



Legislation Text

File #: 21-1851, Version: 1

STRATEGIC PRIORITY: Economic and Neighborhood Vitality
AGENDA DATE: November 10, 2021
COUNCIL DISTRICT(S): 11
DEPARTMENT: Department of Housing & Neighborhood Revitalization
EXECUTIVE: Dr. Eric A. Johnson

SUBJECT

Authorize an amendment to the conditional grant agreement with St. Jude, Inc. for the rehabilitation of 180 permanent supportive housing units to modify the income restrictions at or below 30% Area Median Income (AMI) at or below 50% AMI for 60% of the units and at or below 80% AMI for 40% of the units at the St. Jude Center - Park Central, a permanent supportive housing development located 8102 Lyndon B. Johnson Freeway, Dallas, Texas 75251 – Financing: No cost consideration to the City

BACKGROUND

On January 27, 2021, City Council authorized a condition grant agreement St. Jude, Inc. (St. Jude) in an amount not to exceed \$3,300,000.00 in consideration for the renovation of The St. Jude Center - Park Central (Project), a 180-unit permanent supportive housing development. The Project consisted of two phases and is currently transitioning from Phase 1 to Phase 2.

As part of Phase 1, the City executed a contract with Dallas County to provide \$2 million in Coronavirus Relief Funds for the acquisition of the Project by St. Jude, or its affiliate, approved by City Council on November 11, 2020 by Resolution No. 20-1789. Phase 2 includes the renovation of the Project to house individuals experiencing homelessness. In total, the Phase 2 renovation will result in 180 permanent supportive housing units that are approximately 350 square feet each. The gradual transition from Phase 1 to Phase 2 is ongoing in conjunction with City, County, and other stakeholders.

The conditional grant agreement currently requires that all 180 units of permanent supportive housing be reserve for residents earning at or below 30% Area Median Income (AMI). In order to better serve a broader population of persons experiencing homelessness in need of permanent supportive housing, the income restrictions of the Project should be modified to require 60% of the 180 permanent supportive housing units be reserved for residents earning at or below 50% AMI and 40% of the 180 permanent supportive housing units shall be reserved for residents earning at or below 80% AMI. Persons experiencing homelessness often have incomes over 30% AMI and the current income restrictions prevent such a population from receiving housing.

The St. Jude, Inc. application received a fundable score of 100.00 points through the Department of Housing and Neighborhood Revitalization's standing Notice of Funding Availability Process. The Project also met the criteria for consideration for the use of Proposition J Homeless Bond funds.

St. Jude, Inc. is a subsidiary of Catholic Housing Initiative. Since 1992, the Catholic Housing Initiative has developed over 1,400 units of housing—the majority of which are affordable and senior housing projects. Those projects represent over \$75 million in total investment. At present, Catholic Housing Initiative owns and manages over 900 units of affordable and senior housing units.

In order to serve a broader population of persons experiencing homelessness in need of permanent supportive housing, Staff recommends executing an amendment to the conditional grant agreement with St. Jude to modify the income restrictions of the Project.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 9, 2018, City Council authorized 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.

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.

On August 7, 2020, City Council issued a Notice of Funding Availability (NOFA) in accordance with the CHP and St. Jude, Inc. (St. Jude) submitted an application that received a fundable score and passed a preliminary underwriting review for the St. Jude Center – Park Central Project (Project).

On November 11, 2020, City Council authorized an Interlocal Agreement with Dallas County for COVID-19 supportive housing for persons experiencing homelessness as part of a cost share agreement between the City of Dallas and Dallas County for the St. Jude Center - Park Center Project by Resolution No. 20-1789.

On January 27, 2021, City Council authorized a conditional grant agreement in an amount not to exceed \$3,300,000.00 with St Jude, Inc. for 180 permanent supportive housing for persons experiencing homelessness by Resolution No. 21-0213.

[The Housing and Homelessness Solutions Committee was briefed by memorandum regarding this matter on October 25, 2021. <http://cityofdallas.legistar.com/gateway.aspx?M=F&ID=68b62c01-f4c9-4a0f-9303-d78eb1de240a.pdf>](http://cityofdallas.legistar.com/gateway.aspx?M=F&ID=68b62c01-f4c9-4a0f-9303-d78eb1de240a.pdf)

FISCAL INFORMATION

No cost consideration to the City.

OWNER/DEVELOPER

St. Jude, Inc.

Joseph W. Dingman, President