

MINUTES OF THE CITY COUNCIL COMMITTEE  
TUESDAY, MARCH 21, 2023

23-0014

HOUSING AND HOMELESSNESS SOLUTIONS  
CITY COUNCIL CHAMBER, CITY HALL/VIDEO CONFERENCE  
COUNCILMEMBER JESSE MORENO, PRESIDING

PRESENT: [7] Moreno, \*Thomas, Arnold (\*\*10:13 a.m.), \*Blackmon, Mendelsohn  
(\*\*9:27 a.m.), Schultz, Ridley

ABSENT: [0]

The meeting was called to order at 9:06 a.m. with a quorum of the committee present.

The meeting agenda, posted in accordance with Chapter 551, "OPEN MEETINGS," of the Texas Government Code, was presented.

After all business properly brought before the committee had been considered, the meeting adjourned at 11:26 a.m.

\_\_\_\_\_  
Presiding Officer

ATTEST:

\_\_\_\_\_  
City Secretary Staff

\_\_\_\_\_  
Date Approved

The agenda is attached to the minutes of this meeting as EXHIBIT A.

The actions taken on each matter considered by the committee are attached to the minutes of this meeting as EXHIBIT B.

The briefing materials are attached to the minutes of this meeting as EXHIBIT C.

**\*Note: Members of the Committee participated in this meeting by video conference.**

**\*\* Note: Indicates arrival time after meeting called to order/reconvened.**

MINUTES OF THE CITY COUNCIL COMMITTEE  
TUESDAY, MARCH 21, 2023

EXHIBIT A

**RECEIVED**

**2023 MAR 16 PM 7:43**

**CITY SECRETARY  
DALLAS, TEXAS**

**City of Dallas**

*1500 Marilla Street,  
Council Chambers, 6th Floor  
Dallas, Texas 75201*

**Public Notice**

**2 3 0 2 6 1**

**POSTED** CITY SECRETARY  
DALLAS, TX



**Housing & Homelessness Solutions Committee**

**March 21, 2023**

**9:00 AM**

## 2022 CITY COUNCIL APPOINTMENTS

<b>COUNCIL COMMITTEE</b>	
<b>ECONOMIC DEVELOPMENT</b> Atkins (C), Arnold (VC), McGough, Narvaez, Resendez, West, Willis	<b>ENVIRONMENT AND SUSTAINABILITY</b> Blackmon(C), Ridley (VC), Arnold, Bazaldua, Resendez, Schultz, West
<b>GOVERNMENT PERFORMANCE AND FINANCIAL MANAGEMENT</b> Mendelsohn (C), Willis (VC), Atkins, Bazaldua, McGough, Ridley, West	<b>HOUSING AND HOMELESSNESS SOLUTIONS</b> Thomas (C), Moreno (VC), Arnold, Blackmon, Mendelsohn, Ridley, Schultz
<b>PUBLIC SAFETY</b> McGough (C), Mendelsohn (VC), Atkins, Moreno, Resendez, Thomas, Willis	<b>QUALITY OF LIFE, ARTS, AND CULTURE</b> Bazaldua (C), West (VC), Arnold, Blackmon, Narvaez, Ridley, Thomas
<b>TRANSPORTATION AND INFRASTRUCTURE</b> Narvaez (C), Atkins (VC), Bazaldua, Mendelsohn, Moreno, Schultz, Willis	<b>WORKFORCE, EDUCATION, AND EQUITY</b> Schultz (C), Thomas (VC), Blackmon, McGough, Moreno, Narvaez, Resendez
<b>AD HOC JUDICIAL NOMINATING COMMITTEE</b> Resendez (C), Arnold, Bazaldua, Ridley, Thomas, West, Willis	<b>AD HOC LEGISLATIVE AFFAIRS</b> Atkins (C), McGough, Mendelsohn, Narvaez, Willis
<b>AD HOC COMMITTEE ON PROFESSIONAL SPORTS RECRUITMENT AND RETENTION</b> Johnson (C), Atkins, Bazaldua, Blackmon, Thomas	<b>AD HOC COMMITTEE ON GENERAL INVESTIGATING &amp; ETHICS</b> Mendelsohn (C), Atkins, Blackmon, McGough, Schultz
<b>AD HOC COMMITTEE ON ADMINISTRATIVE AFFAIRS</b> Willis (C), McGough, Moreno, Schultz, West	

(C) – Chair, (VC) – Vice Chair

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

## General Information

The Dallas City Council regularly meets on Wednesdays beginning at 9:00 a.m. in the Council Chambers, 6th floor, City Hall, 1500 Marilla. Council agenda meetings are broadcast live on [bit.ly/cityofdallastv](http://bit.ly/cityofdallastv) and on Time Warner City Cable Channel 16. Briefing meetings are held the first and third Wednesdays of each month. Council agenda (voting) meetings are held on the second and fourth Wednesdays. Anyone wishing to speak at a meeting should sign up with the City Secretary's Office by calling (214) 670-3738 by 5:00 p.m. of the last regular business day preceding the meeting. Citizens can find out the name of their representative and their voting district by calling the City Secretary's Office.

Sign interpreters are available upon request with a 48-hour advance notice by calling (214) 670-5208 V/TDD. The City of Dallas is committed to compliance with the Americans with Disabilities Act. **The Council agenda is available in alternative formats upon request.**

If you have any questions about this agenda or comments or complaints about city services, call 311.

## Rules of Courtesy

City Council meetings bring together citizens of many varied interests and ideas. To insure fairness and orderly meetings, the Council has adopted rules of courtesy which apply to all members of the Council, administrative staff, news media, citizens and visitors. These procedures provide:

- That no one shall delay or interrupt the proceedings, or refuse to obey the orders of the presiding officer.
- All persons should refrain from private conversation, eating, drinking and smoking while in the Council Chamber.
- Posters or placards must remain outside the Council Chamber.
- No cellular phones or audible beepers allowed in Council Chamber while City Council is in session.

"Citizens and other visitors attending City Council meetings shall observe the same rules of propriety, decorum and good conduct applicable to members of the City Council. Any person making personal, impertinent, profane or slanderous remarks or who becomes boisterous while addressing the City Council or while attending the City Council meeting shall be removed from the room if the sergeant-at-arms is so directed by the presiding officer, and the person shall be barred from further audience before the City Council during that session of the City Council. If the presiding officer fails to act, any member of the City Council may move to require enforcement of the rules, and the affirmative vote of a majority of the City Council shall require the presiding officer to act." Section 3.3(c) of the City Council Rules of Procedure.

## Información General

El Ayuntamiento de la Ciudad de Dallas se reúne regularmente los miércoles en la Cámara del Ayuntamiento en el sexto piso de la Alcaldía, 1500 Marilla, a las 9 de la mañana. Las reuniones informativas se llevan a cabo el primer y tercer miércoles del mes. Estas audiencias se transmiten en vivo por la estación de [bit.ly/cityofdallastv](http://bit.ly/cityofdallastv) y por cablevisión en la estación *Time Warner City Cable* Canal 16. El Ayuntamiento Municipal se reúne en el segundo y cuarto miércoles del mes para tratar asuntos presentados de manera oficial en la agenda para su aprobación. Toda persona que desee hablar durante la asamblea del Ayuntamiento, debe inscribirse llamando a la Secretaría Municipal al teléfono (214) 670-3738, antes de las 5:00 pm del último día hábil anterior a la reunión. Para enterarse del nombre de su representante en el Ayuntamiento Municipal y el distrito donde usted puede votar, favor de llamar a la Secretaría Municipal.

Intérpretes para personas con impedimentos auditivos están disponibles si lo solicita con 48 horas de anticipación llamando al (214) 670-5208 (aparato auditivo V/TDD). La Ciudad de Dallas se esfuerza por cumplir con el decreto que protege a las personas con impedimentos, *Americans with Disabilities Act*. **La agenda del Ayuntamiento está disponible en formatos alternos si lo solicita.**

Si tiene preguntas sobre esta agenda, o si desea hacer comentarios o presentar quejas con respecto a servicios de la Ciudad, llame al 311.

## Reglas de Cortesía

Las asambleas del Ayuntamiento Municipal reúnen a ciudadanos de diversos intereses e ideologías. Para asegurar la imparcialidad y el orden durante las asambleas, el Ayuntamiento ha adoptado ciertas reglas de cortesía que aplican a todos los miembros del Ayuntamiento, al personal administrativo, personal de los medios de comunicación, a los ciudadanos, y a visitantes. Estos reglamentos establecen lo siguiente:

- Ninguna persona retrasara o interrumpirá los procedimientos, o se negara a obedecer las órdenes del oficial que preside la asamblea.
- Todas las personas deben abstenerse de entablar conversaciones, comer, beber y fumar dentro de la cámara del Ayuntamiento.
- Anuncios y pancartas deben permanecer fuera de la cámara del Ayuntamiento.
- No se permite usar teléfonos celulares o enlaces electrónicos (*paggers*) audibles en la cámara del Ayuntamiento durante audiencias del Ayuntamiento Municipal

"Los ciudadanos y visitantes presentes durante las asambleas del Ayuntamiento Municipal deben de obedecer las mismas reglas de comportamiento, decoro y buena conducta que se aplican a los miembros del Ayuntamiento Municipal. Cualquier persona que haga comentarios impertinentes, utilice vocabulario obsceno o difamatorio, o que al dirigirse al Ayuntamiento lo haga en forma escandalosa, o si causa disturbio durante la asamblea del Ayuntamiento Municipal, será expulsada de la cámara si el oficial que este presidiendo la asamblea así lo ordena. Además, se le prohibirá continuar participando en la audiencia ante el Ayuntamiento Municipal. Si el oficial que preside la asamblea no toma acción, cualquier otro miembro del Ayuntamiento Municipal puede tomar medidas para hacer cumplir las reglas establecidas, y el voto afirmativo de la mayoría del Ayuntamiento Municipal precisara al oficial que este presidiendo la sesión a tomar acción." Según la sección 3.3 (c) de las reglas de procedimientos del Ayuntamiento.

## **Handgun Prohibition Notice for Meetings of Governmental Entities**

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

*"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."*

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

*"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista."*

"Pursuant to Section 46.03, Penal Code (places weapons prohibited), a person may not carry a firearm or other weapon into any open meeting on this property."

*"De conformidad con la Sección 46.03, Código Penal (coloca armas prohibidas), una persona no puede llevar un arma de fuego u otra arma a ninguna reunión abierta en esta propiedad."*

This Council Committee meeting will be held by videoconference and in the Council Chambers, 6th Floor at City Hall.

The public is encourage to attend the meeting virtually, however, City Hall is available for those wishing to attend the meeting in person following all current pandemic-related public health protocols. The meeting will be broadcast live on Spectrum Cable Channel 16 and online at [bit.ly/cityofdallastv](https://bit.ly/cityofdallastv).

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

<https://dallascityhall.webex.com/dallascityhall/j.php?MTID=m6386d58ee7cc7d31a786b803b3181c08>

## Call to Order

### MINUTES

- 1      23-772      Approval of the February 27, 2023 Housing and Homelessness Solutions Committee Meeting Minutes

### BRIEFING ITEMS

- A      23-773      Upcoming Agenda Item: Dallas Housing Resource Catalog [David Noguera, Director & Thor Erickson, Assistant Director, Department of Housing & Neighborhood Revitalization]
- B      23-774      Use of Mixed Income Housing Development Bonus (MIHDB) Fee in Lieu Funding [Thor Erickson, Assistant Director, Department of Housing & Neighborhood Revitalization]
- C      23-775      Homeless Action Response Team (H.A.R.T.) Program Overview and Update [Christine Crossley, Director, Office of Homeless Solutions, Chris Christian, Director, Code Compliance, Chief David Pughes, City Marshals, Paul Ramon, Assistant Director, Dallas Animal Services, & Kevin Oden, Office of Integrated Public Safety]

### BRIEFING MEMORANDUMS

- D      23-778      The sale of 15 Land Transfer Program lots to BJT Homes, LLC for the Development of 24 affordable housing units. [David Noguera, Director, Department of Housing & Neighborhood Revitalization]
- E      23-780      The sale of 10 Land Transfer Program lots to Hedgestone Investments, LLC for the Development of 10 affordable housing units. [David Noguera, Director, Department of Housing & Neighborhood Revitalization]
- F      23-781      The sale of 6 Land Transfer Program lots to Sankofa Building Group, LLC for the Development of 6 affordable housing units. [David Noguera, Director, Department of Housing & Neighborhood Revitalization]

- G 23-782 Consideration and Approval of FY 2022-23 Annual Urban Land Bank Demonstration Program Plan [David Noguera, Director, Department of Housing & Neighborhood Revitalization]
- H 23-783 Upcoming Agenda Item: Authorize (1) a development loan agreement and security documents with TX Ferguson 2022, Ltd., or affiliate(s) thereof (Developer) in an amount not to exceed \$4,935,000.00 in HOME Investment Partnerships Program Funds, conditioned upon Developer receiving 2023 4% Housing Tax Credit award for the development of mixed-income affordable senior living community known as Estates at Ferguson, located at 92220 Ferguson Road, Dallas, Texas (Property); (2) a development loan agreement and security documents with the City of Dallas Housing Finance Corporation (DHFC), or affiliate(s) thereof in an amount not to exceed \$3,965,000.00 in Community Development Block Grant Disaster Recovery (CDBG-DR) funds to purchase and own the Property; (3) the DHFC to enter into a long-term ground lease with Developer and/or its affiliate(s), for the development of Property pursuant to 24 CFR 570.204(a) and (b) [David Noguera, Director, Department of Housing & Neighborhood Revitalization]
- I 23-784 Upcoming Agenda Item: Authorize (1) an exclusive negotiating agreement with UCR Development Services, LLC, (Developer), or an affiliate thereof in an amount not to exceed \$5,957,631.00 in American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds (ARPA) and Homeless Assistance (J) Fund - 2017 General Obligation Bond Funds for the design and redevelopment of the Miramar Hotel located at 1950 Fort Worth Avenue, Dallas, Texas (Property), into transitional and homeless housing; (2) a ground lease agreement with Developer for the duration of the design and redevelopment of the Property in a total rent amount of \$5,000.00 to be paid by the Developer and conveyance back to the City upon acceptance of improvements pursuant to the lease [David Noguera, Director, Department of Housing & Neighborhood Revitalization]
- J 23-785 Upcoming Agenda Item: Authorize (1) a development loan agreement and security documents with the City of Dallas Public Facility Corporation (DPFC), or an affiliate thereof in an amount not to exceed \$10,000,000 in Community Development Block Grant (CDBG) funds to acquire and own the development of a mixed-income affordable multifamily complex known as The Park at Northpoint (Project), located at 9999 Technology Boulevard West, Dallas, Texas (Property); and (2) the DPFC to enter into a long-term ground lease with LDG The Park at Northpoint, LP (Developer) and/or its affiliate, for the development of Project pursuant to 24 CFR 570.204(a) and (b) [David Noguera, Director, Department of Housing & Neighborhood Revitalization]

- K 23-789 Approval of a Resolution Authorizing the Dallas Housing Finance Corporation (DHFC) to Issue Tax-Exempt Essential Function Bonds to Finance, Acquire, and Own Fitzhugh Urban Flats, An Existing Multifamily Property Located at 2707 N Fitzhugh Avenue [David Noguera, Director, Department of Housing & Neighborhood Revitalization]
- L 23-788 Authorize a Resolution Approving the Dallas Public Facility Corporation's Acquisition, Development, and Ownership of Larkspur Fair Park, to be located at 3525 Ash Lane [David Noguera, Director, Department of Housing & Neighborhood Revitalization]

**REPORTS**

- M 23-786 Department of Housing & Neighborhood Revitalization Performance Measure Update [Thor Erickson, Assistant Director, Department of Housing & Neighborhood Revitalization]

**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]

MINUTES OF THE CITY COUNCIL COMMITTEE  
TUESDAY, MARCH 21, 2023

EXHIBIT B

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

MARCH 21, 2023

Item 1: Approval of the February 27, 2023 Housing and Homelessness Solutions Committee Meeting Minutes

Councilmember Ridley moved to adopt the minutes as presented.

Motion seconded by Councilmember Schultz and unanimously adopted. (Arnold, Mendelsohn absent when vote taken)

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

MARCH 21, 2023

BRIEFING ITEMS

Item A: Upcoming Agenda Item: Dallas Housing Resource Catalog

The following individuals briefed the committee on the item:

- David Noguera, Director, Department of Housing & Neighborhood Revitalization;
- Thor Erickson, Assistant Director, Department of Housing & Neighborhood Revitalization; and
- Kim Tolbert, Deputy City Manager; City Manager's Office

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

MARCH 21, 2023

BRIEFING ITEMS

Item B: Use of Mixed Income Housing Development Bonus (MIHDB) Fee in Lieu Funding

The following individuals briefed the committee on the item:

- Thor Erickson, Assistant Director, Department of Housing & Neighborhood Revitalization;
- Jessica MacKinnon, Operations Research Analyst, Department of Housing & Neighborhood Revitalization;
- David Noguera, Director, Department of Housing & Neighborhood Revitalization;
- Darwin Wade, Area Redevelopment, Department of Housing & Neighborhood Revitalization;
- Kyle Hines, Assistant Director, Department of Housing & Neighborhood Revitalization;
- Kelsey Ciluffo, Assistant City Attorney, City Attorney's Office;
- Andrea Udrea, Assistant Director, Planning & Development; and
- Cynthia Elickson, Assistant Director, Department of Housing & Neighborhood Revitalization

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

MARCH 21, 2023

BRIEFING ITEMS

Item C: Homeless Action Response Team (H.A.R.T.) Program Overview and Update

The following individuals briefed the committee on the item:

- Christine Crossley, Director, Office of Homeless Solutions;
- Jeremy Reed, Assistant Director, Code Compliance;
- Chris Christian, Director, Code Compliance;
- Chief David Pughes, City Marshals;
- Paul Ramon, Assistant Director, Dallas Animal Services;
- Kevin Oden, Office of Integrated Public Safety; and
- Kim Tolbert, Deputy City Manager; City Manager's Office

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

MARCH 21, 2023

BRIEFING MEMORANDUMS

- Item D: The sale of 15 Land Transfer Program lots to BJT Homes, LLC for the Development of 24 affordable housing units.
- Item E: The sale of 10 Land Transfer Program lots to Hedgestone Investments, LLC for the Development of 10 affordable housing units.
- Item F: The sale of 6 Land Transfer Program lots to Sankofa Building Group, LLC for the Development of 6 affordable housing units.
- Item G: Consideration and Approval of FY 2022-23 Annual Urban Land Bank Demonstration Program Plan
- Item H: Upcoming Agenda Item: Authorize (1) a development loan agreement and security documents with TX Ferguson 2022, Ltd., or affiliate(s) thereof (Developer) in an amount not to exceed \$4,935,000.00 in HOME Investment Partnerships Program Funds, conditioned upon Developer receiving 2023 4% Housing Tax Credit award for the development of mixed-income affordable senior living community known as Estates at Ferguson, located at 92220 Ferguson Road, Dallas, Texas (Property); (2) a development loan agreement and security documents with the City of Dallas Housing Finance Corporation (DHFC), or affiliate(s) thereof in an amount not to exceed \$3,965,000.00 in Community Development Block Grant Disaster Recovery (CDBG-DR) funds to purchase and own the Property; (3) the DHFC to enter into a long-term ground lease with Developer and/or its affiliate(s), for the development of Property pursuant to 24 CFR 570.204(a) and (b)
- Item I: Upcoming Agenda Item: Authorize (1) an exclusive negotiating agreement with UCR Development Services, LLC, (Developer), or an affiliate thereof in an amount not to exceed \$5,957,631.00 in American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds (ARPA) and Homeless Assistance (J) Fund - 2017 General Obligation Bond Funds for the design and redevelopment of the Miramar Hotel located at 1950 Fort Worth Avenue, Dallas, Texas (Property), into transitional and homeless housing; (2) a ground lease agreement with Developer for the duration of the design and redevelopment of the Property in a total rent amount of \$5,000.00 to be paid by the Developer and conveyance back to the City upon acceptance of improvements pursuant to the lease
- Item J: Upcoming Agenda Item: Authorize (1) a development loan agreement and security documents with the City of Dallas Public Facility Corporation (DPFC), or an affiliate thereof in an amount not to exceed \$10,000,000 in Community Development Block Grant (CDBG) funds to acquire and own the development of a mixed-income affordable multifamily complex known as The Park at Northpoint (Project), located at 9999 Technology Boulevard West, Dallas, Texas (Property); and (2) the DPFC to enter into a long-term ground lease with LDG The Park at Northpoint, LP (Developer) and/or its affiliate, for the development of Project pursuant to 24 CFR 570.204(a) and (b)

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

MARCH 21, 2023

BRIEFING MEMORANDUMS (cont.)

Item K: Approval of a Resolution Authorizing the Dallas Housing Finance Corporation (DHFC) to Issue Tax-Exempt Essential Function Bonds to Finance, Acquire, and Own Fitzhugh Urban Flats, An Existing Multifamily Property Located at 2707 N Fitzhugh Avenue

Item L: Authorize a Resolution Approving the Dallas Public Facility Corporation's Acquisition, Development, and Ownership of Larkspur Fair Park, to be located at 3525 Ash Lane

The committee discussed the items.

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

MARCH 21, 2023

REPORTS

Item M: Department of Housing & Neighborhood Revitalization Performance Measure Update

The committee discussed the item.

MINUTES OF THE CITY COUNCIL COMMITTEE  
TUESDAY, MARCH 21, 2023

EXHIBIT C



**City of Dallas**

# **Upcoming Agenda Item: Dallas Housing Resource Catalog**

**Housing and Homelessness  
Solutions Committee  
March 21, 2023**

David Noguera, Director  
Thor Erickson, Assistant Director  
Department of Housing & Neighborhood Revitalization  
City of Dallas

# Presentation Overview



- Background/History
- Purpose
- Dallas Housing Resource Catalog Structure
- Operational Process
- Authority
- Community Engagement
- SMARTIE Goals
- Staff Recommendation



# Background/History



## Comprehensive Housing Policy



**2018**  
Comprehensive Housing Policy adopted to address compliance issues

**Jan. 2021**  
Equity Audit  
**Dec. 2021**  
Audit Findings



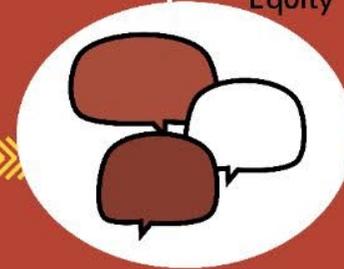
**Equity Audit**

**11 Recommendations**



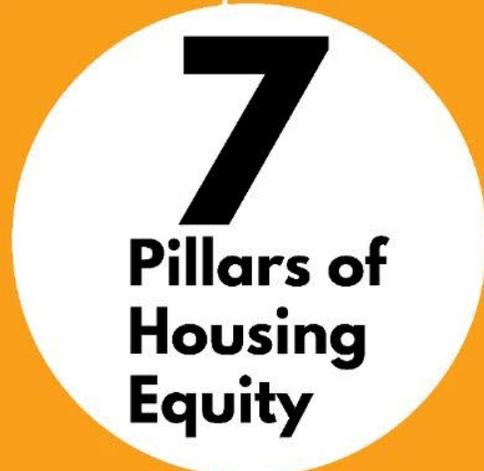
**April 2022**  
Adopted by City Council

**June 2022**  
Dallas Accountability for Housing Equity



**Community Engagement**

**Dec. 2022**  
7 Pillars



Dallas Housing Policy 2033



# Background/History



- Dallas Housing Resource Catalog (DHRC) is a document that compiles Housing programs, corporations, compliance, and funding resources available
  - The first DHRC is an amended Comprehensive Housing Policy (CHP) removing the policy pieces
- Dallas Housing Policy 2033 (DHP33) will have the housing policy items and was briefed to City Council on March 1, 2023



# Purpose



- To present the differences between the Comprehensive Housing Policy, the Dallas Housing Resource Catalog, and the Dallas Housing Policy 2033
- To present why this is separate from the Dallas Housing Policy 2033



# Dallas Housing Resource Catalog Structure



## Started with the Comprehensive Housing Policy:

### Changed Structure:

- Changed named from Comprehensive Housing Policy to Dallas Housing Resource Catalog
- Reformatted so that all program and related appendixes together
- Created three main sections: Programs, Corporations, Compliance and Funding Resources
- Kept all existing programs

### Added:

- Overview of Catalog
- Lead Hazard Reduction Demonstration Grant
- Senior Home Rehabilitation Program
- Dallas Tomorrow Fund
- American Rescue Plan Act - Neighborhood Revitalization Program
- Corporations
  - Dallas Housing Acquisition and Development Corporation (DHADC)
  - Dallas Housing Finance Corporation (DHFC)
  - Dallas Public Facility Corporation (DPFC)
- Compliance and Funding Resources
  - Affordable Housing Trust Fund
  - Emerging Developer Program
  - Anti-Displacement Toolkit

### Removed:

- Background on development of the policy
- City of Dallas plans
- Reinvestment strategy areas
- Funding and supporting actions
- Production goals and income bands to be served
- Strategies, tools and program that will require additional action
- Appendix 5 - city of Dallas income limits and part 5 requirements
- Appendix 6 - CHDO's policy, procedure and standards
- Appendix 7 - recapture/resale requirements for homebuyers activities
- Appendix 9 - residential anti-displacement and relocation assistance plan (RARAP)
- Appendix 10 - other federal requirements
- Appendix 11 - lead based paint requirements
- Appendix 15 - regulatory references
- Appendix 20 - interventions by strategy area



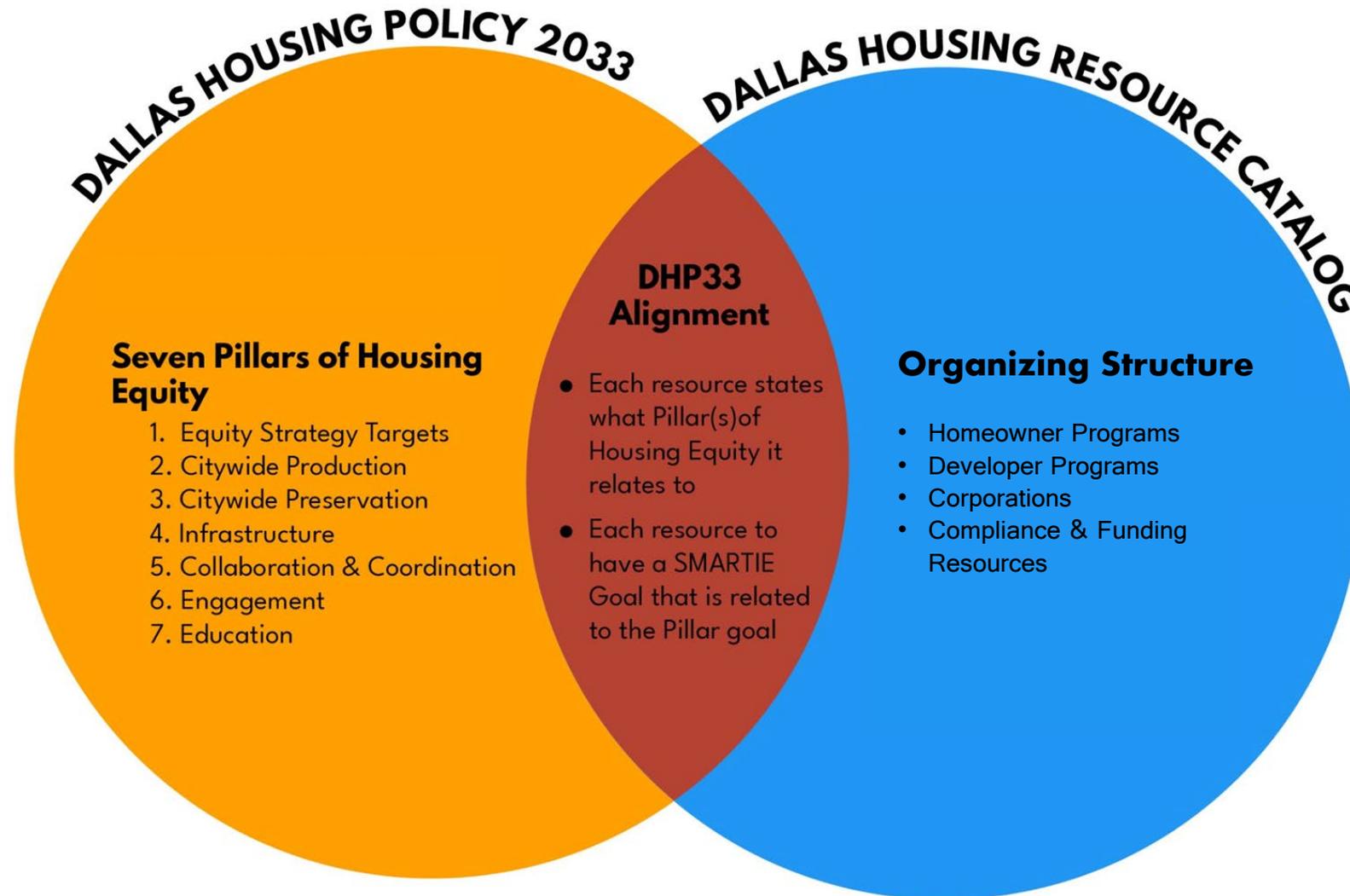
# Operational Process



- Existing programs in the CHP will still be in operation as the DHRC is a reformatting and name change of the CHP
  - All suggested amendments will include community engagement, and may include Committee briefings as well as Friday Memos to inform City Council of changes to programs
- All new programs will continue to seek City Council authority



# Dallas Housing Resource Catalog Structure



# Streamlined Opportunities



- Streamline processes to create faster responses
  - Program terms such as:
    - Market conditions
    - Loan / grant terms
    - Assistance amounts
    - Loan terms
    - Administration of services
  - Legal agreements for smaller projects:
    - Developers
    - Subrecipients
    - Builders / Contractors
  - Programs that use Administrative Action for contracts:
    - HIPP, TRP, DTF, HHLR, ARPA NRP, DHAP



# Community Engagement



- Engagement activities related to development and preservation activities will take robust engagement which is outlined in the DHP33. Engagement is not a one time effort, rather it takes multiple frequent methods of connection and this may include but is not limited to:
  - Dedicated outreach staff
  - HPTF meetings
  - Committee / Council briefings
  - Focus groups
  - Community meetings
  - Surveys
  - Canvassing
  - Combination of everything



# SMARTIE Goals



- Specific, Measurable, Achievable, Relevant, Time-Bound, Inclusive, Equitable (SMARTIE) goals will be established as part of the implementation plan of the DHP33 that:
  - are program specific
  - align and achieve the goal of each Pillar
  - are added to performance reports and dashboard
  - are informed by engagement efforts



# Staff Recommendation



- Adoption of DHRC on April 12, 2023 City Council Agenda





**City of Dallas**

# **Upcoming Agenda Item: Dallas Housing Resource Catalog**

**Housing and Homelessness  
Solutions Committee  
March 21, 2023**

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City of Dallas



**Dallas Housing  
Resource Catalog:  
Programs  
Corporations  
Compliance &  
Funding Tools**

# **OVERVIEW**

The Dallas Housing Resource Catalog is a clearinghouse for housing programs, corporations and compliance and funding tools that drive city investments in mixed-income housing. Resources included in the Catalog are organized around the 7 pillars of housing equity described in Dallas Housing Policy 2033 (DHP33). Goals for each resource are established annually to monitor progress and alignment with DHP33. Revisions will be made as new resources are realized or existing resources require modifications. Through community engagement, industry best practices and service delivery experience the Dallas Housing Resource Catalog will help build racial equity.

## **DHP33 Equity Pillars**

1. Equity Strategy Targets
2. Citywide Production
3. Citywide Preservation
4. Infrastructure
5. Collaboration and Coordination
6. Engagement
7. Education

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# **PROGRAMS**

## **HOMEOWNER PROGRAMS**

The Housing and Neighborhood Revitalization Department (Housing Department) strengthens families and neighborhoods to cultivate a diverse and economically inclusive City by creating affordable and safe housing and mitigating community member displacement. Several programs are offered to support homeownership: the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), the DHAP Targeted Homebuyer Incentive Program, and accessory dwelling units.

### **Home Improvement and Preservation Program – Pillars 1, 3, 4, 5, 6, 7**

Added/amended June 26, 2019 by Resolution No. 19-1041

Amended August 26, 2020 by Resolution No. 20-1220

Amended September 9, 2021 by Resolution No. 21-1450

Amended February 22, 2023 by Resolution 23-0278

The Home Improvement & Preservation Program (HIPP) provides an all-inclusive repair and rehabilitation program for eligible single-family owner-occupied and landlord single-family income qualified rental housing units in the City of Dallas. HIPP is a comprehensive program with four components for the purposes of making needed improvements and preserving affordable housing:

- 1) a Minor Home Rehabilitation Program that provides grant assistance to non-profit organizations to administer the Minor Home Repairs Program to low- and moderate-income homeowners.
- 2) a Major Home Rehabilitation Program that provides loan assistance to low- and moderate-income homeowners needing moderate and substantial rehabilitation to their home.
- 3) a Home Reconstruction Program that provides loan assistance to low- and moderate-income homeowners needing to reconstruct their homes.
- 4) a Rental Rehabilitation Program that provides loan assistance to landlords which lease to low- and moderate-income households needing moderate and substantial rehabilitation to rental properties.

Applicants for HIPP will be prioritized on a first come first served basis for all programs. If an Applicant is within their affordability period from any other program, they are not eligible. If an Applicant is currently being served (not within an affordability period), they are not eligible to receive funding from another program concurrently. If an Applicant has been served in the past, residents that have never been served from the Housing Department will be served first. For the other repair/rehab programs refer to that section on qualifications.

## 1. Minor Home Rehabilitation Program

The Minor Home Rehabilitation Program provides grant assistance to non-profit organizations to allow much needed emergency health and safety repairs to a home of an eligible homeowner for minor home repairs, as described below. Funding for this program can be provided by both federal and non-federal funding. Funds from partnering non-profits can be provided as long as total funding does not exceed \$4,999.99 per property.

### Applicant Eligibility

Homeowners for the Minor Home Rehabilitation Program must meet all the following requirements to be eligible to participate.

- Applicants must be the owner of the home to be repaired and have occupied the home for at least six months prior to the date of application. Applicants must submit a deed showing the conveyance, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple.
- Applicants must be current on mortgage payments and shall not be in default under the mortgage documents associated with the property or in default under any lien on the property.
- Property taxes must be current and not delinquent for any tax year unless the Applicant has entered into a written agreement with the taxing authority outlining a payment plan for delinquent taxes and is abiding to the written agreement.
- Applicants must have a gross annual household income at or below the applicable low- and moderate-income limits. Applicants must be at or below 80% AMI when CDBG funds are used or at or below 120% of AMI when non-federal funds are used as established by HUD for the jurisdiction of Dallas, Texas. Income shall be calculated using the Part 5 method as outlined in 24 CFR 5.609. Income eligibility shall be determined at the time of the application. Applicant household income eligibility is only valid for six months from the date of the last application.
- City Council members, Department of Housing & Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the Minor Home Rehabilitation Program are ineligible for assistance under the Program.
- Applicant can only be served once with this program every five (5) years.

### Property Eligibility Requirements

- The property must be a detached, single-family dwelling, owner-occupied, and be located within the city limits of Dallas, Texas.
- The property must obtain environmental clearance under 24 CFR Part 58.5 prior to committing repair funds.
- The property must be in need of repairs designated as eligible repairs under the Subrecipient Repair Program.

### Eligible Repair Improvements

Eligible improvements under the Minor Home Rehabilitation Program include the following:

- Roofing repair or replacement
- Ceiling and baseboard holes repair
- Exterior entry doors replacement or repair, including handles and locks
- Exterior windows (for broken windows) replacement or repair

- Accessibility repairs and installation such as ramps, handrails or repairing walkways
- Water heater replacement or repair
- Heating /cooling central air system repair, or installation of wall heaters
- Plumbing, water and sewer pipes, kitchen and bath fixtures repair/replacement
- Electrical repair/replacement of plugs, breakers, panels, or wiring
- Gas pipe repair/replacement and gas testing
- Floor repair
- Installation of smoke, fire and CO<sub>2</sub> detectors
- Interior and exterior repairs as needed
- Any item determined eligible by the Director

### **Terms of Assistance**

Assistance under the Minor Home Rehabilitation Program is provided in the form of a grant to the non-profit partner, who may provide funding from other sources to assist additional homeowners, and who will directly contract with the applicant for repairs.

### **Assistance Limits**

The maximum assistance amount provided under the Minor Home Rehabilitation Program is \$4,999.99 per property.

Non-profit partner(s) subscribed under the Minor Home Rehabilitation Program must complete the repairs at no cost to the homeowner and must ensure repairs are not subject to any real property liens.

### **Administration**

The administration of the Minor Home Rehabilitation Program shall be performed by non-profit partners that are procured by the City and that have experience providing rehabilitation services and have committed to administering the program citywide, although specific geographies can be considered. The non-profit organization may receive reimbursement of allowable costs as direct delivery for the program in addition to the grants for the applicants, provided the non-profit organization follows the grant requirements as provided by the City. To ensure that the correct program has been selected for the applicant, referrals shall be provided by the City. City administration of the program includes eligibility referrals, application evaluation procedures, ongoing compliance, and other duties as established in the contract, the program guidelines, and the policies and procedures. The City at its sole discretion may inspect that the work was needed and completed, examine cost of repairs for reasonableness, review applicant eligibility and review for compliance with any other program guidelines.

## **2. Major Home Rehabilitation Program**

Changes are effective for applications accepted after September 9, 2021. The Major Home Rehabilitation Program is a forgivable loan program to low- and moderate-income homeowners for the purpose of making needed repairs to preserve affordable housing. Major Home Rehabilitation Program is designed to ensure the longevity of the home and to address health, safety, accessibility modification, reconstruction and structural/deferred maintenance deficiencies. Major Home Rehabilitation Program will improve suitable living conditions, health, and welfare and will expand economic opportunities that revitalize neighborhoods. Funding for this program is provided by HUD CDBG funds (limited to assistance provided to households at or

below 80% of area median family income (AMI); and potentially non-federal funds for households at or below 120% AMI. Not to exceed 27% of the HOME Homeownership Value Limits, as established by HUD.

### **Applicant Eligibility**

- Applicants must be the owner of the home to be repaired and must have occupied the home for at least six months prior to the date of application (“Applicant”). Applicants must submit a deed showing the conveyance, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple.
- Applicants must be a U.S. citizen or lawful permanent resident, and they must hold a current Texas state-issued identification card or driver’s license. Unless allowed by HUD or other applicable law.
- Applicants must be current on mortgage payments and shall not be in default under the mortgage documents associated with the property or in default under any lien on the property.
- Applicants must not have more than one outstanding loan on the property. The City will only accept a first or second lien position. Applicants having a reverse mortgage on the property are not eligible for this program.
- Property taxes must be current and not delinquent for any tax year unless the Applicant has entered into a written agreement with the taxing authority outlining a payment plan for delinquent taxes and is abiding to the written agreement.
- Applicants must have a gross annual household income at or below the applicable low- and moderate-income limits. Applicants must be at or below 80% AMI when CDBG funds are used or at or below 120% of AMI when non-federal funds are used as established by HUD for the jurisdiction of Dallas, Texas. Income shall be calculated using the Part 5 method as outlined in 24 CFR 5.609. Income eligibility shall be determined at the time of the application. Applicant household income eligibility is only valid for six months from the date of the last application.
- Applicants must correct all code violations not associated with the repairs to the home that currently exist on the property.
- City Council members, Department of Housing & Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the program are ineligible for assistance under the program.
- Priority shall be given to Applicants who have not participated in any City repair, rehabilitation, or reconstruction program previously. If the Applicant is in their affordability period under any other program except the Neighborhood Empowerment Zone Program, then they are not eligible to receive funding under this program.
- Applicants must be willing to voluntarily relocate at the homeowner’s expense, if necessary.

### **Property Eligibility Requirements**

- Must be a single-family dwelling, owner-occupied, and must be located within the City of Dallas, Texas city limits.
- Must obtain environmental clearance under 24 CFR Part 58.5, as amended, prior to committing rehabilitation funds.

- Standard property insurance, satisfactory to the City, must be maintained on the property (with coverage adequate to insure the City's lien position). If a property is located in a floodplain, as determined by the City, in its sole discretion, flood insurance must also be maintained with coverage adequate to insure the City's lien position. Insurance will be monitored during the length of the compliance period, which will be until the loan balance is repaid in full or forgiven, as described below. The City has the right to decline a homeowner that may be in a floodplain or floodway.
- Applicant must certify that the home is not for sale and is the primary residence of Applicant.
- If the property was previously assisted with City funds and the property is still within the period of affordability, per the written agreement with the Applicant or the previous owner, Applicant will not be eligible to receive funding for the same property.
- No liens, except those associated with the first mortgage, shall exist on the property.
- The property must be in need of repairs designated as eligible repairs under the Major Rehab Program. The City has the authority to determine what the necessary repairs will be and when the amount exceeds the limits.

### **Eligible Repair Improvements**

Eligible rehabilitation activities include items necessary to bring the structure into compliance with the City's written rehabilitation standards and applicable local residential codes; and will also include items recommended as necessary to preserve the property's structural integrity, historic integrity, weatherization, and quality of living conditions. Major systems are part of the scope of work and are identified as structural support (foundations); roofing; cladding and weatherproofing (e.g., windows, doors, siding, gutters); plumbing; electrical; and heating, ventilation, and air conditioning.

Demolition of an accessory structure deemed hazardous, such as a detached garage or work shed, will be made on a case-by-case basis depending on the available budget, grant requirements, planning requirements, current building codes, and health and safety concerns. The structure will not be rebuilt by the City.

Assistance in removing any items from the property that are considered to be dangerous, hazardous, or a violation of local code is an eligible repair when performed in conjunction with the rehabilitation of eligible improvements on the property.

Assistance may not be used for the purchase or repairs of appliances or renovations not necessary to bring the home up to local code or property standards. Ineligible repairs include but are not limited to luxury and recreational items (swimming pools, spas, high end fixtures). Tree trimming will be in conjunction with repair and only if considered necessary and if allowable under the CDBG regulations. Any other ineligible activity may be considered if deemed necessary by the City to undertake an eligible activity, if allowable under the CDBG regulations, as applicable.

Eligible improvements under the Major Home Rehabilitation Program include the following:

- Cost effective energy conservation measures, including solar heating, cooling, & water systems permanently affixed to dwelling
- Testing & treatment/removal of lead-based paint/asbestos hazards
- Handicapped improvements & removal of barriers to the handicapped

- Removal of termites; removal of rodents and roaches (pest control), but may not be a stand-alone cost
- Replace/repair roofing
- Replace/repair HVAC systems
- Replace/repair plumbing, water and sewer pipes, kitchen and bath fixtures
- Replace/repair gas pipes/gas test
- Install new smoke, fire, and CO<sub>2</sub> alarms
- Install new insulation
- Replace/repair flooring and carpeting
- Replace/repair water heaters
- Replace/repair electrical system and installation of ground fault circuit interrupters
- Replace/repair windows
- Replace/repair window and/or door screens
- Replace/repair plaster, siding and stucco
- Painting (inside and outside)
- Install new deadbolt locks
- Replace/repair kitchen or bath cabinets and countertops
- Replace/repair garage doors
- Structural repairs/modifications (only to correct existing structural code deficiencies or to provide accessibility to disabled persons)
- Foundation repairs
- Any items determined eligible by the Director

### **Terms of Assistance**

Major Home Rehabilitation Program assistance is an interest-free, forgivable, self-amortizing loan in an amount subject to the City's assessment of needs, not to exceed 27% of HOME Homeownership Value Limits, as established by HUD. The City loan shall be secured by a first or second lien on the property, signed by Applicant as the owner of the property.

Loan payments are self-amortized over the ten-year loan term and forgiven annually at the rate of one-tenth of the loan amount for every year the borrower occupies the property continuously as his/her primary residence and complies with the terms and conditions of the contract. The deed restrictions and the deed of trust shall be released on the tenth anniversary of the making of the loan so long as the borrower has met the conditions of the loan, as described under these program requirements, for the entire term. Failure of borrower to occupy the property continuously as his/her primary residence or comply with the terms and conditions of the contract for the entire term shall result in repayment of the unamortized balance of the loan.

The affordability period for the Major Home Rehabilitation Program shall be ten (10) years.

Applicant shall be required to provide on-going proof of insurance to the City, with the City as an added insured. Applicant must certify annually that the home is not for sale, is the primary residence of the Applicant, and any other certifications required by the City in the contract, until the balance of the loan is repaid to the City or until the full amount of the loan is forgiven.

In addition to execution of a loan agreement, execution and recordation of a deed of trust, deed restriction, and a note will be required for the ten-year term.

Applicant may repay Rehabilitation loans at any time without penalty. All loans are immediately payable upon the earlier of:

- The sale, conveyance, transfer, rental, hypothecation of the security; or
- If the home is vacated during the term of the loan; or
- Failure to adhere to the provisions of the loan agreement; or
- If property insurance, satisfactory to the City, is not maintained on the property.
- If the Applicant falls behind on the mortgage of their home.
- Failure to otherwise adhere to the provisions under the City's contract, deed restrictions, deed of trust and/or the note.

Major Home Rehabilitation Program loans are not assumable except under the following limited circumstances:

- Transfer of property to a surviving spouse;
- Transfer of property to an heir(s);
- Transfer of property where spouse becomes the sole owner of the property;
- Transfer of property resulting from a decree of dissolution of marriage, legal separation or from incidental property settlement agreement; or
- Transfer to a Family Trust in which the borrower remains the beneficiary and occupant of property.

All transfers must be approved by the City. Any person that would like to assume the loan must income qualify and utilize the assisted property as their primary residence. If such person does not meet the income requirements of the program, does not utilize the property as their primary residence, or does not meet any other condition of the loan, then the unamortized balance of the loan amount is due immediately and payable to the City.

### **Assistance Limits**

Under Major Home Rehabilitation Program, the maximum loan assistance amount is not to exceed 27% of HOME Homeownership Value Limits, as established by HUD. Rehabilitation funds may only be used to complete the project-related hard costs such as construction costs. Project-related soft costs such as hazardous materials testing fees, document recordation fees, inspection/construction management fees, escrow fees are program delivery costs of the City and shall not be included as part of the loan provided to the Applicant.

The level of assistance shall be limited to the amount required to address the rehabilitation work scope as defined by the City (except as provided below). The City Manager or designee may on a case by case basis administratively approve (without City Council approval or Council Committee approval) additional assistance not to exceed ten percent above the maximum limit for any owner-occupied rehabilitation project under the following circumstances:

- To address outstanding repairs or necessary work to close out an existing project;
- The need to provide reasonable accommodations in accordance with the Americans with Disabilities Act or other local, state or federal law;
- Unforeseen environmental issues; and
- Addressing issues that threaten life, health, safety and welfare of the public.

## **Mortgage and Refinancing**

The following are the credit and underwriting standards for Major Home Rehabilitation Program loans:

- Chapter 7 or Chapter 13 bankruptcy is not allowed if the primary or any mortgage is included as a secured creditor on the subject property for which the City will place a lien securing the loan.
- Properties may not have more than one outstanding loan on the property. The City will not accept a lien position lower than a second lien.
- Property taxes must be current.
- Applicants must be current on mortgage payments and shall not be in default under the mortgage documents associated with the property.
- Properties with a reverse mortgage are not eligible for this program.

Applicants can refinance their properties for better terms. However, they shall not be allowed to do a cash out refinance.

## **Administration**

The City of Dallas Department of Housing and Neighborhood Revitalization staff or their designees and/or consultants, contractors, subrecipients, or other third-party organizations procured by the City, as permitted by applicable laws and regulations, shall administer the Major Home Rehabilitation Program. Consultants, contractors, subrecipients, or other third-party organizations administering the Program shall have experience providing administration of rehabilitation services. The administration of the Major Home Rehabilitation Program includes direct delivery costs, application evaluation procedures, rehabilitation assessments, cost estimation, bid solicitation, contractor selection, construction management, inspection, disbursement of program funds and processing of notices of completion, and other duties as established in the program guidelines, as well as the policies and procedures.

The Director of Housing and Neighborhood Revitalization (the “Director”) shall be responsible for ensuring that all programs are implemented in accordance with all applicable policies and regulations.

### **3. Home Reconstruction Program.**

The Home Reconstruction Program provides loan assistance to eligible homeowners of single-family, detached dwellings for the reconstruction of existing housing. Subject to the requirements stated below, dwellings requiring repairs that exceed 80% of the most recent certified improvement value as determined by the applicable appraisal district qualify for this program assistance. Assistance for this program is provided by HUD through the Home Investment Partnerships Program (HOME), CDBG, and/or non-federal funds. If HOME funds are used, the applicable HOME regulations shall apply, even if such regulations conflict with program requirements detailed below. Not to exceed 75% of HOME Homeownership Value Limits, as established by HUD.

## **Applicant Eligibility**

- Applicants must be referred to the Home Reconstruction Program from the Major Rehab Program.

- Applicants must be the owner of property and must have occupied the home for at least six months prior to the date of application for the Major Rehab Program. Applicants must submit a deed showing the conveyance, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple.
- Applicants must be a U.S. citizen or lawful permanent resident, and they must hold a current Texas state-issued identification card or driver's license.
- Applicants must not have any outstanding loans on the property because the City will only accept a first lien position. Applicants having a reverse mortgage on the property shall not be eligible for a loan.
- Property taxes must be current and not delinquent for any tax year unless the Applicant has entered into a written agreement with the taxing authority outlining a payment plan for delinquent taxes and is abiding by the written agreement.
- Where federal funds are provided, Applicant must have a gross annual household income at or below the applicable low- and moderate-income limits (<80% AMI) as established by HUD for the jurisdiction of Dallas, Texas. Income shall be calculated using the Part 5 method as outlined in 24 CFR 5.609. Non-federally funded activities allow applicants to have a gross annual household income at or below 120% of AMI. Income eligibility shall be determined at the time of the application. Applicant household's income eligibility is only valid for six months from the date of the last application.
- City Council members, Department of Housing & Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the Reconstruction Program are ineligible for assistance under the Reconstruction Program.
- When HOME funds are provided, the Conflict of Interest provisions at 24 CFR 92.356 shall be observed.
- Applicant must correct all code violations not associated with the reconstruction of the home that currently exist on the property.
- After the reconstruction and throughout the course of the affordability period, the Applicant must correct any and all code violations received during that duration.
- Priority shall be given to Applicants who have not participated in any City repair or rehabilitation program previously.
- Applicant must be willing to voluntarily relocate at the Applicant's expense during the course of reconstruction.

### **Property Eligibility**

- Must be a detached single-family dwelling, owner occupied and located within the City of Dallas city limits.
- Must obtain environmental clearance under 24 CFR Part 58.5 prior to committing program funds.
- Standard property insurance, satisfactory to the City, must be maintained on the property (with coverage adequate to insure the City's lien position). If a property is located in a floodplain, as determined by the City of Dallas, in its sole discretion, flood insurance must also be maintained with coverage adequate to insure the City's lien position. Insurance will be monitored during the length of the compliance period, which will be until the loan is repaid in full. The City has the right to decline a homeowner that may be in a floodplain or floodway.
- No liens may exist on the property.

- Applicant must certify that the home is not for sale and is the primary residence of Applicant.
- The property must require repairs that exceed 80% of the most recent certified improvement value as determined by the applicable appraisal district for this program assistance. The City has the authority to determine what the necessary repairs will be and when the amount exceeds the limits of Major Rehab Program.
- If the property was previously assisted with City funds and the property is still within the period of affordability, per the written agreement with the Applicant or the previous owner, Applicant will not be eligible to receive funding for the same property.
- If the property has been reconstructed pursuant to any City program, the property is not eligible for reconstruction under this Home Reconstruction Program.

### **Eligible Repair Improvements**

Eligible improvements under the Home Reconstruction Program include the demolition of the existing single-family home and reconstruction in substantially the same manner of similar design a replacement detached single-family home on the same lot. The number of dwelling units on a site may not be increased.

Demolition of an accessory structure deemed hazardous, such as a detached garage or work shed, will be made on a case by case basis depending on the available budget, grant requirements, planning requirements, current building codes, and health and safety concerns. The structure will not be rebuilt.

### **Terms of Assistance**

Home Reconstruction Program assistance is provided in the form of a loan. The City loan shall be secured by a first lien on the property, signed by Applicant as the owner of the property. Applicant must certify annually that the home is not for sale and is the primary residence of the Applicant until the loan is repaid to the City in full. Applicant must also correct all code violations that exist on the property. The maximum loan amount is subject to City established underwriting criteria/requirements.

The affordability period for the Home Reconstruction Program shall be 15 years. In addition to execution of a loan agreement, execution and recordation of a deed of trust, deed restriction, and a note will be required.

Applicant may repay the Home Reconstruction Program loan at any time without penalty. All loans are immediately payable upon the earlier of:

- The sale, conveyance, transfer, rental, hypothecation of the security; or
- If the home is vacated during the term of the loan; or
- Failure to adhere to the provisions of the loan agreements; or
- If standard property insurance, satisfactory to the City, is not maintained on the property; or
- Failure to adhere to the provisions under the City's contract, deed restrictions, deed of trust and/or the note.

Home Reconstruction Program loans are not assumable except under the following limited circumstances:

- Transfer of property to a surviving spouse;
- Transfer of property to an heir(s);
- Transfer of property where a spouse becomes the sole owner of the property;
- Transfer of property resulting from a decree of dissolution of marriage, legal separation or from incidental property settlement agreement;
- Transfer to a Family Trust in which the borrower remains the beneficiary and occupant of property.

All transfers must be approved by the City. Any person that would like to assume the loan must income qualify and utilize the assisted property as their primary residence. If such person does not meet the income requirements of the program, does not utilize the property as their primary residence, or does not meet any other condition of the loan, then the full loan amount is due immediately and payable, in full, to the City.

### **Assistance Limits**

The maximum amount of assistance provided shall not exceed 75% of HOME Homeownership Value Limits for new construction. The City Manager or designee may on a case by case basis administratively approve (without additional approval of City Council committee or City Council) additional assistance not to exceed 10% above the maximum limit for any owner-occupied reconstruction project under the following circumstances:

- The need to provide reasonable accommodations in accordance with the Americans with Disabilities Act or other local, state or federal law;
- Unanticipated costs deemed necessary to meet applicable City codes;
- Unforeseen environmental issues; and
- Addressing issue that threaten life, health, safety and welfare of the public.

Home Reconstruction Program loan funds may be used to complete project-related hard costs such as demolition and construction costs and designated soft costs of architectural and engineering fees. All other project-related soft costs shall not be included as part of the loan provided to the applicant. These costs may be provided by the City as part of its delivery costs.

### **Credit and Underwriting Standards**

The following are the credit and underwriting standards for Home Reconstruction Program Loans:

- Chapter 7 or Chapter 13 bankruptcy is not allowed if primary or any mortgage is included as a secured creditor on the subject property for which the City will place a lien securing the loan.
- Properties may not have any outstanding loans on the property. The City will not accept a lien position lower than a first lien.
- Property taxes must be current.
- Properties with a reverse mortgage are not eligible for Program funding

### **Relocation**

Relocation costs will not be paid by the City.

### **Administration**

The City of Dallas Department of Housing and Neighborhood Revitalization staff or their

designees and/or consultants, contractors, subrecipients, or other third-party organizations procured by the City, as permitted by applicable laws and regulations, shall administer the Home Reconstruction Program. Consultants, contractors, subrecipients, or other third-party organizations administering the Program shall have experience providing administration of reconstruction services. The administration of the Home Reconstruction Program includes direct delivery costs, application evaluation procedures, rehabilitation assessments, cost estimation, bid solicitation, contractor selection, construction management, inspection, disbursement of program funds and processing of notices of completion, and other duties as established in the program guidelines, as well as the policies and procedures.

The Director shall be responsible for ensuring that all programs are implemented in accordance with all applicable policies and regulations.

#### **4. Rental Rehabilitation Program**

The Rental Rehabilitation Program is an all-inclusive repair and rehabilitation program for single-family rental units, with up to four units per property. It offers a forgivable loan program to landlords who lease to low- to moderate-income households, with the purpose of making needed improvements and preserving affordable housing. The Rental Rehabilitation Program is designed to finance improvements and address health, safety, accessibility modifications, and structural/deferred maintenance deficiencies.

The Director of Housing and Neighborhood Revitalization (the “Director”) shall be responsible for ensuring that all programs are implemented in accordance with all applicable policies and regulations.

##### **Applicant Eligibility**

- Applicant must be the owner of the rental unit(s) to be rehabilitated. Applicant must submit a deed showing the conveyance, or similar documentation acceptable to the City in its sole discretion, that proves ownership.
- Applicant must provide a copy of the lease agreement with its tenant.
- Applicant and tenants must be U.S. Citizens or lawful permanent residents, and they must hold a current Texas State issued identification card or Driver License.
- The tenants of the unit to be repaired must have a gross annual household income at or below the applicable low- and moderate-income limits ( $\leq 80\%$  AMI) as established by HUD for the jurisdiction of Dallas, Texas. Income shall be calculated using the Part 5 method as outlined in 24 CFR 5.609. Income eligibility shall be determined at the time of the application or construction completion. Applicant household’s income eligibility is only valid for six months from the date of the last application.
- Applicant must be willing to correct all code violations that currently exist on the property.
- The Applicant can apply to repair one or all four units as long as the entire structure is brought up to code.
- City Council Members, Department of Housing and Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the Program are ineligible for assistance under the Program.

- Applicant must adhere to the Dallas City Code, including but not limited to Section 20A and comply with HUD HOME rent limits and other applicable state, local, and federal requirements.

### **Property Eligibility**

1. The property must be a single-family (1-4 units) renter occupied dwelling located within the City of Dallas, Texas city limits. Properties with over 4 units are not eligible for rehabilitation assistance under this program.
2. If Applicant has a mortgage or other loan then the Applicant(s) must be current in their loan.
3. Must obtain environmental clearance under 24 CFR Part 58.5, as amended prior to committing rehabilitation funds.
4. Property taxes must be current. Property taxes must not be delinquent for any tax year.
5. Applicant must register with the Code Compliance Single Family Rental Division, or successor department, as determined by the City.
6. Applicant must certify that the unit is not for sale and that the unit being applied for is occupied by an income-eligible tenant or will be at the completion of construction
7. Standard property insurance, satisfactory to the City, must be maintained on the property (with coverage adequate to insure the City's lien position). If a property is located in a floodplain, flood insurance must also be maintained with coverage adequate to insure the City's lien position. Insurance will be monitored during the length of the compliance period, which will be until the loan is repaid in full or forgiven, as detailed below.
8. Must not have more than one outstanding loan on the property. City will only accept a first or second lien position. Applicants having a reverse mortgage on the property shall not be eligible for a loan.
9. Repairs must conform with designated as eligible improvements under the program.
10. For rehabilitation, if the Applicant's property was previously assisted with City funds and the property is still within the period of affordability, per the written agreement with the Applicant or previous owner, Applicant will not be eligible to receive funding for the same property.
11. No liens, except those associated with the first mortgage, shall exist on the property.
12. Repairs that exceed eighty percent (80%) of its improvement value are not eligible for assistance.

### **Eligible Repair Improvements**

Eligible rehabilitation activities include items necessary to bring the structure into compliance with the City's written rehabilitation standards and applicable local residential codes and will also include items recommended as necessary to preserve the property's structural integrity, historic integrity, weatherization, and quality of living conditions. Major systems are part of the scope of work and are identified as structural support (foundations); roofing; cladding and weatherproofing (e.g., windows, doors, siding, gutters); plumbing; electrical; and heating, ventilation, and air conditioning.

Demolition of an accessory structure deemed hazardous, such as a detached garage or work shed, will be made on a case by case basis depending on the available budget, grant requirements, planning requirements, current building codes, and health and safety concerns. The structure will not be rebuilt by the City.

Assistance in removing any items from the property that are considered to be dangerous, hazardous, or a violation of local code is an eligible repair when performed in conjunction with the rehabilitation of eligible improvements on the property.

Assistance may not be used for the purchase or repairs of appliances or renovations not necessary to bring the unit up to local code or property standards. Ineligible repairs include but are not limited to luxury and recreational items (swimming pools, spas, high end fixtures). Tree trimming will be in conjunction with repair and only if considered necessary and if allowable under the applicable regulations. Any other ineligible activity may be considered if deemed necessary by the City to undertake an eligible activity, if allowable under the applicable regulations, as applicable.

Rental Rehabilitation Program funds may only be used to complete the project-related hard costs such as construction costs. Project-related soft costs such as hazardous materials testing fees, document recordation fees, inspection/construction management fees, or escrow fees shall not be included as part of the loan provided to the Applicant. These costs shall be provided by the City as part of its delivery costs. These costs are program delivery cost of the City, such cost will not be included in the loan amount. Applicant must certify annually that the home is not for sale and is the primary residence of the tenant until the loan is repaid to the City in full. Applicant must also correct all code violations that exist on the property.

Eligible improvements under the Rental Rehabilitation Program include the following:

- Cost effective energy conservation measures, including solar heating, cooling, & water systems permanently affixed to dwelling
- Testing & treatment/removal of lead-based paint/asbestos hazards
- Handicapped improvements & removal of barriers to the handicapped
- Removal of termites; removal of rodents and roaches (pest control), but may not be a stand-alone cost
- Replace/repair roofing
- Replace/repair HVAC systems
- Replace/repair plumbing, water and sewer pipes, kitchen and bath fixtures
- Replace/repair gas pipes/gas test
- Install new smoke, fire, and CO<sub>2</sub> alarms
- Install new insulation
- Replace/repair flooring and carpeting
- Replace/repair water heaters
- Replace/repair electrical system and installation of ground fault circuit interrupters
- Replace/repair windows
- Replace/repair window and/or door screens
- Replace/repair plaster, siding and stucco
- Painting (inside and outside)
- Install new deadbolt locks
- Replace/repair kitchen or bath cabinets and countertops
- Replace/repair garage doors
- Structural repairs/modifications (only to correct existing structural code deficiencies or to provide accessibility to disabled persons)

- Foundation repairs
- Any items determined eligible by the Director

### **Terms of Assistance**

The Rental Rehabilitation Program assistance is an interest-free, forgivable, self-amortizing loan in an amount subject to the City's assessment of needs. The City loan shall be secured by a first or second lien on the property, signed by Applicant as the owner of the property. Landlord must rent to an income eligible renter for the duration of the affordability period. Landlord must certify annually that it is in compliance with the terms until the loan is repaid to the City in full or forgiven, as detailed below. Landlord must also correct all code violations that exist on the property. The maximum loan assistance amount not to exceed 27% of HOME Homeownership Value Limits and not to exceed 80% of the Appraisal District Improvement Value, not to exceed 4 units per address.

Loan payments are self-amortized over the ten-year loan term and forgiven annually at the rate of one-tenth of the loan amount for every year the Applicant leases to low-income households, the Applicant remains the owner of the property, and complies with the terms and conditions of the contract. The deed restrictions and the deed of trust may be released on the tenth anniversary of the making of the loan, so long as the Applicant has met the conditions of the loan, as described under these program requirements, for the entire term, as determined by the City. Failure of Applicant to rent the property continuously to income qualified residents or comply with the terms and conditions of the contract for the entire term, shall result in repayment of the unamortized balance of the loan. Short term vacancies between tenants may be allowed, as determined by the City, on a case-by-case basis.

The City shall perform required monitoring during the ten-year period of affordability. Applicant shall also be required to provide on-going proof of insurance to the City, with the City as an added insured. Applicant must certify annually that the home is not for sale, the Applicant is leasing to low-income households, and Applicant remains the owner of the property, and any other certifications required by the City in the contract, until the balance of the loan is repaid to the City or until the full amount of the loan is forgiven.

The affordability period for the Rental Rehabilitation Program shall be ten (10) years. In addition to execution of a loan agreement, execution and recordation of a deed of trust, deed restriction, and a note will be required.

Applicant may repay the Rental Rehabilitation Program loan at any time without penalty. All loans are immediately payable upon the earlier of:

- Upon transfer of the property, whether voluntary or involuntary, including but not limited to the sale, conveyance, transfer, or hypothecation of the security; or
  - If the home is vacated during the term of the loan, in excess of the short-term vacancies approved by the City, or if it is not rented to an income eligible tenant; or
  - Failure to adhere to the provisions of the loan agreements; or
  - If standard property insurance, satisfactory to the City, is not maintained on the property;
- or

- Failure to adhere to the provisions under the City’s contract, deed restrictions, deed of trust and/or the note.

