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City of Dallas

Public Notice

2020 SEPTEMBER 18 AM 12:07 1500 Marilla Street, Room 6ES

Dallas, Texas 75201

CITY SECRETARY
DALLAS, TEXAS

200732

POSTED CITY SECRETARY
DALLAS, TX



Housing and Homelessness Solutions Committee

September 22, 2020

9:00 AM

2020 CITY COUNCIL APPOINTMENTS

COUNCIL COMMITTEE	
ECONOMIC DEVELOPMENT Atkins (C), Blewett (VC), Gates, McGough, Narvaez, Resendez, West	ENVIRONMENT AND SUSTAINABILITY Narvaez (C), Atkins (VC), Blackmon, Blewett, Gates
GOVERNMENT PERFORMANCE AND FINANCIAL MANAGEMENT Gates (C), Mendelsohn (VC), Arnold, Bazaldua, Kleinman, Narvaez, Thomas	HOUSING AND HOMELESSNESS SOLUTIONS West (C), Thomas (VC), Arnold, Blackmon, Kleinman, Mendelsohn, Resendez
PUBLIC SAFETY McGough (C), Arnold (VC), Bazaldua, Blewett, Medrano, Mendelsohn, Thomas	QUALITY OF LIFE, ARTS, AND CULTURE Arnold (C), Gates (VC), Atkins, Narvaez, West
TRANSPORTATION AND INFRASTRUCTURE Kleinman (C), Medrano, (VC), Atkins, Bazaldua, Blewett, McGough, West	WORKFORCE, EDUCATION, AND EQUITY Thomas (C), Resendez (VC), Blackmon, Kleinman, Medrano
AD HOC JUDICIAL NOMINATING COMMITTEE McGough (C), Blewett, Mendelsohn, Narvaez, West	AD HOC LEGISLATIVE AFFAIRS Johnson (C), Mendelsohn (VC), Atkins, Gates, McGough
AD HOC COMMITTEE ON COVID-19 RECOVERY AND ASSISTANCE Thomas (C), Atkins, Blewett, Gates, Mendelsohn, Narvaez, Resendez	

(C) – Chair, (VC) – Vice Chair

Note: A quorum of the Dallas City Council may attend this Council Committee meeting.

This Housing and Homelessness Solutions Committee meeting will be held by videoconference.

The meeting will be broadcast live on Spectrum Cable Channel 95 and online at [bit.ly/cityofdallas.tv](https://cityofdallas.tv).

The public may also listen to the meeting as an attendee at the following videoconference link:

<https://dallascityhall.webex.com/dallascityhall/onstage/g.php?MTID=e169ce77343990e70ddf6a2e46b6c475a>

Call to Order

MINUTES

1. [20-1733](#) Approval of the August 24, 2020 Housing and Homelessness Solutions Committee Meeting Minutes

Attachments: [Minutes](#)

BRIEFING MEMORANDUMS WITHOUT ACTION

- A. [20-1849](#) Housing and Homelessness Solutions Committee Forecast
[Chad West, Chair, Housing and Homelessness Solutions Committee]

Attachments: [Forecast](#)

- B. [20-1734](#) Housing and Homelessness Solutions Interagency Report
[David Noguera, Director, Department of Housing and Neighborhood Revitalization; Kevin Oden, Interim Director, Office of Homeless Solution]

Attachments: [Report](#)

BRIEFING ITEMS WITHOUT ACTION

- C. [20-1735](#) Department of Housing and Neighborhood Revitalization Performance Report Update
[David Noguera, Director, Department of Housing and Neighborhood Revitalization]

Attachments: [Presentation](#)

- D. [20-1771](#) Strategic Planning to End Homelessness in Dallas Project Update
[Kevin Oden, Interim Director, Office of Homeless Solutions; Mandy Chapman Semple, CEO, Clutch Consulting; Carl Falconer, President and CEO, Metro Dallas Homeless Alliance]

Attachments: [Presentation](#)

BRIEFING ITEMS WITH ACTION

- E. [20-1773](#) Extension of the Amended and Restated Management Services Contract for the Bridge Homeless Recovery Center with Bridge Steps
[Kevin Oden, Interim Director, Office of Homeless Solutions]

Attachments: [Presentation](#)

BRIEFING MEMORANDUM WITH ACTION

- F. [20-1774](#) Good Urban Development, LLC NOFA Project for the sale of 25 land transfer lots under the Land Transfer Program and the development of up to 50 single-family homes in an amount not to exceed \$2,000,000.00
[David Noguera, Director, Department of Housing and Neighborhood Revitalization]

Attachments: [Memo](#)

SPECIAL PROJECTS

Chad West, Chair, Housing and Homelessness Solutions Committee

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 #: 20-1733

Item #: 1.

Approval of the August 24, 2020 Housing and Homelessness Solutions Committee Meeting Minutes

Meeting Record

Note: This meeting was conducted via videoconference to comply with a social distancing mandate during a declared state of disaster.

Meeting Date: August 24, 2020

Convened: 9:01 a.m.

Adjourned: 10:34 a.m.

Committee Members Present:

Chad West, Chair

Casey Thomas II, Vice Chair

Carolyn King Arnold

Paula Blackmon

Cara Mendelsohn

Lee Kleinman

Jaime Resendez

Committee Members Absent:

N/A

Other Council Members Present:

DMPT B. Adam McGough

AGENDA

CALL TO ORDER

BRIEFINGS

1. Approval of the June 22, 2020 Housing and Homelessness Solutions Committee Meeting Minutes

Action Taken/Committee Recommendation(s): A motion was made to approve the minutes for the June 22, 2020 Housing and Homelessness Solutions. The motion passed unanimously.

Motion made by: Lee Kleinman

Motion seconded by: Paula Blackmon

2. Housing and Homelessness Solutions Committee Forecast

Presenter(s): Chad West, Chair

Action Taken/Committee Recommendation(s): Information only.

3. Housing and Homelessness Solutions Interagency Report

Presenter(s): David Noguera, Director of Housing and Neighborhood Revitalization; Kevin Oden, Interim Director, Office of Homeless Solutions

Action Taken/Committee Recommendation(s): Information Only.

4. Department of Housing and Neighborhood Revitalization Performance Report Update

Presenter(s): David Noguera, Director, Department of Housing and Neighborhood Revitalization

Action Taken/Committee Recommendation(s): The Committee was briefed on the overview of the Department of Housing and Neighborhood Revitalization performance reports. Information only.

5. 1,000 Unit Affordable Housing Challenge Update

Presenter(s): Peer Chacko, Director, Department of Planning and Urban Design.

Action Taken/ Committee Recommendations(s): The Committee was briefed on the overview of the catalytic site evaluation for Transit-Oriented Development (TOD) related to the “Housing Unit Challenge”. Information only.

ADJOURN (10:34 a.m.)

APPROVED BY:

ATTESTED BY:

Chad West, Chair
Housing and Homelessness Solutions Committee

Gabriela Castillo, Coordinator
Housing and Homelessness Solutions Committee

DRAFT



City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-1849

Item #: A.

Housing and Homelessness Solutions Committee Forecast
[Chad West, Chair, Housing and Homelessness Solutions Committee]

Housing & Homelessness Solutions Council Committee

FY20 & FY21 Agenda Forecast

September 22, 2020	BM- Inter-Agency Report - MDHA, DHA & DAP	David Noguera Director Department of Housing & Neighborhood Revitalization Kevin Oden Interim Director Office of Homeless Solutions
	B- Department of Housing and Neighborhood Revitalization Performance Report Update	David Noguera Director Department of Housing & Neighborhood Revitalization
	B- Strategic Planning to End Homelessness in Dallas Project Update	Kevin Oden Interim Director Office of Homeless Solutions Mandy Chapman Semple CEO Clutch Consulting
	B- Master Services Contract at The Bridge: Homeless Recovery Center	Kevin Oden Interim Director Office of Homeless Solutions
	BM/A- Upcoming Agenda Item: Good Urban Development NOFA Development Project	David Noguera Director Department of Housing & Neighborhood Revitalization
	Special Projects	Chad West Chair Housing and Homelessness Solutions Committee
October 26, 2020	BM- Inter-Agency Report - MDHA, DHA & DAP	David Noguera Director Department of Housing & Neighborhood Revitalization Kevin Oden Interim Director Office of Homeless Solutions
	B- Department of Housing and Neighborhood Revitalization Performance Report Update	David Noguera Director Department of Housing & Neighborhood Revitalization
	B- Strategic Planning to End Homelessness in Dallas Project Update	Kevin Oden Interim Director Office of Homeless Solutions Mandy Chapman Semple CEO Clutch Consulting
	B- Housing Finance Corporation and Public Finance Corporation Update	David Noguera Director Department of Housing & Neighborhood Revitalization
	Executive Session	Chris Caso, City Attorney
	Special Projects	Chad West Chair Housing and Homelessness Solutions Committee

Housing & Homelessness Solutions Council Committee FY20 & FY21 Agenda Forecast

November 10, 2020	BM- Inter-Agency Report - MDHA, DHA & DAP	David Noguera Director Department of Housing & Neighborhood Revitalization Kevin Oden Interim Director Office of Homeless Solutions
	B- Department of Housing and Neighborhood Revitalization Performance Report Update	David Noguera Director Department of Housing & Neighborhood Revitalization
	B- Strategic Planning to End Homelessness in Dallas Project Update	Kevin Oden Interim Director Office of Homeless Solutions Mandy Chapman Semple CEO Clutch Consulting
	BM- Greenleaf Ventures/Singleton Amendment	David Noguera Director Department of Housing & Neighborhood Revitalization
	BM- Veterans Homelessness Update	Kevin Oden Interim Director Office of Homeless Solutions

To Be Considered	Date
Development Code Amendments for Accessory Dwelling Units	TBD
Overview of HomeServe	TBD
Nexus Study	TBD
Amendments to Chapter 20A	TBD
4th Amendment to Estates at Shiloh	TBD

Abbreviation Legend

B - Briefing Item	A - Action Item	BM - Briefing by Memorandum
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9/8/2020



City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-1734

Item #: B.

Housing and Homelessness Solutions Interagency Report

[David Noguera, Director, Department of Housing and Neighborhood Revitalization; Kevin Oden, Interim Director, Office of Homeless Solution]

INTERAGENCY HOUSING & HOMELESSNESS SOLUTIONS REPORT – SEPTEMBER 2020

METRO DALLAS HOMELESS ALLIANCE / DALLAS HOUSING AUTHORITY / DALLAS AREA PARTNERSHIP



Working Group Development: Clutch Consulting has conducted mapping sessions with the current structure of Continuum of Care workgroups to develop new strategic workplans for each committee to follow. This strategy will create a strategic roadmap for improving service delivery and results.

CoC & MDHA Board Structure: The Current MDHA Board has created two subcommittees for the creation of new Continuum of Care and MDHA Boards. These boards will split the responsibilities of the current MDHA Board to improve process flows and influence greater results in ending homelessness in the Dallas-Collin County Continuum of Care.

