Consolidated Plan and Action Plan

Substantial and Non-Substantial Amendments

FY 2013-14 through FY 2018-19
1. FY 2013-14 Action Plan: Substantial Amendment No. 1
2. FY 2013-14 Action Plan: Substantial Amendment No. 2
3. FY 2014-15 Action Plan: Substantial Amendment No. 1
4. FY 2014-15 Action Plan: Substantial Amendment No. 2
5. FY 2015-16 Action Plan: Non-Substantial Amendment
6. FY 2016-17 Action Plan: Substantial Amendment No. 1
7. FY 2016-17 Action Plan: Substantial Amendment No. 2
8. 5 Year Consolidated Plan: Substantial Amendment No. 1
9. FY 2018-19 Action Plan: Substantial Amendment No. 1
10. FY 2018-19 Action Plan: Substantial Amendment No. 2
11. FY 2018-19 Action Plan: Substantial Amendment No. 3
12. FY 2018-19 Action Plan: Substantial Amendment No. 4

*Relevant City Council Resolutions are included behind each tab, as applicable*
EXECUTIVE SUMMARY


All substantial amendments were made in accordance with the City Council approved Citizen Participation Plan for the U.S. Department of Housing and Urban Development (HUD) grants; which includes a citizen participation process for amendments determined to be substantial in nature.
Authorize:

1. Adoption of Substantial Amendment No. 1 to the FY 2013-14 Action Plan for the Community Development Block Grant Program (CDBG) to receive and deposit program income in the amount of $1,744,142;

2. To receive and deposit HOME program income in the amount of $600,000 from repayments of interim construction development funds and loans to Development Loan Program;

3. To add the Community Based Development Organization (CBDO) program to the FY 2013-14 Action Plan; and

4. Use of the funds for the Community Based Development Organization program.

Financing:

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
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<tbody>
<tr>
<td>$1,744,142.58</td>
<td>FY 2013-14 CDBG Program Income #1</td>
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<tr>
<td>$600,000.00</td>
<td>FY 2013-14 HOME Program Income #1</td>
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Prior Actions:

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<tr>
<th>Date: January 22, 2014</th>
<th>Resolution #: 14-0254</th>
<th>The City Council authorized preliminary adoption and authorized a public hearing on February 26, 2014 regarding Substantial Amendment No. 1 to the FY 2013-14 Consolidated Plan Budget and Action Plan.</th>
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</thead>
<tbody>
<tr>
<td>Date: June 26, 2013</td>
<td>Resolution #: N/A</td>
<td>The City Council adopted the FY 2013-14 Consolidated Plan Budget and final FY 2012-13 Reprogramming Budget.</td>
</tr>
</tbody>
</table>
OFFICIAL ACTION OF THE DALLAS CITY COUNCIL

FEBRUARY 26, 2014

14-0447

MISCELLANEOUS HEARINGS - DESIGNATED PUBLIC SUBSIDY MATTERS

Item 84: A public hearing to receive comments on Substantial Amendment No. 1 to the 2013-14 Action Plan for (1) adoption of Substantial Amendment No. 1 to the FY 2013-14 Action Plan for the Community Development Block Grant Program (CDBG) and HOME Investment Partnership Program (HOME); (2) addition of the CDBG Community Based Development Organization (CBDO) Program to the FY 2013-14 Action Plan; (3) the use of funds for the Community Based Development Organization Program and the Housing Development Loan Program; (4) the establishment of appropriations in the CDBG Community Based Development Organization Program in the amount of $1,744,142 and increase appropriations in HOME, Housing Development Loan Program in the amount of $600,000 made possible by unanticipated program income - Total not to exceed $2,344,142 - Financing: FY13-14 CDBG Program Income #1 ($1,744,142) and FY13-14 HOME Program Income #1 ($600,000).

In accordance with Section 7.13 of the City Council Rules of Procedure, “Motions to Approve Designated Zoning Cases and Designated Public Subsidy Matters,” City Secretary Rios read the following certification into the record:

"By making and seconding this motion, the councilmembers represent they have undertaken sufficient examination and involvement, beyond reviewing the agenda materials, to be knowledgeable of both the facts and the circumstances of the case and to be able to develop an opinion based on such an examination of the various factors and issues involved."

No one addressed the city council regarding the item.

Councilmember Caraway moved to close the public hearing and adopt the item.

Motion seconded by Mayor Pro Tem Atkins and Councilmember Kadane and unanimously adopted. (Griggs absent when vote taken)

WHEREAS, On January 22, 2014, City Council authorized (1) a preliminary adoption of Substantial Amendment No. 1 to the FY 2013-14 Action Plan for the Community Development Block Grant Program (CDBG) to receipt and deposit program income in the amount of $1,744,142; (2) to receipt and deposit HOME program income in the amount of $600,000 from repayments of interim construction development funds and loans to Development Loan Program (3) to add the Community Based Development Organization (CBDO) program to the FY 2013-14 Action Plan; 4) use of the funds for the Community Based Development Organization program; and (5) a public hearing to be held on February 26, 2014 to receive comments on Substantial Amendment No. 1 to the FY 2013-2014 Action Plan, by Resolution No. 14-0254.

WHEREAS, Program income generated through Community Development Block Grant Program activities must be used for other Community Development Block Grant Program eligible activities; NOW, THEREFORE,

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

SECTION 1. That the City Council hereby authorizes (1) adoption of Substantial Amendment No. 1 to the FY 2013-14 Action Plan for the Community Development Block Grant Program (CDBG) to receive and deposit program income in the amount of $1,744,142; (2) to receive and deposit HOME program income in the amount of $600,000 from repayments of interim construction development funds and loans to Development Loan Program (3) to add the Community Based Development Organization (CBDO) program to the FY 2013-14 Action Plan; and (4) use of the funds for the Community Based Development Organization program.

SECTION 2. That the City Manager is hereby authorized to establish appropriations in the amount of $1,744,142.58 in Fund 13R1, Dept HOU, Unit 307F.

SECTION 3. That the City Manager is hereby authorized to increase appropriations in the amount of $600,000 in Fund 13M1, Dept HOU, Unit 310F.

SECTION 4. That the City Controller is authorized to receive and deposit the following funds in an amount not to exceed $2,344,142.58 in:
   Fund 13R1, Dept HOU, Unit 307F $1,744,142.58 in Revenue Source 847A
   Fund 13M1, Dept HOU, Unit 310F $600,000.00 in Revenue Source 8474
SECTION 5. That the City Controller is authorized to disburse funds from the following appropriations in an amount not to exceed $2,344,142.58:
   Fund 13R1, Dept HOU, Unit 307F, Obj 3015, $1,744,142.58
   Fund 13M1, Dept HOU, Unit 310F, Obj 3015, $600,000.00

SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.
AGENDA ITEM # 84

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: February 26, 2014

COUNCIL DISTRICT(S): All

DEPARTMENT: Housing/Community Services

CMO: Theresa O'Donnell, 671-9195

MAPSCO: N/A

SUBJECT

A public hearing to receive comments on Substantial Amendment No. 1 to the 2013-14 Action Plan for (1) adoption of Substantial Amendment No. 1 to the FY 2013-14 Action Plan for the Community Development Block Grant Program (CDBG) and HOME Investment Partnership Program (HOME); (2) addition of the CDBG Community Based Development Organization (CBDO) Program to the FY 2013-14 Action Plan; (3) the use of funds for the Community Based Development Organization Program and the Housing Development Loan Program; (4) the establishment of appropriations in the CDBG Community Based Development Organization Program in the amount of $1,744,142 and increase appropriations in HOME, Housing Development Loan Program in the amount of $600,000 made possible by unanticipated program income – Total not to exceed $2,344,142 – Financing: FY13-14 CDBG Program Income #1 ($1,744,142) and FY13-14 HOME Program Income #1 ($600,000)

BACKGROUND

On June 26, 2013, City Council adopted the FY 2013-14 Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD) Grant funds. The grant funds were available beginning on October 1, 2013. The FY 2013-14 Action Plan includes Community Development Block Grant funding in the amount of $15,730,135 for various activities.

On January 22, 2014, City Council authorized (1) preliminary adoption of Substantial Amendment No. 1 to the FY 2013-14 Action Plan for the Community Development Block Grant Program (CDBG) and HOME Investment Partnership Program (HOME); (2) addition of the CDBG Community Based Development Organization (CBDO) program to the FY 2013-14 Action Plan; (3) the use of funds for the Community Based Development Organization program and the Housing Development Loan Program; (4) the establishment of appropriations in CDBG Community Based Development Organization program and increase appropriations in HOME, Housing Development Loan Program made possible by unanticipated program income; and
BACKGROUND (continued)

(5) a public hearing to be held on February 26, 2014 to receive comments on Substantial Amendment No. 1 to the FY 2013-14 Action Plan.

This council action will authorize a public hearing to receive comments on Substantial Amendment No. 1 to the 2013-14 Action Plan for (1) adoption of Substantial Amendment No. 1 to the FY 2013-14 Action Plan for the Community Development Block Grant Program (CDBG) and HOME Investment Partnership Program (HOME); (2) addition of the CDBG Community Based Development Organization (CBDO) program to the FY 2013-14 Action Plan; (3) the use of funds for the Community Based Development Organization program and the Housing Development Loan Program; (4) the establishment of appropriations in CDBG Community Based Development Organization program and increase appropriations in HOME, Housing Development Loan Program made possible by unanticipated program income.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)


On January 22, 2014, the City Council authorized (1) preliminary adoption of Substantial Amendment No. 1 to the FY 2013-14 Action Plan for the Community Development Block Grant Program (CDBG) and HOME Investment Partnership Program (HOME); (2) addition of the CDBG Community Based Development Organization (CBDO) program to the FY 2013-14 Action Plan; (3) the use of funds for the Community Based Development Organization program and the Housing Development Loan Program; (4) the establishment of appropriations in CDBG Community Based Development Organization program and increase appropriations in HOME, Housing Development Loan Program made possible by unanticipated program income; and (5) a public hearing to be held on February 26, 2014 to receive comments on Substantial Amendment No. 1 to the FY 2013-14 Action Plan, by Resolution No. 14-0254.

FISCAL INFORMATION

$1,744,142.58 - FY13-14 CDBG Program Income #1
$600,000 – FY13-14 HOME Program Income #1
SEE ALSO

THE FOLLOWING FILES CONTAIN INFORMATION RELATING TO THIS FILE AND MAY BE OF INTEREST. THE INFORMATION CONTAINED IN THESE FILES MAY AMEND, REPEAL OR OTHERWISE AFFECT THE STATUS OF THIS FILE.

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THIS FILE IS:

14-0447
Authorize:

1. To release Community Development Block Grant funds (CDBG) in the amount of $1,185,650 from their originally budgeted purposes, and schedule them for reprogramming in accordance with required rules;

2. To establish FY 2013-14 Reprogramming appropriations in the amount of $1,185,650; and

3. Adoption of Substantial Amendment No. 2 to the FY 2013-14 Action Plan for the Community Development Block Grant Program (CDBG), to increase funding for Major System Repair Project by $1,185,650.

Financing:

$1,185,650 Unobligated funds in FY 2012-13 and prior years

Prior Actions:

- **Date:** May 14, 2014  
  **Resolution #:** 14-0787  
  The City Council approved preliminary adoption of the Proposed FY 2013-14 Reprogramming Budget and authorized a public hearing.

- **Date:** April 16, 2014  
  **Resolution #:** N/A  
  The City Council was briefed on the City Managers Proposed FY 2014-15 Consolidated Plan Budget, the FY 2013-14 Reprogramming Budget.

- **Date:** April 3, 2014  
  **Resolution #:** N/A  
  The Community Development Commission (CDC) concurred with the City Managers Proposed FY 2014-15 Consolidated Plan Budget with no amendments.

- **Date:** March 6, 2014  
  **Resolution #:** N/A  
  The CDC was briefed on the City Managers Proposed FY 2014-15 Consolidated Plan Budget.

- **Date:** February 12, 2014  
  **Resolution #:** 14-0333  
  The City Council authorized the release of unobligated funds from their originally budgeted purposes for future reprogramming in conjunction with the FY 2014-15 Consolidated Plan Budget.

- **Date:** February 5, 2014  
  **Resolution #:** N/A  
  The Proposed FY 2013-14 Reprogramming Budget was briefed to the City Council.
Item 19: Authorize (1) final adoption of the FY 2014-15 Consolidated Plan Budget for U.S. Department of Housing and Urban Development Grant Funds in an estimated amount of $25,894,919 for the following programs and estimated amounts: (a) Community Development Block Grant in the amount of $14,572,496; (b) HOME Investment Partnerships Program in the amount of $4,815,818; (c) Emergency Solutions Grant in the amount of $1,130,946; and (d) Housing Opportunities for Persons with AIDS in the amount of $5,375,659; and (2) adoption of the FY 2013-14 Reprogramming Budget in the amount of $1,185,650 - Financing: No cost consideration to the City

Adopted as part of the consent agenda.
WHEREAS, the Community Development Commission (CDC) and City staff conducted six (6) neighborhood public hearings during January 2014 that provided the public opportunities to participate in identifying needs and to comment on the potential uses of U. S. Department of Housing and Urban Development (HUD) Grant Funds; and

WHEREAS, on February 5, 2014, the Proposed FY 2013-14 Reprogramming Budget was briefed to the City Council; and

WHEREAS, on February 12, 2014, the City Council authorized the release of unobligated funds from their originally budgeted purposes for future reprogramming in conjunction with the FY 2014-15 Consolidated Plan Budget by Resolution No. 14-0333; and

WHEREAS, on March 6, 2014, the CDC was briefed on the City Manager’s Proposed FY 2014-15 Consolidated Plan Budget and CDC Committees held meetings in March 2014 to review the proposed budget; and

WHEREAS, on April 3, 2014, the CDC concurred with the City Manager’s Proposed FY 2014-15 Consolidated Plan Budget with no amendments.

WHEREAS, on April 16, 2014, the City Council was briefed on the City Manager’s Proposed FY 2014-15 Consolidated Plan Budget, the FY 2013-14 Reprogramming Budget, and the Community Development Commission’s concurrence; and

WHEREAS, on May 14, 2014, the City Council approved preliminary adoption of the Proposed FY 2014-15 Consolidated Plan Budget and the Proposed FY 2013-14 Reprogramming Budget and authorized a public hearing by Resolution No. 14-0787; and

WHEREAS, the grant funds include: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG); and Housing Opportunities for Persons with AIDS (HOPWA); and

WHEREAS, a summary of the Proposed FY 2014-15 Consolidated Plan budget and the Proposed FY 2013-14 Reprogramming Budget was published in the Dallas Morning News on May 15, 2014 to provide citizens an opportunity to submit written comments through June 25, 2014; and

WHEREAS, Federal regulations require that a public hearing be held on the City’s Proposed FY 2014-15 Consolidated Plan budget and the Proposed FY 2013-14 Reprogramming Budget; and
WHEREAS, on June 11, 2014, the City Council held a public hearing to receive comments on the Proposed FY 2014-15 Consolidated Plan Budget and the FY 2013-14 Reprogramming Budget.

Now, Therefore,

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

Section 1. That the final FY 2014-15 Consolidated Plan Budget and final FY 2013-14 Reprogramming Budget be adopted per Schedule A.

Section 2. That the City Manager be authorized to apply for, accept, and take actions to implement HUD grant numbers B-14-MC-48-0009 (CDBG - $14,572,496, which includes $1,000,000 in program income), M-14-MC-48-0203 (HOME - $4,815,818, which includes $450,000 program income), S-14-MC-48-0001 (ESG - $1,130,946), and TXH14-F001 (HOPWA - $5,375,659), in the amount of $25,894,919 and be authorized to execute the contracts and grant agreements with HUD and all documents related to the execution of the grants upon approval as to form by the City Attorney.

Section 3. That the City Manager be authorized to establish FY 2014-15 appropriations as follows:

- Community Development Block Grant Program in Fund CD14 up to the amount of $13,972,496 consisting of the entitlement grant of $13,572,496, and estimated program income of $400,000 to be returned to the City as set forth in the attached Schedule B, effective October 1, 2014.

- HOME Investment Partnerships Program in Fund HM14 up to the amount of $4,815,818 consisting of the entitlement grant of $4,365,818 and estimated program income of $450,000 to be returned to the City as set forth in the attached Schedule B, effective October 1, 2014.

- Emergency Solutions Grant in Fund ES14 up to the amount of $1,130,946 as set forth in the attached Schedule B, effective October 1, 2014.

- Housing Opportunities for Persons with AIDS in Fund HW14 up to the amount of $5,375,659 as set forth in the attached Schedule B, effective October 1, 2014.

Section 4. That the revolving loan program income generated by the business loan program, estimated to be $600,000 for FY 2014-15, as set forth in Schedule B, be retained by sub-recipient to carry out Community Development eligible activities in accordance with HUD requirements and upon written approval by the responsible City of Dallas departments.
Section 5. That the City Controller be authorized to receive funds up to the amounts set forth in the attached Schedule C.

Section 6. That the City Controller be authorized to disburse funds up to the amounts set forth in the attached Schedule B.

Section 7. That the City Manager be authorized to transfer HUD grant funds between projects and individual object codes and/or categories in accordance with HUD regulations and the City's Citizen Participation Plan.

Section 8. That the City Manager be authorized to release funds in the amount of $1,185,650 as shown in the attached Schedule D from their originally budgeted purposes, schedule them for reprogramming in accordance with required rules and procedures, and establish FY 2013-14 Reprogramming appropriations in Fund 13RP in the amount of $1,185,650 as set forth in the attached Schedule B, effective June 25, 2014.

Section 9. That the City Controller is hereby authorized to reimburse to HUD any expenditures identified as ineligible.

Section 10. That the City Manager be authorized to provide additional information and make adjustments to take other actions relating to these budgets as may be necessary in order to satisfy HUD requirements.

Section 11. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.
Authorize:

1. Adoption of Substantial Amendment No. I to the FY 2014-15 Action Plan for the Community Development Block Grant (CDBG), and HOME Investment Partnerships Program (HOME) to: (a) increase appropriation in the HOME Program made possible by unanticipated program income and refunds in the amount of $1,688,052; (b) use of HOME funds for the Housing Development Loan Program; (c) to transfer Community Development Block Grant Neighborhood Enhancement Program and Neighborhood Investment Program Infrastructure activities and associated appropriations, from the Housing/Community Services Department to the newly created Planning and Neighborhood Vitality.

Financing:

$1,688,051.63 FY 2014-15 HOME Program Income #1
$350,000  FY 2012-13 HOME Investment Partnerships Program Grant Funds

Prior Actions:

Date: October 22, 2014 Resolution #: 14-1848
The City Council approved preliminary adoption of Substantial Amendment No. 1 to amend the FY 2014-15 Action Plan and authorized a public hearing.

Date: September 17, 2014 Resolution #: N/A
The City Council authorized the creation of the Planning and Neighborhood Vitality Department by Ordinance No. 29478.

Date: June 25, 2014 Resolution #: 14-1001
The City Council adopted the FY 2014-15 Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD) Grant funds.

Date: June 11, 2014 Resolution #: N/A
City Council held a public hearing to receive comments on the Proposed FY 2014-15 Consolidated Plan Budget and the Proposed FY 2013-14 Reprogramming Budget.

Date: May 14, 2014 Resolution #: 14-0787
The City Council approved preliminary adoption of the Proposed FY 2014-15 Consolidated Plan Budget and the Proposed FY 2013-14 Reprogramming Budget and authorized a public hearing.

Date: June 25, 2014 Resolution #: 14-1001
(reconsidered and amended by 14-1314)
The City Council adopted the FY 2014-15 Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD) Grant Funds.
OFFICIAL ACTION OF THE DALLAS CITY COUNCIL

DECEMBER 10, 2014

14-2182

MISCELLANEOUS HEARINGS - DESIGNATED PUBLIC SUBSIDY MATTERS

Item 99: A public hearing to receive comments on Substantial Amendment No. 1 to amend the FY 2014-15 Action Plan for the Community Development Block Grant, HOME Investment Partnerships Program, and the Housing Opportunities for Persons with AIDS grant to (a) increase appropriations in the HOME Investment Partnerships Program made possible by unanticipated program income and refunds in the amount of $1,688,052; (b) reprogram prior year unspent HOME Investment Partnerships Program funds in the amount of $350,000 to the Housing Development Loan Program; (c) use of HOME Investment Partnerships Program funds for the Housing Development Loan Program; (d) decrease appropriations in the FY 2014-15 Housing Opportunities for Persons with AIDS grant due to revision in the total award amount by $405 from $5,375,659 to $5,375,254; and (e) transfer Community Development Block Grant Neighborhood Enhancement Program and Neighborhood Investment Program Infrastructure activities, and associated appropriations, from the Housing/Community Services Department to the newly created Planning and Neighborhood Vitality; and at the close of the public hearing, authorize final adoption of Substantial Amendment No.1 to amend the FY 2014-15 Action Plan for the Community Development Block Grant, HOME Investment Partnerships Program, and the Housing Opportunities for Persons with AIDS grant - Not to exceed $2,038,052 - Financing: FY 2014-15 HOME Program Income #1 ($1,688,052), 2012-13 HOME Investment Partnerships Program Grant Funds ($350,000).

No one addressed the city council regarding the item.

Councilmember Hill moved to close the public hearing and adopt the item.

Motion seconded by Councilmember Kadane and Councilmember Kleinman and unanimously adopted. (Rawlings, Medrano, Caraway absent when vote taken)
WHEREAS, on June 25, 2014, City Council adopted the FY 2014-15 Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD) Grant Funds, by Resolution No. 14-1001 (reconsidered and amended by Resolution No. 14-1314 on August 13, 2014); and

WHEREAS, Program income generated through HOME Investment Partnerships Program (HOME) activities must be used for other HOME eligible activities including Housing Development Loan Program; and

WHEREAS, unanticipated program income generated through HOME activities and refunded HOME funds must be used for HOME eligible activities including Housing Development Loan Program; and

WHEREAS, City of Dallas received notice from HUD of the decrease in HOPWA grant funding by $405 from the original allocation of $5,375,659 to the final allocation of $5,375,254 following final adoption of the FY 2014-15 HOPWA budget; and

WHEREAS, Federal regulations require a public hearing on substantial amendments to the Action Plan for the City's Consolidated Plan Budget for U. S. Department of Housing and Urban Development (HUD) grant funds. This includes the following grants: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Solutions Grant (ESG). Federal regulations also require a public hearing on the City's Proposed Reprogramming Budget; and

WHEREAS, Federal regulations and the City's Citizen Participation Plan requires a public comment period of not less than 30 days and a public hearing to receive comments to the substantial amendment #1 to the FY 2014-15 Action Plan; and

WHEREAS, a summary of the Proposed Substantial Amendment No. 1 to amend the FY 2014-15 Action Plan for the Community Development Block Grant, HOME Investment Partnerships Program and the Housing Opportunities for Persons with AIDS grants will be published in the Dallas Morning News on October 23, 2014 to provide an opportunity to submit written comments through December 10, 2014; and

WHEREAS, holding a public hearing on December 10, 2014 satisfies requirements set forth in the City's Citizen Participation Plan; NOW, THEREFORE,
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Council hereby authorizes (1) final adoption of Substantial Amendment No.1 to amend the FY 2014-15 Action Plan for the Community Development Block Grant, HOME Investment Partnerships Program, and the Housing Opportunities for Persons with AIDS grant to (a) increase appropriations in the HOME Investment Partnerships Program made possible by unanticipated program income and refunds in the amount of $1,688,052; (b) reprogram prior year unspent HOME Investment Partnerships Program funds in the amount of $350,000 to the Housing Development Loan Program; (c) use of HOME Investment Partnerships Program funds for the Housing Development Loan Program; (d) decrease appropriations in the FY 2014-15 Housing Opportunities for Persons with AIDS grant due to revision in the total award amount by $405 from $5,375,659 to $5,375,254; and (e) transfer Community Development Block Grant Neighborhood Enhancement Program and Neighborhood Investment Program Infrastructure activities, and associated appropriations, from the Housing/Community Services Department to the newly created Planning and Neighborhood Vitality.

SECTION 2. That the City Manager is hereby authorized to establish appropriations in the amount of $1,688,051.63 in Fund 14M1, Dept HOU, Unit 489G for the Housing Development Loan Program.

SECTION 3. That the City Manager is hereby authorized to release funds from their originally budgeted purpose from:

Fund HM12, Dept HOU, Unit 897E $300,000
Fund HM12, Dept HOU, Unit 898E $50,000

and reprogram them for the Housing Development Loan Program to:

Fund HM12, Dept HOU, Unit 893E $350,000.

SECTION 4. That the City Controller is authorized to receive and deposit the following funds in an amount not to exceed $1,688,051.63 in:

Fund 14M1, Dept HOU, Unit 489G, $1,688,051.63

SECTION 5. That the City Controller is authorized to disburse funds from the following appropriations in an amount not to exceed $2,038,051.63:

Fund 14M1, Dept HOU, Unit 489G, $1,688,051.63
Fund HM12, Dept HOU, Unit 893E, $350,000
SECTION 6. That the City Manager is hereby authorized to transfer appropriations in the amount of $1,748,157 from Fund CD14, Dept HOU, to Fund CD14, Dept PNV as set forth in the attached schedule.

SECTION 7. That the City Manager is hereby authorized to decrease appropriations in the amount of $12 in Fund HW14, Dept HOU, Unit 486G, Program Administration/City of Dallas, and $393 in Fund HW14, Dept HOU, Unit 487G Program Administration/Project Sponsors.

SECTION 8. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED BY
CITY COUNCIL

DEC 10 2014

City Secretary
# Proposed Budget Changes

## Community Development Block Grant (CDBG)

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<th>Proposed Change</th>
<th>Amended Budget</th>
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<td>Housing/Community Services</td>
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<td>Planning and Neighborhood Vitality</td>
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## Home Investment Partnerships Program (HOME)

**HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)**

### Housing/Community Services

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<td>(300,000)</td>
<td>0</td>
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<tr>
<td>Tenant Based Rental Assistance (Admin)</td>
<td>50,000</td>
<td>(50,000)</td>
<td>0</td>
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<tr>
<td><strong>TO:</strong></td>
<td></td>
<td></td>
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<td>Housing Development Loan Program</td>
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<td>350,000</td>
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## FY 2014-15 HOME Program Income #1

**14M1**

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<tr>
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<tr>
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<td>1,688,052</td>
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## Housing Opportunities for Persons with AIDS (HOPWA)

**HOUSING OPPORTUNITIES FOR PERSONS W/AIDS (HOPWA)**

### Housing/Community Services

<table>
<thead>
<tr>
<th></th>
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<th>Proposed Change</th>
<th>Amended Budget</th>
</tr>
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<tbody>
<tr>
<td><strong>HW14</strong> 2014-15 Housing Opportunities for Persons W/AIDS Grant</td>
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<tr>
<td>Program Administration/City of Dallas</td>
<td>161,269</td>
<td>(12)</td>
<td>161,257</td>
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<td>Program Administration/Project Sponsors</td>
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<td>(303)</td>
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<td><strong>TOTAL</strong></td>
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</table>
AGENDA ITEM # 99

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: December 10, 2014
COUNCIL DISTRICT(S): All
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 670-3297
MAPSCO: N/A

SUBJECT

A public hearing to receive comments on Substantial Amendment No. 1 to amend the FY 2014-15 Action Plan for the Community Development Block Grant, HOME Investment Partnerships Program, and the Housing Opportunities for Persons with AIDS grant to (a) increase appropriations in the HOME Investment Partnerships Program made possible by unanticipated program income and refunds in the amount of $1,688,052; (b) reprogram prior year unspent HOME Investment Partnerships Program funds in the amount of $350,000 to the Housing Development Loan Program; (c) use of HOME Investment Partnerships Program funds for the Housing Development Loan Program; (d) decrease appropriations in the FY 2014-15 Housing Opportunities for Persons with AIDS grant due to revision in the total award amount by $405 from $5,375,659 to $5,375,254; and (e) transfer Community Development Block Grant Neighborhood Enhancement Program and Neighborhood Investment Program Infrastructure activities, and associated appropriations, from the Housing/Community Services Department to the newly created Planning and Neighborhood Vitality; and at the close of the public hearing, authorize final adoption of Substantial Amendment No.1 to amend the FY 2014-15 Action Plan for the Community Development Block Grant, HOME Investment Partnerships Program, and the Housing Opportunities for Persons with AIDS grant – Not to exceed $2,038,052 - Financing: FY 2014-15 HOME Program Income #1 ($1,688,052), 2012-13 HOME Investment Partnerships Program Grant Funds ($350,000)

BACKGROUND

On June 25, 2014, City Council adopted the FY 2014-15 Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD) Grant funds. The grant funds were available beginning on October 1, 2014.
BACKGROUND (continued)

The FY 2014-15 Action Plan includes funding for Community Development Block Grant (CDBG) in the amount of $13,572,496, HOME Investment Partnerships Program (HOME) in the amount of $4,365,818, and Housing Opportunities for Persons with AIDS (HOPWA) in the amount of $5,375,659 for various activities.

Following City Council initial approval on June 25, 2014 and reconsideration on August 13, 2014, the City of Dallas received notice of the decrease in HOPWA grant funding by $405, from the original allocation of $5,375,659 to the final allocation of $5,375,254. Additional funds in the amount of $1,688,052 resulting from unanticipated funds generated from converted properties, buy-outs, etc. and refunds paid back to HUD as well as $350,000 in unspent HOME Investment Partnerships Program funds have been identified.

On September 17, 2014, City Council authorized the creation of the Planning and Neighborhood Vitality Department by Ordinance No. 29478. The Community Development Block Grant (CDBG) Neighborhood Enhancement Program and Neighborhood Investment Program Infrastructure activities have been identified to be transferred to the Department of Planning and Neighborhood Vitality.

Federal regulations require a public hearing on the City’s Proposed Consolidated Plan Budget for U.S. Department of Housing and Urban Development (HUD) grant funds. This includes the following grants: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Solutions Grant (ESG). Federal regulations also require a public hearing on the City’s Proposed Reprogramming Budget.

The Federal regulations and the City’s Citizen Participation Plan requires a public hearing comment period of not less than 30 days and a public hearing to receive comments.

On October 22, 2014, City Council authorized a public hearing to be held on December 10, 2014 before City Council. This Substantial Amendment was made available for public review and comment on the proposed use of funds from October 23, 2014 through December 10, 2014.
BACKGROUND (continued)

This council action (1) holds the public hearing to receive comments on Substantial Amendment No. 1 to amend the FY 2014-15 Action Plan; and (2) authorizes final adoption of the Substantial Amendment No. 1 to amend the FY 2014-15 Action Plan for the Community Development Block Grant, HOME Investment Partnerships Program, and the Housing Opportunities for Persons with AIDS grant to (a) increase appropriations in the HOME Investment Partnerships Program made possible by unanticipated program income and refunds in the amount of $1,688,052; (b) reprogram prior year unspent HOME Investment Partnerships Program funds in the amount of $350,000 to the Housing Development Loan Program; (c) use of HOME Investment Partnerships Program funds for the Housing Development Loan Program; (d) decrease appropriations in the Housing Opportunities for Persons with AIDS grant due to revision in the total award amount by $405 from $5,375,659 to $5,375,254; and (e) transfer Community Development Block Grant Neighborhood Enhancement Program and Neighborhood Investment Program Infrastructure activities, and associated appropriations, from the Housing/Community Services Department to the newly created Planning and Neighborhood Vitality Department.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)


On September 17, 2014 City Council authorized the creation of the Planning and Neighborhood Vitality Department by Ordinance No. 29478.

On October 22, 2014 City Council approved preliminary adoption of Substantial Amendment No. 1 to amend FY 2014-15 Action Plan for the Community Development Block Grant, HOME Program, HOPWA grant and authorized a public hearing by Resolution No. 14-1848.
FISCAL INFORMATION

$1,688,051.63 – FY 2014-15 HOME Program Income #1
$350,000 – 2012-13 HOME Investment Partnerships Program Grant Funds
SEE ALSO

THE FOLLOWING FILES ContAIN INFORMATION RELATING TO THIS FILE AND MAY BE OF INTEREST. THE INFORMATION CONTAINED IN THESE FILES MAY AMEND, REPEAL OR OTHERWISE AFFECT THE STATUS OF THIS FILE.

14-0787

14-1001

14-1314

14-1572

14-1848

THIS FILE IS:

14-2182
Authorize:

1. Adoption of Substantial Amendment No. 2 to the FY 2014-15 Action Plan for the Community Development Block Grant (CDBG), and HOME Investment Partnerships Program (HOME) to (a) establish a new HOME Reconstruction activity and reallocate $1,020,000 from FY 2014-15 HOME Housing Development Loan Program activity to Reconstruction Program; and (b) reallocate $1,642,626 from CDBG Residential Development Loan Program to the Major System Repair Program.

Financing:

No cost consideration to the City.

Prior Actions:

<table>
<thead>
<tr>
<th>Date</th>
<th>Resolution #</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 22, 2015</td>
<td>15-0821</td>
<td>The City Council approved (1) a preliminary adoption of Substantial Amendment No. 2 to the FY 2014-15 Action Plan.</td>
</tr>
<tr>
<td>December 10, 2014</td>
<td>N/A</td>
<td>The City Council Adopted Substantial Amendment No. 1 to amend the FY 2014-15 Action for the Community Development Block Grant Program and the HOME Investment Partnerships Program.</td>
</tr>
<tr>
<td>June 11, 2014</td>
<td>N/A</td>
<td>City Council held a public hearing to receive comments on the Proposed FY 2014-15 Consolidated Plan Budget and the Proposed FY 2013-14 Reprogramming Budget.</td>
</tr>
<tr>
<td>May 25, 2011</td>
<td>11-1349</td>
<td>City Council authorized modifications to the Reconstruction/SHARE Program Statement.</td>
</tr>
</tbody>
</table>
OFFICIAL ACTION OF THE DALLAS CITY COUNCIL

MAY 27, 2015

15-0997

MISCELLANEOUS HEARINGS

Item 75: A public hearing to receive comments on Substantial Amendment No. 2 to amend the FY 2014-15 Action Plan for the Community Development Block Grant and HOME Investment Partnerships Program to (a) establish a new HOME Reconstruction activity and reallocate $1,020,000 from the HOME Housing Development Loan Program activity to the Reconstruction Program; and (b) reallocate $1,642,626 from the CDBG Residential Development Loan Program to the Major Systems Repair Program; and at the close of the public hearing, authorize final adoption of Substantial Amendment No. 2 to amend the FY 2014-15 Action Plan for the Community Development Block Grant and HOME Investment Partnerships Program - Financing: No cost consideration to the City

No one addressed the city council regarding the item.

Deputy Mayor Pro Tem Alonzo moved to close the public hearing.

Motion seconded by Councilmember Hill and unanimously adopted. (Atkins, Caraway, Davis absent when vote taken)
WHEREAS, on June 25, 2014, City Council adopted the FY 2014-2015 Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD) Grant funds, by Resolution No. 14-1001 (reconsidered and amended by Resolution No. 14-1314 on August 13, 2014); and

WHEREAS, Federal regulations limit the amount of CDBG funds that may be unspent on July 31, 2015 to no more than 1.5 times the City's annual grant allocation; and

WHEREAS, HUD requires the City to commit HOME funding within 24 months, and expend HOME funding within five years; and

WHEREAS, this action item transfers funding from slower moving housing programs to programs that will allow for the commitment and expenditure of funds in a timely manner; and

WHEREAS, Federal regulations require a public hearing on substantial amendments to the Action Plan for the City's Consolidated Plan Budget for U.S. Department of Housing and Urban Development (HUD) grant funds. This includes the Community Development Block Grant (CDBG) and HOME Investment Partnerships Program; and

WHEREAS, Federal regulations and the City's Citizen Participation Plan require a public comment period of not less than 30 days and a public hearing to receive comments to the substantial amendment No. 2 to the FY 2014-15 Action Plan; and

WHEREAS, a summary of the Proposed Substantial Amendment No. 2 to amend the FY 2014-2015 Action Plan for the Community Development Block Grant and the HOME Investment Partnerships Program was published in the Dallas Morning News on May 10, 2015, providing an opportunity to submit written comments through May 27, 2015; and

WHEREAS, holding a public hearing on May 27, 2015 satisfies requirements set forth in the City's Citizen Participation Plan; NOW, THEREFORE,

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

SECTION 1. Authorize final adoption of Substantial Amendment No. 2 to the FY 2014-15 Action Plan for the Community Development Block Grant and HOME Investment Partnerships Program to (a) establish a new HOME Reconstruction activity and reallocate $1,020,000 from the HOME Housing Development Loan Program activity to the Reconstruction Program; and (b) reallocate $1,642,626 from the CDBG Residential Development Loan Program to the Major Systems Repair Program.
SECTION 2. That the City Manager is hereby authorized to establish appropriations for the Housing Reconstruction Program in the amount of $1,020,000 in:

Fund HM13, Dept HOU, Unit 509G, $22,922
Fund HM14, Dept HOU, Unit 510G, $997,078

SECTION 3. That the City Manager is hereby authorized to establish appropriations in the amount of $1,642,626 in Fund 14R1, Dept. HOU, Unit 511G, for the Major Systems Repair Program

SECTION 4. That the City Manager is hereby authorized to release funds from their originally budgeted purpose from:

Fund HM13, Dept HOU, Unit 236F, $22,922
Fund HM14, Dept HOU, Unit 467G, $997,078

and reprogram them for the Reconstruction Program to:

Fund HM13, Dept HOU, Unit 509G, $22,922
Fund HM14, Dept HOU, Unit 510G, $997,078

SECTION 5. That the City Manager is hereby authorized to release funds from their originally budgeted purpose from:

Fund 06R1, Dept HOU, Unit 4464, $142,625.71
Fund CD10, Dept HOU, Unit 423C, $478,509
Fund 11RP, Dept HOU, Unit 918E, $500,000
Fund CD11, Dept HOU, Unit 821D, $521,491

and reprogram them for the Major Systems Repair Program to:

Fund 14R1, Dept HOU, Unit 511G, $1,642,625.71

SECTION 6. That the Chief Financial Officer is authorized to disburse grant funds from the following appropriations in an amount not to exceed $1,020,000 in:

Fund HM13, Dept HOU, Unit 509G, $22,922
Fund HM14, Dept HOU, Unit 510G, $997,708

SECTION 7. That the Chief Financial Officer is authorized to disburse grant funds from the following appropriations in an amount not to exceed $1,642,625.71 in:

Fund 14R1, Dept HOU, Unit 511G.
SECTION 8. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is according so resolved.
KEY FOCUS AREA: Clean, Healthy Environment

AGENDA DATE: May 27, 2015

COUNCIL DISTRICT(S): All

DEPARTMENT: Housing/Community Services

CMO: A. C. Gonzalez, 670-3297

MAPSCO: N/A

SUBJECT

A public hearing to receive comments on Substantial Amendment No. 2 to amend the FY 2014-15 Action Plan for the Community Development Block Grant and HOME Investment Partnerships Program to (a) establish a new HOME Reconstruction activity and reallocate $1,020,000 from the HOME Housing Development Loan Program activity to the Reconstruction Program; and (b) reallocate $1,642,626 from the CDBG Residential Development Loan Program to the Major Systems Repair Program; and at the close of the public hearing, authorize final adoption of Substantial Amendment No. 2 to amend the FY 2014-15 Action Plan for the Community Development Block Grant and HOME Investment Partnerships Program - Financing: No cost consideration to the City

BACKGROUND

On May 25, 2011, City Council authorized modifications to the Reconstruction/SHARE Program Statement to: (1) increase the maximum Reconstruction Program Assistance Type One loan amount from up to $93,400 to up to $103,000; (2) provide assistance to the extent permitted under appropriate regulations to cover the difference in the amount needed to complete an on-site reconstruction when either the contractor or property owner terminates the existing contract; and (3) clarification of the use of funds and deleting the payment of taxes in accordance with directions from the U.S. Department of Housing and Urban Development (HUD).

On June 25, 2014, City Council adopted the final FY 2014-2015 Consolidated Plan Budget by Resolution No. 14-1001, which was amended and reconsidered on August 13, 2014, by Resolution No. 14-1314. The grant funds were available beginning October 1, 2014.
BACKGROUND (continued)

The FY 2014-2015 Action Plan includes funding for Community Development Block Grant (CDBG) in the amount of $13,572,496 and HOME Investment Partnerships Program (HOME) in the amount of $4,365,818 for various activities.

