



Leaders at the Core of Better Communities

2011 Annual Awards Program

Program Excellence Awards Nomination Form

Deadline for Nominations: March 11, 2011

Complete this form (sections 1 and 2) and submit with your descriptive narrative.

SECTION 1: Information About the Nominated Program

Program Excellence Award Category (*select only one*):

- Community Health and Safety
- Community Partnership
- Community Sustainability
- Strategic Leadership and Governance

Name of program being nominated: GREAT Homes

Jurisdiction(s) where program originated: City of Garland

Jurisdiction population(s): 222,013

Please indicate the month and year in which the program you are nominating was fully implemented. (Note: All Program Excellence Award nominations must have been fully implemented by or before January 31, 2010, to be eligible. The start date should not include the initial planning phase.)

Month: August Year: 2009

Name(s) and title(s) of individual(s) who should receive recognition for this award at the ICMA Annual Conference in Milwaukee, Wisconsin, September 2011. (Each individual listed MUST be an ICMA member to be recognized.):

Name: Bill Dollar

Title: City Manager Jurisdiction: City of Garland

Name: Martin Glenn

Title: _____ Jurisdiction: _____

Name: _____

Title: _____

Jurisdiction: _____

SECTION 2: Information About the Nominator/Primary Contact

Name of contact: Scott Bollinger

Title: Sr. Project Analyst

Jurisdiction: City of Garland

Street address: 200 N. Fifth Street

City: Garland

State/Province: TX

Zip/Postal Code: 75068

Country: USA

Telephone: 972-205-3868

Fax: 972-205-2831

E-mail: sbolling@ci.garland.tx.us



Like many other CDBG-eligible cities, the City of Garland applied for and received a new funding source called the Neighborhood Stabilization Program (NSP). But unlike other cities, Garland is using this new funding as an opportunity for innovation in how public housing programs are planned and implemented to promote community sustainability. Rather than simply acquiring and selling properties throughout the city, what if we targeted those properties in strategic areas? Rather than spending the new grant source and increasing the number of affordable homes produced, what if we combined grant and municipal resources with the new funding to maximize the investments we are making in the neighborhood? Rather than simply bringing the properties up to building code, what if upgraded the amenities and energy efficiency in order to increase the long-term competitiveness and environmental sustainability of the community? What else can we do to meet the socio-economic and cultural needs of our city?

It was from this deliberation that GREAT Homes was created. This program is an essential component of a renewed neighborhood strategy that focuses less on mere affordable housing production, and more on revitalizing neighborhoods and enriching the community:

- Social – replacing vacant foreclosures with deserving, working families in remodeled homes
- Economic – properties that are affordable and tailored for home ownership, enhancing the tax base, protecting property values, lowering the cost of ownership
- Environmental – reusing/repurposing materials, increasing the energy efficiency of the properties, waste minimization at the construction site
- Cultural – focus on revitalized neighborhoods, strong promotion of building social capacity, focus on owner-occupied homes

GREAT Homes combines many resources to accomplish this, including Community Development Block Grants (CDBG), HOME Infill, CDBG-R (grant that provides energy efficiency upgrades at no cost to the resident), and other affordable housing and grant programs. The City of Garland also contributed to the GREAT Homes effort. Garland Power and Light provided energy audits to guide the decisions on what improvements would maximize the energy efficiency of each property. Parks and Recreation provided landscaping to the properties, using drought tolerant plants and saving the construction costs associated with landscaping. Street Services, Environmental Waste Services, Code Compliance, Emergency Management, Planning, Neighborhood Vitality, and other departments all contributed to GREAT Homes in some way. All of these programs align with Envision Garland, the city's comprehensive plan, which directs decisions regarding investment and development.

Problem Assessment and Solution Approach

Like many U.S. cities, foreclosures are affecting Garland and may continue to do so in the coming years. The rising number of foreclosures distresses Garland in a number of ways. Financially, Garland is more dependent on property taxes than most cities its size, and foreclosures not only create a void of tax revenue for the actual properties themselves, but cause decreases in the appraised values of surrounding properties. Foreclosures mean vacated properties, which create opportunities for crime and pocket blight, weakening neighborhoods. Weak neighborhoods lead to weak real estate markets, diminished neighborhood standards, decreased number of owner-occupied homes, and ultimately, unfavorable citywide image.

