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CITY SECRETARY
DALLAS, TEXAS

City of Dallas

1500 Marilla Street, Room 6ES
Dallas, Texas 75201



Housing and Homelessness Solutions Committee

February 4, 2020

1:30 PM

SPECIAL CALLED MEETING

Public Notice

200100

POSTED CITY SECRETARY
DALLAS, TX

Call to Order**MINUTES**

- 1 [20-238](#) Approval of the January 14, 2020 Minutes

Attachments: [Minutes](#)

BRIEFING ITEMS

- A [20-250](#) Housing Policy Task Force Structure and Process for Notice of Funding Availability
[David Noguera, Director, Department of Housing and Neighborhood Revitalization]

Attachments: [Memorandum
Presentation](#)

- B [20-239](#) Request for Resolutions for 4% and 9% Housing Tax Credits Allocated through Texas Department of Housing and Community Affairs and Proposed Recommendations
[Avis F. Chaisson, Assistant Director, Office of Economic Development]

Attachments: [Presentation](#)

- C [20-240](#) Single Family Rental Registration (and Inspection) Program
[Carl Simpson, Director, Department of Code Compliance Services]

Attachments: [Presentation](#)

ADJOURNMENT

EXECUTIVE SESSION NOTICE

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]
2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]
3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]
4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]
5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]
6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex Govt. Code §551.087]
7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex Govt. Code §551.089]



City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-238

Item #: 1

Approval of the January 14, 2020 Minutes

Housing & Homelessness Solutions Committee

Meeting Record

The Housing & Homelessness Solutions meetings are recorded.
Agenda materials are available online at www.dallascityhall.com. Recordings may be reviewed online at <https://dallastx.swagit.com/housing-and-homelessness-solutions>.

Meeting Date: January 14, 2020

Convened: 9:08 a.m.

Adjourned: 11:34 a.m.

Committee Members Present:

Chad West, Chair
Casey Thomas, II, Vice Chair
Paula Blackmon
Carolyn King Arnold
Lee Kleinman
Cara Mendelsohn

Committee Members Absent:

Jamie Resendez

Other Council Members Present:

Adam Bazaldua

AGENDA

CALL TO ORDER

1. Consideration of the December 10, 2019 Meeting Minutes

Action Taken/Committee Recommendation(s): A motion was made to approve the minutes for the December 10, 2019 Housing & Homelessness Solutions Committee meeting. The motion passed unanimously.

Motion made by Paula Blackmon

Motion seconded by Casey Thomas, II

BRIEFINGS

2. Proposed Comprehensive Housing Policy 2020 Work Plan

Presenter(s): David Noguera, Director, Department of Housing & Neighborhood Revitalization; Pam Thompson, Housing Policy Task Force Administrator, Department of Housing & Neighborhood Revitalization

Action Taken/Committee Recommendation(s): The Committee was briefed on the background of the City's Comprehensive Housing Policy and its initiatives. Staff from the Department of Housing and Neighborhood Revitalization requested feedback from the Committee on the prioritization of potential initiatives to be developed and existing initiatives to be amended in 2020. Information only.

3. Inclement Weather Update and Consideration of One-Site Winter Plan

Presenter(s): Monica Hardman, Director, Office of Homeless Solutions

Action Taken/Committee Recommendation(s): The Committee was briefed on the proposed new zoning use, inclement weather definitions, permit process and issuance for inclement weather and winter 2019-2020 City considerations for inclement weather, and the feedback received from the Citizen Homelessness Commission. A motion was made to move this item forward for full City Council consideration pending the inclusion of feedback received from the Committee.

Motion made by: Casey Thomas, II

Motion seconded by: Lee Kleinman

Item passed unanimously:

Item passed on a divided vote: X

Item failed unanimously:

Item failed on a divided vote:

4. Briefing by Memorandum: Consideration and Approval of the 2019-2020 Dallas Urban Land Bank Demonstration Program

Presenter(s): Michael Mendoza, Chief of Economic Development and Neighborhood Services

Action Taken/Committee Recommendation(s): A motion was made to forward this item to the full City Council for consideration.

Motion made by: Casey Thomas, II
Item passed unanimously: X
Item failed unanimously:

Motion seconded by Paula Blackmon
Item passed on a divided vote:
Item failed on a divided vote:

5. Briefing by Memorandum: Consideration and Approval of Funding and Authorization to Enter into a Development Agreement with Notre Dame Place, Inc. to Develop Up to 99 Affordable Units as Part of the 2019 Single Family Notice of Funding Availability (NOFA)

Presenter(s): Michael Mendoza, Chief of Economic Development and Neighborhood Services

Action Taken/Committee Recommendation(s): Councilmember Mendelsohn requested the City Attorney read a legal opinion provided to the City Council pertaining to a potential conflict of interest for the proposed development. A motion was made to forward this item to the full City Council for consideration.

Motion made by: Casey Thomas, II
Item passed unanimously:
Item failed unanimously:

Motion seconded by: Lee Kleinman
Item passed on a divided vote: X
Item failed on a divided vote:

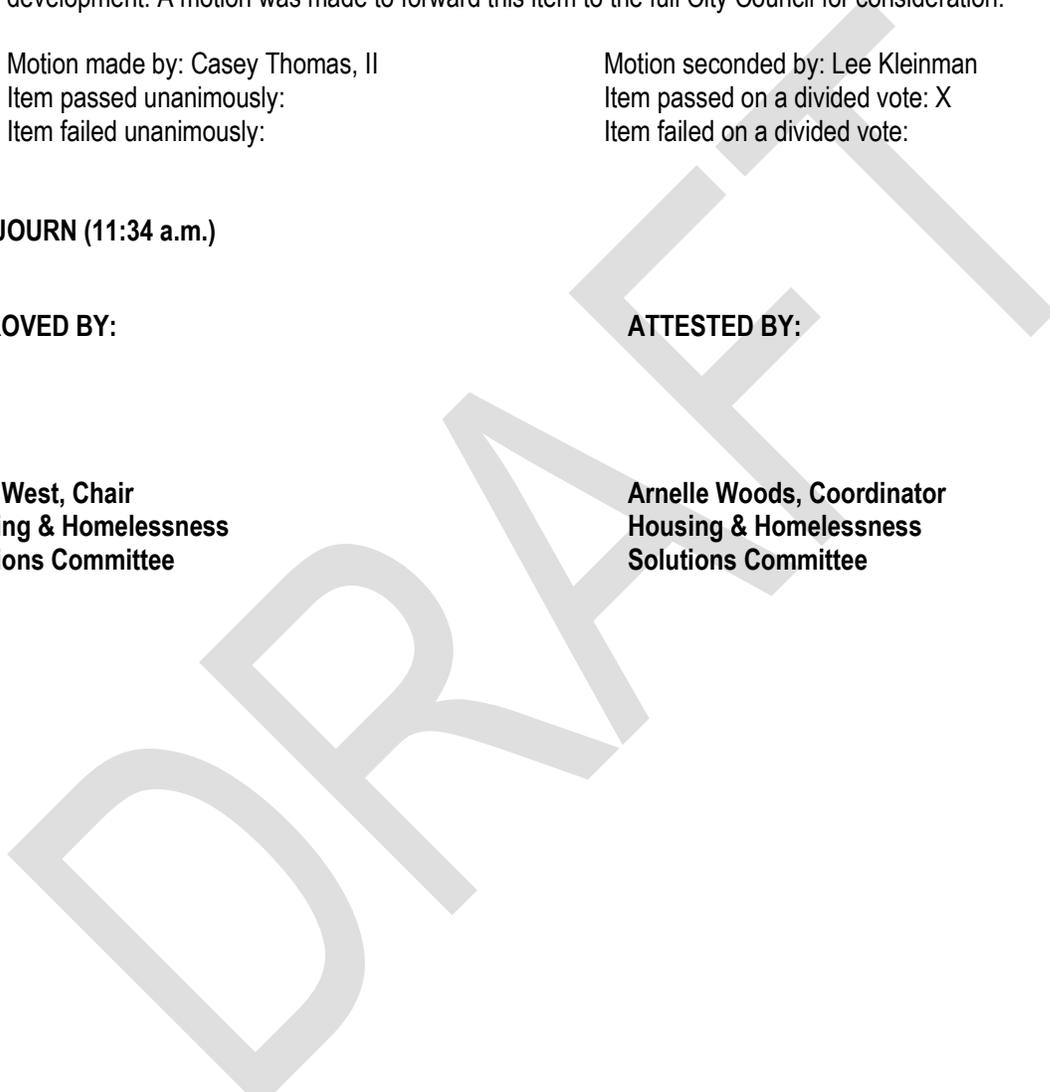
ADJOURN (11:34 a.m.)

APPROVED BY:

ATTESTED BY:

**Chad West, Chair
Housing & Homelessness
Solutions Committee**

**Arnelle Woods, Coordinator
Housing & Homelessness
Solutions Committee**





City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-250

Item #: A

Housing Policy Task Force Structure and Process for Notice of Funding Availability
[David Noguera, Director, Department of Housing and Neighborhood Revitalization]

Memorandum



CITY OF DALLAS

DATE January 24, 2020

TO Honorable Mayor and Members of the City Council

SUBJECT **Housing Policy Task Force Structure and Process for Notice of Funding Availability**

Over the past few weeks, staff has fielded questions about the structure of the housing policy task force and its steering committee, particularly in relationship to the notice of funding availability (NOFA) issued May 16, 2019. This memo outlines the history of the Comprehensive Housing Policy, the creation of the housing policy task force and its steering committee, and the issuance of the single-family NOFA.

Comprehensive Housing Policy and Housing Policy Task Force Background

Staff drafted the Comprehensive Housing Policy during winter and spring of 2018. During that time, eight meetings were held to provide stakeholders an opportunity to understand the challenges of producing housing from the perspective of developers, banks, and city regulatory officials.

On May 9, 2018, by Resolution No. 18-0704, City Council adopted the Comprehensive Housing Policy and approved the design of a Housing Policy Task Force (the Task Force), along with recommended committees, chairpersons, and co-chairpersons. The committees were to be chaired by a volunteer appointee from the private sector who had relevant and substantial experience working in the design, development, construction, marketing or financing of housing and co-chaired by executive-level city staff members who would provide staff support to each committee.

The committees and working groups met for a year between late 2018 and early 2019. During the summer and fall of 2019, staff met with task force members, community leaders, Council members, and other stakeholders to consider a modified format for the task force that would improve meeting attendance and encourage a broader array of stakeholders to attend meetings and provide feedback.

On December 11, 2019, Council approved an update to the Comprehensive Housing Policy to modify the task force description to provide for a steering committee and a broader task force. In lieu of committees, the task force would provide feedback on initiatives grouped by focus areas. The task force now has more than 500 members, including developers, architects, planners, community leaders, faith leaders, residents, educators, community housing development organizations, real estate professionals, bankers, philanthropists, government officials, government staff, and attorneys.

DATE January 24, 2020

SUBJECT **Housing Policy Task Force Structure and Process for Notice of Funding Availability**

Task Force Authority and Responsibility

Although the task force was approved by City Council, the task force is not a city board because it was not created by ordinance or by the city's charter. Boards that are created by City Council ordinance are codified in the Dallas City Code. For example, the creation, terms, membership, meetings, functions, duties, and responsibilities of the Senior Affairs Commission, the Citizen Homelessness Commission, and the Arts and Culture Advisory Committee are all codified in Chapter 2 of the Dallas City Code. These codified boards and commissions act as advisory bodies to the city manager and the city council and provide recommendations as prescribed in the code. Therefore, task force members are not city officials under the Dallas City Code.

The housing policy task force, and its steering committee, were created by City Council resolution. Their functions are specified in a policy document – the Comprehensive Housing Policy - while the details of the steering committee are in the City Manager-controlled appendix to that policy document. The task force provides a wide variety of unofficial feedback to staff as part of a vital, but ad hoc process. This dialog, along with best practices research, internal staff conversations, and discussions with councilmembers, helps to form both program development and staff recommendations to City Council.

Because it is vital that the task force include business owners, developers, philanthropists, property owners, residents, and other stakeholders, it is likely that members of the task force will seek, from time to time, to do business with the City or use City programs. Members of the task force must follow standard application, review, and procurement processes, the same as any other member of the public. However, they are not made subject to the Chapter 12A Code of Ethics merely by serving on the task force because they are not city officials for purposes of Chapter 12A.

Single family NOFA procurement process

The portion of the Comprehensive Housing Policy that guides the single-family NOFA process has remained unchanged since the original approval in May 2018. However, because stakeholder input is absolutely vital to all functions of the Housing & Neighborhood Revitalization Department, staff held two information sessions in January and February of 2019. An invitation flyer was sent to the entire housing policy email list, and a combined 87 stakeholders, including community leaders, CHDOs, and developers, attended the two meetings. A follow-up email with the information session presentation was sent to the entire housing policy list on February 6, 2019.

After these well-attended information sessions, staff worked with the Office of Procurement Services to draft the NOFA and issued it on May 9, 2019.

Importantly, once the NOFA was issued, all communication with the applicant was directed through the Office of Procurement Services, and questions regarding the solicitation were answered solely through the Office of Procurement Services. Additionally, applicants were required to refrain from reaching out to the Department of Housing & Neighborhood Revitalization until after NOFA scores were published. During

DATE January 24, 2020

SUBJECT **Housing Policy Task Force Structure and Process for Notice of Funding Availability**

this time, the housing policy task force continued to meet on programs and policy concepts, excluding the NOFA.

Conclusion

Since the issuance of the NOFA, the housing policy task force has been instrumental in advising staff on proposed improvements to the Comprehensive Housing Policy. These improvements include updates to the Low-Income Housing Tax Credit recommendation guidelines, the Dallas Homebuyer Assistance Program, the Home Improvement and Preservation Program, the Title Clearing Program, the Community Land Trust Program, and the Neighborhood Empowerment Zone Program, as well as a proposed public facilities corporation. In each case, the amendments to the Comprehensive Housing Policy were written by staff or city contractors.

In early 2020, the task force will meet to talk about the items on the policy's 2020 work plan, including targeted neighborhood rehabilitation, marketable housing credits, a potential fee in lieu program, and tenants' rights initiatives. The input from the task force provides a sounding board for staff-led proposals before they are presented to Council for consideration.

David Noguera is currently scheduling one-on-one meetings with you to be held during the upcoming week. Should you have any questions before then, please contact Mr. Noguera at 214-670-3619.



Michael Mendoza

Chief of Economic Development and Neighborhood Services

Attachments

Flyer for single family NOFA information sessions

Presentation for single family NOFA information sessions

May 9, 2018 Resolution adopting the CHP and creating the task force

NOFA timeline

NOFA applicants and scores

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Mark Swann, City Auditor
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager

Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Laila Alequresh, Chief Innovation Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors



PLEASE JOIN US

We need your feedback regarding our upcoming Notice of Funding Availability for Development of Single Family Homes

On May 9, 2018, the City of Dallas adopted its first Comprehensive Housing Policy. The City will soon issue a competitive Notice of Funding Availability (NOFA) that specifically solicits proposals to construct **new single-family homeowner or rental developments** that: are within City limits, align with the strategies set forth in the comprehensive housing policy, and where such financial assistance is necessary. Come learn about the priorities adopted by the Dallas City Council and how you can help us meet our annual housing production goal of over 6,600 units. The City would like your feedback before issuing the final NOFA.

This funding opportunity will be available to both non-profit and for-profit developers.