Rental Rehabilitation loans are not assumable except under the following limited circumstances:

- Transfer of property to a surviving spouse;
- Transfer of property to an heir(s);
- Transfer of property where a spouse becomes the sole owner of the property;
- Transfer of property resulting from a decree of dissolution of marriage, legal separation or from incidental property settlement agreement;
- Transfer to a Family Trust in which the borrower remains the beneficiary and occupant of property.

All transfers must be approved by the City.

The level of assistance shall be limited to the amount required to address the rehabilitation work scope, as defined by the City, and shall not exceed the maximum allowable funding level of 27% of HOME Homeownership Value Limits per property. The City Manager or designee may on a case by case basis administratively approve (without City Council approval or City Council Committee approval) additional assistance not to exceed 10% above the maximum limit for the Rental Rehabilitation Program under the following circumstances:

- To address outstanding repairs or necessary work to close out an existing project.
- The need to provide reasonable accommodations in accordance with the Americans with Disabilities Act or other local, state or federal law;
- Unanticipated costs deemed necessary to meet applicable City Codes;
- Unforeseen environmental issues; and
- To address issues that threaten life, health, safety and welfare of the public.

Applicant is required to ensure that occupancy for all assisted units is maintained by tenants that are income qualified at 80% of AMI or lower, and at rental rates that are consistent with the current HOME Fair Market Rent.

### **Mortgage and Refinancing**

The following are the credit and underwriting standards for Rental Rehabilitation Program loans:

- Chapter 7 or Chapter 13 bankruptcy is not allowed if primary or any mortgage is included as a secured creditor on the subject property for which the City will place a lien securing the loan.
- Properties may not have more than one outstanding loan on the property. The City will not accept a lien position lower than a second lien.
- Property taxes must be current
- Applicants must be current on mortgage payments and shall not be in default under the mortgage documents associated with the property.
- Properties with a reverse mortgage are not eligible for Rental Rehabilitation Program funding.

### **Tenant Relocation During the Affordability Period**

If a tenant relocates for any reason during the affordability period, the Applicant shall have the responsibility of obtaining a new tenant that meets all Rental Rehabilitation Program requirements within the timeframe specified by the City.

### **Temporary Relocation During Rehabilitation**

Relocation is not contemplated for rehabilitation activities, however if an unanticipated event occurs which requires temporary relocation, Applicant shall be responsible for the relocation-related expenses and fees. Applicant shall perform such relocation obligations in compliance with the provisions of the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970 and Section 104(d) and any other applicable state, federal, or local laws/regulations.

### **Program Administration**

Staff shall administer the Rental Rehabilitation Program. The administration of the Rental Rehabilitation Program includes application evaluation procedures, rehabilitation assessments, cost estimation, bid solicitation, contractor selection, management of the rehabilitation, inspection, disbursement of program funds and processing of the notice of completion, and other duties as established in the program guidelines as well as the policies and procedures.

# Dallas Homebuyer Assistance Program Pillars 1, 6, 7

Added/amended June 26, 2019 by Resolution No. 19-1041

Amended October 13, 2021 by Resolution No. 21-1656

Provides homeownership opportunities to low- and moderate-income homebuyers (defined as “Applicant” for this program) through the provision of financial assistance when purchasing a home, in accordance with federal, state and local laws and regulations.

## Eligibility

Applicant must meet the following criteria:

- Property must be located in the city limits of Dallas.
- Household projected annual income must not exceed 80% of Area Median Income, but if the funding source allows, annual income may be increased to an amount not to exceed 120% of the Area Median Income, adjusted for household size, at the time of application to the program. Income eligibility shall be determined at the time of the application. Applicant household’s income eligibility is only valid for six months from the date of the last application.
- Applicant must have acceptable credit. High cost or sub-prime loans, adjustable rate mortgages, interest only loans are not allowed.
- Applicant must demonstrate that Applicant has at least two months of cash available and equal to Applicant’s projected monthly mortgage payment, including principal, interest, taxes, insurance, and any associated fees.
- Applicant(s) must meet the citizenship and/or immigration status guidelines set forth by the Department of Housing and Urban Development (HUD).
- City Council members, Department of Housing & Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with this program are ineligible for assistance under this program. This policy extends for a period of 12 months beyond an individual’s disassociation with the City in such a capacity.
- When HOME funds are provided, the Conflict of Interest provisions at 24 CFR 92.356 shall be observed.
- Property to be purchased must be for the primary residence of Applicant. Applicant must certify that the home is not for sale and will be the primary residence of Applicant.
- Applicant must attend an 8-hour homeownership education class from a HUD-certified counseling agency within 12 months of application for assistance.
- Applicant must make a minimum initial cash investment of \$1,000 toward purchase of home.
- The property must meet federal and local requirements, including but not limited to Minimum Housing Standards, Environmental Review, and international residential code.

## Eligible Properties

The property can be privately or publicly owned prior to sale to the Applicant. The property must be within the Dallas, Texas city limits and meet City building codes, lead based paint requirements, and environmental standards at the time of initial occupancy. All liens must be paid off at or before closing.

The property must contain adequate living and sleeping space for the Applicant household as verified by the property appraisal, site visit, and/or Dallas Appraisal District Data.

The property can be an existing property, or it may be newly constructed. The property can be:

- Single-family property (one unit); or
- Condominium or cooperative unit

An appraisal is required and may be provided by the first mortgage lender or Applicant. The initial purchase price of an assisted property to be acquired for this activity cannot exceed the HOME Value Limit for Dallas. This limit is updated annually. The sale price of an assisted property may not exceed the “Appraised Value”.

### **Affordability Periods**

The residence must remain affordable for a certain period of time, which is dependent on the amount of funds invested. The City’s recapture provisions will apply.

<b>Amount of Funds</b>	<b>Required Affordability</b>
Less than \$15,000	5 Years
\$15,000 to \$40,000	10 Years
Over \$40,000	15 Years

### **Eligible Expenses**

Eligible expenses may include principle reduction, down payment and closing cost assistance. If the house is sold before the required affordability period has elapsed, the assistance funds must be recaptured on a pro-rated basis.

### **Terms of Assistance**

- The assistance for the Dallas Homebuyer Assistance Program will be offered in the form of a deferred, forgivable loan, which shall be forgivable annually based on the affordability period, subject to the terms of the contract.
- In the event of any of the following occurring prior to the completion of the affordability period the balance is payable immediately on a pro-rated basis.
  - (1) The sale, conveyance, transfer, lease, rental, hypothecation of the security, or any part thereof, or any interest therein, or divestment of title or any interest therein in any manner or way, whether voluntarily or involuntarily, without the prior written consent of the City being first had and obtained; or
  - (2) Failure to adhere to the provisions of the contract; or
  - (3) Failure to adhere to the provisions under the City’s deed restrictions, deed of trust and/or the note, or any other lien encumbering the property.
- Applicant must certify annually that the home is not for sale and is the primary residence of the Applicant until the affordability period ends.
- If there is an underlying development agreement associated with the property, additional requirements may apply. Such determination is made by the City.

## Credit and Underwriting Standards

Following are the credit and underwriting standards for Applicant:

- No Chapter 7 or Chapter 13 bankruptcy if primary or any mortgage is included as a secured creditor on the subject property for which the City will place a lien securing the loan.
- Predatory lending describes lending practices that take advantage of clients by charging usurious interest rates or excessive fees and penalties. Loans will not be made with an interest rate more than 2% above the prevailing market rate.
- The maximum assistance available for an Applicant in a High Opportunity Area (of the MVA) is \$60,000. In all other areas, the maximum assistance will be \$40,000 per household. Not all Applicants will qualify for the maximum assistance. The assistance available to any given Applicant is based on the City's assessment of the Applicant's need, taking into account the additional criteria outlined below.
- First mortgage amount must have a front-end ratio no higher than 32%
- First mortgage amount must have a back-end ratio no higher than 45%

## Heirs

A loan may be transferred to the heir(s) of the borrower if the heir(s) are income qualified and utilize the assisted property as their primary residence for the remainder of the affordability period. If the heir(s) do not meet the income requirements of the program and the loan or does not utilize the property as their primary residence, and the loan is still within the period of affordability, then the prorated loan amount is due immediately and payable, in full, to the City.

## Refinancing

Refinancing for better rate and term is permitted upon prior approval of the City. Refinancing of revolving loan accounts, vehicles, credit card debt, or property taxes are NOT allowable refinancing expenses. Cash out are also NOT allowed.

## DHAP Targeted Homebuyer Incentive Program Pillars 1, 3, 4, 5, 6, 7

This program offers financial assistance for those in educational instruction and library occupations; healthcare practitioners and technical occupations; healthcare support occupations; and protective service occupations, including but not limited to fire fighters and police officers, who purchase a property in the City of Dallas. Applicants with an income up to 120% AMI who qualify for this program may receive down payment assistance funds up to \$45,000. Applicants who receive assistance using federal funds are subject to the rules of the "Dallas Homebuyer Assistance Program" (see above).

## Eligibility

Applicant must meet the following criteria:

- Property must be located in the city limits of Dallas.

- Household projected annual income must not exceed 120% of the Area Median Income, adjusted for household size, at the time of application to the program. Income eligibility shall be determined at the time of the application. Applicant household's income eligibility is only valid for six months from the date of the last application.
- Applicant must have acceptable credit. High cost or sub-prime loans, adjustable rate mortgages, interest only loans are not allowed.
- Applicant must demonstrate that Applicant has at least two months of cash available and equal to Applicant's projected monthly mortgage payment, including principal, interest, taxes, insurance, and any associated fees.
- Applicant(s) must be U.S. Citizens or legal residents.
- City Council members, Department of Housing & Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with this program are ineligible for assistance under this program. This policy extends for a period of 12 months beyond an individual's disassociation with the City in such a capacity.
- Property to be purchased must be for the primary residence of Applicant. Applicant must certify that the home is not for sale and will be the primary residence of Applicant.
- Applicant must attend an 8-hour homeownership education class from a HUD-certified counseling agency within 12 months of application for assistance.
- Applicant must make a minimum initial cash investment of \$1,000 toward purchase of home.
- The property must meet federal and local requirements, including but not limited to Minimum Housing Standards and international residential code.

### **Eligible Properties**

The property can be privately or publicly owned prior to sale to the Applicant. The property must be within the Dallas, Texas city limits and meet City building codes, lead based paint requirements, and environmental standards at the time of initial occupancy. All liens must be paid off at or before closing.

The property must contain adequate living and sleeping space for the Applicant household as verified by the property appraisal, site visit, and/or Dallas Appraisal District Data.

The property can be an existing property, or it may be newly constructed. The property can be:

- Single-family property (one unit); or
- Condominium or cooperative unit

An appraisal is required and may be provided by the first mortgage lender or Applicant. The sale price of an assisted property may not exceed the "Appraised Value".

### **Affordability Periods**

The residence must remain affordable for a certain period of time, which is dependent on the amount of funds invested.

Amount of Funds	Required Affordability
\$45,000 or less	5 Years

### Eligible Expenses

Eligible expenses may include principle reduction, down payment and closing cost assistance. If the property is sold before the required affordability period has elapsed, the assistance funds must be recaptured on a pro-rated basis.

### Terms of Assistance

- The assistance for the DHAP Targeted Homebuyer Incentive Program will be offered in the form of a deferred, forgivable loan, which shall be forgivable annually based on the affordability period, subject to the terms of the contract. In the event of any of the following occurring prior to the completion of the affordability period the balance is payable immediately on a pro-rated basis.
  - The sale, conveyance, transfer, lease, rental, hypothecation of the security, or any part thereof, or any interest therein, or divestment of title or any interest therein in any manner or way, whether voluntarily or involuntarily, without the prior written consent of the City being first had and obtained; or
  - Failure to adhere to the provisions of the contract; or
  - Failure to adhere to the provisions under the City's deed restrictions, deed of trust and/or the note, or any other lien encumbering the property.
- Applicant must certify annually that the home is not for sale and is the primary residence of the Applicant until the affordability period ends.
- If there is an underlying development agreement associated with the property, additional requirements may apply. Such determination is made by the City.

### Credit Underwriting Standards

Following are the credit and underwriting standards for Applicant:

- No Chapter 7 or Chapter 13 bankruptcy if primary or any mortgage is included as a secured creditor on the subject property for which the City will place a lien securing the loan.
- Predatory lending describes lending practices that take advantage of clients by charging usurious interest rates or excessive fees and penalties. Loans will not be made with an interest rate more than 2% above the prevailing market rate.
- The maximum assistance available for an Applicant will be \$45,000 per household. Not all Applicants will qualify for the maximum assistance. The assistance available to any given Applicant is based on the City's assessment of the Applicant's need, taking into account the additional criteria outlined below.
- First mortgage amount must have a front-end ratio of up to 32%
- First mortgage amount must have a back-end ratio no higher than 45%

### Heirs

A loan may be transferred to the heir(s) of the borrower if the heir(s) are income qualified and utilize the assisted property as their primary residence for the remainder of the affordability period.

If the heir(s) do not meet the income requirements of the program and the loan or does not utilize the property as their primary residence, and the loan is still within the period of affordability, then the prorated loan amount is due immediately and payable, in full, to the City.

### **Refinancing**

Refinancing for better rate and term is permitted upon prior approval of the City. Refinancing of revolving loan accounts, vehicles, credit card debt, or property taxes are NOT allowable refinancing expenses. Cash out are also NOT allowed.

## **Anti-Displacement Assistance Program Pillars 1, 3, 4, 5, 6, 7**

The Anti-Displacement Assistance Program (ADAP) is designed to assist low-and moderate-income homebuyers with homeownership opportunities through the provision of financial assistance when purchasing a home in the city limits of Dallas. The program will help eligible residents living in Dallas who are facing rising rental costs, rising home prices and increasing mortgage interest rates by providing an opportunity for them to continue to reside in the city limits. This program is for homebuyers with a Dallas residency of 10 years or more, living in Dallas as a current resident, with an income between 50-120% of Area Median Income. Eligible applicants may receive down payment assistance funds based on need up to \$50,000.00 per household.

### **Eligibility**

Applicant must meet the following criteria:

- Property must be located in the city limits of Dallas.
- Applicant must be a resident living in the city limits of Dallas at the time of application.
- Applicant must have at least 10 cumulative years of Dallas residency.
- Household projected annual income must be between 50-120% of Area Median Income, but not to exceed 120% of the Area Median Income, adjusted for household size, at the time of application to the program. Income eligibility shall be determined at the time of the application. Applicant household's income eligibility is only valid for six months from the date of the last application.
- Applicant must have acceptable credit. High cost or sub-prime loans, adjustable-rate mortgages, interest only loans are not allowed.
- Applicant must demonstrate that Applicant has at least two months of cash available and equal to Applicant's projected monthly mortgage payment, including principal, interest, taxes, insurance, and any associated fees.
- Applicant(s) must meet the citizenship and/or immigration status guidelines set forth by the Department of Housing and Urban Development (HUD).
- City Council members, Department of Housing & Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with this program are ineligible for assistance under this program. This policy extends for a period of 12 months beyond an individual's disassociation with the City in such a capacity.
- Property to be purchased must be for the primary residence of Applicant. Applicant must certify that the home is not for sale and will be the primary residence of Applicant.
- Applicant must attend an 8-hour homeownership education class from a HUD-certified counseling agency within 12 months of application for assistance.
- Applicant must make a minimum initial cash investment of \$1,000 toward purchase of home.

- The property must meet federal and local requirements, including but not limited to Minimum Housing Standards and international residential code.

**Eligible Properties**

The property can be privately or publicly owned prior to sale to the Applicant. The property must be within the Dallas, Texas city limits and meet the City’s minimum housing standards and lead based paint requirements at the time of initial occupancy. All liens must be paid off at or before closing.

The property must contain adequate living and sleeping space for the Applicant household as verified by the property appraisal, site visit, and/or Dallas Appraisal District Data.

The property can be an existing property, or it may be newly constructed. The property can be:

- Single-family property (one unit); or
- Condominium or cooperative unit

The sales price will be based on qualifying income and credit as determined by the mortgage lender.

**Affordability Periods**

The residence must remain affordable for a certain period of time, which is dependent on the amount of funds invested. The City’s recapture provisions will apply.

Amount of Funds	Required Affordability
\$50,000 or less	5 Years

**Eligible Expenses**

Eligible expenses may include down payment, closing cost assistance and principal reduction. If the house is sold before the required affordability period has elapsed, the assistance funds must be recaptured on a pro-rated basis.

**Terms of Assistance**

- The assistance for the DHAP Anti-Displacement Assistance Program (ADAP) will be offered in the form of a deferred, forgivable loan, which shall be forgivable annually based on the affordability period, subject to the terms of the contract.
- In the event of any of the following occurring prior to the completion of the affordability period the balance is payable immediately on a pro-rated basis.
  1. The sale, conveyance, transfer, lease, rental, hypothecation of the security, or any part thereof, or any interest therein, or divestment of title or any interest therein in any manner or way, whether voluntarily or involuntarily, without the prior written consent of the City being first had and obtained; or
  2. Failure to adhere to the provisions of the contract; or
  3. Failure to adhere to the provisions under the City’s deed restrictions, deed of trust and/or the note, or any other lien encumbering the property.

- Applicant must certify annually that the home is not for sale and is the primary residence of the Applicant until the affordability period ends.
- If there is an underlying development agreement associated with the property, additional requirements may apply. Such determination is made by the City.

### **Credit and Underwriting Standards**

Following are the credit and underwriting standards for Applicant:

- No Chapter 7 or Chapter 13 bankruptcy if primary or any mortgage is included as a secured creditor on the subject property for which the City will place a lien securing the loan.
- Predatory lending describes lending practices that take advantage of clients by charging usurious interest rates or excessive fees and penalties. Loans will not be made with an interest rate more than 2% above the prevailing market rate.
- The maximum assistance available will be \$50,000 per household. Not all Applicants will qualify for the maximum assistance. The assistance available to any given Applicant is based on the City's assessment of the Applicant's need, taking into account the additional criteria outlined below.
- First mortgage amount must have a front-end ratio no higher than 35%
- First mortgage amount must have a back-end ratio no higher than 45%

### **Heirs**

A loan may be transferred to the heir(s) of the borrower if the heir(s) utilize the assisted property as their primary residence for the remainder of the affordability period. If the heir(s) do not utilize the property as their primary residence, and the loan is still within the period of affordability, then the prorated loan amount is due immediately and payable, in full, to the City.

### **Refinancing**

Refinancing for better rate and term is permitted upon prior approval of the City. Refinancing of revolving loan accounts, vehicles, credit card debt, or property taxes are NOT allowable refinancing expenses. Cash out are also NOT allowed.

# Title Clearing and Clouded Title Prevention Program Pillars 1, 3, 6

Added September 25, 2019 by Resolution No. 19-1498

The Title Clearing and Clouded Title Prevention Program (Program) is a legal and professional services program administered by a third-party entity or entities that is designed to focus on effectively and efficiently utilizing a universal representation model to assist qualified clients of the third-party entity (hereinafter referred to as “clients”) to clarify the legal ownership of their real property so that homeowners can apply for funding for home repair and other needs and can prevent future heirship issues; and clients with vacant land can sell or build on their land. A secondary focus is to provide associated services, including legal rights information sessions, prevention services, and program evaluation and measurement.

While clarifying ownership (technically, creating a “marketable title”) in preparation for eventual sale of a home is a potential outcome, the focus of the Program is on providing legal services that enhance neighborhood stability and enable homeowners to become eligible for funding to invest in their homes. For this reason, eligible legal services include legal rights information sessions and mitigation.

Additionally, on May 22, 2019, by City Council Resolution No. 19-0804, the City passed a resolution to promote equity and committed to make every effort possible to commit more resources to areas and populations where data demonstrates the needs are greatest. In keeping with this resolution, the Program focuses on specific geographical areas of the City where the Program is likely to jumpstart or support neighborhood stabilization, including neighborhoods with high amounts of vacancy, code violations, and historic properties.

The Program addresses the three broad goals of the comprehensive housing policy: to maintain affordable housing, to provide greater fair housing choices, and to overcome patterns of segregation and concentrations of poverty.

## **Administration**

The Program is administered by the Department of Housing and Neighborhood Revitalization, or a successor department.

## **Award of Funding**

A request for proposals, or a similar competitive application process, will be used to award funding under the Program when such funding is available, and any such award will be subject to City Council approval.

## **Eligible Clients and Prioritization of Clients**

Eligible clients are families and individuals with an assumed or possible ownership interest in real estate in eligible geographic areas and who have a household income that is less than or equal to 120% of the Dallas Area Median Family Income, as published by HUD annually, and who are unrepresented by counsel related to title to real property.

Within the eligible geographic areas as further described below, preference will be given to potential clients who have an assumed ownership interest in:

- a home in MVA categories G, H, and I

- real estate in City of Dallas-designated historic districts
- real estate in designated Reinvestment Areas.

Preference will also be given to those clients within the eligible geographic areas who have been denied City of Dallas Housing and Neighborhood Revitalization (the “Department”) funding for lack of ownership clarity on the title.

Clients with title issues on vacant land, as well as those who are in debt to the City and/or who are involved in a suit against the City, are eligible for this Program, subject to the eligibility requirements detailed herein.

### **Eligible Geographic Areas**

Areas of southern Dallas (south of the Trinity River west of downtown and south of I-30 east of downtown) in Market Value Analysis Categories D, E, F, G, H, and I are eligible for the Program. Uncategorized parcels directly adjacent to a parcel or parcels in one of these categories are also eligible.

### **Eligible Services and Costs**

- Remove ownership clouds on the titles of eligible parcels – Screen clients and successfully clarify ownership (or make title “marketable”) for a significant number of titles in eligible geographic areas. Eligible activities include, but are not limited to, client intake and screening, legal advice, document preparation and filing, title examination and abstract services, and legal representation in court.
- Community legal rights information sessions – Conduct legal rights information sessions, including providing information about potential responsibilities and associated future decisions related to having marketable title, and potential financial impacts of keeping or selling the property.
- Conduct client intake – Screen clients and employ a direct representation model.
- Prevention – Provide legal services to eligible clients to increase the number of families with wills, transfer on death deeds, and/or related documentation necessary to ensure a smooth transition of ownership of the property. As needed, provide guidance on the potential financial impacts to the client of keeping or selling the property.
- Measurement – Maintain applicant and client data and report aggregate, non-identifying data to the Department on a quarterly and final basis as detailed in the contract. Reported data should include quantitative data such as number of informational events, legal screenings conducted, titles with ownership clouds removed, wills or transfer on death documents, cases referred, and estimates on the potential depth and scope of the instance of cloudy title. Reported data should also include a qualitative evaluation of efforts and recommendations for improved performance for a potential future program and shall include any other information requested by the City.

### **Ineligible Services and Costs**

This program is not intended to remove any liens, and payment of liens is not an eligible expense.

## Targeted Rehabilitation Program Pillars 1, 3, 6

Approved August 26, 2020 by Resolution No. 20-1220

Amended on September 9, 2021 by Resolution No. 21-1260

Amended on December 14, 2022 by Resolution 22-1755

The Targeted Rehabilitation Program (TRP) is intended to preserve and improve residential properties that meet qualifying criteria focused on issues unique to the place, property condition, owner, or other targeted element.

The TRP is designed to be a common framework for the creation by Council of multiple TRP sub-program modules ("Sub-Program Module"). Each Sub-Program Module includes additional criteria based on funding constraints, program design or other factors deemed necessary to that module's implementation and success. In addition, all rehabilitation work on housing units through a Sub-Program Module must meet all applicable City of Dallas Building Codes and standards.

Each Sub-Program Module may address the following common framework:

- Need or targeted issue
- Outreach
- Funding source
- Eligibility requirements
- Eligible repairs
- Assistance terms
- Goals

The TRP is intended to serve all households eligible for support in the CHP. Each Sub-Program Module will identify qualifying factors based on the targeted issue. Additional factors, such as whether financial assistance is a grant or forgivable loan, affordability period terms, deed restriction and/or deed of trust requirements will vary. These additional factors are determined based on the public purpose for the Sub-Program Module and any funding requirements, community feedback, or laws or policies that govern the use of funds.

### **Need or Targeted Issue**

Each Sub-Program Module will establish a clear statement that reflects the targeted issue or need addressed and that guides all module design, including eligibility requirements and funding sources. Sub-Program Modules will be designed to address needs left unmet by other housing programs. All Sub-Program Modules must be approved by City Council.

### **Outreach**

The TRP focuses on specific issues residents face. Therefore, the process for new Sub-Program Module development includes robust resident outreach and community and stakeholder engagement. When applicable, housing staff should work with other departments also conducting community outreach in an area or on a particular issue. Each Sub-Program Module will require a unique method to address this component of the TRP, including focus groups, community meetings, public presentations or inter-departmental communication. Module design must respond to the needs it intends to address.

## **Funding Source**

Funding for TRP originates from multiple sources with varying criteria and must be an integral part of module design. Each Sub-Program Module will clearly state the funding source and established City procedure for use of those funds.

## **Eligibility Requirements**

Eligibility requirements cover both the Applicant and Property and are developed by need and funding as well as established City of Dallas procedure or policy. As a baseline, each new Sub-Program Module aims to meet the following Applicant and Property eligibility depending on applicable law and relevant City policy. Each Sub-Program Module may add criteria(s) not listed above, as needed.

## **Applicant Eligibility**

- For homeowner-occupied-based Sub-Program Modules, Applicant must be one of the owners of the property that lives in the property as their primary residence.
  - a. All household members will need to certify income jointly.
  - b. All property owners must agree to the assistance.
  - c. If the Sub-Program Module requires deed restrictions and/or a deed of trust, the homeowner(s) must provide a deed showing the conveyance of ownership, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple. All fee-simple owners of the property must sign all grant documents.
- For Sub-Program Modules focused on property owners who lease the property, applicant must rent to income-eligible residents and agree to tenant protections established in the Sub-Program Module.
  - a. If the Sub-Program Module requires deed restrictions and/or a deed of trust, the homeowner(s) must provide a deed showing the conveyance of ownership, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple. All owners of the property must sign all grant documents.
- Applicant(s) must be a U.S. Citizen or lawful Permanent Resident, and they must hold a current Texas state-issued identification card or driver's license.
- Applicant(s) or Applicant's tenant must meet the established AMI criteria per Sub-Program Module when applying. Income may be verified using but not limited to the following:
  - a. Social security letter
  - b. Pensions
  - c. Tax returns
  - d. Bank stubs
  - e. Notarized letters from financial institution; or
  - f. Hardship letters
- Applicants must be current on mortgage payments and shall not be in default under the mortgage documents associated with the property.
- Priority shall be given to Applicants who have not previously participated in any City repair, rehabilitation, or reconstruction program.
- Applicants must be willing to voluntarily relocate at their expense, if necessary.
- Applicants for property owners who lease the property must assist their tenants with temporary relocation expenses.

- Applicants must move any items that prohibit the rehabilitation work from being performed, if necessary.
- City Council members, Department of Housing and Neighborhood Revitalization employees and any employee, official or agent of the City is subject to the requirements of the City of Dallas Code of Ethics, and further, those who exercise any policy or program decision-making function in connection with the program are ineligible for assistance under the program, even if it is not a violation of the Code of Ethics.

### **Property Eligibility**

- Must meet the dwelling type, property owner status, location or other Sub-Program Module criteria.
- Property taxes must be current. Property taxes must not be delinquent for any tax year unless the Applicant has entered into a written agreement with the taxing authority outlining a payment plan for delinquent taxes and is abiding by the written agreement.
- Applicant must certify that the home is not for sale.
- Applicant for a homeowner based Sub-Program Module must have occupied the home for at least six months prior to application unless length of occupancy is modified in Sub-Program Module.
- Applicant for a lease based Sub-Program Module must have owned the home for at least six months prior to application.
- If the property was previously assisted with funds through the Targeted Rehab Program and the property is still within the period of affordability, Applicant may reapply to receive additional assistance up to an amount not exceeding the maximum per property amount for the applicable Sub-Program Module when combined with the amount of prior assistance received. Receipt of additional funds may result in additional deed of trust and/or deed restrictions being filed against the property according to the Sub-Program Module requirements.
- Requested repairs must conform with the designated eligible improvements listed in each Sub-Program Module. The City has the authority to influence and determine in some cases what the necessary repairs will be.

### **Eligible Repairs**

Eligible rehabilitation activities differ for each Sub-Program Module based on funding source, targeted issue, targeted need, or focus and generally includes only items necessary to bring the structure into compliance with the City's Chapter 27 Minimum Property Standards and applicable local residential codes. Eligible activity also includes items recommended as necessary to preserve the property's structural integrity, historic integrity, weatherization, and quality of living conditions. The rehabilitation item addressed should have a useful life of a minimum of 5 years at project completion.

Improvements to, or demolition of, an accessory structure such as detached garage, work shed, or small residential structure may be made on a case by case basis depending on the eligible repairs listed in each Sub-Program Module, available budget, grant requirements, planning requirements, current building codes, health and safety concerns, and minimum occupancy requirements of property residents.

Assistance in removing any items from the property that are dangerous, hazardous, or a violation of local code may be an eligible repair when performed in conjunction with the rehabilitation of eligible improvements on the property. Homeowner must move any material that is a hindrance to performing the approved repairs.

Assistance may not be used for the purchase or repairs of appliances or renovations not necessary to bring the home up to local code or property standards.

The details of each Sub-Program Module are found in the appendix and include a full list of eligible and ineligible repair items.

### **Assistance Terms**

Financial assistance will be the exact amount required to cover the cost of eligible repairs up to the amount available per property and will be paid directly to the contractor to perform the repair work.

The terms of assistance for the TRP may be in the form of a loan or forgivable grant to the Applicant. The terms may require an affordability period. The loan or forgivable grant amount shall be subject to the City's established loan or grant underwriting criteria/requirements as determined by the applicable Sub-Program Module. The loan or forgivable grant shall be prorated for repayment. Each module will dictate the terms of the repayment based upon factors that may determine this, i.e. funding source.

The loan or forgivable grant may be enforced by a deed restriction and/or secured by a deed of trust. Each Sub-Program Module outlines when these legal agreements will be applied. The terms shall be defined in each Sub-Program Module based upon loan or forgivable grant amount and duration of affordability period in the instance the applicant can no longer meet the terms.

There are no grant repayments unless one of the following happen within the affordability period:

- The sale, conveyance, transfer, rental, or hypothecation of the security of the property; or
- If the home is vacated during the affordability period; or
- Failure to adhere to the provisions of the contract.

During the period of affordability, monitoring shall be performed on an annual basis. Applicant must certify annually that the home is not for sale, the property is in compliance with state, federal, and local laws, the repairs are being maintained, the property is the primary residence of the Applicant (unless it is a module that allows for rentals), and any other certifications required by the City in the contract, until the balance of the loan is repaid to the City or until the full amount of the loan is forgiven, as specified in each Sub-Program Module.

### **Goals**

Goals for each Sub-Program Module, set at Sub-Program Module creation, will align with other sub-program requirements and may be based on funding limits and alignment with other initiatives. Goals may be reviewed yearly and amended as needed.

### **Administration**

The TRP is designed to work in conjunction with other Housing & Neighborhood Revitalization (Housing) Programs, other City initiatives, and philanthropic efforts to permanently address these issues and preserve affordable housing. Activities under the TRP program include income eligibility referrals, application evaluation procedures, repair assessments, ongoing compliance and other duties as established in the contract, the program guidelines, and the policies and procedures.

Housing will create, and will periodically update, an application that is consistent with the TRP and the authorizing statute, as amended, to be used by Applicants who are interested in a Sub-Program Module. The City may accept applications on a rolling basis or may solicit applications through a competitive application process based on Sub-Program Module specifications. Only applications that meet or exceed the minimum criteria of the Sub-Program Module are eligible to be provided assistance.

The Director of Housing & Neighborhood Revitalization (Director) shall be responsible for ensuring that all programs are implemented in accordance with all applicable policies and regulations.

#### **Consistency with City's Affordable Housing Goals**

Sub-Program Modules shall align with the Comprehensive Housing Policy. This TRP sets forth the requirements that are designed to work in conjunction with other City programs and the City's existing affordable housing production goals. On an annual basis, the Department shall report to the City Council the year-to-date production data for the program.

#### **Consistency with Fair Housing Laws**

On an annual basis, the TRP will be reviewed by the Office of Equity and Human Rights, or its successor department, to ensure that the Program is being operated in a manner that is consistent with fair housing laws. The City will collect and maintain data regarding the location of properties that receive assistance.

# Targeted Rehabilitation Program - West Dallas Sub-Program

## Module Pillars 1, 3, 6

### Need or targeted Issue

Property values are rising quickly as new development spreads throughout West Dallas. The increased cost of taxes often competes with the cost of needed home repair or maintenance. This TRP, the West Dallas Sub-Program Module (“West Dallas TRP”), is directed to aid homeowners who occupy their homes in West Dallas who have home improvement needs but are financially unable to address them. The funding will prioritize exterior improvements. West Dallas TRP geography is defined by the following census tracts: 43, 101.01, 101.02, 105, 106.01, 106.02, 205

### Outreach

The West Dallas TRP design was informed by resident feedback. Resident-only focus groups were held to gather information on targeted beneficiaries and needed improvements. The TRP was then developed by staff and details of the program solidified.

The Housing Policy Task Force (HPTF) reviewed the TRP on February 21, 2020 and February 28, 2020 and made recommendations and comments on the overall policy. That feedback was also included in the general policy.

### Funding Source

Equity Revitalization Capital Fund

The total amount available is \$2,000,000 and each grant will be an amount not to exceed \$20,000 per property. It will be awarded based upon applicants meeting all criteria as listed herein.

### Eligibility Requirements

#### Applicant Eligibility

Applicants (sometimes referred to as homeowner) must meet all of the applicant criteria in the TRP and must also own the home and live in it to be repaired. Applicant income must be at or below 80% AMI. Applicant(s) must provide a deed showing the conveyance of ownership, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple. All owners of the property must sign all grant documents.

#### Property Eligibility

Properties must meet the eligibility criteria of the West Dallas TRP and must also be single-family or duplex, homeowner occupied, and be located in one of the following Census tracts: 43, 101.01, 101.02, 105, 106.01, 106.02, 205.

#### Eligible Repairs

Applicants seeking service will be prioritized based upon the priority tier improvements listed below (“Priority Tier”), and all applicants will be served in the order in which they complete their applications. If funds are available after all priority tier repairs have been completed, repairs from the secondary tier will be vetted in the order in which Applicants complete applications. Applicants that start but do not finish an application will not be considered for assistance.

Eligible improvements under this West Dallas TRP is intended for the primary structure, prioritizing exterior elements of the house and land that include the following, but are not limited to:

- Priority Tier
  - Correction of exterior code violations and elimination of specific conditions detrimental to public health & safety identified by the City
  - Roofing repair / replacement / soffit
  - Exterior material repair / replacement (siding, repointing, painting)
  - HVAC repair / replacement
  - Plumbing (exterior gas, sewer, water lines)
  - Foundation repair / leveling
  - Accessibility repairs and installation such as ramps, handrails or repairing walkways
  - Any item determined eligible by the Director, that aligns with the overall TRP policy;
- Secondary Tier (all exterior)
  - Entry doors
  - Windows
  - Gutters and Downspouts
  - Garage doors
  - Water heater
  - Flooring repair
  - Stairs
  - Flatwork
  - Electrical
  - Any item determined eligible by the Director, that aligns with the overall TRP policy

### **Ineligible Repairs**

Ineligible repairs include but are not limited to:

- Luxury and recreational items (granite counter tops, swimming pools, spas, high end fixtures)
- Tree trimming
- Fences
- Landscaping
- Demolition
- Repair expenses incurred prior to the execution of the contract with the City

### **Assistance Terms**

The West Dallas TRP is a grant program with assistance of an amount not to exceed \$20,000 per property. Financial assistance will be the exact amount required to cover the cost of eligible repairs up to the amount available per property and will be paid directly to the contractor to perform the repair work. Repairs in excess of the program limits or outside the scope of the repair contract are the responsibility of the homeowner. Applicants previously assisted through this program may reapply for assistance up to an amount not exceeding \$20,000, when combined with the amount of prior assistance received.

The grant will be enforced by a deed restriction. The deed restriction will have an affordability period of five (5) years from the date of signing the contract between the city and homeowner.

Repayment terms will be prorated equally based upon the grant amount, except when bond funds are utilized.

There are no grant repayments unless one of the following occurs within the affordability period:

- The sale, conveyance, transfer, rental, or hypothecation of the security of the property; or
- If the home is vacated during the affordability period; or
- Failure to otherwise adhere to the provisions of the loan or grant.

During the period of affordability, monitoring shall be performed on an annual basis. Homeowner must certify annually that the home is not for sale, the property is in compliance with state, federal, and local laws, the repairs are being maintained, the property is the primary residence of the homeowner, and any other certifications required by the City in the contract, until the five (5) year affordability period has lapsed.

### **Goals**

The West Dallas TRP aims to serve at least 100 homeowners. The City's Request for Proposals for a contractor to provide the repairs in the West Dallas TRP will include local subcontractor hiring.

# Targeted Rehabilitation Program - Tenth Street Historic District

## Sub-Program Module Pillars 1, 3, 6

### Need or targeted Issue

Historic properties can be costly to maintain. Many residents in the Tenth Street Historic District TRP ("Tenth Street TRP") face pressure on how to complete needed repairs without violating the requirements as set forth in the Historic District Ordinance (Ordinance #22852). This TRP is directed to aid homeowners who live in their homes in Tenth Street who have home improvement needs but are financially unable to address them. The funding will have a priority on structural elements and then general routine maintenance items. All work must comply and receive a Certificate of Appropriateness and/or Landmark Commission approval before work can be authorized, and must otherwise comply with all applicable state, federal and local laws.

### Outreach

The Tenth Street TRP design was informed by resident feedback. Resident-only focus groups were held to gather information on targeted beneficiaries and needed improvements. The TRP was then developed by staff and details of the program solidified.

The Housing Policy Task Force (HPTF) reviewed the TRP on February 21, 2020 and February 28, 2020 and made recommendations and comments on the overall policy. That feedback was also included in the general policy.

### Funding Source

Equity Revitalization Capital Fund

The total amount available is \$750,000 and each grant will be in an amount not to exceed \$50,000 per property. It will be awarded based upon applicants meeting all criteria as listed herein.

### Eligibility Requirements

#### Applicant Eligibility

Applicants (sometimes referred to as homeowner) must meet all of the applicant criteria in the Targeted Rehabilitation Program and must also own and live in the home to be repaired. If Applicant, intends to rehabilitate the property to be their primary residence, they may also be eligible to apply, given they occupy the dwelling within 6 months of grant award. Applicant income must be at or below 120% AMI. Applicant(s) must provide a deed showing the conveyance of ownership, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple. All owners of the property must sign all grant documents.

#### Property Eligibility

Properties must meet the eligibility criteria in the Targeted Rehabilitation Program and must also be:

- Single-family or duplex
- Homeowner occupied
- Contributing or non-contributing structure provided homeowner agrees to work with Landmark Commission to rehab home so that it becomes a contributing structure; and
- Be located within the established Tenth Street Historic District as defined by Ordinance

#22852.

### **Eligible Repairs**

Applicants seeking service will be prioritized based upon having a contributing structure with structural needs, major electrical or plumbing issues, or code violations. All applicants will be served in the order in which they complete their applications. If funds are available after all Applicants with contributing structures have been served, Applicants with general routine maintenance will be vetted in the order in which they apply. Applicants that start but do not finish an application will not be considered for assistance.

Eligible improvements under this Tenth Street TRP are intended for the primary structure prioritizing exterior elements of the house that include the following but may not be limited to:

- Structural
  - Correction of exterior code violations and elimination of specific conditions detrimental to public health & safety identified by the City
  - Foundation repair / leveling
  - Roofing repair / replacement / soffit
  - Major Electrical or Plumbing
  - Any item determined eligible by the Director that aligns with the overall TRP policy
- Routine Maintenance (all exterior)
  - Accessibility repairs and installation such as ramps, handrails or repairing walkways
  - Exterior material repair / replacement (siding, repointing, painting)
  - HVAC repair / replacement
  - Plumbing (exterior gas, sewer, water lines)
  - Entry doors
  - Windows
  - Gutters and Downspouts
  - Garage doors
  - Water heater
  - Flooring repair
  - Stairs
  - Flatwork
  - Electrical
  - Any item determined eligible by the Director, that align with the overall TRP policy

### **Ineligible Repairs**

Ineligible repairs include but are not limited to:

- Luxury and recreational items (granite counter tops, swimming pools, spas, high end fixtures)
- Tree trimming
- Fences
- Landscaping
- Demolition
- Repair expenses incurred prior to the execution of the contract with the City

## **Assistance Terms**

The Tenth Street TRP is a grant program with assistance in an amount not to exceed \$50,000 per property. Financial assistance will be the exact amount required to cover the cost of eligible repairs up to the amount available per property and will be paid directly to the contractor to perform the repair work. Repairs in excess of the program limits or outside the scope of the repair contract are the responsibility of the homeowner. Applicants previously assisted through this program may reapply for assistance up to an amount not exceeding \$50,000, when combined with the amount of prior assistance received.

The grant will be enforced by a deed restriction. The deed restriction will have an affordability period of five (5) years from the date of signing the contract between the city and homeowner, and repayment terms will be prorated equally based upon the grant amount, except when bond funds are utilized.

There are no grant repayments unless one of the following occurs within the affordability period:

- The sale, conveyance, transfer, rental, or hypothecation of the security of the property
- If the home is vacated during the affordability period
- If the Applicant who does not currently occupy the dwelling does not move into the dwelling within 6 months of grant award
- Failure to adhere to the provisions of the loan or grant.

During the period of affordability, monitoring shall be performed on an annual basis. Homeowner must certify annually that the home is not for sale, the property is in compliance with state, federal, and local laws, the repairs are being maintained, the property is the primary residence of the homeowner, and any other certifications required by the City in the contract, until the five (5) year affordability period has lapsed.

## **Goals**

The Tenth Street TRP aims to serve at least 11 homeowners.

The City Request for Proposals for a contractor to provide the repairs in the Tenth Street TRP will include local subcontractor hiring and experience working on historic properties.

## Dallas Tomorrow Fund Pillars 3, 6

On March 9, 2005 the Dallas Tomorrow Fund (DTF) was created with Ordinance 25927 with an addendum to Chapter 27 to provide financial assistance and other guidance to persons determined financially unable to repair or rehabilitate their property or premises in compliance with City ordinances. For each violation for which a person is found liable, \$36.00 will be deposited into the Dallas Tomorrow Fund established in Section 27-16.22 of Ordinance No. 25927.

The city of Dallas established DTF pursuant to Chapter 380 of the Texas Local Government Code in order to make grants of public money to promote local economic development and to stimulate business and commercial activity in the city of Dallas by improving the quality and public safety of residential neighborhoods. The city desires to provide an economic incentive in the form of in-kind grants covering the costs of rehabilitation and/or repair of properties and premises that violate city codes and to enter into a grant agreement with an administrator in order to promote within the city of Dallas:

1. Development and diversification of the economy; and
2. Elimination of unemployment and underemployment; and
3. The stability and economic value of residential neighborhoods.

On September 28, 2016 the Dallas City Council approved Ordinance No. 30236 amending City Code Chapter 27 Sec 16.13-16.23 changing the process of referring persons determined financially unable to repair or rehabilitate their property or premises in compliance with city ordinances to the Dallas Tomorrow Fund.

DTF must be used for the sole purpose of rehabilitating and/or repairing properties and premises in the city for persons who are found unable to financially comply with notice of violation issued by the director under this chapter Section 27-16.19.

The City manager appoints the DTF Administrator (Administrator). Currently the Department of Housing & Neighborhood Revitalization has been appointed the administrator of DTF.

### **PROGRAM FUNDING**

The Dallas Tomorrow Fund is composed of:

1. All Dallas Tomorrow Fund penalties collected under Section 27-16.21(b);
2. 30 percent of all civil penalties collected by the city for civil lawsuits filed in the municipal court under Subchapter B, Chapter 54 of the Texas Local Government Code, as amended, or under Chapter 214 of the Texas Local Government Code, as amended;
3. Any funds donated by an individual or entity, any of which donations may be refused by a majority vote of the city council.

### **PROGRAM ELIGIBILITY**

To be eligible to receive funds from the Dallas Tomorrow Fund, a person must:

1. Be the sole owner of the property or premises, except that the person may be a co-owner of the property or premises if all other co-owners cannot be located or are financially unable to comply with the notice of violation;

2. Have received an exterior notice of violation from a code officer at DCC;
3. Have been found by the Dallas Tomorrow Fund administrator to be financially unable to comply with the notice of violation issued or financially unable to cover the cost of repairs;
4. Have an income that does not exceed 80 percent of the Dallas Area Median Family Income as determined by the United States Department of Housing and Urban Development;
5. Voluntarily fill out an application with Housing staff for the purpose of rehabilitating and/or repairing the person's property or premises until it complies with the notice of violation;
6. Have not have received funds from the Dallas Tomorrow Fund within the preceding 60 months;
7. address only the external DCC Minimum Property Standard violations.

### **PROGRAM INELIGIBILITY**

A person/property is ineligible for DTF if:

1. They earn more than 80% AMI; or
2. They qualified for other Department of Housing & Neighborhood Revitalization rehab programs; or
3. The cost of repairs needed exceeds \$20,000 and the applicant declines to do partial work; or
4. It is vacant land; or
5. It is rental property; or
6. Property is listed for sale.

### **ELIGIBLE REPAIRS**

Repairs to be provided may include but are not limited to the following items that are intended to bring the property into compliance:

- Correction of exterior code violations and elimination of specific conditions detrimental to public health & safety identified by the City that may include the following:
- Roofing repair / replacement / soffit;
- Exterior entry doors;
- Exterior windows;
- Exterior material repair / replacement (siding, repointing, painting);
- Gutters and Downspouts;
- Garage doors;
- Accessibility repairs and installation such as ramps, handrails or repairing walkways;
- HVAC repair / replacement;
- Gas lines;
- Sewer Lines;
- Water lines;
- Water heater;
- Flooring repair;
- Stairs;
- Foundation repair / leveling;
- Flatwork;
- Electrical;

- Tree trimming / removal if dangerous to public health or structure;
- Fences;
- Light demolition – accessory structures;
- Any item determined eligible by the Director.

### **INELIGIBLE REPAIRS**

- Interior repairs;
- Towing vehicles;
- Mowing / weeding;
- Sidewalk repairs;
- Junk removal;
- Citations issued by DCC requiring a 48-hour response;
- Other repairs not listed on citation;
- Chronic code violators.

DRAFT

## Lead Hazard Reduction Demonstration Grant **Pillars 3, 6**

HHLR provides lead hazard reduction home repair services to create a lead-safe environment for the children of Dallas. HHLR also includes Healthy Homes Supplemental Funding for the identification and remediation of housing related health and safety hazards in homes.

The program protects children from lead when they live or spend extended periods of time in a home with deteriorated lead-based paint. Participation in the program will require a paint inspection/risk assessment of the property to determine presence of lead-based paint hazards. For qualifying households, the program will identify, remove, or stabilize lead-based paint hazards at no cost to the homeowner.

### **Program Eligibility:**

- Single-family home-owner occupied house built before 1978 within Dallas City Limits
  - Child/children under the age of 6 resides in the home or stays for extend periods of time
  - A pregnant woman resides in the home
  - Combined household income at or below 80% Area Median Income (AMI)
- Multi-family property-owner built before 1978 within Dallas City Limits

### **Required Supporting Information:**

#### Homeowner(s) or property owners must supply:

- Application form fully filled-out and signed by the homeowner
- Current mortgage statement (if applicable)
- Copy of property deed

#### All household members or tenants must supply:

- Driver's license or state identification card for 18 and over
- Birth certificate for 17 and under
- Social security card for all household members
- Divorce decree or death certificate (if applicable)
- One (1) most recent checking/saving bank statements, ALL pages for each account
- One (1) month of most recent paycheck stubs (all wage earners)
- Two (2) years of most recent Self-Employed Federal Tax Returns (if applicable)
- Current Social Security/Disability Award Letter
- Current pension/annuity letter
- School registration (for children attending college who reside in the home when not at school)
- Court ordered child support statement (if applicable)
- Any other income

# Senior Home Rehabilitation Program Pillars 1, 3, 6

Approved January 25, 2023 by resolution 23-0167

## Program Purpose

The Senior Home Rehabilitation Program provides home repair assistance to qualified low- to moderate-income senior citizens within the city limits of Dallas.

## Eligible Repairs:

- Correction of code violations and elimination of specific conditions detrimental to public health and safety
- Correction of incipient violations of the City of Dallas Building Code
- Cost effective energy conservation measures, including solar heating, cooling, and water systems permanently affixed to the home
- Testing and treatment/ removal of lead-based paint/asbestos hazards
- Removal of termites; removal of rodents and roaches (may not be a stand-alone cost)
- Replace/ repair roofing
- Replace/ repair HVAC systems
- Replace/repair window and/or door screens
- Install new smoke, fire, and CO2 alarms
- Install new insulation
- Replace/ repair flooring and carpeting
- Replace/ repair water heaters
- Replace/ repair electrical system and installation of fault circuit interrupters
- Replace/ repair windows
- Replace/ repair plaster, siding, and stucco
- Painting (inside and outside)
- Install new deadbolt locks
- Replace/ repair kitchen or bath cabinets and countertops
- Replace/repair garage doors
- Structural repairs/ modifications (only to correct existing structural code deficiencies or to provide accessibility to disabled persons)
- Foundation repairs
- Replace/repair fences
- Landscaping- modest improvements consistent with the neighborhood (may not be a stand-alone cost)
- Any items related to home repair determined eligible by the Director

## Eligible Participants

To be eligible, participants must be: 1) Homeowners with their primary residence within the City of Dallas, 2) with household income at or below 80% of the area median income (AMI), and 3) senior citizens (age 65 and older).

## Eligible Property

To be eligible, a property must be the homeowner-applicant's primary residence and must be located within city of Dallas limits.

## Ineligible Participants

- Those who do not own the home
- Landlords
- Applicants who have received home repair or reconstruction assistance through City of Dallas Housing programs within the last three years
- Homeowners who have or will receive funds for the same repairs/replacement, including but not limited to insurance proceeds
- City Council members, Department of Housing & Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the program

## Assistance

This program may **1)** utilize contractors to administer the program; **2)** utilize a rebate program to reimburse homeowners, pending available funds; and/or **3)** be directly administered by staff. Details on which method is available will be posted on the Department of Housing and Neighborhood Revitalization website.

- For City administration of the program, funding will be provided directly to the city-selected contractor on a reimbursement basis after all approved work has been completed as agreed upon by City staff, the homeowner, and the contractor.
- For administration agreement(s) for the program, funding will be reimbursed to the administrator after work has been completed, adequate documentation has been submitted, and the City has been invoiced.
- Funding through rebate will be made directly to the homeowner upon homeowner verifying that a licensed contractor conducted the repairs in accordance with this program statement and submission of adequate documentation, including but not limited to contractor invoices, proof of contractor payment, and both before and after photos of the work done. Work may not have been completed before program approval by City Council.

The amount of assistance provided for repair or replacement of recommended repairs under all three options of funding allocation will be provided as a grant on behalf of the homeowner in an amount not to exceed \$10,000.00 per home.

Department of Housing and Neighborhood Revitalization staff will determine the manner in which applications will be processed and selected. Details will be included with any program launch and will be posted on the Department of Housing and Neighborhood Revitalization website.

Applicants must provide documentation to show eligibility, including but not limited to the following:

- Application
- Proof of Household Income
- Proof of Identity
- Proof of age
- Proof of primary homeowner occupancy
- Proof of ownership

- In the absence of a deed, owners of property may self-certify that they own the home. The means by which an owner may self-certify include but are not limited to a printout from the Dallas Central Appraisal District website or the Dallas County website reflecting the applicant as the owner, an affidavit signed by the applicant attesting to home ownership, a tax receipt for the property that reflects the applicant as the owner, or proof of insurance on the property.

**Grant Terms:**

- Repairs shall not exceed \$10,000.00 per household.

**Funding**

Various funding types may be used under this program and must follow the requirements of the funding type.

This program statement may be amended by the City Manager to include amendments as appropriate to meet funding requirements, as applicable.

# American Rescue Plan Act – Neighborhood Revitalization

## Program Pillars 1, 3, 6

To address the negative impacts of COVID-19, to preserve affordable housing and to invest in sidewalk, water, and sewer infrastructure improvements in (1) Qualified Census Tracts (QCTs), including but not limited to Tenth Street Historic District, Five Mile Neighborhood, Freedman's towns, and Joppa/Joppee, and (2) households outside of QC Ts whose household may have been disproportionately impacted by the COVID-19 pandemic and currently receives federal benefits through programs including: Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), Free and Reduced-Price Lunch (NSLP) and/or School Breakfast (SBP) programs, Medicare Part D Low-income Subsidies, Supplemental Security Income (SSI), Head Start and/or Early Head Start, Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Section 8 Vouchers, Low-Income Home Energy Assistance Program (LIHEAP) and/or Pell Grants (ARPA Eligible Households). This program will (1) provide for the cost of repairs to homes (home repair activities), as households have been confined to residences and have engaged in more activities not previously or traditionally conducted in the home due to COVID-19, such as schooling and work, which has caused greater wear and tear on aging housing stock already in need of repairs, thus making the living situation more difficult; and (2) provide for maintenance of sidewalk, water, and sewer infrastructure improvements which support home repair activities (infrastructure projects).

This Program may (1) utilize subrecipients or contractors to administer the Program; and/or (2) be directly administered by the Department of Housing & Neighborhood Revitalization ("Housing") in concert with other departments.

### **Program Overview**

All portions of this program operate under the same program guidelines, including qualification, eligibility, grant terms and program review.

### **Funding Source**

The initial allocation of American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) applies to home repair activities and infrastructure projects to be completed in three neighborhoods - Tenth Street Historic District, Five Mile, and Joppa/Joppee. Funding will be targeted to home repair and infrastructure activities in these communities; however, Housing staff may reevaluate unused portions of the initial funding in time to mobilize funding by the end of FY 2024 and redirect unused funding to other QCTs and ARPA Eligible Households. Existing boundaries for Five Mile and Joppa/Joppee can be seen in maps 1 and 2. Original and Adjusted boundaries for Tenth Street Historic District can be seen in maps 3 and 4.

Up to an additional \$10,000,000 may be allocated to the American Rescue Plan Act (ARPA) Neighborhood Revitalization Program through approval by the City Manager and appropriations by the Chief Financial Officer, from two sources (1) Councilmember discretionary ARPA funding, to be used in QC Ts throughout their district; and (2) other unused or underutilized ARPA allocations from various departments and various units, to be used in QCTs city-wide. Councilmembers may use ARPA discretionary funding within their districts to serve homeowners in QCTs. Discretionary ARPA funding from Councilmembers must be identified by December 2023. Additional funds from unused or underutilized ARPA may be used in all QCT's throughout the City of Dallas, or for ARPA Eligible Households. Additional ARPA funding from various departments and various units must be identified by December 2023. Map 5, attached, shows eligible QC Ts throughout the City of Dallas. The City Manager may make modifications to funding applicability and timelines as funding becomes available.

### **Home Repair Activities in QCTs for Homeowners:**

Grants up to \$100,000 per property may be provided to eligible applicants. The City or subrecipient, City or subrecipient selected contractor, and property owner(s) will enter into a tri-party agreement and the City or subrecipient will pay the contractor directly for the work performed. No work shall begin prior to the full execution of the tri-party agreement and recording of the deed restrictions. The home must be a single-family dwelling and constructed in or before 1959. Homes must be located within a QCT, or must qualify by being an ARPA Eligible Household. The City will use contractors qualified under similar home repair programs to conduct the work, subject to compliance with applicable local, state and federal laws.

### **Infrastructure, Sidewalks, Water, and Sewer Improvements made by the City within QCTs:**

The City may perform infrastructure projects in QCT's that can be completed by December 2025. Projects will be selected in coordination with the City of Dallas Public Works department. Projects funded must support home repair activities. In addition, program funds are anticipated to be used for program administration, including staff positions, technology, and equipment.

### **Eligibility Requirements**

Eligible home repair activities include repairs the City deems necessary:

- Repairs necessary to bring the structure and infrastructure into compliance with local, state, and/or federal law, including but not limited to the Dallas City Code.
- Repairs necessary to preserve the property's structural integrity.
- Repairs necessary to preserve the property's historic integrity as required by the City's Certificate of Appropriateness and Landmark Commission processes. The goal is to improve the property starting with the home and then the landscape to improve both the living condition as well as the neighborhood.
- Sidewalk, water and sewer improvements where additional funding will expedite completion of projects in QCTs.

**Eligible infrastructure projects include, but are not limited to, the following:**

Under the American Rescue Plan Act Section 602(c)(1)(A) or 603(c)(1)(A), a general infrastructure project typically would not be considered a response to the public health emergency and its negative economic impacts unless the project responds to a specific pandemic-related public health need (e.g., investments in facilities for the delivery of vaccines) or a specific negative economic impact of the pandemic (e.g., affordable housing in a Qualified Census Tract).

Eligible infrastructure activity may include making necessary investments to improve access to clean drinking water, supporting vital wastewater and stormwater infrastructure, and sidewalks.

Necessary investments include projects that are required to maintain a level of service that, at least, meets applicable health-based standards, taking into account resilience to climate change to unserved or underserved populations to reach an adequate level to permit a household to work or attend school, and that are unlikely to be met with private sources of funds.

The City may use this funding to invest in an array of drinking water infrastructure projects, such as building or upgrading facilities and transmission, distribution, and storage systems, including the replacement of lead service lines. The City may also use this funding to invest in wastewater infrastructure projects, including constructing publicly owned treatment infrastructure, managing and treating stormwater or subsurface drainage water, facilitating water reuse, and securing publicly-owned treatment works.

**Eligible Repairs**

Eligible home repair activities include, but are not limited to:

- Correcting any code violations
- Testing & treatment/removal of lead-based paint/asbestos hazards
- Handicapped improvements & removal of barriers to the handicapped
- Pest control; removal of termites; removal of rodents and insects, but not as a stand-alone cost
- Roofing
- HVAC
- Plumbing, water and sewer pipes, kitchen and bath fixtures
- Gas pipes/gas test
- Smoke, fire, and CO2 alarms
- Insulation
- Flooring and carpeting
- Water heaters
- Electrical
- Windows
- Window and/or door screens

- Plaster, siding and stucco
- Painting (inside and outside)
- Install new deadbolt locks
- Kitchen or bath cabinets and countertops - Replace/repair
- Garage doors
- Structural repairs/modifications
- Stairs interior and exterior
- Foundation repairs
- Landscaping — modest improvements consistent with the neighborhood
- Hardscape / Softscape
- Tree trimming and removal
- Fences
- Sidewalks
- Junk/Trash Removal
- Demolition of accessory structures
- Any items determined eligible by the Director that comply with ARPA regulations and guidance.

### **Ineligible Repairs**

- Ineligible home repair activities include but are not limited to
- Demolition of historic structures
- Demolition of primary structure that results in vacant lot
- Rehabilitation that makes the home inconsistent with the neighborhood character

### **Applicant Eligibility for Home Repair Activities**

- Property owners who reside in owner-occupied single-family houses located in QCTs or ARPA
- Eligible Households, are eligible for the ARPA Home Repair Program.
- Property owners who rent or sell their property to families under 80 percent of the Area Median Income (AMI) established by the U.S. Department of Housing and Urban Development are eligible.
- Property owners who own a non-occupied home that they wish to (1) rent or sell to a low-to-moderate income family, under 80 percent AMI; or (2) occupy as their primary residence at completion of the repairs are eligible.
- Entities who own unoccupied homes are eligible if, after the repairs are completed, the entity (1) rents to a low-to-moderate income family, under 80 percent AMI, who must occupy the home as their primary residence; or (2) sells the home to a buyer under the same income threshold, who must occupy the home as their primary residence.

### **Eligible Areas**

On [November 9, 2022] City Council authorized changes to the ARPA Home Repair and Infrastructure Program, to expand the program to serve more qualified households throughout the City of Dallas. The ARPA Home Repair and Infrastructure Program eligible areas include (1) Tenth Street Historic District, Five Mile Neighborhood, Freedman's towns, and Joppa/Joppee, (2) other households in all QCT's throughout the City of Dallas; or (3) households outside of QCTs whose household may have been disproportionately impacted by the COVID-19 pandemic and currently receives federal benefits.

- The eligible area for Joppa/Joppee can be seen in map 1.
- The eligible area for Five Mile can be seen in map 2.
- The original and adjusted eligible area for Tenth Street Historic District can be seen in map 3 and 4.
- All eligible QCTs throughout Dallas can be seen in map 5.

The City Manager may make modifications to funding applicability and timelines as funding becomes available.

### **Ineligible Participants**

- Property owners who have or will receive funds for the same repairs/replacement, including but not limited to insurance proceeds.
- City Council members, Housing employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the program are ineligible for assistance under the program.

### **Property Eligibility**

- The property must be a detached single-family dwelling that is owner occupied, rented or sold to an income qualifying household at or below 80% AMI, or vacant.
- The property must either be, (1) in a QCT, including but not limited to Tenth Street Historic District, Five Mile Neighborhood, Freedman's towns, and Joppa/Joppee; or (2) occupied by a household, located in the City of Dallas and outside of a QCT, that has been disproportionately impacted by the COVID-19 pandemic and currently receives federal benefits, described above.
- Home must have been constructed in or before 1959.
- Home must need eligible repairs.
- In the absence of a deed or other instrument proving property ownership, owners of property may self-certify that they own the home. The means in which an owner may self-certify include but is not limited to a printout from the Dallas Central Appraisal District website or the Dallas County website reflecting the applicant as the owner, an affidavit signed by the applicant attesting to home ownership, a tax receipt for the property that reflects the applicant as the owner, or proof of insurance on the property.

### **Assistance**

Assistance for home repairs will be provided as a grant on behalf of the property owner and shall not exceed \$100,000.00 per property. All funds will be paid directly to the contractor.

Applicants must provide documentation to determine eligibility, which includes but is not limited to the following:

- Application
- Proof of identity
- Proof of primary homeowner occupancy or occupancy by a qualifying household at or below AMI
- Proof of income for tenants
- Proof of ownership (including self-certification, as detailed above)
- Grant Terms
- In addition to the triparty agreement, the owner of the property shall execute and record deed restrictions in the Real Property records of Dallas County, Texas (and other applicable counties) for a period of five years.

This program statement may be amended by the City Manager to include amendments as appropriate to meet funding requirements and/or to comply with ARPA regulations/guidance, as applicable.

### **Program Review**

The program expanded to serve more households in QC Ts throughout the City of Dallas on November 9, 2022. The Program will be reviewed as more funding becomes available through Councilmember allocation of discretionary funding or other resources, including additional ARPA CSLFRF funding, allocated to the ARPA Home Repair and Infrastructure Program through FY 2024. The City Manager may make modifications to funding applicability and timelines as funding becomes available.

## DEVELOPER PROGRAMS

### New Construction and Substantial Rehabilitation Program – Pillars 1, ,2, 4, 6, 7

The purpose of the New Construction and Substantial Rehabilitation Program (Development) is to provide financial assistance to new developments and substantial rehabilitation of existing property, where such assistance is necessary, and to appropriately incentivize private investment for the development of high quality, sustainable housing that is affordable to the residents of the City.

The City shall award funds, when available, through a competitive Notice of Funding Availability (NOFA) or a Request for Applications (RFA) process in accordance with the program's scoring policy. The scoring policy shall be determined by the City's development priorities and clearly outlined in the corresponding NOFA or RFA.

Funds may be used to:

- Build new single-family developments with 5 or more homes
- Build new or substantially rehabilitate multi-family rental housing with 5 or more units

#### Eligibility

To be eligible for funding under the New Construction and Substantial Rehabilitation Program assistance, the proposed project must meet all of the following basic criteria:

- Project must consist of 5 or more units located within the municipal boundaries of the City of Dallas. Note: Extra Territorial Jurisdictions areas are not eligible for financial assistance.
- Substantial rehabilitation projects must, at a minimum, meet the substantial rehabilitation test.

