

A woman with long dark hair, wearing a black face mask and a white t-shirt with the text "GAF Vete Ya" in black letters, stands in a yard. She is wearing blue jeans and orange sneakers. In the background, there is a house with light-colored siding and a dark door. A concrete walkway leads to the door, and there are some plants and a fence in the yard. The overall image has a reddish-orange tint.

**GAF
Vete
Ya**

GAF Harms Use of Property

Overview

- The homes next to GAF have industrial zoning.
- Homes with industrial zoning are often unable to obtain repair grants, loans, or acquire permits to improve their homes.
- Because of this, homes are more vulnerable to disrepair and demolition.
- There are roughly 108 parcels east and west of GAF, 46 which are residential today and 82 of which are commercial or vacant today.
- Of those 82 vacant or commercial parcels, 19 had residential structures that were demolished and have permits for those demolitions.
- 30% of the neighborhood has been destroyed since 1971 (which is the first demolition permit available on Develop Dallas for this area), with zero ability to build back residential due to the zoning.
- The proximity to GAF has made it difficult for borrowers to access financing for home improvements and for new home purchases through conventional mortgage loans.
- This rapid land price escalation in West Dallas exposes a risk of massive displacement. GAF is in a position to retain their facility, due to effective capitalization. But neighbors are not.
- Based on our analysis and using 2019 US Census data, no one from 75212 currently works at GAF. GAF is not an employer of West Dallas residents.

Demolition of Homes and Shrinkage of a Residential Community

Because the City of Dallas has not corrected the zoning of the homes adjacent to GAF and has not eliminated GAF as a nonconforming use, the neighborhood has suffered from demolitions of single family homes. The homes next to GAF are zoned industrial, and consequently are unable to acquire home repair grants, acquire loans and prevented from making improvements to their property. Because of this, homes often lack repairs and become at risk of demolition. Based on the parcel information, there are a total of roughly 108 parcels east and west of GAF, 46 which are residential today and 82 of which are commercial or vacant today. Of those 82 vacant or commercial parcels, 19 had residential structures that were demolished and have permits for those demolitions. Assuming that the remaining 58 of the 82 parcels did not have homes on them from the get-go and were either vacant or commercially developed, that means **the neighborhood had 65 homes initially**.

This means that 30% of the neighborhood has been destroyed since 1971 (which is the first demolition permit available on Develop Dallas for this area), with zero ability to build back residential due to the zoning. Without a correction to the zoning of the homes and enforcement of the City's duty to eliminate nonconforming uses, the demolitions and destruction of this neighborhood will be perpetuated, in a neighborhood desperately in need of preserving and expanding affordable housing opportunities. Families have been forced to uproot and relocate. Many homeowners have had no path to rebuild their homes. The current zoning plays a huge role in the diminishing of community, chipping away at the characteristic and culture of the neighborhood.

Table 8. Summary of demolition information.

Total Permitted Demolitions	Total Residential Demolitions	Total Commercial Demolitions	Total Non-Residential Parcels (2021)
24	19	4	82



Before and after the demolition of a home in the Singleton United/Unidos neighborhood. This demolition occurred in September 2021.

Declining Home Values

There are multiple compounding effects of the pollution and industrial nuisance caused by GAF on surrounding homeowners. Many of these effects appear as lost wealth over time. Particularly, the proximity to GAF has made it difficult for borrowers to access financing for home improvements and for new home purchases through conventional mortgage loans. Access to loans is how homeowners can maintain the quality of their homes, and the stability of their neighborhoods. While borrowers in the area proximate to GAF have dealt with the consequences of limited access to capital, the same has not been true for GAF. By relying on alternative sources of capital, including revenue from business operations and commercial loans, GAF has been able to continually invest in their business at the West Dallas property. The disparate access to financing over time appears as lost wealth for homeowners, relative to overall appreciation of value in the City as a whole neighborhood.

The combined sum of improvement values for homes in the neighborhood surrounding the GAF factory started in 1999 at \$644,290. By 2021, they had declined to \$496,860. Looking at the 5 year average provides additional context: from 2017-2021, the value of all improvements on property in the neighborhood was \$806,884. This increase of 125% from 1999 to 2021 is actually lower than inflation over the same period. Simply put, the built improvements in the neighborhood lost value. The total value, which includes land, tells a different story. From 2017 to 2021, the value averaged to \$2,054,662, compared to \$819,540 in 1999. The total value of the properties in the neighborhood nearly tripled. How, in spite of declining improvement values, did the total value rise?

