

**APRIL 20, 2016 CITY COUNCIL BRIEFING AGENDA
CERTIFICATION**

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Briefing Agenda dated April 20, 2016. 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.



A.C. Gonzalez
City Manager



Date



Jeanne Chipperfield
Chief Financial Officer

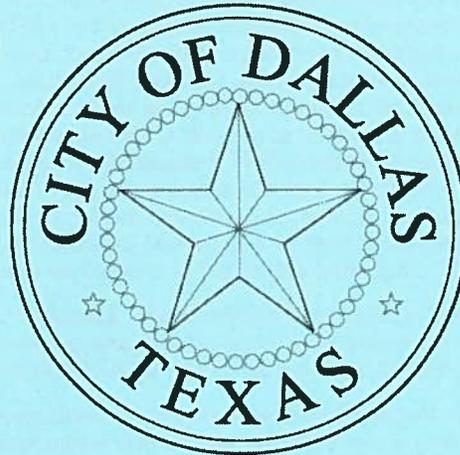


Date

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CITY SECRETARY
DALLAS, TEXAS



COUNCIL BRIEFING AGENDA

April 20, 2016

Date

(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.

If you need interpretation in Spanish language, please contact the City Secretary's Office at 214-670-3738 with a 48 hour advance notice.

Sign interpreters are available upon request with a 48-hour advance notice by calling (214) 670-3738 V/TDD. The City of Dallas is committed to compliance with the Americans with Disabilities Act.

The Council agenda is available in alternative formats upon request.

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

Rules of Courtesy

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

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

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

Información General

El Ayuntamiento de la Ciudad de Dallas se reúne regularmente los miércoles en la Cámara del Ayuntamiento en el sexto piso de la Alcaldía, 1500 Marilla, a las 9 de la mañana. Las reuniones informativas se llevan a cabo el primer y tercer miércoles del mes. Estas audiencias se transmiten en vivo por la estación de radio WRR-FM 101.1 y por cablevisión en la estación *Time Warner City Cable* Canal 16. El Ayuntamiento Municipal se reúne 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.

Si necesita interpretación en idioma español, por favor comuníquese con la oficina de la Secretaría del Ayuntamiento al 214-670-3738 con notificación de 48 horas antes.

Intérpretes para personas con impedimentos auditivos están disponibles si lo solicita con 48 horas de anticipación llamando al (214) 670-3738 (aparato auditivo V/TDD). La Ciudad de Dallas está comprometida a 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 retrasará o interrumpirá los procedimientos, o se negará 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 obedecer las mismas reglas de comportamiento, decoro y buena conducta que se aplican a los miembros del Ayuntamiento Municipal. Cualquier persona que haga comentarios impertinentes, utilice vocabulario obsceno o difamatorio, o que al dirigirse al Ayuntamiento lo haga en forma escandalosa, o si causa disturbio durante la asamblea del Ayuntamiento Municipal, será expulsada de la cámara si el oficial que esté 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 precisará al oficial que esté presidiendo la sesión a tomar acción." Según la sección 3.3(c) de las reglas de procedimientos del Ayuntamiento.

SUPPLEMENTAL NOTICE

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

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

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

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

AGENDA
CITY COUNCIL BRIEFING MEETING
WEDNESDAY, APRIL 20, 2016
CITY HALL
1500 MARILLA
DALLAS, TEXAS 75201
9:00 A.M.

9:00 am Invocation and Pledge of Allegiance 6ES

 Special Presentations

 Open Microphone Speakers

VOTING AGENDA 6ES

1. Approval of Minutes of the April 6, 2016 City Council Meeting
2. 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)

BRIEFINGS 6ES

- A. Proposed Five-Year Water Conservation Work Plan Update
- B. Proposed FY 2016-17 HUD Consolidated Plan Budget

Lunch

- C. Oncor Electric Delivery Company, LLC Transmission and Distribution Rates
- D. The Path to the May 2017 Bond Program

AGENDA
CITY COUNCIL BRIEFING MEETING
WEDNESDAY, APRIL 20, 2016

- Closed Session 6ES
Attorney Briefings (Sec. 551.071 T.O.M.A.)
- Joe Wesson v. City of Dallas, Texas and Jesus Martinez, Civil Action No. 3:14-CV-4325-L.
 - Justin Nunnally v. City of Dallas, Cause No. DC-15-12700.

Open Microphone Speakers 6ES

The above schedule represents an estimate of the order for the indicated briefings and is subject to change at any time. Current agenda information may be obtained by calling (214) 670-3100 during working hours.

Note: An expression of preference or a preliminary vote may be taken by the Council on any of the briefing items.

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

1. Contemplated or pending litigation, or matters where legal advice is requested of the City Attorney. Section 551.071 of the Texas Open Meetings Act.
2. The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.
3. A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.
4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.
5. The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.
6. Deliberations regarding economic development negotiations. Section 551.087 of the Texas Open Meetings Act.

Memorandum



CITY OF DALLAS

DATE April 15, 2016

TO The Honorable Mayor and Members of the City Council

SUBJECT Proposed Five-Year Water Conservation Work Plan Update

On Wednesday, April 20, 2016, you will be briefed on the Proposed Five-Year Water Conservation Work Plan Update. The briefing materials are attached for your review. The full Draft 2016 Work Plan is available for review at the Water Conservation webpage www.savedallaswater.com.

Please feel free to contact me if you have any questions or concerns.

A handwritten signature in black ink, appearing to read 'Mark McDaniel'.

Mark McDaniel
Assistant City Manager

c: A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager

Eric D. Campbell, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor & Council

City of Dallas Water Utilities

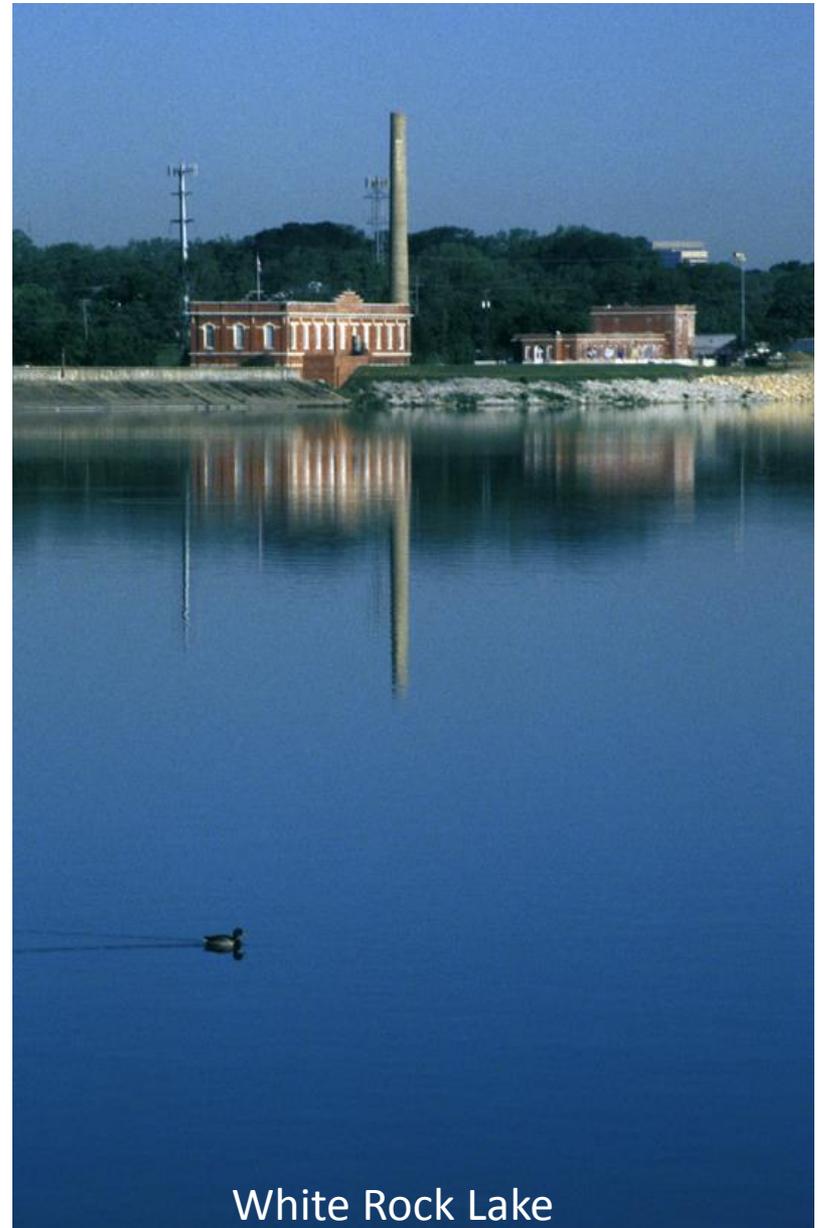
Proposed Five-Year Water Conservation Work Plan Update

Dallas City Council
April 20, 2016



Outline

- The Need for Water Conservation
- City of Dallas Water Conservation Efforts
- FY2016-2020 Water Conservation Five-Year Work Plan
 - Projected Water Savings and Costs
 - Continued Customer Engagement
 - Water System Improvements
 - Ordinance Changes
- Summary & Timeline
- Appendix



White Rock Lake

Water Conservation Work Plan Update

- FY 2015 marked the 10th anniversary of Dallas' Water Conservation Strategic Planning efforts
- Over the past decade, we've greatly reduced water demand despite increases in the population and periodic droughts
- Going forward, we will work on increasing water use efficiencies through strategies identified in the 2016 Water Conservation Work Plan
- As the program has expanded and matured, the next five years will focus heavily on water system improvements and targeted programming for top water using premise types

Work Plan is Foundation for Water Conservation Efforts

- State of Texas requires Water Conservation Plan
 - Mandated by Title 30, Chapter 288, Subchapter A of Texas Administrative Code
 - Updated plans required to be submitted every five years
- Five-Year Work Plan
 - Serves as a road map for compliance with State mandates
 - Serves as a major component of Long Range Water Supply strategies

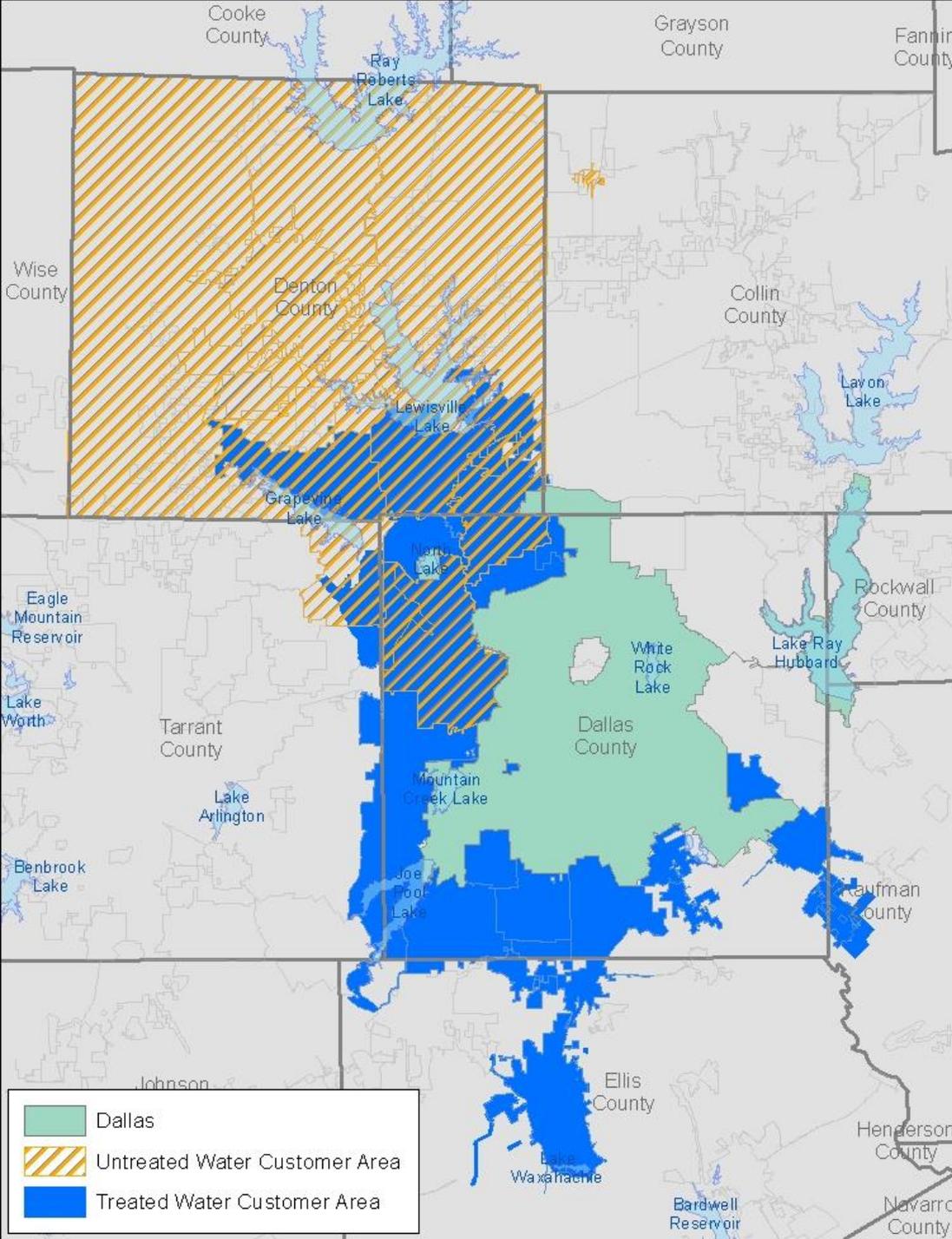


The Need for Water Conservation

Dallas Water Utilities Service Area

Population served: 2.4 million

- 1.2 million in Dallas
- 1.2 million in 27 wholesale customer cities



Conservation as a Demand Management Tool

- Conservation extends the life of our existing resources
- Water savings from long-term behavioral change delays the need for future water sources
- Conservation puts Dallas Water Utilities (DWU) in compliance with the State's conservation requirements prior to requesting future water rights
- While we seek to maximize these efforts, conservation alone will not solve our long-term water needs
- Continued customer engagement and ongoing re-evaluation of the conservation program are necessary to sustain water savings
 - Anything less will erode the gains made, and over time, they will be substantially lost

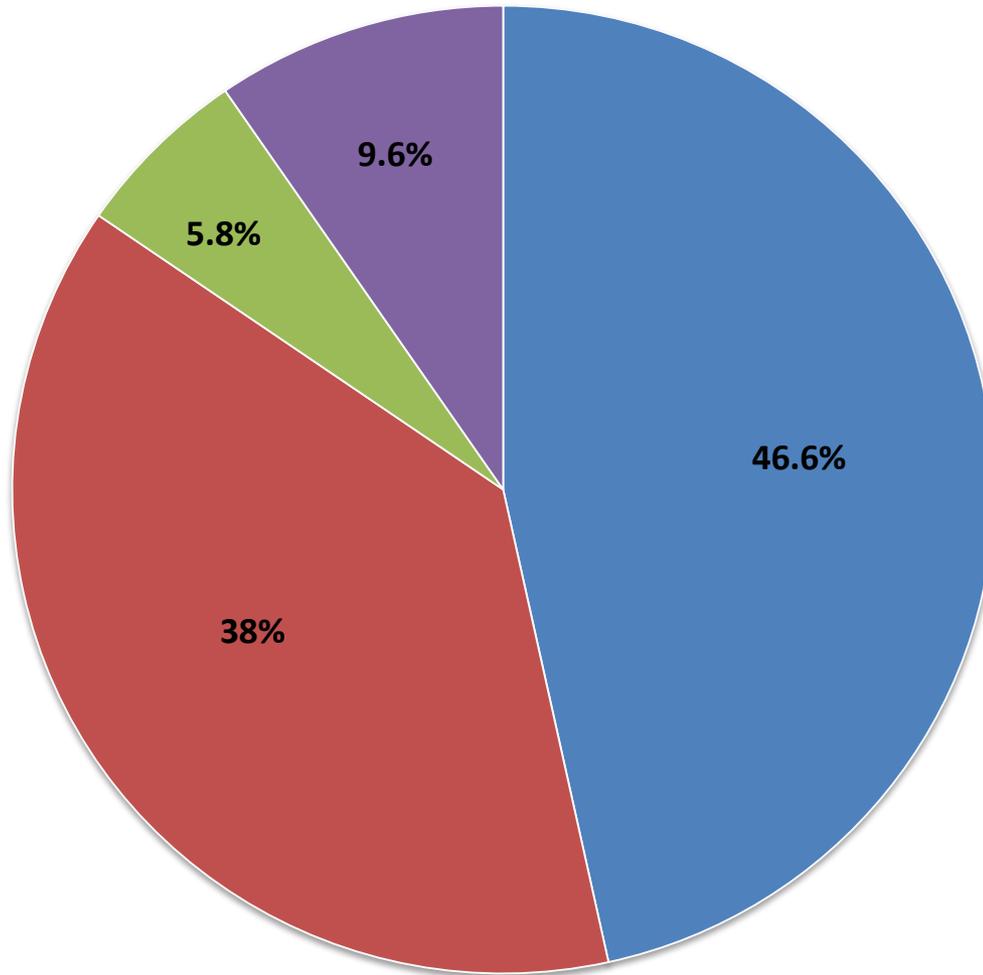
Drivers of Water Use

- Population growth
- Economic conditions (jobs, new businesses, etc.)
- Household water use
 - Outside watering
 - Inside household use
- System water losses
- Weather patterns



How DWU's Service Area Water is Used

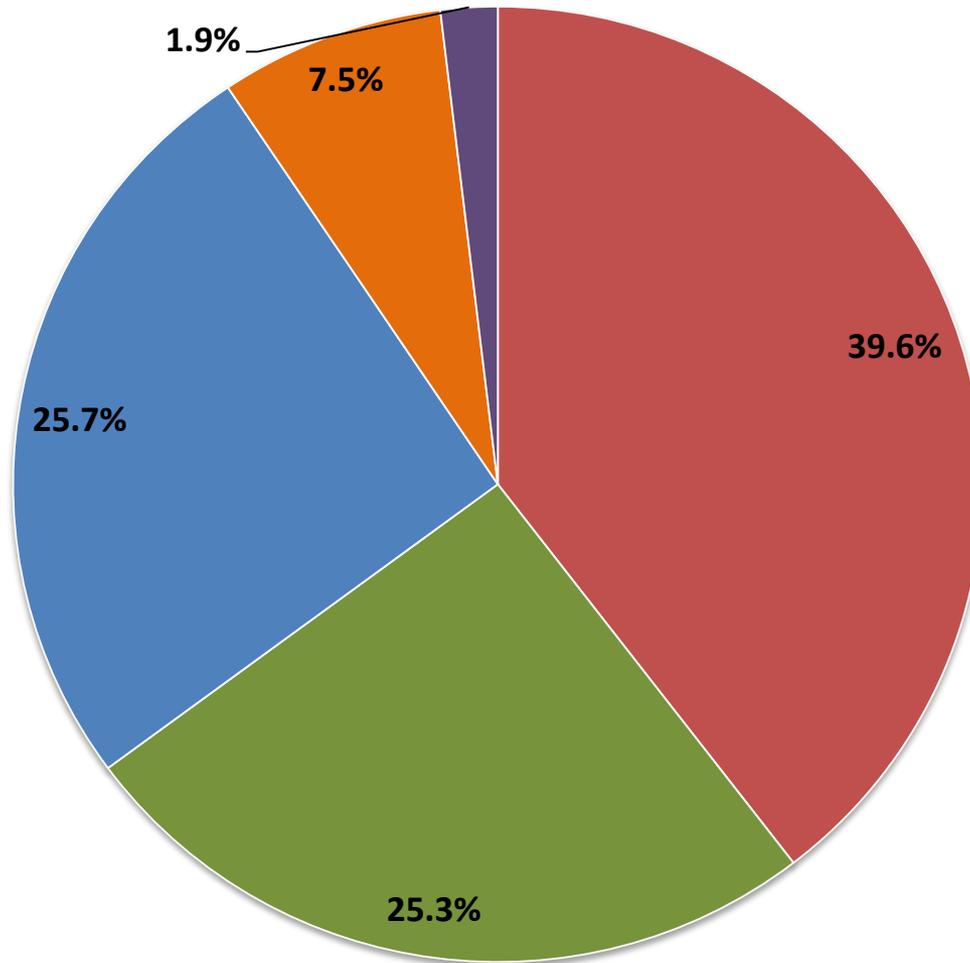
Average Annual Treated Water Production of 143.6BG from FY 2011 – FY 2015



- City of Dallas Retail Sales
- Sales to Customer Cities
- Known Utility System Maintenance & Operation Losses
- Water Losses

How City of Dallas Retail Treated Water is Used

Annual Average Retail Treated Water Sales of 66.9 BG from FY 2011 – FY 2015



■ Residential (39.6%) ■ Multi-Family (25.3%) ■ Commercial (25.7%) ■ Industrial (7.5%) ■ Municipal (1.9%)

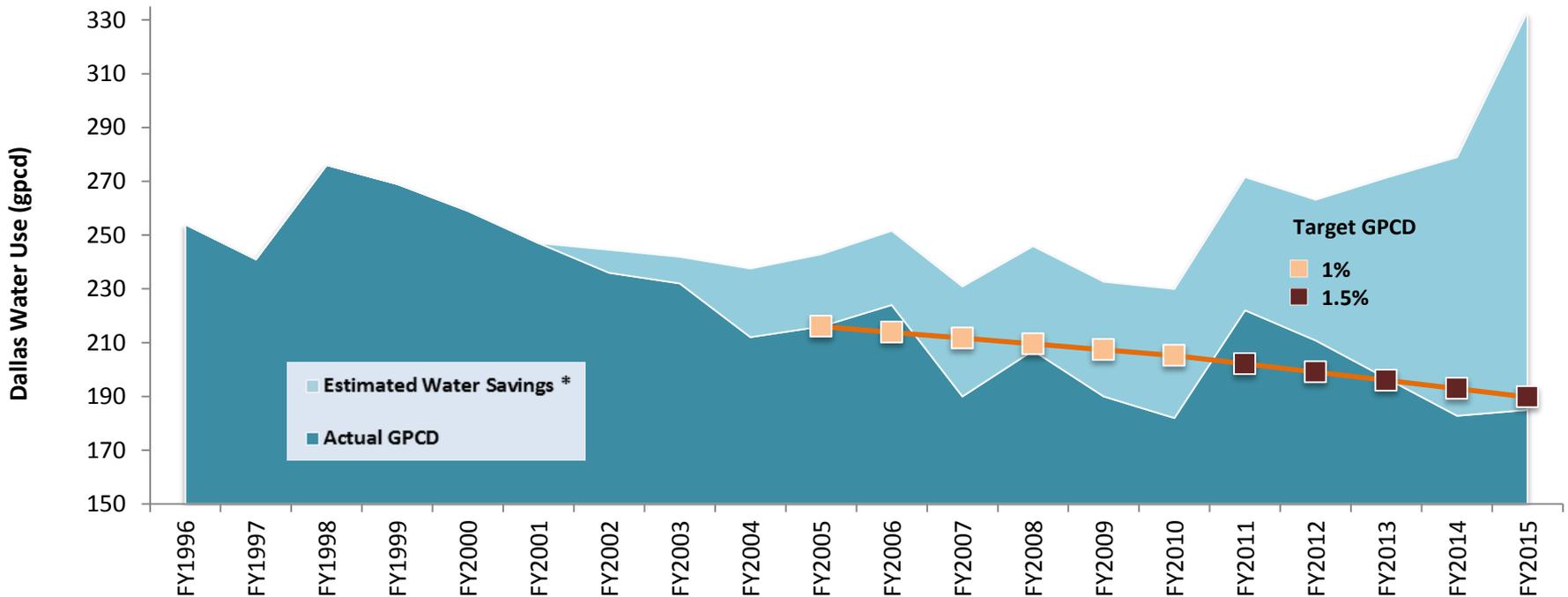
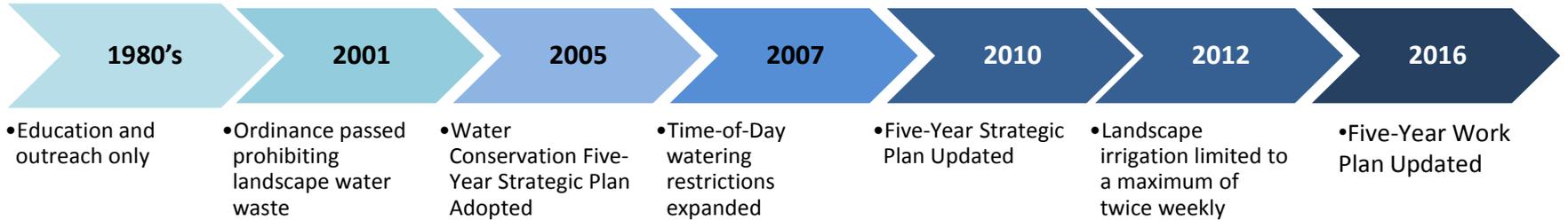


City of Dallas Water Conservation Efforts

How Success Is Measured

- Total gallons of water saved based on system-wide measures, codes and ordinances and direct programs and services
- Positive changes in public attitudes and behaviors
- Gallons per capita per day (GPCD) trends
 - GPCD as defined by the Texas Water Development Board
 - “the total amount of water diverted and/or pumped for potable use divided by the total permanent population divided by the days of the year”

Water Conservation Program Chronology and Trends



* Estimated Water Savings Since FY2001 – 316 Billion Gallons

Conservation Efforts Are Effective

What we've spent

- An average of almost \$4.4 million per year over the past fifteen years (\$57.3 Million)

What we've saved

- Over 316 billion gallons
 - Almost enough to fill Lake Ray Hubbard twice
 - Over two years of water supply
 - Extended life of existing infrastructure

Perceptions and behaviors are changing

- Since 2001 GPCD Reduced 26%
- Regional public awareness campaign yielding positive results
 - Since 2003, watering ordinance awareness up from 60% to 76%
 - Since 2005, reported behavior changes up from 46% to 71%

FY 2016-2020 Work Plan will keep the momentum going





FY 2016-2020 Water Conservation Five-Year Work Plan

Work Plan Development Process

- Examined existing programs and water use and identified strategic areas to target for additional conservation opportunities
- Strategies that will continue from previous plans include
 - Public Awareness Campaign
 - Toilet Rebate Programs
 - Minor Plumbing Repair Program
 - Environmental Education Initiative
 - Irrigation System Check-Up Program
- New strategies were selected to build on the gains already achieved and to establish new water savings targets for the next five years
- Selected strategies projected to reduce per capita consumption by an average of 1% per year from FY 2016 - FY 2020