In addition to fully meeting the City's minimum code requirements, a project must meet one or more of the following Substantial Rehabilitation threshold tests:

- Replacement of two or more major building components (roof; wall or floor structures; foundations; plumbing, central HVAC or electrical system); or
- costs are 15% or more, exclusive of any acquisition and/or acquisition and development soft costs, of the property's replacement cost (fair market value) after completion of all required repairs, replacements and improvements; or
- rehabilitation hard costs are \$10,000 or more per unit.

The after-rehabilitation rents required to effectively support the property, including the additional rehabilitation project debt service, must be:

- Reasonable, and fall within the underwriting standards; and
- Affordable and meet the City's definition of affordability.

Owners must exhibit a cash equity participation of at least 10% in the rental property proposed for rehabilitation. Note: Housing tax credits proceeds are to be treated as equity.

#### Loan Terms

Financial assistance can be provided in the form of a repayable loan as negotiated on a project by project basis and demonstrated by the financial underwriting. The City loan is fully repayable, and the interest rate varies by the type of Borrower. The City may structure loans for projects including permanent supportive housing units as forgivable loans. The interest rate for a qualified CHDO Borrower or Sponsor shall be zero percent (0%) simple annual interest. The interest rate for a qualified nonprofit Borrower or Sponsors shall be one percent (1%) simple annual interest. The base interest rate for all other Borrowers shall be three percent (3%). However, the 3% base rate can be reduced through a combination of one or more Borrower concessions:

- A Borrower guarantee to make annual interest payments will reduce base interest rate by 1%;
- Borrower agreement to limit loan maturity to 20 years or less reduces base interest rate by 1%; or
- Borrower guarantee of annual interest and principal payments reduces base interest rate by 2%.

The Borrower can combine a) and b) above to reduce the 3% annual simple interest base interest rate by 2% to the 1% annual simple interest floor rate. However, in no instance can the floor interest rate be less than 1% annual simple interest for a Borrower in this category.

Repayment terms will be negotiated based on project underwriting and after review of all other financing commitments. Repayment of loan principal and interest should be either:

- Equal monthly installments over a period of up to 300 months. Subject to City review and approval, multi-family projects may have up to 24 months (in addition to the above stated maturity of 300 months) of deferred principal and interest during a construction and lease-up; or,
- An annual surplus cash payment. The City's surplus cash loans funding will be structured with note provisions requiring that at least 50% of Eligible Cash in excess of \$50,000 be paid annually to subordinate lenders (including funding partners and related parties) on a prorated basis.

Eligible Cash shall be defined as: Surplus cash available for partnership distribution, less any outstanding:

- Credit adjusters
- Asset management fees
- Operating reserve account replenishment
- Limited partner loans that have been approved by the City
- Deferred developer fees
- Supplemental replacement reserve deposits approved by the City

Note: Incentive management fees have been deliberately omitted from the above list. Payment of incentive management fees shall be subordinate to repayment of the City's loan(s).

### **Additional Requirements for New Construction Development**

For new construction housing developments funded by the City, the maximum subsidy per unit is 22.5% of the HUD HOME Value Limit.

Funding will be provided to Community Housing Development Organizations, governmental entities, or public facility corporations at 0% simple interest, which will be forgiven upon sale of the property to home buyer.

In addition, funding will be provided to other qualified non-profit organizations at 1% simple interest, which will be forgiven upon sale of the property to home buyer.

Projects shall submit, on an annual basis, either HUD Form 93489 (HUD Computation of Surplus Cash), or the City’s form, with the project audit. The City will invoice the project, allowing for repayment to occur up to the end of the current calendar year when HUD financing is involved. Otherwise, the surplus cash payment will be due within 45 days of the invoice postmark. Late payments will be assessed a 5% late charge. The loan will be in default if payments are more than 75 days late. The default interest rate shall be 500 basis points (5%) over the note interest rate.

If the City’s multi-family rental subsidy is derived from a Federal funding source, investment may not exceed the corresponding annual HUD Section 234 – Condominium Housing Limits in Dallas, Texas for elevator units (by number of bedrooms per unit).

**Affordability Period Requirements for All Rental Housing Development and Substantial Rehabilitation Loans**

The Period of Affordability (income and rent restrictions) applies to both single-family and multi-family rental housing projects. Affordability periods shall be set as follows, in keeping with HUD requirements.

Amount of CDBG or HOME funds Per Unit	Minimum Period of Affordability
Under \$15,000/ unit	5 years
\$15,000 - \$40,000/ unit	10 years
Over \$40,000 or rehabilitation involving refinancing	15 years
New construction of rental housing	20 years

**Conditions of All City Loans**

- The property must be residential rental property under the existing ownership for the entire loan term. If the property is transferred by any means during the loan term, the remaining unforgiven portion, plus interest based on the existing market, will become immediately due and payable;
- The Borrower must maintain the property according to the Dallas Unified Building Code and agrees to allow City personnel to annually inspect the property;
- The Borrower provides evidence of having paid annual property taxes and having secured fire and extended insurance coverage for the property;
- Borrower must annually provide the City of Dallas with the information on rents and occupancy of HOME-assisted units to demonstrate compliance with the affordability rent requirements;
- The Borrower must maintain reserves for maintenance; and
- No further assistance during the affordability period term of the loan, whichever is longer.

The City loan will be secured by a lien on the property. The lien position will be no less than a second, except upon approval of the appropriate City Department Director. The City may also require additional security for its loan, including, but not limited to, a first lien position on other investment property of the owner, as well as personal and/or corporate guarantees if it is necessary to secure the loan.

The terms of payment will continue throughout the entire term of the note, provided the Borrower complies with each and every term and condition of the loan documents. If the Borrower does not comply, or if the borrower at any time defaults under the terms of the note, interest on the unpaid principal will thereafter:

- accrue at a rate that is 500 basis points over the Note interest rate, and
- be immediately payable in addition to the entire outstanding principal amount

## **Financial Structuring**

### **GAP Financing**

The City deferred debt (deferred forgivable or surplus cash) only be used for and based upon the financing gap on affordable units. The City loan cannot exceed the financing gap.

### **Balloon Mortgages**

Ballooning senior debt mortgages may require additional mitigating factors depending on overall project sources and uses, projected loan-to-value, and other risk factors. Under no circumstances will the City participate in a transaction where a senior balloon term is less than 15 years.

### **Surplus Cash Mortgages**

The City's surplus cash loans funding will be structured with note provisions requiring that at least 50% of Eligible Cash in excess of \$50,000 be paid annually to subordinate lenders (including funding partners and related parties) on a prorated basis.

### **Eligible Cash shall be defined as:**

- Surplus cash available for partnership distribution, less
- Any outstanding:
- Credit adjusters
- Asset management fees
- Operating reserve account replenishment
- Approved limited partner loans
- Deferred developer fees
- Approved supplemental replacement reserve deposits

Projects shall submit, on an annual basis, either HUD Form 93489 (HUD Computation of Surplus Cash), or the City's form, with the project audit. The City will invoice the project, allowing for repayment to occur up to the end of the current calendar year when HUD financing is involved and general HUD distribution guidelines. Otherwise, the surplus cash payment will be due within 45 days of the invoice postmark. Late payments will be assessed a 5% late charge. The loan will

be in default if payments are more than 75 days late. The default interest rate shall be 500 basis points (5%) over the note interest rate.

### **Appraisal Requirements**

#### **Projects Receiving City First Mortgage Acquisition Financing**

Prior to funding commitment, the borrower must provide a completed Appraisal Request Form for City-Ordered Appraisals by the date specified in the City's notice of funding award, unless the development is exempt from the appraisal requirement as described below. The establishment of the date will take into account the applicable funding source commitment deadline and the Borrower's project timeline.

Developments exempt from the prior to commitment appraisal requirement:

- Acquisition price under \$100,000
- Land only where there is no identity of interest. Identity of interest is used broadly to include non-arm's length transactions, related-party transactions, etc.
- Single family homes (1-4 family structures) that are aggregated under one loan
- The Borrower has provided a third-party market study
- The Project is HUD 202 or HUD 811 with a funding reservation

Note: Whenever a project is exempt under one of the above provisions, the City will use assessed value unless the borrower requests an appraisal for determining acquisition cost as defined in these Underwriting Standards.

The cost of appraisals must be borne by the Borrower. All costs incurred for the appraisal, and any revisions, will be the responsibility of the applicant. The City will collect the appraisal costs from its loan proceeds at closing.

Appraisals ordered by the Borrower will not be accepted. All appraisals must be ordered by the City, HUD or a designated HUD MAP lender, Fannie Mae or a designated Fannie Mae Delegated Underwriter Services (DUS) lender or a regulated financial institution.

An Agency-ordered appraisal will be used to support the acquisition costs identified at the time of application. The appraised value will be used by the City and its funding partners in underwriting the acquisition cost.

#### **An As-Is Appraisal:**

Land Only for New Construction: Fee simple value of the land. The market value appraisal will consider the real property's zoning as of the effective date of the appraiser's opinion of value. If the real property consists of more than one parcel, the parcels will be combined in one appraisal with one value conclusion.

#### **Acquisition/Rehab:**

Fee simple "as-is" value of the existing multi-family property assuming market rate rents. Fee simple, in "as-is" condition, with existing restricted rate rents.

#### **Adaptive Re-Use:**

Fee simple market value of the property to be adapted for an alternate use. The valuation will assume the highest and best use permitted by law and economically feasible in the current market.

### **Prior to Closing – Scheduled Payment Loans:**

For scheduled payment loans, an as-completed appraisal is required to establish loan to value. An “as-completed and stabilized” appraisal is required for all amortizing loans.

Two hypothetical values are required:

- As completed and stabilized, subject to restricted rents
- As completed and stabilized, assuming market rate rents

The lesser of the two values will be used to determine loan to value for the City’s underwriting. The City will finance no more than 87% of appraised value (85% for loans with \$15,000 per unit or less in rehabilitation). Plans and specifications must be sufficiently complete for the appraiser to establish the “as completed” value. The appraisal must be conducted no more than six months prior to closing or end loan commitment (or the borrower will be required to pay for an appraisal update).

### **Prior to Closing- Deferred Loans:**

For non-amortizing loans, the City requires an appraisal prior to closing similar to that required for amortizing loans (above). Borrowers may use another lender’s appraisal. Non- Amortizing developments exempt from the prior to closing appraisal requirement include:

- Single family homes (1-4 family) that are aggregated under one loan (the City will use assessed value unless the Borrower requests an appraisal for determining acquisition cost as defined in the Borrower’s Underwriting Standards.)

### **Loan Conditions**

As a condition of the City Loan, the Developer must agree:

- To rent these properties in accordance with Affirmative marketing standards and the current HUD Section 8 rental income guidelines for the Period of Affordability and the federal equal housing opportunity requirements in the Fair Housing Act.
- Not discriminate on basis or race, religion or national origin.
- To comply with Chapter 20A of the Dallas City Code.
- Not discriminate against lower income prospective tenants, solely on the basis of their receipt of Section 8 Housing assistance support.
- Not convert the rental property to condominiums for the duration of the public note.
- To maintain the property in a safe, sanitary and decent condition, in compliance with the City of Dallas Building Codes throughout the term of the public sector note.
- To provide evidence of having paid annual property taxes unless the property is deemed tax-exempt by the Dallas Central Appraisal District. The City will require owner to provide documentation of property tax payment on an annual basis.
- To secure fire and extended insurance coverage for the property with City named as co-insured on the subject property for the full term of the loan. The City will require owner to provide documentation of insurance coverage on an annual basis.
- Comply with Annual Re-certification of tenant’s annual income, which means each year the property owner must document the income of the tenant by reviewing documents such

as W-2s, pay stubs, etc. in order to ensure that their income meets the low-income requirements.

- To a property inspection one year after the rehabilitation and every two years thereafter during the period of affordability. The owner must agree to cooperate with and assist in this inspection effort, and to resolve all deficiencies cited within the designated correction period allotted.
- To adhere to Lead-Based Paint Abatement guidelines for all properties built in 1978 and before.
- To the CHDO Proceeds provisions outlined in Appendix 2 (if applicable)

The City will examine the sources and uses for each project and determine whether the costs are eligible and reasonable, the return to the developer is appropriate (not excessive), and the other sources of funds needed for the project are firm commitments. "Reasonableness" of development costs should be based on the following factors:

- Costs of comparable projects in the same geographical area;
- Qualifications of the cost estimators for the various budget line items; and
- Comparable costs published by recognized industry cost index services

Failure to comply with any of the conditions outlined above will constitute a default of the public sector loan, requiring the balance to become immediately due and payable.

If the property is sold or ownership is transferred through any means, the terms and conditions of the loan are binding upon the new owners, successors, and assigns. The loan shall not be assigned and the property shall not be sold without prior written approval from Director.

For HOME projects, a determination of fixed or floating HOME units must be made at the time of Loan commitment. Fixed units must remain the same throughout the period of affordability. Floating units may change in order to maintain conformity so that the total number of units meet the required number of bedrooms to the originally designated HOME-assisted unit.

### **Loan Closing**

The property owner will be required to provide the following items for loan closing:

- For substantial rehabilitation projects, the after-rehabilitation appraisal of the property showing the appropriate value relative to the proposed loan.
- Acceptable Commitment for Title Insurance Policy showing the City's interest in the total amount of the City's Deferred Payment Loan.
- Credit Reports on all Borrowers with a 15% or greater ownership interest.
- List of all real property assets and their value.
- An acceptable bid from an approved contractor. The approved contractor must be licensed, and provide proof of appropriate insurance coverage, covering the total cost of the rehabilitation work and including, but not limited to worker's compensation, general liability, and personal liability.
- Copy of the insurance policy with coverage satisfactory to the City.

### **Permitted Rehabilitation Program Costs**

CDBG or HOME funds will be used to support only the following eligible costs:

- Actual rehabilitation costs necessary to correct substandard conditions to comply with the City of Dallas building Codes, federal environmental conditions standards, and federal lead-based paint abatement requirements.
- Essential improvements including energy conservation-related repairs, and improvements to permit use of the rehabilitated units by persons with disabilities.
- Repairs to major building system in danger of failure.
- Costs, generated by the public sector, for processing and closing the financing for the project, such as: credit reports, fees for title evidence, fees for recordation and filing of legal documents, attorney's fees, permits, and appraisal fees.
- Cost for the relocation of tenants currently residing in the property at the date of initial application, who must be temporarily or permanently displaced as a direct result of the rehabilitation activity.

### **Involuntary Displacement**

The City prohibits involuntary displacement of residents from developments receiving funding. If a development receives federal funds, the Uniform Relocation Act provisions will apply as well as other applicable laws.

### **Eligible Costs**

The following costs may be reimbursed with HOME funds:

<b>Hard Costs</b>	<b>Soft Costs</b>
Land and Structure Acquisition	Financing Fees & credit reports
Site preparation, including Demolition	Affirmative marketing, initial leasing & marketing costs
Construction Materials and Labor	Title binders and insurance
--	Performance bonds and surety fees
--	Recording fees
--	Legal & accounting fees
--	Appraisals
--	Eligible Soft Costs
--	Environmental reviews

CDBG funds may not be used for new building construction, in accordance with HUD regulations. However, CDBG funds may be used for all other reasonable and eligible costs in the above table.

### **Monitoring**

The City is required by HUD to obtain information on rents and occupancy of HOME – assisted units to demonstrate compliance with the affordability rent requirements on an annual basis.

### **Additional Requirements for ALL Rental Housing Projects**

#### **Tenant Selection/Eligibility:**

An owner of rental housing assisted with HOME or CDBG funds must adopt written tenant selection policies and criteria that:

- are consistent with the City's goal of providing housing for very low-income and low-income families;
- are reasonably related to program eligibility and the applicant's ability to perform the obligations of the lease;
- provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and
- give prompt written notification to any rejected applicant stating the grounds for the rejection

#### **Income Eligibility and Re-certification:**

Tenant incomes must be re-certified annually and verified with source documents every six years. If the income of a household in an assisted unit rises above 80% of Area Median Income, the household may continue to rent the unit and the household must pay monthly rent equal to the lesser of:

- The rent permitted by state law; or
- 30% of the family's adjusted monthly income at annual re-certification.
- If the project was financed with Low Income Housing Tax Credits, the tax credit rent prevails.

#### **Acceptable Rents for HOME Projects Only**

The HOME program has established rules in relation to acceptable rents. There are two rent standards: High HOME Rent and Low HOME rent. For properties with five or more HOME assisted units, at least 20% of the units must have rents that meet the "Low HOME" criteria.

**High HOME Rent:** lesser of the Section 8 Fair Market Rents for existing housing OR 30% of the adjusted income of a family whose annual income equals 65% of the area median income.

**Low HOME Rent:** 30% of the tenant's monthly adjusted income OR 30% of the annual income of a family whose income equals 50% of the area median income.

## Mixed Income Housing Development Bonus Pillars 1, 2, 6, 7

The mixed income housing development bonus (MIHDB) and the mixed income housing administrative requirements were approved by Ordinance Nos. 31142 and 31152, on March 27, 2019. The MIHDB program was amended by Ordinance Nos. 32195 and 32210 and by Resolution 22-0744 on May 11, 2022.

### Background

The goal of the MIHDB is to address systemic inequities by providing housing that is affordable to a broad range of income levels in all areas of the city. The program will create affordable housing in strong neighborhoods (Market Value Analysis (MVA) Categories A, B, and C); create mixed income communities and reduce neighborhood displacement in gentrifying and transitioning areas (MVA Categories D, E, and F); and support equitable revitalization<sup>1</sup> in weaker market areas (MVA Categories G, H, and I).<sup>2</sup> Likewise, the MIHDB Fund will be used to support the creation of housing least likely to be provided by the market.

On March 27, 2019, City Council approved amendments to Chapter 51A of the Dallas Development Code to allow by-right development bonuses to incentivize new mixed-income rental development. These by-right bonuses are available in MF – Multifamily Districts and MU – Mixed Use Districts<sup>3</sup> As of 2019, these districts represented approximately 15,000 acres across the city.

The by-right bonuses in Chapter 51A provide a framework for new and amended planned development districts (PDs) offering a base plus a negotiated bonus. Regulatory bonuses and the reserved unit requirements are specified in the PD, along with references to the administrative procedures in Division 51A-4.1100 and by reference the procedures in Article 20A-II - Mixed Income Housing,” which outlines requirements for managing mixed income developments approved using the MIHDB.

On May 11, 2022, City Council approved amendments to Dallas City Code Chapters 51A and 20A. Together, these chapters, along with the Comprehensive Housing Policy (CHP), regulate the MIHDB.

### Administration

Multiple departments administer portions of this program. Among other responsibilities and in general:

- The Department of Housing and Neighborhood Revitalization administers Dallas City Code Chapter 20A-II, administers the MIHDB fund, recommends percentages of reserved units and income bands in zoning cases, and monitors developments for compliance
- The Department of Planning and Urban Design administers zoning changes and participation in the bonus from a land use perspective
- The Department of Development Services reviews development applications for building permits and ensures compliance with the Dallas Development Code

<sup>1</sup> *Equitable revitalization* means embedding equitable principles, practices, and measurements into program decisions to protect against displacement, to prevent further decline, and to create communities where all residents thrive.

<sup>2</sup> See the Background Section of the CHP for more information on the MVA.

<sup>3</sup> These districts include: MF-1(A), MF-2(A), and MF-3(A) Multifamily Districts and MU-1, MU-2, and MU-3 Mixed Use Districts.

- The Office of Equity and Inclusion administers the affirmative fair housing marketing plan.

### **Program Benefits**

The MIHDB provides program participants with a menu of incentive options, including additional development rights, parking reductions, and financial incentives in exchange for on-site provision of reserved dwelling units or a fee in lieu of provision of reserved dwelling units.

### **Regulatory Incentives**

The MIHDB regulatory incentives vary depending on the zoning district in which the development is located and the classification of the development as Type One, Two, or Three. Regardless of the district, if compliance with Division 51A-4.1100 is referenced, the development is eligible for participation in the MIHDB. Types One, Two and Three, defined in Division 51A-4.1100, are summarized below:

- Type One developments are located in MF(A) and MU zoning districts.
- Type Two developments are located in PDs that include an expressly-stated development bonus for providing mixed income housing.
- Type Three developments are located in PDs that expressly reference compliance with Ch. 51A-4.1106(j).

### **Type One - By-Right Development Bonuses in Multifamily and Mixed-Use Districts**

In these districts, the development bonus and number of reserved units required to attain that bonus vary by the location of the development under the City's Market Value Analysis (MVA) categories. Properties in stronger market categories are required to serve households at lower income levels, and properties in weaker market categories are required to serve households at higher income levels, with the percent of reserved units related to the amount of the bonus requested and the income ranges depending on the MVA category.

- A, B, C (stronger markets):
  - (1) 5% of units at 51%-60% Area Median Income (AMI),
  - (2) 5% of units at 51%-60% AMI & 5% at 61-80% AMI, or
  - (3) 5% of units at 51%-60% AMI & 5% at 61-80% AMI & 5% at 81-100% AMI
- D, E, F (transitioning markets):
  - (1) 5% of units at 61%-80% AMI,
  - (2) 10% of units at 61%-80% AMI, or
  - (3) 10% of units at 61%-80% AMI & 5% at 81-100% AMI
- G, H, I (weaker markets):
  - (1) 5% of units at 81-100% AMI

The bonuses vary by type of zoning district and by the additional development rights that would be most likely to incentivize development.

- In MF-1(A) and MF-2(A) Multifamily Districts, the percentage of reserved units required increases with height and lot coverage.
- In MF-3(A) Multifamily Districts, the percentage of reserved units required increases with height, lot coverage, and density.
- In MU-1 and MU-2 Mixed Use Districts, the percentage of reserved units increases with increases in density. Base floor area ratios (FAR) apply to non-residential use only.

- In MU-3 Mixed Use Districts the percentage of reserved units increases with an increase in FAR and a small increase in lot coverage.

In all Type One districts:

- Building heights are subject to residential proximity slopes, where applicable, and existing setbacks are maintained.
- Participation in the MIHDB reduces the minimum parking required.
- Developments with transit proximity may receive an additional parking reduction and additional lot coverage.
- Reserved units must be provided on-site, dispersed throughout the development and the unit mix, and be comparable to the market rate units.

Design standards in Type One districts

Additional design standards can reduce auto dependency, reduce the need for parking, encourage alternative modes of transit, and improve transit accessibility, particularly for transit-dependent residents. Design goals include:

- Minimal surface parking, mostly in the side and rear of the lot
- Ground-floor entrances that open directly to sidewalk or open space
- Wide sidewalks, street trees, and pedestrian lighting
- Parking structures wrapped by other uses
- Only short fences with pedestrian gates are allowed between the front of the building and the street.
- A minimum of 10% of the site provided as open space

### **Type Two and Type Three - Development Bonuses in Planned Development Districts**

Developments in planned development districts (PDs) that reference compliance with Div. 51A-4.1100 may also participate in the MIHDB.

Developments in PDs are divided into two groups:

- Developments in PDs that specify a development bonus for providing mixed income housing (Type Two)
- Developments in PDs that expressly reference compliance with Ch. 51A-4.1106(j), which lays out a menu of regulatory bonuses (Type Three).

Type Two and Type Three districts should respect the design intent of the design standards in Dallas Development Code Sec. 51A-4.1107

### **Financial Incentives (subject to availability of funding)**

All developments in MIHDB (Type 1, 2, and 3) that provide on-site reserved dwelling units may apply for financial incentives, including reimbursement of certain development fees. Participants must apply through the New Construction and Substantial Rehabilitation Program process and are subject to the requirements of the CHP, including Fair Housing review as required by Ch. 51A-4.1100. To the greatest extent possible, federal funds should be maximized prior to using funds from the MIHDB Fund. See the MIHDB program statement for additional information.

Developments that obtained mixed income bonuses by paying the fee-in-lieu are not eligible for

financial incentives from the MIHDB fund.

### **Minimum Requirements**

Developments may qualify by providing required reserved units on-site or by paying a fee in lieu of on-site provision. All developments are eligible for the development bonus and administrative incentives, but only those developments that provide the required reserved dwelling units on site are eligible for the financial incentives.

### **On-Site Provision**

Developments that provide units on-site must comply with all requirements Chapter 51A, Article 20A-II, and the relevant zoning district regulations as applicable.

### **Fee-in-Lieu**

Program participants may pay a fee-in-lieu of on-site provision of the required reserved units as provided in Chapter 20A-23.1

### **Implementation**

The regulatory framework for the mixed income housing development bonus is found in Chapter 20A Art. II of the Dallas City Code.

### **Procedures**

Program participants must comply with the procedures in the Dallas City Code and MIHDB program manual.

### **Program Operation and Compliance**

- Term of affordability is 20 years
- Property owner must remain in compliance with restrictive covenants based on the requirements in Chapter 20A-II and Chapter 51A-4.1100, as amended.
- Each eligible household must be charged an affordable rent as defined in the Dallas City Code.
- See the State and Local Funding Sources section of this document for the MIHDB Fund program statement.

## Land Transfer Program Pillars 1, 2, 6, 7

Added May 22, 2019 by Resolution No. 19-0824

The purpose of this Land Transfer Program (the “Program”) is to incentivize: (1) the development of quality, sustainable housing that is affordable to the residents of the City and (2) the development of other uses that complement the City’s Comprehensive Housing Policy, economic development policy, or redevelopment policy. Specifically, this Program authorizes the City to sell qualifying city-owned real property and resell tax-foreclosed real property to for-profit, non-profit and/or religious organizations in a direct sale at less than fair market value of the land, consistent with the authorizing state statute or city ordinance.

The sale of real property pursuant to the Land Transfer Program will enable the City to facilitate the development of housing units that will be offered for sale, lease or lease-purchase to low- and moderate-income households and, on appropriate parcels of land, enable the City to facilitate the development of commercial uses such as neighborhood retail.

### **Consistency with City’s Affordable Housing Development Goals**

The operation of the Land Transfer Program shall align with the City’s existing affordable housing production goals as outlined in the adopted Comprehensive Housing Policy. The portfolio of real property sold under this Program shall be developed to serve the range of income bands as well as the percentage of each income band identified in the production goals of the Comprehensive Housing Policy.

When seeking City Council approval to sell a parcel or parcels of real property pursuant to this Program, staff must identify the proposed developer, indicate the income band for which the parcel(s) of real property is reserved, and provide the City Council with a map depicting the location of the real property that contains the current Market Value Analysis (MVA) and Racially and Ethnically Concentrated Areas of Poverty (R/ECAP) data layers, if such layers exist. The map must also depict the location of all parcels of real property previously sold to the proposed developer pursuant to this Program or any other City affordable housing program in the past two years and the income bands for which each parcel of real property was reserved.

On an annual basis, the Housing and Neighborhood Revitalization Department, or its successor department, shall brief the appropriate City Council committee regarding the year-to-date production data for the Program.

### **Consistency with Fair Housing Laws**

On an annual basis, the Land Transfer Program will be reviewed by the Office of Equity and Human Rights, or its successor department, to ensure that the Program is being operated in a manner that is consistent with fair housing laws. The City will collect and maintain data regarding the location of parcels of real property sold via the Program and demographic information regarding the eligible households who occupy housing units developed pursuant to the Program.

### **Application Process for Submitting a Proposal to Purchase Parcels of Real Property**

The City will create, and will periodically update, an application that is consistent with this Program and the authorizing state statute or city ordinance to be used by developers who are interested in purchasing real property pursuant to the Land Transfer Program. The City may accept proposals to purchase lots on a rolling basis or may solicit purchase proposals through a competitive solicitation process. Only proposals that meet or exceed the minimum developer and project

eligibility criteria will be referred to the appropriate City Council Committee for approval. City Council must approve all sale of real property through the Land Transfer Program.

Each purchase of real property must clarify which Texas statute it is operating under.

	Type of Property	Type of Developer	Uses term low/mod income	Defines targeted incomes	Type of Development Allowed	Add'l state statutory requirements
DCC 2-26 (aka HB 110)	Tax-foreclosed or seized	Nonprofit	Low-income	80% AMFI or below	Affordable housing	Enabling Statute: TLGC 253.010
TLGC 253.010	Any land acquired by municipality	Non-profit and religious organizations	Low-income	Municipality may determine; Should consider AMFI	Affordable housing or a use approved in a written agreement with City	
TLGC 272.001(g)	Any city-owned land except land acquired by condemnation	No limitation	Low- and Mod-income	No	Low- and moderate income housing	
TPTC 34.051	Tax-foreclosed land	No limitation	Primarily Low- and Mod- income	No	A purpose consistent with City urban redevelopment or affordable housing plan	Interlocal agreement among taxing entities; land must be vacant/distressed & tax-delinquent 6+ years

### Developer Eligibility Criteria

To be eligible to purchase real property pursuant to the Land Transfer Program, a developer must meet all the following criteria, unless the land is sold pursuant to Dallas City Code Section 2-26.4:

- Developer may be an individual, or may be organized as a corporation, partnership, joint venture or other legal entity, regardless of whether developer is a for-profit, non-profit, or religious organization.
- Developer must be in good standing with the State of Texas and the City, including that the City has not issued a charge against the developer for violating Chapter 20A of the Dallas City Code or Chapter 46 of the Dallas City Code within the past 5 years, may not be debarred under the federal System for Award Management (SAM), may not have uncured violations of Chapter 27 of the Dallas City Code for which it has received notice, may not be indebted to the City or delinquent in any payment owed to the City under a contract or other legal obligation, and must be current on payment of taxes and liens owed to any other affected taxing unit under the Texas Property Tax Code.
- If developer seeks to purchase two or more parcels of real property for the purpose of constructing housing units, developer must have constructed one or more housing units within the three-year period preceding the submission of the proposal to acquire the parcels of real property via the Program. If developer seeks to purchase one or more parcels of real property for the purpose of developing a multifamily or commercial use, developer must demonstrate that it has developed at least one comparable use within the three-year period preceding the submission of the proposal to acquire the parcel of real property via the Program.
- Developer must submit a development plan for all parcels of real property developer seeks to acquire via the Program.
- Developer must demonstrate that it has the financial capacity and staffing/sub-contractor capacity to develop and complete the sale, lease, or lease-purchase, within a two-year period, of its inventory of parcels of real property acquired through the Program. The City Manager or his/her designee may grant up to one, one-year extension of any deadlines in

the development agreement. Any additional extensions of the development agreement must be approved by City Council.

Staff may impose additional eligibility criteria that are consistent with this Program, state statute and city ordinance. If land is sold pursuant to Dallas City Code Section 2-26.4, developer must comply with the eligibility criteria set forth in the ordinance.

### **Project Eligibility Criteria**

To be eligible to purchase real property pursuant to the Land Transfer Program, the proposed project must meet all the following criteria, unless the land is sold pursuant to Dallas City Code Section 2-26.4:

- Parcels of real property must be developed with: (1) a housing unit or units that are offered for sale, lease or lease-purchase, or (2) a commercial use that will complement the City's Comprehensive Housing Policy, economic development policy, or redevelopment policy.
- Housing units developed on the parcels of real property may only be sold, leased, or offered as a lease-purchase to households whose incomes are within the income bands prioritized by the adopted Comprehensive Housing Policy.
- Housing units developed on the parcels of real property may be either a single family, duplex, or multi-family housing use.

Staff may impose additional eligibility criteria that are consistent with this Program, state statute and city ordinance. If land is sold pursuant to Dallas City Code Section 2-26.4, the project must comply with the eligibility criteria set forth in the ordinance.

### **Identification of Eligible Households, Affirmative Fair Housing Marketing and Other Policies**

Developers of for-sale housing units must comply with all the terms of the Mixed Income Housing Program as set forth in Chapter 20A of the Dallas City Code, as amended, if applicable. Developers of for-sale housing units may only sell to homebuyers who meet the eligibility criteria set forth in the City of Dallas Homebuyer Assistance Program (DHAP), or a successor program.

Developers of rental housing or lease-purchase units must comply with all the terms of the Mixed Income Housing Program as set forth in Chapter 20A of the Dallas City Code, as amended, if applicable. Such exemptions will be clearly set forth in the development agreement.

### **Sales Price of Parcels of Real Property Sold via the Land Transfer Program**

City-owned real property: Properties will be initially offered at fair market value ("FMV"), as determined by a comparative market analysis. A discount will be available if project underwriting indicates that the discount is needed either to ensure the viable sale, lease or lease-purchase to an income-qualified buyer or the viable development of a commercial use. The discount is subject to City Council approval.

Tax-foreclosed real property: A fixed price of \$1,000 for up to 7,500 square feet of land purchased under a single proposal, plus \$0.133 for each additional square foot of land purchased under the proposal. If land is sold pursuant to Dallas City Code Section 2-26.4, the sales price set forth in the ordinance applies.

### **Sales Price of For-Sale Housing Units Developed via the Land Transfer Program**

For-sale units produced under the Land Transfer Program must be sold at the fair market value as determined by an "as-completed" or "subject to completion" appraisal completed by an

independent state-licensed appraiser. However, the terms of the development agreement for each parcel of real property purchased pursuant to the Program will include any seller-discount that must be provided to the eligible purchaser so that the amount paid by the eligible purchaser is affordable based on their income.

### **Rental Rates for Rental Housing Units Developed via the Land Transfer Program**

Rental units produced under the Land Transfer Program must be leased at affordable rental rates in accordance with the approved development agreement and Chapter 20A of the Dallas City Code, as amended. If land is sold pursuant to Dallas City Code Section 2-26.4, the rental rates set forth in the ordinance applies.

### **Term of Affordability**

The term of affordability for for-sale housing units is 5 years from the filing date of the deed transferring the unit from developer to homebuyer.

The term of affordability for rental units and commercial uses is 20 years from the date that the first unit is occupied by an eligible tenant.

The term of affordability for lease-purchase units will be negotiated on a case-by-case basis in accordance with the goals of this Program.

If land is sold pursuant to Dallas City Code Section 2-26.4, the term of affordability set forth in the ordinance applies.

### **Deed Restrictions and Right of Reverter**

The City will impose restrictive covenants on all parcels of real property its sells pursuant to the Land Transfer Program. If land is sold pursuant to Dallas City Code Section 2-26.4, the deed restrictions and right of reverter requirements set forth in the ordinance applies.

The restrictive covenants will require the parcels of real property to be developed and maintained in accordance with the development agreement and all applicable city, state and federal laws. These restrictions will include that housing units developed on the parcels of real property be offered for sale, lease or lease-purchase to low- and moderate-income households and be occupied by low- and/or moderate-income households for the entire term of the affordability period.

Land acquired by a developer pursuant to the Land Transfer Program may revert to the City if the City Manager or his/her designee determines that the developer has:

- failed to take possession of the land within 90 calendar days after receiving the deed to the parcels of real property;
- failed to complete construction of all required housing units or other required development on the real property, or failed to ensure occupancy by eligible households within the development timeframe set forth in the development agreement;
- incurred a lien on the property because of violations of city ordinances and failed to fully pay off the lien within 180 days of the City's recording of the lien; or
- sold, conveyed, or transferred the land without the consent of the City.

Upon determination by the City Manager or his/her designee that a condition described above has occurred, the City Manager or his/her designee is authorized to execute an instrument, approved as to form by the City Attorney, exercising against the parcel of real property the City's

possibility of reverter with right to reentry. The City Manager or his/her designee shall file notice of the reverter and reentry of the land by the City in the real property records of the county in which the parcel of real property is located, which notice must specify the reason for the reverter and reentry. The City Manager or his/her designee shall provide a copy of the notice to the developer in person or by mailing the notice to the developer's post office address as shown on the tax rolls of the City or of the county in which the land is located.

**Release of Non-Tax Liens, Release of Restrictive Covenants and Right of Reverter**

Pursuant to this Program and contingent upon City Council approval, and in consideration for developer agreeing to construct affordable housing units or other approved uses on parcel(s) of real property, the City Manager or his/her designee is authorized to execute instruments, approved as to form by the City Attorney, releasing any non-tax City liens that may have been filed by the City during the City's ownership of the parcel(s) of real property.

Additionally, the City Manager or his/her designee is authorized to execute instruments, approved as to form by the City Attorney, releasing the City's possibility of reverter with right of reentry and terminating the restrictive covenants on the land upon compliance with all terms and conditions of the development agreement and this Program.

**Type of Transfer**

The City will transfer all City-owned parcels and resell all tax-foreclosed parcels via a deed without warranty, approved as to form by the City Attorney.

## Community Land Trust Program Pillars 1, 2, 5, 6, 7

Approved December 11, 2019

This Community Land Trust Program (Program) identifies Community Land Trust (CLT) eligibility and operation criteria under which the City Council may initially designate and revoke the re-designation of a CLT, and under which the City Manager, or their designee, may renew or recommend City Council revocation of the designation of CLTs in the City of Dallas.

A CLT in general is an organization that is created to acquire and hold land for the benefit of developing and preserving long-term affordable housing by separating the cost of land ownership from the cost of home ownership with a 99-year ground lease and home resale formula. The homeowner may build equity at a pre-negotiated maximum rate (resale formula) over the tenure of the ground lease and be eligible for a property tax reduction based on the deed restriction, assuming housing market appreciation. The resale formula is the amount a person may sell their home for at any given point. The application process will establish all applicable guidelines in accordance with those described herein. A CLT accomplishes its purposes by separating the cost of land ownership from the cost of home ownership. Specifically, a CLT retains long-term ownership of land, while either selling or leasing the residential structure built or existing on the CLT-owned land in order to create or maintain affordable housing.

The purpose of a CLT is to:

- provide affordable housing for low-income and moderate-income residents in the community;
- promote resident ownership of housing;
- keep housing affordable for future residents; and
- capture the value of public investment for long-term community benefit.

In addition to the statutory eligibility criteria, a CLT organization seeking to be designated or re-designated by the City of Dallas as a CLT must meet the Eligibility and Operation Criteria set forth in this policy.

### **Consistency with City's Affordable Housing Goals**

The operation of CLTs shall align with the Comprehensive Housing Policy. This CLT Program is designed to work in conjunction with other City programs, and the City's existing affordable housing production goals. On an annual basis, the Department shall report to the City Council the year-to-date production data for the program.

### **Consistency with Fair Housing Laws**

On an annual basis, the Program will be reviewed by the Office of Equity and Human Rights, or its successor department, to ensure that the Program is being operated in a manner that is consistent with fair housing laws. The City will collect and maintain data regarding the location of parcels of real property in CLTs. In addition, the City will collect program evaluation data and demographic information regarding the eligible households who occupy housing units in CLTs.

### **Application Process**

Prior to submitting a written application, the CLT must attend a CLT information session facilitated by the Department and receive information about the Program, designation process, and re-designation process.

The City Manager, or their designee, is authorized to create and periodically update an application.

### **Eligibility Criteria**

In its application to the City of Dallas, a non-profit CLT organization must demonstrate that the organization:

- has been created to acquire and hold land for the benefit of developing and preserving long-term affordable housing in the City of Dallas;
- is organized as one of the following:
  - (1) exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, by being listed as an exempt organization under Section 501(c)(3) of that code;
  - (2) a limited partnership of which a nonprofit corporation described by paragraph (1) controls 100 percent of the general partner interest; or
  - (3) a limited liability company for which a nonprofit corporation described by Paragraph (1) serves as the only member.
- has adopted articles of incorporation, or a similar governing document, stating that it has the purpose to acquire and hold land for the benefit of developing and preserving long-term affordable housing in the City of Dallas, as required by Chapter 373B, as amended;
- currently owns or intends to own land for the purpose of leasing the land and selling or leasing the housing units located on the land as provided by Chapter 373B, as amended;
- has adopted articles of incorporation, or a similar governing document, stating that on discontinuance of the organization by dissolution or otherwise that the assets related to its CLT activities be transferred to the City of Dallas, the State of Texas, the United States, or an organization that is qualified as a charitable organization under Section 501(c)(3), Internal Revenue Code of 1986 and designated as a CLT by the City of Dallas; and
- is not controlled by, nor receives direction from, a for-profit entity or corporation.

### **Operation Criteria**

In its application to the City of Dallas, a non-profit CLT organization must demonstrate that the organization:

- defines its geographical boundaries of operation. A CLT may operate citywide or may elect to focus on a specific geographic area or areas.
- maintains at least 1/3 representation on the organization's governing board for low-income community residents and, to the extent practicable, low-income beneficiaries of the CLT properties with regard to decisions on the design, siting, development, and management of affordable housing;
- must use standard documents, including but not limited to a ground lease and deed restrictions;
  - (1) that include a resale formula outlining the amount of equity per year that can be built while ensuring long term affordability;
  - (2) that ensures that the owners of housing units built on CLT land will either be eligible for a property tax discount based on the deed restriction or, where the occupant is a tenant, that the occupant will benefit from any property tax discount;
  - (3) that have terms for sale, lease and inheritance,
- must sell or lease housing units only to eligible households as set forth in Chapter 373B.006, as amended;
- may not discriminate on the basis of source of income with tenants. This non-discrimination provision provides housing opportunities for households with rental assistance or vouchers, as applicable;

- will consider the local neighborhood context for architecture that is respectful and within character of existing style and context, so that if a neighborhood plan exists with Design Guidelines, they will be followed by the organization;
- has a business plan that ensures the CLT will have the financial capacity to perform its operations including supporting ongoing maintenance of all property improvement exteriors and grounds;
- has at least two years of experience developing and managing affordable housing or has contracted with an organization that has such experience and that will provide management services or technical expertise until the non-profit independently meets the experience requirements;
- maintains paid staff, or has contracted with an organization that has staff, who have successfully developed and/or maintained affordable housing projects;
- annually has a financial audit or audit review prepared by an independent auditor. The audit must include a detailed written report describing the CLT's sources and uses of funds, including an A-133 analysis of compliance with federal grants, if applicable; an analysis of internal controls; and the auditor's opinion letter to the board of directors and management; and
- complies with any other requirements imposed by the City Manager, or their designee that are in accordance with the Program and the City's Comprehensive Housing Policy.

### **Re-Designation**

To maintain designation as a CLT in subsequent years after initial designation, a CLT must submit a yearly re-designation application to the Department. The City Manager, or their designee may re-designate the CLT or recommend to the City Council to remove the CLT designation. The CLT must:

- meet the Eligibility and Operation Criteria set forth in this policy;
- certify that the information in the CLT's initial application is still true and correct and that the CLT continues to comply with all local, state and federal regulations OR acknowledge that information in the CLT's initial application has changed and attach updated information;
- submit its annual audit or audit review;
- submit all required evaluation and reporting metrics; and
- submit additional information as required by the Department.

### **Program Evaluation**

During initial application and upon re-application, each CLT must submit the following information that will assist the Department in evaluating the impact of all CLTs operating in the City of Dallas:

- Origin statement (how was this CLT organized/formed and why)
- For re-designation – add any changes to format or structure of the organization;
- Definition of “Community” in the Community Land Trust;
- If geographically based within an area, the geographic boundaries;
- Number of units placed in CLT annually since inception;
- Number of units anticipated to be placed in the CLT annually over the next three years;
- Number of families served since inception;
- AMI of families in homes on CLT-owned land at time of sale or transfer;
- Demographic data on family, household size, race/ethnicity, etc.;
- Total acreage of property in CLT designated by land use type (single family, commercial, multi family, etc.);

- Market Value Assessment (MVA) category or other document that shows market realities and how ground lease responds to market conditions; and
- List of services provided to families through CLT such as: maintenance program, legal services, financial education, emergency home repair, etc.
- Upon request, City Staff are eligible to assist in assessing fiscal impact by annually, after the certified tax roll is released, report for each owned CLT property three items: 1) the taxable value and the municipal real property tax amount due during the year the CLT purchased the property, 2) the taxable value for the land and improvements and the real property municipal tax revenue due for the current tax year, and 3) an estimate of the market value of the land and improvements but for the CLT and a corresponding estimate of the municipal real property tax that would have been due based on current appraised values of similarly situated comparable properties.

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# Housing Tax Credits Program – Pillars 1, 2, 3, 6, 7

(Amended June 12, 2019)

The City of Dallas (“City”) has developed the following policy to outline its approach regarding requests from developers of projects seeking Housing Tax Credits (“HTC”) from the Texas Department of Housing and Community Affairs (“TDHCA”) for Resolutions of No Objection (sometimes referred to as “No Objection”) or Resolutions of Support (sometimes referred to as “Support”) from the City.

## Background on Housing Tax Credits in Texas

In 1986, Congress, through the Tax Reform Act, enacted Section 42 of the Internal Revenue Code (“Section 42”). Section 42 created Low Income Housing Tax Credits that may be awarded to owners of multi-family rental housing that meet certain income and rent restrictions and other program requirements. At the Federal level, the HTC program has very few requirements but does require that states designate an agency to administer the HTC program and develop a Qualified Allocation Plan (“QAP”) outlining how HTC will be allocated and administered. For Texas, the Texas Department of Housing and Community Affairs has been designated as that agency, and the QAP is updated annually.

There are two forms of the HTC: 9% HTC and 4% HTC.

9% HTC are considered to be “competitive.” The State receives a per capita allocation of HTC to award each year, and applications are scored and are awarded by TDHCA only once per year. 4% HTC, on the other hand, are “automatically” awarded to projects using eligible tax-exempt debt. As a result, 4% HTC are considered to be “non-competitive” since applications are not competitively scored and are awarded by TDHCA multiple times throughout the year.

Under the 9% HTC, a Proposer may receive points for local government support. To receive points, the application must include a Resolution of Support or No Objection from the governing body of the municipality in which the proposed development site is to be located.

Although 4% HTC applications are not competitively scored, the Proposer must obtain a Resolution of No Objection from the governing body of the municipality in which the proposed development site is to be located. This is a threshold requirement for 4% credit awards. Applications that do not include a Resolution of No Objection cannot proceed.

## Overview

This HTC policy seeks support the broad goals of the Comprehensive Housing Policy to do the following:

- Create and maintain affordable housing throughout Dallas,
- Promote greater fair housing choices, and
- Overcome patterns of segregation and concentrations of poverty through incentives and requirements.

The decision to provide a Resolution of No Objection or Support must be aligned with these goals. Unlike other City programs that directly invest in specific projects or provide direct incentives, such as fee waivers or tax abatements, the resolutions are an indirect way for the City to support the proposed development. Because of the points allocation for a Resolution of No Objection or Support for 9% HTC and the threshold requirement of a Resolution of No Objection for 4% HTC,

the City's position regarding a proposed development can greatly affect whether the proposed development is awarded HTC by TDHCA.

Given the substantial need for affordable housing across the City and that TDHCA administers the process for awarding HTC, the City has an interest in broadly supporting quality and responsible HTC proposals across the City. As such, the City will be supportive of maximizing production using HTC.

## Definitions:

- Affordability Period has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- Development has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- Development Site has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- Historically Underutilized Business has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- Market Analysis has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- Market Rate Housing Units means units for which the rent may be adjusted by the Owner, as defined in the Qualified Allocation Plan, as amended, subject only to the terms of the lease. Housing units are not considered Market Rate Housing Units if the rent that may be charged and/or the tenant(s) who may occupy the units are limited by a: (1) a Land Use Restrictive Agreement (LURA) or other restrictive covenants, or (2) any other contractual agreement.
- Plan and Cost Review means an analysis, usually conducted by a third-party consultant on behalf of a lender prior to approval of a construction loan or of construction-related information and documents that is intended to evaluate whether costs are appropriate, the construction plan is well-designed and there are appropriate allowances for contingencies.
- Proposer means the Proposer, Developer, Development Owner, Development Team, and Owner as those terms are defined in the Qualified Allocation Plan, as amended.
- Qualified Non-Profit Organization has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- Registered Neighborhood Organizations means an organization that has registered with and provided its boundaries to the City of Dallas Department of Planning and Urban Design.

## Calendar

Proposers may submit a proposal in response to this policy regarding HTC at any time during the year. However, City staff will only review applications and schedule proposals for City Council consideration four times per year. This calendar will be updated and published annually to align with the TDHCA timeline by the City Manager or his/her designee.

## Review & Recommendation Process

- City staff will review all applications. For both 4% and 9% HTC applications, City staff will recommend a Resolution of No Objection to City Council if City staff has determined, in its sole discretion, that the threshold requirements, as outlined below, have been met.
- For 9% HTC applications that have met the threshold requirements, as outlined below, and address Priority Housing Needs Developments, as described below, City staff may designate these applications as “Priority Housing Needs Developments” and will recommend a Resolution of Support and a \$500.00 funding commitment to City Council if City staff has determined, in its sole discretion, that the threshold requirements and Priority Housing Needs Developments criteria have been met.
- For 9% HTC applications that have met the threshold requirements, as outlined below, and obtain a minimum score of 50 points under the Scoring Factors for Other 9% HTC Applications section, and do not qualify as a “Priority Housing Needs Development”, City staff will recommend a Resolution of Support and a \$500.00 funding commitment to City Council if City staff determines, in its sole discretion, that the threshold requirements have been met and that the application has scored at least 50 points.

#### **4% and 9% HTC Applications Threshold Requirements**

##### **Applicable to All Applications**

- Submission of a complete application to the City
- The Proposer must have site control (e.g. purchase option)
- If not currently zoned for the intended use, the Proposer must have completed a formal consultation with City Planning staff outlining the process and requirements for rezoning the site
- The Development must meet TDHCA minimum site and development requirements. If undesirable site features exist, the Proposer must submit a mitigation plan that sufficiently mitigates undesirable site features and supports site eligibility pursuant to TDHCA standards
- The Development must meet TDHCA underwriting standards
- The Development must contribute to the City’s obligations to affirmatively further fair housing
- The Proposer must notify existing tenants living at the Development Site at least 45 days prior to submitting the proposal
- For any Development that is occupied by existing tenants that is not otherwise subject to the Uniform Relocation Act (URA), the development proposal must include a City-approved relocation plan that:
  - (1) Minimizes permanent displacement from the Development. In the event of permanent displacement, Proposers will be required to provide compensation to affected tenants that is otherwise in alignment with URA requirements;
  - (2) Must provide reasonable notice to affected tenants prior to any temporary relocation and covers all reasonable out of pocket costs incurred by tenants as a result of moving from one unit to another within the Development or temporarily vacating their units to allow rehabilitation work to proceed; and
  - (3) Proposer must meet all applicable state, federal, or local laws relating to displacement of tenants.
- For any Development involving rehabilitation or adaptive reuse (i.e., conversion of space originally designed and built for other than residential purposes), the Proposer must submit a Plan and Cost Review for the Development including all supporting documentation that formed the basis of the review

- For any Development located in a census tract with a poverty rate of 40% or higher, the Development must achieve a minimum score under Resident Services element of the scoring factors below of:
  - (1) 17 points for elderly developments;
  - (2) 23 points for family developments; or
  - (3) 22 points for permanent supportive housing developments; and
- The Proposer must be eligible pursuant to TDHCA standards and City standards:
  - (1) A proposer is not eligible for any resolution if the Proposer i) is in debt to the City or delinquent in any payment owed to the City, in accordance with Dallas City Code Section 2-36, as amended; ii) is currently in litigation with the City, either as a defendant or plaintiff; or iii) within the last 10 years has been found liable of violating Chapter 20A (Fair Housing) or Chapter 46 (Human Rights and Sexual Orientation) of the Dallas City Code.

### **Developments Involving Rehabilitation of Existing Housing**

- The proposed scope of work must be informed by a capital needs assessment (CNA), prepared by a qualified third-party professional that is independent from the Development's architect or engineer, builder/general contractor, or other member of the Development Team. The City will review the CNA and conduct a site visit. The CNA must demonstrate to the City's satisfaction that the initial scope of work is sufficient to address all City code violations (whether formally cited or not). Further, the scope of work, combined with planned replacement reserve funding, must be determined sufficient to address all projected repairs or replacements of the following items through the entire term of the Development's affordability period:
  - (1) All major systems including roof, foundation, electrical, HVAC, and plumbing;
  - (2) Interior and exterior windows and doors;
  - (3) The interiors of all units including the kitchen and bathroom and all major appliances;
  - (4) The exterior of the development, including balconies, walkways, railings, and stairs;
  - (5) Communal facilities such as community rooms, fitness centers, business centers, etc.; and
  - (6) Security features including gates and security cameras.
  - (7) Accessibility

### **Priority Housing Needs Developments (applicable to only 9% HTC Applications)**

A 9% HTC application that meets any of the following criteria may be designated by City staff as a "Priority Housing Needs Development" and recommended for a Resolution of Support and \$500.00 funding commitment to City Council, if City staff has determined, in its sole discretion, that the threshold requirements and Priority Housing Needs Developments criteria have been met:

- The development proposal has been selected within the past three years to receive City funding (including federal funds such as HOME, CDBG, etc. or local funding such as General Obligation Bond funding) under a competitive application process administered by the Department of Housing and Neighborhood Revitalization and otherwise remains in compliance with all funding requirements;
- The proposal includes participation by the Dallas Housing Finance Corporation or City of Dallas Public Facilities Corporation applicable to housing (if created). Such participation must include ownership of the underlying development site by the entity and/or stake in the ownership structure of the development;

- The proposal involves the redevelopment of public housing owned by the Dallas Housing Authority under the Choice Neighborhoods, Rental Assistance Demonstration, HOPE VI, or other similar HUD programs that may be created;
- The development proposal is located in a census tract with a poverty rate below 20%;
- The development proposal is within any area designated as a Redevelopment Reinvestment Strategy Area (RSA) or a Stabilization RSA in this Comprehensive Housing Policy; or
- Developments with at least 50 units for which the Owner must enter into an MOU with the lead entity of the Continuum of Care by which the project will prioritize at least 20% of units for tenants referred from the Continuum of Care Housing Priority List.

**Scoring Factors for Other 9% HTC Applications**

For 9% HTC Applications that do not qualify as a Priority Housing Needs Development, the application must achieve a minimum score of 50 within this section, **Scoring Factors for Other 9% HTC Applications**, to be recommended by City staff for a Resolution of Support and \$500.00 funding commitment to City Council, if City staff has determined, in its sole discretion, that the threshold requirements have been met and the application scores a minimum of 50 points under this section.

**Mixed-Income Projects (Maximum of 20 points)**

Proposals including market rate units (i.e. those without income/rent restrictions) as follows:

Percentage of Market-Rate Units	Points
At least 5% but less than 10% market rate units	5
At least 10% but less than 15% market rate units	10
At least 15% but less than 20% market rate units	15
At least 20% market rate units	20

**Qualified Nonprofit or Historically Underutilized Business on Development Team (5 points)**

To receive these points, the development team must include a Qualified Nonprofit Organization or Historically Underutilized Business (“HUB”) that has a controlling interest in the development. If ownership is a limited partnership, the Qualified Nonprofit Organization/HUB must be the Managing General Partner with greater than 50% ownership in the General Partner. If ownership is a limited liability company, the Qualified Nonprofit Organization/HUB must be the controlling Managing Member with greater than 50% ownership in the Managing member. Additionally, the Qualified Nonprofit Organization/HUB or its affiliate or subsidiary must be the developer or a codeveloper of the Development.

**Proximity of Amenities to Development Site (Maximum of 25 points)**

The following matrix shall be used in scoring the Development under this category:

Amenity	1/4 mile or less	>1/4 mile and < 1/2 Mile	1/2 mile and up to 1 mile
High Frequency Transit	5	3	1
Public Park	5	3	1
Full Scale Grocery Store	5	3	1
Community/Senior Center or Library	5	3	1
Licensed Day Care	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

**Resident Services (Maximum of 25 points)**

*Note: The list of potential resident services is derived from, but not identical to, the QAP, as amended. The services outlined in the table below are shorthand descriptions, but the City will use the same definitions and requirements for each service as outlined in the QAP, as amended. For purposes of this section, however, the City will use its own scoring criteria to award points. In some cases, the points available may vary from those awarded under the QAP, as amended. Additionally, the total points available are not capped in the City's scoring rubric in the same manner as they are for the QAP, as amended. City Manager or designee may amend the service descriptions categories and point allocations on an annual basis based on the annually updated QAP. The maximum points allocated to Resident Services will remain the same (25 points).*

<b>Transportation Services</b>		
Min. 3x/week shuttle to grocery/pharmacy or big-box retail; OR daily shuttle during school year to nearby schools not served by school bus system	(A)(i)	3.5
Monthly transportation to community/social events	(A)(ii)	1
<b>Children Services</b>		
High quality PreK program with dedicated space on-site	(B)(i)	4
Min. 12 hours/week organized on-site K-12 programming (e.g. tutoring, after school and summer care, etc.)	(B)(ii)	3.5
<b>Adult Services</b>		
Min. 4 hours/week organized onsite classes for adults (e.g. GED, ESL, financial literacy, etc.)	(C)(i)	3.5
Annual income tax preparation	(C)(ii)	1
Contracted career training and placement partnerships with local employers	(C)(iii)	2
Weekly substance abuse meetings at project site	(C)(iv)	1
<b>Health Services</b>		
Food pantry accessible to residents (on site or via on-request transportation)	(D)(i)	2
Annual health fair	(D)(ii)	1
Weekly exercise classes	(D)(iii)	2
Contracted on-site occupational or physical therapy for elderly or disabled tenants	(D)(iv)	2
<b>Community Services</b>		
Partnership with local law enforcement to provide quarterly activities with tenants	(E)(i)	2
Notary services for tenants	(E)(ii)	1
Min 2x/month arts, crafts, or other recreational activities (e.g. book club)	(E)(iii)	1
Min 2x/month on-site social events (e.g. potlucks, holiday celebrations, etc.)	(E)(iv)	1
Case management for elderly, disabled, or special needs tenants	(E)(v)	3
Weekly home chore and quarterly preventative maintenance for elderly or disabled tenants	(E)(vi)	2
Social Security Act Title IV-A programming	(E)(vii)	1
Part-time resident services coordinator (min. 15 hours/week) or contract for same through local provider	(E)(viii)	2
Education/tuition savings match or scholarship program for residents	(E)(ix)	2

# CORPORATIONS

## Dallas Housing Acquisition and Development Corporation (DHADC or Land Bank) – Pillars 1, 2, 6, 7

The Dallas Housing and Acquisition Development Corporation (DHADC) is a non-profit entity organized under the Texas Nonprofit Corporation Act and acts as a duly constituted instrumentality of the City of Dallas (the "City"). Its purposes are to:

1. Provide safe, affordable housing facilities for the benefit of low and moderate-income persons, as determined by the City.
2. Promote local economic development and stimulate business and commercial activity through enhanced market availability in the City of Dallas by the development of new, mixed income single family housing.
3. Increase the supply of new affordable housing for working individuals and families to attract and retain economic growth.

One of the activities of the DHADC is to administer the Urban Land Bank Demonstration Program (the "Program" or "Land Bank"), which is authorized by Chapter 379C of the Texas Local Government Code. Another activity of the DHADC is to acquire and transfer, at less than market value, tax foreclosed vacant or distressed properties pursuant to Section 34.051 of the Texas Property Tax Code (i.e. HB 110 lots).

The objectives of the program are to acquire unproductive, vacant, and developable property, and property intended for commercial use to be "banked" for affordable housing or commercial development

- The resale of such property enables the development of new single-family homeowner or rental units to serve low-income households or the development of commercial uses that stabilize distressed communities. Follow the link to view the [Land Bank Inventory](#).
- [Land Bank Annual Plan](#) - The Land Bank Annual plan identifies the parcels of property that are eligible for sale to the Land Bank along with the Land Bank's acquisition and affordable housing development strategies. Once the annual plan is approved by the City Council, the Land Bank staff will refer approximately 25 properties per month for tax foreclosure. Once a tax foreclosure judgment is obtained, the properties are sold to the Land Bank and become part of the Land Bank's inventory. This process takes approximately eighteen (18) months.
- [Annual Plan Map](#) - Map of lots eligible for sale to the Land Bank. **The Land Bank does not own these properties** and they are not currently available for purchase by a qualified participating developer. If the lots are purchased by the Land Bank, they will be added to the Land Bank inventory.

## Dallas Housing Finance Corporation (DHFC) – Pillars 1, 2, 3, 4, 5, 6, 7

The City of Dallas Housing Finance Corporation (DHFC) was organized in 1984 in accordance with Chapter 394 of the Texas Local Government Code (Code). Under the Code, the purpose of the DHFC is to assist persons of low and moderate income to acquire and own decent, safe, sanitary, and affordable housing. To fulfill this purpose, the DHFC can be an issuer of tax-exempt bonds. The DHFC may issue bonds to finance, in whole or in part, the development costs of a residential development or redevelopment; the acquisition of existing residential properties, the costs of purchasing or funding the making of home mortgages; and any other costs associated with the provision of decent, safe, and sanitary housing and non-housing facilities that are an integral part of or are functionally related to an affordable housing development.

*Affordable Housing Partnerships:* The DHFC can also partner with affordable housing developers for the production of multifamily and for-sale housing. The DHFC can acquire an ownership stake in the development by becoming the General Partner (GP) of an ownership entity, right of refusal to purchase the improvements, and owning and controlling the land. DHFC is the sole member of the GP. Fifty-one percent of the units must be set aside for affordable housing. If all of the aforementioned criteria are met; then the development can benefit from a tax exemption. Additionally, the DHFC can be the General Contractor to allow for sales tax exemption on construction materials.

## Dallas Public Facility Corporation (DPFC) – Pillars 1, 2, 3, 4, 5, 6, 7

Created by the City of Dallas in 2020, the Dallas Public Facility Corporation (DPFC) is a Texas public facility corporation and public nonprofit corporation governed by the Public Facility Corporation Act, Chapter 303 of the Texas Local Government Code, as amended (the "Act"). The DPFC is organized exclusively for the purpose of assisting the City in financing, refinancing, or providing "public facilities," as defined by the Act. In general, the DPFC seeks to develop and preserve mixed-income workforce housing communities to serve residents earning at or below 80% of the area median income (AMI) as well as provide non-income restricted units.

The DPFC is authorized to finance the acquisition of obligations issued or incurred in accordance with existing law, to provide for the acquisition, construction, rehabilitation, renovation, repair, equipping, furnishing, and placement in service of public facilities as allowed by the City and pursuant to the Act.

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## **COMPLIANCE AND FUNDING RESOURCES**

The Department will have internal and external agreements -working relationships and formal agreements. This section catalogs these items.

Affordable Housing Trust Fund Pillars 1, 2, 3, 4, 5, 6, 7

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## City of Dallas Affirmative Fair Housing Marketing Policy

The Affirmative Fair Housing Marketing (AFHM) Plan is a marketing strategy designed to attract renters and buyers that would be least likely to apply to assisted multi-family or single-family developments. The City of Dallas requires that all recipients and sub-recipients of Home Investment Partnership Program (HOME), Community Development Block Grant (CDBG) or Neighborhood Stabilization Program (NSP) funds, for all projects resulting in five (5) or more assisted housing units, implement affirmative marketing approaches as part of the overall marketing strategy. To market affirmatively means that a good faith effort is made to attract to a project those minority or majority groups who are least likely to apply or are underrepresented in a neighborhood or community. Good faith efforts are recorded activities and documented outreach to those individuals identified as least likely to apply. Affirmative marketing requirements apply to all housing programs, including, but not limited to Tenant- Based Rental Assistance and Down Payment Assistance Programs.

The City of Dallas is committed to affirmatively marketing to such groups prior to expending any funds on a project, requires that recipients of HOME/CDBG funds to submit an AFHM Plan using HUD Form 935.2B for single-family developments and HUD Form 935.2A for multi-family developments.

In developing an Affirmative Marketing Plan, the recipient/managing agent shall abide by the following:

### Regulations

**HOME:** The recipient/managing agent shall adopt the affirmative marketing procedures and requirements as specified in the HOME Final Rule 92.351 for all projects resulting in five (5) or more HOME-assisted housing units.

**CDBG:** The Housing and Community Development Act of 1974, as amended, requires from each federal grantee, through the Consolidated Plan to certify the following:

- Examine and attempt to alleviate housing discrimination within their jurisdiction;
- Promote fair housing choice for all persons;
- Provide opportunities for all persons to reside in any given housing development, regardless of race, color, religion, sex, disability, familial status, or national origin;
- Promote housing that is accessible to and usable by persons with disabilities; and
- Comply with non-discrimination requirements of the Fair Housing Act.

### Policy on Nondiscrimination and Accessibility

The recipient/managing agent shall not discriminate against any individual or family because of race, color, national origin, religion, gender, disability, familial status, sexual orientation, gender identity or expression or source of income (disability, child support, spousal support or veteran's income or voucher). Reasonable accommodations will be offered to all disabled persons who request accommodations due to disability at any time during the application, resident selection and rent up process.

