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CITY SECRETARY
DALLAS, TEXAS

City of Dallas

*1500 Marilla Street
Dallas, Texas 75201*

Public Notice

210372

POSTED CITY SECRETARY
DALLAS, TX



Housing & Homelessness Solutions Committee

April 26, 2021

9:00 AM

2021 CITY COUNCIL APPOINTMENTS

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

(C) – Chair, (VC) – Vice Chair

This Housing and Homelessness Solutions Committee meeting will be held by videoconference. The meeting will be broadcast live on Spectrum Cable Channel 16 and Online at bit.ly/cityofdallastv.

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

<https://dallascityhall.webex.com/dallascityhall/onstage/g.php?MTID=eeb5abac4d1f85cc9206401ca9f124a53>

Call to Order

MINUTES

1. [21-721](#) Approval of the March 22, 2021 Housing and Homelessness Solutions Committee Meeting Minutes

Attachments: [Minutes](#)

BRIEFING ITEMS WITHOUT ACTION

- A. [21-722](#) Housing Program Overview: Housing Preservation | Home Improvements & Preservation Program, Emergency Home Repair Program, Targeted Rehab Program, and Healthy Homes Lead Reduction
[David Noguera, Director, Department of Housing and Neighborhood Revitalization; Thor Erickson, AICP, Area Redevelopment Manager, Department of Housing and Neighborhood Revitalization; Kathryn Bender, Lead Hazard Control Manager, Department of Housing and Neighborhood Revitalization]

Attachments: [Presentation](#)

BRIEFING MEMORANDUMS WITH ACTION

- B. [21-725](#) Upcoming Agenda Item: The Sale of 10 Land Transfer Lots and the Construction of 10 Single-Family Homes with Black Island LLC
[David Noguera, Director, Department of Housing and Neighborhood Revitalization]

Attachments: [Memo](#)

ADJOURNMENT

EXECUTIVE SESSION NOTICE

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

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



City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 21-721

Item #: 1.

Approval of the March 22, 2021 Housing and Homelessness Solutions Committee Meeting Minutes

Housing and Homelessness Solutions Committee Meeting Record

The Housing and Homelessness Solutions Committee meetings are recorded. Agenda materials are available online at www.dallascityhall.com. Recordings may be reviewed online at <https://dallastx.swagit.com/ad-hoc-committees>.
Note: This meeting was conducted via videoconference to comply with a social distancing mandate during a declared state of disaster.

Meeting Date: March 22, 2021

Convened: 9:01 a.m.

Adjourned: 11:15 a.m.

Committee Members Present:

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

Committee Members Absent:

N/A

Other Council Members Present:

AGENDA

CALL TO ORDER

BRIEFINGS

- 1. Approval of the February 22, 2021 Housing and Homelessness Solutions Committee Meeting Minutes**
Action Taken/Committee Recommendation(s): A motion was made to approve the minutes for the February 22, 2021 Housing and Homelessness Solutions Committee. The motion passed unanimously.

Motion made by: Jaime Resendez

Motion seconded by: Paula Blackmon

- 2. Fair Housing Updates: Overview of the Fair Housing Assessment Tool and Amendments to the Fair Housing Ordinance**

Presenter(s): M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion; Barksdale Haggins, Fair Housing Administrator, Office of Equity and Inclusion; Dr. Priscylla Bento, Policy Manager, Office of Equity and Inclusion

Action Taken/Committee Recommendation(s): The Committee was briefed on an overview of the Fair Housing Ordinance Update: Executive Order 13988, Ch. 20A-8 (C), and Fair Housing Assessment Tool. A motion was made to have this item brought back to Committee.

Motion made by: Carolyn King Arnold

Motion seconded by: Chad West

Item passed unanimously: X

Item passed on a divided vote:

Item failed unanimously:

Item failed on a divided vote:

- 3. Upcoming Agenda Item: The Sale of 50 Land Transfer Lots to Hedgestone Investments, LLC for the Development of 50 Single Family Homes**

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

Action Taken/Committee Recommendation(s): The Committee was briefed on an overview of an application from an eligible developer, Hedgestone Investments, LLC, for the purchase of fifty (50) Land Transfer lots. A motion was made to move this item to Council with committee recommendation.

Motion made by: Chad West

Motion seconded by: Cara Mendelsohn

Item passed unanimously: X

Item passed on a divided vote:

Item failed unanimously:

Item failed on a divided vote:

4. Upcoming Agenda Item: Community Development Block Grant Loan Agreement with Midpark Towers, LP for the Development of 202 Multifamily Units

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

Action Taken/Committee Recommendation(s): The Committee was briefed on an overview of an April 14, 2021 Agenda Item to authorize a development loan agreement in an amount not to exceed \$2,500,000.00 of Community Development Grant (CDBG) funds with Midpark Towers, LP or an affiliate thereof (Applicant), conditioned upon Midpark Towers, LP for the acquisition and renovation of an affordable multifamily complex located at 8550 Midpark Road. The Applicant received a fundable score through the Notice of Funding Availability (NOFA) application process, and third party underwrite of Midpark Towers was completed to confirm the funding gap associated with the development. A motion was made to move this item to Council with committee recommendation.

Motion made by: Cara Mendelsohn

Item passed unanimously: X

Item failed unanimously:

Motion seconded by: Chad West

Item passed on a divided vote:

Item failed on a divided vote:

5. Office of Homeless Solutions Contract for Continuum of Care

Presenter(s): Christine Crossley, Director, Office of Homeless Solutions

Action Taken/Committee Recommendations(s): The Committee was briefed on an overview of the Continuum of Care (CoC) Shelter Plus Care Program grant through the Office of Homeless Solutions. A motion was made to move this item to Council with committee recommendation.

Motion made by: Chad West

Item passed unanimously: X

Item failed unanimously:

Motion seconded by: Paula Blackmon

Item passed on a divided vote:

Item failed on a divided vote:

6. Renewal of Contract with CitySquare of the Dallas Connector, a transportation system for persons experiencing homelessness

Presenter(s): Christine Crossley, Director, Office of Homeless Solutions

Action Taken/Committee Recommendations(s): The Committee was briefed on an overview of the system Enhancement (Dallas Connector) renewal contract through the Office of Homeless Solutions. A motion was made to move this item to Council with committee recommendation.

Motion made by: Paula Blackmon

Item passed unanimously: X

Item failed unanimously:

Motion seconded by: Chad West

Item passed on a divided vote:

Item failed on a divided vote:

7. Housing Policy Task Force recommendations on Amendments to the Comprehensive Housing Policy – Removal of the 9% Per Unit Cap and Forgivable Loans for Permanent Supportive Housing Projects

Presenter(s): Kyle Hines, Interim Assistant Director, Department of Housing and Neighborhood Revitalization

Action Taken/Committee Recommendations(s): The Committee was briefed on an overview of staff's presentation of the proposed changes to the Comprehensive Housing Policy, amongst other items to the Housing Policy Task Force. Information Only.

8. Property Management RFP for Properties Located at 1950 Fort Worth Ave, Dallas, Texas 75208 and 19373 Preston Rd. Dallas, Texas 75252

Presenter(s): Christine Crossley, Director, Office of Homeless Solutions

Action Taken/Committee Recommendations(s): The Committee was briefed on an overview of the City's proposal to award property management funding for the newly acquired hotel acquisitions to organizations that provide Solutions-Driven Property Management Practices that are proven, comprehensive, innovative and collaborative to provide maximum impact and effectiveness. Information only.

ADJOURN (11:15 a.m.)

