or fixed income households; Typical expenses from MIT Living Wage Calculator 2022 for Dallas County; Tax rate estimated using the Forbes Texas Income Tax Calculator.

APPENDIX | TENURE

Renters typically stay in their homes for shorter periods compared to owners. Over half of City of Dallas renters move within four years, whereas homeowners often stay in their home for a decade or more.

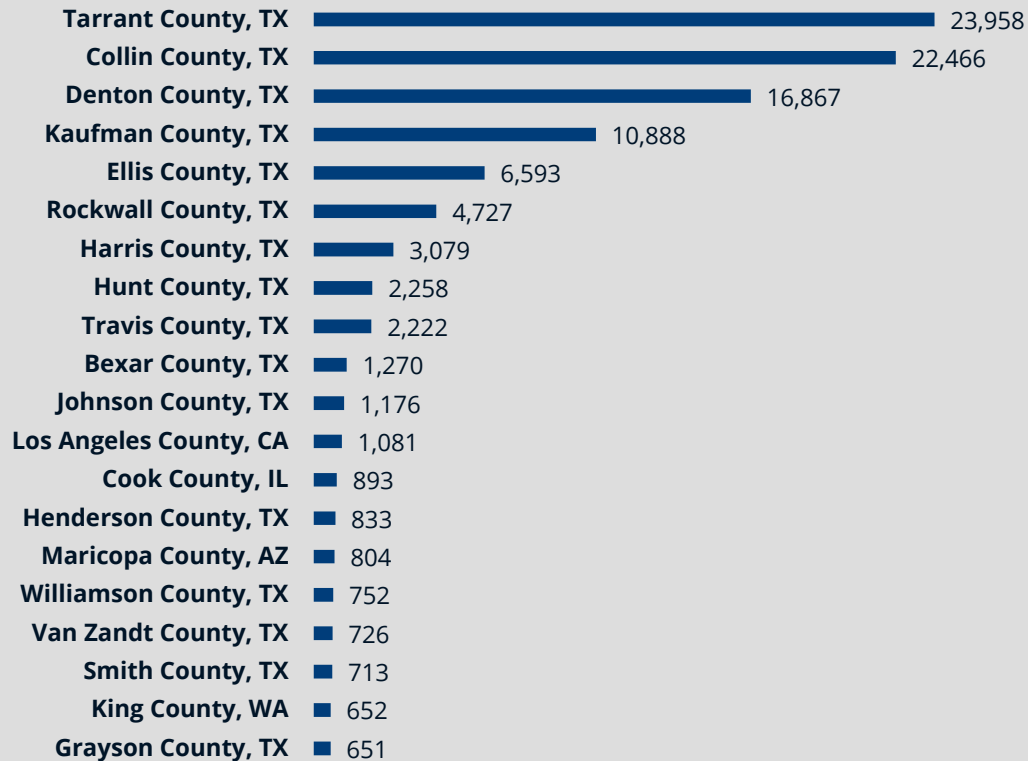
Residency Duration by Tenure
(2022)



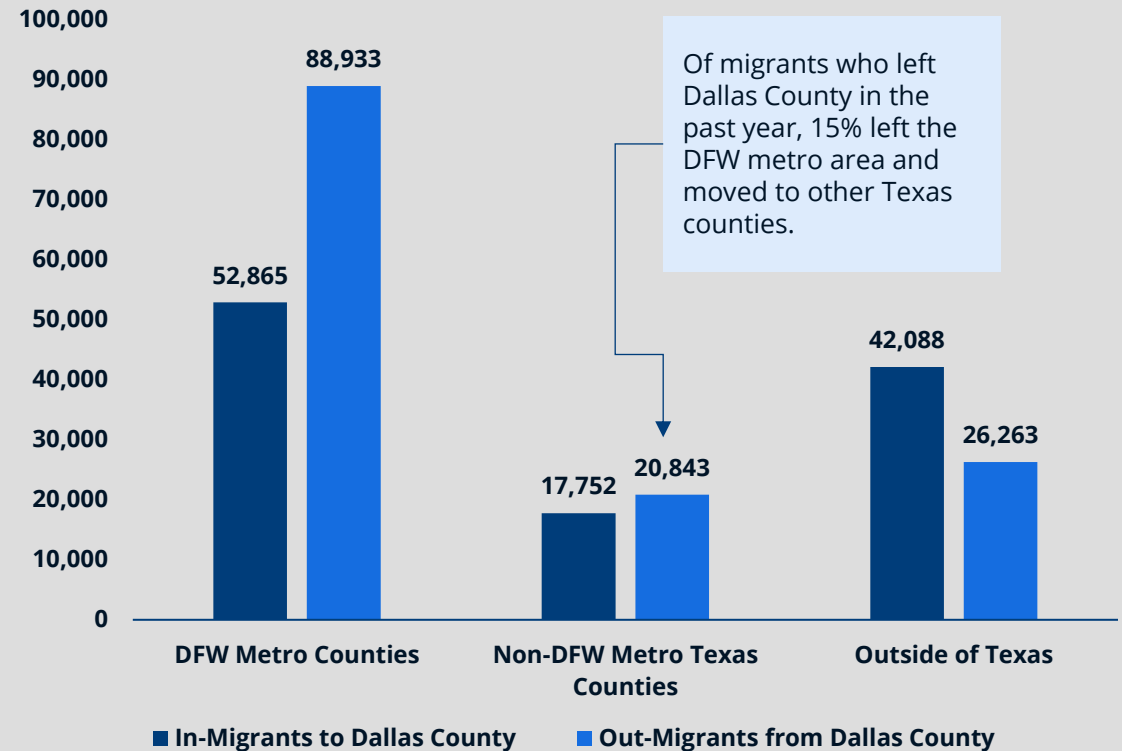
APPENDIX | IN-MOVERS AND OUT-MOVERS

Between 2021-2022, 136K residents moved out of Dallas County and 113K residents moved in. Of those who left, 66% moved to other Dallas-Fort Worth Metro counties, 15% moved to other Texas counties, and 19% left the state.