Water Conservation Strategy Evaluation Criteria

- Subjective Criteria
 - Application to a broad range of customers and uses
 - Feedback from stakeholders
 - Applicability and practicability for the City of Dallas
- Objective Criteria
 - Top water using premise types
 - Costs/Benefits
 - Water Savings
- 13 strategies are recommended for implementation or enhancement in FY 2016-2020 Work Plan
 - Budgets to be submitted annually



Components of 2016 Water Conservation Work Plan

- **Continued Customer Engagement**
 - Public education and outreach
 - Residential and commercial rebates and incentives
 - Mobile apps and customer portals
 - Increased enforcement
- **Water System Improvements**
 - Main replacement program
 - Water loss/leak detection
 - Modernization of meter reading processes
- **Ordinance Changes**
 - Landscape ordinance amendment
 - Best management practices
 - Update to cost of service model to review allocation to customer classes





Projected Water Savings and Costs

Proposed Measures by User Group

Proposed Measure	User Group				Action		
	SF	MF	ICI	DWU	Ongoing	Enhance	New
Continued Customer Engagement							
1. Residential Irrigation System Rebate Program	✓	✓					★
2. ICI Financial Incentive Program			✓		★	★	
3. Multi-Family Outreach Partnership with Department of Code Compliance		✓					★
4. Wholesale Customer Cities Monitoring, Measurement, and Reporting				✓			★
5. Targeted Outreach to ICI & Large Campus Style Properties	✓	✓	✓				★
6. Enhanced Residential Public Outreach	✓	✓	✓		★	★	
7. Increased Enforcement Efforts	✓	✓	✓	✓	★	★	
Water System Improvements							
8. Water Loss Reduction				✓	★	★	
9. Meter Reading (Apparent Loss Reduction)				✓	★	★	
10. Complete Modernization of Meter Reading Process				✓	★	★	
11. Water Treatment Plant Backwash Optimization				✓	★	★	
Ordinance Changes							
12. Landscape Ordinance Amendment	✓	✓	✓	✓	★	★	
13. Evaluate Alternative Rate Options (DWU Rate Study)		✓					★

SF = Single Family; MF = Multi-Family; ICI = Industrial, Commercial, and Institutional

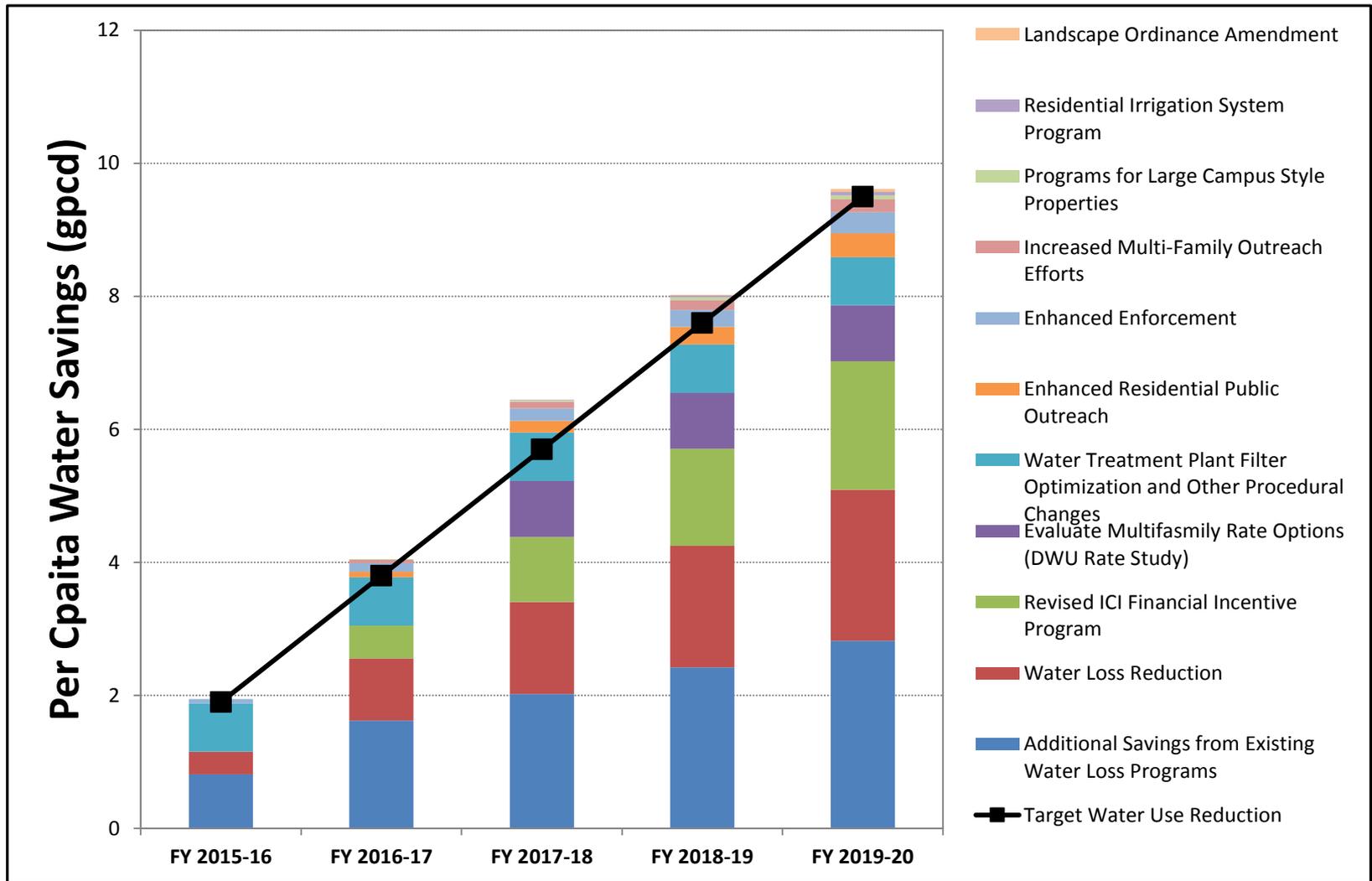
Water Savings Rankings and Implementation Schedule

Summary of Recommended Implementation Schedule						
Program	Projected Water Savings Rank	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Water Loss Reduction	1	1				
Revised ICI Financial Incentive Program	2	2				
Water Treatment Plant Backwash Optimization	3	3				
Evaluate Alternative Rate Options (DWU Rate Study)	4		4			
Enhanced Enforcement	5	5				
Mobile Apps and Customer Portals	6	6				
Wholesale Customer Cities Program	7	7				
Increased Multi-Family Outreach Efforts	8	8				
Programs for ICI and Large Campus Style Properties	9	9				
Residential Irrigation System Rebate Programs	10	10				
Landscape Ordinance Amendment	11	11				
Modernization of Meter Reading Process	12	n/a				
Meter to Billing Loss Reduction	13	n/a				

Savings Rank: lower numbers mean higher water savings

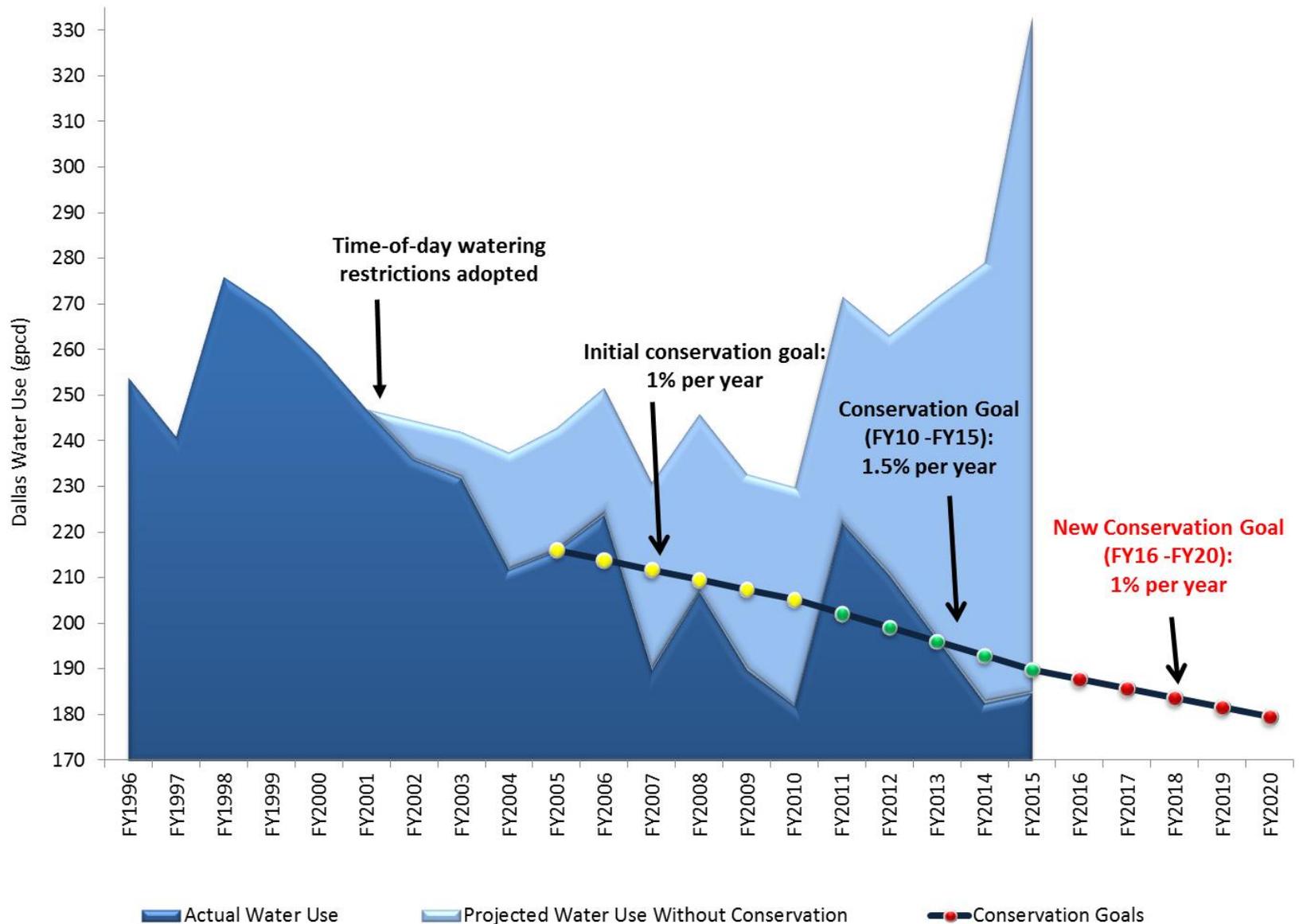
	Strategy Planning and Development
	Implementation
	No Action

Projected Per Capita Water Savings From Selected Strategies



Projected GPCD reduction of 1% per year yields water savings of approximately 4.3 BG a year by FY20

New Per Capita Water Consumption Goal FY16-FY20



Total Projected Costs FY 2016 through FY 2020

Recommended Water Conservation Division Budgets by Fiscal Year					
Anticipated Program Costs in Dollars per Year	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Existing Budget items					
Program Administration	\$1,416,593	\$1,299,651	\$1,243,280	\$1,281,756	\$1,345,119
Minor Plumbing Repair Program	\$400,000	\$400,000	\$419,021	\$419,021	\$419,021
Public Awareness Campaign	\$951,800	\$951,800	\$997,060	\$1,020,491	\$1,020,491
Regional Campaign (TRWD)	\$148,462	\$150,000	\$150,000	\$150,000	\$150,000
Environmental Education Initiative	\$358,713	\$358,713	\$358,713	\$358,713	\$358,713
Toilet Rebate Program	\$1,050,000	\$1,050,000	\$1,050,000	\$1,050,000	\$1,050,000
ICI Audits	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
ICI Rebate Program	\$0	\$0	\$239,332	\$257,881	\$276,866
ICI Training Program	\$0	\$0	\$25,000	\$25,000	\$25,000
Existing Budget Items Subtotal	\$4,675,568	\$4,560,164	\$4,807,406	\$4,887,862	\$4,970,210
Additional Budget Items					
Landscape Ordinance Amendment	\$0	\$0	\$0	\$0	\$0
Residential Irrigation System Rebate Program	\$0	\$0	\$49,250	\$147,750	\$197,000
Increased Multi-Family Outreach Efforts	\$0	\$0	\$0	\$0	\$0
Programs for High Users and Large Properties	\$0	\$32,474	\$33,237	\$68,037	\$69,636
Enhanced Residential Public Outreach	\$0	\$0	\$132,627	\$135,744	\$138,934
Enhanced Enforcement	\$114,939	\$113,345	\$120,405	\$123,234	\$126,130
Additional Budget Items Subtotal	\$114,939	\$145,819	\$335,519	\$474,765	\$531,700
Total	\$4,790,507	\$4,705,983	\$5,142,925	\$5,362,627	\$5,501,910
Recommended Water Operations Budget by Fiscal Year					
Existing Real Loss Program	\$1,800,000	\$1,842,300	\$1,885,594	\$1,929,906	\$1,975,258
Water Loss Reduction					
Leak Detection and Repair	\$0	\$0	\$289,035	\$688,960	\$760,493
Large Diameter Leak Condition Assessment	\$200,000	\$0	\$50,000	\$50,000	\$50,000
Water Loss Reduction Subtotal	\$200,000	\$0	\$339,035	\$738,960	\$810,493
Total Water Operations Division Budget	\$2,000,000	\$1,842,300	\$2,224,629	\$2,668,866	\$2,785,751
Totals Anticipated Annual Costs	\$6,790,507	\$6,548,283	\$7,367,554	\$8,031,493	\$8,287,661
Cumulative Change in Funding Required from FY 2016		-\$242,224	\$577,047	\$1,240,986	\$1,497,154

Continued Customer Engagement



- Measures in this category are designed to expand the city's outreach efforts through advanced technologies, financial incentives and technical support

Customer Engagement

Wholesale Customer Cities

Monitoring, Measurement and Reporting

- **Wholesale Customers' Water Conservation Programs**

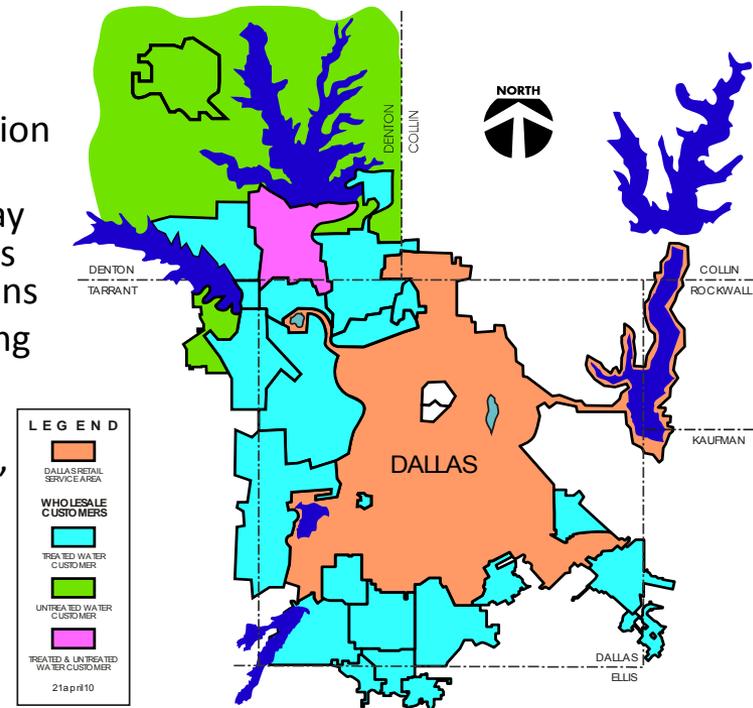
- Maximum twice weekly watering – Of Dallas' 26 customers, three have 2x weekly as part of conservation plans and 17 use 2x weekly in their drought plans
- Time of Day Watering – 13 customers have time of day watering restrictions in their water conservation plans and 8 use time of day restrictions in their drought plans
- Increasing Block Rate - 17 customers have an increasing block rate structure

- **What's next**

- Implement program to monitor wholesale customers' State required water conservation and drought plans
- Consolidate, track and analyze current and historical consumption, GPCD and other pertinent metrics
- Recognize and promote Wholesale Customers' water conservation achievements
- Assist Wholesale Customers in enhancing and expanding their existing programs

- **What we get**

- A method to evaluate and recognize Wholesale Customer Cities' progress and assist them in their water conservation efforts



Customer Engagement

Increased Multi-Family Outreach Efforts

- **New program for FY 2016-2020**
- **What's next**
 - Partner with Code Compliance to distribute ordinance information during multi-family property managers' outreach events
 - Conduct training on landscape best management practices
 - Perform spatial analysis in an effort to target programming to geographical areas with low customer participation
 - To increase awareness of DWU's toilet replacement programs
 - To increase awareness of ICI audit and rebate programs
- **What we get**
 - Projected average water savings of 44.6 MG/Yr

Customer Engagement

Revised Industrial, Commercial & Institutional (ICI) Financial Incentive Program

- **What we've accomplished**

- FY 2012- Council authorized funding for ICI rebates
- Up to \$100,000 per project currently available
- 324 audits completed and four customers have applied for rebates since program inception

- **What's next**

- Two options recommended
 - ICI Cost Share Program
 - Rebates offered for up to 50% (parts and labor) of any indoor or process related water conservation project or irrigation system related improvement
 - Maximum rebate \$100,000
 - Offer rebates on domestic fixtures for properties such as hotels and multifamily residential establishments
 - Free Water Saving Fixtures Distribution Program
 - Offer free products to qualifying commercial customers when purchased in bulk through a wholesale city contract
 - Offer free installation of water efficiency fixtures to non profit organizations (faith-based organizations, colleges/universities, government agencies)

- **What we get**

- Increased program participation
- Increased outreach to medium and small businesses
- Turn-key option for non-profit and faith-based organizations



Customer Engagement

Programs for ICI & Large Campus Style Properties

Targeted Outreach



- **New program for FY 2016-2020**
- **What's next**
 - Target ICI and large campus style properties (with one acre or more of irrigable landscape)
 - Program will complement existing rebate and public outreach efforts
 - Partner with Golf Course Superintendents Association of America (GCSAA) and the United States Golf Association (USGA)
 - Promote USGA BMPs, proactively developed through ongoing turf grass and irrigation technology research, to local golf courses
- **What we get**
 - Projected average water savings of 11.7 MG/Yr
 - Increased outreach to large water users
 - Increased customer awareness of their water use and its impacts

Customer Engagement

Residential Irrigation System Rebate Program

- **New program for FY 2016-2020**
 - Program will complement highly successful irrigation system check-up program and water wise landscape seminars
- **What's next**
 - Offer incentives for
 - Drip irrigation equipment
 - Spray heads with more efficient distribution patterns
 - Weather-based (Smart) controllers
- **What we get**
 - Projected average water savings of 8.2 MG/Yr



Customer Engagement

Increased Enforcement Efforts

- **What we've accomplished**
 - January 2015- amended Chapters 27 and 49 of the Dallas City Code, providing for civil adjudication of violations of Chapter 49-2 and for civil penalties, fees and court costs
- **What's next**
 - Provided funding in FY 16 budget for Code Compliance personnel overtime pay (2 FTEs)
 - Conduct year-round, periodic neighborhood sweeps from 4:00 am to 8:00 am and from 8:00 pm to midnight (including weekends)
 - Look for automatic irrigation systems running on non-watering days
 - Look for poorly adjusted irrigation systems allowing runoff
- **What we get**
 - Projected average water savings of 85.9 MG/Yr
 - Increased voluntary compliance

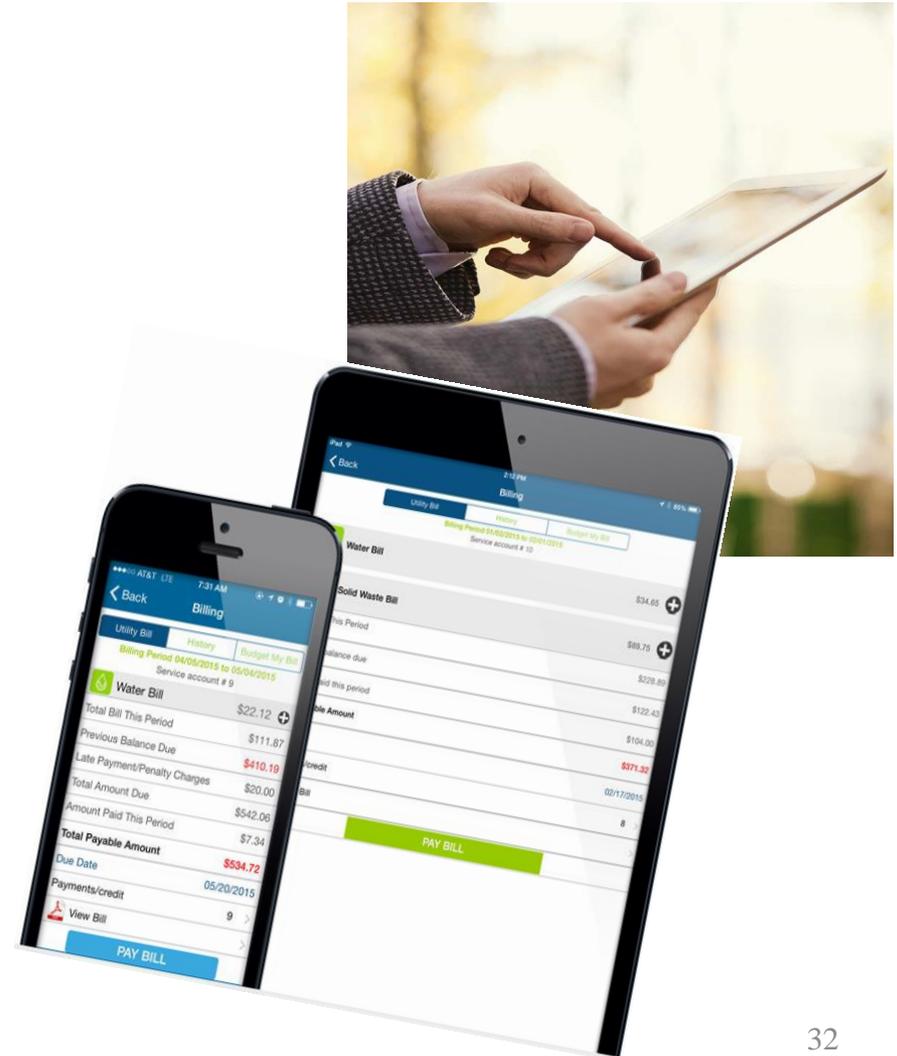


Customer Engagement

Enhanced Residential Public Outreach

External Customer Web & Mobile Applications

- **What we've accomplished**
 - Conducted pilot program for Water Smart Software
 - Vendor reported
 - 2.6% cumulative water savings
 - 73% of customers said home water reports helped them save water
- **What's next**
 - Use mobile technology to help impact customer behavior regarding water use
 - Use advanced metering external customer service portal to help customers determine how much water they are using
- **What we get**
 - Projected average water savings of 80.1 MG/Y
 - Improved customer awareness and education on water use

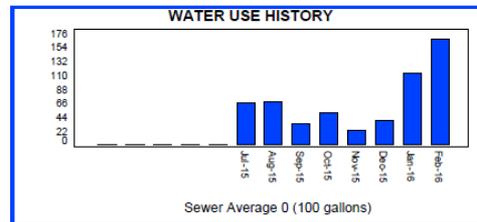


Customer Engagement

Enhanced Residential Public Outreach

DWU Residential Invoice Enhancements

UTILITY								
Service from 1/14/16 to 2/9/16 for 27 days								
Service Provided	Meter Number	Meter Size	Read Previous	Read 2/9/16	Usage in 100 GALS	Usage Charge	Base Charge	Total
Water	123456	5/8 "	768	934	166	74.43	5.12	\$79.55
Sewer					55	28.60	4.58	\$33.18
Sanitation (Residence-Alley/Curb)								\$22.79
Sanitation Tax								\$1.88
Sanitation Charges								\$24.67
Storm Water Charges								\$5.77
Utility Charges								\$143.17



For more information on how to calculate your water bill visit www.dwucalculator.com

Residential Usage Rates* Effective October 1, 2015		
Gallons	Water	Sewer
Tier 1 (0 to 4,000)	\$1.87	\$5.20
Tier 2 (4,001 to 10,000)	\$4.13	\$5.20
Tier 3 (10,001 to 15,000)	\$5.81	\$5.20
Tier 4 Above 15,000	\$8.20	\$5.20
*USAGE charge per 1,000 gallons		
Usage in 100 gallons X 100 = volume for rate calculation		

BASE Charge Effective October 1, 2015		
Meter Size (in inches)	Water	Sewer
5/8	\$5.12	\$4.58
3/4	\$7.07	\$6.27
1	\$10.28	\$9.10
1 1/2	\$19.14	\$17.52
2	\$31.14	\$27.80
3	\$72.93	\$66.72
4	\$121.17	\$106.68

DWU Monthly Invoice was enhanced to help the customer understand how water fees are calculated and how increased usage impacts the total cost. Includes additional information:

- Meter Size- basis for customer charge and required for interactive rate calculator.
- Four Rate Tiers and cost per 1,000 gallons
- Explanation for calculation is provided

Customer Engagement

Enhanced Residential Public Outreach

DWU Residential Rate Calculator

- Online interactive water calculator for residential customers to:
 - Demonstrates how the water bill is calculated by tier
 - Allows customers to validate the water portion of their utility bill
 - Customers can use this tool to estimate the cost impact of higher water use



Water Utilities

Residential Water Charges Calculator

Estimate water monthly charges based on the amount of gallons you expect to consume for the month and the meter size.

Disclaimer: This online calculator is for estimating the residential water charges only, based on a 30-day billing cycle. Sewer, sanitation and storm water charges are not included. Your actual residential water charges may vary depending on any rate changes and the length of the billing cycle. For rate information visit dwurates.com. For questions or comments, please email us at waterspecialtyunit@dallascityhall.com.

Instructions: Provide the information requested below. Your water usage and meter size can be found on your utility invoice. Some accounts have more than one meter. For those accounts with multiple meters, you will need to run the calculator for each meter.

Example: If you want to estimate the cost of 5,000 gallons of water, enter 50 in the designated space; if you want to estimate 10,000 gallons, enter 100. The most common residential meter size is 5/8.

