



City of Dallas

FY 2024-25 Budget for Housing and Neighborhood Revitalization

**Housing & Homelessness
Solutions Committee
June 24, 2024**

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Department of Housing and
Neighborhood Revitalization
City of Dallas

Purpose



- Provide an overview of the budget for the Department of Housing & Neighborhood Revitalization
- Highlight department program, services, and activities

- *Briefing reflects FY 2024-25 Planned Budget as developed Summer 2023*
- *The starting point of every Budget Development process (February – September) is the Planned Budget from prior year*
- *Revenue and expenditure assumptions will change prior to CMO recommendation on August 13, 2024*



Role of the Department / Fact Sheet



- **Mission**

Racial and economic inclusion are integral to Dallas' housing growth. Accordingly, through the Dallas Housing Policy 2033, the City seeks to continue to reduce disparities that disproportionately impact historically disadvantaged communities by providing quality affordable mixed-income housing initiatives across the City.





DEPARTMENT GOALS

The Department of Housing and Neighborhood Revitalization (Housing) has multiple goals described in several plans as follows:

1. Dallas Housing Policy 2033 (DHP33) Smartie Goals

- Equity Strategy Target
- Citywide Production
- Citywide Preservation
- Infrastructure
- Collaboration and Coordination
- Engagement
- Education

2. HUD Consolidated Plan (Action Plan)

Programs	FY 2023-24	FY 2024-25
Home Improvement and Preservation Program (HIPP)	40 UNITS	129 UNITS
Homebuyer Assistance Program	16 UNITS	16 UNITS
Housing Development	139 UNITS	139 UNITS



Organizational Chart



Position Overview



Positions	FY 2023-24 Budget	FY 2024-25 Planned	Change
General Fund	26	29	3
Grants	31	31	0
Total	57	60	3

- Seven of the 26 general funded positions are reimbursed by Dallas Public Facilities Corporation (DPFC), Dallas Housing Finance Corporation (DHFC) and Mixed Income Housing Development Bonus (MIHDB); three additional positions will come online as approved in FY 2023-24;
- Two of the additional three positions will be reimbursed by MIHDB and PFC



Staffing by Assignment



General Administration	Client Service & Inspection	Project Management	MIHDB	Corporations
Grants Exec Asst 1 Office Asst 1 Inspections 1 Compliance 4 Budget/Finance 2 Total 9	Grants Housing Cord 7 Inspectors 8 Total 15	Grants Project Manager 7 Total 7	General Fund Reimbursed Senior Coord 1 Project Manager 1 Total 2	General Fund Reimbursed Manager Admin 3 Project Mgr 3 Housing Coord 3 Asset Manager 2 Total 11
General Fund Director 1 Asst. Directors 3 Managers 4 Exec Asst. 1 Agenda Coord 1 Budget Finance 1 Analysts 2 Total 13	General Fund Housing Coord 1 Total 1	General Fund Project Manager 2 Total 2		



Total Budget – All Funds



Service	FY 2023-24 Budget	FY 2024-25 Planned	% Change +/-
General Fund	\$6,920,100	\$5,004,889	
Grant Funds	\$17,858,943	\$15,966,945	
Trust & Other Funds	\$14,096,900	\$3,000,000	
Total	\$38,875,943	\$23,971,834	-38%

- General funds decreased by 7% due to citywide reduction and the one-time amount of \$2,200,000 for senior home repair and equity study for housing needs in FY2023-24
- Merit increases of an average 3% are included in the FY 2024-25 budgets
- The Other Funds are Mixed Income Housing Development Bonus (MIHDB); and TIF for Council Districts 1, 4, 6 and 7. MIHDB is unpredictable and inconsistent therefore there is no projection for the upcoming year.



