

**OCTOBER 13, 2021 CITY COUNCIL AGENDA  
CERTIFICATION**

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Agenda dated October 13, 2021. We hereby certify, as to those contracts, agreements, or other obligations on this Agenda authorized by the City Council for which expenditures of money by the City are required, that all of the money required for those contracts, agreements, and other obligations is in the City treasury to the credit of the fund or funds from which the money is to be drawn, as required and permitted by the City Charter, and that the money is not appropriated for any other purpose.



\_\_\_\_\_  
T.C. Broadnax  
City Manager

\_\_\_\_\_  
10/8/2021

Date



for Elizabeth Reich  
Chief Financial Officer

\_\_\_\_\_  
10/8/2021

Date





# Memorandum



CITY OF DALLAS

DATE October 8, 2021

TO Honorable Mayor and Members of the City Council

SUBJECT **October 13, 2021 City Council FINAL Agenda - Additions/Revisions/Deletions**

On October 1, 2021, a DRAFT City Council Agenda for October 13, 2021 was provided for your review. This memorandum outlines any additions, revisions or deletions made to the FINAL agenda after the distribution of the DRAFT agenda. In addition, we have highlighted agenda items which have been briefed to the City Council and/or Committee by briefing memorandums.

Additional items and deletions to the DRAFT agenda are outlined below, including *revisions* to the FINAL agenda are underlined in blue and *deletions* are strikethrough in red. A brief explanation for revisions along with staff's contact information is provided.

## **Deletions:**

52. 21-1799 Authorize an amendment to the City of Dallas Comprehensive Housing Policy, as amended, to allow the City to provide targeted financial support for the development of non-income restricted housing units that provides consideration for such development and meets a public purpose - Financing: No cost consideration to the City

This item is being deleted because it was required for the passage of Item 53. Please contact Kyle Hines, Assistant Director, Department of Housing & Neighborhood Revitalization, at 214-670-4942.

53. 21-1796 Authorize the execution of a conditional grant agreement with WPC Acquisition, Inc., a subsidiary of the Wilbow Corporation, Inc. (Developer), or an affiliate thereof, in an amount not to exceed \$1,550,000.00 in 2017 Proposition I Bond Funds for public infrastructure and construction costs related to the development of up to 156 market-rate single-family homes, and the dedication of 3.7 acres of land for the development of a park - Not to exceed \$1,550,000.00 - Financing: ECO (I) Fund (2017 General Obligation Bond Fund)

This item is being deleted to give developer time to finalize development and financial terms for the project. Please contact Kyle Hines, Assistant Director, Department of Housing & Neighborhood Revitalization, at 214-670-4942.

A memorandum was previously provided to Committee and/or City Council regarding the following items. A link to the memos is attached for more information.

8. 21-1836 An ordinance **(1)** designating a certain geographic area in the City of Dallas as "Project Financing Zone Number One, City of Dallas, Texas" and providing an expiration date for the zone; **(2)** making certain findings related thereto; **(3)** directing the City Manager to notify the Texas Comptroller of Public Accounts of the zone's creation within 30 days of its designation by City Council and request that the Comptroller deposit incremental hotel-associated tax revenues from the zone into a suspense account held in trust for the City of Dallas' financing of

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qualified project activities; **(4)** providing for notification to the Comptroller in the event that qualified project activities are abandoned or not commenced within five years of the initial deposit to the suspense account; and **(5)** containing other related matters - Estimated Revenue: Convention and Event Services Fund \$2,200,000,000.00 over 30 years

[City Council was briefed by memorandum regarding the Kay Bailey Hutchison Convention Center Dallas Master Plan on January 22, 2021.](#)

[City Council was briefed by memorandum regarding progress to-date on the Kay Bailey Hutchison Convention Center Dallas Master Plan on August 13, 2021.](#)

9. 21-1837 An ordinance amending Chapter 42A, "Special Events; Neighborhood Markets; Dallas Farmers Market Farmers Market; Streetlight Pole Banners," of the Dallas City Code by amending Section 42A-12 to **(1)** provide an extension of the temporary parklet program; **(2)** providing a penalty not to exceed \$500.00; **(3)** providing a savings clause; **(4)** providing a severability clause; and **(5)** providing an effective date - Revenue Forgone: Convention and Event Services Fund \$15,000.00 over two months (see Fiscal Information)

[The Transportation and Infrastructure Committee was briefed by memorandum regarding proposed amendments to the Special Events Ordinance - Chapter 42A on June 15, 2020.](#)

[The Transportation and Infrastructure Committee was briefed by memorandum regarding the proposed extension of the Temporary Parklet Program to April 30, 2021 on November 16, 2020.](#)

[The Transportation and Infrastructure Committee was briefed by memorandum regarding the proposed extension of the Temporary Parklet Program to September 30, 2021 on April 19, 2021.](#)

[City Council was briefed by memorandum regarding this matter on September 17, 2021.](#)

11. 21-1360 Authorize **(1)** a conditional grant agreement with Dallas City Homes, Inc. and/or its affiliates for the purchase and installation of solar panels for the multifamily development to be located at 3115 Topeka Avenue, Dallas, Texas 75212 in the amount of \$300,000.00; and **(2)** a HOME Investment Partnership loan agreement in an amount not to exceed \$2,085,504.00 for the construction of affordable housing for the new Construction and Substantial Rehabilitation Program - Not to exceed \$2,385,504.00 - Financing: HOME Investment Partnerships Grant Fund (\$2,085,504.00) and General Fund (\$300,000.00)

[The Housing and Homelessness Solutions Committee was briefed regarding this matter on September 23, 2021.](#)

12. 21-1631 Authorize a **(1)** preliminary adoption of Substantial Amendment No. 1 to the FY 2021-22 Action Plan for the HOME Investment Partnerships Program (HOME) to **(a)** reallocate \$976,042.15 in HOME funds balance for Tenant-Based Rental Assistance Program (TBRA) to Housing Development Program; **(b)** reduce the unit production anticipated from 150 units to 108 for TBRA; and **(c)** increase the Development Loan Program production from 32 to 47; and **(2)** a public hearing to be held on December 8, 2021, to receive comments on Substantial Amendment

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No. 1 to the FY 2021-22 Action Plan for HOME - Financing: No cost consideration to the City

[The Housing and Homelessness Solutions Committee was briefed by memorandum regarding this matter on September 23, 2021.](#)

20. 21-1649 Authorize **(1)** the transfer of \$500,000.00 from the Grand Park South TIF District Fund to the Transportation Special Projects Fund to implement a public street lighting improvement project in Tax Increment Financing Reinvestment Zone Number Thirteen (Grand Park South TIF District); **(2)** an increase in appropriations in an amount not to exceed \$500,000.00 in the Transportation Special Projects Fund; and **(3)** the disbursement of funds in an amount not to exceed \$500,000.00 from the Transportation Special Projects Fund - Not to exceed \$500,000.00 - Financing: Grand Park South TIF District Fund

[The Transportation and Infrastructure Committee was briefed by memorandum regarding this matter on September 20, 2021.](#)

21. 21-1206 Authorize a personal services contract with Hector Alcalde for federal legislative services regarding water resources and flood control for the period November 1, 2021 through October 31, 2022 - Not to exceed \$53,400.00 - Financing: General Fund

[City Council was briefed by memorandum regarding this matter on November 8, 2019.](#)

[City Council was briefed by memorandum regarding this matter on October 8, 2021.](#)

22. 21-1207 Authorize a personal services contract with Paul Schlesinger for federal legislative services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$31,600.00 - Financing: General Fund

[City Council was briefed by memorandum regarding this matter on November 9, 2019.](#)

[City Council was briefed by memorandum regarding this matter on October 8, 2021.](#)

23. 21-1861 Authorize a personal services contract with Kwame Walker & Associates for state legislative and information services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$70,000.00 - Financing: General Fund  
City Council was briefed by confidential memorandum regarding this matter on November 9, 2020.

[City Council was briefed by memorandum regarding this matter on October 8, 2021.](#)

24. 21-1862 Authorize a personal services contract with Campos Consulting Group for state legislative and information services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$60,000.00 - Financing: General Fund  
City Council was briefed by confidential memorandum regarding this matter on November 9, 2020.

[City Council was briefed by memorandum regarding this matter on October 8, 2021.](#)

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25. 21-1863 Authorize a personal services contract with Randy C. Cain for state legislative and information services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$71,000.00 - Financing: General Fund  
City Council was briefed by confidential memorandum regarding this matter on November 9, 2020.  
[City Council was briefed by memorandum regarding this matter on October 8, 2021.](#)
26. 21-1205 Authorize a professional services contract with CapitalEdge Strategies, LLC to provide federal legislative services to the City for the period November 1, 2021 through October 31, 2022 - Not to exceed \$160,000.00 - Financing: General Fund  
[City Council was briefed by memorandum regarding this matter on October 18, 2019.](#)  
[City Council was briefed by memorandum regarding this matter on October 8, 2021.](#)
27. 21-1864 A resolution to approve an easement to DART for construction, operation, and maintenance of the Silver Line at DFW Airport, as set forth in DFW Airport Board Resolution 2021-08-156 - Financing: No cost consideration to the City  
[The Transportation and Infrastructure Committee was briefed by memorandum regarding this matter on September 20, 2021.](#)
28. 21-1865 A resolution to approve an easement to the City of Fort Worth for the installation, operation, and maintenance of a reclaimed water flush line at DFW Airport as set forth in DFW Airport Board Resolution 2017-04-089 - Financing: No cost consideration to the City  
[The Transportation and Infrastructure Committee was briefed by memorandum regarding this matter on September 20, 2021.](#)
38. 21-1779 Authorize a three-year service contract, with two one-year renewal options, for third-party administrator services for the City's Property Assessed Clean Energy Program for the Office of Economic Development - Texas Property Assessed Clean Energy Authority dba Texas PACE Authority, only proposer - Financing: No cost consideration to the City  
[The Economic Development Committee was briefed by memorandum regarding this matter on October 4, 2021.](#)
54. 21-1856 Authorize **(1)** designating approximately 5.4 acres of property addressed as 1823 North Hall Street, located at the northwest corner of North Hall Street and Flora Street in Dallas, Texas, as City of Dallas Neighborhood Empowerment Zone No. 19 ("City of Dallas NEZ No. 19"), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation of affordable housing and an increase in economic development in the zone, establish the boundaries of the zone, and provide for an effective date; and **(2)** a real property tax abatement agreement with SEK Hall Street, LLC or an affiliate thereof ("SEK Hall Street") for a period of ten years in an amount equal to the City's taxes assessed on 90 percent of the increased taxable value of real property in conjunction with a new mixed-income and mixed-use development project (the "One City View Project") to be situated on approximately 5.4 acres at 1823 North Hall Street (the "Property") in City of

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Dallas NEZ No. 19, in accordance with the City's Public/Private Partnership Program - Estimated Revenue Foregone: \$3,892,504.00 over a ten-year period  
[The Economic Development Committee was briefed by memorandum regarding this matter on September 21, 2021.](#)

Please feel free to reach out to me or Kimberly Bizzor Tolbert, Chief of Staff if you have questions or should you require additional information at this time.



T.C. Broadnax  
City Manager

c: Chris Caso, City Attorney  
Mark Swann, City Auditor  
Biliera Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager  
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager  
Joey Zapata, Assistant City Manager  
Dr. Eric A. Johnson, Chief of Economic Development and Neighborhood Services  
M. Elizabeth Reich, Chief Financial Officer  
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion  
Directors and Assistant Directors



**RECEIVED**

**2021 OCT - 8 PM 3: 39**

**CITY SECRETARY  
DALLAS, TEXAS**

**City of Dallas**

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



**Public Notice**

**2 1 0 8 5 9**

**POSTED** CITY SECRETARY  
DALLAS, TX

**COUNCIL AGENDA**

**October 13, 2021  
9:00 AM**

(For General Information and Rules of Courtesy, Please See Opposite Side.)

(La Información General Y Reglas De Cortesía Que Deben Observarse

Durante Las Asambleas Del Consejo Municipal Aparecen En El Lado Opuesto, Favor De Leerlas.)

## **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 WRR-FM radio (101.1 FM) 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

## **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 radio WRR-FM 101.1 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



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.

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 pistol 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."*

**AGENDA  
CITY COUNCIL MEETING  
WEDNESDAY, OCTOBER 13, 2021  
ORDER OF BUSINESS**

The City Council meeting will be held by videoconference and in the Council Chambers, 6th Floor at City Hall. Individuals who wish to speak in accordance with the City Council Rules of Procedure must sign up with the City Secretary's Office.

The public is encouraged 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 following videoconference link is available to the public to listen to the meeting and Public Affairs and Outreach will also stream the City Council meeting on Spectrum Cable Channel 95 and [bit.ly/cityofdallastv](https://cityofdallastv.com):

<https://dallascityhall.webex.com/dallascityhall/j.php?MTID=mf5a727270dd164bc2267fd6b83838691>

Public hearings will not be heard before 1:00 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

OPEN MICROPHONE

|                                     |               |
|-------------------------------------|---------------|
| MINUTES                             | Item 1        |
| CONSENT AGENDA                      | Items 2-50    |
| DELETIONS                           | Items 52 & 53 |
| ITEMS FOR INDIVIDUAL CONSIDERATION  | Items 51-55   |
| ZONING                              | Items Z1-Z11  |
| PUBLIC HEARINGS AND RELATED ACTIONS | Items PH1-PH4 |

NOTE: A revised order of business may be posted prior to the date of the council meeting if necessary.



Invocation and Pledge of Allegiance

Agenda Item/Open Microphone Speakers

## **VOTING AGENDA**

1. [21-1868](#) Approval of Minutes of the September 22, 2021 City Council Meeting

## **CONSENT AGENDA**

### **Budget and Management Services**

2. [21-1866](#) Authorize payment of annual membership fees and continuation of arrangements for providing specialized municipal-related services to **(1)** Gartner, Inc. in the amount of \$723,034.00; **(2)** Forrester Research, Inc. in the amount of \$559,472.57; **(3)** North Central Texas Council of Governments in the amount of \$131,461.00; **(4)** Oncor Cities Steering Committee in the amount of \$121,055.00; and **(5)** Water Research Foundation in the amount of \$413,381.22 - Total not to exceed \$1,948,403.79 - Financing: General Fund (\$252,516.00), Data Services Fund (\$1,282,506.57), and Dallas Water Utilities Fund (\$413,381.22)

**Attachments:** [Resolution](#)

### **City Controller's Office**

3. [21-1720](#) Authorize the annual adoption of the City's Investment Policy and investment strategies regarding funds under the City's control and management - Financing: No cost consideration to the City

**Attachments:** [Resolution](#)  
[Proposed 2021 City of Dallas Investment Policy - Redlined](#)  
[Proposed 2021 City of Dallas Investment Policy- Clean](#)

### **Department of Aviation**

4. [21-1439](#) Authorize a Second Amendment to the concessionaire contract with Host International, Inc., a Dallas Love Field food and beverage concession, approved as to form by the City Attorney, in order to **(1)** exercise both one year renewal terms; and **(2)** add two extension years to the contract - Estimated Revenue: Aviation Fund \$1,657,000.00

**Attachments:** [Resolution](#)

5. [21-1444](#) Authorize a Second Amendment to the concession contract with WDFG North America, LLC, a Dallas Love Field retail concessionaire contract to (1) exercise both one year Renewal Terms for D Magazine, Texas Monthly News and Creative Kidstuff; and (2) add two extension years to the contract - Estimated Revenue: Aviation Fund \$617,000.00

**Attachments:** [Resolution](#)

6. [21-1445](#) Authorize a Third Amendment to the concession contract with Air Star-LTS/Marquis-DAL, LLC, a Dallas Love Field food and beverage concessionaire to (1) exercise both one year renewal terms for Chili's and (2) add two extension years to the contract - Estimated Revenue: Aviation Fund \$600,000.00

**Attachments:** [Resolution](#)

7. [21-1473](#) Authorize a Third Amendment to the concession contract with Pop Four Love Field JV, LLC, a Dallas Love Field food and beverage concessionaire to add two-year extension to the contract - Estimated Revenue: Aviation Fund \$80,408.01

**Attachments:** [Resolution](#)

#### **Department of Convention and Event Services**

8. [21-1836](#) An ordinance (1) designating a certain geographic area in the City of Dallas as "Project Financing Zone Number One, City of Dallas, Texas" and providing an expiration date for the zone; (2) making certain findings related thereto; (3) directing the City Manager to notify the Texas Comptroller of Public Accounts of the zone's creation within 30 days of its designation by City Council and request that the Comptroller deposit incremental hotel-associated tax revenues from the zone into a suspense account held in trust for the City of Dallas' financing of qualified project activities; (4) providing for notification to the Comptroller in the event that qualified project activities are abandoned or not commenced within five years of the initial deposit to the suspense account; and (5) containing other related matters - Estimated Revenue: Convention and Event Services Fund \$2,200,000,000.00 over 30 years

**Attachments:** [Map](#)  
[Ordinance](#)

9. [21-1837](#) An ordinance amending Chapter 42A, "Special Events; Neighborhood Markets; Dallas Farmers Market Farmers Market; Streetlight Pole Banners," of the Dallas City Code by amending Section 42A-12 to (1) provide an extension of the temporary parklet program; (2) providing a penalty not to exceed \$500.00; (3) providing a savings clause; (4) providing a severability clause; and (5) providing an effective date - Revenue Forgone: Convention and Event Services Fund \$15,000.00 over two months (see Fiscal Information)

**Attachments:** [Ordinance](#)

#### **Department of Dallas Animal Services**

10. [21-1642](#) Authorize the (1) acceptance of a grant from Bissell Pet Foundation for Empty the Shelters in the amount of \$3,850.00, to be used as partial reimbursement for the adoption prep of each animal adopted during the Empty the Shelters event during the period of August 16, 2021 through August 22, 2021; (2) establishment of appropriations in an amount not to exceed \$3,850.00 in the Bissell Pet Foundation August 21 Empty the Shelters Fund; and (3) receipt and deposit of funds in an amount not to exceed \$3,850.00 in the Bissell Pet Foundation August 21 Empty the Shelters Fund - Not to exceed \$3,850.00 - Financing: Bissell Pet Foundation Grant Funds

**Attachments:** [Resolution](#)

#### **Department of Housing & Neighborhood Revitalization**

11. [21-1360](#) Authorize (1) a conditional grant agreement with Dallas City Homes, Inc. and/or its affiliates for the purchase and installation of solar panels for the multifamily development to be located at 3115 Topeka Avenue, Dallas, Texas 75212 in the amount of \$300,000.00; and (2) a HOME Investment Partnership loan agreement in an amount not to exceed \$2,085,504.00 for the construction of affordable housing for the new Construction and Substantial Rehabilitation Program - Not to exceed \$2,385,504.00 - Financing: HOME Investment Partnerships Grant Fund (\$2,085,504.00) and General Fund (\$300,000.00)

**Attachments:** [Map](#)  
[Resolution](#)

12. [21-1631](#) Authorize a **(1)** preliminary adoption of Substantial Amendment No. 1 to the FY 2021-22 Action Plan for the HOME Investment Partnerships Program (HOME) to **(a)** reallocate \$976,042.15 in HOME funds balance for Tenant-Based Rental Assistance Program (TBRA) to Housing Development Program; **(b)** reduce the unit production anticipated from 150 units to 108 for TBRA; and **(c)** increase the Development Loan Program production from 32 to 47; and **(2)** a public hearing to be held on December 8, 2021, to receive comments on Substantial Amendment No. 1 to the FY 2021-22 Action Plan for HOME - Financing: No cost consideration to the City

**Attachments:** [Resolution](#)

13. [21-1614](#) Authorize an amendment to the City of Dallas Comprehensive Housing Policy, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to amend the loan terms in the New Construction and Substantial Rehabilitation program to remove the requirement that the City may only subordinate its lien position to a private financial institution for a loan in a greater amount - Financing: No cost consideration to the City

**Attachments:** [Resolution](#)  
[Exhibit A](#)

14. [21-1615](#) Authorize an amendment to the City of Dallas Comprehensive Housing Policy, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to amend the terms of the Dallas Homebuyer Assistance Program (DHAP) to: **(1)** change the citizenship definition for applicants to meet the guidelines set forth by The Department of Housing and Urban Development (HUD); **(2)** remove the minimum income requirement of 60% of the Area Median Income (AMI) **(3)** remove the minimum 26% front-end loan to income ratio requirement; and **(4)** modify the Targeted Homebuyer Incentive Program to remove federal requirements when assistance is provided to homebuyers using nonfederal funds - Financing: No cost consideration to the City

**Attachments:** [Resolution](#)  
[Exhibit A](#)



**Department of Public Works**

15. [21-519](#) Authorize acquisition from Sarah Barrow Reedy, Zoe Barrow Talbert, Jean T. Clarke, Frank Barrow Reedy, Julia C. Reedy and Frank Barrow Reedy, II, of approximately 416,421 square feet of land located in Kaufman County for the Lake Tawakoni 144-inch Transmission Pipeline Project - Not to exceed \$124,412.00 (\$121,412.00, plus closing costs and title expenses not to exceed \$3,000.00) - Financing: Water Construction Fund

**Attachments:** [Map](#)  
[Resolution](#)  
[Exhibit A](#)  
[Exhibit B](#)

16. [21-1599](#) A resolution authorizing the conveyance of a tract of land containing approximately 20,413 square feet of City-owned land to the State of Texas located in Kaufman County - Revenue: Dallas Water Utilities Fund \$23,531.00

**Attachments:** [Map](#)  
[Resolution](#)  
[Exhibit A](#)

17. [21-1293](#) An ordinance abandoning a portion of an alley to City Park Associates, Ltd., the abutting owner, containing approximately 3,242 square feet of land, located near the intersection of Beaumont Street and Ervay Street; and authorizing the quitclaim - Revenue: General Fund \$5,400.00, plus the \$20.00 ordinance publication fee

**Attachments:** [Map](#)  
[Ordinance](#)  
[Exhibit A](#)  
[Exhibit B](#)

18. [21-1489](#) An ordinance abandoning a portion of a floodway easement to The Hockaday School, the abutting owner, containing approximately 75,584 square feet of land, located near the intersection of Forest Lane and Welch Road; and providing for the dedication of approximately 70,039 square feet of land needed for a drainage easement - Revenue: General Fund \$5,400.00, plus the \$20.00 ordinance publication fee

**Attachments:** [Map](#)  
[Ordinance](#)  
[Exhibit A](#)  
[Exhibit B](#)

**Library**

19. [21-1867](#) An ordinance amending Chapter 24, "Library," of the Dallas City Code, by amending Sec.24-3; providing that all students or teachers at any educational institution located in the city are exempt from nonresident user fees - Financing: No cost consideration to the City

**Attachments:** [Ordinance](#)

**Office of Economic Development**

20. [21-1649](#) Authorize **(1)** the transfer of \$500,000.00 from the Grand Park South TIF District Fund to the Transportation Special Projects Fund to implement a public street lighting improvement project in Tax Increment Financing Reinvestment Zone Number Thirteen (Grand Park South TIF District); **(2)** an increase in appropriations in an amount not to exceed \$500,000.00 in the Transportation Special Projects Fund; and **(3)** the disbursement of funds in an amount not to exceed \$500,000.00 from the Transportation Special Projects Fund - Not to exceed \$500,000.00 - Financing: Grand Park South TIF District Fund

**Attachments:** [Map](#)  
[Resolution](#)  
[Exhibit A](#)

**Office of Government Affairs**

21. [21-1206](#) Authorize a personal services contract with Hector Alcalde for federal legislative services regarding water resources and flood control for the period November 1, 2021 through October 31, 2022 - Not to exceed \$53,400.00 - Financing: General Fund

**Attachments:** [Resolution](#)

22. [21-1207](#) Authorize a personal services contract with Paul Schlesinger for federal legislative services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$31,600.00 - Financing: General Fund

**Attachments:** [Resolution](#)

23. [21-1861](#) Authorize a personal services contract with Kwame Walker & Associates for state legislative and information services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$70,000.00 - Financing: General Fund

**Attachments:** [Resolution](#)

24. [21-1862](#) Authorize a personal services contract with Campos Consulting Group for state legislative and information services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$60,000.00 - Financing: General Fund

**Attachments:** [Resolution](#)

25. [21-1863](#) Authorize a personal services contract with Randy C. Cain for state legislative and information services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$71,000.00 - Financing: General Fund

**Attachments:** [Resolution](#)

26. [21-1205](#) Authorize a professional services contract with CapitalEdge Strategies, LLC to provide federal legislative services to the City for the period November 1, 2021 through October 31, 2022 - Not to exceed \$160,000.00 - Financing: General Fund

**Attachments:** [Resolution](#)

27. [21-1864](#) A resolution to approve an easement to DART for construction, operation, and maintenance of the Silver Line at DFW Airport, as set forth in DFW Airport Board Resolution 2021-08-156 - Financing: No cost consideration to the City

**Attachments:** [Resolution](#)

28. [21-1865](#) A resolution to approve an easement to the City of Fort Worth for the installation, operation, and maintenance of a reclaimed water flush line at DFW Airport as set forth in DFW Airport Board Resolution 2017-04-089 - Financing: No cost consideration to the City

**Attachments:** [Resolution](#)

**Office of Homeless Solutions**

29. [21-1738](#) Authorize an Interlocal Agreement with Dallas County on behalf of Dallas County Health and Human Services in an amount not to exceed \$2,344,315.00 to provide scattered site housing assistance for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022, which will include a twelve-month extension for expenditure of HOPWA CARES Act funds made available under the prior year Interlocal Agreement, from September 30, 2021 to September 30, 2022 - Not to exceed \$2,344,315.00 - Financing: 2020-21 Housing Opportunities for Persons with AIDS Grant Fund (\$943,332.00), 2021-22 Housing Opportunities for Persons with AIDS Grant Fund (\$1,330,018.00), and 2020 CARES Act Relief HOPWA #1 Grant Fund (\$70,965.00)

**Attachments:** [Resolution](#)

30. [21-1744](#) Authorize the second of two, twelve-month renewal options to the contract with Health Services of North Texas, Inc. in the amount of \$648,084.00 to provide scattered site housing assistance for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022 - Not to exceed \$648,084.00, from \$1,323,529.00 to \$1,971,613.00 - Financing: 2021-22 Housing Opportunities for Persons with AIDS Grant Fund

**Attachments:** [Resolution](#)

31. [21-1747](#) Authorize the second of two, twelve-month renewal options to the contract with Legacy Counseling Center, Inc. in the amount of \$210,000.00 to provide facility based housing assistance and supportive services for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022 - Not to exceed \$210,000.00, from \$450,500.00 to \$660,500.00 - Financing: 2021-22 Housing Opportunities for Persons with AIDS Grant Fund

**Attachments:** [Resolution](#)

32. [21-1748](#) Authorize the second of two, twelve-month renewal options to the service contract with Legacy Counseling Center, Inc. in the amount of \$159,935.00, to provide housing information services and resource identification for persons with HIV/AIDS for the period of October 1, 2021 through September 30, 2022 - Not to exceed \$159,935.00, from \$319,870.00 to \$479,805.00 - Financing: 2020-21 Housing Opportunities for Persons with AIDS Grant Fund (\$27,748.00) and 2021-22 Housing Opportunities for Persons with AIDS Grant Fund (\$132,187.00)

**Attachments:** [Resolution](#)

33. [21-1749](#) Authorize the second of two, twelve-month renewal options to the contract with Legacy Counseling Center, Inc. in the amount of \$564,200.00 to provide master leasing including supportive services and emergency vouchers for homeless persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022, which includes a twelve-month extension for expenditure of HOPWA CARES Act Funds under the contract, from September 30, 2021 to September 30, 2022 - Not to exceed \$564,200.00, from \$1,210,343.00 to \$1,774,543.00 - Financing: 2021-22 Housing Opportunities for Persons with AIDS Grant Fund

**Attachments:** [Resolution](#)

34. [21-1751](#) Authorize the second of two, twelve-month renewal options to the contract with Open Arms, Inc. dba Bryan's House in the amount of \$100,000.00 to provide child care services for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022 - Not to exceed \$100,000.00, from \$200,000.00 to \$300,000.00 - Financing: 2020-21 Housing Opportunities for Persons with AIDS Grant Fund

**Attachments:** [Resolution](#)

35. [21-1752](#) Authorize the second of two, twelve-month renewal options to the contract with PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas in the amount of \$1,636,500.00 to provide facility based housing assistance and master leasing with supportive services for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022, which includes a twelve-month extension for expenditure of HOPWA CARES Act funds under the contract from September 30, 2021 to September 30, 2022 - Not to exceed \$1,636,500.00, from \$3,510,683.00 to \$5,147,183.00 - Financing: 2020-21 Housing Opportunities for Persons with AIDS Grant Funds (\$293,723.00) and 2021-22 Housing Opportunities for Persons with AIDS Grant Funds (\$1,342,777.00)

**Attachments:** [Resolution](#)

#### Office of Procurement Services

36. [21-1784](#) Authorize a one-year cooperative purchasing agreement for the purchase of waste and recycling collection roll carts and parts for the Department of Sanitation Services - Toter, LLC through the Omnia Partners cooperative agreement- Estimated amount of \$1,599,301 - Financing: Sanitation Operation Fund

**Attachments:** [Resolution](#)

37. [21-1786](#) Authorize a three-year master agreement for the purchase of liquid dipotassium orthophosphate solution for the Water Utilities Department - Carus LLC, lowest responsible bidder of three - Estimated amount of \$9,451,680 - Financing: Dallas Water Utilities Fund

**Attachments:** [Resolution](#)

38. [21-1779](#) Authorize a three-year service contract, with two one-year renewal options, for third-party administrator services for the City's Property Assessed Clean Energy Program for the Office of Economic Development - Texas Property Assessed Clean Energy Authority dba Texas PACE Authority, only proposer - Financing: No cost consideration to the City

**Attachments:** [Resolution](#)

39. [21-1817](#) Authorize a three-year service price agreement for pumps, pump parts, repairs, and overhaul services - Anytime Pump Service Company dba CIE in the estimated amount of \$7,138,350 and Allen's Electric Motor Service, Inc. in the estimated amount of \$1,800,738, lowest responsible bidders of six - Total estimated amount of \$8,939,088 - Financing: General Fund (\$1,349,800), Water Utilities Fund (\$6,768,885), and Stormwater Drainage Management Operations Fund (\$820,403)

**Attachments:** [Resolution](#)

40. [21-1785](#) Authorize a three-year service price agreement for annual licensing, maintenance, and training for an emergency priority dispatch software system for the Fire-Rescue Department - Medical Priority Consultants, Inc. dba Priority Dispatch Corp., sole source - Estimated amount of \$110,091 - Financing: General Fund

**Attachments:** [Resolution](#)

41. [21-1778](#) Authorize a three-year service price agreement for waste collection, disposal, and container rental services at various City facilities for the Department of Sanitation Services - Premier Waste Services LLC dba Moore Waste and Recycling Services, lowest responsible bidder of four - Estimated amount of \$4,997,592 - Financing: Sanitation Operation Fund

**Attachments:** [Resolution](#)

42. [21-1781](#) Authorize a five-year service price agreement for repair, cleaning, and advanced inspection of structural and proximity protective firefighting gear for the Fire-Rescue Department - Lion Totalcare, Inc., lowest responsible bidder of two - Estimated amount of \$3,307,568 - Financing: General Fund

**Attachments:** [Resolution](#)  
[Protest Letter](#)  
[Protest Response](#)

43. [21-1783](#) Authorize the purchase of up to eight enclosed mobile heating, ventilation, and air conditioning trailer units for the Office of Emergency Management - RushCo Energy Specialists, Inc. in the amount of \$300,073.04 and Western Shelter Systems in the amount of \$98,875.28, lowest responsible bidder of two - Not to exceed \$398,948.32 - Financing: 2019 Homeland Security-Urban Area Security Initiative 19-21 Fund

**Attachments:** [Resolution](#)

#### **Park & Recreation Department**

44. [21-1766](#) Authorize a design and development agreement with The Trust for Public Land for the design and construction of Woody Branch Park located at 4900 South R.L. Thornton Freeway - Financing: This item has no cost consideration to the City (see Fiscal Information)

**Attachments:** [Map](#)  
[Resolution](#)

45. [21-1718](#) Authorize the professional services contract with Freese and Nichols, Inc. for pedestrian bridges condition assessments; performing routine inspections; developing standard inspection reports; creating ArcGIS online database; and developing spatial data for the 123 pedestrian bridges under the Park & Recreation Department - Not to exceed \$201,980.00 - Financing: General Fund

**Attachments:** [Resolution](#)

46. [21-1891](#) Authorize execution of a revised Advanced Funding Agreement (AFA) with the Texas Department of Transportation (TxDOT) (TxDOT Agreement No. CSJ 0196-07-034), for the Woodall Rodgers Park Deck Plaza Extension Structure on-system from west of Akard Street to St. Paul Street to provide for a \$1,700,000.00 increase in the City's previously authorized construction costs allocation (Resolution No. 21-1134) from \$7,900,000 to \$9,600,000 from Park and Recreation Facilities (B) Fund- Total amount of \$1,700,000.00 - Financing: Park and Recreation Facilities (B) Fund (2017 General Obligation Bond Fund)

**Attachments:** [Map](#)  
[Resolution](#)

#### **Police Department**

47. [21-1706](#) Authorize **(1)** an application for and acceptance of the Comprehensive Selective Traffic Enforcement Program (STEP) Grant (Grant No. 2022-Dallas-S-1YG-00027, CFDA No. 20.600) from the U.S. Department of Transportation passed through the Texas Department of Transportation in the amount of \$796,541.00, for travel expenses and overtime reimbursement for the period October 1, 2021 through September 30, 2022; **(2)** the establishment of appropriations in the amount of \$796,541.00, in the Comprehensive Selective Traffic Enforcement Program-STEP FY22 Fund; **(3)** the receipt and deposit of grant funds in the amount of \$796,541.00 in the Comprehensive Selective Traffic Enforcement Program-STEP FY22 Fund; **(4)** a local cash match in the amount of \$220,451.15; and **(5)** execution of the grant agreement and all terms, conditions, and documents required by the agreement - Total amount of \$1,016,992.15 - Financing: Texas Department of Transportation Grant Funds (\$796,541.00) and General Fund (\$220,451.15) (subject to appropriations)

**Attachments:** [Resolution](#)  
[Schedule](#)



**Water Utilities Department**

48. [21-1278](#) Authorize a professional services contract with Brown Reynolds Watford Architects, Inc. to provide architectural and engineering services for multiple Dallas Water Utilities' facilities throughout the City - Not to exceed \$2,956,045.00 - Financing: Water Capital Improvement F Fund (\$1,302,524.00), Wastewater Construction Fund (\$828,355.50), and Stormwater Drainage Management Fund (\$825,165.50)

**Attachments:** [Map](#)  
[Resolution](#)

49. [21-1374](#) Authorize a construction services contract for the installation of water and wastewater main improvements at 20 locations (list attached to the Agenda Information Sheet) - Ark Contracting Services, LLC, lowest responsible bidder of five - Not to exceed \$13,892,600.00 - Financing: Wastewater (Clean Water) - 2020 TWDB Fund (\$5,632,876.98), Water (Drinking Water) - TWDB 2020 Fund (\$5,145,237.05), Wastewater (Clean Water) - 2021 TWDB Fund (\$1,834,213.02), Water (Drinking Water) - TWDB 2018 Fund (\$780,272.95), and Water (Drinking Water) - TWDB 2019 Fund (\$500,000.00)

**Attachments:** [List](#)  
[Maps](#)  
[Resolution](#)  
[Director's Report](#)

50. [21-1684](#) Authorize an increase in the construction services contract with Stoic Civil Construction, Inc. for emergency work at the pedestrian bridge over White Rock Creek in RP Brooks Park - Not to exceed \$170,064.00, from \$4,522,689.50 to \$4,692,753.50 - Financing: General Fund

**Attachments:** [Map](#)  
[Resolution](#)

**ITEMS FOR INDIVIDUAL CONSIDERATION****City Secretary's Office**

51. [21-1869](#) Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)

**Department of Housing and Neighborhood Revitalization**

52. [21-1799](#) ~~Authorize an amendment to the City of Dallas Comprehensive Housing Policy, as amended, to allow the City to provide targeted financial support for the development of non income restricted housing units that provides consideration for such development and meets a public purpose — Financing: No cost consideration to the City~~

~~**Attachments:**~~ [Resolution](#)  
[Exhibit A](#)

53. [21-1796](#) ~~Authorize the execution of a conditional grant agreement with WPC Acquisition, Inc., a subsidiary of the Wilbow Corporation, Inc. (Developer), or an affiliate thereof, in an amount not to exceed \$1,550,000.00 in 2017 Proposition I Bond Funds for public infrastructure and construction costs related to the development of up to 156 market rate single family homes, and the dedication of 3.7 acres of land for the development of a park Not to exceed \$1,550,000.00 Financing: ECO (I) Fund (2017 General Obligation Bond Fund)~~

~~**Attachments:**~~ [Map](#)  
[Resolution](#)  
[Exhibit A](#)

**Office of Economic Development**

54. [21-1856](#) Authorize (1) designating approximately 5.4 acres of property addressed as 1823 North Hall Street, located at the northwest corner of North Hall Street and Flora Street in Dallas, Texas, as City of Dallas Neighborhood Empowerment Zone No. 19 (“City of Dallas NEZ No. 19”), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation of affordable housing and an increase in economic development in the zone, establish the boundaries of the zone, and provide for an effective date; and (2) a real property tax abatement agreement with SEK Hall Street, LLC or an affiliate thereof (“SEK Hall Street”) for a period of ten years in an amount equal to the City’s taxes assessed on 90 percent of the increased taxable value of real property in conjunction with a new mixed-income and mixed-use development project (the “One City View Project”) to be situated on approximately 5.4 acres at 1823 North Hall Street (the “Property”) in City of Dallas NEZ No. 19, in accordance with the City’s Public/Private Partnership Program - Estimated Revenue Foregone: \$3,892,504.00 over a ten-year period

**Attachments:** [Map](#)  
[Resolution](#)  
[Exhibits A through J-1](#)

**Office of Historic Preservation**

55. [21-1832](#) Authorize a historic preservation tax exemption for the Texas Theater located at 231 West Jefferson Avenue - Revenue Foregone: \$132,039.00

**Attachments:**    [Map](#)  
                              [Application](#)  
                              [Resolution](#)

**PUBLIC HEARINGS AND RELATED ACTIONS****Department of Planning and Urban Design****ZONING CASES - CONSENT**

- Z1. [21-1844](#) A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Planned Development District No. 1015 for MF-2(A) Multifamily District uses and a public school other than an open-enrollment charter school, on the west line of Bonnie View Road, north of Morrell Avenue  
Recommendation of Staff and CPC: Approval, subject to conditions  
Z201-265(LG)

**Attachments:**    [Case Report](#)

- Z2. [21-1846](#) A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2211 for a bar, lounge or tavern use and an inside commercial amusement limited to a live music venue on property zoned Tract A within Planned Development District No. 269, the Deep Ellum/Near East Side District, at the southeast corner of Commerce Street and Murray Street  
Recommendation of Staff and CPC: Approval for a three-year period, subject to conditions  
Z201-266(OA)

**Attachments:**    [Case Report](#)

- Z3. [21-1847](#) A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Planned Development District No. 324, Tract II, on property zoned Planned Development District No. 324, Tract II, on the southeast corner of Scurry Street and North Carroll Avenue  
Recommendation of Staff and CPC: Approval, subject to a revised development plan and conditions  
Z201-271(LG)

**Attachments:**    [Case Report](#)

- Z4. [21-1849](#) A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2353 for an auto service center use on property zoned Subdistrict 1A within Planned Development District No. 621, the Old Trinity and Design District, at the northwest corner of North Riverfront Boulevard and Pittsburg Street  
Recommendation of Staff and CPC: Approval for a three-year period, subject to a revised site plan and conditions  
Z201-272(OA)

**Attachments:** [Case Report](#)

- Z5. [21-1850](#) A public hearing to receive comments regarding an application for and an ordinance granting an R-5(A) Single Family District on property zoned CR Community Retail District, at the southwest corner of Bayside Street and Ladd Street  
Recommendation of Staff and CPC: Approval  
Z201-275(LG)

**Attachments:** [Case Report](#)

#### ZONING CASES - INDIVIDUAL

- Z6. [21-1852](#) A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development District for single family uses on property zoned R-7.5(A) Single Family District, at the southwest corner of Highland Road and Barbaree Boulevard  
Recommendation of Staff and CPC: Approval, subject to a conceptual plan, landscape plan, and conditions  
Z201-214(LG)

**Attachments:** [Case Report](#)

- Z7. [21-1853](#) A public hearing to receive comments regarding an application for and **(1)** an ordinance granting a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less on property zoned Subarea 2A within Planned Development District No. 366, the Buckner Boulevard Special Purpose District with a D-1 Liquor Control Overlay; and **(2)** a CR Community Retail District with deed restrictions volunteered by the applicant on property zoned an R-7.5(A) Single Family District, at the northeast corner of South Buckner Boulevard and Elam Road  
Recommendation of Staff and CPC: Approval of a Specific Use Permit for a two-year period, subject to a site plan and conditions; and denial of a CR Community Retail District with deed restrictions volunteered by the applicant  
Z201-218(RM)

**Attachments:** [Case Report](#)

- Z8. [21-1854](#) A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for vehicle or engine repair or maintenance use on property zoned Planned Development District No. 534, the C.F. Hawn Special Purpose District No. 2, Subdistrict 1 with D-1 Liquor Control Overlay, at the northeast corner of San Marino Avenue and Turin Avenue  
Recommendation of Staff and CPC: Approval for a three-year period, subject to a site plan and conditions  
Z201-244(LG)

**Attachments:** [Case Report](#)

- Z9. [21-1855](#) A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 1755 for two attached projecting non-premise district activity videoboard signs on property zoned Planned Development District No. 619, on the south line of Elm Street, west of North Akard Street  
Recommendation of Staff and CPC: Approval for a six-year period, subject to conditions  
Z201-268(KC)

**Attachments:** [Case Report](#)

- Z10. [21-1857](#) A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 1788 for an attached projecting non-premise district activity videoboard sign on property zoned Planned Development District No. 619, with H/36 Adolphus Historic District Overlay, on the south line of Main Street, east of South Field Street  
Recommendation of Staff and CPC: Approval for a six-year period, subject to conditions  
Z201-269(KC)

**Attachments:** [Case Report](#)

- Z11. [21-1858](#) A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Specific Use Permit No. 472 for a college, university, or seminary to be used as a junior college on property zoned R-7.5(A) Single Family District, at the southeast corner of Keeneland Parkway and Duncanville Road  
Recommendation of Staff and CPC: Approval, subject to a revised site plan and conditions  
Z201-274(LG)

**Attachments:** [Case Report](#)

**THOROUGHFARE PLAN AMENDMENTS****Department of Transportation**

- PH1. [21-1622](#) A public hearing to receive comments to amend the City of Dallas Central Business District Streets and Vehicular Circulation Plan to change the right-of-way and pavement width on Park Avenue between Young Street and Marilla Street from 50 feet of right-of-way and 25 feet of pavement to 48 feet of right-of-way and 26 feet of pavement; and, at the close of the public hearing, authorize an ordinance implementing the change - Financing: No cost consideration to the City

**Attachments:** [Map](#)  
[Exhibit](#)

- PH2. [21-1623](#) A public hearing to receive comments to amend the City of Dallas Thoroughfare Plan to **(1)** delete Cleveland Road between Dallas City Limits and Unnamed SE3 from the Thoroughfare Plan; and **(2)** change Cleveland Road between Unnamed SE3 BNSF Railroad tracks from a standard six-lane divided roadway (S-6-D) in 107 feet of right-of-way to a special four-lane undivided roadway (SPCL 4U) in 80 feet of right-of-way; and, at the close of the public hearing, authorize an ordinance implementing the change - Financing: No cost consideration to the City

**Attachments:** [Map](#)  
[Exhibit](#)

**FLOODPLAIN APPLICATIONS****Water Utilities Department**

- PH3. [21-1696](#) A public hearing to receive comments regarding the application for and approval of the fill permit and removal of the floodplain (FP) prefix from approximately 2.1 acres of the current 13.0 acres of floodplain located at 8700 Military Parkway, within the floodplain of Prairie Creek, Fill Permit 21-01 - Financing: No cost consideration to the City

**Attachments:** [Map](#)

**MISCELLANEOUS HEARINGS****Department of Planning and Urban Design**

- PH4. [21-1859](#) An appeal of the City Plan Commission's decision to deny a minor amendment to an existing development plan on property zoned Planned Development District No. 578, on the south line of Forest Lane, between Inwood Parkway and Welch Road - M201-027 - Financing: No cost consideration to the City

**Attachments:**    [Case Report](#)  
                              [Application](#)  
                              [Appeal Request](#)  
                              [CPC Minutes](#)

**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]



# Agenda Date: October 13, 2021

| ITEM # | DISTRICT | TYPE | DEPT | DOLLARS               | DESCRIPTION   |
|--------|----------|------|------|-----------------------|---|
| 1.     | N/A      | V    | SEC  | N/A                   | Approval of Minutes of the September 22, 2021 City Council Meeting  |
| 2.     | N/A      | C    | BMS  | \$1,948,403.79        | Authorize payment of annual membership fees and continuation of arrangements for providing specialized municipal-related services to (1) Gartner, Inc. in the amount of \$723,034.00; (2) Forrester Research, Inc. in the amount of \$559,472.57; (3) North Central Texas Council of Governments in the amount of \$131,461.00; (4) Oncor Cities Steering Committee in the amount of \$121,055.00; and (5) Water Research Foundation in the amount of \$413,381.22 - Total not to exceed \$1,948,403.79 - Financing: General Fund (\$252,516.00), Data Services Fund (\$1,282,506.57), and Dallas Water Utilities Fund (\$413,381.22) |
| 3.     | N/A      | C    | CCO  | NC                    | Authorize the annual adoption of the City's Investment Policy and investment strategies regarding funds under the City's control and management - Financing: No cost consideration to the City  |
| 4.     | 2        | C    | AVI  | REV<br>\$1,657,000.00 | Authorize a Second Amendment to the concessionaire contract with Host International, Inc., a Dallas Love Field food and beverage concession, approved as to form by the City Attorney, in order to (1) exercise both one year renewal terms; and (2) add two extension years to the contract - Estimated Revenue: Aviation Fund \$1,657,000.00  |
| 5.     | 2        | C    | AVI  | REV<br>\$617,000.00   | Authorize a Second Amendment to the concession contract with WDFG North America, LLC, a Dallas Love Field retail concessionaire contract to (1) exercise both one year Renewal Terms for D Magazine, Texas Monthly News and Creative Kidstuff; and (2) add two extension years to the contract - Estimated Revenue: Aviation Fund \$617,000.00  |
| 6.     | 2        | C    | AVI  | REV<br>\$600,000.00   | Authorize a Third Amendment to the concession contract with Air Star-LTS/Marquis-DAL, LLC, a Dallas Love Field food and beverage concessionaire to (1) exercise both one year renewal terms for Chili's and (2) add two extension years to the contract - Estimated Revenue: Aviation Fund \$600,000.00   |
| 7.     | 2        | C    | AVI  | REV<br>\$80,408.01    | Authorize a Third Amendment to the concession contract with Pop Four Love Field JV, LLC, a Dallas Love Field food and beverage concessionaire to add two-year extension to the contract - Estimated Revenue: Aviation Fund \$80,408.01  |

| ITEM # | DISTRICT | TYPE | DEPT | DOLLARS                   | DESCRIPTION   |
|--------|----------|------|------|---------------------------|---|
| 8.     | 2        | C    | CCT  | REV<br>\$2,200,000,000.00 | An ordinance (1) designating a certain geographic area in the City of Dallas as “Project Financing Zone Number One, City of Dallas, Texas” and providing an expiration date for the zone; (2) making certain findings related thereto; (3) directing the City Manager to notify the Texas Comptroller of Public Accounts of the zone’s creation within 30 days of its designation by City Council and request that the Comptroller deposit incremental hotel-associated tax revenues from the zone into a suspense account held in trust for the City of Dallas’ financing of qualified project activities; (4) providing for notification to the Comptroller in the event that qualified project activities are abandoned or not commenced within five years of the initial deposit to the suspense account; and (5) containing other related matters - Estimated Revenue: Convention and Event Services Fund \$2,200,000,000.00 over 30 years |
| 9.     | All      | C    | CCT  | REV-<br>\$15,000.00       | An ordinance amending Chapter 42A, “Special Events; Neighborhood Markets; Dallas Farmers Market Farmers Market; Streetlight Pole Banners,” of the Dallas City Code by amending Section 42A-12 to (1) provide an extension of the temporary parklet program; (2) providing a penalty not to exceed \$500.00; (3) providing a savings clause; (4) providing a severability clause; and (5) providing an effective date - Revenue Forgone: Convention and Event Services Fund \$15,000.00 over two months (see Fiscal Information)   |
| 10.    | All      | C    | DAS  | GT                        | Authorize the (1) acceptance of a grant from Bissell Pet Foundation for Empty the Shelters in the amount of \$3,850.00, to be used as partial reimbursement for the adoption prep of each animal adopted during the Empty the Shelters event during the period of August 16, 2021 through August 22, 2021; (2) establishment of appropriations in an amount not to exceed \$3,850.00 in the Bissell Pet Foundation August 21 Empty the Shelters Fund; and (3) receipt and deposit of funds in an amount not to exceed \$3,850.00 in the Bissell Pet Foundation August 21 Empty the Shelters Fund - Not to exceed \$3,850.00 - Financing: Bissell Pet Foundation Grant Funds   |
| 11.    | 6        | C    | HOU  | \$300,000.00              | Authorize (1) a conditional grant agreement with Dallas City Homes, Inc. and/or its affiliates for the purchase and installation of solar panels for the multifamily development to be located at 3115 Topeka Avenue, Dallas, Texas 75212 in the amount of \$300,000.00; and (2) a HOME Investment Partnership loan agreement in an amount not to exceed \$2,085,504.00 for the construction of affordable housing for the new Construction and Substantial Rehabilitation Program - Not to exceed \$2,385,504.00 - Financing: HOME Investment Partnerships Grant Fund (\$2,085,504.00) and   |

| ITEM # | DISTRICT | TYPE | DEPT | DOLLARS            | DESCRIPTION   |
|--------|----------|------|------|--------------------|---|
|        |          |      |      |                    | General Fund (\$300,000.00)   |
| 12.    | All      | C    | HOU  | NC                 | Authorize a (1) preliminary adoption of Substantial Amendment No. 1 to the FY 2021-22 Action Plan for the HOME Investment Partnerships Program (HOME) to (a) reallocate \$976,042.15 in HOME funds balance for Tenant-Based Rental Assistance Program (TBRA) to Housing Development Program; (b) reduce the unit production anticipated from 150 units to 108 for TBRA; and (c) increase the Development Loan Program production from 32 to 47; and (2) a public hearing to be held on December 8, 2021, to receive comments on Substantial Amendment No. 1 to the FY 2021-22 Action Plan for HOME - Financing: No cost consideration to the City   |
| 13.    | All      | C    | HOU  | NC                 | Authorize an amendment to the City of Dallas Comprehensive Housing Policy, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to amend the loan terms in the New Construction and Substantial Rehabilitation program to remove the requirement that the City may only subordinate its lien position to a private financial institution for a loan in a greater amount - Financing: No cost consideration to the City  |
| 14.    | All      | C    | HOU  | NC                 | Authorize an amendment to the City of Dallas Comprehensive Housing Policy, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to amend the terms of the Dallas Homebuyer Assistance Program (DHAP) to: (1) change the citizenship definition for applicants to meet the guidelines set forth by The Department of Housing and Urban Development (HUD); (2) remove the minimum income requirement of 60% of the Area Median Income (AMI) (3) remove the minimum 26% front-end loan to income ratio requirement; and (4) modify the Targeted Homebuyer Incentive Program to remove federal requirements when assistance is provided to homebuyers using nonfederal funds - Financing: No cost consideration to the City |
| 15.    | Outside  | C    | PBW  | \$124,412.00       | Authorize acquisition from Sarah Barrow Reedy, Zoe Barrow Talbert, Jean T. Clarke, Frank Barrow Reedy, Julia C. Reedy and Frank Barrow Reedy, II, of approximately 416,421 square feet of land located in Kaufman County for the Lake Tawakoni 144-inch Transmission Pipeline Project - Not to exceed \$124,412.00 (\$121,412.00, plus closing costs and title expenses not to exceed \$3,000.00) - Financing: Water Construction Fund  |
| 16.    | Outside  | C    | PBW  | REV<br>\$23,531.00 | A resolution authorizing the conveyance of a tract of land containing approximately 20,413 square feet of City-owned land to the State of Texas located in Kaufman County - Revenue: Dallas Water Utilities Fund \$23,531.00  |
| 17.    | 2        | C    | PBW  | REV<br>\$5,400.00  | An ordinance abandoning a portion of an alley to City Park Associates, Ltd.,  |

| ITEM # | DISTRICT | TYPE | DEPT | DOLLARS           | DESCRIPTION  |
|--------|----------|------|------|-------------------|--|
|        |          |      |      |                   | the abutting owner, containing approximately 3,242 square feet of land, located near the intersection of Beaumont Street and Ervay Street; and authorizing the quitclaim - Revenue: General Fund \$5,400.00, plus the \$20.00 ordinance publication fee  |
| 18.    | 13       | C    | PBW  | REV<br>\$5,400.00 | An ordinance abandoning a portion of a floodway easement to The Hockaday School, the abutting owner, containing approximately 75,584 square feet of land, located near the intersection of Forest Lane and Welch Road; and providing for the dedication of approximately 70,039 square feet of land needed for a drainage easement - Revenue: General Fund \$5,400.00, plus the \$20.00 ordinance publication fee  |
| 19.    | All      | C    | LIB  | NC                | An ordinance amending Chapter 24, "Library," of the Dallas City Code, by amending Sec.24-3; providing that all students or teachers at any educational institution located in the city are exempt from nonresident user fees - Financing: No cost consideration to the City  |
| 20.    | 7        | C    | ECO  | \$500,000.00      | Authorize (1) the transfer of \$500,000.00 from the Grand Park South TIF District Fund to the Transportation Special Projects Fund to implement a public street lighting improvement project in Tax Increment Financing Reinvestment Zone Number Thirteen (Grand Park South TIF District); (2) an increase in appropriations in an amount not to exceed \$500,000.00 in the Transportation Special Projects Fund; and (3) the disbursement of funds in an amount not to exceed \$500,000.00 from the Transportation Special Projects Fund - Not to exceed \$500,000.00 - Financing: Grand Park South TIF District Fund |
| 21.    | N/A      | C    | OGA  | \$53,400.00       | Authorize a personal services contract with Hector Alcalde for federal legislative services regarding water resources and flood control for the period November 1, 2021 through October 31, 2022 - Not to exceed \$53,400.00 - Financing: General Fund   |
| 22.    | N/A      | C    | OGA  | \$31,600.00       | Authorize a personal services contract with Paul Schlesinger for federal legislative services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$31,600.00 - Financing: General Fund   |
| 23.    | N/A      | C    | OGA  | \$70,000.00       | Authorize a personal services contract with Kwame Walker & Associates for state legislative and information services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$70,000.00 - Financing: General Fund  |
| 24.    | N/A      | C    | OGA  | \$60,000.00       | Authorize a personal services contract with Campos Consulting Group for state legislative and information services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$60,000.00 - Financing: General   |

| ITEM # | DISTRICT | TYPE | DEPT | DOLLARS      | DESCRIPTION  |
|--------|----------|------|------|--------------|--|
|        |          |      |      |              | Fund   |
| 25.    | N/A      | C    | OGA  | \$71,000.00  | Authorize a personal services contract with Randy C. Cain for state legislative and information services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$71,000.00 - Financing: General Fund  |
| 26.    | N/A      | C    | OGA  | \$160,000.00 | Authorize a professional services contract with CapitalEdge Strategies, LLC to provide federal legislative services to the City for the period November 1, 2021 through October 31, 2022 - Not to exceed \$160,000.00 - Financing: General Fund  |
| 27.    | N/A      | C    | OGA  | NC           | A resolution to approve an easement to DART for construction, operation, and maintenance of the Silver Line at DFW Airport, as set forth in DFW Airport Board Resolution 2021-08-156 - Financing: No cost consideration to the City  |
| 28.    | N/A      | C    | OGA  | NC           | A resolution to approve an easement to the City of Fort Worth for the installation, operation, and maintenance of a reclaimed water flush line at DFW Airport as set forth in DFW Airport Board Resolution 2017-04-089 - Financing: No cost consideration to the City  |
| 29.    | All      | C    | OHS  | GT           | Authorize an Interlocal Agreement with Dallas County on behalf of Dallas County Health and Human Services in an amount not to exceed \$2,344,315.00 to provide scattered site housing assistance for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022, which will include a twelve-month extension for expenditure of HOPWA CARES Act funds made available under the prior year Interlocal Agreement, from September 30, 2021 to September 30, 2022 - Not to exceed \$2,344,315.00 - Financing: 2020-21 Housing Opportunities for Persons with AIDS Grant Fund (\$943,332.00), 2021-22 Housing Opportunities for Persons with AIDS Grant Fund (\$1,330,018.00), and 2020 CARES Act Relief HOPWA #1 Grant Fund (\$70,965.00) |
| 30.    | All      | C    | OHS  | GT           | Authorize the second of two, twelve-month renewal options to the contract with Health Services of North Texas, Inc. in the amount of \$648,084.00 to provide scattered site housing assistance for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022 - Not to exceed \$648,084.00, from \$1,323,529.00 to \$1,971,613.00 - Financing: 2021-22 Housing Opportunities for Persons with AIDS Grant Fund   |
| 31.    | All      | C    | OHS  | GT           | Authorize the second of two, twelve-month renewal options to the contract with Legacy Counseling Center, Inc. in the amount of \$210,000.00 to provide facility based housing assistance and supportive services for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022 - Not   |

| ITEM # | DISTRICT | TYPE | DEPT | DOLLARS        | DESCRIPTION   |
|--------|----------|------|------|----------------|---|
|        |          |      |      |                | to exceed \$210,000.00, from \$450,500.00 to \$660,500.00 - Financing: 2021-22 Housing Opportunities for Persons with AIDS Grant Fund   |
| 32.    | All      | C    | OHS  | GT             | Authorize the second of two, twelve-month renewal options to the service contract with Legacy Counseling Center, Inc. in the amount of \$159,935.00, to provide housing information services and resource identification for persons with HIV/AIDS for the period of October 1, 2021 through September 30, 2022 - Not to exceed \$159,935.00, from \$319,870.00 to \$479,805.00 - Financing: 2020-21 Housing Opportunities for Persons with AIDS Grant Fund (\$27,748.00) and 2021-22 Housing Opportunities for Persons with AIDS Grant Fund (\$132,187.00)   |
| 33.    | All      | C    | OHS  | GT             | Authorize the second of two, twelve-month renewal options to the contract with Legacy Counseling Center, Inc. in the amount of \$564,200.00 to provide master leasing including supportive services and emergency vouchers for homeless persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022, which includes a twelve-month extension for expenditure of HOPWA CARES Act Funds under the contract, from September 30, 2021 to September 30, 2022 - Not to exceed \$564,200.00, from \$1,210,343.00 to \$1,774,543.00 - Financing: 2021-22 Housing Opportunities for Persons with AIDS Grant Fund   |
| 34.    | All      | C    | OHS  | GT             | Authorize the second of two, twelve-month renewal options to the contract with Open Arms, Inc. dba Bryan's House in the amount of \$100,000.00 to provide child care services for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022 - Not to exceed \$100,000.00, from \$200,000.00 to \$300,000.00 - Financing: 2020-21 Housing Opportunities for Persons with AIDS Grant Fund   |
| 35.    | All      | C    | OHS  | GT             | Authorize the second of two, twelve-month renewal options to the contract with PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas in the amount of \$1,636,500.00 to provide facility based housing assistance and master leasing with supportive services for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022, which includes a twelve-month extension for expenditure of HOPWA CARES Act funds under the contract from September 30, 2021 to September 30, 2022 - Not to exceed \$1,636,500.00, from \$3,510,683.00 to \$5,147,183.00 - Financing: 2020-21 Housing Opportunities for Persons with AIDS Grant Funds (\$293,723.00) and 2021-22 Housing Opportunities for Persons with AIDS Grant Funds (\$1,342,777.00) |
| 36.    | All      | C    | POM  | \$1,599,301.00 | Authorize a one-year cooperative purchasing agreement for the purchase of waste and recycling collection roll carts and parts for the Department of   |

| ITEM # | DISTRICT   | TYPE | DEPT | DOLLARS        | DESCRIPTION   |
|--------|------------|------|------|----------------|---|
|        |            |      |      |                | Sanitation Services - Toter, LLC through the Omnia Partners cooperative agreement- Estimated amount of \$1,599,301 - Financing: Sanitation Operation Fund   |
| 37.    | 6, Outside | C    | POM  | \$9,451,680.00 | Authorize a three-year master agreement for the purchase of liquid dipotassium orthophosphate solution for the Water Utilities Department - Carus LLC, lowest responsible bidder of three - Estimated amount of \$9,451,680 - Financing: Dallas Water Utilities Fund  |
| 38.    | All        | C    | POM  | NC             | Authorize a three-year service contract, with two one-year renewal options, for third-party administrator services for the City's Property Assessed Clean Energy Program for the Office of Economic Development - Texas Property Assessed Clean Energy Authority dba Texas PACE Authority, only proposer - Financing: No cost consideration to the City   |
| 39.    | All        | C    | POM  | \$8,939,088.00 | Authorize a three-year service price agreement for pumps, pump parts, repairs, and overhaul services - Anytime Pump Service Company dba CIE in the estimated amount of \$7,138,350 and Allen's Electric Motor Service, Inc. in the estimated amount of \$1,800,738, lowest responsible bidders of six - Total estimated amount of \$8,939,088 - Financing: General Fund (\$1,349,800), Water Utilities Fund (\$6,768,885), and Stormwater Drainage Management Operations Fund (\$820,403) |
| 40.    | All        | C    | POM  | \$110,091.00   | Authorize a three-year service price agreement for annual licensing, maintenance, and training for an emergency priority dispatch software system for the Fire-Rescue Department - Medical Priority Consultants, Inc. dba Priority Dispatch Corp., sole source - Estimated amount of \$110,091 - Financing: General Fund  |
| 41.    | All        | C    | POM  | \$4,997,592.00 | Authorize a three-year service price agreement for waste collection, disposal, and container rental services at various City facilities for the Department of Sanitation Services - Premier Waste Services LLC dba Moore Waste and Recycling Services, lowest responsible bidder of four - Estimated amount of \$4,997,592 - Financing: Sanitation Operation Fund   |
| 42.    | All        | C    | POM  | \$3,307,568.00 | Authorize a five-year service price agreement for repair, cleaning, and advanced inspection of structural and proximity protective firefighting gear for the Fire-Rescue Department - Lion Totalcare, Inc., lowest responsible bidder of two - Estimated amount of \$3,307,568 - Financing: General Fund  |
| 43.    | All        | C    | POM  | \$398,948.32   | Authorize the purchase of up to eight enclosed mobile heating, ventilation, and air conditioning trailer units for the Office of Emergency Management - RushCo Energy Specialists, Inc. in the amount of \$300,073.04 and Western Shelter Systems in the amount of \$98,875.28, lowest responsible bidder of  |

| ITEM # | DISTRICT | TYPE | DEPT | DOLLARS        | DESCRIPTION  |
|--------|----------|------|------|----------------|--|
|        |          |      |      |                | two - Not to exceed \$398,948.32 - Financing: 2019 Homeland Security-Urban Area Security Initiative 19-21 Fund   |
| 44.    | 4        | C    | PKR  | NC             | Authorize a design and development agreement with The Trust for Public Land for the design and construction of Woody Branch Park located at 4900 South R.L. Thornton Freeway - Financing: This item has no cost consideration to the City (see Fiscal Information)   |
| 45.    | All      | C    | PKR  | \$201,980.00   | Authorize the professional services contract with Freese and Nichols, Inc. for pedestrian bridges condition assessments; performing routine inspections; developing standard inspection reports; creating ArcGIS online database; and developing spatial data for the 123 pedestrian bridges under the Park & Recreation Department - Not to exceed \$201,980.00 - Financing: General Fund   |
| 46.    | 14       | C    | PKR  | \$1,700,000.00 | Authorize execution of a revised Advanced Funding Agreement (AFA) with the Texas Department of Transportation (TxDOT) (TxDOT Agreement No. CSJ 0196-07-034), for the Woodall Rodgers Park Deck Plaza Extension Structure on-system from west of Akard Street to St. Paul Street to provide for a \$1,700,000.00 increase in the City's previously authorized construction costs allocation (Resolution No. 21-1134) from \$7,900,000 to \$9,600,000 from Park and Recreation Facilities (B) Fund- Total amount of \$1,700,000.00 - Financing: Park and Recreation Facilities (B) Fund (2017 General Obligation Bond Fund)  |
| 47.    | All      | C    | DPD  | \$220,451.15   | Authorize (1) an application for and acceptance of the Comprehensive Selective Traffic Enforcement Program (STEP) Grant (Grant No. 2022-Dallas-S-1YG-00027, CFDA No. 20.600) from the U.S. Department of Transportation passed through the Texas Department of Transportation in the amount of \$796,541.00, for travel expenses and overtime reimbursement for the period October 1, 2021 through September 30, 2022; (2) the establishment of appropriations in the amount of \$796,541.00, in the Comprehensive Selective Traffic Enforcement Program-STEP FY22 Fund; (3) the receipt and deposit of grant funds in the amount of \$796,541.00 in the Comprehensive Selective Traffic Enforcement Program-STEP FY22 Fund; (4) a local cash match in the amount of \$220,451.15; and (5) execution of the grant agreement and all terms, conditions, and documents required by the agreement - Total amount of \$1,016,992.15 - Financing: Texas Department of Transportation Grant Funds (\$796,541.00) and General Fund (\$220,451.15) (subject to appropriations) |



| ITEM #         | DISTRICT                              | TYPE         | DEPT           | DOLLARS                   | DESCRIPTION  |
|----------------|---------------------------------------|--------------|----------------|---------------------------|--|
| 48.            | 4, 7, 9,<br>Outside                   | C            | DWU            | \$2,956,045.00            | Authorize a professional services contract with Brown Reynolds Watford Architects, Inc. to provide architectural and engineering services for multiple Dallas Water Utilities' facilities throughout the City - Not to exceed \$2,956,045.00 - Financing: Water Capital Improvement F Fund (\$1,302,524.00), Wastewater Construction Fund (\$828,355.50), and Stormwater Drainage Management Fund (\$825,165.50)   |
| 49.            | 1, 6, 8, 9,<br>11, 13, 14,<br>Outside | C            | DWU            | \$13,892,600.00           | Authorize a construction services contract for the installation of water and wastewater main improvements at 20 locations (list attached to the Agenda Information Sheet) - Ark Contracting Services, LLC, lowest responsible bidder of five - Not to exceed \$13,892,600.00 - Financing: Wastewater (Clean Water) - 2020 TWDB Fund (\$5,632,876.98), Water (Drinking Water) - TWDB 2020 Fund (\$5,145,237.05), Wastewater (Clean Water) - 2021 TWDB Fund (\$1,834,213.02), Water (Drinking Water) - TWDB 2018 Fund (\$780,272.95), and Water (Drinking Water) - TWDB 2019 Fund (\$500,000.00) |
| 50.            | 10, 13                                | C            | DWU            | \$170,064.00              | Authorize an increase in the construction services contract with Stoic Civil Construction, Inc. for emergency work at the pedestrian bridge over White Rock Creek in RP Brooks Park - Not to exceed \$170,064.00, from \$4,522,689.50 to \$4,692,753.50 - Financing: General Fund  |
| 51.            | N/A                                   | I            | SEC            | N/A                       | Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)   |
| <del>52.</del> | <del>All</del>                        | <del>I</del> | <del>HOU</del> | <del>NC</del>             | <del>Authorize an amendment to the City of Dallas Comprehensive Housing Policy, as amended, to allow the City to provide targeted financial support for the development of non-income restricted housing units that provides consideration for such development and meets a public purpose - Financing: No cost consideration to the City</del>  |
| <del>53.</del> | <del>7</del>                          | <del>I</del> | <del>HOU</del> | <del>\$1,550,000.00</del> | <del>Authorize the execution of a conditional grant agreement with WPC Acquisition, Inc., a subsidiary of the Wilbow Corporation, Inc. (Developer), or an affiliate thereof, in an amount not to exceed \$1,550,000.00 in 2017 Proposition I Bond Funds for public infrastructure and construction costs related to the development of up to 156 market-rate single-family homes, and the dedication of 3.7 acres of land for the development of a park - Not to exceed \$1,550,000.00 - Financing: ECO (I) Fund (2017 General Obligation Bond Fund)</del>                                     |
| 54.            | 14                                    | I            | ECO            | REV-<br>\$3,892,504.00    | Authorize (1) designating approximately 5.4 acres of property addressed as 1823 North Hall Street, located at the northwest corner of North Hall Street  |

| ITEM # | DISTRICT | TYPE | DEPT | DOLLARS              | DESCRIPTION   |
|--------|----------|------|------|----------------------|---|
|        |          |      |      |                      | and Flora Street in Dallas, Texas, as City of Dallas Neighborhood Empowerment Zone No. 19 ("City of Dallas NEZ No. 19"), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation of affordable housing and an increase in economic development in the zone, establish the boundaries of the zone, and provide for an effective date; and (2) a real property tax abatement agreement with SEK Hall Street, LLC or an affiliate thereof ("SEK Hall Street") for a period of ten years in an amount equal to the City's taxes assessed on 90 percent of the increased taxable value of real property in conjunction with a new mixed-income and mixed-use development project (the "One City View Project") to be situated on approximately 5.4 acres at 1823 North Hall Street (the "Property") in City of Dallas NEZ No. 19, in accordance with the City's Public/Private Partnership Program - Estimated Revenue Foregone: \$3,892,504.00 over a ten-year period |
| 55.    | 1        | I    | OHP  | REV-<br>\$132,039.00 | Authorize a historic preservation tax exemption for the Texas Theater located at 231 West Jefferson Avenue - Revenue Foregone: \$132,039.00   |
| Z1.    | 4        | PH   | PNV  | NC                   | A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Planned Development District No. 1015 for MF-2(A) Multifamily District uses and a public school other than an open-enrollment charter school, on the west line of Bonnie View Road, north of Morrell Avenue<br>Recommendation of Staff and CPC: Approval, subject to conditions<br>Z201-265(LG)   |
| Z2.    | 2        | PH   | PNV  | NC                   | A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2211 for a bar, lounge or tavern use and an inside commercial amusement limited to a live music venue on property zoned Tract A within Planned Development District No. 269, the Deep Ellum/Near East Side District, at the southeast corner of Commerce Street and Murray Street<br>Recommendation of Staff and CPC: Approval for a three-year period, subject to conditions<br>Z201-266(OA)  |
| Z3.    | 2        | PH   | PNV  | NC                   | A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Planned Development District No. 324, Tract II, on property zoned Planned Development District No. 324, Tract II, on the southeast corner of Scurry Street and North Carroll Avenue<br>Recommendation of Staff and CPC: Approval, subject to a revised development plan and conditions  |

| ITEM # | DISTRICT | TYPE | DEPT | DOLLARS | DESCRIPTION   |
|--------|----------|------|------|---------|---|
|        |          |      |      |         | Z201-271(LG)  |
| Z4.    | 6        | PH   | PNV  | NC      | <p>A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2353 for an auto service center use on property zoned Subdistrict 1A within Planned Development District No. 621, the Old Trinity and Design District, at the northwest corner of North Riverfront Boulevard and Pittsburg Street</p> <p>Recommendation of Staff and CPC: Approval for a three-year period, subject to a revised site plan and conditions</p> <p>Z201-272(OA)</p>   |
| Z5.    | 6        | PH   | PNV  | NC      | <p>A public hearing to receive comments regarding an application for and an ordinance granting an R-5(A) Single Family District on property zoned CR Community Retail District, at the southwest corner of Bayside Street and Ladd Street</p> <p>Recommendation of Staff and CPC: Approval</p> <p>Z201-275(LG)</p>  |
| Z6.    | 9        | PH   | PNV  | NC      | <p>A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development District for single family uses on property zoned R-7.5(A) Single Family District, at the southwest corner of Highland Road and Barbaree Boulevard</p> <p>Recommendation of Staff and CPC: Approval, subject to a conceptual plan, landscape plan, and conditions</p> <p>Z201-214(LG)</p>  |
| Z7.    | 5        | PH   | PNV  | NC      | <p>A public hearing to receive comments regarding an application for and (1) an ordinance granting a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less on property zoned Subarea 2A within Planned Development District No. 366, the Buckner Boulevard Special Purpose District with a D-1 Liquor Control Overlay; and (2) a CR Community Retail District with deed restrictions volunteered by the applicant on property zoned an R-7.5(A) Single Family District, at the northeast corner of South Buckner Boulevard and Elam Road</p> <p>Recommendation of Staff and CPC: Approval of a Specific Use Permit for a two-year period, subject to a site plan and conditions; and denial of a CR Community Retail District with deed restrictions volunteered by the applicant</p> <p>Z201-218(RM)</p> |
| Z8.    | 5        | PH   | PNV  | NC      | <p>A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for vehicle or engine repair or maintenance use on property zoned Planned Development District No. 534,</p>  |

| ITEM # | DISTRICT | TYPE | DEPT | DOLLARS | DESCRIPTION  |
|--------|----------|------|------|---------|--|
|        |          |      |      |         | <p>the C.F. Hawn Special Purpose District No. 2, Subdistrict 1 with D-1 Liquor Control Overlay, at the northeast corner of San Marino Avenue and Turin Avenue</p> <p>Recommendation of Staff and CPC: Approval for a three-year period, subject to a site plan and conditions</p> <p>Z201-244(LG)</p>  |
| Z9.    | 14       | PH   | PNV  | NC      | <p>A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 1755 for two attached projecting non-premise district activity videoboard signs on property zoned Planned Development District No. 619, on the south line of Elm Street, west of North Akard Street</p> <p>Recommendation of Staff and CPC: Approval for a six-year period, subject to conditions</p> <p>Z201-268(KC)</p>  |
| Z10.   | 14       | PH   | PNV  | NC      | <p>A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 1788 for an attached projecting non-premise district activity videoboard sign on property zoned Planned Development District No. 619, with H/36 Adolphus Historic District Overlay, on the south line of Main Street, east of South Field Street</p> <p>Recommendation of Staff and CPC: Approval for a six-year period, subject to conditions</p> <p>Z201-269(KC)</p> |
| Z11.   | 3        | PH   | PNV  | NC      | <p>A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Specific Use Permit No. 472 for a college, university, or seminary to be used as a junior college on property zoned R-7.5(A) Single Family District, at the southeast corner of Keeneland Parkway and Duncanville Road</p> <p>Recommendation of Staff and CPC: Approval, subject to a revised site plan and conditions</p> <p>Z201-274(LG)</p>  |
| PH1.   | 2        | PH   | TRN  | NC      | <p>A public hearing to receive comments to amend the City of Dallas Central Business District Streets and Vehicular Circulation Plan to change the right-of-way and pavement width on Park Avenue between Young Street and Marilla Street from 50 feet of right-of-way and 25 feet of pavement to 48 feet of right-of-way and 26 feet of pavement; and, at the close of the public hearing, authorize an ordinance implementing the change - Financing: No cost consideration to the City</p>                |

| ITEM # | DISTRICT | TYPE | DEPT | DOLLARS | DESCRIPTION  |
|--------|----------|------|------|---------|--|
| PH2.   | 8        | PH   | TRN  | NC      | A public hearing to receive comments to amend the City of Dallas Thoroughfare Plan to (1) delete Cleveland Road between Dallas City Limits and Unnamed SE3 from the Thoroughfare Plan; and (2) change Cleveland Road between Unnamed SE3 BNSF Railroad tracks from a standard six-lane divided roadway (S-6-D) in 107 feet of right-of-way to a special four-lane undivided roadway (SPCL 4U) in 80 feet of right-of-way; and, at the close of the public hearing, authorize an ordinance implementing the change - Financing: No cost consideration to the City |
| PH3.   | 7        | PH   | DWU  | NC      | A public hearing to receive comments regarding the application for and approval of the fill permit and removal of the floodplain (FP) prefix from approximately 2.1 acres of the current 13.0 acres of floodplain located at 8700 Military Parkway, within the floodplain of Prairie Creek, Fill Permit 21-01 - Financing: No cost consideration to the City   |
| PH4.   | 13       | PH   | PNV  | NC      | An appeal of the City Plan Commission's decision to deny a minor amendment to an existing development plan on property zoned Planned Development District No. 578, on the south line of Forest Lane, between Inwood Parkway and Welch Road - M201-027 - Financing: No cost consideration to the City   |

**TOTAL \$52,814,224.26**





# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1868

**Item #:** 1.

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**SUBJECT**

Approval of Minutes of the September 22, 2021 City Council Meeting







## Agenda Information Sheet

**File #:** 21-1866

**Item #:** 2.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Budget and Management Services

**EXECUTIVE:** Elizabeth Reich

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### **SUBJECT**

Authorize payment of annual membership fees and continuation of arrangements for providing specialized municipal-related services to **(1)** Gartner, Inc. in the amount of \$723,034.00; **(2)** Forrester Research, Inc. in the amount of \$559,472.57; **(3)** North Central Texas Council of Governments in the amount of \$131,461.00; **(4)** Oncor Cities Steering Committee in the amount of \$121,055.00; and **(5)** Water Research Foundation in the amount of \$413,381.22 - Total not to exceed \$1,948,403.79 - Financing: General Fund (\$252,516.00), Data Services Fund (\$1,282,506.57), and Dallas Water Utilities Fund (\$413,381.22)

### **BACKGROUND**

Gartner, Inc. for Information Technology (IT) Leaders and Executives annual membership fee is \$723,034.00. Gartner, Inc. for Information Technology (IT) leaders and Executives annual membership is an executive assistance and mentoring program that provides access to leading technology analysts and research that provides insight and interpretation into continuous IT improvement strategies for organizations. This membership includes an experienced ex-Chief Information Officer to serve as an advisor who will work closely with City management about IT initiatives, best practices, latest industry trends, emerging technologies, metrics for measuring alignment with peers, staffing and investment levels, IT governance, and support with strategic planning. Gartner, Inc. provides unlimited access to over 1,200 IT analysts, research data, peer connections, workshops for strategic IT planning, briefings, events, and access to Gartner Inc.'s Compensation Study, which reviews IT positions reported by approximately 2,000 organizations.

Forrester Research, Inc. (FR) annual membership fee is \$559,472.57. Forrester Research for Information Technology (IT) leaders and Executives annual membership is an advisory firm that provides research and advice to leaders of government agencies and non-governmental organizations. Through proprietary research data, custom consulting, executive peer groups and events, Forrester helps technology leaders develop customer and employee focused strategies that drive mission outcomes. IT will have access to news and analysis, written research reports, teleconferences, and various events. Forrester will assist IT with launching an EmergingTechnology

Advisory Panel. With Forrester's guidance, this panel seeks to assess IT investments to build a resilient and adaptable technology driven organization.

FR will conduct an IT maturity assessment for the City's IT department to understand gaps between ITS' current and desired state and present results and recommendations to operate in COVID-19 and beyond to improve service delivery.

North Central Texas Council of Governments (NCTCOG) annual membership fee is \$131,461.00. NCTCOG services its member governments and the region in a variety of ways, including comprehensive regional planning in transportation, environmental resources, and human services. The NCTCOG aggressively works to strengthen ties with State and Federal agencies and has become an information resource for regional and local economic development efforts. Members of the Dallas City Council serve in leadership roles on the NCTCOG executive board and committees.

Oncor Cities Steering Committee annual membership fee is \$121,055.00. The Oncor Cities Steering Committee was created to provide a means for cities in the Oncor service area to pool their resources and prevent duplication of effort while participating in electric utility rate proceedings before the Public Utility Commission. The City of Dallas participated with this committee in the 1990, 1993, 2008, and 2011 rate cases. The City also participated with this Committee in the various regulatory proceedings relating to Senate Bill 7 and electric deregulation. As a result of the Oncor Cities Steering Committee's activities, Oncor agreed to make settlement payments to the cities beginning in 2005 and to fund "beneficial public use" payments through the cities for the benefit of the City's ratepayers. The City of Dallas received in excess of \$17.1 million as a result of that settlement agreement. The Oncor Cities Steering Committee is actively involved in rate cases, appeals, rulemakings, and legislative efforts impacting the rates charged by Oncor Electric Delivery (formerly known as TXU Electric Delivery) within the City. The Oncor Cities Steering Committee is actively pursuing the appeal of Oncor's previous rate case, Docket No. 35717, in which the Commission reduced franchise fees paid to cities. The current annual assessment for the City of Dallas is based on \$0.09 per capita.

Water Research Foundation (WRF) annual membership fee is \$413,381.22. WRF is an international, non-profit scientific and educational society dedicated to ensuring water quality and improving water service to the public. WRF conducts numerous research studies that develop practical solutions for the challenges facing the water services sector. Membership in the WRF allows Dallas Water Utilities (DWU) access to a huge library of applied research, the opportunity to network with more than 1,200 members around the world, and the ability to participate and provide input on research projects that are critical to meeting DWU's needs.

#### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

**FISCAL INFORMATION**

| Fund                       | FY 2021        | FY 2022 | Future Years |
|----------------------------|----------------|---------|--------------|
| General Fund               | \$ 252,516.00  | \$0.00  | \$0.00       |
| Data Services Fund         | \$1,282,506.57 | \$0.00  | \$0.00       |
| Water & Sewer Revenue Fund | \$ 413,381.22  | \$0.00  | \$0.00       |
| Total                      | \$1,948,403.79 | \$0.00  | \$0.00       |

October 13, 2021

**WHEREAS**, arrangements with professional organizations provide the City of Dallas access to research and information of benefit to the City, enhanced communication with other municipalities, opportunities for information exchange and professional development, as well as effective lobbying on matters of municipal interest; and

**WHEREAS**, the City of Dallas continues to benefit through its relationships with these professional organizations.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to make payment of annual membership fees and continuation of arrangements for providing specialized municipal-related services with the organizations listed below for Fiscal Year 2021-22 for the annual fees specified.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to encumber and disburse funds in an amount not to exceed \$723,034.00 to Gartner, Inc. from Data Services Fund, Fund 0198, Department DSV, Unit 1664, Object 3340, Encumbrance/Contract No. DSV-2021-00017558, Vendor VS0000018090, for payment of annual fees for the Information Technology Executives and Leaders.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to encumber and disburse funds in an amount not to exceed \$559,472.57 to Forrester Research, Inc. from Data Services Fund, Fund 0198, Department DSV, Unit 1664, Object 3340, Encumbrance/Contract No. DSV-2021-00017556, Vendor VS0000003235, for payment of annual fees for the Information Technology Executives and Leaders.

**SECTION 4.** That the Chief Financial Officer is hereby authorized to encumber and disburse funds in an amount not to exceed \$131,461.00 to North Central Texas Council of Governments from General Fund, Fund 0001, Department BMS, Unit 1991, Object 3340, Encumbrance/Contract No. BMS-2021-00017636, Vendor 066264, for payment of annual fees.

**SECTION 5.** That the Chief Financial Officer is hereby authorized to encumber and disburse funds in an amount not to exceed \$121,055.00 to Oncor Cities Steering Committee through the City of Arlington from General Fund, Fund 0001, Department BMS, Unit 1991, Object 3340, Encumbrance/Contract No. BMS-2021-00017635, Vendor 264729, for payment of annual fees.

October 13, 2021

**SECTION 6.** That the Chief Financial Officer is hereby authorized to encumber and disburse funds in an amount not to exceed \$413,381.22 to Water Research Foundation from Water & Sewer Revenue Fund, Fund 0100, Department DWU, Unit 7015, Object 3340, Encumbrance/Contract No. DWU-2021-00017392, Vendor VC0000008752, for payment of annual fees.

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



## Agenda Information Sheet

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**File #:** 21-1720

**Item #:** 3.

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**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** City Controller's Office

**EXECUTIVE:** Elizabeth Reich

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### **SUBJECT**

Authorize the annual adoption of the City's Investment Policy and investment strategies regarding funds under the City's control and management - Financing: No cost consideration to the City

### **BACKGROUND**

In 1987, the City Council adopted an Investment Policy in accordance with federal and state law and the City Charter.

A 1997 amendment to the Public Funds Investment Act required that City Council, not less than annually, adopt a written instrument stating that it has reviewed the Investment Policy and approved any changes thereto. Investment policies must address safety of principal, liquidity, yield, diversification and maturity, with primary emphasis on safety of principal.

Beginning in 1997, the City Council has reviewed the Investment Policy each year and, in most years, has also approved revisions to the Investment Policy to incorporate amendments to the Public Funds Investment Act, improve management of the City's investments and reflect organizational changes.

On August 13, 2021, the Investment Committee, which is composed of the Chief Financial Officer, City Controller, and Treasury Manager, met for review of the policy and proposed 2021 Investment Policy for City Council consideration. Council approval of this item is required to affirm adoption of the investment policy.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On October 13, 2020, City Council authorized adoption of the City's revised Investment Policy and investment strategies regarding funds under the City's control and management by Resolution No. 20-1516.

**FISCAL INFORMATION**

No cost consideration to the City.

October 13, 2021

**WHEREAS**, in 1987 the City Council adopted the City's Investment Policy which was in compliance with the federal and state law and the City Charter; and

**WHEREAS**, in 1995 and 1997 through 2020, the City Council amended the City's Investment Policy to incorporate amendments to the Public Funds Investment Act, improve management of the City's investments and reflect organizational changes; and

**WHEREAS**, the Public Funds Investment Act requires that the investment shall be made in accordance with written policies approved, at least annually, by the governing body; and

**WHEREAS**, investment policies must address safety of principal, liquidity, yield, diversification and maturity, with primary emphasis on safety of principal.

**Now, Therefore,**

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

**SECTION 1.** That the attached City of Dallas Investment Policy and investment strategies have been reviewed by the City Council and shall be adopted as the guiding policy in the ongoing management of the specified funds in accordance with Federal and State law and the City Charter.

**SECTION 2.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



# CITY OF DALLAS

## INVESTMENT POLICY

**As adopted by City Council**  
**~~October 13, 2020~~ October 13, 2021**

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## **1.0 Policy**

It is the policy of the City of Dallas to invest public funds in a manner which will provide security and optimize interest earnings to the maximum extent possible while meeting the daily cash flow demands of the City and conforming to all federal, state and local statutes, rules and regulations governing the investment of public funds. This Policy sets forth the investment program of the City of Dallas and the guidelines to be followed in achieving its objectives.

Not less than annually, City Council shall adopt a written instrument by resolution stating that it has reviewed the Investment Policy and investment strategies and that the written instrument so adopted shall record any changes made to the Investment Policy or investment strategies.

This Policy is intended to satisfy the requirements of the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "PFIA" or the "Act") that an investing entity such as the City of Dallas adopt and review an investment policy governing the investment by the investing entity of its funds and funds under its control.

## **2.0 Scope**

This Policy governs the investment of all funds of the City except those that are identified in Section 2.2 below. With respect to the funds of non-profit corporations that are established by City resolution and act on behalf of the City in accordance with State law, this Policy shall prevail in the absence of a specific investment policy adopted by the non-profit corporation. In addition to this Policy, the investment of bond proceeds and other bond funds (including debt service and reserve funds) of the City or of a non-profit corporation established by City resolution and acting on behalf of the City in accordance with State law shall be governed and controlled by their governing ordinance, resolution or trust indenture, including the authorization of eligible investments, and by the provisions of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), including all regulations and rulings promulgated thereunder applicable to the issuance of tax-exempt obligations.

2.1 All funds are managed as a pooled fund group, referenced in this Policy as the City's investment pool, with the exception of the following, which are managed as separately invested assets:

- 2.1.1 Bond Funds - funds established with the proceeds from specific bond issues when it is determined that segregating these funds from the City's investment pool will result in maximum interest earnings retention under the provisions of the Internal Revenue Code.
- 2.1.2 Bond Reserve Funds - funds set at prescribed levels by certain bond ordinances to pay principal and/or interest if required to prevent default.
- 2.1.3 Endowment Funds - funds given to the City with the instructions that the principal is to remain intact, unless otherwise agreed to, and the income generated by the investments will be used for specified purposes.
- 2.1.4 Commercial Paper Funds - unexpended proceeds from the issuance of commercial paper notes.

2.2 Funds not governed by this Policy include:

- 2.2.1 Employees' Retirement Fund
- 2.2.2 Dallas Police and Fire Pension System
- 2.2.3 Deferred Compensation Funds
- 2.2.4 Private Donations – investments donated to the City are excluded from this Policy if separately managed under terms of use specified by the donor.

### 3.0 Objective

Investment of the funds covered by this Policy shall be governed by the following investment objectives, in order of priority:

- 3.1 **Safety:** Safety of principal is the primary objective of the Investment Policy. Investment of the City's funds shall be undertaken in a manner that seeks to ensure the preservation of capital for the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

The City will mitigate credit risk, which is the risk of loss due to the failure of the issuer or backer, by:

- Limiting investments to the types listed in Section 8.0 ("Authorized and Suitable Investments") of this Policy
- Qualifying the broker/dealers and financial institutions with which the City may engage in an investment transaction in accordance with Section 9.0 ("Authorized Broker/Dealers and Financial Institutions")
- Diversifying the investment portfolio so that the impact of potential losses from any one type of investment or from any one individual issuer will be minimized (see Section 13.0 "Diversification and Maximum Maturities").

The City will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities prior to maturity
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar local government investment pools and limiting the weighted average maturity of the portfolio in accordance with this Policy (see Section 17.0 "Investment Strategies").

- 3.2 **Liquidity:** The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated. This is accomplished by structuring the portfolio so that investments mature concurrent with cash needs to meet anticipated demands. A portion of the portfolio will be placed in money market mutual funds or local government investment pools offering same-day liquidity to meet unanticipated demands.

- 3.3 **Yield:** The City's investment portfolio shall be designed with the objective of attaining a market rate of return, throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

### 4.0 Delegation of Authority

The Chief Financial Officer, under the direction and authority of the City Manager, shall direct the cash management program of the City as defined in Article XV, Section 2-134 "Duties of the Chief Financial Officer", Volume I, Chapter 2 "Administration" of the Dallas City Code, as amended. City Council shall designate the Chief Financial Officer, City Controller, and the Assistant Director/Treasury Manager as Investment Officers responsible for the investment of its funds, under the direction and authority of the City Manager.

The City's Investment Officers shall establish written procedures for the operation of the investment program consistent with this Investment Policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Policy and the written procedures. Authority granted to a person to invest the City's funds is effective until rescinded or until termination of the person's employment by the City. The Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls, to be reviewed by the City Auditor, to regulate the activities of subordinate officials. In order to assure quality and capability of investment management, the Investment Officers shall possess sufficient working knowledge of economics and securities markets, as well as the supervisory experience and judgment necessary to carry out the responsibilities outlined in this Policy.

## **5.0 Prudence**

Investments shall be made with judgment and care - under circumstances then prevailing - which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

- 5.1 The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment Officers acting in accordance with written procedures and the Investment Policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.
- 5.2 In determining whether an investment official has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the investment of all funds over which the official had responsibility rather than consideration as to the prudence of a single investment and, whether the investment decision was consistent with the City’s Investment Policy and written investment procedures.

## **6.0 Ethics and Conflicts of Interest**

Investment Officers who have a personal business relationship with a business organization offering to engage in an investment transaction with the City shall refrain from activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

- 6.1 Investment Officers shall sign annual statements agreeing to abide by this section of the Investment Policy and affirming no known conflicts of interest.
- 6.2 Investment Officers must file a disclosure statement with the Texas Ethics Commission and City Council if:
  - a) the Investment Officer has a personal business relationship with a business organization offering to engage in an investment transaction with the City; or
  - b) the Investment Officer is related within the second degree by affinity or consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to transact investment business with the City.
- 6.3 An Investment Officer has a personal business relationship with a business organization if:
  - a) the Investment Officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
  - b) funds received by the Investment Officer from the business organization exceed 10 percent of his/her gross income for the previous year; or
  - c) the Investment Officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for his/her personal account.

## **7.0 Training**

The Investment Officers and the persons authorized to execute investment transactions shall attend at least one 10 hour investment training session within 12 months after taking office or assuming duties and receive not less than 8 hours of instruction relating to investment responsibilities during a two-year period that begins on the first day of the City’s fiscal year following the initial 10 hours of instruction and consists of the two consecutive fiscal years after that date. Training must be received from an independent source approved by the City’s Investment Committee and must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio and compliance with the Act.

## 8.0 Authorized and Suitable Investments

City funds governed by this Policy may be invested in the instruments described below, all of which are authorized by Chapter 2256 of the Government Code (Public Funds Investment Act).

- 8.1 Direct obligations of the United States, its agencies or instrumentalities, and other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the United States or its respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.  

The City will restrict investments in eligible securities described in this section to discount notes and callable or non-callable fixed-rate securities with a fixed principal repayment amount.
- 8.2 Direct obligations of states and local governments rated not less than Aa3 or its equivalent (long-term rating) or an equivalent short-term rating by at least one nationally recognized investment rating firm.
- 8.3 Fully collateralized Certificates of Deposit/Share Certificates that are issued by a bank or credit union that has its main office or branch office within the City and are:
  - a) guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor; or
  - b) secured by obligations in accordance with Section 11.0 herein.

If the certificate of deposit is collateralized by pledged securities the City must have on file a signed Depository Agreement, approved as to form by the City Attorney, which details eligible collateral, collateralization ratios for pledged securities, standards for collateral custody and control of pledged securities, collateral valuation of pledged securities, and conditions for agreement termination.
- 8.4 Certificates of Deposit obtained through a depository institution or a broker approved by the City's Investment Committee under the provisions of Section 9.0 of this Policy that has its main office or branch office within the City and that contractually agrees to place the funds in federally insured depository institutions in accordance with the conditions prescribed in Section 2256.010(b) of the Act.
- 8.5 Fully collateralized repurchase agreements in accordance with the conditions prescribed in Section 2256.011 of the Act. Prior to investment in a repurchase agreement, the City must have on file a signed Master Repurchase Agreement, approved as to form by the City Attorney, which details eligible collateral, collateralization ratios, standards for collateral custody and control, collateral valuation, and conditions for agreement termination and provided the repurchase agreement:
  - a) has a defined termination date;
  - b) is secured by a combination of cash and obligations of the United States or its agencies and instrumentalities described by Section 2256.009(a) (1) of the Act. Securities received for repurchase agreements must have a market value greater than or equal to 103% at the time the investment is made and throughout the terms of the repurchase agreement;
  - c) requires the securities being purchased by the City or cash held by the City to be assigned to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City; and
  - d) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state, and which is rated no less than A or its equivalent by two nationally recognized rating services.
- 8.6 A securities lending program is an authorized investment if it meets the following conditions:
  - a) A loan made under the program must allow for termination at any time;
  - b) A loan made under the program must be placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state that is rated no less than A or its equivalent by two nationally recognized rating services. An agreement to lend securities must have a term of one year or less and shall comply with the provisions of section 1058 of the Internal Revenue Code;
  - c) A loan made under the program must be secured as prescribed in Section 2256.0115(b)(3) of the Act. Securities being held as collateral must be pledged to the City, held in the City's name, and deposited at the time the investment is made with a third party approved by the City;

- d) The amount of collateral must not be less than 100% of the market value of securities loaned, including accrued income. The market value of securities loaned shall be determined daily. Cash received as collateral shall not be invested for a term later than the expiration date of the securities lending agreement and may only be invested in investments as authorized by this Policy.

- 8.7 No-load money market mutual funds that are registered with and regulated by the Securities and Exchange Commission that meet the requirements of the PFIA, and, in addition:
  - a) are rated not less than Aaa or an equivalent rating by at least one nationally recognized rating service. A rating is not required for a sweep account investment, which is part of the city's depository contract; and,
  - b) have provided the City with a prospectus and other information as may be required by law.

Investments will be made in a money market mutual fund only after a thorough investigation of the fund and approval by the Investment Committee which shall, at least annually, review, revise and adopt a list of approved funds.

- 8.8 No-load mutual funds that are registered with and regulated by the Securities and Exchange Commission that meet the requirements of the PFIA and have provided the City with an offering circular and other information required by the Act.

Investments will be made in a mutual fund only after a thorough investigation of the fund and approval by the Investment Committee which shall, at least annually, review, revise and adopt a list of approved funds.

- 8.9 Local government investment pools which are organized in conformity with Chapter 791 (Interlocal Cooperation Contracts Act) and meet the requirements of the PFIA that:
  - a) are rated not less than Aaa or an equivalent rating by at least one nationally recognized rating service; and
  - b) have provided the City with an offering circular and other information required by the Act.

To become eligible, investment pools must be approved by City Council action. Investments will be made in a local government investment pool only after a thorough investigation of the pool and approval by the Investment Committee which shall, at least annually, review, revise and adopt a list of approved pools. A pool approved by the Investment Committee shall invest its funds in investment types consistent with the Act and the pool's own adopted investment policies and objectives. An approved pool is not required to invest its funds in investment types according to the investment policies and objectives adopted by its participants.

The Investment Officers may at times restrict or prohibit the purchase of specific issues due to current market conditions. An investment that requires a minimum rating under this section does not qualify as an authorized investment during the period the investment does not have the minimum rating. Ratings shall be monitored using nationally recognized financial information sources, including actions published on rating agency websites. The City shall take all prudent measures consistent with the Act to liquidate an investment that does not have the minimum rating required by the Act.

## **9.0 Authorized Broker/Dealers and Financial Institutions**

The Investment Committee shall, at least annually, review, revise, and adopt a list of qualified broker/dealers and financial institutions authorized to engage in the purchase and sale of obligations of the U.S. Government, its agencies or instrumentalities with the City. In order to be considered, those firms that desire to become qualified bidders for securities transactions will be required to provide information regarding creditworthiness, experience and reputation. Authorized firms may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule).

A written copy of this Investment Policy shall be presented to any person offering to engage in an investment transaction with the City. Investments shall only be made with those business organizations (including money market mutual funds and local government investment pools) which have provided the City with a written instrument executed by a qualified representative of the firm, acknowledging that the business organization has received and reviewed the City's Investment Policy in satisfaction of the business organization's duties under Financial Industry Regulatory Authority (FINRA) Rule 2111 (Suitability).

## **10.0 Competitive Bidding**

It is the policy of the City to require competitive bidding for all individual security purchases and sales except for:

- a) transactions with money market mutual funds and local government investment pools (which are deemed to be made at prevailing market rates)
- b) treasury and agency securities purchased at issue through an approved broker/dealer or financial institution
- c) automatic overnight "sweep" transactions with the City Depository
- d) fully insured certificates of deposit placed in accordance with the conditions prescribed in Section 2256.010(b) of the Act or placed with the City's Depository if so authorized by the City Depository Contract.

At least three bids or offers must be solicited for all other transactions involving individual securities. The City's investment advisor is also required to solicit at least three bids or offers when transacting trades on the City's behalf. In situations where the exact security being offered is not offered by other dealers, offers on the closest comparable investment may be used to establish a fair market price for the security. Bids for certificates of deposit may be solicited in any manner permitted by the Act.

## **11.0 Collateralization of Deposits**

The City requires that all uninsured collected balances plus accrued interest, if any, in depository accounts be secured in accordance with the requirements of this Policy and Chapter 2257, Government Code ("Public Funds Collateral Act") and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). Financial institutions serving as City depositories will be required to sign a Depository Agreement with the City which details securities that can serve as eligible collateral, collateralization ratios, standards for collateral custody and control, collateral valuation, rights of substitution and conditions for agreement termination.

Pledged securities serving as collateral will always be held by an independent third party with which the City has a current custodial agreement and shall be reviewed at least monthly to ensure that the market value of the pledged securities is at least 102%. Eligible collateral are as follows:

### **Eligible Collateral**

- 1) Direct obligations of the United States or other obligations of the United States or other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the United States.
- 2) Direct debt obligations of an agency or instrumentality of the United States.
- 3) Mortgage-backed securities issued directly by an agency or instrumentality of the United States eligible under the Public Funds Collateral Act.
- 4) Direct debt obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

The use of a letter of credit issued to the City by the Federal Home Loan Bank may be considered by the City to provide collateral for bank deposits and for certificates of deposit.

The City's Investment Officers reserve the right to accept or reject any form of collateral or enhancement at their sole discretion.

## **12.0 Safekeeping and Custody**

Safekeeping and custody of investment securities shall be in accordance with applicable law and accounting standards. All securities transactions, except local government investment pool and money market mutual fund transactions, shall be conducted on a delivery versus payment (DVP) basis. Investment securities will be held by a third-party custodian designated by the City, and be required to issue safekeeping receipts clearly detailing that the securities are owned by the City.



Safekeeping and custody of collateral shall be in accordance with applicable law and accounting standards. Pledged securities serving as collateral will be held by a third-party custodian designated by the City, and pledged to the City as evidenced by safekeeping receipts of the institution with which the securities are deposited.

### 13.0 Diversification and Maximum Maturities

The City's Investment Pool will be diversified to limit market and credit risk by observing the limitations at the time of purchase as listed below. In order to ensure the ability of the City to meet obligations and to minimize potential liquidation losses, the dollar-weighted average stated maturity of the Investment Pool shall not exceed 1.5 years at the time investments are purchased for the Investment Pool. Funds managed as separately invested assets in Section 2.1 of the Policy are subject to all of the following with the exception of the Issuer Limitation on investment in U.S. Agencies and Instrumentalities. Funds managed as separately invested assets may be invested 100% in the obligations of any one U.S. Agency or Instrumentality.

|                                   | <b>Maximum<br/>Stated<br/>Maturity<sup>1</sup></b> | <b>Issuer<br/>Limitations</b>  |
|-----------------------------------|--|--|
| U.S. Treasuries                   | 5 Years  | 100% of the City's investment pool may be invested in obligations of the U.S. Treasury.  |
| U.S. Agencies/Instrumentalities   | 5 Years  | No more than <del>30%</del> 50% of the book value of the City's investment pool may be invested in the obligations of any one issuer.  |
| Municipal Notes and Bonds         | 5 Years  | The City may not own more than the lesser of \$5 million or 20% of any single issue.   |
| Repurchase Agreements             | 30 Days  | No more than 15% of the City's investment pool may be invested with one counterparty, excluding flexible repurchase agreements for investment of bond proceeds.  |
| Mutual Funds                      | N/A  | The City may not own more than the lesser of \$100 million or 5% of the total assets of any one fund, excluding mutual funds for investment of commercial paper proceeds.  |
| Local Government Investment Pools | N/A  | The City may not own more than the lesser of \$400 million or 10% of the total assets of any one pool.   |
| Certificates of Deposit           | 5 Years  | The City may not own more than \$50 million of any single financial institution's certificates of deposit at any one time, excluding certificates of deposit placed with the City's Depository if so authorized by the City Depository Contract. |

In addition to the above limitations, the City's investment pool shall be diversified by market sector as follows:

|                                   | <b>Maximum Percentage<br/>of Investment Pool</b> |
|-----------------------------------|--|
| U.S. Treasuries                   | 100%   |
| U.S. Agencies/Instrumentalities   | 100% (maximum 30% callable)                      |
| Municipal Notes and Bonds         | 15%  |
| Repurchase Agreements             | 15%*   |
| Mutual Funds                      | 15%  |
| Local Government Investment Pools | 45%  |
| Certificates of Deposit           | 20%**  |

\* Excluding flexible repurchase agreements for bond proceeds.

\*\*Excluding certificates of deposit placed with the City's Depository if so authorized by the City Depository Contract.

- (1) Purchases of securities with stated maturities greater than the maximum authorized under this section require prior City Council approval. With respect to bond proceeds and other bond funds, the City may, in the bond ordinance, specifically authorize investments in repurchase agreements with maturities in excess of 30 days subject to any required approvals from bond insurers.

#### **14.0 Sale of Securities**

The City's policy is to hold securities to maturity. However, securities may be sold:

- (a) in order to minimize the potential loss of principal on a security whose credit quality has declined;
- (b) in order to reposition the portfolio for the purpose of improving the quality, yield, or target duration of the portfolio; or
- (c) in order to meet unanticipated liquidity needs of the portfolio.

#### **15.0 Investment Committee**

An Investment Committee shall be established and meet quarterly to determine investment guidelines, general strategies, and monitor performance. Members of the Investment Committee will include the Investment Officers, the Cash and Investment Manager and the City's Investment Advisor if the City has contracted with an Advisor. The Investment Advisor is a non-voting member of the Investment Committee.

#### **16.0 Investment Advisor**

The City may retain the services of an Investment Advisor to assist in the review of cash flow requirements, the formulation of investment strategies, and the execution of security purchases, sales and deliveries.

#### **17.0 Investment Strategies**

The City of Dallas maintains separate portfolios for individual funds or groups of funds (as listed under Sec. 2.0 of this Policy) which are managed according to the terms of this Policy and the corresponding investment strategies listed below. The investment strategy for portfolios established after the annual Investment Policy adoption will be managed in accordance with the terms of this Policy and applicable agreements until the next annual review when a specific strategy will be adopted.

- 17.1 **Investment Pool Strategy** - The City's Investment Pool is an aggregation of the majority of City funds which includes tax receipts, enterprise fund revenues, fine and fee revenues, as well as some, but not all, bond proceeds, grants, gifts and endowments. This portfolio is maintained to meet anticipated daily cash needs for City of Dallas operations, capital projects and debt service. The objectives of this portfolio are to:
  - a) ensure safety of principal by investing only in high-quality securities for which a strong secondary market exists;
  - b) ensure that anticipated cash flows are matched with adequate investment liquidity;
  - c) limit market and credit risk through diversification; and
  - d) attain a market rate of return commensurate with the objectives and restrictions set forth in this Policy by managing the portfolio to meet or exceed the 12-month moving average yield on treasury one-year constant maturities as reported by Federal Reserve Statistical Release H.15.

- 17.2 Bond Funds Strategy - Occasionally, separate non-pooled portfolios are established with the proceeds from bond sales in order to maximize earnings within the constraints of arbitrage regulations. The objectives of these portfolios are to:
- a) ensure safety of principal by investing only in high-quality securities for which a strong secondary market exists or by maintaining the security of the investment through collateralization according to the standards approved in Section 8.4 of this Policy;
  - b) ensure that anticipated cash flows are matched with adequate investment liquidity or that the terms of the secured investment agreement permit maximum flexibility for the City in making withdrawals;
  - c) manage market and credit risk through diversification and control of counterparty risk; and
  - d) attain a market rate of return commensurate with the objectives and restrictions set forth in this Policy and the bond ordinance by managing the portfolio to meet or exceed the bond yield
- 17.3 Bond Reserve Fund Strategy - Non-pooled reserve funds for outstanding revenue bonds are set at levels required by their respective bond ordinances. These funds will be used to pay the final principal and/or interest due on outstanding bonds that are similarly secured or to make up any shortfalls in debt service funds as required by the bond ordinance. The objectives of Bond Reserve Fund Portfolios are to:
- a) ensure safety of principal by investing only in high-quality securities for which a strong secondary market exists or by maintaining the security of the investment through collateralization according to the standards approved in Section 8.4 of this Policy;
  - b) ensure that anticipated cash flows are matched with adequate investment liquidity or that the terms of the secured investment agreement permit maximum flexibility for the City in making withdrawals;
  - c) manage market and credit risk through diversification and control of counterparty risk; and
  - d) attain a market rate of return commensurate with the objectives and the restrictions set forth in this Policy and the bond ordinance by managing the portfolio to meet or exceed the bond yield.
- 17.4 Endowment Funds Strategy - Funds received as gifts to the City with instructions that the income generated by the investment of said funds be used for specified purposes may be invested as separate non-pooled portfolios if required by the terms of the gift. The objectives of Endowment Portfolios are to:
- a) ensure safety of principal and sufficient liquidity by investing only in high-quality securities for which a strong secondary market exists;
  - b) manage market and credit risk through the use of a competitive process to place investments;
  - c) attain a market rate of return commensurate with the objectives and restrictions set forth in this Policy and the terms of the gift.
- 17.5 Commercial Paper Funds Strategy – The City issues tax-exempt commercial paper notes as an interim financing tool for construction projects. The investment of the proceeds from the issuance of commercial paper debt should have a high degree of liquidity in order to fund payments to contractors. The objectives of this portfolio are to:
- a) ensure safety of principal and sufficient liquidity by investing in money market mutual funds or short-term high-quality securities for which a strong secondary market exists;
  - b) manage market and credit risk through diversification of funds and/or securities. Funds must be rated AAA by at least one nationally recognized rating agency; and
  - c) attain a market rate of return commensurate with the objectives and restrictions set forth in this Policy and governing bond ordinances.

## 18.0 Reporting

Investment performance is regularly monitored by investment staff and reported to the Investment Committee on a quarterly basis. Month-end market prices on each security are obtained from nationally recognized securities databases including those provided by the City's depository bank through its safekeeping services and Bloomberg Professional Services. These prices are recorded in the City's portfolio database and included in all management reports as well as the City's Comprehensive Annual Financial Report.

Not less than quarterly the Investment Officers will submit to the standing finance committee of the city council described in Dallas City Charter, Chapter III, Section 13 (2), the City Manager, and the Mayor and City Council a written report of the status of the current investment portfolio. The report must meet the requirements of the Act.

An independent auditor shall formally review the quarterly reports prepared under this section at least annually, and that auditor shall report the results of the review to City Council.

#### **19.0 Annual Compliance Audit**

In conjunction with the annual financial audit, a compliance audit shall be performed which includes an audit of management controls on investments and adherence to the City's established investment policy.

#### **20.0 Investment Policy Adoption**

The City's Investment Policy is hereby adopted by resolution of the City Council on ~~October 13, 2020~~ October 13, 2021 in accordance with the PFIA.

## **GLOSSARY**

**ACCRETION OF DISCOUNT:** Periodic straight-line increases in the book or carrying value of a security so the amount of the purchase price discount below face value is completely eliminated by the time the bond matures or by the call date, if applicable.

**ACCRUED INTEREST:** The interest accumulated on a security from its issue date or since the last payment of interest up to but not including the purchase date. The purchaser of the security pays to the seller the market price plus accrued interest.

**AMORTIZATION OF PREMIUM:** Periodic straight-line decreases in the book or carrying value of a security so the premium paid for a bond above its face value or call price is completely eliminated.

**ASK:** The price at which securities are offered by sellers.

**BARBELL MATURITY STRATEGY:** A maturity pattern within a portfolio in which maturities of the assets in the portfolio are concentrated in both the short and long ends of the maturity spectrum.

**BASIS POINT:** One one-hundredth (1/100) of one percent; 0.0001 in decimal form.

**BENCHMARK:** A comparative base for performance evaluation. A benchmark can be a broad-based bond index, a customized bond index, or a specific objective.

**BID:** The price offered for securities by purchasers. (When selling securities, one asks for a bid.)

**BOND EQUIVALENT YIELD:** Used to compare yields available from discounted securities that pay interest at maturity with yields available from securities that pay interest semi-annually.

**BOOK ENTRY SECURITIES:** Stocks, bonds, other securities, and some certificates of deposit that are purchased, sold, and held as electronic computer entries on the records of a central holder. These securities are not available for purchase in physical form; buyers get a receipt or confirmation as evidence of ownership.

**BOOK VALUE:** The original cost of the security as adjusted for amortization of any premium paid or accretion of discount since the date of purchase.

**BROKER:** A party who brings buyers and sellers together. Brokers do not take ownership of the property being traded. They are compensated by commissions. They are not the same as dealers; however, the same firms that act as brokers in some transactions may act as dealers in other transactions.

**CALLABLE BOND:** A bond that the issuer has the right to redeem prior to maturity at a specified price. Some callable bonds may be redeemed on one call date while others may have multiple call dates. Some callable bonds may be redeemed at par while others can be redeemed only at a premium. Some callable bonds are step-up bonds that pay an initial coupon rate for the first period, and then the coupon rate increases for the following periods if the bonds are not called by the issuer.

**CERTIFICATE OF DEPOSIT (CD):** A time deposit with a specific maturity evidenced by a certificate. Large-denomination (over \$100,000) CD's are typically negotiable.

**CODE:** The Internal Revenue Code of 1986, as amended.

**COLLATERAL:** Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**COLLATERALIZED MORTGAGE OBLIGATION (CMO):** A type of mortgage-backed security created by dividing the rights to receive the principal and interest cash flows from an underlying pool of mortgages in separate classes or tiers.

**COMMERCIAL PAPER:** Short-term unsecured promissory notes issued by corporations for a maturity specified by the buyer. It is used primarily by corporations for short-term financing needs at a rate which is generally lower than the prime rate.

**CONFIRMATION:** The document used to state in writing the terms of the trade which had previously been agreed to verbally.

**COUPON RATE:** The stated annual rate of interest payable on a coupon bond expressed as a percentage of the bond's face value.

**CREDIT RISK:** The risk that (1) the issuer is downgraded to a lower quality category and/or (2) the issuer fails to make timely payments of interest or principal.

**CUSIP NUMBER:** A nine-digit number established by the Committee on Uniform Securities Identification Procedures that is used to identify publicly traded securities. Each publicly traded security receives a unique CUSIP number when the security is issued.

**CUSTODY:** The service of an organization, usually a financial institution, of holding (and reporting) a customer's securities for safekeeping. The financial institution is known as the custodian.

**DEALER:** A firm which buys and sells for its own account. Dealers have ownership, even if only for an instant, between a purchase from one party and a sale to another party. They are compensated by the spread between the price they pay and the price they receive. Dealers are not the same as brokers; however, the same firms which act as dealers in some transactions may act as brokers in other transactions.

**DELIVERY VERSUS PAYMENT (DVP):** The safest method of settling a trade involving a book entry security. In a DVP settlement, the funds are wired from the buyer's account and the security is delivered from the seller's account in simultaneous, interdependent wires.

**DEPOSITORY TRUST COMPANY (DTC):** An organization that holds physical certificates for stocks and bonds and issues receipts to owners. Securities held by DTC are immobilized so that they can be traded on a book entry basis.

**DERIVATIVE:** A security that derives its value from an underlying asset, group of assets, reference rate, or an index value. Some derivatives can be highly volatile and result in a loss of principal in changing interest rate environments.

**DISCOUNT:** The amount by which the price paid for a security is less than its face value.

**DISCOUNT SECURITIES:** Securities that do not pay periodic interest. Investors earn the difference between the discount issue price and the full face value paid at maturity.

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns, to reduce risk inherent in particular securities.

**DURATION:** A sophisticated measure of the weighted average maturity of a bond's cash flow stream, where the present values of the cash flows serve as the weights.

**ECONOMIC CYCLE (BUSINESS CYCLE):** As the economy moves through the business cycle, interest rates tend to follow the levels of production, output, and consumption - rising as the economy expands and moves out of recession and declining after the economy peaks, contracts, and heads once again into recession.

**EFFECTIVE MATURITY:** The average maturity of a bond, given the potential for early call. For a non-callable bond, the final maturity date serves as the effective maturity. For a callable bond, the effective maturity is bounded by the first call date and the final maturity date; the position within this continuum is a function of the call price, the current market price, and the reinvestment rate assumed.

**FACE VALUE:** The principal amount due and payable to a bondholder at maturity; par value. Also, the amount on which coupon interest is computed.

**FAIL:** The event of a securities purchase or sale transaction not settling as intended by the parties.

**FAIR VALUE:** The amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits.

**FEDERAL FARM CREDIT BANKS (FFCB):** A government-sponsored corporation that was created in 1916 and is a nationwide system of banks and associations providing mortgage loans, credit, and related services to farmers, rural homeowners, and agricultural and rural cooperatives. The banks and associations are cooperatively owned, directly or indirectly, by their respective borrowers. The Federal Farm Credit System is supervised by the Farm Credit Administration, an independent agency of the U.S. government. (See Government Sponsored Enterprise)

**FEDERAL FUNDS:** Monies within the Federal Reserve System representing a member bank's surplus reserve funds. Banks with excess funds may sell their surplus to other banks whose funds are below required reserve levels. Normally, Federal funds are employed in settling all government securities transactions. The Federal Funds Rate is the rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

**FEDERAL HOME LOAN BANKS (FHLB):** Government-sponsored wholesale banks (currently twelve regional banks) which lend funds and provide correspondent banking services to member commercial bank, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank. (See Government Sponsored Enterprises)

**FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC or "Freddie Mac"):** A government-sponsored corporation that was created in July 1970, by the enactment of Title III of the Emergency Home Finance Act of 1970. Freddie Mac was established to help maintain the availability of mortgage credit for residential housing, primarily through developing and maintaining an active, nationwide secondary market in conventional residential mortgages. (See Government Sponsored Enterprises)

**FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA or Fannie Mae):** FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae is a private stockholder-owned corporation. FNMA securities are highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest. (See Government Sponsored Enterprises)

**FEDERAL OPEN MARKET COMMITTEE (FOMC):** Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank presidents. The president of the New York Federal Reserve Bank is a permanent member while the other presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of government securities in the open market as a means of influencing the volume of bank credit and money.

**FEDERAL RESERVE SYSTEM:** The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., twelve regional banks and about 5700 commercial banks that are members of the system.

**FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA):** A not-for-profit organization authorized by Congress to ensure investor protection and market integrity through regulation of broker-dealers.

**FINRA RULE 2111 (SUITABILITY):** FINRA Rule 2111 requires, in part, that a broker-dealer or associated person "have a reasonable basis to believe that a recommended transaction or investment strategy involving a security or securities is suitable for the customer, based on the information obtained through the reasonable diligence of the [firm] or associated person to ascertain the customer's investment profile."

**FIXED-INCOME SECURITY:** A financial instrument promising a fixed amount of periodic income over a specified future time span.

**GOVERNMENT-SPONSORED ENTERPRISES (GSE's):** Payment of principal and interest on securities issued by these corporations is not guaranteed explicitly by the U.S. government, however, most investors consider these securities to carry an implicit U.S. government guarantee. The debt is fully guaranteed by the issuing corporations. GSE's include: Farm Credit System, Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation, and Federal National Mortgage Association.

**INSTRUMENTALITIES:** See Government-Sponsored Enterprises

**INTEREST RATE RISK:** The risk that the general level of interest rates will change, causing unexpected price appreciations or depreciations.

**LADDERED MATURITY STRATEGY:** A maturity pattern within a portfolio in which maturities of the assets in the portfolio are equally spaced. Over time, the shortening of the remaining lives of the assets provides a steady source of liquidity or cash flow. Given a normal yield curve with a positive slope this passive strategy provides the benefit of being able to take advantage of the higher, longer-term yields without sacrificing safety or liquidity.

**LIQUIDITY:** An entity's capacity to meet future monetary outflows (whether they are required or optional) from available resources. Liquidity is often obtained from reductions of cash or by converting assets into cash.

**LIQUIDITY RISK:** The risk that an investment will be difficult to sell at a fair market price in a timely fashion.

**MARKET RISK:** The risk that the value of a security will rise or decline as a result of changes in market conditions. It is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification; also known as systematic risk.

**MARKET VALUE:** The price at which a security is trading and could presumably be purchased or sold.

**MARKING-TO-MARKET:** The practice of valuing a security or portfolio according to its market value, rather than its cost or book value.

**MASTER REPURCHASE AGREEMENT:** A written contract covering all future transactions between the parties to repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer to liquidate the underlying securities in the event of default by the seller.

**MATURITY DATE:** The date on which the principal or face value of an investment becomes due and payable.

**MONEY MARKET INSTRUMENT:** Generally, a short-term debt instrument that is purchased from a broker, dealer, or bank. Sometimes the term "money market" with "short-term", defines an instrument with no more than 12 months remaining from the purchase date until the maturity date. Sometimes the term "money market" is used more restrictively to mean only those instruments that have active secondary markets.

**MORTGAGE-BACKED SECURITIES (MBS):** Securities composed of, or collateralized by, loans that are themselves collateralized by liens on real property.

**OFFER:** The price asked by a seller of securities. (When purchasing securities, one asks for an offer.)

**OPEN MARKET OPERATIONS:** Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

**OPPORTUNITY COST:** The cost of pursuing one course of action measured in terms of the foregone return that could have been earned on an alternative course of action that was not undertaken.



**PAR:** See Face Value

**PFIA OR ACT:** The Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended.

**POOLED FUND GROUP:** An internally created fund of an investing entity in which one or more institutional accounts of the investing entity are invested (as defined by the Public Funds Investment Act).

**PREMIUM:** The amount by which the price paid for a security exceeds its face value.

**PRIMARY DEALER:** A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**PRINCIPAL:** The face or par value of an instrument, exclusive of accrued interest.

**PRUDENT PERSON RULE:** An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the state. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

**QUALIFIED REPRESENTATIVE:** A person who holds a position with - and is authorized to act on behalf of - a business organization (as defined by the Public Funds Investment Act).

**RATE OF RETURN:** The amount of income received from an investment, expressed as a percentage. A market rate of return is the yield that an investor can expect to receive in the current interest-rate environment utilizing a buy-and-hold to maturity investment strategy.

**REINVESTMENT RATE:** The interest rate earned on the reinvestment of coupon payments.

**REINVESTMENT RATE RISK:** The risk that the actual reinvestment rate falls short of the expected or assumed reinvestment rate.

**REPURCHASE AGREEMENT (RP or REPO):** An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price on demand or at a specified later date. The difference between the selling price and the repurchase price provides the interest income to the party that provided the funds. Every transaction where a security is sold under an agreement to be repurchased is a repo from the seller/borrower's point of view and a reverse repo from the buyer/lender's point of view.

**REVERSE REPURCHASE AGREEMENT:** (See Repurchase Agreement)

**SAFEKEEPING:** A procedure where securities are held by a third party acting as custodian for a fee.

**SECONDARY MARKET:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SECURITIES AND EXCHANGE COMMISSION (SEC):** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**SECURITIES LENDING:** The temporary transfer of securities by one party, the lender, to another, the borrower. The securities borrower is required to provide acceptable assets as collateral to the securities lender in the form of cash or other securities. If the borrower provides securities as collateral to the lender, it pays a fee to borrow the lent securities. If it provides cash as collateral, the lender pays interest to the borrower and reinvests the cash at a higher rate.

**SEC RULE 15C3-1:** See Uniform Net Capital Rule

**STRUCTURED NOTES:** Debt obligations whose principal or interest payments are determined by an index or formula.

**SEPARATELY INVESTED ASSET:** An account or fund of a state agency or local government that is not invested in a pooled fund group (as defined by the Public Funds Investment Act).

**SPREAD:** Most commonly used when referring to the difference between the bid and asked prices in a quote. Additionally, it may also refer to additional basis points that a non-Treasury security earns over and above a Treasury with a comparable maturity date.

**STRIPS:** Separation of the principal and interest cash flows due from any interest-bearing securities into different financial instruments. Each coupon payment is separated from the underlying investment to create a separate security. Each individual cash flow is sold at a discount. The amount of the discount and the time until the cash flow is paid determine the investor's return.

**SWAP:** The trading of one asset for another. Sometimes used in active portfolio management to increase investment returns by "swapping" one type of security for another.

**TOTAL RETURN:** Interest income plus capital gains (or minus losses) on an investment.

**TREASURY BILLS:** A non-interest bearing discount security issued by the U.S. Treasury, generally having initial maturities of 3 months, 6 months, or 1 year.

**TREASURY BONDS:** Long-term, coupon bearing U.S. Treasury securities having initial maturities of more than 10 years.

**TREASURY NOTES:** Intermediate-term, coupon bearing U.S. Treasury securities having initial maturities of 2 - 10 years.

**UNIFORM NET CAPITAL RULE:** Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called *net capital rule* and *net capital ratio*. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

**YIELD TO MATURITY (YTM):** The promised return assuming all interest and principal payments are made and reinvested at the same rate taking into account price appreciation (if priced below par) or depreciation (if priced above par).

**APPENDIX A**  
**PUBLIC FUNDS INVESTMENT ACT**

GOVERNMENT CODE

TITLE 10. GENERAL GOVERNMENT

SUBTITLE F. STATE AND LOCAL CONTRACTS AND FUND MANAGEMENT

CHAPTER 2256. PUBLIC FUNDS INVESTMENT

SUBCHAPTER A. AUTHORIZED INVESTMENTS FOR GOVERNMENTAL ENTITIES

Sec. 2256.001. SHORT TITLE. This chapter may be cited as the Public Funds Investment Act.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.002. DEFINITIONS. In this chapter:

(1) "Bond proceeds" means the proceeds from the sale of bonds, notes, and other obligations issued by an entity, and reserves and funds maintained by an entity for debt service purposes.

(2) "Book value" means the original acquisition cost of an investment plus or minus the accrued amortization or accretion.

(3) "Funds" means public funds in the custody of a state agency or local government that:

(A) are not required by law to be deposited in the state treasury; and

(B) the investing entity has authority to invest.

(4) "Institution of higher education" has the meaning assigned by Section [61.003](#), Education Code.

(5) "Investing entity" and "entity" mean an entity subject to this chapter and described by Section [2256.003](#).

(6) "Investment pool" means an entity created under this code to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are:

(A) preservation and safety of principal;

(B) liquidity; and

(C) yield.

(7) "Local government" means a municipality, a county, a school district, a district or authority created under Section [52](#)(b)(1) or (2), Article III, or Section [59](#), Article XVI, Texas Constitution, a fresh water supply district, a hospital district, and any political subdivision, authority, public corporation, body politic, or instrumentality of the State of Texas, and any nonprofit corporation acting on behalf of any of those entities.

(8) "Market value" means the current face or par value of an investment multiplied by the net selling price of the security as quoted by a recognized market pricing source quoted on the valuation date.

(9) "Pooled fund group" means an internally created fund of an investing entity in which one or more institutional accounts of the investing entity are invested.

(10) "Qualified representative" means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:

(A) for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers;

(B) for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution;

(C) for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool; or

(D) for an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or, if not subject to registration under that Act, registered with the State Securities Board, a person who is an officer or principal of the investment management firm.

(11) "School district" means a public school district.

(12) "Separately invested asset" means an account or fund of a state agency or local government that is not invested in a pooled fund group.

(13) "State agency" means an office, department, commission, board, or other agency that is part of any branch of state government, an institution of higher education, and any nonprofit corporation acting on behalf of any of those entities.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 1, eff. Sept. 1, 1999.

Sec. 2256.003. AUTHORITY TO INVEST FUNDS; ENTITIES SUBJECT TO THIS CHAPTER. (a) Each governing body of the following entities may purchase, sell, and invest its funds and funds under its control in investments authorized under this subchapter in compliance with investment policies approved by the governing body and according to the standard of care prescribed by Section [2256.006](#):

- (1) a local government;
- (2) a state agency;
- (3) a nonprofit corporation acting on behalf of a local government or a state agency; or
- (4) an investment pool acting on behalf of two or more local governments, state agencies, or a combination of those entities.

(b) In the exercise of its powers under Subsection (a), the governing body of an investing entity may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control. A contract made under authority of this subsection may not be for a term longer than two years. A renewal or extension of the contract must be made by the governing body of the investing entity by order, ordinance, or resolution.

(c) This chapter does not prohibit an investing entity or investment officer from using the entity's employees or the services of a contractor of the entity to aid the investment officer in the execution of the officer's duties under this chapter.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1999, 76th Leg., ch. 1454, Sec. 2, eff. Sept. 1, 1999.

Sec. 2256.004. APPLICABILITY. (a) This subchapter does not apply to:

- (1) a public retirement system as defined by Section [802.001](#);
- (2) state funds invested as authorized by Section [404.024](#);
- (3) an institution of higher education having total endowments of at least \$150 million in book value on September 1, 2017;
- (4) funds invested by the Veterans' Land Board as authorized by Chapter [161](#), [162](#), or [164](#), Natural Resources Code;
- (5) registry funds deposited with the county or district clerk under Chapter [117](#), Local Government Code; or
- (6) a deferred compensation plan that qualifies under either Section 401(k) or 457 of the Internal Revenue Code of 1986 (26 U.S.C. Section 1 et seq.), as amended.

(b) This subchapter does not apply to an investment donated to an investing entity for a particular purpose or under terms of use specified by the donor.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 505, Sec. 24, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1421, Sec. 2, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 62, Sec. 8.21, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 1454, Sec. 3, eff. Sept. 1, 1999.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 1, eff. June 14, 2017.

Sec. 2256.005. INVESTMENT POLICIES; INVESTMENT STRATEGIES; INVESTMENT OFFICER. (a) The governing body of an investing entity shall adopt by rule, order, ordinance, or resolution, as appropriate, a written investment policy regarding the investment of its funds and funds under its control.

(b) The investment policies must:

- (1) be written;
- (2) primarily emphasize safety of principal and liquidity;
- (3) address investment diversification, yield, and maturity and the quality and capability of investment management; and
- (4) include:
  - (A) a list of the types of authorized investments in which the investing entity's funds may be invested;
  - (B) the maximum allowable stated maturity of any individual investment owned by the entity;
  - (C) for pooled fund groups, the maximum dollar-weighted average maturity allowed based on the stated maturity date for the portfolio;
  - (D) methods to monitor the market price of investments acquired with public funds;
  - (E) a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis; and
  - (F) procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the provisions of Section [2256.021](#).

(c) The investment policies may provide that bids for certificates of deposit be solicited:

- (1) orally;
- (2) in writing;
- (3) electronically; or
- (4) in any combination of those methods.

(d) As an integral part of an investment policy, the governing body shall adopt a separate written investment strategy for each of the funds or group of funds under its control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities in order of importance:

- (1) understanding of the suitability of the investment to the financial requirements of the entity;
- (2) preservation and safety of principal;
- (3) liquidity;
- (4) marketability of the investment if the need arises to liquidate the investment before maturity;



- (5) diversification of the investment portfolio; and
- (6) yield.

(e) The governing body of an investing entity shall review its investment policy and investment strategies not less than annually. The governing body shall adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies.

(f) Each investing entity shall designate, by rule, order, ordinance, or resolution, as appropriate, one or more officers or employees of the state agency, local government, or investment pool as investment officer to be responsible for the investment of its funds consistent with the investment policy adopted by the entity. If the governing body of an investing entity has contracted with another investing entity to invest its funds, the investment officer of the other investing entity is considered to be the investment officer of the first investing entity for purposes of this chapter. Authority granted to a person to invest an entity's funds is effective until rescinded by the investing entity, until the expiration of the officer's term or the termination of the person's employment by the investing entity, or if an investment management firm, until the expiration of the contract with the investing entity. In the administration of the duties of an investment officer, the person designated as investment officer shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs, but the governing body of the investing entity retains ultimate responsibility as fiduciaries of the assets of the entity. Unless authorized by law, a person may not deposit, withdraw, transfer, or manage in any other manner the funds of the investing entity.

(g) Subsection (f) does not apply to a state agency, local government, or investment pool for which an officer of the entity is assigned by law the function of investing its funds.

Text of subsec. (h) as amended by Acts 1997, 75th Leg., ch. 685, Sec. 1

(h) An officer or employee of a commission created under Chapter [391](#), Local Government Code, is ineligible to be an investment officer for the commission under Subsection (f) if the officer or employee is an investment officer designated under Subsection (f) for another local government.

Text of subsec. (h) as amended by Acts 1997, 75th Leg., ch. 1421, Sec.

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(h) An officer or employee of a commission created under Chapter [391](#), Local Government Code, is ineligible to be designated as an investment officer under Subsection (f) for any investing entity other than for that commission.

(i) An investment officer of an entity who has a personal business relationship with a business organization offering to engage in an investment transaction with the entity shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity, as determined under Chapter [573](#), to an individual seeking to sell an investment to the investment officer's entity shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the governing body of the entity. For purposes of this subsection, an investment officer has a personal business relationship with a business organization if:

(1) the investment officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;

(2) funds received by the investment officer from the business organization exceed 10 percent of the investment officer's gross income for the previous year; or

(3) the investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.

(j) The governing body of an investing entity may specify in its investment policy that any investment authorized by this chapter is not suitable.

(k) A written copy of the investment policy shall be presented to any business organization offering to engage in an investment transaction with an investing entity. For purposes of this subsection and Subsection (l), "business organization" means an investment pool or investment management firm under contract with an investing entity to invest or manage the entity's investment portfolio that has accepted authority granted by the entity under the contract to exercise investment discretion in regard to the investing entity's funds. Nothing in this subsection relieves the investing entity of the responsibility for monitoring the investments made by the investing entity to determine that they are in compliance with the investment policy. The qualified representative of the business organization offering to engage in an investment transaction with an investing entity shall execute a written instrument in a form acceptable to the investing entity and the business organization substantially to the effect that the business organization has:

(1) received and reviewed the investment policy of the entity; and

(2) acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the entity and the organization that are not authorized by the entity's investment policy, except to the extent that this authorization:

(A) is dependent on an analysis of the makeup of the entity's entire portfolio;

(B) requires an interpretation of subjective investment standards; or

(C) relates to investment transactions of the entity that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.

(l) The investment officer of an entity may not acquire or otherwise obtain any authorized investment described in the investment

policy of the investing entity from a business organization that has not delivered to the entity the instrument required by Subsection (k).

(m) An investing entity other than a state agency, in conjunction with its annual financial audit, shall perform a compliance audit of management controls on investments and adherence to the entity's established investment policies.

(n) Except as provided by Subsection (o), at least once every two years a state agency shall arrange for a compliance audit of management controls on investments and adherence to the agency's established investment policies. The compliance audit shall be performed by the agency's internal auditor or by a private auditor employed in the manner provided by Section [321.020](#). Not later than January 1 of each even-numbered year a state agency shall report the results of the most recent audit performed under this subsection to the state auditor. Subject to a risk assessment and to the legislative audit committee's approval of including a review by the state auditor in the audit plan under Section [321.013](#), the state auditor may review information provided under this section. If review by the state auditor is approved by the legislative audit committee, the state auditor may, based on its review, require a state agency to also report to the state auditor other information the state auditor determines necessary to assess compliance with laws and policies applicable to state agency investments. A report under this subsection shall be prepared in a manner the state auditor prescribes.

(o) The audit requirements of Subsection (n) do not apply to assets of a state agency that are invested by the comptroller under Section [404.024](#).

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 685, Sec. 1, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1421, Sec. 3, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 4, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 785, Sec. 41, eff. Sept. 1, 2003.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 1, eff. June 17, 2011.

Acts 2017, 85th Leg., R.S., Ch. 149 (H.B. [1701](#)), Sec. 1, eff. September 1, 2017.

Sec. 2256.006. STANDARD OF CARE. (a) Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority:

- (1) preservation and safety of principal;
- (2) liquidity; and
- (3) yield.

(b) In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- (1) the investment of all funds, or funds under the entity's control, over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and
- (2) whether the investment decision was consistent with the written investment policy of the entity.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.007. INVESTMENT TRAINING; STATE AGENCY BOARD MEMBERS AND OFFICERS. (a) Each member of the governing board of a state agency and its investment officer shall attend at least one training session relating to the person's responsibilities under this chapter within six months after taking office or assuming duties.

(b) The Texas Higher Education Coordinating Board shall provide the training under this section.

(c) Training under this section must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with this chapter.

(d) An investment officer shall attend a training session not less than once each state fiscal biennium and may receive training from

any independent source approved by the governing body of the state agency. The investment officer shall prepare a report on this subchapter and deliver the report to the governing body of the state agency not later than the 180th day after the last day of each regular session of the legislature.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 73, Sec. 1, eff. May 9, 1997; Acts 1997, 75th Leg., ch. 1421, Sec. 4, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 5, eff. Sept. 1, 1999.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 2, eff. June 17, 2011.

Sec. 2256.008. INVESTMENT TRAINING; LOCAL GOVERNMENTS.

(a) Except as provided by Subsections (a-1), (b), (b-1), (e), and (f), the treasurer, the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of a local government shall:

(1) attend at least one training session from an independent source approved by the governing body of the local government or a designated investment committee advising the investment officer as provided for in the investment policy of the local government and containing at least 10 hours of instruction relating to the treasurer's or officer's responsibilities under this subchapter within 12 months after taking office or assuming duties; and

(2) attend an investment training session not less than once in a two-year period that begins on the first day of that local government's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than 10 hours of instruction relating to investment responsibilities under this subchapter from an independent source approved by the governing body of the local government or a designated investment committee advising the investment officer as provided for in the investment policy of the local government.

(a-1) In addition to the requirements of Subsection (a)(1), the treasurer, or the chief financial officer if the treasurer is not the

chief financial officer, and the investment officer of a school district or a municipality shall attend an investment training session not less than once in a two-year period that begins on the first day of the school district's or municipality's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than eight hours of instruction relating to investment responsibilities under this subchapter from an independent source approved by the governing body of the school district or municipality, or by a designated investment committee advising the investment officer as provided for in the investment policy of the school district or municipality.

(b) An investing entity created under authority of Section [52\(b\)](#), Article III, or Section [59](#), Article XVI, Texas Constitution, that has contracted with an investment management firm under Section [2256.003\(b\)](#) and has fewer than five full-time employees or an investing entity that has contracted with another investing entity to invest the entity's funds may satisfy the training requirement provided by Subsection (a)(2) by having an officer of the governing body attend four hours of appropriate instruction in a two-year period that begins on the first day of that local government's fiscal year and consists of the two consecutive fiscal years after that date. The treasurer or chief financial officer of an investing entity created under authority of Section [52\(b\)](#), Article III, or Section [59](#), Article XVI, Texas Constitution, and that has fewer than five full-time employees is not required to attend training required by this section unless the person is also the investment officer of the entity.

(b-1) A housing authority created under Chapter [392](#), Local Government Code, may satisfy the training requirement provided by Subsection (a)(2) by requiring the following person to attend, in each two-year period that begins on the first day of that housing authority's fiscal year and consists of the two consecutive fiscal years after that date, at least five hours of appropriate instruction:

(1) the treasurer, or the chief financial officer if the treasurer is not the chief financial officer, or the investment officer; or

(2) if the authority does not have an officer described by Subdivision (1), another officer of the authority.

(c) Training under this section must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with this chapter.

(d) Not later than December 31 each year, each individual, association, business, organization, governmental entity, or other person that provides training under this section shall report to the comptroller a list of the governmental entities for which the person provided required training under this section during that calendar year. An individual's reporting requirements under this subsection are satisfied by a report of the individual's employer or the sponsoring or organizing entity of a training program or seminar.

(e) This section does not apply to a district governed by Chapter [36](#) or [49](#), Water Code.

(f) Subsection (a)(2) does not apply to an officer of a municipality or housing authority if the municipality or housing authority:

(1) does not invest municipal or housing authority funds, as applicable; or

(2) only deposits those funds in:

(A) interest-bearing deposit accounts; or

(B) certificates of deposit as authorized by Section [2256.010](#).

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 5, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 6, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 69, Sec. 4, eff. May 14, 2001.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 3, eff. June 17, 2011.

Acts 2015, 84th Leg., R.S., Ch. 222 (H.B. [1148](#)), Sec. 1, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1248 (H.B. [870](#)), Sec. 1, eff. September 1, 2015.

Acts 2017, 85th Leg., R.S., Ch. 324 (S.B. [1488](#)), Sec. 8.015, eff. September 1, 2017.



Acts 2017, 85th Leg., R.S., Ch. 1000 (H.B. [1238](#)), Sec. 1, eff. September 1, 2017.

Acts 2017, 85th Leg., R.S., Ch. 1000 (H.B. [1238](#)), Sec. 2, eff. September 1, 2017.

Sec. 2256.009. AUTHORIZED INVESTMENTS: OBLIGATIONS OF, OR GUARANTEED BY GOVERNMENTAL ENTITIES. (a) Except as provided by Subsection (b), the following are authorized investments under this subchapter:

(1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks;

(2) direct obligations of this state or its agencies and instrumentalities;

(3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;

(4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States;

(5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;

(6) bonds issued, assumed, or guaranteed by the State of Israel;

(7) interest-bearing banking deposits that are guaranteed or insured by:

(A) the Federal Deposit Insurance Corporation or its successor; or

(B) the National Credit Union Share Insurance Fund or its successor; and

(8) interest-bearing banking deposits other than those described by Subdivision (7) if:

(A) the funds invested in the banking deposits are invested through:

(i) a broker with a main office or branch office in this state that the investing entity selects from a list the governing body or designated investment committee of the entity adopts as required by Section [2256.025](#); or

(ii) a depository institution with a main office or branch office in this state that the investing entity selects;

(B) the broker or depository institution selected as described by Paragraph (A) arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the investing entity's account;

(C) the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and

(D) the investing entity appoints as the entity's custodian of the banking deposits issued for the entity's account:

(i) the depository institution selected as described by Paragraph (A);

(ii) an entity described by Section [2257.041](#)(d);  
or

(iii) a clearing broker dealer registered with the Securities and Exchange Commission and operating under Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3).

(b) The following are not authorized investments under this section:

(1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;

(2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;

(3) collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and

(4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1999, 76th Leg., ch. 1454, Sec. 7, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 558, Sec. 1, eff. Sept. 1, 2001.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 4, eff. June 17, 2011.

Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 2, eff. June 14, 2017.

Acts 2017, 85th Leg., R.S., Ch. 863 (H.B. [2647](#)), Sec. 1, eff. June 15, 2017.

Acts 2017, 85th Leg., R.S., Ch. 874 (H.B. [2928](#)), Sec. 1, eff. September 1, 2017.

Sec. 2256.010. AUTHORIZED INVESTMENTS: CERTIFICATES OF DEPOSIT AND SHARE CERTIFICATES. (a) A certificate of deposit or share certificate is an authorized investment under this subchapter if the certificate is issued by a depository institution that has its main office or a branch office in this state and is:

(1) guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor;

(2) secured by obligations that are described by Section [2256.009](#)(a), including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities of the nature described by Section [2256.009](#)(b); or

(3) secured in accordance with Chapter [2257](#) or in any other manner and amount provided by law for deposits of the investing entity.

(b) In addition to the authority to invest funds in certificates of deposit under Subsection (a), an investment in certificates of deposit made in accordance with the following conditions is an authorized investment under this subchapter:

- (1) the funds are invested by an investing entity through:
- (A) a broker that has its main office or a branch office in this state and is selected from a list adopted by the investing entity as required by Section [2256.025](#); or
  - (B) a depository institution that has its main office or a branch office in this state and that is selected by the investing entity;
- (2) the broker or the depository institution selected by the investing entity under Subdivision (1) arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the investing entity;
- (3) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and
- (4) the investing entity appoints the depository institution selected by the investing entity under Subdivision (1), an entity described by Section [2257.041](#)(d), or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the investing entity with respect to the certificates of deposit issued for the account of the investing entity.

Amended by Acts 1995, 74th Leg., ch. 32, Sec. 1, eff. April 28, 1995; Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 6, eff. Sept. 1, 1997.

Amended by:

Acts 2005, 79th Leg., Ch. 128 (H.B. [256](#)), Sec. 1, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 5, eff. June 17, 2011.

Acts 2017, 85th Leg., R.S., Ch. 874 (H.B. [2928](#)), Sec. 2, eff. September 1, 2017.

Sec. 2256.011. AUTHORIZED INVESTMENTS: REPURCHASE AGREEMENTS.

(a) A fully collateralized repurchase agreement is an authorized investment under this subchapter if the repurchase agreement:

(1) has a defined termination date;

(2) is secured by a combination of cash and obligations described by Section [2256.009](#)(a)(1); and

(3) requires the securities being purchased by the entity or cash held by the entity to be pledged to the entity, held in the entity's name, and deposited at the time the investment is made with the entity or with a third party selected and approved by the entity; and

(4) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state.

(b) In this section, "repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations described by Section [2256.009](#)(a)(1), at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct security repurchase agreement and a reverse security repurchase agreement.

(c) Notwithstanding any other law, the term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered.

(d) Money received by an entity under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

(e) Section [1371.059](#)(c) applies to the execution of a repurchase agreement by an investing entity.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 6, eff. June 17, 2011.

Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 3, eff. June 14, 2017.

Sec. 2256.0115. AUTHORIZED INVESTMENTS: SECURITIES LENDING PROGRAM. (a) A securities lending program is an authorized investment under this subchapter if it meets the conditions provided by this section.

(b) To qualify as an authorized investment under this subchapter:

(1) the value of securities loaned under the program must be not less than 100 percent collateralized, including accrued income;

(2) a loan made under the program must allow for termination at any time;

(3) a loan made under the program must be secured by:

(A) pledged securities described by Section [2256.009](#);

(B) pledged irrevocable letters of credit issued by a bank that is:

(i) organized and existing under the laws of the United States or any other state; and

(ii) continuously rated by at least one nationally recognized investment rating firm at not less than A or its equivalent; or

(C) cash invested in accordance with Section:

(i) 2256.009;

(ii) 2256.013;

(iii) 2256.014; or

(iv) 2256.016;

(4) the terms of a loan made under the program must require that the securities being held as collateral be:

(A) pledged to the investing entity;

(B) held in the investing entity's name; and

(C) deposited at the time the investment is made with the entity or with a third party selected by or approved by the investing entity;

(5) a loan made under the program must be placed through:

(A) a primary government securities dealer, as defined by 5 C.F.R. Section 6801.102(f), as that regulation existed on September 1, 2003; or

(B) a financial institution doing business in this state; and

(6) an agreement to lend securities that is executed under this section must have a term of one year or less.

Added by Acts 2003, 78th Leg., ch. 1227, Sec. 1, eff. Sept. 1, 2003.

Sec. 2256.012. AUTHORIZED INVESTMENTS: BANKER'S ACCEPTANCES. A bankers' acceptance is an authorized investment under this subchapter if the bankers' acceptance:

(1) has a stated maturity of 270 days or fewer from the date of its issuance;

(2) will be, in accordance with its terms, liquidated in full at maturity;

(3) is eligible for collateral for borrowing from a Federal Reserve Bank; and

(4) is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.013. AUTHORIZED INVESTMENTS: COMMERCIAL PAPER. Commercial paper is an authorized investment under this subchapter if the commercial paper:

(1) has a stated maturity of 270 days or fewer from the date of its issuance; and

(2) is rated not less than A-1 or P-1 or an equivalent rating by at least:

(A) two nationally recognized credit rating agencies;  
or

(B) one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.014. AUTHORIZED INVESTMENTS: MUTUAL FUNDS.

(a) A no-load money market mutual fund is an authorized investment under this subchapter if the mutual fund:

(1) is registered with and regulated by the Securities and Exchange Commission;

(2) provides the investing entity with a prospectus and other information required by the Securities Exchange Act of 1934 (15 U.S.C. Section 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.); and

(3) complies with federal Securities and Exchange Commission Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.).

(b) In addition to a no-load money market mutual fund permitted as an authorized investment in Subsection (a), a no-load mutual fund is an authorized investment under this subchapter if the mutual fund:

(1) is registered with the Securities and Exchange Commission;

(2) has an average weighted maturity of less than two years; and

(3) either:

(A) has a duration of one year or more and is invested exclusively in obligations approved by this subchapter; or

(B) has a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities.

(c) An entity is not authorized by this section to:

(1) invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in mutual funds described in Subsection (b);

(2) invest any portion of bond proceeds, reserves and funds held for debt service, in mutual funds described in Subsection (b); or

(3) invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in



any one mutual fund described in Subsection (a) or (b) in an amount that exceeds 10 percent of the total assets of the mutual fund.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 7, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 8, eff. Sept. 1, 1999.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 4, eff. June 14, 2017.

Sec. 2256.015. AUTHORIZED INVESTMENTS: GUARANTEED INVESTMENT CONTRACTS. (a) A guaranteed investment contract is an authorized investment for bond proceeds under this subchapter if the guaranteed investment contract:

(1) has a defined termination date;

(2) is secured by obligations described by Section [2256.009](#) (a) (1), excluding those obligations described by Section [2256.009](#) (b), in an amount at least equal to the amount of bond proceeds invested under the contract; and

(3) is pledged to the entity and deposited with the entity or with a third party selected and approved by the entity.

(b) Bond proceeds, other than bond proceeds representing reserves and funds maintained for debt service purposes, may not be invested under this subchapter in a guaranteed investment contract with a term of longer than five years from the date of issuance of the bonds.

(c) To be eligible as an authorized investment:

(1) the governing body of the entity must specifically authorize guaranteed investment contracts as an eligible investment in the order, ordinance, or resolution authorizing the issuance of bonds;

(2) the entity must receive bids from at least three separate providers with no material financial interest in the bonds from which proceeds were received;

(3) the entity must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received;

(4) the price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be invested; and

(5) the provider must certify the administrative costs reasonably expected to be paid to third parties in connection with the guaranteed investment contract.

(d) Section [1371.059](#)(c) applies to the execution of a guaranteed investment contract by an investing entity.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 8, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 9, 10, eff. Sept. 1, 1999.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 5, eff. June 14, 2017.

Sec. 2256.016. AUTHORIZED INVESTMENTS: INVESTMENT POOLS. (a) An entity may invest its funds and funds under its control through an eligible investment pool if the governing body of the entity by rule, order, ordinance, or resolution, as appropriate, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by this subchapter. An investment pool may invest its funds in money market mutual funds to the extent permitted by and consistent with this subchapter and the investment policies and objectives adopted by the investment pool.

(b) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the entity an offering circular or other similar disclosure instrument that contains, at a minimum, the following information:

(1) the types of investments in which money is allowed to be invested;

(2) the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;

(3) the maximum stated maturity date any investment security within the portfolio has;

- (4) the objectives of the pool;
  - (5) the size of the pool;
  - (6) the names of the members of the advisory board of the pool and the dates their terms expire;
  - (7) the custodian bank that will safekeep the pool's assets;
  - (8) whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;
  - (9) whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;
  - (10) the name and address of the independent auditor of the pool;
  - (11) the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool;
  - (12) the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios; and
  - (13) the pool's policy regarding holding deposits in cash.
- (c) To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the entity:
- (1) investment transaction confirmations; and
  - (2) a monthly report that contains, at a minimum, the following information:
    - (A) the types and percentage breakdown of securities in which the pool is invested;
    - (B) the current average dollar-weighted maturity, based on the stated maturity date, of the pool;
    - (C) the current percentage of the pool's portfolio in investments that have stated maturities of more than one year;
    - (D) the book value versus the market value of the pool's portfolio, using amortized cost valuation;
    - (E) the size of the pool;

- (F) the number of participants in the pool;
- (G) the custodian bank that is safekeeping the assets of the pool;
- (H) a listing of daily transaction activity of the entity participating in the pool;
- (I) the yield and expense ratio of the pool, including a statement regarding how yield is calculated;
- (J) the portfolio managers of the pool; and
- (K) any changes or addenda to the offering circular.

(d) An entity by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.

(e) In this section, "yield" shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the federal Securities and Exchange Commission.

(f) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool that uses amortized cost or fair value accounting must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a \$1.00 net asset value, when rounded and expressed to two decimal places. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, the governing body of the public funds investment pool shall take action as the body determines necessary to eliminate or reduce to the extent reasonably practicable any dilution or unfair result to existing participants, including a sale of portfolio holdings to attempt to maintain the ratio between 0.995 and 1.005. In addition to the requirements of its investment policy and any other forms of reporting, a public funds investment pool that uses amortized cost shall report yield to its investors in accordance with regulations of the federal Securities and Exchange Commission applicable to reporting by money market funds.

(g) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool must have an advisory board composed:

(1) equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for a public funds investment pool created under Chapter [791](#) and managed by a state agency; or

(2) of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.

(h) To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.

(i) If the investment pool operates an Internet website, the information in a disclosure instrument or report described in Subsections (b), (c)(2), and (f) must be posted on the website.

(j) To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must make available to the entity an annual audited financial statement of the investment pool in which the entity has funds invested.

(k) If an investment pool offers fee breakpoints based on fund balances invested, the investment pool in advertising investment rates must include either all levels of return based on the breakpoints provided or state the lowest possible level of return based on the smallest level of funds invested.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 9, eff. Sept. 1, 1997.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 7, eff. June 17, 2011.

Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 6, eff. June 14, 2017.

Sec. 2256.017. EXISTING INVESTMENTS. Except as provided by Chapter [2270](#), an entity is not required to liquidate investments that were authorized investments at the time of purchase.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.46(a), eff. Sept. 1, 1995; Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.  
Amended by Acts 1997, 75th Leg., ch. 1421, Sec. 10, eff. Sept. 1, 1997.  
Amended by:

Acts 2017, 85th Leg., R.S., Ch. 96 (S.B. [253](#)), Sec. 2, eff. May 23, 2017.

Sec. 2256.019. RATING OF CERTAIN INVESTMENT POOLS. A public funds investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.  
Amended by Acts 1997, 75th Leg., ch. 1421, Sec. 11, eff. Sept. 1, 1997.  
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 8, eff. June 17, 2011.

Sec. 2256.020. AUTHORIZED INVESTMENTS: INSTITUTIONS OF HIGHER EDUCATION. In addition to the authorized investments permitted by this subchapter, an institution of higher education may purchase, sell, and invest its funds and funds under its control in the following:

(1) cash management and fixed income funds sponsored by organizations exempt from federal income taxation under Section 501(f), Internal Revenue Code of 1986 (26 U.S.C. Section 501(f));

(2) negotiable certificates of deposit issued by a bank that has a certificate of deposit rating of at least 1 or the equivalent by a nationally recognized credit rating agency or that is associated with a holding company having a commercial paper rating of at least A-1, P-1, or the equivalent by a nationally recognized credit rating agency; and

(3) corporate bonds, debentures, or similar debt obligations rated by a nationally recognized investment rating firm in one of the two highest long-term rating categories, without regard to gradations within those categories.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.0201. AUTHORIZED INVESTMENTS; MUNICIPAL UTILITY. (a)

A municipality that owns a municipal electric utility that is engaged in the distribution and sale of electric energy or natural gas to the public may enter into a hedging contract and related security and insurance agreements in relation to fuel oil, natural gas, coal, nuclear fuel, and electric energy to protect against loss due to price fluctuations. A hedging transaction must comply with the regulations of the Commodity Futures Trading Commission and the Securities and Exchange Commission. If there is a conflict between the municipal charter of the municipality and this chapter, this chapter prevails.

(b) A payment by a municipally owned electric or gas utility under a hedging contract or related agreement in relation to fuel supplies or fuel reserves is a fuel expense, and the utility may credit any amounts it receives under the contract or agreement against fuel expenses.

(c) The governing body of a municipally owned electric or gas utility or the body vested with power to manage and operate the municipally owned electric or gas utility may set policy regarding hedging transactions.

(d) In this section, "hedging" means the buying and selling of fuel oil, natural gas, coal, nuclear fuel, and electric energy futures or options or similar contracts on those commodities and related transportation costs as a protection against loss due to price fluctuation.

Added by Acts 1999, 76th Leg., ch. 405, Sec. 48, eff. Sept. 1, 1999.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 7 (S.B. [495](#)), Sec. 1, eff. April 13, 2007.

Sec. 2256.0202. AUTHORIZED INVESTMENTS: MUNICIPAL FUNDS FROM MANAGEMENT AND DEVELOPMENT OF MINERAL RIGHTS. (a) In addition to other investments authorized under this subchapter, a municipality may invest funds received by the municipality from a lease or contract for the management and development of land owned by the municipality and leased for oil, gas, or other mineral development in any investment

authorized to be made by a trustee under Subtitle B, Title 9, Property Code (Texas Trust Code).

(b) Funds invested by a municipality under this section shall be segregated and accounted for separately from other funds of the municipality.

Added by Acts 2009, 81st Leg., R.S., Ch. 1371 (S.B. [894](#)), Sec. 1, eff. September 1, 2009.

Sec. 2256.0203. AUTHORIZED INVESTMENTS: PORTS AND NAVIGATION DISTRICTS. (a) In this section, "district" means a navigation district organized under Section [52](#), Article III, or Section [59](#), Article XVI, Texas Constitution.

(b) In addition to the authorized investments permitted by this subchapter, a port or district may purchase, sell, and invest its funds and funds under its control in negotiable certificates of deposit issued by a bank that has a certificate of deposit rating of at least 1 or the equivalent by a nationally recognized credit rating agency or that is associated with a holding company having a commercial paper rating of at least A-1, P-1, or the equivalent by a nationally recognized credit rating agency.

Added by Acts 2011, 82nd Leg., R.S., Ch. 804 (H.B. [2346](#)), Sec. 1, eff. September 1, 2011.

Sec. 2256.0204. AUTHORIZED INVESTMENTS: INDEPENDENT SCHOOL DISTRICTS. (a) In this section, "corporate bond" means a senior secured debt obligation issued by a domestic business entity and rated not lower than "AA-" or the equivalent by a nationally recognized investment rating firm. The term does not include a debt obligation that:

(1) on conversion, would result in the holder becoming a stockholder or shareholder in the entity, or any affiliate or subsidiary of the entity, that issued the debt obligation; or

(2) is an unsecured debt obligation.

(b) This section applies only to an independent school district that qualifies as an issuer as defined by Section [1371.001](#).



(c) In addition to authorized investments permitted by this subchapter, an independent school district subject to this section may purchase, sell, and invest its funds and funds under its control in corporate bonds that, at the time of purchase, are rated by a nationally recognized investment rating firm "AA-" or the equivalent and have a stated final maturity that is not later than the third anniversary of the date the corporate bonds were purchased.

(d) An independent school district subject to this section is not authorized by this section to:

(1) invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds, reserves, and other funds held for the payment of debt service, in corporate bonds; or

(2) invest more than 25 percent of the funds invested in corporate bonds in any one domestic business entity, including subsidiaries and affiliates of the entity.

(e) An independent school district subject to this section may purchase, sell, and invest its funds and funds under its control in corporate bonds if the governing body of the district:

(1) amends its investment policy to authorize corporate bonds as an eligible investment;

(2) adopts procedures to provide for:

(A) monitoring rating changes in corporate bonds acquired with public funds; and

(B) liquidating the investment in corporate bonds; and

(3) identifies the funds eligible to be invested in corporate bonds.

(f) The investment officer of an independent school district, acting on behalf of the district, shall sell corporate bonds in which the district has invested its funds not later than the seventh day after the date a nationally recognized investment rating firm:

(1) issues a release that places the corporate bonds or the domestic business entity that issued the corporate bonds on negative credit watch or the equivalent, if the corporate bonds are rated "AA-" or the equivalent at the time the release is issued; or

(2) changes the rating on the corporate bonds to a rating lower than "AA-" or the equivalent.

(g) Corporate bonds are not an eligible investment for a public funds investment pool.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1347 (S.B. [1543](#)), Sec. 1, eff. June 17, 2011.

Sec. 2256.0205. AUTHORIZED INVESTMENTS; DECOMMISSIONING TRUST.

(a) In this section:

(1) "Decommissioning trust" means a trust created to provide the Nuclear Regulatory Commission assurance that funds will be available for decommissioning purposes as required under 10 C.F.R. Part 50 or other similar regulation.

(2) "Funds" includes any money held in a decommissioning trust regardless of whether the money is considered to be public funds under this subchapter.

(b) In addition to other investments authorized under this subchapter, a municipality that owns a municipal electric utility that is engaged in the distribution and sale of electric energy or natural gas to the public may invest funds held in a decommissioning trust in any investment authorized by Subtitle B, Title 9, Property Code.

Added by Acts 2005, 79th Leg., Ch. 121 (S.B. [1464](#)), Sec. 1, eff. September 1, 2005.

Text of section as added by Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 7

For text of section as added by Acts 2017, 85th Leg., R.S., Ch. 344 (H.B. [1472](#)), Sec. 1, see other Sec. 2256.0206.

Sec. 2256.0206. AUTHORIZED INVESTMENTS: HEDGING TRANSACTIONS.

(a) In this section:

(1) "Eligible entity" means a political subdivision that has:

(A) a principal amount of at least \$250 million in:

(i) outstanding long-term indebtedness;

(ii) long-term indebtedness proposed to be

issued; or

(iii) a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued; and

(B) outstanding long-term indebtedness that is rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities, without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation.

(2) "Eligible project" has the meaning assigned by Section [1371.001](#).

(3) "Hedging" means acting to protect against economic loss due to price fluctuation of a commodity or related investment by entering into an offsetting position or using a financial agreement or producer price agreement in a correlated security, index, or other commodity.

(b) This section prevails to the extent of any conflict between this section and:

(1) another law; or

(2) an eligible entity's municipal charter, if applicable.

(c) The governing body of an eligible entity shall establish the entity's policy regarding hedging transactions.

(d) An eligible entity may enter into hedging transactions, including hedging contracts, and related security, credit, and insurance agreements in connection with commodities used by an eligible entity in the entity's general operations, with the acquisition or construction of a capital project, or with an eligible project. A hedging transaction must comply with the regulations of the federal Commodity Futures Trading Commission and the federal Securities and Exchange Commission.

(e) An eligible entity may pledge as security for and to the payment of a hedging contract or a security, credit, or insurance agreement any general or special revenues or funds the entity is authorized by law to pledge to the payment of any other obligation.

(f) Section [1371.059](#)(c) applies to the execution by an eligible entity of a hedging contract and any related security, credit, or insurance agreement.

(g) An eligible entity may credit any amount the entity receives under a hedging contract against expenses associated with a commodity purchase.

(h) An eligible entity's cost of or payment under a hedging contract or agreement may be considered:

- (1) an operation and maintenance expense of the eligible entity;
- (2) an acquisition expense of the eligible entity;
- (3) a project cost of an eligible project; or
- (4) a construction expense of the eligible entity.

Added by Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 7, eff. June 14, 2017.

Text of section as added by Acts 2017, 85th Leg., R.S., Ch. 344 (H.B. [1472](#)), Sec. 1

For text of section as added by Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 7, see other Sec. 2256.0206.

Sec. 2256.0206. AUTHORIZED INVESTMENTS: PUBLIC JUNIOR COLLEGE DISTRICT FUNDS FROM MANAGEMENT AND DEVELOPMENT OF MINERAL RIGHTS. (a) In addition to other investments authorized under this subchapter, the governing board of a public junior college district may invest funds received by the district from a lease or contract for the management and development of land owned by the district and leased for oil, gas, or other mineral development in any investment authorized to be made by a trustee under Subtitle B, Title 9, Property Code (Texas Trust Code).

(b) Funds invested by the governing board of a public junior college district under this section shall be segregated and accounted for separately from other funds of the district.

Added by Acts 2017, 85th Leg., R.S., Ch. 344 (H.B. [1472](#)), Sec. 1, eff. September 1, 2017.

Sec. 2256.021. EFFECT OF LOSS OF REQUIRED RATING. An investment that requires a minimum rating under this subchapter does not qualify as an authorized investment during the period the investment does not

have the minimum rating. An entity shall take all prudent measures that are consistent with its investment policy to liquidate an investment that does not have the minimum rating.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.022. EXPANSION OF INVESTMENT AUTHORITY. Expansion of investment authority granted by this chapter shall require a risk assessment by the state auditor or performed at the direction of the state auditor, subject to the legislative audit committee's approval of including the review in the audit plan under Section [321.013](#).

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Amended by Acts 2003, 78th Leg., ch. 785, Sec. 42, eff. Sept. 1, 2003.

Sec. 2256.023. INTERNAL MANAGEMENT REPORTS. (a) Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of investment transactions for all funds covered by this chapter for the preceding reporting period.

(b) The report must:

- (1) describe in detail the investment position of the entity on the date of the report;
- (2) be prepared jointly by all investment officers of the entity;
- (3) be signed by each investment officer of the entity;
- (4) contain a summary statement of each pooled fund group that states the:
  - (A) beginning market value for the reporting period;
  - (B) ending market value for the period; and
  - (C) fully accrued interest for the reporting period;
- (5) state the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
- (6) state the maturity date of each separately invested asset that has a maturity date;

(7) state the account or fund or pooled group fund in the state agency or local government for which each individual investment was acquired; and

(8) state the compliance of the investment portfolio of the state agency or local government as it relates to:

(A) the investment strategy expressed in the agency's or local government's investment policy; and

(B) relevant provisions of this chapter.

(c) The report shall be presented not less than quarterly to the governing body and the chief executive officer of the entity within a reasonable time after the end of the period.

(d) If an entity invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the investment officers under this section shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the governing body by that auditor.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Amended by Acts 1997, 75th Leg., ch. 1421, Sec. 12, eff. Sept. 1, 1997.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 9, eff. June 17, 2011.

Sec. 2256.024. SUBCHAPTER CUMULATIVE. (a) The authority granted by this subchapter is in addition to that granted by other law. Except as provided by Subsection (b) and Section [2256.017](#), this subchapter does not:

(1) prohibit an investment specifically authorized by other law; or

(2) authorize an investment specifically prohibited by other law.

(b) Except with respect to those investing entities described in Subsection (c), a security described in Section [2256.009](#)(b) is not an authorized investment for a state agency, a local government, or

another investing entity, notwithstanding any other provision of this chapter or other law to the contrary.

(c) Mortgage pass-through certificates and individual mortgage loans that may constitute an investment described in Section [2256.009](#)(b) are authorized investments with respect to the housing bond programs operated by:

(1) the Texas Department of Housing and Community Affairs or a nonprofit corporation created to act on its behalf;

(2) an entity created under Chapter [392](#), Local Government Code; or

(3) an entity created under Chapter [394](#), Local Government Code.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 96 (S.B. [253](#)), Sec. 3, eff. May 23, 2017.

Sec. 2256.025. SELECTION OF AUTHORIZED BROKERS. The governing body of an entity subject to this subchapter or the designated investment committee of the entity shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the entity.

Added by Acts 1997, 75th Leg., ch. 1421, Sec. 13, eff. Sept. 1, 1997.

Sec. 2256.026. STATUTORY COMPLIANCE. All investments made by entities must comply with this subchapter and all federal, state, and local statutes, rules, or regulations.

Added by Acts 1997, 75th Leg., ch. 1421, Sec. 13, eff. Sept. 1, 1997.

#### SUBCHAPTER B. MISCELLANEOUS PROVISIONS

Sec. 2256.051. ELECTRONIC FUNDS TRANSFER. Any local government may use electronic means to transfer or invest all funds collected or controlled by the local government.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.052. PRIVATE AUDITOR. Notwithstanding any other law, a state agency shall employ a private auditor if authorized by the legislative audit committee either on the committee's initiative or on request of the governing body of the agency.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.053. PAYMENT FOR SECURITIES PURCHASED BY STATE. The comptroller or the disbursing officer of an agency that has the power to invest assets directly may pay for authorized securities purchased from or through a member in good standing of the National Association of Securities Dealers or from or through a national or state bank on receiving an invoice from the seller of the securities showing that the securities have been purchased by the board or agency and that the amount to be paid for the securities is just, due, and unpaid. A purchase of securities may not be made at a price that exceeds the existing market value of the securities.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1423, Sec. 8.67, eff. Sept. 1, 1997.

Sec. 2256.054. DELIVERY OF SECURITIES PURCHASED BY STATE. A security purchased under this chapter may be delivered to the comptroller, a bank, or the board or agency investing its funds. The delivery shall be made under normal and recognized practices in the securities and banking industries, including the book entry procedure of the Federal Reserve Bank.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1423, Sec. 8.68, eff. Sept. 1, 1997.

Sec. 2256.055. DEPOSIT OF SECURITIES PURCHASED BY STATE. At the direction of the comptroller or the agency, a security purchased under this chapter may be deposited in trust with a bank or federal reserve bank or branch designated by the comptroller, whether in or outside the



state. The deposit shall be held in the entity's name as evidenced by a trust receipt of the bank with which the securities are deposited.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995;  
Acts 1997, 75th Leg., ch. 1423, Sec. 8.69, eff. Sept. 1, 1997.

**APPENDIX B**

**COUNCIL RESOLUTION**

**~~October 13, 2020~~ October 13 2021**

**WHEREAS**, in 1987 the City Council adopted the City's Investment Policy which was in compliance with the federal and state law and the City Charter; and

**WHEREAS**, in 1995 and 1997 through ~~2019~~ 2020, the City Council amended the City's Investment Policy to incorporate amendments to the Public Funds Investment Act, improve management of the City's investments and reflect organizational changes; and

**WHEREAS**, the Public Funds Investment Act requires that the investment shall be made in accordance with written policies approved, at least annually, by the governing body; and

**WHEREAS**, investment policies must address safety of principal, liquidity, yield, diversification and maturity, with primary emphasis on safety of principal. **Now, Therefore,**

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

**Section 1.** That the attached City of Dallas Investment Policy and investment strategies have been reviewed by the City Council and shall be adopted as the guiding policy in the ongoing management of the specified funds in accordance with Federal and State law and the City Charter.

**Section 2.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas and it is accordingly so resolved.

# CITY OF DALLAS

## INVESTMENT POLICY

**As adopted by City Council  
October 13, 2021**

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## **1.0 Policy**

It is the policy of the City of Dallas to invest public funds in a manner which will provide security and optimize interest earnings to the maximum extent possible while meeting the daily cash flow demands of the City and conforming to all federal, state and local statutes, rules and regulations governing the investment of public funds. This Policy sets forth the investment program of the City of Dallas and the guidelines to be followed in achieving its objectives.

Not less than annually, City Council shall adopt a written instrument by resolution stating that it has reviewed the Investment Policy and investment strategies and that the written instrument so adopted shall record any changes made to the Investment Policy or investment strategies.

This Policy is intended to satisfy the requirements of the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "PFIA" or the "Act") that an investing entity such as the City of Dallas adopt and review an investment policy governing the investment by the investing entity of its funds and funds under its control.

## **2.0 Scope**

This Policy governs the investment of all funds of the City except those that are identified in Section 2.2 below. With respect to the funds of non-profit corporations that are established by City resolution and act on behalf of the City in accordance with State law, this Policy shall prevail in the absence of a specific investment policy adopted by the non-profit corporation. In addition to this Policy, the investment of bond proceeds and other bond funds (including debt service and reserve funds) of the City or of a non-profit corporation established by City resolution and acting on behalf of the City in accordance with State law shall be governed and controlled by their governing ordinance, resolution or trust indenture, including the authorization of eligible investments, and by the provisions of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), including all regulations and rulings promulgated thereunder applicable to the issuance of tax-exempt obligations.

2.1 All funds are managed as a pooled fund group, referenced in this Policy as the City's investment pool, with the exception of the following, which are managed as separately invested assets:

- 2.1.1 Bond Funds - funds established with the proceeds from specific bond issues when it is determined that segregating these funds from the City's investment pool will result in maximum interest earnings retention under the provisions of the Internal Revenue Code.
- 2.1.2 Bond Reserve Funds - funds set at prescribed levels by certain bond ordinances to pay principal and/or interest if required to prevent default.
- 2.1.3 Endowment Funds - funds given to the City with the instructions that the principal is to remain intact, unless otherwise agreed to, and the income generated by the investments will be used for specified purposes.
- 2.1.4 Commercial Paper Funds - unexpended proceeds from the issuance of commercial paper notes.

2.2 Funds not governed by this Policy include:

- 2.2.1 Employees' Retirement Fund
- 2.2.2 Dallas Police and Fire Pension System
- 2.2.3 Deferred Compensation Funds
- 2.2.4 Private Donations – investments donated to the City are excluded from this Policy if separately managed under terms of use specified by the donor.

### 3.0 Objective

Investment of the funds covered by this Policy shall be governed by the following investment objectives, in order of priority:

- 3.1 **Safety:** Safety of principal is the primary objective of the Investment Policy. Investment of the City's funds shall be undertaken in a manner that seeks to ensure the preservation of capital for the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

The City will mitigate credit risk, which is the risk of loss due to the failure of the issuer or backer, by:

- Limiting investments to the types listed in Section 8.0 ("Authorized and Suitable Investments") of this Policy
- Qualifying the broker/dealers and financial institutions with which the City may engage in an investment transaction in accordance with Section 9.0 ("Authorized Broker/Dealers and Financial Institutions")
- Diversifying the investment portfolio so that the impact of potential losses from any one type of investment or from any one individual issuer will be minimized (see Section 13.0 "Diversification and Maximum Maturities").

The City will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities prior to maturity
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar local government investment pools and limiting the weighted average maturity of the portfolio in accordance with this Policy (see Section 17.0 "Investment Strategies").

- 3.2 **Liquidity:** The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated. This is accomplished by structuring the portfolio so that investments mature concurrent with cash needs to meet anticipated demands. A portion of the portfolio will be placed in money market mutual funds or local government investment pools offering same-day liquidity to meet unanticipated demands.

- 3.3 **Yield:** The City's investment portfolio shall be designed with the objective of attaining a market rate of return, throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

### 4.0 Delegation of Authority

The Chief Financial Officer, under the direction and authority of the City Manager, shall direct the cash management program of the City as defined in Article XV, Section 2-134 "Duties of the Chief Financial Officer", Volume I, Chapter 2 "Administration" of the Dallas City Code, as amended. City Council shall designate the Chief Financial Officer, City Controller, and the Assistant Director/Treasury Manager as Investment Officers responsible for the investment of its funds, under the direction and authority of the City Manager.

The City's Investment Officers shall establish written procedures for the operation of the investment program consistent with this Investment Policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Policy and the written procedures. Authority granted to a person to invest the City's funds is effective until rescinded or until termination of the person's employment by the City. The Investment Officers shall be responsible for all transactions undertaken and shall establish a system of controls, to be reviewed by the City Auditor, to regulate the activities of subordinate officials. In order to assure quality and capability of investment management, the Investment Officers shall possess sufficient working knowledge of economics and securities markets, as well as the supervisory experience and judgment necessary to carry out the responsibilities outlined in this Policy.

## **5.0 Prudence**

Investments shall be made with judgment and care - under circumstances then prevailing - which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

- 5.1 The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment Officers acting in accordance with written procedures and the Investment Policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.
- 5.2 In determining whether an investment official has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the investment of all funds over which the official had responsibility rather than consideration as to the prudence of a single investment and, whether the investment decision was consistent with the City’s Investment Policy and written investment procedures.

## **6.0 Ethics and Conflicts of Interest**

Investment Officers who have a personal business relationship with a business organization offering to engage in an investment transaction with the City shall refrain from activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

- 6.1 Investment Officers shall sign annual statements agreeing to abide by this section of the Investment Policy and affirming no known conflicts of interest.
- 6.2 Investment Officers must file a disclosure statement with the Texas Ethics Commission and City Council if:
  - a) the Investment Officer has a personal business relationship with a business organization offering to engage in an investment transaction with the City; or
  - b) the Investment Officer is related within the second degree by affinity or consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to transact investment business with the City.
- 6.3 An Investment Officer has a personal business relationship with a business organization if:
  - a) the Investment Officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
  - b) funds received by the Investment Officer from the business organization exceed 10 percent of his/her gross income for the previous year; or
  - c) the Investment Officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for his/her personal account.

## **7.0 Training**

The Investment Officers and the persons authorized to execute investment transactions shall attend at least one 10 hour investment training session within 12 months after taking office or assuming duties and receive not less than 8 hours of instruction relating to investment responsibilities during a two-year period that begins on the first day of the City’s fiscal year following the initial 10 hours of instruction and consists of the two consecutive fiscal years after that date. Training must be received from an independent source approved by the City’s Investment Committee and must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio and compliance with the Act.



## 8.0 Authorized and Suitable Investments

City funds governed by this Policy may be invested in the instruments described below, all of which are authorized by Chapter 2256 of the Government Code (Public Funds Investment Act).

- 8.1 Direct obligations of the United States, its agencies or instrumentalities, and other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the United States or its respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.  

The City will restrict investments in eligible securities described in this section to discount notes and callable or non-callable fixed-rate securities with a fixed principal repayment amount.
- 8.2 Direct obligations of states and local governments rated not less than Aa3 or its equivalent (long-term rating) or an equivalent short-term rating by at least one nationally recognized investment rating firm.
- 8.3 Fully collateralized Certificates of Deposit/Share Certificates that are issued by a bank or credit union that has its main office or branch office within the City and are:
  - a) guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor; or
  - b) secured by obligations in accordance with Section 11.0 herein.

If the certificate of deposit is collateralized by pledged securities the City must have on file a signed Depository Agreement, approved as to form by the City Attorney, which details eligible collateral, collateralization ratios for pledged securities, standards for collateral custody and control of pledged securities, collateral valuation of pledged securities, and conditions for agreement termination.
- 8.4 Certificates of Deposit obtained through a depository institution or a broker approved by the City's Investment Committee under the provisions of Section 9.0 of this Policy that has its main office or branch office within the City and that contractually agrees to place the funds in federally insured depository institutions in accordance with the conditions prescribed in Section 2256.010(b) of the Act.
- 8.5 Fully collateralized repurchase agreements in accordance with the conditions prescribed in Section 2256.011 of the Act. Prior to investment in a repurchase agreement, the City must have on file a signed Master Repurchase Agreement, approved as to form by the City Attorney, which details eligible collateral, collateralization ratios, standards for collateral custody and control, collateral valuation, and conditions for agreement termination and provided the repurchase agreement:
  - a) has a defined termination date;
  - b) is secured by a combination of cash and obligations of the United States or its agencies and instrumentalities described by Section 2256.009(a) (1) of the Act. Securities received for repurchase agreements must have a market value greater than or equal to 103% at the time the investment is made and throughout the terms of the repurchase agreement;
  - c) requires the securities being purchased by the City or cash held by the City to be assigned to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City; and
  - d) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state, and which is rated no less than A or its equivalent by two nationally recognized rating services.
- 8.6 A securities lending program is an authorized investment if it meets the following conditions:
  - a) A loan made under the program must allow for termination at any time;
  - b) A loan made under the program must be placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state that is rated no less than A or its equivalent by two nationally recognized rating services. An agreement to lend securities must have a term of one year or less and shall comply with the provisions of section 1058 of the Internal Revenue Code;
  - c) A loan made under the program must be secured as prescribed in Section 2256.0115(b)(3) of the Act. Securities being held as collateral must be pledged to the City, held in the City's name, and deposited at the time the investment is made with a third party approved by the City;

- d) The amount of collateral must not be less than 100% of the market value of securities loaned, including accrued income. The market value of securities loaned shall be determined daily. Cash received as collateral shall not be invested for a term later than the expiration date of the securities lending agreement and may only be invested in investments as authorized by this Policy.

- 8.7 No-load money market mutual funds that are registered with and regulated by the Securities and Exchange Commission that meet the requirements of the PFIA, and, in addition:
  - a) are rated not less than Aaa or an equivalent rating by at least one nationally recognized rating service. A rating is not required for a sweep account investment, which is part of the city's depository contract; and,
  - b) have provided the City with a prospectus and other information as may be required by law.

Investments will be made in a money market mutual fund only after a thorough investigation of the fund and approval by the Investment Committee which shall, at least annually, review, revise and adopt a list of approved funds.

- 8.8 No-load mutual funds that are registered with and regulated by the Securities and Exchange Commission that meet the requirements of the PFIA and have provided the City with an offering circular and other information required by the Act.

Investments will be made in a mutual fund only after a thorough investigation of the fund and approval by the Investment Committee which shall, at least annually, review, revise and adopt a list of approved funds.

- 8.9 Local government investment pools which are organized in conformity with Chapter 791 (Interlocal Cooperation Contracts Act) and meet the requirements of the PFIA that:
  - a) are rated not less than Aaa or an equivalent rating by at least one nationally recognized rating service; and
  - b) have provided the City with an offering circular and other information required by the Act.

To become eligible, investment pools must be approved by City Council action. Investments will be made in a local government investment pool only after a thorough investigation of the pool and approval by the Investment Committee which shall, at least annually, review, revise and adopt a list of approved pools. A pool approved by the Investment Committee shall invest its funds in investment types consistent with the Act and the pool's own adopted investment policies and objectives. An approved pool is not required to invest its funds in investment types according to the investment policies and objectives adopted by its participants.

The Investment Officers may at times restrict or prohibit the purchase of specific issues due to current market conditions. An investment that requires a minimum rating under this section does not qualify as an authorized investment during the period the investment does not have the minimum rating. Ratings shall be monitored using nationally recognized financial information sources, including actions published on rating agency websites. The City shall take all prudent measures consistent with the Act to liquidate an investment that does not have the minimum rating required by the Act.

## **9.0 Authorized Broker/Dealers and Financial Institutions**

The Investment Committee shall, at least annually, review, revise, and adopt a list of qualified broker/dealers and financial institutions authorized to engage in the purchase and sale of obligations of the U.S. Government, its agencies or instrumentalities with the City. In order to be considered, those firms that desire to become qualified bidders for securities transactions will be required to provide information regarding creditworthiness, experience and reputation. Authorized firms may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule).

A written copy of this Investment Policy shall be presented to any person offering to engage in an investment transaction with the City. Investments shall only be made with those business organizations (including money market mutual funds and local government investment pools) which have provided the City with a written instrument executed by a qualified representative of the firm, acknowledging that the business organization has received and reviewed the City's Investment Policy in satisfaction of the business organization's duties under Financial Industry Regulatory Authority (FINRA) Rule 2111 (Suitability).

## **10.0 Competitive Bidding**

It is the policy of the City to require competitive bidding for all individual security purchases and sales except for:

- a) transactions with money market mutual funds and local government investment pools (which are deemed to be made at prevailing market rates)
- b) treasury and agency securities purchased at issue through an approved broker/dealer or financial institution
- c) automatic overnight "sweep" transactions with the City Depository
- d) fully insured certificates of deposit placed in accordance with the conditions prescribed in Section 2256.010(b) of the Act or placed with the City's Depository if so authorized by the City Depository Contract.

At least three bids or offers must be solicited for all other transactions involving individual securities. The City's investment advisor is also required to solicit at least three bids or offers when transacting trades on the City's behalf. In situations where the exact security being offered is not offered by other dealers, offers on the closest comparable investment may be used to establish a fair market price for the security. Bids for certificates of deposit may be solicited in any manner permitted by the Act.

## **11.0 Collateralization of Deposits**

The City requires that all uninsured collected balances plus accrued interest, if any, in depository accounts be secured in accordance with the requirements of this Policy and Chapter 2257, Government Code ("Public Funds Collateral Act") and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). Financial institutions serving as City depositories will be required to sign a Depository Agreement with the City which details securities that can serve as eligible collateral, collateralization ratios, standards for collateral custody and control, collateral valuation, rights of substitution and conditions for agreement termination.

Pledged securities serving as collateral will always be held by an independent third party with which the City has a current custodial agreement and shall be reviewed at least monthly to ensure that the market value of the pledged securities is at least 102%. Eligible collateral are as follows:

### **Eligible Collateral**

- 1) Direct obligations of the United States or other obligations of the United States or other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the United States.
- 2) Direct debt obligations of an agency or instrumentality of the United States.
- 3) Mortgage-backed securities issued directly by an agency or instrumentality of the United States eligible under the Public Funds Collateral Act.
- 4) Direct debt obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

The use of a letter of credit issued to the City by the Federal Home Loan Bank may be considered by the City to provide collateral for bank deposits and for certificates of deposit.

The City's Investment Officers reserve the right to accept or reject any form of collateral or enhancement at their sole discretion.

## **12.0 Safekeeping and Custody**

Safekeeping and custody of investment securities shall be in accordance with applicable law and accounting standards. All securities transactions, except local government investment pool and money market mutual fund transactions, shall be conducted on a delivery versus payment (DVP) basis. Investment securities will be held by a third-party custodian designated by the City, and be required to issue safekeeping receipts clearly detailing that the securities are owned by the City.

Safekeeping and custody of collateral shall be in accordance with applicable law and accounting standards. Pledged securities serving as collateral will be held by a third-party custodian designated by the City, and pledged to the City as evidenced by safekeeping receipts of the institution with which the securities are deposited.

### 13.0 Diversification and Maximum Maturities

The City's Investment Pool will be diversified to limit market and credit risk by observing the limitations at the time of purchase as listed below. In order to ensure the ability of the City to meet obligations and to minimize potential liquidation losses, the dollar-weighted average stated maturity of the Investment Pool shall not exceed 1.5 years at the time investments are purchased for the Investment Pool. Funds managed as separately invested assets in Section 2.1 of the Policy are subject to all of the following with the exception of the Issuer Limitation on investment in U.S. Agencies and Instrumentalities. Funds managed as separately invested assets may be invested 100% in the obligations of any one U.S. Agency or Instrumentality.

|                                   | <b>Maximum<br/>Stated<br/>Maturity<sup>1</sup></b> | <b>Issuer<br/>Limitations</b>  |
|-----------------------------------|--|--|
| U.S. Treasuries                   | 5 Years  | 100% of the City's investment pool may be invested in obligations of the U.S. Treasury.  |
| U.S. Agencies/Instrumentalities   | 5 Years  | No more than 50% of the book value of the City's investment pool may be invested in the obligations of any one issuer.   |
| Municipal Notes and Bonds         | 5 Years  | The City may not own more than the lesser of \$5 million or 20% of any single issue.   |
| Repurchase Agreements             | 30 Days  | No more than 15% of the City's investment pool may be invested with one counterparty, excluding flexible repurchase agreements for investment of bond proceeds.  |
| Mutual Funds                      | N/A  | The City may not own more than the lesser of \$100 million or 5% of the total assets of any one fund, excluding mutual funds for investment of commercial paper proceeds.  |
| Local Government Investment Pools | N/A  | The City may not own more than the lesser of \$400 million or 10% of the total assets of any one pool.   |
| Certificates of Deposit           | 5 Years  | The City may not own more than \$50 million of any single financial institution's certificates of deposit at any one time, excluding certificates of deposit placed with the City's Depository if so authorized by the City Depository Contract. |

In addition to the above limitations, the City's investment pool shall be diversified by market sector as follows:

|                                   | <b>Maximum Percentage<br/>of Investment Pool</b> |
|-----------------------------------|--|
| U.S. Treasuries                   | 100%   |
| U.S. Agencies/Instrumentalities   | 100% (maximum 30% callable)                      |
| Municipal Notes and Bonds         | 15%  |
| Repurchase Agreements             | 15%*   |
| Mutual Funds                      | 15%  |
| Local Government Investment Pools | 45%  |
| Certificates of Deposit           | 20%**  |

\* Excluding flexible repurchase agreements for bond proceeds.

\*\*Excluding certificates of deposit placed with the City's Depository if so authorized by the City Depository Contract.

- (1) Purchases of securities with stated maturities greater than the maximum authorized under this section require prior City Council approval. With respect to bond proceeds and other bond funds, the City may, in the bond ordinance, specifically authorize investments in repurchase agreements with maturities in excess of 30 days subject to any required approvals from bond insurers.

#### **14.0 Sale of Securities**

The City's policy is to hold securities to maturity. However, securities may be sold:

- (a) in order to minimize the potential loss of principal on a security whose credit quality has declined;
- (b) in order to reposition the portfolio for the purpose of improving the quality, yield, or target duration of the portfolio; or
- (c) in order to meet unanticipated liquidity needs of the portfolio.

#### **15.0 Investment Committee**

An Investment Committee shall be established and meet quarterly to determine investment guidelines, general strategies, and monitor performance. Members of the Investment Committee will include the Investment Officers, the Cash and Investment Manager and the City's Investment Advisor if the City has contracted with an Advisor. The Investment Advisor is a non-voting member of the Investment Committee.

#### **16.0 Investment Advisor**

The City may retain the services of an Investment Advisor to assist in the review of cash flow requirements, the formulation of investment strategies, and the execution of security purchases, sales and deliveries.

#### **17.0 Investment Strategies**

The City of Dallas maintains separate portfolios for individual funds or groups of funds (as listed under Sec. 2.0 of this Policy) which are managed according to the terms of this Policy and the corresponding investment strategies listed below. The investment strategy for portfolios established after the annual Investment Policy adoption will be managed in accordance with the terms of this Policy and applicable agreements until the next annual review when a specific strategy will be adopted.

- 17.1 **Investment Pool Strategy** - The City's Investment Pool is an aggregation of the majority of City funds which includes tax receipts, enterprise fund revenues, fine and fee revenues, as well as some, but not all, bond proceeds, grants, gifts and endowments. This portfolio is maintained to meet anticipated daily cash needs for City of Dallas operations, capital projects and debt service. The objectives of this portfolio are to:
  - a) ensure safety of principal by investing only in high-quality securities for which a strong secondary market exists;
  - b) ensure that anticipated cash flows are matched with adequate investment liquidity;
  - c) limit market and credit risk through diversification; and
  - d) attain a market rate of return commensurate with the objectives and restrictions set forth in this Policy by managing the portfolio to meet or exceed the 12-month moving average yield on treasury one-year constant maturities as reported by Federal Reserve Statistical Release H.15.

- 17.2 Bond Funds Strategy - Occasionally, separate non-pooled portfolios are established with the proceeds from bond sales in order to maximize earnings within the constraints of arbitrage regulations. The objectives of these portfolios are to:
- a) ensure safety of principal by investing only in high-quality securities for which a strong secondary market exists or by maintaining the security of the investment through collateralization according to the standards approved in Section 8.4 of this Policy;
  - b) ensure that anticipated cash flows are matched with adequate investment liquidity or that the terms of the secured investment agreement permit maximum flexibility for the City in making withdrawals;
  - c) manage market and credit risk through diversification and control of counterparty risk; and
  - d) attain a market rate of return commensurate with the objectives and restrictions set forth in this Policy and the bond ordinance by managing the portfolio to meet or exceed the bond yield
- 17.3 Bond Reserve Fund Strategy - Non-pooled reserve funds for outstanding revenue bonds are set at levels required by their respective bond ordinances. These funds will be used to pay the final principal and/or interest due on outstanding bonds that are similarly secured or to make up any shortfalls in debt service funds as required by the bond ordinance. The objectives of Bond Reserve Fund Portfolios are to:
- a) ensure safety of principal by investing only in high-quality securities for which a strong secondary market exists or by maintaining the security of the investment through collateralization according to the standards approved in Section 8.4 of this Policy;
  - b) ensure that anticipated cash flows are matched with adequate investment liquidity or that the terms of the secured investment agreement permit maximum flexibility for the City in making withdrawals;
  - c) manage market and credit risk through diversification and control of counterparty risk; and
  - d) attain a market rate of return commensurate with the objectives and the restrictions set forth in this Policy and the bond ordinance by managing the portfolio to meet or exceed the bond yield.
- 17.4 Endowment Funds Strategy - Funds received as gifts to the City with instructions that the income generated by the investment of said funds be used for specified purposes may be invested as separate non-pooled portfolios if required by the terms of the gift. The objectives of Endowment Portfolios are to:
- a) ensure safety of principal and sufficient liquidity by investing only in high-quality securities for which a strong secondary market exists;
  - b) manage market and credit risk through the use of a competitive process to place investments;
  - c) attain a market rate of return commensurate with the objectives and restrictions set forth in this Policy and the terms of the gift.
- 17.5 Commercial Paper Funds Strategy – The City issues tax-exempt commercial paper notes as an interim financing tool for construction projects. The investment of the proceeds from the issuance of commercial paper debt should have a high degree of liquidity in order to fund payments to contractors. The objectives of this portfolio are to:
- a) ensure safety of principal and sufficient liquidity by investing in money market mutual funds or short-term high-quality securities for which a strong secondary market exists;
  - b) manage market and credit risk through diversification of funds and/or securities. Funds must be rated AAA by at least one nationally recognized rating agency; and
  - c) attain a market rate of return commensurate with the objectives and restrictions set forth in this Policy and governing bond ordinances.

## 18.0 Reporting

Investment performance is regularly monitored by investment staff and reported to the Investment Committee on a quarterly basis. Month-end market prices on each security are obtained from nationally recognized securities databases including those provided by the City's depository bank through its safekeeping services and Bloomberg Professional Services. These prices are recorded in the City's portfolio database and included in all management reports as well as the City's Comprehensive Annual Financial Report.

Not less than quarterly the Investment Officers will submit to the standing finance committee of the city council described in Dallas City Charter, Chapter III, Section 13 (2), the City Manager, and the Mayor and City Council a written report of the status of the current investment portfolio. The report must meet the requirements of the Act.

An independent auditor shall formally review the quarterly reports prepared under this section at least annually, and that auditor shall report the results of the review to City Council.

#### **19.0 Annual Compliance Audit**

In conjunction with the annual financial audit, a compliance audit shall be performed which includes an audit of management controls on investments and adherence to the City's established investment policy.

#### **20.0 Investment Policy Adoption**

The City's Investment Policy is hereby adopted by resolution of the City Council on October 13, 2021 in accordance with the PFIA.

## **GLOSSARY**

**ACCRETION OF DISCOUNT:** Periodic straight-line increases in the book or carrying value of a security so the amount of the purchase price discount below face value is completely eliminated by the time the bond matures or by the call date, if applicable.

**ACCRUED INTEREST:** The interest accumulated on a security from its issue date or since the last payment of interest up to but not including the purchase date. The purchaser of the security pays to the seller the market price plus accrued interest.

**AMORTIZATION OF PREMIUM:** Periodic straight-line decreases in the book or carrying value of a security so the premium paid for a bond above its face value or call price is completely eliminated.

**ASK:** The price at which securities are offered by sellers.

**BARBELL MATURITY STRATEGY:** A maturity pattern within a portfolio in which maturities of the assets in the portfolio are concentrated in both the short and long ends of the maturity spectrum.

**BASIS POINT:** One one-hundredth (1/100) of one percent; 0.0001 in decimal form.

**BENCHMARK:** A comparative base for performance evaluation. A benchmark can be a broad-based bond index, a customized bond index, or a specific objective.

**BID:** The price offered for securities by purchasers. (When selling securities, one asks for a bid.)

**BOND EQUIVALENT YIELD:** Used to compare yields available from discounted securities that pay interest at maturity with yields available from securities that pay interest semi-annually.

**BOOK ENTRY SECURITIES:** Stocks, bonds, other securities, and some certificates of deposit that are purchased, sold, and held as electronic computer entries on the records of a central holder. These securities are not available for purchase in physical form; buyers get a receipt or confirmation as evidence of ownership.

**BOOK VALUE:** The original cost of the security as adjusted for amortization of any premium paid or accretion of discount since the date of purchase.

**BROKER:** A party who brings buyers and sellers together. Brokers do not take ownership of the property being traded. They are compensated by commissions. They are not the same as dealers; however, the same firms that act as brokers in some transactions may act as dealers in other transactions.

**CALLABLE BOND:** A bond that the issuer has the right to redeem prior to maturity at a specified price. Some callable bonds may be redeemed on one call date while others may have multiple call dates. Some callable bonds may be redeemed at par while others can be redeemed only at a premium. Some callable bonds are step-up bonds that pay an initial coupon rate for the first period, and then the coupon rate increases for the following periods if the bonds are not called by the issuer.

**CERTIFICATE OF DEPOSIT (CD):** A time deposit with a specific maturity evidenced by a certificate. Large-denomination (over \$100,000) CD's are typically negotiable.

**CODE:** The Internal Revenue Code of 1986, as amended.

**COLLATERAL:** Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**COLLATERALIZED MORTGAGE OBLIGATION (CMO):** A type of mortgage-backed security created by dividing the rights to receive the principal and interest cash flows from an underlying pool of mortgages in separate classes or tiers.



**COMMERCIAL PAPER:** Short-term unsecured promissory notes issued by corporations for a maturity specified by the buyer. It is used primarily by corporations for short-term financing needs at a rate which is generally lower than the prime rate.

**CONFIRMATION:** The document used to state in writing the terms of the trade which had previously been agreed to verbally.

**COUPON RATE:** The stated annual rate of interest payable on a coupon bond expressed as a percentage of the bond's face value.

**CREDIT RISK:** The risk that (1) the issuer is downgraded to a lower quality category and/or (2) the issuer fails to make timely payments of interest or principal.

**CUSIP NUMBER:** A nine-digit number established by the Committee on Uniform Securities Identification Procedures that is used to identify publicly traded securities. Each publicly traded security receives a unique CUSIP number when the security is issued.

**CUSTODY:** The service of an organization, usually a financial institution, of holding (and reporting) a customer's securities for safekeeping. The financial institution is known as the custodian.

**DEALER:** A firm which buys and sells for its own account. Dealers have ownership, even if only for an instant, between a purchase from one party and a sale to another party. They are compensated by the spread between the price they pay and the price they receive. Dealers are not the same as brokers; however, the same firms which act as dealers in some transactions may act as brokers in other transactions.

**DELIVERY VERSUS PAYMENT (DVP):** The safest method of settling a trade involving a book entry security. In a DVP settlement, the funds are wired from the buyer's account and the security is delivered from the seller's account in simultaneous, interdependent wires.

**DEPOSITORY TRUST COMPANY (DTC):** An organization that holds physical certificates for stocks and bonds and issues receipts to owners. Securities held by DTC are immobilized so that they can be traded on a book entry basis.

**DERIVATIVE:** A security that derives its value from an underlying asset, group of assets, reference rate, or an index value. Some derivatives can be highly volatile and result in a loss of principal in changing interest rate environments.

**DISCOUNT:** The amount by which the price paid for a security is less than its face value.

**DISCOUNT SECURITIES:** Securities that do not pay periodic interest. Investors earn the difference between the discount issue price and the full face value paid at maturity.

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns, to reduce risk inherent in particular securities.

**DURATION:** A sophisticated measure of the weighted average maturity of a bond's cash flow stream, where the present values of the cash flows serve as the weights.

**ECONOMIC CYCLE (BUSINESS CYCLE):** As the economy moves through the business cycle, interest rates tend to follow the levels of production, output, and consumption - rising as the economy expands and moves out of recession and declining after the economy peaks, contracts, and heads once again into recession.

**EFFECTIVE MATURITY:** The average maturity of a bond, given the potential for early call. For a non-callable bond, the final maturity date serves as the effective maturity. For a callable bond, the effective maturity is bounded by the first call date and the final maturity date; the position within this continuum is a function of the call price, the current market price, and the reinvestment rate assumed.

**FACE VALUE:** The principal amount due and payable to a bondholder at maturity; par value. Also, the amount on which coupon interest is computed.

**FAIL:** The event of a securities purchase or sale transaction not settling as intended by the parties.

**FAIR VALUE:** The amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits.

**FEDERAL FARM CREDIT BANKS (FFCB):** A government-sponsored corporation that was created in 1916 and is a nationwide system of banks and associations providing mortgage loans, credit, and related services to farmers, rural homeowners, and agricultural and rural cooperatives. The banks and associations are cooperatively owned, directly or indirectly, by their respective borrowers. The Federal Farm Credit System is supervised by the Farm Credit Administration, an independent agency of the U.S. government. (See Government Sponsored Enterprise)

**FEDERAL FUNDS:** Monies within the Federal Reserve System representing a member bank's surplus reserve funds. Banks with excess funds may sell their surplus to other banks whose funds are below required reserve levels. Normally, Federal funds are employed in settling all government securities transactions. The Federal Funds Rate is the rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

**FEDERAL HOME LOAN BANKS (FHLB):** Government-sponsored wholesale banks (currently twelve regional banks) which lend funds and provide correspondent banking services to member commercial bank, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank. (See Government Sponsored Enterprises)

**FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC or "Freddie Mac"):** A government-sponsored corporation that was created in July 1970, by the enactment of Title III of the Emergency Home Finance Act of 1970. Freddie Mac was established to help maintain the availability of mortgage credit for residential housing, primarily through developing and maintaining an active, nationwide secondary market in conventional residential mortgages. (See Government Sponsored Enterprises)

**FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA or Fannie Mae):** FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae is a private stockholder-owned corporation. FNMA securities are highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest. (See Government Sponsored Enterprises)

**FEDERAL OPEN MARKET COMMITTEE (FOMC):** Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank presidents. The president of the New York Federal Reserve Bank is a permanent member while the other presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of government securities in the open market as a means of influencing the volume of bank credit and money.

**FEDERAL RESERVE SYSTEM:** The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., twelve regional banks and about 5700 commercial banks that are members of the system.

**FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA):** A not-for-profit organization authorized by Congress to ensure investor protection and market integrity through regulation of broker-dealers.

**FINRA RULE 2111 (SUITABILITY):** FINRA Rule 2111 requires, in part, that a broker-dealer or associated person "have a reasonable basis to believe that a recommended transaction or investment strategy involving a security or securities is suitable for the customer, based on the information obtained through the reasonable diligence of the [firm] or associated person to ascertain the customer's investment profile."

**FIXED-INCOME SECURITY:** A financial instrument promising a fixed amount of periodic income over a specified future time span.

**GOVERNMENT-SPONSORED ENTERPRISES (GSE's):** Payment of principal and interest on securities issued by these corporations is not guaranteed explicitly by the U.S. government, however, most investors consider these securities to carry an implicit U.S. government guarantee. The debt is fully guaranteed by the issuing corporations. GSE's include: Farm Credit System, Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation, and Federal National Mortgage Association.

**INSTRUMENTALITIES:** See Government-Sponsored Enterprises

**INTEREST RATE RISK:** The risk that the general level of interest rates will change, causing unexpected price appreciations or depreciations.

**LADDERED MATURITY STRATEGY:** A maturity pattern within a portfolio in which maturities of the assets in the portfolio are equally spaced. Over time, the shortening of the remaining lives of the assets provides a steady source of liquidity or cash flow. Given a normal yield curve with a positive slope this passive strategy provides the benefit of being able to take advantage of the higher, longer-term yields without sacrificing safety or liquidity.

**LIQUIDITY:** An entity's capacity to meet future monetary outflows (whether they are required or optional) from available resources. Liquidity is often obtained from reductions of cash or by converting assets into cash.

**LIQUIDITY RISK:** The risk that an investment will be difficult to sell at a fair market price in a timely fashion.

**MARKET RISK:** The risk that the value of a security will rise or decline as a result of changes in market conditions. It is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification; also known as systematic risk.

**MARKET VALUE:** The price at which a security is trading and could presumably be purchased or sold.

**MARKING-TO-MARKET:** The practice of valuing a security or portfolio according to its market value, rather than its cost or book value.

**MASTER REPURCHASE AGREEMENT:** A written contract covering all future transactions between the parties to repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer to liquidate the underlying securities in the event of default by the seller.

**MATURITY DATE:** The date on which the principal or face value of an investment becomes due and payable.

**MONEY MARKET INSTRUMENT:** Generally, a short-term debt instrument that is purchased from a broker, dealer, or bank. Sometimes the term "money market" with "short-term", defines an instrument with no more than 12 months remaining from the purchase date until the maturity date. Sometimes the term "money market" is used more restrictively to mean only those instruments that have active secondary markets.

**MORTGAGE-BACKED SECURITIES (MBS):** Securities composed of, or collateralized by, loans that are themselves collateralized by liens on real property.

**OFFER:** The price asked by a seller of securities. (When purchasing securities, one asks for an offer.)

**OPEN MARKET OPERATIONS:** Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

**OPPORTUNITY COST:** The cost of pursuing one course of action measured in terms of the foregone return that could have been earned on an alternative course of action that was not undertaken.

**PAR:** See Face Value

**PFIA OR ACT:** The Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended.

**POOLED FUND GROUP:** An internally created fund of an investing entity in which one or more institutional accounts of the investing entity are invested (as defined by the Public Funds Investment Act).

**PREMIUM:** The amount by which the price paid for a security exceeds its face value.

**PRIMARY DEALER:** A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**PRINCIPAL:** The face or par value of an instrument, exclusive of accrued interest.

**PRUDENT PERSON RULE:** An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the state. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

**QUALIFIED REPRESENTATIVE:** A person who holds a position with - and is authorized to act on behalf of - a business organization (as defined by the Public Funds Investment Act).

**RATE OF RETURN:** The amount of income received from an investment, expressed as a percentage. A market rate of return is the yield that an investor can expect to receive in the current interest-rate environment utilizing a buy-and-hold to maturity investment strategy.

**REINVESTMENT RATE:** The interest rate earned on the reinvestment of coupon payments.

**REINVESTMENT RATE RISK:** The risk that the actual reinvestment rate falls short of the expected or assumed reinvestment rate.

**REPURCHASE AGREEMENT (RP or REPO):** An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price on demand or at a specified later date. The difference between the selling price and the repurchase price provides the interest income to the party that provided the funds. Every transaction where a security is sold under an agreement to be repurchased is a repo from the seller/borrower's point of view and a reverse repo from the buyer/lender's point of view.

**REVERSE REPURCHASE AGREEMENT:** (See Repurchase Agreement)

**SAFEKEEPING:** A procedure where securities are held by a third party acting as custodian for a fee.

**SECONDARY MARKET:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SECURITIES AND EXCHANGE COMMISSION (SEC):** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**SECURITIES LENDING:** The temporary transfer of securities by one party, the lender, to another, the borrower. The securities borrower is required to provide acceptable assets as collateral to the securities lender in the form of cash or other securities. If the borrower provides securities as collateral to the lender, it pays a fee to borrow the lent securities. If it provides cash as collateral, the lender pays interest to the borrower and reinvests the cash at a higher rate.

**SEC RULE 15C3-1:** See Uniform Net Capital Rule

**STRUCTURED NOTES:** Debt obligations whose principal or interest payments are determined by an index or formula.

**SEPARATELY INVESTED ASSET:** An account or fund of a state agency or local government that is not invested in a pooled fund group (as defined by the Public Funds Investment Act).

**SPREAD:** Most commonly used when referring to the difference between the bid and asked prices in a quote. Additionally, it may also refer to additional basis points that a non-Treasury security earns over and above a Treasury with a comparable maturity date.

**STRIPS:** Separation of the principal and interest cash flows due from any interest-bearing securities into different financial instruments. Each coupon payment is separated from the underlying investment to create a separate security. Each individual cash flow is sold at a discount. The amount of the discount and the time until the cash flow is paid determine the investor's return.

**SWAP:** The trading of one asset for another. Sometimes used in active portfolio management to increase investment returns by "swapping" one type of security for another.

**TOTAL RETURN:** Interest income plus capital gains (or minus losses) on an investment.

**TREASURY BILLS:** A non-interest bearing discount security issued by the U.S. Treasury, generally having initial maturities of 3 months, 6 months, or 1 year.

**TREASURY BONDS:** Long-term, coupon bearing U.S. Treasury securities having initial maturities of more than 10 years.

**TREASURY NOTES:** Intermediate-term, coupon bearing U.S. Treasury securities having initial maturities of 2 - 10 years.

**UNIFORM NET CAPITAL RULE:** Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called *net capital rule* and *net capital ratio*. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

**YIELD TO MATURITY (YTM):** The promised return assuming all interest and principal payments are made and reinvested at the same rate taking into account price appreciation (if priced below par) or depreciation (if priced above par).

**APPENDIX A**  
**PUBLIC FUNDS INVESTMENT ACT**

GOVERNMENT CODE

TITLE 10. GENERAL GOVERNMENT

SUBTITLE F. STATE AND LOCAL CONTRACTS AND FUND MANAGEMENT

CHAPTER 2256. PUBLIC FUNDS INVESTMENT

SUBCHAPTER A. AUTHORIZED INVESTMENTS FOR GOVERNMENTAL ENTITIES

Sec. 2256.001. SHORT TITLE. This chapter may be cited as the Public Funds Investment Act.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.002. DEFINITIONS. In this chapter:

(1) "Bond proceeds" means the proceeds from the sale of bonds, notes, and other obligations issued by an entity, and reserves and funds maintained by an entity for debt service purposes.

(2) "Book value" means the original acquisition cost of an investment plus or minus the accrued amortization or accretion.

(3) "Funds" means public funds in the custody of a state agency or local government that:

(A) are not required by law to be deposited in the state treasury; and

(B) the investing entity has authority to invest.

(4) "Institution of higher education" has the meaning assigned by Section [61.003](#), Education Code.

(5) "Investing entity" and "entity" mean an entity subject to this chapter and described by Section [2256.003](#).

(6) "Investment pool" means an entity created under this code to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are:

(A) preservation and safety of principal;

(B) liquidity; and

(C) yield.

(7) "Local government" means a municipality, a county, a school district, a district or authority created under Section [52](#)(b)(1) or (2), Article III, or Section [59](#), Article XVI, Texas Constitution, a fresh water supply district, a hospital district, and any political subdivision, authority, public corporation, body politic, or instrumentality of the State of Texas, and any nonprofit corporation acting on behalf of any of those entities.

(8) "Market value" means the current face or par value of an investment multiplied by the net selling price of the security as quoted by a recognized market pricing source quoted on the valuation date.

(9) "Pooled fund group" means an internally created fund of an investing entity in which one or more institutional accounts of the investing entity are invested.

(10) "Qualified representative" means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:

(A) for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers;

(B) for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution;

(C) for an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool; or

(D) for an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or, if not subject to registration under that Act, registered with the State Securities Board, a person who is an officer or principal of the investment management firm.

(11) "School district" means a public school district.



(12) "Separately invested asset" means an account or fund of a state agency or local government that is not invested in a pooled fund group.

(13) "State agency" means an office, department, commission, board, or other agency that is part of any branch of state government, an institution of higher education, and any nonprofit corporation acting on behalf of any of those entities.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 1, eff. Sept. 1, 1999.

Sec. 2256.003. AUTHORITY TO INVEST FUNDS; ENTITIES SUBJECT TO THIS CHAPTER. (a) Each governing body of the following entities may purchase, sell, and invest its funds and funds under its control in investments authorized under this subchapter in compliance with investment policies approved by the governing body and according to the standard of care prescribed by Section [2256.006](#):

- (1) a local government;
- (2) a state agency;
- (3) a nonprofit corporation acting on behalf of a local government or a state agency; or
- (4) an investment pool acting on behalf of two or more local governments, state agencies, or a combination of those entities.

(b) In the exercise of its powers under Subsection (a), the governing body of an investing entity may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control. A contract made under authority of this subsection may not be for a term longer than two years. A renewal or extension of the contract must be made by the governing body of the investing entity by order, ordinance, or resolution.

(c) This chapter does not prohibit an investing entity or investment officer from using the entity's employees or the services of a contractor of the entity to aid the investment officer in the execution of the officer's duties under this chapter.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1999, 76th Leg., ch. 1454, Sec. 2, eff. Sept. 1, 1999.

Sec. 2256.004. APPLICABILITY. (a) This subchapter does not apply to:

- (1) a public retirement system as defined by Section [802.001](#);
- (2) state funds invested as authorized by Section [404.024](#);
- (3) an institution of higher education having total endowments of at least \$150 million in book value on September 1, 2017;
- (4) funds invested by the Veterans' Land Board as authorized by Chapter [161](#), [162](#), or [164](#), Natural Resources Code;
- (5) registry funds deposited with the county or district clerk under Chapter [117](#), Local Government Code; or
- (6) a deferred compensation plan that qualifies under either Section 401(k) or 457 of the Internal Revenue Code of 1986 (26 U.S.C. Section 1 et seq.), as amended.

(b) This subchapter does not apply to an investment donated to an investing entity for a particular purpose or under terms of use specified by the donor.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 505, Sec. 24, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1421, Sec. 2, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 62, Sec. 8.21, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 1454, Sec. 3, eff. Sept. 1, 1999.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 1, eff. June 14, 2017.

Sec. 2256.005. INVESTMENT POLICIES; INVESTMENT STRATEGIES; INVESTMENT OFFICER. (a) The governing body of an investing entity shall adopt by rule, order, ordinance, or resolution, as appropriate, a written investment policy regarding the investment of its funds and funds under its control.

(b) The investment policies must:

- (1) be written;
- (2) primarily emphasize safety of principal and liquidity;
- (3) address investment diversification, yield, and maturity and the quality and capability of investment management; and
- (4) include:
  - (A) a list of the types of authorized investments in which the investing entity's funds may be invested;
  - (B) the maximum allowable stated maturity of any individual investment owned by the entity;
  - (C) for pooled fund groups, the maximum dollar-weighted average maturity allowed based on the stated maturity date for the portfolio;
  - (D) methods to monitor the market price of investments acquired with public funds;
  - (E) a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis; and
  - (F) procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the provisions of Section [2256.021](#).

(c) The investment policies may provide that bids for certificates of deposit be solicited:

- (1) orally;
- (2) in writing;
- (3) electronically; or
- (4) in any combination of those methods.

(d) As an integral part of an investment policy, the governing body shall adopt a separate written investment strategy for each of the funds or group of funds under its control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities in order of importance:

- (1) understanding of the suitability of the investment to the financial requirements of the entity;
- (2) preservation and safety of principal;
- (3) liquidity;
- (4) marketability of the investment if the need arises to liquidate the investment before maturity;

- (5) diversification of the investment portfolio; and
- (6) yield.

(e) The governing body of an investing entity shall review its investment policy and investment strategies not less than annually. The governing body shall adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies.

(f) Each investing entity shall designate, by rule, order, ordinance, or resolution, as appropriate, one or more officers or employees of the state agency, local government, or investment pool as investment officer to be responsible for the investment of its funds consistent with the investment policy adopted by the entity. If the governing body of an investing entity has contracted with another investing entity to invest its funds, the investment officer of the other investing entity is considered to be the investment officer of the first investing entity for purposes of this chapter. Authority granted to a person to invest an entity's funds is effective until rescinded by the investing entity, until the expiration of the officer's term or the termination of the person's employment by the investing entity, or if an investment management firm, until the expiration of the contract with the investing entity. In the administration of the duties of an investment officer, the person designated as investment officer shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs, but the governing body of the investing entity retains ultimate responsibility as fiduciaries of the assets of the entity. Unless authorized by law, a person may not deposit, withdraw, transfer, or manage in any other manner the funds of the investing entity.

(g) Subsection (f) does not apply to a state agency, local government, or investment pool for which an officer of the entity is assigned by law the function of investing its funds.

Text of subsec. (h) as amended by Acts 1997, 75th Leg., ch. 685, Sec. 1

(h) An officer or employee of a commission created under Chapter [391](#), Local Government Code, is ineligible to be an investment officer for the commission under Subsection (f) if the officer or employee is an investment officer designated under Subsection (f) for another local government.

Text of subsec. (h) as amended by Acts 1997, 75th Leg., ch. 1421, Sec.

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(h) An officer or employee of a commission created under Chapter [391](#), Local Government Code, is ineligible to be designated as an investment officer under Subsection (f) for any investing entity other than for that commission.

(i) An investment officer of an entity who has a personal business relationship with a business organization offering to engage in an investment transaction with the entity shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity, as determined under Chapter [573](#), to an individual seeking to sell an investment to the investment officer's entity shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the governing body of the entity. For purposes of this subsection, an investment officer has a personal business relationship with a business organization if:

(1) the investment officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;

(2) funds received by the investment officer from the business organization exceed 10 percent of the investment officer's gross income for the previous year; or

(3) the investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.

(j) The governing body of an investing entity may specify in its investment policy that any investment authorized by this chapter is not suitable.

(k) A written copy of the investment policy shall be presented to any business organization offering to engage in an investment transaction with an investing entity. For purposes of this subsection and Subsection (l), "business organization" means an investment pool or investment management firm under contract with an investing entity to invest or manage the entity's investment portfolio that has accepted authority granted by the entity under the contract to exercise investment discretion in regard to the investing entity's funds. Nothing in this subsection relieves the investing entity of the responsibility for monitoring the investments made by the investing entity to determine that they are in compliance with the investment policy. The qualified representative of the business organization offering to engage in an investment transaction with an investing entity shall execute a written instrument in a form acceptable to the investing entity and the business organization substantially to the effect that the business organization has:

(1) received and reviewed the investment policy of the entity; and

(2) acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the entity and the organization that are not authorized by the entity's investment policy, except to the extent that this authorization:

(A) is dependent on an analysis of the makeup of the entity's entire portfolio;

(B) requires an interpretation of subjective investment standards; or

(C) relates to investment transactions of the entity that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.

(l) The investment officer of an entity may not acquire or otherwise obtain any authorized investment described in the investment

policy of the investing entity from a business organization that has not delivered to the entity the instrument required by Subsection (k).

(m) An investing entity other than a state agency, in conjunction with its annual financial audit, shall perform a compliance audit of management controls on investments and adherence to the entity's established investment policies.

(n) Except as provided by Subsection (o), at least once every two years a state agency shall arrange for a compliance audit of management controls on investments and adherence to the agency's established investment policies. The compliance audit shall be performed by the agency's internal auditor or by a private auditor employed in the manner provided by Section [321.020](#). Not later than January 1 of each even-numbered year a state agency shall report the results of the most recent audit performed under this subsection to the state auditor. Subject to a risk assessment and to the legislative audit committee's approval of including a review by the state auditor in the audit plan under Section [321.013](#), the state auditor may review information provided under this section. If review by the state auditor is approved by the legislative audit committee, the state auditor may, based on its review, require a state agency to also report to the state auditor other information the state auditor determines necessary to assess compliance with laws and policies applicable to state agency investments. A report under this subsection shall be prepared in a manner the state auditor prescribes.

(o) The audit requirements of Subsection (n) do not apply to assets of a state agency that are invested by the comptroller under Section [404.024](#).

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 685, Sec. 1, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1421, Sec. 3, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 4, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 785, Sec. 41, eff. Sept. 1, 2003.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 1, eff. June 17, 2011.

Acts 2017, 85th Leg., R.S., Ch. 149 (H.B. [1701](#)), Sec. 1, eff. September 1, 2017.

Sec. 2256.006. STANDARD OF CARE. (a) Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority:

- (1) preservation and safety of principal;
- (2) liquidity; and
- (3) yield.

(b) In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- (1) the investment of all funds, or funds under the entity's control, over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and
- (2) whether the investment decision was consistent with the written investment policy of the entity.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.007. INVESTMENT TRAINING; STATE AGENCY BOARD MEMBERS AND OFFICERS. (a) Each member of the governing board of a state agency and its investment officer shall attend at least one training session relating to the person's responsibilities under this chapter within six months after taking office or assuming duties.

(b) The Texas Higher Education Coordinating Board shall provide the training under this section.

(c) Training under this section must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with this chapter.

(d) An investment officer shall attend a training session not less than once each state fiscal biennium and may receive training from



any independent source approved by the governing body of the state agency. The investment officer shall prepare a report on this subchapter and deliver the report to the governing body of the state agency not later than the 180th day after the last day of each regular session of the legislature.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 73, Sec. 1, eff. May 9, 1997; Acts 1997, 75th Leg., ch. 1421, Sec. 4, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 5, eff. Sept. 1, 1999.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 2, eff. June 17, 2011.

Sec. 2256.008. INVESTMENT TRAINING; LOCAL GOVERNMENTS.

(a) Except as provided by Subsections (a-1), (b), (b-1), (e), and (f), the treasurer, the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of a local government shall:

(1) attend at least one training session from an independent source approved by the governing body of the local government or a designated investment committee advising the investment officer as provided for in the investment policy of the local government and containing at least 10 hours of instruction relating to the treasurer's or officer's responsibilities under this subchapter within 12 months after taking office or assuming duties; and

(2) attend an investment training session not less than once in a two-year period that begins on the first day of that local government's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than 10 hours of instruction relating to investment responsibilities under this subchapter from an independent source approved by the governing body of the local government or a designated investment committee advising the investment officer as provided for in the investment policy of the local government.

(a-1) In addition to the requirements of Subsection (a)(1), the treasurer, or the chief financial officer if the treasurer is not the

chief financial officer, and the investment officer of a school district or a municipality shall attend an investment training session not less than once in a two-year period that begins on the first day of the school district's or municipality's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than eight hours of instruction relating to investment responsibilities under this subchapter from an independent source approved by the governing body of the school district or municipality, or by a designated investment committee advising the investment officer as provided for in the investment policy of the school district or municipality.

(b) An investing entity created under authority of Section [52\(b\)](#), Article III, or Section [59](#), Article XVI, Texas Constitution, that has contracted with an investment management firm under Section [2256.003\(b\)](#) and has fewer than five full-time employees or an investing entity that has contracted with another investing entity to invest the entity's funds may satisfy the training requirement provided by Subsection (a)(2) by having an officer of the governing body attend four hours of appropriate instruction in a two-year period that begins on the first day of that local government's fiscal year and consists of the two consecutive fiscal years after that date. The treasurer or chief financial officer of an investing entity created under authority of Section [52\(b\)](#), Article III, or Section [59](#), Article XVI, Texas Constitution, and that has fewer than five full-time employees is not required to attend training required by this section unless the person is also the investment officer of the entity.

(b-1) A housing authority created under Chapter [392](#), Local Government Code, may satisfy the training requirement provided by Subsection (a)(2) by requiring the following person to attend, in each two-year period that begins on the first day of that housing authority's fiscal year and consists of the two consecutive fiscal years after that date, at least five hours of appropriate instruction:

(1) the treasurer, or the chief financial officer if the treasurer is not the chief financial officer, or the investment officer; or

(2) if the authority does not have an officer described by Subdivision (1), another officer of the authority.

(c) Training under this section must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with this chapter.

(d) Not later than December 31 each year, each individual, association, business, organization, governmental entity, or other person that provides training under this section shall report to the comptroller a list of the governmental entities for which the person provided required training under this section during that calendar year. An individual's reporting requirements under this subsection are satisfied by a report of the individual's employer or the sponsoring or organizing entity of a training program or seminar.

(e) This section does not apply to a district governed by Chapter [36](#) or [49](#), Water Code.

(f) Subsection (a)(2) does not apply to an officer of a municipality or housing authority if the municipality or housing authority:

(1) does not invest municipal or housing authority funds, as applicable; or

(2) only deposits those funds in:

(A) interest-bearing deposit accounts; or

(B) certificates of deposit as authorized by Section [2256.010](#).

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 5, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 6, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 69, Sec. 4, eff. May 14, 2001.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 3, eff. June 17, 2011.

Acts 2015, 84th Leg., R.S., Ch. 222 (H.B. [1148](#)), Sec. 1, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1248 (H.B. [870](#)), Sec. 1, eff. September 1, 2015.

Acts 2017, 85th Leg., R.S., Ch. 324 (S.B. [1488](#)), Sec. 8.015, eff. September 1, 2017.

Acts 2017, 85th Leg., R.S., Ch. 1000 (H.B. [1238](#)), Sec. 1, eff. September 1, 2017.

Acts 2017, 85th Leg., R.S., Ch. 1000 (H.B. [1238](#)), Sec. 2, eff. September 1, 2017.

Sec. 2256.009. AUTHORIZED INVESTMENTS: OBLIGATIONS OF, OR GUARANTEED BY GOVERNMENTAL ENTITIES. (a) Except as provided by Subsection (b), the following are authorized investments under this subchapter:

(1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks;

(2) direct obligations of this state or its agencies and instrumentalities;

(3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;

(4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States;

(5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;

(6) bonds issued, assumed, or guaranteed by the State of Israel;

(7) interest-bearing banking deposits that are guaranteed or insured by:

(A) the Federal Deposit Insurance Corporation or its successor; or

(B) the National Credit Union Share Insurance Fund or its successor; and

(8) interest-bearing banking deposits other than those described by Subdivision (7) if:

(A) the funds invested in the banking deposits are invested through:

(i) a broker with a main office or branch office in this state that the investing entity selects from a list the governing body or designated investment committee of the entity adopts as required by Section [2256.025](#); or

(ii) a depository institution with a main office or branch office in this state that the investing entity selects;

(B) the broker or depository institution selected as described by Paragraph (A) arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the investing entity's account;

(C) the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and

(D) the investing entity appoints as the entity's custodian of the banking deposits issued for the entity's account:

(i) the depository institution selected as described by Paragraph (A);

(ii) an entity described by Section [2257.041](#)(d);  
or

(iii) a clearing broker dealer registered with the Securities and Exchange Commission and operating under Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3).

(b) The following are not authorized investments under this section:

(1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;

(2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;

(3) collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and

(4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1999, 76th Leg., ch. 1454, Sec. 7, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 558, Sec. 1, eff. Sept. 1, 2001.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 4, eff. June 17, 2011.

Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 2, eff. June 14, 2017.

Acts 2017, 85th Leg., R.S., Ch. 863 (H.B. [2647](#)), Sec. 1, eff. June 15, 2017.

Acts 2017, 85th Leg., R.S., Ch. 874 (H.B. [2928](#)), Sec. 1, eff. September 1, 2017.

Sec. 2256.010. AUTHORIZED INVESTMENTS: CERTIFICATES OF DEPOSIT AND SHARE CERTIFICATES. (a) A certificate of deposit or share certificate is an authorized investment under this subchapter if the certificate is issued by a depository institution that has its main office or a branch office in this state and is:

(1) guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor;

(2) secured by obligations that are described by Section [2256.009](#)(a), including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities of the nature described by Section [2256.009](#)(b); or

(3) secured in accordance with Chapter [2257](#) or in any other manner and amount provided by law for deposits of the investing entity.

(b) In addition to the authority to invest funds in certificates of deposit under Subsection (a), an investment in certificates of deposit made in accordance with the following conditions is an authorized investment under this subchapter:

- (1) the funds are invested by an investing entity through:
- (A) a broker that has its main office or a branch office in this state and is selected from a list adopted by the investing entity as required by Section [2256.025](#); or
  - (B) a depository institution that has its main office or a branch office in this state and that is selected by the investing entity;
- (2) the broker or the depository institution selected by the investing entity under Subdivision (1) arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the investing entity;
- (3) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and
- (4) the investing entity appoints the depository institution selected by the investing entity under Subdivision (1), an entity described by Section [2257.041](#)(d), or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the investing entity with respect to the certificates of deposit issued for the account of the investing entity.

Amended by Acts 1995, 74th Leg., ch. 32, Sec. 1, eff. April 28, 1995; Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 6, eff. Sept. 1, 1997.

Amended by:

Acts 2005, 79th Leg., Ch. 128 (H.B. [256](#)), Sec. 1, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 5, eff. June 17, 2011.

Acts 2017, 85th Leg., R.S., Ch. 874 (H.B. [2928](#)), Sec. 2, eff. September 1, 2017.

Sec. 2256.011. AUTHORIZED INVESTMENTS: REPURCHASE AGREEMENTS.

(a) A fully collateralized repurchase agreement is an authorized investment under this subchapter if the repurchase agreement:

(1) has a defined termination date;

(2) is secured by a combination of cash and obligations described by Section [2256.009](#)(a)(1); and

(3) requires the securities being purchased by the entity or cash held by the entity to be pledged to the entity, held in the entity's name, and deposited at the time the investment is made with the entity or with a third party selected and approved by the entity; and

(4) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state.

(b) In this section, "repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations described by Section [2256.009](#)(a)(1), at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct security repurchase agreement and a reverse security repurchase agreement.

(c) Notwithstanding any other law, the term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered.

(d) Money received by an entity under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

(e) Section [1371.059](#)(c) applies to the execution of a repurchase agreement by an investing entity.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 6, eff. June 17, 2011.

Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 3, eff. June 14, 2017.



Sec. 2256.0115. AUTHORIZED INVESTMENTS: SECURITIES LENDING PROGRAM. (a) A securities lending program is an authorized investment under this subchapter if it meets the conditions provided by this section.

(b) To qualify as an authorized investment under this subchapter:

(1) the value of securities loaned under the program must be not less than 100 percent collateralized, including accrued income;

(2) a loan made under the program must allow for termination at any time;

(3) a loan made under the program must be secured by:

(A) pledged securities described by Section [2256.009](#);

(B) pledged irrevocable letters of credit issued by a bank that is:

(i) organized and existing under the laws of the United States or any other state; and

(ii) continuously rated by at least one nationally recognized investment rating firm at not less than A or its equivalent; or

(C) cash invested in accordance with Section:

(i) 2256.009;

(ii) 2256.013;

(iii) 2256.014; or

(iv) 2256.016;

(4) the terms of a loan made under the program must require that the securities being held as collateral be:

(A) pledged to the investing entity;

(B) held in the investing entity's name; and

(C) deposited at the time the investment is made with the entity or with a third party selected by or approved by the investing entity;

(5) a loan made under the program must be placed through:

(A) a primary government securities dealer, as defined by 5 C.F.R. Section 6801.102(f), as that regulation existed on September 1, 2003; or

(B) a financial institution doing business in this state; and

(6) an agreement to lend securities that is executed under this section must have a term of one year or less.

Added by Acts 2003, 78th Leg., ch. 1227, Sec. 1, eff. Sept. 1, 2003.