### Training

- The recipient/managing agent shall provide property management staff with all relevant regulations and Fair Housing provisions. All property management staff shall be required to follow the procedures and policies adopted by the recipient/managing agent. In the event that property management staff requires fair housing technical assistance, staff is to call the **City of Dallas Office of Fair Housing: 214-670-FAIR (3247)**.
- Regular training programs shall include marketing, outreach, data collection, reporting, and record keeping. Property management staff shall annually receive instruction regarding fair housing laws and the recipient/managing agent's Affirmative Marketing Plan.

### Marketing and Outreach

- All advertising shall display the Equal Housing Opportunity logo or the phrase "Equal Housing Opportunity" and the accessibility logo when appropriate, as shown below:



- Consistent with resident population the development is designed to serve, the marketing of the project will ensure equal access to appropriate size units for all persons in any category protected by federal, state, and local laws governing discrimination. There will be no local residency requirement nor will preference be given to local residents for the project. Special marketing outreach consideration shall be given to the following traditionally underserved populations:
  - African American
  - Native American
  - Hispanics
  - Asians and Pacific Islanders
  - Persons with Disabilities
- Marketing shall include the use of newspapers of general circulation in Dallas. The recipient/managing agent will place notices in newspapers, specialized publications, and newsletters to reach potential residents. Applications, notices and all publications will include a Fair Housing and Equal Opportunity Logo, and the Accessibility Logo.
- The recipients/managing agent will contact local civic and community organizations representative of the ethnic and cultural diversity of the area in order to disseminate information about the development. Groups representing disabled and elderly individuals will be contacted. Where necessary, recipient/managing agent will publish its marketing materials in multiple languages and alternate formats as requested in order to better reach potential recipients and sub-recipients in the area with language limitations.

### **Race and Ethnic Data Collection and Reporting**

An applicant shall be given an application package containing the following: Application, Income Requirements and form HUD-27061-H "Race and Ethnic Data Reporting Form." The recipient/managing agent is required to offer each household member the opportunity to complete the form. Parents or guardians are to complete the form for children under the age of 18. Completed documents for the entire household shall be stapled together and placed in the household's file.

### **Compliance Assessment**

- The recipient/managing agent will review the Affirmative Marketing Plan every year and update as needed to ensure compliance. The advertising sources will be included in the review to determine if past sources should be changed or expanded.
- The recipient/managing agent will annually assess the success of affirmative marketing actions for the project. If the demographic data of the residents vary significantly from the jurisdiction's population data, advertising efforts and outreach will be targeted to underrepresented groups in an attempt to balance the residents with the demographics of the jurisdiction. The recipient/managing agent shall submit any changes to the plan to the Fair Housing Office.

### **Record Keeping**

- The assigned recipient/managing agent shall establish and maintain an Affirmative Marketing file to hold advertisements, flyers, and other public information documents to demonstrate that the appropriate logo and language have been used. Additionally, staff shall keep records of its activities in implementing the affirmative marketing plan, including other community outreach efforts and its annual analysis.
- Recipient/managing agent shall keep up-to-date records based on census data, applications, and surveys about community residents, recipients and sub-recipients, residents of the project, and records about tenant selection or rejection.
- The recipient/managing agent shall provide City staff access to any pertinent books, documents, papers or other records of their properties, as necessary, for determining compliance with civil rights and nondiscrimination requirements.

## Environmental Review Policy, Procedures, and Standards

For every project, an Environmental Review must be completed in accordance with 24 CFR Part 58 prior to executing an agreement with a sub-recipient, developer or CHDO. The City has developed the “Environmental Review Policy, Procedures, and Standards” document to outline the process and requirements of completing an Environmental Review.

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## SECTION 3

All projects receiving an award of HOME funds must comply with HUD's Section 3 requirements. The purpose of Section 3 is to ensure that employment, training, contracting, and other economic opportunities generated by financial assistance from HUD shall, to the greatest extent feasible, and consistent with existing federal, state, and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns that provide economic opportunities to low- and very low-income persons. Recipients of an award of HOME funds will be required to complete Section 3 compliance forms prior to execution of a loan agreement. Applicants requesting HOME funds must provide a written strategy demonstrating understanding of the Section 3 requirements and detailing how they will ensure that, when employment or contracting opportunities are generated because the project or activity necessitates the employment of additional persons or the award of contracts for work, preference shall be given to low- and very low-income persons or business concerns in the neighborhood. Neighborhood is defined in the HOME regulations (24 CFR Part 92, Subpart A) as "a geographic location designated in comprehensive plans, ordinances, or other local documents as a neighborhood, village, or similar geographical designation that is within the boundary but does not encompass the entire area of a unit of general local government."

Developers must obtain the City's approval of the Section 3 plan prior to the construction start of the project.

## Minority/Women Business Enterprise

Developers must request a list for certified Minority and Women Business Enterprises (M/WBE) from the Business Inclusion and Development (BID) Department a division of the City of Dallas's Small Business Center to send an invitation to bid to M/WBE Subcontractors to bid on the Developer's project. The list will compose of M/WBE companies from the following M/WBE certification agencies recognized by the City, the North Central Texas Regional Certification Agency (NCTRCA), Dallas / Fort Worth Minority Supplier Development Council (DFWMSDC), and the Women's Business Council Southwest (WBCSW). The M/WBE Subcontractor list request will identify the scopes of work or construction trades that the Developer plans to subcontract as part of the Developer's hard construction cost.

Developers are to work with City's BID Department to maximize M/WBE Subcontractor participation in the Developer's project. A M/WBE General Contractor does not count toward the M/WBE Subcontracting Participation Goal but is encouraged to be utilized to build the capacity of M/WBE General Contractors.

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# Single Family Development Requirements/Underwriting

## A. Eligible Developer Applicants

The City of Dallas will fund developers of affordable single-family homebuyer units, including for-profit developers, non-profit developers, and City of Dallas-designated CHDOs, with City of Dallas HOME single-family development program funds. Developers must demonstrate the capacity and previous experience developing projects of the type presented in their proposals. Prior to committing funds, the City of Dallas will review the status of any organization seeking funds from the CHDO set-aside to ensure that it meets all HOME requirements and that it has sufficient staff and financial capacity to carry out the project.

### Project Location

Projects must be located within the city limits of Dallas.

### Project Types

Funds will be provided for new construction projects. In general, the City of Dallas will require that all homes constructed have a minimum square footage of 1,200 square ft, at least 3 bedrooms, and at least 1.5 bathrooms. RFPs issued by the City of Dallas may further specify or provide priority for eligible project types.

### Parameters of HOME Investment

Applications must include an investment of \$1,000 in HOME funds per HOME unit. In no case will the City of Dallas investment exceed the maximum HOME investment allowed under 24 CFR 92.250.

Additionally, for projects involving both City of Dallas other HOME funds, the combined HOME funding investment shall not exceed the total maximum HOME investment allowed under 24 CFR 92.250.

Typically, the City of Dallas will also establish a maximum cap on its investment in a single home. Such a limit will be based on the availability of funding and other City of Dallas priorities and will be addressed in any NOFA or Request for Applications (RFA) process issued by the City of Dallas.

## B. Eligible Costs

Costs funded with the City of Dallas HOME funds must be eligible according to HOME Final Rule 24 CFR 92.206. The following additional limitations also apply:

- HOME funds shall not be used for luxury improvements according to 24 CFR 92.205.
- Acquisition costs shall be supported by an independent appraisal of the property. Acquisition costs exceeding the appraised value of the property will be ineligible for HOME funding reimbursement.
- HOME funds shall not be used for non-residential accessory structures such as free-standing garages, carports, or storage structures. Applicants must delineate project costs in a manner that allows free-standing structures to be clearly paid for using other project funds.

### City of Dallas Eligible Project Soft Costs

The HOME program allows the City of Dallas to include, as project costs, its internal soft costs specifically attributable to a HOME project. These may include consulting, legal, inspection, and staff costs associated with reviewing, processing, and overseeing the award of funds to the project. Projects must provide budget allowances for “City of Dallas-Lender Due Diligence & Legal Costs” in the project’s sources and uses.

#### Cost Reasonableness

Per the requirements of 92.250(b) and 2 CFR 200 Subpart E (formerly known as OMB Circular A-87), all project costs must be reasonable, whether paid directly with HOME funds or not. The City of Dallas will review project costs, including hard and soft costs, to evaluate their reasonableness and may, at its option, require applicants to obtain additional quotes, bids, or estimates of costs.

#### Identity of Interest

Developers must disclose any identity of interest situations that may occur when contracting with related companies during either the development or ongoing operation of the project. City of Dallas staff must be allowed the opportunity to conduct a cost analysis to determine costs reasonableness. Applications may be determined ineligible if access is not granted or costs are determined to be unreasonable.

#### C. Property Standards

To meet both HOME regulations and City of Dallas goals, all HOME-funded projects must meet certain physical standards intended to provide quality affordable housing that is durable and energy efficient.

Construction must meet all local codes. The City of Dallas regularly adopts and enforces various codes from the International Code Council, as amended. Applicants are responsible for maintaining familiarity with the City’s adopted building codes available here:

[https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/Pages/construction\\_codes.aspx](https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/Pages/construction_codes.aspx)

All HOME projects must meet applicable Section 504/UFAS requirements. Pursuant to 24 CFR 8.29, single-family housing developed with Federal funds must be made accessible upon the request of the prospective buyer if the nature of the prospective occupant’s disability so requires. Developers must ensure that projects are designed in a way that can accommodate such a request. Should a prospective buyer request a modification to make a unit accessible, Developer must work with the homebuyer to provide the specific features that meet the need(s) of the prospective homebuyer or occupant. If the design features that are needed for the buyer are design features that are covered in UFAS, those features must comply with the UFAS standard. Developers shall be permitted to depart from the standard in order to have the homebuyer/occupant’s needs met.

Site shall be served by public sewer, public water, and public road. Sites should have ready access to recreational opportunities such as parks, playgrounds, etc., nearby shopping and services including transportation, grocery, banking, and medical facilities, and otherwise be located in neighborhoods that provide amenities that support residential development. The City of Dallas also generally prefers that sites have safe, walkable connections—including sidewalks—to the surrounding neighborhood.

Site shall be in a designated Fire District or served by a Fire Department.

Units must be equipped with the following appliances: Refrigerator, range/oven, dishwasher, and garbage disposal. Developers may also propose to include in-unit clothes washers and dryers, microwave/vent fan combination units, as appropriate. If the Energy Star program rates the type of appliances being installed, the developer must furnish the units with Energy Star rated appliances. Note however that not all appliances are rated by the Energy Star program.

#### D. Sales Price

The sales/purchase prices for homes developed under this program cannot exceed the HOME Homeownership Value Limits published by HUD in effect at the time of project commitment. The City of Dallas will identify the applicable limits in any NOFA or Request for Applications (RFA) process issued.

Units produced under the City of Dallas' single-family development program must be sold at the fair market value as determined by an "as-completed" or "subject to completion" appraisal completed by an independent state licensed appraiser. Developers shall submit such an appraisal prior to project commitment, and the City of Dallas may require an updated appraisal prior to construction completion if the appraisal is more than 9 months old at that point. Any reductions in list or sales price below the City of Dallas-approved appraised value must be approved in writing by the City of Dallas and will generally require updated market information.

#### E. Eligible Homebuyers

Homebuyers for units produced under the City of Dallas single-family development program must meet the income eligibility guidelines associated with the funding for the development.

#### F. Environmental Review Requirements

Federally-assisted projects are subject to a variety of environmental requirements. Developers should be familiar with these requirements and are strongly encouraged to discuss any questions they have with City of Dallas staff prior to entering into a purchase agreement or submitting an application.

All projects shall be implemented in accordance with environmental review regulations as defined 24 CFR Part 58.

The City of Dallas shall be responsible for conducting the environmental review and completing all necessary public notifications, and the request for release of funds (RROF) from HUD. The applicant is responsible for cooperating with the City of Dallas in the environmental review process and providing information necessary for the City of Dallas to fulfill its responsibilities under Part 58 and other applicable regulations.

Submitting an application for HOME funds triggers environmental review requirements under 24 CFR 58, including the National Environmental Policy Act (NEPA). Once an application for federal funds is submitted, a development proposal is now subject to the environmental review requirements and requires an environmental clearance and issuance of a Release of Funds (ROF) by the US Department of Housing and Urban Development.

Developers are prohibited from undertaking or committing or expending any funds to (including non-federal funds) any physical or choice-limiting actions on the site prior to an environmental clearance as required by Part 58. Physical and choice limiting actions include, but are not limited to, property acquisition, demolition, movement, rehabilitation, conversion, repair or construction. This prohibition applies regardless of whether federal or non-federal funds are used, and taking

a choice limiting action prior to completion of the required environmental clearance process will result in the denial of any HOME funds from the City of Dallas.

#### G. Other Federal Requirements

##### Nondiscrimination and Equal Opportunity

The following federal nondiscrimination and equal opportunity guidelines apply to all projects and affect both development and sales of assisted housing:

- The Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR part 100 et seq.;
- Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959-1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107;
- Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d- 2000d-4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1;
- The Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) and implementing regulations at 24 CFR part 146;
- Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at part 8 of this title;
- Title II of the Americans with Disabilities Act, 42 U.S.C. 12101 et seq.; 24 CFR part 8; Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135;
- Executive Order 11246, as amended by Executive Orders 11375, [[Page 41]] 11478, 12086, and 12107 (3 CFR, 1964-1965 Comp., p. 339; 3 CFR, 1966- 1970 Comp., p. 684; 3 CFR, 1966-1970 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR chapter 60;
- Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971- 1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development); and
- Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women's Business Enterprise). The nondiscrimination provisions of Section 282 of the National Affordable Housing Act of 1982.

##### Uniform Relocation Act (URA)

All projects fall under requirements of the URA. Any project resulting in permanent relocation/displacement of households will not be funded by the City of Dallas. Applicants must further document that any purchase of property meets the requirements of URA, including provision of notices to the seller identifying the transaction as a voluntary sale not under the threat of eminent domain. To ensure compliance with URA, applicants should consult the City of Dallas to understand the requirements of URA and reference the URA forms included in the RFP prior to submitting an application involving an occupied property.

##### Davis Bacon

Davis Bacon federal prevailing wage requirements shall apply to all projects with 12 or more units assisted with HOME funds.

## Excluded Parties

The City of Dallas will not fund projects owned, developed, or otherwise sponsored by any individual, corporation, or other entity that is suspended, debarred, or otherwise precluded from receiving federal awards. Nor may the developer contract with any other entity (including but not limited to builders/general contractors, property management companies, or other members of the development team) that are suspended, debarred, or otherwise so precluded. Similarly, the general contractor will be required to determine that subcontractors are not so precluded.

## H. Ongoing Project Requirements

### Deadlines

*Construction Start-* If construction is not started within 12 months of the date the City of Dallas commits funds to a project, the commitment will be subject to cancellation. If the project is cancelled as a result of failure to meet this deadline, the Developer must repay to the City of Dallas any HOME funds disbursed for the project.

*Completion Deadline-* Project completion occurs when construction is complete, all HOME funds have been disbursed by the City of Dallas and drawn from the US Treasury, title to the property has transferred to an eligible buyer, and required completion data has been entered in HUD's IDIS system. Project completion must occur within 2 years of the date of commitment of funds to the project. If the Developer fails to meet this 2-year deadline, it must repay to the City of Dallas any HOME funds disbursed for the project.

*Sales Deadline-* Pursuant to 24 CFR 92.254(a)(3), Developers must have a ratified sales contract with an eligible buyer for each HOME-funded unit within nine (9) months of completion of construction or the unsold units must be converted to rental housing or the project will be deemed ineligible and all HOME funds drawn must be repaid to HUD.

If a unit is unsold after six (6) months, the Developer must present an updated sales and marketing plan to the City of Dallas outlining steps being taken to identify buyers. At the City of Dallas option, the Developer may be required to i) take further steps--such as listing the home with a licensed realtor, adjusting the sales price, etc.—as the City of Dallas may require to facilitate the sale of the home or ii) to transfer title to the City of Dallas or to another entity selected by the City of Dallas that can otherwise identify buyers prior to the regulatory deadline.

At the City of Dallas option, if a unit remains unsold after nine (9) months, the developer shall be required i) to repay the entire HOME investment, including any City of Dallas project soft costs; ii) to convert the project to rental housing in accordance with 24 CFR 92.252; or iii) to transfer title to the City of Dallas or to another entity selected by the City of Dallas for conversion to rental housing.

Units converted to rental housing must be rented to eligible tenants in accordance with 24 CFR 92.252, which includes tenant income eligibility and rent limit requirements. Further, any units converted to rental properties shall be operated in compliance with the City of Dallas Rental Housing Program guidelines.

### Reporting and Record Keeping

To allow effective oversight of funded projects and document compliance with applicable HOME requirements, all projects must submit periodic reports to the City of Dallas. While this section outlines standard reporting requirements, the City of Dallas reserves the right to require additional reporting or to alter the reporting format or frequency based on future changes to HOME

requirements or City of Dallas policy. Additionally, the City of Dallas reserves the right to require additional or more frequent reporting for projects with compliance deficiencies.

- Developers are required to report monthly during the development phase and sales phase. During the construction phase, developers must provide monthly reports detailing construction progress and barriers to progress, copies of invoices being paid, and evidence of appropriate lien waivers.
  - During the sales phase, developers are required to provide monthly reports detailing the number of additional sales, total sales, and marketing activity. These reports are required until all units are sold.
  - The City of Dallas may require more frequent reporting due to findings identified during the development and sales phases.
  - At the City of Dallas option, Developers may be required to obtain and submit an audit of project costs (i.e. cost certification) prepared by an independent Certified Public Account.
  - Developers shall allow City of Dallas, HUD, State of Texas, the Comptroller General of the United States (aka the GAO), and all other pertinent Federal or State agencies or their designated representative the right to inspect records and property.
- Conflict of Interest

To comply with HOME requirements and to maintain a high standard of accountability to the public, conflicts of interest and perceived conflicts of interest must be avoided. Developers shall maintain compliance with all HUD conflict of interest provisions as stated in 92.356(f).

Developers with officers, employees, family members, consultants, or agents that are otherwise eligible to purchase HOME-funded units must receive waiver/approval from City of Dallas staff before entering into a sales agreement with HOME eligible employees. 92.356(f) provisions apply to all HOME projects.

#### I. Structure of Transaction

##### Loan Types and Terms

The City of Dallas will provide HOME funds in the form of a loan to the entity that owns the property. No grants will be awarded, and Funding commitments are not transferable without prior written City of Dallas approval.

The City of Dallas HOME Loan may be used for acquisition and construction financing. Proceeds of the HOME loan will only be released following satisfaction of all requirements outlined below.

In all cases, The HOME loan will:

- Have a maximum term of 2 years;
- Be repayable in full upon sale, refinancing, or transfer of the property or upon maturity, except that repayment will be limited to the net proceeds of a City of Dallas-approved sale to a low-income buyer. Net sales proceeds will exclude any portion of the sale proceeds used to repay senior construction debt, return of City of Dallas-recognized developer equity, approved sales costs, and any HOME-assistance transferred to the buyer(s) at closing as direct homebuyer assistance.; and
- Be secured with a promissory note, mortgage, and appropriate UCC liens. Mortgages will be recorded with the Dallas County Clerk and generally may be subordinate only to an approved amortizing first mortgage.

- Allow for a percentage of proceeds to be retained by the CHDO as CHDO proceeds (as outlined in 24 CFR 92.300 (a) (2)). On a project-by-project basis, CHDO may request to retain proceeds from a HOME-funded project for eligible activities provided the CHDO remains in good standing as a certified CHDO and complies with all contractual obligations as determined in the sole discretion of the City. All proceeds retained by a CHDO that are not used in accordance with the contract within two years after being generated must be returned to the City.

#### Guarantees

Unless otherwise determined by the City of Dallas, all underlying individuals, corporate entities, partnerships, or limited liability companies with an interest in the project will be required to provide a completion guarantee including provisions guaranteeing construction completion of the project. For nonprofit organizations, including community housing development organizations (CHDOs), a guarantee shall not be required, but in all cases the City of Dallas may require a performance bond or irrevocable letter of credit acceptable to the City of Dallas to ensure project completion.

#### HOME Agreement

In addition to any financing documents, developers of HOME-financed projects must sign a HOME agreement with the City of Dallas. The HOME agreement will identify requirements for compliance with the HOME regulations and the City of Dallas Single-Family Development Program requirements and will remain in effect in the event of any prepayment of the HOME loan.

#### J. Underwriting & Subsidy Layering Reviews

##### Market Demand

Developers must, as part of their application, provide evidence of sufficient demand for the proposed units. Developers shall provide information from the multiple listing service pertaining to recent sales in the neighborhood, average time on the market for recent sales, availability of other product and average “months of supply” currently available, and any known or planned projects.

Additionally, Developers must complete the HOME Sales and Marketing Plan, identifying among other items the profile of typical buyers, relationships with homeownership counseling agencies or other sources of buyer referrals, and plans for marketing the homes.

In some cases, the City of Dallas may only commit to a specific project (or may limit the number of projects under construction by a given developer) upon demonstration that a home has been pre-sold to an identified low-income buyer who has, at least, executed a reservation or initial purchase agreement with the Developer.

##### Project Underwriting

All HOME applications must include financial statements from all underlying owners and guarantors. Developers must have a net worth equal to 10% of the total development cost with net liquid assets equal to 3% of the total development cost.

Applicant must provide the amounts and terms for any other financing being provided to the project.

##### Proforma Requirements

The proforma must explicitly show:

- An itemized breakdown of development hard and soft costs by unit including any allowances for soft costs such as architectural fees, carrying costs, etc.
- The hard costs of any stand-alone accessory buildings, including free-standing garages, carports, or storage structures should be specifically itemized in the Development Sources and Uses so that the City of Dallas can complete preliminary HOME cost allocation calculations. (Stand-alone accessory structures like a detached garage may be included in the project but are not HOME-eligible and must be paid for with another funding source.)
- Costs and fees to be paid to the City of Dallas as permitted by the HOME program. The HOME program allows the City of Dallas to include, as project costs, its internal soft costs specifically attributable to the project. These may include consulting, legal, inspection, and staff costs associated with reviewing, processing, and monitoring award of funds to a project. The City of Dallas will notify Developers of the amounts to include in their Development Sources and Uses for City of Dallas-Lender Due Diligence & Legal Costs.
- Estimates of the sales transaction to an eligible homebuyer, including a calculation of the proposed buyer's ability to qualify for a mortgage meeting City of Dallas requirements, the anticipated need to provide direct HOME assistance (e.g. down payment and closing cost assistance) to the buyer, projected sales costs (e.g. realtor's commissions), and the distribution of sales proceeds (including toward repayment of private construction financing)

#### Cost Limitations

All project costs must be reasonable and customary. The City of Dallas reserves the right to review any line-item cost to ensure that total project costs are not excessive. Additionally, HOME projects will be subject to the following specific cost limitations:

- The maximum allowable developer fee is 15% of total development costs less the developer fee itself and seller's closing costs.
- Acquisition costs are limited to fair market value as determined by a third-party appraisal.
- Unless prior approval has been obtained from the City of Dallas. All project hard costs and all project professional fees should be the result of a competitive bidding process. While developers are not subject to federal procurement rules and may use less formal bid processes, the City of Dallas generally expects developers to seek multiple bids and identify the most advantageous bidder based on cost, track record, and other pertinent factors.

#### Other Funding Sources

Developers must disclose all other public and private sources or applications for funding with their initial HOME Single-Family Development application to the City of Dallas at the time of application and upon receiving any additional commitments of public source funding. The City of Dallas will conduct a subsidy layering review as part of the underwriting process for all projects. Using its underwriting criteria, the City of Dallas will assess the project and may require changes to the transaction to ensure that return to the owner/developer are not excessive. Changes may include a reduction in HOME funds awarded.

The City of Dallas will consider adjusting its underwriting in consultation with other public funders, if applicable, to the project. The City of Dallas retains, at its sole discretion, the power to decide whether to accept alternative standards.

#### K. Construction Process

### City of Dallas Construction Inspections

The City of Dallas must be provided with copies of all contractor invoices and provided reasonable notice of monthly draw inspections during the construction period. City of Dallas staff will participate in all draw reviews whether or not the specific draw is being funded with HOME or other project funds and conduct inspections to ensure that the project is progressing and that work completed is consistent with all applicable HOME requirements.

### Davis Bacon

When Davis Bacon applies to a project, the City of Dallas must be provided with compliance documentation throughout the construction period. Prior to commencing construction, the City of Dallas must approve current wage determinations applicable to the project. The contractor will be required to provide weekly payroll forms to the City of Dallas and allow access to the site and workers for the purpose of completing worker interviews.

### Drawing City of Dallas HOME Funds

Proceeds of the HOME loan will only be released as reimbursement for eligible project costs following:

- Review and acceptance of appropriate source documentation by the City of Dallas including evidence of appropriate lien waivers and/or title endorsements.
- A determination by the City of Dallas that all HOME requirements pertaining to the development of the Project have been met, including but not limited to monitoring of Davis Bacon compliance.

For nonprofit developers, including CHDOs, the City of Dallas may release payment based upon outstanding invoices for costs incurred and work completed. In such cases, the City of Dallas reserves the right to disburse through a title company, directly to the vendor, or with two-party checks.

### Project Closeout

Developers are required to submit homebuyer eligibility packets to the City for approval of the homebuyers. Data shall include elderly status, race, gender, female head of household, number of household members, and income.

The City of Dallas requires a copy of the final project sources and uses statement and, at the City of Dallas option, may require the submission of the project cost certification prepared by an independent Certified Public Accountant following completion of construction and payment of all development costs.

## Rental Development Underwriting

In reviewing applications for HOME assistance, as required by §92.250(b) and prudent business practices, the City's underwriting framework includes evaluations of:

- **Regulatory requirements applicable to the project**, including compliance (or ability to become compliant) with HOME's affordability restrictions, property standards, and cross-cutting federal requirements;
- **Market risk**, including whether or not sufficient demand exists for the project, the anticipated lease-up period, and whether general economic conditions and other competition supports ongoing viability;
- **Developer risk**, focusing on whether the owner/developer (including but not limited to the underlying owners of special purpose entities) have the technical capacity to develop and operate the property and the financial capacity to safeguard public funds and backstop the project if the event of poor financial performance; and
- **Project risk (or "financial underwriting")**, testing the economic and financial projections for the transaction including both sources and uses as well as ongoing operating assumptions. This includes confirmation that all sources of project financing are available, commercially reasonable, and have been appropriately maximized prior to awarding HOME funds.

### Market Assessment

All HOME project applications must include a third-party market study prepared in a manner consistent with TDHCA's market analysis requirements. Unless otherwise approved by the City, market studies shall be prepared by providers included on the list of TDHCA Approved Market Analysts. Owner's may generally submit the market study used in conjunction with the Owner's LIHTC application, if applicable. Market studies must be less than one year old at the time of commitment of HOME funds. For market studies that are more than one year old, the City will typically require an update from the original analyst or a new market study from another analyst. Proposed rent levels must be supported by the applicant's market study and be within HOME regulatory limits.

Additionally, the market study should demonstrate the following:

- All units, including any "market rate" units as well as any units with income/rent restriction imposed by other programs such as LIHTC, must demonstrate viability within the primary market area taking into account any known rent concessions being offered by competing properties;
- Income and rent restricted units must have "discounts" of at least 15% relative to comparable un-restricted units;
- Achievable occupancy rates, based on a comparison of comparable properties in the primary market area, must be at or above 95% (physical occupancy);
- Capture rate for the development as a whole is no more than 10%, and no capture rate for specific unit sizes (e.g. 3-bedroom units) exceeds 25%; and
- Absorption can be expected to result in underwritten occupancy levels within six (6) months of units being ready for occupancy.

For projects not meeting these standards the City, in its sole discretion, may also consider the following:

- For project targeting special needs populations (e.g. homeless households, domestic violence victims, veterans, or other specific subpopulations), the City may accept higher capture rates if data from the local Continuum of Care and/or service providers specializing in the targeted populations (e.g. VA service centers) suggest an adequate pipeline of eligible renters exists and will be consistently referred to the development.
- For existing projects being rehabilitated, the City will consider the recent operating history of the project in terms of actual rents charged/received, eligibility of in-place tenants, and the like for evidence that the development's projections are supported by actual performance.

The City may also consider offsetting the risk of relatively “weaker” market study findings by offering HOME assistance as permanent debt only, to be disbursed following actual lease-up of the development at proforma levels and achievement of stabilized occupancy.

#### Developer and Development Team

In most cases, projects considered by the City will be owned by single-purpose, single-asset entities created to hold title the development. For various purposes, including structuring necessary to comply with industry norms and take advantage of other funding sources such as LIHTC, the “owner” and “developer” of a project are often legally distinct entities, even if ultimately owned and controlled by the same underlying parties.

#### Developer Technical/Professional Capacity

In evaluating the capacity of the developer, the City will use the term more loosely to refer collectively to the underlying corporate entities and individuals that will own and control the single-purpose entity (excluding the investor member/limited partner). Additionally, the City requires various guarantees and indemnities from all of the underlying corporate and individual owners of the various limited partnership or limited liability corporation entities involved in the ownership and development of the project.

Developers should demonstrate:

- Recent, ongoing, and successful experience with the development of similar regulated affordable housing; and
- The presence of adequate staff, with specific experience appropriate to their role in the project, to successfully implement and oversee the project. This includes the assembly and oversight of the development team.

The City requires applicants to provide lists of real estate owned (including partnership/membership interests) by the developer as well as all projects underway. The City will review the performance of those projects, including financial factors like net occupancy, actual DCR, cash flow received, outstanding loan balances, and net equity of individual projects and the developer's overall portfolio.

Applicants are also required to provide descriptions of the role played by specific staff members relative to the proposed project along with resumes or other similar information demonstrating experience appropriate to the assigned staff member's role.

#### Financial Capacity

Developers must also demonstrate the financial capacity to support the proposed project both during construction and lease-up as well during ongoing operations. This includes not just that the applicant has sufficient financial resources but that it has adequate financial systems in place

to appropriately manage project funding, accurately account for all project costs, and provide reliable reporting to the City and other project funders.

At minimum, the City will review audited financial statements, interim financial statements, and individual personal financial statements to ensure that:

- The “primary” development entity’s most recent audit must demonstrate compliance with Generally Accepted Accounting Principles (GAAP) and must not express material weaknesses in the entity’s system of internal controls or financial management systems;
- The developer’s net worth (including the un-duplicated net worth of other guarantors) is equal to at least 10% of the total development cost of all projects underway (i.e. those that have received funding commitments from HOME or LIHTC but have not yet been completed and converted to permanent financing); and
- The developer has net liquid assets (current assets less current liabilities) equal to at least 3% of the total development cost of all projects underway.

#### Development Team

The City will also review the capacity of the development team including but not limited to the general contractor, architect, engineer, market analyst, management company, accountant, attorney, and any other specialized professionals or consultants.

As a whole, the development team should have the skills and expertise necessary to successfully complete and operate the development. Insomuch as possible, on balance the development teams should have worked successfully on other projects in the past. That is, while a developer may identify new development team members from project to project, an “entirely new” team may present added risk.

Additionally, when using development team members from outside of the region, the City will consider whether assigned team members have recent local experience or have been supplemented with local professionals. This may be particularly important for design professionals and legal counsel.

In no case, may any owner/developer/applicant or any member of the development team be a suspended, debarred, or otherwise excluded party.

#### Identify of Interest Relationships & Costs

Applicants must disclose all identity of interest relationships/contracts and/or costs involved in a transaction, including during the development period and following completion of the project. The City reserves the right to review any such costs further to ensure they are reasonable and consistent with the costs expected from arms-length relationships.

An “Identity of Interest” (whether or not such term is capitalized) is any relationship based on family ties or financial interests between or among two or more entities involved in a project-related transaction which reasonably could give rise to a presumption that the entities may not operate at arms-length. The City will take a broad approach to defining identities of interest and expects all applicants to err on the side of disclosure. That is, if there is any question about whether an identity of interest may exist, the relationship should be disclosed and explained to the City.

Beyond this general definition, an identity of interest relationship will be deemed to exist if:

- An entity, or any owner of any direct or indirect ownership interest in such entity, or any family member of any such owner is also an owner, through a direct or indirect ownership interest, or an officer, director, stockholder, partner, trustee, manager, or member of the counterparty; or
- Any officer, director, stockholder, partner, trustee, manager, member, principal staff, contract employee or consultant of an entity, or any family member of thereof, is an owner, through any direct or indirect ownership interest, or an officer, director, stockholder, partner, trustee, manager or member of the counterparty.

For purposes of this definition, “family member” means the spouse, parents or stepparents, children or stepchildren, grandparents or step-grandparents, grandchildren or step-grandchildren, aunts, uncles, parents-in-law, and siblings-in-law (or their children or stepchildren). It also includes any other similar relationship established by operation of law, including but limited to guardianship, adoption, foster parents, and the like.

#### Financial Analysis

As noted in the introduction, the City views underwriting as more than just the financial review of a project. However, a review of the underlying financial assumptions is still a critical and core part of underwriting. In reviewing projects, as a public funder the City must balance two somewhat competing perspectives.

Projects must be viable, that is they must have sufficient allowances for all costs to maximize the chances the project can meet or exceed its financial projections and thereby succeed in the marketplace. In other words, the project must represent a “safe” investment. However, taken to an extreme, “safe” or overly conservative projections can also result in a project that is over-subsidized and risks providing excessive returns to the owner/developer.

As a steward of very limited public funding for affordable housing, the City also needs to ensure that costs are reasonable, that they represent a “good deal” to the public, and that returns to the owner/developer are fair but not excessive. In seeking to balance these perspectives, the City has established the following review factors and principals.

#### Development Costs

In general, the City will review the entire project budget to all costs are reasonable yet that the budget is sufficient to complete and sustain the project. All line items, whether or not paid directly with HOME funds, must be necessary and reasonable.

The City will consider the cost of both specific line items as well as the total development cost on a per unit and per square foot basis, comparing costs to other projects from the City’s portfolio, similar projects in the region (such as those funded by TDHCA), City-data from the Building Department, and/or third-party indices such as RS Means.

#### Selected Development Cost Items

*Acquisition* – Acquisition costs must be supported by an independent third-party appraisal prepared by a state-licensed appraiser. The purchase price must be at or below the as-is market value of the property. In the event an applicant has previously purchased land prior to applying to the City, the project budget may only reflect the lesser of the actual purchase price or the current market value. Standard closing costs from the acquisition may be included.

Applicants who purchased property prior to applying to the City, or following environmental releases under NEPA but prior to closing, may not charge or include financing costs associated with interim financing, whether from third-party or related lenders.

*Architectural Fees* – Architectural fees cannot exceed the following:

Design services: 6% of total construction costs

Supervision/Administration: 2% of total construction costs

*City Soft Costs* – The development budget for each project must include an allowance for the City's internal project-related soft costs as specified in periodic RFPs issued by the City. Similar to lender due diligence or lender legal costs, the inclusion of soft costs allows the City to recoup its direct costs of underwriting, processing, closing, and monitoring the project prior to project completion. These costs will be included in the HOME loan but may be drawn directly from HUD by the City rather than via payment requests from the project owner.

*Construction Interest* – Any budgeted line item for construction interest must be supported by developer period cash flow projections, modeling the actual expenditure of development costs and the anticipated pay-in of equity, HOME funds, and other construction period sources. For presentation purposes, only interest from the date of initial closing through the end of the month in which the building(s) are placed in service (i.e. approved for occupancy) may be included as construction interest. Additional interest following that date and prior to the conversion to (or closing on) permanent debt must be separately itemized and modeled. In most cases, this should be included in the "lease up reserve" noted below.

*Contingencies* – Applicants should include a contingency (inclusive of hard and soft costs) within the minimum and maximum amounts noted below. The contingency will be measured as a percentage of hard costs (including the construction contract plus any separate contracts for off-site work but excluding contractor fees).

- New construction projects should include a contingency of least 3% and no more than 7% of hard costs;
- Acquisition/rehabilitation projects, including adaptive reuse projects, should include a contingency of at least 5% and no more than 10% of hard costs.
- The City may consider higher contingencies based on identified risk factors such as the known need for environmental remediation or poor subsurface soils.

*Contractor Fees* – Contractor fees are limited as a percentage of net construction costs as further identified below. Net construction costs exclude the contractor fees, any budgeted contingency, and (even if otherwise included in the construction contract) permits and builder's risk insurance.

- Contractor Profit: 6% of net construction costs
- General Requirements/General Conditions: 6% of net construction costs. General requirements include on-site supervision, temporary or construction signs, field office expenses, temporary sheds and toilets, temporary utilities, equipment rental, clean-up costs, rubbish removal, watchmen's wages, material inspection and tests, all of the builder's insurance (except builder's risk), temporary walkways, temporary fences, and other similar expenses.
- Contractor Overhead: 2% of net construction costs.

With prior approval of the City, contractor fees may vary from the limits above provided the gross contractor fees do not exceed 14% of net construction costs.

*Developer Fees* – Developer fees are intended to compensate a developer for the time and effort of assembling a project, overseeing the development team, and carrying a project to fruition. Developer fees are also intended to compensate for the risk inherent in the development process, including that not every potential project proves viable and that developers must necessarily advance funds for their own operating costs and various third-party predevelopment costs prior to closing (or in some cases for projects that never proceed). The City, therefore, allows the inclusion of developer fees as follows:

- Developer Fee: 15% of total development costs less a) the developer fee itself; b) organizational expenses and/or syndication fees/cost (including investor due diligence fees); and c) reserves, escrows, and capitalized start-up/operating expenses (such as working capital, marketing, etc.).
- There is no maximum monetary limit, but at all times the Developer fee must be reasonable. Combined Contractor & Developer Fees: When an identity of interest exists between the owner/developer and the general contractor, the combined total of contractor fees and developer fees cannot exceed 20% of total development cost less a) the developer fee and b) other cost elements excluded from the calculation of the developer fee itself (see above).

In some cases, developers may delegate some of its responsibilities to third-party professionals or consultants. This may include contracting specific tasks – such as construction oversight of the builder or specialized consulting related to applying for or structuring various financial incentives like LIHTC. The costs of engaging such professionals, whether they are third parties or identity of interest relationships, must be paid from (and if separately itemized will be counted against) the allowable developer fee.

*Reserves* – Capitalized reserves to facilitate the initial start-up and to protect the ongoing viability of the project will include the following:

- Deficit Reserve: The City anticipates that in most cases, developments with predicted deficits during the affordability period would not be funded. However, in the event a development's long-term operating proforma projects actual cash deficits during the affordability period, an operating deficit reserve must be included in the development budget in an amount sufficient, taking into account any interest on reserve balances, to fully fund all predicted deficits through the affordability period.
- Lease-Up Reserve: A lease-up reserve intended to cover initial operating deficits following the completion of construction but prior to breakeven operations may be included. Any such reserve must be based on lease-up projections/cash-flow modeling and the lease-up (or absorption) period identified in the project's market study. In evaluating the appropriateness of any lease-up reserve, the City will consider whether the development budget includes specific line items for other start-up expenses that otherwise are typically part of the ongoing operating budget for a development. This may include budgets for marketing, working capital, etc.
- Operating Reserve: An operating reserve equal to three months of underwritten operating expenses, reserve deposits, and amortizing debt service must be included in the development budget. The operating reserve is intended as an "unexpected rainy day" fund and will only be accessible after a project has achieved stabilized occupancy.
- Replacement Reserve: For acquisition-rehabilitation projects, a capitalized replacement reserve must be included in the development budget. The capitalized replacement reserve

should be funded at the greater of i) \$1,000 per unit; or ii) the amount determined by a capital needs assessment approved by the City.

- Other: The City may consider other specialized reserves as appropriate based on unique features of the project and/or requirements of other funding sources. These may include special security reserves, supportive service reserves, or transition reserves for projects with expiring project-based rental assistance contracts, etc.

### Operating Revenues

The City will review an applicant's projection of operating revenues to ensure they are reasonable and achievable both initially and through the affordability period. In evaluating operating revenues, the City will take into account the i) project-specific market study; ii) actual operating performance from other comparable projects including those from the applicant's existing portfolio of real-estate owned; iii) data available from comparable projects in the City's portfolio; and/or iv) information available from actual performance within TDHCA's portfolio.

For purposes of the long-term operating proforma, operating revenue projections cannot be increased by more than 2% per year. The City reserves the right to "stress" proposals for underwriting purposes to assess the impact of lower inflationary increases, such as modeling the impact of only 1% rent increases for the first three to five years of a project's affordability period.

### Rents

All rents should be supported by the market study. Including the utility allowance, the gross rent for any income/rent restricted unit should demonstrate at least a 15% "discount" compared to comparable "market rate" units.

Additionally, to hedge against flat or declining rents to the owner in the event that income limits (and therefore rents) do not increase in a given year (particularly between commitment and lease-up), gross rents should demonstrate at least a 2.5% discount from the regulatory limit imposed on any income/rent restricted units by HOME, LIHTC, or other similar sources. As an alternative to setting rents below the applicable regulatory limit, the City will consider increasing the allowance for vacancy by 2.5%.

### Non-Rental Revenue

Non-rental revenue must be fully explained and conservatively estimates. In general, no more than \$60-\$240 per-unit, per-year may be budgeted in "other revenue" including that from tenant's fees (such as fees for late payment of rent, nonsufficient funds, garage/carport upgrades, pet fees, etc. or interest on operating account balances). Exceptions may be considered by the City based on the operating history of an acquisition/rehabilitation project or normalized operations are other comparable properties in the same market area.

### Vacancy

Total economic vacancy includes physical vacancy (a unit is unrented), bed debt (a unit is occupied but the tenant is not paying rent), concessions (a unit has been leased for less than the budgeted rent), and "loss to lease" (an pre-existing lease is less than the most recently approved annual rent but will be adjusted upward at renewal).

In all cases, based on the market study or other data available to the City, the City reserves the right to require higher vacancy projections. This may include higher vacancy rates for small developments (e.g. less than 20 unit) where standard percentage assumptions about vacancy may not be appropriate. Minimum allowances for vacancy must include:

- 5% for projects where all units are supported by a project-based rental assistance contract with a term equal to or in excess of the affordability period (e.g. project-based Section 8); or
- 7% for all other projects.

As noted above, the minimum vacancy rate will be increased by 2.5% if budgeted gross rents are at the applicable regulatory maximums.

### Operating Costs

The City will review an applicant's projection of operating expenses to ensure they are reasonable and adequate to sustain ongoing operations of the project through the affordability period. In evaluating a proposed operating budget, the City will compare projects costs to i) actual operating expenses of comparable projects in the applicant's existing portfolio of real-estate owned (insomuch as possible, comparable projects will be in the same vicinity and operated by the same management company); ii) actual operating expenses of other comparable projects in the City's portfolio; iii) data available on the operating costs of affordable housing in the TDHCA portfolio; and/or iv) minimum per-unit, per-year allowances established by the City through periodic RFPs for rental housing.

For purposes of the long-term operating proforma, operating expenses, including reserve deposits, will be inflated at no less than 3% per year. The City reserves the right to "stress" proposals for underwriting purposes to assess the impact of higher operating cost factors, such as modeling the impact of higher inflation rates in general or for specific items of cost (for example, assessing the impact of high rates of increase for insurance or development paid utility costs).

### Selected Items of Operating Cost

*City HOME Monitoring Fee* – Pursuant to 24 CFR 92.214(b)(1)(i), the City assesses an annual HOME monitoring fee. The operating budget for each project must include an allowance for the City's annual HOME Monitoring Fee as specified in periodic RFPs issued by the City.

*Property Management Fees* – An allowance of 5% of effective gross income (i.e. gross rent potential plus other revenues minus actual vacancy, bad debt, concessions, etc.) should be included. In the event a lower management fee is proposed, the City will consider using a fee as low as 3% provided the proposed management company is acceptable to the City and has agreed in writing to the lower fee.

*Property Taxes* – Applicants must provide detailed explanations of property tax projections and, as applicable, provide documentation that any anticipated partial or full exemptions or payments in lieu of taxes (PILOT) have been approved by the appropriate tax assessor. In the absence of a tax exemption or PILOT, the operating budget must provide for a tax rate equal to 1.25% of the market value of the property or the City, at its option, may require confirmation from the tax assessor of the applicant's projection.

*Replacement Reserve Deposits* – The operating budget must include minimum replacement reserve deposits of:

- New Construction Family: \$300 per-unit, per-year
- New Construction Senior: \$250 per-unit, per-year
- Rehabilitation: The greater of i) \$300 per-unit, per-year; or ii) a higher amount established by a Capital Needs Assessment (CNA) approved by the City.

Note: The City will reserve the right within a project's transactional documents to require periodic CNAs for all projects and to adjust ongoing replacement reserve deposits base on the results of the CNA to ensure that the replacement reserve is sufficient to address all anticipated needs for the project's affordability period of the term of the City's loan, whichever is longer.

#### Items Payable only from Surplus Cash

Certain costs, sometimes identified by project owners as "operating costs," cannot be included in the operating budget and will only be payable from surplus cash (aka cash flow). These include:

- Incentive Management Fees payable in addition to the allowable management fees noted above, whether paid to related party or independent third-party management fees.
- Asset Management Fees payable to any investor, general or limited partner, or member of the ownership entity.
- Deferred Developer Fees
- Operating Deficit Loan Payments made to any related party including any investor, general or limited partner, or members of the ownership entity.
- Other payments to investors, general or limited partners, or members of the ownership entity, however characterized, including but not limited to negative adjustors, yield maintenance fees, etc.

#### Ongoing Economic Viability

The City will review the ongoing economic viability of all projects, taking into account long-term projections of revenue and expenses. Projects must demonstrate they can be expected to remain viable for at least the affordability period, taking into account trending assumptions noted above, as well as other any other changes in operating revenues or expenses that can reasonably be anticipated based on other information available to the City or other project funders. In particular, the City will review the debt coverage ratio and operating margin as outlined below.

#### Debt Coverage Ratio

Projects must demonstrate a minimum debt coverage ratio (DCR) of 1.25 (Net Operating Income divided by amortizing debt service) throughout the affordability period. In some cases, for projects with relatively small levels of mortgage debt, this may require a higher initial DCR to ensure that the DCR in later years remains at or above the appropriate level.

#### Operating Margin

In addition to considering the DCR, the City will review the operating margin (surplus cash divided by total operating expenses and amortizing debt service). The operating margin must remain at or above 5% for the period of affordability.

#### Other Funding Sources

Prior to committing funds, all other funding sources necessary for a project must be identified, committed in writing, and consistent with the both the City's underwriting requirements and the affordability restrictions of the HOME program. In general, developers must make all reasonable efforts to maximize the availability of other funding sources, including conventional mortgage debt and tax credit equity (as applicable), within commercially available and reasonable terms.

Additionally, restrictions or limitations imposed by other funding sources cannot conflict with any applicable HOME requirements and cannot, in the discretion of the City, create undue risk to the City.

### Senior Mortgage Debt

Any amortizing mortgage debt that will be senior to the City's HOME loan must:

- Provide fixed-rate financing;
- Have a term equal to or in excess of the HOME affordability period. The affordability period will generally be 15 years beyond the date of project completion as defined in 24 CFR 92.2 for acquisition/rehabilitation projects and 20 years for new construction projects. In practice, the date of project completion will not be the same as placed in service date for tax purposes but for most projects will occur prior to permanent loan conversion following property stabilization. Insomuch as possible, the first mortgage should have the longest amortization period available but cannot balloon prior to the expiration of the affordability period; and
- Allow the City's HOME covenant running with the land (i.e. the deed restrictions imposing the HOME affordability requirements) to be recorded senior to all other financing documents such that the HOME covenant is not extinguished in the case of foreclosure by a senior lender. Note the City HOME loan itself will be junior to conventional amortizing loans; only the deed restrictions must be senior.

### Tax Credit Equity

Projections of tax credit equity must be documented by letters of intent or other similar offers to participate in the transaction by the proposed tax credit investor. Prior to committing funds, the applicant must provide evidence it has received a tax credit reservation from TDHCA and provide the proposed limited partnership agreement or operating agreement, as applicable, documenting the terms of the equity investment.

The City will review proposed equity pricing against information from other projects in the region to assess whether the pricing and terms are reasonable.

### Deferred Developer Fee

It is common for projects to include deferred developer fees as a financing source. The City will generally require:

- That projections of surplus cash available (after any cash-flow contingent payment due the City) be sufficient to repay the deferred fee within 15 years (notwithstanding other waterfall provisions in the partnership or operating agreement, the City will assume that all surplus cash distributions will be credited against the developer fee);
- That following the initial application to the City, the level of deferred developer fee will remain fixed (in nominal dollar terms) in the event City underwriting identifies cost reductions, increases in other funding sources, or other changes that result in a net reduction of the "gap" to be filled with HOME funds; and
- That any net savings (or increased funding sources including but not limited to upward adjusters for tax credit equity) at project completion and cost certification will be used in equal parts to reduce the deferred developer fee and the City's permanent HOME loan. In the event savings are sufficient to eliminate the deferred fee in this manner, any remaining net savings will be used to further reduce the City's HOME loan, or in the sole discretion of the City, to increase the operating reserve.

### Exceptions and Interpretation

The City has developed these guidelines for several reasons. Not only are they required by HUD as part of the City's role as a HOME participating jurisdiction, but more generally they are intended to provide clarity to applicants on what the City expects and transparency about the rules of the road. However, the City recognizes that it cannot pre-emptively identify every possible special circumstance that may warrant an exception to its general requirements, nor can it identify every possible loophole whereby a creative presentation of costs or other projections might subvert the general need to balancing of viability and reasonable returns, risk to the City and public benefit.

Consequently, the City reserves the right to waive specific underwriting criteria for specific projects when, in its judgement, the purposes of the program can be better achieved without taking on undue risk. When waiving any given requirement, the City may impose additional special conditions or business terms that are not otherwise typically applied to all projects.

For administrative ease, the City may also align its underwriting standards with those required by other public funders involved in a given transaction, particularly if those standards are more restrictive or conservative than the City's. However, the City retains the right, in its sole discretion, to decide whether to accept alternative standards.

The City also reserves the right to reject any element of a transaction that, despite not being specifically prohibited, was not anticipated by these guidelines of such an element or business term otherwise creates unacceptable risks, excessive returns to the owner/developer, or otherwise undermines the public purposes of the City's program.

Insomuch as is reasonable, the City will update and clarify these guidelines over time to account for exceptions, waivers, or additional restrictions it imposes.

## Design Guidelines

This portion of the catalog outlines the City's policy on Universal Design and the minimum design criteria for new affordable housing projects, to the extent allowed by law.

In order to ensure the sustainability of the projects supported by CDBG and HOME funds, the City has established guidelines in relation to Universal Design. In addition, the City wants to ensure that newly constructed units are compatible with existing neighborhoods.

### Universal Design

This comprehensive housing policy creates a Universal Design construction requirement for all new single-family homes, duplexes, and triplexes using financial assistance from the City.

The goal of "Universal Design" is to ensure that housing can accommodate the needs of people with a wide range of abilities, including children, aging populations and persons with disabilities. Consequently, all new construction housing projects using City of Dallas CDBG and/or HOME funds will meet all the following criteria:

- At least one entrance shall have a 36-inch door and be on an accessible route.
- All interior doors shall be no less than 32 inches wide except for a door that provides access to a closet of fewer than 15 square feet in area. Each hallway shall have a width of at least 36 inches and shall be level and ramped or use beveled changes at each door threshold.
- All bathrooms shall have the walls reinforced around the toilet, bathtub, and shower for future installation of grab bars.
- Each electrical panel, light switch or thermostat shall be mounted no higher than 48 inches above the floor. Each electrical plug or other receptacle shall be at least 15 inches from the finished floor.
- An electrical panel located outside the dwelling unit must be between 18 inches and 42 inches above the ground and served by an accessible route.
- All hardware installed to open/close doors and operate plumbing fixtures shall be lever handles.

### Universal Design Waiver or Exterior Accessibility Requirements

The Director or designee may only grant modifications or an exemption to the requirements regarding full compliance with the exterior path of travel on an individual case-by-case basis. The criteria for granting a modification or exemption are as follows:

- The lots rise or falls so steeply from the street that a maximum 1:12 slope cannot be achieved without extensive grading or
- The site lacks vehicular access via an alley

### Universal Design Implementation

- Clearly stamp or print "Universal Design" on plans submitted
- Clearly identify universal design elements
- Certify that the plans comply with these requirements
- Plan checking, construction inspections and enforcement shall be accomplished in accordance with existing procedures.

All builders and developers of infill housing are strongly encouraged to incorporate the defining

features of a neighborhood into newly constructed infill houses. Those defining features of older neighborhoods may include roof pitches, porches, materials, and window types. Developers must comply with any standards established by an existing neighborhood conservation district and/or approved neighborhood plan. Additionally, all projects must advance the principles and policies contained in the City of Dallas Complete Streets Design Manual. Site plans and building designs should contribute towards safe and convenient pedestrian, bicycle, transit and automobile access to the extent possible within the project site and the adjacent public right-of-way frontage.

For infill projects supported with CDBG and/or HOME funds, developers will be required to demonstrate that the neighborhood association near the land to be developed has been consulted on the design issues. Developers should obtain input and feedback from neighborhood residents and work with them to ensure that designs are compatible with existing housing and development patterns.

In extreme cases where an agreement cannot be reached between the developer and local neighborhood groups, CDBG and/or HOME funding may be pulled from the project.

Specific design guidelines may be developed for certain City sponsored projects. Historic and neighborhood conservation district requirements must also be met for all projects.

For rehabilitation projects, builders and developers are strongly encouraged to retain the defining features of older structures. This applies to multi-family and single-family projects.

## Tenant Based Rental Assistance

The purpose of this program is to provide supplemental financial assistance to individuals and families experiencing homelessness or who are at risk of homelessness to pay the difference between the cost of rent and the actual affordable amount that the tenant can pay. The program shall be operated on a first come first served basis. Only HOME funds can be used to fund Tenant Based Rental Assistance (TBRA) programs. This is not an eligible activity under the Community Development Block Grant (CDBG) Program.

### Eligible Uses

Eligible costs include: Subsidy is based on the amount of the rent, household income and City rent standard in a form of a grant. Covered expenses include:

- Rent supplemental financial assistance:
- Utility costs
- Security deposits
- Utility deposits
- Maximum assistance of 24 months
- May provide security deposit and utility deposit assistance upon exiting the program for a permanent unit

No payments will be made directly to the tenant household.

### Prohibited Uses

City of Dallas HOME TBRA funds may not be used to assist tenants in conjunction with homebuyer programs, including lease purchase programs.

### Eligible Units

Eligible tenants may rent any housing that meets the following criteria:

- Located in Dallas City Limits
- Meets Minimum Housing Quality Standards
- Reasonable rents are charged
- Not public housing projects or receiving project based federal assistance

### Subsidy Amounts and Tenant Contribution

Maximum Subsidy: Maximum assistance that can be provided is the difference between 30% of the household's adjusted monthly income and the payment standard.

Minimum Tenant Contribution: All tenants are required to pay 30% of their monthly adjusted income, or \$20.00 per month, whichever is greater.

Length of Assistance: Assistance will not be provided for a period of time longer than two years, and minimum of one-year lease.

### Other Tenant Requirements

Agencies administering TBRA programs may require tenant participation in a self-sufficiency program as a condition of rental assistance.

A legitimate, legal lease is required for program participants.

### **Income Recertification**

Income of tenants receiving HOME tenant based rental assistance must be re-certified on an annual basis, at a minimum. City staff may require recertification of tenant income at any time, at the City's discretion, if it appears that a tenant's income has changed substantially during the contract term. If the tenant's income exceeds eighty percent (80%) of Area Median Family Income, HOME assistance must be terminated.

### **Payment Standard**

The HOME payment standard will be the Small Area Market Rent, annually established and published by the US Department of Housing and Urban Development.

### **Termination of Assistance**

HOME assistance may be terminated if the following occurs:

- Household's income exceeds eighty percent (80%) of Area Median Income;
- Household is evicted from the approved unit by owner for cause;
- After receipt of two official notices requesting cooperation in the re-certification process, the household is unresponsive and uncooperative.

In all cases above, thirty days' notice of the termination must be provided to the tenant and landlord.

# Neighborhood Empowerment Zones

Approved January 22, 2020 by Resolution No 20-0188

The City's Residential Neighborhood Empowerment Zone Program (Program) outlines the guidelines and criteria for tax abatements and economic development grants in amounts equal to development fees and certain development-related costs to be provided for certain housing projects to be developed within designated Neighborhood Empowerment Zones in the City. Eligible projects may include: (1) development of new affordable housing units on previously vacant land, (2) repair of certain owner-occupied housing units, and (3) repair and rehabilitation of single family and duplex rental units, all in accordance with the Program.

The Program promotes economic development by incentivizing developers to build housing for a wide variety of incomes and to develop high-quality housing near stabilization areas as defined in the City's Comprehensive Housing Policy. Existing homes in these proposed NEZ districts are affected by the negative economic impacts of deteriorating structures while also being vulnerable to new high-income development and experiencing escalating taxable values. Concern about increased taxable value can deter a property owner from investing in a property and can create affordability issues for families.

The proposed tax abatement provides needed relief for these vulnerable families while encouraging additional investment. The Program further addresses the three broad goals of the comprehensive housing policy: (1) to create and maintain affordable housing units throughout Dallas, (2) to promote greater fair housing choices and (3) to overcome patterns of segregation and concentrations of poverty through incentives and requirements.

The Program is created pursuant to the Neighborhood Empowerment Zone (NEZ) provisions in Chapter 378 of the Texas Local Government Code (Chapter 378). Chapter 378 allows cities to create NEZs to promote the creation and rehabilitation of affordable housing; an increase in economic development; and an increase of the quality of social services, education, or public safety provided to residents of the NEZ. In addition to the creation requirements in Chapter 378, proposed NEZs must meet certain distress criteria for designation of a reinvestment zone pursuant to Section 312.202 of the Tax Code, including findings that the NEZ retards the provision of housing accommodations in its present condition and use because of a substantial number of substandard, deteriorated, or deteriorating structures; and the predominance of defective or inadequate sidewalks or streets. Once the NEZ is created, the City may enter into agreements to abate municipal property taxes.

In addition, this program provides additional incentives in the form of development grants pursuant to Chapter 380 of the Texas Local Government Code equal to development fees and certain development-related costs.

## Definitions

- **Affordable Rent** means: (i) a monthly rental housing payment, less an allowance for utilities, that does not exceed 30 percent of an eligible household's Adjusted Income divided by 12, or (ii) the voucher payment standard.
- **Affordable Sales Price** means the fair market value of the home, as determined by an "as-is" or "subject-to-completion" appraisal completed by an independent state-licensed appraiser. However, the terms of the development agreement for the for-sale housing unit will include any seller discount that must be provided to the eligible household so that the amount paid by the eligible household is affordable based on their income, meaning that

their monthly housing payment, including mortgage principal, interest, taxes and insurance, does not exceed 30 percent of the Family's Adjusted Income, divided by 12.

- **Eligible Household** means, at the time of rental or purchase, 1) for rental, a Family with a gross annual household income at or below 60% of AMFI; 2) for home ownership or purchase, a Family with a gross annual household income at or below 120% AMFI at the time of purchase; 3) for buyers of Land Bank program homes, a Family who also meets all of the homebuyer eligibility criteria for the Land Bank program; or 4) for home ownership or purchase, those in educational instruction and library occupations; healthcare practitioners and healthcare support occupations; and protective service occupations, including fire fighters and police officers, with a gross household income under 140% AMFI.
- **Income** means income as defined by 24 CFR §5.609.
- **Reserved Dwelling Unit** means the rental or owner-occupied units in a development available to be leased to and occupied by eligible households, or which are currently leased to and occupied by eligible households and are leased at affordable rental rates, or for-sale units sold to an eligible household at an affordable sales price.

All other capitalized terms in this Definitions section have the meaning assigned in Chapter 20A-24 of the Dallas City Code.

### **Administration**

Under Resolution No. 20-0188 authorized on January 22, 2020, the City Manager is authorized to grant tax abatements to developers developing housing in accordance with the Program's tax abatement guidelines. Additionally, the City Manager may authorize development grants in amounts equal to development fees and certain development-related costs up to \$50,000. The Program is administered by the Department of Housing and Neighborhood Revitalization (Department), or a successor department.

Funding for development grants in amounts equal to development fees and certain development-related costs will be provided as authorized by City Council, including the provision of funding from the Dallas Housing Trust Fund.

### **Application Process**

The Department will create, and will periodically update, an application that is consistent with the Program and the authorizing statute, as amended, to be used by Applicants who are interested in accessing the incentives provided by this Program. The City may accept applications on a rolling basis or may solicit applications through a competitive application process. Only applications that meet or exceed the minimum criteria of the Program are eligible to be provided an incentive. Creation of these tax abatement guidelines does not create any property, contract, or other legal right in any person to be granted a specific application or request for tax abatement or grants herein.

### **Eligible Geographic Areas**

When the City Council adopted the Comprehensive Housing Policy on May 9, 2018 by Resolution No. 18-0704, Council approved the designation of certain geographic areas in Dallas as Reinvestment Strategy Areas (RSAs) where the City would implement specific programs, tools and strategies to address three different real estate market types in need of investment.

The City Council prioritized the creation of NEZs in RSAs that were categorized as Stabilization Areas. Stabilization areas are characterized as areas with Market Value Analysis (MVA)

categories G, H, and I that are surrounded by MVA categories A-E and, as such, are areas where residents are at risk of displacement based on known market conditions. Because of this risk, creating NEZs in stabilization areas helps the City preserve affordability and deconcentrate racially and ethnically concentrated areas of poverty (RECAPs).

Only lots within Council-authorized Residential Neighborhood Empowerment Zones are eligible for the Residential NEZ program.

### **Eligible Activities and Affordability Requirements**

**Development of New Affordable Housing Units on Previously Vacant Land:** New construction of single family or duplex housing units that are sold or rented to eligible households, or new construction of multifamily dwelling units that are sold to eligible households. The Program is limited to new construction that occurs 1) on vacant lots that have not had a residential use (as defined by Sec. 51A-4.209 of the Dallas Development Code, as amended) for at least five years, 2) on lots that are subject to an order of demolition issued under Chapter 27 of the Dallas City Code at the time of application, or 3) lots purchased through the City's Land Bank or Land Transfer programs. The new home shall remain affordable for the period of abatement.

- **Investment in Repairs to Owner-Occupied Housing Units:** Investment of at least \$5,000 in repairs to a home owned by an eligible household. The minimum investment of at least \$5,000 must be focused first on water/weather proofing, and then on essential systems such as roofing, electrical, HVAC and plumbing.
- **Investment in Repairs to Single Family and Duplex Rental Housing Units:** Investment in all repairs necessary to bring a single family rental housing unit into full compliance with the Minimum Housing Standards codified in Chapter 27 of the Dallas City Code, as amended, including repairs that make the housing unit water/weather-tight. After completion of repairs, major systems such as roofing, electrical, HVAC and plumbing must have a useful life of at least 5-10 years, depending on the system. For the development grant, the home must be rented to an eligible household for a minimum of 5 years. For the abatement, the home must be occupied by an Eligible Household during the period of the abatement. Minimum investment amount: \$10,000.

### **Eligible Properties**

- The property must be a single-family home, duplex, or owner-occupied multifamily unit located within the city limits of Dallas, Texas.
- Property taxes for the property must be current. Property taxes must not be delinquent for any tax year unless the applicant has entered into a written agreement with the taxing authority outlining a payment plan for delinquent taxes and is abiding by the written agreement. Legal, current deferrals for over 65 or disabled are not, on their own, disqualifying.

### **Eligible Applicants**

- An Applicant who will be developing a new housing unit or repairing an existing housing unit must be the owner of the property and must submit a deed, or similar documentation acceptable to the City, in its sole discretion, that proves that the Applicant owns the property in fee simple.
- An eligible household who will be investing in repairs to his/her/their owner-occupied housing unit does not have to have marketable title, but must submit documentation acceptable to the City, in its sole discretion, that proves the eligible household has an ownership interest in the property.

- An Applicant who will be developing a new housing unit or repairing a rental housing unit must be current on mortgage payments and shall not be in default under the mortgage documents associated with the property or in default under any lien on the property.
- Applicants for owner-occupied homes must certify that the home is not for sale and is the primary residence of Applicant.
- City Council members, Department of Housing and Neighborhood Revitalization employees, and any employee, official, or agent of the City who exercises any policy or program decision-making function in connection with the Program are ineligible for assistance under the program.
- Applicants must execute agreements as required by the program.