APPROVED BY:

ATTESTED BY:

Casey Thomas II, Chair
Housing and Homelessness Solutions Committee

Gabriela Castillo, Coordinator
Housing and Homelessness Solutions Committee

DRAFT



Agenda Information Sheet

File #: 21-722

Item #: A.

Housing Program Overview: Housing Preservation | Home Improvements & Preservation Program, Emergency Home Repair Program, Targeted Rehab Program, and Healthy Homes Lead Reduction [David Noguera, Director, Department of Housing and Neighborhood Revitalization; Thor Erickson, AICP, Area Redevelopment Manager, Department of Housing and Neighborhood Revitalization; Kathryn Bender, Lead Hazard Control Manager, Department of Housing and Neighborhood Revitalization]



City of Dallas

Housing Preservation

Home Improvement & Preservation Program

Emergency Home Repair Program

Targeted Rehab Program

Healthy Homes Lead Reduction

**Housing and
Homelessness Solutions**

April 26, 2021

David Noguera, Director

Thor Erickson, AICP, Area Redevelopment Manager

Kathryn Bender, Lead Hazard Control Manager

Department of Housing & Neighborhood Revitalization

City of Dallas

Presentation Overview



- Purpose
- Background and Introduction
- Historical Trends
- Map of Program Activity
- Process Overview
- Cost/Benefit Analysis
- Evaluation and Recommendations
- Next Steps



Purpose



- Affordable Housing Preservation has many programs designed to address specific needs.
- Low-Income Homeowners across Dallas face aging housing, needed maintenance and repairs, dangerous building materials and the lack of funds to address the need.
- Four Housing Preservation programs designed to address these needs include:
 - Home Improvement & Preservation Program (HIPP)
 - Emergency Home Repair Program (EHRP)
 - Targeted Rehab Program (TRP)
 - Healthy Homes Lead Reduction (HHLR)



Background/History-HIPP



- Started in May 2018 through the adoption of CHP
 - Has three subprograms,
 - Minor Home Repair Grant Program - \$10k,
 - Major Rehabilitation Forgivable Loan Program -\$50k
 - Housing Reconstruction Loan Program - \$160k
 - Only Major and Reconstruction currently in operation
 - Funded primarily through CDBG
- Prior home repair programs include:
 - Major Systems Repair
 - Reconstruction Program
 - Reconstruction Share Program
 - Emergency Repair Program
 - People Helping People
 - Minor Home Repair Program
 - Rebate Program
 - Basic Service Repair



Background/History-EHRP



- On February 24, 2021, Council approved The EHRP to respond to the 2021 Severe Winter Storm
 - Funded through transfer of PPP from Economic Development to Housing
- On February 25, 2021, a Rebate Program was launched to reimburse homeowners who hired a contractor to repair the emergency home repair
- On March 1, 2021 Volunteers of America Texas was awarded \$1M to administer the program
 - On April 7, 2021 – an additional \$350k was approved



Background/History-TRP



- On August 26, 2020, TRP was approved to utilize funding directed to specific geographic areas. The sub programs are:
 - West Dallas
 - Historic Tenth Street
 - Funded through Equity Revitalization Capital Fund and General Obligation Bond
- On December 11, 2020 applications for both programs opened
- On April 14, 2021 a contractor was presented to City Council for contract award



Background/History- HHLR



- Lead-Based Paint Hazards – remediation or removal
- HUD grant of \$2.3M
- Homes built in 1978 or older
- Children under the age of 6
- Pregnant women
- Owner-Occupied or Rental
- At or below 80% AMI (Area Medium Income)



Historical Trends – Home Repair



- The Comprehensive Housing Policy was adopted without a transition plan for existing programs,
- 2018 Round of Applications
 - Started to collect data but process was being created
- 2019 Round of Applications
 - Open for 6 weeks – all online – lots of case management
 - Received 576 applications
- 2020 Round of Applications
 - Open for one day – four locations – paper application
 - Opened on October 17
 - Received 453 applications



Historical Trends – Home Repair



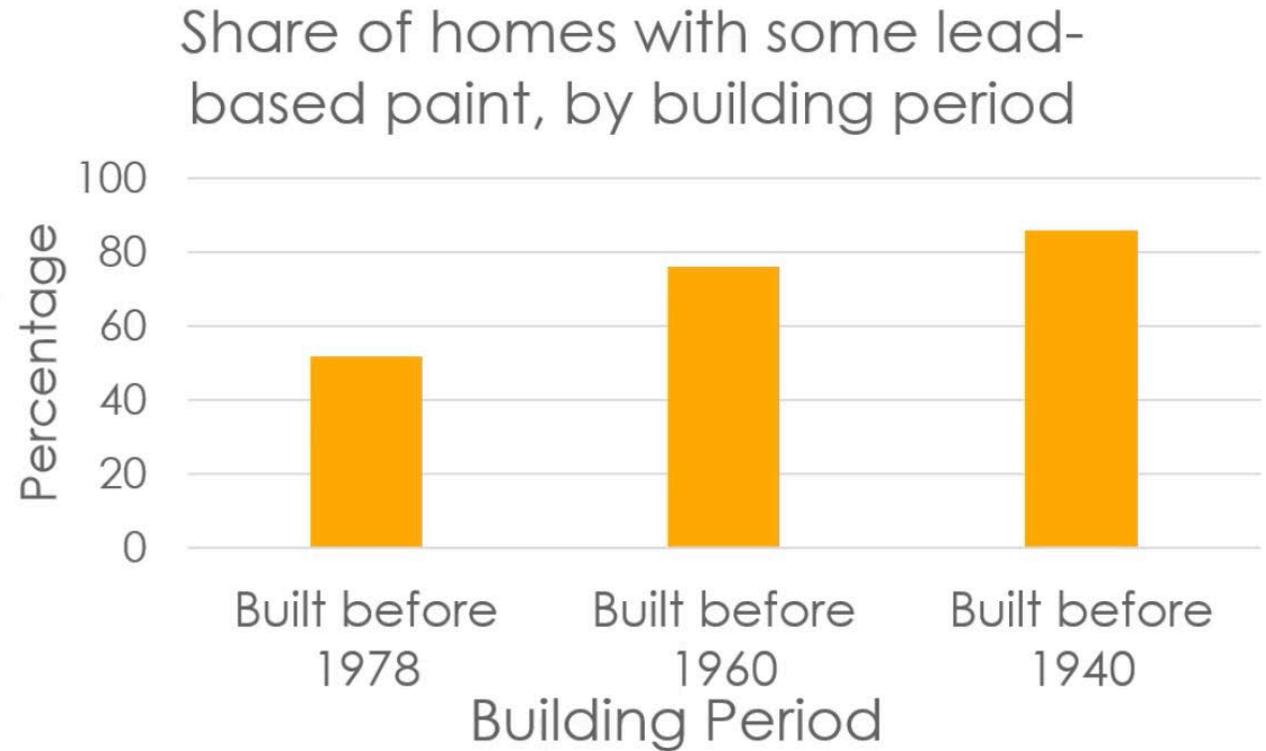
- For the 2020 Applications
 - All paper
 - In person collection
 - Staff entered into Neighborly
 - Processing complete applications
- Getting 2019 closed while approving 2020 batch and finishing construction on 2018 all at once
 - COVID 19
 - Amendment to CHP August 2020
- Common application
 - Used for TRP, EHRP and DTF
- Contractor capacity