Sec. 2256.012. AUTHORIZED INVESTMENTS: BANKER'S ACCEPTANCES. A bankers' acceptance is an authorized investment under this subchapter if the bankers' acceptance:

(1) has a stated maturity of 270 days or fewer from the date of its issuance;

(2) will be, in accordance with its terms, liquidated in full at maturity;

(3) is eligible for collateral for borrowing from a Federal Reserve Bank; and

(4) is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.013. AUTHORIZED INVESTMENTS: COMMERCIAL PAPER. Commercial paper is an authorized investment under this subchapter if the commercial paper:

(1) has a stated maturity of 270 days or fewer from the date of its issuance; and

(2) is rated not less than A-1 or P-1 or an equivalent rating by at least:

(A) two nationally recognized credit rating agencies;  
or

(B) one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.014. AUTHORIZED INVESTMENTS: MUTUAL FUNDS.

(a) A no-load money market mutual fund is an authorized investment under this subchapter if the mutual fund:

(1) is registered with and regulated by the Securities and Exchange Commission;

(2) provides the investing entity with a prospectus and other information required by the Securities Exchange Act of 1934 (15 U.S.C. Section 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.); and

(3) complies with federal Securities and Exchange Commission Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.).

(b) In addition to a no-load money market mutual fund permitted as an authorized investment in Subsection (a), a no-load mutual fund is an authorized investment under this subchapter if the mutual fund:

(1) is registered with the Securities and Exchange Commission;

(2) has an average weighted maturity of less than two years; and

(3) either:

(A) has a duration of one year or more and is invested exclusively in obligations approved by this subchapter; or

(B) has a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities.

(c) An entity is not authorized by this section to:

(1) invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in mutual funds described in Subsection (b);

(2) invest any portion of bond proceeds, reserves and funds held for debt service, in mutual funds described in Subsection (b); or

(3) invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in

any one mutual fund described in Subsection (a) or (b) in an amount that exceeds 10 percent of the total assets of the mutual fund.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 7, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 8, eff. Sept. 1, 1999.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 4, eff. June 14, 2017.

Sec. 2256.015. AUTHORIZED INVESTMENTS: GUARANTEED INVESTMENT CONTRACTS. (a) A guaranteed investment contract is an authorized investment for bond proceeds under this subchapter if the guaranteed investment contract:

(1) has a defined termination date;

(2) is secured by obligations described by Section [2256.009](#) (a) (1), excluding those obligations described by Section [2256.009](#) (b), in an amount at least equal to the amount of bond proceeds invested under the contract; and

(3) is pledged to the entity and deposited with the entity or with a third party selected and approved by the entity.

(b) Bond proceeds, other than bond proceeds representing reserves and funds maintained for debt service purposes, may not be invested under this subchapter in a guaranteed investment contract with a term of longer than five years from the date of issuance of the bonds.

(c) To be eligible as an authorized investment:

(1) the governing body of the entity must specifically authorize guaranteed investment contracts as an eligible investment in the order, ordinance, or resolution authorizing the issuance of bonds;

(2) the entity must receive bids from at least three separate providers with no material financial interest in the bonds from which proceeds were received;

(3) the entity must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received;

(4) the price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be invested; and

(5) the provider must certify the administrative costs reasonably expected to be paid to third parties in connection with the guaranteed investment contract.

(d) Section [1371.059](#)(c) applies to the execution of a guaranteed investment contract by an investing entity.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 8, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1454, Sec. 9, 10, eff. Sept. 1, 1999.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 5, eff. June 14, 2017.

Sec. 2256.016. AUTHORIZED INVESTMENTS: INVESTMENT POOLS. (a) An entity may invest its funds and funds under its control through an eligible investment pool if the governing body of the entity by rule, order, ordinance, or resolution, as appropriate, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by this subchapter. An investment pool may invest its funds in money market mutual funds to the extent permitted by and consistent with this subchapter and the investment policies and objectives adopted by the investment pool.

(b) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the entity an offering circular or other similar disclosure instrument that contains, at a minimum, the following information:

(1) the types of investments in which money is allowed to be invested;

(2) the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;

(3) the maximum stated maturity date any investment security within the portfolio has;

- (4) the objectives of the pool;
  - (5) the size of the pool;
  - (6) the names of the members of the advisory board of the pool and the dates their terms expire;
  - (7) the custodian bank that will safekeep the pool's assets;
  - (8) whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;
  - (9) whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;
  - (10) the name and address of the independent auditor of the pool;
  - (11) the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool;
  - (12) the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios; and
  - (13) the pool's policy regarding holding deposits in cash.
- (c) To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the entity:
- (1) investment transaction confirmations; and
  - (2) a monthly report that contains, at a minimum, the following information:
    - (A) the types and percentage breakdown of securities in which the pool is invested;
    - (B) the current average dollar-weighted maturity, based on the stated maturity date, of the pool;
    - (C) the current percentage of the pool's portfolio in investments that have stated maturities of more than one year;
    - (D) the book value versus the market value of the pool's portfolio, using amortized cost valuation;
    - (E) the size of the pool;

- (F) the number of participants in the pool;
- (G) the custodian bank that is safekeeping the assets of the pool;
- (H) a listing of daily transaction activity of the entity participating in the pool;
- (I) the yield and expense ratio of the pool, including a statement regarding how yield is calculated;
- (J) the portfolio managers of the pool; and
- (K) any changes or addenda to the offering circular.

(d) An entity by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.

(e) In this section, "yield" shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the federal Securities and Exchange Commission.

(f) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool that uses amortized cost or fair value accounting must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a \$1.00 net asset value, when rounded and expressed to two decimal places. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, the governing body of the public funds investment pool shall take action as the body determines necessary to eliminate or reduce to the extent reasonably practicable any dilution or unfair result to existing participants, including a sale of portfolio holdings to attempt to maintain the ratio between 0.995 and 1.005. In addition to the requirements of its investment policy and any other forms of reporting, a public funds investment pool that uses amortized cost shall report yield to its investors in accordance with regulations of the federal Securities and Exchange Commission applicable to reporting by money market funds.

(g) To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, a public funds investment pool must have an advisory board composed:

(1) equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for a public funds investment pool created under Chapter [791](#) and managed by a state agency; or

(2) of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.

(h) To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.

(i) If the investment pool operates an Internet website, the information in a disclosure instrument or report described in Subsections (b), (c)(2), and (f) must be posted on the website.

(j) To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must make available to the entity an annual audited financial statement of the investment pool in which the entity has funds invested.

(k) If an investment pool offers fee breakpoints based on fund balances invested, the investment pool in advertising investment rates must include either all levels of return based on the breakpoints provided or state the lowest possible level of return based on the smallest level of funds invested.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1421, Sec. 9, eff. Sept. 1, 1997.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 7, eff. June 17, 2011.

Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 6, eff. June 14, 2017.

Sec. 2256.017. EXISTING INVESTMENTS. Except as provided by Chapter [2270](#), an entity is not required to liquidate investments that were authorized investments at the time of purchase.



Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.46(a), eff. Sept. 1, 1995; Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.  
Amended by Acts 1997, 75th Leg., ch. 1421, Sec. 10, eff. Sept. 1, 1997.  
Amended by:

Acts 2017, 85th Leg., R.S., Ch. 96 (S.B. [253](#)), Sec. 2, eff. May 23, 2017.

Sec. 2256.019. RATING OF CERTAIN INVESTMENT POOLS. A public funds investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.  
Amended by Acts 1997, 75th Leg., ch. 1421, Sec. 11, eff. Sept. 1, 1997.  
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 8, eff. June 17, 2011.

Sec. 2256.020. AUTHORIZED INVESTMENTS: INSTITUTIONS OF HIGHER EDUCATION. In addition to the authorized investments permitted by this subchapter, an institution of higher education may purchase, sell, and invest its funds and funds under its control in the following:

(1) cash management and fixed income funds sponsored by organizations exempt from federal income taxation under Section 501(f), Internal Revenue Code of 1986 (26 U.S.C. Section 501(f));

(2) negotiable certificates of deposit issued by a bank that has a certificate of deposit rating of at least 1 or the equivalent by a nationally recognized credit rating agency or that is associated with a holding company having a commercial paper rating of at least A-1, P-1, or the equivalent by a nationally recognized credit rating agency; and

(3) corporate bonds, debentures, or similar debt obligations rated by a nationally recognized investment rating firm in one of the two highest long-term rating categories, without regard to gradations within those categories.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.0201. AUTHORIZED INVESTMENTS; MUNICIPAL UTILITY. (a)

A municipality that owns a municipal electric utility that is engaged in the distribution and sale of electric energy or natural gas to the public may enter into a hedging contract and related security and insurance agreements in relation to fuel oil, natural gas, coal, nuclear fuel, and electric energy to protect against loss due to price fluctuations. A hedging transaction must comply with the regulations of the Commodity Futures Trading Commission and the Securities and Exchange Commission. If there is a conflict between the municipal charter of the municipality and this chapter, this chapter prevails.

(b) A payment by a municipally owned electric or gas utility under a hedging contract or related agreement in relation to fuel supplies or fuel reserves is a fuel expense, and the utility may credit any amounts it receives under the contract or agreement against fuel expenses.

(c) The governing body of a municipally owned electric or gas utility or the body vested with power to manage and operate the municipally owned electric or gas utility may set policy regarding hedging transactions.

(d) In this section, "hedging" means the buying and selling of fuel oil, natural gas, coal, nuclear fuel, and electric energy futures or options or similar contracts on those commodities and related transportation costs as a protection against loss due to price fluctuation.

Added by Acts 1999, 76th Leg., ch. 405, Sec. 48, eff. Sept. 1, 1999.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 7 (S.B. [495](#)), Sec. 1, eff. April 13, 2007.

Sec. 2256.0202. AUTHORIZED INVESTMENTS: MUNICIPAL FUNDS FROM MANAGEMENT AND DEVELOPMENT OF MINERAL RIGHTS. (a) In addition to other investments authorized under this subchapter, a municipality may invest funds received by the municipality from a lease or contract for the management and development of land owned by the municipality and leased for oil, gas, or other mineral development in any investment

authorized to be made by a trustee under Subtitle B, Title 9, Property Code (Texas Trust Code).

(b) Funds invested by a municipality under this section shall be segregated and accounted for separately from other funds of the municipality.

Added by Acts 2009, 81st Leg., R.S., Ch. 1371 (S.B. [894](#)), Sec. 1, eff. September 1, 2009.

Sec. 2256.0203. AUTHORIZED INVESTMENTS: PORTS AND NAVIGATION DISTRICTS. (a) In this section, "district" means a navigation district organized under Section [52](#), Article III, or Section [59](#), Article XVI, Texas Constitution.

(b) In addition to the authorized investments permitted by this subchapter, a port or district may purchase, sell, and invest its funds and funds under its control in negotiable certificates of deposit issued by a bank that has a certificate of deposit rating of at least 1 or the equivalent by a nationally recognized credit rating agency or that is associated with a holding company having a commercial paper rating of at least A-1, P-1, or the equivalent by a nationally recognized credit rating agency.

Added by Acts 2011, 82nd Leg., R.S., Ch. 804 (H.B. [2346](#)), Sec. 1, eff. September 1, 2011.

Sec. 2256.0204. AUTHORIZED INVESTMENTS: INDEPENDENT SCHOOL DISTRICTS. (a) In this section, "corporate bond" means a senior secured debt obligation issued by a domestic business entity and rated not lower than "AA-" or the equivalent by a nationally recognized investment rating firm. The term does not include a debt obligation that:

(1) on conversion, would result in the holder becoming a stockholder or shareholder in the entity, or any affiliate or subsidiary of the entity, that issued the debt obligation; or

(2) is an unsecured debt obligation.

(b) This section applies only to an independent school district that qualifies as an issuer as defined by Section [1371.001](#).

(c) In addition to authorized investments permitted by this subchapter, an independent school district subject to this section may purchase, sell, and invest its funds and funds under its control in corporate bonds that, at the time of purchase, are rated by a nationally recognized investment rating firm "AA-" or the equivalent and have a stated final maturity that is not later than the third anniversary of the date the corporate bonds were purchased.

(d) An independent school district subject to this section is not authorized by this section to:

(1) invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds, reserves, and other funds held for the payment of debt service, in corporate bonds; or

(2) invest more than 25 percent of the funds invested in corporate bonds in any one domestic business entity, including subsidiaries and affiliates of the entity.

(e) An independent school district subject to this section may purchase, sell, and invest its funds and funds under its control in corporate bonds if the governing body of the district:

(1) amends its investment policy to authorize corporate bonds as an eligible investment;

(2) adopts procedures to provide for:

(A) monitoring rating changes in corporate bonds acquired with public funds; and

(B) liquidating the investment in corporate bonds; and

(3) identifies the funds eligible to be invested in corporate bonds.

(f) The investment officer of an independent school district, acting on behalf of the district, shall sell corporate bonds in which the district has invested its funds not later than the seventh day after the date a nationally recognized investment rating firm:

(1) issues a release that places the corporate bonds or the domestic business entity that issued the corporate bonds on negative credit watch or the equivalent, if the corporate bonds are rated "AA-" or the equivalent at the time the release is issued; or

(2) changes the rating on the corporate bonds to a rating lower than "AA-" or the equivalent.

(g) Corporate bonds are not an eligible investment for a public funds investment pool.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1347 (S.B. [1543](#)), Sec. 1, eff. June 17, 2011.

Sec. 2256.0205. AUTHORIZED INVESTMENTS; DECOMMISSIONING TRUST.

(a) In this section:

(1) "Decommissioning trust" means a trust created to provide the Nuclear Regulatory Commission assurance that funds will be available for decommissioning purposes as required under 10 C.F.R. Part 50 or other similar regulation.

(2) "Funds" includes any money held in a decommissioning trust regardless of whether the money is considered to be public funds under this subchapter.

(b) In addition to other investments authorized under this subchapter, a municipality that owns a municipal electric utility that is engaged in the distribution and sale of electric energy or natural gas to the public may invest funds held in a decommissioning trust in any investment authorized by Subtitle B, Title 9, Property Code.

Added by Acts 2005, 79th Leg., Ch. 121 (S.B. [1464](#)), Sec. 1, eff. September 1, 2005.

Text of section as added by Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 7

For text of section as added by Acts 2017, 85th Leg., R.S., Ch. 344 (H.B. [1472](#)), Sec. 1, see other Sec. 2256.0206.

Sec. 2256.0206. AUTHORIZED INVESTMENTS: HEDGING TRANSACTIONS.

(a) In this section:

(1) "Eligible entity" means a political subdivision that has:

(A) a principal amount of at least \$250 million in:

(i) outstanding long-term indebtedness;

(ii) long-term indebtedness proposed to be

issued; or

(iii) a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued; and

(B) outstanding long-term indebtedness that is rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities, without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation.

(2) "Eligible project" has the meaning assigned by Section [1371.001](#).

(3) "Hedging" means acting to protect against economic loss due to price fluctuation of a commodity or related investment by entering into an offsetting position or using a financial agreement or producer price agreement in a correlated security, index, or other commodity.

(b) This section prevails to the extent of any conflict between this section and:

(1) another law; or

(2) an eligible entity's municipal charter, if applicable.

(c) The governing body of an eligible entity shall establish the entity's policy regarding hedging transactions.

(d) An eligible entity may enter into hedging transactions, including hedging contracts, and related security, credit, and insurance agreements in connection with commodities used by an eligible entity in the entity's general operations, with the acquisition or construction of a capital project, or with an eligible project. A hedging transaction must comply with the regulations of the federal Commodity Futures Trading Commission and the federal Securities and Exchange Commission.

(e) An eligible entity may pledge as security for and to the payment of a hedging contract or a security, credit, or insurance agreement any general or special revenues or funds the entity is authorized by law to pledge to the payment of any other obligation.

(f) Section [1371.059](#)(c) applies to the execution by an eligible entity of a hedging contract and any related security, credit, or insurance agreement.

(g) An eligible entity may credit any amount the entity receives under a hedging contract against expenses associated with a commodity purchase.

(h) An eligible entity's cost of or payment under a hedging contract or agreement may be considered:

- (1) an operation and maintenance expense of the eligible entity;
- (2) an acquisition expense of the eligible entity;
- (3) a project cost of an eligible project; or
- (4) a construction expense of the eligible entity.

Added by Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 7, eff. June 14, 2017.

Text of section as added by Acts 2017, 85th Leg., R.S., Ch. 344 (H.B. [1472](#)), Sec. 1

For text of section as added by Acts 2017, 85th Leg., R.S., Ch. 773 (H.B. [1003](#)), Sec. 7, see other Sec. 2256.0206.

Sec. 2256.0206. AUTHORIZED INVESTMENTS: PUBLIC JUNIOR COLLEGE DISTRICT FUNDS FROM MANAGEMENT AND DEVELOPMENT OF MINERAL RIGHTS. (a) In addition to other investments authorized under this subchapter, the governing board of a public junior college district may invest funds received by the district from a lease or contract for the management and development of land owned by the district and leased for oil, gas, or other mineral development in any investment authorized to be made by a trustee under Subtitle B, Title 9, Property Code (Texas Trust Code).

(b) Funds invested by the governing board of a public junior college district under this section shall be segregated and accounted for separately from other funds of the district.

Added by Acts 2017, 85th Leg., R.S., Ch. 344 (H.B. [1472](#)), Sec. 1, eff. September 1, 2017.

Sec. 2256.021. EFFECT OF LOSS OF REQUIRED RATING. An investment that requires a minimum rating under this subchapter does not qualify as an authorized investment during the period the investment does not

have the minimum rating. An entity shall take all prudent measures that are consistent with its investment policy to liquidate an investment that does not have the minimum rating.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.022. EXPANSION OF INVESTMENT AUTHORITY. Expansion of investment authority granted by this chapter shall require a risk assessment by the state auditor or performed at the direction of the state auditor, subject to the legislative audit committee's approval of including the review in the audit plan under Section [321.013](#).

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Amended by Acts 2003, 78th Leg., ch. 785, Sec. 42, eff. Sept. 1, 2003.

Sec. 2256.023. INTERNAL MANAGEMENT REPORTS. (a) Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of investment transactions for all funds covered by this chapter for the preceding reporting period.

(b) The report must:

- (1) describe in detail the investment position of the entity on the date of the report;
- (2) be prepared jointly by all investment officers of the entity;
- (3) be signed by each investment officer of the entity;
- (4) contain a summary statement of each pooled fund group that states the:
  - (A) beginning market value for the reporting period;
  - (B) ending market value for the period; and
  - (C) fully accrued interest for the reporting period;
- (5) state the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
- (6) state the maturity date of each separately invested asset that has a maturity date;



(7) state the account or fund or pooled group fund in the state agency or local government for which each individual investment was acquired; and

(8) state the compliance of the investment portfolio of the state agency or local government as it relates to:

(A) the investment strategy expressed in the agency's or local government's investment policy; and

(B) relevant provisions of this chapter.

(c) The report shall be presented not less than quarterly to the governing body and the chief executive officer of the entity within a reasonable time after the end of the period.

(d) If an entity invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the investment officers under this section shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the governing body by that auditor.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Amended by Acts 1997, 75th Leg., ch. 1421, Sec. 12, eff. Sept. 1, 1997.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. [2226](#)), Sec. 9, eff. June 17, 2011.

Sec. 2256.024. SUBCHAPTER CUMULATIVE. (a) The authority granted by this subchapter is in addition to that granted by other law. Except as provided by Subsection (b) and Section [2256.017](#), this subchapter does not:

(1) prohibit an investment specifically authorized by other law; or

(2) authorize an investment specifically prohibited by other law.

(b) Except with respect to those investing entities described in Subsection (c), a security described in Section [2256.009](#)(b) is not an authorized investment for a state agency, a local government, or

another investing entity, notwithstanding any other provision of this chapter or other law to the contrary.

(c) Mortgage pass-through certificates and individual mortgage loans that may constitute an investment described in Section [2256.009](#)(b) are authorized investments with respect to the housing bond programs operated by:

(1) the Texas Department of Housing and Community Affairs or a nonprofit corporation created to act on its behalf;

(2) an entity created under Chapter [392](#), Local Government Code; or

(3) an entity created under Chapter [394](#), Local Government Code.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 96 (S.B. [253](#)), Sec. 3, eff. May 23, 2017.

Sec. 2256.025. SELECTION OF AUTHORIZED BROKERS. The governing body of an entity subject to this subchapter or the designated investment committee of the entity shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the entity.

Added by Acts 1997, 75th Leg., ch. 1421, Sec. 13, eff. Sept. 1, 1997.

Sec. 2256.026. STATUTORY COMPLIANCE. All investments made by entities must comply with this subchapter and all federal, state, and local statutes, rules, or regulations.

Added by Acts 1997, 75th Leg., ch. 1421, Sec. 13, eff. Sept. 1, 1997.

#### SUBCHAPTER B. MISCELLANEOUS PROVISIONS

Sec. 2256.051. ELECTRONIC FUNDS TRANSFER. Any local government may use electronic means to transfer or invest all funds collected or controlled by the local government.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.052. PRIVATE AUDITOR. Notwithstanding any other law, a state agency shall employ a private auditor if authorized by the legislative audit committee either on the committee's initiative or on request of the governing body of the agency.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Sec. 2256.053. PAYMENT FOR SECURITIES PURCHASED BY STATE. The comptroller or the disbursing officer of an agency that has the power to invest assets directly may pay for authorized securities purchased from or through a member in good standing of the National Association of Securities Dealers or from or through a national or state bank on receiving an invoice from the seller of the securities showing that the securities have been purchased by the board or agency and that the amount to be paid for the securities is just, due, and unpaid. A purchase of securities may not be made at a price that exceeds the existing market value of the securities.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1423, Sec. 8.67, eff. Sept. 1, 1997.

Sec. 2256.054. DELIVERY OF SECURITIES PURCHASED BY STATE. A security purchased under this chapter may be delivered to the comptroller, a bank, or the board or agency investing its funds. The delivery shall be made under normal and recognized practices in the securities and banking industries, including the book entry procedure of the Federal Reserve Bank.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1423, Sec. 8.68, eff. Sept. 1, 1997.

Sec. 2256.055. DEPOSIT OF SECURITIES PURCHASED BY STATE. At the direction of the comptroller or the agency, a security purchased under this chapter may be deposited in trust with a bank or federal reserve bank or branch designated by the comptroller, whether in or outside the

state. The deposit shall be held in the entity's name as evidenced by a trust receipt of the bank with which the securities are deposited.

Amended by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995;  
Acts 1997, 75th Leg., ch. 1423, Sec. 8.69, eff. Sept. 1, 1997.

**APPENDIX B**  
**COUNCIL RESOLUTION**  
**October 13 2021**

October 13, 2021

**WHEREAS**, in 1987 the City Council adopted the City's Investment Policy which was in compliance with the federal and state law and the City Charter; and

**WHEREAS**, in 1995 and 1997 through 2020, the City Council amended the City's Investment Policy to incorporate amendments to the Public Funds Investment Act, improve management of the City's investments and reflect organizational changes; and

**WHEREAS**, the Public Funds Investment Act requires that the investment shall be made in accordance with written policies approved, at least annually, by the governing body; and

**WHEREAS**, investment policies must address safety of principal, liquidity, yield, diversification and maturity, with primary emphasis on safety of principal.

**Now, Therefore,**

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

**SECTION 1.** That the attached City of Dallas Investment Policy and investment strategies have been reviewed by the City Council and shall be adopted as the guiding policy in the ongoing management of the specified funds in accordance with Federal and State law and the City Charter.

**SECTION 2.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

**File #:** 21-1439

**Item #:** 4.

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Department of Aviation

**EXECUTIVE:** Majed Al-Ghafry

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### **SUBJECT**

Authorize a Second Amendment to the concessionaire contract with Host International, Inc., a Dallas Love Field food and beverage concession, approved as to form by the City Attorney, in order to **(1)** exercise both one year renewal terms; and **(2)** add two extension years to the contract - Estimated Revenue: Aviation Fund \$1,657,000.00

### **BACKGROUND**

On March 7, 2015, City Council authorized a concession contract with Host International, Inc., a food and beverage concession contract for the construction, management, and operation of Cool River (C2125), La Madeleine (C2546), Paciugo/Auntie Anne's (C2321), Starbucks East (C2653), Starbucks West (C2452), and Chick-Fil-A (C2063) by Resolution No. 12-0706. The Contract's Primary Term commenced November 1, 2014 for all the units, with a Contract Primary Term expiration of October 31, 2021. In addition, based on the concession's excellent operation throughout the Primary Term, but especially during the COVID-19 pandemic when airline traffic was significantly reduced, with drastic staffing reductions and sales lost, concessionaire continued operations to service passengers and airport employees in a very trying climate, the Department of Aviation seeks **(1)** to exercise both one year renewal terms; and **(2)** add two extension years to the contract, allowing concessionaire to recover and re-establish a profitable position at Dallas Love Field.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On March 7, 2012, City Council authorized the food and beverage contract with Host International, Inc. by Resolution No. 12-0706.

On August 12, 2015, City Council authorized an amendment to allow street plus 10 percent pricing, \$10.37 per hour minimum wage rate and waived the shared costs provision for food court cleaning, third party inspection and deliveries and trash removal by Resolution No. 15-1335.

**FISCAL INFORMATION**

Estimated Revenue: Aviation Fund \$1,657,000.00

**OWNER**

**Host International, Inc.**

Anthony Alessi, Vice President, Business Development



October 13, 2021

**WHEREAS,** the City owns and operates a municipal airport, Dallas Love Field; and

**WHEREAS,** on March 7, 2012, City Council authorized a seven year and nine-year concession contract, with two one-year renewal options, for food and beverage services with Host International, Inc. at Dallas Love Field by Resolution No. 12-0706; and

**WHEREAS,** on August 12, 2015 City Council authorized the City Manager to execute the First Amendment to the Contract that allowed product pricing at street pricing plus ten percent, established a minimum wage of \$10.37 and removed the shared cost provision of the contract by Resolution No. 15-1335; and

**WHEREAS,** Host International, Inc. has been an excellent operator, especially during the COVID-19 pandemic when airline traffic was significantly reduced, with drastic staffing reductions and sales lost. Concessionaire continued operations to service passengers and airport employees in a very trying climate.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute a Second Amendment to the concessionaire contract with Host International, Inc., a Dallas Love Field food and beverage concession, approved as to form by the City Attorney, in order **(1)** to exercise both one-year renewal terms; and **(2)** to add two-year extension years to the contract.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to receive and deposit funds from the concessionaire Host International, Inc. in Aviation Fund, Fund 0130, Department AVI, Unit 7725, Revenue Code 7811, Vendor VS0000062156.

**SECTION 3.** That this contract is designated as Contract No. AVI-2021-00017148.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

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**File #:** 21-1444

**Item #:** 5.

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**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Department of Aviation

**EXECUTIVE:** Majed Al-Ghafry

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### **SUBJECT**

Authorize a Second Amendment to the concession contract with WDFG North America, LLC, a Dallas Love Field retail concessionaire contract to **(1)** exercise both one year Renewal Terms for D Magazine, Texas Monthly News and Creative Kidstuff; and **(2)** add two extension years to the contract - Estimated Revenue: Aviation Fund \$617,000.00

### **BACKGROUND**

On March 7, 2021 City Council authorized a concession contract with WDFG North America, LLC, for the construction, management, and operation of D Magazine (C2586), Texas Monthly News (L1009) and Creative Kidstuff (C2041A) by Resolution No. 12-0707. The Contract's Primary Term commenced November 1, 2014 for all three units, with a Contract Primary Term expiration of October 31, 2021. In addition, based on the concession's excellent operation throughout the Primary Term, but especially during the COVID-19 pandemic when airline traffic was significantly reduced, with drastic staffing reductions and sales lost, concessionaire continued operations to service passengers and airport employees in a very trying climate, the Department of Aviation seeks to exercise both one year renewal terms and add two extension years to the contract, allowing concessionaire to recover and re-establish a profitable position at Dallas Love Field.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On March 7, 2012, City Council authorized the retail contract with WDFG North America, LLC by Resolution No. 12-0707.

On August 12, 2015, City Council authorized an amendment to allow street plus 10 percent pricing, \$10.37 per hour minimum wage rate and waived the shared costs provision for food court cleaning, third party inspection and deliveries and trash removal by Resolution No. 15-1336.

**FISCAL INFORMATION**

Estimated Revenue: Aviation Fund \$617,000.00

**OWNER**

**WDFG North America, LLC**

Michael R. Mullaney, Executive Vice President

October 13, 2021

**WHEREAS,** the City owns and operates a municipal airport, Dallas Love Field; and

**WHEREAS,** on March 7, 2012, City Council authorized a seven year, with two one-year renewal options, for retail services with WDFG North America, LLC at Dallas Love Field by Resolution No. 12-0707; and

**WHEREAS,** on August 12, 2015, City Council authorized the City Manager, to execute the First Amendment to the contract that allowed product pricing at street pricing plus 10 percent established a minimum wage of \$10.37 and removed the shared cost provision of the contract; and

**WHEREAS,** World Duty Free Group, LLP has been an excellent operator, especially during the COVID-19 pandemic when airline traffic was significantly reduced, with drastic staffing reductions and sales lost. Concessionaire continued operations to service passengers and airport employees in a very trying climate.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute a second amendment to the WDFG North America, LLC retail concession contract at Dallas Love Field, approved as to form by the City Attorney to **(1)** exercise both one year renewal terms; and **(2)** to add two extension years to the contract.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to receive and deposit funds in an estimated revenue amount of \$617,000.00 from the concessionaire World Duty Group, LLP in the Aviation Fund, Fund 0130, Department AVI, Unit 7725, Revenue Code 7811, Vendor VC23768.

**SECTION 3.** That this contract is designated as Contract No. AVI-2021-00017091.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

**File #:** 21-1445

**Item #:** 6.

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Department of Aviation

**EXECUTIVE:** Majed Al-Ghafry

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### **SUBJECT**

Authorize a Third Amendment to the concession contract with Air Star-LTS/Marquis-DAL, LLC, a Dallas Love Field food and beverage concessionaire to **(1)** exercise both one year renewal terms for Chili's and **(2)** add two extension years to the contract - Estimated Revenue: Aviation Fund \$600,000.00

### **BACKGROUND**

On March 7, 2021, City Council authorized a concession contract with Air Star-LTS/Marquis-DAL, LLC, for a food and beverage concession contract for the construction, management, and operation of Chili's (C2396) by Resolution No. 12-0706. The Contract's Primary Term commenced November 1, 2014 for the unit, with a Contract Primary Term expiration of October 31, 2023 for Chili's. In addition, based on the concession's excellent operation throughout the Primary Term, but especially during the COVID-19 pandemic when airline traffic was significantly reduced, with drastic staffing reductions and sales lost, concessionaire continued operations to service passengers and airport employees in a very trying climate, the Department of Aviation seeks to exercise both one year renewal terms and add two extension years to the contract, allowing concessionaire to recover and re-establish a profitable position at Dallas Love Field.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On March 7, 2012, City Council authorized the food and beverage contract with Air Star Concession Ltd (formerly Dallas Love Field Joint Venture Ltd.) by Resolution No. 12-0706.

On August 12, 2015, City Council authorized Second Amendment to allow street plus 10% pricing, \$10.37 per hour minimum wage rate and waived the shared costs provision for food court cleaning, third party inspection and deliveries and trash removal by Resolution No. 15-1335.

On November 6, 2018, City Council authorized a First Amendment to add a non-contiguous patio to space C2396 to the Assigned Premises by Resolution No. 18-1484.

**FISCAL INFORMATION**

Estimated Revenue: Aviation Fund \$600,000.00

**OWNER**

**Air Star-LTS/Marquis-DAL, LLC**

Gilbert Aranza, President of the Managing Partner

October 13, 2021

**WHEREAS,** the City owns and operates a municipal airport, Dallas Love Field; and

**WHEREAS,** on March 7, 2012, City Council authorized a seven year and nine-year concession contract, with two one-year renewal options, for food and beverage services with Air Star-LTS/Marquis-DAL, LLC at Dallas Love Field by Resolution No. 12-0706; and

**WHEREAS,** on August 12, 2015, City Council authorized the City Manager, to execute the First Amendment to the Contract that allowed product pricing at street pricing plus ten percent 10 percent, established a minimum wage of \$10.37 and removed the shared cost provision of the Contract by Resolution No. 15-1335; and

**WHEREAS,** on October 24, 2018, City Council, authorized the City Manager to execute the Second Amendment to the Contract that added space #C2396, a bar with limited food service and a non-contiguous patio at Chili's by Resolution No. 18-1484 and

**WHEREAS,** Air Star-LTS/Marquis-DAL, LLC has been an excellent operator, especially during the COVID-19 pandemic when airline traffic was significantly reduced, with drastic staffing reductions and sales lost. Concessionaire continued operations to service passengers and airport employees in a very trying climate.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute a third amendment to the Air Star-LTS/Marquis-DAL, LLC food and beverage Concession Contract at Dallas Love Field, approved as to form by the City Attorney, in order **(1)** to exercise both one-year renewal terms; and **(2)** add two extension years to the contract.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to receive and deposit funds from the concessionaire in Aviation Fund, Fund 0130, Department AVI, Unit 7725, Revenue Code 7811, Vendor VS94541.

**SECTION 3.** That this contract is designated as Contract No. AVI-2018-00008179.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

**File #:** 21-1473

**Item #:** 7.

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Department of Aviation

**EXECUTIVE:** Majed Al-Ghafry

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### **SUBJECT**

Authorize a Third Amendment to the concession contract with Pop Four Love Field JV, LLC, a Dallas Love Field food and beverage concessionaire to add two-year extension to the contract - Estimated Revenue: Aviation Fund \$80,408.01

### **BACKGROUND**

On March 7, 2021, City Council authorized a concession contract with Pop Four Love Field JV, LLC, for a food and beverage concession contract for the construction, management, and operation of Cru Wine Bar (C2261) and Bruegger's Bagels (L1045) by Resolution No. 12-0706. The Contract's Primary Term commenced November 1, 2014 for both units, with a Contract Primary Term expiration of October 31, 2023. In addition, based on the concession's excellent operation throughout the Primary Term, but especially during the COVID-19 pandemic when airline traffic was significantly reduced, with drastic staffing reductions and sales lost, concessionaire continued operations to service passengers and airport employees in a very trying climate. The Department of Aviation seeks to add two extension years to the contract, allowing concessionaire to recover and re-establish a profitable position at Dallas Love Field.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On March 7, 2012, City Council authorized the food and beverage contract with Air Star Concession Ltd (formerly Dallas Love Field Joint Venture Ltd.) by Resolution No. 12-0706.

On August 12, 2015, City Council authorized an amendment to allow street plus ten percent pricing, \$10.37 per hour minimum wage rate and waived the shared costs provision for food court cleaning, third party inspection and deliveries and trash removal by Resolution No. 15-1335.

On June 26, 2019, City Council authorized an amendment to exercise both one-year renewal terms by Resolution No. 19-0978.



**FISCAL INFORMATION**

Estimated Revenue: Aviation Fund \$80,408.01

**OWNER**

**Pop Four Love Field JV, LLC**

Luis Ibarguengoytia, President/Chief Executive Officer

October 13, 2021

**WHEREAS,** the City owns and operates a municipal airport, Dallas Love Field; and

**WHEREAS,** on March 7, 2012, City Council authorized a seven year and nine-year concession contract, with two one-year renewal options, for food and beverage services with Pop Four Love Field JV, LLC at Dallas Love Field by Resolution No. 12-0706; and

**WHEREAS,** on August 12, 2015, City Council authorized the City Manager to execute the first amendment to the contract that allowed product pricing at street pricing plus 10 percent, established a minimum wage of \$10.37 and removed the shared cost provision of the contract by Resolution No. 15-1335; and

**WHEREAS,** on June 26, 2019, City Council authorized the City Manager to execute the Second Amendment to the contract that exercised both one-year renewal terms by Resolution No. 19-0978; and

**WHEREAS,** Pop Four Love Field JV, LLC has been an excellent operator, especially during the COVID-19 pandemic when airline traffic was significantly reduced, with drastic staffing reductions and sales lost. Concessionaire continued operations during the pandemic to service passengers and airport employees in a very trying climate; and

**WHEREAS,** for Pop Four Love Field JV, LLC to recover from the COVID-19 pandemic period and return to a profitable business concern, it is important to add a two-year extension term to the contract.

**Now, Therefore,**

## **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS**

**SECTION 1.** That the City Manager is hereby authorized to execute a Third Amendment to the concession contract with Pop Four Love Field JV, LLC food and beverage concessionaire at Dallas Love Field, approved as to form by the City Attorney, to add two-year extension to the contract.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to receive and deposit funds in an estimated revenue amount of \$80,408.01 from the concessionaire Pop Four Love Field JV, LLC in the Aviation Fund, Fund 0130, Department AVI, Unit 7725, Revenue Code 7811, Vendor VC23784.

**SECTION 3.** That this contract is designated as Contract No. AVI-2019-00010746.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas and it is accordingly so resolved.



## Agenda Information Sheet

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**File #:** 21-1836

**Item #:** 8.

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** 2  
**DEPARTMENT:** Department of Convention and Event Services  
**EXECUTIVE:** Joey Zapata

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### **SUBJECT**

An ordinance **(1)** designating a certain geographic area in the City of Dallas as "Project Financing Zone Number One, City of Dallas, Texas" and providing an expiration date for the zone; **(2)** making certain findings related thereto; **(3)** directing the City Manager to notify the Texas Comptroller of Public Accounts of the zone's creation within 30 days of its designation by City Council and request that the Comptroller deposit incremental hotel-associated tax revenues from the zone into a suspense account held in trust for the City of Dallas' financing of qualified project activities; **(4)** providing for notification to the Comptroller in the event that qualified project activities are abandoned or not commenced within five years of the initial deposit to the suspense account; and **(5)** containing other related matters - Estimated Revenue: Convention and Event Services Fund \$2,200,000,000.00 over 30 years

### **BACKGROUND**

The Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Master Plan is in the sixth month of an estimated nine-month development process. The master planning contract with WSP USA, Inc. (WSP) was approved by City Council Resolution No. 20-0245 on January 27, 2021, based on staff recommendation by the Department of Convention and Event Services (CES). WSP was selected through a dual Request for Qualifications/Request for Proposals process conducted in coordination with multiple stakeholders and 14 city departments, with the overall goal of procuring a firm that could develop an implementable plan to create a walkable Convention Center District that incorporates transportation and private development in a way that ensures that Dallas remains competitive in the tourism industry. The contract awarded under Resolution No. 20-0245 totaled \$4.89M. A supplemental agreement regarding the impacts of disposition increased that amount to \$4.95M as approved in August 2021.

The financing strategy developed for this planning process does not include or incorporate general fund dollars. The recommended strategy focuses on leveraging revenue bond capacity assured by local Hotel Occupancy Tax (HOT) generation, enacting an ordinance that results in the development of a Project Financing Zone (PFZ), and seeking a referendum for use of the Brimer Bill. Additional

analysis has been conducted on real estate disposition or long-term land leases. Each of these options have specific timeline goals that need to be met to assure the maximization of revenue and meet specific state requirements. To ensure that the City of Dallas meets these statutory requirements CES is bringing forward for City Council consideration the establishment of a PFZ zone.

The City of Dallas received statutory authority in September 2013 through an amendment to Section 351.1015 of the Texas Tax Code to designate a project financing zone for a period not-to-exceed 30 years which can collect the state increment of hotel associated revenue (HOT, state sales tax and mixed beverage taxes collected from hotels). The City of Dallas has 30 days after the designation of a PFZ through a City Council approved ordinance to notify the Texas Comptroller of Public Accounts of the designation. At that point, the state develops a trust fund wherein the increment is deposited. The City of Dallas has five years to begin the project and may continue to collect the increment for no longer than 30 years. Should the City of Dallas City Council later decide not to act upon the project, the trust will be dissolved and the state will recoup the funding. The portion of HOT allocated to the City will be pledged to outstanding bond debt and any State HOT increment used for this PFZ would be pledged first to this same outstanding bond debt and then to any additional bond capacity. The HOT allocations will undergo a final review by bond counsel at the time any issuance is considered.

#### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

The Transportation and Infrastructure Committee was briefed on the Kay Bailey Hutchison Convention Center Dallas Master Plan on December 8, 2020.

[City Council was briefed by memorandum regarding the Kay Bailey Hutchison Convention Center Dallas Master Plan on January 22, 2021.](#)

On January 27, 2021, City Council authorized the contract with WSP USA, Inc, by Resolution No. 20-0245.

[City Council was briefed by memorandum regarding progress to-date on the Kay Bailey Hutchison Convention Center Dallas Master Plan on August 13, 2021.](#)

City Council was briefed by memorandum regarding public input, outreach, and progress to-date on the Kay Bailey Hutchison Convention Center Dallas Master Plan on October 1, 2021.

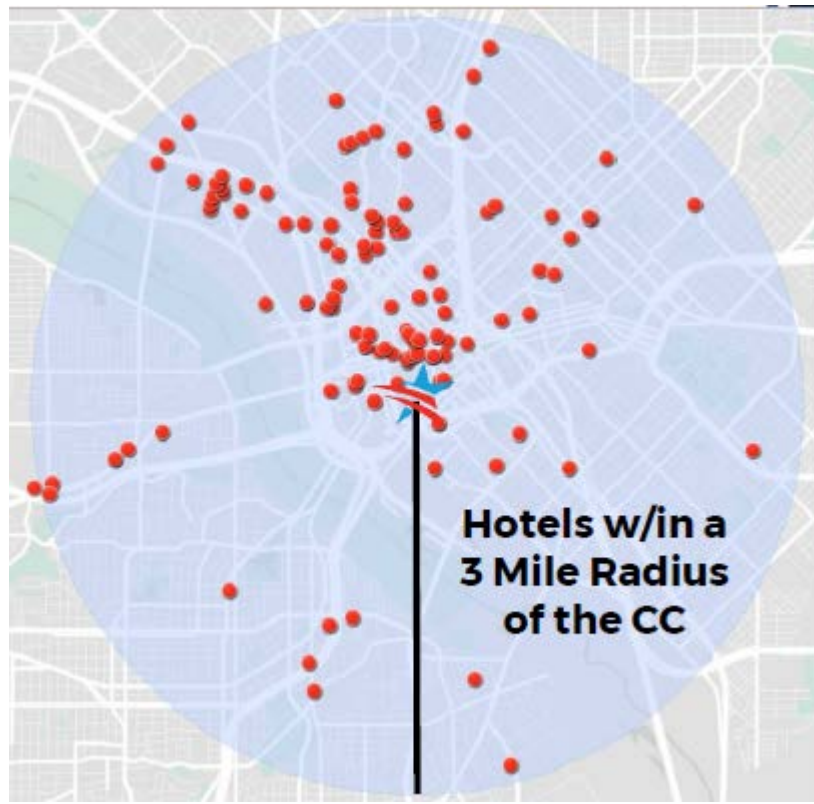
The Economic Development Committee was briefed on October 4, 2021 regarding the Kay Bailey Hutchison Convention Center Master Plan and the Project Financing Zone.

#### **FISCAL INFORMATION**

Estimated Revenue: Convention and Event Services Fund \$2,200,000,000.00 over 30 years

## MAP

Proposed 3 mile radius map for proposed Financing Zone number One City of Dallas



ORDINANCE NO. \_\_\_\_\_

An ordinance designating a certain geographic area in the City of Dallas as “Project Financing Zone Number One, City of Dallas, Texas” (“Zone”) and providing an expiration date for the Zone; making certain findings related thereto; directing that the Texas Comptroller of Public Accounts be notified of the Zone’s creation within thirty (30) days of its designation; requesting that the Texas Comptroller of Public Accounts deposit incremental hotel-associated tax revenues from the Zone into a suspense account held in trust for the City’s financing of qualified project activities; providing for notification to the Texas Comptroller of Public Accounts in the event that qualified project activities are abandoned or not commenced within five years of the initial deposit to the suspense account; and containing other related matters; providing a saving clause; providing a severability clause; and providing an effective date.

WHEREAS, the City of Dallas (the “City”) had a population of 1,304,379 persons according to the 2020 Census; and

WHEREAS, Section 351.106(c) of the Texas Tax Code applies to any municipality which (i) has a population of 1.18 million or more, (ii) is located predominately in a county that has a total area of less than 1,000 square miles, and (iii) has adopted a council-manager form of government; and

WHEREAS, the City of Dallas meets the population requirement and is the only such municipality in Texas that is located within a county of less than 1,000 square miles and has a city-manager form of government; and

WHEREAS, the applicability of Section 351.106(c) entitles the City of Dallas “to receive in the same manner all funds and revenue that a municipality to which Section 351.1015 applies”

and “may pledge the funds and revenue for the payment of obligations incurred for the construction of qualified projects authorized under that section”; and

WHEREAS, Section 351.1015 of the Texas Tax Code permits a qualifying municipality to pledge incremental hotel-associated revenue generated within a designated Project Financing Zone for the financing of costs associated with the payment of bonds or other obligations issued or incurred to acquire, lease, construct, improve, enlarge, and equip a qualified project located in the zone; and

WHEREAS, as authorized by Section 351.1015 of the Texas Tax Code, the Kay Bailey Hutchison Convention Center Dallas, located at 650 South Griffin, Dallas, Texas 75202, is a “qualified project” under Section 351.1015(a)(5) of the Texas Tax Code (the “Qualified Project”);

WHEREAS, as authorized by Section 351.1015 of the Texas Tax Code, the City of Dallas, Dallas City Council wishes to designate an area of the City that is within a three-mile radius of the center of the Qualified Project as a project financing zone in order to assist in the financing of costs associated with the payment of bonds or other obligations issued or incurred to acquire, lease, construct, improve, enlarge, and equip the Qualified Project;

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS:**

SECTION 1. That the City Council hereby designates the area depicted in the map attached hereto as Exhibit A, which is hereby made a part of this Ordinance for all purposes, as a project financing zone pursuant to and in accordance with Section 351.1015 of the Texas Tax Code. This project financing zone shall be known as “Project Financing Zone Number One, City of Dallas, Texas” (the “Zone”). The Zone shall expire on the thirtieth (30th) anniversary of the effective date of this Ordinance or, so long as there are no outstanding Qualified Project Activities existing at

the time, an earlier expiration date designated by an ordinance adopted by the City Council after the effective date of this Ordinance.

SECTION 2. That after reviewing all information before it regarding the establishment of the Zone, the City Council hereby makes the following determinations and findings of fact:

- 2.1. The statements and facts set forth in the recitals of this Ordinance are true and correct.
- 2.2. The Qualified Project constitutes a “qualified project,” as such term is defined in Section 351.1015(a)(5) of the Texas Tax Code.
- 2.3. The latitude and longitude of the center of the Qualified Project is as follows:  
  
Kay Bailey Hutchison Convention Center Dallas, 650 South Griffin Street:  
Latitude: 32 46’ 29.15 N; Longitude -96° 47’ 54.56 W
- 2.4. The boundaries of the Zone encompass an area that is within a three-mile radius of the center of the Qualified Project.

SECTION 3. That the City Council hereby directs the City Manager to notify the Texas Comptroller of Public Accounts (the “Comptroller”) of the designation of the Zone within thirty (30) calendar days of the date of adoption of this Ordinance and to request the Comptroller (i) to deposit incremental hotel-associated revenue collected by the Comptroller into a suspense account (the “Suspense Account”) pursuant to the terms and conditions of Section 351.1015 of the Texas Tax Code and (ii) to notify the City in writing of the date of the first deposit into the Suspense Account. In addition, the City Manager is hereby directed to notify the Comptroller in the event that Qualified Project Activities are abandoned or if Qualified Project Activities are not commenced within five (5) years of the date of the Comptroller’s first deposit to the Suspense Account.



SECTION 4. That the ordinances of the City of Dallas shall remain in full force and effect, save and except as amended by this ordinance.

SECTION 5. That any act done or right vested or accrued, or any proceeding, suit, or prosecution had or commenced in any action before the amendment or repeal of any ordinance, or part thereof, shall not be affected or impaired by amendment or repeal of any ordinance, or part thereof, and shall be treated as still remaining in full force and effect for all intents and purposes as if the amended or repealed ordinance, or part thereof, had remained in force.

SECTION 6. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

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

APPROVED AS TO FORM:

CHRISTOPHER J. CASO, City Attorney

By: \_\_\_\_\_  
Assistant City Attorney

Passed: \_\_\_\_\_



## Agenda Information Sheet

**File #:** 21-1837

**Item #:** 9.

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Department of Convention and Event Services

**EXECUTIVE:** Joey Zapata

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### **SUBJECT**

An ordinance amending Chapter 42A, "Special Events; Neighborhood Markets; Dallas Farmers Market Farmers Market; Streetlight Pole Banners," of the Dallas City Code by amending Section 42A-12 to **(1)** provide an extension of the temporary parklet program; **(2)** providing a penalty not to exceed \$500.00; **(3)** providing a savings clause; **(4)** providing a severability clause; and **(5)** providing an effective date - Revenue Forgone: Convention and Event Services Fund \$15,000.00 over two months (see Fiscal Information)

### **BACKGROUND**

The COVID-19 Economic Recovery and Assistance Ad Hoc Committee authorized the temporary parklet program in response to the impacts of COVID-19 to permit the activation of on-street parking or sidewalk areas into additional seating or service areas in an effort to assist local businesses with their economic recovery.

The temporary parklet program launched Monday, May 18, 2020 with fourteen temporary parklets currently operating throughout the city. City Council approved amendments to the Special Events Ordinance - Chapter 42A on June 24, 2020, by Ordinance No. 31577 to allow for temporary parklet permitting through December 31, 2020 with all extension fees waived. Again, on December 9, 2020, City Council authorized Ordinance No. 31708 to allow for temporary parklet permitting through April 30, 2021 with all extension fees waived. Concurrently, City Council approved amendments to Chapter 42A to create the "Dallas Street Seats" program which allow permitting for a more permanent seating structure on public right-of-way through July 2022.

On April 28, 2021, City Council authorized an additional extension allowing temporary parklets to remain in place through September 30, 2021, by Ordinance No. 31841.

Given that restaurants still face economic challenges related to COVID-19 variants that may financially delay their ability to transition into Street Seats, staff is requesting City Council approval of an additional amendment to Chapter 42A which extends the temporary parklet program through

November 30, 2021. The ordinance amendment will require updated property authorizations from each existing applicant.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

The Quality of Life, Arts and Culture Committee was briefed on CES-OSE permitting authority and functions, known challenges, planned operational improvements and process enhancements on April 9, 2018.

The Quality of Life, Arts and Culture Committee was briefed on proposed updates to the special events ordinance on November 26, 2018.

The Quality of Life, Arts and Culture Committee was briefed on proposed changes to permitting for special events on February 11, 2019.

On February 27, 2019, consideration on proposed amendments to Chapter 42A was deferred by Councilmember Sandy Greyson.

On March 27, 2019, City Council adopted proposed amendments to Chapter 42A, by Ordinance No. 31144.

The Quality of Life, Arts and Culture Committee was briefed on the implementation of Chapter 42A and High Impact Areas on December 3, 2019.

The COVID-19 Economic Recovery and Assistance Ad Hoc Committee was briefed regarding CES-OSE permitting temporary parklets through the special event permitting process and requirements on May 12, 2020.

[The Transportation and Infrastructure Committee was briefed by memorandum regarding proposed amendments to the Special Events Ordinance - Chapter 42A on June 15, 2020.](#)

On June 24, 2020, City Council authorized amendments to the Special Events Ordinance - Chapter 42A to allow for temporary parklet permitting through December 31, 2020, with all extension fees waived by Ordinance No. 31577.

The COVID-19 Economic Recovery and Assistance Ad Hoc Committee was briefed regarding available CARES Act Funding earmarked for parklets on October 1, 2020.

On October 28, 2020, City Council authorized the allocation of Cares Act funding for temporary parklet program approved applicants under the Temporary Parklet Program by Resolution No. 20-1729.

[The Transportation and Infrastructure Committee was briefed by memorandum regarding the proposed extension of the Temporary Parklet Program to April 30, 2021 on November 16, 2020.](#)

On December 9, 2020, City Council authorized amendments to the Special Events Ordinance - Chapter 42A to create the new "Street Seats" program and allow for temporary parklet permitting through April 30, 2021, with all extension fees waived by Ordinance No. 31708.

[The Transportation and Infrastructure Committee was briefed by memorandum regarding the proposed extension of the Temporary Parklet Program to September 30, 2021 on April 19, 2021.](#)

On April 28, 2021, City Council authorized amendments to the Special Events Ordinance - Chapter 42A to allow temporary parklet permitting through September 30, 2021; with all extension fees waived by Ordinance No. 31841.

[City Council was briefed by memorandum regarding this matter on September 17, 2021.](#)

### **FISCAL INFORMATION**

Estimated Revenue Forgone: Convention and Event Services Fund \$15,000.00. Permit extension fees are waived.

ORDINANCE NO. \_\_\_\_\_

An ordinance amending Chapter 42A, “Special Events; Neighborhood Markets; Dallas Farmers Market Farmers Market; Streetlight Pole Banners,” of the Dallas City Code by amending Section 42A-12; providing an extension of the temporary parklet program; providing a penalty not to exceed \$500; providing a saving clause; providing a severability clause; and providing an effective date.

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

SECTION 1. That Subsection (j) of Section 42A-12, “Application; Issuance,” of Article II, “Special Event Permits,” of Chapter 42A, “Special Events; Neighborhood Markets; Dallas Farmers Market Farmers Market; Streetlight Pole Banners,” of the Dallas City Code is amended to read as follows:

“(j) After reviewing and confirming all permit requirements have been met, the director shall issue the special event permit unless denial or revocation is required by Section 42A-20. Except as provided in this subsection, a special event permit will be issued for a period not to exceed 10 consecutive days. A special event permit for a city-sponsored event on city hall plaza will be issued for a period not to exceed 30 consecutive days. Except as provided in this subsection, a special event permit may be extended for additional consecutive 10-day periods not to exceed 60 days in a calendar year. Except as provided in this subsection, all applicable fees must be paid for any permit extensions. A special event permit issued under the temporary parklet program may be extended for additional consecutive 10-day periods until November [~~September~~] 30, 2021. No fees are required for extension of a special event permit issued under the temporary parklet program.”

SECTION 2. That Subsection (l) of Section 42A-12, “Application; Issuance,” of Article II, “Special Event Permits,” of Chapter 42A, “Special Events; Neighborhood Markets; Dallas Farmers Market Farmers Market; Streetlight Pole Banners,” of the Dallas City Code is amended to read as follows:

“(l) Special event permits issued under the temporary parklet program may not be extended beyond November [~~September~~] 30, 2021.”

SECTION 3. That a person violating a provision of this ordinance, upon conviction, is punishable by a fine not to exceed \$500.

SECTION 4. That Chapter 42A of the Dallas City Code shall remain in full force and effect, save and except as amended by this ordinance.

SECTION 5. That any act done or right vested or accrued, or any proceeding, suit, or prosecution had or commenced in any action before the amendment or repeal of any ordinance, or part thereof, shall not be affected or impaired by amendment or repeal of any ordinance, or part thereof, and shall be treated as still remaining in full force and effect for all intents and purposes as if the amended or repealed ordinance, or part thereof, had remained in force.

SECTION 6. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

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

APPROVED AS TO FORM:

CHRISTOPHER J. CASO, City Attorney

By \_\_\_\_\_  
Assistant City Attorney

Passed \_\_\_\_\_



# City of Dallas

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

## Agenda Information Sheet

**File #:** 21-1642

**Item #:** 10.

**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Department of Dallas Animal Services  
**EXECUTIVE:** Joey Zapata

### **SUBJECT**

Authorize the **(1)** acceptance of a grant from Bissell Pet Foundation for Empty the Shelters in the amount of \$3,850.00, to be used as partial reimbursement for the adoption prep of each animal adopted during the Empty the Shelters event during the period of August 16, 2021 through August 22, 2021; **(2)** establishment of appropriations in an amount not to exceed \$3,850.00 in the Bissell Pet Foundation August 21 Empty the Shelters Fund; and **(3)** receipt and deposit of funds in an amount not to exceed \$3,850.00 in the Bissell Pet Foundation August 21 Empty the Shelters Fund - Not to exceed \$3,850.00 - Financing: Bissell Pet Foundation Grant Funds

### **BACKGROUND**

This action will authorize an Empty the Shelters Grant Acceptance Agreement between Bissell Pet Foundation and the City of Dallas, Dallas Animal Services for the reimbursement of a portion of the cost for preparing animals for adoption during their Empty the Shelter event. The event is traditionally held across the country within animal shelters on the same day and promoted by Bissell Pet Foundation.

Bissell Pet Foundation helped to promote the event and drive adoptions at participating shelters and is providing funding to help cover a portion of the care and medical costs to make the adopted animals ready for their new homes.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

### **FISCAL INFORMATION**

| Fund                               | FY 2021    | FY 2022 | Future Years |
|------------------------------------|------------|---------|--------------|
| Bissell Pet Foundation Grant Funds | \$3,850.00 | \$0.00  | \$0.00       |

October 13, 2021

**WHEREAS**, Dallas Animal Services has identified expenses related to the Empty the Shelter event sponsored by Bissell Pet Foundation; and

**WHEREAS**, it is now recommended that the City Manager be authorized to accept a grant from Bissell Pet Foundation to be used for partial reimbursement for the adoption prep of each animal adopted during the Empty the Shelters event for the period of August 16, 2021 through August 22, 2021, in the amount of \$3,850.00.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to accept a grant from Bissell Pet Foundation in the amount of \$3,850.00, to be used for partial reimbursement in the adoption prep of each animal adopted during the Empty the Shelters event for the period of August 16, 2021 through August 22, 2021, approved as to form by the City Attorney.

**SECTION 2.** That the City Manager is hereby authorized to establish appropriations in an amount not to exceed \$3,850.00 in the Bissell Pet Foundation August 21 Empty the Shelters Fund, Fund P157, Department DAS, Unit 237C, Object 2280.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to receive and deposit grant funds in an amount not to exceed \$3,850.00 in the Bissell Pet Foundation August 21 Empty the Shelters Fund, Fund P157, Department DAS, Unit 237C, Revenue Code 8411.

**SECTION 4.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$3,850.00 from the Bissell Pet Foundation August 21 Empty the Shelters Fund, Fund P157, Department DAS, Unit 237C, Object 2280.

**SECTION 5.** That the City Manager is hereby authorized to reimburse to the granting agency any expenditure identified as ineligible. The City Manager shall notify the appropriate City Council Committee of expenditures identified as ineligible not later than 30 days after the reimbursement.

**SECTION 6.** That the City Manager shall keep the appropriate City Council Committee informed of all final Bissell Pet Foundation monitoring reports not later than 30 days after the receipt of the report.

**SECTION 7.** That this contract is designated as Contract No. DAS-2021-00017399.

**SECTION 8.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





## Agenda Information Sheet

**File #:** 21-1360

**Item #:** 11.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** 6  
**DEPARTMENT:** Department of Housing & Neighborhood Revitalization  
**EXECUTIVE:** Dr. Eric A. Johnson

### **SUBJECT**

Authorize **(1)** a conditional grant agreement with Dallas City Homes, Inc. and/or its affiliates for the purchase and installation of solar panels for the multifamily development to be located at 3115 Topeka Avenue, Dallas, Texas 75212 in the amount of \$300,000.00; and **(2)** a HOME Investment Partnership loan agreement in an amount not to exceed \$2,085,504.00 for the construction of affordable housing for the new Construction and Substantial Rehabilitation Program - Not to exceed \$2,385,504.00 - Financing: HOME Investment Partnerships Grant Fund (\$2,085,504.00) and General Fund (\$300,000.00)

### **BACKGROUND**

The Department of Housing and Neighborhood Revitalization (Housing) administers programs to seek 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 the Notice of Funding Availability (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.

On November 6, 2020, Dallas City Homes, Inc. (Dallas City Homes) submitted a NOFA application request funding in the amount of \$4.3 million for the Armonia Apartments ("Project"), a 15-unit multifamily development located at 3115 Topeka Avenue in the La Bajada/Trinity Groves submarket of West Dallas (Development). The Development will consist of approximately 16,000 square feet distributed over 3 stories of rentable living space. The unit mix will include 10 1-bedroom apartments and five 2-bedroom apartments. The Development will include 20 on-site parking spaces.

The Armonia Apartments will be Phase I of a planned, multi-phased, mixed-use project located on the site. The subsequent phases of the project to include a community center and park/urban garden spaces.

The project site is approximately 32,208 square feet and appropriately zoned for both multifamily housing and a community center. As such, the project requires no further zoning changes. The project's location places it squarely in the West Dallas Reinvestment Strategy Area outlined in the Comprehensive Housing Policy.

The Dallas City Homes application received a fundable score of 100.00 points. Financing of the project is limited to HOME funds due to the eligibility guidelines surrounding available development funds advertised in the NOFA. While Dallas City Homes initially requested \$4,300,000.00 in NOFA funds, third-party underwriting recommended and confirmed a financial gap in the amount of \$2,085,000.00.

In addition to developing and preserving affordable housing, an integral part of Dallas City Homes' mission is the provision of youth and adult services through the organization's community programming network. Those services include but are not limited to the following:

- On-site academic support and skills curricula
- Arts and crafts
- Enrichment activities/programming of public spaces
- Resident breakfasts to encourage fellowship within the communities Dallas City Homes serves
- Senior luncheons and programming

Additionally, Dallas City Homes will receive \$300,000.00 in funding from the General Fund to provide solar panels for the building. The grant will be forgivable at the end of the term of the agreement. This initiative contributes to the City of Dallas' goal to develop sustainable and environmentally friendly housing in the city as outlined in the Comprehensive Housing Policy's *New Construction and Substantial Rehabilitation Program*.

As proposed, the permanent financing for the project is as follows:

| <u>Financing Sources</u>         | <u>Amount</u>         |
|----------------------------------|-----------------------|
| City of Dallas NOFA - HOME Funds | \$2,085,504.00        |
| City of Dallas General Fund      | \$ 300,000.00         |
| Owner Equity                     | \$ 248,000.00         |
| Construction Loan                | \$1,784,496.00        |
| Philanthropic Funds/Investors    | \$ 174,000.00         |
| Deferred Developer Fees          | <u>\$ 100,000.00</u>  |
| <b>Total</b>                     | <b>\$4,692,000.00</b> |

Investment in the Project is estimated to exceed \$4,600,000.00 with each City dollar leveraging a minimum of \$1.00 in private investment. Approval of this project will help the City meet its affordable housing production goals under the Comprehensive Housing Policy.

Since 1989, Dallas City Homes has acquired, renovated, and developed over 2,400 units of affordable apartments. Additionally, Dallas City Homes has developed and sold over 350 single-family homes in the City of Dallas.

Prior developments by Dallas City Homes include (1) 711 Beckley (2019): a mixed-use apartment building with 2,000 square feet of office space; and (2) Jubilee Park Scattered Site single-family project (2012): five for-sale homes sold to income-eligible homeowners.

City Council's approval of this item will authorize the City Manager to execute a conditional grant agreement, a HOME development loan agreement, and any other necessary documents to complete the development. Staff recommend Council approval of this development in order to advance the goals of the Comprehensive Housing Policy.

### **ESTIMATED SCHEDULE OF PROJECT**

Construction Commence November 2021  
Construction Completion March 2023

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On May 9, 2018, City Council adopted a CHP that set citywide production goals for homeownership and rental units for the next three years along with respective income bands that will be prioritized within the production goals and also set forth various programs, tools and strategies to be used to meet the production goals while also overcoming concentrations of poverty and racial segregation by Resolution No. 18-0704.

[The Housing and Homelessness Solutions Committee was briefed regarding this matter on September 23, 2021.](#)

### **FISCAL INFORMATION**

| Fund                                     | FY 2022        | FY 2023 | Future Years |
|--|----------------|---------|--------------|
| HOME Investment Partnerships Grant Funds | \$2,085,504.00 | \$0.00  | \$0.00       |
| General Funds                            | \$ 300,000.00  | \$0.00  | \$0.00       |
| Total                                    | \$2,385,504.00 | \$0.00  | \$0.00       |

### **M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| <b>Contract Amount</b>                | <b>Category</b> | <b>M/WBE Goal</b> | <b>M/WBE %</b> | <b>M/WBE \$</b> |
|---------------------------------------|-----------------|-------------------|----------------|-----------------|
| \$2,085,504.00                        | Construction    | 32.00%            | 32.00%         | \$667,361.28    |
| • This contract meets the M/WBE goal. |                 |                   |                |                 |

**OWNER**

**Dallas City Homes, Inc.**

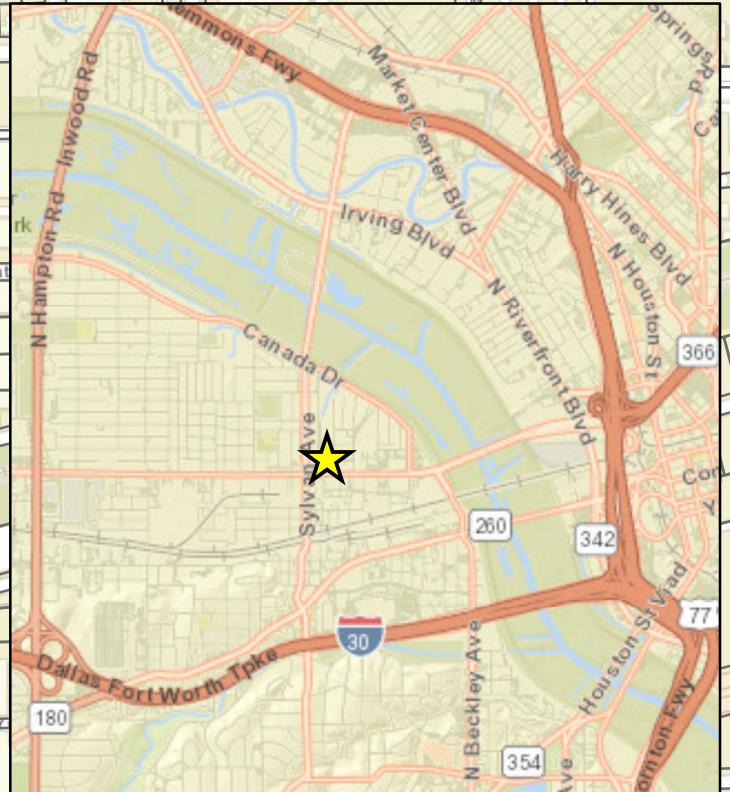
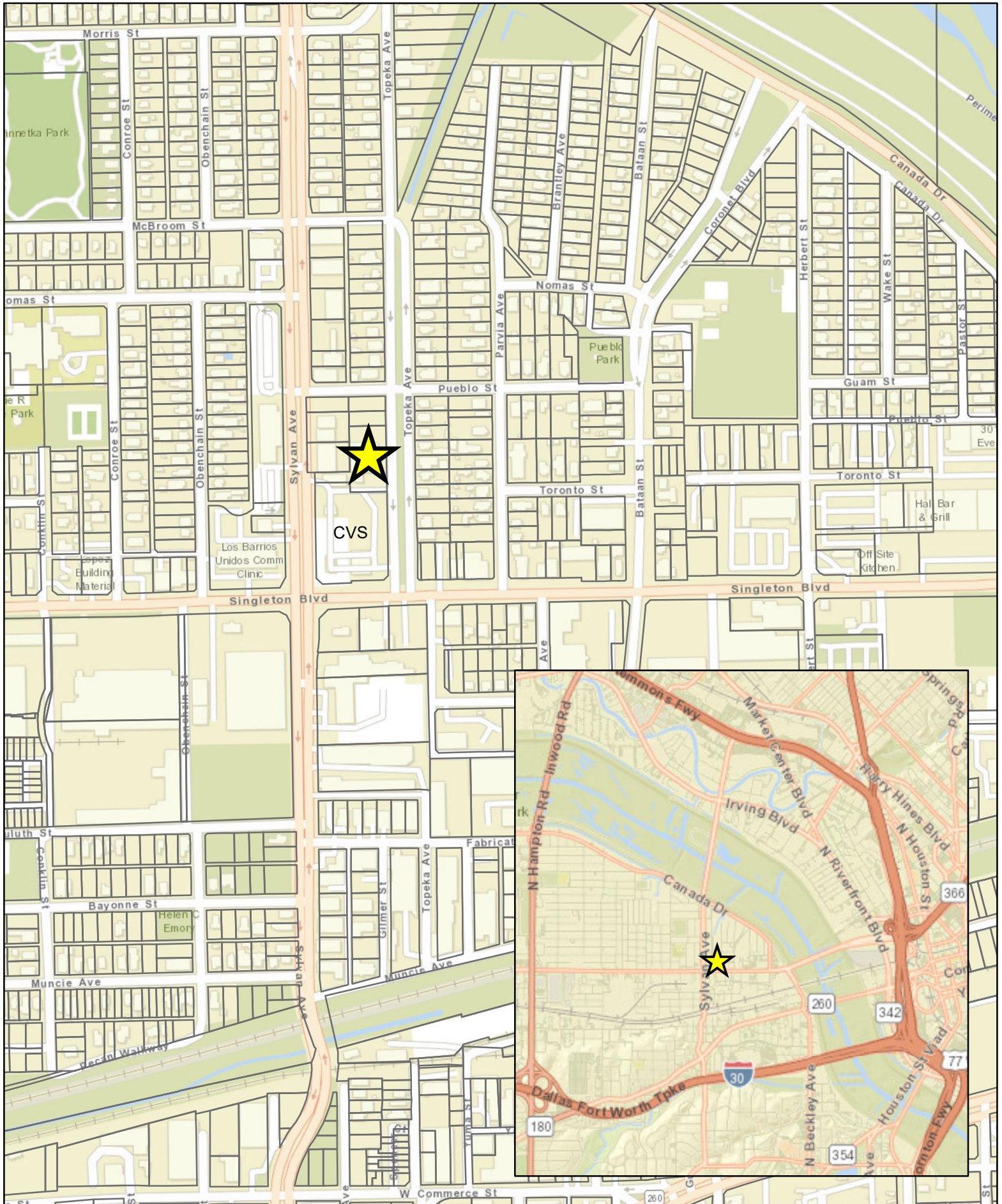
Jason Brown, President

**MAP**

Attached



# Dallas City Homes Development



October 13, 2021

**WHEREAS**, on May 9, 2018, City Council adopted a Comprehensive Housing Policy (CHP) that set citywide production goals for homeownership and rental units for the next three years along with respective income bands that will be prioritized within the production goals and also set forth various programs, tools and strategies to be used to meet the production goals while also overcoming concentrations of poverty and racial segregation by Resolution No. 18-0704; and

**WHEREAS**, on November 28, 2018, City Council authorized amendments to the CHP to make technical changes to the Home Improvement and Preservation Program, the Dallas Homebuyer Assistance Program, and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680; and

**WHEREAS**, on August 7, 2020, the City issued a Notice of Funding Availability, as amended in accordance with the CHP and Dallas City Homes, Inc. submitted an application that received a fundable score and passed a preliminary underwriting review for the Dallas City Homes, Inc. – Armonia Apartments (Project); and

**WHEREAS**, on September 23, 2021, the Housing and Homelessness Committee was briefed regarding this item; and

**WHEREAS**, to assist in the affordable housing production goals established in the CHP, the City desires to enter into a development loan agreement with Dallas City Homes, Inc. and/or its affiliates in an amount not to exceed \$2,085,504.00 in HOME funding for the development of the Armonia Apartments and a conditional grant agreement in an amount not to exceed \$300,000.00 in general funds to install solar panels on the Project.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute the following agreements with Dallas City Homes, Inc. and/or affiliates (“Developer”): **(1)** a conditional grant agreement in the amount of \$300,000.00 in General Funds for the purchase and installation of solar panels for the multifamily development to be located at 3115 Topeka Avenue, Dallas Texas 75212 (“Property”); and **(2)** a HOME Investment Partnership (HOME) loan agreement in an amount not to exceed \$2,085,504.00 for the construction of affordable housing on the Property, which will provide 11 HOME-funded units of housing for persons at or below 80 percent of the area median income (AMI) for a minimum of 20 years, and 4 market-rate units, pursuant to the City’s New Construction and Substantial Rehabilitation Program, approved as to form by the City Attorney.

October 13, 2021

**SECTION 2.** That the terms of the loan agreement shall include, but are not limited to the following terms:

1. For the conditional grant ("Grant"), \$300,000.00 in General Funds shall be used for the purchase and installation of solar panels for the Project, which will be forgiven at the end of the Term, subject to compliance with the terms and conditions of the agreements;
2. The HOME loan "(Loan)" will be used for hard and soft constructions costs, in accordance with the CHP and regulations. All funds will be provided on a reimbursable basis;
3. The term of the Loan and the Grant agreement is 35 years beginning from the effective date of the agreement ("Term");
4. The Term ends on the maturity date, to be defined in the loan agreement and other financing documents for the loan, in accordance with the CHP;
5. Complete construction of the 15 units within 2 years of the effective date of the agreement, which may be extended by the Director of the Department of Housing and Neighborhood Revitalization (Director) for up to two years (unless prohibited by the applicable regulations or the CHP);
6. 11 of the 15 units shall be rented to households earning at or below 80 percent AMI;
7. The development shall consist of approximately 16,000 square feet distributed over 3 stories of rentable living space. The unit mix will include 10 1-bedroom apartments and 5 2-bedroom apartments. The requirements of this subsection may be modified by the Director;
8. Loan amortization is 35 years, with an interest rate of 1 percent simple annual interest;
9. Developer must execute a promissory note for the total Loan and Grant amount;
10. Developer shall execute and record deed restrictions on the property. The deed restrictions may be recorded senior to other financing documents such that the HOME covenant is not extinguished in the case of foreclosure by a senior lender and shall be recorded to secure the 20-year affordability period for the affordable HOME units, which shall also include a 15-year voucher period for the voucher units, which are subject to the requirements of Chapter 20A of the Dallas City Code and the CHP.

**SECTION 2.** (continued)

11. Developer shall execute and record a deed of trust on the property, including the leasehold and all improvements to secure payment and performance which will be released once all terms and conditions of the Loan and Grant are met. Developer shall execute one deed of trust for the total Loan and Grant amount. The City shall maintain a first or second lien position. The lien will run concurrently with the lien associated with the Loan and Grant, and will be released upon satisfaction of the obligations detailed herein and in the agreements (subject to the City's review and approval).
12. The City's lien for loan agreements may be subordinate to a financial institution's lien, subject to the requirements of the CHP. In the event subordination agreements are required, the City agrees to provide the subordination document in a form acceptable to the City.
13. Developer must provide payment and performance bonds or guarantees, or acceptable equivalent methods of guarantees to the City in the total amount of the construction of the development.
14. Repayment of HOME loan principal and interest should be an annual surplus cash payment. The City's surplus cash loans funding will be structured with the note provisions requiring that at least 50 percent of Eligible Cash, as defined in the CHP, in excess of \$50,000.00 be paid annually to the subordinate lenders on a prorated basis. The Grant is forgivable at the end of the Term.
15. The HOME Loan and Grant shall be a nonrecourse and the City's remedies is limited to foreclosure only, in the event of an uncured default.
16. Although the Term, the maturity date, and the amortization are anticipated to be for a period of 35 years, the Director may adjust the terms so that it is coterminous with the lender.

The HOME loan agreement is conditioned upon:

1. Approval of construction and permanent financing documentation in a form acceptable to the City;
2. The United States Department of Housing and Urban Development federal requirements including environmental review, site and neighborhood standards, cost reasonableness, subsidy layering, and underwriting;



**SECTION 2.** (continued)

3. Dallas City Homes, Inc. shall make a good faith effort to comply with the City's Business Inclusion and Development goal of 32 percent participation by certified Minority/Women-owned Business Enterprises for all hard construction expenditures of the Development (i.e. public and private improvements) and meet all reporting requirements of the City of Dallas Office of Economic Development Business Workforce and Inclusion Division;
4. All conditions listed in the CHP for developer programs;
5. Final underwriting; and
6. Closing on all other financing for the development.

**SECTION 3.** That the City Manager is hereby authorized to appropriate an amount not to exceed \$300,000.00 in the General Fund, Fund 0001, Department MGT, Unit 5602, Object 3016.

**SECTION 4.** That the Chief Financial Officer is hereby authorized to encumber funds and disburse funds to Developer as the City receives and reviews reimbursement requests and related supporting documentation submitted by Developer, for eligible expenditures and accepts supporting evidence as defined in the agreement for the total amount not to exceed \$2,085,504.00 from HOME Investment Partnerships Grant Fund, Fund HM21, Department HOU, Unit 520F, Object 3015, Encumbrance/Contract No. HOU-2021-00017747, Vendor 261438.

**SECTION 5.** That the Chief Financial Officer is hereby authorized to record notes receivable – developers loan in Balance Sheet Account 033F and deferred revenue in Balance Sheet Account 0859 for the HOME fund for the amount of the loan in Section 3.

**SECTION 6.** That the Chief Financial Officer is hereby authorized upon receipt of payment on the notes receivable to record principal payment revenue in Housing Home Program Inc Hmpi Fund, Fund HMPI, Department HOU, Unit 6317, Revenue Code 8520 and interest payment revenue in Fund HMPI, Department HOU, Unit 6317, Revenue Code 8521.

**SECTION 7.** That this resolution does not constitute a binding agreement upon the City or subject the City to any liability or obligation with respect to this transaction, until such a time as the documents are duly approved by all parties and executed.

**SECTION 8.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

**File #:** 21-1631

**Item #:** 12.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Department of Housing & Neighborhood Revitalization  
**EXECUTIVE:** Dr. Eric A. Johnson

### **SUBJECT**

Authorize a **(1)** preliminary adoption of Substantial Amendment No. 1 to the FY 2021-22 Action Plan for the HOME Investment Partnerships Program (HOME) to **(a)** reallocate \$976,042.15 in HOME funds balance for Tenant-Based Rental Assistance Program (TBRA) to Housing Development Program; **(b)** reduce the unit production anticipated from 150 units to 108 for TBRA; and **(c)** increase the Development Loan Program production from 32 to 47; and **(2)** a public hearing to be held on December 8, 2021, to receive comments on Substantial Amendment No. 1 to the FY 2021-22 Action Plan for HOME - Financing: No cost consideration to the City

### **BACKGROUND**

The Department of Housing & Neighborhood Revitalization requests to revise the FY 2021-22 Action Plan, Tenant-Based Rental Assistance Program (TBRA) and Housing Development Loan Program, to allow timely commitment and expenditure of unused HOME TBRA funds for new development activities. The TBRA Program is managed by the Office of Community Care and has received other less restrictive funds that will assist households with rental and other services as needed.

Annually, the City submits an Action Plan to U.S. Department of Housing and Urban Development (HUD) that includes the Community Development Block Grant, HOME Investment Partnerships Program Grant (HOME), Emergency Solutions Grant, and Housing Opportunities for Persons with AIDS Grant. The Action Plan provides a detailed description of programs and services to be undertaken with the grant funds over the twelve-month period of October 1, 2021 through September 30, 2022 to address priority needs in the community designed to improve Dallas residents' quality of life for low- and moderate-income persons.

Federal regulations and the City's Citizen Participation Plan require a public hearing to authorize a substantial amendment and require that a public hearing be held with not less than a 30-day public review and comment period to allow for public comments and input with respect to any substantial amendment.

This action authorizes a **(1)** preliminary adoption of Substantial Amendment No.1 to the FY 2021-22 Action Plan for the HOME to **(a)** reallocate \$976,042.15 in HOME funds balance for the TBRA to Housing Development Program; **(b)** reduce the unit production anticipated from 150 units to 108 for TBRA; and **(c)** increase the Development Loan Program production from 32 to 47; and **(2)** a public hearing to be held on December 8, 2021, to receive comments on Substantial Amendment No. 1 to the FY 2021-22 Action Plan for HOME.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 09, 2021, the Dallas City Council approved FY2021-22 HUD Consolidated Plan Budget by Resolution No. 21-0974.

[The Housing and Homelessness Solutions Committee was briefed by memorandum regarding this matter on September 23, 2021.](#)

**FISCAL INFORMATION**

No cost consideration to the City.

October 13, 2021

**WHEREAS**, on June 9, 2021, the Dallas City Council approved FY2021-22 HUD Consolidated Plan Budget by Resolution No. 21-0974; and

**WHEREAS**, on September 23, 2021, the Housing and Homelessness Solutions Committee was briefed by memorandum regarding this item; and

**WHEREAS**, the Department of Housing & Neighborhood Revitalization (Housing) desires to use HOME Investment Partnerships Program (HOME) funds in a timely manner to provide to developers for construction of new affordable housing.

**Now, Therefore,**

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

**SECTION 1.** That the City Council hereby authorized **(1)** preliminary adoption of Substantial Amendment No. 1 to the FY 2021-22 Action Plan for the HOME Investment Partnerships Program (HOME) be and hereby is, authorized to, **(a)** reallocate \$976,042.15 in HOME funds balance for Tenant-Based Rental Assistance Program (TBRA) to Housing Development Program; **(b)** reduce the unit production anticipated from 150 units to 108 for TBRA; and **(c)** increase the Development Loan Program production from 32 to 47; and **(2)** that a public hearing be held on December 8, 2021 before the Dallas City Council to receive comments on Substantial Amendment No. 1 to the FY 2021-22 Action Plan for HOME to revise the FY 2021-22 Action Plan.

**SECTION 2.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

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**File #:** 21-1614

**Item #:** 13.

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Department of Housing & Neighborhood Revitalization  
**EXECUTIVE:** Dr. Eric A. Johnson

---

### **SUBJECT**

Authorize an amendment to the City of Dallas Comprehensive Housing Policy, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to amend the loan terms in the New Construction and Substantial Rehabilitation program to remove the requirement that the City may only subordinate its lien position to a private financial institution for a loan in a greater amount - Financing: No cost consideration to the City

### **BACKGROUND**

The Comprehensive Housing Policy (CHP) has three main goals: (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.

The Department of Housing & Neighborhood Revitalization (Department) recommends changes to the New Construction and Substantial Rehabilitation Program. The proposed changes are designed to improve the program's effectiveness and broaden the potential number of development partners that can participate in the program.

At present, the City's New Construction and Substantial Rehabilitation Program requires that the lien position of any City loan be no less than second, except upon approval of the appropriate City Department Director, subordinate only to a private financial institution's superior lien for a loan in a greater amount. The Department is recommending this requirement be removed in order to provide loans to smaller-scale and non-profit developers that may not be able to receive loans from private institutions in amounts greater than the City's subsidy yet still require a subordination of our soft loans.

A recent third-party underwrite of an application the Department received through its standing Notice of Funding Availability (NOFA) application process confirmed a financial gap for a 15-unit mixed-income, multigenerational development in West Dallas. This financial gap will require a City loan in an amount greater than what was available to the non-profit developer in the market. In order to make this loan, the City will need to subordinate its loan to the private financial institution. This will provide much needed affordable housing to the City, but also build capacity with one of our non-profit development partners.

All applications through the standing NOFA application would still require underwriting to confirm the financial gap. The change would only provide the ability to subordinate to private lending institution for a lesser amount in the event such a financial gap is identified. Staff recommend approval of this change.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On May 9, 2018, City Council adopted the CHP and created the Dallas Housing Policy Task Force by Resolution No. 18-0704, as amended.

On November 28, 2018, City Council authorized amendments to the CHP, to make technical changes to the Home Improvement Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 181680.

On May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824.

On June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884.

On June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP, and the HIPP Landlord Program by Resolution No. 19-1041.

On September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498.

On December 11, 2019, City Council authorized amendments to the CHP to modify the provisions for the housing policy task force, update language to comply with the Mixed Income Housing Development Bonus previously approved by City Council and remove two application forms by Resolution No. 19-1864.

On January 22, 2020, City Council authorized amendments to the CHP and created a Neighborhood Empowerment Zone Program by Resolution No. 20-0188.

On August 26, 2020, City Council authorized amendments to the CHP to amend the DHAP program, include the 0-30% income band in the range of income bands to be served, create the Targeted Rehabilitation Program, and to allow Community Housing Development Organizations to retain a percentage of sales proceeds from eligible HOME-funded projects by Resolution No. 20-1220.

The Housing and Homelessness Solutions Committee (HHSC) was briefed on the proposed changes to the CHP on January 25, 2021.

On January 27, 2021, City Council authorized the execution of a conditional grant agreement with St. Jude, Inc. and/or its affiliates for the rehabilitation of the property located at 8102 Lyndon Baines Johnson Freeway, Dallas Texas 75251, by Resolution No. 21-0213. Item approval required a floor amendment allowing Council to waive the provisions in the Comprehensive Housing Policy limiting rehabilitation subsidy to 9% of the HUD 234 Limits.

On January 27, 2021, City Council authorized an amendment to the City of Dallas CHP previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to (1) amend the loan terms in the New Construction and Substantial Rehabilitation Program to allow forgivable loans for projects with permanent supportive housing units; and (2) to remove the nine percent subsidy cap from the annual HUD 234 - Condominium Housing Limits by Resolution No. 21-0212.

On February 11, 2021, the Housing Policy Task Force (HPTF) was presented with the proposed changes to the CHP for review and comment.

The HHSC was briefed on the HPTF's comments regarding the proposed changes to the CHP on March 22, 2021.

On September 9, 2021, the HPTF was presented with the proposed changes to the CHP) for review and comment.

The Housing and Homelessness Solutions Committee was briefed on the proposed change to the CHP on September 23, 2021.

### **FISCAL INFORMATION**

No cost consideration to the City.

October 13, 2021

**WHEREAS**, on May 9, 2018, City Council adopted a Comprehensive Housing Policy (CHP) that set citywide production goals for homeownership and rental units for the next three years along with respective income bands that will be prioritized within the production goals and also set forth various programs, tools and strategies to be used to meet the production goals while also overcoming concentrations of poverty and racial segregation by Resolution No. 18-0704; and

**WHEREAS**, on November 28, 2018, City Council authorized amendments to the CHP to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680; and

**WHEREAS**, on May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize to development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824; and

**WHEREAS**, on June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884; and

**WHEREAS**, on June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041; and

**WHEREAS**, on September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Polit Program by Resolution No. 19-1498; and

**WHEREAS**, on December 11, 2019, City Council authorized amendments to the CHP to modify the provisions for the housing policy task force, update language to comply with the Mixed Income Housing Development Bonus previously approved by City Council, and remove two application forms by Resolution No. 19-1864; and

**WHEREAS**, on January 22, 2020, City Council authorized amendments to the CHP and created a Neighborhood Empowerment Zone Program by Resolution No. 20-0188; and

**WHEREAS**, on August 26, 2020, City Council authorized amendments to the CHP to amend the DHAP program, include the 0-30% income band in the range of income bands to be served, create the Targeted Rehabilitation Program, and to allow Community Housing Development Organizations to retain a percentage of sales proceeds from eligible HOME-funded projects by Resolution No. 20-1220; and



October 13, 2021

**WHEREAS**, on January 27, 2021 City Council authorized amendments to the CHP to amend the loan terms in the New Construction and Substantial Rehabilitation program to allow forgivable loans for projects with permanent supportive housing units and remove the nine percent (9%) subsidy cap from the annual HUD 234 – Condominium Housing Limits, by Resolution No. 21-0212.

**WHEREAS**, City Council must approve any addition to, alteration of, or deletion of a strategy tool, or program in the CHP; and

**WHEREAS**, the City desires to maintain affordable housing, to provide greater fair housing choices, and to overcome patterns of segregation and concentrations of poverty; and therefore, it is in the best interest of the City to adopt certain amendments to the CHP; and

**WHEREAS**, it is in the best interest of the City of Dallas to authorize amendments to the CHP, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to **(1)** amend the loan terms in the New Construction and Substantial Rehabilitation program to remove the requirement that the City may only subordinate its lien position to a private financial institution for a loan in a greater amount.

**Now, Therefore,**

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

**SECTION 1.** That City Council hereby authorizes the amendments to the CHP, as reflected in the attached **Exhibit A**, an amendment to the City of Dallas Comprehensive Housing Policy, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to amend the loan terms in the New Construction and Substantial Rehabilitation program to remove the requirement that the City can only subordinate its lien position to a private financial institution for a loan in a greater amount.

**SECTION 2.** That the changes to the New Construction and Substantial Rehabilitation Program shall apply to all Notice of Funding Availability applications accepted after August 7, 2020.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

## EXHIBIT A



# Comprehensive Housing Policy

City of Dallas  
Department of Housing and Neighborhood Revitalization

Adopted by the Dallas City Council  
May 9, 2018

Amended January 27, 2021

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## **BACKGROUND ON DEVELOPMENT OF THE POLICY**

### **Policy Goals**

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.

### **Market Value Analysis**

In August 2017, the City of Dallas engaged The Reinvestment Fund to conduct a Market Value Analysis (MVA), which is 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. After briefing the City Council on the results of the MVA on January 17, 2018, eight public town hall meetings were held to develop the recommendations presented here. The town hall topics were:

- How Residential Development Gets Financed,
- How to Reduce Development and Rehabilitation Costs,
- How to Increase Access to Capital and Reduce Cost of Capital, and
- Programs, Tools and Strategies for Increasing Housing Production.

Each town hall provided stakeholders an opportunity to understand the housing challenges from the perspective of the major stakeholders, including lenders, foundations and government sources of finance; consumers and neighbors; developers, builders, and contractors; and regulatory officials, such as zoning, building inspections, and code enforcement. The town halls were held both in person and through virtual telephone communications that aired on Spectrum Channel 95 and streamed online. The in-person town halls had a combined participation of 94 individuals, many of whom also participated in the virtual town hall meetings. The virtual telephone town halls had a total of 38,690 participants for all four meetings, of which 10,000 participated in more than one town hall.

The outcome of public input helped shape the ten policy recommendations presented to the Economic Development and Housing Committee (Committee) on March 19, 2018 and the strategies, tools and programs included in the Comprehensive Housing Policy.

## **CITY OF DALLAS PLANS**

### **forwardDallas! Comprehensive Plan**

The forwardDallas! Plan is Dallas' first citywide comprehensive plan to serve as the policy basis for land development decisions in the City, through reference in the Dallas Development Code. The plan contains eight policy elements: Land Use, Economics, Housing, Transportation, Urban Design, Environment, and Neighborhoods. It provides guidance on important land development considerations related to land use, transportation and economic development. Shaped by extensive community engagement and adopted by City Council in 2006, it envisions a future Dallas built around the core values of:

- Access to good education
- A safe city
- A healthy environment
- Job growth through investment in Southern Dallas
- Convenient transportation through choices in how to get around
- Quality of life through diverse housing, recreational, cultural and educational opportunities

A key initiative of the forwardDallas! Plan was a focus on making high quality housing more accessible. The plan acknowledged that, within the regional context, Dallas has the greatest range of housing needs and problems. It recommended development of a housing strategy aimed at increasing home ownership, diversifying housing stock and providing more opportunities for affordable housing, while sustaining existing neighborhoods.

The forwardDallas! Comprehensive Plan can be found at <http://dallascityhall.com/departments/pnv/strategic-planning/Pages/comprehensive-plan.aspx>.

### **Neighborhood Plus Plan**

Adopted in 2015, the Neighborhood Plus Plan is a citywide neighborhood revitalization plan intended to update the forwardDallas Housing and Neighborhood elements. The Neighborhood Plus plan focused on the six strategic goals of:

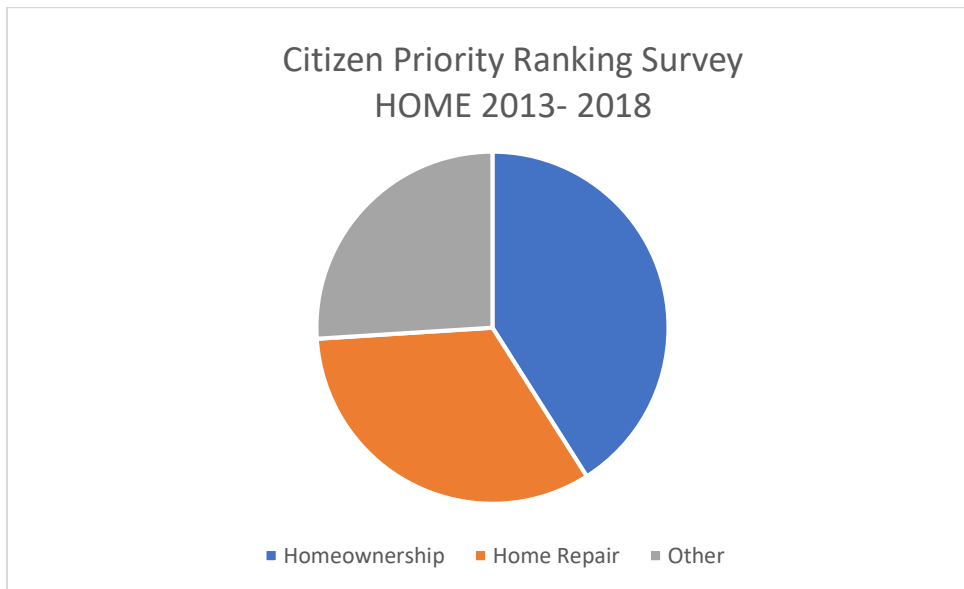
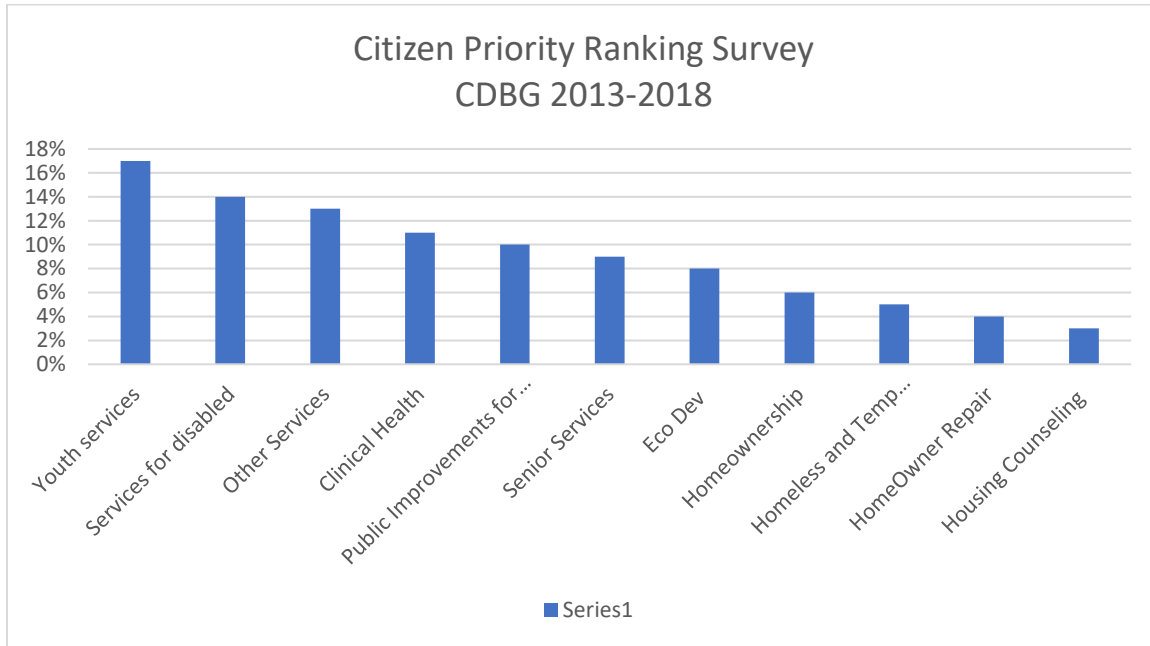
- Creating a Collective Impact Framework
- Alleviating Poverty
- Fighting Blight
- Attracting and Retaining the Middle Class
- Increasing Home Ownership
- Enhancing Rental Options.

The Neighborhood Plus recommended a holistic approach to neighborhood revitalization and community building that goes beyond production of a limited number of publicly subsidized housing units, to encompass neighborhood quality, safety, mobility and access to education, jobs and health care. The Neighborhood Plus Plan also called for a neighborhood by neighborhood approach to improving quality of life and established the basis for identifying target areas to focus neighborhood revitalization efforts.

The Neighborhood Plus Plan can be found at <http://dallascityhall.com/departments/pnv/strategic-planning/DCH%20Documents/Web%20-%20Neighborhood%20Plus%20Plan%20-%20Adopted%2010-07-2015.pdf>.

## Consolidated Plan Strategies

The Consolidated Plan is a five-year planning document required by HUD to carry out affordable housing and community development activities. The City identified its priorities as follows:





## **REINVESTMENT STRATEGY AREAS**

The Housing Policy provides for tiered Reinvestment Strategy Areas to address three market types in need of City investment:

### **Redevelopment Areas:**

A redevelopment area is characterized by a known catalytic project that has submitted a request for funding that shows preliminary viability and will begin within the next 12 months. The project as proposed must contain a housing component and must address the existing market conditions as identified in the MVA and must demonstrate a level of housing production supported through a third-party independent market analysis and show affordability to a mix of income bands.

***Redevelopment Areas: Midtown, High Speed Rail, Wynnewood, and Red Bird.***

### **Stabilization Areas:**

Stabilization areas are characterized as G, H, and I markets that are surrounded by A-E markets and as such are at risk of displacement based on known market conditions including upcoming redevelopment projects. These areas are also where accessory dwelling units should be focused to allow for increased density.

***Stabilization Areas: LBJ Skillman, Vickery Midtown, Casa View, Forest District, East Downtown, The Bottom/Tenth Street, West Dallas, and Red Bird North.***

### **Emerging Market Areas:**

These markets are characterized as areas in need of intensive environmental enhancements, master planning, and formalized neighborhood organization. In order to facilitate the creation of mixed income developments, the City recommends seeking designation as Neighborhood Revitalization Strategy Areas (NRSA's) through HUD in order to prepare the area for real estate investments in a 3 to 5-year time frame and provide flexibility of use of funds without income qualifications.

***Emerging Market Areas: Southern Gateway, Pleasant Grove, and University Hills.***



## **PRODUCTION GOALS AND INCOME BANDS TO BE SERVED**

Dallas has a housing shortage of approximately 20,000 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. It is difficult to convert rental homes to homeownership because of the perception of the neighborhood, the condition of the housing stock once it's been in the rental market for a period of time and because income-producing property in a tight market will not be released by landlords until returns are diminished. 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 years following were in the price range below \$249,999. In 2014 the housing market was in transition - the number of home sales priced under \$249,999 decreased to less than 40% of the market and by 2017 nearly 58% of home sales were priced between \$300,000 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. Therefore, increasing production over a 3-year period and minimizing the regulatory barriers to overall market production is equally important. Furthermore, because this has made even deteriorated housing stock unaffordable, it makes the need for home repair programs more important than ever. Table 1 below shows 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 City supports creating increased availability of housing for people at incomes ranging from 0% to 120% of the HUD Area Median Income by incentivizing homeownership developments for families ranging from 0% to 120% AMI and rental developments that include rent restricted units for families at the full range of 0% to 120% of AMI. These targets are also outlined in Table 1 below.

**Table 1**

| <b>Production Goals</b>  |          |                             |          |                             |          |
|--|----------|-----------------------------|----------|-----------------------------|----------|
| <b>Percentage of HUD<br/>Area Median Income<br/>Dallas Metro</b> |          | <b>Homeownership</b>        |          | <b>Rental</b>               |          |
|  |          | <b>Production<br/>Goals</b> | <b>%</b> | <b>Production<br/>Goals</b> | <b>%</b> |
| <b>Market Rate</b>   | 101-120% | 933                         | 55%      | 587                         | 40%      |
|  | 81-100%  | 1,120                       |          | 587                         |          |
| <b>Extremely Low, Very<br/>Low, and Low<br/>Income</b>           | 61-80%   | 1,307                       | 45%      | 733                         | 60%      |
|  | 51-60%   | 373                         |          | 440                         |          |
|  | 31-50%   | n/a                         |          | 293                         |          |
|  | 0-30%    | n/a                         |          | 293                         |          |
| <b>Total</b>   |          | <b>3,733</b>                |          | <b>2,933</b>                |          |

# HOUSING POLICY TASK FORCE

Added December 11, 2019

## Summary

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

## Structure

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

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

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

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

The steering committee members will regularly communicate with each other, and the task force will engage a broad segment of the public in guiding the implementation of the CHP.

See Appendix 1 for the housing policy task force structure and leadership.

## 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. The City offers several programs 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

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

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

HIPP provides an all-inclusive repair and rehabilitation program for eligible single-family owner-occupied housing units in the city of Dallas. HIPP is a comprehensive program with three components for the purpose of making needed improvements and preserving affordable housing: 1) a Subrecipient Minor Home Repair Grant Program (Subrecipient Repair Program) for low and moderate-income homeowners needing minor repairs not exceeding \$10,000 (\$5,000 from the City and \$5,000 from the participating nonprofit); 2) a Major Rehabilitation Forgivable Loan Program (Major Rehab Program) for low- and moderate-income homeowners needing moderate and substantial rehabilitation of their homes up to \$50,000; and 3) a Reconstruction Loan Program (Reconstruction Program) for low- and moderate-income homeowners needing up to \$160,000 to reconstruct their homes. The terms of assistance for the loans vary based on the borrower's income, need, and debt capacity.

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.

| HIPP Affordability Chart |                      |
|--------------------------|----------------------|
| Dollar Amount            | Affordability Period |
| \$0 - \$5,000            | 0 Years              |
| \$5,001 - \$50,000       | 10 Years             |
| \$50,001 +               | 15 Years             |

#### 1. SUBRECIPIENT MINOR HOME REPAIR GRANT PROGRAM

The Subrecipient Minor Home Repair Grant Program (Subrecipient Repair Program) provides grant assistance to non-profit organizations to allow much needed health and safety repairs to a home of an eligible homeowner for minor home repairs, as described below. Funding for this program is provided by both federal and non-federal funding. Funds from partnering non-profits are provided on a minimum 1:1 match basis. Not to exceed \$10,000 per household.

### Applicant Eligibility

Homeowners for the Subrecipient Repair Program must meet all of 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 Subrecipient Repair Program are ineligible for assistance under the Subrecipient Repair 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.

### 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 Subrecipient Repair 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 Subrecipient Repair Program is provided in the form of a grant to the non-profit partner, who will provide a 1:1 match and directly contract with the applicant for repairs.

#### Assistance Limits

The maximum assistance amount provided under MHRGP is \$10,000, which includes up to \$5,000 provided by the City, and up to \$5,000 in matching grant funding provided by the non-profit partner. The City will match 1:1; the non-profit organization will be responsible for any repairs that exceed \$10,000 per home.

The maximum assistance amount provided by the City under the Subrecipient Repair Program is \$5,000 in the form of a grant per household for eligible repairs only. Non-profit partner(s) subscribed under the Subrecipient Repair 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 Subrecipient Repair 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 providing a 1:1 match to City program funds. The Subrecipient may receive reimbursement of allowable costs as direct delivery for the program in addition to the grants for the applicants, provided the Subrecipient follows the grant 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 REHABILITATION FORGIVABLE LOAN PROGRAM**

Changes are effective for applications accepted after November 1, 2019

The Major Rehabilitation Forgivable Loan Program (Major Rehab Program) is a forgivable loan program to low- and moderate-income homeowners for the purpose of making needed repairs to preserve affordable housing. Major Rehab is designed to ensure the longevity of the home and to address health, safety, accessibility modification, reconstruction and structural/deferred maintenance deficiencies. Major Rehab 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 \$50,000.



### 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 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 Rehab assistance is an interest-free, forgivable, self-amortizing loan in an amount subject to the City's assessment of needs, not to exceed \$50,000. 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 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, 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 Rehab 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 Rehab 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 Rehab, the maximum loan assistance amount is \$50,000. Rehab 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 and shall not exceed the maximum allowable funding level of \$50,000 (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 of \$50,000 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 Rehab 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 ("Staff") shall administer the Major Rehab Program. As used herein, the term "Staff" may include either employees or consultants of the department under the direction of the Director (defined below) or his/her designee. The administration of the Major Rehab Program includes 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. HOUSING RECONSTRUCTION PROGRAM

The Housing Reconstruction Program (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.

#### Applicant Eligibility

- Applicants must be referred to the 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 Reconstruction Program.

#### Eligible Repair Improvements

Eligible improvements under the 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

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 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 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.

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 the HUD HOME 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.

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 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.
- Qualifying debt to income ratios are 26-30% on the front end and 43% on the back end.
- 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

Staff shall administer the Reconstruction Program. This administration includes, but is not limited to, application evaluation procedures, 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.



## **Dallas Homebuyer Assistance Program**

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

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 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) are determined by the 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.

| Amount of Funds      | Required Affordability |
|----------------------|------------------------|
| 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.
  - 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 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 of 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) 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

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.

### 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) are determined by the 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 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 |
|--------------------|------------------------|
| Less than \$45,000 | 5 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 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 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 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 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) 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.

## **Accessory Dwelling Units**

(CHP amended December 11, 2019; Code amended June 27, 2018 by Resolution Nos. 18-0978A and 18-0978B)

Sec. 51A-4.209(b)(6) of the Dallas Development Code provides that for single family uses the Board of Adjustment may grant a special exception to authorize a rentable accessory dwelling unit in any district when, in the opinion of the board, the accessory dwelling unit will not adversely affect neighboring properties.

In addition, Sec. 51A-4.510 of the Dallas Development Code provides regulations allowing for an accessory dwelling unit overlay district. An accessory dwelling unit overlay district is a compact, contiguous area where residents of a single-family neighborhood may petition City Council to create a zoning overlay that, if approved, allows code-compliant accessory dwelling units by right.

## **Innovative Housing Funding Policy**

Added \_\_\_\_, 2021 by Resolution No. 21-\_\_\_\_

### **Background**

The City of Dallas has a long-term shortage of housing at all income levels. Innovative housing types, such as modular construction, 3-D printed housing, tiny homes, cottages, container homes, accessory and additional dwelling units (ADUs), and other innovative housing types can be used to provide additional housing options and, in the case of ADUs, to support existing homeowners.

### **Policy Statement**

It is the policy of the City of Dallas to support funding for innovative housing types. Applications for support for development projects that include innovative housing types will be reviewed for program eligibility and for underwriting using procedures according to the individual program. As with all housing supported by the City, innovative housing types will continue to be required to follow all applicable codes.

## LANDLORD PROGRAMS

### Home Improvement and Preservation Rental Program

(Amended June 26, 2019 by Resolution No. 19-1041)

The Home Improvement and Preservation Rental Program is an all-inclusive repair and rehabilitation program for single-family (1-4) rental units. It offers a repayment loan program to landlords who lease to low-income households, with the purpose of making needed improvements and preserving affordable housing (sometimes referred to as the “HIPP Rental Program”). HIPP Rental Program is designed to finance improvements and address health, safety, accessibility modifications, and structural/deferred maintenance deficiencies.

#### Program Administration

Staff shall administer the HIPP Rental Program. The administration of the HIPP Rental 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.

The Director shall be responsible for ensuring that the HIPP Rental Program is implemented in accordance with all applicable policies and regulations.

#### Applicant Eligibility

- Applicant must be the owner of the rental unit(s) to be rehabilitated or reconstructed and provide a deed showing the conveyance, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple. Applicant must provide a copy of the lease agreement with its tenant.
- Applicant and tenants must be a U.S. Citizen or lawful Permanent Resident, have a valid Social Security card, and 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. Applicant household's income eligibility is only valid for six months from the date of the last application.
- Where property improvements are to be performed which are not limited to the interior of a specific unit, then 51% of all units on the property must meet the preceding income eligibility requirements.
- Applicant must be willing to correct all code violations that currently exist on the property.
- 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 20-A and comply with HUD HOME rent limits and other applicable federal regulations.



- Priority shall be given to Applicants who have not participated in any City repair or rehabilitation program previously.

#### 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. 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 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.
5. Applicant must certify that the home is not for sale and is occupied by an income eligible tenant.
6. 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.
7. 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.
8. Repairs must conform with designated as eligible improvements under the program
9. For rehabilitation, 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.
10. No liens, except those associated with the first mortgage, shall exist on the property.
11. Must be a home that requires repairs that exceed fifty percent (50%) of its value.

#### Terms of Assistance

The maximum loan assistance amount under the HIPPP Rental Program is \$40,000.

HIPPP Rental 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, 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.

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 \$40,000.00. The City Manager or designee may on a case by case basis administratively approve (without City Council approval or Economic Development and Housing Committee approval)



additional assistance not to exceed 10% above the maximum limit for the HIPP Rental 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
- Addressing issues that threaten life, health, safety and welfare of the public.

*It should be noted that HUD establishes maximum per unit thresholds below the HUD required maximum per-unit dollar limitations established under HUD's Section 234 Condominium Housing Limits. Thus, no individual project under this program can exceed these HOME maximum subsidy limits.*

#### Terms of Assistance

The terms of assistance to Applicants of the HIPP Rental Program will be in the form of a three percent (3%) interest rate loan. If the Applicant/landlord does not comply with the requirements set out in this program, including but not limited, leasing to households at or below eighty percent (80%) AMI, then the full loan shall be immediately due and payable in full to the City. If the property is transferred through sale during the term of the loan, the balance shall also be immediately due and payable to the City in full. The maximum loan amount is subject to City established underwriting criteria/requirements and the lower of either a loan to value ratio not exceeding 85 percent for all outstanding loan obligations secured by the property, or 80% of the most recent certified improvement value as determined by the applicable appraisal district. The City loan is secured by a first or second lien on the property.

| Affordability Period |                    |
|----------------------|--------------------|
| Loan Amount          | Affordability Term |
| Less than \$5,000    | 5                  |
| \$5,000 to \$40,000  | 10                 |

The affordability period for the HIPP Rental Program loans shall conform to the affordability term as defined in the above table. During the period of affordability, monitoring of tenant occupancy and affordability for assisted rental properties shall be performed on an annual basis. Applicant shall also be required to provide on-going proof of insurance to the City, with the City as an added insured. 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 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 rents.

Upon transfer of the property, whether voluntary or involuntary, Applicant shall repay the City in accordance with the recapture provisions that apply to the Dallas Homebuyer Assistance Program.

Applicant may repay HIPP Rental Program loans at any time without penalty. However,

repayment of the loan shall not release Applicant of the affordability requirements discussed above. Loans are immediately payable upon the earlier of:

- The sale, conveyance, transfer, rental, hypothecation of the security; or
- Failure to adhere to the provisions of the loan agreements; or
- Failure to adhere to the provisions under the deed restrictions, the deed of trust and/or the note.

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

- Transfer of property to a surviving spouse;
- Transfer of the 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;
- Transfer to a Family Trust in which the borrower remains the beneficiary and occupant of property;
- Transfer of the property to another individual, partnership or entity.

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 or does not utilize the property as their primary residence, then the full loan amount is due immediately and payable, in full, to the City.

#### Credit and Underwriting Standards

The following are the credit and underwriting standards for HIPP Rental 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.
- Qualifying debt to income ratios are 26-32% on the front end and 43% on the back end.
- 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.
- Properties with a reverse mortgage are not eligible for HIPP Rental Program funding.
- A maximum loan-to-value ratio of 85% for all loan obligations inclusive of the City loan is allowed on HIPP Rental Program loans.

#### 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 HIPP Rental Program requirements, subject to approval of the City.

#### Eligible Repair Improvements

Under the HIPP Rental Program, rehabilitation activities will include only items necessary to bring the structure into compliance with the City's written rehabilitation standards and applicable local residential codes; but will also include items recommended as necessary to preserve the property's structural integrity, historic integrity, weatherization, and quality of living conditions. The scope of work must address all major systems to ensure that they have a remaining useful life of a minimum of 5 years at project completion. Major systems are identified as structural support

(foundation); roofing; cladding and weatherproofing (e.g., windows, doors, siding, gutters); plumbing; electrical; and heating, ventilation, and air conditioning.

To the extent the City's loan does not bring the property up to the City's Minimum Property Standards, the Landlord is responsible for such repairs.

Improvements to or demolition of an accessory structure such as detached garage, work shed, or small residential structure will be made on a case by case basis depending on the available budget, grant requirements, planning requirements, current building codes, health and safety concerns, and minimum occupancy requirements of residents of the property.

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

Assistance may not be used for the purchase or repairs of appliances (except for energy efficient window units) 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 (granite counter tops, swimming pools, spas, high end fixtures); tree trimming; fences; and landscaping.

Eligible improvements under the HIPP Rental Program requirements include the following:

- Correction of code violations and elimination of specific conditions detrimental to public health & safety identified by the City
- Correction of incipient violations of the City of Dallas Building Codes
- 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/sewer pipes/kitchen and bath fixtures
- Replace/repair window and/or door screens
- Install new smoke alarms
- Install new insulation
- Replace/repair flooring and carpeting
- Replace/repair water heaters
- Replace/repair electrical system and installation of GFCIs
- 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
- Any items determined eligible by the Director

#### 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.

#### Mortgage and Refinancing

Assistance may be provided to an Applicant who has an existing loan or equity loan if the total debt, including mortgage/equity loan balance and all rehabilitation costs do not exceed 85% of the after-rehabilitation value of the property for the HIPPP Rental Program. The City deferred loan may be subordinate to the existing mortgage or equity loan only if these loan-to-value requirements are met. The City loan will be in no lower than a second lien position. Refinancing will only be allowed upon prior approval of the City and for favorable rates and terms; no cash out financing will be allowed.

# TENANT PROGRAMS

## 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
- Are 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.

## DEVELOPER PROGRAMS

### New Construction and Substantial Rehabilitation Program

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, ~~subordinate only to a private financial institution's superior lien for a loan in a greater amount.~~ 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 of 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:

| Hard Costs                             | Soft Costs   |
|--|--|
| 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

Added December 11, 2019, Code amended March 27, 2019 by Resolution No. 19-0429

### Background

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, specifically MF-1(A), MF-2(A), and MF-3(A) Multifamily Districts and MU-1, MU-2, and MU-3 Mixed Use Districts. Today, these districts represent approximately 15,000 acres across the city.

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 A, B, and C categories are required to serve families at lower income levels than properties in G, H, and I categories, 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:
  - 5% of units at 51%-60% Area Median Income (AMI),
  - 5% of units at 51%-60% AMI & 5% at 61-80% AMI, or
  - 5% of units at 51%-60% AMI & 5% at 61-80% AMI & 5% at 81-100% AMI
- D, E, F:
  - 5% of units at 61%-80% AMI,
  - 10% of units at 61%-80% AMI, or
  - 10% of units at 61%-80% AMI & 5% at 81-100% AMI
- G, H, I:
  - 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 districts:

- Building heights are subject to residential proximity slopes, where applicable, and existing setbacks are maintained.
- For multifamily uses, parking is reduced to 1¼ space per unit (versus one space per bedroom in Chapter 51A) and at least 15 percent must be available for guest parking.
- Developments with transit proximity 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

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 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

#### Implementation

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

#### Procedures

- Developer meets with the City's Department of Housing and Neighborhood Revitalization to request an MVA category verification. The MVA category determines the bonuses that the development may utilize in return for a specified number of reserved units.
- Developer begins the permit application process.
- Before the issuance of a building permit, developer submits an official copy of the executed and filed restrictive covenant.
- Before beginning leasing, developer begins compliance process, including following the approved affirmative fair housing marketing plan and reserving units according to the restrictive covenant.
- Developer completes construction and submits documentation for a final certificate of occupancy. City reviews for compliance with all aspects of the permit and, if complete, issues final CO.
- Developer (and all subsequent owners) submits compliance paperwork regularly during period of compliance. Requirements stay with the development, not the ownership.
- Ongoing compliance is monitored by the Housing and Neighborhood Revitalization Department and the Office of Equity and Human Rights.
- Developer (and all subsequent owners) may not discriminate on the basis of source of income. This non-discrimination provision provides housing opportunities for households with rental assistance or vouchers, as applicable.

#### Program Operation and Compliance

- Term of affordability is 20 years
- Property owner must remain in compliance with restrictive covenant based on the requirements in Chapter 20A-II and Chapter 51A-4.1100.
- Each eligible household must be charged an affordable rent, which is defined as a monthly tenant rental housing payment, less an allowance for utilities, that does not exceed 30 percent of an eligible household's adjusted income.

## **Land Transfer Program**

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.

## **PRESERVING AFFORDABILITY**

### **Title Clearing and Clouded Title Prevention Program**

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.



## **Community Land Trust Program**

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;
- must be exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, by being certified as an exempt organization under Section 501(c)(3) of that code;
- 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;
  - that include a resale formula outlining the amount of equity per year that can be built while ensuring long term affordability;
  - 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;
  - 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.

## **Targeted Rehabilitation Program**

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

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.
  - a. 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.
- 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 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 or forgiven, as specified in each Sub-Program Module.
- 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 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.
- 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.

# NEIGHBORHOOD INVESTMENT

## 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.

## FUNDING AND SUPPORTING ACTIONS

### Federal Funding Sources

The City receives financial support from the U.S. Department of Housing and Urban Development (HUD) to assist low and moderate-income families in obtaining affordable housing. The City receives several Entitlement (HUD) grants, which it can use to support its housing initiatives. HUD outlines certain regulations that apply when using grant funds. This policy document uses the HUD regulations as a basis and incorporates the City's own policies as adopted by City Council.

#### Community Development Block Grant (CDBG)

The Community Development Block Grant has been in existence since 1974. The primary objective of the CDBG program is to improve communities by providing decent housing, providing a suitable living environment, and expanding economic opportunities. The primary beneficiary of CDBG funds must benefit low to moderate-income persons; aid in the prevention or elimination of slums or blight; or meet an urgent need.

#### HOME Investment Partnership Program (HOME)

The HOME Investment Partnership Program has been in existence since 1990. The goals of the HOME program are to provide decent affordable housing to lower-income households, expand the capacity of nonprofit housing providers, strengthen the ability of state and local governments to provide housing, and leverage private sector participation. HOME funds may be utilized for rental activities, homebuyer activities, and homeowner rehabilitation activities. All HOME funds must benefit persons of low and moderate income.

#### *HOME Match Requirement*

All housing development projects must meet a twenty-five (25%) HOME matching requirement of contributions made from non-federal resources and may be in the form of one or more of the following:

- Cash contributions from nonfederal sources
- Forbearance of fees
- Donated real property
- Cost, not paid with federal resources, of on-site and off-site infrastructure that the participating jurisdiction documents are directly required for HOME-assisted projects
- Proceeds from multifamily affordable housing project bond financing
- Reasonable value of donated site-preparation and construction materials, not acquired with federal resources
- Reasonable rental value of the donated use of site preparation or construction equipment
- Value of donated or voluntary labor or professional services in connection with the provision of affordable housing

#### Neighborhood Stabilization Program (NSP)

The Neighborhood Stabilization Program was authorized under Division B, Title III of the Housing and Economic Recovery Act of 2008 (HERA) to help communities recover from the effects of foreclosures, abandoned properties, and declining property values. The City collects program income from this source and appropriates it on an annual basis.



## State and Local Funding Sources

### General Obligation Bonds

General Obligation Bonds were authorized under the 2017 bond package to help with infrastructure, economic development and housing, and related expenses as authorized by law. Economic Development and Housing have been allocated approximately \$55 million for the next five years.

### Tax Exempt Bond Financing (City of Dallas Housing Finance Corporation)

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 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 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.

## **City of Dallas Policy for Supporting Housing Developments Seeking Housing Tax Credits**

(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:
  - 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;
  - 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
  - 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:

- 17 points for elderly developments;
- 23 points for family developments; or
- 22 points for permanent supportive housing developments; and
- The Proposer must be eligible pursuant to TDHCA standards and City standards:
  - 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:
  - All major systems including roof, foundation, electrical, HVAC, and plumbing;
  - Interior and exterior windows and doors;
  - The interiors of all units including the kitchen and bathroom and all major appliances;
  - The exterior of the development, including balconies, walkways, railings, and stairs;
  - Communal facilities such as community rooms, fitness centers, business centers, etc.; and
  - Security features including gates and security cameras.
  - 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).*

|   |           |     |
|---|-----------|-----|
|   |           |     |
| Transportation Services   |           |     |
| 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   |
| Children Services   |           |     |
| 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 |
| Adult Services  |           |     |
| 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   |
| Health Services   |           |     |
| 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   |
| Community Services  |           |     |
| 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   |



## Community Housing Development Organizations (CHDOs)

A CHDO is defined under 24 Code of Federal Regulations (CFR) Part 92.2 as a nonprofit organization (501©3 or 4) organized under state law; has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual; is neither controlled by nor under the direction of individuals seeking to derive profit or gain from the organization. While a CHDO may be sponsored or created by a for-profit entity whose primary purpose is **not** the development or management of housing, such as a builder, developer or real estate management firm, the for-profit entity may not have the right to appoint more than one-third of the membership of the organization's governing body and the board members appointed by the for-profit entity may not appoint the remaining board members. A CHDO does not include a public body although a locally chartered organization may qualify under certain conditions.

The CHDO must be free to contract for goods and services from vendors of its own choosing. The CHDO must comply with certain financial accountability standards as described in the 24 CFR 84.21 Standards for Financial Management Systems. Among the primary purposes of the CHDO's organization, as outlined in their organizational charter, articles of incorporation, resolutions or bylaws must be the provision of decent housing that is affordable to low-to-moderate income persons. A CHDO must remain accountable to the low-income community residents by: **1)** maintaining at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representative of a low-income neighborhood organization; **2)** providing a formal process for low-income program beneficiaries to advise the organization in its decisions regarding the design, site selection, development and management of affordable housing.

A service area in urban areas such as Dallas, "community" may be defined as a neighborhood, or neighborhoods, city, county or metropolitan area. Additionally, CHDOs are subject to the affirmatively furthering fair housing rules which state that housing should not be located in areas of minority concentration or with high poverty rates. Historically, Dallas CHDOs have elected to work in areas where disinvestment has occurred, and where high concentrations of poverty exist. CHDOs should grow and develop the capacity to partner with for-profit developers to produce market rate housing in areas of disinvestment. Furthermore, CHDOs should work in areas with low poverty rates, have access to a quality education, transportation, and jobs. These high opportunity areas lack quality affordable housing options.

A CHDO must demonstrate the capacity to carry out the activities assisted with HOME Investment Partnership Program (HOME) funds within **12 months** of the project commitment. CHDO's may satisfy the HOME requirement by hiring experienced key staff members who have successfully completed similar projects or a consultant with the same type of qualified experience and a plan to train appropriate key staff member of the organizations. CHDO's must demonstrate a minimum of one-year experience in serving the community in which the assisted housing will be located before funds can be reserved for the organization. This requirement can be satisfied by a parent organization in some cases if a CHDO is formed by a group of local churches or local service organizations. CHDOs must be certified by the City of Dallas to be awarded CHDO set-aside funds for the development of housing and operating assistance.

### Set Aside

HUD requires that 15% of the HOME allocation each year be made available to Community Housing Development Organizations (CHDOs) for the development of affordable homebuyer or rental housing.

### Operating

In addition, the City can allocate up to 5% of the HOME allocation each year operating expenses for CHDOs. These funds provide operating funds to Community Housing Development Organizations based on financial need and the expectation that the organization is utilizing or will utilize the City's HOME CHDO set aside funding within 24 months of the award.

HOME funding provided for CHDO operating expenses may not exceed \$50,000 or 50% of the organization's total annual operating expenses for that fiscal year, whichever is greater. CHDO operating expense funds may not supplant CHDO set-aside funds for project costs.

### Certification

To be eligible to receive HOME CHDO set-aside funding and Operating Assistance Grants, a CHDO must be certified by the City of Dallas. CHDO certification must be done prior to the commitment of funds for a set-aside development, and there cannot be a general CHDO certification. The City can work in advance to determine if a CHDO will likely meet the requirements for certification prior to funding considerations. A CHDO must continue to be certified throughout the development of a project and during the affordability period. the City has developed the "Community Housing Development Organization (CHDO) Policy, Procedure, and Standards" document to outline the process and requirements for CHDO certification. This can be found in Appendix 5.

## **Strategies, Tools, and Programs that Will Require Additional Action**

### **Housing Trust Fund**

The City has established a Dallas Housing Trust Fund (DHTF) that allows monies to be used to make loans or grants to support the production goals of the Housing Policy. On December 12, 2018, Council approved a one-time transfer of \$7 million in unencumbered fund balances from high-performing tax increment financing districts (TIFs), as well as \$7 million from Dallas Water Utility funding set aside to support development. On January 22, 2020, Council approved \$1 million to be used to support residential investment in neighborhood empowerment zones.

Staff will further research potential dedicated revenue sources and additional uses for the DHTF to ensure that the fund supports the broad goals of the CHP.

### **Tax Increment Financing**

Creation of a non-contiguous Tax Increment Finance District for areas not already located in an existing TIF District will leverage TIF on projects that propose to meet the unit production goals with affordability requirements.

### **Sublease Program**

Furthermore, staff will pursue council approval to create a Sublease Program which incentivizes a landlord/developer to facilitate the rental of units to voucher holders. This program is administered through the Dallas Housing Finance Corporation.

## **APPENDICES**

## **APPENDIX 1**

### **Housing Policy Task Force Structure and Leadership**

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#### **Focus areas**

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

- **Multifamily development**
  - External facilitator: real estate and/or finance expert in multifamily housing
  - At least one key stakeholder from each of the following groups: Sustainable Development and Construction staff, Department of Housing and Neighborhood Revitalization staff, Planning & Urban Design staff, associations of builders and contractors, organizations of real estate professionals, and at least one developer and/or builder.
- **Single family and ownership development**
  - External facilitator: real estate and/or finance expert in owner-occupied housing
  - At least one key stakeholder from each of the following groups: Sustainable Development and Construction staff, Office of Economic Development staff, Department of Housing and Neighborhood Revitalization staff, Planning & Urban Design staff, associations of builders and contractors, organizations of real estate professionals, associations of Realtors/Realtists, at least one developer and/or builder, and one Community Housing Development Organization executive.
- **Affordability preservation**
  - External facilitator: housing advocate
  - At least one key stakeholder from each of the following groups: the Office of Fair Housing and Human Rights staff, the Office of Welcoming Communities and Immigrant Affairs staff, the Office of Equity staff, the Office of Community Care staff, the Department of Code Compliance Services staff, the Office of Homeless Solutions staff, Dallas Housing Authority staff, associations of Realtors/Realtists, and at least two community leaders/advocates as recommended by the director of the Department of Housing and Neighborhood Revitalization.
- **Neighborhood investment**
  - External facilitator: community development professional
  - At least one key stakeholder from each of the following groups: Department of Housing and Neighborhood Revitalization staff, Department of Public Works staff, Dallas Water Utilities staff, Park and Recreation Department staff, representatives from at least one utility service provider, Texas Department of Transportation staff, Dallas Area Rapid Transit staff, real estate and civil engineering professionals, community planners, a certified Community Housing Development Organization, and at least one developer and/or builder.

- **Support and funding**

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

### **Communication and meetings**

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

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

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

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

The task force will:

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

### **Modifications**

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

## **APPENDIX 2**

### **Single Family Development Requirements/Underwriting**

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#### **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.

## APPENDIX 3

### Rental Development Underwriting

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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. Inasmuch 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 last 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.

Inasmuch as is reasonable, the City will update and clarify these guidelines over time to account for exceptions, waivers, or additional restrictions it imposes.

## **APPENDIX 4**

### **DESIGN GUIDELINES**

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This portion of the manual 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.

#### **Design Guidelines**

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.

## **APPENDIX 5**

### **City of Dallas Income Limits and Part 5 Requirements**

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Per 24 CFR Part 92.203(b)(1), the City has elected to utilize the 24 CFR Part 5 definition for determining annual income which is commonly referred to as the “Section 8 Low-Income Limit”. To be eligible for HOME or CDBG funds, households must have annual (gross) incomes at or below 80% of area median income, adjusted by household size and determined annually by the U.S. Department of Housing and Urban Development (HUD).

The *Technical Guide for Determining Income and Allowances for the HOME Program* should be utilized as a resource and the standard for the following determinations:

- Whose income to count
- Types of income to count
- Treatment of assets
- Income inclusions and exclusions
- Verifying income
- Comparing annual income to published income limits
- Determining household size
- Source documentation
- Timing of income certifications

The annual income limits are published by HUD each year at the webpage below.  
<http://www.huduser.gov/portal/datasets/il/il15/index.html>

## APPENDIX 6

### Community Housing Development Organization Policy, Procedure, and Standards

#### WHAT IS A COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)?

A CHDO (pronounced cho'doe) 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.

#### WHAT SPECIAL BENEFITS ARE AVAILABLE TO CHDOs?

HOME regulations require that the City set aside **15%** of its annual HOME allocation exclusively for qualified, eligible CHDO projects. If an organization becomes a certified CHDO, it is eligible to take advantage of the HOME funds set-aside just for CHDOs, as well as financial support for a portion of its operating expenses (Operating Assistance Grants) associated with CHDO projects. The City's CHDOs also have first right of purchase on land bank lots and as a nonprofit they are eligible to purchase HB110 lots.

#### REGULATORY REQUIREMENTS FOR CHDO CERTIFICATION

The U.S. Department of Housing and Urban Development (HUD) has established standard criteria for organizations to be eligible to become a certified CHDO:

1. **Organized Under State/Local Law.** A nonprofit organization must show evidence in its Articles of Incorporation that it is organized under state or local law.
2. **Nonprofit Status.** The organization must be conditionally designated or have a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c) of the Internal Revenue Code of 1986. A 501(c) certificate from the IRS must evidence the ruling.
3. **Purpose of Organization.** Among its primary purposes, the organization must have the provision of decent housing that is affordable to low- and moderate-income people. This must be evidenced by a statement in the organization's Articles of Incorporation and/or Bylaws.
4. **Board Structure.** The board of directors must be organized to contain no more than one-third representation from the public sector and a minimum of one-third representation from the low-income community.
5. **No For-Profit Control.** The organization may not be controlled by, nor receive directions from, individuals or entities seeking profit from or that will derive direct benefit from the organization.
6. **No Individual Benefit.** No part of a CHDO's net earnings (profits) may benefit any members, founders, contributors, or individuals. This requirement must also be evidenced in the organization's Articles of Incorporation.
7. **Clearly Defined Service Area.** The organization must have a clearly defined geographic service area outlined in its Articles of Incorporation and/or Bylaws. CHDOs may serve individual neighborhoods or large areas. However, while the organization may include an entire community in their service area (such as a city, town, village, county, or multi-county area), they may not include the entire state.
8. **Low-Income Advisory Process.** A formal process must be developed and implemented for low- income program beneficiaries and low-income residents of the organization's service area to advise the organization in all of its decisions regarding the design, location, development and management of affordable housing projects.

9. **Capacity/Experience.** The key staff and board of directors must have significant experience and capacity to carry out CHDO-eligible, HOME-assisted projects in the community where it intends to develop affordable housing (key staff and board of directors have successfully completed HOME-funded, CHDO-eligible projects in the past).
10. **Community Service.** A minimum of one year of relative experience serving the community(ies) where it intends to develop affordable housing must be demonstrated.
11. **Financial Accountability Standards.** The organization must meet and adhere to the financial accountability standards as outlined in 2 CFR 200 Subpart D, "Standards for Financial and Program Management."

### **CITY REQUIREMENTS FOR CHDO CERTIFICATION**

In addition to the regulatory requirements, the City has established additional criteria for CHDO designation. To be eligible for CHDO designation, an organization must also:

1. Maintain a record of good standing with the Texas Secretary of State's office.
2. Maintain a staffed, physical office location in the proposed service area that is open for business and accessible by potential program applicants during customary business hours.
3. Have established a minimum **3**-year strategic business plan, which must include CHDO-related production and community involvement goals.
4. Maintain a history of no significant compliance findings on its City funded projects.

The City will accept applications from new CHDOs year-round; however, CHDO certifications will not be provided until a project is identified for funding and prior to execution of a written agreement. Please note that the criteria noted above is not intended to be all-inclusive and the City may require additional information prior to making a determination for CHDO designation. Meeting the above requirements does not guarantee that the organization will be granted CHDO designation. City reserves the right to deny or revoke CHDO designation based upon its evaluation of the nonprofit organization's performance. Designated CHDOs will be evaluated periodically for production and other benchmarks as established by City.

### **ORGANIZATIONAL STRUCTURE REQUIREMENTS FOR CHDO CERTIFICATION**

The HOME Program establishes requirements for the organizational structure of a CHDO to ensure that the governing body of the organization is **controlled by the community it serves**. These requirements are designed to ensure that the CHDO is capable of decisions and actions that address the community's needs without undue influence from external agendas.

There are four specific requirements related to the organization's board, which must be evidenced in the organization's Articles of Incorporation and/or Bylaws. These are:

1. **Low Income Representation.** At least one-third of the organization's board must be representatives of the low-income community served by the CHDO. There are three ways a board member can meet the definition of a low-income representative:
  - The person lives in a low-income neighborhood where **51%** or more of the residents are low-income. This person need not necessarily be low-income.
  - or**
  - The person is a low-income (below **80%** area median income) resident of the community.

or

- The person was elected by a low-income neighborhood organization to serve on the CHDO board. The organization must be composed primarily of residents of the low-income neighborhood and its primary purpose must be to serve the interests of the neighborhood residents. Such organizations might include block groups, neighborhood associations, and neighborhood watch groups.

The CHDO is required to certify the status of low-income representatives.

2. **Public Sector Limitations.** No more than one-third of the organization's board may be representatives of the public sector, including elected public officials, appointees of a public official, any employees of a local government or public school system, or employees of City or the State of Texas. If a person qualifies as a low-income representative **and** a public-sector representative, their role as a public-sector representative supersedes their residency or income status. Therefore, this person counts toward the one-third public sector limitation.
3. **Low-Income Advisory Process.** Input from the low-income community is not met solely by having low-income representation on the board. The CHDO must provide a formal process for low-income program beneficiaries to advise the CHDO on design, location of sites, development and management of affordable housing. The process must be described in writing in the Articles of Incorporation and/or Bylaws. Each project undertaken by the CHDO should allow potential program beneficiaries to be involved and provide input on the entire project from project concept, design and site location to property management. One way to accomplish this requirement is to develop a project advisory committee for each project or community where a HOME assisted project will be developed. Proof of input from the low-income community will be required at the CHDO's annual recertification.
4. **For-Profit Limitations.** If a CHDO is sponsored by a for-profit entity, the for-profit may not appoint more than one-third of the board. The board members appointed by the for-profit may not appoint the remaining two-third of the board members.

#### **EXPERIENCE, CAPACITY AND ROLES (24 C.F.R. 92.300-92.303)**

To be certified as a CHDO, the HOME Program requires organizations to demonstrate sufficient experience, capacity, and financial accountability.

**Experience & Capacity:** A CHDO must certify to City that it has the capacity, demonstrated by having paid staff with demonstrated capacity to perform the specific role for which it is being funded. CHDO staff can be full-time or part-time and can be contract employees. The CHDO cannot count the experience of board members, donated staff, parent organization staff, or volunteers to meet the capacity requirement. The CHDO can only count capacity brought to the table by a consultant in the first year of participation. Afterward, the CHDO must demonstrate capacity based upon paid staff.

The CHDO must demonstrate experience and capacity relevant to the project and its role as owner, developer, or sponsor. If the CHDO is the owner, its staff must have the capacity to act as the owner (this may mean the ability to oversee development.) If the CHDO is the developer or sponsor, its staff must have development experience on projects of similar scope or complexity. CHDOs must demonstrate a history of serving the community where the housing to be assisted with HOME funds will be located. HUD requires that organizations show a history of serving the community by providing:



- A statement that documents at least one year of experience serving the community.
- For newly created organizations, provide a statement that the parent organization (if applicable) has at least 1-year experience serving the community.

CHDOs must provide resumes and/or statements of key staff members that describe their experience of successfully completed projects similar to those proposed.

### **CHDO SERVICE AREA**

While the City does not limit the number of counties is a CHDO's service area, the very definition of a CHDO is that it be community-based. Therefore, an organization proposing a large or regional service area must demonstrate that it is taking the appropriate steps to achieve the community-based component. Some of the ways this can be achieved is by having an active community (nonpublic) representative from each of the counties on the CHDO's board of directors; establishing local advisory councils to advise the CHDO board on topics relative to the organization's activities; hosting "town hall" meetings in the proposed project areas, etc. the City will consider other methods suggested by the CHDO. CHDOs will be required to provide updates on how it is ensuring that it is active and visible in the communities included in its service area.

The City reserves the right to limit CHDOs going into a service area where an existing CHDO is already providing service. Unless a CHDO is already approved to serve a particular territory, the City will not approve CHDOs to serve overlapping territory.

### **CHDO RECERTIFICATION**

To ensure compliance with the HOME regulations, the recertification process will apply to CHDOs with active development projects including those under development and within the affordability period. Each CHDO will be required to submit specific information to City on an annual basis in conjunction with annual monitoring and compliance audits, including, but not limited to:

- The response to questions, numbered exhibits, and attachments listed in the City's CHDO certification application
- An updated **3-year** business plan and a description of how the low-income advisory process was implemented. If no HOME funds were used within the reporting period, a detailed description of all other affordable housing initiatives undertaken will be requested.

Recertification will be required **ANNUALLY WHEN THE CITY MONITORS THE CHDO FOR COMPLIANCE**. The CHDO must recertify as to its continued qualifications as a CHDO and its capacity to own, sponsor, or develop housing.

CHDOs that have not been allocated project funds from the HOME CHDO set-aside for **3** consecutive years will be deemed inactive. At its discretion, the City may revoke the designation of inactive CHDOs based upon a review of other non-CHDO housing activities the organization has undertaken (if any), as well as other factors deemed appropriate by City.

### **CHDO SET-ASIDE**

The HOME requirements at 24 CFR Part 92.300 require City to set aside at least **15%** of its annual HOME allocation for projects owned, developed or sponsored by CHDOs. A certified CHDO must serve as the owner, developer or sponsor of a HOME-eligible project when using funds from the

**15%** percent CHDO set-aside. A CHDO may serve in one of these roles or it may undertake projects in which it combines roles, such as being both an owner and developer. The CHDO must be certified for each type of activity it plans to undertake.

### **FINANCIAL ACCOUNTABILITY**

CHDOs must have financial accountability standards that conform to the requirements detailed in 2 CFR 200 – Subpart D, “Standards for Financial and Program Management.” This can be evidenced by:

- A notarized statement by the president or chief financial officer of the organization.
- Certification from a certified public accountant.
- Audit completed by CPA.
- City reserves the right to request additional audited financial statements at any time.

### **ELIGIBLE AND INELIGIBLE USES OF HOME CHDO SET-ASIDE FUNDS**

#### **ELIGIBLE ACTIVITIES - OWNERS, SPONSORS, DEVELOPERS**

Using the **15%** set-aside, a CHDO acting as an owner, sponsor, or developer may undertake any of the following activities:

- Acquisition and/or rehabilitation of rental property;
- New construction of rental housing;
- Acquisition, rehabilitation and resale of existing, vacant homebuyer property;
- New construction of homebuyer property;
- Direct financial assistance to purchasers of HOME-assisted housing developed by a CHDO with HOME CHDO set-aside funds.

Please note that to be considered a CHDO-eligible project, CHDO set-aside HOME funds must be used during the construction or rehabilitation of the project.

#### **INELIGIBLE CHDO ACTIVITIES**

Using the **15%** set-aside, a CHDO may not undertake any of the following activities:

- Rehabilitation of existing homeowners' properties;
- Tenant-based rental assistance (TBRA); or
- Down payment and/or closing cost assistance to purchasers of housing not developed with HOME CHDO set-aside funds.

#### **ELIGIBLE ACTIVITIES – SUBRECIPIENTS**

CHDOs may also act as subrecipients with non-set-aside funds by undertaking other HOME-eligible activities such as:

- Tenant-Based Rental Assistance (TBRA);
- Owner-occupied rehabilitation of single-family dwellings; and
- Down payment or closing cost assistance in the acquisition of single-family units.

#### **OPTIONAL OPERATING EXPENSES**

From time to time, funds may be available to provide general operating assistance to CHDOs receiving CHDO set-aside funds for activities. When funds are available, certified CHDOs that are administering an eligible project funded from the CHDO set-aside may be eligible to receive funds

to be used for operating expenses. The regulations allow the City to allocate no more than **5%** of its HOME allocation for CHDO operating expenses (Operating Assistance Grants). However, the City reserves the right to further restrict the amount of funds an entity may receive for CHDO operating funds. This allocation does not count toward the required **15%** CHDO set-aside funds that are to be used by CHDOs for projects.

The amount of the optional Operating Assistance Grants awarded will be based on, but not limited to, the following factors:

- The total amount of HOME funds City has available to allocate for reimbursable CHDO operating expenses;
- The anticipated completion date and size of your current CHDO set-aside project(s); and
- The CHDO's past performance as a CHDO developer.
- The CHDO's capacity to complete the project in a timely manner.
- The ability of the CHDO to retain CHDO proceeds.

The City will allocate Operating Assistance Grants on annually. Operating Assistance Grants will be provided on a fiscal year basis (October 1 – September 30) provided funds are available and the CHDO has demonstrated acceptable performance.

**Although the disbursement of CHDO operating funds is not tied directly to the drawdown of the CHDO project funds, the City reserves the right to delay disbursement of operating funds if it is evident that the CHDO project is experiencing excessive delays.**

City reserves the right to reduce the amount of, or not award, operating funds based upon its evaluation of the CHDO's production and overall performance.

Eligible operating expenses for which CHDOs may use operating funds include:

- Salaries, wages, benefits, and other employee compensation
- Employee education, training and travel
- Rent and utilities
- Communication costs
- Taxes and insurance
- Equipment, materials and supplies

Because the purpose of providing CHDO operating support is to nurture successful CHDOs and ensure their continued growth and success, the City will periodically evaluate the performance of any CHDO wishing to receive CHDO operating funds.

## **CHDO PROCUREMENT**

As noted in HUD CPD Notice 97-11, CHDO organizations are not subject to the requirements of 2 CFR, Part 200 in regard to the procurement of goods and services. However, the City strongly encourages organizations to ensure that costs are reasonable and equitable. This exemption is only applicable to procurement associated with CHDO-eligible projects; CHDOs must still follow appropriate procurement procedures compliant with Part 200 for its non-CHDO projects. City may request a copy of the CHDO's procurement policy for any non-CHDO project funding proposals.

## **EFFECTIVE PERIOD OF CHDO CERTIFICATION**

To maintain its CHDO certification, the CHDO must submit at least **30** days prior to its annual compliance and monitoring audit a copy of the most recent audit financial statements along with all required attachments listed in the City's CHDO Certification Application, which is attached to this manual as **Exhibit "A" – City CHDO Application**. If the CHDO fails to submit the recertification packet, the CHDO may no longer qualify as a CHDO. Prior to awarding any City CHDO funds, the CHDO must recertify that no changes have occurred within the agency that would disqualify the entity as a CHDO for the specific type of activity being undertaken.

#### **HOW TO APPLY FOR CHDO CERTIFICATION**

Complete the City's CHDO Certification Application including all requested attachments, documentation, and forms. The applicant has **30** days to respond to any request for additional information. If information is not received within **30** days, the CHDO certification application will be denied.

## APPENDIX 7

### Recapture/Resale Requirements for Homebuyer Activities

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To ensure that HOME investments yield affordable housing over the long term, HOME regulations impose occupancy requirements over the length of an affordability period. If a house purchased with HOME funds is sold during the affordability period, recapture or resale provisions as per 24 CFR 92.254 shall apply to ensure the continued provision of affordable homeownership.

#### Definitions

**Affordability Period:** Occupancy restrictions for varying lengths of time for those homeowners assisted with HUD HOME funds. The affordability period affects the terms of the resale/recapture of the property if sold during the affordability period.

| HOME Affordability Periods |  |
|----------------------------|--|
| HOME subsidy/unit          | Minimum Period of Affordability in Years |
| Under \$15,000             | 5  |
| \$15,000 to \$40,000       | 10                                       |
| Over \$40,000              | 15                                       |

**Direct Homebuyer Subsidy:** A direct subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidized the purchase (e.g., down payment or closing cost assistance, subordinate financing, etc.).

**Development subsidy:** A development subsidy is the difference between the cost to develop housing and the market price. For example, the PJ might provide a \$50,000 construction loan to a developer. The appraised value after construction will be \$45,000 because of neighborhood and the market conditions. The \$5,000 difference between the \$45,000 sale price and \$50,000 construction loan is not repaid to the PJ and represents a development subsidy provided to the developer. While the subsidy does not go directly to the homebuyer, it helps make development of an affordable home feasible.

| Summary of Provisions for the City of Dallas by Subsidy Type: |                                  |                               |
|---|----------------------------------|-------------------------------|
| Direct Homebuyer Subsidy (DHS)                                | DHS + Development Subsidy        | Development Subsidy           |
| Recapture provisions shall apply                              | Recapture provisions shall apply | Resale provisions shall apply |

**Net Proceeds:** The sales price minus loan repayment (other than HOME funds) and closing costs.

## Recapture Requirements

Pursuant to HOME regulations at 24 CFR 92.254(a)(5) each HOME-funded homebuyer unit must be subject to either resale or recapture requirements during the affordability period. The City of Dallas exclusively uses the recapture provisions as defined herein and does not intend to use resale restrictions.

The City of Dallas provides HOME-funded direct buyer assistance to income eligible buyers based on need as dictated by the City of Dallas Homebuyer Assistance Program Underwriting Guidelines.

The level of HOME assistance provided to a buyer is based on an evaluation of the buyer's individual need taking into account their specific income, debts, etc. according to the City's underwriting policies for homebuyer assistance. Depending on the level of homebuyer assistance provided, the affordability period may be five (5) years (less than \$15,000 in direct assistance), ten (10) years (\$15,000 or more but less than \$40,000 in direct assistance), or fifteen (15) years (\$40,000 or more in direct assistance). Based on the City's program design, most projects trigger a 5- or 10-year affordability period.

All buyers sign a HOME written agreement with the City outlining the affordability period and recapture provisions. HOME assistance is provided in the form of a deferred loan secured by a second-position deed of trust which is due and payable upon sale or transfer of title. In the event buyers remain in the unit beyond the end of the affordability period, the HOME loan remains outstanding until sale or transfer of title while the term of the HOME written agreement expires.

Any sale or transfer of title during the affordability period results in recapture by the City of the lesser of the:

- Entire amount of direct HOME assistance originally provided to the buyer (less any voluntary prepayments previously made); or
- Net proceeds of sale (sales price minus senior secured debt minus reasonable seller's closing costs).

When the net proceeds are inadequate to fully repay the City's HOME loan, the City accepts the net proceed as full and final payoff of the note. The City reserves the right to determine that the sales price reflects an arms-length transaction at fair market value. Receipts received as a result of a sale within the affordability period are recorded as "recaptured funds." When net sales proceeds exceed the HOME assistance, buyers retain all remaining net proceeds after repaying the HOME loan balance.

After the expiration of the affordability period, any sale or transfer requires the HOME loan balance be repaid, and the City similarly limits the payoff to the net proceeds of sale. Receipts collected after the affordability period has expired are recorded as "program income." Net proceeds in excess of the City's HOME loan balance are retained by the original homebuyer.

## Resale Requirements

The City of Dallas shall require that Resale provisions be used in the event that only a Development Subsidy is used to make the home affordable (i.e. funding construction to the developer). In a project where both Development and Direct subsidies are provided, recapture provisions apply.

Resale provisions require the homeowner to sell to another low-income homebuyer. The resale requirement must ensure that the price at resale provides the original HOME-assisted owner a fair return on investment and ensure that the housing will remain affordable to a reasonable range of low-income homebuyers as defined below:

Affordable to range of low-income homebuyers (As it relates to the Resale Provision only): That which is affordable to a family earning 80% AMI and below and that who do not pay any more than 30% their gross income for PITI (Principle, Interest, Tax, and Insurance).

Fair Return on Investment (As it relates to the Resale Provision only): A Homeowner can sell the home during the affordability period according to the following chart:

| Fair Return on Investment (as it relates to Resale Provision only) |  |   |
|--|--|---|
| Years  | Lower Range  | Max Limit   |
| Year 1-5 of Affordability Period                                   | A Homeowner can sell the home during the affordability period for no more than 15% over DCAD's most recent appraisal value | Current (as of date of sale) Affordable Home Price asset forth in the City of Dallas Housing Policy |
| Year 6-15 of Affordability Period                                  | No Cap on appreciation rate  | Current (as of date of sale) Affordable Home Price asset forth in the City of Dallas Housing Policy |

Homeownership projects undertaken using the resale provision shall use deed restrictions, covenants running with land, or other similar mechanisms per 92.254(a)(5)(i)(A) to ensure the resale requirements. The period of affordability specified in the mortgage will be the minimum period for the project as specified above. The period of affordability is based on the total amount of HOME funds invested in the housing.

Either recapture or resale provisions must be detailed and outlined in accordance with 24 CFR in marketing brochures, written agreements and all legal documents with homebuyer. Either recapture or resale may be used within a project, not both. Combining provisions to create "hybrids" is not allowed.

## APPENDIX 8

### City of Dallas Affirmative Fair Housing Marketing Policy

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The Affirmative Fair Housing Marketing (AFHM) Plan is a marketing strategy or approach 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, CDBG or 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 market to such groups and 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, prior to expending any funds on a project.

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 certify the following:

- Examine and attempt to alleviate housing discrimination with 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 and Human Rights 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 requirements 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 Americans
  - Native Americans
  - Hispanics
  - Asians and Pacific Islanders
  - Disabled Persons
- 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 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.

## **APPENDIX 9**

### **Residential Anti-Displacement and Relocation Assistance Plan (RARAP)**

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This Residential Anti-Displacement and Relocation Assistance Plan (RARAP) is prepared by the City of Dallas Housing & Neighborhood Revitalization Department (City) in accordance with the Housing and Community Development Act of 1974, Section 104(d) as amended and HUD regulations at 24 CFR 42.325 and is applicable to CDBG, CDBG-R, Section 108 Loan Guarantee Program, NSP and/or HOME-assisted projects.

#### **Plan to Minimize Displacement of Low/Mod-Income Families as a Result of Any HUD Assisted Activities**

Consistent with the goals and objectives of activities assisted under the Act, the City will take the following steps to minimize the direct and indirect displacement of persons from their homes:

- Coordinate code enforcement with rehabilitation and housing assistance programs.
- Support the Redevelopment and Stabilization Target Areas through this policy
- Ensure the staging of rehabilitation of apartment units to allow tenants to remain in the building/complex during and after the rehabilitation, working with empty units first.
- Ensure for the arrangement of facilities to house persons who must be relocated temporarily during rehabilitation.
- Identify and mitigate displacement resulting from intensive public investment in neighborhoods.
- Provide reasonable protections for tenants faced with conversion to a condominium or cooperative.
- Where feasible, give priority to rehabilitation of housing, as opposed to demolition, to avoid displacement.
- If feasible, allow for demolition or conversion of only dwelling units that are not occupied or vacant occupied dwelling units (especially those units which are “lower- income dwelling units” (as defined in 24 CFR 42.305).
- Target only those properties deemed essential to the need or success of the project.

#### **Relocation Assistance to Displaced Persons**

The City will ensure relocation assistance for lower-income tenants who, in connection with an activity assisted under the above-mentioned Programs, move permanently or move personal property from real property as a direct result of the demolition of any dwelling unit or the conversion of lower-income dwelling unit in accordance with the requirements of 24 CFR 42.350.

A displaced person who is not a lower-income tenant, shall be provided relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970m Section 104(d) as amended, and implementing regulations at 49 CFR Part 24.

### One-for-One Replacement of Lower-Income Dwelling Units

The City will ensure replacement of all occupied and vacant occupied lower-income dwelling units demolished or converted to use other than lower-income housing in connection with a project assisted with funds provided under the above-mentioned programs in accordance with 24 CFR 42.375.

Before entering into a contract committing the City to provide funds for a project that will directly result in demolition or conversion of lower-income dwelling units, the City will ensure publication of such project in a newspaper of general circulation and submit to HUD the following information in writing:

- A description of the proposed assisted project;
- The address, number of bedrooms, and location on a map of lower-income dwelling units that will be demolished or converted to a use other than as lower-income dwelling units as a result of assisted project;
- A time schedule for the commencement and completion of the demolition or conversions;
- To the extent known, the address, number of lower-income dwelling units by size (number of bedrooms) and location on a map of the replacement lower-income housing that has been or will be provided. NOTE: See also 24 CFR 420.75(d).
- The source of funding and a time schedule for the provision of the replacement dwelling units;
- The basis for concluding that each replacement dwelling unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy; and
- Information demonstrating that any proposed replacement of lower-income dwelling units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units), or any proposed replacement of efficiency or single-room occupancy (SRO) units with units of a different size, is appropriate and consistent with the housing needs and priorities identified in the HUD-approved Consolidated Plan and 24 CFR 42.375(b).

To the extent that the specified location of the replacement dwelling units and other data in items 4 through 7 are not available at the time of the general submission, the general location of such dwelling units will be identified on a map and the City will ensure that the disclosure and submission requirements are completed as soon as the specific data is available.

### Replacement not required Based on Unit Available

Under 24 CFR 42.375(d), the City may submit a request to HUD for a determination that the one-for-one replacement requirement does not apply based on objective data that there is an adequate supply of vacant lower-income dwelling units in standard condition available on a non-discriminatory basis within the area.

### Responsible Entity

The City is responsible for tracking the replacement of lower income dwelling units and ensuring that they are provided within the required period. This City will also ensure that relocation payments and other relocation assistance are provided to any lower-income person displaced by the demolition of any dwelling unit or the conversion of lower-income dwelling units to another use.

## APPENDIX 10

### Other Federal Requirements

| Other Federal Requirements                              | Apply to Owner Occupied Rehabilitation?   | Apply to Homebuyer Programs?  | Applies to Rental Housing Programs?   |
|---|---|---|---|
| <b><i>Non-Discrimination and Equal Access Rules</i></b> |   |   |   |
| Fair Housing and Equal Opportunity                      | Yes. Must affirmatively further Fair Housing  | Yes   | Yes.  |
| Affirmative Marketing                                   | Yes.  | Yes, for all projects of five or more HOME-assisted units.  | Yes; for projects containing five or more Home-assisted units.                                      |
| Accessibility for Disabled Persons                      | Accessibility features must be part of rehabilitation, if needed by owner/occupant and the overall unit is brought up to the PJ's property standard. (Note: Accessibility improvements are eligible costs.) | Yes.  | Yes.  |
| <b><i>Employment and Contracting Rules</i></b>          |   |   |   |
| Equal Opportunity Employment                            | Yes.  | Yes.  | Yes.  |
| Section 3 Economic Opportunity                          |   | Yes, if amount of assistance exceeds \$200,000 or contract <b>or</b> subcontract exceeds \$100,000. | Yes, if amount of assistance exceeds \$200,000 or contract <b>or</b> subcontract exceeds \$100,000. |
| Minority/Women Business Enterprises                     | No.   | Yes.  | Yes.  |
| Davis-Bacon & other Labor                               | No.   | Yes, if construction contract includes 12 or more units that are HOME-assisted                      | Yes, if construction contract includes 12 or more units that are HOME-assisted                      |
| Conflict of interest                                    | Yes.  | Yes.  | Yes.  |
| Excluded Parties (e.g., Debarred Contractors)           | Yes.  | Yes   | Yes.  |
| <b><i>Other Federal Requirements</i></b>                |   |   |   |
| Environmental Reviews                                   | Yes.  | Yes   | Yes.  |
| Flood Insurance   | Yes for PJs that are cities/counties. No for State programs.  | Yes if city or county. No if state program  | Yes for PJs that are cities/counties. No for State PJs.   |

|                                 |                        |                         |   |
|---------------------------------|------------------------|-------------------------|---|
| Site and Neighborhood Standards | No.                    | No.                     | Yes; for rental new construction only   |
| Lead-Based Paint                | Yes for pre-1978 units | Yes for pre-1978 units. | Yes for rehabilitation of pre-1978 units. Applies to HOME and non-HOME assisted units. Requirements differ depending on whether rehabilitation work is performed. |
| Relocation                      | Yes.                   | Yes                     | Yes.  |

## APPENDIX 11

### Lead-Based Paint Requirements

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This portion of the manual outlines the requirements in relation to Lead-Based Paint.

The U.S. Department of Housing and Urban Development recently adopted new regulations in relation to the treatment of Lead Based Paint in properties built before 1978 that are assisted with HUD funding. The requirements are outlined below based on the activity undertaken. To obtain a copy of the rules from HUD, go to the HUD website at: [www.hud.gov/lead](http://www.hud.gov/lead) and download the regulation.

The section does not outline the City programs that are available to provide financial assistance in relation to lead abatement. Please note, however that any financial assistance provided by the City to address lead-based paint will be in the form of a GRANT to the homeowner to developer.

#### Down-payment Assistance Programs:

The following are HUD's requirements See 24 CFR part 35 (subpart K):

- Distribute Lead Hazard Information Pamphlet and Disclosure to buyers of homes built prior to 1978.
- Perform Visual Assessment of all painted surfaces.
- If Visual Assessment reveals deteriorated paint, action must be taken to stabilize each deteriorated paint surface.
  - At this point, one will have to assume every component has lead since the Visual Assessment does not determine where lead is present. Safe work practices must be used by trained worker in this field. Paint stabilization works will on non-friction surfaces such as walls (interior/exterior). When dealing with friction points such as windows and doors, abatement procedures (removal, replacement, enclosure) are recommended.
- After paint stabilization, clearance must be performed by a certified Risk Assessor or Lead Inspector. HUD has established lead levels that meet clearance requirements.
- Notify the homebuyer within 15 days of results of clearance exam.

At the Visual Assessment Stage, the homebuyer may opt for a lead test. This will reveal the levels of lead present in the home. A lead inspection will not tell you the risk involved, but only where the lead is located. This is when a buyer may request a Risk Assessment to outline the necessary Lead Hazard Reduction methods needed to insure a lead safe residence.

Following are some options (NOT REQUIREMENTS) to consider in relation to your program design for down payment assistance programs:

- If the visual assessment reveals defective paint in which stabilization and clearance is required then this cost can be funded by the nonprofit or the homebuyer or seller.
- If visual assessment shows no deterioration of a painted surface, the homebuyer can sign a waiver stating that they are aware of the potential presence of lead paint and they choose not to address it.
- A qualified consultant should advise on any lead inspection, lead hazard screen or risk assessments.

For Rehabilitation Programs (Owner-Occupied, Homebuyer, and Rental Property Rehabilitation Programs and Historic Preservation Residential Programs):

See 24 CFR Part 35 (subpart J)

If you are implementing a rehabilitation program, HUD's requirements are a bit more stringent in relation to lead based paint. The following describes HUD's requirements:

For HUD funded rehabilitation activities, lead hazard evaluation and reduction activities must be carried out for all projects constructed before 1978.

In all case, notification must be made to the homeowner/buyer in the form of the HUD Lead Hazard Information Pamphlet and Disclosure or an acceptable alternative pamphlet.

The required evaluation and reduction activity is dependent upon the amount of HUD funding used for the project.

For cases where less than or equal to \$5,000 will be spent on the rehabilitation: *Testing:* Paint Testing of surfaces to be disturbed by the rehabilitation activities must occur.

*Lead Hazard Reduction:* Surfaces, which are disturbed during rehabilitation, must be repaired. Safe work practices must be used. After the rehabilitation activities are completed, clearance must be performed by a certified professional to ensure that units are safe.

For cases where \$5,001 to \$25,000 will be spent on the rehabilitation: *Testing:* Paint testing of surfaces to be disturbed by rehabilitation must occur. In addition, a risk assessment must be performed.

*Lead Hazard Reduction:* Interim controls must be used. This means that the friction and impact surfaces would be addressed. Interim controls include paint stabilization and cleaning. Safe work practices must be used. After the rehabilitation activities are completed, clearance must be performed by a certified professional to ensure that units are safe.



For cases where more than \$25,000 will be spent on the rehabilitation:

*Testing:* Paint testing of surfaces to be disturbed by rehabilitation must occur. In addition, a risk assessment must be performed.

*Lead Hazard Reduction:* abatement of hazards is the required approach. Abatement involves permanently removing lead-based hazards, often through paint and component removal, replacement, encapsulation and enclosure. Interim controls and paint stabilization may be used on the home's exterior if it is not involved in the rehabilitation. Safe work practices must be used. After the lead hazard reduction activities are completed, clearance must be performed by a certified professional to ensure that units are safe.

#### Calculating the level of rehabilitation assistance:

When calculating how much HUD funding will be used on a rehabilitation project, the following costs are counted: soft costs, administrative costs, relocation costs, environmental reviews, acquisition of property, and lead hazard evaluation and reduction costs.

#### Lead-Based Paint Requirements

For HUD funded rehabilitation activities, lead hazard evaluation and reduction activities must be carried out for all projects constructed before 1978.

Less than or equal to \$5,000 spent on the rehabilitation:

Projects where the level of rehabilitation assistance is less than or equal to \$5,000 per unit must meet the following requirements. All work must be conducted using lead safe work practices and workers/contractors must be trained in lead safe work practices. It is presumed that painted surfaces being worked on contain lead-based paint. All disturbed paint must be repaired. Clearance is required by a State of Texas Certified Risk Assessor or Inspector if paint is disturbed. Safe work practices are NOT required when lead hazard reduction activities do not disturb (De Minimis Levels) painted surfaces that total more than 20 sq ft on exterior surfaces, 2 sq ft in any one interior room, or space or 10% of the total surface on an interior or exterior type of component.

In addition, the following notices must be provided to owners:

- Lead Hazard Information pamphlet
- Notice of Presumption and
- The Notice of Lead Hazard Reduction

Where \$5,001 to \$25,000 spent on the rehabilitation:

A risk assessment is required to identify lead hazards and identified hazards must be addressed by interim controls. A risk assessment must be conducted by a qualified professional prior to rehabilitation to find lead-based paint hazards in assisted units, in common areas that service those units, and on exterior surfaces. The risk assessment must include paint testing of any surfaces to be disturbed by the rehabilitation. If the risk assessment identifies lead-based paint hazards, interim controls must be implemented to address lead-based paint hazards. Interim controls must be performed by qualified professionals using safe work practices. Clearance, conducted by a State of Texas Certified Risk Assessor or Inspector, is required when lead hazard reduction activities are complete.

In addition, the following notices must be provided to owners:

- Lead Hazard Information pamphlet
- Notice of Presumption and
- The Notice of Lead Hazard Reduction

Where more than \$25,000 will be spent on the rehabilitation:

A risk assessment is required to identify hazards and any identified hazards must be abated by a qualified professional. A risk assessment must be conducted prior to rehabilitation to find lead-based paint hazards in assisted units, in common areas that service those units, and on exterior surfaces. The risk assessment must include paint testing of any surfaces to be disturbed by the rehabilitation.

To address hazards identified:

- Abatement must be conducted to reduce all identified lead-based paint hazards except those described below. Abatement must be conducted by a certified abatement contractor.

If lead-based paint hazards are detected during the risk assessment on the exterior surfaces that are not to be disturbed by rehabilitation, interim controls may be completed instead of abatement to reduce these hazards.

- Clearance is required when lead hazard reduction activities are complete.

In addition, the following notices must be provided to owners:

- Lead Hazard Information pamphlet
- Notice of Presumption and
- The Notice of Lead Hazard Reduction

|  | <b>&lt;\$5,000</b>                              | <b>\$5,000 to \$25,000</b>        | <b>&gt;\$25,000</b>   |
|--|---|-----------------------------------|---|
| Approach to Lead Hazard Evaluation and Reduction | Do no harm                                      | Identify and control lead hazards | Identify and abate lead hazards   |
| Notification                                     | Yes   | Yes                               | Yes   |
| Lead Hazard Evaluation                           | Paint Testing                                   | Paint Testing and Risk Assessment | Paint Testing and Risk Assessment   |
| Lead Hazard Reduction                            | Repair surfaces disturbed during rehabilitation | Interim Controls                  | Abatement (Interim controls may be used on exterior surfaces not disturbed by rehabilitation) |

## **APPENDIX 12**

### **Environmental Review Policy, Procedures, and Standards**

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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.

## **APPENDIX 13**

### **SECTION 3**

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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.

## **APPENDIX 14**

### **Minority/Women Business Enterprise**

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Developers must maintain an M/WBE plan that demonstrates marketing and solicitation of M/WBE businesses and contractors for the construction of the project.

## APPENDIX 15

### Regulatory References

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You may be interested in reading the actual regulations published by the U.S. Department of Housing and Urban Development for CDBG and HOME and the applicable federal requirements. A copy of the regulations may be obtained by contacting the Department of Housing and Neighborhood Revitalization or downloading the information from the HUD website at [www.hud.gov](http://www.hud.gov).

The regulations for CDBG are located at 24 CFR Part 570: Part 570 – Community Development Block Grants

#### **Subpart A – General Provisions**

| <b>Section</b> | <b>Title</b>                  |
|----------------|-------------------------------|
| <u>570.1</u>   | Purpose and Primary Objective |
| <u>570.2</u>   | Removed                       |
| <u>570.3</u>   | Definitions                   |
| <u>570.4</u>   | Allocations of Funds          |
| <u>570.5</u>   | Waivers                       |

#### **Subpart C – Eligible Activities**

| <b>Section</b> | <b>Title</b>   |
|----------------|--|
| <u>570.200</u> | General Policies   |
| <u>570.201</u> | Basic eligible activities  |
| <u>570.202</u> | Eligible rehabilitation and preservation activities  |
| <u>570.203</u> | Special economic development activities  |
| <u>570.204</u> | Special activities by Community-Based Development Organizations (CBDO's)                                   |
| <u>570.205</u> | Eligible planning, urban environmental design and policy-planning-management- capacity building activities |
| <u>570.206</u> | Program administration costs   |
| <u>570.207</u> | Ineligible activities  |
| <u>570.208</u> | Criteria for national objectives   |
| <u>570.209</u> | Guidelines for evaluating and selecting economic development projects                                      |

The regulations for HOME are located at 24 CFR Part 92: Home Investment Partnerships Program

| <b>Section</b> | <b>Title SUBPART A - GENERAL</b>                           |
|----------------|--|
| 92.1           | Overview   |
| 92.2           | Definitions  |
| 92.4           | Waivers and Suspensions of Requirements for Disaster Areas |

## **SUBPART B – ALLOCATIONS FORMULA**

- 92.50 Formula Allocations
- 92.60 Allocation Amounts for Insular Areas
- 92.61 Program Description
- 92.62 Review of Program Description and Certifications
- 92.63 Amendments to Program Description
- 92.64 Applicability of Requirements to Insular Areas
- 92.65 Funding Sanctions
- 92.66 Reallocations

## **SUBPART C – CONSORTIA; DESIGNATION AND REVOCATION OF DESIGNATION AS A PARTICIPATING JURISDICTION**

- 92.101 Consortia
- 92.102 Participation Threshold Amount
- 92.103 Notification of Intent to Participate
- 92.104 Submission of a Consolidated Plan
- 92.105 Designation as a Participating Jurisdiction
- 92.106 Continuous Designation as a Participating Jurisdiction
- 92.107 Revocation of Designation as a Participating Jurisdiction

## **SUBPART D – SUBMISSION REQUIREMENTS**

- 92.150 Submission Requirements

## **SUBPART E – PROGRAM REQUIREMENTS**

- 92.200 Private-Public Partnership
- 92.201 Distribution of Assistance
- 92.202 Site and Neighborhood Standards
- 92.203 Income Determinations
- 92.204 Applicability of Requirements to Entities that Receive a Reallocation of HOME Funds, other than Participating Jurisdictions
- 92.205 Eligible Activities: General
- 92.206 Eligible Project Costs
- 92.207 Eligible Administrative and Planning Costs
- 92.208 Eligible Community Housing Development Organization (CHDO) Operating Expense and Capacity Building Costs
- 92.209 Tenant-Based Rental Assistance: Eligible Costs and Requirements

## **Lead Based Paint Regulations**

### **DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**24 CFR Parts 35, 91, 92, 200, 203, 206, 280, 291, 511, 570, 572, 573, 574, 576, 582, 583, 585, 761, 881, 882, 883, 886, 891, 901, 906, 941, 965, 968, 670, 982, 983, 1000, 1003, and 1005**  
**Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance.**

**AGENCY:** Office of the Secretary – Office of Lead Hazard Control, HUD.

**ACTION:** Final rule.

**SUMMARY:** The purpose of this rule is to ensure that housing receiving Federal assistance and federally owned housing that is to be sold does not pose lead-based paint hazards to young children. It implements sections 1012 and 1013 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, which is Title X of the Housing and Community Development Act of 1992.

The requirements of this rule are based on the practical experience of cities, states and others who have been controlling lead-based paint hazards in low-income privately-owned housing and public housing through HUD assistance. It also reflects the results of new scientific and technological research and innovation on the sources, effects, costs, and methods of evaluating and controlling lead hazards. With today's action, HUD's lead-based paint requirements for all Federal programs are now consolidated in one part of title 24 of the Code of Federal Regulations.

**DATES:** Effective Dates: Section 35.140 is effective on November 15, 1999. All other provisions of the rule are effective on September 15, 2000.

**FOR FURTHER INFORMATION CONTACT:** For questions on this rule, call (202) 755-1785, ext. 104 (this is not a toll-free number) or e-mail your inquiry to [lead\\_regulations@hud.gov](mailto:lead_regulations@hud.gov). For lead-based paint program information, contact the Office of Lead Hazard Control, Department of Housing and Urban Development, 451 7<sup>th</sup> Street, SW, Room B-133, Washington, DC 20410-0500. For legal questions, contact the Office of General Counsel, Room 9262, Department of Housing and Urban Development. Hearing and speech-impaired persons may access the above telephone number via TTY by calling the toll-free Federal Information Relay Service at 1-800-877-8339.

**Subpart A** – Disclosure of Known Lead-Based Paint Hazards upon Sale or Lease of Residential Property.

**Subpart B** – General Lead-Based Paint Requirements and Definitions for All Programs

- a. Definitions
- b. Exemptions
- c. Options
- d. Notice of Evaluation and Hazard Reduction Activities



- e. Lead Hazard Information Pamphlet
- f. Use of Paint Containing Lead
- g. Prohibited Methods of Paint Removal
- h. Compliance with Other, State, Tribal, and Local Laws
- i. Minimum Requirements
- j. Waivers
- k. Prior Evaluation or Hazard Reduction
- l. Enforcement
- m. Records

**Subpart C** – Disposition of Residential Property Owned by Federal Agency Other Than HUD

**Subpart D** – Project-Based Assistance Provided by a Federal Agency Other than HUD

**Subpart E** - Reserved

**Subpart F** – HUD-Owned Single-Family Property

**Subpart G** – Multifamily Mortgage Insurance

**Subpart H** – Project – Based Rental Assistance

**Subpart I** – HUD – Owned and Mortgagee-in-Possession Multifamily Property

**Subpart J** – Rehabilitation

**Subpart K** – Acquisition, Leasing, Support Services, or Operation

**Subpart L** - Public Housing Programs

**Subpart M** – Tenant-Based Assistance

**Subpart N-Q** – Reserved

**Subpart R** – Methods and Standards for Lead-Based Paint Hazard Evaluation and Reduction Activities

- a. Standards
- b. Adequacy of Dust-Lead Standards
- c. Summary Notice Formats
- d. Interim Controls
- e. Standard Treatments
- f. Clearance
- g. Occupant Protection and Worksite Preparation
- h. Safe Work Practices
- i. Ongoing Lead-Based Paint Maintenance and Reevaluation

## **APPENDIX 16**

### **Community Land Trust Designation Implementation Guidelines**

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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 redesignation 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.

The designation and re-designation process are subject to the approved CHP Program and the following general terms and City Manager, or their designee discretion. The elements below will be reviewed by Staff in the Housing and Neighborhood Revitalization Department ("Housing Staff") for accuracy and completeness. Housing staff will then prepare a document to be reviewed by the City Council for its initial designation. Housing staff will review and approve or suggest City Council revoke yearly re-designation of CLTs.

Housing staff is available to discuss the CLT application process and will schedule regular information sessions. In addition, select staff may be available to discuss community engagement and general CLT governance questions.

Applications are subject to verification and follow-up.

#### **General Application Process**

- Attend a CLT application info session;
- Request a meeting with Housing Staff to discuss community engagement, outreach and general guidelines;
- Complete an application with all required attachments;
- Amend Application, submit additional details as requested or work with City Staff to meet all Operations and Eligibility Criteria
- Attend the City Council meeting when the CLTs application will be under consideration for designation; and
- Re-certify yearly.

#### **General Application Checklist**

- 501(C)(3) tax exemption letter;
- Organization, charter, bylaws or other regulatory document adopted to govern its affairs which includes the following provisions:
  - 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; to
  - 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 a similar 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;
- list of key employees or contractors including, name, title, years of affordable housing experience, area of expertise, date of hire;
- most recent independently conducted audit or audit review (if organization has been in operation for more than 1 year);
- ground lease and deed restrictions documents, approved for use by the City;

- that include a resale formula outlining the amount of equity per year that can be built while ensuring long term affordability;
- 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;
- that have terms for sale, lease and inheritance,
- list of board members, position, title, outreach and recruitment methodology and the CLT board bylaws that indicate the CLT commitment to community ownership and governance and the percent or number of seats of low-income residents or owners of CLT properties on the board of directors and what specific expertise of board members the CLT seek out to govern the CLT;
- list enumerating the parcel(s) to be acquired (with date of purchase) to be included in the CLT, current appraised value, and estimation of taxes;
- business plan that demonstrates the ability to financially cover expenses with 3-year projection;
- list of community engagement activities that may include, number of community meetings, location, time, and number of attendees, outreach methodology, and challenges that the CLT faces with engagement and general outcome of engagement activities within the last year;
- list or explanation of any activities related to how this CLT will be used as a mechanism for anti-displacement, recruiting and retaining people with a historic legacy in the community or other community building methods;
- letters of support (not more than 10) from entities like: neighborhood residents, neighborhood stakeholders, non-profit and community-based organizations and for-profit business; and
- If requesting to operate in the same general geography as an existing CLT, a letter discussing the merits and the need, how and why another CLT should be designated in the same or similar area including how the applicant is different than the existing CLT and any records of outreach to the existing CLT for partnership or collaboration.

### **Re-Designation Application**

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:

- Write a letter certifying 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.

### **Income Eligibility**

A CLT must sell or lease housing units only to eligible households as set forth in Chapter 373B.006, as amended:

- (a) A CLT may sell housing units only to families with a yearly income at the time of sale at or below 80 percent of the area median family income, adjusted for family size;
- (b) Notwithstanding Subsection (a), for housing units located on one or more tracts of land owned by the CLT that constitute a contiguous geographic area or are located in the same

platted subdivision, the CLT may sell not more than 20 percent of the housing units to families with a yearly income at the time of sale that exceeds the amount provided by Subsection (a) but does not exceed 120 percent of the area median family income, adjusted for family size;

(c) At least 25 percent of the housing units sold by the CLT must be sold to families with a yearly income at the time of sale at or below 60 percent of the area median family income, adjusted for family size;

(d) The CLT may lease housing units only to families with a yearly income at the time of lease at or below 60 percent of the area median family income, adjusted for family size;

(e) Notwithstanding Subsection (d), for housing units located on one or more tracts of land owned by the CLT that constitute a contiguous geographic area or are located in the same platted subdivision, the CLT may lease not more than 20 percent of the housing units to families with a yearly income at the time of lease that exceeds the amount provided by Subsection (d) but does not exceed 80 percent of the area median family income, adjusted for family size;

### **Disqualifying Criteria**

The intent of the CLT program is to ensure long term affordability and good stewardship of communities through the unique nature of CLT operations throughout the City of Dallas. If CLT is not operating to ensure this then the CLT may not be eligible for initial designation and may lose its designation. Examples of this may include, but are not limited to, ground leases that do not reflect long term affordability protections, mortgage products that may be predatory in nature, the City receiving community complaints about this CLT management practices, not allowing housing choice vouchers, or not meeting the requirements of income eligibility of clients.

## **APPENDIX 17**

### **Residential Neighborhood Empowerment Zone Implementation Guidelines**

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Approved January 22, 2020

#### **Development-Related Costs**

Development fees and development-related costs eligible for grants up to \$15,000 per reserved dwelling unit under a Chapter 380 agreement include:

- Fees found in Section 52.300 of the Dallas City Code. However, the following fees are specifically excluded:
  - 303.5.1.4.1 and 303.5.1.4.2 – resubmittal fees
  - 303.5.6 sidewalk waivers
  - 303.5.7 reinspection fees
  - 303.5.13 returned check fees
  - 303.5.16 reinstatement of permit privileges
  - 303.5.18 appeals to boards
  - 303.5.19 unauthorized concealment
  - 303.7 beginning work without a permit
- Zoning and platting fees found in Chapter 51A-1.105 of the Dallas Development Code
- Dallas Water Utility fees related to water and sewer service required for the development
- Costs associated with completing a tree survey as required in Chapter 51A-10 of the Dallas Development Code
- Additional professional services related to tree preservation at the discretion of the Director.

For the purposes of Sec. 51A-4.1002(c) of the Dallas Development Code, the Residential Neighborhood Empowerment Zone program is a program administered by the housing and neighborhood revitalization department and authorized by the city council that furthers the public purposes of the city's housing policy, and applicants are therefore eligible to have some or all of the parkland dedication requirements waived subject to compliance with the program.

Grants may be increased to an additional \$5,000 per reserved dwelling unit at the discretion of the Director. Additional grant amounts are allowable subject to Council approval.

#### **Reference:**

- Development fees:  
[https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/DCH%20documents/pdf/BI\\_Chapter%2052\\_Amendments\\_03-01-2017.pdf](https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/DCH%20documents/pdf/BI_Chapter%2052_Amendments_03-01-2017.pdf)
- Zoning and platting fees:  
[http://library.amlegal.com/nxt/gateway.dll/Texas/dallas/cityofdallastexascodeofordinances/volumeiii/chapter51adallasdevelopmentcodeofordinance/articleigeneralprovisions11?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:dallas\\_tx\\$anc=JD\\_51A-1.105](http://library.amlegal.com/nxt/gateway.dll/Texas/dallas/cityofdallastexascodeofordinances/volumeiii/chapter51adallasdevelopmentcodeofordinance/articleigeneralprovisions11?f=templates$fn=default.htm$3.0$vid=amlegal:dallas_tx$anc=JD_51A-1.105)
- Dallas Water Utility fees:  
[http://library.amlegal.com/nxt/gateway.dll/Texas/dallas/cityofdallastexascodeofordinances/volumeii/chapter49waterandwastewater?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:dallas\\_tx\\$anc=JD\\_Ch.49](http://library.amlegal.com/nxt/gateway.dll/Texas/dallas/cityofdallastexascodeofordinances/volumeii/chapter49waterandwastewater?f=templates$fn=default.htm$3.0$vid=amlegal:dallas_tx$anc=JD_Ch.49)
- Tree mitigation standards:  
[https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/DCH%20documents/pdf/BI\\_Tree%20Mitigation%20Standards.pdf](https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/DCH%20documents/pdf/BI_Tree%20Mitigation%20Standards.pdf)

### Reimbursement calculation

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 occupied by eligible households. For example:

- A developer builds a new 200-unit single family for-sale development and reserves 20 of the units for eligible households under 100% of AMI and 20 of the units for eligible households between 101% and 120% of AMFI. The developer incurs \$100,000 in eligible development-related expenses. The calculation would be:

$$\begin{array}{rcl} \text{(reserved units/total units)} & * & \text{eligible expenses} = \text{development fee reimbursement} \\ (40/200) & * & \$100,000 = \mathbf{\$20,000} \end{array}$$

- A developer builds 5 new single family for-sale homes and reserves all of them for households between 80% and 100% of AMI. In this case development-related expenses are high and the developer incurs \$100,000 in eligible development-related expenses. The calculation is below. Because it is above \$50,000, the development agreement would require additional Council approval for the portion above \$50,000:

$$\begin{array}{rcl} \text{(reserved units/total units)} & * & \text{eligible expenses} = \text{reimbursement} \\ (5/5) & * & \$100,000 = \mathbf{\$100,000} \text{ (with additional Council approval)} \end{array}$$

### Design review/compliance with Council-adopted area plans

New construction under this Program should respect the architectural character of the surrounding neighborhood and should comply with all Council-adopted area plans. In addition:

- The main pedestrian entrance to the single family or duplex dwelling unit must be closer to the street than the distance of the garage entrance to the street. So called “snout houses,” where the garage is more prominent than the front door or front porch, are not eligible for funding under this program.
- All street-fronting facades must have at least one window that provides occupants visibility to the street and at least one pedestrian entrance facing the street at street level. The entrance must access the street with an improved pedestrian path connecting to the sidewalk. The driveway is not considered a pedestrian path.

### Eligible Repairs

Eligible repairs for owner-occupied housing units and single-family rental housing units include the following items when associated with weather proofing and water proofing:

- Roofing repair
- Repair/replacement of exterior material, such as siding or brick repointing
- Exterior entry door repair or replacement
- Exterior window repair or replacement
- Exterior caulking, sealant application, and paint
- Plumbing repair/replacement to remediate leaks
- Removal and replacement of water-damaged material
- Mold remediation
- Gutters and downspouts as needed
- Porch repair to protect doorways and windows from water intrusion
- Foundation repair

- Additional items as recommended by the assigned inspector and approved by the Director

Additional eligible repairs (once initial weather proofing and water proofing work is complete):

- Additional work related to the weather proofing and water proofing work in the list above
- Accessibility repairs and installation such as ramps, handrails or repairing walkways
- Water heater repair or replacement
- Heating systems/cooling systems repair or replacement
- Plumbing repair or replacement, including water lines, sewer lines, toilet repairs, etc.
- Electrical repair or replacement, including repair of breakers, panels, wiring, or outlets
- Gas lines repair or replacement
- Floor repair or replacement
- Interior and exterior repairs as recommended by the assigned inspector
- Any item determined eligible by the Director

Termination, clawback, and default terms will be specified in the development and abatement agreements.

## **Process**

Outline of proposed process:

- Application submission/review
- Pre-work inspection
- Application approval
- Tax abatement agreement drafted/signed
- Construction/renovation started/completed
- Paperwork submitted
- Post-work inspections complete
- Abatement recorded on deed (to remain on property during compliance period)
- Development grant paid after all program elements completed

Annual review

- Eligible property owners must annually
  - apply to the appraisal district for the abatement
  - submit to the city, on a form approved by the director, proof of ongoing compliance with the program
- Subject to receipt of proof of ongoing compliance, the director shall provide verification to the appraisal district on an annual basis for the duration of the tax abatement.

## **Modifications**

The City Manager may modify this Appendix 17 to increase its effectiveness and will notify by memorandum the City Council, the Housing Policy Task Force steering committee, and the city secretary of any changes.

## APPENDIX 18

### Targeted Rehabilitation Program - West Dallas Sub-Program Module

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#### 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 (bond funds)

The total amount available is \$2,000,000 and each grant will be an amount not to exceed \$10,000 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 \$10,000 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.

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.

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 200 homeowners within an 18-month period.

The City's Request for Proposals for a contractor to provide the repairs in the West Dallas TRP will include local subcontractor hiring.

## **APPENDIX 19**

### **Targeted Rehabilitation Program - Tenth Street Historic District Sub-Program Module**

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#### **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 (bond funds)

The total amount available is \$750,000 and each grant will be in 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 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 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 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 \$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.

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.

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 35 homeowners within an 18-month period.

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.

## APPENDIX 20

### Interventions by Strategy Area

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| IMPLEMENTATION REQUIREMENTS                    |                              |                          |                 |                       |                 |
|--|------------------------------|--------------------------|-----------------|-----------------------|-----------------|
|  | Requires an ordinance change | Authorized by Resolution | Policy Decision | Available through NEZ | Non-City Action |
| Accessory Dwelling Units                       | X                            |                          |                 |                       |                 |
| Building Code Fee Waivers                      | X                            |                          |                 | X                     |                 |
| Community Court                                |                              |                          | X               |                       |                 |
| Code Lien Foreclosures                         |                              |                          | X               |                       |                 |
| Community Land Trust                           | X                            |                          |                 |                       |                 |
| Contractor Training Program                    |                              | X                        | X               |                       |                 |
| Development Code Fee Waivers                   | X                            |                          |                 |                       |                 |
| Employer-Assisted Housing Program              |                              |                          |                 |                       | X               |
| Envision Centers                               |                              |                          |                 |                       | X               |
| Expedited Processing                           |                              |                          | X               |                       |                 |
| Home Improvement Preservation Program          |                              | X                        | X               |                       |                 |
| Homestead Preservation Districts               |                              |                          | X               |                       |                 |
| Housing Trust Fund                             |                              | X                        |                 |                       |                 |
| Incentive Zoning/Density Bonuses               | X                            |                          |                 |                       |                 |
| Lien Releases                                  | X                            |                          |                 |                       |                 |
| Multi-Family Rehab Program                     |                              | X                        |                 |                       |                 |
| Neighborhood Empowerment Zones                 |                              | X                        |                 |                       |                 |
| Opportunity Zones                              |                              |                          |                 |                       |                 |
| Park Land Dedication Fees                      |                              |                          |                 |                       |                 |
| Property Tax Abatement                         |                              | X                        |                 | X                     |                 |
| Rental/Homeowner Maintenance Education Program | X                            |                          |                 |                       |                 |
| Tax Increment Financing (TIF)                  |                              | X                        |                 |                       |                 |
| Voucher Sublease Program                       |                              | X                        | X               |                       |                 |

|                             | <b>Proposed Types of Activities</b>   | <b>Redevelop-<br/>ment Areas</b> | <b>Stabiliza-<br/>tion Areas</b> | <b>Emerging<br/>Markets</b> | <b>Citywide</b> | <b>Council</b>               |
|-----------------------------|---|----------------------------------|----------------------------------|-----------------------------|-----------------|------------------------------|
| 1                           | Notice of Funding Availability: New Development (for-sale and rental) or Substantial Rehabilitation   | P                                | P                                | N                           | Y               | MF:<br>2/20/2019             |
| 2                           | Preservation of owner-occupied housing: Home Improvement and Preservation Program<br><i>Enhanced 9/25/2019 with title clearing program</i>  | P                                | P                                | Y                           | Y               | 11/28/2018<br>&<br>6/26/2019 |
| 3                           | Preservation of single-family rental housing: Home Improvement and Preservation Program<br><i>Enhanced 9/25/2019 with title clearing program and enhanced 12/11/2019 with NEZ</i> | P                                | P                                | Y                           | Y               |                              |
| 4                           | Preservation of multifamily rental housing: Home Improvement and Preservation Program   | P                                | P                                | Y                           | Y               |                              |
| 5                           | Landbanking   | N                                | P                                | P                           | N               | N/A                          |
| 6                           | Code lien foreclosures  | N                                | P                                | P                           | N               |                              |
| 7                           | Neighborhood Empowerment Zones  | N                                | Y                                | N                           | N               | 1/22/2020                    |
| 8                           | City's second mortgage assistance program (DHAP)  | Y                                | Y                                | Y                           | Y               | 11/28/2018                   |
| 9                           | Neighborhood Revitalization Strategy Area Designation   | P                                | P                                | P                           | N               | in process                   |
| 10                          | Dallas Tomorrow Fund (Department of Code Compliance home repair fund through fee assessment)  | Y                                | Y                                | Y                           | Y               | In process                   |
| 11                          | Code academy  | Y                                | Y                                | P                           | Y               |                              |
| 12                          | Tax increment reinvestment zone designation   | Y                                | Y                                | Y                           | N               |                              |
| 13                          | Create neighborhood association   | Y                                | Y                                | P                           | Y               |                              |
| 14                          | Neighborhood sweep - 2-week intensive sweep: minor street repair, code inspections, signage, beautification projects, neighborhood plan   | Y                                | Y                                | P                           | N               |                              |
| 15                          | Neighborhood beautification projects  | Y                                | Y                                | P                           | Y               |                              |
| 16                          | Low Income Housing Tax Credit City support - with scoring criteria  | N                                | Y                                | N                           | Y               | 6/12/2019                    |
| 17                          | Voucher sublease agreements   | Y                                | Y                                | Y                           | Y               |                              |
| 18                          | Accessory dwelling units  | See<br>Citywide                  | Y                                | See<br>Citywide             | Y-Opt-in        | 6/27/2018                    |
| 19                          | Incentive zoning  | P                                | P                                | N                           | Y               | 3/27/2019                    |
| 20                          | Homestead preservation district designation   | N                                | P                                | N                           | N               |                              |
| 21                          | Community land trust  | Y                                | Y                                | Y                           | Y               | 12/11/2019                   |
| 22                          | Tenant based rental assistance program (HILI)   | -                                | -                                | -                           | Y               |                              |
| 23                          | Express plan review   | P                                | P                                | N                           | N               |                              |
| 24                          | Targeted Rehab Program  | Y                                | Y                                | Y                           | Y               | 8/26/2020                    |
| Key: P= Priority Y=Yes N=No |   |                                  |                                  |                             |                 |                              |



## Agenda Information Sheet

**File #:** 21-1615

**Item #:** 14.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Department of Housing & Neighborhood Revitalization  
**EXECUTIVE:** Dr. Eric A. Johnson

### **SUBJECT**

Authorize an amendment to the City of Dallas Comprehensive Housing Policy, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to amend the terms of the Dallas Homebuyer Assistance Program (DHAP) to: **(1)** change the citizenship definition for applicants to meet the guidelines set forth by The Department of Housing and Urban Development (HUD); **(2)** remove the minimum income requirement of 60% of the Area Median Income (AMI) **(3)** remove the minimum 26% front-end loan to income ratio requirement; and **(4)** modify the Targeted Homebuyer Incentive Program to remove federal requirements when assistance is provided to homebuyers using nonfederal funds - Financing: No cost consideration to the City

### **BACKGROUND**

The Comprehensive Housing Policy (CHP) has three main goals: (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.

DHAP provides homeownership opportunities to low- and moderate-income homebuyers through financial assistance when purchasing a home within the City of Dallas. This includes, principal reduction, down payment assistance, and/or closing costs.

In order to improve DHAP's effectiveness and broaden the potential number of residents served, the Department of Housing & Neighborhood Revitalization (Department) recommends the following changes to the Dallas Homebuyers Assistance Program:

- Amend the AMI limits to remove the 60% Minimum

Staff recommends removing the 60% AMI minimum income requirements because numerous applicants that were approved for loans by DHAP-approved mortgage lenders were ultimately denied by the city because they were below 60% AMI. DHAP should not have more restrictive



lending requirements than reputable and verified lenders that participate in the program. The 60% AMI minimum income requirement only hinders the City's ability to provide home ownership opportunities to low-to moderate-income families.

Removing the 60% AMI minimum income requirement will not overburden potential homeowners as DHAP will still limit applicants to a front-end loan to income ratio of 32%. This means no potential homeowner will be able to borrow more than 32% of their income on housing costs.

Removing the 60% minimum income requirement will also increase consistency throughout CHP programs as Land Transfer Program, and New Construction and Substantial Rehabilitation Program do not have a minimum requirement.

- Amend the front-end ratio to remove the 26% minimum loan to income requirement

The current CHP requires a Front- Loan to Income Ratio between 26%-32%.

Staff recommend removing the 26% minimum loan to income requirement as it penalizes homebuyers who have little to no debt. If a homebuyer has a minimal debt but needs to utilize DHAP to obtain down payment assistance, the homebuyer should not be denied simply because they do not have outstanding debt that requires 26% of their income.

Many first-time homebuyers have paid off debt such as student loans and credit cards to prepare for home ownership, the 26% floor precludes them from utilizing DHAP. This adjustment increases applicant options for homeownership, while adhering to the appropriate underwriting guidelines within the CHP.

- Amend the Definition of Applicant

Staff requests an adjustment to the definition of applicant, to meet the guidelines of The Department of Housing and Urban Development (HUD). This adjustment to the program will ensure all qualified applicants, who have eligible status, are being served.

- Amend the Targeted Homebuyer Incentive Program

This program offers financial assistance for those in the respective fields of Protective Services: Fire Fighters, Police Officers, Healthcare, Teacher/Education Instruction, and Library occupations.

Staff recommends the removal of federal program requirements that are not a requirement of the City when federal funds are not used.

Staff recommends that City Council authorizes the amendments to the Comprehensive Housing Policy (CHP), as reflected in the attached **Exhibit A**, an amendment to the City of Dallas CHP, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to amend the terms of the DHAP to: **(1)** change the citizenship definition for applicants to meet the guidelines set for by

The Department of Housing and Urban Development (HUD); **(2)** remove the minimum income requirement of 60% of the Area Median Income (AMI) **(3)** remove the minimum 26% front-end loan to income ratio requirement; and **(4)** modify the Targeted Homebuyer Incentive Program to remove federal requirements when assistance is provided to homebuyers using nonfederal funds.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On May 9, 2018, City Council adopted the CHP and created the Dallas Housing Policy Task Force by Resolution No. 18-0704, as amended.

On November 28, 2018, City Council authorized amendments to the CHP, to make technical changes to the Home Improvement Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680.

On May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824.

On June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884.

On June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP, and the HIPP Landlord Program by Resolution No. 19-1041.

On September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498.

On December 11, 2019, City Council authorized amendments to the CHP to modify the provisions for the housing policy task force, update language to comply with the Mixed Income Housing Development Bonus previously approved by City Council and remove two application forms by Resolution No. 19-1864.

On January 22, 2020, City Council authorized amendments to the CHP and created a Neighborhood Empowerment Zone Program by Resolution No. 20-0188.

On August 26, 2020, City Council authorized amendments to the CHP to amend the DHAP program, include the 0-30% income band in the range of income bands to be served, create the Targeted Rehabilitation Program, and allow Community Housing Development Organizations to retain a percentage of sales proceeds from eligible HOME-funded projects by Resolution No. 20-1220.

On September 9, 2021, City Council authorized amendments to the CHP to (1) amend HIPP to (a) modify the Major Rehabilitation Forgivable Loan Program; (b) modify the Subrecipient Minor Home Repair Grant Program; (c) modify the Housing Reconstruction Program; (d) modify the Landlord Rental Repair Program; (2) amend the Community Land Trust Program; (3) amend Appendix 18, Targeted Rehabilitation Program - West Dallas Sub-Program Module; and (4) amend Appendix 19,

Targeted Rehabilitation Program - Tenth Street Historic District Sub-Program Module by Resolution No. 21-1450.

On September 20, 2021, the Housing Policy Task Force was briefed on the proposed changes to the CHP for review and comment.

The Housing and Homelessness Solutions Committee was briefed on this item regarding the proposed changes on September 23, 2021.

**FISCAL INFORMATION**

No cost consideration to the City.

October 13, 2021

**WHEREAS**, on May 9, 2018, City Council adopted a Comprehensive Housing Policy (CHP) that set citywide production goals for homeownership and rental units for the next three years along with respective income bands that will be prioritized within the production goals and also set forth various programs, tools and strategies to be used to meet the production goals while also overcoming concentrations of poverty and racial segregation by Resolution No. 18-0704; and

**WHEREAS**, on November 28, 2018, City Council authorized amendments to the CHP to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680; and

**WHEREAS**, on May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824; and

**WHEREAS**, on June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884; and

**WHEREAS**, on June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP, and the HIPP Landlord Program by Resolution No. 19-1041; and

**WHEREAS**, on September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498; and

**WHEREAS**, on December 11, 2019, City Council authorized amendments to the CHP to modify the provisions for the housing policy task force, update language to comply with the Mixed Income Housing Development Bonus previously approved by City Council, and remove two application forms by Resolution No. 19-1864; and

**WHEREAS**, on January 22, 2020, City Council authorized amendments to the CHP and created a Neighborhood Empowerment Zone Program by Resolution No. 20-0188; and

**WHEREAS**, on August 26, 2020, City Council authorized amendments to the CHP to amend the DHAP program, include the 0-30% income band in the range of income bands to be served, create the Targeted Rehabilitation Program, and allow Community Housing Development Organizations to retain a percentage of sales proceeds from eligible HOME-funded projects by Resolution No. 20-1220; and

October 13, 2021

**WHEREAS**, on January 27, 2021, City Council authorized amendments to the CHP to amend the loan terms in the New Construction and Substantial Rehabilitation program to allow forgivable loans for projects with permanent supportive housing units and remove the nine percent (9%) subsidy cap from the annual HUD 234 – Condominium Housing Limits by Resolution No. 21-0212; and

**WHEREAS**, City Council must authorize any addition to, alteration of, or deletion of a strategy tool, or program in the CHP; and

**WHEREAS**, City Council desires to maintain affordable housing, to provide greater fair housing choices, and to overcome patterns of segregation and concentrations of poverty; and therefore, it is in the best interest of the City to adopt certain amendments to the CHP; and

**WHEREAS**, it is in the best interest for City Council to authorize amendments to the CHP, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to (1) change the citizenship definition for applicants to meet the guidelines set forth by the Department of Housing and Urban Development (HUD); (2) remove the minimum income requirement of 60% of the Area Median Income (AMI) (3) remove the minimum 26% front-end loan to income ratio requirement; and (4) modify the Targeted Homebuyer Incentive Program to remove federal requirements when assistance is provided to homebuyers using nonfederal funds.

**Now, Therefore,**

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

**SECTION 1.** That City Council hereby authorizes the amendments to the CHP, as reflected in the attached **Exhibit A**, an amendment to the City of Dallas Comprehensive Housing Policy, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to amend the terms of the Dallas Homebuyer Assistance Program: **(1)** change the citizenship definition for applicants to meet the guidelines set forth by The Department of Housing and Urban Development; **(2)** remove the minimum income requirement of 60% of the Area Median Income **(3)** remove the minimum 26% front-end loan to income ratio requirement; and **(4)** modify the Targeted Homebuyer Incentive Program to remove federal requirements when assistance is provided to homebuyers using nonfederal funds.

**SECTION 2.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

## EXHIBIT A



# Comprehensive Housing Policy

City of Dallas  
Department of Housing and Neighborhood Revitalization

Adopted by the Dallas City Council  
May 9, 2018

Amended September 9, 2021



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## **BACKGROUND ON DEVELOPMENT OF THE POLICY**

### **Policy Goals**

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.

### **Market Value Analysis**

In August 2017, the City of Dallas engaged The Reinvestment Fund to conduct a Market Value Analysis (MVA), which is 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. After briefing the City Council on the results of the MVA on January 17, 2018, eight public town hall meetings were held to develop the recommendations presented here. The town hall topics were:

- How Residential Development Gets Financed,
- How to Reduce Development and Rehabilitation Costs,
- How to Increase Access to Capital and Reduce Cost of Capital, and
- Programs, Tools and Strategies for Increasing Housing Production.

Each town hall provided stakeholders an opportunity to understand the housing challenges from the perspective of the major stakeholders, including lenders, foundations and government sources of finance; consumers and neighbors; developers, builders, and contractors; and regulatory officials, such as zoning, building inspections, and code enforcement. The town halls were held both in person and through virtual telephone communications that aired on Spectrum Channel 95 and streamed online. The in-person town halls had a combined participation of 94 individuals, many of whom also participated in the virtual town hall meetings. The virtual telephone town halls had a total of 38,690 participants for all four meetings, of which 10,000 participated in more than one town hall.

The outcome of public input helped shape the ten policy recommendations presented to the Economic Development and Housing Committee (Committee) on March 19, 2018 and the strategies, tools and programs included in the Comprehensive Housing Policy.

## CITY OF DALLAS PLANS

### **forwardDallas! Comprehensive Plan**

The forwardDallas! Plan is Dallas' first citywide comprehensive plan to serve as the policy basis for land development decisions in the City, through reference in the Dallas Development Code. The plan contains eight policy elements: Land Use, Economics, Housing, Transportation, Urban Design, Environment, and Neighborhoods. It provides guidance on important land development considerations related to land use, transportation and economic development. Shaped by extensive community engagement and adopted by City Council in 2006, it envisions a future Dallas built around the core values of:

- Access to good education
- A safe city
- A healthy environment
- Job growth through investment in Southern Dallas
- Convenient transportation through choices in how to get around
- Quality of life through diverse housing, recreational, cultural and educational opportunities

A key initiative of the forwardDallas! Plan was a focus on making high quality housing more accessible. The plan acknowledged that, within the regional context, Dallas has the greatest range of housing needs and problems. It recommended development of a housing strategy aimed at increasing home ownership, diversifying housing stock and providing more opportunities for affordable housing, while sustaining existing neighborhoods.

The forwardDallas! Comprehensive Plan can be found at <http://dallascityhall.com/departments/pnv/strategic-planning/Pages/comprehensive-plan.aspx>.

### **Neighborhood Plus Plan**

Adopted in 2015, the Neighborhood Plus Plan is a citywide neighborhood revitalization plan intended to update the forwardDallas Housing and Neighborhood elements. The Neighborhood Plus plan focused on the six strategic goals of:

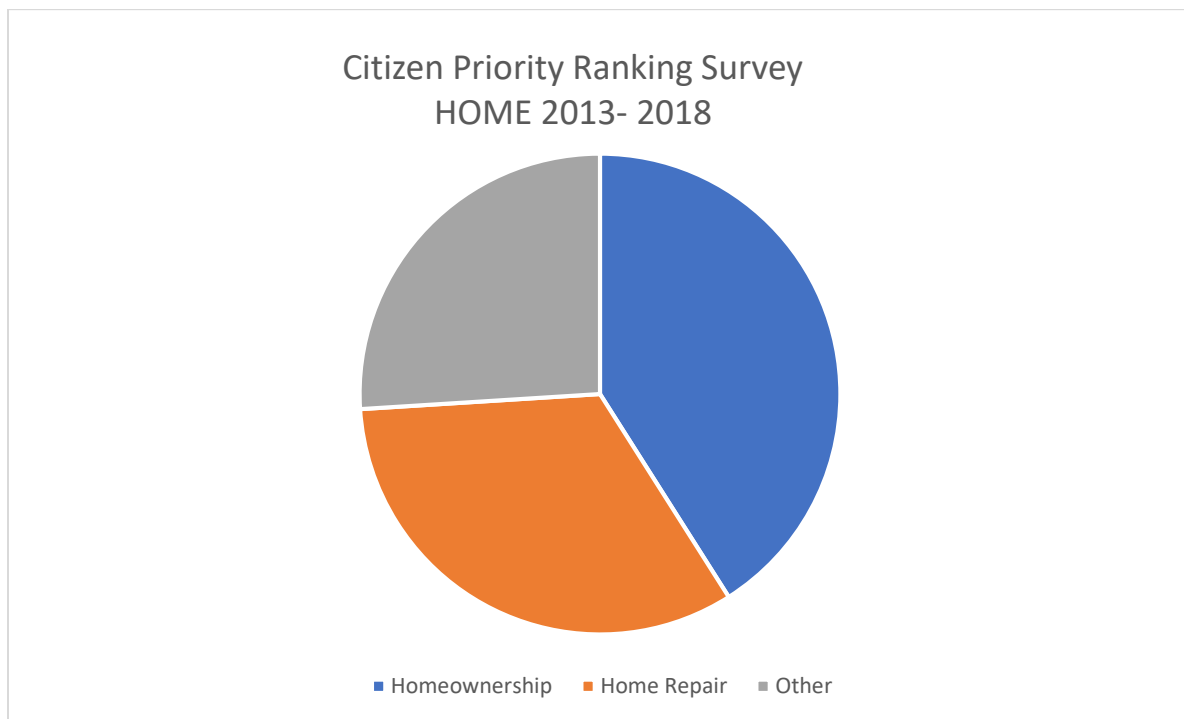
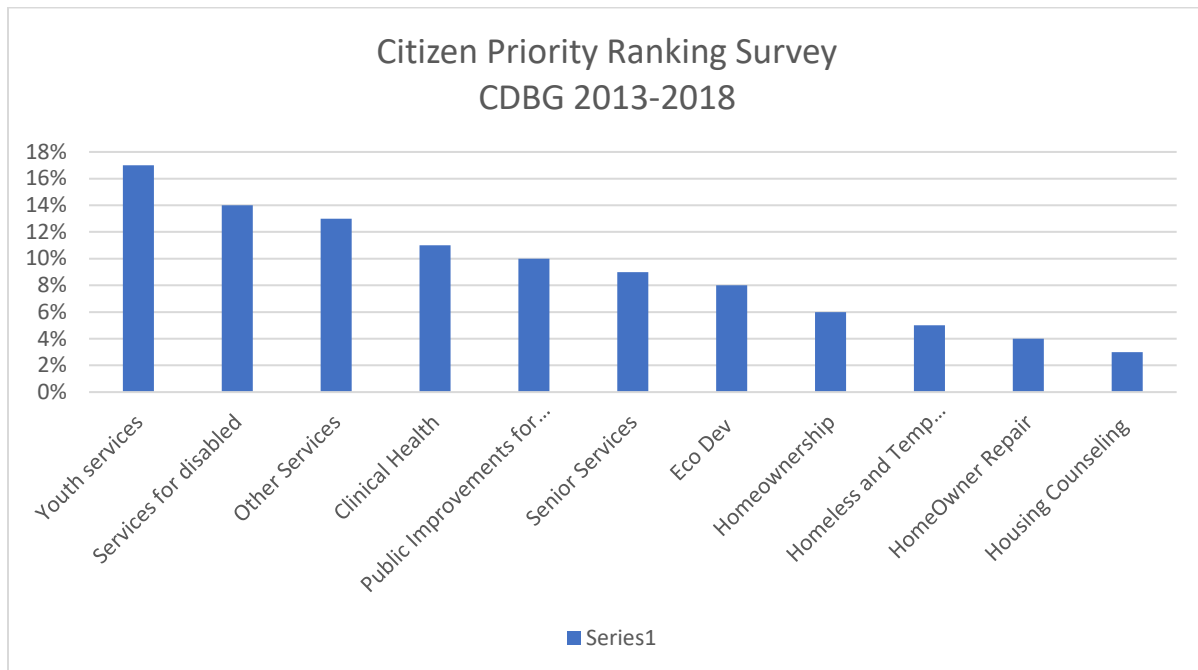
- Creating a Collective Impact Framework
- Alleviating Poverty
- Fighting Blight
- Attracting and Retaining the Middle Class
- Increasing Home Ownership
- Enhancing Rental Options.

The Neighborhood Plus recommended a holistic approach to neighborhood revitalization and community building that goes beyond production of a limited number of publicly subsidized housing units, to encompass neighborhood quality, safety, mobility and access to education, jobs and health care. The Neighborhood Plus Plan also called for a neighborhood by neighborhood approach to improving quality of life and established the basis for identifying target areas to focus neighborhood revitalization efforts.

The Neighborhood Plus Plan can be found at <http://dallascityhall.com/departments/pnv/strategic-planning/DCH%20Documents/Web%20-%20Neighborhood%20Plus%20Plan%20-%20Adopted%2010-07-2015.pdf>.

## Consolidated Plan Strategies

The Consolidated Plan is a five-year planning document required by HUD to carry out affordable housing and community development activities. The City identified its priorities as follows:



## **REINVESTMENT STRATEGY AREAS**

The Housing Policy provides for tiered Reinvestment Strategy Areas to address three market types in need of City investment:

### **Redevelopment Areas:**

A redevelopment area is characterized by a known catalytic project that has submitted a request for funding that shows preliminary viability and will begin within the next 12 months. The project as proposed must contain a housing component and must address the existing market conditions as identified in the MVA and must demonstrate a level of housing production supported through a third-party independent market analysis and show affordability to a mix of income bands.

Redevelopment Areas: Midtown, High Speed Rail, Wynnewood, and Red Bird.

### **Stabilization Areas:**

Stabilization areas are characterized as G, H, and I markets that are surrounded by A-E markets and as such are at risk of displacement based on known market conditions including upcoming redevelopment projects. These areas are also where accessory dwelling units should be focused to allow for increased density.

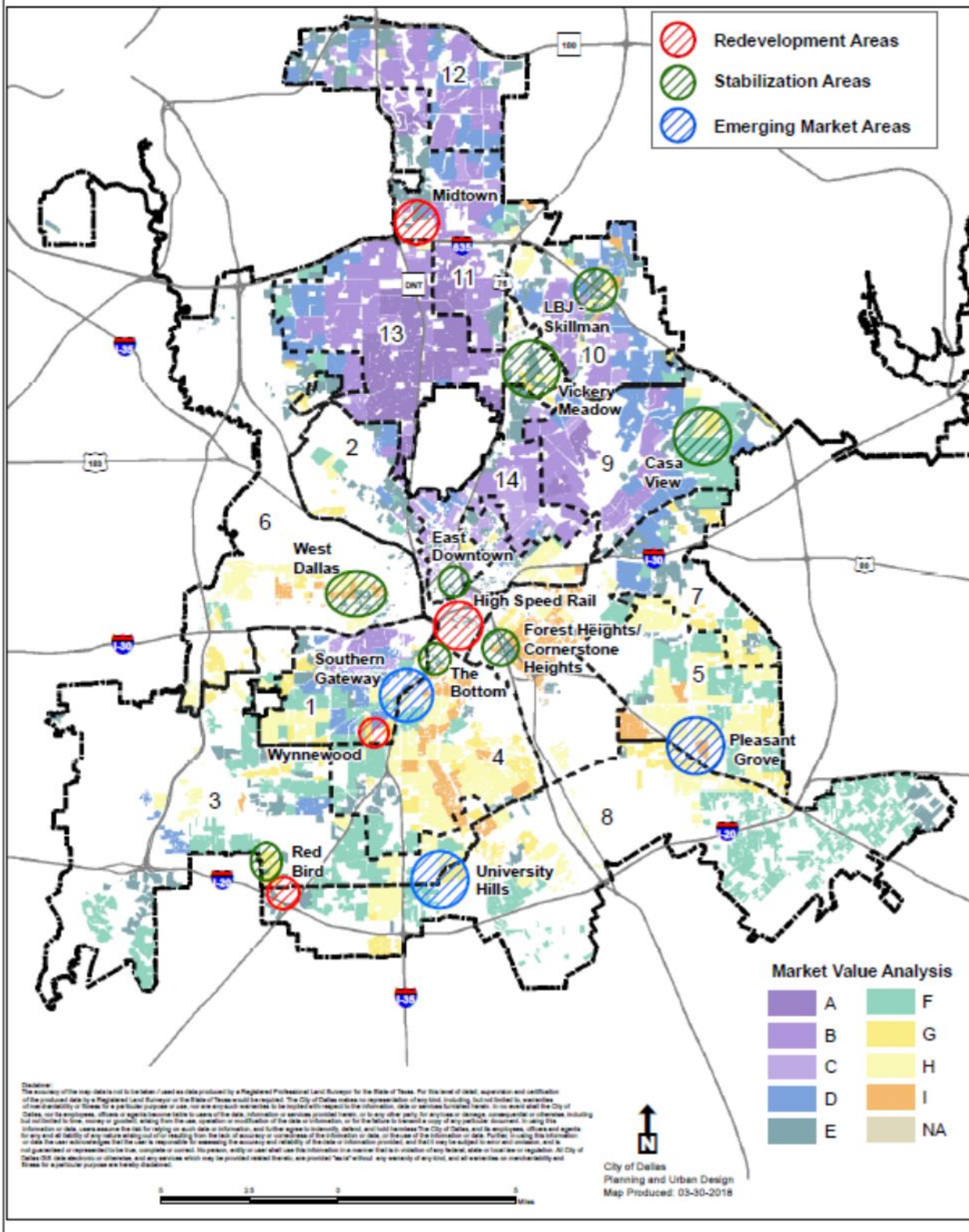
Stabilization Areas: LBJ Skillman, Vickery Midtown, Casa View, Forest District, East Downtown, The Bottom/Tenth Street, West Dallas, and Red Bird North.

### **Emerging Market Areas:**

These markets are characterized as areas in need of intensive environmental enhancements, master planning, and formalized neighborhood organization. In order to facilitate the creation of mixed income developments, the City recommends seeking designation as Neighborhood Revitalization Strategy Areas (NRSA's) through HUD in order to prepare the area for real estate investments in a 3 to 5-year time frame and provide flexibility of use of funds without income qualifications.

Emerging Market Areas: Southern Gateway, Pleasant Grove, and University Hills.

## Reinvestment Areas



## **PRODUCTION GOALS AND INCOME BANDS TO BE SERVED**

Dallas has a housing shortage of approximately 20,000 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. It is difficult to convert rental homes to homeownership because of the perception of the neighborhood, the condition of the housing stock once it's been in the rental market for a period of time and because income-producing property in a tight market will not be released by landlords until returns are diminished. 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 years following were in the price range below \$249,999. In 2014 the housing market was in transition - the number of home sales priced under \$249,999 decreased to less than 40% of the market and by 2017 nearly 58% of home sales were priced between \$300,000 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. Therefore, increasing production over a 3-year period and minimizing the regulatory barriers to overall market production is equally important. Furthermore, because this has made even deteriorated housing stock unaffordable, it makes the need for home repair programs more important than ever. Table 1 below shows 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 City supports creating increased availability of housing for people at incomes ranging from 0% to 120% of the HUD Area Median Income by incentivizing homeownership developments and rental developments that include rent restricted units for families at the full range of 0% to 120% of AMI. These targets are also outlined in Table 1 below.

**Table 1**

| <b>Production Goals</b>  |          |                      |     |                     |     |
|--|----------|----------------------|-----|---------------------|-----|
| <b>Percentage of HUD<br/>Area Median Income<br/>Dallas Metro</b> |          | <b>Homeownership</b> |     | <b>Rental</b>       |     |
|  |          | Production<br>Goals  | %   | Production<br>Goals | %   |
| <b>Market Rate</b>   | 101-120% | 933                  | 55% | 587                 | 40% |
|  | 81-100%  | 1,120                |     | 587                 |     |
| <b>Extremely Low,<br/>Very Low, and Low<br/>Income</b>           | 61-80%   | 1,307                | 45% | 733                 | 60% |
|  | 51-60%   | 373                  |     | 440                 |     |
|  | 31-50%   | TBD*                 |     | 293                 |     |
|  | 0-30%    | TBD*                 |     | 293                 |     |
| <b>Total</b>   |          | <b>3,733</b>         |     | <b>2,933</b>        |     |

**\*Households earning less than 60% of the Area Median income, will be evaluated based on the CHP Underwriting guidelines.**

## **HOUSING POLICY TASK FORCE**

Added December 11, 2019

### **Summary**

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

### **Structure**

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

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

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

- **Multifamily development:** Develop and refine policy, programs, strategies, and tools, and recommend amendments to the development code that maximize the production of



new mixed-income multifamily and rental units by providing incentives for mixed income development.

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

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

## **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. The City offers several programs 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**

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

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

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 of 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 ("Staff") shall administer the Major Home Rehabilitation Program. As used herein, the term "Staff" may include either employees or consultants of the department under the direction of the Director (defined below) or his/her designee. 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***

Staff shall administer the Home Reconstruction Program. This administration includes, but is not limited to, application evaluation procedures, 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**

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

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.

| Amount of Funds      | Required Affordability |
|----------------------|------------------------|
| 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**

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.

**Accessory Dwelling Units**

(CHP amended December 11, 2019; Code amended June 27, 2018 by Resolution Nos. 18-0978A and 18-0978B)

Sec. 51A-4.209(b)(6) of the Dallas Development Code provides that for single family uses the Board of Adjustment may grant a special exception to authorize a rentable accessory dwelling unit in any district when, in the opinion of the board, the accessory dwelling unit will not adversely affect neighboring properties.

In addition, Sec. 51A-4.510 of the Dallas Development Code provides regulations allowing for an accessory dwelling unit overlay district. An accessory dwelling unit overlay district is a compact, contiguous area where residents of a single-family neighborhood may petition City Council to create a zoning overlay that, if approved, allows code-compliant accessory dwelling units by right.

# TENANT PROGRAMS

## **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.

## DEVELOPER PROGRAMS

### New Construction and Substantial Rehabilitation Program

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.

| <b>Amount of CDBG or HOME funds Per Unit</b>          | <b>Minimum Period of Affordability</b> |
|---|--|
| 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, subordinate only to a private financial institution's superior lien for a loan in a greater amount. 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

Added December 11, 2019, Code amended March 27, 2019 by Resolution No. 19-0429

### Background

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, specifically MF-1(A), MF-2(A), and MF-3(A) Multifamily Districts and MU-1, MU-2, and MU-3 Mixed Use Districts. Today, these districts represent approximately 15,000 acres across the city.

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 A, B, and C categories are required to serve families at lower income levels than properties in G, H, and I categories, 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:
  - (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:
  - (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:
  - (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 districts:

- Building heights are subject to residential proximity slopes, where applicable, and existing setbacks are maintained.
- For multifamily uses, parking is reduced to 1¼ space per unit (versus one space per bedroom in Chapter 51A) and at least 15 percent must be available for guest parking.
- Developments with transit proximity 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

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 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

### Implementation

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

### Procedures

- Developer meets with the City's Department of Housing and Neighborhood Revitalization to request an MVA category verification. The MVA category determines the bonuses that the development may utilize in return for a specified number of reserved units.
- Developer begins the permit application process.
- Before the issuance of a building permit, developer submits an official copy of the executed and filed restrictive covenant.
- Before beginning leasing, developer begins compliance process, including following the approved affirmative fair housing marketing plan and reserving units according to the restrictive covenant.
- Developer completes construction and submits documentation for a final certificate of occupancy. City reviews for compliance with all aspects of the permit and, if complete, issues final CO.
- Developer (and all subsequent owners) submits compliance paperwork regularly during period of compliance. Requirements stay with the development, not the ownership.
- Ongoing compliance is monitored by the Housing and Neighborhood Revitalization Department and the Office of Equity and Human Rights.
- Developer (and all subsequent owners) may not discriminate on the basis of source of income. This non-discrimination provision provides housing opportunities for households with rental assistance or vouchers, as applicable.

### Program Operation and Compliance

- Term of affordability is 20 years
- Property owner must remain in compliance with restrictive covenant based on the requirements in Chapter 20A-II and Chapter 51A-4.1100.
- Each eligible household must be charged an affordable rent, which is defined as a monthly tenant rental housing payment, less an allowance for utilities, that does not exceed 30 percent of an eligible household's adjusted income.

## **Land Transfer Program**

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.

## **PRESERVING AFFORDABILITY**

### **Title Clearing and Clouded Title Prevention Program**

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.

## **Community Land Trust Program**

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.

## **Targeted Rehabilitation Program**

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

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.
- 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 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 or forgiven, as specified in each Sub-Program Module.
- 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 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.
- 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.

# NEIGHBORHOOD INVESTMENT

## 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.

## FUNDING AND SUPPORTING ACTIONS

### Federal Funding Sources

The City receives financial support from the U.S. Department of Housing and Urban Development (HUD) to assist low and moderate-income families in obtaining affordable housing. The City receives several Entitlement (HUD) grants, which it can use to support its housing initiatives. HUD outlines certain regulations that apply when using grant funds. This policy document uses the HUD regulations as a basis and incorporates the City's own policies as adopted by City Council.

### Community Development Block Grant (CDBG)

The Community Development Block Grant has been in existence since 1974. The primary objective of the CDBG program is to improve communities by providing decent housing, providing a suitable living environment, and expanding economic opportunities. The primary beneficiary of CDBG funds must benefit low to moderate-income persons; aid in the prevention or elimination of slums or blight; or meet an urgent need.

### HOME Investment Partnership Program (HOME)

The HOME Investment Partnership Program has been in existence since 1990. The goals of the HOME program are to provide decent affordable housing to lower-income households, expand the capacity of nonprofit housing providers, strengthen the ability of state and local governments to provide housing, and leverage private sector participation. HOME funds may be utilized for rental activities, homebuyer activities, and homeowner rehabilitation activities. All HOME funds must benefit persons of low and moderate income.

### HOME Match Requirement

All housing development projects must meet a twenty-five (25%) HOME matching requirement of contributions made from non-federal resources and may be in the form of one or more of the following:

- Cash contributions from nonfederal sources
- Forbearance of fees
- Donated real property
- Cost, not paid with federal resources, of on-site and off-site infrastructure that the participating jurisdiction documents are directly required for HOME-assisted projects
- Proceeds from multifamily affordable housing project bond financing
- Reasonable value of donated site-preparation and construction materials, not acquired with federal resources
- Reasonable rental value of the donated use of site preparation or construction equipment
- Value of donated or voluntary labor or professional services in connection with the provision of affordable housing

### Neighborhood Stabilization Program (NSP)

The Neighborhood Stabilization Program was authorized under Division B, Title III of the Housing and Economic Recovery Act of 2008 (HERA) to help communities recover from the effects of foreclosures, abandoned properties, and declining property values. The City collects program income from this source and appropriates it on an annual basis.

## State and Local Funding Sources

### General Obligation Bonds

General Obligation Bonds were authorized under the 2017 bond package to help with infrastructure, economic development and housing, and related expenses as authorized by law. Economic Development and Housing have been allocated approximately \$55 million for the next five years.

### Tax Exempt Bond Financing (City of Dallas Housing Finance Corporation)

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 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 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.

## **City of Dallas Policy for Supporting Housing Developments Seeking Housing Tax Credits**

(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).*

|   |           |     |
|---|-----------|-----|
|   |           |     |
| Transportation Services   |           |     |
| 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   |
| Children Services   |           |     |
| 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 |
| Adult Services  |           |     |
| 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   |
| Health Services   |           |     |
| 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   |
| Community Services  |           |     |
| 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   |

## Community Housing Development Organizations (CHDOs)

A CHDO is defined under 24 Code of Federal Regulations (CFR) Part 92.2 as a nonprofit organization (501©3 or 4) organized under state law; has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual; is neither controlled by nor under the direction of individuals seeking to derive profit or gain from the organization. While a CHDO may be sponsored or created by a for-profit entity whose primary purpose is **not** the development or management of housing, such as a builder, developer or real estate management firm, the for-profit entity may not have the right to appoint more than one-third of the membership of the organization's governing body and the board members appointed by the for-profit entity may not appoint the remaining board members. A CHDO does not include a public body although a locally chartered organization may qualify under certain conditions.

The CHDO must be free to contract for goods and services from vendors of its own choosing. The CHDO must comply with certain financial accountability standards as described in the 24 CFR 84.21 Standards for Financial Management Systems. Among the primary purposes of the CHDO's organization, as outlined in their organizational charter, articles of incorporation, resolutions or bylaws must be the provision of decent housing that is affordable to low-to-moderate income persons. A CHDO must remain accountable to the low-income community residents by: **1)** maintaining at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representative of a low-income neighborhood organization; **2)** providing a formal process for low-income program beneficiaries to advise the organization in its decisions regarding the design, site selection, development and management of affordable housing.

A service area in urban areas such as Dallas, "community" may be defined as a neighborhood, or neighborhoods, city, county or metropolitan area. Additionally, CHDOs are subject to the affirmatively furthering fair housing rules which state that housing should not be located in areas of minority concentration or with high poverty rates. Historically, Dallas CHDOs have elected to work in areas where disinvestment has occurred, and where high concentrations of poverty exist. CHDOs should grow and develop the capacity to partner with for-profit developers to produce market rate housing in areas of disinvestment. Furthermore, CHDOs should work in areas with low poverty rates, have access to a quality education, transportation, and jobs. These high opportunity areas lack quality affordable housing options.

A CHDO must demonstrate the capacity to carry out the activities assisted with HOME Investment Partnership Program (HOME) funds within **12 months** of the project commitment. CHDO's may satisfy the HOME requirement by hiring experienced key staff members who have successfully completed similar projects or a consultant with the same type of qualified experience and a plan to train appropriate key staff member of the organizations. CHDO's must demonstrate a minimum of one-year experience in serving the community in which the assisted housing will be located before funds can be reserved for the organization. This requirement can be satisfied by a parent organization in some cases if a CHDO is formed by a group of local churches or local service organizations. CHDOs must be certified by the City of Dallas to be awarded CHDO set-aside funds for the development of housing and operating assistance.

### Set Aside

HUD requires that 15% of the HOME allocation each year be made available to Community Housing Development Organizations (CHDOs) for the development of affordable homebuyer or rental housing.

**Operating**

In addition, the City can allocate up to 5% of the HOME allocation each year operating expenses for CHDOs. These funds provide operating funds to Community Housing Development Organizations based on financial need and the expectation that the organization is utilizing or will utilize the City's HOME CHDO set aside funding within 24 months of the award.

HOME funding provided for CHDO operating expenses may not exceed \$50,000 or 50% of the organization's total annual operating expenses for that fiscal year, whichever is greater. CHDO operating expense funds may not supplant CHDO set-aside funds for project costs.

**Certification**

To be eligible to receive HOME CHDO set-aside funding and Operating Assistance Grants, a CHDO must be certified by the City of Dallas. CHDO certification must be done prior to the commitment of funds for a set-aside development, and there cannot be a general CHDO certification. The City can work in advance to determine if a CHDO will likely meet the requirements for certification prior to funding considerations. A CHDO must continue to be certified throughout the development of a project and during the affordability period. the City has developed the "Community Housing Development Organization (CHDO) Policy, Procedure, and Standards" document to outline the process and requirements for CHDO certification. This can be found in Appendix 5.

## **Strategies, Tools, and Programs that Will Require Additional Action**

### **Housing Trust Fund**

The City has established a Dallas Housing Trust Fund (DHTF) that allows monies to be used to make loans or grants to support the production goals of the Housing Policy. On December 12, 2018, Council approved a one-time transfer of \$7 million in unencumbered fund balances from high-performing tax increment financing districts (TIFs), as well as \$7 million from Dallas Water Utility funding set aside to support development. On January 22, 2020, Council approved \$1 million to be used to support residential investment in neighborhood empowerment zones.

Staff will further research potential dedicated revenue sources and additional uses for the DHTF to ensure that the fund supports the broad goals of the CHP.

### **Tax Increment Financing**

Creation of a non-contiguous Tax Increment Finance District for areas not already located in an existing TIF District will leverage TIF on projects that propose to meet the unit production goals with affordability requirements.

### **Sublease Program**

Furthermore, staff will pursue council approval to create a Sublease Program which incentivizes a landlord/developer to facilitate the rental of units to voucher holders. This program is administered through the Dallas Housing Finance Corporation.

## **APPENDICES**

## **APPENDIX 1**

### **Housing Policy Task Force Structure and Leadership**

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#### **Focus areas**

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

- **Multifamily development**
  - External facilitator: real estate and/or finance expert in multifamily housing
  - At least one key stakeholder from each of the following groups: Sustainable Development and Construction staff, Department of Housing and Neighborhood Revitalization staff, Planning & Urban Design staff, associations of builders and contractors, organizations of real estate professionals, and at least one developer and/or builder.
- **Single family and ownership development**
  - External facilitator: real estate and/or finance expert in owner-occupied housing
  - At least one key stakeholder from each of the following groups: Sustainable Development and Construction staff, Office of Economic Development staff, Department of Housing and Neighborhood Revitalization staff, Planning & Urban Design staff, associations of builders and contractors, organizations of real estate professionals, associations of Realtors/Realtists, at least one developer and/or builder, and one Community Housing Development Organization executive.
- **Affordability preservation**
  - External facilitator: housing advocate
  - At least one key stakeholder from each of the following groups: the Office of Fair Housing and Human Rights staff, the Office of Welcoming Communities and Immigrant Affairs staff, the Office of Equity staff, the Office of Community Care staff, the Department of Code Compliance Services staff, the Office of Homeless Solutions staff, Dallas Housing Authority staff, associations of Realtors/Realtists, and at least two community leaders/advocates as recommended by the director of the Department of Housing and Neighborhood Revitalization.
- **Neighborhood investment**
  - External facilitator: community development professional
  - At least one key stakeholder from each of the following groups: Department of Housing and Neighborhood Revitalization staff, Department of Public Works staff, Dallas Water Utilities staff, Park and Recreation Department staff, representatives from at least one utility service provider, Texas Department of Transportation staff, Dallas Area Rapid Transit staff, real estate and civil engineering professionals, community planners, a certified Community Housing Development Organization, and at least one developer and/or builder.



- **Support and funding**

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

### **Communication and meetings**

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

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

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

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

The task force will:

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

### **Modifications**

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

## **APPENDIX 2**

### **Single Family Development Requirements/Underwriting**

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#### **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.

## APPENDIX 3

### Rental Development Underwriting

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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. Inasmuch 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.

Inasmuch as is reasonable, the City will update and clarify these guidelines over time to account for exceptions, waivers, or additional restrictions it imposes.

## **APPENDIX 4**

### **DESIGN GUIDELINES**

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This portion of the manual 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.

## Design Guidelines

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.