70

Meter Size 5/8

\$24.99

MONTHLY CHARGES ESTIMATE

*Estimation Details Below

Estimation Details

	USAGE (IN GALLONS)	USAGE CHARGE
Tier 1 (0-4000):	4,000	\$7.48
Tier 2 (4001-10000):	3,000	\$12.39
Tier 3 (10001-15000):	0	\$0.00
Tier 4 (>15000):	0	\$0.00
	7,000	\$19.87
Usage Charge		\$19.87
Base Charge		\$5.12
Total Estimated Water Charges		\$24.99

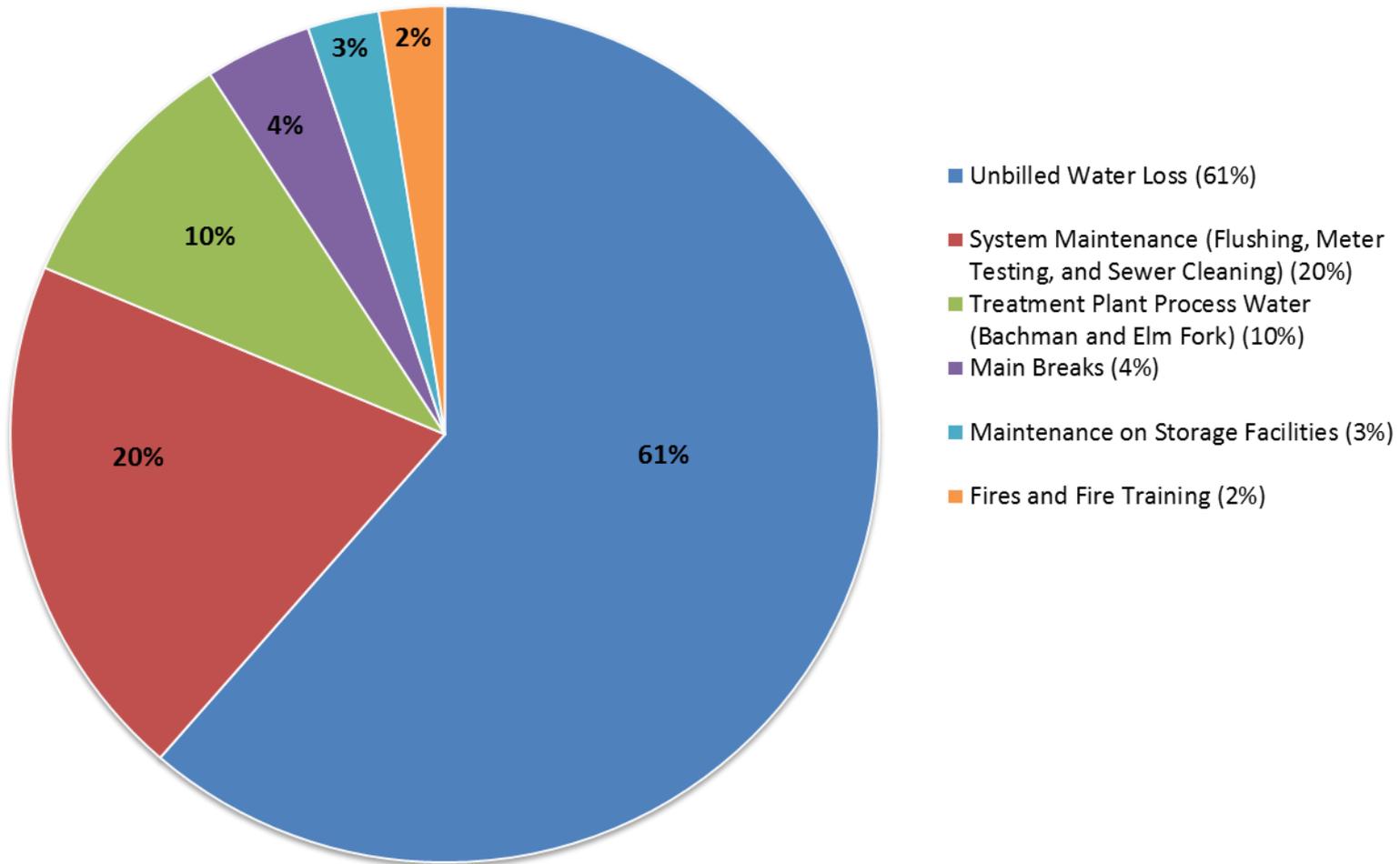
Water System Improvements



- Measures in this category are designed to impact the annual average of 22.1 BG in unbilled water use that is comprised of:
 - Unbilled Water Loss
 - System Maintenance (Flushing, Meter Testing, and Sewer Cleaning)
 - Treatment Plant Process Water
 - Main Breaks
 - Maintenance on Storage Facilities
 - Fires and Fire Training
 - Unbilled Municipal Uses

How DWU's Unbilled Treated Water is Categorized

Annual Average Unbilled Water Use of 22.1 BG from FY 2011 – FY 2015



Water System Improvements

Water Loss Reduction

Proactive Leak Detection and Repair

- **What we've accomplished**
 - Program in place since 2005
 - Entire system surveyed every 2.5 years
 - Crews continue to exceed annual goals
 - An estimated water savings of 3.5 BG since FY 2005
- **What's next**
 - FY16 budget includes \$200k for large diameter leak condition assessment
 - Expand large diameter main leak detection program. Larger diameter leaks tend to release more water over a longer time period without surfacing or failing.
 - Add resources as required to meet large diameter repairs (FY 2018)
- **What we get**
 - Further reduction in water losses
 - Lowered utility costs
 - Minimized property damage
 - Reduced customer disruptions



Water System Improvements

Water Loss Reduction

(continued)

Distribution System Main Replacement



- **What we've accomplished**
 - Maintained 4,925 miles of pipeline in FY 2015
 - Replaced 278 miles of pipeline between FY 2011 and FY 2015 (average of 55.6 miles per year)
 - System age has dropped from 48% (of mains older than 50 years) to 42%
 - Since 2001, main breaks per mile have decreased from 0.6 to 0.3
- **What's next**
 - Maintain current system age
- **What we get**
 - Reduced maintenance costs
 - Reduced water losses
 - Reduced external problems (sinkholes, flooded houses, destroyed streets)

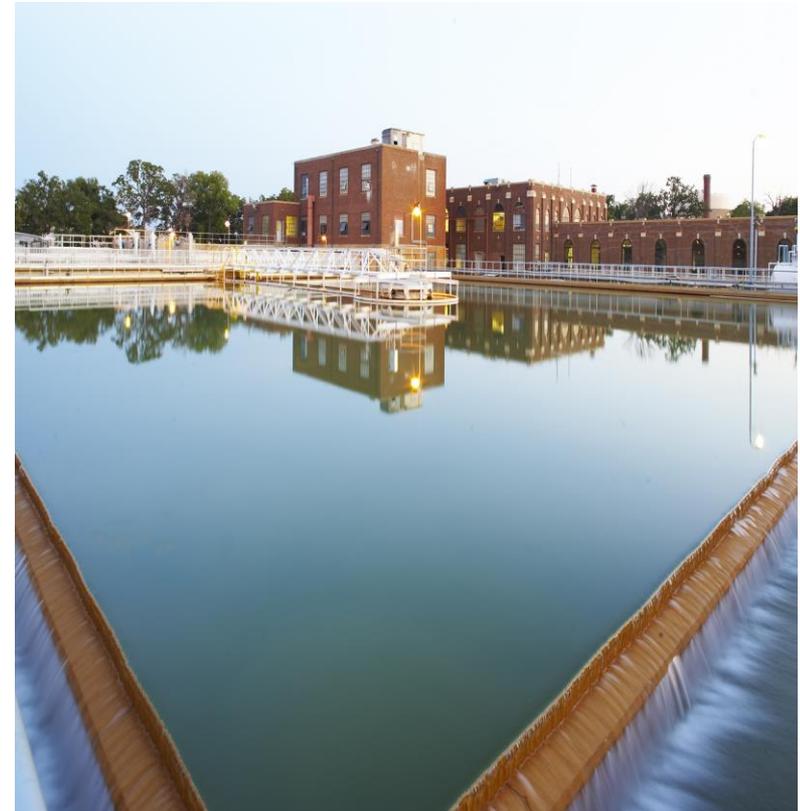
Water System Improvements

Water Loss Reduction

(continued)

Filter Cleaning at Water Treatment Plants

- **What we've accomplished**
 - Bachman Water Treatment Plant (BWTP) treatment capacity is 150 MGD
 - Plant uses a series of filters that must be cleaned (backwashed) every two days
 - New procedures save approximately 328.5 MG/Yr
 - No new costs/ no loss in production/ no loss of water quality- just a change in procedures
- **What's next**
 - Evaluate feasibility of similar procedure changes at East Side and Elm Fork Water Treatment Plants
- **What we get**
 - Reduced operating costs (savings of about \$240,000 per year from BWTP alone)
 - Procedural changes at other water treatment plants have estimated water savings of 1.56 BG/Yr and \$1.14M annually



Water System Improvements

Meter Reading (Apparent Loss Reduction)

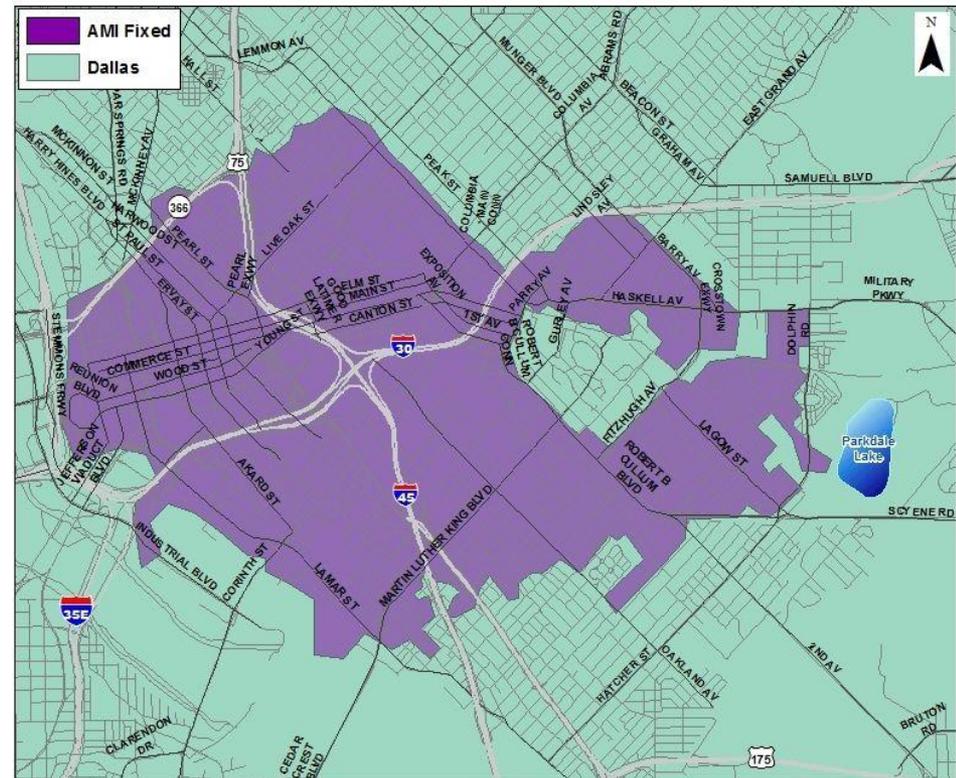
- **What we've accomplished**
 - Developed practice to replace meters when
 - Meter is over 15 years old (varied with size)
 - Replacement of all meters with Advanced Meter Reading (AMR) *ready* meters
 - Replaced 142,660 meters since 2011
 - Testing shows meters to be 99.93% accurate
- **What's next**
 - Perform focused data analytics to determine water consumption anomalies
 - Implement automated process to enhance large meter maintenance program for improved quality assurance
- **What we get**
 - Reduction in unauthorized uses
 - Revenue recovery
 - Enhanced customer service



Water System Improvements

Modernization of Meter Reading Process

- **What we've accomplished**
 - Two automated network systems installed
 - Advanced Metering Infrastructure (AMI) Fixed Network
 - AMR Mobile Network
 - Modernization process began in 2008
 - AMI-Fixed Network installed in Central Business District, Deep Ellum and Fair Park
 - Approximately 7,000 meters currently read through AMI-Fixed Network
 - Monthly meter reading hours reduced from 302 (manual) to 2 (AMI)



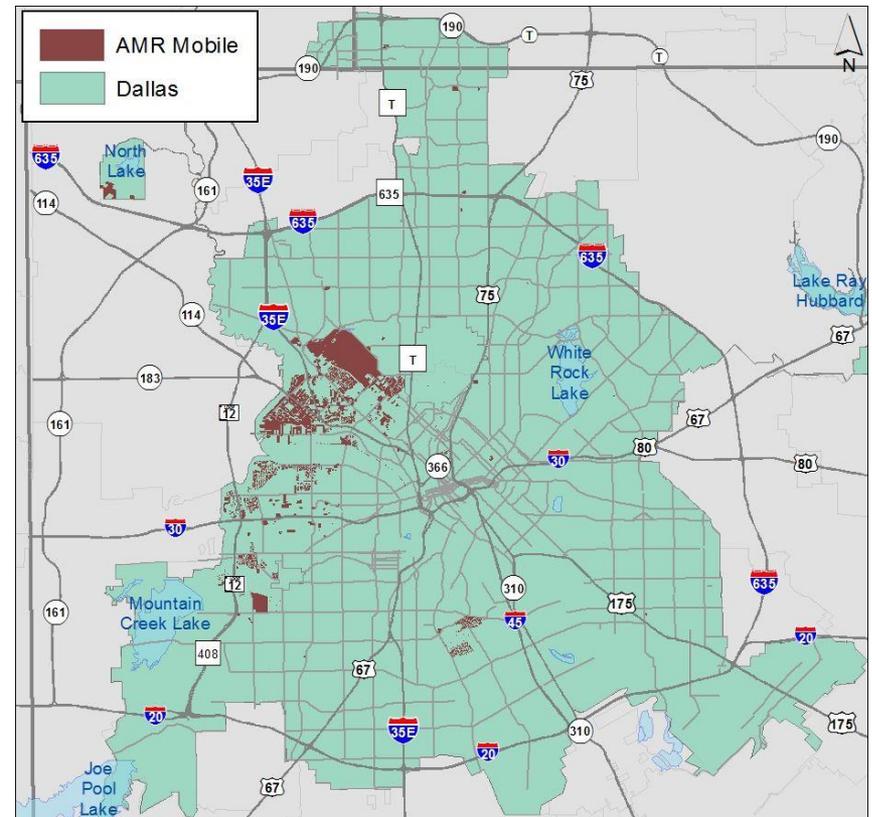
AMI Fixed Network System

Water System Improvements

Modernization of Meter Reading Process

(continued)

- **What we've accomplished**
 - Modernization enhanced in 2014
 - AMR Mobile network used in sections of West Dallas, Cypress Waters and some controlled access properties
 - Approximately 15,700 meters currently read through AMI Mobile technology
 - Monthly meter reading hours reduced from 296 to 96
- **What's next**
 - Continue to procure and install infrastructure
 - Deploy all components within 5 years
 - Field Deployment will be performed in Phases
 - Phase I - Installation of Endpoints on existing AMI Ready Meters
 - Phase I.I - Installation of Communication Grid (Parallel w/Phase I)
 - Phases II and III - installation AMI Meter/Endpoints (route by route)



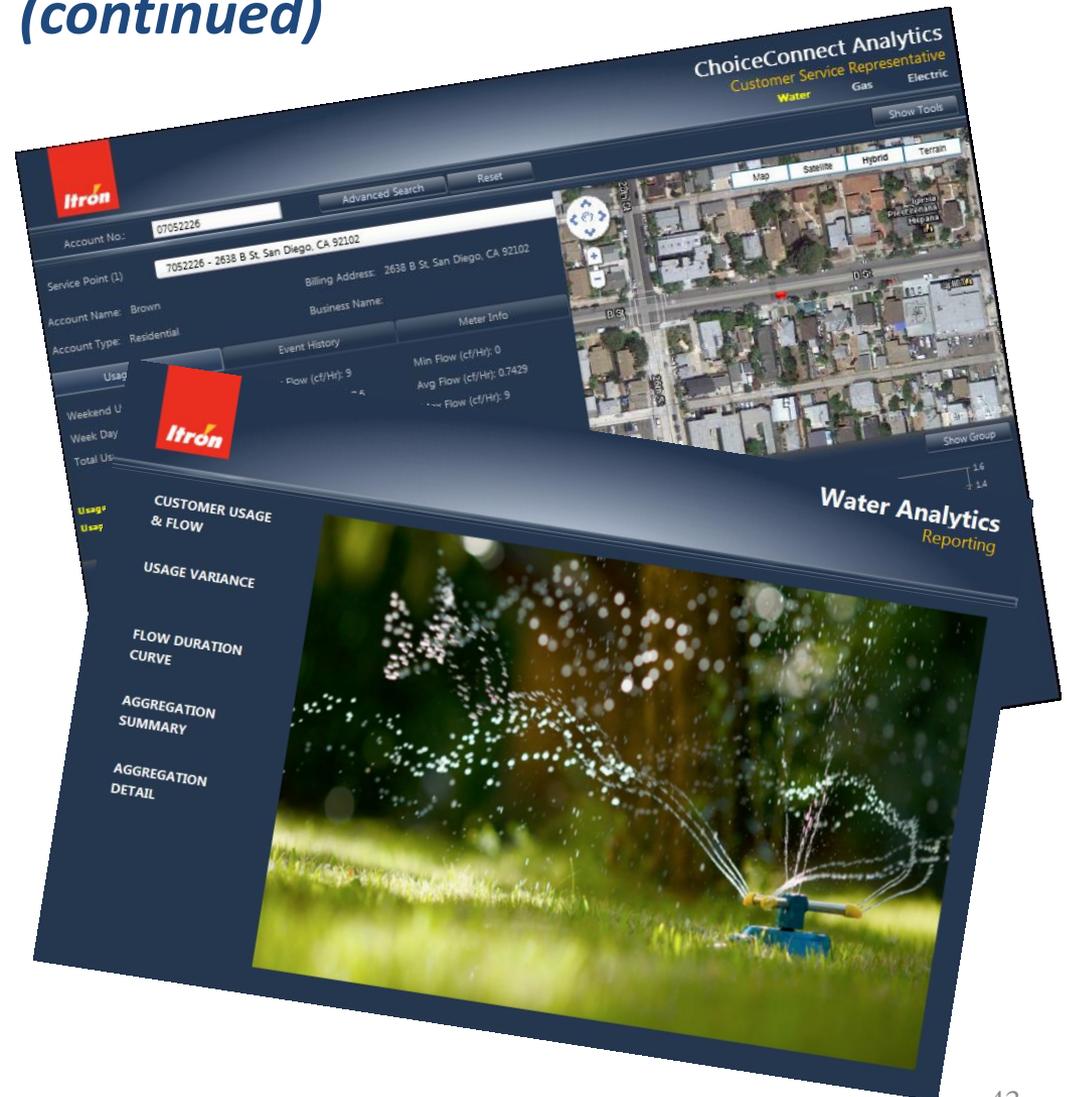
AMR Mobile Network System

Water System Improvements

Modernization of Meter Reading Process

(continued)

- **What we get**
 - Improved customer service with utility portal
 - Increased operational efficiencies and lower operating costs
 - Enhanced conservation efforts
 - Improved monitoring and enforcement of time-of-day and maximum twice per week watering restrictions



Ordinance Changes



- Measures in this category are designed to strengthen the city's prohibition of wasteful water use practices and to sustain the advances made in water conservation

Ordinance Changes

Landscape Ordinance Amendments

- **What we've accomplished**
 - Time of day watering restrictions
 - Mandatory maximum twice weekly watering schedule
 - Green Building Task Force New Construction guidelines
 - Requires drip irrigation for bedding areas
 - Requires minimum number of water efficient fixtures
 - Requires minimum levels of concentration for cooling towers
- **What's next**
 - Article X Revision Recommendations (under review by Zoning and Ordinance Committee)
 - Include water conservation as one of the objectives in the ordinance
 - Include water conservation options as a means of acquiring required “points” for landscape design permit
 - Provide Best Management Practices in the Landscape Manual to be developed as reference guide for the ordinance
- **What we get**
 - Increased awareness of outdoor water conservation programs
 - Reduced outdoor water use
 - Projected average savings of 10.4 MG/Yr

Retail Cost of Service and Rate Study

Evaluation of Commercial Customer Classes



- **New initiative for FY 2016-2020**
 - Evaluating additional customer classes for commercial customers
- **What's next**
 - Finalize Request for Qualifications to update retail cost of service and rate model
 - Scope includes evaluating:
 - Current cost allocations between customer classes
 - Includes additional tiers for all customer classes
- **What we get**
 - Recommendations by Fall of 2016 for Council consideration



Summary and Timeline

Summary

- Five-Year Work Plan serves as a road map to comply with State's water conservation requirements
- Dallas has made great strides in reducing its per capita water demand through the use of conservation and efficiency programs
 - A 26% decrease in per capita usage since FY 2001
 - Ongoing water conservation efforts have saved approximately 316 BG
- Proposed 2016 water conservation goal is to reduce per capita water use by an average 1% percent per year over the next five years by
 - Implementing measures with higher water savings and community interest early
 - Limiting number of programs to be planned/implemented each year
 - Aligning strategies that have similarities/synergies



Timeline For Plan Adoption

- Post draft plan for public comment
 - April 2016
 - Draft 2016 Work Plan at www.savedallaswater.com
- Five-Year Work Plan finalized
 - May 2016
- Council adopts FY 2016-2020 Water Conservation Five-Year Work Plan subject to annual appropriations
 - May 25, 2016
- Plan will be submitted to TWDB and TCEQ for reference only
 - June 2016