### **Eligible Repairs**

Eligible repairs for owner-occupied housing units and single-family or duplex rental housing units are listed in the appendix. Applicants must document that the repairs have been completed and paid for, and all applications are subject to City inspection to ensure completion. Applicant must submit proof, acceptable to the City, in its sole discretion, that Applicant made the minimum investment in the housing unit. Applicant must provide cut sheets and warranty information for all mechanical, electrical, and plumbing installed.

### **Program Benefits**

- **Development grants in amounts equal to eligible development fees and certain development-related costs:** At the *completion* of construction/repairs and *after compliance with all Program requirements and submission of required paperwork*, including filing the restrictive covenant, Applicant will receive a grant equal to the eligible fees paid in association with the development and construction of, or repair to, housing units associated with the Program as well as certain development-related costs as detailed in the appendix and below. Developments consisting of more than one housing unit will be eligible for reimbursement of a pro rata share of the eligible development fees and development-related costs based on the percentage of units reserved for eligible households.
- **Ten Year Tax Abatement:** Upon the completion of construction/repairs and after compliance with all Program requirements and submission of required paperwork, including signing all tax abatement agreements and filing the restrictive covenant, the property may receive a 100% municipal tax abatement each year on the value for that year that exceeds the value for the year in which the agreement is executed for a period not to exceed 10 years. To continue to be eligible, the Applicant or Eligible Household must apply to renew the tax abatement each year during the tax abatement period and must document that the property is in compliance with the Program, as determined by the City, in its sole discretion. Tax abatements from other jurisdictions, such as Dallas County, are subject to separate action by the governing body of the relevant jurisdiction.

### **Affordability Period Related to Development Grants**

The housing unit must be occupied by an eligible household for five years from the date the grant payment is made. Failure to maintain the affordability period will be considered default of the agreement, and an amount equal to the development agreement amount and the taxes abated during the required five-year affordability period will be due upon sale of the property.

### **Affordability Period Related to Property Tax Abatement**

A rental housing unit must be occupied by an eligible household during each year that a tax abatement is requested. An owner-occupied housing unit may be sold subject to the home being purchased by a new eligible household.

### **Additional Requirements**

- While participating in the Program, an Applicant who will be developing a new housing unit or repairing a single-family or duplex rental housing unit shall not discriminate against holders of housing vouchers, including vouchers directly or indirectly funded by the federal government.
- Applicants constructing new housing units to be sold to eligible households must submit proof that information about the availability of Housing and Urban Development-approved homebuyer education courses was provided to the homebuyer at the time of loan application.
- If an Applicant who will be repairing a single family or duplex rental housing unit is leasing to an eligible household at the time of applying for the Program, the Applicant may not evict or decline to renew the lease of the eligible household for at least one year, so long as the eligible household is in compliance with the lease. Further, the Applicant must schedule repair work to minimize disruption to the eligible household.
- Applicants shall document development fees associated with the investment and follow processes as published by the Department.
- The city will draft the required agreements and restrictive covenant. To receive the abatement, the applicant must sign the agreement and execute and file the restrictive covenant on the deed records of the county.
- The abatement requires an annual application and compliance review process and may be denied for any year in which the reserved dwelling is not occupied by a qualified household.
- The Department may impose additional eligibility and compliance criteria that are consistent with the Program and state statute.
- After the initial period of abatement, and subject to program renewal, property owners may apply for an additional period of abatement, subject to all additional investment and program requirements in place at that time.
- All grants and tax abatements are subject to full compliance with city regulations for development. In particular, unauthorized tree removal and construction initiation without required authorizations may, at the Director's discretion, trigger default proceedings.

### **Termination and amendments**

- City Council may amend program details and NEZ boundaries or may terminate NEZ districts. Executed development agreements and tax abatements survive NEZ amendments or termination.
- Tax abatement and development agreements may be terminated two years after execution if work has not begun, as evidenced by a building permit issuance, foundation poured, or other evidence of work acceptable to the City, unless otherwise specified in the agreement.

### **Program Integration**

The Program is designed to work in conjunction with other City programs. Applicants who obtain funding for home repairs through the Home Improvement and Preservation Program (HIPP) or receive mortgage assistance through the Dallas Homebuyer Assistance Program (DHAP) may also participate in this NEZ Program, provided that they meet all requirements of this Program, and subject to Federal limitations. In addition, developers who receive gap financing from the City

or who purchase land through a City program may participate in this Program, provided that they meet all requirements of this Program, and subject to Federal limitations. Additional program integration may also be eligible at the discretion of the Director.

Section 311.0125 of the Texas Tax Code (Chapter 311) requires that tax abatements within TIF districts be approved by the board of directors of the TIF district and the governing body of each participating taxing jurisdiction. Parcels located in a Residential NEZ and in a tax increment finance district may be eligible for a tax abatement provided 1) the board of the relevant TIF district has approved tax abatements pursuant to this Program, along with any applicable amendment to the TIF increment allocation policy, 2) the TIF district's unallocated increment has capacity to support the abatement, and 3) any other participating jurisdictions have approved such abatements. The City Council has approved such abatements as part of the creation of this Program.

DRAFT



**City of Dallas**

# **Use of MIHDB Fee in Lieu Funding**

**Housing and Homelessness  
Solutions Committee  
March 21, 2023**

Thor Erickson, Assistant Director  
Jessica MacKinnon, Operations Research Analyst  
Department of Housing & Neighborhood Revitalization  
City of Dallas

# Presentation Overview



- Mixed Income Housing Development Bonus (MIHDB) Background
- MIHDB Fund
- Research on use of fund
- Funding use recommendations
- Next steps



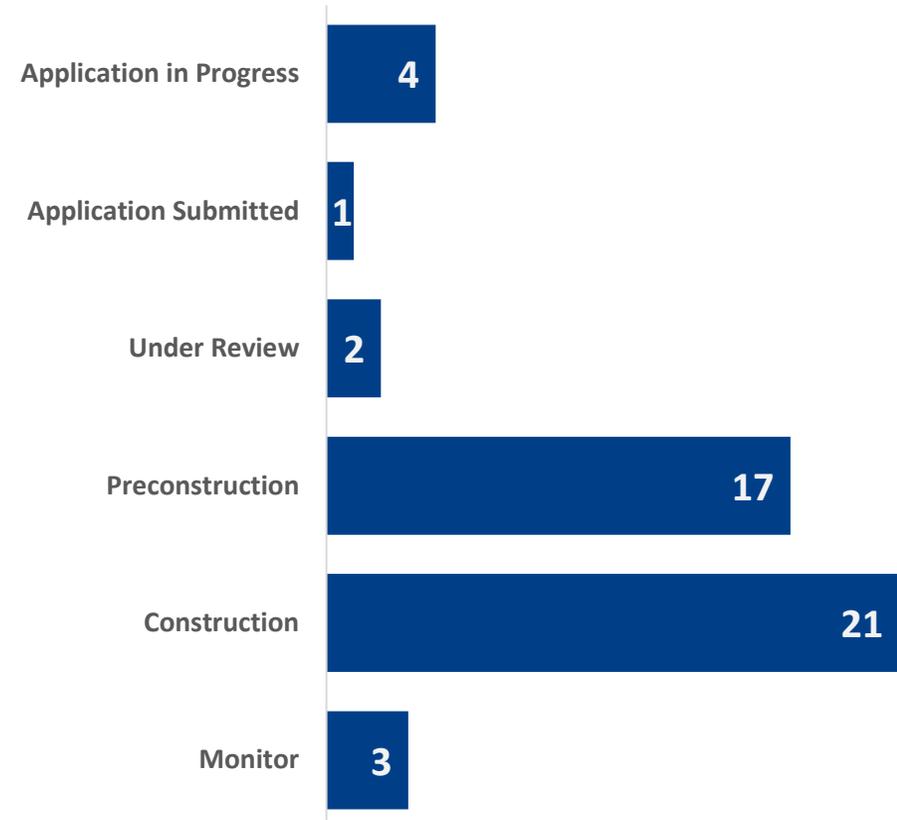
# MIHDB Background



## Mixed Income Housing Development Bonus

- Provides zoning incentives (stories, height, density, etc.) in exchange for on-site affordable housing units
- Developers may also pay a fee in lieu of affordable housing with the density bonus

MIHDB Project Pipeline



# MIHDB Fund



- City Council created the MIHDB Fund on May 11, 2022 to ensure that the fees paid in lieu of affordable housing achieved the intent of improving housing and neighborhoods in Dallas
- Per Sec. 20A-33, MIHDB fund to be used only for:
  - Funding programs authorized by the comprehensive housing policy that affirmatively further fair housing
  - Funding for data and analysis in support of housing programs authorized by the comprehensive housing policy that affirmatively further fair housing
  - Funding staff and expenses for management and administration of mixed income housing development bonus program and the mixed income housing development bonus fund



# MIHDB Fund



- Program is funded by program fees and fees in lieu of on-site affordable housing
- Housing Department estimates receiving \$6 million this fiscal year
- Housing has collected ~\$4.4M to date
- This fund is separate from the Housing Trust Fund which was created from Tax Increment Financing (TIF) dollars





- To further refine the use of funds within the categories allowed by code, staff conducted research on the following:
  - Dallas Housing Policy 2033
  - Housing Policy Task Force (HPTF)
    - Surveyed the HPTF on priorities
    - Presented to the HPTF on February 23, 2023
  - Other Cities' Funds
    - Researched use of 44 cities' Housing Trust Funds
  - Internal Department Discussions
    - Discussed gaps in existing programs with program managers and staff

# Research – Dallas Housing Policy 2033 Pillars



<b>1. Equity Strategy Target Areas</b>	Identify specific disparities in housing opportunities and reduce them utilizing a targeted approach
<b>2. Citywide Production</b>	Increase production to improve housing affordability for a broad mix of incomes in all areas of the city
<b>3. Citywide Preservation</b>	Increase preservation to improve housing affordability for a broad mix of incomes in all areas of the city
<b>4. Infrastructure</b>	Prioritize infrastructure investments in equity strategy target areas
<b>5. Collaboration and Coordination</b>	Align strategies and resources to maximize the impact of partnerships with internal and external stakeholders
<b>6. Engagement</b>	Cultivate diverse avenues of communication with residents across all neighborhoods to guide City's housing investment decisions
<b>7. Education</b>	Develop a city-wide, collaborative campaign to increase YIMBYism (Yes in My Back Yard) for housing affordability and the people who need it



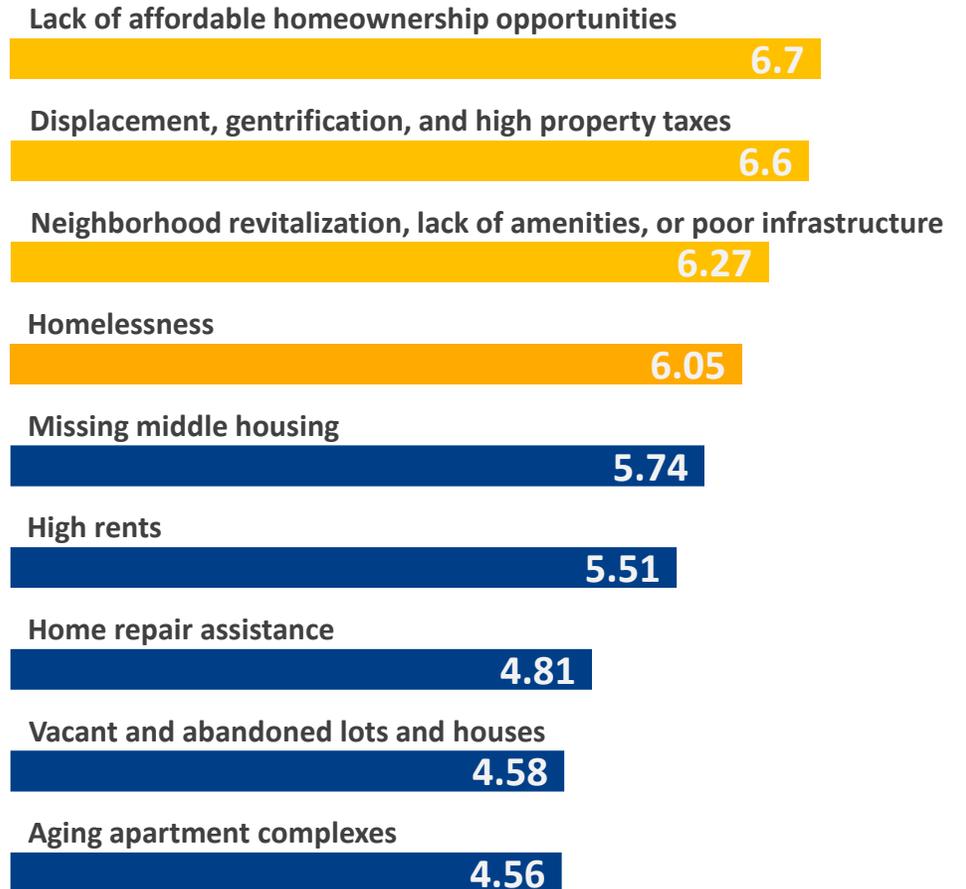
# HPTF Research - Priority Issues



Which issues are most important to you or your organization?

- Homeownership
- Stability
- Strong Communities

Average Score (out of 9)



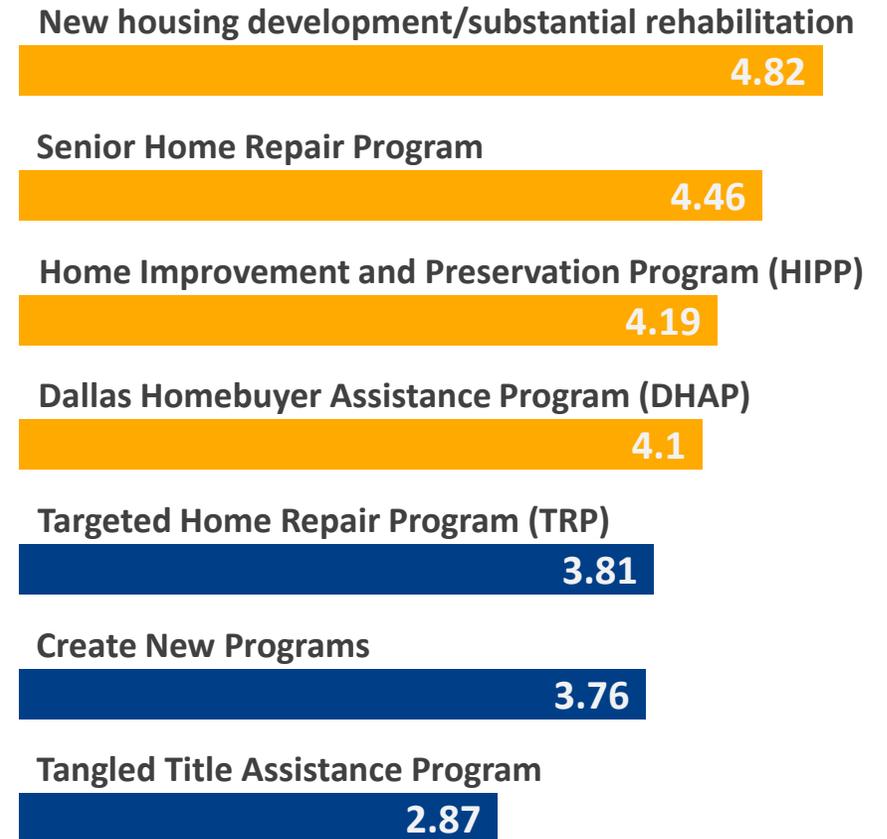
# HPTF Research - Priority Programs



If Housing had the opportunity to increase funding to its programs, what priority would you or your organization recommend?

- Development/Homeownership
- Stability/Home Repair

Average Score (out of 7)

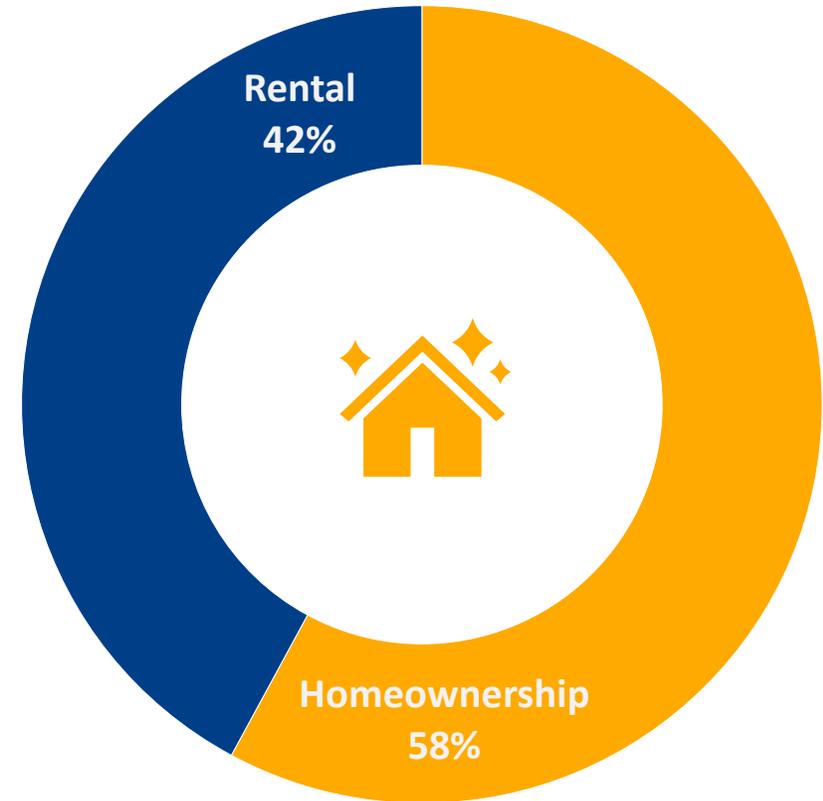


# HPTF Research – Priority Construction



Which housing construction is more important to you or your organization?

- Homeownership



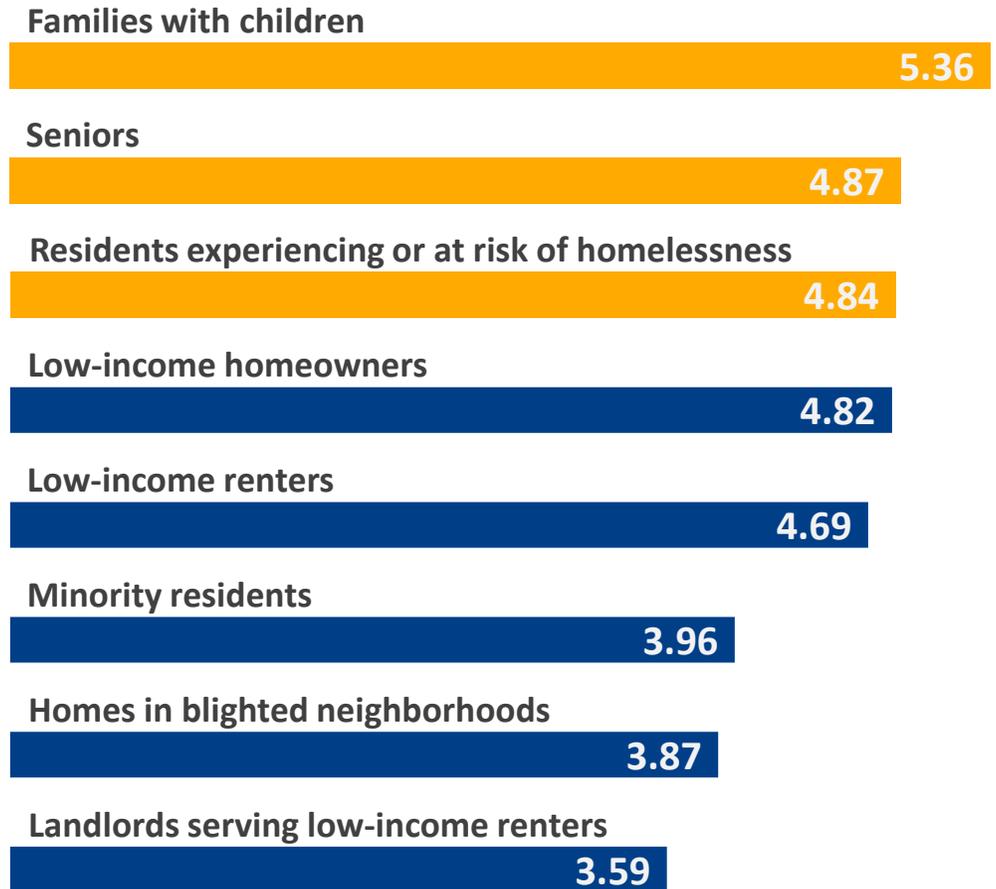
# HPTF Research – Priority Populations



Which residents would you prefer Housing serve with this money?

- Strong Communities
- Stability

Average Score (out of 8)



# HPTF Research – Qualitative



- Please list the names of, or briefly describe, any solutions or best practices that you or your organization would like to recommend.
- Trends in responses included:
  - Homelessness and eviction
  - Deeper affordability
  - More communication and education regarding housing issues
  - Rehabilitation of single-family and aging multifamily stock
  - Homeownership
  - Equity, displacement, and gentrification





## New housing development

- 31 of 44 cities included Development as part of their housing trust fund
- Cities that noted Area Median Income (AMI) levels required deeper affordability levels for rental housing (<60% AMI, <50% AMI, <30% AMI, even <15% AMI)
- High-cost, high-density cities focused on multifamily housing, but homeownership was still present

# Research - Other Cities' Funds



- Home repair
  - 14 of 44 cities included repair or targeted rehabilitation programs
- Homebuyer assistance
  - Only 5 of the 44 cities included homebuyer assistance programs
  - Some of these cities also offered homebuyer counseling



# Research - Other Cities' Funds



- Homelessness and Stability
  - 7 of the 44 other cities have programs addressing homelessness
  - 4 have programs for rental assistance
  - No consistent use of funds devoted to homelessness. Uses include:
    - development of homeless housing and residential facilities
    - funding supportive and transitional housing
    - aid to nonprofits serving homeless populations
    - prevention and housing stability services



# Research - Other Cities' Funds



- Flexibility and Innovation
  - Housing Trust Funds have looser requirements than federal or bond funds and can be allocated to address specific gaps
  - Many cities had unique programs that met their needs, such as
    - funding Accessory Dwelling Units (ADUs) and Community Land Trust (CLT)
    - incentivizing landlords to register as affordable for 10 years
    - offering operating expenses and capacity building to organizations serving homeless populations





## Development

- Federal requirements on funding, such as the 120-day Environmental Review, are discouraging developers from participating
- Community Development Block Grant (CDBG) dollars cannot be spent on vertical construction, limiting what can be offered to developers
- More flexible funding can allow us to attract more developers and affordable development, and provide more funding to developments that need it



# Research – Program Management



- Home Repair
  - Difficulty attracting and keeping contractors
    - Minimal profits on the most expensive repairs
    - Limited flexibility on change orders
    - No way to incentivize quick timelines
  - Homeowners have difficulty meeting requirements
    - Many homeowners have difficulty relocating, moving furniture, or other tasks required for significant repairs



# Research – Program Management



- Homebuyer Assistance
  - Expand options to serve households earning up to 120% AMI
    - Currently have targeted occupation program (\$254,000) and, on February 22, 2023, the City Council approved the anti-displacement program DHAP10 (\$1 million)
    - Regularly deny assistance to households earning just over 80% AMI, though they are not any more capable of purchasing than someone earning just under 80% AMI

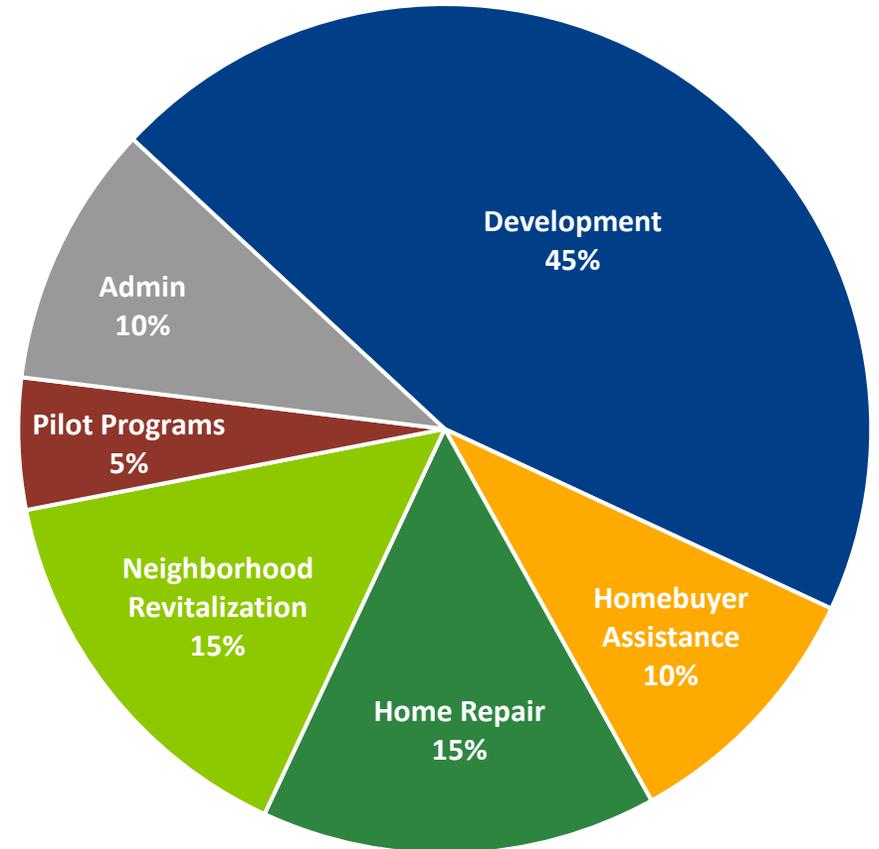


# Summary of Recommendations



Based on the research presented, Housing recommends the following approach to allocating the MIHDB fund.

The percentages are general splits and will vary based on need and research over the course of the year.

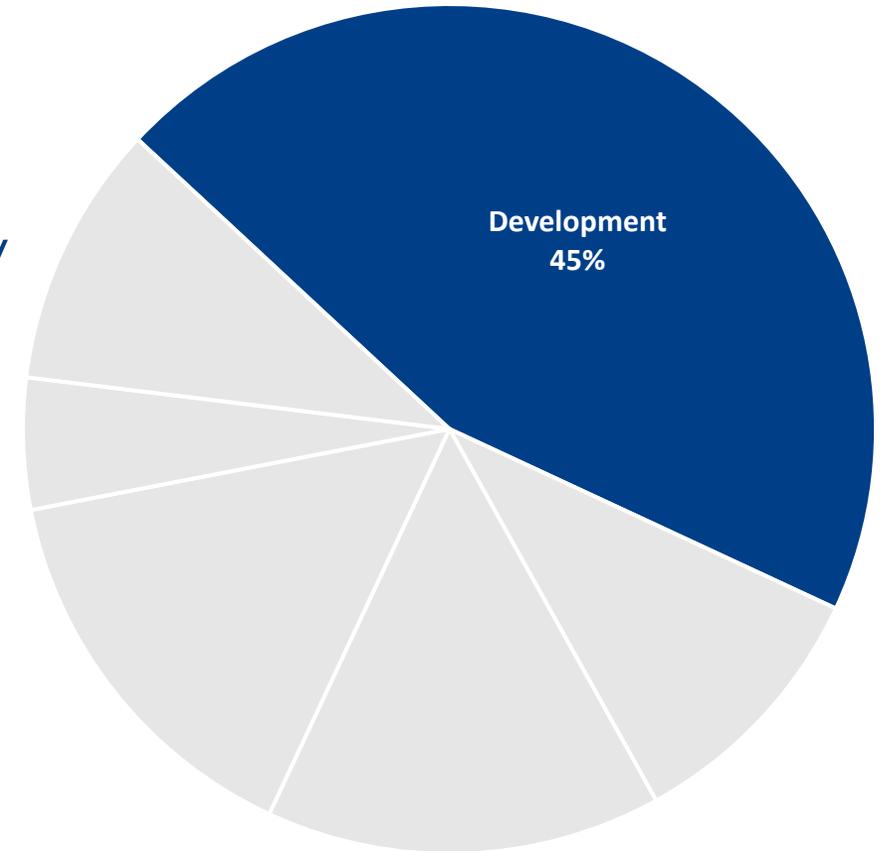


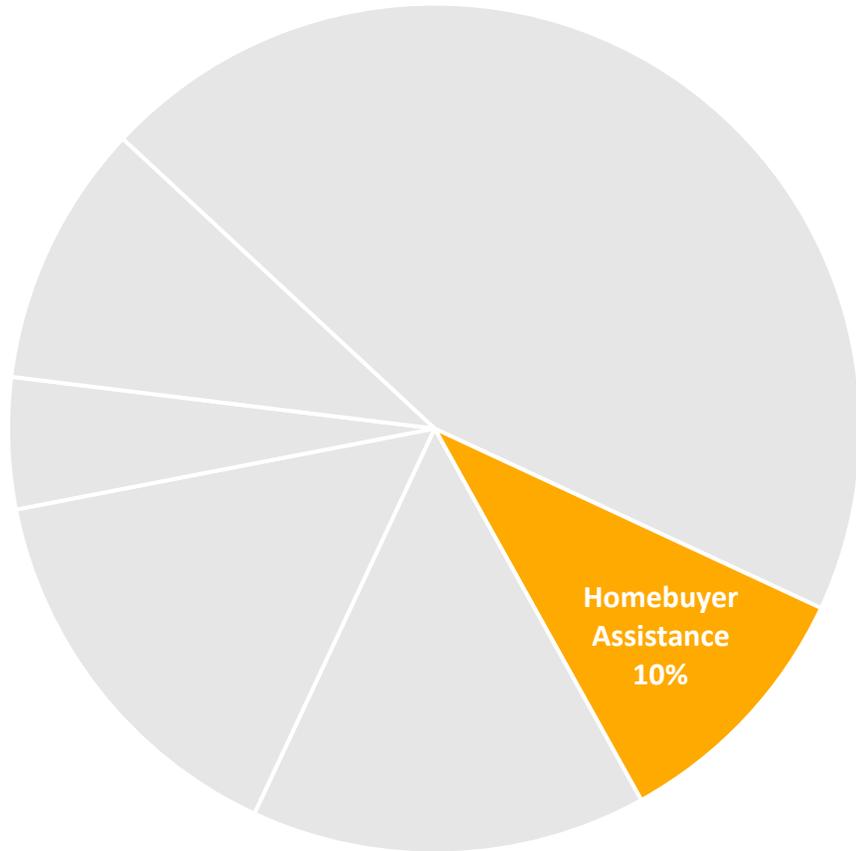


## Development

Incentivize developments that:

- Provide deeper long-term rental affordability
  - Seek opportunities for family housing with larger units and housing for homeless populations
- Offer affordable homeownership opportunities
  - Seek opportunities for missing middle and innovative housing types
- Focus in City's targeted areas





## Homebuyer Assistance

- Bolster existing homebuyer assistance programs as needed
- Increase opportunities for applicants earning 120% AMI and below

# Recommendations - Revitalization

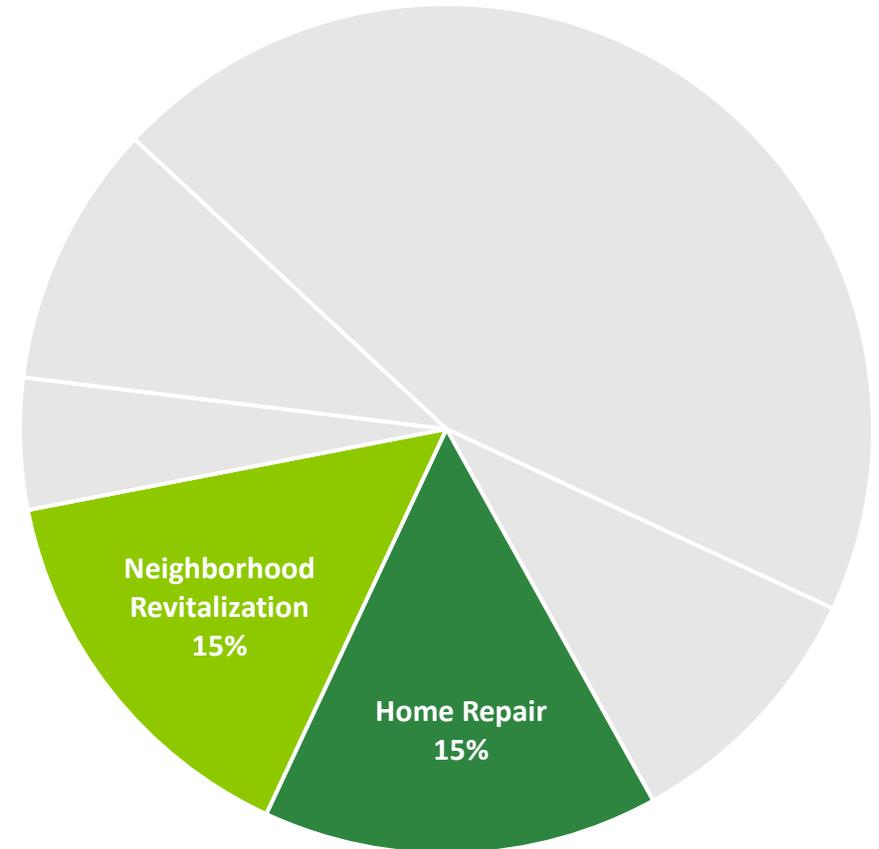


## Home Repair

- Increase available home repair funding per the Dallas Housing Policy 2033
- Analyze program gaps that can be covered with this funding such as contractor recruitment, assistance to applicants

## Neighborhood Revitalization

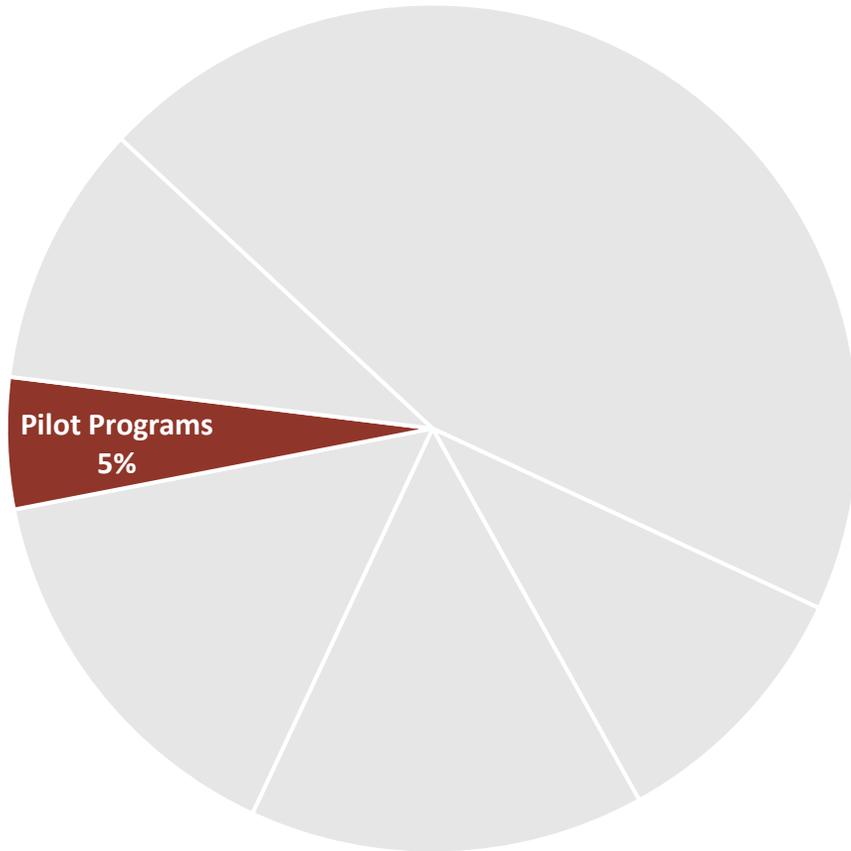
- Incentivize infrastructure, services, home repair, and amenities in target neighborhoods





## Pilot Programs

- Use funding every year to pilot new programs
- Flexible funding to respond to needs as they are identified
- Fund recommendations from the anti-displacement toolkit and other stabilization efforts according to Market Value Analysis (MVA)
- Fund MIHDB on-site fee reimbursements



# Recommendations - Admin

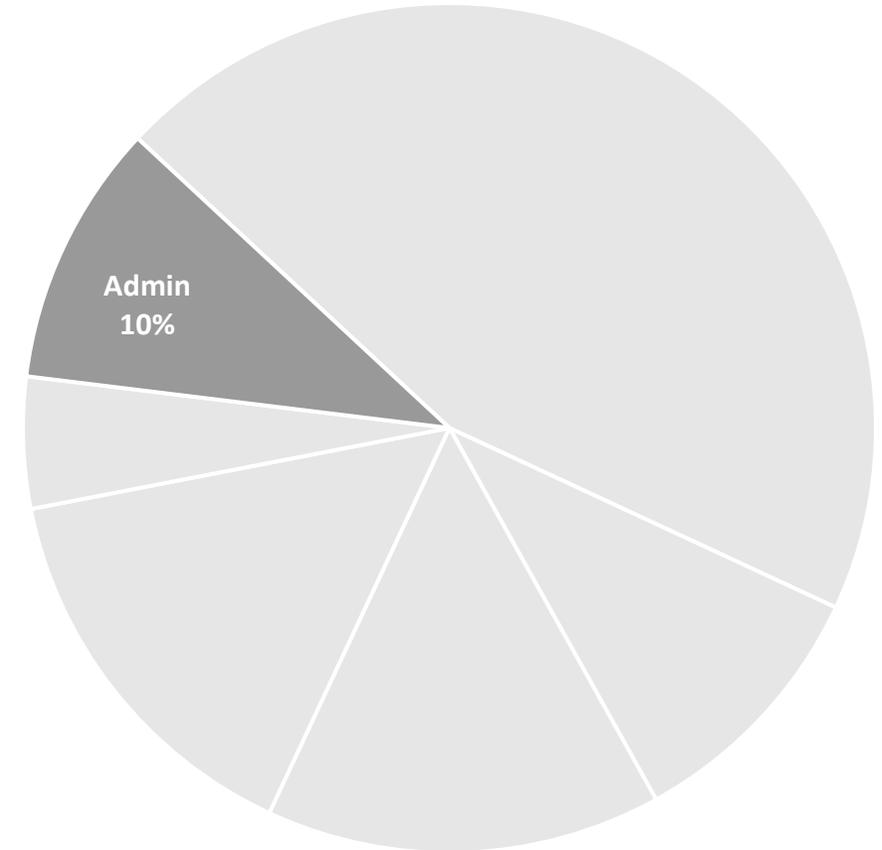


## FY 22-23 - \$300,000

- Prioritize staff that implement MIHDB
- Support research on further refinement of housing programs
- Hire additional staff to support MIHDB Fund programs as funding is available

## FY 23-24 – 10% annual

- Maintain and increase staff to implement MIHDB and programs enhanced by MIHDB fund as needed
- Support additional research projects and data to ensure positive impacts
- Contribute to Neighborly system costs for data and file maintenance of all programs



# Recommendation – Immediate



- Make **\$2.5 million** of the MIHDB fund available in the development Notice of Funding Availability (NOFA)
- Increase budget for Senior Home Repair program by **\$1 million**



# Next Steps



- Continue to implement the MIHDB Program
- Release NOFA or increase program budgets according to final recommendations
  - Use NOFA as the main vehicle to alert when MIHDB funds are available for development





**City of Dallas**

# **Use of MIHDB Fee in Lieu Funding**

**Housing and Homelessness  
Solutions Committee  
March 21, 2023**

Thor Erickson, Assistant Director  
Jessica MacKinnon, Operations Research Analyst  
Department of Housing & Neighborhood Revitalization  
City of Dallas



**City of Dallas**

# **Homeless Action Response Team (H.A.R.T.) Program Overview and Update**

**Housing and Homeless  
Solutions Committee  
March 21, 2023**

**Christine Crossley, Director, Office of Homeless Solutions  
Chris Christian, Director, Code Compliance  
Chief David Pughes, City Marshals  
Paul Ramon, Assistant Director, Dallas Animal Services  
Kevin Oden, Director, Office of Integrated Public Safety  
Solutions**

# Presentation Overview



- Homeless Action Response Team
- Office of Homeless Solutions
- Code Compliance
- City Marshals
- Dallas Animal Services
- Integrated Public Safety – Mobile Crisis Response
- H.A.R.T. Anticipated Goals
- Homeless Action Response Team by the Numbers
- Next Steps



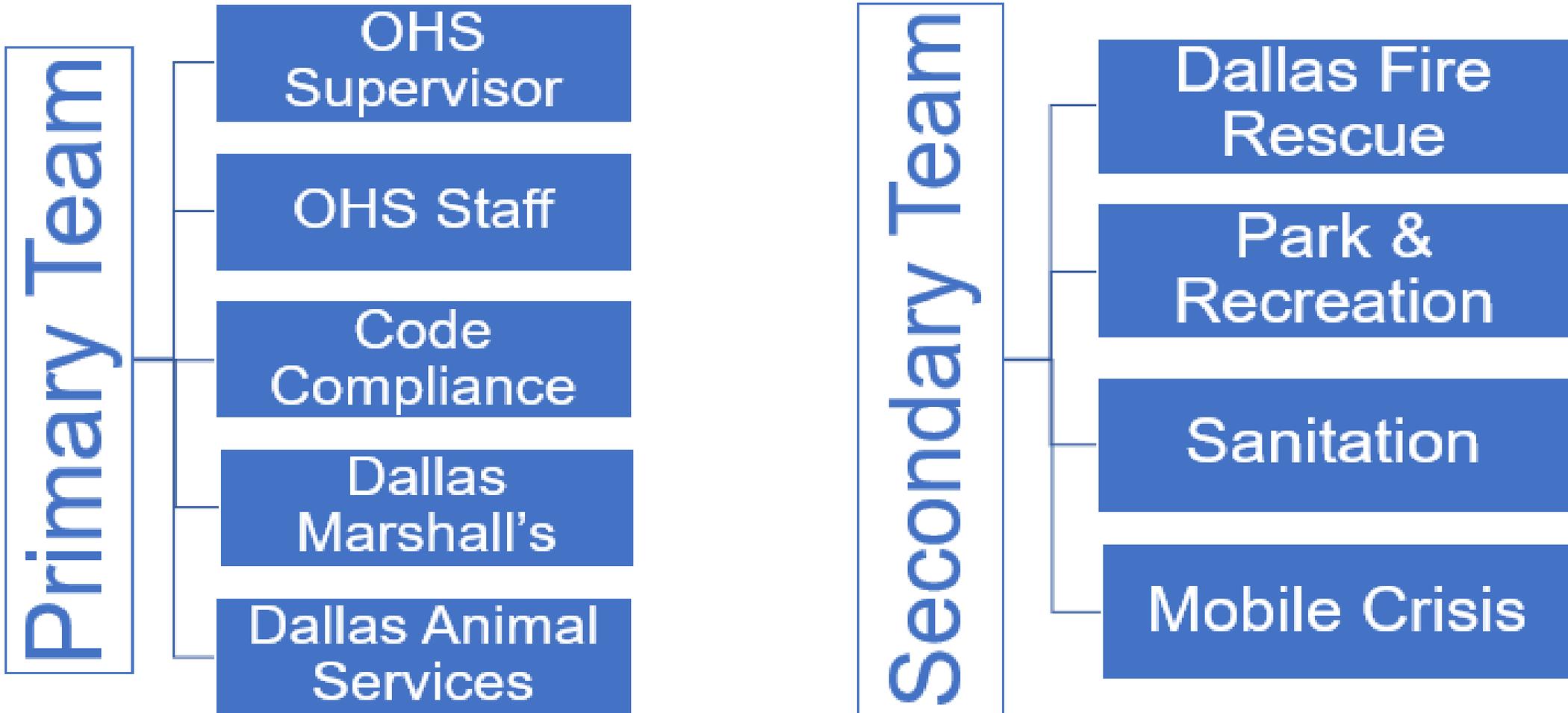
# Homeless Action Response Team



- The Homeless Action Response Team (H.A.R.T.) was created in FY22/23 as a new budget initiative
- H.A.R.T. is designed to expand the City's outreach footprint to more quickly ameliorate extremely unsafe encampments by responding within twenty-four (24 hours) to forty-eight (48) or one (1) to two (2) business(s) day and resolve issues within ten (10) business days
- H.A.R.T. is comprised of two (2) interdisciplinary teams which combines the expertise of multiple city departments to provide coverage for all City Council districts Monday through Saturday from 8:00 am to 7:00 pm



# Homeless Action Response Team - Structure



# Office of Homeless Solutions Overview



The OHS H.A.R.T. is comprised of **two (2) teams placed in North and South Districts of the City**. The placement of Teams A and B at these locations offers the most resource equitability across the City and ensures quick access by both teams to all areas of the City.

## Performance Measures:

- Number of service requests closed within ten (10) days
- Number of service requests pending closing
- Number of Mayor and City Council requests received per week
- Number of encampments visited
- Number of individuals engaged
- Number of HMIS entered
- Number of panhandlers engaged

## Staffing and Equipment:

The OHS portion of the H.A.R.T. was approved by City Council with funding for three (3) trucks and seven (7) staff positions: One (1) Supervisor and six (6) Outreach Advocacy specialists

## Program Cost:

- Allocation in the FY22-23 budget dedicated \$644,968 to OHS
- Total estimated cost incurred to date: \$300,950





## Code Compliance Services responds to issues related to homelessness with two teams

- The H.A.R.T. has its site abatement arm in Code Compliance's **Nuisance Abatement Division**. This team was funded Oct. 1, 2022, and cleans encampment sites as referred from the OHS' H.A.R.T.
- The **Litter Removal Team (LRT)** is a pilot program that Code Compliance created on January 23, 2022. The LRT pilot is scheduled to operate through June 1, 2023. The LRT proactively finds and abates litter often associated with homeless activity, but not active encampments, under bridges, along service roads, and other major thoroughfares

## Performance Measures

### H.A.R.T. Abatement Team Performance Measures:

- Abatement of all homeless encampment referrals on private property within seven (7) days of receipt from OHS H.A.R.T.
- Abatement of all homeless encampment referrals on public property within forty-eight (48) hours of receipt from OHS H.A.R.T.

### LRT Performance Measures:

- Minimum of eight (8) right-of-way litter site abatements per day





## Staffing and Equipment: HART Abatement Team

- This team was funded to operate with a 30-yard Combo Roto Boom truck, an F550, a heavy-duty trailer, a bobcat, and a rear loader trash truck
- The HART team was funded with eight (8) positions

## Litter Removal Team

- The LRT is operating with six (6) rental trucks and two (2) City trucks (F150's and F250's). A Code rear loader trash truck is also assisting these efforts.
- The seven (7) LRT crews operate with nine (9) city staff and twelve (12) temporary staff members

## Program Cost: HART Abatement Team

- Allocation in the FY22/23 Budget dedicated \$721,126 to Code
- Total estimated cost incurred to date: \$660,664.69
  - LRT is an unbudgeted pilot program

## Litter Removal Team

- Total cost incurred to date: \$42,273



# City Marshals



The Marshals operate under the legal limitations as set forth in the code of criminal procedure, penal code and rules and regulations of the Texas Commission on Law enforcement. Marshal's are responsible for providing preventive, investigative, and law enforcement duties at all HART scenes.

## Program Cost:

- Allocation in the FY22/23 Budget dedicated \$396,269 to City Marshals
- Salary cost incurred to date: \$32,240

## Staffing and Equipment

- Two Deputy Marshal's are dedicated full time to H.A.R.T.
- 2 marked vehicles are used for increased visible presence



# City Marshal's Security Response



**In an effort to keep everyone safe during encampment engagements the following Security response levels have been implemented:**

**Tier I:** encampment cleaning only, no displacement of occupants. No intelligence regarding the threat of violence

**Security level: City Marshal's, DPD NPO's on standby**

- The Deputy Marshal's have engaged over 200 individuals during clean ups/decommissioning efforts and have only made one arrest of a suspect with a family violence warrant.

**Tier II:** Encampment cleaning and/or closure with intelligence that activists will be at the location protesting

**Security level: DPD NPO's, DPD Response team on standby, City Marshal's and DPD Intelligence on scene**

- The Tier II security response was enacted one time at the Hickory/Baylor/Dawson site without any major incidents.

**Tier III:** Encampment closure, with intelligence that activists and open carry protesters will be at the location. High likelihood of active resistance and possible multiple arrests

**Security level: DPD NPO's, DPD Response team on standby, City Marshal's and DPD Intelligence on scene.**



# Dallas Animal Services



**Dallas Animal Services (DAS) responds to animal issues related to homelessness with two teams:**

The H.A.R.T. has its **site security** and **animal welfare assessment** arm in Dallas Animal Services Division. These teams were funded Oct. 1, 2022, and **provides animal welfare assistance** to encampment sites as referred from the OHS' H.A.R.T. needs

➤ **The DAS teams provide the following:**

- Site security related to loose animals
- Resources to those in need:
  - Food – Dry for dogs and wet for cats
  - Blankets
  - Leads and Collars
  - Toys
  - Educational materials on pet requirements and resources for spay, neuter and vaccinations
  - Crates for necessary transportation of animals from one location to another

**Program Cost:**

- Allocation in the FY22/23 Budget dedicated \$276,596 to DAS
- Incurred to date \$120,968

For additional information or needs, please contact [paul.ramon@dallas.gov](mailto:paul.ramon@dallas.gov)



# Integrated Public Safety – Mobile Crisis Response



**IPS Mobile Crisis Response Coordinators** identify and address the safety and social service needs of residents in crisis. They engage, assess, de-escalate and refer persons to a variety of resources for behavioral, mental and physical well being.

## **H.A.R.T. Mobile Crisis Response provides the following:**

- When responding to service requests, responsible for observing and assessing the crisis to determine if mental health and/or social services are needed;
- Conducts assessment to determine if Arrest by Police Officer Without Warrant (APOWW) is needed;
- Coordinates mental health services with local providers.

For additional information or needs, please contact [sandra.sadduk@dallas.gov](mailto:sandra.sadduk@dallas.gov)

## **Staffing:**

Two Mobile Crisis Response Coordinators are assigned to H.A.R.T.

## **Performance Measures :**

- Number of service request responded to
- Number of mental health provider appointments scheduled
- Percent of clients served without needing APOWW

## **Program Cost:**

- Allocation in the FY22/23 Budget dedicated \$207,849 to Mobile Crisis
- Estimated cost incurred to date: \$111,872



# H.A.R.T. Anticipated Goals



## The program's anticipated goals:

- Increased safety by addressing emergency Service Request's & fewer Mayor and City Council requests for assistance
- A reduction of people in crisis
- Increased enrollments in Coordinated Access System (CAS) and Homeless Management Information System (HMIS)
- Increased opportunities for housing
- A decrease in illegal solicitation
- Posted signage and more enforcement
- Appropriate referrals, as needed, for alcohol & drug treatment, and mental health services, etc.



# Homeless Action Response Team by The Numbers



## Accomplishments:

Since the December 2022 launch, H.A.R.T has accomplished the following:

Performance Measure	Total
Number of Service Requests Closed Within 10 Days	143
Number of Encampments Visited	110
Number of Locations Cleaned	94
Number of Individuals Engaged	210
Number of Panhandlers Engaged	42
Number of HMIS Entered	189
LBS of Food Donated to Unsheltered Pets	Approx. 67
Number of Pets Spayed or Neutered	5
Number of Animals Transported to DAS	8
Number of Pets Assisted	37



# Next Steps – Data Informed Community Engagement



The City will solicit the community's knowledge on what makes high-risk areas attractive for illegal behaviors and what needs to be done to reduce opportunities for crime in these settings by proactively sharing data and analysis to solicit input from community members, community-based organization(s), private business and philanthropy in high-risk areas.

Leaders of city departments and community organizations will meet regularly to discuss the interventions that mitigate risk and improve conditions in hotspot areas through **Data Informed Community Engagement**.

## Data Informed Community Engagement

1. Identifying necessary information for site selection;
2. Conducting preliminary site visits and collect baseline information;
3. Developing intervention activities for relevant stakeholders;
4. Building dashboards to track progress and evaluate work;
5. Implementing interventions and monitoring progress consistently.

## Measurement and Evaluation

To assess the effectiveness of this process, the model of evaluation will be:

1. Document implementation of interventions to prevent criminal activity;
2. Assess the implementation occurs as intended; and
3. To determine barriers to complete implementation of interventions.



# Next Steps



- March 2023 onward - Data Informed Community Engagement (DICE)
  - DICE informed goal implementation
  - Community and departmental engagement
  - Nuisance abatement
  - Encampment intervention
- June 2023 – Progress report to HHS





**City of Dallas**

# **Homeless Action Response Team (H.A.R.T.) Program Overview and Update**

**Housing and Homeless  
Solutions Committee  
March 21, 2023**

**Christine Crossley, Director, Office of Homeless Solutions  
Chris Christian, Director, Code Compliance  
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Paul Ramon, Assistant Director, Dallas Animal Services  
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# Addendum



## City Marshal's

- Arrest Procedure (Encampments)
- Texas Penal Code - PENAL § 38.15. Interference with Public Duties
- Texas Penal Code - PENAL § 42.03. Obstructing Highway or Other Passageway
- Texas Penal Code - PENAL § 42.02. Riot



# Memorandum



CITY OF DALLAS

DATE March 17, 2023

HONORABLE MEMBERS OF THE CITY COUNCIL HOUSING AND HOMELESSNESS SOLUTIONS  
TO COMMITTEE: Casey Thomas II (Chair), Jesse Moreno (Vice Chair), Carolyn King Arnold,  
Paula Blackmon, Cara Mendelsohn, Paul Ridley, Jaynie Schultz

SUBJECT **Consideration and Approval of the Sale of Land Transfer Program Lots to a  
Qualified Participating Developer**

On Tuesday, March 21, 2023, the Housing and Homelessness Solutions (HHS) Committee will be briefed on the proposed sale of Land Transfer Program lots to a qualified participating developer.

## Summary

The City of Dallas Land Transfer Program, which was established by City Council in 2019 and is administered by the Department of Housing & Neighborhood Revitalization (Housing), currently has an inventory of 21 lots that are offered for sale.

Lots in the Land Transfer Program are sold to eligible developers via an application process for the purpose of constructing affordable housing units and sale to income eligible homebuyers. Recently, staff received and reviewed an application from an eligible developer, BJT Homes, LLC for the purchase of fifteen (15) Land Transfer Program lots. This memorandum provides an overview of the application submitted by BJT Homes, LLC for HHS Committee consideration.

## Background

On May 22, 2019, City Council adopted the Land Transfer Program by Resolution No. 19-0824, as amended, for the purpose of incentivizing: (1) the development of quality, sustainable housing that is affordable to the residents of the City and (2) the development of other uses that complement the City's Comprehensive Housing Policy, Economic Development Policy, or redevelopment policy. Specifically, the Land Transfer Program authorizes the City to sell qualifying City-owned real property and resell tax-foreclosed real property to for-profit, non-profit and/or religious organizations, as applicable, in a direct sale at less than fair market value of the land, consistent with the authorizing state statute or City ordinance. The tax foreclosed lots are being sold pursuant to 34.051 of the Texas Property Tax Code.

In February 2023, an eligible developer, BJT Homes, LLC submitted an application (proposal) to purchase a total of fifteen (15) Land Transfer Program lots. Housing staff evaluated the application pursuant to the standards set forth in the Land Transfer Program guidelines, which included determining whether the developer met the eligibility

standards to be deemed a “Qualified Participating Developer” and underwriting the proposal. The application was determined to be “complete” and was assigned a score. Housing staff collaborated with the Qualified Participating Developer regarding the terms of sale of the vacant lots as well as the terms related to the construction and subsequent sale of single-family housing units to income eligible homebuyers.

The Developer being considered for the sale of 15 lots is BJT Homes, LLC. The Developer is a domestic for-profit corporation formed in Texas in 2021 and is based in Dallas. The Developer has 20 years of market rate and affordable home building experience, both for-sale units and for rent units. The Developer is also licensed with the City of Dallas as a General Contractor and is Minority/Women Business Enterprise (M/WBE) certified. In addition, the Developer has previously participated in the City’s Land Transfer Program and successfully completed the lot acquisition, development, and sale of eight (8) homes to income-qualified homebuyers on Land Transfer Program lots. Past performance strongly suggests that the Developer will continue to construct quality affordable housing units on the lots while meeting the requirements of the Land Transfer Program. The applicant has a current line of credit to support this project 1.06 times. The managing partner is Anish Thakrar.

12 lots of the 15 can accommodate one (1) unit each, the remaining three (3) lots are larger in size and can accommodate four (4) units each. The three larger properties are, 3802 Sidney, 3900 Spring, and 4701 Baldwin. Therefore, the proposal indicates the construction of a total of twenty-four (24) single-family units, ranging from 1,277 square feet to 1,592 square feet with a minimum of three bedrooms and two baths. The price range of the proposed units will be \$195,000.00 - \$252,000.00 targeting homebuyers in an income range of 60% - 120% Area Median Income (AMI), of which thirteen (13) units will be used to target homebuyers in an income range of 80% – 120% AMI and eleven (11) units will be used to target homebuyers in an income range of 60% - 80% AMI. The developer intends to market the City of Dallas Homebuyer Assistance Program to those homebuyers categorized in the 60% - 80% AMI range.

The development terms applicable to each lot are as follows:

- **Vacant Lot Sales Price:** Attached as **Exhibit A**.
- **Single-Family Home Sales Price:** The sales price of the home cannot exceed the current U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnership Program (HOME) homeownership sales price for the Dallas, Texas HUD Metro Fair Market Rent (FMR) Area and must be affordable based on the income of the targeted homebuyer.
- **Targeted Income of Homebuyer:** Thirteen (13) units will target homebuyers in an income range of 80% - 120% AMI, and eleven (11) units will target homebuyers in an income range of 60% - 80% AMI.

- **Construction Timeframe:** Developer must apply for a construction permit and close on any construction financing within 60 days of purchase from the City. In addition, Developer should complete construction and sale of each affordable housing unit to an income eligible homebuyer within two (2) years of the date of acquisition of the vacant lot utilized for construction of the unit.
- **Restrictive Covenants:** Developer must: 1) sell each lot to an income eligible household and 2) prior to the sale, must provide to Department of Housing & Neighborhood Revitalization staff written documentation of the income of the proposed purchaser and the sales price. After sale of the home, the property must be occupied as an income eligible household's principal residence during the entire term of the affordability period.
- **Affordability Period:** Once the property is sold to an income eligible household, it must be occupied as the household's principal place of residence for at least five (5) years. If the original purchaser re-sells the property during the affordability period, the property may only be sold to another income eligible household.
- **Right of Reverter:** Title to the property may revert to the City of Dallas if Developer has 1) failed to take possession of the land within 90 calendar days after receiving the deed to the parcels of real property; 2) failed to complete construction of all required housing units or other required development on the real property, or failed to ensure occupancy by eligible households within the development timeframe set forth in the development agreement; 3) incurred a lien on the property because of violations of City ordinances and failed to fully pay off the lien within 180 days of the City's recording of the lien; or 4) sold, conveyed, or transferred the land without the consent of the City.

## **Issues**

The City incurs costs related to maintaining lots in its inventory. If the Committee does not approve forwarding the proposed development to City Council to consider for approval of the sale of the fifteen (15) vacant lots to the Qualified Participating Developer, the City will be required to continue expending funds to maintain the unsold inventory.

## **Fiscal Impact**

The City of Dallas will receive revenue from the sale of the lots, see attached Exhibit A, in the amount of \$26,050.35. The sales price for each lot is a minimum of \$1,000.00 for lots up to 7,500 square feet and an additional \$0.133 per square foot for lots which exceed 7,500 square feet. Upon completion of the proposed twenty-four (24) housing units the expected property tax revenue is to be approximately \$136,008.63 annually. In addition, Exhibit A details the Estimated Foregone Revenues from the release of non-tax City liens:

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\$63,696.66. The City of Dallas will also collect recording fees at closing to ensure property legal documents are properly recorded in the amount of \$2,250.00.

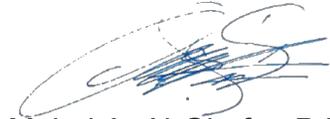
### **Staff Recommendation**

Staff recommends that the Housing and Homelessness Solutions Committee move this item forward to City Council so that it may be considered and approved of the sale of fifteen (15) vacant lots held by the City to the Qualified Participating Developer pursuant to the terms of development set forth in this memorandum.

### **Next Steps**

Upon receiving Committee approval, staff will place this item on the next available City Council agenda.

Should you have any questions or require any additional information, please contact me or David Noguera, Director, Department of Housing & Neighborhood Revitalization at [David.Noguera@Dallas.gov](mailto:David.Noguera@Dallas.gov) or 214-670-3619.