Top 20 Destinations of Dallas County Out-Migrants (2021-2022)



In-Migrants and Out-Migrants to/from Dallas County (2021-2022)



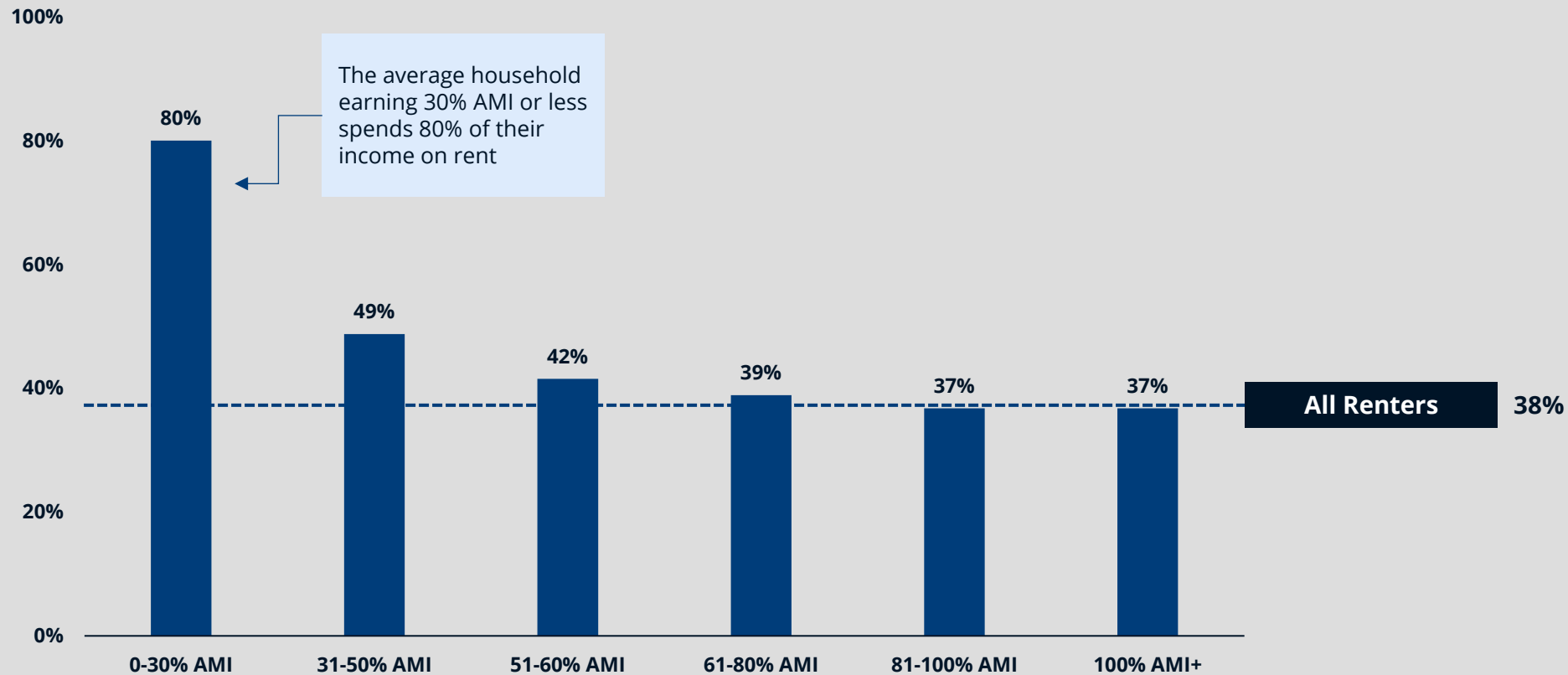
Note: DFW metro counties include Denton, Collin, Hunt, Tarrant, Johnson, Ellis, Kaufman, Rockwall counties. IRS data covers residential moves within the tax season 2021-2022.

Source(s): IRS 2022

APPENDIX | COST BURDEN RENTERS

The percent of income a household spends on rent increases as income level decreases, with individuals in the lowest income bracket spending 80% of their income on rent.

Average Percent of Household Income Spent on Rent (Cost Burden-Level) by AMI, City of Dallas (2022)