VASH Voucher Applications: Three Public Housing Agencies are working with MDHA on applications for new VASH Vouchers for Veteran's Housing. A total of 50 vouchers have been applied for through the VA in Dallas.

CARES Act Funding: MDHA is continuing to work with the Texas Division on Housing and Community Affairs (TDHCA) for the award and release of CARES Act funding specifically for Continuum of Care service areas. It is expected that the TDHCA Board Meeting on October 8th will see these items voted and approved for release of funds.



City Council Briefing: Provided update on on-going and upcoming projects and initiatives to Dallas City Council on September 16, 2020.

DALLAS AREA PARTNERSHIP TO
End and Prevent
Homelessness

Previous Meeting: The August meeting of The Dallas Area Partnership included a presentation by Regina Cannon, principal author, of the 2018 Supporting Partnerships for Anti-Racist Communities (SPARC) report.

The SPARC Report can be accessed at: <https://c4innovates.com/wp-content/uploads/2019/03/SPARC-Phase-1-Findings-March2018.pdf>

Next Meeting: The next meeting of The Dallas Area Partnership is *tentatively* scheduled for September 24th at 12:00 PM and the agenda still being developed.



Rapid Rehousing Project: OHS has received 129 completed applications for move-in that are currently in processing. The applications are the subrecipients documentation for approval to proceed with move-in and reimbursement of costs. Current progress on the project is: 16 move-ins completed; 8 move-ins scheduled this week; 35 move-ins approved by OHS and awaiting execution of the contract; 56 move-ins pending approval of property management and 34 clients awaiting property selection.

Welcome Center Operations: The Welcome Center served 67 clients seeking services and made shelter placement for 12 guests the week of September 7th. On Wednesday, September 16th, Parkland Hospital began testing guests on-site for COVID-19 to make shelter placement quicker, as the congregate shelters require a negative COVID-19 test for entry. Onsite testing has led to hotel placement and quarantine until results are received.



City of Dallas

1500 Marilla Street
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Agenda Information Sheet

File #: 20-1735

Item #: C.

Department of Housing and Neighborhood Revitalization Performance Report Update
[David Noguera, Director, Department of Housing and Neighborhood Revitalization]



City of Dallas

Department of Housing Performance Measure Update

Housing and
Homelessness Solutions
September 22, 2020

David Noguera, Director
Housing & Neighborhood Revitalization
City of Dallas

Production Chart (data as of 9/10/2020)



	Budget	Full Time Employees		Performance Measures	Jul 2020 Total	Aug 2020 Total	FY20 Goal
Development	\$4,052,783 HOME \$965,000 CHDO	4 Development 2 Land Bank	3 Admin, 4 Finance, 2 Strategy, 9 Inspection, 7 Compliance, 4 Floating Program Staff, 2 Assistant Director, 1 Director	Units Supported	875	875	590
				Units Permitted	1,299	1,300	880
				Units Completed	98	139	50
HIPP	\$3.2 million CDBG	2 HIPP 1 Lead		Units Approved	37	47	100
				Units Repaired	10	10	25
DHAP	\$1.7 million CDBG \$374,000 HOME	2 DHAP		Loans Approved	22	22	25
				Loans Provided	7	7	10
MRAP	\$4.5 million CDBG \$1.6 million HOME TBRA	3 Employees		Applications Assigned to Program	1,334	1,349	N/A
				Households Served	370	569	N/A
Other	N/A	N/A	Units Supported by Other Depts*	3,126	3,126	N/A	
			All Units Permitted	7,539	7,654	N/A	



*data from other departments may be duplicative with Housing or other departments



City of Dallas

Department of Housing Performance Measure Update

Housing and
Homelessness Solutions
September 22, 2020

David Noguera, Director
Housing & Neighborhood Revitalization
City of Dallas



City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-1771

Item #: D.

Strategic Planning to End Homelessness in Dallas Project Update

[Kevin Oden, Interim Director, Office of Homeless Solutions; Mandy Chapman Semple, CEO, Clutch Consulting; Carl Falconer, President and CEO, Metro Dallas Homeless Alliance]



Initiative to Effectively End Homelessness Among Veterans by December 2021

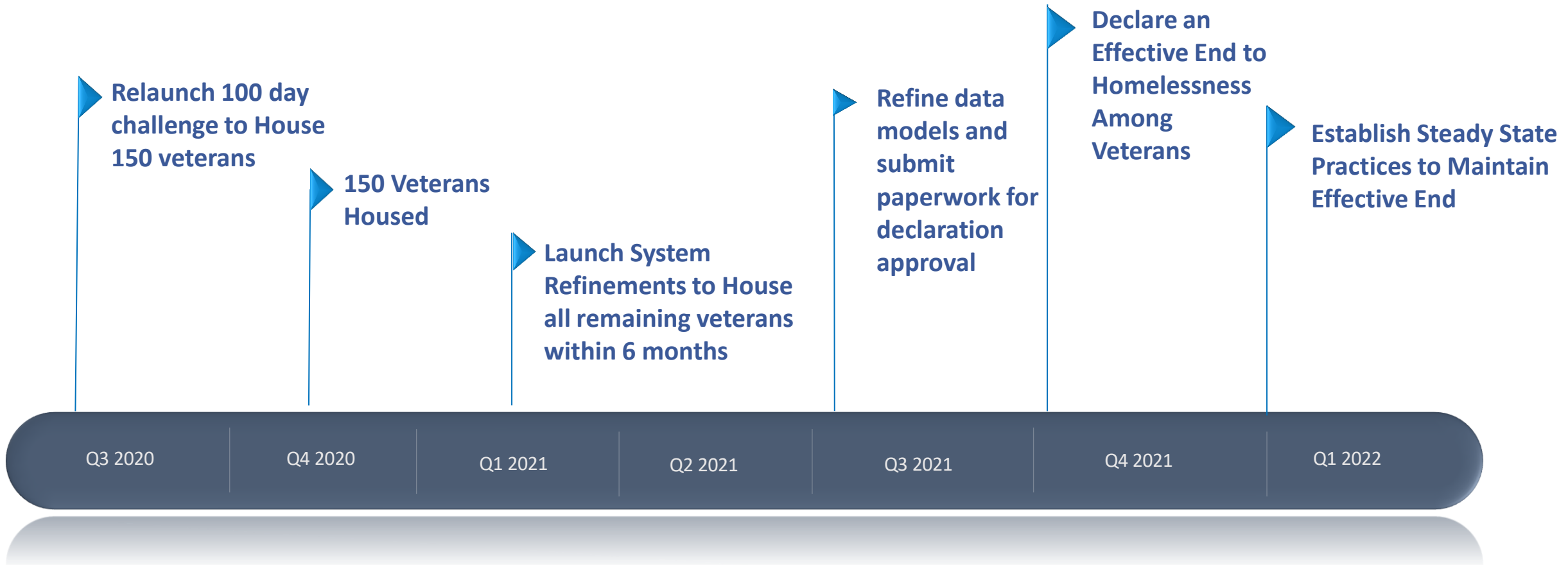
Monthly Update

- Initiative Launched May 2019 with First 100 Day Challenge
- Housed 365 Veterans Since May 2019
- Rallied to Continue Rehousing Activities After COVID-19 Disrupted the Second 100 Day Challenge – Housed 81 Veterans Since March 2020
- 50 New Rental Vouchers for Veterans Have Been Requested from HUD
- Ending Veterans Homelessness Leadership Team comprised of the VA, DHA, MDHA, OHS, & Veterans Service Provider Agencies Launches 9/23



Order of Activities

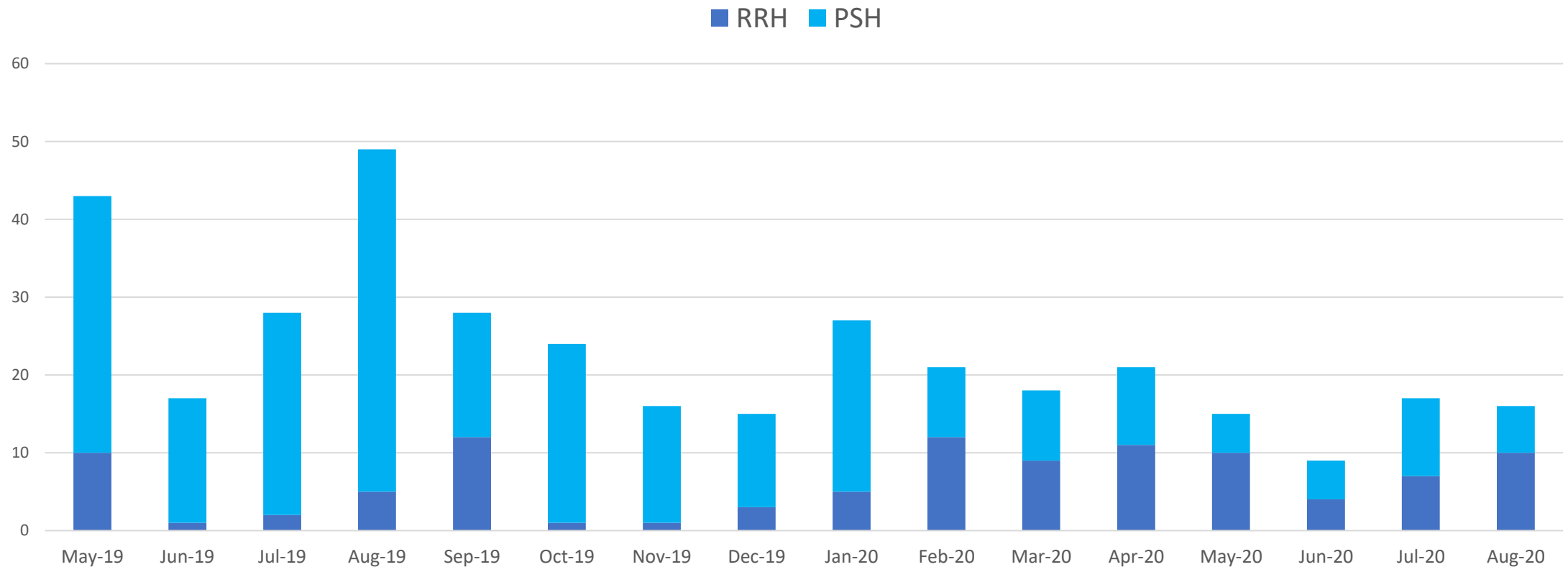
Ending Veterans Homelessness





Initiative to End Homelessness Among Veterans 365 Housed and Counting!