## **APPENDIX 5**

### **City of Dallas Income Limits and Part 5 Requirements**

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Per 24 CFR Part 92.203(b)(1), the City has elected to utilize the 24 CFR Part 5 definition for determining annual income which is commonly referred to as the “Section 8 Low-Income Limit”. To be eligible for HOME or CDBG funds, households must have annual (gross) incomes at or below 80% of area median income, adjusted by household size and determined annually by the U.S. Department of Housing and Urban Development (HUD).

The *Technical Guide for Determining Income and Allowances for the HOME Program* should be utilized as a resource and the standard for the following determinations:

- Whose income to count
- Types of income to count
- Treatment of assets
- Income inclusions and exclusions
- Verifying income
- Comparing annual income to published income limits
- Determining household size
- Source documentation
- Timing of income certifications

The annual income limits are published by HUD each year at the webpage below.  
<http://www.huduser.gov/portal/datasets/il/il15/index.html>



## APPENDIX 6

### Community Housing Development Organization Policy, Procedure, and Standards

#### WHAT IS A COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)?

A CHDO (pronounced cho'doe) 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.

#### WHAT SPECIAL BENEFITS ARE AVAILABLE TO CHDOs?

HOME regulations require that the City set aside **15%** of its annual HOME allocation exclusively for qualified, eligible CHDO projects. If an organization becomes a certified CHDO, it is eligible to take advantage of the HOME funds set-aside just for CHDOs, as well as financial support for a portion of its operating expenses (Operating Assistance Grants) associated with CHDO projects. The City's CHDOs also have first right of purchase on land bank lots and as a nonprofit they are eligible to purchase HB110 lots.

#### REGULATORY REQUIREMENTS FOR CHDO CERTIFICATION

The U.S. Department of Housing and Urban Development (HUD) has established standard criteria for organizations to be eligible to become a certified CHDO:

1. **Organized Under State/Local Law.** A nonprofit organization must show evidence in its Articles of Incorporation that it is organized under state or local law.
2. **Nonprofit Status.** The organization must be conditionally designated or have a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c) of the Internal Revenue Code of 1986. A 501(c) certificate from the IRS must evidence the ruling.
3. **Purpose of Organization.** Among its primary purposes, the organization must have the provision of decent housing that is affordable to low- and moderate-income people. This must be evidenced by a statement in the organization's Articles of Incorporation and/or Bylaws.
4. **Board Structure.** The board of directors must be organized to contain no more than one-third representation from the public sector and a minimum of one-third representation from the low-income community.
5. **No For-Profit Control.** The organization may not be controlled by, nor receive directions from, individuals or entities seeking profit from or that will derive direct benefit from the organization.
6. **No Individual Benefit.** No part of a CHDO's net earnings (profits) may benefit any members, founders, contributors, or individuals. This requirement must also be evidenced in the organization's Articles of Incorporation.
7. **Clearly Defined Service Area.** The organization must have a clearly defined geographic service area outlined in its Articles of Incorporation and/or Bylaws. CHDOs may serve individual neighborhoods or large areas. However, while the organization may include an entire community in their service area (such as a city, town, village, county, or multi-county area), they may not include the entire state.
8. **Low-Income Advisory Process.** A formal process must be developed and implemented for low-income program beneficiaries and low-income residents of the organization's service area to advise the organization in all of its decisions regarding the design, location, development and management of affordable housing projects.

9. **Capacity/Experience.** The key staff and board of directors must have significant experience and capacity to carry out CHDO-eligible, HOME-assisted projects in the community where it intends to develop affordable housing (key staff and board of directors have successfully completed HOME-funded, CHDO-eligible projects in the past).
10. **Community Service.** A minimum of one year of relative experience serving the community(ies) where it intends to develop affordable housing must be demonstrated.
11. **Financial Accountability Standards.** The organization must meet and adhere to the financial accountability standards as outlined in 2 CFR 200 Subpart D, "Standards for Financial and Program Management."

### **CITY REQUIREMENTS FOR CHDO CERTIFICATION**

In addition to the regulatory requirements, the City has established additional criteria for CHDO designation. To be eligible for CHDO designation, an organization must also:

1. Maintain a record of good standing with the Texas Secretary of State's office.
2. Maintain a staffed, physical office location in the proposed service area that is open for business and accessible by potential program applicants during customary business hours.
3. Have established a minimum **3**-year strategic business plan, which must include CHDO-related production and community involvement goals.
4. Maintain a history of no significant compliance findings on its City funded projects.

The City will accept applications from new CHDOs year-round; however, CHDO certifications will not be provided until a project is identified for funding and prior to execution of a written agreement. Please note that the criteria noted above is not intended to be all-inclusive and the City may require additional information prior to making a determination for CHDO designation. Meeting the above requirements does not guarantee that the organization will be granted CHDO designation. City reserves the right to deny or revoke CHDO designation based upon its evaluation of the nonprofit organization's performance. Designated CHDOs will be evaluated periodically for production and other benchmarks as established by City.

### **ORGANIZATIONAL STRUCTURE REQUIREMENTS FOR CHDO CERTIFICATION**

The HOME Program establishes requirements for the organizational structure of a CHDO to ensure that the governing body of the organization is **controlled by the community it serves**. These requirements are designed to ensure that the CHDO is capable of decisions and actions that address the community's needs without undue influence from external agendas.

There are four specific requirements related to the organization's board, which must be evidenced in the organization's Articles of Incorporation and/or Bylaws. These are:

1. **Low Income Representation.** At least one-third of the organization's board must be representatives of the low-income community served by the CHDO. There are three ways a board member can meet the definition of a low-income representative:
  - The person lives in a low-income neighborhood where **51%** or more of the residents are low-income. This person need not necessarily be low-income.
  - or**
  - The person is a low-income (below **80%** area median income) resident of the community.

or

- The person was elected by a low-income neighborhood organization to serve on the CHDO board. The organization must be composed primarily of residents of the low-income neighborhood and its primary purpose must be to serve the interests of the neighborhood residents. Such organizations might include block groups, neighborhood associations, and neighborhood watch groups.

The CHDO is required to certify the status of low-income representatives.

2. **Public Sector Limitations.** No more than one-third of the organization's board may be representatives of the public sector, including elected public officials, appointees of a public official, any employees of a local government or public school system, or employees of City or the State of Texas. If a person qualifies as a low-income representative **and** a public-sector representative, their role as a public-sector representative supersedes their residency or income status. Therefore, this person counts toward the one-third public sector limitation.
3. **Low-Income Advisory Process.** Input from the low-income community is not met solely by having low-income representation on the board. The CHDO must provide a formal process for low-income program beneficiaries to advise the CHDO on design, location of sites, development and management of affordable housing. The process must be described in writing in the Articles of Incorporation and/or Bylaws. Each project undertaken by the CHDO should allow potential program beneficiaries to be involved and provide input on the entire project from project concept, design and site location to property management. One way to accomplish this requirement is to develop a project advisory committee for each project or community where a HOME assisted project will be developed. Proof of input from the low-income community will be required at the CHDO's annual recertification.
4. **For-Profit Limitations.** If a CHDO is sponsored by a for-profit entity, the for-profit may not appoint more than one-third of the board. The board members appointed by the for-profit may not appoint the remaining two-third of the board members.

#### **EXPERIENCE, CAPACITY AND ROLES (24 C.F.R. 92.300-92.303)**

To be certified as a CHDO, the HOME Program requires organizations to demonstrate sufficient experience, capacity, and financial accountability.

**Experience & Capacity:** A CHDO must certify to City that it has the capacity, demonstrated by having paid staff with demonstrated capacity to perform the specific role for which it is being funded. CHDO staff can be full-time or part-time and can be contract employees. The CHDO cannot count the experience of board members, donated staff, parent organization staff, or volunteers to meet the capacity requirement. The CHDO can only count capacity brought to the table by a consultant in the first year of participation. Afterward, the CHDO must demonstrate capacity based upon paid staff.

The CHDO must demonstrate experience and capacity relevant to the project and its role as owner, developer, or sponsor. If the CHDO is the owner, its staff must have the capacity to act as the owner (this may mean the ability to oversee development.) If the CHDO is the developer or sponsor, its staff must have development experience on projects of similar scope or complexity. CHDOs must demonstrate a history of serving the community where the housing to be assisted with HOME funds will be located. HUD requires that organizations show a history of serving the community by providing:

- A statement that documents at least one year of experience serving the community.
- For newly created organizations, provide a statement that the parent organization (if applicable) has at least 1-year experience serving the community.

CHDOs must provide resumes and/or statements of key staff members that describe their experience of successfully completed projects similar to those proposed.

### **CHDO SERVICE AREA**

While the City does not limit the number of counties is a CHDO's service area, the very definition of a CHDO is that it be community-based. Therefore, an organization proposing a large or regional service area must demonstrate that it is taking the appropriate steps to achieve the community-based component. Some of the ways this can be achieved is by having an active community (nonpublic) representative from each of the counties on the CHDO's board of directors; establishing local advisory councils to advise the CHDO board on topics relative to the organization's activities; hosting "town hall" meetings in the proposed project areas, etc. the City will consider other methods suggested by the CHDO. CHDOs will be required to provide updates on how it is ensuring that it is active and visible in the communities included in its service area.

The City reserves the right to limit CHDOs going into a service area where an existing CHDO is already providing service. Unless a CHDO is already approved to serve a particular territory, the City will not approve CHDOs to serve overlapping territory.

### **CHDO RECERTIFICATION**

To ensure compliance with the HOME regulations, the recertification process will apply to CHDOs with active development projects including those under development and within the affordability period. Each CHDO will be required to submit specific information to City on an annual basis in conjunction with annual monitoring and compliance audits, including, but not limited to:

- The response to questions, numbered exhibits, and attachments listed in the City's CHDO certification application
- An updated **3-year** business plan and a description of how the low-income advisory process was implemented. If no HOME funds were used within the reporting period, a detailed description of all other affordable housing initiatives undertaken will be requested.

Recertification will be required **ANNUALLY WHEN THE CITY MONITORS THE CHDO FOR COMPLIANCE**. The CHDO must recertify as to its continued qualifications as a CHDO and its capacity to own, sponsor, or develop housing.

CHDOs that have not been allocated project funds from the HOME CHDO set-aside for **3** consecutive years will be deemed inactive. At its discretion, the City may revoke the designation of inactive CHDOs based upon a review of other non-CHDO housing activities the organization has undertaken (if any), as well as other factors deemed appropriate by City.

### **CHDO SET-ASIDE**

The HOME requirements at 24 CFR Part 92.300 require City to set aside at least **15%** of its annual HOME allocation for projects owned, developed or sponsored by CHDOs. A certified CHDO must serve as the owner, developer or sponsor of a HOME-eligible project when using funds from the

**15%** percent CHDO set-aside. A CHDO may serve in one of these roles or it may undertake projects in which it combines roles, such as being both an owner and developer. The CHDO must be certified for each type of activity it plans to undertake.

### **FINANCIAL ACCOUNTABILITY**

CHDOs must have financial accountability standards that conform to the requirements detailed in 2 CFR 200 – Subpart D, “Standards for Financial and Program Management.” This can be evidenced by:

- A notarized statement by the president or chief financial officer of the organization.
- Certification from a certified public accountant.
- Audit completed by CPA.
- City reserves the right to request additional audited financial statements at any time.

### **ELIGIBLE AND INELIGIBLE USES OF HOME CHDO SET-ASIDE FUNDS**

#### **ELIGIBLE ACTIVITIES - OWNERS, SPONSORS, DEVELOPERS**

Using the **15%** set-aside, a CHDO acting as an owner, sponsor, or developer may undertake any of the following activities:

- Acquisition and/or rehabilitation of rental property;
- New construction of rental housing;
- Acquisition, rehabilitation and resale of existing, vacant homebuyer property;
- New construction of homebuyer property;
- Direct financial assistance to purchasers of HOME-assisted housing developed by a CHDO with HOME CHDO set-aside funds.

Please note that to be considered a CHDO-eligible project, CHDO set-aside HOME funds must be used during the construction or rehabilitation of the project.

#### **INELIGIBLE CHDO ACTIVITIES**

Using the **15%** set-aside, a CHDO may not undertake any of the following activities:

- Rehabilitation of existing homeowners' properties;
- Tenant-based rental assistance (TBRA); or
- Down payment and/or closing cost assistance to purchasers of housing not developed with HOME CHDO set-aside funds.

#### **ELIGIBLE ACTIVITIES – SUBRECIPIENTS**

CHDOs may also act as subrecipients with non-set-aside funds by undertaking other HOME-eligible activities such as:

- Tenant-Based Rental Assistance (TBRA);
- Owner-occupied rehabilitation of single-family dwellings; and
- Down payment or closing cost assistance in the acquisition of single-family units.

#### **OPTIONAL OPERATING EXPENSES**

From time to time, funds may be available to provide general operating assistance to CHDOs receiving CHDO set-aside funds for activities. When funds are available, certified CHDOs that are administering an eligible project funded from the CHDO set-aside may be eligible to receive funds

to be used for operating expenses. The regulations allow the City to allocate no more than **5%** of its HOME allocation for CHDO operating expenses (Operating Assistance Grants). However, the City reserves the right to further restrict the amount of funds an entity may receive for CHDO operating funds. This allocation does not count toward the required **15%** CHDO set-aside funds that are to be used by CHDOs for projects.

The amount of the optional Operating Assistance Grants awarded will be based on, but not limited to, the following factors:

- The total amount of HOME funds City has available to allocate for reimbursable CHDO operating expenses;
- The anticipated completion date and size of your current CHDO set-aside project(s); and
- The CHDO's past performance as a CHDO developer.
- The CHDO's capacity to complete the project in a timely manner.
- The ability of the CHDO to retain CHDO proceeds.

The City will allocate Operating Assistance Grants on annually. Operating Assistance Grants will be provided on a fiscal year basis (October 1 – September 30) provided funds are available and the CHDO has demonstrated acceptable performance.

**Although the disbursement of CHDO operating funds is not tied directly to the drawdown of the CHDO project funds, the City reserves the right to delay disbursement of operating funds if it is evident that the CHDO project is experiencing excessive delays.**

City reserves the right to reduce the amount of, or not award, operating funds based upon its evaluation of the CHDO's production and overall performance.

Eligible operating expenses for which CHDOs may use operating funds include:

- Salaries, wages, benefits, and other employee compensation
- Employee education, training and travel
- Rent and utilities
- Communication costs
- Taxes and insurance
- Equipment, materials and supplies

Because the purpose of providing CHDO operating support is to nurture successful CHDOs and ensure their continued growth and success, the City will periodically evaluate the performance of any CHDO wishing to receive CHDO operating funds.

## **CHDO PROCUREMENT**

As noted in HUD CPD Notice 97-11, CHDO organizations are not subject to the requirements of 2 CFR, Part 200 in regard to the procurement of goods and services. However, the City strongly encourages organizations to ensure that costs are reasonable and equitable. This exemption is only applicable to procurement associated with CHDO-eligible projects; CHDOs must still follow appropriate procurement procedures compliant with Part 200 for its non-CHDO projects. City may request a copy of the CHDO's procurement policy for any non-CHDO project funding proposals.

### **EFFECTIVE PERIOD OF CHDO CERTIFICATION**

To maintain its CHDO certification, the CHDO must submit at least **30** days prior to its annual compliance and monitoring audit a copy of the most recent audit financial statements along with all required attachments listed in the City's CHDO Certification Application, which is attached to this manual as **Exhibit "A" – City CHDO Application**. If the CHDO fails to submit the recertification packet, the CHDO may no longer qualify as a CHDO. Prior to awarding any City CHDO funds, the CHDO must recertify that no changes have occurred within the agency that would disqualify the entity as a CHDO for the specific type of activity being undertaken.

### **HOW TO APPLY FOR CHDO CERTIFICATION**

Complete the City's CHDO Certification Application including all requested attachments, documentation, and forms. The applicant has **30** days to respond to any request for additional information. If information is not received within **30** days, the CHDO certification application will be denied.

## APPENDIX 7

### Recapture/Resale Requirements for Homebuyer Activities

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To ensure that HOME investments yield affordable housing over the long term, HOME regulations impose occupancy requirements over the length of an affordability period. If a house purchased with HOME funds is sold during the affordability period, recapture or resale provisions as per 24 CFR 92.254 shall apply to ensure the continued provision of affordable homeownership.

#### Definitions

**Affordability Period:** Occupancy restrictions for varying lengths of time for those homeowners assisted with HUD HOME funds. The affordability period affects the terms of the resale/recapture of the property if sold during the affordability period.

| HOME Affordability Periods |  |
|----------------------------|--|
| HOME subsidy/unit          | Minimum Period of Affordability in Years |
| Under \$15,000             | 5  |
| \$15,000 to \$40,000       | 10                                       |
| Over \$40,000              | 15                                       |

**Direct Homebuyer Subsidy:** A direct subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidized the purchase (e.g., down payment or closing cost assistance, subordinate financing, etc.).

**Development subsidy:** A development subsidy is the difference between the cost to develop housing and the market price. For example, the PJ might provide a \$50,000 construction loan to a developer. The appraised value after construction will be \$45,000 because of neighborhood and the market conditions. The \$5,000 difference between the \$45,000 sale price and \$50,000 construction loan is not repaid to the PJ and represents a development subsidy provided to the developer. While the subsidy does not go directly to the homebuyer, it helps make development of an affordable home feasible.

| Summary of Provisions for the City of Dallas by Subsidy Type: |                                  |                               |
|---|----------------------------------|-------------------------------|
| Direct Homebuyer Subsidy (DHS)                                | DHS + Development Subsidy        | Development Subsidy           |
| Recapture provisions shall apply                              | Recapture provisions shall apply | Resale provisions shall apply |

**Net Proceeds:** The sales price minus loan repayment (other than HOME funds) and closing costs.



## Recapture Requirements

Pursuant to HOME regulations at 24 CFR 92.254(a)(5) each HOME-funded homebuyer unit must be subject to either resale or recapture requirements during the affordability period. The City of Dallas exclusively uses the recapture provisions as defined herein and does not intend to use resale restrictions.

The City of Dallas provides HOME-funded direct buyer assistance to income eligible buyers based on need as dictated by the City of Dallas Homebuyer Assistance Program Underwriting Guidelines.

The level of HOME assistance provided to a buyer is based on an evaluation of the buyer's individual need taking into account their specific income, debts, etc. according to the City's underwriting policies for homebuyer assistance. Depending on the level of homebuyer assistance provided, the affordability period may be five (5) years (less than \$15,000 in direct assistance), ten (10) years (\$15,000 or more but less than \$40,000 in direct assistance), or fifteen (15) years (\$40,000 or more in direct assistance). Based on the City's program design, most projects trigger a 5- or 10-year affordability period.

All buyers sign a HOME written agreement with the City outlining the affordability period and recapture provisions. HOME assistance is provided in the form of a deferred loan secured by a second-position deed of trust which is due and payable upon sale or transfer of title. In the event buyers remain in the unit beyond the end of the affordability period, the HOME loan remains outstanding until sale or transfer of title while the term of the HOME written agreement expires.

Any sale or transfer of title during the affordability period results in recapture by the City of the lesser of the:

- Entire amount of direct HOME assistance originally provided to the buyer (less any voluntary prepayments previously made); or
- Net proceeds of sale (sales price minus senior secured debt minus reasonable seller's closing costs).

When the net proceeds are inadequate to fully repay the City's HOME loan, the City accepts the net proceed as full and final payoff of the note. The City reserves the right to determine that the sales price reflects an arms-length transaction at fair market value. Receipts received as a result of a sale within the affordability period are recorded as "recaptured funds." When net sales proceeds exceed the HOME assistance, buyers retain all remaining net proceeds after repaying the HOME loan balance.

After the expiration of the affordability period, any sale or transfer requires the HOME loan balance be repaid, and the City similarly limits the payoff to the net proceeds of sale. Receipts collected after the affordability period has expired are recorded as "program income." Net proceeds in excess of the City's HOME loan balance are retained by the original homebuyer.

## Resale Requirements

The City of Dallas shall require that Resale provisions be used in the event that only a Development Subsidy is used to make the home affordable (i.e. funding construction to the developer). In a project where both Development and Direct subsidies are provided, recapture provisions apply.

Resale provisions require the homeowner to sell to another low-income homebuyer. The resale requirement must ensure that the price at resale provides the original HOME-assisted owner a fair return on investment and ensure that the housing will remain affordable to a reasonable range of low-income homebuyers as defined below:

Affordable to range of low-income homebuyers (As it relates to the Resale Provision only): That which is affordable to a family earning 80% AMI and below and that who do not pay any more than 30% their gross income for PITI (Principle, Interest, Tax, and Insurance).

Fair Return on Investment (As it relates to the Resale Provision only): A Homeowner can sell the home during the affordability period according to the following chart:

| Fair Return on Investment (as it relates to Resale Provision only) |  |   |
|--|--|---|
| Years  | Lower Range  | Max Limit   |
| Year 1-5 of Affordability Period                                   | A Homeowner can sell the home during the affordability period for no more than 15% over DCAD's most recent appraisal value | Current (as of date of sale) Affordable Home Price asset forth in the City of Dallas Housing Policy |
| Year 6-15 of Affordability Period                                  | No Cap on appreciation rate  | Current (as of date of sale) Affordable Home Price asset forth in the City of Dallas Housing Policy |

Homeownership projects undertaken using the resale provision shall use deed restrictions, covenants running with land, or other similar mechanisms per 92.254(a)(5)(i)(A) to ensure the resale requirements. The period of affordability specified in the mortgage will be the minimum period for the project as specified above. The period of affordability is based on the total amount of HOME funds invested in the housing.

Either recapture or resale provisions must be detailed and outlined in accordance with 24 CFR in marketing brochures, written agreements and all legal documents with homebuyer. Either recapture or resale may be used within a project, not both. Combining provisions to create "hybrids" is not allowed.

## APPENDIX 8

### City of Dallas Affirmative Fair Housing Marketing Policy

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The Affirmative Fair Housing Marketing (AFHM) Plan is a marketing strategy or approach 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, CDBG or 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 market to such groups and 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, prior to expending any funds on a project.

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 certify the following:

- Examine and attempt to alleviate housing discrimination with 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 and Human Rights 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 requirements 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 Americans
  - Native Americans
  - Hispanics
  - Asians and Pacific Islanders
  - Disabled Persons
- 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 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.

## **APPENDIX 9**

### **Residential Anti-Displacement and Relocation Assistance Plan (RARAP)**

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This Residential Anti-Displacement and Relocation Assistance Plan (RARAP) is prepared by the City of Dallas Housing & Neighborhood Revitalization Department (City) in accordance with the Housing and Community Development Act of 1974, Section 104(d) as amended and HUD regulations at 24 CFR 42.325 and is applicable to CDBG, CDBG-R, Section 108 Loan Guarantee Program, NSP and/or HOME-assisted projects.

#### **Plan to Minimize Displacement of Low/Mod-Income Families as a Result of Any HUD Assisted Activities**

Consistent with the goals and objectives of activities assisted under the Act, the City will take the following steps to minimize the direct and indirect displacement of persons from their homes:

- Coordinate code enforcement with rehabilitation and housing assistance programs.
- Support the Redevelopment and Stabilization Target Areas through this policy
- Ensure the staging of rehabilitation of apartment units to allow tenants to remain in the building/complex during and after the rehabilitation, working with empty units first.
- Ensure for the arrangement of facilities to house persons who must be relocated temporarily during rehabilitation.
- Identify and mitigate displacement resulting from intensive public investment in neighborhoods.
- Provide reasonable protections for tenants faced with conversion to a condominium or cooperative.
- Where feasible, give priority to rehabilitation of housing, as opposed to demolition, to avoid displacement.
- If feasible, allow for demolition or conversion of only dwelling units that are not occupied or vacant occupied dwelling units (especially those units which are “lower- income dwelling units” (as defined in 24 CFR 42.305).
- Target only those properties deemed essential to the need or success of the project.

#### **Relocation Assistance to Displaced Persons**

The City will ensure relocation assistance for lower-income tenants who, in connection with an activity assisted under the above-mentioned Programs, move permanently or move personal property from real property as a direct result of the demolition of any dwelling unit or the conversion of lower-income dwelling unit in accordance with the requirements of 24 CFR 42.350.

A displaced person who is not a lower-income tenant, shall be provided relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970m Section 104(d) as amended, and implementing regulations at 49 CFR Part 24.

### One-for-One Replacement of Lower-Income Dwelling Units

The City will ensure replacement of all occupied and vacant occupied lower-income dwelling units demolished or converted to use other than lower-income housing in connection with a project assisted with funds provided under the above-mentioned programs in accordance with 24 CFR 42.375.

Before entering into a contract committing the City to provide funds for a project that will directly result in demolition or conversion of lower-income dwelling units, the City will ensure publication of such project in a newspaper of general circulation and submit to HUD the following information in writing:

- A description of the proposed assisted project;
- The address, number of bedrooms, and location on a map of lower-income dwelling units that will be demolished or converted to a use other than as lower-income dwelling units as a result of assisted project;
- A time schedule for the commencement and completion of the demolition or conversions;
- To the extent known, the address, number of lower-income dwelling units by size (number of bedrooms) and location on a map of the replacement lower-income housing that has been or will be provided. NOTE: See also 24 CFR 420.75(d).
- The source of funding and a time schedule for the provision of the replacement dwelling units;
- The basis for concluding that each replacement dwelling unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy; and
- Information demonstrating that any proposed replacement of lower-income dwelling units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units), or any proposed replacement of efficiency or single-room occupancy (SRO) units with units of a different size, is appropriate and consistent with the housing needs and priorities identified in the HUD-approved Consolidated Plan and 24 CFR 42.375(b).

To the extent that the specified location of the replacement dwelling units and other data in items 4 through 7 are not available at the time of the general submission, the general location of such dwelling units will be identified on a map and the City will ensure that the disclosure and submission requirements are completed as soon as the specific data is available.

### Replacement not required Based on Unit Available

Under 24 CFR 42.375(d), the City may submit a request to HUD for a determination that the one-for-one replacement requirement does not apply based on objective data that there is an adequate supply of vacant lower-income dwelling units in standard condition available on a non-discriminatory basis within the area.

### Responsible Entity

The City is responsible for tracking the replacement of lower income dwelling units and ensuring that they are provided within the required period. This City will also ensure that relocation payments and other relocation assistance are provided to any lower-income person displaced by the demolition of any dwelling unit or the conversion of lower-income dwelling units to another use.

## APPENDIX 10

### Other Federal Requirements

| Other Federal Requirements                              | Apply to Owner Occupied Rehabilitation?   | Apply to Homebuyer Programs?  | Applies to Rental Housing Programs?   |
|---|---|---|---|
| <b><i>Non-Discrimination and Equal Access Rules</i></b> |   |   |   |
| Fair Housing and Equal Opportunity                      | Yes. Must affirmatively further Fair Housing  | Yes   | Yes.  |
| Affirmative Marketing                                   | Yes.  | Yes, for all projects of five or more HOME-assisted units.  | Yes; for projects containing five or more Home-assisted units.                                      |
| Accessibility for Disabled Persons                      | Accessibility features must be part of rehabilitation, if needed by owner/occupant and the overall unit is brought up to the PJ's property standard. (Note: Accessibility improvements are eligible costs.) | Yes.  | Yes.  |
| <b><i>Employment and Contracting Rules</i></b>          |   |   |   |
| Equal Opportunity Employment                            | Yes.  | Yes.  | Yes.  |
| Section 3 Economic Opportunity                          |   | Yes, if amount of assistance exceeds \$200,000 or contract <b>or</b> subcontract exceeds \$100,000. | Yes, if amount of assistance exceeds \$200,000 or contract <b>or</b> subcontract exceeds \$100,000. |
| Minority/Women Business Enterprises                     | No.   | Yes.  | Yes.  |
| Davis-Bacon & other Labor                               | No.   | Yes, if construction contract includes 12 or more units that are HOME-assisted                      | Yes, if construction contract includes 12 or more units that are HOME-assisted                      |
| Conflict of interest                                    | Yes.  | Yes.  | Yes.  |
| Excluded Parties (e.g., Debarred Contractors)           | Yes.  | Yes   | Yes.  |
| <b><i>Other Federal Requirements</i></b>                |   |   |   |
| Environmental Reviews                                   | Yes.  | Yes   | Yes.  |
| Flood Insurance   | Yes for PJs that are cities/counties. No for State programs.  | Yes if city or county. No if state program  | Yes for PJs that are cities/counties. No for State PJs.   |



|                                 |                        |                         |   |
|---------------------------------|------------------------|-------------------------|---|
| Site and Neighborhood Standards | No.                    | No.                     | Yes; for rental new construction only   |
| Lead-Based Paint                | Yes for pre-1978 units | Yes for pre-1978 units. | Yes for rehabilitation of pre-1978 units. Applies to HOME and non-HOME assisted units. Requirements differ depending on whether rehabilitation work is performed. |
| Relocation                      | Yes.                   | Yes                     | Yes.  |

## **APPENDIX 11**

### **Lead-Based Paint Requirements**

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This portion of the manual outlines the requirements in relation to Lead-Based Paint.

The U.S. Department of Housing and Urban Development recently adopted new regulations in relation to the treatment of Lead Based Paint in properties built before 1978 that are assisted with HUD funding. The requirements are outlined below based on the activity undertaken. To obtain a copy of the rules from HUD, go to the HUD website at: [www.hud.gov/lead](http://www.hud.gov/lead) and download the regulation.

The section does not outline the City programs that are available to provide financial assistance in relation to lead abatement. Please note, however that any financial assistance provided by the City to address lead-based paint will be in the form of a GRANT to the homeowner to developer.

#### **Down-payment Assistance Programs:**

The following are HUD's requirements See 24 CFR part 35 (subpart K):

- Distribute Lead Hazard Information Pamphlet and Disclosure to buyers of homes built prior to 1978.
- Perform Visual Assessment of all painted surfaces.
- If Visual Assessment reveals deteriorated paint, action must be taken to stabilize each deteriorated paint surface.
  - At this point, one will have to assume every component has lead since the Visual Assessment does not determine where lead is present. Safe work practices must be used by trained worker in this field. Paint stabilization works will on non-friction surfaces such as walls (interior/exterior). When dealing with friction points such as windows and doors, abatement procedures (removal, replacement, enclosure) are recommended.
- After paint stabilization, clearance must be performed by a certified Risk Assessor or Lead Inspector. HUD has established lead levels that meet clearance requirements.
- Notify the homebuyer within 15 days of results of clearance exam.

At the Visual Assessment Stage, the homebuyer may opt for a lead test. This will reveal the levels of lead present in the home. A lead inspection will not tell you the risk involved, but only where the lead is located. This is when a buyer may request a Risk Assessment to outline the necessary Lead Hazard Reduction methods needed to insure a lead safe residence.

Following are some options (NOT REQUIREMENTS) to consider in relation to your program design for down payment assistance programs:

- If the visual assessment reveals defective paint in which stabilization and clearance is required then this cost can be funded by the nonprofit or the homebuyer or seller.
- If visual assessment shows no deterioration of a painted surface, the homebuyer can sign a waiver stating that they are aware of the potential presence of lead paint and they choose not to address it.
- A qualified consultant should advise on any lead inspection, lead hazard screen or risk assessments.

For Rehabilitation Programs (Owner-Occupied, Homebuyer, and Rental Property Rehabilitation Programs and Historic Preservation Residential Programs):

See 24 CFR Part 35 (subpart J)

If you are implementing a rehabilitation program, HUD's requirements are a bit more stringent in relation to lead based paint. The following describes HUD's requirements:

For HUD funded rehabilitation activities, lead hazard evaluation and reduction activities must be carried out for all projects constructed before 1978.

In all case, notification must be made to the homeowner/buyer in the form of the HUD Lead Hazard Information Pamphlet and Disclosure or an acceptable alternative pamphlet.

The required evaluation and reduction activity is dependent upon the amount of HUD funding used for the project.

For cases where less than or equal to \$5,000 will be spent on the rehabilitation: *Testing:* Paint Testing of surfaces to be disturbed by the rehabilitation activities must occur.

*Lead Hazard Reduction:* Surfaces, which are disturbed during rehabilitation, must be repaired. Safe work practices must be used. After the rehabilitation activities are completed, clearance must be performed by a certified professional to ensure that units are safe.

For cases where \$5,001 to \$25,000 will be spent on the rehabilitation: *Testing:* Paint testing of surfaces to be disturbed by rehabilitation must occur. In addition, a risk assessment must be performed.

*Lead Hazard Reduction:* Interim controls must be used. This means that the friction and impact surfaces would be addressed. Interim controls include paint stabilization and cleaning. Safe work practices must be used. After the rehabilitation activities are completed, clearance must be performed by a certified professional to ensure that units are safe.

For cases where more than \$25,000 will be spent on the rehabilitation:

*Testing:* Paint testing of surfaces to be disturbed by rehabilitation must occur. In addition, a risk assessment must be performed.

*Lead Hazard Reduction:* abatement of hazards is the required approach. Abatement involves permanently removing lead-based hazards, often through paint and component removal, replacement, encapsulation and enclosure. Interim controls and paint stabilization may be used on the home's exterior if it is not involved in the rehabilitation. Safe work practices must be used. After the lead hazard reduction activities are completed, clearance must be performed by a certified professional to ensure that units are safe.

#### Calculating the level of rehabilitation assistance:

When calculating how much HUD funding will be used on a rehabilitation project, the following costs are counted: soft costs, administrative costs, relocation costs, environmental reviews, acquisition of property, and lead hazard evaluation and reduction costs.

#### Lead-Based Paint Requirements

For HUD funded rehabilitation activities, lead hazard evaluation and reduction activities must be carried out for all projects constructed before 1978.

Less than or equal to \$5,000 spent on the rehabilitation:

Projects where the level of rehabilitation assistance is less than or equal to \$5,000 per unit must meet the following requirements. All work must be conducted using lead safe work practices and workers/contractors must be trained in lead safe work practices. It is presumed that painted surfaces being worked on contain lead-based paint. All disturbed paint must be repaired. Clearance is required by a State of Texas Certified Risk Assessor or Inspector if paint is disturbed. Safe work practices are NOT required when lead hazard reduction activities do not disturb (De Minimis Levels) painted surfaces that total more than 20 sq ft on exterior surfaces, 2 sq ft in any one interior room, or space or 10% of the total surface on an interior or exterior type of component.

In addition, the following notices must be provided to owners:

- Lead Hazard Information pamphlet
- Notice of Presumption and
- The Notice of Lead Hazard Reduction

Where \$5,001 to \$25,000 spent on the rehabilitation:

A risk assessment is required to identify lead hazards and identified hazards must be addressed by interim controls. A risk assessment must be conducted by a qualified professional prior to rehabilitation to find lead-based paint hazards in assisted units, in common areas that service those units, and on exterior surfaces. The risk assessment must include paint testing of any surfaces to be disturbed by the rehabilitation. If the risk assessment identifies lead-based paint hazards, interim controls must be implemented to address lead-based paint hazards. Interim controls must be performed by qualified professionals using safe work practices. Clearance, conducted by a State of Texas Certified Risk Assessor or Inspector, is required when lead hazard reduction activities are complete.

In addition, the following notices must be provided to owners:

- Lead Hazard Information pamphlet
- Notice of Presumption and
- The Notice of Lead Hazard Reduction

Where more than \$25,000 will be spent on the rehabilitation:

A risk assessment is required to identify hazards and any identified hazards must be abated by a qualified professional. A risk assessment must be conducted prior to rehabilitation to find lead-based paint hazards in assisted units, in common areas that service those units, and on exterior surfaces. The risk assessment must include paint testing of any surfaces to be disturbed by the rehabilitation.

To address hazards identified:

- Abatement must be conducted to reduce all identified lead-based paint hazards except those described below. Abatement must be conducted by a certified abatement contractor.

If lead-based paint hazards are detected during the risk assessment on the exterior surfaces that are not to be disturbed by rehabilitation, interim controls may be completed instead of abatement to reduce these hazards.

- Clearance is required when lead hazard reduction activities are complete.

In addition, the following notices must be provided to owners:

- Lead Hazard Information pamphlet
- Notice of Presumption and
- The Notice of Lead Hazard Reduction

|  | <b>&lt;\$5,000</b>                              | <b>\$5,000 to \$25,000</b>        | <b>&gt;\$25,000</b>   |
|--|---|-----------------------------------|---|
| Approach to Lead Hazard Evaluation and Reduction | Do no harm                                      | Identify and control lead hazards | Identify and abate lead hazards   |
| Notification                                     | Yes   | Yes                               | Yes   |
| Lead Hazard Evaluation                           | Paint Testing                                   | Paint Testing and Risk Assessment | Paint Testing and Risk Assessment   |
| Lead Hazard Reduction                            | Repair surfaces disturbed during rehabilitation | Interim Controls                  | Abatement (Interim controls may be used on exterior surfaces not disturbed by rehabilitation) |

## **APPENDIX 12**

### **Environmental Review Policy, Procedures, and Standards**

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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.

## **APPENDIX 13**

### **SECTION 3**

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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.

## **APPENDIX 14**

### **Minority/Women Business Enterprise**

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Developers must maintain an M/WBE plan that demonstrates marketing and solicitation of M/WBE businesses and contractors for the construction of the project.



## APPENDIX 15

### Regulatory References

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You may be interested in reading the actual regulations published by the U.S. Department of Housing and Urban Development for CDBG and HOME and the applicable federal requirements. A copy of the regulations may be obtained by contacting the Department of Housing and Neighborhood Revitalization or downloading the information from the HUD website at [www.hud.gov](http://www.hud.gov).

The regulations for CDBG are located at 24 CFR Part 570: Part 570 – Community Development Block Grants

#### **Subpart A – General Provisions**

| <b>Section</b> | <b>Title</b>                  |
|----------------|-------------------------------|
| <u>570.1</u>   | Purpose and Primary Objective |
| <u>570.2</u>   | Removed                       |
| <u>570.3</u>   | Definitions                   |
| <u>570.4</u>   | Allocations of Funds          |
| <u>570.5</u>   | Waivers                       |

#### **Subpart C – Eligible Activities**

| <b>Section</b> | <b>Title</b>   |
|----------------|--|
| <u>570.200</u> | General Policies   |
| <u>570.201</u> | Basic eligible activities  |
| <u>570.202</u> | Eligible rehabilitation and preservation activities  |
| <u>570.203</u> | Special economic development activities  |
| <u>570.204</u> | Special activities by Community-Based Development Organizations (CBDO's)                                   |
| <u>570.205</u> | Eligible planning, urban environmental design and policy-planning-management- capacity building activities |
| <u>570.206</u> | Program administration costs   |
| <u>570.207</u> | Ineligible activities  |
| <u>570.208</u> | Criteria for national objectives   |
| <u>570.209</u> | Guidelines for evaluating and selecting economic development projects                                      |

The regulations for HOME are located at 24 CFR Part 92: Home Investment Partnerships Program

| <b>Section</b> | <b>Title SUBPART A - GENERAL</b>                           |
|----------------|--|
| 92.1           | Overview   |
| 92.2           | Definitions  |
| 92.4           | Waivers and Suspensions of Requirements for Disaster Areas |

## **SUBPART B – ALLOCATIONS FORMULA**

- 92.50 Formula Allocations
- 92.60 Allocation Amounts for Insular Areas
- 92.61 Program Description
- 92.62 Review of Program Description and Certifications
- 92.63 Amendments to Program Description
- 92.64 Applicability of Requirements to Insular Areas
- 92.65 Funding Sanctions
- 92.66 Reallocations

## **SUBPART C – CONSORTIA; DESIGNATION AND REVOCATION OF DESIGNATION AS A PARTICIPATING JURISDICTION**

- 92.101 Consortia
- 92.102 Participation Threshold Amount
- 92.103 Notification of Intent to Participate
- 92.104 Submission of a Consolidated Plan
- 92.105 Designation as a Participating Jurisdiction
- 92.106 Continuous Designation as a Participating Jurisdiction
- 92.107 Revocation of Designation as a Participating Jurisdiction

## **SUBPART D – SUBMISSION REQUIREMENTS**

- 92.150 Submission Requirements

## **SUBPART E – PROGRAM REQUIREMENTS**

- 92.200 Private-Public Partnership
- 92.201 Distribution of Assistance
- 92.202 Site and Neighborhood Standards
- 92.203 Income Determinations
- 92.204 Applicability of Requirements to Entities that Receive a Reallocation of HOME Funds, other than Participating Jurisdictions
- 92.205 Eligible Activities: General
- 92.206 Eligible Project Costs
- 92.207 Eligible Administrative and Planning Costs
- 92.208 Eligible Community Housing Development Organization (CHDO) Operating Expense and Capacity Building Costs
- 92.209 Tenant-Based Rental Assistance: Eligible Costs and Requirements

## **Lead Based Paint Regulations**

### **DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**24 CFR Parts 35, 91, 92, 200, 203, 206, 280, 291, 511, 570, 572, 573, 574, 576, 582, 583, 585, 761, 881, 882, 883, 886, 891, 901, 906, 941, 965, 968, 670, 982, 983, 1000, 1003, and 1005**  
**Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance.**

**AGENCY:** Office of the Secretary – Office of Lead Hazard Control, HUD.

**ACTION:** Final rule.

**SUMMARY:** The purpose of this rule is to ensure that housing receiving Federal assistance and federally owned housing that is to be sold does not pose lead-based paint hazards to young children. It implements sections 1012 and 1013 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, which is Title X of the Housing and Community Development Act of 1992.

The requirements of this rule are based on the practical experience of cities, states and others who have been controlling lead-based paint hazards in low-income privately-owned housing and public housing through HUD assistance. It also reflects the results of new scientific and technological research and innovation on the sources, effects, costs, and methods of evaluating and controlling lead hazards. With today's action, HUD's lead-based paint requirements for all Federal programs are now consolidated in one part of title 24 of the Code of Federal Regulations.

**DATES:** Effective Dates: Section 35.140 is effective on November 15, 1999. All other provisions of the rule are effective on September 15, 2000.

**FOR FURTHER INFORMATION CONTACT:** For questions on this rule, call (202) 755-1785, ext. 104 (this is not a toll-free number) or e-mail your inquiry to [lead\\_regulations@hud.gov](mailto:lead_regulations@hud.gov). For lead-based paint program information, contact the Office of Lead Hazard Control, Department of Housing and Urban Development, 451 7<sup>th</sup> Street, SW, Room B-133, Washington, DC 20410-0500. For legal questions, contact the Office of General Counsel, Room 9262, Department of Housing and Urban Development. Hearing and speech-impaired persons may access the above telephone number via TTY by calling the toll-free Federal Information Relay Service at 1-800-877-8339.

**Subpart A** – Disclosure of Known Lead-Based Paint Hazards upon Sale or Lease of Residential Property.

**Subpart B** – General Lead-Based Paint Requirements and Definitions for All Programs

- a. Definitions
- b. Exemptions
- c. Options
- d. Notice of Evaluation and Hazard Reduction Activities

- e. Lead Hazard Information Pamphlet
- f. Use of Paint Containing Lead
- g. Prohibited Methods of Paint Removal
- h. Compliance with Other, State, Tribal, and Local Laws
- i. Minimum Requirements
- j. Waivers
- k. Prior Evaluation or Hazard Reduction
- l. Enforcement
- m. Records

**Subpart C** – Disposition of Residential Property Owned by Federal Agency Other Than HUD

**Subpart D** – Project-Based Assistance Provided by a Federal Agency Other than HUD

**Subpart E** - Reserved

**Subpart F** – HUD-Owned Single-Family Property

**Subpart G** – Multifamily Mortgage Insurance

**Subpart H** – Project – Based Rental Assistance

**Subpart I** – HUD – Owned and Mortgagee-in-Possession Multifamily Property

**Subpart J** – Rehabilitation

**Subpart K** – Acquisition, Leasing, Support Services, or Operation

**Subpart L** - Public Housing Programs

**Subpart M** – Tenant-Based Assistance

**Subpart N-Q** – Reserved

**Subpart R** – Methods and Standards for Lead-Based Paint Hazard Evaluation and Reduction Activities

- a. Standards
- b. Adequacy of Dust-Lead Standards
- c. Summary Notice Formats
- d. Interim Controls
- e. Standard Treatments
- f. Clearance
- g. Occupant Protection and Worksite Preparation
- h. Safe Work Practices
- i. Ongoing Lead-Based Paint Maintenance and Reevaluation

## **APPENDIX 16**

### **Community Land Trust Designation Implementation Guidelines**

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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 redesignation 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.

The designation and re-designation process are subject to the approved CHP Program and the following general terms and City Manager, or their designee discretion. The elements below will be reviewed by Staff in the Housing and Neighborhood Revitalization Department ("Housing Staff") for accuracy and completeness. Housing staff will then prepare a document to be reviewed by the City Council for its initial designation. Housing staff will review and approve or suggest City Council revoke yearly re-designation of CLTs.

Housing staff is available to discuss the CLT application process and will schedule regular information sessions. In addition, select staff may be available to discuss community engagement and general CLT governance questions.

Applications are subject to verification and follow-up.

#### **General Application Process**

- Attend a CLT application info session;
- Request a meeting with Housing Staff to discuss community engagement, outreach and general guidelines;
- Complete an application with all required attachments;
- Amend Application, submit additional details as requested or work with City Staff to meet all Operations and Eligibility Criteria
- Attend the City Council meeting when the CLTs application will be under consideration for designation; and
- Re-certify yearly.

#### **General Application Checklist**

- 501(C)(3) tax exemption letter;
- Organization, charter, bylaws or other regulatory document adopted to govern its affairs which includes the following provisions:
  - 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; to
  - 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 a similar 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;
- list of key employees or contractors including, name, title, years of affordable housing experience, area of expertise, date of hire;
- most recent independently conducted audit or audit review (if organization has been in operation for more than 1 year);
- ground lease and deed restrictions documents, approved for use by the City;

- that include a resale formula outlining the amount of equity per year that can be built while ensuring long term affordability;
- 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;
- that have terms for sale, lease and inheritance,
- list of board members, position, title, outreach and recruitment methodology and the CLT board bylaws that indicate the CLT commitment to community ownership and governance and the percent or number of seats of low-income residents or owners of CLT properties on the board of directors and what specific expertise of board members the CLT seek out to govern the CLT;
- list enumerating the parcel(s) to be acquired (with date of purchase) to be included in the CLT, current appraised value, and estimation of taxes;
- business plan that demonstrates the ability to financially cover expenses with 3-year projection;
- list of community engagement activities that may include, number of community meetings, location, time, and number of attendees, outreach methodology, and challenges that the CLT faces with engagement and general outcome of engagement activities within the last year;
- list or explanation of any activities related to how this CLT will be used as a mechanism for anti-displacement, recruiting and retaining people with a historic legacy in the community or other community building methods;
- letters of support (not more than 10) from entities like: neighborhood residents, neighborhood stakeholders, non-profit and community-based organizations and for-profit business; and
- If requesting to operate in the same general geography as an existing CLT, a letter discussing the merits and the need, how and why another CLT should be designated in the same or similar area including how the applicant is different than the existing CLT and any records of outreach to the existing CLT for partnership or collaboration.

### **Re-Designation Application**

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:

- Write a letter certifying 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.

### **Income Eligibility**

A CLT must sell or lease housing units only to eligible households as set forth in Chapter 373B.006, as amended:

- (a) A CLT may sell housing units only to families with a yearly income at the time of sale at or below 80 percent of the area median family income, adjusted for family size;
- (b) Notwithstanding Subsection (a), for housing units located on one or more tracts of land owned by the CLT that constitute a contiguous geographic area or are located in the same

platted subdivision, the CLT may sell not more than 20 percent of the housing units to families with a yearly income at the time of sale that exceeds the amount provided by Subsection (a) but does not exceed 120 percent of the area median family income, adjusted for family size;

(c) At least 25 percent of the housing units sold by the CLT must be sold to families with a yearly income at the time of sale at or below 60 percent of the area median family income, adjusted for family size;

(d) The CLT may lease housing units only to families with a yearly income at the time of lease at or below 60 percent of the area median family income, adjusted for family size;

(e) Notwithstanding Subsection (d), for housing units located on one or more tracts of land owned by the CLT that constitute a contiguous geographic area or are located in the same platted subdivision, the CLT may lease not more than 20 percent of the housing units to families with a yearly income at the time of lease that exceeds the amount provided by Subsection (d) but does not exceed 80 percent of the area median family income, adjusted for family size;

### **Disqualifying Criteria**

The intent of the CLT program is to ensure long term affordability and good stewardship of communities through the unique nature of CLT operations throughout the City of Dallas. If CLT is not operating to ensure this then the CLT may not be eligible for initial designation and may lose its designation. Examples of this may include, but are not limited to, ground leases that do not reflect long term affordability protections, mortgage products that may be predatory in nature, the City receiving community complaints about this CLT management practices, not allowing housing choice vouchers, or not meeting the requirements of income eligibility of clients.

## **APPENDIX 17**

### **Residential Neighborhood Empowerment Zone Implementation Guidelines**

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Approved January 22, 2020

#### **Development-Related Costs**

Development fees and development-related costs eligible for grants up to \$15,000 per reserved dwelling unit under a Chapter 380 agreement include:

- Fees found in Section 52.300 of the Dallas City Code. However, the following fees are specifically excluded:
  - 303.5.1.4.1 and 303.5.1.4.2 – resubmittal fees
  - 303.5.6 sidewalk waivers
  - 303.5.7 reinspection fees
  - 303.5.13 returned check fees
  - 303.5.16 reinstatement of permit privileges
  - 303.5.18 appeals to boards
  - 303.5.19 unauthorized concealment
  - 303.7 beginning work without a permit
- Zoning and platting fees found in Chapter 51A-1.105 of the Dallas Development Code
- Dallas Water Utility fees related to water and sewer service required for the development
- Costs associated with completing a tree survey as required in Chapter 51A-10 of the Dallas Development Code
- Additional professional services related to tree preservation at the discretion of the Director.

For the purposes of Sec. 51A-4.1002(c) of the Dallas Development Code, the Residential Neighborhood Empowerment Zone program is a program administered by the housing and neighborhood revitalization department and authorized by the city council that furthers the public purposes of the city's housing policy, and applicants are therefore eligible to have some or all of the parkland dedication requirements waived subject to compliance with the program.

Grants may be increased to an additional \$5,000 per reserved dwelling unit at the discretion of the Director. Additional grant amounts are allowable subject to Council approval.

#### **Reference:**

- Development fees:  
[https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/DCH%20documents/pdf/BI\\_Chapter%2052\\_Amendments\\_03-01-2017.pdf](https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/DCH%20documents/pdf/BI_Chapter%2052_Amendments_03-01-2017.pdf)
- Zoning and platting fees:  
[http://library.amlegal.com/nxt/gateway.dll/Texas/dallas/cityofdallastexascodeofordinances/volumeiii/chapter51adallasdevelopmentcodeofordinance/articleigeneralprovisions11?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:dallas\\_tx\\$anc=JD\\_51A-1.105](http://library.amlegal.com/nxt/gateway.dll/Texas/dallas/cityofdallastexascodeofordinances/volumeiii/chapter51adallasdevelopmentcodeofordinance/articleigeneralprovisions11?f=templates$fn=default.htm$3.0$vid=amlegal:dallas_tx$anc=JD_51A-1.105)
- Dallas Water Utility fees:  
[http://library.amlegal.com/nxt/gateway.dll/Texas/dallas/cityofdallastexascodeofordinances/volumeii/chapter49waterandwastewater?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:dallas\\_tx\\$anc=JD\\_Ch.49](http://library.amlegal.com/nxt/gateway.dll/Texas/dallas/cityofdallastexascodeofordinances/volumeii/chapter49waterandwastewater?f=templates$fn=default.htm$3.0$vid=amlegal:dallas_tx$anc=JD_Ch.49)
- Tree mitigation standards:  
[https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/DCH%20documents/pdf/BI\\_Tree%20Mitigation%20Standards.pdf](https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/DCH%20documents/pdf/BI_Tree%20Mitigation%20Standards.pdf)



### Reimbursement calculation

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 occupied by eligible households. For example:

- A developer builds a new 200-unit single family for-sale development and reserves 20 of the units for eligible households under 100% of AMI and 20 of the units for eligible households between 101% and 120% of AMFI. The developer incurs \$100,000 in eligible development-related expenses. The calculation would be:

$$\begin{array}{rcl} \text{(reserved units/total units)} & * & \text{eligible expenses} = \text{development fee reimbursement} \\ (40/200) & * & \$100,000 = \mathbf{\$20,000} \end{array}$$

- A developer builds 5 new single family for-sale homes and reserves all of them for households between 80% and 100% of AMI. In this case development-related expenses are high and the developer incurs \$100,000 in eligible development-related expenses. The calculation is below. Because it is above \$50,000, the development agreement would require additional Council approval for the portion above \$50,000:

$$\begin{array}{rcl} \text{(reserved units/total units)} & * & \text{eligible expenses} = \text{reimbursement} \\ (5/5) & * & \$100,000 = \mathbf{\$100,000} \text{ (with additional Council approval)} \end{array}$$

### Design review/compliance with Council-adopted area plans

New construction under this Program should respect the architectural character of the surrounding neighborhood and should comply with all Council-adopted area plans. In addition:

- The main pedestrian entrance to the single family or duplex dwelling unit must be closer to the street than the distance of the garage entrance to the street. So called “snout houses,” where the garage is more prominent than the front door or front porch, are not eligible for funding under this program.
- All street-fronting facades must have at least one window that provides occupants visibility to the street and at least one pedestrian entrance facing the street at street level. The entrance must access the street with an improved pedestrian path connecting to the sidewalk. The driveway is not considered a pedestrian path.

### Eligible Repairs

Eligible repairs for owner-occupied housing units and single-family rental housing units include the following items when associated with weather proofing and water proofing:

- Roofing repair
- Repair/replacement of exterior material, such as siding or brick repointing
- Exterior entry door repair or replacement
- Exterior window repair or replacement
- Exterior caulking, sealant application, and paint
- Plumbing repair/replacement to remediate leaks
- Removal and replacement of water-damaged material
- Mold remediation
- Gutters and downspouts as needed
- Porch repair to protect doorways and windows from water intrusion
- Foundation repair

- Additional items as recommended by the assigned inspector and approved by the Director

Additional eligible repairs (once initial weather proofing and water proofing work is complete):

- Additional work related to the weather proofing and water proofing work in the list above
- Accessibility repairs and installation such as ramps, handrails or repairing walkways
- Water heater repair or replacement
- Heating systems/cooling systems repair or replacement
- Plumbing repair or replacement, including water lines, sewer lines, toilet repairs, etc.
- Electrical repair or replacement, including repair of breakers, panels, wiring, or outlets
- Gas lines repair or replacement
- Floor repair or replacement
- Interior and exterior repairs as recommended by the assigned inspector
- Any item determined eligible by the Director

Termination, clawback, and default terms will be specified in the development and abatement agreements.

## **Process**

Outline of proposed process:

- Application submission/review
- Pre-work inspection
- Application approval
- Tax abatement agreement drafted/signed
- Construction/renovation started/completed
- Paperwork submitted
- Post-work inspections complete
- Abatement recorded on deed (to remain on property during compliance period)
- Development grant paid after all program elements completed

Annual review

- Eligible property owners must annually
  - apply to the appraisal district for the abatement
  - submit to the city, on a form approved by the director, proof of ongoing compliance with the program
- Subject to receipt of proof of ongoing compliance, the director shall provide verification to the appraisal district on an annual basis for the duration of the tax abatement.

## **Modifications**

The City Manager may modify this Appendix 17 to increase its effectiveness and will notify by memorandum the City Council, the Housing Policy Task Force steering committee, and the city secretary of any changes.

## APPENDIX 18

### Targeted Rehabilitation Program - West Dallas Sub-Program Module

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#### 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 \$10,000 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 \$10,000 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.

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 200 homeowners within an 18-month period.

The City's Request for Proposals for a contractor to provide the repairs in the West Dallas TRP will include local subcontractor hiring.

## APPENDIX 19

### Targeted Rehabilitation Program - Tenth Street Historic District Sub-Program Module

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#### 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 \$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.

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 35 homeowners within an 18-month period.

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.



## APPENDIX 20

### Interventions by Strategy Area

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| IMPLEMENTATION REQUIREMENTS                    |                              |                          |                 |                       |                 |
|--|------------------------------|--------------------------|-----------------|-----------------------|-----------------|
|  | Requires an ordinance change | Authorized by Resolution | Policy Decision | Available through NEZ | Non-City Action |
| Accessory Dwelling Units                       | X                            |                          |                 |                       |                 |
| Building Code Fee Waivers                      | X                            |                          |                 | X                     |                 |
| Community Court                                |                              |                          | X               |                       |                 |
| Code Lien Foreclosures                         |                              |                          | X               |                       |                 |
| Community Land Trust                           | X                            |                          |                 |                       |                 |
| Contractor Training Program                    |                              | X                        | X               |                       |                 |
| Development Code Fee Waivers                   | X                            |                          |                 |                       |                 |
| Employer-Assisted Housing Program              |                              |                          |                 |                       | X               |
| Envision Centers                               |                              |                          |                 |                       | X               |
| Expedited Processing                           |                              |                          | X               |                       |                 |
| Home Improvement Preservation Program          |                              | X                        | X               |                       |                 |
| Homestead Preservation Districts               |                              |                          | X               |                       |                 |
| Housing Trust Fund                             |                              | X                        |                 |                       |                 |
| Incentive Zoning/Density Bonuses               | X                            |                          |                 |                       |                 |
| Lien Releases                                  | X                            |                          |                 |                       |                 |
| Multi-Family Rehab Program                     |                              | X                        |                 |                       |                 |
| Neighborhood Empowerment Zones                 |                              | X                        |                 |                       |                 |
| Opportunity Zones                              |                              |                          |                 |                       |                 |
| Park Land Dedication Fees                      |                              |                          |                 |                       |                 |
| Property Tax Abatement                         |                              | X                        |                 | X                     |                 |
| Rental/Homeowner Maintenance Education Program | X                            |                          |                 |                       |                 |
| Tax Increment Financing (TIF)                  |                              | X                        |                 |                       |                 |
| Voucher Sublease Program                       |                              | X                        | X               |                       |                 |

|                            | Proposed Types of Activities  | Redevelop-<br>ment Areas | Stabiliza-<br>tion Areas | Emerging<br>Markets | Citywide | Council                   |
|----------------------------|---|--------------------------|--------------------------|---------------------|----------|---------------------------|
| 1                          | Notice of Funding Availability: New Development (for-sale and rental) or Substantial Rehabilitation   | P                        | P                        | N                   | Y        | MF:<br>2/20/2019          |
| 2                          | Preservation of owner-occupied housing: Home Improvement and Preservation Program<br><i>Enhanced 9/25/2019 with title clearing program</i>  | P                        | P                        | Y                   | Y        | 11/28/2018<br>& 6/26/2019 |
| 3                          | Preservation of single-family rental housing: Home Improvement and Preservation Program<br><i>Enhanced 9/25/2019 with title clearing program and enhanced 12/11/2019 with NEZ</i> | P                        | P                        | Y                   | Y        |                           |
| 4                          | Preservation of multifamily rental housing: Home Improvement and Preservation Program   | P                        | P                        | Y                   | Y        |                           |
| 5                          | Landbanking   | N                        | P                        | P                   | N        | N/A                       |
| 6                          | Code lien foreclosures  | N                        | P                        | P                   | N        |                           |
| 7                          | Neighborhood Empowerment Zones  | N                        | Y                        | N                   | N        | 1/22/2020                 |
| 8                          | City's second mortgage assistance program (DHAP)  | Y                        | Y                        | Y                   | Y        | 11/28/2018                |
| 9                          | Neighborhood Revitalization Strategy Area Designation   | P                        | P                        | P                   | N        | in process                |
| 10                         | Dallas Tomorrow Fund (Department of Code Compliance home repair fund through fee assessment)  | Y                        | Y                        | Y                   | Y        | In process                |
| 11                         | Code academy  | Y                        | Y                        | P                   | Y        |                           |
| 12                         | Tax increment reinvestment zone designation   | Y                        | Y                        | Y                   | N        |                           |
| 13                         | Create neighborhood association   | Y                        | Y                        | P                   | Y        |                           |
| 14                         | Neighborhood sweep - 2-week intensive sweep: minor street repair, code inspections, signage, beautification projects, neighborhood plan   | Y                        | Y                        | P                   | N        |                           |
| 15                         | Neighborhood beautification projects  | Y                        | Y                        | P                   | Y        |                           |
| 16                         | Low Income Housing Tax Credit City support - with scoring criteria  | N                        | Y                        | N                   | Y        | 6/12/2019                 |
| 17                         | Voucher sublease agreements   | Y                        | Y                        | Y                   | Y        |                           |
| 18                         | Accessory dwelling units  | See Citywide             | Y                        | See Citywide        | Y-Opt-in | 6/27/2018                 |
| 19                         | Incentive zoning  | P                        | P                        | N                   | Y        | 3/27/2019                 |
| 20                         | Homestead preservation district designation   | N                        | P                        | N                   | N        |                           |
| 21                         | Community land trust  | Y                        | Y                        | Y                   | Y        | 12/11/2019                |
| 22                         | Tenant based rental assistance program (HILI)   | -                        | -                        | -                   | Y        |                           |
| 23                         | Express plan review   | P                        | P                        | N                   | N        |                           |
| 24                         | Targeted Rehab Program  | Y                        | Y                        | Y                   | Y        | 8/26/2020                 |
| Key:P= Priority Y=Yes N=No |   |                          |                          |                     |          |                           |



## Agenda Information Sheet

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**File #:** 21-519

**Item #:** 15.

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**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** Outside City Limits

**DEPARTMENT:** Department of Public Works

**EXECUTIVE:** Majed Al-Ghafry

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### **SUBJECT**

Authorize acquisition from Sarah Barrow Reedy, Zoe Barrow Talbert, Jean T. Clarke, Frank Barrow Reedy, Julia C. Reedy and Frank Barrow Reedy, II, of approximately 416,421 square feet of land located in Kaufman County for the Lake Tawakoni 144-inch Transmission Pipeline Project - Not to exceed \$124,412.00 (\$121,412.00, plus closing costs and title expenses not to exceed \$3,000.00) - Financing: Water Construction Fund

### **BACKGROUND**

This item authorizes the acquisition from Sarah Barrow Reedy, Zoe Barrow Talbert, Jean T. Clarke, Frank Barrow Reedy, Julia C. Reedy and Frank Barrow Reedy, II, of approximately 416,421 square feet of land located in Kaufman County. This property will be used for the construction of a 144-inch raw water transmission line for the Lake Tawakoni 144-inch Transmission Pipeline Project. The consideration is based on an independent appraisal. There are no relocation benefits required.

This acquisition is part of the right-of-way required to construct approximately 32 miles of pipeline from Lake Tawakoni to the Interim Balancing Reservoir located in Terrell, TX and then to the Eastside Water Treatment Plant located in Sunnyvale, TX. The new raw water pipeline will augment the existing 72-inch and 84-inch pipelines. The construction of this pipeline will give Dallas Water Utilities the ability to utilize the full capacity of both the Lake Tawakoni and the Lake Fork raw water supply to meet the current city needs and future water demands.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

**FISCAL INFORMATION**

| Fund                    | FY 2022      | FY 2023 | Future Years |
|-------------------------|--------------|---------|--------------|
| Water Construction Fund | \$124,412.00 | \$0.00  | \$0.00       |

**OWNERS**

Sarah Barrow Reedy

Zoe Barrow Talbert

Jean T. Clarke

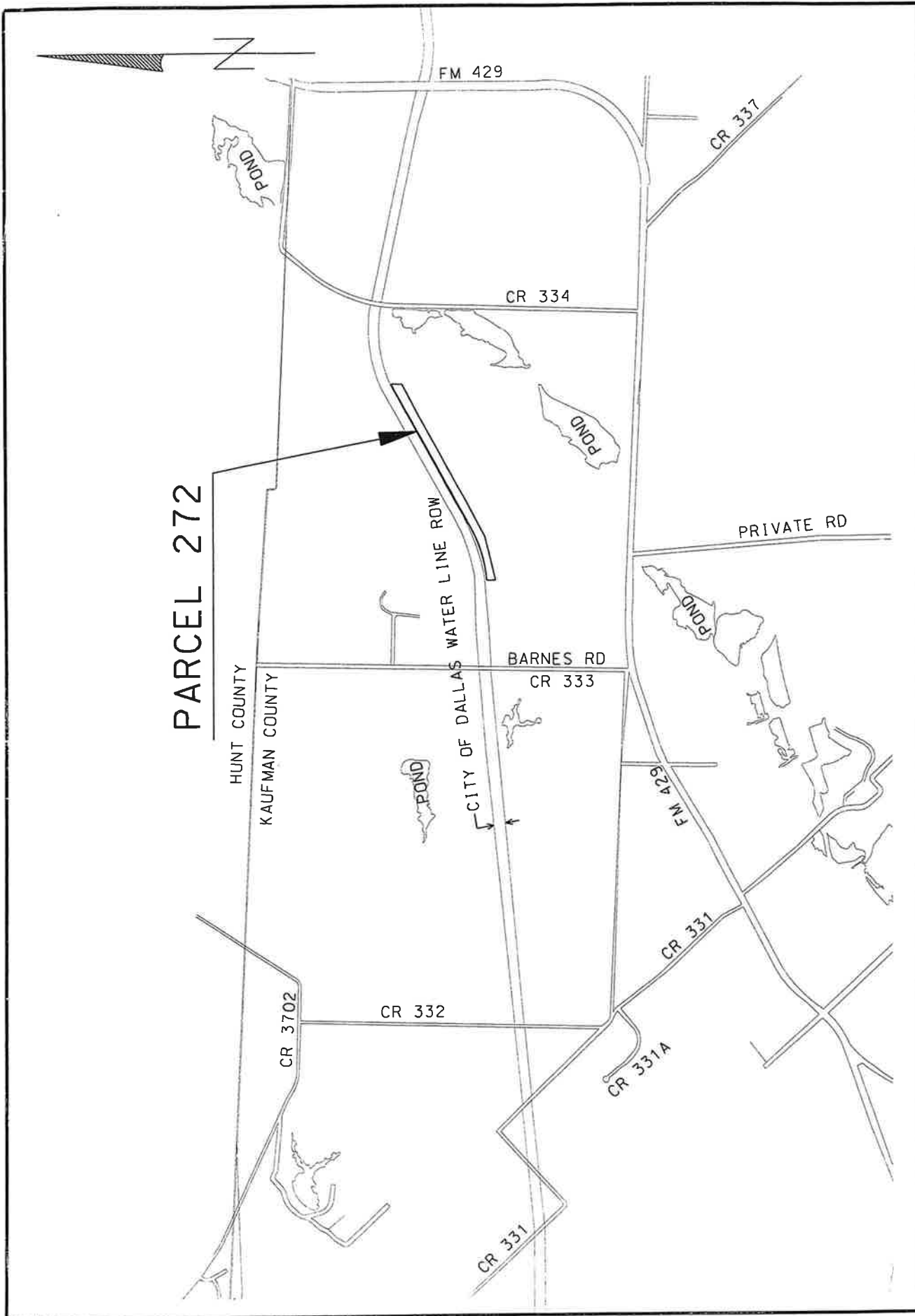
Frank Barrow Reedy

Julia C. Reedy

Frank Barrow Reedy, II

**MAP**

Attached



VICINITY MAP  
APPROXIMATE SCALE 1" = 2000'

October 13, 2021

**A RESOLUTION DETERMINING UPON THE NECESSITY OF ACQUIRING REAL PROPERTY AND AUTHORIZING ITS PURCHASE FOR PUBLIC USE.**

**DEFINITIONS:** For the purposes of this resolution, the following definitions of terms shall apply:

"CITY": The City of Dallas

"PROPERTY": Approximately 416,412 square feet of land located in Kaufman County, Texas, and being the same property more particularly described in Exhibit "A", attached hereto and made a part hereof for all purposes, and any and all improvements, rights and appurtenances appertaining thereto.

"PROJECT": Lake Tawakoni 144-inch Transmission Pipeline

"USE": The installation, use, and maintenance of a pipeline or lines for the transmission of treated water together with such appurtenant facilities as may be necessary, provided, however, to the extent fee title to the PROPERTY is acquired, such title and the PROPERTY shall not be limited to or otherwise deemed restricted to the USE herein provided.

"PROPERTY INTEREST": Fee Simple Title, subject to the exceptions, reservations, covenants, conditions and/or interests, if any, provided in the form instrument more particularly described in Exhibit "B" attached hereto and made a part hereof for all purposes.

"OWNER": Sarah Barrow Reedy, Zoe Barrow Talbert, Jean T. Clarke, Frank Barrow Reedy, Julia C. Reedy and Frank Barrow Reedy, II, provided, however, that the term "OWNER" as used in this resolution means all persons having an ownership interest, regardless of whether those persons are actually named herein.

"PURCHASE AMOUNT": \$121,412.00

"CLOSING COSTS AND TITLE EXPENSES": Not to exceed \$3,000.00

"AUTHORIZED AMOUNT": Not to exceed \$124,412.00

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

**SECTION 1.** That the USE of the PROPERTY for the PROJECT is a public use.

**SECTION 2.** That public necessity requires that CITY acquire the PROPERTY INTEREST in the PROPERTY for the PROJECT.

October 13, 2021

**SECTION 3.** That the City Manager, and/or the City Manager's designees, is hereby authorized and directed to consummate and accept the purchase, grant, and conveyance to CITY of the PROPERTY INTEREST in and to the PROPERTY pursuant to the conveyancing instrument substantially in the form described in Exhibit "B", attached hereto and made a part hereof for all purposes, and approved as to form by the City Attorney and to execute, deliver and receive such other usual and customary documents necessary, appropriate and convenient to consummating this transaction.

**SECTION 4.** That to the extent the PROPERTY is being purchased wholly or partly with bond proceeds CITY has obtained an independent appraisal of the PROPERTY'S market value.

**SECTION 5.** That OWNER has been provided with a copy of the Landowner's Bill of Rights as contemplated by applicable state statute.

**SECTION 6.** That in the event this acquisition closes, the Chief Financial Officer is hereby authorized and directed to draw a warrant in favor of the OWNER, or the then current owner of record, or the title company closing the transaction described herein in the PURCHASE AMOUNT and CLOSING COSTS AND TITLE EXPENSES payable out of Water Construction Fund, Fund 0102, Department DWU, Unit CW20, Activity RWPT, Program 704041, Object 4210, Contract No. CX-DWU-2021-00015389. The PURCHASE AMOUNT, CLOSING COSTS and TITLE EXPENSES together shall not exceed the AUTHORIZED AMOUNT.

**SECTION 7.** That CITY is to have possession and/or use, as applicable, of the PROPERTY at closing; and CITY will pay any title expenses and closing costs. All costs and expenses described in this section shall be paid from the previously described funds.

**SECTION 8.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:

Christopher J. Caso, City Attorney

BY: 

Assistant City Attorney

**FIELD NOTES**  
**DESCRIBING A TRACT OF LAND FOR FEE SIMPLE ACQUISITION**  
**OF RIGHT-OF-WAY FOR THE LAKE TAWAKONI RAW WATER**  
**TRANSMISSION MAIN**  
**KAUFMAN COUNTY, TEXAS**  
**Parcel: 272**

BEING a 9.560 acre tract of land located in the J.D. Taylor Survey, Abstract No. 539, in Kaufman County, Texas, and being part of a tract of land described in a deed to Frank Barrow Reedy, as recorded in Volume 1345, Page 711, Deed Records Kaufman County, Texas (D.R.K.C.T.), and more particularly described as follows:

BEGINNING at a concrete monument with brass disk stamped, "City of Dallas" found at the southeast corner of a tract of land conveyed to the City of Dallas, Texas Water Line Right-of-Way (variable width Right-of-Way) by deed recorded in Volume 442, Page 492, D.R.K.C.T., being in the east line of said Reedy tract and in the west line of Kenneth Lane, a 34.686 acre tract, as described in Volume 4429, Page 10, D.R.K.C.T.;

THENCE South 05 degrees 54 minutes 35 seconds West, with the east line of said Reedy tract and the west line of said 34.686 acre tract, a distance of 19.09 feet to a 1/2-inch iron rod with red cap stamped. "DAL-TECH" (hereinafter referred to as "with cap") set;

THENCE South 01 degree 27 minutes 24 seconds East, continuing with said east line and west lines, a distance of 145.88 feet to a 1/2-inch iron rod with red cap set at the northeast corner of a 70 foot Oncor Easement, as described in Volume 3732, Page 410, D.R.K.C.T.;

THENCE South 59 degrees 37 minutes 42 seconds West, departing said east line and west lines and with the north line of said Oncor Easement, of said Lane tract, a distance of 547.26 feet to a 1/2-inch iron rod with cap set;

THENCE South 57 degrees 36 minutes 00 seconds West, continuing with said north line, a distance of 1,391.16 feet to a 1/2-inch iron rod with cap set for corner;

THENCE South 58 degrees 33 minutes 14 seconds West, continuing with said north line, a distance of 641.51 feet to a 1/2-inch iron rod with cap set;

THENCE South 72 degrees 36 minutes 32 seconds West, continuing with said north line, a distance of 642.49 feet to a 1/2-inch iron rod with cap set;

THENCE South 81 degrees 14 minutes 21 seconds West, continuing with said north line, a distance of 24.00 feet to a 1/2-inch iron rod with cap set at the northwest corner of said Oncor Easement, being in the west line of said Reedy tract and in the east line of a tract described in a deed to Joyce Fay Lambert, as described in Volume 606, Page 906, D.R.K.C.T.;

THENCE North 03 degrees 06 minutes 40 seconds West, with the west line of said Reedy tract and the east line of said Lambert tract, passing at a distance of 35.10 feet a 1/2-inch iron rod with cap set for the northeast corner of said Lambert tract, and the southeast corner of a tract of land described in deed to Robert E. B. Ashby, Jr. , as recorded in Volume 576, Page 457, D.R.K.C.T., and continuing with west line of said Lane tract and the east line of said Ashby tract, a total distance of 130.56 feet to a 1/2-inch iron rod with cap set at the southwest corner of said City of Dallas tract;

FIELD NOTES APPROVED:

7/16/14





**FIELD NOTES**  
**DESCRIBING A TRACT OF LAND FOR FEE SIMPLE ACQUISITION**  
**OF RIGHT-OF-WAY FOR THE LAKE TAWAKONI RAW WATER**  
**TRANSMISSION MAIN**  
**KAUFMAN COUNTY, TEXAS**  
**Parcel: 272**

THENCE North 81 degrees 30 minutes 13 seconds East, departing the west line of said Reedy tract and with the southerly line of said City of Dallas tract, a distance of 19.88 feet to a 1/2-inch iron rod with cap set for the point of curvature of a curve to the left, having a radius of 1,878.46 feet and a central angle of 24 degrees 00 minutes 00 seconds;

THENCE continuing with the southerly line of said City of Dallas tract, and with said curve to the left, an arc distance of 786.85 feet (Chord Bearing North 69 degrees 35 minutes 36 seconds East – 781.11 feet) to a concrete monument with brass disk stamped, “City of Dallas” found at the point of tangency;

THENCE North 57 degrees 35 minutes 36 seconds East, continuing with the southerly line of said City of Dallas tract, a distance of 2,276.28 feet to a concrete monument with brass disk stamped, “City of Dallas” found at the point of curvature of a curve to the right, having a radius of 1,788.46 feet and a central angle of 05 degrees 59 minutes 10 seconds;

THENCE continuing with the southerly line of said City of Dallas tract and with said curve to the right, an arc distance of 186.85 feet (Chord Bearing North 60 degrees 35 minutes 11 seconds East – 186.77 feet) to the POINT OF BEGINNING and containing 416,421 square feet (9.560 Acres), of land.

All bearings for this tract refer to the NAD-83 Texas State Plane Coordinate System, North Central Zone 4202, according to measurements made at NGS continuously operating reference stations Collin CORS ARP, Dallas CORS ARP, Kaufman CORS ARP, Tyler CORS ARP, and Paris CORS ARP. The Kaufman County scale factor of 1.000114077 as published by the Texas Department of Transportation, Dallas District was used for this project.

A plat of even survey date herewith accompanies this legal description.

Company Name: DAL-TECH Engineering, Inc.  
TBPLS Firm No. 10123500

By: \_\_\_\_\_

Date: \_\_\_\_\_

Surveyor's Name: \_\_\_\_\_

Patrick J. Baldasaro  
Registered Professional Land Surveyor  
Texas No. 5504





R.A. TERRELL SURVEY  
ABSTRACT NO. 540  
CITY OF DALLAS  
WATER LINE

CURVE TABLE:

|             |                 |
|-------------|-----------------|
| C2          |                 |
| DELTA       | 05° 59'10" (RT) |
| RADIUS      | 1,788.46'       |
| LENGTH      | 186.85'         |
| TANGENT     | 93.51'          |
| CHORD       | 186.77'         |
| CH. BEARING | N60° 35'11"E    |

FOUND CONCRETE  
MONUMENT W/BRASS  
DISK STAMPED  
"CITY OF DALLAS"  
(C.M.)

CITY OF DALLAS  
WATER LINE  
RIGHT-OF-WAY  
VOL. 442, PG. 492  
D.R.K.C.T.

(VARIABLE WIDTH ROW)

POINT OF BEGINNING

S05° 54' 35" W  
19.09'

—E—

4572.76.4

PARCEL 272  
416,421 S.F.  
9.560 AC.

OWNER:  
FRANK BARROW REEDY  
VOL. 1345, PG. 711  
D.R.K.C.T.

70' WIDE EASEMENT  
- ONCOR ELECTRIC DELIVERY  
COMPANY LLC,  
A DELAWARE LIMITED LIABILITY  
COMPANY,  
VOL. 3732, PG. 410  
D.R.K.C.T.

OWNER:  
KENNETH LANE  
VOL. 4429, PG. 10  
O.P.R.K.C.T.

CURVE TABLE:

|             |                  |
|-------------|------------------|
| C2          |                  |
| DELTA       | 37° 54' 02" (LT) |
| RADIUS      | 1,658.46'        |
| LENGTH      | 1,097.05'        |
| TANGENT     | 569.44'          |
| CHORD       | 1,077.16'        |
| CH. BEARING | S80° 19' 31"W    |

MATCH LINE SEE SHEET 4 OF 5

NOTE: THIS SURVEY WAS PERFORMED BASED UPON  
RECORD DATA PROVIDED UNDER T1C0R TITLE  
INSURANCE COMPANY COMMITMENT G.F. NUMBER 22547-KF07,  
WITH AN EFFECTIVE DATE OF SEPTEMBER 17, 2007.

LEGEND:

|           |  |
|-----------|--|
| S.F.      | SQUARE FEET  |
| C.M.      | CONTROL MONUMENT   |
| ○ FIR     | FOUND IRON ROD   |
| ○ FIP     | FOUND IRON PIPE  |
| ○ 1/2" IR | 1/2" SET IRON ROD WITH A<br>RED PLASTIC CAP STAMPED<br>"DAL-TECH" OR "DTE" |
| W/CAP     |  |
| ○ SX      | SET "X" CUT IN CONCRETE  |
| ○ FPK     | FOUND PK. NAIL   |
| ○ SPK     | SET PK. NAIL   |

EXHIBIT

# RIGHT-OF-WAY ACQUISITION

SITUATED IN THE  
J.D. TAYLOR SURVEY, ABSTRACT NO. 539  
KAUFMAN COUNTY, TEXAS

FOR THE  
CITY OF DALLAS  
BY

DAL-TECH ENGINEERING, INC., 17400 DALLAS PKWY., SUITE 110  
DALLAS, TEXAS 75287, TEL. (972)250-2727, FAX (972)250-4774

|         |               |
|---------|---------------|
| QJ51A3U | MOBILE 1.3100 |
|---------|---------------|

|      |            |      |       |
|------|------------|------|-------|
| DATE | 10-20-2005 | TIME | 11:00 |
|------|------------|------|-------|

ALL BEARINGS FOR THIS TRACT REFER TO THE NAD-83 TEXAS STATE PLANE COORDINATE SYSTEM, NORTH CENTRAL ZONE 4202. ACCORDING TO MEASUREMENTS MADE AT NOS. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 8



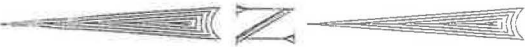
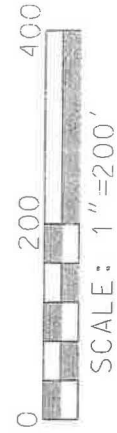


Exhibit A

EXHIBIT  
OF A  
RIGHT-OF-WAY ACQUISITION  
SITUATED IN THE  
J.D. TAYLOR SURVEY, ABSTRACT NO. 539  
KAUFMAN COUNTY, TEXAS  
FOR THE  
CITY OF DALLAS  
BY  
DAL-TECH ENGINEERING, INC., 17400 DALLAS PKWY., SUITE 110  
DALLAS, TEXAS 75287, TEL (972)250-2727, FAX (972)250-4774

MATCH LINE SEE SHEET 3 OF 5

PARCEL 272  
416,421 S.F.  
9.560 AC.

OWNER:  
FRANK BARROW REEDY  
VOL. 1345, PG. 711  
D.R.K.C.T.

70' WIDE EASEMENT  
ONCOR ELECTRIC DELIVERY  
COMPANY LLC,  
A DELAWARE LIMITED LIABILITY  
COMPANY  
VOL. 3732, PG. 410  
D.R.K.C.T.

NOTE: THIS SURVEY WAS PERFORMED BASED UPON  
RECORD DATA PROVIDED UNDER TIGOR TITLE  
INSURANCE COMPANY COMMITMENT G.F. NUMBER 22547-KF07,  
WITH AN EFFECTIVE DATE OF SEPTEMBER 17, 2007.

ALL BEARINGS FOR THIS TRACT REFER TO THE NAD-83  
TEXAS STATE PLANE COORDINATE SYSTEM, NORTH CENTRAL  
ZONE 4202, ACCORDING TO MEASUREMENTS MADE AT NGS  
CONTINUOUSLY OPERATING REFERENCE STATIONS COLLIN  
CORS ARP, DALLAS CORS ARP, KAUFMAN CORS ARP, TYLER  
CORS ARP, AND PARIS CORS ARP. THE KAUFMAN COUNTY  
SCALE FACTOR OF 1.000114077 AS PUBLISHED BY THE  
TEXAS DEPARTMENT OF TRANSPORTATION, DALLAS  
DISTRICT WAS USED FOR THIS PROJECT.

LEGEND:  
S.F. SQUARE FEET  
C.M. CONTROL MONUMENT  
O F IR FOUND IRON ROD  
O F IP FOUND IRON PIPE  
O 1/2" SIR 1/2" SET IRON ROD WITH A  
W/CAP RED PLASTIC CAP STAMPED  
"DAL-TECH" OR "DTE"  
O SX SET "X" CUT IN CONCRETE  
O FPK FOUND PK, NAIL  
O SPK SET PK, NAIL



J.D. TAYLOR SURVEY  
ABSTRACT NO. 539

CITY OF DALLAS  
WATER LINE  
RIGHT-OF-WAY  
VOL. 442, PG. 492  
D.R.K.C.T.  
(VARIABLE WIDTH ROW)

NS7° 35' 36" E 2,276.28'  
S57° 36' 00" W 1,391.16'

MATCH LINE SEE SHEET 5 OF 5

CURVE TABLE:

| C1 | DELTA       | 24° 00' 00" (LT) |
|----|-------------|------------------|
|    | RADIUS      | 1,878.46'        |
|    | LENGTH      | 786.85'          |
|    | TANGENT     | 399.28'          |
|    | CHORD       | 781.11'          |
|    | CH. BEARING | N69° 35' 36"E    |



MATCH LINE SEE SHEET 4 OF 5

FOUND CONCRETE MONUMENT W/BRASS DISK STAMPED "CITY OF DALLAS" (C.M.)

70' WIDE EASEMENT ONCOR ELECTRIC DELIVERY COMPANY LLC, A DELAWARE LIMITED LIABILITY COMPANY VOL. 3732, PG. 410 D.R.K.C.T.

70' WIDE EASEMENT ONCOR ELECTRIC DELIVERY COMPANY LLC, A DELAWARE LIMITED LIABILITY COMPANY VOL. 3732, PG. 410 D.R.K.C.T.

CITY OF DALLAS WATER LINE RIGHT-OF-WAY VOL. 442, PG. 492 D.R.K.C.T. (VARIABLE WIDTH ROW)

FOUND CONCRETE MONUMENT W/BRASS DISK STAMPED "CITY OF DALLAS" (C.M.)

CITY OF DALLAS WATER LINE RIGHT-OF-WAY VOL. 436, PG. 281 D.R.K.C.T. (130' ROW)

OWNER: ROBERT E. B. ASHBY, JR. VOL. 576, PG. 457 D.R.K.C.T.

1/2" FIR (DISTURBED) S04° 31' 42"E 0.80'

N81° 30' 13"E 19.88'

N03° 06' 40"W 130.56'

PARCEL 272 416,421 S.F. 9.560 AC.

S81° 14' 21"W 24.00'

OWNER: FRANK BARROW REEDY VOL. 1345, PG. 711 D.R.K.C.T.

70' WIDE EASEMENT ONCOR ELECTRIC DELIVERY COMPANY LLC, A DELAWARE LIMITED LIABILITY COMPANY VOL. 3732, PG. 403 D.R.K.C.T.

OWNER: JOYCE FAY LAMBERT "SECOND TRACT" VOL. 606, PG. 906 D.R.K.C.T.

1/2" FIR (C.M.)



- LEGEND:
- S.F. SQUARE FEET
  - C.M. CONTROL MONUMENT
  - O FIR FOUND IRON ROD
  - O FIR FOUND IRON PIPE
  - O 1/2" SIR SET IRON ROD WITH A RED PLASTIC CAP STAMPED "DAL-TECH" OR "DTE"
  - O SX SET "X" CUT IN CONCRETE
  - O FPK FOUND PK. NAIL
  - O SPK SET PK. NAIL

NOTE: THIS SURVEY WAS PERFORMED BASED UPON RECORD DATA PROVIDED UNDER TICOR TITLE INSURANCE COMPANY COMMITMENT G.F. NUMBER 22547-KF07, WITH AN EFFECTIVE DATE OF SEPTEMBER 17, 2007.

ALL BEARINGS FOR THIS TRACT REFER TO THE NAD-83 TEXAS STATE PLANE COORDINATE SYSTEM, NORTH CENTRAL ZONE 4202, ACCORDING TO MEASUREMENTS MADE AT NGS CONTINUOUSLY OPERATING REFERENCE STATIONS COLLIN CORP. ARP., DALLAS CORP. ARP., KAUFMAN CORP. ARP., TYLER CORP. ARP., AND PARIS CORP. ARP. THE KAUFMAN COUNTY SCALE FACTOR OF 1.000114077 AS PUBLISHED BY THE TEXAS DEPARTMENT OF TRANSPORTATION, DALLAS DISTRICT WAS USED FOR THIS PROJECT.

Exhibit A

EXHIBIT OF A  
RIGHT-OF-WAY ACQUISITION  
SITUATED IN THE  
J.D. TAYLOR SURVEY, ABSTRACT NO. 539  
KAUFMAN COUNTY, TEXAS  
FOR THE  
CITY OF DALLAS  
BY

DAL-TECH ENGINEERING, INC., 17400 DALLAS PKWY., SUITE 110  
DALLAS, TEXAS 75287, TEL. (972)250-2727, FAX (972)250-4774

**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.**

## WARRANTY DEED

THE STATE OF TEXAS    §  
                                       §       KNOW ALL PERSONS BY THESE PRESENTS:  
 COUNTY OF  
 KAUFMAN                 §

That Sarah Barrow Reedy, Zoe Barrow Talbert, Jean T. Clarke, Frank Barrow Reedy, Julie C. Reedy and Frank Barrow Reedy II, as their interests may appear (hereinafter called "Grantor" whether one or more natural persons or legal entities) of the County of Dallas, State of Texas, for and in consideration of the sum of ONE HUNDRED TWENTY ONE THOUSAND FOUR HUNDRED TWELVE AND 00/100 DOLLARS (\$121,412.00) to the undersigned in hand paid by the **City of Dallas, 1500 Marilla Street, Dallas, Texas, 75201**, a Texas municipal corporation (hereinafter called "City"), the receipt of which is hereby acknowledged and confessed, has granted, sold and conveyed and does hereby grant, sell and convey unto City, its successors and assigns, all of the property described in Exhibit "A", attached hereto and made a part hereof by reference for all purposes.

**SPECIAL PROVISIONS:** This conveyance is made and accepted subject to the reservations provided in Exhibit B which is attached hereto and incorporated herein for all purposes.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto City, its successors and assigns forever, and Grantor binds Grantor and Grantor's heirs, executors, administrators or successors, to Warrant and Forever Defend all and singular the said premises unto City, its successors and assigns, against every person whomsoever lawfully claiming, or to claim the same or any part thereof.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
 Sarah Barrow Reedy

\_\_\_\_\_  
Zoe Barrow Talbert

\_\_\_\_\_  
Jean T. Clarke

\_\_\_\_\_  
Frank Barrow Reedy

\_\_\_\_\_  
Julie C. Reedy

\_\_\_\_\_  
Frank Barrow Reedy II

\* \* \* \* \*

STATE OF TEXAS  
COUNTY OF KAUFMAN

This instrument was acknowledged before me on \_\_\_\_\_  
by Sarah Barrow Reedy.

\_\_\_\_\_  
Notary Public, State of TEXAS

\* \* \* \* \*

STATE OF TEXAS  
COUNTY OF KAUFMAN

This instrument was acknowledged before me on \_\_\_\_\_  
by Zoe Barrow Talbert.

\_\_\_\_\_  
Notary Public, State of TEXAS

\* \* \* \* \*

STATE OF TEXAS       '  
COUNTY OF KAUFMAN   '

This instrument was acknowledged before me on \_\_\_\_\_  
by Jean T. Clarke.

\_\_\_\_\_  
Notary Public, State of TEXAS

\* \* \* \* \*

STATE OF TEXAS       '  
COUNTY OF KAUFMAN   '

This instrument was acknowledged before me on \_\_\_\_\_  
by Frank Barrow Reedy.

\_\_\_\_\_  
Notary Public, State of TEXAS

\* \* \* \* \*

EXHIBIT B

STATE OF TEXAS       '  
COUNTY OF KAUFMAN   '

This instrument was acknowledged before me on \_\_\_\_\_  
by Julie C. Reedy.

\_\_\_\_\_  
Notary Public, State of TEXAS

\* \* \* \* \*

STATE OF TEXAS       '  
COUNTY OF KAUFMAN   '

This instrument was acknowledged before me on \_\_\_\_\_  
by Frank Barrow Reedy II.

\_\_\_\_\_  
Notary Public, State of TEXAS

\* \* \* \* \*

After recording return to:  
City of Dallas  
Department of Sustainable Development and Construction  
Real Estate Division  
320 East Jefferson Boulevard, Room 203  
Dallas, Texas 75203  
attn: Christian Roman

Warranty Deed Log No. 41466



**FIELD NOTES**  
**DESCRIBING A TRACT OF LAND FOR FEE SIMPLE ACQUISITION**  
**OF RIGHT-OF-WAY FOR THE LAKE TAWAKONI RAW WATER**  
**TRANSMISSION MAIN**  
**KAUFMAN COUNTY, TEXAS**  
**Parcel: 272**

BEING a 9.560 acre tract of land located in the J.D. Taylor Survey, Abstract No. 539, in Kaufman County, Texas, and being part of a tract of land described in a deed to Frank Barrow Reedy, as recorded in Volume 1345, Page 711, Deed Records Kaufman County, Texas (D.R.K.C.T.), and more particularly described as follows:

BEGINNING at a concrete monument with brass disk stamped, "City of Dallas" found at the southeast corner of a tract of land conveyed to the City of Dallas, Texas Water Line Right-of-Way (variable width Right-of-Way) by deed recorded in Volume 442, Page 492, D.R.K.C.T., being in the east line of said Reedy tract and in the west line of Kenneth Lane, a 34.686 acre tract, as described in Volume 4429, Page 10, D.R.K.C.T.;

THENCE South 05 degrees 54 minutes 35 seconds West, with the east line of said Reedy tract and the west line of said 34.686 acre tract, a distance of 19.09 feet to a 1/2-inch iron rod with red cap stamped. "DAL-TECH" (hereinafter referred to as "with cap") set;

THENCE South 01 degree 27 minutes 24 seconds East, continuing with said east line and west lines, a distance of 145.88 feet to a 1/2-inch iron rod with red cap set at the northeast corner of a 70 foot Oncor Easement, as described in Volume 3732, Page 410, D.R.K.C.T.;

THENCE South 59 degrees 37 minutes 42 seconds West, departing said east line and west lines and with the north line of said Oncor Easement, of said Lane tract, a distance of 547.26 feet to a 1/2-inch iron rod with cap set;

THENCE South 57 degrees 36 minutes 00 seconds West, continuing with said north line, a distance of 1,391.16 feet to a 1/2-inch iron rod with cap set for corner;

THENCE South 58 degrees 33 minutes 14 seconds West, continuing with said north line, a distance of 641.51 feet to a 1/2-inch iron rod with cap set;

THENCE South 72 degrees 36 minutes 32 seconds West, continuing with said north line, a distance of 642.49 feet to a 1/2-inch iron rod with cap set;

THENCE South 81 degrees 14 minutes 21 seconds West, continuing with said north line, a distance of 24.00 feet to a 1/2-inch iron rod with cap set at the northwest corner of said Oncor Easement, being in the west line of said Reedy tract and in the east line of a tract described in a deed to Joyce Fay Lambert, as described in Volume 606, Page 906, D.R.K.C.T.;

THENCE North 03 degrees 06 minutes 40 seconds West, with the west line of said Reedy tract and the east line of said Lambert tract, passing at a distance of 35.10 feet a 1/2-inch iron rod with cap set for the northeast corner of said Lambert tract, and the southeast corner of a tract of land described in deed to Robert E. B. Ashby, Jr. , as recorded in Volume 576, Page 457, D.R.K.C.T., and continuing with west line of said Lane tract and the east line of said Ashby tract, a total distance of 130.56 feet to a 1/2-inch iron rod with cap set at the southwest corner of said City of Dallas tract;

FIELD NOTES APPROVED:

*7/16/14*



**FIELD NOTES**  
**DESCRIBING A TRACT OF LAND FOR FEE SIMPLE ACQUISITION**  
**OF RIGHT-OF-WAY FOR THE LAKE TAWAKONI RAW WATER**  
**TRANSMISSION MAIN**  
**KAUFMAN COUNTY, TEXAS**  
**Parcel: 272**

THENCE North 81 degrees 30 minutes 13 seconds East, departing the west line of said Reedy tract and with the southerly line of said City of Dallas tract, a distance of 19.88 feet to a 1/2-inch iron rod with cap set for the point of curvature of a curve to the left, having a radius of 1,878.46 feet and a central angle of 24 degrees 00 minutes 00 seconds;

THENCE continuing with the southerly line of said City of Dallas tract, and with said curve to the left, an arc distance of 786.85 feet (Chord Bearing North 69 degrees 35 minutes 36 seconds East – 781.11 feet) to a concrete monument with brass disk stamped, "City of Dallas" found at the point of tangency;

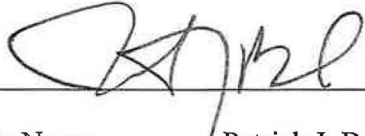
THENCE North 57 degrees 35 minutes 36 seconds East, continuing with the southerly line of said City of Dallas tract, a distance of 2,276.28 feet to a concrete monument with brass disk stamped, "City of Dallas" found at the point of curvature of a curve to the right, having a radius of 1,788.46 feet and a central angle of 05 degrees 59 minutes 10 seconds;

THENCE continuing with the southerly line of said City of Dallas tract and with said curve to the right, an arc distance of 186.85 feet (Chord Bearing North 60 degrees 35 minutes 11 seconds East – 186.77 feet) to the POINT OF BEGINNING and containing 416,421 square feet (9.560 Acres), of land.

All bearings for this tract refer to the NAD-83 Texas State Plane Coordinate System, North Central Zone 4202, according to measurements made at NGS continuously operating reference stations Collin CORS ARP, Dallas CORS ARP, Kaufman CORS ARP, Tyler CORS ARP, and Paris CORS ARP. The Kaufman County scale factor of 1.000114077 as published by the Texas Department of Transportation, Dallas District was used for this project.

A plat of even survey date herewith accompanies this legal description.

Company Name: DAL-TECH Engineering, Inc.  
TBPLS Firm No. 10123500

By:  Date: 7-7-14

Surveyor's Name: Patrick J. Baldasaro  
Registered Professional Land Surveyor  
Texas No. 5504





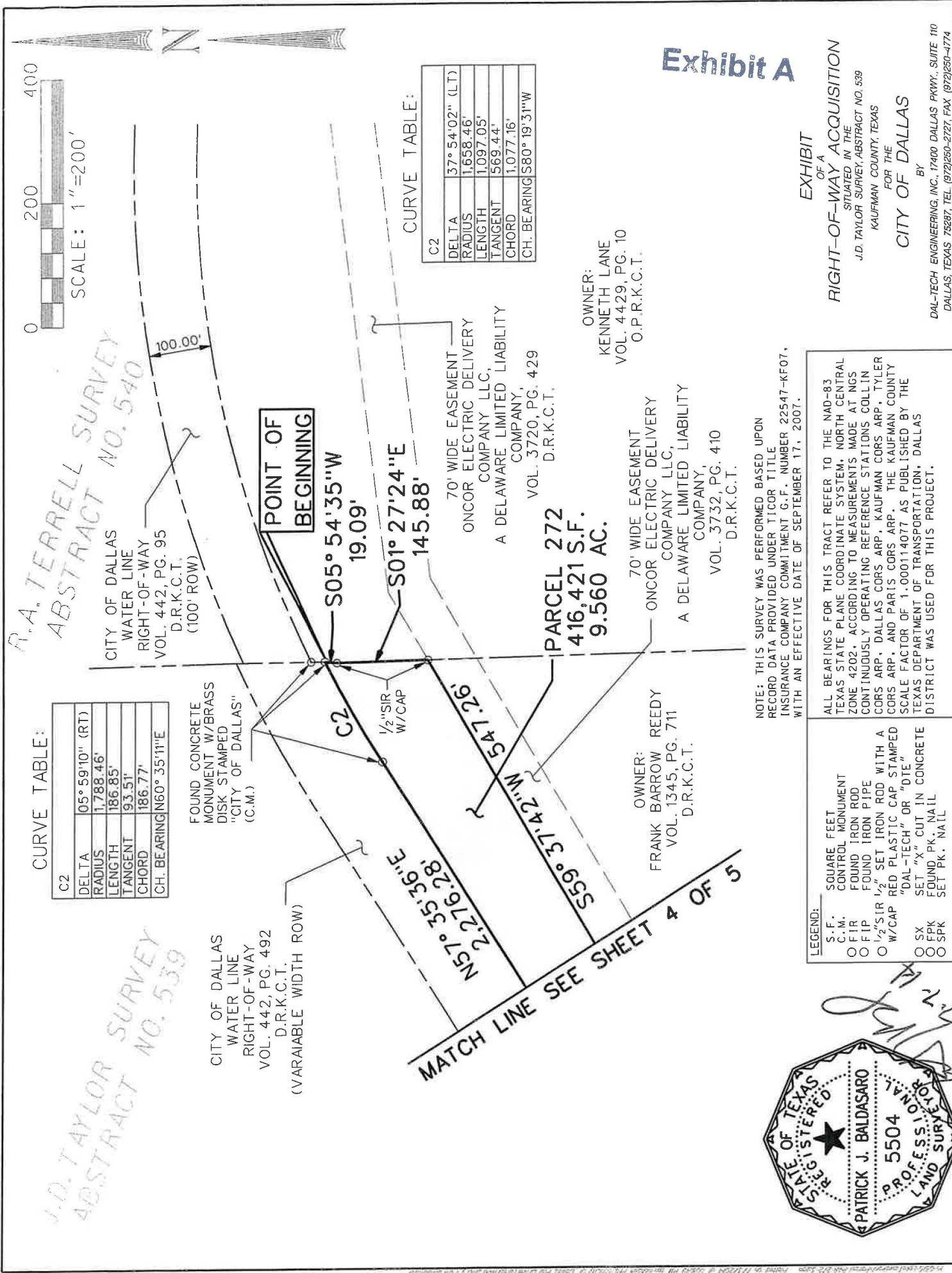


Exhibit A

EXHIBIT  
OF A  
RIGHT-OF-WAY ACQUISITION  
SITUATED IN THE  
J.D. TAYLOR SURVEY, ABSTRACT NO. 539  
KAUFMAN COUNTY, TEXAS  
FOR THE  
CITY OF DALLAS  
BY  
DAL-TECH ENGINEERING, INC., 17400 DALLAS PKWY., SUITE 110  
DALLAS, TEXAS 75287, TEL (972)250-2727, FAX (972)250-4774

CURVE TABLE:

| C2 | DELTA       | 05° 59' 10" (RT) |
|----|-------------|------------------|
|    | RADIUS      | 1,788.46'        |
|    | LENGTH      | 186.85'          |
|    | TANGENT     | 93.51'           |
|    | CHORD       | 186.77'          |
|    | CH. BEARING | N60° 35' 11" E   |

CURVE TABLE:

| C2 | DELTA       | 37° 54' 02" (LT) |
|----|-------------|------------------|
|    | RADIUS      | 1,658.46'        |
|    | LENGTH      | 1,097.05'        |
|    | TANGENT     | 569.44'          |
|    | CHORD       | 1,077.16'        |
|    | CH. BEARING | S80° 19' 31" W   |

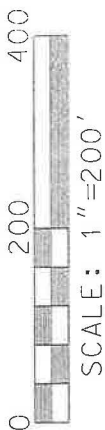
LEGEND:

- S.F. SQUARE FEET
- C.M. CONTROL MONUMENT
- O FIP FOUND IRON ROD
- O FIP FOUND IRON PIPE
- O 1/2" SIR 1/2" SET IRON ROD WITH A RED PLASTIC CAP STAMPED "DAL-TECH" OR "DTE"
- O SX SET "X" CUT IN CONCRETE
- O FPK FOUND PK, NAIL
- O SPK SET PK, NAIL

NOTE: THIS SURVEY WAS PERFORMED BASED UPON RECORD DATA PROVIDED UNDER TITICOR TITLE INSURANCE COMPANY COMMITMENT G.F. NUMBER 22547-KF07, WITH AN EFFECTIVE DATE OF SEPTEMBER 17, 2007.

ALL BEARINGS FOR THIS TRACT REFER TO THE NAD-83 TEXAS STATE PLANE COORDINATE SYSTEM, NORTH CENTRAL ZONE 4202, ACCORDING TO MEASUREMENTS MADE AT NGS CONTINUOUSLY OPERATING REFERENCE STATIONS COLLIN COUNTY, TEXAS. DALLAS COUNTY, TEXAS. THE KAUFMAN COUNTY SCALE FACTOR OF 1.000114077 AS PUBLISHED BY THE TEXAS DEPARTMENT OF TRANSPORTATION, DALLAS DISTRICT WAS USED FOR THIS PROJECT.





J.D. TAYLOR SURVEY  
ABSTRACT NO. 539

CITY OF DALLAS  
WATER LINE  
RIGHT-OF-WAY  
VOL. 442, PG. 492  
D.R.K.C.T.  
(VARIABLE WIDTH ROW)

MATCH LINE SEE SHEET 3 OF 5

MATCH LINE SEE SHEET 5 OF 5

PARCEL 272  
416,421 S.F.  
9.560 AC.

OWNER:  
FRANK BARROW REEDY  
VOL. 1345, PG. 711  
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70' WIDE EASEMENT  
ONCOR ELECTRIC DELIVERY  
COMPANY LLC,  
A DELAWARE LIMITED LIABILITY  
COMPANY  
VOL. 3732, PG. 410  
D.R.K.C.T.

N57° 35.36"E 2,276.28'  
S57° 36.00"W 1,391.16'

1/2" SIR  
W/CAP

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NOTE: THIS SURVEY WAS PERFORMED BASED UPON  
RECORD DATA PROVIDED UNDER TIGOR TITLE  
INSURANCE COMPANY COMMITMENT G.F. NUMBER 22547-KF07,  
WITH AN EFFECTIVE DATE OF SEPTEMBER 17, 2007.

LEGEND:

|            |                          |
|------------|--------------------------|
| S.F.       | SQUARE FEET              |
| C.M.       | CONTROL MONUMENT         |
| O FIP      | FOUND IRON ROD           |
| O FIP      | FOUND IRON PIPE          |
| O 1/2" SIR | 1/2" SET IRON ROD WITH A |
| W/CAP      | RED PLASTIC CAP STAMPED  |
|            | "DAL-TECH" OR "DTE"      |
| O SX       | SET "X" CUT IN CONCRETE  |
| O FPK      | FOUND PK. NAIL           |
| O SPK      | SET PK. NAIL             |

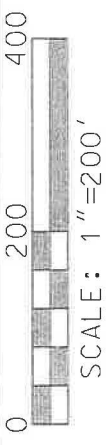


EXHIBIT  
OF A  
RIGHT-OF-WAY ACQUISITION  
SITUATED IN THE  
J.D. TAYLOR SURVEY, ABSTRACT NO. 539  
KAUFMAN COUNTY, TEXAS  
FOR THE  
CITY OF DALLAS  
BY  
DAL-TECH ENGINEERING, INC. 17400 DALLAS PKWY, SUITE 110  
DALLAS, TEXAS 75287, TEL. (972)260-2727, FAX (972)260-4774



CURVE TABLE:

| C1 | DELTA       | 24° 00' 00" (LT) |
|----|-------------|------------------|
|    | RADIUS      | 1,878.46'        |
|    | LENGTH      | 786.85'          |
|    | TANGENT     | 399.28'          |
|    | CHORD       | 781.11'          |
|    | CH. BEARING | N69° 35' 36" E   |



MATCH LINE SEE SHEET 4 OF 5

1,391.16'

S57° 36' 00" W 641.51'

2,276.28'

1/2" SIR W/CAP

FOUND CONCRETE MONUMENT W/BRASS DISK STAMPED "CITY OF DALLAS" (C.M.)

CITY OF DALLAS  
WATER LINE  
RIGHT-OF-WAY  
VOL. 442, PG. 492  
D.R.K.C.T.  
(VARIABLE WIDTH ROW)

FOUND CONCRETE MONUMENT W/BRASS DISK STAMPED "CITY OF DALLAS" (C.M.)

CITY OF DALLAS  
WATER LINE  
RIGHT-OF-WAY  
VOL. 436, PG. 281  
D.R.K.C.T.  
(130' ROW)

OWNER:  
ROBERT E. B. ASHBY, JR.  
VOL. 576, PG. 457  
D.R.K.C.T.

1/2" FIR (DISTURBED)  
S04° 31' 42" E  
0.80'

N81° 30' 13" E  
19.88'

1/2" SIR W/CAP

N03° 06' 40" W  
130.56'

1/2" SIR W/CAP

S72° 36' 32" W  
24.00'

S81° 14' 21" W

70' WIDE EASEMENT  
ONCOR ELECTRIC DELIVERY COMPANY LLC,  
A DELAWARE LIMITED LIABILITY COMPANY  
VOL. 3732, PG. 403  
D.R.K.C.T.

OWNER:  
FRANK BARROW REEDY  
VOL. 1345, PG. 711  
D.R.K.C.T.

PARCEL 272  
416,421 S.F.  
9,560 AC.

70' WIDE EASEMENT  
ONCOR ELECTRIC DELIVERY COMPANY LLC,  
A DELAWARE LIMITED LIABILITY COMPANY  
VOL. 3732, PG. 410  
D.R.K.C.T.

OWNER:  
JOYCE FAY LAMBERT  
"SECOND TRACT"  
VOL. 606, PG. 906  
D.R.K.C.T.

NOTE: THIS SURVEY WAS PERFORMED BASED UPON RECORD DATA PROVIDED UNDER TIGOR TITLE INSURANCE COMPANY COMMITMENT G.F. NUMBER 22547-KF07, WITH AN EFFECTIVE DATE OF SEPTEMBER 17, 2007.

LEGEND:

|            |   |
|------------|---|
| S.F.       | SQUARE FEET   |
| C.M.       | CONTROL MONUMENT  |
| O FIR      | FOUND IRON ROD  |
| O FIP      | FOUND IRON PIPE   |
| O 1/2" SIR | 1/2" SET IRON ROD WITH A RED PLASTIC CAP, STAMPED "DAL-TECH" OR "DTE" |
| O W/CAP    | SET "X" CUT IN CONCRETE FOUND PK. NAIL                                |
| O SX       | SET "X" CUT IN CONCRETE FOUND PK. NAIL                                |
| O FPK      | FOUND PK. NAIL  |
| O SPK      | SET PK. NAIL  |



Exhibit A

EXHIBIT  
OF A  
RIGHT-OF-WAY ACQUISITION  
SITUATED IN THE  
J.D. TAYLOR SURVEY, ABSTRACT NO. 539  
KAUFMAN COUNTY, TEXAS  
FOR THE  
CITY OF DALLAS  
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DALLAS, TEXAS 75287, TEL (972) 250-2727, FAX (972) 250-4774

## **EXHIBIT B**

### **EASEMENT -- GRAZING AND AGRICULTURAL USE**

Grantor, for Grantor and Grantor's heirs, successors and assigns ("the holder of the easement") does hereby reserve an easement over, on and across the property described in Exhibit "A" for agricultural and/or grazing purposes in connection with Grantor's use of Grantor's adjoining or abutting property and in a manner as not to endanger or interfere with the safe, efficient and/or convenient use of and activity on the property described in Exhibit "A" by City.

In no event may the holder of the easement construct or install, or cause to be constructed or installed, in the easement any permanent improvements, roads, pavement, utilities, structures, buildings, cattle tanks and/or stock ponds. Any activity by the holder of the easement involving excavation, contouring, and/or grading beyond normal agricultural tillage and installation of fence posts is strictly prohibited. Any activity by the holder of the easement causing or likely to cause excessive erosion, as determined by City, is strictly prohibited. In no event and under no circumstances may the holder of the easement operate within the easement any vehicles, equipment or machinery exceeding 15,000 lbs in weight. The holder of the easement shall not grow any trees, shrubs, vines or other excessive undergrowth that would prevent or unreasonably impair aerial inspection of the property by City.

The holder of this easement may fence the boundaries of the easement (but no cross fencing) to control livestock and wildlife; provided, however, adequate gates, cattle guards and other means of access are provided and maintained by the holder of the easement to facilitate City's full and unlimited access to, from and across the easement at all times for any and all purposes.

This easement is nonexclusive, and City reserves for City and City's successors and assigns the right to convey to others easements that do not unreasonably impair or obstruct this easement. Notwithstanding any provision of this easement reservation to the contrary, City and City's successors and assigns shall in all respects and at all times have the superior and paramount right of use, access and control of the property described in Exhibit "A" and covered by this easement, without any liability for damages to planted, growing or mature crops and/or to the turf that may be growing thereon. City and City's successors and assigns will repair any boundary fences it may cut or damage by its activities and will endeavor to exercise due care to avoid damage to or the escape of livestock that may be pastured in the easement.

The holder of the easement agrees to indemnify, defend and hold City and City's successors in interest harmless from any loss, attorney's fees, court and other costs, expenses or claims attributable to any breach or default of any provision of this easement by the holder and/or any negligent act or omission by the holder with regard to this easement. In the event the holder of the easement shall place any unpermitted structure, improvement, use or material within the easement and fails to remove same immediately upon receipt of notice from City, City shall have the right, but not the obligation, to remove such structure, improvement, use and/or material, and the holder of the easement shall reimburse City for any and all costs connected with such action immediately upon demand.

This easement shall terminate if and when the holder of the easement no longer owns or uses adjoining or abutting property for agricultural and/or grazing purposes.

**FIELD NOTES**  
**DESCRIBING A TRACT OF LAND FOR FEE SIMPLE ACQUISITION**  
**OF RIGHT-OF-WAY FOR THE LAKE TAWAKONI RAW WATER**  
**TRANSMISSION MAIN**  
**KAUFMAN COUNTY, TEXAS**  
**Parcel: 272**

BEING a 9.560 acre tract of land located in the J.D. Taylor Survey, Abstract No. 539, in Kaufman County, Texas, and being part of a tract of land described in a deed to Frank Barrow Reedy, as recorded in Volume 1345, Page 711, Deed Records Kaufman County, Texas (D.R.K.C.T.), and more particularly described as follows:

BEGINNING at a concrete monument with brass disk stamped, "City of Dallas" found at the southeast corner of a tract of land conveyed to the City of Dallas, Texas Water Line Right-of-Way (variable width Right-of-Way) by deed recorded in Volume 442, Page 492, D.R.K.C.T., being in the east line of said Reedy tract and in the west line of Kenneth Lane, a 34.686 acre tract, as described in Volume 4429, Page 10, D.R.K.C.T.;

THENCE South 05 degrees 54 minutes 35 seconds West, with the east line of said Reedy tract and the west line of said 34.686 acre tract, a distance of 19.09 feet to a 1/2-inch iron rod with red cap stamped. "DAL-TECH" (hereinafter referred to as "with cap") set;

THENCE South 01 degree 27 minutes 24 seconds East, continuing with said east line and west lines, a distance of 145.88 feet to a 1/2-inch iron rod with red cap set at the northeast corner of a 70 foot Oncor Easement, as described in Volume 3732, Page 410, D.R.K.C.T.;

THENCE South 59 degrees 37 minutes 42 seconds West, departing said east line and west lines and with the north line of said Oncor Easement, of said Lane tract, a distance of 547.26 feet to a 1/2-inch iron rod with cap set;

THENCE South 57 degrees 36 minutes 00 seconds West, continuing with said north line, a distance of 1,391.16 feet to a 1/2-inch iron rod with cap set for corner;

THENCE South 58 degrees 33 minutes 14 seconds West, continuing with said north line, a distance of 641.51 feet to a 1/2-inch iron rod with cap set;

THENCE South 72 degrees 36 minutes 32 seconds West, continuing with said north line, a distance of 642.49 feet to a 1/2-inch iron rod with cap set;

THENCE South 81 degrees 14 minutes 21 seconds West, continuing with said north line, a distance of 24.00 feet to a 1/2-inch iron rod with cap set at the northwest corner of said Oncor Easement, being in the west line of said Reedy tract and in the east line of a tract described in a deed to Joyce Fay Lambert, as described in Volume 606, Page 906, D.R.K.C.T.;

THENCE North 03 degrees 06 minutes 40 seconds West, with the west line of said Reedy tract and the east line of said Lambert tract, passing at a distance of 35.10 feet a 1/2-inch iron rod with cap set for the northeast corner of said Lambert tract, and the southeast corner of a tract of land described in deed to Robert E. B. Ashby, Jr. , as recorded in Volume 576, Page 457, D.R.K.C.T., and continuing with west line of said Lane tract and the east line of said Ashby tract, a total distance of 130.56 feet to a 1/2-inch iron rod with cap set at the southwest corner of said City of Dallas tract;

FIELD NOTES APPROVED:

p02 7/16/14



**FIELD NOTES**  
**DESCRIBING A TRACT OF LAND FOR FEE SIMPLE ACQUISITION**  
**OF RIGHT-OF-WAY FOR THE LAKE TAWAKONI RAW WATER**  
**TRANSMISSION MAIN**  
**KAUFMAN COUNTY, TEXAS**  
**Parcel: 272**

THENCE North 81 degrees 30 minutes 13 seconds East, departing the west line of said Reedy tract and with the southerly line of said City of Dallas tract, a distance of 19.88 feet to a 1/2-inch iron rod with cap set for the point of curvature of a curve to the left, having a radius of 1,878.46 feet and a central angle of 24 degrees 00 minutes 00 seconds;

THENCE continuing with the southerly line of said City of Dallas tract, and with said curve to the left, an arc distance of 786.85 feet (Chord Bearing North 69 degrees 35 minutes 36 seconds East – 781.11 feet) to a concrete monument with brass disk stamped, "City of Dallas" found at the point of tangency;

THENCE North 57 degrees 35 minutes 36 seconds East, continuing with the southerly line of said City of Dallas tract, a distance of 2,276.28 feet to a concrete monument with brass disk stamped, "City of Dallas" found at the point of curvature of a curve to the right, having a radius of 1,788.46 feet and a central angle of 05 degrees 59 minutes 10 seconds;

THENCE continuing with the southerly line of said City of Dallas tract and with said curve to the right, an arc distance of 186.85 feet (Chord Bearing North 60 degrees 35 minutes 11 seconds East – 186.77 feet) to the POINT OF BEGINNING and containing 416,421 square feet (9.560 Acres), of land.

All bearings for this tract refer to the NAD-83 Texas State Plane Coordinate System, North Central Zone 4202, according to measurements made at NGS continuously operating reference stations Collin CORS ARP, Dallas CORS ARP, Kaufman CORS ARP, Tyler CORS ARP, and Paris CORS ARP. The Kaufman County scale factor of 1.000114077 as published by the Texas Department of Transportation, Dallas District was used for this project.

A plat of even survey date herewith accompanies this legal description.

Company Name: DAL-TECH Engineering, Inc.  
TBPLS Firm No. 10123500

By:  Date: 7.7.14

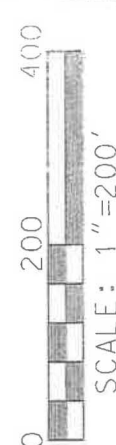
Surveyor's Name: Patrick J. Baldasaro  
Registered Professional Land Surveyor  
Texas No. 5504





R.A. TERRELL SURVEY  
ABSTRACT NO. 540

J.D. TAYLOR SURVEY  
ABSTRACT NO. 539



CURVE TABLE:

|         |                  |
|---------|------------------|
| C2      | 05° 59' 10" (RT) |
| DELTA   | 1,788.46'        |
| RADIUS  | 186.85'          |
| LENGTH  | 93.51'           |
| TANGENT | 186.77'          |
| CHORD   | N60° 35' 11" E   |

FOUND CONCRETE  
MONUMENT W/BRASS  
DISK STAMPED  
"CITY OF DALLAS"  
(C.M.)

CITY OF DALLAS  
WATER LINE  
RIGHT-OF-WAY  
VOL. 442, PG. 492  
D.R.K.C.T.  
(VARIABLE WIDTH ROW)

CITY OF DALLAS  
WATER LINE  
RIGHT-OF-WAY  
VOL. 442, PG. 95  
D.R.K.C.T.  
(100' ROW)

POINT OF  
BEGINNING

S05° 54' 35" W  
19.09'

N57° 35' 36" E  
2,276.28'

S59° 37' 42" W  
547.26'

S01° 27' 24" E  
145.88'

70' WIDE EASEMENT  
ONCOR ELECTRIC DELIVERY  
COMPANY LLC,  
A DELAWARE LIMITED LIABILITY  
COMPANY,  
VOL. 3720, PG. 429  
D.R.K.C.T.

PARCEL 272  
416,421 S.F.  
9,560 AC.

OWNER:  
FRANK BARROW REEDY  
VOL. 1345, PG. 711  
D.R.K.C.T.

70' WIDE EASEMENT  
ONCOR ELECTRIC DELIVERY  
COMPANY LLC,  
A DELAWARE LIMITED LIABILITY  
COMPANY,  
VOL. 3732, PG. 410  
D.R.K.C.T.

OWNER:  
KENNETH LANE  
VOL. 4429, PG. 10  
O.P.R.K.C.T.

CURVE TABLE:

|         |                  |
|---------|------------------|
| C2      | 37° 54' 02" (LT) |
| DELTA   | 1,658.46'        |
| RADIUS  | 1,097.05'        |
| LENGTH  | 569.44'          |
| TANGENT | 1,077.16'        |
| CHORD   | S80° 19' 31" W   |

MATCH LINE SEE SHEET 4 OF 5

NOTE: THIS SURVEY WAS PERFORMED BASED UPON  
RECORD DATA PROVIDED UNDER TICOR TITLE  
INSURANCE COMPANY COMMITMENT G.F. NUMBER 22547-KF07,  
WITH AN EFFECTIVE DATE OF SEPTEMBER 17, 2007.

- LEGEND:
- S.F. SQUARE FEET
  - C.M. CONTROL MONUMENT
  - O FIP FOUND IRON ROD
  - O FIP FOUND IRON PIPE
  - O 1/2" SIR 1/2" SET IRON ROD WITH A
  - W/CAP RED PLASTIC CAP STAMPED
  - "DAL-TECH" OR "DTE"
  - O SX SET "X" CUT IN CONCRETE
  - O FPK FOUND PK. NAIL
  - O SPK SET PK. NAIL

ALL BEARINGS FOR THIS TRACT REFER TO THE NAD-83  
TEXAS STATE PLANE COORDINATE SYSTEM, NORTH CENTRAL  
ZONE 4202, ACCORDING TO MEASUREMENTS MADE AT NGS  
CONTINUOUSLY OPERATING REFERENCE STATIONS COLLIN  
CORS ARP, DALLAS CORP, KAUFMAN CORP, TYLER  
CORS ARP, AND PARIS CORP. THE KAUFMAN COUNTY  
SCALE FACTOR OF 1.000114077 AS PUBLISHED BY THE  
TEXAS DEPARTMENT OF TRANSPORTATION, DALLAS  
DISTRICT WAS USED FOR THIS PROJECT.

Exhibit A

EXHIBIT  
OF A  
RIGHT-OF-WAY ACQUISITION  
SITUATED IN THE  
J.D. TAYLOR SURVEY, ABSTRACT NO. 539  
KAUFMAN COUNTY, TEXAS  
FOR THE  
CITY OF DALLAS  
BY  
DAL-TECH ENGINEERING, INC., 17400 DALLAS PKWY., SUITE 110  
DALLAS, TEXAS 75287, TEL. (972) 250-2727, FAX (972) 250-4774





Exhibit A

MATCH LINE SEE SHEET 3 OF 5

CITY OF DALLAS  
WATER LINE  
RIGHT-OF-WAY  
VOL. 442, PG. 492  
D.R.K.C.T.  
(VARIABLE WIDTH ROW)

N57° 35' 36" E 2,276.28'

PARCEL 272  
416,421 S.F.  
9.560 AC.

OWNER:  
FRANK BARROW REEDY  
VOL. 134-5, PG. 711  
D.R.K.C.T.

70' WIDE EASEMENT  
ONCOR ELECTRIC DELIVERY  
COMPANY LLC,  
A DELAWARE LIMITED LIABILITY  
COMPANY  
VOL. 3732, PG. 410  
D.R.K.C.T.

MATCH LINE SEE SHEET 5 OF 5

J.D. TAYLOR SURVEY  
ABSTRACT NO. 539



EXHIBIT  
OF A  
RIGHT-OF-WAY ACQUISITION  
SITUATED IN THE  
J.D. TAYLOR SURVEY, ABSTRACT NO. 539  
KAUFMAN COUNTY, TEXAS  
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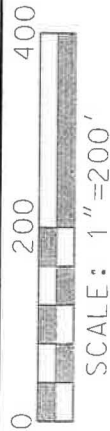
NOTE: THIS SURVEY WAS PERFORMED BASED UPON  
RECORD DATA PROVIDED UNDER TICOR TITLE  
INSURANCE COMPANY COMMITMENT G.F. NUMBER 22547-KF07,  
WITH AN EFFECTIVE DATE OF SEPTEMBER 17, 2007.

ALL BEARINGS FOR THIS TRACT REFER TO THE NAD-83  
TEXAS STATE PLANE COORDINATE SYSTEM, NORTH CENTRAL  
ZONE 4202, ACCORDING TO MEASUREMENTS MADE AT NGS  
CONTINUOUSLY OPERATING REFERENCE STATIONS COLLIN  
CORS ARP, DALLAS CORS ARP, KAUFMAN CORS ARP, TYLER  
CORS ARP, AND PARIS CORS ARP. THE KAUFMAN COUNTY  
SCALE FACTOR OF 1.000114077 AS PUBLISHED BY THE  
TEXAS DEPARTMENT OF TRANSPORTATION, DALLAS  
DISTRICT WAS USED FOR THIS PROJECT.

LEGEND:  
S.F. SQUARE FEET  
C.M. CONTROL MONUMENT  
O FIP FOUND IRON ROD  
O FIP FOUND IRON PIPE  
O 1/2" SIR 1/2" SET IRON ROD WITH A  
W/CAP RED PLASTIC CAP STAMPED  
"DAL-TECH" OR "DTE"  
O SX SET "X" CUT IN CONCRETE  
O FIP FOUND PK. NAIL  
O SPK SET PK. NAIL

CURVE TABLE:

| C1 | DELTA       | 24° 00' 00" (LT) |
|----|-------------|------------------|
|    | RADIUS      | 1,878.46'        |
|    | LENGTH      | 786.85'          |
|    | TANGENT     | 399.28'          |
|    | CHORD       | 781.11'          |
|    | CH. BEARING | N69° 35' 36" E   |



MATCH LINE SEE SHEET 4 OF 5

FOUND CONCRETE MONUMENT W/BRASS DISK STAMPED "CITY OF DALLAS" (C.M.)

70' WIDE EASEMENT ONCOR ELECTRIC DELIVERY COMPANY LLC, A DELAWARE LIMITED LIABILITY COMPANY VOL. 3732, PG. 410 D.R.K.C.T.

70' WIDE EASEMENT ONCOR ELECTRIC DELIVERY COMPANY LLC, A DELAWARE LIMITED LIABILITY COMPANY VOL. 3732, PG. 410 D.R.K.C.T.

CITY OF DALLAS WATER LINE RIGHT-OF-WAY VOL. 442, PG. 492 D.R.K.C.T. (VARIABLE WIDTH ROW)

FOUND CONCRETE MONUMENT W/BRASS DISK STAMPED "CITY OF DALLAS" (C.M.)

CITY OF DALLAS WATER LINE RIGHT-OF-WAY VOL. 436, PG. 281 D.R.K.C.T. (130' ROW)

OWNER: ROBERT E. B. ASHBY, JR. VOL. 576, PG. 457 D.R.K.C.T.

1/2" FIR (DISTURBED) S04° 31' 42" E 0.80'

N81° 30' 13" E 19.88'

N03° 06' 40" W 130.56'

PARCEL 272 416,421 S.F. 9.560 AC.

S81° 14' 21" W 24.00'

70' WIDE EASEMENT ONCOR ELECTRIC DELIVERY COMPANY LLC, A DELAWARE LIMITED LIABILITY COMPANY VOL. 3732, PG. 403 D.R.K.C.T.

OWNER: FRANK BARROW REEDY VOL. 1345, PG. 711 D.R.K.C.T.

OWNER: JOYCE FAY LAMBERT "SECOND TRACT" VOL. 606, PG. 906 D.R.K.C.T.



- LEGEND:
- S.F. SQUARE FEET
  - C.M. CONTROL MONUMENT
  - O FIR FOUND IRON ROD
  - O FIR FOUND IRON PIPE
  - O 1/2" SIR 1/2" SET IRON ROD WITH A RED PLASTIC CAP STAMPED "DAL-TECH" OR "DTE"
  - O W/CAP SET "X" CUT IN CONCRETE FOUND PK. NAIL SET PK. NAIL
  - O SX
  - O EPK
  - O SPK

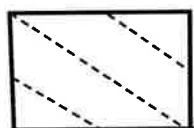
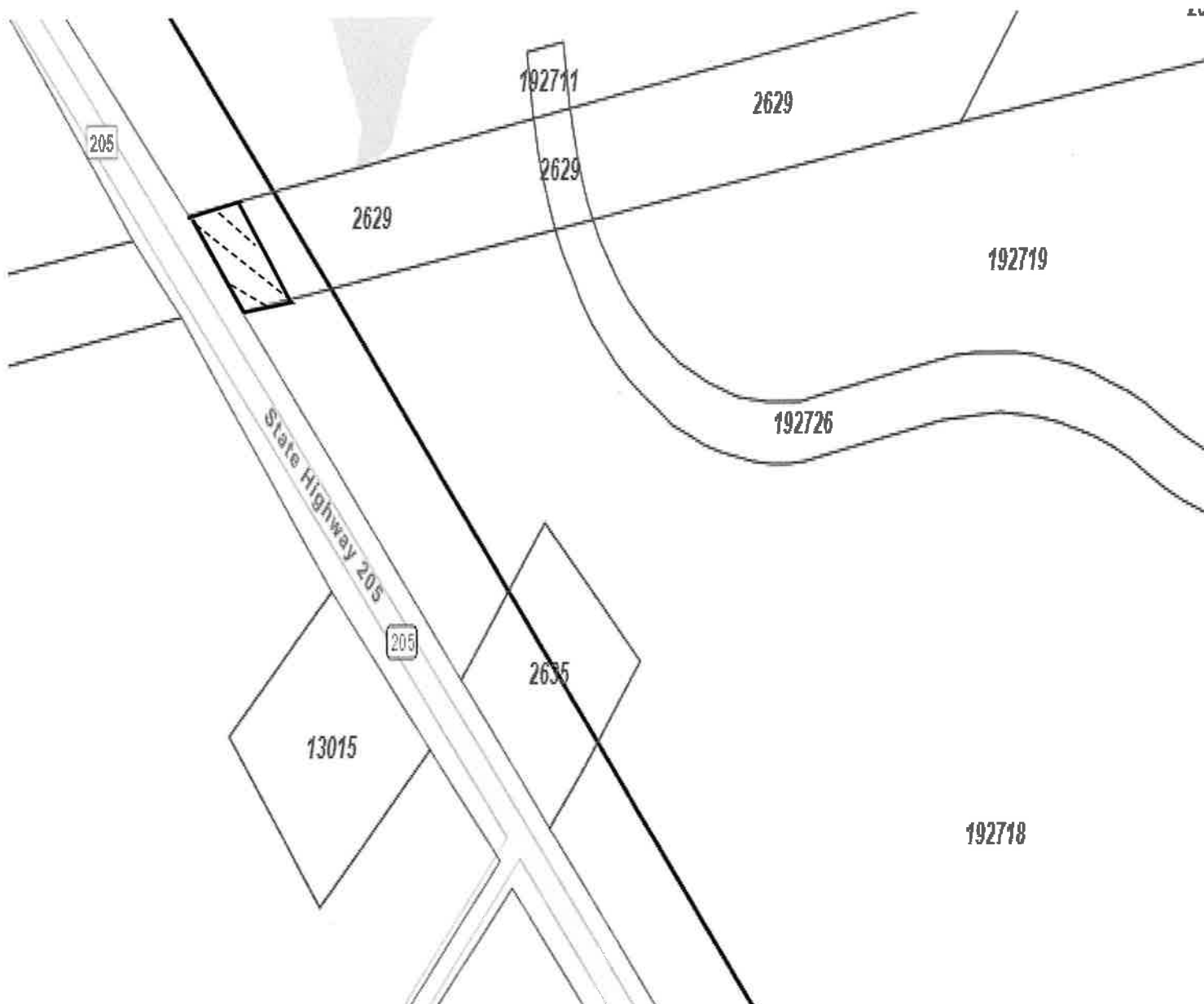
NOTE: THIS SURVEY WAS PERFORMED BASED UPON RECORD DATA PROVIDED UNDER TICOR TITLE INSURANCE COMPANY COMMITMENT C.F. NUMBER 22547-KF07, WITH AN EFFECTIVE DATE OF SEPTEMBER 17, 2007.

ALL BEARINGS FOR THIS TRACT REFER TO THE NAD-83 TEXAS STATE PLANE COORDINATE SYSTEM, NORTH CENTRAL ZONE 4202. ACCORDING TO MEASUREMENTS MADE AT NGS CONTINUOUSLY OPERATING REFERENCE STATIONS COLLIN CORP. DALLAS CORP. ARP, KAUFMAN CORP. ARP, TYLER CORP. ARP, AND PARIS CORP. ARP. THE KAUFMAN COUNTY SCALE FACTOR OF 1.000114077 AS PUBLISHED BY THE TEXAS DEPARTMENT OF TRANSPORTATION, DALLAS DISTRICT WAS USED FOR THIS PROJECT.

Exhibit A

EXHIBIT OF A  
RIGHT-OF-WAY ACQUISITION  
SITUATED IN THE  
J.D. TAYLOR SURVEY, ABSTRACT NO. 539  
KAUFMAN COUNTY, TEXAS  
FOR THE  
CITY OF DALLAS

BY  
DAL-TECH ENGINEERING, INC., 17400 DALLAS PKWY., SUITE 110  
DALLAS, TEXAS 75287, TEL. (972) 250-2727, FAX (972) 250-4774



Approx. 20,413 sq ft at SH 206 in Kaufman County (TxDOT acquisition Parcel 96)





# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1599

**Item #:** 16.

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**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** Outside City Limits

**DEPARTMENT:** Department of Public Works

**EXECUTIVE:** Majed Al-Ghafry

---

### **SUBJECT**

A resolution authorizing the conveyance of a tract of land containing approximately 20,413 square feet of City-owned land to the State of Texas located in Kaufman County - Revenue: Dallas Water Utilities Fund \$23,531.00

### **BACKGROUND**

This item will authorize the conveyance of a tract of land containing approximately 20,413 square feet of City-owned land to the State of Texas, located in Kaufman County for the State Highway 205 Construction Project. Council previously approved the sale of a Right of Way Easement interest on June 9, 2021; however this action authorizes the acquisition of said parcel in Fee Simple interest. The State of Texas is an entity with the power of eminent domain. The City may sell or exchange its property to a governmental entity that has the power of eminent domain without complying with the notice and bid requirements pursuant to Chapter 272 of the Local Government Code. The purchase price is based on an independent appraisal.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 9, 2021, City Council authorized the conveyance of an 1) easement and right-of-way 2) a Possession and Use Agreement and 3) a Utility Joint Use Agreement by Resolution No. 21-0995.

### **FISCAL INFORMATION**

Revenue: Dallas Water Utilities Fund \$23,531.00

### **MAP**

Attached

October 13, 2021

**WHEREAS**, the City of Dallas is the owner of a tract of land containing approximately 20,413 square feet of City owned land located in Kaufman County, Texas (the "Property"); as described in Exhibit "A", attached herein and incorporated by reference; and

**WHEREAS**, the Texas Department of Transportation, a State of Texas agency, has the power of eminent domain and proposes to purchase the property at fair market value for redevelopment and improvement of Interstate Highway 30; and

**WHEREAS**, the City of Dallas may sell or exchange its property to a governmental entity that has the power of eminent domain for fair market value as determined by an appraisal, without complying with the notice and bidding requirements for the sale of public lands provided for in Chapter 272, Section 272.001 of the Texas Local Government Code; and

**WHEREAS**, certain provisions of Section 2-24 of the Dallas City Code do not apply to the sale of land by the City of Dallas to other governmental entities as contemplated and authorized herein; and

**WHEREAS**, on June 9, 2021, by Resolution No. 21-0995 attached hereto as Exhibit B, City Council authorized the 1) conveyance of an easement and right-of-way 2) a Possession and Use Agreement and 3) a Utility Joint Use Agreement containing approximately 20,413 square feet of City-owned land to the State of Texas located in Kaufman County. This Resolution will authorize Texas Department of Transportation to acquire the Property in Fee Simple interest.

**Now, Therefore,**

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

**SECTION 1.** That upon receipt of **TWENTY-THREE THOUSAND FIVE HUNDRED THIRTY ONE AND 00/100 DOLLARS (\$23,531.00)** from the State of Texas, acting by and through the Texas Transportation Commission, the City Manager or designee is authorized to execute a Deed Without Warranty to be attested by the City Secretary, approved as to form by the City Attorney, for approximately 20,413 square feet of City owned land located in Kaufman County Texas.

**SECTION 2.** That the Deed Without Warranty shall prove that the conveyance to the State of Texas, acting by and through the Texas Transportation Commission, ("**GRANTEE**") are subject to the following:

- (a) a restriction prohibiting the placement of industrialized housing on the property; and
- (b) reservation by the City of Dallas of all oil, gas and other minerals in and under the property with a waiver of surface access rights relating to said minerals; and

**SECTION 2.** (continued)

- (c) any visible and apparent easements and any encroachments whether of record or not; and any and all covenants, conditions, reservations, restrictions, exceptions, easements, rights-of-way, mineral interests, mineral leases or other instruments of record and applicable to the property or any part thereof; and
- (d) to the maximum extent allowed by law, (i) **GRANTEE** is taking the Property "AS IS, WHERE IS, WITH ALL FAULTS"; (ii) GRANTOR disclaims responsibility as to the accuracy or completeness of any information relating to the Property; (iii) **GRANTEE** assumes all responsibility to examine all applicable building codes and zoning ordinances to determine if the Property can be used for the purposes desired and to check for outstanding or pending code enforcement actions including but not limited to repair or demolition orders; and (iv) GRANTOR expressly disclaims and **GRANTEE** expressly waives, any warranty or representation, express or implied, including without limitation any warranty of condition, habitability, merchantability or fitness for a particular purpose of the Property; and
- (e) GRANTOR makes no representations of any nature regarding the Property and specifically disclaims any warranty, guaranty or representation, oral or written, express or implied, past, present, or future, concerning: (i) the nature and condition of the Property, including without limitation, the water, soil and geology, and the suitability thereof and the Property for any and all activities and uses which **GRANTEE** may elect to conduct thereon, and the existence of any environmental substances, hazards or conditions or presence of any endangered or protected species thereon or compliance with all applicable laws, rules or regulations; (ii) the nature and extent of any right-of-way, lease, possession, lien, encumbrance, license, reservation, condition or otherwise; (iii) the compliance of the Property or its operation with any law, ordinance or regulation of any federal, state, or local governmental authority; and (iv) whether or not the Property can be developed or utilized for any purpose. For purposes hereof, "environmental substances" means the following: (a) any "hazardous substance" under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C.A. Section 9601 et. seq., as amended, (b) any "hazardous substance" under the Texas Hazardous Substances Spill Prevention and Control Act, Tex. Water Code, Section 26.261, et. seq., as amended, (c) petroleum or petroleum-based products (or any derivative or hazardous constituents thereof or additives thereto), including without limitation, fuel and lubrication oils, (d) any "hazardous chemicals" or "toxic chemicals" under the Occupational Safety and Health Act, 29 U.S.C.A. Section 651 et. seq., as amended, (e) any "hazardous waste" under the Resource Conservation and Recovery Act, 42 U.S.C.A. Section 6901 et. seq., as amended, (f) asbestos, (g) polychlorinated biphenyls, (h) underground storage tanks, whether empty, filled, or partially filled with any

October 13, 2021

**SECTION 2.** (continued)

substance, (i) any substance, the presence of which is prohibited by federal, state or local laws and regulations; and (j) any other substance which by federal, state or local laws and regulations requires special handling or notification of governmental authorities in its collection, storage, treatment or disposal.

- (f) such other terms and requirements of the sale and/or disclaimers as the City deems necessary, convenient or appropriate.

**SECTION 3.** That the proceeds shall be deposited into the General Fund, Fund 0001, Department PBW, Balance Sheet 0519 and Department of Public Works - Real Estate Division shall be reimbursed for the cost of obtaining legal description, appraisal and other administrative costs incurred. The reimbursement proceeds shall be deposited in the General Fund, Fund 0001, Department PBW, Unit 1181, Object 5011 and any remaining proceeds shall be transferred to the Water Utilities Current Fund, Fund 0100, Department DWU, Unit 7005, Revenue Code 8416.

**SECTION 4.** That if a title policy is desired by **GRANTEE**, same shall be at the expense of said **GRANTEE**.

**SECTION 5.** That the sale shall be subject to standby fees, taxes and assessments, if any, by any taxing authority for the year of closing and subsequent years and assessments by any taxing authority for prior years due to changes in land usage or ownership, the payment of said standby fees, taxes and assessments being assumed by **GRANTEE**.

**SECTION 6.** That the procedures required by Section 2-24 of the Dallas City Code that are not required by state law concerning the sale of unneeded real property are waived with respect to this tract of land.

**SECTION 7.** That this resolution is designated for City purposes as Contract No. DEV-2020-00013657.

**SECTION 8.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:

Christopher J. Caso, City Attorney

BY:   
Assistant City Attorney



EXHIBIT "A"

County: Kaufman  
Highway: State Highway No. 205  
Station: 296+48.32 to 299+61.32  
R.O.W. CSJ: 0451-02-030

Page 1 of 4  
January, 2020  
Parcel 96

Description of Parcel 96

**BEING** a 0.4686 acre (20,413 square foot) tract of land situated in the E. L. Boyd Survey, Abstract No. 48, Kaufman County, Texas, and being a portion of a called 4.430 acre tract described in Warranty Deed to the City of Dallas, recorded in Instrument Number 2018-0029915 of the Deed Records of Kaufman County, Texas (D.R.K.C.T.) and a portion of a 5.27 acre tract described in a Warranty Deed to the City of Dallas, recorded in Volume 437, Page 84 D.R.K.C.T., and being more particularly described by metes and bounds as follows:

**COMMENCING** at a 1/2 inch capped iron rod stamped "DAL-TECH" found (Controlling Monument (CM)) at the southeasterly corner of said 4.430 acre City of Dallas tract, also being on the southeasterly line of the remainder of a called 159 acre tract of land described in a Special Warranty Deed to Hwy. 205 Farm, Ltd., recorded in Volume 1137, Page 112 and the northwesterly line of a called 353 acre first tract and a called 128 acre second tract of land described in said deed to Hwy. 205 Farm, Ltd., recorded in Volume 1137, Page 112, D.R.K.C.T., and having Texas Coordinate System, NAD83 (2011), North Central Zone (4202), surface coordinate of North 6,983,880.72, East 2,632,881;

**THENCE** South 79 degrees 18 minutes 13 seconds West, along the common southerly line of said 4.430 acre City of Dallas tract and the northerly line of a remainder of said 159 acre tract, a distance of 1,040.85 feet to a 5/8 inch iron rod with a pink plastic cap stamped "TXDOT SURVEY MARKER RIGHT OF WAY MONUMENT" (hereinafter referred to as "with a pink plastic R.O.W. cap") set on the new northeasterly R.O.W. line of State Highway No. 205 for the **POINT OF BEGINNING** at Station 296+48.32, 95.00 feet right, and having a Texas Coordinate System, NAD83 (2011), North Central Zone (4202), surface coordinate of North 6,983,644.70, East 2,631,631.67;

- 1) **THENCE** South 79 degrees 18 minutes 13 seconds West, continuing along said common line, a distance of 79.63 feet to a 1/2 inch capped iron rod stamped "DAL-TECH" found (CM) at the southwesterly corner of said 4.430 acre City of Dallas tract, also being the most westerly corner of a remainder of said 159 acre tract, being on the northeasterly line of that certain tract of land described in deed to the State of Texas, recorded in Volume 237, Page 91, D.R.K.C.T., and being on the existing northeasterly R.O.W. line of said State Highway No. 205, a variable width R.O.W.;
- 2) **THENCE** North 45 degrees 33 minutes 53 seconds West, departing said common line, along the common southwesterly line of said City of Dallas tracts, the northeasterly line of said existing State of Texas tract and the existing northeasterly R.O.W. line of said State Highway No. 205, a distance of 312.89 feet to the northwesterly corner of said 5.27 acre City of Dallas tract, also being the most southwesterly corner of a remainder of said 159 acre tract;
- 3) **THENCE** North 79 degrees 19 minutes 07 seconds East, departing said common line, along the common northerly line of said 5.27 acre City of Dallas tract and a southerly line of the remainder of said 159 acre tract, a distance of 79.42 feet to a 5/8 inch iron rod with a pink plastic R.O.W. cap set on the new northeasterly R.O.W. line of said State Highway No. 205 at Station 299+61.32, 95.00 feet right;
- 4) **THENCE** South 45 degrees 35 minutes 56 seconds East, departing said common line, across said City of Dallas tracts, a distance of 312.99 feet to the **POINT OF BEGINNING** and containing 0.4686 acre (20,413 square feet) of land.



EXHIBIT "A"

County: Kaufman  
Highway: State Highway No. 205  
Station: 296+48.32 to 299+61.32  
R.O.W. CSJ: 0451-02-030

Page 2 of 4  
January, 2020  
Parcel 96

Description of Parcel 96

The Basis of Bearings is the Texas State Plane Coordinate System of 1983, North Central Zone (4202), North American Datum (NAD 83) 2011 Adjustment, Epoch (2010.0). All distances and coordinates shown are surface and may be converted to grid by dividing by a combined scale factor of 1.000146135. Unit of measure is US Survey Foot.

(%) The monument was unable to be set due to permission not granted by the property owner.

(\*\*) The monuments described and set in this call, if destroyed during construction, may be replaced with a TxDOT Type II Right of Way Marker upon completion of the highway construction project under the supervision of a Registered Professional Land Surveyor, either employed or retained by TxDOT.

The Station and Offset information refers to State Highway 205 Reconstruction Baseline described in the Project Schematic dated January 2017; Control-Section-Number 0451-02-028 - CCSJ.

A parcel plat of even date was prepared in conjunction with this property description.

I, Brian K. Kidd, a Registered Professional Land Surveyor in the State of Texas, hereby certify that the land description and plat represent an actual survey made on the ground under my direction or supervision.

Brian K. Kidd 1/28/2020  
Brian K. Kidd  
Registered Professional Land Surveyor  
Texas No. 6494



CP&Y, Inc.  
115 West 7<sup>th</sup> Street, Suite 1500  
Fort Worth, Texas 76102  
TBPLS Firm Registration No. 10194305

NOTES:  
ABSTRACT DATE: WERE PERFORMED BETWEEN DECEMBER, 2019  
AND JANUARY, 2020.

THE BASIS OF BEARINGS IS THE TEXAS STATE PLANE  
COORDINATE SYSTEM OF 1983, NORTH CENTRAL ZONE(4202),  
NORTH AMERICAN DATUM (NAD 83) 2011 ADJUSTMENT.  
SOURCES OF ALL BEARINGS AND DISTANCES ARE  
SURFACE AND MAY BE CONVERTED TO GRID BY DIVIDING BY  
A COMBINED SCALE FACTOR OF 1.000146135. UNIT OF MEASURE  
IS US SURVEY FOOT.

\* THE MONUMENT DESCRIBED AND SET IN THIS CALL-IF  
DESTROYED DURING CONSTRUCTION, MAY BE REPLACED WITH A  
TAXOT TYPE RIGHT OF WAY MARKER UPON COMPLETION OF  
CONSTRUCTION. THE SURVEYOR'S OFFICE WILL BE ADVISED BY THE  
SUPERVISOR OF RECORDED PROFESSIONAL LAND  
SURVEYOR, EITHER EMPLOYED OR RETAINED BY TXDOT.

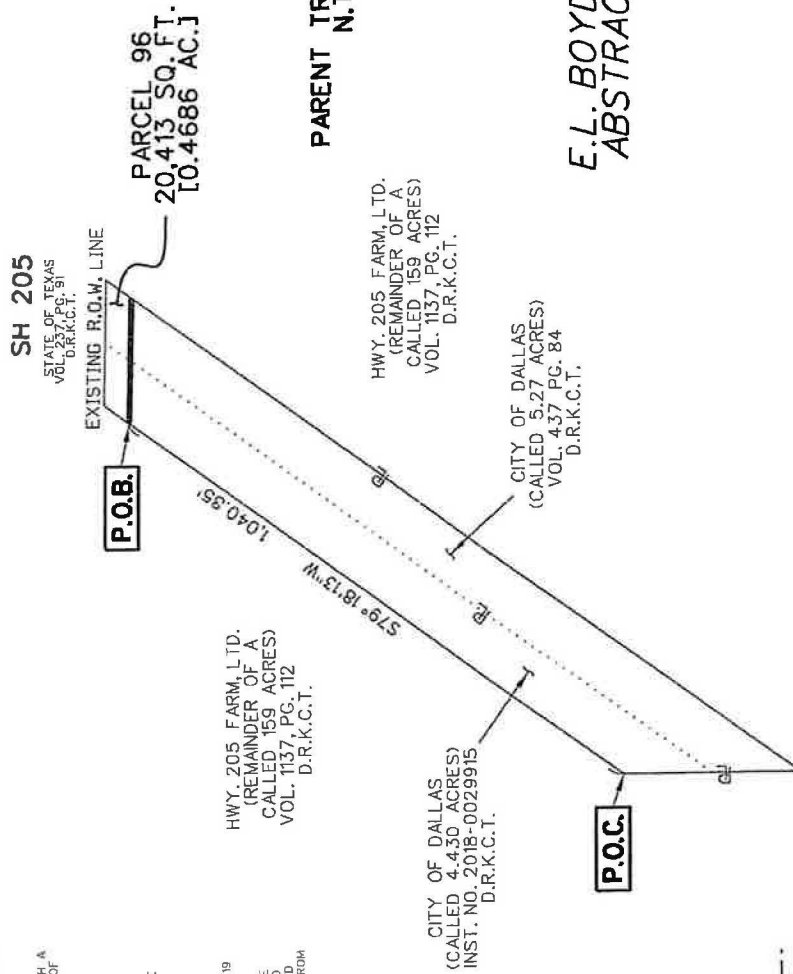
(\*) THE MONUMENT WAS UNABLE TO BE SET DUE TO  
PERMISSION NOT GRANTED BY THE PROPERTY OWNER.

THE STATION AND OFFSET INFORMATION REFERS TO STATE  
HIGHWAY 205 (SH 205) BASELINE.

PROJECT CONTROL AS ESTABLISHED BY OTHERS AND  
PROVIDED BY TXDOT.

FIELD SURVEYS WERE PERFORMED BETWEEN DECEMBER, 2019  
AND JANUARY, 2020.

PARCEL REMAINDER AREA IS DERIVED BY SUBTRACTING THE  
CALCULATED FEE AREA OF THE PARCEL FROM THE CALLED  
AREA. THE REMAINDER AREA IS THE FEE AREA OF THE  
FEE AREA OF PROPERTY CONVEYANCES OF RECORD, FROM  
THE PARENT TRACT.



PARENT TRACT INSERT  
N.T.S.

E.L. BOYD SURVEY  
ABSTRACT NO. 48

LEGEND

- SH 205 BASELINE
- NEW RIGHT OF WAY LINE
- PROPERTY LINE
- APPROXIMATE SURVEY LINE
- EXISTING R.O.W. LINE
- MATCH LINE
- EXISTING EASEMENT
- R.O.W. = RIGHT OF WAY
- P.O.C. = POINT OF COMMENCING
- P.O.B. = POINT OF BEGINNING
- N.T.S. = NOT TO SCALE
- D.R.K.C.T. = DEED RECORDS KAUFMAN COUNTY, TEXAS
- P.R.K.C.T. = PLAT RECORDS KAUFMAN COUNTY, TEXAS
- O = 5/8" IRON ROD SET WITH A PINK PLASTIC CAP STAMPED
- "TXDOT SURVEY MARKER RIGHT OF WAY MONUMENT"
- CM = CONTROLLING MONUMENT
- ✓ = LINE BREAK (NOT TO SCALE)
- Z = SAME OWNER

A PLAT OF SURVEY OF  
PARCEL 96  
FOR SH 205 RECONSTRUCTION  
RIGHT OF WAY CSJ: 0451-02-030  
A 20,413 SQ. FT. [0.4686 AC.]  
TRACT OF LAND

E.L. BOYD SURVEY  
ABSTRACT NO. 48  
KAUFMAN COUNTY, TEXAS  
JANUARY 2020

| AREA TABLE (ACRES) |             |                         |
|--------------------|-------------|-------------------------|
| EXISTING           | ACQUISITION | REMAINDER<br>CALCULATED |
| CALLED<br>5.27     | 0.4686      | LEFT<br>RIGHT<br>4.8014 |

# J. STEPHENSON SURVEY ABSTRACT NO. 451

EXISTING R.O.W. LINE

EXISTING R.O.W. LINE

## SH 205 (VARIABLE WIDTH R.O.W.) PROPOSED BASELINE SH 205

STATE OF TEXAS  
VOL. 8, PAGE 91  
300-00  
N45° 35' 56" W

295-00

**P.O.B. PARCEL 96**  
N - 6,983.644.70  
E - 2,631.631.67  
STA. 296+48.32  
95.00' RT

HWY. 205 FARM, LTD.  
(REMAINDER OF A  
CALLED 159 ACRES)  
VOL. 1137, PG. 112  
D.R.K.C.T.

**P.O.C.**  
1/2" CIRF  
DAL-TECH

| LINE | BEARING        | DISTANCE |
|------|----------------|----------|
| L1   | S79° 18' 13" W | 79.63'   |
| L2   | N45° 33' 53" W | 312.89'  |
| L3   | N79° 19' 07" E | 79.42'   |
| L4   | S45° 35' 56" E | 312.99'  |

E.L. BOYD SURVEY  
ABSTRACT NO. 48



*Brian Kidd* 1/24/2020  
DATE  
BRIAN K. KIDD  
RPLS TEXAS NO. 6494

115 WEST 7TH STREET, SUITE 1500  
DALLAS, TEXAS 75202  
TELEPHONE 18091405

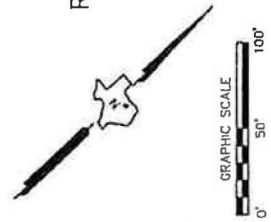


A PLAT OF SURVEY OF  
PARCEL 96

FOR SH 205 RECONSTRUCTION  
RIGHT OF WAY CSJ:0451-02-030  
A 20,413 SQ. FT. [0.4686 AC.]

TRACT OF LAND  
E.L. BOYD SURVEY  
ABSTRACT NO. 48

KAUFMAN COUNTY, TEXAS  
JANUARY 2020



NOTES:  
ABSTRACT DATE: PERFORMED BETWEEN DECEMBER, 2019 AND JANUARY, 2020.

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THE MONUMENT DESCRIBED AND SET IN THIS CALL, IF DESTROYED DURING CONSTRUCTION, MAY BE REPLACED WITH A TYPED TYPE RIGHT OF WAY MARKER UPON COMPLETION OF THE SURVEY. CONSTRUCTION UNDER THE SURVEYOR'S SUPERVISION AND CONTROL. THE SURVEYOR, EITHER EMPLOYED OR RETAINED BY TxDOT, THE MONUMENT WAS UNABLE TO BE SET DUE TO PERMISSION NOT GRANTED BY THE PROPERTY OWNER.

THE STATION AND OFFSET INFORMATION REFERS TO STATE HIGHWAY 205 (SH 205) BASELINE.

PROJECT CONTROL AS ESTABLISHED BY OTHERS AND PROVIDED BY TxDOT.

FIELD SURVEYS WERE PERFORMED BETWEEN DECEMBER, 2019 AND JANUARY, 2020.

PARCEL REMAINDER AREA IS DERIVED BY SUBTRACTING THE CALCULATED FEE AREA OF THE PARCEL FROM THE CALLED REMAINDER OF A. THE REMAINDER OF A. IS THE FEE AREA OF PROPERTY CONVEYANCES OF RECORD, FROM THE PARENT TRACT.

### LEGEND

- SH 205 BASELINE
- NEW RIGHT OF WAY LINE
- PROPERTY LINE
- APPROXIMATE SURVEY LINE
- EXISTING R.O.W. LINE
- MATCH LINE
- EXISTING EASEMENT
- R.O.W. = RIGHT OF WAY
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- P.R.K.C.T. = PLAT RECORDS KAUFMAN COUNTY, TEXAS
- O = 5/8" IRON ROD SET WITH A PINK PLASTIC CAP STAMPED "TxDOT SURVEY MARKER RIGHT OF WAY MONUMENT"
- CH = CONTROLLING MONUMENT
- = LINE BREAK (NOT TO SCALE)
- Z = SAME OWNER



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1293

**Item #:** 17.

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**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Department of Public Works

**EXECUTIVE:** Majed Al-Ghafry

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### **SUBJECT**

An ordinance abandoning a portion of an alley to City Park Associates, Ltd., the abutting owner, containing approximately 3,242 square feet of land, located near the intersection of Beaumont Street and Ervay Street; and authorizing the quitclaim - Revenue: General Fund \$5,400.00, plus the \$20.00 ordinance publication fee

### **BACKGROUND**

This item authorizes the abandonment of a portion of an alley to City Park Associates, Ltd., the abutting owner. The area will be included with the property of the abutting owner for parking. A prior abandonment was passed by Ordinance No. 20227 on March 8, 1989 and became null and void due to an unmet timeline to replat. The cost for this abandonment is the minimum processing fee pursuant to the Dallas City Code, therefore, no appraisal is required.

Notices were sent to 64 property owners located within 300 feet of the proposed abandonment area. There were no responses received in opposition to this request.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On March 8, 1989, City Council authorized the abandonment of a portion of an alley, containing approximately 3,242 square feet of land, located near the intersection of Beaumont Street and Ervay Street; and authorizing the quitclaim thereof to City Park Associates, Ltd., the abutting owner by Ordinance No. 20227.

### **FISCAL INFORMATION**

Revenue: General Fund \$5,400.00, plus the \$20.00 ordinance publication fee

**OWNER**

**City Park Associates, Ltd.**

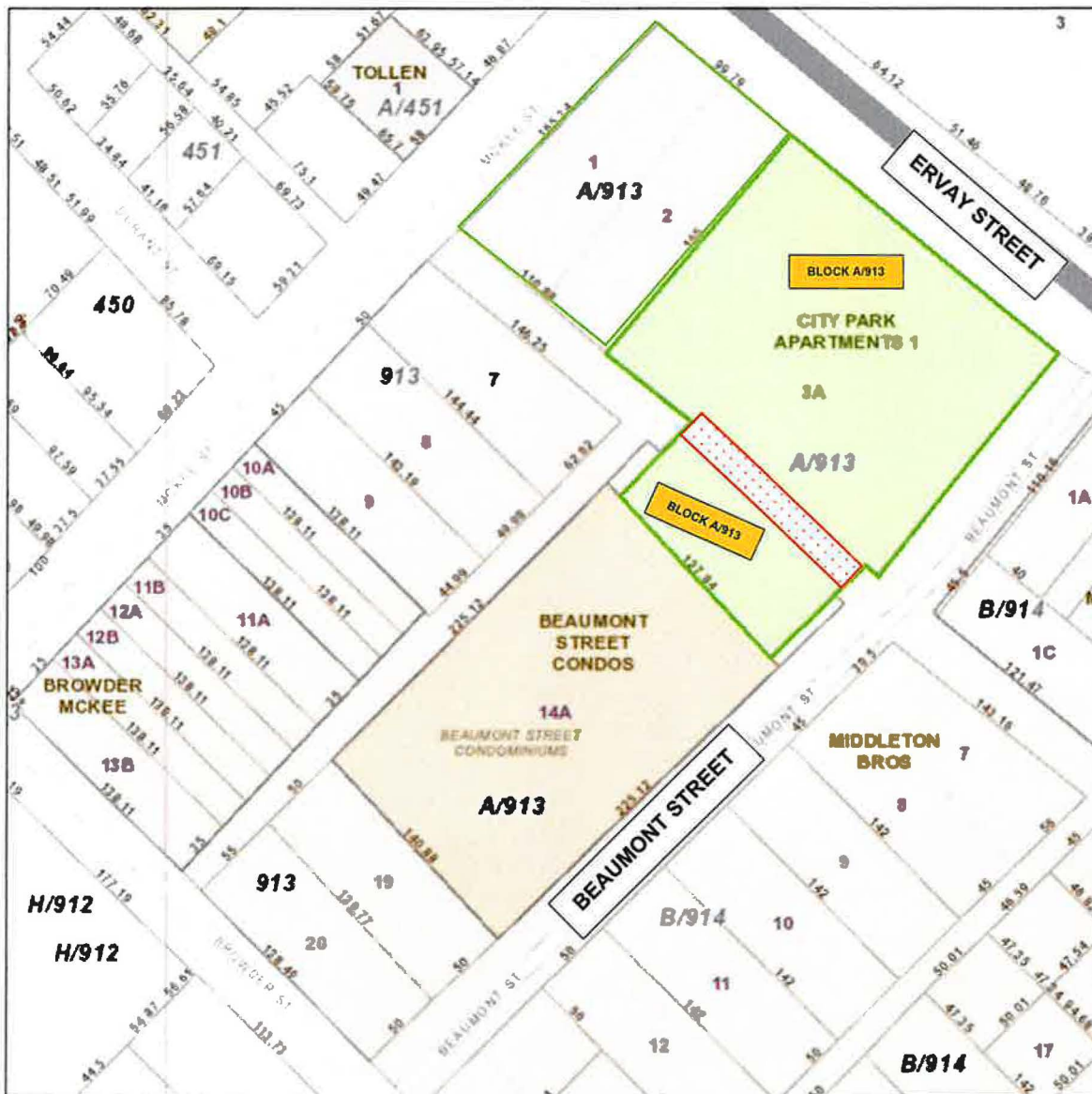
Eric Anderson Solutions, Inc., General Partner

Eric Anderson, President/Director

**MAP**

Attached

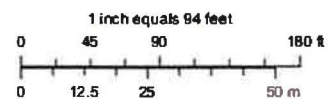




This product is for informational purposes only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



  
**Dallas Central Appraisal District**  
 2949 N Stemmons Freeway  
 Dallas, TX 75247-6195  
 (214) 631-1342  
[www.dallascad.org](http://www.dallascad.org)



DCAD, NCTCOG, USGS, Esri, Inc

**LOG# 50586**

**APPLICANT: CITY PARK ASSOCIATES, LTD.**

**ABANDONMENT AREA:** 

**ORDINANCE NO. \_\_\_\_\_**

An ordinance providing for the abandonment of a portion of an alley located adjacent to City Block A/913 in the City of Dallas and County of Dallas, Texas; providing for the quitclaim thereof to City Park Associates, Ltd.; providing for the terms and conditions of the abandonment and quitclaim made herein; providing for barricading; providing for the indemnification of the City of Dallas against damages arising out of the abandonment herein; providing for the consideration to be paid to the City of Dallas; providing for the payment of the publication fee; and providing an effective date for this ordinance.

**ooo0ooo**

**WHEREAS**, on March 8, 1989, the City Council of the City of Dallas, passed Ordinance No. 20227, providing for the abandonment of a portion of an alley to City Park Associates, Ltd.; and

**WHEREAS**, the final replat requirement was not met within the specific time period; and

**WHEREAS**, Ordinance No. 20227 is now null and void; and

**WHEREAS**, the City Council of the City of Dallas, acting pursuant to law and upon the request and petition of City Park Associates, Ltd., a Texas limited partnership, hereinafter referred to as **GRANTEE**, deems it advisable to abandon and quitclaim, the hereinafter described tract of land to **GRANTEE**, and is of the opinion that, subject to the terms and conditions herein provided, said portion of alley is not needed for public use, and same should be abandoned and quitclaimed to **GRANTEE**, as hereinafter stated; and

**WHEREAS**, the City Council of the City of Dallas is of the opinion that the best interest and welfare of the public will be served by abandoning and quitclaiming the same to **GRANTEE** for the consideration and subject to the terms and conditions hereinafter more fully set forth.

**Now, Therefore,**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**SECTION 1.** That the tracts of land described in Exhibit A, which is attached hereto and made a part hereof for all purposes, be and the same is abandoned, vacated and closed



**SECTION 1.** (continued)

insofar as the right, title and interest of the public are concerned; subject, however, to the conditions hereinafter more fully set out.

**SECTION 2.** That for and in monetary consideration of the sum of **FIVE THOUSAND FOUR HUNDRED AND NO/100 DOLLARS (\$5,400.00)** paid by **GRANTEE**, and the further consideration described in Sections 8 and 10, the City of Dallas does by these presents **QUITCLAIM** unto the said **GRANTEE**, subject to the conditions, reservations, and exceptions hereinafter made and with the restrictions and upon the covenants below stated, all of its right, title and interest in and to the certain tract of land hereinabove described in Exhibit A. **TO HAVE AND TO HOLD** all of such right, title and interest in and to the property and premises, subject aforesaid, together with all and singular the rights, privileges, hereditaments and appurtenances thereto in any manner belonging unto the said **GRANTEE**.

**SECTION 3.** That upon payment of the monetary consideration set forth in Section 2, **GRANTEE** accepts the terms, provisions, and conditions of this ordinance.

**SECTION 4.** That the Chief Financial Officer is hereby authorized to deposit the sum paid by **GRANTEE** pursuant to Section 2 above in the General Fund, Fund 0001, Department PBW, Balance Sheet 0519 and Department of Public Works - Real Estate Division shall be reimbursed for the cost of obtaining the legal description, appraisal and other administrative costs incurred. The reimbursement proceeds shall be deposited in General Fund, Fund 0001, Department PBW, Unit 1181, Object 5011 and any remaining proceeds shall be transferred to the General Capital Reserve Fund, Fund 0625, Department BMS, Unit 8888, Revenue Code 8416.

**SECTION 5.** That the abandonment and quitclaim provided for herein are made subject to all present zoning and deed restrictions, if the latter exist, and are subject to all existing easement rights of others, if any, whether apparent or non-apparent, aerial, surface, underground or otherwise, and are further subject to the conditions contained in Exhibit B, which is attached hereto and made a part hereof for all purposes.

**SECTION 6.** That the terms and conditions contained in this ordinance shall be binding upon **GRANTEE**, its successors and assigns.

**SECTION 7.** That the abandonment and quitclaim provided for herein shall extend only to the public right, title, easement and interest, and shall be construed to extend only to that interest the Governing Body of the City of Dallas may legally and lawfully abandon and vacate.

**SECTION 8.** That as a condition of this abandonment and as a part of the consideration for the quitclaim to **GRANTEE** herein, **GRANTEE**, its successors and assigns, agree to indemnify, defend, release and hold harmless the City of Dallas as to any and all claims for damages, fines, penalties, costs or expenses to persons or property that may arise out of, or be occasioned by or from: (i) the use and occupancy of the area described in Exhibit A by **GRANTEE**, its successors and assigns; (ii) the presence, generation, spillage, discharge, release, treatment or disposition of any Hazardous Substance on or affecting the area set out in Exhibit A; (iii) all corrective actions concerning any discovered Hazardous Substances on or affecting the area described in Exhibit A, which **GRANTEE**, its successors and assigns, agree to undertake and complete in accordance with applicable federal, state and local laws and regulations; and (iv) the abandonment, closing, vacation and quitclaim by the City of Dallas of the area set out in Exhibit A. **GRANTEE**, its successors and assigns, hereby agree to defend any and all suits, claims, or causes of action brought against the City of Dallas on account of same, and discharge any judgment or judgments that may be rendered against the City of Dallas in connection therewith. For purposes hereof, "Hazardous Substance" means the following: (a) any "hazardous substances" under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq., as amended; (b) any "hazardous substance" under the Texas Hazardous Substances Spill Prevention and Control Act, TEX. WATER CODE, Section 26.261 et seq., as amended; (c) petroleum or petroleum-based products (or any derivative or hazardous constituents thereof or additives thereto), including without limitation, fuel and lubricating oils; (d) any "hazardous chemicals" or "toxic chemicals" under the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq., as amended; (e) any "hazardous waste" under the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., as amended; and (f) any "chemical substance" under the Toxic Substance Control Act, 15 U.S.C. Section 2601 et seq., as amended. References to particular acts or codifications in this definition

**SECTION 8.** (continued)

include all past and future amendments thereto, as well as applicable rules and regulations as now or hereafter promulgated thereunder.

**SECTION 9.** That the final replat showing two right-of-way dedications to the City of Dallas was filed of public record on December 11, 2000, recorded as Volume 2000239, Page 3383, Dallas County, Texas.

**SECTION 10.** That as a condition of this abandonment and as a part of the consideration for the quitclaim made herein, **GRANTEE** shall, immediately upon the passage of this ordinance, close, barricade and/or place signs in the area described in Exhibit A in accordance with detailed plans approved by the Director of Department of Public Works. **GRANTEE's** responsibility for keeping the area described in Exhibit A closed, barricaded and/or the signs in place shall continue until the street improvements and intersection returns are removed by **GRANTEE**, its successors and assigns, to the satisfaction of the Director of Department of Public Works.

**SECTION 11.** That the City Secretary is hereby authorized and directed to certify a copy of this ordinance for recordation in the official real property records of the county in which the abandonment area is located, which certified copy shall be delivered to the Director of Department of Public Works, or designee. Upon receipt of the monetary consideration set forth in Section 2, plus the fee for the publishing of this ordinance, which **GRANTEE** shall likewise pay, the Director of Department of Public Works, or designee: (i) shall deliver to **GRANTEE** a certified copy of this ordinance, and (ii) is authorized to and shall prepare and deliver a **QUITCLAIM DEED** with regard to the area abandoned herein, to **GRANTEE** hereunder, same to be executed by the City Manager on behalf of the City of Dallas, attested by the City Secretary and approved as to form by the City Attorney. The Director of Department of Public Works, or designee, shall be the sole source for receiving certified copies of this ordinance for one year after its passage.

**SECTION 12.** That this ordinance is also designated for City purposes as Contract No. DEV-2021-00016631.

**SECTION 13.** That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:  
CHRISTOPHER J. CASO,  
City Attorney

DR. ROBERT M. PEREZ, Director  
Department of Public Works

BY

  
Assistant City Attorney

BY

  
Assistant Director

Passed \_\_\_\_\_.

EXHIBIT A

FIELD NOTES DESCRIBING PART OF A 25-FOOT ALLEY TO BE ABANDONED IN BLOCK A/913.

ALL THAT certain lot, tract or parcel of land lying and being situated in the City and County of Dallas, Texas, more particularly described as follows:

BEING situated in the John Grigsby Survey, Abstract No. 495, Dallas County, Texas, and being part of a 25.0 foot wide alley in Block "A" of Middleton Bro's Subdivision, according to the map or plat thereof recorded in Volume 66, Page 216, Deed Records, Dallas County, Texas, and being in Block A/913, official City of Dallas numbers, and being more particularly described as follows:

COMMENCING at the east corner of Lot 14, Block A/913, same being the intersection of the northwest line of Beaumont Street (40.0-foot wide) with the southwest line of said alley;

THENCE northwestward along the common line of said alley and Lot 14, a distance of 8.05 feet to a point lying 28.0 feet perpendicularly distant northwest from the present centerline of Beaumont Street, said point being the POINT OF BEGINNING of the herein described tract;

THENCE continuing northwestward along the common line of said alley and Lot 14, a distance of 129.41 feet to a point for corner;

THENCE deflect right  $95^{\circ}13'35''$  and northeastward, along a line 10.0 feet perpendicularly distant southeast from and parallel with the northeastward extension of the northwest line of said Lot 14, a distance of 25.10 feet to a point in the northeast line of said alley;

THENCE deflect right  $84^{\circ}46'25''$  and southeastward along the common line of said 25.0-foot wide alley and Lots 4, 5 and 6, Block A/913, a distance of 129.97 feet to a point for corner;

THENCE deflect right  $96^{\circ}29'30''$  and southwestward along a line 28.00 feet perpendicularly distant northwest from and parallel with the present centerline of Beaumont Street, a distance of 25.16 feet to the place of beginning and containing approximately 3242 square feet of land.

GRD/mb  
1-5-89/0893S  
dk46

FIELD NOTES Q.R.

# EXHIBIT B

## ADDITIONAL ABANDONMENT PROVISIONS

That as a condition hereof, this abandonment is subject to any utilities or communication facilities, including without limitation water and wastewater lines, gas lines, and storm sewers, ("Facilities") presently located within the abandoned area described in Exhibit "A", owned and/or operated by the City of Dallas or any utility or communications company, public or private, ("Utility") and to the rights of any Utility for the use of the abandoned area for its Facilities. It is the intent of the foregoing to confirm and maintain and there is hereby reserved and excepted unto the City of Dallas, and not abandoned or conveyed hereunder, an easement (to which this abandonment is made expressly subject) over, upon, under, through, in, and across the abandoned area for each Utility for its respective Facilities located therein at the time of this abandonment, together with the right to make any subsequent alterations, additions, expansions, upgrades or modifications to such Facilities as may, from time to time be deemed necessary or convenient by the Utility owning and/or operating same. No buildings, structures (above or below ground) or trees shall be constructed or placed within the abandoned area without written consent of each affected Utility. Each Utility shall have the full right to remove and keep removed all or part of any buildings, fences, trees, or other improvements or growths which in any way may endanger or interfere with the construction, maintenance or efficiency of its respective Facilities lying within the abandoned area and shall at all times have the full right of ingress and egress to or from and upon the abandoned area for the purposes of reconstructing, removing, relocating, inspecting, patrolling, maintaining, expanding, upgrading, and/or adding to all or part of its Facilities without the necessity at any time of procuring the permission of anyone. The easement reserved hereunder and the conditions and restrictions to which this abandonment is subject shall remain for the benefit of the applicable Utility and/or operators of the Facilities until said Facilities are removed and relocated from the abandoned area. The relocation, removal or adjustment of any or all such Facilities, if made necessary by GRANTEE'S (whether one or more natural persons or legal entities) use of the abandonment area, shall be at the expense of GRANTEE herein, or GRANTEE'S successors and assigns. Should GRANTEE'S relocation or removal of the Facilities require the obtaining of new easements, the acquisition of same shall be at the expense of GRANTEE, GRANTEE'S successors and assigns. If any of the Facilities (or relocations thereof) are allowed to remain on any part of the abandoned area, the easements and buildings restrictions provided herein shall remain thereon. Upon removal or relocation of all of the Facilities, any easements reserved or created herein relating to such removed or relocated Facilities shall terminate, and any building restrictions herein created shall cease.



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1489

**Item #:** 18.

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**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 13

**DEPARTMENT:** Department of Public Works

**EXECUTIVE:** Majed Al-Ghafry

---

### **SUBJECT**

An ordinance abandoning a portion of a floodway easement to The Hockaday School, the abutting owner, containing approximately 75,584 square feet of land, located near the intersection of Forest Lane and Welch Road; and providing for the dedication of approximately 70,039 square feet of land needed for a drainage easement - Revenue: General Fund \$5,400.00, plus the \$20.00 ordinance publication fee

### **BACKGROUND**

This item authorizes the abandonment of a portion of a floodway easement to The Hockaday School, the abutting owner, containing approximately 75,584 square feet of land. The area will be included with the property of the abutting owner to construct an addition to an existing private charter school. The owner will dedicate approximately 70,039 square feet of land needed for a drainage easement. The cost for this abandonment is the minimum processing fee pursuant to the Dallas City Code, therefore, no appraisal is required.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

### **FISCAL INFORMATION**

Revenue: General Fund \$5,400.00, plus the \$20.00 ordinance publication fee

### **OWNER**

**The Hockaday School**

Talley Dunn, President

**MAP**

Attached





**ORDINANCE NO. \_\_\_\_\_**

An ordinance providing for the abandonment and relinquishment of a portion of a floodway easement, located in City Block A/6387 in the City of Dallas and County of Dallas, Texas, providing for the quitclaim thereof to The Hockaday School; providing for the terms and conditions of the abandonment, relinquishment and quitclaim made herein; providing for the conveyance of needed land to the City of Dallas; providing for the indemnification of the City of Dallas against damages arising out of the abandonment herein; providing for the consideration to be paid to the City of Dallas; providing a future effective date for the abandonment, relinquishment and quitclaim made herein; providing for the payment of the publication fee; and providing an effective date for this ordinance.

**ooo0ooo**

**WHEREAS**, the City Council of the City of Dallas, acting pursuant to law and upon the request and petition of The Hockaday School, a Texas nonprofit corporation, hereinafter referred to as **GRANTEE**, deems it advisable to abandon, relinquish and quitclaim the City of Dallas' right, title and interest in and to the hereinafter described tract of land to **GRANTEE**, and is of the opinion that, subject to the terms and conditions herein provided, said portion of floodway easement is no longer needed for municipal use, and same should be abandoned, relinquished and quitclaimed to **GRANTEE** as hereinafter provided, for the consideration hereinafter stated; and

**WHEREAS**, the City Council of the City of Dallas is of the opinion that the best interest and welfare of the City will be served by abandoning, relinquishing and quitclaiming the same to **GRANTEE** for the consideration and subject to the terms and conditions hereinafter more fully set forth.

**Now, Therefore,**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**SECTION 1.** That the City of Dallas hereby abandons and relinquishes all of its right, title and interest in and to the tract of land described in Exhibit A, attached hereto and made

**SECTION 1.** (continued)

a part hereof; subject, however, to the conditions and future effective date hereinafter more fully set out.

**SECTION 2.** That for and in monetary consideration of the sum of **FIVE THOUSAND FOUR HUNDRED AND NO/100 (\$5,400.00) DOLLARS** paid by **GRANTEE**, and the further consideration described in Sections 8 and 9, the City of Dallas does by these presents **FOREVER QUITCLAIM** unto the said **GRANTEE**, subject to the conditions, reservations, future effective date and exceptions hereinafter made and with the restrictions and upon the covenants below stated, all its right, title and interest in and to the certain tract or parcel of land hereinabove described in Exhibit A. **TO HAVE AND TO HOLD** all of such right, title and interest in and to the property and premises, subject aforesaid, together with all and singular the rights, privileges, hereditaments and appurtenances thereto in any manner belonging unto the said **GRANTEE** forever.

**SECTION 3.** That upon payment of the monetary consideration set forth in Section 2, **GRANTEE** accepts the terms, provisions, future effective date and conditions of this ordinance.

**SECTION 4.** That the Chief Financial Officer is authorized to deposit the sum paid by **GRANTEE** pursuant to Section 2 above in the General Fund, Fund 0001, Department PBW, Balance Sheet 0519 and Department of Public Works - Real Estate Division shall be reimbursed for the cost of obtaining the legal description, appraisal and other administrative costs incurred. The reimbursement proceeds shall be deposited in General Fund, Fund 0001, Department PBW, Unit 1181, Object 5011 and any remaining proceeds shall be transferred to the General Capital Reserve Fund, Fund 0625, Department BMS, Unit 8888, Revenue Code 8416.

**SECTION 5.** That the abandonment, relinquishment and quitclaim provided for herein are made subject to all present zoning and deed restrictions, if the latter exist, and are subject to all existing easement rights of others, if any, whether apparent or non-apparent, aerial, surface, underground or otherwise.

**SECTION 6.** That the terms and conditions contained in this ordinance shall be binding upon **GRANTEE**, its successors and assigns.

**SECTION 7.** That the abandonment, relinquishment and quitclaim provided for herein shall extend only to that interest the Governing Body of the City of Dallas may legally and lawfully abandon, relinquish and quitclaim.

**SECTION 8.** That as a condition of this abandonment and as a part of the consideration for the quitclaim to **GRANTEE** herein, **GRANTEE**, its successors and assigns, agree to indemnify, defend, release and hold harmless the City of Dallas as to any and all claims for damages, fines, penalties, costs or expenses to persons or property that may arise out of, or be occasioned by or from: (i) the use and occupancy of the area described in Exhibit A by **GRANTEE**, its successors and assigns; (ii) the presence, generation, spillage, discharge, release, treatment or disposition of any Hazardous Substance on or affecting the area set out in Exhibit A, (iii) all corrective actions concerning any discovered Hazardous Substances on or affecting the area described in Exhibit A, which **GRANTEE**, its successors and assigns agree to undertake and complete in accordance with applicable federal, state and local laws and regulations; and (iv) the abandonment, closing, vacation and quitclaim by the City of Dallas of the area set out in Exhibit A. **GRANTEE**, its successors and assigns hereby agree to defend any and all suits, claims, or causes of action brought against the City of Dallas on account of same, and discharge any judgment or judgments that may be rendered against the City of Dallas in connection therewith. For purposes hereof, "Hazardous Substance" means the following: (a) any "hazardous substances" under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq., as amended; (b) any "hazardous substance" under the Texas Hazardous Substances Spill Prevention and Control Act, TEX. WATER CODE, Section 26.261 et seq., as amended; (c) petroleum or petroleum-based products (or any derivative or hazardous constituents thereof or additives thereto), including without limitation, fuel and lubricating oils; (d) any "hazardous chemicals" or "toxic chemicals" under the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq., as amended; (e) any "hazardous waste" under the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., as amended; and (f) any "chemical substance" under the Toxic Substance Control Act, 15 U.S.C. Section 2601 et seq., as amended. References to particular acts or codifications in this definition

**SECTION 8.** (continued)

include all past and future amendments thereto, as well as applicable rules and regulations as now or hereafter promulgated thereunder.

**SECTION 9.** That the abandonment, relinquishment and quitclaim made herein shall be subject to **GRANTEE** conveying property to the City of Dallas by drainage easement for drainage purposes, within 90 days of the effective date of this ordinance, in, under, through, across and along certain properties located in City Block A/6387 as part of the consideration for the property herein abandoned by the City of Dallas and QUITCLAIMED to the **GRANTEE**. Said property to be conveyed shall be acceptable to the Director of Department of Public Works of the City of Dallas and contain approximately 70,039 square feet of land, a description is attached hereto and made a part hereof as Exhibit B. Failure to convey the above described easement as set forth shall render this ordinance null and void and of no further effect.

**SECTION 10.** That at such time as the instrument described in Section 9 above is executed and delivered to the City of Dallas and has been approved as to form by the City Attorney it be accepted, and thereafter, the Director of Department of Public Works is authorized and directed to record said instrument in the Deed Records of Dallas County, Texas; and the recorded instrument shall be forwarded to the City Secretary for permanent record.

**SECTION 11.** That the City Secretary is hereby authorized and directed to certify a copy of this ordinance for recordation in the Deed Records of Dallas County, Texas, which certified copy shall be delivered to the Director of Department of Public Works, or designee. Upon receipt of the monetary consideration set forth in Section 2, plus the fee for the publishing of this ordinance, which **GRANTEE** shall likewise pay, and completion of the dedication set forth in Section 9, the Director of Department of Public Works, or designee shall deliver to **GRANTEE** a certified copy of this ordinance. The Director of Department of Public Works, or designee, shall be the sole source for receiving certified copies of this ordinance for one year after its passage.

**SECTION 12.** That this ordinance is also designated for City purposes as Contract No. DEV-2021-00015725.

**SECTION 13.** That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:  
CHRISTOPHER J. CASO,  
City Attorney

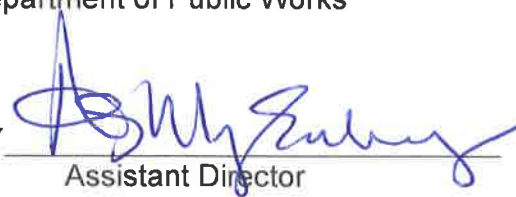
Dr. Robert M. Perez, Director  
Department of Public Works

BY



Assistant City Attorney

BY



Assistant Director

Passed \_\_\_\_\_

**FLOODWAY EASEMENT  
ABANDONMENT  
LOT 1, BLOCK A/6387  
HOCKADAY SCHOOL ADDITION  
JOHN C. McCOY SURVEY, ABSTRACT NO. 913  
CITY OF DALLAS, DALLAS COUNTY, TEXAS**

Being a 75,584 square foot (1.7352 acre) tract of land situated in the John C. McCoy Survey, Abstract No. 913, City of Dallas, Dallas County, Texas, being a part of Lot 1, Block A/6387, Hockaday School, an addition to the City of Dallas, according to the plat recorded in Volume 2000220, Page 90, Deed Records, Dallas County, Texas, and being a part of a tract of land described in a Deed to The Hockaday School, recorded in Volume 5108, Page 222, Deed Records, Dallas County, Texas, and being more particularly described as follows:

**COMMENCING** at a brass disk found at the intersection of the south right-of-way line of Forest Lane (a 90-foot right-of-way, Volume 4245, Page 354, Volume 468, Page 46, Volume 1549, Page 510, all in Deed Records, Dallas County, Texas) and the west right-of-way line of Welch Road a (60-foot right-of-way, Volume 2011, Page 524. Deed Records, Dallas County, Texas), for the northwest corner of said Lot 1;

**THENCE** along the common line between said Lot 1 and said Forest Lane, the following courses and distances:

North 89°15'11" East, a distance of 1015.67 feet to the **POINT OF BEGINNING**;

North 89°15'11" East, a distance of 65.00 feet to a point, from which a brass disk found for the northeast corner of said Lot 1 bears North 89°15'11" East a distance of 2,290.34 feet being at the intersection of the south right-of-way line of said Forest Lane and the west right-of-way line of Inwood Road (a variable width right-of-way, by use and occupation, no recording information found);

**THENCE** over and across said Lot 1, the following courses and distances:

South 33°46'34" East, a distance of 305.01 feet to a point, from which a Floodway Monument found bears South 40°13'39" West a distance of 0.72 feet;

South 52°38'23" East, a distance of 267.00 feet to a point;

South 65°19'47" East, a distance of 194.00 feet to a point;

South 40°56'40" East, a distance of 333.00 feet to a point, from which a Floodway Monument found bears South 58°26'05" East a distance of 0.57 feet;

South 30°08'51" East, a distance of 288.00 feet to a 3-1/4" aluminum disk stamped "Raymond L. Goodson Jr. Inc" and "FLOODWAY MONUMENT DO NOT DISTURB" on a 1/2" iron rod set (N:7016898.99, E:2483112.30);

|                     |                |
|---------------------|----------------|
| (For SPRG use only) |                |
| Reviewed By:        | <u>G.S.</u>    |
| Date:               | <u>5-13-21</u> |
| SPRG NO.:           | <u>5535</u>    |



**FLOODWAY EASEMENT  
ABANDONMENT  
LOT 1, BLOCK A/6387  
HOCKADAY SCHOOL ADDITION  
JOHN C. McCOY SURVEY, ABSTRACT NO. 913  
CITY OF DALLAS, DALLAS COUNTY, TEXAS**

South 43°30'19" West, a distance of 102.47 feet to a 3-1/4" aluminum disk stamped "Raymond L. Goodson Jr. Inc" and "FLOODWAY MONUMENT DO NOT DISTURB" on a 1/2" iron rod set (N:7016824.68, E:2483041.77);

North 25°43'57" West, a distance of 320.00 feet to a point, from which a Floodway Monument found bears North 79°21'10" East a distance of 0.61 feet;

North 34°46'51" West, a distance of 303.00 feet to a point;

North 65°10'56" West, a distance of 209.00 feet to a point, from which a Floodway Monument found bears North 06°18'10" West a distance of 1.17 feet;

North 49°26'07" West, a distance of 265.80 feet to a point, from which a Floodway Monument found bears North 10°15'17" East a distance of 0.86 feet;

North 37°50'41" West, a distance of 345.54 feet to the **POINT OF BEGINNING**, containing 75,584 square feet or 1.7352 acres of land, more or less.

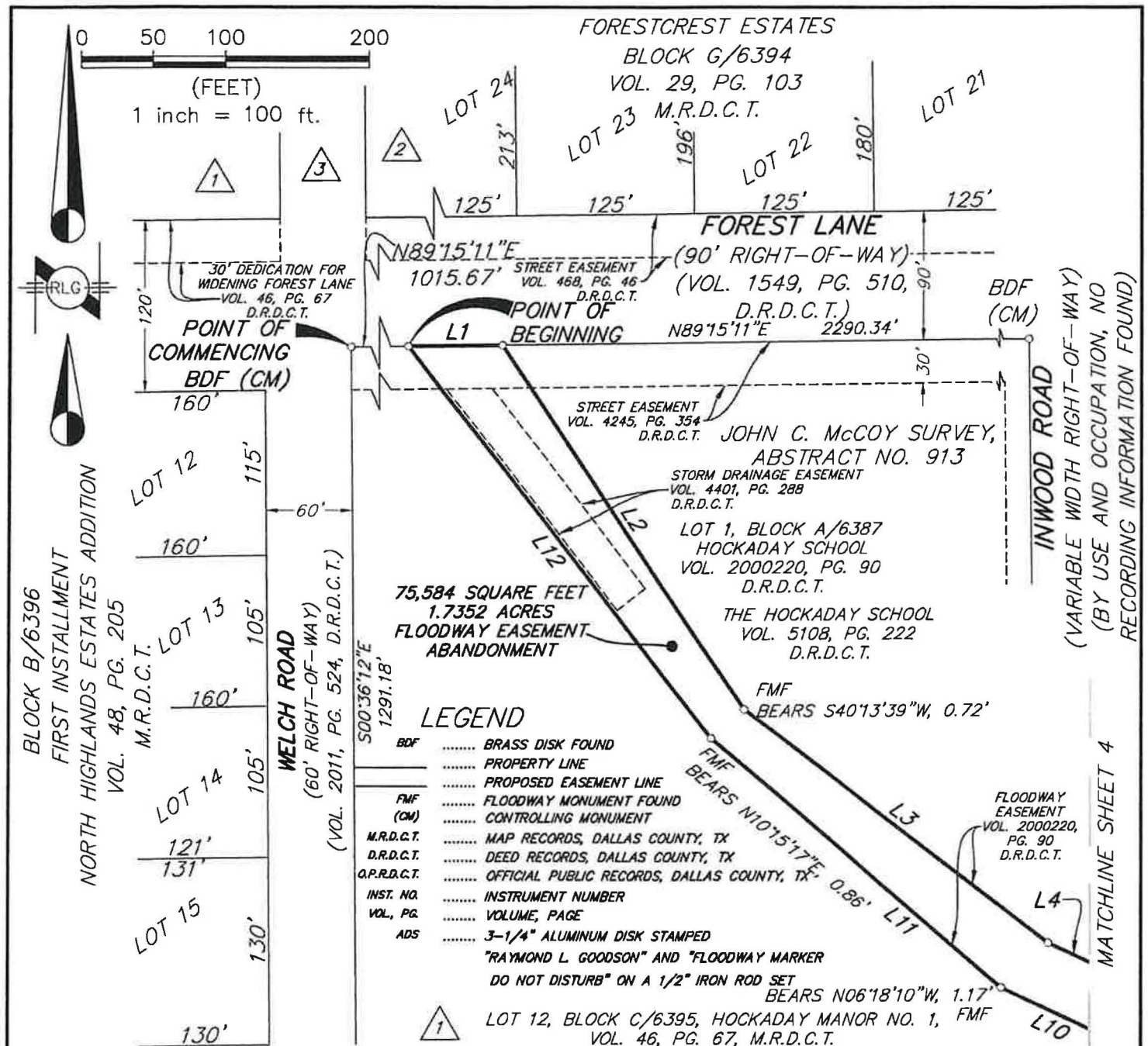
Basis of Bearings: State Plane Coordinate System, Texas North Central Zone 4202, North American Datum of 1983, Adjustment Realization 2011.

Brian R. Wade, RPLS No. 6098  
10/7/2020  
Revised: 02/23/2021  
Revised: 04/07/2021  
Revised: 04/27/2021



|                     |                |
|---------------------|----------------|
| (For SPRG use only) |                |
| Reviewed By:        | <u>G.S.</u>    |
| Date:               | <u>5-13-21</u> |
| SPRG NO.:           | <u>5535</u>    |





BASIS OF BEARINGS: STATE PLANE  
COORDINATE SYSTEM, TEXAS NORTH  
CENTRAL ZONE 4202, NORTH AMERICAN  
DATUM OF 1983, ADJUSTMENT REALIZATION  
2011.

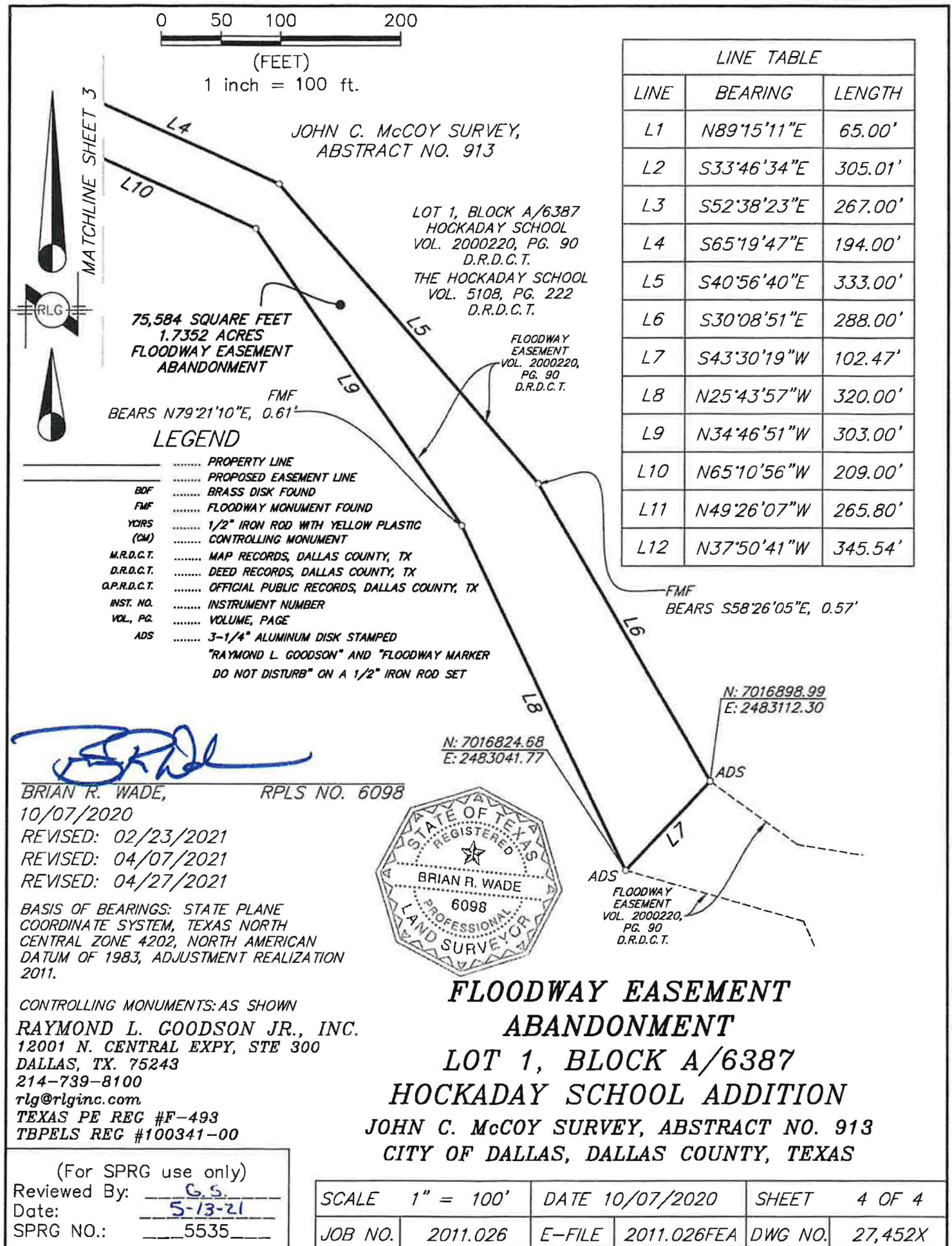
CONTROLLING MONUMENTS: AS SHOWN

RAYMOND L. GOODSON JR., INC.  
12001 N. CENTRAL EXPY, STE 300  
DALLAS, TX. 75243  
214-739-8100  
rlg@rlginc.com  
TEXAS PE REG #F-493  
TBPELS REG #100341-00

(For SPRG use only)

Reviewed By: G.S.  
Date: 5-13-21  
SPRG NO.: 5535

|         |           |        |             |         |         |
|---------|-----------|--------|-------------|---------|---------|
| SCALE   | 1" = 100' | DATE   | 10/07/2020  | SHEET   | 3 OF 4  |
| JOB NO. | 2011.026  | E-FILE | 2011.026FEA | DWG NO. | 27,452X |





**DRAINAGE EASEMENT  
LOT 1, BLOCK A/6387  
HOCKADAY SCHOOL ADDITION  
JOHN C McCOY SURVEY, ABSTRACT NO. 913  
CITY OF DALLAS, DALLAS COUNTY, TEXAS**

Being a 70,039 square foot (1.6079 acre) tract of land situated in the John C. McCoy Survey, Abstract No. 913, City of Dallas, Dallas County, Texas, being a part of Lot 1, Block A/6387, Hockaday School, an addition to the City of Dallas, according to the plat recorded in Volume 2000220, Page 90, Deed Records, Dallas County, Texas, and being a part of a tract of land described in a Deed to The Hockaday School, recorded in Volume 5108, Page 222, Deed Records, Dallas County, Texas, and being more particularly described as follows:

**COMMENCING** at a brass disk found at the intersection of the south right-of-way line of Forest Lane (a 90-foot right-of-way, Volume 4245, Page 354, Volume 1549, Page 510, Volume 468, Page 46, all in Deed Records, Dallas County, Texas) and the west right-of-way line of Welch Road a (60-foot right-of-way, Volume 2011, Page 524, Deed Records, Dallas County, Texas), for the northwest corner of said Lot 1;

**THENCE** along the north line of said Lot 1, the following courses and distances:

North 89°15'11" East, a distance of 1003.67 feet to a chiseled "X" in concrete set for the **POINT OF BEGINNING**;

North 89°15'11" East, a distance of 42.43 feet to a chiseled "X" set, from which a brass disk found for the northeast corner of said Lot 1 bears North 89° 15' 10" East a distance of 2,324.93 feet being at the intersection of the south right-of-way line of said Forest Lane and the west right-of-way line of Inwood Road (a variable width right-of-way, by use and occupation, no recording information found);

**THENCE** over and across said Lot 1, the following courses and distances:

South 45°44'50" East, a distance of 107.06 feet to a 1/2" iron rod with yellow plastic cap stamped "RLG INC" set;

North 89°22'44" East, a distance of 1,247.60 feet to a 1/2" iron rod with yellow plastic cap stamped "RLG INC" set;

South 45°00'00" East, a distance of 65.24 feet to a 1/2" iron rod with yellow plastic cap stamped "RLG INC" set;

South 00°00'00" East, a distance of 829.64 feet to a 1/2" iron rod with yellow plastic cap stamped "RLG INC" set;

South 60°00'00" East, a distance of 65.42 feet to a point (unable to monument, point lands in creek);

(For SPRG use only)

Reviewed By: G. S.

Date: 5-13-21

SPRG NO.: 5536

**DRAINAGE EASEMENT  
LOT 1, BLOCK A/6387  
HOCKADAY SCHOOL ADDITION  
JOHN C McCOY SURVEY, ABSTRACT NO. 913  
CITY OF DALLAS, DALLAS COUNTY, TEXAS**

South 30°00'00" West, a distance of 30.00 feet to a 1/2" iron rod with yellow plastic cap stamped "RLG INC" set;

North 60°00'00" West, a distance of 82.74 feet to a 1/2" iron rod with yellow plastic cap stamped "RLG INC" set;

North 00°00'00" East, a distance of 834.53 feet to a 1/2" iron rod with yellow plastic cap stamped "RLG INC" set;

North 45°00'00" West, a distance of 40.20 feet to a 1/2" iron rod with yellow plastic cap stamped "RLG INC" set;

South 89°22'44" West, a distance of 1247.37 feet to a 1/2" iron rod with yellow plastic cap stamped "RLG INC" set;

North 45°44'50" West, a distance of 149.45 feet to the **POINT OF BEGINNING**, containing 70,039 square feet or 1.6079 acres of land, more or less.

Basis of Bearings: State Plane Coordinate System, Texas North Central Zone 4202, North American Datum of 1983, Adjustment Realization 2011.

Brian R. Wade, RPLS No. 6098  
10/7/2020  
Revised: 02/23/2021  
Revised: 04/07/2021  
Revised: 04/27/2021



(For SPRG use only)

Reviewed By: G.S.  
Date: 5-13-21  
SPRG NO.: 5536



**\*\*NOTE:**  
SEE SHEET  
5 OF 6  
FOR DELTA  
INFORMATION\*\*

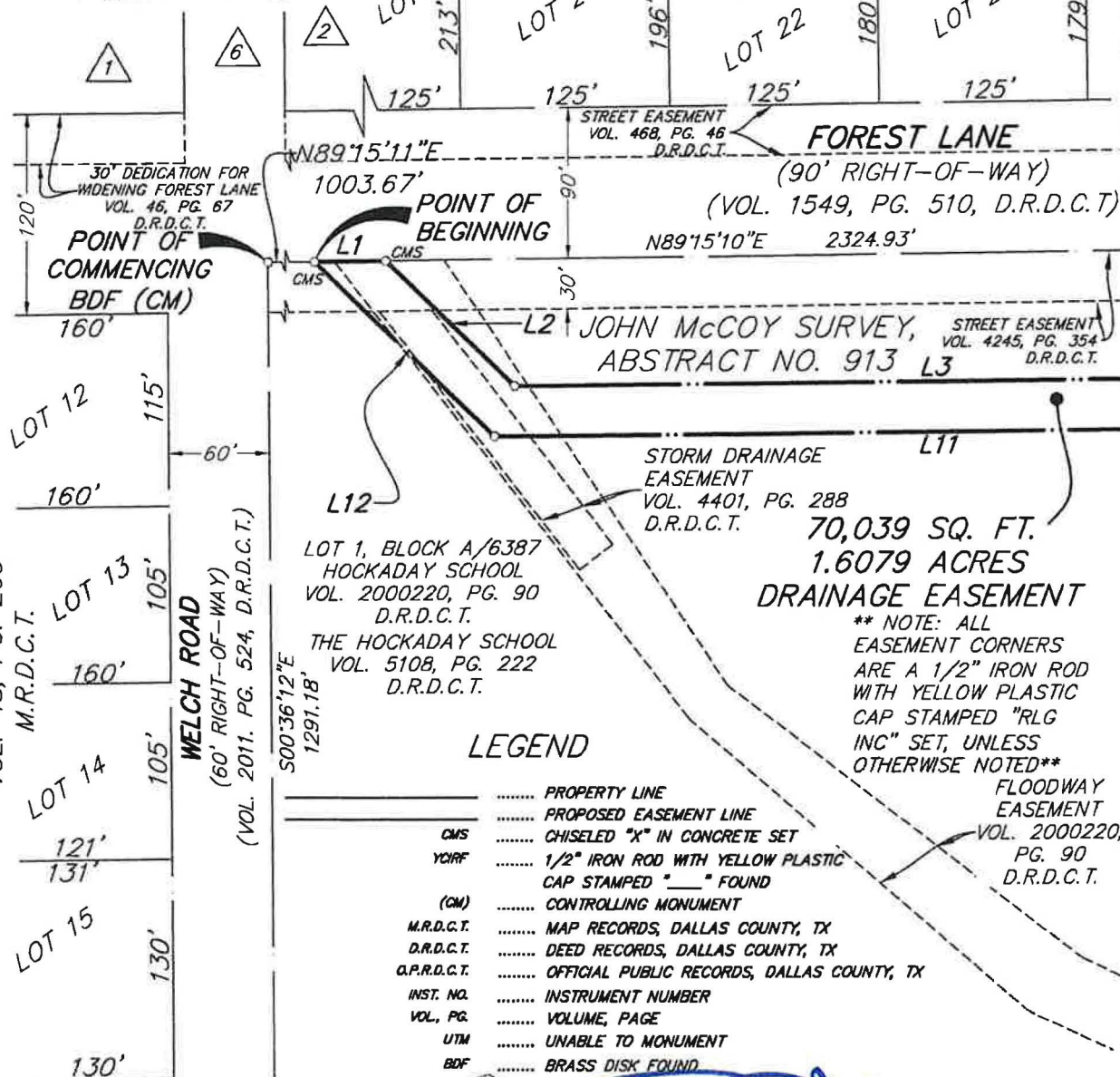
0 50 100 200  
(FEET)  
1 inch = 100 ft.

FORESTCREST ESTATES

BLOCK G/6394

VOL. 29, PG. 103

M.R.D.C.T.



## LEGEND

- ..... PROPERTY LINE
- ..... PROPOSED EASEMENT LINE
- ..... CHISELED "X" IN CONCRETE SET
- ..... 1/2" IRON ROD WITH YELLOW PLASTIC CAP STAMPED " " FOUND
- ..... CONTROLLING MONUMENT
- ..... M.R.D.C.T. MAP RECORDS, DALLAS COUNTY, TX
- ..... D.R.D.C.T. DEED RECORDS, DALLAS COUNTY, TX
- ..... O.P.R.D.C.T. OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TX
- ..... INST. NO. INSTRUMENT NUMBER
- ..... VOL., PG. VOLUME, PAGE
- ..... UTM UNABLE TO MONUMENT
- ..... BDF BRASS DISK FOUND

70,039 SQ. FT.  
1.6079 ACRES  
DRAINAGE EASEMENT

**\*\* NOTE: ALL  
EASEMENT CORNERS  
ARE A 1/2" IRON ROD  
WITH YELLOW PLASTIC  
CAP STAMPED "RLG  
INC" SET, UNLESS  
OTHERWISE NOTED\*\***

FLOODWAY  
EASEMENT  
VOL. 2000220,  
PG. 90  
D.R.D.C.T.

BASIS OF BEARINGS: STATE PLANE  
COORDINATE SYSTEM, TEXAS NORTH  
CENTRAL ZONE 4202, NORTH AMERICAN  
DATUM OF 1983, ADJUSTMENT REALIZATION  
2011.

CONTROLLING MONUMENTS: AS SHOWN

RAYMOND L. GOODSON JR., INC.  
12001 N. CENTRAL EXPY, STE 300  
DALLAS, TX. 75243  
214-739-8100  
rlg@rlginc.com  
TEXAS PE REG #F-493  
TBPELS REG #100341-00



BRIAN R. WADE,

RPLS NO. 6098

10/07/2020

REVISED: 02/23/2021

REVISED: 04/07/2021

REVISED: 04/27/2021

## DRAINAGE EASEMENT

LOT 1, BLOCK A/6387

HOCKADAY SCHOOL ADDITION

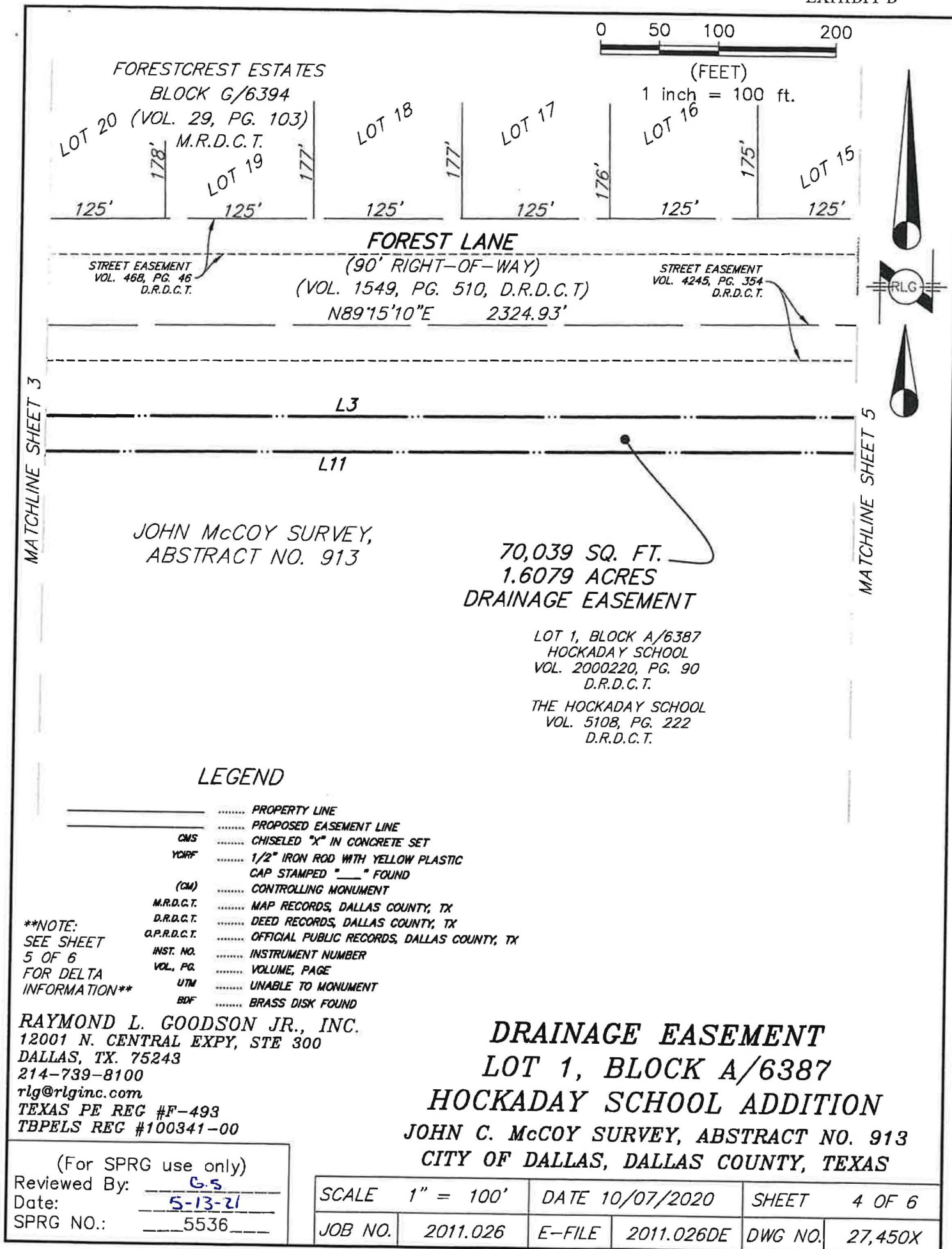
JOHN C. McCOY SURVEY, ABSTRACT NO. 913

CITY OF DALLAS, DALLAS COUNTY, TEXAS

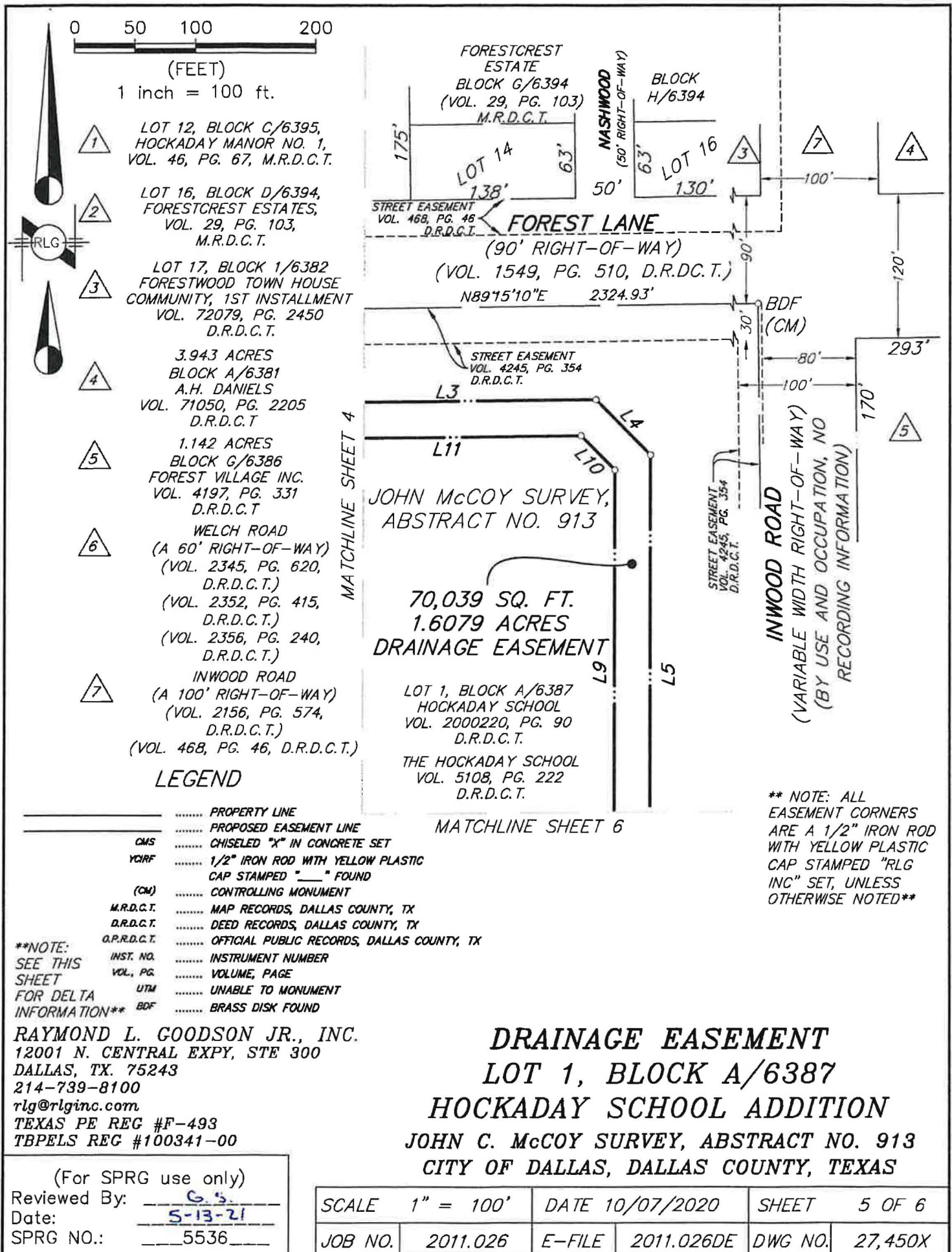
(For SPRG use only)

Reviewed By: 65Date: 5-13-21SPRG NO.: 5536

|         |           |        |            |         |         |
|---------|-----------|--------|------------|---------|---------|
| SCALE   | 1" = 100' | DATE   | 10/07/2020 | SHEET   | 3 OF 6  |
| JOB NO. | 2011.026  | E-FILE | 2011.026DE | DWG NO. | 27,450X |







0 50 100 200

(FEET)

1 inch = 100 ft.

MATCHLINE SHEET 5

JOHN McCOY SURVEY,  
ABSTRACT NO. 91370,039 SQ. FT.  
1.6079 ACRES  
DRAINAGE EASEMENTLOT 1, BLOCK A/6387  
HOCKADAY SCHOOL  
VOL. 2000220, PG. 90  
D.R.D.C.T.THE HOCKADAY SCHOOL  
VOL. 5108, PG. 222  
D.R.D.C.T.FLOODWAY  
EASEMENT  
VOL. 2000220,  
PG. 90  
D.R.D.C.T.\*\*NOTE:  
SEE SHEET  
5 OF 6  
FOR DELTA  
INFORMATION\*\*\*\* NOTE: ALL  
EASEMENT CORNERS  
ARE A 1/2" IRON ROD  
WITH YELLOW PLASTIC  
CAP STAMPED "RLG  
INC" SET, UNLESS  
OTHERWISE NOTED\*\*RAYMOND L. GOODSON JR., INC.  
12001 N. CENTRAL EXPY, STE 300  
DALLAS, TX. 75243  
214-739-8100  
rlg@rlginc.com  
TEXAS PE REG #F-493  
TBPELS REG #100341-00

(For SPRG use only)

Reviewed By: G.S.  
Date: 5-13-21  
SPRG NO.: 5536

| LINE TABLE |             |          |
|------------|-------------|----------|
| LINE       | BEARING     | LENGTH   |
| L1         | N89°15'11"E | 42.43'   |
| L2         | S45°44'50"E | 107.06'  |
| L3         | N89°22'44"E | 1247.60' |
| L4         | S45°00'00"E | 65.24'   |
| L5         | S00°00'00"E | 829.64'  |
| L6         | S60°00'00"E | 65.42'   |
| L7         | S30°00'00"W | 30.00'   |
| L8         | N60°00'00"W | 82.74'   |
| L9         | N00°00'00"E | 834.53'  |
| L10        | N45°00'00"W | 40.20'   |
| L11        | S89°22'44"W | 1247.37' |
| L12        | N45°44'50"W | 149.45'  |

## LEGEND

|              |   |
|--------------|---|
| .....        | PROPERTY LINE   |
| .....        | PROPOSED EASEMENT LINE  |
| CMS          | CHISELED "X" IN CONCRETE SET                                  |
| YDIRF        | 1/2" IRON ROD WITH YELLOW PLASTIC<br>CAP STAMPED "____" FOUND |
| (CM)         | CONTROLLING MONUMENT  |
| M.R.D.C.T.   | MAP RECORDS, DALLAS COUNTY, TX                                |
| D.R.D.C.T.   | DEED RECORDS, DALLAS COUNTY, TX                               |
| O.P.R.D.C.T. | OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TX                    |
| INST. NO.    | INSTRUMENT NUMBER   |
| VOL., PG.    | VOLUME, PAGE  |
| UTM          | UNABLE TO MONUMENT  |
| BDF          | BRASS DISK FOUND  |

# DRAINAGE EASEMENT LOT 1, BLOCK A/6387 HOCKADAY SCHOOL ADDITION JOHN C. McCOY SURVEY, ABSTRACT NO. 913 CITY OF DALLAS, DALLAS COUNTY, TEXAS

|         |           |        |            |         |         |
|---------|-----------|--------|------------|---------|---------|
| SCALE   | 1" = 100' | DATE   | 10/07/2020 | SHEET   | 6 OF 6  |
| JOB NO. | 2011.026  | E-FILE | 2011.026DE | DWG NO. | 27,450X |





## Agenda Information Sheet

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**File #:** 21-1867

**Item #:** 19.

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**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Library  
**EXECUTIVE:** Joey Zapata

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### **SUBJECT**

An ordinance amending Chapter 24, "Library," of the Dallas City Code, by amending Sec.24-3; providing that all students or teachers at any educational institution located in the city are exempt from nonresident user fees - Financing: No cost consideration to the City

### **BACKGROUND**

The Dallas Public Library continues striving towards more equitable access. Its mission is to make information and materials free and accessible to all residents. Whether helping to close the digital divide by offering free Wi-Fi access, helping immigrants learn English, offering free citizenship classes, helping to close the reading gap by providing early literacy programs, or simply loaning books; libraries ensure that all residents can overcome barriers to learning, growing, and strengthening their communities.

Under city code, currently non-resident library cards are only available to "a student or teacher in a public elementary or secondary school located in the city of Dallas." This ordinance limits who can use the numerous services offered by the Dallas Public Library. By amending the ordinance, those eligible for a Dallas Public Library card will extend to anyone who attends an educational institution in the City of Dallas. This increases access to services and resources provided by the library and promotes equity in access to City resources while also further supporting a service first approach.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

The Quality of Life, Arts & Culture Committee was briefed on the "Dallas Public Library Services Update" on August 16, 2021.

### **FISCAL INFORMATION**

No cost consideration to the City.

ORDINANCE NO. \_\_\_\_\_

An ordinance amending Chapter 24, “Library,” of the Dallas City Code by amending Section 24-3; providing that all students or teachers at any educational institution located in the city are exempt from nonresident user fees; providing a penalty not to exceed \$500; providing a saving clause; providing a severability clause; and providing an effective date.

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

SECTION 1. That Paragraph (2) of Subsection (c), “Nonresident User Fees,” of Section 24-3, “Public Library Fees and Charges,” of Article I, “In General,” of Chapter 24, “Library,” of the Dallas City Code is amended to read as follows:

“(2) The following nonresidents are exempt from the fees established by this subsection:

- (A) a city of Dallas employee;
- (B) an active volunteer for the city of Dallas public library system;
- (C) all [a] students or teachers in any educational institution [~~a public elementary or secondary school~~] located in the city of Dallas;
- (D) a person participating in the TexShare Card program, but only for items and services covered by that program; and
- (E) any other person exempted by city council resolution.”

SECTION 2. That a person violating a provision of this ordinance, upon conviction, is punishable by a fine not to exceed \$500.

SECTION 3. That Chapter 24 of the Dallas City Code shall remain in full force and effect, save and except as amended by this ordinance.

SECTION 4. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

SECTION 5. That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

CHRISTOPHER J. CASO, City Attorney

By \_\_\_\_\_  
Assistant City Attorney

Passed \_\_\_\_\_



## Agenda Information Sheet

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**File #:** 21-1649

**Item #:** 20.

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Office of Economic Development

**EXECUTIVE:** Dr. Eric A. Johnson

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### **SUBJECT**

Authorize **(1)** the transfer of \$500,000.00 from the Grand Park South TIF District Fund to the Transportation Special Projects Fund to implement a public street lighting improvement project in Tax Increment Financing Reinvestment Zone Number Thirteen (Grand Park South TIF District); **(2)** an increase in appropriations in an amount not to exceed \$500,000.00 in the Transportation Special Projects Fund; and **(3)** the disbursement of funds in an amount not to exceed \$500,000.00 from the Transportation Special Projects Fund - Not to exceed \$500,000.00 - Financing: Grand Park South TIF District Fund

### **BACKGROUND**

In 2019, the Mayor's Task Force on Safe Communities released a report detailing recommended strategies aimed at reducing violent crime in Dallas. One of the report's recommended strategies was improving public safety by increasing outdoor lighting of public areas.

Beginning in fiscal year 2020-2021, the City began to align public street lighting efforts across multiple departments including the Department of Transportation, Department of Public Works, Office of Data Analytics and Business Intelligence, Police Department, and the newly created Office of Integrated Public Safety Solutions (OIPSS). These coordinated efforts also aim to optimize and leverage funding from a variety of sources including City general obligation bond funds, City general funds, City TIF funds, County MCIP funds, and federal CARES Act funds. A geospatial analysis tool was developed to identify areas called Priority Improvement Zones with the most immediate public street lighting needs. These zones were developed using several factors which align the economic, equity, and safety focus areas of multiple departments. Priority Improvement Zones represent a collaborative and comprehensive approach to enhancing City-focused and data-driven decision-making by guiding safety and investment strategies.

Based on the efforts and analysis described above, a project scope and priority lighting locations have been identified in the Grand Park South TIF District as follows:

- Conversion to light-emitting diode (LED) of approximately 36 fixtures on City-owned historic-style poles on Park Row Avenue (generally between South Malcolm X Boulevard and Interstate-45) and on South Boulevard (generally between South Malcolm X Boulevard and Interstate-45).
- Installation of approximately 40 new City LED lights with historic-style poles on South Boulevard (generally between South Malcolm X Boulevard and Meadow Street), on Park Row Avenue (generally between South Malcolm X Boulevard and Jeffries Street), on Jeffries Street (generally between Al Lipscomb Way and Martin Luther King Jr. Boulevard), and on Meadow Street (generally between Al Lipscomb Way and Martin Luther King Jr. Boulevard).

The City's Transportation Department will implement this public street lighting improvement project through a service price agreement with Highway Intelligent Traffic Solutions, Inc. that was authorized in May 2020 by City Council Resolution 20-0821.

Within the Grand Park South TIF District Project Plan and Reinvestment Zone Financing Plan (the "Plan"), public street lighting improvements are an eligible expenditure under the "Infrastructure Improvements" budget category. On June 3, 2021, the Grand Park South TIF District Board of Directors reviewed this project and recommended City Council approval.

#### **ESTIMATED SCHEDULE OF PROJECT**

|                       |                |
|-----------------------|----------------|
| Begin Construction    | November 2021  |
| Complete Construction | September 2022 |

#### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On October 26, 2005, City Council held a public hearing and authorized the establishment of Tax Increment Financing Reinvestment Zone Number Thirteen, the Grand Park South TIF District by Resolution No. 05-3066; Ordinance No. 26147, as amended.

On June 13, 2007, City Council authorized the Final Project Plan and Reinvestment Zone Financing Plan for the Grand Park South TIF District by Resolution No. 07-1738; Ordinance No. 26773.

On June 3, 2021, the Grand Park South TIF District Board of Directors reviewed a request by the City's Transportation Department in an amount not to exceed \$500,000.00 for a public street lighting improvement project and recommended City Council approval.

[The Transportation and Infrastructure Committee was briefed by memorandum regarding this matter on September 20, 2021.](#)

#### **FISCAL INFORMATION**

| Fund                      | FY 2022      | FY 2023 | Future Years |
|---------------------------|--------------|---------|--------------|
| Grand Park South TIF Fund | \$500,000.00 | \$0.00  | \$0.00       |

**MAP**

Attached

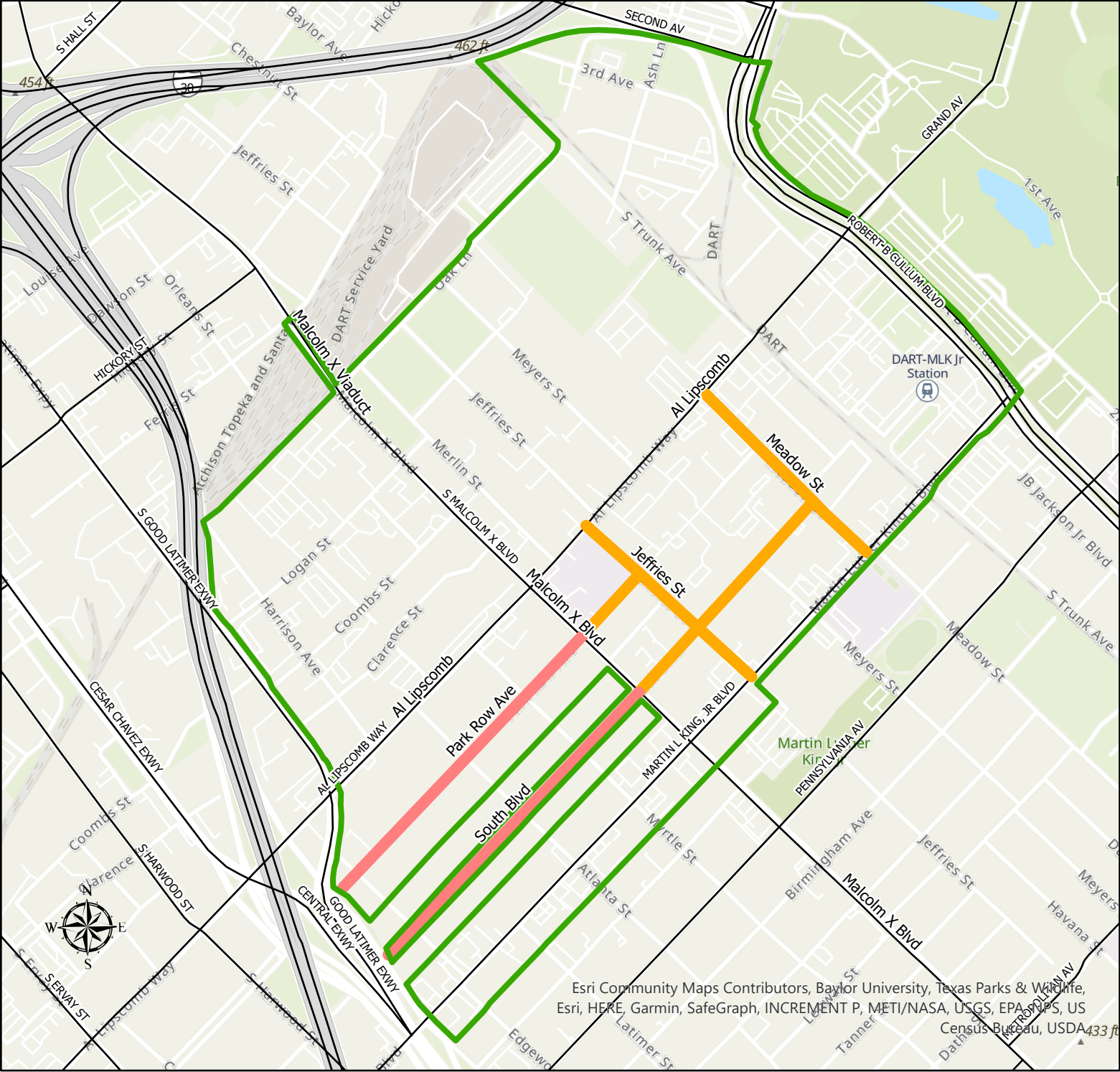
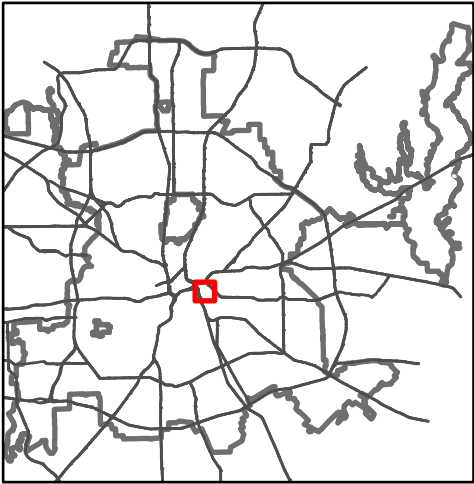
# Public Street Lighting Improvement Project

## Grand Park South TIF District

Project Scope:

- o Conversion to light-emitting diode (LED) of approximately 36 fixtures on City-owned historic-style poles on Park Row Avenue (generally between S. Malcolm X Boulevard and I-45) and on South Boulevard (generally between S. Malcolm X Boulevard and I-45).
- o Installation of approximately 40 new City LED lights with historic-style poles on South Boulevard (generally between S. Malcolm X Boulevard and Meadow Street), on Park Row Avenue (generally between S. Malcolm X Boulevard and Jeffries Street), on Jeffries Street (generally between Al Lipscomb Way and Martin Luther King Jr. Boulevard), and on Meadow Street (generally between Al Lipscomb Way and Martin Luther King Jr. Boulevard).