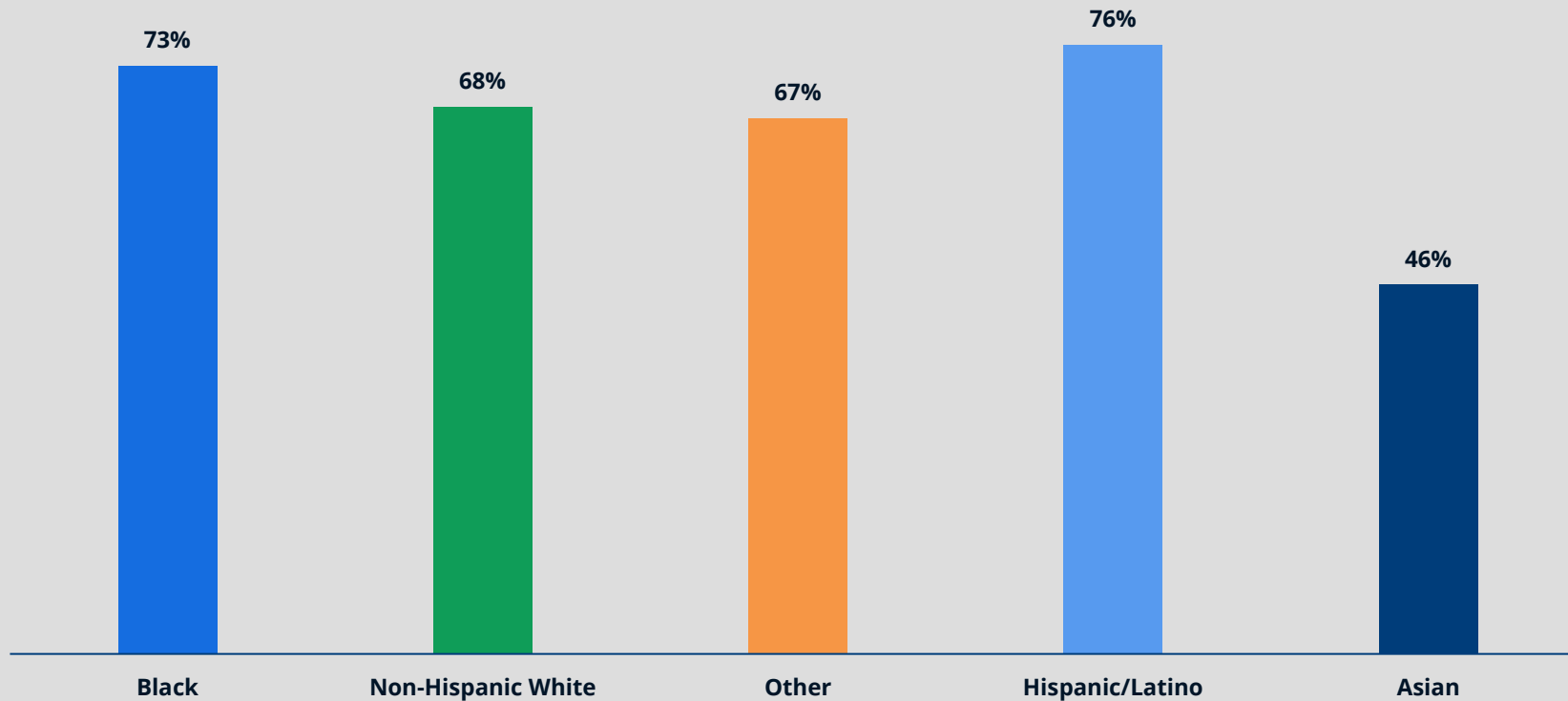


Source(s): HUD User 2022 Income Limits. ACS PUMS 2022 Cost Burden by AMI by tenure.

APPENDIX | COST-BURDENED SENIORS

Hispanic/Latino and Black senior households experience greater rates of housing cost burden compared to seniors overall.

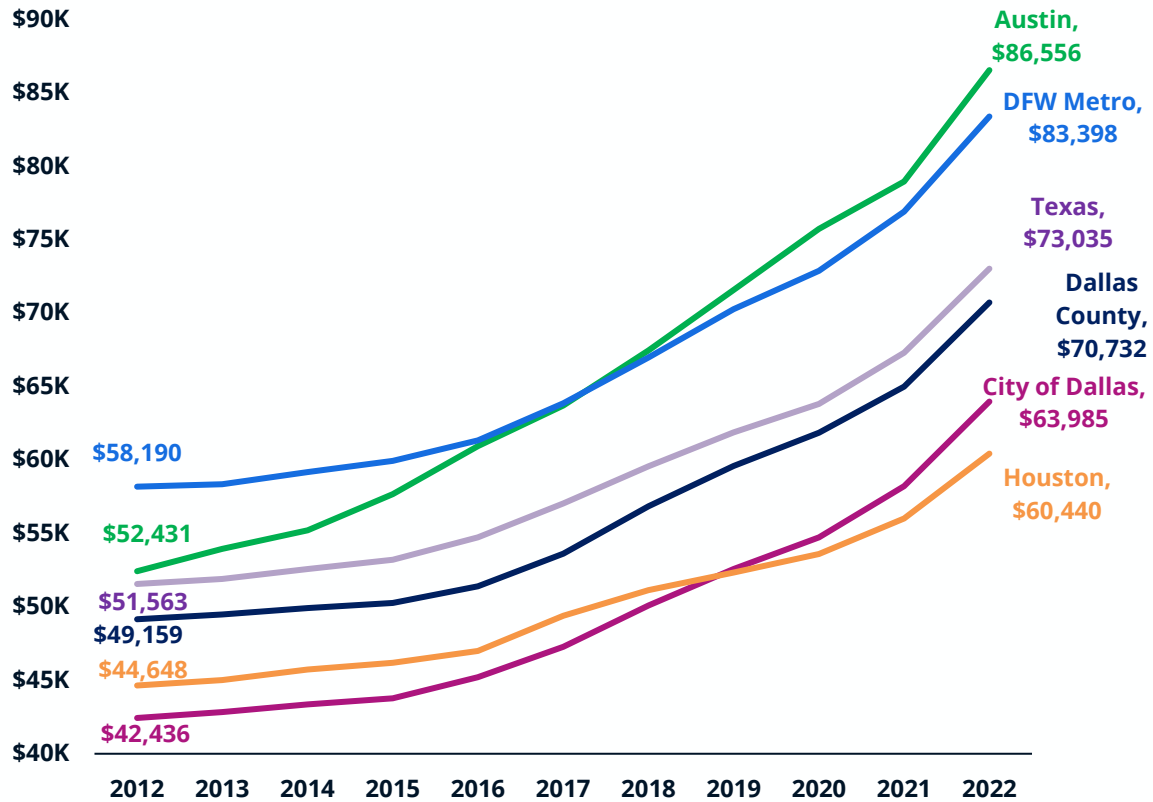
Cost Burdened Senior Households by Race/Ethnicity
(2022)