Homeless Veterans Placed in Permanent Housing May 2019 - August 2020

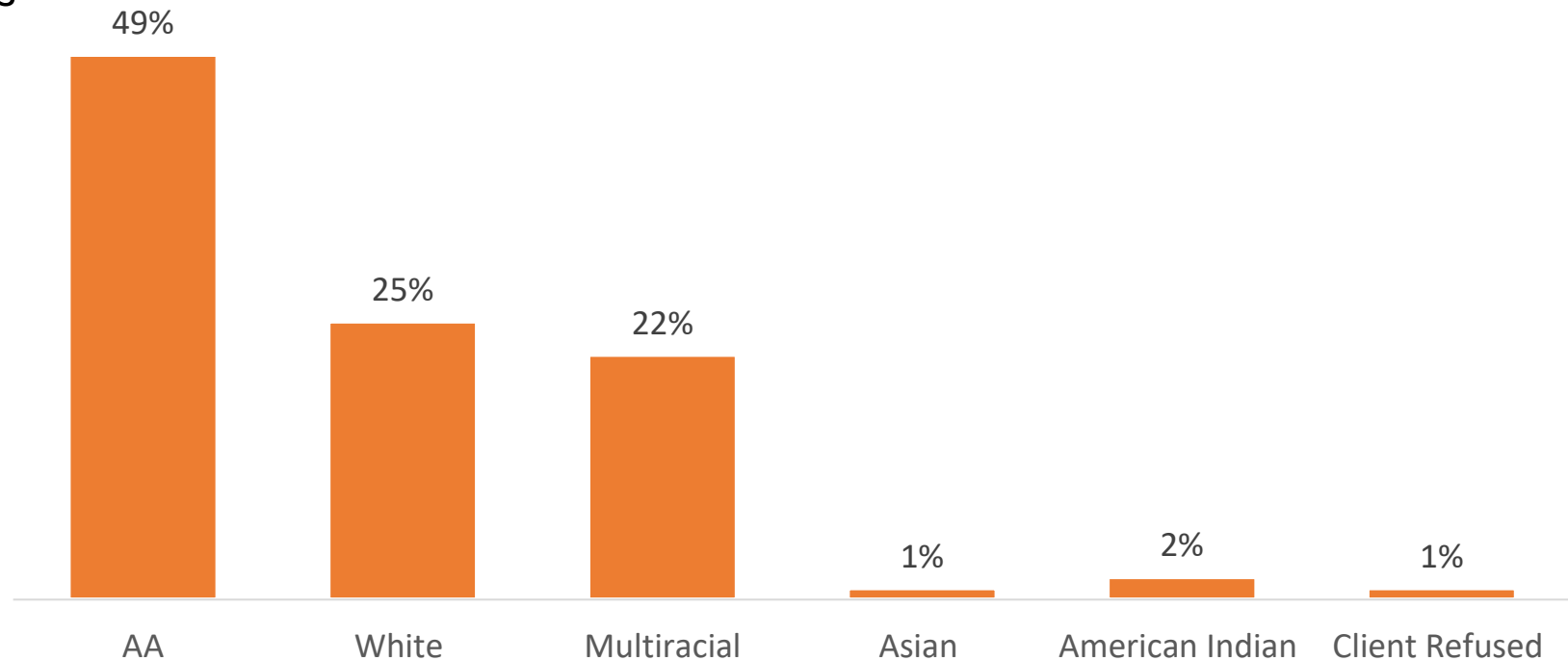




Ending Veterans Homelessness and Advancing Racial Equity

- Prioritizing Veterans for Permanent Housing Interventions will not only Effectively End Homelessness Among Veterans, it will Advance Racial Equity and Respond to the Disproportionate Representation of African American and Multiracial Veterans Experiencing Homelessness.

Racial Demographics of Veterans Experiencing Homelessness in Dallas CoC





City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-1773

Item #: E.

Extension of the Amended and Restated Management Services Contract for the Bridge Homeless Recovery Center with Bridge Steps
[Kevin Oden, Interim Director, Office of Homeless Solutions]

Bridge Steps Management Services Contract



City of Dallas

**Housing & Homelessness
Solutions Committee
September 22, 2020**

Kevin Oden, Interim Director
Office of Homeless Solutions
City of Dallas

Presentation Overview



- Purpose
- Background/History
- Contract Compliance
- Proposed Action
- Staff Recommendation
- Next Steps



Purpose



- Provide overview of September 23rd agenda items related to the Bridge Management Services Contract
- Agenda Items Include:
 - Extend the Amended Management Services Contract for one year from October 1, 2020 to September 30, 2021 with up to one year extension option, to competitively bid services
 - Providing funding for FY21 in the amount of \$4,443,847 (offset by \$1,000,000 in County revenue)
 - Providing funding for FY21 in the amount of \$219,000 for up to 50 pay-to-stay shelter beds for up to 90 days
 - Providing funding for FY21 in the amount of \$792,800 in State Funds
 - Interlocal Agreement with Dallas County to accept \$1,000,000 in revenue for homeless services at The Bridge



Background/History



- In 2008, the City of Dallas used 2005 Homeless Assistance Bond funds to build the Bridge Homeless Assistance Center located at 1818 Corsicana.
- The Bridge opened on May 20, 2008 – to provide a centralized entry point for homeless persons to access multiple services at one location.
- The City owns the facility, but contracts with Bridge Steps (private non-profit organization) to operate and provide on-site services and programming at the facility, under a Management Services Contract.



Background/History



- Since December 2007, the MSC has been amended each year to include annual funding by the City and County.
- Last year (FY19), MSC was amended for 1-year:
 - Consistent with the original intent of The Bridge as a low-barrier, housing-focused shelter
 - Continued compliance with Good Neighbor Agreement
 - Continued Homeless Management Information System (HMIS) Participation
 - Financials and Internal Controls



Contract Compliance



- Financial Expectations:

- Fundraising/Sustainability: Bridge Steps continues to move toward sustainability through private philanthropic funding and reduce the percentage of the annual operating budget funded under the MSC. Total MSC funds contributed by the City to Bridge Steps will not exceed the following percentages:
 - FY20 – MSC Funds equaled 55% of *The Bridge* annual budget
 - FY21 – MSC Funds will not exceed 44% of *The Bridge* annual budget
 - Bridge Steps *Projected* FY21 Budget: \$10,023,859
 - Total City MSC Contributions: \$4,455,657



Contract Compliance



- Financial Expectations:
 - Financial Management:
 - Bridge Steps:
 - Submitted a proposed annual comprehensive plan for operations, including an annual operating budget, staffing plan, and fundraising plan by February 2
 - Continued steps to mitigate the risk of financial loss by monitoring credit worthiness of banking institutions where funds are deposited
 - Submitted copies of bank statements for all accounts related to *The Bridge*
 - Maintains a minimum cash reserve in a separate account, equal to the lesser of 2 months expenses or \$1,500,000



Contract Compliance



- Service and Data Expectations:
 - Best Practices: Bridge Steps continues to follow best practices for emergency shelters, including shelter first/housing first approach; immediate and low barrier access; safe and appropriate diversion; housing-focused, rapid exit services; client-centered care, and using data to measure performance.
 - HMIS: Bridge Steps participates in the local HMIS system. Bridge Steps provides monthly reports from the HMIS system to document and notes any discrepancies in the HMIS data compared to Bridge Steps internal systems and efforts to resolve those discrepancies with the HMIS lead agency (MDHA).



Contract Compliance



- Good Neighbor Expectations:
 - Good Neighbor Commitment:
 - Operates *The Bridge* in a manner that is respectful of its neighbors and surrounding community and uses its best efforts to abate quality of life nuisances.
 - Acknowledges the importance of establishing and maintaining positive relationships with neighbors and preserving safety and well-being of all in the neighborhood.
 - Expects its staff and guests to show respect for their neighbors by obeying all laws and community standards.
 - Responds quickly to any questions or concerns from neighbors and provide contact information whenever requested.



Contract Compliance



- Good Neighbor Expectations:
 - Good Neighbor Agreements:
 - Bridge Steps continues to engage neighborhood bodies representing The Cedars, Farmers Market, and Central Business District
 - Coordinates Monthly Inter-Departmental *Good Neighbor* Meetings
 - Responsive to Resident Concerns



Contract Compliance



- Performance Measures & Outcomes:
 - Bridge Steps reports monthly on progress toward meeting MSC performance and outcome goals (YTD through August 31st, 2020):
 - Overall Unduplicated Persons Served: 6720 persons (4342 persons YTD)
 - Housing Attainment Services: 1450 persons (1686 persons YTD)
 - Unduplicated Persons in Day Services: 6720 persons (4342 persons YTD)
 - Unduplicated Persons in Night Shelter: 2100 persons (1405 persons YTD)
 - Permanent Housing Placements: 365 persons (319 persons YTD)
 - Night Services – Returns to Homelessness within 6 months: 20% reduction (26 of 173 persons placed in housing returned to homelessness in 6 months YTD)
 - Neighborhood Coordination
 - Bridge averages 1047 engagements monthly (pre-COVID) within our neighborhood boundary with 84.5% of those being connected to The Bridge for services. Post COVID our engagements monthly have averaged 407, with predominant redirections to convention center or newly established Welcome Center.



Staff Recommendation



- Extend the Amended Management Services Contract for one year from October 1, 2020 to September 30, 2021 with up to one year extension option, to competitively bid services
 - Providing funding for FY21 in the amount of \$4,443,847 (offset by \$1,000,000 in County revenue)
 - Providing funding for FY21 in the amount of \$219,000 for up to 50 pay-to-stay shelter beds for up to 90 days
 - Authorize funding for FY21 in the amount of \$792,800 in State Funds
- Authorize Interlocal Agreement with Dallas County to accept \$1,000,000 in revenue for homeless services at The Bridge



Next Steps



- In FY21, Staff will:
 - Work with Procurement and City Attorney's to competitively procure long term MSC at *The Bridge*
 - Engage the Public and Community to receive feedback on requirements for Request for Proposals
 - Brief Citizens Homeless Commission on process and use regular feedback in development of the Request for Proposals
 - Provide regular updates and briefing to the HHSC committee on process





Discussion



Bridge Steps Management Services Contract



City of Dallas

**Housing & Homelessness
Solutions Committee
September 22, 2020**

Kevin Oden, Interim Director
Office of Homeless Solutions
City of Dallas



APPENDIX



Updates & Highlights



- Dallas Foundation Competitive Funding Deliverables
 - Care Management Evaluation
 - Leadership Training and Organizational Theory of Change Modeling
- Campus *Welcome Center* Men's and Women's Restroom Renovation Completion
- Competitive Resource Development Department Personnel Acquisitions (3)
- Initiation of Pilot Racial Equity Training For All Employees: Racial Equity and Homelessness
 - Facilitated by DTRHT and with support from MDHA
- Street Feeding
 - Regular community meeting involving DPD and Code Enforcement
 - Engaging residents from The Cedars and Farmers Market to facilitate feeder group engagements and on-campus distribution



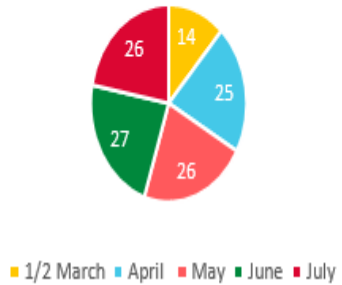
Service Delivery Metrics



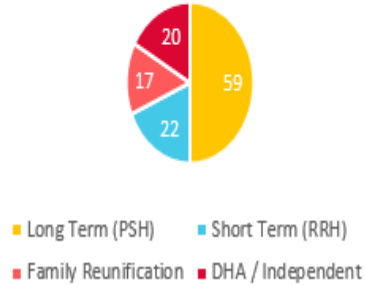
Housing:

- 118 permanently housed through care management efforts throughout the pandemic months.