Appendix

Water Use

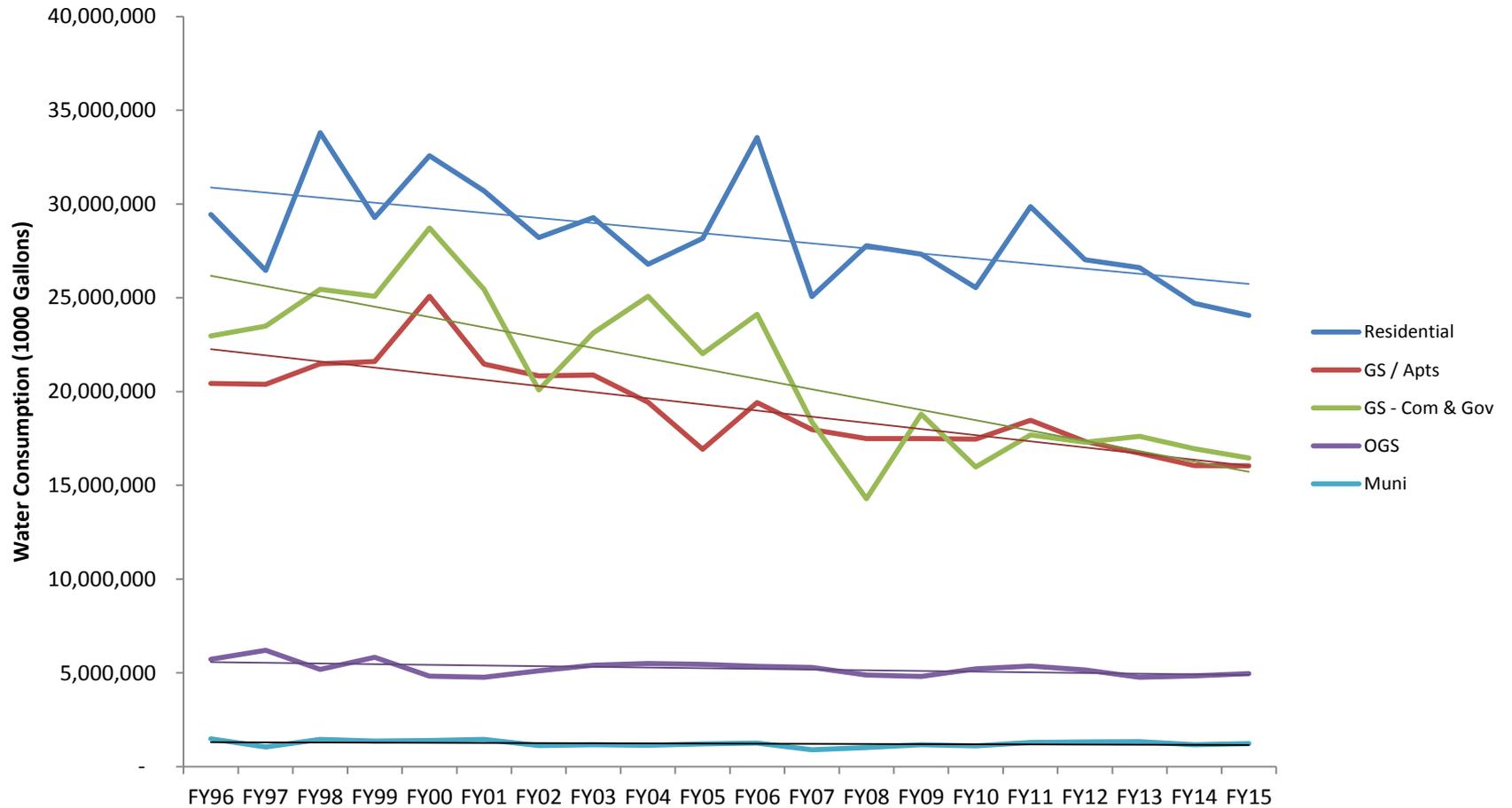
Meter Reading Processes

Water Conservation Program Results

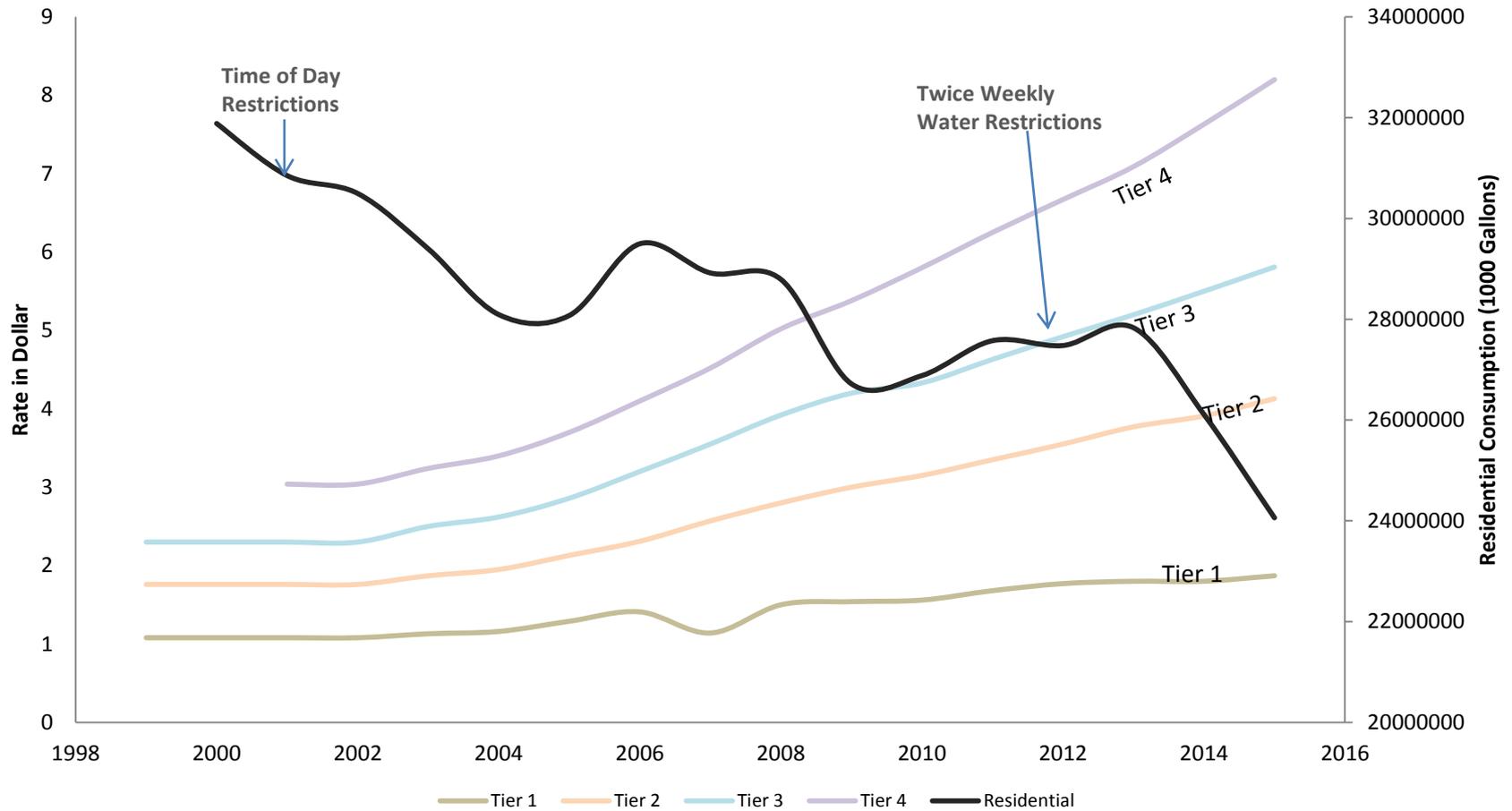


Water Use

Water Consumption by User Type



Residential Tier Structure vs. Consumption

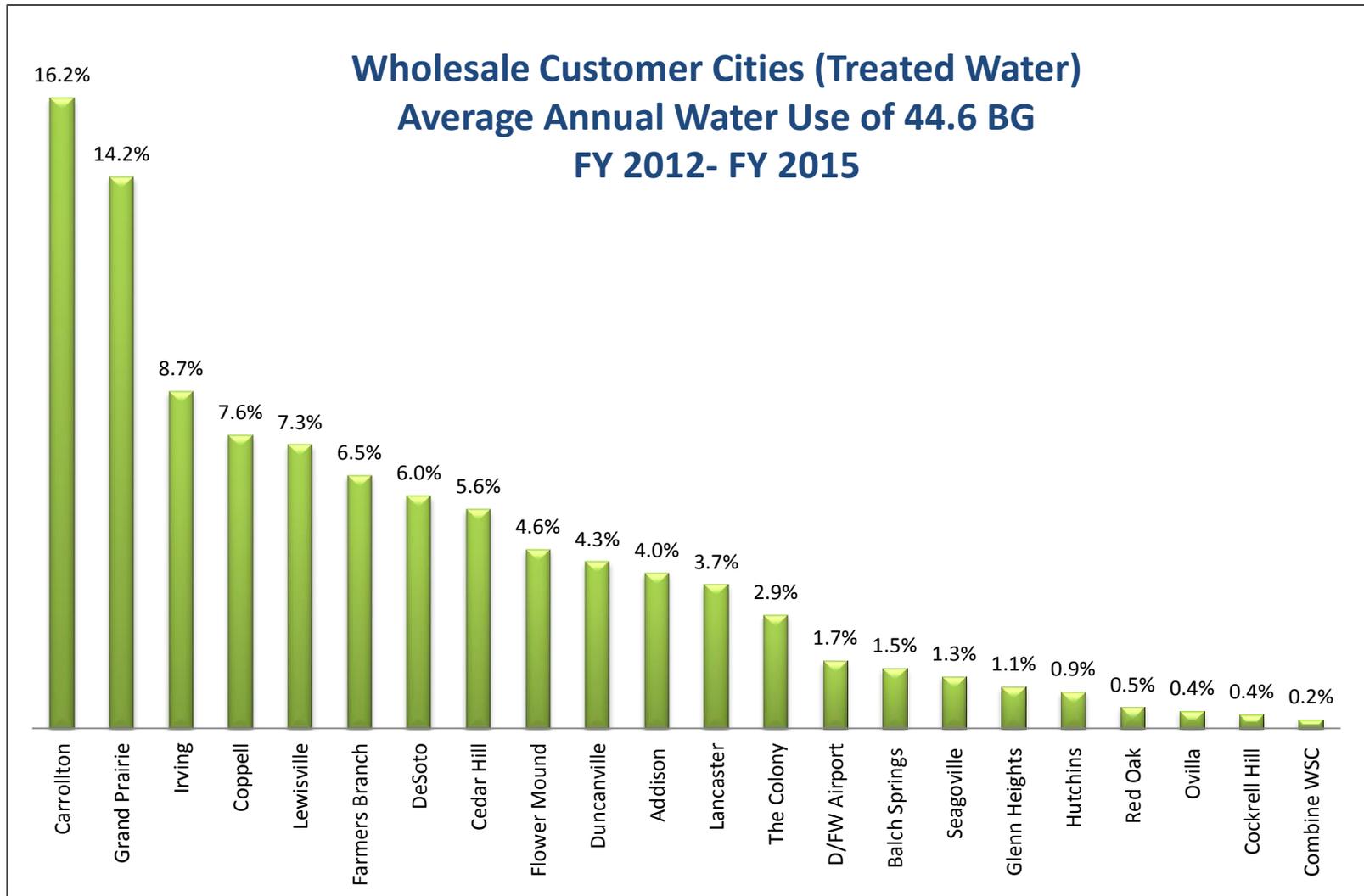


Per Capita Water Use

Excerpts from Texas Water Development Board Historical Water Use
Estimates for 2013 by Water User Group

City	2013 Total Per Capita Use	2013 Residential Per Capita Use
Arlington	139	92
Austin	124	74
Dallas	190	75
El Paso	136	87
Fort Worth	140	74
Frisco	176	115
Houston	147	66
Irving	149	91
Plano	190	105
San Antonio	131	78

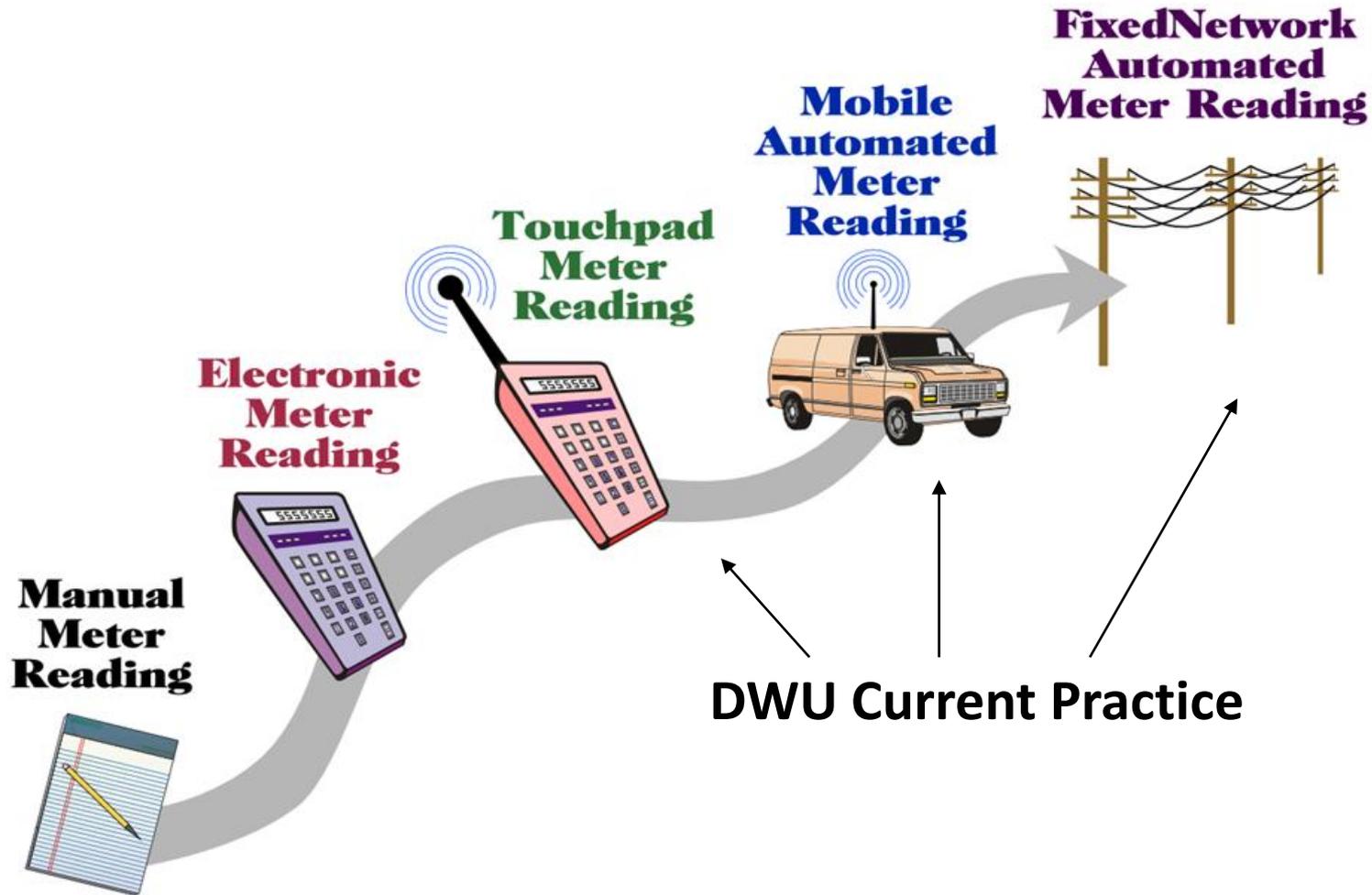
How DWU's Wholesale Treated Water is Used





Meter Reading Processes

Evolution of Meter Reading



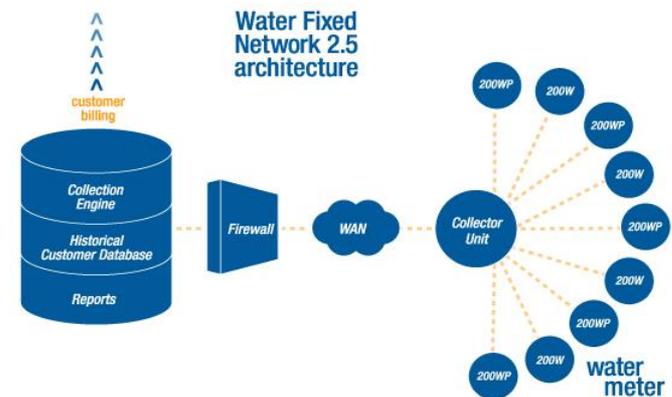
Automated Options: Mobile System

- Process:
 - Individual meters are retrofitted with a device that will transmit the meter read to a receiver
 - Vehicles are retrofitted with a receiver to collect the meter read data as the vehicle drives within a certain distance from the transmitter
 - A disk with meter reads is manually transferred to the billing system

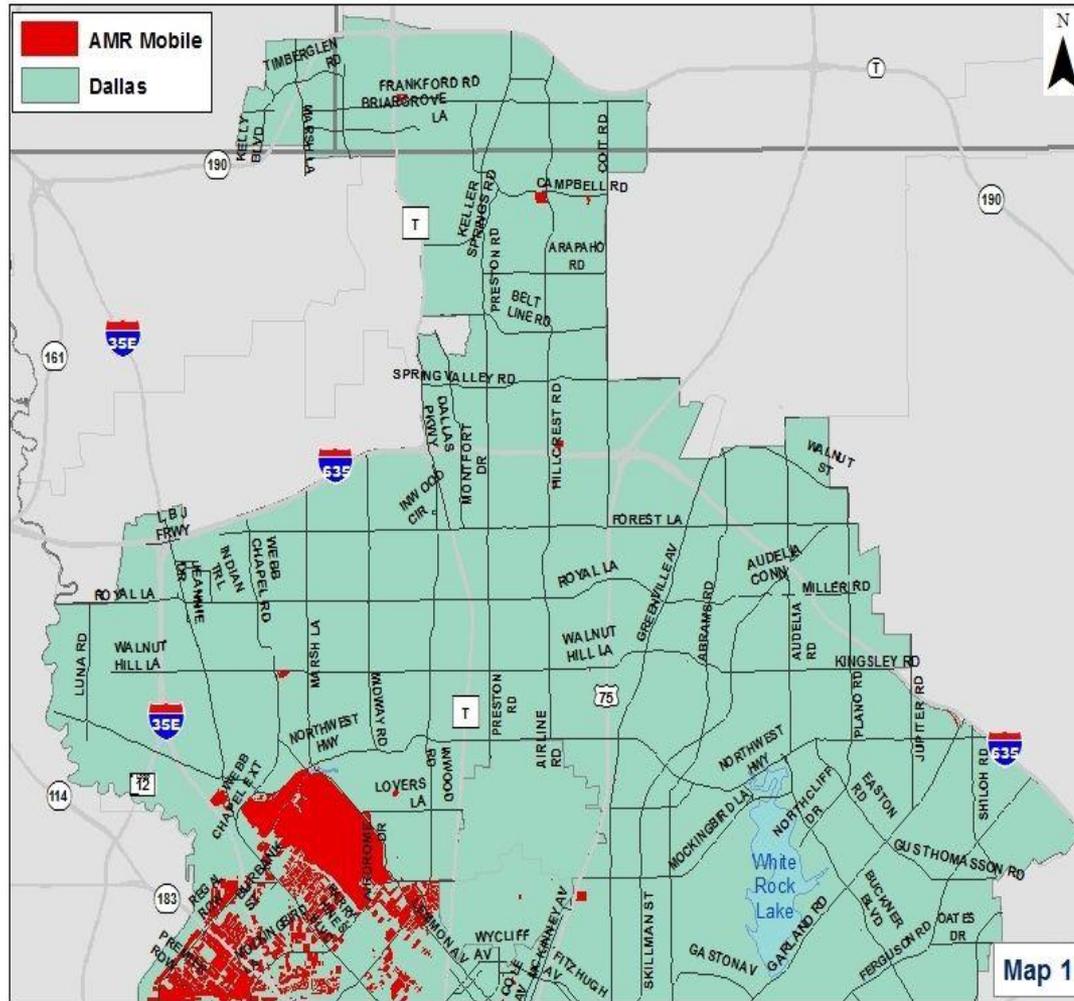


Automated Options: Fixed Network System

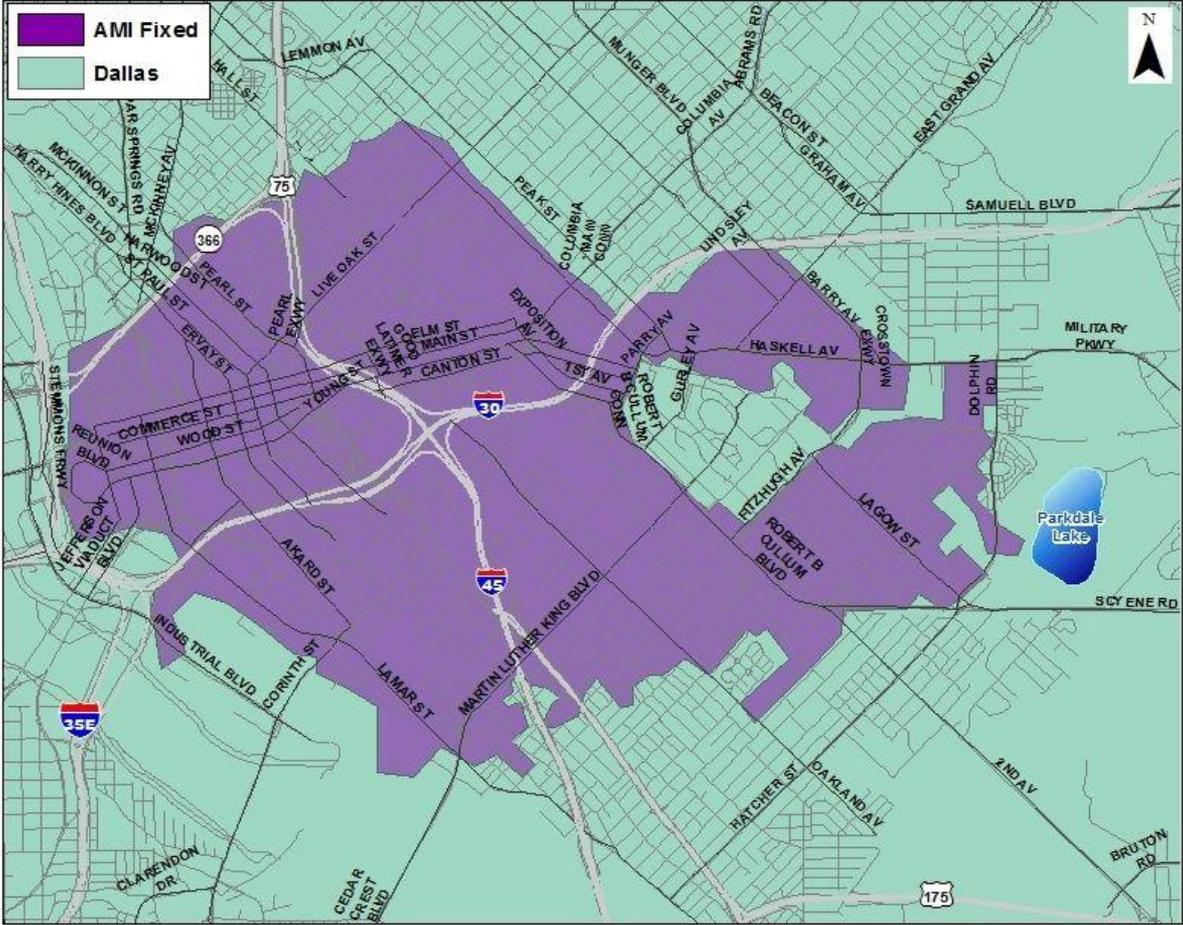
- Process:
 - Individual meters are retrofitted with a device that will transfer meter reads at pre-specified intervals to collection units on top of buildings or other structures
 - Meter read data is then transmitted to host server
 - Server transfers data to the billing system



AMR System- Northern Sector



AMI Fixed Network System



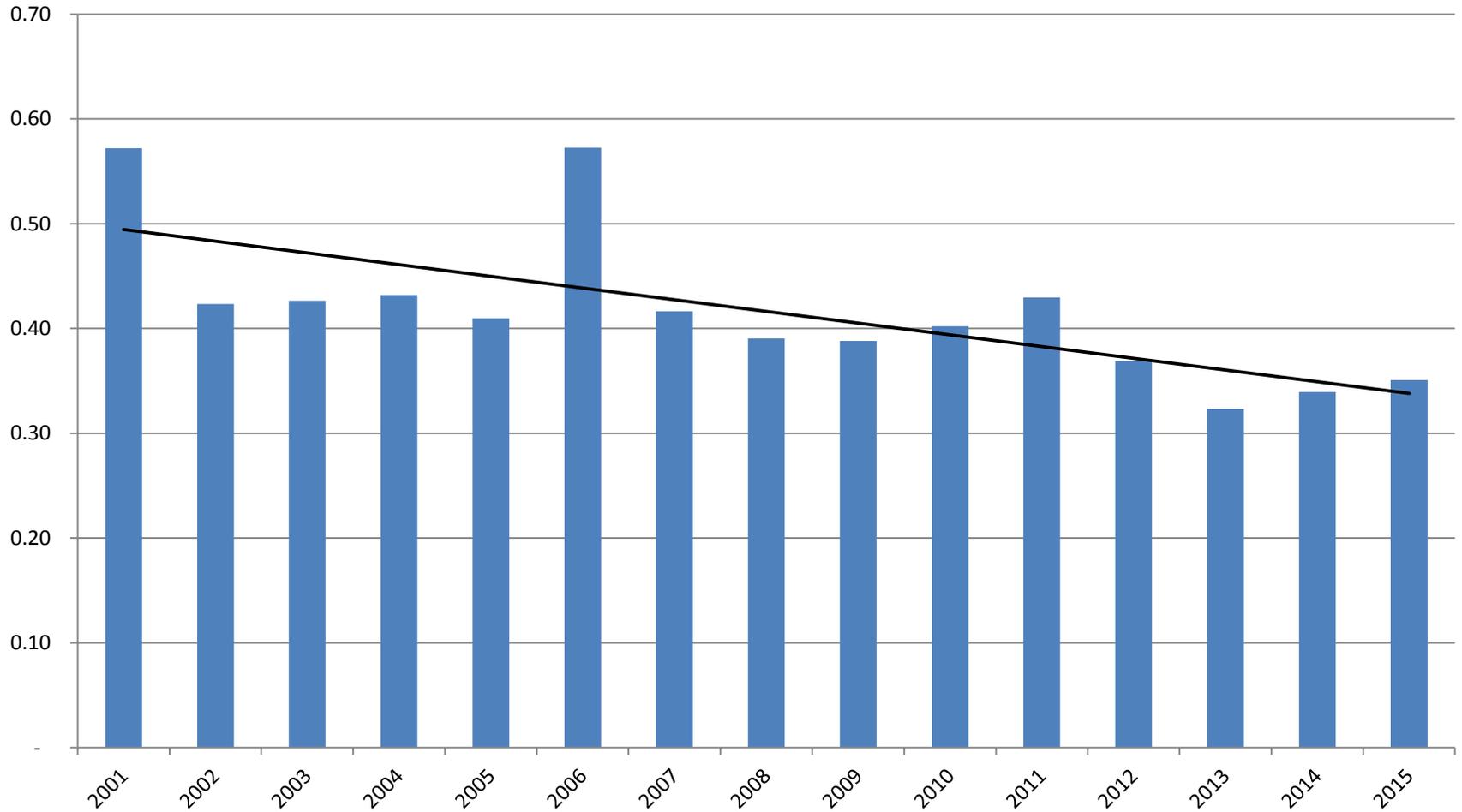


Water Conservation Program Results

Listing of Previously Recommended Strategies

Strategy	Adopted Plan	Implemented			Year Implemented	Continue Strategy?	Comments
		Fully	Partially	Not			
Water Wise Landscape Events		✓			FY 1994	Yes	
DWU Water and Wastewater Ordinance Amendments		✓			FY 2001	Yes	Amended in FY 2001, FY 2006, FY 2012
Tiered Rate Structure		✓			FY 2001	Yes	
Public Awareness Campaign		✓			FY 2002	Yes	
Rain and Freeze Sensor Rebate Program		✓			FY 2003	No	Program discontinued in FY 2004
Leak Detection & Repair and Control of Water Loss		✓			FY 2005	Yes	Enhanced in FY 2007, FY 2009, and FY 2011
Environmental Education Initiative (K-12)	2005	✓			FY 2006	Yes	
Irrigation System Inspections	2005	✓			FY 2006	Yes	
Minor Plumbing Repair Program	2005	✓			FY 2006	Yes	
Water Conservation Mascot	2005	✓			FY 2007	Yes	
Cooling Tower Audits		✓			FY 2007	No	Program expanded in FY 2012 to ICI Surveys
Water Conservation Grant Program for City Facilities	2005	✓			FY 2007	Yes	
Industrial/Commercial/Institutional (CI) Pre-rinse Spray Nozzle Program	2005	✓			FY 2007	No	Program no longer offered. Market saturated
Toilet Voucher/Rebate Programs	2005	✓			FY 2007	Yes	Projected to reach saturation in FY 2023
Hospitality Industry Program	2010	✓			FY 2011	Yes	
ICI Water Efficiency Surveys	2010	✓			FY 2012	Yes	
ICI Rebate Program	2010		✓		FY 2012	Yes	Scheduled for further review in FY 2016
ICI Commercial Equipment Ordinance Amendment	2010		✓		FY 2014	Yes	Phase I of Green Building Code Adopted
Accurate Supply Source Metering		✓			Pre FY 2000	Yes	
Universal Metering, Meter Testing Repair & Replacement		✓			Pre FY 2000	Yes	
Showerhead, Aerator Kits Handouts		✓			Pre FY 2000	Yes	
ICI Business Partnership Program	2010			✓	FY 2016	Yes	
ICI Training Programs	2010			✓			Scheduled for FY 2017
Water-wise Landscape Design Requirements	2010			✓			Currently under review
Residential Irrigation System Incentive Program	2010			✓			Recommended in 2016 Work Plan
Residential Clothes Washer Incentive Program	2010			✓			Program not implemented
Increased Enforcement Efforts	2005		✓		FY 2016		Pilot Program Implemented in FY 2015

Main Breaks per Mile



Pipeline Replacement Prioritization

Based on Repair History

- Break Index Calculation

$$= \left(\frac{\text{Number of repairs}}{\text{length of pipe segment}} \times \frac{1,000}{\text{Years since first recorded repair}} \right)$$