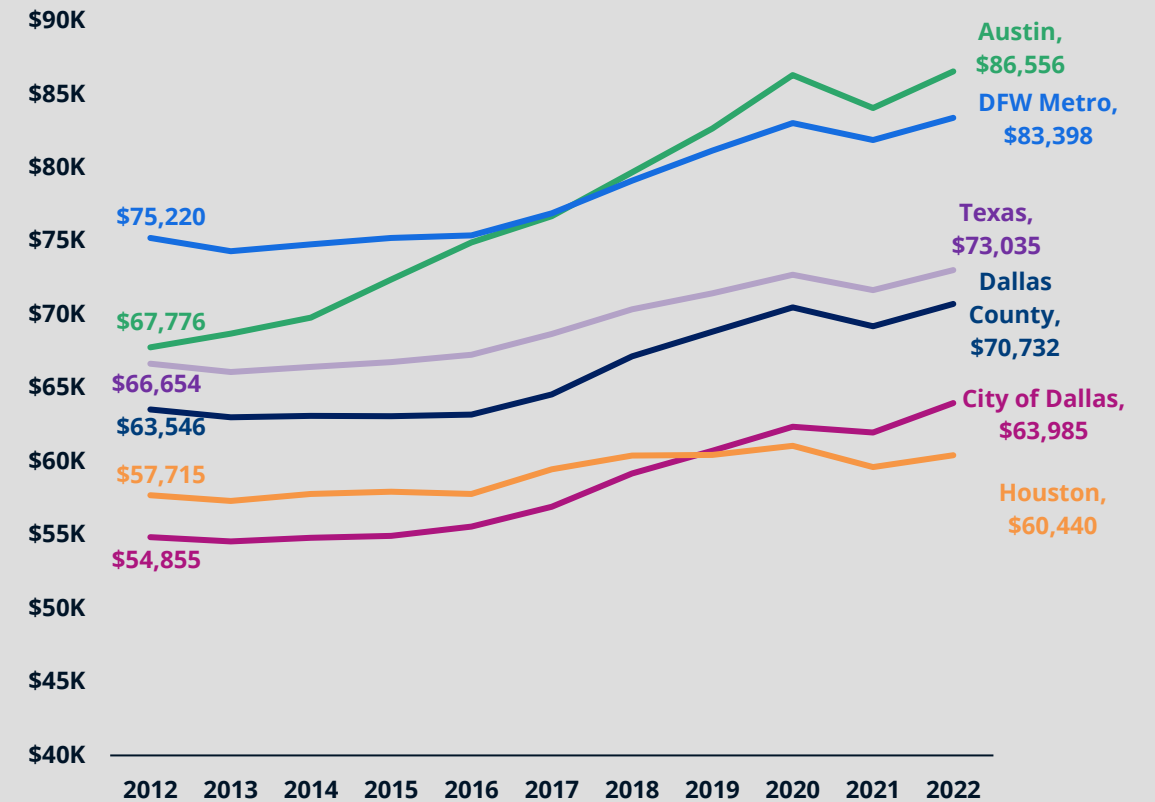
DEMOGRAPHIC OVERVIEW | MEDIAN INCOME

After adjusting for inflation, incomes in the region dropped in 2021 due to short-term job impacts of the pandemic and then bounced back in 2022, following national trends.

Comparative Median Income
(2012-2022, Nominal)



Comparative Median Income
(2012-2022, Inflation Adjusted \$2022)



Note: For inflation adjusted figures, we adjusted amounts to real dollars using the Consumer Price Index for All Urban Consumers (CPI-U) without seasonal adjustments from the Bureau of Labor Statistics.