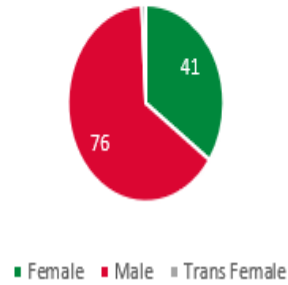
Housing Placement (March 16th through July 31st)



Housing Placement by Program Type



Housing Placement by Gender



Outputs in July

- There were 1,192 unique care management sessions with an average of 4 care management sessions per Guest.
- 95% of all Guests receiving shelter were also connected or reconnected to a care manager that same month.

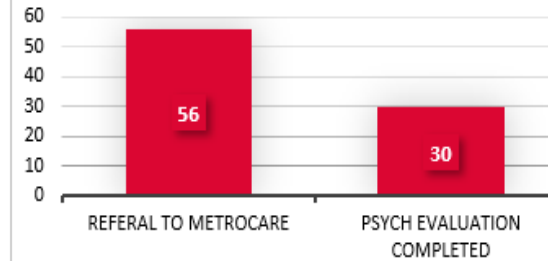
General

- Bridge continues to work with The City to ensure safe referrals to remain at full, COVID allowed, capacity and a 100% Guest COVID-free environment. Current overnight capacity is 247. 82% of pre-COVID overnight capacity.

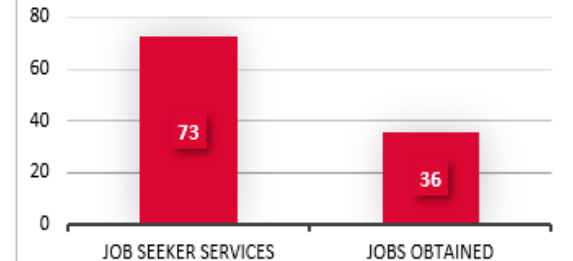
Mental Health and Employment:

- 56 brand new referrals to mental health connections were made, resulting in 30 new patient connections to MetroCare on-site at The Bridge. This is a 54% follow through rate of referrals to mental health care.
- 49% of those seeking job assistance reported obtaining employment.

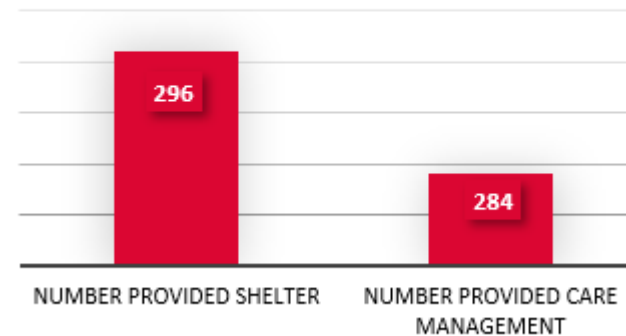
New Mental Health Screenings and Care Connections



Job Connectivity at The Bridge Since Pandemic Started



95% Receiving Night Shelter in July were Assisted by Care Management



Fundraising Data



Citizens' Homelessness Commission Data Request Bridge Steps Selected Revenues Fiscal Years FY17 - FY20 YTD

	FY20 Budget	Awarded during FY20 - July YTD	FY19	FY18	FY17
Revenue					
Public Funds Awarded (Competitively bid)					
TDSHS - HCC	\$504,201	\$1,250,201	\$504,201	\$504,201	\$1,436,401
ESG (COD-Shelter)	\$328,700	\$340,780	\$126,565	\$117,591	\$378,279
ESG (COD-Capital)	\$0	\$0	\$30,000	\$0	\$0
ESG (COD-RRH)	\$0	\$0	\$130,684	\$0	\$0
ESG (TDHCA)	\$329,000	\$329,000	\$19,535	\$199,499	\$53,536
CoC	\$0	\$450,970	\$0	\$0	\$0
FEMA	\$0	\$0	\$55,000	\$35,660	\$0
Total Public - Competitively Bid Awards	\$1,161,901	\$2,370,951	\$865,985	\$856,951	\$1,868,216
Private Fund Raising					
Foundations	\$1,188,880	\$1,059,460	\$1,067,752	\$664,199	\$1,561,864
Corporations & Organizations	\$400,000	\$112,830	\$120,727	\$94,565	\$287,083
Individuals & Small Businesses	\$326,902	\$195,491	\$201,448	\$216,929	\$202,663
Special Events	\$410,000	\$3,125	\$256,982	\$1,019,158	\$0
Private In Kind	\$0	\$108,738	\$75,964	\$153,344	\$103,730
Total Private Fund Raising	\$2,325,782	\$1,479,644	\$1,722,873	\$2,148,195	\$2,155,340
Total Competitively Awards and Private Funds	\$3,487,683	\$3,850,595	\$2,588,858	\$3,005,146	\$4,023,556

David Woody III
President & CEO

Vickie McDaniel
Accounting Ofc.

Sep-20





City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-1774

Item #: F.

Good Urban Development, LLC NOFA Project for the sale of 25 land transfer lots under the Land Transfer Program and the development of up to 50 single-family homes in an amount not to exceed \$2,000,000.00

[David Noguera, Director, Department of Housing and Neighborhood Revitalization]

Memorandum



CITY OF DALLAS

DATE September 11, 2020

The Honorable Members of the Housing and Homeless Solutions Committee:

TO Chad West, Chair, Casey Thomas, Vice-Chair, Carolyn King Arnold, Lee M. Kleinman, Paula Blackmon, Cara Mendelsohn, Jaime Resendez

SUBJECT **Consideration and Recommendation of City Council Approval of an Award of Funding and Authorization to Enter into a Development Agreement with Good Urban Development, LLC NOFA Project for the Sale of 25 Lots under the Land Transfer Program and the development of up to 50 Single-Family Homes in an Amount not to exceed \$2,000,000.00**

Summary

On March 23, 2020, the Housing and Homeless Solutions Committee was briefed on a proposed project from Good Urban Development, LLC (Developer). On May 27, 2020, City Council requested that the project undergo additional underwriting prior to consideration for approval. The request for additional underwriting was proposed due to changes in the original scope the Developer's proposal. The revised underwriting memo is attached.

Background

On July 5, 2019, Good Urban Development, LLC, serving as the lead developer in a partnership with Urban Specialists, submitted a NOFA proposal for the construction of up to one hundred forty-eight (148) single-family homes on fifty-four (54) Developer-owned lots and the Land Transfer lots identified as Mill City clusters 1, 2, 3, 4, 5, and 6. Of the 148 units, twenty-eight were to be for-sale for household between 80-120% of the Area Median Income (AMI). The remaining one hundred twenty (120) units were to be financed with 4% Low Income Housing Tax Credits and offered a lease-purchase option for households between 30-80% of the AMI. Total project costs exceeded \$28 million and the Developer requested \$5 million in General Obligation Bond funds to support the project. The proposal received 106.5 points (minimum fundable score was 100 points) out of a possible 140 points from the evaluation committee—thus making it eligible for underwriting and consideration for funding.

Additional analysis of the project by the Developer—coupled with community input and additional underwriting—necessitated an adjustment in the scope of the project. The resulting proposal includes the construction of fifty (50) single-family homes on twenty-five (25) Mill City lots and twenty-five (25) Developer-owned lots.

DATE September 17, 2020

SUBJECT **Consideration and Recommendation of City Council Approval of an Award of Fund Authorization to Enter into a Development Agreement with Good Urban Development NOFA Project for the Sale of 25 Lots under the Land Transfer Program and the development of up to 50 Single-Family Homes in an Amount not to exceed \$2,000,000.00**

In accordance with the underwriting report, the Developer proposes to build three distinct model types and offer price points accessible to homebuyers between 60-120% of the AMI. Each home will range from 1,200 square feet to 2,000 square feet with an attached garage. Approximately forty (40) of the units are targeted to households in the 60-80% AMI band. The remaining ten (10) homes will be targeted to households at up to 120% of the AMI. Each model offers a minimum of 3 bedrooms and 2 baths with an attached garage. Price points will range from \$140,000 for a 1,200 square foot model to \$220,000 for a home with a 2,000 square foot layout. All units built on Land Transfer lots will remain affordable for a minimum of five years.

Developer seeks \$2,000,000.00 in District 7 General Obligation Bond funds for the construction of the units. This represents an investment of \$40,000.00 per unit and will be used as construction subsidy to bring the homes into congruence with the affordability standards for the targeted homebuyers. Provision of bond funds allows for high-quality housing to be purchased by households between 60-120% of the AMI.

Underwriting & Market Study

As part of the NOFA process, the original submission of the project was underwritten by a 3rd party. The project was subsequently underwritten a second time to analyze the amount of recommended gap financing.

Cash flow modeling for the project assumes the following:

- Home prices will be as follows:

Sq. Ft.	Beds	Baths	Sales Price	No. of Models
1200	3	2	\$ 140,000.00	8
1600	3	2	\$ 168,990.00	18
1600	3	2	\$ 180,000.00	10
2000	4	2	\$ 220,000.00	14

- Total development costs are anticipated to be \$10,290,047.00;
- 5-month construction period per home with a 2-month absorption rate/sell time;

DATE September 17, 2020

SUBJECT **Consideration and Recommendation of City Council Approval of an Award of Fun Authorization to Enter into a Development Agreement with Good Urban Developm NOFA Project for the Sale of 25 Lots under the Land Transfer Program and the de of up to 50 Single-Family Homes in an Amount not to exceed \$2,000,000.00**

- Anticipated 10 housing starts every 4 months starting at month #1 and ending in month #13; 19-20 month build out of project
- 7% sales expense per home;
- \$2,000,000.00 subsidy to be used to pay eligible constructions costs representing approximately 41% of total unit construction

The resulting profit and loss analysis of the project indicates that with \$10,290,047 in total project costs and homes priced as outlined above, there is a total estimated revenue of \$8,301,047. As such, the City's contribution of \$2,000,000.00 allows the developer to **a)** close the gap (which is necessary because development costs outpace revenue based on the price points) and **b)** potentially secure a developer fee of approximately 10% on the project.

Issue

At present, the City controls 94 vacant lots in Mill City. Vacant lots do not provide tax revenue for the City and require regular maintenance. Maintaining a single vacant lot requires the City to spend approximately \$1,404 per year.