On April 8, 2015, City Council authorized modifications to the Home Repair Program for the Major System Repair Program Statement to: 1) increase the dollar amount of assistance from $17,500 to $20,000; and (2) decrease Assistance Type Two from $7,500 to $5,000 by Resolution No. 15-0657.

Federal regulations and the City’s Citizen Participation Plan require a public hearing comment period of not less than 30 days and a public hearing to receive comments.

On April 22, 2015, City Council authorized a public hearing to be held on May 27, 2015 before City Council. This Substantial Amendment was made available for public review and comment from April 23, 2015 through May 27, 2015 on the proposed use of funds.

This council action (1) holds the public hearing to receive comments on Substantial Amendment No. 2 to amend the FY 2014-15 Action Plan; (2) authorizes final adoption of Substantial Amendment No. 2 to amend the FY 2014-2015 Action Plan for the Community Development Block Grant Program and the HOME Investment Partnerships Program to (a) establish a new HOME Reconstruction activity and reallocate $1,020,000 from the HOME Housing Development Loan Program activity to the Reconstruction Program; and (b) reallocate $1,642,626 from the CDBG Residential Development Loan Program to the Major Systems Repair Program.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 25, 2011, City Council authorized modifications to the Reconstruction/SHARE Program Statement to: (1) increase the maximum Reconstruction Program Assistance Type One loan amount from up to $93,400 to up to $103,000; (2) provide assistance to the extent permitted under appropriate regulations to cover the difference in the amount needed to complete an on-site reconstruction when either the contractor or property owner terminates the existing contract; and (3) clarification of the use of funds and deleting the payment of taxes in accordance with directions from the U.S. Department of Housing and Urban Development (HUD) by Resolution No. 11-1349.


PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (continued)


On December 10, 2014, City Council Adopted Substantial Amendment No. 1 to amend the FY 2014-15 Action for the Community Development Block Grant Program and the HOME Investment Partnerships Program.

On April 22, 2015, City Council approved preliminary adoption of Substantial Amendment No. 2 to amend FY 2014-15 Action Plan for the Community Development Block Grant and the HOME Program and authorized a public hearing by Resolution No. 14-0821.

FISCAL INFORMATION

No cost consideration to the City
SEE ALSO

File: 15-0997

The following files contain information relating to this file and may be of interest. The information contained in these files may amend, repeal or otherwise affect the status of this file.

11-1349

14-0787

14-0821

14-1001

14-1314

15-0657
Authorize:

Amendment to the FY 2015-16 ESG Budget to reallocate:

These revisions are less than 25% or $100,000, and does not constitute a substantial change according to the Citizen Participation Plan for HUD Grants.

The purpose of the amendment is to reallocate:

1. $20,171.15 in funding from Emergency Shelter – Operations (S15/653H) to Emergency Shelter – Essential Services (ES15/652H) and;
2. $5,535 in funding from Rapid Re-Housing – Financial Assistance (ES15/656H) to Rapid Re-Housing – Housing Relocation & Stabilization (ES15/657H).

Financing:

$20,171.15 from Emergency Shelter – Operations to Emergency Shelter – Essential Services.
$5,535.00 from Rapid Re-Housing – Financial Assistance/Rent to Rapid Re-Housing – Housing Relocation and Stabilization Services

Prior Actions:

Date: March 22, 2017
Resolution #: N/A
The City Council held a public hearing to receive comments on proposed Reprogramming No. 1 to the FY 2016-17 Action Plan.

Date: February 22, 2017
Resolution #: 17-0396
The City Council approved a preliminary adoption of Proposed Reprogramming Budget No. 1 to the FY 2016-17 Action Plan.

Date: February 6, 2017
Resolution #:
The Housing Committee and the Budget, Finance, and Audit Committee were both briefed on the FY 2016-17 CDBG Extensions and Reprogramming recommendations which included proposed Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program.

Date: February 2, 2017
Resolution #:
The Community Development Commission (CDC) was briefed on the need to maintain ongoing compliance with the timely expenditure policy of the U. S. Department of Housing and Urban Development (HUD) and the proposed Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program.

Date: January 5, 2017
Resolution #:
The CDC was briefed and recommended extending and reprogramming of the CDBG project funds. Unspent prior year funds remaining in 11 CDBG projects, totaling $1,413,595, were identified for reprogramming.

Date: December 13, 2016
Resolution #:
The CDC Financial Monitoring/Performance Standards Committee reviewed and recommended the City Manager’s proposed extensions and reprogramming of CDBG funds with no amendments.
Date: March 28, 2007  
Resolution #: 07-0992  
The City Council authorized the enhancement of the City's existing expenditure policy with additional benchmarks.

Date: August 18, 1993  
Resolution #: 93-3001  
The City Council authorized the establishment of specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) funds.
Memorandum

DATE August 31, 2017
TO Chan Williams, Assistant Director, Office of Financial Services
SUBJECT Non-Substantial Amendment - FY2015-16 ESG Grant

Attached for your approval is a Memo to the City Secretary for Council Resolution No. 15-1055, to make a non-substantial amendment to the FY2015-16 ESG Grant.

The purpose of the amendment is to reallocate:

1) $20,171.15 in funding from Emergency Shelter – Operations (ES15/653H) to Emergency Shelter – Essential Services (ES15/652H) and;

2) $5,535 in funding from Rapid Re-Housing – Financial Assistance (ES15/656H) to Rapid Re-Housing – Housing Relocation & Stabilization (ES15/657H).

Due to an over payment to Bridge Steps in FY 2014-15, $20,171.15 in funding was unable to be expended in that FY in Emergency Shelter – Operations. This allocation will also utilize the Rapid Re-Housing excess ES15 funds in the amount of $5,535 (prior to the two-year expenditure deadline). This amendment will affect the FY2014-15 Action Plan and IDIS as follows:

<table>
<thead>
<tr>
<th>ESG Project</th>
<th>Description</th>
<th>Original Budget</th>
<th>Change #1</th>
<th>Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>43 ES15/653H</td>
<td>Homeless Assistance Center - Operations</td>
<td>$378,279.00</td>
<td>($20,171.15)</td>
<td>$358,107.85</td>
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<tr>
<td>42 ES15/652H</td>
<td>Homeless Assistance Center - Essential Services</td>
<td>$148,005.00</td>
<td>$20,171.15</td>
<td>$168,176.15</td>
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<td>46 ES15/656H</td>
<td>Rapid Re-Housing - Financial Assistance</td>
<td>$11,000.00</td>
<td>($5,535.00)</td>
<td>$5,465.00</td>
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<td>47 ES15/657H</td>
<td>Rapid Re-Housing - Housing Relocation &amp; Stabilization</td>
<td>$281,452.00</td>
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<tr>
<td>Total</td>
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<td>$818,736.00</td>
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</table>

"Dallas – Together, we do it better"
### IDIS - Program Year 2015

<table>
<thead>
<tr>
<th>ESG Activity</th>
<th>Description ESG15 Emergency Shelter</th>
<th>Original Budget</th>
<th>Change #1</th>
<th>Final Budget</th>
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<tbody>
<tr>
<td>12488</td>
<td>Legal Aid of Northwest Texas</td>
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<td>$-</td>
<td>$27,737.00</td>
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<tr>
<td>12488</td>
<td>The Family Gateway</td>
<td>$49,957.26</td>
<td>$-</td>
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<td>12488</td>
<td>Family Place - Essential Services</td>
<td>$30,000.00</td>
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<td>$30,000.00</td>
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<tr>
<td>12488</td>
<td>Family Place - Operations</td>
<td>$42,472.74</td>
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<td>12488</td>
<td>Bridge Steps</td>
<td>$378,279.00</td>
<td>$(20,171.15)</td>
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<td>12488</td>
<td>City of Dallas - Essential Services</td>
<td>$148,005.00</td>
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<td><strong>Total</strong></td>
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<td>$676,451.00</td>
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</table>

<table>
<thead>
<tr>
<th>ESG Activity</th>
<th>Description ESG15 Rapid Re-Housing</th>
<th>Original Budget</th>
<th>Change #1</th>
<th>Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>12489</td>
<td>CitySquare - FA</td>
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<td>$-</td>
<td>$3,865.00</td>
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<td>Shared Housing Center - FA</td>
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<td>$500.00</td>
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<tr>
<td>12489</td>
<td>City of Dallas - FA</td>
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<td><strong>Subtotal - FA</strong></td>
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<td>12489</td>
<td>Shared Housing Center - HRSS</td>
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<tr>
<td>12489</td>
<td>City of Dallas - HRSS</td>
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<tr>
<td>12489</td>
<td>CitySquare - HRSS</td>
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<td>$5,535.00</td>
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<tr>
<td></td>
<td><strong>Subtotal - HRSS</strong></td>
<td><strong>$281,452.00</strong></td>
<td>$5,535.00</td>
<td><strong>$286,987.00</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$292,452.00</strong></td>
<td>$-</td>
<td><strong>$292,452.00</strong></td>
</tr>
</tbody>
</table>

Please let me know if you have any questions. Otherwise, please sign the attached Memo, and return to our office for submission to the City Secretary for filing.

Thank you for your assistance,

[Signature]

Charletra Sharp, Interim Managing Director
Housing/Community Services

Attachments

cc: Laura Roland, Housing Assistance Specialist II, OHS
Memorandum

DATE: September 7, 2017

TO: Bilierae Johnson, Interim City Secretary

SUBJECT: Correction to CR 15-1055 (ES15 Budget Reallocation #1)

This is a correction to Council Resolution No. 15-1055. This correction is to the portions of the resolution pertaining to the Emergency Solutions Grant (ESG) funds.

Is this the first correction to the subject Council Resolution? □ Y □ N

If no, attach copies of any previous approved correction memos.

The subject Council Resolution was approved on June 10, 2015, authorizing:

A motion to consider Agenda Item No. 13, to Authorize (1) final adoption of the FY 2015-16 HUD Consolidated Plan Budget for U.S. Department of Housing and Urban Development Grant Funds in an estimated amount of $24,261,552 for the following programs and estimated amounts: (a) Community Development Block Grant in the amount of $13,457,745; (b) HOME Investment Partnerships Program in the amount of $3,956,627; (c) Emergency Solutions Grant in the amount of $1,209,806; and (d) Housing Opportunities for Persons with AIDS in the amount of $5,637,374; and (2) adoption of the FY 2014-15 Reprogramming Budget in the amount of $1,410,006 – Financing: No cost consideration to the City.

□ Typo □ Financial/funding information □ Obvious error from CR context

The ESG portions of Schedule A and Schedule B to the Council Resolution should read as shown on Attachment I hereto. This is an amendment to the FY2015-16 ESG Budget to reallocate:

1) $20,171.15 from Emergency Shelter - Operations to Emergency Shelter - Essential Services.

2) $5,535.00 from Rapid Re-Housing – Financial Assistance/Rent to Rapid Re-Housing – Housing Relocation and Stabilization Services.

These revisions are less than 25%40% of $100,000, and does not constitute a substantial change according to the Citizen Participation Plan for HUD Grants.

Department: Housing/Community Services

Director (or designee): [Signature] 9/7/17

“Dallas – Together, we do it better”
Charletra Sharp
Printed Name

OFS: ☑ Approved ☐ Denied Is ATT Approval Needed? ☐ Y ☑ N

OFS: ___________________________ ___________________________
Signature Date 9/11/2017

Terry Ryan
Printed Name

ATT: ☐ Approved ☐ Denied

Assistant Attorney: ___________ City ___________
Signature Date

Printed Name

cc: Chan Williams, Assistant Director, OFS
Terry Ryan, Budget Manager, Grants Administration, OFS
Brenda Washington-Sparks, Manager, Finance/Administration, HOU
Laura Roland, Housing Assistance Specialist II, HOU

Attachments for reference
Council Resolution 15-1055
## Attachment I

### SCHEDULE A

**FY 2015-16 CONSOLIDATED PLAN BUDGET**

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

<table>
<thead>
<tr>
<th>Project Name</th>
<th>FY 2015-16 Adopted Budget</th>
<th>Change #1 (8/31/17)</th>
<th>FY 2015-16 Revised Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>39 Contracts – Essential Services</td>
<td>57,737</td>
<td>57,737</td>
<td></td>
</tr>
<tr>
<td>40 Contracts – Operations</td>
<td>92,430</td>
<td>92,430</td>
<td></td>
</tr>
<tr>
<td>41 Homeless Assistance Center – Essential Services</td>
<td>148,005</td>
<td>20,171.15</td>
<td>168,176.15</td>
</tr>
<tr>
<td>42 Homeless Assistance Center - Operations</td>
<td>378,279</td>
<td>(20,171.15)</td>
<td>358,107.85</td>
</tr>
<tr>
<td><strong>Essential Services/Operations Sub-Total</strong></td>
<td><strong>676,451</strong></td>
<td></td>
<td><strong>676,451</strong></td>
</tr>
<tr>
<td>43 Homeless Prevention – Financial Assistance/Rent (MLK)</td>
<td>40,000</td>
<td></td>
<td>40,000</td>
</tr>
<tr>
<td>44 Homeless Prevention – Financial Assistance/Rent (WDMC)</td>
<td>40,000</td>
<td></td>
<td>40,000</td>
</tr>
<tr>
<td><strong>Homeless Prevention Subtotal</strong></td>
<td><strong>80,000</strong></td>
<td></td>
<td><strong>80,000</strong></td>
</tr>
<tr>
<td>45 Rapid Re-Housing – Financial Assistance</td>
<td>11,000</td>
<td>(5,535.00)</td>
<td>5,465.00</td>
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<tr>
<td>46 Rapid Re-Housing – Housing Relocation and Stabilization</td>
<td>281,452</td>
<td>5,535.00</td>
<td>286,987</td>
</tr>
<tr>
<td><strong>Rapid Re-Housing Subtotal</strong></td>
<td><strong>292,452</strong></td>
<td></td>
<td><strong>292,452</strong></td>
</tr>
<tr>
<td>47 HMIS Data Collection</td>
<td>70,168</td>
<td></td>
<td>70,168</td>
</tr>
<tr>
<td><strong>HMIS Data Collection Subtotal</strong></td>
<td><strong>70,168</strong></td>
<td></td>
<td><strong>70,168</strong></td>
</tr>
<tr>
<td>48 ESG Administration</td>
<td>90,735</td>
<td></td>
<td>90,735</td>
</tr>
<tr>
<td><strong>Program Administration Sub-Total</strong></td>
<td><strong>90,735</strong></td>
<td></td>
<td><strong>90,735</strong></td>
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<tr>
<td><strong>TOTAL EMERGENCY SOLUTIONS GRANT</strong></td>
<td><strong>1,209,806</strong></td>
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<td><strong>1,209,806</strong></td>
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</tbody>
</table>

### SCHEDULE B

**FY 2015-16 CONSOLIDATED PLAN BUDGET**

**APPROPRIATIONS AND ORGANIZATIONAL HIERARCHY**

<table>
<thead>
<tr>
<th>FUND</th>
<th>DEPT</th>
<th>EMERGENCY SOLUTIONS GRANTS (ESG)</th>
<th>FY 2015-16 ADOPTED BUDGET</th>
<th>Change #1 (8/31/17)</th>
<th>FY 2015-16 REVISED BUDGET</th>
<th>UNIT 1</th>
<th>UNIT 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>ES15</td>
<td>HOU</td>
<td>Contracts – Essential Services</td>
<td>57,737</td>
<td>57,737</td>
<td>550H</td>
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<tr>
<td></td>
<td>HOU</td>
<td>Contracts – Operations</td>
<td>92,430</td>
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<td>551H</td>
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<tr>
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<td>(20,171.15)</td>
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<td>40,000</td>
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<td>40,000</td>
<td>554H</td>
<td></td>
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<tr>
<td></td>
<td>HOU</td>
<td>Homeless Prevention – Financial Assistance/Rent (WDMC)</td>
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<td></td>
<td>40,000</td>
<td>555H</td>
<td></td>
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<tr>
<td></td>
<td>HOU</td>
<td>Rapid Re-Housing – Financial Assistance</td>
<td>11,000</td>
<td>(5,535.00)</td>
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<td>556H</td>
<td></td>
</tr>
<tr>
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<td>558H</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HOU</td>
<td>ESG Administration</td>
<td>90,735</td>
<td>90,735</td>
<td>559H</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
WHEREAS, the Community Development Commission (CDC) and City staff conducted six (6) neighborhood public hearings during January 2015 that provided the public opportunities to participate in identifying needs and to comment on the potential uses of U. S. Department of Housing and Urban Development (HUD) Grant Funds; and

WHEREAS, on February 4, 2015, the Proposed FY 2014-15 Reprogramming Budget was briefed to the City Council; and

WHEREAS, on February 11, 2015, the City Council authorized the release of unobligated funds from their originally budgeted purposes for future reprogramming in conjunction with the FY 2015-16 HUD Consolidated Plan Budget by Resolution No. 15-0305; and

WHEREAS, on March 16, 2015, the CDC was briefed on the City Manager’s Proposed FY 2015-16 HUD Consolidated Plan Budget and CDC Committees held meetings in March 2015 to review the proposed budget; and

WHEREAS, on April 2, 2015, the CDC concurred with the City Manager’s Proposed FY 2015-16 HUD Consolidated Plan Budget with no amendments; and

WHEREAS, on April 15, 2015, the City Council was briefed on the City Manager’s Proposed FY 2015-16 HUD Consolidated Plan Budget, the FY 2014-15 Reprogramming Budget, and the Community Development Commission’s concurrence; and

WHEREAS, on April 22, 2015, the City Council approved preliminary adoption of the Proposed FY 2015-16 HUD Consolidated Plan Budget and the Proposed FY 2014-15 Reprogramming Budget and authorized a public hearing by Resolution No. 15-0804; and

WHEREAS, the grant funds include: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA); and

WHEREAS, a summary of the Proposed FY 2015-16 HUD Consolidated Plan Budget and the Proposed FY 2014-15 Reprogramming Budget was published in the Dallas Morning News on April 23, 2015 to provide citizens an opportunity to submit written comments through June 10, 2015; and

WHEREAS, Federal regulations require that a public hearing be held on the City's Proposed FY 2015-16 HUD Consolidated Plan Budget and the Proposed FY 2014-15 Reprogramming Budget; and
WHEREAS, on May 27, 2015, the City Council held a public hearing to receive comments on the Proposed FY 2015-16 HUD Consolidated Plan Budget and the FY 2014-15 Reprogramming Budget;

Now, Therefore,

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

Section 1. That the final FY 2015-16 HUD Consolidated Plan Budget and final FY 2014-15 Reprogramming Budget be adopted per Schedule A.

Section 2. That the City Manager be authorized to apply for, accept, and take actions to implement HUD grant numbers B-15-MC-48-0009 (CDBG - $14,457,745, which includes $1,000,000 in program income), M-15-MC-48-0203 (HOME - $4,006,627, which includes $50,000 program income), E-15-MC-48-0001 (ESG - $1,209,806), and TXH15-F001 (HOPWA - $5,637,374) in the amount of $25,311,552 and be authorized to execute the contracts and grant agreements with HUD and all documents related to the execution of the grants upon approval as to form by the City Attorney.

Section 3. That the City Manager be authorized to establish FY 2015-16 appropriations as follows:

- Community Development Block Grant Program in Fund CD15 up to the amount of $13,857,745 consisting of the entitlement grant of $13,457,745, and estimated program income of $400,000 to be returned to the City as set forth in the attached Schedule B, effective October 1, 2015.

- HOME Investment Partnerships Program in Fund HM15 up to the amount of $4,006,627 consisting of the entitlement grant of $3,956,627 and estimated program income of $50,000 to be returned to the City as set forth in the attached Schedule B, effective October 1, 2015.

- Emergency Solutions Grant in Fund ES15 up to the amount of $1,209,806 as set forth in the attached Schedule B, effective October 1, 2015.

- Housing Opportunities for Persons with AIDS in Fund HW15 up to the amount of $5,637,374 as set forth in the attached Schedule B, effective October 1, 2015.

Section 4. That the revolving loan program income generated by the business loan program, estimated to be $600,000 for FY 2015-16, as set forth in Schedule C, be retained by sub-recipient to carry out Community Development eligible activities in accordance with HUD requirements and upon written approval by the responsible City of Dallas departments.
Section 5. That the Chief Financial Officer be authorized to receive funds up to the amounts set forth in the attached Schedule C.

Section 6. That the Chief Financial Officer be authorized to disburse funds up to the amounts set forth in the attached Schedule B.

Section 7. That the City Manager be authorized to transfer HUD grant funds between projects and individual object codes and/or categories in accordance with HUD regulations and the City's Citizen Participation Plan.

Section 8. That the City Manager be authorized to release funds in the amount of $1,410,006 as shown in the attached Schedule D from their originally budgeted purposes, schedule them for reprogramming in accordance with required rules and procedures, and establish FY 2014-15 Reprogramming appropriations in Fund 14RP in the amount of $1,410,006 as set forth in the attached Schedule B, effective June 10, 2015.

Section 9. That the City Manager is hereby authorized to reimburse to HUD any expenditures identified as ineligible. That the City Manager shall notify the appropriate City Council Committee of expenditures identified as ineligible not later than 30 days after the reimbursement. Further, the City Manager shall keep the appropriate City Council Committee informed of all final HUD audit reports not later than 30 days after the receipt of the report.

Section 10. That the City Manager be authorized to provide additional information and make adjustments to take other actions relating to these budgets as may be necessary in order to satisfy HUD requirements.

Section 11. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.
### COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

#### CDBG - Public Services

<table>
<thead>
<tr>
<th>Project Name</th>
<th>FY 2015-16 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>After-School/Summer Program</td>
<td>530,647</td>
</tr>
<tr>
<td>Child Care Services Program</td>
<td>189,129</td>
</tr>
<tr>
<td>City Child Care Services</td>
<td>299,697</td>
</tr>
<tr>
<td><strong>Youth Programs Sub-Total</strong></td>
<td>1,019,473</td>
</tr>
<tr>
<td>Clinical Dental Care Program</td>
<td>100,000</td>
</tr>
<tr>
<td><strong>Clinical Health Services Sub-Total</strong></td>
<td>100,000</td>
</tr>
<tr>
<td>City Office of Senior Affairs</td>
<td>142,379</td>
</tr>
<tr>
<td>Senior Services Program</td>
<td>73,049</td>
</tr>
<tr>
<td><strong>Senior Services Sub-Total</strong></td>
<td>215,428</td>
</tr>
<tr>
<td>South Dallas/Fair Park Community Court</td>
<td>296,248</td>
</tr>
<tr>
<td>South Oak Cliff Community Court</td>
<td>235,741</td>
</tr>
<tr>
<td>West Dallas Community Court</td>
<td>214,545</td>
</tr>
<tr>
<td>Training and Employment for Adults with Disabilities</td>
<td>25,000</td>
</tr>
<tr>
<td><strong>Other Public Services (Non-Youth) Sub-Total</strong></td>
<td>771,534</td>
</tr>
<tr>
<td><strong>Total CDBG - Public Services</strong></td>
<td>2,106,435</td>
</tr>
</tbody>
</table>

#### CDBG - Housing Activities

<table>
<thead>
<tr>
<th>Project Name</th>
<th>FY 2015-16 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Development Support</td>
<td>1,052,706</td>
</tr>
<tr>
<td>Mortgage Assistance Program</td>
<td>1,165,856</td>
</tr>
<tr>
<td>Housing Services Program</td>
<td>50,000</td>
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<tr>
<td><strong>Homeownership Opportunities Sub-Total</strong></td>
<td>2,268,562</td>
</tr>
<tr>
<td>Housing Assistance Support</td>
<td>1,533,936</td>
</tr>
<tr>
<td>Major Systems Repair Program</td>
<td>1,533,761</td>
</tr>
<tr>
<td>Minor Plumbing Repair/Replacement Program</td>
<td>50,000</td>
</tr>
<tr>
<td>Reconstruction Program</td>
<td>1,221,964</td>
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<tr>
<td>People Helping People (PHP) Program</td>
<td>871,731</td>
</tr>
<tr>
<td><strong>Homeowner Repair Sub-Total</strong></td>
<td>5,211,392</td>
</tr>
</tbody>
</table>
# Schedule A
## FY 2015-16 Consolidated Plan Budget
### U.S. Department of Housing and Urban Development Grant Funds

<table>
<thead>
<tr>
<th>Project Name</th>
<th>FY 2015-16 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>19 Dedicated SAFE II Expansion Code Inspection - Code Compliance</td>
<td>96,000</td>
</tr>
<tr>
<td>20 Dedicated SAFE II Expansion Code Inspection - Fire Department</td>
<td>70,538</td>
</tr>
<tr>
<td>21 Dedicated SAFE II Expansion Code Inspection - Police Department</td>
<td>46,122</td>
</tr>
<tr>
<td>22 Neighborhood Investment Program - Code Compliance</td>
<td>507,575</td>
</tr>
</tbody>
</table>

**Other Housing/Neighborhood Revitalization Sub-Total** 720,235

**Total CDBG - Housing Activities** 8,200,189

### CDBG - Economic Development

<table>
<thead>
<tr>
<th>Project Name</th>
<th>FY 2015-16 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>23 Business Loan Program (Program Income)</td>
<td>600,000</td>
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</tbody>
</table>

**Business Loan Sub-Total** 600,000

<table>
<thead>
<tr>
<th>Project Name</th>
<th>FY 2015-16 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>24 Business Assistance Center Program</td>
<td>640,000</td>
</tr>
</tbody>
</table>

**Technical/Professional Assistance Sub-Total** 640,000

**Total CDBG - Economic Development** 1,240,000

### CDBG - Public Improvements

<table>
<thead>
<tr>
<th>Project Name</th>
<th>FY 2015-16 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 Neighborhood Enhancement Program (NEP)</td>
<td>25,000</td>
</tr>
<tr>
<td>26 Neighborhood Investment Program Infrastructure (NIP)</td>
<td>1,249,616</td>
</tr>
<tr>
<td>27 Neighborhood Investment (NIP) &amp; Neighborhood Enhancement (NEP) Project Delivery</td>
<td>274,962</td>
</tr>
</tbody>
</table>

**Total CDBG - Public Improvement** 1,549,578

### CDBG - Fair Housing and Planning & Program Oversight

<table>
<thead>
<tr>
<th>Project Name</th>
<th>FY 2015-16 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>28 Fair Housing Enforcement</td>
<td>633,053</td>
</tr>
<tr>
<td>29 Citizen Participation/CDC Support/HUD Oversight</td>
<td>673,984</td>
</tr>
<tr>
<td>30 Housing Management Support</td>
<td>1,160,780</td>
</tr>
<tr>
<td>31 Economic Development Oversight</td>
<td>198,084</td>
</tr>
<tr>
<td>32 Park and Recreation Oversight</td>
<td>105,648</td>
</tr>
</tbody>
</table>

**Total CDBG - Fair Housing and Planning & Program Oversight** 2,771,549

**Total Community Development Block Grant Including Reprogramming** 15,867,751
## SCHEDULE A
### FY 2015-16 CONSOLIDATED PLAN BUDGET
### U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT GRANT FUNDS

<table>
<thead>
<tr>
<th>Project Name</th>
<th>FY 2015-16 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)</strong></td>
<td></td>
</tr>
<tr>
<td>33 CHDO Development Loans</td>
<td>1,000,000</td>
</tr>
<tr>
<td>34 CHDO Operating Assistance</td>
<td>175,000</td>
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<tr>
<td>35 HOME Program Administration</td>
<td>395,662</td>
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<tr>
<td>36 Mortgage Assistance Program</td>
<td>957,158</td>
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<tr>
<td>37 Housing Development Loan Program</td>
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<tr>
<td><strong>Homeownership Opportunities Sub-Total</strong></td>
<td>3,876,627</td>
</tr>
<tr>
<td>38 Tenant Based Rental Assistance</td>
<td>130,000</td>
</tr>
<tr>
<td><strong>Other Housing Sub-Total</strong></td>
<td>130,000</td>
</tr>
<tr>
<td><strong>TOTAL HOME INVESTMENT PARTNERSHIP PROGRAM</strong></td>
<td>4,006,627</td>
</tr>
</tbody>
</table>

<p>| <strong>EMERGENCY SOLUTIONS GRANT (ESG)</strong> | |
| 39 Contracts - Essential Services | 57,737 |
| 40 Contracts - Operations | 92,430 |
| 41 Homeless Assistance Center - Essential Services | 148,005 |
| 42 Homeless Assistance Center - Operations | 378,279 |
| <strong>Essential Services/Operations Sub-Total</strong> | 676,451 |
| 43 Homeless Prevention - Financial Assistance/Rent (MLK) | 40,000 |
| 44 Homeless Prevention - Financial Assistance/Rent (WDMC) | 40,000 |
| <strong>Homeless Prevention Sub-Total</strong> | 80,000 |
| 45 Rapid Re-Housing - Financial Assistance | 11,000 |
| 46 Rapid Re-Housing - Housing Relocation &amp; Stabilization | 281,452 |
| <strong>Rapid Re-Housing Sub-Total</strong> | 292,452 |
| 47 HMIS Data Collection | 70,168 |
| <strong>HMIS Data Collection Sub-Total</strong> | 70,168 |
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| <strong>TOTAL EMERGENCY SOLUTIONS GRANT</strong> | 1,209,806 |</p>
<table>
<thead>
<tr>
<th>Project Name</th>
<th>FY 2015-16 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)</strong></td>
<td></td>
</tr>
<tr>
<td>49 Emergency/Tenant Based Rental Assistance/Financial Assistance</td>
<td>2,291,723</td>
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<tr>
<td>50 Emergency/Tenant Based Rental Assistance/Housing Services</td>
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<tr>
<td>51 Housing Facilities Operation</td>
<td>850,900</td>
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<td>52 Supportive Services</td>
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<td>53 Housing Information/Resource Identification</td>
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<td></td>
<td><strong>Other Public Services Sub-Total</strong> 5,179,653</td>
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<tr>
<td>54 Program Administration/City of Dallas</td>
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<tr>
<td>55 Program Administration/Project Sponsors</td>
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<tr>
<td></td>
<td><strong>Program Administration Sub-Total</strong> 457,721</td>
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<tr>
<td></td>
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</tr>
<tr>
<td></td>
<td><strong>TOTAL HOUSING OPPORTUNITIES FOR PERSONS W/ AIDS</strong> 5,637,374</td>
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<tr>
<td></td>
<td></td>
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<tr>
<td></td>
<td><strong>GRAND TOTAL HUD CONSOLIDATED PLAN BUDGET</strong> 26,721,558</td>
</tr>
</tbody>
</table>
## SCHEDULE B
FY 2015-16 HUD CONSOLIDATED PLAN BUDGET
APPROPRIATIONS AND ORGANIZATIONAL HIERARCHY

<table>
<thead>
<tr>
<th>FUND</th>
<th>DEPT.</th>
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<th>UNIT 2</th>
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<tbody>
<tr>
<td>CD15</td>
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<td>$ 14,457,745</td>
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</tr>
<tr>
<td></td>
<td></td>
<td><strong>COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)</strong></td>
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</tr>
<tr>
<td></td>
<td></td>
<td>CDAT</td>
<td></td>
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<tr>
<td>1 ATT</td>
<td>CDI5</td>
<td>City Attorney's Office</td>
<td>$746,534</td>
<td>610H</td>
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<tr>
<td>2 ATT</td>
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<td>South Dallas/Fair Park Community Court</td>
<td>$296,248</td>
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<td>3 ATT</td>
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<td>South Oak Cliff Community Court</td>
<td>$235,741</td>
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<td><strong>Code Compliance Services</strong></td>
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<td>613H</td>
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<td>4 CCS</td>
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<td>Dedicated SAFE II Expansion Code Inspection - Code</td>
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<td>5 CCS</td>
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<td></td>
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<td><strong>Dallas Fire and Rescue</strong></td>
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<td>616H</td>
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<td>6 DFD</td>
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<td>Dedicated SAFE II Expansion Code Inspection - Fire</td>
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<td><strong>Dallas Police Department</strong></td>
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<td>7 DPD</td>
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<td>Minor Plumbing Repair/Replacement Program</td>
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<td></td>
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<td><strong>Economic Development</strong></td>
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<td>9 ECO</td>
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<td>Business Assistance Center Program</td>
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<td>10 ECO</td>
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<td>11 ECO</td>
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<td>Business Loan Program (Program Income)</td>
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<tr>
<td></td>
<td></td>
<td><strong>Housing/Community Services</strong></td>
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<td>12 HOU</td>
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<td>Child Care Services Program</td>
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<td>13 HOU</td>
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<td>Clinical Dental Care Program</td>
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<td>Housing Assistance Support</td>
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<td>Housing Services Program</td>
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<td>20 HOU</td>
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<td>Major Systems Repair Program</td>
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<td>People Helping People (PHP) Program</td>
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<td></td>
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<td><strong>Management Services</strong></td>
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<tr>
<td>26 MGT</td>
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<td>Fair Housing Enforcement</td>
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<td></td>
<td></td>
<td><strong>Office of Financial Services</strong></td>
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<td>27 BMS</td>
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<td>28 PKR</td>
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<td>29 PKR</td>
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<td>30 PKR</td>
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<td>Park and Recreation Oversight</td>
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### SCHEDULE B
FY 2015-16 HUD CONSOLIDATED PLAN BUDGET
APPROPRIATIONS AND ORGANIZATIONAL HIERARCHY

<table>
<thead>
<tr>
<th>FUND</th>
<th>DEPT.</th>
<th>UNIT 1</th>
<th>UNIT 2</th>
<th>UNIT 3</th>
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<tr>
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<td>Planning and Neighborhood Vitality</td>
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<td>32</td>
<td>PNV</td>
<td>Neighborhood Investment Program Infrastructure</td>
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<td>33</td>
<td>PNV</td>
<td>Neighborhood Investment (NIP) and Neighborhood Enhancement</td>
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<td>CHDO Operating Assistance</td>
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<td>HOME Program Administration</td>
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<td>Tenant Based Rental Assistance</td>
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<td>Contracts - Operations</td>
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<td>Homeless Assistance Center - Operations</td>
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<td>Housing Information/Resource Identification</td>
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<td>Program Administration/City of Dallas</td>
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<td>Program Administration/Project Sponsors</td>
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<td>FY 2014-15 CDBG Reprogramming</td>
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<td>Major Systems Repair Program</td>
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$ 26,721,558
## SCHEDULE C
### FY 2015-16 HUD CONSOLIDATED PLAN BUDGET
#### SOURCE OF FUNDS

<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>FY 2015-16</th>
<th>Final Adoption</th>
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<tr>
<td>Community Development Block Grant (CDBG)</td>
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<td>$13,457,745</td>
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<td>Program Income - Housing Activities (est.)</td>
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<td>Program Income - Sub-recipient Retained (SDDC) (est.)</td>
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<td>CDBG Reprogramming</td>
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<td>Home Investment Partnerships Program (HOME)</td>
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<tr>
<td>Program Income (est.)</td>
<td>50,000</td>
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<tr>
<td>Emergency Solutions Grant (ESG)</td>
<td>1,209,806</td>
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<tr>
<td>Housing Opportunities for Persons With AIDS (HOPWA)</td>
<td>5,637,374</td>
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<tr>
<td><strong>GRAND TOTAL HUD GRANT FUNDS</strong></td>
<td><strong>$26,721,558</strong></td>
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## SCHEDULE D
### SOURCE OF FUNDS FOR FY 2014-15 REPROGRAMMING

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<tr>
<th>Program</th>
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<td>18,422</td>
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<td>Bexar Street Mixed-Use Program</td>
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<td>Public Improvements for Non-Profits</td>
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<td>NEP - South Dallas/Fair Park Enhancements</td>
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<td>Public Improvements for Non-Profits</td>
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<td>BAC #1 Greater Dallas Hispanic Chamber of Commerce</td>
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<td>BAC #2 Innercity Community Development Corporation</td>
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<td>BAC #3 Greater Dallas Hispanic Chamber of Commerce</td>
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<tr>
<td>BAC #4 Greater Dallas Asian American Chamber of Commerce</td>
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<tr>
<td>BAC #8 Greater Dallas Indo-American Chamber of Commerce</td>
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<td>Total FY 2012-13</td>
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<td>Dedicated SAFEII Expansion Code Inspection - DPD</td>
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<td>City Child Care Services Program</td>
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<td>City Office of Senior Affairs</td>
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<td>Economic Development Program Oversight (P/PO)</td>
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<td>Citizen Participation/CDC Support/HUD Oversight (P/PO)</td>
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<td>After-School/Summer Outreach Program-Community Centers</td>
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</tr>
<tr>
<td>After-School/Summer Outreach Program-School Sites</td>
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</tr>
<tr>
<td>Park and Recreation Program Oversight (P/PO)</td>
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<td>Total FY 2013-14</td>
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<td><strong>TOTAL CDBG REPROGRAMMING</strong></td>
<td><strong>$1,410,006</strong></td>
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</table>
Authorize:

Adoption of Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year Community Development Block Grant (CDBG) funds in the amount of $1,413,595 for the Mayor Systems Repair Program.

Financing:

$1,413,595    FY 2016-17 Reprogramming Budget No. 1 Major Systems Repair Program

Prior Actions:

<table>
<thead>
<tr>
<th>Date</th>
<th>Resolution #</th>
<th>Description</th>
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<tbody>
<tr>
<td>March 22, 2017</td>
<td>N/A</td>
<td>The City Council held a public hearing to receive comments on proposed Reprogramming No. 1 to the FY 2016-17 Action Plan.</td>
</tr>
<tr>
<td>February 22, 2017</td>
<td>17-0396</td>
<td>The City Council approved a preliminary adoption of Proposed Reprogramming Budget No. 1 to the FY 2016-17 Action Plan.</td>
</tr>
<tr>
<td>February 6, 2017</td>
<td>N/A</td>
<td>The Housing Committee and the Budget, Finance, and Audit Committee were both briefed on the FY 2016-17 CDBG Extensions and Reprogramming recommendations which included proposed Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program.</td>
</tr>
<tr>
<td>February 2, 2017</td>
<td>N/A</td>
<td>The Community Development Commission (CDC) was briefed on the need to maintain ongoing compliance with the timely expenditure policy of the U. S. Department of Housing and Urban Development (HUD) and the proposed Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program.</td>
</tr>
<tr>
<td>January 5, 2017</td>
<td>N/A</td>
<td>The CDC was briefed and recommended extending and reprogramming of the CDBG project funds. Unspent prior year funds remaining in 11 CDBG projects, totaling $1,413,595, were identified for reprogramming.</td>
</tr>
<tr>
<td>December 13, 2016</td>
<td>N/A</td>
<td>The CDC Financial Monitoring/Performance Standards Committee reviewed and recommended the City Manager's proposed extensions and reprogramming of CDBG funds with no amendments.</td>
</tr>
<tr>
<td>March 28, 2007</td>
<td>07-0992</td>
<td>The City Council authorized the enhancement of the City’s existing expenditure policy with additional benchmarks.</td>
</tr>
<tr>
<td>August 18, 1993</td>
<td>93-3001</td>
<td>The City Council authorized the establishment of specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) funds.</td>
</tr>
</tbody>
</table>
OFFICIAL ACTION OF THE DALLAS CITY COUNCIL

APRIL 12, 2017

17-0595

Item 33: Authorize final adoption of Reprogramming Budget No. 1 to the FY 2016-17 Action Plan for U.S. Department of Housing and Urban Development Grant Funds to use unspent prior year Community Development Block Grant Funds in the amount of $1,413,595 for the Major Systems Repair Program - Financing: No cost consideration to the City

Adopted as part of the consent agenda.
WHEREAS, on August 18, 1993, City Council authorized the establishment of specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) funds by Resolution No. 93-3001; and

WHEREAS, on March 28, 2007, City Council authorized the enhancement of the City's existing expenditure policy with additional benchmarks Resolution No. 07-0992 by; and

WHEREAS, on December 13, 2016, the Community Development Commission (CDC) Financial Monitoring/Performance Standards Committee reviewed and recommended the City Manager's proposed extensions and reprogramming of CDBG funds with no amendments; and

WHEREAS, on January 5, 2017, the Community Development Commission was briefed and recommended extending and reprogramming of the CDBG project funds. Unspent prior year funds remaining in 11 CDBG projects, totaling $1,413,595, were identified for reprogramming; and

WHEREAS, on February 2, 2017, the CDC was briefed on the need to maintain ongoing compliance with the timely expenditure policy of the U. S. Department of Housing and Urban Development (HUD) and the proposed Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program; and

WHEREAS, on February 6, 2017, the Housing Committee and the Budget, Finance, and Audit Committee were both briefed on the FY 2016-17 CDBG Extensions and Reprogramming recommendations which included proposed Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program; and

WHEREAS, on February 22, 2017, City Council approved preliminary adoption of the Proposed Reprogramming Budget No. 1 to the FY 2016-17 Action Plan for U.S. Department of Housing and Urban Development Grant Funds and authorized a public hearing by Resolution No. 17-0396; and

WHEREAS, on March 22, 2017, City Council held a public hearing to receive comments on proposed Reprogramming No. 1 to the FY 2016-17 Action Plan.