Majed A. Al-Ghafry, P.E.  
Assistant City Manager

### **[Attachment: Project Map]**

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Biliera Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Deputy City Manager  
Jon Fortune, Deputy City Manager

M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Dr. Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Jack Ireland, Chief Financial Officer  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

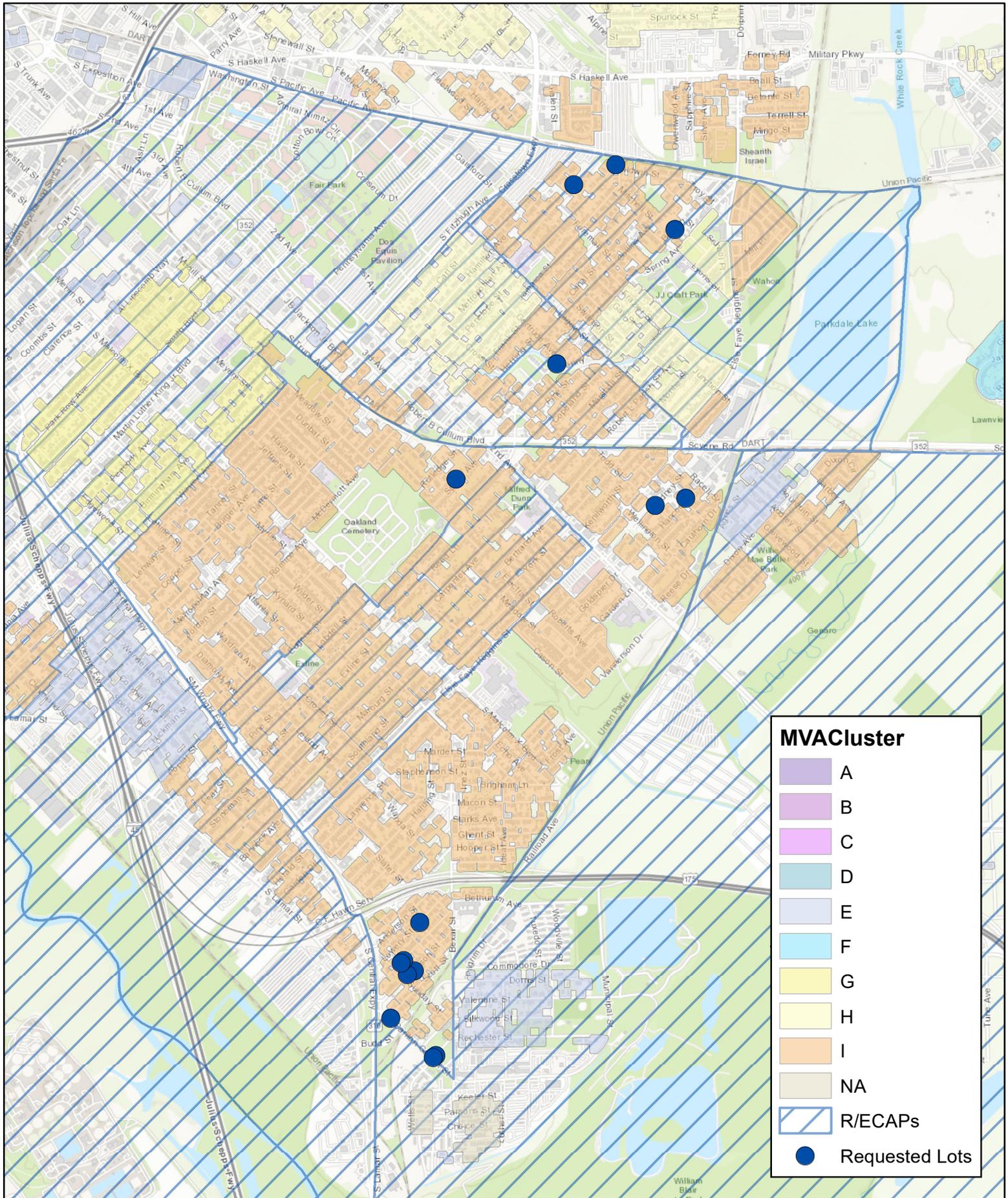
**Exhibit A  
BJT Homes, LLC**

Lot #	Street #	Street Name	Neighborhood	CD	Area (SF)	Purchase Price	Type	Proposed Homebuyer AMI	Non-Tax Lien Amount
1	3911	HANCOCK ST	Bertrand	7	9481	\$ 1,263.47	tax foreclosed	60-120%	\$ -
2	3802	SIDNEY ST	Bertrand	7	31590	\$ 4,203.97	tax foreclosed	60-120%	\$ -
3	3303	SPRING AVE	Bertrand	7	7835	\$ 1,044.56	tax foreclosed	60-120%	12,170.19
4	3900	SPRING AVE	Mill City	7	33103	\$ 4,405.20	tax foreclosed	60-120%	\$ -
5	4515	METROPOLITAN AVE	Mill City	7	5707	\$ 1,000.00	tax foreclosed	60-120%	\$ -
6	4701	BALDWIN AVE	Mill City	7	21550	\$ 2,868.65	tax foreclosed	60-120%	\$33,622.17
7	2812	SANDERSON PL	Mill City	7	2458	\$ 1,000.00	tax foreclosed	60-120%	\$ 2,561.01
8	2334	DYSON ST	Bonton	7	4529	\$ 1,000.00	tax foreclosed	60-120%	\$ -
9	2313	DYSON ST	Bonton	7	5011	\$ 1,000.00	tax foreclosed	60-120%	\$ -
10	2504	LOWERY ST	Bonton	7	4968	\$ 1,000.00	tax foreclosed	60-120%	\$ -
11	2512	WELLS ST	Bonton	7	6118	\$ 1,000.00	surplus	60-120%	\$ -
12	2334	BETHURUM AVE	Bonton	7	5042	\$ 1,000.00	tax foreclosed	60-120%	\$ -
13	2324	BETHURUM AVE	Bonton	7	5040	\$ 1,000.00	tax foreclosed	60-120%	\$ -
14	5914	CARLTON GARRETT ST	Bonton	7	7609	\$ 1,014.50	tax foreclosed	60-120%	\$15,343.29
15	6302	CARLTON GARRETT ST	Bonton	7	4898	\$ 1,000.00	surplus	60-120%	\$ -
<b>Total Purchase Price<sup>1</sup></b>						<b>\$23,800.35</b>	<b>Total Non-Tax Lien Amount<sup>2</sup></b>		<b>\$63,696.66</b>
<b>Total Recording Fees</b>						<b>\$ 2,250.00</b>			
<b>Total Purchase Price and Recording Fees</b>						<b>\$26,050.35</b>			

<sup>1</sup> Dallas City Code Section 2-26.9

<sup>2</sup> DWU Revenue and Business Systems Division

# Land Transfer Lots Requested by Developer BJT Homes LLC



# Memorandum



CITY OF DALLAS

DATE March 17, 2023

HONORABLE MEMBERS OF THE CITY COUNCIL HOUSING AND HOMELESSNESS SOLUTIONS  
TO COMMITTEE: Casey Thomas II (Chair), Jesse Moreno (Vice Chair), Carolyn King Arnold,  
Paula Blackmon, Cara Mendelsohn, Paul Ridley, Jaynie Schultz

SUBJECT **Consideration and Approval of the Sale of Land Transfer Program Lots to a  
Qualified Participating Developer**

On Tuesday, March 21, 2023, the Housing and Homelessness Solutions (HHS) Committee will be briefed on the proposed sale of Land Transfer Program lots to a qualified participating developer.

## Summary

The City of Dallas Land Transfer Program, which was established by City Council in 2019 and is administered by the Department of Housing & Neighborhood Revitalization (Housing), currently has an inventory of 21 lots that are offered for sale.

Lots in the Land Transfer Program are sold to eligible developers via an application process for the purpose of constructing affordable housing units and sale to income eligible homebuyers. Recently, staff received and reviewed an application from an eligible developer, Hedgestone Investments, LLC for the purchase of ten (10) Land Transfer Program lots. This memorandum provides an overview of the application submitted by Hedgestone Investments, LLC for HHS Committee consideration.

## Background

On May 22, 2019, City Council adopted the Land Transfer Program by Resolution No. 19-0824, as amended, for the purpose of incentivizing: (1) the development of quality, sustainable housing that is affordable to the residents of the City and (2) the development of other uses that complement the City's Comprehensive Housing Policy, Economic Development Policy, or redevelopment policy. Specifically, the Land Transfer Program authorizes the City to sell qualifying City-owned real property and resell tax-foreclosed real property to for-profit, non-profit and/or religious organizations, as applicable, in a direct sale at less than fair market value of the land, consistent with the authorizing state statute or City ordinance. The tax foreclosed lots are being sold pursuant to 34.051 of the Texas Property Tax Code.

In February 2023, an eligible developer, Hedgestone Investments, LLC submitted an application (proposal) to purchase a total of ten (10) Land Transfer Program lots. Housing staff evaluated the application pursuant to the standards set forth in the Land Transfer Program guidelines, which included determining whether the developer met the eligibility

standards to be deemed a “Qualified Participating Developer” and underwriting the proposal. The application was determined to be “complete” and was assigned a score. Housing staff collaborated with the Qualified Participating Developer regarding the terms of sale of the vacant lots as well as the terms related to the construction and subsequent sale of single-family housing units to income eligible homebuyers.

The Developer being considered for the sale of 10 lots is Hedgestone Investments LLC. The Developer is a domestic limited liability company formed in Texas in 2011 and is based in Dallas. The Developer has over 20 years of market rate and affordable home building experience. The Developer is also licensed with the City of Dallas as a General Contractor and is Minority/Women Business Enterprise (M/WBE) certified. In addition, the Developer has previously participated in the City’s Land Bank Program and successfully completed the lot acquisition, development, and sale of twenty-six (26) homes to income-qualified homebuyers on Land Bank lots. Past performance strongly suggests that the Developer will continue to construct quality affordable housing units on the lots while meeting the requirements of the Land Transfer Program. The applicant has a current line of credit to support this project. The managing member of the company is David Shy Anderson.

The proposal indicates the construction of ten (10) single family units ranging from 1,551 square feet to 1,728 square feet with a minimum of three bedrooms and two baths. The price range of the proposed units will be \$204,500.00 - \$260,500.00 targeting homebuyers in an income range of 60% - 120% Area Median Income (AMI), of which six (6) units will be used to target homebuyers in an income range of 80% – 120% AMI and four (4) units will be used to target homebuyers in an income range of 60% - 80% AMI. The developer intends to market the City of Dallas Homebuyer Assistance Program to those homebuyers categorized in the 60% - 80% AMI range.

The development terms applicable to each lot are as follows:

- **Vacant Lot Sales Price:** Attached as **Exhibit A**.
- **Single-Family Home Sales Price:** The sales price of the home cannot exceed the current U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnership Program (HOME) homeownership sales price for the Dallas, Texas HUD Metro Fair Market Rent (FMR) Area and must be affordable based on the income of the targeted homebuyer.
- **Targeted Income of Homebuyer:** Six (6) units will target homebuyers in an income range of 80% - 120% AMI, and four (4) units will target homebuyers in an income range of 60% - 80% AMI.
- **Construction Timeframe:** Developer must apply for a construction permit and close on any construction financing within 60 days of purchase from the City. In

addition, Developer should complete construction and sale of each affordable housing unit to an income eligible homebuyer within two (2) years of the date of acquisition of the vacant lot utilized for construction of the unit.

- **Restrictive Covenants:** Developer must: 1) sell each lot to an income eligible household and 2) prior to the sale, must provide to Department of Housing & Neighborhood Revitalization staff written documentation of the income of the proposed purchaser and the sales price. After sale of the home, the property must be occupied as an income eligible household's principal residence during the entire term of the affordability period.
- **Affordability Period:** Once the property is sold to an income eligible household, it must be occupied as the household's principal place of residence for at least five (5) years. If the original purchaser re-sells the property during the affordability period, the property may only be sold to another income eligible household.
- **Right of Reverter:** Title to the property may revert to the City of Dallas if Developer has 1) failed to take possession of the land within 90 calendar days after receiving the deed to the parcels of real property; 2) failed to complete construction of all required housing units or other required development on the real property, or failed to ensure occupancy by eligible households within the development timeframe set forth in the development agreement; 3) incurred a lien on the property because of violations of City ordinances and failed to fully pay off the lien within 180 days of the City's recording of the lien; or 4) sold, conveyed, or transferred the land without the consent of the City.

### **Issues**

The City incurs costs related to maintaining lots in its inventory. If the Committee does not approve forwarding the proposed development to City Council to consider for approval of the sale of the ten (10) vacant lots to the Qualified Participating Developer, the City will be required to continue expending funds to maintain the unsold inventory.

### **Fiscal Impact**

The City of Dallas will receive revenue from the sale of the lots, see attached Exhibit A, in the amount of \$10,256.69. The sales price for each lot is a minimum of \$1,000.00 for lots up to 7,500 square feet and an additional \$0.133 per square foot for lots which exceed 7,500 square feet. Upon completion of the proposed ten (10) housing units the expected property tax revenue is to be approximately \$64,522.12 annually. In addition, Exhibit A details the Estimated Foregone Revenues from the release of non-tax City liens: \$31,137.43. The City of Dallas will also collect recording fees at closing to ensure property legal documents are properly recorded in the amount of \$1,500.00.

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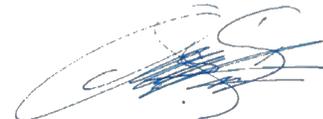
### **Staff Recommendation**

Staff recommends that the Housing and Homelessness Solutions Committee move this item forward to City Council so that it may be considered and approved of the sale of ten (10) vacant lots held by the City to the Qualified Participating Developer pursuant to the terms of development set forth in this memorandum.

### **Next Steps**

Upon receiving Committee approval, staff will place this item on the next available City Council agenda.

Should you have any questions or require any additional information, please contact me or David Noguera, Director, Department of Housing & Neighborhood Revitalization at [David.Noguera@Dallas.gov](mailto:David.Noguera@Dallas.gov) or 214-670-3619.



Majed A. Al-Ghafry, P.E.  
Assistant City Manager

### **[Attachment: Project Map]**

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Biliera Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Deputy City Manager  
Jon Fortune, Deputy City Manager

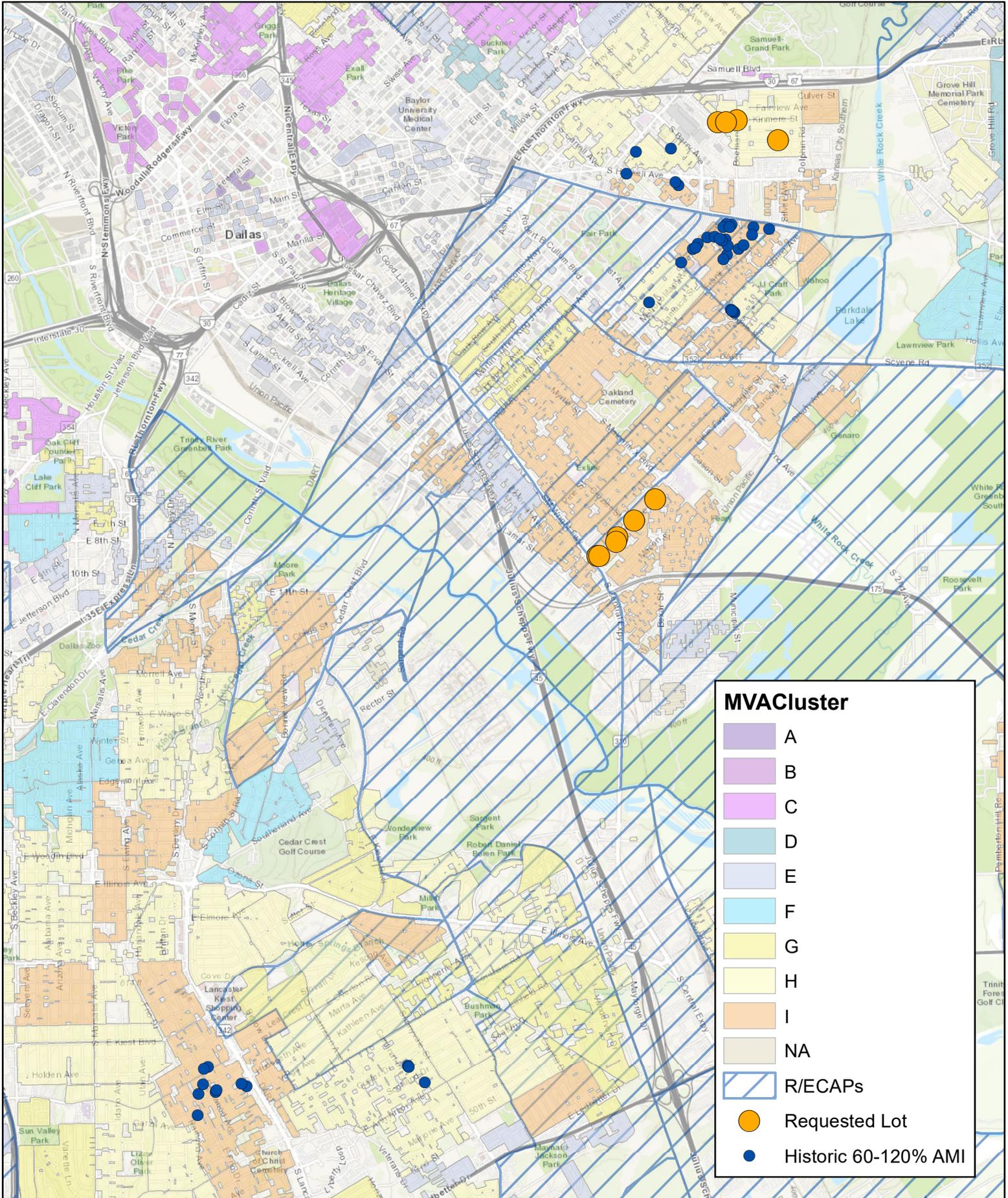
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Dr. Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Jack Ireland, Chief Financial Officer  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

**Exhibit A  
Hedgestone Investments, LLC**

Lot #	Street #	Street Name	Neighborhood	CD	Area (SF)	Purchase Price	Type	Proposed Homebuyer AMI	Non- Tax Lien Amount
1	2700	LAWRENCE ST	Ideal	7	5262	\$ 1,000.00	tax foreclosed	60-120%	\$ -
2	2227	LAWRENCE ST	Ideal	7	7049	\$ 1,000.00	tax foreclosed	60-120%	\$ -
3	2218	LAWRENCE ST	Ideal	7	5000	\$ 1,000.00	tax foreclosed	60-120%	\$ -
4	2318	LAWRENCE ST	Ideal	7	6375	\$ 1,000.00	tax foreclosed	60-120%	\$13,492.49
5	2410	LAWRENCE ST	Ideal	7	6303	\$ 1,000.00	tax foreclosed	60-120%	\$ -
6	2530	LAWRENCE ST	Ideal	7	6908	\$ 1,000.00	tax foreclosed	60-120%	\$ 5,464.93
7	5238	BEEMAN AVE	Jubilee	2	9430	\$ 1,256.69	tax foreclosed	60-120%	\$ 2,794.35
8	1610	KINMORE ST	Jubilee	2	7234	\$ 1,000.00	tax foreclosed	60-120%	\$ 8,285.11
9	1632	KINMORE ST	Jubilee	2	7221	\$ 1,000.00	tax foreclosed	60-120%	\$ 1,100.55
10	3239	REYNOLDS AVE	Jubilee	2	6824	\$ 1,000.00	tax foreclosed	60-120%	\$ -
<b>Total Purchase Price<sup>1</sup></b>						<b>\$10,256.69</b>	<b>Total Non-Tax Lien Amount<sup>2</sup></b>		<b>\$31,137.43</b>
<b>Total Recording Fees</b>						<b>\$ 1,500.00</b>			
<b>Total Purchase Price and Recording Fees</b>						<b>\$11,756.69</b>			

<sup>1</sup> Dallas City Code Section 2-26.9  
<sup>2</sup> DWU Revenue and Business Systems Division

# Land Transfer Lots Requested by Developer Hedgestone, LLC



# Memorandum



CITY OF DALLAS

DATE March 17, 2023

HONORABLE MEMBERS OF THE CITY COUNCIL HOUSING AND HOMELESSNESS SOLUTIONS  
TO COMMITTEE: Casey Thomas II (Chair), Jesse Moreno (Vice Chair), Carolyn King Arnold,  
Paula Blackmon, Cara Mendelsohn, Paul Ridley, Jaynie Schultz

SUBJECT **Consideration and Approval of the Sale of Land Transfer Program Lots to a  
Qualified Participating Developer**

On Tuesday, March 21, 2023, the Housing and Homelessness Solutions (HHS) Committee will be briefed on the proposed sale of Land Transfer Program lots to a qualified participating developer.

## Summary

The City of Dallas Land Transfer Program, which was established by City Council in 2019 and is administered by the Department of Housing & Neighborhood Revitalization (Housing), currently has an inventory of 21 lots that are offered for sale.

Lots in the Land Transfer Program are sold to eligible developers via an application process for the purpose of constructing affordable housing units and sale to income eligible homebuyers. Recently, staff received and reviewed an application from an eligible developer, Sankofa Building Group, LLC for the purchase of six (6) Land Transfer Program lots. This memorandum provides an overview of the application submitted by Sankofa Building Group, LLC for HHS Committee consideration.

## Background

On May 22, 2019, City Council adopted the Land Transfer Program by Resolution No. 19-0824, as amended, for the purpose of incentivizing: (1) the development of quality, sustainable housing that is affordable to the residents of the City and (2) the development of other uses that complement the City's Comprehensive Housing Policy, Economic Development Policy, or redevelopment policy. Specifically, the Land Transfer Program authorizes the City to sell qualifying City-owned real property and resell tax-foreclosed real property to for-profit, non-profit and/or religious organizations, as applicable, in a direct sale at less than fair market value of the land, consistent with the authorizing state statute or City ordinance. The tax foreclosed lots are being sold pursuant to 34.051 of the Texas Property Tax Code.

In February 2023, an eligible developer, Sankofa Building Group, LLC submitted an application (proposal) to purchase a total of six (6) Land Transfer Program lots. Housing staff evaluated the application pursuant to the standards set forth in the Land Transfer Program guidelines, which included determining whether the developer met the eligibility

standards to be deemed a “Qualified Participating Developer” and underwriting the proposal. The application was determined to be “complete” and was assigned a score. Housing staff collaborated with the Qualified Participating Developer regarding the terms of sale of the vacant lots as well as the terms related to the construction and subsequent sale of single-family housing units to income eligible homebuyers.

The Developer being considered for the sale of six (6) lots is Sankofa Building Group, LLC. The Developer is a domestic for-profit corporation formed in Texas in 2020 and is based in Duncanville. The Developer has three (3) years of market rate and affordable home building experience of for-sale units. The Developer is also licensed with the City of Dallas as a General Contractor and is Minority/Women Business Enterprise (M/WBE) certified. The company’s most recent experience comparable to the program design is the construction of eight (8) housing units in Southern Dallas demonstrating an understanding for the target market in building affordable homes in the proposed cluster. Past performance strongly suggests that the Developer will continue to construct quality affordable housing units on the lots while meeting the requirements of the Land Transfer Program. The applicant has a current line of credit to support this project 1.01 times. The managing partner is Tiffany Dent.

The proposal indicates the construction of six (6) single-family units ranging from 1,327 square feet to 1,679 square feet with a minimum of three bedrooms and two baths. The price range of the proposed units will be \$190,000.00 - \$252,000.00 targeting homebuyers in an income range of 60% - 120% Area Median Income (AMI), of which four (4) units will be used to target homebuyers in an income range of 80% – 120% AMI and two (2) units will be used to target homebuyers in an income range of 60% - 80% AMI. The developer intends to market the City of Dallas Homebuyer Assistance Program to those homebuyers categorized in the 60% - 80% AMI range.

The development terms applicable to each lot are as follows:

- **Vacant Lot Sales Price:** Attached as **Exhibit A**.
- **Single-Family Home Sales Price:** The sales price of the home cannot exceed the current U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnership Program (HOME) homeownership sales price for the Dallas, Texas HUD Metro Fair Market Rent (FMR) Area and must be affordable based on the income of the targeted homebuyer.
- **Targeted Income of Homebuyer:** Four (4) units will target homebuyers in an income range of 80% - 120% AMI, and two (2) units will target homebuyers in an income range of 60% - 80% AMI.
- **Construction Timeframe:** Developer must apply for a construction permit and close on any construction financing within 60 days of purchase from the City. In

addition, Developer should complete construction and sale of each affordable housing unit to an income eligible homebuyer within two (2) years of the date of acquisition of the vacant lot utilized for construction of the unit.

- **Restrictive Covenants:** Developer must: 1) sell each lot to an income eligible household and 2) prior to the sale, must provide to Department of Housing & Neighborhood Revitalization staff written documentation of the income of the proposed purchaser and the sales price. After sale of the home, the property must be occupied as an income eligible household's principal residence during the entire term of the affordability period.
- **Affordability Period:** Once the property is sold to an income eligible household, it must be occupied as the household's principal place of residence for at least five (5) years. If the original purchaser re-sells the property during the affordability period, the property may only be sold to another income eligible household.
- **Right of Reverter:** Title to the property may revert to the City of Dallas if Developer has 1) failed to take possession of the land within 90 calendar days after receiving the deed to the parcels of real property; 2) failed to complete construction of all required housing units or other required development on the real property, or failed to ensure occupancy by eligible households within the development timeframe set forth in the development agreement; 3) incurred a lien on the property because of violations of City ordinances and failed to fully pay off the lien within 180 days of the City's recording of the lien; or 4) sold, conveyed, or transferred the land without the consent of the City.

## **Issues**

The City incurs costs related to maintaining lots in its inventory. If the Committee does not approve forwarding the proposed development to City Council to consider for approval of the sale of the six (6) vacant lots to the Qualified Participating Developer, the City will be required to continue expending funds to maintain the unsold inventory.

## **Fiscal Impact**

The City of Dallas will receive revenue from the sale of the lots, see attached Exhibit A, in the amount of \$6,970.49. The sales price for each lot is a minimum of \$1,000.00 for lots up to 7,500 square feet and an additional \$0.133 per square foot for lots which exceed 7,500 square feet. Upon completion of the proposed six (6) housing units the expected property tax revenue is to be approximately \$37,613.07 annually. In addition, Exhibit A details the Estimated Foregone Revenues from the release of non-tax City liens: \$25,710.35. The City of Dallas will also collect recording fees at closing to ensure property legal documents are properly recorded in the amount of \$900.00.

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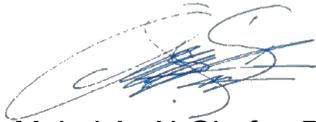
### **Staff Recommendation**

Staff recommends that the Housing and Homelessness Solutions Committee move this item forward to City Council so that it may be considered and approved of the sale of six (6) vacant lots held by the City to the Qualified Participating Developer pursuant to the terms of development set forth in this memorandum.

### **Next Steps**

Upon receiving Committee approval, staff will place this item on the next available City Council agenda.

Should you have any questions or require any additional information, please contact me or David Noguera, Director, Department of Housing & Neighborhood Revitalization at [David.Noguera@Dallas.gov](mailto:David.Noguera@Dallas.gov) or 214-670-3619.



Majed A. Al-Ghafry, P.E.  
Assistant City Manager

### **[Attachment: Project Map]**

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Billerae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
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Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

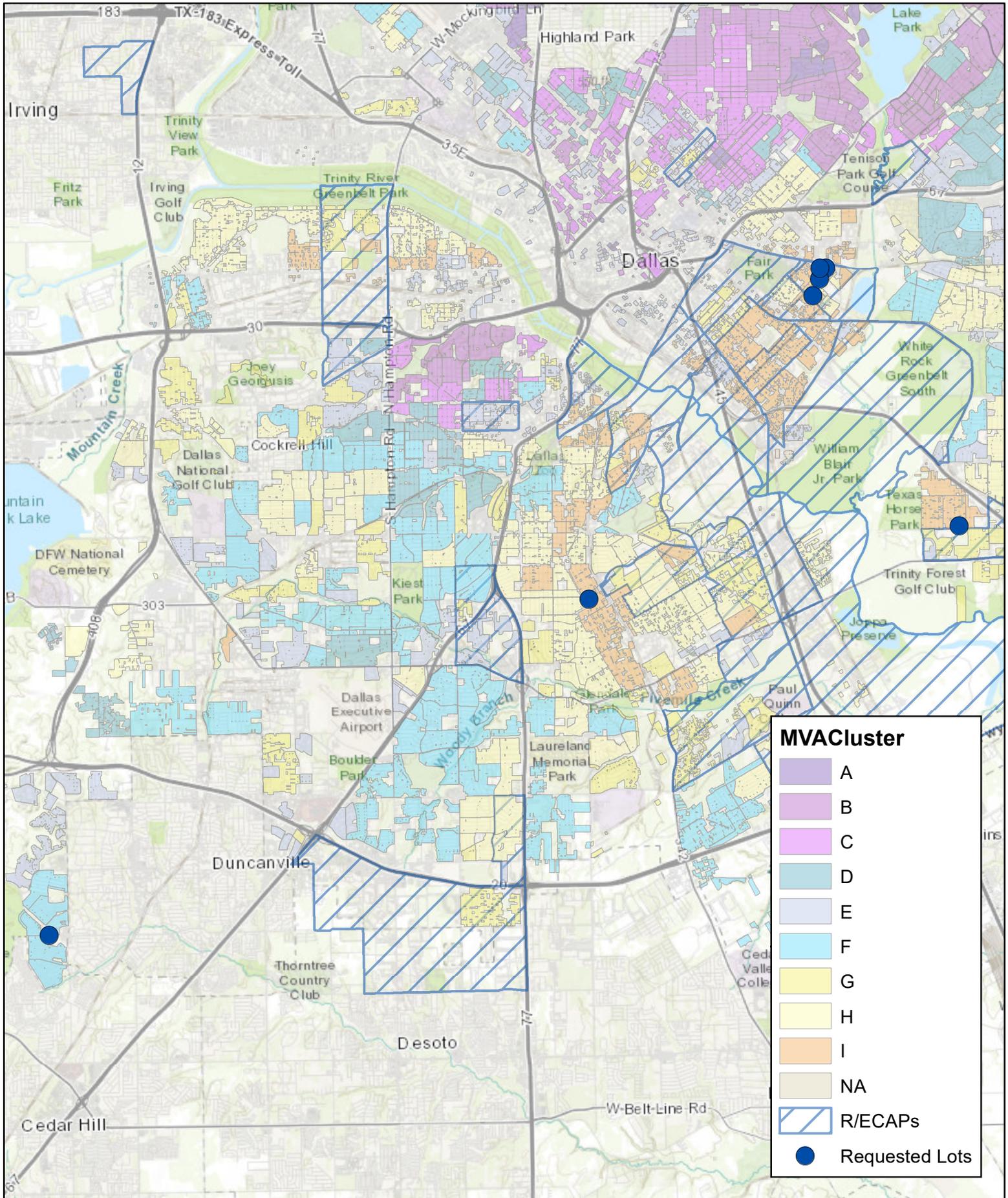
**Exhibit A  
Sankofa Building Group, LLC**

Lot #	Street #	Street Name	Neighborhood	CD	Area (SF)	Purchase Price	Type	Proposed Homebuyer AMI	Non- Tax Lien Amount
1	4711	BOWLING AVE	Mill City	7	3826	\$ 1,000.00	tax foreclosed	60-120%	\$ 3,833.52
2	2711	CHARBA ST	Mill City	7	5167	\$ 1,000.00	tax foreclosed	60-120%	\$ 467.41
3	2806	SWANSON ST	Mill City	7	3922	\$ 1,000.00	tax foreclosed	60-120%	\$ -
4	4505	COLLINS AVE	Mill City	7	4089	\$ 1,000.00	tax foreclosed	60-120%	\$ 10,333.03
5	522	ELWAYNE AVE	<Null>	8	7839	\$ 1,045.09	tax foreclosed	60-120%	\$ 11,076.39
6	1326	OAKLEY AVE	Oak Cliff	4	7691	\$ 1,025.40	tax foreclosed	60-120%	\$ -
<b>Total Purchase Price<sup>1</sup></b>						<b>\$ 6,070.49</b>	<b>Total Non-Tax Lien Amount<sup>2</sup></b>		<b>\$ 25,710.35</b>
<b>Total Recording Fees</b>						<b>\$ 900.00</b>			
<b>Total Purchase Price and Recording Fees</b>						<b>\$ 6,970.49</b>			

<sup>1</sup> Dallas City Code Section 2-26.9

<sup>2</sup> DWU Revenue and Business Systems Division

# Land Transfer Lots Requested by Developer Sankofa Building Group, LLC



# Memorandum



CITY OF DALLAS

DATE March 17, 2023

Honorable Members of the City Council Housing and Homelessness Solutions  
TO Committee: Casey Thomas II (Chair), Jesse Moreno (Vice Chair), Carolyn King Arnold,  
Paula Blackmon, Cara Mendelsohn, Paul Ridley, Jaynie Schultz

SUBJECT **Consideration and Approval of FY 2022-23 Annual Urban Land Bank  
Demonstration Program Plan**

On Tuesday, March 21, 2023, the Housing and Homelessness Solutions (HHS) Committee will be briefed on the FY 2022-23 Annual Urban Land Bank Demonstration Program Plan.

## **Summary**

The City of Dallas Urban Land Bank Program is required to inform the public and eligible community housing development organizations of potential foreclosures on tax delinquent lots. The Dallas Housing Acquisition and Development Corporation (DHADC) utilizes the foreclosure process to acquire property for the eventual sale to eligible developers for the construction of affordable housing units.

## **Background**

On January 28, 2004, City Council authorized the Articles of Incorporation and Bylaws of the Dallas Housing Acquisition and the adoption of the Urban Land Bank Demonstration Program Plan by Resolution No. 04-0458.

The Urban Land Bank Demonstration Act ("Act"), codified in Texas Local Government Code Chapter 379C, as amended ("Code"), allows the governing body of a municipality to adopt an urban land bank demonstration program in which the officer charged with selling real property ordered sold pursuant to foreclosure of a tax lien may sell certain eligible real property by private sale for the public purpose of affordable housing development or other purposes outlined in the Act.

The governing body of a municipality that adopts an urban land bank demonstration program must adopt a plan annually. The plan must include the following:

1. a description of the City of Dallas Urban Land Bank Demonstration Program; and
2. a list of community housing development organizations eligible to participate in the right of first refusal provided by Texas Local Government Code Section 379C.011; and

3. a list of the parcels of real property that may become eligible for sale to the land bank during the upcoming year; and
4. the municipality's plan for affordable housing development on those parcels of real property; and
5. the sources and amounts of funding anticipated to be available from the municipality for subsidies for development of affordable housing in the municipality, including any money specifically available for housing developed under the program, as approved by the governing body of the municipality at the time the plan is adopted.

The City of Dallas (the "City") proposes to present, adopt, and implement a FY 2022-23 Urban Land Bank Demonstration Program Plan ("Plan"). Before adopting the FY 2022-23 Plan, the City will hold a public hearing on the proposed Plan. The City will provide notice of the hearing to all City-certified Community Housing Development Organizations ("CHDO") and to neighborhood associations identified by the City as serving the neighborhoods in which properties anticipated to be available for sale under the Plan are located. The City will make copies of the proposed Plan available to the public not later than the 60<sup>th</sup> day before the date of the public hearing.

Following the adoption of the Plan, the Dallas Housing Acquisition and Development Corporation Board of Directors will authorize individual sales for those addresses listed in the plan, following criteria cited in the Plan. The Plan will be implemented and the annual performance reports on the Plan will be available through the Housing & Neighborhood Revitalization Department no later than November 1, 2023.

### **Issues**

The Dallas Housing Acquisition and Development Corporation currently has an inventory of 118 foreclosed, vacant lots to be sold to eligible developers for the construction of affordable housing units. As required by state statute, the annual plan is a condition of the Urban Land Bank Demonstration Program. Not approving the plan, would prevent DHADC from future acquisitions of tax delinquent property to be used in the Program.

### **Fiscal Impact**

There is no cost consideration to the City in adopting the FY 2022-23 Urban Land Bank Demonstration Program Plan. However, land sold under this Plan will be used to develop homes that generate property taxes to the City.

DATE March 17, 2023  
SUBJECT **Consideration and Approval of FY 2022-23 Annual Urban Land Bank Demonstration Program Plan**  
PAGE **3 of 3**

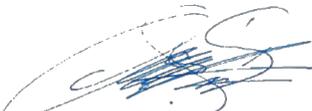
### **Staff Recommendation**

Staff recommends that the Housing and Homelessness Solutions Committee move this item forward to City Council so that it may be considered and approved of the FY2022-23 Urban Land Bank Demonstration Program Plan.

### **Next Steps**

Upon receiving Committee approval, staff will place this item on the next available City Council agenda.

Should you have any questions or require any additional information, please contact me or David Noguera, Director, Department of Housing & Neighborhood Revitalization at [David.Noguera@Dallas.gov](mailto:David.Noguera@Dallas.gov) or 214-670-3619.



Majed A. Al-Ghafry, P.E.  
Assistant City Manager

### **[Attachment: FY 2022-23 Urban Land Bank Demonstration Program Plan]**

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
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# Urban Land Bank Demonstration Program Plan Fiscal Year 2022-23



**City of Dallas**

**Department of Housing and Neighborhood Revitalization  
1500 Marilla Street  
Room 6CN  
Dallas, Texas 75201**

**October 27, 2022**

## OVERVIEW

The Urban Land Bank Demonstration Act (“Act”), codified in Texas Local Government Code Chapter 379C, as amended (“Code”), allows the governing body of a municipality to adopt an urban land bank demonstration program in which the officer charged with selling real property ordered sold pursuant to foreclosure of a tax lien may sell certain eligible real property by private sale for the public purpose of affordable housing development or other purposes outlined in the Act.

The governing body of a municipality that adopts an urban land bank demonstration program must adopt a plan annually. The plan must include the following:

1. a list of community housing development organizations eligible to participate in the right of first refusal provided by Texas Local Government Code Section 379C.011;
2. a list of the parcels of real property that may become eligible for sale to the land bank during the upcoming year;
3. the municipality’s plan for affordable housing development on those parcels of real property; and
4. the sources and amounts of funding anticipated to be available from the municipality for subsidies for development of affordable housing in the municipality, including any money specifically available for housing developed under the program, as approved by the governing body of the municipality at the time the plan is adopted.

The City of Dallas (the “City”) proposes to present, adopt, and implement a FY 2022-23 Urban Land Bank Demonstration Program Plan (“Plan”). Before adopting the FY 2022-23 Plan, the City will hold a public hearing on the proposed Plan. The City will provide notice of the hearing to all City-certified Community Housing Development Organizations (“CHDO”) and to neighborhood associations identified by the City as serving the neighborhoods in which properties anticipated to be available for sale under the Plan are located. The City will make copies of the proposed Plan available to the public not later than the 60<sup>th</sup> day before the date of the public hearing.

Following the adoption of the Plan, the Plan will be implemented and the annual performance reports on the Plan will be available through the Housing and Neighborhood Revitalization Department no later than November 1, 2023.

The performance report for the FY 2021-22 Urban Land Bank Demonstration Program Plan will be available no later than November 1, 2022.

## FY 2022-23 URBAN LAND BANK DEMONSTRATION PROGRAM PLAN

### Eligible Parcels of Property

The primary objective of the Urban Land Bank Demonstration Program (“Program”) is to acquire unproductive, vacant, and developable parcels of real property and parcels improved with abandoned, vacant, and uninhabitable structures for affordable housing or commercial development. The Dallas Housing Acquisition and Development Corporation (“DHADC”) is an instrumentality of the City and has been designated by the City to administer the Program and Plan on its behalf. The acquisition of these parcels will enable the DHADC to facilitate the development of new single-family homeownership units, multifamily rental units, and lease-purchase units on the parcels to house low- and moderate-income households and, on appropriate parcels, allow commercial development that will complement the City’s affordable housing strategy. A secondary purpose of the DHADC is to acquire unproductive, vacant parcels of real property zoned for residential use that are not appropriate for residential development due to their size or the presence of factors that would make development of a single-family home prohibitively expensive but, if sold to an eligible adjacent property owner who agrees to maintain the property in accordance with terms set forth by the DHADC, would stabilize the neighborhood in which the parcel is located.

For a parcel to be eligible for sale to the DHADC:

1. the market value of the property as specified in the judgment of foreclosure must be less than the total amount due under the judgment, including all taxes, penalties, and interest, plus the value of nontax liens held by a taxing unit and awarded by the judgment, court costs, and the cost of the sale;
2. the parcel of land must be not improved with a habitable building or buildings or an uninhabitable building or buildings that are occupied as a residence by an owner or tenant who is legally entitled to occupy the building or buildings; and
3. the parcel of land must have delinquent taxes on the property for a total of at least five years as reported by Dallas County.

A list of the eligible properties is attached as **Attachment C**. These properties may be available for sale to the DHADC beginning October 1, 2022. The DHADC anticipates that it will refer up to 25 properties per month for tax foreclosure. However, the annual number of referred parcels will not likely exceed 150 parcels due to funding constraints. Referring parcels on a monthly basis will help the DHADC implement a more strategic acquisition and disposition process and better monitor the parcel acquisition process.

The DHADC’s acquisition strategy for FY 2022-23 will prioritize:

1. acquiring eligible parcels zoned for residential use or suitable for residential use that are located in close geographic proximity to one another in order to reduce

development costs related to the creation of affordable housing units and to most effectively strengthen neighborhoods;

2. to the extent that eligible parcels are available, acquiring parcels zoned for residential use or suitable for residential use that are located within the Emerging Market and Stabilization Reinvestment Strategy Areas (“RSAs”) adopted by the Dallas City Council as part of the Comprehensive Housing Policy (“Housing Policy”) on May 9, 2018 via Resolution 18-0704; and
3. acquiring eligible parcels zoned for residential or commercial use that are located near existing or planned mixed-income housing developments, City-owned land, or City-supported economic development projects that, if developed with affordable housing units or a commercial use, would support the City’s affordable housing strategy.

## **City of Dallas Comprehensive Housing Plan for Affordable Housing Development**

### **Background**

Dallas has a housing shortage of approximately 20,000 housing units. This shortage is driven by the cost of land and land development, labor and materials shortages, federal, state, and local constraints, as well as the single-family rental market which prevents equilibrium in the homeownership market. This shortage is consistent with the overall national trend following the 2009 housing bust. While the housing market has seen a steady but slow recovery, job growth in the Dallas metro area attracted a population growth of about 2.9% that outpaced the growth in the supply of housing. Much of the single-family housing inventory converted to rental following the 2009 bust while 60% or more of the home sales in the three (3) years following were in the price range below \$249,999.00. In 2014, the housing market was in transition - the number of home sales priced under \$249,999.00 decreased to less than 40% of the market, and by 2017, nearly 58% of home sales were priced between \$300,000.00 and \$1 million. According to the Real Estate Center at Texas A&M University, while the volume of homes in Dallas only grew by 3.6%, the median sales price in Dallas grew by 9.1% in 2017. These market conditions have led to an increase in both rental rates and sales prices in the overall market and 6 out of 10 families in Dallas are housing cost burdened, meaning they spend more than 30% of their income on housing, due in part to wages not keeping pace with housing costs. Undoubtedly, families at lower income bands are more financially strained by these market conditions.

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.

In August 2017, the City of Dallas engaged The Reinvestment Fund to conduct a Market Value Analysis (“MVA”), an analytical tool used to assess the residential real estate market throughout the entire City to determine, with granular detail, where market strength, transition, and stress exists.

### **Comprehensive Housing Policy Goals**

On May 9, 2018, the Dallas City Council adopted a Comprehensive Housing Policy that sets annual production goals of 3,733 for homeownership units and 2,933 for rental units while still maintaining the 3-year historic average ratio of homeownership and rental percentages. Beyond unit production, the Comprehensive Housing Policy supports creating increased availability of housing for people at incomes ranging from 30% - 120% of the Department of Housing and Urban Development (“HUD”) Area Median Income (“AMI”), by incentivizing homeownership developments for families at 60% or higher AMI and rental developments that include rent restricted units for families at the full range of 30% - 120% of AMI.

The Comprehensive Housing Policy highlights the DHADC and Program as a strategy that will help support the goals of the Comprehensive Housing Policy.

### **How the Goals of the Urban Land Bank Demonstration Program Align with the Comprehensive Housing Policy**

The goals of the Program align with the Comprehensive Housing Policy as follows:

1. The Program’s goals related to a for-sale housing product align with the Comprehensive Housing Policy’s annual production goals of 3,733 homeownership units serving households between 60% and 120% AMI. Pursuant to the Code, the DHADC shall impose deed restrictions on each property sold to developers requiring the development and sale, rental, or lease-purchase of the property to low income households. Each property sold during any given fiscal year to a developer to be developed for future sale must be deed restricted for sale to low income households. The Code requires that at least 25% of the DHADC’s properties must be deed restricted for sale to households with gross household incomes not greater than 60% AMI and that not more than 30% of the DHADC’s properties may be deed restricted for sale to households with gross household incomes greater than 80% AMI;
2. The Program’s goals related to a rental housing product align with the Housing Policy’s annual production goals of 2,933 rental units serving households between 30% and 120% AMI. Pursuant to the Code, properties that are sold for the development of rental housing must be deed restricted to serve households earning no more than 60% AMI;

3. The Program’s method of strategically acquiring unproductive parcels of land and returning them to productive use aligns with the Comprehensive Housing Policy’s focus on preparing weaker real estate markets for investment; and
4. The Program’s prioritization of the sale of parcels to City-certified CHDO’s aligns with the Comprehensive Housing Policy’s recognition that City-certified CHDO’s play an important role in the creation and preservation of affordable housing. The Housing Policy also supports creation of affordable housing by CHDO’s through low- or no-interest gap financing.

### **Sale of Property to a Qualified Participating Developer**

Pursuant to the Code, only “qualified participating developers” (“Qualified Participating Developers”) may participate in the Program and purchase parcels from the DHADC, subject only to statutory exceptions related to sale of parcels for commercial development and to eligible adjacent property owners. In order to be designated as a Qualified Participating Developer under Section 379C.005 of the Code, a developer must: (1) have built one or more housing units within the three-year period preceding the submission of a proposal to the land bank seeking to acquire real property from the land bank; (2) have a development plan approved by the municipality for the land bank property; and (3) meet any other requirements adopted by the municipality in the urban land bank demonstration plan. The City requires that the Qualified Participating Developer be able to develop the acquired properties within a three-year period. The DHADC will publish an application and update such application from time to time that will provide guidance to Qualified Participating Developers regarding the City’s & DHADC’s priorities and its criteria for evaluating development proposals.

### **Execution of the Development Agreement and Transfer of Ownership**

The governing body of a municipality will charge the DHADC with the execution a development agreement and transfer of ownership of property upon approval by the DHADC Board.

### **Right of First Refusal to Qualified Organizations**

An organization that meets the definition of a Community Housing Development Organization, under 24 CFR 92.2 and is certified by the City as such may be a “qualified organization” (“Qualified Organization”) under Section 379C.011 of the Code. Only Qualified Organizations may engage in the “right of first refusal” for the Program.

A list of the CHDOs, who may exercise the “right of first refusal” is attached as **Attachment A**. Attachment A may be amended from time to time as organizations obtain or lose certification. In order to exercise the “right of first refusal” the CHDO must also:

1. Contain within its designated geographical boundaries of operation, as set forth in its application for certification filed with and approved by the City, a portion of the property that the DHADC is offering for sale,
2. Have built at least three single-family homes or duplexes or one multifamily residential dwelling of four or more units in compliance with all applicable building codes within the preceding two-year period of the date the property becomes available for purchase through the DHADC and within the organization's designated geographical boundaries of operation, and
3. Have built or rehabilitated housing units (within the preceding two-year period) within a one-half mile radius of the offered parcel.

Pursuant to Section 379C.011 of the Code:

1. The DHADC will provide written notice to Qualified Organizations each time it acquires a parcel. The DHADC will list the date of conveyance of the parcel to the DHADC, notify the Qualified Organization that it may exercise its "right of first refusal" within six (6) months from the date of the deed of conveyance of the property to the DHADC, and will request that the Qualified Organization respond to the notice within thirty (30) days of receipt stating whether it intends or declines to exercise its right of first refusal;
2. During this six-month period, the DHADC will not sell the property to a Qualified Participating Developer other than a Qualified Organization unless all Qualified Organizations eligible to exercise the right of first refusal for the parcel notify the DHADC that they are declining to exercise their right of first refusal;
3. After the period for the right of first refusal expires, the DHADC may sell the parcel to any other Qualified Participating Developer at the same price that the DHADC offered the property to the Qualified Organization;
4. At the discretion of the DHADC and consistent with the City approved development plan, the subject parcel may be held for up to twelve (12) additional months by the DHADC once an offer has been received and accepted from a Qualified Organization or Qualified Participating Developer; and
5. If more than one Qualified Organization expresses an interest in exercising its right of first refusal, the Qualified Organization that has designated the most geographically compact area encompassing a portion of the property shall be given priority.

The DHADC will not give a right of first refusal for the purchase of any parcel that reverted to the DHADC pursuant to the Code. Additionally, the right of first refusal applies only to properties acquired under the Code for the Program. There is no right of first refusal for properties acquired by the DHADC via other programs or acquisition strategies.

## **Sale of Land Bank Property to an Eligible Adjacent Property Owner**

Notwithstanding any other right of first refusal granted under the Code, if the DHADC determines that a property acquired by the DHADC is not appropriate for residential development, the DHADC first shall offer the property for sale to an eligible adjacent property owner for the lower of either (1) the fair market value of the property as determined by the appraisal district in which the property is located or (2) the sales price recorded in the annual plan. For FY 2022-23, if the DHADC determines that a property owned by the DHADC is not appropriate for residential development, the DHADC may sell the property to an eligible adjacent property owner for whichever value is lower; 1) the fair market value for the property as determined by the appraisal district in which the property is located; or 2) \$1,000.00, provided that the eligible adjacent property owner: (1) owns a parcel of real property located immediately adjacent to the parcel owned by the DHADC, (2) maintains a valid homestead exemption on the parcel located immediately adjacent to the parcel owned by the DHADC, (3) does not owe any delinquent property taxes on any land located within the City of Dallas and is not indebted to the City or is delinquent in any payment owed to the City under a contract or other legal obligation, (4) has not been issued a notice of violation or citation for a violation of a health and safety ordinance within the past three years and (5) agrees to maintain the parcel in compliance with all federal, state and local laws and regulations for a period of three years subject to a right of reverter.

An adjacent property owner that purchases a parcel of real property under this section may not lease, sell, or transfer that property to another person before the third anniversary of the date the adjacent property owner purchased that property from the DHADC, unless the DHADC adopts a policy permitting the transfer of the property to a family member of the eligible adjacent property owner or the transfer occurs as a result of the death of the eligible adjacent property owner.

## **Sale of Property for Commercial Use**

The DHADC may also acquire and sell parcels of land intended for commercial use to any developer, regardless of whether the developer is considered a Qualified Participating Developer pursuant to the Code. In order to purchase a parcel intended for commercial use, a developer must: (1) have a development plan approved by the City for the property; and (2) demonstrate ability to develop, within a three-year period, the proposed property to be acquired. The DHADC will publish an application, and update such application from time to time, to evaluate whether a developer meets the foregoing criteria.

## **Sales Prices for Land Bank Parcels**

Except for parcels sold to eligible adjacent property owners, for FY 2022-23, properties will be initially offered at fair market value ("FMV"), as determined by a comparative

market analysis. A discount will be available if project underwriting indicates that the discount is needed to ensure the viable sale to an income-qualified buyer.

### **Deed Restrictions and Right of Reverter for Land Bank Parcels**

The DHADC will impose deed restrictions (also called “restrictive covenants”) on all parcels it sells.

1. *Properties to be developed for sale by Qualified Participating Developers:* the DHADC will impose deed restrictions to require the development and sale of the parcel to low-income households in accordance with the Code. Furthermore, once sold, the property must be occupied by a low-income household for a period of at least five (5) years. The Code requires that at least 25% of the properties must be deed restricted for sale to households with gross household incomes not greater than 60% AMI and that not more than 30% of the properties may be deed restricted for sale to households with gross household incomes greater than 80% AMI.
2. *Properties to be developed for rental housing by Qualified Participating Developers:* the DHADC will require the development and rental of the property to low-income households in accordance with the Code for a period of not less than fifteen (15) years. The Qualified Participating Developer will be required to: (a) lease 100% of the rental units to households with incomes not greater than 60% of AMI, based on gross household income, adjusted for family size for the Dallas Area Metropolitan Statistical Area as determined annually by HUD, (b) lease 40% percent of the total rental units to households earning no more than 50% of AMI, (c) lease 20% percent of the total rental units to households earning no more than 30% of AMI, (d) file an annual occupancy report with the City on a form provided by the City, and (e) impose deed restrictions that prohibit the exclusion of any individual or family from the development based solely on the participation of the individual or family in the housing choice voucher program under Section 8, United States Housing Act of 1937 (42 U.S.C. Section 1437f), as amended.
3. *Properties to be developed for commercial purposes:* the DHADC will require that the parcel be developed and maintained in accordance with the development plan for a minimum of 15 years.
4. *Properties to be sold to eligible adjacent property owners:* the DHADC will require that the eligible adjacent property owner maintain the property in accordance with all federal, state and local regulations for three (3) consecutive years. Furthermore, the eligible adjacent property owner will be prohibited from leasing, selling, or transferring the parcel to another person before the third anniversary of the date the adjacent property owner purchased the parcel from the DHADC, unless the DHADC adopts a policy permitting the transfer of the property to a family member of the eligible adjacent property owner or the transfer occurs as a result of the death of the eligible adjacent property owner.

All DHADC properties will be conveyed with a right of reverter so that if the Qualified Participating Developer (residential development) or developer (commercial development) does not apply for a construction permit within eighteen (18) months from recording the Deed without Warranty and close on any construction financing within the three-year period following the date of the conveyance of the property from the DHADC to the Qualified Participating Developer/developer, the property will revert to the DHADC for subsequent resale to another Qualified Participating Developer/developer or conveyance to the taxing entities who were parties to the judgment for disposition as otherwise allowed under the law. All DHADC properties previously sold and expected to be sold to eligible Qualified Participating Developer/developers will provide a Deed of Trust which may be subordinated only to a private financial institution's superior lien against the property for the purpose of securing project financing.

### **Reversion of Unsold Land Bank Properties**

If a property is not sold within four (4) years to a Qualified Organization or a Qualified Participating Developer, the property will be transferred from the DHADC to the taxing entities who were parties to the judgment for disposition as otherwise allowed under the law. A property may be transferred to the taxing entities before completion of the four-year period if the DHADC determines that the property is not appropriate for residential or commercial development. The DHADC may also sell property to a political subdivision or a nonprofit organization before completion of the four-year period in accordance with Sections 379C.0106 and 379C.009 of the Local Government Code.

### **Parcel Exchange and Parcel Swap**

The DHADC may permit a Qualified Participating Developer or Developer (collectively "Developer") to exchange a property purchased from the DHADC with any other property owned by the Developer, if the Developer: (1) agrees to construct on the other property affordable housing for low-income households as provided in this Plan and state law, and (2) the other property is located in a planned development incorporating the property originally purchased from the DHADC or another location as approved by the DHADC. The DHADC shall adjust the deed restrictions for each of the properties exchanged by the Developer under this section in a manner consistent with the Code.

The DHADC may sell two adjacent properties that are owned by the DHADC to a Qualified Participating Developer if at least one of the properties is appropriate for residential development and the Developer agrees to replat the two adjacent properties as one property that is appropriate for residential development.

The DHADC may also allow a Developer to swap a parcel previously purchased from the DHADC with a new parcel purchased from the DHADC if the DHADC determines, in its sole discretion, that: (1) the Developer timely made the request, and (2) the cost to develop affordable housing or a commercial use on the previously-purchased parcel is

prohibitively expensive. In such instances, the Developer must submit a proposal for the new parcel in accordance with the application process.

### **Design Guidelines**

The DHADC strongly encourages the incorporation of defining features of a neighborhood into newly constructed infill houses. Those defining features of older inner-city neighborhoods may include: roof pitches, porches, materials and window types. Developers must comply with any standards established by an existing neighborhood conservation district and/or neighborhood plans. Additionally, all projects must advance the principles and policies contained in the City of Dallas Complete Streets Design Manual. Site plans and building designs should contribute towards safe and convenient pedestrian, bicycle, transit and automobile access to the extent possible within the project site and the adjacent public right of way frontage. When required, developers will be required to demonstrate that the neighborhood association near the land to be developed has been consulted on any and all design issues. Developers should obtain feedback from neighborhood residents and collaborate to ensure that designs are compatible with existing housing and development patterns.

### **Supportive Funding**

**Attachment B** reflects the sources and amounts for funding anticipated to be available from the City for subsidies for development of affordable housing in the City of Dallas, including money specifically available for housing developed under this Program, as approved by the City Council of the City of Dallas at the time of adoption of this Plan.

## ATTACHMENT A Community Housing Development Organizations

CHDO	Geographic Boundary	Date Certified
Notre Dame Place 2920 Forest Lane, Suite 115 Dallas, Texas 75234 214.616.1202 <a href="mailto:jwd@CHIDallas.org">jwd@CHIDallas.org</a> Joseph Dingman	City Wide	contact staff for certification date
Builders of Hope 2215 Canada Drive Dallas, Texas 75212 214.920.9850 <a href="mailto:jarmstrong@bohcdc.com">jarmstrong@bohcdc.com</a> James Armstrong	City Wide	contact staff for certification date
Brompton Community Housing Development Corporation 3701 Kirby Drive, Ste. 860 Houston, Texas 77098 <a href="http://www.Bromptonchdc.org">www.Bromptonchdc.org</a> Eleanor Miles Fanning	City Wide	contact staff for certification date

**ATTACHMENT B**  
**Anticipated FY 2022-23 Sources and Amounts of Funding**  
**for the Development of Affordable Housing**

**DALLAS HOME BUYER ASSISTANCE PROGRAM (DHAP)**

FY 2022-23                      \$800,000

The Dallas Homebuyer Assistance Program assists homebuyers with a total household income of no less than 60% percent of Area Median Family Income, but not to exceed 120% of the Area Median Income, adjusted for household size, at the time of application to the program to purchase a home within the city limits of Dallas. The amount of assistance includes the following activities: principle reduction, down payment and closing costs assistance that will be based on need. The HOME maximum sales price may not exceed \$271,000 for existing properties and \$271,000 for new construction. For more information, contact the Department of Housing and Neighborhood Revitalization at 214-670-5988.

**HOUSING DEVELOPMENT ASSISTANCE**

**Community Housing Development Organization Set-Aside Program (HOME)**

FY 2022-23                      \$966,076

A CHDO is a private nonprofit, community-based service organization that has significant capacity and whose primary purpose is to develop affordable housing for the community it serves. Certified CHDOs receive special designation from the City of Dallas (City). The HOME Investment Partnership (HOME) Program definition of a CHDO is found at 24 CFR Part 92.2. HUD requires that 15% of the City's HOME allocation each year be made available to CHDOs for the development of affordable homebuyer or rental housing. The City provides various forms of financing as grants and loans, including construction subsidy, gap financing, predevelopment assistance and operating assistance. For more information, contact the Department of Housing and Neighborhood Revitalization at 214-670-5988.

**New Construction and Substantial Rehabilitation Program**

FY 2022-23                      \$4,534,626

The Department of Housing and Neighborhood Revitalization (H&NR) provides various forms of funding to non-profit and for-profit developers. The primary purpose of H&NR's funding is to provide gap financing in the form of a repayable loan to support new

developments or substantial rehabilitation of existing developments located within the City limits, with such funding prioritized in the Reinvestment Strategy Areas, as outlined in the City's Comprehensive Housing Policy and the Program Statement for the New Construction and Substantial Rehabilitation Program. Projects must assist the City in meeting the production goals set forth in the policy by proposing to serve households earning between 30%-120% of the Dallas Area Median Income (AMI) with the targeted income bands varying according to the market and development type.

For more information, contact the Department of Housing and Neighborhood Revitalization at 214-670-5988.

### **Dallas Housing Finance Corporation Multifamily Program**

On April 25, 1984, the City Council approved creation of the DHFC, a public instrumentality and nonprofit corporation, and adopted the Articles of Incorporation. The purpose of the DHFC was to issue revenue bonds on behalf of the City for the purpose of providing funds to finance multifamily developments and mortgage loans for the purchase of single family homes that serve low to moderate income households. On March 28, 1990, the DHFC bylaws were amended to expand the eligible loan area to citywide for the single-family mortgage program. In February 2007, the DHFC bylaws were amended to allow the DHFC to purchase, lease, hold title to, and take an ownership interest in a residential development subject to City Council approval.

Funding subject to availability. For more information, contact the Department of Housing and Neighborhood Revitalization at 214-670-5988.

**ATTACHMENT C**  
**List of Properties Eligible for Sale to the Land Bank in FY 2022-2023**  
**(by Projected AMI Target)**

			ELSIE FAYE HEGGINS		
	<u>AMI 60% and below</u>	2600	ST	3606	BRYAN ST
3300	BLACKBURN ST	7808	CARUTH CT	3610	BRYAN ST
4431	HOLLAND AVE	3020	BRYAN ST	2102	N EDGEFIELD AVE
13000	VIDA LN	2420	ARIZONA AVE	4250	IH 30
2530	PEAVY RD	7801	CARUTH CT	5413	RIVERSIDE DR
7916	CORNERSTONE PKWY	503	JOSEPHINE ST	5417	RIVERSIDE DR
10010	BUCKINGHAM RD	4716	HUEY ST	10241	HARRY HINES BLVD
7920	CORNERSTONE PKWY	3018	MCNEIL ST	5403	RIVERSIDE DR
17231	STEDMAN DR	3020	BRYAN ST	2023	UDAL AVE
4106	NEWTON AVE	504	RAYENELL AVE	5409	RIVERSIDE DR
6	HEATH ST	1811	LENWAY ST	5413	RIVERSIDE DR
2026	GALLAGHER ST	1708	LENWAY ST	1321	HUTCHINS AVE
14130	REGENCY PL	7808	CARUTH CT	7900	C F HAWN FWY
7918	CORNERSTONE PKWY	7909	CARUTH CT	5409	RIVERSIDE DR
4729	STOKES ST	803	APACHE LN	5417	RIVERSIDE DR
9011	EN CORE DR	8000	S R L THORNTON FWY	5405	RIVERSIDE DR
9	UNKNOWN ST	2920	BRIGHAM LN	9910	BLANCO RD
1010	ALLEN ST	1710	LENWAY ST	3521	DIXON AVE
1403	HUTCHINS AVE	9011	EN CORE DR	2471	TUNE AVE
1048	E LEDBETTER DR	10101	WHISPERING TRL	5409	RIVERSIDE DR
			REVEREND CBT SMITH		
5001	MARNE ST	1204	ST	7424	GREENVILLE AVE
			AUTUMN MEADOW		
922	WOLF CREEK CIR	1906	TRL	2402	JABEZ AVE
305	HILLVALE DR	2415	WORTHINGTON ST	2422	CLEO AVE
					S WALTON WALKER
7801	CARUTH CT	2312	OAK PLAZA	1001	BLVD
3020	BRYAN ST	2106	EBBTIDE LN	8309	C F HAWN FWY
7900	CARUTH CT	22	NO NAME ST	1109	COMPTON ST
7800	CARUTH CT	13800	C F HAWN FWY	8200	MOBERLY LN
5817	CARY AVE	13219	BRENTRIDGE DR	1125	COMPTON ST
7125	SANTA FE AVE	3232	GUIDING LIGHT DR		
2437	ST CLAIR DR	7701	CARR ST		<u>AMI 61-80%</u>
1015	MILDRED ST	2445	PARKCLIFF DR	6566	TURNER WAY
5300	KEENLAND PKWY	10924	AUDELIA RD	1000	EMERALD ISLE DR
4226	S LANCASTER RD	2740	N BUCKNER BLVD	7831	LAKESIDE PARK
1	SARANASH CT	1	HUTCHINS RD	7100	ARAGLIN CT
7822	CARUTH CT	3700	MCMILLAN AVE	4519	GILBERT AVE

2439	ST CLAIR DR	2800	IRVING BLVD	9011	NO NAME ST
4110	MCKINNEY AVE	3918	MARSHALL ST ELSIE FAYE HEGGINS	1223	COMPTON ST
7801	E CARUTH CT	1624	ST	2416	FETCHET ST
11800	FOREST LAKES LN	3610	FRANK ST	2420	FETCHET ST
4340	RAWLINS ST	116	TERRACE DR	1123	COMPTON ST
4500	RAWLINS ST	3916	LE FORGE AVE	1720	E 11TH ST
7826	LAKESIDE PARK	2600	PLEASANT MOUND	2403	JOEL AVE
900001	OLD MOSS RD	6110	LAKE JUNE PL	2404	FETCHET ST
5900	CLUB HILL PL	3945	HANCOCK ST	2405	FETCHET ST
11800	FOREST LAKES LN	2042	LEROY RD	2406	JABEZ AVE
11570	DRUMMOND DR	1510	SMOKE TREE LN	2407	JOEL AVE
3400	ST FRANCIS AVE	1014	PACKARD ST	2408	JOEL AVE
4800	FAIRMOUNT ST	1426	CARAVAN TRL	2409	MILLICENT AVE
62	LAWLER RD	1746	OAK HILL CIR	2409	FETCHET ST
11801	FOREST LAKES LN	1126	VERMONT AVE	2412	MOONLIGHT AVE
22	LAKESIDE PARK	1238	GEORGIA AVE	2413	FETCHET ST
26	WOODED GATE DR	1227	HILLBURN DR	2413	JOEL AVE
6900	FOREST LN	5512	SINGING HILLS DR	2414	MOONLIGHT AVE
28	WOODED GATE DR	1612	CONNER DR	2417	FETCHET ST
9901	JOURDAN WAY	322	N MASTERS DR	2418	JABEZ AVE
12603	HILLCREST RD	1813	PLEASANT DR	2420	MOONLIGHT AVE
2843	FROST AVE	5300	KEENLAND PKWY	2420	MILLICENT AVE
1335	CHEYENNE RD	6453	STEFANI DR	2421	FETCHET ST
820	N VAN BUREN AVE	2010	JORDAN VALLEY RD	2424	JABEZ AVE
4635	VERDUN AVE	1204	S EWING AVE	2424	ELLINGTON ST
1222	BLISS ST	9800	HARWELL DR	2425	FETCHET ST
6526	BEXAR ST	5403	RIVERSIDE DR	2425	MILLICENT AVE
5704	BERNAL DR	1800	CHESTNUT ST	2429	MILLICENT AVE
2728	KEELER ST	11001	GARLAND RD	2430	JOEL AVE
2623	LAGOW ST	11900	FORD RD	2431	ELLINGTON ST
300	W LOUISIANA AVE	6827	W NORTHWEST HWY	2433	MILLICENT AVE
9725	CALLE DEL ORO LN	11000	SWITZER AVE	2436	JOEL AVE
2627	PARSONS ST	2322	SUNBEAM AVE	2436	MILLICENT AVE
6702	BEXAR ST	2325	SUNBEAM AVE	2438	DUKE AVE
2825	NAMUR ST	2428	SUNBEAM AVE	2439	ELLINGTON ST
7700	KELVINGATE CT	2400	FETCHET ST	2441	FETCHET ST S WALTON WALKER
2625	ROCHESTER ST	1825	E 11TH ST	1001	BLVD

		W GROVER C		
1127	COMPTON ST	111	WASHINGTON AVE	<b><u>AMI 81-115%</u></b>
8400	ENDICOTT LN	1325	PENNSYLVANIA AVE	8340 PLAINVIEW DR
1718	WACO AVE	1502	ROXANA AVE	2825 NAMUR ST
4107	SPRING AVE	1610	SUNBEAM AVE	5500 MARGARITA DR
12330	C F HAWN FWY	1616	ROXANA AVE	1520 N CLINTON AVE
1633	ROXANA AVE	1702	TUNE AVE	1614 N WINNETKA AVE
2400	MILLICENT AVE	1903	UDAL AVE	1324 FRIENDSHIP DR
2400	ELLINGTON ST	1907	UDAL AVE	14 EL SOL ST
2400	CLEO AVE	1914	SUNBEAM AVE	3815 LEMAY AVE
				GREAT TRINITY FOREST
2400	MOONLIGHT AVE	2317	MOONLIGHT AVE	1 WAY
2401	JOEL AVE	2322	SUNBEAM AVE	5300 KEENLAND PKWY
2401	CLEO AVE	2324	SUNBEAM AVE	204 PLEASANT MEADOWS DR
	CARLTON GARRETT			
5908	ST	2329	TUNE AVE	2247 HANDLIN ST
7540	S LANCASTER RD	2424	SUNBEAM AVE	134 PLEASANT MEADOWS DR
2400	FETCHET ST	2426	SUNBEAM AVE	455 W GREENBRIAR LN
3444	CONWAY ST	2427	SUNBEAM AVE	1521 N CLINTON AVE
1121	COMPTON ST	2430	SUNBEAM AVE	10638 RYLIE RD
3900	S POLK ST	2434	TUNE AVE	2753 PROSPERITY AVE
2440	FETCHET ST	2443	MOONLIGHT AVE	425 CHEYENNE RD
5326	RAILROAD AVE	2446	TUNE AVE	2735 HUDSPETH AVE
5330	RAILROAD AVE	2455	MOONLIGHT AVE	13943 INDIAN WELLS RD
5332	RAILROAD AVE	2521	SUNBEAM AVE	2158 BEN HUR ST
5412	RAILROAD AVE	2402	TUNE AVE	3712 ELISE WAY
5416	RAILROAD AVE	2408	JABEZ AVE	1 COLLEGE WAY
5420	RAILROAD AVE	2409	DUKE AVE	2627 KIRVEN DR
1115	COMPTON ST	2409	JOEL AVE	12619 FISH RD
2561	TUNE AVE	2414	JABEZ AVE	4100 CLEVELAND RD
2565	TUNE AVE	2416	CLEO AVE	1 ANAHITA LN
2516	SUNBEAM AVE	2420	JOEL AVE	1 SARANASH CT
2544	TUNE AVE	2422	JOEL AVE	1 PRAIRIE FLOWER TRL
2550	SUNBEAM AVE	2428	ELLINGTON ST	6501 AMERICAN WAY
2564	SUNBEAM AVE	5352	PINE ROW	3400 TRINITY GATE DR
2566	TUNE AVE	816	STELLA AVE	13557 SHORTLEAF DR
2568	TUNE AVE	2401	DUKE AVE	1 CONCORDIA LN
2574	TUNE AVE			1100 S BELTLINE RD
	ELSIE FAYE HEGGINS			
3801	ST			150 CREEK COVE DR

1	DEPAUL AVE	8709	S HAMPTON RD
10400	E NORTHWEST HWY	1725	SUNBEAM AVE
7700	LOS ALAMITOS DR	5122	PINE ROW
11800	AUDELIA RD	6130	J J LEMMON RD
1960	HIGHLAND RD	5300	CLAYPOOL RD
	S WALTON WALKER		
3100	BLVD	4000	E LEDBETTER DR
3126	GREGG LN	2308	MOONLIGHT AVE
2940	S COCKRELL HILL RD	5300	CLAYPOOL RD
3100	PALO ALTO DR	5700	C F HAWN FWY
1000	FRONT ST	5300	CLAYPOOL RD
3035	SIMPSON STUART RD	5300	CLAYPOOL RD
1400	FIREBIRD DR	5300	CLAYPOOL RD
1601	W WHEATLAND RD	5300	CLAYPOOL RD
1707	WAGON WHEELS TRL	5300	CLAYPOOL RD
9205	BRUTON RD	4800	JULIUS SCHEPPS FWY
8302	FAIR OAKS CROSSING	2322	MOONLIGHT AVE
3500	OSAGE CIR	2327	DOWDY FERRY RD
8600	MIDPARK RD	9601	JULIUS SCHEPPS FWY
15101	PRESTON RD		
3402	MARVIN D LOVE FWY		
1121	E ILLINOIS AVE		
3819	S TYLER ST		
3002	STAG RD		
10701	PLANO RD		
2300	STOREY LN		
11323	WOODMEADOW PKWY		
7901	PARK LN		
1262	SLEEPY HOLLOW DR		
2402	JOEL AVE		
1019	HAYMARKET RD		
1720	UDAL AVE		
4445	W LEDBETTER DR		
10898	STINSON ST		
2320	SUNBEAM AVE		
7402	S COCKRELL HILL RD		
2430	JABEZ AVE		

# Memorandum



CITY OF DALLAS

DATE March 17, 2023

Honorable Members of the City Council Housing and Homelessness Solutions  
TO Committee: Casey Thomas II (Chair), Jesse Moreno (Vice Chair), Carolyn King Arnold,  
Paula Blackmon, Cara Mendelsohn, Paul Ridley, Jaynie Schultz

SUBJECT **Upcoming Agenda Item: NOFA 2023 4% Tax Credit Development Project – Estates  
at Ferguson**

This memorandum is to inform the Housing and Homelessness Solutions Committee (HHSC) of an upcoming agenda item on April 26, 2023 to authorize **(1)** a development loan agreement and security documents with TX Ferguson 2022, Ltd., or affiliate(s) thereof (Applicant) in an amount not to exceed \$4,935,000.00 in HOME Investment Partnerships Program Funds, conditioned upon Applicant receiving 2023 4% Housing Tax Credit (HTC) award for the development of mixed-income affordable multifamily senior living community known as Estates at Ferguson, located at 9220 Ferguson Road, Dallas, Texas (Property); **(2)** a development loan agreement and security documents with the City of Dallas Housing Finance Corporation (DHFC), or affiliate(s) thereof in an amount not to exceed \$3,965,000.00 in Community Development Block Grant Disaster Recovery (CDBG-DR) funds to purchase and own the Property; **(3)** the DHFC to enter into a long-term ground lease with Applicant and/or its affiliate(s), for the development of the Property pursuant to 24 CFR 570.204(a) and (b) - Not to exceed \$8,900,000.00 in HOME Investment Partnerships Funds (\$4,935,000.00 and Community Development Block Grant Disaster Recovery Funds (\$3,965,000.00).