Fiscal Impact

As proposed, the Developer seeks \$2,000,000.00 in District 7 General Obligation Bond funding for construction costs. The resulting capital stack is as follows:

Sources			Uses	
Developer Equity	\$ 8,290,047.00	80.6%	Acquisition + construction	\$ 8,290,047.00
City of Dallas D7 GO Bond Funds	\$ 2,000,000.00	19.4%	Unit Construction	\$ 2,000,000.00
	\$ 10,290,047.00			\$ 10,290,047.00

The developer profit for the project is approximately \$983,889 million which represents approximately 10% of the total development costs.

As proposed, the development will generate approximately \$226915.76 in annual property taxes of which \$64,466.77 will be captured as revenue by the City of Dallas. Sale of the Land Transfer lots will result in approximately \$25,000.00 in revenue for the City of Dallas. Lastly, the City of Dallas will save approximately \$35,100.00 in annual maintenance costs for the Land Transfer lots.

DATE September 17, 2020

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Staff Recommendation

- Staff recommends Council approval of the item as detailed herein. Passage of the item will help the City achieve its affordable housing production goals.
- As indicated in the underwriting report, Developer has the experience to successfully complete the proposed project. Staff will continue to work with the Developer to address any outstanding due diligence items prior to entering into any agreements.

Please feel free to contact David Noguera, Director of Housing & Neighborhood Revitalization at 214-670-5988, or David.Noguera@dallascityhall.com if you have any questions or need additional information.



Dr. Eric Johnson

Chief of Economic Development & Neighborhood Services

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Biliera 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
Directors and Assistant Directors



Date: August 3, 2020

To: David Noguera, City of Dallas

Cc: T. Daniel Kalubi, City of Dallas

Re: Good Urban Development- Revised Preliminary Underwriting (all for sale)

From: NDC Underwriter: Corey Leon

EXECUTIVE SUMMARY

In its review of the application materials, NDC has summarized the salient issues below:

1. NDC recommends the City of Dallas provide a recoverable grant to Good Urban Development (GUD) for the for sale single family home project. As the market study calls into question whether more than 36 units could be absorbed in three (3) years, the developer should pay special attention to strategically cluster units next to or within close proximity of each other to maximize marketability. NDC recommends the sale of twenty-five (25) lots for the project at a combined price of \$25,000 from the Mills City neighborhood clusters to GUD possibly in a phased project.
2. The project developer is developing a 50-unit single-family project. A subsidy of \$2M was requested from GO Bonds for the homeownership project.
3. The project proposes to use twenty-five (25) parcels from the City's Land Transfer Program in the Mills City neighborhood and twenty-five (25) parcels acquired from Habitat from Humanity. Acquisitions costs for these parcels are estimated utilizing the developer's proposal of \$1,000 per lot for the 25 lots, not the LTP guidelines and not per a third-party appraisal per the Comprehensive Housing Policy ("CHP").
4. For Pathway 1, the average development subsidy per unit, excluding any discount for parcels, is \$32,208. For Pathway 2, the average development subsidy per unit excluding any discount for parcels is \$40,000 for all 50 units. Either pathway is below CHP maximum thresholds. Though not explicit in the policy when General Obligation funds are applied to new construction, the City's CHP would require that the homes maintain affordability for a ten (10) year period given the subsidy on a per unit basis and that resale provisions would apply.
5. The Applicant's projected development costs appear reasonable (on a basic per square foot basis), yet they are not the result of a competitive bidding process per CHP requirements. The level of plans and specifications supplied to NDC only included basic elevations. City Housing staff have more detailed information and must ensure that all applicable property standards will be met. These standards of construction quality expectations should be incorporated as part of the funding agreement.
6. The Applicant anticipates selling units to households earning between 80-120% of the Area Median Income (AMI).
7. The project is not taking a construction loan. The financing for the project will be funded through approximately \$3.2 million of developer equity plus the \$1.6M - \$2M of City GO Bonds. Sales of the units will return the developer their equity plus an approximately 10% profit.

8. The applicant's assumptions around construction and completion timelines are reasonable. The applicant projects a construction period of eighteen months including a construction period of five months per unit and estimates a sales period of two months.
9. Pathway 1 projects sales prices between \$150,000 and \$242,000 which are above the market comparables of the Market Study provided by the Developer. Pathway 2 projects sales prices between \$140,000 and \$220,000/unit which appear in line with market comparable sales. As-built appraisals should be obtained on each model to further inform the likely unit prices.
10. The City requested all projects include allowances of \$15,000 for an on/off-site infrastructure (particularly water and sewer taps into old infrastructure) for all of the lots and \$11,000 in additional professional fees for project underwriting costs. Prior to a commitment of funds the City should require firm site construction plans that include a determination of on/off-site infrastructure improvements needed.
11. The applicant has demonstrated adequate management and financial capacity to complete the project.
12. Pathway 1 features a lower City subsidy but may require an updated Market Study due to the prices being higher than the current study. Should the City decide to prioritize deeper affordability, the City of Dallas should consider Pathway 2 which grants the Good Urban Development project \$2M but requires lower, and in line with the Market Study, sales prices for the 50 units.

PURPOSE: The City of Dallas has retained NDC to underwrite applications made as part of a Notice of Funding Availability. This final report is delivered as a final check on underwriting and assumptions to projects that have been designated as potential awardees of assistance. The project under review has been assessed for the following: viability and readiness; management's capacity to start and complete the project; the proposed borrower's experience, financial capacity and creditworthiness. Additionally, a project financial analysis has been conducted to assess ensure the development is not overly enriched.

PROJECT REVIEW:

PROJECT SUMMARY – GOOD URBAN DEVELOPMENT: Good Urban Development is a 50-unit scattered site development comprised of 50 single-family homes for sale. The project is being undertaken by Matthews Southwest (MSW), Urban Specialists, Inc. (US) and Renaissance Neighborhood Development Corporation (RNDC) as a team (Developer Team) and owner via a single-purpose Limited Liability Company – Good Urban Development LLC (GUD). The project is in the Mill City neighborhood in Dallas, Texas. The proposed project will include 50 single-family units all of which will be for-sale. The development will serve multiple income bands – providing 80% to 120% AMI for the for-sale units. The proposed project neighbors Fair Park, MLK, and the Hatcher Dart station and is situated in new and emerging urban core. The units will be designed to conform with other houses in the neighborhood with prominent front porches. The For-sale units will require income restrictions per the City CHP of ten years with resale provisions.

	Pathway 1	Pathway 2
Average Sales Price	\$186,896	\$178,517
Net Revenue From Sales	\$8,690,664	\$8,301,047
Developer Profit	\$983,889	\$983,889
Developer Profit per unit	\$19,678	\$19,678
Non-land Subsidy	\$1,610,383	\$2,000,000

Non-land Subsidy per unit	\$32,208	\$40,000
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I. GENERAL CONSIDERATIONS

City funds are requested to subsidize the development of 50 units of for-sale housing comprised of scattered site, single family dwellings on lots transferred by the City or acquired from Habitat. The use of funds is appropriate to support affordable for-sale units. All sales should be income restricted for 10 years per the City's CHP. The targeted neighborhood is one identified by the City for development under the NOFA.

II. PROJECT FEASIBILITY AND READINESS

- a. Market Study: Meyers Research and MetroStudy completed an Assessment of Market Opportunity in October of 2019 that shows yearly demand of for sale homes between 18 and 36 units. The market study suggests that units between 1,200 and 1,500 square feet (sf) should be offered. This project does include 8 units that are at 1,200 sf however 32 units are at 1,600 sf and 10 units at 2,000 sf. Input from local stakeholders indicated more demand for larger units. Approximately 26% of the new construction housing built between 2015 and 2019 were 1,600 sf or larger. The average selling price for new construction homes ranges from \$112 per square foot (psf) to \$119 psf. The prices in Pathway 1 are above this average except for fourteen (14) 1,600 sf units priced below average. The prices in Pathway 2 are all within or below the market study price range.

	Pathway 1		Pathway 2	
Average Sales Price	\$186,896	PSF	\$178,517	PSF
1200 SF	150,000	125	140,000	117
1600 SF	193,600	121	180,000	113
1600 SF (Deeper Targeting)	160,000	100	168,990	106
2000 SF	242,000	121	220,000	110

- b. Appraisal: No appraisal was submitted. In order to ensure the City is subsidizing units of fair market value as proposed by the developer, the City must require as-built appraisals.
- c. Entitlements and permits: Zoning information was not reviewed. Single family dwellings on infill lots is likely a conforming use in most residential neighborhoods.
- d. Site Control: GUD has control of 25 lots acquired from Habitat, it is requesting an additional 25 lots from the City at a subsidized sales price of \$1,000/lot. There has not been a recent appraisal to determine the fair market value of the lots.
- e. Dallas Policy Compliance: Increased home ownership are goals of the City's housing policy. This project would provide 50 new single-family homes for sale.

DEVELOPMENT TEAM

- a. Experience and Management Capacity – The owner is comprised of three entities which make up the members of Good Urban Development, LLC. The entities include the following Matthews Southwest (MSW), Urban Specialists, Inc. (US) and Renaissance Neighborhood Development Corporation (RNDC) as a team (Developer Team) and owner via a single-purpose Limited Liability Company – Good Urban Development LLC (GUD).
- b. MSW is a full-service, private, for-profit, real-estate development company headquartered in Lewisville, TX with offices in Dallas and Canada. MSW has acquired, built and managed development of hotel, office, mixed use, retail and residential and industrial developments. MSW will be the lead developer with overall responsibility for concept, financing, approvals and completion. Jack Matthews, President and founding partner of MSW (1982) will be project lead. Kristian Teleki, SVP for MSW, has 28 years of experience in land development and is a registered engineer. His projects include 1,500-acre master-planned residential development in The Colony. MSW most relevant experience to the proposed project is Acres Homes, a 50-unit single family development in Houston which is under construction. MSW has also been involved in larger multi-family projects financed with LIHTC including: The Belleview in Dallas, a 164-unit, mixed use development financed primarily with LIHTC equity and Hutchins Gateway, a 336-unit multifamily development in Hutchins, Texas financed with LIHTC and Tax-exempt bonds.

US is a Texas nonprofit organization working to eliminate violence in South Dallas; US is led by Bishop Omar Jahwar. It is unclear what this organization's role will be in the project.

RNDC, a 501(c)(3) nonprofit corporation formed in 2006, is a partnership between Volunteers of America of Southwest Louisiana and Volunteers of America National Services. It will focus on coordination with local officials, funders, stakeholders and development team members. RNDC is led by Victor Smeltz, its Executive Director. Since 2006, Smeltz has led the development of over 1000 units of mixed-income housing with total financing of more than \$100M. Smeltz is also a registered architect. RNDC's most relevant experience to the proposed project: RNDC developed and manages 25 single family lease-purchase homes in Covington, Louisiana. The units were placed in service in 2017 and financed through the LIHTC program.

MSW and RNDC is experienced with the type of project proposed and should be the controlling entities.

- c. Borrower Financial Capacity

GUD provided an internally prepared financial statement for 2018 with assets of \$288K, and liabilities of \$294K and negative net worth of (\$6K) due primarily to accrued property taxes.