Now, Therefore,

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

SECTION 1. That the City Council authorizes final adoption of Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program.
SECTION 2. That the City Manager is hereby authorized to transfer HUD grant funds between projects and individual object codes and/or categories in accordance with HUD regulations and the City’s Citizen Participation Plan for Reprogramming Budget No. 1 to the FY 2016-17 Action Plan.

SECTION 3. That the Chief Financial Officer is hereby authorized to disburse funds up to the amount of the Reprogramming Budget No. 1 to the FY 2016-17 Action Plan.

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.
AGENDA ITEM # 33

KEY FOCUS AREA:   E-Gov
AGENDA DATE:      April 12, 2017
COUNCIL DISTRICT(S):  N/A
DEPARTMENT:        Office of Financial Services
CMO:               Elizabeth Reich, 670-7804
MAPSCO:            N/A

SUBJECT

Authorize final adoption of Reprogramming Budget No. 1 to the FY 2016-17 Action Plan for U.S. Department of Housing and Urban Development Grant Funds to use unspent prior year Community Development Block Grant Funds in the amount of $1,413,595 for the Major Systems Repair Program - Financing: No cost consideration to the City

BACKGROUND

On August 18, 1993, City Council established specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) funds by Resolution No. 93-3001. Funds are to be obligated within 12 months and expended within 24 months of budget adoption.

On March 28, 2007, City Council enhanced the City’s existing expenditure policy with additional benchmarks by Resolution No. 07-0992.

The FY 2016-17 review of projects based on the timely expenditure policy (including benchmarks) identified unspent funds remaining in 11 projects, totaling $1,413,595, recommended for reprogramming.

On February 2, 2017 the Community Development Commission (CDC) was briefed on the proposed Reprogramming Budget.

On February 6, 2017 the Housing Committee and the Budget, Finance, and Audit Committee were briefed on the proposed Reprogramming Budget. Both committees provided favorable recommendations to move forward to City Council for approval.

Federal Regulations and the City’s Citizen Participation Plan require a public hearing to receive comments. From February 23, 2017 through April 11, 2017, this budget was made available for public review and comment. A public hearing was held on March 22, 2017.
BACKGROUND (continued)

This action authorizes final adoption of Reprogramming Budget No. 1 to the FY 2016-17 Action Plan.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 18, 1993, City Council established specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) Funds by Resolution No. 93-3001.

On March 28, 2007, City Council enhanced the City's existing expenditure policy with additional benchmarks by Resolution No. 07-0992.

On December 13, 2016, the Community Development Commission (CDC) Financial Monitoring/Performance Standards Committee reviewed and recommended the City Manager's proposed extensions and reprogramming of CDBG funds with no amendments.

On January 5, 2017, the Community Development Commission was briefed and recommended extending and reprogramming of the CDBG project funds. Unspent prior year funds remaining in 11 CDBG projects, totaling $1,413,595, were identified for reprogramming.

On February 2, 2017, the CDC was briefed on the need to maintain ongoing compliance with the timely expenditure policy of the U.S. Department of Housing and Urban Development (HUD) and the proposed Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program.

On February 6, 2017, the Housing Committee and the Budget, Finance, and Audit Committee were both briefed on the FY 2016-17 CDBG Extensions and Reprogramming recommendations which included proposed Reprogramming Budget No. 1 to the FY 2016-17 Action Plan to use unspent prior year CDBG funds in the amount of $1,413,595 for the Major Systems Repair Program.


On March 22, 2017, City Council held a public hearing to receive comments on the proposed Reprogramming No. 1 to the FY 2016-17 Action Plan.

City Council will be briefed by memorandum regarding this matter on March 31, 2017.
FISCAL INFORMATION

Source of Funds:

Unspent Prior Year CDBG Funds $1,413,595

Use of Funds:

FY 2016-17 Reprogramming Budget No. 1 Major Systems Repair Program $1,413,595
Authorize:

A public hearing to receive comments on the Substantial Amendment No. 2 to the FY 2016-17 Action Plan to (1) add a new HOME Investment Partnerships Program (HOME) Tenant Based Rental Assistance (TBRA) Program activity and the proposed use of HOME funds for the TBRA Program; (2) adopt the Substantial Amendment No. 2 to the FY 2016-17 Action Plan for HOME and to allocate $1,038,500 of HOME funds, resulting from unanticipated program income, to the new activity; and (3) approve the TBRA Program Statement to provide supplemental financial assistance to displaced tenants as a result of the High Impact Landlord Initiative.

Financing:

No cost consideration to the City.

Prior Actions:

<table>
<thead>
<tr>
<th>Date</th>
<th>Resolution #</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 14, 2017</td>
<td>17-0992</td>
<td>The City Council authorized preliminary adoption of Substantial Amendment No. 2 to the FY 2016-17 Action Plan, establishment of a TBRA Program Statement and a public hearing to be held on August 9, 2017</td>
</tr>
<tr>
<td>April 12, 2017</td>
<td>17-0595</td>
<td>The City Council authorized final adoption of Reprograming Budget No. 1 to the FY 2016-17 Action Plan for U.S. Department of Housing and Urban Development Grant Funds to use unspent prior year CDBG funds for the Major Systems Repair Program.</td>
</tr>
<tr>
<td>June 22, 2016</td>
<td>16-1066</td>
<td>The City Council authorize adoption of the FY 2016-17 HUD Consolidated Plan Budget for U.S. Department of Housing and Urban Development Grant Funds and adoption of the FY 2015-16 Reprogramming Budget</td>
</tr>
</tbody>
</table>
WHEREAS, on June 22, 2016, City Council authorize adoption of the FY 2016-17 HUD Consolidated Plan Budget for U.S. Department of Housing and Urban Development Grant Funds and adoption of the FY 2015-16 Reprogramming Budget by Resolution No. 16-1066; and

WHEREAS, on April 12, 2017, City Council authorized final adoption of Reprogramming Budget No. 1 to the FY 2016-17 Action Plan for U.S. Department of Housing and Urban Development Grant Funds to use unspent prior year CDBG funds for the Major Systems Repair Program by Resolution No.17-0595; and

WHEREAS, on June 14, 2017, City Council authorized preliminary adoption of Substantial Amendment No. 2 to the FY 2016-17 Action Plan, establishment of a TBRA Program Statement and a public hearing to be held on August 9, 2017, by Resolution No. 17-0992; and

WHEREAS, the City desires to assist displaced tenants as a result of the High Impact Landlord Initiative (HILI).

Now, Therefore,

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

SECTION 1. That the City Council is hereby authorized to (1) add a new HOME Tenant Based Rental Assistance (TBRA) Program activity and allocate $1,038,500 of HOME funds to the new activity; (2) adopt Substantial Amendment No. 2 to the FY 2016-17 Action Plan for the HOME Investment Partnerships Program (HOME); and (3) establish a TBRA Program Statement as described in Exhibit A to provide supplemental financial assistance to displaced tenants as a result of the HILI.

SECTION 2. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.
Exhibit A
TENANT BASED RENTAL ASSISTANCE (TBRA)
PROGRAM STATEMENT

Purpose
The purpose of this program is to provide supplemental financial assistance to displaced tenants as a result of the High Impact Landlord Initiative (HILI) to pay the difference between the cost of rent and the actual affordable amount that the tenant can pay.

Eligible Subsidy
Eligible costs include: Subsidy is based on the amount of the rent, household income and City rent standard in a form of a grant. Covered expenses include:

- Rent supplemental financial assistance
- Utility costs
- Security deposits
- Utility deposits
- Maximum assistance of 24 months
- May provide security deposit and utility deposit assistance upon exiting the program for a permanent unit

Eligible Unit
- The unit must pass a minimum housing standard inspection
- Unit must be in the city limits of Dallas
- Minimum of a one-year lease

Compliance
Staff will ensure that approved projects comply with federal regulations including eligibility, inspections, monitoring and reporting.

Other Criteria:
- Clients will receive a "coupon"
- Client renewals conducted annually
- Applications will be processed on a first come first serve basis
Authorize:

1. Adoption of a Substantial Amendment to the Five-Year Consolidated Plan to extend the covered period by one-year from September 20, 2018 to September 20, 2019.

Financing:

No cost consideration to the City.

Prior Actions:

- **Date:** October 2, 2017  
  **Resolution #:** N/A  
  The Economic Development and Housing Committee was briefed on the extended timeline needed to complete the Assessment of Fair Housing (AFH) due to revised housing and demographic data released from HUD and impact to Five-Year Consolidated Plan (Con Plan) timeline.

- **Date:** February 20, 2018  
  **Resolution #:** N/A  
  The Economic Development and Housing Committee and Government Performance & Financial Management Committee was briefed on the release of unobligated funds from their originally budgeted purposes for future reprogramming in conjunction with the FY 2018-19 Con Plan.

- **Date:** May 23, 2018  
  **Resolution #:** 18-0772  
  The City Council approved an amendment to the five-year Consolidated Plan and authorized a public hearing.

- **Date:** June 13, 2018  
  **Resolution #:** 18-0874  
  The City Council held a public hearing to receive comments on the Proposed Substantial Amendment to the five-year Consolidated Plan.
WHEREAS, HUD approved the City's request to extend the period covered by the current five-year Consolidated Plan from September 30, 2018 to September 30, 2019; and

WHEREAS, the Community Development Commission (CDC) and City staff conducted sixteen meetings during January and February 2018 that provided the public opportunities to participate in identifying needs and to comment on the potential uses of U. S. Department of Housing and Urban Development (HUD) Grant Funds; and

WHEREAS, on April 5, 2018, the CDC was briefed on the City Manager's Proposed FY 2018-19 HUD Consolidated Plan Budget, CDC Committees held meetings in April 2018 to review the proposed budget; and

WHEREAS, on May 3, 2018, the CDC concurred with the City Manager’s proposed budget with one exception. The CDBG housing activities category and the HOME grant were not included in the CDC’s vote. The City Manager’s proposed budget did not include funding recommendations for specific programs in the CDBG housing activities category and the HOME grant pending Council approval of the Housing Policy. The City Council approved the Housing Policy on May 9, 2018; and

WHEREAS, on May 14, 2018, the CDC held a special call meeting to review and vote on the City Manager’s proposed budget recommendations for programs in the CDBG housing activities category and the HOME grant; and

WHEREAS, on May 21, 2018, the Economic Development & Housing Committee; the Human & Social Needs Committee; and the Government Performance & Financial Management Committee were briefed on the City Manager’s Proposed FY 2018-19 HUD Consolidated Plan Budget, FY 2017-18 Reprogramming Budget, and the CDC’s recommendations; and

WHEREAS, on May 23, 2018, City Council approved preliminary adoption of the Proposed FY 2018-19 HUD Consolidated Plan Budget, the Proposed FY 2017-18 Reprogramming Budget, an amendment to the five-year Consolidated Plan and authorized a public hearing by Resolution No. 18-0772; and

WHEREAS, on June 6, 2018, the Proposed FY 2018-19 HUD Consolidated Plan Budget was included in the City Council briefing agenda; and

WHEREAS, the grant funds include: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA); and
WHEREAS, a summary of the Proposed FY 2018-19 HUD Consolidated Plan Budget was published in the Dallas Morning News on May 27, 2018 to provide citizens an opportunity to submit written comments through June 26, 2018; and

WHEREAS, Federal regulations require that a public hearing be held on the City's Proposed FY 2018-19 HUD Consolidated Plan Budget, the Proposed FY 2017-18 Reprogramming Budget, and the amendment to the five-year Consolidated Plan; and

WHEREAS, on June 13, 2018, City Council held a public hearing to receive comments on the Proposed FY 2018-19 HUD Consolidated Plan Budget, the Proposed FY 2017-18 Reprogramming Budget, and the amendment to the five-year Consolidated Plan.

Now, Therefore,

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

SECTION 1. That the final adoption of the FY 2018-19 HUD Consolidated Plan Budget and the Proposed FY 2017-18 Reprogramming Budget be approved per Schedule A, and the amendment to the five-year Consolidated Plan be approved.

SECTION 2. That the City Manager is hereby authorized to apply for, accept, and take actions to implement HUD grant numbers B-18-MC-48-0009 (CDBG - $16,285,163, which includes $1,475,000 in program income), M-18-MC-48-0203 (HOME - $6,886,901, which includes $1,000,000 program income), E-18-MC-48-0009 (ESG - $1,203,874), and TXH18-F001 (HOPWA - $6,645,116) in the amount of $31,021,054 and be authorized to execute the contracts and grant agreements with HUD and all documents related to the execution of the grants, approved as to form by the City Attorney.

SECTION 3. That the City Manager is hereby authorized to establish FY 2018-19 appropriations as follows:

- Community Development Block Grant Program in Fund CD18 up to the amount of $16,060,163 consisting of the entitlement grant of $14,810,163, and estimated program income of $1,250,000 to be returned to the City as set forth in the attached Schedule B, effective October 1, 2018.

- HOME Investment Partnerships Program in Fund HM18 up to the amount of $6,886,901 consisting of the entitlement grant of $5,886,901 and estimated program income of $1,000,000 to be returned to the City as set forth in the attached Schedule B, effective October 1, 2018.
SECTION 3. (continued)

- Emergency Solutions Grant in Fund ES18 up to the amount of $1,203,874 as set forth in the attached Schedule B, effective October 1, 2018.

- Housing Opportunities for Persons with AIDS in Fund HW18 up to the amount of $6,645,116 as set forth in the attached Schedule B, effective October 1, 2018.

SECTION 4. That the revolving loan program income generated by the business loan program, estimated to be $225,000 for FY 2018-19, as set forth in Schedule B, be retained by sub-recipient to carry out Community Development eligible activities in accordance with HUD requirements and upon written approval by the responsible City of Dallas departments.

SECTION 5. That the Chief Financial Officer is hereby authorized to receive funds up to the amounts set forth in the attached Schedule C.

SECTION 6. That the Chief Financial Officer is hereby authorized to disburse funds up to the amounts set forth in the attached Schedule B.

SECTION 7. That the City Manager be authorized to transfer HUD grant funds between projects and individual object codes and/or categories in accordance with HUD regulations and the City’s Citizen Participation Plan.

SECTION 8. That the City Manager be authorized to release funds in the amount of $3,323,870 as shown in the attached Schedule D from their originally budgeted purposes, schedule them for reprogramming in accordance with required rules and procedures, and establish FY 2017-18 Reprogramming appropriations in Fund 17RP in the amount of $3,323,870 as set forth in the attached Schedule B, effective October 1, 2018.

SECTION 9. That the City Manager is hereby authorized to reimburse to HUD any expenditures identified as ineligible.

SECTION 10. That the City Manager shall notify the appropriate City Council Committee of expenditures identified as ineligible not later than 30 days after the reimbursement.

SECTION 11. That the City Manager shall keep the appropriate City Council Committee informed of all final HUD audit reports not later than 30 days after the receipt of the reports.
SECTION 12. That the City Manager be authorized to provide additional information and make adjustments to take other actions relating to these budgets as may be necessary in order to satisfy HUD requirements.

SECTION 13. That the Community Development Block Grant from the U.S. Department of Housing and Urban Development (Grant No. B-18-MC-48-0009 and CFDA No. 14.218) is designated as Contract No. BMS-2018-00006577.

SECTION 14. That the HOME Investment Partnerships Program Grant from the U.S. Department of Housing and Urban Development (Grant No. M-18-MC-48-0203 and CFDA No. 14.239) is designated as Contract No. BMS-2018-00006579.

SECTION 15. That the Emergency Solutions Grant from the U.S. Department of Housing and Urban Development (Grant No. E-18-MC-48-0009 and CFDA No. 14.231) is designated as Contract No. BMS-2018-00006581.

SECTION 16. That the Housing Opportunities for Persons with AIDS Grant from the U.S. Department of Housing and Urban Development (Grant No. TXH18-F001 and CFDA No. 14.241) is designated as Contract No. BMS-2018-00006582.

SECTION 17. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.
# SCHEDULE A
## FY 2018-19 HUD CONSOLIDATED PLAN BUDGET

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>CDBG - Public Services</strong></td>
<td></td>
</tr>
<tr>
<td>1 After-School/Summer Program</td>
<td>$589,708</td>
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<tr>
<td>2 Child Care Services Program</td>
<td>488,826</td>
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<tr>
<td><strong>Youth Programs Sub-Total</strong></td>
<td>1,078,534</td>
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<tr>
<td>3 Senior Services Program</td>
<td>273,962</td>
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<tr>
<td><strong>Senior Services Sub-Total</strong></td>
<td>273,962</td>
</tr>
<tr>
<td>4 Community Court Program</td>
<td>713,126</td>
</tr>
<tr>
<td><strong>Other Public Services Sub-Total</strong></td>
<td>713,126</td>
</tr>
<tr>
<td>5 Contract(s) with non-profits agencies</td>
<td>493,357</td>
</tr>
<tr>
<td><strong>Total CDBG - Public Services</strong></td>
<td>2,258,979</td>
</tr>
<tr>
<td><strong>CDBG - Housing Activities</strong></td>
<td></td>
</tr>
<tr>
<td>6 Dallas Homebuyer Assistance Program</td>
<td>2,500,000</td>
</tr>
<tr>
<td><strong>Homeownership Opportunities Sub-Total</strong></td>
<td>2,500,000</td>
</tr>
<tr>
<td>7 Home Improvement and Preservation/SF Program</td>
<td>4,617,433</td>
</tr>
<tr>
<td>8 Home Improvement and Preservation/MF Program</td>
<td>1,978,900</td>
</tr>
<tr>
<td>9 Support for Home Improvement and Preservation Program</td>
<td>1,771,344</td>
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<tr>
<td><strong>Homeowner Repair Sub-Total</strong></td>
<td>8,367,677</td>
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<tr>
<td><strong>Total CDBG - Housing Activities</strong></td>
<td>10,867,677</td>
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<tr>
<td><strong>CDBG - Economic Development</strong></td>
<td></td>
</tr>
<tr>
<td>10 Business Loan Program (Program Income)</td>
<td>225,000</td>
</tr>
<tr>
<td><strong>Total CDBG - Economic Development</strong></td>
<td>225,000</td>
</tr>
<tr>
<td><strong>CDBG - Public Improvements</strong></td>
<td></td>
</tr>
<tr>
<td>11 Public Facilities and Improvements</td>
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</tr>
<tr>
<td><strong>Total CDBG - Public Improvement</strong></td>
<td>3,419,373</td>
</tr>
</tbody>
</table>
### SCHEDULE A
FY 2018-19 HUD CONSOLIDATED PLAN BUDGET

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CDBG - Fair Housing and Planning &amp; Program Oversight</strong></td>
<td></td>
</tr>
<tr>
<td>12 Fair Housing Enforcement</td>
<td>743,830</td>
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<tr>
<td>13 Citizen Participation/CDC Support/HUD Oversight</td>
<td>801,626</td>
</tr>
<tr>
<td>14 Community Care Management Support</td>
<td>270,518</td>
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<tr>
<td>15 Housing Management Support</td>
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<td><strong>Total CDBG - Fair Housing and Planning &amp; Program Oversight</strong></td>
<td>2,838,005</td>
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<tr>
<td><strong>TOTAL COMMUNITY DEVELOPMENT BLOCK GRANT</strong></td>
<td>19,609,033</td>
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</table>

### HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>16 CHDO Development Loan Program</td>
<td>885,000</td>
</tr>
<tr>
<td>17 HOME Program Administration</td>
<td>688,600</td>
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<tr>
<td>18 Dallas Homebuyer Assistance Program</td>
<td>767,129</td>
</tr>
<tr>
<td>19 Housing Development Loan Program /For Sale Program</td>
<td>2,454,933</td>
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<tr>
<td>20 Housing Development Loan Program/ Rental Program</td>
<td>2,091,239</td>
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<tr>
<td><strong>Homeownership Opportunities Sub-Total</strong></td>
<td>6,886,901</td>
</tr>
<tr>
<td><strong>TOTAL HOME INVESTMENT PARTNERSHIP PROGRAM</strong></td>
<td>6,886,901</td>
</tr>
</tbody>
</table>

### EMERGENCY SOLUTIONS GRANT (ESG)

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>21 Emergency Shelter</td>
<td>570,854</td>
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<tr>
<td>22 Street Outreach</td>
<td>71,585</td>
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<tr>
<td><strong>Essential Services/Operations Sub-Total</strong></td>
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<tr>
<td>23 Homelessness Prevention</td>
<td>80,261</td>
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<td><strong>Homeless Prevention Sub-Total</strong></td>
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<tr>
<td>24 Rapid Re-Housing</td>
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<tr>
<td><strong>Rapid Re-Housing Sub-Total</strong></td>
<td>366,654</td>
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<tr>
<td>25 HMIS Data Collection</td>
<td>25,000</td>
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<tr>
<td><strong>HMIS Data Collection Sub-Total</strong></td>
<td>25,000</td>
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<tr>
<td>26 ESG Administration</td>
<td>89,520</td>
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<td><strong>Program Administration Sub-Total</strong></td>
<td>89,520</td>
</tr>
<tr>
<td><strong>TOTAL EMERGENCY SOLUTIONS GRANT</strong></td>
<td>1,203,874</td>
</tr>
</tbody>
</table>
# Schedule A

**FY 2018-19 HUD Consolidated Plan Budget**

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)</strong></td>
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</tr>
<tr>
<td>27 Emergency/Tenant Based Rental Assistance/Financial Assistance</td>
<td>3,766,134</td>
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<tr>
<td>28 Facility Based Housing</td>
<td>2,040,000</td>
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<tr>
<td>29 Housing Placement &amp; Other Support Services</td>
<td>228,625</td>
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<tr>
<td>30 Housing Information/Resource Identification</td>
<td>151,212</td>
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<td><strong>Other Public Services Sub-Total</strong></td>
<td>6,185,971</td>
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<tr>
<td>31 Program Administration/City of Dallas</td>
<td>186,265</td>
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<td>32 Program Administration/Project Sponsors</td>
<td>272,880</td>
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<td><strong>Program Administration Sub-Total</strong></td>
<td>459,145</td>
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<tr>
<td><strong>TOTAL HOUSING OPPORTUNITIES FOR PERSONS W/ AIDS</strong></td>
<td>6,645,116</td>
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<tr>
<td><strong>GRAND TOTAL HUD CONSOLIDATED PLAN BUDGET</strong></td>
<td>$34,344,924</td>
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# SCHEDULE B
## FY 2018-19 HUD CONSOLIDATED PLAN BUDGET
### APPROPRIATIONS AND ORGANIZATIONAL HIERARCHY

<table>
<thead>
<tr>
<th>FUND</th>
<th>DEPT.</th>
<th>COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)</th>
<th>ADOPTED BUDGET</th>
<th>UNIT 1</th>
<th>UNIT 2</th>
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<tbody>
<tr>
<td>CD18</td>
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<td><strong>City Attorney's Office</strong></td>
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<td></td>
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<td>Community Court Program</td>
<td>713,126</td>
<td>CDAT</td>
<td>804G</td>
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<tr>
<td></td>
<td>ATT</td>
<td>South Dallas/Fair Park Community Court</td>
<td>247,413</td>
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<td>ATT</td>
<td>South Oak Cliff Community Court</td>
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<td>803C</td>
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<td>ATT</td>
<td>West Dallas Community Court</td>
<td>221,856</td>
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<td>804C</td>
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<td>ECO</td>
<td>Business Loan Program (Program Income)</td>
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<td>N/A</td>
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<td><strong>Housing &amp; Neighborhood Revitalization</strong></td>
<td>10,721,882</td>
<td>CDHO</td>
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<td></td>
<td>HOU</td>
<td>Dallas Homebuyer Assistance Program</td>
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<td>805C</td>
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<td></td>
<td>HOU</td>
<td>Home Improvement and Preservation/SF Program (HIPP)</td>
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<td>806C</td>
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<td>HOU</td>
<td>Home Improvement and Preservation/MF Program (HIPP)</td>
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<td></td>
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<td><strong>EMERGENCY SOLUTIONS GRANT (ESG)</strong></td>
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<td><strong>HOUSING OPPORTUNITIES FOR PERSONS W/AIDS (HOPWA)</strong></td>
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<td>Emergency/Tenant Based Rental Assistance/Financial Assistance</td>
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<td><strong>FY 2017-2018 CDBG REPROGRAMMING</strong></td>
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<td>HOU</td>
<td>Home Improvement and Preservation/SF Program (HIPP)</td>
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**CONSOLIDATED PLAN TOTAL** $34,344,924
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<th>SOURCE OF FUNDS</th>
<th>Amount</th>
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<tr>
<td>Community Development Block Grant (CDBG)</td>
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<td>Program Income - Housing Activities (estimated)</td>
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<td>Program Income - Sub-Recipient Retained (estimated)</td>
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<td><strong>CDBG Sub-Total</strong></td>
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<td><strong>CDBG Total</strong></td>
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<td>Home Investment Partnerships Program (HOME)</td>
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<td>Program Income (estimated)</td>
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<td>Emergency Solutions Grant (ESG)</td>
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<tr>
<td>Housing Opportunities for Persons With AIDS (HOPWA)</td>
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<td><strong>GRAND TOTAL HUD GRANT FUNDS</strong></td>
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## SCHEDULE D
**SOURCE OF FUNDS FOR FY 2017-18 REPROGRAMMING**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tr>
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<td><strong>Total FY 2010-11</strong></td>
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<td>BAC #1 Maple Ave Greater Dallas Hispanic Chamber of Commerce</td>
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<td><strong>Total FY 2015-16</strong></td>
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<td>South Oak Cliff Community Court</td>
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<td>West Dallas Community Court</td>
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<td>Neighborhood Investment Program - Code Compliance</td>
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<td>City Office of Senior Affairs</td>
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<td>Housing Assistance Support</td>
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<td><strong>Total FY 2016-17</strong></td>
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<td><strong>TOTAL CDBG REPROGRAMMING</strong></td>
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AGENDA ITEM # 94

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: June 27, 2018

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Office of Budget

CMO: Elizabeth Reich, 670-7804

MAPSCO: N/A

SUBJECT

Authorize (1) final adoption of the FY 2018-19 HUD Consolidated Plan Budget for U.S. Department of Housing and Urban Development (HUD) Grant Funds in an estimated amount of $31,021,054 for the following programs and estimated amounts: (a) Community Development Block Grant in the amount of $14,810,163; (b) HOME Investment Partnerships Program in the amount of $5,886,901; (c) Emergency Solutions Grant in the amount of $1,203,874; (d) Housing Opportunities for Persons with AIDS in the amount of $6,645,116; and (e) estimated Program Income in the amount of $2,475,000; (2) preliminary adoption of the FY 2017-18 Reprogramming Budget in the amount of $3,323,870; and (3) an amendment to the five-year Consolidated Plan to extend the covered period by one year, from September 30, 2018 to September 30, 2019 - Financing: No cost consideration to the City

BACKGROUND

The City of Dallas receives four formula grants each year from the U.S. Department of Housing and Urban Development (HUD). The four grants make up the Consolidated Plan and consists of: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The purpose of CDBG is to develop viable urban communities by providing decent housing and a suitable living environment, and the expansion of economic opportunities. HOME funds provide, develop, support, produce, and expands the supply of decent and affordable housing. ESG funds help to prevent homelessness and assist individuals and families who are already homeless. HOPWA funds provide housing and supportive services to individuals with AIDS, persons who are HIV positive, and their family members.
BACKGROUND (continued)

The Assessment of Fair Housing is a critical component of the five-year Consolidated Plan. The City serves as the lead entity for a regional consortium of entitlement jurisdictions and public housing authorities in North Texas collaborating to submit a regional Assessment of Fair Housing (AFH). The original deadline for submission of the regional assessment was January 4, 2018. According to HUD rules, the AFH was required to be submitted no less than 270 days before the new five-year Consolidated Plan. HUD created an assessment tool that local governments and any collaborating program participants must use to conduct and submit an assessment. On July 20, 2017, HUD issued updated data for the maps and tables in the Affirmatively Furthering Fair Housing Data and Mapping Tool (AFFH-T). The City of Dallas needed additional time to incorporate HUD’s updated AFFH-T into its analysis. In November 2017, the City of Dallas submitted a request to HUD for approval of a one-year extension to the five-year period covered by the City of Dallas’ approved Consolidated Plan. The current Consolidated Plan covered the period of October 1, 2013 through September 30, 2018. HUD approved the City’s request to extend the period covered by the Consolidated Plan to September 30, 2019. Following HUD’s approval, an amendment to the five-year Consolidated Plan is required to extend the covered period from September 30, 2018 to September 30, 2019.

In collaboration with the Fair Housing & Human Rights Office, the Community Development Commission (CDC) and City staff, conducted a total of sixteen public meetings. These meetings provided the public opportunities to participate in identifying community needs, comment on the potential uses of HUD Grant Funds, be notified of the one-year extension for the five-year Consolidated Plan and provide input into development of the AFH.

Public meetings were held as follows:

January 4, 2018 - Dallas City Hall
January 9, 2018 - Martin Luther King, Jr. Community Center
January 9, 2018 - Jaycee Zaragoza Recreation Center
January 11, 2018 - Tommie Allen Recreation Center
January 16, 2018 - Timberglen Recreation Center
January 18, 2018 - On-line Virtual Meeting
January 23, 2018 - Highland Hills Branch Library
January 23, 2018 - Continuum of Care (CoC)
January 25, 2018 - Willie B. Johnson Recreation Center
January 29, 2018 - West Dallas Multipurpose Center
January 31, 2018 - Audelia Road Library
February 6, 2018 - Juanita J. Craft Recreation Center
February 8, 2018 - Highland Hills Branch Library
February 13, 2018 - Renner Frankford Library
February 14, 2018 - Ryan White Planning Council
February 20, 2018 - Pleasant Oaks Recreation Center
BACKGROUND (continued)

Federal regulations and the City's Citizen Participation Plan require a public hearing to receive comments. This budget was made available for public review and comment from May 24, 2018 - June 26, 2018. A public hearing was held on June 13, 2018.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 2, 2017, the Economic Development and Housing Committee was briefed on the extended timeline needed to complete the Assessment of Fair Housing (AFH) due to revised housing and demographic data released from HUD. The Committee was also made aware of how the AFH delay would impact timeline for development of the next Five-Year Consolidated Plan.

On February 20, 2018, the Economic Development and Housing Committee and the Government Performance & Financial Management Committee were briefed on the release of unobligated funds from their originally budgeted purposes for future reprogramming in conjunction with the FY 2018-19 Consolidated Plan Budget.

On February 28, 2018, City Council authorized the release of unobligated funds from their originally budgeted purposes for future reprogramming in conjunction with the FY 2017-18 Consolidated Plan Budget by Resolution No. 18-0343.

On April 5, 2018, the CDC was briefed on the City Manager’s Proposed FY 2018-19 HUD Consolidated Plan Budget and the CDC held meetings in April 2018 to review the proposed budget.

On May 3, 2018, the CDC concurred with the City Manager’s proposed budget with one exception. The CDBG housing activities category and the HOME grant were not included in the CDC’s vote. The City Manager’s proposed budget did not include funding recommendations for specific programs in the CDBG housing activities category and the HOME grant pending Council approval of the Housing Policy. The City Council approved the Housing Policy on May 9, 2018.

On May 14, 2018, the CDC held a special called meeting to review and vote on the City Manager’s proposed budget recommendations for programs in the CDBG housing activities category and the HOME grant.

On May 21, 2018, the Economic Development and Housing Committee; the Human and Social Needs Committee; and the Government Performance & Financial Management Committee were briefed on the Proposed FY 2018-19 HUD Consolidated Plan Budget and the CDC’s recommendation.
PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (continued)

On May 23, 2018, City Council approved preliminary adoption of the Proposed FY 2018-19 HUD Consolidated Plan Budget, the Proposed FY 2016-17 Reprogramming Budget, an amendment to the five-year Consolidated Plan and authorized a public hearing by Resolution No. 18-0772.

On June 6, 2018, the Proposed FY 2018-19 HUD Consolidated Plan Budget was included on the City Council briefing agenda to discuss any Council amendments and conduct straw votes. No amendments were proposed.

On June 13, 2018, City Council held a public hearing to receive comments on the Proposed FY 2018-19 HUD Consolidated Plan Budget.

FISCAL INFORMATION

Proposed FY 2018-19 HUD Consolidated Plan Budget:

CDBG:  $14,810,163  2018-19 Entitlement
       $  1,250,000  Program Income (estimate includes one-time funds)
       $    225,000  Program Income - Retained by Sub-Recipient (estimate)
               $16,285,163

HOME:  $ 5,886,901  2018-19 Entitlement
       $  1,000,000  Program Income (estimate)
               $ 6,886,901

ESG:   $  1,203,874  2018-19 Entitlement

HOPWA: $ 6,645,116  2018-19 Entitlement
       $31,021,054  Total FY 2018-19 HUD Consolidated Plan Budget

FY 2016-17 Reprogramming Budget:

$ 3,323,870  Unobligated funds in FY 2016-17 and prior years
Authorize:

1. Adoption of a Substantial Amendment of Reprogramming Budget No. 1, to establish appropriations in the amount of $10,635,284 in the FY 2018-19 CDBG Reprogramming No. 1 Fund.

Financing:

$2,883,673 from Unspent Prior Year CDBG Funds
$7,751,611 from 2017 and 2018 Reconstruction/Rehabilitation Funds
$9,849,178 to 2018 NOFA (FY 2018-19 Residential Housing Development)
$786,106 to Mingo/Beall Street Improvement Project

Prior Actions:

Date: August 18, 1993  Resolution #: 93-3001  The City Council authorized to establish specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) Funds.

Date: March 28, 2007  Resolution #: 01-0992  The City Council authorized to enhance the City’s existing expenditure policy with additional benchmarks.

Date: January 3, 2019  Resolution #: N/A  The Community Development Commission was briefed and recommended extending and reprogramming of the CDBG project funds.

Date: February 4, 2019  Resolution #: 18-0874  The Economic Development & Housing Committee was briefed on the need to maintain ongoing compliance with HUD’s timely expenditure policy and proposed Reprogramming No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan to use unspent prior year CDBG funds along with funds previously budgeted in the reconstruction/rehabilitation category for the 2018 NOFA.

Date: February 27, 2019  Resolution #: 19-0323  The City Council authorized (1) preliminary adoption of Reprogramming Budget No. 1. To the FY 2018-19 Action Plan; and (2) a public hearing to be held on April 10, 2019 to receive comments on Reprogramming Budget No. 1 to the FY 2018-19 Action Plan.
MISCELLANEOUS HEARINGS

Item 73: A public hearing to receive comments on the adoption of Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan to: (a) use unspent prior year Community Development Block Grant funds in the total amount of $2,883,673, as follows: $2,097,567 to be used for the Housing and Neighborhood Revitalization, 2018 Notice of Funding Availability (2018 NOFA) and $786,106 to be used for the Mingo/Beall Street Improvement project; (b) reclassify $7,751,611 allocated for the 2018 NOFA from the reconstruction and rehabilitation category to the land acquisition category to allow for acquisition of land for residential purposes; (c) addition of the Residential Housing Development Program to the FY 2018-19 Action Plan; and (d) the use of funds for the Residential Housing Development Program; and at the close of the public hearing, authorize: (1) final adoption of Reprogramming Budget No.1 (Substantial Amendment No. 1); and (2) the establishment of appropriations in the total amount of $10,635,284 - Financing: FY 2018-19 CDBG Reprogramming No. 1 Funds ($10,635,284)

No one addressed the city council on the item.

Councilmember Gates moved to close the public hearing and adopt the item.

Motion seconded by Councilmember Griggs and unanimously adopted. (Arnold absent when vote taken; **Rawlings absent)

**Absent on “Official City Business” per Section 4.11 (b)(1) of the City Council Rules of Procedure.
WHEREAS, on August 18, 1993, Resolution No. 93-3001 established specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) funds; and

WHEREAS, on March 28, 2007, Resolution No. 07-0992 enhanced the City’s existing expenditure policy with additional benchmarks; and

WHEREAS, at the discretion of the City Council, the timeframes may be extended for obligating and expending CDBG funded activities; and

WHEREAS, the Community Development Commission (CDC) Financial Monitoring/Performance Standards Committee met on December 19, 2018 and on January 3, 2019, to review and make recommendations to the City Manager’s proposed extensions and reprogramming of CDBG funds and made one amendment that removed one project from the extension list to the reprogramming list in the amount of $786,106; and

WHEREAS, on January 3, 2019, the CDC reviewed and approved the CDC Financial Monitoring/Performance Standards Committee’s recommendation. Unspent funds remaining in 14 projects recommended for extension for a total of $1,448,667 and unspent funds remaining in 20 projects recommended for reprogramming for a total of $2,883,673; and

WHEREAS, on February 4, 2019, the Economic Development & Housing Committee was briefed on the need to maintain ongoing compliance with HUD’s timely expenditure policy and proposed Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan to use unspent prior year CDBG funds in the amount of $2,883,673 along with funds previously budgeted in the reconstruction/rehabilitation category in the amount of $7,751,611 (total amount of $10,635,284) for the Housing and Neighborhood Revitalization, 2018 Notice of Funding Availability (2018 NOFA); and

WHEREAS, on February 27, 2019, City Council authorized (1) preliminary adoption of Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan to: (a) use unspent prior year CDBG funds in the total amount of $2,883,673 as follows: $2,097,567 to be used for the Housing and Neighborhood Revitalization, 2018 Notice of Funding Availability (2018 NOFA) and $786,106 to be used for the Mingo/Beall Street Improvement project; (b) reclassify $7,751,611 allocated for the 2018 NOFA from the reconstruction and rehabilitation category to the land acquisition category to allow for acquisition of land for residential purposes; and (c) addition of the Residential Housing Development Program to the FY 2018-19 Action Plan; and (2) a public hearing to be held on April 10, 2019 to receive comments on Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan, by Resolution No. 19-0323.
Now, Therefore,

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

SECTION 1. That the City Council authorizes (1) final adoption of Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan to: (a) use unspent prior year CDBG funds in the total amount of $2,883,673, as follows: $2,097,567 to be used for the Housing and Neighborhood Revitalization, 2018 NOFA and $786,106 to be used for the Mingo/Beall Street Improvement project; (b) reclassify $7,751,611 allocated for the 2018 NOFA from the reconstruction and rehabilitation category to the land acquisition category to allow for acquisition of land for residential purposes; and (c) addition of the Residential Housing Development Program to the FY 2018-19 Action Plan; and (2) the use of funds for the Residential Housing Development Program.

SECTION 2. That the City Manager is hereby authorized to establish appropriations in the amount of $10,635,284 in the FY 2018-19 CDBG Reprogramming No. 1 Fund as follows:

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<th>Fund</th>
<th>Department</th>
<th>Unit</th>
<th>Amount</th>
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<tbody>
<tr>
<td>18R1</td>
<td>HOU</td>
<td>870C</td>
<td>$786,106</td>
</tr>
<tr>
<td>18R1</td>
<td>HOU</td>
<td>871C</td>
<td>$9,849,178</td>
</tr>
</tbody>
</table>

SECTION 3. That the Chief Financial Officer is hereby authorized to receive and deposit grant funds in the amount of $10,635,284 in the FY 2018-19 CDBG Reprogramming No. 1 Fund, Fund 18R1, Department HOU, Revenue Code 6515.