- Prioritization

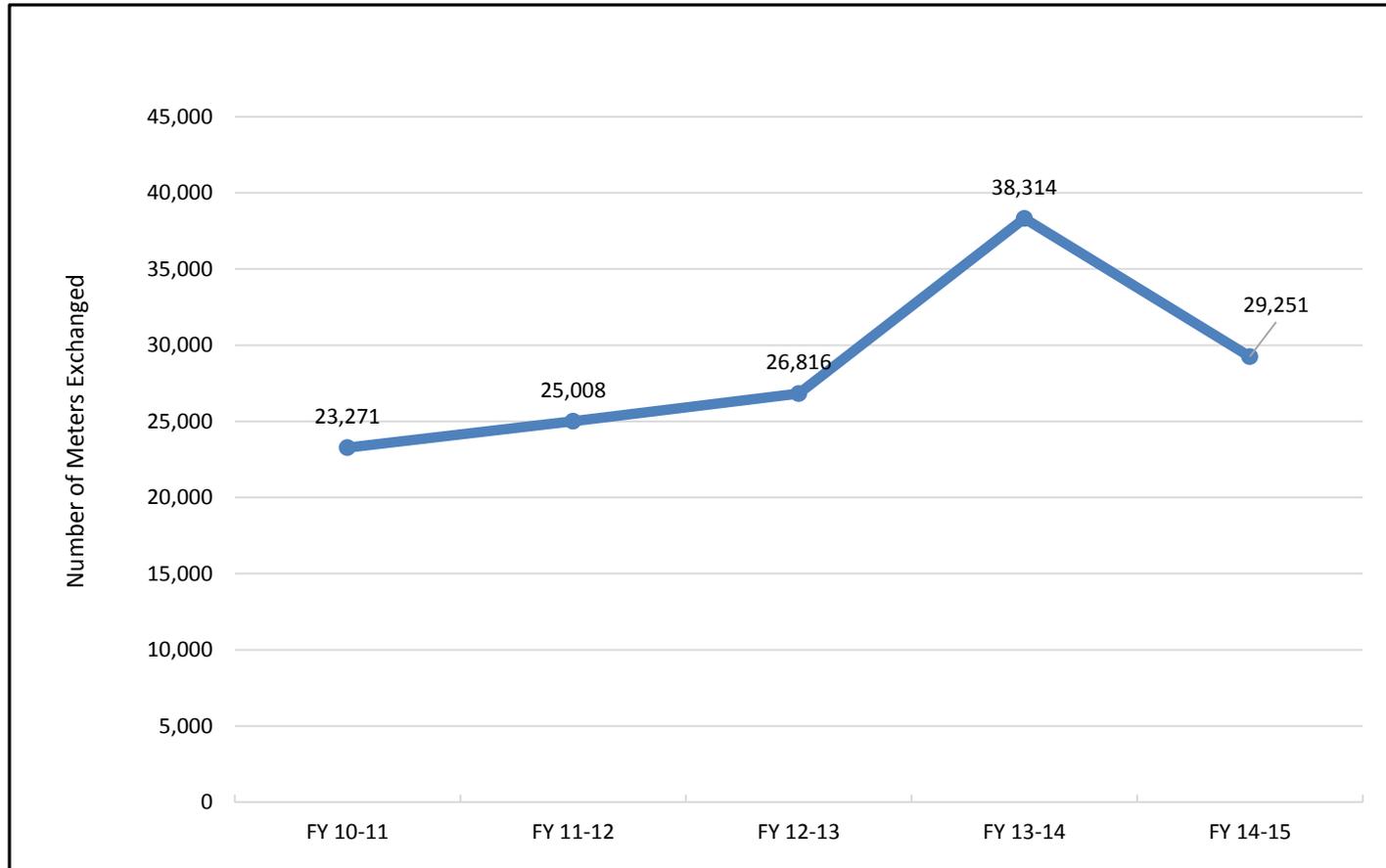
Priority*	Break Index
1	2.0+
2	2 to 1.5
3	1.5 to 1.0
4	1.0 to 0.75
5	0.75 to 0.4

*Priority 1 = Most urgent need of replacement

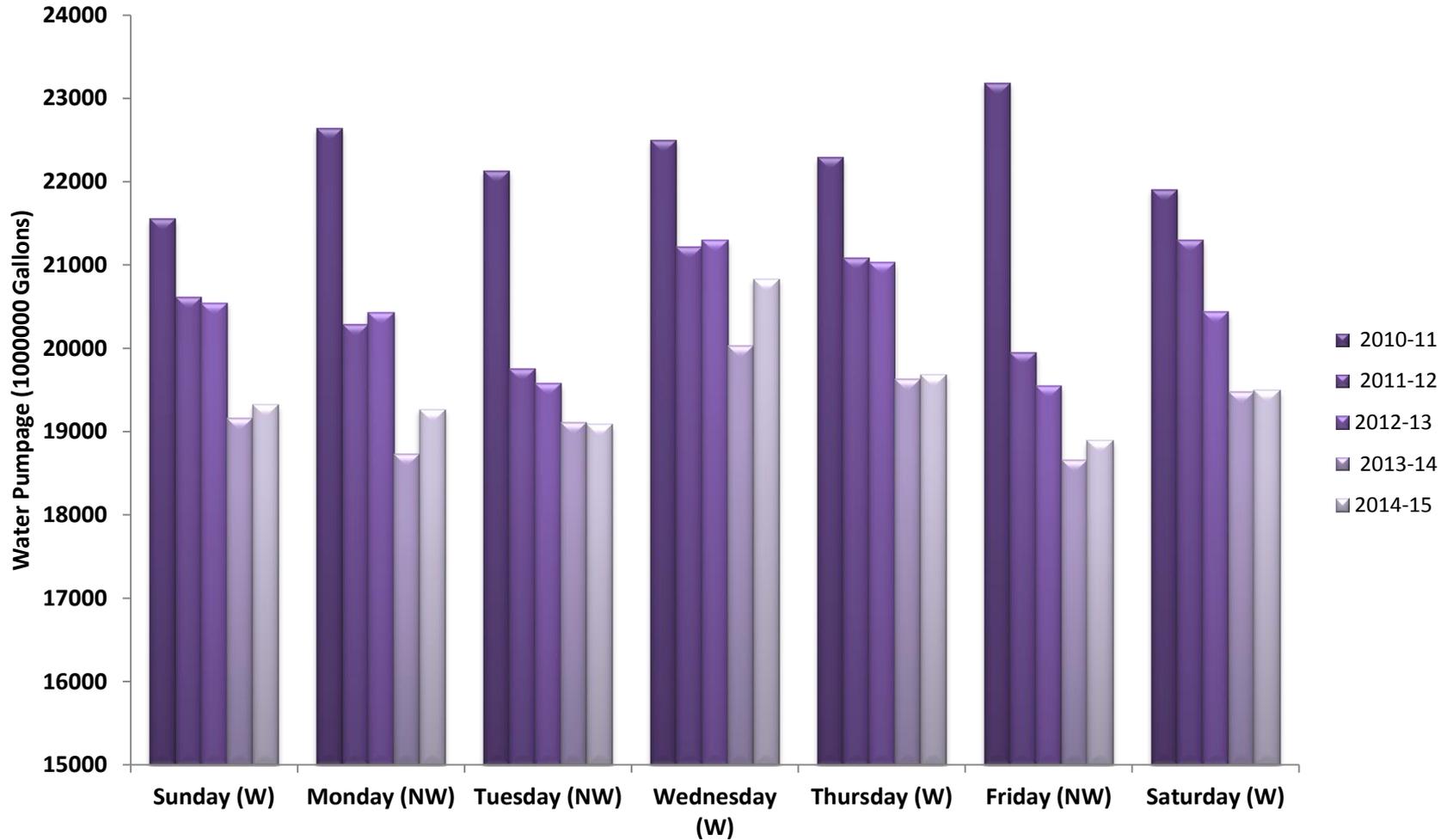
- Other Factors Considered in Prioritization

- Water quality issues
- Potential property damage
- Impact to customer service
- Other projects in the area
- Soil corrosivity
- Type of thoroughfare
- System improvement (capacity)
- Size, age and type of pipe
- Impact to other utilities
- Difficulty of access for maintenance

Meter Exchange Rate within DWU

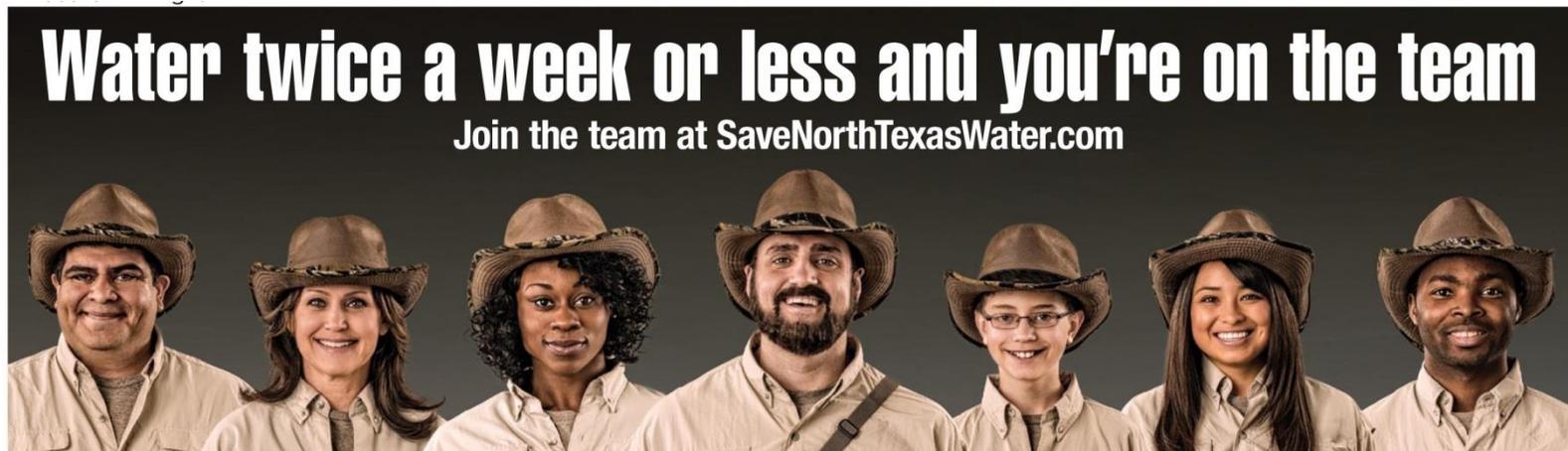


Water Consumption (MG) on Watering v. Non-Watering Days FY 2011 through FY 2015



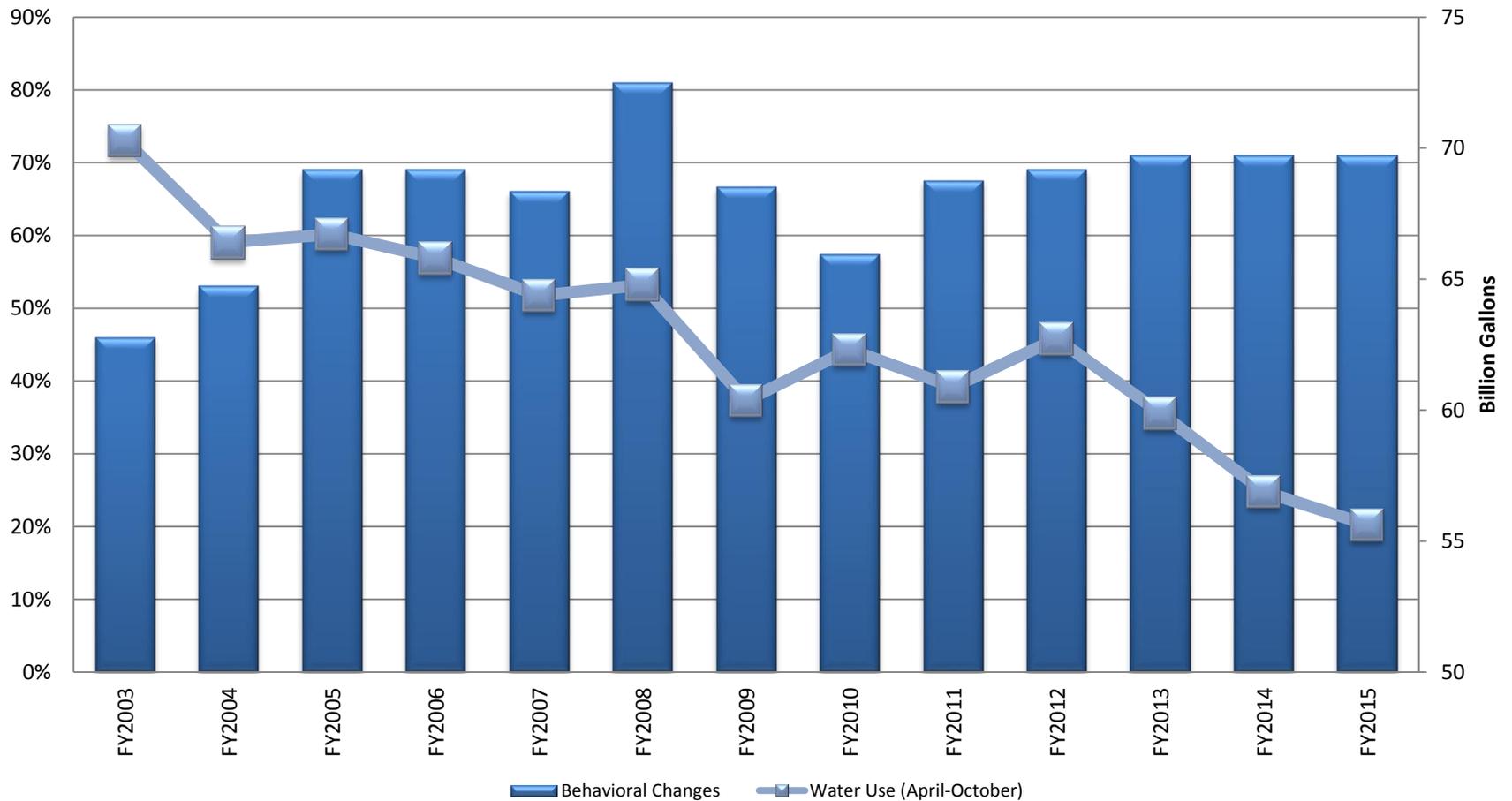
Public Awareness Campaign Results

- The City's public awareness campaign, "Save Water. Nothing Can Replace It", promotes water conservation with television ads, radio ads, billboards, print ads, internet and social media
- Creative partnership with Tarrant Regional Water District since 2009 has resulted in:
 - Dallas and Tarrant Counties share a message with one voice to conserve
 - Double the message coverage
 - Costs for creative development are shared by the two agencies



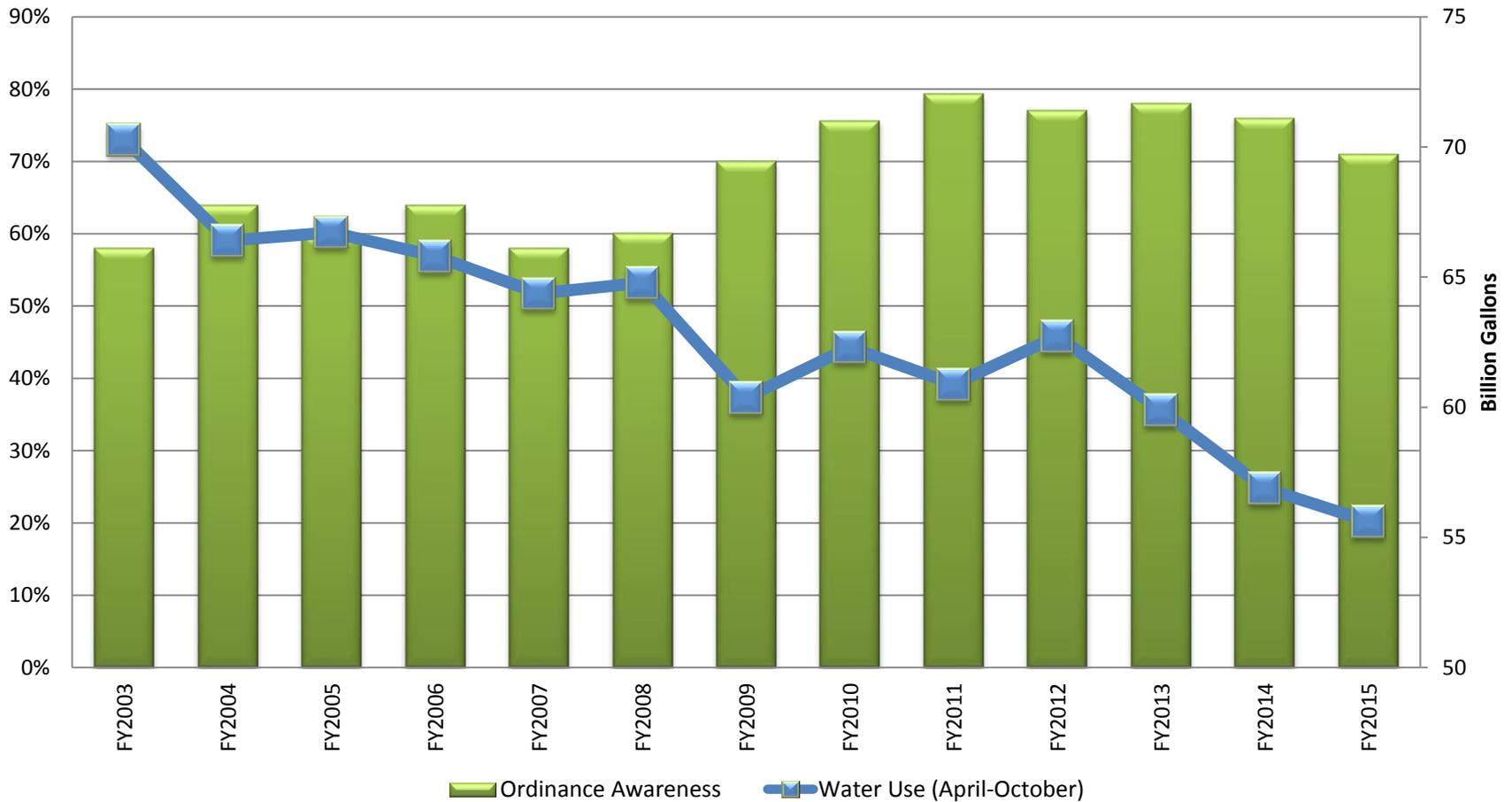
Public Awareness Campaign

Reported Behavioral Changes vs. Water Use

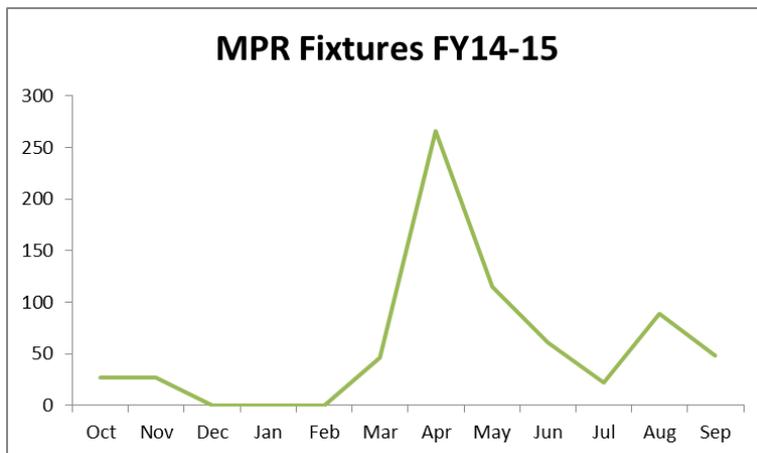
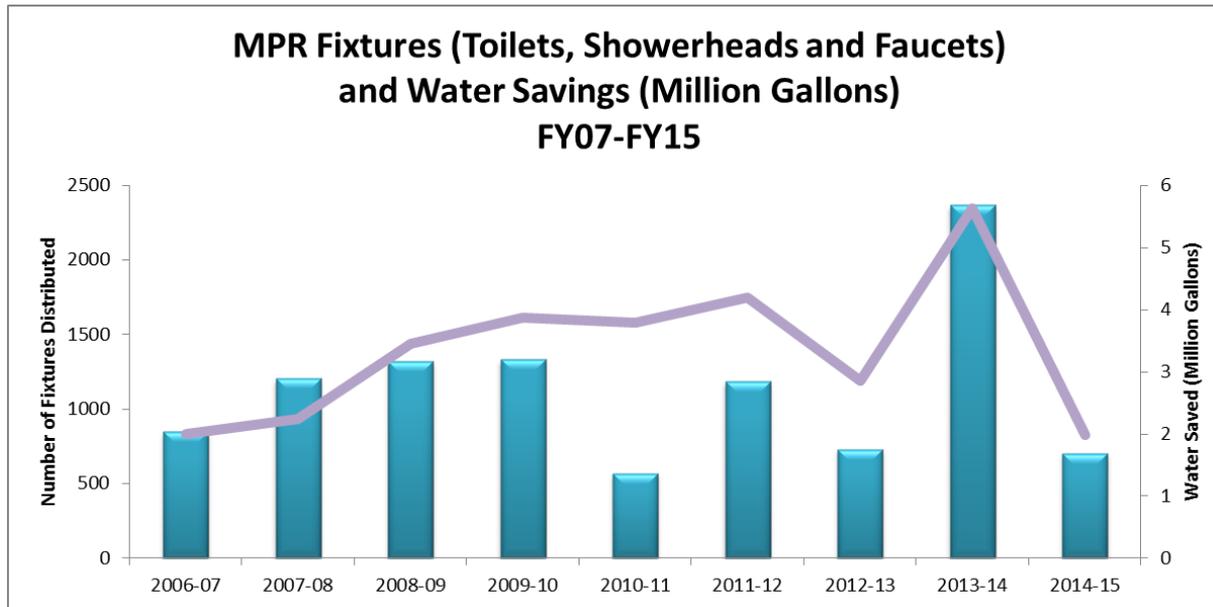


Public Awareness Campaign

Ordinance Awareness vs. Water Use



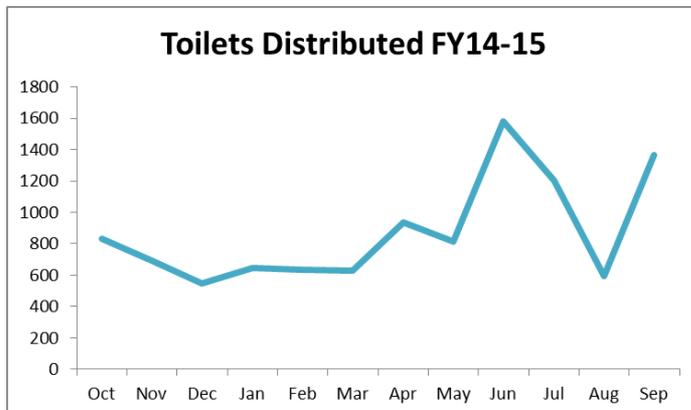
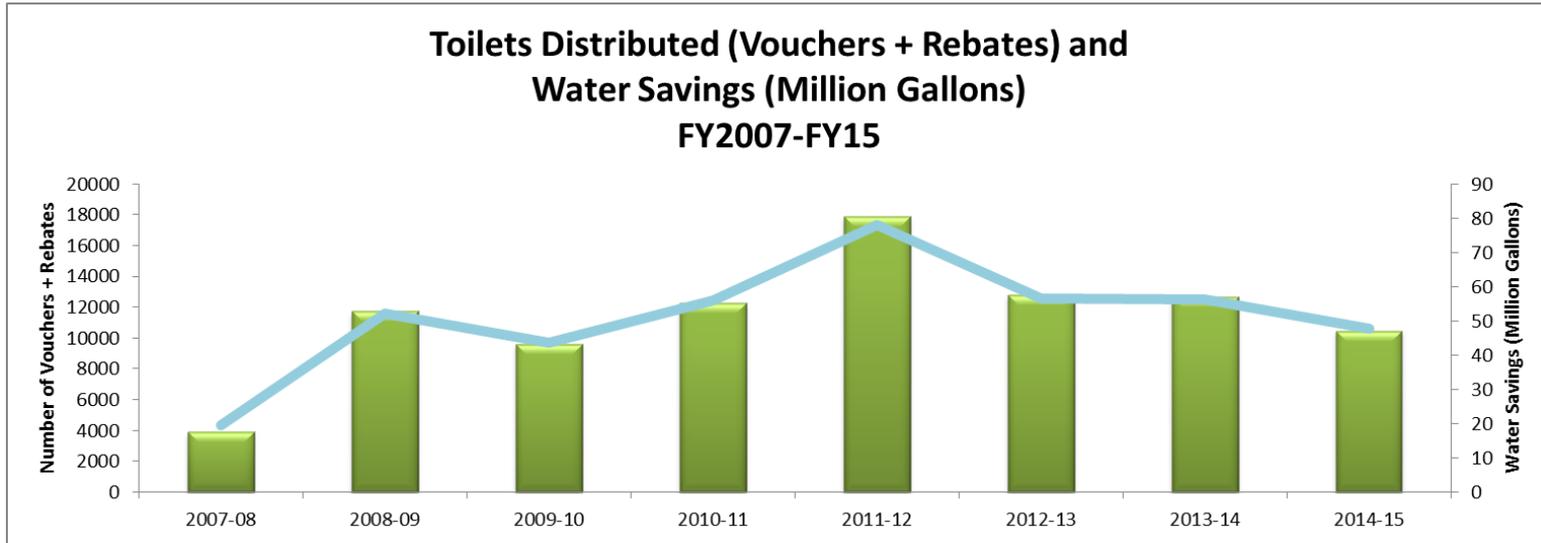
Minor Plumbing Repair (MPR) Program Statistics