Historical Trends - HHLR



- ▶ Reduce blood lead levels in children aged 1-5 years
 - ▶ Challenges
 - ▶ No dedicated source of revenue for primary prevention of lead poisoning
 - ▶ Testing rates remain low



CDC. Blood Lead Levels in Children aged 1-5 years -United States, 1999-2010. *Morbidity and Mortality Weekly Report* 2013; 62(13):4
U.S Dept of Housing and Urban Development. American Health y Homes Survey. Lead and Arsenic Findings. 2011

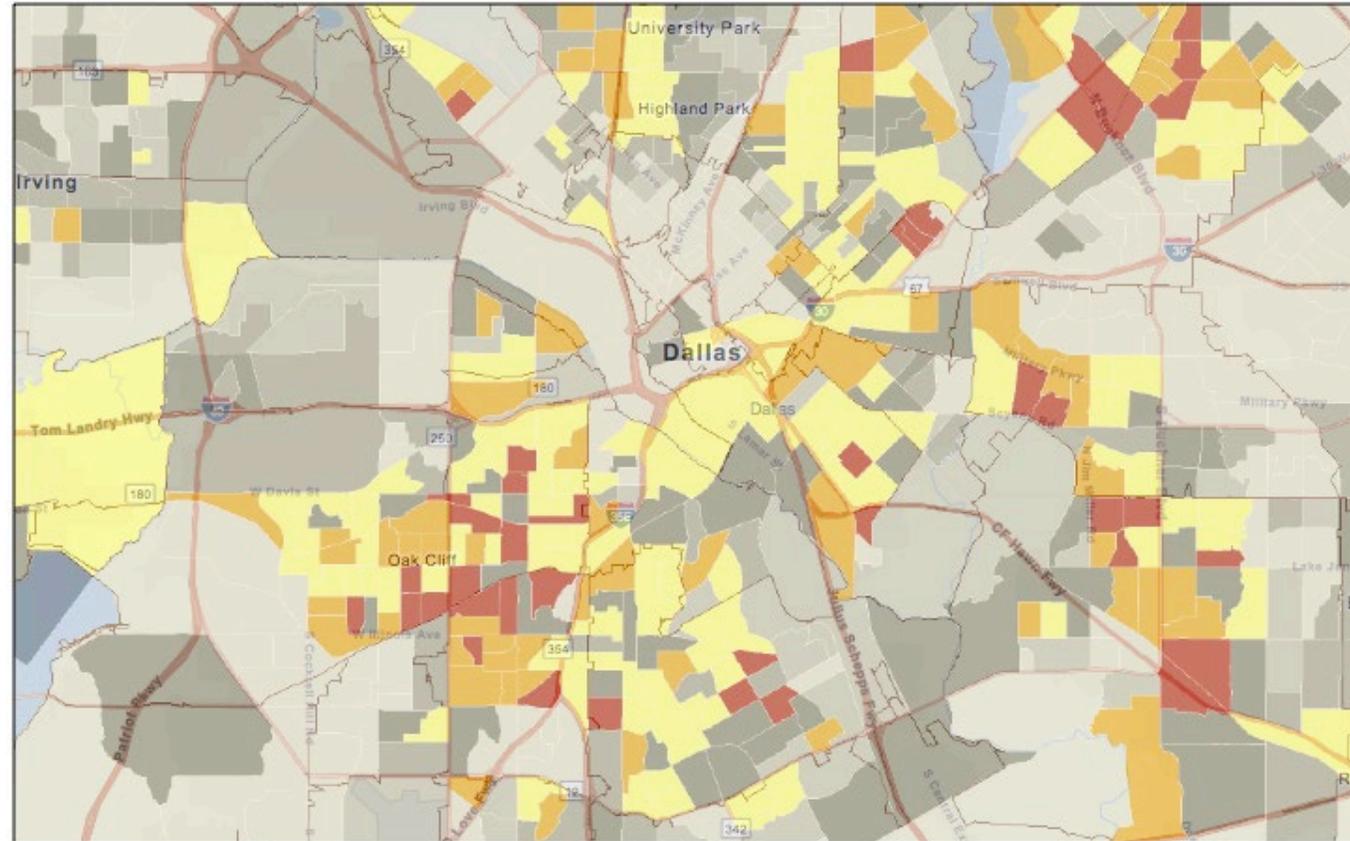


Historical Trends - HHLR

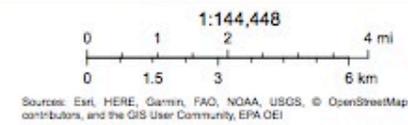


Dallas Homes

Lead-Based Paint Indicator



March 16, 2020



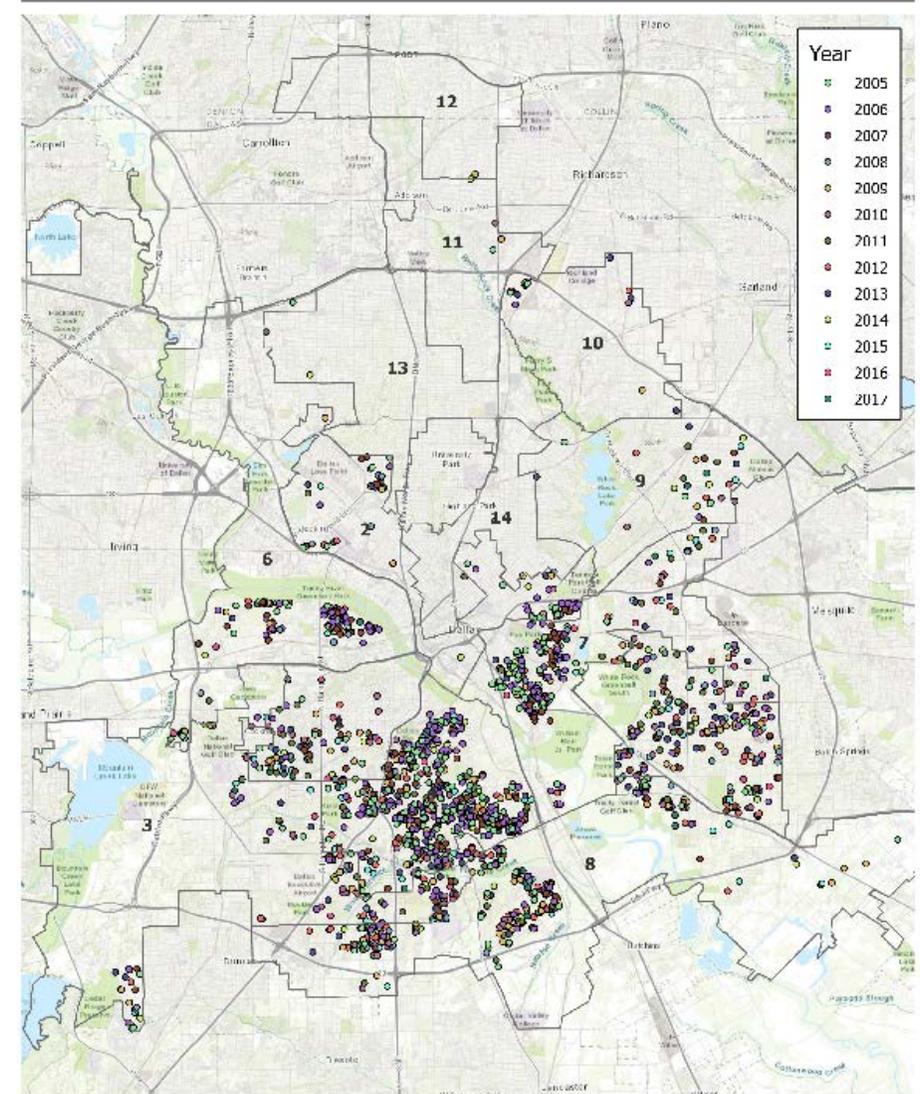
Map – Historic, Home Repairs



Year	Number
2005	266
2006	318
2007	194
2008	129
2009	327
2010	284
2011	335
2012	346
2013	458
2014	369
2015	295
2016	92
2017	65
2018	12
2019	0
2020	11
	3501