SECTION 4. That the Chief Financial Officer is hereby authorized to disburse funds in the amount of $10,635,284 from the following appropriations:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Department</th>
<th>Unit</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>18R1</td>
<td>HOU</td>
<td>870C</td>
<td>$786,106</td>
</tr>
<tr>
<td>18R1</td>
<td>HOU</td>
<td>871C</td>
<td>$9,849,178</td>
</tr>
</tbody>
</table>

SECTION 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.
A public hearing to receive comments on the adoption of Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan to: (a) use unspent prior year Community Development Block Grant funds in the total amount of $2,883,673, as follows: $2,097,567 to be used for the Housing and Neighborhood Revitalization, 2018 Notice of Funding Availability (2018 NOFA) and $786,106 to be used for the Mingo/Beall Street Improvement project; (b) reclassify $7,751,611 allocated for the 2018 NOFA from the reconstruction and rehabilitation category to the land acquisition category to allow for acquisition of land for residential purposes; (c) addition of the Residential Housing Development Program to the FY 2018-19 Action Plan; and (d) the use of funds for the Residential Housing Development Program; and at the close of the public hearing, authorize: (1) final adoption of Reprogramming Budget No. 1 (Substantial Amendment No. 1); and (2) the establishment of appropriations in the total amount of $10,635,284 - Financing: FY 2018-19 CDBG Reprogramming No. 1 Funds ($10,635,284)

BACKGROUND

On August 18, 1993, Resolution No. 93-3001 established specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) funds. Funds are to be obligated within 12 months and expended within 24 months of budget adoption. On March 28, 2007, Resolution No. 07-0992, enhanced the City’s existing expenditure policy with additional benchmarks. Additional time to obligate and expend funds may be granted by City Council.

Timely expenditure of CDBG funds by entitlement cities continues to be a primary concern of the U.S. Department of Housing and Urban Development (HUD). HUD requires that cities expend CDBG funds so that at least 60 days prior to the start of a new program year, the unexpended balance of CDBG funds should be less than 1.5 times the cities’ CDBG allocation amount for the current year.

When the 60-day test was conducted on August 2, 2018, the City had a balance of $20,014,279 in its line of credit, which is equivalent to 1.497 times its FY 2017 entitlement grant, and just under the 1.5 threshold. However, because the City had $886,774 in program income in HUD’s Integrated
Disbursement and Information System on August 2, 2018, it failed the second test. Adjusted to include program income, the City's line of credit balance was $20,946,320 on August 2, 2018, which represents 1.57 equivalent grant years.

Because the City was above HUD's required limit for the second test, the City was required to develop a workout plan for the FY 2018-19 program year. The workout plan was submitted to HUD on December 12, 2018, and included anticipated expenditures resulting from the 2018 NOFA to return the program to full compliance with the timeliness standard.

For FY 2018-19, a review of the projects based on the timely expenditure policy (including the benchmarks), identified unspent funds remaining in 15 projects recommended for extension for a total of $2,234,773 and unspent funds remaining in 19 projects recommended for reprogramming for a total of $2,097,568.

The Community Development Commission (CDC) Financial Monitoring/Performance Standards Committee met on December 19, 2018 and on January 3, 2019, to review and make recommendations to the City Manager's proposed extensions and reprogramming of CDBG funds and made one amendment. This amendment removed one project from the extension list to the reprogramming list in the amount of $786,106.

On January 3, 2019, the CDC reviewed and approved the CDC Financial Monitoring/Performance Standards Committee’s recommendation. Unspent funds remaining in 14 projects recommended for extension for a total of $1,448,667 and unspent funds remaining in 20 projects recommended for reprogramming for a total of $2,883,673.

On February 4, 2019, the City Council's Economic Development and Housing (EDH) Committee was briefed on the FY 2018-19 CDBG Extensions and Reprogramming recommendations. The EDH Committee approved the CDBG Extensions and Reprogramming as recommended by the CDC to be used for the 2018 NOFA.

The briefing to the EDH Committee also included a recommendation for $7,751,611 in CDBG funds allocated to the 2018 NOFA, to be reclassified from the reconstruction and rehabilitation category to the land acquisition category to allow for acquisition of land for residential purposes for projects that have been awarded through the 2018 NOFA process.

Funding for the 2018 NOFA included CDBG funds that were budgeted to the Housing and Neighborhood Revitalization Department in previous years and limited to reconstruction and rehabilitation. The City’s new Housing Policy adopted in May 2018 directed the allocation of funds for housing purposes to be conducted for the deployment of Notices of Funding Availability or Requests for Applications.

On February 27, 2019, City Council authorized (1) preliminary adoption of Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan to: (a) use unspent prior year CDBG funds in the total amount of $2,883,673 as follows: $2,097,567 to be used for the Housing and Neighborhood Revitalization, 2018 Notice of Funding Availability (2018 NOFA) and $786,106 to be used for the Mingo/Beall Street Improvement project; (b) reclassify $7,751,611 allocated for the 2018 NOFA from the reconstruction and rehabilitation category to the land acquisition category to allow for
acquisition of land for residential purposes; and (c) addition of the Residential Housing Development Program to the FY 2018-19 Action Plan; and (2) a public hearing to be held on April 10, 2019 to receive comments on Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan by Resolution No. 19-0323.

**Source of Funds:**
Reprogramming Budget No. 1 (Substantial Amendment No. 1) $10,635,284
- Unspent Prior Year CDBG Funds - $2,883,673
- 2017 and 2018 Reconstruction/Rehabilitation Funds - $7,751,611

**Use of Funds:**
Reprogramming Budget No. 1 (Substantial Amendment No. 1) $10,635,284
- 2018 NOFA (FY 2018-19 Residential Housing Development) - $9,849,178
- Mingo/Beall Street Improvement project - $786,106

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

On August 18, 1993, City Council authorized to establish specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) Funds by Resolution No. 93-3001.

On March 28, 2007, City Council authorized to enhance the City’s existing expenditure policy with additional benchmarks by Resolution No. 07-0992.

On January 3, 2019, the Community Development Commission was briefed and recommended extending and reprogramming of the CDBG project funds.

On February 4, 2019, the Economic Development & Housing Committee was briefed on the need to maintain ongoing compliance with HUD’s timely expenditure policy and proposed Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan to use unspent prior year CDBG funds in the amount of $2,883,673 along with funds previously budgeted in the reconstruction/rehabilitation category in the amount of $7,751,611 (total amount of $10,635,284) for the 2018 NOFA.

On February 27, 2019, City Council authorized (1) preliminary adoption of Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan to: (a) use unspent prior year CDBG funds in the total amount of $2,883,673 as follows: $2,097,567 to be used for the Housing and Neighborhood Revitalization, 2018 Notice of Funding Availability (2018 NOFA) and $786,106 to be used for the Mingo/Beall Street Improvement project; (b) reclassify $7,751,611 allocated for the 2018 NOFA from the reconstruction and rehabilitation category to the land acquisition category to allow for acquisition of land for residential purposes; and (c) addition of the Residential Housing Development Program to the FY 2018-19 Action Plan; and (2) a public hearing to be held on April 10, 2019 to receive comments on Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan, by Resolution No. 19-0323.

**FISCAL INFORMATION**

FY 2018-19 CDBG Reprogramming No. 1 Funds - $10,635,284
Authorize:

1. Adoption of a Substantial Amendment of adopting an amendment to the Comprehensive Housing Policy, requiring an amendment to the City's Consolidated Plan due to DHAP and HIP program changes.

Financing:

No cost consideration to the City.

Prior Actions:

**Date:** May 9, 2018  
**Resolution #:** 18-0704  
The City Council adopted the Comprehensive Housing Policy (CHP), which included the Dallas Homebuyer Assistance Program (DHAP) and Housing Improvement and Preservation Program (HIPP).

**Date:** November 28, 2018  
**Resolution #:** 18-1680  
The City Council adopted amendments to the CHP, resolving program requirement inconsistencies, correct items inadvertently included or omitted from CHP.
Item 69: Authorize an amendment to the Comprehensive Housing Policy, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended to (1) amend and restate the Dallas Homebuyer Assistance Program (DHAP) to (a) change the loan terms to forgivable annually; (b) remove the Homebuyer Incentive Program; (c) change the applicant eligibility criteria and the eligible property criteria; (d) change the credit and underwriting standards; (e) change the terms of assistance; and (f) make the DHAP changes effective immediately; (2) amend and restate the Housing Improvement and Preservation Program (HIPP) Homeowner Program to (a) remove the Accessibility Grant Program; (b) add the Minor Home Repair Grant Program; (c) reframe/change Housing Reconstruction Program and Rehabilitation Program activities and requirements; (d) change the applicant eligibility requirements and the property eligibility requirements; (e) change the assistance level and the terms of assistance; (f) change the credit and underwriting standards; (g) change the eligible rehabilitation activities; (h) add relocation requirements; (i) change the mortgage and refinancing terms; (j) add administration of duties; and (k) make the HIPP changes effective October 1, 2019; and (3) amend and restate the HIPP Landlord Program to (a) change the applicant eligibility requirements and the property eligibility requirements; (b) change the assistance level and the terms of assistance; (c) change the credit and underwriting standards; (d) change the eligible activities; (e) add relocation requirements; (f) remove reconstruction as an eligible activity; (g) add mortgage and refinancing terms; (h) add administration of duties; (i) change the affordability period; and (j) make the HIPP Landlord Program changes effective October 1, 2019 - Financing: No cost consideration to the City.

Councilmember Atkins moved to adopt the item with the following change:

- To keep the current Homebuyer Incentive Program.

Motion seconded by Councilmember Thomas.

After discussion, Mayor Johnson called a vote and declared the item unanimously amended. (**Kleinman absent)

** Absent on city business per Section 4.11 (b)(1) of the City Council Rules of Procedure
WHEREAS, on May 9, 2018, City Council adopted the Comprehensive Housing Policy (CHP), including the Dallas Homebuyer Assistance Program (DHAP) and Housing Improvement and Preservation Program (HIPP) programs by Resolution No. 18-0704; and

WHEREAS, on November 28, 2018, City Council adopted amendments to the CHP that resolved inconsistencies in program requirements, corrected items that were inadvertently included in or omitted from the CHP and modified requirements that had created programmatic constraints by Resolution No. 18-1680; and

WHEREAS, certain program changes to DHAP and HIPP require an amendment to the City's Consolidated Plan. A public hearing for Substantial Amendment No. 2 to the City's Consolidated Plan will be held on June 26, 2019; and

WHEREAS, City Council must approve any addition to, alteration or deletion of a strategy, tool, or program in the CHP; and

WHEREAS, the City desires to provide homeownership and home repair opportunities for persons of low- and moderate-income and therefore, it is in the best interest of the City to adopt certain amendments to the CHP.

Now, Therefore,

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

SECTION 1. That the City Council hereby authorizes and adopts an amendment to the Comprehensive Housing Policy, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, attached hereto as (Exhibit A) to (1) amend and restate the Dallas Homebuyer Assistance Program to (a) change the loan terms to forgivable annually; (b) change the applicant eligibility criteria and the eligible property criteria; (c) change the credit and underwriting standards; and (d) change the terms of assistance; (2) amend and restate the Housing Improvement and Preservation Program (HIPP) Homeowner Program to (a) remove the Accessibility Grant Program; (b) add the Minor Home Repair Grant Program; (c) reframe/change Housing Reconstruction Program activities and requirements; (d) change the applicant eligibility requirements and the property eligibility requirements; (e) change the assistance level and the terms of assistance; (f) change the credit and underwriting standards; (g) change the eligible rehabilitation activities; (h) add relocation requirements; (i) change the mortgage and refinancing terms; and (j) add administration of duties; and (3) amend and restate the HIPP Landlord Program to (a) change the applicant eligibility requirements and the property eligibility requirements; (b) change the assistance level and the terms of assistance; (c) change the credit and underwriting standards; (d) change the eligible activities; (e) add relocation requirements; (f) remove reconstruction as an eligible activity; (g) add mortgage and refinancing terms; (h) add administration of duties; and (i) change the affordability period.
SECTION 2. That the approved changes to the DHAP Program are hereby made effective immediately, and the changes related to HIPP and the HIPP Landlord Program be made effective October 1, 2019 with the new fiscal year.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.
Comprehensive Housing Policy

City of Dallas
Department of Housing and Neighborhood Revitalization

Adopted by the Dallas City Council
May 9, 2018

Amended June 26, 2019
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BACKGROUND ON DEVELOPMENT OF THE POLICY

On March 12, 2017, the Dallas City Council Housing Committee established three goals for the development of a comprehensive strategy for housing: 1) Create and maintain available and affordable housing throughout Dallas, 2) Promote greater fair housing choices, and 3) Overcome patterns of segregation and concentrations of poverty through incentives and requirements.

In August 2017, the City of Dallas engaged The Reinvestment Fund to conduct a Market Value Analysis (MVA), which is an analytical tool used to assess the residential real estate market throughout the entire city to determine with granular detail where market strength, transition and stress exists. After briefing the City Council on the results of the MVA on January 17, 2018, eight (8) public town hall meetings were held to develop the recommendations presented here. The town hall topics were:

How Residential Development Gets Financed,
How to Reduce Development and Rehabilitation Costs,
How to Increase Access to Capital and Reduce Cost of Capital, and
Programs, Tools and Strategies for Increasing Housing Production.

Each town hall provided stakeholders an opportunity to understand the housing challenges from the perspective of the major stakeholders including: lenders, including foundations and government sources of finance; consumers and neighbors; developers, builders, and contractors; and regulatory officials, such as zoning, building inspections, and code enforcement. The town halls were held both in person and through virtual telephone communications that aired on Spectrum Channel 95 and streamed online. The in-person town halls had a combined participation of ninety-four (94) individuals, many of whom also participated in the virtual town hall meetings. The virtual telephone town halls had a total of 38,690 participants for all four (4) meetings, of which 10,000 participated in more than one town hall.

The outcome of public input helped shape the ten (10) policy recommendations presented to the Economic Development and Housing Committee (Committee) on March 19, 2018 and the strategies, tools and programs included in the Comprehensive Housing Policy.
CITY OF DALLAS PLANS

forwardDallas Comprehensive Plan

The forwardDallas! Plan is Dallas' first citywide comprehensive plan to serve as the policy basis for land development decisions in the City, through reference in the Dallas Development Code. The plan contains eight policy elements: Land Use, Economics, Housing, Transportation, Urban Design, Environment, and Neighborhoods. It provides guidance on important land development considerations related to land use, transportation and economic development. Shaped by extensive community engagement and adopted by City Council in 2006, it envisions a future Dallas built around the core values of:

- Access to good education
- A safe city
- A healthy environment
- Job growth through investment in Southern Dallas
- Convenient transportation through choices in how to get around
- Quality of life through diverse housing, recreational, cultural and educational opportunities

A key initiative of the forwardDallas! Plan was a focus on "Making Quality Housing More Accessible." The plan acknowledged that, within the regional context, Dallas has the greatest range of housing needs and problems. It recommended development of a housing strategy aimed at increasing home ownership, diversifying housing stock and providing more opportunities for affordable housing, while sustaining existing neighborhoods.

The forwardDallas! Comprehensive Plan can be found at http://dallascityhall.com/departments/pnv/strategic-planning/Pages/comprehensive-plan.aspx.

Neighborhood Plus Plan

Adopted in 2015, the Neighborhood Plus Plan is a citywide neighborhood revitalization plan intended to update the forwardDallas Housing and Neighborhood elements. The Neighborhood Plus plan focused on the six strategic goals of:

- Creating a Collective Impact Framework
- Alleviating Poverty
- Fighting Blight
- Attracting and Retaining the Middle Class
- Increasing Home Ownership
- Enhancing Rental Options.

The Neighborhood Plus recommended a holistic approach to neighborhood revitalization and community building that goes beyond production of a limited number of publicly subsidized housing units, to encompass neighborhood quality, safety, mobility and access to education, jobs and health care. The Neighborhood Plus Plan also called for a neighborhood by neighborhood approach to improving quality of life and established the basis for identifying target areas to focus neighborhood revitalization efforts.

Consolidated Plan Strategies
The Consolidated Plan is a five-year planning document required by HUD to carry out affordable housing and community development activities. City identified its priorities as follows:

Citizen Priority Ranking Survey
CDBG 2013-2018

Citizen Priority Ranking Survey
HOME 2013-2018
REINVESTMENT STRATEGY AREAS

The Housing Policy provides for tiered Reinvestment Strategy Areas to address three (3) market types in need of City investment:

**Redevelopment Areas:**
A redevelopment area is characterized by a known catalytic project that has submitted a request for funding that shows preliminary viability and will begin within the next 12 months. The project as proposed must contain a housing component and must address the existing market conditions as identified in the MVA and must demonstrate a level of housing production supported through a third-party independent market analysis and show affordability to a mix of income bands.

*Redevelopment Areas: Midtown, High Speed Rail, Wynnewood, and Red Bird.*

**Stabilization Areas:**
Stabilization areas are characterized as G, H, and I markets that are surrounded by A-E markets and as such are at risk of displacement based on known market conditions including upcoming redevelopment projects. These areas are also where Incentive Zoning and Accessory Dwelling Units should be focused to allow for increased density.


**Emerging Market Areas:**
These markets are characterized as areas in need of intensive environmental enhancements, master planning and formalized neighborhood organization. In order to facilitate the creation of mixed income developments, the City recommends seeking designation as Neighborhood Revitalization Strategy Areas (NRSA's) through HUD in order to prepare the area for real estate investments in a 3 to 5-year time frame and provide flexibility of use of funds without income qualifications. trust in local government and aid staff in assessing the need for strategic partnerships.

*Emerging Market Areas: Southern Gateway, Pleasant Grove, and University Hills.*
PRODUCTION GOALS AND INCOME BANDS TO BE SERVED

Dallas has a housing shortage of approximately 20,000 units. This shortage is driven by the cost of land and land development, labor and materials shortages, federal, state and local constraints, as well as, the single-family rental market which prevents equilibrium in the homeownership market. It is difficult to convert rental homes to homeownership because of the perception of the neighborhood, the condition of the housing stock once it’s been in the rental market for a period of time and because income-producing property in a tight market will not be released by landlords until returns are diminished. This shortage is consistent with the overall national trend following the 2009 housing bust. While the housing market has seen a steady but slow recovery, job growth in the Dallas metro area attracted a population growth of about 2.9% that outpaced the growth in the supply of housing. Much of the single-family housing inventory converted to rental following the 2009 bust while 60% or more of the home sales in the three (3) years following were in the price range below $249,999. In 2014 the housing market was in transition - the number home sales priced under $249,999 decreased to less than 40% of the market and by 2017 nearly 58% of home sales were priced between $300,000 and $1 million. According to the Real Estate Center at Texas A&M University, while the volume of homes in Dallas only grew by 3.6%, the median sales price in Dallas grew by 9.1% in 2017.

These market conditions have led to an increase in both rental rates and sales prices in the overall market and 6 out of 10 families in Dallas are housing cost burdened, meaning they spend more than 30% of their income on housing due in part to wages not keeping pace with housing costs. Undoubtedly, families at lower income bands are more financially strained by these market conditions. Therefore, increasing production over a 3-year period and minimizing the regulatory barriers to overall market production is equally important. Furthermore, because this has made even deteriorated housing stock unaffordable, it makes the need for home repair programs more important than ever. Table 1 below shows annual production goals of 3,733 for homeownership units and 2,933 for rental units while still maintaining the 3-year historic average ratio of homeownership and rental percentages.

Beyond unit production, the City supports creating increased availability of housing for people at incomes ranging from 30% - 120% of the HUD Area Median Income, by incentivizing homeownership developments for families at 60% or higher AMI and rental developments that include rent restricted units for families at the full range of 30% - 120% of AMI. These targets area are also outlined in Table 1 below.
<table>
<thead>
<tr>
<th>Homeownership</th>
<th>% Total Units</th>
<th>HUD Area</th>
<th>% Total Units</th>
<th>Rental</th>
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<td>Dallas Metro</td>
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<tr>
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<td></td>
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<td>293</td>
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<td><strong>Total: 3,733</strong></td>
<td></td>
<td></td>
<td><strong>Total: 2,933</strong></td>
<td></td>
</tr>
</tbody>
</table>
HOMEOWNER PROGRAMS

Rehabilitation, Repair & Reconstruction of Owner-Occupied Homes

HIPP provides an all-inclusive repair and rehabilitation program for single-family owner-occupied housing units. HIPP will be offered as a comprehensive program with three components for the purpose of making needed improvements and preserving affordable housing: Minor Home Repair grant program for low and moderate-income homeowners needing minor repairs not exceeding $10,000 ($5,000 from the City and $5,000 from the participating nonprofit); Rehabilitation Loan program for low and moderate income homeowners needing up to $40,000 in rehabilitation; and a reconstruction loan program for low and moderate income homeowners needing up to $160,000 to reconstruct their homes. The terms of assistance for the loans will vary based on the borrower’s income, need and debt capacity.

1. MINOR HOME REPAIR GRANT PROGRAM

The Minor Home Repair Grant Program provides grant assistance to Non-Profit Organizations for the preservation of decent safe and sanitary housing, to eligible homeowners, for minor home repairs as described below. Funding for this program is provided by the United States Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funds and/or non-federal funding; and funds from partnering non-profits, provided on a minimum 1:1 match basis. Not to exceed $10,000 per household.

Applicant Eligibility
Applicants for the Minor Home Repair Grant Program (“MHRGP”) must meet all of the following requirements to be eligible to participate.

1. Applicant must be the owner of the dwelling to be repaired and must submit a deed showing the conveyance, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple.
2. Applicant must be a U.S. Citizen or lawful Permanent Resident, and current Texas State issued identification card or Driver License.
3. Applicant must be current on mortgage payments and shall not be in default under the mortgage documents associated with the property or in default under any lien on the property.
4. Applicant must have a gross annual household income at or below the applicable low- and moderate-income limits. At or below 80% AMI when CDBG funds are used or at or below 120% of AMI when non-federal funds are used, as established by HUD for the jurisdiction of Dallas, Texas. Income shall be calculated using the Part 5 method as outlined in 24 CFR 5.609. Income eligibility shall be determined at the time of the application. Applicant household’s income eligibility is only valid for six months from the date of the last application.
5. City Council Members, Department of Housing and Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the Program are ineligible for assistance under the Program.
6. Priority shall be given to Applicants who have not participated in any City repair, rehabilitation, or reconstruction program previously.
Property Eligibility Requirements
1. The property must be a single-family home.
2. The property must be located within the Dallas, Texas city limits and Applicant must have occupied the dwelling for at least six (6) months from date of application.
3. The property must obtain environmental clearance under 24 CFR Part 58.5 prior to committing repair funds.
4. The property must be in need of repairs designated as eligible improvements under MHRGP.
5. The home must not have been reconstructed under any City program.

Eligible Repair Improvements
Eligible improvements under MHRGP include the following:
1. Roofing repair (for leaking roofs) (patching only on houses)
2. Exterior Entry Doors (repair only)
3. Exterior Windows (for broken windows) (replacement or repair)
4. Accessibility repairs and installation such as ramps, handrails or repairing walkways
5. Water Heaters (replacement or repair)
6. Heating Systems/ Cooling Systems (repair, replacement (small units only, i.e. window units), or purchase of wall heaters or wall air conditioning units)
7. Plumbing Interior (water lines, sewer lines, toilet repairs, etc.)
8. Electrical (repair of breakers, panels or wiring)
9. Gas Lines
10. Floors (repair only)
11. Interior and Exterior Repairs (as needed)
12. Any item determined eligible by the Director

Terms of Assistance
Assistance under MHRGP is provided in the form of a grant to the non-profit partner, who will provide a 1:1 match and contract with the Applicant for repairs directly.

Assistance Limits
The maximum assistance amount provided under MHRGP is $10,000, which includes up to $5,000 provided by the City, and up to $5,000 in matching grant funding provided by the non-profit partner. *City will match 1:1; the Non-Profit Organization will be responsible for any repairs that exceed $10,000 per home.

Administration
Activities under the MHRGP will be outsourced to a non-profit partner(s) that has experience providing rehabilitation services and has committed to providing a 1:1 match to City program funds. The non-profit partner(s) shall be procured by the City. The City will refer approved Applicants to the subrecipient non-profit partner.

The administration of MHRGP shall be performed by the non-profit partner(s). To ensure that the correct program has been selected for the applicant, referrals shall be provided by the City. City administration of the program includes income eligibility referrals, application evaluation procedures, repair assessments, ongoing compliance and other duties as established in the contract, the program guidelines, and the policies and procedures.
2. REHABILITATION PROGRAM

The Rehabilitation Program (Rehab) will be offered as a repayment loan program to low- and moderate-income homeowners, for the purpose of making needed improvements and preserving affordable housing. Rehab is designed to finance home improvements and address health, safety, accessibility modification, reconstruction and structural/deferred maintenance deficiencies. Rehab will enable homeowners to improve their housing while creating a positive effect in the community. Funding for this program is provided by HUD CDBG funds (limited to assistance provided to 80% area family median income (referred to AMI or AMFI) households or below); and potentially non-federal funds at 120% AMI middle income households or below. Not to exceed $40,000.

Applicant Eligibility
1. Applicant(s) must be the owner of the property (herein referred to as “Applicant”, this definition will apply to the HIPP programs and the HIPP rental program) to be repaired and must submit a deed showing the conveyance, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple.
2. Applicant must be a U.S. Citizen or lawful Permanent Resident, and current Texas State issued identification card or Driver License.
3. Applicant must have a gross annual household income at or below the applicable low- and moderate-income limits. At or below 80% AMI when CDBG funds are used or at or below 120% of AMI when non-federal funds are used. as established by HUD for the jurisdiction of Dallas, Texas. Income shall be calculated using the Part 5 method as outlined in 24 CFR 5.609. Income eligibility shall be determined at the time of the application. Applicant household’s income eligibility is only valid for six months from the date of the last application.
4. Applicant must be willing to correct all code violations that currently exist on the property.
5. City Council Members, Department of Housing and Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the program are ineligible for assistance under the program.
6. Applicant must be current on mortgage payments and shall not be in default under the mortgage documents associated with the property.
7. Priority shall be given to Applicants who have not participated in any City repair, rehabilitation, or reconstruction program previously.
8. Applicant must be willing to voluntarily relocate at the homeowner expense, if necessary.

Property Eligibility Requirements
1. Must be a single-family dwelling, owner occupied, and must be located within the City of Dallas, Texas city limits.
2. Must obtain environmental clearance under 24 CFR Part 58.5, as amended, prior to committing rehabilitation funds.
3. Property taxes must be current. Property taxes must not be delinquent for any tax year unless the Applicant has entered into a written agreement with the taxing authority outlining a payment plan for delinquent taxes and is abiding to the written agreement.
4. Standard property insurance, satisfactory to the City, must be maintained on the property (with coverage adequate to insure the City’s lien position). If a property is located in a floodplain, as determined by the City of Dallas, in its sole discretion, flood insurance must also be maintained with coverage adequate to insure the City’s lien position. Insurance will be monitored during the length of the compliance period, which will be until the loan is repaid in full.

5. Applicant must certify that the home is not for sale and is the primary residence of Applicant.

6. If the property was previously assisted with City funds and the property is still within the period of affordability, per the written agreement with the Applicant or the previous owner, Applicant will not be eligible to receive funding for the same property.

7. Must not have more than one outstanding loan on the property. City will only accept a first or second lien position. Applicants having a reverse mortgage on the property shall not be eligible for this program.

8. No liens, except those associated with the first mortgage, shall exist on the property.

9. Requested repairs must conform with the designated eligible improvements under this program. The City has the authority to determine what the necessary repairs will be and when the amount exceeds the limits.

Eligible Repair Improvements

Eligible rehabilitation activities will include only items necessary to bring the structure into compliance with the City’s written rehabilitation standards and applicable local residential codes; but will also include items recommended as necessary to preserve the property’s structural integrity, historic integrity, weatherization, and quality of living conditions. The scope of work must address all major systems to ensure that they have a remaining useful life of a minimum of 5 years at project completion. Major systems are identified as structural support (foundations); roofing; cladding and weatherproofing (e.g., windows, doors, siding, gutters); plumbing; electrical; and heating, ventilation, and air conditioning.

Improvements to, or demolition of an accessory structure such as detached garage, work shed, or small residential structure will be made on a case by case basis depending on the available budget, grant requirements, planning requirements, current building codes, health and safety concerns, and minimum occupancy requirements of residents of the property.

Assistance in removing any items from the property that are considered to be dangerous, hazardous, or a violation of local code is an eligible repair when performed in conjunction with the rehabilitation of eligible improvements on the property.

Assistance may not be used for the purchase or repairs of appliances (except for energy efficient window units) or renovations not necessary to bring the home up to local code or property standards. Ineligible repairs include but are not limited to luxury and recreational items (granite counter tops, swimming pools, spas, high end fixtures); tree trimming; fences; and landscaping.

Eligible improvements under the Rehabilitation Program include the following:

1. Correction of code violations and elimination of specific conditions detrimental to public health & safety identified by the City.

2. Correction of incipient violations of the City of Dallas Building Code

3. Cost effective energy conservation measures, including solar heating, cooling & water systems permanently affixed to dwelling

4. Testing & treatment/removal of lead-based paint/asbestos hazards
5. Handicapped Improvements & removal of barriers to the handicapped
6. Removal of termites; removal of rodents and roaches (pest control), but may not be a stand-alone cost
7. Replace/repair roofing
8. Replace/repair HVAC systems
9. Replace/repair plumbing/sewer pipes/kitchen and bath fixtures
10. Replace/repair window and/or door screens
11. Install new smoke alarms
12. Install new insulation
13. Replace/repair flooring and carpeting
14. Replace/repair water heaters
15. Replace/repair electrical system and installation of ground fault circuit interrupters
16. Replace/repair windows
17. Replace/repair plaster, siding and stucco
18. Painting (inside and outside)
19. Install new deadbolt locks
20. Replace/repair kitchen or bath cabinets and countertops
21. Replace/repair garage doors
22. Structural repairs/modifications (only to correct existing structural code deficiencies or to provide accessibility to disabled persons)
23. Foundation repairs
24. Any items determined eligible by the Director

Terms of Assistance
The terms of assistance for Rehab will be in the form of a loan. The loan amount shall be subject to the City's established underwriting criteria/requirements and shall equal the lower of either a loan to value ratio not exceeding 85% of the **Dallas County Appraisal District Market Value** and all outstanding loan obligations secured by the property, or 80% of the **Assessed Building Value** as determined by the County Tax Office. The City loan is secured by a first or second lien on the property, signed by Applicant as the owner of the property. Monthly loan repayments are based on the following loan schedule:

1) Applicants with incomes at or below sixty percent (60%) AMFI will receive a deferred, zero percent interest (0%) loan.
2) Applicants with sixty-one to eighty percent (61% - 80%) AMFI, will have a combination of deferred, zero percent interest (0%) loan and monthly installment payment plan as determined through the City's underwriting.
3) Applicants with (81%-120%) AMFI, monthly installment payment with three percent interest (3%) on the loan.

The affordability period for the Rehabilitation Program shall be 5 years.

During the period of affordability, monitoring shall be performed on an annual basis. Applicant shall also be required to provide on-going proof of insurance to the City, with the City as an added insured. Applicant must certify annually that the home is not for sale and is the primary residence of the Applicant until the loan is repaid to the City in full.

In addition to execution of a loan agreement, execution and recordation of a deed of trust, deed restriction, and a note will be required.

Applicant may repay Rehab loans at any time without penalty. Loans are immediately payable
upon the earlier of:

1. The sale, conveyance, transfer, rental, hypothecation of the security; or
2. If the home is vacated during the term of the loan; or
3. Failure to adhere to the provisions of the loan agreement; or
4. Failure to adhere to the provisions under the City's deed restrictions, deed of trust and/or the note.

Rehab loans are not assumable except under the following limited circumstances:

1. Transfer of property to a surviving spouse;
2. Transfer of property to an heir(s);
3. Transfer of property where spouse becomes the sole owner of the property;
4. Transfer of property resulting from a decree of dissolution of marriage, legal separation or from incidental property settlement agreement; or
5. Transfer to a Family Trust in which the borrower remains the beneficiary and occupant of property.

All transfers must be approved by the City. Any person that would like to assume the loan must income qualify and utilize the assisted property as their primary residence. If such person does not meet the income requirements of the program or does not utilize the property as their primary residence, then the full loan amount is due immediately and payable, in full, to the City.

Assistance Limits
Under Rehab, the maximum loan assistance amount is $40,000.00. Rehab funds may only be used to complete the project-related hard costs such as construction costs. Project-related soft costs such as hazardous materials testing fees, document recodation fees, inspection/construction management fees, escrow fees shall not be included as part of the loan provided to the Applicant. These costs shall be provided by the City as part of its delivery costs. These costs are program delivery cost of the City, such cost will not be included in the loan amount.

The level of assistance shall be limited to the amount required to address the rehabilitation work scope as defined by the City and shall not exceed the maximum allowable funding level of $40,000.00 (except as provided below). The City Manager or designee may on a case by case basis administratively approve (without City Council approval or Economic Development and Housing Committee approval) additional assistance not to exceed ten percent (10%) above the maximum limit of $40,000.00 for any owner-occupied rehabilitation project under the following circumstances:

• To address outstanding repairs or necessary work to close out an existing project;
• The need to provide reasonable accommodations in accordance with the Americans with Disabilities Act or other local, state or federal law;
• Unanticipated costs deemed necessary to meet applicable Dallas City Code requirements;
• Unforeseen environmental issues; and
• Addressing issues that threaten life, health, safety and welfare of the public.

Credit and Underwriting Standards
The following are the credit and underwriting standards for HIPP loans:
1. Chapter 7 or Chapter 13 bankruptcy is not allowed if the primary or any mortgage is included as a secured creditor on the subject property for which the City will place a lien securing the loan.
2. Qualifying debt to income ratios are 26-32% on the front end and 43% on the back end.
3. Properties may not have more than one outstanding loan on the property. The City will not accept a lien position lower than a second lien.
4. Properties with a reverse mortgage are not eligible for this program.

Mortgage and Refinancing
Assistance may be provided to an Applicant who has an existing mortgage or equity loan if the total debt, including mortgage/equity loan balance and all rehabilitation costs do not exceed 85% of the after-rehabilitation value of the property for Rehab. The City’s deferred loan may be subordinate to the existing mortgage or equity loan only if these loan-to-value requirements are met. The City loan will be in no lower than a second lien position. Refinancing will only be allowed upon prior approval of the City and for favorable rates and terms; no cash out financing will be allowed.

Administration
The City of Dallas Department of Housing and Neighborhood Revitalization Staff or their designees ("Staff") shall administer the Rehabilitation Program. As used herein, the term "Staff" may include either employees or consultants of the department under the direction of the Director (defined below) or his/her designee. The administration of Rehab includes application evaluation procedures, rehabilitation assessments, cost estimation, bid solicitation, contractor selection, construction management, inspection, disbursement of program funds and processing of notices of completion, and other duties as established in the program guidelines as well as the policies and procedures.

The Director of Housing and Neighborhood Revitalization (the "Director") shall be responsible for ensuring that all programs are implemented in accordance with all applicable policies and regulations.

3. HOUSING RECONSTRUCTION PROGRAM

The Housing Reconstruction Program ("HRP") provides loan assistance to eligible homeowners of single-family, detached dwellings for the reconstruction of existing housing. Subject to the requirements stated below, dwellings requiring repairs that exceed 80% of the Assessed Building Value as determined by the County Tax Office qualify for this program assistance. Assistance for this program is provided by HUD through the Home Investment Partnerships Program (HOME), CDBG, and/or non-federal funds.

Applicant Eligibility
1. Applicant must be the owner of the dwelling to be reconstructed and must submit a deed showing the conveyance, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple.
2. Applicant must be a U.S. Citizen or lawful Permanent Resident, and current Texas State issued identification card or Driver License.
3. Applicant must reside in the dwelling to be reconstructed and it must be the Applicant’s primary residence.
4. Where federal funds are provided, Applicant must have a gross annual household income at or below the applicable low- and moderate-income limits (≤80% AMI) as established by
HUD for the jurisdiction of Dallas, Texas. Income shall be calculated using the Part 5 method as outlined in 24 CFR 5.609. Non-federally funded activities allow applicants to have a gross annual household income at or below 120% of AMI. Income eligibility shall be determined at the time of the application. Applicant household’s income eligibility is only valid for six months from the date of the last application.

5. City Council Members, Department of Housing and Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the Program are ineligible for assistance under the Program.

6. When HOME funds are provided, the Conflict of Interest provisions at 24 CFR 92.356 shall be observed.

7. Applicant must be willing to correct all code violations that currently exist on the property.

8. Priority shall be given to Applicants who have not participated in any City repair or rehabilitation program previously.

9. Applicant must be willing to voluntarily relocate at the Applicant’s expense, during the course of reconstruction.

Property Eligibility

1. Must be a detached single-family dwelling, owner occupied and located within the City of Dallas city limits.

2. Applicant(s) must be current in their mortgage and not in default.

3. Standard property insurance, satisfactory to the City, must be maintained on the property (with coverage adequate to insure the City’s lien position). If a property is located in a floodplain, as determined by the City of Dallas, in its sole discretion, flood insurance must also be maintained with coverage adequate to insure the City’s lien position. Insurance will be monitored during the length of the compliance period, which will be until the loan is repaid in full.

4. Applicant must certify that the home is not for sale and is the primary residence of Applicant.

5. Must obtain environmental clearance under 24 CFR Part 58.5 prior to committing program funds.

6. Must not have more than one outstanding loan on the property. City will only accept a first or second lien position. Applicants having a reverse mortgage on the property shall not be eligible for a loan.

7. Property taxes must be current. Property taxes must not be delinquent for any tax year unless the Applicant has entered into a written agreement with the taxing authority outlining a payment plan for delinquent taxes and is abiding by the written agreement.

8. No liens, except those associated with the first mortgage, shall exist on the property.

9. Must be a home that requires repairs that exceed 80% of the Assessed Building Value as determined by the County Tax Office for this program assistance.

10. If the property has been reconstructed pursuant to any City program, the property is not eligible for reconstruction under this program.

Eligible Repair Improvements

Eligible improvements under the HRP include the demolition of the existing single-family home and reconstruction of a replacement single-family home.
Terms of Assistance

HRP assistance is provided in the form of a loan. Applicant must certify annually that the home is not for sale and is the primary residence of the Applicant until the loan is repaid to the City in full. Applicant must also correct all code violations that exist on the property. The maximum loan amount is subject to City established underwriting criteria/requirements and shall not exceed a loan to value ratio of 85 percent for all outstanding loan obligations secured by the property. Loan repayment is based on the following:

<table>
<thead>
<tr>
<th>Housing Reconstruction Program Loan Term</th>
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<tr>
<td>Program</td>
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<tr>
<td>Loan Term in Years</td>
</tr>
<tr>
<td>Housing Reconstruction Program</td>
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<tr>
<td>20</td>
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</table>

The affordability period for the Housing Reconstruction Program shall be 20 years.

In addition to execution of a loan agreement, execution and recordation of a deed of trust, deed restriction, and a note will be required. Applicant may repay the HRP loan at any time without penalty. Loans are immediately payable upon the earlier of:

1. The sale, conveyance, transfer, rental, hypothecation of the security; or
2. If the home is vacated during the term of the loan; or
3. Failure to adhere to the provisions of the loan agreements; or
4. Failure to adhere to the provisions under the City’s deed restrictions, deed of trust and/or the note.

HRP loans are not assumable except under the following limited circumstances:

1. Transfer of property to a surviving spouse;
2. Transfer of property to an heir(s);
3. Transfer of property where a spouse becomes the sole owner of the property;
4. Transfer of property resulting from a decree of dissolution of marriage, legal separation or from incidental property settlement agreement;
5. Transfer to a Family Trust in which the borrower remains the beneficiary and occupant of property.

All transfers must be approved by the City. Any person that would like to assume the loan must income qualify and utilize the assisted property as their primary residence. If such person does not meet the income requirements of the program or does not utilize the property as their primary residence, then the full loan amount is due immediately and payable, in full, to the City.
Assistance Limits The maximum amount of assistance provided shall not exceed seventy-five percent (75%) of the HUD HOME Value Limits for new construction. The City Manager or designee may on a case by case basis administratively approve (without Economic Development and Housing Committee approval) additional assistance not to exceed ten percent (10%) above the maximum limit for any Owner-Occupied Rehabilitation or Reconstruction project under the following circumstances:

- To address outstanding repairs or necessary work to close out an existing project;
- The need to provide reasonable accommodations in accordance with the Americans with Disabilities Act or other local, state or federal law;
- Unanticipated costs deemed necessary to meet applicable City Codes;
- Unforeseen environmental issues; and
- Addressing issue that threaten life, health, safety and welfare of the public.