Cumulative Number of MPR Fixtures distributed program-to-date: **10,244**

Cumulative Water Saved: 30.04 MG

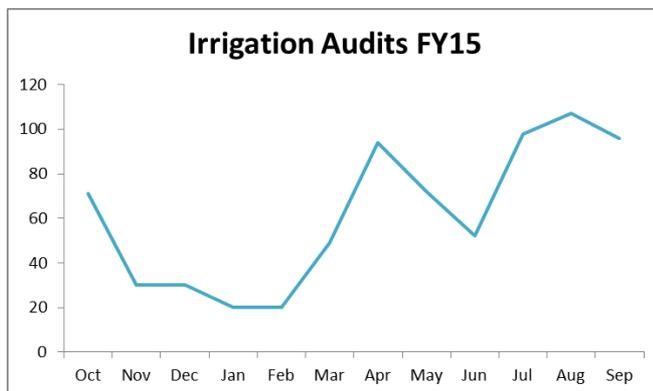
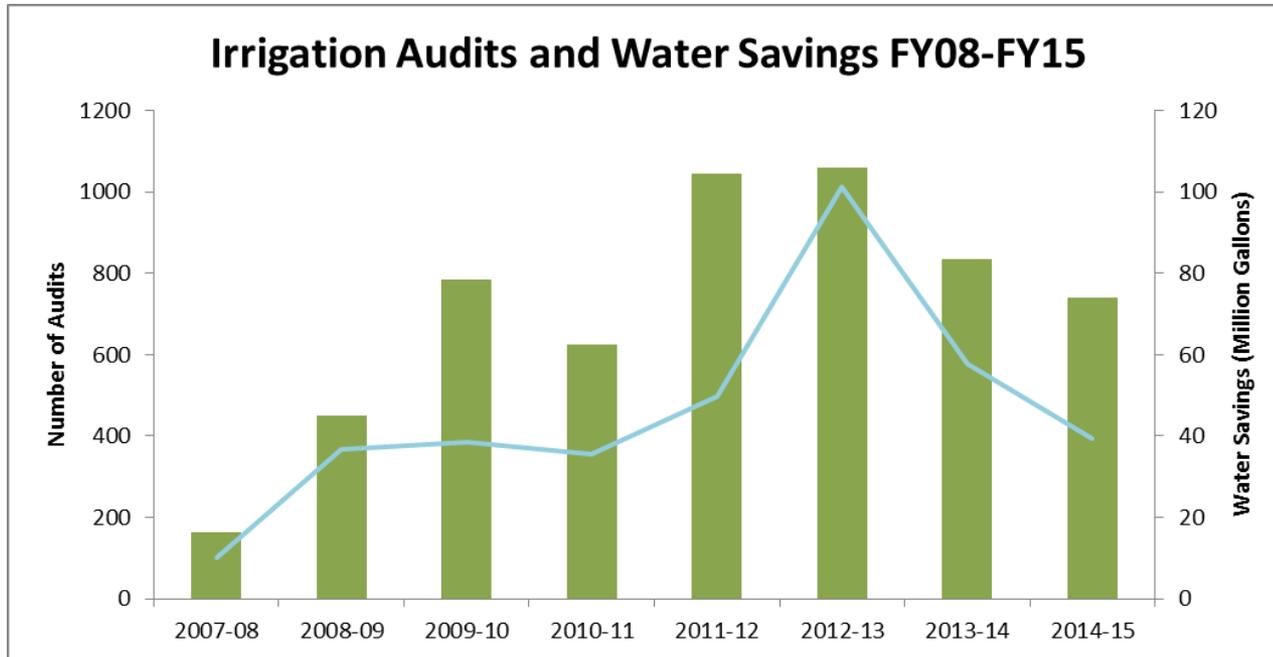
New Throne for Your Home Program Statistics



Cumulative Number of Toilets Distributed
(Vouchers + Rebates) : **91,389**

Cumulative Water Saved: **392 MG**

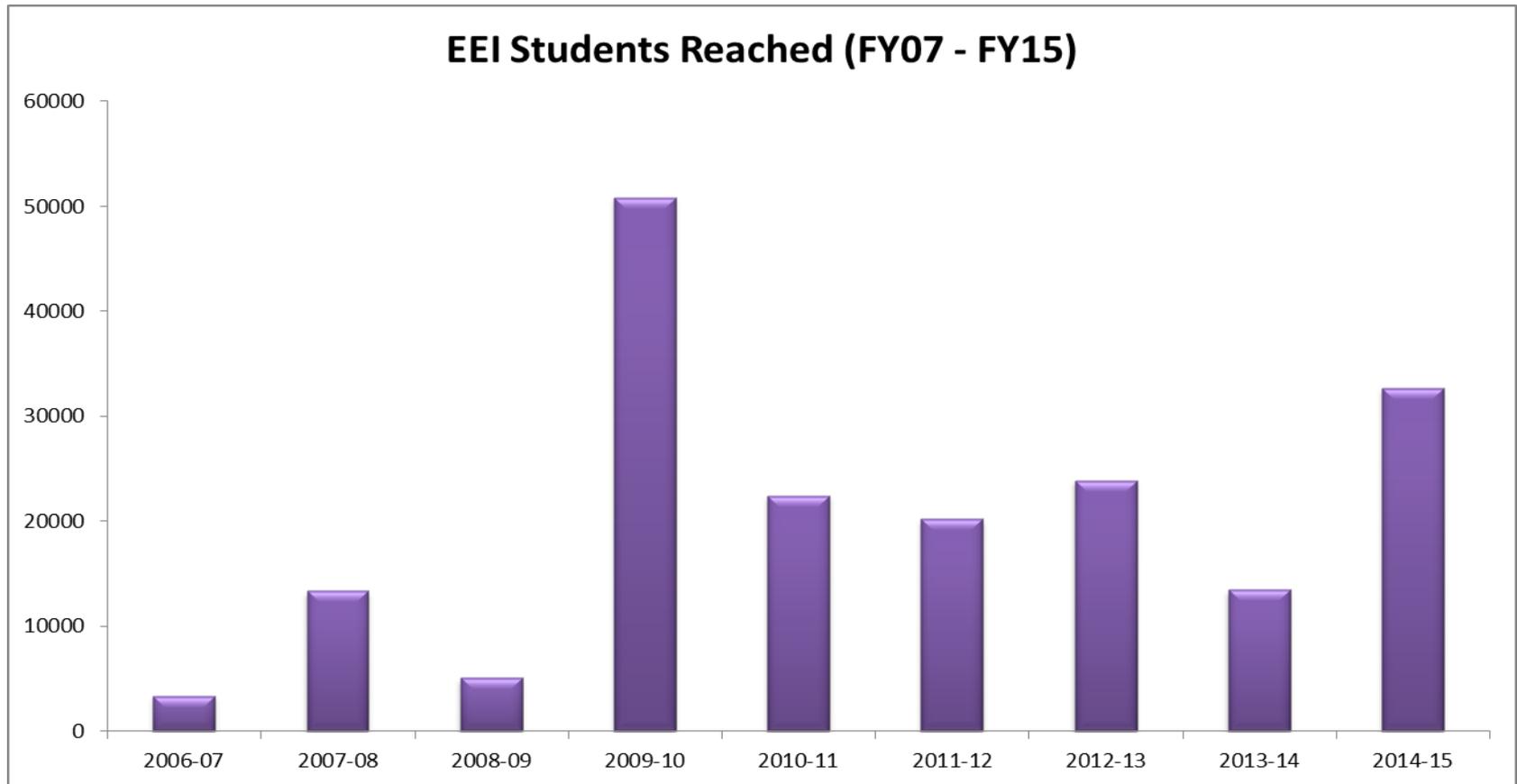
Irrigation System Check-up Program Statistics



Total Number of Irrigation Audits
Program-to-date: **5,701**

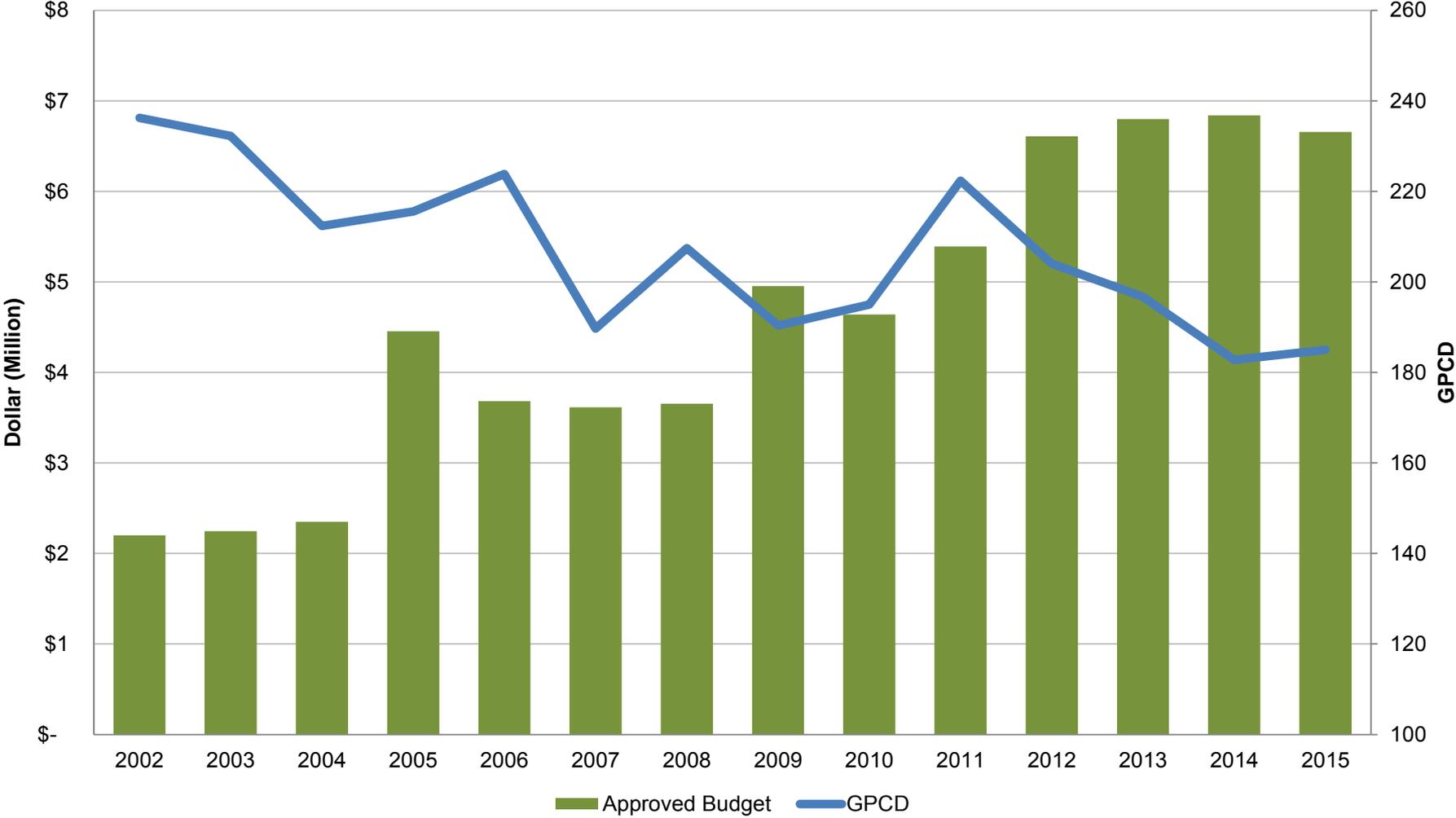
Potential Water Savings: 369 MG

Environmental Education Initiative Program Statistics

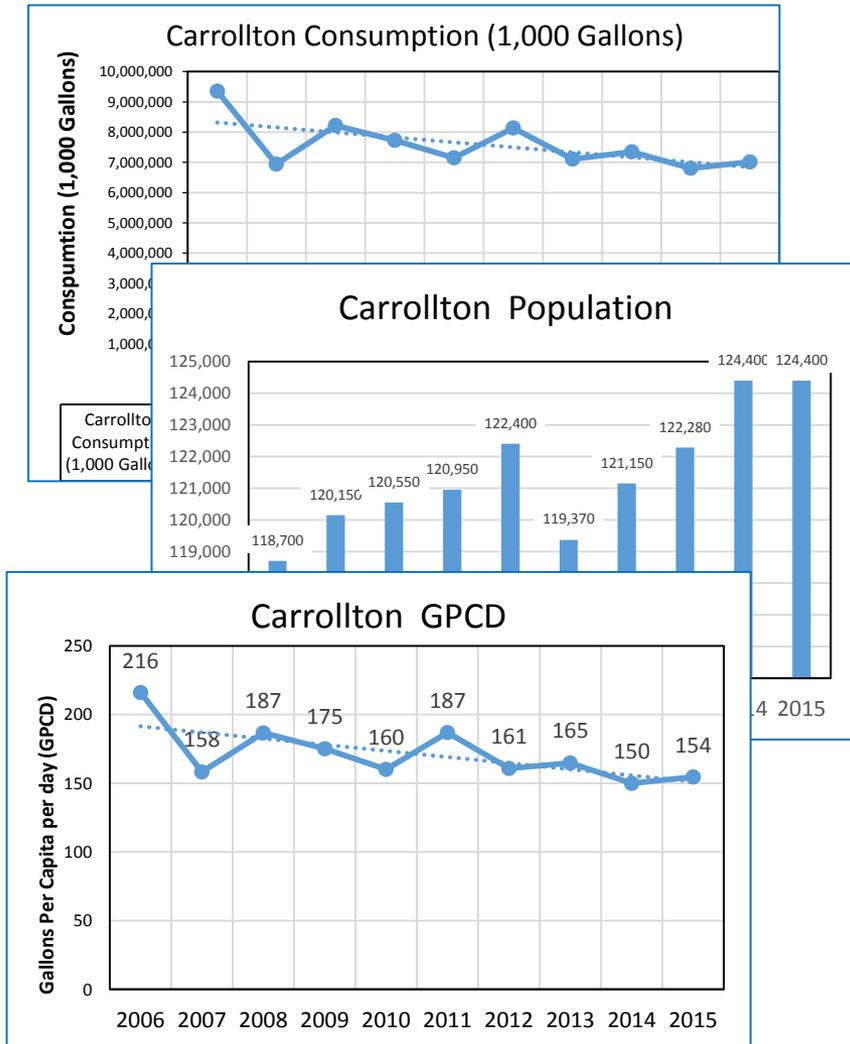


Note: Fiscal Year 2010 included continuous summer exhibits of middle school modules during a national traveling exhibit held at Fair Park's Museum of Nature and Science

Water Conservation Budget v. GPCD



Customer Cities Water Conservation Monitoring, Measurement, and Reporting



- **On an annual basis, DWU will track the following customer cities water use measures:**
 - Annual Consumption (Gallons per year)
 - Population
 - Gallons Per Capita Per Day (GPCD)
 - Max Day Usage by Customer
 - Max DWU System Usage
 - Other Measures as deemed necessary
- **Additionally, DWU will monitor customer cities conservation measures:**
 - Twice Weekly Watering
 - Time of Day Watering
 - Toilet Exchange Programs
 - Leak Detection and Repairs
 - Drought Responses
 - Other Measures as deemed necessary

(Note: The graphs shown are examples of the data)

Memorandum



CITY OF DALLAS

DATE April 15, 2016

TO The Honorable Mayor and Members of the City Council

SUBJECT Proposed FY 2016-17 HUD Consolidated Plan Budget

On Wednesday, April 20, 2016, the City Council will be briefed on the Proposed FY 2016-17 HUD Consolidated Plan Budget. The briefing includes the City Manager's proposed budget and the Community Development Commission's proposed amendments. Briefing materials are attached for your review.

Councilmembers are invited to submit any amendments to the City Manager by April 28th. You will have the opportunity to discuss potential amendments to the Consolidated Plan budget during the May 18th briefing meeting.

Please let me know if you need additional information.


Jeanne Chipperfield
Chief Financial Officer

Attachment

c: A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Mark McDaniel, Assistant City Manager
Eric D. Campbell, Assistant City Manager
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager

Proposed FY 2016-17 HUD Consolidated Plan Budget

City Council Briefing
April 20, 2016





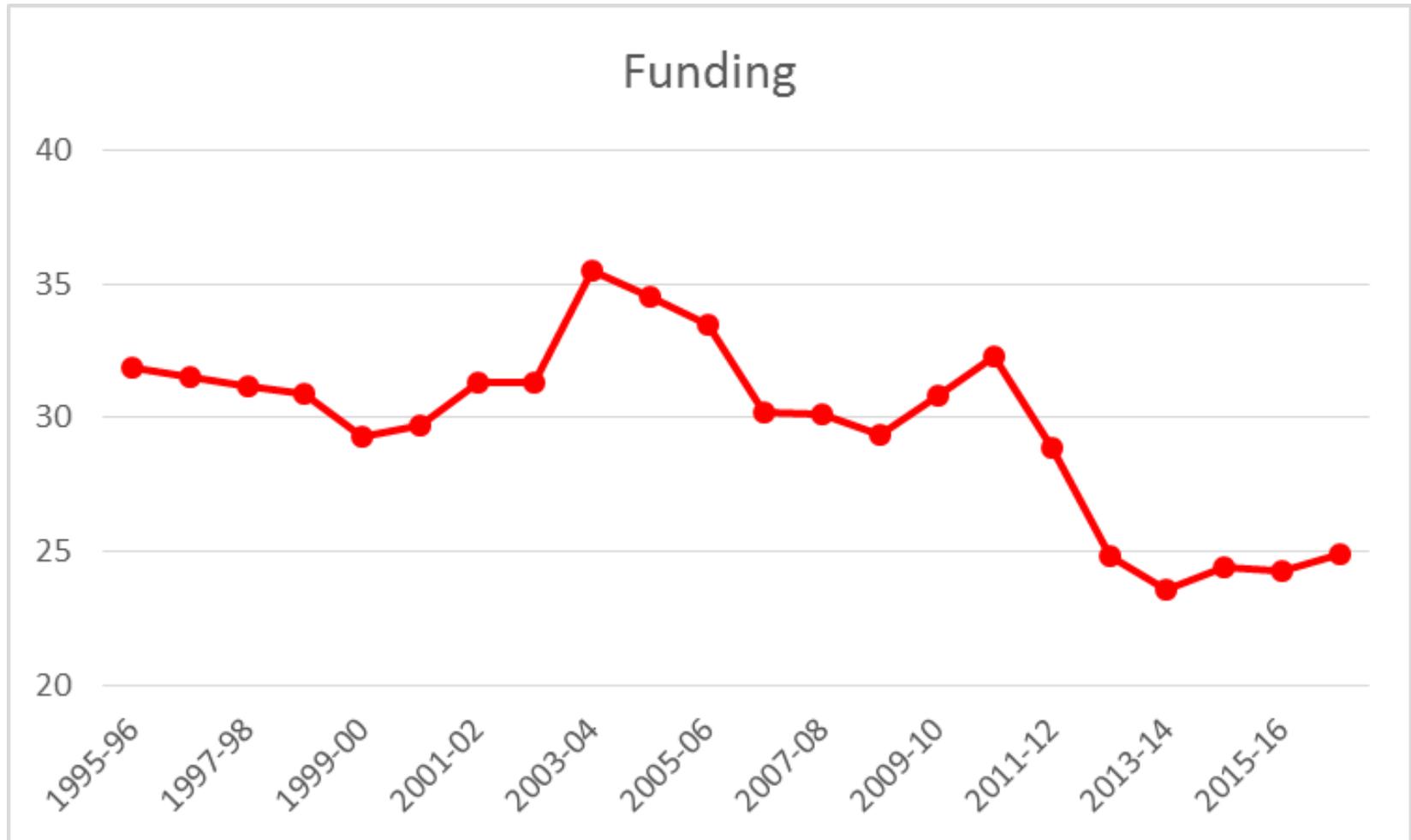
Purpose of Briefing

- Present City Manager's proposed FY 2016-17 HUD Consolidated Plan Budget
- Present recommended amendments from the Community Development Commission (CDC)
- Discuss changes included in proposed budget
- Review next steps

HUD Grant Funds

- Consolidated Plan program consists of 4 grants received from U.S. Department of Housing and Urban Development (HUD)
 - Community Development Block Grant (CDBG)
 - HOME Investment Partnerships Program (HOME)
 - Emergency Solutions Grant (ESG)
 - Housing Opportunities for Persons with AIDS (HOPWA)
- \$24,992,770 to be received from HUD for FY 2016-17 Consolidated Plan Budget
- \$731,218 increase in overall FY 2016-17 grant funding

HUD Grant Funds - History



HUD Grant Funds

- Community Development Block Grant (CDBG)
 - \$13,258,321; entitlement decreased by \$199,424 (-1.5%)
 - To develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities

- HOME Investment Partnerships (HOME)
 - \$4,113,859; entitlement increased by \$157,232 (+4%)
 - To provide, develop, support, produce, and expand the supply of decent and affordable housing

HUD Grant Funds

- Emergency Solutions Grant (ESG)
 - \$1,211,466; entitlement increased by \$1,660 (+0.1%)
 - To prevent homelessness and to assist those already homeless

- Housing Opportunities for Persons with AIDS (HOPWA)
 - \$6,409,124; entitlement increased by \$771,750 (+13.7%)
 - Approximately \$650,000 is attributed to one-time “high-incidence” amount for HIV/AIDS cases in the Dallas HOPWA Eligible Metropolitan Statistical Area
 - To provide housing and/or supportive services to individuals with AIDS, persons who are HIV positive, and their families

Source of Funds

Source of Funds (Entitlement)	FY 2015-16 Budget	FY 2016-17 Proposed	Variance
CDBG (grant)	\$13,457,745	\$13,258,321	(\$199,424)
HOME (grant)	3,956,627	4,113,859	157,232
ESG (grant)	1,209,806	1,211,466	1,660
HOPWA (grant)	5,637,374	6,409,124	771,750
Sub-Total HUD Grant Funds	\$24,261,552	\$24,992,770	\$731,218

Source of Funds

Source of Funds (Non-Entitlement)	FY 2015-16 Budget	FY 2016-17 Proposed	Variance
CDBG Program Income – Housing Activities	\$400,000	\$400,000	\$0
CDBG Program Income – Retained by Sub-Recipient (SDDC)	600,000	275,000	(325,000)
CDBG Reprogramming	1,410,006	1,064,334	(345,672)
HOME Program Income (Housing)	50,000	1,000,000	950,000
Sub-Total Non-Entitlement Funds	\$2,460,006	\$2,739,334	\$279,328
Grand Total All Sources	\$26,721,558	\$27,732,104	\$1,010,546

Guiding Principles

- Adhere to HUD regulations
- Consistent with 5-Year Consolidated Plan that covers FY 2013-14 through FY 2017-18
- Increased service level needs
- Reduced CDBG funding available for FY 2016-17
 - Decreases required to meet HUD guidelines in capped categories
 - CDBG Public Services 15%
 - CDBG Program Oversight 20%

Guiding Principles

- Consistent with Neighborhood Plus priorities and strategic goals
- Adhere to City's timely expenditure policy
- Continue to meet HUD monitoring and reporting requirements
- Ensure housing programs affirmatively further fair housing

Public Input

- During January and February 2016, pre-budget preparation included
 - Neighborhood Public Hearings
 - 6 meetings held at locations identified by CDC
 - 2 monthly CDC meetings
 - Citizen Comment Forms (available at public hearings and online)
 - Surveys at Neighborhood Public Hearings
 - Presentations from agencies
 - 7 agencies presented ideas for new programs to the CDC
- Discussions expressed support for reducing the number of projects/programs; opportunities to improve cost-per-unit for services; and expanding programs

CDC Deliberations

- On March 3, based on prior discussions, along with community and CDC input, the City Manager offered a Proposed FY 2016-17 HUD Consolidated Plan Budget to the CDC for consideration
 - CDC was updated on the budget process and their recommendations and amendments would be briefed to Council on April 20 along with the City Manager's proposal
- CDC Committee meetings were held in March and April
 - Five committees met with staff from various departments to review each recommendation and to answer questions about the programs
- CDC concurred with CMO budget and recommended no changes on April 7

Use of Funds

Use of Funds	FY 2015-16 Budget	FY 2016-17 Proposed	Variance
Public Services (CDBG)	\$2,106,435	\$2,056,087	(\$50,348)
Housing Activities (CDBG)	8,200,189	8,413,317	213,128
Economic Development (CDBG)	1,240,000	275,000	(965,000)
Public Improvements (CDBG)	1,549,578	1,601,587	52,009
Fair Housing (CDBG)	633,053	652,085	19,032
Program Oversight (CDBG)	2,138,496	1,999,579	(138,917)
HOME Activities	4,006,627	5,113,859	1,107,232
ESG Activities	1,209,806	1,211,466	1,660
HOPWA Activities	5,637,374	6,409,124	771,750
Total	\$26,721,558	\$27,732,104	\$1,010,546

CDBG: Public Services

- HUD regulations limit funding for Public Services to 15% of grant amount and program income
 - \$50,348 reduction required in Public Services category due to reduction in FY 2016-17 CDBG allocation
- No new programs proposed
- Consolidate services for more efficient delivery
 - Child Care Services
 - Senior Services
- Provide funding for full year operating costs for Public Service programs
 - After-School/Summer Program
 - Community Courts

CDBG: Public Services

- Maintain level funding for
 - Training and Employment for Adults with Disabilities
 - Eliminate grant funding for Dental Health Services in order to not exceed the 15% Public Services cap required by HUD
 - Consider transferring costs to City's operating budget
- CDC concurs with City Manager's recommendation – no amendments proposed

CDBG: Housing

- Increase funding for Major Systems Repair Program
 - Offsetting elimination of Reconstruction Program in order to increase number of households served
- Provide funding for full year operating costs which may include reallocation of staff
 - Housing Development Support
 - Housing Assistance Support
 - People Helping People
 - Neighborhood Investment Program (NIP) – Code Compliance
 - Enhanced code enforcement activities to continue in NIP areas until new target areas are fully implemented
- Maintain level funding for other programs
 - Mortgage Assistance Program
 - Housing Services

CDBG: Housing

- Eliminate funding for Minor Plumbing Repair Program
 - Funds available from other sources to maintain same service level
- Eliminate funding for enhanced Dedicated SAFE II Expansion Program
 - Continue service in City's operating budget

- CDC concurs with City Manager's recommendation – no amendments proposed

CDBG: Economic Development

- Continue use of revolving loan funds (reduced program income from \$600,000 to \$275,000) for Business Loan Program
 - Accounts Receivable has decreased as booked loans have been repaid
 - Eliminate grant funding for 8 Business Assistance Centers
 - Program services to be re-evaluated and transferred to City's operating budget due to complex grant compliance requirements
- CDC concurs with City Manager's recommendation – no amendments proposed. CDC recommends that the CDC Economic Development Committee have an opportunity to provide input on proposed revisions to the Business Assistance Center Program.

CDBG: Public Improvement

- New funding recommended for Neighborhood Plus infrastructure improvements
 - No new funding recommended for Neighborhood Investment and Neighborhood Enhancement Program target areas
-
- CDC concurs with City Manager's recommendation – no amendments proposed

CDBG: Fair Housing and Program Oversight

- HUD regulations limit funding for Fair Housing, Planning, and Program Oversight activities to 20% of entitlement
 - Provide funding for full year operating costs
 - Fair Housing
 - Program oversight, administration and reporting
 - Housing Management Support
 - Eliminate funding for program oversight and compliance in Economic Development and Park and Recreation departments
 - Due to decrease in grant funds and program income, reduction is required in order to comply with HUD cap regulations
 - Consider transferring costs to the City's operating budget
- CDC concurs with City Manager's recommendation – no amendments proposed.