Council	Percentage
1	5.58%
2	3.95%
3	7.95%
4	31.80%
5	11.75%
6	5.82%
7	12.54%
8	17.39%
9	1.64%
10	0.99%
11	0.23%
12	0.06%
13	0.15%
14	0.15%

Historic Repair/Recon Projects

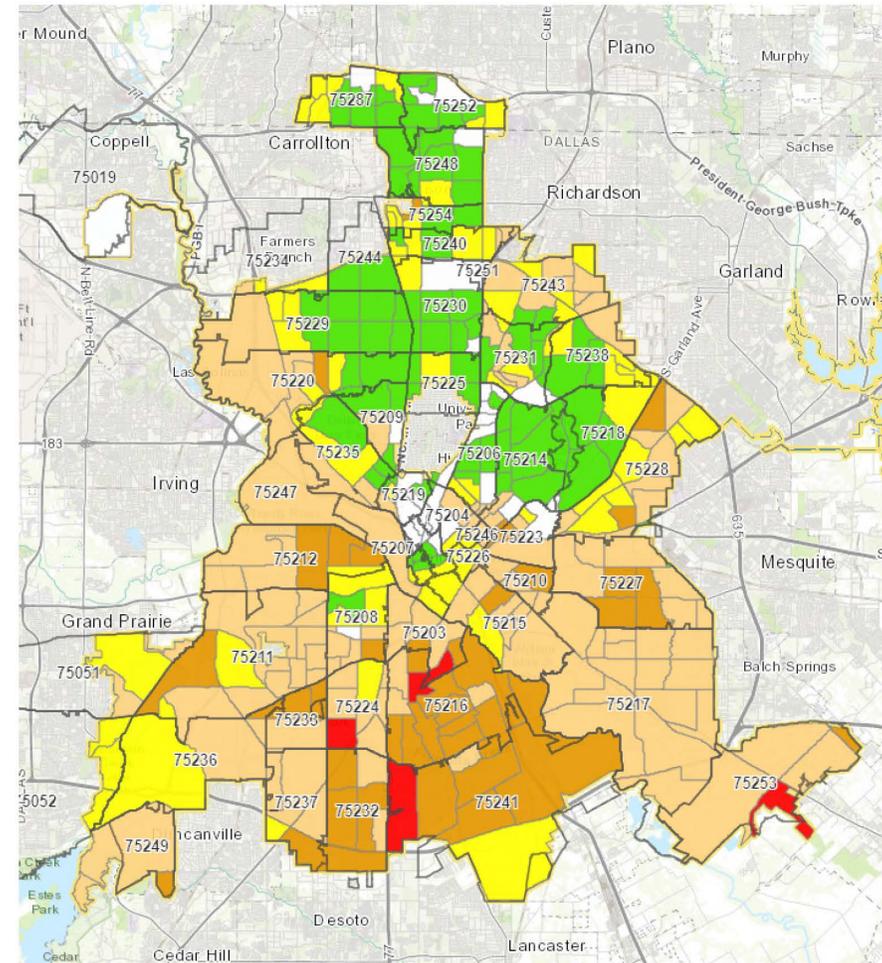


Map – EHRP - Equity Analysis



- The purpose of the data is to understand the areas of the city that have compounding vulnerabilities
 - Homeownership rate
 - Median family income
 - Household composition
 - Languages spoken
- Risk score - high to low
 - 5 red, 4 brown, 3 beige 2 green, 1 white

Winter Storm Equity Impact Assessment Tool
by Census Tract

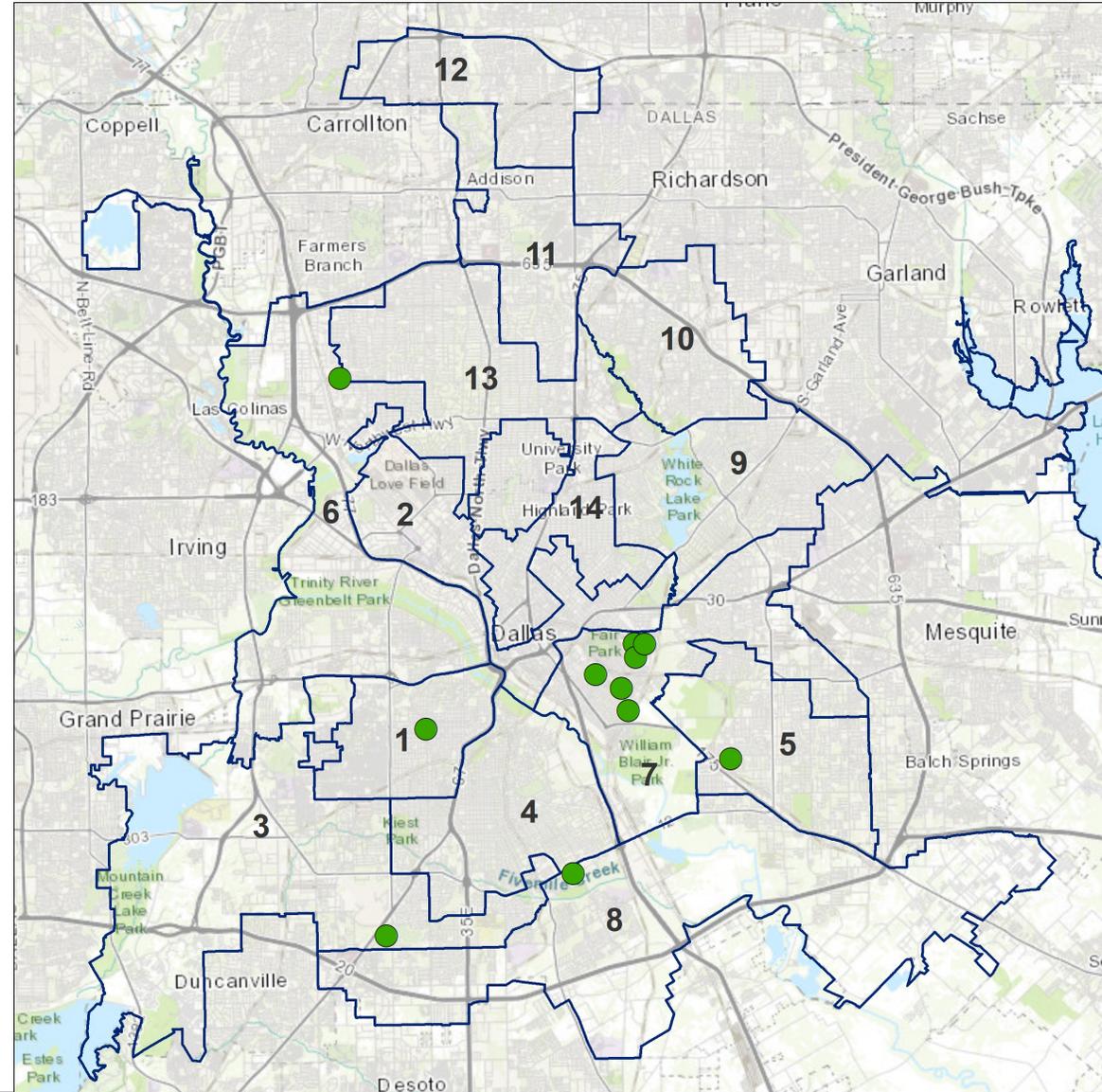


Map – HHLR Program Activity



Homes in Process

Council District	Number Served
1	1
2	0
3	1
4	0
5	1
6	1
7	6
8	1
9	0
10	0
11	0
12	0
13	0
14	0