- Conversion to LED
- Installation of new City LED lights
- Tax Increment Finance District



October 13, 2021

**WHEREAS**, the City established Tax Increment Financing Reinvestment Zone Number Thirteen ("Grand Park South TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Grand Park South area pursuant to Ordinance No. 26147, authorized by the City Council on October 26, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

**WHEREAS**, on June 13, 2007, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Grand Park South TIF District by Resolution No. 07-1738; Ordinance No. 26773; and

**WHEREAS**, in 2019, the Mayor's Task Force on Safe Communities released a report detailing recommended strategies aimed at reducing violent crime in Dallas including improving public safety by increasing outdoor lighting in public areas; and

**WHEREAS**, in 2020, as a result of interdepartmental coordination among several City departments, a geospatial analysis tool was developed to identify areas called Priority Improvement Zones with the City's most immediate public street lighting needs including an area within the Grand Park South TIF District; and

**WHEREAS**, in 2020, City Council authorized a service price agreement with Highway Intelligent Traffic Solutions, Inc. for services related to repair and improvement of pedestrian and roadway lighting by Resolution No. 20-0821; and

**WHEREAS**, on June 3, 2021, the Grand Park South TIF District Board of Directors reviewed a request by the City's Transportation Department in an amount not to exceed \$500,000.00 for a public street lighting improvement project (as described in **Exhibit A**) and recommended City Council approval.

**Now, Therefore,**

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

**SECTION 1.** That \$500,000.00 shall be transferred from the Grand Park South TIF District Fund to the Transportation Special Projects Fund to implement a public street lighting improvement project in Tax Increment Financing Reinvestment Zone Number Thirteen (Grand Park South TIF District).

**SECTION 2.** That the Chief Financial Officer is hereby authorized to transfer funds in an amount not to exceed \$500,000.00 to the Transportation Special Projects Fund, Fund 0761, Department TRN, Unit W800, Revenue Source 6009 from the Grand Park South TIF District Fund, Fund 0054, Department ECO, Unit W800, Object 3690.



October 13, 2021

**SECTION 3.** That the City Manager is hereby authorized to increase appropriations in an amount not to exceed \$500,000.00 in the Transportation Special Projects Fund, Fund 0761, Department TRN, Unit W800, Object Code 4599.

**SECTION 4.** That the Chief Financial Officer is hereby authorized to disburse funds in the amount of \$500,000.00 from the Transportation Special Projects Fund, Fund 0761, Department TRN, Unit W800, Object 4599.

**SECTION 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

# Exhibit A

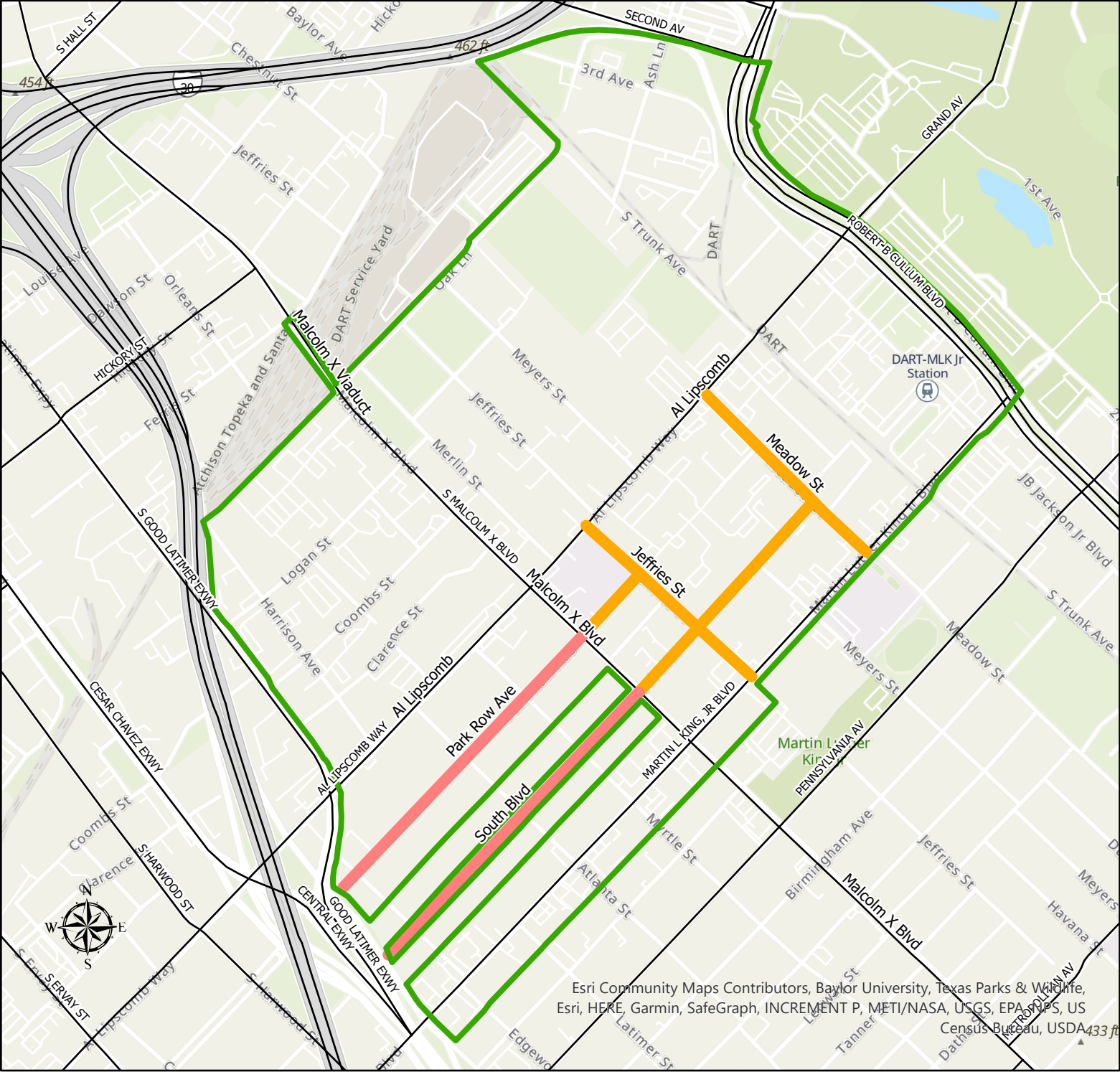
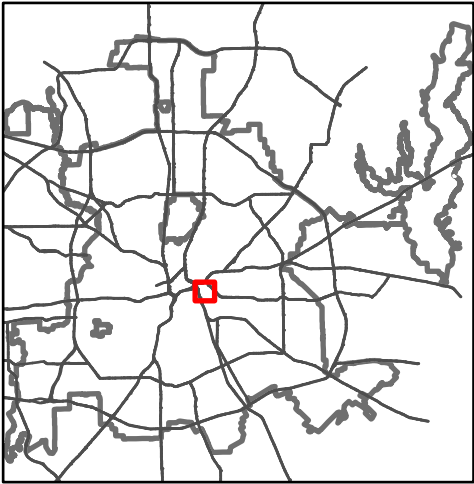
## Public Street Lighting Improvement Project

### Grand Park South TIF District

**Project Scope:**

- o Conversion to light-emitting diode (LED) of approximately 36 fixtures on City-owned historic-style poles on Park Row Avenue (generally between S. Malcolm X Boulevard and I-45) and on South Boulevard (generally between S. Malcolm X Boulevard and I-45).
- o Installation of approximately 40 new City LED lights with historic-style poles on South Boulevard (generally between S. Malcolm X Boulevard and Meadow Street), on Park Row Avenue (generally between S. Malcolm X Boulevard and Jeffries Street), on Jeffries Street (generally between Al Lipscomb Way and Martin Luther King Jr. Boulevard), and on Meadow Street (generally between Al Lipscomb Way and Martin Luther King Jr. Boulevard).

- Conversion to LED
- Installation of new City LED lights
- Tax Increment Finance District



Esri Community Maps Contributors, Baylor University, Texas Parks & Wildlife, Esri, HERE, Garmin, SafeGraph, INCREMENT P, METI/NASA, USGS, EPA, FIPS, US Census Bureau, USDA



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1206

**Item #:** 21.

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**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Government Affairs

**EXECUTIVE:** Kimberly Bizer Tolbert

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### **SUBJECT**

Authorize a personal services contract with Hector Alcalde for federal legislative services regarding water resources and flood control for the period November 1, 2021 through October 31, 2022 - Not to exceed \$53,400.00 - Financing: General Fund

### **BACKGROUND**

Hector Alcalde represents the City of Dallas in Washington, D.C. He has extensive knowledge, background and contacts in the field of transportation, infrastructure and United States Army Corps of Engineers' projects. In addition, he has excellent working relationships with the leadership of key Congressional Committees that are important to the City.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

The Legislative Ad Hoc Committee was briefed on October 10, 2016.

On October 26, 2016, City Council authorized a contract with Hector Alcalde for FY 2016-17, by Resolution No. 16-1739.

The Legislative Ad Hoc Committee was briefed on December 10, 2018.

On December 12, 2018, City Council authorized a contract with Hector Alcalde for FY 2018-19, by Resolution No. 18-1812.

[City Council was briefed by memorandum regarding this matter on November 8, 2019.](#)

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On November 13, 2019, City Council authorized a contract with Hector Alcalde for FY 2019-20, by Resolution No. 19-1784.

On October 28, 2020, City Council authorized a contract with Hector Alcalde for FY 2020-21, by Resolution No. 20-1706.

[City Council was briefed by memorandum regarding this matter on October 8, 2021.](#)

**FISCAL INFORMATION**

| Fund         | FY 2022     | FY 2023 | Future Years |
|--------------|-------------|---------|--------------|
| General Fund | \$53,400.00 | \$0.00  | \$0.00       |

October 13, 2021

**WHEREAS**, there exists a need for the City to have reliable means of receiving information regarding pending federal legislative action on issues pertaining to water resources and flood control that may impact the City; and

**WHEREAS**, Hector Alcalde provides the City with advice, assistance and advocacy services to achieve the City Council's designated legislative objectives; and

**WHEREAS**, in order to successfully achieve the legislative initiatives needed in areas concerning water resources and flood control, the City would benefit from a liaison in Washington, D.C. with expertise in specific areas; and

**WHEREAS**, Hector Alcalde has extensive knowledge, background and contacts in the field of infrastructure and the United States Army Corps of Engineers' water projects.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute a personal services contract with Hector Alcalde, approved as to form by the City Attorney, for federal legislative services regarding water resources and flood control for the period November 1, 2021 through October 31, 2022, in an amount not to exceed \$53,400.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to make periodic payments in an amount not to exceed \$53,400.00 to Hector Alcalde in accordance with the terms of the contract from General Fund, Fund 0001, Department BMS, Unit 1978, Object 3035, Commodity 91858, Encumbrance/Contract No. IGS-2021-00016863, Vendor 338625.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1207

**Item #:** 22.

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**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Government Affairs

**EXECUTIVE:** Kimberly Bizer Tolbert

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### **SUBJECT**

Authorize a personal services contract with Paul Schlesinger for federal legislative services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$31,600.00 - Financing: General Fund

### **BACKGROUND**

Paul Schlesinger represents the City of Dallas in Washington, D.C. He has extensive knowledge, background and contacts in the field of water, infrastructure, flood control, and the United States Army Corps of Engineers' Projects. In addition, he has excellent working relationships with the leadership of key Congressional Committees that are important to the City.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

The Legislative Ad Hoc Committee was briefed on October 10, 2016.

On October 26, 2016, City Council authorized a contract with Paul Schlesinger for FY 2016-17, by Resolution No. 16-1740.

The Legislative Ad Hoc Committee was briefed on December 10, 2018.

On December 12, 2018, City Council authorized a contract with Paul Schlesinger for FY 2018-19, by Resolution No. 18-1813.

[City Council was briefed by memorandum regarding this matter on November 8, 2019.](#)

On November 13, 2019, City Council authorized a contract with Paul Schlesinger for FY 2019-20, by Resolution No. 19-1785.

On October 28, 2020, City Council authorized a contract with Paul Schlesinger for FY 2020-21, by Resolution No. 20-1705.

[City Council was briefed by memorandum regarding this matter on October 8, 2021.](#)

**FISCAL INFORMATION**

| Fund         | FY 2022     | FY 2023 | Future Years |
|--------------|-------------|---------|--------------|
| General Fund | \$31,600.00 | \$0.00  | \$0.00       |

October 13, 2021

**WHEREAS**, there exists a need for the City to have reliable means of receiving information regarding pending federal legislative action on issues pertaining to water resources and flood control that may impact the City; and

**WHEREAS**, Paul Schlesinger provides the City with advice, assistance and advocacy services to achieve the City Council's designated legislative objectives; and

**WHEREAS**, in order to successfully achieve the legislative initiatives needed in areas concerning water resources and flood control, the City would benefit from a liaison in Washington, D.C. with expertise in specific areas; and

**WHEREAS**, Paul Schlesinger has extensive knowledge, background and contacts in the field of water, infrastructure, flood control, and the United States Army Corps of Engineers' Projects.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute a personal services contract with Paul Schlesinger, approved as to form by the City Attorney, for federal legislative services for the period November 1, 2021 through October 31, 2022, in an amount not to exceed \$31,600.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to make periodic payments in an amount not to exceed \$31,600.00 to Paul Schlesinger in accordance with the terms of the contract from General Fund, Fund 0001, Department BMS, Unit 1978, Object 3035, Commodity 91858, Encumbrance/Contract No. IGS-2021-00016864, Vendor 338626.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





# City of Dallas

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

## Agenda Information Sheet

**File #:** 21-1861

**Item #:** 23.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Government Affairs

**EXECUTIVE:** Kimberly Bizer Tolbert

### **SUBJECT**

Authorize a personal services contract with Kwame Walker & Associates for state legislative and information services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$70,000.00 - Financing: General Fund

### **BACKGROUND**

Kwame Walker & Associates operates an Austin office which monitors state action affecting governmental entities and corporations before the State Legislature. The scope of services for this contract will include:

- Representation before state agencies and legislators.
- Monitoring state legislative and committee activities as requested by the city council, city manager, and city attorney.
- Assistance with special projects as requested.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

City Council was briefed by confidential memorandum regarding this matter on November 9, 2020.

On December 9, 2020, City Council authorized a contract with Kwame Walker & Associates for FY 2020-21, by Resolution No. 20-1931.

[City Council was briefed by memorandum regarding this matter on October 8, 2021.](#)

### **FISCAL INFORMATION**

| Fund         | FY 2022     | FY 2023 | Future Years |
|--------------|-------------|---------|--------------|
| General Fund | \$70,000.00 | \$0.00  | \$0.00       |

October 13, 2021

**WHEREAS,** Kwame Walker & Associates will use substantial resources to monitor and influence legislation for the City of Dallas during the state legislative session and throughout the interim; and

**WHEREAS,** Kwame Walker & Associates will assist the city council, city manager, and city attorney with various legislator and staff requests on issues of importance to the City of Dallas.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute a personal services contract with Kwame Walker & Associates, approved as to form by the City Attorney, for state legislative and information related services to be performed personally by Kwame Walker for the period of November 1, 2021 through October 31, 2022, in an amount not to exceed \$70,000.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to make periodic payments in an amount not to exceed \$70,000.00 to Kwame Walker & Associates for the personal services of Kwame Walker in accordance with the terms of the contract from General Fund, Fund 0001, Department BMS, Unit 1978, Object 3035, Commodity 91858, Encumbrance/Contract No. IGS-2021-00016955, Vendor 354093.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

**File #:** 21-1862

**Item #:** 24.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Government Affairs

**EXECUTIVE:** Kimberly Bizer Tolbert

### **SUBJECT**

Authorize a personal services contract with Campos Consulting Group for state legislative and information services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$60,000.00 - Financing: General Fund

### **BACKGROUND**

Lorena Campos operates an Austin office which monitors state action affecting governmental entities and corporations before the State Legislature. The scope of services for this contract will include:

- Representation before state agencies and legislators.
- Monitoring interim state legislative and committee activities as requested by the City Council, City Manager and City Attorney.
- Assistance with special projects as requested.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

City Council was briefed by confidential memorandum regarding this matter on November 9, 2020.

On December 9, 2020, City Council authorized a contract with Lorena Campos for FY 2020-21, by Resolution No. 20-1932.

[City Council was briefed by memorandum regarding this matter on October 8, 2021.](#)

### **FISCAL INFORMATION**

| Fund         | FY 2022     | FY 2023 | Future Years |
|--------------|-------------|---------|--------------|
| General Fund | \$60,000.00 | \$0.00  | \$0.00       |

October 13, 2021

**WHEREAS,** Lorena Campos will use substantial resources to monitor and influence legislation for the City of Dallas during the state legislative session and throughout the interim; and

**WHEREAS,** Lorena Campos will assist the city council, city manager, and city attorney with various legislator and staff requests on issues of importance to the City of Dallas.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute a personal services contract with Campos Consulting Group, approved as to form by the City Attorney, for state legislative and information related services to be performed personally by Lorena Campos for the period November 1, 2021 through October 31, 2022, in an amount not to exceed \$60,000.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to make periodic payments in an amount not to exceed \$60,000.00 to Campos Consulting Group for the personal services of Lorena Campos in accordance with the terms of the contract from General Fund, Fund 0001, Department BMS, Unit 1978, Object 3035, Commodity 91858, Encumbrance/Contract No. IGS-2021-00016957, Vendor VC19556.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



# City of Dallas

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

## Agenda Information Sheet

**File #:** 21-1863

**Item #:** 25.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Government Affairs

**EXECUTIVE:** Kimberly Bizer Tolbert

### **SUBJECT**

Authorize a personal services contract with Randy C. Cain for state legislative and information services for the period November 1, 2021 through October 31, 2022 - Not to exceed \$71,000.00 - Financing: General Fund

### **BACKGROUND**

Randy C. Cain operates an Austin office which monitors state action affecting governmental entities and corporations before the State Legislature. The scope of services for this contract will include:

- Representation before state agencies and legislators.
- Monitoring interim state legislative and committee activities as requested by the City Council, City Manager and City Attorney.
- Assistance with special projects as requested.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

City Council was briefed by confidential memorandum regarding this matter on November 9, 2020.

On December 9, 2020, City Council authorized a contract with Randy C. Cain for FY 2020-21, by Resolution No. 20-1933.

[City Council was briefed by memorandum regarding this matter on October 8, 2021.](#)

### **FISCAL INFORMATION**

| Fund         | FY 2022     | FY 2023 | Future Years |
|--------------|-------------|---------|--------------|
| General Fund | \$71,000.00 | \$0.00  | \$0.00       |

October 13, 2021

**WHEREAS**, Randy C. Cain will use substantial resources to monitor and influence legislation for the City of Dallas during the state legislative session and throughout the interim; and

**WHEREAS**, Randy C. Cain will assist the city council, city manager, and city attorney with various legislator and staff requests on issues of importance to the City of Dallas.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute a personal services contract with Randy C. Cain, approved as to form by the City Attorney, for state legislative and information related services to be performed personally by Randy C. Cain for the period November 1, 2021 through October 31, 2022, in an amount not to exceed \$71,000.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to make periodic payments in an amount not to exceed \$71,000.00 to Randy C. Cain in accordance with the terms of the contract from General Fund, Fund 0001, Department BMS, Unit 1978, Object 3035, Commodity 91858, Encumbrance/Contract No. IGS-2021-00016956, Vendor 513298.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

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**File #:** 21-1205

**Item #:** 26.

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**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Government Affairs

**EXECUTIVE:** Kimberly Bizer Tolbert

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### **SUBJECT**

Authorize a professional services contract with CapitalEdge Strategies, LLC to provide federal legislative services to the City for the period November 1, 2021 through October 31, 2022 - Not to exceed \$160,000.00 - Financing: General Fund

### **BACKGROUND**

CapitalEdge Strategies, LLC, led by Ralph Garboushian, operates a Washington, D.C. office which monitors federal action affecting the City of Dallas, working with the Texas Congressional delegation and the Executive Branch to advance City interests and priorities. In addition, the office works closely with national municipal organizations, including the National League of Cities (NLC), the United States Conference of Mayors, the International City-County Management Association, and others to make sure they are aware of the City's positions and agendas.

Under the contract, CapitalEdge Strategies, LLC contacts City staff regularly by telephone, through visits to Dallas, written reports, bulletins and memoranda. Briefings on federal issues are presented to Council members during meetings of the NLC, as well as at any other time requested by the City. Supplemental information necessary to understanding the effect and impact of federal legislation and regulations is also provided. Timely information about government grant programs, frequently based on personal contact with federal program managers, is sent directly to the appropriate staff to facilitate Dallas funding applications.

CapitalEdge Strategies, LLC has frequently assisted the City by connecting high-level members of the Administration with Dallas leadership. CapitalEdge Strategies, LLC has also advised on working with federal agencies such as the United States Department of Housing and Urban Development, Transportation, Homeland Security, Federal Transit Administration, and the White House.

CapitalEdge Strategies, LLC has represented the City of Dallas in Washington, D.C. as part of the Texas Cities Legislative Coalition since 1987. Other participants in the Coalition include the cities of Arlington, Austin, and Denton.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

The Legislative Ad Hoc Committee was briefed on October 10, 2016.

On October 26, 2016, City Council authorized a contract with CapitalEdge Strategies, LLC for FY 2016-17 by Resolution No. 16-1745.

The Legislative Ad Hoc Committee was briefed on December 10, 2018.

On December 12, 2018, City Council authorized a contract with CapitalEdge Strategies, LLC for FY 2018-19 by Resolution No. 18-1817.

[City Council was briefed by memorandum regarding this matter on October 18, 2019.](#)

On October 23, 2019, City Council authorized a contract with CapitalEdge Strategies, LLC for FY 2019-20 by Resolution No. 19-1678.

On October 28, 2020, City Council authorized a contract with CapitalEdge Strategies, LLC for FY 2020-21 by Resolution No. 20-1707.

[City Council was briefed by memorandum regarding this matter on October 8, 2021.](#)

**FISCAL INFORMATION**

| Fund         | FY 2022      | FY 2023 | Future Years |
|--------------|--------------|---------|--------------|
| General Fund | \$160,000.00 | \$0.00  | \$0.00       |



October 13, 2021

**WHEREAS**, there exists a need for the City to have reliable means of receiving information regarding pending federal legislative and executive action which may impact the City; and

**WHEREAS**, the City of Dallas with the participation of the cities of Arlington, Austin and Denton comprise the Texas Cities Legislative Coalition (TCLC); and

**WHEREAS**, CapitalEdge Strategies, LLC monitors federal legislation impacting the cities and works with the Texas Congressional delegation and the Executive Branch to advance City interests and priorities; and

**WHEREAS**, CapitalEdge Strategies, LLC works closely with national municipal organizations, including the National League of Cities, the United States Conference of Mayors, and the International City-County Management Association, and others to make sure they are aware of the City's positions and agendas; and

**WHEREAS**, CapitalEdge Strategies, LLC makes presentations to Council members during the meetings of the National League of Cities as well as at any other time requested by the City; and

**WHEREAS**, CapitalEdge Strategies, LLC provides supplemental information necessary to understanding the effects and impacts of federal legislation and regulations; and

**WHEREAS**, CapitalEdge Strategies, LLC also provides timely information about government grant programs, frequently based on personal contact with federal program managers, and directly sends information to appropriate staff to facilitate Dallas funding applications.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute a professional services contract with CapitalEdge Strategies, LLC, approved as to form by the City Attorney, to provide federal legislative services for the period November 1, 2021 through October 31, 2022, in an amount not to exceed \$160,000.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to make periodic payments in an amount not to exceed \$160,000.00 to CapitalEdge Strategies, LLC in accordance with the terms of the contract from General Fund, Fund 0001, Department BMS, Unit 1978, Object 3035, Commodity 91858, Encumbrance/Contract No. IGS-2021-00016862, Vendor VC0000008080.

October 13, 2021

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



# City of Dallas

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

## Agenda Information Sheet

**File #:** 21-1864

**Item #:** 27.

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Government Affairs

**EXECUTIVE:** Kimberly Bizer Tolbert

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### **SUBJECT**

A resolution to approve an easement to DART for construction, operation, and maintenance of the Silver Line at DFW Airport, as set forth in DFW Airport Board Resolution 2021-08-156 - Financing: No cost consideration to the City

### **BACKGROUND**

The Dallas Fort Worth International Airport Board is requesting that the Owner Cities of Dallas and Fort Worth approve of an easement which is detailed below.

#### **DART Silver Line Easement**

DART is bringing its Silver Line from Plano, along the Cotton Belt Corridor, to the Terminal B station at DFW Airport. It will share the Fort Worth Transportation Authority Easement from the Cotton Belt Rail Line to Terminal B. However, both the Cotton Belt right-of-way and the Fort Worth Transportation Authority right-of-way need to be widened at 11 places to accommodate the new facilities, as shown in the attached map. DART will pay \$3,776,446 in compensation to DFW Airport. The Board approved this item at its August 5, 2021 Board meeting.

This item was briefed via memo to the Transportation and Infrastructure Committee on September 20, 2021.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

[The Transportation and Infrastructure Committee was briefing by memorandum regarding this matter on September 20, 2021.](#)

### **FISCAL INFORMATION**

No cost consideration to the City.

October 13, 2021

**WHEREAS**, Dallas Fort Worth International Airport (DFW Airport) serves the aviation needs of its Owner Cities of Dallas and Fort Worth; and

**WHEREAS**, Dallas Area Rapid Transit (DART) plans to extend commuter rail along the Cotton Belt Corridor from Plano to DFW Airport Terminal B (Silver Line); and

**WHEREAS**, to properly construct, operate, and maintain the Silver Line, DART is requesting an easement across DFW Airport property; and

**WHEREAS**, the addition of the Silver Line at Terminal B will enhance rail service access to and from DFW Airport, which currently includes DART's Orange Line to Terminal A and Fort Worth Transportation Authority's TEXRail to Terminal B; and

**WHEREAS**, in accordance with the Contract and Agreement between the Owner Cities of Dallas and Fort Worth, the Airport Board is requesting the Dallas City Council's approval of the easement to DART; and

**WHEREAS**, the DFW Airport Board reviewed and approved the easement by Board Resolution 2021-08-156.

**Now, Therefore,**

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

**SECTION 1.** That the City Council hereby authorizes and grants an easement to DART for construction, operation, and maintenance of the Silver Line at DFW Airport, as set forth in DFW Airport Board Resolution 2021-08-156.

**SECTION 2.** That the authorization and grant of the easement contained in this resolution is conditioned upon a similar authorization and grant by the City Council of the City of Fort Worth.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

**File #:** 21-1865

**Item #:** 28.

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** Office of Government Affairs

**EXECUTIVE:** Kimberly Bizer Tolbert

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### **SUBJECT**

A resolution to approve an easement to the City of Fort Worth for the installation, operation, and maintenance of a reclaimed water flush line at DFW Airport as set forth in DFW Airport Board Resolution 2017-04-089 - Financing: No cost consideration to the City

### **BACKGROUND**

The Dallas Fort Worth International Airport Board is requesting that the Owner Cities of Dallas and Fort Worth approve an easement which is detailed below.

#### **Reclaimed Water Flush Line Easement**

The City of Fort Worth has an easement for a reclaimed water line on DFW Airport property. When the line was first connected, it was found to be full of debris and needed to be flushed and cleaned out from the Fort Worth system to DFW Airport. The pipeline was cleaned, and a flush line was constructed as a debris removal point. The flush line was not in the original design and not part of the original easement. This approval expands the existing easement to include the flush line. There is no monetary compensation for this approval because the easement benefits the operation of DFW Airport. The Airport Board originally approved this easement in 2017. However, at the time, staff was planning on bringing the easement with another project that would require easements for the owner cities' approvals. That project was delayed; thus, staff is bringing the easement for approval now.

This item was briefed via memo to the Transportation and Infrastructure Committee on September 20, 2021.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

[The Transportation and Infrastructure Committee was briefed by memorandum regarding this matter on September 20, 2021.](#)

**FISCAL INFORMATION**

No cost consideration to the City.

October 13, 2021

**WHEREAS**, Dallas Fort Worth International Airport (DFW Airport) serves the aviation needs of its Owner Cities of Dallas and Fort Worth; and

**WHEREAS**, to maintain reclaimed water on DFW Airport property, the City of Fort Worth is requesting an easement for a reclaimed water flush line; and

**WHEREAS**, in accordance with the Contract and Agreement between the Owner Cities of Dallas and Fort Worth, the Airport Board is requesting the Dallas City Council's approval of the easement to the City of Fort Worth; and

**WHEREAS**, the DFW Airport Board reviewed and approved the easement by Board Resolution 2017-04-089.

**Now, Therefore,**

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

**SECTION 1.** That the City Council hereby authorizes and grants an easement to the City of Fort Worth for the installation, operation, and maintenance of a reclaimed water flush line at DFW Airport as set forth in DFW Airport Board Resolution 2017-04-089.

**SECTION 2.** That the grant and authorization contained in this resolution are further conditioned upon any similar authorization that may be required by the City Council of the City of Fort Worth.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

**File #:** 21-1738

**Item #:** 29.

**STRATEGIC PRIORITY:** Human and Social Needs  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Office of Homeless Solutions  
**EXECUTIVE:** Kimberly Bizer Tolbert

### **SUBJECT**

Authorize an Interlocal Agreement with Dallas County on behalf of Dallas County Health and Human Services in an amount not to exceed \$2,344,315.00 to provide scattered site housing assistance for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022, which will include a twelve-month extension for expenditure of HOPWA CARES Act funds made available under the prior year Interlocal Agreement, from September 30, 2021 to September 30, 2022 - Not to exceed \$2,344,315.00 - Financing: 2020-21 Housing Opportunities for Persons with AIDS Grant Fund (\$943,332.00), 2021-22 Housing Opportunities for Persons with AIDS Grant Fund (\$1,330,018.00), and 2020 CARES Act Relief HOPWA #1 Grant Fund (\$70,965.00)

### **BACKGROUND**

On April 22, 2020, City Council adopted the FY 2020-21 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development ("HUD") Grant Funds and the CARES Act Relief Funds Budget by Resolution No. 20-0655. On November 11, 2020, City Council adopted Substantial Amendment No. 1 to the FY 2020-21 Action Plan to amend the FY 2020-21 HUD Consolidated Plan Budget and the CARES Act Relief Funds Budget by Resolution No. 20-1845.

On June 9, 2021, City Council adopted the FY 2021-22 HUD Consolidated Plan Budget for HUD Grant Funds by Resolution No. 21-0974. The FY 2021-22 HUD Consolidated Plan Budget includes Housing Opportunities for Persons with AIDS ("HOPWA") Grant Funds, which are available beginning October 1, 2021, contingent upon HUD's approval of the City's FY 2021-22 Action Plan (which is based on the approved HUD Consolidated Plan Budget, submitted on or about August 15, 2021) and execution of the grant agreements with HUD.

Because HOPWA Grant Funds may be expended for eligible purposes within three years of HUD's award, remaining FY 2020-21 funds are included in this year's Interlocal Agreement ("ILA") with Dallas County/Dallas County Health and Human Services ("County").



The City of Dallas has applied for and received HOPWA funds since 1993 to support eligible activities within the Dallas Eligible Metropolitan Statistical Area ("Dallas EMSA") which includes the counties of Dallas, Collin, Denton, Ellis, Hunt, Kaufman, and Rockwall. HOPWA Grant Funds are to assist grantees in meeting the housing needs of low-income persons with HIV/AIDS and HIV-related illness and their families.

Since approximately 1993, through ILA's with the City, the County has provided HOPWA scattered site housing assistance, comprised of Tenant-Based Rental Assistance ("TBRA"), Short-Term Rent/Mortgage/Utility ("STRMU") Emergency Assistance, supportive services, and administrative costs, to eligible persons primarily residing in Dallas County.

The TBRA Program includes long-term rental assistance (with a utility allowance) that an eligible person may use at a housing unit of his or her choice. This assistance is portable, and moves with the client, similar to the Housing Choice Voucher Program, within the Dallas EMSA. STRMU Emergency assistance is designed to prevent homelessness, and includes short-term rent, mortgage, and utility payments for up to 21 weeks in any 52-week period. HOPWA clients receiving scattered site housing assistance also receive housing support services through case managers, who ensure that clients have access to other services, such as medical care, transportation, legal services, and food pantry.

The County has the organizational capacity, including one full-time HOPWA manager, three full-time HOPWA caseworkers, and a full-time HOPWA clerk, in place to continue providing scattered site housing assistance to eligible persons without disruption. In addition, the County is the administrative agency for other local area organizations eligible for HIV/AIDS grant funding and, as such, has collaborative relationships with HIV/AIDS service providers across the Dallas EMSA. For these reasons, the County is recommended for funding to continue providing scattered site housing assistance services to eligible persons residing primarily in Dallas County. To ensure eligible persons across the Dallas EMSA have access to the full continuum of HOPWA eligible activities, the City intends to enter into additional project sponsor agreements with entities that provide additional eligible activities (e.g. facility-based housing, housing information services, housing placement, and support services) or that provide scattered site housing assistance to eligible individuals more distant from Dallas County.

All HOPWA projects use the local Homeless Management Information System ("HMIS") to collect client-level data for service coordination and reporting/evaluation purposes. County staff must input client-level data into the local HMIS with applicable written consent. The County must also submit monthly financial reports (including supporting documentation) and performance reports (including demographic data, outputs, and outcomes), as well as an overview of accomplishments at year end, to the City. These reports are compiled at year end into the City's annual report to HUD.

Further in response to the coronavirus pandemic, the federal Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was signed on March 27, 2020. The CARES Act included HOPWA funds to maintain operations and for rental assistance, supportive services, and other necessary actions, in order to prevent, prepare for, and respond to coronavirus. On April 22, 2020, City Council authorized acceptance of HOPWA CARES Act Funds in the amount of \$1,088,138.00 as a one-time funding increase for the Dallas EMSA. A portion of that amount was made available to agencies under contract to provide HOPWA-funded scattered site and facility-based housing as a small one-time contract increase in response to the coronavirus pandemic. Dallas County's original allocation of

HOPWA CARES Act Funds was \$188,015.00 to be used to continue providing scattered site housing assistance for persons living with HIV/AIDS. This item will provide a twelve-month extension of time to expend these HOPWA CARES Act remaining funds until September 30, 2022. This item will also add an additional one-time increase of \$70,965.00 in HOPWA CARES Act Funds to provide scattered site housing assistance for persons living with HIV/AIDS through September 30, 2022.

### **Performance Measures**

#### Number of Persons Assisted

|  | <u>2021-22 Goal</u> |
|--|---------------------|
| Emergency - unduplicated clients served    | 110                 |
| Tenant-based - unduplicated clients served | <u>200</u>          |
| Total - unduplicated clients served        | 310                 |

### **OUTCOME MEASURES**

#### Housing Stability

|  | <u>2021-22 Goal</u> |
|--|---------------------|
| Emergency - percent in stable housing    | 97%                 |
| Tenant-based - percent in stable housing | 95%                 |

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On April 22, 2020, City Council adopted the FY 2020-21 HUD Consolidated Plan Budget; the CARES Act Relief Funds Budget, No. 1 from HUD; and the FY 2019-20 Reprogramming Budget, and an amendment to the City's Citizen Participation Plan by Resolution No. 20-0655.

On September 9, 2020, City Council authorized an Interlocal Agreement with Dallas County/Dallas County Health and Human Services with a one-time increase in the amount of \$188,015.00 funded under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), to provide scattered site housing assistance for persons with HIV/AIDS by Resolution No. 20-1319.

On November 11, 2020, City Council authorized final adoption of Substantial Amendment No. 1 to the FY 2020-21 Action Plan to amend the FY 2020-21 HUD Consolidated Plan Budget; the CARES Act Relief Funds Budget, No. 1 from HUD; and the FY 2019-20 Reprogramming Budget by Resolution No. 20-1845.

On June 9, 2021, City Council adopted the FY 2021-22 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development Grant Funds by Resolution No. 21-0974.

**FISCAL INFORMATION**

| Fund   | FY 2022        | FY 2023 | Future Years |
|--|----------------|---------|--------------|
| 2020-21 Housing Opportunities for Persons with AIDS Grant Fund | \$ 943,332.00  | \$0.00  | \$0.00       |
| 2021-22 Housing Opportunities for Persons with AIDS Grant Fund | \$1,330,018.00 | \$0.00  | \$0.00       |
| CARES Act Relief HOPWA #1 Grant Fund                           | \$ 70,965.00   | \$0.00  | \$0.00       |
| Total  | \$2,344,315.00 | \$0.00  | \$0.00       |

October 13, 2021

**WHEREAS**, the U.S. Department of Housing and Urban Development (“HUD”) provides grant funds through the Housing Opportunities for Persons with AIDS (“HOPWA”) program according to the terms of 24 C.F.R. Part 574 to assist grantees in meeting the housing needs of low-income persons with HIV/AIDS and HIV-related illness and their families within the grantee’s Eligible Metropolitan Statistical Area (“EMSA”); and

**WHEREAS**, the City is a grantee of HOPWA funds to serve the Dallas EMSA, and the City’s FY 2021-22 Consolidated Plan Budget includes HOPWA Grant Funds from HUD in the amount of \$7,943,508.00; and

**WHEREAS**, the City of Dallas seeks to enter into an Interlocal Agreement (“ILA”) with Dallas County/Dallas County Health and Human Services (“County”) to provide a portion of the City’s HOPWA Grant Funds to the County to allow the County to continue providing certain eligible scattered site housing assistance services authorized by the City’s HOPWA entitlement grant; and

**WHEREAS**, this ILA is funded by FY 2021-22 HOPWA Grant Funds which will be available beginning October 1, 2021 and are contingent upon HUD’s approval of the City’s FY 2021-22 Action Plan, and execution of grant agreements with HUD, and unspent FY 2020-21 HOPWA Grant Funds; and

**WHEREAS**, in response to the coronavirus pandemic, the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law on March 27, 2020, and included HOPWA funds “to maintain operations and for rental assistance, supportive services, and other necessary actions, in order to prevent, prepare for, and respond to coronavirus”; and

**WHEREAS**, a portion of these funds has been made available to agencies under contract to provide HOPWA-funded scattered site and facility-based housing as a small one-time contract increase in response to the coronavirus pandemic, and Dallas County has received an allocation of these funds to be used to continue providing scattered site housing assistance for persons living with HIV/AIDS; and

**WHEREAS**, the City of Dallas seeks to provide a twelve-month extension of the HOPWA CARES Act Funds made available under the prior year Interlocal Agreement, and provide a one-time increase in HOPWA CARES Act Funds.

**Now, Therefore,**

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

October 13, 2021

**SECTION 1.** That the City Manager is hereby authorized to execute an Interlocal Agreement with Dallas County on behalf of Dallas County Health and Human Services in an amount not to exceed \$2,344,315.00, approved as to form by the City Attorney, to provide scattered site housing assistance for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022, which will include a twelve-month extension for expenditure of HOPWA CARES Act Funds made available under the prior year Interlocal Agreement, from September 30, 2021 to September 30, 2022, and execute any and all documents required by the Interlocal Agreement.

**SECTION 2.** The Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$2,344,315.00 to Dallas County on behalf of Dallas County Health and Human Services, as follows:

2020-21 Housing Opportunities for Persons with AIDS Grant Fund  
Fund HW20, Department MGT, Unit 427E, Object 3070  
Encumbrance/Contract No. OHS-2021-00017237  
Commodity 95255, Vendor 254643 \$ 888,084.00

2020-21 Housing Opportunities for Persons with AIDS Grant Fund  
Fund HW20, Department MGT, Unit 432E, Object 3070  
Encumbrance/Contract No. OHS-2021-00017237  
Commodity 95255, Vendor 254643 \$ 55,248.00

2021-22 Housing Opportunities for Persons with AIDS Grant Fund  
Fund HW21, Department MGT, Unit 528F, Object 3070  
Encumbrance/Contract No. OHS-2021-00017237  
Commodity 95255, Vendor 254643 \$1,260,716.00

2021-22 Housing Opportunities for Persons with AIDS Grant Fund  
Fund HW21, Department MGT, Unit 533F, Object 3070  
Encumbrance/Contract No. OHS-2021-00017237  
Commodity 95255, Vendor 254643 \$ 69,302.00

2020 CARES Act Relief HOPWA #1 Grant Fund  
Fund HCV1, Department MGT, Unit 907C, Object 3070  
Encumbrance/Contract No. OHS-2021-00017237  
Commodity 95255, Vendor 254643 \$ 70,965.00

Total amount not to exceed \$2,344,315.00

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

**File #:** 21-1744

**Item #:** 30.

**STRATEGIC PRIORITY:** Human and Social Needs  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Office of Homeless Solutions  
**EXECUTIVE:** Kimberly Bizer Tolbert

### **SUBJECT**

Authorize the second of two, twelve-month renewal options to the contract with Health Services of North Texas, Inc. in the amount of \$648,084.00 to provide scattered site housing assistance for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022 - Not to exceed \$648,084.00, from \$1,323,529.00 to \$1,971,613.00 - Financing: 2021-22 Housing Opportunities for Persons with AIDS Grant Fund

### **BACKGROUND**

On June 9, 2021, City Council adopted the FY 2021-22 HUD Consolidated Plan Budget for HUD Grant Funds by Resolution No. 21-0974. The FY 2021-22 HUD Consolidated Plan Budget includes Housing Opportunities for Persons with AIDS ("HOPWA") Grant Funds, which are available beginning October 1, 2021, contingent upon HUD's approval of the City's FY 2021-22 Action Plan (which is based on the approved HUD Consolidated Plan Budget, submitted on or about August 15, 2021) and execution of the grant agreements with the United States Department of Housing and Urban Development ("HUD").

The City of Dallas has applied for and received Housing Opportunities for Persons with AIDS ("HOPWA") funds since 1993 to support eligible activities within the Dallas Eligible Metropolitan Statistical Area ("Dallas EMSA") which includes the counties of Dallas, Collin, Denton, Ellis, Hunt, Kaufman, and Rockwall. HOPWA Grant Funds are to assist grantees in meeting the housing needs of low-income persons with HIV/AIDS and HIV-related illness and their families.

On June 20, 2019, the City of Dallas Office of Procurement Services issued and solicited and received Requests for Proposals (#BRZ19-00010793) for the HOPWA Program. Health Services of North Texas, Inc. ("HSNT") submitted a proposal for scattered site housing assistance and was recommended for funding.

On October 23, 2019, City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with HSNT, to provide scattered site housing assistance for persons living with HIV/AIDS by Resolution No. 19-1662.

In response to the coronavirus pandemic, the federal Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was signed on March 27, 2020. The CARES Act included HOPWA funds to maintain operations and for rental assistance, supportive services, and other necessary actions, to prevent, prepare for, and respond to coronavirus. A portion of that amount was made available to agencies under contract to provide HOPWA-funded scattered site and facility-based housing as a small one-time contract increase in response to the coronavirus pandemic.

On October 13, 2020, City Council authorized the first twelve-month renewal option, with an increase of \$31,350.00, from \$616,734.00 to 648,084.00 for additional short-term rent, mortgage, and utility assistance funded under the entitlement grant and a one-time increase in the amount of \$58,711.00 funded under the CARES Act, with HSNT to continue providing services for persons living with HIV/AIDS by Resolution No. 20-1549.

HSNT is a non-profit agency located in Denton, with offices also located in Plano, providing quality medical and support services to persons living with HIV/AIDS in the rural and outer urban communities of North Texas. The agency was founded in 1988 and has been providing HOPWA scattered site housing assistance since 1996.

HSNT will provide HOPWA assistance to persons with HIV/AIDS residing primarily in the rural/suburban counties within the Dallas EMSA. To ensure eligible persons across the Dallas EMSA have access to the full continuum of HOPWA eligible activities, the City intends to enter into additional project sponsor agreements with entities that provide additional eligible activities (e.g., facility based housing, housing information services, and support services) or that provide scattered site housing assistance to eligible individuals primarily in Dallas County.

Under the HOPWA Program, HSNT provides short-term emergency assistance and long-term tenant based rental assistance to low income persons living with HIV/AIDS primarily in Collin, Denton, Hunt, Kaufman, and Rockwall counties. The emergency assistance program includes short-term rent, mortgage, and utility payments, for up to 21 weeks in any 52-week period, to prevent the homelessness of the client. The tenant-based rental assistance program includes rent assistance (with a utility allowance) similar to the Section 8 voucher program. In addition to housing assistance, HOPWA clients also receive supportive services through case managers who ensure that clients have access to needed services.

All HOPWA projects use the local Homeless Management Information System ("HMIS") to collect client-level data for service coordination and reporting/evaluation purposes. HSNT staff must input client-level data into the local HMIS with applicable written consent. HSNT must also submit monthly financial reports (including supporting documentation) and performance reports (including demographic data, outputs, and outcomes) to the City. These reports are compiled at year end into the City's annual report to HUD.

**PERFORMANCE MEASURES**

## Number of Persons Assisted

2021-22

Goal

Emergency-unduplicated clients served 38

Tenant-based-unduplicated clients served 47

Total-unduplicated clients served 85

**OUTCOME MEASURES**

## Housing Stability

2021-22

Goal

Emergency - percent in stable/temp housing 97%

Tenant-based - percent in stable housing 95%

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On October 23, 2019 City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding with HSNT to provide scattered site housing assistance for persons with HIV/AIDS for the period October 1, 2019 through September 30, 2020, by Resolution No. 19-1662.

On October 13, 2020, City Council authorized the first twelve-month renewal option, with an increase of \$31,350.00, from \$616,734.00 to 648,084.00 for additional short-term rent, mortgage, and utility assistance funded under the entitlement grant and a one-time increase in the amount of \$58,711.00 funded under the CARES Act, with HSNT to continue providing services for persons living with HIV/AIDS by Resolution No. 20-1549.

On June 9, 2021, City Council adopted the FY 2021-22 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development Grant Funds by Resolution No. 21-0974.

**FISCAL INFORMATION**

| Fund   | FY 2022      | FY 2023 | Future Years |
|--|--------------|---------|--------------|
| 2021-22 Housing Opportunities for Persons with AIDS Grant Fund | \$648,084.00 | \$0.00  | \$0.00       |

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:



| Contract Amount   | Category       | M/WBE Goal | M/WBE % | M/WBE \$ |
|---|----------------|------------|---------|----------|
| \$648,084.00  | Other Services | N/A        | N/A     | N/A      |
| • The Business Inclusion and Development Plan does not apply to 501C3 Non-Profit contracts. |                |            |         |          |

**OWNER****Health Services of North Texas, Inc.****Board of Directors**

Michael Foster, Chair  
Trang Dang-Le, Vice Chair  
James Henderson, Secretary  
Dale Tampke, Treasurer  
Lee Brown  
M. Hamed Husain  
M. Dean Perkins, D.D.S.  
April Powell  
Sara Schroeder  
Howard Shaw, M.D.  
Melissa Winans

October 13, 2021

**WHEREAS**, the U.S. Department of Housing and Urban Development (“HUD”) provides grant funds through the Housing Opportunities for Persons with AIDS (“HOPWA”) Program according to the terms of 24 C.F.R. Part 574, to assist grantees in meeting the housing needs of low-income persons with HIV/AIDS and HIV-related illness and their families within the grantee’s Eligible Metropolitan Statistical Area (“EMSA”); and

**WHEREAS**, the City is a grantee of HOPWA funds to serve the Dallas EMSA, and the City’s FY 2021-22 HUD Consolidated Plan Budget includes the HOPWA Grant Funds from HUD in the amount of \$7,943,508.00; and

**WHEREAS**, Health Services of North Texas, Inc. (“HSNT”) submitted a proposal in response to the City’s Request for Proposals (#BRZ19-00010793) to provide scattered site housing assistance and was recommended for funding; and

**WHEREAS**, on October 23, 2019, City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with HSNT to provide scattered site housing assistance for persons living with HIV/AIDS, by Resolution No. 19-1662; and

**WHEREAS**, in response to the coronavirus pandemic, the federal Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) was signed into law on March 27, 2020, and included HOPWA funds "to maintain operations and for rental assistance, supportive services, and other necessary actions, in order to prevent, prepare for, and respond to coronavirus"; and

**WHEREAS**, on October 13, 2020, City Council authorized the first of two twelve-month renewal options, with an increase of \$31,350.00, from \$616,734.00 to 648,084.00 for additional short-term rent, mortgage, and utility assistance funded under the entitlement grant and a one-time increase in the amount of \$58,711.00 funded under the CARES Act, with HSNT to continue providing services for persons living with HIV/AIDS by Resolution No. 20-1549; and

**WHEREAS**, the City of Dallas seeks to enter into the second twelve-month renewal option to the contract with HSNT to continue providing these services, funded by FY 2021-22 HOPWA Grant Funds, which are available beginning October 1, 2021, contingent upon HUD’s approval of the City’s Five-Year Consolidated Plan and FY 2021-22 Action Plan (which is based on the approved HUD Consolidated Plan Budget, submitted on or about August 15, 2021) and execution of the grant agreements with HUD.

**Now, Therefore,**

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

October 13, 2021

**SECTION 1.** That the City Manager is hereby authorized to execute the second of two, twelve-month renewal options to the contract with Health Services of North Texas, Inc. in the amount of \$648,084.00, approved as to form by the City Attorney, to provide scattered site housing assistance for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022; and execute any and all documents required by the contract.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$648,084.00 to Health Services of North Texas, Inc., as follows:

2021-22 Housing Opportunities for Persons with AIDS Grant Fund  
Fund HW21, Department MGT, Unit 528F, Object 3070  
Encumbrance/Contract No. OHS-2019-00011440  
Commodity 95255, Vendor 516465 \$605,812.00

2021-22 Housing Opportunities for Persons with AIDS Grant Fund  
Fund HW21, Department MGT, Unit 533F, Object 3070  
Encumbrance/Contract No. OHS-2019-00011440  
Commodity 95255, Vendor 516465 \$ 42,272.00

Total amount not to exceed \$648,084.00

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

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**File #:** 21-1747

**Item #:** 31.

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**STRATEGIC PRIORITY:** Human and Social Needs  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Office of Homeless Solutions  
**EXECUTIVE:** Kimberly Bizer Tolbert

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### **SUBJECT**

Authorize the second of two, twelve-month renewal options to the contract with Legacy Counseling Center, Inc. in the amount of \$210,000.00 to provide facility based housing assistance and supportive services for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022 - Not to exceed \$210,000.00, from \$450,500.00 to \$660,500.00 - Financing: 2021-22 Housing Opportunities for Persons with AIDS Grant Fund

### **BACKGROUND**

On June 9, 2021, City Council adopted the FY 2021-22 HUD Consolidated Plan Budget for HUD Grant Funds by Resolution No. 21-0974. The FY 2021-22 HUD Consolidated Plan Budget includes Housing Opportunities for Persons with AIDS ("HOPWA") Grant Funds, which are available beginning October 1, 2021, contingent upon the United States Department of Housing and Urban Development ("HUD")'s approval of the City's FY 2021-22 Action Plan (which is based on the approved HUD Consolidated Plan Budget, submitted on or about August 15, 2021) and execution of the grant agreements with HUD.

The City of Dallas has applied for and received Housing Opportunities for Persons with AIDS ("HOPWA") funds since 1993 to support eligible activities within the Dallas Eligible Metropolitan Statistical Area ("Dallas EMSA") which includes the counties of Dallas, Collin, Denton, Ellis, Hunt, Kaufman, and Rockwall. HOPWA Grant Funds are to assist grantees in meeting the housing needs of low-income persons with HIV/AIDS and HIV-related illness and their families.

On June 20, 2019, the City of Dallas Office of Procurement Services issued and solicited and received Requests for Proposals (#BRZ19-00010793) for the HOPWA Program. Legacy Counseling Center, Inc. ("Legacy") submitted a proposal for facility based housing assistance and was recommended for funding.

On October 23, 2019, City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with Legacy, to provide facility based housing assistance with supportive services for persons living with HIV/AIDS by Resolution No. 19-1664.

In response to the coronavirus pandemic, the federal Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was signed on March 27, 2020. The CARES Act included HOPWA funds to maintain operations and for rental assistance, supportive services, and other necessary actions, to prevent, prepare for, and respond to coronavirus. A portion of that amount was made available to agencies under contract to provide HOPWA-funded scattered site and facility-based housing as a small one-time contract increase in response to the coronavirus pandemic.

On November 11, 2020, City Council authorized the first twelve-month renewal option to the contract with Legacy, including HOPWA CARES Act Funds, to continue providing facility based housing assistance with supportive services for persons living with HIV/AIDS by Resolution No. 20-1791.

Legacy is a non-profit agency located in the Oak Lawn area. Legacy was founded in 1989 and has been providing services to the HIV/AIDS impacted population of Dallas and surrounding counties since that time. The agency's programs fall under three categories of services: mental health, substance abuse, and housing. Mental health and substance abuse services include individual, couple, and family therapy and support groups for persons impacted by the HIV/AIDS epidemic, including crisis counseling as well as short and long-term therapy.

Legacy will provide HOPWA facility based housing assistance to persons living with HIV/AIDS through its special care housing program. Legacy also provides HOPWA housing information services and resource identification for persons living with HIV/AIDS and HOPWA master leasing and emergency vouchers for homeless persons living with HIV/AIDS under separate contracts.

Under its special care housing program, Legacy provides housing and hospice/respite care in a home-like setting at the Legacy Founder's Cottage, comprised of seven single room occupancy units. The facility serves critically ill people living with HIV/AIDS, focusing on alleviating their pain and providing comfort and support during the final stages of the disease (typically in the last six months of life).

Supportive services for this high need population consist of 24-hour around-the-clock care (including housing, prepared meals, volunteer based support, and comprehensive case management, as well as access to medical care, transportation, medications, and counseling) for individuals too sick to care from themselves.

To ensure eligible persons across the Dallas EMSA have access to the full continuum of HOPWA eligible activities, the City intends to enter into additional project sponsor agreements with entities that provide additional eligible activities (e.g., facility-based housing, scattered site housing assistance, housing information services, and support services).

All HOPWA projects use the local Homeless Management Information System ("HMIS") to collect client-level data for service coordination and reporting/evaluation purposes. Legacy staff must input client-level data into the local HMIS with applicable written consent. Legacy must also submit monthly financial reports (including supporting documentation) and performance reports (including demographic data, outputs, and outcomes). These reports are compiled at year end into the City's annual report to HUD.

**PERFORMANCE MEASURES**

Number of Persons Assisted

2021-22  
Goal

Unduplicated clients served 26

**OUTCOME MEASURES**

Housing Stability

2021-22  
Goal

Percent in stable/temporary housing 83%

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On October 23, 2019 City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with Legacy Counseling Center, Inc. to provide facility based housing assistance with supportive services for persons with HIV/AIDS by Resolution No. 19-1664.

On November 11, 2020, City Council authorized the first twelve-month contract contingent on available funding with Legacy, including HOPWA CARES Act funds, to provide facility based housing assistance with supportive services for persons living with HIV/AIDS by Resolution No. 20-1791.

On June 9, 2021, City Council adopted the FY 2021-22 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development Grant Funds by Resolution No. 21-0974.

**FISCAL INFORMATION**

| Fund   | FY 2022      | FY 2023 | Future Years |
|--|--------------|---------|--------------|
| 2021-22 Housing Opportunities for Persons with AIDS Grant Fund | \$210,000.00 | \$0.00  | \$0.00       |

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount   | Category       | M/WBE Goal | M/WBE % | M/WBE \$ |
|---|----------------|------------|---------|----------|
| \$210,000.00  | Other Services | N/A        | N/A     | N/A      |
| • The Business Inclusion and Development Plan does not apply to 501C3 Non-Profit contracts. |                |            |         |          |

**OWNER****Legacy Counseling Center, Inc.****Board of Directors**

Shannon Mitchell-Percell, Chair  
Brian Ralston, Vice Chair  
Scott Kahle, Secretary  
Jason Wallace, Treasurer  
Martin Camp  
Bretton Lowery  
Roberta McDonald  
Justin Rogers  
Courtney Edwards  
Chaselyn Wade

October 13, 2021

**WHEREAS**, the U.S. Department of Housing and Urban Development (“HUD”) provides grant funds through the Housing Opportunities for Persons with AIDS (“HOPWA”) Program according to the terms of 24 C.F.R. Part 574, to assist grantees in meeting the housing needs of low-income persons with HIV/AIDS and HIV-related illness and their families within the grantee’s Eligible Metropolitan Statistical Area (“EMSA”); and

**WHEREAS**, the City is a grantee of HOPWA funds to serve the Dallas EMSA, and the City’s FY 2021-22 HUD Consolidated Plan Budget includes the HOPWA Grant Funds from HUD, in the amount of \$7,943,508.00; and

**WHEREAS**, Legacy Counseling Center, Inc. (“Legacy”) submitted a proposal in response to the City’s Request for Proposals (#BRZ19-00010793) to provide facility based housing assistance and supportive services for persons with HIV/AIDS and was recommended for funding; and

**WHEREAS**, on October 23, 2019, City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with Legacy, to provide facility-based housing assistance with supportive services for persons living with HIV/AIDS by Resolution No. 19-1664; and

**WHEREAS**, in response to the coronavirus pandemic, the federal Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) was signed into law on March 27, 2020, and included HOPWA funds “to maintain operations and for rental assistance, supportive services, and other necessary actions, in order to prevent, prepare for, and respond to coronavirus”; and

**WHEREAS**, a portion of CARES Act funds was made available to agencies under contract to provide HOPWA-funded scattered site and facility-based housing as a small one-time contract increase in response to the coronavirus pandemic, and Legacy received an allocation of these funds in the amount of \$30,500.00 to provide facility based housing assistance for persons living with HIV/AIDS; and

**WHEREAS**, on November 11, 2020, City Council authorized the first twelve-month renewal option to the contract with Legacy, including HOPWA CARES Act Funds, to continue providing facility based housing assistance with supportive services for persons living with HIV/AIDS by Resolution No. 20-1791; and

**WHEREAS**, the City of Dallas seeks to enter into the second twelve-month renewal option to the contract with Legacy to continue providing these services, funded by FY 2021-22 HOPWA Grant Funds, which are available beginning October 1, 2021, contingent upon HUD’s approval of the City’s FY 2021-22 Action Plan (which is based on the approved HUD Consolidated Plan Budget, submitted on or about August 15, 2021) and execution of the grant agreements with HUD.



October 13, 2021

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute the second of two, twelve-month renewal options to the contract with Legacy Counseling Center, Inc. in the amount of \$210,000.00, approved as to form by the City Attorney, to provide facility based housing assistance and supportive services for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$210,000.00 to Legacy Counseling Center, Inc., as follows:

2021-22 Housing Opportunities for Persons with AIDS Grant Fund  
Fund HW21, Department MGT, Unit 529F, Object 3070  
Encumbrance/Contract No. OHS-2019-00011441  
Commodity 95255, Vendor 502679 \$196,262.00

2021-22 Housing Opportunities for Persons with AIDS Grant Fund  
Fund HW21, Department MGT, Unit 533F, Object 3070  
Encumbrance/Contract No. OHS-2019-00011441  
Commodity 95255, Vendor 502679 \$ 13,738.00

Total amount not to exceed \$210,000.00

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

**File #:** 21-1748

**Item #:** 32.

**STRATEGIC PRIORITY:** Human and Social Needs  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Office of Homeless Solutions  
**EXECUTIVE:** Kimberly Bizer Tolbert

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### **SUBJECT**

Authorize the second of two, twelve-month renewal options to the service contract with Legacy Counseling Center, Inc. in the amount of \$159,935.00, to provide housing information services and resource identification for persons with HIV/AIDS for the period of October 1, 2021 through September 30, 2022 - Not to exceed \$159,935.00, from \$319,870.00 to \$479,805.00 - Financing: 2020-21 Housing Opportunities for Persons with AIDS Grant Fund (\$27,748.00) and 2021-22 Housing Opportunities for Persons with AIDS Grant Fund (\$132,187.00)

### **BACKGROUND**

On April 22, 2020, City Council adopted the FY 2020-21 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development ("HUD") Grant Funds by Resolution No. 20-0655. On November 11, 2020, City Council adopted Substantial Amendment No. 1 to the FY 2020-21 Action Plan to amend the FY 2020-21 HUD Consolidated Plan Budget by Resolution No. 20-1845.

On June 9, 2021, City Council adopted the FY 2021-22 HUD Consolidated Plan Budget for HUD Grant Funds by Resolution No. 21-0974. The FY 2021-22 HUD Consolidated Plan Budget includes Housing Opportunities for Persons with AIDS ("HOPWA") Grant Funds, which are available beginning October 1, 2021, contingent upon HUD's approval of the City's FY 2021-22 Action Plan (which is based on the approved HUD Consolidated Plan Budget, submitted on or about August 15, 2021) and execution of the grant agreements with HUD.

The City of Dallas has applied for and received Housing Opportunities for Persons with AIDS ("HOPWA") funds since 1993 to support eligible activities within the Dallas Eligible Metropolitan Statistical Area ("Dallas EMSA") which includes the counties of Dallas, Collin, Denton, Ellis, Hunt, Kaufman, and Rockwall. HOPWA Grant Funds are to assist grantees in meeting the housing needs of low-income persons with HIV/AIDS and HIV-related illness and their families.

On June 20, 2019, the City of Dallas Office of Procurement Services issued and solicited and received Requests for Proposals (#BRZ19-00010793) for the HOPWA Program. Legacy Counseling Center, Inc. (Legacy) submitted a proposal for housing information services and resource identification and was recommended for funding.

On October 23, 2019, City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with Legacy to provide housing information services and resource identification for persons living with HIV/AIDS, by Resolution No. 19-1663.

On November 11, 2020, City Council authorized the first twelve-month renewal option to the contract with Legacy to continue providing housing information services and resource identifications for persons living with HIV/AIDS by Resolution No. 20-1792. Because HOPWA Grant Funds may be expended for eligible purposes within three years of HUD's award, remaining FY 2020-21 funds are included in this year's contract renewal.

Legacy is a non-profit agency located in the Oak Lawn area. Legacy was founded in 1989 and has been providing services to the HIV/AIDS impacted population of Dallas and surrounding counties since that time. The agency's programs fall under three categories of services: mental health, substance abuse, and housing. Mental health and substance abuse services include individual, couple, and family therapy and support groups for persons impacted by the HIV/AIDS epidemic, including crisis counseling as well as short and long-term therapy.

Legacy will provide HOPWA housing information services and resource identification for persons living with HIV/AIDS. Legacy also provides HOPWA facility-based housing assistance and hospice/respite care to critically ill HIV+ persons at the Legacy Founders Cottage and HOPWA master leasing and emergency vouchers for homeless persons living with HIV/AIDS under separate contracts.

Under HOPWA housing information services and resource identification, Legacy operates an HIV housing resource center, which serves as a central/coordinated access point for persons with HIV/AIDS experiencing a housing crisis to receive information and direct, one-on-one assistance in locating and accessing community-based housing resources in the Dallas EMSA. The resource center includes a website and on-line searchable database of housing resources.

To ensure eligible persons across the Dallas EMSA have access to the full continuum of HOPWA eligible activities, the City intends to enter into additional project sponsor agreements with entities that provide additional eligible activities (e.g., facility-based housing, scattered site housing assistance, housing information services, and support services).

All HOPWA projects use the local Homeless Management Information System ("HMIS") to collect client-level data for service coordination and reporting/evaluation purposes. Legacy staff must input client-level data into the local HMIS with applicable written consent. Legacy must also submit monthly financial reports (including supporting documentation) and performance reports (including demographic data, outputs, and outcomes). These reports are compiled at year end into the City's annual report to HUD.

**PERFORMANCE MEASURES**

Number of Persons Assisted

2021-22

Goal

Unduplicated clients served

175

**OUTCOME MEASURES**

Housing Stability

2021-22

Goal

Percent in stable/temporary housing

97%

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On October 23, 2019 City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with Legacy Counseling Center, Inc. to provide housing information services and resource identification for persons with HIV/AIDS by Resolution No. 19-1663.

On April 22, 2020, City Council adopted the FY 2020-21 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development Grant Funds by Resolution No. 20-0655.

On November 11, 2020, City Council authorized the first twelve-month renewal option to the contract with Legacy to continue providing housing information services and resource identifications for persons living with HIV/AIDS by Resolution No. 20-1792.

On November 11, 2020, City Council authorized final adoption of Substantial Amendment No. 1 to the FY 2020-21 Action Plan to amend the FY 2020-21 HUD Consolidated Plan Budget; the CARES Act Relief Funds Budget, No. 1 from HUD; and the FY 2019-20 Reprogramming Budget by Resolution No. 20-1845.

On June 9, 2021, City Council adopted the FY 2021-22 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development Grant Funds by Resolution No. 21-0974.

**FISCAL INFORMATION**

| Fund   | FY 2022      | FY 2023 | Future Years |
|--|--------------|---------|--------------|
| 2020-21 Housing Opportunities for Persons with AIDS Grant Fund | \$ 27,748.00 | \$0.00  | \$0.00       |
| 2021-22 Housing Opportunities for Persons with AIDS Grant Fund | \$132,187.00 | \$0.00  | \$0.00       |
| Total  | \$159,935.00 | \$0.00  | \$0.00       |

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount   | Category       | M/WBE Goal | M/WBE % | M/WBE \$ |
|---|----------------|------------|---------|----------|
| \$159,935.00  | Other Services | N/A        | N/A     | N/A      |
| • The Business Inclusion and Development Plan does not apply to 501C3 Non-Profit contracts. |                |            |         |          |

**OWNER****Legacy Counseling Center, Inc.****Board of Directors**

Shannon Mitchell-Percell, Chair  
Brian Ralston, Vice Chair  
Scott Kahle, Secretary  
Jason Wallace, Treasurer  
Roberta McDonald  
Justin Rogers  
Courtney Edwards  
Bretton Lowery  
Chaselyn Wade

October 13, 2021

**WHEREAS**, the U.S. Department of Housing and Urban Development (“HUD”) provides grant funds through the Housing Opportunities for Persons with AIDS (“HOPWA”) program according to the terms of 24 C.F.R. Part 574, to assist grantees in meeting the housing needs of low-income persons with HIV/AIDS and HIV-related illness and their families within the grantee’s Eligible Metropolitan Statistical Area (“EMSA”); and

**WHEREAS**, the City is a grantee of HOPWA funds to serve the Dallas EMSA, and the City’s FY 2021-22 HUD Consolidated Plan Budget includes the HOPWA Grant Funds from HUD, in the amount of \$7,943,508.00; and

**WHEREAS**, Legacy Counseling Center, Inc. (“Legacy”) submitted a proposal in response to the City’s Request for Proposals (#BRZ19-00010793) to provide housing information services and resource identifications for persons with HIV/AIDS and was recommended for funding; and

**WHEREAS**, on October 23, 2019, City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with Legacy, to provide housing information services and resource identification for persons living with HIV/AIDS by Resolution No. 19-1663; and

**WHEREAS**, on November 11, 2020, City Council authorized the first of two twelve-month renewal options to the contract with Legacy to continue providing housing information services and resource identifications for persons living with HIV/AIDS, for the period October 1, 2020 through September 30, 2021, by Resolution No. 20-1792; and

**WHEREAS**, the City of Dallas seeks to enter into the second twelve-month renewal option to the contract with Legacy to continue providing these services, funded by FY 2021-22 HOPWA Grant Funds, which are available beginning October 1, 2021, contingent upon HUD’s approval of the City’s FY 2021-22 Action Plan (which is based on the approved HUD Consolidated Plan Budget, submitted on or about August 15, 2021) and execution of grant agreements with HUD, and unspent FY 2020-21 HOPWA Grant Funds.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute the second of two, twelve-month renewal options to the contract with Legacy Counseling Center, Inc. in the amount of \$159,935.00, approved as to form by the City Attorney, to provide housing information services and resource identification for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022; and execute any and all documents required by the contract.

October 13, 2021

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$159,935.00 to Legacy Counseling Center, Inc., as follows:

|   |                     |
|---|---------------------|
| 2020-21 Housing Opportunities for Persons with AIDS Grant Fund<br>Fund HW20, Department MGT, Unit 430E, Object 3070<br>Encumbrance/Contract No. OHS-2019-00011442<br>Commodity 95255, Vendor 502679 | \$ 27,748.00        |
| 2021-22 Housing Opportunities for Persons with AIDS Grant Fund<br>Fund HW21, Department MGT, Unit 531F, Object 3070<br>Encumbrance/Contract No. OHS-2019-00011442<br>Commodity 95255, Vendor 502679 | \$121,724.00        |
| 2021-22 Housing Opportunities for Persons with AIDS Grant Fund<br>Fund HW21, Department MGT, Unit 533F, Object 3070<br>Encumbrance/Contract No. OHS-2019-00011442<br>Commodity 95255, Vendor 502679 | <u>\$ 10,463.00</u> |
| Total amount not to exceed  | \$159,935.00        |

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

**File #:** 21-1749

**Item #:** 33.

**STRATEGIC PRIORITY:** Human and Social Needs  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Office of Homeless Solutions  
**EXECUTIVE:** Kimberly Bizer Tolbert

### **SUBJECT**

Authorize the second of two, twelve-month renewal options to the contract with Legacy Counseling Center, Inc. in the amount of \$564,200.00 to provide master leasing including supportive services and emergency vouchers for homeless persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022, which includes a twelve-month extension for expenditure of HOPWA CARES Act Funds under the contract, from September 30, 2021 to September 30, 2022 - Not to exceed \$564,200.00, from \$1,210,343.00 to \$1,774,543.00 - Financing: 2021-22 Housing Opportunities for Persons with AIDS Grant Fund

### **BACKGROUND**

On April 22, 2020, City Council adopted the FY 2020-21 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development ("HUD") Grant Funds and the CARES Act Relief Funds Budget by Resolution No. 20-0655. On November 11, 2020, City Council adopted Substantial Amendment No. 1 to the FY 2020-21 Action Plan to amend the FY 2020-21 HUD Consolidated Plan Budget and the CARES Act Relief Funds Budget by Resolution No. 20-1845.

On June 9, 2021, City Council adopted the FY 2021-22 HUD Consolidated Plan Budget for the United States (HUD) Grant Funds by Resolution No. 21-0974. The FY 2021-22 HUD Consolidated Plan Budget includes Housing Opportunities for Persons with AIDS ("HOPWA") Grant Funds, which are available beginning October 1, 2021, contingent upon HUD's approval of the City's FY 2021-22 Action Plan (which is based on the approved HUD Consolidated Plan Budget, submitted on or about August 15, 2021) and execution of the grant agreements with HUD.

The City of Dallas has applied for and received Housing Opportunities for Persons with AIDS ("HOPWA") funds since 1993 to support eligible activities within the Dallas Eligible Metropolitan Statistical Area ("Dallas EMSA") which includes the counties of Dallas, Collin, Denton, Ellis, Hunt, Kaufman, and Rockwall. HOPWA Grant Funds are to assist grantees in meeting the housing needs of low-income persons with HIV/AIDS and HIV-related illness and their families.



On June 20, 2019, the City of Dallas Office of Procurement Services issued and solicited and received Requests for Proposals (#BRZ19-00010793) for the HOPWA Program. Legacy Counseling Center, Inc. ("Legacy") submitted a proposal for master leasing and emergency vouchers and was recommended for funding.

On October 23, 2019, City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with Legacy to provide master leasing including supportive services and emergency vouchers for homeless persons with HIV/AIDS by Resolution No. 19-1665.

In response to the coronavirus pandemic, the federal Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was signed on March 27, 2020. The CARES Act included HOPWA funds to maintain operations and for rental assistance, supportive services, and other necessary actions, to prevent, prepare for, and respond to coronavirus. A portion of CARES Act Funds were made available to agencies under contract to provide HOPWA-funded scattered site and facility-based housing (including master leasing) as a small one-time contract increase in response to the coronavirus pandemic. Legacy's allocation was \$81,943.00 to provide master leasing with supportive services for persons living with HIV/AIDS. This item will provide a twelve-month extension of time to expend these remaining funds.

On November 11, 2020, City Council authorized the first twelve-month renewal option to the contract with Legacy, including HOPWA CARES Act Funds, to continue providing master leasing including supportive services and emergency vouchers for homeless persons living with HIV/AIDS by Resolution No. 20-1794.

Legacy is a non-profit agency located in the Oak Lawn area. Legacy was founded in 1989 and has been providing services to the HIV/AIDS impacted population of Dallas and surrounding counties since that time. The agency's programs fall under three categories of services: mental health, substance abuse, and housing. Mental health and substance abuse services include individual, couple, and family therapy and support groups for persons impacted by the HIV/AIDS epidemic, including crisis counseling as well as short and long-term therapy.

Legacy will provide a HOPWA master leasing program, as well as emergency hotel/motel vouchers, for homeless persons with HIV/AIDS. Legacy also provides HOPWA facility based housing assistance and HOPWA housing information services and resource identification for persons living with HIV/AIDS under separate contracts.

Under master leasing, Legacy leases apartment units under a master lease with a private landlord, and subleases those units to homeless persons with HIV/AIDS for independent, long-term living. The master leasing program covers the cost of rent and utilities (less the required tenant portion), along with other costs to operate the units. The agency also provides a housing case manager to provide support for the client in maintaining housing stability and access to care and services. Under emergency vouchers, Legacy provides emergency hotel/motel vouchers for homeless persons with HIV/AIDS for up to 30 days to reduce their stay on the streets or in a shelter prior to moving into permanent housing.

To ensure eligible persons across the Dallas EMSA have access to the full continuum of HOPWA eligible activities, the City intends to enter into additional project sponsor agreements with entities that provide additional eligible activities (e.g., facility based housing, scattered site housing assistance, housing information services, and support services).

All HOPWA projects use the local Homeless Management Information System ("HMIS") to collect client-level data for service coordination and reporting/evaluation purposes. Legacy staff must input client-level data into the local HMIS with applicable written consent. Legacy must also submit monthly financial reports (including supporting documentation) and performance reports (including demographic data, outputs, and outcomes). These reports are compiled at year end into the City's annual report to HUD.

### PERFORMANCE MEASURES

#### Number of Persons Assisted

2021-22

Goal

Unduplicated clients (master leasing)

50

Unduplicated clients (emergency vouchers)

15

### OUTCOME MEASURES

#### Housing Stability

2021-22

Goal

Percent in stable housing (master leasing)

96%

Percent in stable/temporary (emergency vouchers)

83%

### PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 22, 2020, City Council adopted the FY 2020-21 HUD Consolidated Plan Budget; the CARES Act Relief Funds Budget, No. 1 from HUD; and the FY 2019-20 Reprogramming Budget, and an amendment to the City's Citizen Participation Plan by Resolution No. 20-0655.

On October 23, 2019, City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with Legacy, to provide master leasing including supportive services and emergency vouchers for homeless persons with HIV/AIDS by Resolution No. 19-1665.

On November 11, 2020, City Council authorized the first twelve-month renewal option to the contract with Legacy, including HOPWA CARES Act funds, to provide master leasing including supportive services and emergency vouchers for homeless persons living with HIV/AIDS by Resolution No. 20-1794.

On November 11, 2020, City Council authorized final adoption of Substantial Amendment No. 1 to the FY 2020-21 Action Plan to amend the FY 2020-21 HUD Consolidated Plan Budget; the CARES Act Relief Funds Budget, No. 1 from HUD; and the FY 2019-20 Reprogramming Budget by Resolution No. 20-1845.

On June 9, 2021, City Council adopted the FY 2021-22 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development Grant Funds by Resolution No. 21-0974.

**FISCAL INFORMATION**

| Fund   | FY 2021      | FY 2022 | Future Years |
|--|--------------|---------|--------------|
| 2021-22 Housing Opportunities for Persons with AIDS Grant Fund | \$564,200.00 | \$0.00  | \$0.00       |

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount   | Category       | M/WBE Goal | M/WBE % | M/WBE \$ |
|---|----------------|------------|---------|----------|
| \$564,200.00  | Other Services | N/A        | N/A     | N/A      |
| • The Business Inclusion and Development Plan does not apply to 501(c)(3) Non-Profit contracts. |                |            |         |          |

**OWNER****Legacy Counseling Center, Inc.****Board of Directors**

Shannon Mitchell-Percell, Chair  
Brian Ralston, Vice Chair  
Scott Kahle, Secretary  
Jason Wallace, Treasurer  
Martin Camp  
Roberta McDonald  
Bretton Lowery  
Justin Rogers  
Courtney Edwards  
Chaselyn Wade

October 13, 2021

**WHEREAS**, the U.S. Department of Housing and Urban Development (“HUD”) provides grant funds through the Housing Opportunities for Persons with AIDS (“HOPWA”) Program according to the terms of 24 C.F.R. Part 574, to assist grantees in meeting the housing needs of low-income persons with HIV/AIDS and HIV-related illness and their families within the grantee’s Eligible Metropolitan Statistical Area (“EMSA”); and

**WHEREAS**, the City is a grantee of HOPWA funds to serve the Dallas EMSA, and the City’s FY 2021-22 HUD Consolidated Plan Budget includes the HOPWA Grant Funds from HUD, in the amount of \$7,943,508.00; and

**WHEREAS**, Legacy Counseling Center, Inc. (“Legacy”) submitted a proposal in response to the City’s Request for Proposals (#BRZ19-00010793) to provide master leasing and emergency vouchers and was recommended for funding; and

**WHEREAS**, on October 23, 2019, City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with Legacy to master leasing including supportive services and emergency vouchers for homeless persons living with HIV/AIDS by Resolution No. 19-1665; and

**WHEREAS**, in response to the coronavirus pandemic, the federal Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) was signed into law on March 27, 2020, and included HOPWA funds "to maintain operations and for rental assistance, supportive services, and other necessary actions, in order to prevent, prepare for, and respond to coronavirus"; and

**WHEREAS**, a portion of these CARES Act funds was made available to agencies under contract to provide HOPWA-funded scattered site and facility-based housing (including master leasing) as a small one-time contract increase in response to the coronavirus pandemic, and Legacy received an allocation of these funds in the amount of \$81,943.00 to provide master leasing including supportive services and emergency vouchers for persons living with HIV/AIDS, for which the expenditure period is being extended; and

**WHEREAS**, on November 11, 2020, City Council authorized the first twelve-month renewal option to the contract with Legacy, including HOPWA CARES Act Funds, to continue providing master leasing including supportive services and emergency vouchers for homeless persons living with HIV/AIDS by Resolution No. 20-1794; and

**WHEREAS**, the City of Dallas seeks to enter into the second twelve-month renewal option to the contract with Legacy to continue providing these services, funded by FY 2021-22 HOPWA Grant Funds, which are available beginning October 1, 2021, contingent upon HUD’s approval of the City’s FY 2021-22 Action Plan (which is based on the approved HUD Consolidated Plan Budget, submitted on or about August 15, 2021) and execution of the grant agreements with HUD.

October 13, 2021

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute the second of two, twelve-month renewal options to the contract with Legacy Counseling Center, Inc. in the amount of \$564,200.00 to provide master leasing including supportive services and emergency vouchers for homeless persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022, which includes a twelve-month extension for expenditure of HOPWA CARES Act Funds under the contract, from September 30, 2021 to September 30, 2022, and execute any and all documents required by the contract, approved as to form by the City Attorney.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$564,200.00 to Legacy Counseling Center, Inc., as follows:

|  |              |
|--|--------------|
| 2021-22 Housing Opportunities for Persons with AIDS Grant Fund |              |
| Fund HW21, Department MGT, Unit 529F, Object 3070              |              |
| Encumbrance/Contract No. OHS-2019-00011443                     |              |
| Commodity 95255, Vendor 502679                                 | \$532,435.00 |

|  |                     |
|--|---------------------|
| 2021-22 Housing Opportunities for Persons with AIDS Grant Fund |                     |
| Fund HW21, Department MGT, Unit 533F, Object 3070              |                     |
| Encumbrance/Contract No. OHS-2019-00011443                     |                     |
| Commodity 95255, Vendor 502679                                 | <u>\$ 31,765.00</u> |

|                            |              |
|----------------------------|--------------|
| Total amount not to exceed | \$564,200.00 |
|----------------------------|--------------|

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

**File #:** 21-1751

**Item #:** 34.

**STRATEGIC PRIORITY:** Human and Social Needs  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Office of Homeless Solutions  
**EXECUTIVE:** Kimberly Bizer Tolbert

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### **SUBJECT**

Authorize the second of two, twelve-month renewal options to the contract with Open Arms, Inc. dba Bryan's House in the amount of \$100,000.00 to provide child care services for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022 - Not to exceed \$100,000.00, from \$200,000.00 to \$300,000.00 - Financing: 2020-21 Housing Opportunities for Persons with AIDS Grant Fund

### **BACKGROUND**

On June 9, 2021, City Council adopted the FY 2021-22 HUD Consolidated Plan Budget for HUD Grant Funds by Resolution No. 21-0974. The FY 2021-22 HUD Consolidated Plan Budget includes Housing Opportunities for Persons with AIDS ("HOPWA") Grant Funds, which are available beginning October 1, 2021, contingent upon the United States Department of Housing and Urban Development (HUD)'s approval of the City's FY 2021-22 Action Plan (which is based on the approved HUD Consolidated Plan Budget, submitted on or about August 15, 2021) and execution of the grant agreements with HUD.

The City of Dallas has applied for and received Housing Opportunities for Persons with AIDS ("HOPWA") funds since 1993 to support eligible activities within the Dallas Eligible Metropolitan Statistical Area ("Dallas EMSA") which includes the counties of Dallas, Collin, Denton, Ellis, Hunt, Kaufman, and Rockwall. HOPWA Grant Funds are to assist grantees in meeting the housing needs of low-income persons with HIV/AIDS and HIV-related illness and their families.

On June 20, 2019, the City of Dallas Office of Procurement Services issued and solicited and received Requests for Proposals (#BRZ19-00010793) for the HOPWA Program. Open Arms, Inc. dba Bryan's House ("Open Arms") submitted a proposal to provide child care services and was recommended for funding.

On October 23, 2019, City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with Open Arms, to provide child care services for persons living with HIV/AIDS by Resolution No. 19-1667.

On November 11, 2020, City Council authorized the first twelve-month renewal option to the contract with Open Arms, to provide child-care services for persons living with HIV/AIDS by Resolution No. 20-1795.

Open Arms is a nonprofit agency located in the western sector of Dallas County. The agency was founded in 1988 and has opened its doors as a safe haven for children and families impacted by HIV and AIDS.

Child-care services are provided at the agency's 12,000 square foot childcare facility located in West Dallas. The program is available for children impacted by HIV/AIDS or other health needs who go home at night to be with their families, but who come during the day so that their parent(s) can work, attend school or job training program or otherwise pursue self-sufficiency, attend a medical or social service appointment, or attend to other needs.

To ensure eligible persons across the Dallas EMSA have access to the full continuum of HOPWA eligible activities, the City intends to enter into additional project sponsor agreements with entities that provide additional eligible activities (e.g., facility-based housing, scattered site housing assistance, housing information services, and support services).

All HOPWA projects use the local Homeless Management Information System ("HMIS") to collect client-level data for service coordination and reporting/evaluation purposes. Open Arms staff must input client-level data into the local HMIS with applicable written consent. Open Arms must also submit monthly financial reports (including supporting documentation) and performance reports (including demographic data, outputs, and outcomes). These reports are compiled at year end into the City's annual report to HUD.

#### PERFORMANCE MEASURES

Number of Persons Assisted

2021-22

Goal

Unduplicated clients served

25

#### OUTCOME MEASURES

Access to Health Care

2021-22

Goal

Percent with access to health care

92%

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On October 23, 2019, City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with Open Arms, to provide child care services for persons living with HIV/AIDS by Resolution No. 19-1667.

On November 11, 2020, City Council authorized the first twelve-month renewal option to the contract with Open Arms, to provide child care services for persons living with HIV/AIDS by Resolution No. 20-1795.

On June 9, 2021, City Council adopted the FY 2021-22 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development Grant Funds by Resolution No. 20-0655.

**FISCAL INFORMATION**

| Fund   | FY 2022      | FY 2023 | Future Years |
|--|--------------|---------|--------------|
| 2021-22 Housing Opportunities for Persons with AIDS Grant Fund | \$100,000.00 | \$0.00  | \$0.00       |

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount   | Category       | M/WBE Goal | M/WBE % | M/WBE \$ |
|---|----------------|------------|---------|----------|
| \$100,000.00  | Other Services | N/A        | N/A     | N/A      |
| • The Business Inclusion and Development Plan does not apply to 501C3 Non-Profit contracts. |                |            |         |          |

**OWNER****Open Arms, Inc. dba Bryan's House****Board of Directors**

Nicole Blythe, President  
 Rose Kaur, 1st Vice President  
 Sarah Lamb, 2nd Vice President  
 Allison Shelton, Secretary  
 David Wagner, Treasurer  
 George Armstrong  
 Maricel Cross  
 Paula Feinberg  
 Peja Krstic



Craig Lashley  
Martha Lumatete  
Biegel Macaraeg  
Keith Mankin  
Christina Menendez Pettibone  
Ryan McCuller  
Dipu Mukherjee  
Mercedes Owens  
Laura Ramirez  
Belinda Rodriquez  
Steven Upchurch

October 13, 2021

**WHEREAS**, the U.S. Department of Housing and Urban Development (“HUD”) provides grant funds through the Housing Opportunities for Persons with AIDS (“HOPWA”) Program according to the terms of 24 C.F.R. Part 574, to assist grantees in meeting the housing needs of low-income persons with HIV/AIDS and HIV-related illness and their families within the grantee’s Eligible Metropolitan Statistical Area (“EMSA”); and

**WHEREAS**, the City is a grantee of HOPWA funds to serve the Dallas EMSA, and the City’s FY 2021-22 HUD Consolidated Plan Budget includes the HOPWA Grant Funds from HUD, in the amount of \$7,943,508.00; and

**WHEREAS**, Open Arms, Inc. dba Bryan’s House (“Open Arms”) submitted a proposal in response to the City’s Request for Proposals (#BRZ19-00010793) to provide child care services and was recommended for funding; and

**WHEREAS**, on October 23, 2019, City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with Open Arms, to provide child care services for persons living with HIV/AIDS by Resolution No. 19-1667; and

**WHEREAS**, on November 11, 2020, City Council authorized the first twelve-month renewal option to the contract with Open Arms to continue providing child care services for persons living with HIV/AIDS by Resolution No. 20-1795; and

**WHEREAS**, the City of Dallas seeks to enter into the second of two, twelve-month renewal options to the contract with Open Arms to continue providing these services, funded by FY 2021-22 HOPWA Grant Funds, which are available beginning October 1, 2021, contingent upon HUD’s approval of the City’s FY 2021-22 Action Plan (which is based on the approved HUD Consolidated Plan Budget, submitted on or about August 15, 2021) and execution of the grant agreements with HUD.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute the second of two twelve-month renewal options to the contract with Open Arms, Inc. dba Bryan’s House in the amount of \$100,000.00 to provide child care services for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022; and execute any and all documents required by the contract, approved as to form by the City Attorney.

October 13, 2021

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$100,000.00 to Open Arms, Inc. dba Bryan's House, as follows:

2021-22 Housing Opportunities for Persons with AIDS Grant Fund  
Fund HW21, Department MGT, Unit 530F, Object 3070  
Encumbrance/Contract No. OHS-2019-00011445  
Commodity 95255, Vendor 266376 \$ 97,400.00

2021-22 Housing Opportunities for Persons with AIDS Grant Fund  
Fund HW21, Department MGT, Unit 533F, Object 3070  
Encumbrance/Contract No. OHS-2019-00011445  
Commodity 95255, Vendor 266376 \$ 2,600.00

Total amount not to exceed \$100,000.00

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

**File #:** 21-1752

**Item #:** 35.

**STRATEGIC PRIORITY:** Human and Social Needs  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Office of Homeless Solutions  
**EXECUTIVE:** Kimberly Bizer Tolbert

### **SUBJECT**

Authorize the second of two, twelve-month renewal options to the contract with PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas in the amount of \$1,636,500.00 to provide facility based housing assistance and master leasing with supportive services for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022, which includes a twelve-month extension for expenditure of HOPWA CARES Act funds under the contract from September 30, 2021 to September 30, 2022 - Not to exceed \$1,636,500.00, from \$3,510,683.00 to \$5,147,183.00 - Financing: 2020-21 Housing Opportunities for Persons with AIDS Grant Funds (\$293,723.00) and 2021-22 Housing Opportunities for Persons with AIDS Grant Funds (\$1,342,777.00)

### **BACKGROUND**

On April 22, 2020, City Council adopted the FY 2020-21 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development ("HUD") Grant Funds by Resolution No. 20-0655. On November 11, 2020, City Council adopted Substantial Amendment No. 1 to the FY 2020-21 Action Plan to amend the FY 2020-21 HUD Consolidated Plan Budget and the CARES Act Relief Funds Budget by Resolution No. 20-1845.

On June 9, 2021, City Council adopted the FY 2021-22 HUD Consolidated Plan Budget for HUD Grant Funds by Resolution No. 21-0974. The FY 2021-22 HUD Consolidated Plan Budget includes Housing Opportunities for Persons with AIDS ("HOPWA") Grant Funds, which are available beginning October 1, 2021, contingent upon HUD's approval of the City's FY 2021-22 Action Plan (which is based on the approved HUD Consolidated Plan Budget, submitted on or about August 15, 2021) and execution of the grant agreements with HUD.

The City of Dallas has applied for and received Housing Opportunities for Persons with AIDS ("HOPWA") funds since 1993 to support eligible activities within the Dallas Eligible Metropolitan Statistical Area ("Dallas EMSA") which includes the counties of Dallas, Collin, Denton, Ellis, Hunt, Kaufman, and Rockwall. HOPWA Grant Funds are to assist grantees in meeting the housing needs of low-income persons with HIV/AIDS and HIV-related illness and their families.

On June 20, 2019, the City of Dallas Office of Procurement Services issued and solicited and received Requests for Proposals (#BRZ19-00010793) for the HOPWA Program. PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas ("ASD") submitted a proposal for facility based housing assistance and master leasing and was recommended for funding.

On October 23, 2019, City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with ASD, to provide facility based housing assistance and master leasing with supportive services for persons living with HIV/AIDS, by Resolution No. 19-1668.

In response to the coronavirus pandemic, the federal Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was signed on March 27, 2020. The CARES Act included HOPWA funds to maintain operations and for rental assistance, supportive services, and other necessary actions, to prevent, prepare for, and respond to coronavirus. A portion of these funds were made available to agencies under contract to provide HOPWA-funded scattered site and facility-based housing (including master leasing) as a small one-time contract increase in response to the coronavirus pandemic. ASD's allocation of HOPWA CARES Act Funds was \$237,683.00 to provide facility based housing assistance and master leasing with supportive services for persons living with HIV/AIDS. This item will also provide a twelve-month extension of time to expend these remaining funds.

On November 11, 2020, City Council authorized the first twelve-month renewal option to the contract with ASD, including CARES Act Funds, to provide facility based housing assistance and master leasing with supportive services for persons living with HIV/AIDS by Resolution No. 20-1796. Because HOPWA Grant Funds may be expended for eligible purposes within three years of HUD's award, remaining FY 2020-21 funds are included in this year's contract renewal.

ASD is a non-profit agency located in the southwestern part of the City. The agency was founded in 1987 with its mission being to create and strengthen healthy communities through the delivery of quality, affordable, service-enriched housing for individuals and families living with HIV/AIDS. The agency has been providing supportive housing services continually since April 1987.

ASD will provide HOPWA facility based housing assistance and master leasing for persons living with HIV/AIDS. Under facility based housing, the agency provides housing and supportive services to low-income and formerly homeless persons living with HIV/AIDS and their families in four apartment communities (125 units) that are licensed by the Texas Department of State Health Services as special care facilities. The properties are located in North Oak Cliff (75203), south of the Trinity River and adjacent to the Central Business District. They include Ewing Center, Hillcrest House, Revlon Apartments, and Spencer Gardens.

In addition to a privately-configured, furnished apartment, ASD residents receive home health care, comprehensive case management, volunteer support, disease management, food services, transportation, and vocational services.

ASD will also provide as many as 10 units under a master leasing program. Under master leasing, ASD leases apartment units under a master lease with a private landlord, and subleases those units to homeless persons with HIV/AIDS for independent, long-term living. The master leasing program covers the cost of rent and utilities (less the required tenant portion), along with other costs to

operate the units. The agency also will provide a housing case management to provide support for the client in maintaining housing stability and access to care and services.

To ensure eligible persons across the Dallas EMSA have access to the full continuum of HOPWA eligible activities, the City intends to enter into additional project sponsor agreements with entities that provide additional eligible activities (e.g., facility based housing, scattered site housing assistance, housing information services, and support services).

All HOPWA projects use the local Homeless Management Information System ("HMIS") to collect client-level data for service coordination and reporting/evaluation purposes. ASD staff must input client-level data into the local HMIS with applicable written consent. ASD must also submit monthly financial reports (including supporting documentation) and performance reports (including demographic data, outputs, and outcomes). These reports are compiled at year end into the City's annual report to HUD.

### PERFORMANCE MEASURES

#### Number of Persons Assisted

|  | 2021-22<br><u>Goal</u> |
|--|------------------------|
| Unduplicated clients served at Ewing     | 24                     |
| Unduplicated clients served at Hillcrest | 77                     |
| Unduplicated clients served at Revlon    | 28                     |
| Unduplicated clients served at Spencer   | 13                     |
| Unduplicated clients (master leasing)    | 10                     |
| Total unduplicated clients served        | 152                    |

### OUTCOME MEASURES

#### Housing Stability

|  | 2021-22<br><u>Goal</u> |
|--|------------------------|
| Percent in stable housing at Ewing         | 96%                    |
| Percent in stable housing at Hillcrest     | 96%                    |
| Percent in stable housing at Revlon        | 96%                    |
| Percent in stable housing at Spencer       | 96%                    |
| Percent in stable housing (master leasing) | 96%                    |

### PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 23, 2019, City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas, to provide facility based housing assistance and master leasing with supportive services for persons living with HIV/AIDS by Resolution No. 19-1668.

On April 22, 2020, City Council adopted the FY 2020-21 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development Grant Funds by Resolution No. 20-0655.

On April 22, 2020, City Council adopted the FY 2020-21 HUD Consolidated Plan Budget; the CARES Act Relief Funds Budget, No. 1 from HUD; and the FY 2019-20 Reprogramming Budget, and an amendment to the City's Citizen Participation Plan by Resolution No. 20-0655.

On November 11, 2020, City Council authorized the first twelve-month renewal option to the contract with ASD, including HOPWA CARES Act funds, to provide facility based housing assistance and master leasing with supportive services for persons living with HIV/AIDS by Resolution No. 20-1796.

On November 11, 2020, City Council authorized final adoption of Substantial Amendment No. 1 to the FY 2020-21 Action Plan to amend the FY 2020-21 HUD Consolidated Plan Budget; the CARES Act Relief Funds Budget, No. 1 from HUD; and the FY 2019-20 Reprogramming Budget by Resolution No. 20-1845.

On June 9, 2021, City Council adopted the FY 2021-22 HUD Consolidated Plan Budget for the U.S. Department of Housing and Urban Development Grant Funds by Resolution No. 21-0974.

### **FISCAL INFORMATION**

| Fund   | FY 2022        | FY 2023 | Future Years |
|--|----------------|---------|--------------|
| 2020-21 Housing Opportunities for Persons with AIDS Grant Fund | \$293,723.00   | \$0.00  | \$0.00       |
| 2021-22 Housing Opportunities for Persons with AIDS Grant Fund | \$1,342,777.00 | \$0.00  | \$0.00       |
| Total  | \$1,636,500.00 | \$0.00  | \$0.00       |

### **M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount   | Category       | M/WBE Goal | M/WBE % | M/WBE \$ |
|---|----------------|------------|---------|----------|
| \$1,636,500.00  | Other Services | N/A        | N/A     | N/A      |
| • The Business Inclusion and Development Plan does not apply to 501C3 Non-Profit contracts. |                |            |         |          |

**OWNER**

**PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas**

**Board of Directors**

Bridget Bonning, Chair  
Jacque M. Borel, Vice Chair  
Nathan A. Justice, Secretary  
Harold A.M. Dede, Treasurer  
Dr. Steven Clark, MD  
Candelario Davila  
Hannah DeCamp  
Crystal Garland  
Akilah Griffin  
Eugene Bart Gross II  
Juan Martinez  
Bradley McCrae  
LaToya Lynn Rowell  
Jonathan R. Thorne  
Aaron Waldo, Esq.



October 13, 2021

**WHEREAS**, the U.S. Department of Housing and Urban Development (“HUD”) provides grant funds through the Housing Opportunities for Persons with AIDS (“HOPWA”) program according to the terms of 24 C.F.R. Part 574, to assist grantees in meeting the housing needs of low-income persons with HIV/AIDS and HIV-related illness and their families within the grantee’s Eligible Metropolitan Statistical Area (“EMSA”); and

**WHEREAS**, the City’s FY 2020-21 HUD Consolidated Plan Budget includes the HOPWA Grant Funds from HUD, and because HOPWA Grant Funds may be expended for eligible purposes within three years of HUD’s award, remaining funds from FY 2020-21 may be used to fund this year’s contracts; and

**WHEREAS**, the City is a grantee of HOPWA funds to serve the Dallas EMSA, and the City’s FY 2021-22 HUD Consolidated Plan Budget includes the HOPWA Grant Funds from HUD, in the amount of \$7,943,508.00; and

**WHEREAS**, PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas (“ASD”) submitted a proposal in response to the City’s Request for Proposals (#BRZ19-00010793) to provide facility based housing assistance and master leasing with supportive services for persons with HIV/AIDS and was recommended for funding; and

**WHEREAS**, on October 23, 2019, City Council authorized a twelve-month contract, with two twelve-month renewal options contingent on available funding, with ASD, to provide facility-based housing assistance and master leasing with supportive services for persons living with HIV/AIDS by Resolution No. 19-1668; and

**WHEREAS**, in response to the coronavirus pandemic, the federal Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) was signed into law on March 27, 2020, and included HOPWA funds “to maintain operations and for rental assistance, supportive services, and other necessary actions, in order to prevent, prepare for, and respond to coronavirus”; and

**WHEREAS**, a portion of the CARES Act funds was made available to agencies under contract to provide HOPWA-funded scattered site and facility-based housing as a small one-time contract increase in response to the coronavirus pandemic, and ASD received an allocation of these funds in the amount of \$237,683.00 to provide facility based housing assistance for persons living with HIV/AIDS, for which the expenditure period is being extended; and

**WHEREAS**, on November 11, 2020, City Council authorized the first twelve-month renewal option to the contract with ASD, including HOPWA CARES Act Funds, to continue providing facility based housing assistance with supportive services for persons living with HIV/AIDS by Resolution No. 20-1796; and

October 13, 2021

**WHEREAS**, the City of Dallas seeks to enter into the second of two, twelve-month renewal options to the contract with ASD to continue providing these services, funded by FY 2021-22 HOPWA Grant Funds, which are available beginning October 1, 2021, contingent upon HUD's approval of the City's FY 2021-22 Action Plan (which is based on the approved HUD Consolidated Plan Budget, submitted on or about August 15, 2021) and execution of the grant agreements with HUD.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute the second of two, twelve-month renewal options to the contract with PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas in the amount of \$1,636,500.00 to provide facility based housing assistance and master leasing with supportive services for persons with HIV/AIDS for the period October 1, 2021 through September 30, 2022, which includes a twelve-month extension for expenditure of HOPWA CARES Act funds under the contract from September 30, 2021 to September 30, 2022; and execute any and all documents required by the contract, approved as to form by the City Attorney.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$1,636,500.00 to PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas, as follows:

|   |                     |
|---|---------------------|
| 2020-21 Housing Opportunities for Persons with AIDS Grant Fund<br>Fund HW20, Department MGT, Unit 428E, Object 3070<br>Encumbrance/Contract No. OHS-2019-00011446<br>Commodity 95255, Vendor 268632 | \$ 233,722.00       |
| 2020-21 Housing Opportunities for Persons with AIDS Grant Fund<br>Fund HW20, Department MGT, Unit 432E, Object 3070<br>Encumbrance/Contract No. OHS-2019-00011446<br>Commodity 95255, Vendor 268632 | \$ 60,001.00        |
| 2021-22 Housing Opportunities for Persons with AIDS Grant Fund<br>Fund HW21, Department MGT, Unit 529F, Object 3070<br>Encumbrance/Contract No. OHS-2019-00011446<br>Commodity 95255, Vendor 268632 | \$1,295,717.00      |
| 2021-22 Housing Opportunities for Persons with AIDS Grant Fund<br>Fund HW21, Department MGT, Unit 533F, Object 3070<br>Encumbrance/Contract No. OHS-2019-00011446<br>Commodity 95255, Vendor 268632 | <u>\$ 47,060.00</u> |
| Total amount not to exceed  | \$1,636,500.00      |

October 13, 2021

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

**File #:** 21-1784

**Item #:** 36.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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### **SUBJECT**

Authorize a one-year cooperative purchasing agreement for the purchase of waste and recycling collection roll carts and parts for the Department of Sanitation Services - Toter, LLC through the Omnia Partners cooperative agreement- Estimated amount of \$1,599,301 - Financing: Sanitation Operation Fund

### **BACKGROUND**

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spend under this agreement.

This master agreement will provide waste and recycling collection roll carts and parts for resident use throughout the City. Waste and recycling collection roll carts covered by this master agreement will be utilized in growth areas of the City as well as replacements for broken or stolen roll carts. Roll carts come in three sizes (48, 64 and 96-gallons) and are gray (residential waste) and blue and black (recycle waste) in color. The City collects an estimated 240,000 tons of refuse and 55,000 tons of recycling from residential customers annually.

Omnia Partners conforms to the requirements of Texas Statutes that are applicable to competitive bids and proposals, in accordance with the Interlocal Cooperation Act, Chapter 791, Texas Government Code. In addition, Omnia Partners receives bids from manufacturers and dealers throughout the United States.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On January 23, 2019, City Council authorized a three-year master agreement for waste and recycling collection roll carts by Resolution No. 16-0268.

**FISCAL INFORMATION**

| Fund                      | FY 2022        | FY 2023 | Future Years |
|---------------------------|----------------|---------|--------------|
| Sanitation Operation Fund | \$1,599,301.00 | \$0.00  | \$0.00       |

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount   | Procurement Category | M/WBE Goal | M/WBE % | M/WBE \$ |
|---|----------------------|------------|---------|----------|
| \$1,599,301.00  | Goods                | N/A        | N/A     | N/A      |
| <ul style="list-style-type: none"> <li>The Business Inclusion and Development Policy does not apply to Cooperative Purchasing Agreements.</li> <li>Toter, LLC - Non-local; Workforce - 0.00% Local</li> </ul> |                      |            |         |          |

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

|                                  |  |
|----------------------------------|--|
| Cooperative Purchasing Agreement | <ul style="list-style-type: none"> <li>Cooperative purchasing agreements enable the City to associate with State agencies, other local governments, or local cooperative organizations comprised of other state and local governments, to leverage market buying power and enable the City to purchase goods or services at lower prices</li> <li>The cooperative purchasing agreement is an alternative method of meeting the requirements for competitive bidding or competitive sealed proposals, not an exception from that requirement</li> </ul> |
|----------------------------------|--|

**OWNER****Toter, LLC**

841 Meacham Rd.  
Statesville, NC 28677

Henry Retamal, Division President

October 13, 2021

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

**SECTION 1.** That the City Manager is hereby authorized to execute a cooperative purchasing agreement with Toter, LLC (333498) through the Omnia Partners cooperative agreement, approved as to form by the City Attorney, for the purchase of waste and recycling collection roll carts and parts for the Department of Sanitation Services for a term of one year, in the estimated amount of \$1,599,301. The amount payable pursuant to this cooperative purchasing agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this cooperative purchasing agreement during its term. Payments made to Toter, LLC shall be based only on the amount of the services directed to be performed by the City and properly performed by Toter, LLC under the cooperative purchasing agreement. The City Manager is further authorized, in the City Manager's sole discretion, to exercise an option to extend the agreement for six months by filing a notice of extension with the City Secretary's Office.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$1,599,301, but not more than the amount of budgetary appropriations for this cooperative purchasing agreement during its term to Toter, LLC from Cooperative Purchasing Agreement Contract No. SAN-2021-00017378.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

**File #:** 21-1786

**Item #:** 37.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 6, Outside City Limits

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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### **SUBJECT**

Authorize a three-year master agreement for the purchase of liquid dipotassium orthophosphate solution for the Water Utilities Department - Carus LLC, lowest responsible bidder of three - Estimated amount of \$9,451,680 - Financing: Dallas Water Utilities Fund

### **BACKGROUND**

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This master agreement will provide for the purchase of liquid dipotassium orthophosphate solution that will be utilized by Water Utilities Department. Dipotassium orthophosphate is a National Sanitation Foundation certified chemical used for corrosion control in potable water systems. The Water Utilities Department uses the chemical to reduce the effects of corrosion and maintenance on the water system infrastructure. The Water Utilities Department has been using this corrosion inhibitor at all three water treatment plants since 2010.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On October 24, 2018, City Council authorized a three-year master agreement for the purchase of liquid dipotassium orthophosphate for the Water Utilities Department with Carus Corporation by Resolution No. 18-1517.

**FISCAL INFORMATION**

| Fund                        | FY 2022        | FY 2023        | Future Years   |
|-----------------------------|----------------|----------------|----------------|
| Dallas Water Utilities Fund | \$3,150,560.00 | \$3,150,560.00 | \$3,150,560.00 |

| <b><u>Council District</u></b> | <b><u>Amount</u></b>  |
|--------------------------------|-----------------------|
| 6                              | \$1,303,680.00        |
| Outside City Limits            | <u>\$8,148,000.00</u> |
| Total                          | \$9,451,680.00        |

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount   | Procurement Category | M/WBE Goal | M/WBE % | M/WBE \$ |
|---|----------------------|------------|---------|----------|
| \$9,451,680.00  | Goods                | 32.00%     | 0.00%   | \$0.00   |
| • This contract does not meet the M/WBE goal, but complies with good faith efforts. |                      |            |         |          |
| • Carus LLC - Non-local; Workforce - 0.00% Local                                    |                      |            |         |          |

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

|         |  |
|---------|--|
| Low Bid | <ul style="list-style-type: none"> <li>• Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements</li> <li>• Negotiations are not allowed</li> </ul> |
|---------|--|

The Office of Procurement Services received the following bids from solicitation number BI21-00017273. We opened them on September 3, 2021. We recommend the City Council award this master agreement in its entirety to the lowest responsive and responsible bidder.

\*Denotes successful bidder

| <b><u>Bidder</u></b> | <b><u>Address</u></b>           | <b><u>Amount</u></b> |
|----------------------|---------------------------------|----------------------|
| *Carus LLC           | 315 Fifth St.<br>Peru, IL 61354 | \$ 9,451,680.00      |



|                |  |                 |
|----------------|--|-----------------|
| Chemrite, Inc. | 5202 Belle Wood Ct.<br>Ste 104<br>Buford, GA 30518 | \$ 9,517,800.00 |
|----------------|--|-----------------|

|                                 |                                    |                 |
|---------------------------------|------------------------------------|-----------------|
| Shannon Chemical<br>Corporation | 602 Jeffers Cr.<br>Exton, PA 19341 | \$24,534,000.00 |
|---------------------------------|------------------------------------|-----------------|

**OWNER****Carus LLC**

Andy Johnston, President

October 13, 2021

**WHEREAS**, on October 24, 2018, City Council authorized a three-year master agreement for the purchase of liquid dipotassium orthophosphate for the Water Utilities Department with Carus Corporation in the amount of \$7,816,398, by Resolution No. 18-1517.

**Now, Therefore,**

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

**SECTION 1.** That a master agreement for the purchase of liquid dipotassium orthophosphate solution for the Water Utilities Department is authorized with Carus LLC (VS0000052233), approved as to form by the City Attorney, for a term of three years, in the estimated amount of \$9,451,680. The amount payable pursuant to this master agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this master agreement during its term. The City Manager is further authorized, in the City Manager's sole discretion, to exercise an option to extend the agreement for six months by filing a notice of extension with the City Secretary's Office.

**SECTION 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for liquid dipotassium orthophosphate solution for the Water Utilities Department. If a written contract is required or requested for any or all purchases of liquid dipotassium orthophosphate solution for the Water Utilities Department under the master agreement instead of individual purchase orders, the City Manager is hereby authorized to execute a contract, approved as to form by the City Attorney.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$9,451,680, but not more than the amount of budgetary appropriations for this master agreement during its term to Carus LLC from Master Agreement Contract No. DWU-2021-00017273.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

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**File #:** 21-1779

**Item #:** 38.

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**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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### **SUBJECT**

Authorize a three-year service contract, with two one-year renewal options, for third-party administrator services for the City's Property Assessed Clean Energy Program for the Office of Economic Development - Texas Property Assessed Clean Energy Authority dba Texas PACE Authority, only proposer - Financing: No cost consideration to the City

### **BACKGROUND**

This service contract will provide third-party administrator services for the Property Assessed Clean Energy (PACE) Program, a financing tool to help property owners access long-term loans for clean energy, energy efficiency, and water conservation improvements. PACE financing provides a contractual agreement between property owners, third-party lenders, and the City. At the request of a property owner, the City places an assessment on a property, which secures the PACE financing from a third-party lender.

In 2013, the Texas Legislature passed Senate Bill 385 (83R) allowing municipalities and counties to work with commercial lenders and property owners to pursue improvements using property assessments as a secure repayment mechanism. In 2016, the City Council authorized the creation of the City of Dallas PACE Program, becoming one of the first municipalities in the state of Texas to do so.

The PACE program administrator will serve as the primary point of contact for the City of Dallas PACE Program. The program administrator will be responsible for overseeing day-to-day tasks including, but not limited to the following

- Coordinate efforts between property owners and lenders throughout the application process
- Verify application materials of property owners
- Gather and maintain reporting data in compliance with any applicable statute(s)
- Market and promote the City of Dallas PACE Program
- Maintain the City of Dallas PACE program website

Additionally, the program administrator will be responsible for maintaining a list of third-party service providers, including lenders/capital providers, independent third-party reviewers (qualified engineers), contractors, consultants, and attorneys with experience facilitating PACE transactions in Texas. The third-party lender will retain the property owner's payments to repay the debt and remit any administration fees to the program administrator.

A six-member committee from the following departments reviewed and evaluated the qualifications:

- Department of Planning and Urban Design (1)
- Office of Economic Development (2)
- Office of Environmental Quality and Sustainability (1)
- Office of Economic Development Business Workforce and Inclusion Division (1)\*
- Office of Procurement Services (1)\*

\*The Office of Procurement Services only evaluated cost, and local Preference, if applicable. The Office of Economic Development Business Workforce and Inclusion Division only evaluated the Business Inclusion and Development Policy.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Experience 30 points
- Approach 30 points
- Cost 20 points
- Business Inclusion and Development Policy 15 points
- Local Preference 5 points

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a "living wage" rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$12.38; the selected vendor meets this requirement.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On May 11, 2016, City Council authorized a one-year service contract, with four one-year renewal options, to administer the City of Dallas Property Assessed Clean Energy (PACE) program with Texas Property Assessed Clean Energy Authority dba Texas PACE Authority by Resolution No. 16-0722.

[The Economic Development Committee was briefed by memorandum regarding this matter on October 4, 2021.](#)

### **FISCAL INFORMATION**

No cost consideration to the City.

### **M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount  | Procurement Category | M/WBE Goal | M/WBE % | M/WBE \$ |
|--|----------------------|------------|---------|----------|
| \$0.00   | Other Services       | N/A        | N/A     | N/A      |
| <ul style="list-style-type: none"> <li>• The Business Inclusion and Development Policy does not apply to Other Service contracts.</li> <li>• Texas Property Assessed Clean Energy Authority dba Texas PACE Authority - Non-local; Workforce - 0.00% Local</li> </ul> |                      |            |         |          |

### **PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

|   |   |
|---|---|
| Request for Competitive Sealed Proposal | <ul style="list-style-type: none"> <li>• Utilized for high technology procurements, insurance procurements, and other goods and services</li> <li>• Recommended offeror whose proposal is most advantageous to the City, considering the relative importance of price, and other evaluation factors stated in the specifications</li> <li>• Always involves a team evaluation</li> <li>• Allows for negotiation on contract terms, including price</li> </ul> |
|---|---|

The Office of Procurement Services received the following proposal from solicitation number BB21-00016024. We opened it on May 6, 2021. We recommend the City Council award this service contract in its entirety to the only proposer.

| <b><u>Proposer</u></b>  | <b><u>Address</u></b>                              | <b><u>Score</u></b> |
|---|--|---------------------|
| Texas Property Assessed Clean Energy Authority dba Texas PACE Authority | 6300 La Calma Dr.<br>Suite 170<br>Austin, TX 78752 | 77.25               |

Note: The Office of Procurement Services conducted a single proposal review and found no exceptions.

**OWNER**

**Texas Property Assessed Clean Energy Authority dba Texas PACE Authority**

Charlene Heydinger, President

October 13, 2021

**WHEREAS**, 2013, the 83rd Regular Session of the Texas Legislature enacted the Property Assessed Clean Energy Act, Texas Local Government Code Chapter 399 (the “PACE Act”; and

**WHEREAS**, on May 11, 2016, City Council established the City of Dallas Property Assessed Clean Energy (PACE) Program pursuant to Section 399.008 of the PACE Act by Resolution No. 16-0721; and

**WHEREAS**, on May 11, 2016, City Council authorized a one-year service contract, with four one-year renewal options, to administer the City of Dallas Property Assessed Clean Energy (PACE) Program with Texas Property Assessed Clean Energy Authority dba Texas PACE Authority, at no cost consideration to the City by Resolution No. 16-0722; and

**WHEREAS**, on May 15, 2017, Administrative Action No. 17-0629 authorized the City Manager to execute the first of four one-year renewal options with Texas Property Assessed Clean Energy Authority dba Texas PACE Authority for services related to the administration of the Dallas PACE Program as defined by Exhibit A, with zero cost, having no effect on the contract amount; and

**WHEREAS**, on May 14, 2018, Administrative Action No. 18-5838 authorized the City Manager to execute the second of four one-year renewal options with Texas Property Assessed Clean Energy Authority dba Texas PACE Authority for services related to the administration of the Dallas PACE Program as defined by Exhibit A, with zero cost, having no effect on the contract amount; and

**WHEREAS**, on May 9, 2019, Administrative Action No. 19-6009 authorized the City Manager to execute the third of four one-year renewal options with Texas Property Assessed Clean Energy Authority dba Texas PACE Authority for services related to the administration of the Dallas PACE Program as defined by Exhibit A, with zero cost, having no effect on the contract amount; and

**WHEREAS**, on May 28, 2020, Administrative Action No. 20-5631 authorized the City Manager to execute the fourth of four one-year renewal options with Texas Property Assessed Clean Energy Authority dba Texas PACE Authority for services related to the administration of the Dallas PACE Program as defined by Exhibit A, with zero cost, having no effect on the contract amount; and

**WHEREAS**, on May 19, 2021, Administrative Action No. 21-5681 authorized the City Manager to execute a six-month extension with Texas Property Assessed Clean Energy Authority dba Texas PACE Authority for services related to the administration of the Dallas PACE Program by; and

October 13, 2021

**WHEREAS**, May 6, 2021, the City of Dallas issued BB21-00016024, a Request for a Competitive Sealed Proposal to procure third party services related to the administration of the Dallas PACE Program; and

**WHEREAS**, the City now desires to execute a three-year service contract with two one-year renewal options with Texas Property Assessed Clean Energy Authority dba Texas PACE Authority for third-party services related to the administration of the Dallas PACE Program as defined by Exhibit A.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute a service contract with Texas Property Assessed Clean Energy Authority dba Texas PACE Authority (VS89546), approved as to form by the City Attorney, for third-party administrator services for the City's Property Assessed Clean Energy Program for the Office of Economic Development for a term of three years, with two one-year renewal options.

**SECTION 2.** That the Texas Property Assessed Clean Energy Authority dba Texas PACE Authority shall receive no fees or payments from the City of Dallas for its services.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





## Agenda Information Sheet

**File #:** 21-1817

**Item #:** 39.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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### **SUBJECT**

Authorize a three-year service price agreement for pumps, pump parts, repairs, and overhaul services - Anytime Pump Service Company dba CIE in the estimated amount of \$7,138,350 and Allen's Electric Motor Service, Inc. in the estimated amount of \$1,800,738, lowest responsible bidders of six - Total estimated amount of \$8,939,088 - Financing: General Fund (\$1,349,800), Water Utilities Fund (\$6,768,885), and Stormwater Drainage Management Operations Fund (\$820,403)

### **BACKGROUND**

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement. We anticipate the following City departments will use this agreement:

- Building Services Department
- Water Utilities Department

This service price agreement will provide for purchase of pumps, pump parts, and overhaul repair services for pumps operated and maintained by the City. The awarded vendors will be required to maintain the pumps at required manufacturer's specifications. Trained professionals will perform on-site inspections, pump evaluation/condition, performance testing, equipment analysis, and removal and installation of pumps as needed. The pump overhaul repair services also include field inspections, alignments, fabrication of parts, vibration, and systems analysis. Pumps maintained under this contract are used to regulate and control the flow of water/wastewater and stormwater.

Purchases made through this master agreement will replace pumps that have become cost prohibitive to maintain and the purchase of parts for necessary repairs.

The City has approximately 400 pumping units, with capacities ranging from 350 gallons per minute to above 56,000 gallons per minute. Proper operation of these pumps allows the City to meet Texas Commission on Environmental Quality permit requirements above 56,000 gallons per minute. Proper operation of these pumps allows the City to meet Texas Commission on Environmental Quality permit requirements. Pumps utilized by the Water Utilities Department distribute an average of 400 million gallons of treated water and 160 million gallons of wastewater daily.

Below are examples of pumps that will be purchased under this agreement:

- Circulating pumps
- Centrifugal pumps
- Propeller pumps
- Sampling pump systems
- Proportioning pumps
- Sewage and sludge pumps
- Sump pumps
- Vertical solids handling pumps

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a “living wage” rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$12.38; the selected vendor meets this requirement.

#### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 15, 2016, City Council authorized a three-year service contract for repair and overhaul services for pumps with Evans Enterprises, Inc., Allen’s Electric Motor Service, Inc. and Anytime Pump Service Company dba CIE by Resolution No. 16-0968.

On August 22, 2018, City Council authorized a three-year service price agreement for pump overhaul and repair services for the Department of Trinity Watershed Management with Allen’s Electric Motor Service, Inc. by Resolution No. 18-1142.

On August 8, 2018, City Council authorized a two-year master agreement for the purchase of pumps and parts with Xylem Water Solutions USA, Inc., FCX Performance, Inc. dba Pierce Pump Company, Master Pumps & Equipment, Environmental Improvements, Inc., Macaulay Controls Company, and United Rentals (North America), Inc. by Resolution No. 18-1051.

On March 24, 2021, City Council authorized an increase to the master agreement with Xylem Water Solutions USA, Inc., FCX Performance, Inc. dba Pierce Pump, Master Pumps & Equip/Master dba Master Pumps & Power, Environmental Improvements, Inc., Macaulay Controls Company, and United Rentals (North America), Inc. dba Reliable Onsite Services, for the purchase of pumps and parts by Resolution No. 21-0514.

### **FISCAL INFORMATION**

| Fund   | FY 2022        | FY 2023        | Future Years   |
|--|----------------|----------------|----------------|
| General Fund                                   | \$ 450,000.00  | \$ 450,000.00  | \$ 449,800.00  |
| Water Utilities Fund                           | \$2,256,294.96 | \$2,256,295.01 | \$2,256,295.03 |
| Stormwater Drainage Management Operations Fund | \$ 273,467.66  | \$ 273,467.67  | \$ 273,467.67  |
| Total  | \$2,979,762.62 | \$2,979,762.68 | \$2,979,562.70 |

### **M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount  | Procurement Category | M/WBE Goal | M/WBE % | M/WBE \$       |
|--|----------------------|------------|---------|----------------|
| \$8,939,088.00   | Other Services       | N/A        | 20.14%  | \$1,800,738.00 |
| <ul style="list-style-type: none"> <li>• The Business Inclusion and Development Policy does not apply to Other Service contracts, however contractor is a certified M/WBE.</li> <li>• Anytime Pump Service Company dba CIE - Local: Workforce - 31.00% Local • Allen's Electric Mot -local; Workforce - 0.00% Local</li> </ul> |                      |            |         |                |

### **PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

|         |  |
|---------|--|
| Low Bid | <ul style="list-style-type: none"> <li>• Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements</li> <li>• Negotiations are not allowed</li> </ul> |
|---------|--|

The Office of Procurement Services received the following bids from solicitation number BV21-00015344. We opened them on May 7, 2021. We recommend the City Council award this service price agreement to the lowest responsive and responsible bidders by group. Information related to this solicitation is available upon request.

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\*Denotes successful bidders

| <b><u>Bidders</u></b>                            | <b><u>Address</u></b>                               | <b><u>Amount</u></b> |
|--|---|----------------------|
| *Anytime Pump Service Company dba CIE            | 1222 South Cedar Ridge Dr.<br>Duncanville, TX 75137 | Multiple Groups      |
| *Allen's Electric Motor Service, Inc.            | 400 Roy Hoppy Hopkins Dr.<br>Vivian, LA 71082       | Multiple Groups      |
| FCX Performance, Inc.<br>dba Pierce Pump Company | 9010 John W. Carpenter Frwy.<br>Dallas, TX 75247    | Multiple Groups      |
| Global Pump Solutions                            | 791 North U.S. Hwy. 77<br>Waxahachie, TX 75165      | Multiple Groups      |
| Smith Pump Company                               | 301 M&B Industrial Dr.<br>Waco, TX 76712            | Multiple Groups      |
| Xylem Water Solutions USA, Inc.                  | 14125 South Bridge Cr.<br>Charlotte, NC 28273       | Non-responsive       |

**OWNERS****Anytime Pump Service Company dba CIE**

Dana O'Conner, President

**Allen's Electric Motor Service, Inc.**

Peggy Parker, President

Clint Walker, Vice President

October 13, 2021

**WHEREAS**, on June 15, 2016, City Council authorized a three-year service contract for repair and overhaul services for pumps with Evans Enterprises, Inc. in the amount of \$2,140,835.00, Allen's Electric Motor Service, Inc. in the amount of \$1,483,840.00 and Anytime Pump Service Company dba CIE in the amount of \$586,225.00, in a total amount to exceed \$4,210,900.00, by Resolution No. 16-0968; and

**WHEREAS**, on August 22, 2018, City Council authorized a three-year service price agreement for pump overhaul and repair services for the Department of Trinity Watershed Management with Allen's Electric Motor Service, Inc., in an amount not to exceed \$1,543,899.00, by Resolution No. 18-1142; and

**WHEREAS**, on August 8, 2018, City Council authorized a two-year master agreement for the purchase of pumps and parts with Xylem Water Solutions USA, Inc. in the amount of \$1,778,000.00, FCX Performance, Inc. dba Pierce Pump Company in the amount of \$1,287,754.00, Master Pumps & Equipment in the amount of \$555,000.00, Environmental Improvements, Inc. in the amount of \$373,000.00, Macaulay Controls Company in the amount of \$105,000.00, and United Rentals (North America), Inc. in the amount of \$50,000.00, in a total amount not to exceed \$4,148,754.00, by Resolution No. 18-1051; and

**WHEREAS**, on March 24, 2021, City Council authorized an increase to the master agreement with Xylem Water Solutions USA, Inc. in the amount of \$444,500.00, from \$1,778,000.00 to \$2,222,500.00, FCX Performance, Inc. dba Pierce Pump Company in the amount of \$321,938.50, from \$1,287,754.00 to \$1,609,692.50, Master Pumps & Equip/Master dba Master Pumps & Power in the amount of \$138,750.00, from \$555,000.00 to \$693,750.00, Environmental improvements, Inc. in the amount of \$93,250.00, from \$373,000.00 to \$466,250.00, Macaulay Controls Company in the amount of \$26,250.00, from \$105,000.00 to \$131,250.00, and United Rentals (North America), Inc. dba Reliable Onsite Services in the amount of \$12,500.00, from \$50,000.00 to \$62,500.00, for the purchase of pumps and parts, in a total amount not to exceed \$1,037,188.50, increasing the master agreement amount from \$4,148,754.00 to \$5,185,942.50, by Resolution No. 21-0514.

**Now, Therefore,**

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

October 13, 2021

**SECTION 1.** That the City Manager is hereby authorized to execute a service price agreement with Anytime Pump Service Company dba CIE (510337) in the estimated amount of \$7,138,350.00 and Allen's Electric Motor Service, Inc. (VS0000036492) in the estimated amount of \$1,800,738.00, approved as to form by the City Attorney, for pumps, pump parts, repairs, and overhaul services for a term of three years, in the total estimated amount of \$8,939,088.00. The amount payable pursuant to this service price agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this service price agreement during its term. Payments made to Anytime Pump Service Company dba CIE and Allen's Electric Motor Service, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by Anytime Pump Service Company dba CIE and Allen's Electric Motor Service, Inc. under the service price agreement. The City Manager is further authorized, in the City Manager's sole discretion, to exercise an option to extend the agreement for six months by filing a notice of extension with the City Secretary's Office.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$8,939,088.00, but not more than the amount of budgetary appropriations for this service price agreement during its term to Anytime Pump Service Company dba CIE and Allen's Electric Motor Service, Inc. from Service Price Agreement Contract No. POM-2021-00015344.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1785

**Item #:** 40.

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**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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### **SUBJECT**

Authorize a three-year service price agreement for annual licensing, maintenance, and training for an emergency priority dispatch software system for the Fire-Rescue Department - Medical Priority Consultants, Inc. dba Priority Dispatch Corp., sole source - Estimated amount of \$110,091 - Financing: General Fund

### **BACKGROUND**

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

The service price agreement will provide annual licensing, maintenance, and training for an emergency priority dispatch software system for the Fire-Rescue Department. The licenses enabled the Fire-Rescue Department to integrate an emergency priority dispatch system with the current computer aided dispatch system to enhance deployment of Emergency Medical Service (EMS) resources in a more effective and efficient manner. This software provides scripted protocol for Fire-Rescue Department dispatchers to identify the appropriate severity level of the medical emergency of the patient and to ensure the appropriate number of responders and resources are deployed on emergency medical calls. These efficiencies have resulted in improved response time to high priority EMS calls for service via the 9-1-1 system.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a "living wage" rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$12.38; the selected vendor meets this requirement.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On September 28, 2016, City Council authorized an acquisition contract for the purchase of licenses and maintenance for an emergency priority dispatch software system for Fire with Medical Priority Consultants, Inc. dba Priority Dispatch Corp. by Resolution 16-1549.

**FISCAL INFORMATION**

| Fund         | FY 2022     | FY 2023     | Future Years |
|--------------|-------------|-------------|--------------|
| General Fund | \$36,697.00 | \$36,697.00 | \$36,697.00  |

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount   | Procurement Category | M/WBE Goal | M/WBE % | M/WBE \$ |
|---|----------------------|------------|---------|----------|
| \$110,091.00  | Other Services       | N/A        | N/A     | N/A      |
| • The Business Inclusion and Development Policy does not apply to Other Service contracts.            |                      |            |         |          |
| • Medical Priority Consultants, Inc. dba Priority Dispatch Corp. - Non-local; Workforce - 0.00% Local |                      |            |         |          |

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

|             |   |
|-------------|---|
| Sole Source | <ul style="list-style-type: none"><li>• Utilized for procurements where functional requirements can only be satisfied by one vendor, such as those where patents, copyrights or monopolies exists</li><li>• Exempted from competitive bidding process</li><li>• The Office of Procurement Services conducted a sole source review and found no exceptions</li></ul> |
|-------------|---|

**OWNER**

**Medical Priority Consultants, Inc. dba Priority Dispatch Corp.**

110 South Regent Street  
Suite 500  
Salt Lake City, UT 84111

Ron McDaniel, President  
Dave Stienbach, Chief Financial Officer



October 13, 2021

**WHEREAS**, on September 28, 2016, City Council authorized an acquisition contract for the purchase of licenses and maintenance for an emergency priority dispatch software system for Fire with Medical Priority Consultants, Inc. dba Priority Dispatch Corp. in an amount not to exceed \$258,906, by Resolution No. 16-1549.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute a service price agreement with Medical Priority Consultants, Inc. dba Priority Dispatch Corp. (VS0000063998) approved as to form by the City Attorney, for annual licensing, maintenance, and training for an emergency priority dispatch software system for the Fire-Rescue Department for a term of three years, in the estimated amount of \$110,091. The amount payable pursuant to this service price agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this service price agreement during its term. Payments made to Medical Priority Consultants, Inc. dba Priority Dispatch Corp. shall be based only on the amount of the services directed to be performed by the City and properly performed by Medical Priority Consultants, Inc. dba Priority Dispatch Corp. under the service price agreement. The City Manager is further authorized, in the City Manager's sole discretion, to exercise an option to extend the agreement for six months by filing a notice of extension with the City Secretary's Office.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$110,091, but not more than the amount of budgetary appropriations for this service price agreement during its term to Medical Priority Consultants, Inc. dba Priority Dispatch Corp. from Service Price Agreement No. DFD-2021-00016481.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

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**File #:** 21-1778

**Item #:** 41.

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**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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### **SUBJECT**

Authorize a three-year service price agreement for waste collection, disposal, and container rental services at various City facilities for the Department of Sanitation Services - Premier Waste Services LLC dba Moore Waste and Recycling Services, lowest responsible bidder of four - Estimated amount of \$4,997,592 - Financing: Sanitation Operation Fund

### **BACKGROUND**

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This service price agreement will provide for waste collection and disposal from front-load and roll-off containers, compactors, and for container rental of approximately 50 containers of various sizes. Services through this contract will be provided at various City facilities such as Dallas Love Field, Municipal Complex, Union Station, City Hall, Central Library, Morton H. Meyerson Symphony Center, Oak Cliff Municipal Center, Service Centers, Water Utilities facilities, and Jack Evans Police Headquarters. Rental cost for the containers includes maintenance and cleaning to ensure compliance with City Code Section 18-50 (6). Community recycling dumpsters at partner locations will also be serviced through this contract.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a “living wage” rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$15.21; the selected vendor meets this requirement.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On February 11, 2015, City Council authorized a five-year service contract, with three one-year renewal options, for waste collection and disposal services for City facilities with Moore Disposal Corporation, in an amount not to exceed \$2,359,325, by Resolution No. 15-0266.

On December 11, 2019, City Council authorized Supplemental Agreement No. 1 to (1) consent to the assignment of the service contract with Moore Disposal Corporation to Premier Waste Services, LLC dba Moore Disposal; and (2) exercise the first of three, one-year renewal options, to the service contract with Premier Waste Services, LLC dba Moore Waste Disposal for waste collection and disposal services at City facilities for the Department of Sanitation Services by Resolution No. 19-1923.

On January 27, 2021, City Council authorized a nine-month service price agreement with Premier Waste Services, LLC dba Moore Waste Disposal for front-load waste collection and disposal services at City facilities for the Department of Sanitation Services- Estimated amount of \$161,604.00; and the ratification of the City Manager’s purchase of front-load waste collection and disposal services at City Facilities with Premier Waste Services, LLC dba Moore Waste Disposal at City facilities for the Department of Sanitation Services - Not to exceed \$52,000; and Supplemental Agreement No. 2 to increase the service contract with Premier Waste Services, LLC dba Moore Waste Disposal for roll-off waste collection and disposal services at City facilities and to extend the term from March 31, 2021 to November 30, 2021, by Resolution No. 21-0248.

### **FISCAL INFORMATION**

| Fund                      | FY 2022        | FY 2023        | Future Years   |
|---------------------------|----------------|----------------|----------------|
| Sanitation Operation Fund | \$1,665,864.00 | \$1,665,864.00 | \$1,665,864.00 |

### **M/WBE INFORMATION**

In accordance with the City’s Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount  | Procurement Category | M/WBE Goal | M/WBE % | M/WBE \$ |
|--|----------------------|------------|---------|----------|
| \$4,997,592.00   | Other Services       | N/A        | N/A     | N/A      |
| <ul style="list-style-type: none"> <li>The Business Inclusion and Development Policy does not apply to Other Service contracts.</li> <li>Premier Waste Services LLC dba Moore Waste and Recycling Services LLC - Local; Workforce - 0.00% Local</li> </ul> |                      |            |         |          |

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

|         |  |
|---------|--|
| Low Bid | <ul style="list-style-type: none"> <li>• Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements</li> <li>• Negotiations are not allowed</li> </ul> |
|---------|--|

The Office of Procurement Services received the following bids from solicitation number BW21-00015828. We opened them on May 6, 2021. We recommend the City Council award this service price agreement in its entirety to the lowest responsive and responsible bidder.

\*Denotes successful bidder

| <b><u>Bidder</u></b>   | <b><u>Address</u></b>  | <b><u>Amount</u></b> |
|--|--|----------------------|
| *Premier Waste Services LLC dba<br>Moore Waste and Recycling<br>Services LLC | 34811 Lyndon B. Johnson Frwy.<br>Suite #2110<br>Dallas, TX 75241 | \$ 4,997,592.00      |
| Waste Management of Texas, Inc.  | 1251 North Central St.<br>Ferris, TX 75125                       | \$ 6,735,254.28      |
| Waste Connections Lone Star, Inc.  | 12150 Garland Rd.<br>Dallas, TX 75218                            | \$ 7,400,372.47      |
| Fusion Recycling LLC dba<br>Fusion Waste & Recycling LLC                     | 13601 Preston Rd.<br>Suite 470E<br>Dallas, TX 75240              | \$15,921,736.07      |

**OWNER****Premier Waste Services LLC dba Moore Waste and Recycling Services LLC**

Lou Sabia, Owner

October 13, 2021

**WHEREAS**, on February 11, 2015, City Council authorized a five-year service contract, with three one-year renewal options, for waste collection and disposal services for City facilities with Moore Disposal Corporation, in an amount not to exceed \$2,359,325, by Resolution No. 15-0266.

**WHEREAS**, on December 11, 2019, City Council authorized Supplemental Agreement No. 1 to (1) consent to the assignment of the service contract with Moore Disposal Corporation to Premier Waste Services, LLC dba Moore Disposal; and (2) exercise the first of three, one-year renewal options, to the service contract with Premier Waste Services, LLC dba Moore Waste Disposal for waste collection and disposal services at City facilities for the Department of Sanitation Services by Resolution No. 19-1923.

**WHEREAS**, on January 27, 2021, City Council authorized **(1)** a nine-month service price agreement with Premier Waste Services, LLC dba Moore Waste Disposal for front-load waste collection and disposal services at City facilities for the Department of Sanitation Services— Estimated amount of \$161,604.00; and **(2)** the ratification of the City Manager's purchase of front-load waste collection and disposal services at City Facilities with Premier Waste Services, LLC dba Moore Waste Disposal at City facilities for the Department of Sanitation Services - Not to exceed \$52,000; and **(3)** Supplemental Agreement No. 2 to increase the service contract with Premier Waste Services, LLC dba Moore Waste Disposal for roll-off waste collection and disposal services at City facilities and to extend the term from March 31, 2021 to November 30, 2021, by Resolution No. 21-0248.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute a service price agreement with Premier Waste Services LLC dba Moore Waste and Recycling Services (VC20593), approved as to form by the City Attorney, for waste collection, disposal, and container rental services at various City facilities for the Department of Sanitation Services for a term of three years, in the estimated amount of \$4,997,592. The amount payable pursuant to this service price agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this service price agreement during its term. Payments made to Premier Waste Services LLC dba Moore Waste and Recycling Services shall be based only on the amount of the services directed to be performed by the City and properly performed by Premier Waste Services LLC dba Moore Waste and Recycling Services under the service price agreement. The City Manager is further authorized, in the City Manager's sole discretion, to exercise an option to extend the agreement for six months by filing a notice of extension with the City Secretary's Office.

October 13, 2021

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$4,997,592, but not more than the amount of budgetary appropriations for this service price agreement during its term to Premier Waste Services LLC dba Moore Waste and Recycling Services from Service Price Agreement Contract No. SAN-2021-00015828.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

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**File #:** 21-1781

**Item #:** 42.

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**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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### **SUBJECT**

Authorize a five-year service price agreement for repair, cleaning, and advanced inspection of structural and proximity protective firefighting gear for the Fire-Rescue Department - Lion Totalcare, Inc., lowest responsible bidder of two - Estimated amount of \$3,307,568 - Financing: General Fund

### **BACKGROUND**

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This service price agreement will provide for the repair, cleaning, and advanced inspection of structural and proximity protective firefighting gear for the Fire-Rescue Department. The National Fire Protection Association (NFPA) establishes requirements for the selection, care, and maintenance of firefighting protective gear to reduce health and safety risks associated with contamination or damage.

Per NFPA Standard 1851, two advanced inspections and cleanings are required every 12 months in addition to any necessary repairs. Currently there are 2,100 firefighters who utilize structural and proximity protective gear as a part of their day-to-day job function. Inspection, cleaning, and repair allows for longer lasting life of the gear, protects members while fighting fires, and maintains proper visibility for members while rendering aid.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a "living wage" rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$12.38; the selected vendor meets this requirement.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On May 28, 2014, City Council authorized a three-year service contract for cleaning and repair of structural and proximity protective gear for the Fire-Rescue department with Gear Cleaning Solutions, LLC by Resolution No. 14-0816.

### **FISCAL INFORMATION**

| Fund         | FY 2022      | FY 2023      | Future Years   |
|--------------|--------------|--------------|----------------|
| General Fund | \$824,392.00 | \$824,392.00 | \$1,658,784.00 |

### **M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount   | Procurement Category | M/WBE Goal | M/WBE % | M/WBE \$ |
|---|----------------------|------------|---------|----------|
| \$3,307,568.00  | Other Services       | N/A        | N/A     | N/A      |
| <ul style="list-style-type: none"> <li>• The Business Inclusion and Development Policy does not apply to Other Service contracts.</li> <li>• Lion Totalcare, Inc. - Non-local; Workforce - 0.00% Local</li> </ul> |                      |            |         |          |

### **PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

|         |  |
|---------|--|
| Low Bid | <ul style="list-style-type: none"> <li>• Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements</li> <li>• Negotiations are not allowed</li> </ul> |
|---------|--|

The Office of Procurement Services received the following bids from solicitation number BD21-00015972. We opened them on April 16, 2021. We recommend the City Council award this service price agreement in its entirety to the lowest responsive and responsible bidder.

\*Denotes successful bidder



| <b><u>Bidders</u></b>        | <b><u>Address</u></b>                            | <b><u>Amount</u></b> |
|------------------------------|--|----------------------|
| *Lion Totalcare, Inc.        | 7200 Poe Avenue<br>Suite 400<br>Dayton, OH 45414 | \$3,307,568.00       |
| Gear Cleaning Solutions, LLC | 9030 Viscount Row<br>Dallas, TX 75247            | \$4,791,947.50**     |

\*\*The City has received a protest regarding this procurement which has been addressed. Please find attached the vendor protest letter and the City's response.

**OWNER**

**Lion Totalcare, Inc.**

Mark Smith, President  
Stephen Schwartz, Chief Executive Officer

October 13, 2021

**WHEREAS**, on May 28, 2014, City Council authorized a three-year service contract for cleaning and repair of structural and proximity protective gear for the Fire-Rescue department with Gear Cleaning Solutions, LLC in an amount not to exceed \$4,599,685, by Resolution No. 14-0816; and

**WHEREAS**, on April 18, 2018, Administrative Action No. 19-6231 authorized Supplemental Agreement No. 1 to extend the service contract for one year for cleaning and repair of structural and proximity protective gear for the Fire-Rescue department with Gear Cleaning Solutions, LLC from May 27, 2019 to May 27, 2020, with zero cost, having no effect on the contract amount.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute a service price agreement with Lion Totalcare, Inc. (VC23536), approved as to form by the City Attorney, for repair, cleaning, and advanced inspection of structural and proximity protective firefighting gear for the Fire-Rescue Department for a term of five years, in the estimated amount of \$3,307,568. The amount payable pursuant to this service price agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this service price agreement during its term. Payments made to Lion Totalcare, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by Lion Totalcare, Inc. under the service price agreement. The City Manager is further authorized, in the City Manager's sole discretion, to exercise an option to extend the agreement for six months by filing a notice of extension with the City Secretary's Office.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$3,307,568, but not more than the amount of budgetary appropriations for this service price agreement during its term to Lion Totalcare, Inc. from Service Price Agreement Contract No. DFR-2021-00015972.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.,



Gear Cleaning Solutions, LLC  
9030 Viscount Row  
Dallas, TX 75247

The Office of Procurement Services,  
1500 Marilla St., Room 3FN  
Dallas, TX 75201  
Attention: Mellissa Anderson.

CC: Quentin Collin Faust, Faust Law Group

Re: Protest of Intent to Award Bid BD21-00015972

Gear Cleaning Solutions, (GCS) formally protests the intent to award bid BD21-00015972, Advanced Inspection, Cleaning and Repair of Structural and Protective Firefighting Gear (the "Bid"). We object to your intent to award the project to any vendor who is not in compliance with the requirements of the Bid. To date, three months post closure of the bidding process, GCS remains the only authorized and certified warranty facility for Globe Manufacturing in Pittsfield, NH.

The requirements of the bid included the following safety specification:

Manufacturer Certified ISP Documentation stating that the bidder is certified by the respective manufacturers to complete warranty repairs. The ISP shall be listed, and the listing shall contain the repair categories that the ISP is verified to conduct by the manufacturer. Repair categories shall be garment outer shell repairs, garment moisture barrier repairs, and garment thermal liner repairs. Verification of ISP certification shall not apply to Chemical, Biological, Radiological, Nuclear (CBRN) ensembles. Certification submittal is required.

GCS has confirmed with Globe manufacturing, the manufacture of Dallas Fire Rescues fire fighter turnout gear, which is proprietary to Globe Manufacturing, that as of the date of this protest, no other Texas vendor meets the requirements or is authorized to perform warranty services on Globe gear. GCS solely meets this bid specification and provided supporting documentation from Globe Manufacturing reflecting this with its submittal for the Bid.

As an award to a vendor not meeting the requirements of the BID would likely result in a claim of misappropriation of City of Dallas funds, we suggest the following potential avenues for remediation of this flawed intent to award:

- 1) The City retracts the intent to award the contract to the unqualified vendor.
- 2) The City provides an intent to award the contract to GCS as the sole vendor meeting full specifications of the bid requirements upon the due date of the bid.
- 3) The City permits for vendors to reconsider exceptions to bid requirements affording vendors the opportunity to clarify unique potential advantages of their services to the City and for the City to require specific proof, accurately reflecting any vendor considered for the intent to award bid to has met all of the qualifications of the Bid requirements.

In transparency,



Tim Tomlinson

Gear Cleaning Solutions, Owner



214-774-2213 (O)



**Office of Procurement Services**

1500 Marilla Street, Room 3FN  
Dallas, Texas 75201

August 26, 2021

*VIA CERTIFIED MAIL TO*

*Tim Tomlinson  
Owner  
Gear Cleaning Solutions, LLC  
9030 Viscount Row  
Dallas, TX 75201*

*VIA EMAIL AT* [REDACTED]

**RE: Protest of RFB BD21-00015972, Advanced Inspection, Cleaning and Repair of Structural and Protective Firefighting Gear**

Dear Mr. Tomlinson:

The City of Dallas ("City") is in receipt of Gear Cleaning Solutions, LLC's ("Gear Cleaning Solutions") protest letter dated July 23, 2021 (the "Protest"). We have thoroughly reviewed your protest materials and respond as follows.

Our office contacted Globe Manufacturing Company, LLC ("Globe") regarding its policy on Independent Service Providers ("ISP"). Per Globe's policy, attached hereto as Exhibit A, please see below:

Globe does not give blanket approval for outside warranty work, but is always accessible to any verified ISP to discuss questions or concerns regarding Globe gear, warranty or otherwise. In the event a department is simply unable to return product to Globe for warranty repair and chooses to work with an ISP, Globe would first confirm that the ISP is in fact verified, and would request a photo of the damage, the serial number of the garment affected, a description of the proposed remedy and the amount the verified ISP would invoice Globe to pay for the repair.

Furthermore, Globe does not offer a formal certification for verified ISP to complete warranty repairs. See Exhibit A. The "unique arrangement" described in your bid submission aligns with Globe's ISP policy, which indicates that this arrangement is available to any verified ISP.

All submittal requirements were reviewed and vetted extensively for compliance with the specifications by the Office of Procurement Services and Dallas Fire-Rescue prior to issuance of the intent to award. The procurement method for this solicitation was a Request for Bid

resulting in award to the lowest responsive and responsible bidder. Documentation reflecting the awardee's compliance with the specifications are available through an open records request following award by the City Council. As a reminder, the City's Code of Ethics prohibits communication regarding a potential award between a bidder (yourself) and councilmember until after the Council award has been made.

After reviewing the concerns highlighted in the Protest, the City does not find a basis upon which to reconsider our award determination. We appreciate your effort in responding to this solicitation and thank you for doing business with the City. We encourage you to bid or propose on future solicitations.

Sincerely,

*Melissa Anderson*

Melissa Anderson  
Senior Buyer

c: Danielle Thompson  
Purchasing Agent, Office of Procurement Services

Chhunmy Chhean  
Director, Procurement Services

Wanda Moreland  
Assistant Director, Dallas Fire-Rescue



## MEMORANDUM

**FROM:** Technical Services Department

**DATE:** May 18, 2021

**IN RE:** Globe Policy on Independent Service Providers (ISPs)

GLOBE MANUFACTURING COMPANY is engaged in the manufacture of turnout clothing and footwear for the fire and rescue industry, and an active participant in several NFPA standards governing the manufacture and care of our products. This memorandum is written with regard to NFPA 1851, Standard on Section, Care and Maintenance of Protective Ensembles for Structural Fire Fighting and for Proximity Fire Fighting. Specific to this standard, Globe offers in-house care, cleaning, evaluation and repair services as well as training.

NFPA 1851 requires any independent service provider to be verified by an outside, independent, certification agency. Fire departments are free to choose which ISP they want to work with and the standard does not require manufacturer approval. In order to maintain our high quality standards, we normally do not allow any ISP to perform Globe **warranty** work, believing that we are the experts in the overall design and construction of our products. Given this, with very few exceptions, we traditionally do not reimburse outside sources to perform warranty work.

While we do not give blanket approval for outside warranty work, we are always accessible to any verified ISP to discuss questions or concerns regarding Globe gear, warranty or otherwise. In the event a department is simply unable to return product to us for warranty repair and chooses to work with an ISP, we would first confirm that the ISP is in fact verified, and would request a photo of the damage, the serial number of the garment affected, a description of the proposed remedy and the amount they would invoice us to pay them for the repair. Contingent upon the repair being made in accordance with requirements of NFPA 1851 and will not negatively impact the form, fit, or function of the protective element, we would work with the verified ISP as necessary to support our customer.



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1783

**Item #:** 43.

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**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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### **SUBJECT**

Authorize the purchase of up to eight enclosed mobile heating, ventilation, and air conditioning trailer units for the Office of Emergency Management - RushCo Energy Specialists, Inc. in the amount of \$300,073.04 and Western Shelter Systems in the amount of \$98,875.28, lowest responsible bidder of two - Not to exceed \$398,948.32 - Financing: 2019 Homeland Security-Urban Area Security Initiative 19-21 Fund

### **BACKGROUND**

This purchase will provide for up to eight enclosed mobile heating, ventilation, and air conditioning trailer units for the Office of Emergency Management. The trailers are fully equipped with all duct work, wiring, and power distribution panels to provide temporary heating, ventilation, and air conditioning (HVAC) to facilities such as libraries or recreation centers during power outages. Each enclosed trailer will be equipped with two HVAC units and have the capacity to warm or cool up to 5,000 square feet.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.



**FISCAL INFORMATION**

| Fund   | FY 2022      | FY 2023 | Future Years |
|--|--------------|---------|--------------|
| 2019 Homeland Security-Urban Area Security Initiative 19-21 Fund | \$398,948.32 | \$0.00  | \$0.00       |

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount  | Procurement Category | M/WBE Goal | M/WBE % | M/WBE \$ |
|--|----------------------|------------|---------|----------|
| \$398,948.32   | Goods                | 32.00%     | 0.00%   | \$0.00   |
| <ul style="list-style-type: none"> <li>• This contract does not meet the M/WBE goal, but complies with good faith efforts.</li> <li>• RushCo Energy Specialists, Inc. - Non-local; Workforce - 0.00% Local • Western Shelter Systems Non-Local; Workforce - 0.00% Local</li> </ul> |                      |            |         |          |

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

|         |  |
|---------|--|
| Low Bid | <ul style="list-style-type: none"> <li>• Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements</li> <li>• Negotiations are not allowed</li> </ul> |
|---------|--|

The Office of Procurement Services received the following bids from solicitation number BD21-00017215. We opened them on September 3, 2021. We recommend the City Council award this purchase to the lowest responsive and responsible bidders by group. Information related to this solicitation is available upon request.

\*Denotes successful bidders

| <b><u>Bidders</u></b>            | <b><u>Address</u></b>                 | <b><u>Amount</u></b> |
|----------------------------------|---------------------------------------|----------------------|
| *RushCo Energy Specialists, Inc. | 10765 Tube Drive<br>Hurst, TX 76053   | Multiple groups      |
| *Western Shelter Systems         | 830 Wilson Street<br>Eugene, OR 97402 | Multiple groups      |

**OWNERS**

**RushCo Energy Specialists, Inc.**

Anne Rusher, President

Tim Rusher, Vice President

**Western Shelter Systems**

Mike Scala, Chief Executive Officer

Nathan Nechels, Director of Sales

October 13, 2021

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

**SECTION 1.** That the purchase of up to eight enclosed mobile heating, ventilation, and air conditioning trailer units for the Office of Emergency Management is authorized with RushCo Energy Specialists, Inc. (VS0000063267) in the amount of \$300,073.04 and Western Shelter Systems (VS0000021619) in the amount of \$98,875.28, in a total amount not to exceed \$398,948.32.

**SECTION 2.** That the Purchasing Agent is authorized, upon appropriate requisition, to issue a purchase order for up to eight enclosed mobile heating, ventilation, and air conditioning trailer units for the Office of Emergency Management. If a formal contract is required for this purchase instead of a purchase order, the City Manager is hereby authorized to execute the contract, approved as to form by the City Attorney.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$398,948.32 to RushCo Energy Specialists, Inc. and Western Shelter Systems from 2019 Homeland Security-Urban Area Security Initiative 19-21, Fund F608, Department OEM, Unit 4489, Object 4720, Purchase Order Nos. 00000161530 and 00000161531.

**SECTION 4.** That this contract is designated as Contract No. OEM-2021-00017215.

**SECTION 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

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**File #:** 21-1766

**Item #:** 44.

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**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** 4  
**DEPARTMENT:** Park & Recreation Department  
**EXECUTIVE:** John D. Jenkins

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### **SUBJECT**

Authorize a design and development agreement with The Trust for Public Land for the design and construction of Woody Branch Park located at 4900 South R.L. Thornton Freeway - Financing: This item has no cost consideration to the City (see Fiscal Information)

### **BACKGROUND**

This item authorizes an agreement with The Trust for Public Land (TPL) for the design and phased development of Woody Branch Park. TPL, shall be responsible for funding, public input process, and design of the park development-the City may participate in funding, subject to appropriations, and may choose to bid and manage construction.

Woody Branch Park was identified in the Five Mile Creek Urban Greenbelt master plan, Focus Area B, as a potential acquisition which would provide resident-access to the Five Mile Creek Trail corridor along Woody Branch. The park was acquired by the City in collaboration with TPL. TPL facilitated acquisition of the property by funding due diligence and negotiating acquisition with the prior owner.

The City's acquisition of the property from TPL on June 14, 2021, was funded with Reforestation Funds. As such, the development of the land is restricted to minimize impact to trees and the supporting ecosystem. The property contains open space on the north and south ends of the property which are favorable to development without impacting the existing forestland, as required of land purchased with Reforestation Funds. Planning and development of the park will be cognizant of these restraints-any design improvements in forestland will treat the forest as an asset to the community.

TPL will engage the public in the development of a park master plan. After The Park and Recreation Board approves the master plan, the park is expected to be developed in phases depending upon feasibility and funding. TPL will facilitate design through development of the project to close out or, if the project is phased, through completion of each phase of the project.

The agreement will be subject to the following terms:

1. TPL shall hold public meetings and fund: design of a master plan, construction documents, and construction. TPL may potentially bid and manage construction of such improvements.
  - a. The City may participate in funding of the project, subject to appropriations.
  - b. The City reserves right to bid and manage construction of each or any phase of the project.
  - c. TPL will have naming rights to and in the park, subject to the approval of the Park and Recreation Board.
2. Master plan is anticipated to include attractions and features such as: a pavilion, signature botanic elements, trails, a playground, ecological restoration, and educational elements about the ecological and environmental qualities of the park. After the Park and Recreation Board approval of the master plan for Woody Branch Park, TPL shall develop construction drawings subject to raising funds.
3. Plan and development shall respect requirements of the Reforestation Fund. City Forester shall participate in development of the master plan and construction drawings as appropriate.
4. If TPL constructs improvements, the City shall assist TPL to secure all permits, platting, and other City requirements, and all state and federal requirements.
5. The City shall maintain park improvements upon acceptance and close out of the project or phase. TPL shall have no maintenance or operations obligations of the park improvements after close out of each phase of project.
6. The term of the agreement is the duration of the design and construction of the park through the initial warranty of construction improvements, or, if the project is phased, through design, construction, and warranty of each phase of the project.

#### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

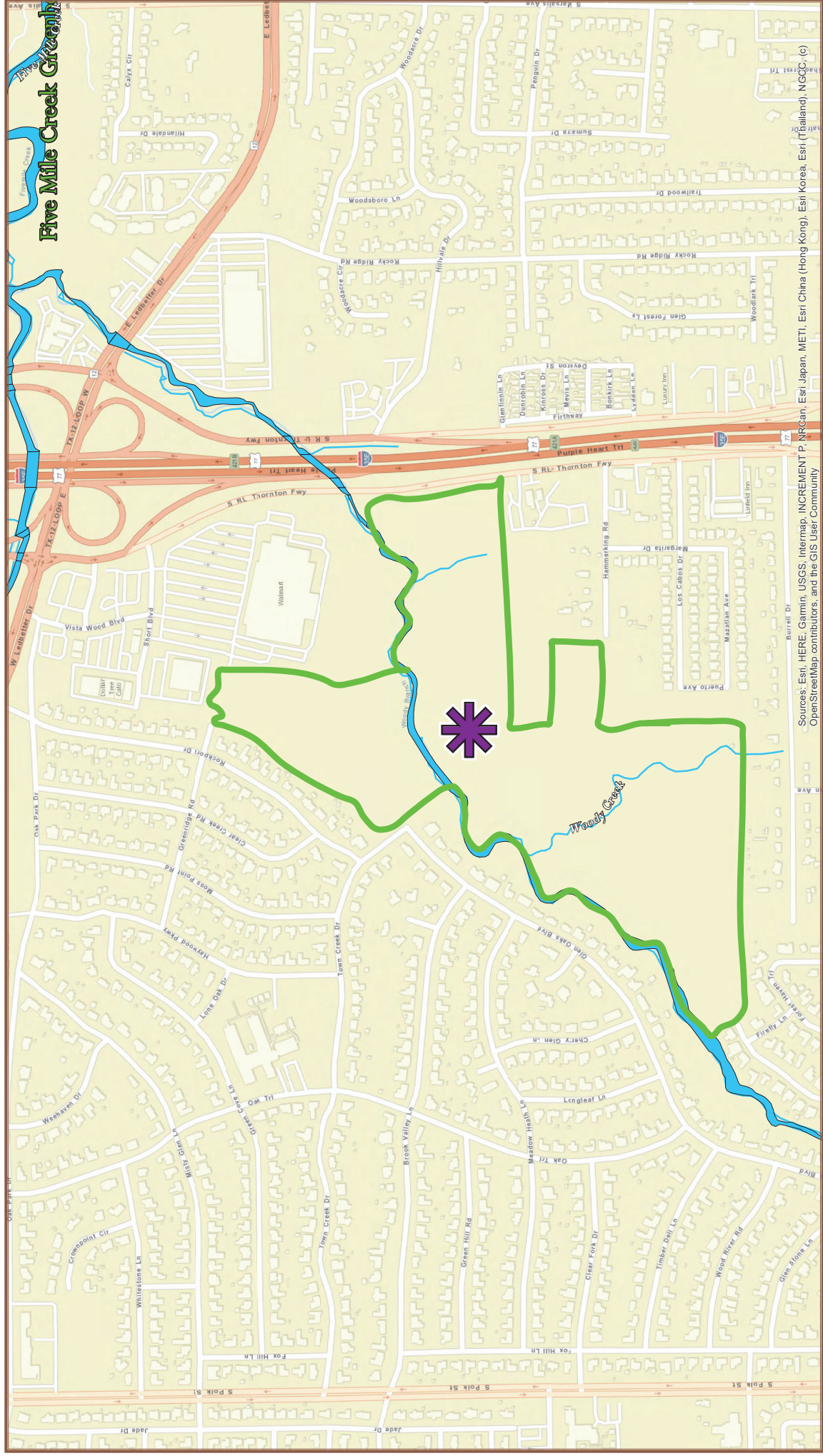
On September 15, 2021, the Park and Recreation Board authorized a design and development agreement with The Trust for Public Land for the design and construction of Woody Branch Park.

#### **FISCAL INFORMATION**

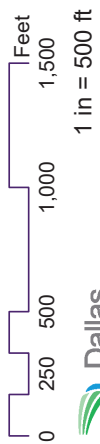
This item has no cost consideration to the City. Future funding participation is at the discretion of the Park Board and Council and subject to annual appropriations.

#### **MAP**

Attached



Five Mile Creek Greenway



## Woody Branch (4900 S. R.L. Thornton Freeway)

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

October 13, 2021

**WHEREAS**, the City Charter provides for the Park and Recreation Board to grant contracts and agreements within park facilities with such terms and conditions as it shall deem proper; and

**WHEREAS**, the City of Dallas Park & Recreation Department (City) and The Trust for Public Land (TPL) desire to enter into a design and development agreement for the design and construction of Woody Branch Park (Project), located at 4900 South R.L. Thornton Freeway; and

**WHEREAS**, TPL desires to raise funds for the design and construction of the Project, hold public meetings, potentially bid and manage construction of the Project, and to phase the Project if desirable, and

**WHEREAS**, the City reserves the right to, by phase or in its entirety: bid and manage construction of the project and participate in funding the Project, and

**WHEREAS**, the term of the agreement shall be through the end of the warranty period, upon acceptance of the final phase of the Project if phased, unless otherwise terminated in accordance with the terms of the agreement; and

**WHEREAS**, the City shall be responsible for maintenance and operations of improvements constructed and TPL shall have no maintenance or operations responsibilities beyond construction and the warranty period of the project as is customarily required by the City of contractors on its projects; and

**WHEREAS**, TPL acknowledges that Woody Branch Park was acquired by the City using Reforestation Fund resources which restrain and limit development of land so acquired, that protection of the forest and its supporting ecosystem is the foremost objective of such acquisitions, and that the development of Woody Branch Park shall be complementary to and enhance those objectives of the Reforestation Fund as promulgated by the City Council.

**Now, Therefore,**

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

**SECTION 1.** That the Park and Recreation Board and City Manager are hereby authorized to execute a design and development agreement with The Trust for Public Land, approved as to form by the City Attorney, for the design and construction of Woody Branch Park located at 4900 South R.L. Thornton Freeway.

**SECTION 2.** That the duration of the agreement will be through the end of the warranty period of the final phase of the project.

October 13, 2021

**SECTION 3.** That this contract is designated as Contract No. PKR- 2021-00017267.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





# City of Dallas

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

## Agenda Information Sheet

**File #:** 21-1718

**Item #:** 45.

**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Park & Recreation Department  
**EXECUTIVE:** John D. Jenkins

### **SUBJECT**

Authorize the professional services contract with Freese and Nichols, Inc. for pedestrian bridges condition assessments; performing routine inspections; developing standard inspection reports; creating ArcGIS online database; and developing spatial data for the 123 pedestrian bridges under the Park & Recreation Department - Not to exceed \$201,980.00 - Financing: General Fund

### **BACKGROUND**

This action will authorize a professional services contract with Freese and Nichols, Inc. for the condition assessment of pedestrian bridges under the Park & Recreation Department.

The project includes an inspection program of the 123 pedestrian bridges within the Dallas Park system. The consultant will prepare an inspection schedule based on the current condition and will perform visual inspections of each of 123 pedestrian bridges based on NBIS and Texas Department of Transportation standards, documenting any signs of spalls, cracking, movement and settlement, distortion, corrosion or distress with photographs and notes, areas requiring more in depth inspection beyond visual observation and any recommended repair will be identified, special services to create ArcGIS online database, develop complete inspection report with recommendations for the bridge repair.

### **ESTIMATED SCHEDULE OF PROJECT**

|                     |               |
|---------------------|---------------|
| Begin Inspection    | November 2021 |
| Complete Inspection | November 2023 |

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On September 15, 2021, the Park and Recreation Board authorized a professional services contract with Freese and Nichols, Inc.

**FISCAL INFORMATION**

| Fund         | FY 2021      | FY 2022 | Future Years |
|--------------|--------------|---------|--------------|
| General Fund | \$201,980.00 | \$0.00  | \$0.00       |

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount   | Procurement Category       | M/WBE Goal | M/WBE % | M/WBE \$ |
|---|----------------------------|------------|---------|----------|
| \$201,980.00  | Architecture & Engineering | 34.00%     | 0.00%   | \$0.00   |
| • This contract does not meet the M/WBE goal, but complies with good faith efforts. |                            |            |         |          |
| • Freese and Nichols Consulting Engineers, Inc. - Local; Workforce - 31.58% Local   |                            |            |         |          |

**OWNER**

**Freese and Nichols, Inc.**

Brad Watson, PE, Principal /Vice president

October 13, 2021

**WHEREAS**, on August 21, 2020, a Request for Qualifications was issued for professional services for a pedestrian bridge condition assessment for 123 pedestrian bridges; and

**WHEREAS**, in accordance with Administrative Directive 4-05, Freese and Nichols, Inc. was selected as the most qualified consultant for the condition assessment services for the 123 pedestrian bridges under the Park & Recreation Department; and

**WHEREAS**, it is now desired to authorize a professional services contract with Freese and Nichols, Inc. for pedestrian bridges condition assessment, performing routine inspections, developing standard inspection reports, creating ArcGIS online database, and developing spatial data for the 123 pedestrian bridges under the Park & Recreation Department, in an amount not to exceed \$201,980.00.

**Now, Therefore,**

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

**SECTION 1.** That the Park and Recreation Board and City Manager are hereby authorized to execute a professional services contract with Freese and Nichols, Inc., approved as to form by the City Attorney, for pedestrian bridges condition assessment, performing routine inspections, developing standard inspection reports, creating ArcGIS online database, and developing spatial data for the 123 pedestrian bridges under the Park & Recreation Department, in an amount not to exceed \$201,980.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$201,980.00 to Freese and Nichols, Inc. from General Fund, Fund 0001, Department PKR, Unit 5002, Object 3070, Activity MMCF, Program PKBRIDGE, Encumbrance/Contract No. PKR-2021-00017082, Commodity 92500, Vendor 347200.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

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**File #:** 21-1891

**Item #:** 46.

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**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** 14  
**DEPARTMENT:** Park & Recreation Department  
**EXECUTIVE:** John D. Jenkins

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### **SUBJECT**

Authorize execution of a revised Advanced Funding Agreement (AFA) with the Texas Department of Transportation (TxDOT) (TxDOT Agreement No. CSJ 0196-07-034), for the Woodall Rodgers Park Deck Plaza Extension Structure on-system from west of Akard Street to St. Paul Street to provide for a \$1,700,000.00 increase in the City's previously authorized construction costs allocation (Resolution No. 21-1134) from \$7,900,000 to \$9,600,000 from Park and Recreation Facilities (B) Fund- Total amount of \$1,700,000.00 - Financing: Park and Recreation Facilities (B) Fund (2017 General Obligation Bond Fund)

### **BACKGROUND**

On June 23, 2021, Resolution No. 21-1134 was approved by Council authorizing Advanced Funding Agreements (AFAs) with Texas Department of Transportation (TxDOT) for the on-system construction and maintenance of the Woodall Rodgers Park Deck Plaza Extension Structure from west of Akard Street to Saint Paul Street. Total project costs for the project, including design, construction, and other costs was estimated to be \$56,848,810.00-the City's financial commitment to the total project cost was \$7,900,000.00. After passage of Resolution No. 21-1134, and prior to the parties signing the AFAs, TxDOT informed the City that the Opinion of Probable Cost (OPC) determined by TxDOT had been revised higher than the prior OPC.

By agreement, TxDOT cannot bid the project unless funding for the entire OPC is identified at the time of execution of the AFA. By this action the City will commit an additional \$1,700,000.00 of 2017 Proposition B funds from the remainder of funds for this bond project, to meet the project agreement requirements for a total City contribution of \$9,600,000; and, the parties can proceed to execute the on-system construction AFA.

This action will encumber an additional \$1,700,000.00 of the City's obligation under the AFA.

**ESTIMATED SCHEDULE OF PROJECT**

|                       |               |
|-----------------------|---------------|
| Began Design          | July 2012     |
| Completed Design      | November 2020 |
| Begin Construction    | December 2021 |
| Complete Construction | August 2024   |

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On October 24, 2019, the Park and Recreation Board authorized Supplemental Agreement No. 3 to the Development Agreement with the Woodall Rodgers Park Foundation.

On December 11, 2019, City Council authorized Supplemental Agreement No. 3 to the Development Agreement with the Woodall Rodgers Park Foundation, a Texas non-profit foundation, for the design, construction and financing of the Phase 2 expansion of Klyde Warren Park ("Park") located at 2012 Woodall Rodgers Freeway to (a) include the Klyde Warren Park Phase 2 Extension, as described below and to (b) include a nearby portion of unused City right-of-way encompassed by the eastbound side of Woodall Rodgers Freeway service road, the southbound side of North Pearl Street, the southbound Olive Street on ramp to the Woodall Rodgers Freeway and adjacent parking lot to relocate the existing dog park component of the Park, which (a) and (b) collectively hereafter referred to as KWP2 by Resolution No. 19-1931.

On June 17, 2021, the Park and Recreation Board authorized (1) two Advanced Funding Agreements with TxDOT as follows: (i) on-system and; (ii) on-system maintenance and Amendment No. 1 (TxDOT Agreement No. CSJ 0916-07-034) for the Woodall Rodgers Park Deck Plaza Extension Structure On-System from west of Akard Street to St. Paul Street; and (iii) to provide funding for project costs in the amount of \$7,900,000.00 from Park and Recreation Facilities (B) Fund and assign TxDOT as the project lead for the entire project; and (2) execution of the Advanced Funding Agreements including all terms, conditions, and documents required by the agreements by Resolution No. 21-1134.

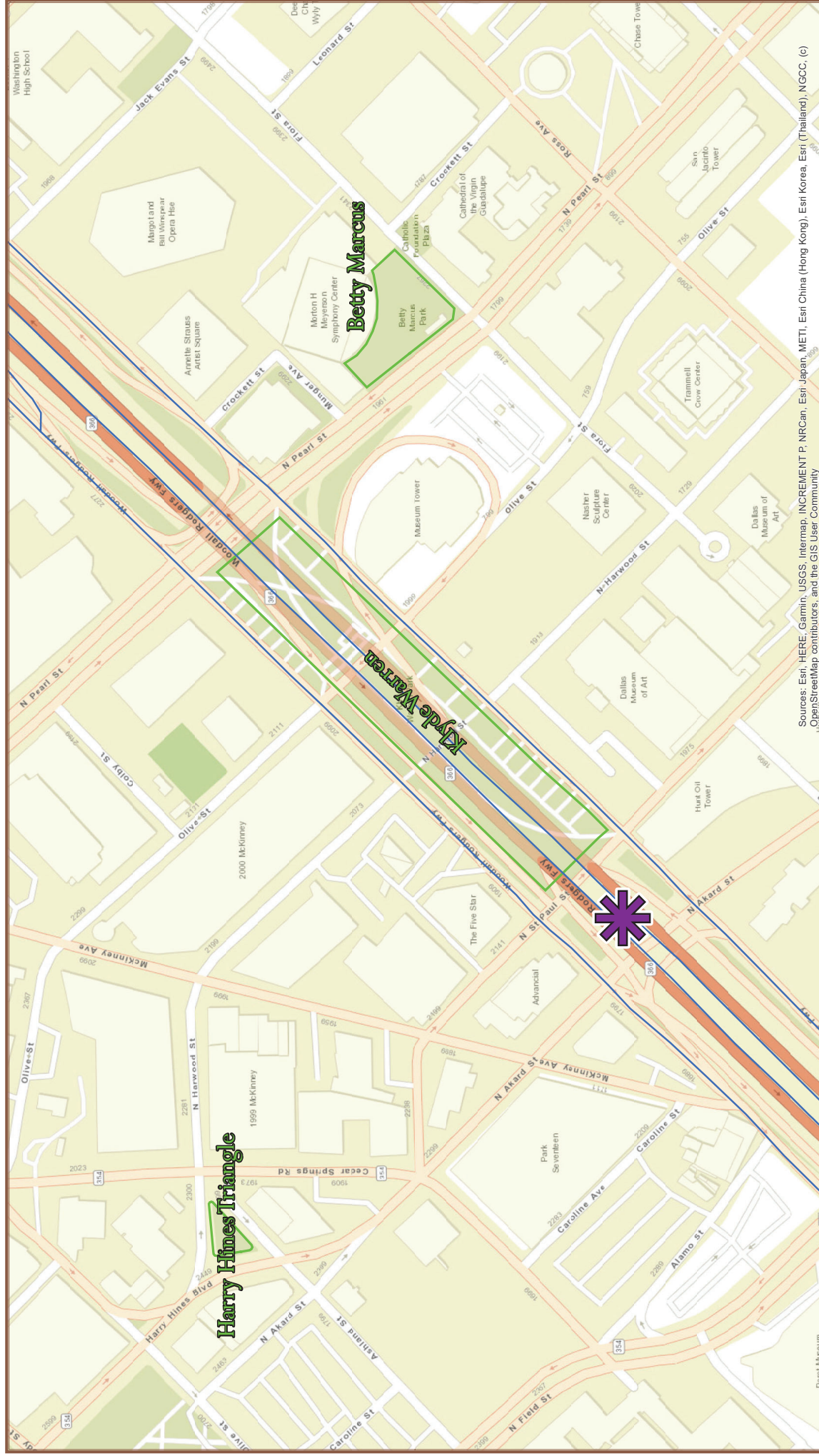
On June 23, 2021, City Council authorized (1) two Advanced Funding Agreements with TxDOT as follows: (i) on-system and; (ii) on-system maintenance and Amendment No. 1 (TxDOT Agreement No. CSJ 0916-07-034) for the Woodall Rodgers Park Deck Plaza Extension Structure On-System from west of Akard Street to St. Paul Street; and (iii) to provide funding for project costs in the amount of \$7,900,000.00 from Park and Recreation Facilities (B) Fund and assign TxDOT as the project lead for the entire project; and (2) execution of the Advanced Funding Agreements including all terms, conditions, and documents required by the agreements by Resolution No. 21-1134.

**FISCAL INFORMATION**

| Fund   | FY 2022        | FY 2023 | Future Years |
|--|----------------|---------|--------------|
| Park and Recreation Facilities (B) Fund<br>(2017 General Obligation Bond Fund) | \$1,700,000.00 | \$0.00  | \$0.00       |

**MAP**

Attached





October 13, 2021

**WHEREAS**, Chapter 791 of the Texas Government Code and Texas Transportation Code Article 251 provides authorization for local governments to contract with each other for the performance of governmental functions and services, and joint funding of transportation projects; and

**WHEREAS**, the Dallas City Council by the Resolution No. 21-1134 dated June 23, 2021, authorized the execution of two Advanced Funding Agreements (AFAs) with TxDOT (Agreement No. CSJ 0196-07-034) for the development, construction, and maintenance of the KWP2 project from west of Akard Street to St. Paul Street, provided for assignment to TxDOT as project lead for the construction of the KWP2 project, and authorized disbursement of funds in the estimated amount of \$7,900,000.00 for the City's cost-sharing of the project based on TxDOT's then Opinion of Probable Cost; and

**WHEREAS**, after passage of Resolution No. 21-1134, before the City signed the AFAs, TxDOT informed the City that the City will be responsible for a total amount of \$9,600,000.00 an increase of \$1,700,000.00 from the previous cost-sharing estimated amount of \$7,900,000.00 as a result of an updated Opinion of Probable Cost by TxDOT for the total construction costs; and

**WHEREAS**, TxDOT has estimated the total cost of the deck bridge structure project, including design, construction, and other costs to be nearly \$58,548,810.00; and

**WHEREAS**, Woodall Rodgers Park Foundation (WRPF) has completed design of the KWP2 project and the City's cost-share of the project is estimated to be \$9,600,000.00; and

**WHEREAS**, the City will be responsible for any change orders or bid overruns; and

**WHEREAS**, the City Council desires to authorize the City Manager to execute the AFA and provide funding for the revised total City cost-sharing amount of \$9,600,000.00 stated herein.

**Now, Therefore,**

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

**SECTION 1.** That the President of the Park and Recreation Board and the City Manager are hereby authorized to execute an on-system Advanced Funding Agreement (AFA) with Texas Department of Transportation (TxDOT) (TxDOT Agreement No. CSJ 0196-07-034) approved as to form by the City Attorney, for the Woodall Rodgers Park Deck Plaza Extension Structure on-system from west of Akard Street to St. Paul Street as follows: (i) funding for project costs in the total amount of \$9,600,000.00 from Park and Recreation Facilities (B) Fund; and (ii) assign TxDOT as the project lead for the entire project.

October 13, 2021

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse additional funds for the difference between the first resolution amount and the revised authorized amount, in the amount of \$1,700,000.00 to Texas Department of Transportation for the revised City cost-sharing amount, in accordance with the terms and conditions of the AFAs from Park and Recreation Facilities (B) Fund, Fund 1V00, Department PKR, Unit VB32, Object 4599, Activity DWTN, Program PK17VB32, Encumbrance/Contract No. PKR-2021-00017666, Commodity 91200, Vendor 239588.

**SECTION 3.** That the City shall be responsible for any change orders or bid overruns.

**SECTION 4.** That upon completion of the project the City will manage, operate, and maintain the deck park structure in accordance with the AFAs.

**SECTION 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





## Agenda Information Sheet

**File #:** 21-1706

**Item #:** 47.

**STRATEGIC PRIORITY:** Public Safety  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Police Department  
**EXECUTIVE:** Jon Fortune

### **SUBJECT**

Authorize **(1)** an application for and acceptance of the Comprehensive Selective Traffic Enforcement Program (STEP) Grant (Grant No. 2022-Dallas-S-1YG-00027, CFDA No. 20.600) from the U.S. Department of Transportation passed through the Texas Department of Transportation in the amount of \$796,541.00, for travel expenses and overtime reimbursement for the period October 1, 2021 through September 30, 2022; **(2)** the establishment of appropriations in the amount of \$796,541.00, in the Comprehensive Selective Traffic Enforcement Program-STEP FY22 Fund; **(3)** the receipt and deposit of grant funds in the amount of \$796,541.00 in the Comprehensive Selective Traffic Enforcement Program-STEP FY22 Fund; **(4)** a local cash match in the amount of \$220,451.15; and **(5)** execution of the grant agreement and all terms, conditions, and documents required by the agreement - Total amount of \$1,016,992.15 - Financing: Texas Department of Transportation Grant Funds (\$796,541.00) and General Fund (\$220,451.15) (subject to appropriations)

### **BACKGROUND**

The Comprehensive STEP Grant provides for the reimbursement of overtime salaries paid to officers and supervisors enforcing specific traffic laws at targeted locations. The focus is on driving while intoxicated (DWI) violations, speeding, occupant restraint use, and traffic control device violations. The goals are: (1) to increase effective enforcement and adjudication of traffic safety-related laws to reduce fatal and serious injury crashes; (2) to reduce the number of DWI related crashes, injuries and fatalities; and (3) to increase occupant restraint use in all passenger vehicles and trucks.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On September 11, 2019, City Council authorized an application for and acceptance of the STEP Grant from the U.S. Department of Transportation passed through the Texas Department of Transportation for travel expenses and overtime reimbursement for the period October 1, 2019 through September 30, 2020; a city contribution of pension; and execution of the grant agreement by Resolution No. 19-1416.

On September 9, 2020, City Council authorized an application for and acceptance of the STEP Grant from the U.S. Department of Transportation passed through the Texas Department of Transportation for travel expenses and overtime reimbursement for the period October 1, 2020 through September 30, 2021; a city contribution of pension; and execution of the grant agreement by Resolution No. 20-1330.

**FISCAL INFORMATION**

| Fund  | FY 2022        | FY 2023 | Future Years |
|---|----------------|---------|--------------|
| Texas Department of Transportation Grant Fund | \$ 796,541.00  | \$0.00  | \$0.00       |
| General Fund                                  | \$ 220,451.15  | \$0.00  | \$0.00       |
| Total   | \$1,016,992.15 | \$0.00  | \$0.00       |

October 13, 2021

**WHEREAS**, the Dallas Police Department Comprehensive Selective Traffic Enforcement Program (STEP) Grant from the U.S. Department of Transportation passed through the Texas Department of Transportation, has made funds available for overtime salaries for a citywide traffic enforcement campaign, for the period October 1, 2021 through September 30, 2022; and

**WHEREAS**, the Comprehensive STEP Grant will provide \$796,541.00; and

**WHEREAS**, the City of Dallas contributes cash match in the amount of \$220,451.15; and

**WHEREAS**, it is in the best interest of the City of Dallas to apply for and accept such funding.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to apply for and accept the Comprehensive STEP Grant (Grant No. 2022-Dallas-S-1YG-00027, CFDA No. 20.600) from the U.S. Department of Transportation passed through the Texas Department of Transportation, in the amount of \$796,541.00 for travel expenses and overtime reimbursement for the period October 1, 2021 through September 30, 2022; a local cash match in the amount of \$220,451.15; and execute the grant agreement and all terms, conditions, and documents required by the agreement, approved as to form by the City Attorney.

**SECTION 2.** That the City Manager is hereby authorized to establish appropriations in the amount of \$796,541.00 in the Comprehensive Selective Traffic Enforcement Program-STEP FY22 Fund, Fund F686, Department DPD, Unit 234C, Objects 3099 and 3361, according to the attached Schedule.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to receive and deposit grant funds in the amount of \$796,541.00 in the Comprehensive Selective Traffic Enforcement Program-STEP FY22 Fund, Fund F686, Department DPD, Unit 234C, and Revenue Code 6506.

**SECTION 4.** That the Chief Financial Officer is hereby authorized to disburse funds in the amount of \$796,541.00 from the Comprehensive Selective Traffic Enforcement Program-STEP FY22 Fund, Fund F686, Department DPD, Unit 234C, Objects 3099 and 3361.

**SECTION 5.** That the Chief Financial Officer is hereby authorized to reimburse the General Fund, Fund 0001, Department DPD, Unit 2127, Object 1202 and 3361 from the Comprehensive Selective Traffic Enforcement Program-STEP FY22 Fund, Fund F686, Department DPD, Unit 234C, Object 3099 and 3361, in the amount of \$796,541.00, according to the attached Schedule.

October 13, 2021

**SECTION 6.** That the Chief Financial Officer is hereby authorized to disburse a local cash match in the amount of \$220,451.15 (subject to appropriations) from General Fund, Fund 0001, Department DPD, Unit 2127, various Object Codes, according to the attached Schedule.

**SECTION 7.** That the City Manager is hereby authorized to reimburse to the granting agency any expenditure identified as ineligible. The City Manager shall notify the appropriate City Council Committee of any expenditures identified as ineligible not later than 30 days after the reimbursement.

**SECTION 8.** That the City Manager shall keep the appropriate City Council Committee informed of all final granting agency monitoring reports not later than 30 days after the receipt of the report.

**SECTION 9.** That this contract is designated as Contract No. DPD-2021-00017384.

**SECTION 10.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

**SCHEDULE**  
**Comprehensive Selective Traffic Enforcement Program Grant**  
**Fund F686, Department DPD, Unit 234C, Revenue Code 6506**  
**October 1, 2021 - September 30, 2022**

| <b>Object Code</b> | <b>Description</b>  | <b>Amount</b>        |
|--------------------|---|----------------------|
| 3099               | Miscellaneous Special Services ( Reimbursement of Overtime) | \$ 790,415.00        |
| 3361               | Professional Development                                    | \$ 6,126.00          |
|                    | <b>Grand Total</b>  | <b>\$ 796,541.00</b> |

**Matching Funds**

**Cash Match**  
**Fund 0001, Department DPD, Unit 2127**

| <b>Object Code</b>  | <b>Description</b> | <b>Amount</b>        |
|---------------------|--------------------|----------------------|
|                     |                    |                      |
| 1306                | FICA               | \$ 12,654.15         |
| *Other Object Codes | TBD                | \$ 207,797.00        |
|                     | <b>Total</b>       | <b>\$ 220,451.15</b> |

\* Other Object Codes

1. Volunteer Sources
2. In-Kind Contributions
3. Surveys
4. Indirect Cost
5. Fringe Benefits
6. Vehicle Operation Costs
7. Salaries not Claimed as Reimbursement
8. Distribution of Materials
9. Court Time
10. Paid Media, Social Media, Earned Media



## Agenda Information Sheet

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**File #:** 21-1278

**Item #:** 48.

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**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 4, 7, 9, Outside City Limits

**DEPARTMENT:** Water Utilities Department

**EXECUTIVE:** Majed Al-Ghafry

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### **SUBJECT**

Authorize a professional services contract with Brown Reynolds Watford Architects, Inc. to provide architectural and engineering services for multiple Dallas Water Utilities' facilities throughout the City - Not to exceed \$2,956,045.00 - Financing: Water Capital Improvement F Fund (\$1,302,524.00), Wastewater Construction Fund (\$828,355.50), and Stormwater Drainage Management Fund (\$825,165.50)

### **BACKGROUND**

This action will authorize a professional services contract for architectural and engineering services required for the renovation, relocation, and consolidation of multiple Dallas Water Utilities (DWU) facilities. DWU currently has multiple divisions located in a leased facility at 8239 Hoyle Avenue. In preparation for the lease expiring in September 2024, DWU purchased additional land adjacent to its Scottsdale facility to relocate its water pumping repairs group. This project will provide services for the design of new facilities at this location which will consolidate the water distribution and pumping programs at one location.

This action will also authorize professional services to locate and design a new facility which will consolidate Wastewater Emergency Response from a lease at Hoyle Avenue and Stormwater Neighborhood Drainage Services from a lease at Hensley Field into one location allowing DWU to reduce costs and improve efficiency. This project will also provide for miscellaneous building renovations needed at Lake Ray Hubbard, Central Wastewater Treatment Plant, Elm Fork Water Treatment Plant and Southeast Service Center.

The services provided by this contract will include project management, design of construction plans and specifications, as well as construction management of the improvements. The estimated construction cost associated with these improvements is \$20,000,000. The project will allow DWU to consolidate water and wastewater functions into more efficient locations and will reduce costs through the elimination of on-going leases.

The consulting firm for this project was selected following a qualifications-based selection process in accordance with City of Dallas Administrative Directive 4-05 procurement guidelines.

### **ESTIMATED SCHEDULE OF PROJECT**

Begin Services            October 2021  
Complete Services        June 2025

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

### **FISCAL INFORMATION**

| Fund                                    | FY 2021 | FY 2022        | Future Years |
|---|---------|----------------|--------------|
| Water Capital Improvement D Fund        | \$0.00  | \$1,302,524.00 | \$0.00       |
| Wastewater Construction Fund            | \$0.00  | \$ 828,355.50  | \$0.00       |
| Storm Drainage Management Current Funds | \$0.00  | \$ 825,165.50  | \$0.00       |
| Total                                   | \$0.00  | \$2,956,045.00 | \$0.00       |

#### **Council District**

#### **Amount**

|                     |                |
|---------------------|----------------|
| 4                   | \$1,038,385.00 |
| 7                   | \$ 34,410.00   |
| 9                   | \$1,676,803.00 |
| Outside City Limits | \$ 206,447.00  |
| Total               | \$2,956,045.00 |

### **M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount   | Procurement Category       | M/WBE Goal | M/WBE % | M/WBE \$       |
|---|----------------------------|------------|---------|----------------|
| \$2,956,045.00  | Architecture & Engineering | 34.00%     | 34.20%  | \$1,011,140.00 |
| • This contract exceeds the M/WBE goal.                                     |                            |            |         |                |
| • Brown Reynolds Watford Architects, Inc. - Local; Workforce - 12.57% Local |                            |            |         |                |

### **OWNER**

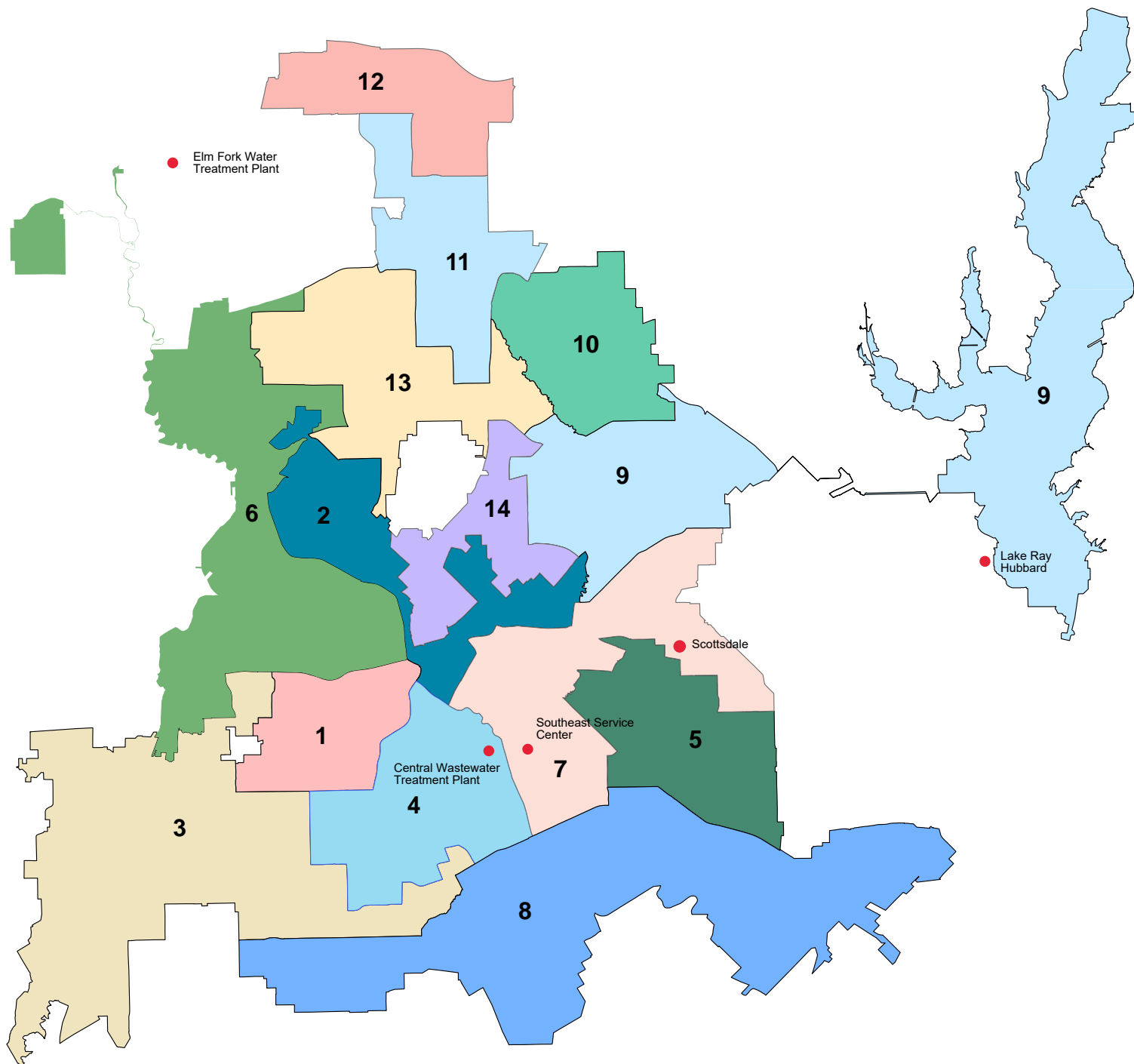
**Brown Reynolds Watford Architects, Inc.**

Mark Watford, Managing Principal

**MAP**

Attached





October 13, 2021

**WHEREAS**, this action consists of providing architectural and engineering services for the renovation, relocation and consolidation of multiple Dallas Water Utilities (DWU) facilities; and

**WHEREAS**, professional services including project management, design of construction plans and specifications, as well as construction management are required for the improvements; and

**WHEREAS**, Brown Reynolds Watford Architects, Inc., 3535 Travis Street Suite 250, Dallas, Texas 75204, has submitted an acceptable proposal to provide these services.

**Now, Therefore,**

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

**SECTION 1.** That the proposal submitted by Brown Reynolds Watford Architects, Inc., Contract No. 20-471/472, in the amount of \$2,956,045.00 be approved and the consultant be authorized to perform the required engineering services.

**SECTION 2.** That the City Manager is hereby authorized to execute the professional services contract with Brown Reynolds Watford Architects, Inc., approved as to form by the City Attorney, to provide architectural and engineering services for multiple Dallas Water Utilities' facilities throughout the City, in an amount not to exceed \$2,956,045.00.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$2,956,045.00 to Brown Reynolds Watford Architects, Inc. in accordance with the terms and conditions of the contract, as follows:

|   |                |
|---|----------------|
| Water Capital Improvement F Fund              |                |
| Fund 4115, Department DWU, Unit PW42          |                |
| Object 4111, Program 720472                   |                |
| Encumbrance/Contract No. CX-DWU-2021-00016938 |                |
| Vendor VC22037                                | \$1,302,524.00 |

|   |               |
|---|---------------|
| Wastewater Construction Fund                  |               |
| Fund 0103, Department DWU, Unit CS42          |               |
| Object 4111, Program 720472                   |               |
| Encumbrance/Contract No. CX-DWU-2021-00016938 |               |
| Vendor VC22037                                | \$ 828,355.50 |

|   |                      |
|---|----------------------|
| Storm Drainage Management Fund                |                      |
| Fund 0061, Department SDM, Unit 1875          |                      |
| Object 3070, Activity SD01                    |                      |
| Encumbrance/Contract No. CX-DWU-2021-00016938 |                      |
| Vendor VC22037                                | <u>\$ 825,165.50</u> |

|                            |                |
|----------------------------|----------------|
| Total amount not to exceed | \$2,956,045.00 |
|----------------------------|----------------|

October 13, 2021

**SECTION 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



## Agenda Information Sheet

**File #:** 21-1374

**Item #:** 49.

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 1, 6, 8, 9, 11, 13, 14, Outside City Limits

**DEPARTMENT:** Water Utilities Department

**EXECUTIVE:** Majed Al-Ghafry

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### **SUBJECT**

Authorize a construction services contract for the installation of water and wastewater main improvements at 20 locations (list attached to the Agenda Information Sheet) - Ark Contracting Services, LLC, lowest responsible bidder of five - Not to exceed \$13,892,600.00 - Financing: Wastewater (Clean Water) - 2020 TWDB Fund (\$5,632,876.98), Water (Drinking Water) - TWDB 2020 Fund (\$5,145,237.05), Wastewater (Clean Water) - 2021 TWDB Fund (\$1,834,213.02), Water (Drinking Water) - TWDB 2018 Fund (\$780,272.95), and Water (Drinking Water) - TWDB 2019 Fund (\$500,000.00)

### **BACKGROUND**

This action will authorize a construction services contract with Ark Contracting Services, LLC, for the installation and rehabilitation of approximately 49,470 feet of water and wastewater main improvements at 20 locations. This includes the installation of approximately 800 feet of 6-inch, 20,200 feet of 8-inch, 110 feet of 10-inch, 200 feet of 12-inch and 1,930 feet of 16-inch water mains, and the installation of approximately 13,420 feet of 8-inch, 740 feet of 10-inch, 560 feet of 12-inch, 3,700 feet of 16-inch, 1,820 feet of 18-inch, 4,090 feet of 21-inch and 1,900 feet of 30-inch wastewater mains.

The existing mains targeted for replacement and rehabilitation were built between 1932 and 1986. These mains are contributing to an increase in maintenance costs, as well as service interruptions. The installation of the proposed segments will improve the capacity of the water and wastewater systems and reduce maintenance costs.

The following chart illustrates Ark Contracting Services, LLC's contractual activities with the City of Dallas for the past three years:

|                                       | <u>PBW</u> | <u>DWU</u> | <u>PKR</u> | <u>TRN</u> |
|---------------------------------------|------------|------------|------------|------------|
| Projects Completed                    | 5          | 1          | 0          | 0          |
| Active Projects                       | 0          | 5          | 0          | 0          |
| Change Orders                         | 0          | 2          | 0          | 0          |
| Projects Requiring Liquidated Damages | 0          | 0          | 0          | 0          |
| Projects Completed by Bonding Company | 0          | 0          | 0          | 0          |

**ESTIMATED SCHEDULE OF PROJECT**

Begin Construction      January 2022  
 Complete Construction      July 2024

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

**FISCAL INFORMATION**

| Fund                                      | FY 2022         | FY 2023 | Future Years |
|---|-----------------|---------|--------------|
| Wastewater (Clean Water) - 2020 TWDB Fund | \$ 5,632,876.98 | \$0.00  | \$0.00       |
| Water (Drinking Water) - TWDB 2020 Fund   | \$ 5,145,237.05 | \$0.00  | \$0.00       |
| Wastewater (Clean Water) - 2021 TWDB Fund | \$ 1,834,213.02 | \$0.00  | \$0.00       |
| Water (Drinking Water) - TWDB 2018 Fund   | \$ 780,272.95   | \$0.00  | \$0.00       |
| Water (Drinking Water) - TWDB 2019 Fund   | \$ 500,000.00   | \$0.00  | \$0.00       |
| Total                                     | \$13,892,600.00 | \$0.00  | \$0.00       |

**Council District****Amount**

|                     |                 |
|---------------------|-----------------|
| 1                   | \$ 1,041,945.00 |
| 6                   | \$ 2,083,890.00 |
| 8                   | \$ 1,389,260.00 |
| 9                   | \$ 2,778,520.00 |
| 11                  | \$ 2,083,890.00 |
| 13                  | \$ 2,778,520.00 |
| 14                  | \$ 1,389,260.00 |
| Outside City Limits | \$ 347,315.00   |
| Total               | \$13,892,600.00 |

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount   | Procurement Category | M/WBE Goal | M/WBE % | M/WBE \$       |
|---|----------------------|------------|---------|----------------|
| \$13,892,600.00   | Construction         | 32.00%     | 37.52%  | \$5,212,000.00 |
| • This contract exceeds the M/WBE goal.                               |                      |            |         |                |
| • Ark Contracting Services, LLC - Non-local; Workforce - 31.00% Local |                      |            |         |                |

**PROCUREMENT INFORMATION**

The following five bids with quotes were received and opened on June 18, 2021:

\*Denotes successful bidder

**Bidders****Bid Amount**

|   |                 |
|---|-----------------|
| *Ark Contracting Services, LLC<br>420 South Dick Price Road<br>Kennedale, Texas 76060 | \$13,892,600.00 |
| Muniz Construction, Inc.  | \$16,088,029.00 |
| Camino Construction LP  | \$16,635,430.00 |
| SYB Construction Co., Inc.  | \$16,968,588.00 |
| John Burns Construction Company of Texas, Inc.  | \$17,931,490.00 |

**OWNER****Ark Contracting Services, LLC**

Mark R. North, Chief Executive Officer

**MAPS**

Attached

Segment List  
Contract No. 21-049/050  
**Water and Wastewater Main Installation**

**District 1**

Easement south of Jefferson Boulevard from Coombs Creek Drive west  
\*Virginia Boulevard from McLean Avenue east (See Outside City Limits)

**District 6**

Alley west of Midway Road from Rosa Road to Wilada Drive  
Morris Street from Peoria Avenue east  
Peoria Avenue from Singleton Boulevard north

**District 8**

Jordan Valley Road from Middlefield Road to east of Palomino Road  
Palomino Road from Jordan Valley Road to Haymarket Road

**District 9**

Alley between Lakeshore Drive and Lakewood Boulevard from Pearson Drive to  
Copperfield Lane  
Alley between Lakeshore Drive and Velasco Avenue from Cambria Boulevard to  
Wendover Road  
Alleys/Easement between Avalon Avenue and north of Gaston Avenue from  
Brendenwood Drive east  
Lorna Lane from Brendenwood Drive to Pickens Street

**District 11**

Aberdeen Avenue from Briarmeadow Drive to Airline Road  
Crest Meadow Drive from Aberdeen Avenue to Briarmeadow Drive  
Easement north of Knoll Trail Drive from Westgrove Drive east

**District 13**

Alley between Meadow Road and Waggoner Drive from Preston Road to Tibbs Street  
Glendora Avenue from Edgemere Road to Hillcrest Road  
Sexton Lane from Midway Road to Merrell Road  
Webb Chapel Court from Webb Chapel Road east

**District 14**

Beacon Street from alley north of Junius Street to alley south of Worth Street

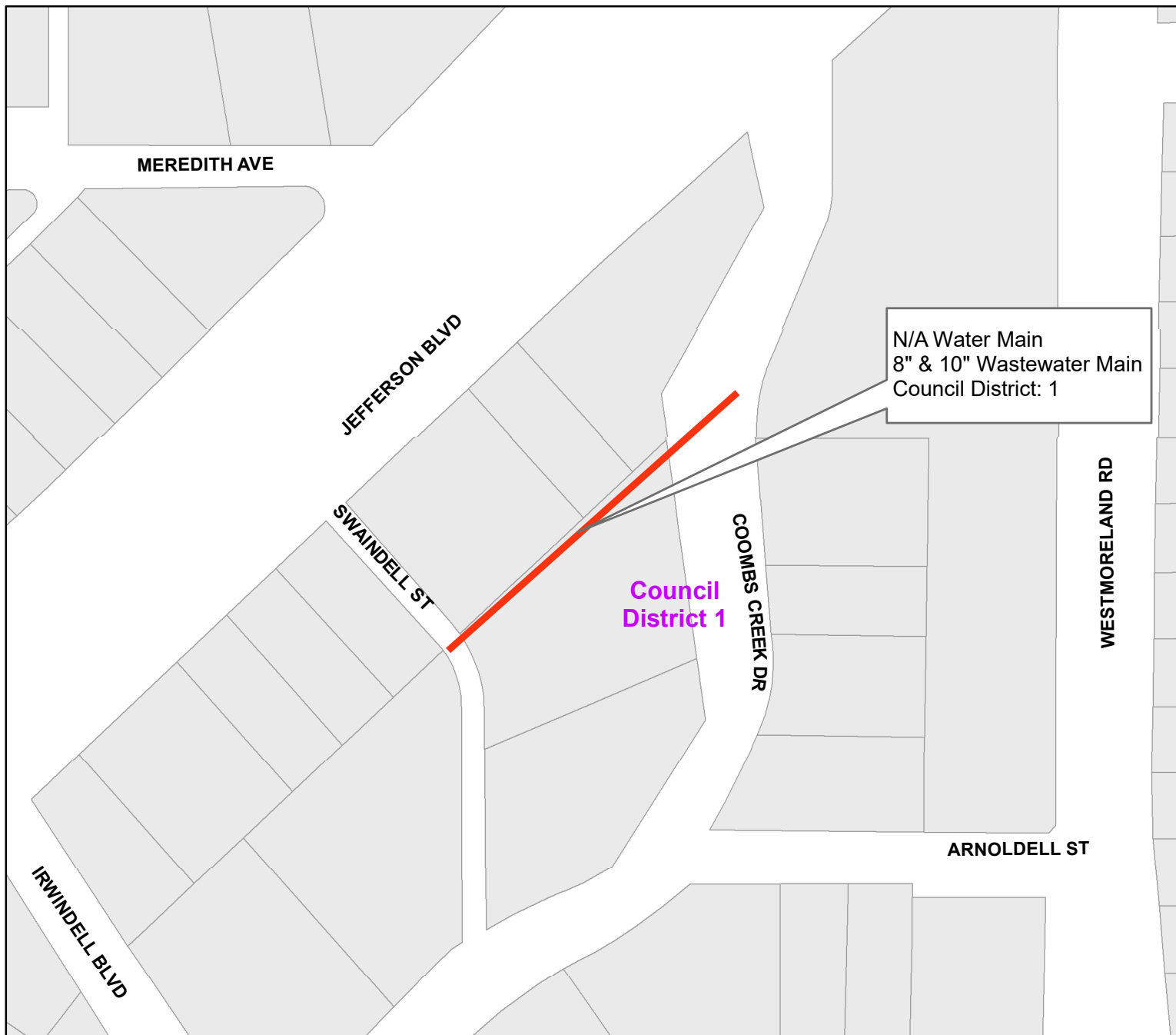
Saratoga Circle from Woodcrest Lane to Woodcrest Lane

**Outside City Limits**

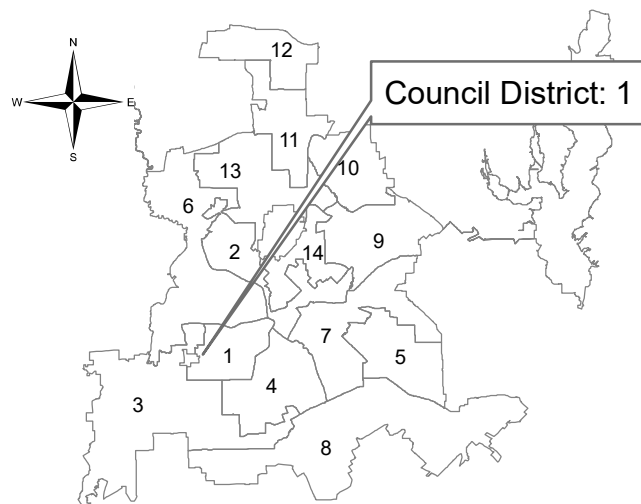
\*Virginia Boulevard from McLean Avenue east

\*Project limits in more than one Council District

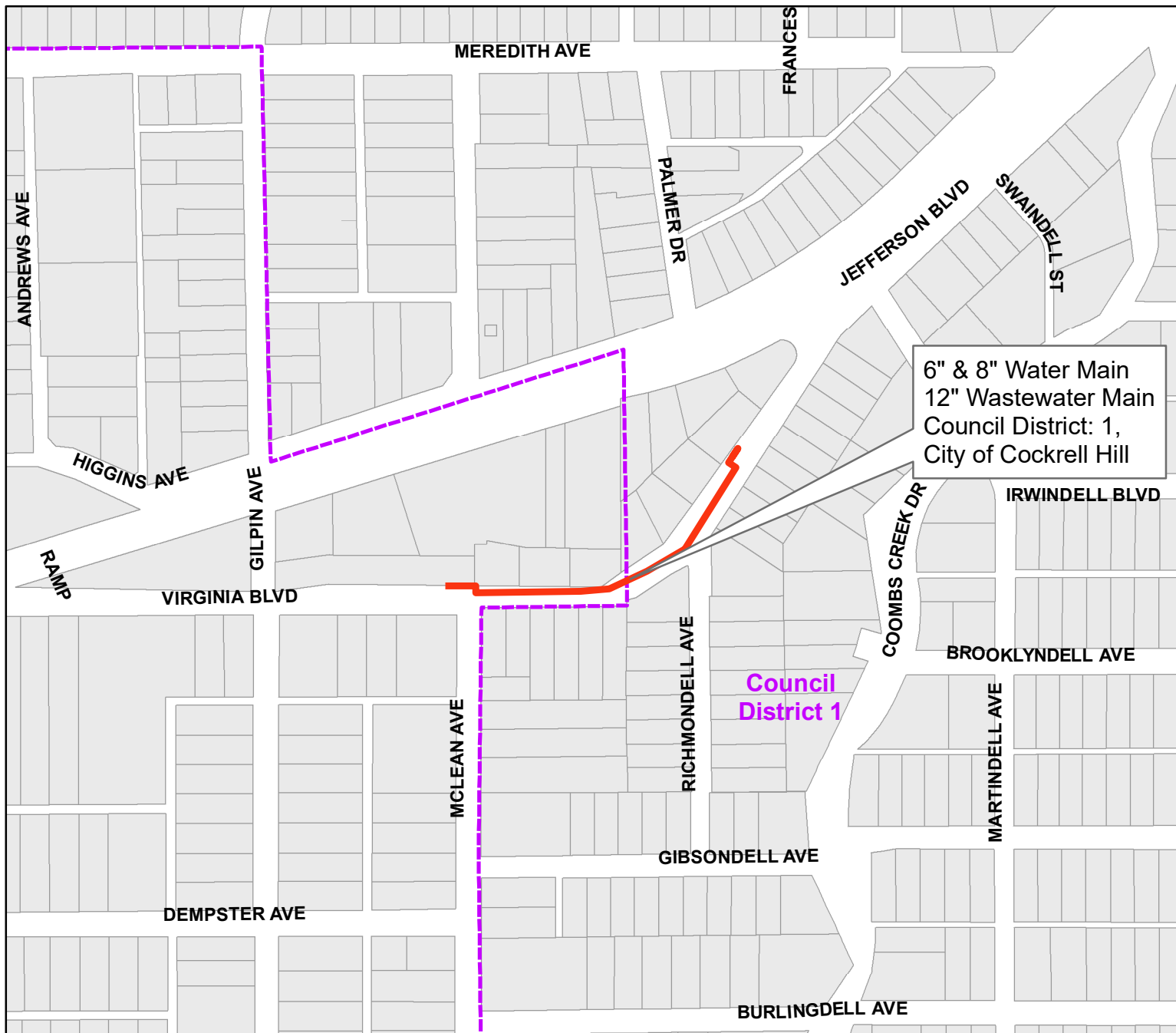




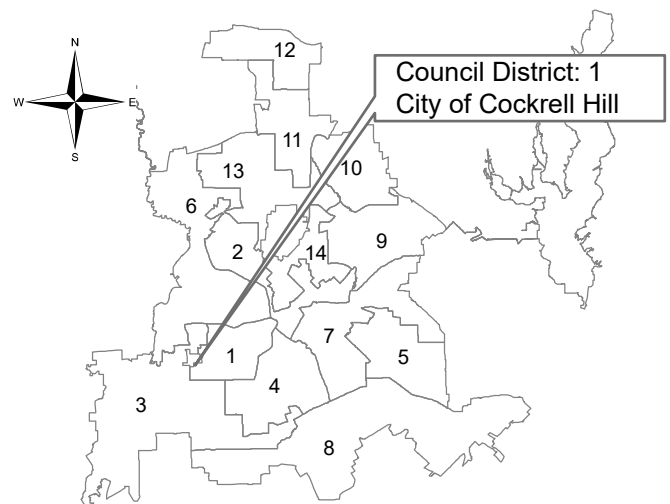
Easement south of Jefferson Boulevard  
from Coombs Creek Drive west



**Dallas Water Utilities  
Contract No. 21-049/050  
Water and Wastewater Main Installations  
at 20 Locations**



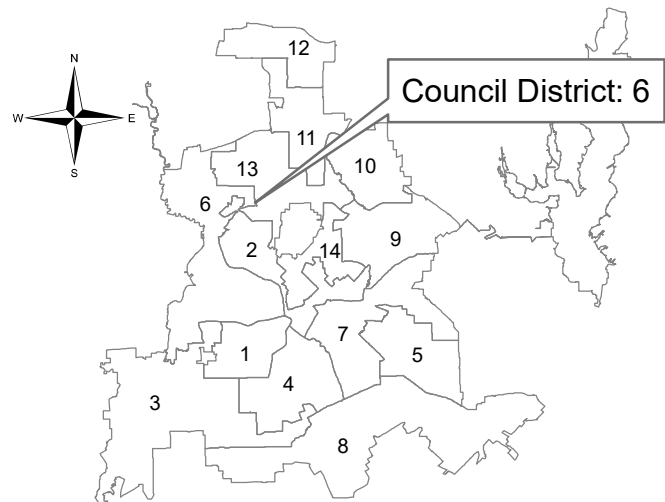
Virginia Boulevard  
from McLean Avenue east



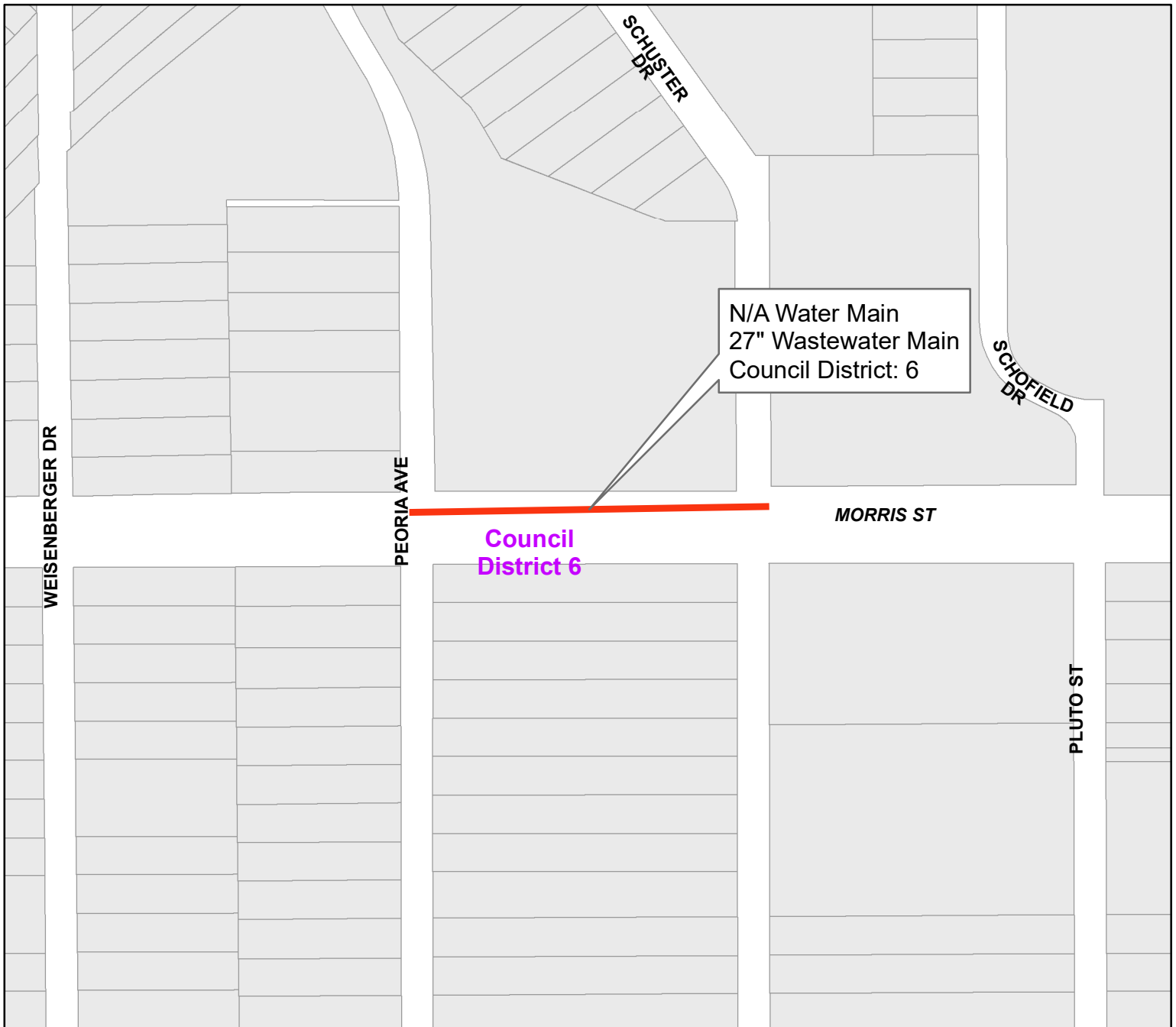
**Dallas Water Utilities  
Contract No. 21-049/050  
Water and Wastewater Main Installations  
at 20 Locations**



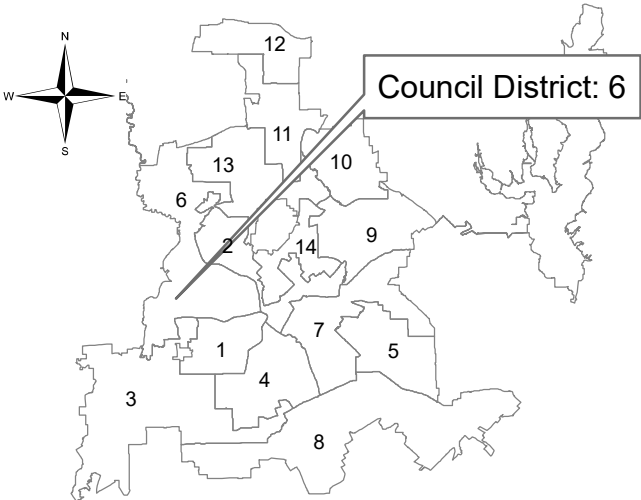
Alley west of Midway Road  
from Rosa Road to Wilada Drive



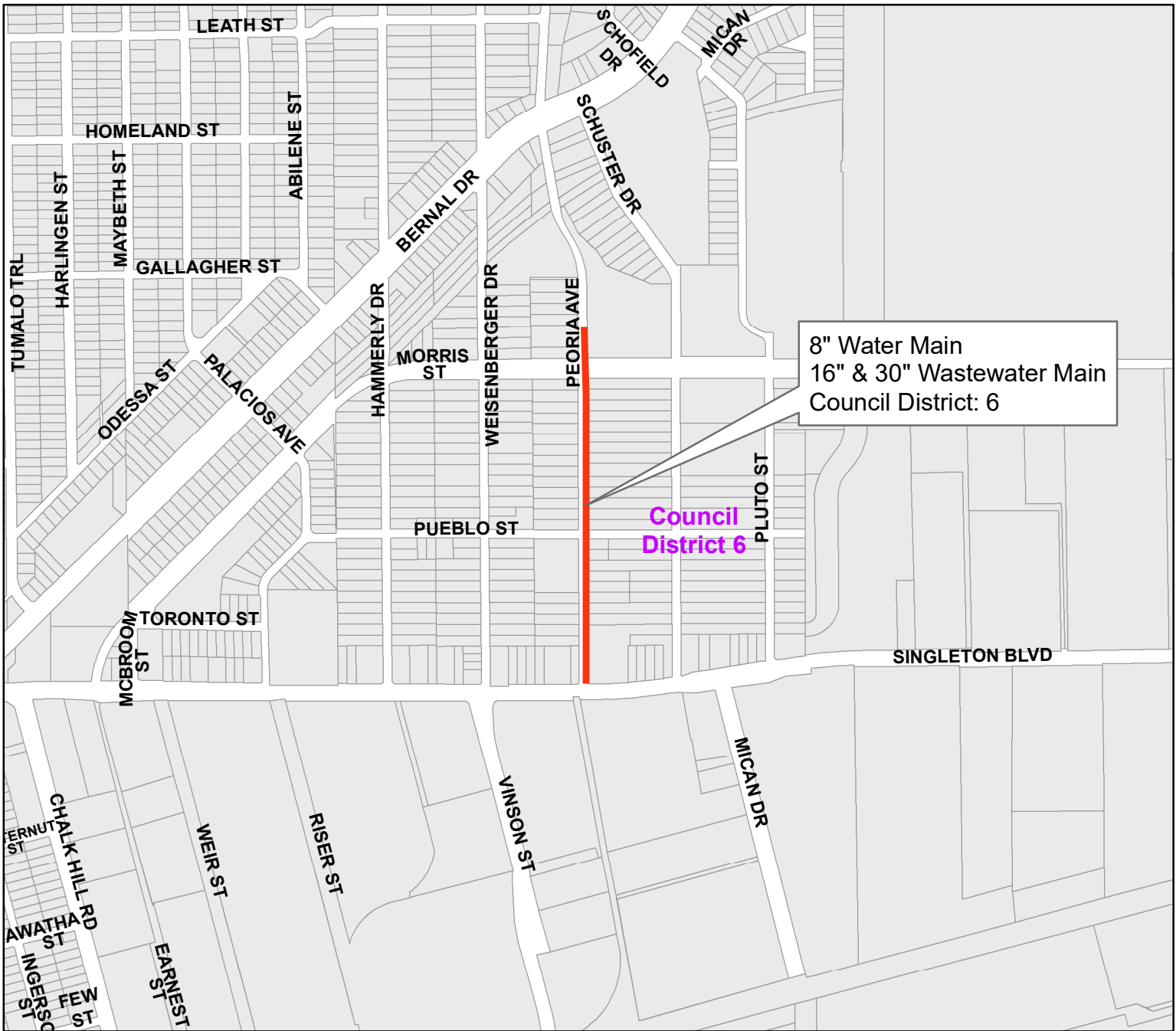
**Dallas Water Utilities**  
**Contract No. 21-049/050**  
**Water and Wastewater Main Installations**  
**at 20 Locations**



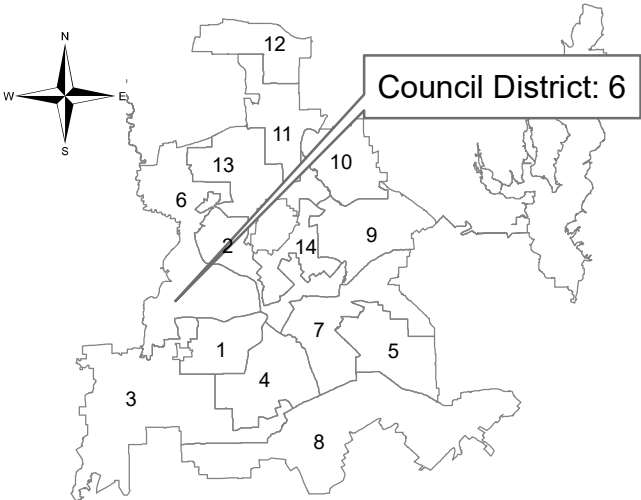
Morris Street  
from Peoria Avenue east



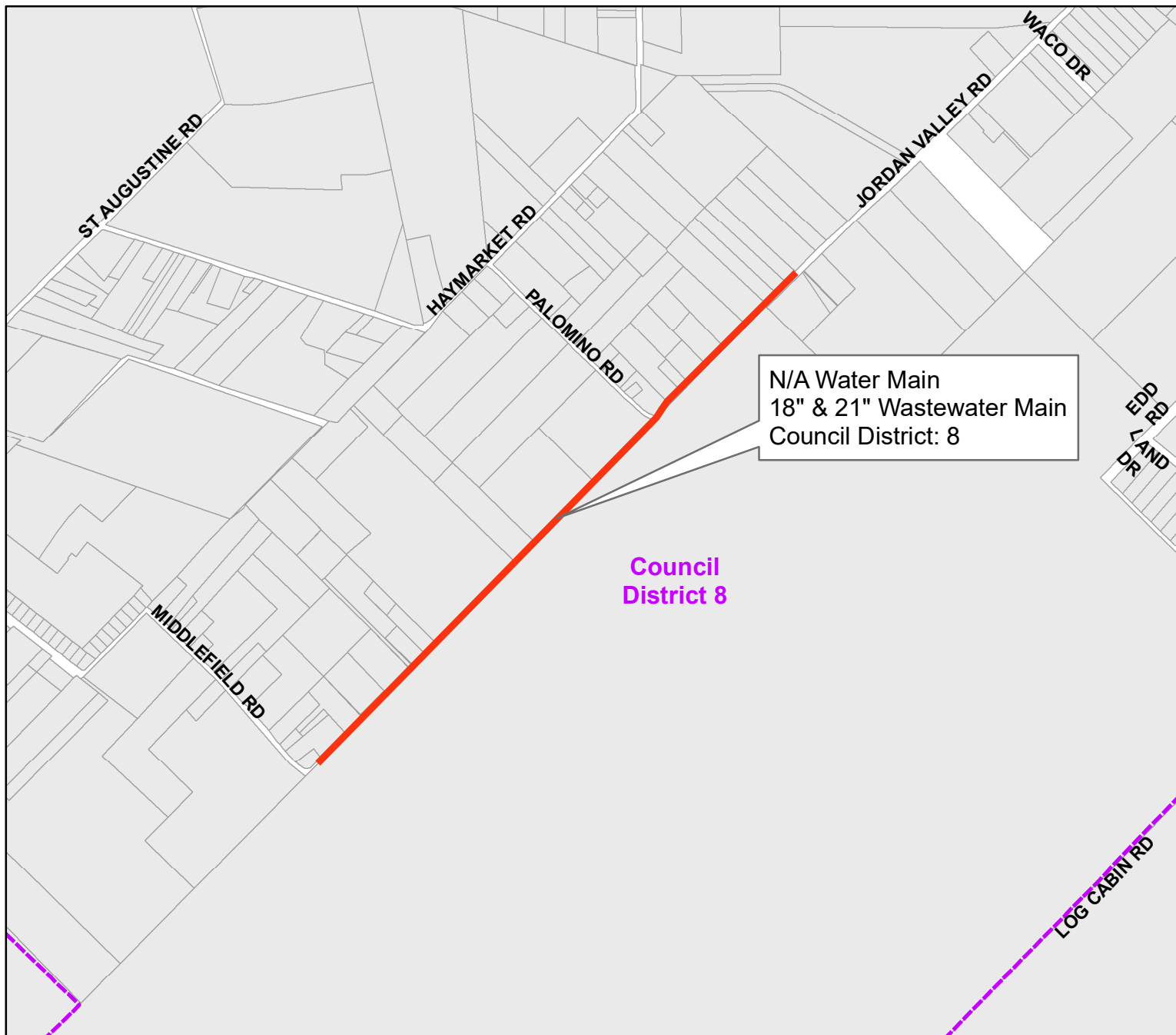
**Dallas Water Utilities  
Contract No. 21-049/050  
Water and Wastewater Main Installations  
at 20 Locations**



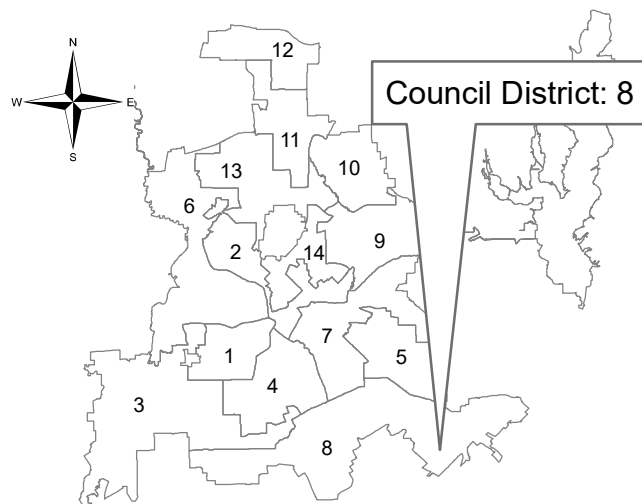
Peoria Avenue  
from Singleton Boulevard north



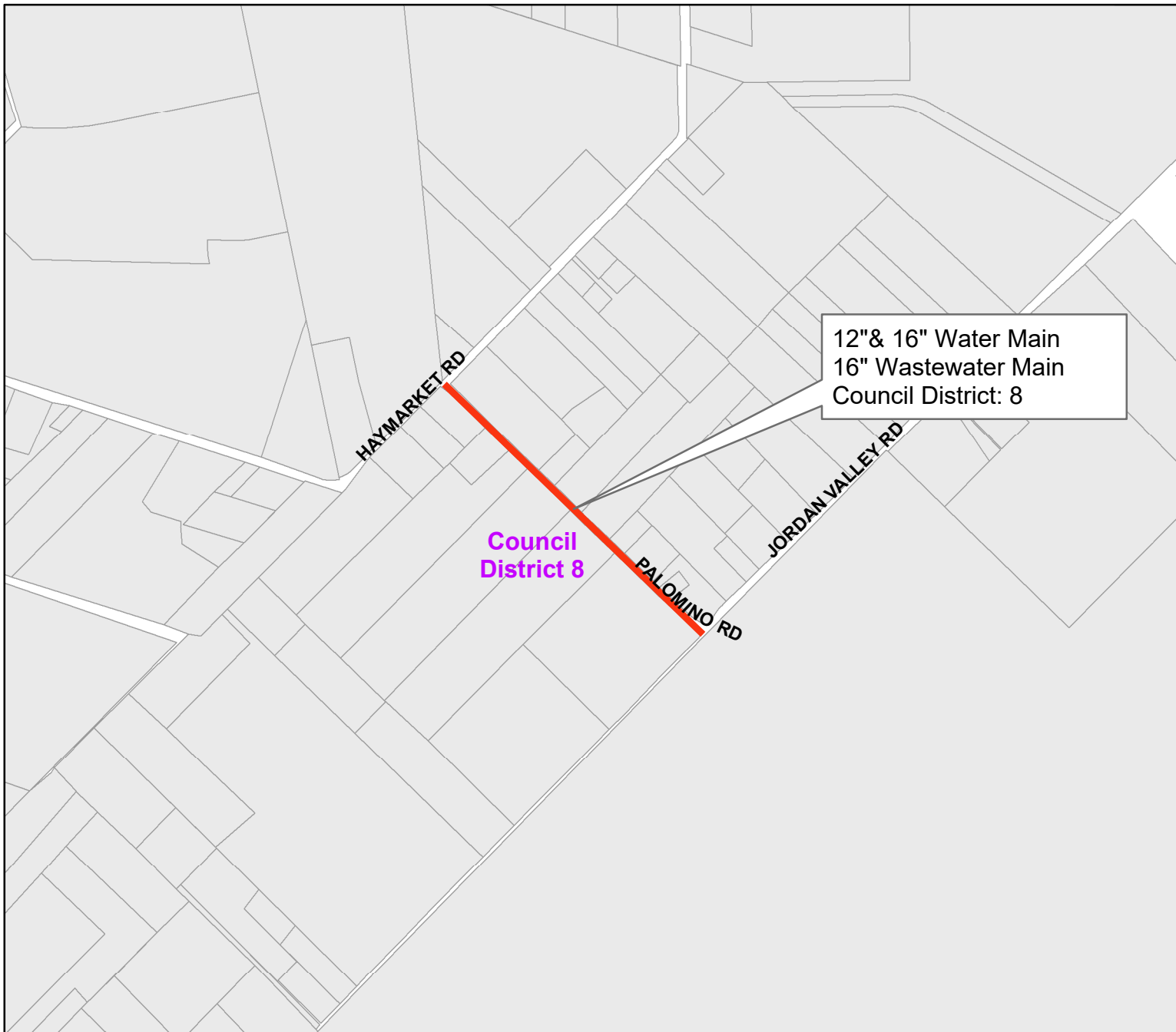
**Dallas Water Utilities**  
**Contract No. 21-049/050**  
**Water and Wastewater Main Installations**  
**at 20 Locations**



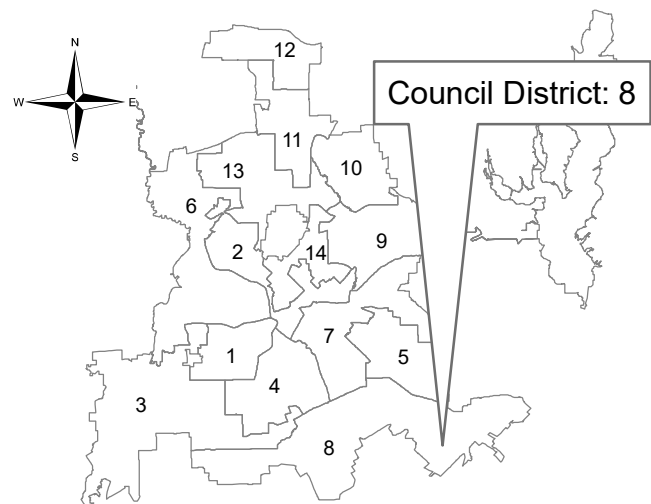
Jordan Valley Road  
from Middlefield Road to east of Palomino Road