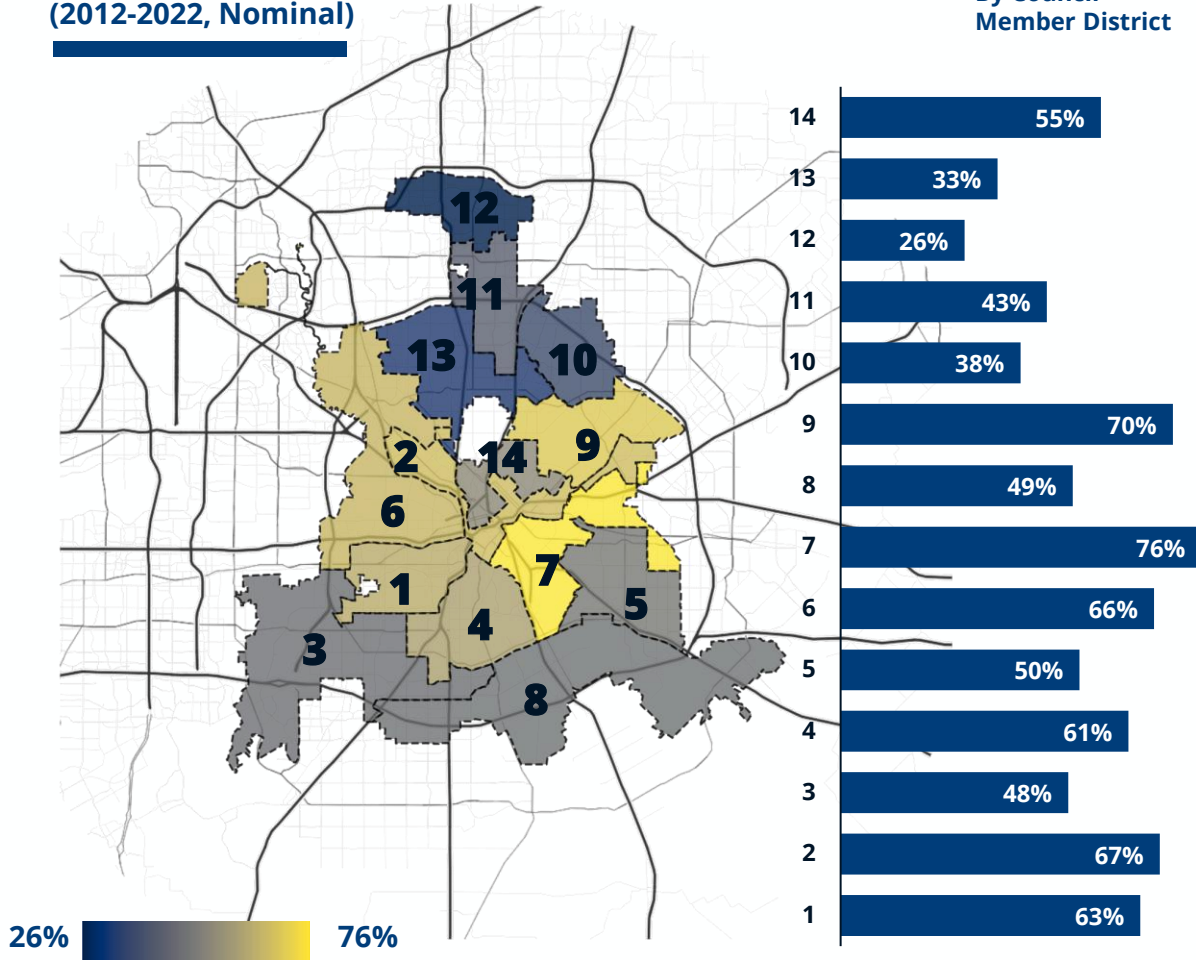
Source(s): ACS 2012-2022 B19013: Median Household Income.

DEMOGRAPHIC OVERVIEW | **MEDIAN INCOME**

After adjusting for inflation, the relative change in median income across Council Districts remains similar, but lower in magnitude, except Council District 12 which experienced a slight decline in income.

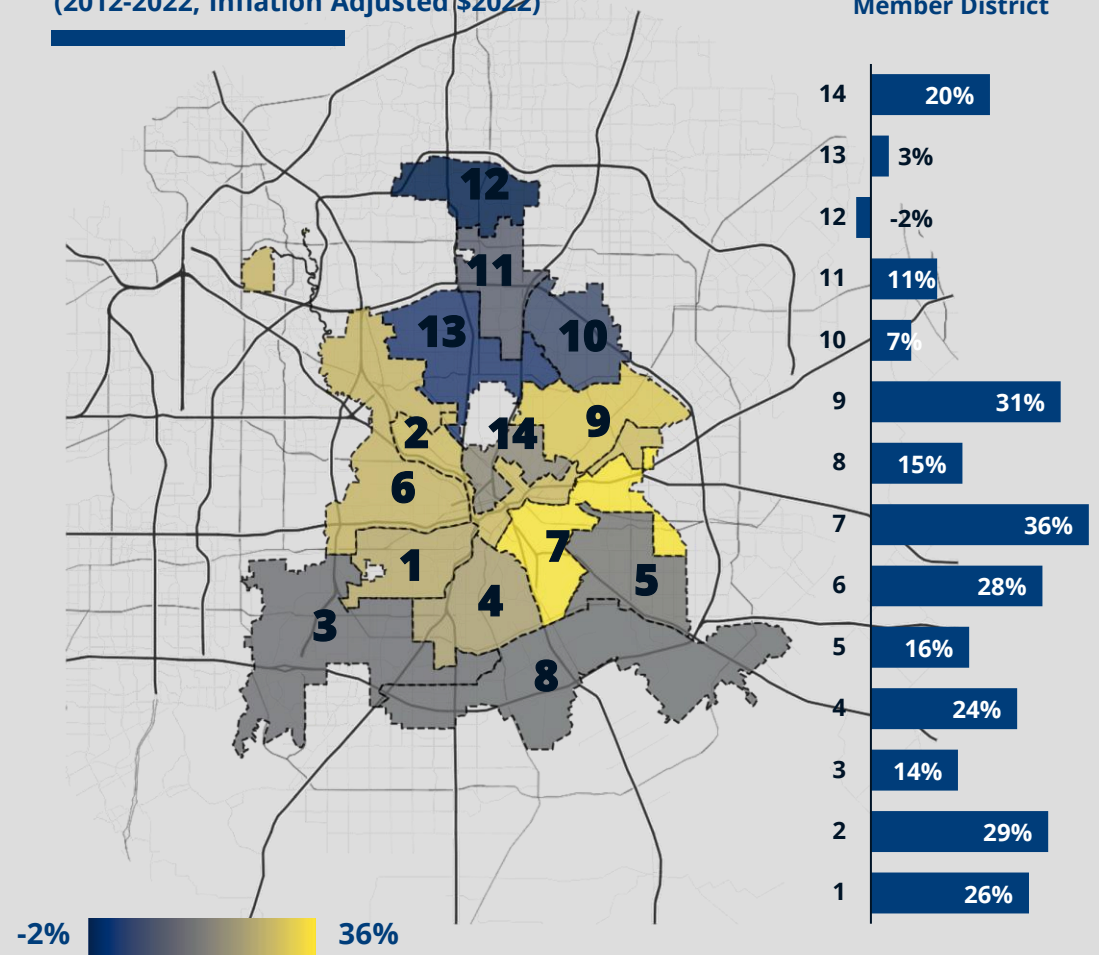
Change in Median Income
(2012-2022, Nominal)