Process Overview - HIPP



Applications 1-2 Month

Advertise Program
Release Application
Submit Applications



Application Review 2-3 hours a client

Income Eligibility
Program Eligibility
Title Search
Follow-up on items



Inspections 2-4 weeks

Initial Inspection (Recon)
Scope of Work Write-up
Bid Walks
Environmental review



Notices 1-2 hours a client

Notice to Close
If Recon - Notice of process - Underwriting for loan based on income
Cancellation Letters
Bid Award Letters



Pre-Construction 2-4 months

Closing Prep
Insurance Review
ER verification
Lead Review
AA drafted
Title Company (reviewing and assembling contracts)
Contract review and closing doc review
CAO contract review
Closing
Final Signatures
Notice to Proceed



Construction 2-6 months

Change Orders (Lead)
2 Months - Rehab
6 Months - Recon
Payment Processing



Process Overview - HHLR



Process: Current Statistics



as of 4/9/2021	HIPP 18/19		HIPP 19/20		HIPP 20/21		Tenth Street		West Dallas		EHRP NP		HHLR	
Status		total		total		total		total		total		total		total
Applications				577		453		8		98		135		22
Not Eligible				116		15		0		1				
No Funding / Over Funding				399		349		0		6				
Inspections/Lead Test				61		53		0		0				11
CAO review		0		0		3		0		0				
Loan Closed / Agreements		21		42		10		0		0				
Drop out/Cancel		3		3		0		0		0				
CAO Final Signature		0		2		7		0		0				
Under Construction		2		37		3		0		0				
Completed		16		0		0		0		0		43		0



Process: Current Statistics



Goal	HIPP 18/19		HIPP 19/20		HIPP 20/21		Tenth Street		West Dallas		EHRP NP		HHLR	
	20 <i>applied</i>	20 <i>served</i>	100 <i>applied</i>	0 <i>served</i>	50 <i>applied</i>	0 <i>served</i>	35 <i>applied</i>	0 <i>served</i>	200 <i>applied</i>	0 <i>served</i>	90 <i>applied</i>	43 <i>served</i>	90 <i>applied</i>	0 <i>served</i>
Demographics														
Asian	N/A	0%	0%	0%	0%	0%	0%	N/A	0%	N/A	N/A	N/A	N/A	N/A
Black or African American	N/A	90%	74%	86%	65%	86%	38%	N/A	42%	N/A	N/A	N/A	N/A	N/A
White or Caucasian	N/A	10%	16%	12%	29%	12%	63%	N/A	52%	N/A	N/A	N/A	N/A	N/A
Other Race/Two or More	N/A	0%	10%	2%	5%	2%	0%	N/A	6%	N/A	N/A	N/A	N/A	N/A
Hispanic	N/A	10%	21%	12%	24%	12%	38%	N/A	52%	N/A	N/A	N/A	N/A	N/A
Average Age of Applicant	N/A	N/A	65	68	63	67	70	N/A	61	N/A	N/A	N/A	N/A	N/A
Applicants over 65 %	N/A	N/A	58%	60%	55%	59%	63%	N/A	51%	N/A	N/A	N/A	N/A	N/A
0-30% AMI	N/A	90%	53%	50%	40%	45%	25%	N/A	47%	N/A	N/A	N/A	N/A	N/A
31-50% AMI	N/A	0%	25%	26%	31%	27%	38%	N/A	25%	N/A	N/A	N/A	N/A	N/A
51-80% AMI	N/A	10%	16%	24%	25%	27%	25%	N/A	20%	N/A	N/A	N/A	N/A	N/A
81%+ AMI	N/A	0%	6%	0%	5%	0%	13%	N/A	8%	N/A	N/A	N/A	N/A	N/A
Male	N/A	N/A	27%	32%	25%	30%	50%	N/A	30%	N/A	N/A	N/A	N/A	N/A
Female	N/A	N/A	73%	68%	75%	70%	50%	N/A	70%	N/A	N/A	N/A	N/A	N/A



Process: Current Statistics



Council District (Served)	HIPP 18/19		HIPP 19/20		HIPP 20/21		Tenth Street		West Dallas		EHRP NP		HHLR	
1	N/A	5%	3%	0%	8%	11%	0%	N/A	0%	N/A	N/A	N/A	N/A	N/A
2	N/A	5%	2%	0%	5%	0%	0%	N/A	0%	N/A	N/A	N/A	N/A	N/A
3	N/A	15%	7%	7%	6%	0%	0%	N/A	0%	N/A	N/A	N/A	N/A	N/A
4	N/A	10%	29%	31%	23%	33%	71%	N/A	1%	N/A	N/A	N/A	N/A	N/A
5	N/A	10%	12%	10%	14%	22%	0%	N/A	0%	N/A	N/A	N/A	N/A	N/A
6	N/A	20%	6%	12%	8%	11%	29%	N/A	99%	N/A	N/A	N/A	N/A	N/A
7	N/A	15%	22%	21%	29%	0%	0%	N/A	0%	N/A	N/A	N/A	N/A	N/A
8	N/A	20%	15%	17%	8%	22%	0%	N/A	0%	N/A	N/A	N/A	N/A	N/A
9	N/A	0%	2%	2%	2%	0%	0%	N/A	0%	N/A	N/A	N/A	N/A	N/A
10	N/A	0%	0%	0%	0%	0%	0%	N/A	0%	N/A	N/A	N/A	N/A	N/A
11	N/A	0%	0%	0%	0%	0%	0%	N/A	0%	N/A	N/A	N/A	N/A	N/A
12	N/A	0%	0%	0%	0%	0%	0%	N/A	0%	N/A	N/A	N/A	N/A	N/A
13	N/A	0%	0%	0%	0%	0%	0%	N/A	0%	N/A	N/A	N/A	N/A	N/A
14	N/A	0%	0%	0%	0%	0%	0%	N/A	0%	N/A	N/A	N/A	N/A	N/A



Process: Marketing and Outreach



- Each program has communication strategies
- Social Media
 - Twitter
 - Facebook
 - Nextdoor
- Council invite Q&A
- Partner with other departments for Q&A
- HHLR - Marketing the new program
 - 2000 flyers at Halloween
 - 10,000 door hangers
 - 237,000 water bill flyers
 - Presentation to attorneys, code inspectors, fire inspectors, and detectives.
 - Flyers sent to church leaders for their bulletin



Cost Analysis



- With \$3M a year for HIPP can serve ~40 homeowners
- Material cost going up
- 4.5 staff for Housing Preservation
- 2 staff for HHLR
- Administration is staff intensive based on the population served



Program Values



- Better living conditions
- Allows seniors to age in place
- Stabilization of homeowners
- Investment into neighborhoods
- Healthier impacts of indoor air quality



Evaluation



- We need to continue to identify delays in the process and work through them
- Process improvements would enable the program to grow.
- Celebrate staff for staying positive through the last year
- Recommendations
 - Equity Audit of CHP
 - Dedicated resources needed in CAO, Housing and Permitting, Risk Management, Budget (environmental review), finance
 - Efficiency in process continual cycle



Next Steps



- Equity Audit of CHP
- Contractor recruitment and capacity
- Look at Design and impact in neighborhoods
- Affordable Housing Preservation has other programs that will be briefed at a later date.
 - Neighborhood Empowerment Zones
 - Applications for Tax Abatements are now open for Homeowners and Landlords – www.dallashousingpolicy.com
 - Dallas Tomorrow Fund
 - Applications are processed once referred to Housing from a Dallas Code Compliance
 - Title and Property Assistance Program (TAPA)
 - For title issues please go to www.texastapa.com
- Minor home repair is being reviewed to present to HHS Summer 2021 for program improvement





City of Dallas

Housing Preservation HIPP – EHRP – TRP – HHLR

**Housing and
Homelessness Solutions
April 26, 2021**

David Noguera, Director
Thor Erickson, AICP, Area Redevelopment Manager
Kathryn Bender, Lead Hazard Control Manager
Department of Housing & Neighborhood Revitalization
City of Dallas



City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 21-725

Item #: B.