**CITY OF DALLAS
DEPARTMENT OF HOUSING
AND NEIGHBORHOOD
REVITALIZATION**

**MEETING PURPOSE:
DISCUSSION OF UPCOMING
NOTICE OF FUNDING
AVAILABILITY FOR
DEVELOPMENT OF SINGLE
FAMILY HOMES**

**DATES AND TIME:
JANUARY 29
1:00-2:30 PM
OR
FEBRUARY 5
1:00-2:30 PM**

**LOCATION:
DALLAS CITY HALL
AUDITORIUM L1FN**

**FOR MORE INFORMATION
CONTACT:**

Department of Housing and
Neighborhood Revitalization

214-670-5988

HousingPolicy@dallascityhall.com

Single Family Residential Development in the City of Dallas: Overview and Discussion of Funding Opportunities

Department of Housing & Neighborhood Revitalization
City of Dallas, Texas



Road Map

- Brief recap of the Comprehensive Housing Policy
- Feedback received regarding H&NR's most recent Notice of Funding Availability (NOFA)
- Discussion of framework for NOFA
- Other resources
 - Land Bank
 - HB 110 lots
 - Dallas Housing Finance Corporation
- Housing Taskforce & public input
- Comments/questions



Recap of the Comprehensive Housing Policy

Three Broad Goals



Create and maintain affordable housing units throughout Dallas



Promote greater fair housing choices



Overcome patterns of segregation and concentrations of poverty through incentives and requirements



Recap of the Comprehensive Housing Policy

Analysis and Development of the Policy

- Market Value Analysis (MVA) was completed by the Reinvestment Fund in early 2018
- MVA is a data-driven tool that helps residents and policy makers analyze the local real estate market at a census block level
- MVA is built on local administrative data and validated by local experts
- View the MVA at: <http://dallascityhall.com/departments/pnv/Pages/MarketValueAnalysis.aspx>

MVA Category	Median Sales Price	Variation Sales Price	Percent Owner Occupied	Percent new Construction	Percent Rehabilitation	Percent Subsidized Units	Percent Code Violations	Percent of Vacant Homes	Percent Foreclosure Filings	Household Density (reference only)
A (29 areas)	\$1,037,300	0.57	81%	2.6%	3.6%	1%	1%	2.4%	>1%	3.0
B (97 areas)	\$463,900	0.48	85%	1.2%	4.4%	2%	>1%	1.2%	>1%	3.7
C (87 areas)	\$390,500	0.40	31%	1.8%	1.2%	4%	1%	1.7%	1%	8.5
D (96 areas)	\$267,100	0.42	69%	0.5%	2.9%	4%	1%	1.8%	>1%	4.9
E (245 areas)	\$140,300	0.32	13%	1.1%	0.3%	13%	2%	2.3%	3%	15.6
F (124 areas)	\$117,600	0.44	73%	0.3%	1.5%	8%	2%	1.8%	3%	5.0
G (61 areas)	\$91,300	0.41	26%	0.4%	0.6%	63%	4%	3.8%	7%	12.3
H (124 areas)	\$72,400	0.55	60%	0.4%	1.3%	8%	6%	3.7%	4%	5.7
I (55 areas)	\$41,500	0.76	46%	0.7%	1.0%	17%	21%	7.5%	5%	7.1
Avg. Dallas Block Group	\$133,300	0.44	48%	0.9	1.6	12%	3%	2.6%	1%	8.5



Recap of the Comprehensive Housing Policy

Geographic Focus

Redevelopment Areas (4)

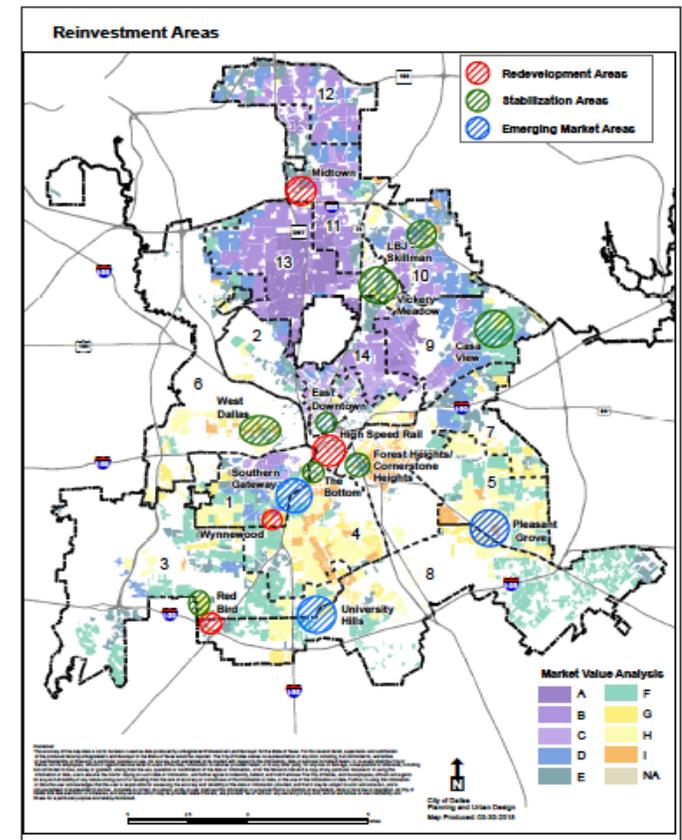
- Catalytic project scheduled to occur within the next 12 months that is supported by a third-party, independent market analysis. Project must include new housing production with affordable units offered for sale or rent to a mix of income bands.

Stabilization Areas (8)

- Weaker real estate markets (G,H,I) surrounded by stronger markets (A-E), and, as such, are at risk of displacement based on market conditions and scheduled redevelopment projects. New development and preservation of existing housing stock is prioritized.

Emerging Market Areas (3)

- A blend of middle markets (C,D,E) with mostly G,H,I markets. Needs intensive environmental enhancements, public infrastructure assessments and corrective plans, code enforcement, master planning and formalized neighborhood organizations to be prepared for real estate investment. Preservation of existing housing stock is prioritized.



Recap of the Comprehensive Housing Policy

Production Goals and Income Bands to be Served

Homeownership	% Total Units		HUD Area Median Income Dallas Metro	% Total Units	Rental
933	55%	Market Rate	120%	40%	587
1120			100%		587
1307	45%	Extremely Low, Very Low, Low Income	80%	60%	733
373			60%		440
			50%		293
			30%		293
Total: 3,733					Total: 2,933



Feedback Received Regarding 2018 Housing and Neighborhood Revitalization NOFA



Feedback Received Regarding 2018 NOFA

- The short timeframe between the release of the NOFA and its due date discouraged developers from applying
- It took too many resources (time and money) to submit a proposal
 - Lack of templates or fillable forms
 - High-costs associated with obtaining audited financial statements and market studies (especially when expedited)
 - Additional costs associated with preparing and submitting application package (printing, formatting, etc.)
- Some of the requested information was duplicative/not necessary
- The scoring system did not provide good guidance regarding whether a proposal would achieve a fundable score
- There was no process by which to submit missing items and/or appeal the decision



Discussion of Proposed 2019 NOFA for Single Family Housing Development



Discussion of Proposed 2019 NOFA for SF Housing Development

Funding Priorities Mandated by Comprehensive Housing Policy

- Projects that:
 - build 5 or more new construction, single-family homes (for sale or rental) or substantially rehabilitate rental housing greater than 5 units
 - are financially feasible (as outlined in the comprehensive housing policy)
 - can start construction in 12 months, complete construction within 2 years of funding commitment and be sold to an eligible homebuyer within 9 months of completion
 - serve a range of income bands (as outlined in the production goals)
 - have a minimum square footage of 1200 sq ft., at least 3 bedrooms and at least 1.5 bathrooms (preference, not requirement)
- Developers:
 - who can demonstrate the capacity and previous experience developing projects of the type presented in their proposal



Discussion of Proposed 2019 NOFA for SF Housing Development **Additional Funding Priorities Under Consideration**

- Projects that:
 - are close to amenities, such as high-frequency transit and full-scale grocery stores
 - propose to address an unmet need of 80% AMI (and below) households and use the market-value analysis to support the proposal
 - propose to develop on a large number of Land Bank or HB110 lots located within close geographic proximity of one another
 - in addition to creating affordable units, will create a significant number of market rate units (using a private funding source)
- Location in a Reinvestment Strategy Area could be a tie-breaker
- Development team must have relevant experience and track-record of success; priority given to development teams that include a CHDO
- City will provide gap financing



Discussion of Proposed 2019 NOFA for SF Housing Development Additional Funding Priorities Under Consideration

	1/4 mile or less	>1/4 mile and < 1/2 mile	1/2 mile and up to 1 mile
Amenity	Points	Points	Points
High Intensity Transit	5	3	1
Public Park	5	3	1
Full Scale Grocery Store	5	3	1
Community or Senior Center	5	3	1
Aging and Disability Resource Center	5	3	1
Amenity	1/2 mile or less	>1/2 mile and < 1 mile	1 mile and up to 2 miles
Qualifying Medical Clinic or Hospital	5	2	1
Amenity	20 minutes or less	>20 min. and < 40 min.	More than 40 min.
Transit time to Major Employment Center	5	2	0
Amenity	Services offered as defined in the Glossary		
Homeowner/Tenant Services	5		



Discussion of Proposed 2019 NOFA for SF Housing Development

Overview of Proposed NOFA Process

- NOFA is in the process of being drafted
- Staff are obtaining feedback from internal and external sources
- City plans to release NOFA in late-February/early-March 2019
 - Interested parties will have 30 days to submit a *pre-application*
 - Pre-applications will be scored by an evaluation team
 - High-scoring applicants will be invited to submit a full proposal & will have 30 days to submit full proposal including supporting documentation
- Full proposals will be referred for underwriting and will be scored by an evaluation team
- City will recommend awarding funding to the proposals that receive a fundable score, in order of score, and the recommended funding amount will be based on the funding gap validated by the underwriting process and subject to the availability of funds



Discussion of Notice of Funding Availability Framework

Terms of Funding for New Development and Substantial Rehabilitation

- New Development Program offers a 0%-3% loan, where such assistance is necessary
 - May be used for acquisition and construction financing
 - For single-family homebuyer units--Max term of loan is 2 years and is repayable in full upon sale, refinancing, transfer or upon maturity
 - Repayment is limited to the net proceeds of a City of Dallas-approved sale to a low-income buyer
 - City may require performance bond or irrevocable letter of credit acceptable to the City to ensure project completion
- During the period of affordability, units must be sold or rented to households at or below income levels specified in the contract
 - Mixed income projects are encouraged (but HOME funds can only pay for costs related to serving 80% AMI households and below)
- Funding source is HOME funds



Discussion of Notice of Funding Availability Framework

Proposal Requirements (not an exclusive list):

- Proposal should include:
 - Evidence of market demand (i.e. info from MLS pertaining to recent sales in the neighborhood, average time on the market for recent sales, availability of other product, average “months of supply,” and any known or planned projects)
 - Completed Affirmative Fair Housing Marketing Plan
 - Proforma (including development hard and soft costs by unit and costs related to the sales transaction to the qualified buyer)



Discussion of Notice of Funding Availability Framework

Specific Resources for Community Housing Development Organizations (CHDOs)

- 15% of City's annual HOME allocation is reserved for CHDOs
- CHDOs may exercise a "right of first refusal" to purchase Land Bank lots (i.e. first in line)
- Most CHDOs are eligible to purchase HB110 lots
- H&NR is planning to offer training opportunities exclusively for CHDOs
- **An organization may seek first-time CHDO certification when submitting a proposal in response to a NOFA**



Discussion of Notice of Funding Availability Framework

Mandatory Requirements for New Development and Substantial Rehabilitation Projects Seeking City Funding (depending on project type)

- Conflict of Interest
- Environmental Review
- Uniform Relocation Act (URA) and 104(d)
- Excluded Parties (Debarred Contractors)
- Site and Neighborhood Standards
- Lead Based Paint
- Davis Bacon and other Labor Standards
- Minority/Women Business Enterprises
- Section 3 Economic Opportunity
- Section 504
- Americans with Disabilities Act
- Fair Housing and Equal Opportunity
- Affirmative Marketing
- Recordkeeping



Other Resources

Land Bank and HB 110 Lot Sales

- *House Bill 110*—Allows the sale of real property to non-profits for the development of affordable housing
- *Land Bank statute*—Allows the sale of unimproved land that must be developed to provide units affordable to low-income persons (115% AMI or below) or for commercial development



Other Resources

Dallas Housing Finance Corporation (DHFC)

- May own property and enter into partnerships with developers



Housing Taskforce & Ongoing Public Input and Involvement

Housing Taskforce

- Council approved the creation of a Housing Taskforce with the following committees:
 - Steering, Development Process, Infrastructure, Marketing & Finance, and Neighborhood Quality of Life
- All meetings are open to the public. Meeting dates and agendas are posted on the Housing & Neighborhood Revitalization website.

Website

- Access the most recent version of the Comprehensive Housing Policy
- Learn more about housing programs and NOFAs
- Find meeting dates and agendas for Housing Taskforce, Land Bank, and Housing Finance Corporation
- Current Housing and Neighborhood Revitalization website:
<http://www.dallashousingpolicy.com>



Thank You



Department of Housing & Neighborhood Revitalization



O: 214-670-5988



housingpolicy@dallascityhall.com



<http://www.dallashousingpolicy.com>



May 9, 2018

WHEREAS, the City Council passed a 5-signature memo requesting the development of a comprehensive housing policy; and

WHEREAS, on March 12, 2017, the Dallas City Council Housing Committee established three goals for the development of a comprehensive strategy for housing: (1) create and maintain available and affordable housing throughout Dallas; (2) promote greater fair housing choices; and (3) overcome patterns of segregation and concentrations of poverty through incentives and requirements; and

WHEREAS, the City of Dallas (City) engaged The Reinvestment Fund to conduct a market value analysis, a tool used to assess the residential real estate market; and

WHEREAS, based on the results of the Market Value Analysis, city staff is proposing a geographic prioritization among 3 reinvestment areas - Redevelopment Areas are Midtown, High Speed Rail, Wynnewood, and Red Bird; Stabilization Areas are LBJ Skillman, Vickery Meadow, Casa View, Forest Heights/Cornerstone Heights, East Downtown, The Bottom, West Dallas, and Red Bird North; and Emerging Markets Areas are Southern Gateway, Pleasant Grove, and University Hills; and

WHEREAS, the geographic strategies for overcoming concentrations of poverty and segregation focus on families at various income levels to provide incentives for those families that choose to move to neighborhoods with more opportunity but simultaneously helping those who wish to remain where they live to revitalize their communities with intensive city services to help connect these emerging market areas to transportation, infrastructure and other assets; and

WHEREAS, there is a housing shortage of 20,000 units in Dallas driven by land and development costs; construction costs, including labor and materials shortages; rent growth; the effects of federal, state and local regulation; as well as, the single-family rental market; and

WHEREAS, citywide production goals for homeownership and rental units for the next three years along with respective income bands that will be prioritized within the production goals (**Exhibit A**) will guide the City's efforts in reducing the housing shortage; and

WHEREAS, to be responsive to current market conditions, allocation of funds for new construction or acquisition and substantial rehabilitation of homeownership and rental units shall be conducted through the deployment of Notices of Funding Availability or Requests for Applications; and

WHEREAS, the addition of the Home Improvement and Preservation Program for both single and multi-family rental will help preserve affordable housing; and

180704

May 9, 2018

WHEREAS, the City Council desires to allow unspent funds from home repair activities (Major Systems Repairs, Emergency System Repair, and Home Rebate Improvement) to be used in the new Home Improvement and Preservation Program; and

WHEREAS, the expansion of the owner-occupied rehabilitation program activities to include refinancing of home equity lines of credit and first or reverse mortgages will also preserve affordable housing; and

WHEREAS, the Targeted Homebuyer Assistance Program, which seeks to attract school teachers, police officers, emergency medical technicians and fire fighters into Reinvestment Strategy Areas will improve safety and perception of these areas and encourage additional reinvestment; and

WHEREAS, the designation of Neighborhood Empowerment Zones (NEZ) in Stabilization Areas and the use of specific strategies and tools in the NEZs will preserve affordability or deconcentrate racially and ethnically concentrated areas of poverty (RECAP); and

WHEREAS, the establishment of a Housing Trust Fund (HTF) and dedication of certain funds to the HTF will allow the HTF to originate loans or serve as credit enhancement to support the citywide production goals and create and preserve mixed income communities; and

WHEREAS, the creation of a non-contiguous Tax Increment Financing (TIF) District for areas not already located in an existing TIF District will leverage the use of the tool to support the development of additional for-sale and rental units; and

WHEREAS, the creation of a Housing Task Force to work on legislative issues, including state and federal issues, and to review the Low-Income Housing Tax Credit Qualified Allocation Plan (QAP) will assist the City in implementing the comprehensive housing policy; and

WHEREAS, the City recognizes the importance of having a comprehensive housing policy and desires to align the existing tools and programs with newly proposed strategies, tools, and programs that will ensure consistency amongst them and a baseline for a strategic approach for implementation; and

WHEREAS, the incorporation of existing housing strategies, tools and programs into the comprehensive housing policy, including Land Bank, which is administered by the Dallas Housing and Acquisition Corporation; the sale of lots to qualified non-profits pursuant to House Bill 110; Dallas Tomorrow Fund; Dallas Homebuyer Assistance Program and the Tenant Based Rental Assistance Program, will further the goals of the comprehensive housing policy; and

WHEREAS, the Department of Housing and Neighborhood Revitalization is not the only City department responsible for implementing the comprehensive housing policy and it is the desire of the City Council that all departments support the implementation of the comprehensive housing policy by taking all necessary measures to implement the strategies, tools and programs identified in the comprehensive housing policy; and

WHEREAS, the Community Development Commission (CDC) is responsible for submitting to the city manager and city council a recommended list of priorities for the consolidated application for HUD entitlement grant funds, specific recommendations as to the use and allocation of HUD entitlement grant funds, and making recommendations concerning the creation or elimination of projects that affect the HUD entitlement grant fund budget, among other duties, and it is the desire of the City Council that the CDC support the implementation of the comprehensive housing policy by using the comprehensive housing policy as a guide for developing all recommendations, including those related to HUD entitlement grants; and

WHEREAS, it is in the best interest of the of the City of Dallas to adopt a comprehensive housing policy;

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the documents attached hereto and made a part of this Resolution entitled Comprehensive Housing Policy Manual (**Exhibit B**) are hereby adopted as the comprehensive housing policy.