MSW provided internally prepared financial statements for 2018 and 2019 and its 2017 tax return. As of YE 2019, MSW had assets of \$103M (including \$6.9M in cash), liabilities of \$70M and net worth of \$33M. Revenues for 2019 were \$31.3M (\$9.2M from lot sales and \$3.4M from rentals), expenses \$21.3M with net income of \$11M after taxes. The statement indicates assets are understated (likely at cost) and if valued at FMV, MSW's net worth would increase by \$40.4M; however, this increase would only be realized at the sale of the assets.

RNDC provided audited financial statements for the years 2017 and 2018 and Form 990 for both years. RNDC's 2018 financial statement shows assets of \$110M (including cash of \$2.6M), liabilities of \$74M, and net assets of \$36M. Revenues for 2018 were \$8.9M, expenses of \$9.2M with changes in net assets from general and limited partnerships of \$6.2M and net change in net assets of \$5.9M

US provided an audited financial statement for 2018, showing assets of \$134K (including \$50K in cash), liabilities of \$99K, and net assets of \$35K. Revenues and expenses for 2018 were \$2.8M and \$2.8M with a slight increase in net assets of \$42K.

III. PROJECT FINANCIAL ANALYSIS

- a. Financial resources committed (For-sale): The applicant intends to use developer resources (equity) for the project and has the required cash estimated at \$3,235,349 for Pathway 1 or \$3,062,186 for Pathway 2 to undertake the project.
- b. Development Budget (For-sale): total development costs are estimated at \$10,301,047 including a developer fee of \$983,889 (\$19,678/unit, 9.6% of total development cost). As a percentage of total development costs, the fee is 10% and is below the 15% maximum established by City policy. Hard construction costs are estimated at:

	Cost psf	Cost per unit	Infrastructure	Soft Costs
1200 sf	\$90.52	\$108,629	\$15,000	\$50,918
1600 sf	\$85.00	\$136,008	\$15,000	\$50,918
2000 sf	\$81.69	\$163,387	\$15,000	\$50,918

The budget appears reasonable if not conservative given only three floor plans are anticipated, one of which is much smaller units. Higher costs, a lower sales price or lack for affordability could adversely impact the feasibility of the project. However, the applicant is experienced in the industry. The threshold for committing federal funds would require that the project have complete construction drawings and construction bids to inform the development budget. Given that the City is not utilizing federal funds, the City should utilize similar practices to 1) ensure the project costs are firm 2) the construction & design standards are known and met 3) the developer obtains as-built appraisals to determine the fair market value of the units 4) incorporate the construction specifications and standards as contract exhibits.

c. Source and Uses (For-Sale):

SOURCES OF FUNDS	PATHWAY 1		PATHWAY 2	
	AMOUNT	PER UNIT	AMOUNT	PER UNIT
SALES REVENUE	\$9,344,800	\$186,896	\$8,925,857	\$178,517
COST OF SALES	(\$654,136)	(13,083)	(624,810)	(12,496)
NET REVENUE	8,690,664	173,813	8,301,047	166,020
USES OF FUNDS	AMOUNT		AMOUNT	
	AMOUNT	PER UNIT	AMOUNT	PER UNIT
LAND	150,000	3,000	150,000	3,000
SITE PLANNING/ SITE WORK	172,425	3,449	172,425	3,449
INFRASTRUCTURE	750,000	15,000	750,000	15,000
CONSTRUCTION	6,855,148	137,103	6,855,148	137,103
CONSTRUCTION INTEREST	0	0	0	0
DEVELOPER FEE	983,889	19,678	983,889	19,678
OTHER SOFT COSTS	1,389,585	27,792	1,389,585	27,792
TOTAL	10,301,047	206,021	10,301,047	206,021
PROFIT/(LOSS)	(1,610,383)	32,208	(2,000,000)	40,000

- d. No homebuyer analysis was provided by the developer. The developer is targeting families at 80%-120% of AMI for the For-sale units. The underwriter has analyzed the low end of affordability using a 4-person household at 80% AMI with an annual income of \$66,480. At this income a family could qualify for a loan of up to ~\$234,500 with a front-end and back-end ratio maximums of 30% and 43% per the limits prescribed by the City's Homebuyer Assistance Programs as detailed in the CHP. However, loan amounts will be limited by the appraised value of the houses and actual lender requirements. The typical mortgage originator's Loan to Value ("LTV") and ratio thresholds will limit this loan to around \$180,500, which is in the range of all but the largest (2,000 sf) units. A down payment of \$9,500 plus closing costs of ~\$5,400 would be needed from the homebuyer.
- e. Financial resources committed: The developer has committed to finance all of the project costs with equity. As stated above, based on the provided financials the owners of GUD should have access to this amount of cash.

V. RECOMMENDATION AND LIMITING CONDITIONS:

As discussed above, the City needs to obtain complete construction drawings and construction bids to inform the development budget. The City should 1) ensure the project costs are firm through bidding, 2) the construction & design standards are known and met making sure the houses will fit into the character of the neighborhood, 3) obtain as-built appraisals to determine the fair market value of the units, and 4) incorporate the construction specifications and standards as contract exhibits. Rather than funding via an up-front grant, risk can be mitigated by funding actual expenses as evidenced by receipts and inspections. The subsidy is largely consistent with the City's published underwriting standards and structured within market norms. The project is likely to be viable if awarded gap funding by the City. The project could likely commence in the late summer/early fall of 2020.

	Pathway 1	Pathway 2
Average Sales Price	\$186,896	\$178,517
Comment	Slightly above Market Study	Within Market Study averages
Developer Profit	\$983,889	\$983,889
Comment	Within guidelines	Within guidelines
Non-land Subsidy	\$1,610,383	\$2,000,000
Comment	\$32,208 per unit is within guidelines	\$40,000 per unit is within guidelines
Prioritization	Reducing Public Subsidy	Reducing Sales Prices
Comment	Prices are slightly above averages cited in Market Study. Project is targeting more units (50) than Market Study suggests (18-36). Unit sizes (up to 2000 sf) are larger than Market Study suggests (1500 sf or smaller). Pathway 1 may be too aggressive.	Prices are within averages cited in Market Study. Project is targeting more units (50) than Market Study suggests (18-36). Unit sizes (up to 2000 sf) are larger than Market Study suggests (1500 sf or smaller). The lower prices may make Pathway 2 more feasible.

The project will provide 50 units of for-sale housing.

Project risks include the following considerations:

- At the time of this underwriting report, environmental reports were not available for the City parcels. It is possible that an environmental review would uncover some condition that would make one or more lots unavailable for development.
- It is unknown if any on-site improvements are necessary for these infill lots.
- The condition of water and sewer lines and the ability to tap into these lines is unknown requiring an infrastructure allowance.
- Zoning, set-backs, easements, etc. is unknown.
- The construction costs were not based upon a competitive bidding process per City requirements. However, the Applicant provided a third-party estimate of construction costs that generally aligned with the Applicant's cost estimates.

EXHIBITS (FOR EACH PATHWAY):

- Detailed Development and Sales Budget
- Monthly Cash Flow
- Profit & Loss analysis

Pathway 1

(higher prices, less public subsidy)

SINGLE-FAMILY HOUSING DEVELOPMENT
Development Budget

Project:

GUD Pathway 1

Key

White spaces indicate data entry

DEVELOPMENT BUDGET

ITEM	Cost	% Total	Inflation Factor	
ACQUISITION			0.045	
Building Acquisition	0	0%		
Land Acquisition	150,000	1%		
UNIT CONSTRUCTION (see below)	6,855,148	67%		
OTHER CONSTRUCTION				
Landscaping	0	0%	0	
Permits	104,500	1%		
Clearance and Demolition		0%		
Utility Connections & Tap Fees	261,250	3%		
Contingency	479,860	5%		
INFRASTRUCTURE				
Streets and Sidewalks	0	0%	Cost	Lots
Water and Sewer	750,000	7%	15000	50
Stormwater & Drainage	0	0%		
Impact Fees	0	0%		
PROFESSIONAL FEES				
Site Planning	172,425	2%		
Architecture & Engineering	0	0%		
Inspections	7,838	0%		
Consultant	31,350	0%		
Survey	78,375	1%		
Market Study	0	0%		
Environmental	305,663	3%	6113.25	
Organization Expense	0	0%		
FINANCE COSTS				
Construction Loan Interest	0	0%		
Construction Origination	0	0%		
Appraisal	0	0%		
Construction Insurance	109,750	1%		
Property Taxes	0	0%		
SOFT COSTS				
Marketing	0	0%		
Other	11,000	0%	NDC Fee (charge as Program Delivery Expense?)	
DEVELOPER FEE	983,889	10%		
TOTAL DEVELOPMENT COST	10,301,047			

Construction/Rehab. Costs

Model Number	Sq. Ft.	Cost/Sq. Ft.	Unit Cost	# Units	Total	Sales Price	40000 After DPA	After DPA Price/SF	After DPA Price/SF
1	1,200	90.523996	108,629	8	869,030	150,000	110000	125	91.66667
2	1,600	85.004872	136,008	18	2,448,140	193,600	153600	121	96
3	2,000	81.693398	163,387	10	1,633,868	242,000	202000	121	101
4	1,600	85.004872	136,008	14	1,904,109	160,000	120000	100	75
5			0	0	0				
6			0	0	0			Avg	112
7			0	0	0			2019 Avg	119
Average			137,103	50	6,855,148	186,896			