Upcoming Agenda Item: The Sale of 10 Land Transfer Lots and the Construction of 10 Single-Family Homes with Black Island LLC
[David Noguera, Director, Department of Housing and Neighborhood Revitalization]

Memorandum



CITY OF DALLAS

DATE April 26, 2021

Honorable members of the Housing and Homelessness Solutions Committee: Casey Thomas II (Chair), Cara Mendelsohn (Vice Chair), Chad West, Carolyn King Arnold, Paula Blackmon, Lee Kleinman, Jaime Resendez

SUBJECT **Upcoming Agenda Items: The Sale of 10 Land Transfer Lots and the Construction of 10 Single-Family Homes with Black Island LLC**

On Monday, April 26, 2021, the Housing and Homelessness Solutions Committee will be briefed on the proposed sale of Land Transfer 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 and Neighborhood Revitalization, currently has an inventory of 145 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, Black Island LLC, for the purchase of ten (10) Land Transfer lots. This memorandum provides an overview of the application submitted by Black Island LLC for the Housing and Homelessness Solutions committee consideration.

Background

On May 22, 2019, City Council adopted the Land Transfer Program via Resolution No. 19-0824. The purpose of the Land Transfer 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, 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 in a direct sale at less than fair market value of the land, consistent with the authorizing state statute or city ordinance.

In March 2021, an eligible developer, Black Island LLC, submitted an application (proposal) to purchase a total of 10 Land Transfer lots. Housing Department 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

DATE April 21, 2021

SUBJECT **Upcoming Agenda Items: The Sale of 10 Land Transfer Lots and the Construction of 10 Single-Family Homes with Black Island LLC**

standards to be deemed a “Qualified Participating Developer” and underwriting the proposal. The application was determined to be “complete” and was assigned a score by Housing Department staff. Housing Department 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 Black Island LLC. The Developer is a domestic limited liability company formed in Texas in 2009. The managing director is Anthony Davis. The Developer has been remodeling and constructing homes since 2010 and is a participant in the City’s Home Improvement and Preservation Program. Initially, the company focused primarily on renovation projects but has since become a custom builder for low to moderate income homeowners. The most recent projects, approximately 30, have been primarily in South Dallas, specifically in the 75215 and 75216 zip codes demonstrating an understanding for the target market in building affordable homes in the proposed clusters.

The proposal indicates the construction of 10 single family units ranging from 1800 SF to 2100 SF with a minimum of 3 bedrooms and 2 baths. The price range of the proposed units will be \$158,000 - \$180,000 targeting homebuyers in an income range of 61% - 120% AMI, of which 4 units will be used to target homebuyers in an income range of 61-80% AMI. The developer intends to market the City of Dallas Homebuyer Assistance Program to those homebuyers categorized in the 61-80% 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 2020 HUD HOME homeownership sales price for the Dallas, TX HUD Metro FMR Area and must be affordable based on the income of the targeted homebuyer.
- **Targeted Income of Homebuyer:** 61%-120% 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 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 and Neighborhood Revitalization staff written documentation of the income of the proposed purchaser and the sales price. After sale of the home, the property must

DATE April 21, 2021

SUBJECT **Upcoming Agenda Items: The Sale of 10 Land Transfer Lots and the Construction of 10 Single-Family Homes with Black Island LLC**

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 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 if Developer does not apply for a construction permit and close on any construction financing within 60 days of purchase from the City or does not complete the construction and sale of the affordable housing unit to an income eligible homebuyer within 2 years.

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 10 vacant lots to the Qualified 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 \$10,350.59. The sales price for each lot is a minimum of \$1,000 for lots up to 7500 square feet and an additional \$0.133 per square foot for lots which exceed 7500 square feet. Upon completion of the proposed 10 housing units the expected property tax revenue for the City of Dallas is expected to be \$13,290 annually. In addition, Exhibit A details the Estimated Foregone Revenues from the release of non-tax City liens: \$13,035.34.

Staff Recommendation

Staff recommends that the Housing and Homeless Solutions Committee move this item forward to City Council so that it may consider and approve of the sale of 10 vacant lots owned by the City to the Qualified Participating Developer pursuant to the terms of development set forth in this memorandum.

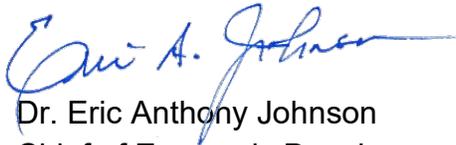
Next Steps

Upon receiving Committee approval, staff will place this item on the next available City Council agenda.

DATE April 21, 2021

SUBJECT **Upcoming Agenda Items: The Sale of 10 Land Transfer Lots and the Construction of 10 Single-Family Homes with Black Island LLC**

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@DallasCityHall.com or 214-670-3619.



Dr. Eric Anthony Johnson
Chief of Economic Development & Neighborhood Services

Attachment: Project Map

c: Honorable Mayor and City Council
T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager

Majed A. Al-Ghafry, Assistant City Manager
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Joey Zapata, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors

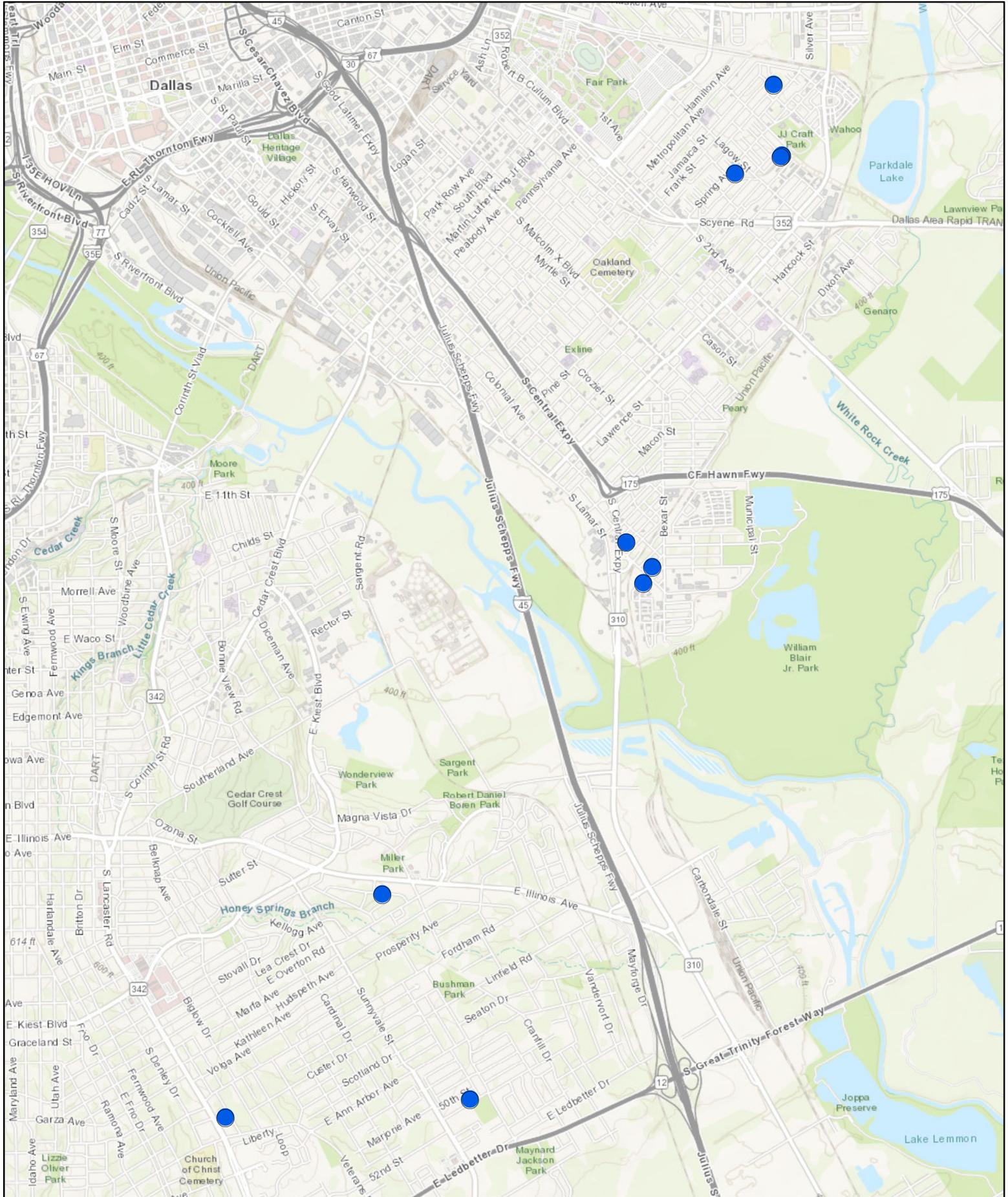
DATE April 21, 2021

SUBJECT **Upcoming Agenda Items: The Sale of 10 Land Transfer Lots and the Construction of 10 Single-Family Homes with Black Island LLC**

**Exhibit A
Black Island, LLC**

Lot #	Street #	Street Name	Neighborhood	CD	Area (SF)	Purchase Price	Type	Proposed Homebuyer AMI	Non- Tax Lien Amount
1	2233	Dyson St	Bonton	7	4906	\$ 1,000.00	surplus	61-80%	\$ 1,866.00
2	2444	Easley St	Bonton	7	5185	\$ 1,000.00	surplus	81-120%	\$ -
3	6220	Canaan St	Bonton	7	4998	\$ 1,000.00	surplus	81-120%	\$ -
4	2969	Cummings St	Oak Cliff	4	7985	\$ 1,064.51	tax foreclosed	81-120%	\$ -
5	2928	Eagle Dr	Oak Cliff	4	8360	\$ 1,114.38	tax foreclosed	81-120%	\$ -
6	4207	Opal Ave	Oak Cliff	4	8791	\$ 1,171.70	tax foreclosed	81-120%	\$ 5,858.03
7	2718	Mitchell St	Mill City	7	5353	\$ 1,000.00	tax foreclosed	81-120%	\$ 1,548.72
8	4338	Marshall St	Mill City	7	4632	\$ 1,000.00	tax foreclosed	61-80%	\$ -
9	4334	Marshall St	Mill City	7	4311	\$ 1,000.00	tax foreclosed	61-80%	\$ 1,490.26
10	4013	Sonny Cir	Mill City	7	3737	\$ 1,000.00	tax foreclosed	61-80%	\$ 2,272.33
Total Purchase Price						\$ 10,350.59	Total Non-Tax Lien Amount	\$ 13,035.34	

Land Transfer Lots Requested by Developer Black Island, LLC



Memorandum



CITY OF DALLAS

DATE April 22, 2021

Honorable members of the Housing and Homelessness Solutions Committee: Casey Thomas II (Chair), Cara Mendelsohn (Vice Chair), Carolyn King Arnold, Paula Blackmon, Lee Kleinman, Jaime Resendez, Chad West

SUBJECT **Department of Housing Performance Measure Update**

The Department of Housing and Neighborhood Revitalization reports project pipelines and accomplishments to the Housing & Homelessness Solutions Committee on a monthly basis. The updated presentation is attached, and details are included below:

Development

In March, Dallas City Council supported one new development project, approving the sale of 15 vacant lots to Beharry Homes for the construction of new housing.

One project taking advantage of the by-right Mixed Income Housing Development Bonus, a Fields Brothers property on Maple Ave, was permitted in March. This property will contain 51 units, 3 of which will be set aside for low-income households. Four land bank properties also received permits this month.

Single-family projects currently under construction are nearing completion, so housing completions will remain slow until newer projects begin construction including Singleton Estates in West Dallas and all projects approved in the 2020 Single-Family NOFA. This month 1 home was completed and sold in Prairie Creek, and 1 land bank home completed construction.

The 1,000 Unit Affordable Housing Challenge is underway. The Request for Proposals concluded in March and staff received proposals for a total of 2,334 units. More information will be presented to the Housing & Homelessness Solutions Committee in May.

Repair

Staff has been working diligently to migrate its repair programs and processes into the online Neighborly system and to develop tools that use Neighborly to automatically calculate and report on the status and performance of cases in the program. Using this system ensures that there is only one source of truth for all applications and reduces errors from relying on various staff members to track pieces of data individually. In March, staff moved to using this system to report performance, so there may be some changes and corrections to the data this month.

DATE April 22, 2021
SUBJECT **Department of Housing Performance Measure Update**

The Targeted Rehab Programs (TRP) did not see much change in March, with no increase in applications received for West Dallas and only one additional application for Tenth Street. Staff are working through these applications. The Lead/Healthy Homes program has seen substantial interest, receiving 20 new applications in March and preapproving 4 additional households.

Most changes seen in the Home Improvement and Preservation Program (HIPP) are due to the transition to the new system, though 3 projects did reach completion in March. Our partner contractors are currently at capacity and cannot accept any new projects. As they finish these repairs, they will be able to contract with households preapproved during this application cycle.

On February 24, 2021, Council approved the creation of the Emergency Home Repair Program (EHRP). This program set aside \$2 million to help residents repair home damage caused by the 2021 winter storm. Volunteers of America was selected to provide immediate home repairs, and so far has received 135 applications and completed 43 repairs. City staff is managing a rebate program to reimburse residents for repairs already made. Staff have received 7 applications so far and reimbursed 2 households. The chart in the attached presentation shows applications and denials only for the city-managed program but shows completed repairs for both combined.

DHAP

The Dallas Homebuyer Assistance Program (DHAP) is continuing to see movement with 4 new applications and 2 clients prequalified and 1 loan closed in March. There are 11 prequalified applicants currently looking for homes and 3 loans on track to close in April. The program has been drawing more interest due to radio and television ads published through Estrella Media. Marketing inserts are also now being mailed with DWU water bills, and staff will be participating in a virtual homebuyer fair in April with Business & Community Leaders (BCL) of Texas.