*It should be noted that the Owner-Occupied Rehabilitation and Reconstruction establishes maximum per unit thresholds below the HUD required maximum per-unit dollar limitations established under HUD Section 234 Condominium Housing Limit. Thus, no individual project under this program can exceed these HOME maximum subsidy limits.*

HRP loan funds may be used to complete project-related hard costs such as demolition and construction costs and designated soft costs of architectural and engineering fees. All other project-related soft costs shall not be included as part of the loan provided to the applicant. These costs may be provided by the City as part of its delivery costs. These costs are program delivery cost of the City, such cost will not be included in the loan amount.

The level of assistance shall be limited to the amount required to address the reconstruction work scope as defined by the City and shall not exceed the maximum allowable funding level. The City Manager or designee may on a case by case basis administratively approve (without City Council or Economic Development and Housing Committee approval) additional assistance not to exceed ten percent (10%) above the maximum limit for any of the following circumstances:

- To address outstanding repairs or necessary work to close out an existing project;
- The need to provide reasonable accommodations in accordance with the Americans with Disabilities Act or other local, state or federal law;
- Unanticipated costs deemed necessary to meet applicable City Codes;
- Unforeseen environmental issues; and
- Addressing issues that threaten life, health, safety and welfare of the public.

*HUD establishes maximum per unit thresholds which are below the HUD required maximum per-unit dollar limitations established under HUD’s Section 234 Condominium Housing Limits. Thus, no individual project under this program can exceed these HOME maximum subsidy limits.*

Credit and Underwriting Standards
The following are the credit and underwriting standards for HRP Loans:

1. Chapter 7 or Chapter 13 bankruptcy is not allowed if primary or any mortgage is included as a secured creditor on the subject property for which the City will place a lien securing the loan.
2. Qualifying debt to income ratios are 26-30% on the front end and 43% on the back end.
3. Properties with a reverse mortgage are not eligible for Program funding
4. A maximum loan-to-value ratio of 85% for all loan obligations inclusive of the City loan is allowed on HRP loans.

Relocation
Relocation costs will not be paid by the City.

Administration
Staff shall administer HRP. The administration of HRP includes, but is not limited to application evaluation procedures, assessments, cost estimation, bid solicitation, contractor selection, construction management, inspection, disbursement of program funds and processing of notices of completion, and other duties as established in the program guidelines as well as the policies and procedures.

The Director shall be responsible for ensuring that all programs are implemented in accordance with all applicable policies and regulations.
Dallas Homebuyer Assistance Program

Provides homeownership opportunities to low and moderate-income homebuyers (defined as “Applicant” for this program) through the provision of financial assistance when purchasing a home, in accordance with federal, state and local laws and regulations.

Eligibility
Applicant must meet the following criteria:

1. Property must be located in the city limits of Dallas.
2. Applicant’s projected annual income must be no less than 60% of Area Median Income, but not exceed 120% of the Area Median Income, adjusted for household size, at the time of application to the program. Income eligibility shall be determined at the time of the application. Applicant household’s income eligibility is only valid for six months from the date of the last application.
3. Applicant must have acceptable credit. High cost or sub-prime loans, adjustable rate mortgages, interest only loans are not allowed.
4. Applicant must demonstrate that Applicant has at least two months of cash available and equal to Applicant’s projected monthly mortgage payment, including principal, interest, taxes, insurance, and any associated fees.
5. Applicant household must be U.S. Citizens or legal residents and possess a valid social security card.
6. City Council Members, Department of Housing and Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with this program are ineligible for assistance under this program. This policy extends for a period of 12 months beyond an individual’s disassociation with the City in such a capacity.
7. When HOME funds are provided, the Conflict of Interest provisions at 24 CFR 92.356 shall be observed.
8. Property to be purchased must be for the primary residence of Applicant. Applicant must certify that the home is not for sale and will be the primary residence of Applicant.
9. Applicant must attend an 8-hour homeownership education class from a HUD certified counseling agency within 12 months of application for assistance.
10. Applicant must make a minimum initial cash investment of $1,000 toward purchase of home.
11. The property must meet federal and local requirements, including but not limited to Minimum Housing Standards, Environmental Review, and international residential code.

Eligible Properties
The property can be privately or publicly owned prior to sale to the Applicant. The property must be within the Dallas, Texas city limits and meet City building codes, lead based paint requirements, and environmental standards at the time of initial occupancy. All liens must be paid off at or before closing.

The property must contain adequate living and sleeping space for the Applicant household as verified by the property appraisal, site visit, and/or Dallas Appraisal District Data. The property being purchased must be appropriately sized to the Applicant household.
The occupancy standard is 2 persons per bedroom, meaning that there must be one bedroom for every two household members. For single member households, there must be at least one bedroom.

The maximum bedroom number may be the above standard, plus one bedroom. For example, if under the above occupancy standard an applicant would require two bedrooms, under this program they would be able to purchase a home with three bedrooms.

Applicants interested in purchasing housing that exceeds these requirements will still be eligible for assistance, but will not be eligible for maximum assistance, under this program.

The property can be an existing property, or it may be newly constructed. The property can be:

- Single-family property (one unit); or
- Condominium or cooperative unit

An appraisal is required and may be provided by the first mortgage lender or Applicant. The appraisal value of an assisted property to be acquired for this activity cannot exceed the HOME Value Limit for Dallas. This limit is updated annually. The sale price of an assisted property may not exceed the “Appraised Value”.

Affordability Periods
The residence must remain affordable for a certain period of time, which is dependent on the amount of funds invested. The City’s recapture provisions will apply.

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<thead>
<tr>
<th>Amount of Funds</th>
<th>Required Affordability</th>
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</thead>
<tbody>
<tr>
<td>Less than $15,000</td>
<td>5 Years</td>
</tr>
<tr>
<td>$15,000 to $40,000</td>
<td>10 Years</td>
</tr>
<tr>
<td>Over $40,000</td>
<td>15 Years</td>
</tr>
</tbody>
</table>

Eligible Expenses
Eligible expenses may include: principle reduction, down payment and closing cost assistance. If the house is sold before the required affordability period has elapsed, the assistance funds must be recaptured on a pro-rated basis.

Terms of Assistance
- The assistance for the Dallas Homebuyer Assistance Program will be offered in the form of a deferred, forgivable loan, which shall be forgivable annually based on the affordability period, subject to the terms of the contract.
- In the event of any of the following occurring prior to the completion of the affordability period, the balance is payable immediately on a pro-rated basis.
  - The sale, conveyance, transfer, lease, rental, hypothecation of the security, or any part thereof, or any interest therein, or divestment of title or any interest therein in any manner or way, whether voluntarily or involuntarily, without the prior written consent of the City being first had and obtained; or
  - Failure to adhere to the provisions of the contract; or
Failure to adhere to the provisions under the City’s deed restrictions, deed of trust and/or the note, or any other lien encumbering the property.

- Applicant must certify annually that the home is not for sale and is the primary residence of the Applicant until the affordability period ends.
- If there is an underlying development agreement associated with the property, additional requirements may apply. Such determination is made by the City.

Credit and Underwriting Standards
Following are the credit and underwriting standards for Applicant:

- No Chapter 7 or Chapter 13 bankruptcy if primary or any mortgage is included as a secured creditor on the subject property for which the City will place a lien securing the loan.
- Predatory lending describes lending practices that take advantage of clients by charging usurious interest rates or excessive fees and penalties. Loans will not be made with an interest rate more than 2% above the prevailing market rate.
- The maximum assistance available for an Applicant in a High Opportunity Area (of the MVA) is $60,000. In all other areas, the maximum assistance will be $40,000 per household. Not all Applicants will qualify for the maximum assistance. The assistance available to any given Applicant is based on the City’s assessment of the Applicant’s need, taking into account the additional criteria outlined below.

- First mortgage amount must have a front end ratio of 26%-32%
- First mortgage amount must have a back end ratio no higher than 43%
- Applicants must be qualified by their lender to spend at least 28% of their monthly gross income on their housing.
- If Applicant purchases a home in a High Opportunity Area, the program will allow a Loan to Value Ratio as low as 60%.
- If Applicant purchases a home in a non-High Opportunity Area, the program will allow a Loan to Value Ratio as low as 80%.
- If Applicant purchases a home in excess of need (i.e. exceeds minimum occupancy standards by more than 1 bedroom) the required loan to value ratio will increase by 10% (70% in High Opportunity Areas, 90% in non-High Opportunity Areas).

Heirs
A loan may be transferred to the heir(s) of the borrower if the heir(s) are income qualified and utilize the assisted property as their primary residence for the remainder of the affordability period. If the heir(s) do not meet the income requirements of the program and the loan or does not utilize the property as their primary residence, and the loan is still within the period of affordability, then the prorated loan amount is due immediately and payable, in full, to the City.

Refinancing
Refinancing for better rate and term is permitted upon prior approval of the City. Refinancing of revolving loan accounts, vehicles, credit card debt, or property taxes are NOT allowable refinancing expenses. Cash out are also NOT allowed.
Homebuyer Incentive Program

This program offers financial assistance for school teachers, police officers, emergency medical technicians, and fire fighters who purchase a property within one of the targeted areas. By purchasing a home in one of the targeted areas, then repayment of the loan shall be due only upon re-sale or transfer, and contingent upon maintaining owner occupancy for a 10-year period.
LANDLORD PROGRAMS

Rental Rehabilitation
The Home Improvement Preservation Rental Program is an all-inclusive repair and rehabilitation program for single-family (1-4) rental units. It offers a repayment loan program to landlords who lease to low-income household, with the purpose of making needed improvements and preserving affordable housing (sometimes referred to as the "HIPP Rental Program"). HIPP Rental Program is designed to finance improvements and address health, safety, accessibility modifications, and structural/deferred maintenance deficiencies.

Program Administration
Staff shall administer the HIPP Rental Program. The administration of the HIPP Rental Program includes application evaluation procedures, rehabilitation assessments, cost estimation, bid solicitation, contractor selection, management of the rehabilitation, inspection, disbursement of program funds and processing of the notice of completion, and other duties as established in the program guidelines as well as the policies and procedures.

The Director shall be responsible for ensuring that the HIPP Rental Program is implemented in accordance with all applicable policies and regulations.

Applicant Eligibility
- Applicant must be the owner of the rental unit(s) to be rehabilitated or reconstructed and provide a deed showing the conveyance, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple. Applicant must provide a copy of the lease agreement with its tenant.
- Applicant and tenants must be a U.S. Citizen or lawful Permanent Resident, have a valid Social Security card, and current Texas State issued identification card or Driver License.
- The tenants of the unit to be repaired must have a gross annual household income at or below the applicable low- and moderate-income limits (≤80% AMI) as established by HUD for the jurisdiction of Dallas, Texas. Income shall be calculated using the Part 5 method as outlined in 24 CFR 5.609. Income eligibility shall be determined at the time of the application. Applicant household’s income eligibility is only valid for six months from the date of the last application.
- Where property improvements are to be performed which are not limited to the interior of a specific unit, then 51% of all units on the property must meet the preceding income eligibility requirements.
- Applicant must be willing to correct all code violations that currently exist on the property.
- City Council Members, Department of Housing and Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the Program are ineligible for assistance under the Program.
- Applicant must adhere to the Dallas City Code, including but not limited to Section 20-A and comply with HUD HOME rent limits and other applicable federal regulations.
- Priority shall be given to Applicants who have not participated in any City repair or rehabilitation program previously.
Property Eligibility

1. The property must be a single-family (1-4 units) renter occupied dwelling located within the City of Dallas, Texas city limits. Properties with over 4 units are not eligible for rehabilitation assistance under this program.
2. Applicant(s) must be current in their loan.
3. Must obtain environmental clearance under 24 CFR Part 58.5, as amended prior to committing rehabilitation funds.
4. Property taxes must be current. Property taxes must not be delinquent for any tax year unless the Applicant has entered into a written agreement with the taxing authority outlining a payment plan for delinquent taxes and is abiding to the written agreement.
5. Applicant must certify that the home is not for sale and is occupied by an income eligible tenant.
6. Standard property insurance, satisfactory to the City, must be maintained on the property (with coverage adequate to insure the City's lien position). If a property is located in a floodplain, flood insurance must also be maintained with coverage adequate to insure the City's lien position. Insurance will be monitored during the length of the compliance period, which will be until the loan is repaid in full.
7. Must not have more than one outstanding loan on the property. City will only accept a first or second lien position. Applicants having a reverse mortgage on the property shall not be eligible for a loan.
8. Repairs must conform with designated as eligible improvements under the program.
9. For rehabilitation, Applicant's property was previously assisted with City funds and the property is still within the period of affordability, per the written agreement with the Applicant or previous owner, Applicant will not be eligible to receive funding for the same property.
10. No liens, except those associated with the first mortgage, shall exist on the property.
11. Must be a home that requires repairs that exceed fifty percent (50%) of its value.

Terms of Assistance

The maximum loan assistance amount under the HIPP Rental Program is $40,000.

HIPP Rental Program funds may only be used to complete the project-related hard costs such as construction costs. Project-related soft costs such as hazardous materials testing fees, document recordation fees, inspection/construction management fees, escrow fees shall not be included as part of the loan provided to the Applicant. These costs shall be provided by the City as part of its delivery costs. These costs are program delivery cost of the City, such cost will not be included in the loan amount. Applicant must certify annually that the home is not for sale and is the primary residence of the tenant until the loan is repaid to the City in full. Applicant must also correct all code violations that exist on the property.

The level of assistance shall be limited to the amount required to address the rehabilitation work scope as defined by the City and shall not exceed the maximum allowable funding level of $40,000.00. The City Manager or designee may on a case by case basis administratively approve (without City Council approval or Economic Development and Housing Committee approval) additional assistance not to exceed 10% above the maximum limit for the HIPP Rental Program under the following circumstances:
• To address outstanding repairs or necessary work to close out an existing project.
• The need to provide reasonable accommodations in accordance with the Americans with Disabilities Act or other local, state or federal law;
• Unanticipated costs deemed necessary to meet applicable City Codes;
• Unforeseen environmental issues; and
• Addressing issues that threaten life, health, safety and welfare of the public.

It should be noted that HUD establishes maximum per unit thresholds below the HUD required maximum per-unit dollar limitations established under HUD's Section 234 Condominium Housing Limits. Thus, no individual project under this program can exceed these HOME maximum subsidy limits.

Terms of Assistance
The terms of assistance to Applicants of the HIPP Rental Program will be in the form of a three percent (3%) interest rate loan. If the Applicant/landlord does not comply with the requirements set out in this program, including but not limited, leasing to households at or below eighty percent (80%) AMFI, then the full loan shall be immediately due and payable in full to the City. If the property is transferred through sale during the term of the loan, the balance shall also be immediately due and payable to the City in full. The maximum loan amount is subject to City established underwriting criteria/requirements and the lower of either a loan to value ratio not exceeding 85 percent for all outstanding loan obligations secured by the property, or 80% of the Assessed Building Value as determined by the County Tax Office. The City loan is secured by a first or second lien on the property.

<table>
<thead>
<tr>
<th>Affordability Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Amount</td>
</tr>
<tr>
<td>Less than $5,000</td>
</tr>
<tr>
<td>$5,000 to $40,000</td>
</tr>
</tbody>
</table>

The affordability period for the HIPP Rental Program loans shall conform to the affordability term as defined in the above table. During the period of affordability, monitoring of tenant occupancy and affordability for assisted rental properties shall be performed on an annual basis. Applicant shall also be required to provide on-going proof of insurance to the City, with the City as an added insured. In addition to execution of a loan agreement, execution and recordation of a deed of trust, deed restriction, and a note will be required.

Applicant is required to ensure that occupancy for all assisted units is maintained by tenants that are income qualified at 80% of AMI or lower, and at rental rates that are consistent with the current HOME rents.

Upon transfer of the property, whether voluntary or involuntary, Applicant shall repay the City in accordance with the recapture provisions that apply to the Dallas Homebuyer Assistance Program.

Applicant may repay HIPP Rental Program loans at any time without penalty. However, repayment of the loan shall not release Applicant of the affordability requirements discussed above. Loans are immediately payable upon the earlier of:
1. The sale, conveyance, transfer, rental, hypothecation of the security; or
2. Failure to adhere to the provisions of the loan agreements; or
3. Failure to adhere to the provisions under the deed restrictions, the deed of trust
   and/or the note.

HIPP Rental Program loans are not assumable except under the following limited circumstances:

1. Transfer of property to a surviving spouse;
2. Transfer of the property to an heir(s);
3. Transfer of property where spouse becomes the sole owner of the property;
4. Transfer of property resulting from a decree of dissolution of marriage, legal
   separation or from incidental property settlement agreement;
5. Transfer to a Family Trust in which the borrower remains the beneficiary and
   occupant of property;
6. Transfer of the property to another individual, partnership or entity.

All transfers must be approved by the City. Any person that would like to assume the loan must
income qualify and utilize the assisted property as their primary residence. If such person does
not meet the income requirements of the program or does not utilize the property as their primary
residence, then the full loan amount is due immediately and payable, in full, to the City.

Credit and Underwriting Standards
The following are the credit and underwriting standards for HIPP Rental Program loans:

- Chapter 7 or Chapter 13 bankruptcy is not allowed if primary or any mortgage is
  included as a secured creditor on the subject property for which the City will place a
  lien securing the loan.
- Qualifying debt to income ratios are 26-32% on the front end and 43% on the back
  end.
- Properties may not have more than one outstanding loan on the property. The City
  will not accept a lien position lower than a second lien.
- Properties with a reverse mortgage are not eligible for HIPP Rental Program funding.
- A maximum loan-to-value ratio of 85% for all loan obligations inclusive of the City
  loan is allowed on HIPP Rental Program loans.

Tenant Relocation During the Affordability Period
If a tenant relocates for any reason during the affordability period, the Applicant shall have the
responsibility of obtaining a new tenant that meets all HIPP Rental Program requirements, subject
to approval of the City.

Eligible Repair Improvements
Under the HIPP Rental Program, rehabilitation activities will include only items necessary to bring
the structure into compliance with the City’s written rehabilitation standards and applicable local
residential codes; but will also include items recommended as necessary to preserve the
property’s structural integrity, historic integrity, weatherization, and quality of living conditions. The
scope of work must address all major systems to ensure that they have a remaining useful life of
a minimum of 5 years at project completion. Major systems are identified as structural support
(foundation); roofing; cladding and weatherproofing (e.g., windows, doors, siding, gutters);
plumbing; electrical; and heating, ventilation, and air conditioning.
To the extent the City’s loan does not bring the property up to the City’s Minimum Property Standards, the Landlord is responsible for such repairs.

Improvements to or demolition of an accessory structure such as detached garage, work shed, or small residential structure will be made on a case by case basis depending on the available budget, grant requirements, planning requirements, current building codes, health and safety concerns, and minimum occupancy requirements of residents of the property.

Assistance to remove any items from the property that are considered to be dangerous, hazardous, or a violation of local code are eligible when performed in conjunction with the eligible rehabilitation of the property.

Assistance may not be used for the purchase or repairs of appliances (except for energy efficient window units) or renovations not necessary to bring the home up to local code or property standards. Ineligible repairs include but are not limited to luxury and recreational items (granite counter tops, swimming pools, spas, high end fixtures); tree trimming; fences; and landscaping.

Eligible improvements under the HIPP Rental Program requirements include the following:
1. Correction of code violations and elimination of specific conditions detrimental to public health & safety identified by the City
2. Correction of incipient violations of the City of Dallas Building Codes
3. Cost effective energy conservation measures, including solar heating, cooling & water systems permanently affixed to dwelling
4. Testing & treatment/removal of lead-based paint/asbestos hazards
5. Handicapped Improvements & removal of barriers to the handicapped
6. Removal of termites; removal of rodents and roaches (pest control), but may not be a stand-alone cost
7. Replace/repair roofing
8. Replace/repair HVAC systems
9. Replace/repair plumbing/sewer pipes/kitchen and bath fixtures
10. Replace/repair window and/or door screens
11. Install new smoke alarms
12. Install new insulation
13. Replace/repair flooring and carpeting
14. Replace/repair water heaters
15. Replace/repair electrical system and installation of GFCIs
16. Replace/repair windows
17. Replace/repair plaster, siding and stucco
18. Painting (inside and outside)
19. Install new deadbolt locks
20. Replace/repair kitchen or bath cabinets and countertops
21. Replace/repair garage doors
22. Structural repairs/modifications (only to correct existing structural code deficiencies or to provide accessibility to disabled persons);
23. Foundation repairs
24. Any items determined eligible by the Director
Temporary Relocation During Rehabilitation
Relocation is not contemplated for rehabilitation activities, however if an unanticipated event occurs which requires temporary relocation, Applicant shall be responsible for the relocation-related expenses and fees. Applicant shall perform such relocation obligations in compliance with the provisions of the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970 and Section 104(d) and any other applicable state, federal, or local laws/regulations.

Mortgage and Refinancing
Assistance may be provided to an Applicant who has an existing loan or equity loan if the total debt, including mortgage/equity loan balance and all rehabilitation costs do not exceed 85% of the after-rehabilitation value of the property for the HiPP and 85% of the after-rehabilitation value of the property for the HiPP Rental Program. The City deferred loan may be subordinate to the existing mortgage or equity loan only if these loan-to-value requirements are met. The City loan will be in no lower than a second lien position. Refinancing will only be allowed upon prior approval of the City and for favorable rates and terms; no cash out financing will be allowed.
TENANT PROGRAMS

Tenant Based Rental Assistance
The purpose of this program is to provide supplemental financial assistance to displaced tenants as a result of the High Impact Landlord Initiative (HILI) to pay the difference between the cost of rent and the actual affordable amount that the tenant can pay. The program shall be operated on a first come first serve basis. Only HOME funds can be used to fund Tenant Based Rental Assistance (TBRA) programs. This is not an eligible activity under the Community Development Block Grant (CDBG) Program.

Eligible Uses
Eligible costs include: Subsidy is based on the amount of the rent, household income and City rent standard in a form of a grant. Covered expenses include:

- Rent supplemental financial assistance:
- Utility costs
- Security deposits
- Utility deposits
- Maximum assistance of 24 months
- May provide security deposit and utility deposit assistance upon exiting the program for a permanent unit

No payments will be made directly to the tenant household.

Prohibited Uses
City of Dallas HOME TBRA funds may not be used to assist tenants in conjunction with homebuyer programs, including lease purchase programs.

Eligible Units
Eligible tenants may rent any housing that meets the following criteria:

- Located in Dallas City Limits
- Meets Minimum Housing Quality Standards.
- Reasonable rents are charged
- Are not public housing projects, or receiving project-based federal assistance

Subsidy Amounts and Tenant Contribution
Maximum Subsidy: Maximum assistance that can be provided is the difference between 30% of the household’s adjusted monthly income and the payment standard.

Minimum Tenant Contribution: All tenants are required to pay 30% of their monthly adjusted income, or $20.00 per month, whichever is greater.

Length of Assistance: Assistance will not be provided for a period of time longer than two years, and minimum of one-year lease.
Other Tenant Requirements
Agencies administering TBRA programs may require tenant participation in a self-sufficiency program as a condition of rental assistance.

A legitimate, legal lease is required for program participants.

Income Recertification
Income of tenants receiving HOME tenant based rental assistance must be re-certified on an annual basis, at a minimum. City staff may require recertification of tenant income at any time, at the City’s discretion, if it appears that a tenant’s income has changed substantially during the contract term. If the tenant’s income exceeds eighty percent (80%) of Area Median Family Income, HOME assistance must be terminated.

Payment Standard
The HOME payment standard will be the Small Area Market Rent, annually established and published by the US Department of Housing and Urban Development.

Termination of Assistance
HOME assistance may be terminated if the following occurs:

- Household’s income exceeds eighty percent (80%) of Area Median Income;
- Household is evicted from the approved unit by owner for cause;
- After receipt of two official notices requesting cooperation in the re-certification process, the household is unresponsive and uncooperative.

In all cases above, thirty days’ notice of the termination must be provided to the tenant and landlord.
DEVELOPER PROGRAMS

New Construction and Substantial Rehabilitation Program
The purpose of this program is to provide financial assistance to new developments or substantial rehabilitation developments, where such assistance is necessary, and appropriately incentivize private investment for the development of quality, sustainable housing that is affordable to the residents of the City.

Funds may be used for projects to: 1) build new single-family with 5 or more homes, 2) build new multi-family rental housing with 5 or more units, or 3) substantially rehabilitate multi-family rental housing greater than 5 units. The City shall award, when funds are available, through a competitive Notice of Funding Availability (NOFA) or Request for Applications (RFA) process in accordance with the program’s scoring policy.

Eligibility
To be eligible for funding under the New Construction and Substantial Rehabilitation Program assistance the proposed project must meet all of the following basic criteria:

- Project must consist of 5 or more units located within the municipal boundaries of the City of Dallas. Note: Extra Territorial Jurisdictions areas are not eligible for financial assistance.
- Substantial rehabilitation projects must, at a minimum, meet the substantial rehabilitation test

In addition to fully meeting the City’s minimum code requirements, a project must meet one or more of the following Substantial Rehabilitation threshold tests:

- Replacement of two or more major building components (roof; wall or floor structures; foundations; plumbing, central HVAC or electrical system); or
- Costs are 15% or more, exclusive of any acquisition and/or acquisition and development soft costs, of the property’s replacement cost (fair market value) after completion of all required repairs, replacements, and improvements; or
- Rehabilitation hard costs are $10,000 or more per unit.

The after-rehabilitation rents required to effectively support the property, including the additional rehabilitation project debt service, must be:

- Reasonable, and fall within the underwriting standards; and
- Affordable and meet the City’s definition of affordability.

Owners must exhibit a cash equity participation of at least 10% in the rental property proposed for rehabilitation. Note: Housing tax credits proceeds are to be treated as equity.

Loan Terms
Financial assistance can be provided in the form of a repayable loan as negotiated on a project by project basis and demonstrated by the financial underwriting. The City loan is fully repayable, and the interest rate varies by the type of Borrower. The interest rate for a qualified CHDO Borrower or Sponsor shall be zero percent (0%) simple annual interest. The interest rate for a qualified nonprofit Borrower or Sponsors shall be one percent (1%) simple annual interest. The base interest rate for all other Borrowers shall be three percent (3%). However, the 3% base rate can be reduced through a combination of one or more Borrower concessions:
A Borrower guarantee to make annual interest payments will reduce base interest rate by 1% or Borrower agreement to limit loan maturity to 20 years or less reduces base interest rate by 1% or Borrower guarantee of annual interest and principal payments reduces base interest rate by 2%

The Borrower can combine a) and b) above to reduce the 3% annual simple interest base interest rate by 2% to the 1% annual simple interest floor rate. However, in no instance can the floor interest rate be less than 1% annual simple interest for a Borrower in this category.

Repayment terms will be negotiated based on project underwriting and after review of all other financing commitments. Repayment of loan principal and interest should be either:

Equal monthly installments over a period of up to 300 months. Subject to City review and approval, multi-family projects may have up to 24 months (in addition to the above stated maturity of 300 months) of deferred principal and interest during a construction and lease-up; or,

An annual surplus cash payment. The City’s surplus cash loans funding will be structured with note provisions requiring that at least 50% of Eligible Cash in excess of $50,000 be paid annually to subordinate lenders (including funding partners and related parties) on a prorated basis.

Eligible Cash shall be defined as: Surplus cash available for partnership distribution, less any outstanding:

- Credit adjusters
- Asset management fees
- Operating reserve account replenishment
- Limited partner loans that have been approved by the City
- Deferred developer fees
- Supplemental replacement reserve deposits approved by the City

Note: Incentive management fees have been deliberately omitted from the above list. Payment of incentive management fees shall be subordinate to repayment of the City’s loan(s).

Additional Requirements for New Construction Development
For new construction housing developments funded by the City, the maximum subsidy per unit is 22.5% of the HUD HOME Value Limit.

Funding will be provided to Community Housing Development Organizations, governmental entities, or public facility corporations at 0% simple interest, which will be forgiven upon sale of the property to home buyer.

In addition, funding will be provided to other qualified non-profit organizations at 1% simple interest, which will be forgiven upon sale of the property to home buyer.

Projects shall submit, on an annual basis, either HUD Form 93489 (HUD Computation of Surplus Cash), or the City’s form, with the project audit. The City will invoice the project, allowing for repayment to occur up to the end of the current calendar year when HUD financing is involved. Otherwise, the surplus cash payment will be due within 45 days of the invoice postmark. Late
payments will be assessed a 5% late charge. The loan will be in default if payments are more than 75
days late. The default interest rate shall be 500 basis points (5%) over the note interest rate.

The City multi-family rental loan is limited to only the amount necessary to fully fund the required
rehabilitation work, not to exceed nine percent (9%) of the annual HUD Section 234 — Condominium
Housing Limits in Dallas, Texas for elevator units (by number of bedrooms per unit). In 2018, the
annual limits were as follows:

Efficiency - $58,787
1 Bedroom - $67,391
2 Bedroom - $81,947
3 Bedroom - $106,013
4 Bedroom - $116,369

Note: The above table is only valid for 2018 and is otherwise provided for illustrative purposes. Contact
the City’s Housing Department for a schedule of current HUD 234 Limits.

Affordability Period Requirements for All Rental Housing Development and Substantial
Rehabilitation Loans
The period of Affordability (income and rent restrictions) applies to both single-family and multi-
family rental housing projects. Affordability periods shall be set as follows, in keeping with HUD
requirements.

<table>
<thead>
<tr>
<th>Amount of CDBG or HOME funds Per Unit</th>
<th>Minimum Period of Affordability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $15,000/Unit</td>
<td>Five (5) years</td>
</tr>
<tr>
<td>$15,000 - $40,000/Unit</td>
<td>Ten (10) years</td>
</tr>
<tr>
<td>Over $40,000 or rehabilitation involving refinancing</td>
<td>Fifteen (15) years</td>
</tr>
<tr>
<td>New construction of Rental Housing</td>
<td>Twenty (20) years</td>
</tr>
</tbody>
</table>

Conditions of All City Loans
- The property must be residential rental property under the existing ownership for the entire
  loan term. If the property is transferred by any means during the loan term, the remaining
  unforgiving portion, plus interest based on the existing market, will become immediately due
  and payable;
- The Borrower must maintain the property according to the Dallas Unified Building Code and
  agrees to allow City personnel to annually inspect the property;
- The Borrower provides evidence of having paid annual property taxes and having secured
  fire and extended insurance coverage for the property;
- Borrower must annually provide the City of Dallas with the information on rents and occupancy
  of HOME-assisted units to demonstrate compliance with the affordability rent requirements;
- The Borrower must maintain reserves for maintenance; and
  - No further assistance during the affordability period term of the loan, whichever is longer.

The City loan will be secured by a lien on the property. The lien position will be no less than a second,
except upon approval of the appropriate City Department Director, subordinate only to a private
financial institution's superior lien for a loan in a greater amount. The City may also require additional
security for its loan, including, but not limited to, a first lien position on other investment property of the
owner, as well as personal and/or corporate guarantees if it is necessary to secure the loan.
The terms of payment will continue throughout the entire term of the note, provided the Borrower complies with each and every term and condition of the loan documents. If the Borrower does not comply, or if the borrower at any time defaults under the terms of the note, interest on the unpaid principal will thereafter:

- accrue at a rate that is 500 basis points over the Note interest rate, and
- be immediately payable in addition to the entire outstanding principal amount

Financial Structuring

**GAP Financing**
The City deferred debt (deferred forgivable or surplus cash) only be used for and based upon the financing gap on affordable units. The City loan cannot exceed the financing gap.

**Balloon Mortgages**
Ballooning senior debt mortgages may require additional mitigating factors depending on overall project sources and uses, projected loan-to-value, and other risk factors. Under no circumstances will the City participate in a transaction where a senior balloon term is less than 15 years.

**Surplus Cash Mortgages**
The City’s surplus cash loans funding will be structured with note provisions requiring that at least 50% of Eligible Cash in excess of $50,000 be paid annually to subordinate lenders (including funding partners and related parties) on a prorated basis.

**Eligible Cash shall be defined as:**
- Surplus cash available for partnership distribution, less
- Any outstanding:
- Credit adjusters
- Asset management fees
- Operating reserve account replenishment
- Approved limited partner/loans
- Deferred developer fees
- Approved supplemental replacement reserve deposits

Projects shall submit, on an annual basis, either HUD Form 93489 (HUD Computation of Surplus Cash), or the City’s form, with the project audit. The City will invoice the project, allowing for repayment to occur up to the end of the current calendar year when HUD financing is involved and general HUD distribution guidelines. Otherwise, the surplus cash payment will be due within 45 days of the invoice postmark. Late payments will be assessed a 5% late charge. The loan will be in default if payments are more than 75 days late. The default interest rate shall be 500 basis points (5%) over the note interest rate.

**Appraisal Requirements**
Projects Receiving City First Mortgage Acquisition Financing
Prior to funding commitment, the borrower must provide a completed Appraisal Request Form for City-Ordered Appraisals by the date specified in the City’s notice of funding award, unless the development is exempt from the appraisal requirement as described below. The establishment of
the date will take into account the applicable funding source commitment deadline and the Borrower's project timeline.

Developments exempt from the prior to commitment appraisal requirement:
- Acquisition price under $100,000
- Land only where there is no identity of interest. Identity of interest is used broadly to include non-arm’s length transactions, related-party transactions, etc.
- Single family homes (1-4 family structures) that are aggregated under one loan
- The Borrower has provided a Market Study
- The Project is HUD 202 or HUD 811 with a funding reservation

Note: Whenever a project is exempt under one of the above provisions, the City will use assessed value unless the borrower requests an appraisal for determining acquisition cost as defined in these Underwriting Standards.

The cost of appraisals must be borne by the Borrower. All costs incurred for the appraisal, and any revisions, will be the responsibility of the applicant. The City will collect the appraisal costs from its loan proceeds at closing.

Appraisals ordered by the Borrower will not be accepted. All appraisals must be ordered by the City, HUD or a designated HUD MAP lender, Fannie Mae or a designated Fannie Mae Delegated Underwriter Services (DUS) lender or a regulated financial institution.

An Agency ordered appraisal will be used to support the acquisition costs identified at the time of application. The appraised value will be used by the City and its funding partners in underwriting the acquisition cost.

An As-Is Appraisal:
Land Only for New Construction: Fee simple value of the land. The market value appraisal will consider the real property’s zoning as of the effective date of the appraiser’s opinion of value. If the real property consists of more than one parcel, the parcels will be combined in one appraisal with one value conclusion.

Acquisition/Rehab:
Fee simple “as-is” value of the existing multi-family property assuming market rate rents. Fee simple, in “as-is” condition, with existing restricted rate rents.

Adaptive Re-Use:
Fee simple market value of the property to be adapted for an alternate use. The valuation will assume the highest and best use permitted by law and economically feasible in the current market.

Prior to Closing – Scheduled Payment Loans:
For scheduled payment loans, an as-completed appraisal is required to establish loan to value. An “as-completed and stabilized” appraisal is required for all amortizing loans. Two hypothetical values are required:
- As completed and stabilized, subject to restricted rents
- As completed and stabilized, assuming market rate rents
The lesser of the two values will be used to determine loan to value for the City's underwriting. The City will finance no more than 87% of appraised value (85% for loans with $15,000 per unit or less in rehabilitation). Plans and specifications must be sufficiently complete for the appraiser to establish the "as completed" value. The appraisal must be conducted no more than six months prior to closing or end loan commitment (or the borrower will be required to pay for an appraisal update).

Prior to Closing - Deferred Loans:
For non-amortizing loans, the City requires an appraisal prior to closing similar to that required for amortizing loans (above). Borrowers may use another lender’s appraisal. Non- Amortizing developments exempt from the prior to closing appraisal requirement include:

- Single family homes (1-4 family) that are aggregated under one loan (the City will use assessed value unless the Borrower requests an appraisal for determining acquisition cost as defined in the Borrower’s Underwriting Standards.)

Loan Conditions
As a condition of the City Loan, the Developer must agree:

- To rent these properties in accordance with Affirmative marking standards and the current HUD Section 8 rental income guidelines for the Period of Affordability and the federal equal housing opportunity requirements in the Fair Housing Act.
- Not discriminate on basis or race, religion or national origin.
- Not discriminate against lower income prospective tenants, solely on the basis of their receipt of Section 8 Housing assistance support.
- Not convert the property to condominiums for the duration of the public note.
- To maintain the property in a safe, sanitary and decent condition, in compliance with the City of Dallas Building Codes throughout the term of the public sector note.
- To provide evidence of having paid annual property taxes and secured fire and extended insurance coverage for the property.
- Comply with Annual Re-certification of tenant’s annual income, which means each year the property owner must document the income of the tenant by reviewing documents such as W-2’s, pay stubs, etc. in order to ensure that their income meets the low-income requirements.
- To a property inspection one (1) year after the rehabilitation and every two (2) years thereafter during the period of affordability. The owner must agree to cooperate with and assist in this inspection effort, and to resolve all deficiencies cited within the designated correction period allotted.
- To pay real property taxes and maintain adequate fire and extended coverage insurance with City named as co-insured on the subject property for the full term of the loan. The City will require owner to provide documentation of tax payment and insurance coverage on an annual basis.
- To adhere to Lead-Based Paint Abatement guidelines for all properties built 1978 and before.

The City will examine the sources and uses for each project and determine whether the costs are eligible and reasonable, the return to the developer is appropriate (not excessive); and the other sources of funds needed for the project are firm commitments. “Reasonableness” of development costs should be based on the following factors:

- Costs of comparable projects in the same geographical area;
- Qualifications of the cost estimators for the various budget line items; and
Comparable costs published by recognized industry cost index services

Failure to comply with any of the conditions outlined above will constitute a default of the public sector loan, requiring the balance to become immediately due and payable.

During the term of the public sector loan, if the property is sold, or ownership transferred through any means, then the balance of the note then owning, including the remaining deferred forgivable portion is immediately due and payable in full.

For HOME projects, a determination of fixed or floating HOME units must be made at the time of Loan commitment. Fixed units must remain the same throughout the period of affordability. Floating units may change in order to maintain conformity so that the total number of units meet the required number of bedrooms to the originally designated HOME-assisted unit.

Loan Closing
The property owner will be required to provide the following items for loan closing:

- For substantial rehabilitation projects, the after-rehabilitation appraisal of the property showing the appropriate value relative to the proposed loan.
- Acceptable Commitment for Title Insurance Policy showing the City's interest in the total amount of the City's Deferred Payment Loan.
- Credit Reports on all Borrowers with a 15% or greater ownership interest.
- List of all real property assets and their value.
- An acceptable bid from an approved contractor. The approved contractor must be licensed, and provide proof of appropriate insurance coverage, covering the total cost of the rehabilitation work and including, but not limited to worker's compensation, general liability, and personal liability.
- Copy of the insurance policy for fire and extended coverage for 80% of the value of the property with City named as co-insured.

Permitted Rehabilitation Program Costs
CDBG or HOME funds will be used to support only the following eligible costs:

- Actual rehabilitation costs necessary to correct substandard conditions to comply with the City of Dallas building Codes, federal environmental conditions standards, and federal lead-based paint abatement requirements.
- Essential improvements including energy conservation-related repairs, and improvements to permit use of the rehabilitated units by persons with disabilities.
- Repairs to major building system in danger of failure.
- Costs, generated by the public sector, for processing and closing the financing for the project, such as: credit reports, fees for title evidence, fees for recordation and filing of legal documents, attorney's fees, permits, and appraisal fees.
- Cost for the relocation of tenants currently residing in the property at the date of initial application, who must be temporarily or permanently displaced as a direct result of the rehabilitation activity.