By Council Member District



Change in Median Income
(2012-2022, Inflation Adjusted \$2022)

By Council Member District



Source(s): ACS 2012-2022 B19013: Median Household Income.

DEMOGRAPHIC OVERVIEW | RACE AND ETHNICITY

Adjusting for inflation makes disparities in income growth more pronounced. Although incomes have increased for all when controlling for inflation, growth has been slowest for Black households.

City of Dallas Median Income by Race/Ethnicity
(2012-2022, Nominal)

Race/ Ethnicity	2012	2022	Change		Diff. from N-H White Med. Income (2022)
Median	\$42,436	\$63,985	\$21,549	51%	-\$32,892
Asian	\$51,685	\$81,359	\$29,674	57%	-\$15,518
Black	\$30,250	\$42,210	\$11,960	40%	-\$54,667
Hispanic/Latino	\$35,035	\$57,760	\$22,725	65%	-\$39,117
Other	\$42,111	\$60,436	\$18,325	44%	-\$36,441
Non-Hispanic White	\$66,468	\$96,877	\$30,409	46%	\$0



Note: According to the [U.S. Census Bureau](#), ACS Median Household Income estimates defines income as “Money income” which is pretax and does not include stimulus payments and tax credits such as those from the American Rescue Plan Act (ARPA). Also, the last stimulus check was in March 2021.

Source(s): ACS 2012-2022 B19013H: Median Household Income By Race.

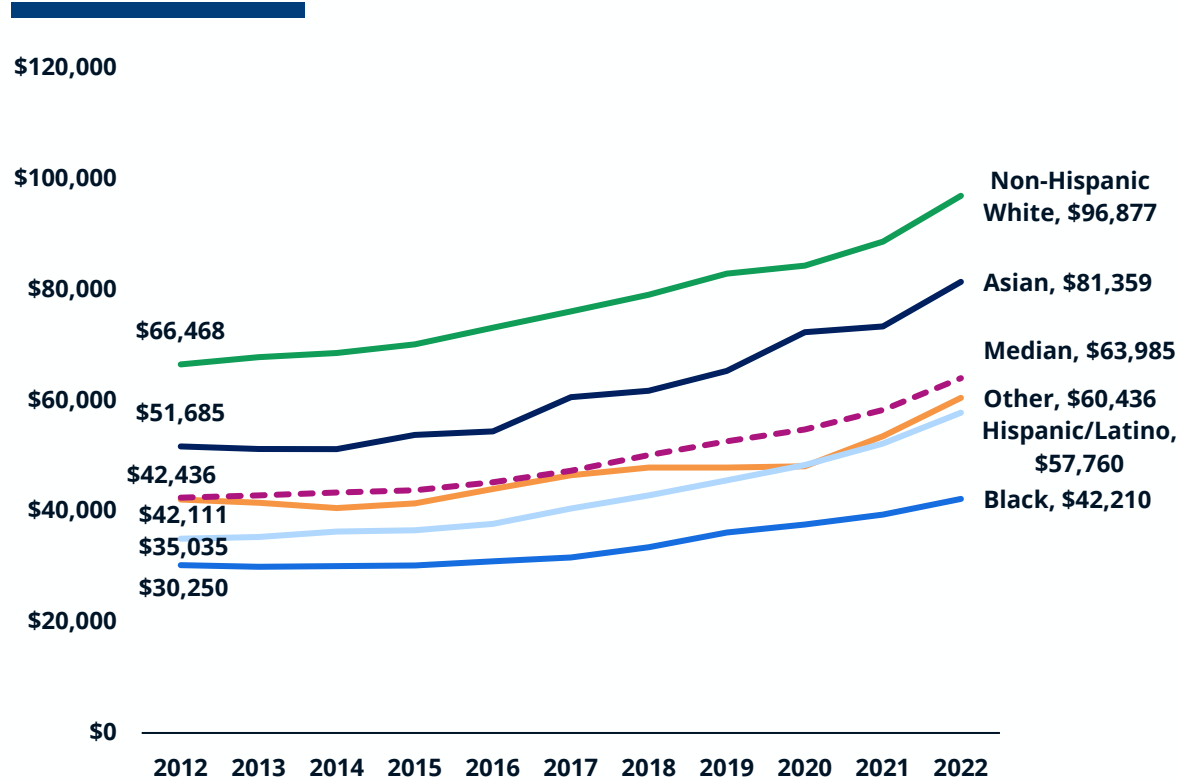
City of Dallas Median Income by Race/Ethnicity
(2012-2022, Inflation Adjusted \$2022)