SECTION 2. That existing housing strategies, tools and programs are incorporated into the comprehensive housing policy, including Land Bank, which is administered by the Dallas Housing and Acquisition Corporation; the sale of lots to qualified non-profits pursuant to the City's Land Transfer Program and House Bill 110; Dallas Tomorrow Fund; Dallas Homebuyer Assistance Program and the Tenant Based Rental Assistance Program, and that the Department of Housing and Neighborhood Revitalization, other city departments and the Land Bank (DHADC) shall use the comprehensive housing policy as a guide for administering existing strategies, tools and programs and developing new strategies, tools and programs.

SECTION 3. That the City Council must approve any addition to, alteration or deletion of a strategy, tool, or program included in the comprehensive housing policy via a resolution to amend the comprehensive housing policy, unless such addition, alteration or deletion is purely administrative in form and does not alter the stated goals and foci of the comprehensive housing policy. "Administrative changes" includes grammatical and formatting changes, adjustments that bring program terms into compliance with state and federal regulations, and increases in the maximum amount of funding assistance

allowable in programs when such increases are due to increases in land and development costs or labor and material costs, but at no such time shall the maximum funding limits exceed funding limits allowable by federal or state law.

SECTION 4. That the City will recommend that the Community Development Commission (CDC) use the comprehensive housing policy as a guide for developing all recommendations, including those related to HUD entitlement grants.

SECTION 5. That the City Manager is hereby authorized to execute individual loan agreements (and other necessary documents), in accordance with the Dallas Homebuyer Assistance Program and Home Improvement and Preservation Program, which includes loans exceeding \$50,000, without additional Council approval. Funds that support these program activities are encumbered annually pursuant to the Consolidated Plan Budget.

SECTION 6. That the new Home Improvement and Preservation Program is hereby created pursuant to Exhibit B, and that the unspent funds estimated at approximately \$4.8M from home repair activities (Major Systems Repairs, Emergency System Repair, and Home Rebate Improvement) shall be used for the Home Improvement and Preservation Program.

SECTION 7. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

SECTION 8.

1. The Dallas Housing Policy Taskforce will report to the Economic Development and Housing Committee.
2. Combine function and expertise:
 - a. Steering Committee: Made up of all chairs and co-chairs of the other committees. The Chair of each committee is an external partner with industry expertise and the co-chair is a City Staff person who will provide the internal administrative support.
 - i. Chair: Bill Hall, retired CEO Habitat, Co-Chair: Raquel Favela, Chief of Economic Development & Neighborhood Services
 - b. Development Process Committee: Works with the Department of Sustainable Development and Construction (SDC) to review the development process and zoning requirements for single-family (SF) and multi-family (MF) developments and recommends changes to the development code.
 - i. Chair: Phil Crone & Linda McMahon, Co-Chair: David Cossum

May 9, 2018

- ii. Consists of at least one SDC staff person, Department of Housing and Neighborhood Revitalization (H&NR) staff person, Planning & Urban Design (P&UD) staff person (2), Builders Association representative, Texas Real Estate Council (TREC), and all interested builders.
 - c. Infrastructure Committee: Oversees planning and installation of infrastructure components; deals with infrastructure-related issues.
 - i. Chair: Jim Knight, Co-Chair: Mike Rogers
 - ii. Consists of at least one H&NR staff person, at least one Public Works (PW) staff person, Dallas Water Utilities (DWU), utility service providers, Texas Department of Transportation (TxDOT), Dallas Area Rapid Transit (DART), etc.
 - d. Marketing and Finance Committee: Works with all housing providers to develop a one-stop resource for housing resources to provide information to buyers and renters.
 - i. Chair: Romeo Arrieta, Co-Chair: David Noguera
 - ii. Membership must include: Dallas Housing Finance Corporation (DHFC) – Board Chair or designee (1), Community Development Commission (CDC) – Board Chair or designee, Dallas Development Fund (DDF) – Board Chair (1), Community Reinvestment Act (CRA) Lenders
 - iii. Consists of at least one H&NR staff person, at least one Metrotex, Lender, and Community Development Finance Institution (CDFI) representative
 - e. Neighborhood Quality of Life Committee: Works to review all state and federal policy recommendations related to housing, including, but not limited to, tax credit Qualified Allocation Plan.
 - i. Chair: Valerie Williams, Co-Chair: Maureen Milligan
 - ii. Membership must include: Dallas Housing Authority (DHA) – Board Chair and President (2), each Certified Community Housing Development Organization (CHDO) – Respective Board Chair and CEO or designee (5), Legal Aid Groups (3)
3. Committees will meet monthly and Taskforce will meet quarterly.
4. Taskforce will report quarterly to committee, beginning in Sept 2018.
5. Meetings will be open to the public.



HOUSING POLICY TASK FORCE

Added December 11, 2019

Summary

The Housing Policy Taskforce (taskforce) was established with the adoption of the comprehensive housing policy to solicit input from the general public and industry experts on the city's housing priorities and goals. It creates a forum for open dialogue and education on housing issues and progress updates on how the city is addressing the issues. Through Taskforce activities, the comprehensive housing policy will be tested, implemented and changed all in the interest of serving the residents of Dallas.

Structure

The housing policy task force is led by a steering committee with a chairperson, five focus area facilitators with industry expertise, and five focus area City staff representatives.

The task force itself is open to any member of the public who chooses to attend the meetings and/or submit feedback electronically. This open form of membership is a deliberate design component of the task force so that the City continues to build upon the significant public participation that occurred during the initial development of the comprehensive housing policy

Within the direction provided by City Council, the task force and its steering committee contribute stakeholder input and subject-matter expertise in the following focus areas and to further the following purposes:

- **Multifamily development:** Develop and refine policy, programs, strategies, and tools, and recommend amendments to the development code that maximize the production of new mixed-income multifamily and rental units by providing incentives for mixed income development.
- **Single family and ownership development:** Develop and refine policy, programs, strategies, and tools, and recommend amendments to the development code that maximize production of new mixed-income single family and ownership units from 60% to 120% AMI by providing incentives for mixed income development.
- **Affordability preservation:** Develop and refine policy, programs, strategies, and tools, that encourage rehabilitation and preservation of, and improve access to, existing affordable rental and homeownership housing units
- **Neighborhood investment:** Develop programs, strategies, and tools to invest funds and city support in neighborhoods in need of investment in preparation for future market-based investment in Reinvestment Strategy Areas while ensuring sustainable, equitable growth and promoting greater fair housing choices.
- **Support and funding:** Identify and secure new funding sources, maintain and support existing funding sources, minimize regulatory barriers, and review all state and federal policy recommendations related to housing while ensuring transparency and affirmatively furthering fair housing

The steering committee members will regularly communicate with each other, and the task force will engage a broad segment of the public in guiding the implementation of the CHP. See Appendix 1 for the housing policy task force structure and leadership.

APPENDIX 1

Housing Policy Task Force Structure and Leadership

Focus areas

Each focus area should be led by an expert or two in the field and supported by a member of staff from the Housing & Neighborhood Revitalization Department. The focus area should include input from a broad range of key stakeholders who are representatives from private and public sector entities whose activities have significant impact on the creation and preservation of affordable housing and City departments. Each representative should have enough experience and responsibility within the relevant organization to fully contribute to the committee.

- **Multifamily development**
 - External facilitator: real estate and/or finance expert in multifamily housing
 - At least one key stakeholder from each of the following groups: Sustainable Development and Construction staff, Department of Housing and Neighborhood Revitalization staff, Planning & Urban Design staff, associations of builders and contractors, organizations of real estate professionals, and at least one developer and/or builder.

- **Single family and ownership development**
 - External facilitator: real estate and/or finance expert in owner-occupied housing
 - At least one key stakeholder from each of the following groups: Sustainable Development and Construction staff, Office of Economic Development staff, Department of Housing and Neighborhood Revitalization staff, Planning & Urban Design staff, associations of builders and contractors, organizations of real estate professionals, associations of Realtors/Realtists, at least one developer and/or builder, and one Community Housing Development Organization executive.

- **Affordability preservation**
 - External facilitator: housing advocate
 - At least one key stakeholder from each of the following groups: the Office of Fair Housing and Human Rights staff, the Office of Welcoming Communities and Immigrant Affairs staff, the Office of Equity staff, the Office of Community Care staff, the Department of Code Compliance Services staff, the Office of Homeless Solutions staff, Dallas Housing Authority staff, associations of Realtors/Realtists, and at least two community leaders/advocates as recommended by the director of the Department of Housing and Neighborhood Revitalization.

- **Neighborhood investment**
 - External facilitator: community development professional
 - At least one key stakeholder from each of the following groups: Department of Housing and Neighborhood Revitalization staff, Department of Public Works staff, Dallas Water Utilities staff, Park and Recreation Department staff, representatives from at least one utility service provider, Texas Department of Transportation staff, Dallas Area Rapid Transit staff, real estate and civil engineering professionals, community planners, a certified Community Housing Development Organization, and at least one developer and/or builder.

- **Support and funding**

- External facilitators: one philanthropist and one capital markets/banking expert
- At least one key stakeholder from each of the following groups: Housing and Neighborhood Revitalization staff, Office of Economic Development staff, Office of Strategic Partnerships and Government Affairs staff, Dallas Housing Finance Corporation, Community Development Commission, Dallas Development Fund, Community Reinvestment Act lenders, associations of Realtors/Realists, Community Development Finance Institution representative, Dallas Housing Authority, at least one philanthropic organization, several certified Community Housing Development Organizations, and legal aid groups.

Communication and meetings

In order to encourage committee participation from a broad and diverse segment of the public, staff from the Department of Housing & Neighborhood Revitalization and task force facilitators engage in the following marketing efforts:

- staff will post a calendar of scheduled meetings and meeting agendas at <http://www.dallashousingpolicy.com>
- staff will schedule meetings at facilities that offer free parking and accessible meeting space
- staff will send out meeting notices and informational updates to a large list of individuals who have asked to be notified of housing task force meetings and other housing-related news
- the chairpersons of each committee will conduct outreach within their broad networks.

Meetings will be held as needed and the housing policy task force will report to the city council committee designated by the city manager.

This task force will be successful when it has stakeholder engagement that creates programs, strategies, and tools that catalyze equitable development, preserve affordability, and grow community investment.

The task force will:

- continue to increase the number of people who attend meetings
- broaden the variety and diversity of voices, organizations, and community members heard
- listen to stakeholders, elevate ideas, and communicate back to City leadership unmet needs as well as program, strategy, and tool ideas for improvement
- develop programs, strategies, and tools that respond to community needs and concerns on the ground, policies as listed in CHP, and future program ideas that come to light.

Modifications

The City Manager may modify Housing Policy Task Force structure and leadership focus areas, communication and meetings provisions in this Appendix 1 to increase its effectiveness and will notify by memorandum the City Council, the Housing Policy Task Force steering committee, and the city secretary of any changes.

Timeline - Single Family Notice of Funding Availability

Date	Council Action/Dept. of Housing & Neighborhood Revitalization Action
December 2017 through January 2018	Raquel Favela, Chief of Economic Development and Neighborhood Services held eight stakeholder engagement meetings on the topics of lack of housing inventory, aging housing stock, high concentration of vacant lots, and voucher acceptance
3/19/2018	Raquel Favela, Chief of Economic Development and Neighborhood Services briefs the Economic Development and Housing Committee on the proposed Comprehensive Housing Policy
5/2/2018	Raquel Favela briefed the full Council on the proposed Comprehensive Housing Policy
5/9/2018	Council adopts the Comprehensive Housing Policy (CHP) and creates the task force and steering committee with the passage of Resolution No. 18-0704
11/20/2018	First steering committee meeting - no discussion of NOFA
1/22/2019	Steering committee meeting - no mention of upcoming NOFA
1/27/2019	Flyer sent to entire Housing Policy email list to invite everyone to attend one of two information sessions regarding the upcoming single family NOFA
1/29/2019	Information session held - 47 attendees, including community leaders, CHDOs, and developers
2/5/2019	Information session held 40 attendees, including community leaders, CHDOs, and developers
2/6/2019	Information session presentation distributed to Housing Policy email list and all NOFA attendees: Comprehensive Housing Policy Developer Meet and Greet Single Family NOFA
3/5/2019	Steering committee meeting - brief mention of upcoming NOFA
Last week of April/ First week of May 2019	Procurement, in accordance with administrative directives and state law, publishes NOFA information in print media.
5/9/2019	Dept. of Housing & Neighborhood Revitalization issues a Notice of Funding Availability in accordance with the CHP
5/16/2019	NOFA Information Session - Beckley Saner Rec Center
5/22/2019	Council Authorizes amendments to the CHP to establish the Land Transfer Program with the passage of Resolution No. 19-0824
5/23/2019	NOFA Information Session - City Hall
5/28/2019	NOFA Information Session - Eloise Lundy Rec. Center (District 4)
5/30/2019	NOFA Information Session - Martin Luther King, Jr. Community Center
5/31/2019	NOFA Information Session - Fireside Recreation Center
6/4/2019	Questions from prospective NOFA applicants due to the City
7/5/2019	NOFA applications due to Procurement (Extended by 1 week due to volume of questions)
July 29 - August 2, 2019	Interviews with NOFA applicants
8/7/2019	NOFA Scoring Presentations with Housing & Multi-Department Review Panel Day #1
8/9/2019	NOFA Scoring Presentations with Housing & Multi-Department Review Panel Day #2
Aug. 12, 2019- Sep. 5, 2019	Independent Scoring by NOFA Review Panel
September 6, 2019 - Present	NOFA scoring announced to Council via Friday Memo
12/10/2019	NOFA presentation given to City Council in addition to 3 NOFA projects (Texas Community Builders, Dallas Area Habitat for Humanity, Confia Homes, LLC)

Developers and Project Scores - Single Family Notice of Funding Availability

Developer/Project Name	NOFA Score	Eligible for Underwriting (Y/N)	Clusters Requested	Council District(s)	Staff Recommendation for City Council
Builders of Hope - Revitalize West Dallas	125.75	Y	West Dallas	6	Approve
Texas Community Builders	120.75	Y	Jeffries-Meyers/Fair Park	7	Approve
City Wide CDC - Lisbon Villages Estates	115.25	Y	Developer-owned land	4	Approve
Dallas Area Habitat for Humanity	113.75	Y	Ideal #2 & #3 & Joppa	7	Approve
Dallas Housing Foundation	113.75	Y	Jeffries-Meyers/Fair Park	7	Approve
Muse Family Foundation	111.75	Y	Jeffries-Meyers/Fair Park	7	Approve
East Dallas Community Organization	110	Y	Developer-owned land	7	Approve
Good Urban Development	106.5	Y	Mill City Clusters 1-6	7	Approve
Notre Dame Place (Five Mile Infill & Bonton)	106	Y	Five Mile Clusters 1-6,Bonton #2	8, 7	Approve
Golden SEEDS	103.5	Y	The Bottom	4	Approve
Confia Homes - Cedar Crest	102.75	Y	Cedar Crest	4	Approve
Road Solutions	101	Y	West Dallas, Mill City #3, Jubilee, Oak Cliff #1	6,7,4	Do Not Approve
SG Blocks	97	N	West Dallas, Mill City #6, Bertrand, Bonton #1, Cedar Crest, Oak Cliff #1 & #2	6,7,4,8	Do Not Approve
Open Mindframe dba Cultivating Matters	87	N	Five Mile Clusters 3 & 4	8	Do Not Approve
Team Recon	79	N	Mill City Clusters 1-6, Jeffries-Meyers/Fair Park, St. Philip's, Zoo Area, Oak Cliff #1 & #2	7,4	Do Not Approve
OCON SRB	78.5	N	Paul Quinn	8	Do Not Approve
Juxta/Tekton	60	N	Zoo Area	4	Do Not Approve

Housing Policy Task Force Structure and Process for Notice of Funding

**Housing & Homelessness
Solutions Committee
February 4, 2020**

**David Noguera, Director
Department of Housing and
Neighborhood Revitalization**



Summary

- Background
- Single Family NOFA Evaluation Criteria
- Housing Policy Task Force (Task Force) & Steering Committee
- Stakeholder Input

Background

- The Comprehensive Housing Policy was adopted May 9, 2018
 - The task force and steering committee were established at this time to serve as a sounding board for staff as we worked through policy implementation.
- The Notice of Funding Availability was issued May 9, 2019
 - Housing worked with procurement in accordance of administrative directives and state law
 - NOFA process was in adopted CHP
- The CHP was modified December 11, 2019 to align the task force with the CHP.
 - In lieu of committees, the task force would provide feedback on initiatives grouped by focus areas