HOME

- Funding for Community Housing Development Organizations (CHDOs) as required to meet HUD regulations
 - CHDO Development Assistance above 15% minimum of grant amount
 - CHDO Operating Assistance below 5% maximum of grant amount
- Funded programs provide for quality affordable housing and homeownership opportunities
- No new programs
- Increase funding for Housing Development Loan Program
 - Additional program income due to significant HOME loan repayments

HOME

- Provide funding in HOME Program Administration for full year operating costs
- Maintain level funding for existing programs
 - CHDO Development Loans
 - CHDO Operating Assistance
 - Mortgage Assistance
- Eliminate funding for Tenant Based Rental Assistance Program
 - Funds available from other sources to continue services

- CDC concurs with City Manager's recommendation – no amendments proposed

ESG

- Funding allocations consistent with CoC established priorities as recommended at February 23, 2016 monthly Continuum of Care (CoC) meeting
- New funding for Street Outreach as recommended by CoC due to identified needs
- Continue funding for existing emergency shelter and homelessness prevention activities, rapid re-housing, to help people quickly regain stability in permanent housing, and program administration

ESG

Eligible Activities per HUD	Eligible Clients per HUD	
	Those who are Homeless	Those who are at-risk of Homelessness
1. Street Outreach*	X	
2. Emergency Shelter*	X	
3. Homelessness Prevention		X
4. Rapid Re-Housing	X	
5. Homeless Management Information System (HMIS)	X	X
6. Administration (7.5% of grant)	N/A	N/A

* Note: Combined total of Activities 1 and 2 can not exceed 60% of total grant allocation.

■ CDC concurs with City Manager's recommendation – no amendments proposed

HOPWA

- As the largest metropolitan city in the area, Dallas serves as the grantee for HOPWA funding that serves the entire Dallas Eligible Metropolitan Statistical Area (EMSA) as defined by HUD
 - Dallas EMSA includes seven counties: Collin, Dallas, Denton, Ellis, Hunt, Kaufman and Rockwall
- Funding allocations are consistent with priorities established by the Ryan White Planning Council of the Dallas Area (RWPC) and with needs identified in the RWPC 2013 Comprehensive HIV Needs Assessment

HOPWA

- New funding recommended for housing facilities rehab/repair/acquisition
 - Due to availability of one-time increased funding
 - Increase all other programs funded in FY 2015-16 as needed to provide additional or enhanced services to eligible clients due to increase in grant funding
- CDC concurs with City Manager's recommendation
 - no amendments proposed

Next Steps

- April 20 – FY 2016-17 HUD Consolidated Plan Budget with CDC recommendations briefing to Council
- May 11 – Preliminary adoption of FY 2016-17 HUD Consolidated Plan Budget and call the public hearing
- May 12 – Begin 30 day public review
- May 18 – Council amendments and straw votes on FY 2016-17 HUD Consolidated Plan Budget

Next Steps

- May 25 – Public hearing before the City Council
- June 15 – Final adoption of FY 2016-17 HUD Consolidated Plan Budget
- August 15 – Submit FY 2016-17 Action Plan to HUD
- October 1 – Implement plan



Attachment A

- Proposed FY 2016-17
HUD Consolidated Plan Budget

**FY 2016-17 CONSOLIDATED PLAN FOR
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

Attachment A

A	B	C	D	E	F	G
Project Name	CD	NH+ Goal	FY 2015-16 Adopted Budget	FY 2016-17 CMO Proposed Budget	CDC Proposed Amendments as of 4/7/2016 +/-	FY 2016-17 Proposed Budget
<u>SOURCE OF FUNDS</u>						
Community Development Block Grant						
Entitlement (grant)			13,457,745	13,258,321		13,258,321
Program Income - Housing Activities			400,000	400,000		400,000
Program Income - Sub-Recipient Retained Program Income (SDDC)			600,000	275,000		275,000
Reprogramming			1,410,006	1,064,334		1,064,334
			<u>15,867,751</u>	<u>14,997,655</u>	0	<u>14,997,655</u>
Home Investment Partnership						
Entitlement (grant)			3,956,627	4,113,859		4,113,859
Program Income Housing Activities			50,000	1,000,000		1,000,000
			<u>4,006,627</u>	<u>5,113,859</u>	0	<u>5,113,859</u>
Emergency Solutions Grant						
Entitlement (grant)			1,209,806	1,211,466	0	1,211,466
Housing Opportunities for Persons with AIDS						
Entitlement (grant)			5,637,374	6,409,124	0	6,409,124
TOTAL SOURCE OF FUNDS			<u>26,721,558</u>	<u>27,732,104</u>	0	<u>27,732,104</u>

USE OF FUNDS

Community Development Block Grant						
Public Services (15% of CDBG maximum amount allowed)			2,106,435	2,056,087		2,056,087
Housing Activities			8,200,189	8,413,317		8,413,317
Economic Development Activities			1,240,000	275,000		275,000
Public Improvements			1,549,578	1,601,587		1,601,587
Fair Housing and Program Oversight (20% of CDBG maximum amount allowed)			2,771,549	2,651,664		2,651,664
			<u>15,867,751</u>	<u>14,997,655</u>	0	<u>14,997,655</u>
HOME Investment Partnerships Program						
HOME Programs			4,006,627	5,113,859	0	5,113,859
Emergency Solutions Grant						
ESG Programs			1,209,806	1,211,466	0	1,211,466
Housing Opportunities for Persons with AIDS						
HOPWA Programs			5,637,374	6,409,124	0	6,409,124
TOTAL USE OF FUNDS			<u>26,721,558</u>	<u>27,732,104</u>	0	<u>27,732,104</u>

*CW=City Wide

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Attachment A

A	B	C	D	E	F	G
Project Name	CD	NH+ Goal	FY 2015-16 Adopted Budget	FY 2016-17 CMO Proposed Budget	CDC Proposed Amendments as of 4/7/2016 +/-	FY 2016-17 Proposed Budget
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)						
<u>CDBG - Public Services</u>						
1						
After-School/Summer Program - Provide after school and summer programs for low income youth Monday thru Friday through structured recreational, cultural, social and life skills activities. 24 CDBG funded sites.	CW	2	530,647	559,112		559,112
2						
Child Care Services Program - Provide various programs for children and youth, including after school programs; daycare for special needs children, children who are homeless, and children with disabilities via contracts with non-profit agencies. Funds are also used to provide child care subsidies for low and moderate income working parents and teenage parents who are attending school and do not qualify for any other form of public assistance. (Child Care Services and City Child Care Services combined)	CW	2	488,826	488,826		488,826
Youth Programs Sub-Total			1,019,473	1,047,938	0	1,047,938
3						
Clinical Dental Care Program - Provide dental health services to seniors and low-income youth through age of 19 via contract with non-profit agency.	CW	2	100,000	0		0
Clinical Health Services Sub-Total			100,000	0	0	0
4						
Senior Services Program - Provide case management and other programs for seniors, including investigative support services in both community and institutional settings via contracts with non-profit agencies. Funds are also used to provide direct and emergency support services to enhance the quality of life for older adults. (City Office of Senior Affairs and Senior Services Program combined)	CW	2	215,428	230,143		230,143
Senior Services Sub-Total			215,428	230,143	0	230,143
5						
Community Court Program - Through the community court, offenses to persons and code violations of property are swiftly adjudicated and restitution made by defendants who plead guilty or no contest.		3	746,534	753,006	0	753,006
• South Dallas / Fair Park Community Court	5,7		296,248	299,445		299,445
• South Oak Cliff Community Court	4,8		235,741	233,032		233,032
• West Dallas Community Court	1,3,6		214,545	220,529		220,529
6						
Training and Employment for Adults with Disabilities - Provide development of life skills, vocational training and job placement for adults with disabilities.	CW	2	25,000	25,000		25,000
Other Public Services (Non-Youth) Sub-Total			771,534	778,006	0	778,006
Total CDBG - Public Services			2,106,435	2,056,087	0	2,056,087

*CW=City Wide

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

Attachment A

A	B	C	D	E	F	G
Project Name	CD	NH+ Goal	FY 2015-16 Adopted Budget	FY 2016-17 CMO Proposed Budget	CDC Proposed Amendments as of 4/7/2016 +/-	FY 2016-17 Proposed Budget
CDBG - Public Services 15% Cap Under/(Over) Cap			2,106,435	2,056,087		2,056,087
CDBG - Public Services Cap Percentage			(0)	(0)		(0)
			15.0%	15.0%		15.0%
<u>CDBG - Housing Activities</u>						
7 Housing Development Support - Provide service delivery staff whose activities include determining and approving client eligibility, loan processing, and working with lenders and counseling agencies on behalf of clients.	CW	5	1,052,706	1,152,459		1,152,459
8 Mortgage Assistance Program - Provide deferred payment loans up to \$20,000 to low-income first-time homebuyers for down payment and closing cost assistance.	CW	5	1,165,856	1,165,856		1,165,856
9 Housing Services Program - Provide CDBG funds to CHDOs for cost in support of HOME-funded activities, such as housing counseling, loan processing, and other services related to assisting potential homebuyers participating or seeking to participate in HOME funded projects.	CW	5	50,000	50,000		50,000
Homeownership Opportunities Sub-Total			2,268,562	2,368,315	0	2,368,315
10 Housing Assistance Support - Provide service delivery staff to implement the Major Systems Repair Program and Reconstruction Program, which benefit low income homeowners.	CW	5	1,533,936	1,703,154		1,703,154
11 Major Systems Repair Program - Provide homeowner assistance up to \$20,000 with repair/replacement of the following four major systems: heating/air, plumbing/gas, roof and electrical.	CW	5	1,533,761	2,721,964		2,721,964
12 Minor Plumbing Repair/Replacement Program - Provide leak repairs, low flow toilet and fixture replacement and minor plumbing repair assistance to low income homeowners.	CW	5	50,000	0		0
13 Reconstruction Program - Provide deferred loans to low-income homeowners for reconstruction of their existing homes. The reconstruction deferred payment loan is \$103,000 per unit.	CW	5	1,221,964	0		0
14 People Helping People (PHP) Program - Provide for minor exterior repair services to single family homes through volunteers and contract services to lower income, elderly and disabled homeowners.	CW	5	871,731	1,019,051		1,019,051
Homeowner Repair Sub-Total			5,211,392	5,444,169	0	5,444,169

*CW=City Wide

**FY 2016-17 CONSOLIDATED PLAN FOR
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Attachment A

A	B	C	D	E	F	G
Project Name	CD	NH+ Goal	FY 2015-16 Adopted Budget	FY 2016-17 CMO Proposed Budget	CDC Proposed Amendments as of 4/7/2016 +/-	FY 2016-17 Proposed Budget
15 Dedicated SAFE II Expansion Code Inspection - Code Compliance - Provide enhanced code enforcement activities to supplement police investigations where criminal actions hamper or prevent community revitalization.	CW	3	96,000	0		0
16 Dedicated SAFE II Expansion Code Inspection - Fire Department - Provide enhanced code enforcement activities to supplement police investigations where criminal actions hamper or prevent community revitalization.	CW	3	70,538	0		0
17 Dedicated SAFE II Expansion Code Inspection - Police Department - Provide enhanced code enforcement activities to supplement police investigations where criminal actions hamper or prevent community revitalization.	CW	3	46,122	0		0
18 Neighborhood Investment Program - Code Compliance - Provide enhanced code enforcement activities in the targeted neighborhood areas.	1-8	3	507,575	600,833		600,833
Other Housing/Neighborhood Revitalization Sub-Total			720,235	600,833	0	600,833
Total CDBG - Housing Activities			8,200,189	8,413,317	0	8,413,317
<u>CDBG - Economic Development</u>						
19 Business Loan Program (Program Income) - SDDC retains program income generated from revolving business loan program to provide additional loans.	CW	2	600,000	275,000		275,000
20 Business Assistance Center Program - Provide comprehensive technical assistance and business support services to Low/Moderate income persons interested in developing Micro-Enterprises and those who own Micro-Enterprises.	CW	2	640,000	0	0	0
Total CDBG - Economic Development			1,240,000	275,000	0	275,000
<u>CDBG - Public Improvements</u>						
21 Neighborhood Enhancement Program (NEP) - Provide toolbox of neighborhood improvements to increase aesthetic appeal and compliment community development efforts in Neighborhood Investment and other strategically targeted areas.	1-8	3	25,000	0		0
22 Neighborhood Investment Program Infrastructure - Provide infrastructure improvements related to architectural and engineering design in the 5 NIP target areas.	1-8	3	1,249,616	0		0
23 Neighborhood Investment Program (NIP) and Neighborhood Enhancement Program (NEP) Project Delivery - Provide direct services for projects located in NIP and other strategically targeted areas.	1-8	1	274,962	0		0

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Attachment A

A	B	C	D	E	F	G
Project Name	CD	NH+ Goal	FY 2015-16 Adopted Budget	FY 2016-17 CMO Proposed Budget	CDC Proposed Amendments as of 4/7/2016 +/-	FY 2016-17 Proposed Budget
24						
Neighborhood Plus - Provide public infrastructure improvements to support redevelopment activities within strategically targeted areas.	CW	3	0	1,601,587		1,601,587
Public Improvement Sub-Total			1,549,578	1,601,587	0	1,601,587
Total CDBG - Public Improvement			1,549,578	1,601,587	0	1,601,587
<u>CDBG - Fair Housing and Planning & Program Oversight</u>						
25						
Fair Housing Enforcement - Provide housing discrimination investigations, fair housing education and outreach, and citizen referrals.	CW	1	633,053	652,085		652,085
26						
Citizen Participation/CDC Support/HUD Oversight - Office of Financial Services/Community Development Division. Provide coordination of ConPlan budget development, citizen participation, and reporting to HUD as primary City liaison.	CW	1	673,984	721,050		721,050
27						
Housing Management Support - Provide funding for Housing management staff support for housing programs.	CW	1	1,160,780	1,278,529		1,278,529
28						
Economic Development Oversight - Provide contract administration; compliance and oversight of CDBG funded programs.	CW	1	198,084	0		0
29						
Parks and Recreation Oversight - This position assists the Contract Compliance Manager with the review of all PKR Public Service programs and contracts for compliance with HUD guidelines.	CW	1	105,648	0		0
Total CDBG - Fair Housing and Planning & Program Oversight			2,771,549	2,651,664	0	2,651,664
CDBG - FH/PLN/Program Oversight 20% Cap			2,771,549	2,651,664		2,651,664
Under/(Over) Cap			0	0		0
CDBG - FH/PLN/Program Oversight Cap Percentage			20%	20%		20%
TOTAL COMMUNITY DEVELOPMENT BLOCK GRANT			15,867,751	14,997,655	0	14,997,655

*CW=City Wide

**FY 2016-17 CONSOLIDATED PLAN FOR
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

Attachment A

A	B	C	D	E	F	G
Project Name	CD	NH+ Goal	FY 2015-16 Adopted Budget	FY 2016-17 CMO Proposed Budget	CDC Proposed Amendments as of 4/7/2016 +/-	FY 2016-17 Proposed Budget
HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)						
30						
CHDO Development Loan Program - Provide development and pre-development loans and grants to nonprofit City-certified CHDOs developing affordable housing for low income households. (15% minimum)	CW	5	1,000,000	1,000,000		1,000,000
31						
CHDO Operating Assistance - Provide operational support to assist with the development and management of CHDO projects. (5% maximum)	CW	5	175,000	175,000		175,000
32						
HOME Program Administration - Housing department staff administrative costs. (10% maximum)	CW	5	395,662	511,385		511,385
33						
Mortgage Assistance Program - Provide no interest, deferred payment loans for down-payment, principal reduction and closing cost assistance up to a maximum of \$20,000.	CW	5	957,158	957,158		957,158
34						
Housing Development Loan Program - Provide private and non-profit organizations with loans/grants for the development of affordable housing, including but not limited to pre-development costs, development costs, construction subsidies, relocation costs, demolition costs, acquisition costs, related acquisition costs, rental rehabilitation.	CW	6	1,348,807	2,470,316		2,470,316
Home Ownership Opportunities Sub-Total			3,876,627	5,113,859	0	5,113,859
35						
Tenant Based Rental Assistance - Provide transitional rental assistance to homeless persons for a minimum of one year while they become stabilized.	CW	6	130,000	0		0
Other Housing Sub-Total			130,000	0	0	0
TOTAL HOME INVESTMENT PARTNERSHIP PROGRAM			4,006,627	5,113,859	0	5,113,859

*CW=City Wide

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Project Name	CD	NH+ Goal	FY 2015-16 Adopted Budget	FY 2016-17 CMO Proposed Budget	CDC Proposed Amendments as of 4/7/2016 +/-	FY 2016-17 Proposed Budget
EMERGENCY SOLUTIONS GRANT (ESG)						
36						
Contracts - Essential Services - Provide direct services to the homeless to address employment (job placement and training), child care, substance abuse treatment and health prevention services.	CW	2	57,737	57,737		57,737
37						
Contracts - Operations - Provide payment of operational costs for shelters or transitional housing facilities for homeless persons.	CW	2	92,430	92,430		92,430
38						
Homeless Assistance Center - Essential Services - Provide case management services to assist clients in obtaining federal, state and local assistance.	CW	2	148,005	148,005		148,005
39						
Homeless Assistance Center - Operations - Provide payment of utilities and other operating costs for the Homeless Assistance Center.	CW	2	378,279	378,279		378,279
40						
Street Outreach - Provide case management and referral services to unsheltered homeless in using the local coordinated assessment system and assisting clients in obtaining Federal, State, and local assistance.	CW	2	0	50,428		50,428
Essential Services/Operations Sub-Total			676,451	726,879	0	726,879
41						
Homeless Prevention - Financial Assistance/Rent (MLK) - Provide short-term (3 months) and medium-term (4 - 24 months) of rental assistance; rental arrears up to six months; utilities assistance; moving costs, etc. to persons at-risk of homelessness and meet income limits below 30% of the area median income.	CW	2	40,000	30,700		30,700
42						
Homeless Prevention - Financial Assistance/Rent (WDMC) - Provide short-term (3 months) and medium-term (4 - 24 months) of rental assistance; rental arrears up to six months; utilities assistance; moving costs, etc. to persons at-risk of homelessness and meet income limits below 30% of the area median income.	CW	2	40,000	30,700		30,700
Homeless Prevention Sub-Total			80,000	61,400	0	61,400
43						
Rapid Re-Housing – Financial Assistance/Rent - Provide assistance with application fees, deposits, and rental arrears up to six months for persons who are homeless.	CW	2	11,000	11,000		11,000
44						
Rapid Re-Housing - Housing Relocation & Stabilization - Provide case management, housing search and placement, legal services, credit repair to homeless persons in permanent housing programs.	CW	2	281,452	281,452		281,452
Rapid Re-Housing Sub-Total			292,452	292,452	0	292,452
45						
HMIS Data Collection - Provide client-level data collection for persons served by the grant, as well as training, generating reports, monitoring and reviewing data quality.	CW	1	70,168	40,000		40,000
HMIS Data Collection Sub-Total			70,168	40,000	0	40,000

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Project Name	CD	NH+ Goal	FY 2015-16 Adopted Budget	FY 2016-17 CMO Proposed Budget	CDC Proposed Amendments as of 4/7/2016 +/-	FY 2016-17 Proposed Budget
46 ESG Administration - Monitor and evaluate contracts and other program activities.	CW	1	90,735	90,735		90,735
Program Administration Sub-Total			90,735	90,735	0	90,735
TOTAL EMERGENCY SOLUTIONS GRANT			1,209,806	1,211,466	0	1,211,466
<u>HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)</u>						
47 Emergency/Tenant Based Rental Assistance/Financial Assistance - Provide emergency assistance and long-term rental assistance to persons with HIV/AIDS and their families who live in the Dallas eligible metropolitan area.	CW	2	2,291,723	2,430,204		2,430,204
48 Emergency/Tenant Based Rental Assistance/Housing Services - Provide staffing for emergency assistance and long-term rental assistance to persons with HIV/AIDS and their families who live in the Dallas eligible metropolitan area.	CW	2	557,000	557,000		557,000
49 Housing Facilities Operation - Provide housing operation costs, including lease, maintenance, utilities, insurance and furnishings for facilities that provide assistance to persons with HIV/AIDS and their families who live in the Dallas eligible metropolitan area.	CW	2	850,900	876,000		876,000
50 Supportive Services - Provide supportive services, information and referral, and outreach in conjunction with housing assistance to persons with HIV/AIDS and their families who live in the Dallas eligible metropolitan area, including hospice/respice care for affected children.	CW	2	1,355,170	1,355,170		1,355,170
51 Housing Facilities Rehab/Repair/Acquisition - Provide rehabilitation/repair or acquisition funds for facilities that provide housing to persons with HIV/AIDS and their families who live in the metropolitan area.	CW	6	0	500,000		500,000
52 Housing Information/Resource Identification - Provide Housing Information Services (including housing counseling, housing advocacy, information and referral services, fair housing information, housing search and assistance, and client-level data collection) and Resource Identification (including costs to develop housing assistance resources, outreach and relationship-building with landlords, costs involved in creating brochures, web resources, and time to locate and identify affordable housing vacancies).	CW	2	124,860	168,480		168,480
Other Public Services Sub-Total			5,179,653	5,886,854	0	5,886,854

*CW=City Wide

**FY 2016-17 CONSOLIDATED PLAN FOR
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

Attachment A

A	B	C	D	E	F	G
Project Name	CD	NH+ Goal	FY 2015-16 Adopted Budget	FY 2016-17 CMO Proposed Budget	CDC Proposed Amendments as of 4/7/2016 +/-	FY 2016-17 Proposed Budget
53 Program Administration/City of Dallas - Provide administrative oversight, evaluation, technical assistance, and client-level data collection for grant funds and program activities.	CW	1	169,121	192,270		192,270
54 Program Administration/Project Sponsors - Provide administrative costs for project sponsors in oversight and evaluation of program activities.	CW	1	288,600	330,000		330,000
Program Administration Sub-Total			457,721	522,270	0	522,270
TOTAL HOUSING OPPORTUNITIES FOR PERSONS W/ AIDS			5,637,374	6,409,124	0	6,409,124
GRAND TOTAL CONSOLIDATED PLAN BUDGET			26,721,558	27,732,104	0	27,732,104

Memorandum



CITY OF DALLAS

DATE April 15, 2016

TO The Honorable Mayor and Members of the City Council

SUBJECT Oncor Electric Delivery Company, LLC Transmission and Distribution Rates

On Wednesday, April 20, 2016, the City Council will be briefed on the Oncor Electric Delivery Company, LLC Transmission and Distribution Rates. A copy of the briefing is attached.

Please let me know if you need additional information.


Jeanne Chipperfield
Chief Financial Officer

c: A.C. Gonzalez, City Manager
Warren M.S; Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Mark McDaniel, Assistant City Manager
Eric D. Campbell, Assistant City Manager
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager

Oncor Electric Delivery Company, LLC Transmission and Distribution Rates

City Council Briefing

April 20, 2016



Purpose

- Review background related to current and proposed ownership of Oncor Electric Delivery Company, LLC (Oncor)
- Review legal authority related to requiring Oncor to justify transmission and distribution rates
- Review next steps and City Manager's recommendation

Background

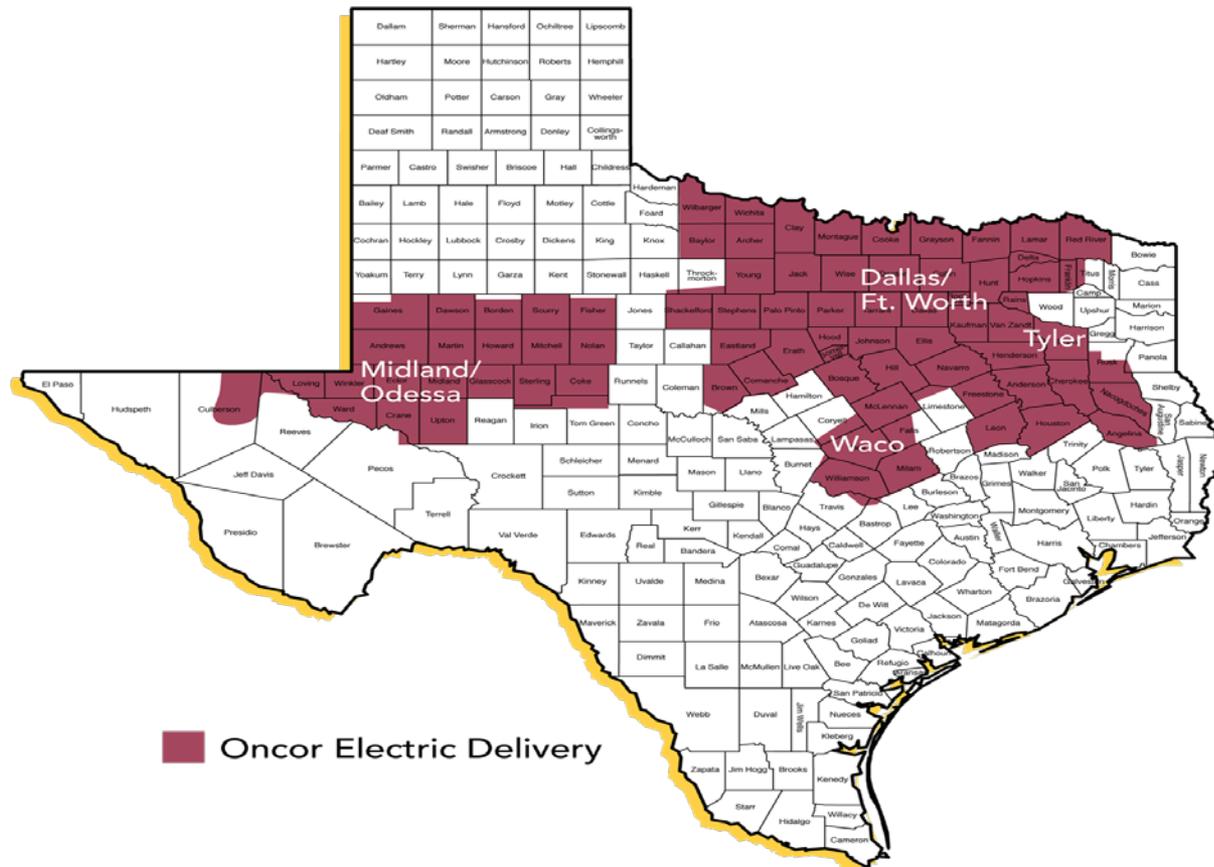
- As a result of Senate Bill 7, which deregulated the electric market in Texas January 1, 2002, TXU, Inc. was split into 3 separate companies:
 - TXU Energy – competitive Retail Electric Provider
 - Luminant – competitive generation company
 - Oncor Electric Delivery Company – regulated Transmission and Distribution (T&D) Utility
 - Provides wholesale T&D service to Retail Electric Providers (REPs) on a non-discriminatory basis
- All three companies were subsidiaries of publicly traded TXU, Inc.