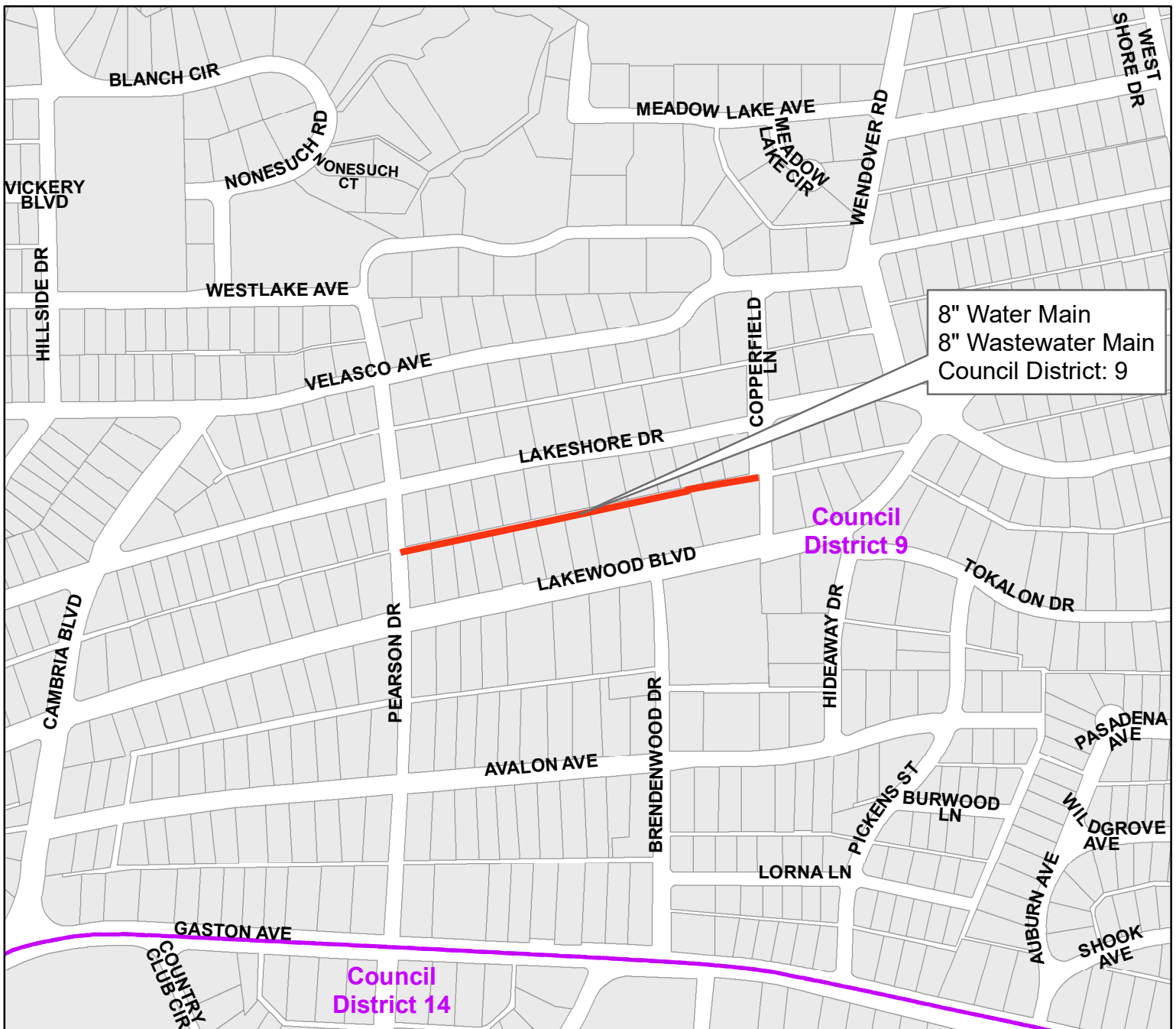
**Dallas Water Utilities  
Contract No. 21-049/050  
Water and Wastewater Main Installations  
at 20 Locations**



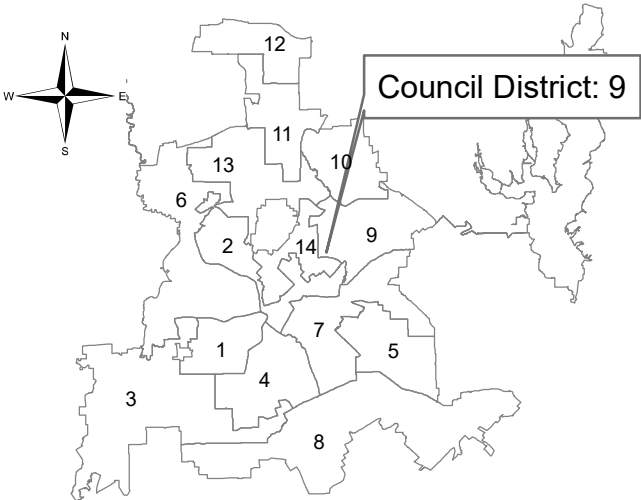
Palomino Road  
from Jordan Valley Road to Haymarket Road



**Dallas Water Utilities  
Contract No. 21-049/050  
Water and Wastewater Main Installations  
at 20 Locations**



Alley between Lakeshore Drive and Lakewood Boulevard  
from Pearson Drive to Copperfield Lane

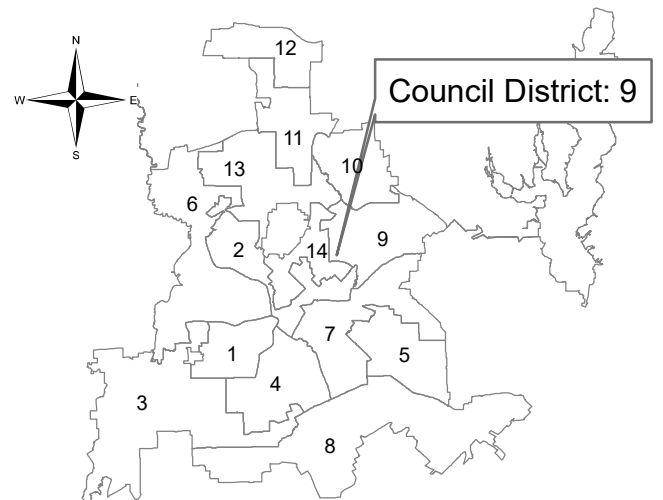


**Dallas Water Utilities  
Contract No. 21-049/050  
Water and Wastewater Main Installations  
at 20 Locations**

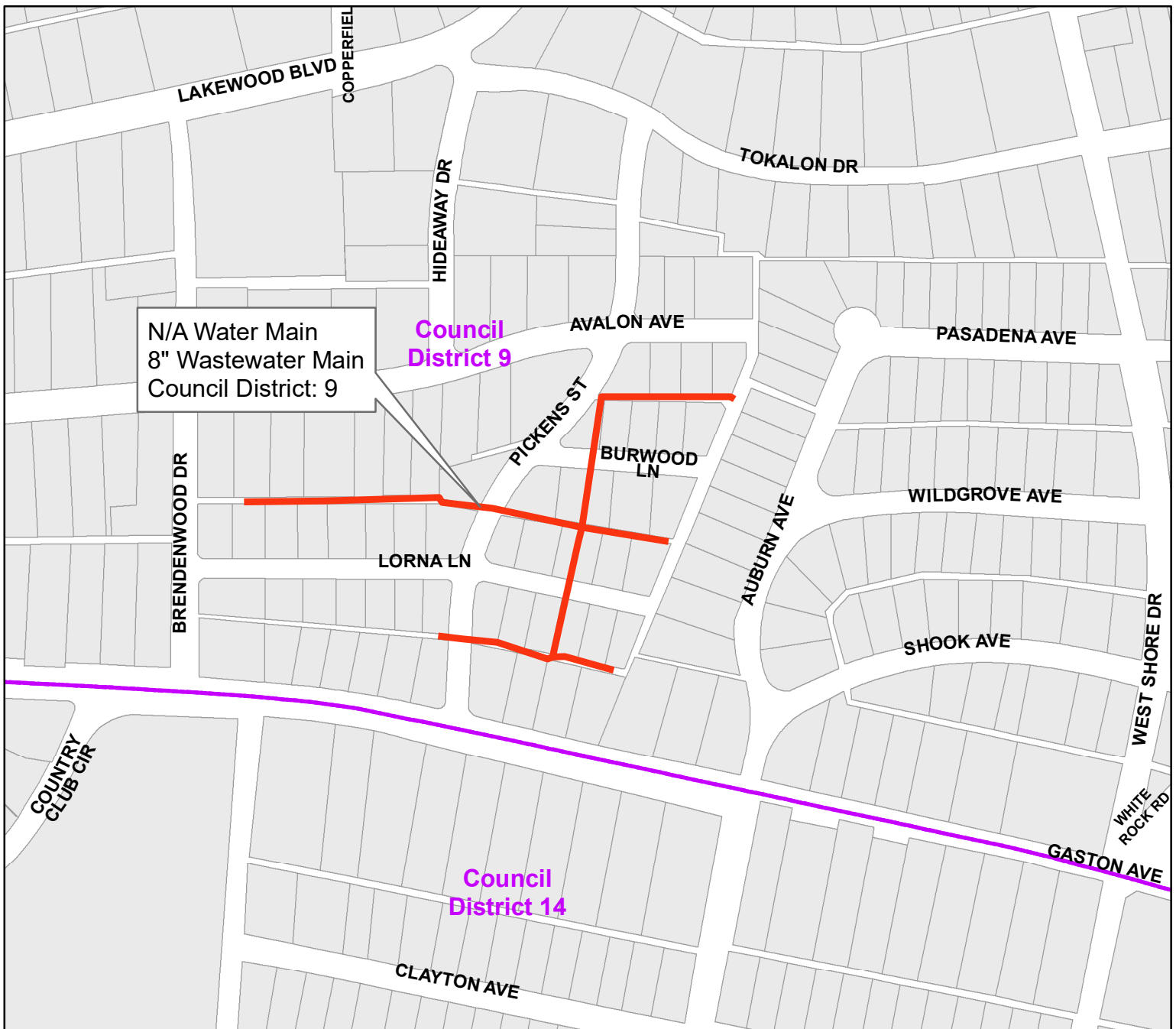




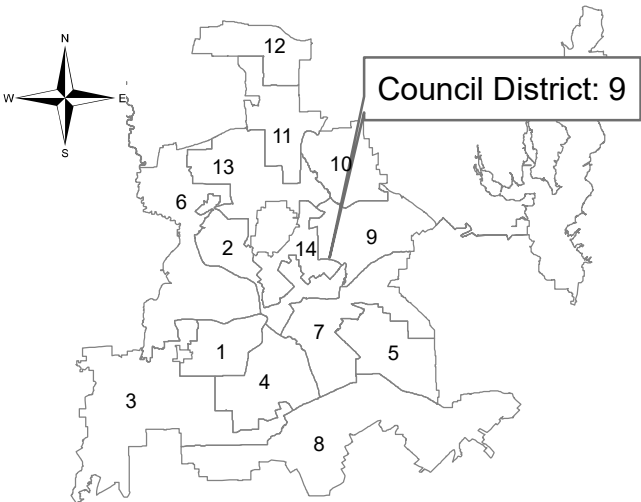
Alley between Lakeshore Drive and Velasco Avenue  
from Cambria Boulevard to Wendover Road



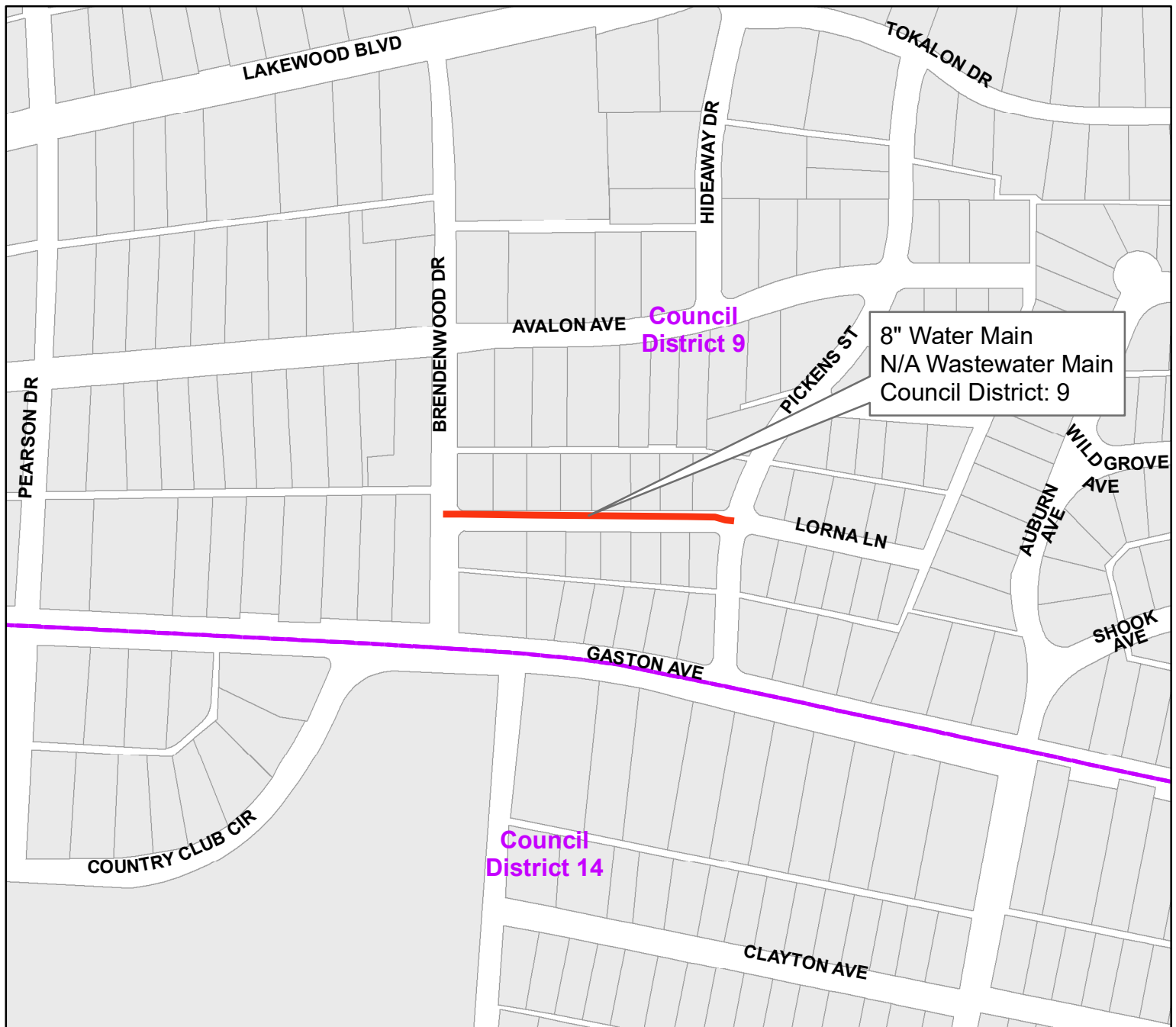
**Dallas Water Utilities  
Contract No. 21-049/050  
Water and Wastewater Main Installations  
at 20 Locations**



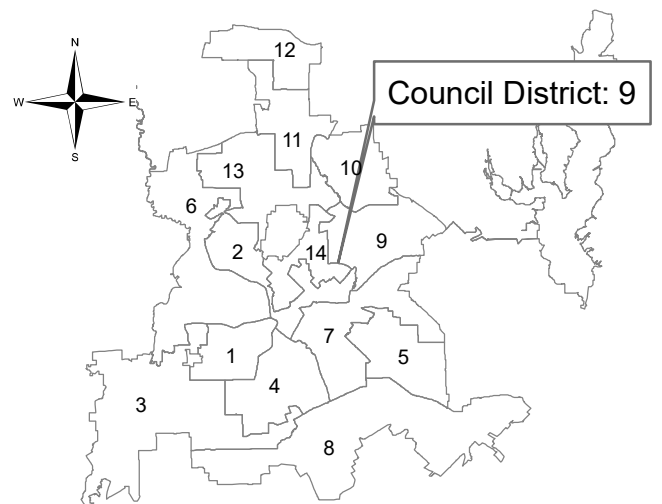
Alleys/Easement between Avalon Avenue  
and north of Gaston Avenue  
from Brendenwood Drive east



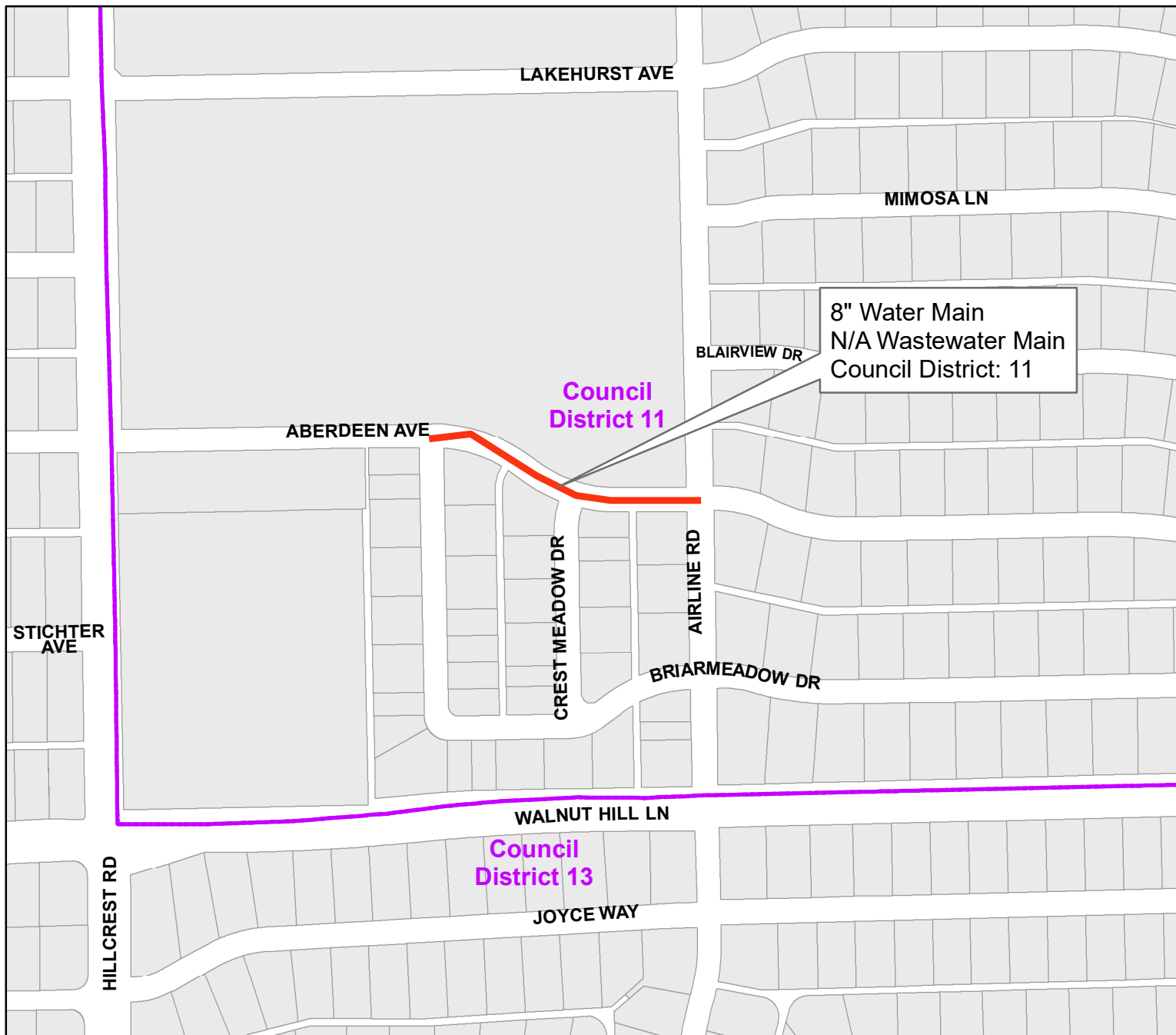
**Dallas Water Utilities  
Contract No. 21-049/050  
Water and Wastewater Main Installations  
at 20 Locations**



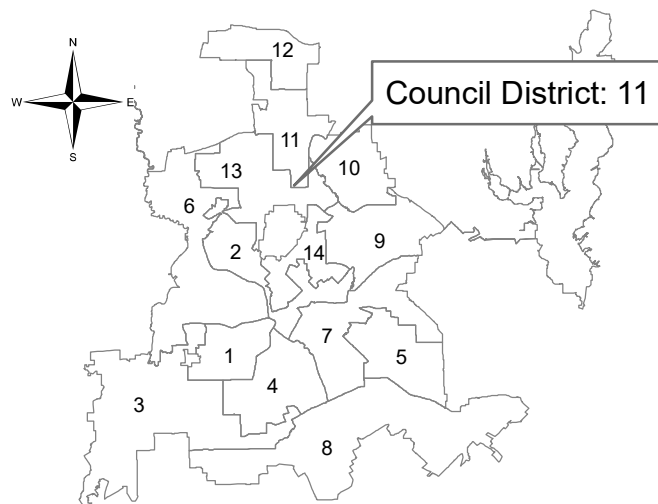
Lorna Lane  
from Brendenwood Drive to Pickens Street



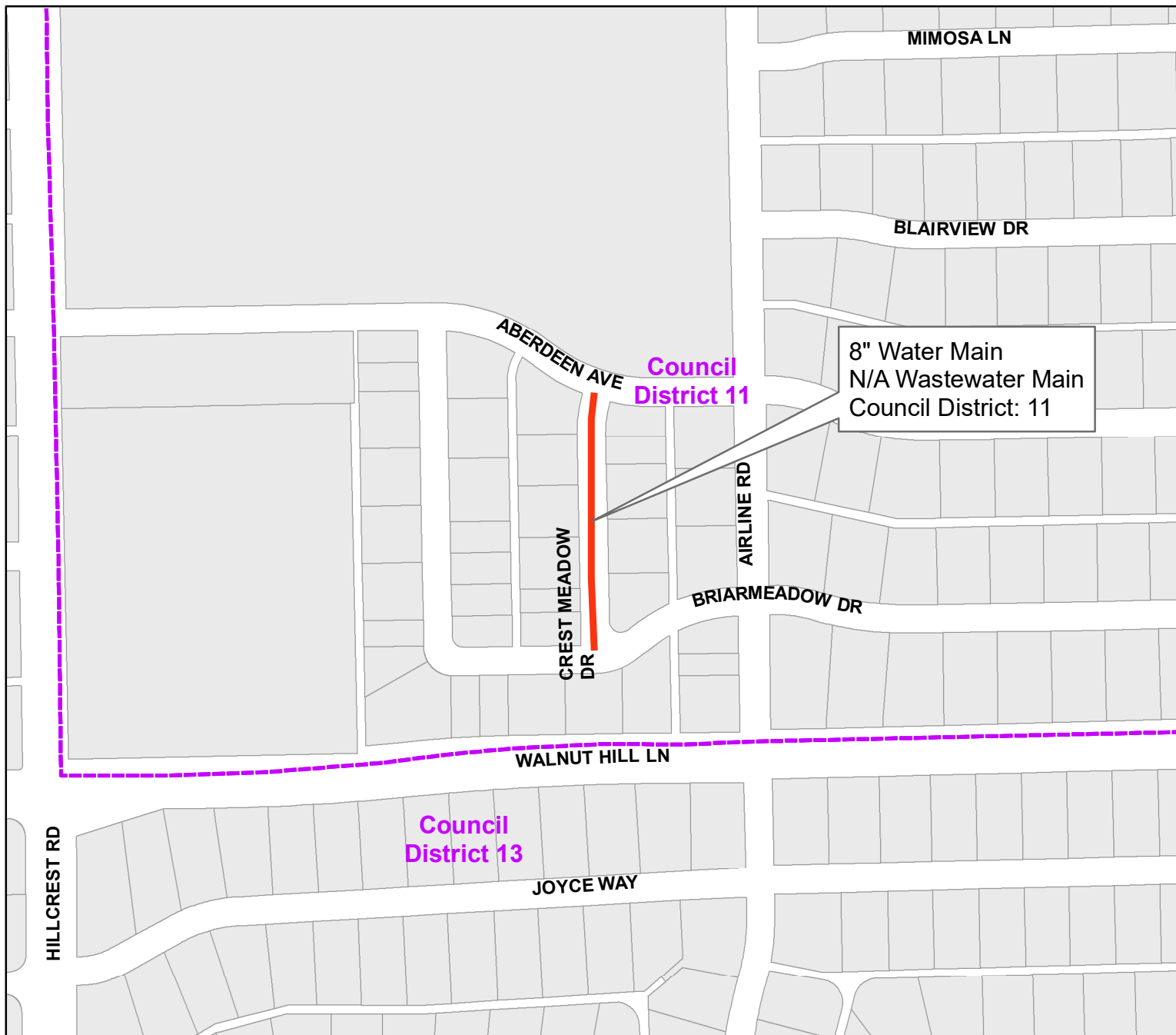
**Dallas Water Utilities  
Contract No. 21-049/050  
Water and Wastewater Main Installations  
at 20 Locations**



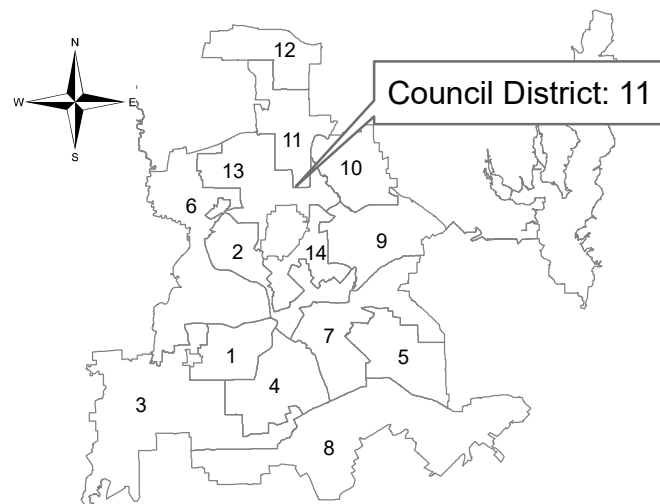
Aberdeen Avenue  
from Briarmeadow Drive to Airline Road



**Dallas Water Utilities  
Contract No. 21-049/050  
Water and Wastewater Main Installations  
at 20 Locations**



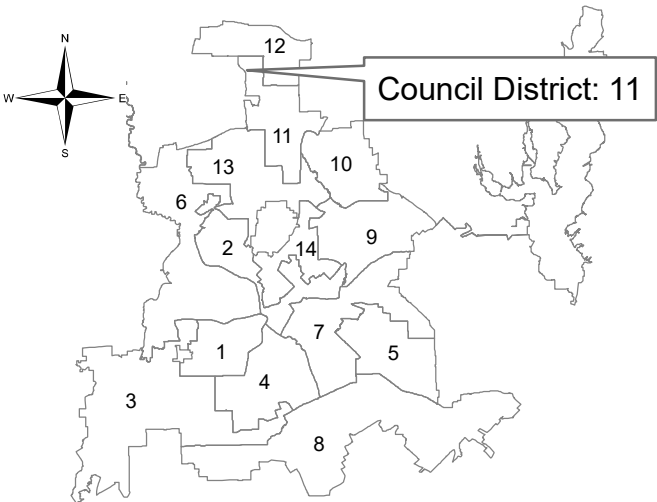
Crest Meadow Drive  
from Aberdeen Avenue to Briarmeadow Drive



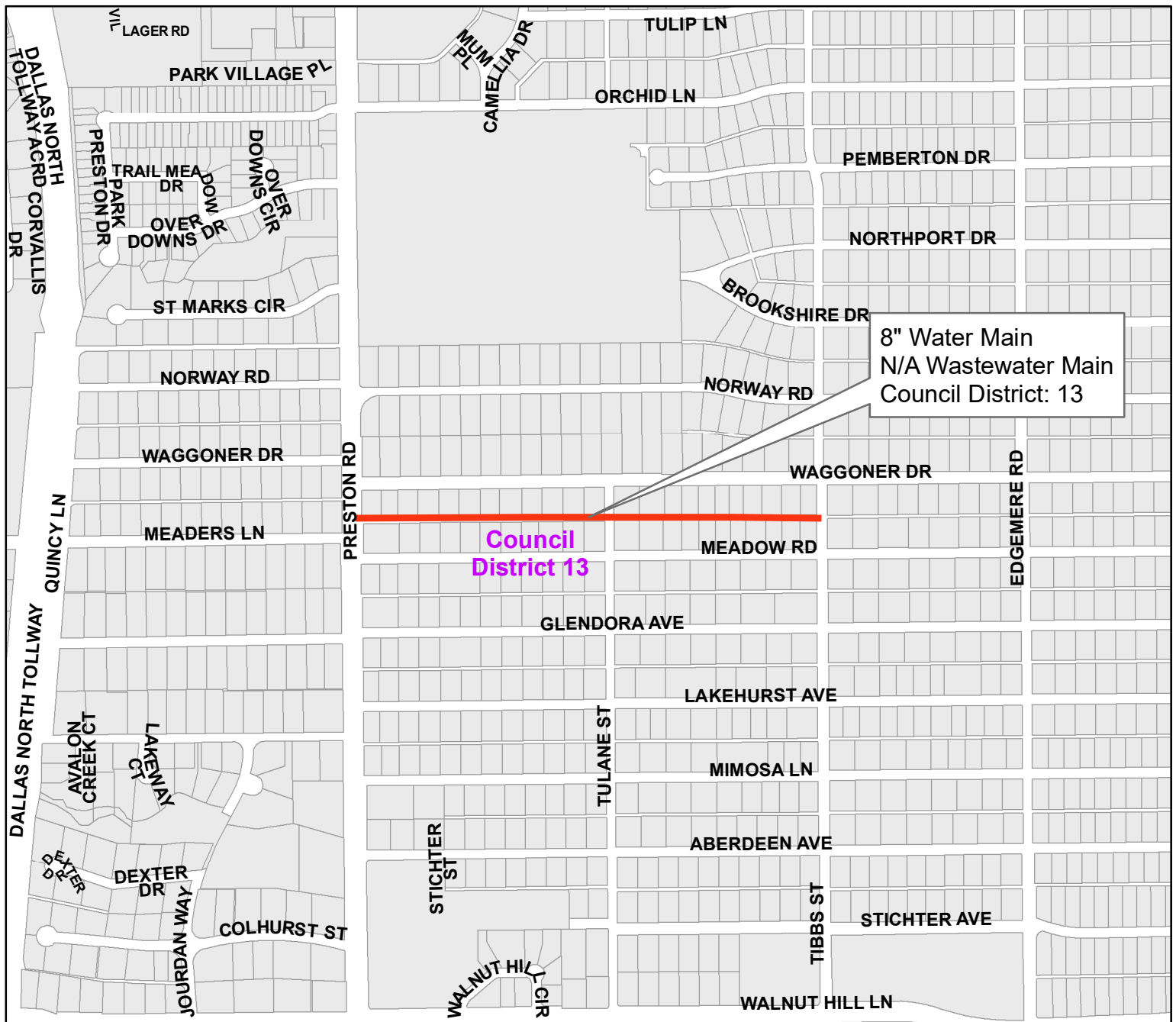
**Dallas Water Utilities  
Contract No. 21-049/050  
Water and Wastewater Main Installations  
at 20 Locations**



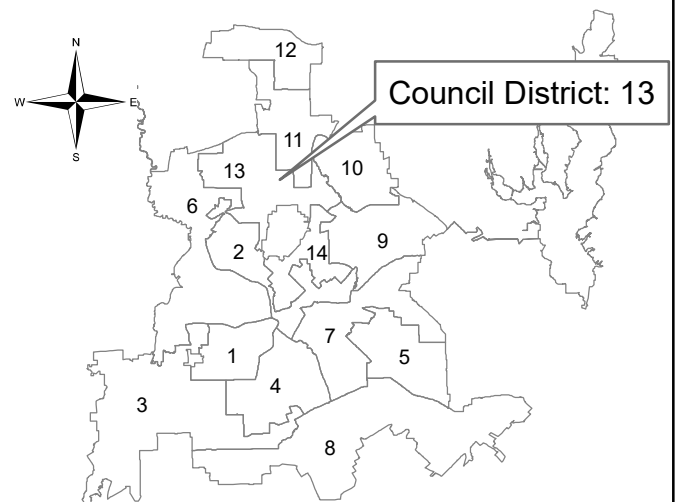
Easement north of Knoll Trail Drive  
from Westgrove Drive east



**Dallas Water Utilities**  
**Contract No. 21-049/050**  
**Water and Wastewater Main Installations**  
**at 20 Locations**

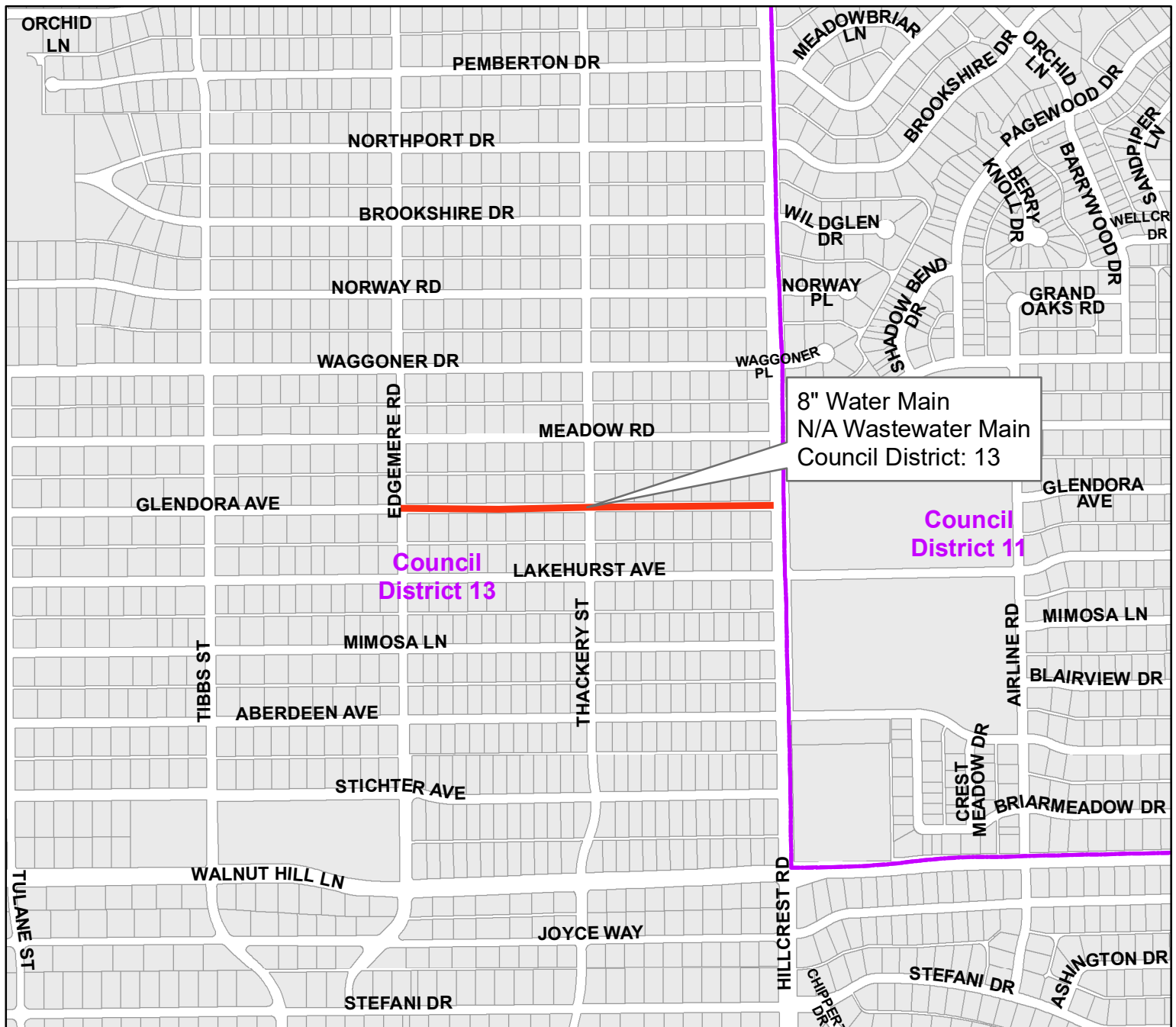


Alley between Meadow Road and Waggoner Drive  
 from Preston Road to Tibbs Street

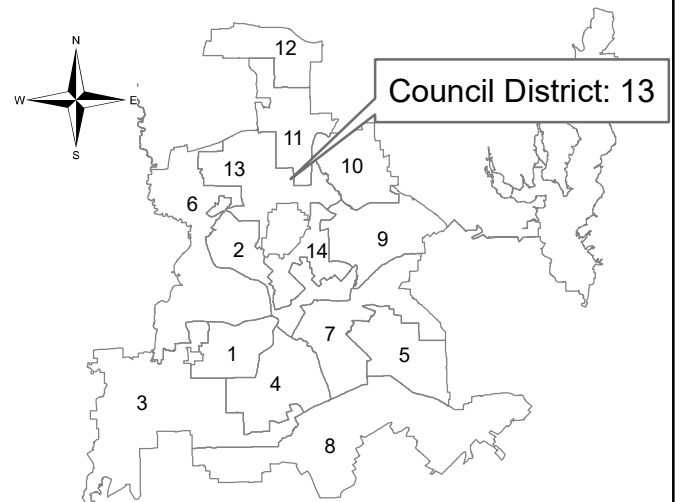


**Dallas Water Utilities**  
**Contract No. 21-049/050**  
**Water and Wastewater Main Installations**  
**at 20 Locations**



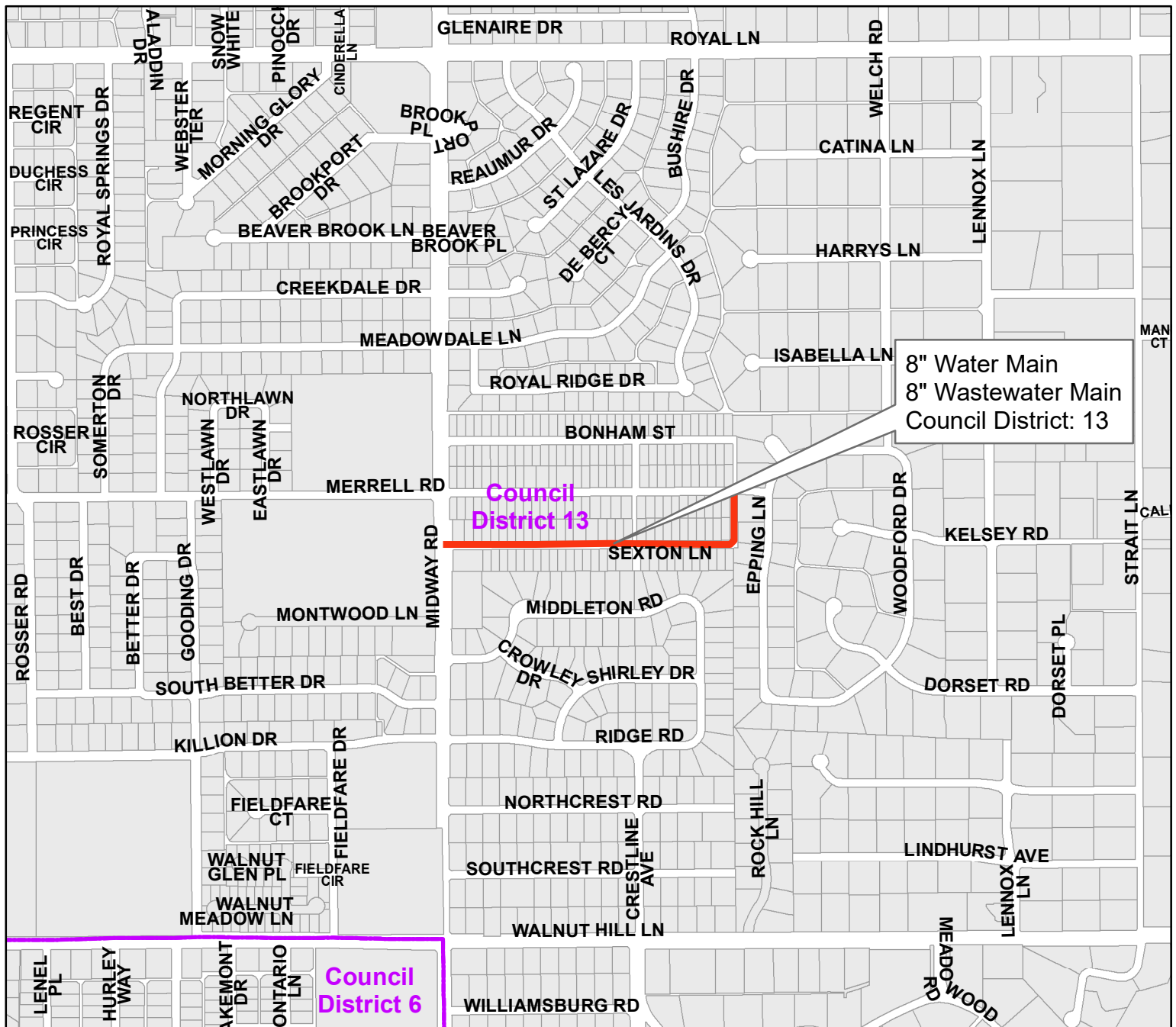


Glendora Avenue  
from Edgemere Road to Hillcrest Road



**Dallas Water Utilities  
Contract No. 21-049/050  
Water and Wastewater Main Installations  
at 20 Locations**



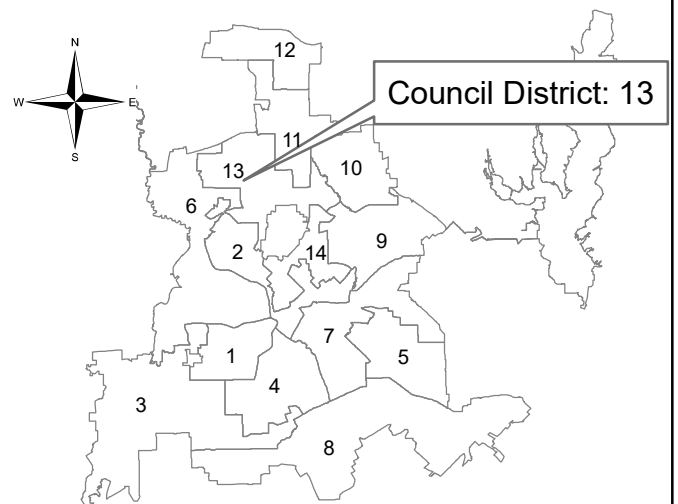


8" Water Main  
8" Wastewater Main  
Council District: 13

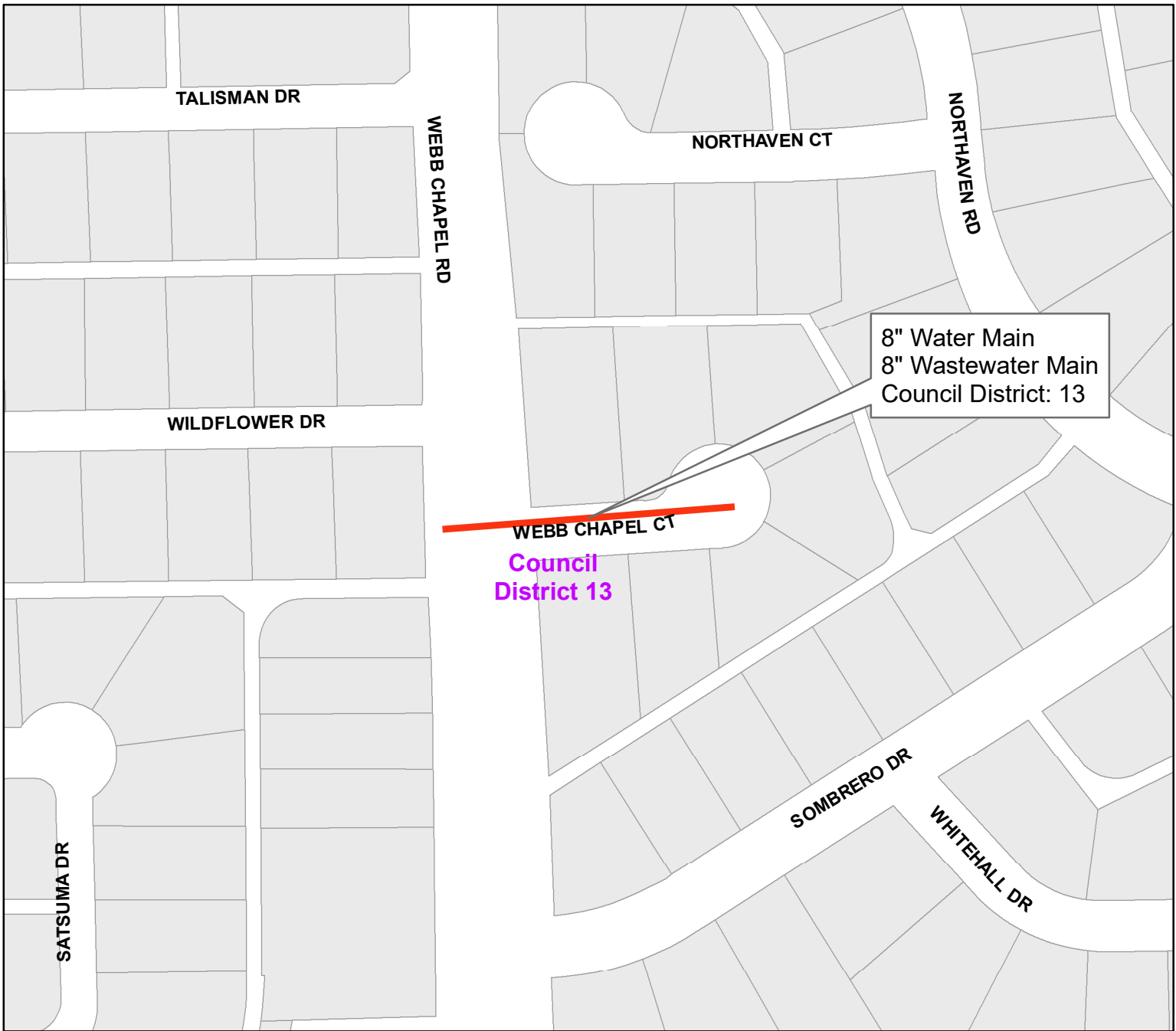
Council  
District 13

Council  
District 6

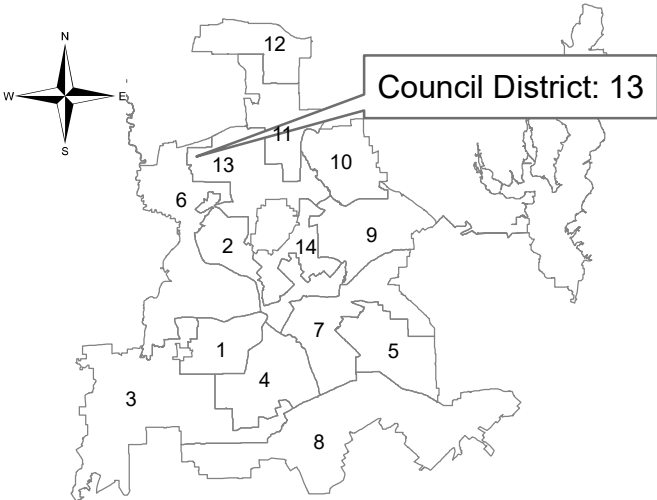
Sexton Lane  
from Midway Road to Merrell Road



**Dallas Water Utilities  
Contract No. 21-049/050  
Water and Wastewater Main Installations  
at 20 Locations**



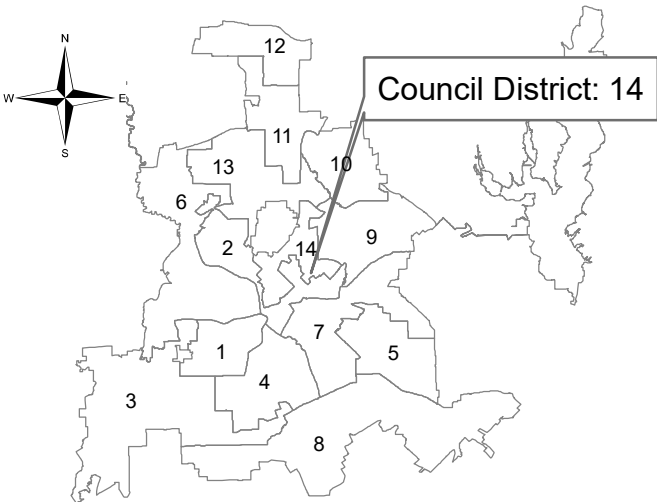
Webb Chapel Court  
from Webb Chapel Road east



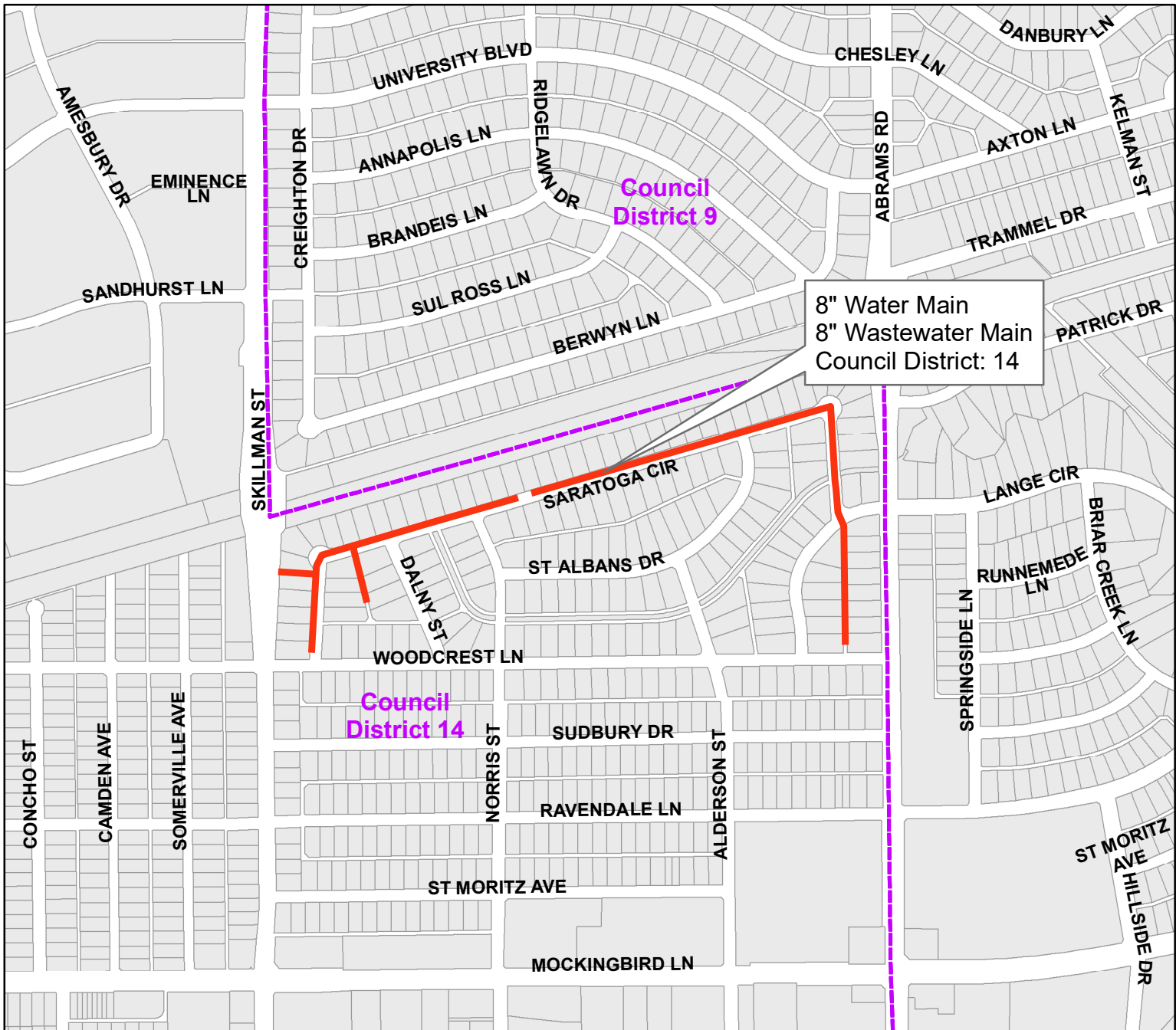
**Dallas Water Utilities  
Contract No. 21-049/050  
Water and Wastewater Main Installations  
at 20 Locations**



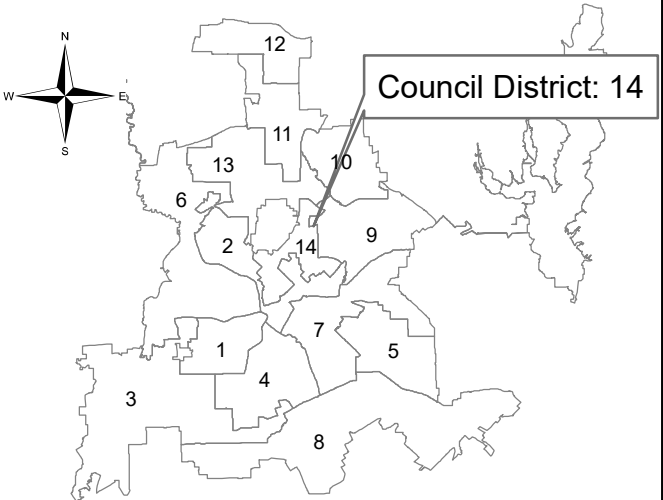
Beacon Street  
from Alley north of Junius Street to  
Alley south of Worth Street



**Dallas Water Utilities**  
**Contract No. 21-049/050**  
**Water and Wastewater Main Installations**  
**at 20 Locations**



Saratoga Circle  
from Woodcrest Lane to Woodcrest Lane



**Dallas Water Utilities  
Contract No. 21-049/050  
Water and Wastewater Main Installations  
at 20 Locations**

October 13, 2021

**WHEREAS**, on June 18, 2021, five bids were received for the installation of water and wastewater main improvements at 20 locations, Contract No. 21-049/050, listed as follows:

| <b><u>Bidders</u></b>                          | <b><u>Bid Amount</u></b> |
|--|--------------------------|
| Ark Contracting Services, LLC                  | \$13,892,600.00          |
| Muniz Construction, Inc.                       | \$16,088,029.00          |
| Camino Construction LP                         | \$16,635,430.00          |
| SYB Construction Co., Inc.                     | \$16,968,588.00          |
| John Burns Construction Company of Texas, Inc. | \$17,931,490.00          |

**WHEREAS**, the bid submitted by Ark Contracting Services, LLC, 420 South Dick Price Road, Kennedale, Texas 76060, in the amount of \$13,892,600.00, is the lowest and best of all bids received.

**Now, Therefore,**

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

**SECTION 1.** That the bid submitted by Ark Contracting Services, LLC, in the amount of \$13,892,600.00 for doing the work covered by the plans, specifications, and contract documents, Contract No. 21-049/050, be accepted.

**SECTION 2.** That the City Manager is hereby authorized to execute a construction services contract with Ark Contracting Services, LLC, approved as to form by the City Attorney, for the installation of water and wastewater main improvements at 20 locations, in an amount not to exceed \$13,892,600.00.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$13,892,600.00 to Ark Contracting Services, LLC, as follows:

Wastewater (Clean Water) – 2020 TWDB Fund  
Fund 1190, Department DWU, Unit FS40  
Object 4560, Program 721050  
Encumbrance/Contract No. CX-DWU-2021-00017052  
Vendor VS0000017816 \$ 5,632,876.98

Water (Drinking Water) – 2020 TWDB Fund  
Fund 1191, Department DWU, Unit FW40  
Object 4550, Program 721049  
Encumbrance/Contract No. CX-DWU-2021-00017052  
Vendor VS0000017816 \$ 5,145,237.05

October 13, 2021

**SECTION 3.** (continued)

Wastewater (Clean Water) – 2021 TWDB Fund  
Fund 1192, Department DWU, Unit FS40  
Object 4560, Program 721050  
Encumbrance/Contract No. CX-DWU-2021-00017052  
Vendor VS0000017816 \$ 1,834,213.02

Water (Drinking Water)-TWDB 2018 Fund  
Fund 1150, Department DWU, Unit FW40  
Object 4550, Program 721049  
Encumbrance/Contract No. CX-DWU-2021-00017052  
Vendor VS0000017816 \$ 780,272.95

Water (Drinking Water) – 2019 TWDB Fund  
Fund 1160, Department DWU, Unit FW40  
Object 4550, Program 721049  
Encumbrance/Contract No. CX-DWU-2021-00017052  
Vendor VS0000017816 \$ 500,000.00

Total amount not to exceed \$13,892,600.00

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

# Installation of Water and Wastewater Mains at (20) Locations

Contract No. (21-049/050)

Award Date (10/13/2021)

| Location   | Limits   | Council District         | Year Built Water | Year Built WW | Pipe Sizes & Type |               |                |               | Reason for Replacement   | Potential Bond Project Conflicts | Street Condition |
|--|--|--------------------------|------------------|---------------|-------------------|---------------|----------------|---------------|--|----------------------------------|------------------|
|  |  |                          |                  |               | Existing          |               | Proposed       |               |  |                                  |                  |
|  |  |                          |                  |               | Water             | WW            | Water          | WW            |  |                                  |                  |
| Easement south of Jefferson Boulevard                | from Coombs Creek Drive west                   | 1                        | N/A              | 1932          | N/A               | 6"-VCT & C.I. | N/A            | 10"-PVC       | Wastewater Main in Poor Condition, No Water Main Replacement             | None                             | N/A              |
| Virginia Boulevard                                   | from McLean Avenue east                        | 1, City of Cockrell Hill | 1942             | 1942          | 6"-E.C.I.         | 12"-VCT       | 6" & 8"-P.V.C. | 12"-PVC       | Water Quality, Wastewater Main in Poor Condition                         | None                             | D                |
| Alley west of Midway Road                            | from Rosa Road to Wilada Drive                 | 6                        | 1950             | 1950          | N/A               | 8"-VCT        | 8"-P.V.C.      | 8"-PVC        | Water Main Fire Flow, water quality, Wastewater in Poor Condition        | None                             | C, D             |
| Morris Street  | from Peoria Avenue east                        | 6                        | N/A              | 1960          | N/A               | 24"-VCT       | N/A            | 27"-PVC       | Wastewater Main in Poor Condition  | None                             | Unknown          |
| Peoria Avenue  | from Singleton Boulevard north                 | 6                        | 1961             | 1961          | 6"-C.I.           | 15" & 18"-VCT | 8"-PVC         | 16" & 30"-PVC | Water Main Capacity, Wastewater Main in Poor Condition                   | None                             | C                |
| Jordan Valley Road                                   | from Middlefield Road to east of Palomino Road | 8                        | 1987             | 1985          | 16"-PVC           | 15"-PVC       | N/A            | 18" & 21"-PVC | Water Main in Good Condition, Wastewater Masterplan, Surcharge Reduction | None                             | E                |
| Palomino Road  | from Jordan Valley Road to Haymarket Road      | 8                        | 1984             | 1986          | 12" & 16"-D.I.    | 10"-PVC       | 12" & 16" PVC  | 16"-PVC       | Water Main Breaks, Wastewater Masterplan, Capacity, Surcharge Reduction  | None                             | C                |
| Alley between Lakeshore Drive and Lakewood Boulevard | from Pearson Drive to Copperfield Lane         | 9                        | 1937             | 1937          | 4"-E.C.I.         | 6"-VCT        | 8"-P.V.C.      | 8"-PVC        | Water Quality, Capacity, Wastewater in Poor Condition                    | None                             | C                |

| Location   | Limits                                    | Council District | Year Built Water | Year Built W/W | Pipe Sizes & Type |        |           |        | Reason for Replacement                                  | Potential Bond Project Conflicts | Street Condition |
|--|---|------------------|------------------|----------------|-------------------|--------|-----------|--------|---|----------------------------------|------------------|
|  |   |                  |                  |                | Existing          |        | Proposed  |        |   |                                  |                  |
|  |   |                  |                  |                | Water             | WW     | Water     | WW     |   |                                  |                  |
| Alley between Lakeshore Drive and Velasco Avenue                 | Cambria Boulevard to Wendover Road        | 9                | N/A              | 1937           | N/A               | 6"-UNK | N/A       | 8"-PVC | Wastewater Main in Poor Condition, Capacity             | None                             | N/A              |
| Alleys/Easement between Avalon Avenue and north of Gaston Avenue | from Brendenwood Drive east               | 9                | N/A              | 1936           | N/A               | 6"-UNK | N/A       | 8"-PVC | Wastewater Main Breaks, Capacity, Re-route to ROW/Alley | None                             | N/A              |
| Lorna Lane   | from Brendenwood Drive to Pickens Street  | 9                | 1936             | N/A            | 6"-E.C.I.         | N/A    | 8"-P.V.C. | N/A    | Water Quality, Capacity                                 | None                             | E-Failed         |
| Aberdeen Avenue  | from Briarmeadow Drive to Airline Road    | 11               | 1965             | N/A            | 6"-C.I.           | N/A    | 8"-P.V.C. | N/A    | Water Main Breaks, Capacity                             | None                             | C                |
| Crest Meadow Drive   | from Aberdeen Avenue to Briarmeadow Drive | 11               | 1965             | N/A            | 6"-C.I.           | N/A    | 8"-P.V.C. | N/A    | Water Main Breaks, Capacity                             | None                             | E                |
| Easement north of Knoll Trail Drive                              | from Westgrove Drive east                 | 11               | 1980             | N/A            | 8"-D.I.           | N/A    | 8"-P.V.C. | N/A    | Water Main Breaks                                       | None                             | Private Drive    |
| Alley between Meadow Road and Waggoner Drive                     | from Preston Road to Tibbs Street         | 13               | 1959             | N/A            | 4"-C.I.           | N/A    | 8"-P.V.C. | N/A    | Water Main Breaks, Capacity                             | None                             | E-Failed         |
| Glendora Avenue  | from Edgemere Road to Hillcrest Road      | 13               | 1949             | N/A            | 8"-E.C.I.         | N/A    | 8"-P.V.C. | N/A    | Water Main Breaks                                       | None                             | B                |



| Location          | Limits   | Council District | Year Built Water | Year Built WW | Pipe Sizes & Type |         |                 |        | Reason for Replacement   | Potential Bond Project Conflicts | Street Condition |
|-------------------|--|------------------|------------------|---------------|-------------------|---------|-----------------|--------|--|----------------------------------|------------------|
|                   |  |                  |                  |               | Existing          |         | Proposed        |        |  |                                  |                  |
|                   |  |                  |                  |               | Water             | WW      | Water           | WW     |  |                                  |                  |
| Sexton Lane       | from Midway Road to Merrell Road                                 | 13               | 1963             | 1960          | 6" & 8"-E.C.I.    | 6"-CONC | 8"-P.V.C.       | 8"-PVC | Water Main Breaks, Wastewater Main in Poor Condition, Capacity | None                             | B                |
| Webb Chapel Court | from Webb Chapel Road east                                       | 13               | 1961             | 1961          | 4"-C.I.           | 6"-VCT  | 8"-P.V.C.       | 8"-PVC | Water and Wastewater Mains in Poor Condition, Capacity         | None                             | C                |
| Beacon Street     | from alley north of Junius Street to alley south of Worth Street | 14               | 1938             | 1946          | 8"-C.I.           | 8"-CONC | 8" & 10"-P.V.C. | 8"-PVC | Water Main Breaks, Wastewater Main in Poor Condition           | None                             | D                |
| Saratoga Circle   | from Woodcrest Lane to Woodcrest Lane                            | 14               | 1956             | 1956          | 8"-C.I.           | 8"-CONC | 8"-P.V.C.       | 8"-PVC | Water and Wastewater Mains in Poor Condition                   | None                             | C                |



## Agenda Information Sheet

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**File #:** 21-1684

**Item #:** 50.

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**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 10, 13

**DEPARTMENT:** Water Utilities Department

**EXECUTIVE:** Majed Al-Ghafry

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### **SUBJECT**

Authorize an increase in the construction services contract with Stoic Civil Construction, Inc. for emergency work at the pedestrian bridge over White Rock Creek in RP Brooks Park - Not to exceed \$170,064.00, from \$4,522,689.50 to \$4,692,753.50 - Financing: General Fund

### **BACKGROUND**

On November 11, 2020, City Council authorized a construction services contract with Stoic Civil Construction, Inc. for erosion control and storm drainage improvements at eight locations by Resolution No. 20-1815. The project includes the installation of gabion walls, retaining walls, gabion mattresses, slope and channel improvements to protect structures and to minimize creek bank erosion at eight locations throughout the city.

This action will authorize Change Order No. 1 to the construction services contract with Stoic Civil Construction for emergency services at the pedestrian bridge over White Rock Creek in RP Brooks Park. The bridge was installed as part of the White Rock Creek trail in 1985 and is located on the downstream end of a curve in White Rock Creek. Over the years, the bank upstream from the bridge has eroded and after the spring rains in May of this year Park Department staff observed that the bridge piers on the southern side are now exposed and a small portion of the trail was washed away. Park Department staff have placed a steel traffic plate over the trail to strengthen it temporarily.

With Stoic's vast familiarity of gabion wall construction and current active construction contract with Dallas Water Utilities, the Park & Recreation Department has requested Stoic to install erosion control gabions in front of the bridge abutments. As part of this work, the area behind the gabions will be backfilled and capped with concrete and the trail will be reconstructed. This change order will also increase the contract time by 60 working days.

**ESTIMATED SCHEDULE OF PROJECT**

Begin Construction            November 2021  
 Complete Construction      February 2022

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On November 11, 2020, City Council authorized a construction services contract with Stoic Civil Construction, Inc. for erosion control and storm drainage improvements at eight locations by Resolution No. 20-1815.

**FISCAL INFORMATION**

| Fund         | FY 2022      | FY 2023 | Future Years |
|--------------|--------------|---------|--------------|
| General Fund | \$170,064.00 | \$0.00  | \$0.00       |

Construction Contract                      \$ 4,522,689.50  
 Change Order No. 1 (this action)        \$ 170,064.00

Total Project Cost                              \$ 4,692,753.50

| <b><u>Council District</u></b> | <b><u>Amount</u></b> |
|--------------------------------|----------------------|
| 10                             | \$ 85,032.00         |
| 13                             | \$ <u>85,032.00</u>  |
| Total                          | \$170,064.00         |

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount  | Procurement Category | M/WBE Goal | M/WBE % | M/WBE \$ |
|--|----------------------|------------|---------|----------|
| \$170,064.00   | Construction         | 25.00%*    | 0.00%   | 0.00%    |
| • *This item reflects previous Business Inclusion and Development Policy M/WBE goal. |                      |            |         |          |
| • This contract does not meet the M/WBE goal, but complies with good faith efforts.  |                      |            |         |          |
| • Change Order No. 1 - 19.64% Overall M/WBE participation.                           |                      |            |         |          |
| • Stoic Civil Construction, Inc. - Non-local; Workforce - 24.75% Local               |                      |            |         |          |

**OWNER**

**Stoic Civil Construction, Inc.**

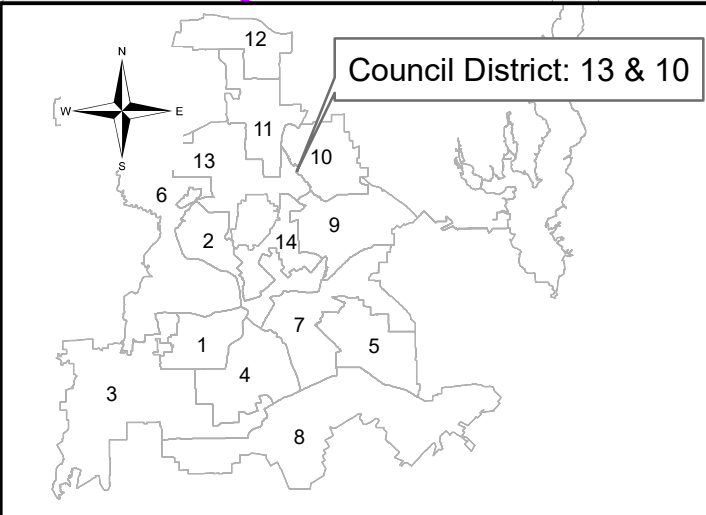
James A. Fee, President

**MAP**

Attached



White Rock Creek Bridge Emergency Repair  
(R.P.) Brooks Park



**Dallas Water Utilities**  
**Storm Drainage Improvements**  
**Contract No. 20-235**

October 13, 2021

**WHEREAS**, on November 11, 2020, City Council authorized a construction services contract with Stoic Civil Construction, Inc. for erosion control and storm drainage improvements at eight locations by Resolution No. 20-1815; and

**WHEREAS**, additional services are required for emergency work at the pedestrian bridge over White Rock Creek in RP Brooks Park; and

**WHEREAS**, Stoic Civil Construction, Inc., 223 West Sycamore Street, Denton, Texas 76201, has submitted an acceptable proposal for this additional work; and

**WHEREAS**, Dallas Water Utilities recommends that Contract No. 20-235 be increased by \$170,064.00, from \$4,522,689.50 to \$4,692,753.50.

**Now, Therefore,**

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

**SECTION 1.** That an increase in the construction services contract with Stoic Civil Construction, Inc. (Change Order No. 1) is authorized for emergency work at the pedestrian bridge over White Rock Creek in RP Brooks Park, in an amount not to exceed \$170,064.00, increasing the contract amount from \$4,522,689.50 to \$4,692,753.50.

**SECTION 2.** That the proposed Change Order No. 1 with Stoic Civil Construction, Inc., be accepted, and that Contract No. 20-235 be revised accordingly.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$170,064.00 to Stoic Civil Construction, Inc. from the General Fund, Fund 0001, Department PKR, Unit 5010, Object 4599, Activity MMCF, Program PKBRIDGE, Encumbrance/Contract No. SDM-2020-000014574, Vendor VS92564.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1869

**Item #:** 51.

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**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** City Secretary's Office

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**SUBJECT**

Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)



## Agenda Information Sheet

**File #:** 21-1799

**Item #:** 52.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Department of Housing & Neighborhood Revitalization  
**EXECUTIVE:** Dr. Eric A. Johnson

### SUBJECT

Authorize an amendment to the City of Dallas Comprehensive Housing Policy, as amended, to allow the City to provide targeted financial support for the development of non-income restricted housing units that provides consideration for such development and meets a public purpose - Financing: No cost consideration to the City

### BACKGROUND

The Comprehensive Housing Policy (CHP) has three main goals: (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.

The Department of Housing & Neighborhood Revitalization (Department) recommends changes to the CHP. The proposed changes are designed to improve the program's effectiveness and broaden the type of housing units and income bands that can receive financial support from the City.

At present, the CHP only allows the City to fund housing units that serve families earning at or below 120% of the area median income (AMI). The Department is recommending amendment to the CHP to allow the City to support the development of housing units that are non-income restricted. The goal of this amendment is to allow for the targeted development of market rate housing in areas that already have a substantial amount of affordable housing in the area. This targeted development will allow for the development of new, mixed-income communities.

Any development, affordable or non-income restricted, will still be required to submit an application through the Department's Notice of Funding Availability (NOFA) application process. The City will not provide financial support for a development unless a financial gap is confirmed through the underwriting process. This change will simply allow non-income restricted projects to receive funding as needed in support of a broader range of housing options in areas that have a substantial amount of affordable housing in the area.



**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On May 9, 2018, City Council adopted the CHP and created the Dallas Housing Policy Task Force by Resolution No. 18-0704, as amended.

On November 28, 2018, City Council authorized amendments to the CHP, to make technical changes to the Home Improvement Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680.

On May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824.

On June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884.

On June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP, and the HIPP Landlord Program by Resolution No. 19-1041.

On September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498.

On December 11, 2019, City Council authorized amendments to the CHP to modify the provisions for the housing policy task force, update language to comply with the Mixed Income Housing Development Bonus previously approved by City Council and remove two application forms by Resolution No. 19-1864.

On January 22, 2020, City Council authorized amendments to the CHP and created a Neighborhood Empowerment Zone Program by Resolution No. 20-0188.

On August 26, 2020, City Council authorized amendments to the CHP to amend the DHAP program, include the 0-30% income band in the range of income bands to be served, create the Targeted Rehabilitation Program, and to allow Community Housing Development Organizations to retain a percentage of sales proceeds from eligible HOME-funded projects by Resolution No. 20-1220.

On January 27, 2021, City Council authorized the execution of a conditional grant agreement with St. Jude, Inc. and/or its affiliates for the rehabilitation of the property located at 8102 Lyndon Baines Johnson Freeway, Dallas Texas 75251 by Resolution No. 21-0213. Item approval required a floor amendment allowing Council to waive the provisions in the Comprehensive Housing Policy limiting rehabilitation subsidy to 9% of the HUD 234 Limits.

On January 27, 2021, City Council authorized an amendment to the City of Dallas Comprehensive Housing Policy previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to (1) amend the loan terms in the New Construction and Substantial Rehabilitation Program to allow forgivable loans for projects with permanent supportive housing units; and (2) to remove the nine percent subsidy cap from the annual HUD 234 - Condominium Housing Limits by Resolution No. 21-0212.

On September 9, 2021, City Council authorized amendments to the CHP to modify the Home Improvement and Preservation Program (HIPP), the Minor Home Repair Grant Program, the Housing Reconstruction Program, the Landlord Rental Program, the Community Land Trust Program, the Targeted Rehabilitation Program, and the Tenth Street Targeted Rehabilitation Sub-Program Module by Resolution No. 21-1450.

### **FISCAL INFORMATION**

No cost consideration to the City.

October 13, 2021

~~**WHEREAS**, on May 9, 2018, City Council adopted a Comprehensive Housing Policy (CHP) that set citywide production goals for homeownership and rental units for the next three years along with respective income bands that will be prioritized within the production goals and also set forth various programs, tools and strategies to be used to meet the production goals while also overcoming concentrations of poverty and racial segregation by Resolution No. 18-0704; and~~

~~**WHEREAS**, on November 28, 2018, City Council authorized amendments to the CHP to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680; and~~

~~**WHEREAS**, on May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize to development of quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, or redevelopment policy by Resolution No. 19-0824; and~~

~~**WHEREAS**, on June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884; and~~

~~**WHEREAS**, on June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041; and~~

~~**WHEREAS**, on September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Polit Program by Resolution No. 19-1498; and~~

~~**WHEREAS**, on December 11, 2019, City Council authorized amendments to the CHP to modify the provisions for the housing policy task force, update language to comply with the Mixed Income Housing Development Bonus previously approved by City Council, and remove two application forms by Resolution No. 19-1864; and~~

~~**WHEREAS**, on January 22, 2020, City Council authorized amendments to the CHP and created a Neighborhood Empowerment Zone Program by Resolution No. 20-0188; and~~

~~**WHEREAS**, on August 26, 2020, City Council authorized amendments to the CHP to amend the DHAP program, include the 0-30% income band in the range of income bands to be served, create the Targeted Rehabilitation Program, and to allow Community Housing Development Organizations to retain a percentage of sales proceeds from eligible HOME-funded projects by Resolution No. 20-1220; and~~

October 13, 2021

~~**WHEREAS**, on January 27, 2021 City Council authorized amendments to the CHP to amend the loan terms in the New Construction and Substantial Rehabilitation program to allow forgivable loans for projects with permanent supportive housing units and remove the nine percent (9%) subsidy cap from the annual HUD 234 — Condominium Housing Limits, by Resolution No. 21-0212; and~~

~~**WHEREAS**, on September 9, 2021, City Council authorized amendments to the CHP to modify the Home Improvement and Preservation Program (HIPP), the Minor Home Repair Grant Program, the Housing Reconstruction Program, the Landlord Rental Program, the Community Land Trust Program, the Targeted Rehabilitation Program, and the Tenth Street Targeted Rehabilitation Sub-Program Module; and~~

~~**WHEREAS**, City Council must approve any addition to, alteration of, or deletion of a strategy tool, or program in the CHP; and~~

~~**WHEREAS**, the City desires to develop and maintain affordable and mixed income housing, to provide greater fair housing choices, and to overcome patterns of segregation and concentrations of poverty; and therefore, it is in the best interest of the City to adopt certain amendments to the CHP; and~~

~~**WHEREAS**, it is in the best interest of the City of Dallas to authorize an amendment to the CHP to allow the City to provide targeted financial support for the development of non-income restricted housing units that provides consideration for such development and meets a public purpose; and~~

~~**WHEREAS**, non-income restricted developments must meet a public purpose, including but not limited to economic development; and~~

~~**WHEREAS**, non-income restricted developments shall occur in a manner that does not violate the City's obligations to affirmatively further fair housing.~~

~~**Now, Therefore,**~~

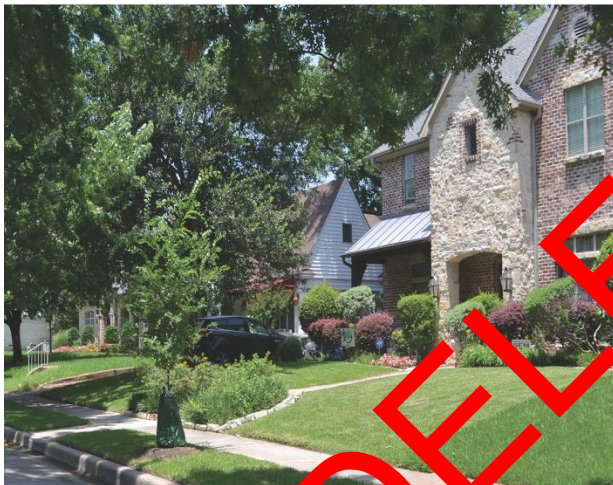
~~**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**~~

~~**SECTION 1.** That City Council hereby authorizes an amendment to the City of Dallas Comprehensive Housing Policy, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to allow the City to provide targeted financial support for the development of non-income restricted housing units that provides consideration for such development and meets a public purpose, as reflected in the attached **Exhibit A**.~~

~~**SECTION 2.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.~~



## EXHIBIT A



# Comprehensive Housing Policy

City of Dallas  
Department of Housing and Neighborhood Revitalization

Adopted by the Dallas City Council  
May 9, 2018

Amended September 9, 2021

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## BACKGROUND ON DEVELOPMENT OF THE POLICY

### Policy Goals

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.

### Market Value Analysis

In August 2017, the City of Dallas engaged The Reinvestment Fund to conduct a Market Value Analysis (MVA), which is 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. After briefing the City Council on the results of the MVA on January 17, 2018, eight public town hall meetings were held to develop the recommendations presented here. The town hall topics were:

- How Residential Development Gets Financed,
- How to Reduce Development and Rehabilitation Costs
- How to Increase Access to Capital and Reduce Cost of Capital, and
- Programs, Tools and Strategies for Increasing Housing Production.

Each town hall provided stakeholders an opportunity to understand the housing challenges from the perspective of the major stakeholders, including lenders, foundations and government sources of finance; consumers and neighbors; developers, builders, and contractors; and regulatory officials, such as zoning, building inspections, and code enforcement. The town halls were held both in person and through virtual telephone communications that aired on Spectrum Channel 95 and streamed online. The in-person town halls had a combined participation of 94 individuals, many of whom also participated in the virtual town hall meetings. The virtual telephone town halls had a total of 38,690 participants for all four meetings, of which 10,000 participated in more than one town hall.

The outcome of public input helped shape the ten policy recommendations presented to the Economic Development and Housing Committee (Committee) on March 19, 2018 and the strategies, tools and programs included in the Comprehensive Housing Policy.

## CITY OF DALLAS PLANS

### **forwardDallas! Comprehensive Plan**

The forwardDallas! Plan is Dallas' first citywide comprehensive plan to serve as the policy basis for land development decisions in the City, through reference in the Dallas Development Code. The plan contains eight policy elements: Land Use, Economics, Housing, Transportation, Urban Design, Environment, and Neighborhoods. It provides guidance on important land development considerations related to land use, transportation and economic development. Shaped by extensive community engagement and adopted by City Council in 2006, it envisions a future Dallas built around the core values of:

- Access to good education
- A safe city
- A healthy environment
- Job growth through investment in Southern Dallas
- Convenient transportation through choices in how to get around
- Quality of life through diverse housing, recreational, cultural and educational opportunities

A key initiative of the forwardDallas! Plan was a focus on making high quality housing more accessible. The plan acknowledged that, within the regional context, Dallas has the greatest range of housing needs and problems. It recommended development of a housing strategy aimed at increasing home ownership, diversifying housing stock and providing more opportunities for affordable housing, while sustaining existing neighborhoods.

The forwardDallas! Comprehensive Plan can be found at <http://dallascityhall.com/departments/pnv/strategic-planning/Pages/comprehensive-plan.aspx>.

### **Neighborhood Plus Plan**

Adopted in 2015, the Neighborhood Plus Plan is a citywide neighborhood revitalization plan intended to update the forwardDallas Housing and Neighborhood elements. The Neighborhood Plus plan focused on the six strategic goals of:

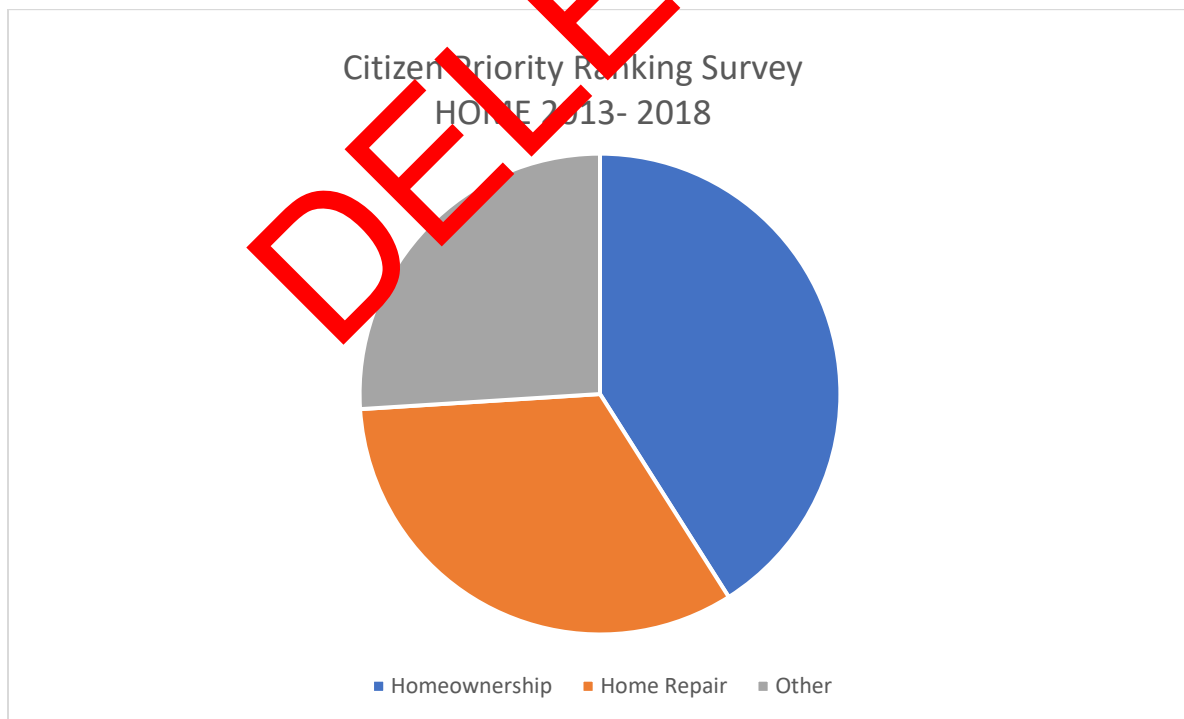
- Creating a Collective Impact Framework
- Alleviating Poverty
- Fighting Blight
- Attracting and Retaining the Middle Class
- Increasing Home Ownership
- Enhancing Rental Options.

The Neighborhood Plus recommended a holistic approach to neighborhood revitalization and community building that goes beyond production of a limited number of publicly subsidized housing units, to encompass neighborhood quality, safety, mobility and access to education, jobs and health care. The Neighborhood Plus Plan also called for a neighborhood by neighborhood approach to improving quality of life and established the basis for identifying target areas to focus neighborhood revitalization efforts.

The Neighborhood Plus Plan can be found at <http://dallascityhall.com/departments/pnv/strategic-planning/DCH%20Documents/Web%20-%20Neighborhood%20Plus%20Plan%20-%20Adopted%2010-07-2015.pdf>.

## Consolidated Plan Strategies

The Consolidated Plan is a five-year planning document required by HUD to carry out affordable housing and community development activities. The City identified its priorities as follows:



## REINVESTMENT STRATEGY AREAS

The Housing Policy provides for tiered Reinvestment Strategy Areas to address three market types in need of City investment:

### **Redevelopment Areas:**

A redevelopment area is characterized by a known catalytic project that has submitted a request for funding that shows preliminary viability and will begin within the next 12 months. The project as proposed must contain a housing component and must address the existing market conditions as identified in the MVA and must demonstrate a level of housing production supported through a third-party independent market analysis and show affordability to a mix of income bands.

Redevelopment Areas: Midtown, High Speed Rail, Wynnewood, and Red Bird.

### **Stabilization Areas:**

Stabilization areas are characterized as G, H, and I markets that are surrounded by A-E markets and as such are at risk of displacement based on known market conditions including upcoming redevelopment projects. These areas are also where accessory dwelling units should be focused to allow for increased density.

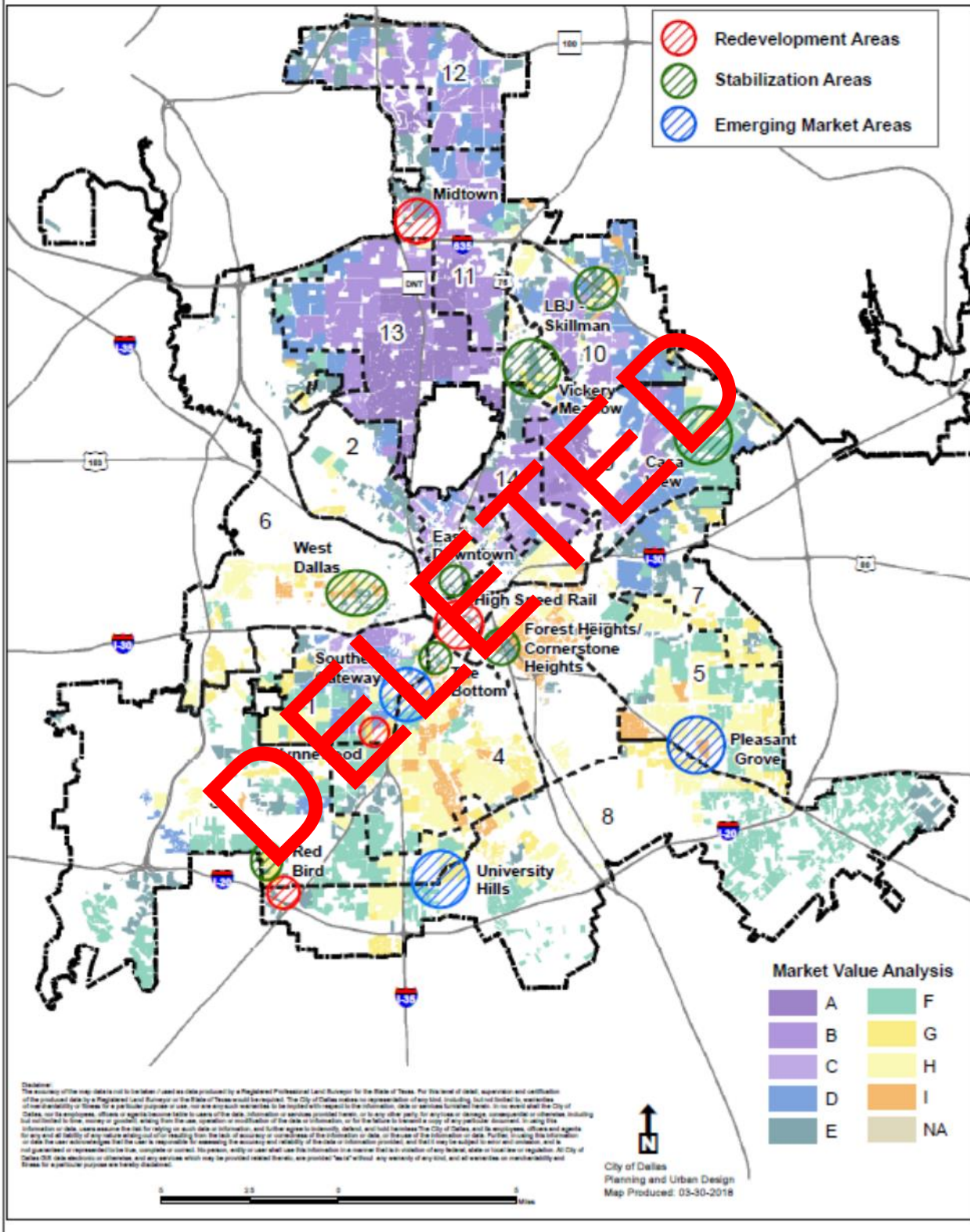
Stabilization Areas: LBJ Skillman, Vickery Midtown, Casa New, Forest District, East Downtown, The Bottom/Tenth Street, West Dallas, and Red Bird North.

### **Emerging Market Areas:**

These markets are characterized as areas in need of intensive environmental enhancements, master planning, and formalized neighborhood organization. In order to facilitate the creation of mixed income developments, the City recommends seeking designation as Neighborhood Revitalization Strategy Areas (NRSA) through HUD in order to prepare the area for real estate investments in a 3 to 5-year time frame and provide flexibility of use of funds without income qualifications.

Emerging Market Areas: Southern Gateway, Pleasant Grove, and University Hills.

## Reinvestment Areas



## PRODUCTION GOALS AND INCOME BANDS TO BE SERVED

Dallas has a housing shortage of approximately 20,000 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. It is difficult to convert rental homes to homeownership because of the perception of the neighborhood, the condition of the housing stock once it's been in the rental market for a period of time and because income-producing property in a tight market will not be released by landlords until returns are diminished. 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 years following were in the price range below \$249,999. In 2014 the housing market was in transition - the number of home sales priced under \$249,999 decreased to less than 40% of the market and by 2017 nearly 58% of home sales were priced between \$300,000 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. Therefore, increasing production over a 3-year period and minimizing the regulatory barriers to overall market production is equally important. Furthermore, because this has made even deteriorated housing stock unaffordable, it makes the need for home repair programs more important than ever. Table 1 below shows 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 City supports creating increased availability of housing in a targeted fashion serving for people at incomes ranging from 0% to 120% of the HUD Area Median Income or unrestricted income for projects that meet a public purpose. by incentivizing homeownership developments incentives are prioritized for, but not limited to, for families at 60% or higher AMI and rental developments that include rent restricted units for families at the full range of 0% to 120% of AMI as well as non-income restricted units. These targets are also outlined in Table 1 below.

Table 1

| Production Goals  |          |                     |     |                     |     |
|---|----------|---------------------|-----|---------------------|-----|
| Percentage of HUD<br>Area Median Income<br>Dallas Metro |          | Homeownership       |     | Rental              |     |
|   |          | Production<br>Goals | %   | Production<br>Goals | %   |
| Market Rate   | 101-120% | 933                 | 55% | 587                 | 40% |
|   | 81-100%  | 1,120               |     | 587                 |     |
| Extremely Low, Very<br>Low, and Low<br>Income           | 61-80%   | 1,307               | 45% | 733                 | 60% |
|   | 51-60%   | 373                 |     | 440                 |     |
|   | 31-50%   | n/a                 |     | 293                 |     |
|   | 0-30%    | n/a                 |     | 293                 |     |
| Total   |          | 3,733               |     | 1,653               |     |

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# HOUSING POLICY TASK FORCE

Added December 11, 2019

## Summary

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

## Structure

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

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

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

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

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



## 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. The City offers several programs 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**

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

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

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 of 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 exercise 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 exercise any policy or program decision-making function in connection with the program are not eligible for assistance under the program.
- Priority shall be given to Applicants who have not participated in any City repair, rehabilitation, or reconstruction program previously, or 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 12 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 ("Staff") shall administer the Major Home Rehabilitation Program. As used herein, the term "Staff" may include either employees or consultants of the department under the direction of the Director (defined below) or his/her designee. 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***

Staff shall administer the Home Reconstruction Program. This administration includes, but is not limited to, application evaluation procedures, 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.

DELETED



## **Dallas Homebuyer Assistance Program**

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

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 be no less than 60% of Area Median Income, but 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.
- 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.

| Amount of Funds      | Required Affordability |
|----------------------|------------------------|
| 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 of 26%-32%
- First mortgage amount must have a back-end ratio no higher than 45%

Applicants must be qualified by their lender to spend at least 28% of their monthly gross income on their housing.

### ***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**

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. All other DHAP terms, as stated above, shall apply to this program.

**Accessory Dwelling Units**

(CHP amended December 11, 2019; Code amended June 27, 2018 by Resolution Nos. 18-0978A and 18-0978B)

Sec. 51A-4.209(b)(6) of the Dallas Development Code provides that for single family uses the Board of Adjustment may grant a special exception to authorize a rentable accessory dwelling unit in any district when, in the opinion of the board, the accessory dwelling unit will not adversely affect neighboring properties.

In addition, Sec. 51A-4.510 of the Dallas Development Code provides regulations allowing for an accessory dwelling unit overlay district. An accessory dwelling unit overlay district is a compact, contiguous area where residents of a single-family neighborhood may petition City Council to create a zoning overlay that, if approved, allows code-compliant accessory dwelling units by right.

DELETED

## TENANT PROGRAMS

### 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.

DELETED

## DEVELOPER PROGRAMS

### New Construction and Substantial Rehabilitation Program

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 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 10% 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, subordinate only to a private financial institution's superior lien for a loan in a greater amount. 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 Recertification:*

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.

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## Mixed Income Housing Development Bonus

Added December 11, 2019, Code amended March 27, 2019 by Resolution No. 19-0429

### Background

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, specifically MF-1(A), MF-2(A), and MF-3(A) Multifamily Districts and MU-1, MU-2, and MU-3 Mixed Use Districts. Today, these districts represent approximately 15,000 acres across the city.

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 A, B, and C categories are required to serve families at lower income levels than properties in G, H, and I categories, 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:
  - (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:
  - (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:
  - (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 districts:

- Building heights are subject to residential proximity slopes, where applicable, and existing setbacks are maintained.
- For multifamily uses, parking is reduced to 1¼ space per unit (versus one space per bedroom in Chapter 51A) and at least 15 percent must be available for guest parking.
- Developments with transit proximity 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

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 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

### Implementation

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

### Procedures

- Developer meets with the City's Department of Housing and Neighborhood Revitalization to request an MVA category verification. The MVA category determines the bonuses that the development may utilize in return for a specified number of reserved units.
- Developer begins the permit application process.
- Before the issuance of a building permit, developer submits an official copy of the executed and filed restrictive covenant.
- Before beginning leasing, developer begins compliance process, including following the approved affirmative fair housing marketing plan and reserving units according to the restrictive covenant.
- Developer completes construction and submits documentation for a final certificate of occupancy. City reviews for compliance with all aspects of the permit and, if complete, issues final CO.
- Developer (and all subsequent owners) submits compliance paperwork regularly during period of compliance. Requirements stay with the development, not the ownership.
- Ongoing compliance is monitored by the Housing and Neighborhood Revitalization Department and the Office of Equity and Human Rights.
- Developer (and all subsequent owners) may not discriminate on the basis of source of income. This non-discrimination provision provides housing opportunities for households with rental assistance or vouchers, as applicable.

### Program Operation and Compliance

- Term of affordability is 20 years
- Property owner must remain in compliance with restrictive covenant based on the requirements in Chapter 20A-II and Chapter 51A-4.1100.
- Each eligible household must be charged an affordable rent, which is defined as a monthly tenant rental housing payment, less an allowance for utilities, that does not exceed 30 percent of an eligible household's adjusted income.

## Land Transfer Program

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 (RECAP) 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 it 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.

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# **PRESERVING AFFORDABILITY**

## **Title Clearing and Clouded Title Prevention Program**

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 impact 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.



## Community Land Trust Program

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, the 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 geographic 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.

DELETED

## Targeted Rehabilitation Program

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

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.
- 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 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 or forgiven, as specified in each Sub-Program Module.
- 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 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.
- 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 happens 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.

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# NEIGHBORHOOD INVESTMENT

## 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 312.002 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 21, 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

(1) **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 amount 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.

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## FUNDING AND SUPPORTING ACTIONS

### Federal Funding Sources

The City receives financial support from the U.S. Department of Housing and Urban Development (HUD) to assist low and moderate-income families in obtaining affordable housing. The City receives several Entitlement (HUD) grants, which it can use to support its housing initiatives. HUD outlines certain regulations that apply when using grant funds. This policy document uses the HUD regulations as a basis and incorporates the City's own policies as adopted by City Council.

### Community Development Block Grant (CDBG)

The Community Development Block Grant has been in existence since 1974. The primary objective of the CDBG program is to improve communities by providing decent housing, providing a suitable living environment, and expanding economic opportunities. The primary beneficiary of CDBG funds must benefit low to moderate-income persons; aid in the prevention or elimination of slums or blight; or meet an urgent need.

### HOME Investment Partnership Program (HOME)

The HOME Investment Partnership Program has been in existence since 1990. The goals of the HOME program are to provide decent affordable housing to lower income households, expand the capacity of nonprofit housing providers, strengthen the ability of state and local governments to provide housing, and leverage private sector participation. HOME funds may be utilized for rental activities, homebuyer activities, and home owner rehabilitation activities. All HOME funds must benefit persons of low and moderate income.

### HOME Match Requirement

All housing development projects must meet a twenty-five (25%) HOME matching requirement of contributions made from non-federal resources and may be in the form of one or more of the following:

- Cash contributions from nonfederal sources
- Forbearance of fees
- Donated real property
- Cost, not paid with federal resources, of on-site and off-site infrastructure that the participating jurisdiction documents are directly required for HOME-assisted projects
- Proceeds from multifamily affordable housing project bond financing
- Reasonable value of donated site-preparation and construction materials, not acquired with federal resources
- Reasonable rental value of the donated use of site preparation or construction equipment
- Value of donated or voluntary labor or professional services in connection with the provision of affordable housing

### Neighborhood Stabilization Program (NSP)

The Neighborhood Stabilization Program was authorized under Division B, Title III of the Housing and Economic Recovery Act of 2008 (HERA) to help communities recover from the effects of foreclosures, abandoned properties, and declining property values. The City collects program income from this source and appropriates it on an annual basis.



## State and Local Funding Sources

### General Obligation Bonds

General Obligation Bonds were authorized under the 2017 bond package to help with infrastructure, economic development and housing, and related expenses as authorized by law. Economic Development and Housing have been allocated approximately \$55 million for the next five years.

### Tax Exempt Bond Financing (City of Dallas Housing Finance Corporation)

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 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 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.

## City of Dallas Policy for Supporting Housing Developments Seeking Housing Tax Credits

(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 by 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 in 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 short and 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).*



|   |           |     |
|---|-----------|-----|
|   |           |     |
| Transportation Services   |           |     |
| 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   |
| Children Services   |           |     |
| 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 |
| Adult Services  |           |     |
| 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   |
| Health Services   |           |     |
| 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   |
| Community Services  |           |     |
| 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   |



## Community Housing Development Organizations (CHDOs)

A CHDO is defined under 24 Code of Federal Regulations (CFR) Part 92.2 as a nonprofit organization (501©3 or 4) organized under state law; has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual; is neither controlled by nor under the direction of individuals seeking to derive profit or gain from the organization. While a CHDO may be sponsored or created by a for-profit entity whose primary purpose is not the development or management of housing, such as a builder, developer or real estate management firm, the for-profit entity may not have the right to appoint more than one-third of the membership of the organization's governing body and the board members appointed by the for-profit entity may not appoint the remaining board members. A CHDO does not include a public body although a locally chartered organization may qualify under certain conditions.

The CHDO must be free to contract for goods and services from vendors of its own choosing. The CHDO must comply with certain financial accountability standards as described in the 24 CFR 84.21 Standards for Financial Management Systems. Among the primary purposes of the CHDO's organization, as outlined in their organizational charter, articles of incorporation, resolutions or bylaws must be the provision of decent housing that is affordable to low-to-moderate income persons. A CHDO must remain accountable to the low-income community residents by: **1)** maintaining at least one-third of its governing board membership for residents of low-income neighborhoods, other low-income community residents, or elected representative of a low-income neighborhood organization; **2)** providing a formal process for low-income program beneficiaries to advise the organization in its decisions regarding the design, site selection, development and management of affordable housing.

A service area in urban areas such as Dallas "community" may be defined as a neighborhood, or neighborhoods, city, county or metropolitan area. Additionally, CHDOs are subject to the affirmatively furthering fair housing rules which state that housing should not be located in areas of minority concentration or with high poverty rates. Historically, Dallas CHDOs have elected to work in areas where disinvestment has occurred, and where high concentrations of poverty exist. CHDOs should grow and develop the capacity to partner with for-profit developers to produce market rate housing in areas of disinvestment. Furthermore, CHDOs should work in areas with low poverty rates, have access to a quality education, transportation, and jobs. These high opportunity areas lack quality affordable housing options.

A CHDO must demonstrate the capacity to carry out the activities assisted with HOME Investment Partnership Program (HOME) funds within **12 months** of the project commitment. CHDO's may satisfy the HOME requirement by hiring experienced key staff members who have successfully completed similar projects or a consultant with the same type of qualified experience and a plan to train appropriate key staff member of the organizations. CHDO's must demonstrate a minimum of one-year experience in serving the community in which the assisted housing will be located before funds can be reserved for the organization. This requirement can be satisfied by a parent organization in some cases if a CHDO is formed by a group of local churches or local service organizations. CHDOs must be certified by the City of Dallas to be awarded CHDO set-aside funds for the development of housing and operating assistance.

### Set Aside

HUD requires that 15% of the HOME allocation each year be made available to Community Housing Development Organizations (CHDOs) for the development of affordable homebuyer or rental housing.

### **Operating**

In addition, the City can allocate up to 5% of the HOME allocation each year operating expenses for CHDOs. These funds provide operating funds to Community Housing Development Organizations based on financial need and the expectation that the organization is utilizing or will utilize the City's HOME CHDO set aside funding within 24 months of the award.

HOME funding provided for CHDO operating expenses may not exceed \$50,000 or 50% of the organization's total annual operating expenses for that fiscal year, whichever is greater. CHDO operating expense funds may not supplant CHDO set-aside funds for project costs.

### **Certification**

To be eligible to receive HOME CHDO set-aside funding and Operating Assistance Grants, a CHDO must be certified by the City of Dallas. CHDO certification must be done prior to the commitment of funds for a set-aside development, and there cannot be a general CHDO certification. The City can work in advance to determine if a CHDO will likely meet the requirements for certification prior to funding considerations. A CHDO must continue to be certified throughout the development of a project and during the affordability period. the City has developed the "Community Housing Development Organization (CHDO) Policy, Procedure, and Standards" document to outline the process and requirements for CHDO certification. This can be found in Appendix 5.

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## **Strategies, Tools, and Programs that Will Require Additional Action**

### **Housing Trust Fund**

The City has established a Dallas Housing Trust Fund (DHTF) that allows monies to be used to make loans or grants to support the production goals of the Housing Policy. On December 12, 2018, Council approved a one-time transfer of \$7 million in unencumbered fund balances from high-performing tax increment financing districts (TIFs), as well as \$7 million from Dallas Water Utility funding set aside to support development. On January 22, 2020, Council approved \$1 million to be used to support residential investment in neighborhood empowerment zones.

Staff will further research potential dedicated revenue sources and additional uses for the DHTF to ensure that the fund supports the broad goals of the CHP.

### **Tax Increment Financing**

Creation of a non-contiguous Tax Increment Finance District for areas not already located in an existing TIF District will leverage TIF on projects that propose to meet the unit production goals with affordability requirements.

### **Sublease Program**

Furthermore, staff will pursue council approval to create a Sublease Program which incentivizes a landlord/developer to facilitate the rental of units to voucher holders. This program is administered through the Dallas Housing Finance Corporation.

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## APPENDICES

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## APPENDIX 1

### Housing Policy Task Force Structure and Leadership

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#### Focus areas

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

- **Multifamily development**
  - External facilitator: real estate and/or finance expert in multifamily housing
  - At least one key stakeholder from each of the following groups: Sustainable Development and Construction staff, Department of Housing and Neighborhood Revitalization staff, Planning & Urban Design staff, associations of builders and contractors, organizations of real estate professionals, and at least one developer and/or builder.
- **Single family and ownership development**
  - External facilitator: real estate and/or finance expert in owner-occupied housing
  - At least one key stakeholder from each of the following groups: Sustainable Development and Construction staff, Office of Economic Development staff, Department of Housing and Neighborhood Revitalization staff, Planning & Urban Design staff, associations of builders and contractors, organizations of real estate professionals, associations of Realtors/Realists, at least one developer and/or builder, and one Community Housing Development Organization executive.
- **Affordability preservation**
  - External facilitator: housing advocate
  - At least one key stakeholder from each of the following groups: the Office of Fair Housing and Human Rights staff, the Office of Welcoming Communities and Immigrant Affairs staff, the Office of Equity staff, the Office of Community Care staff, the Department of Code Compliance Services staff, the Office of Homeless Solutions staff, Dallas Housing Authority staff, associations of Realtors/Realists, and at least two community leaders/advocates as recommended by the director of the Department of Housing and Neighborhood Revitalization.
- **Neighborhood investment**
  - External facilitator: community development professional
  - At least one key stakeholder from each of the following groups: Department of Housing and Neighborhood Revitalization staff, Department of Public Works staff, Dallas Water Utilities staff, Park and Recreation Department staff, representatives from at least one utility service provider, Texas Department of Transportation staff, Dallas Area Rapid Transit staff, real estate and civil engineering professionals, community planners, a certified Community Housing Development Organization, and at least one developer and/or builder.

- **Support and funding**

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

### **Communication and meetings**

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

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

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

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

The task force will:

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

### **Modifications**

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

## **APPENDIX 2**

### **Single Family Development Requirements/Underwriting**

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#### **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 61;
- 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, 1980 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 Review

##### 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.

## APPENDIX 3

### Rental Development Underwriting

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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. Inasmuch 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 partner, 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.

## APPENDIX 4

### DESIGN GUIDELINES

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This portion of the manual 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 of 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.

### Design Guidelines

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.

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## APPENDIX 5

### City of Dallas Income Limits and Part 5 Requirements

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Per 24 CFR Part 92.203(b)(1), the City has elected to utilize the 24 CFR Part 5 definition for determining annual income which is commonly referred to as the "Section 8 Low-Income Limit". To be eligible for HOME or CDBG funds, households must have annual (gross) incomes at or below 80% of area median income, adjusted by household size and determined annually by the U.S. Department of Housing and Urban Development (HUD).

The *Technical Guide for Determining Income and Allowances for the HOME Program* should be utilized as a resource and the standard for the following determinations:

- Whose income to count
- Types of income to count
- Treatment of assets
- Income inclusions and exclusions
- Verifying income
- Comparing annual income to published income limits
- Determining household size
- Source documentation
- Timing of income certifications

The annual income limits are published by HUD each year at the webpage below.  
<http://www.huduser.gov/portal/datasets/il/il1/index.html>

## APPENDIX 6

### Community Housing Development Organization Policy, Procedure, and Standards

#### **WHAT IS A COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)?**

A CHDO (pronounced cho'doe) 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.

#### **WHAT SPECIAL BENEFITS ARE AVAILABLE TO CHDOs?**

HOME regulations require that the City set aside **15%** of its annual HOME allocation exclusively for qualified, eligible CHDO projects. If an organization becomes a certified CHDO, it is eligible to take advantage of the HOME funds set-aside just for CHDOs, as well as financial support for a portion of its operating expenses (Operating Assistance Grants) associated with CHDO projects. The City's CHDOs also have first right of purchase on land bank lots and as a nonprofit they are eligible to purchase HB110 lots.

#### **REGULATORY REQUIREMENTS FOR CHDO CERTIFICATION**

The U.S. Department of Housing and Urban Development (HUD) has established standard criteria for organizations to be eligible to become a certified CHDO.

1. **Organized Under State/Local Law.** A nonprofit organization must show evidence in its Articles of Incorporation that it is organized under state or local law.
2. **Nonprofit Status.** The organization must be conditionally designated or have a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c) of the Internal Revenue Code of 1986. A 501(c) certificate from the IRS must evidence the ruling.
3. **Purpose of Organization.** Among its primary purposes, the organization must have the provision of decent housing that is affordable to low- and moderate-income people. This must be evidenced by a statement in the organization's Articles of Incorporation and/or Bylaws.
4. **Board Structure.** The board of directors must be organized to contain no more than one-third representation from the public sector and a minimum of one-third representation from the low-income community.
5. **No For-Profit Control.** The organization may not be controlled by, nor receive directions from, individuals or entities seeking profit from or that will derive direct benefit from the organization.
6. **No Individual Benefit.** No part of a CHDO's net earnings (profits) may benefit any members, founders, contributors, or individuals. This requirement must also be evidenced in the organization's Articles of Incorporation.
7. **Clearly Defined Service Area.** The organization must have a clearly defined geographic service area outlined in its Articles of Incorporation and/or Bylaws. CHDOs may serve individual neighborhoods or large areas. However, while the organization may include an entire community in their service area (such as a city, town, village, county, or multi-county area), they may not include the entire state.
8. **Low-Income Advisory Process.** A formal process must be developed and implemented for low-income program beneficiaries and low-income residents of the organization's service area to advise the organization in all of its decisions regarding the design, location, development and management of affordable housing projects.

9. **Capacity/Experience.** The key staff and board of directors must have significant experience and capacity to carry out CHDO-eligible, HOME-assisted projects in the community where it intends to develop affordable housing (key staff and board of directors have successfully completed HOME-funded, CHDO-eligible projects in the past).
10. **Community Service.** A minimum of one year of relative experience serving the community(ies) where it intends to develop affordable housing must be demonstrated.
11. **Financial Accountability Standards.** The organization must meet and adhere to the financial accountability standards as outlined in 2 CFR 200 Subpart D, "Standards for Financial and Program Management."

### **CITY REQUIREMENTS FOR CHDO CERTIFICATION**

In addition to the regulatory requirements, the City has established additional criteria for CHDO designation. To be eligible for CHDO designation, an organization must also:

1. Maintain a record of good standing with the Texas Secretary of State's office.
2. Maintain a staffed, physical office location in the proposed service area that is open for business and accessible by potential program applicants during customary business hours.
3. Have established a minimum **3-year** strategic business plan, which must include CHDO-related production and community involvement goals.
4. Maintain a history of no significant compliance findings on its City funded projects.

The City will accept applications from new CHDOs year-round; however, CHDO certifications will not be provided until a project is identified for funding and prior to execution of a written agreement. Please note that the criteria noted above is not intended to be all-inclusive and the City may require additional information prior to making a determination for CHDO designation. Meeting the above requirements does not guarantee that the organization will be granted CHDO designation. City reserves the right to deny or revoke CHDO designation based upon its evaluation of the nonprofit organization's performance. Designated CHDOs will be evaluated periodically for production and other benchmarks as established by City.

### **ORGANIZATIONAL STRUCTURE REQUIREMENTS FOR CHDO CERTIFICATION**

The HOME Program establishes requirements for the organizational structure of a CHDO to ensure that the governing body of the organization is **controlled by the community it serves**. These requirements are designed to ensure that the CHDO is capable of decisions and actions that address the community's needs without undue influence from external agendas.

There are four specific requirements related to the organization's board, which must be evidenced in the organization's Articles of Incorporation and/or Bylaws. These are:

1. **Low Income Representation.** At least one-third of the organization's board must be representatives of the low-income community served by the CHDO. There are three ways a board member can meet the definition of a low-income representative:
  - The person lives in a low-income neighborhood where **51%** or more of the residents are low-income. This person need not necessarily be low-income.
  - or**
  - The person is a low-income (below **80%** area median income) resident of the community.



or

- The person was elected by a low-income neighborhood organization to serve on the CHDO board. The organization must be composed primarily of residents of the low-income neighborhood and its primary purpose must be to serve the interests of the neighborhood residents. Such organizations might include block groups, neighborhood associations, and neighborhood watch groups.

The CHDO is required to certify the status of low-income representatives.

2. **Public Sector Limitations.** No more than one-third of the organization's board may be representatives of the public sector, including elected public officials, appointees of a public official, any employees of a local government or public school system, or employees of City or the State of Texas. If a person qualifies as a low-income representative **and** a public-sector representative, their role as a public-sector representative supersedes their residency or income status. Therefore, this person counts toward the one-third public sector limitation.
3. **Low-Income Advisory Process.** Input from the low-income community is not met solely by having low-income representation on the board. The CHDO must provide a formal process for low-income program beneficiaries to advise the CHDO on design, location of sites, development and management of affordable housing. The process must be described in writing in the Articles of Incorporation and/or Bylaws. Each project undertaken by the CHDO should allow potential program beneficiaries to be involved and provide input on the entire project from project concept, design and site location to property management. One way to accomplish this requirement is to develop a project advisory committee for each project or community where a HOME assisted project will be developed. Proof of input from the low-income community will be required at the CHDO's annual recertification.
4. **For-Profit Limitations.** If a CHDO is sponsored by a for-profit entity, the for-profit may not appoint more than one-third of the board. The board members appointed by the for-profit may not appoint the remaining two-third of the board members.

#### **EXPERIENCE, CAPACITY AND ROLES (24 C.F.R. 92.300-92.303)**

To be certified as a CHDO, the HOME Program requires organizations to demonstrate sufficient experience, capacity, and financial accountability.

**Experience & Capacity:** A CHDO must certify to City that it has the capacity, demonstrated by having paid staff with demonstrated capacity to perform the specific role for which it is being funded. CHDO staff can be full-time or part-time and can be contract employees. The CHDO cannot count the experience of board members, donated staff, parent organization staff, or volunteers to meet the capacity requirement. The CHDO can only count capacity brought to the table by a consultant in the first year of participation. Afterward, the CHDO must demonstrate capacity based upon paid staff.

The CHDO must demonstrate experience and capacity relevant to the project and its role as owner, developer, or sponsor. If the CHDO is the owner, its staff must have the capacity to act as the owner (this may mean the ability to oversee development.) If the CHDO is the developer or sponsor, its staff must have development experience on projects of similar scope or complexity. CHDOs must demonstrate a history of serving the community where the housing to be assisted with HOME funds will be located. HUD requires that organizations show a history of serving the community by providing:



- A statement that documents at least one year of experience serving the community.
- For newly created organizations, provide a statement that the parent organization (if applicable) has at least 1-year experience serving the community.

CHDOs must provide resumes and/or statements of key staff members that describe their experience of successfully completed projects similar to those proposed.

### **CHDO SERVICE AREA**

While the City does not limit the number of counties is a CHDO's service area, the very definition of a CHDO is that it be community-based. Therefore, an organization proposing a large or regional service area must demonstrate that it is taking the appropriate steps to achieve the community-based component. Some of the ways this can be achieved is by having an active community (nonpublic) representative from each of the counties on the CHDO's board of directors; establishing local advisory councils to advise the CHDO board on topics relative to the organization's activities; hosting "town hall" meetings in the proposed project areas, etc. the City will consider other methods suggested by the CHDO. CHDOs will be required to provide updates on how it is ensuring that it is active and visible in the communities included in its service area.

The City reserves the right to limit CHDOs going into a service area where an existing CHDO is already providing service. Unless a CHDO is already approved to serve a particular territory, the City will not approve CHDOs to serve overlapping territory.

### **CHDO RECERTIFICATION**

To ensure compliance with the HOME regulations, the recertification process will apply to CHDOs with active development projects including those under development and within the affordability period. Each CHDO will be required to submit specific information to City on an annual basis in conjunction with annual monitoring and compliance audits, including, but not limited to:

- The response to questions, numbered exhibits, and attachments listed in the City's CHDO certification application.
- An updated 3-year business plan and a description of how the low-income advisory process was implemented. If no HOME funds were used within the reporting period, a detailed description of all other affordable housing initiatives undertaken will be requested.

Recertification will be required **ANNUALLY WHEN THE CITY MONITORS THE CHDO FOR COMPLIANCE**. The CHDO must recertify as to its continued qualifications as a CHDO and its capacity to own, sponsor, or develop housing.

CHDOs that have not been allocated project funds from the HOME CHDO set-aside for 3 consecutive years will be deemed inactive. At its discretion, the City may revoke the designation of inactive CHDOs based upon a review of other non-CHDO housing activities the organization has undertaken (if any), as well as other factors deemed appropriate by City.

### **CHDO SET-ASIDE**

The HOME requirements at 24 CFR Part 92.300 require City to set aside at least **15%** of its annual HOME allocation for projects owned, developed or sponsored by CHDOs. A certified CHDO must serve as the owner, developer or sponsor of a HOME-eligible project when using funds from the

**15% percent CHDO set-aside.** A CHDO may serve in one of these roles or it may undertake projects in which it combines roles, such as being both an owner and developer. The CHDO must be certified for each type of activity it plans to undertake.

### **FINANCIAL ACCOUNTABILITY**

CHDOs must have financial accountability standards that conform to the requirements detailed in 2 CFR 200 – Subpart D, “Standards for Financial and Program Management.” This can be evidenced by:

- A notarized statement by the president or chief financial officer of the organization.
- Certification from a certified public accountant.
- Audit completed by CPA.
- City reserves the right to request additional audited financial statements at any time.

### **ELIGIBLE AND INELIGIBLE USES OF HOME CHDO SET-ASIDE FUNDS**

#### **ELIGIBLE ACTIVITIES - OWNERS, SPONSORS, DEVELOPERS**

Using the **15%** set-aside, a CHDO acting as an owner, sponsor, or developer may undertake any of the following activities:

- Acquisition and/or rehabilitation of rental property;
- New construction of rental housing;
- Acquisition, rehabilitation and resale of existing, vacant homebuyer property;
- New construction of homebuyer property;
- Direct financial assistance to purchasers of HOME-assisted housing developed by a CHDO with HOME CHDO set-aside funds.

Please note that to be considered a CHDO-eligible project, CHDO set-aside HOME funds must be used during the construction or rehabilitation of the project.

#### **INELIGIBLE CHDO ACTIVITIES**

Using the **15%** set-aside, a CHDO may not undertake any of the following activities:

- Rehabilitation of existing homeowners' properties;
- Tenant-based rental assistance (TBRA); or
- Down payment and/or closing cost assistance to purchasers of housing not developed with HOME CHDO set-aside funds.

#### **ELIGIBLE ACTIVITIES – SUBRECIPIENTS**

CHDOs may also act as subrecipients with non-set-aside funds by undertaking other HOME-eligible activities such as:

- Tenant-Based Rental Assistance (TBRA);
- Owner-occupied rehabilitation of single-family dwellings; and
- Down payment or closing cost assistance in the acquisition of single-family units.

#### **OPTIONAL OPERATING EXPENSES**

From time to time, funds may be available to provide general operating assistance to CHDOs receiving CHDO set-aside funds for activities. When funds are available, certified CHDOs that are administering an eligible project funded from the CHDO set-aside may be eligible to receive funds

to be used for operating expenses. The regulations allow the City to allocate no more than **5%** of its HOME allocation for CHDO operating expenses (Operating Assistance Grants). However, the City reserves the right to further restrict the amount of funds an entity may receive for CHDO operating funds. This allocation does not count toward the required **15%** CHDO set-aside funds that are to be used by CHDOs for projects.

The amount of the optional Operating Assistance Grants awarded will be based on, but not limited to, the following factors:

- The total amount of HOME funds City has available to allocate for reimbursable CHDO operating expenses;
- The anticipated completion date and size of your current CHDO set-aside project(s); and
- The CHDO's past performance as a CHDO developer.
- The CHDO's capacity to complete the project in a timely manner.
- The ability of the CHDO to retain CHDO proceeds.

The City will allocate Operating Assistance Grants on annually. Operating Assistance Grants will be provided on a fiscal year basis (October 1 – September 30) provided funds are available and the CHDO has demonstrated acceptable performance.

**Although the disbursement of CHDO operating funds is not tied directly to the drawdown of the CHDO project funds, the City reserves the right to delay disbursement of operating funds if it is evident that the CHDO project is experiencing excessive delays.**

City reserves the right to reduce the amount of, or not award, operating funds based upon its evaluation of the CHDO's production and overall performance.

Eligible operating expenses for which CHDOs may use operating funds include:

- Salaries, wages, benefits, and other employee compensation
- Employee education, training and travel
- Rent and utilities
- Communication costs
- Taxes and insurance
- Equipment, materials and supplies

Because the purpose of providing CHDO operating support is to nurture successful CHDOs and ensure their continued growth and success, the City will periodically evaluate the performance of any CHDO wishing to receive CHDO operating funds.

## **CHDO PROCUREMENT**

As noted in HUD CPD Notice 97-11, CHDO organizations are not subject to the requirements of 2 CFR, Part 200 in regard to the procurement of goods and services. However, the City strongly encourages organizations to ensure that costs are reasonable and equitable. This exemption is only applicable to procurement associated with CHDO-eligible projects; CHDOs must still follow appropriate procurement procedures compliant with Part 200 for its non-CHDO projects. City may request a copy of the CHDO's procurement policy for any non-CHDO project funding proposals.

### **EFFECTIVE PERIOD OF CHDO CERTIFICATION**

To maintain its CHDO certification, the CHDO must submit at least **30** days prior to its annual compliance and monitoring audit a copy of the most recent audit financial statements along with all required attachments listed in the City's CHDO Certification Application, which is attached to this manual as **Exhibit "A" – City CHDO Application**. If the CHDO fails to submit the recertification packet, the CHDO may no longer qualify as a CHDO. Prior to awarding any City CHDO funds, the CHDO must recertify that no changes have occurred within the agency that would disqualify the entity as a CHDO for the specific type of activity being undertaken.

### **HOW TO APPLY FOR CHDO CERTIFICATION**

Complete the City's CHDO Certification Application including all requested attachments, documentation, and forms. The applicant has **30** days to respond to any request for additional information. If information is not received within **30** days, the CHDO certification application will be denied.

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## APPENDIX 7

### Recapture/Resale Requirements for Homebuyer Activities

To ensure that HOME investments yield affordable housing over the long term, HOME regulations impose occupancy requirements over the length of an affordability period. If a house purchased with HOME funds is sold during the affordability period, recapture or resale provisions as per 24 CFR 92.254 shall apply to ensure the continued provision of affordable homeownership.

#### Definitions

**Affordability Period:** Occupancy restrictions for varying lengths of time for those homeowners assisted with HUD HOME funds. The affordability period affects the terms of the resale/recapture of the property if sold during the affordability period.

| HOME Affordability Periods |  |
|----------------------------|--|
| HOME subsidy/unit          | Minimum Period of Affordability in Years |
| Under \$15,000             | 5  |
| \$15,000 to \$40,000       | 10                                       |
| Over \$40,000              | 15                                       |

**Direct Homebuyer Subsidy:** A direct subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidized the purchase (e.g., down payment or closing cost assistance, subordinate financing, etc.).

**Development subsidy:** A development subsidy is the difference between the cost to develop housing and the market price. For example, the PJ might provide a \$50,000 construction loan to a developer. The appraised value after construction will be \$45,000 because of neighborhood and the market conditions. The \$5,000 difference between the \$45,000 sale price and \$50,000 construction loan is not repaid to the PJ and represents a development subsidy provided to the developer. While the subsidy does not go directly to the homebuyer, it helps make development of an affordable home feasible.

| Summary of Provisions for the City of Dallas by Subsidy Type: |                                  |                               |
|---|----------------------------------|-------------------------------|
| Direct Homebuyer Subsidy (DHS)                                | DHS + Development Subsidy        | Development Subsidy           |
| Recapture provisions shall apply                              | Recapture provisions shall apply | Resale provisions shall apply |

**Net Proceeds:** The sales price minus loan repayment (other than HOME funds) and closing costs.

## Recapture Requirements

Pursuant to HOME regulations at 24 CFR 92.254(a)(5) each HOME-funded homebuyer unit must be subject to either resale or recapture requirements during the affordability period. The City of Dallas exclusively uses the recapture provisions as defined herein and does not intend to use resale restrictions.

The City of Dallas provides HOME-funded direct buyer assistance to income eligible buyers based on need as dictated by the City of Dallas Homebuyer Assistance Program Underwriting Guidelines.

The level of HOME assistance provided to a buyer is based on an evaluation of the buyer's individual need taking into account their specific income, debts, etc. according to the City's underwriting policies for homebuyer assistance. Depending on the level of homebuyer assistance provided, the affordability period may be five (5) years (less than \$15,000 in direct assistance), ten (10) years (\$15,000 or more but less than \$40,000 in direct assistance), or fifteen (15) years (\$40,000 or more in direct assistance). Based on the City's program design, most projects trigger a 5- or 10-year affordability period.

All buyers sign a HOME written agreement with the City outlining the affordability period and recapture provisions. HOME assistance is provided in the form of a deferred loan secured by a second-position deed of trust which is due and payable upon sale or transfer of title. In the event buyers remain in the unit beyond the end of the affordability period, the HOME loan remains outstanding until sale or transfer of title while the term of the HOME written agreement expires.

Any sale or transfer of title during the affordability period results in recapture by the City of the lesser of the:

- Entire amount of direct HOME assistance originally provided to the buyer (less any voluntary prepayments previously made); or
- Net proceeds of sale (sale price minus senior secured debt minus reasonable seller's closing costs).

When the net proceeds are inadequate to fully repay the City's HOME loan, the City accepts the net proceed as full and final payoff of the note. The City reserves the right to determine that the sales price reflects an arms-length transaction at fair market value. Receipts received as a result of a sale within the affordability period are recorded as "recaptured funds." When net sales proceeds exceed the HOME assistance, buyers retain all remaining net proceeds after repaying the HOME loan balance.

After the expiration of the affordability period, any sale or transfer requires the HOME loan balance be repaid, and the City similarly limits the payoff to the net proceeds of sale. Receipts collected after the affordability period has expired are recorded as "program income." Net proceeds in excess of the City's HOME loan balance are retained by the original homebuyer.

## Resale Requirements

The City of Dallas shall require that Resale provisions be used in the event that only a Development Subsidy is used to make the home affordable (i.e. funding construction to the developer). In a project where both Development and Direct subsidies are provided, recapture provisions apply.

Resale provisions require the homeowner to sell to another low-income homebuyer. The resale requirement must ensure that the price at resale provides the original HOME-assisted owner a fair return on investment and ensure that the housing will remain affordable to a reasonable range of low-income homebuyers as defined below:

Affordable to range of low-income homebuyers (As it relates to the Resale Provision only): That which is affordable to a family earning 80% AMI and below and that who do not pay any more than 30% their gross income for PITI (Principle, Interest, Tax, and Insurance).

Fair Return on Investment (As it relates to the Resale Provision only): Homeowner can sell the home during the affordability period according to the following chart:

| Fair Return on Investment (as it relates to Resale Provision only) |  |  |
|--|--|--|
| Years  | Lower Range  | Max Limit  |
| Year 1-5 of Affordability Period                                   | A Homeowner can sell the home during the affordability period for no more than 15% over DCAD's most recent appraisal value | Current (as of date of sale) Affordable Home Price as set forth in the City of Dallas Housing Policy |
| Year 6-15 of Affordability Period                                  | No Cap on appreciation rate  | Current (as of date of sale) Affordable Home Price as set forth in the City of Dallas Housing Policy |

Homeownership projects undertaken using the resale provision shall use deed restrictions, covenants running with land, or other similar mechanisms per 92.254(a)(5)(i)(A) to ensure the resale requirements. The period of affordability specified in the mortgage will be the minimum period for the project as specified above. The period of affordability is based on the total amount of HOME funds invested in the housing.

Either recapture or resale provisions must be detailed and outlined in accordance with 24 CFR in marketing brochures, written agreements and all legal documents with homebuyer. Either recapture or resale may be used within a project, not both. Combining provisions to create "hybrids" is not allowed.

## APPENDIX 8

### City of Dallas Affirmative Fair Housing Marketing Policy

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The Affirmative Fair Housing Marketing (AFHM) Plan is a marketing strategy or approach 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, CDBG or 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 market to such groups and 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 prior to expending any funds on a project.

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 certify the following:

- Examine and attempt to alleviate housing discrimination with 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 and Human Rights 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 requirements 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 Americans
  - Native Americans
  - Hispanics
  - Asians and Pacific Islanders
  - Disabled Persons
- 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 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.

## APPENDIX 9

### Residential Anti-Displacement and Relocation Assistance Plan (RARAP)

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This Residential Anti-Displacement and Relocation Assistance Plan (RARAP) is prepared by the City of Dallas Housing & Neighborhood Revitalization Department (City) in accordance with the Housing and Community Development Act of 1974, Section 104(d) as amended and HUD regulations at 24 CFR 42.325 and is applicable to CDBG, CDBG-R, Section 108 Loan Guarantee Program, NSP and/or HOME-assisted projects.

#### Plan to Minimize Displacement of Low/Mod-Income Families as a Result of Any HUD Assisted Activities

Consistent with the goals and objectives of activities assisted under the Act, the City will take the following steps to minimize the direct and indirect displacement of persons from their homes:

- Coordinate code enforcement with rehabilitation and housing assistance programs.
- Support the Redevelopment and Stabilization Target Areas through this policy
- Ensure the staging of rehabilitation of apartment units to allow tenants to remain in the building/complex during and after the rehabilitation, working with empty units first.
- Ensure for the arrangement of facilities to house persons who must be relocated temporarily during rehabilitation.
- Identify and mitigate displacement resulting from intensive public investment in neighborhoods.
- Provide reasonable protections for tenants faced with conversion to a condominium or cooperative.
- Where feasible, give priority to rehabilitation of housing, as opposed to demolition, to avoid displacement.
- If feasible, allow for demolition or conversion of only dwelling units that are not occupied or vacant occupied dwelling units, especially those units which are "lower-income dwelling units" (as defined in 24 CFR 42.305).
- Target only those properties deemed essential to the need or success of the project.

#### Relocation Assistance to Displaced Persons

The City will ensure relocation assistance for lower-income tenants who, in connection with an activity assisted under the above-mentioned Programs, move permanently or move personal property from real property as a direct result of the demolition of any dwelling unit or the conversion of lower-income dwelling unit in accordance with the requirements of 24 CFR 42.350.

A displaced person who is not a lower-income tenant, shall be provided relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970m Section 104(d) as amended, and implementing regulations at 49 CFR Part 24.

### One-for-One Replacement of Lower-Income Dwelling Units

The City will ensure replacement of all occupied and vacant occupied lower-income dwelling units demolished or converted to use other than lower-income housing in connection with a project assisted with funds provided under the above-mentioned programs in accordance with 24 CFR 42.375.

Before entering into a contract committing the City to provide funds for a project that will directly result in demolition or conversion of lower-income dwelling units, the City will ensure publication of such project in a newspaper of general circulation and submit to HUD the following information in writing:

- A description of the proposed assisted project;
- The address, number of bedrooms, and location on a map of lower-income dwelling units that will be demolished or converted to a use other than as lower-income dwelling units as a result of assisted project;
- A time schedule for the commencement and completion of the demolition or conversions;
- To the extent known, the address, number of lower-income dwelling units by size (number of bedrooms) and location on a map of the replacement lower-income housing that has been or will be provided. NOTE: See also 24 CFR 42.375(c);
- The source of funding and a time schedule for the provision of the replacement dwelling units;
- The basis for concluding that each replacement dwelling unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy; and
- Information demonstrating that any proposed replacement of lower-income dwelling units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units), or any proposed replacement of efficiency or single room occupancy (SRO) units with units of a different size, is appropriate and consistent with the housing needs and priorities identified in the HUD-approved Consolidated Plan and 24 CFR 42.375(b).

To the extent that the specified location of the replacement dwelling units and other data in items 4 through 7 are not available at the time of the general submission, the general location of such dwelling units will be identified on a map and the City will ensure that the disclosure and submission requirements are completed as soon as the specific data is available.

### Replacement not required Based on Unit Available

Under 24 CFR 42.375(d), the City may submit a request to HUD for a determination that the one-for-one replacement requirement does not apply based on objective data that there is an adequate supply of vacant lower-income dwelling units in standard condition available on a non-discriminatory basis within the area.

### Responsible Entity

The City is responsible for tracking the replacement of lower income dwelling units and ensuring that they are provided within the required period. This City will also ensure that relocation payments and other relocation assistance are provided to any lower-income person displaced by the demolition of any dwelling unit or the conversion of lower-income dwelling units to another use.

## APPENDIX 10

### Other Federal Requirements

| Other Federal Requirements                       | Apply to Owner Occupied Rehabilitation?   | Apply to Homebuyer Programs?   | Applies to Rental Housing Programs?  |
|--|---|--|--|
| <b>Non-Discrimination and Equal Access Rules</b> |   |  |  |
| Fair Housing and Equal Opportunity               | Yes. Must affirmatively further Fair Housing  | Yes  | Yes.   |
| Affirmative Marketing                            | Yes.  | Yes, for all projects of five or more HOME-assisted units.                                   | Yes; for projects containing five or more Home-assisted units.                               |
| Accessibility for Disabled Persons               | Accessibility features must be part of rehabilitation, if needed by owner/occupant and the overall unit is brought up to the PJ's property standard. (Note: Accessibility improvements are eligible costs.) | Yes.   | Yes.   |
| <b>Employment and Contracting Rules</b>          |   |  |  |
| Equal Opportunity Employment                     | Yes.  | Yes.   | Yes.   |
| Section 3 Economic Opportunity                   |   | Yes, if amount of assistance exceeds \$200,000 or contract or subcontract exceeds \$100,000. | Yes, if amount of assistance exceeds \$200,000 or contract or subcontract exceeds \$100,000. |
| Minority/Women Business Enterprises              | No.   | Yes.   | Yes.   |
| Davis-Bacon & other Labor                        | No.   | Yes, if construction contract includes 12 or more units that are HOME-assisted               | Yes, if construction contract includes 12 or more units that are HOME-assisted               |
| Conflict of interest                             | Yes.  | Yes.   | Yes.   |
| Excluded Parties (e.g., Debarred Contractors)    | Yes.  | Yes  | Yes.   |
| <b>Other Federal Requirements</b>                |   |  |  |
| Environmental Reviews                            | Yes.  | Yes  | Yes.   |
| Flood Insurance                                  | Yes for PJs that are cities/counties. No for State programs.  | Yes if city or county. No if state program   | Yes for PJs that are cities/counties. No for State PJs.                                      |

|                                 |                        |                         |   |
|---------------------------------|------------------------|-------------------------|---|
| Site and Neighborhood Standards | No.                    | No.                     | Yes; for rental new construction only   |
| Lead-Based Paint                | Yes for pre-1978 units | Yes for pre-1978 units. | Yes for rehabilitation of pre-1978 units. Applies to HOME and non-HOME assisted units. Requirements differ depending on whether rehabilitation work is performed. |
| Relocation                      | Yes.                   | Yes                     | Yes.  |

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## APPENDIX 11

### Lead-Based Paint Requirements

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This portion of the manual outlines the requirements in relation to Lead-Based Paint.

The U.S. Department of Housing and Urban Development recently adopted new regulations in relation to the treatment of Lead Based Paint in properties built before 1978 that are assisted with HUD funding. The requirements are outlined below based on the activity undertaken. To obtain a copy of the rules from HUD, go to the HUD website at: [www.hug.gov/lead](http://www.hug.gov/lead) and download the regulation.

The section does not outline the City programs that are available to provide financial assistance in relation to lead abatement. Please note, however that any financial assistance provided by the City to address lead-based paint will be in the form of a GRANT to the homeowner to developer.

#### Down-payment Assistance Programs:

The following are HUD's requirements See 24 CFR part 35 (subpart K):

- Distribute Lead Hazard Information Pamphlet and Disclosure to buyers of homes built prior to 1978.
- Perform Visual Assessment of all painted surface.
- If Visual Assessment reveals deteriorated paint, action must be taken to stabilize each deteriorated paint surface.
  - At this point, one will have to assume every component has lead since the Visual Assessment does not determine where lead is present. Safe work practices must be used by trained worker in this field. Paint stabilization works will on non-friction surfaces such as walls (interior/exterior). When dealing with friction points such as windows and doors, abatement procedures (removal, replacement, enclosure) are recommended.
- After paint stabilization, clearance must be performed by a certified Risk Assessor or Lead Inspector. HUD has established lead levels that meet clearance requirements.
- Notify the homebuyer within 15 days of results of clearance exam.

At the Visual Assessment Stage, the homebuyer may opt for a lead test. This will reveal the levels of lead present in the home. A lead inspection will not tell you the risk involved, but only where the lead is located. This is when a buyer may request a Risk Assessment to outline the necessary Lead Hazard Reduction methods needed to insure a lead safe residence.

Following are some options (NOT REQUIREMENTS) to consider in relation to your program design for down payment assistance programs:

- If the visual assessment reveals defective paint in which stabilization and clearance is required then this cost can be funded by the nonprofit or the homebuyer or seller.
- If visual assessment shows no deterioration of a painted surface, the homebuyer can sign a waiver stating that they are aware of the potential presence of lead paint and they choose not to address it.
- A qualified consultant should advise on any lead inspection, lead hazard screen or risk assessments.

For Rehabilitation Programs (Owner-Occupied, Homebuyer, and Rental Property Rehabilitation Programs and Historic Preservation Residential Programs):

See 24 CFR Part 35 (subpart J)

If you are implementing a rehabilitation program, HUD's requirements are a bit more stringent in relation to lead based paint. The following describes HUD's requirements:

For HUD funded rehabilitation activities, lead hazard evaluation and reduction activities must be carried out for all projects constructed before 1978.

In all case, notification must be made to the homeowner/buyer in the form of the HUD Lead Hazard Information Pamphlet and Disclosure or an acceptable alternative pamphlet.

The required evaluation and reduction activity is dependent upon the amount of HUD funding used for the project.

For cases where less than or equal to \$5,000 will be spent on the rehabilitation: *Testing:* Paint Testing of surfaces to be disturbed by the rehabilitation activities must occur.

*Lead Hazard Reduction:* Surfaces, which are disturbed during rehabilitation, must be repaired. Safe work practices must be used. After the rehabilitation activities are completed, clearance must be performed by a certified professional to ensure that units are safe.

For cases where \$5,000 to \$25,000 will be spent on the rehabilitation: *Testing:* Paint testing of surfaces to be disturbed by rehabilitation must occur. In addition, a risk assessment must be performed.

*Lead Hazard Reduction:* Interim controls must be used. This means that the friction and impact surfaces would be addressed. Interim controls include paint stabilization and cleaning. Safe work practices must be used. After the rehabilitation activities are completed, clearance must be performed by a certified professional to ensure that units are safe.



For cases where more than \$25,000 will be spent on the rehabilitation:

*Testing:* Paint testing of surfaces to be disturbed by rehabilitation must occur. In addition, a risk assessment must be performed.

*Lead Hazard Reduction:* abatement of hazards is the required approach. Abatement involves permanently removing lead-based hazards, often through paint and component removal, replacement, encapsulation and enclosure. Interim controls and paint stabilization may be used on the home's exterior if it is not involved in the rehabilitation. Safe work practices must be used. After the lead hazard reduction activities are completed, clearance must be performed by a certified professional to ensure that units are safe.

#### Calculating the level of rehabilitation assistance:

When calculating how much HUD funding will be used on a rehabilitation project, the following costs are counted: soft costs, administrative costs, relocation costs, environmental reviews, acquisition of property, and lead hazard evaluation and reduction costs.

#### Lead-Based Paint Requirements

For HUD funded rehabilitation activities, lead hazard evaluation and reduction activities must be carried out for all projects constructed before 1978.

Less than or equal to \$5,000 spent on the rehabilitation:

Projects where the level of rehabilitation assistance is less than or equal to \$5,000 per unit must meet the following requirements. All work must be conducted using lead safe work practices and workers/contractors must be trained in lead safe work practices. It is presumed that painted surfaces being worked on contain lead-based paint. All disturbed paint must be repaired. Clearance is required by a State of Texas Certified Risk Assessor or Inspector if paint is disturbed. Safe work practices are NOT required when lead hazard reduction activities do not disturb (De Minimis Levels) painted surfaces that total more than 20 sq ft on exterior surfaces, 2 sq ft in any one interior room, or space or 10% of the total surface on an interior or exterior type of component.

In addition, the following notices must be provided to owners:

- Lead Hazard Information pamphlet
- Notice of Presumption and
- The Notice of Lead Hazard Reduction

Where \$5,001 to \$25,000 spent on the rehabilitation:

A risk assessment is required to identify lead hazards and identified hazards must be addressed by interim controls. A risk assessment must be conducted by a qualified professional prior to rehabilitation to find lead-based paint hazards in assisted units, in common areas that service those units, and on exterior surfaces. The risk assessment must include paint testing of any surfaces to be disturbed by the rehabilitation. If the risk assessment identifies lead-based paint hazards, interim controls must be implemented to address lead-based paint hazards. Interim controls must be performed by qualified professionals using safe work practices. Clearance, conducted by a State of Texas Certified Risk Assessor or Inspector, is required when lead hazard reduction activities are complete.

In addition, the following notices must be provided to owners:

- Lead Hazard Information pamphlet
- Notice of Presumption and
- The Notice of Lead Hazard Reduction

Where more than \$25,000 will be spent on the rehabilitation:

A risk assessment is required to identify hazards and any identified hazards must be abated by a qualified professional. A risk assessment must be conducted prior to rehabilitation to find lead-based paint hazards in assisted units, in common areas that service those units, and on exterior surfaces. The risk assessment must include paint testing of any surfaces to be disturbed by the rehabilitation.

To address hazards identified:

- Abatement must be conducted to reduce all identified lead-based paint hazards except those described below. Abatement must be conducted by a certified abatement contractor.

If lead-based paint hazards are detected during the risk assessment on the exterior surfaces that are not to be disturbed by rehabilitation, interim controls may be completed instead of abatement to reduce these hazards.

- Clearance is required when lead hazard reduction activities are complete.

In addition, the following notices must be provided to owners:

- Lead Hazard Information pamphlet
- Notice of Presumption and
- The Notice of Lead Hazard Reduction

|  | <\$5,000  | \$5,000 to \$25,000               | >\$25,000   |
|--|---|-----------------------------------|---|
| Approach to Lead Hazard Evaluation and Reduction | Do no harm                                      | Identify and control lead hazards | Identify and abate lead hazards   |
| Notification                                     | Yes   | Yes                               | Yes   |
| Lead Hazard Evaluation                           | Paint Testing                                   | Paint Testing and Risk Assessment | Paint Testing and Risk Assessment   |
| Lead Hazard Reduction                            | Repair surfaces disturbed during rehabilitation | Interim Controls                  | Abatement (Interim controls may be used on exterior surfaces not disturbed by rehabilitation) |

## **APPENDIX 12**

### **Environmental Review Policy, Procedures, and Standards**

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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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## APPENDIX 13

### SECTION 3

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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.

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## **APPENDIX 14**

### **Minority/Women Business Enterprise**

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Developers must maintain an M/WBE plan that demonstrates marketing and solicitation of M/WBE businesses and contractors for the construction of the project.

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## APPENDIX 15

### Regulatory References

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You may be interested in reading the actual regulations published by the U.S. Department of Housing and Urban Development for CDBG and HOME and the applicable federal requirements. A copy of the regulations may be obtained by contacting the Department of Housing and Neighborhood Revitalization or downloading the information from the HUD website at [www.hud.gov](http://www.hud.gov).

The regulations for CDBG are located at 24 CFR Part 570: Part 570 – Community Development Block Grants

| <b>Subpart A – General Provisions</b>  |   |
|--|---|
| <b>Section</b>                         | <b>Title</b>  |
| <u>570.1</u>                           | Purpose and Primary Objective   |
| <u>570.2</u>                           | Removed   |
| <u>570.3</u>                           | Definitions   |
| <u>570.4</u>                           | Allocations of Funds  |
| <u>570.5</u>                           | Waivers   |
| <b>Subpart C – Eligible Activities</b> |   |
| <b>Section</b>                         | <b>Title</b>  |
| <u>570.200</u>                         | General Policies  |
| <u>570.201</u>                         | Basic eligible activities   |
| <u>570.202</u>                         | Eligible rehabilitation and preservation activities   |
| <u>570.203</u>                         | Special economic development activities   |
| <u>570.204</u>                         | Special activities by Community-Based Development Organizations (CBDO's)                                  |
| <u>570.205</u>                         | Eligible planning, urban environmental design and policy-planning-management capacity building activities |
| <u>570.206</u>                         | Program administration costs  |
| <u>570.207</u>                         | Ineligible activities   |
| <u>570.208</u>                         | Criteria for national objectives  |
| <u>570.209</u>                         | Guidelines for evaluating and selecting economic development projects                                     |

The regulations for HOME are located at 24 CFR Part 92: Home Investment Partnerships Program

| <b>Section</b> | <b>Title SUBPART A - GENERAL</b>                           |
|----------------|--|
| 92.1           | Overview   |
| 92.2           | Definitions  |
| 92.4           | Waivers and Suspensions of Requirements for Disaster Areas |

## **SUBPART B – ALLOCATIONS FORMULA**

- 92.50 Formula Allocations
- 92.60 Allocation Amounts for Insular Areas
- 92.61 Program Description
- 92.62 Review of Program Description and Certifications
- 92.63 Amendments to Program Description
- 92.64 Applicability of Requirements to Insular Areas
- 92.65 Funding Sanctions
- 92.66 Reallocations

## **SUBPART C – CONSORTIA; DESIGNATION AND REVOCATION OF DESIGNATION AS A PARTICIPATING JURISDICTION**

- 92.101 Consortia
- 92.102 Participation Threshold Amount
- 92.103 Notification of Intent to Participate
- 92.104 Submission of a Consolidated Plan
- 92.105 Designation as a Participating Jurisdiction
- 92.106 Continuous Designation as a Participating Jurisdiction
- 92.107 Revocation of Designation as a Participating Jurisdiction

## **SUBPART D – SUBMISSION REQUIREMENTS**

- 92.150 Submission Requirements

## **SUBPART E – PROGRAM REQUIREMENTS**

- 92.200 Private-Public Partnership
- 92.201 Distribution of Assistance
- 92.202 Site and Neighborhood Standards
- 92.203 Income Determinations
- 92.204 Applicability of Requirements to Entities that Receive a Reallocation of HOME Funds, other than Participating Jurisdictions
- 92.205 Eligible Activities: General
- 92.206 Eligible Project Costs
- 92.207 Eligible Administrative and Planning Costs
- 92.208 Eligible Community Housing Development Organization (CHDO) Operating Expense and Capacity Building Costs
- 92.209 Tenant-Based Rental Assistance: Eligible Costs and Requirements

## **Lead Based Paint Regulations**

### **DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**24 CFR Parts 35, 91, 92, 200, 203, 206, 280, 291, 511, 570, 572, 573, 574, 576, 582, 583, 585, 761, 881, 882, 883, 886, 891, 901, 906, 941, 965, 968, 670, 982, 983, 1000, 1003, and 1005**  
**Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance.**

**AGENCY:** Office of the Secretary – Office of Lead Hazard Control, HUD.

**ACTION:** Final rule.

**SUMMARY:** The purpose of this rule is to ensure that housing receiving Federal assistance and federally owned housing that is to be sold does not pose lead-based paint hazards to young children. It implements sections 1012 and 1013 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, which is Title X of the Housing and Community Development Act of 1992.

The requirements of this rule are based on the practical experience of cities, states and others who have been controlling lead-based paint hazards in low-income privately-owned housing and public housing through HUD assistance. It also reflects the results of new scientific and technological research and innovation on the sources, effects, costs, and methods of evaluating and controlling lead hazards. With today's action, HUD's lead-based paint requirements for all Federal programs are now consolidated in one part of title 24 of the Code of Federal Regulations.

**DATES:** Effective Dates: Section 35.140 is effective on November 15, 1999. All other provisions of the rule are effective on September 15, 2000.

**FOR FURTHER INFORMATION CONTACT:** For questions on this rule, call (202) 755-1785, ext. 104 (this is not a toll-free number) or e-mail your inquiry to [lead\\_regulations@hud.gov](mailto:lead_regulations@hud.gov). For lead-based paint program information, contact the Office of Lead Hazard Control, Department of Housing and Urban Development, 451 14th Street, SW, Room B-133, Washington, DC 20410-0500. For legal questions, contact the Office of General Counsel, Room 9262, Department of Housing and Urban Development. Hearing and speech-impaired persons may access the above telephone number via TTY by calling the toll-free Federal Information Relay Service at 1-800-877-8339.

**Subpart A** – Disclosure of Known Lead-Based Paint Hazards upon Sale or Lease of Residential Property.

**Subpart B** – General Lead-Based Paint Requirements and Definitions for All Programs

- a. Definitions
- b. Exemptions
- c. Options
- d. Notice of Evaluation and Hazard Reduction Activities



- e. Lead Hazard Information Pamphlet
- f. Use of Paint Containing Lead
- g. Prohibited Methods of Paint Removal
- h. Compliance with Other, State, Tribal, and Local Laws
- i. Minimum Requirements
- j. Waivers
- k. Prior Evaluation or Hazard Reduction
- l. Enforcement
- m. Records

**Subpart C** – Disposition of Residential Property Owned by Federal Agency Other Than HUD

**Subpart D** – Project-Based Assistance Provided by a Federal Agency Other than HUD

**Subpart E** - Reserved

**Subpart F** – HUD-Owned Single-Family Property

**Subpart G** – Multifamily Mortgage Insurance

**Subpart H** – Project – Based Rental Assistance

**Subpart I** – HUD – Owned and Mortgagee-in-Possession Multifamily Property

**Subpart J** – Rehabilitation

**Subpart K** – Acquisition, Leasing, Support Services, or Operation

**Subpart L** - Public Housing Programs

**Subpart M** – Tenant-Based Assistance

**Subpart N-Q** – Reserved

**Subpart R** – Methods and Standards for Lead-Based Paint Hazard Evaluation and Reduction Activities

- a. Standards
- b. Adequacy of Dust-Lead Standards
- c. Summary Notice Formats
- d. Interim Controls
- e. Standard Treatments
- f. Clearance
- g. Occupant Protection and Worksite Preparation
- h. Safe Work Practices
- i. Ongoing Lead-Based Paint Maintenance and Reevaluation

## **APPENDIX 16**

### **Community Land Trust Designation Implementation Guidelines**

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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 redesignation 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.

The designation and re-designation process are subject to the approved CHP Program and the following general terms and City Manager, or their designee discretion. The elements below will be reviewed by Staff in the Housing and Neighborhood Revitalization Department ("Housing Staff") for accuracy and completeness. Housing staff will then prepare a document to be reviewed by the City Council for its initial designation. Housing staff will review and approve or suggest City Council revoke yearly re-designation of CLTs.

Housing staff is available to discuss the CLT application process and will schedule regular information sessions. In addition, select staff may be available to discuss community engagement and general CLT governance questions.

Applications are subject to verification and follow-up.

#### **General Application Process**

- Attend a CLT application info session;
- Request a meeting with Housing Staff to discuss community engagement, outreach and general guidelines;
- Complete an application with all required attachments;
- Amend Application, submit additional details as requested or work with City Staff to meet all Operations and Eligibility Criteria
- Attend the City Council meeting when the CLTs application will be under consideration for designation; and
- Re-certify yearly.

#### **General Application Checklist**

- 501(C)(3) tax exemption letter;
- Organization, charter, bylaws or other regulatory document adopted to govern its affairs which includes the following provisions:
  - 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; to
  - 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 a similar 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;
- list of key employees or contractors including, name, title, years of affordable housing experience, area of expertise, date of hire;
- most recent independently conducted audit or audit review (if organization has been in operation for more than 1 year);
- ground lease and deed restrictions documents, approved for use by the City;

- that include a resale formula outlining the amount of equity per year that can be built while ensuring long term affordability;
- 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;
- that have terms for sale, lease and inheritance,
- list of board members, position, title, outreach and recruitment methodology and the CLT board bylaws that indicate the CLT commitment to community ownership and governance and the percent or number of seats of low-income residents or owners of CLT properties on the board of directors and what specific expertise of board members the CLT seek out to govern the CLT;
- list enumerating the parcel(s) to be acquired (with date of purchase) to be included in the CLT, current appraised value, and estimation of taxes;
- business plan that demonstrates the ability to financially cover expenses with 3-year projection;
- list of community engagement activities that may include, number of community meetings, location, time, and number of attendees, outreach methodology, and challenges that the CLT faces with engagement and general outcome of engagement activities within the last year;
- list or explanation of any activities related to how this CLT will be used as a mechanism for anti-displacement, recruiting and retaining people with a historic legacy in the community or other community building methods;
- letters of support (not more than 10) from entities like: neighborhood residents, neighborhood stakeholders, non-profit and community-based organizations and for-profit business; and
- If requesting to operate in the same general geography as an existing CLT, a letter discussing the merits and the need, how and why another CLT should be designated in the same or similar area including how the applicant is different than the existing CLT and any records of outreach to the existing CLT for partnership or collaboration.

### **Re-Designation Application**

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:

- Write a letter certifying 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.

### **Income Eligibility**

A CLT must sell or lease housing units only to eligible households as set forth in Chapter 373B.006, as amended:

- (a) A CLT may sell housing units only to families with a yearly income at the time of sale at or below 80 percent of the area median family income, adjusted for family size;
- (b) Notwithstanding Subsection (a), for housing units located on one or more tracts of land owned by the CLT that constitute a contiguous geographic area or are located in the same

platted subdivision, the CLT may sell not more than 20 percent of the housing units to families with a yearly income at the time of sale that exceeds the amount provided by Subsection (a) but does not exceed 120 percent of the area median family income, adjusted for family size;

(c) At least 25 percent of the housing units sold by the CLT must be sold to families with a yearly income at the time of sale at or below 60 percent of the area median family income, adjusted for family size;

(d) The CLT may lease housing units only to families with a yearly income at the time of lease at or below 60 percent of the area median family income, adjusted for family size;

(e) Notwithstanding Subsection (d), for housing units located on one or more tracts of land owned by the CLT that constitute a contiguous geographic area or are located in the same platted subdivision, the CLT may lease not more than 20 percent of the housing units to families with a yearly income at the time of lease that exceeds the amount provided by Subsection (d) but does not exceed 80 percent of the area median family income, adjusted for family size;

#### **Disqualifying Criteria**

The intent of the CLT program is to ensure long term affordability and good stewardship of communities through the unique nature of CLT operations throughout the City of Dallas. If CLT is not operating to ensure this then the CLT may not be eligible for initial designation and may lose its designation. Examples of this may include, but are not limited to, ground leases that do not reflect long term affordability protections, mortgage products that may be predatory in nature, the City receiving community complaints about this CLT management practices, not allowing housing choice vouchers, or not meeting the requirements of income eligibility of clients.

## APPENDIX 17

### Residential Neighborhood Empowerment Zone Implementation Guidelines

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Approved January 22, 2020

#### Development-Related Costs

Development fees and development-related costs eligible for grants up to \$15,000 per reserved dwelling unit under a Chapter 380 agreement include:

- Fees found in Section 52.300 of the Dallas City Code. However, the following fees are specifically excluded:
  - 303.5.1.4.1 and 303.5.1.4.2 – resubmittal fees
  - 303.5.6 sidewalk waivers
  - 303.5.7 reinspection fees
  - 303.5.13 returned check fees
  - 303.5.16 reinstatement of permit privileges
  - 303.5.18 appeals to boards
  - 303.5.19 unauthorized concealment
  - 303.7 beginning work without a permit
- Zoning and platting fees found in Chapter 51A-1.105 of the Dallas Development Code
- Dallas Water Utility fees related to water and sewer service required for the development
- Costs associated with completing a tree survey required in Chapter 51A-10 of the Dallas Development Code
- Additional professional services related to tree preservation at the discretion of the Director.

For the purposes of Sec. 51A-4.1002(c) of the Dallas Development Code, the Residential Neighborhood Empowerment Zone program is a program administered by the housing and neighborhood revitalization department and authorized by the city council that furthers the public purposes of the city's housing policy, and applicants are therefore eligible to have some or all of the parkland dedication requirements waived subject to compliance with the program.

Grants may be increased to an additional \$5,000 per reserved dwelling unit at the discretion of the Director. Additional grant amounts are allowable subject to Council approval.

#### Reference:

- Development fees:  
[https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/DCH%20documents/pdf/BI\\_Chapter%2052\\_Amendments\\_03-01-2017.pdf](https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/DCH%20documents/pdf/BI_Chapter%2052_Amendments_03-01-2017.pdf)
- Zoning and platting fees:  
[http://library.amlegal.com/nxt/gateway.dll/Texas/dallas/cityofdallastexascodeofordinances/volumeiii/chapter51adallasdevelopmentcodeofordinance/articleigeneralprovisions11?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:dallas\\_tx\\$sanc=JD\\_51A-1.105](http://library.amlegal.com/nxt/gateway.dll/Texas/dallas/cityofdallastexascodeofordinances/volumeiii/chapter51adallasdevelopmentcodeofordinance/articleigeneralprovisions11?f=templates$fn=default.htm$3.0$vid=amlegal:dallas_tx$sanc=JD_51A-1.105)
- Dallas Water Utility fees:  
[http://library.amlegal.com/nxt/gateway.dll/Texas/dallas/cityofdallastexascodeofordinances/volumeii/chapter49waterandwastewater?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:dallas\\_tx\\$sanc=JD\\_Ch.49](http://library.amlegal.com/nxt/gateway.dll/Texas/dallas/cityofdallastexascodeofordinances/volumeii/chapter49waterandwastewater?f=templates$fn=default.htm$3.0$vid=amlegal:dallas_tx$sanc=JD_Ch.49)
- Tree mitigation standards:  
[https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/DCH%20documents/pdf/BI\\_Tree%20Mitigation%20Standards.pdf](https://dallascityhall.com/departments/sustainabledevelopment/buildinginspection/DCH%20documents/pdf/BI_Tree%20Mitigation%20Standards.pdf)

### Reimbursement calculation

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 occupied by eligible households. For example:

- A developer builds a new 200-unit single family for-sale development and reserves 20 of the units for eligible households under 100% of AMI and 20 of the units for eligible households between 101% and 120% of AMFI. The developer incurs \$100,000 in eligible development-related expenses. The calculation would be:

$$\begin{array}{rcl} \text{(reserved units/total units)} & * & \text{eligible expenses} = \text{development fee reimbursement} \\ (40/200) & * & \$100,000 = \mathbf{\$20,000} \end{array}$$

- A developer builds 5 new single family for-sale homes and reserves all of them for households between 80% and 100% of AMI. In this case development-related expenses are high and the developer incurs \$100,000 in eligible development-related expenses. The calculation is below. Because it is above \$50,000, the development agreement would require additional Council approval for the portion above \$50,000.

$$\begin{array}{rcl} \text{(reserved units/total units)} & * & \text{eligible expenses} = \text{reimbursement} \\ (5/5) & * & \$100,000 = \mathbf{\$100,000} \text{ (with additional Council approval)} \end{array}$$

### Design review/compliance with Council-adopted area plans

New construction under this Program should respect the architectural character of the surrounding neighborhood and should comply with all Council-adopted area plans. In addition:

- The main pedestrian entrance to the single family or duplex dwelling unit must be closer to the street than the distance of the garage entrance to the street. So called "snout houses," where the garage is more prominent than the front door or front porch, are not eligible for funding under this program.
- All street-fronting facades must have at least one window that provides occupants visibility to the street and at least one pedestrian entrance facing the street at street level. The entrance must access the street with an improved pedestrian path connecting to the sidewalk. The driveway is not considered a pedestrian path.

### Eligible Repairs

Eligible repairs for owner-occupied housing units and single-family rental housing units include the following items when associated with weather proofing and water proofing:

- Roofing repair
- Repair/replacement of exterior material, such as siding or brick repointing
- Exterior entry door repair or replacement
- Exterior window repair or replacement
- Exterior caulking, sealant application, and paint
- Plumbing repair/replacement to remediate leaks
- Removal and replacement of water-damaged material
- Mold remediation
- Gutters and downspouts as needed
- Porch repair to protect doorways and windows from water intrusion
- Foundation repair

- Additional items as recommended by the assigned inspector and approved by the Director

Additional eligible repairs (once initial weather proofing and water proofing work is complete):

- Additional work related to the weather proofing and water proofing work in the list above
- Accessibility repairs and installation such as ramps, handrails or repairing walkways
- Water heater repair or replacement
- Heating systems/cooling systems repair or replacement
- Plumbing repair or replacement, including water lines, sewer lines, toilet repairs, etc.
- Electrical repair or replacement, including repair of breakers, panels, wiring, or outlets
- Gas lines repair or replacement
- Floor repair or replacement
- Interior and exterior repairs as recommended by the assigned inspector
- Any item determined eligible by the Director

Termination, clawback, and default terms will be specified in the development and abatement agreements.

## Process

Outline of proposed process:

- Application submission/review
- Pre-work inspection
- Application approval
- Tax abatement agreement drafted/signed
- Construction/renovation started/completed
- Paperwork submitted
- Post-work inspections completed
- Abatement recorded on deed (to remain on property during compliance period)
- Development grant paid after all program elements completed

Annual review

- Eligible property owners must annually
  - apply to the appraisal district for the abatement
  - submit to the city, on a form approved by the director, proof of ongoing compliance with the program
- Subject to receipt of proof of ongoing compliance, the director shall provide verification to the appraisal district on an annual basis for the duration of the tax abatement.

## Modifications

The City Manager may modify this Appendix 17 to increase its effectiveness and will notify by memorandum the City Council, the Housing Policy Task Force steering committee, and the city secretary of any changes.



## APPENDIX 18

### Targeted Rehabilitation Program - West Dallas Sub-Program Module

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#### 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 \$10,000 per property. It will be awarded based upon applicants meeting all criteria as listed herein.

#### Eligibility Requirements

##### Applicant Eligibility

Applicants (sometimes referred to as homeowners) 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 \$10,000 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.

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 200 homeowners within an 18-month period.

The City's Request for Proposals for a contractor to provide the repairs in the West Dallas TRP will include local subcontractor hiring.

DELETED

## APPENDIX 19

### Targeted Rehabilitation Program - Tenth Street Historic District Sub-Program Module

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#### 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, repainting, 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 \$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.

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 35 homeowners within an 18-month period.

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.

## APPENDIX 20

### Interventions by Strategy Area

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| IMPLEMENTATION REQUIREMENTS                    |                              |                          |                 |                       |                 |
|--|------------------------------|--------------------------|-----------------|-----------------------|-----------------|
|  | Requires an ordinance change | Authorized by Resolution | Policy Decision | Available through NEZ | Non-City Action |
| Accessory Dwelling Units                       | X                            |                          |                 |                       |                 |
| Building Code Fee Waivers                      | X                            |                          |                 | X                     |                 |
| Community Court                                |                              |                          | X               |                       |                 |
| Code Lien Foreclosures                         |                              |                          | X               |                       |                 |
| Community Land Trust                           | X                            |                          |                 |                       |                 |
| Contractor Training Program                    |                              | X                        | X               |                       |                 |
| Development Code Fee Waivers                   | X                            |                          |                 |                       |                 |
| Employer-Assisted Housing Program              |                              |                          |                 |                       | X               |
| Envision Centers                               |                              |                          |                 |                       | X               |
| Expedited Processing                           |                              |                          | X               |                       |                 |
| Home Improvement Preservation Program          |                              | X                        | X               |                       |                 |
| Homestead Preservation Districts               |                              |                          | X               |                       |                 |
| Housing Trust Fund                             |                              | X                        |                 |                       |                 |
| Incentive Zoning/Density Bonuses               | X                            |                          |                 |                       |                 |
| Lien Releases                                  | X                            |                          |                 |                       |                 |
| Multi-Family Rehab Program                     |                              | X                        |                 |                       |                 |
| Neighborhood Empowerment Zones                 |                              | X                        |                 |                       |                 |
| Opportunity Zones                              |                              |                          |                 |                       |                 |
| Park Land Dedication Fees                      |                              |                          |                 |                       |                 |
| Property Tax Abatement                         |                              | X                        |                 | X                     |                 |
| Rental/Homeowner Maintenance Education Program | X                            |                          |                 |                       |                 |
| Tax Increment Financing (TIF)                  |                              | X                        |                 |                       |                 |
| Voucher Sublease Program                       |                              | X                        | X               |                       |                 |

|                            | Proposed Types of Activities  | Redevelop-<br>ment Areas | Stabiliza-<br>tion Areas | Emerging<br>Markets | Citywide | Council                   |
|----------------------------|---|--------------------------|--------------------------|---------------------|----------|---------------------------|
| 1                          | Notice of Funding Availability: New Development (for-sale and rental) or Substantial Rehabilitation   | P                        | P                        | N                   | Y        | MF:<br>2/20/2019          |
| 2                          | Preservation of owner-occupied housing: Home Improvement and Preservation Program<br><i>Enhanced 9/25/2019 with title clearing program</i>  | P                        | P                        | Y                   | Y        | 11/28/2018<br>& 6/26/2019 |
| 3                          | Preservation of single-family rental housing: Home Improvement and Preservation Program<br><i>Enhanced 9/25/2019 with title clearing program and enhanced 12/11/2019 with NEZ</i> | P                        | P                        | Y                   | Y        |                           |
| 4                          | Preservation of multifamily rental housing: Home Improvement and Preservation Program   | P                        | P                        | Y                   | Y        |                           |
| 5                          | Landbanking   | N                        | P                        | P                   | N        | N/A                       |
| 6                          | Code lien foreclosures  | N                        | P                        | P                   | N        |                           |
| 7                          | Neighborhood Empowerment Zones  | N                        | Y                        | N                   | N        | 1/22/2020                 |
| 8                          | City's second mortgage assistance program (DHAP)  | Y                        | Y                        | Y                   | Y        | 11/28/2018                |
| 9                          | Neighborhood Revitalization Strategy Area Designation   | P                        | P                        | P                   | N        | in process                |
| 10                         | Dallas Tomorrow Fund (Department of Code Compliance home repair fund through fee assessment)  | Y                        | Y                        | Y                   | Y        | In process                |
| 11                         | Code academy  | Y                        | Y                        | P                   | Y        |                           |
| 12                         | Tax increment reinvestment zone designation   | Y                        | Y                        | Y                   | N        |                           |
| 13                         | Create neighborhood association   | Y                        | Y                        | P                   | Y        |                           |
| 14                         | Neighborhood sweep - 2-week intensive sweep: minor street repair, code inspections, signage, beautification projects, neighborhood plan   | Y                        | Y                        | P                   | N        |                           |
| 15                         | Neighborhood beautification projects  | Y                        | Y                        | P                   | Y        |                           |
| 16                         | Low Income Housing Tax Credit City support - with scoring criteria  | N                        | Y                        | N                   | Y        | 6/12/2019                 |
| 17                         | Voucher sublease agreements   | Y                        | Y                        | Y                   | Y        |                           |
| 18                         | Accessory dwelling units  | See Citywide             | Y                        | See Citywide        | Y-Opt-in | 6/27/2018                 |
| 19                         | Incentive zoning  | P                        | P                        | N                   | Y        | 3/27/2019                 |
| 20                         | Homestead preservation district designation   | N                        | P                        | N                   | N        |                           |
| 21                         | Community land trust  | Y                        | Y                        | Y                   | Y        | 12/11/2019                |
| 22                         | Tenant based rental assistance program (HILI)   | -                        | -                        | -                   | Y        |                           |
| 23                         | Express plan review   | P                        | P                        | N                   | N        |                           |
| 24                         | Targeted Rehab Program  | Y                        | Y                        | Y                   | Y        | 8/26/2020                 |
| Key:P= Priority Y=Yes N=No |   |                          |                          |                     |          |                           |



# City of Dallas

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

## Agenda Information Sheet

File #: 21-1796

Item #: 53.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** 7  
**DEPARTMENT:** Department of Housing & Neighborhood Revitalization  
**EXECUTIVE:** Dr. Eric A. Johnson

### SUBJECT

Authorize the execution of a conditional grant agreement with WPC Acquisition, Inc., a subsidiary of the Wilbow Corporation, Inc. (Developer), or an affiliate thereof, in an amount not to exceed \$1,550,000.00 in 2017 Proposition 1 Bond Funds for public infrastructure and construction costs related to the development of up to 156 market-rate single-family homes, and the dedication of 3.7 acres of land for the development of a park - Not to exceed \$1,550,000.00 - Financing: ECO (I) Fund (2017 General Obligation Bond Fund)

### BACKGROUND

WPC Acquisition, Inc., a community development subsidiary of the Wilbow Corporation, Inc. (Developer or Wilbow) submitted a proposal under the City's Notice of Funding Availability (NOFA), issued on August 7, 2020, to receive gap financing in the form of a grant to fund infrastructure in support of the construction of market-rate housing units located within the City limits. The grant is necessary to fund a financial gap related to and in consideration of the Applicant's dedication of 3.7 acres of the site to the City for the proposed development of a public park.

The NOFA was issued by the Department of Housing & Neighborhood Revitalization (Housing) in accordance with the City's Comprehensive Housing Policy (CHP). The Department of Housing and Neighborhood Revitalization 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 the 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 units and must achieve a fundable score as outlined in the NOFA solicitation. Wilbow received a fundable score of 87 points.



The Timberlawn at Buckner Terrace development is a 19-acre residential development and will be a mixture of attached and detached single family homes coupled with open space, trails, and an amenity center. All land included in the proposed project is under contract to be purchased by Wilbow. The proposed development includes the construction of 156 market-rate single-family units located on the South Side of Samuell Boulevard, East of Grove Hill Road. The single-family units are anticipated to consist of both townhome-style and detached units and will range from 1,400-3,500 square feet. All homes will have at least 2 bedrooms and will be offered for sale to homeowners at a market price.

The 3.72-acres of land to be dedicated to the City is anticipated to be used for the development of a public park at the main entrance of the neighborhood along Samuell Boulevard. The dedicated land will not officially be dedicated as municipal parkland; and, to the extent allowed by law, shall be dedicated only as such when the property is developed for park purposes. This land will be dedicated to the city at no cost in consideration for the grant funds being supplied to the developer by the City to help pay for infrastructure costs related to the construction and construction costs related to the development of up to 156 market-rate single-family homes.

Total development cost of the infrastructure is anticipated to be approximately \$12,392,602.00 which includes the \$4,950,000.00 acquisition price for the property. The anticipated sources and uses are as follows:

| Financing Sources        | Amount                  |
|--------------------------|-------------------------|
| Owner Equity             | \$ 3,707,000.00         |
| Construction Loan        | \$ 7,135,602.00         |
| City of Dallas Bond Fund | \$ 1,550,000.00         |
| <b>Total</b>             | <b>\$ 12,392,602.00</b> |

| Proposed Uses           | Costs                   |
|-------------------------|-------------------------|
| Acquisition             | \$ 4,950,000.00         |
| Construction Hard Costs | \$ 5,262,917.00         |
| City Fees/Permitting    | \$ 421,828.00           |
| Closing Costs           | \$ 49,500.00            |
| Construction Soft Costs | \$ 1,708,357.00         |
| <b>Total</b>            | <b>\$ 12,392,602.00</b> |

The City proposes to provide an amount not to exceed \$1,550,000.00 in gap financing for the construction of the development based on the recommendation of a staff underwriting analysis and financial statements supplied by the development team.

**ESTIMATED SCHEDULE OF PROJECT**

Begin Construction            October 2022  
 Complete Construction      October 2024

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

**FISCAL INFORMATION**

| Fund   | FY 2022        | FY 2023 | Future Years |
|--|----------------|---------|--------------|
| ECO (I) Fund (2017 General Obligation Bond Fund) | \$1,550,000.00 | \$0.00  | \$0.00       |

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

| Contract Amount                                    | Procurement Category | M/WBE Goal | M/WBE % | M/WBE \$       |
|--|----------------------|------------|---------|----------------|
| \$5,262,917.00                                     | Construction         | 32.00%     | 32.00%  | \$1,684,133.44 |
| • This contract meets the M/WBE goal.              |                      |            |         |                |
| • WPC Acquisition, Inc./Wilbow Corporation - Local |                      |            |         |                |

**OWNER/DEVELOPER**

**WPC Acquisition, Inc./Wilbow Corporation**

Matt Johnson, Senior Vice President - Land Acquisition and Development

**MAP**

Attached



# Timberlawn at Buckner Terrace





October 13, 2021

~~**WHEREAS**, on May 9, 2018, City Council adopted a Comprehensive Housing Policy Manual (CHP) by Resolution No. 18-0704 that set citywide production goals for homeownership and rental units for the next three years along with respective income bands that will be prioritized within the production goals and also set forth various programs, tools and strategies to be used to meet the production goals while also overcoming concentrations of poverty and racial segregation; and~~

~~**WHEREAS**, on November 28, 2018, City Council adopted certain amendments to the CHP in order to correct inconsistencies and to facilitate effective implementation by Resolution No. 18-1860; and~~

~~**WHEREAS**, on August 7, 2020, the City issued a Notice of Funding Availability in accordance with the CHP and WPC Acquisition, Inc., a subsidiary of the Wilbow Corporation, Inc. (Applicant), submitted an application for gap financing to construct up to 156 market-rate single-family homes and dedicate approximately 3.72 acres of land located in Dallas County, Texas, (the "PROPERTY") and being the same property depicted as "Park Area 3.72 acres" on the preliminary site plan designated "Exhibit A", attached hereto and made a part hereof for all purposes, and any and all improvements, rights and appurtenances appertaining thereto to the City for the City's potential development of a public park (the "USE") within the Project site, and received a fundable score; and~~

~~**WHEREAS**, this Project encourages mixed-income development in the area by developing market-rate housing in a primarily low-income area; and~~

~~**WHEREAS**, the creation of a public park beautifies neighborhoods and creates community areas, encouraging neighborhood revitalization and mixed income housing; and~~

~~**WHEREAS**, to assist in the sustainable housing production goals established in the CHP, the City desires to enter into a conditional grant agreement with Applicant and/or its affiliates in an amount not to exceed \$1,550,000.00 in bond funds in consideration of the development of the Timberlawn at Buckner Terrace, located on the South Side of Samuell Boulevard, East of Grove Hill Road (Project) and the dedication of the PROPERTY to the City for the City's potential development of the USE within the Project site; provided, however, to the extent fee title (the "Property Interest") to the PROPERTY is conveyed, such title and the PROPERTY shall not be limited to or otherwise deemed restricted to the USE herein provided. The PROPERTY is not officially dedicated as municipal parkland; and, to the extent allowed by law, shall be dedicated only as such when the property is developed for park purposes; and~~

October 13, 2021

~~WHEREAS, the Project may otherwise be subject to the requirements of Chapter 51A-4.100- Park Land Dedication, Developer's dedication of the PROPERTY to the City for the USE described above is solely pursuant to the terms of the City's conditional grant to Developer as described above and not to satisfy Chapter 51A-4.100 requirements; and~~

~~WHEREAS, the Project provides consideration to the City and meets the public purpose of furthering economic development.~~

~~Now, Therefore,~~

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

~~SECTION 1. That the City Council finds that the recitals above are true and correct and authorizes: (1) the execution of a conditional grant agreement with Wilbow Corporation, Inc. and/or its affiliates (the "Developer"), approved as to form by the City Attorney, in an amount not to exceed \$1,550,000.00 in Proposition I Bond Funds, for, (a) public infrastructure and construction costs related to the development of up to 156 market-rate single-family homes; and (b) the dedication of the PROPERTY to the City for development of the USE; and (2) that the City Manager, and/or the City Manager's designees, is hereby authorized and directed to consummate and accept the grant and conveyance from Developer to CITY of the PROPERTY INTEREST in and to the PROPERTY pursuant to the conveyancing instrument approved as to form by the City Attorney and to execute, deliver and receive such other usual and customary documents necessary, appropriate and convenient to consummating the transaction.~~

~~SECTION 2. That the terms of the Project include, but are not limited to, the following:~~

- ~~a) No liens shall exist on the lots, except for liens related to the development of each lot, as detailed herein. However, Developer shall ensure that each lot is free from liens or other encumbrances at the time of sale to each homebuyer.~~
- ~~b) Developer shall ensure that all single-family homes (Units) have access to public sewer, public water, public road, and any other necessary utilities.~~
- ~~c) All Project costs must be reasonable and customary and conform with the CHP, and any other applicable City regulations.~~
- ~~d) Applicant shall adhere to all applicable requirements of the CHP, including but not limited to, the New Construction and Substantial Rehabilitation Program and the Appendix 1 Single Family Development Underwriting (including but not limited to Ongoing Project Requirements, Reporting and Record Keeping, and Structure of Transaction), authorized by Resolution No. 19-1498, as amended.~~

October 13, 2021

**SECTION 2.** (continued)

- e) ~~The conditional grant shall be secured by a lien to secure performance, approved as to form by the City Attorney. The City's lien may be subordinate to additional liens subject to the requirements of the CHP. The lien will be released upon satisfaction of the obligations detailed in the agreement. The conditional grant documents may be assigned subject to prior approval of the City Manager or designee.~~
- f) ~~The proposed development shall consist of up to 156 market-rate single family homes, consisting of detached and townhome-style units, open space, trails, and an amenity center. The requirements of this subsection may be modified by the Director of the Department of Housing & Neighborhood Revitalization (Director) at the request of the Developer.~~
- g) ~~Each unit shall range from 1,400 to 3,500 square feet. All detached single-family units will be at least 1,900 square feet and all homes shall have at least two (2) bedrooms. The requirements of this subsection may be modified by the Director at the request of the Developer.~~
- h) ~~Developer shall complete the infrastructure necessary to develop the units within 2.5 years from preliminary plat approval. The developer shall also cause the construction and sale of each unit within 5.5 years from preliminary plat approval. Developer may receive up to two (2) 1-year extensions of each deadline above subject to the approval of the Director.~~

**SECTION 3.** ~~That the Developer shall convey by General Warranty Deed to the City of Dallas, within 30 days after preliminary plat approval, good, indefeasible and marketable fee simple title, subject to only those title exceptions approved by the City Attorney, and insured by an owner's policy of title insurance approved as to form by the City Attorney, to the PROPERTY, being the same property depicted as "PARK AREA 3.72 ACRES" on the preliminary site plan designated "Exhibit A", attached hereto and made a part hereof for all purposes. Developer shall cooperate with the City's Department of Sustainable Development and Construction to complete the conveyance in accordance with City land acquisition processes. Any failure by Developer to convey the above described property as set forth shall be deemed a default under the conditional grant agreement.~~

- a. ~~That this resolution and properly executed General Warranty Deed, approved as to form by the City Attorney, be forwarded to a title insurance company for closing. Subsequent to closing, all instruments conveying real estate interests to the City of Dallas shall be recorded in the official real property records of the county in which the subject property is located and thereafter returned to the City Secretary for permanent record; and~~

October 13, 2021

**SECTION 3.** (continued)

- ~~b. That as a part of the consideration for the conditional grant agreement, Developer shall, at Developer's cost, cause and deliver to City for its acceptance and approval, prior to closing, a survey in accordance with City surveying standards providing a legal metes and bounds description of the PROPERTY substantially in the location depicted on Exhibit A; and~~
- ~~c. That as a part of the consideration for the conditional grant agreement, Developer shall pay all closing costs and survey and title expenses associated with the acquisition of the property; and~~
- ~~d. That City is to have possession and/or use, as applicable, of the PROPERTY at closing; and Developer will pay any title expenses and closing costs.~~

**SECTION 4.** ~~That in order to reimburse and finance the authorized disbursements described herein, the City intends to issue one or more commercial paper notes as part of its General Obligation Commercial Paper Notes Series A, and Series B, and use the proceeds thereof to reimburse the disbursements described herein.~~

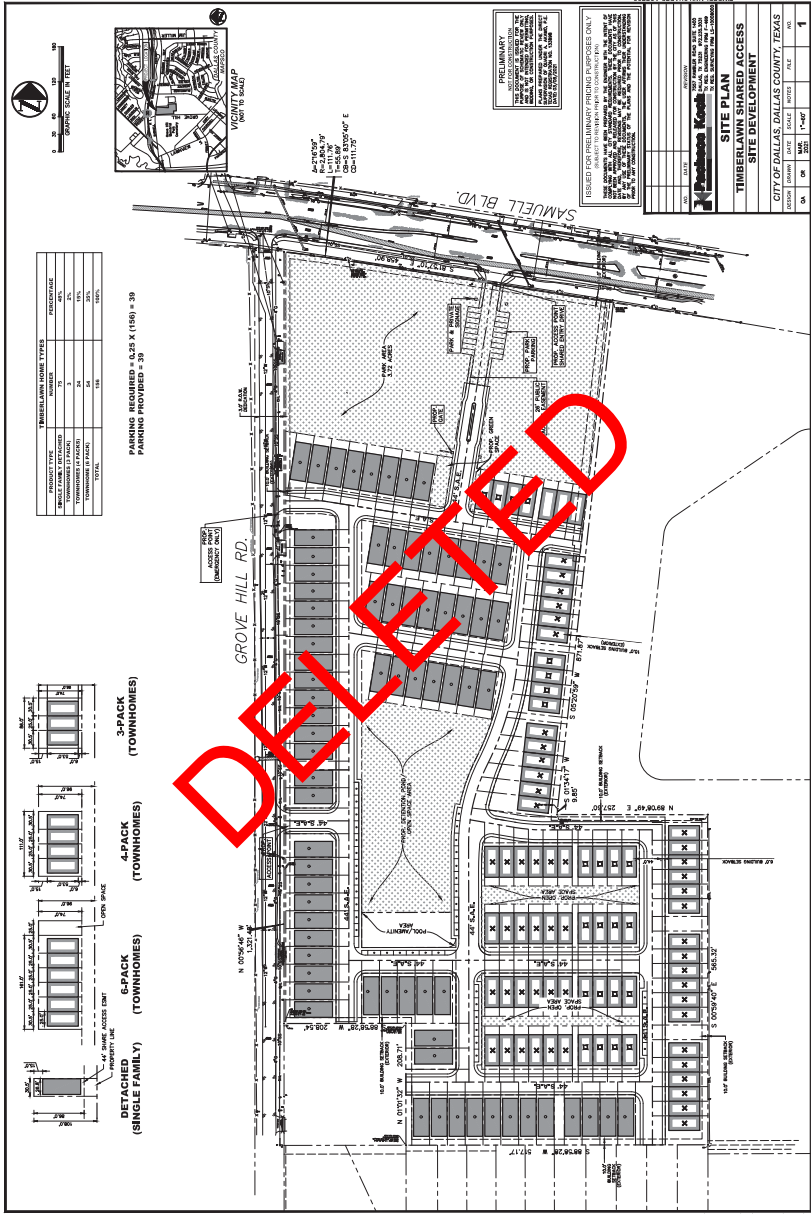
**SECTION 5.** ~~That the Chief Financial Officer is hereby authorized to encumber funds and disburse funds in the amount not to exceed \$1,550,000.00 to Wilbow Timberlawn, LLC, a subsidiary of the Applicant, as the City receives and reviews reimbursement requests and related supporting documentation submitted by Developer, for eligible expenditures and accepts supporting evidence as defined in the agreements for the total amount not to exceed \$1,550,000.00 from the: ECO (I) Fund, Fund 1V52, Department HOU, Unit V122, Activity ENCR, Object 3016, Program HO17V122, Encumbrance/Contract No. HOU-2021-00017470, Vendor VC23761.~~

**SECTION 6.** ~~That this resolution does not constitute a binding agreement upon the City or subject the City to any liability or obligation with respect to this transaction, until such a time as the documents are duly approved by all parties and executed.~~

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

APPROVED AS TO FORM:  
CHRISTOPHER J. CASO, City Attorney

BY: \_\_\_\_\_  
\_\_\_\_ Assistant City Attorney



**PRELIMINARY**  
THIS PLAN IS PRELIMINARY AND NOT FOR CONSTRUCTION. IT IS SUBJECT TO THE FINAL REVIEW AND APPROVAL OF THE CITY OF DALLAS. THE CITY OF DALLAS DOES NOT WARRANT THE ACCURACY OF THIS PLAN. THE CITY OF DALLAS IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS. THE CITY OF DALLAS IS NOT RESPONSIBLE FOR ANY DAMAGES, INCLUDING BUT NOT LIMITED TO, DIRECT, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, ARISING OUT OF OR IN CONNECTION WITH THE USE OF THIS PLAN.

**ISSUED FOR PRELIMINARY PURPOSES ONLY**  
THIS PLAN IS PRELIMINARY AND NOT FOR CONSTRUCTION. IT IS SUBJECT TO THE FINAL REVIEW AND APPROVAL OF THE CITY OF DALLAS. THE CITY OF DALLAS DOES NOT WARRANT THE ACCURACY OF THIS PLAN. THE CITY OF DALLAS IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS. THE CITY OF DALLAS IS NOT RESPONSIBLE FOR ANY DAMAGES, INCLUDING BUT NOT LIMITED TO, DIRECT, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, ARISING OUT OF OR IN CONNECTION WITH THE USE OF THIS PLAN.

**PROPOSED KODAK**  
**SITE PLAN**  
**TIMBERLAWN SHARED ACCESS**  
**SITE DEVELOPMENT**  
**CITY OF DALLAS, DALLAS COUNTY, TEXAS**  
SHEET NO. 1 OF 1  
DATE: 11/11/11  
SCALE: 1"=40'





## Agenda Information Sheet

**File #:** 21-1856

**Item #:** 54.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 14

**DEPARTMENT:** Office of Economic Development

**EXECUTIVE:** Dr. Eric A. Johnson

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### **SUBJECT**

Authorize **(1)** designating approximately 5.4 acres of property addressed as 1823 North Hall Street, located at the northwest corner of North Hall Street and Flora Street in Dallas, Texas, as City of Dallas Neighborhood Empowerment Zone No. 19 ("City of Dallas NEZ No. 19"), pursuant to Chapter 378 of the Texas Local Government Code, to promote the creation of affordable housing and an increase in economic development in the zone, establish the boundaries of the zone, and provide for an effective date; and **(2)** a real property tax abatement agreement with SEK Hall Street, LLC or an affiliate thereof ("SEK Hall Street") for a period of ten years in an amount equal to the City's taxes assessed on 90 percent of the increased taxable value of real property in conjunction with a new mixed-income and mixed-use development project (the "One City View Project") to be situated on approximately 5.4 acres at 1823 North Hall Street (the "Property") in City of Dallas NEZ No. 19, in accordance with the City's Public/Private Partnership Program - Estimated Revenue Foregone: \$3,892,504.00 over a ten-year period

### **BACKGROUND**

SEK Hall Street, a joint venture between the Kroger Texas L.P. ("Owner") and SE Hall Street Partners, LLC (Southeastern or SEDA) ("Developer"), together referred to as Owner/Developer, plans to develop a mixed-use and mixed-income project known as One City View Project (the "Project") on a vacant 5.4 acre site at the intersection of North Hall Street and Flora Street. The Project site was previously owned by the Dallas Housing Authority and is subject to a restrictive covenant running with the land that requires 20% of any residential units built on the site to be affordable at/below 60% Area Median Family Income ("AMFI") for the Dallas metro area.

The Project will include an approximately 80,000 square foot Kroger store on the ground floor and a total of 375 apartments on the upper four levels, including 51 studio units, 270 one-bedroom units, and 54 two-bedroom units. Of the 375 total apartments, 75 apartments (20%) will be rent restricted for households earning a maximum of 60% AMFI. The Project will also include an integrated parking structure with approximately 779 spaces. The total Project cost is an estimated \$108.34 million.

Under the City's Market Value Analysis ("MVA"), the Project is located within market type C (market type C reflects a relatively strong residential real estate market) and abuts market type G (market type G reflects a relatively weak residential real estate market in Dallas).

The Project is also located at the edge of a high opportunity area (i.e. census tract with a poverty rate of 20% or below). More broadly defined, high opportunity areas are characterized as neighborhoods with strong economic, environmental, and educational outcomes. Recent research suggests that locating affordable housing in high opportunity areas appears to have a positive effect on the economic mobility of the residents.

According to the United States Department of Agriculture ("USDA") Food Access Research Atlas, the Project is also located in an area characterized as a food desert (i.e. low-income census tract where more than 100 housing units do not have a vehicle and are more than ½ mile from the nearest supermarket).

The Project was reviewed by the City's Urban Design Peer Review Panel ("UDPRP") on May 29, 2020, and, as a result, the Developer changed the Project's design to accommodate recommendations by the UDPRP.

Over the past several months, staff in the Office of Economic Development, along with the City's independent outside underwriter, have been extensively reviewing the Project and the Developer's incentive application. Originally, the Developer had requested City subsidies with a total estimated value of \$4.3 million to fill the Project's financial gap. However, based on the City's outside underwriting, the Office of Economic Development negotiated a detailed Letter of Intent with the Owner/Developer for a City subsidy estimated to result in \$3,892,504.00 of City real property taxes foregone over a ten-year period. The City subsidy to fill the Project's financial gap is in the form of a real property tax abatement for a period of ten years in an amount equal to the City's taxes assessed on 90% of the increased value of the Property. On September 13, 2021, the Owner/Developer agreed to and executed the detailed Letter of Intent. Detailed terms and conditions of the tax abatement are included in the Resolution accompanying this agenda item.

To facilitate a tax abatement agreement at this location, staff is also recommending the designation of City of Dallas Neighborhood Empowerment Zone No. 19. Pursuant to Chapter 378 of the Texas Local Government Code, a NEZ must be created for at least one of the following purposes: creation or rehabilitation of affordable housing; economic development opportunities in the zone; or an increase in the quality of social services, education, or public safety to residents of the zone.

Pursuant to the City's Public/Private Partnership Program ("P/PPP") Guidelines & Criteria (effective for the period July 1, 2021 through June 30, 2022), the Project is located in a non-target area. The minimum eligibility criteria for a project in a non-target area is the creation/retention of 100 jobs or the provision of \$5 million investment. With a total Project cost of \$108 million, the Project substantially exceeds the \$5 million minimum eligibility criteria for a non-target area. Pursuant to the P/PPP Guidelines, a real property tax abatement *up to* 50% for 10 years may be offered to a project, and a real property tax abatement *higher than* 50% may be offered to a project that significantly advances the public purpose of economic development. Such a project is considered a "Non-Conforming Project" under P/PPP Guidelines. Staff believes that this Project will significantly advance the public

purpose of economic development. Therefore, staff's recommendation of a real property tax abatement of 90% for 10 years to facilitate this Project constitutes a "Non-Conforming Project." **Under P/PPP Guidelines, a "Non-Conforming Project" in a non-target area requires a ¾ vote of City Council for approval.**

### **ESTIMATED SCHEDULE OF PROJECT**

|                       |                |
|-----------------------|----------------|
| Begin Construction    | August 2022    |
| Complete Construction | September 2024 |

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

[The Economic Development Committee was briefed by memorandum regarding this matter on September 21, 2021.](#)

### **FISCAL INFORMATION**

Estimated Revenue Foregone: \$3,892,504.00 over a ten-year period

### **OWNER**

#### **SEK HALL STREET, LLC**

Mark Senn, Southeastern President, acting as Managing Member for SEK Hall Street, LLC

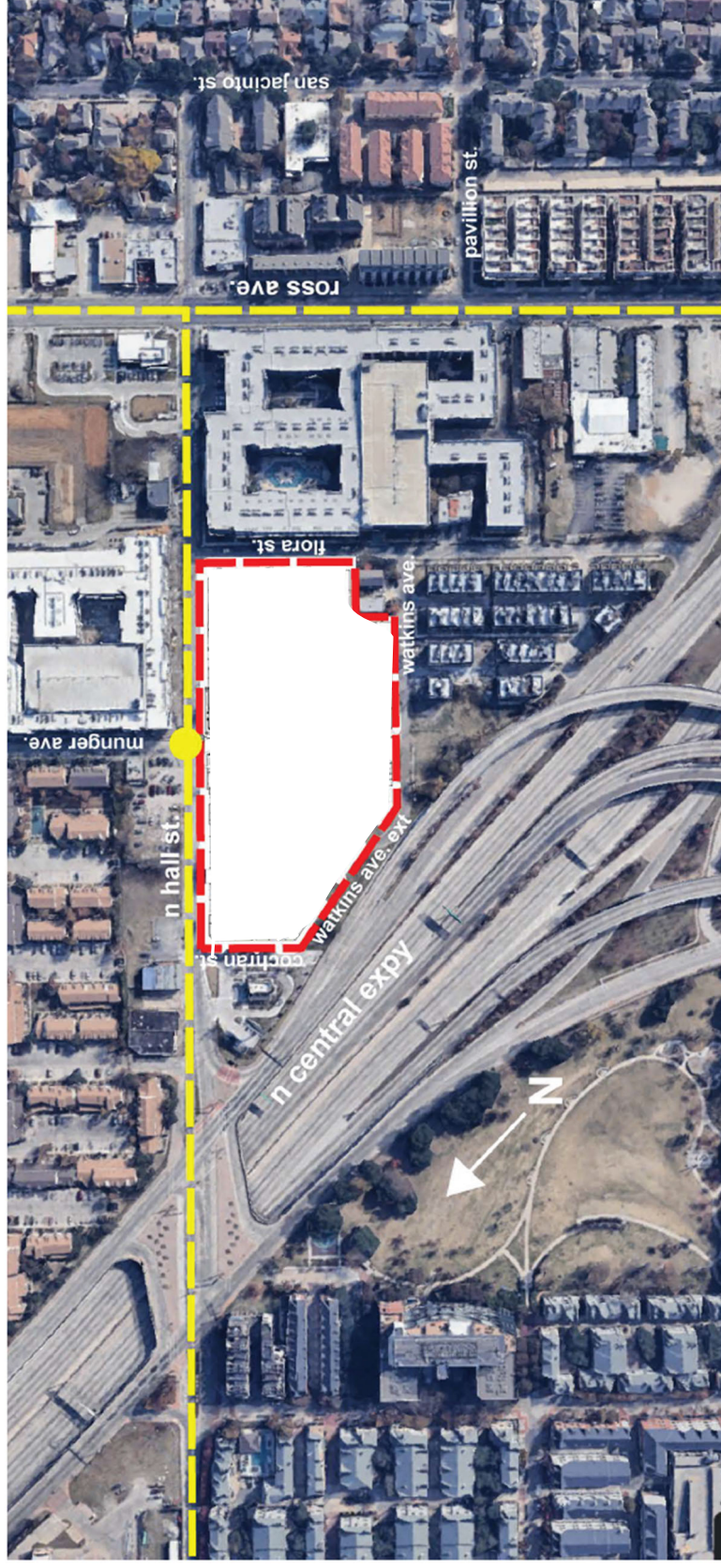
### **MAP**

Attached

# MAP

1823 North Hall Street

Neighborhood Empowerment Zone No. 19



October 13, 2021

**WHEREAS**, the City of Dallas (“City”) recognizes the importance of its role in local economic development; and

**WHEREAS**, many municipalities within the Dallas-Fort Worth region have economic development programs to compete with the City for new economic development projects; and

**WHEREAS**, investment decisions made by businesses, developers, and property owners are often significantly influenced by a municipality’s ability to provide an economic development incentive; and

**WHEREAS**, it is in the interest of the City to provide an incentive to support and secure the provision of affordable housing and an increase in economic development; and

**WHEREAS**, on June 9, 2021, City Council authorized the City: (1) elected to continue its participation in economic development incentives and approved an extension of its Public/Private Partnership Program (“P/PPP”) - Guidelines and Criteria, which established certain guidelines and criteria for the use of City incentive programs for private development projects, (2) established programs for making loans and grants of public money to promote local economic development and to stimulate business and commercial activity in the City pursuant to the Economic Development Programs provisions under Chapter 380 of the Texas Local Government Code, and (3) established appropriate guidelines and criteria governing tax abatement agreements to be entered into by City as required by the Property Redevelopment and Tax Abatement Act, as amended, (Texas Tax Code, Chapter 312) by Resolution No. 21-1052; and

**WHEREAS**, the City desires to support the development of new mixed-income and mixed-use project (the “One City View Project” or “Project”) which includes an approximately 80,000 square foot Kroger grocery store and 375 apartments located at 1823 North Hall Street (the “Property”), in accordance with the City’s P/PPP; and

**WHEREAS**, pursuant to the City’s P/PPP, the Project is located in a non-target area; and

**WHEREAS**, pursuant to the City’s P/PPP, the Project meets the minimum eligibility criteria for a mixed-use or residential project in a non-target area; and

**WHEREAS**, pursuant to the City’s P/PPP, a real property tax abatement higher than 50% may be offered to a project that significantly advances the public purpose of economic development; and

**WHEREAS**, the City finds that the Project will significantly advance the public purpose of economic development; and



October 13, 2021

**WHEREAS**, Title 12 of the Texas Local Government Code, Section 378.002 requires that the designation of City of Dallas Neighborhood Empowerment Zone No. 19 ("City of Dallas NEZ No. 19") promote: (1) the creation or rehabilitation of affordable housing in the zone, or (2) an increase in economic development in the zone, or (3) an increase in the quality of social services, education, or public safety provided to the residents of the zone; and

**WHEREAS**, the City finds that the creation of City of Dallas NEZ No. 19 will promote the creation of affordable housing and an increase in economic development in the zone, on approximately 5.4 acres of property located at 1823 North Hall Street in Dallas, Texas as further depicted on the map attached as **Exhibit A (Map)** and described in the metes and bounds legal description attached as **Exhibit B (Metes and Bounds - Legal Description)**; and

**WHEREAS**, the City finds that the designation of City of Dallas NEZ No. 19 benefits the public and is for the public purpose of increasing the public health, safety, and welfare of persons in the city of Dallas; and

**WHEREAS**, the City finds that the designation of City of Dallas NEZ No. 19 satisfies the requirements of the Property Redevelopment and Tax Abatement Act Section 312.202 in that the designation of the zone is reasonably likely to attract major investment in the zone that would be a benefit to the Property and that would contribute to the economic development of the city of Dallas; and

**WHEREAS**, Texas Local Government Code Chapter 378 empowers municipalities to enter into agreements abating municipal property taxes on property in the zone subject to the duration limits of the Property Redevelopment and Tax Abatement Act Section 312.204; and

**WHEREAS**, the City desires to enter into a real property tax abatement agreement for added value to real property located within an approximately 5.4 acre area within the proposed City of Dallas NEZ No. 19 as further described by the map attached as **Exhibit C (Map)** and by the metes and bounds legal description attached as **Exhibit D (Metes and Bounds - Legal Description)**; and

**WHEREAS**, in the context of the City's Market Value Analysis, the Project is located within market type C (market type C reflects a relatively strong residential real estate market) and abuts market type G (market type G reflects a relatively weak residential real estate market in Dallas); and

**WHEREAS**, according to the United States Department of Agriculture Food Access Research Atlas, the Project is also located in an area characterized as a food desert (i.e. low-income census tract where more than 100 housing units do not have a vehicle and are more than ½ mile from the nearest supermarket); and

October 13, 2021

**WHEREAS**, the Project is also located at the edge of a high opportunity area (i.e. census tract with a poverty rate of 20% or below). High opportunity areas are characterized as neighborhoods with strong economic, environmental, and educational outcomes, and recent research suggests that locating affordable housing in high opportunity areas appears to have a positive effect on the economic mobility of the residents; and

**WHEREAS**, the Economic Development Committee was briefed regarding this Project on September 21, 2021; and

**WHEREAS**, SEK Hall Street, LLC is a joint venture between the Property owner Kroger Texas L.P. ("Owner") and the Property developer SE Hall Street Partners, LLC (Southeastern or SEDA) ("Developer"), collectively referred to as "Owner/Developer."

**Now, Therefore**

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

**SECTION 1.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

**SECTION 2.** That the City designates approximately 5.4 acres of property located at 1823 North Hall Street in Dallas, Texas as further depicted on the map attached as **Exhibit A (Map)** and described in the metes and bounds legal description attached as **Exhibit B (Metes and Bounds - Legal Description)** as a neighborhood empowerment zone pursuant to Chapter 378 of the Texas Local Government Code to be known as City of Dallas NEZ No. 19 to promote the creation of affordable housing and an increase in economic development in the zone, establish the boundaries of the zone, and provide for an effective date.

**SECTION 3.** That the City Manager, approved as to form by the City Attorney, is hereby authorized to execute a real property tax abatement agreement with SEK Hall Street, LLC or an affiliate thereof ("SEK Hall Street") for a period of ten years in an amount equal to the City's taxes assessed on 90 percent of the increased taxable value of real property in conjunction with a new mixed-income and mixed-use development project (the "One City View Project") to be situated on approximately 5.4 acres at 1823 North Hall Street (the "Property") in City of Dallas NEZ No. 19, in accordance with the City's Public/Private Partnership Program.

**SECTION 4.** That the approval and execution of the real property tax abatement agreement by the City is not conditional upon approval and execution of any other tax abatement agreement by any other taxing entity.

October 13, 2021

**SECTION 5.** That the real property subject to the proposed tax abatement agreement shall be located entirely within City of Dallas NEZ No. 19 as depicted on the attached site map **Exhibit C (Map)** and as legally described in **Exhibit D (Metes and Bounds - Legal Description)**.

**SECTION 6.** That the tax abatement agreement shall include the following terms and conditions:

- (a) None of the property subject to either the real property tax abatement agreement is owned or leased by a member of the City Council of the City of Dallas or by a member of the City Plan Commission.
- (b) Development of the property shall conform to all requirements of the City's zoning ordinance and that the use of the property is consistent with the general purpose of encouraging development or redevelopment in the City of Dallas NEZ No. 19 during the period when the real property tax abatement is in effect.
- (d) Minimum Private Investment. Owner/Developer shall incur (or cause to be incurred) and provide documentation evidencing a minimum of \$80,000,000.00 in Private Investment Expenditures (**Exhibit E**) (which may also be referred to as building improvements and related hard and soft costs) for the Project, including off-site infrastructure, on-site preparation, building construction/finish-out/furnishings, site amenities, and professional fees (e.g. architecture, engineering, landscape architecture, testing and permit fees). The 2015 Property acquisition shall not be included as a Private Investment Expenditure for this purpose. Construction management costs may be considered a Private Investment Expenditure if services are directly related to ensuring the quality of the construction of the Project and are performed by an independent and unaffiliated third-party. Construction management costs must be evidenced by invoices with detailed descriptions of services performed. Developer fees, legal fees, marketing fees, financing fees, leasing commissions, carrying costs, reserves, operating deficits through stabilization and other similar costs shall not be considered a Private Investment Expenditure. With the exception of professional fees, environmental assessments, sitework (including, but not limited to, grading and utilities), and foundation work, no expenditures made prior to City Council approval may count towards minimum private investment.
- (e) Minimum Project Requirements. The Project shall include, at minimum, the following:
  - i. 375 multi-family units of which 20% (75) of the units shall be set aside and leased solely to those households earning a maximum of 60% of the Dallas Area Median Family Income for the Affordability Period as defined herein, and



**SECTION 6.** (continued)

- ii. 434,000 square foot building of which a minimum of 75,000 square feet shall be the grocery store as described herein.
- (f) Affordability. The Project shall include a minimum of 375 residential units of which 20% (75) of the units shall be set aside and leased solely to those households earning a maximum of 60% of the AMFI, as determined by the U.S. Department of Housing and Urban Development ("HUD"), for fifteen years from the date of the initial issuance of the residential component certificate of occupancy (the "Affordability Period" which shall also be the "Compliance Period") for the purpose of this City Subsidy (the existing restrictive covenant requires that the affordability set-aside be in perpetuity), in accordance with the attached rent schedule (**Exhibit F**). The affordable units shall be identical finish-out and materials as market rate units, shall be dispersed pro-rata among unit type as defined by the number of bedrooms in the unit, shall not be fixed to specific unit numbers and shall not be segregated or concentrated in any one floor or area of the Project, but shall be dispersed throughout all of the residential portions of the Project.

Households that qualify at the beginning of a lease will be assumed to qualify for the entirety of the term of that lease. Recertification is, therefore, only necessary during lease renewal. If, at the end of the lease, the household no longer qualifies for the affordable unit, the lease may be renewed at market rate and another comparable unit is to be made available for another qualifying household in order to maintain the affordability requirement.

By right, Owner/Developer may decrease the size of any unit as shown in Exhibit F by up to 10%. Prior to the Project's completion as defined in Section 6(i) herein, the affordability requirement shall be impressed upon the property by deed restriction for the Affordability Period.

After the Project's completion as defined in Section 6(i) herein and throughout the Affordability Period, Owner/Developer shall monitor and submit bi-annual reports to the Director of the Office of Economic Development ("Director") on the status of its compliance with the requirements of the Project's Affordability. Owner/Developer shall submit written certification and documentation of compliance on the form attached as **Exhibit G**.

Owner/Developer completed the Affirmative Fair Housing Marketing Plan and submitted the plan to the City's Office of Equity and Inclusion for approval. On October 21, 2020, Fair Housing staff within the Office of Equity and Inclusion provided notice of a stance of no opposition to the Project.

**SECTION 6.** (continued)

- (g) Vouchers. Owner/Developer shall abide by Ordinance 30246, approved by Resolution 16-1760, which requires that “multifamily housing accommodations that benefit from a financial award approved by the City Council on or after the effective date of this ordinance [October 26, 2016] shall set aside at least 10 percent of the dwelling units and solely lease those dwelling units to holders of housing vouchers, including vouchers directly or indirectly funded by the federal government, for a minimum of 15 years from the date of the initial issuance of the housing accommodation’s certificate of occupancy”. If such flexibility is allowed by Ordinance, should Ordinance 30246 and Chapter 20A of the Dallas City Code be amended prior to the Project’s certificate of occupancy date, Owner/Developer may abide by such amended requirements. If applicable, prior to the Project’s completion as defined in Section 6(i) herein, this requirement shall be impressed upon the property by deed restriction.
- (h) Building Permit Deadline. Owner/Developer shall submit to the City for a building permit by May 31, 2022 and shall obtain the building permit by August 31, 2022. A foundation permit may constitute meeting the obligation of this requirement. Note that the Project may commence site preparation prior to this deadline date, but a grading permit does not constitute meeting the obligation of this requirement.
- (i) Project Completion and Deadline. Construction of the Project, including associated Project-related public improvements/streetscape improvements, will be complete, and all portions of the building, both commercial and residential, will be occupiable by September 30, 2025 (Completion Date), as evidenced by certificate of occupancy, letter of acceptance, certificate of completion, and/or similar documentation from the City (Project Completion).
- (j) Property Management. The proposed management group for the residential portion of the Project must be submitted at least three months prior to Project Completion for review by the Director to consider acceptance based on the management entity’s comparable experience managing other multi-family properties, such approval not being unreasonably conditioned, delayed or withheld. The City shall respond to a request for approval within 21 business days.
- (k) Operating and Maintenance Agreement. Prior to the Project Completion, Owner shall execute an Operating and Maintenance Agreement (defined below) for any Non-Standard Public Improvements (defined below) associated with the Project (the “Operating and Maintenance Agreement”), and if necessary, obtain a license from City for the purpose of maintaining any improvements in the public right-of-way. “Non-Standard Public Improvements” shall be defined as those public infrastructure improvements which exceed the City’s standard design requirements, as determined by the City, and shall include specially designed street/pedestrian lighting, brick pavers, bollards, sidewalks, public art, fountains, landscaping and

**SECTION 6.** (continued)

irrigation. With the exception of specially designed street/pedestrian lighting, public art work and fountains, City shall retain ownership of such public improvements and may at its sole option, if Owner fails to maintain such public improvements after notice from City, perform such maintenance and invoice Owner for the costs, which costs Owner shall pay within thirty (30) days of notice. Owner shall submit documentation evidencing that an executed Notice of Operating and Maintenance Agreement specifying the existence of an executed Operating and Maintenance Agreement for the Non-Standard Public Improvements was recorded with the Dallas County Clerk's Office. The term for the Operating and Maintenance Agreement shall be twenty (20) years. The terms and conditions of the Operating and Maintenance Agreement are binding upon the successors and assigns of all parties hereto and may be assignable, subject to Director approval, in whole or in part, to a new owner of all or a portion of the Project. Owner shall remain responsible for the maintenance of the Non-Standard Public Improvements for a term of 20 years even if Owner chooses to forgo the City Subsidy or does not earn the City Subsidy as a result of default.

- (l) **Business Inclusion.** Owner/Developer shall make a good faith effort to comply with the City's Business Inclusion and Development ("BID") goal of 32% participation by certified Minority/Women-owned Business Enterprises ("M/WBE") for all hard construction expenditures on the Project and meet all reporting requirements. See **Exhibit H**. Soft expenditures such as architectural, engineering and professional services as well as goods, services and furniture, fixtures and equipment (FF&E) are not included in the Project's good faith effort requirement.
- (m) **Quarterly Reporting.** Until the Project has passed final building inspection and all required paperwork documenting Project Completion has been submitted to the Office of Economic Development, Owner/Developer shall submit to the Office of Economic Development quarterly status reports (see **Exhibit I**) for ongoing work on the Project (including any public improvements). Such status reports shall be due within 30 calendar days following the end of each calendar quarter.
- (n) **Design.** The Urban Design Peer Review Panel ("UDPRP") is an independent group of professional designers selected by the City Manager with expertise in architecture, landscape architecture, engineering, and urban planning. Review by the UDPRP is required for all projects requesting Economic Development subsidies. Following a formal review of the Project's preliminary conceptual drawings and renderings on May 29, 2020, the UDPRP provided advice (see **Exhibit J**). On July 24, 2020, Developer submitted a response to the City's Planning and Urban Design Department ("PUD") staff with updated conceptual drawings and renderings (see **Exhibit J-1**). On July 27, 2020, the PUD staff indicated that the updated conceptual drawings and renderings provided by Developer on July 24,

**SECTION 6.** (continued)

2020 satisfied the UDPRP's advice. Prior to building permit submittal to the City's Sustainable Development and Construction Department, Owner/Developer shall submit a set of permit drawings to PUD for a final staff review to ensure that the Project (i.e. public and private improvements) will be constructed in substantial conformance with the updated conceptual drawings and renderings submitted by Developer as shown in Exhibit J-1. Allowable minor modifications may include those required for compliance with development regulations administered by the City's Sustainable Development and Construction Department or other City departments. PUD staff shall complete the final staff review of permit drawings within 10 business days of submission by Owner/Developer.

- (o) Property Maintenance and Inspection during City's Compliance Period. Owner/Developer shall ensure that the Project is maintained in accordance with all applicable HUD property standards for the duration of the City's Compliance Period, which at a minimum shall be those property standards required in 24 CFR Part 92. City will verify maintenance of the Project to these standards through on-site inspections at a minimum of every 2 years. City reserves the right to inspect more frequently if City deems it necessary, in its sole discretion.
- (p) Local Hiring. For all permanent employment opportunities created by the Project, Owner/Developer shall submit to the City a written plan describing how Owner/Developer or property management group shall use and document best efforts to recruit and hire residents of the city of Dallas. At a minimum, the written plan shall describe how Owner/Developer or property management group will target local recruitment through local advertisement, community outreach, local engagement, participation in local job fairs, and/or coordination with local hiring sources. The plan shall be subject to approval by the Director to ensure that employment opportunities are targeted to Dallas residents and that reasonable efforts are made to promote the hiring of neighborhood residents for any new jobs created, which approval will not be unreasonably withheld, conditioned or delayed. The Local Hiring plan may include different details for the Kroger component of the Project and the residential component of the Project.
- (q) Minimum Occupancy and Occupancy Requirement. The Tax Abatement described herein shall not be available until the Kroger store is open to the public and a minimum of 60% of the residential units are leased and occupied. These obligations, collectively constitute the "Occupancy Requirement". The availability of the Tax Abatement in any given year shall depend on the commercial component of the Project continuously operating as a grocery store and the residential component maintaining a minimum occupancy of 60% throughout the Compliance Period.

**SECTION 6.** (continued)

- (r) Annual Application/Certification for Tax Exemption. It shall be the responsibility of Owner/Developer, pursuant to V.T.C.A., Tax Code, §11.43, to file an annual exemption application form with the chief appraiser of the Dallas Central Appraisal District in which the Property is sited. In addition, pursuant to Section 312.205(a)(6) of the Property Redevelopment and Tax Abatement Act, as amended, (V.T.C.A. Tax Code, Chapter 312) Owner/Developer shall certify in a written report to the City by April 15 of each year throughout the Compliance Period that Owner/Developer is in compliance with each applicable term set forth in any future Tax Abatement Agreement executed by the City and Owner/Developer, and the payment of ad valorem taxes and tangible personal property taxes owed the City by Owner/Developer. The exemption application and certification report shall be submitted to the City for review and approval prior to submission of the exemption application to the appraisal district. Failure of Owner/Developer to obtain City approval for the exemption application may result in the loss of the tax exemption for the year.
- (s) A description of the kind, number, location, and costs of all proposed improvements to the Property shall be provided to the Office of Economic Development by Owner/Developer and shall be attached as exhibits to the tax abatement agreement.
- (t) Access to the Property shall be provided to allow for inspection by City inspectors and officials to ensure that the improvements are made and occupancy is achieved according to the specification and terms of the tax abatement agreement.
- (u) Owner/Developer shall certify annually to the City that they are compliant with each applicable term of the real property tax abatement agreement.
- (v) The Dallas City Council may terminate or modify the tax abatement agreement if Owner/Developer fails to comply with the terms therein.
- (w) In the event of default (which is not cured within a 90-day cure period) for a) failure to complete the Project improvements in accordance with the Tax Abatement Agreement or b) the conviction for a violation under 8 U.S.C. Section 1324a(f), all taxes which otherwise would have been paid to the City without the benefit of the Tax Abatement (but were in fact not paid by reason of the Tax Abatement), including statutory interest and statutory penalties thereon (collectively with such taxes, "Recapture Liability"), will become a debt to the City from Owner or Developer and shall be due, owing and paid to the City by Owner or Developer within 60 days of the expiration of the cure period. Such Recapture Liability shall be equal to all taxes which would otherwise have been paid to the City from the beginning of the tax abatement period to the

**SECTION 6.** (continued)

date of termination (interest and penalties will be charged at the statutory rate for delinquent taxes as determined by Section 33.01 of the Property Tax Code of the State of Texas).

Owner or Developer shall pay liquidated damages to the City in the event of default (which is not cured within a 90-day cure period) for any of the following occurrences: c) Owner/Developer allows its ad valorem taxes and/or tangible personal property taxes owed the City to become delinquent, d) Owner/Developer fails to certify in a written report to the City by April 15 of each year throughout the term of the Tax Abatement Agreement that Owner/Developer is in compliance with each applicable term of the Tax Abatement Agreement, e) Developer fails to obtain Director approval for Owner/Developer's assignment of all or a portion of the Property to a new owner, or f) Owner/Developer breaches any of the terms or conditions of the Tax Abatement Agreement. Such liquidated damages shall be in an amount equal to all taxes for the year (or years) in which such default occurs, which otherwise would have been paid to the City without the benefit of the Tax Abatement (but were in fact not paid by reason of the Tax Abatement), including interest and penalties thereon charged at the statutory rate for delinquent taxes as determined by Section 33.01 of the Property Tax Code of the State of Texas). The eligibility of the Owner to obtain the benefit of the Tax Abatement shall resume in the subsequent years after the event of default is cured.

- (x) Minor Modifications. The Director may authorize minor modifications to the Project, including, but not limited to, adjustment in unit type, unit mix, set-aside duration, and/or qualifying Area Median Family Income and may authorize an extension of the Project deadlines, for reasons including, but not limited to, delays in Hall Street Improvement Project completion, up to 18 months. Said authorization and/or approvals shall not be unreasonably withheld, conditioned or delayed.

**SECTION 7.** That the real property tax abatement agreement is identified by the City as Contract No. ECO-2021-00017594.

**SECTION 8.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

# EXHIBIT A (MAP)

## Neighborhood Empowerment Zone No. 19





EXHIBIT B (metes and bounds legal description)

Neighborhood Empowerment Zone No. 19

BEING ALL THAT CERTAIN LOT, TRACT OR PARCEL SITUATED IN THE JOHN GRIGSBY SURVEY, ABSTRACT NO. 495, OUT OF CITY BLOCK 1/594, INCLUDING LOT 1, BLOCK 1/594 OF HALL STREET-STOREFRONT ADDITION, AN ADDITION TO THE CITY OF DALLAS, DALLAS COUNTY, TEXAS, RECORDED IN VOLUME 93078, PAGE 2365 OF THE MAP RECORDS OF DALLAS COUNTY, TEXAS, JEWETT ALLEY, ABANDONED PER CITY ORDINANCE 25329 AND RECORDED IN VOLUME 2003207, PAGE 106, OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS, AND BEING ALL THOSE SAME TRACTS OF LAND DESCRIBED IN DEED TO THE HOUSING AUTHORITY OF THE CITY OF DALLAS, TEXAS, AS RECORDED IN VOLUME 20000048, PAGE 4115; VOLUME 2000052, PAGE 6751; VOLUME 2000087, PAGE 7837; VOLUME 2001027, PAGE 3926; VOLUME 2003207, PAGE 94; VOLUME 2003207, PAGE 100; VOLUME 2004115, PAGE 13078; VOLUME 2004195, PAGE 7158; VOLUME 2004195, PAGE 7162, AND VOLUME 2004195, PAGE 7166 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS, AND ALSO PROPERTY DESCRIBED IN DEED WITHOUT WARRANTY FROM THE STATE OF TEXAS TO THE HOUSING AUTHORITY OF THE CITY OF DALLAS, TEXAS AS RECORDED UNDER COUNTY CLERKS FILE NO. 201400130686 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS AND ALSO INCLUDING A 5.8 FOOT STRIP OF LAND OF UNCERTAIN TITLE COMPUTED AS 1973 SQUARE FEET, LYING ALONG THE SOUTHEAST LINE OF SAID TRACT CONVEYED TO THE HOUSING AUTHORITY OF THE CITY OF DALLAS, TEXAS AS RECORDED VOLUME 2003207 AT P AGE 100, CALLED TRACT 2, AND ALSO ALONG THE NORTHWEST LINE OF PROPERTY DESCRIBED IN ORDINANCE NO. 25329 AND RECORDED IN VOLUME NO. 2003207 AT P AGE 106 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED IN COMPOSITE AS FOLLOWS:

BEGINNING AT A CROSS CUT FOUND AT THE PRESENT INTERSECTION OF THE SOUTHWEST RIGHT OF WAY LINE OF HALL STREET (A 40 FOOT RIGHT OF WAY) WITH THE NORTHWEST RIGHT OF WAY LINE OF FLORA STREET (A VARIABLE WIDTH RIGHT OF WAY); FOR THE EAST CORNER OF A CALLED 0.7599 ACRE TRACT OF LAND CONVEYED TO THE HOUSING AUTHORITY OF THE CITY OF DALLAS, TEXAS AS RECORDED IN VOLUME 20000087 AT PAGE 7837 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS;

THENCE SOUTH 44° 58' 06" WEST AND FOLLOWING ALONG THE NORTHWEST LINE OF SAID FLORA STREET FOR A DISTANCE OF 285.31 FEET TO A 5/8" IRON ROD FOUND FOR THE SOUTH CORNER OF SAID TRACT OF LAND CONVEYED TO THE



HOUSING OF THE CITY OF DALLAS, TEXAS AS RECORDED IN VOLUME 2004115 AT PAGE 13078 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS;

THENCE NORTH 44° 38' 39" WEST AND DEPARTING THE NORTHWEST LINE OF FLORA STREET AND PASSING THE EAST CORNER OF LOT 2 IN BLOCK 1/594 OF FLORA ADDITION, AN ADDITION TO THE CITY OF DALLAS, TEXAS, RECORDED IN VOLUME 2002002, PAGE 39 OF THE MAP RECORDS OF DALLAS COUNTY, TEXAS, AT A DISTANCE OF 5.00 FEET AND CONTINUING ALONG THE NORTHEAST LINE OF SAID LOT 2 FOR A TOTAL DISTANCE OF 100.03 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP FOUND FOR THE NORTH CORNER OF SAID LOT 2;

THENCE SOUTH 44° 59' 08" WEST AND FOLLOWING ALONG THE NORTHWEST LINE OF SAID LOT 2 AND PASSING THE WEST CORNER OF SAID LOT 2 AT A DISTANCE OF 65.00 FEET AND CONTINUING FOR A TOTAL DISTANCE OF 75.20 FEET TO A 3" ALUMINUM DISK FOUND FOR CORNER IN THE NORTHEAST RIGHT OF WAY OF WATKINS AVENUE (A VARIABLE WIDTH RIGHT OF WAY);

THENCE NORTH 44° 44' 30" WEST AND FOLLOWING ALONG THE NORTHEAST LINE OF SAID WATKINS AVENUE FOR A DISTANCE OF 342.56 FEET TO A 5/8" IRON ROD WITH YELLOW CAP FOUND FOR CORNER IN THE EASTERLY LINE OF THE AFORESAID TRACT CONVEYED TO THE CITY OF DALLAS HOUSING AUTHORITY AS RECORDED UNDER COUNTY CLERKS FILE NO. 201400130686 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS;

THENCE SOUTH 26° 18' 21" EAST AND FOLLOWING ALONG THE EASTERLY LINE OF THE AFORESAID TRACT CONVEYED TO THE CITY OF DALLAS HOUSING AUTHORITY RECORDED UNDER COUNTY CLERKS FILE NO. 201400130686 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS FOR A DISTANCE OF 12.24 FEET TO AN "X" FOUND IN CONCRETE CURB FOR THE SOUTH CORNER OF SAME;

THENCE NORTH 44° 39' 41" WEST AND FOLLOWING ALONG THE WESTERLY LINE OF SAID TRACT CONVEYED TO THE CITY OF DALLAS HOUSING AUTHORITY RECORDED UNDER COUNTY CLERKS FILE NO. 201400130686 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS, COMMON TO WATKINS AVENUE FOR A DISTANCE OF 72.58 FEET TO A NAIL IN SHINER FOUND IN ASPHALT FOR CORNER IN THE EASTERLY LINE OF NORTH CENTRAL EXPRESSWAY (U.S. HIGHWAY NO. 75);

THENCE NORTH 14° 05' 50" WEST AND FOLLOWING ALONG THE EASTERLY LINE

OF NORTH CENTRAL EXPRESSWAY (U.S. HIGHWAY NO. 75) FOR A DISTANCE OF 25.24 FEET TO A TXDOT MONUMENT FOUND IN CONCRETE FOR CORNER;

THENCE NORTH 11° 12' 10" WEST AND CONTINUING ALONG THE EASTERLY RIGHT OF WAY LINE OF SAID NORTH CENTRAL EXPRESSWAY (U.S. HIGHWAY NO. 75) AND PASSING A TXDOT MONUMENT FOUND IN CONCRETE AT A DISTANCE OF 23.19 FEET AND 30.09 FEET AND CONTINUING IN ALL FOR A DISTANCE OF 99.09 FEET TO A TXDOT MONUMENT FOUND IN CONCRETE FOR CORNER;

THENCE NORTH 11° 30' 39" WEST AND CONTINUING ALONG THE EASTERLY RIGHT OF WAY LINE OF SAID NORTH CENTRAL EXPRESSWAY (U.S. HIGHWAY NO. 75) AS DESCRIBED IN DEED TO THE STATE OF TEXAS AS RECORDED IN VOLUME 94250 AT PAGE 4065 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS FOR A DISTANCE OF 126.33 FEET TO A TXDOT MONUMENT FOUND IN CONCRETE FOR CORNER, SAID POINT BEING ITS INTERSECTION WITH THE SOUTHEAST RIGHT OF WAY LINE OF COCHRAN STREET (VARIABLE WIDTH RIGHT OF WAY);

THENCE NORTH 46° 11' 03" EAST AND FOLLOWING ALONG THE SOUTHEAST RIGHT OF WAY LINE OF SAID COCHRAN STREET COMMON WITH THE NORTHWEST LINE OF THE AFORESAID TRACT OF LAND CONVEYED TO THE HOUSING AUTHORITY OF THE CITY OF DALLAS, TEXAS, FOR A DISTANCE OF 227.57 FEET TO AN "X" CUT FOUND IN CONCRETE AT ITS INTERSECTION WITH THE AFORESAID SOUTHWEST RIGHT OF WAY LINE OF HALL STREET;

THENCE SOUTH 44° 43' 09" EAST AND FOLLOWING ALONG THE SOUTHWEST LINE OF SAID HALL STREET FOR A DISTANCE OF 708.06 FEET TO THE POINT OF BEGINNING AND CONTAINING 5.4118 ACRES OR 235,740 SQUARE FEET OF LAND, MORE OR LESS.