## **BACKGROUND**

TX Ferguson 2022, Ltd., and/or its affiliate(s) (Applicant) submitted a Proposal under the City's Notice of Funding Availability (NOFA), issued on August 7, 2020, as amended, to receive gap financing in the form of a cashflow loan to support acquisition and development of affordable housing units located within the City limits. The NOFA was issued by the Department of Housing & Neighborhood Revitalization (Housing) in accordance with the City's Comprehensive Housing Policy (CHP).

Housing administers programs to appropriately incentivize private investment for the development of quality, sustainable housing that is affordable to the residents of the City. Specifically, Housing administers the New Construction and Substantial Rehabilitation Program which, when necessary, seeks to provide financial assistance to new developments or to substantially rehabilitate existing developments. All projects seeking financial assistance are required to submit a Notice of Intent to apply for financial assistance through NOFA to develop affordable homeownership and rental housing. As outlined in the NOFA, multiple sources of funding are available; however, proposed projects must meet specific thresholds to qualify for the use of a specific funding source.

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SUBJECT **Upcoming Agenda Item: NOFA 2023 4% Tax Credit Development Project – Estates at Ferguson**  
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At minimum, each proposed project must be composed of at least five affordable units and must achieve a fundable score as outlined in the NOFA solicitation. The proposed Estates at Ferguson project received a fundable score of 105 points.

In addition to NOFA funding, the Applicant plans to utilize 2023 4% Non-Competitive Housing Tax Credits (4% Housing Tax Credits) from the Texas Department of Housing and Community Affairs (TDHCA) to acquire and construct the property. City Council approved a Resolution of No Objection on November 9, 2022, by Resolution No. 22-1717. On September 13, 2022, the DHFC Board of Directors adopted a resolution declaring its intent to issue bonds for the Property and authorized the filing of an application for allocation of private activity bonds with the Texas Bond Review Board. The requested NOFA funds, if approved, will cover the gap created by recent market conditions, increased construction costs, and stabilize the viability and economics of the development.

Generation Housing Partners, LLC, (GHP) Texas-based developer, owner, and asset manager of Class A multifamily assets throughout the southwest. As a long-term owner, GHP has been involved in the development, construction, and management of over 4,000 units with a capitalization value of approximately \$385,000,000.00. The units include multi-story apartment properties for families, seniors, senior cottages, rehabilitation, and adaptive reuse developments. GHP has partnered with the DHFC in two other developments (Estates at Shiloh and Westmoreland Station). GHP will use Asset Living Property Management to manage the development once completed. Asset Living Property Management has been in the residential property business for 36 years and has developed approximately 20,000 units and currently manages over 24,000 units.

The Property will be owned by the limited partnership entity, TX Ferguson 2022, Ltd. The General Partner, TX Ferguson 2022 GP, LLC will be owned by DHFC. Also included in the structure will be the Special Limited Partner, TX Ferguson 2022 SLP. This entity will consist of Generation Housing Partners, LLC, with a 50% ownership stake, and Hill Tide Development, LLC, with a 50% ownership stake. The tax credit investor is yet to be determined; however, it is anticipated that this limited partner will have a 99% ownership share of TX Ferguson 2022, Ltd. Guarantees will be provided through a partial guarantee from Generation Housing Partners, LLC, and full guarantees by Hill Tide Partners, LLC and Monarch Private Investments, LLC.

The DHFC or its affiliate(s) will acquire the site at 9220 Ferguson Road, Dallas, Texas 75228 and subsequently enter into a 99-year ground lease with Developer using CDBG-DR funds for the 164-unit, Class “A”, active senior-living development for residents aged 55 and over. The development will serve senior households earning at or below of 50% Area Median Income (AMI) and 60% AMI and will consist of one-bedroom and two-bedroom units on approximately 5.7 acres in northeast Dallas. The 164 units are comprised of 99 1-bedroom, and 65 2-bedroom units and there will be no market rate units. The development will be new construction of a single three-story, elevator-served

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SUBJECT **Upcoming Agenda Item: NOFA 2023 4% Tax Credit Development Project – Estates at Ferguson**  
PAGE **3 of 5**

building with interior corridors and easy access to community amenities. The development will have lush landscaping, resort-style ADA compliant swimming pool, lighted sidewalks, a dog park, and a community garden.

The Property will be designed as an Aging-In-Place community. Units will be designed to accommodate persons with disabilities and common areas will have easy access to elevators. Transportation will be available via the on-site bus stop or community van. Units will be designed as accessible or adaptable and will incorporate an “open concept design”. Unit amenities will include granite countertops, Energy Star Appliances, dishwasher, ceiling fans, laundry connections, High-efficiency HVAC, faux wood flooring, open concept design, Low-e windows, covered entries, nine-foot ceilings, microwave ovens, and additional storage. Additional common amenities will include barbecue grills, community event center, theater room, business center, salon, a furnished fitness center, and leasing office will include fulltime staff and on-site maintenance.

Applicant will work with the Office of Integrated Public Safety Solutions throughout the planning and design process for security input, community activities, and incorporate best practices of Crime Prevention Through Environmental Design. Additionally, the Applicant will provide modern security features to include a full camera system, controlled access, a community crime watch program, and participation in National Night Out to ensure a safe living environment for all residents and staff.

The Applicant proposes to provide an array of on-site resident services to include health and wellness classes, weekly fitness classes, community events and game nights, social gatherings, notary services, dining events and potluck gatherings. Also, residents will have free access to a computer learning center, art and fitness rooms, library rooms, and community lounge areas.

The proposed development provides direct access to DART bus stop located directly in front of the site. Residents will benefit from inexpensive, accessible, and dependable transportation, year-round. Ferguson Park is a half mile away from the proposed development and Linda Commercial Center, which has a grocery store, a hardware store, shopping, and restaurants less than two miles away from the development. The development site is located just north of a greenbelt/floodway, but outside of the FEMA floodplain. The City of Dallas Bikeway System map identifies Ferguson Road as an “on-street” bike roadway. The proposed development is also in a High Opportunity Area. According to the Market Value Analysis (MVA) Map, the proposed development is surrounded by neighborhoods with a MVA ranking of “D”. These neighborhoods are approximately 69% owner-occupied and are encountering the effects of sales increases and effects of gentrification and the ability to provide affordable housing to area residents. The unit mix and rents are as follows:

Unit Type	AMI	Units	Rents
1BR/1BA	50.00%	8	\$ 913.00
1BR/1BA	60.00%	91	\$1,096.00
2BR/2BA	50.00%	8	\$1,096.00
2BR/2BA	60.00%	57	\$1,315.00

Total development costs are anticipated to be approximately \$41,494,397.00 which includes the acquisition price for the land. The construction budget is anticipated to be approximately \$24,092,191.00 which is \$146,903.60 per unit.

The anticipated sources and uses are as follows:

Proposed Financing Sources	Amount
Construction Loan Financing	\$ 15,908,155.00
Tax Credit Equity	\$ 15,231,895.00
City of Dallas CDBG-DR Loan	\$ 3,965,000.00
City of Dallas HOME Loan	\$ 4,935,000.00
Good Faith Deposit Return	\$ 150,000.00
Deferred Development Fee	\$ 1,304,347.00
<b>Total</b>	<b>\$ 41,494,397.00</b>

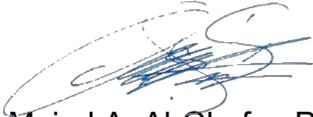
Proposed Uses	Costs
Land Acquisition	\$ 3,965,000.00
Total Const. Costs	\$ 29,464,538.00
Financing Fees, Soft Costs	\$ 2,737,880.00
Reserves	\$ 986,979.00
Developer Fee	\$ 4,340,000.00
<b>Total</b>	<b>\$ 41,494,397.00</b>

After the development is complete, as required by the Applicant’s application to TDHCA for HTC and the CHP, 16 of the 164 units will be made available to households earning 0.00%-50.00% Area Median Income (AMI) and 148 of 164 units will be made available to households earning at or below 51.00%-60.00% of AMI meeting CDBG requirements for 51 percent (148) of total units reserved for household earning at or below 80.00% AMI. Of the 164 affordable units, the Applicant must provide 26 HOME-assisted units consisting of 20 High HOME and 6 Low HOME units as required by the HOME funding. All HOME-assisted and CDBG-assisted units will remain affordable for a minimum of 20 years. There will be no market rate units.

The Development has been found to affirmatively further fair housing by the Office of Equity and Inclusion Fair Housing Division. Staff recommends approval of this item as it furthers the mixed-income housing goals of the CHP, meets the threshold requirements of the NOFA, and the financial gap has been confirmed by third-party underwriting.

DATE March 17, 2023  
SUBJECT **Upcoming Agenda Item: NOFA 2023 4% Tax Credit Development Project – Estates at Ferguson**  
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Should you have any questions or require any additional information, please contact me or David Noguera, Director, Department of Housing & Neighborhood Revitalization at [David.Noguera@Dallas.gov](mailto:David.Noguera@Dallas.gov) or 214-670-3619.



**Majed A. Al-Ghafry, P.E.**  
**Assistant City Manager**

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Billierae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Deputy City Manager  
Jon Fortune, Deputy City Manager

M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Dr. Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Jack Ireland, Chief Financial Officer  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

# Memorandum



CITY OF DALLAS

DATE March 17, 2023

Honorable Members of the City Council Housing and Homelessness Solutions  
TO Committee: Casey Thomas II (Chair), Jesse Moreno (Vice Chair), Carolyn King Arnold,  
Paula Blackmon, Cara Mendelsohn, Paul Ridley, Jaynie Schultz

SUBJECT **Upcoming Agenda Item: Design and Redevelopment of former Miramar Hotel  
located at 1950 Fort Worth Avenue**

This memorandum is to inform the Housing and Homelessness Solutions Committee (HHSC) of an upcoming agenda item on April 12, 2023 to authorize **(1)** an exclusive negotiating agreement with UCR Development Services, LLC, (Developer), or an affiliate thereof in an amount not to exceed \$5,957,631.00 in American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds (ARPA) and Homeless Assistance (J) Fund - 2017 General Obligation Bond Funds for the design and redevelopment of the Miramar Hotel located at 1950 Fort Worth Avenue, Dallas (Property), into transitional and homeless solution housing; **(2)** a ground lease agreement with Developer for the duration of the design and redevelopment of the Property in a total rent amount of \$5,000.00 to be paid by the Developer and conveyance back to the City upon acceptance of improvements pursuant to the lease – Not to exceed \$5,957,631.00 in American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds (\$3,612,358.00), Homeless Assistance (J) Fund - 2017 General Obligation Bond Funds (\$2,345,273.00).

## **BACKGROUND**

According to the most recent annual point in time count, the population of persons experiencing chronic homelessness has more than doubled across Dallas and Collin counties between 2020 and 2022. Transitional and supportive housing options have proven to be the most successful interventions for this population. The City of Dallas, as a member of the Homeless Collaborative of Dallas and Collin Counties, is participating in an effort to rapidly expand transitional and supportive housing inventory using acquisition, development, rehabilitation, and conversion of existing market rental units.

On December 9, 2020, the Dallas City Council approved a resolution to acquire approximately 35,133 square feet of land located at 1950 Fort Worth Avenue and to authorize its purpose for public use to provide supportive housing for persons experiencing homelessness.

On September 22, 2021, City Council authorized the final reading and adoption of the appropriation ordinance for the FY2021-22 City of Dallas Operating, Capital, and Grant & Trust Budgets, which included the ARPA funds from the U.S. Department of Treasury for the Coronavirus Local Fiscal Recovery Funds by Resolution No. 21-1590. In prior actions

DATE March 17, 2023  
SUBJECT **Upcoming Agenda Item: Design and Redevelopment of former Miramar Hotel located at 1950 Fort Worth Avenue**  
PAGE **2 of 4**

by the City Council, ARPA funds have been approved for eligible affordable housing investments as a response to the negative economic impacts of the pandemic.

According to Treasury guidance, supportive housing or other programs or services to improve access to stable, affordable housing among individuals who are homeless, and the development of affordable housing to increase supply of affordable and high-quality living units are responsive to the needs of impacted populations, not only disproportionately impacted populations. The Treasury final rule builds on objectives to improve access to stable, affordable housing, including through interventions that increase supply of affordable and high-quality living units, improve housing security, and support durable and sustainable homeownership

The City contracted with CBRE to manage the solicitation for the design and redevelopment process for the Property. CBRE began work on attracting development teams for the redevelopment of the Property in late November 2022. The hotel was constructed in 1953 and the City has purchased preliminary architectural plans for converting the structure into transitional and homeless housing. CBRE developed a website to provide information for prospective development, design, and construction teams. The Request for Proposal (RFP) website contained 655 pages of information about the project including plans, specifications, project goals, and instructions on submitting proposals for redeveloping the property. Additionally, property photographs were included on the website including drone and aerial photographs.

Over sixteen development firms and contractors were contacted by CBRE to gather interest in the project. The RFP website launched January 11, 2023, and fourteen firms were emailed the RFP invitation. The invitation was sent to a diversity of firms, large and mid-sized, that had been pre-qualified by CBRE. Some of the larger firms included Trammell Crow, Hunt Company, Beck Group, Matthews Southwest, and Ryan Companies.

Tours of the Miramar property were conducted for the development teams from January 13 to February 3, 2023. CBRE hosted these tours and eight firms attended personalized tours of the project. Several of the teams had additional tours for subcontractors and design professionals. Three addendums to the RFP were issued to answer requests for information from the development teams and to clarify what needed to be included in the proposals. The bid date was extended from January 23 to February 7, 2023 to facilitate more competitive pricing, at the request of the development teams. Several development teams were unable to respond to the RFP, for a variety of reasons. Three complete proposals were received on February 7, 2023, including proposals from UCR Development, Sirius Building Company, and ComServ Construction.

CBRE vetted the development proposals for one week and produced a Bid Analysis, Schedule Analysis, and Risk Analysis for the three proposals. The vetting process included several phone calls and emails clarifying the proposals and normalizing the

pricing, scheduling, and risk mitigation provided by the development teams. Upon presenting the proposals to City Staff, UCR Development Services, LLC, was deemed to be the best and most experienced developer for the project.

UCR Development is a Dallas-based commercial real estate development company founded in 2013 as part of the original United Commercial Realty (UCR) company, whose beginnings date back to the early 1980's. UCR Development is led by its two principals, Don Bouvier and Greg McGahey, who have combined commercial development experience of over 50 years, in more than 30 states. UCR Development, Kirksey Architecture, and Team North Texas Construction are partnering to redevelop the Miramar under the leadership of UCR. Kirksey Architecture is a Houston, Austin, and Dallas-based full-service architectural firm that specializes in sustainable design. Team North Texas (TNT) was formed in 2000 and has become among the best in its class for midsize interior commercial construction in the DFW region.

CBRE will provide project management services for the project and serve as the owner's representative. CBRE is the global leader in commercial real estate services with corporate headquarters based in Dallas, Texas. CBRE project management is comprised of 10,000+ professionals with extensive experience in managing construction and development. Mark Glover, Senior Project Manager for CBRE, has over 30 years of experience in commercial construction and development and will manage the project for the City. The anticipated sources and uses are as follows:

<b>Proposed Sources</b>	<b>Amount</b>
American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds	\$3,612,358.00
Homeless Assistance (J) Fund - 2017 General Obligation Bond Fund	\$2,345,273.00
<b>Total</b>	<b>\$5,957,631.00</b>

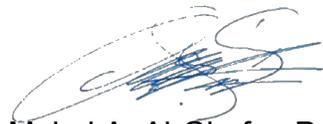
<b>Proposed Uses</b>	<b>Costs</b>
Design, Architectural and Engineering Fees	\$ 192,000.00
Hard Construction Costs	\$4,830,631.00
Permitting Fees	\$ 85,000.00
Developer Fee	\$ 250,000.00
Owner Contingency	\$ 600,000.00
<b>Total</b>	<b>\$5,957,631.00</b>

The final negotiated price with Developer is \$5,957,631.00 which includes a \$600,000.00 owner contingency fee. ARPA will be utilized as a source of funding for the project in the amount of \$3,612,358.00 and a potential reimbursement from Dallas County in the amount of \$2,500,000.00. Additionally, Homeless Assistance (J) Fund - 2017 General Obligation Bond funds have been allocated to this project in the amount of \$2,345,273.00.

DATE March 17, 2023  
SUBJECT **Upcoming Agenda Item: Design and Redevelopment of former Miramar Hotel  
located at 1950 Fort Worth Avenue**  
PAGE **4 of 4**

After the redevelopment is complete, the former Miramar Hotel will be transformed into transitional and homeless solution housing for single individuals experiencing homelessness. The project will include all new systems for electrical, plumbing, air-conditioning, flooring, windows, doors, roof, and much more. The facility will have 40 suites equipped with kitchens and full bathrooms. Additionally, there will be five office spaces for management and two community rooms and common areas for the residents. Other amenities will include laundry, utility, and storage rooms along with a basement area.

Should you have any questions or require any additional information, please contact me or David Noguera, Director, Department of Housing & Neighborhood Revitalization at [David.Noguera@Dallas.gov](mailto:David.Noguera@Dallas.gov) or 214-670-3619.



**Majed A. Al-Ghafry, P.E.**  
**Assistant City Manager**

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
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Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

# Memorandum



CITY OF DALLAS

DATE March 17, 2023

Honorable Members of the City Council Housing and Homelessness Solutions  
TO Committee: Casey Thomas II (Chair), Jesse Moreno (Vice Chair), Carolyn King Arnold,  
Paula Blackmon, Cara Mendelsohn, Paul Ridley, Jaynie Schultz

SUBJECT **Upcoming Agenda Item: NOFA Development Project – The Park at Northpoint**

This memorandum is to inform the Housing and Homelessness Solutions Committee (HHSC) of an upcoming agenda item on April 12, 2023 to authorize **(1)** a development loan agreement and security documents with the City of Dallas Public Facility Corporation (DPFC), or an affiliate thereof in an amount not to exceed \$10,000,000.00 in Community Development Block Grant (CDBG) funds to acquire and own the development of a mixed-income affordable multifamily complex known as The Park at Northpoint (Project), located at 9999 Technology Boulevard West, Dallas, Texas (Property); and **(2)** the DPFC to enter into a 75-year ground lease with LDG The Park at Northpoint, LP (Developer) and/or its affiliate, for the development of Project pursuant to 24 CFR 570.204(a) and (b) – Not to exceed \$10,000,000.00 in Community Development Block Grant Funds.

## **BACKGROUND**

LDG The Park at Northpoint, LP and/or its affiliate (Applicant) submitted a Proposal under the City's Notice of Funding Availability (NOFA), issued on August 7, 2020, as amended, to receive gap financing in the form of a cashflow loan to support the acquisition and development of affordable housing units within the City limits. The NOFA was issued by the Department of Housing & Neighborhood Revitalization (Housing) in accordance with the City's Comprehensive Housing Policy (CHP).

Housing administers programs to appropriately incentivize private investment for the development of quality, sustainable housing that is affordable to the residents of the City. Specifically, Housing administers the New Construction and Substantial Rehabilitation Program which where necessary seeks to provide financial assistance to new developments or substantially rehabilitate existing developments. All projects seeking financial assistance are required to submit a Notice of Intent to apply for financial assistance through NOFA to develop affordable homeownership and rental housing. As outlined in the NOFA, multiple sources of funding are available. However, proposed projects must meet specific thresholds to qualify for the use of a specific funding source. At minimum, each proposed project must be composed of at least five affordable units and must achieve a fundable score as outlined in the NOFA solicitation. The applicant received a fundable score of 99 points out of 143.

The DPFC or its affiliate will acquire the site at 9999 Technology Boulevard West and subsequently enter into a 75-year ground lease with the Developer using CDBG funds.

The Project is a two-phase 615-unit mixed-income Class A workforce development located on fifteen acres in northwest Dallas approximately fifteen minutes from downtown. The proposed development will be constructed as garden style apartments with affordable and market rate units. A total of 339 units will be included in phase one comprised of 151 1-bedroom/1-bathroom, 154 2-bedroom/2-bathroom, and 34 3-bedroom/2-bathroom units. The second phase will include a total of 276 units comprised of 125 1-bedroom/1-bathroom, 121 2-bedroom/2-bathroom, and 30 3-bedroom/2-bathroom units. Units will be set aside for residents with disabilities and special needs. The units will include energy efficient appliances, washer/dryer hookups, covered entries/patios, other Class A features, and provide ADA accessibility. The Project will also include controlled gate access, a multipurpose community room, swimming pool, fitness center, theater room, children’s playscape, full perimeter fencing, a gazebo area, picnic areas with grills, and landscaped walking paths. The Applicant will contract with Portfolio Resident Services, LLC (PRS) to provide residential services. All residents will have free, non-compulsory access to the Good Neighbor Program offered by PRS.

Applicant will work with the Office of Integrated Public Safety Solutions throughout the planning and design process for security input, community activities, and incorporate best practices of Crime Prevention Through Environmental Design. Additionally, the Applicant will provide modern security features to include a full camera system, controlled access, a community crime watch program, and participation in National Night Out to ensure a safe living environment for all residents and staff.

The proposed development is located minutes away from DART bus stops, Walmart Supercenter, Sam’s Club, Village at Bachman Lake, Las Colinas Plaza, and the Texas Health Family Care facility as well as William P. Clements Jr. Hospital. The proposed development provides residents with access to a variety of amenities and the location is within minutes of downtown Dallas employment centers.

The phase one unit mix and rents are as follows:

Unit Type	AMI	Units	Rents
1BR	60.00%	15	\$1,030.00
1BR	80.00%	60	\$1,300.00
1BR	Market	76	\$1,385.00
2BR	60.00%	15	\$1,239.00
2BR	80.00%	64	\$1,678.00
2BR	Market	75	\$1,950.00
3BR	60.00%	4	\$1,436.00
3BR	80.00%	15	\$1,943.00
3BR	Market	15	\$2,650.00

The phase two unit mix and rents are as follows:

Unit Type	AMI	Units	Rents
1BR	60.00%	15	\$1,030.00
1BR	80.00%	48	\$1,300.00
1BR	Market	62	\$1,385.00
2BR	60.00%	10	\$1,239.00
2BR	80.00%	52	\$1,678.00
2BR	Market	59	\$1,950.00
3BR	60.00%	4	\$1,436.00
3BR	80.00%	12	\$1,943.00
3BR	Market	14	\$2,650.00

The general partner of the Applicant will be LDG The Park at Northpoint GP, LLC, a to be formed single asset entity with Texas Bluegrass, LLC, a Texas limited liability company as 100% owner. An amended and restated agreement of limited partnership will be executed to admit an equity investor once identified. LDG Multifamily, LLC (LDG), or its affiliate, will serve as the developer and LDG Athena Capital, LLC, will serve as guarantor of the project. The Applicant has successfully completed over 77 multifamily properties totaling 13,673 units and is currently developing one other workforce housing development in partnership with the City and the DPFC totaling 300 units. The proposed property manager is Solidago Residential Services. Solidago is a professional management company based in Austin, Texas that currently manages 6,600 multifamily units including over 6,300 affordable units.

The Applicant proposes to provide on-site resident services including:

1. 12 hours per week of after school tutoring;
2. 4 hours per week of adult financial literacy courses;
3. Food pantry;
4. Annual health fair and flu shots;
5. Notary services;
6. Arts and crafts programming twice a month;
7. Organized social gatherings twice a month; and
8. Weekly chore and preventative maintenance for elderly and disabled residents.

Total development costs are anticipated to be approximately \$104,458,959.00 for phase one which includes the acquisition price for the land and \$72,782,091.00 for phase two. The phase one construction budget is anticipated to be approximately \$77,684,264.00 which is \$229,688.09 per unit, and the phase two construction budget is \$60,109,046.00 which is \$217,786.40 per unit.

<b>Phase One Proposed Financing Sources</b>	<b>Amount</b>
Construction Loan Financing	\$ 59,768,000.00
Investor Equity	\$ 34,690,959.00
City of Dallas CDBG Loan	\$ 10,000,000.00
<b>Total</b>	<b>\$104,458,959.00</b>

<b>Phase One Proposed Uses</b>	<b>Costs</b>
Acquisition	\$ 10,000,000.00
Total Construction Costs	\$ 80,195,264.00
Financing Fees, Soft Costs	\$ 11,129,695.00
Developer Fee	\$ 3,134,000.00
<b>Total</b>	<b>\$104,458,959.00</b>

<b>Phase Two Proposed Financing Sources</b>	<b>Amount</b>
Construction Loan Financing	\$47,292,000.00
Investor Equity	\$25,490,091.00
<b>Total</b>	<b>\$72,782,091.00</b>

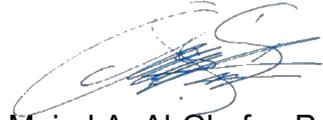
<b>Phase Two Proposed Uses</b>	<b>Costs</b>
Total Construction Costs	\$62,140,046.00
Financing Fees, Soft Costs	\$ 8,459,045.00
Developer Fee	\$ 2,183,000.00
<b>Total</b>	<b>\$72,782,091.00</b>

After the phase one development is complete, 173 of the 339 units will be made available to households earning 0.00%-80.00% of Area Median Income (AMI) and affordable for a minimum of 20 years, and 166 of the 339 units will not be income restricted. After the phase two development is complete, 141 of the 276 units will be made available to households earning 0.00%-80.00% of Area Median Income (AMI) and affordable for a minimum of 20 years, and 135 of the 276 units will not be income restricted.

The Development is under review by the Office of Equity and Inclusion Fair Housing Division to determine if affirmatively furthers fair housing. Staff recommends approval of this item as it furthers the mixed-income housing goals of the CHP, meets the threshold requirements of the NOFA, and the financial gap has been confirmed by third-party underwriting.

DATE March 17, 2023  
SUBJECT **Upcoming Agenda Item: NOFA Development Project – The Park at Northpoint**  
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Should you have any questions or require any additional information, please contact me or David Noguera, Director, Department of Housing & Neighborhood Revitalization at [David.Noguera@Dallas.gov](mailto:David.Noguera@Dallas.gov) or 214-670-3619.



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Assistant City Manager

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# Memorandum



CITY OF DALLAS

DATE March 17, 2023

Honorable members of the Housing and Homelessness Solutions Committee: Casey Thomas (Chair), Jesse Moreno (Vice Chair), Carolyn King Arnold, Paula Blackmon, Cara Mendelsohn, Paul Ridley, Jaynie Schultz

**Upcoming Agenda Item: Approval of a Resolution Authorizing the Dallas Housing Finance DHFC to Issue Tax-Exempt Essential Function Bonds to Finance, Acquire, and Own Fitzhugh Urban Flats, An Existing Multifamily Property Located at 2707 N Fitzhugh Avenue**

This memorandum is to inform the Housing and Homelessness Solutions Committee of an upcoming agenda item on April 26, 2023 to authorize the Dallas Housing Finance Corporation (DHFC) to issue tax-exempt essential function bonds to finance, acquire, and own Fitzhugh Urban Flats, a 452-unit multifamily development located at 2707 N Fitzhugh Avenue (Project). The DHFC Board of Directors approved a term sheet with Opportunity Housing Group, Inc. (Applicant), and staff recommends City Council approval of this item.

## **Background**

Opportunity Housing Group, Inc. (Applicant), submitted an application to the Dallas Housing Finance Corporation (DHFC or Corporation) to acquire, develop, and own Fitzhugh Urban Flats, a 452-unit multifamily development, located at 2707 N Fitzhugh Avenue (Project). The Corporation will own the site and improvements while contracting with the Applicant who will act as the Project Administrator. Pursuant to the Texas Housing Finance Corporation Act, Chapter 394 of the Texas Local Government Code (Act), a Housing Finance Corporation 1) may issue bonds to acquire affordable housing and 2) any residential property owned by a Housing Finance Corporation is exempt from all ad valorem taxes. As with all bonds issued by the Corporation, they are non-recourse to both the City and the Corporation. They are not liabilities of the City and are repaid solely through the revenues of the Project.

The Project is currently market rate/non-income restricted. However, upon acquisition by the Corporation, at least 50% of the units will be reserved for residents earning below 80.00% Area Median Income (AMI), 40% of the units will be reserved for residents earning between 80.00%-140.00% area medium income (AMI), and 10% of the units will be market rate.

The owner of the project will be Fitzhugh Urban Flats, LLC, a limited liability company having the Corporation as its sole owner. Opportunity Housing Group, Inc., a corporation authorized to do business in Texas, is a real estate development firm that specializes in mixed-income and workforce multifamily projects throughout the country. Applicant's principals have acquired over 7,700 apartments and developed an additional 7,750 apartments using the proposed public bond financing structure as well as other programs.

DATE March 17, 2023

SUBJECT **Upcoming Agenda Item: Approval of a Resolution Authorizing the Dallas Housing Finance DHFC to Issue Tax-Exempt Essential Function Bonds to Finance, Acquire, and Own Fitzhugh Urban Flats, An Existing Multifamily Property Located at 2707 N Fitzhugh Avenue**

PAGE **2 of 4**

The Project consists of 452 residential units. The unit mix includes 78 studio units, 269 1-bedroom units, and 105 2-bedroom units. The units include energy efficient appliances, granite countertops, in-unit washer/dryers, and other Class-A features. The Property also includes a swimming pool with outdoor fire pit and grilling area, fitness center, business and conference rooms, dog park, electric vehicle charging stations, and a common area lounge. The Project does not require a zoning change because it is already existing and in operation. The Project is currently 94.00% occupied.

Upon acquisition, the unit mix and rental rates will be the lesser of the Texas Department of Housing and Community Affairs (TDHCA) published income restricted rents or market rents:

Unit Type	AMI	Units	Rent
1BR	80.00%	133	\$1,460.00
1BR	140.00%	108	\$1,709.00
1BR	Market	28	\$1,709.00
2BR	80.00%	53	\$1,753.00
2BR	140.00%	43	\$2,308.00
2BR	Market	9	\$2,308.00
Studio	80.00%	40	\$1,354.00
Studio	140.00%	30	\$1,527.00
Studio	Market	8	\$1,527.00

All income qualifying residents that are currently paying more than the TDHCA income restricted rents will see their rents lowered to that amount instead of being increased to market rents. This represents annual average rent savings of \$390.00/month or \$4,684.00/annually for residents earning less than 80.00% AMI compared to current market rents across all unit types. The rents for individuals and families earning less than 80.00% AMI are meant to provide housing to the “missing middle” of the market: residents that earn above low-income housing tax credit income restrictions of 60.00% AMI but would be cost burdened by market rents. These incomes range from approximately \$54,560.00 to \$77,900.00 in the City based on family size and represent a wide variety of employment sectors including, but not limited to, teachers, first responders, government employees, health care providers, etc. The rents for 81.00% to 140.00% AMI restricted units would function like market rate units but are included to satisfy the income requirements of the Act. The market rents are anticipated to grow much faster than the income restricted rents over the next 15 years resulting in exponential rental savings to residents earning less than 80.00% AMI. Total rental savings are estimated to be roughly \$40,362,043.00 over 15 years.

Total bond issuance is anticipated to be approximately \$160,305,000.00. The financing will be funded 100.00% by tax-exempt essential function bonds which will be issued by the Corporation. The bond issue premium of \$3,016,871.00 is deducted from the initial issue amount which will leave \$157,288,129.00 in bond proceeds to cover the acquisition costs of the transaction.

DATE March 17, 2023

SUBJECT **Upcoming Agenda Item: Approval of a Resolution Authorizing the Dallas Housing Finance DHFC to Issue Tax-Exempt Essential Function Bonds to Finance, Acquire, and Own Fitzhugh Urban Flats, An Existing Multifamily Property Located at 2707 N Fitzhugh Avenue**

PAGE **3 of 4**

<b>Proposed Financing Sources</b>	<b>Amount</b>
Series A Bonds	\$117,965,000.00
Series B Bonds	\$ 42,340,000.00
Original Issue Premium	(\$ 3,016,871.00)
<b>Total</b>	<b>\$157,288,129.00</b>
<b>Proposed Uses</b>	<b>Amount</b>
Deposit to Project Acquisition Account	\$121,235,442.00
Deposit to Capitalized Interest Account	\$ 9,323,388.00
Deposit to Capital Reserve Fund	\$ 4,570,000.00
Deposit to Operating Reserve Fund	\$ 1,262,002.00
Deposit to Coverage Reserve Fund	\$ 1,864,678.00
Deposit to Administration and Authority Reserve Fund	\$ 2,750,000.00
Deposit to Senior Debt Service Reserve Fund	\$ 9,323,388.00
Deposit to Operating Account	\$ 420,667.00
Initial Payment to Project Administrator	\$ 2,000,000.00
Costs of Issuance	\$ 4,530,237.00
Contingency (Rounding Amount)	\$ 8,327.00
<b>Total</b>	<b>\$157,288,129.00</b>

The Project will be owned by the Corporation outright, with the option to sell or refinance the Project beginning at year 15. Following the retirement of the bonds, the Corporation will own the asset free and clear. All excess cash flow will go toward the retirement of the bonds, further strengthening the financial position of the property and increasing the equity of the Corporation in the project. Applicant will act as the Project Administrator to negotiate the Purchase Sale Agreement, provide the required deposit, assemble third party reports, and take on the risks of performing all the front-end “sponsorship” functions. Following the closing, the Project Administrator will work with the property manager in the administration of the Project, oversight of affordability compliance, operational management and in providing of information on Project performance to bond holders on behalf of the Corporation. As Project Administrator, Applicant will receive a \$2 million fee paid at closing as well as \$500.00/unit per year annually for the administration of the project. Applicant will also receive subordinate bond proceeds of \$5 million after the bonds are retired at some point between years 15 to 35. This will act as compensation to Applicant in consideration for the long-term administration and careful management of the property over the course of operations.

In consideration for the Corporation’s participation in the Project, the Corporation will receive an annual asset management fee of 0.50% of effective gross income. The Corporation will also receive 100.00% of net proceeds from the sale of the asset, which is conservatively estimated to be at least \$87 million in year 15 and \$455 million if it is held until year 35. These revenues generated for the Corporation will be used to fund operations and the provision of additional affordable and workforce housing throughout the city. Other cities that have utilized this essential use bond structure to provide workforce housing have planned to refinance the debt in year 15 to provide deeper affordability at the properties (30.00%, 50.00%, and 60.00% AMI units).

DATE March 17, 2023

SUBJECT **Upcoming Agenda Item: Approval of a Resolution Authorizing the Dallas Housing Finance DHFC to Issue Tax-Exempt Essential Function Bonds to Finance, Acquire, and Own Fitzhugh Urban Flats, An Existing Multifamily Property Located at 2707 N Fitzhugh Avenue**

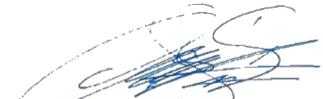
PAGE **4 of 4**

This proposed Corporation acquisition results in foregone tax revenues for the City until the project is sold and income restrictions are removed. The 2022 City tax for this property is \$632,438.00 and the 15-year estimate of foregone taxes is \$11,762,667.00. However, the workforce housing rental savings and the value of the property provides the City with benefits that outweigh the foregone revenue. This acquisition and financial structure also allow the City to immediately own and provide mixed-income housing in a high opportunity area nears jobs, parks, transportation, retail, and other amenities.

The Corporation's estimated revenues were calculated by the Corporation's partnership Counsel and Financial Advisors. Market rent and sales comps were analyzed to ensure the project costs were reasonable for the market. Corporation financial advisors also confirmed that but for the ad valorem tax exemption and the issuance of tax-exempt bonds, the Project would not be economically feasible with the workforce housing income restrictions.

Staff and the Corporation's Counsel and Financial Advisors have confirmed that this Project would not be feasible but for the Corporation's participation and that the Project furthers the goals of the Comprehensive Housing Policy (CHP). Staff recommends approval of this item as it furthers the goals of the CHP by providing mixed-income housing in a high opportunity area of the City with access to amenities, jobs, and other resources.

Should you have any questions or require any additional information, please contact me or David Noguera, Director, Department of Housing & Neighborhood Revitalization at [David.Noguera@Dallas.gov](mailto:David.Noguera@Dallas.gov) or 214-670-3619.

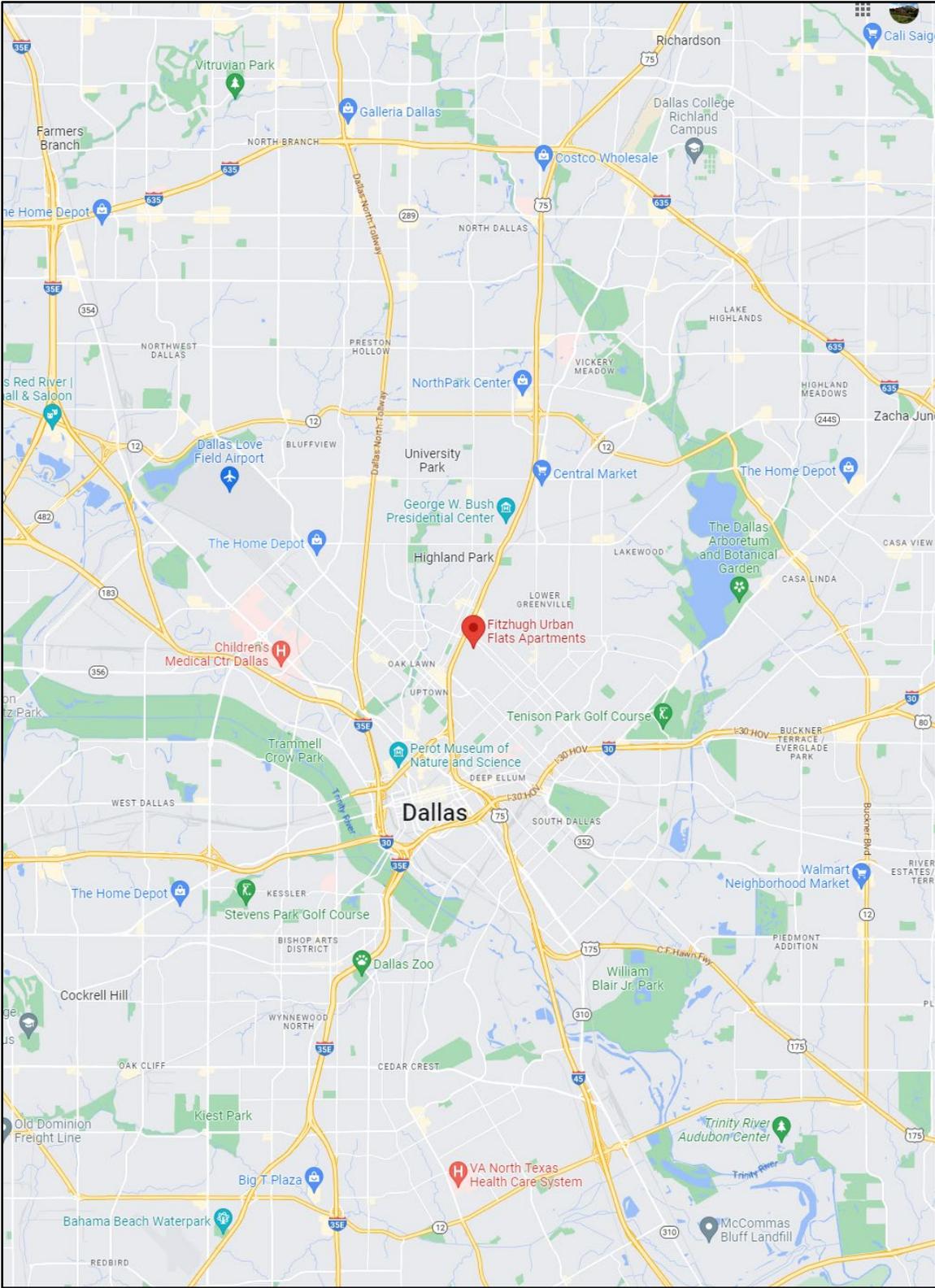


Majed A. Al-Ghafry, P.E.  
Assistant City Manager

**[Attachment: Fitzhugh Urban Flats Map]**

- c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
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# Fitzhugh Urban Flats Map



# Memorandum



CITY OF DALLAS

DATE March 17, 2023

Honorable members of the Housing and Homelessness Solutions Committee: Casey Thomas (Chair), Jesse Moreno (Vice Chair), Carolyn King Arnold, Paula Blackmon, Cara Mendelsohn, Paul Ridley, Jaynie Schultz

**Upcoming Agenda Item: Authorize a Resolution Approving the Dallas Public Facility Corporation's Acquisition, Development, and Ownership of Larkspur Fair Park, to be located at 3525 Ash Lane**

This memorandum is to inform the Housing and Homelessness Solutions Committee of an upcoming agenda item on April 26, 2023, to authorize the Dallas Public Facility Corporation's (DPFC or Corporation) acquisition, development and ownership of Larkspur Fair Park, a 290-unit mixed-income multifamily development to be located at 3525 Ash Lane (Project). To receive a property tax exemption as a public facility, the Texas Public Facility Corporation Act requires a multifamily property reserve at least 50% of the units for residents earning at or below 80% of the Area Median Income (AMI). Larkspur Fair Park will reserve 50% of the units for residents earning less than 80% AMI and the other 50% of the units will be non-income restricted. The Corporation's bylaws require City Council approval of any development that results in a property tax exemption and staff recommends City Council approval of this item.

## **Background**

Fair Park Holdings, LP (Applicant), a Delaware limited liability company, submitted an application to the Dallas Public Facility Corporation (DPFC or Corporation) for the development of Larkspur Fair Park, a 290-unit mixed income multifamily development to be located at 3525 Ash Lane (Project). The Corporation will own the site and improvements and lease the Project back to the Applicant or its affiliate. Pursuant to the Texas Public Facility Corporation Act, Chapter 303 of the Texas Local Government Code, as amended (Act), any public facility owned by a Public Facility Corporation is exempt from all ad valorem taxes. To qualify as a public facility, pursuant to the Act, a multifamily property must reserve at least 50% of the units for residents earning at or below 80% of the Area Median Income (AMI). The Project will reserve 50% of the units for residents earning less than 80% AMI and 50% of the units will be market rate.

The Applicant will be a limited liability company owned by Larkspur Capital. Larkspur Capital is a Texas-based real estate development and construction company that is actively developing a portfolio of multifamily properties. Their current portfolio includes 8 multifamily projects around the Dallas area. In addition to their multifamily ventures, Larkspur is experienced in developing retail, industrial, and office properties as well.

The Project will be constructed as a 6-story midrise product with wrapped garage parking and will include 290 residential units. The unit mix will consist of 108 studio units, 123 1-bedroom units and 59 2-bedroom units. The units will include energy efficient appliances, granite countertops, in-unit washer/dryers, and other Class-A features. The Property will also include a co-working space, dog park, secured access, and 24-hour security. The Market Value Analysis (MVA) market type is uncategorizable as the land is not currently developed with residential uses. The development is well-located near job centers and community amenities. The site is directly adjacent to Fair Park and all the amenities there, a 4-minute walk to the Fair Park DART Station, and is in close proximity to the Baylor Medical Center. Also nearby is an ALDI grocery store and the popular Deep Ellum restaurant and entertainment district. This is a centrally located development that will be well suited to serve the needs of the mixed income tenants it intends to serve.

The Applicant will consult with the Office of Integrated Public Safety Solutions (OIPSS) for security input, community activities, and the Crime Prevention Through Environmental Design (CPTED). The Applicant and OIPSS will continue to work together to ensure the community will be secure and take proactive measures to ensure the safety of the residents that will include security cameras with Dallas Police Department access, individual entry key fobs, lighting, and security access gates/entry points.

The anticipated unit mix and rental rates are as follows:

Unit Type	AMI	Units	Rent
Studio	80%	54	\$1,364.00
Studio	Market	54	\$1,370.00
1BR	80%	62	\$1,462.00
1BR	Market	61	\$1,650.00
2BR	80%	30	\$1,754.00
2BR	Market	29	\$2,100.00

The rents for individuals and families earning between 60% and 80% AMI are meant to provide housing to the “missing middle” of the market: residents that earn above low-income housing tax credit income restrictions of 60% AMI but would be cost burdened by market rents. These incomes range from approximately \$54,560.00 to \$77,900.00 in the City based on family size and represent a wide variety of employment sectors including, but not limited to, teachers, first responders, government employees, health care providers, etc. The rents for individuals and families earning below 60% are included to provide deeper affordability at this property. These incomes range from \$40,920.00 to \$58,440.00 depending on family size.

Total development costs are anticipated to be approximately \$70,278,652.00 which includes the acquisition price for the land. The development budget less soft/financial costs are anticipated to be approximately \$53,819,110.00, which is \$185,583.00 per unit.

<b>Proposed Financing Sources</b>	<b>Amount</b>
Mortgage Loan	\$38,653,259.00
Developer/Investor Equity	\$31,625,393.00
<b>Total</b>	<b>\$70,278,652.00</b>
<b>Proposed Uses</b>	<b>Amount</b>
Development Costs	\$53,819,110.00
Land Acquisition	\$ 6,929,620.00
Soft Costs	\$ 7,029,922.00
Interest Reserve	\$ 2,500,000.00
<b>Total</b>	<b>\$70,278,652.00</b>

The Project will be owned by the Corporation and leased to the Applicant and other potential owners for a period of 75 years. In consideration for the Corporation's participation in the Project, the Corporation is estimated to receive \$6,900,197.15 over the initial 15 years of the lease. Potential proceeds to the DPFC include (1) a \$250,000.00 structuring fee paid at closing; (2) a general contractor fee of \$616,255.70 paid at closing; (3) lease payments starting at \$371,000.00 and increasing by 3% annually upon stabilization; (4) a 15% sales commission after repayment of debt, equity, and preferred equity returns upon first sale of the Project and (5) a 2% sales commission on all future sales. In the event of a sale throughout the life of the Project, the Corporation will continue to receive the annual lease payments. Upon termination of the 75-year lease, the Project will be owned free and clear by the Corporation.

The revenues of the Corporation will be used to fund operations and the provision of additional affordable and workforce housing throughout the City. This proposed development results in foregone tax revenues for the City while the DPFC owns the asset. The 2022 City tax bill for this property is \$19,412.00 and the 15-year estimate of foregone taxes is \$361,038.00. However, the workforce housing rental savings of \$3,695,976.17.00 over 15 years and the estimated \$7,766,452.75 in revenues provides the City with almost \$11,462,428.91 in benefits that outweigh the foregone revenue.

The Corporation's estimated revenues were calculated by the Corporation's partnership counsel and financial advisors. Market rent comps and current construction costs were analyzed to ensure the project costs were reasonable for the market. Corporation financial advisors also confirmed that but for the ad valorem tax exemption, the Project would not be economically feasible and would not attract responsible debt and equity investment in the property. The Corporation's revenue consideration and affordability levels were also analyzed to confirm that the ad valorem tax exemption does not over subsidize the Project.

DATE March 17, 2023

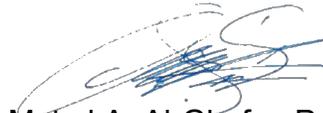
SUBJECT **Upcoming Agenda Item: Authorize a Resolution Approving the Dallas Public Facility Corporation's Acquisition, Development, and Ownership of Larkspur Fair Park, to be located at 3525 Ash Lane**

PAGE **4 of 4**

The City is authorized by the Act to create a public facility corporation for the purposes established in the Act, including the financing, acquisition, construction, and leasing of public facilities under the Act. On June 24, 2020, City Council authorized the creation of the Corporation to further the public purposes stated in the Corporation's articles of incorporation and bylaws pursuant to the Act by Resolution No. 20-1035. Section 6.2 of the Corporation's bylaws requires City Council approval by written resolution prior to entering into any agreement that would result in a property tax exemption. Per Section 7.3 of the Corporation's bylaws, any Public Facility related to multifamily residential development of the Corporation shall not proceed unless (1) the development of the Public Facility could not be feasible but for the Corporation's participation, and (2) the development of the Public Facility is in furtherance of the City of Dallas's Comprehensive Housing Policy (CHP), as amended.

Staff and the Corporation's Counsel and Financial Advisors have confirmed that this Project would not be feasible but for the Corporation's participation and that the Project furthers the goals of the CHP. Staff recommend approval of this item to allow this mixed-income housing development to move forward.

Should you have any questions or require any additional information, please contact me or David Noguera, Director, Department of Housing & Neighborhood Revitalization at [David.Noguera@Dallas.gov](mailto:David.Noguera@Dallas.gov) or 214-670-3619.



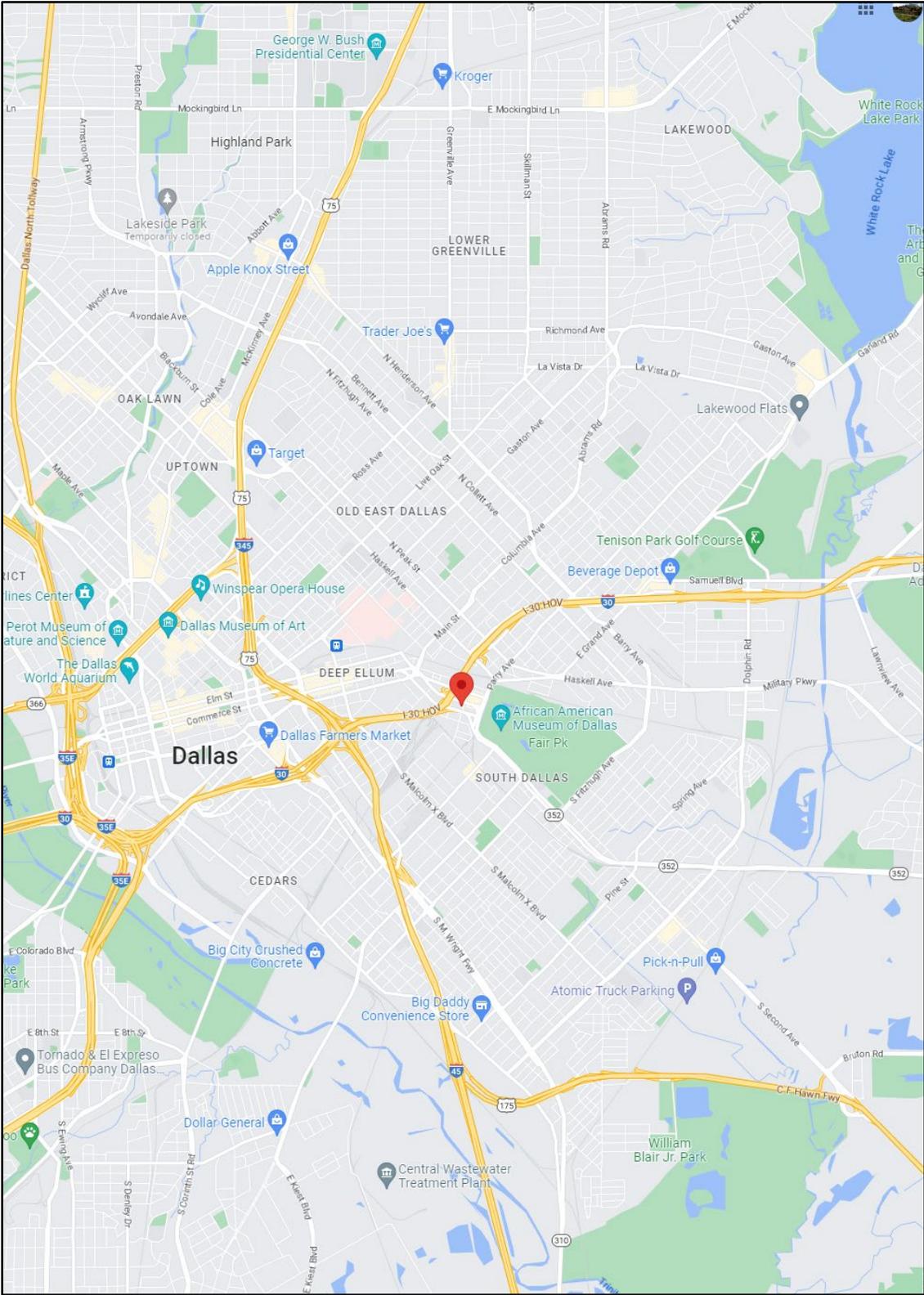
Majed A. Al-Ghafry, P.E.  
Assistant City Manager

**[Attachment: Larkspur Fair Park Map]**

c: T.C. Broadnax, City Manager  
Tammy Palomino, City Attorney  
Mark Swann, City Auditor  
Billierae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Deputy City Manager  
Jon Fortune, Deputy City Manager

M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Dr. Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Jack Ireland, Chief Financial Officer  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

# Larkspur Fair Park Map



# Memorandum



CITY OF DALLAS

DATE March 17, 2023

Honorable Members of the City Council Housing and Homelessness Solutions  
TO Committee: Casey Thomas II (Chair), Jesse Moreno (Vice Chair), Carolyn King Arnold,  
Paula Blackmon, Cara Mendelsohn, Paul Ridley, Jaynie Schultz

SUBJECT **Department of Housing Performance Measure Update**

The three attached reports contain information to track the performance, progress, and status of ongoing and completed projects in fiscal year 2022-23. The reports consist of development projects approved by City Council, under construction, or complete; home buyer assistance projects that are prequalified or closed; and home repairs that are in the predevelopment phase, under construction, or have been completed. This report will be provided to the Housing and Homelessness Solutions Committee every month.

Should you have any questions or require any additional information, please contact David Noguera, Director, Department of Housing & Neighborhood Revitalization at [david.noguera@dallas.gov](mailto:david.noguera@dallas.gov) or 214-670-3619.

A handwritten signature in blue ink, appearing to read 'Majed A. Al-Ghafry'.