Background (continued)

- Oncor is a transmission and distribution (T&D) utility operating under:
 - Certificate of Convenience and Necessity from Public Utility Commission of Texas (PUCT)
 - Authorizes Oncor to provide T&D service
 - Defines geographic service area
 - Franchise agreement from City of Dallas
 - Authorizes use of public streets and rights-of-ways to provide T&D service

Background (continued)

- Oncor service territory



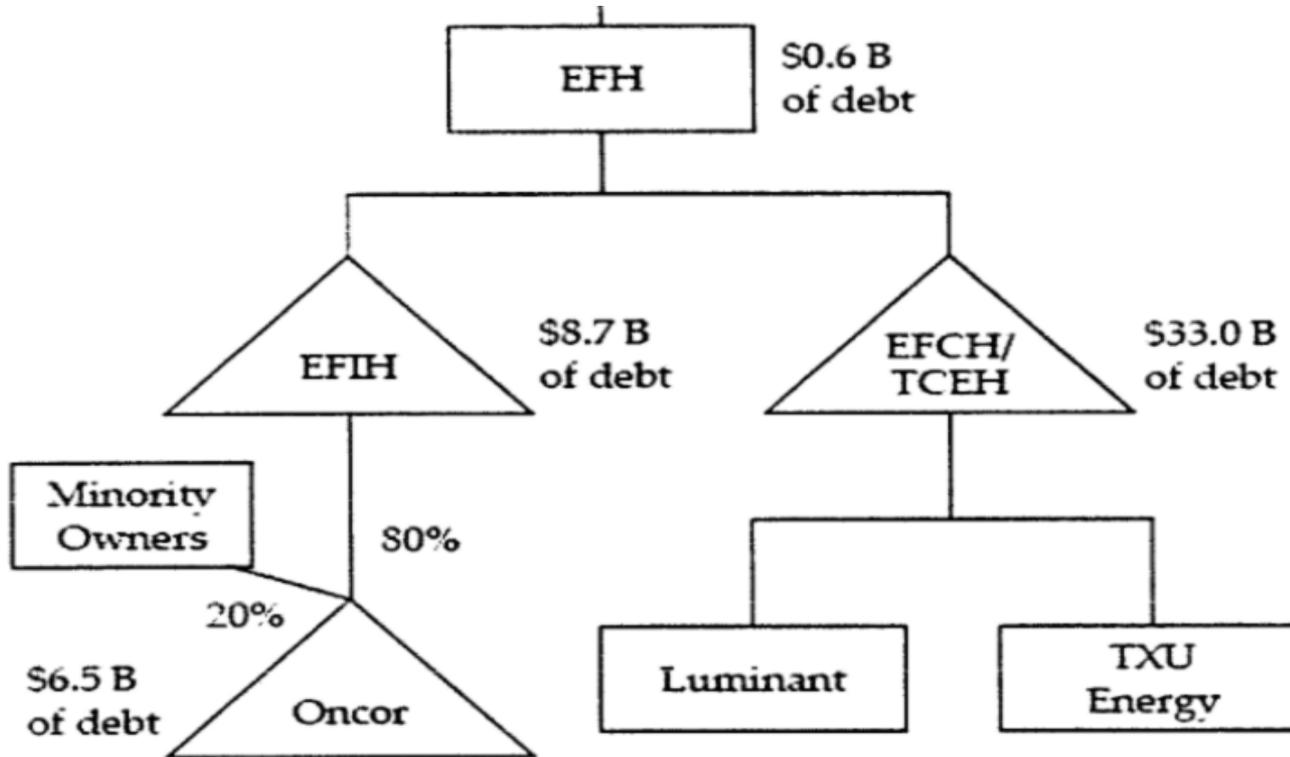
Background (continued)

- In 2007 publicly traded TXU was taken private by investors in largest leveraged buyout in history:
 - Energy Future Holdings (EFH) was new entity created to be parent of former TXU companies
 - Public Utility Commission of Texas (PUCT) in approving sale of TXU to EFH, required that Oncor be financially and structurally “ring-fenced” from deregulated portions of TXU (Luminant & TXU Energy) to insulate Oncor from credit risks of competitive entities

Background (continued)

- As a result of “ring fencing” Oncor, EFH was restructured:
 - Energy Future Intermediate Holdings (EFIH) was new subsidiary of EFH and parent of Oncor
 - Energy Future Competitive Holdings (EFCH) was new subsidiary of EFH and parent of Luminant and TXU Energy

Background (continued)



Background (continued)

- From 2008 to 2014 EFH struggled to make sufficient profits to meet its debt obligations:
 - Leveraged buyout left EFH with over \$40 billion in debt
 - Electric rates dropped drastically during this time period
 - Electric rates are closely tied to natural gas prices
 - Natural gas prices decreased drastically due to shale gas production exceeding demand

Background (continued)

- EFH and more than 70 subsidiaries (excluding Oncor) filed for reorganization under Chapter 11 of U.S. Bankruptcy Code on April 29, 2014
 - U.S. Bankruptcy Court for District of Delaware confirmed EFH's 7th plan of reorganization on December 7, 2015
 - Plan contemplated sale of Oncor to a consortium of investors
 - Plan is subject to various regulatory approvals

Background (continued)

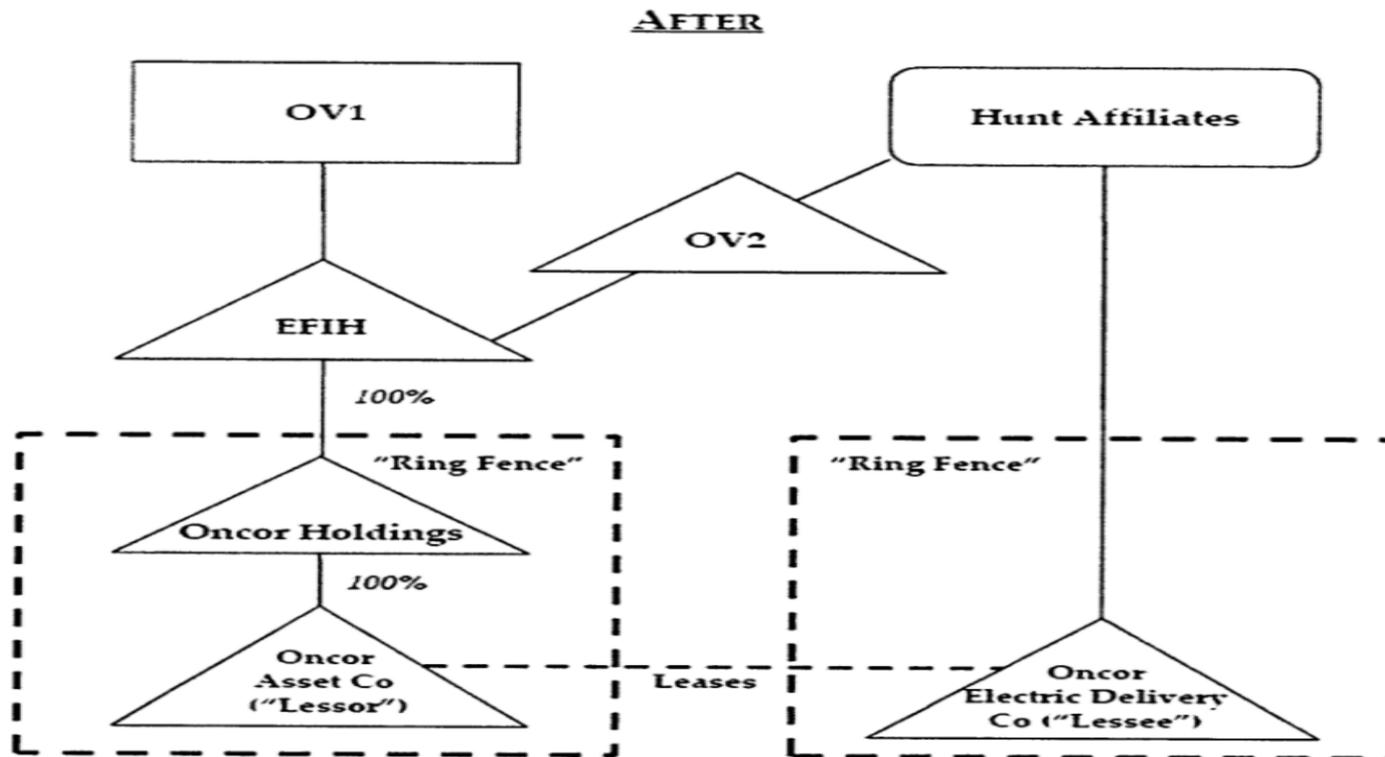
- Purchase of Oncor is complicated
 - Ovation Acquisition I, L.L.C. (OV1) and Ovation Acquisition II, L.L.C. (OV2 and, together with OV1, Ovation) are Delaware limited liability companies formed by Hunt Transmission Services L.L.C. a subsidiary of Hunt Consolidated, Inc.
 - OV1 will merge with a reorganized EFH resulting in OV1 acquiring EFH's interest in Oncor
 - Funding for acquisition is provided through Ovation by a group of investors consisting of Hunter Hunt, certain creditors of EFCH and investors designated by Hunt
 - Investor group will contribute approximately \$12.6 billion of new debt and equity

Background (continued)

- After transaction is complete, Oncor will be split into two separate companies both of which will be electric utilities as defined under Public Utilities Regulatory Act (PURA)
 - Oncor Asset Company – will hold legal title to all of Oncor’s T&D assets
 - Owned by OV1
 - Oncor Electric Delivery Company (OEDC)– will operate assets and hold Certificates of Convenience and Necessity and other personal property
 - Exclusive operational control over Oncor’s T&D assets
 - Shary Holdings, owned 100 percent by Hunter L. Hunt and members of his family, will control OEDC

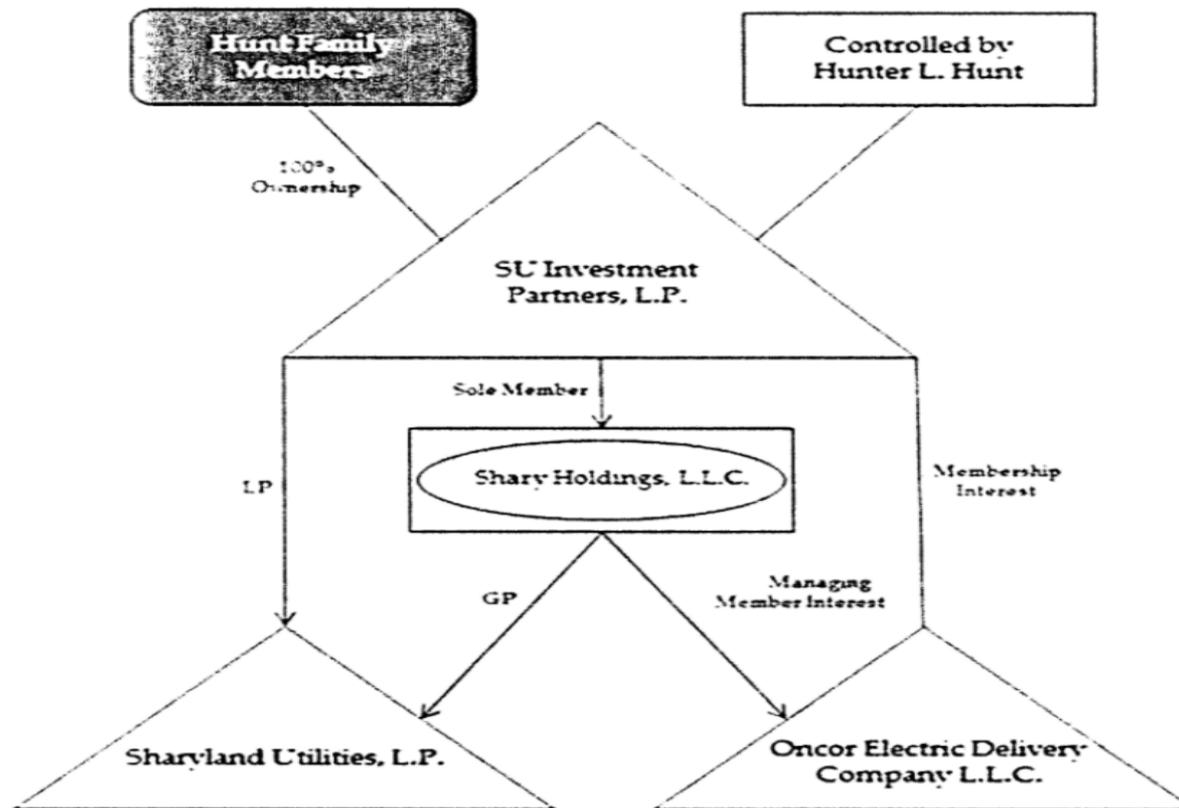
Background (continued)

- Ownership structure after sale:



Background (continued)

- Ownership structure Hunt Affiliates:



Background (continued)

- OV1 will be converted from an LLC to a Delaware Corporation
 - Indirect owner of Oncor Asset Company
 - Structured to qualify as a real estate investment trust (REIT)
 - REIT structure commonly used in real estate development projects
 - REIT structure never used before for utility of this size (used only once for much smaller utility, Sharyland Utilities)

Background (continued)

- OV1 - Oncor Asset Company
 - REITs that distribute income to investors do not pay federal income tax
 - Purchasers have indicated plan to distribute income to investors which results in no federal income tax liability for Oncor Asset Company
 - This aspect of transaction received a lot of discussion at PUCT hearings related to sale of Oncor
 - 2 of 3 PUCT commissioners stated publicly that this income tax savings should be shared with ratepayers
 - PUCT could not order reduced rates as part of proceeding to approve sale

Background (continued)

- PUCT approved sale of Oncor on March 24, 2016
 - PUCT order imposed numerous conditions on sale
 - Purchasers have until November 30, 2016 to close transaction
 - Due to conditions imposed by PUCT, purchasers may not be able to secure funding and complete transaction

Legal Authority

- Oncor owns, operates and maintains T&D system within City of Dallas
 - Provides wholesale T&D service to Retail Electric Providers on a non-discriminatory basis
- City of Dallas has original jurisdiction over rates charged by Oncor within City
 - PUCT has appellant jurisdiction over cities such as Dallas

Legal Authority (continued)

- PURA Section 36.151 provides that if a regulatory authority, such as the City of Dallas, on its own motion, after reasonable notice and hearing, finds that the existing rates of an electric utility for a service are unreasonable the regulatory authority shall enter an order establishing the just and reasonable rates to be observed thereafter

Legal Authority (continued)

- Staff has reason to believe that Oncor is over earning and that its rates are excessive
 - Current rates include over \$200,000,000 annually in federal income taxes
 - Over \$42,000,000 from Dallas customers
 - After sale, Oncor Asset Company will not have a federal income tax liability due to REIT structure
 - Distributing \$200,000,000 in tax savings to investors would be an excessive rate of return for investors at expense of rate payers

Next Steps

- City Council consideration of a resolution (proposed for April 27, 2016) ordering Oncor to show good cause why its rates should not be reduced
 - Oncor will have until September 1, 2016 to file with City information that demonstrates why its rates should not be reduced
 - Oncor's filing will be based on a test year of January 1, 2015 through December 31, 2015
 - Test year will be adjusted for known and measurable changes and may be updated for more current data

Next Steps (continued)

- Dallas is a member of the Steering Committee of Cities Served by Oncor (Steering Committee)
 - Steering Committee permits cities to coordinate efforts in regulatory and rate setting proceedings
 - Steering Committee has functioned continuously since 1988
 - Executive Committee of Steering Committee recommends that member cities adopt show cause resolutions to initiate a rate case so that Oncor rates may be reduced
 - Other cities in Oncor Service Area will be adopting similar Resolutions

Next Steps (continued)

- Steering Committee will assist member cities in investigating and reviewing Oncor filing
 - Steering Committee retained Geoffrey Gay with law firm of Lloyd, Gosselink, Rochelle & Townsend as legal counsel
 - Steering Committee will retain such consultants and experts as are necessary to investigate filing, prepare a report and make recommendations on behalf of member cities
 - Although fees and expenses of attorneys and consultants will be processed through Steering Committee, the City reserves right to seek reimbursement from Oncor pursuant to PURA

Next Steps (continued)

- It is anticipated that staff will brief City Council on findings and consultants' recommendations on December 7, 2016
 - December 14, 2016 there will be a public hearing along with an agenda item to set fair and reasonable rates
- Council may from time to time amend the procedural schedule established in resolution ordering Oncor to show cause why its rates should not be reduced
 - Entire proceeding could be dismissed if purchasers unable to close sale by PUCT imposed deadline

City Manager's Recommendation

- Adoption of a resolution ordering Oncor to show good cause why its rates should not be reduced
 - Item will be placed on April 27, 2016 City Council addendum

Questions and Comments

Memorandum



CITY OF DALLAS

DATE April 15, 2016

TO Honorable Mayor and Members of the City Council

SUBJECT **The Path to the May 2017 Bond Program**
April 20, 2016 Council Briefing

On April 20, 2016, you will be briefed on "The Path to the May 2017 Bond Program". The briefing is attached for your review.

Please let me know if you have any questions.

A handwritten signature in blue ink that reads "Jill Jordan".

Jill A. Jordan, P.E.

Assistant City Manager

c: A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
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Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor & Council
Rick Galceran, P.E., Director, Public Works Department

The Path to the May 2017 Bond Program

Dallas City Council Meeting
April 20, 2017



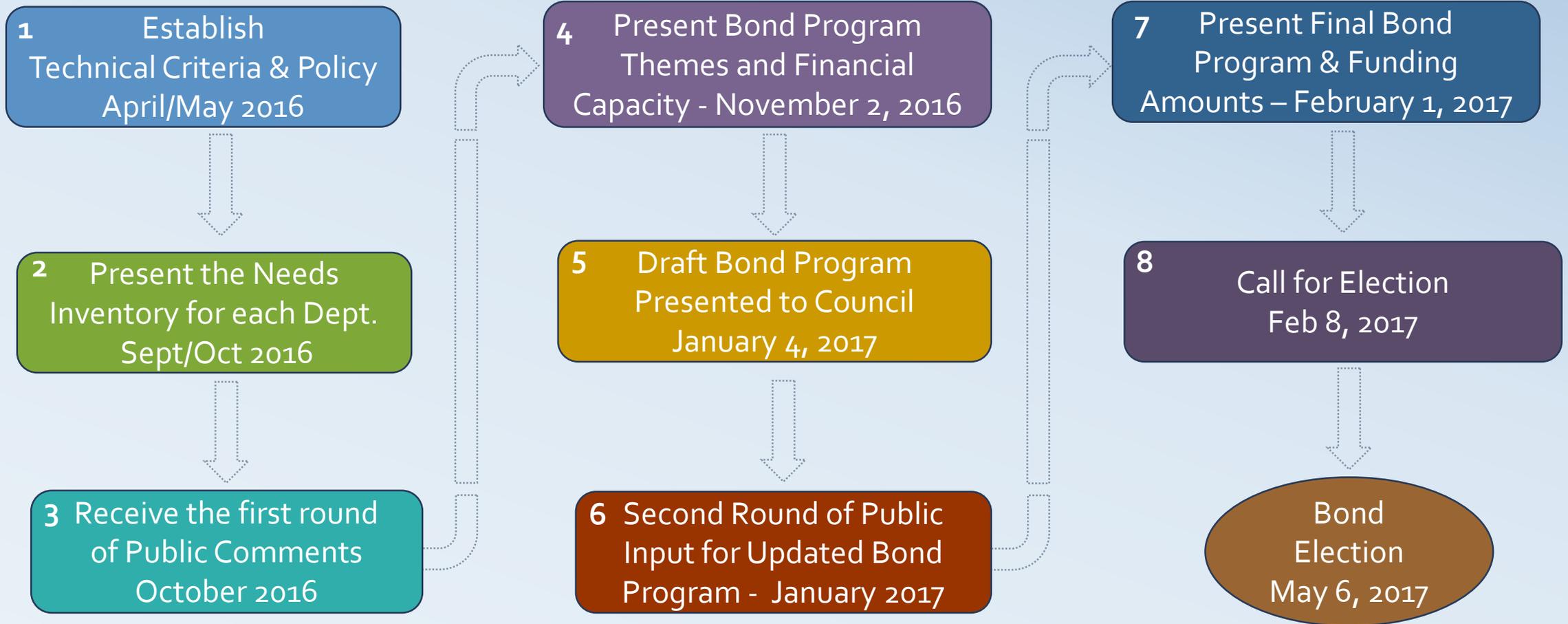
Purpose of Briefing

At Council retreat in February, staff was told to prepare for a May 2017 bond program

This briefing covers:

- Steps (milestones) to achieve a bond program
- Schedule for briefings and events of these milestones
- Ways Council can help

Major Milestones with Dates to have a May 2017 Bond Program



Milestones to the Bond Program

Technical Criteria & Policy

Technical Criteria

- Staff uses it to:
 - Rank and prioritize projects in the needs inventory
 - Recommend projects to Council for inclusion on a bond program
- Each type of project has its own criteria.
 - This allows comparison between like projects but not between different types of projects
- Criteria reflect Council policies and goals
 - Therefore, Council needs to review and revise the criteria for today's needs

Other policies

- Besides the inherent policy questions within the criteria, other policies related to infrastructure should be examined.
 - Examples include whether to continue assessments or how should sidewalks be funded

Upcoming actions:

- **Recommended technical criteria and policy changes will be presented by the respective Departments at Council Committee briefings in April and May 2016**
- **Assessments for street, alley and sidewalk projects will be presented to Full Council on May 18, 2016**
- **A summary of the final criteria and policy will be presented to Full Council on June 1, 2016**

Milestones to the Bond Program

Needs Inventory

Is the list of the City's needs based on maintenance records, master plans, citizen input, Council recommendations, etc. It includes costs for each project and whether they are considered new, replacements/refurbishments or major maintenance

- The updated needs inventory will be presented by the respective Departments at Council Committee briefings in September and October 2016
- A summary of the City's needs inventory will be presented to Full Council on November 2, 2016

First Round of Public Comments

Public input is obtained on such questions as whether to have a bond program, what types of projects to include, what size of program to have, and which funding methods to use

- In October 2016, input and comments will be received via Town Hall meetings, websites, and other social media outlets
- Staff will compile all input, revise the needs inventory, and sort the needs into propositions

Milestones to the Bond Program

Bond Program Themes and Financial Capacity

Based on all input received, staff will present the recommended bond program themes and the financial capacity available to fund the bond program without a tax rate increase along with any scenarios to begin to fund more projects with cash instead of debt

- **Presentation to Full Council- November 2, 2016**
- **Staff obtains individual input from Council through December 2016**

Draft Bond Program is Presented

Based on received input, the City Manager will present to Council the recommended draft bond program propositions and projects, along with cost information for both design/construction and operation and maintenance costs for each project

- **Full Council briefing- January 4, 2017**

Milestones to the Bond Program

Bond Program is Updated and Presented for a Second Round of Public Input

Public input will be sought for the draft bond program. Input will be sought in every district through various townhalls and social media outlets. Public comments will be shared with Council

- **Second round of public input- January 2017**
- **Staff compiles the input so that Council can revise and amend the bond program**

Final Bond Program Propositions and Amounts to be Funded

- **Final draft bond program is briefed to Full Council for amendment and finalization- February 1, 2017**
- **Council calls the bond election- February 8, 2017**

Election is held on May 6, 2017

Council Assistance Requested

- Provide feedback on briefings to Full Council and Committees coming in April and May:
 - Policies - (ex. sidewalk and alley petition and replacement)
 - Technical Criteria - (ex. do we give higher weighted priority for high traffic volume streets?)
- Provide infrastructure concerns/ priority projects that need to be analyzed or estimated for the needs inventory
- Provide list of HOAs, NAs, or other organizations requiring assistance with identifying neighborhood needs- (ex. Petition projects)

Next Steps

- April/May- Committee briefings on policies and technical criteria
- May/June- Council briefings to finalize policy considerations
- Fall- Finalize needs inventory, conduct public input, and select size and goals for the bond program
- Jan '17- Council briefing of staff recommended bond program and second round of public input
- Feb '17- Council finalizes bond program and calls the election for May

Questions / Comments

Appendix - Schedule of Briefings

Briefing	Department	Council Committee	Date
Bond Program Briefing Schedule	PBW	Full Council	April 20
Tech Criteria (TC) & Policy for Streets Projects	PBW	TTRP	April 25
TC & Policy for Buildings/Facilities Projects	PBW & EBS	QOL	April 25
TC & Policy for Trails & Bikes Projects	NVP & PKR	QOL	April 25
TC & Policy for Parks & Rec Projects	PKR	QOL	April 25
TC & Policy for Eco Development Projects	ECO	ED	May 2
Fair Park	Fair Park Org	Full Council	TBD
TC & Policy for Erosion & Drainage Projects	TWM	TTRP	May 9
TC & Policy for Housing Projects	HOU	HOU	May 16
TC & Policy for Cultural Facilities and Library Facilities	PBW & EBS	ACL	May 16
Private Property Assessments from Capital Projects & Funding of Sidewalk Projects	PBW & OFS	Full Council	May 18
Street Rating Privatization Alternative	PBW	TTRP	May 23
Summary of TC Briefings & Policy	PBW	Full Council	June 1

Appendix - Schedule of Briefings (cont.)

Briefing	Department	Council Committee	Date
The City's Needs Inventory	PBW	Full Council	Sept 7
Fire Public Needs Inventory	PBW & DFR	PS	Sept 12
Drainage Needs Inventory	TWM	TTRP	Sept 26
Parks Needs Inventory	PKR	QOL	Sept 26
Police Public Safety Needs Inventory	PBW & DPD	PS	Sept 26
Economic Development Needs Inventory	ECO	ED	Oct 3
Housing Needs Inventory	HOU	HOU	Oct 3
Streets Needs Inventory	PBW	TTRP	Oct 10
City Buildings	PBW & EBS	QOL	Oct 10
Cultural Facilities Needs Inventory	PBW & OCA	ACL	Oct 17
Libraries Needs Inventory	PBW & LIB	ACL	Oct 17

Public Meetings	PBW	Various Townhalls	Oct
Financial Capacity & Themes	OFS & PBW	Full Council	Nov 2
Updated Bond Program w/ Propositions & Funding Amounts	PBW	Full Council	Jan 4, 2017
Public Meetings	CMO	Various Town Halls	Jan 2017
Council Amendments to Bond Program & Finalization	OFS & PBW	Full Council	Feb 1, 2017
Council Calls Election	CMO	Full Council	Feb 8, 2017