Background

- The portion of the Comprehensive Housing Policy that guides the single-family NOFA process has remained unchanged since the original approval in May 2018.
- Public information sessions about the NOFA were held in May 2019.
 - There was no other communication with prospective applicants about the NOFA outside of these public meetings.
- Once the NOFA was issued, all communication with the applicants was directed through the Office of Procurement Services
- NOFA scoring presentations was a multi-department effort—August 7-9, 2019
- Independent scoring by the NOFA review panel was August 12 - September 5, 2019.
- NOFA scoring was announced to Council via Friday Memo September 6, 2019
- NOFA presentation to City Council occurred December 10, 2019

Single Family NOFA Evaluation Criteria

- Evaluation Criteria

1. Development Team Experience

2. Leveraging of Funds

3. Consistency with Comprehensive Housing Policy

4. Consistency with City's Business Inclusion & Development Plan

5. Project and Site Factors

6. Financial Feasibility (Underwriting)

HPTF & Steering Committee

- Although the Task Force & Steering Committee was approved by City Council, the task force is not a city board because it was not created by ordinance or by the city's charter
- Boards that are created by City Council ordinance are codified in the Dallas City Code.
 - Codified boards and commissions act as advisory bodies to the city manager and the city council and provide recommendations as prescribed in the code
- The Task Force & Steering Committee were created by City Council resolution
 - Their functions are specified in the Comprehensive Housing Policy

HPTF & Steering Committee

- The Steering Committee meets with Housing Staff to discuss new initiatives and provides advice on who to speak with, precedents from other cities and their own knowledge on the topic. They do not vote on anything.
- Staff present initiatives including input from the Steering Committee to The Task Force (currently over 500 participants) to receive a wide variety of unofficial feedback
- It is likely that members of the Task Force & Steering Committee will seek to do business with the City or use City programs
 - Members of the Task Force & Steering Committee must follow standard application, review, and procurement processes, the same as any other member of the public.
- These members are not made subject to the Chapter 12A Code of Ethics merely by serving on the task force because they are not city officials for purposes of Chapter 12A.
- The Steering Committee has advised on the Low-Income Housing Tax Credit guidelines, the Dallas Homebuyer Assistance Program, the Home Improvement and Preservation Program, the Title Clearing Program, the Community Land Trust Program, and the Neighborhood Empowerment Zone Program

Stakeholder Input

- Public input is essential to the Department of Housing & Neighborhood Revitalization
 - That input may come from people who also seek to do business with the Department
 - There is no direct conflict as public input is one of many research techniques utilized by staff to craft well informed publicly vetted policy
 - The input received is taken into consideration by staff but is not mandated that this input becomes action

Housing Policy Task Force Structure and Process for Notice of Funding

**Housing & Homelessness
Solutions Committee
February 4, 2020**

**David Noguera, Director
Department of Housing and
Neighborhood Revitalization**





City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-239

Item #: B

Request for Resolutions for 4% and 9% Housing Tax Credits Allocated through Texas Department of Housing and Community Affairs and Proposed Recommendations
[Avis F. Chaisson, Assistant Director, Office of Economic Development]

Request for Resolutions for 4% and 9% Housing Tax Credits Allocated through Texas Department of Housing and Community Affairs and Proposed Recommendations

Housing & Homelessness Solutions Committee February 4, 2020

**Kyle Hines, Economic Development
Manager
Office of Economic Development**



Presentation Overview

- Background
- Summary
- Request for Application Results
- Benefit to the City
- Recommendations and Next Steps

Background

- **May 9, 2018:** City Council adopted the Comprehensive Housing Policy (**CHP**), Resolution No. **18-0704 and 18-1680**, as amended on **November 28, 2018**
- CHP contains scoring criteria and a timeframe for reviewing housing developments seeking Housing Tax Credits (**HTCs**) through Texas Department of Housing and Community Affairs (**TDHCA**)
- **June 12, 2019:** City Council adopted an **amendment** to the **CHP** updating the terms by which the City will receive, score, and approve HTC developments

Background - cont.

- 4% HTC program
 - ✓ **Non-competitive**
 - ✓ Submitted year round and must obtain private activity bond financing
 - ✓ Resolution of No Objection required and if provided it cannot be changed or withdrawn once provided
- 9% HTC program
 - ✓ **Competitive** and can submit application **1x/year**
 - ✓ Resolution of Support – **17** points (**8.5** points in ETJ)
 - ✓ Resolution of No Objection – **14** points (**7** points in ETJ)
 - ✓ Commitment of Development Funding – **1** point

Background - cont.

- CHP applies to developers requesting a Resolution of Support or No Objection for multifamily rental developments
 - ✓ **Timeline:**
 - Request for Applications (**RFA**) deadlines spread quarterly throughout the calendar year
 - Staff reviews both 4% and 9% application for completion, threshold requirements, and fair housing
 - Provides recommendation to HHSC, Council
 - ✓ Threshold requirements listed in the CHP, as amended

Background - cont.

- **9% Application Priority Housing Needs:**
 - Project has been selected to receive City funding such as CDBG, HOME, or GO Bond Funding
 - Anticipated participation of the DHFC
 - Proposal contemplates the redevelopment of publicly owned housing by the Dallas Housing Authority
 - Located in a census tract with a poverty rate below **20%**
 - Located in a Redevelopment Reinvestment Strategy Area (**RSA**) or Stabilization **RSA**
 - **50** unit projects dedicating **20%** of the units for tenants referred from the Continuum of Care list
- **Only one priority must be met**

Background - cont.

- **9% Applications - Other Scoring Factors for non-Priority Housing Need Developments:**
 - Mixed-Income Housing Projects (Maximum **20** points)
 - Qualified Non-Profit or Historically Underutilized Business included on development team (**5** points)
 - Proximity of amenities to development site (Maximum of **25** points)
 - Resident services (Maximum of **25** points)
- Non-priority applicants must meet a total of **50** points

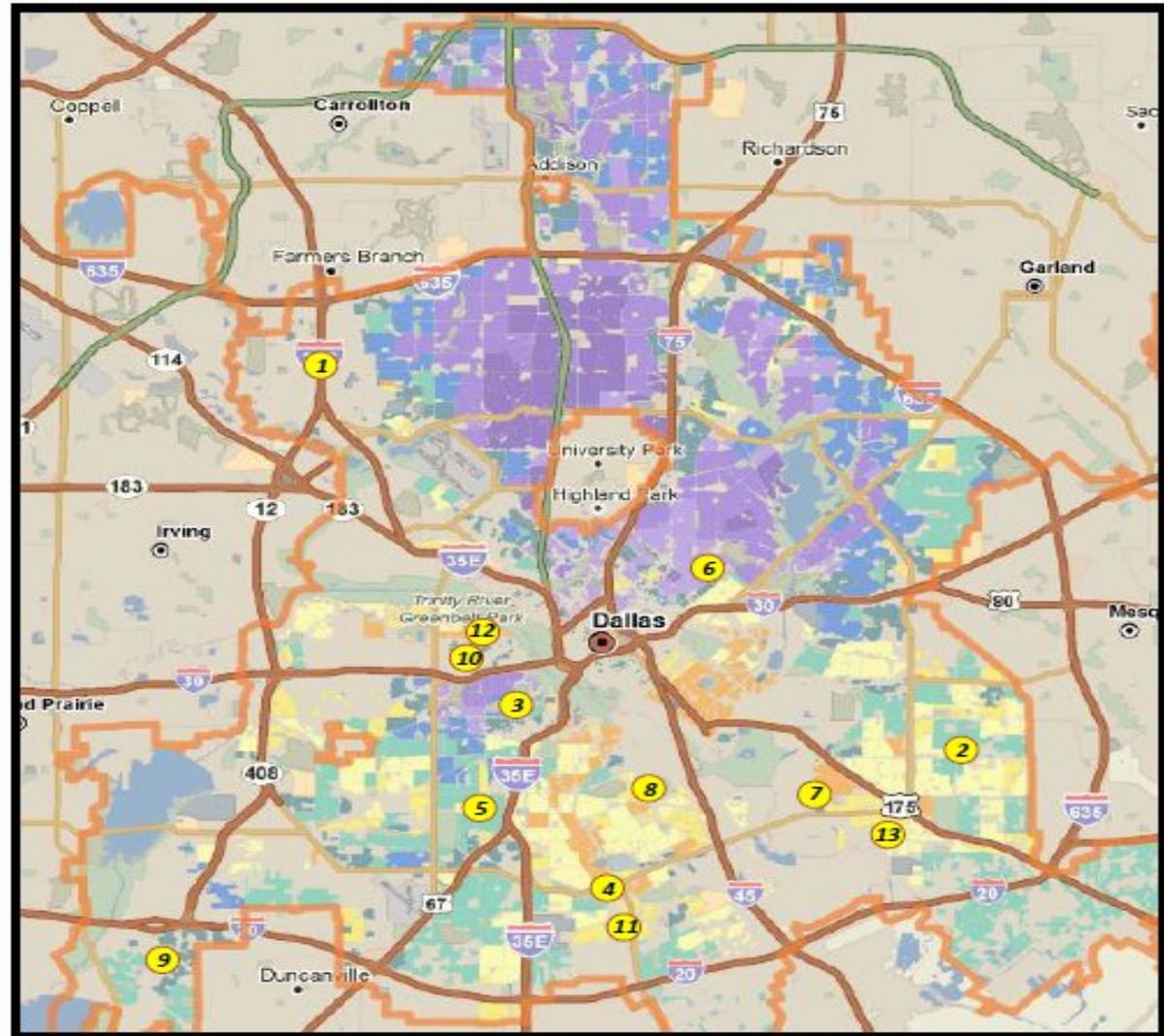
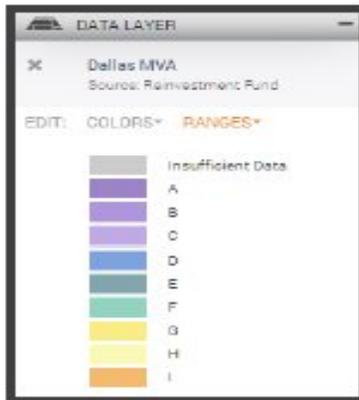
Summary

- **November 8, 2019:** RFA issued to solicit applications for developments seeking Resolutions for the **9% Competitive and 4% Non-competitive** HTCs Program
- **December 31, 2019:** Applications due
- **13 Applications** received:
 - ✓ **8 – 9%** HTC Developments
 - ✓ **5 – 4%** HTC Developments
- **8 Applications** met minimum threshold requirements, priority housing needs/scoring, and affirmatively furthered fair housing

12/31/19 Deadline RFA Applications

● Application Addresses

1. 11070 N. Stemmons Freeway
2. 9615 Lake June Road
3. 400 S. Beckley Avenue
4. 2950 East Ledbetter Drive
5. 1911 Pratt Street
6. South Fulton St. & Eastside Avenue
7. 220 Stoneport Drive
8. 3303 Southern Oaks Boulevard
9. 8605 Sorcey Road
10. 1508 Fort Worth Avenue
11. 5703 Lancaster Road/1819 Church
12. 1515 Fort Worth Road
13. 125 s. Murdeaux Lane



RFA Results

Developer	Development Name	CD	Location	Units Proposed	Income Bands Served	4% or 9%	Total Development Cost	Priority Housing Need / Score
Palladium USA	Dallas Stemmons Apartments	6	11070 N. Stemmons Freeway	87 Multifamily	9 Units at 0% - 30% AMI 35 Units at 31% - 50% AMI 43 Units at 51% - 60% AMI	9%	\$20,020,169 *\$15,000,000 **\$14,097,180	DHFC Partnership; CT Poverty <20%
St. Margaret, Inc. of the Catholic Housing Initiative and Dallas County	Gateway at Oak Cliff	1	400 S. Beckley Avenue	130 Multifamily	30 Units at 0% - 30% AMI 52 Units at 31% - 50% AMI 42 Units at 51% - 60% AMI 6 Units at 61% - 80% AMI	9%	\$26,248,013 *\$15,000,000 **\$14,248,575	51
MVAH Holding, LLC, Auxano Development, LLC, and Bank of America CDC	HighPoint at Wynnewood	1	1911 Pratt Street	120 Multifamily	13 Units at 0% - 30% AMI 49 Units at 31% - 50% AMI 52 Units at 51% - 60% AMI 6 Units at Market Rate Includes 85 non-voucher and 29 voucher units	9%	\$24,392,423 *\$20,000,000 **\$18,398,160	Redevelopment RSA
Juliette Fowler Communities, Inc	Juliette Fowler Residences	2	5714 Eastside Avenue	144 Multifamily (Elderly)	15 Units at 0% - 30% AMI 57 Units at 31% - 50% AMI 72 Units at 51% - 60% AMI	9%	\$23,483,750 *\$15,000,000 **\$13,798,620	CT Poverty <20%

* The amount of housing tax credit requested over a 10 year period. For example, if the amount listed is \$15,000,000; then the HTC request is \$1,500,000

**The approximate amount of housing tax credit (HTC) equity provided through a tax credit syndicator or investor

RFA Results

Developer	Development Name	CD	Location	Units Proposed	Income Bands Served	4% or 9%	Total Development Cost	Priority Housing Need / Score
Palladium USA	Dallas Sorcey Road Apartments	3	8605 Sorcey Road	90 Multifamily	9 Units at 0% - 30% AMI 34 Units at 31% - 50% AMI 41 Units at 51% - 60% AMI 6 Units at Market Rate	9%	\$18,742,041 *\$15,000,000 **\$13,647,270	CT Poverty <20%
Saigebrooke Development and O-SDA Industries	The Magenta	6	1508 Fort Worth Avenue	78 Multifamily	8 Units at 0% - 30% AMI 29 Units at 31% - 50% AMI 36 Units at 51% - 60% AMI 5 Units at Market Rate	9%	\$19,768,599 *\$15,000,000 **\$13,798,620	Redevelopment RSA
Sycamore Strategies, LLC (Cert. HUB) and Texas Grey Oaks, LLC	Villas at Western Heights	6	1515 Fort Worth Avenue	130 Multifamily (Elderly)	11 Units at 0% - 30% AMI 42 Units at 31% - 50% AMI 51 Units at 51% - 60% AMI 26 Units at Market Rate (3 Continuum of Care Units)	9%	\$32,888,449 *\$15,000,000 **\$13,948,605 (\$8,896,688 of proposed TIF Funding)	Redevelopment RSA
Sphinx Development	Sphinx at Murdeaux Villas	8	125 S. Murdeaux Lane	240 Multifamily	240 Units at 51% - 60% AMI	4%	\$49,686,679 \$15,900,600**	N/A

* The amount of housing tax credit requested over a 10 year period. For example, if the amount listed is \$15,000,000; then the HTC request is \$1,500,000

**The approximate amount of housing tax credit (HTC) equity provided through a tax credit syndicator or investor

Dallas Stemmons Apartments

- **11070 N. Stemmons Freeway**
- **Council District: 6**
- **Applicant:** Dallas Stemmons, Ltd.
- **Co-Developers:** Palladium USA International, Inc., DHFC, and a to be determined historically underutilized business (HUB)
- **Total Units: 87** mixed income units
 - **Income Bands Served: 30%, 50%, 60%**
- **Total Development Budget: \$20,020,169**
- **Requesting** a Resolution of Support for a 9% Application to TDHCA
- **Qualifies** for Council approval as a **Priority Housing Need Development**
 - **Located** in a census tract with a poverty rate below **20%**

Dallas Stemmons Apartments

Uncategorizable MVA Market Type
Near B, D, E MVA Market Types
Census Tract with <20% Poverty Rate