Market Study
indicates demand for

SINGLE FAMILY HOUSING DEVELOPMENT

Cash Flow Analysis

% Debt % City Grant %Equity

Key

White spaces indicate data entry

MONTH			1	2	3	4	5	6	7	8	9	10	11	12
1 # Housing Starts	50		10	0	0	10	0	0	10	0	0	10	0	0
2 Project Expenses	Budget	Cumulative Expenditure												
Property Acquisition	\$150,000	\$150,000	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unit Construction	\$6,855,148	\$6,855,148	\$274,206	\$274,206	\$274,206	\$548,412	\$548,412	\$274,206	\$548,412	\$548,412	\$274,206	\$548,412	\$548,412	\$274,206
Other Construction	\$845,610	\$845,610	\$365,750	\$0	\$95,972	\$0	\$0	\$95,972	\$0	\$0	\$95,972	\$0	\$0	\$95,972
Infrastructure	\$750,000	\$750,000	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Professional Fees	\$595,650	\$595,650	\$595,650	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Construction Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Finance Costs	\$109,750	\$109,750	\$109,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Soft Costs	\$11,000	\$11,000	\$11,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Monthly Expenses	\$9,317,158	\$9,317,158	\$2,256,356	\$274,206	\$370,178	\$548,412	\$548,412	\$370,178	\$548,412	\$548,412	\$370,178	\$548,412	\$548,412	\$370,178
2a Cumulative Project Expenses			\$2,256,356	\$2,530,562	\$2,900,740	\$3,449,152	\$3,997,563	\$4,367,741	\$4,916,153	\$5,464,565	\$5,834,743	\$6,383,155	\$6,931,567	\$7,301,745
3 Number of New Constr. Sales			0	0	0	0	0	0	10	0	0	10	0	0
4 Project Revenue														
Sales			\$0	\$0	\$0	\$0	\$0	\$0	\$1,868,960	\$0	\$0	\$1,868,960	\$0	\$0
- Cost of Sale			\$0	\$0	\$0	\$0	\$0	\$0	\$130,827	\$0	\$0	\$130,827	\$0	\$0
= Net Monthly Revenue			\$0	\$0	\$0	\$0	\$0	\$0	\$1,738,133	\$0	\$0	\$1,738,133	\$0	\$0
5 Cash Flow														
Net Monthly Revenue (4)			\$0	\$0	\$0	\$0	\$0	\$0	\$1,738,133	\$0	\$0	\$1,738,133	\$0	\$0
- Total Monthly Expenses (2)			\$2,256,356	\$274,206	\$370,178	\$548,412	\$548,412	\$370,178	\$548,412	\$548,412	\$370,178	\$548,412	\$548,412	\$370,178
= Monthly Cash Flow (+ go to 6, - go to 7)			(\$2,256,356)	(\$274,206)	(\$370,178)	(\$548,412)	(\$548,412)	(\$370,178)	\$1,189,721	(\$548,412)	(\$370,178)	\$1,189,721	(\$548,412)	(\$370,178)
6 Uses of Cash Flow (CF)														
6a Debt Repayment			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6b + Equity Repayment			\$0	\$0	\$0	\$0	\$0	\$0	\$1,189,721	\$0	\$0	\$1,189,721	\$0	\$0
= Total Uses of Monthly CF			\$0	\$0	\$0	\$0	\$0	\$0	\$1,189,721	\$0	\$0	\$1,189,721	\$0	\$0
7 Sources of Investment														
7a Debt			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7a + Owner Equity		Total	\$1,458,557	\$226,407	\$322,379	\$452,814	\$452,814	\$322,379	\$0	\$452,814	\$322,379	\$0	\$452,814	\$322,379
7a + City Grant		\$ 1,610,383	\$797,799	\$47,799	\$47,799	\$95,598	\$95,598	\$47,799	\$0	\$95,598	\$47,799	\$0	\$95,598	\$47,799
= Total Sources of Monthly Investment			\$2,256,356	\$274,206	\$370,178	\$548,412	\$548,412	\$370,178	\$0	\$548,412	\$370,178	\$0	\$548,412	\$370,178
INVESTMENT SUMMARY														
Outstanding Debt														
Previous Month's Outstanding Debt			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- CF for Debt Repayment (#6a)			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
+ This Month's Debt Invested (#7a)		Highest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
= OUTSTANDING DEBT		\$ -	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equity Invested														
Previous Month's Outstanding Equity			\$0	\$1,458,557	\$1,684,964	\$2,007,343	\$2,460,156	\$2,912,970	\$3,235,349	\$2,045,628	\$2,498,442	\$2,820,821	\$1,631,100	\$2,083,913
- CF for Equity Repayment (#6b)			\$0	\$0	\$0	\$0	\$0	\$0	(\$1,189,721)	\$0	\$0	(\$1,189,721)	\$0	\$0
+ This Month's Equity Invested (#7b)		Highest	\$1,458,557	\$226,407	\$322,379	\$452,814	\$452,814	\$322,379	\$0	\$452,814	\$322,379	\$0	\$452,814	\$322,379
= EQUITY INVESTED		\$ 3,235,349	\$1,458,557	\$1,684,964	\$2,007,343	\$2,460,156	\$2,912,970	\$3,235,349	\$2,045,628	\$2,498,442	\$2,820,821	\$1,631,100	\$2,083,913	\$2,406,292
Project Cash Balance														
Cumulative Project Revenue (#4)			\$0	\$0	\$0	\$0	\$0	\$0	\$1,738,133	\$1,738,133	\$1,738,133	\$3,476,266	\$3,476,266	\$3,476,266
- Cumulative Expenses			\$2,256,356	\$2,530,562	\$2,900,740	\$3,449,152	\$3,997,563	\$4,367,741	\$4,916,153	\$5,464,565	\$5,834,743	\$6,383,155	\$6,931,567	\$7,301,745
+ Cumulative Grants Invested			\$797,799	\$845,598	\$893,397	\$988,995	\$1,084,593	\$1,132,393	\$1,132,393	\$1,227,991	\$1,275,790	\$1,275,790	\$1,371,388	\$1,419,187
= CASH BALANCE			(\$1,458,557)	(\$1,684,964)	(\$2,007,343)	(\$2,460,156)	(\$2,912,970)	(\$3,235,349)	(\$2,045,628)	(\$2,498,442)	(\$2,820,821)	(\$1,631,100)	(\$2,083,913)	(\$2,406,292)

13	14	15	16	17	18	19
10	0	0	0	0	0	0
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$548,412	\$548,412	\$274,206	\$274,206	\$274,206	\$0	\$0
\$0	\$0	\$95,972	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$548,412	\$548,412	\$370,178	\$274,206	\$274,206	\$0	\$0
\$7,850,156	\$8,398,568	\$8,768,746	\$9,042,952	\$9,317,158	\$9,317,158	\$9,317,158
10	0	0	10	0	0	10
\$1,868,960	\$0	\$0	\$1,868,960	\$0	\$0	\$1,868,960
\$130,827	\$0	\$0	\$130,827	\$0	\$0	\$130,827
\$1,738,133	\$0	\$0	\$1,738,133	\$0	\$0	\$1,738,133
\$1,738,133	\$0	\$0	\$1,738,133	\$0	\$0	\$1,738,133
\$548,412	\$548,412	\$370,178	\$274,206	\$274,206	\$0	\$0
\$1,189,721	(\$548,412)	(\$370,178)	\$1,463,927	(\$274,206)	\$0	\$1,738,133
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$1,189,721	\$0	\$0	\$1,463,927	\$0	\$0	\$754,244
\$1,189,721	\$0	\$0	\$1,463,927	\$0	\$0	\$754,244
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$452,814	\$322,379	\$0	\$226,407	\$0	\$0
\$0	\$95,598	\$47,799	\$0	\$47,799	\$0	\$0
\$0	\$548,412	\$370,178	\$0	\$274,206	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$2,406,292	\$1,216,571	\$1,669,385	\$1,991,764	\$527,837	\$754,244	\$754,244
(\$1,189,721)	\$0	\$0	(\$1,463,927)	\$0	\$0	(\$754,244)
\$0	\$452,814	\$322,379	\$0	\$226,407	\$0	\$0
\$1,216,571	\$1,669,385	\$1,991,764	\$527,837	\$754,244	\$754,244	\$0
\$5,214,398	\$5,214,398	\$5,214,398	\$6,952,531	\$6,952,531	\$6,952,531	\$8,690,664
\$7,850,156	\$8,398,568	\$8,768,746	\$9,042,952	\$9,317,158	\$9,317,158	\$9,317,158
\$1,419,187	\$1,514,785	\$1,562,584	\$1,562,584	\$1,610,383	\$1,610,383	\$1,610,383
(\$1,216,571)	(\$1,669,385)	(\$1,991,764)	(\$527,837)	(\$754,244)	(\$754,244)	\$983,889

PROFIT AND LOSS STATEMENT

Project:

GUD Pathway 1

Key

White spaces indicate data entry

REVENUE

	# Units	Price	Total
Sale of Housing Units	8	\$ 150,000	\$ 1,200,000
Sale of Housing Units	18	\$ 193,600	\$ 3,484,800
Sale of Housing Units	10	\$ 242,000	\$ 2,420,000
Sale of Housing Units	14	\$ 160,000	\$ 2,240,000
Sale of Housing Units	0	\$ -	\$ -
Sale of Housing Units	0	\$ -	\$ -
Sale of Housing Units	0	\$ -	\$ -
Total	50	\$ 186,896	\$ 9,344,800
<u>Less Selling Costs</u>	7%	<u>Percent</u>	\$ 654,136
TOTAL REVENUE			\$ 8,690,664

COSTS

Property Acquisition	\$ 150,000
Unit Construction	\$ 6,855,148
Other Construction	\$ 845,610
Infrastructure	\$ 750,000
Professional Fees	\$ 595,650
Finance Costs	\$ 109,750
Soft Costs	\$ 11,000
Developer Fee	\$ 983,889
TOTAL	\$ 10,301,047

TOTAL REVENUE	\$ 8,690,664
+ TOTAL GRANTS	\$ 1,610,383
- TOTAL COSTS	\$ (10,301,047)
= PROFIT (LOSS)	\$ -

PROJECTED PROFIT	0%	Percent	\$ -
- ACTUAL PROFIT			\$ -
= DEVELOPERS SUBSIDY			\$ -

Pathway 2

(lower prices, more public subsidy)

SINGLE-FAMILY HOUSING DEVELOPMENT
Development Budget

Project:

GUD Pathway 2

Key

White spaces indicate data entry

DEVELOPMENT BUDGET

ITEM	Cost	% Total
ACQUISITION		
Building Acquisition	0	0%
Land Acquisition	150,000	1%
UNIT CONSTRUCTION (see below)	6,855,148	67%
OTHER CONSTRUCTION		
Landscaping	0	0%
Permits	104,500	1%
Clearance and Demolition		0%
Utility Connections & Tap Fees	261,250	3%
Contingency	479,860	5%
INFRASTRUCTURE		
Streets and Sidewalks	0	0%
Water and Sewer	750,000	7%
Stormwater & Drainage	0	0%
Impact Fees	0	0%
PROFESSIONAL FEES		
Site Planning	172,425	2%
Architecture & Engineering	0	0%
Inspections	7,838	0%
Consultant	31,350	0%
Survey	78,375	1%
Market Study	0	0%
Environmental	305,663	3%
Organization Expense	0	0%
FINANCE COSTS		
Construction Loan Interest	0	0%
Construction Origination	0	0%
Appraisal	0	0%
Construction Insurance	109,750	1%
Property Taxes	0	0%
SOFT COSTS		
Marketing	0	0%
Other	11,000	0%
DEVELOPER FEE	983,889	10%
TOTAL DEVELOPMENT COST	10,301,047	

Inflation Factor
0.045

0

Cost Lots
15000 50

6113.25

NDC Fee (charge as Program Delivery Expense?)