Budget Summary by Service



Service	FY 2022-23 Budget	FY 2022 - 23 Forecast	FY 2023-24 Budget	FY 2024-25 Planned
Administration	\$2,088,370	\$2,063,136	\$2,053,227	\$2,317,182
Housing Preservation	\$867,500	\$867,500	\$767,500	\$767,500
New Development	\$1,695,800	\$1,464,755	\$4,099,373	\$1,920,207
Expense Total	\$4,651,669	\$4,395,391	\$6,920,100	\$5,004,889



General Fund Operating Expense and Revenue



Service/Division	FY 2022-23 Budget	FY 2022-23 Forecast	FY 2023-24 Budget	FY 2024-25 Planned
Personnel Services	\$2,559,308	\$2,197,235	\$2,645,415	\$2,904,487
Supplies - Materials	\$77,270	\$78,814	\$147,905	\$153,308
Contractual – Other Services	\$2,598,744	\$2,702,993	\$4,760,325	\$2,580,639
Expense Total	\$5,235,321	\$4,979,043	\$7,553,645	\$5,638,434
Reimbursements	(\$583,652)	(\$583,652)	(\$633,545)	(\$633,545)
Department Revenue Total	\$4,352,981	\$6,920,100	\$6,944,398	\$5,004,889



CDBG Grant Funding



Funding	Current Budget	Encumbered	Pipeline	Expense	Unobligated
CD19	\$7,700,495	\$80,357		\$7,606,773	\$13,365
CD20	\$9,302,533	\$634,980		\$8,576,304	\$91,249
CD21	\$10,705,290	\$1,583,681	\$2,484	\$8,338,347	\$783,262
CD22	\$10,209,905	\$2,339,666	\$113,575	\$4,676,183	\$3,194,056
CD23	\$10,925,764	\$1,020,784	\$4,370,000	\$1,056,667	\$4,878,313
CD22/R	\$2,845,998	\$2,845,998		\$0	\$0
CD23/R	\$1,654,002	\$653,137		\$0	\$1,000,865
TOTAL	\$53,343,987	\$9,158,603	\$4,486,059	\$30,254,274	\$9,445,051
Percent		17%	8%	57%	18%

Funding

Planned
Budget

CD24 - Planned

\$10,388,492



HOME Grant Funding



Funding	Current Budget	Encumbered	Pipeline	Expense	Unobligated
HM16	\$4,957,323	\$1,000,866	\$0.00	\$3,956,457	\$0
HM17	\$5,057,932	\$1,764,081	\$0.00	\$2,659,193	\$634,658
HM18	\$6,119,772	\$1,712,389	\$0.00	\$4,407,383	\$0
HM19	\$5,544,810	\$1,887,576	\$ 112,743	\$2,217,200	\$1,327,291
HM20	\$1,831,410	\$0	\$ 863,063	\$968,347	\$0.00
HM21	\$6,397,968	\$2,185,504	\$1,821,177	\$2,391,287	\$0.00
HM22	\$6,940,498	\$3,247,043	\$3,044,631	\$648,824	\$0.00
HM23	\$6,933,179	\$0	\$5,211,113	\$1,722,066	\$0.00
TOTAL	\$43,782,892	\$11,797,459	\$11,052,727	\$18,970,757	\$1,961,949
<i>Percent</i>		27%	25%	43%	5%

Funding	Planned Budget
HM24 - Planned	\$5,578,453



CDBG – DR Funding



Funding	Current Budget	Encumbered	Pipeline	Expense	Unobligated
CDD1	\$15,946,000	\$11,000,000	\$4,946,000	\$0	\$ 0.00
CDD2	\$13,084,000	\$7,646,555	\$4,138,427	\$0	\$1,299,018
TOTAL	\$29,030,000	\$18,646,555	\$9,084,427	\$0	\$1,299,018
Percent		64%	31%		5%



Revenue Overview



Revenue General Fund	FY 2022-23 Budget	FY 2022-23 Forecast	FY 2023-24 Budget	FY 2024-25 Planned
Housing & Neighborhood Revitalization-Federal and Corporations	\$463,267	\$719,394	\$463,267	\$463,267

Revenue	FY 2022-23 Budget	FY 2022-23 Forecast	FY 2023-24 Budget	FY 2024-25 Planned
Housing & Neighborhood Revitalization-Mixed Income Housing Development Bonus (MIHDB)				UNKNOWN