Proposed Development

MVA Legend

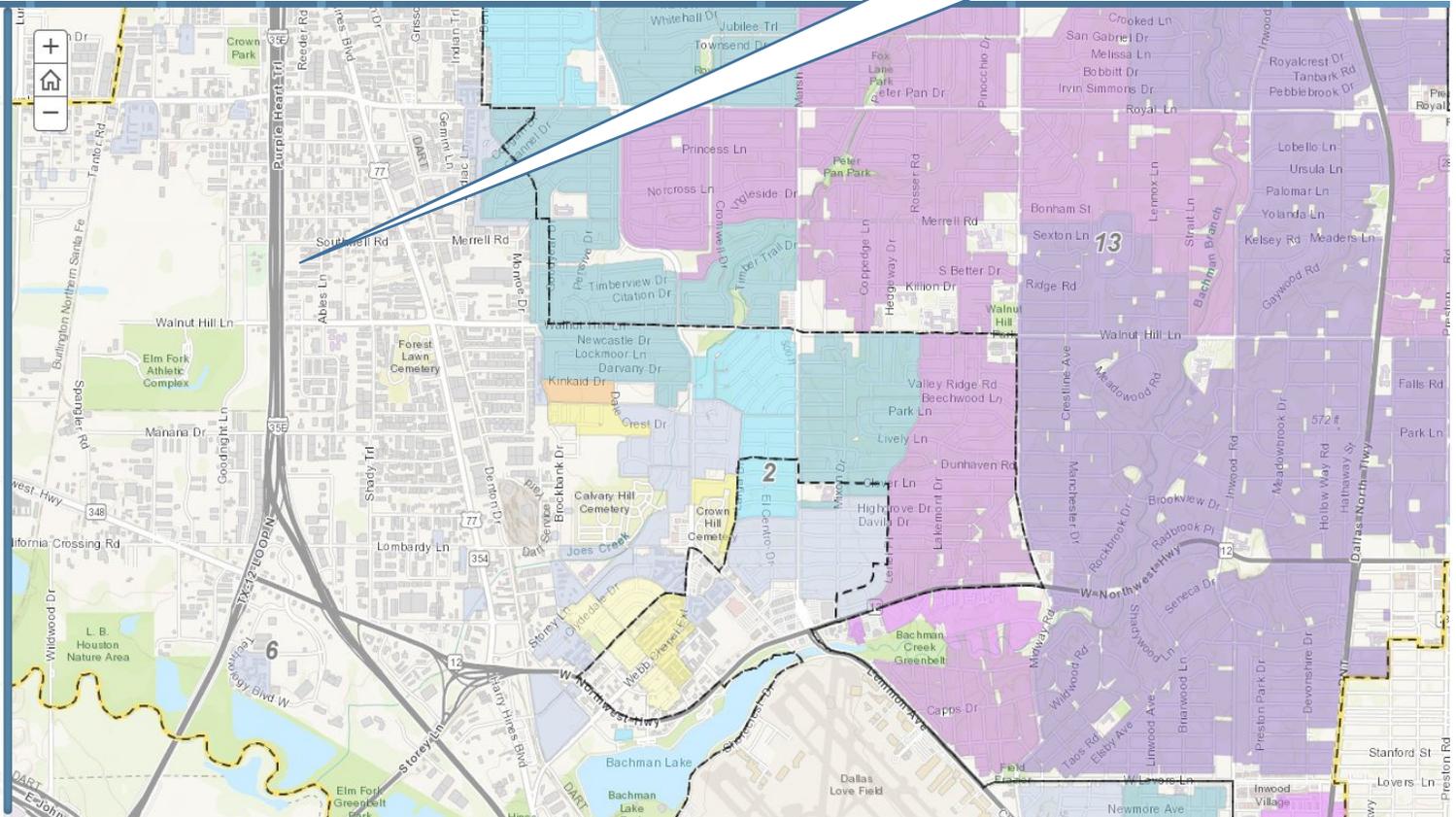
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	B		G
	C		H
	D		I
	E		NA

Dallas MVA

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Gateway Oak Cliff

- **400 South Beckley Avenue**
- **Council District: 1**
- **Applicant:** Gateway Oak Cliff, LP
- **Co-Developers:** St. Margaret, Inc., a member of the Catholic Housing Initiative & Dallas County as Landowner
- **Total Units: 130** mixed income units
 - **Income bands served: 30%, 50%, 60%, 80%**
- **Total Development Budget: \$26,248,013**
- **Requesting** a Resolution of Support for a **9%** Application to TDHCA
- **Qualifies** for Council approval because its received a score of **51** based on RFA application scoring factors

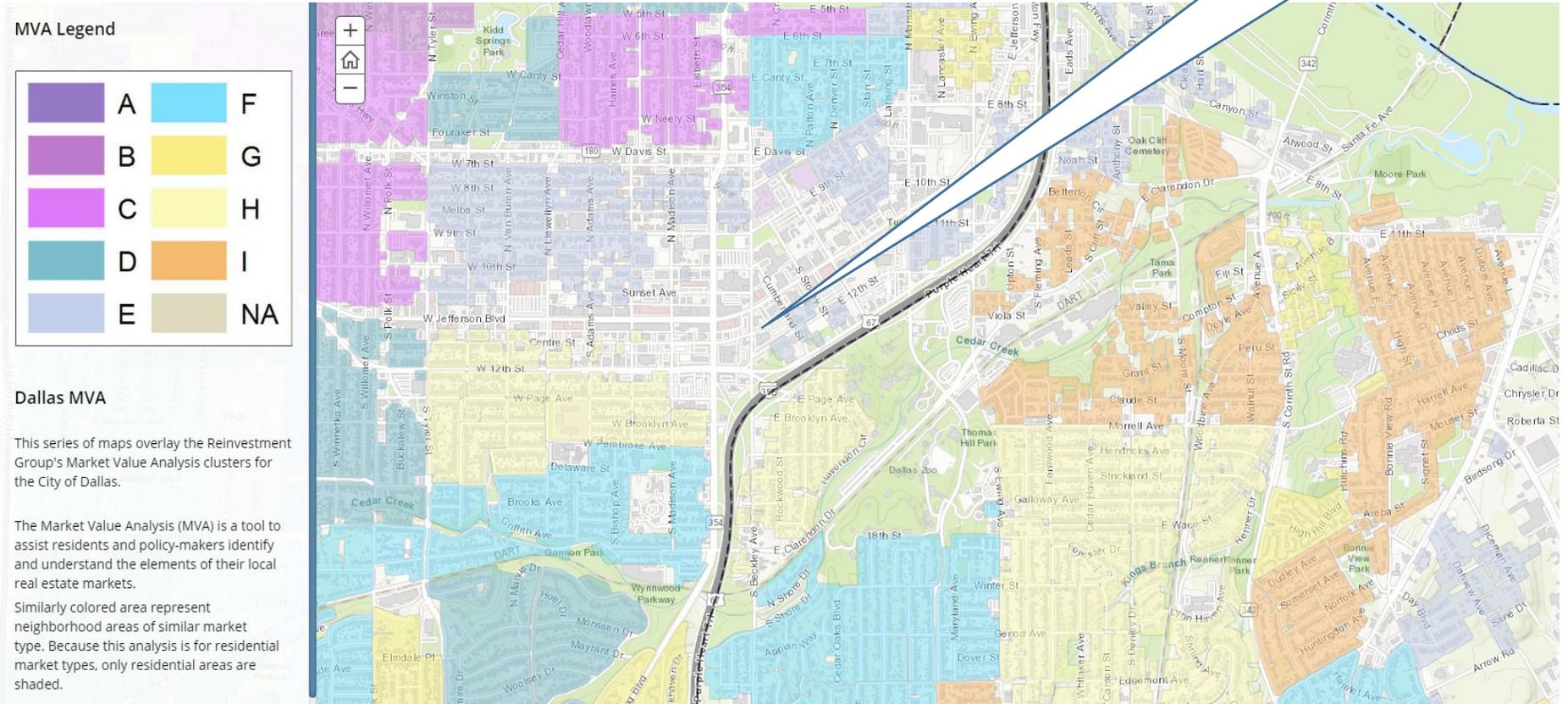
Gateway Oak Cliff

MVA Market Type E

Near C, D, E, H, and I MVA Market Types

Dallas Zoo; Southern Gateway Reinvestment

Proposed Development



HighPoint at Wynnewood

- **1911 Pratt Street**
- **Council District: 1**
- **Applicant: S Zang, LP**
- **Co-Developers:** Auxano Development, LLC, MVAH Partners, and Banc of America CDC
- **Total Units: 120** mixed income units
 - **Income bands served: 30%, 50%, 60%, Market Rate**
- **Total Development Budget: \$24,392,423**
- **Requesting** a Resolution of Support for a **9%** application to TDHCA
- **Qualifies** for Council approval as a **Priority Housing Need Development**
 - **Located** in the Wynnewood Redevelopment RSA

HighPoint at Wynnewood

MVA Market Type G

Near D, F, and H MVA Market Types

Wynnewood Redevelopment RSA

Proposed Development

MVA Legend

	A		F
	B		G
	C		H
	D		I
	E		NA

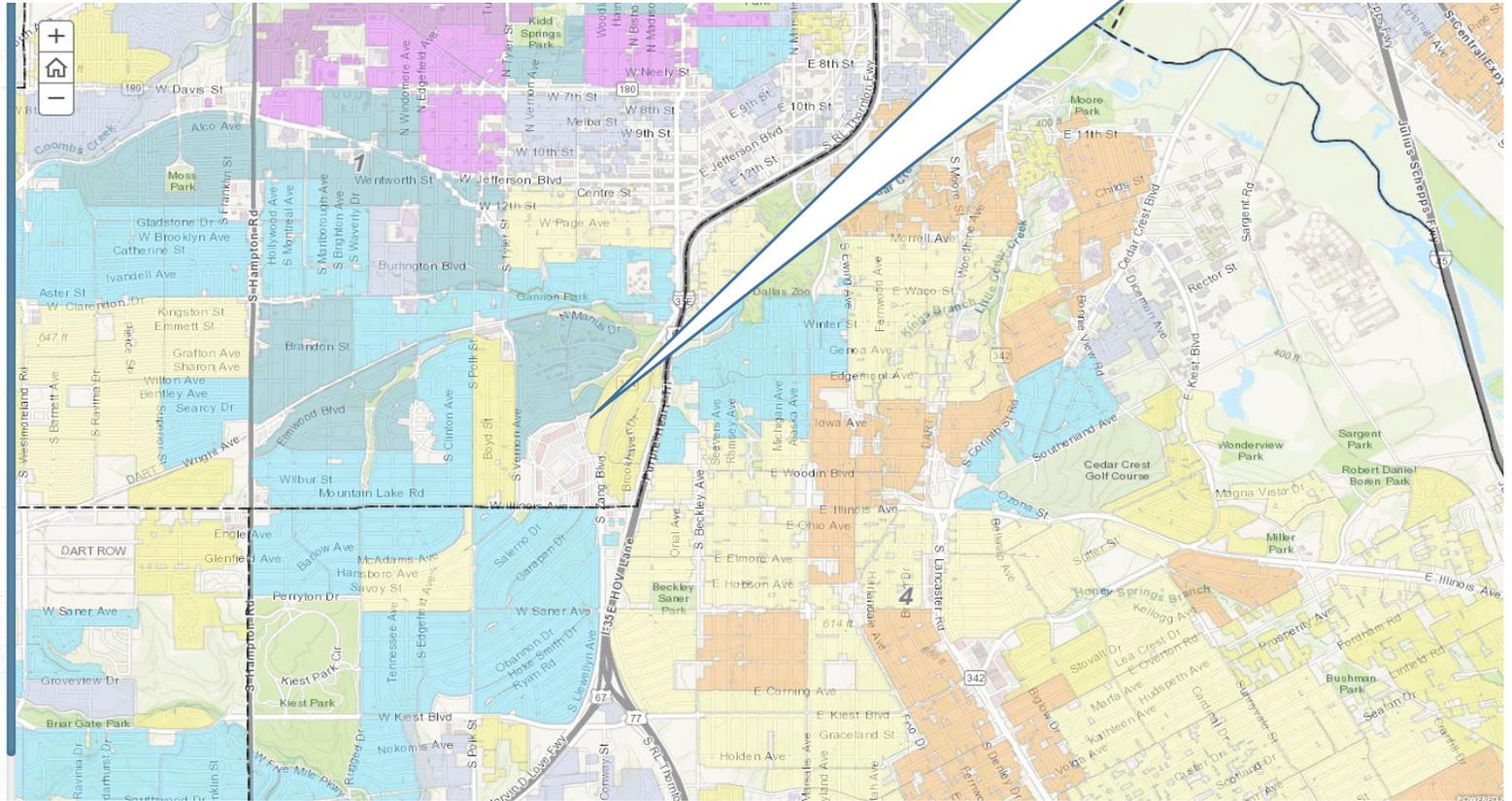
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Zoom into the map to see the area labels .



Juliette Fowler Residences

- **5714 Eastside Avenue**
- **Council District: 2**
- **Applicant:** Juliette Fowler Senior Affordable Housing, LP
- **Developer:** Juliette Fowler Communities
- **Total Units: 144**
 - **Income Bands Served: 30%, 50%, 60%**
- **Total Development Budget: \$23,483,750**
- **Requesting** a Resolution of Support for a **9%** application to TDHCA
- **Qualifies** for Council approval as a **Priority Housing Need Development**
 - **Located** in a census tract with a poverty rate below **20%**

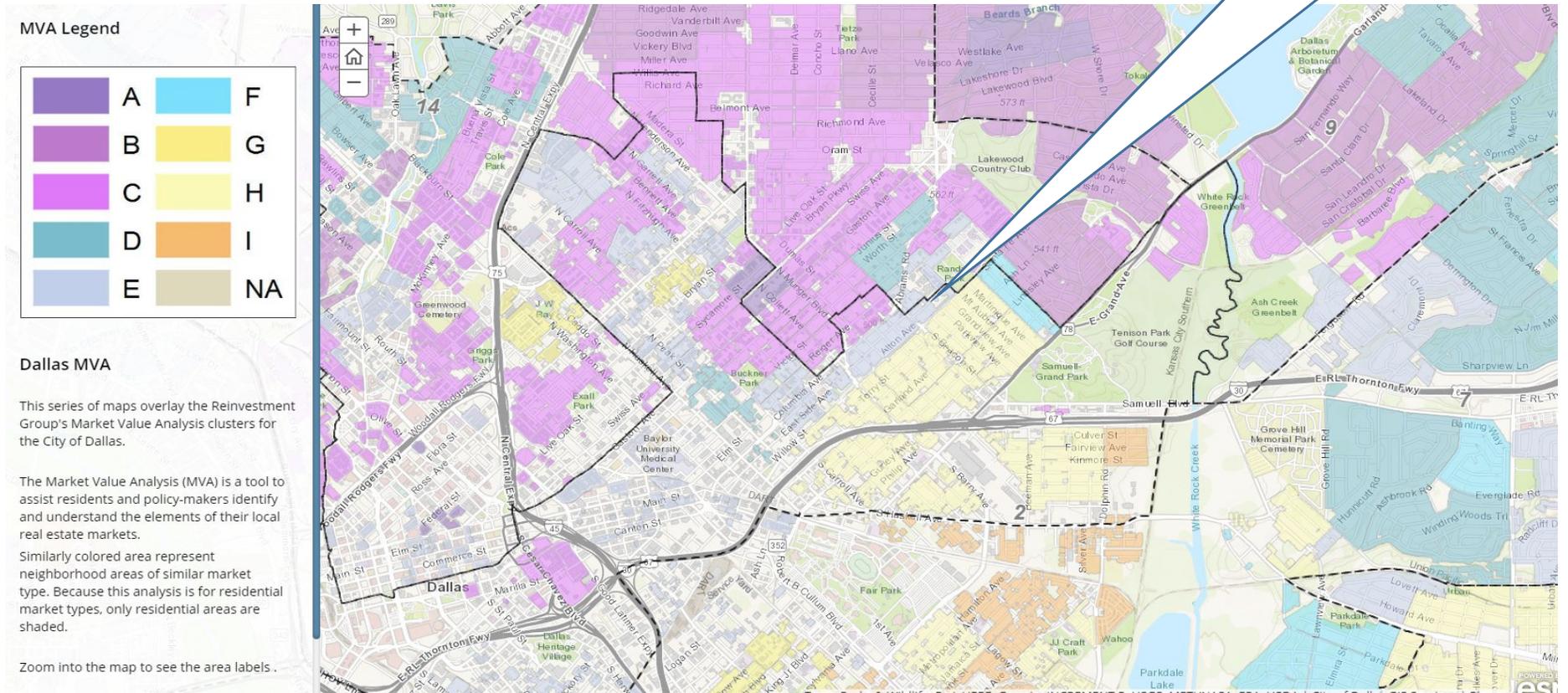
Juliette Fowler Residences

MVA Market Type E

Near B, C, D, H MVA Market Types

Census Tract with <20% Poverty Rate

Proposed Development



Dallas Sorcey Road Apartments

- **8605 Sorcey Road**
- **Council District: 3**
- **Applicant:** Dallas Sorcey Road, Ltd.
- **Developer:** Palladium USA International, Inc. and a to be determined historically underutilized business (HUB)
- **Total Units: 87** mixed income units
 - **Income bands served: 30%, 50%, 60%, Market**
- **Total Development Budget: \$18,742,041**
- **Requesting** a Resolution of Support for a 9% Application to TDHCA
- **Qualifies** for Council approval as a **Priority Housing Need Development**
 - **Located** in a census tract with a poverty rate below **20%**

Dallas Sorcey Road Apartments

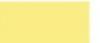
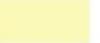
MVA Market Type F