Involuntary Displacement
The City prohibits involuntary displacement of residents from developments receiving funding. If a development receives federal funds, the Uniform Relocation Act provisions will apply.
Eligible Costs

The following costs may be reimbursed with HOME funds:

<table>
<thead>
<tr>
<th>Hard Costs</th>
<th>Soft Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and Structure Acquisition</td>
<td>Financing Fees &amp; credit reports</td>
</tr>
<tr>
<td>Site preparation, including</td>
<td>Affirmative marketing, initial leasing &amp; marketing costs</td>
</tr>
<tr>
<td>Demolition</td>
<td></td>
</tr>
<tr>
<td>Construction Materials and Labor</td>
<td>Title binders and insurance</td>
</tr>
<tr>
<td></td>
<td>Performance bonds and surety fees</td>
</tr>
<tr>
<td></td>
<td>Recording fees</td>
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<tr>
<td></td>
<td>Legal &amp; accounting fees</td>
</tr>
<tr>
<td></td>
<td>Appraisals</td>
</tr>
<tr>
<td></td>
<td>Eligible Soft Costs</td>
</tr>
<tr>
<td></td>
<td>Environmental reviews</td>
</tr>
</tbody>
</table>

CDBG funds may not be used for new building construction, in accordance with HUD regulations. However, CDBG funds may be used for all other reasonable and eligible costs in the above table.

Monitoring

The City is required by HUD to obtain information on rents and occupancy of HOME – assisted units to demonstrate compliance with the affordability rent requirements on an annual basis.

Additional Requirements for ALL Rental Housing Projects

Tenant Selection/Eligibility:

An owner of rental housing assisted with HOME or CDBG funds must adopt written tenant selection policies and criteria that:

- are consistent with the City's goal of providing housing for very low-income and low-income families;
- are reasonably related to program eligibility and the applicant's ability to perform the obligations of the lease;
- provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and
- give prompt written notification to any rejected applicant stating the grounds for the rejection.

Income Eligibility and Re-certification:

Tenant incomes must be re-certified annually and verified with source documents every six years. If the income of a household in an assisted unit rises above 80% of Area Median Income, the household may continue to rent the unit and the household must pay monthly rent equal to the lesser of:

- The rent permitted by state law; or
- 30% of the family's adjusted monthly income at annual re-certification.
- If the project was financed with Low Income Housing Tax Credits, the tax credit rent prevails.
Acceptable Rents for HOME Projects Only

The HOME program has established rules in relation to acceptable rents. There are two rent standards: High HOME Rent and Low HOME rent. For properties with five (5) or more HOME assisted units, at least 20% of the units must have rents that meet the "Low HOME" criteria.

High HOME Rent: Lessor of the Section 8 Fair Market Rents for existing housing or thirty (30) percent of the adjusted income of a family whose annual income equals 65% of the area median income.

Low HOME Rent: Thirty percent of the tenant's monthly adjusted income or thirty percent of the annual income of a family whose income equals 50% of the area median income.
Land Transfer Program
The purpose of this Land Transfer Program (the "Program") is to incentivize: (1) the development of quality, sustainable housing that is affordable to the residents of the City and (2) the development of other uses that complement the City’s Comprehensive Housing Policy, economic development policy, or redevelopment policy. Specifically, this Program authorizes the City to sell qualifying city-owned real property and resell tax-foreclosed real property to for-profit, non-profit and/or religious organizations in a direct sale at less than fair market value of the land, consistent with the authorizing state statute or city ordinance.

The sale of real property pursuant to the Land Transfer Program will enable the City to facilitate the development of housing units that will be offered for sale, lease or lease-purchase to low- and moderate-income households and, on appropriate parcels of land, enable the City to facilitate the development of commercial uses such as neighborhood retail.

Consistency with City’s Affordable Housing Development Goals
The operation of the Land Transfer Program shall align with the City’s existing affordable housing production goals as outlined in the adopted Comprehensive Housing Policy. The portfolio of real property sold under this Program shall be developed to serve the range of income bands as well as the percentage of each income band identified in the production goals of the Comprehensive Housing Policy.

When seeking City Council approval to sell a parcel or parcels of real property pursuant to this Program, staff must identify the proposed developer, indicate the income band for which the parcel(s) of real property is reserved, and provide the City Council with a map depicting the location of the real property that contains the current Market Value Analysis (MVA) and Racially and Ethnically Concentrated Areas of Poverty (R/ECAP) data layers, if such layers exist. The map must also depict the location of all parcels of real property previously sold to the proposed developer pursuant to this Program or any other City affordable housing program in the past two years and the income bands for which each parcel of real property was reserved.

On an annual basis, the Housing and Neighborhood Revitalization Department, or its successor department, shall brief the appropriate City Council committee regarding the year-to-date production data for the Program.

Consistency with Fair Housing Laws
On an annual basis, the Land Transfer Program will be reviewed by the Office of Equity and Human Rights, or its successor department, to ensure that the Program is being operated in a manner that is consistent with fair housing laws. The City will collect and maintain data regarding the location of parcels of real property sold via the Program and demographic information regarding the eligible households who occupy housing units developed pursuant to the Program.

Application Process for Submitting a Proposal to Purchase Parcels of Real Property
The City will create, and will periodically update, an application that is consistent with this Program and the authorizing state statute or city ordinance to be used by developers who are interested in purchasing real property pursuant to the Land Transfer Program. The City may accept proposals to purchase lots on a rolling basis or may solicit purchase proposals through a competitive solicitation process. Only proposals that meet or exceed the minimum developer and project
eligibility criteria will be referred to the appropriate City Council Committee for approval. City Council must approve all sale of real property through the Land Transfer Program.

Each purchase of real property must clarify which Texas statute it is operating under.

<table>
<thead>
<tr>
<th>Statute</th>
<th>Type of Property</th>
<th>Type of Developer</th>
<th>Uses term</th>
<th>Defines targeted incomes</th>
<th>Type of Development Allowed</th>
<th>Additional requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>DCC 2-26 (aka HB 110)</td>
<td>Tax-foreclosed or seized</td>
<td>Nonprofit</td>
<td>Low-income</td>
<td>80% AMI or below</td>
<td>Affordable housing</td>
<td>Enabling Statute: TLGC 253.010</td>
</tr>
<tr>
<td>TLGC 253.010</td>
<td>Any land acquired by municipality</td>
<td>Non-profit and religious organizations</td>
<td>Low-income</td>
<td>Municipality may determine; Should consider AMI</td>
<td>Affordable housing or a use approved in a written agreement with City</td>
<td></td>
</tr>
<tr>
<td>TLGC 272.001(g)</td>
<td>Any city-owned land except land acquired by condemnation</td>
<td>No limitation</td>
<td>Low- and Mod-income</td>
<td>No</td>
<td>Low- and moderate income housing</td>
<td></td>
</tr>
<tr>
<td>IPTC 34.051</td>
<td>Tax-foreclosed land</td>
<td>No limitation</td>
<td>Primarily Low- and Mod-income</td>
<td>No</td>
<td>A purpose consistent with City urban redevelopment or affordable housing plan</td>
<td>Interlocal agreement among taxing entities; land must be vacant/distressed &amp; tax-delinquent 6+ years</td>
</tr>
</tbody>
</table>

**Developer Eligibility Criteria**

To be eligible to purchase real property pursuant to the Land Transfer Program, a developer must meet all the following criteria, unless the land is sold pursuant to Dallas City Code Section 2-26.4:

1. Developer may be an individual, or may be organized as a corporation, partnership, joint venture or other legal entity, regardless of whether developer is a for-profit, non-profit, or religious organization.

2. Developer must be in good standing with the State of Texas and the City, including that the City has not issued a charge against the developer for violating Chapter 20A of the Dallas City Code or Chapter 46 of the Dallas City Code within the past 5 years, may not be debarred under the federal System for Award Management (SAM), may not have uncured violations of Chapter 27 of the Dallas City Code for which it has received notice, may not be indebted to the City or delinquent in any payment owed to the City under a contract or other legal obligation, and must be current on payment of taxes and liens owed to any other affected taxing unit under the Texas Property Tax Code.

3. If developer seeks to purchase two or more parcels of real property for the purpose of constructing housing units, developer must have constructed one or more housing units within the three-year period preceding the submission of the proposal to acquire the parcels of real property via the Program. If developer seeks to purchase one or more parcels of real property for the purpose of developing a multifamily or commercial use, developer must demonstrate that it has developed at least one comparable use within the three-year period preceding the submission of the proposal to acquire the parcel of real property via the Program.

4. Developer must submit a development plan for all parcels of real property developer seeks to acquire via the Program.
5. Developer must demonstrate that it has the financial capacity and staffing/sub-contractor capacity to develop and complete the sale, lease or lease-purchase, within a two-year period, of its inventory of parcels of real property acquired through the Program. The City Manager or his/her designee may grant up to one (1) one-year extension of the development agreement due to delays related to installation or improvement of infrastructure or zoning/platting issues. Any additional extensions of the development agreement must be approved by City Council.

Staff may impose additional eligibility criteria that are consistent with this Program, state statute and city ordinance. If land is sold pursuant to Dallas City Code Section 2-26.4, developer must comply with the eligibility criteria set forth in the ordinance.

**Project Eligibility Criteria**

To be eligible to purchase real property pursuant to the Land Transfer Program, the proposed project must meet all the following criteria, unless the land is sold pursuant to Dallas City Code Section 2-26.4:

1. Parcels of real property must be developed with: (1) a housing unit or units that are offered for sale, lease or lease-purchase, or (2) a commercial use that will complement the City’s Comprehensive Housing Policy, economic development policy, or redevelopment policy.

2. Housing units developed on the parcels of real property may only be sold, leased, or offered as a lease-purchase to households whose incomes are within the income bands prioritized by the adopted Comprehensive Housing Policy.

3. Housing units developed on the parcels of real property may be either a single family, duplex, or multi-family housing use.

Staff may impose additional eligibility criteria that are consistent with this Program, state statute and city ordinance. If land is sold pursuant to Dallas City Code Section 2-26.4, the project must comply with the eligibility criteria set forth in the ordinance.

**Identification of Eligible Households, Affirmative Fair Housing Marketing and Other Policies**

Developers of for-sale housing units must comply with all the terms of the Mixed Income Housing Program as set forth in Chapter 20A of the Dallas City Code, as amended, if applicable. Developers of for-sale housing units may only sell to homebuyers who meet the eligibility criteria set forth in the City of Dallas Homebuyer Assistance Program (DHAP), or a successor program.

Developers of rental housing or lease-purchase units must comply with all the terms of the Mixed Income Housing Program as set forth in Chapter 20A of the Dallas City Code, as amended, if applicable. Such exemptions will be clearly set forth in the development agreement.

**Sales Price of Parcels of Real Property Sold via the Land Transfer Program**

City-owned real property: Properties will be initially offered at fair market value ("FMV"), as determined by a comparative market analysis. A discount will be available if project underwriting indicates that the discount is needed either to ensure the viable sale, lease or lease-purchase to an income-qualified buyer or the viable development of a commercial use. The discount is subject to City Council approval.

Tax-foreclosed real property: A fixed price of $1,000 for up to 7,500 square feet of land purchased under a single proposal, plus $0.133 for each additional square foot of land purchased under the
proposal. If land is sold pursuant to Dallas City Code Section 2-26.4, the sales price set forth in the ordinance applies.

Sales Price of For-Sale Housing Units Developed via the Land Transfer Program

For-sale units produced under the Land Transfer Program must be sold at the fair market value as determined by an “as-completed” or “subject to completion” appraisal completed by an independent state-licensed appraiser. However, the terms of the development agreement for each parcel of real property purchased pursuant to the Program will include any seller-discount that must be provided to the eligible purchaser so that the amount paid by the eligible purchaser is affordable based on their income.

Rental Rates for Rental Housing Units Developed via the Land Transfer Program

Rental units produced under the Land Transfer Program must be leased at affordable rental rates in accordance with the approved development agreement and Chapter 20A of the Dallas City Code, as amended. If land is sold pursuant to Dallas City Code Section 2-26.4, the rental rates set forth in the ordinance applies.

Term of Affordability

The term of affordability for for-sale housing units is 5 years from the filing date of the deed transferring the unit from developer to homebuyer.

The term of affordability for rental units and commercial uses is 20 years from the date that the first unit is occupied by an eligible tenant.

The term of affordability for lease-purchase units will be negotiated on a case-by-case basis in accordance with the goals of this Program.

If land is sold pursuant to Dallas City Code Section 2-26.4, the term of affordability set forth in the ordinance applies.

Deed Restrictions and Right of Reverter

The City will impose restrictive covenants on all parcels of real property its sells pursuant to the Land Transfer Program. If land is sold pursuant to Dallas City Code Section 2-26.4, the deed restrictions and right of reverter requirements set forth in the ordinance applies.

The restrictive covenants will require the parcels of real property to be developed and maintained in accordance with the development agreement and all applicable city, state and federal laws. These restrictions will include that housing units developed on the parcels of real property be offered for sale, lease or lease-purchase to low- and moderate-income households and be occupied by low- and/or moderate-income households for the entire term of the affordability period.

Land acquired by a developer pursuant to the Land Transfer Program may revert to the City if the City Manager or his/her designee determines that the developer has:

1. failed to take possession of the land within 90 calendar days after receiving the deed to the parcels of real property;
2. failed to complete construction of all required housing units or other required development on the real property, or failed to ensure occupancy by eligible households within the development timeframe set forth in the development agreement;
3. incurred a lien on the property because of violations of city ordinances and failed to fully pay off the lien within 180 days of the City’s recording of the lien; or
4. sold, conveyed, or transferred the land without the consent of the City.

Upon determination by the City Manager or his/her designee that a condition described above has occurred, the City Manager or his/her designee is authorized to execute an instrument, approved as to form by the City Attorney, exercising against the parcel of real property the City’s possibility of reverter with right to reentry. The City Manager or his/her designee shall file notice of the reverter and reentry of the land by the City in the real property records of the county in which the parcel of real property is located, which notice must specify the reason for the reverter and reentry. The City Manager or his/her designee shall provide a copy of the notice to the developer in person or by mailing the notice to the developer’s post office address as shown on the tax rolls of the City or of the county in which the land is located.

Release of Non-Tax Liens, Release of Restrictive Covenants and Right of Reverter

Pursuant to this Program and contingent upon City Council approval, and in consideration for developer agreeing to construct affordable housing units or other approved uses on parcel(s) of real property, the City Manager or his/her designee is authorized to execute instruments, approved as to form by the City Attorney, releasing any non-tax City liens that may have been filed by the City during the City’s ownership of the parcel(s) of real property.

Additionally, the City Manager or his/her designee is authorized to execute instruments, approved as to form by the City Attorney, releasing the City’s possibility of reverter with right of reentry and terminating the restrictive covenants on the land upon compliance with all terms and conditions of the development agreement and this Program.

Type of Transfer

The City will transfer all City-owned parcels and resell all tax-foreclosed parcels via a deed without warranty, approved as to form by the City Attorney.
OVERVIEW OF EXISTING FUNDING SOURCES

Federal Funding Sources
The City receives financial support from the U.S. Department of Housing and Urban Development (HUD) to assist low and moderate-income families in obtaining affordable housing. The City receives several Entitlement (HUD) grants, which it can use to support its housing initiatives. HUD outlines certain regulations that apply when using grant funds. This policy document uses the HUD regulations as a basis and incorporates the City's own policies as adopted by City Council.

Community Development Block Grant (CDBG)
The Community Development Block Grant has been in existence since 1974. The primary objective of the CDBG program is to improve communities by providing decent housing, providing a suitable living environment, and expanding economic opportunities. The primary beneficiary of CDBG funds must benefit low to moderate-income persons; aid in the prevention or elimination of slums or blight; or meet an urgent need.

HOME Investment Partnership Program (HOME)
The HOME Investment Partnership Program has been in existence since 1990. The goals of the HOME program are to provide decent affordable housing to lower-income households, expand the capacity of nonprofit housing providers, strengthen the ability of state and local governments to provide housing, and leverage private sector participation. HOME funds may be utilized for rental activities, homebuyer activities, and homeowner rehabilitation activities. All HOME funds must benefit persons of low and moderate income.

HOME Match Requirement
All housing development projects must meet a twenty-five (25%) HOME matching requirement of contributions made from non-federal resources and may be in the form of one or more of the following:
- Cash contributions from nonfederal sources
- Forbearance of fees
- Donated real property
- Cost, not paid with federal resources, of on-site and off-site infrastructure that the participating jurisdiction documents are directly required for HOME-assisted projects
- Proceeds from multifamily affordable housing project bond financing
- Reasonable value of donated site-preparation and construction materials, not acquired with federal resources
- Reasonable rental value of the donated use of site preparation or construction equipment
- Value of donated or voluntary labor or professional services in connection with the provision of affordable housing

Neighborhood Stabilization Program (NSP)
The Neighborhood Stabilization Program was authorized under Division B, Title III of the Housing and Economic Recovery Act of 2008 (HERA) to help communities recover from the effects of foreclosures, abandoned properties, and declining property values. The City collects program income from this source and appropriates it on an annual basis.
State and Local Funding Sources

General Obligation Bonds

General Obligation Bonds were authorized under the 2017 bond package to help with infrastructure, economic development and housing, and related expenses as authorized by law. Economic Development and Housing have been allocated approximately $55 million for the next five (5) years.

Tax Exempt Bond Financing (City of Dallas Housing Finance Corporation)

The City of Dallas Housing Finance Corporation (DHFC) was organized in 1984 in accordance with Chapter 394 of the Texas Local Government Code (Code). Under the Code, the purpose of the DHFC is to assist persons of low and moderate income to acquire and own decent, safe, sanitary, and affordable housing. To fulfill this purpose, the DHFC can be an issuer of tax exempt bonds. The DHFC may issue bonds to finance, in whole or in part, the development costs of a residential development or redevelopment; the costs of purchasing or funding the making of home mortgages; and any other costs associated with the provision of decent, safe, and sanitary housing and non-housing facilities that are an integral part of or are functionally related to an affordable housing development.

- Affordable Housing Partnerships: The DHFC can also partner with affordable housing developers for the production of multifamily housing. The DHFC can acquire an ownership stake in the development by becoming the General Partner (GP) of an ownership entity, right of refusal to purchase the improvements, and owning and controlling the land. DHFC is the sole member of the GP. Fifty-one percent of the units must be set aside for affordable housing. If all of the aforementioned criteria are met; then the development can benefit from a tax exemption. Additionally, the DHFC can be the General Contractor to allow for sales tax exemption on construction materials.
Strategies, Tools and Programs that Will Require Additional Action

Housing Trust Fund
Establish a Dallas Housing Trust Fund (DHTF) that allows monies to be used to make loans to support the production goals of the Housing Policy. At a future date, staff will seek Council approval to authorize a one-time transfer of a minimum of $7 million in unencumbered fund balances from high-performing Tax Increment Financing Districts (TIFs), as well as $7 million from Dallas Water Utility funding set aside to support developments. Staff will further research potential dedicated revenue sources for the DHTF, including unencumbered fund balances from high-performing TIFs, property tax revenues from developments that have been built on previously City-owned land, proceeds from the sale of properties acquired by the City following non-tax lien foreclosures, among other sources.

Tax Increment Financing
Creation of a non-contiguous Tax Increment Finance District for areas not already located in an existing TIF District will leverage TIF on projects that propose to meet the unit production goals with affordability requirements.

Voluntary Inclusionary Zoning
In addition to development subsidies, the City may also incentivize the production of rental units via voluntary inclusionary zoning. Voluntary inclusionary zoning is a strategy by which the City can provide development bonuses to encourage the construction of mixed-income housing in multi-family and mixed-use zoning districts. At a future date, staff will seek council approval to amend the Development Code to allow for by-right development bonuses, including increases in maximum height and lot coverage, for developments that provide mixed-income housing in MF-1, MF-2, MU-1 and MU-2 districts. While these development bonuses would be available regardless of whether the MF-1, MF-2, MU-1 or MU-2 district is in a Reinvestment area, the City could layer in development subsidies for projects in Redevelopment and Stabilization areas to encourage more income stratification or a higher-percentage of affordable units. Furthermore, this strategy, as it has already been briefed to the Dallas Zoning Ordinance Advisory Committee (ZOAC), will encourage such mixed-income housing developments to adopt design principles that encourage walkability, reduce the need for parking, and require the provision of more open space.

Neighborhood Empowerment Zones
At a future date, staff will seek council approval to designate Neighborhood Empowerment Zones (NEZ) in certain Reinvestment Areas. Once a NEZ is established, staff will implement the following programs and strategies to preserve affordability and deconcentrate RECAP:

- a property tax freeze for up to ten (10) years for homeowners if they are making improvements to their property resulting in more than 25% increase in value,
- development fee rebates (permits, planning, zoning, parkland dedication, landscape & tree mitigation),
- encourage Incentive Zoning/Density Bonuses to support the creation of mixed income communities,
- allow Accessory Dwelling Units,
- designate Homestead Preservation District overlay where applicable, and
Sublease Program
Furthermore, staff will pursue council approval to create a Sublease Program which incentives a landlord/developer to facilitate the rental of units to voucher holders. This program is administered through the Dallas Housing Finance Corporation.
City of Dallas Policy for Supporting Housing Developments Seeking Housing Tax Credits

The City of Dallas ("City") has developed the following policy to outline its approach regarding requests from developers of projects seeking Housing Tax Credits ("HTC") from the Texas Department of Housing and Community Affairs ("TDHCA") for Resolutions of No Objection (sometimes referred to as "No Objection") or Resolutions of Support (sometimes referred to as "Support") from the City.

Background on Housing Tax Credits in Texas

In 1986, Congress, through the Tax Reform Act, enacted Section 42 of the Internal Revenue Code ("Section 42"). Section 42 created Low Income Housing Tax Credits that may be awarded to owners of multi-family rental housing that meet certain income and rent restrictions and other program requirements. At the Federal level, the HTC program has very few requirements but does require that states designate an agency to administer the HTC program and develop a Qualified Allocation Plan ("QAP") outlining how HTC will be allocated and administered. For Texas, the Texas Department of Housing and Community Affairs has been designated as that agency, and the QAP is updated annually.

There are two forms of the HTC: 9% HTC and 4% HTC.

9% HTC are considered to be "competitive." The State receives a per capita allocation of HTC to award each year, and applications are scored and are awarded by TDHCA only once per year. 4% HTC, on the other hand, are "automatically" awarded to projects using eligible tax-exempt debt. As a result, 4% HTC are considered to be "non-competitive" since applications are not competitively scored and are awarded by TDHCA multiple times throughout the year.

Under the 9% HTC, a Proposer may receive points for local government support. To receive points, the application must include a Resolution of Support or No Objection from the governing body of the municipality in which the proposed development site is to be located.

Although 4% HTC applications are not competitively scored, the Proposer must obtain a Resolution of No Objection from the governing body of the municipality in which the proposed development site is to be located. This is a threshold requirement for 4% credit awards. Applications that do not include a Resolution of No Objection cannot proceed.

Overview

This HTC policy seeks support the broad goals of the Comprehensive Housing Policy to do the following:

- Create and maintain affordable housing throughout Dallas,
- Promote greater fair housing choices, and
- Overcome patterns of segregation and concentrations of poverty through incentives and requirements.

The decision to provide a Resolution of No Objection or Support must be aligned with these goals. Unlike other City programs that directly invest in specific projects or provide direct incentives, such as fee waivers or tax abatements, the resolutions are an indirect way for the City to support the proposed development. Because of the points allocation for a Resolution of No Objection or Support for 9% HTC and the threshold requirement of a Resolution of No Objection for 4% HTC, the City's position regarding a proposed development can greatly affect whether the proposed
development is awarded HTC by TDHCA.

Given the substantial need for affordable housing across the City and that TDHCA administers the process for awarding HTC, the City has an interest in broadly supporting quality and responsible HTC proposals across the City. As such, the City will be supportive of maximizing production using HTC.

**Definitions:**

- **Affordability Period** has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- **Development** has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- **Development Site** has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- **Historically Underutilized Business** has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- **Market Analysis** has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- **Market Rate Housing Units** means units for which the rent may by adjusted by the Owner, as defined in the Qualified Allocation Plan, as amended, subject only to the terms of the lease. Housing units are not considered Market Rate Housing Units if the rent that may be charged and/or the tenant(s) who may occupy the units are limited by a: (1) a Land Use Restrictive Agreement (LURA) or other restrictive covenants, or (2) any other contractual agreement.
- **Plan and Cost Review** means an analysis, usually conducted by a third-party consultant on behalf of a lender prior to approval of a construction loan or of construction-related information and documents that is intended to evaluate whether costs are appropriate, the construction plan is well-designed and there are appropriate allowances for contingencies.
- **Proposer** means the Proposer, Developer, Development Owner, Development Team, and Owner as those terms are defined in the Qualified Allocation Plan, as amended.
- **Qualified Non-Profit Organization** has the same meaning as the term is defined in the Qualified Allocation Plan, as amended.
- **Registered Neighborhood Organizations** means an organization that has registered with and provided its boundaries to the City of Dallas Department of Planning and Urban Design.

**Calendar**

Proposers may submit a proposal in response to this policy regarding HTC at any time during the year. However, City staff will only review applications and schedule proposals for City Council consideration four times per year. This calendar will be updated and published annually to align with the TDHCA timeline by the City Manager or his/her designee.

The calendar for 2019 is as follows:

<table>
<thead>
<tr>
<th>Application deadline</th>
<th>City Consideration</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 11, 2019</td>
<td>February</td>
</tr>
<tr>
<td>April 12, 2019</td>
<td>May</td>
</tr>
<tr>
<td>July 12, 2019</td>
<td>August</td>
</tr>
<tr>
<td>October 11, 2019</td>
<td>November</td>
</tr>
</tbody>
</table>
Review & Recommendation Process

1. City staff will review all applications. For both 4% and 9% HTC applications, City staff will recommend a Resolution of No Objection to City Council if City staff has determined, in its sole discretion, that the threshold requirements, as outlined below, have been met.

2. For 9% HTC applications that have met the threshold requirements, as outlined below, and address Priority Housing Needs Developments, as described below, City staff may designate these applications as “Priority Housing Needs Developments” and will recommend a Resolution of Support and a $500.00 funding commitment to City Council if City staff has determined, in its sole discretion, that the threshold requirements and Priority Housing Needs Developments criteria have been met.

3. For 9% HTC applications that have met the threshold requirements, as outlined below, and obtain a minimum score of 50 points under the Scoring Factors for Other 9% HTC Applications section, and do not qualify as a “Priority Housing Needs Development”, City staff will recommend a Resolution of Support and a $500.00 funding commitment to City Council if City staff determines, in its sole discretion, that the threshold requirements have been met and that the application has scored at least 50 points.

4% and 9% HTC Applications Threshold Requirements

1. Applicable to All Applications
   - Submission of a complete application to the City;
   - The Proposer must have site control (e.g. purchase option);
   - If not currently zoned for the intended use, the Proposer must have completed a formal consultation with City Planning staff outlining the process and requirements for rezoning the site;
   - The Development must meet TDHCA minimum site and development requirements. If undesirable site features exist, the Proposer must submit a mitigation plan that sufficiently mitigates undesirable site features and supports site eligibility pursuant to TDHCA standards;
   - The Development must meet TDHCA underwriting standards;
   - The Development must contribute to the City’s obligations to affirmatively further fair housing;
   - The Proposer must notify existing tenants living at the Development Site at least 45 days prior to submitting the proposal;
   - For any Development that is occupied by existing tenants that is not otherwise subject to the Uniform Relocation Act (URA), the development proposal must include a City-approved relocation plan that:
     - Minimizes permanent displacement from the Development. In the event of permanent displacement, Proposers will be required to provide compensation to affected tenants that is otherwise in alignment with URA requirements;
     - Must provide reasonable notice to affected tenants prior to any temporary relocation and covers all reasonable out of pocket costs incurred by tenants as a result of moving from one unit to another within the Development or temporarily vacating their units to allow rehabilitation work to proceed; and
     - Proposer must meet all applicable state, federal, or local laws relating to displacement of tenants.
   - For any Development involving rehabilitation or adaptive reuse (i.e. conversion of space originally designed and built for other than residential purposes), the Proposer must submit
a Plan and Cost Review for the Development including all supporting documentation that formed the basis of the review;

- For any Development located in a census tract with a poverty rate of 40% or higher, the Development must achieve a minimum score under Resident Services element of the scoring factors below of:
  - 17 points for elderly developments;
  - 23 points for family developments; or
  - 22 points for permanent supportive housing developments; and

- The Proposer must be eligible pursuant to TDHCA standards and City standards:
  - A proposer is not eligible for any resolution if the Proposer i) is in debt to the City or delinquent in any payment owed to the City, in accordance with Dallas City Code Section 2-36, as amended; ii) is currently in litigation with the City, either as a defendant or plaintiff; or iii) within the last 10 years has been found liable of violating Chapter 20A (Fair Housing) or Chapter 46 (Human Rights and Sexual Orientation) of the Dallas City Code.

2. Developments Involving Rehabilitation of Existing Housing

- The proposed scope of work must be informed by a capital needs assessment (CNA), prepared by a qualified third-party professional that is independent from the Development's architect or engineer, builder/general contractor, or other member of the Development Team. The City will review the CNA and conduct a site visit. The CNA must demonstrate to the City's satisfaction that the initial scope of work is sufficient to address all City code violations (whether formally cited or not). Further, the scope of work, combined with planned replacement reserve funding, must be determined sufficient to address all projected repairs or replacements of the following items through the entire term of the Development's affordability period:
  - All major systems including roof, foundation, electrical, HVAC, and plumbing;
  - Interior and exterior windows and doors;
  - The interiors of all units including the kitchen and bathroom and all major appliances;
  - The exterior of the development, including balconies, walkways, railings, and stairs;
  - Communal facilities such as community rooms, fitness centers, business centers, etc.; and
  - Security features including gates and security cameras.

- Accessibility

Priority Housing Needs Developments (applicable to only 9% HTC Applications)

A 9% HTC application that meets any of the following criteria may be designated by City staff as a "Priority Housing Needs Development" and recommended for a Resolution of Support and $500.00 funding commitment to City Council, if City staff has determined, in its sole discretion, that the threshold requirements and Priority Housing Needs Developments criteria have been met:

1. The development proposal has been selected within the past three years to receive City funding (including federal funds such as HOME, CDBG, etc. or local funding such as General Obligation Bond funding) under a competitive application process administered by the Department of Housing and Neighborhood Revitalization and otherwise remains in compliance with all funding requirements;
2. The proposal includes participation by the Dallas Housing Finance Corporation or City of Dallas Public Facilities Corporation applicable to housing (if created). Such participation must include ownership of the underlying development site by the entity and/or stake in the ownership structure of the development;
3. The proposal involves the redevelopment of public housing owned by the Dallas Housing Authority under the Choice Neighborhoods, Rental Assistance Demonstration, HOPE VI, or other similar HUD programs that may be created;
4. The development proposal is located in a census tract with a poverty rate below 20%;
5. The development proposal is within any area designated as a Redevelopment Reinvestment Strategy Area (RSA) or a Stabilization RSA in this Comprehensive Housing Policy; or
6. Developments with at least 50 units for which the Owner must enter into an MOU with the lead entity of the Continuum of Care by which the project will prioritize at least 20% of units for tenants referred from the Continuum of Care Housing Priority List.

**Scoring Factors for Other 9% HTC Applications**
For 9% HTC Applications that do not qualify as a Priority Housing Needs Development, the application must achieve a minimum score of 50 within this section, **Scoring Factors for Other 9% HTC Applications**, to be recommended by City staff for a Resolution of Support and $500.00 funding commitment to City Council, if City staff has determined, in its sole discretion, that the threshold requirements have been met and the application scores a minimum of 50 points under this section.

**Mixed-Income Projects (Maximum of 20 points)**
Proposals including market rate units (i.e., those without income/rent restrictions) as follows:

<table>
<thead>
<tr>
<th>Percentage of Market-Rate Units</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>At least 5% but less than 10% market rate units</td>
<td>5</td>
</tr>
<tr>
<td>At least 10% but less than 15% market rate units</td>
<td>10</td>
</tr>
<tr>
<td>At least 15% but less than 20% market rate units</td>
<td>15</td>
</tr>
<tr>
<td>At least 20% market rate units</td>
<td>20</td>
</tr>
</tbody>
</table>

**Qualified Nonprofit or Historically Underutilized Business on Development Team (5 points)**
To receive these points, the development team must include a Qualified Nonprofit Organization or Historically Underutilized Business ("HUB") that has a controlling interest in the development. If ownership is a limited partnership, the Qualified Nonprofit Organization/HUB must be the Managing General Partner with greater than 50% ownership in the General Partner. If ownership is a limited liability company, the Qualified Nonprofit Organization/HUB must be the controlling Managing Member with greater than 50% ownership in the Managing member. Additionally, the Qualified Nonprofit Organization/HUB or its affiliate or subsidiary must be the developer or a codeveloper of the Development.
Proximity of Amenities to Development Site (Maximum of 25 points)
The following matrix shall be used in scoring the Development under this category:

<table>
<thead>
<tr>
<th>Amenity</th>
<th>1/4 mile or less</th>
<th>&gt;1/4 mile and &lt; 1/2 Mile</th>
<th>1/2 mile and up to 1 mile</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Frequency Transit</td>
<td>5</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Public Park</td>
<td>5</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Full Scale Grocery Store</td>
<td>5</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Community/Senior Center or Library</td>
<td>5</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Licensed Day Care</td>
<td>5</td>
<td>3</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Amenity</th>
<th>1/2 mile or less</th>
<th>&gt;1/2 mile and &lt; 1 mile</th>
<th>1 mile and up to 2 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qualifying Medical Clinic or Hospital</td>
<td>5</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Amenity</th>
<th>20 minutes or less</th>
<th>&gt;20 min. and &lt; 40 min.</th>
<th>More than 40 min.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit time to Major Employment Center</td>
<td>5</td>
<td>2</td>
<td>0</td>
</tr>
</tbody>
</table>

Resident Services (Maximum of 25 points)

Note: The list of potential resident services is derived from, but not identical to, the QAP, as amended. The services outlined in the table below are shorthand descriptions, but the City will use the same definitions and requirements for each service as outlined in the QAP, as amended. For purposes of this section, however, the City will use its own scoring criteria to award points. In some cases, the points available may vary from those awarded under the QAP, as amended. Additionally, the total points available are not capped in the City’s scoring rubric in the same manner as they are for the QAP, as amended. City Manager or designee may amend the service descriptions categories and point allocations on an annual basis based on the annually updated QAP. The maximum points allocated to Resident Services will remain the same (25 points).
<table>
<thead>
<tr>
<th>Service Description</th>
<th>Reference within the 2019 QAP §11.101(b)(7)</th>
<th>Points for City Scoring</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transportation Services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Min. 3x/week shuttle to grocery/pharmacy or big-box retail; OR daily shuttle during school year to nearby schools not served by school bus system</td>
<td>(A)(i)</td>
<td>3.5</td>
</tr>
<tr>
<td>Monthly transportation to community/social events</td>
<td>(A)(ii)</td>
<td>1</td>
</tr>
<tr>
<td><strong>Children Services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High quality PreK program with dedicated space on-site</td>
<td>(B)(i)</td>
<td>4</td>
</tr>
<tr>
<td>Min. 12 hours/week organized on-site K-12 programming (e.g. tutoring, after school and summer care, etc.)</td>
<td>(B)(ii)</td>
<td>3.5</td>
</tr>
<tr>
<td><strong>Adult Services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Min. 4 hours/week organized onsite classes for adults (e.g. GED, ESL, financial literacy, etc.)</td>
<td>(C)(i)</td>
<td>3.5</td>
</tr>
<tr>
<td>Annual income tax preparation</td>
<td>(C)(ii)</td>
<td>1</td>
</tr>
<tr>
<td>Contracted career training and placement partnerships with local employers</td>
<td>(C)(iii)</td>
<td>2</td>
</tr>
<tr>
<td>Weekly substance abuse meetings at project site</td>
<td>(C)(iv)</td>
<td>1</td>
</tr>
<tr>
<td><strong>Health Services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food pantry accessible to residents (on site or via on-request transportation)</td>
<td>(D)(i)</td>
<td>2</td>
</tr>
<tr>
<td>Annual health fair</td>
<td>(D)(ii)</td>
<td>1</td>
</tr>
<tr>
<td>Weekly exercise classes</td>
<td>(D)(iii)</td>
<td>2</td>
</tr>
<tr>
<td>Contracted on-site occupational or physical therapy for elderly or disabled tenants</td>
<td>(D)(iv)</td>
<td>2</td>
</tr>
<tr>
<td><strong>Community Services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partnership with local law enforcement to provide quarterly activities with tenants</td>
<td>(E)(i)</td>
<td>2</td>
</tr>
<tr>
<td>Notary services for tenants</td>
<td>(E)(ii)</td>
<td>1</td>
</tr>
<tr>
<td>Min 2x/month arts, crafts, or other recreational activities (e.g. book club)</td>
<td>(E)(iii)</td>
<td>1</td>
</tr>
<tr>
<td>Min 2x/month on-site social events (e.g. potlucks, holiday celebrations, etc.)</td>
<td>(E)(iv)</td>
<td>1</td>
</tr>
<tr>
<td>Case management for elderly, disabled, or special needs tenants</td>
<td>(E)(v)</td>
<td>3</td>
</tr>
<tr>
<td>Weekly home chore and quarterly preventative maintenance for elderly or disabled tenants</td>
<td>(E)(vi)</td>
<td>2</td>
</tr>
<tr>
<td>Social Security Act Title IV-A programming</td>
<td>(E)(vii)</td>
<td>1</td>
</tr>
<tr>
<td>Part-time resident services coordinator (min. 15 hours/week) or contract for same through local provider</td>
<td>(E)(viii)</td>
<td>2</td>
</tr>
<tr>
<td>Education/tuition savings match or scholarship program for residents</td>
<td>(E)(ix)</td>
<td>2</td>
</tr>
</tbody>
</table>
Community Housing Development Organizations (CHDOs)

A CHDO is defined under 24 Code of Federal Regulations (CFR) Part 92.2 as a nonprofit organization (501©3 or 4) organized under state law; has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual; is neither controlled by nor under the direction of individuals seeking to derive profit or gain from the organization. While a CHDO may be sponsored or created by a for-profit entity whose primary purpose is not the development or management of housing, such as a builder, developer or real estate management firm, the for-profit entity may not have the right to appoint more than one-third of the membership of the organization's governing body and the board members appointed by the for-profit entity may not appoint the remaining board members. A CHDO does not include a public body although a locally chartered organization may qualify under certain conditions.

The CHDO must be free to contract for goods and services from vendors of its own choosing. The CHDO must comply with certain financial accountability standards as described in the 24 CFR 84.21 Standards for Financial Management Systems. Among the primary purposes of the CHDO's organization, as outlined in their organizational charter, articles of incorporation, resolutions or bylaws must be the provision of decent housing that is affordable to low-to-moderate income persons. A CHDO must remain accountable to the low-income community residents by: 1) maintaining at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representative of a low-income neighborhood organization; 2) providing a formal process for low-income program beneficiaries to advise the organization in its decisions regarding the design, site selection, development and management of affordable housing.

A service area in urban areas such as Dallas, "community" may be defined as a neighborhood, or neighborhoods, city, county or metropolitan area. Additionally, CHDOs are subject to the affirmatively furthering fair housing rules which state that housing should not be located in areas of minority concentration or with high poverty rates. Historically, Dallas CHDOs have elected to work in areas where disinvestment has occurred, and where high concentrations of poverty exist. CHDOs should grow and develop the capacity to partner with for-profit developers to produce market rate housing in areas of disinvestment. Furthermore, CHDOs should work in areas with low poverty rates, have access to a quality education, transportation, and jobs. These high opportunity areas lack quality affordable housing options.

A CHDO must demonstrate the capacity to carry out the activities assisted with HOME Investment Partnership Program (HOME) funds within 12 months of the project commitment. CHDO's may satisfy the HOME requirement by hiring experienced key staff members who have successfully completed similar projects or a consultant with the same type of qualified experience and a plan to train appropriate key staff member of the organizations. CHDO's must demonstrate a minimum of one-year experience in serving the community in which the assisted housing will be located before funds can be reserved for the organization. This requirement can be satisfied by a parent organization in some cases if a CHDO is formed by a group of local churches or local service organizations. CHDOs must be certified by the City of Dallas to be awarded CHDO set-aside funds for the development of housing and operating assistance.