ARPA Funding



Funding	Current Budget	Encumbered	Pipeline	Expense	Unobligated
FC18	\$23,450,000	\$6,956,029	\$11,205,062	\$4,815,285	\$473,624
FC18 – Varies Districts	\$ 2,405,435	\$ 666,338	\$1,739,097	\$0	\$0
TOTAL	\$25,855,435	\$7,622,367	\$12,944,159	\$4,815,285	\$473,624
<i>Percent</i>		29%	50%	19%	2%



Dallas Public Facility Corporation



	FY 2022-23 Budget	FY 2023-24 Budget
Income	\$2,966,910	\$5,494,632
Expense	\$434,742	\$521,161
Net Income	\$2,532,168	\$4,973,471



Dallas Housing Finance Corporation



	FY 2022-23 Budget	FY 2023-24 Budget
Income	\$3,070,899	\$4,154,292
Expense	\$544,615	\$823,636
Net Income	\$2,526,284	\$3,330,656



Performance Measures



Measure	FY 2022-23 Actual	FY 2023-24 Target	FY 2023-24 Forecast*	FY 2024- 25 Target
Average number of days to close DHAP loans	22	45	45	N/A
Percentage of unrestricted market-rate housing developed in majority black and Hispanic neighborhoods	3.2%	19%	N/A	N/A
Average number of days to review HIPP application and prepare contract	96	180	N/A	N/A
Percentage of development funding leveraged by private sources	89.7%	60%	60%	80%
Percentage of all DHAP funding within Equity Strategy Target Areas				50%
Percentage of home repair funding within Equity Strategy Target Area				50%

*FY 2023-24 – 1Qtr Report





Summary of Services, Programs and Activities

Homeowner Programs



Home Repair

- Major Systems Repair Program
- Dallas Tomorrow Fund
- Emergency Home Repair
- ARPA Home Repair and Septic



Homebuyer Assistance

- Dallas Homebuyer Assistance program
- Traditional
- Targeted professions
- DHAP 10



Title Assistance

- Program currently paused



Development



Standing Notice of Funding Availability (NOFA)

- Allows developers to submit funding requests for shovel-ready projects
- Provides gap financing to for-profit, non-profit developers proposing infrastructure improvements, development and rehab of affordable rental, for-sale, and housing for persons experiencing homelessness



Mixed Income Housing Development Bonus (MIHDB)

- Barter zoning requirements for onsite affordability or payment of fee-in-lieu to provide additional affordable housing.



Low-Income Housing Tax Credit Program (LIHTC)

- Provides Resolutions of No Objection or Resolutions of Support for both 9% Competitive and 4% (Non-Competitive) LIHTC projects meeting goals of the DHP33 and TDHCA requirements



Corporations



Dallas Housing Acquisition and Development Corporation (DHADC)

- DHADC administers the Land Bank Program in accordance with state statute and City Council resolution
- Reclaim vacant real property from tax delinquency status
- Use such land to develop affordable housing for low-income households or for commercial purposes



Dallas Public Facility Corporation (DPFC)

- DPFC owns properties, but primarily funds project through property tax exemptions



Dallas Housing Finance Corporation (DHFC)

- DHFC owns properties in partnership with developers, issues private activity bonds to fund affordable housing





Update on Budget Initiatives

Budget Initiatives



FY 2022 - 23

Add funding for Affordable Housing for predevelopment work dedicated to Small Business and Faith – Based Organizations. This establishes the Emerging Developers Fund \$500,000

Addition of one-time fund for Housing Minor Repair Program \$100,000

FY2023 - 24

Add one-time transfer to the Equity Fund for study of housing needs for affordable housing (\$500,000) and Senior Housing Repair Program in priority areas (\$1,700,000), including funding for one Housing Project Manager position to facilitate the three-year program, as part of overall Citywide equity focused initiatives.



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The logo of the City of Dallas, featuring a stylized white 'D' with a three-lobed leaf inside, set against a dark blue background with a fine white grid pattern.

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