Surrounded by Market Type F

Census Tract with <10% Poverty Rate

Proposed Development

MVA Legend

	A		F
	B		G
	C		H
	D		I
	E		NA

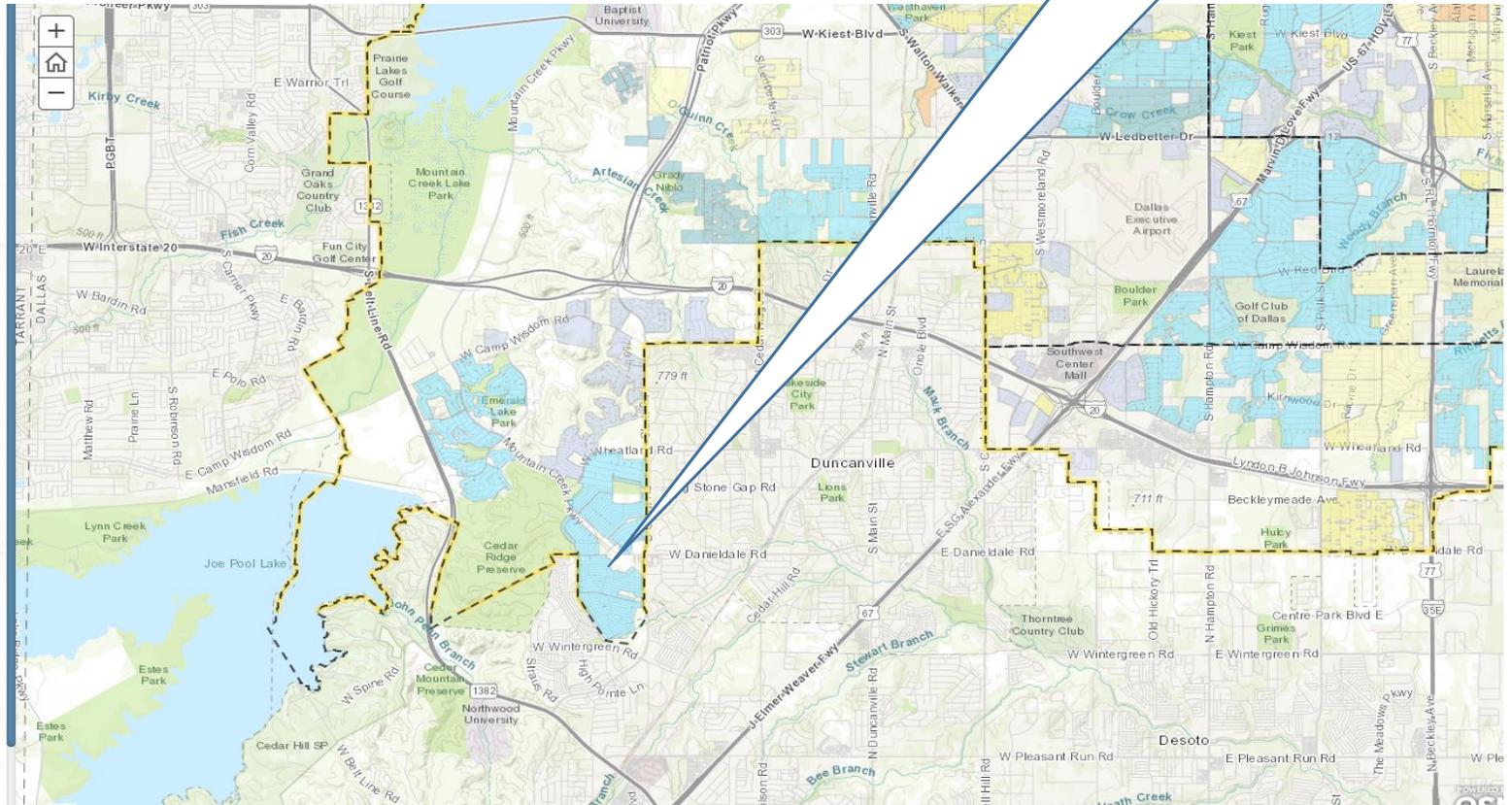
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The Magenta

- **1508 Fort Worth Avenue**
- **Council District: 6**
- **Applicant:** The Magenta, LLC
- **Developer:** Saigebrook Development, LLC and O-SDA Industries, LLC
- **Total Units: 78** mixed income units
 - **Income Bands Served: 30%, 50%, 60%, Market**
- **Total Development Budget: \$19,768,599**
- **Requesting** a Resolution of Support for a **9%** application to TDHCA
- **Qualifies** for Council approval as a **Priority Housing Need Development**
 - **Located** in the West Dallas Stabilization RSA

The Magenta

**West Dallas Stabilization & Fort Worth Ave. TIF
Surrounded by Market Type B, E, H
Key to maintaining affordability in West Dallas**

Proposed Development

MVA Legend

	A		F
	B		G
	C		H
	D		I
	E		NA

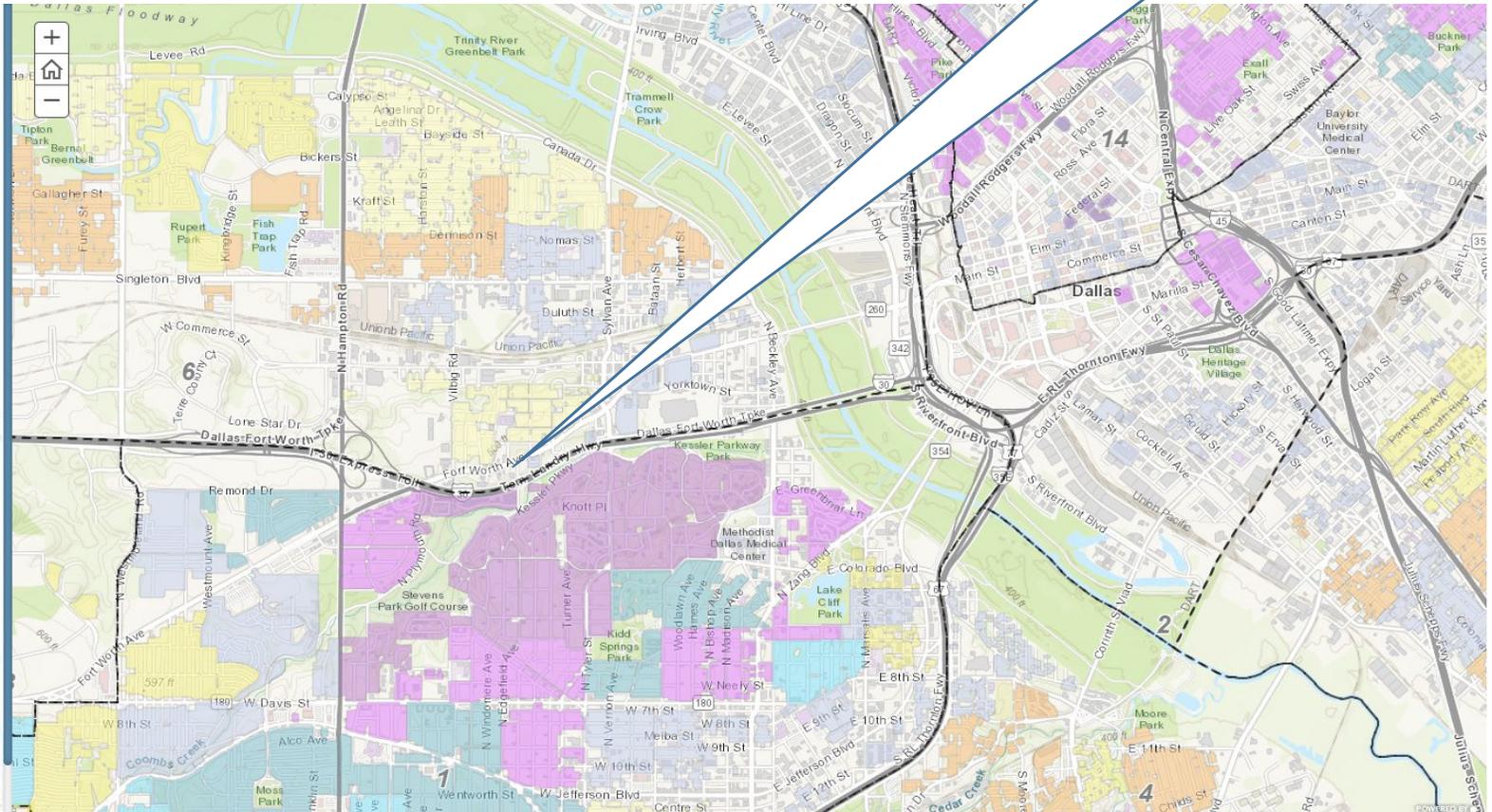
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Villas at Western Heights

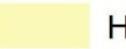
- **1515 Fort Worth Avenue**
- **Council District: 6**
- **Applicant:** Villas at Western Heights 20, LP
- **Developer:** Sycamore Strategies, LLC and Texas Grey Oaks, LLC
- **Total Units: 130** mixed income units for **seniors**
 - **Income Bands Served: 30%, 50%, 60%, Market Rate**
- **Total Development Budget: \$32,888,449**
- **Requesting** a Resolution of Support for a **9%** application to TDHCA
- **Qualifies** for Council approval as a **Priority Housing Need Development**
 - **Located** in the West Dallas Stabilization RSA

Villas at Western Heights

West Dallas Stabilization & Fort Worth Ave. TIF
 Surrounded by Market Type B, E, H
 Key to maintaining affordability in West Dallas

Proposed Development

MVA Legend

	A		F
	B		G
	C		H
	D		I
	E		NA

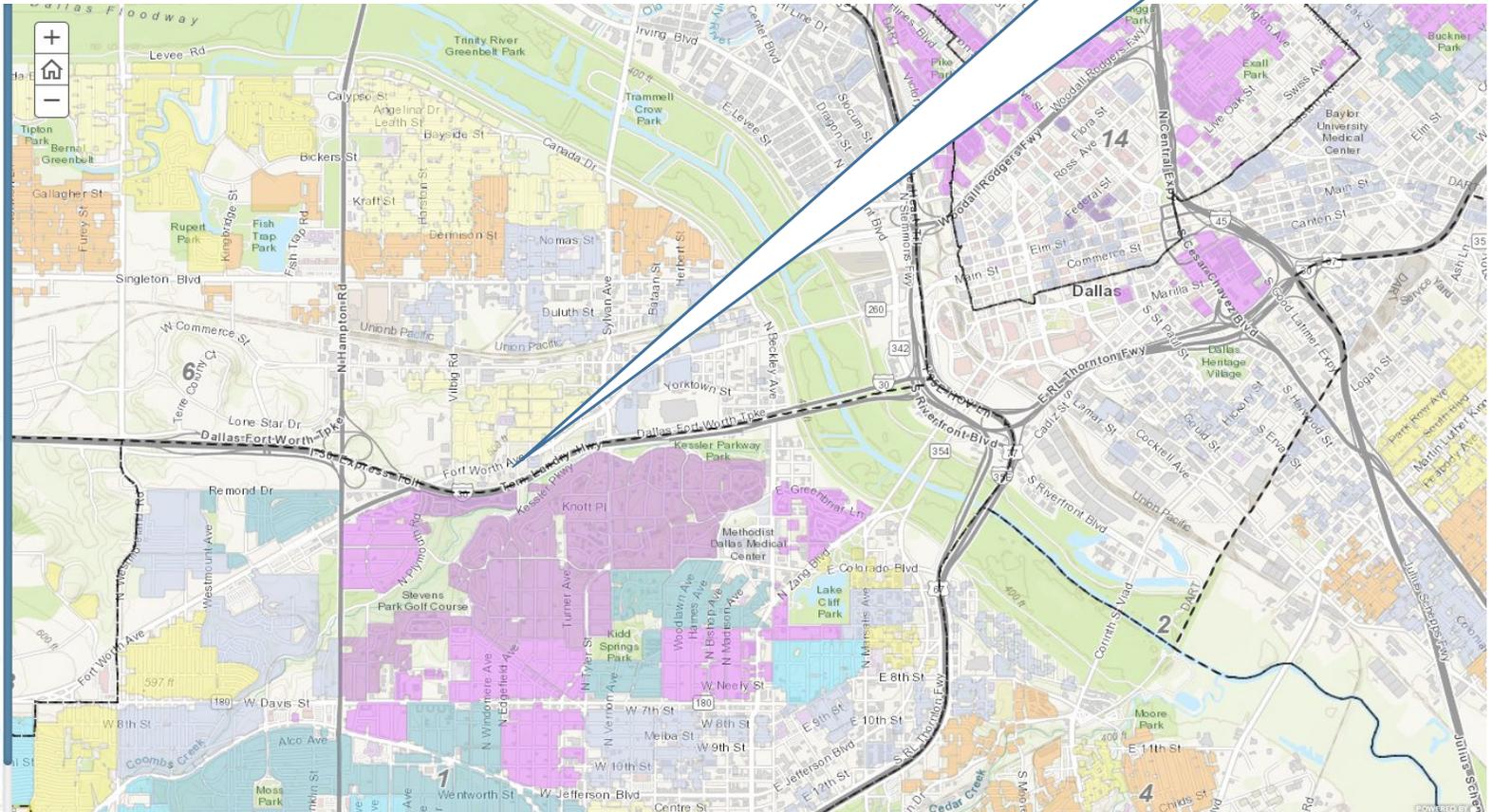
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Sphinx at Murdeaux Villas

- **125 South Murdeaux Lane**
- **Council District: 8**
- **Applicant:** Murdeaux Rehab Development, LP
- **Developer:** Sphinx Development Corporation
- **Total Units: 240** for residents earning between **31%** and **50%** AMI
- **Total Development Budget: \$49,686,679**
- **Requesting** a Resolution of No Objection for a 4% application to TDHCA
- **Qualifies** for Council approval as the application met all threshold requirements for a rehabilitation project

Sphinx at Murdeaux Villas

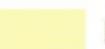
MVA Market Type G

Adjacent to Similar MVA Market Types

Near Pleasant Grove Emerging Market RSA

Proposed Development

MVA Legend

	A		F
	B		G
	C		H
	D		I
	E		NA

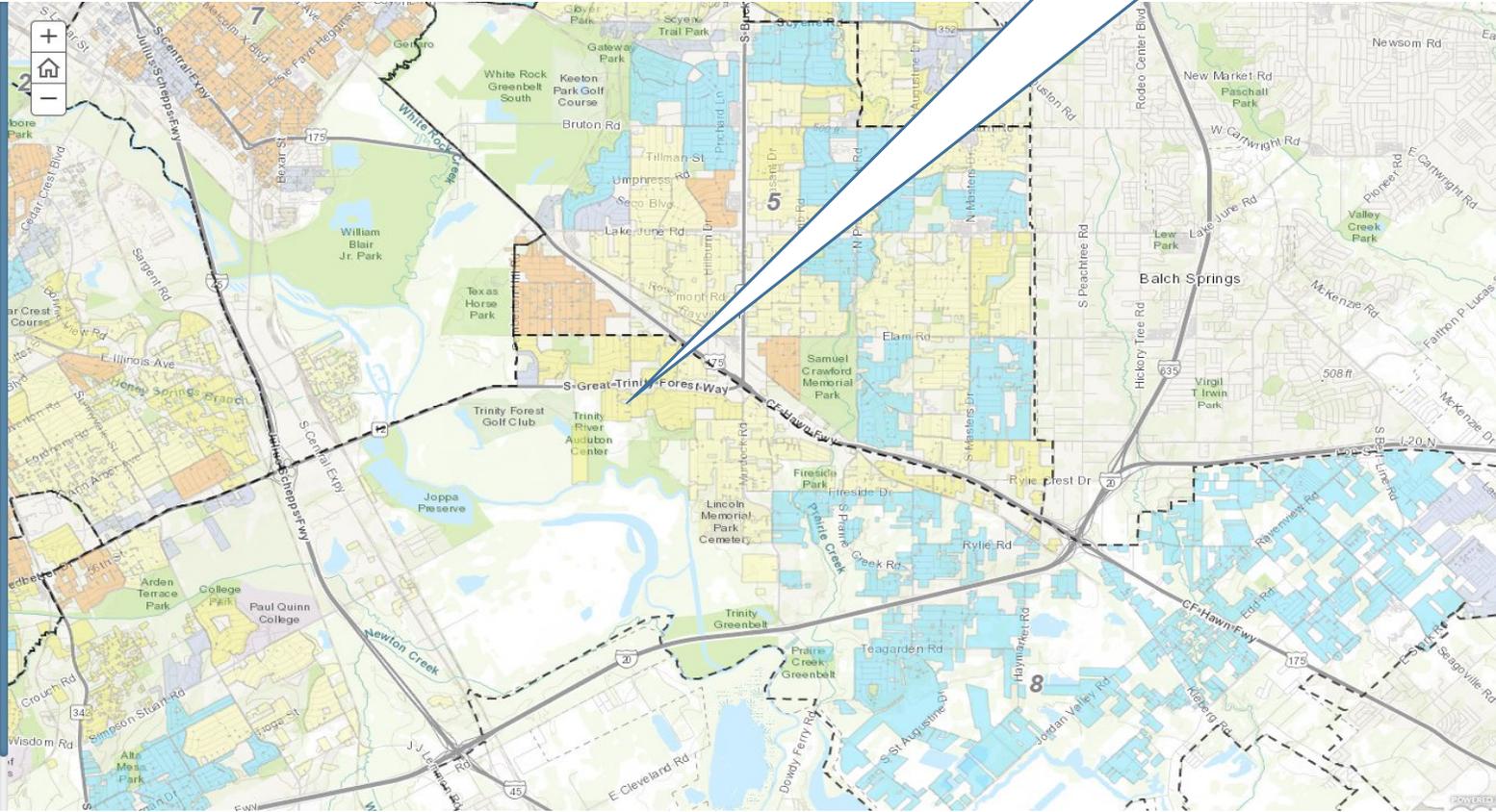
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Benefit to the City

- Contribute toward production goals under the CHP
- Dallas Stemmons Apartments, Juliette Fowler Residences, and Dallas Sorcey Road Apartments provide more access to affordable housing in high opportunity areas (poverty rates <20%)
- HighPoint at Wynnewood is a proposed mixed-income development located in the Wynnewood Redevelopment target area
- The Magenta and Villas at Western Heights provide stabilization and maintain affordable housing in the West Dallas area

Benefit to the City

- Gateway at Oak Cliff maintains affordability in an area that is experiencing reinvestment and threats of displacement
- Sphinx at Murdeaux, although not mixed income, will provide rehabilitated housing options and additional amenities to the existing residents
- All developments improve access to quality, safe, and affordable housing to their immediate neighborhoods and the City as a whole.