A vital concept that emerged from the strategic planning process was to concentrate resources within defined geographic boundaries in order to maximize the investment. This "place-based"

approach extends the life of limited resources by focusing on the strategically selected program areas, where various factors may be creating disincentives for current residents to reinvest in their properties and for potential residents to move to these areas. By converging multiple resources, grant and municipal, into specified areas, results have a greater visual impact. This impact is more visible to current and potential residents, making the area more likely to attract private investment. Since the area was chosen for its strategic value, the benefits are multiplied. This reinforces the approach that intervention is not solely being a social service, but rather a method for replacing lost financial equity and social stability in the community.

Goals and Implementation

Rather than merely focusing on producing affordable houses, the focus was modified to emphasize neighborhood revitalization:

	Affordable Housing Production	Neighborhood Revitalization
Goal	Increase the <i>supply</i> of affordable housing	Increase the <i>demand</i> for housing in a neighborhood that has little or the wrong kind
Customer	Only low income families	Serves middle market and low income groups
Programs	Provide or improve housing at a low cost	Multiple programs tailored to the neighborhood, spurring positive reinvestment choices
Marketing	Focus on rules and restrictions, especially income. Funding source requirements. First come, first served.	Focus on customer wants. Proactive marketing to desired target markets
Decisions	Altruistic endeavor to maximize affordability to target income group	Influenced by potential impact on the market and on potential choices of various investors, including those with modest incomes.

Using this model, a GREAT Homes property is not the focus or the measure of success for the program; rather, the property is the catalyst for neighborhood activities and for encouraging reinvestment. The program also provides an infusion of funds to local businesses.

The City of Garland has a vested interest in increasing the competitiveness of Garland as a community, being a vibrant, desirable place to live, work, and shop. All cities aspire to this, thus creating competition among municipalities for property and sales tax dollars. Much of Garland's housing stock was built between 1940 and 1976. Although age alone is not a deterrent to buy, it can affect competitiveness due to lack of features and amenities, and energy inefficiency. GREAT Homes addresses this on a per property basis by upgrading obsolete features and improving energy efficiency, making the home more appealing to a broader customer base and reducing the cost of ownership over time through utility savings. These houses also encourage program area neighbors to reinvestment in their properties in the same manner, creating a compound benefit from a few remodeled properties.

Results and Outcomes

The first property acquisition took place in August 2009, and the last acquisition occurred in September 2010, totaling 22 properties for combined NSP sources. All grant obligations for federal and state NSP acquisition (\$1.3m) were met. Six properties have been sold to date, one is complete but unsold, and the remaining 15 are either under construction or the remodeling is currently out for bid. Although there is a per-property loss from acquisition to construction to sale, federal NSP provides a financing mechanism in which municipalities keep all program income from the sale of the property, thus creating a net gain over term of the mortgage. The value of the reused/repurposed materials thus far (cabinetry, appliances, etc.) is \$4,500.

Recognition

After auditing the City of Garland for its portion of the NSP, the Texas Department of Housing and Community Affairs called Garland a “high-performing city.” This was not only for the accurate and proper use of funds, but for other facets described above, such as combining multiple grant sources with NSP and contribution from city departments.

Outreach

In three of the program areas, a community meeting was held before work began in the neighborhood. The community meeting introduced GREAT Homes to the attendees, the reason for the program, construction timelines, and gave them the opportunity to ask questions about the program or the process. Once construction was completed in these areas, an “open house” event was held at one of the completed GREAT Homes properties. Several City departments set up stations within the open house to inform neighbors of the numerous programs available to them, or to answer questions about improvements they could make to their home or neighborhood. These events also provided an opportunity for neighbors to network with one another. The number of attendees for all events combined is over 150.

Energy Efficiency

Using the energy cost savings worksheet found on EPA.gov, the following cost savings have been achieved for the seven properties that have been completed:

- Total life cycle energy saved: 358,856 (kWh)
- Total air pollution reduced: 567,186 (in lbs. of CO₂)
 - Equivalent to 29 cars taken off the road
 - Equivalent to 43 acres of forest saved
- Average payback: 5.1 years
- Average annual savings: \$334