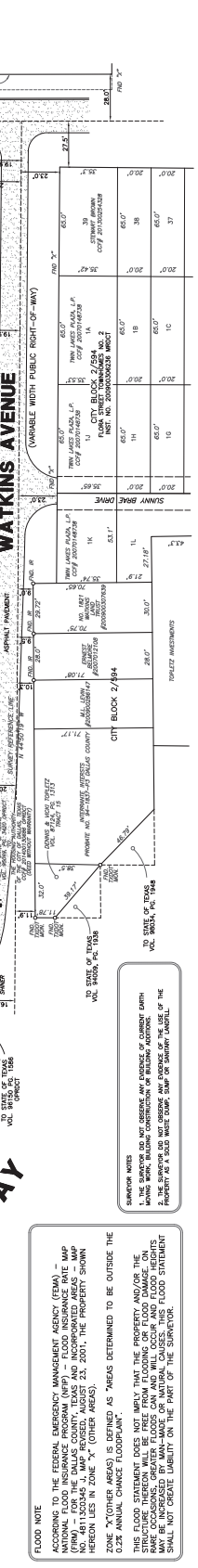
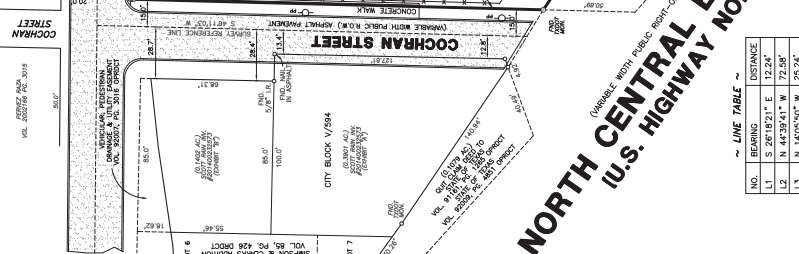
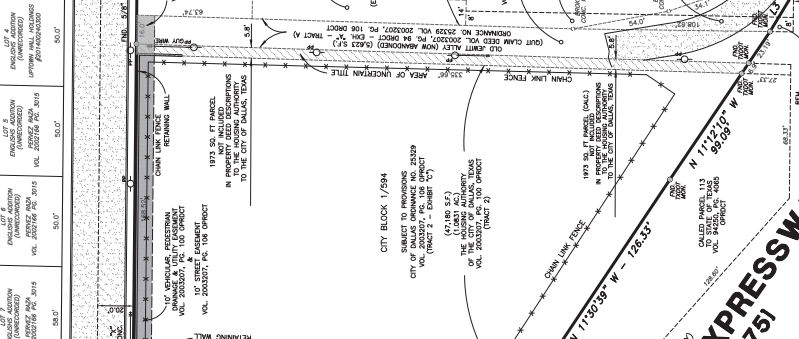
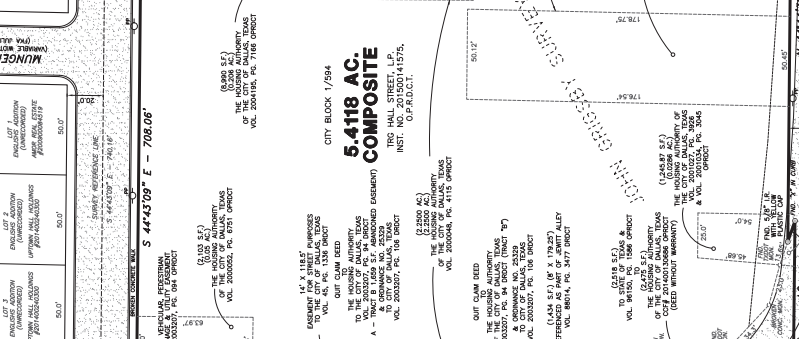
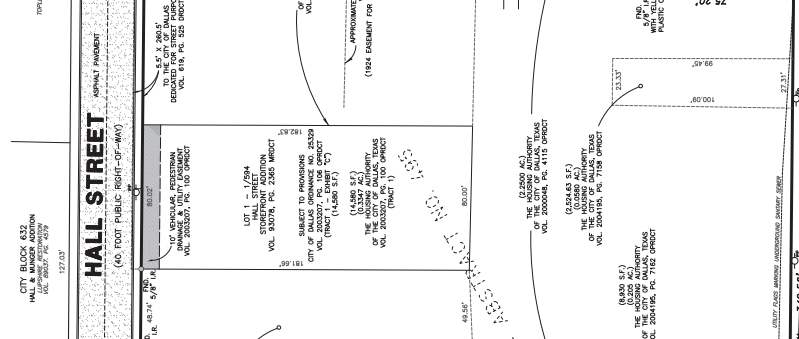
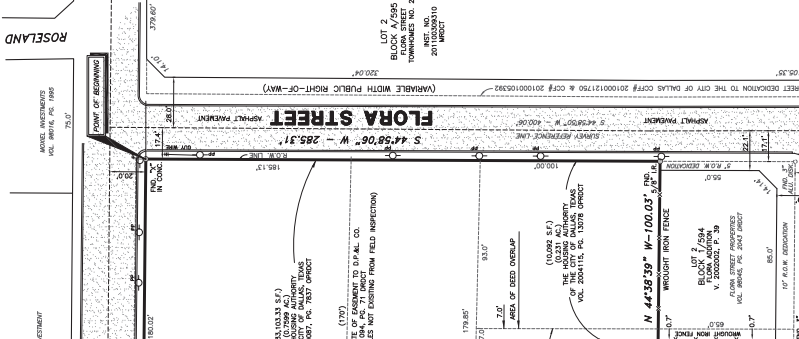
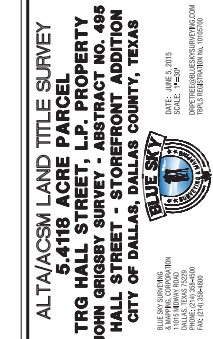


EXHIBIT D (metes and bounds legal description)

BEING ALL THAT CERTAIN LOT, TRACT OR PARCEL SITUATED IN THE JOHN GRIGSBY SURVEY, ABSTRACT NO. 495, OUT OF CITY BLOCK 1/594, INCLUDING LOT 1, BLOCK 1/594 OF HALL STREET-STOREFRONT ADDITION, AN ADDITION TO THE CITY OF DALLAS, DALLAS COUNTY, TEXAS, RECORDED IN VOLUME 93078, PAGE 2365 OF THE MAP RECORDS OF DALLAS COUNTY, TEXAS, JEWETT ALLEY, ABANDONED PER CITY ORDINANCE 25329 AND RECORDED IN VOLUME 2003207, PAGE 106, OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS, AND BEING ALL THOSE SAME TRACTS OF LAND DESCRIBED IN DEED TO THE HOUSING AUTHORITY OF THE CITY OF DALLAS, TEXAS, AS RECORDED IN VOLUME 20000048, PAGE 4115; VOLUME 2000052, PAGE 6751; VOLUME 2000087, PAGE 7837; VOLUME 2001027, PAGE 3926; VOLUME 2003207, PAGE 94; VOLUME 2003207, PAGE 100; VOLUME 2004115, PAGE 13078; VOLUME 2004195, PAGE 7158; VOLUME 2004195, PAGE 7162, AND VOLUME 2004195, PAGE 7166 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS, AND ALSO PROPERTY DESCRIBED IN DEED WITHOUT WARRANTY FROM THE STATE OF TEXAS TO THE HOUSING AUTHORITY OF THE CITY OF DALLAS, TEXAS AS RECORDED UNDER COUNTY CLERKS FILE NO. 201400130686 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS AND ALSO INCLUDING A 5.8 FOOT STRIP OF LAND OF UNCERTAIN TITLE COMPUTED AS 1973 SQUARE FEET, LYING ALONG THE SOUTHEAST LINE OF SAID TRACT CONVEYED TO THE HOUSING AUTHORITY OF THE CITY OF DALLAS, TEXAS AS RECORDED VOLUME 2003207 AT PAGE 100, CALLED TRACT 2, AND ALSO ALONG THE NORTHWEST LINE OF PROPERTY DESCRIBED IN ORDINANCE NO. 25329 AND RECORDED IN VOLUME NO. 2003207 AT PAGE 106 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED IN COMPOSITE AS FOLLOWS:

BEGINNING AT A CROSS CUT FOUND AT THE PRESENT INTERSECTION OF THE SOUTHWEST RIGHT OF WAY LINE OF HALL STREET (A 40 FOOT RIGHT OF WAY) WITH THE NORTHWEST RIGHT OF WAY LINE OF FLORA STREET (A VARIABLE WIDTH RIGHT OF WAY); FOR THE EAST CORNER OF A CALLED 0.7599 ACRE TRACT OF LAND CONVEYED TO THE HOUSING AUTHORITY OF THE CITY OF DALLAS, TEXAS AS RECORDED IN VOLUME 20000087 AT PAGE 7837 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS;

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THENCE SOUTH 44° 59' 08" WEST AND FOLLOWING ALONG THE NORTHWEST LINE OF SAID LOT 2 AND PASSING THE WEST CORNER OF SAID LOT 2 AT A DISTANCE OF 65.00 FEET AND CONTINUING FOR A TOTAL DISTANCE OF 75.20 FEET TO A 3" ALUMINUM DISK FOUND FOR CORNER IN THE NORTHEAST RIGHT OF WAY OF WATKINS AVENUE (A VARIABLE WIDTH RIGHT OF WAY);

THENCE NORTH 44° 44' 30" WEST AND FOLLOWING ALONG THE NORTHEAST LINE OF SAID WATKINS AVENUE FOR A DISTANCE OF 342.56 FEET TO A 5/8" IRON ROD WITH YELLOW CAP FOUND FOR CORNER IN THE EASTERLY LINE OF THE AFORESAID TRACT CONVEYED TO THE CITY OF DALLAS HOUSING AUTHORITY AS RECORDED UNDER COUNTY CLERKS FILE NO. 201400130686 OF THE OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS;

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THENCE NORTH 11° 12' 10" WEST AND CONTINUING ALONG THE EASTERLY RIGHT OF WAY LINE OF SAID NORTH CENTRAL EXPRESSWAY (U.S. HIGHWAY NO. 75) AND PASSING A TXDOT MONUMENT FOUND IN CONCRETE AT A DISTANCE OF 23.19 FEET AND 30.09 FEET AND CONTINUING IN ALL FOR A DISTANCE OF 99.09 FEET TO A TXDOT MONUMENT FOUND IN CONCRETE FOR CORNER;

THENCE NORTH 11° 30' 39" WEST AND CONTINUING ALONG THE EASTERLY RIGHT OF WAY LINE OF SAID NORTH CENTRAL EXPRESSWAY (U.S. HIGHWAY NO. 75) AS DESCRIBED IN DEED TO THE STATE OF TEXAS AS RECORDED IN VOLUME 94250 AT PAGE 4065 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS FOR A DISTANCE OF 126.33 FEET TO A TXDOT MONUMENT FOUND IN CONCRETE FOR CORNER, SAID POINT BEING ITS INTERSECTION WITH THE SOUTHEAST RIGHT OF WAY LINE OF COCHRAN STREET (VARIABLE WIDTH RIGHT OF WAY);

THENCE NORTH 46° 11' 03" EAST AND FOLLOWING ALONG THE SOUTHEAST RIGHT OF WAY LINE OF SAID COCHRAN STREET COMMON WITH THE NORTHWEST LINE OF THE AFORESAID TRACT OF LAND CONVEYED TO THE HOUSING AUTHORITY OF THE CITY OF DALLAS, TEXAS, FOR A DISTANCE OF 227.57 FEET TO AN "X" CUT FOUND IN CONCRETE AT ITS INTERSECTION WITH THE AFORESAID SOUTHWEST RIGHT OF WAY LINE OF HALL STREET;

THENCE SOUTH 44° 43' 09" EAST AND FOLLOWING ALONG THE SOUTHWEST LINE OF SAID HALL STREET FOR A DISTANCE OF 708.06 FEET TO THE POINT OF BEGINNING AND CONTAINING 5.4118 ACRES OR 235,740 SQUARE FEET OF LAND, MORE OR LESS.

## Exhibit E

### One City View (Kroger at Hall Mixed-Use Project) Estimated Budget

|  | Total Costs/<br>Investment | Private Investment<br>Expenditures (eligible<br>towards minimum private<br>investment requirement) |
|--|----------------------------|--|
| <b>KROGER</b>  |                            |  |
| Acquisition  | \$6,175,000                |  |
| Sitework   | \$1,740,225                | \$1,740,225  |
| Hard Construction Costs (Building and Parking, includes 5.3% contingency)          | \$16,491,254               | \$16,491,254   |
| Professional Fee (including but not limited to A&E, testing, permits)              | \$462,791                  | \$462,791  |
| Soft Costs (including but not limited to construction interest, legal fees, taxes) | \$1,789,682                |  |
| Developer Fee  | \$659,650                  |  |
| <b>Total Kroger Costs</b>  | <b>\$27,318,602</b>        | <b>\$18,694,270</b>  |
|  |                            |  |
| <b>RESIDENTIAL</b>   |                            |  |
| Acquisition  | \$6,175,000                |  |
| Sitework   | \$1,740,225                | \$1,740,225  |
| Hard Construction Costs (includes 4.9% contingency)                                | \$65,346,123               | \$65,346,123   |
| Professional Fee (including but not limited to A&E, testing, permits)              | \$1,830,532                | \$1,830,532  |
| Soft Costs (including but not limited to construction interest, legal fees, taxes) | \$3,465,063                |  |
| Developer Fee  | \$2,470,633                |  |
| <b>Total Residential Costs</b>   | <b>\$81,027,575</b>        | <b>\$68,916,880</b>  |
|  |                            |  |
| <b>TOTAL COSTS</b>   | <b>\$108,346,177</b>       | <b>\$87,611,150</b>  |
| <b>MINIMUM PRIVATE INVESTMENT REQUIREMENT</b>                                      |                            | <b>\$80,000,000</b>  |

Private Investment Expenditures (eligible towards minimum private investment requirement) describe the expenditures that may count towards the Minimum Private Investment. The Minimum Private Investment is required as a performance measure related to compliance with Project conditions for City Subsidy. The Private Investment Expenditures include Project costs for the creation of affordable housing.

Owner shall incur (or cause to be incurred) and provide documentation evidencing a minimum of **\$80,000,000** in Private Investment Expenditures for the Project, including off-site infrastructure, on-site preparation, building construction/finish-out/furnishings, site amenities, and professional fees (e.g. professional services such as architecture, engineering, landscape architecture, testing and permit fees).

Construction management costs may be considered a Private Investment Expenditure if services are directly related to ensuring the quality of the construction of the Project and are performed by an independent and unaffiliated third-party. Construction management costs must be evidenced by invoices with detailed descriptions of services performed.

Developer fees, legal fees, marketing fees, financing fees, leasing commissions, carrying costs, reserves, operating deficits through stabilization and other similar costs shall not be considered a Private Investment Expenditure.

EXHIBIT F

Total Market Rate Units 300  
Total Affordable Rate Units 75

All Units at Market Rate

|      |           | Units | Mix   | SF    | Total SF | Monthly Rent | Total Montly Rent | RSF     |
|------|-----------|-------|-------|-------|----------|--------------|-------------------|---------|
| S1   | Studio    | 42    | 11.2% | 493   | 20,706   | \$ 1,084.60  | \$ 45,553.20      | \$ 2.20 |
| S2   | Studio    | 7     | 1.9%  | 628   | 4,396    | \$ 1,381.60  | \$ 9,671.20       | \$ 2.20 |
| S3   | Studio    | 2     | 0.5%  | 660   | 1,320    | \$ 1,452.00  | \$ 2,904.00       | \$ 2.20 |
| A1.1 | 1 BR/1 BA | 77    | 20.5% | 798   | 61,446   | \$ 1,755.60  | \$ 135,181.20     | \$ 2.20 |
| A1.2 | 1 BR/1 BA | 63    | 16.8% | 798   | 50,274   | \$ 1,755.60  | \$ 110,602.80     | \$ 2.20 |
| A1.3 | 1 BR/1 BA | 62    | 16.5% | 798   | 49,476   | \$ 1,755.60  | \$ 108,847.20     | \$ 2.20 |
| A1.4 | 1 BR/1 BA | 4     | 1.1%  | 827   | 3,308    | \$ 1,819.40  | \$ 7,277.60       | \$ 2.20 |
| A2   | 1 BR/1 BA | 8     | 2.1%  | 910   | 7,280    | \$ 2,002.00  | \$ 16,016.00      | \$ 2.20 |
| A3   | 1 BR/1 BA | 16    | 4.3%  | 728   | 11,648   | \$ 1,601.60  | \$ 25,625.60      | \$ 2.20 |
| A4   | 1 BR/1 BA | 40    | 10.7% | 625   | 25,000   | \$ 1,375.00  | \$ 55,000.00      | \$ 2.20 |
| B1   | 2 BR/2 BA | 28    | 7.5%  | 1,130 | 31,640   | \$ 2,486.00  | \$ 69,608.00      | \$ 2.20 |
| B2   | 2 BR/2 BA | 14    | 3.7%  | 1,218 | 17,052   | \$ 2,679.60  | \$ 37,514.40      | \$ 2.20 |
| B3   | 2 BR/2 BA | 4     | 1.1%  | 1,112 | 4,448    | \$ 2,446.40  | \$ 9,785.60       | \$ 2.20 |
| B4   | 2 BR/2 BA | 4     | 1.1%  | 1,260 | 5,040    | \$ 2,772.00  | \$ 11,088.00      | \$ 2.20 |
| B5   | 2 BR/2 BA | 4     | 1.1%  | 1,338 | 5,352    | \$ 2,943.60  | \$ 11,774.40      | \$ 2.20 |
|      |           | 375   | 100%  | 796   | 298,386  | \$ 1,750.53  | \$ 656,449.20     | \$ 2.20 |

Note: Rent Limits and Utility Allowances are expected to adjust annually based on Dallas area family income as determined by HUD.

Market Rate - 80% of units

|      |           | Units | Mix   | SF    | Total SF | Monthly Rent | Total Montly Rent | RSF     |
|------|-----------|-------|-------|-------|----------|--------------|-------------------|---------|
| S1   | Studio    | 34    | 9.1%  | 493   | 16,762   | \$ 1,084.60  | \$ 36,876.40      | \$ 2.20 |
| S2   | Studio    | 6     | 1.6%  | 628   | 3,768    | \$ 1,381.60  | \$ 8,289.60       | \$ 2.20 |
| S3   | Studio    | 2     | 0.5%  | 660   | 1,320    | \$ 1,452.00  | \$ 2,904.00       | \$ 2.20 |
| A1.1 | 1 BR/1 BA | 62    | 16.5% | 798   | 49,476   | \$ 1,755.60  | \$ 108,847.20     | \$ 2.20 |
| A1.2 | 1 BR/1 BA | 50    | 13.3% | 798   | 39,900   | \$ 1,755.60  | \$ 87,780.00      | \$ 2.20 |
| A1.3 | 1 BR/1 BA | 50    | 13.3% | 798   | 39,900   | \$ 1,755.60  | \$ 87,780.00      | \$ 2.20 |
| A1.4 | 1 BR/1 BA | 3     | 0.8%  | 827   | 2,481    | \$ 1,815.00  | \$ 5,445.00       | \$ 2.19 |
| A2   | 1 BR/1 BA | 6     | 1.6%  | 910   | 5,460    | \$ 2,002.00  | \$ 12,012.00      | \$ 2.20 |
| A3   | 1 BR/1 BA | 13    | 3.5%  | 728   | 9,464    | \$ 1,601.60  | \$ 20,820.80      | \$ 2.20 |
| A4   | 1 BR/1 BA | 32    | 8.5%  | 625   | 20,000   | \$ 1,375.00  | \$ 44,000.00      | \$ 2.20 |
| B1   | 2 BR/2 BA | 22    | 5.9%  | 1,130 | 24,860   | \$ 2,486.00  | \$ 54,692.00      | \$ 2.20 |
| B2   | 2 BR/2 BA | 11    | 2.9%  | 1,218 | 13,398   | \$ 2,679.60  | \$ 29,475.60      | \$ 2.20 |
| B3   | 2 BR/2 BA | 3     | 0.8%  | 1,112 | 3,336    | \$ 2,446.40  | \$ 7,339.20       | \$ 2.20 |
| B4   | 2 BR/2 BA | 3     | 0.8%  | 1,260 | 3,780    | \$ 2,772.00  | \$ 8,316.00       | \$ 2.20 |
| B5   | 2 BR/2 BA | 3     | 0.8%  | 1,338 | 4,014    | \$ 2,943.60  | \$ 8,830.80       | \$ 2.20 |
|      |           | 300   | 80%   | 793   | 237,919  | \$ 1,744.70  | \$ 523,408.60     | \$ 2.20 |

Affordable - 10% of units at 60% metro AML (note that 37 units may be provided so that 75 affordable units (20%) total, including the voucher holder units, are provided in the Project)

|      |           | Units | Mix  | SF    | Total SF | Monthly Rent | Total Montly Rent | RSF     | Utility Allowance | Total Monthly Utility | Monthly Rent & Utility | Total Monthly Rent/Utility | Total Annual Rent/Utility |
|------|-----------|-------|------|-------|----------|--------------|-------------------|---------|-------------------|-----------------------|------------------------|----------------------------|---------------------------|
| S1   | Studio    | 4     | 1.1% | 493   | 1,972    | \$ 906.00    | \$ 3,624.00       | \$ 1.84 | \$ 149.00         | \$ 596.00             | \$ 1,055.00            | \$ 4,220.00                | \$ 50,640.00              |
| S2   | Studio    | 1     | 0.3% | 628   | 628      | \$ 906.00    | \$ 906.00         | \$ 1.44 | \$ 149.00         | \$ 149.00             | \$ 1,055.00            | \$ 1,055.00                | \$ 12,660.00              |
| S3   | Studio    | 0     | 0.0% | 660   | -        | \$ 906.00    | \$ -              | \$ 1.37 | \$ 149.00         | \$ -                  | \$ 1,055.00            | \$ -                       | \$ -                      |
| A1.1 | 1 BR/1 BA | 8     | 2.0% | 798   | 5,985    | \$ 970.00    | \$ 7,275.00       | \$ 1.22 | \$ 165.00         | \$ 1,237.50           | \$ 1,135.00            | \$ 8,512.50                | \$ 102,150.00             |
| A1.2 | 1 BR/1 BA | 7     | 1.7% | 798   | 5,187    | \$ 970.00    | \$ 6,305.00       | \$ 1.22 | \$ 165.00         | \$ 1,072.50           | \$ 1,135.00            | \$ 7,377.50                | \$ 88,530.00              |
| A1.3 | 1 BR/1 BA | 6     | 1.6% | 798   | 4,788    | \$ 970.00    | \$ 5,820.00       | \$ 1.22 | \$ 165.00         | \$ 990.00             | \$ 1,135.00            | \$ 6,810.00                | \$ 81,720.00              |
| A1.4 | 1 BR/1 BA | 0     | 0.0% | 827   | -        | \$ 970.00    | \$ -              | \$ 1.17 | \$ 165.00         | \$ -                  | \$ 1,135.00            | \$ -                       | \$ -                      |
| A2   | 1 BR/1 BA | 1     | 0.3% | 910   | 910      | \$ 970.00    | \$ 970.00         | \$ 1.07 | \$ 165.00         | \$ 165.00             | \$ 1,135.00            | \$ 1,135.00                | \$ 13,620.00              |
| A3   | 1 BR/1 BA | 2     | 0.4% | 728   | 1,092    | \$ 970.00    | \$ 1,455.00       | \$ 1.33 | \$ 165.00         | \$ 247.50             | \$ 1,135.00            | \$ 1,702.50                | \$ 20,430.00              |
| A4   | 1 BR/1 BA | 4     | 1.1% | 625   | 2,500    | \$ 970.00    | \$ 3,880.00       | \$ 1.55 | \$ 165.00         | \$ 660.00             | \$ 1,135.00            | \$ 4,540.00                | \$ 54,480.00              |
| B1   | 2 BR/2 BA | 3     | 0.8% | 1,130 | 3,390    | \$ 1,164.00  | \$ 3,492.00       | \$ 1.03 | \$ 233.00         | \$ 699.00             | \$ 1,397.00            | \$ 4,191.00                | \$ 50,292.00              |
| B2   | 2 BR/2 BA | 1     | 0.3% | 1,218 | 1,218    | \$ 1,164.00  | \$ 1,164.00       | \$ 0.96 | \$ 233.00         | \$ 233.00             | \$ 1,397.00            | \$ 1,397.00                | \$ 16,764.00              |
| B3   | 2 BR/2 BA | 1     | 0.3% | 1,112 | 1,112    | \$ 1,164.00  | \$ 1,164.00       | \$ 1.05 | \$ 233.00         | \$ 233.00             | \$ 1,397.00            | \$ 1,397.00                | \$ 16,764.00              |
| B4   | 2 BR/2 BA | 1     | 0.3% | 1,260 | 1,260    | \$ 1,164.00  | \$ 1,164.00       | \$ 0.92 | \$ 233.00         | \$ 233.00             | \$ 1,397.00            | \$ 1,397.00                | \$ 16,764.00              |
| B5   | 2 BR/2 BA | 0     | 0.0% | 1,338 | -        | \$ 1,164.00  | \$ -              | \$ 0.87 | \$ 233.00         | \$ -                  | \$ 1,397.00            | \$ -                       | \$ -                      |
|      |           | 38    | 10%  | 801   | 30,042   | \$ 992.51    | \$ 37,219.00      | \$ 1.24 | \$ 173.75         | \$ 6,515.50           | \$ 1,166.25            | \$ 43,734.50               | \$ 524,814.00             |

Affordable -10% of units Voucher

|      |           | Units | Mix  | SF    | Total SF | Monthly Rent | Total Montly Rent | RSF     | Utility Allowance | Total Monthly Utility | Monthly Rent & Utility | Total Monthly Rent/Utility | Total Annual Rent/Utility |
|------|-----------|-------|------|-------|----------|--------------|-------------------|---------|-------------------|-----------------------|------------------------|----------------------------|---------------------------|
| S1   | Studio    | 4     | 1.1% | 493   | 1,972    | \$ 1,440.00  | \$ 5,760.00       | \$ 2.92 | \$ 149.00         | \$ 596.00             | \$ 1,589.00            | \$ 6,356.00                | \$ 76,272.00              |
| S2   | Studio    | 0     | 0.0% | 628   | -        | \$ 1,440.00  | \$ -              | \$ 2.29 | \$ 149.00         | \$ -                  | \$ 1,589.00            | \$ -                       | \$ -                      |
| S3   | Studio    | 0     | 0.0% | 660   | -        | \$ 1,440.00  | \$ -              | \$ 2.18 | \$ 149.00         | \$ -                  | \$ 1,589.00            | \$ -                       | \$ -                      |
| A1.1 | 1 BR/1 BA | 8     | 2.0% | 798   | 5,985    | \$ 1,640.00  | \$ 12,300.00      | \$ 2.06 | \$ 165.00         | \$ 1,237.50           | \$ 1,805.00            | \$ 13,537.50               | \$ 162,450.00             |
| A1.2 | 1 BR/1 BA | 7     | 1.7% | 798   | 5,187    | \$ 1,640.00  | \$ 10,660.00      | \$ 2.06 | \$ 165.00         | \$ 1,072.50           | \$ 1,805.00            | \$ 11,732.50               | \$ 140,790.00             |
| A1.3 | 1 BR/1 BA | 6     | 1.6% | 798   | 4,788    | \$ 1,640.00  | \$ 9,840.00       | \$ 2.06 | \$ 165.00         | \$ 990.00             | \$ 1,805.00            | \$ 10,830.00               | \$ 129,960.00             |
| A1.4 | 1 BR/1 BA | 1     | 0.3% | 827   | 827      | \$ 1,640.00  | \$ 1,640.00       | \$ 1.98 | \$ 165.00         | \$ 165.00             | \$ 1,805.00            | \$ 1,805.00                | \$ 21,660.00              |
| A2   | 1 BR/1 BA | 1     | 0.3% | 910   | 910      | \$ 1,640.00  | \$ 1,640.00       | \$ 1.80 | \$ 165.00         | \$ 165.00             | \$ 1,805.00            | \$ 1,805.00                | \$ 21,660.00              |
| A3   | 1 BR/1 BA | 2     | 0.4% | 728   | 1,092    | \$ 1,640.00  | \$ 2,460.00       | \$ 2.25 | \$ 165.00         | \$ 247.50             | \$ 1,805.00            | \$ 2,707.50                | \$ 32,490.00              |
| A4   | 1 BR/1 BA | 4     | 1.1% | 625   | 2,500    | \$ 1,640.00  | \$ 6,560.00       | \$ 2.62 | \$ 165.00         | \$ 660.00             | \$ 1,805.00            | \$ 7,220.00                | \$ 86,640.00              |
| B1   | 2 BR/2 BA | 3     | 0.8% | 1,130 | 3,390    | \$ 1,970.00  | \$ 5,910.00       | \$ 1.74 | \$ 233.00         | \$ 699.00             | \$ 2,203.00            | \$ 6,609.00                | \$ 79,308.00              |
| B2   | 2 BR/2 BA | 2     | 0.5% | 1,218 | 2,436    | \$ 1,970.00  | \$ 3,940.00       | \$ 1.62 | \$ 233.00         | \$ 466.00             | \$ 2,203.00            | \$ 4,406.00                | \$ 52,872.00              |
| B3   | 2 BR/2 BA | 0     | 0.0% | 1,112 | -        | \$ 1,970.00  | \$ -              | \$ 1.77 | \$ 233.00         | \$ -                  | \$ 2,203.00            | \$ -                       | \$ -                      |
| B4   | 2 BR/2 BA | 0     | 0.0% | 1,260 | -        | \$ 1,970.00  | \$ -              | \$ 1.56 | \$ 233.00         | \$ -                  | \$ 2,203.00            | \$ -                       | \$ -                      |
| B5   | 2 BR/2 BA | 1     | 0.3% | 1,338 | 1,338    | \$ 1,970.00  | \$ 1,970.00       | \$ 1.47 | \$ 233.00         | \$ 233.00             | \$ 2,203.00            | \$ 2,203.00                | \$ 26,436.00              |
|      |           | 38    | 10%  | 811   | 30,425   | \$ 1,671.47  | \$ 62,680.00      | \$ 2.06 | \$ 174.17         | \$ 6,531.50           | \$ 1,845.64            | \$ 69,211.50               | \$ 830,538.00             |



## **Exhibit G**

### **Mixed Income Housing Certification Letter**

#### **Letter Head**

[Date]

To Whom It May Concern:

This mixed income housing certification letter is for the timeframe of [INSERT 6 MONTH TIMEFRAME HERE]. [INSERT NAME OF RESIDENTIAL PROJECT/COMPLEX] consists of [TOTAL NUMBER OF RESIDENTIAL UNITS], with [TOTAL NUMBER OF AFFORDABLE UNITS PROVIDED] to be leased as units meeting maximum affordable rent and income levels set annually, based on HUD's calculations for Area Median Family Income (AMFI), utility expenses, and Market Rent for the Dallas Area. Maximum rents are set each year at 30% of 60% of AMFI, including a utility allowance.

As of [INSERT DATE OF LETTER], [INSERT NAME OF RESIDENTIAL PROJECT/COMPLEX] has [INSERT NUMBER OF UNITS] occupied apartments and [INSERT NUMBER OF UNITS] vacant apartments. [NUMBER OF AFFORDABLE UNITS PROVIDED] have been provided and of those, [NUMBER OF OCCUPIED AFFORDABLE UNITS] are occupied with qualifying "moderate income" households.

Documentation verifying occupied affordable units is attached.

Submitted by:

Apartment Manager:

---

Insert Name  
Insert Management Company Name

Developer:

---

Insert Name, Title  
Insert Entity Name

**Exhibit G**

**Mixed Income Housing Certification Letter**

Name of Project/Complex:

Address of Project/Complex:

Reporting Timeframe:

Date:

|    | Unit # | # of<br>Bedrooms | # of<br>Occupants* | Rent | Income |
|----|--------|------------------|--------------------|------|--------|
| 1  |        |                  |                    |      |        |
| 2  |        |                  |                    |      |        |
| 3  |        |                  |                    |      |        |
| 4  |        |                  |                    |      |        |
| 5  |        |                  |                    |      |        |
| 6  |        |                  |                    |      |        |
| 7  |        |                  |                    |      |        |
| 8  |        |                  |                    |      |        |
| 9  |        |                  |                    |      |        |
| 10 |        |                  |                    |      |        |
| 11 |        |                  |                    |      |        |
| 12 |        |                  |                    |      |        |
| 13 |        |                  |                    |      |        |
| 14 |        |                  |                    |      |        |
| 15 |        |                  |                    |      |        |
| 16 |        |                  |                    |      |        |
| 17 |        |                  |                    |      |        |
| 18 |        |                  |                    |      |        |
| 19 |        |                  |                    |      |        |
| 20 |        |                  |                    |      |        |

\*Person(s) on the lease of the unit.



## EXHIBIT H

### CITY OF DALLAS Office of Economic Development – Business and Workforce Inclusion Business Inclusion and Development Documentation Form (BWI-FRM-215)

(Note: Please use the Tab button, mouse or arrows to move from one section to the next. Please *DO NOT* use the "Enter" key.)

Project Name \_\_\_\_\_

Bid #:

Firm Name and Address: \_\_\_\_\_

1. Did you meet with a staff member of the Office of Economic Development Business and Workforce Inclusion (BWI)?

Please make a selection:

Name of staff member: \_\_\_\_\_

2. Did you utilize a current M/WBE directory provided by BWI staff for this project?

Please make a selection:

Date of Listing: \_\_\_\_\_

3. Did you provide plans and specifications, bids or proposals to potential M/WBEs or information regarding the location of plans and specifications, bids, or proposals for this project?

Please make a selection:

4. If M/WBE bids and proposals were received and rejected, you must attach documentation of the received bid and the reason for rejection. (i.e. letters, memos, telephone calls, meetings, etc.)

5. Complete the attached Documentation Form(s) to further explain good faith efforts to obtain M/WBE participation on this project. If there is written documentation of efforts with the M/WBEs who responded affirmatively to the bidder's written notice please attach documentation (i.e. quotes, or e-mails).



**CITY OF DALLAS**  
**Office of Economic Development – Business and Workforce Inclusion**  
**Business Inclusion and Development Documentation Form (BWI-FRM-215)**

(Note: Please use the Tab button, arrows or mouse to move from one section to the next. Please *DO NOT* use the “Enter” key.)

**Project Name #:** \_\_\_\_\_

**Bid #:** \_\_\_\_\_

| Firm Name and M/WBE Certification Number | Person Contacted and Date | Telephone Number and Email Address | Type of Work | Method of Communication (Telephone/Email) | Response |
|--|---------------------------|------------------------------------|--------------|---|----------|
|  |                           | - -                                |              |   |          |
|  |                           | - -                                |              |   |          |
|  |                           | - -                                |              |   |          |
|  |                           | - -                                |              |   |          |
|  |                           | - -                                |              |   |          |
|  |                           | - -                                |              |   |          |
|  |                           | - -                                |              |   |          |

Please use the form(s) below if additional space is needed. Intentional misrepresentation could result in criminal prosecution.

**Officer's Signature:** \_\_\_\_\_

**Title:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Printed Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_



**CITY OF DALLAS**  
**Office of Economic Development – Business and Workforce Inclusion**  
**Business Inclusion and Development Documentation Form (BWI-FRM-215)**

(Note: Please use the Tab button, arrows or mouse to move from one section to the next. Please *DO NOT* use the “Enter” key.)

**Project Name & Bid/Contract #:** \_\_\_\_\_ **#:** \_\_\_\_\_

| Firm Name and M/WBE Certification Number | Person Contacted and Date | Telephone Number and Email Address | Type of Work | Method of Communication (Telephone/Email) | Response |
|--|---------------------------|------------------------------------|--------------|---|----------|
|  |                           | - -                                |              |   |          |
|  |                           | - -                                |              |   |          |
|  |                           | - -                                |              |   |          |
|  |                           | - -                                |              |   |          |
|  |                           | - -                                |              |   |          |
|  |                           | - -                                |              |   |          |
|  |                           | - -                                |              |   |          |

Please use the form below if additional space is needed. Intentional misrepresentation could result in criminal prosecution.

**Officer's Signature:** \_\_\_\_\_ **Title:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Printed Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_



**CITY OF DALLAS**  
**Office of Economic Development - Business and Workforce Inclusion**  
**Pre-Bid/Pre-Proposal Form (BWI-FRM-623)**

**Sections II and III are worth 15 Total Points: Section II = 5 Points Maximum, Section III = 10 Points Maximum**

Solicitation Number: \_\_\_\_\_  
Project Name: \_\_\_\_\_  
Company Name: \_\_\_\_\_

## Section I: Business Inclusion Affidavit

It is the policy of the City of Dallas to involve qualified Minority and Women-Owned Business Enterprises (M/WBEs) to the greatest extent feasible on the City's construction, procurement and professional services contracts. The City and its contractors shall not discriminate on the basis of race, age, color, religion, national origin, or sex in the award and performance of contracts. On September 23, 2020 the City Council adopted the following M/WBE participation goals without consideration for specific ethnicity or gender (Resolution Number 20-1430):

Construction - 32.00%, Architectural & Engineering - 34.00%, Professional Services - 38.00%, Other Services - N/A, Goods - 32.00%

By signing below, I certify that the information included in sections II and III are true and complete to the best of my knowledge and belief. I further understand and agree that all information will be reviewed and verified by the Office of Economic Development, Business and Workforce Inclusion (BWI). I agree to provide the City of Dallas with a completed copy of all required forms provided within the BWI Inclusion document package. I understand that, for the purpose of MWBE subcontracting participation, any amounts paid to the prime from the sub contractor should not be included in the above listed participation amount. Finally, I understand that if I fail to provide all of the required documents, my bid may be deemed "non-responsive" and I may be denied award of the contract.

|  |           |
|--|-----------|
| Typed or Printed Name of Company's Certifying Official | Signature |
|  | Date      |

## Section II: Historical Utilization

| Entity Name<br>Address, City, State, Zip | Contact Person, Title<br>Phone Number | Month/Year<br>of Project | Total Contract<br>Amount | M/WBE Goal<br>(%) | Project Name/<br>Contract Type | M/WBE Actual<br>Participation<br>(\$) | M/WBE Actual<br>Participation (%) |
|--|---------------------------------------|--------------------------|--------------------------|-------------------|--------------------------------|---------------------------------------|-----------------------------------|
|  |                                       |                          | \$                       | -                 |                                | \$                                    | #DIV/0!                           |
|  |                                       |                          | \$                       | -                 |                                | \$                                    | #DIV/0!                           |
|  |                                       |                          | \$                       | -                 |                                | \$                                    | #DIV/0!                           |

*Include historical M/WBE utilization for the last three projects completed ONLY. Not limited to City of Dallas contracts, but should only include projects performed with municipalities.*

**Section II = 5 Total Points; 3 Projects = 5 Points; 2 Projects = 3 Points; 1 Project = 1 Point**

### Section III: Team Make-Up/Schedule of Work

| Company Name<br>Address, City, State, Zip | Contact Person, Title<br>Phone Number | M/WBE<br>Certification #<br>(if applicable) | Ethnicity/<br>Gender | Local<br>or<br>Non-Local | Scope of Work         | Value of Work<br>(\$) | Participation<br>(%) |
|---|---------------------------------------|---|----------------------|--------------------------|-----------------------|-----------------------|----------------------|
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
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|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
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|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          |                       | \$ -                  | #DV/0!               |
|   |                                       |   |                      |                          | Total Contract Amount | \$ -                  | #DV/0!               |

Include all subcontractors who will be performing on this project, both M/WBEs and Non-M/WBEs. This section should include the Prime Contractor's value of work, and the total contract amount will auto populate.

**Section III = 10 Total Points: Meets Goal = 5 Points; Exceeds Goal, Additional 3 Points; Diverse Team Make-Up, Additional 2 Points**



**CITY OF DALLAS**  
**Office of Economic Development – Business and Workforce Inclusion**  
**Ethnic Workforce Composition Report (BWI-FRM-627)**

(Note: Please use the Tab button, mouse or arrows to move from one section to the next. *Please DO NOT use the “Enter” key.*)

**Company name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Bid #:** \_\_\_\_\_

**Telephone Number:** \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Ext. \_\_\_\_\_

**Email Address:** \_\_\_\_\_

**Please complete the following sections based on the ethnic composition of the (location) entity in the address line above.**

| Employee Classification                      | Total No. Employees |        | White |   | Black |   | Hispanic |   | Other |   |
|--|---------------------|--------|-------|---|-------|---|----------|---|-------|---|
|  | Male                | Female | M     | F | M     | F | M        | F | M     | F |
|  |                     |        |       |   |       |   |          |   |       |   |
| Administrative/Managerial                    |                     |        |       |   |       |   |          |   |       |   |
| Professional                                 |                     |        |       |   |       |   |          |   |       |   |
| Technical                                    |                     |        |       |   |       |   |          |   |       |   |
| Office/Clerical                              |                     |        |       |   |       |   |          |   |       |   |
| Skilled                                      |                     |        |       |   |       |   |          |   |       |   |
| Semiskilled                                  |                     |        |       |   |       |   |          |   |       |   |
| Unskilled                                    |                     |        |       |   |       |   |          |   |       |   |
| Seasonal                                     |                     |        |       |   |       |   |          |   |       |   |
| <b>Totals:</b>                               |                     |        |       |   |       |   |          |   |       |   |
| <b># of employees living in Dallas:</b>      |                     |        |       |   |       |   |          |   |       |   |
| <b>Total % of employees living in Dallas</b> |                     |        |       |   |       |   |          |   |       |   |

\_\_\_\_\_  
**Officer's Signature**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Typed or Printed Name**

\_\_\_\_\_  
**Date**



**CITY OF DALLAS**  
**Office of Economic Development – Business and Workforce Inclusion**  
**Subcontractor Intent Form (BWI-FRM-214)**

(Note: Please use the Tab button, mouse or arrows to move from one section to the next. Please DO NOT use the "Enter" key.)

TO: City of Dallas DATE: \_\_\_\_\_

Office of Economic Development - Business and Workforce Inclusion

Project Name: \_\_\_\_\_ Bid # \_\_\_\_\_

will provide the following

\_\_\_\_\_  
M/WBE Subcontractor on the project

good(s)/service(s): \_\_\_\_\_

to \_\_\_\_\_

\_\_\_\_\_  
Prime Contractor on the project

MWBE subcontractor is currently certified by the following agency: \_\_\_\_\_

M/WBE Certification Number: # \_\_\_\_\_

***Certification must be kept current / valid for the entire duration of this contract. Failure to comply with this provision could be subject to removal from contract.***

**For the purpose of M/WBE subcontracting participation, the City of Dallas does not include amounts paid to the prime by the sub-contractor.**

|                                   |          |               |
|-----------------------------------|----------|---------------|
| Total Contract Amount for prime   | \$ _____ | _____ NCTRCA  |
|                                   |          | _____ DFWMSDC |
| MWBE/DBE Sub Participation Amount | \$ _____ | _____ % WBCSW |

The undersigned intends to enter into a formal agreement with the subcontractor listed, conditioned upon being awarded the City of Dallas contract. The undersigned understands that, for the purpose of M/WBE subcontracting participation, any amounts paid to the prime from the sub contractor should not be included in the above listed participation amount. Finally, the prime contractor must submit a Change of M/WBE subcontractor/supplier form to the Business and Workforce Inclusion division for approval prior to any changes in the team make-up. Failure to comply with these provisions could result in termination of the contract, sanctions against the prime contractor, and/or ineligibility for future City contracts.

\_\_\_\_\_  
Officer's Signature (Prime Contractor)

\_\_\_\_\_  
Officer's Signature (M/WBE/DBE Subcontractor)

\_\_\_\_\_  
Printed Name (Prime Contractor)

\_\_\_\_\_  
Printed Name (M/WBE/DBE Subcontractor)

\_\_\_\_\_  
Title (Prime Contractor)

\_\_\_\_\_  
Title (M/WBE/DBE Subcontractor)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Please select or list all Chambers or Advocacy groups you are a member of:

|   | Prime                    | Sub                      |   | Prime                    | Sub                      |
|---|--------------------------|--------------------------|---|--------------------------|--------------------------|
| Greater Dallas Asian American Chamber of Commerce | <input type="checkbox"/> | <input type="checkbox"/> | Asian Contractors Association             | <input type="checkbox"/> | <input type="checkbox"/> |
| Greater Dallas Black Chamber of Commerce          | <input type="checkbox"/> | <input type="checkbox"/> | Regional Black Contractors Association    | <input type="checkbox"/> | <input type="checkbox"/> |
| Greater Dallas Hispanic Chamber of Commerce       | <input type="checkbox"/> | <input type="checkbox"/> | Regional Hispanic Contractors Association | <input type="checkbox"/> | <input type="checkbox"/> |
| U.S. Pan Asian American Chamber of Commerce       | <input type="checkbox"/> | <input type="checkbox"/> |   |                          |                          |

Other \_\_\_\_\_





**CITY OF DALLAS**  
**Office of Economic Development - Business and Workforce Inclusion**  
**Contractor's Affidavit - Schedule of Work and Actual Payment (BWI-FRM-213)**

Project Name: \_\_\_\_\_ Bid/Contract #: \_\_\_\_\_

**Instructions:**

Column 1: List type of work to be performed by Prime and 1st tier subcontractors.

Column 6: Indicate firm's location as L=local (within Dallas county limits);

N=Non-local (Outside Dallas county limits).

Column 2: City of Dallas Vendor Number for Prime and Subcontractors/Suppliers (if none, register online: [www.bids.dallascityhall.org](http://www.bids.dallascityhall.org)). ALL Prime and Subcontractors/Suppliers must be registered with the City of Dallas.

Column 7: Indicate dollar amount of value of work for the Prime contractor, subcontractors, and suppliers.

Column 3: List name of firm; M/WBE Certification Number (if applicable).

Column 4: List firm(s); contact name; address; telephone number.

Column 5: List ethnicity of firm(s) owner as B=African American; H=Hispanic; I=Asian Indian; N=Native American; P=Asian Pacific; W=Woman; NON=other than M/WBE.

Column 8: Indicate percentage of total contract amount.

Column 9: Indicate total payments to date.

Column 10: Indicate payments during current pay period.

| Type of Work<br>[1] | City of Dallas<br>Vendor Number<br>[2] | Name of Firm & M/WBE<br>Certification (if<br>Applicable)<br>[3] | Contact Name Address, City, State, Zip<br>& Tel. Number<br>[4] | Type of Firm<br>L<br>or<br>N<br>[5] | Value of Work (\$)<br>[7] | Percent (%)<br>[8] | Payments to Date<br>(\$)<br>[9] | Payment this<br>Period (\$)<br>[10] |
|---------------------|--|---|--|-------------------------------------|---------------------------|--------------------|---------------------------------|-------------------------------------|
| Notes:              |  |   |  |                                     |                           | #VALUE!            |                                 |                                     |
| Notes:              |  |   |  |                                     |                           | #DIV/0!            |                                 |                                     |
| Notes:              |  |   |  |                                     |                           | #DIV/0!            |                                 |                                     |
| Notes:              |  |   |  |                                     |                           | #DIV/0!            |                                 |                                     |
| Notes:              |  |   |  |                                     |                           | #DIV/0!            |                                 |                                     |
| Notes:              |  |   |  |                                     |                           | #DIV/0!            |                                 |                                     |
| Notes:              |  |   |  |                                     |                           | #DIV/0!            |                                 |                                     |
| Notes:              |  |   |  |                                     |                           | #DIV/0!            |                                 |                                     |

| Type of Work  | City of Dallas Vendor Number | Name of Firm & M/WBE Certification (if Applicable) | Contact Name Address, City, State, Zip & Tel. Number | Type of Firm | L or N | Value of Work (\$) | Percent (%) | Payments to Date (\$) | Payment this Period (\$) |
|---|------------------------------|--|--|--------------|--------|--------------------|-------------|-----------------------|--------------------------|
|   |                              |  |  |              |        |                    | #DIV/0!     |                       |                          |
| Notes:  |                              |  |  |              |        |                    |             |                       |                          |
|   |                              |  |  |              |        |                    | #DIV/0!     |                       |                          |
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|   |                              |  |  |              |        |                    | #DIV/0!     |                       |                          |
| Notes:  |                              |  |  |              |        |                    |             |                       |                          |
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| Notes:  |                              |  |  |              |        |                    |             |                       |                          |
|   |                              |  |  |              |        |                    | #DIV/0!     |                       |                          |
| Notes:  |                              |  |  |              |        |                    |             |                       |                          |
|   |                              |  |  |              |        |                    | #DIV/0!     |                       |                          |
| Notes:  |                              |  |  |              |        |                    |             |                       |                          |
|   |                              |  |  |              |        |                    | #DIV/0!     |                       |                          |
| Notes:  |                              |  |  |              |        |                    |             |                       |                          |
|   |                              |  |  |              |        |                    | #DIV/0!     |                       |                          |
| Notes:  |                              |  |  |              |        |                    |             |                       |                          |
|   |                              |  |  |              |        |                    | #DIV/0!     |                       |                          |
| Notes:  |                              |  |  |              |        |                    |             |                       |                          |
| <div> <div>Total Bid Amount: \$</div> <div>-</div> <div>#VALUE!</div> <div>\$</div> <div>-</div> <div>\$</div> </div> |                              |  |  |              |        |                    |             |                       |                          |

[Note: Totals and Percentages will automatically calculate.]

The undersigned intends to enter into a formal agreement with the subcontractors listed, conditioned upon being awarded the City of Dallas contract. If any changes are made to this list, the Prime contractor must submit to the City for approval a revised schedule with documented explanations for the changes and the Change of M/WBE Subcontractor Form. Failure to comply with this provision could result in termination of the contract, sanctions against the Prime contractor, and/or ineligibility for future City contracts.

Officer's Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Company Name: \_\_\_\_\_

## Exhibit I

### Quarterly Project Status Report

Prepared by  
SEK Hall Street LLC

|   |
|---|
| Project Name:   |
| Report Period:<br>From: _____ To: _____   |
| Project Start Date:<br>Required Completion Date:<br>Current Completion Date:<br>Number of units completed:  |
| Briefly describe Project progress during this period:   |
| Which documents did you submit to the City of Dallas Business Development & Procurement Services? When?<br><br>Which documents did you submit to the City of Dallas Fair Housing Department? When?<br><br>Describe any issues of concern with the City of Dallas (Office of Economic Development/Business Development & Procurement Services/ Fair Housing Department/Public Work and Transportation etc.)? |
| Attach 4-8 current construction progress pictures from four sides of the Project.   |
| By: _____<br><br>_____<br><br>PRINT NAME: _____   |

City of Dallas

# UDPRP Review Summary **DRAFT 05.29.20**

Urban Design Peer Review Panel

DATE: 05.29.20

TIME: 8:30am

**PROJECT: One City View**

LOCATION: WebEx Teleconference

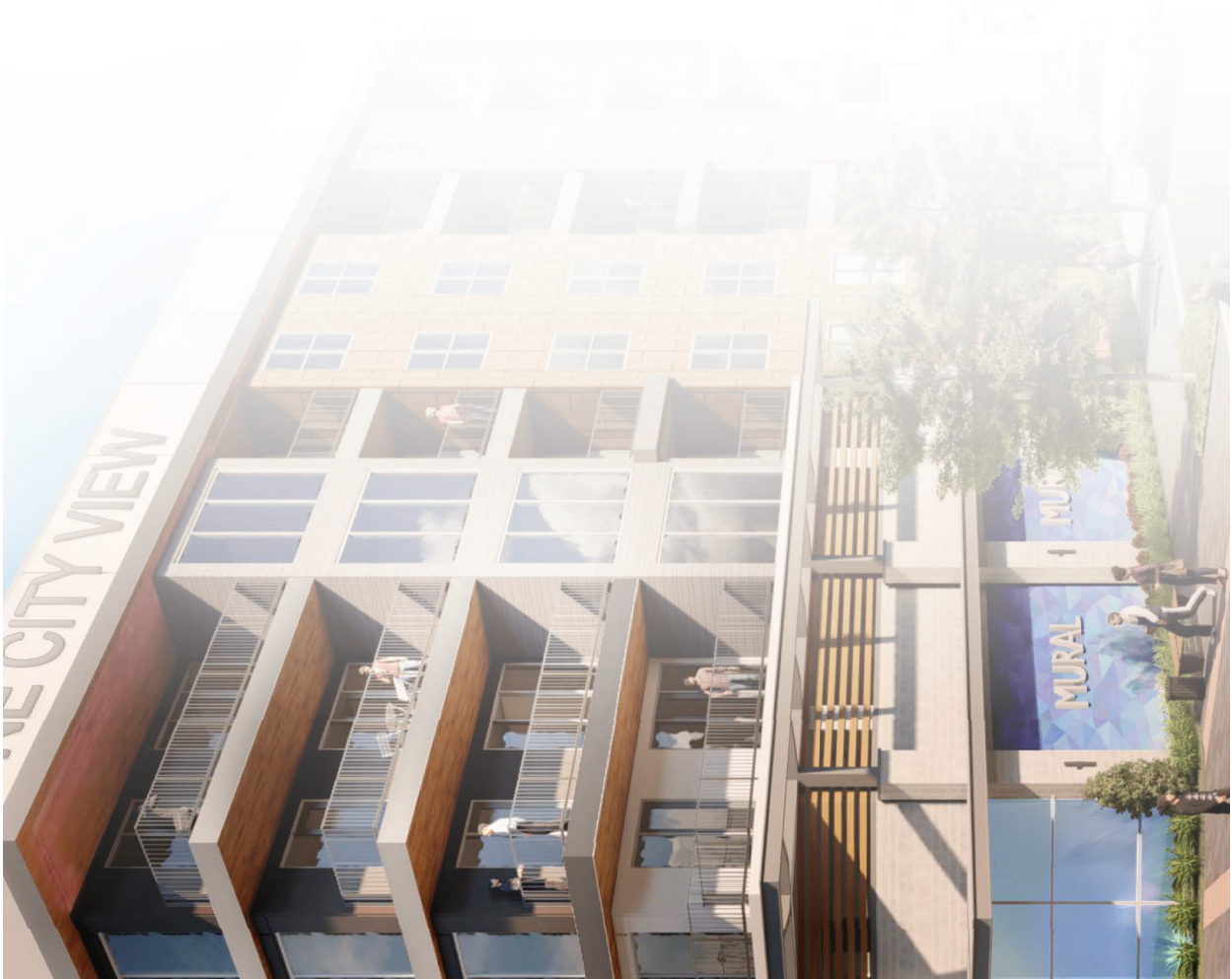
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## **Overview**

Below is a summary of the Urban Design Peer Review Panel's advice for the second review of the One City View development as derived from the May 29<sup>th</sup> Peer Review session.

## **Advice Summary**

- [1] The Panel applauds this development in providing an additional mixed-use urban grocer in the urban core of Dallas.
- [2] The Panel recommends the design team improve the connection of this project to the surrounding neighborhood context by better activating and enhancing facades along Cochran, Hall, and Flora Streets through new ground-level programming such as liner apartments, townhomes, or other active uses such as a larger apartment lobby.
- [3] Alternatively, given potential design and engineering constraints, the design team should explore techniques such as a recessed building facade on Hall Street and enhanced transparency to improve the pedestrian experience at ground-level.
- [4] The Panel suggests reconfiguring the grocer layout to allow the Hall/Flora corner to serve as a primary entry and façade to the store in order to improve the relationship of that corner to the public realm. If unachievable, other design enhancements such as art, benches, and plantings, should be made to soften that corner.
- [5] The Panel suggests the design team explore a revised development plan that flips the relationship of the Kroger and parking at the ground-level, locating the grocery at the corner of Hall and Cochran, being more respectful to the adjacent townhomes and multifamily.
- [6] The Panel advises that further architectural detail be given to the parking garage façade and streetscape details along Hall to soften the experience and mitigate the scale of the project to the scale of the pedestrian.



# EXHIBIT J-1

ONE CITY VIEW  
DALLAS, TX

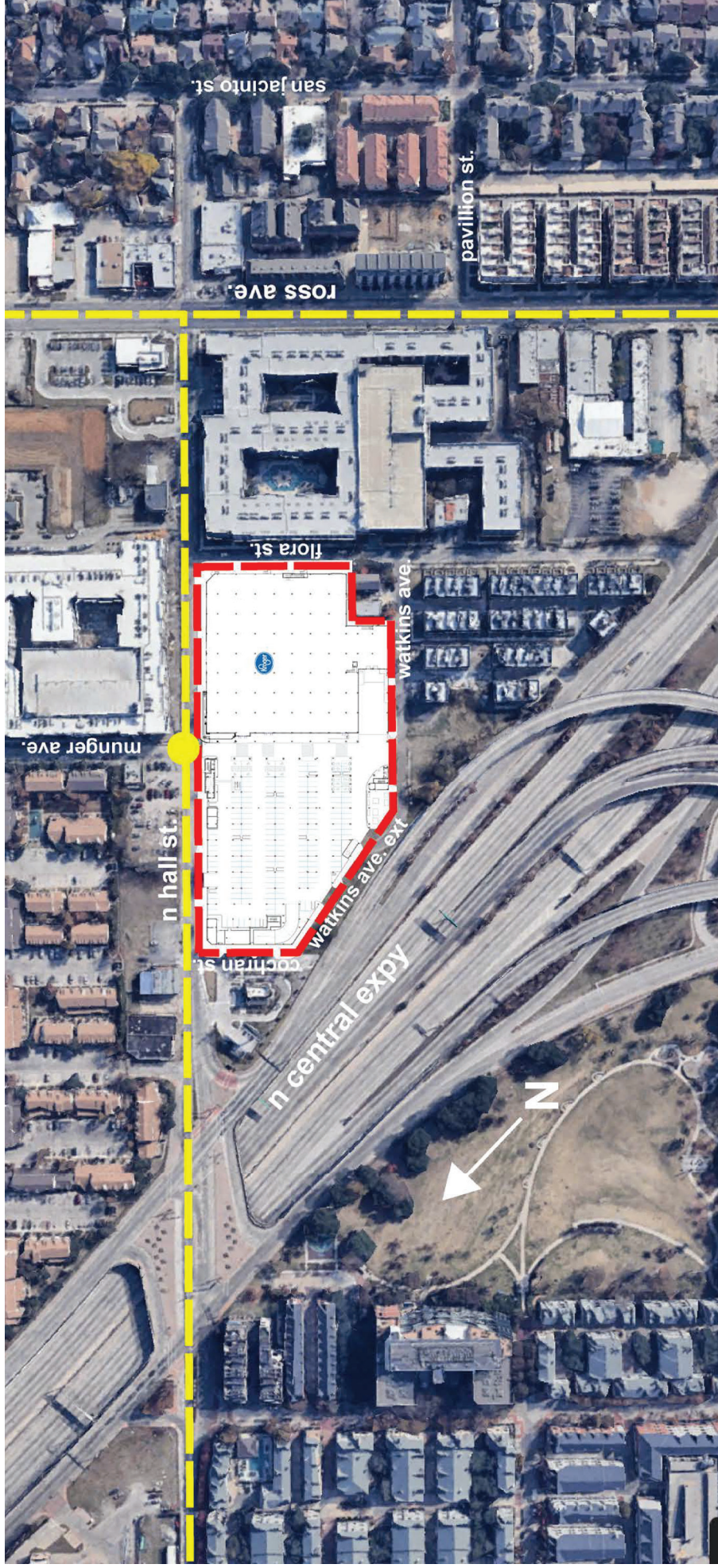
UDPRP REVIEW  
07.24.2020

**O'BRIEN**



**Kimley»Horn**

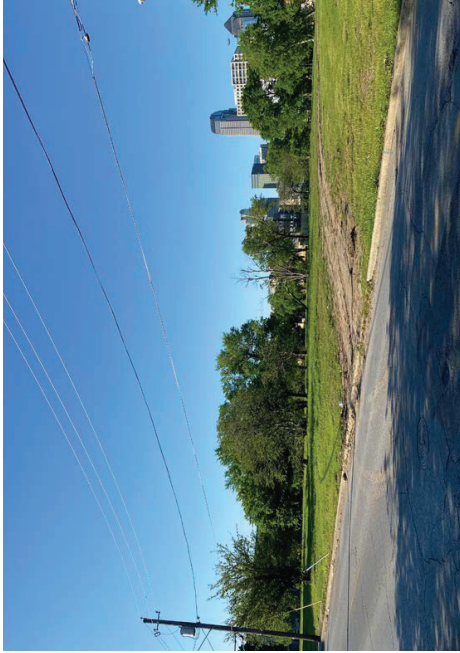
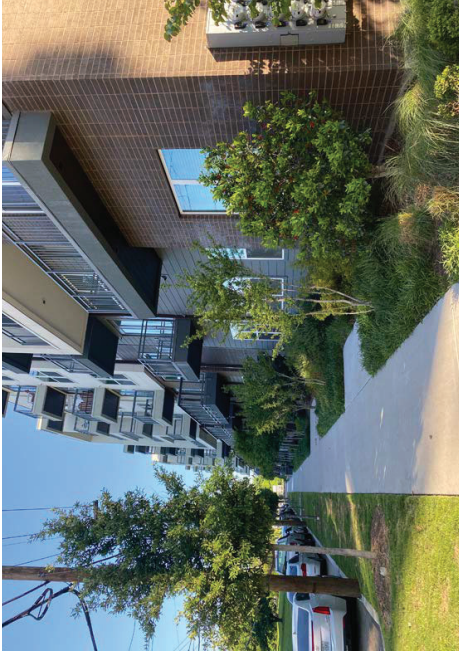
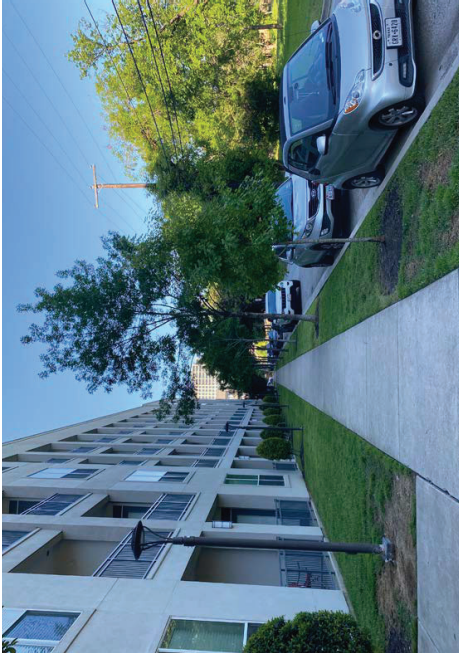




#### Context Description

This proposed context plan is a mixed use project with an 85,000 SF Kroger, 790 parking garage and 375 multi-family units with amenity spaces. PD 466 (subdistrict C) applies to this development. The proposed development is surrounded by North Hall Street, Cochran Street and Watkins Street. The surroundings area are primarily multi-family developments with limited retail. Starbucks is across from Cochran Street. The site is immediately east of Central Expressway with a nice view of downtown high rise buildings. The streetscape is designed to provide pedestrian amenities at the corner intersections as well as key pedestrian zones that include enhanced paving, street trees, landscaping, outdoor seating, and a dog park for residents. The landscape design incorporates planting that will provide consistency along the adjacent thoroughfares and conjoin the project theme across each of the mixed use components (Kroger, Garage, and multi-family units).



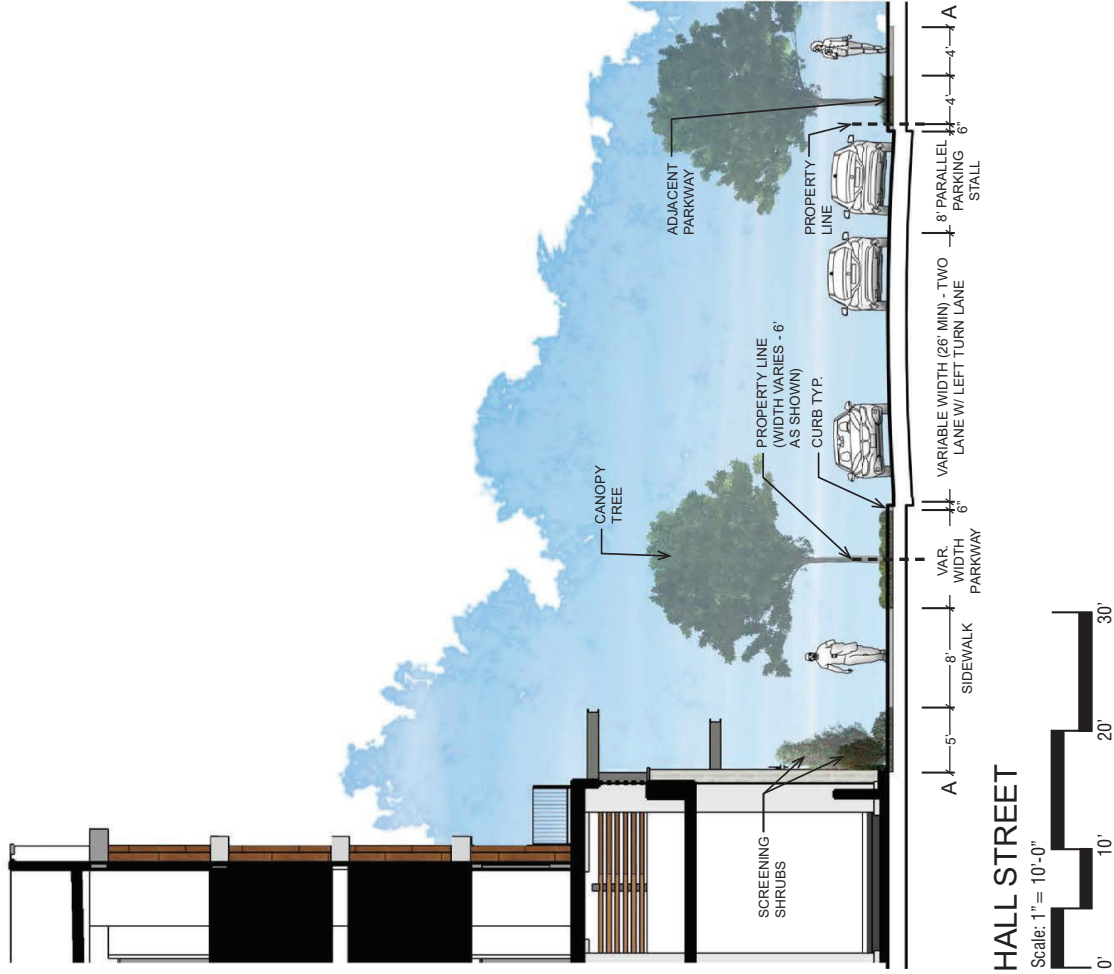




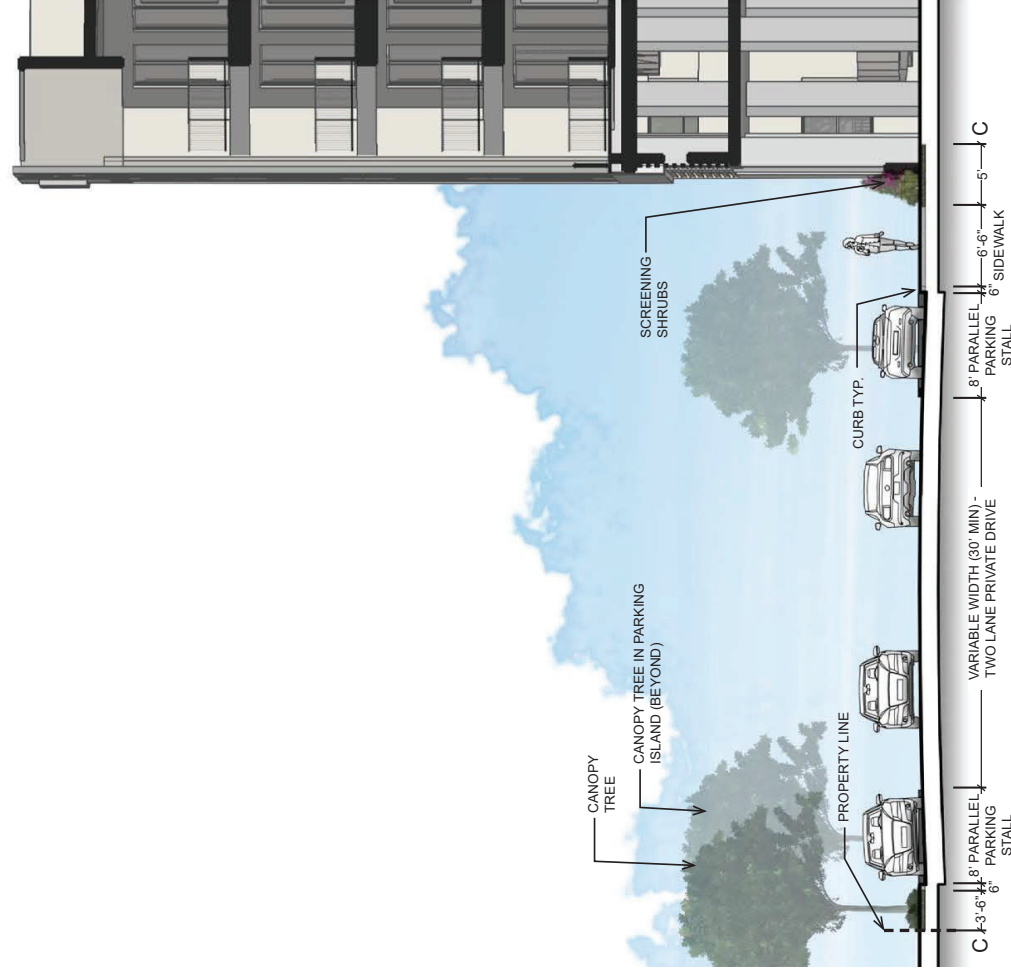


ONE CITY VIEW// LANDSCAPE PLAN





ONE CITY VIEW// STREET SECTIONS



WATKINS AVE.

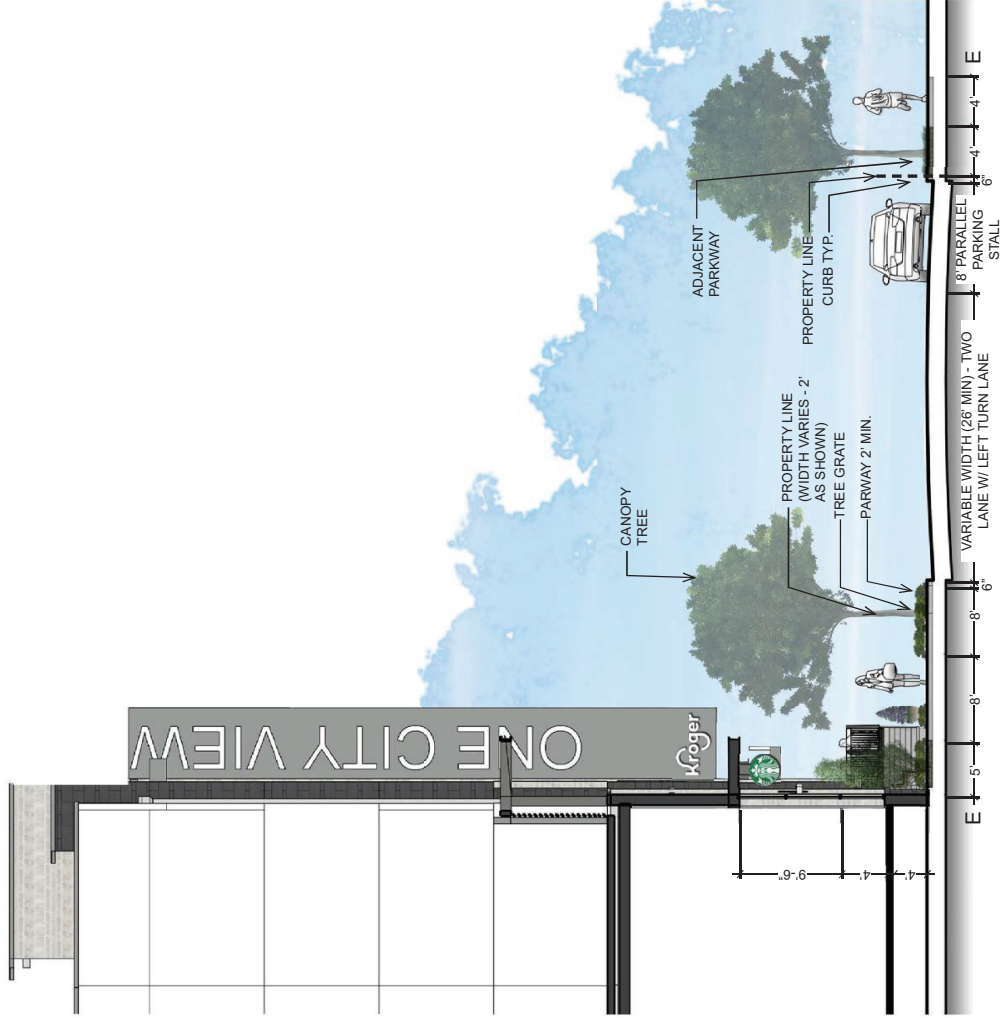
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# ONE CITY VIEW// STREET SECTIONS



WATKINS AVE.



HALL STREET

Scale: 1" = 10'-0"







ONE CITY VIEW// NORTHWEST CORNER





ONE CITY VIEW// COCHRAN STREET





ONE CITY VIEW// PROJECT ENTRY





ONE CITY VIEW// NORTHEAST CORNER





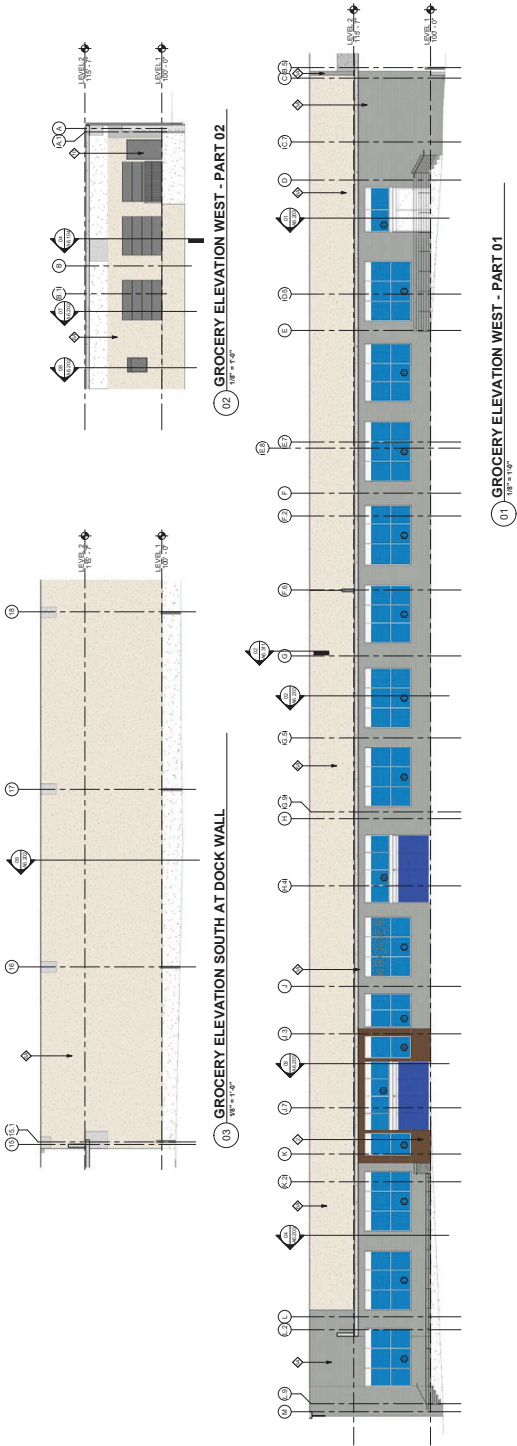
ONE CITY VIEW// HALL STREET PERSPECTIVE







| ELEVATION KEYNOTES |   |
|--------------------|---|
| 1                  | INTERIOR FINISHES TO BE DETERMINED BY ARCHITECT |
| 2                  | INTERIOR FINISHES TO BE DETERMINED BY ARCHITECT |
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| 100                | INTERIOR FINISHES TO BE DETERMINED BY ARCHITECT |





## Agenda Information Sheet

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**File #:** 21-1832

**Item #:** 55.

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 1

**DEPARTMENT:** Office of Historic Preservation

**EXECUTIVE:** Dr. Eric A. Johnson

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### **SUBJECT**

Authorize a historic preservation tax exemption for the Texas Theater located at 231 West Jefferson Avenue - Revenue Foregone: \$132,039.00

### **BACKGROUND**

Article XI of the Dallas Development Code established the Historic Preservation Tax Incentive Program, which allows property owners to receive tax exemptions for restorations of historic properties. Dallas Development Code Section 11.201(e) requires that City Council review any exemption over \$50,000.00.

Constructed in 1931, the Texas Theatre was designed by architect W. Scott Dunne. The "Texas," the largest suburban theater in Texas when it was built, is an "atmospheric" theater, a genre designed to enhance the fantasy and exoticism of the movies. The two-story building, originally owned by C. R. McHenry, is located at the commercial heart of the community of Oak Cliff. The original appearance of the theater evoked an Italian medieval structure with Venetian influences expressed in the decorative brickwork and stone. The interior of the theater was designed with a Venetian court theme, complete with sound effects, clouds and a night sky of 118 twinkling stars in the auditorium. The original movie equipment was Motiograph Deluxe sound equipment, an extreme rarity at the time. The cooling and ventilating system was almost entirely invisible to the audience and consisted of two blowers powered by ten horsepower motors. In warm weather, the air was cooled through water. A renovation prior to 1956 resulted in the addition of stucco over the brick and stone façade. On November 22, 1963, following the assassination of President John F. Kennedy, Lee Harvey Oswald was apprehended in the auditorium, propelling the Texas Theatre into the international spotlight. In April 1965, the theater was remodeled extensively on the exterior and interior. The uppermost section of the façade was removed and the theater's vibrant designs were sealed under stucco. United Artists closed the theater in 1989. In 1991 it was used in the filming of the movie, "JFK." In 2001, the Oak Cliff Foundation bought the theater. This Dallas landmark was listed in the National Register of Historic Places in 2003. Aviation Cinemas reopened the theater in 2010. Recorded Texas Historic Landmark - 2013.

The 2020 Dallas Central Appraisal District appraised value for the 231 West Jefferson account is \$563,870.00, with an improvement value of \$198,770.00 and land value of \$365,100.00. The applicant is therefore required to invest approximately \$99,385.00 into the property to qualify for the exemption. As of May 5, 2021, the applicant has spent \$1,700,000.00 on eligible items. The attached Certificate for Eligibility application details the work already completed on the structure.

### **ESTIMATED SCHEDULE OF PROJECT**

Began Rehabilitation            November 2020  
Completed Rehabilitation   April 2021

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On May 3, 2021, the Landmark Commission authorized the Certificate of Eligibility.

### **FISCAL INFORMATION**

Revenue Foregone: \$132,039.00 total over a 10-year period

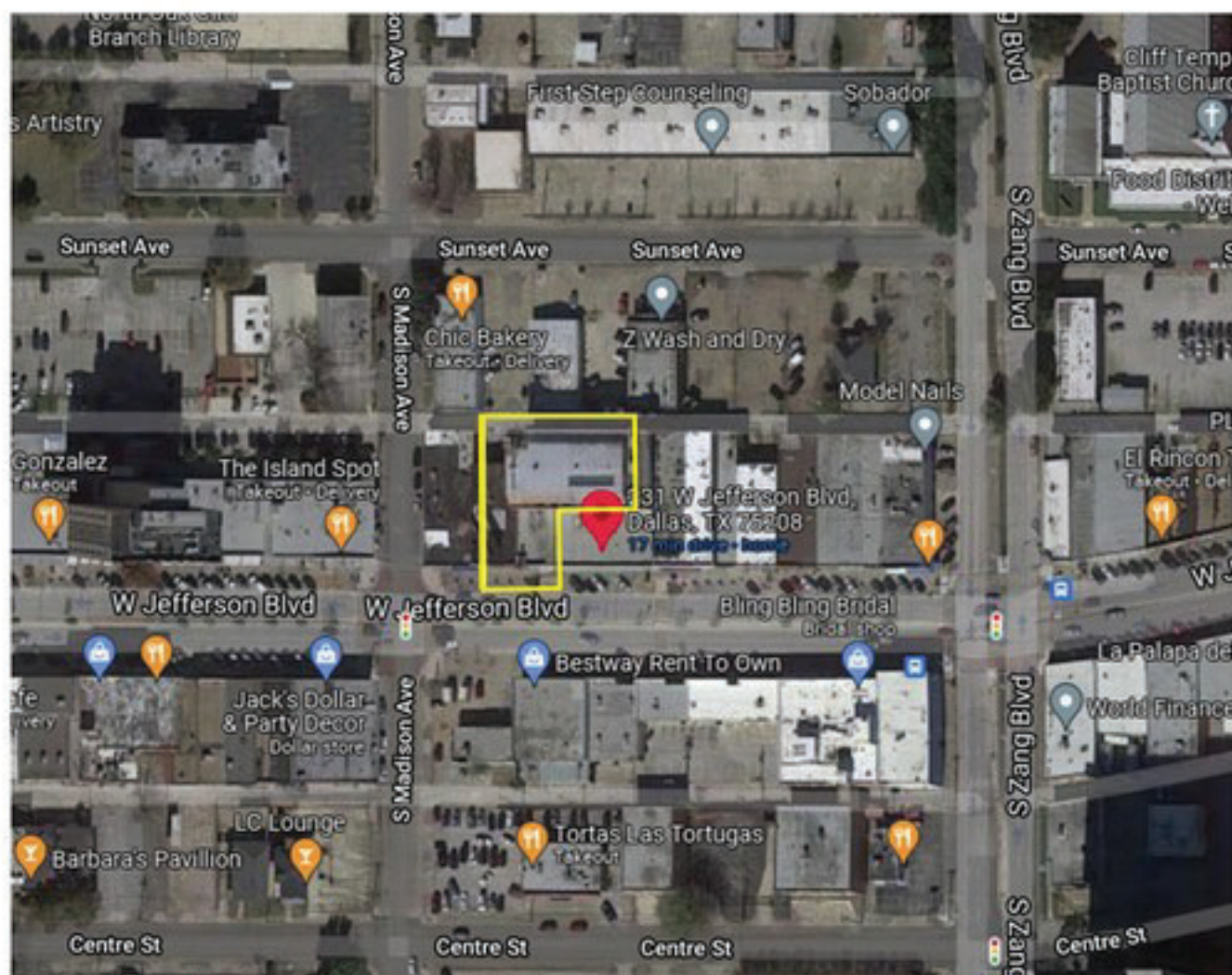
### **OWNER/DEVELOPER**

Barak Epstein

### **MAP**

Attached







## LANDMARK COMMISSION

5/3/2021

**FILE NUMBER:** CA201-004(MLP) **PLANNER:** Melissa Parent  
**LOCATION:** 231 W Jefferson (Texas Theater) **DATE FILED:** 3/28/2021  
**COUNCIL DISTRICT:** 1 **DISTRICT:** Texas Theater  
**SIZE OF REQUEST:** 2,640 **MAPSCO:** 54-H

**APPLICANT:** Barak Epstein

**OWNER:** JUNG HYUN JIN

**REQUEST:** A Certificate of Eligibility (CE) for a tax exemption on the added value of the land and improvements for a period of ten years and approval of \$132,039 in expenditures spent on rehabilitation within the three years prior to the CE approval.

**SUMMARY:** This single-family house was built in 1936 and is a contributing structure in the historic district.

In Citywide Historic Districts, property owners are eligible to receive an exemption based on rehabilitation on the added value of the land and improvement value on the city portion of the property taxes for a period of 10 years. This exemption requires that rehabilitation completed on the property must be at minimum, 50 percent of the pre-rehabilitation improvement value.

|                            |             |
|----------------------------|-------------|
| Improvements Value (2020): | \$198,770   |
| Land Value:                | \$365,100   |
| Required Expenditures:     | \$99,385    |
| Estimated Expenditures:    | \$1,700,000 |
| Estimated Total Exemption: | \$132,039   |

Notes on the estimated exemptions:

\* The estimated value after rehabilitation does not account for any increase in value due to appreciation.

\*\* Tax estimates are based on the new city tax rate of 0.7767%. Properties with homestead exemptions are assumed to increase in taxable value at the capped rate of 10% until they reach the "estimated new value after rehabilitation".

The applicant has completed rehabilitation on the property, which includes the, windows, plumbing, HVAC, and roofing. The Landmark Commission may approve expenditures made up to three years prior to the Landmark Commission's approval of a Certificate of Eligibility. A default completion date will be 5/3/2024, by which a certificate of occupancy must also be obtained, unless the property is a single family residence. The Certificate of Eligibility shall expire if the rehabilitation work has not been completed by that time.

**STAFF RECOMMENDATION:** Approval of the Certificate of Eligibility and approval of \$1,700,000 in expenditures spent on rehabilitation prior to the issuance of the Certificate of Eligibility.





# Historic Preservation Tax Incentive Program

## Step 1 Application to the Landmark Commission

(Properties where part of the rehabilitation work has  
been previously completed)

Address: 231 W JEFFERSON BLVD Dallas 75208  
Applicant: 231 W. JEFFERSON BLVD LLC,  
Contact info: BARAK EPSTEIN 214-529-3725  
Barak@AVIATIONCINEMAS.COM



# Historic Tax Exemption Application

## Step 1 – Application for a Certificate of Eligibility

### Property Information

Property Address: 231 W. JEFFERSON DIVD DALLAS 75208  
Legal description: Lot Dallas 1000 & 10002 Block 48/3168 PT LTS 35 ACS 0.2793  
Provide a metes and bounds attachment if no lot and block can be determined.  
Building name (if applicable): TEXAS THEATRE  
Historic district or pending historic district: TEXAS THEATRE HISTORIC DISTRICT  
Year the historic structure was built: 1931  
Is this a contributing structure? \_\_\_\_\_

### Owner Information

Please list all of the property owner(s): 231 W. JEFFERSON DIVD LLC  
Mailing address: 231 W. JEFFERSON DIVD  
City, state and zip code: DALLAS TX 75208  
Phone number: 214-529-3725 Fax number: \_\_\_\_\_  
Email: DURAK@AVIATIONCINEMAS.COM

### Applicant Information (if different from the property owner)

Applicant name: \_\_\_\_\_  
Mailing address: \_\_\_\_\_  
City, state and zip code: \_\_\_\_\_  
Phone number: \_\_\_\_\_ Fax number: \_\_\_\_\_  
Email: \_\_\_\_\_

### Rehabilitation Information

Estimated Rehabilitation Investment: \$1,700,000  
Current Use: MOVIES, ART, MUSIC VENUE Proposed Use: EXPANSION  
For any exterior work, has a Certificate of Appropriateness (CA) been approved yet? \_\_\_\_\_  
If not, when will the application for a CA be considered? \_\_\_\_\_  
Projected Construction Time and Estimated Date of Completion: JUNE 2021

**Lien Holder Information (if applicable)**

Primary mortgage company: FROST BANK  
Contact person: LOBO MARTINEZ 469-831-4233  
Correspondence address: 2627 W. JEFFERSON AVE #314  
Secondary mortgage company: \_\_\_\_\_  
Contact person: \_\_\_\_\_  
Correspondence address: \_\_\_\_\_  
Other lienholder: \_\_\_\_\_  
Contact person: \_\_\_\_\_  
Correspondence address: \_\_\_\_\_

**Financial Information**

The following information can be obtained from the Dallas Central Appraisal District website ([www.dallascad.org](http://www.dallascad.org) and click search for appraisals). The City of Dallas will use the tax values for the year prior to the application being made.

The date this application is submitted to the city: \_\_\_\_\_

Improvement Value: 198,770

Land Value: 365,100

Has the Property Received Any Previous Tax Relief? If so, Please Explain: \_\_\_\_\_

Is this in a TIF District? \_\_\_\_\_

**\*\* Please attach a copy of the dallascad.org account information for the property to this application\*\***

**If Applying for an Urban Historic District Conversion Exemption**

Total Building Square Footage: \_\_\_\_\_

Retail Square Footage: \_\_\_\_\_

Office Square Footage: \_\_\_\_\_

Residential Square Footage: \_\_\_\_\_

Number of Jobs Created: \_\_\_\_\_

**THE TEXAS THEATRE RENOVATION - OVERALL PROJECT BUDGET - REV. 01**  
**DALLAS, TEXAS**

|  |  |
|--|--|
| <b>Architect:</b> Corgan<br><b>Owner:</b> Aviation Cinemas, Inc.<br><b>Building Area:</b> 9,668 SF<br><b>Cost/Sq.Ft.:</b> 120.63 \$/SF<br><b>Total Cost:</b> 1,399,911 | <b>Date:</b> 11/09/20<br><b>Estimator:</b> A. Cianciolo<br><b>Duration:</b> 6 Months<br><b># of Addenda:</b> 0 |
|--|--|

| CODE               | DESCRIPTION                       | PHASE 01 | PHASE 02 | PROJECT TOTAL |
|--------------------|-----------------------------------|----------|----------|---------------|
| <b>DIVISION 00</b> |                                   |          |          |               |
| 000001             | DESIGN AND ENGINEERING            | 0        | 0        | 0 By Owner    |
| 000002             | MATERIALS TESTING                 | 0        | 0        | 0 By Owner    |
| 000003             | PERMITTING                        | 3,060    | 17,060   | 20,120        |
| <b>DIVISION 01</b> |                                   |          |          |               |
| 010000             | GENERAL CONDITIONS                | 30,000   | 100,000  | 130,000       |
| 011000             | INSURANCE                         | 2,491    | 17,288   | 19,779        |
| <b>DIVISION 02</b> |                                   |          |          |               |
| 020000             | DEMOLITION                        | 9,400    | 37,640   | 47,040        |
| <b>DIVISION 03</b> |                                   |          |          |               |
| 030000             | CAST-IN-PLACE CONCRETE / GEOFOAM  | 0        | 129,081  | 129,081       |
| <b>DIVISION 04</b> |                                   |          |          |               |
| 040000             | MASONRY                           | 0        | 0        | 0 N/A         |
| <b>DIVISION 05</b> |                                   |          |          |               |
| 050000             | STRUCTURAL STEEL                  | 0        | 100,330  | 100,330       |
| 050001             | MISCELLANEOUS STEEL               | 0        | 0        | 0 w/050000    |
| <b>DIVISION 06</b> |                                   |          |          |               |
| 060000             | FINISH CARPENTRY                  | 0        | 0        | 0 N/A         |
| 060001             | ROUGH CARPENTRY                   | 0        | 0        | 0 N/A         |
| <b>DIVISION 07</b> |                                   |          |          |               |
| 070000             | ROOFING                           | 0        | 6,120    | 6,120 N/A     |
| 070001             | WATERPROOFING AND JOINT SEALANTS  | 0        | 0        | 0 N/A         |
| <b>DIVISION 08</b> |                                   |          |          |               |
| 080000             | DOORS AND FRAMES                  | 7,038    | 37,486   | 44,524        |
| 080001             | GLASS AND GLAZING                 | 0        | 1,188    | 1,188         |
| 080002             | OVERHEAD DOORS AND DOCK EQUIPMENT | 0        | 0        | 0 N/A         |
| <b>DIVISION 09</b> |                                   |          |          |               |
| 090000             | DRYWALL AND ACOUSTICAL            | 108,516  | 99,108   | 207,624       |
| 090001             | FLOORING                          | 0        | 53,092   | 53,092        |
| 090002             | PAINTING                          | 15,817   | 46,440   | 62,257        |
| <b>DIVISION 10</b> |                                   |          |          |               |
| 100000             | MISCELLANEOUS SPECIALTIES         | 0        | 0        | 0             |
| <b>DIVISION 12</b> |                                   |          |          |               |
| 120000             | WINDOW COVERINGS                  | 0        | 0        | 0 N/A         |
| <b>DIVISION 14</b> |                                   |          |          |               |
| 140000             | ELEVATOR                          | 0        | 104,550  | 104,550       |
| 140001             | SCAFFOLDING                       | 40,814   | 0        | 40,814        |
| <b>DIVISION 21</b> |                                   |          |          |               |
| 210000             | FIRE SUPPRESSION                  | 0        | 0        | 0 N/A         |
| <b>DIVISION 22</b> |                                   |          |          |               |
| 220000             | PLUMBING                          | 0        | 35,314   | 35,314        |
| <b>DIVISION 23</b> |                                   |          |          |               |
| 230000             | HVAC                              | 0        | 71,030   | 71,030        |

**DIVISION 26, 27, 28**

|        |                |       |         |                |
|--------|----------------|-------|---------|----------------|
| 260000 | ELECTRICAL     | 5,202 | 144,246 | <b>149,448</b> |
| 260001 | FIRE ALARM     | 0     | 28,611  | <b>28,611</b>  |
| 260002 | PHONE AND DATA | 0     | 0       | <b>0</b> N/A   |

|                              |         |           |                  |
|------------------------------|---------|-----------|------------------|
| SUBTOTALS                    | 222,338 | 1,028,585 | <b>1,250,922</b> |
| Payment and Performance Bond |         | 0         | <b>0</b>         |
| SUBTOTAL                     | 222,338 | 1,028,585 | <b>1,250,922</b> |
| Contingency                  | 11,117  | 51,429    | <b>62,546</b>    |
| SUBTOTAL                     | 233,455 | 1,080,014 | <b>1,313,468</b> |
| Fee                          | 16,342  | 70,101    | <b>86,443</b>    |
| SUBTOTAL                     | 249,797 | 1,150,115 | <b>1,399,911</b> |
| Renovation Tax               | 0       | 0         | <b>0</b>         |
| TOTAL COST                   | 249,797 | 1,150,115 | <b>1,399,911</b> |

## Type of Exemption that is being applied for:

| Category  |                          | Type                                  | Required Expenditures<br>(% of pre-rehab value of structure only)                        | Amount<br>(portion of land and structure) | Duration | Renewable<br>(façade expenditures only) |
|---|--------------------------|---------------------------------------|--|---|----------|---|
| <b>Urban Historic Districts</b><br>Includes all properties located within the Urban historic district area shown on the last page of the Information packet | <input type="checkbox"/> | Based on Rehab                        | 75%  | 100%                                      | 10 years | Yes                                     |
|   | <input type="checkbox"/> | Based on Rehab                        | 50%  | Added Value                               | 10 years | Yes                                     |
|   | <input type="checkbox"/> | Residential / ground floor conversion | 50% must be converted to residential and 65% of ground floor must be converted to retail | 100%                                      | 5 years  | No                                      |

**\*\* A Residential / Ground Floor Conversion exemption may be applied for in addition to an exemption Based on Rehab**

| Category   |                          | Type           | Required Expenditures | Amount | Duration | Renewable<br>(façade expenditures only) |
|--|--------------------------|----------------|-----------------------|--------|----------|---|
| <b>Revitalizing Historic Districts</b><br>Includes properties located in:<br><ul style="list-style-type: none"> <li>• Junius Heights</li> <li>• Lakewood</li> <li>• Peak's Suburban</li> <li>• South Blvd. / Park Row</li> <li>• Winnetka Heights</li> </ul> | <input type="checkbox"/> | Based on Rehab | 25%                   | 100%   | 10 years | Yes                                     |

| Category   |                          | Type           | Required Expenditures | Amount | Duration | Renewable<br>(façade expenditures only) |
|--|--------------------------|----------------|-----------------------|--------|----------|---|
| <b>Endangered Historic Districts</b><br><ul style="list-style-type: none"> <li>• 10<sup>th</sup> Street</li> <li>• Wheatley Place</li> </ul> | <input type="checkbox"/> | Based on Rehab | 25%                   | 100%   | 10 years | Yes                                     |

| Category   |                                     | Type   | Required Expenditures | Amount      | Duration | Renewable<br>(façade expenditures only) |
|--|-------------------------------------|--|-----------------------|-------------|----------|---|
| <b>Citywide</b><br>Includes properties located in:<br><ul style="list-style-type: none"> <li>• Munger Place</li> <li>• State Thomas</li> <li>• Swiss Avenue</li> <li>• All properties not located within the Urban, Endangered or Revitalizing historic districts</li> </ul> | <input checked="" type="checkbox"/> | Based on Rehab   | 50%                   | Added Value | 10 years | Yes                                     |
|  | <input type="checkbox"/>            | Endangered Property<br>(Landmark Commission must find that this property is endangered.) | 25%                   | 100%        | 10 years | Yes                                     |

| Category   |                          | Type        | Required Expenditures | Amount      | Duration | Renewable |
|--|--------------------------|-------------|-----------------------|-------------|----------|-----------|
| <b>Citywide – maintenance</b><br>Includes properties in all historic districts | <input type="checkbox"/> | Maintenance | 3%                    | Added Value | 3 years  | Yes       |

| Category   |                          | Type       | Required Expenditures  | Amount | Duration  | Renewable |
|--|--------------------------|------------|--|--------|---|-----------|
| <b>Ownership by a non-profit entity open to the public</b> | <input type="checkbox"/> | Non-profit | Be a designated historic landmark that is open to the public and is owned by a non-profit with | 100%   | As long as the building is owned by a non-profit entity and is open to the public | Annually  |

PLEASE NOTE: All tax exemption approvals that accumulatively (new applications and renewals) will receive exemptions totaling in excess of \$50,000 will have to be approved by both the Landmark Commission and the City Council.

## Statement of Understanding

THE STATE OF TEXAS §  
COUNTY OF DALLAS §

I certify that the information in this application for a tax exemption, including all supporting documentation, is complete and correct.

I authorize members of the Landmark Commission and city officials to visit and inspect the property as necessary to certify eligibility and verification for a tax exemption.

I acknowledge that I have read and understand the program regulations, and that I will not receive an exemption until all program requirements have been met and a letter of verification obtained.

I understand that all rehabilitation work must be completed by the time specified by the Landmark Commission (or within 3 years after the date of the Landmark Commission's determination of eligibility if a completion date was not specified). If the deadline for completion is subsequently extended by the Landmark Commission all rehabilitation work must be completed by the extended time specified. I understand that penalties may apply if I do not complete the work.

I understand that I must make an annual application to Dallas Central Appraisal District each year in order to receive the exemption for that year, and that if I do not make the application in time, I will lose the ability to receive a tax exemption for that year.

Owner's Name: Barak Epstein

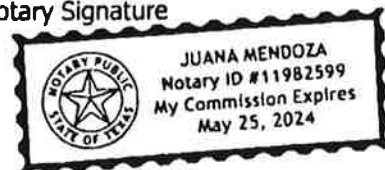
Owner's Signature: [Signature]

This instrument was acknowledged before me on 04-03-21

by (print name of owner) BARAK ISADOR EPSTEIN

[Signature]

Notary Stamp Here ..... Notary Signature





October 13, 2021

**WHEREAS**, Article XI of the Dallas Development Code establishes historic preservation tax exemptions and economic development incentives for historic properties to encourage the revitalization and restoration of the city's historic structures; and

**WHEREAS**, Dallas Development Code Section 51A-11.201(e) requires that the city council review and approve by resolution any portion of the application for a historic preservation tax exemption over \$50,000.00; and

**WHEREAS**, the property located at 231 W. Jefferson Boulevard, Tax I.D. Number 00000256006000100, is a contributing structure that retains its essential architectural integrity of design and whose architectural style is typical of or integral to the proposed Texas Theatre Historic District; and

**WHEREAS**, the property is eligible for a city tax exemption based upon rehabilitation of an endangered historic property for a ten-year period on 100 percent of the structure and land value, which will total an estimated \$132,039.00 ; and

**WHEREAS**, the Landmark Commission determined that the property was eligible for a city tax exemption on May 3, 2021; and

**WHEREAS**, the rehabilitation project must be completed within three years after the Landmark Commission made its determination of eligibility; and

**WHEREAS**, the property owner has complied all the requirements for the city tax exemption, including submitting proof that property taxes and any city fees, fines, or penalties are not delinquent on the property; and

**WHEREAS**, the city council finds that it is in the public interest to preserve this historic building.

**Now, Therefore,**

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

**SECTION 1.** That the application for a historic preservation tax exemption over \$50,000.00 is approved on 100 percent of the structure and land value of the historic property for a ten-year period for the city portion of the taxes.

**SECTION 2.** That the rehabilitation project must be completed by May 3, 2024.

October 13, 2021

**SECTION 3.** That to receive the tax exemption, the owner must submit a final application to the Director of the Department of Sustainable Development and Construction that complies with Dallas Development Code Section 51A-11.201 proving that the rehabilitation requirements have been met and must thereafter make annual application to the appraisal district for the duration of the tax exemption.

**SECTION 4.** That if any portion of the historic structure is totally or partially demolished or significantly altered by the willful act or negligence of the owner or his representative in violation of the historic district preservation criteria, this tax exemption will terminate and the owner shall immediately repay to the City of Dallas all city property taxes foregone.

**SECTION 5.** That this resolution shall take effect from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly resolved.

APPROVED AS TO FORM:

CHRISTOPHER J. CASO, City Attorney  
City Attorney

By \_\_\_\_\_



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1844

**Item #:** Z1.

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** 4  
**DEPARTMENT:** Department of Planning and Urban Design  
**EXECUTIVE:** Dr. Eric A. Johnson

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### **SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Planned Development District No. 1015 for MF-2(A) Multifamily District uses and a public school other than an open-enrollment charter school, on the west line of Bonnie View Road, north of Morrell Avenue

Recommendation of Staff and CPC: Approval, subject to conditions  
Z201-265(LG)

|                          |  |                      |              |
|--------------------------|--|----------------------|--------------|
| <b>FILE NUMBER:</b>      | Z201-265(LG)   | <b>DATE FILED:</b>   | May 26, 2021 |
| <b>LOCATION:</b>         | West line of Bonnie View Road, north of Morrell Avenue |                      |              |
| <b>COUNCIL DISTRICT:</b> | 4  | <b>MAPSCO:</b>       | 55 G         |
| <b>SIZE OF REQUEST:</b>  | ±20.6 acres  | <b>CENSUS TRACT:</b> | 89.00        |

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**APPLICANT/OWNER:** Dallas Independent School District

**REPRESENTATIVE:** Rob Baldwin, Baldwin Associates

**REQUEST:** An application for an amendment to Planned Development District No. 1015 for MF-2(A) Multifamily District uses and a public school other than an open-enrollment charter school.

**SUMMARY:** The purpose of the request is to allow for modified standards primarily related to signage. [Franklin D. Roosevelt High School]

**CPC RECOMMENDATION:** Approval, subject to conditions.

**STAFF RECOMMENDATION:** Approval, subject to conditions.

**BACKGROUND INFORMATION:**

- On May 22, 2019, the City Council approved the creation of Planned Development District No.1015 for MF-2(A) Multifamily District uses and a public school other than an open-enrollment charter school.
- According to Dallas Central Appraisal District records, the site was developed with a public school use, Franklin D. Roosevelt High School, in 1963.
- Between 1972 and 1979, the school expanded south to the north line of Morrell Avenue, where a surface parking lot exists, according to aerial photography.
- In 1978, two permits were issued for additions to the school for the existing metal building on the south end of the school and the two-story masonry wing near the east parking lot.
- On October 15, 1980, the school completed permits to expand into the south line of Warsaw Street, where the athletic fields exist.
- According to the Dallas Development Code, a sign means any device, flag, light, figure, picture, letter, word, message, symbol, plaque, poster, display, design, painting, drawing, billboard, wind device, or other thing visible from outside the premise on which it is located and that is designed, intended, or used to inform or advertise to persons not on that premise. This definition does not include: (A) searchlights and landscape features that display no words or symbols; (B) works of art that are not designed, intended or used to advertise; or (C) temporary holiday decorations.
- According to the Sec, 51A-7.400 of the Dallas Development Code, Non-Business Zoning District means any zoning district not designated as a business district as defined in this section. Any parking district may be specifically designated a business zoning district for the purposes of this article.
- Currently, the area of request is under renovation and the applicant is requesting to install eight additional signs throughout the property. The current PD regulations default to the Dallas Development Code Regulations for signs in non-business districts, which would not allow all of the proposed signage. Therefore, the applicant is requesting to revise the PD conditions with this request.

**Zoning History:**

There have been three zoning case in the area within the last five years.

1. **Z167-197:** On May 10, 2017, the City Council approved an MF-2(A) Multifamily District on property zoned an R-5(A) Single Family District, on the west side of Bonnie View Road, south of East 11th Street.
2. **Z189-177:** On May 22, 2019, the City Council approved Planned Development District No.1015 for MF-2(A) Multifamily District uses and a public school other than an open-enrollment charter school, on the west line of Bonnie View Road, north of Morrell Avenue [subject site].
3. **Z178-306:** An authorized hearing to consider a Planned Development District to consider appropriate zoning for the area including use, development standards, parking, landscape, sign and other appropriate regulations in an area generally bounded by Ewing Avenue, I-35, 11th Street, Fleming Avenue, Clarendon Drive, 8th Street, Parkway Avenue, Corinth Street, Hendricks Avenue, Fernwood Avenue, and Galloway Avenue [Pending].

**Thoroughfares/Streets:**

| Thoroughfare     | Type                | Existing/Proposed ROW |
|------------------|---------------------|-----------------------|
| Bonnie View Road | Local Street        | Varies                |
| Morrell Avenue   | Community Collector | 60 feet               |
| Hutchins Road    | Local Street        | 50 feet               |
| Warsaw Street    | Local Street        | 35 feet               |

**Traffic:**

The Engineering Division of the Sustainable Development and Construction Department has no objections to the proposed request. The applicant will need to provide any information regarding signage near thoroughfares to make sure they are no obstructions in the visibility triangle during permitting.

**STAFF ANALYSIS**

**Comprehensive Plan:**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

The proposed zoning request meets the following goals and objectives of the comprehensive plan:

**LAND USE ELEMENT****GOAL 1.1 ALIGN LAND USE STRATEGIES WITH ECONOMIC DEVELOPMENT PRIORITIES**

Policy 1.1.5 Strengthen existing neighborhoods and promote neighborhoods' unique characteristics. Acknowledge the importance of neighborhoods to the city's long-term health and vitality.

1.1.5.7 Ensure that neighborhoods are served by and accessible to neighborhood commercial areas, parks and open space, libraries and schools. Encourage the development of these facilities in priority Area Plans.

**NEIGHBORHOOD PLUS**

Policy 4.2 Support and leverage emerging school quality and school choice programs.

**STAFF ANALYSIS:****Surrounding Land Uses:**

|              | <b>Zoning</b>           | <b>Land Use</b>   |
|--------------|-------------------------|---|
| <b>Site</b>  | PD No. 1015             | Public School   |
| <b>North</b> | R-5(A)                  | Single Family, Undeveloped                                |
| <b>East</b>  | TH-3(A)                 | Single Family   |
| <b>South</b> | TH-3(A), NO(A), MF-2(A) | Single Family, Commercial Amusement (inside), Undeveloped |
| <b>West</b>  | CR-D, R-5(A)            | Undeveloped, Single Family                                |

**Land Use Compatibility:**

Surrounding land uses consist of a mix of single family uses and undeveloped land to the north, single family to the northeast and southeast, an event center directly to the south, and undeveloped land with some single family uses to the southwest and west. The school has been serving the community for 58 years. The use continues to be compatible with surrounding residential, institutional, and retail uses.

The applicant is requesting additional signage in conjunction with the existing renovations to the building. As part of the renovations to the school, new signs are being added in the area of request. Currently, there is only one sign on the property, which is along Bonnie View Road and approximately 30 square feet. A new detached sign will be provided that is masonry with an electronic message marquee. Window signs on the gymnasium building will provide for decorative, mascot, and/or school logo window film signs on the upper windows. Three attached signs are proposed to be larger than the non-business sign allowance. These attached signs are proportional to the school facade and the school's

facades are at least 100 feet away from Bonnie View Road.

Staff believes the proposed request will not have a negative impact on the surrounding residential areas since the signs will consist of channeled letters with non-intrusive backlights. The applicant also proposes to install its window signage on the bottom third of the window to minimize obstructions emergency services, such as police and fire, would have viewing the site.

### **Signage:**

According to Sec. 51(A)-7.403 of the Dallas Development Code, the following regulations apply for detached signs in non-business districts are limited to three sign types: attached, attached projecting, and detached. These sign types are generally limited to one sign per façade or street frontage. Below are the general requirements for the non-business district signage provided as an overview from the sign code guidelines:

| TYPE OF SIGN   | GENERAL REQUIREMENTS   |
|--|--|
| <b>ATTACHED</b>  | <ul style="list-style-type: none"> <li>• (1) sign per facade per occupant.</li> <li>• 40 sq. ft. max.</li> <li>• Vertical projection - Min. 10 ft. clearance over accessible areas if projects more than 2" over accessible area. Can project up to 4 ft. above the surface to which it is attached.</li> <li>• Horizontal projection - 18 in. from surface to which sign is attached.</li> <li>• (8) word limit for words over 4 in. Words <math>\leq</math> 4 in. can be used without limit as to number &amp; effective area.</li> <li>• No roofs signs.</li> </ul> |
| <b>ATTACHED<br/>(DISTRICTS - LO(A),<br/>MO(A), GO(A), &amp; O-2)</b> | <ul style="list-style-type: none"> <li>• Attached sign rules apply for all tenants, but signs may exceed 40 sq. ft. provided:</li> <li>• Only (1) sign allowed above the 2nd story on any facade, if election to exceed is made.</li> <li>• Allowed additional 40 sq. ft. for each additional story above the first two.</li> <li>• Only (2) signs permitted to exceed 40 sq. ft. per building.</li> <li>• Signs exceeding 40 sq. ft. can't be located on the same facade.</li> </ul>  |
| <b>ATTACHED<br/>(PROJECTING)<br/>AKA. BLADE SIGNS</b>                | <ul style="list-style-type: none"> <li>• (1) allowed / non-residential premise.</li> <li>• 20 sq. ft. max.</li> <li>• Sign can't be illuminated.</li> <li>• Vertical projection - 10 ft. min. clearance, can't project above roof.</li> <li>• Horizontal projection - 4 ft. max; not allowed in ROW.</li> <li>• Not allowed on any premise with detached sign/s.</li> </ul>  |
| <b>DETACHED</b>  | <ul style="list-style-type: none"> <li>• Area/height requirements based on setback (see charts) Max. 50 sq. ft. @ 25' O.A.H.</li> <li>• (1) per 600' street frontage.</li> <li>• 5 ft. min. setback.</li> </ul>  |



The applicant proposes the following detached sign that deviates from the 50-foot maximum area requirement:

1. 6.5' H X 8.75' W sign with an electronic changeable marquee  
Total: 55 SF with 15-foot setback

The applicant proposes an increase of total area of 5 square feet, or 10% increase over the maximum allowable square footage for detached signs, which is 50 feet. The applicant is proposing a setback of 15 feet for this sign.

The applicant proposes the following attached signs:

1. Gymnasium, 45 SF (replacement)
2. Metal sign gym entry on the South elevation, 45 SF
3. Metal logo for existing classroom building (B1/A204), 216 SF
4. Main entry name, 94 SF
5. South elevation metal horse logo, 83 SF

Based on Article VII, each sign would have a maximum allowable area of 40 square feet per sign. To accommodate these proposed signs, the applicant proposes a condition that would allow three signs to substantially exceed the requirement with a maximum allowable area of 250 square feet.

The applicant also proposes specific provisions for Window Signs that separates the window signs from the attached signs and proposes the following signs with a maximum cumulative area of 600 sq. ft.

1. Window film signs in main library on the East elevation, 332 SF total
2. Window film gym entry on the South elevation, 223 SF

Staff supports the applicant's request for the increased signage due to the varying elevations of the site and the proposed signage being proportional to the site. The exhibits for the proposed signage are also included in this report for illustrative purposes.

At the September 2, 2021 City Plan Commission meeting, the request was approved with the following addition to Section 51P-1015.113(d)(2): to add that the window film signs in the main library on the east elevation may not exceed a maximum of 332 square feet and the window film signs in the gym entry on the south elevation may not exceed a maximum of 223 square feet. The CPC recommended conditions are included in this report.

### **Parking:**

The parking requirements in PD No. 1015 for a public school other than an open-enrollment charter school are six and one-half off-street parking spaces are required for each high school classroom. The site currently has 300 parking spaces for 44 classrooms on the

premises. No parking amendment will be required as a result of this request.

**Landscaping:**

There are no proposed changes to the existing landscape plan, but a copy of the existing landscape plan has been included in this report.

**Market Value Analysis:**

Market Value Analysis (MVA) is a tool to aid residents and policymakers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to target intervention strategies more precisely in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets (A through C) to orange, representing the weakest markets (G through I). Although the area of request is not within an identifiable MVA cluster, it abuts an “H” MVA cluster to the north and south and an “I” MVA cluster abuts the site to the east.

**CPC ACTION**

**September 2, 2021**

**Motion:** It was moved to recommend **approval** of an amendment to Planned Development District No. 1015 for MF-2(A) Multifamily District uses and a public school other than an open-enrollment charter school, subject to revised conditions; as briefed, with the following addition to Section 51P-1015.113(d)(2), to add that the window film signs in the main library on the east elevation may not exceed a maximum of 332 square feet and the window film signs in the gym entry on the south elevation may not exceed a maximum of 223 square feet, on the west line of Bonnie View Road, north of Morrell Avenue.

Maker: Suhler

Second: Hampton

Result: Carried: 13 to 0

For: 13 - MacGregor, Hampton, Stinson, Shidid\*,  
Carpenter, Jackson, Blair, Jung, Suhler, Schwope,  
Murphy, Garcia, Rubin\*

Against: 0

Absent: 0

Vacancy: 2 - District 4, District 10

\*out of the room, shown voting in favor

**Notices:** Area: 500

Mailed: 277

**Replies:** For: 0

Against: 0

**Speakers:** For: Rob Baldwin, 3904 Elm St., Dallas, TX, 75226

Against: None

Staff: Jason Pool, Sign Inspector, Sustainable Development and Construction

**List of Officers/Partners/Principals**

**Dallas Independent School District**

**Board of Trustees**

Edwin Flores  
Dan Micciche  
Joyce Foreman  
Justin Henry  
Dustin Marshall  
Karla Garcia  
Maxie Johnson  
Ben Mackey  
Joe Carreon

**CPC Recommended PD Conditions**

**ARTICLE 1015.**

**PD 1015.**

**SEC. 51P-1015.101. LEGISLATIVE HISTORY.**

PD 1015 was established by Ordinance No. 31223, passed by the Dallas City Council on May 22, 2019. (Ord. 31223)

**SEC. 51P-1015.102. PROPERTY LOCATION AND SIZE.**

PD 1015 is established on property located on the west side of Bonnie View Road and the north side of Morrell Avenue. The size of PD 1015 is approximately 20.6 acres. (Ord. 31223)

**SEC. 51P-1015.103. DEFINITIONS AND INTERPRETATIONS.**

(a) Unless otherwise stated, the definitions and interpretations in Chapter 51A apply to this article.

(b) Unless otherwise stated, all references to articles, divisions, or sections in this article are to articles, divisions, or sections in Chapter 51A.

(c) This district is considered to be a residential zoning district. (Ord. 31223)

**SEC. 51P-1015.104. EXHIBITS.**

The following exhibits are incorporated into this article:

- (1) Exhibit 1015A: development plan.
- (2) Exhibit 1015B: landscape plan.
- (3) Exhibit 1015C: traffic management plan. (Ord. 31223)

**SEC. 51P-1015.105. DEVELOPMENT PLAN.**

(a) For a public school other than an open-enrollment charter school, development and use of the Property must comply with the development plan (Exhibit 1015A). If there is a conflict between the text of this article and the development plan, the text of this article controls.

(b) For all other uses, no development plan is required, and the provisions of Section 51A-4.702 regarding submission of or amendments to a development plan, site analysis plan, conceptual plan, development schedule, and landscape plan do not apply. (Ord. 31223)

**SEC. 51P-1015.106. MAIN USES PERMITTED.**

(a) Except as provided in this section, the only main uses permitted are those main uses permitted in the MF-2(A) Multifamily District, subject to the same conditions applicable in the MF-2(A) Multifamily District, as set out in Chapter 51A. For example, a use permitted in the MF-2(A) Multifamily District only by specific use permit (SUP) is permitted in this district only by SUP; a use subject to development impact review (DIR) in the MF-2(A) Multifamily District is subject to DIR in this district; etc.

(b) The following additional main use is permitted by right:

-- Public school other than an open-enrollment charter school. (Ord. 31223)

**SEC. 51P-1015.107. ACCESSORY USES.**

As a general rule, an accessory use is permitted in any district in which the main use is permitted. Some specific accessory uses, however, due to their unique nature, are subject to additional regulations in Section 51A-4.217. For more information regarding accessory uses, consult Section 51A-4.217. (Ord. 31223)

**SEC. 51P-1015.108. YARD, LOT, AND SPACE REGULATIONS.**

(Note: The yard, lot, and space regulations in this section must be read together with the yard, lot, and space regulations in Division 51A-4.400. If there is a conflict between this section and Division 51A-4.400, this section controls.)

The yard, lot, and space regulations for the MF-2(A) Multifamily District apply. (Ord. 31223)

**SEC. 51P-1015.109. OFF-STREET PARKING AND LOADING.**

(a) Except as provided in this section, consult the use regulations in Division 51A-

4.200 for the specific off-street parking and loading requirements for each use.

(b) For a public school other than an open-enrollment charter school, six and one-half off-street parking spaces are required for each high school classroom. Parking may be located within a required front yard. (Ord. 31223)

**SEC. 51P-1015.110. ENVIRONMENTAL PERFORMANCE STANDARDS.**

See Article VI. (Ord. 31223)

**SEC. 51P-1015.111. LANDSCAPING.**

(a) Except as provided in this section, landscaping must be provided in accordance with Article X.

(b) For a public school other than an open-enrollment charter school, landscaping must be provided as shown on the landscape plan (Exhibit 1015B). If there is a conflict between the text of this article and the landscape plan, the text of this article controls.

(c) Plant materials must be maintained in a healthy, growing condition. (Ord. 31223)

**SEC. 51P-1015.112. TRAFFIC MANAGEMENT PLAN.**

(a) In general. Operation of a public school other than an open-enrollment charter school must comply with the traffic management plan (Exhibit 1015C).

(b) Queuing. Queuing is only permitted inside the Property. Student drop-off and pick-up are not permitted within city rights-of-way.

(c) Traffic study.

(1) The Property owner or operator shall prepare a traffic study evaluating the sufficiency of the traffic management plan. The initial traffic study must be submitted to the director by March 1, 2022. After the initial traffic study, the Property owner or operator shall submit updates of the traffic study to the director by March 1st of each even-numbered year.

(2) The traffic study must be in writing, performed by a licensed engineer, based on a minimum of four samples taken on different school days at different drop-off and pick-up times over a two-week period, and must contain an analysis of the following:

- (A) ingress and egress points;
- (B) queue lengths;
- (C) number and location of personnel assisting with loading and unloading of students;
- (D) drop-off and pick-up locations;
- (E) drop-off and pick-up hours for each grade level;
- (F) hours for each grade level; and
- (G) circulation.

(3) Within 30 days after submission of a traffic study, the director shall determine if the current traffic management plan is sufficient.

(A) If the director determines that the current traffic management plan is sufficient, the director shall notify the applicant in writing.

(B) If the director determines that the current traffic management plan results in traffic hazards or traffic congestion, the director shall require the Property owner to submit an amended traffic management plan. If the Property owner fails to submit an amended traffic management plan within 30 days, the director shall notify the city plan commission.

(d) Amendment process.

(1) A traffic management plan may be amended using the minor plan amendment fee and public hearing process in Section 51A-1.105(k)(3).

(2) The city plan commission shall authorize changes in a traffic management plan if the proposed amendments improve queuing or traffic circulation; eliminate traffic hazards; or decrease traffic congestion. (Ord. 31223)



**SEC. 51P-1015.113. SIGNS.**

(a) In general. Except as provided, signs must comply with the provisions for non-business zoning districts in Article VII.

(b) Detached signs. One detached sign is permitted with a minimum setback of 15 feet, 55 square feet in effective area, and maximum 7 feet in height. This detached sign may not be considered an additional allowed sign. All other detached signs must comply with non-business district provisions.

(c) Attached signs.

(1) Except as provided, attached signs are limited to a maximum effective area of 40 square feet.

(2) One attached sign may not exceed 250 square feet in effective area.

(3) Two attached signs may not exceed 100 square feet in effective area.

(4) Two attached signs may not exceed 50 square feet in effective area.

(5) For the purposes of the maximum number of attached signs on a facade, each building facade of 200 feet in length is considered a separate facade.

(d) Window signs. WINDOW SIGN means a sign painted or affixed onto a window.

(1) No maximum number of window signs.

(2) Window signs may be a cumulative effective area of 600 square feet.

(a) The window film signs in the main library on the east elevation may not exceed a maximum of 332 square feet.

(b) The window film signs in the gym entry on the south elevation may not exceed a maximum of 223 square feet.

(3) Window signs must be a minimum of 12 feet above the adjacent grade.

**SEC. 51P-1015.114. FENCES.**

(a) Except as provided in this section, fencing must be provided in accordance with 51A-4.602(a).

(b) For a public school other than an open-enrollment charter school and when located less than five feet from the front lot line, maximum fence height in a required front yard is six feet for each fence panel with less than 50 percent open surface area.

(c) For a public school other than an open-enrollment charter school, existing barbed wire along Morrell Avenue must be removed prior to the issuance of a certificate of occupancy that increases the number of classrooms. (Ord. 31223)

**SEC. 51P-1015.115. ADDITIONAL PROVISIONS.**

(a) The Property must be properly maintained in a state of good repair and neat appearance.

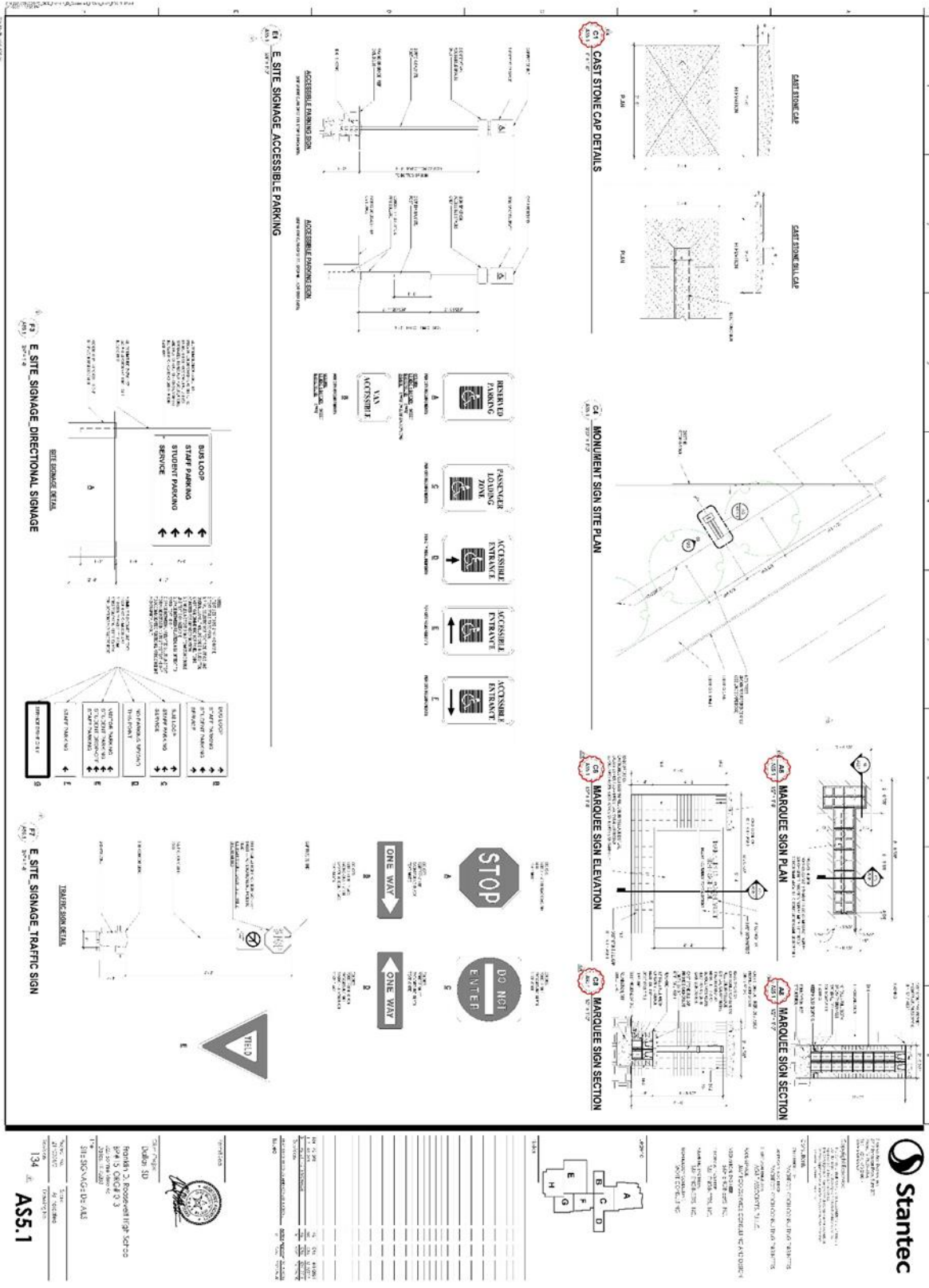
(b) Development and use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the city. (Ord. 31223)

**SEC. 51P-1015.116. COMPLIANCE WITH CONDITIONS.**

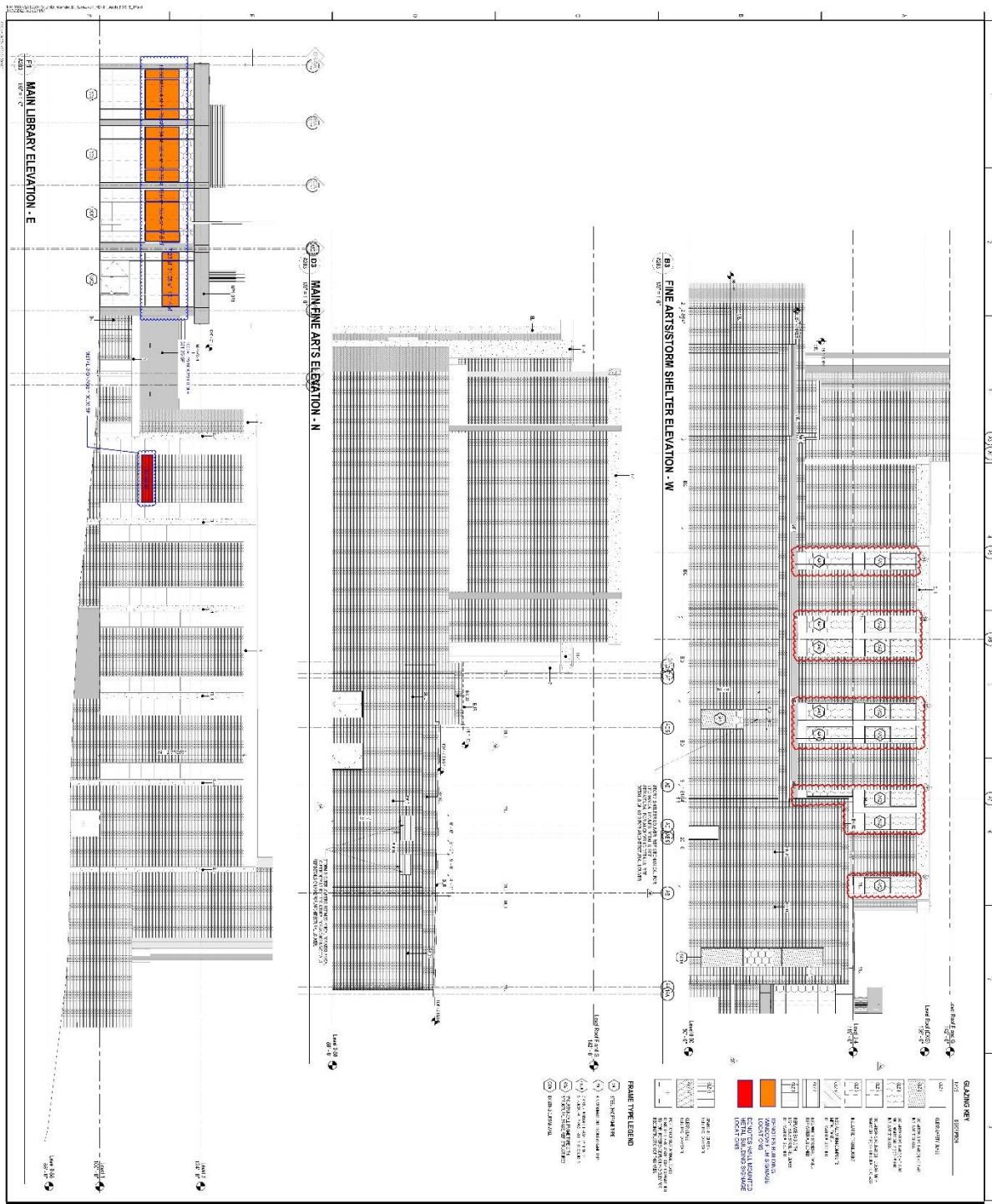
(a) All paved areas, permanent drives, streets, and drainage structures, if any, must be constructed in accordance with standard city specifications, and completed to the satisfaction of the city.

The building official shall not issue a building permit to authorize work, or a certificate of occupancy to authorize the operation of a use, until there has been full compliance with this article, the Dallas Development Code, the construction codes, and all other ordinances, rules, and regulations of the city. (Ord. 31223)

# Overall Signage Exhibit (Illustrative Purposes Only)



Signage Elevation Exhibit Page 1 (For Illustrative Purposes)



**PROJECT INFORMATION**

PROJECT: [Project Name]  
 LOCATION: [Location]  
 CLIENT: [Client Name]  
 DATE: [Date]  
 DRAWING NO.: [Drawing Number]

**DESIGNER**

DESIGNER: [Designer Name]  
 ADDRESS: [Address]  
 PHONE: [Phone Number]  
 FAX: [Fax Number]  
 EMAIL: [Email Address]  
 WEBSITE: [Website]

**APPROVED**

APPROVED: [Signature]  
 TITLE: [Title]  
 DATE: [Date]

**EXTERIOR ELEVATIONS**

84

**A203**



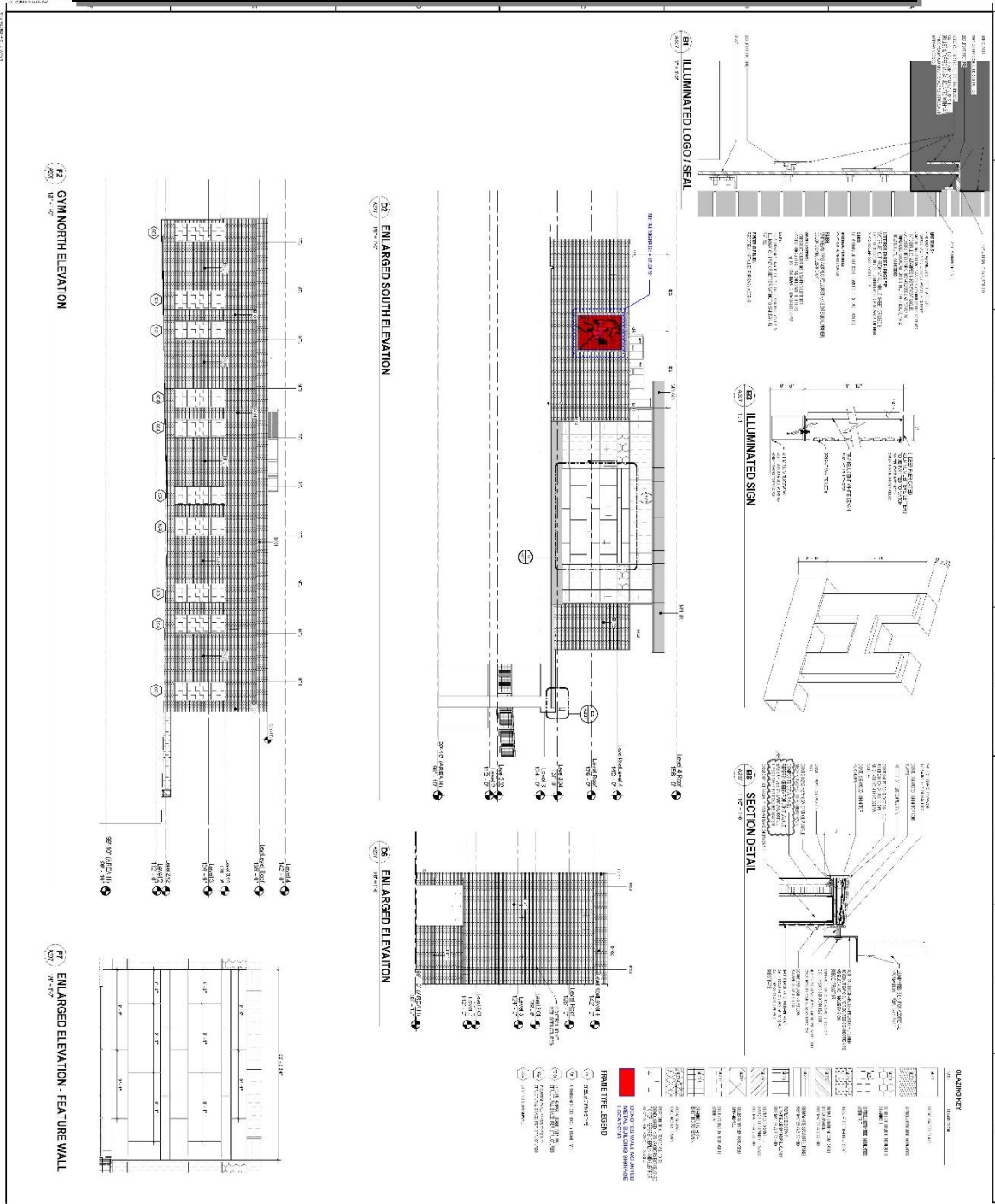








# Signage Elevation Exhibit Page 5 (For Illustrative Purposes)



**Stantec**

15 **A207**

**PROJECT INFORMATION**

PROJECT: [illegible]

CLIENT: [illegible]

DESIGNER: [illegible]

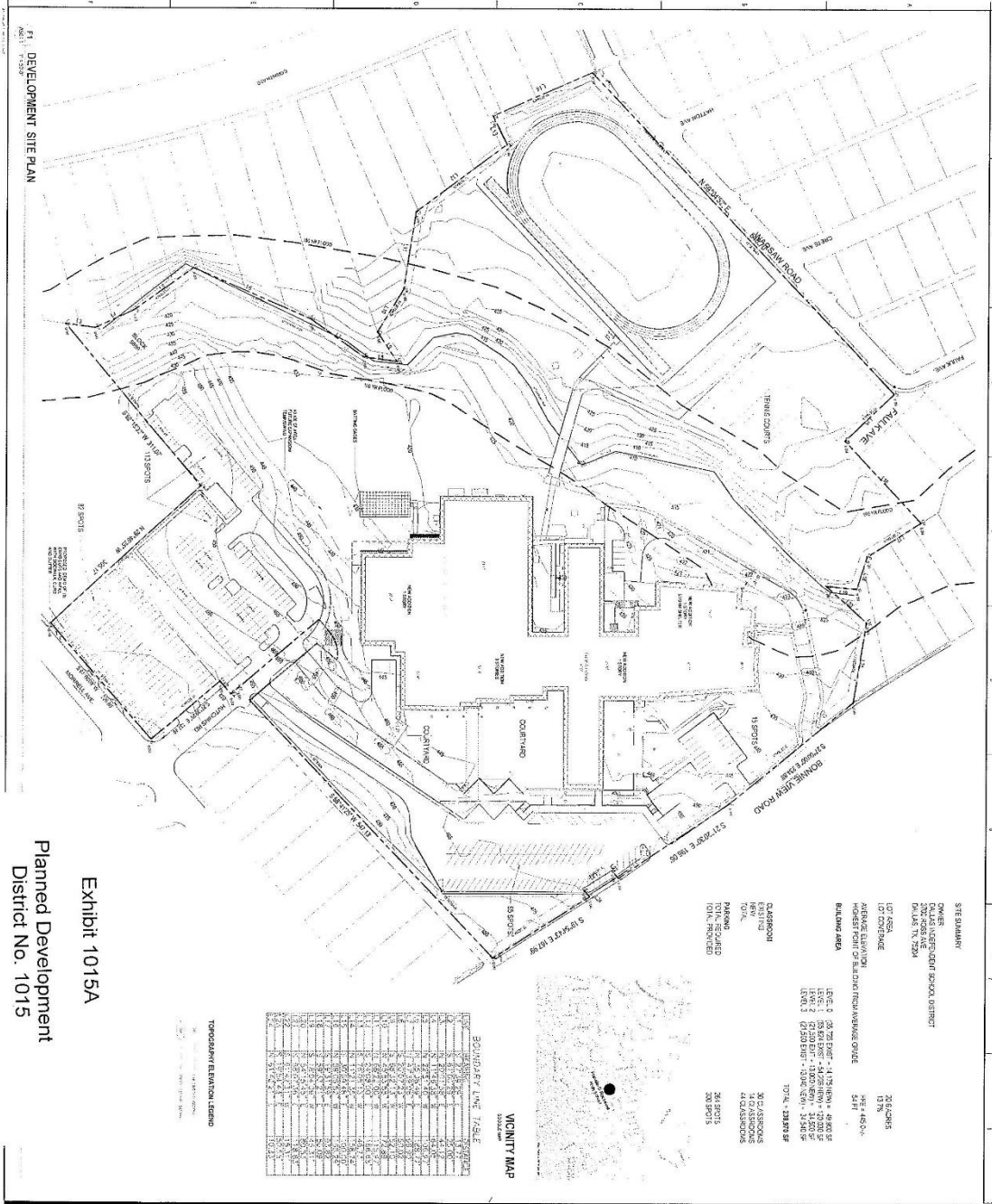
DATE: [illegible]

**REVISIONS**

| NO. | DESCRIPTION | DATE        |
|-----|-------------|-------------|
| 1   | [illegible] | [illegible] |
| 2   | [illegible] | [illegible] |



# Existing Development Plan (No Changes)



Planned Development  
 District No. 1015

Exhibit 1015A

190812  
 AS01.12

31223



**Existing Traffic Management Plan**

**March 7, 2019**

PK# 3837-17.034

**Z189-177**

# TRAFFIC MANAGEMENT PLAN

*Project:*

**DISD Franklin D. Roosevelt High School**  
*In Dallas, Texas*

*Prepared for:*

**City of Dallas**

*On behalf of:*

**Dallas Independent School District**

*Prepared by:*

*Steve E. Stoner*

Steve E. Stoner, P.E., PTOE



7557 Rambler Road, Suite 1400  
Dallas, Texas 75231-2388  
(972) 235-3031 [www.pkce.com](http://www.pkce.com)  
TX.REG: ENGINEERING FIRM F-469  
TX. REG. SURVEYING FIRM LS-100080-00

March 7, 2019



**TRAFFIC MANAGEMENT PLAN**  
**DISD Franklin D. Roosevelt High School**  
Dallas, Texas

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Exhibits

Proposed Site Plan

Exhibit 1. Recommendations/Projected Conditions

March 7, 2019



## INTRODUCTION

The services of **Pacheco Koch (PK)** were retained by on behalf of **Dallas Independent School District (DISD)** to prepare a Traffic Management Plan (TMP) for Franklin D. Roosevelt High School (the "School") located at 525 Bonnie View Road in Dallas, Texas. This TMP is site-specific and relates to the peak traffic activity associated with school traffic at the site.

DISD is seeking to create a Planned Development District for the site from the City of Dallas (the "Approving Agency") to facilitate proposed site improvements. Submittal of a TMP, prepared by a registered professional engineer experienced and skilled in the field of traffic/transportation engineering, is one of the requirements of Approving Agency's application process. This TMP was prepared by registered professional engineers employed by Pacheco Koch. Pacheco Koch is a licensed engineering firm based in Dallas, Texas, that provides professional services in traffic engineering, transportation planning, and other fields.

### ***Project Description***

The site currently consists of an existing public high school. Current enrollment is summarized below in **Table 1**.

***Table 1. Current Enrollment***

| LEVEL                  | STUDENTS ENROLLED |
|------------------------|-------------------|
| 9 <sup>th</sup> Grade  | 249               |
| 10 <sup>th</sup> Grade | 193               |
| 11 <sup>th</sup> Grade | 152               |
| 12 <sup>th</sup> Grade | 132               |
| CURRENT TOTAL          | 726               |
| PROJECTED TOTAL        | 800               |

\*Enrollment data provided by DISD.

Proposed site improvements include replacing portions of the building with new construction and other renovations. Site improvements are anticipated to be completed by 2021.

Access to the campus is provided on Bonnie View Road and Morrell Avenue. A separate portion of the campus containing athletic facilities (track and tennis courts) is located north of the main campus with access on Warsaw Street. (No changes are proposed to the north part of the campus, therefore it is not considered in this analysis).

High pedestrian traffic was observed to be present at the intersection of Morrell Avenue and Bonnie View Road. The crosswalks at the intersection were observed to be heavily utilized. An adjacent traffic signal is located at the intersection of S Corinth Street Road and Morrell Avenue. School related delays and pedestrian activity were observed to be minimal at the signalized intersection.

March 7, 2019



A proposed site plan for Franklin D. Roosevelt High School (prepared by Stantec Architecture, Inc.) is provided at the end of this report.

NOTE: Pacheco Koch was and is not involved with site selection, site design, nor the operations for this project.

### ***TMP Objectives***

A Traffic Management Plan (TMP) is a site- or area-specific plan of recommended actions and strategies to manage vehicular traffic and parking, pedestrian activity, and travel by all other modes during peak demand conditions for a planned event. The "Objectives" of a TMP are to:

1. Provide a safe environment for all Users on site and the travelling public in the vicinity of the site during the Event times;
2. Minimize (and maintain within reasonable levels) travel delays and traffic congestion on site and in the vicinity of the site during the Event;
3. Ensure reasonable access and circulation is maintained on the public street system in the vicinity of the site during the Event;
4. Provide appropriate information to the travelling public in the vicinity of the site to allow for proper awareness of anticipated traffic conditions during the Event; and,
5. Promote reasonable strategies to manage travel demand to and from the site, including use of alternative modes of travel (such as walk, bike, bus, transit, etc.), when practical.

NOTE: It is generally recommended that all applicable crosswalks and barrier free ramps comply with current ADA Accessibility requirements. All city approved pavement markings, traffic signs, and school zones are recommended to provide hardware that meets city's current standards.

### **DEFINITIONS:**

"Event" – a planned event(s), recurring or non-recurring, for which this TMP is being prepared (i.e., "school day")

"School" (a.k.a., "Event Organizer") – the person, group, or organization responsible for the Event

"TMP Manager" – a person or persons designated by the School to implement the TMP (also see additional tasks in the Expectations section)

"Users" – guests/patrons attending the Event

"Analyst" – the person(s) preparing the TMP for the School

"Approving Agency" – the municipality or government agency requiring the Traffic Management Plan



March 7, 2019



"Traffic Department" – the department of the public agency responsible for traffic operations for a given right-of-way

"Site" – the property at which the Event is located (generally assumed to be occupied by the School)

"TMP Strategies" – actions recommended by the Analyst to be undertaken before, during, or after the Event in order to manage traffic on or off site

**DISCLAIMERS:**

A TMP should be developed by, or in concert with, an individual familiar with the general characteristics of the Event and the associated traffic/transportation needs. For this study, PK worked with School representatives to develop the proposed recommendations.

Recommended TMP Strategies should be based upon applicable engineering principles of traffic safety and traffic operations.

Any recommended TMP Strategies involving traffic control devices in the public right-of-way (including installation or removal of signs, pavement markings, etc.) are subject to the approval of, and must be implemented under direction of, the Traffic Department.

No private individual should perform, or attempt to perform, any act of traffic control within public right-of-way; only deputized officers of the law or other authorized representatives of the Traffic Department may manipulate traffic conditions within the public right-of-way.

Pacheco Koch was not involved with site selection, site design, or the current operations for this project. Pacheco Koch is not responsible for the *implementation* of the recommended TMP Strategies contained in this study.

***Methodology***

When feasible, the Analyst should conduct first-hand observations of existing event to develop an understanding of site-specific traffic/transportation characteristics, such as: drop-off/pick-up frequency, parking needs, alternative travel mode use, safety issues, queuing, traffic congestion, site access, current traffic management strategies in use, etc. When it is not feasible to conduct such observations, interviews with staff or personnel familiar with those items is desirable. When neither option is available, the Analyst may be required to rely upon published information and/or professional judgment and experience.

Once the base information is assembled, the Analyst should estimate the projected traffic/transportation characteristics generated by the proposed Event. Next, the Analyst should inventory the attributes and resources of the subject site and determine how the site can best accommodate those projected conditions. Based upon that assessment, the recommended TMP Strategies shall be developed to optimally achieve the basic TMP Objectives. The recommended

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TMP Strategies should be reviewed by the School (ideally, the TMP Manager) for refinement and approval before formal submittal to the Approving Agency.

### **Expectations**

*NOTE TO SCHOOL: By submittal of a TMP to the Approving Agency, the School is implicitly agreeing to implement, maintain, and comply with the recommended actions presented herein subject to acceptance by Approving Agency and any associated conditions Approving Agency may impose. It is also inferred that the School agrees to be self-accountable for these actions until and unless Approving Agency deems further measures are appropriate or the TMP is no longer required.*

Recommended TMP Strategies may include one-time measures (such as traffic signs, pavement markings, circulation on-site, etc.) to be implemented before the Event and/or ongoing actions to be performed before, during, or after the Event. Recommended TMP Strategies involving on-site measures or actions are generally considered to be the responsibility of the School.

To ensure appropriate compliance and consistent implementation of the TMP, it is recommended that the School appoint a TMP "Manager". In general, a Manager should be a qualified and capable individual or group of individuals assigned to take responsibility of the TMP and be accountable for successful implementation in order to achieve the Objectives described earlier (see "TMP Objectives"). Other specific duties of the Manager include:

- Monitor effectiveness of TMP strategies and make prudent adjustments, as needed, to more effectively accomplish the TMP Objectives
- Maintain an awareness of readily-available alternative transportation modes serving the site and facilitate and promote their use during the Event when practical
- Serve as a liaison to the Approving Agency(-ies), when needed
- When applicable, provide training and direction to other personnel assigned to implement the TMP measures
- Provide instruction to Users on how to comply with the intent of the TMP

Recommended TMP Strategies were developed specifically for the period(s) of peak traffic demand and are depicted in the respective exhibits. For periods of less intense traffic demand, recommended TMP Strategies may be utilized, in part or in whole, as needed to realize the TMP Objectives.

### **Changes to TMP**

Informal changes to any recommended TMP Strategies presented herein to improve efficiency or effectiveness may be implemented at the discretion of the School if those changes are prudent and do not compromise the TMP Objectives. It is recommended that changes implemented under such circumstances be documented and retained by the School for future reference or upon request. At the discretion of the Approving Agency, submittal of a formally revised TMP



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report/document or a validation study may be required on a predetermined or as-needed basis.

## TRAFFIC MANAGEMENT PLAN

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*NOTE: Recommended TMP Strategies contained herein are based upon the best data, site-specific information, and analytical processes readily available at the time of the study. However, some specific quantities related to traffic congestion at peak periods (e.g., duration, length of queue, etc.) may be estimated values. Actual quantities may vary due to unknown or unquantifiable variables and other operational factors that may occur. In the event that actual, future conditions generate undue burden on Users and/or the travelling public, modifications to the TMP should be considered. (See preceding NOTE for guidance on implementing changes to the TMP.) However, in extreme conditions, TMP actions may not be capable of mitigating all traffic conditions, and it may be incumbent on the School to consider operational, institutional, or other long-term changes to address issues on a more permanent basis.*

Graphical summaries of recommendations and proposed conditions are depicted in **Exhibit 1**. A summary of specific recommendations is provided below:

1. Convert existing, unused parking lot fronting Morrell Avenue to a designated parent waiting/loading area. [Intent: To provide off-street location for parents to stand/park during afternoon pick-up periods in lieu of standing/parking on adjacent streets.]
2. Utilize existing parking lot aisles for designated parent waiting/loading area. [Intent: To provide off-street location for parents to stand/park during afternoon pick-up periods in lieu of standing/parking on adjacent streets.]
3. Utilize proposed bus loop (as shown on proposed site plan) for all school bus loading/unloading.
4. Install marked crosswalks on internal roadways to improve pedestrian safety.
5. Relocate location of school zone and signs.

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**Acknowledgement Statement****REVIEW AND COMMITMENT**

This school traffic management plan (TMP) for Franklin D. Roosevelt High School was developed with the intent of optimizing safety and efficiently accommodating vehicular traffic generated during the school's typical student drop-off and pick-up periods. It is important to note that a concerted and ongoing effort by and the full participation of the school administration are essential to accomplish these goals. By the endorsement provided below, the school administration hereby agrees to implement, adhere to, and support the strategies presented in this TMP for which the school is held responsible until or unless the City of Dallas deems those strategies are no longer necessary or that other measures are more appropriate.

  
Signature

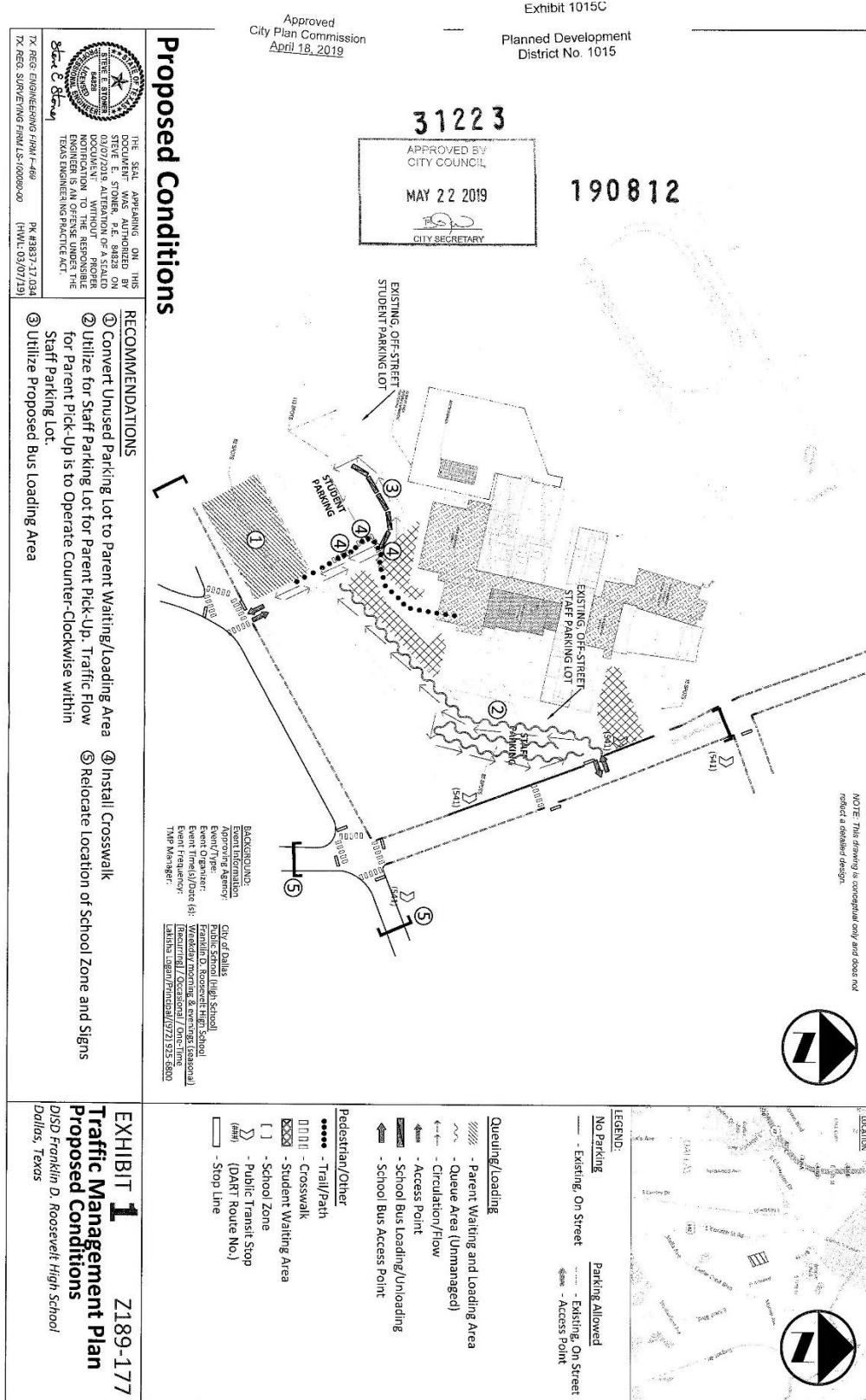
3-8-2019  
Date

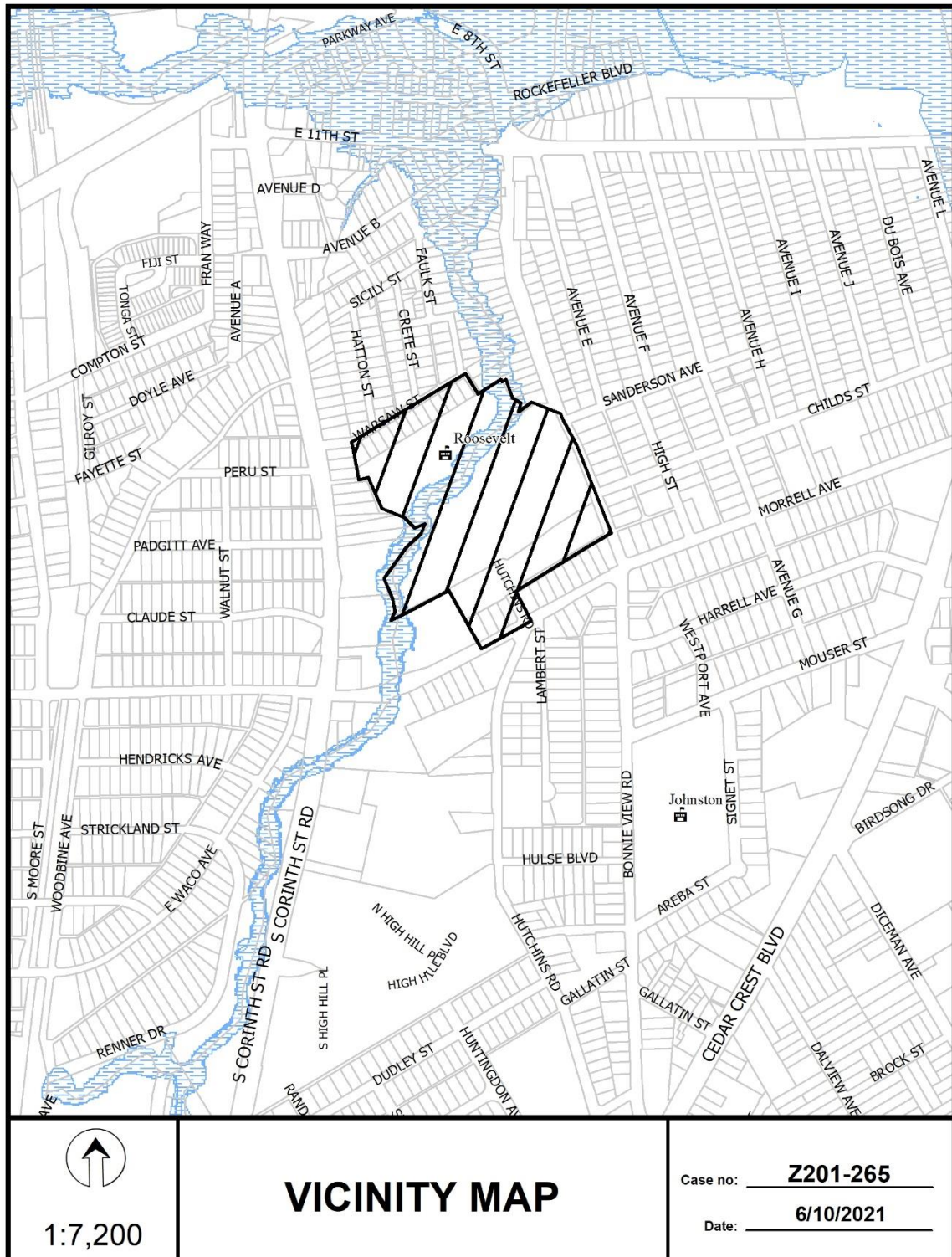
Name: Lakisha Logan

Title: Principal

END OF MEMO

# Existing Traffic Management Circulation Plan

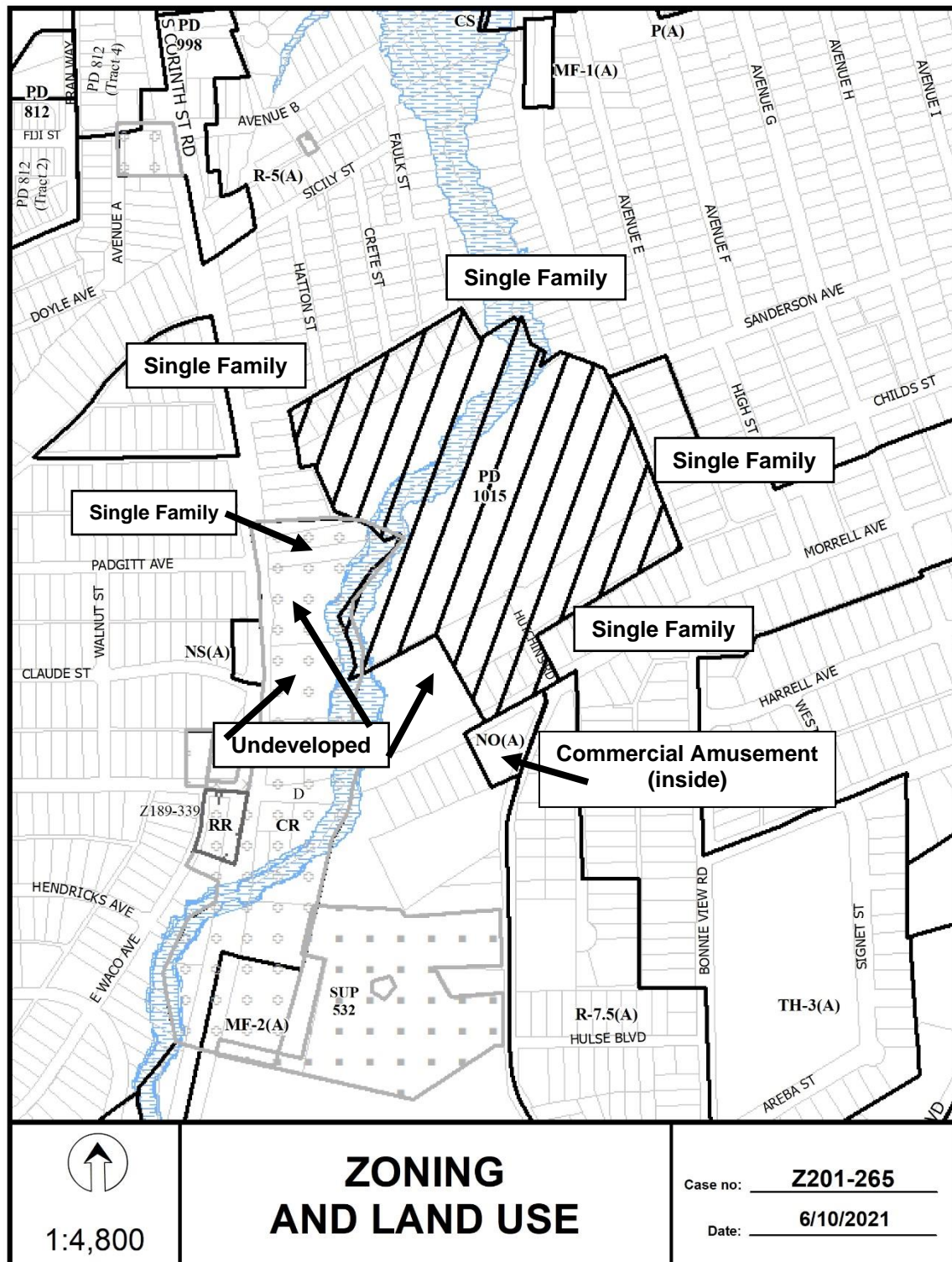


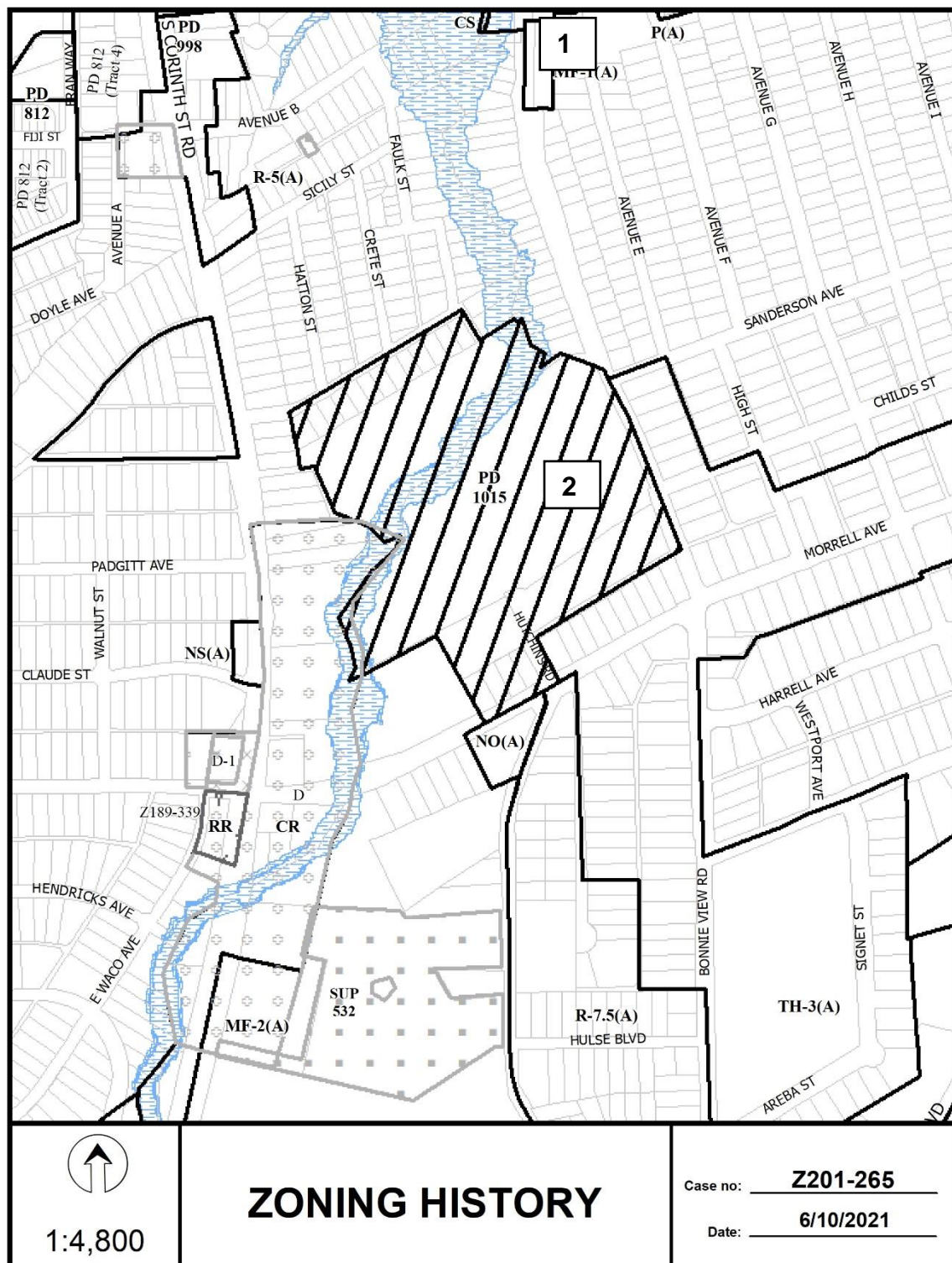




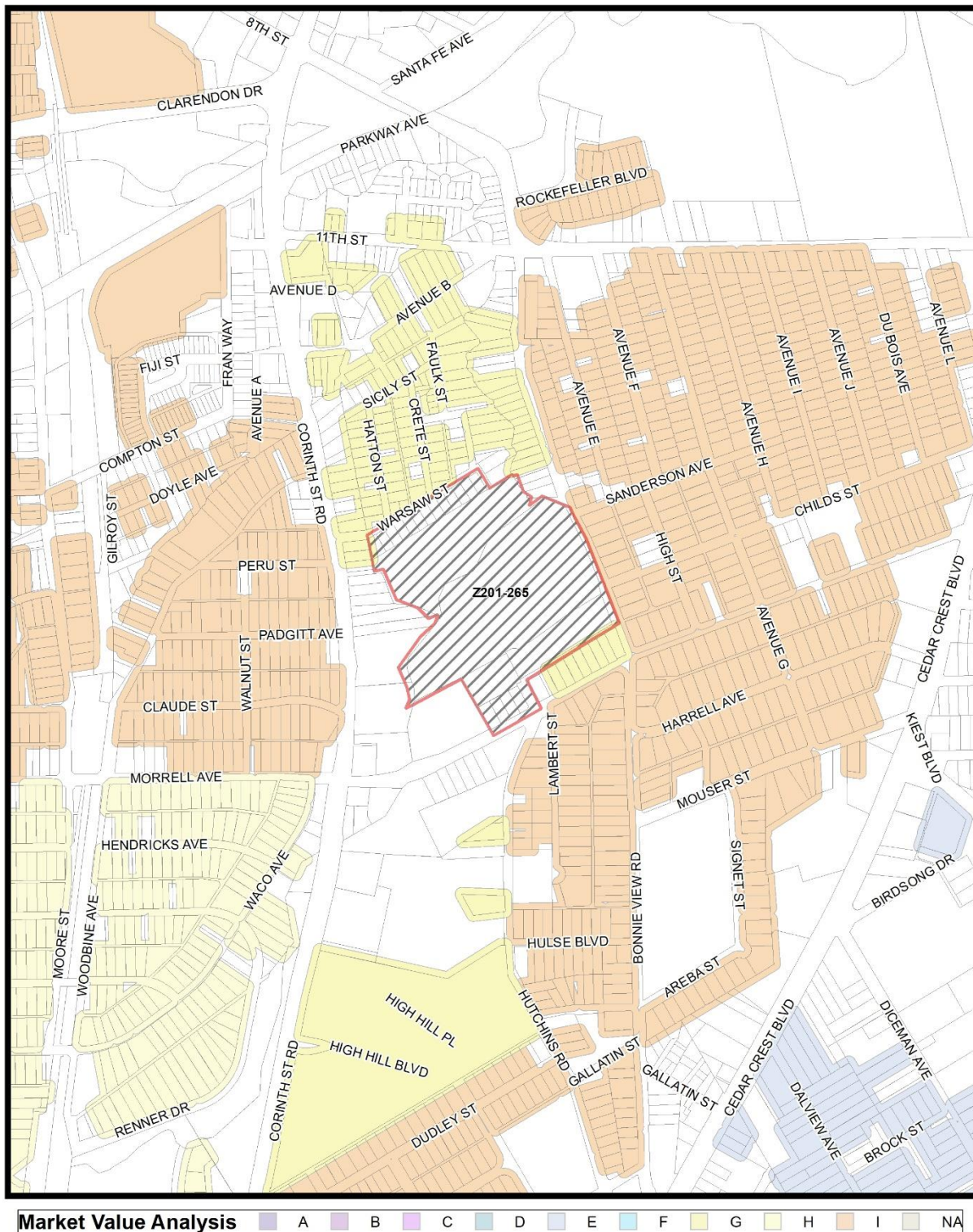












1:7,200

## Market Value Analysis

Printed Date: 6/10/2021





09/08/2021

***Reply List of Property Owners******Z201-265******277 Property Owners Notified******0 Property Owners in Favor******0 Property Owners Opposed***

| <b><i>Reply</i></b> | <b><i>Label #</i></b> | <b><i>Address</i></b> | <b><i>Owner</i></b>             |
|---------------------|-----------------------|-----------------------|---------------------------------|
| 1                   | 818                   | S CORINTH ST RD       | GREATER NEW VISION              |
| 2                   | 662                   | S CORINTH ST RD       | ROARK HUGH W ET AL              |
| 3                   | 658                   | S CORINTH ST RD       | ROARK HUGH W                    |
| 4                   | 525                   | BONNIE VIEW RD        | Dallas ISD                      |
| 5                   | 1735                  | MORRELL AVE           | ZEUSLENDINGCOM                  |
| 6                   | 1901                  | MORRELL AVE           | Dallas ISD                      |
| 7                   | 349                   | BONNIE VIEW RD        | BEL RENE LE                     |
| 8                   | 443                   | BONNIE VIEW RD        | STALLWORTH RILEY M              |
| 9                   | 447                   | BONNIE VIEW RD        | NEARER TO NATURE LLC            |
| 10                  | 654                   | S CORINTH ST RD       | Taxpayer at                     |
| 11                  | 900                   | S CORINTH ST RD       | LOPEZ ANDRES &                  |
| 12                  | 1622                  | MORRELL AVE           | JJ PROPERTIES INC               |
| 13                  | 1523                  | MORRELL AVE           | CNA & PHAM INVESTMENT LLC       |
| 14                  | 1522                  | CLAUDE ST             | GARCIA JORGE DANIEL PALOMINO &  |
| 15                  | 1530                  | CLAUDE ST             | WHEELER TAMEKA S                |
| 16                  | 829                   | S CORINTH ST RD       | AL ROUSAN & WARED CORP          |
| 17                  | 1519                  | CLAUDE ST             | WATSON IMA JEAN                 |
| 18                  | 1523                  | CLAUDE ST             | RAMIREZ JESUS L &               |
| 19                  | 1527                  | CLAUDE ST             | GRIFFIN DORA LEE                |
| 20                  | 1531                  | CLAUDE ST             | MURALLES ROSVIN LEONEL PINEDA & |
| 21                  | 1535                  | CLAUDE ST             | MARTINEZBUSTOS MARIA DEL R &    |
| 22                  | 1518                  | PADGITT AVE           | DAVIS STEVENSON & STELLA        |
| 23                  | 1522                  | PADGITT AVE           | CALZADA VICTOR                  |
| 24                  | 1526                  | PADGITT AVE           | Taxpayer at                     |
| 25                  | 1530                  | PADGITT AVE           | PEGASO CALIFORNIA CONSTRUCTION  |
| 26                  | 1534                  | PADGITT AVE           | KNOX WILLIAM T                  |

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| <i>Reply</i> | <i>Label #</i> | <i>Address</i>  | <i>Owner</i>                         |
|--------------|----------------|-----------------|--------------------------------------|
| 27           | 515            | WOODBINE AVE    | KELLEY MANDELL                       |
| 28           | 507            | WOODBINE AVE    | MAGDALENO HERIBERTO &                |
| 29           | 1515           | PADGITT AVE     | GRIFFIN LAJON OKEITH &               |
| 30           | 1519           | PADGITT AVE     | MUTREJA RAJEEV                       |
| 31           | 1523           | PADGITT AVE     | MP LIMITED HOLDINGS LLC              |
| 32           | 1527           | PADGITT AVE     | DEZHAM MOHAMMAD HOSSAIN              |
| 33           | 1531           | PADGITT AVE     | BROWN CLARICE ESTATE OF              |
| 34           | 1535           | PADGITT AVE     | BROWN GILL                           |
| 35           | 1510           | PERU ST         | ABOR ALENE W                         |
| 36           | 1514           | PERU ST         | SPENCER DOZIE                        |
| 37           | 1518           | PERU ST         | US BANK TRUST NA                     |
| 38           | 1526           | PERU ST         | BEASLEY SANDRA J CHILDS              |
| 39           | 1530           | PERU ST         | ALADE MARIA JEIME                    |
| 40           | 621            | S CORINTH ST RD | CROFFORD ANNE LANE                   |
| 41           | 1507           | PERU ST         | TRIPLE VVV LLC                       |
| 42           | 1511           | PERU ST         | CHAVEZ YSMAEL DEJESUS &              |
| 43           | 1515           | PERU ST         | LEVERSON JARVIS                      |
| 44           | 1519           | PERU ST         | ACEVEDO JESUS &                      |
| 45           | 1523           | PERU ST         | GONZALEZ MODESTO & JARVIN M          |
| 46           | 1527           | PERU ST         | EDWARDS LARRY W & ALICE              |
| 47           | 1531           | PERU ST         | PANTOJA FERMIN FLORES                |
| 48           | 530            | WOODBINE AVE    | DALLAS CITY OF COUNTY OF             |
| 49           | 524            | WOODBINE AVE    | BRIGHT EDWIN B                       |
| 50           | 520            | WOODBINE AVE    | HOLLINS ROBERT EST OF                |
| 51           | 619            | S CORINTH ST RD | GEORGE ANNIE MAE                     |
| 52           | 615            | S CORINTH ST RD | HARRISON VIRGINIA RAY                |
| 53           | 611            | S CORINTH ST RD | MAYES ASSETS IRA LLC                 |
| 54           | 518            | WOODBINE AVE    | NEW BEGINNING FREEDOM BAPTIST CHURCH |
| 55           | 650            | S CORINTH ST RD | AGUILAR JESUS JR                     |
| 56           | 646            | S CORINTH ST RD | AGUILAR JESUS PENA JR                |
| 57           | 642            | S CORINTH ST RD | AGUILAR JESUS PENA JR                |

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| <i>Reply</i> | <i>Label #</i> | <i>Address</i>  | <i>Owner</i>                |
|--------------|----------------|-----------------|-----------------------------|
| 58           | 638            | S CORINTH ST RD | AGUILAR JANELLE ANISSA      |
| 59           | 634            | S CORINTH ST RD | AGUILAR JANELLE ANISSA      |
| 60           | 630            | S CORINTH ST RD | AGILAR JESSE P JR           |
| 61           | 622            | S CORINTH ST RD | PRESAS FRANCISCO JAVIER R   |
| 62           | 618            | S CORINTH ST RD | AGUILAR JESUS P &           |
| 63           | 614            | S CORINTH ST RD | WALKER FRED JR              |
| 64           | 610            | S CORINTH ST RD | Taxpayer at                 |
| 65           | 606            | S CORINTH ST RD | LEWIS CHARLES E             |
| 66           | 602            | S CORINTH ST RD | RANGEL EFRAIN JIMENEZ       |
| 67           | 600            | S CORINTH ST RD | JIMENEZ EFRAIN RANGEL       |
| 68           | 518            | S CORINTH ST RD | JONES EVERETT               |
| 69           | 514            | S CORINTH ST RD | J EDWARD LEE MINISTRIES INC |
| 70           | 438            | AVE F           | MILLER LEE ELLA             |
| 71           | 502            | HIGH ST         | LOPEZ MARCELO GARCIA &      |
| 72           | 506            | HIGH ST         | RANDOLPH TERRENCE D SR      |
| 73           | 510            | HIGH ST         | YOUNG ARNOLD L              |
| 74           | 514            | HIGH ST         | LIMONES SERGIO              |
| 75           | 518            | HIGH ST         | LEWIS DORIS L               |
| 76           | 522            | HIGH ST         | SANCHEZ ABELINO R &         |
| 77           | 503            | HIGH ST         | HERNANDEZ ABRAHAM           |
| 78           | 507            | HIGH ST         | GLOVER GREGORY              |
| 79           | 511            | HIGH ST         | BRICKMAN THOMAS             |
| 80           | 515            | HIGH ST         | KNOW VEST INC               |
| 81           | 519            | HIGH ST         | WATSONTILLIS LINDA GAYLE    |
| 82           | 526            | BONNIE VIEW RD  | Taxpayer at                 |
| 83           | 516            | BONNIE VIEW RD  | HART ARMELIA ANN            |
| 84           | 510            | BONNIE VIEW RD  | Taxpayer at                 |
| 85           | 520            | BONNIE VIEW RD  | SORIA PEDRO                 |
| 86           | 502            | BONNIE VIEW RD  | GOLDEN GATE FUNERAL HOME    |
| 87           | 504            | BONNIE VIEW RD  | ROMERO MARIA C              |
| 88           | 602            | BONNIE VIEW RD  | TOWNSEND RICHARD M EST OF   |

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| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>                              |
|--------------|----------------|----------------|---|
| 89           | 606            | BONNIE VIEW RD | SOTELO NANCY M                            |
| 90           | 603            | HIGH ST        | RODRIGUEZ FRANCISCO JAVIER                |
| 91           | 602            | HIGH ST        | MARTINEZ YADIRA YAHAIRA & JUAN C SALVADOR |
| 92           | 606            | HIGH ST        | ORTIZ MARIA M                             |
| 93           | 2111           | MORRELL AVE    | FREE CHURCH OF GOD                        |
| 94           | 2103           | MORRELL AVE    | SMITH BESSIE F ET AL                      |
| 95           | 611            | HIGH ST        | HOGG IMOGENE                              |
| 96           | 2003           | MORRELL AVE    | COMPTON ROBBIN LATREESE                   |
| 97           | 2005           | MORRELL AVE    | JONES CHRISTINE                           |
| 98           | 2011           | MORRELL AVE    | CARTER CLIFFORD                           |
| 99           | 2017           | MORRELL AVE    | LEONARD BERNICE                           |
| 100          | 2023           | MORRELL AVE    | RODRIGUEZ ERNESTO & VERONICA VEGA         |
| 101          | 610            | BONNIE VIEW RD | RIOS GERMAN                               |
| 102          | 902            | LAMBERT ST     | BRYANT LEE A                              |
| 103          | 838            | LAMBERT ST     | JAIME JOSE &                              |
| 104          | 834            | LAMBERT ST     | PROCESS INDUSTRIAL SUPPLY LLC             |
| 105          | 830            | LAMBERT ST     | WALLACE LILLIAN                           |
| 106          | 826            | LAMBERT ST     | Taxpayer at                               |
| 107          | 822            | LAMBERT ST     | RAMIREZ FRANCISCA M & LUIS LEDEZMA        |
| 108          | 818            | LAMBERT ST     | Taxpayer at                               |
| 109          | 814            | LAMBERT ST     | MITCHELL LINDA                            |
| 110          | 810            | LAMBERT ST     | GONZALEZ JAVIER                           |
| 111          | 1902           | MORRELL AVE    | PADILLA ERIC &                            |
| 112          | 1906           | MORRELL AVE    | EDWARDS HELENA ANN                        |
| 113          | 1908           | MORRELL AVE    | CH SOUTHWEST LLC                          |
| 114          | 1912           | MORRELL AVE    | GOMEZ AMADOR SANTIBANEZ                   |
| 115          | 707            | BONNIE VIEW RD | MCKINNEY IVA D                            |
| 116          | 715            | BONNIE VIEW RD | LOVE JIMMIE C                             |
| 117          | 719            | BONNIE VIEW RD | ROLLINS DEVELOPMENT GROUP INC             |
| 118          | 723            | BONNIE VIEW RD | MOSS MARSHEL K                            |
| 119          | 803            | BONNIE VIEW RD | WILKS CATHY J &                           |

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| <i>Reply</i> | <i>Label #</i> | <i>Address</i>     | <i>Owner</i>                 |
|--------------|----------------|--------------------|------------------------------|
|              | 120            | 807 BONNIE VIEW RD | WALKER ALBERT                |
|              | 121            | 811 BONNIE VIEW RD | ESTEVANE LUZ IVON &          |
|              | 122            | 815 BONNIE VIEW RD | BUSTAMANTE VINCENTE          |
|              | 123            | 819 BONNIE VIEW RD | SMITH CHERYL                 |
|              | 124            | 2113 HARRELL AVE   | GILES MELVIN D               |
|              | 125            | 2107 HARRELL AVE   | SINGHAL VAIBHAV              |
|              | 126            | 2103 HARRELL AVE   | JEFFERSON WILLIE SUE EST OF  |
|              | 127            | 2023 HARRELL AVE   | REED J W                     |
|              | 128            | 2015 HARRELL AVE   | RICHARDSON JUDGE III         |
|              | 129            | 722 BONNIE VIEW RD | Taxpayer at                  |
|              | 130            | 718 BONNIE VIEW RD | LANGDON CHARLES III &        |
|              | 131            | 710 BONNIE VIEW RD | LANGDON CHARLES              |
|              | 132            | 2002 MORRELL AVE   | JOHNSON CARL E               |
|              | 133            | 2006 MORRELL AVE   | JOHNSON TERESA ANN           |
|              | 134            | 2010 MORRELL AVE   | Taxpayer at                  |
|              | 135            | 2014 MORRELL AVE   | TURNER JUNELLA               |
|              | 136            | 2022 MORRELL AVE   | FULLER REGINALD D & TERESA D |
|              | 137            | 2026 MORRELL AVE   | RODRIGUEZ ERNESTO &          |
|              | 138            | 2102 MORRELL AVE   | RODRIGUEZ ERNESTO &          |
|              | 139            | 2108 MORRELL AVE   | RODRIGUEZ ALMA Y             |
|              | 140            | 835 LAMBERT ST     | BURLESON EVA                 |
|              | 141            | 832 HUTCHINS RD    | FERNANDEZ LUPITA MARIE       |
|              | 142            | 836 HUTCHINS RD    | CAMPBELL AMANDA G            |
|              | 143            | 839 LAMBERT ST     | WATSON AZALIA Z              |
|              | 144            | 827 LAMBERT ST     | RIVERS LOLA B                |
|              | 145            | 831 LAMBERT ST     | ANDERSON HENRY               |
|              | 146            | 821 LAMBERT ST     | MARTINEZ PILAR &             |
|              | 147            | 911 LAMBERT ST     | TERRELL VALLIE MAY EST OF    |
|              | 148            | 910 HUTCHINS RD    | UPSHAW MARY L                |
|              | 149            | 902 HUTCHINS RD    | COLUNGA TEODULO              |
|              | 150            | 833 HUTCHINS RD    | BRISTOW ANNEMARIE            |

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| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>                |
|--------------|----------------|----------------|-----------------------------|
| 151          | 907            | HUTCHINS RD    | LAWRENCE ISIAH W            |
| 152          | 1              | HUTCHINS RD    | WILLIS DARLENE              |
| 153          | 807            | HUTCHINS RD    | BREN AARON &                |
| 154          | 1714           | MORRELL AVE    | BRISTOW ANNMARIE            |
| 155          | 1718           | MORRELL AVE    | BRISTOW ANNEMARIE           |
| 156          | 1722           | MORRELL AVE    | ALFARO VICTOR FRANK         |
| 157          | 1726           | MORRELL AVE    | RATCLIFF JOHN W             |
| 158          | 1901           | MORRELL AVE    | Dallas ISD                  |
| 159          | 1905           | MORRELL AVE    | MANJREKAR ASHISH            |
| 160          | 1909           | MORRELL AVE    | ZUNIGA ALBERTO & ANA        |
| 161          | 1915           | MORRELL AVE    | PASAY INC                   |
| 162          | 1919           | MORRELL AVE    | TIDWELL SHIRLEY             |
| 163          | 1921           | MORRELL AVE    | QUEST IRA INC               |
| 164          | 1927           | MORRELL AVE    | CARTER BILLIE J             |
| 165          | 1931           | MORRELL AVE    | MOXIE INVESTMENTS LLC       |
| 166          | 1935           | MORRELL AVE    | WRIGHT IVAN WINTHROP MELTON |
| 167          | 1939           | MORRELL AVE    | LOERA CIPRIANO &            |
| 168          | 446            | BONNIE VIEW RD | TAI WILLIAM KOK FAI         |
| 169          | 440            | BONNIE VIEW RD | SORTO ROLANDO               |
| 170          | 438            | BONNIE VIEW RD | PRIEGOMARTINEZ FREDDY       |
| 171          | 434            | BONNIE VIEW RD | HAPPY FAMILY RENTALS LLC    |
| 172          | 428            | BONNIE VIEW RD | HOLMES TALMADGE             |
| 173          | 426            | BONNIE VIEW RD | DALLAS CITY OF COUNTY OF    |
| 174          | 422            | BONNIE VIEW RD | ALVARADO FELIX SOTO &       |
| 175          | 418            | BONNIE VIEW RD | STEWART ESTHER M            |
| 176          | 412            | BONNIE VIEW RD | CARRERA JOSE L R            |
| 177          | 410            | BONNIE VIEW RD | TUBBS JO                    |
| 178          | 400            | BONNIE VIEW RD | PALOMARES HECTOR DON J &    |
| 179          | 350            | BONNIE VIEW RD | DANIELS OLIVIA J            |
| 180          | 344            | BONNIE VIEW RD | APARICIO EFREN ET AL        |
| 181          | 351            | AVE E          | MARTINEZMORUA VICTOR &      |

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| <i>Reply</i> | <i>Label #</i> | <i>Address</i>     | <i>Owner</i>                  |
|--------------|----------------|--------------------|-------------------------------|
|              | 182            | 355 AVE E          | PEARCE EDWARD L               |
|              | 183            | 403 AVE E          | HAMWAY MICHAEL                |
|              | 184            | 409 AVE E          | LEWIS ESTER F                 |
|              | 185            | 411 AVE E          | LEE ANNIE BERNICE             |
|              | 186            | 415 AVE E          | CONTRERAS SALVADOR            |
|              | 187            | 419 AVE E          | ZIMMERMAN CHARLES             |
|              | 188            | 423 AVE E          | ESQUIVEL JIMENEZ JUAN CARLOS  |
|              | 189            | 427 AVE E          | SOUTER JAMES M                |
|              | 190            | 431 AVE E          | MORENO OSCAR CESAR &          |
|              | 191            | 435 AVE E          | ALDANA JESSICA                |
|              | 192            | 439 AVE E          | DALLAS SKYFALL LLC SERIES 439 |
|              | 193            | 445 AVE E          | URBAN LIFT FOUNDATION         |
|              | 194            | 444 AVE E          | NEAL A C                      |
|              | 195            | 438 AVE E          | NEAL MAGGIE                   |
|              | 196            | 434 AVE E          | INVESTALL INC                 |
|              | 197            | 430 AVE E          | HUERTA VALENTINA              |
|              | 198            | 426 AVE E          | LAGOW DEV PROJECT LLC         |
|              | 199            | 422 AVE E          | CASTILLO GUADALUPE            |
|              | 200            | 418 AVE E          | RAMIREZ ISIDORO               |
|              | 201            | 414 AVE E          | Taxpayer at                   |
|              | 202            | 410 AVE E          | SOLORZANO DIANA EVELIN        |
|              | 203            | 415 AVE F          | CAZARES CASAS LLC             |
|              | 204            | 419 AVE F          | SANDOVAL ANTONIO              |
|              | 205            | 423 AVE F          | MANZUR NAGYB                  |
|              | 206            | 427 AVE F          | BURTON DOLORES JANICE         |
|              | 207            | 431 AVE F          | THOMAS ELLA                   |
|              | 208            | 435 AVE F          | FUENTES IRMA & JOSE E         |
|              |                |                    | SALDANATOVAR                  |
|              | 209            | 439 AVE F          | WEBBER LILLIE M EST OF        |
|              | 210            | 403 BONNIE VIEW RD | CASTANEDA MARIA E             |
|              | 211            | 405 BONNIE VIEW RD | ROSSI LAUREN C &              |
|              | 212            | 409 BONNIE VIEW RD | CASTRO JOSE S SR              |



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| <i>Reply</i> | <i>Label #</i> | <i>Address</i>     | <i>Owner</i>                  |
|--------------|----------------|--------------------|-------------------------------|
|              | 213            | 411 BONNIE VIEW RD | LAZARO NICOLE &               |
|              | 214            | 415 BONNIE VIEW RD | MALDONADO FLORENCIA           |
|              | 215            | 417 BONNIE VIEW RD | STALLWORTH RILEY M            |
|              | 216            | 421 BONNIE VIEW RD | SOTO FELIX & MA DE JESUS      |
|              | 217            | 423 BONNIE VIEW RD | MURRAGARRA JOSE               |
|              | 218            | 427 BONNIE VIEW RD | LASARO HILDA                  |
|              | 219            | 431 BONNIE VIEW RD | ALVAREZ JORGE                 |
|              | 220            | 435 BONNIE VIEW RD | ALVAREZ JORGE                 |
|              | 221            | 508 FAULK ST       | COVENANT HOMES CONSTRUCTION & |
|              | 222            | 512 FAULK ST       | WASHINGTON WILLIE             |
|              | 223            | 516 FAULK ST       | THOMAS JOE                    |
|              | 224            | 520 FAULK ST       | HAWKINS FREDDIE HENDERSON     |
|              | 225            | 524 FAULK ST       | HOOD GEORGE                   |
|              | 226            | 528 FAULK ST       | HOOD GEORGE                   |
|              | 227            | 532 FAULK ST       | BUSTAMANTE OSWALDO            |
|              | 228            | 536 FAULK ST       | MAGALLANES MARIA C            |
|              | 229            | 544 FAULK ST       | ADIA PARTNERSHIP LLC          |
|              | 230            | 1702 SICILY ST     | BAGSBY MAGGIE                 |
|              | 231            | 515 FAULK ST       | MASTERS HAZEL &               |
|              | 232            | 1706 SICILY ST     | MARTINEZ MARIA E              |
|              | 233            | 506 CRETE ST       | RUIZ DANIELA LOPEZ            |
|              | 234            | 519 FAULK ST       | Taxpayer at                   |
|              | 235            | 517 FAULK ST       | MASTERS HAZEL EST OF &        |
|              | 236            | 521 FAULK ST       | BURELL LOUISE                 |
|              | 237            | 510 CRETE ST       | VILLARREAL JUAN G &           |
|              | 238            | 531 FAULK ST       | DUNNAHUE T I                  |
|              | 239            | 541 FAULK ST       | GERARDO LORENZO &             |
|              | 240            | 545 FAULK ST       | GERARDO BALTAZAR              |
|              | 241            | 542 CRETE ST       | GARCIA CENOBIA                |
|              | 242            | 538 CRETE ST       | GARCIA CENOBIA EST OF         |
|              | 243            | 534 CRETE ST       | GERARDO BALTASAR              |

09/08/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>               |
|--------------|----------------|----------------|----------------------------|
| 244          | 530            | CRETE ST       | JOHNSON DOROTHY            |
| 245          | 522            | CRETE ST       | BENTON HERBERT JR & ERMA   |
| 246          | 1632           | SICILY ST      | MIXON DOLORES &            |
| 247          | 507            | CRETE ST       | VILLARREAL JUAN &          |
| 248          | 511            | CRETE ST       | GARCIA RODOLFO             |
| 249          | 515            | CRETE ST       | JACKSON WILLIAM            |
| 250          | 519            | CRETE ST       | TINOCO ESTHER              |
| 251          | 523            | CRETE ST       | HOWARD KATIE MARIE         |
| 252          | 527            | CRETE ST       | MACIAS IRMALINDA & ROSENDO |
| 253          | 531            | CRETE ST       | NEBLETT SANDY ET AL        |
| 254          | 535            | CRETE ST       | RONIN HOME BUILDERS        |
| 255          | 539            | CRETE ST       | HOPPS ETHEL SIMS           |
| 256          | 543            | CRETE ST       | DUENAS OTILIO              |
| 257          | 1627           | WARSAW ST      | LEWIS JOHN ARVIE           |
| 258          | 542            | HATTON ST      | ELIZALDE CIEL              |
| 259          | 538            | HATTON ST      | PATINO MANUEL              |
| 260          | 530            | HATTON ST      | PARADA JOSE C & MARIA      |
| 261          | 526            | HATTON ST      | JOHNSON LILLIAN LOIS       |
| 262          | 522            | HATTON ST      | WASHINGTON LILLIAN L       |
| 263          | 514            | HATTON ST      | WEST RHONDA                |
| 264          | 510            | HATTON ST      | MORENO AGUSTINA &          |
| 265          | 506            | HATTON ST      | MARTINEZ ANGELICA M &      |
| 266          | 502            | HATTON ST      | MARTINEZ ANGELICA          |
| 267          | 503            | HATTON ST      | Taxpayer at                |
| 268          | 509            | HATTON ST      | LAZO CRUZ MONTIEL          |
| 269          | 513            | HATTON ST      | LAZO CRUZ &                |
| 270          | 517            | HATTON ST      | LAZO MARTIN & JUANA B      |
| 271          | 521            | HATTON ST      | SUASTE VICTOR & ANGELICA   |
| 272          | 525            | HATTON ST      | LAZO RUBEN                 |
| 273          | 529            | HATTON ST      | ELIZALDE PRINCE            |
| 274          | 533            | HATTON ST      | ELIZALDE JULIANA MRS       |

Z201-265(LG)

09/08/2021

| <i><b>Reply</b></i> | <i><b>Label #</b></i> | <i><b>Address</b></i> | <i><b>Owner</b></i> |
|---------------------|-----------------------|-----------------------|---------------------|
|                     | 275                   | 537 HATTON ST         | ELIZALDE JULIANA    |
|                     | 276                   | 541 HATTON ST         | HOLLIE ANDRIA       |
|                     | 277                   | 545 HATTON ST         | COX CHARLES WILMER  |



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1846

**Item #:** Z2.

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Department of Planning and Urban Design

**EXECUTIVE:** Dr. Eric A. Johnson

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### **SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2211 for a bar, lounge or tavern use and an inside commercial amusement limited to a live music venue on property zoned Tract A within Planned Development District No. 269, the Deep Ellum/Near East Side District, at the southeast corner of Commerce Street and Murray Street

Recommendation of Staff and CPC: Approval for a three-year period, subject to conditions Z201-266(OA)

**FILE NUMBER:** Z201-266(OA)

**DATE FILED:** May 24, 2021

**LOCATION:** At the southeast corner of Commerce Street and Murray Street

**COUNCIL DISTRICT:** 2

**MAPSCO:** 46 J

**SIZE OF REQUEST:** Approximately 0.21 Acres

**CENSUS TRACT:** 204.00

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**APPLICANT:** John LaRue, Deep Ellum Art Company

**OWNER:** Commerce Canton Investors, LLC

**REPRESENTATIVE:** Audra Buckley, Permitted Development

**REQUEST:** An application for the renewal of Specific Use Permit No. 2211 for a bar, lounge or tavern use and an inside commercial amusement limited to a live music venue on property zoned Tract A within Planned Development District No. 269, the Deep Ellum/Near East Side District.

**SUMMARY:** The purpose of this request is to allow for the continued operation of a bar, lounge, or tavern and an inside commercial amusement limited to a live music venue [Deep Ellum Art Co]

**CPC RECOMMENDATION:** Approval for a three-year period, subject to conditions

**STAFF RECOMMENDATION:** Approval for a three-year period, subject to conditions

### **Background Information**

- The Deep Ellum/Near East Side District (Planned Development District No. 269) was created on April 29, 1987. On June 14, 2006, the City Council approved an amendment to PD No. 269 that included the SUP requirement for bar, lounge, and tavern use category.
- The requested site is an existing one-story building with 5,170 square feet of floor area.
- On September 14, 2016, the City Council approved Specific Use Permit No. 2211 for a bar, lounge, or tavern, and an inside commercial amusement limited to a live music venue, for one year subject to site plan and conditions.
- On August 30, 2017, a certificate of occupancy for commercial amusement (inside) was issued to the applicant. The CO includes references to the parking agreement.
- On October 11, 2017, the City Council approved the renewal and amendment of Specific Use Permit No. 2211 for a bar, lounge, or tavern, and an inside commercial amusement limited to live music venue, for two years subject to site plan and conditions. An amendment to the site plan included the removal of parking from the eastern lot (3,185 square-foot asphalt area) to remain vacant of structures and be used as an uncovered patio. New parking agreements were detailed on the amended and approved site plan to satisfy the required parking. Uncovered patios do not require additional parking.
- On September 11, 2019, the City Council approved a renewal of Specific Use Permit No. 2211 for a bar, lounge, or tavern, and an inside commercial amusement limited to live music venue, for two years subject to conditions.

### **Zoning History**

There have been five zoning cases requested in the area in the past five years:

1. **Z156-245:** On September 14, 2016, the City Council approved Specific Use Permit No. 2211 for an alcoholic beverage establishment limited to a bar, lounge, or tavern and a commercial amusement (inside) limited to a live music venue, on property zoned Tract A within Planned Development District No. 269, the Deep Ellum/Near East Side District located on the southeast corner of West Commerce Street and Murray Street.

- 2. Z167-283:** On August 9, 2017, the City Council approved Specific Use Permit No. 2253 for an alcoholic beverage establishment limited to a bar, lounge, or tavern use on property zoned Tract A within Planned Development District No. 269, the Deep Ellum/Near East Side Special Purpose District located on the east side of Hall Street fronting on Elm Street and Main Street.
- 3. Z167-337:** On October 11, 2017, City Council renewed Specific Use Permit No. 2211 for an alcoholic beverage establishment limited to a bar, lounge, or tavern and a commercial amusement (inside) limited to a live music venue on property zoned Tract A of Planned Development District No. 269, the Deep Ellum/Near East Side District, on the southeast corner of Commerce Street and Murray Street.
- 4. Z189-216:** On May 16, 2019, the City Plan Commission recommended approval of the renewal of Specific Use Permit No. 2253 for an alcoholic beverage establishment limited to a bar, lounge, or tavern use on property zoned Tract A within Planned Development District No. 269, the Deep Ellum/Near East Side Special Purpose District located on the east side of Hall Street fronting on Elm Street and Main Street.
- 5. Z189-250:** On September 11, 2019, the City Council approved a renewal of Specific Use Permit No. 2211 for a bar, lounge, or tavern, and an inside commercial amusement limited to live music venue, for two years subject conditions.

### **Thoroughfares/Streets**

| Thoroughfares/Street | Type                | Existing ROW |
|----------------------|---------------------|--------------|
| W. Commerce Street   | Community Collector | 60 ft.       |
| Murray Street        | Local Street        | 50 ft.       |

### **Traffic**

The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and determined that it will not significantly impact the existing roadway system.

## **Comprehensive Plan**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies that can serve as a framework for assisting in evaluating the applicant's request. The applicant's request is consistent with the following goals and policies of the comprehensive plan.

## **ECONOMIC ELEMENT**

### **GOAL 2.3 BUILD A DYNAMIC AND EXPANDED DOWNTOWN**

**Policy 2.3.3** Work with property owners and stakeholders to preserve and enhance the image of Downtown Dallas.

### **GOAL 2.5 FOSTER A CITY OF GREAT NEIGHBORHOODS**

**Policy 2.5.1** Promote strong and distinctive neighborhoods to enhance Dallas' quality of life.

## **URBAN DESIGN ELEMENT**

### **GOAL 5.2 STRENGTHEN COMMUNITY AND NEIGHBORHOOD IDENTITY**

**Policy 5.2.2** Promote the character of the city's significant districts, linkages, and areas.

### **GOAL 5.3 ESTABLISHING WALK-TO CONVENIENCE**

**Policy 5.3.1** Encourage a balance of land uses within walking distance of each other.

## **Area Plans**

The *Downtown Dallas 360 Plan* was adopted in April 2011 and updated in December 2017. The Plan was adopted as a guide to future City Council actions concerning land use and development regulations, transportation and economic development, and capital improvement expenditures in the area generally bounded by a two-and-a-half-mile radius centered on the intersection of Main Street and Akard Street.

The Plan recognizes Deep Ellum as one of the Core / Supporting Districts for its "many nightclubs, eclectic restaurants, performance venues, art galleries, and creative office uses [that] together form a vibrant entertainment destination."

The applicant's request is consistent with the goals and policies of the *Dallas 360* Area Plan.



**STAFF ANALYSIS****Surrounding Land Uses**

|           | <b>Zoning</b>                       | <b>Land Use</b>  |
|-----------|-------------------------------------|--|
| Site      | PD No. 269, Tract A<br>SUP No. 2211 | Existing bar, lounge, or tavern with commercial amusement inside limited to live music |
| North     | PD No. 269, Tract A                 | Office use   |
| Northeast | PD No. 269, Tract A<br>H/92         | Multifamily  |
| East      | PD No. 269, Tract A<br>H/92         | Surface parking lot  |
| Southeast | PD No. 269, Tract A                 | Office and retail  |
| South     | PD No. 269, Tract A                 | An art pavilion and outside patio  |
| West      | PD No. 269, Tract A                 | Office and retail  |
| Northwest | PD No. 269, Tract A                 | Office   |

**Land Use Compatibility**

The subject site is zoned Tract A within Planned Development District No. 269 and developed with a 5,170 square-foot, one-story building. The property is adjacent to a parking lot for multifamily use across Commerce Street to the east, multifamily, office, and retail to the north; and office and community service center to the west. To the south, there is a former alley that was abandoned and is currently fenced together with the request site and the lot adjacent to the south. This portion together with the lot located further south is currently being used by the applicant for an art pavilion and outside patio associated with the art pavilion. This abandoned alley and the southern lot are not platted and do not have a Certificate of Occupancy for the proper use of the property. Although the abandoned alley and the southern lot are not part of the SUP request, staff continues to recommend that the applicant get the site into compliance with City's processes as soon as possible.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable

effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant a SUP for use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The regulations in this chapter have been established per a comprehensive plan to promote the health, safety, morals, and general welfare of the city.

The applicant's request, subject to conditions, is compatible with the surrounding mix of uses. The continuation of a bar in Deep Ellum enhances the entertainment character of the area. Considering the surrounding uses that are similar to the request, and the entire mixed-use and entertainment character of Deep Ellum and because the applicant has improved the property and has operated responsibly at the location for the period of the last SUP No. 2211 renewal in 2019, staff is in support of this request.

Staff initially recommended five years to allow a review of the SUP to ensure the conditions continue to be met and the property to the south is not consumed by the use and operating without a SUP. The City Plan Commission recommended three years and Staff agrees with it.

### **Parking**

There are no proposed changes to the site plan, therefore no additional parking requirements are triggered by this request.

There are currently 27 parking spaces provided for this property. PD No. 269 does not require off-street parking for the first 2,500 square feet of floor area for a bar, lounge, or tavern located within an original building. Otherwise, one space for every 100 square feet of floor area is required. Since the 5,170-square foot bar is in an original building, the applicant is only required to provide parking for 2,670 square feet of floor area, which equates to 27 spaces. There are current parking agreements file with permits that satisfy the above parking requirement.

### **Landscaping**

There are no landscaping requirements triggered by the request.

### **Market Value Analysis**

Market Value Analysis (MVA), is a tool to aid residents and policy-makers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to more precisely target intervention strategies in weak markets and support sustainable growth in stronger markets. The

MVA identifies nine market types (A through I) on a spectrum of residential market strengths or weaknesses. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets (A through C) to orange, representing the weakest markets (G through I). The requested site is not located within an MVA cluster.

### **Crime Report:**

From March 2019 to July 2021, 20 calls, five offenses, three arrests were placed to the Dallas Police Department (DPD) with the location 3200 Commerce address as detailed below.

### **Calls:**

| ID       | Response_Date | Jurisdiction  | Problem                       |
|----------|---------------|---------------|-------------------------------|
| 41139154 | 6/23/2021     | Dallas Police | 32 - Suspicious Person        |
| 41014047 | 6/10/2021     | Dallas Police | 40 - Other                    |
| 40782438 | 5/15/2021     | Dallas Police | 09V - UUMV                    |
| 40375533 | 3/27/2021     | Dallas Police | 6M - Loud Music Disturbance   |
| 39746857 | 1/8/2021      | Dallas Police | 40 - Other                    |
| 39251985 | 11/6/2020     | Dallas Police | 07 - Minor Accident           |
| 38038342 | 6/11/2020     | Dallas Police | 6X - Major Dist (Violence)    |
| 37200840 | 2/28/2020     | Dallas Police | 6M - Loud Music Disturbance   |
| 37151236 | 2/21/2020     | Dallas Police | 40 - Other                    |
| 36739105 | 1/2/2020      | Dallas Police | DASF-Dist Active Shooter Foot |
| 36056812 | 10/13/2019    | Dallas Police | 40 - Other                    |
| 35906880 | 9/26/2019     | Dallas Police | 40 - Other                    |
| 35784081 | 9/13/2019     | Dallas Police | 6M - Loud Music Disturbance   |
| 35105409 | 6/28/2019     | Dallas Police | 6M - Loud Music Disturbance   |
| 35052159 | 6/23/2019     | Dallas Police | 6X - Major Dist (Violence)    |
| 34699038 | 5/16/2019     | Dallas Police | 6M - Loud Music Disturbance   |
| 34656114 | 5/11/2019     | Dallas Police | 6M - Loud Music Disturbance   |
| 34317958 | 4/3/2019      | Dallas Police | 09V - UUMV                    |
| 34233085 | 3/23/2019     | Dallas Police | 6M - Loud Music Disturbance   |
| 34143425 | 3/13/2019     | Dallas Police | 24 - Abandoned Property       |

Z201-266(OA)

**Offenses:**

| IncidentNum | Date       | Signal                        | Incident  |
|-------------|------------|-------------------------------|---|
| 084624-2021 | 5/14/2021  | 09V - UUMV                    | UNAUTHORIZED USE OF MOTOR VEH - AUTOMOBILE                        |
| 001331-2020 | 1/2/2020   | DASF-DIST ACTIVE SHOOTER FOOT | ASSAULT (AGG) -DISCH FIREARM OCC BLDG/HOUSE/VEH (AGG)             |
| 001370-2020 | 1/2/2020   | DASF-DIST ACTIVE SHOOTER FOOT | ASSAULT -BODILY INJURY ONLY                                       |
| 214043-2019 | 10/17/2019 | 25 - CRIMINAL ASSAULT         | ASSAULT -BODILY INJURY ONLY                                       |
| 067033-2019 | 4/4/2019   | PSE/09 - THEFT                | THEFT OF PROP > OR EQUAL \$100 <\$750 (NOT SHOPLIFT) PC31.03(e2A) |

**Arrests:**

| IncidentNum | Arrest Date | Address          | Description                      |
|-------------|-------------|------------------|----------------------------------|
| 130508-2021 | 7/22/2021   | 3200 COMMERCE ST | APOWW (SOCIAL SERVICES REFERRAL) |
| 103086-2020 | 6/11/2020   | 3200 COMMERCE ST | PUBLIC INTOXICATION              |
| 075974-2020 | 4/28/2020   | 3200 COMMERCE ST | PUBLIC INTOXICATION              |

Z201-266(OA)

**CPC ACTION  
AUGUST 19, 2021**

**Z201-266(OA)**

Planner: Oscar Aguilera

**Motion:** It was moved to recommend **approval** of the renewal of Specific Use Permit No. 2211 for a bar, lounge or tavern use and an inside commercial amusement limited to a live music venue for a three-year period, subject to conditions on property zoned Tract A within Planned Development District No. 269, the Deep Ellum/Near East Side District, at the southeast corner of Commerce Street and Murray Street.

Maker: Hampton  
Second: Murphy  
Result: Carried: 11 to 0

For: 11 - MacGregor, Hampton, Stinson, Shidid,  
Carpenter, Jackson, Jung, Suhler, Schwope,  
Murphy, Garcia

Against: 0  
Absent: 3 - Johnson, Blair, Rubin  
Vacancy: 1 - District 10

**Notices:** Area: 200 Mailed: 11  
**Replies:** For: 4 Against: 0

**Speakers:** For: Audra Buckley, 1414 Belleview St., Dallas, TX, 75215  
Against: None

## **LIST OF PARTNERS**

### **Owner:**

Commerce Canton Investors, LLC

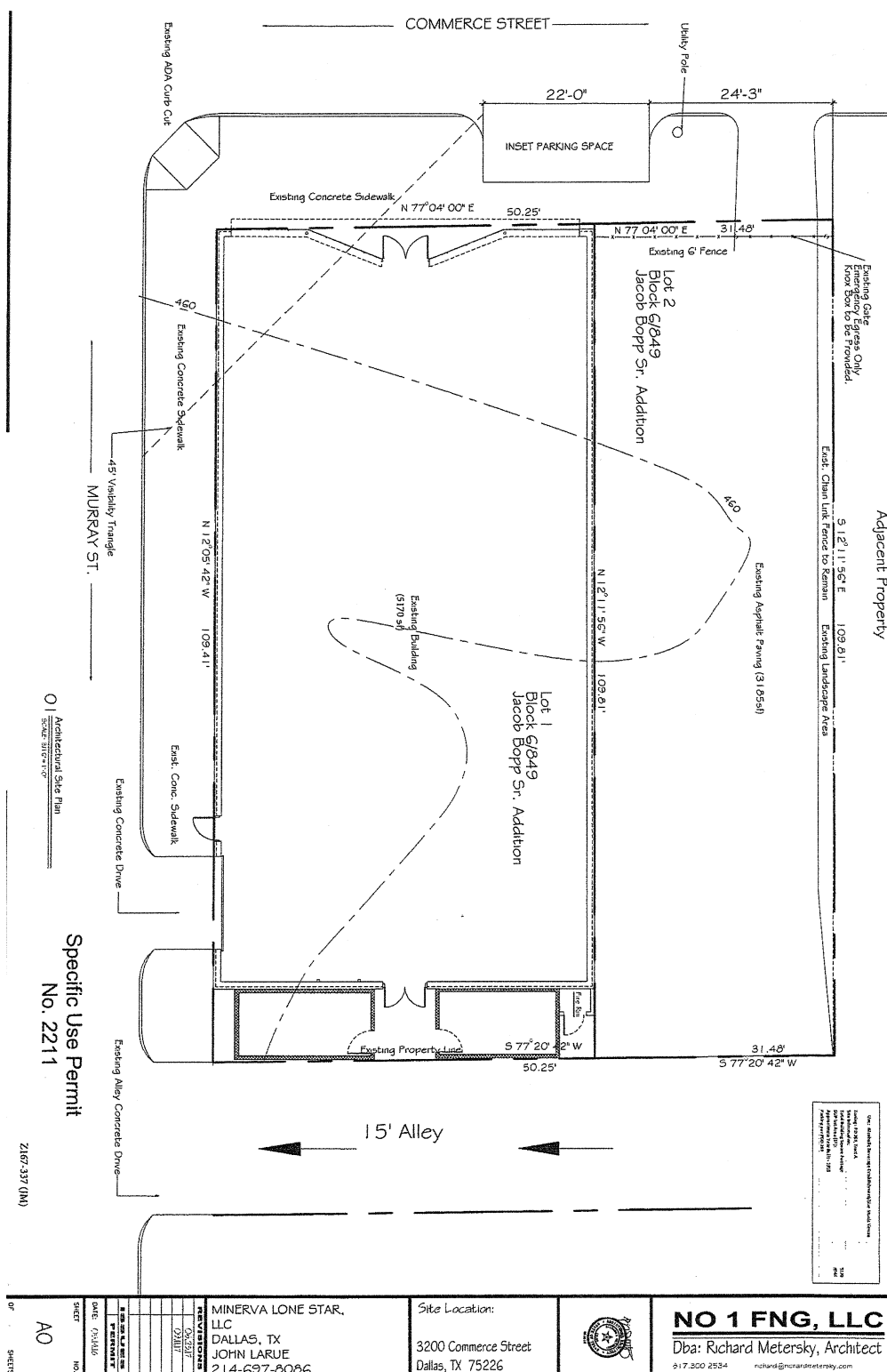
### **Director and Managing Members:**

Richard Flaten  
John LaRue

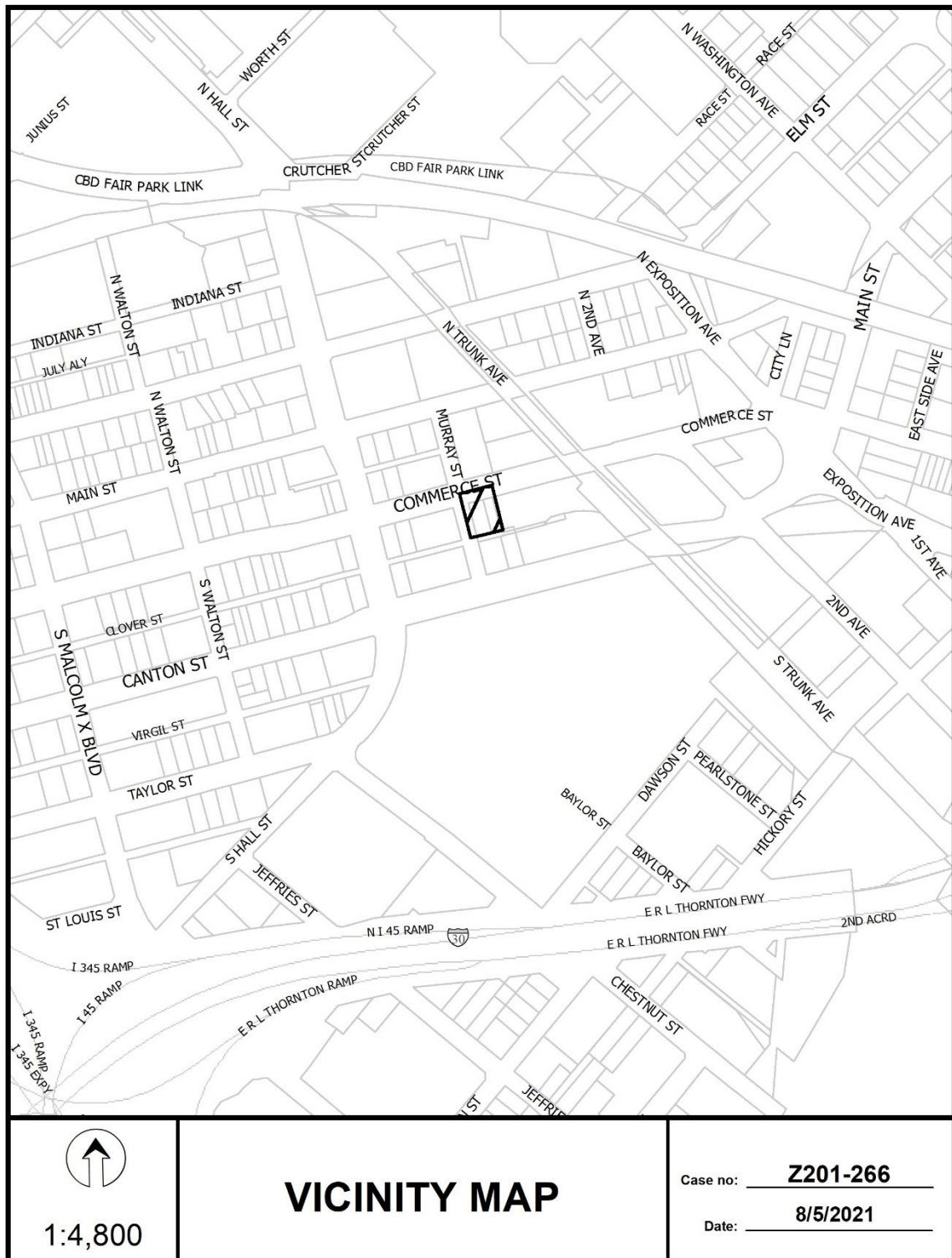
### **CPC RECOMMENDED SUP CONDITIONS**

1. USE: The only uses authorized by this specific use permit are a bar, lounge, or tavern and an inside commercial amusement limited to a live music venue.
2. SITE PLAN: Use and development of the Property must comply with the attached site plan.
3. TIME LIMIT: This specific use permit expires on ~~September 25, 2024~~ (three years from the passage of this ordinance).
4. FLOOR AREA: The maximum floor area is 5,170 square feet in the location shown on the attached site plan.
5. HOURS OF OPERATION:
  - A. The bar, lounge, or tavern may only operate between 4:00 p.m. and 2:00 a.m. (the next day) Monday through Friday, and between 11:00 a.m. and 2:00 a.m. (the next day) Saturday and Sunday.
  - B. The live music venue may only operate between 4:00 p.m. and 12:00 a.m. (midnight), Monday through Thursday, between 4:00 p.m. and 2:00 a.m. (the next day) on Friday, 11:00 a.m. to 2:00 a.m. (the next day) on Saturday, and between 11:00 a.m. and 12:00 a.m. (midnight) on Sunday.
6. OFF-STREET PARKING: Parking must be provided per the requirements of Planned Development District 269. Delta credits, as defined in Section 51A-4.704(b)(4), may not be used to meet the off-street parking requirement.
7. OUTSIDE SPEAKERS: Outside speakers are prohibited.
8. MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.
9. GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations and with all ordinances, rules, and regulations of the City of Dallas.

## EXISTING SITE PLAN (no changes)

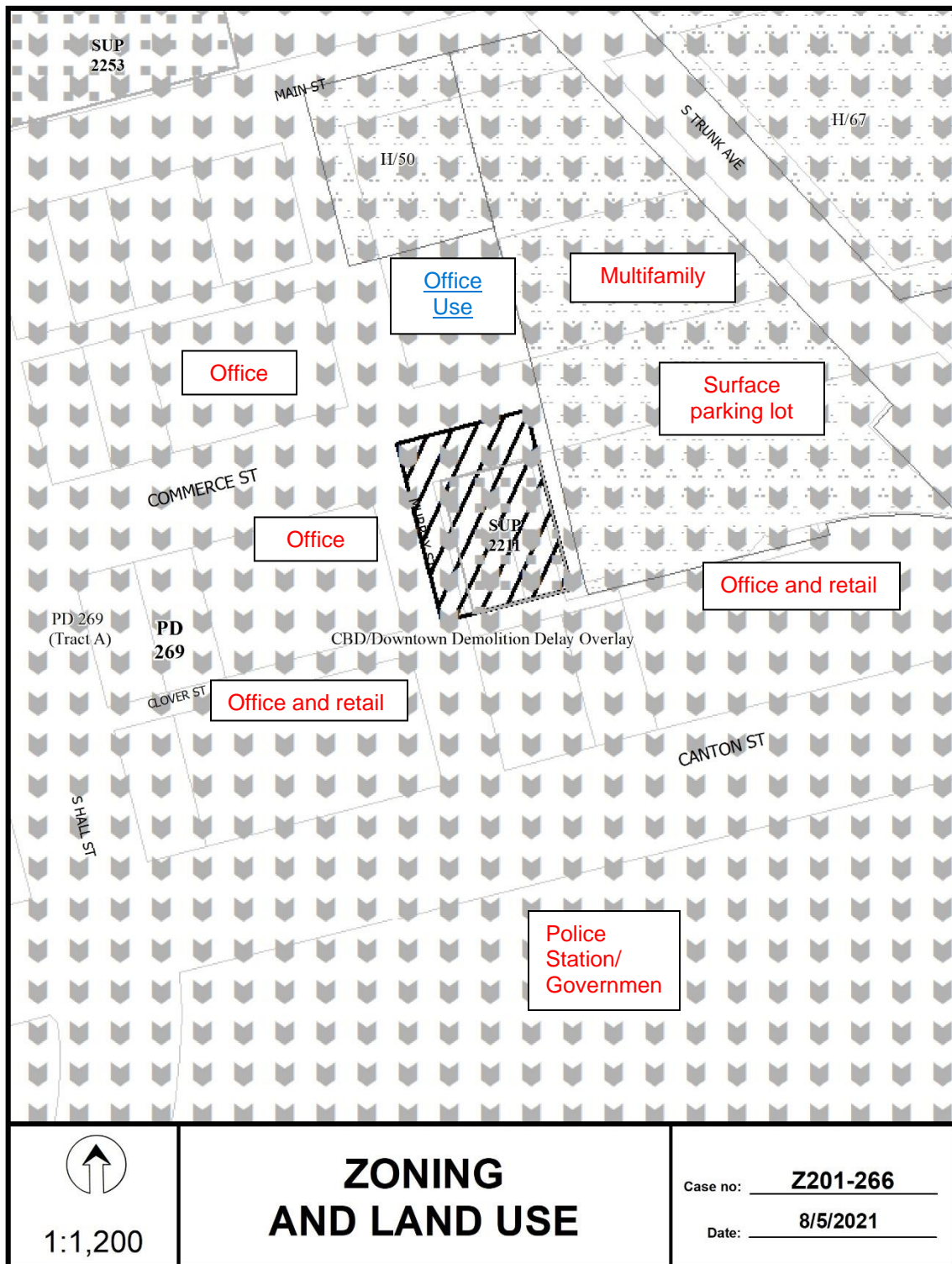


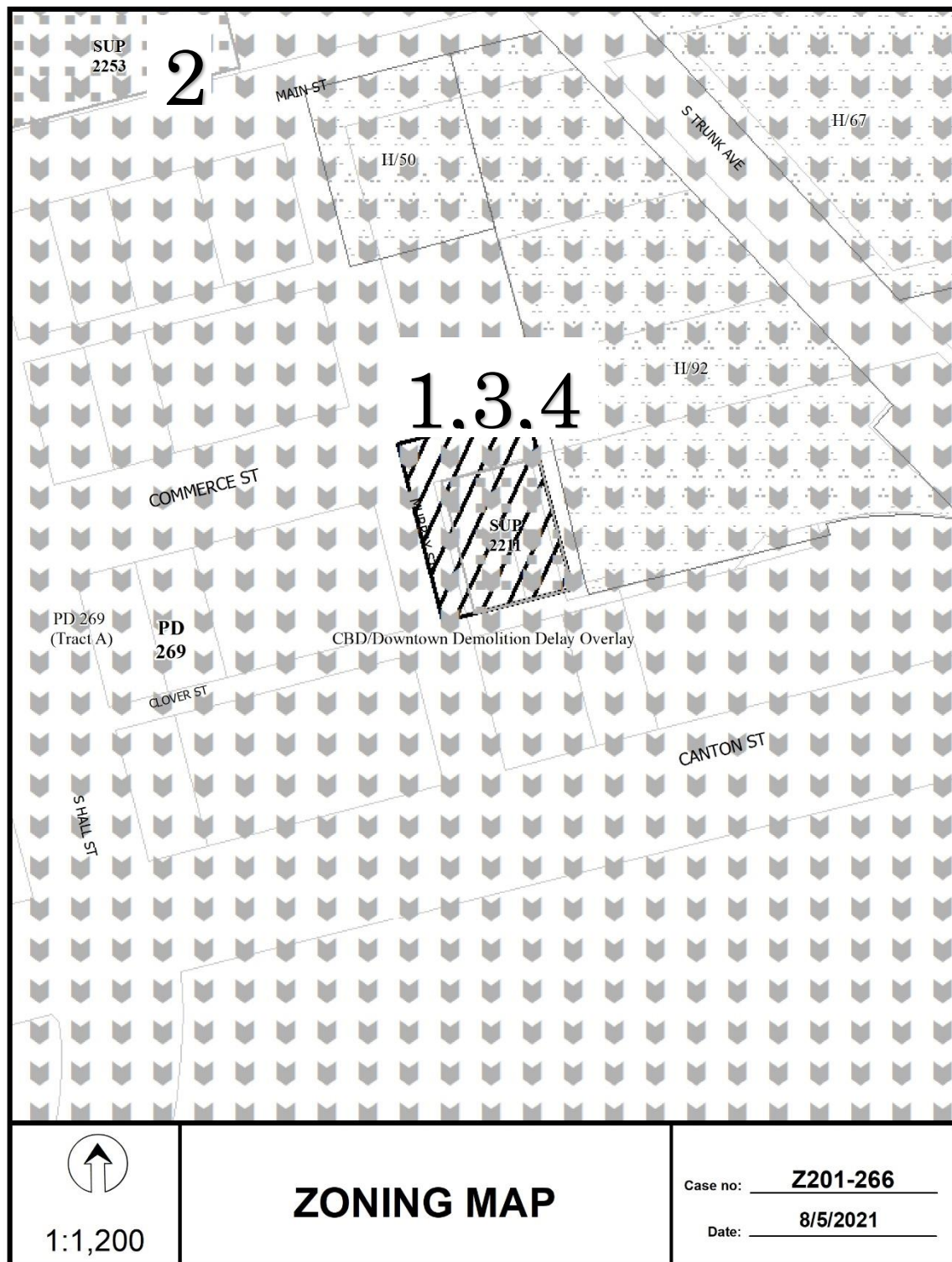


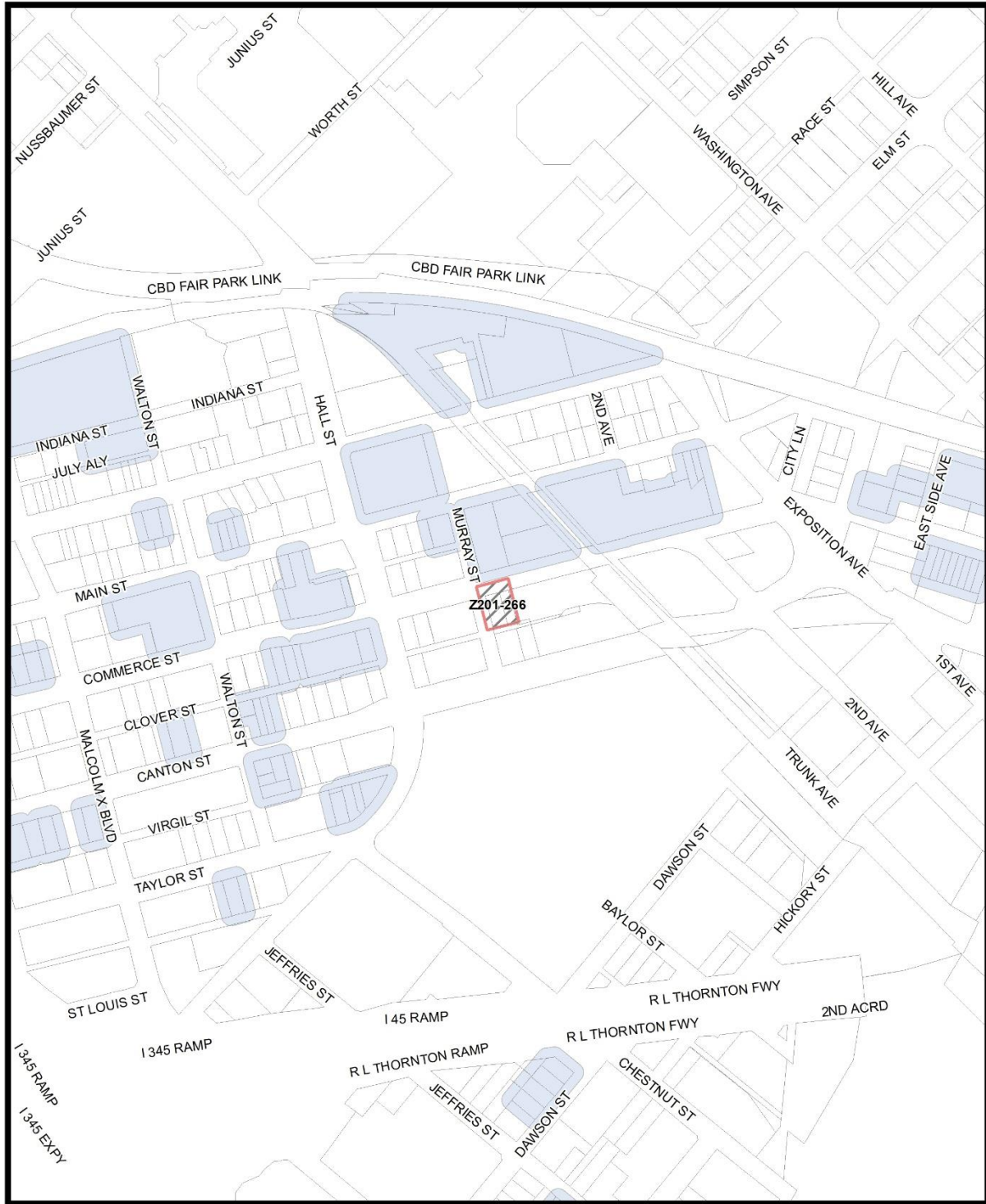












**Market Value Analysis** A B C D E F G H I NA



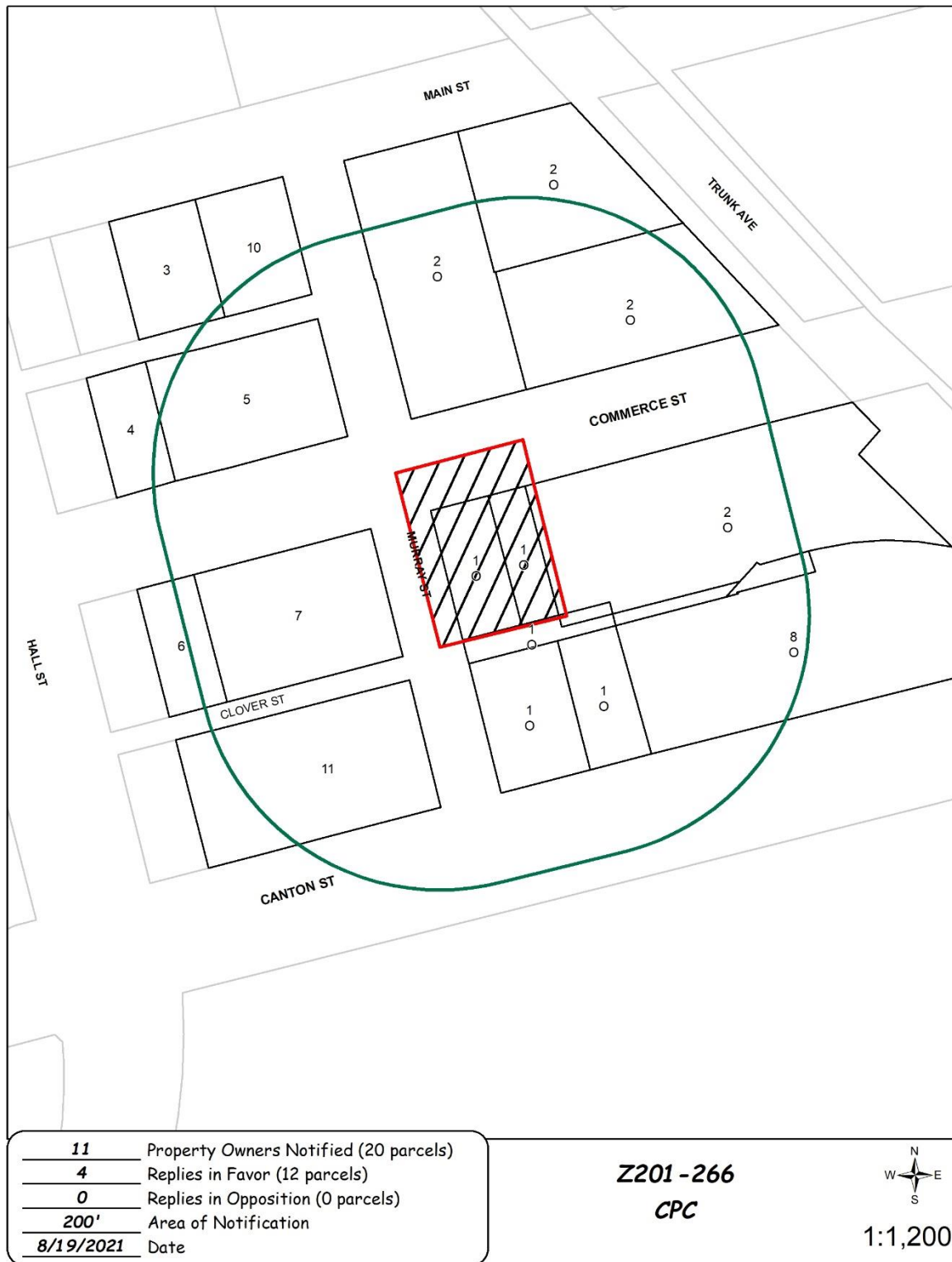
1:4,800

## Market Value Analysis

Printed Date: 6/10/2021



CPC RESPONSES



Z201-266(OA)

08/18/2021

## ***Reply List of Property Owners***

### ***Z201-266***

***11 Property Owners Notified***

***4 Property Owners in Favor***

***0 Property Owners Opposed***

| <b><i>Reply</i></b> | <b><i>Label #</i></b> | <b><i>Address</i></b> | <b><i>Owner</i></b>               |
|---------------------|-----------------------|-----------------------|-----------------------------------|
| O                   | 1                     | 3200 COMMERCE ST      | COMMERCECANTON INVESTORS LLC      |
| O                   | 2                     | 3200 MAIN ST          | WESTDALE FUTURA LOFTS LTD         |
|                     | 3                     | 3112 MAIN ST          | Taxpayer at                       |
|                     | 4                     | 3105 COMMERCE ST      | Taxpayer at                       |
|                     | 5                     | 3117 COMMERCE ST      | SMITH ED W MACHINE WORK           |
|                     | 6                     | 3106 COMMERCE ST      | PROVINCE LANE LC                  |
|                     | 7                     | 3116 COMMERCE ST      | WEINBERG ROBERT                   |
| O                   | 8                     | 3215 CANTON ST        | WESTDALE PPTIES AMERICA I         |
| O                   | 9                     | 3225 CANTON ST        | WESTDALE PROPERTIES AMERICA I LTD |
|                     | 10                    | 107 MURRAY ST         | Taxpayer at                       |
|                     | 11                    | 3111 CANTON ST        | Taxpayer at                       |



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1847

**Item #:** Z3.

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** 2  
**DEPARTMENT:** Department of Planning and Urban Design  
**EXECUTIVE:** Dr. Eric A. Johnson

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### **SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Planned Development District No. 324, Tract II, on property zoned Planned Development District No. 324, Tract II, on the southeast corner of Scurry Street and North Carroll Avenue

Recommendation of Staff and CPC: Approval, subject to a revised development plan and conditions Z201-271(LG)



**FILE NUMBER:** Z201-271(LG)

**DATE FILED:** June 1, 2021

**LOCATION:** Southeast corner of Scurry Street and North Carroll Avenue

**COUNCIL DISTRICT:** 2

**MAPSCO:** 46 A

**SIZE OF REQUEST:** ±0.684 acres

**CENSUS TRACT:** 15.03

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**REPRESENTATIVE:** Rob Baldwin, Baldwin Associates

**OWNER:** Carroll & Bryan, LLC

**APPLICANT:** Vita Real Estate Group

**REQUEST:** An application for an amendment to Planned Development District No. 324, Tract II, on property zoned Planned Development District No. 324, Tract II.