Race/ Ethnicity	2012	2022	Change		Diff. from N-H White Med. Income (2022)
Median	\$54,855	\$63,985	\$9,130	17%	-\$32,892
Asian	\$66,811	\$81,359	\$14,548	22%	-\$15,518
Black	\$39,103	\$42,210	\$3,107	8%	-\$54,667
Hispanic/Latino	\$45,288	\$57,760	\$12,472	28%	-\$39,117
Other	\$54,435	\$60,436	\$6,000	11%	-\$36,441
Non-Hispanic White	\$85,921	\$96,877	\$10,956	13%	\$0

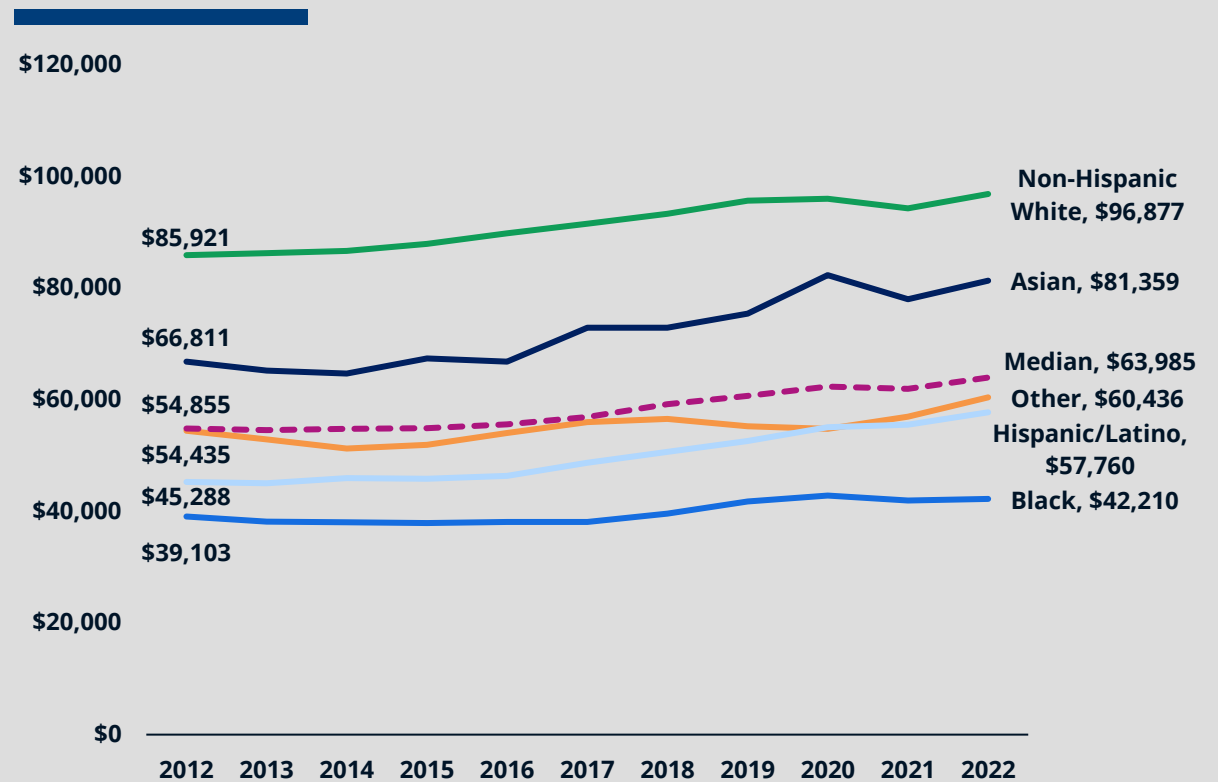
DEMOGRAPHIC OVERVIEW | RACE AND ETHNICITY

Adjusting for inflation makes disparities in income growth more pronounced. Although incomes have increased for all when controlling for inflation, growth has been slowest for Black households.

City of Dallas Median Income by Race/Ethnicity (2012-2022, Nominal)



City of Dallas Median Income by Race/Ethnicity (2012-2022, Inflation Adjusted \$2022)