Set Aside
HUD requires that 15% of the HOME allocation each year be made available to Community Housing Development Organizations (CHDOs) for the development of affordable homebuyer or
rental housing.

**Operating**
In addition, the City can allocate up to 5% of the HOME allocation each year operating expenses for CHDOs. These funds provide operating funds to Community Housing Development Organizations based on financial need and the expectation that the organization is utilizing or will utilize the City's HOME CHDO set aside funding within 24 months of the award.

HOME funding provided for CHDO operating expenses may not exceed $50,000 or 50% of the organization's total annual operating expenses for that fiscal year, whichever is greater. CHDO operating expense funds may not supplant CHDO set-aside funds for project costs.

**Certification**
To be eligible to receive HOME CHDO set-aside funding and Operating Assistance Grants, a CHDO must be certified by the City of Dallas. CHDO certification must be done prior to the commitment of funds for a set-aside development, and there cannot be a general CHDO certification. The City can work in advance to determine if a CHDO will likely meet the requirements for certification prior to funding considerations. A CHDO must continue to be certified throughout the development of a project and during the affordability period. The City has developed the "Community Housing Development Organization (CHDO) Policy, Procedure, and Standards" document to outline the process and requirements for CHDO certification. This can be found in Appendix 5.
APPENDICES
A. Eligible Developer Applicants

The City of Dallas will fund developers of affordable single-family homebuyer units, including for-profit developers, non-profit developers, and City of Dallas-designated CHDOs, with City of Dallas HOME single-family development program funds. Developers must demonstrate the capacity and previous experience developing projects of the type presented in their proposals. Prior to committing funds, the City of Dallas will review the status of any organization seeking funds from the CHDO set-aside to ensure that it meets all HOME requirements and that it has sufficient staff and financial capacity to carry out the project.

Project Location
Projects must be located within the city limits of Dallas.

Project Types
Funds will be provided for new construction projects. In general, the City of Dallas will require that all homes constructed have a minimum square footage of 1,200 sq ft, at least 3 bedrooms, and at least 1.5 bathrooms. RFPs issued by the City of Dallas may further specify or provide priority for eligible project types.

Parameters of HOME Investment
Applications must include an investment of $1,000 in HOME funds per HOME unit. In no case will the City of Dallas investment exceed the maximum HOME investment allowed under 24 CFR 92.250.

Additionally, for projects involving both City of Dallas other HOME funds, the combined HOME funding investment shall not exceed the total maximum HOME investment allowed under 24 CFR 92.250.

Typically, the City of Dallas will also establish a maximum cap on its investment in a single home. Such a limit will be based on the availability of funding and other City of Dallas priorities and will be addressed in any NOFA issued by the City of Dallas.

B. Eligible Costs
Costs funded with the City of Dallas HOME funds must be eligible according to HOME Final Rule 24 CFR 92.206. The following additional limitations also apply:

- HOME funds shall not be used for luxury improvements according to 24 CFR 92.205.
- Acquisition costs shall be supported by an independent appraisal of the property. Acquisition costs exceeding the appraised value of the property will be ineligible for HOME funding reimbursement.
- HOME funds shall not be used for non-residential accessory structures such as free-standing garages, carports, or storage structures. Applicants must delineate project costs in a manner that allows free-standing structures to be clearly paid for using other project funds.
City of Dallas Eligible Project Soft Costs
The HOME program allows the City of Dallas to include, as project costs, its internal soft costs specifically attributable to a HOME project. These may include consulting, legal, inspection, and staff costs associated with reviewing, processing, and overseeing the award of funds to the project. Projects must provide budget allowances for "City of Dallas-Lender Due Diligence & Legal Costs" in the project's sources and uses.

Cost Reasonableness
Per the requirements of 92.250(b) and 2 CFR 200 Subpart E (formerly known as OMB Circular A-87), all project costs must be reasonable, whether paid directly with HOME funds or not. The City of Dallas will review project costs, including hard and soft costs, to evaluate their reasonableness and may, at its option, require applicants to obtain additional quotes, bids, or estimates of costs.

Identity of Interest
Developers must disclose any identity of interest situations that may occur when contracting with related companies during either the development or ongoing operation of the project. City of Dallas staff must be allowed the opportunity to conduct a cost analysis to determine costs reasonableness. Applications may be determined ineligible if access is not granted or costs are determined to be unreasonable.

C. Property Standards
To meet both HOME regulations and City of Dallas goals, all HOME-funded projects must meet certain physical standards intended to provide quality affordable housing that is durable and energy efficient.

Construction must meet all local codes. City of Dallas has adopted and enforces the following codes with amendments:

- 2012 International Building Code
- 2012 International Mechanical Code
- 2009 International Energy Conservation Code
- 2012 International Existing Building Code
- 2011 National Electric Code
- Chapter 11 of the 2009 International Residential Code

All HOME projects must meet applicable Section 504/UFAS requirements. Pursuant to 24 CFR 8.29, single-family housing developed with Federal funds must be made accessible upon the request of the prospective buyer if the nature of the prospective occupant's disability so requires. Developers must ensure that projects are designed in a way that can accommodate such a request. Should a prospective buyer request a modification to make a unit accessible, Developer must work with the homebuyer to provide the specific features that meet the need(s) of the prospective homebuyer or occupant. If the design features that are needed for the buyer are design features that are covered in UFAS, those features must comply with the UFAS standard. Developers shall be permitted to depart from the standard in order to have the homebuyer/occupant's needs met.
Site shall be served by public sewer, public water, and public road. Sites should have ready access to recreational opportunities such as parks, playgrounds, etc., nearby shopping and services including transportation, grocery, banking, and medical facilities, and otherwise be located in neighborhoods that provide amenities that support residential development. The City of Dallas also generally prefers that sites have safe, walkable connections—including sidewalks—to the surrounding neighborhood. Site shall be in a designated Fire District or served by a Fire Department;

Units must be equipped with the following appliances: Refrigerator, range/oven, dishwasher, and garbage disposal. Developers may also propose to include in-unit clothes washers and dryers, microwave/vent fan combination units, as appropriate. If the Energy Star program rates the type of appliances being installed, the developer must furnish the units with Energy Star rated appliances. Note however that not all appliances are rated by the Energy Star program.

D. Sales Price
Housing developed with HOME funds must be modest, and the sales/purchase prices for homes developed under this program cannot exceed the HOME Homeownership Value Limits published by HUD in effect at the time of project commitment. The City of Dallas will identify the applicable limits in any NOFA issued.

Units produced under the City of Dallas' single-family development program must be sold at the fair market value as determined by an "as-completed" or "subject to completion" appraisal completed by an independent state licensed appraiser. Developers shall submit such an appraisal prior to project commitment, and the City of Dallas may require an updated appraisal prior to construction completion if the appraisal is more than 9 months old at that point. Any reductions in list or sales price below the City of Dallas-approved appraised value must be approved in writing by the City of Dallas and will generally require updated market information.

E. Eligible Homebuyers
Homebuyers for units produced under the City of Dallas single-family development program must meet the eligibility criteria set forth in the City of Dallas Homebuyer Assistance Program (DHAP) guidelines.

F. Environmental Review Requirements
Federally-assisted projects are subject to a variety of environmental requirements. Developers should be familiar with these requirements and are strongly encouraged to discuss any questions they have with City of Dallas staff prior to entering into a purchase agreement or submitting an application.

All projects shall be implemented in accordance with environmental review regulations as defined 24 CFR Part 58.

The City of Dallas shall be responsible for conducting the environmental review and completing all necessary public notifications, and the request for release of funds (RROF) from HUD. The applicant is responsible for cooperating with the City of Dallas in the environmental review process and providing information necessary for the City of Dallas to fulfill its responsibilities under Part 58 and other applicable regulations.

Submitting an application for HOME funds triggers environmental review requirements under 24 CFR 58, including the National Environmental Policy Act (NEPA). Once an application for federal
funds is submitted, a development proposal is now subject to the environmental review requirements and requires an environmental clearance and issuance of a Release of Funds (ROF) by the US Department of Housing and Urban Development.

Developers are prohibited from undertaking or committing or expending any funds to (including non-federal funds) any physical or choice-limiting actions on the site prior to an environmental clearance as required by Part 58. Physical and choice limiting actions include, but are not limited to, property acquisition, demolition, movement, rehabilitation, conversion, repair or construction. This prohibition applies regardless of whether federal or non-federal funds are used, and taking a choice limiting action prior to completion of the required environmental clearance process will result in the denial of any HOME funds from the City of Dallas.

G. Other Federal Requirements

Nondiscrimination and Equal Opportunity
The following federal nondiscrimination and equal opportunity guidelines apply to all projects and affect both development and sales of assisted housing:

- The Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR part 100 et seq.;
- Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d- 2000d-4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1;
- The Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) and implementing regulations at 24 CFR part 146;
- Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at part 8 of this title;
- Title II of the Americans with Disabilities Act, 42 U.S.C. 12101 et seq.; 24 CFR part 8; Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135;
- Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971- 1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development); and

Uniform Relocation Act (URA)
All projects fall under requirements of the URA. Any project resulting in permanent relocation/displacement of households will not be funded by the City of Dallas. Applicants must
further document that any purchase of property meets the requirements of URA, including provision of notices to the seller identifying the transaction as a voluntary sale not under the threat of eminent domain. To ensure compliance with URA, applicants should consult the City of Dallas to understand the requirements of URA and reference the URA forms included in the RFP prior to submitting an application involving an occupied property.

Davis Bacon
Davis Bacon federal prevailing wage requirements shall apply to all projects with 12 or more units assisted with HOME funds.

Excluded Parties
The City of Dallas will not fund projects owned, developed, or otherwise sponsored by any individual, corporation, or other entity that is suspended, debarred, or otherwise precluded from receiving federal awards. Nor may the developer contract with any other entity (including but not limited to builders/general contractors, property management companies, or other members of the development team) that are suspended, debarred, or otherwise so precluded. Similarly, the general contractor will be required to determine that subcontractors are not so precluded.

H. Ongoing Project Requirements

Deadlines
Construction Start- If construction is not started within 12 months of the date the City of Dallas commits funds to a project, the commitment will be subject to cancellation. If the project is cancelled as a result of failure to meet this deadline, the Developer must repay to the City of Dallas any HOME funds disbursed for the project.

Completion Deadline- Project completion occurs when construction is complete, all HOME funds have been disbursed by the City of Dallas and drawn from the US Treasury, title to the property has transferred to an eligible buyer, and required completion data has been entered in HUD’s IDIS system. Project completion must occur within 2 years of the date of commitment of funds to the project. If the Developer fails to meet this 2-year deadline, it must repay to the City of Dallas any HOME funds disbursed for the project.

Sales Deadline- Pursuant to 24 CFR 92.254(a)(3), Developers must have a ratified sales contract with an eligible buyer for each HOME-funded unit within nine (9) months of completion of construction or the unsold units must be converted to rental housing or the project will be deemed ineligible and all HOME funds drawn must be repaid to HUD.

If a unit is unsold after six (6) months, the Developer must present an updated sales and marketing plan to the City of Dallas outlining steps being taken to identify buyers. At the City of Dallas option, the Developer may be required to i) take further steps—such as listing the home with a licensed realtor, adjusting the sales price, etc.—as the City of Dallas may require to facilitate the sale of the home or ii) to transfer title to the City of Dallas or to another entity selected by the City of Dallas that can otherwise identify buyers prior to the regulatory deadline.

At the City of Dallas option, if a unit remains unsold after nine (9) months, the developer shall be required i) to repay the entire HOME investment, including any City of Dallas project soft costs; ii) to convert the project to rental housing in accordance with 24 CFR 92.252; or iii) to transfer title to the City of Dallas or to another entity selected by the City of Dallas for conversion to rental housing.
Units converted to rental housing must be rented to eligible tenants in accordance with 24 CFR 92.252, which includes tenant income eligibility and rent limit requirements. Further, any units converted to rental properties shall be operated in compliance with the City of Dallas Rental Housing Program guidelines.

**Reporting and Record Keeping**

To allow effective oversight of funded projects and document compliance with applicable HOME requirements, all projects must submit periodic reports to the City of Dallas. While this section outlines standard reporting requirements, the City of Dallas reserves the right to require additional reporting or to alter the reporting format or frequency based on future changes to HOME requirements or City of Dallas policy. Additionally, the City of Dallas reserves the right to require additional or more frequent reporting for projects with compliance deficiencies.

- Developers are required to report monthly during the development phase and sales phase. During the construction phase, developers must provide monthly reports detailing construction progress and barriers to progress, copies of invoices being paid, and evidence of appropriate lien waivers.
- During the sales phase, developers are required to provide monthly reports detailing the number of additional sales, total sales, and marketing activity. These reports are required until all units are sold.
- The City of Dallas may require more frequent reporting due to findings identified during the development and sales phases.
- At the City of Dallas option, developers may be required to obtain and submit an audit of project costs (i.e., cost certification) prepared by an independent Certified Public Account.
- Developers shall allow City of Dallas, HUD, State of Texas, the Comptroller General of the United States (aka the GAO), and all other pertinent Federal or State agencies or their designated representative the right to inspect records and property.

**Conflict of Interest**

To comply with HOME requirements and to maintain a high standard of accountability to the public, conflicts of interest and perceived conflicts of interest must be avoided. Developers shall maintain compliance with all HUD conflict of interest provisions as stated in 92.356(f).

Developers with officers, employees, family members, consultants, or agents that are otherwise eligible to purchase HOME funded-units must receive waiver/approval from City of Dallas staff before entering into a sales agreement with HOME eligible employees. 92.356(f) provisions apply to all HOME projects.

**I. Structure of Transaction**

**Loan Types and Terms**

The City of Dallas will provide HOME funds in the form of a loan to the entity that owns the property. No grants will be awarded, and funding commitments are not transferable without prior written City of Dallas approval.

The City of Dallas HOME Loan may be used for acquisition and construction financing. Proceeds of the HOME loan will only be released following satisfaction of all requirements outlined below.

In all cases, the HOME loan will:
Have a maximum term of 2 years;

- Be repayable in full upon sale, refinancing, or transfer of the property or upon maturity, except that repayment will be limited to the net proceeds of a City of Dallas-approved sale to a low-income buyer. Net sales proceeds will exclude any portion of the sale proceeds used to repay senior construction debt, return of City of Dallas-recognized developer equity, approved sales costs, and any HOME-assistance transferred to the buyer(s) at closing as direct homebuyer assistance.; and

- Secured with a promissory note, mortgage, and appropriate UCC liens. Mortgages will be recorded with the Dallas County Recorder of Deeds and generally may be subordinate only to an approved amortizing first mortgage.

Guarantees
Unless otherwise determined by the City of Dallas, all underlying individuals, corporate entities, partnerships, or limited liability companies with an interest in the project will be required to provide a completion guarantee including provisions guaranteeing construction completion of the project. For nonprofit organizations, including community housing development organizations (CHDOs), a guarantee shall not be required, but in all cases the City of Dallas may require a performance bond or irrevocable letter of credit acceptable to the City of Dallas to ensure project completion.

HOME Agreement
In addition to any financing documents, developers of HOME-financed projects must sign a HOME agreement with the City of Dallas. The HOME agreement will identify requirements for compliance with the HOME regulations and the City of Dallas Single-Family Development Program requirements and will remain in effect in the event of any prepayment of the HOME loan.

J. Underwriting & Subsidy Layering Reviews

Market Demand
Developers must, as part of their application, provide evidence of sufficient demand for the proposed units. Developers shall provide information from the multiple listing service pertaining to recent sales in the neighborhood, average time on the market for recent sales, availability of other product and average “months of supply” currently available, and any known or planned projects.

Additionally, Developers must complete the HOME Sales and Marketing Plan, identifying among other items the profile of typical buyers, relationships with homeownership counseling agencies or other sources of buyer referrals, and plans for marketing the homes.

In some cases, the City of Dallas may only commit to a specific project (or may limit the number of projects under construction by a given developer) upon demonstration that a home has been pre-sold to an identified low-income buyer who has, at least, executed a reservation or initial purchase agreement with the Developer.

Project Underwriting
All HOME applications must include financial statements from all underlying owners and guarantors. Developers must have a net worth equal to 10% of the total development cost with net liquid assets equal to 3% of the total development cost. Applicant must provide the amounts and terms for any other financing being provided to the project.
Proforma Requirements
The proforma must explicitly show:

- An itemized breakdown of development hard and soft costs by unit including any allowances for soft costs such as architectural fees, carrying costs, etc;
- The hard costs of any stand-alone accessory buildings, including free-standing garages, carports, or storage structures should be specifically itemized in the Development Sources and Uses so that the City of Dallas can complete preliminary HOME cost allocation calculations. (Stand-alone accessory structures like a detached garage may be included in the project but are not HOME-eligible and must be paid for with another funding source.)
- Costs and fees to be paid to the City of Dallas as permitted by the HOME program. The HOME program allows the City of Dallas to include, as project costs, its internal soft costs specifically attributable to the project. These may include consulting, legal, inspection, and staff costs associated with reviewing, processing, and monitoring award of funds to a project. The City of Dallas will notify Developers of the amounts to include in their Development Sources and Uses for “City of Dallas-Lender Due Diligence & Legal Costs.”
- Estimates of the sales transaction to an eligible homebuyer, including a calculation of the proposed buyer’s ability to qualify for a mortgage meeting City of Dallas requirements, the anticipated need to provide direct HOME assistance (e.g. downpayment and closing cost assistance) to the buyer, projected sales costs (e.g. realtor’s commissions), and the distribution of sales proceeds (including toward repayment of private construction financing)

Cost Limitations
All project costs must be reasonable and customary. The City of Dallas reserves the right to review any line-item cost to ensure that total project costs are not excessive. Additionally, HOME projects will be subject to the following specific cost limitations:

- The maximum allowable developer fee is 15% of total development costs less the developer fee itself and seller’s closing costs.
- Acquisition costs are limited to fair market value as determined by a third-party appraisal.
- Unless prior approval has been obtained from the City of Dallas, all project hard costs and all project professional fees should be the result of a competitive bidding process. While developers are not subject to federal procurement rules and may use less formal bid processes, the City of Dallas generally expects developers to seek multiple bids and identify the most advantageous bidder based on cost, track record, and other pertinent factors.

Other Public Funding Sources
Developers must disclose all other public and private sources or applications for funding with their initial HOME Single-Family Development application to the City of Dallas at the time of application and upon receiving any additional commitments of public source funding. The City of Dallas will conduct a subsidy layering review as part of the underwriting process for all projects. Using its underwriting criteria, the City of Dallas will assess the project and may require changes to the transaction to ensure that return to the owner/developer are not excessive. Changes may include a reduction in HOME funds awarded.
The City of Dallas will consider adjusting its underwriting in consultation with other public funders, if applicable, to the project. The City of Dallas retains, at its sole discretion, the power to decide whether to accept alternative standards.

K. Construction Process

City of Dallas Construction Inspections
The City of Dallas must be provided with copies of all contractor invoices and provided reasonable notice of monthly draw inspections during the construction period. City of Dallas staff will participate in all draw reviews whether or not the specific draw is being funded with HOME or other project funds and conduct inspections to ensure that the project is progressing and that work completed is consistent with all applicable HOME requirements.

Davis Bacon
When Davis Bacon applies to a project, the City of Dallas must be provided with compliance documentation throughout the construction period. Prior to commencing construction, the City of Dallas must approve current wage determinations applicable to the project. The contractor will be required to provide weekly payroll forms to the City of Dallas and allow access to the site and workers for the purpose of completing worker interviews.

Drawing City of Dallas HOME Funds
Proceeds of the HOME loan will only be released as reimbursement for eligible project costs following:

- Review and acceptance of appropriate source documentation by the City of Dallas including evidence of appropriate lien waivers and/or title endorsements.
- A determination by the City of Dallas that all HOME requirements pertaining to the development of the Project have been met, including but not limited to monitoring of Davis Bacon compliance.

For nonprofit developers, including CHDOs, the City of Dallas may release payment based upon outstanding invoices for costs incurred and work completed. In such cases, the City of Dallas reserves the right to disburse through a title company, directly to the vendor, or with two-party checks.

Project Closeout
Developers are required to submit homebuyer eligibility packets to the City for approval of the homebuyers. Data shall include elderly status, race, gender, female head of household, number of household members, and income.

The City of Dallas requires a copy of the final project sources and uses statement and, at the City of Dallas option, may require the submission of the project cost certification prepared by an independent Certified Public Accountant following completion of construction and payment of all development costs.
APPENDIX 2
Rental Development Underwriting

In reviewing applications for HOME assistance, as required by §92.250(b) and prudent business practices, the City’s underwriting framework includes evaluations of:

- **Regulatory requirements applicable to the project**, including compliance (or ability to become compliant) with HOME’s affordability restrictions, property standards, and cross-cutting federal requirements;
- **Market risk**, including whether or not sufficient demand exists for the project, the anticipated lease-up period, and whether general economic conditions and other competition supports ongoing viability;
- **Developer risk**, focusing on whether the owner/developer (including but not limited to the underlying owners of special purpose entities) have the technical capacity to develop and operate the property and the financial capacity to safeguard public funds and backstop the project if the event of poor financial performance; and
- **Project risk (or “financial underwriting”),** testing the economic and financial projections for the transaction including both sources and uses as well as ongoing operating assumptions. This includes confirmation that all sources of project financing are available, commercially reasonable, and have been appropriately maximized prior to awarding HOME funds.

**Market Assessment**
All HOME project applications must include a third-party market study prepared in a manner consistent with TDHCA’s market analysis requirements. Unless otherwise approved by the City, market studies shall be prepared by providers included on the list of TDHCA Approved Market Analysts. Owner’s may generally submit the market study used in conjunction with the Owner’s LIHTC application, if applicable. Market studies must be less than one year old at the time of commitment of HOME funds. For market studies that are more than one year old, the City will typically require an update from the original analyst or a new market study from another analyst. Proposed rent levels must be supported by the applicant’s market study and be within HOME regulatory limits.

Additionally, the market study should demonstrate the following:

- All units, including any “market rate” units as well as any units with income/rent restriction imposed by other programs such as LIHTC, must demonstrate viability within the primary market area taking into account any known rent concessions being offered by competing properties;
- Income and rent restricted units must have “discounts” of at least 15% relative to comparable un-restricted units;
- Achievable occupancy rates, based on a comparison of comparable properties in the primary market area, must be at or above 95% (physical occupancy);
- Capture rate for the development as a whole is no more than 10%, and no capture rate for specific unit sizes (e.g. 3-bedroom units) exceeds 25%; and
- Absorption can be expected to result in underwritten occupancy levels within six (6) months of units being ready for occupancy.
For projects not meeting these standards the City, in its sole discretion, may also consider the following:

- For project targeting special needs populations (e.g. homeless households, domestic violence victims, veterans, or other specific subpopulations), the City may accept higher capture rates if data from the local Continuum of Care and/or service providers specializing in the targeted populations (e.g. VA service centers) suggest an adequate pipeline of eligible renters exists and will be consistently referred to the development.
- For existing projects being rehabilitated, the City will consider the recent operating history of the project in terms of actual rents charged/received, eligibility of in-place tenants, and the like for evidence that the development's projections are supported by actual performance.

The City may also consider offsetting the risk of relatively "weaker" market study findings by offering HOME assistance as permanent debt only, to be disbursed following actual lease-up of the development at proforma levels and achievement of stabilized occupancy.

**Developer and Development Team**

In most cases, projects considered by the City will be owned by single-purpose, single-asset entities created to hold title the development. For various purposes, including structuring necessary to comply with industry norms and take advantage of other funding sources such as LIHTC, the "owner" and "developer" of a project are often legally distinct entities, even if ultimately owned and controlled by the same underlying parties.

**Developer Technical/Professional Capacity**

In evaluating the capacity of the "developer" the City will use the term more loosely to refer collectively to the underlying corporate entities and individuals that will own and control the single-purpose entity (excluding the investor member/limited partner). Additionally, the City requires various guarantees and indemnities from all of the underlying corporate and individual owners of the various limited partnership or limited liability corporation entities involved in the ownership and development of the project.

Developers should demonstrate:

- Recent, ongoing, and successful experience with the development of similar regulated affordable housing; and
- The presence of adequate staff, with specific experience appropriate to their role in the project, to successfully implement and oversee the project. This includes the assembly and oversight of the development team.

The City requires applicants to provide lists of real estate owned (including partnership/membership interests) by the developer as well as all projects underway. The City will review the performance of those projects, including financial factors like net occupancy, actual DCR, cash flow received, outstanding loan balances, and net equity of individual projects and the developer's overall portfolio.

Applicants are also required to provide descriptions of the role played by specific staff members relative to the proposed project along with resumes or other similar information demonstrating experience appropriate to the assigned staff member’s role.

**Financial Capacity**
Developers must also demonstrate the financial capacity to support the proposed project both during construction and lease-up as well during ongoing operations. This includes not just that the applicant has sufficient financial resources but that it has adequate financial systems in place to appropriately manage project funding, accurately account for all project costs, and provide reliable reporting to the City and other project funders.

At minimum, the City will review audited financial statements, interim financial statements, and individual personal financial statements to ensure that:

- The “primary” development entity’s most recent audit must demonstrate compliance with Generally Accepted Accounting Principals (GAAP) and must not express material weaknesses in the entity’s system of internal controls or financial management systems;
- The developer’s net worth (including the un-duplicated net worth of other guarantors) is equal to at least 10% of the total development cost of all projects underway (i.e. those that have received funding commitments from HOME or LIHTC but have not yet been completed and converted to permanent financing); and
- The developer has net liquid assets (current assets less current liabilities) equal to at least 3% of the total development cost of all projects underway.

Development Team
The City will also review the capacity of the development team including but not limited to the general contractor, architect, engineer, market analyst, management company, accountant, attorney, and any other specialized professionals or consultants.

As a whole, the development team should have the skills and expertise necessary to successfully complete and operate the development. Insomuch as possible, on balance the development teams should have worked successfully on other projects in the past. That is, while a developer may identify new development team members from project to project, an “entirely new” team may present added risk.

Additionally, when using development team members from outside of the region, the City will consider whether assigned team members have recent local experience or have been supplemented with local professionals. This may be particularly important for design professionals and legal counsel.

In no case, may any owner/developer/applicant or any member of the development team be a suspended, debarred, or otherwise excluded party.

Identify of Interest Relationships & Costs
Applicants must disclose all identity of interest relationships/contracts and/or costs involved in a transaction, including during the development period and following completion of the project. The City reserves the right to review any such costs further to ensure they are reasonable and consistent with the costs expected from arms-length relationships.

An "identity of Interest" (whether or not such term is capitalized) is any relationship based on family ties or financial interests between or among two or more entities involved in a project-related transaction which reasonably could give rise to a presumption that the entities may not operate at arms-length. The City will take a broad approach to defining identities of interest and expects all applicants to err on the side of disclosure. That is, if there is any question about
whether an identity of interest may exist, the relationship should be disclosed and explained to the City.

Beyond this general definition, an identity of interest relationship will be deemed to exist if:

- An entity, or any owner of any direct or indirect ownership interest in such entity, or any family member of any such owner is also an owner, through a direct or indirect ownership interest, or an officer, director, stockholder, partner, trustee, manager, or member of the counterparty; or
- Any officer, director, stockholder, partner, trustee, manager, member, principal staff, contract employee or consultant of an entity, or any family member of thereof, is an owner, through any direct or indirect ownership interest, or an officer, director, stockholder, partner, trustee, manager or member of the counterparty.

For purposes of this definition, “family member” means the spouse, parents or stepparents, children or stepchildren, grandparents or step-grandparents, grandchildren or step-grandchildren, aunts, uncles, parents-in-law, and siblings-in-law (or their children or stepchildren). It also includes any other similar relationship established by operation of law, including but limited to guardianship, adoption, foster parents, and the like.

**Financial Analysis**

As noted in the introduction, the City views underwriting as more than just the financial review of a project. However, a revive of the underlying financial assumptions is still a critical and core part of underwriting. In reviewing projects, as a public funder the City must to balance two somewhat competing perspectives.

Projects must be viable, that is they must have sufficient allowances for all costs to maximize the chances the project can meet or exceed its financial projections and thereby succeed in the marketplace. In other words, the project must represent a "safe" investment. However, taken to an extreme, "safe" or overly conservative projections can also result in a project that is over-subsidized and risks providing excessive returns to the owner/developer.

As a steward of very limited public funding for affordable housing, the City also needs to ensure that costs are reasonable, that they represent a "good deal" to the public, and that returns to the owner/developer are fair but not excessive. In seeking to balance these perspectives, the City has established the following review factors and principals.

**Development Costs**

In general, the City will review the entire project budget to all costs are reasonable yet that the budget is sufficient to complete and sustain the project. All line items, whether or not paid directly with HOME funds, must be necessary and reasonable.

The City will consider the cost of both specific line items as well as the total development cost on a per unit and per square foot basis, comparing costs to other projects from the City's portfolio, similar projects in the region (such as those funded by TDHCA), City-data from the Building Department, and/or third-party indices such as RS Means.

**Selected Development Cost Items**
Acquisition – Acquisition costs must be supported by an independent third-party appraisal prepared by a state-licensed appraiser. The purchase price must be at or below the as-is market value of the property. In the event an applicant has previously purchased land prior to applying to the City, the project budget may only reflect the lesser of the actual purchase price or the current market value. Standard closing costs from the acquisition may be included.

Applicants who purchased property prior to applying to the City, or following environmental releases under NEPA but prior to closing, may not charge or include financing costs associated with interim financing, whether from third-party or related lenders.

Architectural Fees – Architectural fees cannot exceed the following:
- Design services: 6% of total construction costs
- Supervision/Administration: 2% of total construction costs

City Soft Costs – The development budget for each project must include an allowance for the City's internal project-related soft costs as specified in periodic RFPs issued by the City. Similar to lender due diligence or lender legal costs, the inclusion of soft costs allows the City to recoup its direct costs of underwriting, processing, closing, and monitoring the project prior to project completion. These costs will be included in the HOME loan but may be drawn directly from HUD by the City rather than via payment requests from the project owner.

Construction Interest – Any budgeted line item for construction interest must be supported by developer period cash flow projections, modeling the actual expenditure of development costs and the anticipated pay-in of equity, HOME funds, and other construction period sources. For presentation purposes, only interest from the date of initial closing through the end of the month in which the building(s) are placed in service (i.e. approved for occupancy) may be included as construction interest. Additional interest following that date and prior to the conversion to (or closing on) permanent debt must be separately itemized and modeled. In most cases, this should be included in the “lease up reserve” noted below.

Contingencies – Applicants should include a contingency (inclusive of hard and soft costs) within the minimum and maximum amounts noted below. The contingency will be measured as a percentage of hard costs (including the construction contract plus any separate contracts for off-site work but excluding contractor fees).

- New construction projects should include a contingency of at least 3% and no more than 7% of hard costs;
- Acquisition/rehabilitation projects, including adaptive reuse projects, should include a contingency of at least 5% and no more than 10% of hard costs.
- The City may consider higher contingencies based on identified risk factors such as the known need for environmental remediation or poor subsurface soils.

Contractor Fees – Contractor fees are limited as a percentage of net construction costs as further identified below. Net construction costs exclude the contractor fees, any budgeted contingency, and (even if otherwise included in the construction contract) permits and builder's risk insurance.

- Contractor Profit: 6% of net construction costs
- General Requirements/General Conditions: 6% of net construction costs. General requirements include on-site supervision, temporary or construction signs, field office expenses, temporary sheds and toilets, temporary utilities, equipment rental, clean-up costs, rubbish removal, watchmen’s wages, material inspection and tests, all of the
builder's insurance (except builder's risk), temporary walkways, temporary fences, and other similar expenses.

- Contractor Overhead: 2% of net construction costs.

With prior approval of the City, contractor fees may vary from the limits above provided the gross contractor fees do not exceed 14% of net construction costs.

Developer Fees – Developer fees are intended to compensate a developer for the time and effort of assembling a project, overseeing the development team, and carrying a project to fruition. Developer fees are also intended to compensate for the risk inherent in the development process, including that not every potential project proves viable and that developers must necessarily advance funds for their own operating costs and various third-party predevelopment costs prior to closing (or in some cases for projects that never proceed). The City, therefore, allows the inclusion of developer fees as follows:

- Developer Fee: 15% of total development costs less a) the developer fee itself; b) organizational expenses and/or syndication fees/cost (including investor due diligence fees); and c) reserves, escrows, and capitalized start-up/operating expenses (such as working capital, marketing, etc.).
- There is no maximum monetary limit, but at all times the Developer fee must be reasonable. Combined Contractor & Developer Fees: When an identity of interest exists between the owner/developer and the general contractor, the combined total of contractor fees and developer fees cannot exceed 20% of total development cost less a) the developer fee and b) other cost elements excluded from the calculation of the developer fee itself (see above).

In some cases, developers may delegate some of its responsibilities to third-party professionals or consultants. This may include contracting specific tasks – such as construction oversight of the builder or specialized consulting related to applying for or structuring various financial incentives like LIHTC. The costs of engaging such professionals, whether they are third parties or identity of interest relationships, must be paid from (and if separately itemized will be counted against) the allowable developer fee.

Reserves – Capitalized reserves to facilitate the initial start-up and to protect the ongoing viability of the project will include the following:

- Deficit Reserve: The City anticipates that in most cases, developments with predicted deficits during the affordability period would not be funded. However, in the event a development's long-term operating proforma projects actual cash deficits during the affordability period, an operating deficit reserve must be included in the development budget in an amount sufficient, taking into account any interest on reserve balances, to fully fund all predicted deficits through the affordability period.
- Lease-Up Reserve: A lease-up reserve intended to cover initial operating deficits following the completion of construction but prior to breakeven operations may be included. Any such reserve must be based on lease-up projections/cash-flow modeling and the lease-up (or absorption) period identified in the project's market study. In evaluating the appropriateness of any lease-up reserve, the City will consider whether the development budget includes specific line items for other start-up expenses that otherwise are typically part of the ongoing operating budget for a development. This may include budgets for marketing, working capital, etc.
- Operating Reserve: An operating reserve equal to three (3) months of underwritten operating expenses, reserve deposits, and amortizing debt service must be included in the development budget. The operating reserve is intended as an "unexpected rainy day" fund and will only be accessible after a project has achieved stabilized occupancy.
- Replacement Reserve: For acquisition-rehabilitation projects, a capitalized replacement reserve must be included in the development budget. The capitalized replacement reserve should be funded at the greater of i) $1,000 per unit; or ii) the amount determined by a capital needs assessment approved by the City.
- Other: The City may consider other specialized reserves as appropriate based on unique features of the project and/or requirements of other funding sources. These may include special security reserves, supportive service reserves, or transition reserves for projects with expiring project-based rental assistance contracts, etc.

Operating Revenues
The City will review an applicant’s projection of operating revenues to ensure they are reasonable and achievable both initially and through the affordability period. In evaluating operating revenues, the City will take into account the i) project-specific market study; ii) actual operating performance from other comparable projects including those from the applicant’s existing portfolio of real-estate owned; iii) data available from comparable projects in the City’s portfolio; and/or iv) information available from actual performance within TDHCA’s portfolio.
For purposes of the long-term operating proforma, operating revenue projections cannot be increased by more than 2% per year. The City reserves the right to “stress” proposals for underwriting purposes to assess the impact of lower inflationary increases, such as modeling the impact of only 1% rent increases for the first three to five years of a project’s affordability period.

Rents
All rents should be supported by the market study. Including the utility allowance, the gross rent for any income/rent restricted unit should demonstrate at least a 15% “discount” compared to comparable “market rate” units.

Additionally, to hedge against flat or declining rents to the owner in the event that income limits (and therefore rents) do not increase in a given year (particularly between commitment and lease-up), gross rents should demonstrate at least a 2.5% discount from the regulatory limit imposed on any income/rent restricted units by HOME, LIHTC, or other similar sources. As an alternative to setting rents below the applicable regulatory limit, the City will consider increasing the allowance for vacancy by 2.5%.

Non-Rental Revenue
Non-rental revenue must be fully explained and conservatively estimated. In general, no more than $60-$240 per-unit, per-year may be budgeted in "other revenue" including that from tenant’s fees (such as fees for late payment of rent, nonsufficient funds, garage/carport upgrades, pet fees, etc. or interest on operating account balances). Exceptions may be considered by the City based on the operating history of an acquisition/rehabilitation project or normalized operations are other comparable properties in the same market area.

Vacancy
Total economic vacancy includes physical vacancy (a unit is unrented), bed debt (a unit is occupied but the tenant is not paying rent), concessions (a unit has been leased for less than the budgeted rent), and "loss to lease" (an pre-existing lease is less than the most recently approved annual rent but will be adjusted upward at renewal).
In all cases, based on the market study or other data available to the City, the City reserves the right to require higher vacancy projections. This may include higher vacancy rates for small developments (e.g. less than 20 unit) where standard percentage assumptions about vacancy may not be appropriate. Minimum allowances for vacancy must include:

- 5% for projects where all units are supported by a project-based rental assistance contract with a term equal to or in excess of the affordability period (e.g. project based Section 8);
- or
- 7% for all other projects.

As noted above, the minimum vacancy rate will be increased by 2.5% if budgeted gross rents are at the applicable regulatory maximums.

**Operating Costs**

The City will review an applicant’s projection of operating expenses to ensure they are reasonable and adequate to sustain ongoing operations of the project through the affordability period. In evaluating a proposed operating budget, the City will compare projects costs to i) actual operating expenses of comparable projects in the applicant’s existing portfolio of real-estate owned (insomuch as possible, comparable projects will be in the same vicinity and operated by the same management company); ii) actual operating expenses of other comparable projects in the City’s portfolio; iii) data available on the operating costs of affordable housing in the TDHCA portfolio; and/or iv) minimum per-unit, per-year allowances established by the City through periodic RFPs for rental housing.

For purposes of the long-term operating proforma, operating expenses, including reserve deposits, will be inflated at no less than 3% per year. The City reserves the right to “stress” proposals for underwriting purposes to assess the impact of higher operating cost factors, such as modeling the impact of higher inflation rates in general of for specific items of cost (for example, assessing the impact of high rates of increase for insurance or development paid utility costs).

**Selected Items of Operating Cost**

*City HOME Monitoring Fee* – Pursuant to 24 CFR 92.214(b)(1)(i), the City assesses an annual HOME monitoring fee. The operating budget for each project must include an allowance for the City’s annual HOME Monitoring Fee as specified in periodic RFPs issued by the City.

*Property Management Fees* – An allowance of 5% of effective gross income (i.e. gross rent potential plus other revenues minus actual vacancy, bad debt, concessions, etc.) should be included. In the event a lower management fee is proposed, the City will consider using a fee as low as 3% provided the proposed management company is acceptable to the City and has agreed in writing to the lower fee.

*Property Taxes* – Applicants must provide detailed explanations of property tax projections and, as applicable, provide documentation that any anticipated partial or full exemptions or payments in lieu of taxes (PILOT) have been approved by the appropriate tax assessor. In the absence of a tax exemption or PILOT, the operating budget must provide for a tax rate equal to 1.25% of the market value of the property or the City, at its option, may require confirmation from the tax assessor of the applicant’s projection.
Replacement Reserve Deposits – The operating budget must include minimum replacement reserve deposits of:

- New Construction Family: $300 per-unit, per-year
- New Construction Senior: $250 per-unit, per-year
- Rehabilitation: The greater of i) $300 per-unit, per-year; or ii) a higher amount established by a CNA approved by the City.

Note: The City will reserve the right within a project’s transactional documents to require periodic CNAs for all projects and to adjust ongoing replacement reserve deposits based on the results of the CNA to ensure that the replacement reserve is sufficient to address all anticipated needs for the project’s affordability period of the term of the City’s loan, whichever is longer.

Items Payable only from Surplus Cash
Certain costs, sometimes identified by project owners as “operating costs” cannot be included in the operating budget and will only be payable from surplus cash (aka cash flow). These include:

- Incentive Management Fees payable in addition to the allowable management fees noted above, whether paid to related party or independent third-party management fees.
- Asset Management Fees payable to any investor, general or limited partner, or member of the ownership entity.
- Deferred Developer Fees
- Operating Deficit Loan Payments made to any related party including any investor, general or limited partner, or members of the ownership entity.
- Other payments to investors, general or limited partners, or members of the ownership entity, however characterized, including but not limited to negative adjustors, yield maintenance fees, etc.