The property around the GAF factory has been experiencing exorbitant escalation in land price. In 1999, the land was valued at \$175,250. By 2021, the land was valued at \$3,055,230. In other words, the land in this neighborhood increased in value by 1,700% from 1999 to 2021. Even looking at the 5 year average, the land was valued at \$1,247,778, a still insane 700% increase from 1999. The value of land as a portion of the total value rose from 21% in 1999, to the low 30% in the mid 2000s, to nearly 80% by 2021.

Yet while neighbors faced difficulty accessing loans, paying taxes, and investing in their neighborhood due to both overall economic conditions and proximity to GAF, the plant did not suffer the same fate. The full GAF operation, which includes numerous buildings, machinery, equipment, inventory, and land, is valued by Dallas County tax appraisers at \$29,384,180 in 2021. Not included in this total is the warehouse owned as a joint venture by GAF parent company Elk at 2020 Singleton. The 5-year average valuation is \$31,034,000. Excluding inventory, raw materials, and supplies, which are all moveable assets that can be used in other GAF facilities, that five year average value is \$23,177,997. This total of non-moveable capital at the site represents an increase in value of around 160% since 2000.

Land comprises only a small portion of the total value of the GAF account. Over the period from 2017-2021, the average value of the land was \$2,782,518. Since the year 2000, the value of the land under the plant has increased by over 400%. Yet the ratio of the value of the facility to the value of the land only tripled, rising from a low of 3% to around 10%. While the rapid land escalation matches the rapid increase seen in other parts of West Dallas, GAF has been able to keep the land-value ratio low by continuing to pour capital into the facility. Building permits from the City of Dallas show a total of 23 permits issued at the site going back to 2002, including, notably, a permitted expansion in 2003 that added a new building and 16,000 square feet of additional space to the facility. The combined value of these recent new investments in the facility is \$1.2 million.

These figures reveal disparities in investment. **This rapid land price escalation exposes a risk of massive displacement. GAF is in a position to retain their facility, due to effective capitalization. But neighbors are not.** Notably, GAF once leased warehouse space in various other parts of West Dallas, including the area now occupied by the Trinity Green Apartments. History shows that GAF can easily reconfigure operations while residents cannot.

Between 2008 and 2009, the appraisal district reclassified 22 properties from the residential division in the neighborhood to the commercial division. It is unclear why the appraisal district took this action. All of this land is SPTD Code C12- meaning it is vacant. Most of these properties are owned by individuals, rather than commercial interests. Their land, when included in the neighborhood analysis, keeps the total parcel numbers at around 70.

Inability of Neighborhood to Access Improvements

In the Census Tract where GAF is located, 75.4% of home improvement loan applications going back to 1990 were denied. Residents could not leverage existing wealth to reinvest in the community, which has contributed to rates of demolitions.