Majed A. Al-Ghafry, P.E.  
Assistant City Manager

## [Attachments:]

1. Ongoing and Recently Completed Housing Development Projects
2. Ongoing and Recently Completed Homebuyer Assistance
3. Ongoing and Recently Completed Home Repair Projects
4. Income and Expenses for MIHDB and Corporations

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Billerae Johnson, City Secretary  
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Project	Council District	Developer	City Involvement	Financial Structure	Property Address	Development Cost	Reserved Units	Market Units	Total # of Units
Land Bank Program	7	Builders of Hope	DHADC	Private	3425 Pondrom Street	\$180,000	1	0	1
Land Bank Program	7	Builders of Hope	DHADC	Private	4317 Canal Street	\$215,000	1	0	1
Land Bank Program	7	Focis Holdings	DHADC	Private	3603 Penelope	\$160,000	1	0	1
Land Bank Program	7	Focis Holdings	DHADC	Private	4806 Silver Avenue	\$185,000	1	0	1
Land Bank Program	7	Focis Holdings	DHADC	Private	3810 Spence Street	\$215,000	1	0	1
Land Bank Program	4	PAD Enterprises	DHADC	Private	1514 E. Ann Arbor	\$220,000	1	0	1
Land Bank Program	7	Confia Homes	DHADC	Private	2700 Birmingham Avenue	\$205,000	1	0	1
Land Transfer Program	4	Black Island	HOU, PW	Private	2928 Eagle Drive	\$180,000	1	0	1
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	4503 Electra Street	\$184,500	1	0	1
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	2818 Le Clerc Avenue	\$184,500	1	0	1
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	4712 Baldwin	\$184,500	1	0	1
Land Transfer Program	7	CTE Homes	HOU, PW	Private	4631 Silver Ave	\$160,000	1	0	1
Land Transfer Program	7	CTE Homes	HOU, PW	Private	3411 Detonte Street	\$160,000	1	0	1
Land Transfer Program	7	CTE Homes	HOU, PW	Private	3315 Detonte Street	\$145,000	1	0	1
Land Transfer Program	7	CTE Homes	HOU, PW	Private	3435 Beall Street	\$160,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	4230 Carl Street	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2807 Farragut Street	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2223 Garden Drive	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	4226 Canal Street	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	4235 Canal Street	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	4319 Elsie Faye Heggins Street	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	3635 Pine Street	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	3642 Pine Street	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2850 Farragut Street	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2727 Maurine F Bailey Way	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2303 Starks Avenue	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	4233 Canal Street	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2719 Frazier Street	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	4335 Spring Avenue	\$225,000	1	0	1
The Briscoe	11	OHG	DHFC	Acquisition	12639 Coit Rd	\$99,443,740	288	34	322
The Dylan	2	AMCAL	DHFC	Acquisition	4533 Cedar Springs Rd	\$42,500,000	63	62	125
2400 Bryan	14	Matthews Southwest	DHFC, HOU, OED	9% Tax Credit	2400 Bryan Street	\$77,746,799	111	106	217
Darby-Knox District	14	Alliance Residential Company	MIHDB	On Site Affordable Units	4444 Cole Ave	NA	34	299	333
Midpark Towers (Rehab)	11	Elizabeth Property Group	DHFC	4% Tax Credit	8550 Midpark Road	\$29,255,004	202	0	202
						<b>\$254,834,043</b>	<b>727</b>	<b>501</b>	<b>1228</b>
Lincoln Katy Trail	14	Lincoln Property	MIHDB	Fee In Lieu	3255 Carlisle St	NA	0	300	300
Saint Michael's and All Angels mixed use	13	Episcopal Diocese	MIHDB	Private	8111 Douglas	NA	NA	NA	NA
Doverhouse at White Rock	9		MIHDB	On Site Affordable Units	9343 Garland Road BU1 & BU2	NA	11	208	219
Pegasus Ablon Project	2	Pegasus Ablon	MIHDB	On Site Affordable Units	3000 Throckmorton	NA	13	238	251
4514 Bryan	2	AN Properties	MIHDB	Fee In Lieu	4514 Bryan Street	NA	0	22	22
Kiva East	2	Saigebrook	ROS, CRP, MIHDB	9% Tax Credit/MIHDB	4724 East Side Ave.	\$21,587,420	71	16	87
Pearl Lofts	2	1100 Pearl Street, Inc.	OED (TIF)		2100 Jan Pruit	\$33,200,000	30	70	100
Estates at Shiloh (Senior)	9	Generation Housing	DHFC, HOU	4% Tax Credit	2649 Centerville Road	\$40,781,976	239	25	264
Standard at Royal	6	LDG Development	DPFC	Conventional MF	2737 Royal Lane	\$69,245,305	150	150	300
Mountain Creek Apartments	3	NRP Group	DPFC	Conventional MF	NWC of I-20 & TX-480	\$59,246,341	162	162	324
Oakhouse at Colorado	1	Mintwood Real Estate	DPFC	Conventional MF	900 E. Colorado Blvd.	\$48,230,230	113	102	215
Terrace at Southern Oaks	4	LDG Development	DHFC/RONO, MIHDB	Conventional MF	3300 Southern Oaks Blvd.	\$60,538,517	151	149	300
Ridgecrest Terrace Apartments (Rehab)	3	Steele Properties	DHFC	4% Tax Credit	526 S. Walton Walker Blvd.	\$57,361,222	250	0	250
HighPoint at Wynnewood	1	MVAH Partners	DHFC/RONO	4% Tax Credit	1911 Pratt Street	\$46,845,856	220	0	220
The Ridge at Lancaster	8	LDG Development	DHFC, MIHDB	4% Tax Credit	5995 Crouch Road	\$59,560,307	270	30	300
Gateway Oak Cliff	1	St. Margaret, Inc.	DHFC, MIHDB, OED	4% Tax Credit	400 S. Beckley	\$47,131,511	184	46	230
Dallas Stemmons Apartments	6	Palladium	ROS	9% Tax Credit	11070 N. Stemmons Freeway	\$20,020,169	87	0	87
Juliette Fowler Residences	2	Juliette Fowler Communities	ROS	9% Tax Credit	South Fulton Str and Eastside Ave	\$23,483,750	144	0	144
Villas @ Western Heights	6	MREC Companies	ROS, CRP, OED	9% Tax Credit	1515 Fort Worth Avenue	\$32,888,449	104	26	130
The Oaks	1	DHA/VOA	RONO, HOU	4% Tax Credit	630 S. Llewellyn Ave	\$44,053,609	243	17	260
Meadowbrook Apartments	8	LDG Development	DHFC/RONO, MIHDB	4% Tax Credit	15251 Seagoville Road	\$42,195,523	162	18	180
Westmoreland Station	3	Generation Housing	DHFC, HOU	4% Tax Credit	2700 S. Westmoreland Road	\$51,561,000	223	25	248
West Dallas - Scattered Sites	6	Builders of Hope	NOFA	Single Family	Scattered Sites	\$3,879,663	20	0	20
Cedar Crest	4	Confia Homes	NOFA	Single Family	Scattered Sites	\$3,600,000	19	0	19
Five Mile	8	Notre Dame Place Inc	NOFA	Single Family	Scattered Sites	\$20,965,000	86	0	86
Jeffries Meyers #1/ #3	7	Dallas Housing Foundation	NOFA	Single Family	Scattered Sites	\$6,367,368	34	0	34
Jeffries Meyers #2	7	Texas Community Builders	NOFA	Single Family	Scattered Sites	\$2,380,852	11	0	11
The Bottoms - Golden S.E.E.D.S	4	Golden S.E.E.D.S	NOFA	Single Family	Scattered Sites	\$4,821,423	22	0	22
Ideal/Joppa	7	Dallas Habitat for Humanity	NOFA	Single Family	Scattered Sites	\$7,129,217	33	0	33
The Alton (fka Lenox Oak Lawn)	2	Oden Hughes	MIHDB	On Site Affordable Units	2929 Oak Lawn	NA	12	273	285
Capitol Flats	2	Larkspur Capital	MIHDB	On Site Affordable Units	5215 Capitol	NA	3	57	60
5050 Keeneland Project	3	AHS Residential	MIHDB	On Site Affordable Units	5050 Keeneland Pkwy	NA	17	319	336
Enclave Frankford	12	Integrated Real Estate Group	MIHDB	On Site Affordable Units	3301 Pres George Bush Tpk	NA	27	353	380
Moderia Trinity	6	Mill Creek	MIHDB	On Site Affordable Units	2350 N Beckley Ave	NA	10	194	204
Alexan Arts III	2	Trammell Crow Residential	MIHDB	On Site Affordable Units	5088 Ross & 1601 N Henderson	NA	46	340	386
Fairfield Manderville	13	Fairfield	MIHDB	On Site Affordable Units	7735 & 7777 Manderville	NA	36	439	475
Maple Highline I	2	Urban Genesis	MIHDB	On Site Affordable Units	5907 Maple Ave	NA	3	56	59
The Lyle	12	Toll Brothers	MIHDB	On Site Affordable Units	17727 Addison Rd	NA	17	317	334
Maple/Kimsey II	2	Urban Genesis	MIHDB	On Site Affordable Units	5908 Maple	NA	4	69	73
2811 Maple Ave	14	Crescent	MIHDB	Fee In Lieu	2811 Maple	NA	6	174	180
Elihu Lofts	7	Karrington & Co	MIHDB	On Site Affordable Units	3230 Elihu	NA	0	5	5
Sadler Circle Senior Apartments	2	Resource Center of Dallas	ROS, CRP, OED	9% Tax Credit	5717 Sadler Circle	\$29,423,942	84	0	84
Singleton Villas / Trinity West	6	Greenleaf Ventures (Lennar)	HOU	Single Family	3155 Normandy	\$3,000,000	116	0	116
CityBuild Health Clinic - Land Transfer Program	7	Citybuild CDC	HOU, PW	Private	Carlton Garrett & Cavanaugh Streets	\$2,300,000	0	0	0
Land Bank Program	4	Hedgestone Investments	DHADC	Private	1116 Brock Street	\$195,000	1	0	1
Land Bank Program	4	PAD Enterprises	DHADC	Private	4227 Landrum Avenue	\$190,000	1	0	1
Land Bank Program	6	Builders of Hope	DHADC	Private	2020 Morris Street	\$170,000	1	0	1
Land Bank Program	7	Dallas Area Habitat	DHADC	Private	4744 Burma Road	\$180,000	1	0	1
Land Bank Program	7	Dallas Area Habitat	DHADC	Private	4726 Burma Road	\$180,000	1	0	1

Project	Council District	Developer	City Involvement	Financial Structure	Property Address	Development Cost	Reserved Units	Market Units	Total # of Units
Land Bank Program	7	Dallas Area Habitat	DHADC	Private	4636 Cherbourg Street	\$180,000	1	0	1
Land Bank Program	7	Dallas Area Habitat	DHADC	Private	4538 Cherbourg Street	\$180,000	1	0	1
Land Bank Program	7	Dallas Area Habitat	DHADC	Private	4534 Cherbourg Street	\$180,000	1	0	1
Land Bank Program	7	Dallas Area Habitat	DHADC	Private	4820 Zealand Street	\$180,000	1	0	1
Land Bank Program	7	Dallas Area Habitat	DHADC	Private	7903 Trojan Street	\$180,000	1	0	1
Land Bank Program	7	Confia Homes	DHADC	Private	2711 Rochester Street	\$185,000	1	0	1
Land Bank Program	7	Confia Homes	DHADC	Private	4103 Marshall Drive	\$185,000	1	0	1
Land Bank Program	7	Confia Homes	DHADC	Private	2726 Valentine Street	\$175,000	1	0	1
Land Bank Program	7	Confia Homes	DHADC	Private	2926 Valentine Street	\$175,000	1	0	1
Land Bank Program	7	Focis Holdings	DHADC	Private	4711 Frank Street	\$170,000	1	0	1
Land Bank Program	7	Focis Holdings	DHADC	Private	2538 Starks Avenue	\$170,000	1	0	1
Land Bank Program	7	Open Mindframe Ventures	DHADC	Private	4010 Roberts Avenue	\$180,000	1	0	1
Land Bank Program	7	Focis Holdings	DHADC	Private	3807 Frank Street	\$170,000	1	0	1
Land Bank Program	7	Focis Holdings	DHADC	Private	3707 Spence	\$195,000	1	0	1
Land Bank Program	7	Focis Holdings	DHADC	Private	2633 Macon Street	\$195,000	1	0	1
Land Bank Program	7	Focis Holdings	DHADC	Private	4311 Montie Street	\$195,000	1	0	1
Land Transfer Program	4	Black Island	HOU, PW	Private	2969 Cummings Street	\$180,000	1	0	1
Land Transfer Program	4	Black Island	HOU, PW	Private	4207 Opal Avenue	\$158,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	4338 Marhsall Street	\$180,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	2233 Dyson Street	\$195,000	1	0	1
Land Transfer Program	4	Masa Design Build	HOU, PW	Private	1918 E Overton Road	\$205,000	1	0	1
Land Transfer Program	4	Masa Design Build	HOU, PW	Private	3135 Harlandale Avenue	\$205,000	1	0	1
Land Transfer Program	4	Masa Design Build	HOU, PW	Private	3735 Humphrey Drive	\$205,000	1	0	1
Land Transfer Program	4	Masa Design Build	HOU, PW	Private	3607 Humphrey Drive	\$205,000	1	0	1
Land Transfer Program	4	Masa Design Build	HOU, PW	Private	1530 Fordham Road	\$205,000	1	0	1
Land Transfer Program	4	Masa Design Build	HOU, PW	Private	4611 Bonnie View Road	\$205,000	1	0	1
Land Transfer Program	7	Masa Design Build	HOU, PW	Private	2631 Warren Avenue	\$205,000	1	0	1
Land Transfer Program	7	Masa Design Build	HOU, PW	Private	2424 Birmingham Avenue	\$205,000	1	0	1
Land Transfer Program	4	Hedgestone Investments	HOU, PW	Private	1607 Hudspeth Avenue	\$199,500	1	0	1
Land Transfer Program	4	Hedgestone Investments	HOU, PW	Private	1714 Hudspeth Avenue	\$199,500	1	0	1
Land Transfer Program	4	Hedgestone Investments	HOU, PW	Private	1619 E Overton Road	\$199,500	1	0	1
Land Transfer Program	4	Hedgestone Investments	HOU, PW	Private	1607 E Overton Road	\$199,500	1	0	1
Land Transfer Program	4	Hedgestone Investments	HOU, PW	Private	1502 Marfa Avenue	\$199,500	1	0	1
Land Transfer Program	4	Hedgestone Investments	HOU, PW	Private	1527 Marfa Avenue	\$199,500	1	0	1
Land Transfer Program	4	Hedgestone Investments	HOU, PW	Private	1523 Garza Avenue	\$199,500	1	0	1
Land Transfer Program	4	Hedgestone Investments	HOU, PW	Private	1823 Garza Avenue	\$199,500	1	0	1
Land Transfer Program	4	Hedgestone Investments	HOU, PW	Private	4217 Landrum Avenue	\$199,500	1	0	1
Land Transfer Program	4	Hedgestone Investments	HOU, PW	Private	4221 Landrum Avenue	\$199,500	1	0	1
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	4006 Carpenter Avenue	\$184,500	1	0	1
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	4007 Carpenter Avenue	\$184,500	1	0	1
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	4229 Carpenter Avenue	\$184,500	1	0	1
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	4233 Carpenter Avenue	\$184,500	1	0	1
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	3817 Pine Street	\$184,500	1	0	1
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	2529 Peabody Avenue	\$192,000	1	0	1
Land Transfer Program	7	CTE Homes	HOU, PW	Private	2473 Wells Street	\$160,000	1	0	1
Land Transfer Program	7	CTE Homes	HOU, PW	Private	2517 Wells Street	\$160,000	1	0	1
Land Transfer Program	4	Marcer Construction	HOU, PW	Private	511 N Denley Drive	\$195,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2727 Maurine F Bailey Way	\$195,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2303 Starks Avenue	\$195,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	4233 Canal Street	\$195,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2719 Frazier Street	\$195,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	4335 Spring Avenue	\$195,000	1	0	1
Land Transfer Program	4	Marcer Construction	HOU, PW	Private	612 S Moore Street	\$195,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2819 Troy Street	\$195,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2344 Starks Avenue	\$195,000	1	0	1
Land Transfer Program	4	Marcer Construction	HOU, PW	Private	530 Woodbine Avenue	\$225,000	1	0	1
Land Transfer Program	4	Titan & Associates	HOU, PW	Private	1403 Maywood Avenue	\$215,000	1	0	1
Land Transfer Program	4	Titan & Associates	HOU, PW	Private	2436 Hudspeth Avenue	\$215,000	1	0	1
						<b>\$853,801,150</b>	<b>3,496</b>	<b>4,200</b>	<b>7,696</b>
Standard Shoreline	9	Ojala	DPFC	Conventional MF	10715 Garland Road	\$66,419,868	153	147	300
Ash Creek	7	DevCo	DHFC/RONO	4% Tax Credit	2605 John West Rd	\$54,892,942	280	0	280
Estelle Village	8	Community Preservation Partners	DHFC/RONO	4% Tax Credit	5969 Highland Drive	\$73,453,904	291	0	291
AM Fairmount	14	Alamo Manhattan	MIHDB	On Site Affordable Units	3030 Fairmount	NA	16	304	320
1508 Mockingbird	2	Provident Realty Advisors	DPFC	Conventional MF	1508 W. Mockingbird Lane	\$105,211,255	200	200	400
Bonton Gardens	7	CityBuild	MIHDB	On Site Affordable Units	6106 and 6116 Bexar St	NA	6	30	36
Jaipur Lofts	2	Saigebrook	ROS, MIHDB	9% Tax Credit/MIHDB	2203 N. Fitzhugh & 2102 Annex Ave.	\$22,540,012	71	0	71
Blakely, The	2	Saigebrook	ROS	9% Tax Credit	1607 Carrol Ave. & 1407 Garrett Ave.	\$28,292,888	86	6	92
Cypress Creek at Montfort	11	Sycamore Strategies	ROS	9% Tax Credit	NWC of Montfort & Spring Valley	\$44,655,796	116	52	168
Trove Valor	4	Lavoro Capital	DPFC/1,000UC	Conventional MF	4515 S. Lancaster	\$54,963,000	166	166	332
Patriot Pointe at Markville	10	Generation Housing	ROS, DHFC	9% Tax Credit	9222 Markville Road	\$37,830,292	103	28	131
Skyline at Cedar Crest	4	Brompton CHDO (Houston)	ROS, MIHDB	9% Tax Credit/MIHDB	2720 E. Kiest Blvd.	\$26,597,686	87	22	109
Cypress Creek at Forest Lane	10	Sycamore Strategies	ROS, CRP	9% Tax Credit	11520 N Central Expressway	\$44,904,476	107	93	200
Notre Dame - Bonton Rental	7	Notre Dame Place Inc	NOFA	Single Family	6000 Block of Bexar St.	\$3,406,500	21	13	34
Dolphin Heights	7	EDCO	NOFA	Single Family	Scattered Sites	\$1,039,433	5	0	5
St. Phillips Catalyst	7	St Phillips	NOFA	Single Family	Scattered Sites	\$1,781,815	7	0	7
Armonia Apts	6	Dallas City Homes	NOFA	Conventional MF	3115 Topeka Ave	\$2,857,004	11	4	15
Estates at Ferguson	7	Generation Housing	DHFC	4% Tax Credit	9220 Ferguson Road	\$41,494,000	164	0	164
Rock Island Riverfront	2	Petra Development	DHFC	4% Tax Credit	1027 S. Riverfront Blvd.	\$78,817,000	155	22	177
The Mondello	7	DevCo	DHFC	4% Tax Credit	2000 Highland Rd.	\$39,610,000	150	0	150
The Positano	7	DevCo	DHFC	4% Tax Credit	2519 John West Rd.	\$56,160,000	232	0	232
Rosemont Meadow Lane	7	DevCo	DHFC	4% Tax Credit	4722 Meadow Lane	\$52,065,000	264	0	264
Greenleaf Lake June	5	Greenleaf Ventures	NOFA	Single Family	NEC Lake June & St. Augustine	\$6,317,000	125	0	125
Standard West Commerce	6	Ojala Partners	DPFC	Conventional MF	1400 West Commerce	\$64,763,980	153	147	300
Jefferson University Hills	3	JPI Companies	DPFC	Conventional MF	NW Corner of University Hills and Camp V	\$99,727,000	200	200	400

Project	Council District	Developer	City Involvement	Financial Structure	Property Address	Development Cost	Reserved Units	Market Units	Total # of Units
Bluffview Highline	13	Urban Genesis	DPFC	Conventional MF	3802 W. Northwest Hwy.	\$34,548,047	88	87	175
Singleton Highline	6	Urban Genesis	DPFC	Conventional MF	2901 Borger St	\$32,848,000	88	88	176
Muse at Midtown	11	OHG	DHFC	Acquisition	13675 Noel Road	\$102,559,395	262	27	289
Conor Live Oak	2	Conor Commercial	MIHDB	Fee In Lieu	4931 Live Oak et al	NA	33	294	327
Trammell Crow Knox Street	14	Trammell Crow/High Street Res.	MIHDB	On Site Affordable Units	3311 Knox Ave	NA	0	168	168
Modera Trailhead	2	Mill Creek	MIHDB	On Site Affordable Units	7532 East Grand Ave	NA	26	260	286
Bluffview Apartments	2	X Equity Group	MIHDB	On Site Affordable Units	3527 Bolivar Drive	NA	4	66	70
Fitz 2	2	Slate Properties	MIHDB	On Site Affordable Units	1513 N. Fitzhugh	NA	4	59	63
Crossing at Clear Creek	8	LDG (fka Covenant Funding)	MIHDB/DHFC	On Site Affordable Units	14201 C F Hawn Fwy	NA	14	250	264
Terrace at Highland Hills	8	LDG	MIHDB/DHFC	On Site Affordable Units	3100 Persimmon Rd	NA	15	285	300
Endeavor McKinney/Boll	14	Endeavor RE	MIHDB	On Site Affordable Units	2702 & 2710 McKinney Ave. at Boll St	NA	10	265	275
Legacy at White Rock	7	LDG Development	MIHDB	On Site Affordable Units	2825 & 2845 N Buckner Blvd	NA	108	104	212
The Elms	4	Smart Living Residential, LLC	MIHDB	On Site Affordable Units	1710 Morrell Avenue	NA	8	145	153
Ewing & Morrell	4	Fenton Dallas LLC	MIHDB	On Site Affordable Units	850 S Ewing Ave	NA	2	38	40
2220, 2224, 2228 Mail Ave.	2	Fenton Dallas LLC	MIHDB	On Site Affordable Units	2220, 2224, 22248 Mail Ave.	NA	2	37	39
Mockingbird Station East	14	Trammell Crow/High Street Res.	OED (TIF)		5465 E. Mockingbird	\$117,300,000	86	343	429
One Newpark	2	One Newpark GP, LLC	OED (TIF and PPP)		Akard and Canton	\$379,300,000	54	214	268
University Hills Phase 1 Multifamily	8	I-20 Lancaster Development, LLC	OED (TIF and PPP)		Lancaster Road at Wheatland Road	TBD	50	200	250
University Hills Phase 1 Single Family	8		OED (TIF and PPP)		Lancaster Road at Wheatland Road	TBD	0	540	540
PSW/Fort Worth Avenue	6		MIHDB	On Site Affordable Units	2398 Beaver St.	NA	31	265	291
Trinity West Villas	6	Builders of Hope CDC	NOFA	Conventional MF	3457 Normandy Brook Rd	\$7,279,182	9	27	36
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	3930 Elsie Faye Heggins Street	\$184,500	1	0	1
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	3131 Tuskegee Street	\$184,500	1	0	1
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	2529 Peabody Avenue	\$184,500	1	0	1
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	3331 Spring Avenue	\$184,500	1	0	1
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	4723 Spring Avenue	\$184,500	1	0	1
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	4010 Pine Street	\$184,500	1	0	1
Land Transfer Program	7	Beharry Homes	HOU, PW	Private	2911 Gay Street	\$184,500	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4614 Metropolitan Avenue	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4607 Metropolitan Avenue	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4523 Metropolitan Avenue	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4606 Metropolitan Avenue	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4415 Metropolitan Avenue	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4422 Metropolitan Avenue	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4863 Baldwin Street	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4869 Baldwin Street	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4806 Baldwin Street	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4423 Baldwin Street	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4507 Baldwin Street	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4726 Frank Street	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4531 Frank Street	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4606 Frank Street	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4410 Hamilton Avenue	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4343 Hamilton Avenue	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4211 Hamilton Avenue	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4309 Hamilton Avenue	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4318 Hamilton Avenue	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	3706 Hamilton Avenue	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	2906 Lagow Street	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	2814 Lagow Street	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	2820 Lagow Street	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	2902 Lagow Street	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4346 Jamaica Street	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4406 Jamaica Street	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	4431 Jamaica Street	\$184,000	1	0	1
Land Transfer Program	4	Hedgestone Investments	HOU, PW	Private	1611 Hudspeth Avenue	\$215,000	1	0	1
Land Transfer Program	4	Hedgestone Investments	HOU, PW	Private	4402 Landrum Avenue	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	2908 Pennsylvania Avenue	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	3004 Warren Avenue	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	3021 Warren Avenue	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	2625 Peabody Avenue	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	2627 Peabody Avenue	\$184,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	1423 Rowan Avenue	\$215,000	1	0	1
Land Transfer Program	7	Hedgestone Investments	HOU, PW	Private	1554 Caldwell Avenue	\$184,000	1	0	1
Land Transfer Program	2	Hedgestone Investments	HOU, PW	Private	1423 Caldwell Avenue	\$184,000	1	0	1
Land Transfer Program	2	Hedgestone Investments	HOU, PW	Private	1217 Caldwell Avenue	\$215,000	1	0	1
Land Transfer Program	2	Hedgestone Investments	HOU, PW	Private	1530 Caldwell Avenue	\$184,000	1	0	1
Land Transfer Program	2	Hedgestone Investments	HOU, PW	Private	4415 Rose Street	\$184,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	6220 Canaan Street	\$215,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	2444 Easley Street	\$215,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	4334 Marshall Street	\$215,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	2718 Mitchell Street	\$215,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	4013 Sonny Circle	\$215,000	1	0	1
Land Transfer Program	7	CTE Homes	HOU, PW	Private	2436 Easley Street	\$205,000	1	0	1
Land Transfer Program	7	CTE Homes	HOU, PW	Private	2434 Easley Street	\$205,000	1	0	1
Land Transfer Program	7	CTE Homes	HOU, PW	Private	4822 Owenwood Avenue	\$205,000	1	0	1
Land Transfer Program	7	CTE Homes	HOU, PW	Private	4609 Silver Avenue	\$205,000	1	0	1
Land Transfer Program	4	Marcer Construction	HOU, PW	Private	1502 Hortense Avenue	\$225,000	1	0	1
Land Transfer Program	4	Marcer Construction	HOU, PW	Private	3317 Biglow Drive	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	3802 Pine Street	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2850 Farragut Street	\$194,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2459 Macon Street	\$225,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2455 Macon Street	\$225,000	1	0	1
Land Transfer Program	4	Marcer Construction	HOU, PW	Private	2615 Birdsong Drive	\$225,000	1	0	1
Land Transfer Program	4	Marcer Construction	HOU, PW	Private	1222 Noah Street	\$225,000	1	0	1

Project	Council District	Developer	City Involvement	Financial Structure	Property Address	Development Cost	Reserved Units	Market Units	Total # of Units
Land Transfer Program	4	Marcer Construction	HOU, PW	Private	819 Lambert Street	\$225,000	1	0	1
Land Transfer Program	4	Marcer Construction	HOU, PW	Private	210 Cottonwood Parkway	\$225,000	1	0	1
Land Transfer Program	4	Marcer Construction	HOU, PW	Private	530 Woodbine Avenue	\$225,000	1	0	1
Land Transfer Program	4	Marcer Construction	HOU, PW	Private	511 N Moore Street	\$194,000	1	0	1
Land Transfer Program	4	Marcer Construction	HOU, PW	Private	507 N Moore Street	\$194,000	1	0	1
Land Transfer Program	7	Women That Soar	HOU, PW	Private	6211 Carlton Garrett Street	\$186,500	1	0	1
Land Transfer Program	7	Women That Soar	HOU, PW	Private	6209 Carlton Garrett Street	\$186,500	1	0	1
Land Transfer Program	7	Women That Soar	HOU, PW	Private	2517 Samoa Avenue	\$186,500	1	0	1
Land Transfer Program	7	Women That Soar	HOU, PW	Private	2515 Samoa Avenue	\$186,500	1	0	1
Land Transfer Program	7	Women That Soar	HOU, PW	Private	2519 Samoa Avenue	\$186,500	1	0	1
Land Transfer Program	7	Women That Soar	HOU, PW	Private	2305 Bethurum Avenue	\$214,000	1	0	1
Land Transfer Program	7	Women That Soar	HOU, PW	Private	2316 Dyson Street	\$214,000	1	0	1
Land Transfer Program	7	Women That Soar	HOU, PW	Private	2517 Lowery Street	\$214,000	1	0	1
Land Transfer Program	7	Women That Soar	HOU, PW	Private	2503 Lowery Street	\$214,000	1	0	1
Land Transfer Program	7	Women That Soar	HOU, PW	Private	2510 Lowery Street	\$214,000	1	0	1
Land Transfer Program	4	Confia Homes	HOU, PW	Private	1806 Morrell Avenue	\$244,000	1	0	1
Land Transfer Program	4	Confia Homes	HOU, PW	Private	2722 E Overton Road	\$244,000	1	0	1
Land Transfer Program	4	Confia Homes	HOU, PW	Private	1619 E Woodin Boulevard	\$244,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	5504 Bexar Street	\$244,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	5502 Bexar Street	\$244,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	2604 Brigham Lane	\$244,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	2718 Council Street	\$244,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	2424 Garden Drive	\$184,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	2425 Garden Drive	\$184,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	2615 Hooper Street	\$184,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	2726 Lawrence Street	\$184,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	5006 Linder Avenue	\$244,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	5002 Linder Avenue	\$244,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	2711 Maurine F Bailey Way	\$244,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	7735 Brownsville Avenue	\$244,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	7736 Brownsville Avenue	\$184,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	7721 Brownsville Avenue	\$184,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	4549 Cherbourg Street	\$184,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	4632 Corregidor Street	\$244,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	7944 Hull Avenue	\$184,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	7935 Hull Avenue	\$184,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	4720 Stokes Street	\$184,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	4331 Copeland Avenue	\$184,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	4518 Jamaica Street	\$184,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	4226 York Street	\$184,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	2245 Anderson Street	\$184,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	5814 Carlton Garrett Street	\$184,000	1	0	1
Land Transfer Program	7	Confia Homes	HOU, PW	Private	2732 Keeler Street	\$184,000	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	3331 Beall Street	\$205,000	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	3322 Beall Street	\$205,000	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	3327 Beall Street	\$205,000	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	3310 Detonte Street	\$205,000	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	4714 Dolphin Road	\$215,000	1	0	1
Land Transfer Program	4	Titan & Associates	HOU, PW	Private	1522 E Ann Arbor Avenue	\$215,000	1	0	1
Land Transfer Program	4	Titan & Associates	HOU, PW	Private	1506 Presidio Avenue	\$215,000	1	0	1
Land Transfer Program	4	Titan & Associates	HOU, PW	Private	1403 Maywood Avenue	\$215,000	1	0	1
Land Transfer Program	4	Titan & Associates	HOU, PW	Private	2524 Marjorie Avenue	\$215,000	1	0	1
Land Transfer Program	4	Titan & Associates	HOU, PW	Private	2436 Hudspeth Avenue	\$215,000	1	0	1
Land Transfer Program	4	KH Solutions	HOU, PW	Private	426 Bonnie View Road	\$215,000	1	0	1
Land Transfer Program	4	KH Solutions	HOU, PW	Private	1204 Claude Street	\$215,000	1	0	1
Land Transfer Program	4	KH Solutions	HOU, PW	Private	216 Landis Street	\$215,000	1	0	1
Land Transfer Program	4	KH Solutions	HOU, PW	Private	112 N Cliff Street	\$215,000	1	0	1
Land Transfer Program	4	KH Solutions	HOU, PW	Private	623 Woodbine Avenue	\$215,000	1	0	1
Land Transfer Program	7	KH Solutions	HOU, PW	Private	4210 Copeland Avenue	\$215,000	1	0	1
Land Transfer Program	7	KH Solutions	HOU, PW	Private	4227 Copeland Avenue	\$215,000	1	0	1
Land Transfer Program	7	KH Solutions	HOU, PW	Private	4302 Copeland Avenue	\$206,000	1	0	1
Land Transfer Program	7	KH Solutions	HOU, PW	Private	4302 Marshall Street	\$206,000	1	0	1
Land Transfer Program	7	KH Solutions	HOU, PW	Private	4335 Marshall Street	\$206,000	1	0	1
Land Transfer Program	7	KH Solutions	HOU, PW	Private	4615 Canal Street	\$206,000	1	0	1
Land Transfer Program	7	Affluency Homes	HOU, PW	Private	2453 Starks Ave	\$218,500	1	0	1
Land Transfer Program	7	Affluency Homes	HOU, PW	Private	2412 Starks Ave	\$218,500	1	0	1
Land Transfer Program	7	Affluency Homes	HOU, PW	Private	5012 Marne Street	\$218,500	1	0	1
Land Transfer Program	7	Affluency Homes	HOU, PW	Private	5039 Marne Street	\$218,500	1	0	1
Land Transfer Program	7	Affluency Homes	HOU, PW	Private	2338 Macon Street	\$218,500	1	0	1
Land Transfer Program	7	Affluency Homes	HOU, PW	Private	2510 Hooper Street	\$218,500	1	0	1
Land Transfer Program	7	Affluency Homes	HOU, PW	Private	1916 J B Jackson Jr Blvd	\$218,500	1	0	1
Land Transfer Program	7	Affluency Homes	HOU, PW	Private	3723 Kenilworth Street	\$218,500	1	0	1
Land Transfer Program	7	Affluency Homes	HOU, PW	Private	3504 Roberts Avenue	\$190,500	1	0	1
Land Transfer Program	7	Affluency Homes	HOU, PW	Private	2215 Stoneman Street	\$190,500	1	0	1
Land Transfer Program	7	Affluency Homes	HOU, PW	Private	2643 Tanner Street	\$190,500	1	0	1
Land Transfer Program	7	Affluency Homes	HOU, PW	Private	3814 Atlanta Street	\$190,500	1	0	1
Land Transfer Program	4	Affluency Homes	HOU, PW	Private	1242 E Ohio Ave	\$190,500	1	0	1
Land Transfer Program	4	Affluency Homes	HOU, PW	Private	3723 Opal Avenue	\$190,500	1	0	1
Land Transfer Program	4	Affluency Homes	HOU, PW	Private	4234 Opal Avenue	\$190,500	1	0	1
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	402 Bobbie Street	\$215,000	1	0	1
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	402 Cleaves Street	\$215,000	1	0	1
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	408 Cleaves Street	\$215,000	1	0	1
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	431 Cleave Street	\$215,000	1	0	1
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	438 Cleave Street	\$215,000	1	0	1
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	401 Hart Street	\$215,000	1	0	1

Project	Council District	Developer	City Involvement	Financial Structure	Property Address	Development Cost	Reserved Units	Market Units	Total # of Units
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	411 Hart Street	\$215,000	1	0	1
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	424 N Moore Street	\$215,000	1	0	1
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	501 N Moore Street	\$215,000	1	0	1
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	406 N Moore Street	\$180,000	1	0	1
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	421 N Denley Drive	\$180,000	1	0	1
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	408 Pecan Drive	\$180,000	1	0	1
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	411 Pecan Drive	\$180,000	1	0	1
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	405 Sparks Street	\$180,000	1	0	1
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	441 Sparks Street	\$180,000	1	0	1
Land Transfer Program	4	Covenant Homes	HOU, PW	Private	442 Sparks Street	\$180,000	1	0	1
Land Transfer Program	4	Texas Heavenly Homes	HOU, PW	Private	611 N Denley Drive	\$235,000	1	0	1
Land Transfer Program	4	Texas Heavenly Homes	HOU, PW	Private	607 N Denley Drive	\$235,000	1	0	1
Land Transfer Program	4	Texas Heavenly Homes	HOU, PW	Private	603 N Denley Drive	\$235,000	1	0	1
Land Transfer Program	4	Texas Heavenly Homes	HOU, PW	Private	527 N Denley Drive	\$235,000	1	0	1
Land Transfer Program	4	Texas Heavenly Homes	HOU, PW	Private	505 N Denley Drive	\$172,500	1	0	1
Land Transfer Program	4	Texas Heavenly Homes	HOU, PW	Private	427 N Denley Drive	\$172,500	1	0	1
Land Transfer Program	7	Masa Design- Build	HOU, PW	Private	2734 Exline Street	\$198,500	1	0	1
Land Transfer Program	7	Masa Design- Build	HOU, PW	Private	2730 Exline Street	\$198,500	1	0	1
Land Transfer Program	7	Citybuild CDC	HOU, PW	Private	6307 Carlton Garrett Street	\$460,000	1	0	1
Land Transfer Program	7	Citybuild CDC	HOU, PW	Private	6309 Carlton Garrett Street	\$460,000	0	0	0
Land Transfer Program	7	Citybuild CDC	HOU, PW	Private	6302 Canaan Street	\$460,000	0	0	0
Land Transfer Program	7	Citybuild CDC	HOU, PW	Private	6306 Canaan Street	\$460,000	0	0	0
Land Transfer Program	7	Citybuild CDC	HOU, PW	Private	6310 Canaan Street	\$460,000	0	0	0
Land Transfer Program	7	Black Island	HOU, PW	Private	2708 Brigham Lane	\$214,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	2723 Council Street	\$214,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	2710 Council Street	\$214,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	5107 Echo Avenue	\$214,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	5122 Echo Avenue	\$214,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	5018 Echo Avenue	\$214,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	5015 Echo Avenue	\$214,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	4930 Echo Avenue	\$214,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	2335 Harding Street	\$214,000	1	0	1
Land Transfer Program	7	Black Island	HOU, PW	Private	2506 Elsie Faye Heggins Street	\$214,000	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	2210 Garden Drive	\$218,500	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	2246 Garden Drive	\$218,500	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	2238 Garden Drive	\$218,500	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	2411 Garden Drive	\$218,500	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	2407 Garden Drive	\$218,500	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	2334 Macon Street	\$218,500	1	0	1
Land Transfer Program	8	Titan & Associates	HOU, PW	Private	2230 Macon Street	\$218,500	1	0	1
Land Transfer Program	8	Titan & Associates	HOU, PW	Private	2254 Macon Street	\$218,500	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	5714 Bon Aire Drive	\$218,500	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	5662 Bon Aire Drive	\$218,500	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	5007 S Malcolm X Boulevard	\$218,500	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	5023 S Malcolm X Boulevard	\$218,500	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	5215 S Malcolm X Boulevard	\$218,500	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	5031 S Malcolm X Boulevard	\$218,500	1	0	1
Land Transfer Program	7	Titan & Associates	HOU, PW	Private	5041 S Malcolm X Boulevard	\$218,500	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	5102 Marne Street	\$218,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	5021 Marne Street	\$218,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	5006 Marne Street	\$218,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2815 Marder Street	\$218,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2461 Starks Avenue	\$218,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2457 Starks Avenue	\$218,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2415 Starks Avenue	\$218,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2404 Starks Avenue	\$218,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2402 Starks Avenue	\$218,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	2429 Starks Avenue	\$218,000	1	0	1
Land Transfer Program	7	Marcer Construction	HOU, PW	Private	4930 Crozier Street	\$218,000	1	0	1
Land Transfer Program	7	Masa Design Build	HOU, PW	Private	2530 Ghent Street	\$205,000	1	0	1
Land Transfer Program	7	Masa Design Build	HOU, PW	Private	4819 Dolphin Road	\$205,000	1	0	1
Land Transfer Program	8	Masa Design Build	HOU, PW	Private	3716 Lovingood Drive	\$205,000	1	0	1
Land Transfer Program	8	Masa Design Build	HOU, PW	Private	6515 Palm Island	\$205,000	1	0	1
Land Transfer Program	4	Masa Design Build	HOU, PW	Private	1423 E Overton Road	\$205,000	1	0	1
Land Transfer Program	4	Masa Design Build	HOU, PW	Private	2819 Fordham Road	\$205,000	1	0	1
Land Transfer Program	7	Masa Design Build	HOU, PW	Private	2717 Lagow Street	\$205,000	1	0	1
Land Transfer Program	7	Masa Design Build	HOU, PW	Private	2627 Foreman Street	\$205,000	1	0	1
Land Transfer Program	7	Masa Design Build	HOU, PW	Private	3141 Vannerson Drive	\$205,000	1	0	1
Land Transfer Program	7	Masa Design Build	HOU, PW	Private	2707 Charba Street	\$205,000	1	0	1
Land Transfer Program	7	Mulshoe Properties	HOU, PW	Private	4902 Colonial Avenue	\$225,000	1	0	1
Land Transfer Program	7	Mulshoe Properties	HOU, PW	Private	1713 Pear Street	\$225,000	1	0	1
Land Transfer Program	7	Mulshoe Properties	HOU, PW	Private	3417 Wendelkin Street	\$225,000	1	0	1
Land Transfer Program	7	Mulshoe Properties	HOU, PW	Private	3613 Colonial Avenue	\$225,000	1	0	1
Land Transfer Program	7	Mulshoe Properties	HOU, PW	Private	2913 Holmes Street	\$225,000	1	0	1
						<b>\$1,729,134,475</b>	<b>4,282</b>	<b>5,196</b>	<b>9,473</b>

Phase	City Involvement	Council District	Primary Lender	Funding Source	Sales Price	City Assistance	AMI	Age	Households Served
<b>Closed FY 22-23</b>	DHAP	7	Inwood National Bank	CDBG, HOME	\$ 240,000	\$ 40,000	74.81%	55	1
	DHAP, Targeted Occupation	7	JPMorgan Chase Bank, N.A.	CDBG, HOME	\$ 200,000	\$ 45,000	82.14%	28	1
	DHAP, Targeted Occupation	8	AmCap Mortgage, Ltd	CDBG, HOME	\$ 263,585	\$ 43,394	80.24%	38	1
	DHAP	1	Simmons Bank	CDBG, HOME	\$ 128,000	\$ 29,500	65.18%	26	1
	DHAP	3	Amcap Mortgage Ltd DbA Gold Financial Services	CDBG, HOME	\$ 260,000	\$ 60,000	42.67%	35	1
	DHAP	8	Amcap Mortgage Ltd DbA Gold Financial Services	CDBG, HOME	\$ 270,000	\$ 40,000	36.50%	36	1
					<b>\$ 226,931</b>	<b>\$ 257,894</b>	<b>63.59%</b>	<b>36</b>	<b>6</b>
<b>Prequalified</b>	DHAP				\$	\$ -	59.64%	58	1
	DHAP		Simmons Bank		\$	\$ -	78.43%	49	1
	DHAP				\$	\$ -	57.70%	52	1
	DHAP				\$	\$ -	32.36%	50	1
	DHAP				\$	\$ -	70.26%	50	1
	DHAP				\$	\$ -	45.68%	40	1
	DHAP, Targeted Occupation				\$	\$ -	106.23%	33	1
	DHAP				\$	\$ -	69.21%	36	1
	DHAP				\$	\$ -	79.03%	35	1
	DHAP		Guild Mortgage		\$	\$ -	64.29%	37	1
	DHAP				\$	\$ -	72.71%	56	1
	DHAP, Targeted Occupation		JP Morgan Chase		\$	\$ -	119.34%	34	1
	DHAP				\$	\$ -	56.47%	23	1
	DHAP				\$	\$ -	42.45%	65	1
	DHAP				\$	\$ -	57.45%	40	1
	DHAP, Targeted Occupation				\$	\$ -	110.04%	29	1
	DHAP, Targeted Occupation		Bank of America		\$ 271,000	\$ -	115.51%	37	1
	DHAP				\$	\$ -	71.11%	26	1
	DHAP				\$	\$ -	14.80%	53	1
	DHAP, Targeted Occupation				\$	\$ -	106.15%	22	1
	DHAP, Targeted Occupation				\$	\$ -	112.02%	26	1
	DHAP				\$	\$ -	76.21%	50	1
	DHAP, Targeted Occupation				\$	\$ -	85.07%	29	1
	DHAP				\$	\$ -	61.94%	39	1
	DHAP				\$	\$ -	66.19%	31	1
	DHAP				\$	\$ -	74.58%	37	1
	DHAP				\$	\$ -	78.55%	70	1
	DHAP		Simmons Bank		\$ 205,000	\$ -	77.92%	39	1
	DHAP, Targeted Occupation				\$	\$ -	90.44%	24	1
	DHAP		Simmons Bank		\$ 115,000	\$ -	71.48%	25	1
DHAP		JPM Chase		\$ 287,000	\$ -	70.01%	23	1	
DHAP				\$	\$ -	34.30%	38	1	
DHAP		Nations Reliable Lending		\$	\$ -	72.71%	32	1	
DHAP				\$	\$ -	73.62%	30	1	
DHAP				\$	\$ -	73.85%	49	1	
DHAP				\$	\$ -	74.67%	53	1	
DHAP				\$	\$ -	56.10%	45	1	
				<b>\$ 219,500</b>		<b>72.39%</b>	<b>40</b>	<b>37</b>	

Status	Program	Council District	Contractor	Funding Source	Repair Cost	Remaining Funds	Number of Units	AMI	Age	
<b>Completed FY 22-23</b>	DTF	District 7	REKJ Builders, LLC	DTF	\$ 12,437	\$ -	1		56	
	DTF	District 5	REKJ Builders, LLC	DTF	\$ 5,025	\$ -	1	29%	76	
	Reconstruction,HIPP	District 7	Opportunity Construction, LLC		\$ 159,999	\$ -	1	26%	83	
	ARPA (Joppa)	District 7	REKJ Builders, LLC	ARPA	\$ 97,725	\$ -	1		69	
	HIPP	District 8	Titan & Associates Construction, LLC	CDBG	\$ 58,706	\$ -	1	26%	83	
	HIPP	District 5	ANGEL AC & REFRIGERATION	CDBG	\$ 41,475	\$ -	1	38%	80	
	HIPP	District 5	ANGEL AC & REFRIGERATION	CDBG	\$ 55,705	\$ -	1	49%	69	
	HIPP	District 5	Torres Construction	CDBG	\$ 56,924	\$ -	1	67%	60	
	HIPP	District 2	ANGEL AC & REFRIGERATION	CDBG	\$ 65,000	\$ -	1	25%	80	
	HIPP	District 2	NCN Constructions LLC	CDBG	\$ 59,650	\$ -	1	65%	50	
	HIPP	District 7	Titan & Associates Construction, LLC	CDBG	\$ 54,675	\$ -	1	43%	67	
	HIPP	District 7	NCN Constructions LLC	CDBG	\$ 59,909	\$ -	1	63%	76	
	HIPP	District 4	Torres Construction	CDBG	\$ 59,899	\$ -	1	17%	64	
	HIPP	District 5	ANGEL AC & REFRIGERATION	CDBG	\$ 30,483	\$ -	1	64%	62	
	HIPP	District 12	Scott-King Group, LLC	CDBG	\$ 39,300	\$ 24,990	1	71%	73	
	HIPP	District 6	Opportunity Construction, LLC	CDBG	\$ 165,040	\$ 16,504	1	17%	63	
	HIPP	District 4	Opportunity Construction, LLC	CDBG	\$ 159,999	\$ -	1	32%	86	
	HIPP	District 4	Opportunity Construction, LLC	CDBG	\$ 159,999	\$ -	1	26%	85	
	HIPP	District 8	Torres Construction,Legacy RED Gro	CDBG	\$ 36,988	\$ -	1	21%	72	
	HIPP	District 1	Torres Construction,J A Construction	CDBG	\$ 49,673	\$ 49,673	1	59%	39	
	HIPP	District 9	Torres Construction	CDBG	\$ 49,915	\$ 15,594	1	47%	71	
	HIPP	District 5	Scott-King Group, LLC,Agape Contrac	CDBG	\$ 49,999	\$ -	1	42%	77	
	HIPP	District 4	Symone Construction Services, LLC	CDBG	\$ 176,000	\$ -	1	16%	47	
	HIPP	District 3	ANGEL AC & REFRIGERATION	CDBG	\$ 41,430	\$ -	1	44%	67	
	HIPP	District 7	Symone Construction Services, LLC	CDBG	\$ 160,000	\$ -	1	15%	62	
	HIPP	District 7	Symone Construction Services, LLC	CDBG	\$ 176,000	\$ -	1	21%	78	
	HIPP	District 10	Scott-King Group, LLC	CDBG	\$ 53,310	\$ -	1	40%	70	
	HIPP	District 9	ANGEL AC & REFRIGERATION	CDBG	\$ 49,650	\$ -	1	37%	78	
						<b>\$ 2,184,913</b>	<b>\$ 106,761</b>	<b>28</b>	<b>38%</b>	<b>69</b>
	<b>Under Construction</b>	ARPA (FiveMile)	District 8	NCN Constructions LLC	ARPA	\$ 97,803	\$ 80,883	1		72
ARPA (FiveMile)		District 8	NCN Constructions LLC	ARPA	\$ 94,810	\$ 80,698	1		69	
ARPA (Joppa)		District 7	REKJ Builders, LLC	ARPA	\$ 91,300	\$ 91,300	1		67	
ARPA (Joppa)		District 7	NCN Constructions LLC	ARPA	\$ 97,203	\$ 97,203	1		89	
ARPA (Joppa)		District 7	REKJ Builders, LLC	ARPA	\$ 97,725	\$ -	1		69	
ARPA (Joppa)		District 7	REKJ Builders, LLC	ARPA	\$ 97,625	\$ 97,625	1		54	
ARPA (Joppa)		District 7	NCN Constructions LLC	ARPA	\$ 97,857	\$ 97,857	1		69	
ARPA (Joppa)		District 7	REKJ Builders, LLC	ARPA	\$ 94,830	\$ 94,830	1		61	
ARPA (Joppa)		District 7	REKJ Builders, LLC	ARPA	\$ 97,702	\$ 97,702	1			
ARPA (TenthStreet)		District 4	Dallas Finest Construction LLC	ARPA	\$ 72,200	\$ 24,680	1		67	
ARPA (TenthStreet)		District 4	Dallas Finest Construction LLC	ARPA	\$ 78,500	\$ 78,500	1		60	

Status	Program	Council District	Contractor	Funding Source	Repair Cost	Remaining Funds	Number of Units	AMI	Age
	ARPA (TenthStreet)	District 4	Titan & Associates Construction, LLC	ARPA	\$ 95,480	\$ 38,438	1		64
	ARPA (TenthStreet)	District 4	NCN Constructions LLC	ARPA	\$ 97,300	\$ 97,300	1		62
	ARPA (TenthStreet)	District 4	Dallas Finest Construction LLC	ARPA	\$ 77,500	\$ 77,500	1		98
	DTF	District 5	NCN Constructions LLC	DTF	\$ 19,895	\$ 19,895	1	49%	75
	DTF	District 7	REKJ Builders, LLC	DTF	\$ 19,550	\$ 19,550	1	36%	52
	DTF	District 5	REKJ Builders, LLC	DTF	\$ 19,280	\$ 19,280	1	14%	71
	DTF	District 4	REKJ Builders, LLC	DTF	\$ 9,900	\$ 9,900	1	46%	68
	DTF	District 7	REKJ Builders, LLC	DTF	\$ 19,865	\$ 19,865	1	36%	74
	DTF	District 5	REKJ Builders, LLC	DTF	\$ 20,000	\$ -	1	29%	86
	DTF	District 7	REKJ Builders, LLC	DTF	\$ 12,437	\$ -	1		56
	DTF	District 7	REKJ Builders, LLC	DTF	\$ 18,775	\$ 18,775	1	12%	54
	DTF	District 7	REKJ Builders, LLC	DTF	\$ 19,930	\$ 19,930	1	66%	55
	DTF	District 5	REKJ Builders, LLC	DTF	\$ 5,025	\$ -	1	29%	76
	HIPP	District 7	DFW Renovation Solutions	CDBG	\$ 174,900	\$ 46,965	1	36%	95
	HIPP	District 6	Scott-King Group, LLC	CDBG	\$ 60,000	\$ 22,834	1	58%	60
	HIPP	District 7	Opportunity Construction, LLC	CDBG	\$ 173,175	\$ 153,735	1	55%	94
	HIPP	District 7	Opportunity Construction, LLC	CDBG	\$ 173,175	\$ 153,735	1	16%	
	HIPP	District 6	Titan & Associates Construction, LLC	CDBG	\$ 58,850	\$ 58,850	1	25%	70
	HIPP	District 4	NCN Constructions LLC	CDBG	\$ 64,793	\$ 45,533	1	18%	68
	HIPP	District 8	Torres Construction	CDBG	\$ 53,037	\$ -	1	30%	77
	HIPP	District 4	ANGEL AC & REFRIGERATION	CDBG	\$ 48,005	\$ 21,878	1	16%	66
	HIPP	District 5	Dallas Finest Construction LLC	CDBG	\$ 58,825	\$ 58,825	1	64%	71
	HIPP	District 7	Torres Construction	CDBG	\$ 25,426	\$ 25,426	1	69%	70
	HIPP	District 5	ANGEL AC & REFRIGERATION	CDBG	\$ 30,460	\$ 30,460	1	23%	70
	HIPP	District 4	ANGEL AC & REFRIGERATION	CDBG	\$ 60,435	\$ 60,435	1	24%	78
	HIPP	District 4	Dallas Finest Construction LLC	CDBG	\$ 48,655	\$ 12,606	1	51%	76
	HIPP	District 1	Scott-King Group, LLC	CDBG	\$ 59,455	\$ 59,455	1	23%	82
	HIPP	District 3	Torres Construction	CDBG	\$ 58,673	\$ -	1	39%	79
	HIPP	District 7	Dallas Finest Construction LLC	CDBG	\$ 57,990	\$ 57,990	1	31%	67
	HIPP	District 6	Scott-King Group, LLC	CDBG	\$ 55,656	\$ 55,656	1	10%	58
	HIPP	District 9	Torres Construction	CDBG	\$ 52,742	\$ -	1	35%	51
	HIPP	District 6	Opportunity Construction, LLC	CDBG	\$ 159,999	\$ 42,752	1	17%	76
	HIPP	District 8	REKJ Builders, LLC,Opportunity Cons	CDBG	\$ 160,000	\$ -	1	74%	78
	HIPP	District 7	DFW Renovation Solutions	CDBG	\$ 175,000	\$ 44,995	1	34%	69
	HIPP	District 4	DFW Renovation Solutions	CDBG	\$ 175,000	\$ 107,455	1	12%	53
	HIPP	District 8	Opportunity Construction, LLC	CDBG	\$ 159,999	\$ 68,186	1	40%	91
	HIPP	District 4	Symone Construction Services, LLC	CDBG	\$ 176,000	\$ 60,725	1	46%	63
	HIPP	District 9	Torres Construction	CDBG	\$ 49,915	\$ 15,594	1	47%	71
	HIPP	District 5	Symone Construction Services, LLC	CDBG	\$ 169,114	\$ 169,114	1	13%	72
	HIPP 1.0	District 7	Hatley II Roofing Inc,Torres Construct		\$ 49,628	\$ -	1	18%	68
	Sub-Recipient	0	Southern Dallas Progress Community		\$ 24,750	\$ 24,750	1		

Status	Program	Council District	Contractor	Funding Source	Repair Cost	Remaining Funds	Number of Units	AMI	Age
	Sub-Recipient	0	Jubilee Park & Community Center		\$ 3,258	\$ 3,258	1		
	Sub-Recipient	0	Frazier Healthy Homes, LLC		\$ 5,500	\$ 5,500	1		
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,910	\$ 9,910	1	25%	70
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,940	\$ -	1	18%	81
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,895	\$ 9,895	1	51%	42
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 7,370	\$ 7,370	1	47%	56
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 10,000	\$ -	1	27%	48
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,880	\$ 9,880	1		3
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,940	\$ 9,940	1	25%	70
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 6,425	\$ 6,425	1	19%	56
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,988	\$ 9,988	1	21%	67
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,885	\$ 9,885	1	44%	44
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,885	\$ -	1	34%	71
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,785	\$ 9,785	1	29%	68
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 6,950	\$ 6,950	1	64%	58
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 3,620	\$ 3,620	1	24%	63
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,748	\$ 9,748	1	29%	52
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,735	\$ -	1	24%	86
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,970	\$ 9,970	1	54%	58
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,975	\$ -	1	18%	66
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 10,000	\$ -	1	28%	66
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 8,625	\$ 8,625	1	40%	65
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 10,000	\$ 10,000	1	28%	73
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 10,000	\$ 10,000	1	28%	76
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 4,445	\$ 4,445	1	63%	66
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,975	\$ 9,975	1	10%	71
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ -	\$ -	1	45%	68
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,790	\$ -	1	32%	85
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,875	\$ 9,875	1	62%	80
					<b>\$ 4,310,517</b>	<b>\$ 2,754,707</b>	<b>81</b>	<b>34%</b>	<b>68</b>
<b>Preconstruction</b>	ARPA (Discretionary)	District 4		ARPA	\$ -	\$ -	1		70
	ARPA (Discretionary)	District 4		ARPA	\$ -	\$ -	1		87
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		
	ARPA (FiveMile)	District 8	Torres Construction	ARPA	\$ 86,824	\$ 86,824	1		65
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		75
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		46
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		69
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		65
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		57
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		68

Status	Program	Council District	Contractor	Funding Source	Repair Cost	Remaining Funds	Number of Units	AMI	Age
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		63
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		72
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		60
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		68
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		56
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		69
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		82
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		67
	ARPA (FiveMile)	District 8		ARPA	\$ -	\$ -	1		48
	ARPA (Joppa)	District 7		ARPA	\$ -	\$ -	1		78
	ARPA (Joppa)	District 7	REKJ Builders, LLC	ARPA	\$ 61,200	\$ 61,200	1		68
	ARPA (Joppa)	District 7	Scott-King Group, LLC	ARPA	\$ 95,000	\$ 95,000	1		74
	ARPA (Joppa)	District 7		ARPA	\$ -	\$ -	1		71
	ARPA (Joppa)	District 7		ARPA	\$ -	\$ -	1		73
	ARPA (Joppa)	District 7		ARPA	\$ -	\$ -	1		66
	ARPA (Joppa)	District 7		ARPA	\$ -	\$ -	1		80
	ARPA (Joppa)	District 7		ARPA	\$ -	\$ -	1		53
	ARPA (Joppa)	District 7		ARPA	\$ -	\$ -	1		
	ARPA (Joppa)	District 7	NCN Constructions LLC	ARPA	\$ 97,445	\$ 97,445	1		73
	ARPA (Joppa)	District 7		ARPA	\$ -	\$ -	1		45
	ARPA (Joppa)	District 7	REKJ Builders, LLC	ARPA	\$ 80,440	\$ 80,440	1		73
	ARPA (Joppa)	District 7		ARPA	\$ -	\$ -	1		83
	ARPA (Joppa)	District 7		ARPA	\$ -	\$ -	1		76
	ARPA (Joppa)	District 7		ARPA	\$ -	\$ -	1		2
	ARPA (TenthStreet)	District 4		ARPA	\$ -	\$ -	1		76
	ARPA (TenthStreet)	District 7		ARPA	\$ -	\$ -	1		55
	ARPA (TenthStreet)	District 4		ARPA	\$ -	\$ -	1		60
	ARPA (TenthStreet)	District 4		ARPA	\$ -	\$ -	1		64
	ARPA (TenthStreet)	District 4		ARPA	\$ -	\$ -	1		34
	ARPA (TenthStreet)	District 4		ARPA	\$ -	\$ -	1		57
	ARPA (TenthStreet)	District 4		ARPA	\$ -	\$ -	1		24
	ARPA (TenthStreet)	District 4		ARPA	\$ -	\$ -	1		89
	ARPA (TenthStreet)	District 4		ARPA	\$ -	\$ -	1		
	ARPA (TenthStreet)	0		ARPA	\$ -	\$ -	1		36
	ARPA (TenthStreet)	District 4		ARPA	\$ -	\$ -	1		68
	ARPA (TenthStreet)	District 4		ARPA	\$ -	\$ -	1		55
	ARPA (TenthStreet)	District 4		ARPA	\$ -	\$ -	1		68
	ARPA (TenthStreet)	District 4		ARPA	\$ -	\$ -	1		85
	DTF	District 13	Titan & Associates Construction, LLC	DTF	\$ 19,050	\$ 19,050	1	18%	63
	DTF	District 7	REKJ Builders, LLC	DTF	\$ 19,880	\$ 19,880	1		59

Status	Program	Council District	Contractor	Funding Source	Repair Cost	Remaining Funds	Number of Units	AMI	Age
	DTF	District 7	REKJ Builders, LLC	DTF	\$ -	\$ -	1	34%	58
	DTF	District 2	REKJ Builders, LLC	DTF	\$ 19,920	\$ 19,920	1	21%	73
	DTF	District 8		DTF	\$ -	\$ -	1	13%	74
	DTF	District 7	REKJ Builders, LLC	DTF	\$ 19,050	\$ 19,050	1	78%	67
	DTF	District 7		DTF	\$ -	\$ -	1	12%	67
	DTF	District 3	REKJ Builders, LLC	DTF	\$ 19,995	\$ 19,995	1	21%	80
	DTF	District 12	REKJ Builders, LLC	DTF	\$ 19,920	\$ 19,920	1	9%	70
	DTF	District 11	Scott-King Group, LLC	DTF	\$ -	\$ -	1	11%	48
	DTF	District 5	REKJ Builders, LLC	DTF	\$ 19,968	\$ 19,968	1	41%	65
	DTF	District 7		DTF	\$ -	\$ -	1	26%	58
	DTF	District 3	REKJ Builders, LLC	DTF	\$ 14,420	\$ -	1	73%	49
	DTF	District 7	REKJ Builders, LLC	DTF	\$ 18,536	\$ 18,536	1	16%	59
	DTF	District 5		DTF	\$ -	\$ -	1	65%	70
	DTF	District 5		DTF	\$ -	\$ -	1	24%	74
	DTF	District 7	REKJ Builders, LLC	DTF	\$ 19,955	\$ 19,955	1	17%	45
	DTF	District 7	REKJ Builders, LLC	DTF	\$ 19,990	\$ 19,990	1	36%	71
	DTF	District 2		DTF	\$ -	\$ -	1	17%	83
	DTF	District 7	REKJ Builders, LLC	DTF	\$ 19,900	\$ 19,900	1	19%	64
	DTF	District 8		DTF	\$ -	\$ -	1	26%	66
	DTF	District 8		DTF	\$ -	\$ -	1	18%	60
	DTF	District 7		DTF	\$ -	\$ -	1	33%	60
	DTF	District 6	REKJ Builders, LLC	DTF	\$ 13,070	\$ 13,070	1	49%	71
	DTF	District 4		DTF	\$ -	\$ -	1	21%	61
	DTF	District 5		DTF	\$ -	\$ -	1	34%	72
	DTF	District 5		DTF	\$ -	\$ -	1	28%	83
	DTF	District 7		DTF	\$ -	\$ -	1	25%	89
	DTF	District 5		DTF	\$ -	\$ -	1	45%	62
	DTF	District 8		DTF	\$ -	\$ -	1	30%	61
	DTF	District 4		DTF	\$ -	\$ -	1	37%	83
	DTF	District 8		DTF	\$ -	\$ -	1	22%	60
	DTF	District 4		DTF	\$ -	\$ -	1	9%	86
	HIPP	District 2		CDBG	\$ -	\$ -	1	18%	66
	HIPP	District 5	Torres Construction	CDBG	\$ 55,719	\$ 55,719	1	24%	83
	HIPP	District 9	Dallas Finest Construction LLC	CDBG	\$ 23,000	\$ 23,000	1	57%	70
	HIPP	District 5	REKJ Builders, LLC	CDBG	\$ 61,265	\$ 61,265	1	80%	61
	HIPP	District 4	ANGEL AC & REFRIGERATION	CDBG	\$ -	\$ -	1	68%	63
	HIPP	District 8	Titan & Associates Construction, LLC	CDBG	\$ -	\$ -	1	66%	39
	HIPP	District 6		CDBG	\$ -	\$ -	1	70%	70
	HIPP	District 4		CDBG	\$ -	\$ -	1	76%	41
	HIPP	District 5	Titan & Associates Construction, LLC	CDBG	\$ 194,215	\$ 194,215	1	41%	65
	HIPP	District 8	REKJ Builders, LLC	CDBG	\$ 62,960	\$ 62,960	1	46%	63

Status	Program	Council District	Contractor	Funding Source	Repair Cost	Remaining Funds	Number of Units	AMI	Age
	HIPP	District 4	ANGEL AC & REFRIGERATION	CDBG	\$ -	\$ -	1	50%	36
	HIPP	District 3	Titan & Associates Construction, LLC	CDBG	\$ -	\$ -	1	19%	56
	HIPP	District 2		CDBG	\$ -	\$ -	1	78%	92
	HIPP	District 6		CDBG	\$ -	\$ -	1	24%	65
	HIPP	District 7		CDBG	\$ -	\$ -	1	35%	62
	HIPP	District 3	Dallas Finest Construction LLC	CDBG	\$ 50,000	\$ 50,000	1	21%	71
	HIPP	District 7		CDBG	\$ -	\$ -	1		
	Lead	District 6		Lead	\$ -	\$ -	1	52%	60
	Lead	District 3		Lead	\$ -	\$ -	1	25%	49
	Lead	District 2		Lead	\$ -	\$ -	1	17%	53
	Lead	District 1		Lead	\$ -	\$ -	1	45%	68
	Lead	District 7		Lead	\$ -	\$ -	1	50%	27
	Lead	District 4	GTO1 Construction Corporation	Lead	\$ -	\$ -	1	18%	71
	Lead	District 4		Lead	\$ -	\$ -	1	13%	65
	Lead	District 6		Lead	\$ -	\$ -	1	69%	28
	Lead	District 4		Lead	\$ -	\$ -	1	13%	54
	Minor Home Repair	District 7			\$ -	\$ -	1		
	Minor Home Repair	0	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	District 5	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	District 8	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	District 4	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	0	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	District 5	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	District 4	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	District 7	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	District 5	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	0	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	0	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	0	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	District 5	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	District 4	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	District 9	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	District 7	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	District 8	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	District 4	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	District 4	Southern Dallas Progress Community		\$ -	\$ -	1		
	Minor Home Repair	0	Southern Dallas Progress Community		\$ -	\$ -	1		
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,985	\$ 9,985	1	21%	82
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,925	\$ 9,925	1	27%	55
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 10,000	\$ 10,000	1	21%	76
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,575	\$ 9,575	1	25%	60

Status	Program	Council District	Contractor	Funding Source	Repair Cost	Remaining Funds	Number of Units	AMI	Age
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,845	\$ 9,845	1	63%	61
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 10,000	\$ 10,000	1	17%	56
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,758	\$ 9,758	1	32%	74
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 4,500	\$ 4,500	1	32%	72
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	29%	57
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,890	\$ 9,890	1	28%	62
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 10,000	\$ 10,000	1	42%	81
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 10,000	\$ 10,000	1	21%	68
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	61%	67
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 9,590	\$ 9,590	1	67%	78
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	37%	73
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 10,000	\$ 10,000	1	37%	45
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 10,000	\$ 10,000	1	32%	62
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 7,290	\$ 7,290	1	24%	63
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	69%	60
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	56%	46
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 10,000	\$ 10,000	1	17%	68
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	12%	85
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	29%	58
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	32%	62
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	46%	74
	West Dallas	District 6	MIKO trucking	Equity Fund	\$ 10,000	\$ 10,000	1	62%	48
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	25%	72
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	71%	65
	West Dallas	District 5		Equity Fund	\$ -	\$ -	1	72%	66
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	31%	84
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	28%	78
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	22%	63
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	34%	72
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	68%	67
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	18%	73
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	24%	78
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	35%	31
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	19%	85
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	16%	74
	West Dallas	District 6		Equity Fund	\$ -	\$ -	1	41%	66
					<b>\$ 1,272,079</b>	<b>\$ 1,257,659</b>	<b>169</b>	<b>36%</b>	<b>65</b>

**As of January 2023**

<b>Entity</b>	<b>Income</b>	<b>Expenses</b>	<b>Net Income</b>
MIHDB	\$4,463,614	\$0.00	\$4,463,614
Dallas Public Facilities Corp	\$2,966,910	\$0.00	\$2,966,910
Dallas Housing Finance Corp.	\$3,070,899	\$0.00	\$3,070,899
Dallas Housing Acquisition Development Corp.	\$578,111	\$0.00	\$578,111

The table includes income and expenses for the MIHDB and corporations managed by the Department of Housing and Neighborhood Revitalization. The table will be updated on a quarterly basis.