MRAP

The Mortgage and Rental Assistance Program (MRAP) will be coming to an end soon as the funding provided for the program runs out. Partners have until June to complete their contracts. March saw a reported increase of 175 households served.

Other

We are not aware of any additional units supported by other City of Dallas departments since the last report. The market continues to move forward, however, with the City approving 506 units in March. The Title and Property Assistance program (TAPA)

DATE April 22, 2021
SUBJECT **Department of Housing Performance Measure Update**

completed the clearing of 3 titles the last quarter with several other residents' legal discussions and proceedings underway.

Lumber Prices

The cost of lumber has been increasing for developers and contractors throughout the country. A March 11 report showed that the price of lumber per thousand board feet was \$1,044, an all-time high and up 188% since the beginning of the pandemic. The National Association of Home Builders calculated that these lumber prices are adding at least \$24,000 to the price tag of a typical new single-family home. This will impact Housing's ability to serve residents.

In the short-term, we may begin to see change orders from repair contractors who have been impacted by price fluctuations between bid and closing. Developers may need to request to change their contracted sales price or ask for additional funding as their affordable projects may begin to pencil at a loss. If the cost of lumber remains high long-term, Housing may need to pursue other changes, such as providing additional funding to developers to incentivize affordability or increasing the amount of funding provided to repair a home

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@DallasCityHall.com or 214-670-3619



Dr. Eric Anthony Johnson
Chief of Economic Development & Neighborhood Services

Attachment: Department of Housing and Performance Measure Update Presentation

c: Honorable Mayor and City Council
T.C. Broadnax, City Council
Chris Caso, City Attorney
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City of Dallas

Department of Housing Performance Measure Update

**Housing and
Homelessness Solutions
April 26, 2021**

David Noguera, Director
Housing & Neighborhood Revitalization
City of Dallas

Production Chart (data as of 4/8/2021)



	Program Budget	Full Time Employees	Applied	Denied/Cancelled	Benchmark	Jan 2020 YTD	Feb 2021 YTD	FY 2021 Projections
Development	\$2.5 m CDBG \$4.1 m HOME \$965k CHDO	4 Employees	7,321	1,266	Units Approved	1,856	1,871	2,742
					Units Permitted	279	334	1,686
					Units Completed	43	45	405
Repair	\$2.9 m CDBG \$1.4 m Lead \$2 m EHRP	4 Employees	653	393	Households Approved	76	89	360
					Units Repaired	5	53	410
DHAP	\$500k CDBG \$767k HOME	2 Employees	23	6	Loans Approved	15	17	25
					Loans Provided	1	2	10
MRAP	\$10.5 m HOU \$8.2 m OCC	N/A	N/A	N/A	Households Served	4,355	4,530	2,555
Other	N/A	N/A	N/A	N/A	Units Supported by Other Depts	1,092	1,092	N/A
					All Units Permitted	2,584	3,090	N/A

4 Admin, 5 Finance, 2 Strategy, 8 Inspection,
8 Compliance, 8 Floating Program Staff,
2 Assistant Director, 1 Director



Development Chart (data as of 4/8/2021)



	NOFA	Land Programs	MIHDB	LIHTC/DHFC	NEZ	1000 Unit Challenge	Multiple Programs	Total
Program Budget	\$6.7 m	N/A	N/A	N/A	N/A	N/A	N/A	\$6.7 m
Units Applied	905	158	300	3,624	0	2,334	0	7,321
Units Cancelled	227	0	0	1,039	0	0	0	1,266
Units Approved	478	74	N/A	1,319	0	0	0	1,871
Units Permitted*	0	33	51	250	0	0	0	334
Units Completed*	35	10	0	0	0	0	0	45



*Due to the length of construction timelines, units permitted often reflects work done a year prior, and units completed may reflect staff work completed up to 3 years prior depending on the project

Repair Chart (data as of 4/8/2021)



	HIPP	West Dallas	Tenth Street	Lead/ Healthy Homes	DTF	NEZ	EHRP	Total
Program Budget	\$2.9 m	\$2 m	\$750k	\$1.4 m	\$500k	N/A	\$2 m	\$9.05 m
Units Applied	449	94	8	66	29	0	7	653
Units Cancelled	356	11	0	7	11	0	0	393
Households Approved	53	0	0	14	4	0	N/A	89
Units Repaired	8	0	0	0	0	0	45	53



Other Programs (data as of 4/8/2021)



	DHAP
Program Budget	\$1.27 m
Units Applied	23
Units Cancelled	6
Loans Approved	17
Loans Provided	2

	MRAP	TAPA*
Program Budget	\$18.7 m	\$200k
Households Served	4,530	20



*TAPA will report data on a quarterly basis, next update anticipated to appear April 2021



City of Dallas

Department of Housing Performance Measure Update

**Housing and
Homelessness Solutions
April 26, 2021**

David Noguera, Director
Housing & Neighborhood Revitalization
City of Dallas

COVID-19

DHA continues to operate under **Phase I** of its Business Continuity Plan. Phase I requires the majority of DHA teammembers work remotely (telework) and limits direct public access. DHA continues to monitor various relivant statistics such as but not limited to number of persons contracting COVID-19, hospitalized, etc as markers to best assess when to initiate Phase II of its Business Continuity Plan.

CARES Act Temporary Rental Assistance Program Round 2

DHA is in discussions with City of Dallas on an Interlocal Agreement (ILA) to administer \$20M in Temporary rental assistance for Dallas residents negatively impacted by COVID-19.

Children First North Texas (CFNTX)

A DHA initiated program design to educate families who currently reside in R/ECAP neighborhoods on housing choice options in higher opporutnity neighborhoods that may be appropriate for them to consider in their decision making process of locating future affordable housing. The CFNTX program, based on CMTO program concept established in Seattle and King County Housing AAuthorities, has issued 80 vouchers this year. The program is currently suspended given the public health concerns of COVID-19. DHA will resume CFNTX voucher issuance as the number of COVID-19 cases declines to a point of not representing a health crisis. DHA committed \$3M to provide finanical assistance in the form of security deposits, application fees, moving expenses, etc. for those families deciding to move to a higher opportunity neighborhood. DHA anticipates the relaunch of this program by 3rd quarter of 2021.

The Oaks Apt.

DHA continues to work with its development partner Volunteers of America National Services (VOANS) in the development of The Oaks. A \$47.5M, 260-unit Housing community for seniors will be built in Council District 1, Chad West. DHA anticipates the project will close in June 2021 and construction will begin within thirty days of the closing. This senior facility will have the following amenities when it opens in March 2023, business center, community garden, dog park, library, guest suite and two roof-top terraces with view of downtown Dallas.

Moving to Work (MTW) Demonstration Program

HUD published Operations Notice for the Expansion of the Moving to Work Demonstration Program – Cohort #2 – Rent Reform. The Public Housing /Section 8 Moving to Work (MTW) demonstration program was first established under Section 204 of the Omnibus Consolidated Receptions and Appropriation Act of 1996, Public Law 104-134, 110 Stat. 1321 (1996 MTW Statute) to provide statutory and regulatory flexibility to participating public housing agencies (PHAs) under three statutory objectives. Those three statutory objectives are: to reduce cost and achieve greater cost effectiveness in Federal expenditures; to give incentives to families with children whose household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and to increase housing choices for low income families. DHA filed its MTW application in January 2021. It is anticipated that HUD will announce awardees within the next 30-45 days.