**SUMMARY:** The purpose of the request is to allow for a multifamily use to be permitted by right, to modify development standards primarily in relation to yard, lot, and space regulations and landscaping requirements, and to amend the Tract II Development Plan.

**CPC RECOMMENDATION:** Approval, subject to a revised development plan and conditions.

**STAFF RECOMMENDATION:** Approval, subject to a revised development plan and conditions.

## **BACKGROUND INFORMATION:**

- The area of request is currently developed with one structure on the property. The original building was probably constructed sometime between 1972 (electrical permit) and 1990 (building permit) based on records from the Building Inspections Department.
- The applicant proposes to develop the site with 24 multifamily units ranging from 1650 square feet to 1850 square feet in size.
- Currently, multifamily is a permitted use in Tracts I and III of PD No. 324. The only permitted uses in Tract II are office, industrial and warehouse uses.
- The applicant proposes to remove these uses and allow multifamily use by right, as well as handicapped group dwelling unit, local utilities and single family (same uses are permitted in Tract III).
- The applicant also proposes to provide mews style open space on the development plan; modify the setback regulations for Tract II; remove the maximum floor area requirements for Tract II; and submit a separate development plan for Tract II.

## **Zoning History:**

There has been four zoning requests in the surrounding area in the past five years:

1. **Z178-186:** On April 25, 2018, the City Council approved the Oak Lawn/East Dallas Demolition Delay Overlay District in an area generally bound by Live Oak Street, Bryan Parkway, Matilda Street, Martel Avenue, municipal boundary of Dallas and Highland Park, Lemmon Avenue, Dallas North Tollway, Turtle Creek Boulevard, Carlisle Street, Blackburn Street, and Haskell Avenue to Main Street, both sides of Main Street from Haskell Avenue to Carroll Avenue, Main Place, Prairie Avenue, Columbia Avenue, and Fitzhugh Avenue; and containing approximately 3,277.30 acres.
2. **Z189-353:** An application for a new subdistrict within Planned Development District No. 298, the Bryan Area Special Purpose District on the north corner of Bryan Street and North Haskell Ave. [Pending CPC Action]
3. **Z190-237:** On Wednesday, January 27, 2021, the City Council approved an application for an amendment to Planned Development District No. 298, the Bryan Area Special Purpose District on the north, west and south corners of Burlew Street and Scurry Street.
4. **Z190-281:** On Wednesday, March 24, 2021, the City Council approved an application for an amendment Tract 1 within Planned Development District No. 324, located on the west corner of North Carroll Avenue and Bryan Street.

**Thoroughfares/Streets:**

| Thoroughfare/Street  | Type         | Existing/Proposed ROW |
|----------------------|--------------|-----------------------|
| North Carroll Avenue | Local Street | 60 feet               |
| Scurry Street        | Local Street | -                     |

**Traffic:**

The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and determined that it will not significantly impact the surrounding roadway system.

**STAFF ANALYSIS:**

**Comprehensive Plan:**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

The request complies with land use goals and policies of the Comprehensive Plan.

**GOAL 1.1** Align land use strategies with economic development priorities.

**Policy 1.1.5** Strengthen existing neighborhoods and promote neighborhoods' unique characteristics. Acknowledge the importance of neighborhoods to the city's long-term health and vitality.

**NEIGHBORHOOD PLUS PLAN**

**GOAL 4.3** Enhance neighborhood desirability by improving infrastructure, housing stock, recreation, and safety.

**Area Plan:**

Although the plan listed below is for Planned Development District No. 298, the area of request is within Bryan Place, which was approved in 2004. The proposed project abuts parcels that within Planned Development District No. 298 Subarea 9, so a brief description of the plan, sub area, and the preferred land uses are included in this report.

**BRYAN PLACE (Planned Development District 298 Bryan Area Study), (2004)****Vision:**

The recommendations were developed to help improve PD 298's development potential, increase the appeal of the district, and encourage investment into the area. They were also given to help improve the pedestrian activity throughout the district and create a more vibrant community.

**Sub-area 9:** Carroll, Swiss, Peak, San Jacinto area — Residential and retail development, cultural enhancement area.

Overall, the proposed project is compatible with the preferred land uses listed in Bryan Place.

**Surrounding Land Uses:**

|                            | <b>Zoning</b>   | <b>Land Use</b>                          |
|----------------------------|---|--|
| <b>Site</b>                | Planned Development District No. 324, Tract 2               | Warehouse                                |
| <b>West</b>                | Planned Development District No. 298<br>Subarea 9 – MF-2(A) | Undeveloped Land<br>(Under Construction) |
| <b>Northwest</b>           | Planned Development District No. 298<br>Subarea 9 – MF-2(A) | Multifamily                              |
| <b>Northeast</b>           | Planned Development District No. 298<br>Subarea 9-MU-1      | Retail and Personal<br>Service Uses      |
| <b>East/<br/>Southeast</b> | Planned Development District No. 324, Tract 1               | Warehouse                                |
| <b>South</b>               | Planned Development District No. 324, Tract 1               | Multifamily                              |
| <b>Southwest</b>           | Planned Development District No. 324,<br>Tract 3            | Multifamily                              |

**Land Use Compatibility:**

The area of request is currently developed with a two-story building that has been used historically as a warehouse. A warehouse use is also to the east and southeast. Multifamily uses exist to the northwest, south and southwest of the site. Retail and personal service uses also exist to the northeast of the site.

The applicant proposes the following changes to the proposed Tract II:

1. Replacement of the development plan for Tract II.
2. The addition of multifamily, single family, local utilities, handicapped group dwelling unit as permitted uses by right for Tract II and the removal of office, warehouse and industrial uses.

3. Changing the density of Tract II from 15,047 square feet to a maximum of 24 dwelling units for the entire development.

4. A reduction in the front yard setbacks from 15 feet (existing PD No. 324 Tract II requirements) to 5 feet along Scurry Street and 10 feet along North Carroll Avenue.

5. The addition of design standards that include modifications to surface parking, street facing entrances, and fencing, such as prohibiting surface parking between the street-facing facade and the property line; street access on the street level and street facing units, and a maximum height of 6 feet for the fence with 50% opacity.

At the September 2, 2021 City Plan Commission meeting, the CPC recommended the following additional conditions:

1. Tract II front yard encroachments will be limited to 2.5 feet;
2. All dwelling units fronting on North Carroll Street must have individual entries that face the street and access the street with an improved path connecting to the sidewalk. All other dwelling units must have individual entries that access an improved path connecting to the sidewalk along Scurry Street;
3. Tract II development standards to address compatibility with Tract I Legacy building. Exterior building materials are recommended to be masonry, cast stone, stucco or similar materials; and
4. Street trees must be planted within the area parallel to and between two and one-half and ten feet from the back of the projected curb with a minimum parkway width of four feet.

The design standards are complimentary to the surrounding multifamily units and the addition of PD condition that include front entrances on North Carroll Avenue that will provide connectivity to the sidewalks within the community. The conditions are consistent with the surrounding PD conditions for PD No. 298 Subarea 9A MF-2(A) uses and the surrounding MF-2(A) lots in the vicinity. Staff believes the proposed development is compatible with surrounding uses and therefore in support of the request.

**Development Standards:**

| District  | Setbacks   |           | Density/<br>FAR   | Height | Lot<br>Coverage | Special<br>Standards              | Primary<br>Uses  |
|---|--|-----------|---|--------|-----------------|-----------------------------------|--|
|   | Front  | Side/Rear |   |        |                 |                                   |  |
| <b>Existing:<br/>PD No. 324,<br/>Tract 2</b>                            | 15'  | 5'/5'     | Max Floor<br>Area:<br>15,047 SF   | 36'    | 80%             | N/A                               | Office,<br>Industrial<br>(Inside),<br>Warehouse  |
| <b>Proposed:<br/>PD No. 324,<br/>Tract 2</b>                            | 5' along<br>Scurry<br>Street;<br>10' along<br>North<br>Carroll<br>Avenue | 5'/5'     | 24 units<br>max   | 36'    | 80%             | N/A                               | Multifamily,<br>Single<br>Family, local<br>utilities,<br>handicapped<br>group<br>dwelling unit |
| <b>Base:<br/>MF-2(A)<br/>(for<br/>comparison<br/>purposes<br/>only)</b> | 15'  | 15'       | Min lot 1,000<br>sq. ft.<br>800 sq ft – E<br>1,000 sq. ft –<br>1 BR<br>1,200 sq ft – 2<br>BR<br>+150 sq ft<br>each add BR | 36'    | 60%             | Residential<br>Proximity<br>Slope | Multifamily,<br>duplex, and<br>single family   |

**Parking:**

Pursuant to the proposed development plan, one space per bedroom will be required with a maximum of two spaces per unit, and 0.25 spaces unassigned off-street parking for guests. The applicant will provide 6 on street spaces for up to 24 units and up to 48 parking spaces for the proposed development for a total of up to 54 spaces. Staff is supportive of this request, however, recommended it to be included in the PD conditions and the applicant has agreed to this condition.

**Landscaping:**

Landscaping will be provided in accordance with Article X. The applicant has included additional landscaping conditions in the proposed request. The conditions include an enhanced street buffer zone and building façade planting area. The Chief Arborist has stated no objections to the proposed landscaping.

**Market Value Analysis**

Market Value Analysis (MVA) is a tool to aid residents and policymakers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to target intervention strategies more precisely in weak markets

and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets to orange, representing the weakest markets. The subject site is uncategorized. Properties to the northeast are within MVA Category "H."

**CPC ACTION**  
**September 2, 2021**

**Motion:** It was moved to recommend **approval** of an amendment to Planned Development District No. 324 Tract II, subject to a revised development plan and revised conditions; as briefed, with the following additional conditions: 1) Section 106 Tract II front yard encroachments limited to 2.5 feet; 2) Section 110.2 Tract II development standards: Entrances. All dwelling units fronting on North Carroll Street must have individual entries that face the street and access the street with an improved path connecting to the sidewalk. All other dwelling units must have individual entries that access an improved path connecting to the sidewalk along Scurry Street; 3) Section 110.2 Tract II development standards Add: "To be compatible with Tract I Legacy building, exterior building materials are recommended to be masonry, cast stone, stucco or similar materials."; and 4) Section 112 Landscaping, item (c) Tract II (1) Street Trees (C) to be: "Street trees must be planted within the area parallel to and between two and one-half and ten feet from the back of the projected curb with a minimum parkway width of four feet." on property zoned Planned Development District No. 324 Tract II, on the southeast corner of Scurry Street and North Carroll Avenue.

Maker: Hampton  
Second: Rubin  
Result: Carried: 13 to 0

For: 13 - MacGregor, Hampton, Stinson, Shidid,  
Carpenter, Jackson, Blair, Jung, Suhler,  
Schwope, Murphy, Garcia, Rubin

Against: 0  
Absent: 0  
Vacancy: 2 - District 4, District 10

**Notices:** Area: 500 Mailed: 86  
**Replies:** For: 0 Against: 0

**Speakers:** For: Rob Baldwin, 3904 Elm St., Dallas, TX, 75226  
Against: None



**List of Partners/Principals/Officers**

**Carroll & Bryan, LLC**

NPMAM, LLC, Manager

Neal Morris, Manager

Mickey's Ventures, LLC, Manager

Grant Guest, Manager

Vita Real Estate Group

Trevor Sheenhan, member

Andy O. Yaltir, member

|                                      |
|--------------------------------------|
| <b>CPC RECOMMENDED PD CONDITIONS</b> |
|--------------------------------------|

**ARTICLE  
324.**

**PD 324.**

**SEC. 51P-324.101. LEGISLATIVE HISTORY.**

PD 324 was established by Ordinance No. 20484, passed by the Dallas City Council on October 25, 1989. Ordinance No. 20484 amended Ordinance No. 19455, Chapter 51A of the Dallas City Code, as amended.

**SEC. 51P-324.102. PROPERTY LOCATION AND SIZE.**

PD 324 is established on property generally located at the west corner of Carroll Avenue and Bryan Street. The size of PD 324 is approximately 1.914 acres.

**SEC. 51P-324.103. DEFINITIONS AND INTERPRETATIONS.**

(a) Unless otherwise stated, the definitions and provisions in Chapter 51A apply to this article.

(b) Unless otherwise stated, all references to articles, divisions, or sections in this article refer to articles, divisions, or sections in Chapter 51A. In this article,

(1) **CUSTOM ARCHITECTURAL DETAILING FABRICATION** means the fabrication of architectural elements, such as lamps, railings, embellishments, decorative ceilings, crown moldings and architectural details. The fabrication is small scale and totally within an enclosed space. The primary materials used in the fabrication include but are not limited to, metal, plaster, wood, composition, stone or similar materials. This use also contains office areas as well as a showroom to display products.

(2) **LEGACY BUILDING** means a building constructed prior to 1930 that maintains the original street-facing facades within 20-feet of the public right-of-way along Carroll Avenue and Brian Street.

(3) **LIVE/WORK UNIT** means interior space that combines a residential and an office or retail and personal service use. A live/work unit is considered a residential use.

(4) **STOOP** means a small porch leading to the entrance of a residence.

(c) Tract I is ~~and H are~~ considered to be a non-residential zoning district.

(d) Tracts II and III are ~~[is]~~ considered to be a residential zoning district.

**SEC. 51P-324.103.1. EXHIBITS.**

The following exhibits are incorporated into this article:

(1) Exhibit 324A: Tract I development plan.

(2) Exhibit 324B: Tract II development plan.

(3) Exhibit 324C: Tract III development/landscape plan.

(4) Exhibit 324D: landscape plan. (Ord. Nos. 30191; 31806)

**SEC. 51P-324.104. DEVELOPMENT PLANS.**

(a) Tracts I. Development and use of the Property must comply with the Tract I development plan (Exhibit 324A). If there is a conflict between the text of this article and the Tract I development plan, the text of this article controls.

(b) Tract II. Development and use of the Property must comply with the Tract II development plan (Exhibit 324B). If there is a conflict between the text of this article and the Tract II development plan, the text of this article controls.

(c) Tract III. Development and use of the Property must comply with the Tract III development/landscape plan (Exhibit 324C). If there is a conflict between the text of this article and the Tract III development/landscape plan, the text of this article controls.

**SEC.51P-324.104.1. TRACT I PURPOSE.**

The general objectives of the standards for Tract 1 are to promote and protect the health, safety, welfare, convenience, and enjoyment of the public, and in part, to achieve the following:

(a) Preserve and enhance the historical, cultural, and architectural significance of the area; and

(b) Strengthen the neighborhood identity. (Ord. 31806)

**SEC. 51P-324.105. MAIN USES PERMITTED.**

(a) Tract I.

(1) Except as provided in this subsection, the only main uses permitted are those main uses permitted in the MU-1 Mixed Use District, subject to the same conditions applicable in the MU-1 Mixed Use District, as set out in Chapter 51A. For example, a use permitted in the

MU-1 Mixed Use District only by specific use permit (SUP) is permitted in this district only by SUP; a use subject to development impact review (DIR) in the MU-1 Mixed Use District is subject to DIR in this district; etc.

(2) The following additional main uses are permitted:

- Custom architectural detailing fabrication. *[Allowed in legacy buildings only.]*
- Live/work unit. *[Allowed in legacy buildings only.]*

(b) Tracts **II and III**. The following uses are the only main uses permitted:

- Handicapped group dwelling unit. *[SUP required if spacing component of Section 51A-209(b)(3) is not met.]*
- Local utilities.
- Multifamily.
- Single family. (Ord. Nos. 20484; 25850; 30191; 31806)

#### **SEC. 51P- 324.105.1.            ACCESSORY USES.**

As a general rule, an accessory use is permitted in any district in which the main use is permitted. Some specific accessory uses, however, due to their unique nature, are subject to additional regulations in Section 51A-4.217. For more information regarding accessory uses, consult Section 51A-4.217.

#### **SEC. 51P-324.106.    YARD, LOT, AND SPACE REGULATIONS.**

(Note: The yard, lot, and space regulations in this section must be read together with the yard, lot, and space regulations in Division 51A-4.400. If there is a conflict between this section and Division 51A-4.400, this section controls.)

(a)    Setbacks.

(1)    Tract I.

(A) Minimum front yard is five feet. Encroachments such as awnings, balconies, ramps, retaining walls, stairs, and stoops are allowed into the required front yard and do not need to be shown on the development plan.

(B) No minimum side and rear yard setbacks.

(2) Tract II.

(A) Minimum front yard is ~~five~~45 feet along Scurry Street and 10 feet along North Carroll Avenue. Encroachments such as awnings, balconies, ramps, retaining walls, stairs, and stoops may project a maximum of 2.5 feet into the required front yard and do not need to be shown on the development plan.

(B) Minimum side and rear yard setback is five feet.

(3) Tract III.

(A) Minimum front yard is five feet.

(B) Minimum side and rear yard setback is five feet.

(b) Density.

(1) Tract I. Maximum number of dwelling units is 38.

(2) Tract II. Maximum number of dwelling units is 24.

(3) Tract III. Maximum number of dwelling units is 10.

(c) Floor area.

(1) Maximum floor area for non-residential uses. Total floor area for non-residential uses is 66,677 square feet.

(2) Tract I. Maximum floor area is 45,000 square feet.

(3) Tract II.

(A) Maximum floor area for all uses combined is 15,047 square feet.

(B) Maximum floor area for each use is:

| <u>Use Category</u>        | <u>Maximum Floor Area</u> |
|----------------------------|---------------------------|
| <u>(in square feet)</u>    |                           |
| <b>Office</b>              | <b>800</b>                |
| <b>Industrial (inside)</b> | <b>15,047</b>             |
| <b>Warehouse</b>           | <b>14,247</b>             |

(d) Height.

(1) In general. Except as provided in this subsection, maximum structure height is 36 feet.

(2) Tract II. Maximum height is 36 feet. In addition to the ordinary height projections listed in 51A-4.408(a)(2), a stairway bulkhead that covers a maximum of 50 percent of the roof area may project up to 12 feet above the maximum height.

(e) Lot coverage.

(1) Tracts I and II. Maximum lot coverage is 80 percent.

(2) Tract III. Maximum lot coverage is 60 percent. For purposes of this subsection, Tract III is considered to be one lot.

(3) Parking. Aboveground parking structures are included in lot coverage calculations; surface parking lots and underground parking structures are not.

(4) Lot size. No minimum lot size.

(5) Stories. No maximum number of stories.

**SEC. 51P-324.107. OFF-STREET PARKING.**

(a) Tract I.

(1) In general. Except as provided in this paragraph, consult the use regulations in Division 51A-4.200 for the specific off-street parking and loading requirements for each use.

(2) Legacy building uses. The following uses within a legacy building require the following parking.

(A) Custom architectural detailing fabrication. One space per 1,000 square feet of floor area is required.

(B) Live/work unit. One space per dwelling unit is required.

(C) Multifamily. One space per dwelling unit is required.

(D) Office. One space per 500 square feet of floor area is required.

(b) Tract II. One off-street parking space per bedroom is required with a maximum of two spaces per dwelling unit. In addition, 0.25 unassigned off-street parking spaces per dwelling unit must be provided for use by visitors or residents. The six on-street parking spaces as shown on the Development Plan may be counted toward off-street parking requirement for use by visitors or residents. Parking for any future development not shown on the Tract II development plan and for any expansion or conversion of the existing uses must be provided in accordance with the Dallas Development Code.

(c) Tract III. Two off-street parking spaces per dwelling unit are required. In addition, 0.25 unassigned off-street parking spaces per dwelling unit must be provided for use by visitors or residents.

#### **SEC. 51P-324.108. TRACT I ON STREET PARKING REDUCTION.**

(a) Except as provided in this section, any on-street parking spaces may be counted as a reduction of the parking requirement of the use adjacent to the on-street parking space. On street parking must be striped in accordance with standard city specifications.

(b) An on-street parking space may not be used to reduce the required parking for more than one use, except that an on-street parking space may be used to reduce the combined total parking requirement for a mixed use development.

(c) An on-street parking space that is not available to the public at all times of the day may only be counted as a partial parking space in proportion to the amount of time that is available. For example, a parking space that is available to the public only eight hours per day will be counted as one-third of the parking space ( $8 / 24 = \text{one-third}$ ). The total number of the limited-availability parking spaces will be counted to the nearest whole number, with one-half counted as an additional space. (Ord. 31806)

#### **SEC. 51P-324.110.1. TRACT III DEVELOPMENT.**

(a) Except as provided in this section, a shared access development must comply with Section 51A-4.411, "Shared Access Development."

(b) Ingress and egress from the Property must be provided in the locations shown on the Tract III development/landscape plan. No other ingress or egress is permitted.

(c) The driveway or shared access area must have a minimum pavement width of 20 feet. Pavement widths are measured perpendicularly from the edge of pavement to the edge of pavement.

#### **SEC. 51P-324.110.2. TRACT II DEVELOPMENT.**

(a) Design standards for residential uses. The following design standards apply to new

construction.

(1) Surface parking location. Surface parking is prohibited between the street-facing facade and the property line. For the purposes of this paragraph, surface parking means at grade parking not within or under a structure.

(2) Entrances. All dwelling units fronting on North Carroll Street must have individual entries that face the street and access the street with an improved path connecting to the sidewalk. All other dwelling units must have individual entries that access an improved path connecting to the sidewalk along Scurry Street.

(3) Non-required fences. Except for required screening, all fences along a street or trail must have a surface area that is a minimum of 50 percent open and are limited to a maximum of six feet in height.

(4) To be compatible with Tract I Legacy building, exterior building materials are recommended to be masonry, cast stone, stucco or similar materials.

**SEC. 51P-324.110. LEGACY BUILDINGS.**

(a) Solid to void ratios.

(1) In general. Except as provided in this subsection, legacy buildings must maintain existing solid to void ratios.

(2) Exceptions.

(A) The front entrance may be modified.

(B) Additional entrances may be added.

(C) Void areas may be increased.

(b) Maintenance. Windows and doors may be replaced and repaired as provided in this subsection.

(1) Windows. The size and number of panes must be maintained or increased.

(2) Entry door along Carroll Avenue. The architectural canopy must be maintained or increased in size. (Ord. 31806)

**SEC. 51P- 324.111. ENVIRONMENTAL PERFORMANCE STANDARDS.**

See Article VI.

**SEC. 51P-324.112. LANDSCAPING.**

(a) Tracts I and H. Landscaping must be provided as shown on the landscape plans (Exhibit 324D).

(b) Tract III. Landscaping must be provided as shown on the Tract III



development/landscape plan (Exhibit 324 C).

(c) Tract II. Except as provided, landscaping must comply with Article X.

(1) Street buffer zone.

(A) One large or medium street buffer tree is required for each 40 feet of linear frontage, excluding driveways and visibility triangles.

(B) When existing conditions prohibit planting large or medium trees, the building official may approve one small tree be substituted for each large or medium tree.

(C) Street trees must be planted within the area parallel to and between two and one-half and ten feet from the back of the projected street with a minimum parkway width of four feet.

(2) Design standard. Design options in 51A-10.126 are not required. A building façade planting area must be provided with a minimum depth of four feet, a maximum depth of ten feet, and an average depth of six feet, and extend along at least 50 percent of the portion of the total foundation that faces a street. A minimum of two perennial plant species and water conservation irrigation method are required

(e d) Maintenance. Plant materials must be maintained in a healthy, growing condition.

**SEC. 51P-324.113. SIGNS.**

(a) Except as provided in this section, signs must comply with the provisions for non- business zoning districts in Article VII.

(b) For a shared access development, monument signs are prohibited.

**SEC. 51P-324.114. ADDITIONAL PROVISIONS.**

(a) The Property must be properly maintained in a state of good repair and neat appearance.

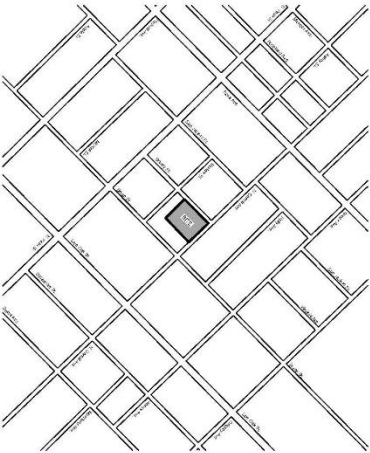
(b) Development and use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the city.

**SEC. 51P-324.115. COMPLIANCE WITH CONDITIONS.**

(a) All paved areas, permanent drives, streets, and drainage structures, if any, must be constructed in accordance with standard city specifications, and completed to the satisfaction of the city.

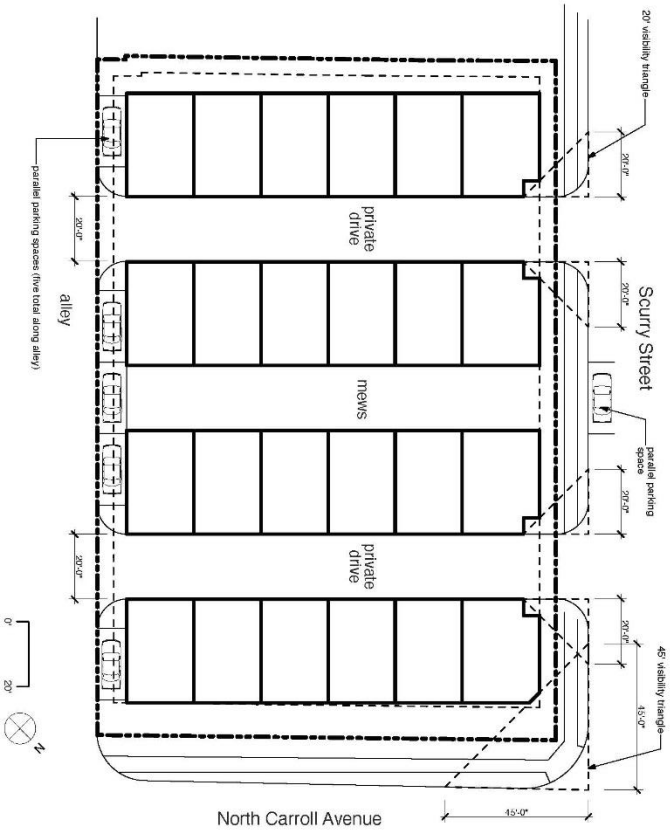
(b) The building official shall not issue a building permit to authorize work, or a certificate of occupancy to authorize the operation of a use, until there has been full compliance with this article, the Dallas Development Code, the construction codes, and all other ordinances, rules, and regulations of the city.

CPC RECOMMENDED DEVELOPMENT PLAN



SITE DATA TABLE

|                       |   |
|-----------------------|---|
| TOTAL SITE AREA       | 0.61 acres  |
| LAND USE              | Residential                                       |
| MAX DENSITY           | 24 units  |
| BUILDING HEIGHT       | maximum   |
| LOT COVERAGE          | 46 FT   |
| MINIMUM SETBACKS      | 80%   |
| FRONT YARD            | 5 feet on Scurry St.<br>10 feet on N. Carroll Ave |
| SIDE YARD             | 5 feet  |
| REAR YARD             | 5 feet  |
| ALLOWED ENCROACHMENTS | 5 feet  |
| PARKING               | 1 space / bedroom; maximum 2 spaces / unit        |
| GUEST PARKING         | 0.25 spaces / unit                                |
| OPEN SPACE            | 10%   |

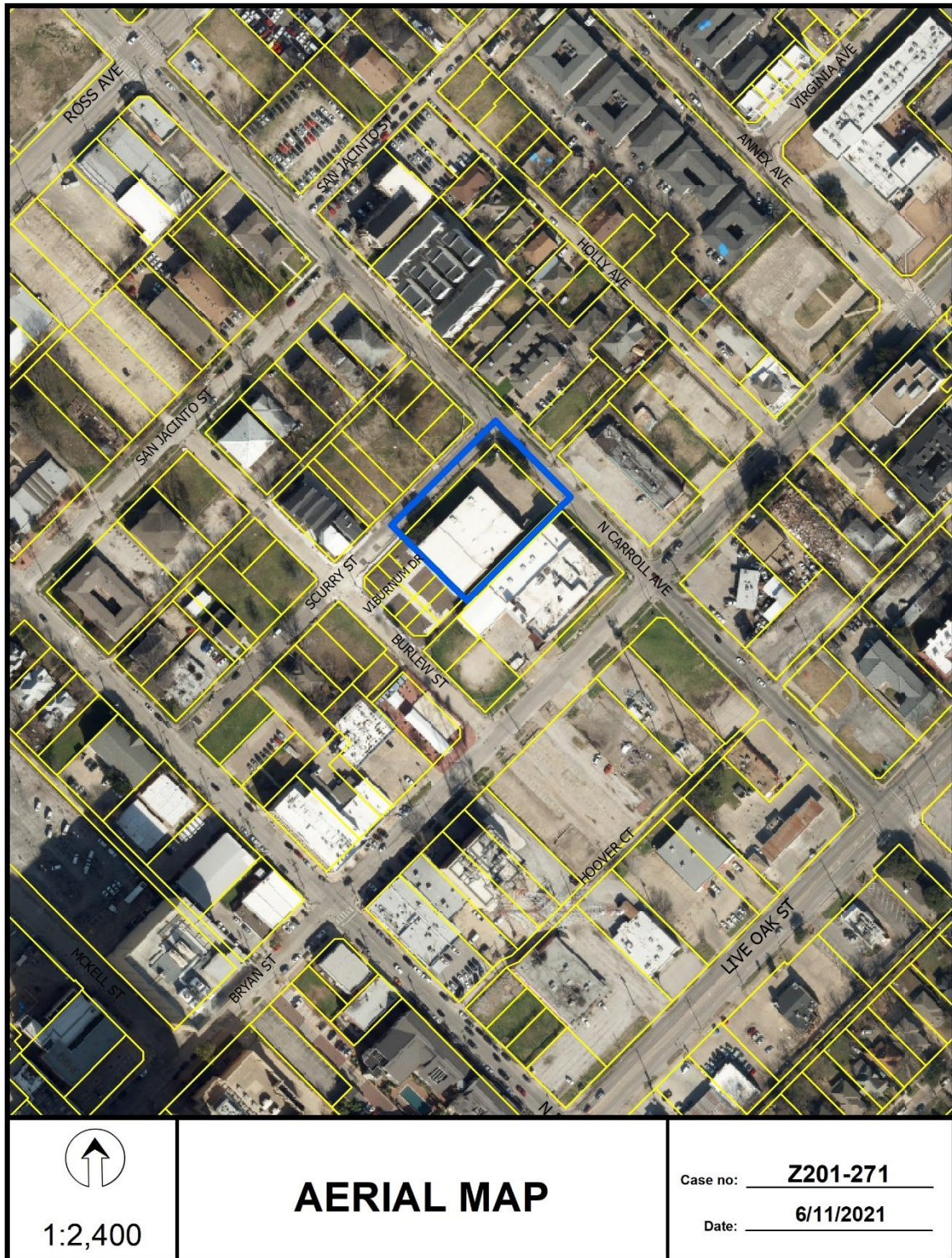


Development Plan - 1423 North Carroll Avenue  
25 August 2021

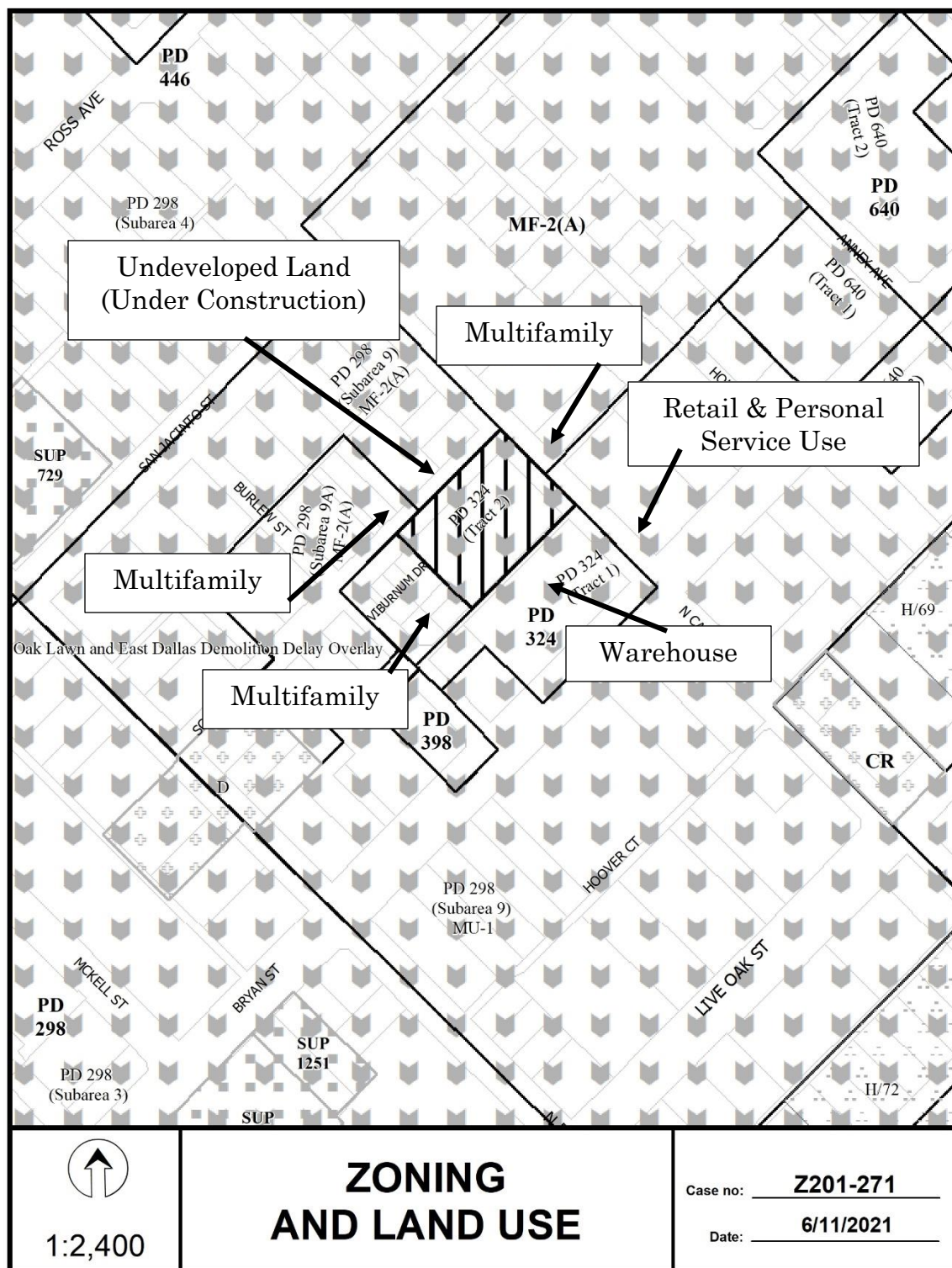
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Not for regulatory approval.  
permitted or construction.  
Issued under the authority of  
Robert L. Macknessel, FAIA

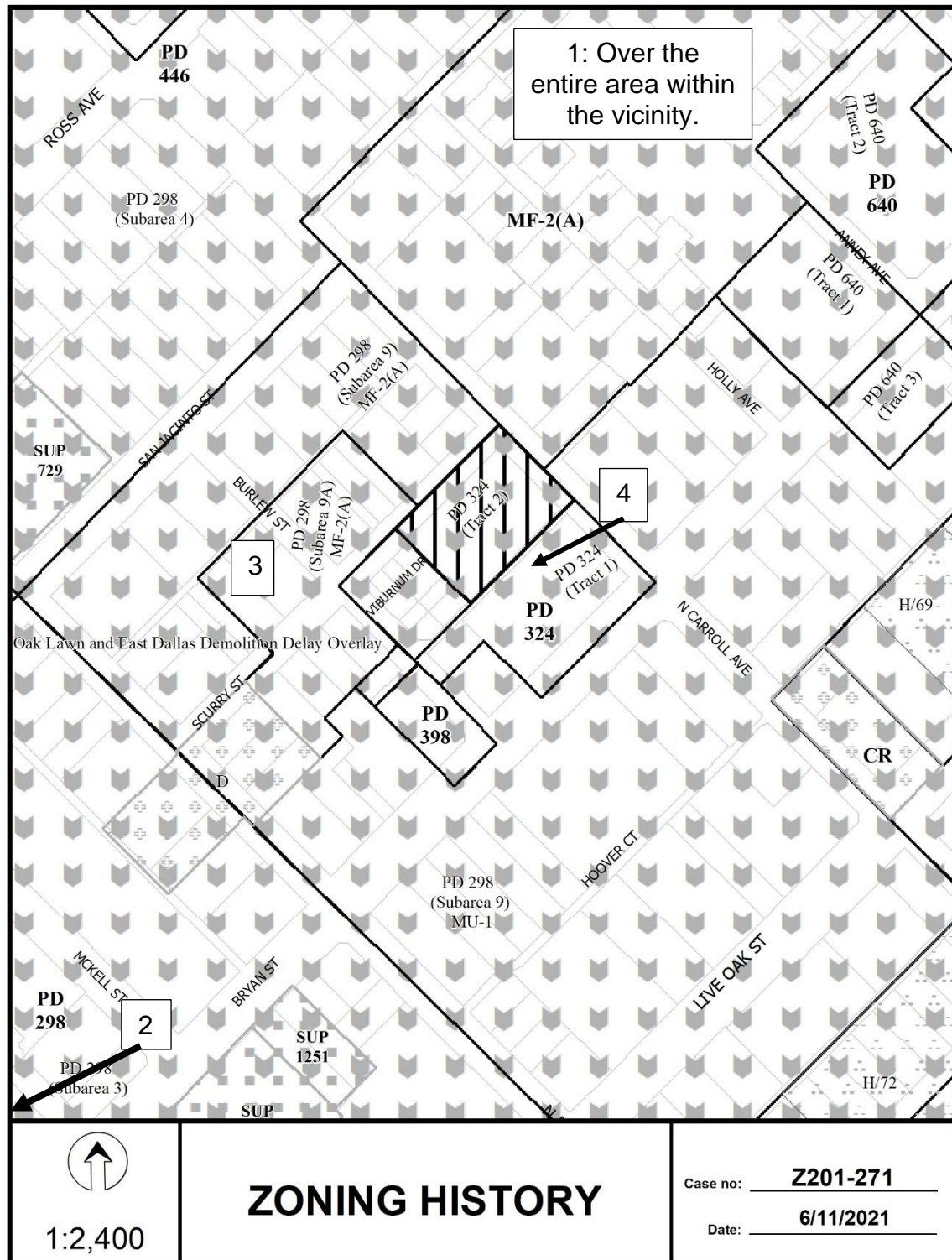


Z201-271

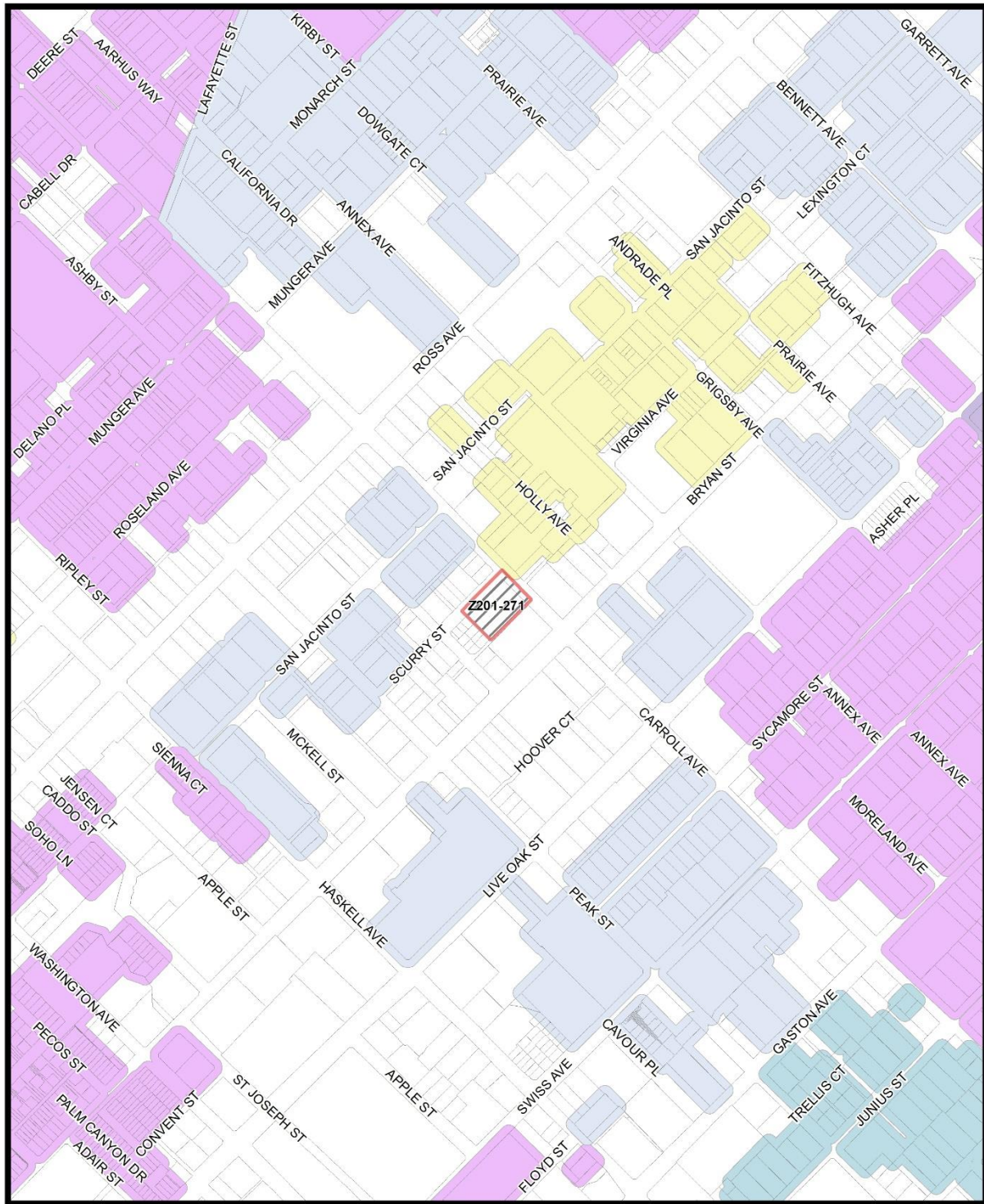












Market Value Analysis

A B C D E F G H I NA



1:6,000

## Market Value Analysis

Printed Date: 6/11/2021

## CPC RESPONSES





09/01/2021

***Reply List of Property Owners******Z201-271******86 Property Owners Notified******0 Property Owners in Favor 0 Property Owners Opposed***

| <b><i>Reply</i></b> | <b><i>Label #</i></b> | <b><i>Address</i></b> | <b><i>Owner</i></b>           |
|---------------------|-----------------------|-----------------------|-------------------------------|
| 1                   | 1401                  | N CARROLL AVE         | CARROLL & BRYAN LLC           |
| 2                   | 4403                  | SAN JACINTO ST        | PSREG ROSS AVENUE OWNERS LLC  |
| 3                   | 1607                  | N CARROLL AVE         | Taxpayer at                   |
| 4                   | 4407                  | SAN JACINTO ST        | Taxpayer at                   |
| 5                   | 4411                  | SAN JACINTO ST        | ROUSAN APARTMENTS LLC         |
| 6                   | 4415                  | SAN JACINTO ST        | PYLON HOMES CO                |
| 7                   | 4323                  | SAN JACINTO ST        | PSREG ROSS AVENUE OWNER LLC   |
| 8                   | 4319                  | SAN JACINTO ST        | EMANUEL LUTHERAN CHURCH       |
| 9                   | 4501                  | SAN JACINTO ST        | CITY CHURCH INTERNATIONAL     |
| 10                  | 1532                  | HOLLY ST              | Taxpayer at                   |
| 11                  | 1528                  | HOLLY ST              | Taxpayer at                   |
| 12                  | 1524                  | HOLLY ST              | Taxpayer at                   |
| 13                  | 1520                  | HOLLY ST              | Taxpayer at                   |
| 14                  | 1519                  | HOLLY ST              | GAMEZ SIXTO                   |
| 15                  | 1527                  | HOLLY ST              | ROJAS JOSE GAMEZ &            |
| 16                  | 1519                  | ANNEX AVE             | HOLLYVALE RENTAL HOLDINGS LLC |
| 17                  | 1517                  | HOLLY ST              | ESPINOZA MARICRUZ             |
| 18                  | 1416                  | N CARROLL AVE         | HOUSE MONEY LLC               |
| 19                  | 1500                  | N CARROLL AVE         | JWANG INVESTMENTS II LLC      |
| 20                  | 1510                  | N CARROLL AVE         | QUINTERO BERTIN               |
| 21                  | 4521                  | BRYAN ST              | JAC FRENCH PROPERTIES LLC     |
| 22                  | 4515                  | BRYAN ST              | UPLIFT EDUCATION              |
| 23                  | 1412                  | N CARROLL AVE         | YONG & JD INC                 |
| 24                  | 1514                  | HOLLY ST              | HUNT ROBERT VILLAREAL &       |
| 25                  | 1510                  | HOLLY ST              | HUNT ROBERT V                 |
| 26                  | 1414                  | HOLLY ST              | ROBERT B BURKS & JUDITH A     |

09/01/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>                           |
|--------------|----------------|----------------|--|
| 27           | 1410           | HOLLY ST       | MEDINA JOSE M &                        |
| 28           | 1413           | HOLLY ST       | ESPINOZA ARMANDO SR                    |
| 29           | 1505           | HOLLY ST       | MENDEZ JESUS G &                       |
| 30           | 1511           | HOLLY ST       | GUAJARDO LUIS A                        |
| 31           | 1515           | HOLLY ST       | PAREDES URIEL                          |
| 32           | 1502           | HOLLY ST       | LAND ETEBARI HOLDINGS LLC              |
| 33           | 1505           | N CARROLL AVE  | EAST VILLAGE HEIGHTS LLC               |
| 34           | 4415           | SCURRY ST      | TWO MAD OX LLC                         |
| 35           | 1515           | N CARROLL AVE  | ANA SAN JACINTO LLC                    |
| 36           | 4406           | SAN JACINTO ST | CANSTATE LLC                           |
| 37           | 4400           | SAN JACINTO ST | AFLALO TEXAS LLC                       |
| 38           | 4321           | SCURRY ST      | SCURRY PARTNERS LLC                    |
| 39           | 4313           | SCURRY ST      | PACHECO MARIA                          |
| 40           | 4311           | SCURRY ST      | GOMEZ AUGUSTINE                        |
| 41           | 1508           | N PEAK ST      | PEAK 1508 LLC                          |
| 42           | 1502           | N PEAK ST      | BROADMINDED TEXAS LLC                  |
| 43           | 4319           | BRYAN ST       | Taxpayer at                            |
| 44           | 4315           | BRYAN ST       | Taxpayer at                            |
| 45           | 4324           | SCURRY ST      | ONE MAD OX LLC                         |
| 46           | 4320           | SCURRY ST      | ONE MAD OX LLC                         |
| 47           | 1413           | BURLEW ST      | SUN LAND RESERVE OF AMERICA INC        |
| 48           | 1416           | N PEAK ST      | RECONCILIATION OUTREACH MINISTRIES INC |
| 49           | 4301           | BRYAN ST       | RECONCILIATION OUTREACH MINISTRIES INC |
| 50           | 1412           | N PEAK ST      | RECONCILIATION OUTREACH MINISTRIES INC |
| 51           | 1420           | N PEAK ST      | RECONCILIATION OUTREACH MINISTRIES     |
| 52           | 4305           | BRYAN ST       | RECONCILIATION OUTREACH MINISTRIES INC |
| 53           | 4404           | SCURRY ST      | Taxpayer at                            |
| 54           | 1305           | N CARROLL AVE  | Taxpayer at                            |
| 55           | 4318           | BRYAN ST       | BORDERCOMM PARTNERS LP                 |
| 56           | 4321           | LIVE OAK ST    | MILLER TRIPLETS                        |
| 57           | 4409           | LIVE OAK ST    | BILLINGSLY L B INV CO                  |

09/01/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>                          |
|--------------|----------------|----------------|---------------------------------------|
| 58           | 4316           | BRYAN ST       | 4316 BRYAN ST LP                      |
| 59           | 4308           | BRYAN ST       | RISING STAR RESOURCE DEVELOPMENT CORP |
| 60           | 4302           | BRYAN ST       | CASS DON E TR                         |
| 61           | 1316           | N CARROLL AVE  | BURGER KING CORPORATION               |
| 62           | 4502           | BRYAN ST       | BOBBY DOG LLC                         |
| 63           | 4510           | BRYAN ST       | QUANTUM BUILDING                      |
| 64           | 4514           | BRYAN ST       | AN@5025 SAN JACINTO LLC               |
| 65           | 4518           | BRYAN ST       | MOJO REALTY LLC                       |
| 66           | 4509           | LIVE OAK ST    | SANTA MONICA CAPITAL LLC              |
| 67           | 4503           | LIVE OAK ST    | BURGER KING 202                       |
| 68           | 4301           | SAN JACINTO ST | EMANUEL LUTHERAN CHURCH               |
| 69           | 1518           | N CARROLL AVE  | PPNC PROPERTY LLC                     |
| 70           | 1406           | HOLLY ST       | WOODARD NONA S                        |
| 71           | 4403           | VIBURNUM DR    | GRBK FRISCO LLC                       |
| 72           | 4419           | VIBURNUM DR    | CENTRE LIVING CADDO LLC               |
| 73           | 4427           | VIBURNUM DR    | HWANG JINSUB KEVIN                    |
| 74           | 1406           | BRONSON CT     | PINKERTON SAMUEL JAMIESON &           |
| 75           | 1421           | BRONSON CT     | BARGER BRIAN H                        |
| 76           | 1413           | BRONSON CT     | LANDRUM EUSEBIO                       |
| 77           | 4423           | LIVE OAK ST    | LUCKY JAMAL USA LLC                   |
| 78           | 1321           | N CARROLL AVE  | 1250 WDT LTD                          |
| 79           | 4408           | BRYAN ST       | BSDTX                                 |
| 80           | 4536           | BRYAN ST       | UPLIFT EDUCATION                      |
| 81           | 4416           | BRYAN ST       | Taxpayer at                           |
| 82           | 4401           | SCURRY ST      | POEHLMAN KIRK &                       |
| 83           | 1504           | BURLEW ST      | BRANAM FORREST ALLEN &                |
| 84           | 1504           | BURLEW ST      | SONG EUNJU &                          |
| 85           | 4401           | SCURRY ST      | ROLGINES SHOW JUMPERS LLC             |
| 86           | 4401           | SCURRY ST      | OXER INVESTMENTS LLC                  |



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1849

**Item #:** Z4.

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 6

**DEPARTMENT:** Department of Planning and Urban Design

**EXECUTIVE:** Dr. Eric A. Johnson

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### **SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 2353 for an auto service center use on property zoned Subdistrict 1A within Planned Development District No. 621, the Old Trinity and Design District, at the northwest corner of North Riverfront Boulevard and Pittsburg Street

Recommendation of Staff and CPC: Approval for a three-year period, subject to a revised site plan and conditions

Z201-272(OA)

**FILE NUMBER:** Z201-272(OA) **DATE FILED:** June 3, 2021  
**LOCATION:** Northwest corner of North Riverfront Boulevard and  
Pittsburg Street  
**COUNCIL DISTRICT:** 6 **MAPSCO:** 44 M  
**SIZE OF REQUEST:** ±12,500 sq. ft. **CENSUS TRACT:** 100.00

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**APPLICANT:** David Nguyen, Elite Auto Solutions, LLC

**OWNER:** Joe Unell, The 3 B's Imports, LLC

**REQUEST:** An application for the renewal of Specific Use Permit No. 2353 for an auto service center use on property zoned Subdistrict 1A within Planned Development District No. 621, the Old Trinity and Design District.

**SUMMARY:** The purpose of this request is to allow for the continued operation of an auto service center use [Elite Auto Solution].

**CPC RECOMMENDATION:** **Approval** for a three-year period, subject to a revised site plan and conditions.

**STAFF RECOMMENDATION:** **Approval** for a three-year period, subject to a revised site plan and conditions.

## **BACKGROUND INFORMATION:**

- Planned Development District No. 621, the Old Trinity and Design District Special Purpose District was approved by Council on August 28, 2002. The PD contains 424 acres of land and consists of two subdistricts. Subdistrict 1 is further divided into twelve subdistricts retaining the potential for limited industrial warehouse uses while Subdistrict 2 allows transit-oriented mixed uses.
- The PD permits an auto service center use in Subarea 1A only by a Specific Use Permit.
- Per Dallas Development Code, an Auto Service Center is defined as a facility for the servicing or minor mechanical repair of motor vehicles. This use may include the retail sale of lubricating oils, tires, or parts for use in motor vehicles. This use does not include as its primary function the disassembly, rebuilding, and replacement of motor vehicle engines, transmissions, or other major machinery components, nor auto body repair or painting.
- Specific Use Permit No. 2353 for an auto service center was granted on this property on December 11, 2019.
- The applicant is seeking renewal of the SUP, with a reduction to one handicap parking space for the proposed parking and no proposed changes to the existing conditions.
- The 12,500 square-foot site is currently developed with a 2,080-square foot retail structure constructed in 1953. The business is currently in operation with the SUP.

## **Zoning History:**

There have been three zoning case in the area over the past five years.

**1.Z178-314:** On June 12, 2019, the City Council approved an application for a new subdistrict within Planned Development District No. 621, the Old Trinity and Design District Special Purpose District, on property zoned Subdistrict 1 within Planned Development District No. 621 and Planned Development District No. 442, located north of the intersection of North Stemmons Freeway Service Road and Slocum Street

**2.Z189-331:** On December 12, 2019, the City Council approved an application for a Specific Use Permit No. 2353 for an auto service center use [subject site].

**3.Z190-136** On October 15, 2020, the City Council approved an application to amend Subdistricts 1, 1A, 1B, 1C, 1D, 1F, 1G, and 1H, and no change to Subdistricts 1E, 1I, 1J, and 2 on property zoned Planned Development District No. 621, the Old Trinity and Design District Special Purpose District, with

consideration being given to creating new sub-uses under the Commercial amusement (inside) use, requiring a specific use permit for a Commercial amusement (inside) use, and establishing parking regulations for the sub-uses such as number of required parking spaces, distance to remote parking, parking reductions, and shared parking in the area generally bounded by Sylvan Avenue/Wycliff Avenue, the meanders of the old channel of the Trinity River, Interstate 35, Continental Avenue, and the Trinity River Floodway.

### **Thoroughfares/Streets:**

| <b>Thoroughfare/Street</b> | <b>Type</b>        | <b>Existing/Proposed ROW</b> |
|----------------------------|--------------------|------------------------------|
| N. Riverfront Blvd.        | Principal Arterial | 137 – 150'                   |
| Pittsburg Street           | Local Street       | -                            |

### **Traffic:**

The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and determined that the proposed request will not have a negative impact on the surrounding street system.

### **STAFF ANALYSIS:**

#### **Comprehensive Plan:**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

The request complies with the following land use goals and policies of the Comprehensive Plan.

### **ECONOMIC ELEMENT**

#### **GOAL 2.1      PROMOTE BALANCED GROWTH**

Policy 2.1.1      Ensure that zoning is flexible enough to respond to changing economic conditions.

#### **GOAL 2.2      ENGAGE IN STRATEGIC ECONOMIC DEVELOPMENT**

Policy 2.2.1      Focus economic development efforts on the revitalization of the Trinity River Corridor.

## **URBAN DESIGN**

### **GOAL 5.2        STRENGTHEN COMMUNITY AND NEIGHBORHOOD IDENTITY**

Policy 5.2.4       Enhance retail, industrial, and business operations.

#### **Land Use Plan:**

##### **Stemmons/Design District Land Use Plan**

The subject site is located within Sub-area 2 of the Stemmons/Design District Land Use Plan. The study identified major zoning districts within the study area as IR Industrial Research, MU-3 Mixed Use, IM Industrial Manufacturing, CS Commercial Service, and Planned Development District No. 339, 355, and 442. The study area is comprised of approximately 194 acres and is bounded by Stemmons Freeway to the north and east, Continental Avenue to the south, the Trinity River levee to the southwest, and Wycliff Avenue to the west. The Plan specifically addresses the transition from industrial and warehouse uses to uses that support the design industry. To facilitate this transition, and to help ensure that the area remains viable and does not deteriorate, the Plan recommended a Special Purpose District (PD No. 621) be created to address specific issues within the study area.

The PD preserves the viability of existing businesses, allows most of the existing uses, and encourage development of similar uses (office, retail, entertainment, and residential).

#### **THE 360 PLAN (2017)**

The 360 Plan, adopted by Council in 2017, is an update to 2011's Downtown Dallas 360. The Plan is a strategic document that sets a clear, cohesive vision for Downtown Dallas and its surrounding neighborhoods.

The plan recognizes the importance of planning the vision of Downtown Dallas as a complete and connected center containing a strong collection of mutually supportive districts. These supportive districts include the districts adjacent to the freeway loop that defines the Downtown area.

The 360 Plan provides a framework for a complete and connected City Center that provides enhanced opportunities for living, employment, education, and open space. The plan identifies the area of request within the Design District, one of the supporting districts, which is described as a unique destination for art, home furnishings, and design goods. In recent years, the Design District has emerged as a vibrant, mixed-use neighborhood as residential buildings and additional commercial services have come online.

The area plan acknowledges that the Design District has become one of the most successfully branded destinations in Dallas and indicates that, as the Design District



continues to grow and diversify, it is necessary to retain its industrious, creative energy for its continued success.

The Dallas Design District is emerging into more than an attraction for interior designers, with numerous residential and other commercial projects adding to the district's vitality. In the future, the district is envisioned to continue its role as the premier destination for interior design-oriented business and innovation, while increasing its role as an integral part of the overall Downtown experience.

The request is consistent with the Plan because the applicant is proposing to renew the specific use permit that will continue to serve the growing residential communities.

**Surrounding land uses:**

|              | <b>Zoning</b>                    | <b>Land Use</b>   |
|--------------|----------------------------------|---|
| <b>Site</b>  | Subdistrict 1 within PD No. 621  | Specific Use Permit No. 2353 for an auto service center use |
| <b>North</b> | Subdistrict 1A within PD No. 621 | Undeveloped   |
| <b>East</b>  | Subdistrict 1 within PD No. 621  | Retail, personal service & office                           |
| <b>South</b> | Subdistrict 1D within PD No. 621 | Vacant structure  |
| <b>West</b>  | Subarea 1A within PD No. 621     | Bail Bonds  |

**Land Use Compatibility:**

The approximately 12,500-square-foot request site is zoned Subdistrict 1A within PD No. 621 and is currently developed with a one-story 2,080-square-foot commercial structure currently utilized as Specific Use Permit No. 2353 for an auto service center use.

The requested site is adjacent to an undeveloped tract of land to the north, a bail bonds office use to the west, retail, bail bonds office, and office uses to the east across N. Riverfront Boulevard and a vacant structure to the south across Pittsburg Street.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant a SUP for use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the

public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards.

The applicant's request to renew Specific Use Permit No 2353 for an auto service center is consistent with the provisions for granting a SUP and is consistent with the variety of land uses nearby with no incompatible uses immediately adjacent to the request site. Staff initially had questions regarding some of the services provided at this facility and coordinated with Code Compliance to make sure the services provided are within the boundary of the definition of auto service center and they have provided confirmation of compliance. Since the applicant has completed their initial two-year time frame with no issues, staff is in support of this request with a recommendation of three-year time period.

**Parking:**

The off-street parking requirement for an auto service center is one space for every 500 square feet of floor area with a minimum of four spaces required. The maximum floor area for the proposed use is approximately 2,080 square feet and will require 4 off-street spaces. The applicant provided a revised site plan proposing to provide ten off-street parking spaces (same as previously shown on the existing site plan) and one handicap space (instead of two).

**Landscaping:**

No new construction or pavement is proposed by this application. New construction will require landscaping per the provisions of PDD No. 621.

**Market Value Analysis**

Market Value Analysis (MVA), is a tool to aid residents and policy-makers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to more precisely target intervention strategies in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strengths or weaknesses. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets to orange, representing the weakest markets. The area of request is neither within an identifiable MVA category nor has proximity to any identifiable MVA category.

Z201-272(OA)

**CPC ACTION**  
**SPETEMBER 2, 2021**

**Z201-272(OA)**

Planner: Oscar Aguilera

**Motion:** It was moved to recommend **approval** of the renewal of Specific Use Permit No. 2353 for an auto service center use for a three-year period, subject to a revised site plan and conditions on property zoned Subdistrict 1A within Planned Development District No. 621, the Old Trinity and Design District, at the northwest corner of North Riverfront Boulevard and Pittsburg Street.

Maker: Carpenter  
Second: MacGregor  
Result: Carried: 13 to 0

For: 13 - MacGregor, Hampton, Stinson, Shidid,  
Carpenter, Jackson, Blair, Jung, Suhler,  
Schwope, Murphy, Garcia, Rubin

Against: 0  
Absent: 0  
Vacancy: 2 - District 4, District 10

|                 |           |            |
|-----------------|-----------|------------|
| <b>Notices:</b> | Area: 200 | Mailed: 18 |
| <b>Replies:</b> | For: 1    | Against: 0 |

**Speakers:** For: Paul Wieneskie, 1300 Summit Ave., Fort Worth, TX, 76102  
Against: None

**LIST OF OFFICERS**

**The 3 B's Imports, LLC**

Joe Unell

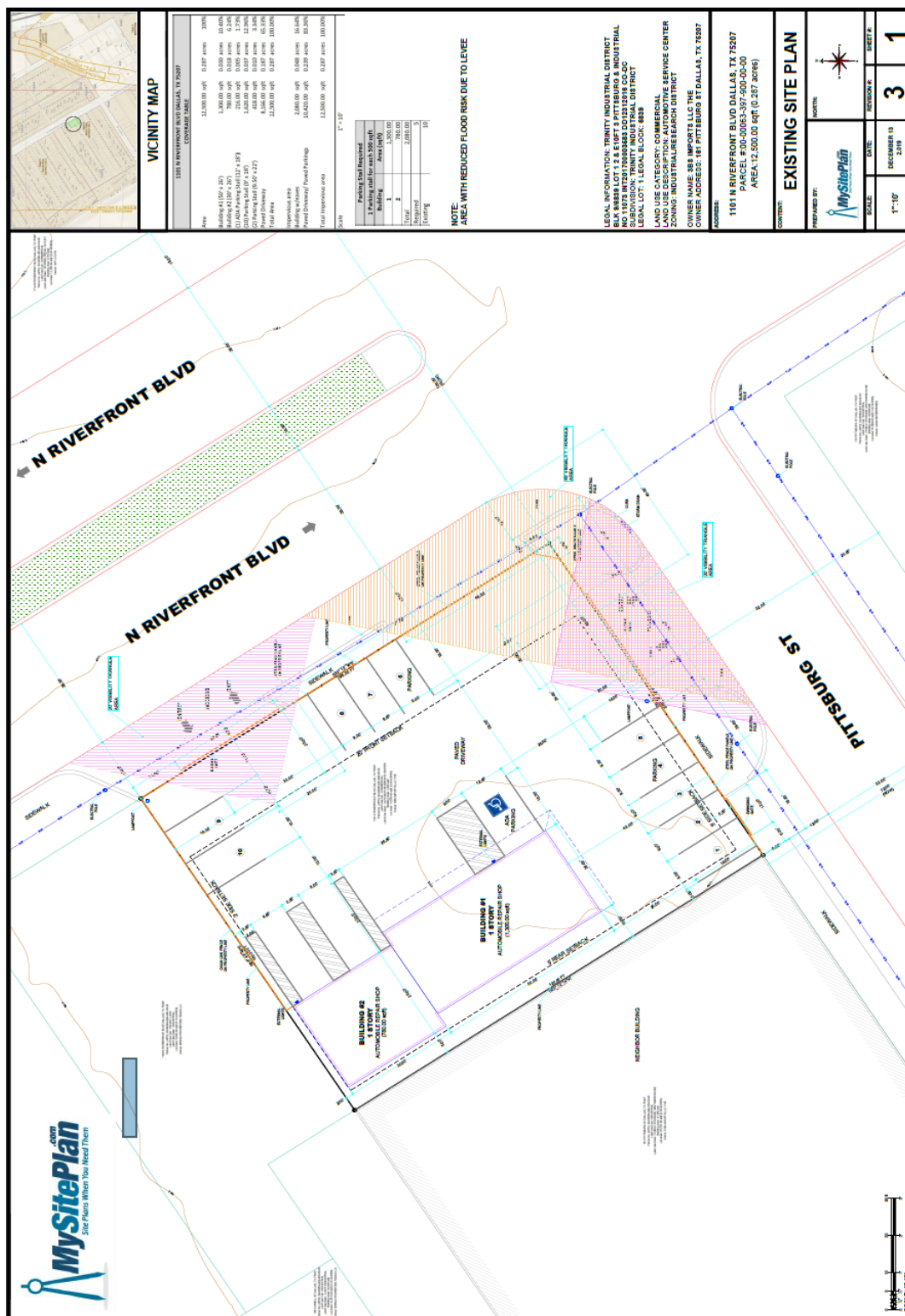
**Elite Auto Solution, LLC**

David Nguyen

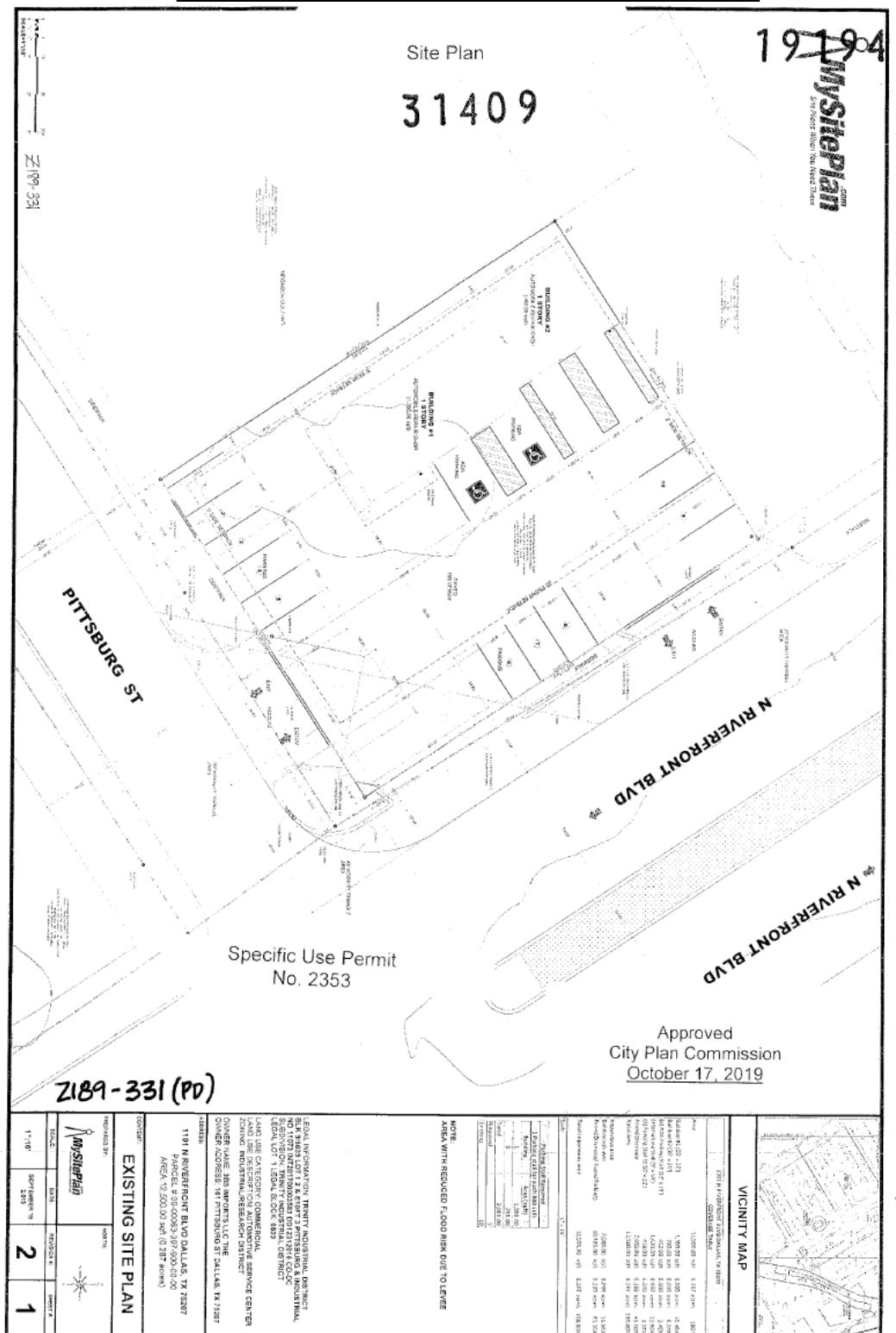
**CPC RECOMMENDED SUP CONDITIONS**

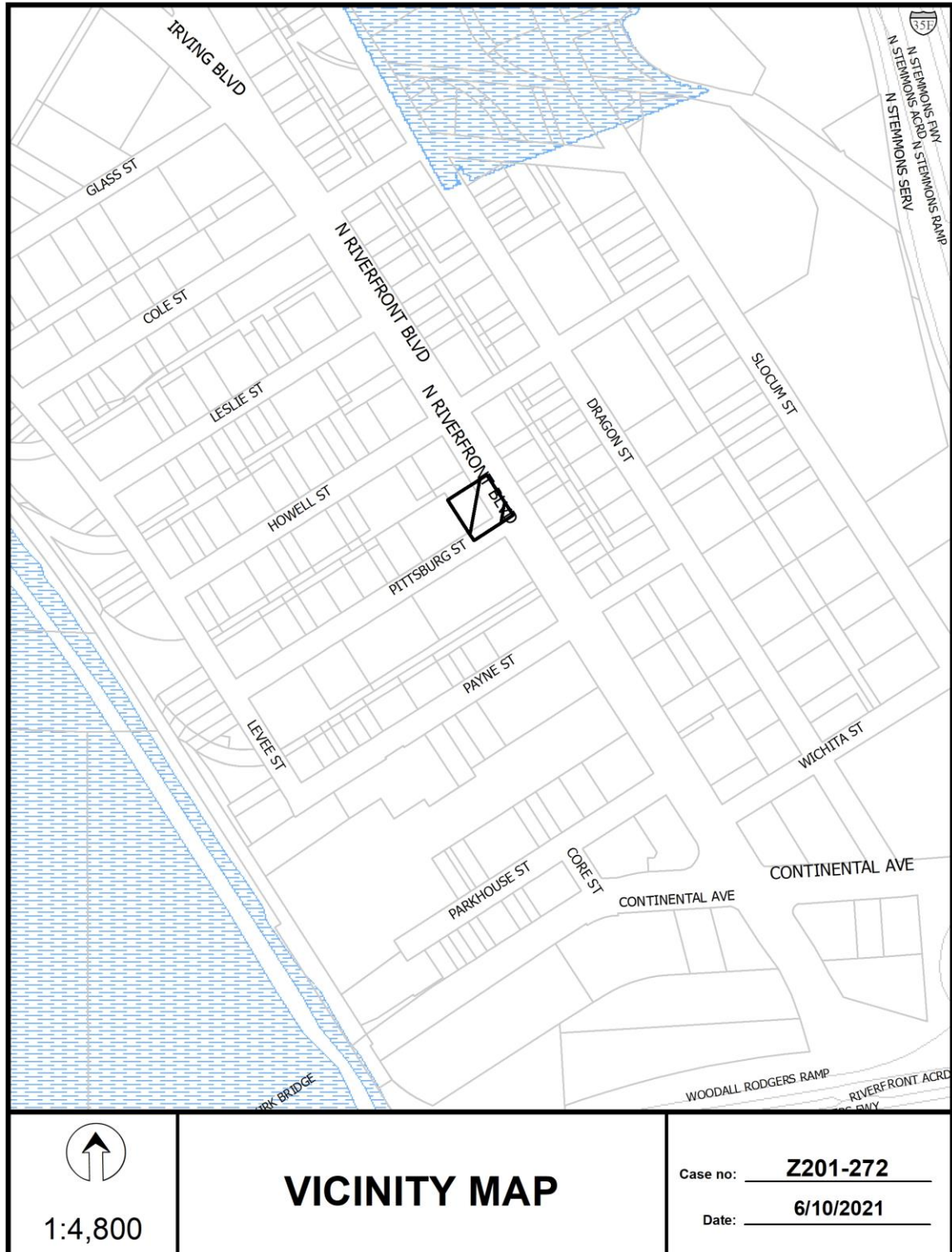
1. USE: The only use authorized by this specific use permit is an auto service center use.
2. SITE PLAN: Use and development of the Property must comply with the attached site plan.
3. TIME LIMIT: This specific use permit expires on ~~December 11, 2021~~  
\_\_\_\_\_ (three-years from the passage of this ordinance).
4. MAXIMUM FLOOR AREA: The maximum floor area is 2,080 square feet.
5. PARKING: A minimum of 10 off-street parking spaces must be provided in the location as shown on the attached site plan.
6. INGRESS/EGRESS: Ingress and egress to Property must be provided in the location as shown on the attached site plan.
7. MAINTENANCE: The entire Property must be properly maintained in a state of good repair and neat appearance.
8. GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations and with all ordinances, rules, and regulations of the City of Dallas.

## PROPOSED SITE PLAN



## EXISTING SITE PLAN



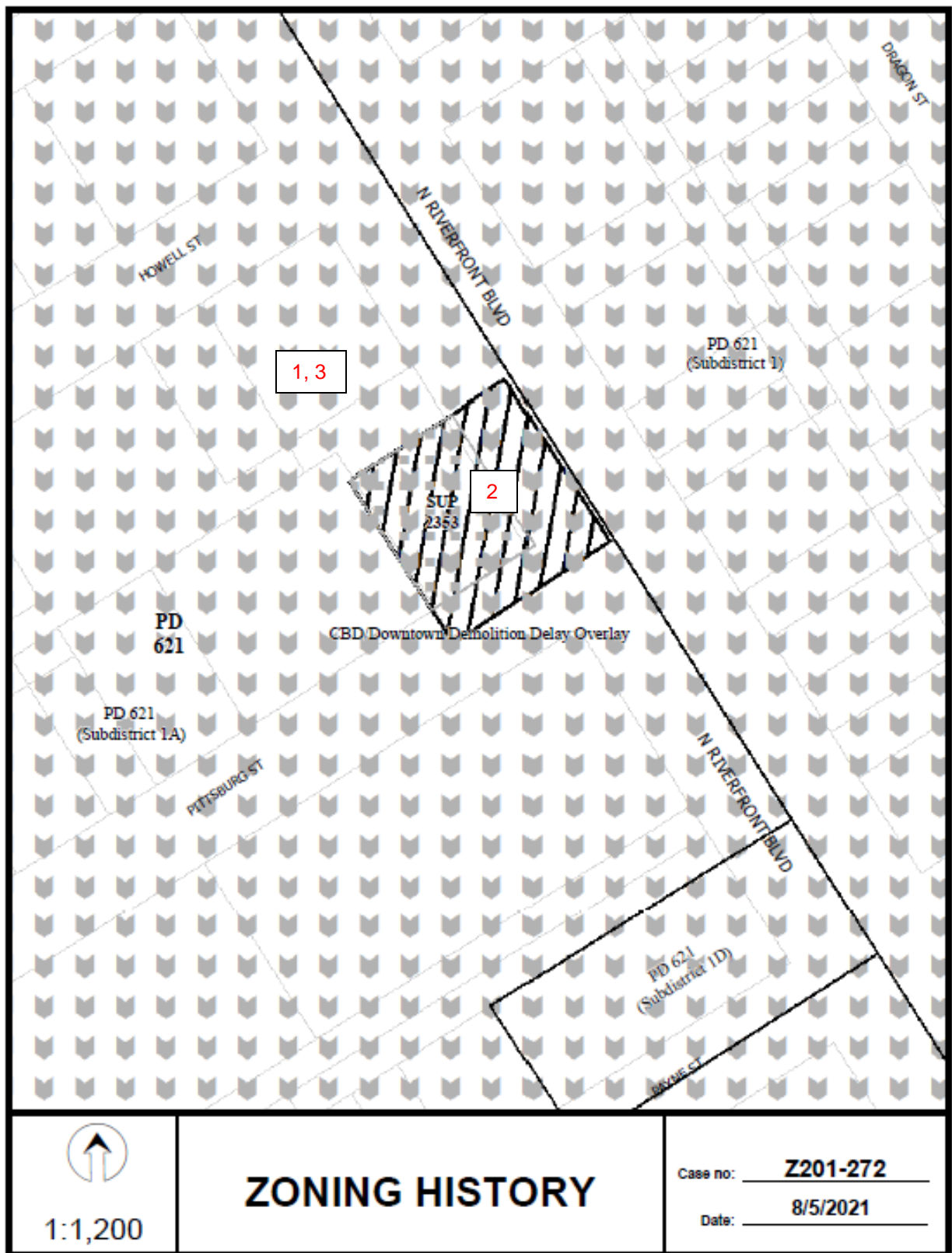














Market Value Analysis A B C D E F G H I NA



1:4,800

## Market Value Analysis

Printed Date: 6/10/2021

**CPC RESPONSES**



09/01/2021

***Reply List of Property Owners******Z201-272******18 Property Owners Notified******1 Property Owners in Favor******0 Property Owners Opposed***

| <b><i>Reply</i></b> | <b><i>Label #</i></b> | <b><i>Address</i></b>  | <b><i>Owner</i></b>        |
|---------------------|-----------------------|------------------------|----------------------------|
|                     | 1                     | 1101 N RIVERFRONT BLVD | 3BS IMPORTS LLC THE        |
|                     | 2                     | 161 PITTSBURG ST       | 3 B'S IMPORTS LLC THE      |
|                     | 3                     | 1012 N RIVERFRONT BLVD | MOODY HERMAN B III &       |
|                     | 4                     | 1022 N RIVERFRONT BLVD | Taxpayer at                |
|                     | 5                     | 1100 N RIVERFRONT BLVD | Taxpayer at                |
|                     | 6                     | 1118 N RIVERFRONT BLVD | Taxpayer at                |
|                     | 7                     | 1130 N RIVERFRONT BLVD | Taxpayer at                |
|                     | 8                     | 170 PITTSBURG ST       | Taxpayer at                |
| O                   | 9                     | 157 PITTSBURG ST       | L & M PIONEER TRADING CO   |
|                     | 10                    | 166 HOWELL ST          | Taxpayer at                |
|                     | 11                    | 174 HOWELL ST          | EWING PROPERTIES TEXAS LLC |
|                     | 12                    | 1129 N RIVERFRONT BLVD | Taxpayer at                |
|                     | 13                    | 1100 N RIVERFRONT BLVD | XFP LTD PS                 |
|                     | 14                    | 1026 N RIVERFRONT BLVD | CHRIST GEORGE CHARLES      |
|                     | 15                    | 1100 N RIVERFRONT BLVD | CCFP LTD                   |
|                     | 16                    | 1104 N RIVERFRONT BLVD | Taxpayer at                |
|                     | 17                    | 1114 N RIVERFRONT BLVD | Taxpayer at                |
|                     | 18                    | 1026 N RIVERFRONT BLVD | Taxpayer at                |



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1850

**Item #:** Z5.

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** 6  
**DEPARTMENT:** Department of Planning and Urban Design  
**EXECUTIVE:** Dr. Eric A. Johnson

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### **SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting an R-5 (A) Single Family District on property zoned CR Community Retail District, at the southwest corner of Bayside Street and Ladd Street

Recommendation of Staff and CPC: Approval  
Z201-275(LG)

**FILE NUMBER:** Z201-275(LG)

**DATE FILED:** June 3, 2021

**LOCATION:** Southwest corner of Bayside Street and Ladd Street

**COUNCIL DISTRICT:** 6

**MAPSCO:** 44 K

**SIZE OF REQUEST:** ± 0.155 Acres

**CENSUS TRACT:** 101.01

**REPRESENTATIVE:** Aubrey Quarles

**APPLICANT/OWNER:** Aubrey Quarles/McCaskell Affiliates, LLC

**REQUEST:** An application for an R-5(A) Single Family District on property zoned CR Community Retail District.

**SUMMARY:** The purpose of the request is to develop the site with a single family home.

**CPC RECOMMENDATION:** Approval.

**STAFF RECOMMENDATION:** Approval.



## BACKGROUND INFORMATION:

- The area of request is comprised of one undeveloped lot fronting Canada Drive and currently zoned a CR Community Retail District.
- The applicant intends to build one single family home on the lot under the R-5(A) Single Family District regulations.
- The property is protected from the floodplain by a levee on the north side.

**Zoning History:** There has been no recent zoning change requests in the surrounding area in the past five years.

### **Thoroughfares/Streets**

| Thoroughfare/Street | Type               | Existing / Proposed ROW |
|---------------------|--------------------|-------------------------|
| Canada Drive        | Principal Arterial | 80 feet with bike plan  |
| Bayside Street      | Local              | -                       |
| Ladd Street         | Local              | -                       |

### **Traffic**

The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and determined that it will not significantly impact the surrounding roadway system.

## STAFF ANALYSIS

### **Comprehensive Plan**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

The applicant's request is consistent with the following goals and policies of the comprehensive plan.

## LAND USE ELEMENT

### **GOAL 1.1 ALIGN LAND USE STRATEGIES WITH ECONOMIC DEVELOPMENT PRIORITIES**

**Policy 1.1.1** Implement the Trinity River Corridor Plan.

### **GOAL 1.3 PROVIDE EQUITABLE OPPORTUNITIES FOR DALLAS RESIDENTS**

**Policy 1.3.1** Create housing opportunities throughout Dallas.

ECONOMIC ELEMENT

**GOAL 2.1** PROMOTE BALANCED GROWTH

**Policy 2.1.1** Ensure that zoning is flexible enough to respond to changing economic conditions.

2.1.1.8 Promote development of sustainable and quality housing through zoning regulations that provide for higher densities at appropriate infill and Greenfield site locations in order to attract and retain urban homeowners.

The Neighborhood Plus Plan was adopted by the City Council in October 2015 to set a new direction and shape new policy for housing and neighborhood revitalization in Dallas. The final chapter, Strategic Goals, delineates six strategic goals to shift the approach, policies, and actions to achieve greater equity and prosperity for all Dallas residents, expand the range of housing options, and enhance the quality of neighborhoods.

**GOAL 5. EXPAND HOMEOWNERSHIP**

**Policy 5.2** Encourage infill development and existing home improvements in target neighborhoods to attract and retain homeowners.

**Area Plans**

In May 1999, City Council approved the West Dallas Comprehensive Land Use Study, with the mission to inventory all existing West Dallas land uses and identify zoning issues and strategic options that will influence the positive redevelopment and stability of the area. The request site is located within zoning Subarea 8, Los Altos, largely comprised of single-family housing and makes no recommendation for zoning changes. Among the policies included in the plan are:

- Encourage infill housing development consistent with the existing residential character of the neighborhood.
- Encourage R-7.5(A) and R-5(A) zoning uses in subarea 8 to decrease the number of vacant and abandoned lots. Promote infill, new construction, and rehabilitation of existing structures where possible in subarea 8.

The applicant's request for a residential zoning district is consistent with the goals and policies of the West Dallas Comprehensive Land Use Study.

Trinity River Corridor Comprehensive Land Use Study was adopted by City Council in March 2005, and then revised in December 2009. Trinity River Corridor is a unified collection of diverse neighborhoods and business centers at the heart of a unified and

thriving Dallas, connected by a ribbon of blue water and green spaces that is the Trinity River. Additionally, The Trinity River Corridor is the City's model for economic growth without physical, social or economic barriers, which attracts residents and visitors to live, learn, work, shop and play within a cosmopolitan urban core, and alongside the river's meandering environment.

Five objectives for future development in the Trinity Corridor add detail to the 2050 Vision Statement. They provide guidance that shapes this plan's recommendations for each part of this very large corridor. The five objectives are:

- Reconnect North and South Dallas
- Establish the role of economic development along the Trinity River
- Create a vibrant central city
- Establish the Trinity River floodplain as the front yard of the City
- Enhance the City's urban form to increase the appeal of urban life.

The request site is located within the Residential Traditional Module. This module recommends residential single-family detached homes as primary land use, a combination of residential multifamily, retail neighborhood, office neighborhood, and civic uses as secondary land-uses, and parks and open spaces and single-family estate as optional land uses. The request site is also located within the West Dallas District. Within this district the existing single-family residential uses, both in the interior and along the riverfront, are recommended to be protected and enhanced. The Residential Traditional land use module applied here maintains this development pattern. The applicant's request is consistent with the goals and policies of the Trinity River Corridor Comprehensive Land Use Study.

### **Surrounding Land Uses**

|                       | <b>Zoning</b>       | <b>Land Use</b>                 |
|-----------------------|---------------------|---------------------------------|
| <b>Site</b>           | CR Community Retail | Undeveloped                     |
| <b>North</b>          | CR Community Retail | Undeveloped                     |
| <b>East</b>           | CR Community Retail | Institutional                   |
| <b>Southeast</b>      | CR Community Retail | Public Park                     |
| <b>South</b>          | CR Community Retail | Single family, Undeveloped Land |
| <b>Southwest/West</b> | CR Community Retail | Single Family                   |

### **Land Use Compatibility**

The request site is surrounded by single-family uses to the west, south and southwest. Undeveloped properties are immediately adjacent to the west.

The existing CR district is comprised of a total of sixteen lots on both sides of Canada Drive, between Borger Street and the west line of Ladd Street, and is surrounded by R-5(A) and A(A) districts. Eight of the existing lots within the CR district are currently developed with single family and institutional uses, with the remaining lots being undeveloped.

With the exception of the institutional use east of the area of request, most of the properties in this area have been developed as single family homes. The area of request was zoned as CR Community Retail District in 1989. Based on historic aerial maps dating back to 1952, the area of request has a history of being developed as a single family home. Aerials show that in 1952, a single family home was located on the site, but then sometime between 1958 and 1968, the single family home was demolished. Building permit records show that a permit was obtained in 1979 to construct a single family, which was later demolished in 2013. Meanwhile, single family uses have existed on the surrounding properties in historic aerials; therefore, the applicant's request is consistent with historical and future proposed land uses within the vicinity.

Staff recognizes the necessity to preserve the character of the existing R-5(A) single-family neighborhood. The proposed zoning change is consistent with the development and zoning patterns found in the area, and especially with the need to preserve the single-family character of Bikers Park neighborhood. Staff is in support of the applicant's request, since the request proposes to develop the property in a manner that is consistent with surrounding uses. This request also allows for the development of infill housing in a manner that is consistent with future land uses.

### **Development Standards**

| District                                       | Setbacks  |  | Height<br>(max)         | Lot<br>Coverage<br>(max) | Density/<br>FAR                        | Special<br>Standards                       | Primary Uses                              |
|--|---|--|-------------------------|--------------------------|--|--|---|
|  | Front<br>(min)  | Side &<br>Rear<br>(min)  |                         |                          |  |  |   |
| <b>Existing:</b><br>CR<br>Community<br>Retail  | 15'<br>(20' due to<br>block face<br>continuity<br>requirements) | 20' adj. to<br>res. (not<br>including<br>A(A)<br>0' all others | 54'<br>Max 4<br>stories | 60%                      | FAR:<br>0.5 office<br>0.75<br>combined | Residential<br>Proximity<br>Slope<br>(RPS) | Retail and<br>Personal Service,<br>Office |
| <b>Proposed:</b><br>R-5(A)<br>Single<br>Family | 20'   | 5' (single<br>family); 10'<br>other uses                       | 30'                     | 45% SF;<br>25%<br>others | 1 DU/lot;<br>5,000 sq.<br>ft.          | Site of<br>Origination<br>for RPS          | Single Family                             |

The proposed R-5(A) district will move the residential proximity slope generating line on all areas within the vicinity of the site, thus having an impact on the surrounding properties that will remain within the CR district, since this residential zoned lot will be surrounded by CR properties if this request is approved. It is important to note that this is an existing condition due to the CR district being surrounded by R-5(A), CR and A(A) districts. Furthermore, considering that the majority of the remaining properties within the CR district are developed with single family and church uses, staff considers that the current uses will not be negatively affected by this zoning change.

### **Use Comparison Table**

| <b>Existing Zoning:<br/>CR Community Retail District</b>   | <b>Proposed Zoning:<br/>R-5(A) Single Family District</b>  |
|--|--|
| <u>Agricultural uses.</u><br>-- Crop production.   | <u>Agricultural uses.</u><br>-- Crop production.   |
| <u>Commercial and business service uses.</u><br>-- Building repair and maintenance shop. [RAR]<br>-- Catering service.<br>-- Custom business services.<br>-- Electronics service center.<br>-- Medical or scientific laboratory. [SUP]<br>-- Tool or equipment rental. | <u>Commercial and business service uses.</u><br>None permitted.  |
| <u>Industrial uses.</u><br>-- Gas drilling and production. [SUP]<br>-- Temporary concrete or asphalt batching plant. [By special authorization of the building official.]  | <u>Industrial uses.</u><br>-- Gas drilling and production. [SUP]<br>-- Temporary concrete or asphalt batching plant. [By special authorization of the building official.]  |
| <u>Institutional and community service uses.</u><br>-- Adult day care facility.<br>-- Cemetery or mausoleum. [SUP]<br>-- Child-care facility.<br>-- Church.<br>-- College, university, or seminary.<br>-- Community service center. [SUP]<br>-- Convent or monastery.  | <u>Institutional and community service uses.</u><br>-- Adult day care facility. [SUP]<br>-- Cemetery or mausoleum. [SUP]<br>-- Child-care facility. [SUP]<br>-- Church.<br>-- College, university or seminary. [SUP]<br>-- Community service center. [SUP]<br>-- Convent or monastery. [SUP] |

| <b>Existing Zoning:</b><br><b>CR Community Retail District</b>   | <b>Proposed Zoning:</b><br><b>R-5(A) Single Family District</b>   |
|--|---|
| <ul style="list-style-type: none"> <li>-- Hospital. <i>[SUP]</i></li> <li>-- Library, art gallery, or museum.</li> <li>-- Open-enrollment charter school or private school. <i>[SUP]</i></li> <li>-- Public school other than an open-enrollment charter school. <i>[RAR]</i></li> </ul>   | <ul style="list-style-type: none"> <li>-- Foster home. <i>[SUP]</i></li> <li>-- Library, art gallery, or museum. <i>[SUP]</i></li> <li>-- Public or private school. <i>[SUP]</i></li> </ul>   |
| <u>Lodging uses.</u> <ul style="list-style-type: none"> <li>-- Hotel and motel. <i>[SUP]</i></li> <li>-- Lodging or boarding house. <i>[SUP]</i></li> <li>-- Overnight general purpose shelter. <i>[See Section <a href="#">51A-4.205</a> (2.1)]</i></li> </ul>  | <u>Lodging uses.</u><br>None permitted.   |
| <u>Miscellaneous uses.</u> <ul style="list-style-type: none"> <li>-- Attached non-premise sign. <i>[SUP]</i></li> <li>-- Carnival or circus (temporary). <i>[By special authorization of the building official.]</i></li> <li>-- Temporary construction or sales office.</li> </ul>  | <u>Miscellaneous uses.</u> <ul style="list-style-type: none"> <li>-- Carnival or circus (temporary). <i>[By special authorization of the building official.]</i></li> <li>-- Temporary construction or sales office.</li> </ul>                         |
| <u>Office uses.</u> <ul style="list-style-type: none"> <li>-- Alternative financial establishment. <i>[SUP]</i></li> <li>-- Financial institution without drive-in window.</li> <li>-- Financial institution with drive-in window. <i>[DIR]</i></li> <li>-- Medical clinic or ambulatory surgical center.</li> <li>-- Office.</li> </ul> | <u>Office uses.</u><br>None permitted.  |
| <u>Recreation uses.</u> <ul style="list-style-type: none"> <li>-- Country club with private membership.</li> <li>-- Private recreation center, club, or area.</li> <li>-- Public park, playground, or golf course.</li> </ul>  | <u>Recreation uses.</u> <ul style="list-style-type: none"> <li>-- Country club with private membership. <i>[SUP]</i></li> <li>-- Private recreation center, club, or area. <i>[SUP]</i></li> <li>-- Public park, playground, or golf course.</li> </ul> |

| Existing Zoning:<br>CR Community Retail District   | Proposed Zoning:<br>R-5(A) Single Family District  |
|--|--|
| <u>Residential uses.</u><br>-- College dormitory, fraternity, or sorority house.   | <u>Residential uses.</u><br>-- Handicapped group dwelling unit. [See Section <a href="#">51A-4.209</a> (3.1).]<br>-- <b>Single family.* (proposed use)</b> |
| <u>Retail and personal service uses.</u><br>-- Alcoholic beverage establishments. [See Section <a href="#">51A-4.210</a> (b)(4).]<br>-- Ambulance service. [RAR]<br>-- Animal shelter or clinic without outside runs. [RAR]<br>-- Auto service center. [RAR]<br>-- Business school.<br>-- Car wash. [DIR]<br>-- Commercial amusement (inside). [SUP may be required. See Section <a href="#">51A-4.210</a> (b)(7)(B).]<br>-- Commercial amusement (outside). [SUP]<br>-- Commercial parking lot or garage. [RAR]<br>-- Convenience store with drive-through. [SUP]<br>-- Dry cleaning or laundry store.<br>-- Furniture store.<br>-- General merchandise or food store 3,500 square feet or less.<br>-- General merchandise or food store greater than 3,500 square feet.<br>-- General merchandise or food store 100,000 square feet or more. [SUP]<br>-- Home improvement center, lumber, brick or building materials sales yard. [DIR]<br>-- Household equipment and appliance repair.<br>-- Liquor store.<br>-- Mortuary, funeral home, or commercial wedding chapel.<br>-- Motor vehicle fueling station.<br>-- Nursery, garden shop, or plant sales. | <u>Retail and personal service uses.</u><br>None permitted.  |

| Existing Zoning:<br>CR Community Retail District   | Proposed Zoning:<br>R-5(A) Single Family District  |
|--|--|
| <ul style="list-style-type: none"> <li>-- Paraphernalia shop. [SUP]</li> <li>-- Pawn shop.</li> <li>-- Personal service uses.</li> <li>-- Restaurant without drive-in or drive-through service. [RAR]</li> <li>-- Restaurant with drive-in or drive-through service. [DIR]</li> <li>-- Swap or buy shop. [SUP]</li> <li>-- Temporary retail use.</li> <li>-- Theater.</li> </ul>   |  |
| <u>Transportation uses.</u> <ul style="list-style-type: none"> <li>-- Transit passenger shelter.</li> <li>-- Transit passenger station or transfer center. [By SUP or city council resolution. See Section <a href="#">51A-4.211.</a>]</li> </ul>  | <u>Transportation uses.</u> <ul style="list-style-type: none"> <li>-- Private street or alley. [SUP]</li> <li>-- Transit passenger shelter. [See Section <a href="#">51A-4.211.</a>]</li> <li>-- Transit passenger station or transfer center. [SUP]</li> </ul>  |
| <u>Utility and public service uses.</u> <ul style="list-style-type: none"> <li>-- Commercial radio and television transmitting station.</li> <li>-- Electrical substation.</li> <li>-- Local utilities. [SUP or RAR may be required. See Section <a href="#">51A-4.212(4).</a>]</li> <li>-- Police or fire station.</li> <li>-- Post office.</li> <li>-- Radio, television or microwave tower. [SUP]</li> <li>-- Tower/antenna for cellular communication. [See Section <a href="#">51A-4.212(10.1).</a>]</li> <li>-- Utility or government installation other than listed. [SUP]</li> </ul> | <u>Utility and public service uses.</u> <ul style="list-style-type: none"> <li>-- Electrical substation. [SUP]</li> <li>-- Local utilities. [SUP or RAR may be required. See Section <a href="#">51A-4.212(4).</a>]</li> <li>-- Police or fire station. [SUP]</li> <li>-- Radio, television, or microwave tower. [SUP]</li> <li>-- Tower/antenna for cellular communication. [See Section <a href="#">51A-4.212(10.1).</a>]</li> <li>-- Utility or government installation other than listed. [SUP]</li> </ul> |
| <u>Wholesale, distribution, and storage uses.</u> <ul style="list-style-type: none"> <li>-- Mini-warehouse. [SUP]</li> <li>-- Recycling buy-back center. [See Section <a href="#">51A-4.213</a> (11).]</li> <li>-- Recycling collection center. [See Section <a href="#">51A-4.213</a> (11.1).]</li> <li>-- Recycling drop-off container. [See Section <a href="#">51A-4.213</a> (11.2).]</li> </ul>   | <u>Wholesale, distribution, and storage uses.</u> <ul style="list-style-type: none"> <li>-- Recycling drop-off container. [See Section <a href="#">51A-4.213</a> (11.2).]</li> <li>-- Recycling drop-off for special occasion collection. [See Section <a href="#">51A-4.213</a> (11.3).]</li> </ul>   |



| Existing Zoning:<br>CR Community Retail District   | Proposed Zoning:<br>R-5(A) Single Family District |
|--|---|
| -- Recycling drop-off for special occasion collection. [See Section <a href="#">51A-4.213</a> (11.3).] |   |

### **Parking**

Pursuant to the Dallas Development Code, off-street parking must be provided in accordance with Division 51A-4.200. A single-family use requires one parking space per dwelling unit when located within an R-5(A) District.

### **Landscaping**

Landscaping must be provided in accordance with the landscaping requirements in Article X, as amended.

### **Market Value Analysis**

Market Value Analysis (MVA) is a tool to aid residents and policymakers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to target intervention strategies more precisely in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets to orange, representing the weakest markets. A portion of the subject site is uncategorized, but majority of the site is within MVA Category “H”. Adjacent properties to the west are also within Category H.

**CPC ACTION**  
**August 19, 2021**

**Motion:** It was moved to recommend **approval** of an R-5(A) Single Family District on property zoned CR Community Retail District, at the southwest corner of Bayside Street and Ladd Street.

Maker: Stinson  
Second: Schwope  
Result: Carried: 11 to 0

For: 11 - MacGregor, Hampton, Stinson, Shidid,  
Carpenter, Jackson, Jung, Suhler, Schwope,  
Murphy, Garcia

Against: 0  
Absent: 3 - Johnson, Blair, Rubin  
Vacancy: 1 - District 10

**Notices:** Area: 200 Mailed: 19  
**Replies:** For: 0 Against: 0

**Speakers:** For: None  
For (Did not speak): Aubrey Quarles, 3981 Silver Meadow Ln., Grande Prairie, TX, 75052  
Against: None

Z201-275(LG)

**List of Officers**

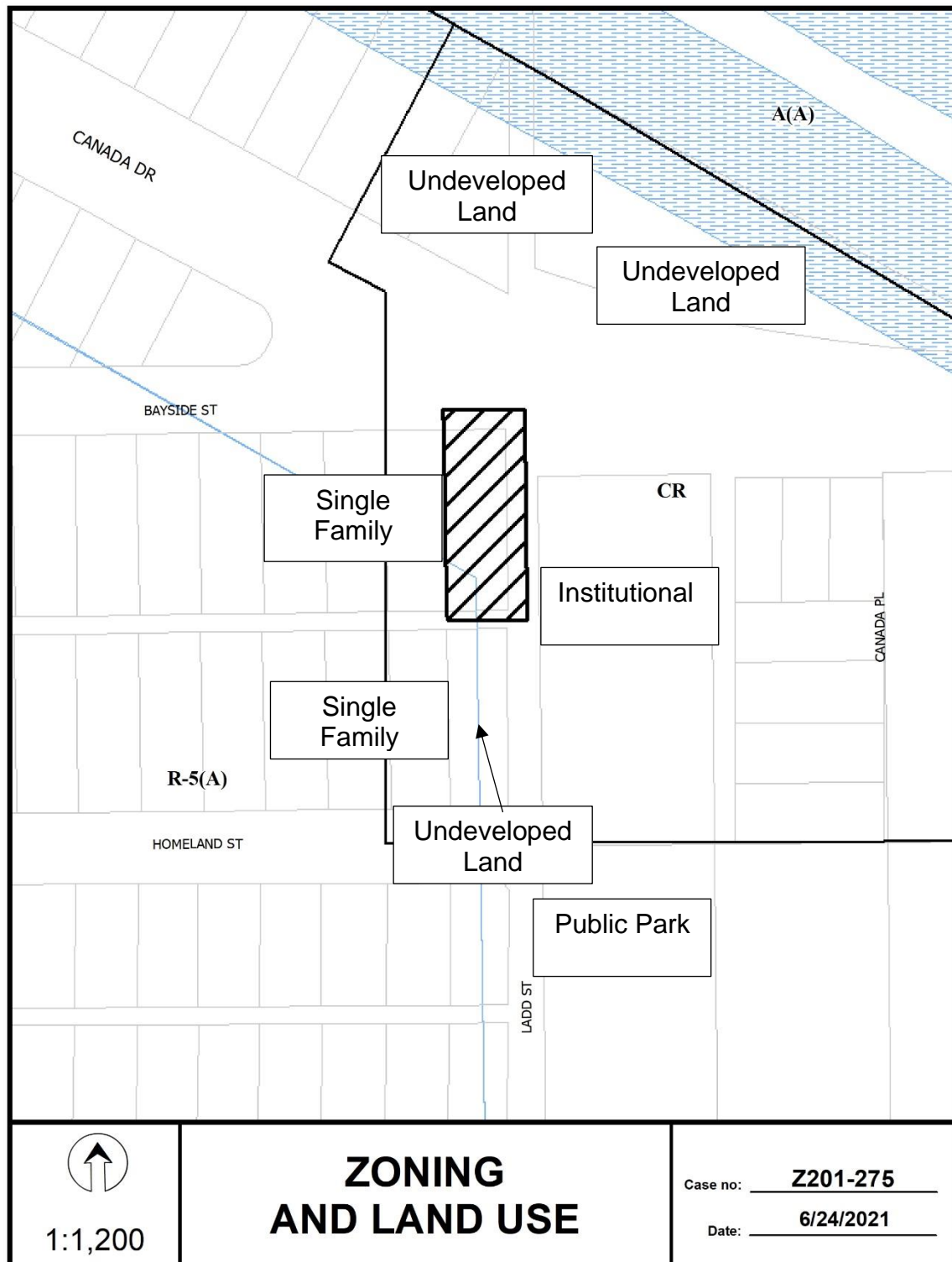
McCaskell Affiliates, LLC

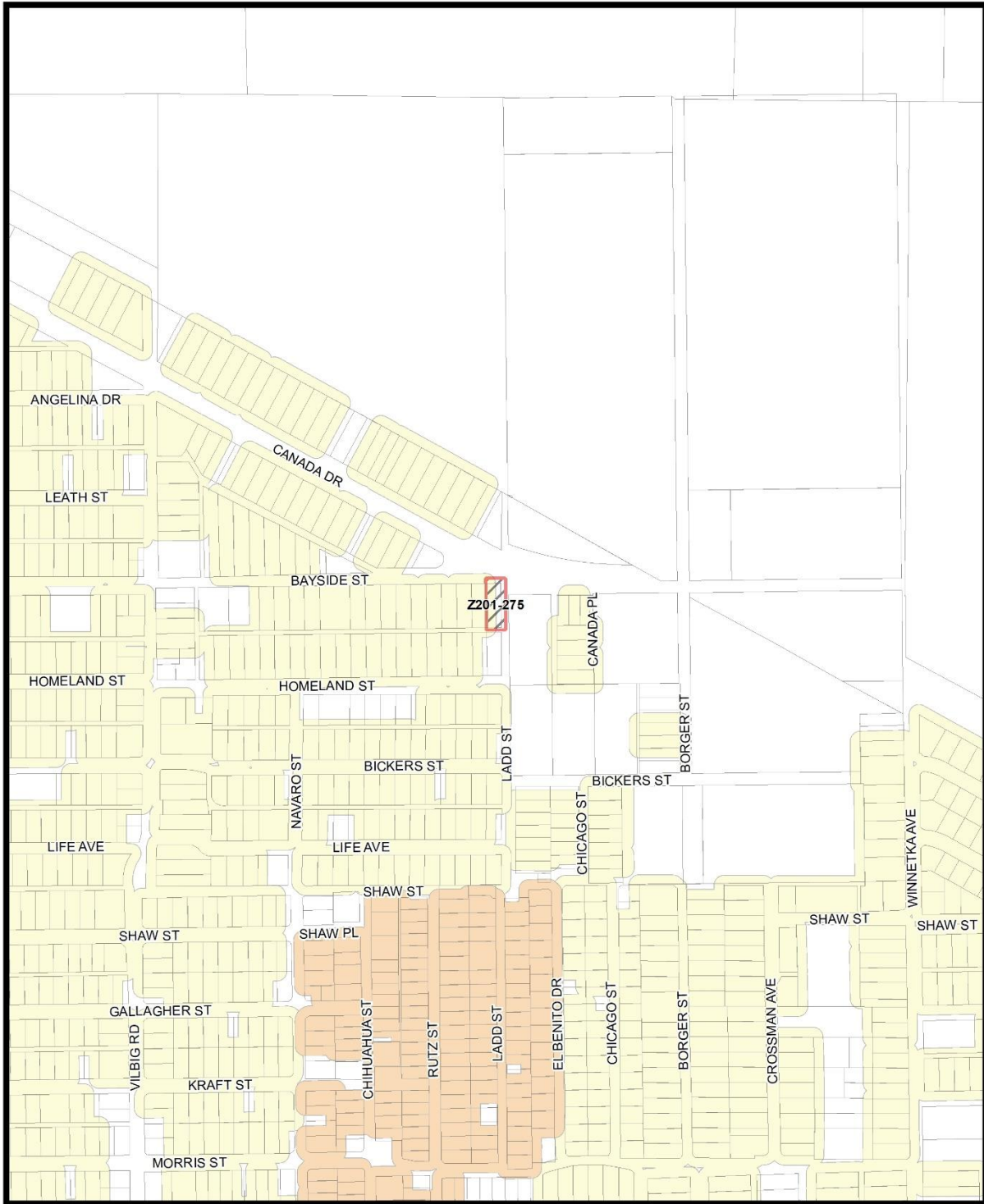
Aubrey Quarles, Sole Owner











**Market Value Analysis** A B C D E F G H I NA



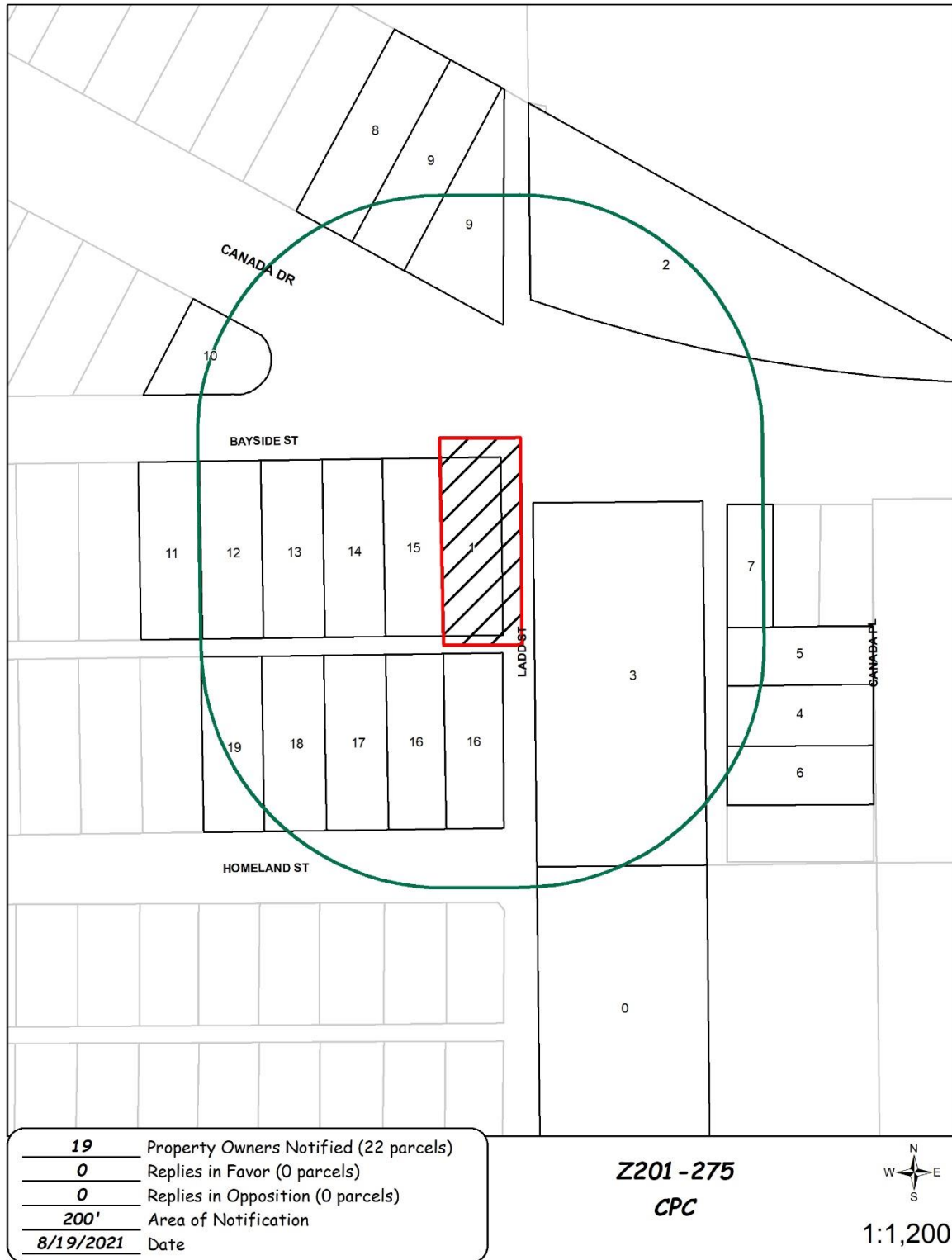
1:4,800

## Market Value Analysis

Printed Date: 6/24/2021



## CPC RESPONSES





08/18/2021

***Reply List of Property Owners******Z201-275******19 Property Owners Notified******0 Property Owners in Favor******0 Property Owners Opposed***

| <b><i>Reply</i></b> | <b><i>Label #</i></b> | <b><i>Address</i></b> | <b><i>Owner</i></b>                  |
|---------------------|-----------------------|-----------------------|--------------------------------------|
| 1                   | 1502                  | BAYSIDE ST            | HOLLINS JOHN &                       |
| 2                   | 1425                  | CANADA DR             | TRINITY POINT LLC                    |
| 3                   | 3730                  | LADD ST               | GREATER DALLAS NATIONAL LATINO PEACE |
| 4                   | 1412                  | CANADA DR             | MARTINEZ ADELA                       |
| 5                   | 1416                  | CANADA DR             | HERNANDEZ JOSE JUSTINO &             |
| 6                   | 1410                  | CANADA DR             | DELEON SYLVIA                        |
| 7                   | 1432                  | CANADA DR             | MARTINEZ SILVERIO                    |
| 8                   | 1513                  | CANADA DR             | PAN FENGYING                         |
| 9                   | 1509                  | CANADA DR             | CARRANZA JUAN                        |
| 10                  | 1519                  | BAYSIDE ST            | WILLIAMS FRIED CHICKEN               |
| 11                  | 1522                  | BAYSIDE ST            | TORRES FELIPE                        |
| 12                  | 1518                  | BAYSIDE ST            | REQUENA LEONARDO                     |
| 13                  | 1514                  | BAYSIDE ST            | Taxpayer at                          |
| 14                  | 1510                  | BAYSIDE ST            | WEBBER HERMAN                        |
| 15                  | 1506                  | BAYSIDE ST            | WEBBER HERMAN                        |
| 16                  | 1503                  | HOMELAND ST           | HERNANDEZ ANGELICA MARIA             |
| 17                  | 1511                  | HOMELAND ST           | TORRES J GUADALUPE &                 |
| 18                  | 1515                  | HOMELAND ST           | Taxpayer at                          |
| 19                  | 1517                  | HOMELAND ST           | HERENANDEZ MONICO                    |



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1852

**Item #:** Z6.

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** 9  
**DEPARTMENT:** Department of Planning and Urban Design  
**EXECUTIVE:** Dr. Eric A. Johnson

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### **SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting a Planned Development District for single family uses on property zoned R-7.5(A) Single Family District, at the southwest corner of Highland Road and Barbaree Boulevard  
Recommendation of Staff and CPC: Approval, subject to a conceptual plan, landscape plan, and conditions  
Z201-214(LG)

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|                          |  |                      |                |
|--------------------------|--|----------------------|----------------|
| <b>FILE NUMBER:</b>      | Z201-214(LG)   | <b>DATE FILED:</b>   | March 16, 2021 |
| <b>LOCATION:</b>         | Southwest corner of Highland Road and Barbaree Boulevard |                      |                |
| <b>COUNCIL DISTRICT:</b> | 9  | <b>MAPSCO:</b>       | 47 C           |
| <b>SIZE OF REQUEST:</b>  | ±4.36 acres  | <b>CENSUS TRACT:</b> | 122.08         |

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**REPRESENTATIVE:** Rob Baldwin, Baldwin Associates

**APPLICANT:** J.G. Moore & Co. Inc.

**OWNER :** Crossett Ash Creek, LLC

**REQUEST:** An application for a Planned Development District for single family uses on property zoned R-7.5(A) Single Family District.

**SUMMARY:** The purpose of the request is to allow for the development of single family homes onsite with modified standards primarily in relation to yard, lot, space regulations and shared access requirements.

**CPC RECOMMENDATION:** Approval, subject to a conceptual plan, landscape plan, and conditions

**STAFF RECOMMENDATION:** Approval, subject to a conceptual plan, landscape plan, and conditions.

## BACKGROUND INFORMATION:

- The site is currently undeveloped and approximately 4.36 acres.
- The existing zoning district regulations would allow a maximum of 22-24 single family lots; the applicant proposes to allow up to 23 single family lots on the property.
- The eastern and southwestern portions of this site are located within the floodplain.
- The applicant proposes to modify the front yard setback, density, height and lot coverage for proposed use as a single family shared access development. Currently, single family uses are permitted in an R-7.5(A) District.

**Zoning History:** There has been no recent zoning changes requested in the vicinity in the past five years.

### **Thoroughfares/Streets:**

| Thoroughfare/Street | Type         | Existing/Proposed ROW |
|---------------------|--------------|-----------------------|
| Highland Road       | Local Street | -                     |
| Barbaree Blvd       | Local Street | -                     |

### **Traffic:**

The Engineering Division of the Sustainable Development and Construction Department reviewed the proposed zoning and determined it will not have a negative impact on the existing street system.

### **Comprehensive Plan:**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

## LAND USE ELEMENT

### GOAL 1.1      ALIGN LAND USE STRATEGIES WITH ECONOMIC DEVELOPMENT PRIORITIES

- Policy 1.1.5 Strengthen existing neighborhoods and promote neighborhoods' unique characteristics. Acknowledge the importance of neighborhoods to the city's long-term health and vitality.

### **GOAL 1.3 PROVIDE EQUITABLE OPPORTUNITIES FOR DALLAS RESIDENTS**

- Policy 1.3.1 Create housing opportunities throughout Dallas.

This request is consistent with the following Neighborhood Plus Strategic goal:

#### **Neighborhood Plus Strategic Goal 5.0 EXPAND HOME-OWNERSHIP**

- 5.2 Encourage infill development and existing home improvements in target neighborhoods to attract and retain homeowners.

#### **STAFF ANALYSIS:**

##### **Surrounding Land Uses:**

|                  | <b>Zoning</b>        | <b>Land Use</b>               |
|------------------|----------------------|-------------------------------|
| <b>Site</b>      | R-7.5(A)             | Undeveloped Land              |
| <b>North</b>     | PD No. 461           | Single Family                 |
| <b>Northeast</b> | R-10(A)              | Single Family                 |
| <b>East</b>      | R-1/2ac(A), R-7.5(A) | Undeveloped Land              |
| <b>South</b>     | R-7.5(A), MF-2(A)    | Undeveloped Land, Multifamily |
| <b>West</b>      | R-7.5(A)             | Golf Course                   |

##### **Land Use Compatibility:**

Surrounding land uses include single family to the north and northeast of the site. Undeveloped land to the east and south; a golf course to the west and multifamily uses further south of the area of request. The applicant proposes a detached single family residential development consisting of a maximum of 23 dwelling units. Since single family, multifamily and a golf course is within the immediate vicinity, Staff considers the proposed single family uses compatible with surrounding properties and therefore supports the land use proposed in the applicant's request.

Staff supports the applicant's requested development standard modifications because they are consistent with the *Neighborhood Plus* strategic goal of "encouraging infill development" and does not negatively affect the site's relationship to its surrounding uses in staff's opinion. The lot coverage is proposed at 50%, the proposed number of dwellings is 23 units, and the proposed minimum lot size is 5,000 square feet.

The applicant has proposed additional provisions that include no windows on properties with a third story that faces north on Barbaree Boulevard. A solid six-foot masonry wall is also being provided and gates will be prohibited on the property. The applicant has indicated their intention to place all utilities for the proposed shared access development underground and the detention basins will be fence and screened with evergreen trees. Staff is in support of these proposed changes by the applicant, and believes these provisions are complimentary to existing land uses within the area.

### **Development Standards:**

| DISTRICT  | SETBACKS |   | Density                                 | Height | Lot Coverage                                   | Primary Uses  |
|---|----------|---|---|--------|--|---------------|
|   | Front    | Side/Rear   |   |        |  |               |
| <b>Existing:</b><br>R-7.5(A) Single Family  | 25'      | Single Family<br>Side/Rear:<br>5'/5'<br>Other uses:<br>Side: 10'<br>Rear: 15' | 1 DU /<br>7,500 sq.<br>ft.              | 30'    | 45%-<br>residential<br>25% non-<br>residential | Single family |
| <b>Proposed:</b><br>New Planned Development<br>District with R-7.5(A)<br>Single Family Uses | 10'      | 5'/5'   | 1 DU<br>/5,000<br>SF<br>23 units<br>max | 36'    | 50%  | Single family |

The applicant proposes to develop the site as a new planned development district for a shared access development with a maximum of 23 dwelling units with the following modifications to the R-7.5(A) Single Family District development standards:

1. Decreasing the front yard setback from 25 feet to 10 feet;
2. Increasing the density to 1 dwelling unit per 5,000 square feet instead of 1 dwelling unit per 7,500 square feet;
3. Increasing the height regulations from 30 feet to 36 feet; and
4. Increasing maximum lot coverage from 45 to 50 percent.

**Parking:**

The applicant does not propose to modify the parking requirements of the Dallas Development Code which requires one parking spaces per single family use and, in a shared access development, an additional 0.3 spaces per single family use for visitors or guests. The applicant is required to provide 7 parking spaces for guests within the development, and 23 spaces for single family dwellings within the shared access development for a total of 30 spaces.

**Landscaping:**

Initially, some landscaping concerns arose regarding the floodplain and landscaping within the proposed shared access development. An updated landscape plan was proposed demonstrating additional screening plants along the street front and preserved trees. The Chief Arborist reviewed the plan and was in support of the proposed plan but had concerns about whether or not all of the trees proposed will be authorized in the permitting process. The following suggestions were made, and the applicant had agreed to it.

- Article X landscaping requirements for a shared access development apply. This would apply to street frontage plant groups, site trees, the 15% minimum landscape area, and general soil and distance requirements of Article 10.104. For plant groups, one large tree and three large evergreen shrubs could be used for compliance.
- The applicant should propose retaining walls protecting preserved trees.

Conditions were included for specific types of trees within the proposed development to help with the development of the site since it is located within the floodplain. At this time, the applicant has met the shared access drive requirements for Article X and addresses the additional provisions of tree preservation and screening shrubs. If all of the proposed tree plantings cannot be met during the engineering review process, the applicant will have to come back to the City Plan Commission to amend the plan per the PD conditions.

The Chief Arborist has reviewed these provisions and has no objections. It should be noted that the proposed landscape plan does not show the retaining wall, however, the tree protection plan that is required at the time permitting will need to capture that with the confirmation from the Chief Arborist per the PD conditions.

**Shared Access:**

According to Section 51A-4.411(c)(1-4), a shared access development is required to have the following:

- (1) A shared access development is created by platting no less than three and no more than 36 individual lots. Adjacent shared access developments may not be connected or combined to exceed the 36 lot maximum.
- (2) A shared access development must be restricted by plat to single family use.
- (3) No building permit may be issued to authorize work in a shared access development until the plat and the shared access area agreement have been recorded in the real property records of the appropriate county, all requirements of the shared access area have been met, and the director has corrected the appropriate zoning map in the offices of the city secretary, the building official, and the department to reflect the restriction to single family use.
- (4) A shared access development may not be platted as a community unit development (CUD).

The applicant intends to meet the requirements listed above and the proposed development is compatible with the surrounding uses. Staff supports this request because the development is proposed to be limited to 23 units, and the conceptual plan shows circulation patterns that appear to be consistent with emergency access needs.

**Market Value Analysis:**

Market Value Analysis (MVA) is a tool to aid residents and policymakers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to target intervention strategies more precisely in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets (A through C) to orange, representing the weakest markets (G through I). Although the area of request is uncategorized, properties within a Category "C" MVA cluster are to the northwest and east of the area of request. Category "B" MVA properties are to the north, and Category "E" properties are to the south of the area of request.



**CPC ACTION**

**August 19, 2021**

**Motion:** It was moved to recommend **approval** of a Planned Development District for single family uses, subject to a conceptual plan, a landscape plan, and conditions on property zoned R-7.5(A) Single Family District, at the southwest corner of Highland Road and Barbaree Boulevard.

Maker: Jung  
Second: Garcia  
Result: Carried: 11 to 0

For: 11 - MacGregor, Hampton, Stinson, Shidid,  
Carpenter, Jackson, Jung, Suhler, Schwope,  
Murphy, Garcia

Against: 0  
Absent: 3 - Johnson, Blair, Rubin  
Vacancy: 1 - District 10

**Notices:** Area: 500 Mailed: 68  
**Replies:** For: 3 Against: 19

**Speakers:** For: Rob Baldwin, 3904 Elm St., Dallas, TX, 75226  
Against: None

**List of Officers/Partners/Principals**

**Crossett Ash Creek, LLC**

Steve Crossett, Director

**CPC RECOMMENDED PD CONDITIONS**

**ARTICLE \_\_\_\_.**

**PD \_\_\_\_.**

**SEC. 51P- \_\_\_\_ .101. LEGISLATIVE HISTORY.**

PD \_\_\_\_ was established by Ordinance No.\_\_\_\_, passed by the Dallas City Council on \_\_\_\_.

**SEC. 51P- \_\_\_\_ .102. PROPERTY LOCATION AND SIZE.**

PD \_\_\_\_ is established on property located at on the west side of Highland Road, southwest of Barbaree Boulevard. The size of PD \_\_\_\_ is approximately 4.36 acres.

**SEC. 51P- \_\_\_\_ .103. DEFINITIONS AND INTERPRETATIONS.**

- (a) Unless otherwise stated, the definitions and interpretations in Chapter 51A apply to this article.
- (b) Unless otherwise stated, all references to articles, divisions, or sections in this article are to articles, divisions, or sections in Chapter 51A.
- (c) This district is considered to be a residential zoning district.

**SEC. 51P- \_\_\_\_ .104. EXHIBITS.**

The following exhibits are incorporated into this article:

- (1) Exhibit \_\_\_\_A: conceptual plan.
- (2) Exhibit \_\_\_\_B: landscape plan.

**SEC. 51P- \_\_\_\_ .105. CONCEPTUAL PLAN.**

Development and use of the Property must comply with the conceptual plan (Exhibit \_\_\_\_A). If there is a conflict between the text of this article and the conceptual plan, the text of this article controls.

**SEC. 51P- \_\_\_\_\_.106. DEVELOPMENT PLAN.**

(a) For single family uses, a final plat may serve as the development plan. If there is a conflict between the text of this article and a final plat, the text of this article controls.

(b) For all other uses, a development plan must be approved by the city plan commission before the issuance of any building permit to authorize work in this district. If there is a conflict between the text of this article and the development plan, the text of this article controls.

**SEC. 51P- \_\_\_\_\_.107. MAIN USES PERMITTED.**

The only main uses permitted are those main uses permitted in the R-7.5(A) Single Family District, subject to the same conditions applicable in the R-7.5(A) Single Family District, as set out in Chapter 51A. For example, a use permitted in the R-7.5(A) Single Family District only by specific use permit (SUP) is permitted in this district only by SUP; a use subject to development impact review (DIR) in the R-7.5(A) Single Family District is subject to DIR in this district; etc.

**SEC. 51P- \_\_\_\_\_.108. ACCESSORY USES.**

As a general rule, an accessory use is permitted in any district in which the main use is permitted. Some specific accessory uses, however, due to their unique nature, are subject to additional regulations in Section 51A-4.217. For more information regarding accessory uses, consult Section 51A-4.217.

**SEC. 51P- \_\_\_\_\_.109. YARD, LOT, AND SPACE REGULATIONS.**

(Note: The yard, lot, and space regulations in this section must be read together with the yard, lot, and space regulations in Division 51A-4.400. If there is a conflict between this section and Division 51A-4.400, this section controls.)

(a) In general. Except as provided in this section, the yard, lot, and space regulations for the R-7.5(A) Single Family District apply.

(b) Shared access development. The following standards apply for single family uses developed as a shared access development.

- (1) Front yard. Minimum front yard is 10 feet.
- (2) Side and rear yard. Minimum side and rear yard are 5 feet.
- (3) Density. Maximum number of dwelling units is 23.

(4) Height. Except as provided in this paragraph, maximum structure height is 36 feet. Individual lots on the north side of the shared access drive are limited to a maximum of 30 feet and two stories.

(5) Lot coverage. Maximum lot coverage for residential structures is 50 percent. The shared access area may be used to determine lot coverage. Aboveground parking structures are included in lot coverage calculations; surface parking lots and underground parking structures are not.

(6) Lot size. Minimum lot size is 5,000 square feet.

**SEC. 51P- \_\_\_\_\_.110. OFF-STREET PARKING AND LOADING.**

(a) Consult the use regulations in Division 51A-4.200 for the specific off-street parking and loading requirements for each use.

(b) For a shared access development, a minimum of 0.3 guest parking spaces per unit is required.

**SEC. 51P- \_\_\_\_\_.111. ENVIRONMENTAL PERFORMANCE STANDARDS.**

See Article VI.

**SEC. 51P- \_\_\_\_\_.112. LANDSCAPING.**

(a) In general. Except as provided, landscaping and tree mitigation must be provided in accordance with Article X.

(b) Shared access development.

(1) Landscaping must be provided as shown on the landscape plan (Exhibit \_\_\_\_B). If there is a conflict between the text of this article and the landscape plan, the text of this article controls.

(2) Trees identified on the landscaping plan for preservation must be preserved and protected during construction and development of the shared access development.

(3) Tree mitigation must be prioritized to plant replacement trees on the Property to the fullest extent approved by the Director.

(4) Trees planted within the front common area shown on the Conceptual Plan (Exhibit \_\_\_\_A) or within a designated flood plain area must be one of the following species:

- (A) Bald Cypress.
- (B) Pond Cypress.
- (C) 'October Glory' Maple.
- (D) 'Dura Heat' River Birch.
- (E) Cottonwood.
- (F) Weeping Willow.
- (G) Hackberry.
- (H) Black Willow.
- (I) Sycamore.

(5) For any revisions to the proposed landscape plan, a revised landscape plan must be approved by the city plan commission before the issuance of any building permit to authorize work.

(6) Retaining walls or tree wells protecting preserved trees must be provided and shown on the Tree Protection plan in appropriate location, as determined by the City Arborist at the time of issuing building permit.

- (e) Maintenance. Plant materials must be maintained in a healthy, growing condition.

**SEC. 51P- \_\_\_\_ .113. SIGNS.**

Signs must comply with the provisions for non-business zoning districts in Article VII.

**SEC. 51P- \_\_\_\_ .114. ADDITIONAL PROVISIONS.**

(a) The Property must be properly maintained in a state of good repair and neat appearance.

(b) Development and use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the city.

(c) A shared access development may contain no more than 23 individual lots for one shared access point.

(d) The northwestern-most individual lot shown on the Conceptual Plan (Exhibit \_\_\_\_A) must not contain any windows on a third story that face north and any deck area on this lot above the second story must not be located to be visible from the northern property line.

(e) A solid masonry wall of a minimum height of six feet is required along the northern property line.

- (f) The shared access easement is prohibited from being gated.

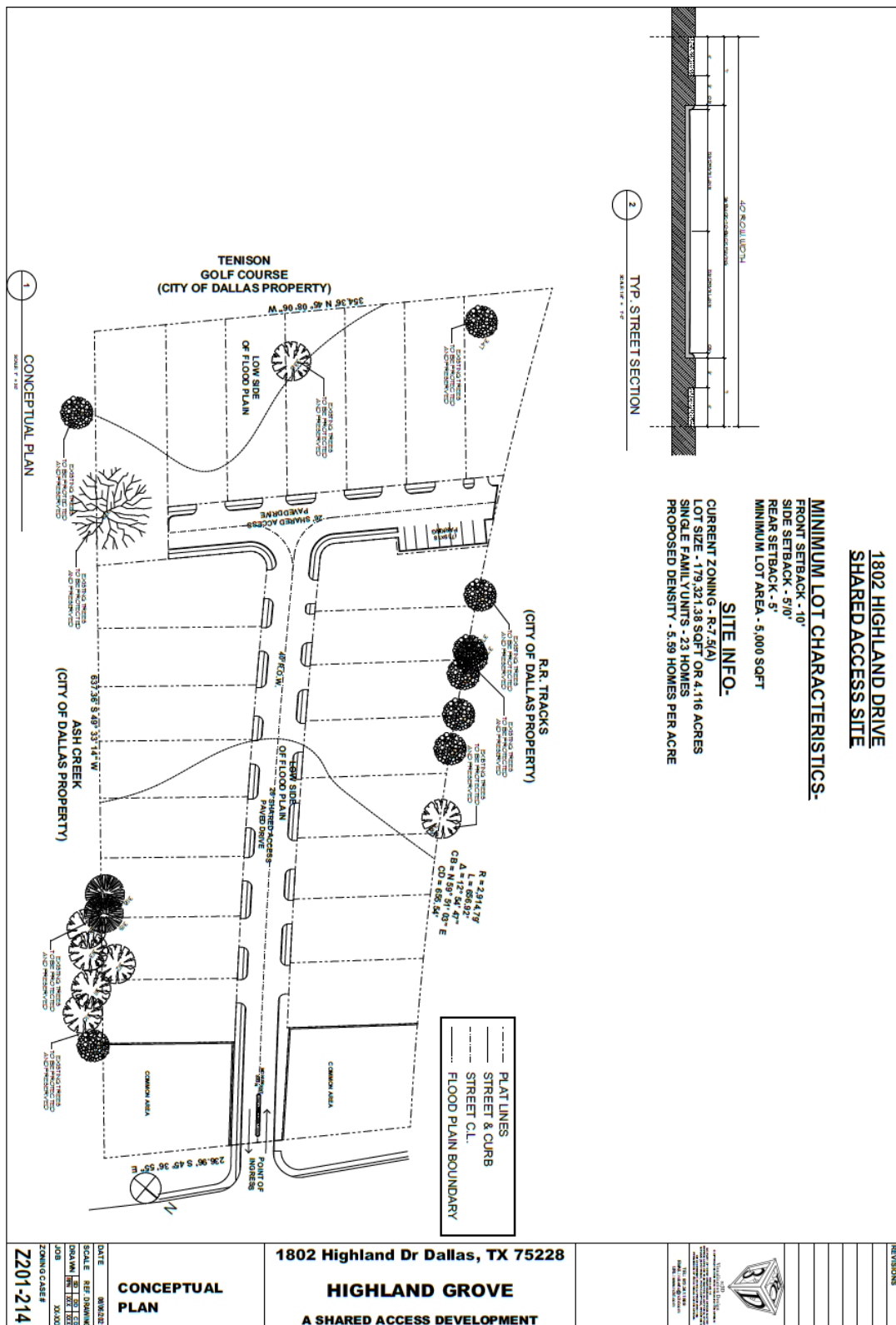
(g) The detention basins shown on the Conceptual Plan (Exhibit \_\_\_\_A) must be fenced. The fencing must be screened from the street with evergreen shrubs.

**SEC. 51P-\_\_\_\_.114. COMPLIANCE WITH CONDITIONS.**

(a) All paved areas, permanent drives, streets, and drainage structures, if any, must be constructed in accordance with standard city specifications, and completed to the satisfaction of the city.

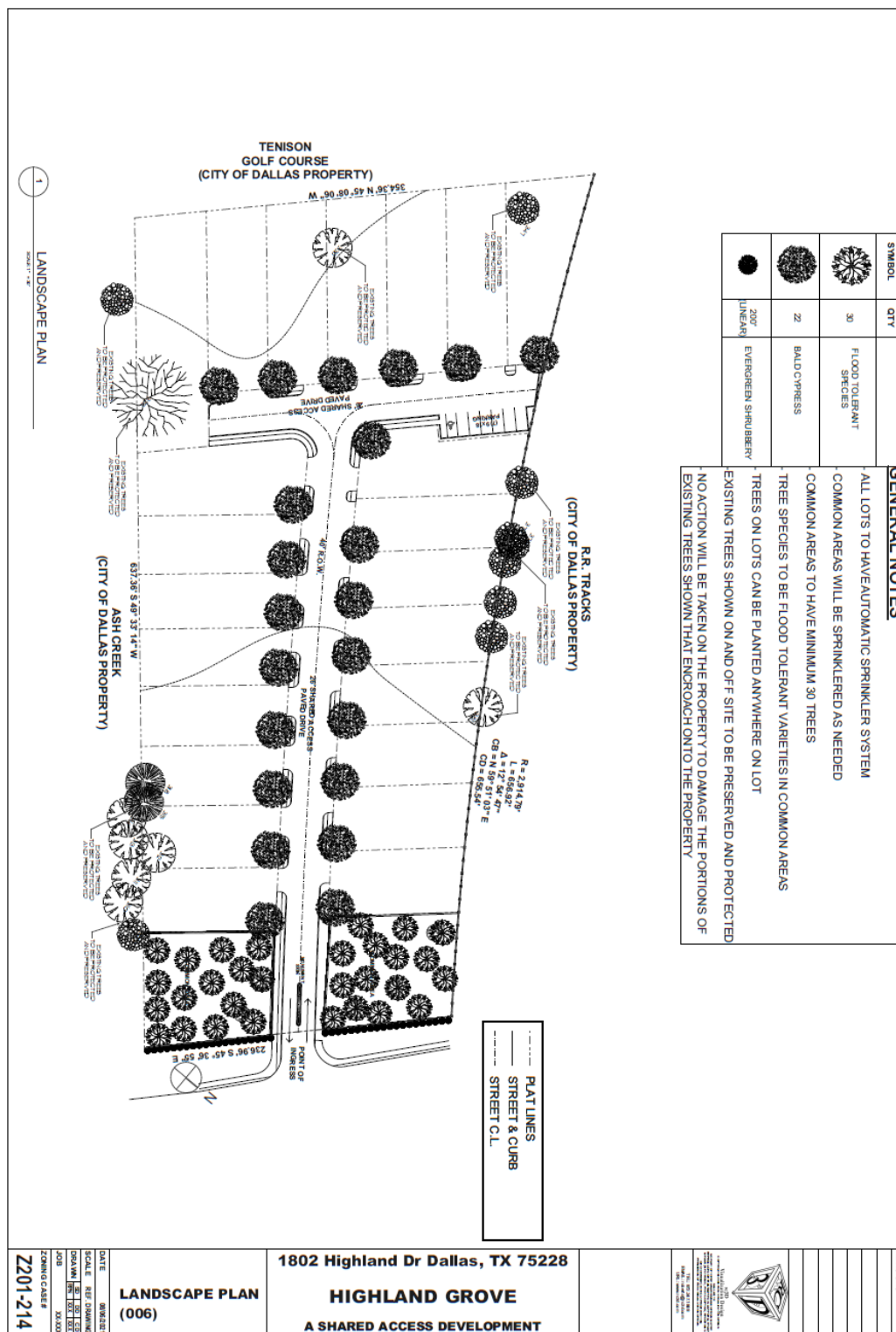
(b) The building official shall not issue a building permit to authorize work, or a certificate of occupancy to authorize the operation of a use, until there has been full compliance with this article, the Dallas Development Code, the construction codes, and all other ordinances, rules, and regulations of the city.

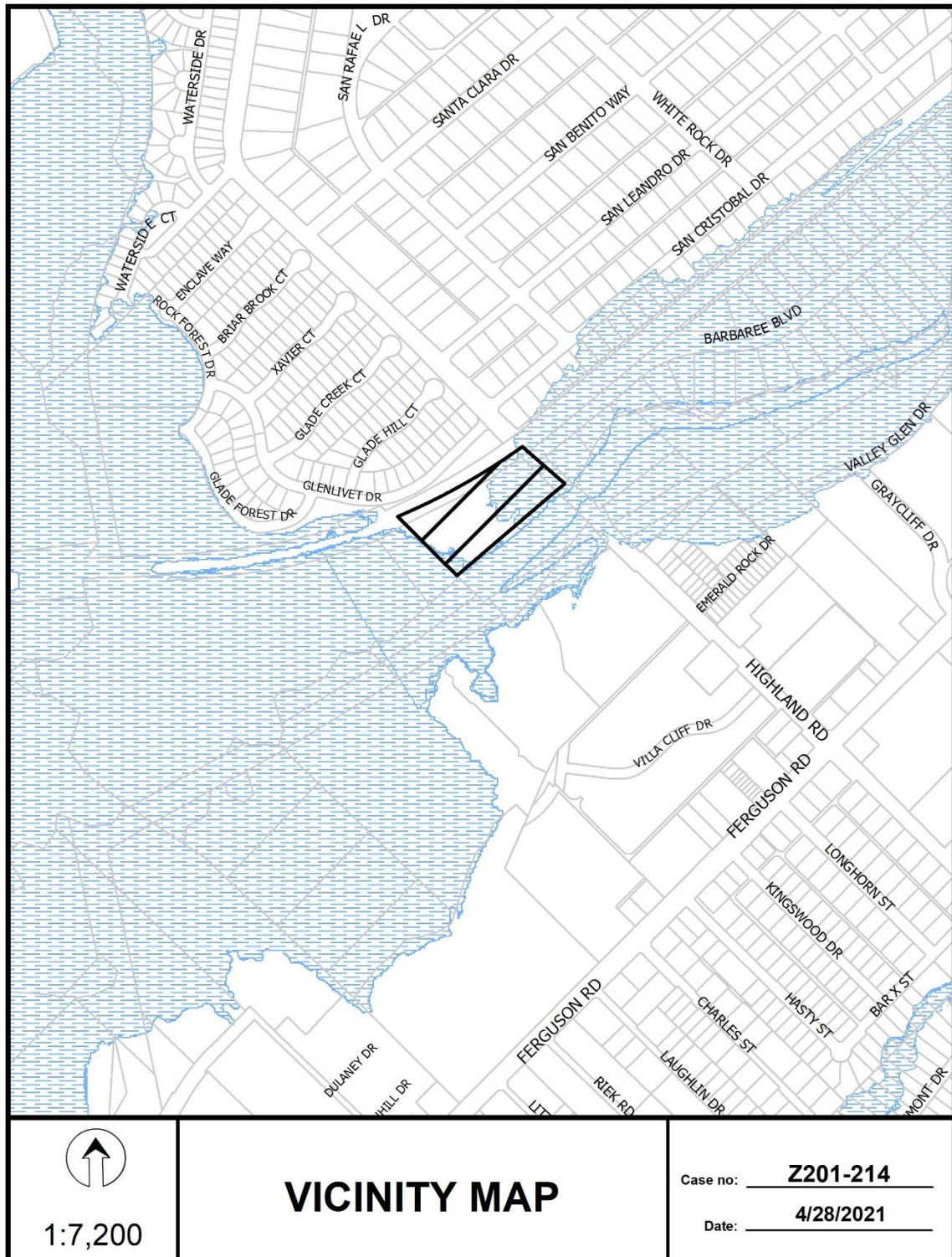
## CPC RECOMMENDED CONCEPTUAL PLAN



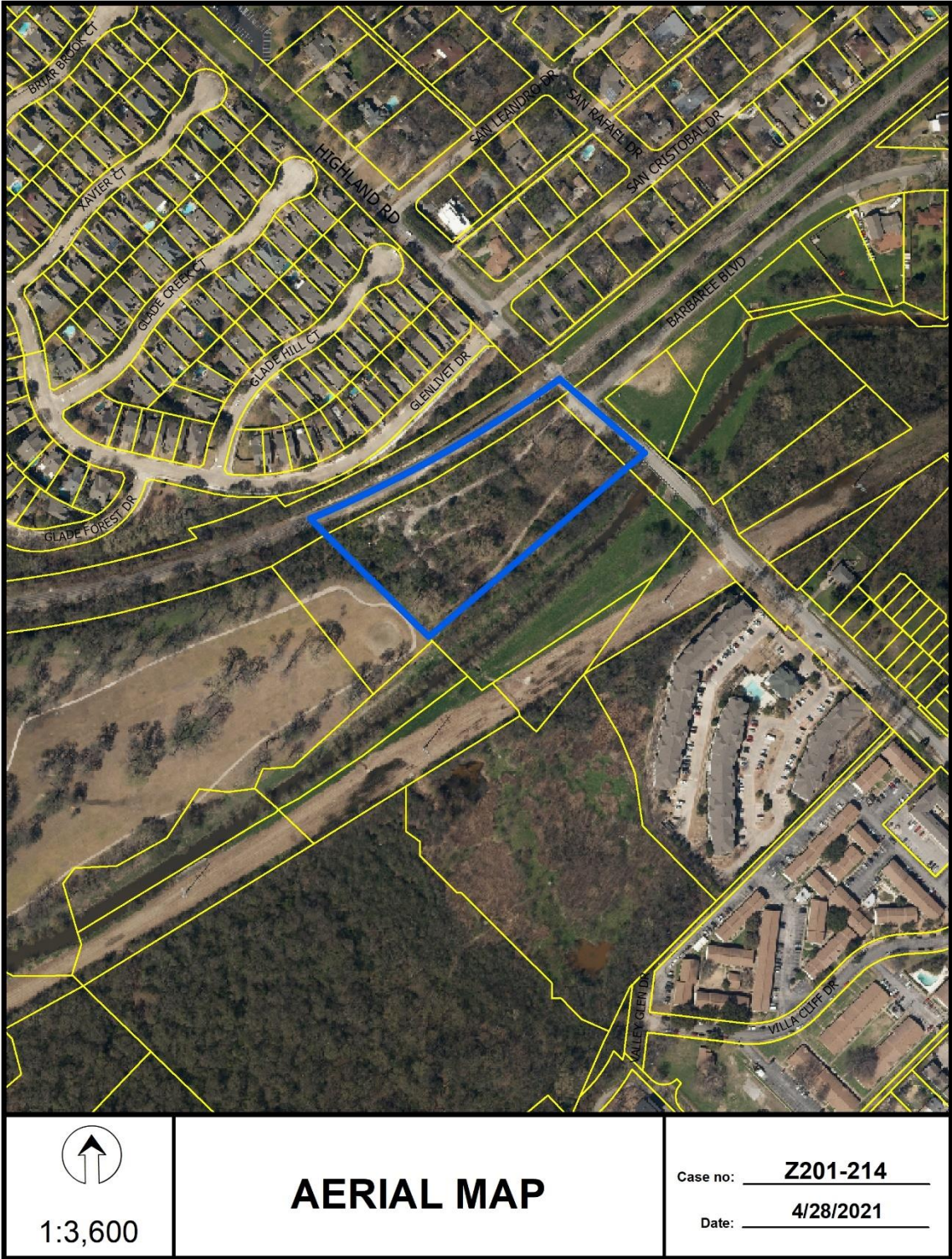


## CPC RECOMMENDED LANDSCAPE PLAN

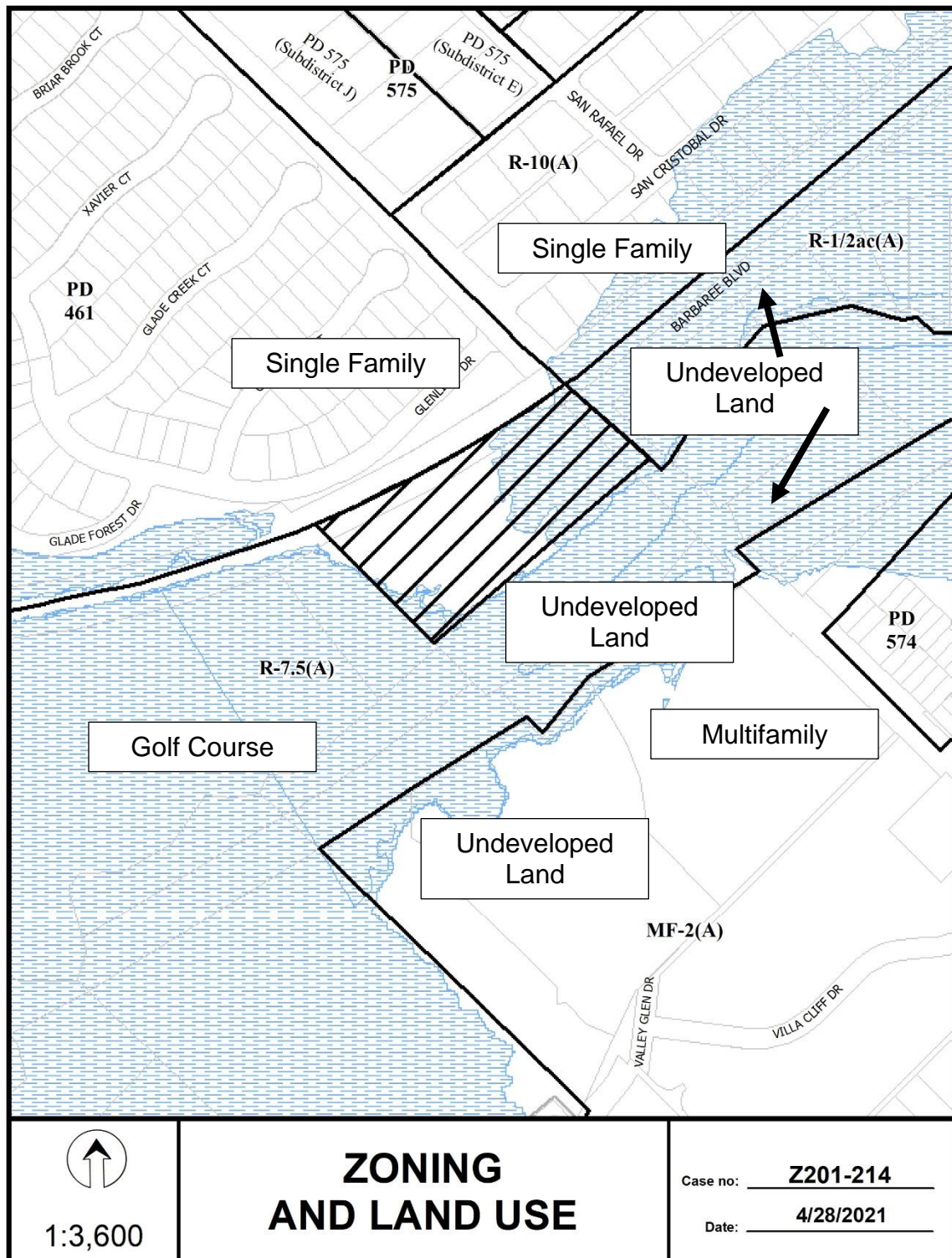


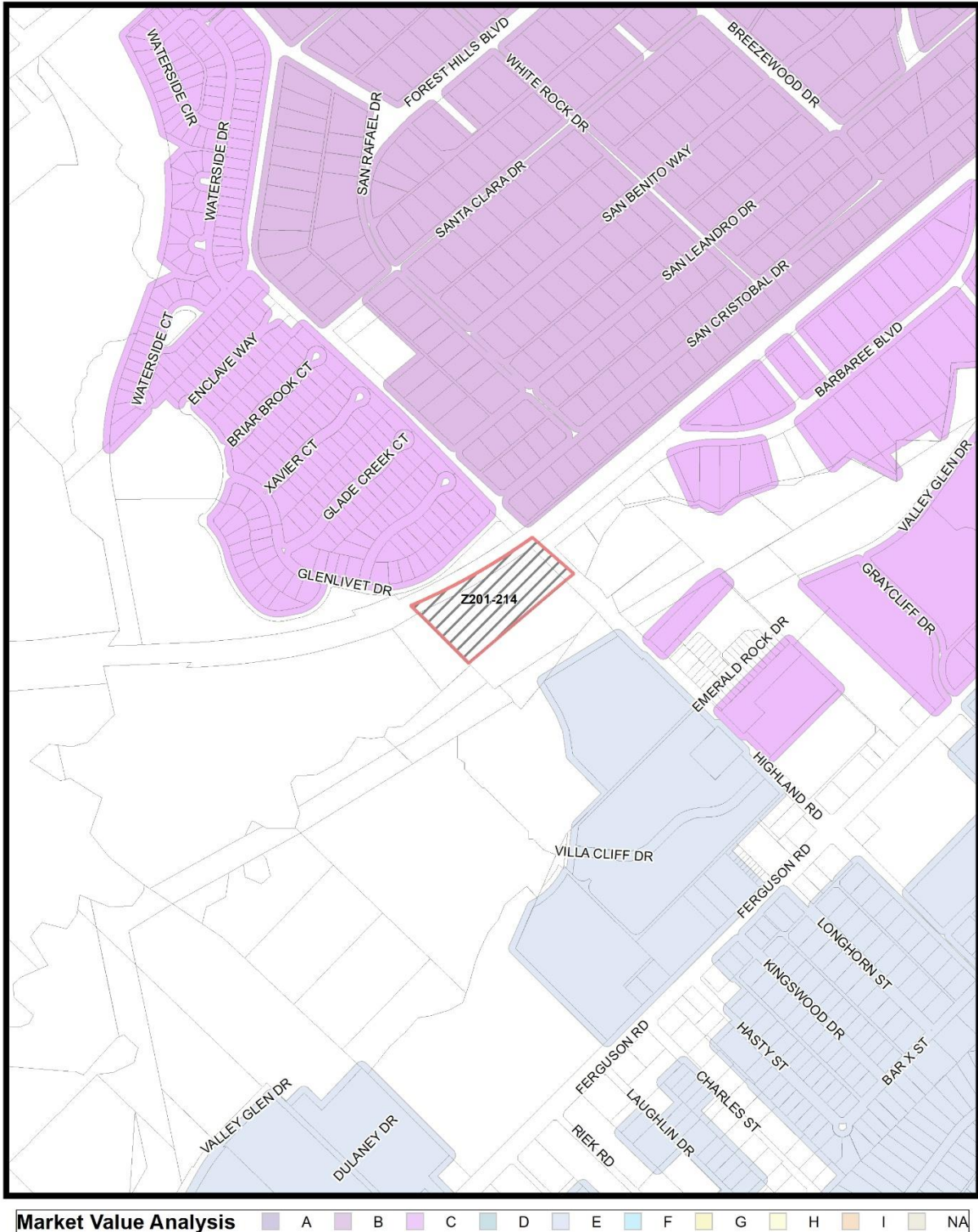












1:7,200

## Market Value Analysis

Printed Date: 4/28/2021



## CPC RESPONSES



08/18/2021

***Reply List of Property Owners******Z201-214******68 Property Owners Notified******3 Property Owners in Favor******19 Property Owners Opposed***

| <b><i>Reply</i></b> | <b><i>Label #</i></b> | <b><i>Address</i></b> | <b><i>Owner</i></b>                   |
|---------------------|-----------------------|-----------------------|---------------------------------------|
| O                   | 1                     | 1802 HIGHLAND RD      | CROSSETT ASH CREEK LLC                |
|                     | 2                     | 99999 NO NAME ST      | KANSAS CITY SOUTHERN RR               |
|                     | 3                     | 8014 SAN LEANDRO DR   | HUBBARD MITCHELL T                    |
| X                   | 4                     | 8006 SAN LEANDRO DR   | MASON ALLEN G                         |
|                     | 5                     | 8022 SAN LEANDRO DR   | GILLETTE THOMAS G & JUNE CHOW         |
| X                   | 6                     | 8031 SAN CRISTOBAL DR | GUNTER JAMES E                        |
|                     | 7                     | 8023 SAN CRISTOBAL DR | BURPO HELEN E                         |
|                     | 9                     | 8011 SAN CRISTOBAL DR | CHANDLER DENNIS C                     |
|                     | 10                    | 8005 SAN CRISTOBAL DR | BENDA JOHN D                          |
|                     | 11                    | 8006 SAN CRISTOBAL DR | PACE ANNA LUISA                       |
|                     | 14                    | 8024 SAN CRISTOBAL DR | SAMPSON JEFFREY W                     |
|                     | 15                    | 8032 SAN CRISTOBAL DR | Taxpayer at                           |
|                     | 16                    | 8104 SAN CRISTOBAL DR | NGUYEN JUSTYNE B                      |
|                     | 17                    | 1920 HIGHLAND RD      | ONCOR ELECTRIC DELIVERY COMPANY       |
|                     | 18                    | 1960 HIGHLAND RD      | CHENAULT WILLIAM EST                  |
|                     | 19                    | 7200 VALLEY GLEN DR   | HIGHLAND GREENBELT INC                |
|                     | 20                    | 1925 HIGHLAND RD      | FENNIG BRIAN KEITH                    |
|                     | 21                    | 8046 BARBAREE BLVD    | REAL LENN LLC                         |
|                     | 22                    | 8040 BARBAREE BLVD    | REAL LENN LLC                         |
|                     | 23                    | 7900 GLADE CREEK CT   | WHITE ROCK CREEK II LTD               |
|                     | 25                    | 7942 GLADE CREEK CT   | ALAHMADI SALAM & VERONIQUE F CHAUVEAU |
| X                   | 26                    | 7946 GLADE CREEK CT   | HOHNSTEIN ROGER D &                   |
|                     | 27                    | 7950 GLADE CREEK CT   | FOGEL LAWRENCE ALAN JR &              |
| X                   | 28                    | 7954 GLADE CREEK CT   | CERENZIO RICHARD & JO ANNE            |
|                     | 29                    | 7958 GLADE CREEK CT   | BRENNAN JOHN MICHAEL & KELLY M        |
|                     | 30                    | 1672 GLENLIVET DR     | ST JOHN REVOCABLE TRUST               |

# Z201-214(LG)

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>  |                                 |
|--------------|----------------|----------------|---------------|---------------------------------|
|              | 31             | 1676           | GLENLIVET DR  | OWENS KYLE &                    |
| X            | 32             | 1704           | GLENLIVET DR  | GREEN DANA L &                  |
|              | 33             | 1708           | GLENLIVET DR  | Taxpayer at                     |
|              | 34             | 7951           | GLADE HILL CT | SIBLEY WARREN O &               |
|              | 35             | 7947           | GLADE HILL CT | FOSTER AMII SIBLEY & STEPHEN G  |
|              | 36             | 7943           | GLADE HILL CT | HOVEN ALFRED VAN                |
| O            | 37             | 7939           | GLADE HILL CT | TONN JERRY E & KATHERINE B      |
|              | 38             | 7935           | GLADE HILL CT | HUFFMAN MARK G & AMANDA K       |
| X            | 39             | 7931           | GLADE HILL CT | HEWITT CHERYL M & SETH E        |
| X            | 40             | 7927           | GLADE HILL CT | FANT BRIAN H & ALICE W          |
|              | 41             | 7923           | GLADE HILL CT | PLEMONS JACQUELINE M &          |
|              | 42             | 7919           | GLADE HILL CT | SANDBERG JEFFREY & SHARI ELISE  |
|              | 43             | 7915           | GLADE HILL CT | POLO FABIAN E & SHANA M         |
|              | 44             | 7907           | GLADE HILL CT | FELL DELAINA A &                |
|              | 45             | 7908           | GLADE HILL CT | PEDICINI MATTHEW J & ALANNA D & |
|              | 46             | 7912           | GLADE HILL CT | DAVIS JUDY AKIN                 |
|              | 47             | 7916           | GLADE HILL CT | LENEHAN JAMES C & GAIL D        |
| X            | 48             | 7920           | GLADE HILL CT | ZAUNBRECHER TODD                |
|              | 49             | 7924           | GLADE HILL CT | MCCRIMMON KRISTA L &            |
|              | 50             | 7928           | GLADE HILL CT | CAMPESI BRUNO & ROBIN           |
|              | 51             | 7932           | GLADE HILL CT | GAVIGAN LINDA D                 |
|              | 52             | 7936           | GLADE HILL CT | PAYNE KELLY J                   |
|              | 53             | 7940           | GLADE HILL CT | WEIS NICOLE & ALEXANDER         |
|              | 54             | 7944           | GLADE HILL CT | HARDEE MARTHA L LIFE EST        |
|              | 55             | 1712           | GLENLIVET DR  | ARAGON SHERIDAN L & MATTHEW J   |
|              | 56             | 1716           | GLENLIVET DR  | BRUCE MARGARET SUZANNE          |
| X            | 57             | 1720           | GLENLIVET DR  | BONFADINI KIMBERLY R            |
| X            | 59             | 1728           | GLENLIVET DR  | CRIST JASON &                   |
| X            | 60             | 1732           | GLENLIVET DR  | REINDOLLAR MICHAEL &            |
| X            | 61             | 1736           | GLENLIVET DR  | FRITZ JUDY H                    |
|              | 62             | 1740           | GLENLIVET DR  | FLETCHER SCOTT W & BARBARA A    |



## Z201-214(LG)

08/18/2021

| <i><b>Reply</b></i> | <i><b>Label #</b></i> | <i><b>Address</b></i> | <i><b>Owner</b></i>                |
|---------------------|-----------------------|-----------------------|------------------------------------|
| X                   | 63                    | 1744 GLENLIVET DR     | SKINNER ROBERT KEITH & DENISE      |
|                     | 64                    | 1748 GLENLIVET DR     | MCKENZIE CHESNEY D &               |
|                     | 65                    | 1752 GLENLIVET DR     | PATEL BARBARA SHEILA               |
| X                   | 66                    | 1756 GLENLIVET DR     | HAWKINS DEBORAH H                  |
| O                   | 67                    | 1685 GLENLIVET DR     | MACK TIMOTHY ALEC & MARY ELIZABETH |
|                     | 68                    | 2000 HIGHLAND RD      | TX TENISON HOUSING LP              |
| X                   | A1                    | 8017 SAN CRISTOBAL DR | SHANKLES JOHN A                    |
| X                   | A2                    | 8020 SAN CRISTOBAL DR | DELABANO BARBARA TAYLOR            |
| X                   | A3                    | 8012 SAN CRISTOBAL DR | LINDSAY VIRGINIA D &               |
| X                   | A4                    | 7938 GLADE CREEK CT   | HAMM GARY G & ELIZABETH A          |
| X                   | A5                    | 1724 GLENLIVET DR     | LEEDIKER MARC E &                  |



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1853

**Item #:** Z7.

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** 5  
**DEPARTMENT:** Department of Planning and Urban Design  
**EXECUTIVE:** Dr. Eric A. Johnson

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### **SUBJECT**

A public hearing to receive comments regarding an application for and **(1)** an ordinance granting a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less on property zoned Subarea 2A within Planned Development District No. 366, the Buckner Boulevard Special Purpose District with a D-1 Liquor Control Overlay; and **(2)** a CR Community Retail District with deed restrictions volunteered by the applicant on property zoned an R-7.5(A) Single Family District, at the northeast corner of South Buckner Boulevard and Elam Road

Recommendation of Staff and CPC: Approval of a Specific Use Permit for a two-year period, subject to a site plan and conditions; and denial of a CR Community Retail District with deed restrictions volunteered by the applicant

Z201-218(RM)

**FILE NUMBER:** Z201-218(RM) **DATE FILED:** March 24, 2021  
**LOCATION:** Northeast corner of South Buckner Boulevard and Elam Road  
**COUNCIL DISTRICT:** 5 **MAPSCO:** 58 U  
**SIZE OF REQUEST:** Approx. 1.56 acres **CENSUS TRACT:** 92.02

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**REPRESENTATIVE:** Rob Baldwin, Baldwin Associates

**OWNER:** Santiago Gonzales

**APPLICANT:** RSDGP, LLC

**REQUEST:** An application for (1) a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less on property zoned Subarea 2A within Planned Development District No. 366, the Buckner Boulevard Special Purpose District with a D-1 Liquor Control Overlay; and (2) a CR Community Retail District with deed restrictions volunteered by the applicant on property zoned an R-7.5(A) Single Family District.

**SUMMARY:** The purpose of the request is to redevelop the site with a motor vehicle fueling station in conjunction with a general merchandise or food store 3,500 square feet or less with alcohol sales.

**CPC RECOMMENDATION:** **Approval** of a Specific Use Permit for a two-year period, subject to a site plan and conditions; and **denial** of a CR Community Retail District with deed restrictions volunteered by the applicant.

**STAFF RECOMMENDATION:** **Approval** of a Specific Use Permit for a two-year period, subject to a site plan and conditions; and **denial** of a CR Community Retail District with deed restrictions volunteered by the applicant.

## **BACKGROUND INFORMATION:**

- The area of request is currently developed with an auto service center zoned Subarea 2A within Planned Development District No. 366, the Buckner Boulevard Special Purpose District, with a D-1 Liquor Control Overlay. The area of request also includes an undeveloped lot zoned an R-7.5(A) Single Family District.
- The applicant proposes to redevelop the site with a motor vehicle fueling station in conjunction with a general merchandise or food store 3,500 square feet or less with alcohol sales.
- To accomplish this, the applicant requests a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less on the portion of the request area currently zoned PD 366 with a D-1 Overlay.
- The applicant also requests a CR Community Retail District for the portion of the request area currently zoned an R-7.5(A) District.
- The applicant has volunteered deed restrictions to limit permitted uses and restrict development on the portion of the property currently zoned an R-7.5(A) District.
- Before the most recent CPC hearing, the applicant has proposed to develop only on the portion of the request area currently zoned PD 366 with a D-1 Overlay. They have submitted a revised SUP site plan with a new configuration that meets code requirements. Staff has reviewed this revised SUP site plan and has no outstanding concerns.

## **Zoning History:**

There have been three zoning cases on two sites in the area in the past five years.

1. **Z167-331:** On October 24, 2017, staff approved an automatic renewal of Specific Use Permit No. 1730 for an alcoholic beverage establishment limited to a private club or bar for a three-year period on property zoned Subarea 4 within Planned Development District No. 366, the Buckner Boulevard Special Purpose District, with a D-1 Liquor Control Overlay on the east side of South Buckner Boulevard, south of Elam Road.  
  
**Z190-271:** On August 3, 2020, Specific Use Permit No. 1730 was automatically renewed for an additional three-year period.
2. **Z178-196:** On June 7, 2018, Specific Use Permit No. 1873 for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less for a five-year period on property zoned Subarea 2A within Planned Development District No. 366, the Buckner Boulevard Special Purpose District, with a

D-1 Liquor Control Overlay on the west side of South Buckner Boulevard, north of Elam Road was automatically renewed.

3. **Z190-366:** On February 24, 2021, City Council approved a renewal of Specific Use Permit No. 1850 for the sale of alcoholic beverages in conjunction with a general merchandise or food store greater than 3,500 square feet on property zoned Subarea 4 within Planned Development District No. 366, the Buckner Boulevard Special Purpose District, with a D-1 Liquor Control Overlay at the southeast corner of South Buckner Boulevard and Elam Road.

**Thoroughfares/Streets:**

| Thoroughfare/Street     | Type               | Existing/Proposed ROW |
|-------------------------|--------------------|-----------------------|
| South Buckner Boulevard | Principal Arterial | 107 feet              |
| Elam Road               | Principal Arterial | 100 feet              |

**Traffic:**

The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and determined that it will not significantly impact the surrounding roadway system.

**STAFF ANALYSIS:**

**Comprehensive Plan:**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

The request may be considered inconsistent with the following land use goals and policies of the Comprehensive Plan:

**LAND USE ELEMENT**

**GOAL 1.1** ALIGN LAND USE STRATEGIES WITH ECONOMIC DEVELOPMENT PRIORITIES

**Policy 1.1.4** Capitalize on transit oriented development opportunities.

**ECONOMIC ELEMENT**

**GOAL 2.2** ENGAGE IN STRATEGIC ECONOMIC DEVELOPMENT

**Policy 2.2.2** Maximize development opportunities around DART stations.

## **URBAN DESIGN ELEMENT**

### **GOAL 5.3 ESTABLISHING WALK-TO CONVENIENCE**

**Policy 5.3.1** Encourage a balance of land uses within walking distance of each other.

These goals and policies recommend that in major centers outside downtown that are well served by transit, activity that supports the creation of higher density urban mixed-use areas is preferred. It is also recommended that development near transit stations and along multi-modal corridors be transformed into mixed-use boulevards. Preferred land uses for this surrounding development are those that serve the needs of transit riders and the needs of the immediate neighborhood including housing, retail, office, and professional service firms. The applicant's proposal for low-density, auto-oriented development at the intersection of two principal arterials across from a DART rail station may run counter to the implementation of these policies.

The applicant's revised plan addresses some of staff's concerns with the original proposal regarding the Comprehensive Plan. The revised SUP site plan no longer proposes a commercial encroachment into an existing single-family subdivision, nor does it propose to leave a significant portion of the site undeveloped. It should also be noted that a general merchandise or food store 3,500 square feet or less is already permitted by right in Subarea 2A within PD 366, and that alcohol sales is already permitted by SUP in a D-1 Overlay. If the general zoning change is no longer being pursued, then the component of alcohol sales does not conflict with the goals and policies.

#### **Area Plan:**

In February 2013, City Council approved the Buckner Station Area Plan to guide future development in an area northeast of the intersection of U.S. Highway 175 and TX Loop 12. The area plan focuses on reinvigorating affordable housing, improving safety and multi-modal connectivity, and establishing strategies and guidelines to create a thriving transit-oriented neighborhood over the long term. The strategies and actions of the area plan complement the goals and policies of the *forwardDallas! Comprehensive Plan* in evaluating the applicant's request.

Although the applicant's revised request addresses some of staff's concerns, the request may be considered inconsistent with the following strategies and actions of the Buckner Station Area Plan:

## ZONING STRATEGIES

**STRATEGY** Use the area plan to facilitate mixed-use, transit-oriented zoning and appropriate redevelopment over time.

**Action** Use the land use concept plan as a guide for all ongoing rezoning activity in the area.

The plan notes that one of the challenges in the area is the large number of existing auto-related uses including auto service centers, vehicle sales lots, and gas stations. The area also has many underutilized sites with large-footprint commercial buildings and/or large parking lots that lack street presence and accessibility. The plan suggests these conditions may contribute to inactivity in the area and longer walking distances between destinations.

### Land Use:

|                  | Zoning   | Land Use   |
|------------------|--|--|
| <b>Site</b>      | Subarea 2A within Planned Development District No. 366, the Buckner Boulevard Special Purpose District, with a D-1 Liquor Control Overlay; R-7.5(A) Single Family District   | Auto service center, undeveloped                                   |
| <b>North</b>     | Subarea 2A within Planned Development District No. 366, the Buckner Boulevard Special Purpose District, with a D-1 Liquor Control Overlay  | Vehicle display, sales, and service                                |
| <b>East</b>      | R-7.5(A) Single Family District  | Undeveloped, single family   |
| <b>South</b>     | Subarea 4 within Planned Development District No. 366, the Buckner Boulevard Special Purpose District, with a D-1 Liquor Control Overlay and Specific Use Permit No. 1850 for the sale of alcoholic beverages in conjunction with a general merchandise or food store greater than 3,500 square feet; CR-D-1 Community Retail District with a D-1 Liquor Control Overlay | Motor vehicle fueling station, office                              |
| <b>Southwest</b> | Subarea 4 within Planned Development District No. 366, the Buckner Boulevard Special Purpose District; IM Industrial Manufacturing District; and CS Commercial Service District with Specific Use Permit No. 1646 for a transit passenger station or transfer center   | Transit passenger station or transfer center                       |
| <b>West</b>      | Subarea 2A within Planned Development District No. 366, the Buckner Boulevard Special Purpose District, with a D Liquor Control Overlay  | Vehicle display, sales, and service; motor vehicle fueling station |

**Land Use Compatibility:**

The majority of the area of request is currently developed with an auto service center. The remainder of the request area is undeveloped. Several other properties in the vicinity are also developed with auto-related uses including auto service center; motor vehicle fueling station; and vehicle display, sales, and service. Immediately to the east are single-family uses, plus undeveloped lots zoned single-family. To the southwest across the intersection of South Buckner Boulevard and Elam Road is the Buckner DART rail station.

Because the area of request abuts a residential zoning district, a 20-foot side and rear yard is required. In the original request, the applicant proposed to incorporate a lot currently zoned an R-7.5(A) District into the commercial site to provide enough depth to meet all required setbacks. The applicant volunteered deed restrictions that would limit development on this additional lot. The applicant's original SUP site plan also showed this lot as being used to provide an access drive onto Elam Road, and for the site's dumpster enclosure. The remainder of the site was designated for future development on the site plan.

The applicant has revised their request so that all development is limited to the portion of the request area currently zoned PD 366 with a D-1 Overlay. The retail building and associated parking have been moved further north, and all structures are located out of the 20-foot side yard setback. The fueling station canopy is now a single row of eight pumps, rather than the original two rows of four pumps each. The entire site is now being used, and there is no area slated for future development.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The regulations in this chapter have been established in accordance with a comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the city.

The general merchandise use is also regulated by Chapter 12B of the Dallas City Code, Convenience Stores. This chapter applies to all convenience stores, which is defined as any business that is primarily engaged in the retail sale of convenience goods, or both convenience goods and gasoline, and has less than 10,000 square feet of retail floor space; the term does not include any business that has no retail floor space accessible to the public. The purpose of Chapter 12B is to protect the health, safety, and welfare of the citizens of the city of Dallas by reducing the occurrence of crime, preventing the



escalation of crime, and increasing the successful prosecution of crime that occurs in convenience stores in the city. This chapter establishes a registration program for convenience stores and provides requirements relating to:

- Surveillance camera systems,
- Video recording and storage systems,
- Alarm systems,
- Drop safes,
- Security signs,
- Height markers,
- Store visibility,
- Safety training programs, and
- Trespass affidavits.

A separate certificate of registration to comply with Chapter 12B is required for each physically separate convenience store. A certificate of registration for a convenience store expires one year after the date of issuance and must be renewed annually.

After reviewing the applicant's revised SUP site plan, staff supports the request for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less because it now uses the entirety of the lot currently zoned PD 366 with a D-1 Overlay. It should also be noted the existing zoning of this lot allows the general merchandise or food store 3,500 square feet or less by right, and the sale of alcoholic beverages by SUP. However, staff still recommends denial of the request for a CR District with deed restrictions volunteered by the applicant because it proposes a commercial encroachment into an existing single-family subdivision. The City Plan Commission also recommended approval for the SUP but denial for the general zoning change request. Although staff was initially recommending two years with eligibility for automatic renewals for five years for the SUP, CPC recommended two years with no automatic renewal and Staff agrees with it.

### Development Standards

| District              | Setback |                                    | Density                        | Height           | Lot Coverage | Special Standards                         | Primary Uses                        |
|-----------------------|---------|------------------------------------|--------------------------------|------------------|--------------|---|-------------------------------------|
|                       | Front   | Side/Rear                          |                                |                  |              |   |                                     |
| Existing:<br>R-7.5(A) | 25'     | 5'                                 | 1 du/7,500 sf                  | 30'              | 45%          | Proximity<br>Slope<br>Visual<br>Intrusion | Single family                       |
| Proposed:<br>CR       | 15'     | 20' adj to res<br>Other:<br>No min | 0.75 FAR overall<br>0.5 office | 54'<br>4 stories | 60%          | Proximity<br>Slope<br>Visual<br>Intrusion | Retail and personal service, office |

### Landscaping:

Landscaping will be provided in accordance with the landscaping requirements in Article X, as amended.

**Parking:**

Pursuant to the Dallas Development Code, the off-street parking requirement for a motor vehicle fueling station is two spaces. The parking requirement for a general merchandise or food store 3,500 square feet or less is one space per 200 square feet of floor area. The total floor area for the site is 2,824 square feet. Therefore, the applicant is required to provide a total of 16 spaces. As illustrated on the site plan, the site provides 16 spaces.

**Market Value Analysis:**

Market Value Analysis (MVA), is a tool to aid residents and policy-makers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to more precisely target intervention strategies in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets (A through C) to orange, representing the weakest markets (G through I). The area of request is not located within an MVA cluster. To the north, east, and west of the area of request are “H” MVA clusters. Southeast of the area of request is an “I” MVA cluster.

Z201-218(RM)

**List of Partners/Principals/Officers**

RSDGP, LLC

Beau Tucker, Manager  
Kevin Mattson, Manager

**CPC ACTION  
AUGUST 19, 2021**

**Z201-218(RM)**

Planner: Ryan Mulkey

***De minimus Significant Change Motion:*** In considering the requirement in Section 5(m)(1)(B) of the CPC Rules of Procedure, the finding is it does not apply because the impact of the applicant's proposed change in the Commission's judgment is *de minimus* in nature.

Maker: Shidid  
Second: Hampton  
Result: Carried: 10 to 0

For: 10 - MacGregor, Hampton, Stinson, Shidid,  
Carpenter, Jackson, Suhler, Schwope, Murphy,  
Garcia

Against: 0  
Absent: 3 - Johnson, Blair, Rubin  
Vacancy: 1 - District 10  
Conflict: 1 - Jung\*\*

\*\*out of the room, when vote taken

**Motion:** It was moved to recommend **approval** of 1) a Specific Use Permit for the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less for a two-year period, subject to a revised site plan and conditions on property zoned Subarea 2A within Planned Development District No. 366, the Buckner Boulevard Special Purpose District, with a D-1 Liquor Control Overlay; and **denial** of 2) a CR Community Retail District with deed restrictions volunteered by the applicant on property zoned an R-7.5(A) Single Family District, at the northeast corner of South Buckner Boulevard and Elam Road.

Maker: Shidid  
Second: Hampton  
Result: Carried: 10 to 0

For: 10 - MacGregor, Hampton, Stinson, Shidid,  
Carpenter, Jackson, Suhler, Schwope, Murphy,  
Garcia

Against: 0  
Absent: 3 - Johnson, Blair, Rubin  
Vacancy: 1 - District 10

Z201-218(RM)

Conflict: 1 - Jung\*\*

\*\*out of the room, when vote taken

**Notices:** Area: 300 Mailed: 36

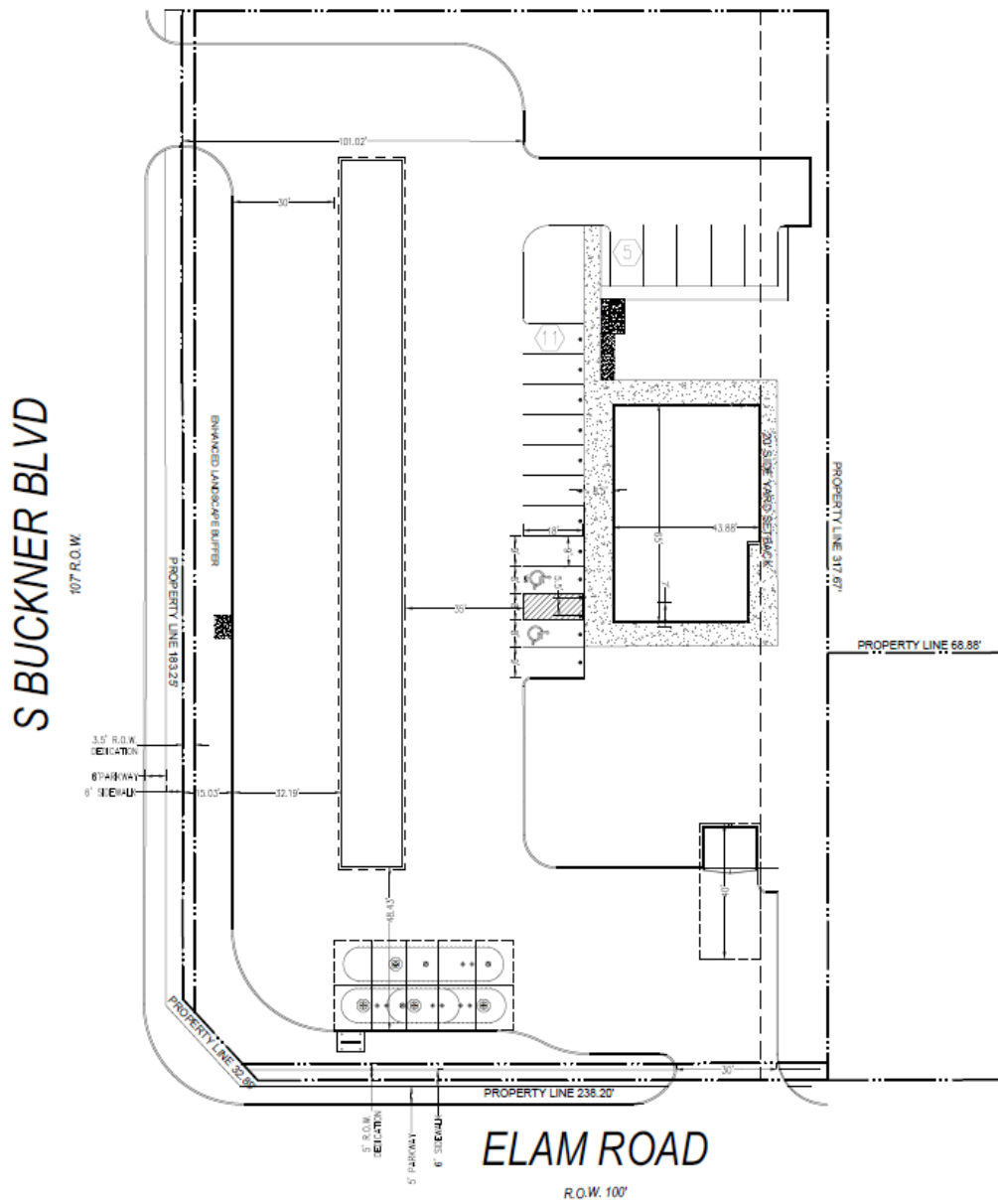
**Replies:** For: 1 Against: 3

**Speakers:** For: Rob Baldwin, 3904 Elm St., Dallas, TX, 75226  
Against: None

**CPC RECOMMENDED SUP CONDITIONS**

1. USE: The only use authorized by this specific use permit is the sale of alcoholic beverages in conjunction with a general merchandise or food store 3,500 square feet or less.
2. SITE PLAN: Use and development of the Property must comply with the attached site plan.
3. TIME LIMIT: This specific use permit expires on \_\_\_\_\_ (two years from the passage of this ordinance).
4. FLOOR AREA: The maximum floor area is 2,885 square feet.
5. MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.
6. GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

# CPC RECOMMENDED SITE PLAN



**APPLICANT'S PROPOSED DEED RESTRICTIONS FOR THE GZC**

(a) The following uses are prohibited:

(1) Industrial uses.

- Gas drilling and production.
- Temporary concrete or asphalt batching plant.

(2) Institutional and community services uses.

- Cemetery or mausoleum.
- College, university, or seminary.
- Open-enrollment charter school or private school.
- Public school other than open-enrollment charter school.

(3) Lodging uses.

- Hotel and motel.
- Lodging or boarding house.
- Overnight general purpose shelter.

(4) Miscellaneous uses.

- Carnival or circus (temporary).

(5) Office uses.

- Alternative financial establishment.

(6) Residential uses.

- College dormitory, fraternity, or sorority house.

(7) Retail and personal services uses.

- Ambulance service.
- Auto service center.
- Business school.
- Car wash.
- Commercial amusement (inside).
- Commercial amusement (outside).
- Commercial parking lot or garage.
- Liquor store.
- Mortuary, funeral home, or commercial wedding chapel.



- Paraphernalia shop.
- Pawn shop.
- Personal service, only limited to tattoo parlor and massage parlor.

(8) Utility and public service uses.

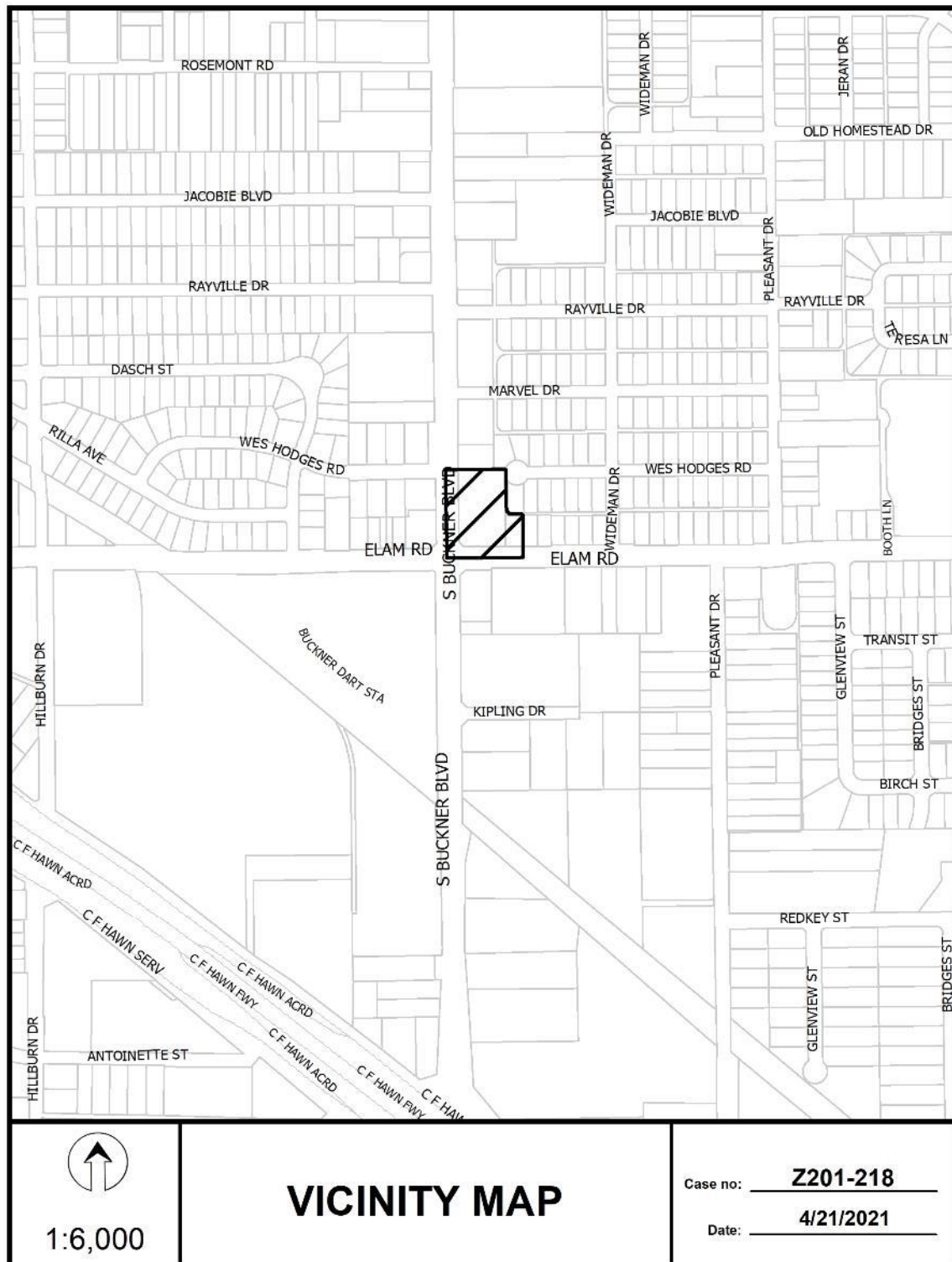
- Tower/antenna for cellular communication, limited to monopole towers.

(9) Wholesale, distribution, and storage uses.

- Recycling buy-back center.
- Recycling collection center.
- Recycling drop-off container.
- Recycling drop-off container for special occasion collection.

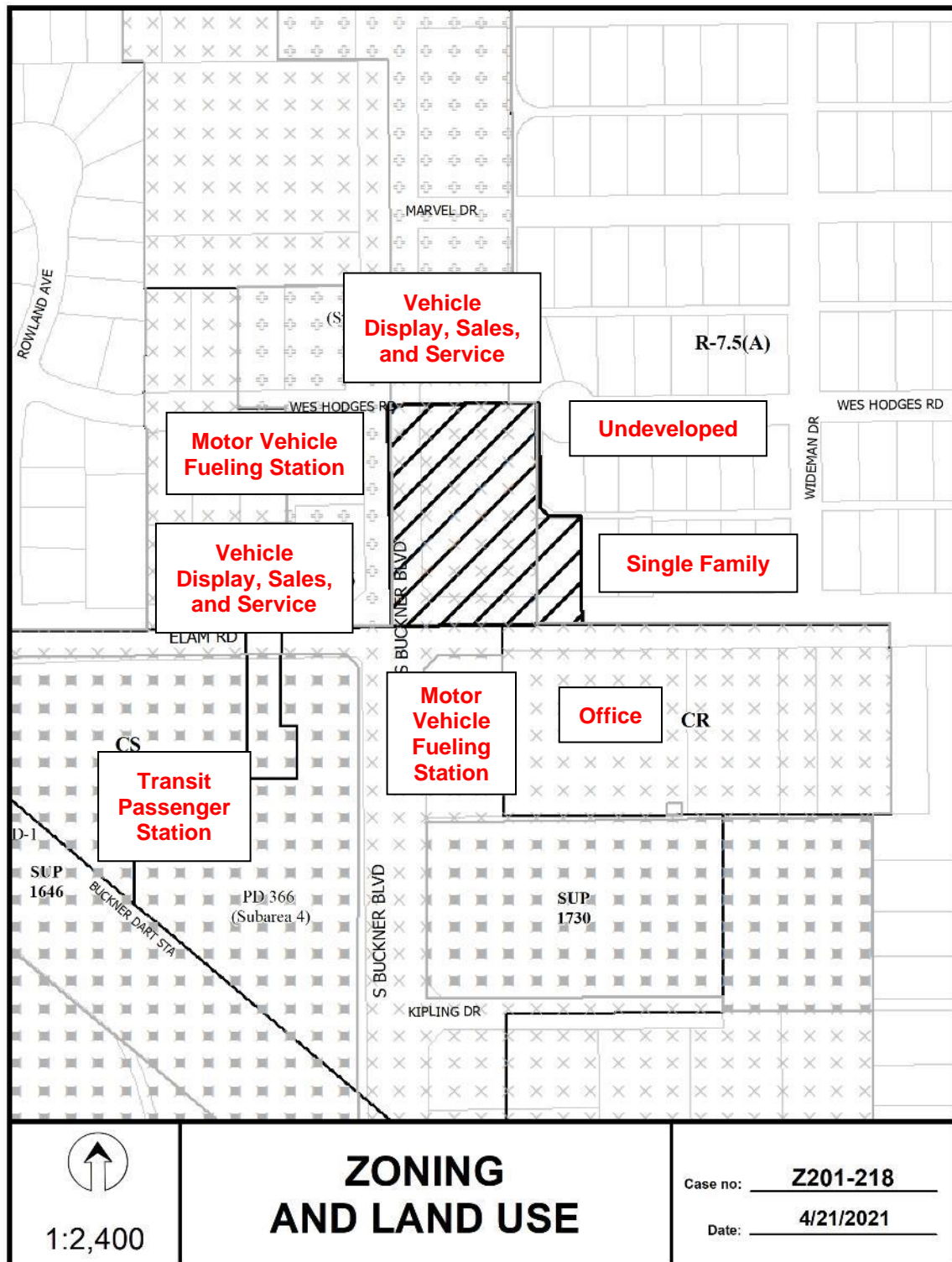
(b) The easternmost 50 feet of the Property is prohibited for development except for access, sidewalks, dumpster locations, fencing, landscaping, stormwater treatment, or parking.

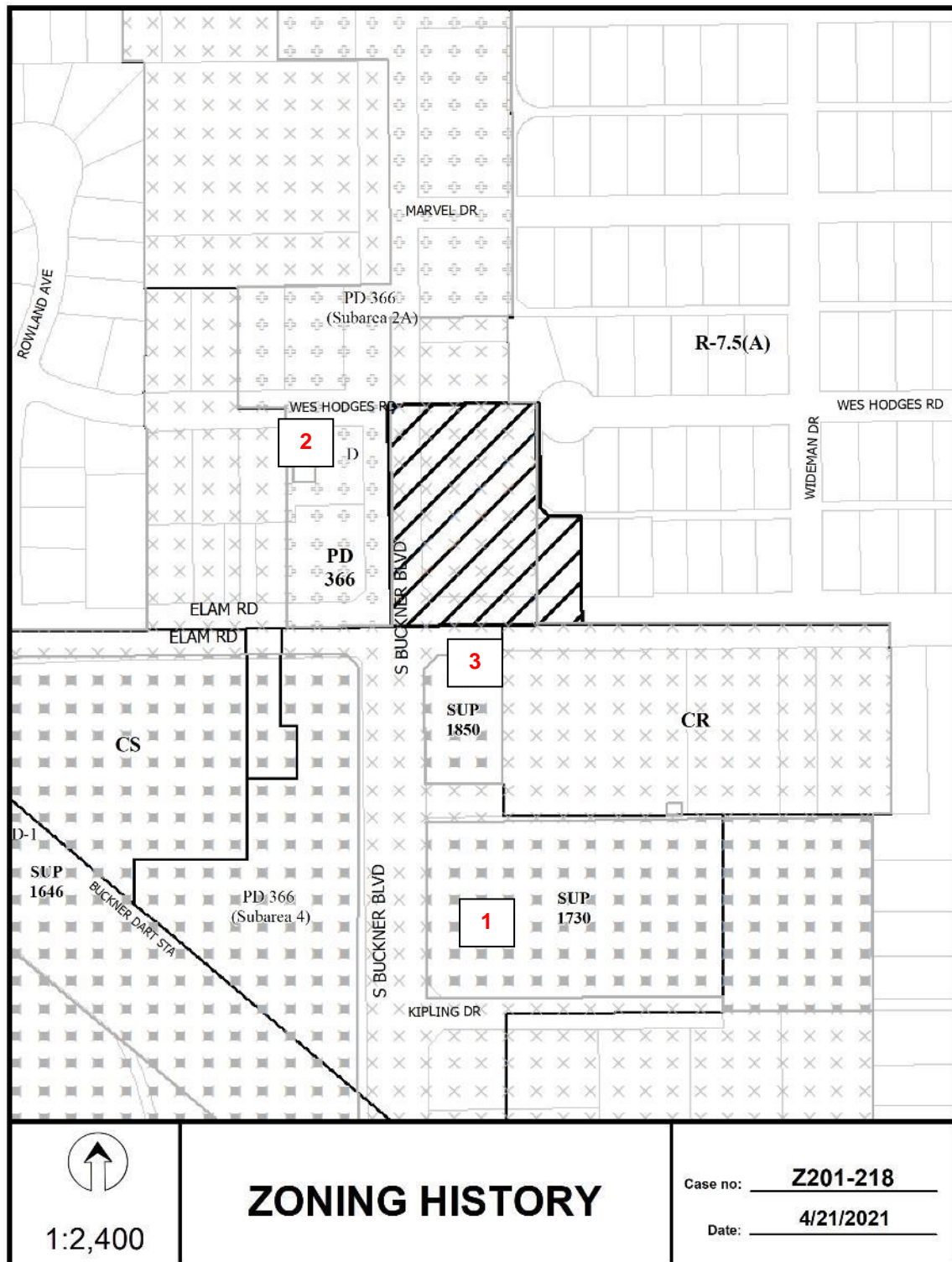
(c) Dumpsters must be screened and setback a minimum of 20 feet from the eastern property line.

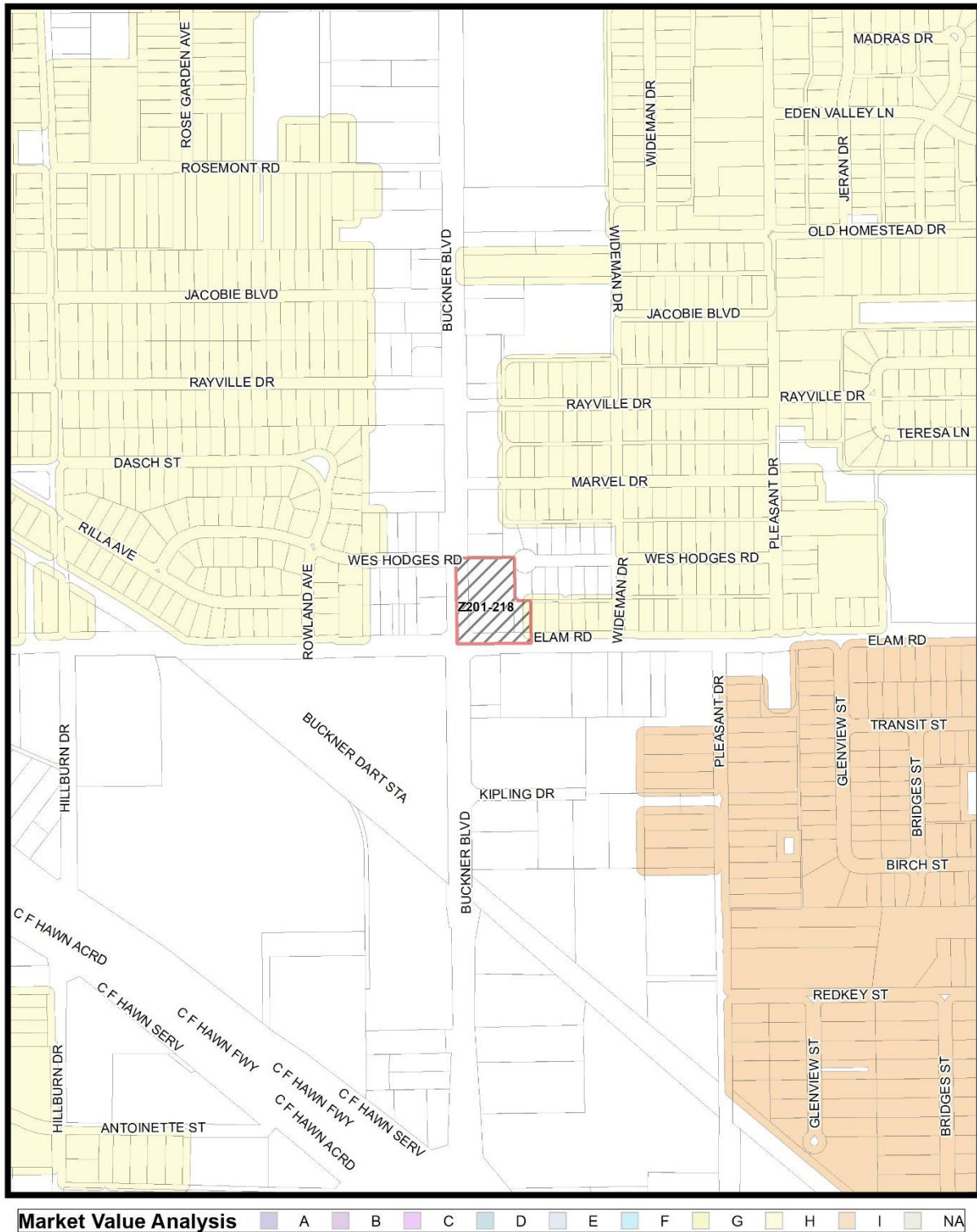


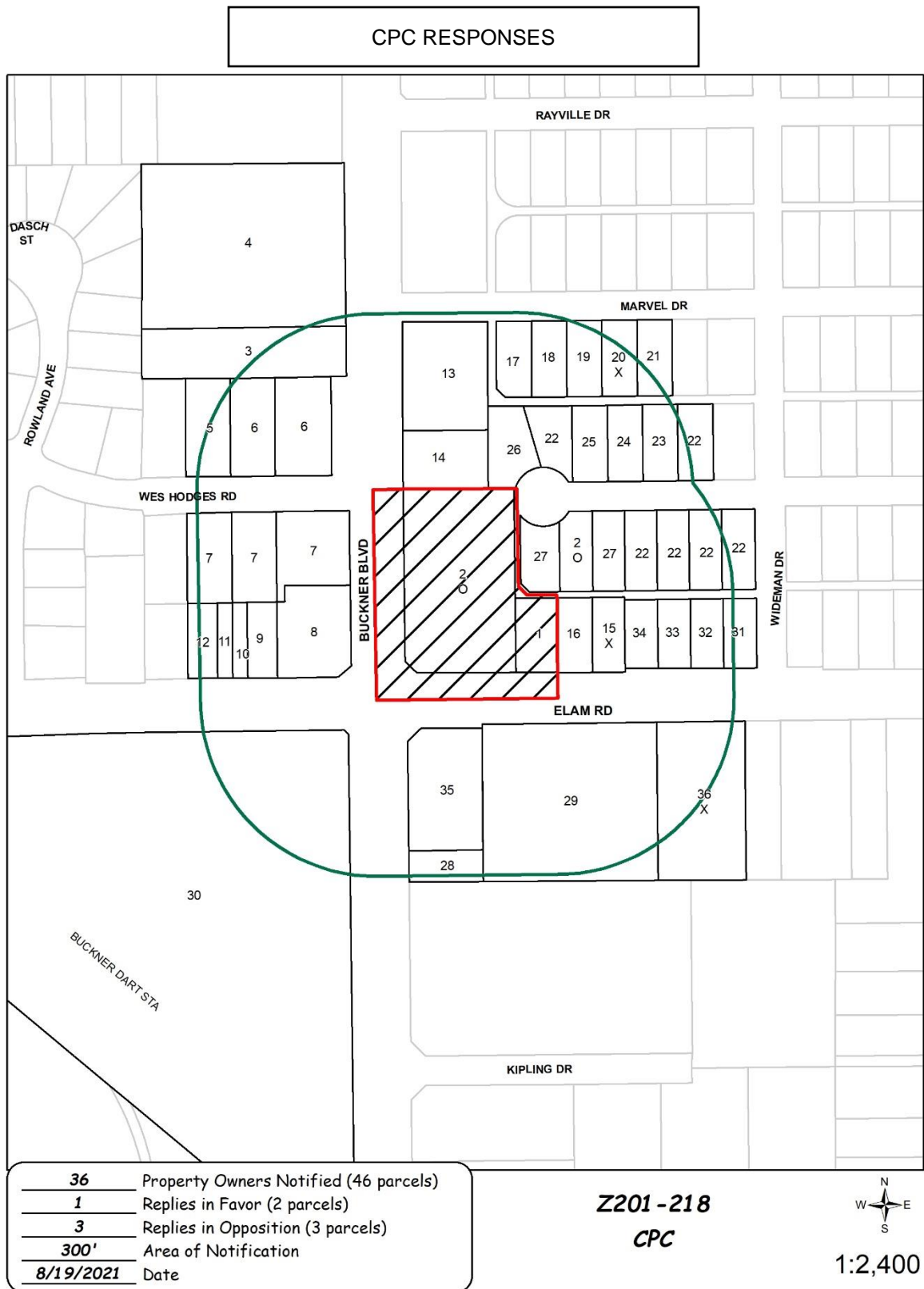












08/18/2021

***Reply List of Property Owners******Z201-218******36 Property Owners Notified    1 Property Owners in Favor    3 Property Owners Opposed***

| <b><i>Reply</i></b> | <b><i>Label #</i></b> | <b><i>Address</i></b> | <b><i>Owner</i></b>          |
|---------------------|-----------------------|-----------------------|------------------------------|
|                     | 1                     | 8119 ELAM RD          | LEAL ALFREDO LAMAS           |
| O                   | 2                     | 8110 WES HODGES RD    | LEAL EVANGELINA RODRIGUEZ TR |
|                     | 3                     | 543 S BUCKNER BLVD    | MCALEXANDER PROPERTIES LLC   |
|                     | 4                     | 551 S BUCKNER BLVD    | MUELLER PROPERTIES LTD       |
|                     | 5                     | 8023 WES HODGES RD    | BRIONES MARTIN               |
|                     | 6                     | 8029 WES HODGES RD    | MUELLER MCALEXANDER          |
|                     | 7                     | 8026 WES HODGES RD    | JUMA REAL ESTATE L P         |
|                     | 8                     | 509 S BUCKNER BLVD    | MCDANIEL TED                 |
|                     | 9                     | 8031 ELAM RD          | BARRON MARIO & SONIA         |
|                     | 10                    | 8029 ELAM RD          | BARRON MARIO &               |
|                     | 11                    | 8027 ELAM RD          | BARRON MARIO & SONIA BARR    |
|                     | 12                    | 8023 ELAM RD          | BARRON MARIO &               |
|                     | 13                    | 538 S BUCKNER BLVD    | JACKSON AMY &                |
|                     | 14                    | 528 S BUCKNER BLVD    | AMEEN LLC                    |
| X                   | 15                    | 8129 ELAM RD          | BEDFORD ANTHONY J            |
|                     | 16                    | 8123 ELAM RD          | GUTIERREZ LIZ                |
|                     | 17                    | 8112 MARVEL DR        | LOPEZ VICTOR M               |
|                     | 18                    | 8116 MARVEL DR        | FULLER ROY                   |
|                     | 19                    | 8120 MARVEL DR        | LOPEZ JUAN ANTONIO           |
| X                   | 20                    | 8124 MARVEL DR        | CLAUSSEN GEORGE R            |
|                     | 21                    | 8128 MARVEL DR        | FRAUSTO ALFREDO              |
|                     | 22                    | 8127 WES HODGES RD    | AGUILARVILLARREAL SAMUEL     |
|                     | 23                    | 8123 WES HODGES RD    | RENNER EARL O                |
|                     | 24                    | 8119 WES HODGES RD    | RODRIGUEZ GRACIELA           |
|                     | 25                    | 8111 WES HODGES RD    | STERLING ANTHONY K           |
|                     | 26                    | 8103 WES HODGES RD    | RENNER EARL O                |



Z201-218(RM)

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i>     | <i>Owner</i>                 |
|--------------|----------------|--------------------|------------------------------|
|              | 27             | 8106 WES HODGES RD | LEAL EVANGELINA RODRIGUEZ TR |
|              | 28             | 426 S BUCKNER BLVD | PREECE & PREECE INC          |
|              | 29             | 8114 ELAM RD       | SOUTHWESTERN BELL            |
|              | 30             | 8008 ELAM RD       | DALLAS AREA RAPID TRANSIT    |
|              | 31             | 8145 ELAM RD       | RAMOS ROGELIO A              |
|              | 32             | 8141 ELAM RD       | CASTILLO JOSE A              |
|              | 33             | 8137 ELAM RD       | MAHOGANY HOMES LLC           |
|              | 34             | 8133 ELAM RD       | CANO OSCAR E &               |
|              | 35             | 440 S BUCKNER BLVD | ELAM CROSSING LP             |
| X            | 36             | 8202 ELAM RD       | Taxpayer at                  |



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1854

**Item #:** Z8.

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** 5  
**DEPARTMENT:** Department of Planning and Urban Design  
**EXECUTIVE:** Dr. Eric A. Johnson

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### **SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting a Specific Use Permit for vehicle or engine repair or maintenance use on property zoned Planned Development District No. 534, the C.F. Hawn Special Purpose District No. 2, Subdistrict 1 with D-1 Liquor Control Overlay, at the northeast corner of San Marino Avenue and Turin Avenue  
Recommendation of Staff and CPC: Approval for a three-year period, subject to a site plan and conditions  
Z201-244(LG)

**FILE NUMBER:** Z201-244(LG) **DATE FILED:** April 27, 2021

**LOCATION:** Northeast corner of San Marino Avenue and Turin Avenue

**COUNCIL DISTRICT:** 5 **MAPSCO:** 58 Z

**SIZE OF REQUEST:** ± 0.59 acres **CENSUS TRACT:** 116.02

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**REPRESENTATIVE:** Wes Hoblit, MASTERPLAN

**APPLICANT/OWNER:** Larry Cleere, Sole Owner

**REQUEST:** An application for a Specific Use Permit for vehicle or engine repair or maintenance use on property zoned Planned Development District No. 534, the C.F. Hawn Special Purpose District No. 2, Subdistrict 1 with D-1 Liquor Control Overlay.

**SUMMARY:** The purpose of the request is to allow for a vehicle or engine repair or maintenance use to be permitted on the site.

**CPC RECOMMENDATION:** Approval for a three-year period, subject to a site plan and conditions.

**STAFF RECOMMENDATION:** Approval for a three-year period, subject to a site plan and conditions.

**BACKGROUND INFORMATION:**

- According to Sec.51A-4.213(14)(A), a vehicle or engine repair or maintenance use is defined as a facility A facility for the repair, maintenance, or restoration of motor vehicles, motor vehicle engines, electrical motors, or other similar items. This use is permitted by right in RR Regional Retail, CS Commercial Service, industrial, and central area districts.
- A specific use permit is required to operate a vehicle or engine repair or maintenance in PD No. 534, The C.F. Hawn Special Purpose District No. 2, Subdistrict 1.
- The request site consists of three parcels and is currently developed with one existing building totaling 3,200 SF and 6 parking spaces (five regular, one accessible). The applicant intends to redevelop the site for a vehicle or engine repair or maintenance use. The remaining parcels will consist of grass and will not be developed at this time. The existing building is currently vacant.

**Zoning History:**

There have been no recent zoning cases requested in the vicinity within the last five years.

**Thoroughfares/Streets:**

| Thoroughfare/Street | Type         | Existing/Proposed ROW |
|---------------------|--------------|-----------------------|
| San Marino Avenue   | Local Street | -                     |
| Turin Avenue        | Local Street | -                     |

**Traffic:**

The Engineering Division of the Sustainable Development and Construction Department reviewed the proposed zoning and determined it will not have a negative impact on the existing street system.

**Comprehensive Plan:**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

The request complies with the following economic goal and policy of the Comprehensive Plan:

**ECONOMIC ELEMENT**

**GOAL 2.4 CREATE AND MAINTAIN AN ENVIRONMENT FRIENDLY TO BUSINESSES AND ENTREPRENEURS**

Policy 2.4.2 Restore Dallas as the premier city for conducting business within the region.

**Surrounding Land Uses:**

| Area      | Zoning   | Land Use  |
|-----------|--|---|
| Site      | PD No. 534 (2) Subdistrict 1 with D-1 Liquor Control Overlay | Vehicle Storage Lot, Vehicle or engine repair or maintenance (Proposed) |
| West      | PD No. 534 (2) Subdistrict 1 with D-1 Liquor Control Overlay | Undeveloped Land  |
| Northwest | PD No. 534 (2) Subdistrict 1 with D-1 Liquor Control Overlay | Outside Storage   |
| North     | PD No. 534 (2) Subdistrict 1 with D-1 Liquor Control Overlay | Office Showroom Warehouse   |
| Northeast | PD No. 534 (2) Subdistrict 1 with D-1 Liquor Control Overlay | Undeveloped Land  |
| Southeast | PD No. 534 (2) Subdistrict 1 with D-1 Liquor Control Overlay | Single Family   |
| South     | PD No. 534 (2) Subdistrict 1 with D-1 Liquor Control Overlay | General merchandise or food store                                       |
| Southwest | PD No. 534 (2) Subdistrict 1 with D-1 Liquor Control Overlay | Vehicle, engine repair or maintenance                                   |

**STAFF ANALYSIS**

**Land Use Compatibility:**

Although there are a mix of land uses within the area, the applicant proposes a use that is required by a Specific Use Permit and this use already exists within the vicinity of the area. The applicant's site plan shows existing fencing, and the use will be contained within an enclosed building that will minimize the possibility to be a nuisance to the single family uses east and southeast of the site. There are also pockets of undeveloped land within the area, and more intense industrial uses such as outside storage and an office showroom/warehouse.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the

welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards.

According to the applicant, the site will not be used for vehicle storage and will be used to maintain and repair the owner's tow trucks as well as other vehicles. Based on the provided information, Building Inspection determined that the proposed use is classified as vehicle or engine repair or maintenance. A notation has been added to the site plan confirming the empty lots will not be used for outside storage.

Staff is in support of this use because it is compatible with existing industrial uses within the area. The time period of three years is appropriate since this is the first specific use permit application for the applicant and will allow for a reevaluation within a short period of time. Staff is not in support for automatic renewal, since this is the first time the applicant has applied for an SUP.

**Parking:**

Pursuant to §51A-4.204 of the Dallas Development Code, the parking requirement for a vehicle or engine repair or maintenance use is one space per 500 square feet of floor area; a minimum of five spaces is required. Parking spaces that are used to repair vehicles and located in a structure are not counted in determining the required parking. Based on the applicant's building square footage of 3,200 the applicant would be required to provide a total of seven spaces. The applicant has provided five spaces on the outside of the building and two parking spaces in the interior of the building for staff. Staff recommended demonstrating all seven required spaces on the site plan to meet code to avoid issues at permitting, and the applicant indicates on the revised site plan the purpose of the interior parking spaces will not be used for repairs. Therefore, staff is in support of the parking proposed by the applicant because it meets the Code requirements.

**Landscaping:**

Landscaping must be provided in accordance with PD No. 534 under Sec 51P-534.112.

**Market Value Analysis**

Market Value Analysis (MVA) is a tool to aid residents and policymakers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to target intervention strategies more precisely in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the

Z201-244(LG)

strongest markets to orange, representing the weakest markets. The subject site is uncategorized. Adjacent properties to the east and south are within MVA Category "H."

**CPC ACTION**  
**September 2, 2021**

**Motion:** It was moved to recommend **approval** of a Specific Use Permit for vehicle or engine repair or maintenance use for a three-year period, subject to a site plan and staff's recommended conditions with an added SUP provision for Hours of Operation from 8:00 a.m. to 5:00 p.m., Monday through Sunday on property zoned Planned Development District No. 534, the C.F. Hawn Special Purpose District No. 2, Subdistrict 1 with D-1 Liquor Control Overlay, at the northeast corner of San Marino Avenue and Turin Avenue.

Maker: Shidid  
Second: Rubin  
Result: Carried: 13 to 0

For: 13 - MacGregor, Hampton, Stinson, Shidid,  
Carpenter, Jackson, Blair, Jung, Suhler,  
Schwope, Murphy, Garcia, Rubin

Against: 0  
Absent: 0  
Vacancy: 2 - District 4, District 10

**Notices:** Area: 200 Mailed: 15  
**Replies:** For: 0 Against: 0

**Speakers:** For: Wes Hoblit, 2201 Main St., Dallas, TX, 75201  
Against: None



**CPC Recommended SUP Conditions**

1. **USE**: The only use authorized by his specific use permit is a vehicle or engine repair or maintenance use.
2. **SITE PLAN**: Use and development of the Property must comply the attached site plan.

**CPC Recommendation:**

3. **TIME LIMIT**: This specific use permit expires on \_\_\_\_\_ (three years from the passage of this ordinance.)

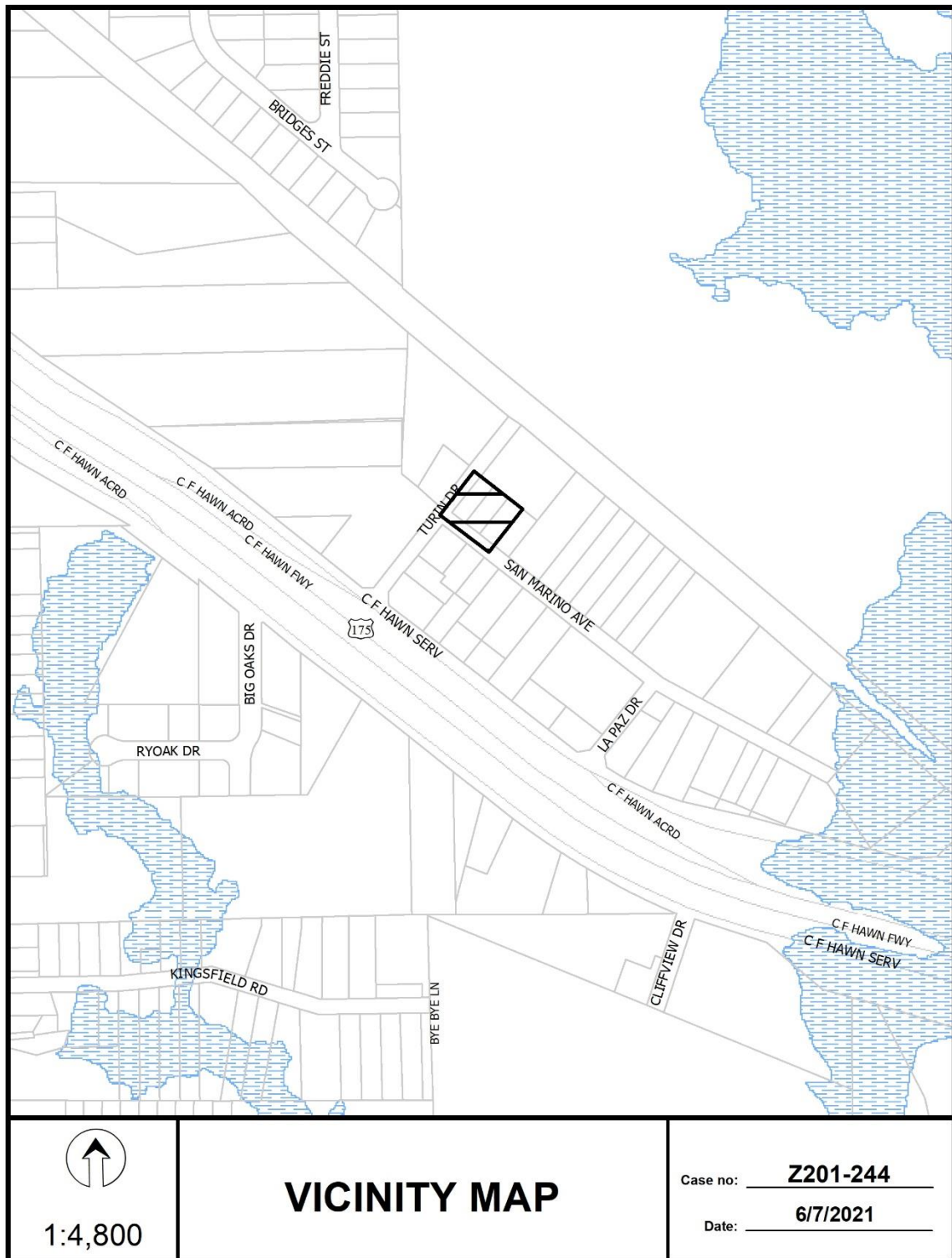
**Applicant's Request:**

3. **TIME LIMIT**: This specific use permit expires on \_\_\_\_\_ (five years) but is eligible for automatic renewal for additional five-year periods pursuant to Section 51A-4.219 of Chapter 51A of the Dallas City Code, as amended. For automatic renewal to occur, the Property owner must file a complete application for automatic renewal with the director before the expiration of the current period. Failure to timely file a complete application will render this specific use permit ineligible for automatic renewal. (Note: The Code currently provides that applications for automatic renewal must be filed after the 180th but before the 120th day before the expiration of the current specific use permit period. The Property owner is responsible for checking the Code for possible revisions to this provision. The deadline for applications for automatic renewal is strictly enforced.)

4. **PARKING**: No vehicles can be parked or stored outside on the property besides the parking spaces noted on the site plan.
5. **MOTOR VEHICLE REPAIR**: Motor vehicle repair shall be contained within the existing structure.
6. **HOURS OF OPERATION**: The vehicle or engine repair or maintenance use may only operate between 8:00 a.m. to 5:00 p.m., Monday through Sunday
7. **MAINTENANCE**: The Property must be properly maintained in a state of good repair and neat appearance.
8. **GENERAL REQUIREMENTS**: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

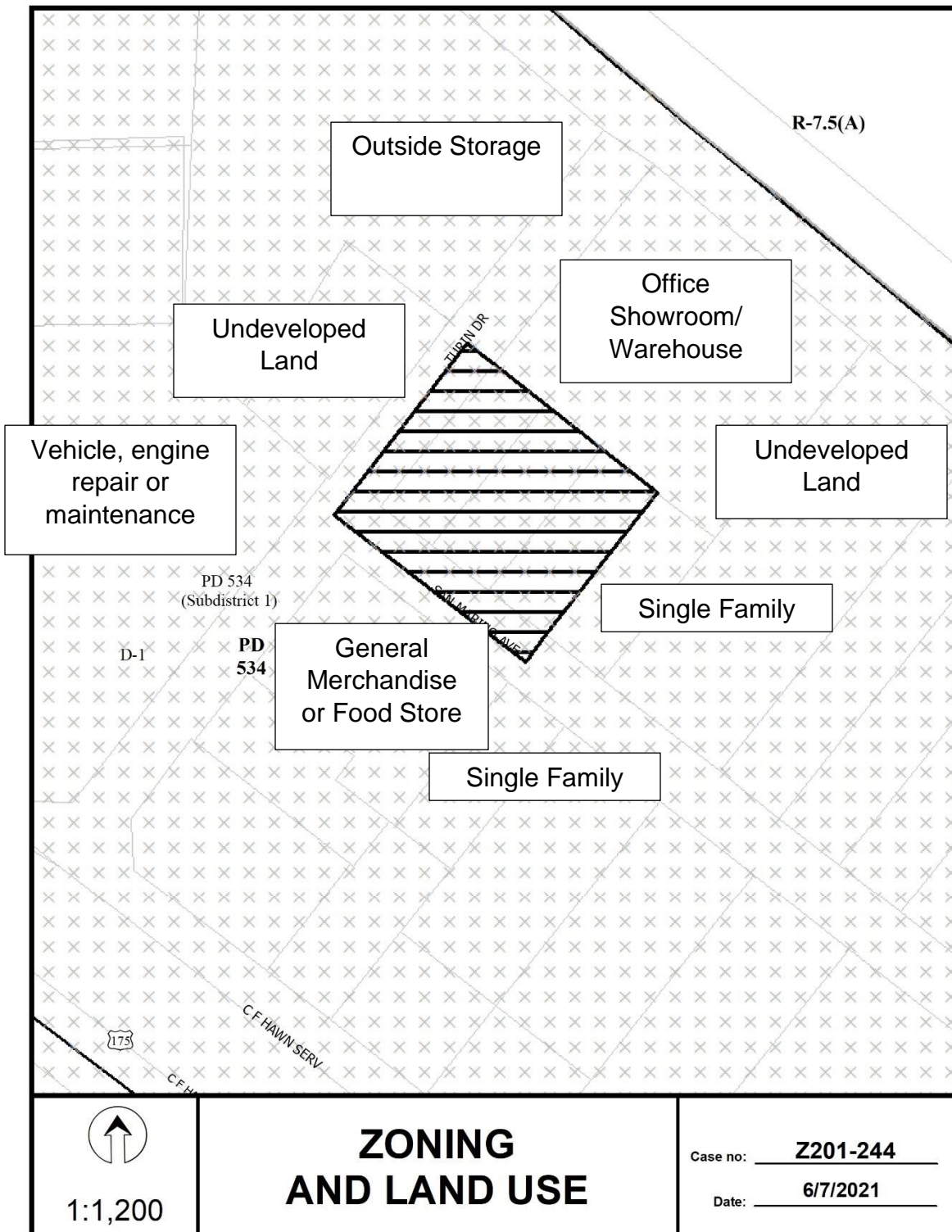




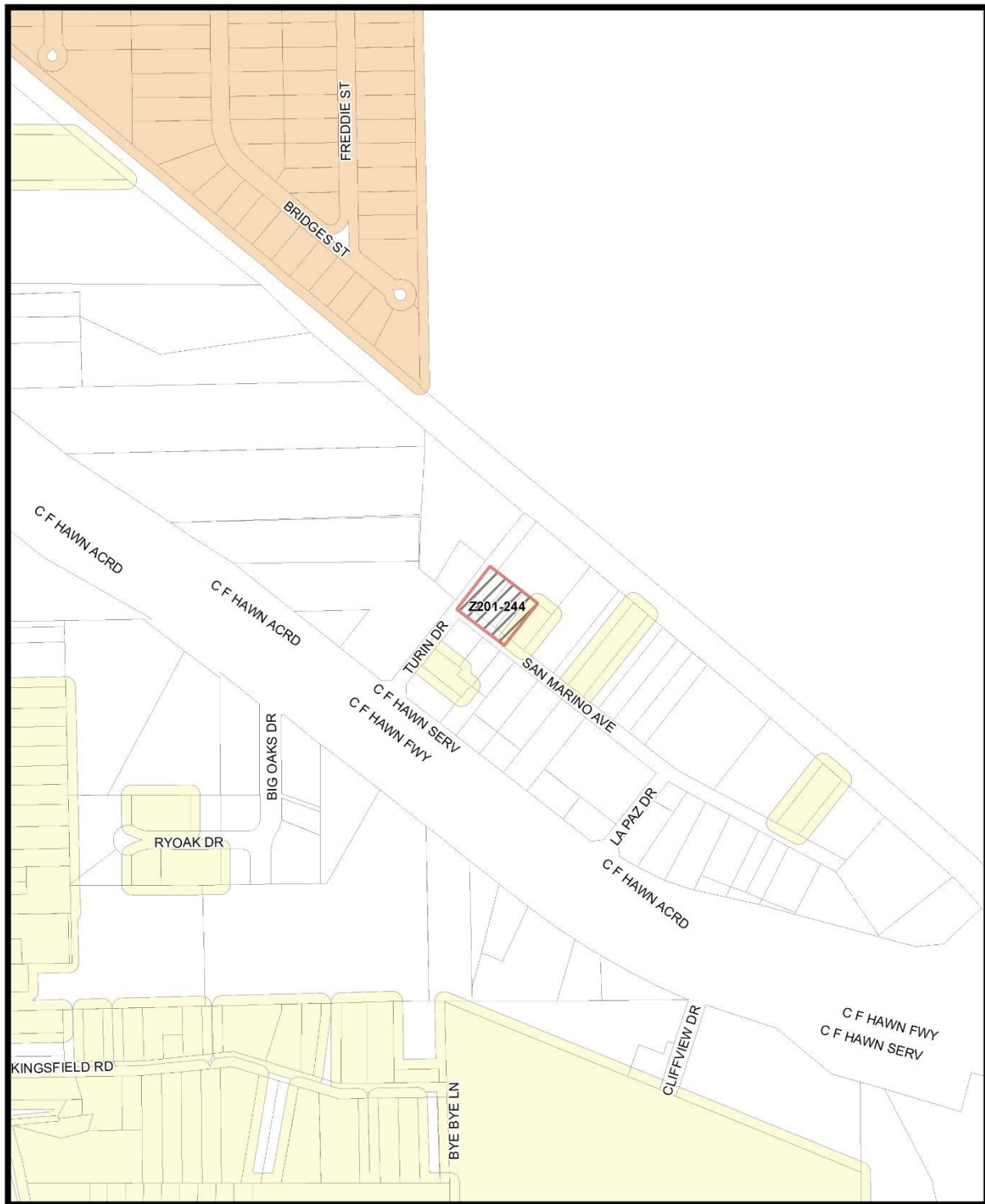












Market Value Analysis



1:4,800

# Market Value Analysis

Printed Date: 6/7/2021

## CPC RESPONSES





09/01/2021

***Reply List of Property Owners******Z201-244******15 Property Owners Notified******0 Property Owners in Favor******0 Property Owners Opposed***

| <b><i>Reply</i></b> | <b><i>Label #</i></b> | <b><i>Address</i></b> | <b><i>Owner</i></b>         |
|---------------------|-----------------------|-----------------------|-----------------------------|
| 1                   | 8509                  | SAN MARINO AVE        | EHRENBERGER BOBBY           |
| 2                   | 8505                  | SAN MARINO AVE        | EHRENBERGER THOMAS          |
| 3                   | 8501                  | SAN MARINO AVE        | EHRENBERGER BOB             |
| 4                   | 8360                  | C F HAWN FWY          | HOPKINS STANLEY             |
| 5                   | 236                   | TURIN DR              | GAMINO HUMBERTO             |
| 6                   | 8508                  | C F HAWN FWY          | DELMARVA LLC                |
| 7                   | 8506                  | SAN MARINO AVE        | M G ENTERPRISES CONCRETE    |
| 8                   | 120                   | TURIN DR              | BANDA JOSE G &              |
| 9                   | 8514                  | SAN MARINO AVE        | ALLBRITTON MARY M           |
| 10                  | 8513                  | SAN MARINO AVE        | DIAZ MARIO &                |
| 11                  | 8510                  | SAN MARINO AVE        | BANDA JOSE & MARIA          |
| 12                  | 8435                  | SAN MARINO AVE        | NOVATECH LLC                |
| 13                  | 225                   | TURIN DR              | NINO LUIS &                 |
| 14                  | 8517                  | SAN MARINO AVE        | WOOD LUCY A ET AL ESTATE OF |
| 15                  | 8527                  | SAN MARINO AVE        | MENDOZA JUAN R              |



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1855

**Item #:** Z9.

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 14

**DEPARTMENT:** Department of Planning and Urban Design

**EXECUTIVE:** Dr. Eric A. Johnson

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### **SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 1755 for two attached projecting non-premise district activity videoboard signs on property zoned Planned Development District No. 619, on the south line of Elm Street, west of North Akard Street

Recommendation of Staff and CPC: Approval for a six-year period, subject to conditions Z201-268(KC)

**FILE NUMBER:** Z201-268(KC) **DATE FILED:** May 27, 2021  
**LOCATION:** On the south line of Elm Street, west of North Akard Street  
**COUNCIL DISTRICT:** 14 **MAPSCO:** 45 K  
**SIZE OF REQUEST:** Approx. 0.687 acres **CENSUS TRACT:** 31.01

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**REPRESENTATIVE:** Suzan Kedron, Jackson Walker, LLP

**APPLICANT:** Tanya Lillie, Outfront Media

**OWNER:** LICGF Dallas Lofts, Inc.

**REQUEST:** An application for the renewal of Specific Use Permit No. 1755 for two attached projecting non-premise district activity videoboard signs on property zoned Planned Development District No. 619.