Recommendation

Staff recommends the HHSC approve and move forward the following items for Council consideration at the **February 12, 2020** meeting:

1. Conduct a public hearing and adopt a Resolution of No Objection related to the applications to TDHCA for **4% Non-Competitive Housing Tax Credits** for Sphinx at Murdeaux Villas
2. Adopt a Resolution of Support related to the application to TDHCA for **9% Competitive Housing Tax Credits** and authorize **\$500.00** for a commitment of development funding from PPP funds for each of the following: 1) Dallas Stemmons Apartments, 2) Gateway Oak Cliff, 3) HighPoint at Wynnewood, 4) Juliette Fowler Residences, 5) Dallas Sorcey Road Apartments, 6) The Magenta, and 7) Villas at Western Heights

Request for Resolutions for 4% and 9% Housing Tax Credits Allocated through Texas Department of Housing and Community Affairs and Proposed Recommendations

Housing & Homelessness Solutions Committee February 4, 2020

**Kyle Hines, Economic Development
Manager
Office of Economic Development**



Appendix A
Applications Not Currently Receiving Support
or No Objection



Applications Not Currently Receiving Staff Recommendations

Developer	Development Name	CD	Location	Units Proposed	Income Bands Served	4% or 9%	Total Development Cost	Priority Housing Need / Score
Nehemiah Builds and ECM Development, LLC	Elevate at Lake June	5	9615 Lake June Road	180 Single Family Rentals	64 Units at 31% - 50% AMI 54 Units at 51% - 60% AMI 62 Units at 61% - 80% AMI	4%	\$35,149,612 **\$12,478,552	N/A
National Missionary Baptist Convention of America, Reward Third Ward CDC, Noah's Arc CDC	Highland Hills Supportive Housing	8	2950 East Ledbetter Drive	70 Multifamily (Veteran & Disabled)	20 Units at 0 - 30% AMI 25 Units at 51% - 60% AMI 25 Units at 61%-80% AMI	9%	\$15,521,500	N/A
Dallas Leased Housing Associates XI, LLLP, an affiliate of Dominion	Riverstation Apartments	8	220 Stoneport Drive	236 Multifamily	236 Units at 51% - 60% AMI	4%	\$5,900,000	N/A
Dallas Leased Housing Associates X, LLLP, an affiliate of Dominion	Stonecrest Apartments	4	3303 Southern Oaks Boulevard	256 Multifamily	256 Units at 51% - 60% AMI	4%	\$6,400,000	N/A
LDG Development, LLC	Valley Ridge	8	5703 Lancaster Road & 1819 Couch Road	300 Multifamily	300 Units at 51% - 60% AMI	4%	\$59,212,645 *\$20,685,020 **19,030,219	N/A

Applications not receiving a recommendation for a Resolution of Support or No Objection were either incomplete, did not affirmatively further fair housing in the City, withdrew, or are currently compiling additional information requested by Staff.

Appendix B

Additional Project Information



Dallas Stemmons Apartments

UNIT MIX & INCOME BANDS SERVED			
Proposed Units (87 total)	42 – 1 BR	36 – 2 BR	9 – 3 BR
30%	4 – 1BR	4 – 2BR	1 – 3BR
50%	15 – 1BR	15 – 2BR	5 – 3BR
60%	23 – 1BR	17 – 2BR	3 – 3BR

Dallas Stemmons Apartments

- **Description:** Ground-up development of an 87-unit mixed-income multifamily community.
 - ✓ 1 to 3 bedrooms
 - ✓ 804 sq. ft – 1,154 sq. ft
 - ✓ 9 foot ceilings
 - ✓ Granite countertops
 - ✓ Swimming pool
 - ✓ Fitness center
 - ✓ Business center
 - ✓ Controlled access gates
 - ✓ Dog park w/ shade structure

Dallas Stemmons Apartments

Proposed Financing Sources	Amount
Taxable Loan	\$5,919,000
Housing Tax Credits Equity	\$13,028,358
Deferred Developer Fee	\$1,072,311
Total	\$20,020,169
Proposed Uses	Costs
Acquisition	\$2,225,000
Construction Costs	\$12,607,941
Soft Costs & Financing Fees	\$2,361,978
Developer Fees	\$2,141,133
Reserves	\$684,117
Total	\$20,020,169

Gateway Oak Cliff

UNIT MIX & INCOME BANDS SERVED				
Proposed Units (130 total)	13 – 0 BR	39 – 1 BR	52 – 2 BR	26 – 3 BR
30%	5	8	10	7
50%	5	15	22	10
60%	2	14	18	8
80%	1	2	2	1

Gateway Oak Cliff

- **Description:** P/PP with Dallas County to develop 130-units on County-owned land near the Southern Gateway Emerging Market RSA.
 - ✓ **Efficiencies** to 3 bedrooms
 - ✓ **500** sq. ft – **1,055** sq. ft
 - ✓ Garage parking
 - ✓ Fitness & community rooms
 - ✓ Career training and job placement
 - ✓ Food pantry
 - ✓ Community law enforcement engagements quarterly
 - ✓ Case management for at risk residents

Gateway Oak Cliff

Proposed Financing Sources	Amount
Permanent Loan	\$7,805,829
Housing Tax Credits Equity	\$14,248,575
Owner Equity/Developer Fee	\$4,193,609
Total	\$26,248,013
Proposed Uses	Costs
Acquisition	\$200,000
Construction Costs	\$21,646,013
Soft Costs & Financing Fees	\$2,337,257
Developer Fees	\$1,776,330
Reserves	\$288,413
Total	\$26,248,013

HighPoint at Wynnewood

UNIT MIX & INCOME BANDS SERVED			
Proposed Units (120 total)	30 – 1 BR	66 – 2 BR	24 – 3 BR
30%	3	7	3
50%	12	27	10
60%	13	29	10
Market	2	3	1

HighPoint at Wynnewood

- **Description:** Acquisition of existing site and 3rd and final phase of the Parks at Wynnewood redevelopment
 - ✓ 3 and 4 - story garden style buildings
 - ✓ 775 sq. ft – 1025 sq. ft
 - ✓ 9 foot ceilings
 - ✓ Granite countertops
 - ✓ Swimming pool
 - ✓ Fitness center
 - ✓ Business center
 - ✓ Controlled access gates

HighPoint at Wynnewood

Proposed Financing Sources	Amount
Permanent Loan	\$5,500,000
Housing Tax Credits Equity	\$18,398,160
Deferred Developer Fee	\$494,263
Total	\$24,392,423

Proposed Uses	Costs
Acquisition	\$1,000,000
Construction Costs	\$17,358,713
Soft Costs & Financing Fees	\$2,794,321
Developer Fees	\$2,754,948
Reserves	\$484,441
Total	\$24,392,423

Juliette Fowler Residences

UNIT MIX & INCOME BANDS SERVED*			
Proposed Units (144 total)	18 – 0 BR	84 – 1 BR	42 – 2 BR
30%	3	9	3
50%	7	34	16
60%	8	41	23

*All units are designated for elderly residents.

Juliette Fowler Residences

- **Description:** Juliette Fowler Residences will develop 144 new units on their land adjacent to their existing operation in East Dallas.
 - ✓ **0 to 2** bedrooms
 - ✓ **575 sq. ft – 860 sq. ft**
 - ✓ Outdoor pools
 - ✓ Pet friendly w/ dog park
 - ✓ Fitness center
 - ✓ Controlled access gates and building
 - ✓ Library
 - ✓ Monitored by cameras

Juliette Fowler Residences

Proposed Financing Sources	Amount
FHA Loan	\$7,900,000
Housing Tax Credits Equity	\$13,798,620
Deferred Developer Fee	\$1,200,000
JFC, Inc. Match	\$585,130
Total	\$23,483,750

Proposed Uses	Costs
Acquisition	\$0.00
Construction Costs	\$17,527,000
Soft Costs & Financing Fees	\$2,519,750
Developer Fees	\$2,754,620
Reserves	\$682,380
Total	\$23,483,750

Dallas Sorcey Road Apartments

UNIT MIX & INCOME BANDS SERVED			
Proposed Units (90 total)	27 – 1 BR	45 – 2 BR	18 – 3 BR
30%	4	4	1
50%	10	18	6
60%	12	22	7
Market	1	1	4

Dallas Sorcey Road Apartments

- **Description:** The ground-up development of a 90-unit mixed-income multifamily development in far Southwest Dallas.
 - ✓ **1 to 3** bedrooms
 - ✓ **725** sq. ft – **1160** sq. ft
 - ✓ Outdoor pool
 - ✓ Pet friendly w/ dog park
 - ✓ Fitness center
 - ✓ Granite Countertops
 - ✓ **9** ft. ceilings
 - ✓ Covered patios or balconies

Dallas Sorcey Road Apartments

Proposed Financing Sources	Amount
Taxable Loan	\$5,093,600
Housing Tax Credits Equity	\$12,567,727
Deferred Developer Fee	\$1,080,214
City LPS Funding	\$500
Total	\$18,742,041

Proposed Uses	Costs
Acquisition	\$782,265
Construction Costs	\$12,629,189
Soft Costs & Financing Fees	\$2,478,462
Developer Fees	\$2,159,756
Reserves	\$692,369
Total	\$18,742,041

The Magenta

UNIT MIX & INCOME BANDS SERVED			
Proposed Units (78 total)	18 – 1 BR	34 – 2 BR	26 – 3 BR
30%	2	3	3
50%	7	13	9
60%	9	16	11
Market		2	3

The Magenta

- **Description:** The ground-up development of a 78-unit mixed-income multifamily development in the Fort Worth Avenue Corridor.
 - ✓ **1 to 3** bedrooms
 - ✓ **650** sq. ft – **1,050** sq. ft
 - ✓ Leasing center
 - ✓ Cyber cafe
 - ✓ Fitness center
 - ✓ Community room with kitchen
 - ✓ Commercial space as required by **PD 714**

The Magenta

Proposed Financing Sources	Amount
Permanent Loan	\$4,100,000
Housing Tax Credits Equity	\$13,798,620
Deferred Developer Fee	\$869,979
TIF Loan	\$1,000,000
Total	\$19,768,599

Proposed Uses	Costs
Acquisition	\$3,125,000
Construction Costs	\$10,129,927
Soft Costs & Financing Fees	\$4,177,316
Developer Fees	\$1,972,939
Reserves	\$363,417
Total	\$19,768,599

Villas at Western Heights

UNIT MIX & INCOME BANDS SERVED*		
Proposed Units (130 total)	88 – 1 BR	42 – 2 BR
30%	7	4
50%	29	35
60%	35	16
Market	17	9

*All units designated for elderly residents. Three units designated for Continuum of Care.

Villas at Western Heights

- **Description:** The ground-up development of a 130-unit mixed-income multifamily development for seniors in the Fort Worth Avenue Corridor.
 - ✓ **1 to 2** bedrooms
 - ✓ **650** sq. ft – **1,050** sq. ft
 - ✓ Pool
 - ✓ Clubhouse
 - ✓ Fitness center
 - ✓ Community room with kitchen and Grille House

Villas at Western Heights

Proposed Financing Sources	Amount
Permanent Loan	\$8,700,000
Housing Tax Credits Equity	\$13,948,605
Deferred Developer Fee	\$1,343,156
TIF Grant	\$8,896,688
Total	\$32,888,449

Proposed Uses	Costs
Acquisition	\$7,500,000
Construction Costs	\$17,951,065
Soft Costs & Financing Fees	\$3,797,686
Developer Fees	\$2,984,792
Reserves	\$654,907
Total	\$32,888,449

Sphinx at Murdeaux Villas

UNIT MIX & INCOME BANDS SERVED*			
Proposed Units (240 total)	128 – 2 BR	64 – 3 BR	48 – 4 BR
50%	128	64	48

*Existing LURA requires all units restricted to 31%-50% AMI

Sphinx at Murdeaux Villas

- **Description:** The purchase, acquisition, and rehabilitation of an existing 240-unit affordable multifamily community.
 - ✓ 2 to 4 bedrooms
 - ✓ 976 sq. ft – 1,234 sq. ft
 - ✓ Pool
 - ✓ Business center
 - ✓ Fitness center
 - ✓ Community room
 - ✓ Controlled access to property

Sphinx at Murdeaux Villas

Proposed Financing Sources	Amount
Tax-Exempt Bonds	\$25,211,000
Soft Funds/Construction Income	\$1,650,000
HUD PPC Loan	\$6,000,000
Housing Tax Credit Equity	\$15,900,600
Deferred Developer Fee	925,079
Total	\$49,686,679

Proposed Uses	Costs
Acquisition	\$17,000,000
Construction Costs	\$20,385,571
Soft Costs & Financing Fees	\$7,743,944
Developer Fees	\$3,809,683
Reserves	\$747,481
Total	\$49,686,679



City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-240

Item #: C

Single Family Rental Registration (and Inspection) Program
[Carl Simpson, Director, Department of Code Compliance Services]

Single-Family Rental Inspection Program

**Housing & Homelessness
Solutions Committee
February 4, 2020**

**Carl Simpson, Director
Department of Code Compliance
Services**

**Nadia Chandler Hardy
Assistant City Manager**



Presentation Overview

- Background
- Purpose
- Current single-family inspection model
- Community outreach and public education
- Proposed amendments to Chapter 27
- Self-Certification Program
- Next Steps

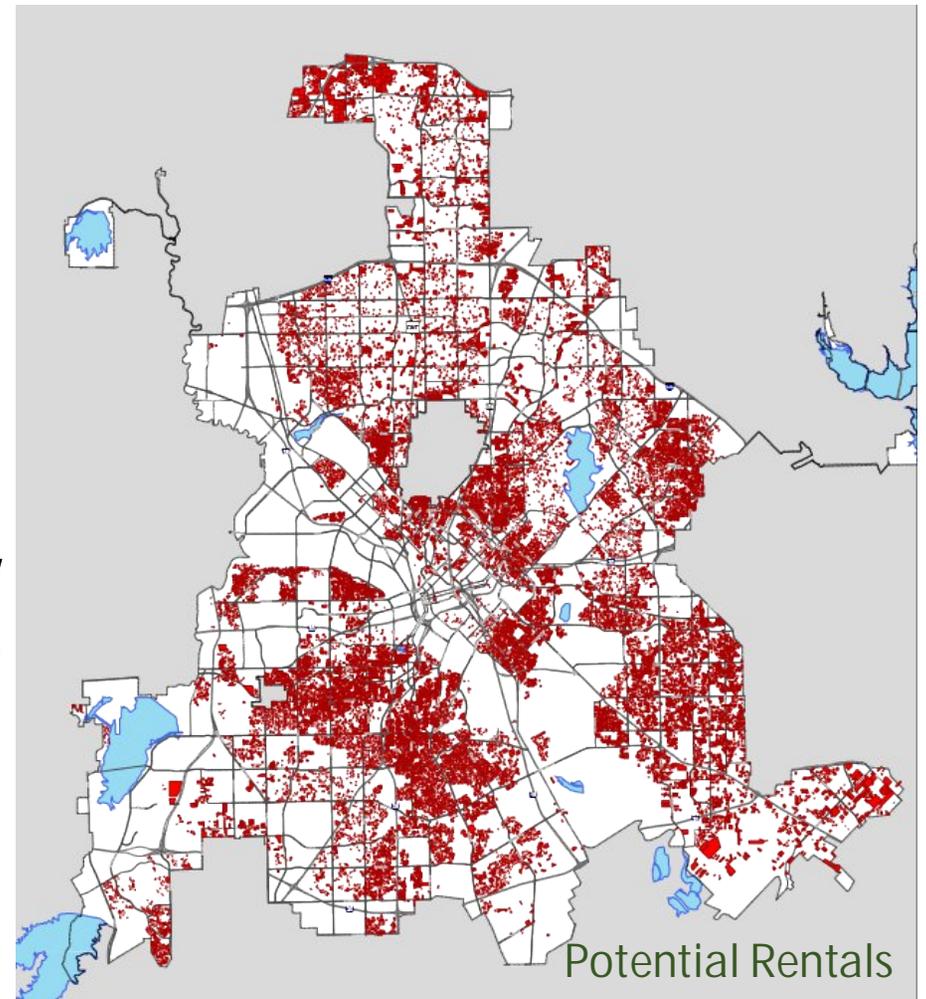
Purpose

- Increase overall housing stock quality while emphasizing health and safety
- Utilize staff in the most efficient manner
- Facilitate neighborhood stabilization, foster clean and safe rental properties without diminishing the availability and affordability.
- Enhance partnerships and communication with property owners and tenants.