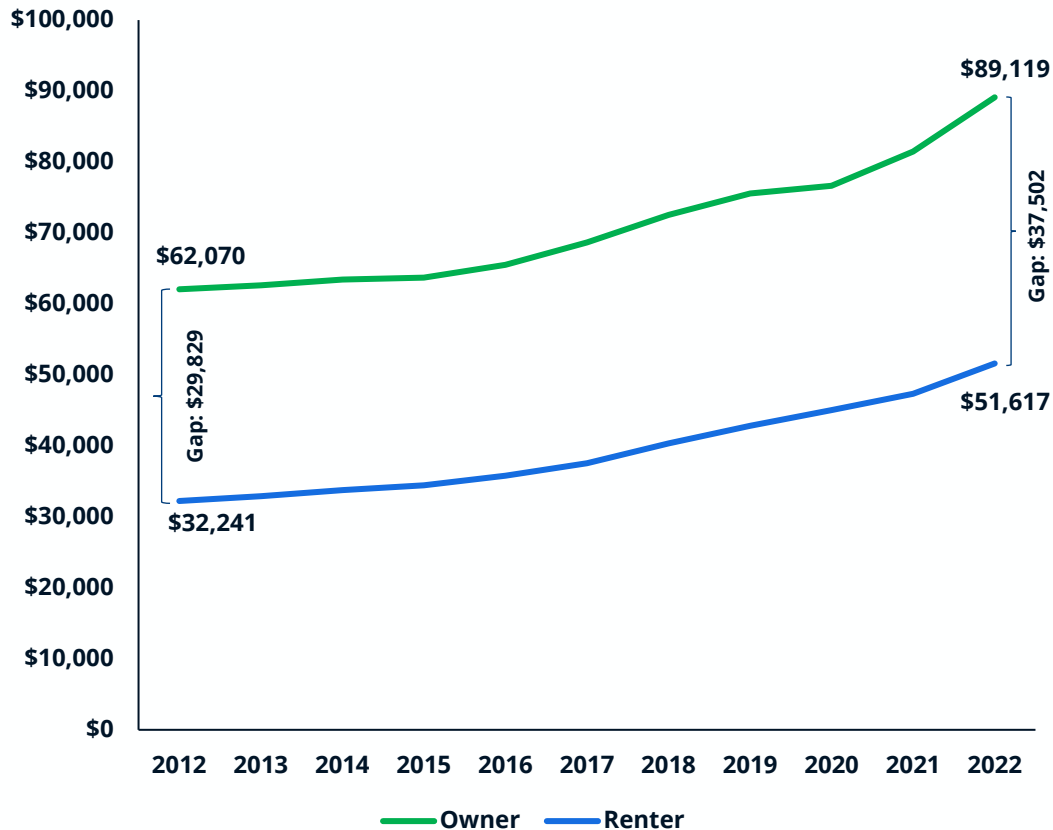
Note: According to the [U.S. Census Bureau](#), ACS Median Household Income estimates defines income as “Money income” which is pretax and does not include stimulus payments and tax credits such as those from the American Rescue Plan Act (ARPA). Also, the last stimulus check was in March 2021.

Source(s): ACS 2012-2022 B19013H: Median Household Income By Race.

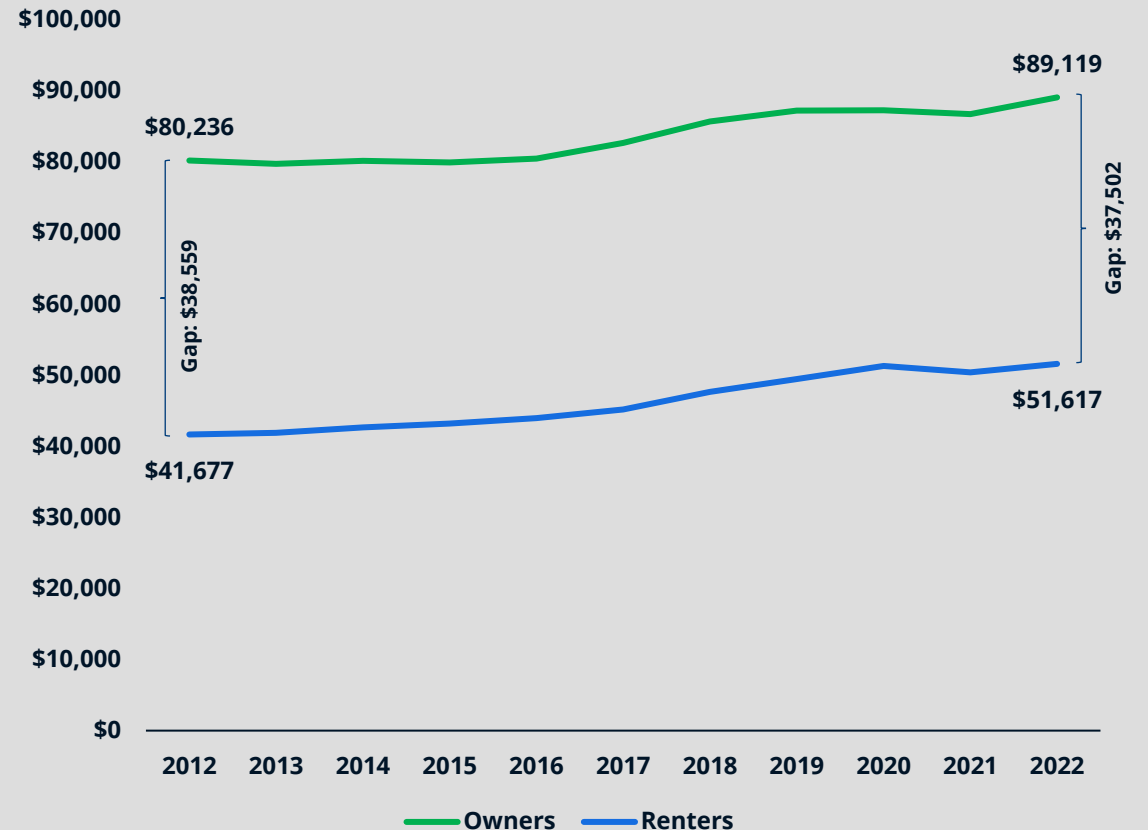
DEMOGRAPHIC OVERVIEW | **TENURE BY INCOME**

Adjusting for inflation shows that the income gap between renters and owners has narrowed slightly since 2012.

City of Dallas Median Income by Tenure Type
(2012-2022, Nominal)



City of Dallas Median Income by Tenure Type
(2012-2022, Inflation Adjusted \$2022)



Source(s): ACS 2012-2022, B25119: Median Household Income By Tenure.