**SUMMARY:** The purpose of the request is to continue the use of the existing videoboard signs.

**CPC RECOMMENDATION:** Approval for a six-year period, subject to conditions.

**STAFF RECOMMENDATION:** Approval for a six-year period, subject to conditions.

## **BACKGROUND INFORMATION:**

- The area of request is currently developed with an 18-story building with ground floor retail and multi-family uses on the upper levels.
- The request site currently has the two attached projecting non-premise district activity videoboard signs located on the northeast corner of Main Street and Four Way Place and the southeast corner of Elm Street and Four Way Place.
- With this SUP renewal request, the applicant proposes to continue the use of the videoboard signs as shown on the existing site plan.
- The existing signs are in compliance with the renewal conditions of SEC. 51A-7.909. Attached Non-Premise District Activity Videoboard Signs of the Dallas Development Code.

## **Zoning History:**

There have been seven zoning cases on six sites in the area in the past five years.

1. **Z167-130:** On June 28, 2017, City Council approved the new Historic Overlay establishing Historic Overlay No. 150 (One Main Place) on the northeast corner of Main Street and Griffin Street.
2. **Z167-398:** On January 24, 2018, City Council approved the renewal of Specific Use Permit No. 2127 for a restaurant without drive-in or drive-through service on the southwest corner of Main Street and Four Way Place for a three-year period.
3. **Z178-214:** On May 13, 2020, City Council approved Specific Use Permit No. 1959 for a bail bond office on the southeast corner of Elm Street and Field Street for a six-year period.
4. **Z189-340:** On January 08, 2020, City Council approved the renewal of Specific Use Permit No. 2127 for a restaurant without drive-in or drive-through service on the southwest corner of Main Street and Four Way Place for a five-year period.
5. **Z190-370:** On March 24, 2021, City Council approved the renewal of Specific Use Permit No. 2411 for an attached non-premise district activity videoboard sign near the intersection of Elm Street and South Akard Street for a six-year period.
6. **Z201-269:** An application for the renewal of Specific Use Permit No. 1788 for a videoboard sign on the southwest corner of Field Street and Commerce Street [Awaiting CPC Hearing on August 19, 2021].

7. **Z201-278:** An application for the renewal of Specific Use Permit No. 1791 for a videoboard on the southeast corner of Elm Street and North Akard Street [Under Review].

**Thoroughfares/Streets:**

| Thoroughfare/Street | Type                   | Existing/Proposed ROW |
|---------------------|------------------------|-----------------------|
| Main Street         | Two-way Street per CBD | 80'                   |
| Elm Street          | One-way Street per CBD | 80'                   |
| Akard Street        | Two-way Street per CBD | 50'                   |

**Traffic:**

The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and determined that it will not significantly impact the surrounding roadway system.

The applicant submitted a traffic study conducted by an independent firm. The traffic analysis concluded that the proposed sign does not significantly interfere with the effectiveness of traffic control devices within 300 feet of the sign. Engineering staff had no objection to the study's findings.

**STAFF ANALYSIS:**

**Comprehensive Plan:**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

The request complies with the following land use goals and policies of the Comprehensive Plan:

**LAND USE ELEMENT**

**GOAL 1.1 ALIGN LAND USE STRATEGIES WITH ECONOMIC DEVELOPMENT PRIORITIES**

**Policy 1.1.3** Build a dynamic and expanded Downtown.

**ECONOMIC ELEMENT**

**GOAL 2.3 BUILD A DYNAMIC AND EXPANDED DOWNTOWN.**

**Policy 2.3.3** Work with property owners and stakeholders to preserve and enhance the image of Downtown Dallas.

**Policy 2.3.1** Restore Downtown Dallas as the economic and cultural heart of North Central Texas.

**URBAN DESIGN ELEMENT****GOAL 5.2 STRENGTHEN COMMUNITY AND NEIGHBORHOOD IDENTITY**

**Policy 5.2.2** Promote the character of the city's significant districts, linkages and areas.

**Videoboard Signs:****ACTIVE VIDEOBOARD SUP LIST (Updated 7/13/2021)**

| No. | SUP No.      | Location                          | Past Case No.                | Approved   | Expiration | ORD. # | Sign Installed (permit #) |
|-----|--------------|-----------------------------------|------------------------------|------------|------------|--------|---------------------------|
| 1   | <b>1755*</b> | 1407 Main St (west & east façade) | Z145-276 (Renewal)           | 9/9/2015   | 9/9/2021   | 29849  | 0910095005                |
| 2   |              |                                   |                              |            |            |        | 0910095006                |
| 3   | <b>1788</b>  | 1321 Commerce (south façade)      | Z145-277 (Renewal)           | 9/9/2015   | 9/9/2021   | 29850  | 0912305001                |
| 4   | <b>1791</b>  | 1502/1509 Main St (West façade)   | Z145-278 (Renewal)           | 9/9/2015   | 9/9/2021   | 29851  | 1104055002                |
| 5   | <b>1796</b>  | 1530-1608 Main St (north façade)  | Z189-298 (Renewal)           | 10/23/2019 | 10/23/2025 | 31367  | 1709191108                |
| 6   | <b>1957</b>  | 1700 Pacific Ave (south façade)   | Z178-123 (Renewal)           | 6/13/2018  | 6/13/2028  | 30881  | 1403311122                |
| 7   | <b>1958</b>  | 1517 Main St (south façade)       | Z178-124 (Renewal)           | 2/14/2018  | 2/14/2028  | 30781  | 1403311124                |
| 8   | <b>1959</b>  | 1302 Elm St. (north façade)       | Z178-214 (Amendment/Renewal) | 6/27/2018  | 6/27/2024  | 30919  | 2003234008                |
| 9   | <b>2005</b>  | 1015 Elm St (west façade)         | Z189-165 (Renewal)           | 4/10/2019  | 4/10/2022  | 31172  | 2009161008                |
| 10  | <b>2006</b>  | 1015 Elm St (south façade)        | Z189-164 (Renewal)           | 4/10/2019  | 4/10/2022  | 31171  | 2009161012                |
| 11  | <b>2007</b>  | 200 N Griffin St (south façade)   | Z189-148 (renewal)           | 5/22/2019  | 5/22/2025  | 31228  | 1403311118                |
| 12  | <b>2008</b>  | 1600 Commerce St (east façade)    | Z189-147 (Renewal)           | 4/10/2019  | 4/10/2025  | 31165  | 1403311114                |

| No.                          | SUP No.     | Location                        | Past Case No.      | Approved  | Expiration | ORD. # | Sign Installed (permit #) |
|------------------------------|-------------|---------------------------------|--------------------|-----------|------------|--------|---------------------------|
| 13                           | <b>2009</b> | 1600 Commerce St (north façade) | Z189-146 (Renewal) | 4/10/2019 | 4/10/2025  | 31164  | 1403311109                |
| 14                           | <b>2302</b> | 2201 Main St (west façade)      | Z178-242 (new SUP) | 9/26/2018 | 9/26/2024  | 31010  | 1912194010                |
| 15                           | <b>2411</b> | 1511 Elm Street                 | Z190-370 (new SUP) | 3/24/2021 | 3/24/2027  | 31812  | -                         |
| *Includes 2 videoboard signs |             |                                 |                    |           |            |        |                           |

Under Consideration by Council on October 13 for Renewal

Under Review for Renewal

### Land Use:

|              | Zoning                                     | Land Use                |
|--------------|--|-------------------------|
| <b>Site</b>  | PD 619 (Subdistrict B), SUP 1755           | Mixed-Use, Multi-Family |
| <b>North</b> | PD 619 (Subdistrict B)                     | Hotel, DART Station     |
| <b>East</b>  | PD 619 (Subdistrict B), SUP 1791           | Mixed-Use               |
| <b>South</b> | PD 619 (Subdistrict J), SUP 1788           | Hotel, Mixed-Use        |
| <b>West</b>  | PD 619 (Subdistrict B), SUP 2127, SUP 1959 | Mixed-Use               |

### Land Use Compatibility:

The area of request is currently developed and occupied by an 18-story building with ground floor retail and multi-family uses on the upper levels. The areas to the east, south, and west are mixed use which includes a variety of uses such as restaurants, general merchandise or food stores, multi-family. North of the site is a hotel and a DART station.

The request is for the renewal of Specific Use Permit No. 1755 which allows for two attached projecting non-premise district activity videoboard signs. The videoboard signs currently exist and are 16' x 9', protruding 9' from the building and are 15' above the sidewalk.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of

the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The regulations in this chapter have been established in accordance with a comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the city.

Section 51A-7.909(g) regulates the occupancy of buildings upon which videoboards may be attached. Videoboard signs are “only permitted on buildings with retail and personal service uses (other than commercial parking lot) or office uses occupying at least 75 percent of the leasable ground floor area and an overall building occupancy of at least 50 percent. Non-premise district activity videoboard signs are not allowed on a lot containing a commercial surface parking lot use. The director shall notify City Council of any building that falls below the occupancy requirements and fails to reestablish the occupancy requirement within 120 days. The director may waive the occupancy requirements of this subsection for up to one year if the director determines that the building or multi-building complex is currently being redeveloped. The director may revoke this waiver if redevelopment stops or is inactive for 90 days or more.” The applicant submitted an affidavit indicating the ground floor meets the requirements of Section 51A-7.909(g).

Staff supports this request after review of a traffic analysis of the videoboard signs from the past five years and because it complies with the requirements set forth in Section 51A-7.909(g). Generally, staff recommends a six-year time period for the videoboard signs in order to make sure all videoboards are consistently evaluated from a traffic safety standpoint. In order to remain consistent and assure the appropriate review takes place within adequate timeframes, staff recommends six years for this request.

### **Development Standards:**

A maximum of 15 non-premise district activity videoboard signs are permitted within the Downtown SPSP and may only be erected on buildings with frontage on streets within the Retail Subdistrict bounded by Jackson Street, Lamar Street, Pacific Street, and Cesar Chavez Boulevard.

Non-premise district activity videoboard signs may not be placed on Pacific Avenue between Akard Street and Ervay Street. Non-premise district activity videoboard signs may not be placed on building facades facing Main Street Garden or Belo Garden.



A maximum of one non-premise district activity videoboard sign is permitted per block face. Non-premise district activity videoboard signs must have a minimum of 100 square feet in effective area and may have maximum a of 150 square feet in effective area.

Non-premise district activity videoboard signs are only permitted by SUP.

Projecting non-premise activity videoboard signs:

- must have a vertical orientation with height exceeding the width at a minimum of 16:9 width-to-height ratio;
- may project a maximum of 12 feet into the right-of-way;
- must have a minimum clearance of 15 feet above the sidewalk and a maximum clearance of 35 feet above the sidewalk; and
- must have video displays on both sides of the sign.

All videoboard signs:

- must contain a default mechanism that freezes the image in one position in case of malfunction;
- must automatically adjust the sign brightness based on natural ambient light conditions in compliance with the following formula:
  - the ambient light level measure in luxes, divided by 256 and then rounded down to the nearest whole number, equals the dimming level; then
  - the dimming level, multiplied by .0039 equal the brightness level; then
  - the brightness level, multiplied by the maximum brightness of the specific sign measured in nits, equals the allowed brightness, measured in nits;
- must be turned off between 1:00 a.m. and 7:00 a.m. Monday through Friday and 2:00 a.m. and 8:00 a.m. on Saturday and Sunday; and
- may not display light of such intensity or brilliance to cause glare, impair the vision of an ordinary driver, or constitute a nuisance.

Non-premise district activity videoboard signs:

- must have a full color display able to display a minimum of 281 trillion color shades; and
- must be able to display a high-quality image with a minimum resolution equivalent to 19mm maximum pixel size.

Changes of message must comply with the following:

- Each message must be displayed for a minimum of eight seconds;
- Changes of message must be accomplished within two seconds;
- Changes of message must occur simultaneously on the entire sign face; and
- No flashing, dimming, or brightening of message is permitted except to accommodate changes of message

**Landscaping:**

The Dallas Development Code does not require any landscaping for videoboard signs in addition to the requirements applicable to the base use on the site.

**Parking:**

The Dallas Development Code does not require any parking spaces for videoboard signs in addition to the requirements applicable to the base use on the site.

**Market Value Analysis:**

Market Value Analysis (MVA), is a tool to aid residents and policy-makers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to more precisely target intervention strategies in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets (A through C) to orange, representing the weakest markets (G through I). The area of request is located an “E” MVA cluster. The areas to the north, east, and west are also located within an “E” MVA cluster.

**List of Partners/Principals/Officers**

**Applicant Officers**

Jeremy Male, CEO  
Richard Sauer, Executive Vice President and General Counsel  
Clive Punter, Executive Vice President  
Jodi Senese, Chief Marketing Officer  
Matthew Siegel CFO and Director  
George Wood, Director  
Zack Danielson, General Manger

**Owner Officers**

Meiner Franssen, Director  
Gregory A. Jones, Vice President

**CPC ACTION**  
**August 19, 2021**

**Motion:** It was moved to recommend **approval** of the renewal of Specific Use Permit 1755 for two attached projecting non-premise district activity videoboard signs for a six-year period, subject to staff's recommended conditions on property zoned Planned Development District No. 619, on the south line of Elm Street, west of North Akard Street.

Maker: Garcia  
Second: MacGregor  
Result: Carried: 11 to 0

For: 11 - MacGregor, Hampton, Stinson, Shidid,  
Carpenter, Jackson, Jung, Suhler, Schwope,  
Murphy, Garcia

Against: 0  
Absent: 3 - Johnson, Blair, Rubin  
Vacancy: 1 - District 10

**Notices:** Area: 200 Mailed: 85  
**Replies:** For: 0 Against: 0

**Speakers:** For: Luke Franz, 2323 Ross Ave., Dallas, TX, 75201  
For (Did not speak): Zack Danielson, 1201 Main St., Dallas, TX, 75202  
Suzan Kedron, 2323 Ross Ave., Dallas, TX, 75201  
Against: None  
Staff: Jason Pool, Sign Inspector, Sustainable  
Development and Construction

### **CPC RECOMMENDED SUP CONDITIONS**

USE: The only use authorized by this specific use permit is for two attached projecting non-premise district activity videoboard signs.

SITE PLAN: Use and development of the Property must comply with the attached site plan and elevations.

#### **CPC Recommendation:**

TIME LIMIT: This specific use permit expires on ~~September 9, 2021~~ \_\_\_\_\_ [six-year period from the passage of this ordinance].

#### **Applicant's Request:**

TIME LIMIT: This specific use permit expires on ~~September 9, 2021~~ \_\_\_\_\_ [five-year period from the passage of this ordinance, but is eligible for automatic renewal for additional five-year periods pursuant to Section 51A-4.219 of Chapter 51A of the Dallas City Code, as amended. For automatic renewal to occur, the Property owner must file a complete application for automatic renewal with the director before the expiration of the current period. Failure to timely file a complete application will render this specific use permit ineligible for automatic renewal. (Note: The Code currently provides that applications for automatic renewal must be filed after the 180th but before the 120th day before the expiration of the current specific use permit period. The Property owner is responsible for checking the Code for possible revisions to this provision. The deadline for applications for automatic renewal is strictly enforced.)] [~~September 9, 2021~~].

DIMENSIONS: The maximum vertical length of the signs is 16 feet. The maximum horizontal width (projection) of the signs is nine feet. The lowest point of the signs must be at least 15 feet above the sidewalk. See the attached elevations.

HOURS OF OPERATION: The signs may only operate between 7:00 a.m. and 1:00 a.m. (the next day), Monday through Friday; and between 8:00 a.m. and 2:00 a.m. (the next day), Saturday and Sunday. The signs must be turned off between 1:00 a.m. and 7:00 a.m. Monday through Friday and between 2:00 a.m. and 8:00 a.m., Saturday and Sunday.

OPERATIONAL REQUIREMENTS: The signs must comply with the operational and maintenance requirements in Section 51A-7.910 of the Dallas City Code.

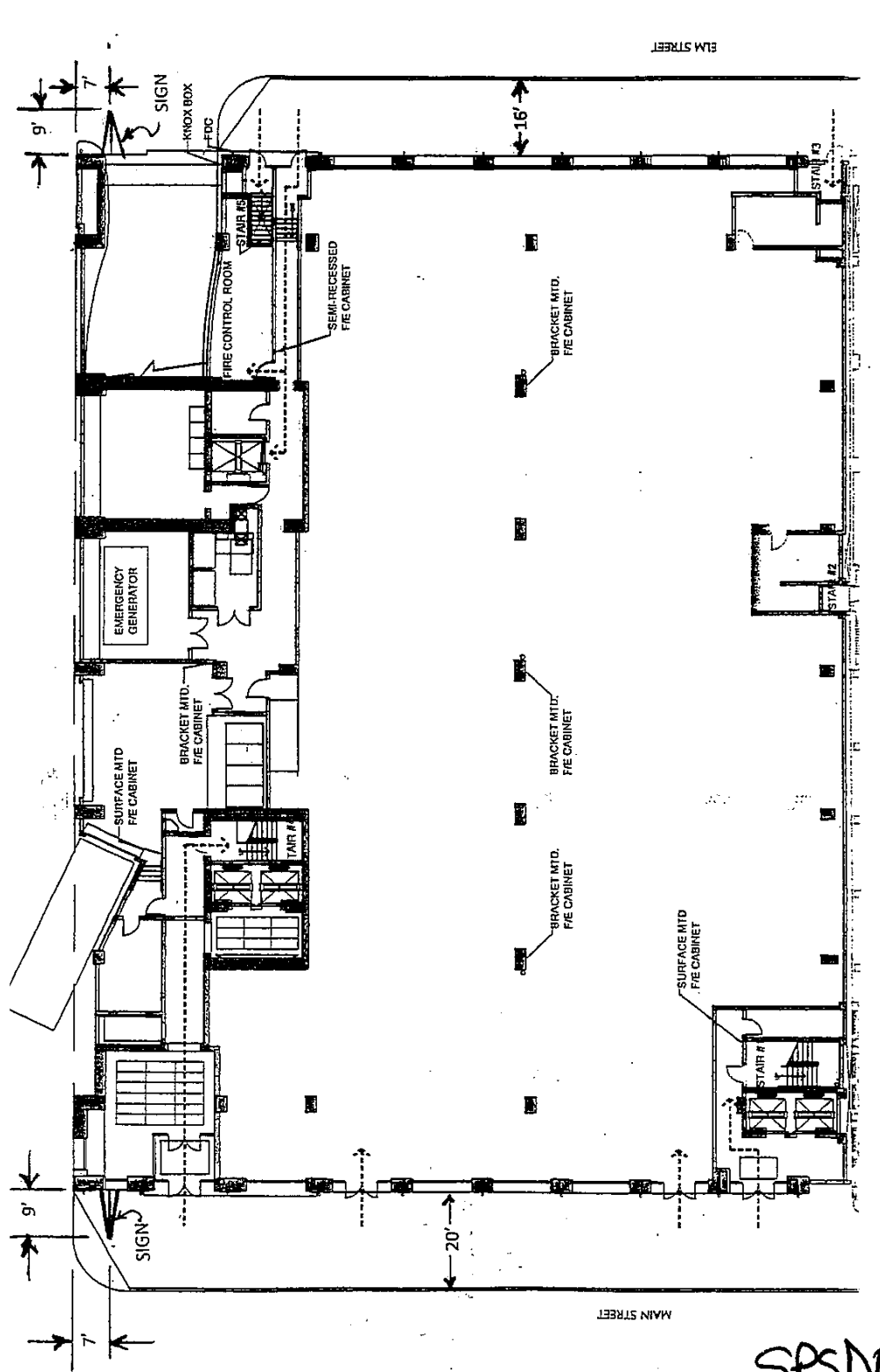
SEPARATION FROM RESIDENTIAL: The signs must have a minimum of one floor separation from the highest point of the sign and residential uses of the building.

SIZE: The signs may have a maximum effective area of 144 square feet as shown on the attached elevations.

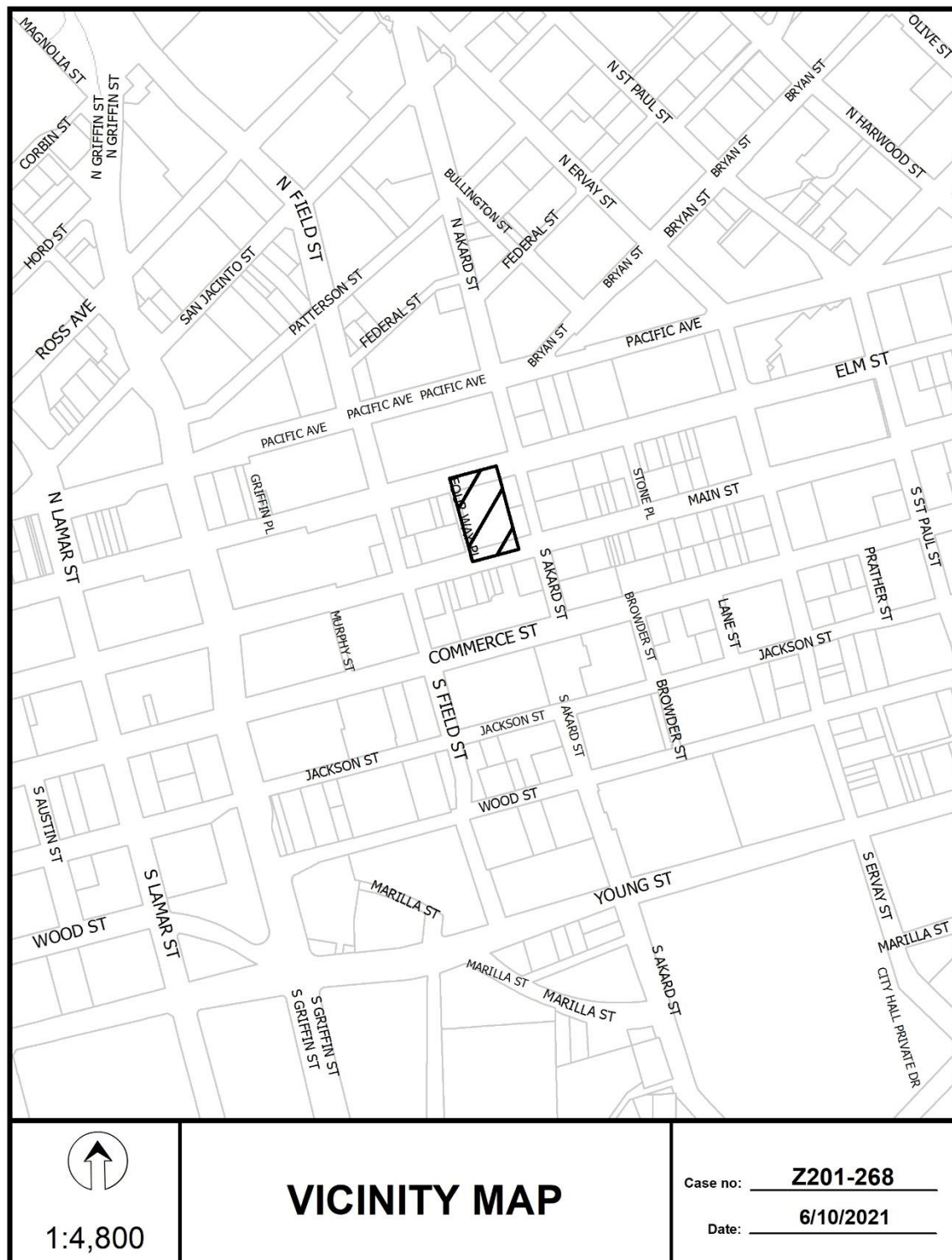
MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.

GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

EXISTING SITE PLAN (No Changes)

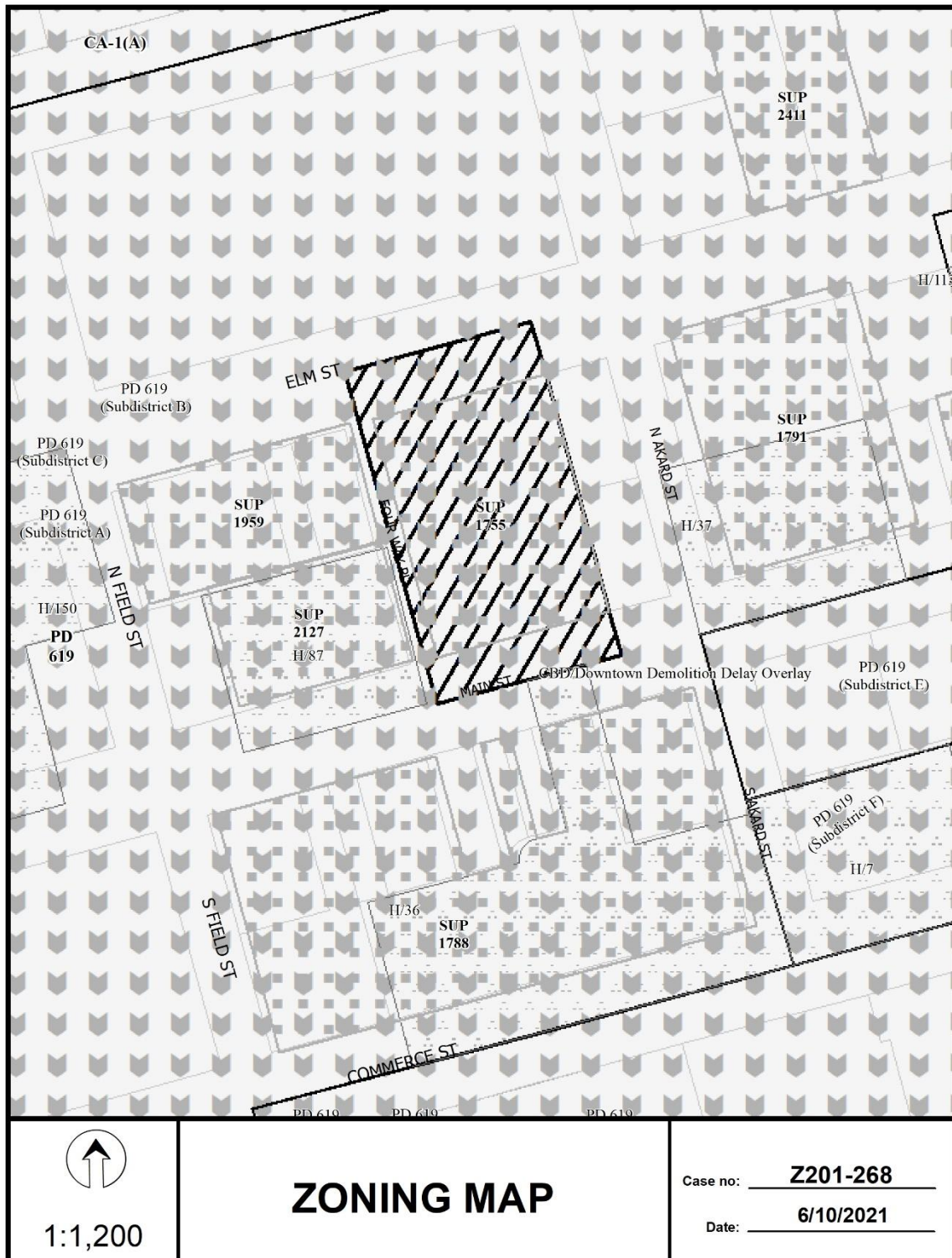


Z201-268(KC)

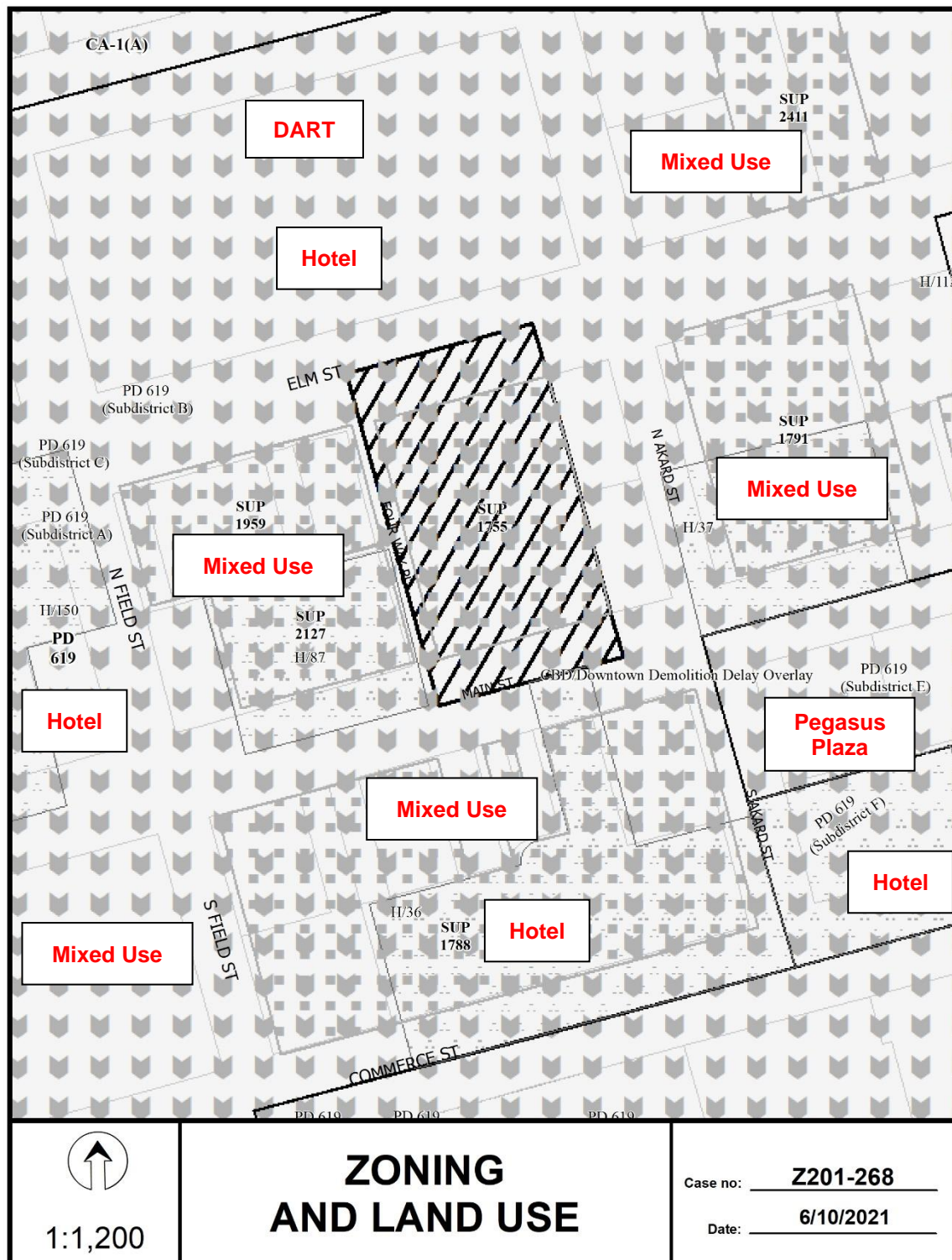


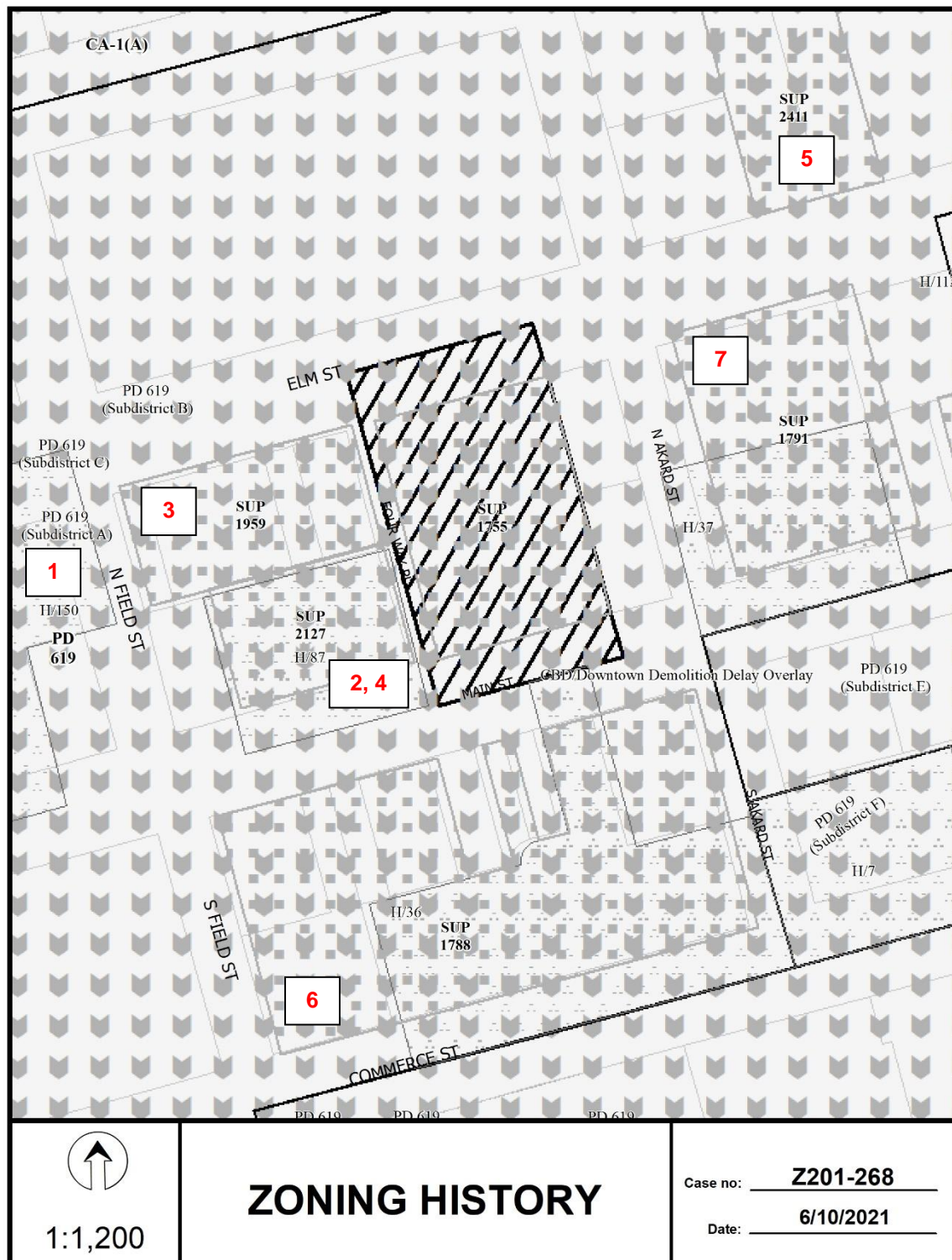




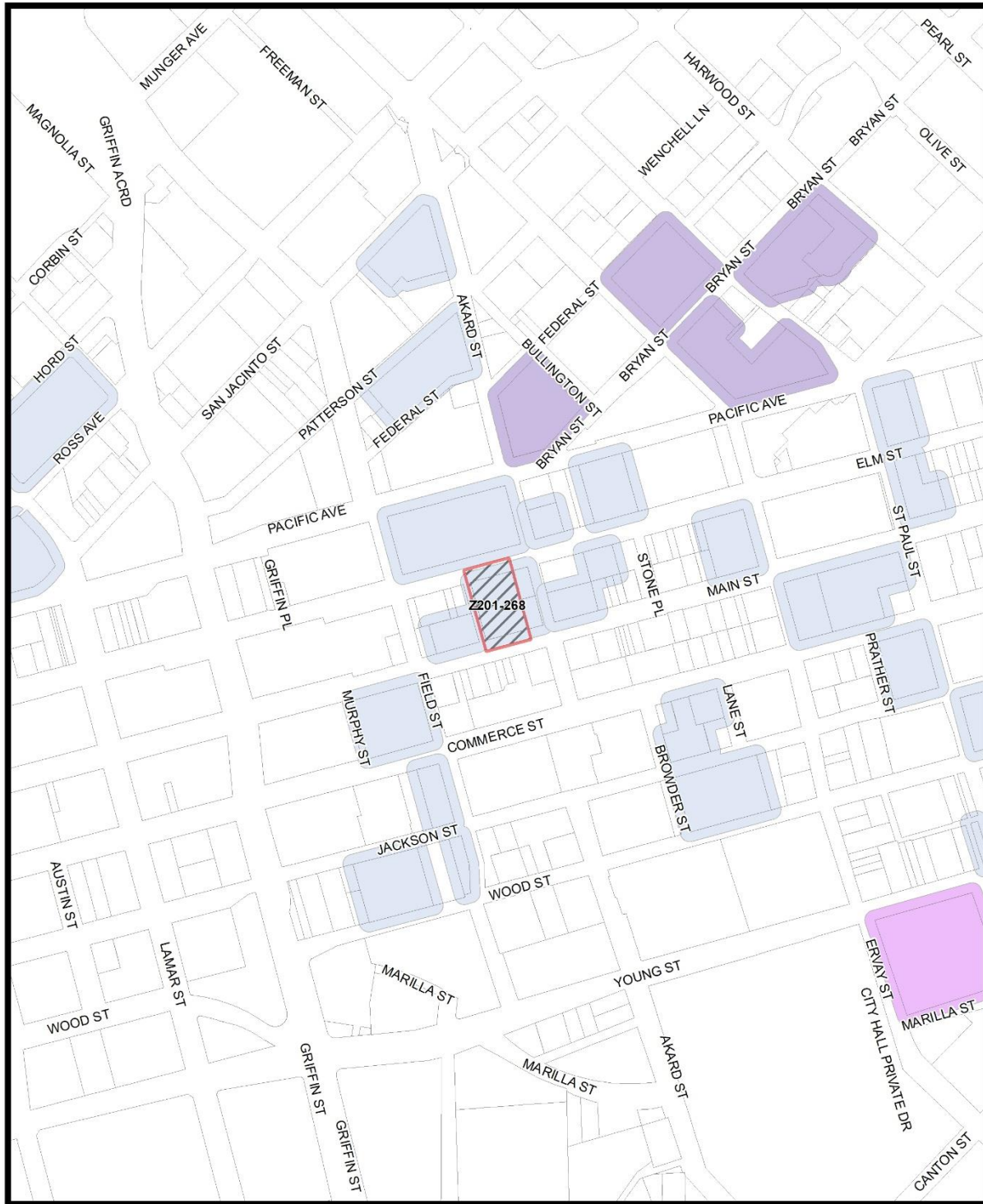












Market Value Analysis

A B C D E F G H I NA



1:4,800

## Market Value Analysis

Printed Date: 6/10/2021



08/19/2021

08/18/2021

***Reply List of Property Owners******Z201-268******85 Property Owners Notified******0 Property Owners in Favor******0 Property Owners Opposed***

| <b><i>Reply</i></b> | <b><i>Label #</i></b> | <b><i>Address</i></b> | <b><i>Owner</i></b>         |
|---------------------|-----------------------|-----------------------|-----------------------------|
|                     | 1                     | 1407 MAIN ST          | LICGF DALLAS LOFTS INC      |
|                     | 2                     | 1407 MAIN ST          | DRED PROPERTIES LTD         |
|                     | 3                     | 1407 MAIN ST          | DCAR PROPERTIES LTD         |
|                     | 4                     | 1401 ELM ST MT        | PENTELICUS DEVCO LLC        |
|                     | 5                     | 1302 ELM ST           | Taxpayer at                 |
|                     | 6                     | 1302 ELM ST           | ROBERTS GEORGE N ET AL      |
|                     | 7                     | 1301 MAIN ST          | TANGO PROPERTIES LLC        |
|                     | 8                     | 1309 MAIN ST          | DAVIS 1309 MAIN LLC         |
|                     | 9                     | 1400 MAIN ST          | RBP ADOLPHUS LLC            |
|                     | 10                    | 1404 MAIN ST          | APAL CO LLC                 |
|                     | 11                    | 208 N AKARD ST        | 208NAKARD LLC               |
|                     | 12                    | 1401 COMMERCE ST      | HOLTZE MAGNOLIA LLLP        |
|                     | 13                    | 1300 ELM ST           | Taxpayer at                 |
|                     | 14                    | 1412 MAIN ST          | 1412 MAIN STREET LLC        |
|                     | 15                    | 1300 MAIN ST          | RBP ADOLPHUS LLC            |
|                     | 16                    | 1402 MAIN ST          | APAL LLC                    |
|                     | 17                    | 1306 MAIN ST          | RBP ADOLPHUS LLC            |
|                     | 18                    | 1315 COMMERCE ST      | RBP ADOLPHUS LLC            |
|                     | 19                    | 1502 ELM ST KIRBY     | APARTMENTS LP THE           |
|                     | 20                    | 1414 ELM ST           | LICGF DALLAS LOFTS INC      |
|                     | 21                    | 1306 ELM ST           | Taxpayer at                 |
|                     | 22                    | 1505 ELM ST           | CHRISTIAN LARRY &           |
|                     | 23                    | 1505 ELM ST           | DUCOTEY WARREN 2002 TR      |
|                     | 24                    | 1505 ELM ST           | MOSBACHER DIANE B &         |
|                     | 25                    | 1505 ELM ST           | KEY SEAN                    |
|                     | 26                    | 1505 ELM ST           | BUTLER KELLY A LIVING TRUST |

# Z201-268(KC)

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>                     |
|--------------|----------------|----------------|----------------------------------|
|              | 27             | 1505 ELM ST    | DELEON JOSE & ALMA FLORES        |
|              | 28             | 1505 ELM ST    | NORRIS SONJA                     |
|              | 29             | 1505 ELM ST    | SWAIM STEPHANIE R                |
|              | 30             | 1505 ELM ST    | SHIM MINGI T & SHELLEY S         |
|              | 31             | 1505 ELM ST    | MENDEZPEREZ JAIME & FANNY        |
|              | 32             | 1505 ELM ST    | BRAINARD SYDNEY                  |
|              | 33             | 1505 ELM ST    | BECKMAN JAMIE W                  |
|              | 34             | 1505 ELM ST    | SYMPHONY PROPERTIES LLC          |
|              | 35             | 1505 ELM ST    | HIRSCHHEIMER JOSHUA DAVID        |
|              | 36             | 1505 ELM ST    | KILANOWSKI KATHLEEN              |
|              | 37             | 1505 ELM ST    | CARTER JAMES & PAULA             |
|              | 38             | 1505 ELM ST    | HAGGARD SCOTT JR                 |
|              | 39             | 1505 ELM ST    | VO LAWRENCE                      |
|              | 40             | 1505 ELM ST    | PATEL JAYSHREE & SANJAY          |
|              | 41             | 1505 ELM ST    | DENNEY JESSE A III & ROBERTA J   |
|              | 42             | 1505 ELM ST    | BASSAMPOUR FATEMAH &             |
|              | 43             | 1505 ELM ST    | SCAGLIONE HEATHER L              |
|              | 44             | 1505 ELM ST    | BRAIR GHASSAN B                  |
|              | 45             | 1505 ELM ST    | OWENS JENNIFER                   |
|              | 46             | 1505 ELM ST    | MENDENHALL MYLES E & KATHERINE M |
|              | 47             | 1505 ELM ST    | HIGHT STEPHANIE D                |
|              | 48             | 1505 ELM ST    | QUINN KAILIE CHRISTINE           |
|              | 49             | 1505 ELM ST    | KENDRICK KATHY J                 |
|              | 50             | 1505 ELM ST    | SCHMIDT MICHAEL L                |
|              | 51             | 1505 ELM ST    | ACT EAGLE 1505 PROPERTIES LLC    |
|              | 52             | 1505 ELM ST    | REDBURN SANDRA KAY               |
|              | 53             | 1505 ELM ST    | JAQUA DAVID ARLEIGH &            |
|              | 54             | 1505 ELM ST    | MCKNIGHT BILLY REA &             |
|              | 55             | 1505 ELM ST    | LENNZ HOLDINGS LLC               |
|              | 56             | 1505 ELM ST    | SMITH VALERIE RUSSO              |
|              | 57             | 1505 ELM ST    | ANTERHAUS ROBERT &               |



# Z201-268(KC)

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>                     |
|--------------|----------------|----------------|----------------------------------|
|              | 58             | 1505 ELM ST    | DEMARKIS BRIAN CHRISTOPHER       |
|              | 59             | 1505 ELM ST    | MCKNIGHT BILLY REA               |
|              | 60             | 1505 ELM ST    | DILENA R J                       |
|              | 61             | 1505 ELM ST    | FREIFELD MARK & RAYNA HANDELMAN  |
|              | 62             | 1505 ELM ST    | HOLLOWAY MICHAEL S &             |
|              | 63             | 1505 ELM ST    | VANCE BARBARA A                  |
|              | 64             | 1505 ELM ST    | DANE EUGENE                      |
|              | 65             | 1505 ELM ST    | BEAIRD FLORENCE                  |
|              | 66             | 1505 ELM ST    | HORN JEFFIE J JR                 |
|              | 67             | 1505 ELM ST    | LEE EUNJOO JULIE &               |
|              | 68             | 1505 ELM ST    | ABENDSCHEIN FREDERICK            |
|              | 69             | 1505 ELM ST    | ROBERTSON RON & DONNA            |
|              | 70             | 1505 ELM ST    | EDWARDS GARY DON & JANIE FAY     |
|              | 71             | 1505 ELM ST    | GLEASON SCOTT & KAREN            |
|              | 72             | 1505 ELM ST    | NIENDORFF CARL A IV              |
|              | 73             | 1505 ELM ST    | HALL MICHAEL D                   |
|              | 74             | 1505 ELM ST    | PATTERSON J R JR & BILLIE JO PUD |
|              | 75             | 1505 ELM ST    | HARVEY BARBARA ANN               |
|              | 76             | 1505 ELM ST    | AKIN FAMILY TRUST                |
|              | 77             | 1505 ELM ST    | SPIEGEL ROSS ADAM                |
|              | 78             | 1505 ELM ST    | BOLDEN PAUL &                    |
|              | 79             | 1505 ELM ST    | ROBERTS FINES OLIVER             |
|              | 80             | 1505 ELM ST    | MORALES JACQULINE                |
|              | 81             | 1505 ELM ST    | MASON LISA                       |
|              | 82             | 1505 ELM ST    | WIEDEMANN CYNTHIA                |
|              | 83             | 1505 ELM ST    | WILSON ADDISON G IV              |
|              | 84             | 1505 ELM ST    | ELDREDGE WENDY PAIGE & SCOTT     |
|              | 85             | 1505 ELM ST    | DAVIS BRADLEY S &                |



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1857  
Z10.

**Item #:**

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 14

**DEPARTMENT:** Department of Planning and Urban Design

**EXECUTIVE:** Dr. Eric A. Johnson

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### **SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting the renewal of Specific Use Permit No. 1788 for an attached projecting non-premise district activity videoboard sign on property zoned Planned Development District No. 619, with H/36 Adolphus Historic District Overlay, on the south line of Main Street, east of South Field Street  
Recommendation of Staff and CPC: [Approval](#) for a six-year period, subject to conditions Z201-269(KC)

**FILE NUMBER:** Z201-269(KC) **DATE FILED:** May 27, 2021  
**LOCATION:** On the south line of Main Street, east of South Field Street  
**COUNCIL DISTRICT:** 14 **MAPSCO:** 45 P  
**SIZE OF REQUEST:** Approx. 0.687 acres **CENSUS TRACT:** 31.01

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**REPRESENTATIVE:** Suzan Kedron, Jackson Walker, LLP

**APPLICANT:** Tanya Lillie, Outfront Media

**OWNER:** RBP Adolphus LLC  
Apal LLC  
1412 Main Street LLC

**REQUEST:** An application for the renewal of Specific Use Permit No. 1788 for an attached projecting non-premise district activity videoboard sign on property zoned Planned Development District No. 619, with H/36 Adolphus Historic District Overlay.

**SUMMARY:** The purpose of the request is to continue the use of the existing videoboard sign.

**CPC RECOMMENDATION:** **Approval** for a six-year period, subject to conditions.

**STAFF RECOMMENDATION:** **Approval** for a six-year period, subject to conditions.

**BACKGROUND INFORMATION:**

- The area of request is currently developed and occupied with a historic hotel, office tower, and parking structure, with retail and restaurant uses on the ground floor.
- The request site currently has the attached projecting non-premise district activity videoboard sign located on the southeast corner of Commerce Street and South Field Street
- With this SUP renewal request, the applicant proposes to continue the use of the videoboard sign as shown on the existing site plan.
- The existing signs are in compliance with the renewal conditions of SEC. 51A-7.909. Attached Non-Premise District Activity Videoboard Signs of the Dallas Development Code.

**Zoning History:**

There have been seven zoning cases on six sites in the area in the past five years.

1. **Z167-130:** On June 28, 2017, City Council approved the new Historic Overlay establishing Historic Overlay No. 150 (One Main Place) on the northeast corner of Main Street and Griffin Street.
2. **Z167-398:** On January 24, 2018, City Council approved the renewal of Specific Use Permit No. 2127 for a restaurant without drive-in or drive-through service on the southwest corner of Main Street and Four Way Place for a three-year period.
3. **Z178-214:** On May 13, 2020, City Council approved Specific Use Permit No. 1959 for a bail bond office on the southeast corner of Elm Street and Field Street for a six-year period.
4. **Z189-340:** On January 08, 2020, City Council approved the renewal of Specific Use Permit No. 2127 for a restaurant without drive-in or drive-through service on the southwest corner of Main Street and Four Way Place for a five-year period.
5. **Z190-370:** On March 24, 2021, City Council approved the renewal of Specific Use Permit No. 2411 for an attached non-premise district activity videoboard sign near the intersection of Elm Street and South Akard Street for a six-year period.
6. **Z201-268:** An application for the renewal of Specific Use Permit No. 1755 for a videoboard sign on the northeast corner of Main Street and Four Way Place. [CPC Hearing on August 19].

7. **Z201-278:** An application for the renewal of Specific Use Permit No. 1791 for a videoboard on the southeast corner of Elm Street and North Akard Street. [Under Review]

**Thoroughfares/Streets:**

| Thoroughfare/Street | Type                   | Existing/Proposed ROW |
|---------------------|------------------------|-----------------------|
| Main Street         | Two-way Street per CBD | 80'                   |
| Commerce Street     | One-way Street per CBD | 80'                   |
| Akard Street        | Two-way Street per CBD | 50'                   |

**Traffic:**

The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and determined that it will not significantly impact the surrounding roadway system.

The applicant submitted a traffic study conducted by an independent firm. The traffic analysis concluded that the proposed sign does not significantly interfere with the effectiveness of traffic control devices within 300 feet of the sign. Engineering staff had no objection to the study's findings.

**STAFF ANALYSIS:**

**Comprehensive Plan:**

The *forwardDallas! Comprehensive Plan* was adopted by the City Council in June 2006. The *forwardDallas! Comprehensive Plan* outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

The request complies with the following land use goals and policies of the Comprehensive Plan:

**LAND USE ELEMENT**

**GOAL 1.1 ALIGN LAND USE STRATEGIES WITH ECONOMIC DEVELOPMENT PRIORITIES**

**Policy 1.1.3** Build a dynamic and expanded Downtown.

**ECONOMIC ELEMENT**

**GOAL 2.3 BUILD A DYNAMIC AND EXPANDED DOWNTOWN.**

**Policy 2.3.3** Work with property owners and stakeholders to preserve and enhance the image of Downtown Dallas.

**Policy 2.3.1** Restore Downtown Dallas as the economic and cultural heart of North Central Texas.

**URBAN DESIGN ELEMENT****GOAL 5.2 STRENGTHEN COMMUNITY AND NEIGHBORHOOD IDENTITY**

**Policy 5.2.2** Promote the character of the city's significant districts, linkages and areas.

**Videoboard Signs:****ACTIVE VIDEOBOARD SUP LIST (Updated 7/13/2021)**

| No. | SUP No.      | Location                          | Past Case No.                | Approved   | Expiration | ORD. # | Sign Installed (permit #) |
|-----|--------------|-----------------------------------|------------------------------|------------|------------|--------|---------------------------|
| 1   | <b>1755*</b> | 1407 Main St (west & east façade) | Z145-276 (Renewal)           | 9/9/2015   | 9/9/2021   | 29849  | 0910095005                |
| 2   |              |                                   |                              |            |            |        | 0910095006                |
| 3   | <b>1788</b>  | 1321 Commerce (south façade)      | Z145-277 (Renewal)           | 9/9/2015   | 9/9/2021   | 29850  | 0912305001                |
| 4   | <b>1791</b>  | 1502/1509 Main St (West façade)   | Z145-278 (Renewal)           | 9/9/2015   | 9/9/2021   | 29851  | 1104055002                |
| 5   | <b>1796</b>  | 1530-1608 Main St (north façade)  | Z189-298 (Renewal)           | 10/23/2019 | 10/23/2025 | 31367  | 1709191108                |
| 6   | <b>1957</b>  | 1700 Pacific Ave (south façade)   | Z178-123 (Renewal)           | 6/13/2018  | 6/13/2028  | 30881  | 1403311122                |
| 7   | <b>1958</b>  | 1517 Main St (south façade)       | Z178-124 (Renewal)           | 2/14/2018  | 2/14/2028  | 30781  | 1403311124                |
| 8   | <b>1959</b>  | 1302 Elm St. (north façade)       | Z178-214 (Amendment/Renewal) | 6/27/2018  | 6/27/2024  | 30919  | 2003234008                |
| 9   | <b>2005</b>  | 1015 Elm St (west façade)         | Z189-165 (Renewal)           | 4/10/2019  | 4/10/2022  | 31172  | 2009161008                |
| 10  | <b>2006</b>  | 1015 Elm St (south façade)        | Z189-164 (Renewal)           | 4/10/2019  | 4/10/2022  | 31171  | 2009161012                |
| 11  | <b>2007</b>  | 200 N Griffin St (south façade)   | Z189-148 (renewal)           | 5/22/2019  | 5/22/2025  | 31228  | 1403311118                |
| 12  | <b>2008</b>  | 1600 Commerce St (east façade)    | Z189-147 (Renewal)           | 4/10/2019  | 4/10/2025  | 31165  | 1403311114                |
| 13  | <b>2009</b>  | 1600 Commerce St (north façade)   | Z189-146 (Renewal)           | 4/10/2019  | 4/10/2025  | 31164  | 1403311109                |

| No.                          | SUP No.     | Location                   | Past Case No.      | Approved  | Expiration | ORD. # | Sign Installed (permit #) |
|------------------------------|-------------|----------------------------|--------------------|-----------|------------|--------|---------------------------|
| 14                           | <b>2302</b> | 2201 Main St (west façade) | Z178-242 (new SUP) | 9/26/2018 | 9/26/2024  | 31010  | 1912194010                |
| 15                           | <b>2411</b> | 1511 Elm Street            | Z190-370 (new SUP) | 3/24/2021 | 3/24/2027  | 31812  | -                         |
| *Includes 2 videoboard signs |             |                            |                    |           |            |        |                           |

Under Consideration by Council on October 13 for Renewal

Under Review for Renewal

### **Land Use:**

|              | Zoning   | Land Use                   |
|--------------|--|----------------------------|
| <b>Site</b>  | PD 619 (Subdistrict J), SUP 1788                     | Vacant Commercial          |
| <b>North</b> | PD 619 (Subdistrict B), SUP 1755, SUP 2127, SUP 1959 | Mixed use and multi-family |
| <b>East</b>  | PD 619 Subdistrict E and F                           | Pegasus Plaza, Hotel       |
| <b>South</b> | PD 619 Subdistrict G, H, I                           | Mixed-Use, AT&T District   |
| <b>West</b>  | PD 619 Subdistrict B                                 | Mixed-Use                  |

### **Land Use Compatibility:**

The area of request is currently developed and occupied with a historic hotel, office tower, and parking structure, with retail and restaurant uses on the ground floor. The areas to the north, south, and west are mixed use which includes a variety of uses such as hotels, restaurants, general merchandise or food stores, multi-family. West of the site is a hotel and Pegasus Plaza.

The request is for the renewal of Specific Use Permit No. 1788 which allows for an attached projecting non-premise district activity videoboard sign. The videoboard sign currently exists and is 16' x 9', protruding 9' from the building and is 15' above the sidewalk.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect

on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The regulations in this chapter have been established in accordance with a comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the city.

Section 51A-7.909(g) regulates the occupancy of buildings upon which videoboards may be attached. Videoboard signs are “only permitted on buildings with retail and personal service uses (other than commercial parking lot) or office uses occupying at least 75 percent of the leasable ground floor area and an overall building occupancy of at least 50 percent. Non-premise district activity videoboard signs are not allowed on a lot containing a commercial surface parking lot use. The director shall notify City Council of any building that falls below the occupancy requirements and fails to reestablish the occupancy requirement within 120 days. The director may waive the occupancy requirements of this subsection for up to one year if the director determines that the building or multi-building complex is currently being redeveloped. The director may revoke this waiver if redevelopment stops or is inactive for 90 days or more.” The applicant submitted an affidavit indicating the ground floor meets the requirements of Section 51A-7.909(g).

Staff supports this request after review of a traffic analysis of the videoboard signs from the past five years and because it complies with the requirements set forth in Section 51A-7.909(g). Generally, staff recommends a six-year time period for the videoboard signs in order to make sure all videoboards are consistently evaluated from a traffic safety standpoint. In order to remain consistent and assure the appropriate review takes place within adequate timeframes, staff recommends six years for this request.

### **Development Standards:**

A maximum of 15 non-premise district activity videoboard signs are permitted within the Downtown SPSPD and may only be erected on buildings with frontage on streets within the Retail Subdistrict bounded by Jackson Street, Lamar Street, Pacific Street, and Cesar Chavez Boulevard.

Non-premise district activity videoboard signs may not be placed on Pacific Avenue between Akard Street and Ervay Street. Non-premise district activity videoboard signs may not be placed on building facades facing Main Street Garden or Belo Garden.



A maximum of one non-premise district activity videoboard sign is permitted per block face. Non-premise district activity videoboard signs must have a minimum of 100 square feet in effective area and may have maximum a of 150 square feet in effective area.

Non-premise district activity videoboard signs are only permitted by SUP.

Projecting non-premise activity videoboard signs:

- must have a vertical orientation with height exceeding the width at a minimum of 16:9 width-to-height ratio;
- may project a maximum of 12 feet into the right-of-way;
- must have a minimum clearance of 15 feet above the sidewalk and a maximum clearance of 35 feet above the sidewalk; and
- must have video displays on both sides of the sign.

All videoboard signs:

- must contain a default mechanism that freezes the image in one position in case of malfunction;
- must automatically adjust the sign brightness based on natural ambient light conditions in compliance with the following formula:
  - the ambient light level measure in luxes, divided by 256 and then rounded down to the nearest whole number, equals the dimming level; then
  - the dimming level, multiplied by .0039 equal the brightness level; then
  - the brightness level, multiplied by the maximum brightness of the specific sign measured in nits, equals the allowed brightness, measured in nits;
- must be turned off between 1:00 a.m. and 7:00 a.m. Monday through Friday and 2:00 a.m. and 8:00 a.m. on Saturday and Sunday; and
- may not display light of such intensity or brilliance to cause glare, impair the vision of an ordinary driver, or constitute a nuisance.

Non-premise district activity videoboard signs:

- must have a full color display able to display a minimum of 281 trillion color shades; and
- must be able to display a high-quality image with a minimum resolution equivalent to 19mm maximum pixel size.

Changes of message must comply with the following:

- Each message must be displayed for a minimum of eight seconds;
- Changes of message must be accomplished within two seconds;
- Changes of message must occur simultaneously on the entire sign face; and

No flashing, dimming, or brightening of message is permitted except to accommodate changes of message

**Landscaping:**

The Dallas Development Code does not require any landscaping for videoboard signs in addition to the requirements applicable to the base use on the site.

**Parking:**

The Dallas Development Code does not require any parking spaces for videoboard signs in addition to the requirements applicable to the base use on the site.

**Market Value Analysis:**

Market Value Analysis (MVA), is a tool to aid residents and policy-makers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to more precisely target intervention strategies in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets (A through C) to orange, representing the weakest markets (G through I). The area of request is not in an MVA cluster. The area north and west of the site is an "E" MVA cluster.

**List of Partners/Principals/Officers**

**Applicant Officers**

Jeremy Male, CEO  
Richard Sauer, Executive Vice President and General Counsel  
Clive Punter, Executive Vice President  
Jodi Senese, Chief Marketing Officer  
Matthew Siegel CFO and Director  
George Wood, Director  
Zack Danielson, General Manger

**Owner Officers – RBP Adolphus LLC**

James Merkel, President  
Kenneth Krebs, Vice President & Secretary  
John Haymes, Treasurer

**Owner Officers – Apal LLC**

Alfred Salazar, Member  
Robert Thayer, Member  
Edward Germann, Member  
WKLC Financial, Member  
TJ Mancuso, Member  
Sara Dysart, Registered Agent

**Owner Officers – 1412 Main Street LLC**

FAQ Holdings Inc, Member  
Monir Khan, Registered Agent  
Julie Powell, Manager

**CPC ACTION**  
**August 19, 2021**

**Motion:** It was moved to recommend **approval** of the renewal of Specific Use Permit 1788 for an attached projecting non-premise district activity videoboard sign for a six-year period, subject to staff's recommended conditions on property zoned Planned Development District No. 619, with H/36 Adolphus Historic District overlay, on the south line of Main Street, east of South Field Street.

Maker: Garcia  
Second: Schwope  
Result: Carried: 10 to 0

For: 10 - MacGregor, Hampton, Stinson, Shidid,  
Carpenter, Jackson, Suhler, Schwope, Murphy,  
Garcia

Against: 0  
Absent: 3 - Johnson, Blair, Rubin  
Vacancy: 1 - District 10  
Conflict: 1 - Jung\*\*

\*\*out of the room, when vote taken

**Notices:** Area: 300 Mailed: 280  
**Replies:** For: 1 Against: 0

**Speakers:** For: Luke Franz, 2323 Ross Ave., Dallas, TX, 75201  
For (Did not speak): Zack Danielson, 1201 Main St., Dallas, TX, 75202  
Suzan Kedron, 2323 Ross Ave., Dallas, TX, 75201  
Against: None

### **CPC RECOMMENDED SUP CONDITIONS**

USE: The only use authorized by this specific use permit is an attached projecting non-premise district activity videoboard sign.

SITE PLAN: Use and development of the Property must comply with the attached site plan and elevation.

#### **CPC Recommendation:**

|   |
|---|
| <p><u>TIME LIMIT:</u> This specific use permit expires on <del>September 9, 2021</del> _____ [six-year period from the passage of this ordinance]</p> |
|---|

#### **Applicant's Request:**

|   |
|---|
| <p><u>TIME LIMIT:</u> This specific use permit expires on <del>September 9, 2021</del> _____ [five-year period from the passage of this ordinance, but is eligible for automatic renewal for additional five-year periods pursuant to Section 51A-4.219 of Chapter 51A of the Dallas City Code, as amended. For automatic renewal to occur, the Property owner must file a complete application for automatic renewal with the director before the expiration of the current period. Failure to timely file a complete application will render this specific use permit ineligible for automatic renewal. (Note: The Code currently provides that applications for automatic renewal must be filed after the 180th but before the 120th day before the expiration of the current specific use permit period. The Property owner is responsible for checking the Code for possible revisions to this provision. The deadline for applications for automatic renewal is strictly enforced.)].</p> |
|---|

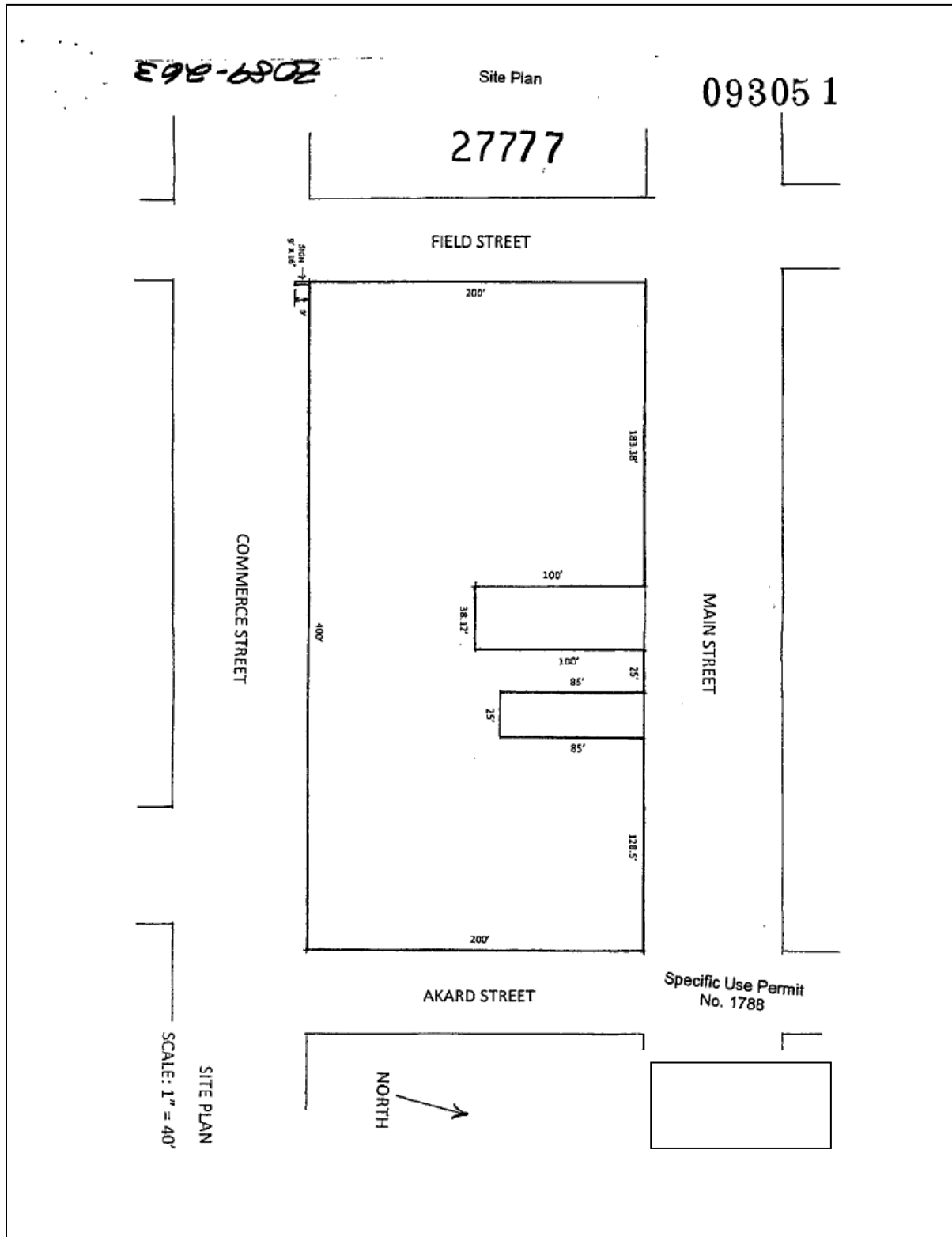
DIMENSIONS: The maximum vertical length of the sign is 16 feet as shown on the attached elevation.

SIZE: The sign is limited to a maximum effective area of 144 square feet as shown on the attached site plan and elevation.

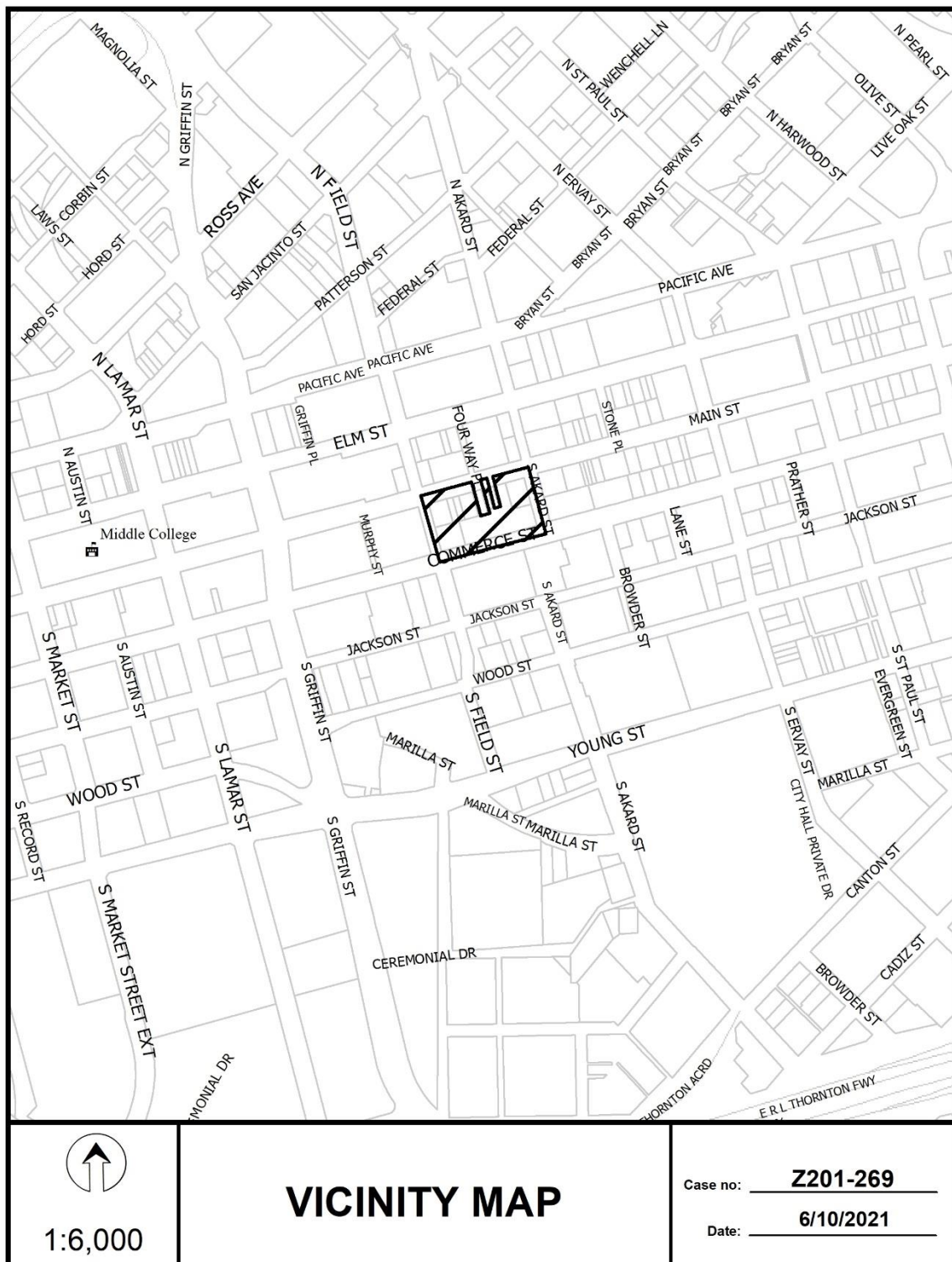
MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.

GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas. The sign must comply with Sections 51A-7.909 and 51A-7.910 of the Dallas Development Code.

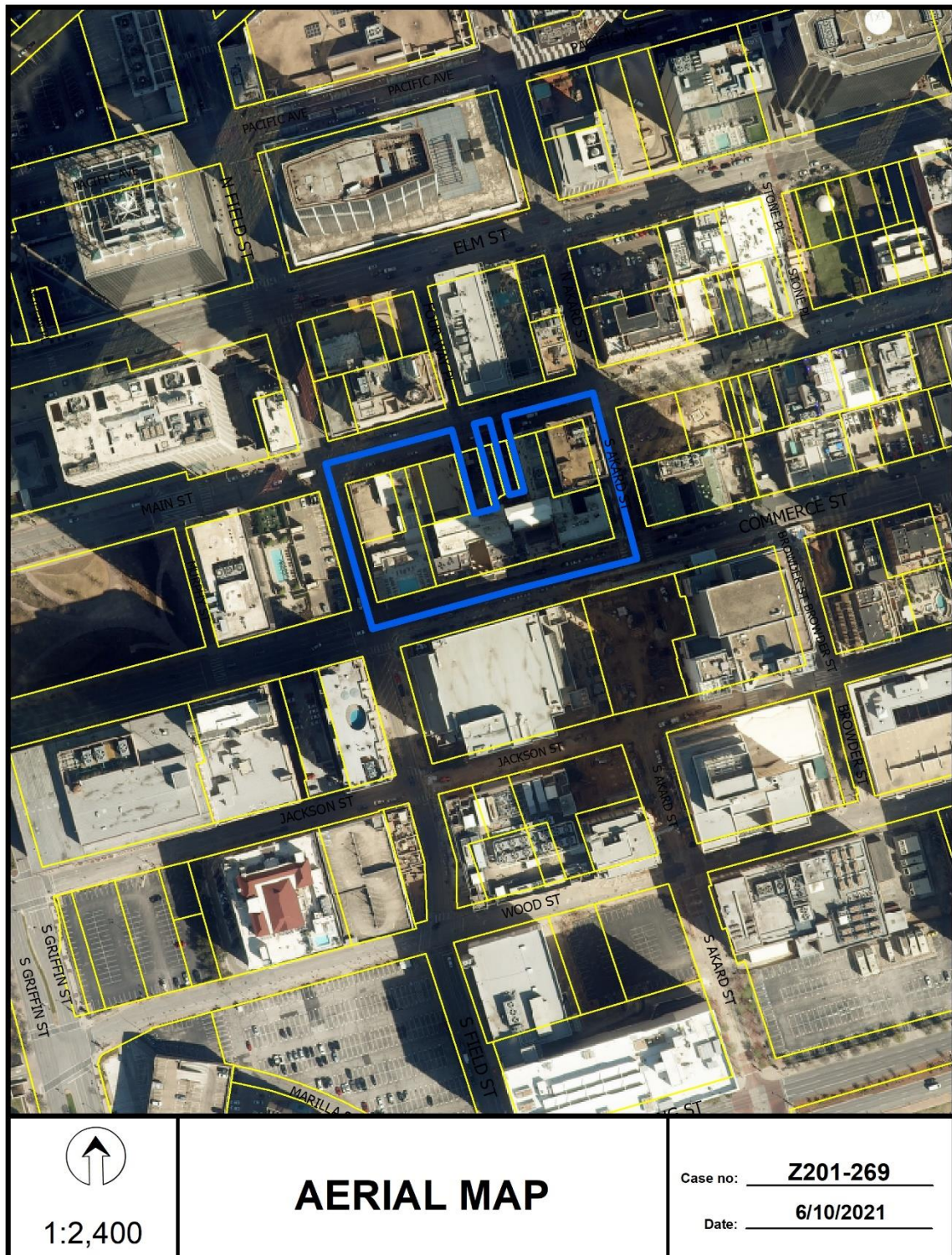
EXISTING SITE PLAN (No Changes)



Z201-269(KC)

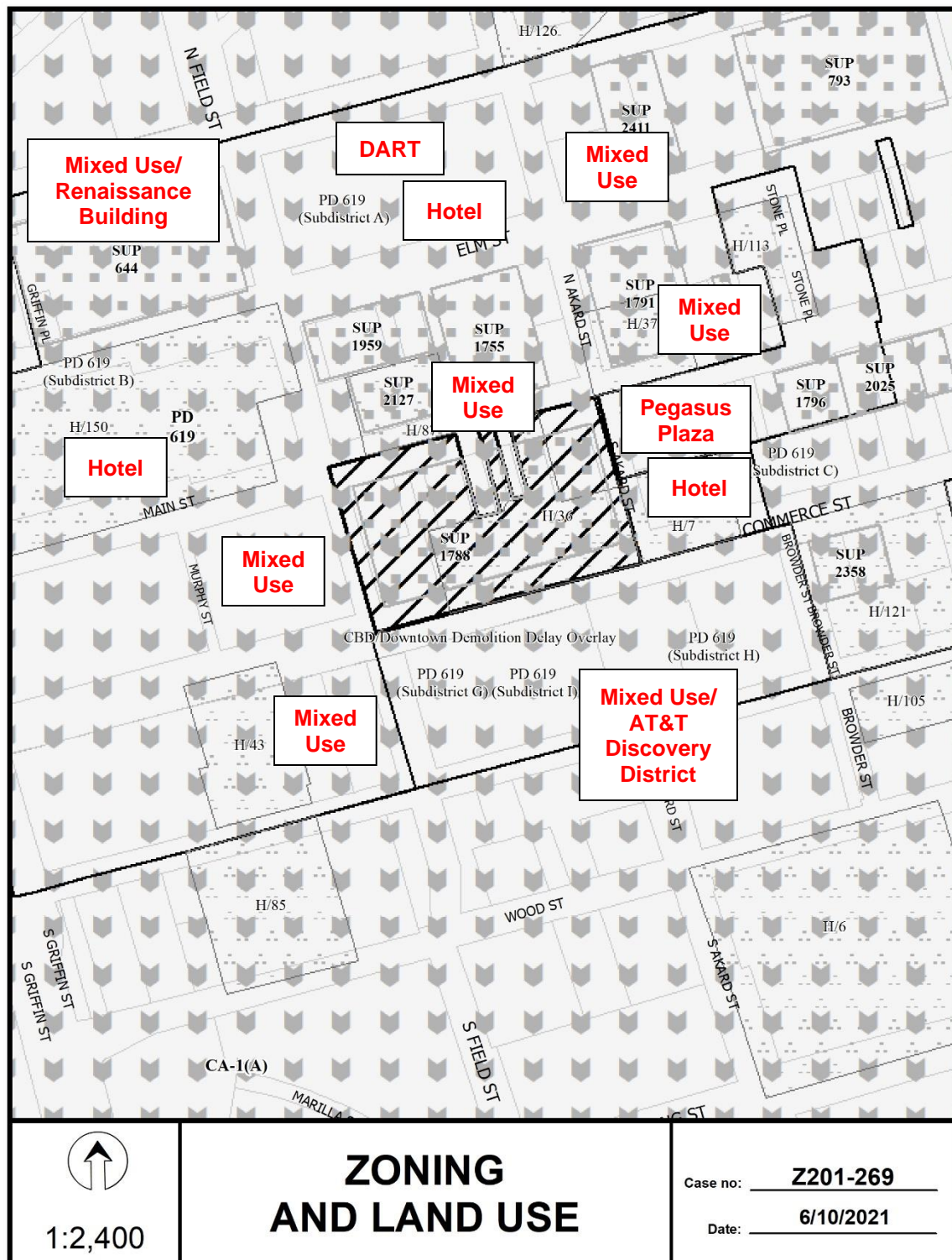




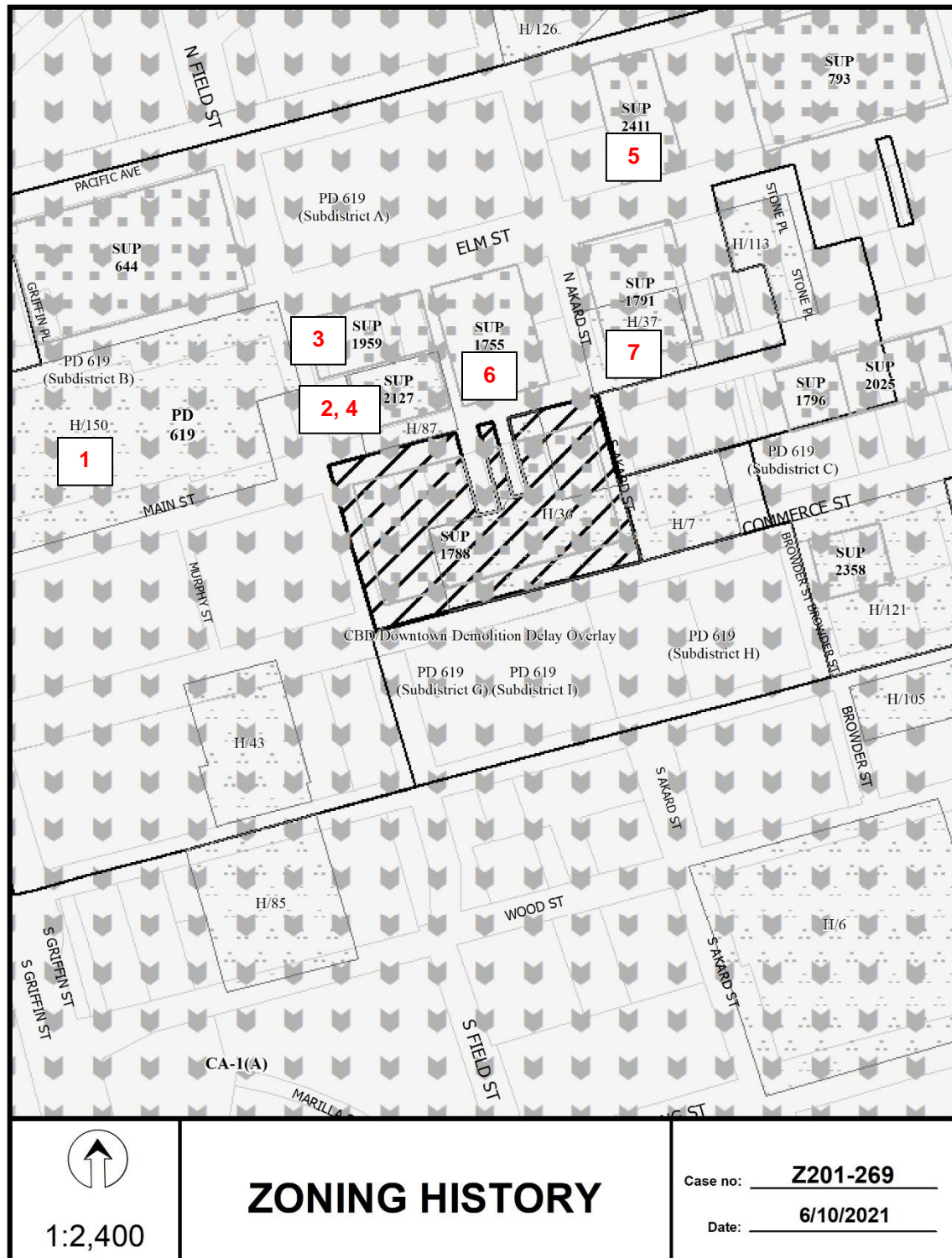


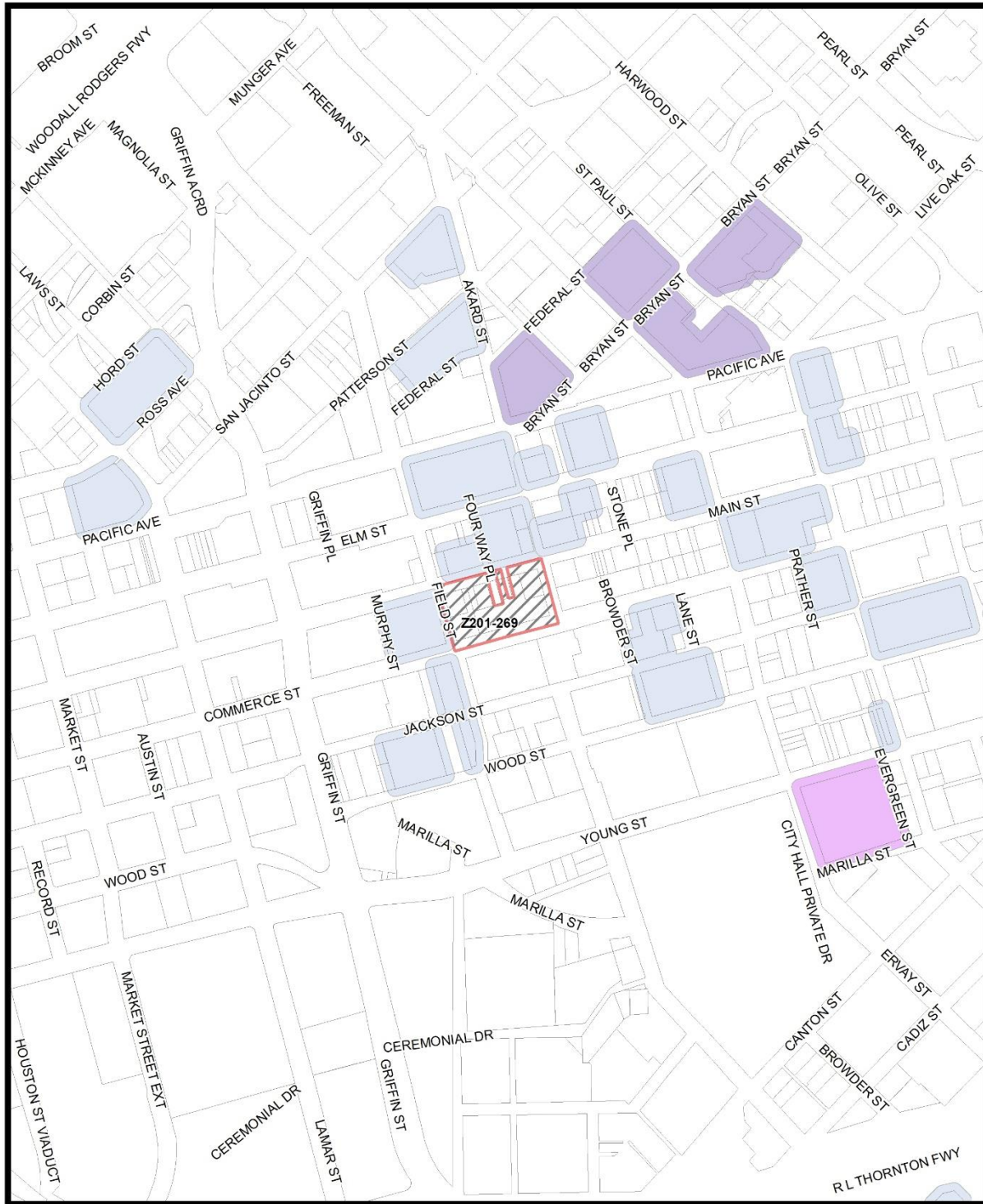












**Market Value Analysis** A B C D E F G H I NA



## Market Value Analysis

Printed Date: 6/10/2021

CPC RESPONSES



08/18/2021

***Reply List of Property Owners******Z201-269******280 Property Owners Notified******1 Property Owners in Favor******0 Property Owners Opposed***

| <b><i>Reply</i></b> | <b><i>Label #</i></b> | <b><i>Address</i></b> | <b><i>Owner</i></b>         |
|---------------------|-----------------------|-----------------------|-----------------------------|
|                     | 1                     | 1400 MAIN ST          | RBP ADOLPHUS LLC            |
|                     | 2                     | 1404 MAIN ST          | APAL CO LLC                 |
|                     | 3                     | 1412 MAIN ST          | 1412 MAIN STREET LLC        |
|                     | 4                     | 1300 MAIN ST          | RBP ADOLPHUS LLC            |
|                     | 5                     | 1402 MAIN ST          | APAL LLC                    |
|                     | 6                     | 1306 MAIN ST          | RBP ADOLPHUS LLC            |
|                     | 7                     | 1315 COMMERCE ST      | RBP ADOLPHUS LLC            |
|                     | 8                     | 1208 COMMERCE ST      | DAVIS MRS HELEN BOUCHE      |
|                     | 9                     | 1201 JACKSON ST       | U S A VETERANS ADM          |
|                     | 10                    | 1212 JACKSON ST       | SOUTHWESTERN BELL           |
|                     | 11                    | 1302 ELM ST           | Taxpayer at                 |
|                     | 12                    | 1302 ELM ST           | ROBERTS GEORGE N ET AL      |
|                     | 13                    | 1301 MAIN ST          | TANGO PROPERTIES LLC        |
|                     | 14                    | 1309 MAIN ST          | DAVIS 1309 MAIN LLC         |
|                     | 15                    | 1217 MAIN ST          | 1217 MAIN LLC               |
|                     | 16                    | 1208 COMMERCE ST      | MANOR HOUSE GARDENS LLC &   |
|                     | 17                    | 211 S AKARD ST        | SOUTHWESTERN BELL           |
|                     | 18                    | 1312 JACKSON ST       | SOUTHWESTERN BELL           |
|                     | 19                    | 301 S AKARD ST        | SOUTHWESTERN BELL           |
|                     | 20                    | 1521 MAIN ST          | SJC RC                      |
|                     | 21                    | 1519 MAIN ST          | 1519 MAIN PROPERTY LP       |
|                     | 22                    | 1515 MAIN ST          | LEGAL AID OF NORTHWEST TE   |
|                     | 23                    | 1401 COMMERCE ST      | HOLTZE MAGNOLIA LLLP        |
|                     | 24                    | 208 S AKARD ST        | SOUTHWESTERN BELL TELEPHONE |
|                     | 25                    | 1400 JACKSON ST       | SOUTHWESTERN BELL           |
|                     | 26                    | 208 S AKARD ST        | WHITACRE TOWER HOLDINGS LP  |



# Z201-269(KC)

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i>   | <i>Owner</i>                 |
|--------------|----------------|------------------|------------------------------|
| O            | 27             | 1500 COMMERCE ST | DPL LAND LLC                 |
|              | 28             | 1300 ELM ST      | Taxpayer at                  |
|              | 29             | 1502 ELM ST      | KIRBY APARTMENTS LP THE      |
|              | 30             | 1514 ELM ST      | MID ELM LP                   |
|              | 31             | 1501 COMMERCE ST | 1600 MAIN STREET HOLDINGS LP |
|              | 32             | 1530 MAIN ST     | DUNHILL 1530 MAIN LP         |
|              | 33             | 1414 ELM ST      | LICGF DALLAS LOFTS INC       |
|              | 34             | 1407 MAIN ST     | LICGF DALLAS LOFTS INC       |
|              | 35             | 1407 MAIN ST     | DRED PROPERTIES LTD          |
|              | 36             | 1407 MAIN ST     | DCAR PROPERTIES LTD          |
|              | 37             | 1306 ELM ST      | Taxpayer at                  |
|              | 38             | 1517 MAIN ST     | Taxpayer at                  |
|              | 39             | 1520 MAIN ST     | Taxpayer at                  |
|              | 40             | 1200 MAIN ST     | TINSLEY GARY A               |
|              | 41             | 1200 MAIN ST     | ALEXANDER KARA               |
|              | 42             | 1200 MAIN ST     | FONTENOT TOMMY JAMES         |
|              | 43             | 1200 MAIN ST     | RAFF GEORGE JR               |
|              | 44             | 1200 MAIN ST     | SMITH DANIEL E & HERMA A     |
|              | 45             | 1200 MAIN ST     | FONK ANTHONY N & KATHRYN L   |
|              | 46             | 1200 MAIN ST     | FREEMAN SCOTT                |
|              | 47             | 1200 MAIN ST     | EADS LORI A                  |
|              | 48             | 1200 MAIN ST     | JUAREZ GERARDO               |
|              | 49             | 1200 MAIN ST     | KIRKLAND MYRA EDITH &        |
|              | 50             | 1200 MAIN ST     | AMONGKOL JITTADA KITTY       |
|              | 51             | 1200 MAIN ST     | HART STANLEY L &             |
|              | 52             | 1200 MAIN ST     | SMITH SHERIA D               |
|              | 53             | 1200 MAIN ST     | SULLIVAN COLLIN &            |
|              | 54             | 1200 MAIN ST     | SANADI NISAR & THU NGUYET    |
|              | 55             | 1200 MAIN ST     | CARPENTER ROBIN N            |
|              | 56             | 1200 MAIN ST     | MASTAGLIO LINDA R            |
|              | 57             | 1200 MAIN ST     | LOPEZ DENNIS A               |

## Z201-269(KC)

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>                 |
|--------------|----------------|----------------|------------------------------|
|              | 58             | 1200 MAIN ST   | BELL DAVID C & RACHEL L      |
|              | 59             | 1200 MAIN ST   | MIDLAND TRUST CO &           |
|              | 60             | 1200 MAIN ST   | PERRI ANTHONY J &            |
|              | 61             | 1200 MAIN ST   | KANTELADZE ANNA &            |
|              | 62             | 1200 MAIN ST   | FAYE WILLIS DESIGNS INC      |
|              | 63             | 1200 MAIN ST   | BAGARIA SAPNA & SURESH       |
|              | 64             | 1200 MAIN ST   | PARKER MARK GRAHAM           |
|              | 65             | 1200 MAIN ST   | NEMES SONY SHAI              |
|              | 66             | 1200 MAIN ST   | RAO SHASHANK A &             |
|              | 67             | 1200 MAIN ST   | CHATTERJEE ARUNABHA          |
|              | 68             | 1200 MAIN ST   | CRIST EUGENE SCOTT           |
|              | 69             | 1200 MAIN ST   | SALVANT WAYNE                |
|              | 70             | 1200 MAIN ST   | DASH PRIYARANJAN &           |
|              | 71             | 1200 MAIN ST   | ROSALERTZ LLC                |
|              | 72             | 1200 MAIN ST   | CUEVAS ISRAEL F              |
|              | 73             | 1200 MAIN ST   | EDWARDS JAMES & BARBARA      |
|              | 74             | 1200 MAIN ST   | NORRED J WESLEY III          |
|              | 75             | 1200 MAIN ST   | JIA YUEMENG                  |
|              | 76             | 1200 MAIN ST   | BIERMAN SYDNEY GRACE         |
|              | 77             | 1200 MAIN ST   | FANNING MICHAEL JAMES        |
|              | 78             | 1200 MAIN ST   | ADAMS WILHELMINA J           |
|              | 79             | 1200 MAIN ST   | COMBS DAMETIA                |
|              | 80             | 1200 MAIN ST   | ALCANTARA PEDRO              |
|              | 81             | 1200 MAIN ST   | WREN JAMES DONALD            |
|              | 82             | 1200 MAIN ST   | BAKER WILLIAM H III          |
|              | 83             | 1200 MAIN ST   | SZABALA SARA &               |
|              | 84             | 1200 MAIN ST   | PAPA RODINO CHRISTOPHER CRUZ |
|              | 85             | 1200 MAIN ST   | HUGHES CYNTHIA M             |
|              | 86             | 1200 MAIN ST   | BLACK PAUL                   |
|              | 87             | 1200 MAIN ST   | HAQUE NAZ &                  |
|              | 88             | 1200 MAIN ST   | ALMOHSEN MUQDAD              |



## Z201-269(KC)

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>                        |
|--------------|----------------|----------------|-------------------------------------|
|              | 89             | 1200 MAIN ST   | LINDSAY HAWNIE                      |
|              | 90             | 1200 MAIN ST   | CHANEY GARY WAYNE 1992 FAMILY TRUST |
|              | 91             | 1200 MAIN ST   | NGUYEN MICHAEL                      |
|              | 92             | 1200 MAIN ST   | DU YALI                             |
|              | 93             | 1200 MAIN ST   | PATOINE TERESA SUSAN                |
|              | 94             | 1200 MAIN ST   | SAIED ANNA M                        |
|              | 95             | 1200 MAIN ST   | CANON JOSEPH & ELIZABETH            |
|              | 96             | 1200 MAIN ST   | DEMPSEY MICHAEL THOMAS              |
|              | 97             | 1200 MAIN ST   | HARRIS KENDRICK LASALLE             |
|              | 98             | 1200 MAIN ST   | KIRBY JOSEPH                        |
|              | 99             | 1200 MAIN ST   | PATEL JAYSHREE &                    |
|              | 100            | 1200 MAIN ST   | NEMA REALTY GROUP LLC               |
|              | 101            | 1200 MAIN ST   | ELLER TOM J & ROBYN                 |
|              | 102            | 1200 MAIN ST   | THOMAS CHRISTOPHER                  |
|              | 103            | 1200 MAIN ST   | RODRIGUEZ JOSE A                    |
|              | 104            | 1200 MAIN ST   | SALEEM ADEEL                        |
|              | 105            | 1200 MAIN ST   | ANTAO RYAN TRISTEN                  |
|              | 106            | 1200 MAIN ST   | MOBLEY HENRY B JR                   |
|              | 107            | 1200 MAIN ST   | GAGE SERGEI                         |
|              | 108            | 1200 MAIN ST   | GHODSI YEGANEH &                    |
|              | 109            | 1200 MAIN ST   | HOFFMAN YOLANDA & JAMES             |
|              | 110            | 1200 MAIN ST   | IPPOLITO MARTA                      |
|              | 111            | 1200 MAIN ST   | CIN ALBERTO DAL                     |
|              | 112            | 1200 MAIN ST   | BROWN GLENN ALAN                    |
|              | 113            | 1200 MAIN ST   | ROMERO GERALD & LOURDES             |
|              | 114            | 1200 MAIN ST   | BEANEY STEVEN LEE                   |
|              | 115            | 1200 MAIN ST   | SCARBOROUGH DONALD D                |
|              | 116            | 1200 MAIN ST   | YASSIN RONY                         |
|              | 117            | 1200 MAIN ST   | LUMME DONALD GUY JR                 |
|              | 118            | 1200 MAIN ST   | XIE JIMIN                           |
|              | 119            | 1200 MAIN ST   | DOMINGUEZ JOSE R                    |

## Z201-269(KC)

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>                     |
|--------------|----------------|----------------|----------------------------------|
|              | 120            | 1200 MAIN ST   | PURNELL KENNETH                  |
|              | 121            | 1200 MAIN ST   | BYRD CAMERON                     |
|              | 122            | 1200 MAIN ST   | MA MAU & JUYEI                   |
|              | 123            | 1200 MAIN ST   | AVILA DAPHNE C                   |
|              | 124            | 1200 MAIN ST   | MITCHELL CATHERINE MARIE &       |
|              | 125            | 1200 MAIN ST   | MADDERRA RHONDA & FARON          |
|              | 126            | 1200 MAIN ST   | CRAIG TERRY E &                  |
|              | 127            | 1200 MAIN ST   | ROMIG RANDALL                    |
|              | 128            | 1200 MAIN ST   | BRAUM EARL E JR                  |
|              | 129            | 1200 MAIN ST   | TAUSCH JOHANNES &                |
|              | 130            | 1200 MAIN ST   | MORAIS JUSTIN                    |
|              | 131            | 1200 MAIN ST   | MATHEWS AMIT &                   |
|              | 132            | 1200 MAIN ST   | MCCANS WILLIAM                   |
|              | 133            | 1200 MAIN ST   | LOPEZ ADAN FRANCISCO             |
|              | 134            | 1200 MAIN ST   | JUDAH JOHN K                     |
|              | 135            | 1200 MAIN ST   | HANNA IHAB                       |
|              | 136            | 1200 MAIN ST   | MORENO KRISTINE M                |
|              | 137            | 1200 MAIN ST   | BAKER ARIANNE &                  |
|              | 138            | 1200 MAIN ST   | MOORE ROBERT W                   |
|              | 139            | 1200 MAIN ST   | DIPENTI CARMEN                   |
|              | 140            | 1200 MAIN ST   | BOSE RANAVIR & SARMILA           |
|              | 141            | 1200 MAIN ST   | FUNG DAVID KARL & KATHY LEE FUNG |
|              | 142            | 1200 MAIN ST   | FLORES GEORGINA E                |
|              | 143            | 1200 MAIN ST   | MAS GRACIE &                     |
|              | 144            | 1200 MAIN ST   | JC GOODMAN INVESTMENT GROUP INC  |
|              | 145            | 1200 MAIN ST   | MICHULKA GEORGE &                |
|              | 146            | 1200 MAIN ST   | BYRUM TADD A &                   |
|              | 147            | 1200 MAIN ST   | HUTCHINSON ANDREW F II           |
|              | 148            | 1200 MAIN ST   | BRISTOW PAUL & YOLANDA           |
|              | 149            | 1200 MAIN ST   | SUTTONDEABREU ILA I              |
|              | 150            | 1200 MAIN ST   | BENTLEY BRIAN D                  |

## Z201-269(KC)

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>                 |
|--------------|----------------|----------------|------------------------------|
|              | 151            | 1200 MAIN ST   | CLARK CHRISTIAN              |
|              | 152            | 1200 MAIN ST   | DAIYA NAMRATA                |
|              | 153            | 1200 MAIN ST   | HILGENDORF ANDREW R &        |
|              | 154            | 1200 MAIN ST   | SALVANT WAYNE F &            |
|              | 155            | 1200 MAIN ST   | ENGEL DAVID EISAIAH          |
|              | 156            | 1200 MAIN ST   | HIBSID 1 LLC                 |
|              | 157            | 1200 MAIN ST   | QUARTOS VACA LLC             |
|              | 158            | 1200 MAIN ST   | GILL FAMILY TRUST            |
|              | 159            | 1200 MAIN ST   | BRYANT CHRIS                 |
|              | 160            | 1200 MAIN ST   | KISHORE GAUTAM S & SHEETAL S |
|              | 161            | 1200 MAIN ST   | KLAMM CYNTHIA B &            |
|              | 162            | 1200 MAIN ST   | ADDESO CAROL J & ROBERT P    |
|              | 163            | 1200 MAIN ST   | JACKSON CAROL                |
|              | 164            | 1200 MAIN ST   | MCCONNELL KIMBERLI           |
|              | 165            | 1200 MAIN ST   |                              |
|              | 166            | 1200 MAIN ST   | JONES COREY A                |
|              | 167            | 1200 MAIN ST   | POLANCO PAUL                 |
|              | 168            | 1200 MAIN ST   | DAMANI ANIRUDH A             |
|              | 169            | 1200 MAIN ST   | DOCKTER BRYAN                |
|              | 170            | 1200 MAIN ST   | UNDERHILL JAMES S            |
|              | 171            | 1200 MAIN ST   | MELONI GABRIELE &            |
|              | 172            | 1200 MAIN ST   | DEAR CORY & CLARK MEREDITH   |
|              | 173            | 1200 MAIN ST   | DUMENE RICHARD L & NICOLE A  |
|              | 174            | 1200 MAIN ST   | STROTHMAN RHONDA K           |
|              | 175            | 1200 MAIN ST   | SMITH DALHAJI                |
|              | 176            | 1200 MAIN ST   | BROWNELL SUSAN K &           |
|              | 177            | 1200 MAIN ST   | LANCASTER PHILLIP GEOFFREY & |
|              | 178            | 1200 MAIN ST   | HARDIN LAURA C & KELLY C     |
|              | 179            | 1200 MAIN ST   | LESTER MARY C                |
|              | 180            | 1200 MAIN ST   | LIN MILO M &                 |
|              | 181            | 1200 MAIN ST   | GARNER SUSAN                 |

## Z201-269(KC)

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>                  |
|--------------|----------------|----------------|-------------------------------|
|              | 182            | 1200 MAIN ST   | MOORE ROBERT W                |
|              | 183            | 1200 MAIN ST   | CHAFFIN LYNDAL A              |
|              | 184            | 1200 MAIN ST   | VIRANI ASIF                   |
|              | 185            | 1200 MAIN ST   | PRIBADI LILIANA               |
|              | 186            | 1200 MAIN ST   | XIE JIMIN & WEIYAN JEANNE LI  |
|              | 187            | 1200 MAIN ST   | JHAVERI SATYEN DHIREN         |
|              | 188            | 1200 MAIN ST   | GODOY DULCE MARIA RIVAS       |
|              | 189            | 1200 MAIN ST   | BHAGAT SALMAN JUMA &          |
|              | 190            | 1200 MAIN ST   | ZOLLER ROBERT W               |
|              | 191            | 1200 MAIN ST   | KOERBER ELLEN &               |
|              | 192            | 1200 MAIN ST   | GREENSTREET TROY A            |
|              | 193            | 1200 MAIN ST   | RICHARDS GILL & ELIZABETH ANN |
|              | 194            | 1200 MAIN ST   | VALENTIS VENTURES LLC         |
|              | 195            | 1200 MAIN ST   | NATHAL JULIO                  |
|              | 196            | 1200 MAIN ST   | NGUYEN MICHAEL                |
|              | 197            | 1200 MAIN ST   | VERITY ANDREW                 |
|              | 198            | 1200 MAIN ST   | BEATS JAMES & ANAMARIA        |
|              | 199            | 1200 MAIN ST   | ROMERO ROBERT R &             |
|              | 200            | 1200 MAIN ST   | HAYES MONIQUE C               |
|              | 201            | 1200 MAIN ST   | TINSLEY GARY A                |
|              | 202            | 1200 MAIN ST   | HAGLER TRENT L                |
|              | 203            | 1200 MAIN ST   | JONES CLEVELAND JR            |
|              | 204            | 1200 MAIN ST   | RASH MADALYN                  |
|              | 205            | 1200 MAIN ST   | FLANAGAN MICHAEL              |
|              | 206            | 1200 MAIN ST   | OLTMAN GREGG                  |
|              | 207            | 1200 MAIN ST   | WILSON TAYLOR V &             |
|              | 208            | 1200 MAIN ST   | FICKEL MATTHEW & MARY BETH    |
|              | 209            | 1200 MAIN ST   | SHAFFNER GLORIA               |
|              | 210            | 1200 MAIN ST   | GOLNABI NEIMA                 |
|              | 211            | 1200 MAIN ST   | CAMPBELL W DONALD &           |
|              | 212            | 1200 MAIN ST   | COLMENERO MANUEL &            |

## Z201-269(KC)

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>                      |
|--------------|----------------|----------------|-----------------------------------|
|              | 213            | 1200 MAIN ST   | MCCLAIN JONI L MD FAMILY TRUST    |
|              | 214            | 1200 MAIN ST   | NAZARUK ALEKSANDER                |
|              | 215            | 1200 MAIN ST   | YING FAMILY TRUST                 |
|              | 216            | 1200 MAIN ST   | NGUYEN ERIC                       |
|              | 217            | 1200 MAIN ST   | KHOURY BEN                        |
|              | 218            | 1200 MAIN ST   | BODLEY GABRIELLE                  |
|              | 219            | 1200 MAIN ST   | MCPHERSON KAREN DURELLE           |
|              | 220            | 1200 MAIN ST   | WILSON GLEN TAYLOR &              |
|              | 221            | 1200 MAIN ST   | HARDIN LAURA & KELLY C            |
|              | 222            | 1200 MAIN ST   | SOLITARE RICHARD & JEANNE         |
|              | 223            | 1200 MAIN ST   | GRANT JASON A & MARIA             |
|              | 224            | 1200 MAIN ST   | PIERCE KEVIN G                    |
|              | 225            | 1200 MAIN ST   | WEINSTEIN PAUL D                  |
|              | 226            | 1200 MAIN ST   | POWERS A MARKS                    |
|              | 227            | 1200 MAIN ST   | WERLE LESLEY                      |
|              | 228            | 1200 MAIN ST   | BERMAN DANIEL                     |
|              | 229            | 1200 MAIN ST   | PERRI VINEYARDS & REAL ESTATE     |
|              | 230            | 1200 MAIN ST   | RANDOLPH HEATHER ELAINE &         |
|              | 231            | 1200 MAIN ST   | KNIFE LUTHER DASSON III           |
|              | 232            | 1200 MAIN ST   | LOPEZ MARCO A & ISABEL            |
|              | 233            | 1200 MAIN ST   | CURTIS TRENT P                    |
|              | 234            | 1200 MAIN ST   | BASH DAMIEN                       |
|              | 235            | 1200 MAIN ST   | MIRO VIKTOR                       |
|              | 236            | 1200 MAIN ST   | FIELDS FOSTER LAND TRUST          |
|              | 237            | 1200 MAIN ST   | SHIPP RONALD B                    |
|              | 238            | 1200 MAIN ST   | ALCANTARA PEDRO                   |
|              | 239            | 1200 MAIN ST   | COX JOHN VERNON TR & GAY GAYLE TR |
|              | 240            | 1200 MAIN ST   | COX JOHN VERNON TR &              |
|              | 241            | 1200 MAIN ST   | SMITH LAURA                       |
|              | 242            | 1200 MAIN ST   | MAHDAVI ARAD                      |
|              | 243            | 1200 MAIN ST   | ONU ADISA M                       |

## Z201-269(KC)

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i>  | <i>Owner</i>                         |
|--------------|----------------|-----------------|--------------------------------------|
|              | 244            | 1200 MAIN ST    | OQUIN RUTH                           |
|              | 245            | 1200 MAIN ST    | MAYORGA LUIS A                       |
|              | 246            | 1200 MAIN ST    | MUSABASIC MEMSUD                     |
|              | 247            | 1200 MAIN ST    | GILMAN ALEX                          |
|              | 248            | 1200 MAIN ST    | MOTGI GURUBASAPPA V & SHASHI R MOTGI |
|              | 249            | 1200 MAIN ST    | SARDARABADI ABDOL M &                |
|              | 250            | 1200 MAIN ST    | KIRBY JOSEPH                         |
|              | 251            | 1200 MAIN ST    | KIRBY JOSEPH KING                    |
|              | 252            | 1200 MAIN ST    | WATTS FAMILY TRUST                   |
|              | 253            | 1200 MAIN ST    | KORNEGAY FAMILY TRUST                |
|              | 254            | 1200 MAIN ST    | TRAMMELL DUANE &                     |
|              | 255            | 1200 MAIN ST    | DUNCAN ROBERT J &                    |
|              | 256            | 1200 MAIN ST    | JHAVERI SATYEN DHIREN                |
|              | 257            | 1200 MAIN ST    | TAING RAKSA SHAWN                    |
|              | 258            | 1200 MAIN ST    | REAGANS KIMBERLY                     |
|              | 259            | 1200 MAIN ST    | KRISHNA SHAILENDRA &                 |
|              | 260            | 1200 MAIN ST    | PONZIO JOHN &                        |
|              | 261            | 1200 MAIN ST    | NAGAPPA PRAKASH &                    |
|              | 262            | 1200 MAIN ST    | HERNDON CYNTHIA A                    |
|              | 263            | 1200 MAIN ST    | PERRI VINEYARDS &                    |
|              | 264            | 1200 MAIN ST    | GARCIA CASSANDRA                     |
|              | 265            | 1200 MAIN ST    | PATEL JAYSHREE & SANJAY              |
|              | 266            | 1200 MAIN ST    | ANTEE CHRISTINE R                    |
|              | 267            | 1200 MAIN ST    | WILKINSON EARL J                     |
|              | 268            | 1200 MAIN ST    | CALDWELL ROGER W & KIMBERLY S        |
|              | 269            | 1200 MAIN ST    | BELGAUM LLC                          |
|              | 270            | 1201 MAIN ST    | ONE MAIN PLACE HOTEL LLC             |
|              | 271            | 1201 MAIN ST    | ONE MAIN PLACE OFFICE LLC            |
|              | 272            | 1300 JACKSON ST | KING STONE PROPERTY LLC              |
|              | 273            | 1300 JACKSON ST | CARROLL MICHAEL T                    |
|              | 274            | 1300 JACKSON ST | BINDLER MARA JILL                    |

## Z201-269(KC)

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i>  | <i>Owner</i>          |
|--------------|----------------|-----------------|-----------------------|
|              | 275            | 1300 JACKSON ST | BRAZZEL ZACHARY L     |
|              | 276            | 1300 JACKSON ST | ADAMS NATHANIEL &     |
|              | 277            | 1300 JACKSON ST | LANDESBERG STEVEN R   |
|              | 278            | 1300 JACKSON ST | KOLANDER KAMELA       |
|              | 279            | 1300 JACKSON ST | VICTOR E BALLAS LLC & |
|              | 280            | 1300 JACKSON ST | GONZALEZ FRANCISCO    |



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1858

**Item #:** Z11.

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** 3  
**DEPARTMENT:** Department of Planning and Urban Design  
**EXECUTIVE:** Dr. Eric A. Johnson

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### **SUBJECT**

A public hearing to receive comments regarding an application for and an ordinance granting an amendment to Specific Use Permit No. 472 for a college, university, or seminary to be used as a junior college on property zoned R-7.5(A) Single Family District, at the southeast corner of Keeneland Parkway and Duncanville Road

Recommendation of Staff and CPC: Approval, subject to a revised site plan and conditions  
Z201-274(LG)



**FILE NUMBER:** Z201-274(LG) **DATE FILED:** June 10, 2021  
**LOCATION:** Southeast corner of Keeneland Parkway and Duncanville Road  
**COUNCIL DISTRICT:** 3 **MAPSCO:** 52 Q  
**SIZE OF REQUEST:** ±195.451 acres **CENSUS TRACT:** 107.04

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**REPRESENTATIVE:** Bill Dahlstrom, Jackson Walker, LLP

**APPLICANT/OWNER:** Dallas College/Rob Wendland

**REQUEST:** An application for an amendment to Specific Use Permit No. 472 for a college, university, or seminary to be used as a junior college on property zoned R-7.5(A) Single Family District.

**SUMMARY:** The purpose of the request is to construct four additional buildings on the site [Dallas College Mountain View Campus].

**CPC RECOMMENDATION:** Approval, subject to a revised site plan and conditions.

**STAFF RECOMMENDATION:** Approval, subject to a revised site plan and conditions.

## **BACKGROUND INFORMATION:**

- Specific Use Permit No. 472 was approved by the City Council on July 28, 1969 for a junior college use. This SUP has been amended twice, in 2002 and 2003.
- The current zoning is an R-7.5(A) Single Family District, with the college permitted with the SUP. A portion of the site is located within the floodplain.
- According to the current specific use permit conditions, the maximum allowed floor area of the site is 589,308. The currently built square footage of this site is 386,759 square feet.
- The applicant proposes to amend the site with the addition of four buildings located in the central part of the campus totaling approximately 64,176 square feet. If approved, the future floor area for the site will be 450,935 square feet. A proposed site plan with the proposed buildings is included in this report.
- The applicant currently has 2,682 parking spaces. The SUP has a minimum requirement of 1,800 parking spaces. One of the proposed buildings will reduce parking by 23 spaces to 2,659 spaces.

**Zoning History:** There have been three new zoning cases in the area over the past five years.

- 1. Z167-391** On January 24, 2018, the City Council approved an application for an MF-2(A) Multifamily District on property zoned a CR Community Retail District on the south line of W Illinois Avenue, between Duncanville Road and Knoxville Street.
- 2. Z178-198** On August 8, 2018, the City Council approved an application for an amendment to PD No. 435 for a public school use on the northwest corner of Duncanville Road and Illinois Avenue.
- 3. Z190-295** On January 13, 2021, the City Council approved an application to amend Tract 3 within PD No. 247 to allow multifamily uses on the southwest corner of Keeneland Parkway and Duncanville Road.

## **Thoroughfares/Streets:**

| <b><i>Thoroughfare/Street</i></b> | <b><i>Type</i></b>  | <b><i>Existing ROW</i></b> |
|-----------------------------------|---------------------|----------------------------|
| Keeneland Parkway                 | Community Collector | 80 feet with bike plan     |
| Duncanville Road                  | Community Collector | 80 feet with bike plan     |
| Illinois Avenue                   | Principal Arterial  | 100 feet with bike plan    |
| Knoxville Street                  | Local Street        | -                          |

**Traffic:**

The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and determined that the proposed development will not have a negative impact on the surrounding street network.

Also, the City of Dallas recently installed a new traffic signal at intersection of campus driveway with Illinois Avenue. The proposed light will circulate traffic along this site, since there are single family, multifamily and commercial uses within the vicinity, along with two public schools.

**COMPREHENSIVE PLAN:**

The forwardDallas! Comprehensive Plan was adopted by the City Council in June 2006. The forwardDallas! Comprehensive Plan outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

The proposed zoning request meets the following goals and objectives of the Comprehensive Plan:

**LAND USE ELEMENT**

**GOAL 1.1 ALIGN LAND USE STRATEGIES WITH ECONOMIC DEVELOPMENT PRIORITIES**

**Policy 1.1.5** Strengthen existing neighborhoods and promote neighborhoods' unique characteristics. Acknowledge the importance of neighborhoods to the city's long-term health and vitality.

**1.1.5.7** Ensure that neighborhoods are served by and accessible to neighborhood commercial areas, parks and open space, libraries, and schools.

**Surrounding Land Uses:**

| <b>Area</b>      | <b>Zoning</b>                                    | <b>Land Use</b>   |
|------------------|--|---|
| <b>Site</b>      | R-7.5(A) with SUP No. 472<br>SUP No. 198         | Junior College<br>(Dallas College Mountain View Campus)                           |
| <b>Northwest</b> | PD No. Tract 6                                   | Park-Golf Course, Undeveloped Land &<br>Multifamily                               |
| <b>North</b>     | PD No. 247                                       | Park-Golf Course  |
| <b>Northeast</b> | R-7.5(A)   | Undeveloped Land  |
| <b>East</b>      | R-7.5(A)   | Single Family   |
| <b>Southeast</b> | R-7.5(A)   | Church  |
| <b>South</b>     | CR, MF-2(A) with DR Z167-<br>391 and DR Z123-154 | Medical Clinic, Restaurants and Retail &<br>Personal Service Uses and Multifamily |
| <b>Southwest</b> | R-5(A)   | Single Family   |
| <b>West</b>      | PD No. 435, SUP No. 1253                         | Public Schools (Elementary & High) &<br>Undeveloped Land                          |

**Land Use Compatibility**

The site is currently developed with Dallas College Mountain View Campus. The applicant is proposing to construct four buildings in the central portion of the campus.

Per Sec. 51(A)-4.112(F)(2)(D), an R-7.5(A) Single Family District allows a college, university, or seminary use by SUP. Uses within the vicinity include single family to the east and southwest of the area of request. Multifamily uses are located northwest and south of the site. There are also a park with a golf course, restaurants, retail and personal service uses, medical clinic, a church, undeveloped land and two public schools within the vicinity of the area of request.

The applicant is proposing a continuation of its existing use as a junior college but wants to construct four new buildings to allow for a nursing school (20,136 square feet), early college center (24,000 square feet), utility plant (8,200 square feet) and a welcome center (11,840 square feet), in conjunction with its current facilities. The four buildings, if constructed, will result in an additional 64,176 square feet and increase the floor area for the site to 450,935 square feet, which will be 138,373 square feet less than the maximum floor area of 589,308. The proposed buildings will be located within its current site, will

not result in the applicant exceeding their maximum floor area, and Staff believes this will not have a negative effect on the surrounding land uses.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The request does not appear to have an adverse impact on the surrounding zoning and land uses.

Staff supports the request for because the request complies with all other zoning regulations and the addition to the site is not foreseen to be detrimental to surrounding properties. Staff is also in support of the applicant's request for a permanent time period, and this is consistent with the applicant's current specific use permit, which is for a permanent time period. Since this use has existed since 1969 and the applicant will continue to use the proposed area in a manner that is consistent with historical land uses and the newly proposed buildings are not situated in the periphery of the site to cause an impact, staff believes the proposed project will not be detrimental to the surrounding land uses.

### **Parking**

The requirement for off-street parking for SUP No. 472 is a minimum of 1,800 parking spaces. The applicant is also required to follow the following ratios for parking:

- i. two parking spaces for each three students;
- ii. one parking space for each faculty member; and
- iii. twenty visitor parking spaces for each 2,500 students.

The applicant currently has 2,682 parking spaces. The applicant proposes to remove 23 parking spaces for the construction of one of the buildings, which will result in 2,659 parking spaces. Since the applicant already provides an excess of 859 parking spaces on the site, staff supports the reduction of the 23 parking spaces.

### **Landscaping**

Landscaping will be in accordance with the landscape plan provided by the applicant. The applicant has not proposed any changes at this time, but the landscape plan is included in this report. Staff believes as a result of the proposed request, the landscape plan should

be amended to identify new structures on the site as development proceeds on campus or else it no longer matches the built environment. There will be tree removal in the area adjacent to the escarpment zone and setback, so the scope of tree removal should be noted. Landscaping will also have to be reviewed and finalized by the Chief Arborist before permits are issued.

### **Market Value Analysis (MVA)**

Market Value Analysis (MVA) is a tool to aid residents and policymakers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to target intervention strategies more precisely in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets to orange, representing the weakest markets. While the area of request is uncategorized within an MVA cluster, the surrounding areas to east, southeast and west are within Category "F." Areas to the south and southwest are within Category "E."

**CPC ACTION**

**August 19, 2021**

**Motion:** It was moved to recommend **approval** of an amendment to Specific Use Permit No. 472 for a college, university, or seminary to be used as a junior college, subject to a revised site plan and conditions on property zoned R-7.5(A) Single Family District, at the southeast corner of Keeneland Parkway and Duncanville Road.

Maker: Stinson  
Second: Schwope  
Result: Carried: 11 to 0

For: 11 - MacGregor, Hampton, Stinson, Shidid,  
Carpenter, Jackson, Jung, Suhler, Schwope,  
Murphy, Garcia

Against: 0  
Absent: 3 - Johnson, Blair, Rubin  
Vacancy: 1 - District 10

**Notices:** Area: 500 Mailed: 194  
**Replies:** For: 3 Against: 1

**Speakers:** For: None  
For (Did not speak): Brian Cay, 4343 IH-20, Mesquite, TX, 75150  
Jonathan Vinson, 2323 Ross Ave., Dallas, TX, 75201  
Against: None

**List of Officers/Partners/Principals**

**Board of Trustees:**

Monica Lira Bravo, Chair  
Phillip J. Ritter, Vice Chair  
JL Sonny Williams  
Dorothy Zimmermann  
Cliff Boyd  
Diana Flores  
Charletta Rogers Compton

**Administrative Leadership:**

Dr. Joe May, Chancellor  
Dr. Justin Lonnon, Executive Vice Chancellor of Operations Dr.  
Shawnda Floyd, Provost  
John Robertson, Chief Financial Officer  
Robert Wendland, General Counsel  
Dr. Beatriz Joeph, President Mountain View Campus

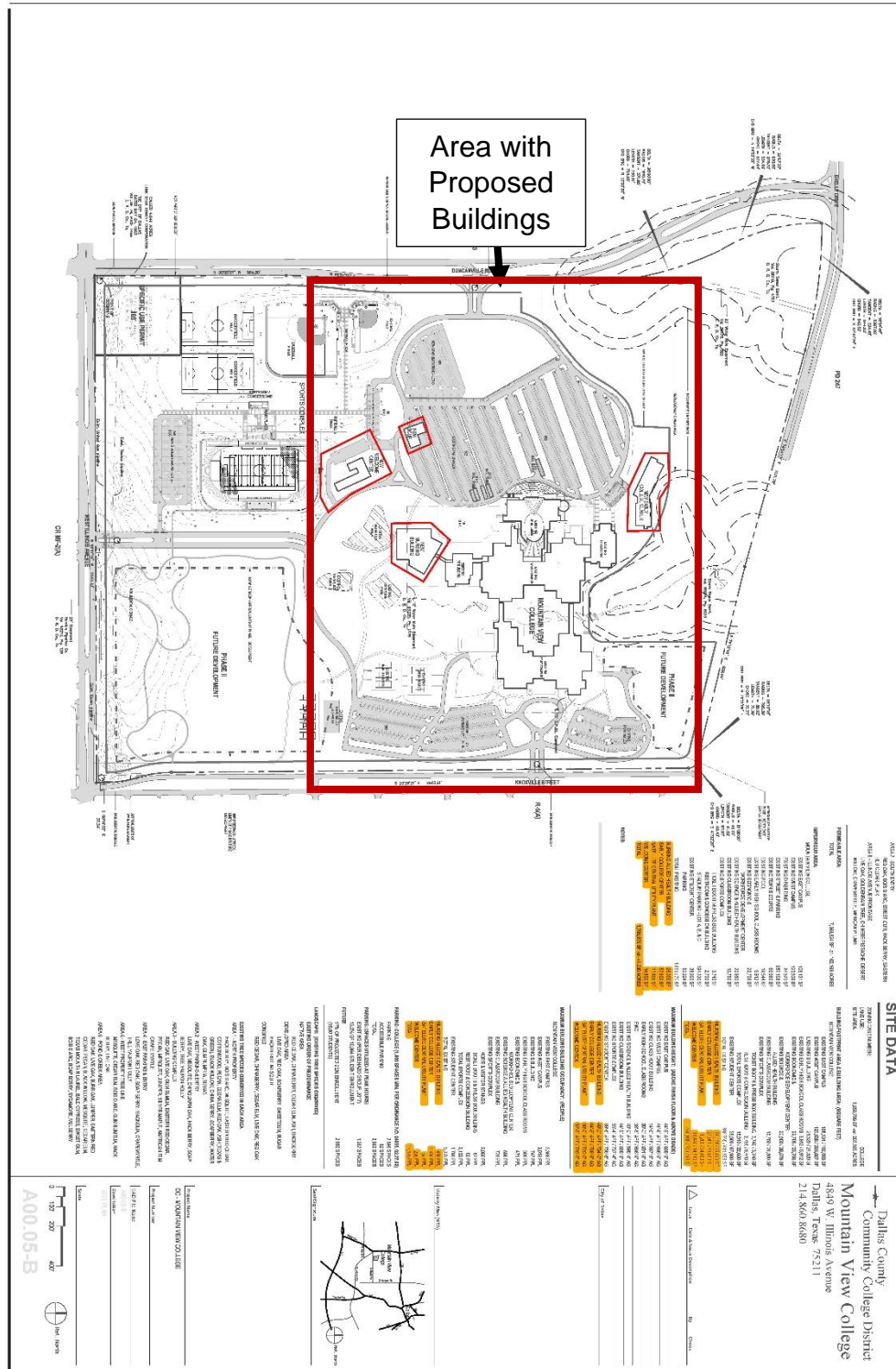


**CPC RECOMMENDED SUP CONDITIONS**

2. USE: The only use authorized by this specific use permit is a college, university, or seminary to be used as a junior college.
3. SITE PLAN: Use and development of the Property must comply with the attached site plan.
4. TIME LIMIT: This specific use permit has no expiration date.
5. LANDSCAPING:
  - a. Landscaping must be provided as shown on the attached landscape plan.
  - b. Street trees shown on the attached landscape plan must be provided by August 8, 2009.
6. FLOOR AREA: The maximum total floor area is 589,308 square feet.
7. INGRESS/EGRESS: Ingress and egress must be provided in the location shown on the attached site plan. No other ingress or egress is permitted.
8. OFF-STREET PARKING:
  - a. A minimum of 1,800-9' X 8' standard size parking spaces is required for the exclusive use of faculty, students, and visitors.
  - b. Off-street parking must be provided at the ratio of:
    - i. two parking spaces for each three students;
    - ii. one parking space for each faculty member; and
    - iii. twenty visitor parking spaces for each 2,500 students.
9. SIGNS: Signs must comply with the provisions for non-business zoning districts in Article VII.
10. MAINTENANCE: The Property must be properly maintained in a state of good repair and neat appearance.
11. GENERAL REQUIREMENTS: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.



## CPC RECOMMENDED SUP SITE PLAN



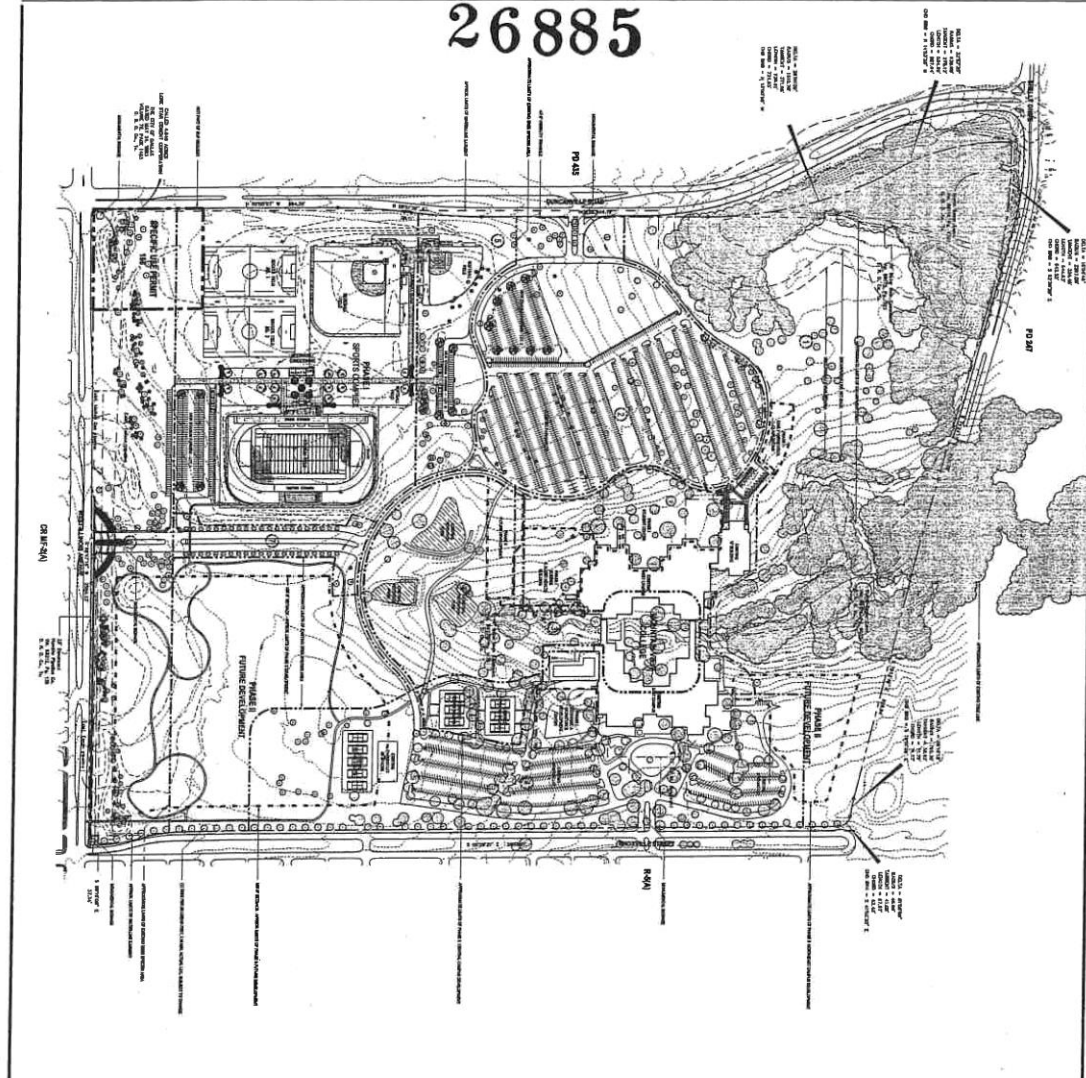


EXISTING LANDSCAPE PLAN (NO CHANGES)

Landscape Plan

072210

26885



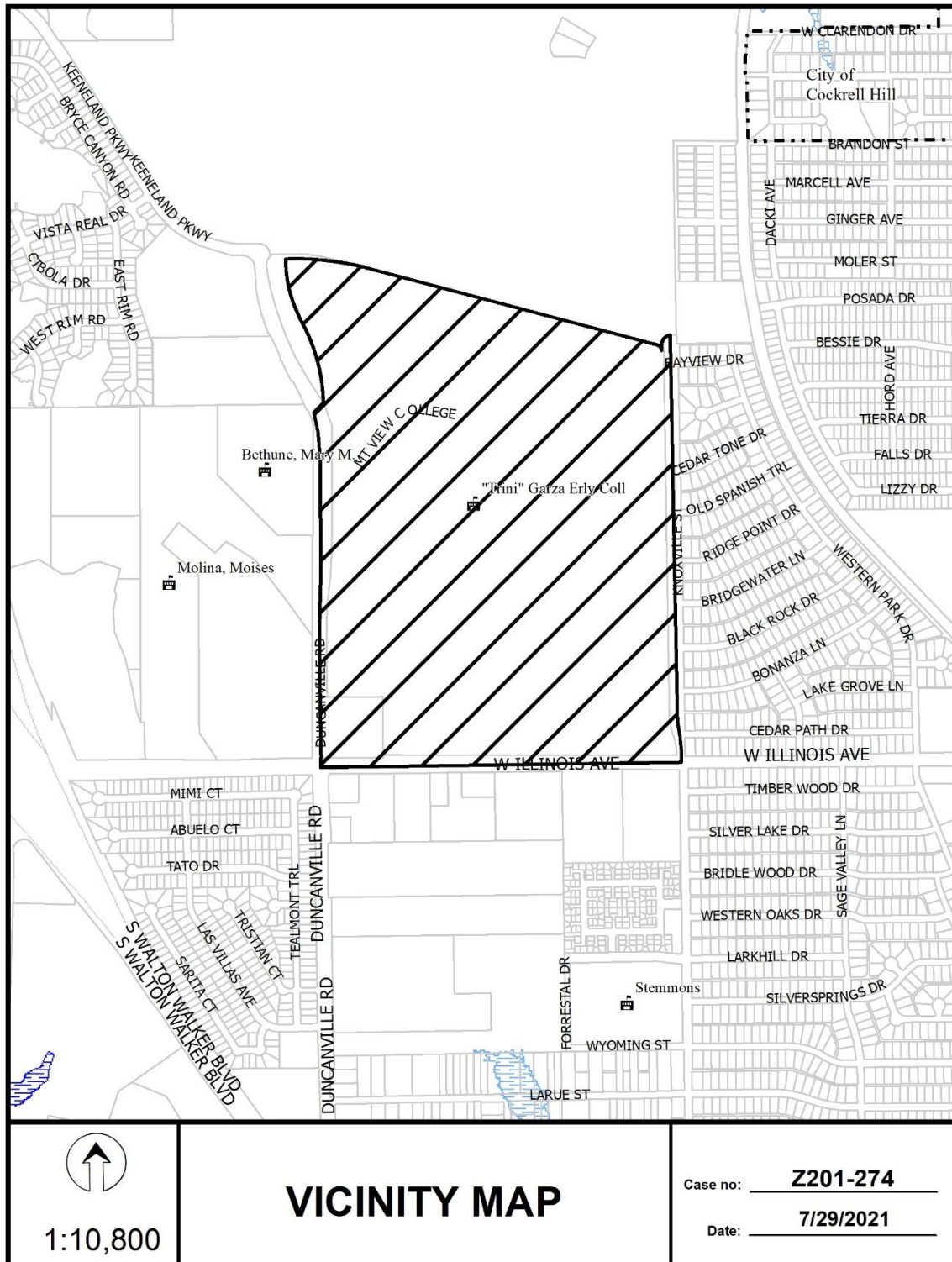
| SITE DATA          |  |
|--------------------|--|
| Project Name       | Mountain View College                            |
| Project Address    | 17175 Oak Hall Road, Suite 110, Dallas, TX 75243 |
| Project Owner      | Mountain View College                            |
| Project Manager    | David L. Smith                                   |
| Project Engineer   | David L. Smith                                   |
| Project Architect  | David L. Smith                                   |
| Project Designer   | David L. Smith                                   |
| Project Contractor | David L. Smith                                   |
| Project Date       | 07/12/2007                                       |
| Project Status     | Approved   |
| Project Notes      | See attached drawings for details.               |

Approved  
City Plan Commission  
July 12, 2007

Specific Use Permit  
No. 472

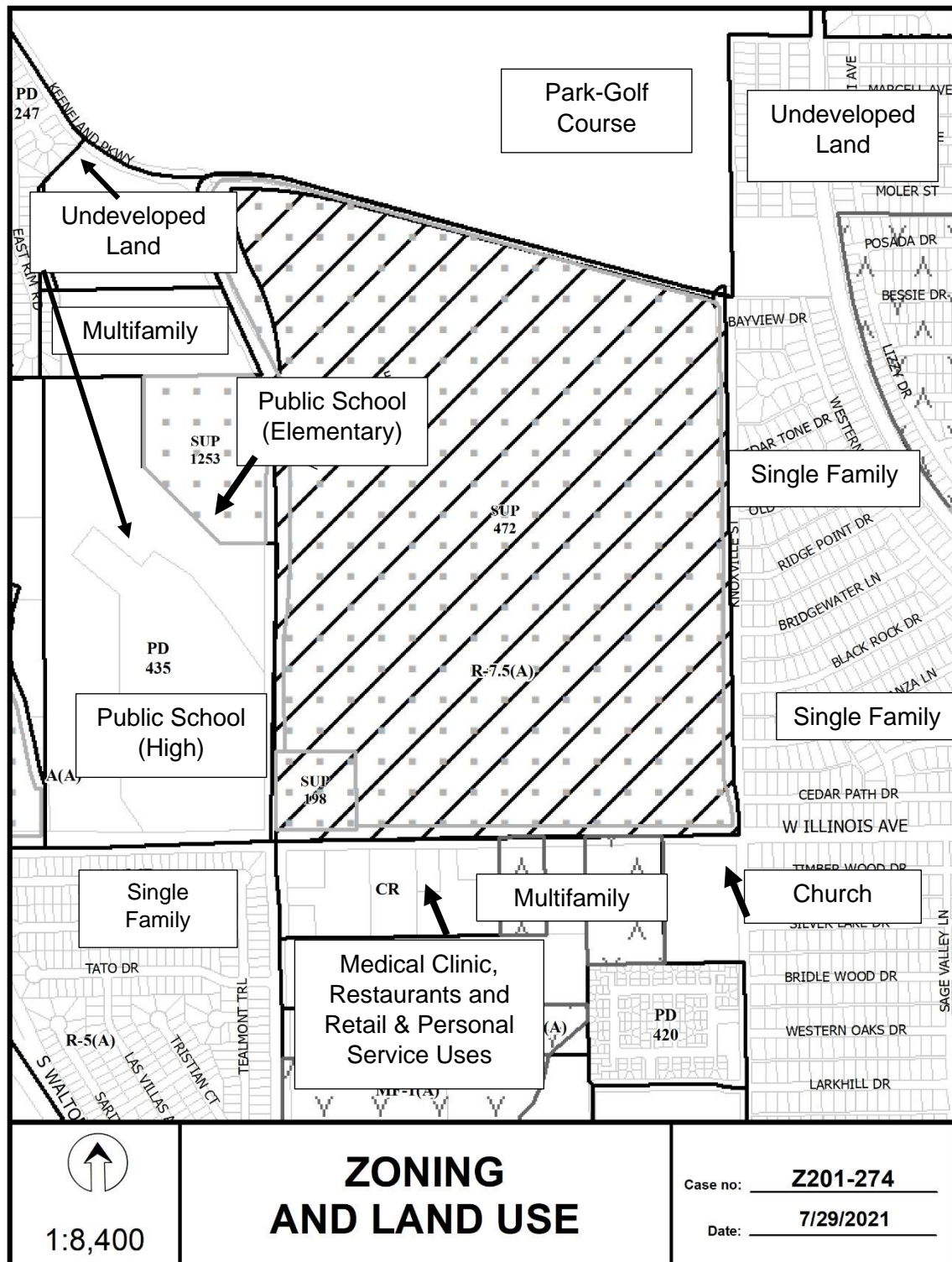
Dallas County  
County College District  
Mountain View College  
17175 Oak Hall Road, Suite 110  
Dallas, TX 75243  
214.860.6680  
David L. Smith  
Project Manager  
Project Engineer  
Project Architect  
Project Designer  
Project Contractor





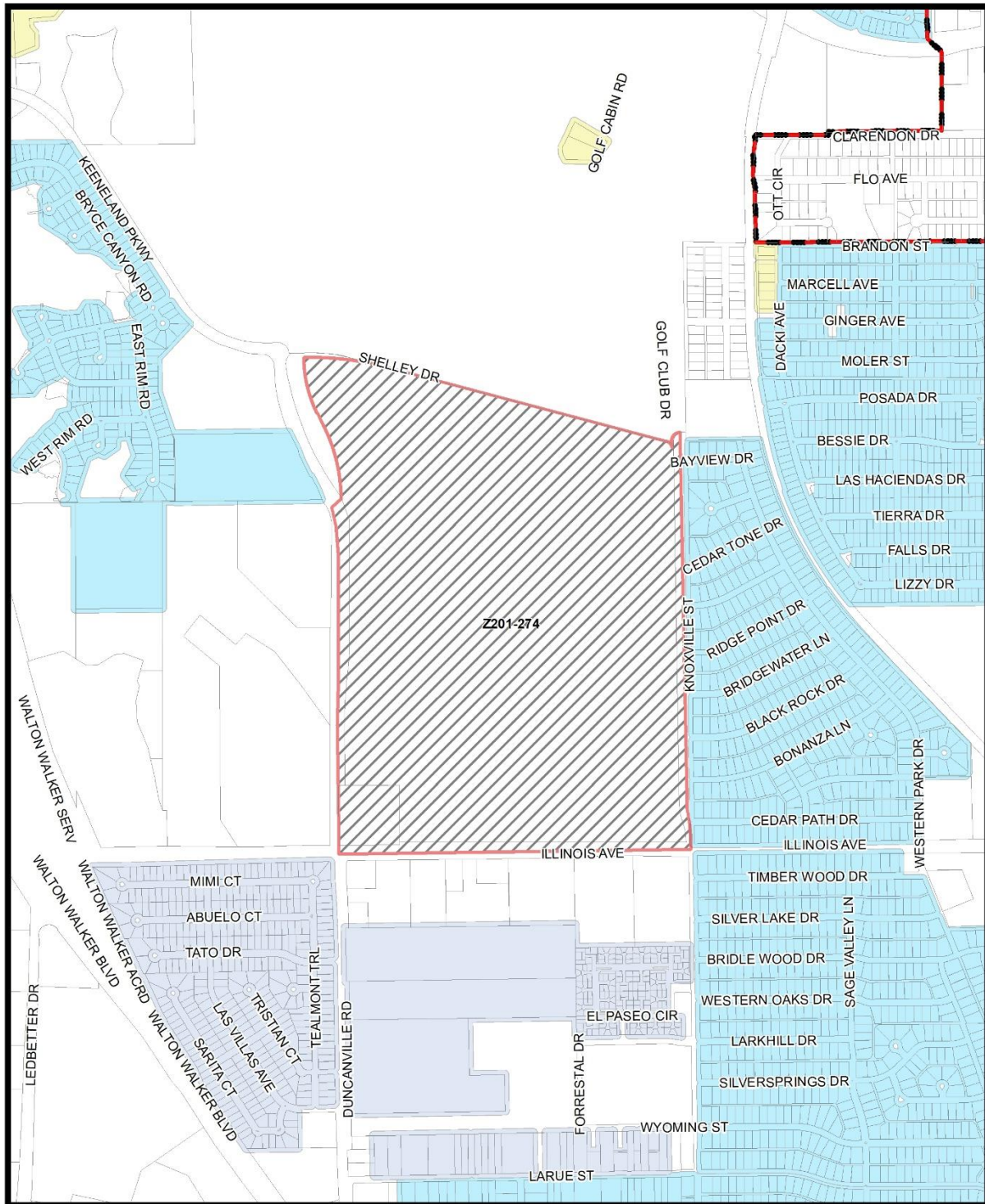












Market Value Analysis



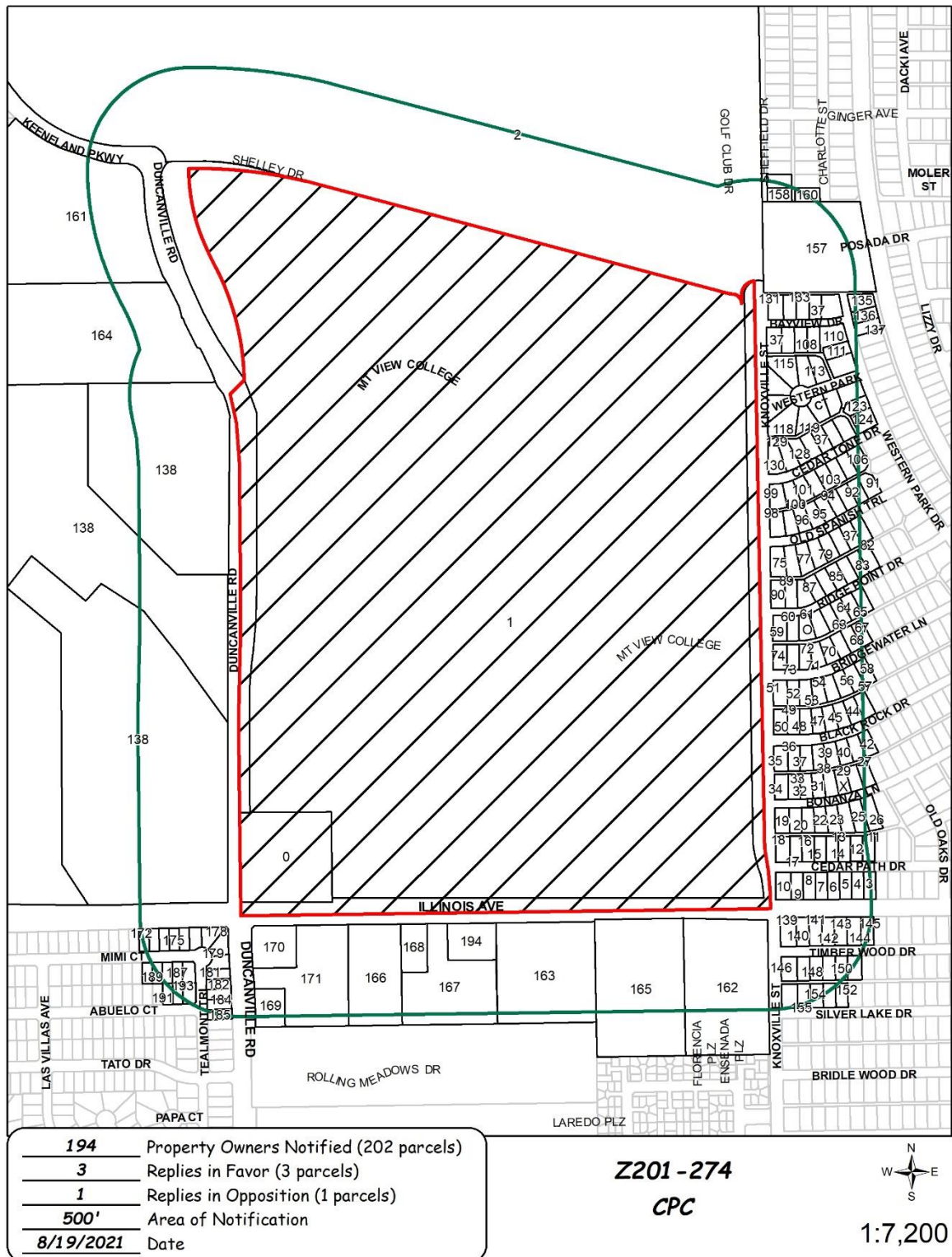
1:10,800

# Market Value Analysis

Printed Date: 7/29/2021



## CPC RESPONSES



08/18/2021

***Reply List of Property Owners******Z201-274******194 Property Owners Notified******3 Property Owners in Favor    1 Property Owners Opposed***

| <b><i>Reply</i></b> | <b><i>Label #</i></b> | <b><i>Address</i></b> | <b><i>Owner</i></b>                        |
|---------------------|-----------------------|-----------------------|--|
| 1                   | 4849                  | W ILLINOIS AVE        | DALLAS COUNTY COMMUNITY                    |
| 2                   | 1515                  | KNOXVILLE ST          | Taxpayer at                                |
| 3                   | 4632                  | CEDAR PATH DR         | SEGURA JUAN A                              |
| 4                   | 4638                  | CEDAR PATH DR         | BANKS WAYMON W                             |
| 5                   | 4644                  | CEDAR PATH DR         | PEREZ JESUS &                              |
| 6                   | 4650                  | CEDAR PATH DR         | CIGARRIA & ROSA MARIA                      |
| 7                   | 4656                  | CEDAR PATH DR         | PASTOR FIDEL & GUADALUPE                   |
| 8                   | 4662                  | CEDAR PATH DR         | BOONE EDWIN E                              |
| 9                   | 4668                  | CEDAR PATH DR         | CIGARROA ROSA M & CARLOS                   |
| 10                  | 4674                  | CEDAR PATH DR         | WATERS MARGIE NELL                         |
| 11                  | 4633                  | CEDAR PATH DR         | CAMACHO PEDRO HERNANDEZ &                  |
| 12                  | 4639                  | CEDAR PATH DR         | ZUNIGA ROBERTO &                           |
| 13                  | 4645                  | CEDAR PATH DR         | PEREZ JOSEFINA                             |
| 14                  | 4651                  | CEDAR PATH DR         | ORTIZ MARIA L                              |
| 15                  | 4657                  | CEDAR PATH DR         | SORTO EFRAIN ERNESTO                       |
| 16                  | 4663                  | CEDAR PATH DR         | CIGARROA ROSA M                            |
| 17                  | 4669                  | CEDAR PATH DR         | SANCHEZ JULIO C                            |
| 18                  | 4675                  | CEDAR PATH DR         | STANDIFER GEORGE T EST OF & PATRICIA LILLY |
| 19                  | 4666                  | BONANZA LN            | COFFEY DONALD EUGENE &                     |
| 20                  | 4660                  | BONANZA LN            | CUELLAR NOE JESUS                          |
| 21                  | 4654                  | BONANZA LN            | MENDEZ JOSE LUIS                           |
| 22                  | 4648                  | BONANZA LN            | SOLORZANO RACHAB &                         |
| 23                  | 4642                  | BONANZA LN            | ALONSO ARNULFO GARCIA                      |
| 24                  | 4638                  | BONANZA LN            | REYES HAYDE LETICIA & JOEL                 |
| 25                  | 4632                  | BONANZA LN            | LOPEZ LEONARDO                             |
| 26                  | 4628                  | BONANZA LN            | GALDEAN JONATAN                            |

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i>      | <i>Owner</i>                 |
|--------------|----------------|---------------------|------------------------------|
|              | 27             | 4623 BONANZA LN     | REED RICHARD E &             |
|              | 28             | 4629 BONANZA LN     | VELEZ VALERIE                |
| X            | 29             | 4635 BONANZA LN     | TOSTI ROSANNA                |
|              | 30             | 4641 BONANZA LN     | SALDIERNA ROCIO J            |
|              | 31             | 4647 BONANZA LN     | SLOUGH WILLIAM RANKIN &      |
|              | 32             | 4653 BONANZA LN     | JIMENEZ MARIA ISABEL         |
|              | 33             | 4659 BONANZA LN     | GMI INVESTMENTS LLC          |
|              | 34             | 4665 BONANZA LN     | FLORES CIRILA SARA           |
|              | 35             | 4666 BLACK ROCK DR  | SANDOVAL PEDRO &             |
|              | 36             | 4660 BLACK ROCK DR  | FLORES CARLOS A              |
|              | 37             | 4654 BLACK ROCK DR  | CIGARROA CARLOS & ROSA MARIA |
|              | 38             | 4648 BLACK ROCK DR  | Taxpayer at                  |
|              | 39             | 4642 BLACK ROCK DR  | GAONA JESUS                  |
|              | 40             | 4636 BLACK ROCK DR  | PHONGSUWAN ONKEO             |
|              | 41             | 4630 BLACK ROCK DR  | ALVARADO JERMAN A &          |
|              | 42             | 4624 BLACK ROCK DR  | DELEON HUMBERTO L & ELSA     |
|              | 43             | 4617 BLACK ROCK DR  | DIAZ MARIA                   |
|              | 44             | 4623 BLACK ROCK DR  | PONCE MISELENA GOROSTIETA    |
|              | 45             | 4633 BLACK ROCK DR  | CORONA YURI &                |
|              | 46             | 4639 BLACK ROCK DR  | FLORES ALFONSO &             |
|              | 47             | 4647 BLACK ROCK DR  | REYES ADOLFO                 |
|              | 48             | 4653 BLACK ROCK DR  | ROBERSON ROBERT LOUIS        |
|              | 49             | 4659 BLACK ROCK DR  | MARTINEZMORENO IGNACIO &     |
|              | 50             | 4665 BLACK ROCK DR  | GARCIA URBANO                |
|              | 51             | 4666 BRIDGEWATER LN | DURAN ANTONIA                |
|              | 52             | 4660 BRIDGEWATER LN | PENA JENNIFER C &            |
|              | 53             | 4654 BRIDGEWATER LN | MENDEZ YOLANDA J             |
|              | 54             | 4648 BRIDGEWATER LN | ROSAS LETICIA                |
|              | 55             | 4642 BRIDGEWATER LN | ESCAMILLA FELIX L            |
|              | 56             | 4636 BRIDGEWATER LN | ORTIZ CARLOS                 |
|              | 57             | 4630 BRIDGEWATER LN | CIGARROA ROSA MARIA &        |

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i>       | <i>Owner</i>                |
|--------------|----------------|----------------------|-----------------------------|
|              | 58             | 4624 BRIDGEWATER LN  | RAMOS URIEL                 |
|              | 59             | 4694 RIDGE POINT DR  | RAMOS CASIANO               |
|              | 60             | 4688 RIDGE POINT DR  | AGUILAR GERMAN              |
| O            | 61             | 4682 RIDGE POINT DR  | ROBINSON THEO DOROTHY       |
|              | 62             | 4676 RIDGE POINT DR  | ZAMAGO JESUS & FRANCISCA    |
|              | 63             | 4670 RIDGE POINT DR  | ARREGUIN VALENTE & SYLVIA   |
|              | 64             | 4664 RIDGE POINT DR  | ROMERO RAFAEL               |
|              | 65             | 4658 RIDGE POINT DR  | HAWKINS GEORGE              |
|              | 66             | 4652 RIDGE POINT DR  | DIAZ JOSE                   |
|              | 67             | 4617 BRIDGEWATER LN  | PEREZ PEDRO A               |
|              | 68             | 4623 BRIDGEWATER LN  | PALOMO GALDINO JR           |
|              | 69             | 4629 BRIDGEWATER LN  | PESQUERA RALENE JENKINS     |
|              | 70             | 4635 BRIDGEWATER LN  | AVINA JOSE D &              |
|              | 71             | 4647 BRIDGEWATER LN  | ESCAMILLA FELIX JR          |
|              | 72             | 4653 BRIDGEWATER LN  | ESCAMILLA JIMMY             |
|              | 73             | 4659 BRIDGEWATER LN  | ANGIES REALTY INC           |
|              | 74             | 4665 BRIDGEWATER LN  | ROBLEDO FRANCISCO           |
|              | 75             | 4674 OLD SPANISH TRL | VARGAS LUIS R               |
|              | 76             | 4668 OLD SPANISH TRL | CASAREZ MARY                |
|              | 77             | 4662 OLD SPANISH TRL | MORALES MARISOL & MARLON    |
|              | 78             | 4656 OLD SPANISH TRL | VAZQUEZ ISMAEL & ELIA       |
|              | 79             | 4650 OLD SPANISH TRL | ARRANT JANIS LYNN           |
|              | 80             | 4644 OLD SPANISH TRL | CIGARROA ROSA MARIA &       |
|              | 81             | 4632 OLD SPANISH TRL | SALGADO RECARDO & MARIA     |
|              | 82             | 4639 RIDGE POINT DR  | ZAPATA NORA R               |
|              | 83             | 4645 RIDGE POINT DR  | CASTILLO PACHECO & NORMA    |
|              | 84             | 4651 RIDGE POINT DR  | CASTILLO PACHECO & NORMA    |
|              | 85             | 4657 RIDGE POINT DR  | DE LA CRUZ ROSARIO          |
| O            | 86             | 4663 RIDGE POINT DR  | KHAMPHANHOTH BOUNLOTH &     |
|              | 87             | 4669 RIDGE POINT DR  | ESTRADA ALEJANDRO BUENDIA & |
|              | 88             | 4677 RIDGE POINT DR  | CARDONA MARIA               |

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i>       | <i>Owner</i>                               |
|--------------|----------------|----------------------|--|
|              | 89             | 4687 RIDGE POINT DR  | GAINER IRVIN LEE                           |
|              | 90             | 4693 RIDGE POINT DR  | BARBOSA ANTONIO                            |
|              | 91             | 4619 OLD SPANISH TRL | RAMIREZ MARGARITO & ELIA                   |
|              | 92             | 4625 OLD SPANISH TRL | GONZALES RAYMOND                           |
|              | 93             | 4631 OLD SPANISH TRL | RIOS NEYRA A                               |
|              | 94             | 4637 OLD SPANISH TRL | MARIN HUMBERTO M                           |
|              | 95             | 4651 OLD SPANISH TRL | MAREZ LOIS G                               |
|              | 96             | 4661 OLD SPANISH TRL | MITCHELL FRED A                            |
|              | 97             | 4667 OLD SPANISH TRL | Taxpayer at                                |
|              | 98             | 4673 OLD SPANISH TRL | HERNANDEZ WILLIAM L &                      |
|              | 99             | 4654 CEDAR TONE DR   | GAMBOA JOYCE                               |
|              | 100            | 4650 CEDAR TONE DR   | ALVARADO VICTORIA LIFE ESTATE              |
|              | 101            | 4644 CEDAR TONE DR   | AGUILAR CELSO                              |
|              | 102            | 4640 CEDAR TONE DR   | DOLEHITE JUDITH R KING                     |
|              | 103            | 4634 CEDAR TONE DR   | CIGARROA ROSA M & CARLOS CIGARROA          |
|              | 104            | 4628 CEDAR TONE DR   | GONZALES NASARIO JR                        |
|              | 105            | 4622 CEDAR TONE DR   | REED ROY L                                 |
|              | 106            | 4616 CEDAR TONE DR   | CIGARROA CARLOS & ROSA                     |
|              | 107            | 4628 BAYVIEW DR      | TORRES JOSE &                              |
|              | 108            | 4622 BAYVIEW DR      | RODGERS CHERYL                             |
|              | 109            | 4616 BAYVIEW DR      | LOPEZ GUSTAVO E                            |
|              | 110            | 1607 WESTERN PARK DR | PITTS JOSEPH L                             |
|              | 111            | 1615 WESTERN PARK DR | DE ANDA JUAN MANUEL                        |
| O            | 112            | 1619 WESTERN PARK DR | HOGAN JOHN W                               |
|              | 113            | 1623 WESTERN PARK CT | NILAND BARBARA SUE                         |
|              | 114            | 1627 WESTERN PARK CT | LEAL FIDEL SILVA &                         |
|              | 115            | 1631 WESTERN PARK CT | CALLAHAN JOHN WILLIAM                      |
|              | 116            | 1635 WESTERN PARK CT | SANCHEZ AURIA MARTA                        |
|              | 117            | 1639 WESTERN PARK CT | LOAIZA CESAR                               |
|              | 118            | 1643 WESTERN PARK CT | JARAMILLO SOCORRO C                        |
|              | 119            | 1647 WESTERN PARK CT | TOWNSEND CHERI ELAINE & GARY LYNN TOWNSEND |

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i>  | <i>Owner</i>                   |
|--------------|----------------|-----------------|--------------------------------|
| 120          | 1651           | WESTERN PARK CT | CALDERA CECILIA &              |
| 121          | 1655           | WESTERN PARK CT | BARAJAS GUADALUPE              |
| 122          | 1659           | WESTERN PARK DR | BAKER JENNIFER                 |
| 123          | 1663           | WESTERN PARK DR | BANDA EDITH                    |
| 124          | 1669           | WESTERN PARK DR | RAMOS ANTONIO &                |
| 125          | 4615           | CEDAR TONE DR   | Taxpayer at                    |
| 126          | 4621           | CEDAR TONE DR   | MEDINA SALVADOR &              |
| 127          | 4633           | CEDAR TONE DR   | RUBALCAVA MARIA DELORES        |
| 128          | 4639           | CEDAR TONE DR   | RICO LUIS                      |
| 129          | 4645           | CEDAR TONE DR   | SALAZAR ALDO M & MEDEA J       |
| 130          | 4653           | CEDAR TONE DR   | GONZALEZ ADOLFO & MARIA C      |
| 131          | 4633           | BAYVIEW DR      | PINEDA VIVIAN E                |
| 132          | 4627           | BAYVIEW DR      | CAZARES MARIO I & IRMA R       |
| 133          | 4621           | BAYVIEW DR      | MALDONADO SALVADOR             |
| 134          | 4607           | BAYVIEW DR      | FRAIRE ABIMAEI                 |
| 135          | 1544           | WESTERN PARK DR | ALVAREZ MIGUEL &               |
| 136          | 1550           | WESTERN PARK DR | GARCIA JESSIE                  |
| 137          | 1606           | WESTERN PARK DR | CIGARROA CARLOS                |
| 138          | 2355           | DUNCANVILLE RD  | Dallas ISD                     |
| 139          | 4687           | TIMBER WOOD DR  | SILVA MANUEL R LIFE ESTATE     |
| 140          | 4681           | TIMBER WOOD DR  | GONZALEZORTIZ JOSE JESUS &     |
| 141          | 4677           | TIMBER WOOD DR  | CORONADO TERESA & JOHN PAUL    |
| 142          | 4671           | TIMBER WOOD DR  | LEIJAMEDINA AZAEL              |
| 143          | 4667           | TIMBER WOOD DR  | MANRIQUE JULIO                 |
| 144          | 4661           | TIMBER WOOD DR  | RENDON EDNA & ISMAEL           |
| 145          | 4657           | TIMBER WOOD DR  | VIGIL EDILBERTO                |
| 146          | 4688           | TIMBER WOOD DR  | RIVERA DAVID ALEJANDRO         |
| 147          | 4682           | TIMBER WOOD DR  | BLAKE MICHELLE IVETTE GARCIA & |
| 148          | 4678           | TIMBER WOOD DR  | CONTRERAS JUANITA LF EST       |
| 149          | 4672           | TIMBER WOOD DR  | AYALA MIGUEL A &               |
| 150          | 4668           | TIMBER WOOD DR  | WHITE MYRTLE & WILLIAM         |



08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>         |  |
|--------------|----------------|----------------|----------------------|--|
|              | 151            | 4662           | TIMBER WOOD DR       | TORRES RODOLFO R EST OF                |
|              | 152            | 4667           | SILVER LAKE DR       | ROBALINO GRACIELA                      |
|              | 153            | 4671           | SILVER LAKE DR       | SOUTHAMMAVONG KAM                      |
|              | 154            | 4677           | SILVER LAKE DR       | KHOUTHONG KOM                          |
|              | 155            | 4681           | SILVER LAKE DR       | PHAXAY KOU I & KHAMPHOUK               |
|              | 156            | 4687           | SILVER LAKE DR       | SAYSANASONGKHAM SONEKHAM               |
|              | 157            | 1548           | KNOXVILLE ST         | Taxpayer at                            |
|              | 158            | 1408           | SHEFFIELD ST         | DNGC MEMBER CLUB INC                   |
|              | 159            | 1402           | SHEFFIELD ST         | ALCALA RAYMOND C                       |
|              | 160            | 1409           | CHARLOTTE ST         | 1515 LAND LLC                          |
|              | 161            | 2200           | S WALTON WALKER BLVD | CAMBRIDGE CAPITAL CORP ASSOCIATION INC |
|              | 162            | 4710           | W ILLINOIS AVE       | TEMPLO DE ALABANZA                     |
|              | 163            | 4800           | W ILLINOIS AVE       | CREST AT ILLNOIS LLC                   |
|              | 164            | 1531           | DUNCANVILLE RD       | MARIPOSA VILLAS PPTY OWNER LLC         |
|              | 165            | 4732           | W ILLINOIS AVE       | LBU HOLDINGS INC                       |
|              | 166            | 4830           | W ILLINOIS AVE       | JETER ILLINOIS PROPERTY LLC            |
|              | 167            | 4815           | W ILLINOIS AVE       | Taxpayer at                            |
|              | 168            | 4820           | W ILLINOIS AVE       | FIREBRAND PROPERTIES LP                |
|              | 169            | 2410           | DUNCANVILLE RD       | DALLAS ALISHAH                         |
|              | 170            | 4970           | W ILLINOIS AVE       | KA INVESTMENT INC                      |
|              | 171            | 4950           | W ILLINOIS AVE       | KULSOOM ENTERPRISES INC                |
|              | 172            | 5125           | MIMI CT              | SIGALA EFRAIN                          |
|              | 173            | 5121           | MIMI CT              | MATA BRENDA B                          |
|              | 174            | 5119           | MIMI CT              | CONTRERAS DORALEE G                    |
|              | 175            | 5115           | MIMI CT              | ZHANG HAOYANG &                        |
|              | 176            | 5111           | MIMI CT              | VASQUEZ MIKE R &                       |
|              | 177            | 5107           | MIMI CT              | MARQUEZ BENERANDA &                    |
|              | 178            | 5103           | MIMI CT              | SUSTAITA JAVIER                        |
|              | 179            | 2508           | TEALMONT TRL         | GARCIA SALVADOR & MARTHA A             |
|              | 180            | 2512           | TEALMONT TRL         | PINEDA FLOR                            |
|              | 181            | 2516           | TEALMONT TRL         | FLORES ODILIA E                        |

08/18/2021

| <i>Reply</i> | <i>Label #</i> | <i>Address</i> | <i>Owner</i>               |
|--------------|----------------|----------------|----------------------------|
| 182          | 2520           | TEALMONT TRL   | RODRIGUEZ WILLIAM          |
| 183          | 2524           | TEALMONT TRL   | PERSON GLENN L             |
| 184          | 2528           | TEALMONT TRL   | MORENO MARISELA            |
| 185          | 2532           | TEALMONT TRL   | ECHEVERRIA JUAN            |
| 186          | 5110           | MIMI CT        | REYES FIDEL A              |
| 187          | 5114           | MIMI CT        | LUM STEVEN REVOCABLE TRUST |
| 188          | 5118           | MIMI CT        | VARGAS ALBINO &            |
| 189          | 5122           | MIMI CT        | RAMIREZ RAUL & OLGA        |
| 190          | 5126           | MIMI CT        | BARRIENTOS MARIA O &       |
| 191          | 5119           | ABUELO CT      | RODRIGUEZ ALFONSO & ANNA M |
| 192          | 5115           | ABUELO CT      | WOOD DAVID WAYNE           |
| 193          | 5111           | ABUELO CT      | RAMIREZ ELVIA              |
| 194          | 4810           | W ILLINOIS AVE | Taxpayer at                |



## Agenda Information Sheet

**File #:** 21-1622  
PH1.

**Item #:**

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Department of Transportation

**EXECUTIVE:** Majed Al-Ghafry

---

### **SUBJECT**

A public hearing to receive comments to amend the City of Dallas Central Business District Streets and Vehicular Circulation Plan to change the right-of-way and pavement width on Park Avenue between Young Street and Marilla Street from 50 feet of right-of-way and 25 feet of pavement to 48 feet of right-of-way and 26 feet of pavement; and, at the close of the public hearing, authorize an ordinance implementing the change - Financing: No cost consideration to the City

### **BACKGROUND**

First Presbyterian Church of Dallas has requested an amendment to the City of Dallas Central Business District Streets and Vehicular Circulation Plan to change the right-of-way on Park Avenue between Young Street and Marilla Street from 50 feet of right-of-way to 48 feet of right-of-way. The proposed reduction in the right-of-way would be on the east side of the roadway, adjacent to the 508 Park Avenue building.

Park Avenue was dedicated by plat March 16, 1887, with 50-feet of right-of-way. Warner Bros. constructed the 508 Park Avenue building in 1929, with approximately 0.4 feet to 1.1 feet of the building in the Park Avenue right-of-way. The church purchased the building in 2011 and began the platting process. The City of Dallas City Plan Commission approved the final plat on November 1, 2012, pending the abandonment of 1.1 feet in the right-of-way and release from the Real Estate Division. In 2015, the church constructed an amphitheater connecting to the 508 Park Avenue building. To obtain a certificate of occupancy for the amphitheater, the church will have to amend the Central Business District Streets and Vehicular Circulation Plan in order to abandon the 1.1 feet of right-of-way under the 508 Park Avenue building, and then their final plat could be approved.

This amendment would also update the existing and proposed pavement width in the Central Business District Streets and Vehicular Circulation Plan, currently listed as 30 feet existing pavement and 25 feet of proposed pavement, to reflect the existing pavement width of 26 feet.

PH1.

Park Avenue currently operates as a one-lane southbound and one-lane northbound, this will not be modified with this amendment.

The First Presbyterian Church of Dallas owns and operates both sides of Park Avenue.

Staff recommends approval to amendment to the City of Dallas Central Business District Streets and Vehicular Circulation Plan to change the right-of-way and pavement width on Park Avenue between Young Street and Marilla Street from 50 feet of right-of-way and 25 feet of pavement to 48 feet of right-of-way and 26 feet of pavement.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On August 5, 2021, the City Plan Commission Thoroughfare Committee acted on this item and followed staff recommendation.

On September 2, 2021, the City Plan Commission acted on this item and followed City Plan Commission Thoroughfare Committee's recommendation.

**FISCAL INFORMATION**

No cost consideration to the City.

**MAP**

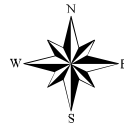
Attached



# Park Avenue

Young Street and Marilla Street

Council District: 2  
MAPSCO: 45-Q



## Thoroughfare Plan Amendment Map



# EXHIBIT

## CBD STREETS AND VEHICULAR CIRCULATION PLAN

| STREET NAME      | FROM               | TO                 | EXISTING |              |              | PROPOSED     |        |          | OPERATIONAL CHARACTERISTIC           | Ordinance | Amendment Date |
|------------------|--------------------|--------------------|----------|--------------|--------------|--------------|--------|----------|--------------------------------------|-----------|----------------|
|                  |                    |                    | R.O.W.   | PAVEMENT     | R.O.W.       | PAVEMENT     | R.O.W. | PAVEMENT |                                      |           |                |
| Park Avenue      | St. Louis          | Corsicana          | 35       | (Feet)<br>30 | (Feet)<br>35 | (Feet)<br>24 |        |          | 1 lane southbound; 1 lane northbound | # 13262   | 4/19/1971      |
| Park Avenue      | Cadiz              | Marilla            | 35       | 30           | 35           | 24           |        |          | 1 lane southbound                    | # 13262   | 4/19/1971      |
| Park Avenue      | Marilla            | Young              | 50-48    | 30-26        | 50-48        | 25-26        |        |          | 1 lane northbound; 1 lane southbound | # 13262   | 4/19/1971      |
| Patterson Avenue | Griffin            | 150' west of Field | 50       | --           | 47           | 30-34        |        |          | 3 lanes westbound                    | # 21541   | 1/13/1993      |
| Patterson Avenue | 150' West of Field | Field              | 50       | --           | 47           | 30-34        |        |          | 2 lanes westbound; 1 lane eastbound  | # 21541   | 1/13/1993      |





## Agenda Information Sheet

**File #:** 21-1623  
PH2.

**Item #:**

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 13, 2021

**COUNCIL DISTRICT(S):** 8

**DEPARTMENT:** Department of Transportation

**EXECUTIVE:** Majed Al-Ghafry

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### **SUBJECT**

A public hearing to receive comments to amend the City of Dallas Thoroughfare Plan to **(1)** delete Cleveland Road between Dallas City Limits and Unnamed SE3 from the Thoroughfare Plan; and **(2)** change Cleveland Road between Unnamed SE3 BNSF Railroad tracks from a standard six-lane divided roadway (S-6-D) in 107 feet of right-of-way to a special four-lane undivided roadway (SPCL 4U) in 80 feet of right-of-way; and, at the close of the public hearing, authorize an ordinance implementing the change - Financing: No cost consideration to the City

### **BACKGROUND**

Hutchins 227, Ltd., has requested an amendment to the City of Dallas Thoroughfare Plan to remove Cleveland Road between the Dallas/Hutchins City Limits and Unnamed SE3 from the Thoroughfare Plan. This proposal will be removing the Thoroughfare Plan's requirement to build a six-lane divided roadway in 107 feet of right-of-way (S-6-D). Existing roadways removed from the Thoroughfare Plan are considered local roads and would have to be designed to the City of Dallas local roadway design standards.

The City of Hutchins has already abandoned Cleveland Road east of Dallas City Limits to assist in facilitating the proposed 750 single-family housing development. The developer is also working the City of Dallas Sustainable Development Real Estate division to abandon a section of Cleveland Road, log 50273. They cannot process the abandonment without amending the City of Dallas Thoroughfare Plan. Part of the abandonment request will be that the developer will be required to build a turnaround for the City of Dallas Cleveland Road, local roadway.

The City of Dallas Department of Transportation has requested an amendment to the City of Dallas Thoroughfare Plan to change Cleveland Road between BNSF Railroad tracks and Unnamed SE3 from a six-lane divided roadway (S-6-D) in 107 feet of right-of-way to a special four-lane undivided roadway in 80 feet of right-of-way. The purpose of this amendment is to extend the designation that was approved west of the BNSF Railroad tracks by City Council on January 28, 2015, ordinance

number 29629. This prior amendment amended Cleveland Road between Bonnie View Road and the BNSF Railroad tracks from a six-lane divided roadway (S-6-D) in 107 feet of right-of-way to a special four-lane undivided roadway in 80 feet of right-of-way. The prior amendment reflected the construction project funded by Economic Development to facilitate a development of a warehouse and distribution center. Staff would like to extend the cross-section to Unnamed SE4, to ensure a consistent roadway, for future development.

Cleveland Road between BNSF Railroad tracks to City Limits exists today as a two-lane undivided roadway with 16-feet of pavement and a varying 47-feet to 65-feet of right-of-way. This roadway does not have curb, gutter, or sidewalks. There is currently no funding to improve this section of Cleveland.

Staff recommends approval to amendment to the City of Dallas Thoroughfare Plan to (1) delete Cleveland Road between Dallas City Limits and Unnamed SE3 from the Thoroughfare Plan; and (2) change Cleveland Road between Unnamed SE3 and BNSF Railroad tracks from a standard six-lane divided roadway (S-6-D) in 107 feet of right-of-way to a special four-lane undivided roadway (SPCL 4U) in 80 feet of right-of-way.

#### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On August 5, 2021, the City Plan Commission Thoroughfare Committee acted on this item and followed staff recommendation.

On September 2, 2021, the City Plan Commission acted on this item and followed City Plan Commission Thoroughfare Committee's recommendation.

#### **FISCAL INFORMATION**

No cost consideration to the City.

#### **MAP**

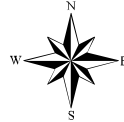
Attached



# Cleveland Road

- (1) City Limits to Unnamed SE3
- (2) Unnamed SE3 to BNSF Railroad Tracks

Council District: 8  
MAPSCO: 77E,F



## Thoroughfare Plan Amendment Map

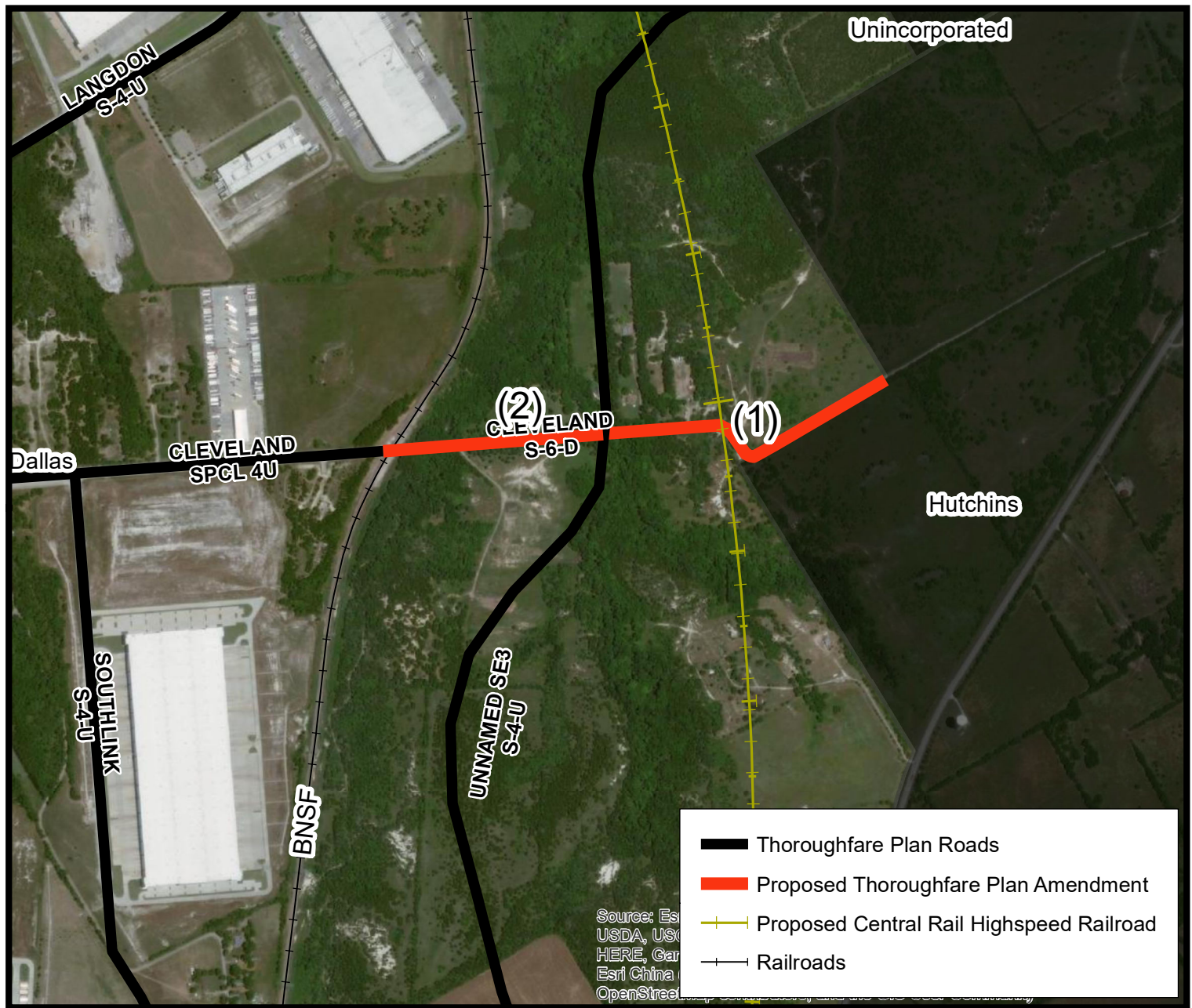


EXHIBIT  
City of Dallas  
Thoroughfare Plan

| Thoroughfare | Street Name | Limits of Definition                                    | Function | Proposed Dimension       | Ordinance | Amendment Date       |
|--------------|-------------|---|----------|--------------------------|-----------|----------------------|
| CLEVELAND    | TELEPHONE** | CLEVELAND to UNNAMED SE4                                | PA       | S-4-D                    | #28165    | 4/14/2011            |
|              | TELEPHONE** | UNNAMED SE4 to LANCASTER CITY LIMIT                     | PA       | S-4-D                    | #25902    | 2/23/2005            |
|              | CLEVELAND   | BONNIE VIEW to BNSF RAILROAD TRACKS                     | PA       | SPCL 4U                  | #29629    | 1/28/2015            |
|              | CLEVELAND   | BNSF RAILROAD TRACKS to HUTCHINS CITY LIMIT UNNAMED SE3 | PA       | <del>S-6-D</del> SPCL 4U | #20860    | 1/23/1991            |
|              | CLEVELAND   | BNSF RAILROAD TRACKS UNNAMED SE3 to HUTCHINS CITY LIMIT | PA       | <del>S-6-D</del>         | #20860    | <del>1/23/1991</del> |

\*Not built to designation  
\*\*Bike Plan designation

THOROUGHFARE PLAN  
Special Cross Sections

| Street Section | Limits of Definition                | Special Cross Section Description  |
|----------------|-------------------------------------|------------------------------------|
| Clark Road     | Spur 408 to Danieldale              | 6 lanes divided, 120' R.O.W.       |
| Cleveland      | Bonnie View to BNSF Railroad Tracks | 4 lanes undivided, 80' R.O.W.      |
|                | BNSF Railroad Tracks to Unnamed SE3 | 4 lanes undivided, 80' R.O.W.      |
| Cole           | Carlisle to Harvard                 | 3 lanes undivided, 60' - 80' R.O.W |



# City of Dallas

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

## Agenda Information Sheet

**File #:** 21-1696  
PH3.

**Item #:**

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** October 27, 2021

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Water Utilities Department

**EXECUTIVE:** Majed Al-Ghafry

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### **SUBJECT**

A public hearing to receive comments regarding the application for and approval of the fill permit and removal of the floodplain (FP) prefix from approximately 2.1 acres of the current 13.0 acres of floodplain located at 8700 Military Parkway, within the floodplain of Prairie Creek, Fill Permit 21-01 - Financing: No cost consideration to the City

### **BACKGROUND**

The property owner at 8700 Military Parkway along Prairie Creek has applied for a fill permit to remove the 100-year floodplain from approximately 2.1 acres of the current 13.0 acres of floodplain on this property.

A neighborhood meeting was held virtually through RingCentral on September 14, 2021. Attendees included one property owner representative, two from KFM Engineering & Design, and four city staff members; no citizens from the area attended. There has been no objection to the fill permit.

The fill permit application meets all engineering requirements for filling in the floodplain as specified in Part II of the Dallas Development Code, Section 51A-5.105(h). The applicant has not requested a waiver of any criteria. Accordingly, the City Council should approve this application; or it may pass a resolution to authorize acquisition of the property under the laws of eminent domain and may then deny the application to preserve the status quo until acquisition.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

This item has no prior action.

### **FISCAL INFORMATION**

No cost consideration to the City.

**OWNER/APPLICANT**

LENNAR HOMES  
ELIZABETH BENTLEY  
1707 Market PI Blvd # 210  
Irving, TX 75063

**ENGINEER**

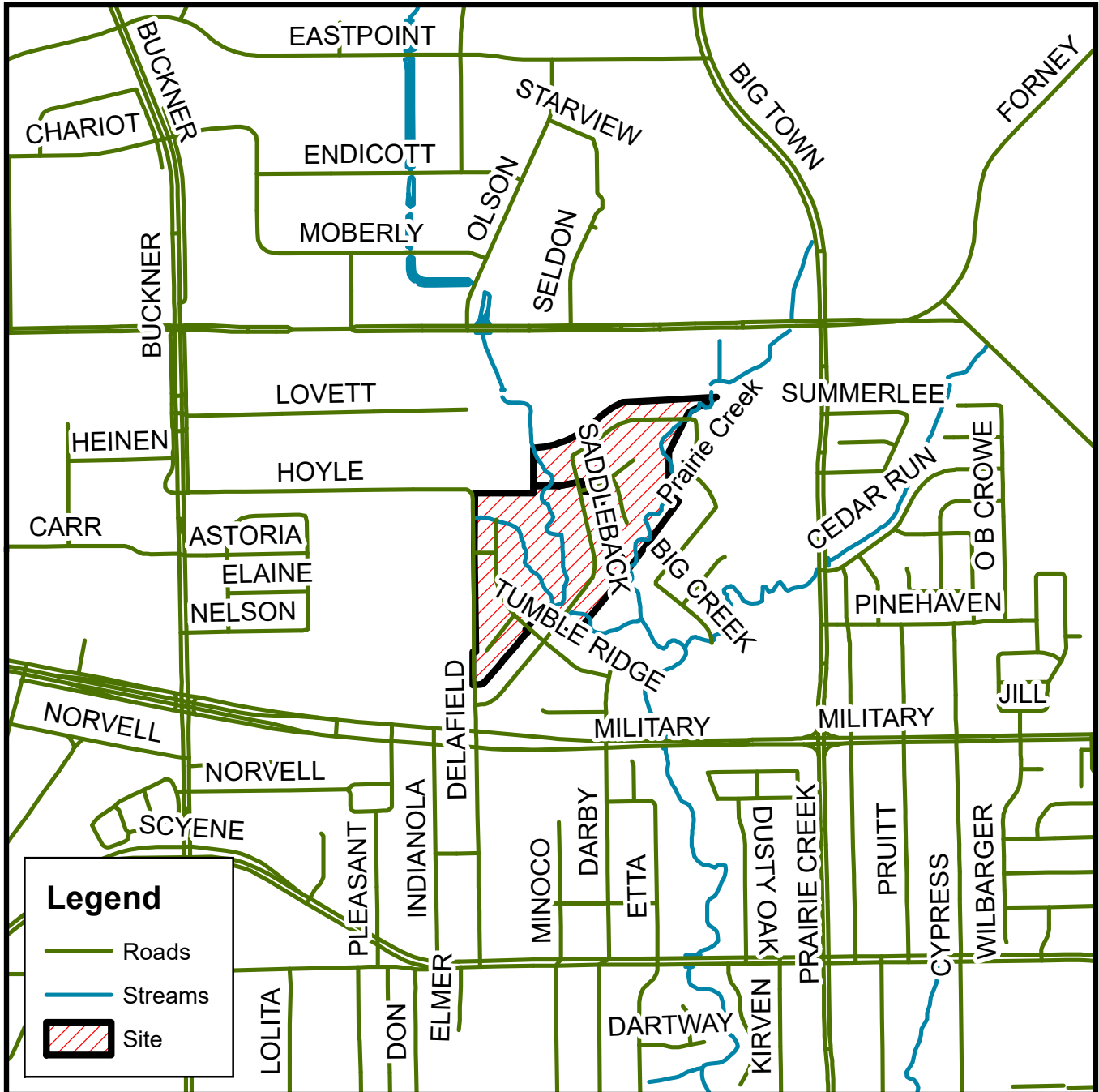
DAVID M. PITCHER, P.E. CFM  
KFM ENGINEERING & DESIGN  
3501 Olympus Blvd, Suite 100, Dallas, TX 75019

**MAP**

Attached

# Agenda Map

## Fill Permit 21-01 - Prairie Creek North Phase 2



**Council District 7**



# City of Dallas

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

## Agenda Information Sheet

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**File #:** 21-1859  
PH4.

**Item #:**

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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality  
**AGENDA DATE:** October 13, 2021  
**COUNCIL DISTRICT(S):** 13  
**DEPARTMENT:** Department of Planning and Urban Design  
**EXECUTIVE:** Dr. Eric A. Johnson

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### **SUBJECT**

An appeal of the City Plan Commission's decision to deny a minor amendment to an existing development plan on property zoned Planned Development District No. 578, on the south line of Forest Lane, between Inwood Parkway and Welch Road - M201-027 - Financing: No cost consideration to the City

**FILE NUMBER:** M201-027**DATE FILED:** April 6, 2021**LOCATION:** South line of Forest Lane, between Inwood Parkway and Welch Road**COUNCIL DISTRICT:** 13**MAPSCO:** 24 D**SIZE OF REQUEST:** ± 86.80 acres**CENSUS TRACT:** 135.00**REPRESENTATIVE:** Tommy Mann and Laura Hoffmann**OWNER/APPLICANT:** The Hockaday School**REQUEST:** An application for a minor amendment to an existing development plan on property zoned Planned Development District No. 578.**SUMMARY:** On June 28, 2000, the Dallas City Council established Planned Development District No. 578 by Ordinance No. 24305.

The applicant is requesting to amend the development plan to account for the following modifications:

- Add one practice/ P.E. field and reorient the softball fields so that the two are adjacent
- Slightly increase multipurpose field size to accommodate programs for varying ages of participants and abilities
- Move the Track and Field and associated multipurpose field to the north to minimize visitor disruption and increase the distance away from the neighborhood
- Remove ten tennis courts planned along Forest Lane
- Consolidate parking by relocating sports-related parking along Forest Lane and increasing the number of parking stalls to clarify the visitor experience and minimize disturbance to the surrounding neighborhoods
- Consolidate the softball field's location for oversight and safety of athletes
- Number of lighted fields (2) and fixtures remains the same
- Upgrade concession and restroom building, and small maintenance storage shed

Staff has not received an updated Traffic Management Plan with this request.

On September 2, 2021, the City Plan Commission denied the request stating the following rationales: the proposed changes could not be considered minor and alter the basic relationship with the adjacent properties.

**CPC RECOMMENDATION:** **Denial.****STAFF RECOMMENDATION:** **Approval**, subject to an updated Traffic Management Plan.



|                  |
|------------------|
| List of Officers |
|------------------|

## BOARD OF TRUSTEES 2020 – 2021

**OFFICERS**

Kathryn Walker Francis '94  
*Chair*

Shannon Saalfeld Thompson '89  
*Vice Chair*

Rick O'Brien  
*Executive Committee*

Kathy Crow  
*Treasurer*

Neelesh Mehendale  
*Secretary*

Barbara Glazer Rosenblatt '75  
*Immediate Past Chair*

Nicole Ginsburg Small '91  
*Chair Elect*

**TRUSTEES**

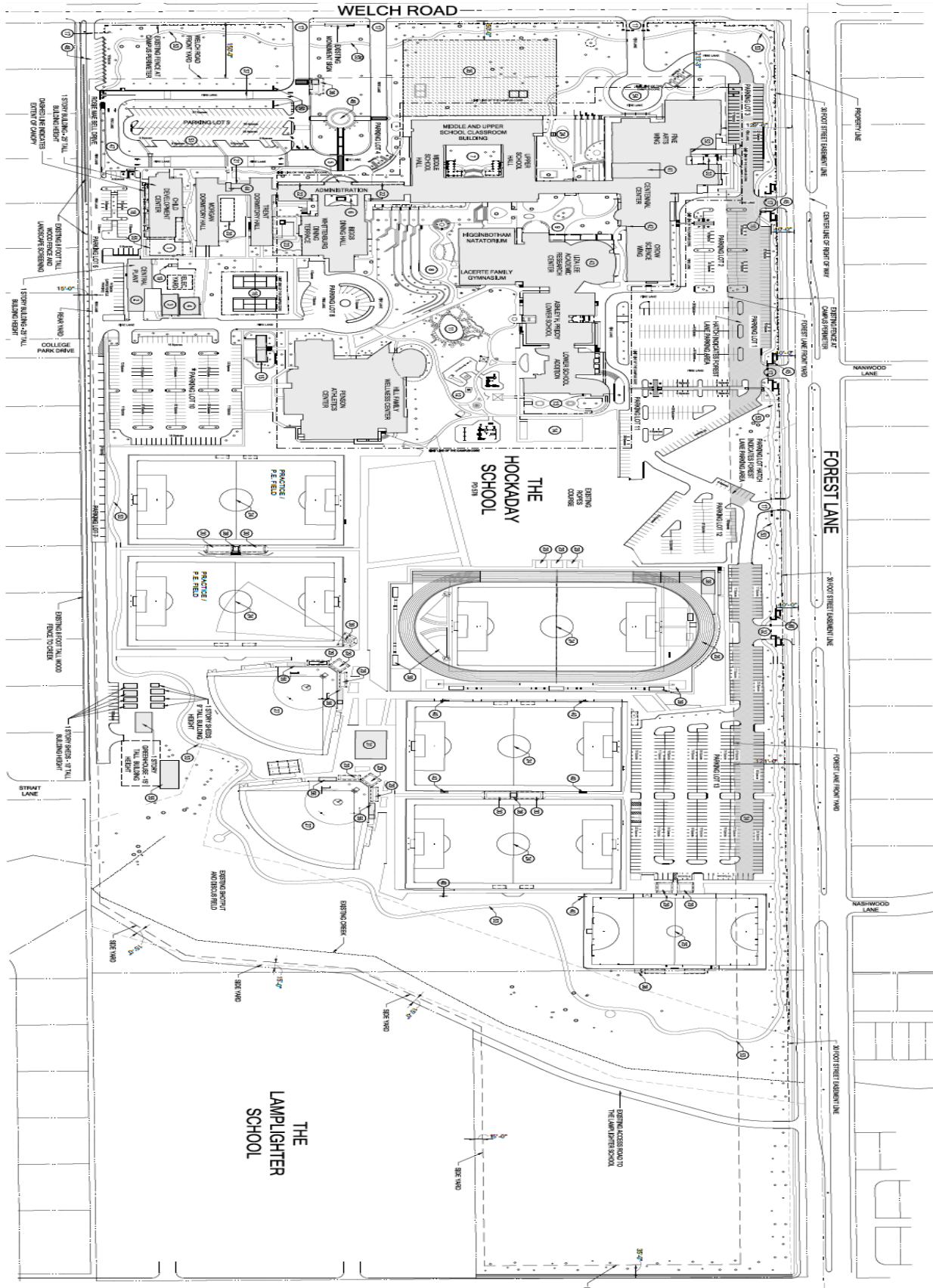
Wasan Alfalahi\*  
Mary Anne Alhadeff  
Samantha Ackerman Asch '91  
Keith Benedict  
Elizabeth Bennett\*  
Carla Bolden\*  
Shonn Brown  
David A. Campbell  
Taj Clayton\*  
John Donovan  
Landy Elliott Fox '92\*  
Helen Harris-Allen  
Ellen Haynes '81  
Heather Hays  
Ariana Viroslav Held '87  
Elizabeth Cullum Helfrich '98  
Isabell Novakov Higginbotham '98  
Andrew Hill\*  
Arnold Holtberg  
Jun Il Kwun  
Angelica Marin-Hill '93  
Monty Montgomery  
Guadalupe Mora-Duarte  
David A. Roosevelt  
Jennifer Sampson  
Betty Schultz  
Michael Sorrell  
Candace Campbell Swango '84  
Dawne Tribolet\*  
Jenna Brasch Woodberry '82

**LIFE TRUSTEES**

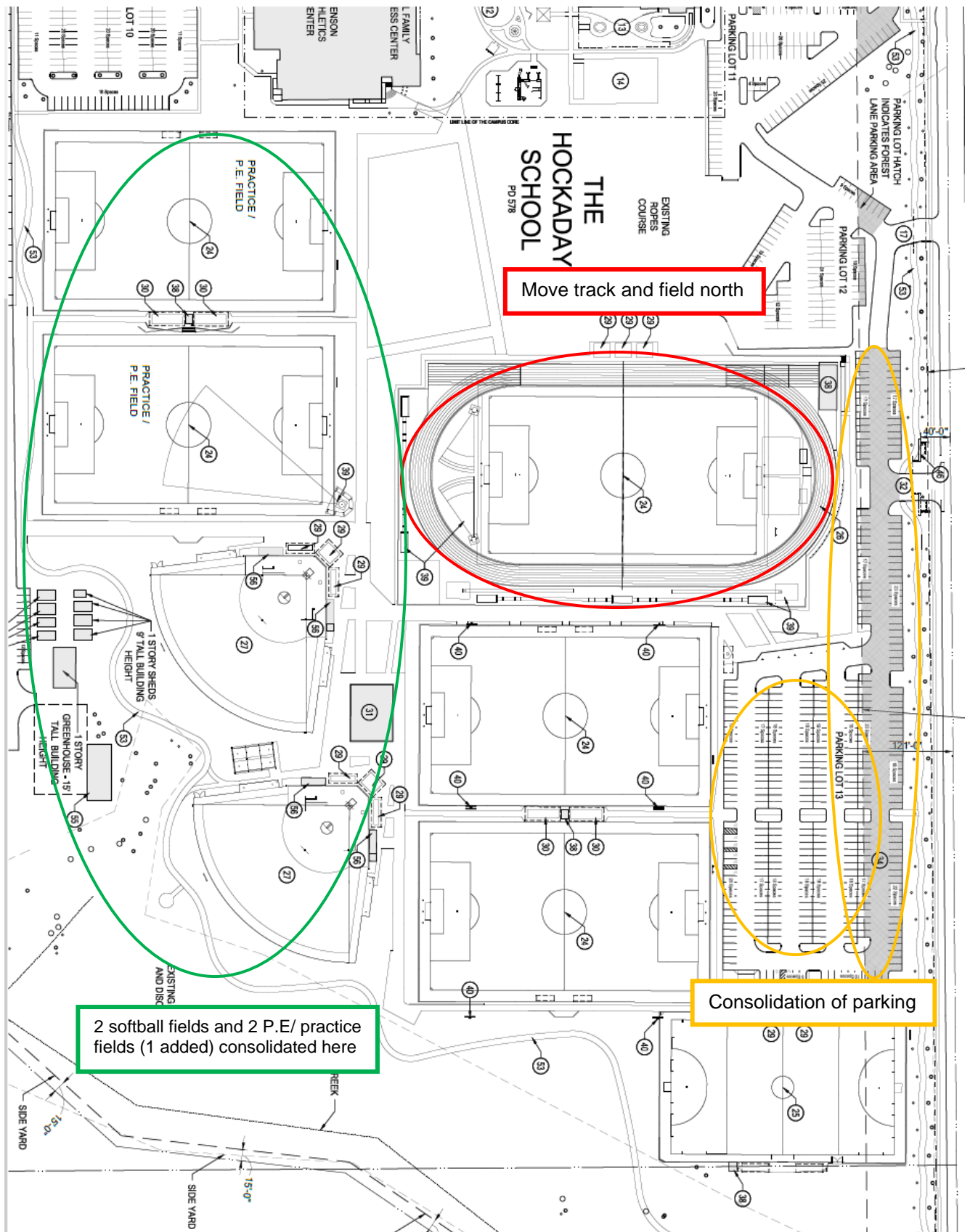
Linda Custard  
Lyda Hill '60  
James M. Hoak, Jr.  
Natalie "Schatzie" Henderson Lee '55  
Janie Strauss McGarr '72  
Paula Mosle  
Edith Jones O'Donnell '44  
Margot Perot  
Ellen Higginbotham Rogers '59  
Richard S. Rogoff  
Barney T. Young

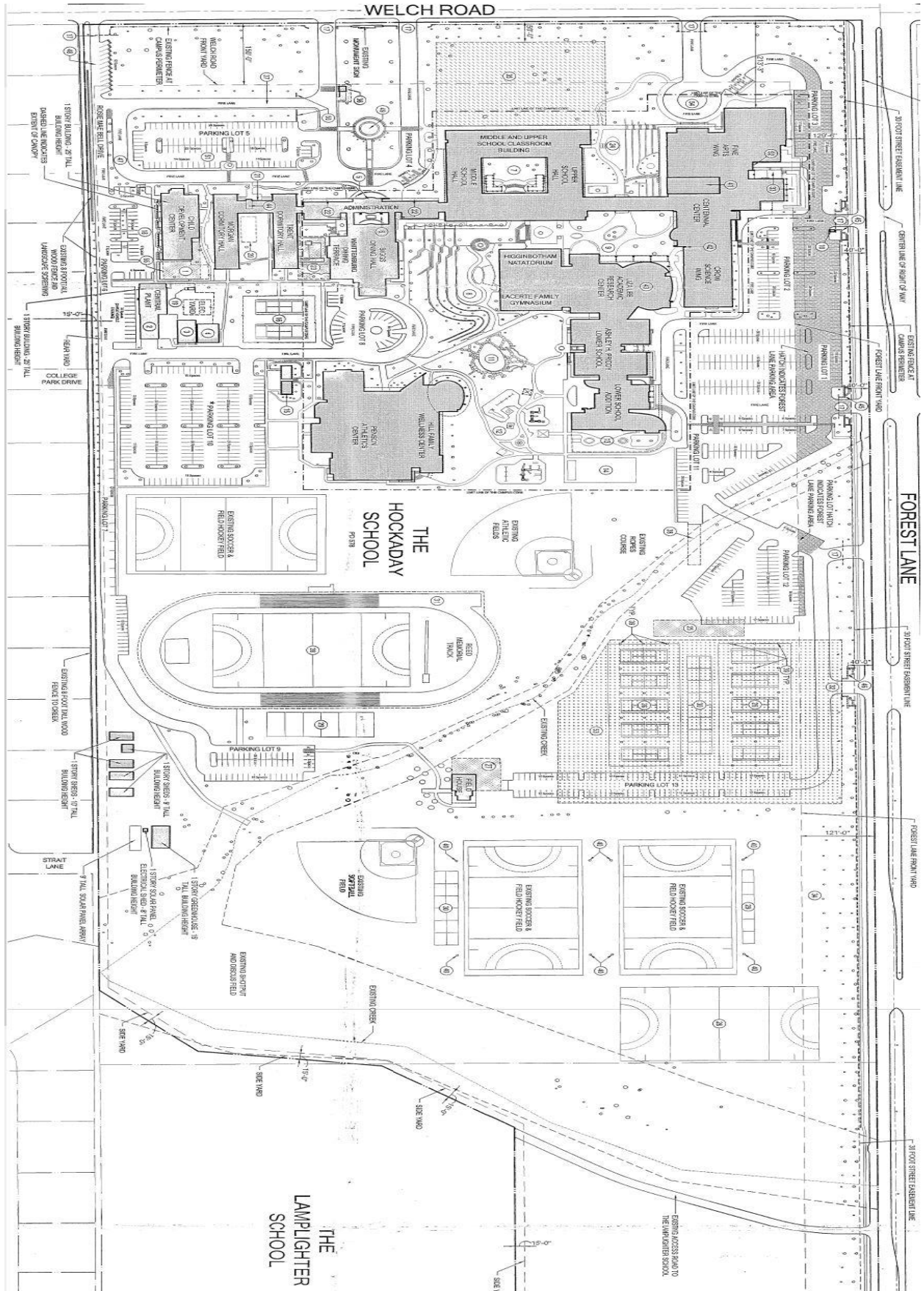
\* Denotes new Trustee

Proposed Development Plan

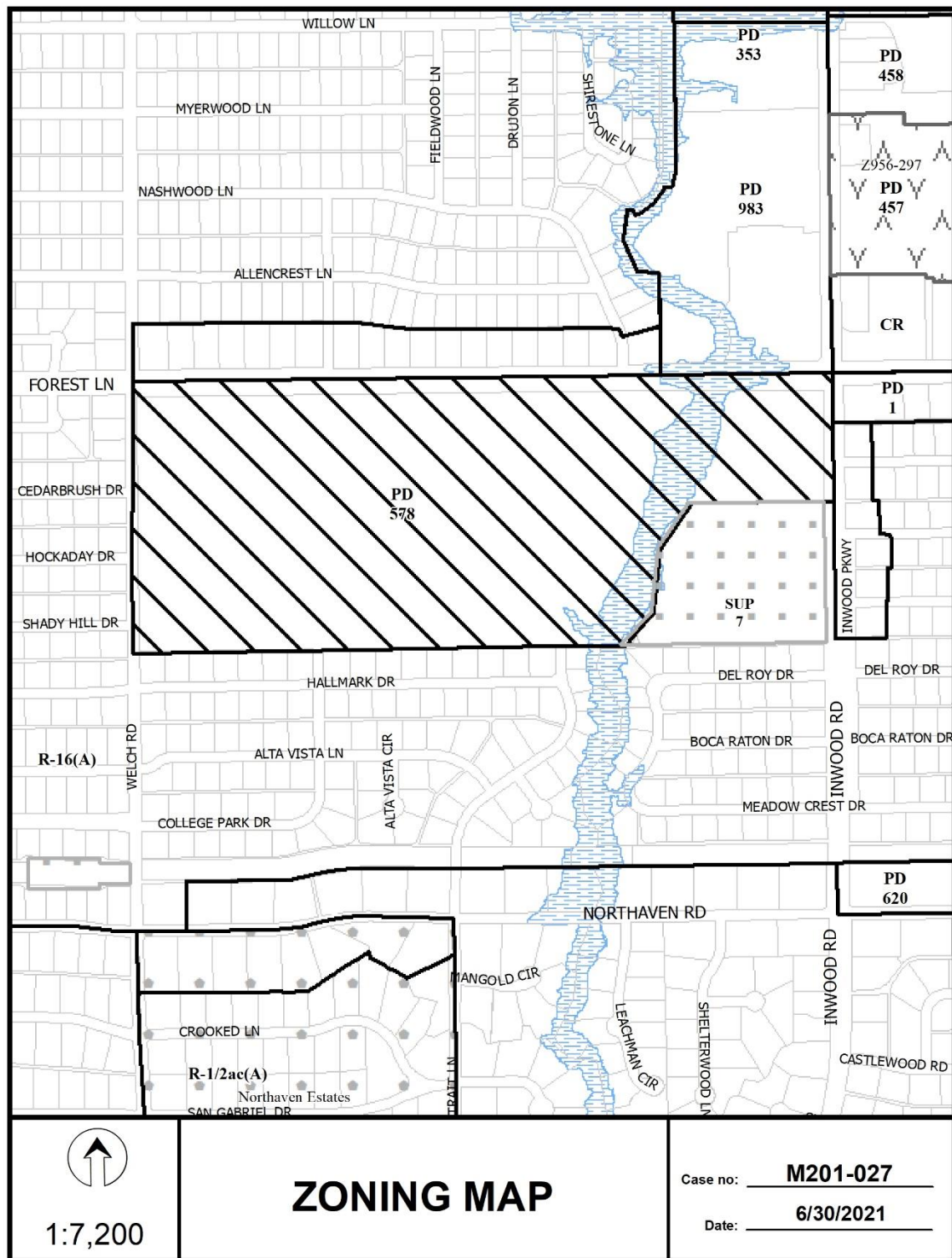


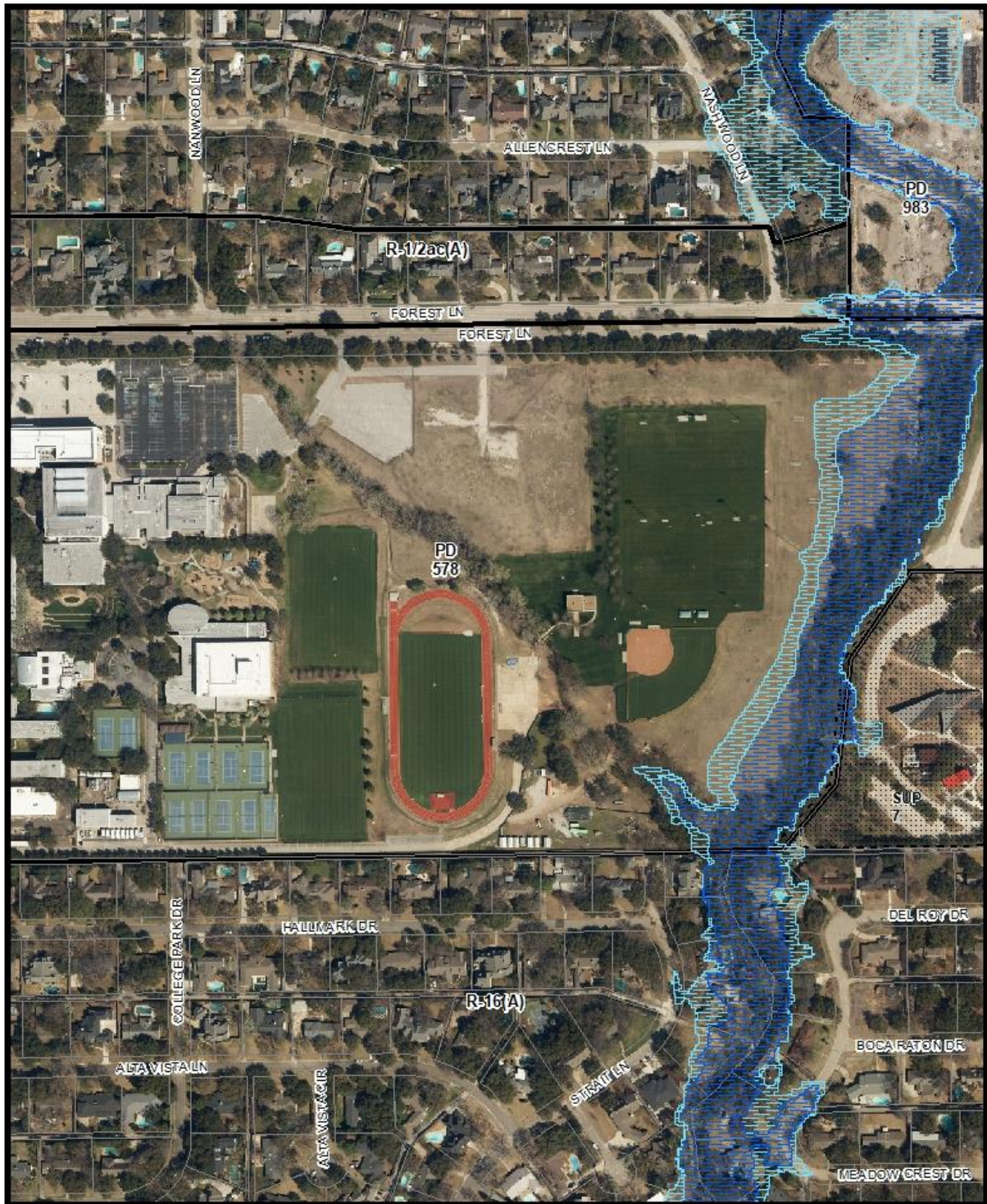
## Proposed Development Plan – Enlarged







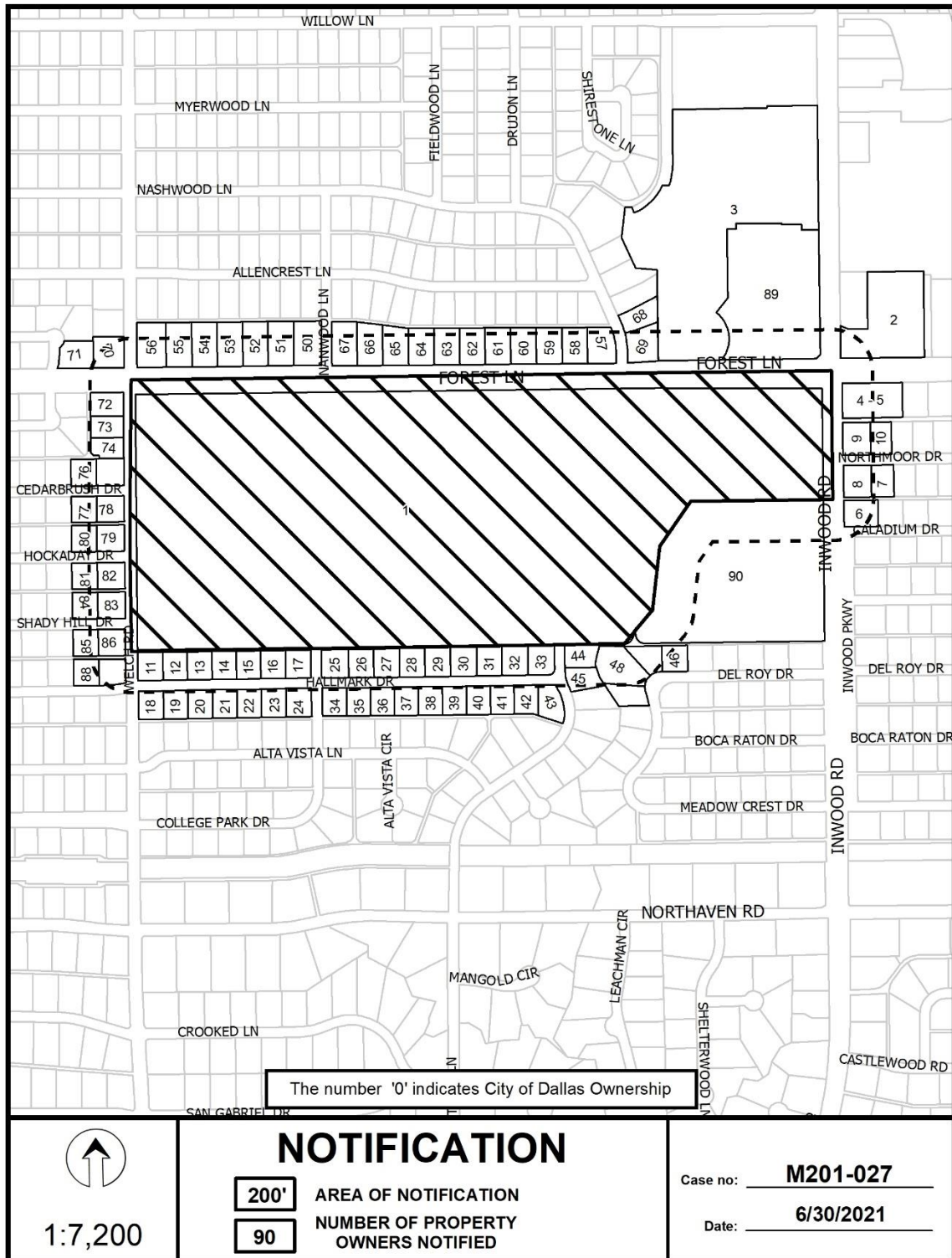




Aerial Map

Printed Date: 4/26/2021





06/30/2021

***Notification List of Property Owners******M201-027******90 Property Owners Notified***

| <b><i>Label #</i></b> | <b><i>Address</i></b> | <b><i>Owner</i></b>              |
|-----------------------|-----------------------|----------------------------------|
| 1                     | 11600 WELCH RD        | HOCKADAY SCHOOL                  |
| 2                     | 11804 INWOOD RD       | DANIEL A H                       |
| 3                     | 11881 INWOOD RD       | Taxpayer at                      |
| 4                     | 5200 FOREST LN        | FOREST VILLAGE INC               |
| 5                     | 5200 FOREST LN        | FORESTWOOD NATIONAL BANK         |
| 6                     | 5207 CALADIUM DR      | LOCHTE CYNTHIA G &               |
| 7                     | 5218 NORTHMOOR DR     | SIMMONS MICHAEL OLIVER & LISEL M |
| 8                     | 5208 NORTHMOOR DR     | MANG JOHN E JR &                 |
| 9                     | 5207 NORTHMOOR DR     | REICHL SUE HARROLD               |
| 10                    | 5217 NORTHMOOR DR     | CHO KYUNG KU &                   |
| 11                    | 4607 HALLMARK DR      | Taxpayer at                      |
| 12                    | 4617 HALLMARK DR      | CALLAHAN ROBERT W JR &           |
| 13                    | 4627 HALLMARK DR      | JOYNER KRISTIN L & COURTNEY R    |
| 14                    | 4637 HALLMARK DR      | BURKE RICHTER DARRYL &           |
| 15                    | 4647 HALLMARK DR      | RODRIGUEZ RODOLFO JR &           |
| 16                    | 4657 HALLMARK DR      | MAHER WILLIAM H                  |
| 17                    | 4667 HALLMARK DR      | TUBB ALLEN R & CONNIE M          |
| 18                    | 4606 HALLMARK DR      | MAHER RITA                       |
| 19                    | 4616 HALLMARK DR      | MIKULA DAVID                     |
| 20                    | 4626 HALLMARK DR      | Taxpayer at                      |
| 21                    | 4636 HALLMARK DR      | DUNN LAURENCE J & VENITA K       |
| 22                    | 4646 HALLMARK DR      | HANLEY PATRICK J JR &            |
| 23                    | 4656 HALLMARK DR      | ETAN RENTALS LLC                 |
| 24                    | 4666 HALLMARK DR      | THOMAS DON & KAREN               |
| 25                    | 4709 HALLMARK DR      | RODE RONALD D &                  |
| 26                    | 4719 HALLMARK DR      | MCLEROY KATIE & LUKE MCLEROY     |



06/30/2021

| <i>Label #</i> | <i>Address</i>       | <i>Owner</i>                    |
|----------------|----------------------|---------------------------------|
| 27             | 4729 HALLMARK DR     | Taxpayer at                     |
| 28             | 4739 HALLMARK DR     | LAWRENCE ANN A & SAM J          |
| 29             | 4749 HALLMARK DR     | ROBBINS MARK &                  |
| 30             | 4811 HALLMARK DR     | BLEDSON MICHELLE                |
| 31             | 4821 HALLMARK DR     | MAU I FAN &                     |
| 32             | 4831 HALLMARK DR     | KNOX ERLINE G EST OF            |
| 33             | 4841 HALLMARK DR     | KIM NANCY YOUNG                 |
| 34             | 4708 HALLMARK DR     | QUINBY RACHEL HEATHER VALEK     |
| 35             | 4718 HALLMARK DR     | RAFF KENNETH A &                |
| 36             | 4728 HALLMARK DR     | SMITH ELIZABETH O &             |
| 37             | 4738 HALLMARK DR     | JZ FAMILY TRUST                 |
| 38             | 4748 HALLMARK DR     | Taxpayer at                     |
| 39             | 4810 HALLMARK DR     | Taxpayer at                     |
| 40             | 4820 HALLMARK DR     | PORTER RICHARD BRADLEY &        |
| 41             | 4830 HALLMARK DR     | FOX STANLEY E & BARBARA         |
| 42             | 4840 HALLMARK DR     | KILLIAN KIRK A & ANN E          |
| 43             | 11479 STRAIT LN      | THOR DANIEL W                   |
| 44             | 11508 STRAIT LN      | DEUBER MARK &                   |
| 45             | 11492 STRAIT LN      | LEVENE DONALD & ANITA REVOCABLE |
| 46             | 5115 DEL ROY DR      | CAO MATAO & YAOYAO LU           |
| 47             | 5105 DEL ROY DR      | RICHLAND REVOLUTIONS INC        |
| 48             | 11457 LAMPLIGHTER LN | CEJUDO RAUL FERNANDO &          |
| 49             | 11451 LAMPLIGHTER LN | LEVI CHARLES A III              |
| 50             | 11805 NANWOOD LN     | RAVIKUMAR MUKUND &              |
| 51             | 4719 FOREST LN       | DURRETT DAVID & DEBORAH         |
| 52             | 4709 FOREST LN       | KEYES KATRINA & WILLIAM         |
| 53             | 4639 FOREST LN       | GOODIEL SUSAN J &               |
| 54             | 4629 FOREST LN       | WEHRMANN DOROTHY M              |
| 55             | 4619 FOREST LN       | WASSERMAN MICHAEL &             |
| 56             | 4609 FOREST LN       | WASSERMAN MICHAEL CHARLES &     |
| 57             | 4949 FOREST LN       | MILNER CHARLES A                |

| <i>Label #</i> | <i>Address</i>     | <i>Owner</i>                |
|----------------|--------------------|-----------------------------|
| 58             | 4939 FOREST LN     | BRIGGS THOMAS D & KAREN K   |
| 59             | 4929 FOREST LN     | MCMILLAN FORREST & ASHLEY   |
| 60             | 4919 FOREST LN     | SPENCER ELSA R              |
| 61             | 4909 FOREST LN     | Taxpayer at                 |
| 62             | 4859 FOREST LN     | LORIMER DANIEL B &          |
| 63             | 4849 FOREST LN     | MASSEY CHARLOTTE H          |
| 64             | 4839 FOREST LN     | ESFAHANI DJALIL & LILIANA   |
| 65             | 4829 FOREST LN     | OZBIRN DAVID W & CONNIE L   |
| 66             | 4819 FOREST LN     | QUERALT JUAN A &            |
| 67             | 4809 FOREST LN     | MORRIS BRIAN T &            |
| 68             | 4969 NASHWOOD LN   | BROOKSHIER ANDREW           |
| 69             | 4979 NASHWOOD LN   | Taxpayer at                 |
| 70             | 11811 WELCH RD     | GOETHALS MICHAEL ALLAN &    |
| 71             | 4555 MENDENHALL DR | DURAN PHILLIP & GINA R      |
| 72             | 11737 WELCH RD     | ASTIE JEAN                  |
| 73             | 11727 WELCH RD     | PROKESCH BONNIE             |
| 74             | 11717 WELCH RD     | ALEXANDER CHARLES B         |
| 75             | 4557 CEDARBRUSH DR | LICHLITER GARY E & ZI LING  |
| 76             | 4547 CEDARBRUSH DR | LONERGAN SEAMUS D &         |
| 77             | 4548 CEDARBRUSH DR | MOORE JOHN T                |
| 78             | 4558 CEDARBRUSH DR | VITTETOE ROBERT G           |
| 79             | 4559 HOCKADAY DR   | MCCOOL STACEY               |
| 80             | 4549 HOCKADAY DR   | BEACH JOHN W JR & MICHELE C |
| 81             | 4548 HOCKADAY DR   | Taxpayer at                 |
| 82             | 4558 HOCKADAY DR   | MILLER HUBBARD C            |
| 83             | 4557 SHADY HILL DR | BENDALIN KENNETH A &        |
| 84             | 4547 SHADY HILL DR | KRAMPITZ DANIEL &           |
| 85             | 4548 SHADY HILL DR | SMITH CHARLES B & MONICA H  |
| 86             | 4558 SHADY HILL DR | COOK ELLEN R &              |
| 87             | 4559 HALLMARK DR   | JOHNSON BRIAN & COURTNEY L  |
| 88             | 4549 HALLMARK DR   | MARSHALL BRIAN &            |
| 89             | 11881 INWOOD RD    | DANIEL BROTHERS LLP         |
| 90             | 11611 INWOOD RD    | LAMPLIGHTER SCHOOL THE      |



# Department of Development Services

1500 Marilla Street Room 5B North Dallas, TX 75201 Phone 214.670.4209 Fax 214.670.4210

## Development Plan / Minor Amendment Application

September 2007

Provide the following information. (Please print).

| Applicant   |                     | Representative |  | Owner   |                   |
|---|---------------------|----------------|--|---|-------------------|
| Owner <input checked="" type="checkbox"/> <input type="checkbox"/> Prospective Buyer<br>Tenant <input type="checkbox"/> |                     |                |  | Individual <input type="checkbox"/> <input type="checkbox"/> Corporation<br>Partnership <input type="checkbox"/> <input type="checkbox"/> Trust |                   |
| Name:   | The Hockaday School | Name:          | Tommy Mann; Laura Hoffmann<br>Winstead PC  | Name:   | Same as applicant |
| Address:  | 11600 Welch Road    | Address:       | 2728 N. Harwood Street   | Address:  |                   |
| City/St/Zip:  | Dallas, TX 75229    | City/St/Zip:   | Dallas, TX 75201   | City/St/Zip:  |                   |
| Telephone:  | (214) 363-6311      | Telephone:     | (214) 745-5693   | Telephone:  |                   |
| Fax:  | (214) 373-0520      | Fax:           | (214) 745-5390   | Fax:  |                   |
| E-mail:   | jcoats@hockaday.org | E-mail:        | <a href="mailto:tmann@winstead.com">tmann@winstead.com</a> ;<br><a href="mailto:lhoffmann@winstead.com">lhoffmann@winstead.com</a> | E-mail:   |                   |
| (see letter of authorization)   |                     |                |  |   |                   |
| Signature of Applicant  |                     |                |  | Signature of Owner  |                   |

|                               |                    |                          |  |  |
|-------------------------------|--------------------|--------------------------|--|--|
| PDD no.                       | PD 578             | Location & cross street: | Property on the south line of Forest Lane between Inwood Road and Welch Road, addressed at 11600 Welch Road. |  |
| PDD, Tract or subdistrict no. | n/a                | Request:                 | Minor Amendment application for minor changes to the development plan  |  |
| SUP no.                       | n/a                |                          |  |  |
| Mapsco no.                    | 24-D               |                          |  |  |
| Zoning map no.                | D-6, D-7, E-6, E-7 |                          |  |  |
| Council district              | 13                 |                          | Size of request: +/- 86.8072 acres   |  |
| Census tract no.              | 0135.00            |                          | Date of the last City Council action: 12/12/2012   |  |
|                               |                    |                          | Zoning file number associated with that action: Z112-258(RB)   |  |

### Fee Schedule

|                                     |                             |
|-------------------------------------|-----------------------------|
| Development Plan Review<br>\$600.00 | Minor Amendment<br>\$825.00 |
|-------------------------------------|-----------------------------|

The following is to be completed by staff during application intake.

| Development Plan Review  | Minor Amendment  |
|--|--|
| Statement of Request <input type="checkbox"/>                    | Detailed summary of changes <input checked="" type="checkbox"/>                  |
| Zoning map (1) (8 1/2"x11") <input type="checkbox"/>             | Zoning map (1) (8 1/2"x11") <input checked="" type="checkbox"/>                  |
| Proper signatures <input type="checkbox"/>                       | Proper signatures <input checked="" type="checkbox"/>                            |
| Letter of authorization <input type="checkbox"/>                 | Letter of authorization <input checked="" type="checkbox"/>                      |
| List of partners/principles/officers <input type="checkbox"/>    | List of partners/principles/officers <input checked="" type="checkbox"/>         |
| 6 Development/Landscape plans* (folded) <input type="checkbox"/> | 3 Development/Landscape/Site plans* (folded) <input checked="" type="checkbox"/> |
| 1 8.5x11 copy of plan(s) <input type="checkbox"/>                | 1 8.5x11 copy of plan(s) <input checked="" type="checkbox"/>                     |

\* 6 correct and complete full-sized plans and 1 8.5x11 plan(s) will be required prior to the public hearing

\* 3 copies of full-sized plans are required with the application  
\* 7 correct and complete full-sized plans and 1 8.5x11 plan(s) will be required prior to notification of the public hearing

|                       |                          |                              |
|-----------------------|--------------------------|------------------------------|
| Filing fee: \$ 025.00 | Receipt No.              | Accepted by: Hannah Carrasco |
| File No.: MD1-024     | Planner: Hannah Carrasco |                              |

2728 N. Harwood Street  
Suite 500  
Dallas, Texas 75201

214.745.5400 OFFICE  
214.745.5390 FAX  
winstead.com

September 13, 2021

Tommy Mann  
DIRECT DIAL: 214.745.5724  
EMAIL: [tmann@winstead.com](mailto:tmann@winstead.com)

**Via Email**

Ms. Nabila Nur  
Planning Manager, Current Planning  
City of Dallas

Re: M201-027 (Hockaday)

Dear Ms. Nur:

Please accept this letter as an appeal to the City Council of the City Plan Commission decision to recommend denial of the referenced minor amendment request. As we have presented and city staff agrees, we feel this proposed minor amendment does not alter the basic relationship to adjacent property. Please do not hesitate to contact me if you need further information. A copy of the attached letter and a check of \$300.00 payable to the City of Dallas will be hand delivered to your attention at City Hall today.

Sincerely,

WINSTEAD PC



Tommy Mann, Esq.

TM/amc

## **SEPTEMBER 2, 2021 – DRAFT CITY PLAN COMMISSION MINUTES**

**M201-027**

Planner: Hannah Carrasco

**Motion:** It was moved to recommend **denial without prejudice** of a minor amendment to an existing development plan on property zoned Planned Development District No. 578, at the south line of Forest Lane, between Inwood Parkway and Welch Road.

Maker: Murphy  
Second: MacGregor  
Result: Carried: 13 to 0

For: 13 - MacGregor, Hampton, Stinson, Shidid,  
Carpenter, Jackson, Blair, Jung, Suhler,  
Schwope, Murphy, Garcia, Rubin

Against: 0  
Absent: 0  
Vacancy: 2 - District 4, District 10

**Speakers:** For: JT Coats, 11600 Welch Rd., Dallas, TX, 75229  
Jonah Guzman, 11600 Welch Rd., Dallas, TX, 75229  
Zachary Christeson, 3200 Southwest Fwy., Houston, TX, 77027  
Laura Hoffmann, 2728 N. Harwood St., Dallas, TX, 75201  
Tommy Mann, 500 Winstead Building, Dallas, TX, 75201  
Courtney Joyner, 4627 Hallmark Dr., Dallas TX, 75229  
Will Dawson, 4607 Hallmark Dr., Dallas TX, 75229  
For (Did not speak): Katie McLeroy, 4719 Hallmark Dr., Dallas, TX, 75229  
Courtney Johnson, 4559 Hallmark Dr., Dallas, TX, 75229  
Against: None