Single-Family Rental Inspection Program

History & Facts

- Dallas City Code Chapter 27 establishes Minimum Property Standards for health and safe living conditions
- Single-Family Rental Inspection Program approved by Dallas City Council on September 28, 2016
- Program commenced January 1, 2017
- Single-Family properties are single-family homes, duplexes and condominium units
- Approximately 20% of Dallas residents rent a single-family property



* 2010 Census Data

Current Single-Family Rental Inspection Program

Step 1

Property owners are required to register their rental properties with the Single-Family Rental Inspection Program



Step 2

A comprehensive inspection is conducted of the interior, exterior and premise

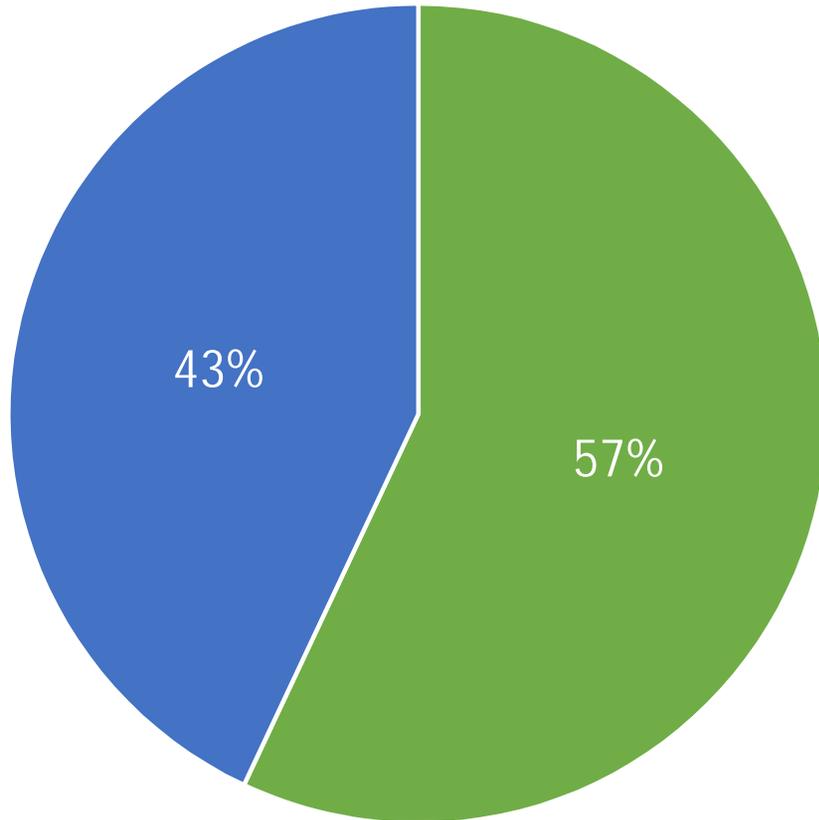


Step 3

Compliant properties are re-inspected every five years after the initial inspection

Statistics 2017 – Present

Initial Inspections

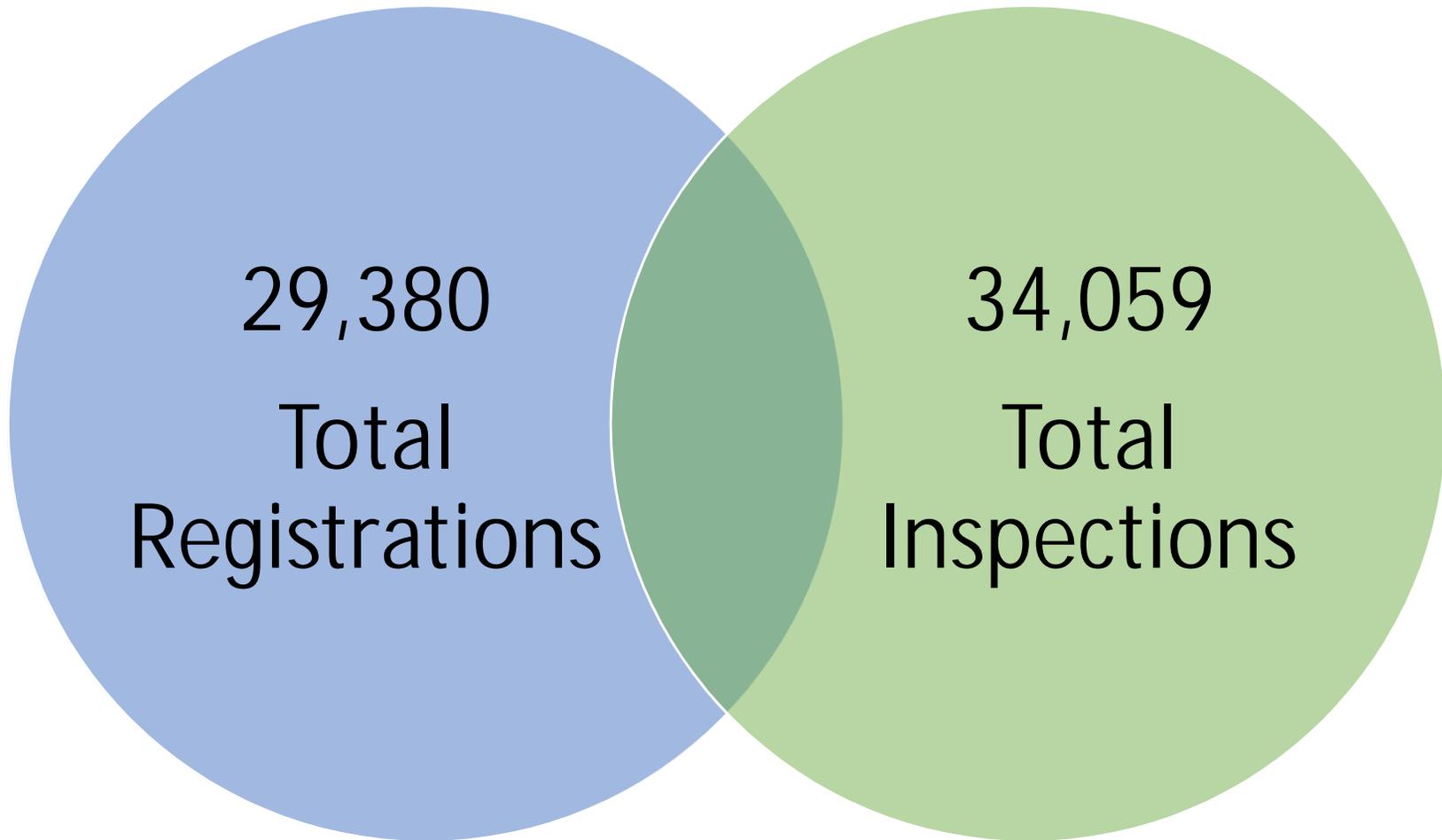


- Initial inspections found 57% properties not in compliance with 43% compliant
- Upon first reinspection only 20% of properties remained in violation

■ Non-Compliant Properties

■ Compliant Properties

Statistics January 2017 – December 2019



Program Community Outreach & Education

Community Engagement with Property Owners and Tenants

Date	Location	District
July 17, 2018	Code Compliance - Citizens Code Academy	District 2
August 23, 2018	Nash-Davis Recreation Center	District 6
August 27, 2018	Harry Stone Recreation Center	District 9
August 28, 2018	Pleasant Oaks Recreation Center	District 5
August 30, 2018	Dallas City Hall Room L1FN Auditorium	District 2
October 23, 2018	Dallas City Hall Room L1FN Auditorium	District 2
October 23, 2018	Code Compliance - Citizens Code Academy	District 2
October 25, 2018	Dallas City Hall Room L1FN Auditorium	District 2
October 29, 2018	Lake Highlands North Recreation Center	District 10
October 30, 2018	Umphress Recreation Center	District 5
November 1, 2018	Dallas West Library	District 6
November 5, 2018	Highland Hills Library	District 8
November 12, 2018	Thurgood Marshall Recreation Center	District 3
November 13, 2018	Martin Luther King Jr. Community Center	District 7
November 19, 2018	Janie C. Turner Recreation Center	District 8
February 12, 2019	Citizens Code Academy	District 8
February 19, 2019	Code Compliance - Citizens Code Academy	District 2



Community Outreach Feedback

Property Owner Concerns

- Process and registration requirements are too cumbersome
- Annual Affidavit required for each property
- Registration for a single property is approximately 15 minutes
- Landlords were supportive of simplifying the registration process

Tenant Feedback

- Many commented that property conditions improved due to the program
- Landlords are making repairs per the Notice of Violation (Beyond minimum property standards)
- Landlords respond to tenant's requests much faster than before
- Tenants are feeling empowered to ask landlords to make repairs without fear of eviction, rent increases or other retaliation

9

Proposed Registration Revisions

Current Registration Process	Proposed Registration Process
Upload all documents and provide data during the annual registration and renewal	Complete full registration once. Information will auto populate. Review and renew annually
Annual renewal on the property registration anniversary	Renew all properties annually at the same time* *The annual fee is due on January 1st of every year. If the annual fee is not paid by January 30th, the registration will be automatically voided, and the property will be out of compliance. The owner must then resubmit a complete registration and pay outstanding fees. Failure to bring the property into compliance with registration will result in a violation of this chapter [expires one year after the registration date].

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Proposed Registration Revisions

Current Registration Process	Proposed Registration Process
One application per property	One application with multiple properties
Require uploaded documents and data such as the owner's Driver's License, Affidavit and Owner's Self Inspection Checklist, insurance/lender information, location of business record and property deed information	Replaced with 'Yes/No' Questions <ol style="list-style-type: none">1. Do you have a valid government issued ID, DL, Passport?*2. Do you have insurance?*3. Have you or your representative visually inspected the property within the last six (6) months?*4. Do you affirm the information provided is true?* <p>*Must attest and confirm</p>

Proposed Chapter 27 Revisions

Current Chapter 27 Ordinance	Proposed Changes
27.11.1.A (i) provide, and maintain, in operating condition, refrigerated air equipment capable of maintaining a room temperature of at least 15 degrees cooler than outside temperature, but in no event higher than 85° F. in each habitable room	27.11.1.A (i) provide, and maintain, in operating condition, refrigerated air equipment capable of maintaining a room temperature no higher than 85° F in each habitable room**
27.11.2.A (i) provide, and maintain, in operating condition, heating facilities capable of maintaining a room temperature of at least 15 degrees warmer than the outside temperature, but in no event lower than 68° F. in each habitable room	27.11.2.A (i) provide, and maintain, in operating condition, heating facilities capable of maintaining a room temperature no lower than 68° F in each habitable room** **The Center for Disease Control requires operative temperatures range from 68.5 ° F to 75 ° F in the winter; and from 75° F to 80.5 ° F in the summer. Reference: https://www.cdc.gov/niosh/topics/indoorenv/temperature.html

Proposed Chapter 27 Revisions

Current Chapter 27 Ordinance	Proposed Changes
Ch. 27-11 (d) (17)(A) maintain all fences, retaining walls, decorative walls, and barriers in operating condition, and in accordance with the Dallas Development Code	<ol style="list-style-type: none">1) Repair or replace missing bricks, stones, rocks, mortar, and similar materials on any masonry wall that encloses a single-family or multi-tenant property;2) Maintain a fence so that it is not out of vertical alignment more than one foot from the vertical, measured at the top of the fence, for a fence over four feet high, or more than six inches from the vertical, measured at the top of the fence, for a fence not more than four feet high
27-42(b) Property inspections The director shall conduct an inspection of each single dwelling unit rental property at least once every five years but not more frequently than once a year	Eliminate the five-year requirement and inspect properties annually that are not in the self-certification voluntary program.

Purpose of Self-Certification Voluntary Program

Self-Certification Voluntary Program

- Incentivize excellent property owners who maintain their rental properties
- Utilize staff in the most efficient manner
- Reward landlord for consistent maintenance
- Increase registration of properties
- Allow us to concentrate on focus on problem rental properties
- Empower tenants by requiring their signature on self-certification inspections
- Provide tenants with additional tenants' rights information
- Improve the condition of rental properties

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Proposed Self-Certification Voluntary Program

Self-Certification Voluntary Program

Self-Certification Program:

- If no outstanding fees and no pending violations exist on the property from the past 12 months, the property will be placed in the Self-Certification Program.
- The Self-Certification Program requires owners to perform their own inspections of each rental property on an annual (calendar year) basis and upon any change in tenancy.
- Owners will complete the “Self-Certification” checklist at each inspection signed by the owner and tenant.
- The owner will provide the tenant (either by link or handout) with the, “Tenants’ Rights Handbook,” (produced and distributed as a public service by the Texas Young Lawyers Association and the State Bar of Texas) upon the completion of the self-certification inspection. The completed self-certification inspection checklists must be retained by the owner for a period of three years from the date of the inspection(s).

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Proposed Self-Certification Voluntary Program

Self-Certification Voluntary Program

Inspections of Self-Certified Properties:

- The Single-Family Rental Inspection Program will perform quality audits of 10% of the properties that have been self-certified.
- If the property is found in compliance, the property will continue in the Self-Certification Program.
- An inspection will be automatically be triggered when a complaint service request is received.
- If the property does not pass inspection or does not correct the violation within 30 days, it will no longer be eligible for the Self-Certification Program and will be subject to annual inspections until such time as it does pass inspection.

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Proposed Self-Certification Voluntary Program

Self-Certification Voluntary Program

Ineligibility:

- If the Director of the Department of Code Compliance Services or designee determines by review of the minimum property standards and/or self-certification checklist that the exterior and/or interior inspections are not in compliance, or as a result of an investigated complaint, that the property owner has allowed the subject residential rental property to become out of compliance, the property owner will be cited as ineligible to participate in the self-certification program.
- The property owner will not be able to re-apply for the self-certification program until the subject residential rental property successfully passes an exterior and interior inspection.

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Proposed Self-Certification Voluntary Program

Self-Certification Voluntary Program

Reinstatement:

- An owner/management entity that unsuccessfully participated in the prior self-certification program is eligible to immediately reinstate after the owner/management entity completes a City approved residential rental property class, pays all penalties and fees due, and corrects all outstanding violations.
- The approved class will be a four (4) hour course, which will review the self-certification program criteria; self-certification inspection checklist; and minimum property standards.

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Current Single-Family Inspection Model

Single-Family Home Rehabilitated



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Current Single-Family Inspection Model

Building Drain Cleanout



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Examples of Compliance

Accessible Sidewalk



Examples of Compliance

Code Approved Ground Fault Interrupter (GFI) Receptacle



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Current Single-Family Inspection Model

Inspect interior of the structure- walls, ceilings, floors, bedrooms, kitchen, bathroom, etc.



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Current Single-Family Inspection Model

Inspect electrical, plumbing, utility and appliances



Next Steps

- Continue with stakeholder engagement
- Revision of Chapter 27 ordinance on May 8, 2020
- Self-Certification implementation on October 1, 2020

Single-Family Rental Inspection Program

**Housing & Homelessness
Solutions Committee
February 4, 2020**

**Carl Simpson, Director
Department of Code Compliance
Services**

**Nadia Chandler Hardy
Assistant City Manager**