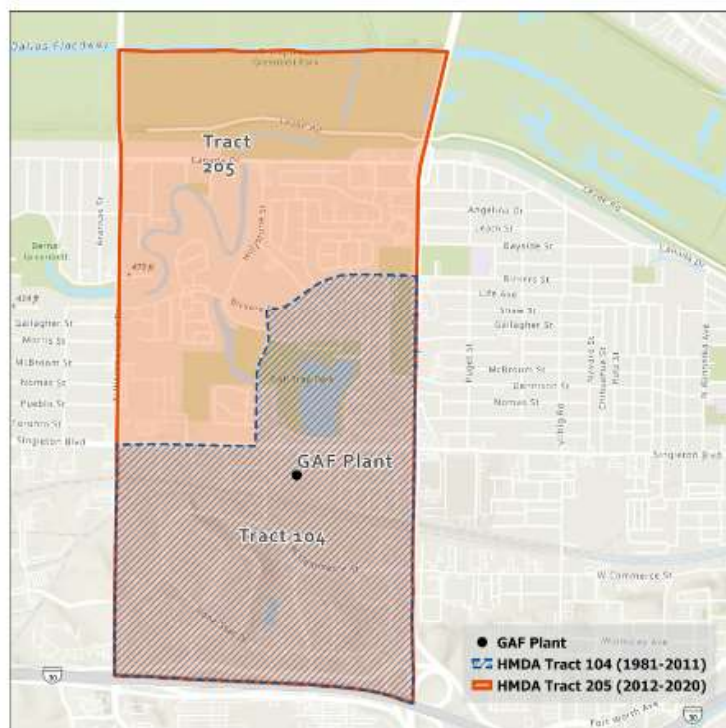


Figure 26. Census tract where GAF is located and HMDA tract boundaries.

GAF Produces Negative Economic Impacts on West Dallas

Although GAF may want to promote itself as an important local jobs provider and taxpayer, the economic impact of GAF on the City of Dallas through the payment of wages is minimal.

From 2002 to 2019, employment at the GAF West Dallas plant averaged 258 workers per year. On average over those years, only 32.7% of the GAF West Dallas workforce lived in the City of Dallas, and only 4.4% lived within two miles of the GAF plant.

Based on our analysis and using 2019 US Census data, no one from 75212 currently works at GAF. GAF is not an employer of West Dallas residents.

Additionally over the last 17 years GAF has paid an estimated total of \$441,743,000 in wages to its West Dallas plant workers. While this may initially seem like a large sum, the bulk of those wages- 68.4%- were paid to workers who do not live in the City of Dallas. Only 31.6% of wages (\$139,695,228) were paid to workers who live in the City of Dallas over 17 years. An even smaller sum (\$19,281,924), or 4.4% of the total wages paid, were paid to workers living within 2 miles of the plant. This wage estimate uses an industry wide wage estimate of \$85,000 per worker and likely dramatically overstates the amount actually paid to GAF workers.

In an average year, GAF paid only \$7,760,846 in wages to workers living in Dallas, and less than \$1,071,218 in wages to workers living within 2 miles of the plant, out a total estimated labor cost of \$24,521,303. **Nearly 100% of the detrimental impacts of the plant's activities were felt by residents proximate to the plant, but only 4.4% of the plant's potential benefit through wages was received by local residents.**

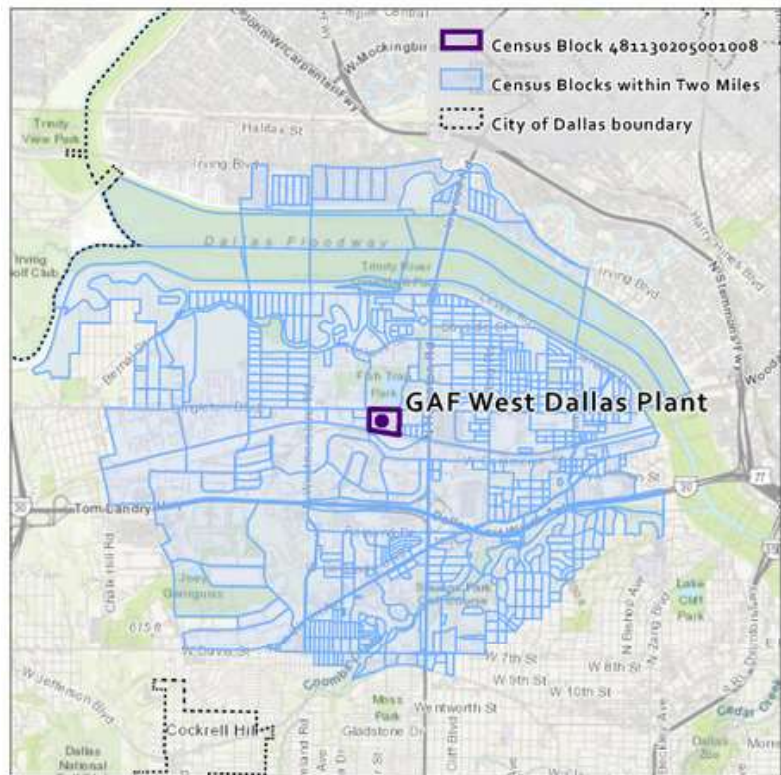


Figure 27. GAF and 2-mile radius. .