2545899 50917.988

Construction/Rehab. Costs

Model Number	Sq. Ft.	Cost/Sq. Ft.	Unit Cost	# Units	Total	Sales Price	40000 After DPA	After DPA Price/SF	After DPA Price/SF
1	1,200	90.523996	108,629	8	869,030	140,000	100000	116.6667	83.33333
2	1,600	85.004872	136,008	18	2,448,140	180,000	140000	112.5	87.5
3	2,000	81.693398	163,387	10	1,633,868	220,000	180000	110	90
4	1,600	85.004872	136,008	14	1,904,109	168,990	128990	105.6186	80.61862
5			0	0	0				
6			0	0	0			Avg	112
7			0	0	0			2019 Avg	119
Average			137,103	50	6,855,148	178,517			

Market Study
indicates demand for
only 36 units per year

SINGLE FAMILY HOUSING DEVELOPMENT

Cash Flow Analysis

% Debt % City Grant %Equity

White s

Construction cost	Project #s	Acquisition	0%	0%	100%						
Sales price	\$137,103	Unit Construction	0%	25%	75%						
Sales expense	\$178,517	Other Construction	0%	0%	100%						
Construction interest rate	7.00%	Infrastructure	0%	100%	0%						
Months to construct	0.00%	Professional Fees	0%	0%	100%						
Months to sell	5	Construction Interest	0%	0%	100%						
	2	Other Finance Costs	0%	0%	100%						
		Soft Costs	0%	0%	100%						
MONTH		1	2	3	4	5	6	7	8	9	
1 # Housing Starts	50	10	0	0	10	0	0	10	0	0	
2 Project Expenses	Budget	Cumulative Expenditure									
Property Acquisition	\$150,000	\$150,000	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Unit Construction	\$6,855,148	\$6,855,148	\$274,206	\$274,206	\$274,206	\$548,412	\$548,412	\$274,206	\$548,412	\$548,412	\$274,206
Other Construction	\$845,610	\$845,610	\$365,750	\$0	\$95,972	\$0	\$0	\$95,972	\$0	\$0	\$95,972
Infrastructure	\$750,000	\$750,000	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Professional Fees	\$595,650	\$595,650	\$595,650	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Construction Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Finance Costs	\$109,750	\$109,750	\$109,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Soft Costs	\$11,000	\$11,000	\$11,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Monthly Expenses	\$9,317,158	\$9,317,158	\$2,256,356	\$274,206	\$370,178	\$548,412	\$548,412	\$370,178	\$548,412	\$548,412	\$370,178
2a Cumulative Project Expenses			\$2,256,356	\$2,530,562	\$2,900,740	\$3,449,152	\$3,997,563	\$4,367,741	\$4,916,153	\$5,464,565	\$5,834,743
3 Number of New Constr. Sales			0	0	0	0	0	0	10	0	0
4 Project Revenue											
Sales			\$0	\$0	\$0	\$0	\$0	\$0	\$1,785,171	\$0	\$0
- Cost of Sale			\$0	\$0	\$0	\$0	\$0	\$0	\$124,962	\$0	\$0
= Net Monthly Revenue			\$0	\$0	\$0	\$0	\$0	\$0	\$1,660,209	\$0	\$0
5 Cash Flow											
Net Monthly Revenue (4)			\$0	\$0	\$0	\$0	\$0	\$0	\$1,660,209	\$0	\$0
- Total Monthly Expenses (2)			\$2,256,356	\$274,206	\$370,178	\$548,412	\$548,412	\$370,178	\$548,412	\$548,412	\$370,178
= Monthly Cash Flow (+ go to 6, - go to 7)			(\$2,256,356)	(\$274,206)	(\$370,178)	(\$548,412)	(\$548,412)	(\$370,178)	\$1,111,798	(\$548,412)	(\$370,178)
6 Uses of Cash Flow (CF)											
6a Debt Repayment			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6b + Equity Repayment			\$0	\$0	\$0	\$0	\$0	\$0	\$1,111,798	\$0	\$0
= Total Uses of Monthly CF			\$0	\$0	\$0	\$0	\$0	\$0	\$1,111,798	\$0	\$0
7 Sources of Investment											
7a Debt			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7a + Owner Equity		Total	\$1,436,911	\$204,761	\$300,734	\$409,523	\$409,523	\$300,734	\$0	\$409,523	\$300,734
7a + City Grant		\$ 2,000,000	\$819,444	\$69,444	\$69,444	\$138,889	\$138,889	\$69,444	\$0	\$138,889	\$69,444
= Total Sources of Monthly Investment			\$2,256,356	\$274,206	\$370,178	\$548,412	\$548,412	\$370,178	\$0	\$548,412	\$370,178
INVESTMENT SUMMARY											
Outstanding Debt											
Previous Month's Outstanding Debt			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- CF for Debt Repayment (#6a)			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
+ This Month's Debt Invested (#7a)		Highest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
= OUTSTANDING DEBT		\$ -	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equity Invested											
Previous Month's Outstanding Equity			\$0	\$1,436,911	\$1,641,673	\$1,942,407	\$2,351,929	\$2,761,452	\$3,062,186	\$1,950,388	\$2,359,911
- CF for Equity Repayment (#6b)			\$0	\$0	\$0	\$0	\$0	\$0	(\$1,111,798)	\$0	\$0
+ This Month's Equity Invested (#7b)		Highest	\$1,436,911	\$204,761	\$300,734	\$409,523	\$409,523	\$300,734	\$0	\$409,523	\$300,734
= EQUITY INVESTED		\$ 3,062,186	\$1,436,911	\$1,641,673	\$1,942,407	\$2,351,929	\$2,761,452	\$3,062,186	\$1,950,388	\$2,359,911	\$2,660,645
Project Cash Balance											
Cumulative Project Revenue (#4)			\$0	\$0	\$0	\$0	\$0	\$0	\$1,660,209	\$1,660,209	\$1,660,209
- Cumulative Expenses			\$2,256,356	\$2,530,562	\$2,900,740	\$3,449,152	\$3,997,563	\$4,367,741	\$4,916,153	\$5,464,565	\$5,834,743
+ Cumulative Grants Invested			\$819,444	\$888,889	\$958,333	\$1,097,222	\$1,236,111	\$1,305,555	\$1,305,555	\$1,444,444	\$1,513,889
= CASH BALANCE			(\$1,436,911)	(\$1,641,673)	(\$1,942,407)	(\$2,351,929)	(\$2,761,452)	(\$3,062,186)	(\$1,950,388)	(\$2,359,911)	(\$2,660,645)

Key
paces indicate data entry

10	11	12	13	14	15	16	17	18	19
10	0	0	10	0	0	0	0	0	0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$548,412	\$548,412	\$274,206	\$548,412	\$548,412	\$274,206	\$274,206	\$274,206	\$0	\$0
\$0	\$0	\$95,972	\$0	\$0	\$95,972	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$548,412	\$548,412	\$370,178	\$548,412	\$548,412	\$370,178	\$274,206	\$274,206	\$0	\$0
\$6,383,155	\$6,931,567	\$7,301,745	\$7,850,156	\$8,398,568	\$8,768,746	\$9,042,952	\$9,317,158	\$9,317,158	\$9,317,158
10	0	0	10	0	0	10	0	0	10
\$1,785,171	\$0	\$0	\$1,785,171	\$0	\$0	\$1,785,171	\$0	\$0	\$1,785,171
\$124,962	\$0	\$0	\$124,962	\$0	\$0	\$124,962	\$0	\$0	\$124,962
\$1,660,209	\$0	\$0	\$1,660,209	\$0	\$0	\$1,660,209	\$0	\$0	\$1,660,209
\$1,660,209	\$0	\$0	\$1,660,209	\$0	\$0	\$1,660,209	\$0	\$0	\$1,660,209
\$548,412	\$548,412	\$370,178	\$548,412	\$548,412	\$370,178	\$274,206	\$274,206	\$0	\$0
\$1,111,798	(\$548,412)	(\$370,178)	\$1,111,798	(\$548,412)	(\$370,178)	\$1,386,004	(\$274,206)	\$0	\$1,660,209
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$1,111,798	\$0	\$0	\$1,111,798	\$0	\$0	\$1,386,004	\$0	\$0	\$676,321
\$1,111,798	\$0	\$0	\$1,111,798	\$0	\$0	\$1,386,004	\$0	\$0	\$676,321
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$409,523	\$300,734	\$0	\$409,523	\$300,734	\$0	\$204,761	\$0	\$0
\$0	\$138,889	\$69,444	\$0	\$138,889	\$69,444	\$0	\$69,444	\$0	\$0
\$0	\$548,412	\$370,178	\$0	\$548,412	\$370,178	\$0	\$274,206	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$2,660,645	\$1,548,847	\$1,958,370	\$2,259,104	\$1,147,306	\$1,556,829	\$1,857,563	\$471,559	\$676,321	\$676,321
(\$1,111,798)	\$0	\$0	(\$1,111,798)	\$0	\$0	(\$1,386,004)	\$0	\$0	(\$676,321)
\$0	\$409,523	\$300,734	\$0	\$409,523	\$300,734	\$0	\$204,761	\$0	\$0
\$1,548,847	\$1,958,370	\$2,259,104	\$1,147,306	\$1,556,829	\$1,857,563	\$471,559	\$676,321	\$676,321	\$0
\$3,320,419	\$3,320,419	\$3,320,419	\$4,980,628	\$4,980,628	\$4,980,628	\$6,640,838	\$6,640,838	\$6,640,838	\$8,301,047
\$6,383,155	\$6,931,567	\$7,301,745	\$7,850,156	\$8,398,568	\$8,768,746	\$9,042,952	\$9,317,158	\$9,317,158	\$9,317,158
\$1,513,889	\$1,652,778	\$1,722,222	\$1,722,222	\$1,861,111	\$1,930,555	\$1,930,555	\$2,000,000	\$2,000,000	\$2,000,000
(\$1,548,847)	(\$1,958,370)	(\$2,259,104)	(\$1,147,306)	(\$1,556,829)	(\$1,857,563)	(\$471,559)	(\$676,321)	(\$676,321)	\$983,889

PROFIT AND LOSS STATEMENT

Project:

GUD Pathway 2

Key

White spaces indicate data entry

REVENUE

Sale of Housing Units
Sale of Housing Units
Sale of Housing Units
Sale of Housing Units
Sale of Housing Units
Sale of Housing Units
Sale of Housing Units
Total
Less Selling Costs
TOTAL REVENUE

# Units	Price	Total
8	\$ 140,000	\$ 1,120,000
18	\$ 180,000	\$ 3,240,000
10	\$ 220,000	\$ 2,200,000
14	\$ 168,990	\$ 2,365,857
0	\$ -	\$ -
0	\$ -	\$ -
0	\$ -	\$ -
50	\$ 178,517	\$ 8,925,857
7%	<u>Percent</u>	\$ 624,810
		\$ 8,301,047

COSTS

Property Acquisition
Unit Construction
Other Construction
Infrastructure
Professional Fees
Finance Costs
Soft Costs
Developer Fee
TOTAL

\$ 150,000
\$ 6,855,148
\$ 845,610
\$ 750,000
\$ 595,650
\$ 109,750
\$ 11,000
\$ 983,889
\$ 10,301,047

TOTAL REVENUE
+ TOTAL GRANTS
- TOTAL COSTS
= PROFIT (LOSS)

\$ 8,301,047
\$ 2,000,000
\$ (10,301,047)
\$ (0)

PROJECTED PROFIT Percent
- ACTUAL PROFIT
= DEVELOPERS SUBSIDY

\$ -
\$ (0)
\$ 0