Ongoing Economic Viability
The City will review the ongoing economic viability of all projects, taking into account long-term projections of revenue and expenses. Projects must demonstrate they can be expected to remain viable for at least the affordability period, taking into account trending assumptions noted above, as well as other any other changes in operating revenues or expenses that can reasonably be anticipated based on other information available to the City or other project funders. In particular, the City will review the debt coverage ratio and operating margin as outlined below.

Debt Coverage Ratio
Projects must demonstrate a minimum debt coverage ratio (DCR) of 1.25 (Net Operating Income divided by amortizing debt service) throughout the affordability period. In some cases, for projects with relatively small levels of mortgage debt, this may require a higher initial DCR to ensure that the DCR in later years remains at or above the appropriate level.

Operating Margin
In addition to considering the DCR, the City will review the operating margin (surplus cash divided by total operating expenses and amortizing debt service). The operating margin must remain at or above 5% for the period of affordability.

Other Funding Sources
Prior to committing funds, all other funding sources necessary for a project must be identified, committed in writing, and consistent with the both the City’s underwriting requirements and the
affordability restrictions of the HOME program. In general, developers must make all reasonable efforts to maximize the availability of other funding sources, including conventional mortgage debt and tax credit equity (as applicable), within commercially available and reasonable terms.

Additionally, restrictions or limitations imposed by other funding sources cannot conflict with any applicable HOME requirements and cannot, in the discretion of the City, create undue risk to the City.

Senior Mortgage Debt
Any amortizing mortgage debt that will be senior to the City’s HOME loan must:

- Provide fixed-rate financing;
- Have a term equal to or in excess of the HOME affordability period. The affordability period will generally be 15 years beyond the date of "project completion" as defined in 24 CFR 92.2 for acquisition/rehabilitation projects and 20 years for new construction projects. In practice, the date of "project completion" will not be the same as "placed in service" date for tax purposes but for most projects will occur prior to permanent loan conversion following property stabilization. Insomuch as possible, the first mortgage should have the longest amortization period available but cannot balloon prior to the expiration of the affordability period; and
- Allow the City’s HOME covenant running with the land (i.e. the deed restrictions imposing the HOME affordability requirements) to be recorded senior to all other financing documents such that the HOME covenant is not extinguished in the case of foreclosure by a senior lender. Note the City HOME loan itself will be junior to conventional amortizing loans; only the deed restrictions must be senior.

Tax Credit Equity
Projections of tax credit equity must be documented by letters of intent or other similar offers to participate in the transaction by the proposed tax credit investor. Prior to committing funds, the applicant must provide evidence it has received a tax credit reservation from TDHCA and provide the proposed limited partnership agreement or operating agreement, as applicable, documenting the terms of the equity investment.

The City will review proposed equity pricing against information from other projects in the region to assess whether the pricing and terms are reasonable.

Deferred Developer Fee
It is common for projects to include deferred developer fees as a financing source. The City will generally require:

- That projections of surplus cash available (after any cash-flow contingent payment due the City) be sufficient to repay the deferred fee within 15 years (notwithstanding other "waterfall" provisions in the partnership or operating agreement, the City will assume that all surplus cash distributions will be credited against the developer fee);
- That following the initial application to the City, the level of deferred developer fee with remain fixed (in nominal dollar terms) in the event City underwriting identifies cost reductions, increases in other funding sources, or other changes that result in a net reduction of the "gap" to be filled with HOME funds; and
- That any net savings (or increased funding sources including but not limited to upward adjusters for tax credit equity) at project completion and cost certification will be used in
equal parts to reduce the deferred developer fee and the City’s permanent HOME loan. In the event savings are sufficient to eliminate the deferred fee in this manner, any remaining net savings will be used to further reduce the City’s HOME loan, or in the sole discretion of the City, to increase the operating reserve.

Exceptions and Interpretation
The City has developed these guidelines for several reasons. Not only are they required by HUD as part of the City’s role as a HOME PJ, but more generally they are intended to provide clarity to applicants on what the City expects and transparency about the “rules of the road.” However, the City recognizes that it cannot pre-emptively identify every possible special circumstance that may warrant an exception to its general requirements, nor can it identify every possible “loophole” whereby a creative presentation of costs or other projections might subvert the general need to balancing of viability and reasonable returns, risk to the City and public benefit.

Consequently, the City reserves the right to waive specific underwriting criteria for specific projects when, in its judgement, the purposes of the program can be better achieved without taking on undue risk. When waiving any given requirement, the City may impose additional special conditions or business terms that are not otherwise typically applied to all projects. For administrative ease, the City may also align its underwriting standards with those required by other public funders involved in a given transaction, particularly if those standards are more restrictive or conservative than the City’s. However, the City retains the right, in its sole discretion, to decide whether to accept alternative standards.

The City also reserves the right to reject any element of a transaction that, despite not being specifically prohibited, was not anticipated by these guidelines of such an element or business term otherwise creates unacceptable risks, excessive returns to the owner/developer, or otherwise undermines the public purposes of the City’s program.

Insomuch as is reasonable, the City will update and clarify these guidelines over time to account for exceptions, waivers, or additional restrictions it imposes.
APPENDIX 3
UNIVERSAL DESIGN GUIDELINES

This portion of the manual outlines the City’s policy on Universal Design and the minimum design criteria for new affordable housing projects.

In order to ensure the sustainability of the projects supported by CDBG and HOME funds, the City has established guidelines in relation to Universal Design. In addition, the City wants to ensure that newly constructed units are compatible with existing neighborhoods.

Universal Design
This comprehensive housing policy creates a Universal Design construction requirements for all new single-family homes, duplexes, and triplexes using financial assistance from the City.

The goal of “Universal Design” is to ensure that housing can accommodate the needs of people with a wide range of abilities, including children, aging populations and persons with disabilities. Consequently, all new construction housing projects using City of Dallas CDBG and/or HOME funds will meet all the following criteria:

- At least one entrance shall have 36-inch door and be on an accessible route.
- All interior doors shall be no less that 32-inches wide; except for a door that provides access to a closet of fewer than 15 square feet in area. Each hallway shall have a width of at least 36-inches wide and shall be level and ramped or beveled changes at each door threshold.
- All bathrooms shall have the walls reinforced around the toilet, bathtub and shower; for future installation of grab bars.
- Each electrical panel, light switch or thermostat shall be mounted no higher than 48 inches above the floor. Each electrical plug or other receptacle shall be at least 15 inches from the finished floor.
- An electrical panel located outside the dwelling unit must be between 18 inches and 42 inches above the ground and served by an accessible route.
- All hardware installed to open/close doors and operate plumbing fixtures shall be lever handles.

Universal Design Waiver or Exterior Accessibility Requirements
The Director of Sustainable Development or his designee may only grant modifications or an exemption to the requirements of the Ordinance regarding full compliance with the exterior path of travel on an individual case-by-case basis. The criteria for granting a modification or exemption are as follows:

- The lots rise or falls so steeply from the street that a maximum 1:12 slope cannot be achieved without extensive grading; and
- No vehicular access to the back of the house will be available by means of an alley.
- Appeals of orders, decisions of determination made by the Director of Sustainable Development may be made to the Board of Adjustments.

Universal Design Implementation
- Clearly stamp or print “Universal Design” on plans submitted
- Clearly Identify design elements outlined in Ordinance.
- Certify that the plans comply with the requirements of the Ordinance.
• Plan checking, construction inspections and enforcement shall be accomplished by the Development Services Department in accordance with existing procedures.

Design Guidelines
All builders and developers of infill housing are strongly encouraged to incorporate the defining features of a neighborhood into newly constructed infill houses. Those defining features of older inner city neighborhoods may include: roof pitches, porches, materials, and window types. Developers must comply with any standards established by an existing neighborhood conservation district and/or approved neighborhood plans. Additionally, All projects must advance the principles and policies contained in the City of Dallas Complete Streets Design Manual. Site plans and building designs should contribute towards safe and convenient pedestrian, bicycle, transit and automobile access to the extent possible within the project site and the adjacent public right-of-way frontage.

For infill projects supported with CDBG and/or HOME funds, developers will be required to demonstrate that the neighborhood association near the land to be developed has been consulted on the design issues. Developers should obtain input and feedback from neighborhood residents and work with them to ensure that designs are compatible with existing housing and development patterns.

In extreme cases where an agreement cannot be reached between the developer and local neighborhood groups, CDBG and/or HOME funding may be pulled from the project.

Specific design guidelines may be developed for certain City sponsored projects. Historic and neighborhood conservation district requirements must also be met for all projects.

For rehabilitation projects, builders and developers are strongly encouraged to retain the defining features of older structures. This applies to multi-family and single-family projects.
APPENDIX 4
City of Dallas Income Limits and Part 5 Requirements

Per 24 CFR Part 92.203(b)(1), the City has elected to utilize the 24 CFR Part 5 definition for determining annual income which is commonly referred to as the "Section 8 Low-Income Limit". To be eligible for HOME or CDBG funds, households must have annual (gross) incomes at or below 80% of area median income, adjusted by household size and determined annually by the U.S. Department of Housing and Urban Development (HUD).

The Technical Guide for Determining Income and Allowances for the HOME Program should be utilized as a resource and the standard for the following determinations:

- Whose Income to Count
- Types of Income to Count
- Treatment of Assets
- Income Inclusions and Exclusions
- Verifying Income
- Comparing Annual Income to Published Income Limits
- Determining Household Size
- Source Documentation
- Timing of Income Certifications

The annual income limits are published by HUD each year at the webpage below. http://www.huduser.gov/portal/datasets/il/il15/index.html
APPENDIX 5
Community Housing Development Organization (CHDO) Policy, Procedure, and Standards

WHAT IS A COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)?
A CHDO (pronounced cho'doe) is a private nonprofit, community-based service organization that has significant capacity, and whose primary purpose is, to develop affordable housing for the community it serves. Certified CHDOs receive special designation from the City of Dallas (City). The HOME Investment Partnership (HOME) Program definition of a CHDO is found at 24 CFR Part 92.2.

WHAT SPECIAL BENEFITS ARE AVAILABLE TO CHDOs?
HOME regulations require that the City set aside 15% of its annual HOME allocation exclusively for qualified, eligible CHDO projects. If an organization becomes a certified CHDO, it is eligible to take advantage of the HOME funds set-aside just for CHDOs, as well as financial support for a portion of its operating expenses (Operating Assistance Grants) associated with CHDO projects. The City’s CHDOs also have first right of purchase on land bank lots and as a nonprofit they are eligible to purchase HB110 lots.

REGULATORY REQUIREMENTS FOR CHDO CERTIFICATION
The U.S. Department of Housing and Urban Development (HUD) has established standard criteria for organizations to be eligible to become a certified CHDO:

1. **Organized Under State/Local Law.** A nonprofit organization must show evidence in its Articles of Incorporation that it is organized under state or local law.
2. **Nonprofit Status.** The organization must be conditionally designated or have a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c) of the Internal Revenue Code of 1986. A 501(c) certificate from the IRS must evidence the ruling.
3. **Purpose of Organization.** Among its primary purposes, the organization must have the provision of decent housing that is affordable to low- and moderate-income people. This must be evidenced by a statement in the organization's Articles of Incorporation and/or Bylaws.
4. **Board Structure.** The board of directors must be organized to contain no more than one-third representation from the public sector and a minimum of one-third representation from the low-income community.
5. **No For-Profit Control.** The organization may not be controlled by, nor receive directions from, individuals or entities seeking profit from or that will derive direct benefit from the organization.
6. **No Individual Benefit.** No part of a CHDO’s net earnings (profits) may benefit any members, founders, contributors, or individuals. This requirement must also be evidenced in the organization’s Articles of Incorporation.
7. **Clearly Defined Service Area.** The organization must have a clearly defined geographic service area outlined in its Articles of Incorporation and/or Bylaws. CHDOs may serve individual neighborhoods or large areas. However, while the organization may include an entire community in their service area (such as a city, town, village, county, or multi-county area), they may not include the entire state.
8. **Low-Income Advisory Process.** A formal process must be developed and implemented for low-income program beneficiaries and low-income residents of the organization’s service area to advise the organization in all of its decisions regarding the design, location, development and management of affordable housing projects.
9. **Capacity/Experience.** The key staff and board of directors must have significant experience and capacity to carry out CHDO-eligible, HOME-assisted projects in the community where it intends to develop affordable housing (key staff and board of directors have successfully completed HOME-funded, CHDO-eligible projects in the past).
10. **Community Service.** A minimum of one year of relative experience serving the community(ies)
where it intends to develop affordable housing must be demonstrated.


CITY REQUIREMENTS FOR CHDO CERTIFICATION

In addition to the regulatory requirements, the City has established additional criteria for CHDO designation. To be eligible for CHDO designation, an organization must also:

1. Maintain a record of good standing with the Texas Secretary of State’s office.
2. Maintain a staffed, physical office location in the proposed service area that is open for business and accessible by potential program applicants during generally-accepted customary business hours.
3. Have established a minimum 3-year strategic business plan, which must include CHDO-related production and community involvement goals.
4. Maintain a history of no significant compliance findings on its City funded projects.

The City will accept applications from new CHDOs year-round; however, CHDO certifications will not be provided until a project is identified for funding and prior to execution of a written agreement. Please note that the criteria noted above is not intended to be all-inclusive and the City may require additional information prior to making a determination for CHDO designation. Meeting the above requirements does not guarantee that the organization will be granted CHDO designation. City reserves the right to deny or revoke CHDO designation based upon its evaluation of the nonprofit organization’s performance. Designated CHDOs will be evaluated periodically for production and other benchmarks as established by City.

ORGANIZATIONAL STRUCTURE REQUIREMENTS FOR CHDO CERTIFICATION

The HOME Program establishes requirements for the organizational structure of a CHDO to ensure that the governing body of the organization is controlled by the community it serves. These requirements are designed to ensure that the CHDO is capable of decisions and actions that address the community's needs without undue influence from external agendas.

There are four specific requirements related to the organization's board, which must be evidenced in the organization's Articles of Incorporation and/or Bylaws. These are:

1. Low Income Representation. At least one-third of the organization’s board must be representatives of the low-income community served by the CHDO. There are three ways a board member can meet the definition of a low-income representative:
   - The person lives in a low-income neighborhood where 51% or more of the residents are low-income. This person need not necessarily be low-income.
   or
   - The person is a low-income (below 80% area median income) resident of the community.
   or
   - The person was elected by a low-income neighborhood organization to serve on the CHDO board. The organization must be composed primarily of residents of the low-income neighborhood and its primary purpose must be to serve the interests of the neighborhood residents. Such organizations might include block groups, neighborhood associations, and neighborhood watch groups.

The CHDO is required to certify the status of low-income representatives.

2. Public Sector Limitations. No more than one-third of the organization's board may be representatives of the public sector, including elected public officials, appointees of a public
official, any employees of a local government or public school system, or employees of City or
the State of Texas. If a person qualifies as a low-income representative and a public-sector
representative, their role as a public-sector representative supersedes their residency or income
status. Therefore, this person counts toward the one-third public sector limitation.

3. Low-Income Advisory Process. Input from the low-income community is not met solely by
having low-income representation on the board. The CHDO must provide a formal process for
low-income program beneficiaries to advise the CHDO on design, location of sites, development
and management of affordable housing. The process must be described in writing in the Articles
of Incorporation and/or Bylaws. Each project undertaken by the CHDO should allow potential
program beneficiaries to be involved and provide input on the entire project from project concept,
design and site location to property management. One way to accomplish this requirement is to
develop a project advisory committee for each project or community where a HOME assisted
project will be developed. Proof of input from the low-income community will be required at the
CHDO’s annual recertification.

4. For-Profit Limitations. If a CHDO is sponsored by a for-profit entity, the for-profit may not
appoint more than one-third of the board. The board members appointed by the for-profit may
not appoint the remaining two-thirds of the board members.

EXPERIENCE, CAPACITY AND ROLES (24 C.F.R. 92.300-92.303)
To be certified as a CHDO, the HOME Program requires organizations to demonstrate sufficient
experience, capacity, and financial accountability.

Experience & Capacity: A CHDO must certify to City that it has the capacity, demonstrated by having
paid staff with demonstrated capacity to perform the specific role for which it is being funded. CHDO
staff can be full-time or part-time and can be contract employees. The CHDO cannot count the experience
of board members, donated staff, parent organization staff, or volunteers to meet the capacity
requirement. The CHDO can only count capacity brought to the table by a consultant in the first year of
participation. Afterward, the CHDO must demonstrate capacity based upon paid staff.

The CHDO must demonstrate experience and capacity relevant to the project and its role as owner,
developer, or sponsor. If the CHDO is the owner, its staff must have the capacity to act as the owner (this
may mean the ability to oversee development.) If the CHDO is the developer or sponsor, its staff must
have development experience on projects of similar scope or complexity.
CHDOs must demonstrate a history of serving the community where the housing to be assisted with
HOME funds will be located. HUD requires that organizations show a history of serving the community by
providing:

- A statement that documents at least one year of experience serving the community.
- For newly created organizations, provide a statement that the parent organization (if applicable)
  has at least 1-year experience serving the community.

CHDOs must provide resumes and/or statements of key staff members that describe their experience of
successfully completed projects similar to those proposed.

CHDO SERVICE AREA
While the City does not limit the number of counties is a CHDO’s service area, the very definition of a
CHDO is that it be community-based. Therefore, an organization proposing a large or regional service
area must demonstrate that it is taking the appropriate steps to achieve the community-based component.
Some of the ways this can be achieved is by having an active community (nonpublic) representative from
each of the counties on the CHDO’s board of directors; establishing local advisory councils to advise the
CHDO board on topics relative to the organization’s activities; hosting “town hall” meetings in the proposed
project areas, etc. the City will consider other methods suggested by the CHDO. CHDOs will be required
to provide updates on how it is ensuring that it is active and visible in the communities included in its service area.

The City reserves the right to limit CHDOs going into a service area where an existing CHDO is already providing service. Unless a CHDO is already approved to serve a particular territory, the City will not approve CHDOs to serve overlapping territory.

CHDO RECERTIFICATION
To ensure compliance with the HOME regulations, the recertification process will apply to CHDOs with active development projects including those under development and within the affordability period. Each CHDO will be required to submit specific information to City on an annual basis in conjunction with annual monitoring and compliance audits, including, but not limited to:

- The response to questions, numbered exhibits, and attachments listed in the City’s CHDO certification application
- An updated 3-year business plan and a description of how the low-income advisory process was implemented. If no HOME funds were used within the reporting period, a detailed description of all other affordable housing initiatives undertaken will be requested.

Recertification will be required **ANNUALLY WHEN THE CITY MONITORS THE CHDO FOR COMPLIANCE**. The CHDO must recertify as to its continued qualifications as a CHDO and its capacity to own, sponsor, or develop housing.

CHDOs that have not been allocated project funds from the HOME CHDO set-aside for 3 consecutive years will be deemed inactive. At its discretion, the City may revoke the designation of inactive CHDOs based upon a review of other non-CHDO housing activities the organization has undertaken (if any), as well as other factors deemed appropriate by City.

CHDO SET-ASIDE
The HOME requirements at 24 CFR Part 92.300 require City to set aside at least 15% of its annual HOME allocation for projects owned, developed or sponsored by CHDOs. A certified CHDO must serve as the owner, developer or sponsor of a HOME-eligible project when using funds from the 15% percent CHDO set-aside. A CHDO may serve in one of these roles or it may undertake projects in which it combines roles, such as being both an owner and developer. The CHDO must be certified for each type of activity it plans to undertake.

FINANCIAL ACCOUNTABILITY
CHDOs must have financial accountability standards that conform to the requirements detailed in 2 CFR 200 – Subpart D, “Standards for Financial and Program Management.” This can be evidenced by:

- A notarized statement by the president or chief financial officer of the organization.
- Certification from a certified public accountant.
- Audit completed by CPA.
- City reserves the right to request additional audited financial statements at any time.

ELIGIBLE AND INELIGIBLE USES OF HOME CHDO SET-ASIDE FUNDS

ELIGIBLE ACTIVITIES - OWNERS, SPONSORS, DEVELOPERS
Using the 15% set-aside, a CHDO acting as an owner, sponsor, or developer may undertake any of the following activities:

- Acquisition and/or rehabilitation of rental property;
- New construction of rental housing;
- Acquisition, rehabilitation and resale of existing, vacant homebuyer property;
- New construction of homebuyer property;
- Direct financial assistance to purchasers of HOME-assisted housing developed by a CHDO with HOME CHDO set-aside funds.

Please note that to be considered a CHDO-eligible project, CHDO set-aside HOME funds must be used during the construction or rehabilitation of the project.

INELIGIBLE CHDO ACTIVITIES
Using the 15% set-aside, a CHDO may not undertake any of the following activities:

- Rehabilitation of existing homeowners' properties;
- Tenant-based rental assistance (TBRA); or
- Down payment and/or closing cost assistance to purchasers of housing not developed with HOME CHDO set-aside funds.

ELIGIBLE ACTIVITIES – SUBRECIPIENTS
CHDOs may also act as subrecipients with non-set-aside funds by undertaking other HOME-eligible activities such as:

- Tenant-Based Rental Assistance (TBRA);
- Owner-occupied rehabilitation of single-family dwellings; and
- Down payment or closing cost assistance in the acquisition of single-family units.

OPTIONAL OPERATING EXPENSES
From time to time, funds may be available to provide general operating assistance to CHDOs receiving CHDO set-aside funds for activities. When funds are available, certified CHDOs that are administering an eligible project funded from the CHDO set-aside may be eligible to receive funds to be used for operating expenses. The regulations allow the City to allocate no more than 5% of its HOME allocation for CHDO operating expenses (Operating Assistance Grants). However, the City reserves the right to further restrict the amount of funds an entity may receive for CHDO operating funds. This allocation does not count toward the required 15% CHDO set-aside funds that are to be used by CHDOs for projects.

The amount of the optional Operating Assistance Grants awarded will be based on, but not limited to, the following factors:

1. The total amount of HOME funds City has available to allocate for reimbursable CHDO operating expenses;
2. The anticipated completion date and size of your current CHDO set-aside project(s); and
3. The CHDO’s past performance as a CHDO developer.
4. The CHDO’s capacity to complete the project in a timely manner.
5. The ability of the CHDO to retain CHDO proceeds.

The City will allocate Operating Assistance Grants on an annual basis (October 1 – September 30) provided funds are available and the CHDO has demonstrated acceptable performance.

Although the disbursement of CHDO operating funds is not tied directly to the drawdown of the CHDO project funds, the City reserves the right to delay disbursement of operating funds if it is evident that the CHDO project is experiencing excessive delays.
City reserves the right to reduce the amount of, or not award, operating funds based upon its evaluation of the CHDO's production and overall performance.

Eligible operating expenses for which CHDOs may use operating funds include:

- Salaries, wages, benefits, and other employee compensation
- Employee education, training and travel
- Rent and utilities
- Communication costs
- Taxes and insurance
- Equipment, materials and supplies

Because the purpose of providing CHDO operating support is to nurture successful CHDOs and ensure their continued growth and success, the City will periodically evaluate the performance of any CHDO wishing to receive CHDO operating funds.

CHDO PROCUREMENT
As noted in HUD CPD Notice 97-11, CHDO organizations are not subject to the requirements of 2 CFR, Part 200 in regard to the procurement of goods and services. However, the City strongly encourages organizations to ensure that costs are reasonable and equitable. This exemption is only applicable to procurement associated with CHDO-eligible projects; CHDOs must still follow appropriate procurement procedures compliant with Part 200 for its non-CHDO projects. City may request a copy of the CHDO's procurement policy for any non-CHDO project funding proposals.

EFFECTIVE PERIOD OF CHDO CERTIFICATION
To maintain its CHDO certification, the CHDO must submit at least 30 days prior to its annual compliance and monitoring audit a copy of the most recent audit financial statements along with all required attachments listed in the City's CHDO Certification Application, which is attached to this manual as Exhibit "A" – City CHDO Application. If the CHDO fails to submit the recertification packet, the CHDO may no longer qualify as a CHDO. Prior to awarding any City CHDO funds, the CHDO must recertify that no changes have occurred within the agency that would disqualify the entity as a CHDO for the specific type of activity being undertaken.

HOW TO APPLY FOR CHDO CERTIFICATION
Complete the City's CHDO Certification Application including all requested attachments, documentation, and forms. The applicant has 30 days to respond to any request for additional information. If information is not received within 30 days, the CHDO certification application will be denied.
Exhibit "A" – City CHDO Application

A Community Housing Development Organization (CHDO) is a private, nonprofit, community-based service organization that has obtained staff with the capacity to develop affordable housing in the community it serves.

The following application details the requirements that nonprofit corporations must satisfy to be certified as a CHDO by the City of Dallas Housing and Neighborhood Revitalization Department (HNR). Please refer to the CHDO Manual which provides details and additional requirements HNR will use in reviewing your application submission. The CHDO Manual can be found on the City of Dallas (City) website at www.dallascityhall.com/departments/housing-neighborhood-revitalization.

Please fully complete the application and supply all requested documentation. An incomplete application package will significantly delay the consideration of your application.

We are here to help if you have any questions in completing the application. Please do not hesitate to contact Cynthia Rogers-Ellickson (214) 670-3601 for assistance.

We look forward to receiving your application!

Submit Original Certification Application Package to:

Cynthia Rogers-Ellickson
Housing Development Manager
Housing and Neighborhood Revitalization
1500 Marilla Street, 6DN
Dallas, TX 75201
APPLICANT INFORMATION REQUIRED:

Name of Applicant Organization

Address

City

State

Postal Code

Contact Person

Position with Organization

Telephone Number

Email Address

Fax Number

Federal Tax I.D. Number

STATEMENT OF CERTIFICATION

I hereby certify that all statements I have provided in this application and in the attachments herein are true; that I am authorized to sign this application, and to make these statements, on behalf of the applicant organization; and that the organization understands that misrepresentation of any facts which lead to the improper allocation and expenditure of public funds may result in legal action against the organization for retrieval of any such funds and appropriate penalties.

Signed:

Signature

Date

Name: (typed or printed)

Title: (Executive Director)

Name of Organization

(Submit this application, with original signature, to the City of Dallas)
I. LEGAL STATUS

1. ORGANIZED: To receive certification, your organization must be organized under state or local laws and must provide evidence of your legal status. Organization must Maintain a record of good standing with the Texas Secretary of State’s office. Which of the following have you supplied?
   - Charter
   - Articles of Incorporation along with confirmation from the Secretary of State; and
   - Certificate of Good Standing or comparable document from the Secretary of State.

Provided in Exhibit #______(please specify Exhibit #)

2. PURPOSE OF ORGANIZATION: An organization must have among its purposes the provision of decent housing that is affordable to low and moderate-income persons. Which of the following have you included that demonstrate compliance with this requirement?
   - Charter
   - By-laws signed by the board Secretary
   - Articles of Incorporation

Provided in Exhibit #______(please specify Exhibit #)

3. NO INDIVIDUAL BENEFIT: No part of your organization’s net earnings can inure to the benefit of any member, founder, contributor or individual. Which of the following have you included that demonstrate compliance with this requirement?
   - Charter
   - By-laws signed by the board Secretary
   - Articles of Incorporation

Provided in Exhibit #______(please specify Exhibit #)

4. SERVICE AREA: To receive certification an organization must have a clearly defined geographic service area. The service area can be an area larger than a single neighborhood but must be an area smaller than an entire state. CHDO must maintain a staffed, physical office location in the proposed service area that is open for business and accessible by potential program applicants during generally-accepted customary business hours. If you will be serving a special population the geographic boundaries and your service area must also be defined. Which of the following have you included to demonstrate that your organization has a clearly defined geographic service area?
   - Charter
   - By-laws signed by the board Secretary
   - Articles of Incorporation

Provided in Exhibit #______(please specify Exhibit #)

5. TAX EXEMPT RULING: Your organization must have a tax-exempt ruling from the Internal Revenue Service (IRS), under section 501 (c) (3), 501 (c) (4) or a Section 905 of the Internal Revenue Code of 1986. Which of the following have you provided to indicate receipt of such a ruling?
   - A 501 (c) (3) Certificate Letter from the IRS
   - A 501 (c) (4) Certificate Letter from the IRS
   - A group exemption letter, that is dated 1986 or later, from the IRS that includes the agency seeking certification as a CHDO (acceptable for Section 905 organizations only)

Provided in Exhibit #______(please specify Exhibit #)
II. ORGANIZATIONAL STRUCTURE

6. BOARD COMPOSITION: To be certified a CHDO, an organization must structure the board of directors to consist of at least one-third representatives of the low-income community and no more than one-third representatives of the public sector. These provisions and examples are as follows:

a) An applicant organization must ensure that at all times at least one-third of its governing board consists of representatives of the low-income community. There are three ways to meet this requirement: 1) Individuals can be residents of a low-income neighborhood in the organization’s service area (but do not necessarily have to earn a low income themselves), 2) they can be low-income residents of the community, or 3) they can be appointed representatives to the board from a low-income neighborhood association. Which of the following documents have you provided that demonstrate that the one-third requirement will be maintained?

- Charter
- By-laws signed by the board Secretary
- Articles of Incorporation

Provided in Exhibit #_____(please specify Exhibit #)

b) An organization’s board of directors may consist of no more than one-third representatives of the public sector. Representatives of the public sector include: 1) elected officials such as council members, 2) appointed public officials such as planning or zoning commission, regulatory or advisory boards, 3) public employees which include employees of public agencies or departments of the City such as fire and police, and 4) any individual who is not necessarily a public official, but has been appointed by a public official to serve on the organization’s Board of Directors. Which of the following have you provided that demonstrate that the one-third cap on public representation will be met?

- Charter
- By-laws signed by the board Secretary
- Articles of Incorporation

(Under the HOME Program, “community” is defined as one or several neighborhoods or the city at large)

In order to verify that your current board meets both the low-income requirement and the limits on public-sector representation above, please complete the worksheet included as Attachment B to this application. In order to complete the worksheet, you will need to know whether the board member resides in a ‘low-income’ neighborhood or whether the board member qualifies as a low-income resident. An individual residing in a household earning 80% of the area median family income or less meets the "low-income" designation. Attachment E provides the dollar amount of that income cap by family size. If you are uncertain as to whether the neighborhood your board

7. LOW-INCOME INPUT: To be certified a CHDO, an organization must provide a specific formal process for low-income program beneficiaries to advise the organization in all of its decisions regarding the design, location of sites, development and management of affordable housing projects. Specifically, a detailed plan for ensuring that input from low-income program beneficiaries will be solicited and integrated into the decision-making and project development processes of the organization. Which of the following has your organization provided, that detail the systems you will use to gather community involvement/input from those affected by your projects?

- By-laws signed by the board Secretary
- A Board Resolution, (written statement of operating procedures approved by the governing body).

Provided in Exhibit #_____(please specify Exhibit #)
III. RELATIONSHIP WITH OTHER ENTITIES

RELIGIOUS ORGANIZATION SPONSORSHIP:
8. Is your nonprofit organization sponsored or created by a religious organization?
   ☐ Yes, (please continue with the following)
   ☐ No, (if no, skip to # 9)

A religious organization cannot qualify as a CHDO, but they may sponsor the creation of a wholly secular nonprofit. The developed housing must be used exclusively for secular purposes. It must also be ensured that housing will be made available to all persons, regardless of religious affiliation or belief. The religious organization can appoint an unlimited number of board members to the housing organization’s board, but the religious organization cannot control the housing organization. Which of the following has been provided to demonstrate that all of these provisions will be met in the operation of the organization?
   ☐ By-laws
   ☐ Charter
   ☐ Articles of Incorporation

Provided in Exhibit #(please specify Exhibit #)

PUBLIC ENTITY SPONSORSHIP:
9. Was your organization chartered by a state or local government?
   ☐ Yes, (please continue with the following)
   ☐ No, (If no, skip to # 10)

The state or local government may not appoint more than one-third of the organization’s governing body, and the board members appointed by the state or local government may not, in turn, appoint the remaining two-thirds of the board members. Which of the following has been provided that demonstrate compliance with these requirements?
   ☐ By-laws signed by the board Secretary
   ☐ Charter
   ☐ Articles of Incorporation

Provided in Exhibit #(please specify Exhibit #)

FOR-PROFIT RELATIONSHIPS:
10. Is the nonprofit organization being sponsored by or was it created by a for-profit entity?
    ☐ Yes, (please continue with the following, # 11-14)
    ☐ No, (If no, skip to # 15)

11. A CHDO cannot be controlled by, nor receive direction from individuals or entities seeking profit from the organization. Which of the following has been provided to address compliance with this requirement?
    ☐ By-laws signed by the board Secretary
    ☐ A Memorandum of Understanding (MOU)

Provided in Exhibit #(please specify Exhibit #)
III. RELATIONSHIP WITH OTHER ENTITIES, Continued...

12. An organization may be sponsored or created by a for-profit entity, however, the for-profit entity’s primary purpose may not include the development or management of housing. Please provide the following to evidence compliance:
   ☐ The By-laws of the for-profit entity
   Provided in Exhibit #______(please specify Exhibit #)

13. The nonprofit organization is free to contract for goods and services from vendor(s) of its own choosing. Which of the following items has been provided to demonstrate that the nonprofit is free to do this?
   ☐ By-laws signed by the board Secretary
   ☐ Charter
   ☐ Articles of Incorporation
   Provided in Exhibit #______(please specify Exhibit #)

14. If the nonprofit is sponsored by a for-profit entity, the for-profit entity may not appoint more than one-third of the organization’s governing body, and the board members appointed by the for-profit entity may not, in turn, appoint the remaining two-thirds of the board members. Which of the following items has been provided to demonstrate that the nonprofit is free to do this?
   ☐ By-laws signed by the board Secretary
   ☐ Charter
   ☐ Articles of Incorporation
   Provided in Exhibit #______(please specify Exhibit #)
IV. EXPERIENCE and CAPACITY

15. FINANCIAL ACCOUNTABILITY: The organization must have financial accountability standards that conform to 2 CFR 200 Subpart D, "Standards for Financial and Program Management", which is included as Attachment A to this application. These standards are a variation on OMB Circular A-133 but are an updated version to that circular. The organization must certify that its financial management and internal controls comply with this specific standard. Which of the following have you provided to evidence compliance with this federal requirement?

- A notarized statement by the Treasurer or Chief Financial Officer of the organization
- Certification from a Certified Public Accountant
- HUD approved audit summary

Provided in Exhibit #_____ (please specify Exhibit #)

16. AUDIT REQUIREMENT: The City of Dallas requires that your organization submit audited financial statements for the organization's most recent program year. The audits financials should include all components conducted, including any A-133 analysis of compliance with federal grants, analysis of internal controls, letter to the Board of Directors or management letters. If your organization does not have audited financial statements because it has been operating for less than one year, you must submit the audited financial statements of the parent or sponsor organization, along with your organization's current unaudited financial statements.

Provided in Exhibit #_____ (please specify Exhibit #)

NOTE: No nonprofit organization shall be certified as a CHDO if the organization's most recent audit reflects an outstanding finding, material weakness or other unresolved matter, which would prevent the City of Dallas from certifying the capacity of that organization to successfully develop a CHDO project.

17. EXPERIENCE: To become a certified CHDO, the organization must demonstrate a capacity for carrying out housing projects assisted with HOME funds. A designated organization undertaking development activities as a developer or sponsor must satisfy this requirement by having paid employees with housing development experience who will work on projects assisted with HOME funds or by contract with a consultant who has housing development experience to train appropriate key staff of the organization. The organization must have at least one year of experience serving the community where the housing to be assisted with HOME funds is to be located. The year of service does not have to be directly related to housing. Newly created organizations wishing to become CHDOs can meet the requirement if the parent (or sponsoring) organization is a nonprofit and has provided services to the community for at least one year. These are the two forms in which capacity may be documented and accepted. Which of the two have you provided to demonstrate compliance with this requirement?

- A statement signed by the Executive Director that documents at least 1 year of experience serving the community prior to seeking CHDO certification plus details the type of service provided; and have paid employees or a consultant with housing development experience working on projects assisted with HOME funds OR,

- A statement signed by the Executive Director that documents that its parent or sponsoring organization has at least 1 year of experience serving the community prior to seeking CHDO certification plus details the type of service provided; and have paid employees or a consultant with housing development experience working on projects assisted with HOME funds

Provided in Exhibit #_____ (please specify Exhibit #)

17a. 3-Year Business Plan: To be eligible for CHDO designation, an organization must also have established a minimum 3-year strategic business plan, which must include CHDO-related production and community involvement goals.

Provided in Exhibit #_____ (please specify Exhibit #)
18. **PROJECT DETAIL**: As a next step toward assessing your organization's capacity, please provide the following information about the type of project(s) your organization is currently developing or expects to develop in the next 6 months:

**NUMBER OF UNITS IN FIRST PROJECT:**

<table>
<thead>
<tr>
<th>BUILDING TYPE:</th>
<th>EXPECTED USE:</th>
<th>CONCENTRATION:</th>
<th>CONSTRUCTION ACTIVITY</th>
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<tbody>
<tr>
<td>□ Single Family buildings</td>
<td>□ Rental</td>
<td>□ Single Site</td>
<td>□ Acquisition</td>
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<td>□ Homeownership</td>
<td>□ Scattered Site</td>
<td>□ New Construction</td>
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### FOR RENTAL ONLY:
- □ CHDO will do Property Management
- □ CHDO will contract out for Property Management

### FOR HOMEOWNERSHIP ONLY:
- □ CHDO will do Homeownership Counseling
- □ CHDO will work with established Homeownership Counseling or replace

Additional comments about the project?

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19. **STAFF AND CAPACITY**: To be certified as a CHDO, the organization must have paid staff*. HUD defines CHDO staff as paid employees who are responsible for the day-to-day operations of the CHDO; this does not include volunteers, board members or consultants. Additionally, the organization must demonstrate the capacity of its key staff to carry out the activities it is planning to undertake. Specifically, the key staff who will be responsible for the project must have successfully completed projects **similar to those the organization expects to undertake**. Please submit the following to evidence staff capacity:

- □ Resumes of key staff members who have successfully completed projects similar to that being proposed, (include project descriptions of relevant completed projects)

*Provided in Exhibit #____*(please specify Exhibit #)

*HUD's Definition of a paid employee is a person whose salary, payroll taxes, and unemployment insurance are paid by the organization and from whom the organization withholds payroll and income taxes. Receipt of a W-2 is sufficient evidence that an individual is a 'paid employee'. The employee must be paid by the CHDO and, therefore cannot be contracted through, shared with, or cost-allocated through another entity. Employees of a for-profit organization that created a CHDO cannot also be employees of that CHDO.*
Please submit a roster of the organization's current board composition and their positions on the board.
Please describe the organization's current staffing by completing Attachment C.

**PLEASE REVIEW THE FOLLOWING CHECKLIST TO BE SURE YOUR APPLICATION SUBMISSION INCLUDES ALL OF THE ITEMS LISTED BELOW:**

☑ All questions have been answered, exhibit numbers indicated, and the Executive Director has signed the certification statement on page one.
☑ Attachment B, Board information has been completed for every board member and is enclosed.
☑ Attachment C, Staff information has been completed for every staff person and is enclosed.
☑ All exhibits referenced in the application are numbered and enclosed.

Thanks very much for applying for CHDO Certification with the City of Dallas's Housing and Neighborhood Revitalization Department. We will work diligently to provide you with a quick response to your application.
ATTACHMENT A TO CHDO CERTIFICATION APPLICATION

HUD—Required Standards for Financial Management and Internal Controls

Code of Federal Regulations, Title 2, Volume 200, Parts 302 and 303

Revised as of December 19, 2014

From the U.S. Government Printing Office via GPO Access


TITLE 2—GRANTS AND AGREEMENTS

Subpart D—Post Federal Award Requirements
Sec. 200.302—Financial management.

(a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state’s own funds. In addition, the state’s and the other non-Federal entity’s financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. See also §200.450 Lobbying.

(b) The financial management system of each non-Federal entity must provide for the following (see also §§ 200.333 Retention requirements for records, 200.334 Requests for transfer of records, 200.335 Methods for collection, transmission and storage of information, 200.336 Access to records, and 200.337 Restrictions on public access to records):

(1) Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the CFDA title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.

(2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §200.327 Financial reporting and 200.328 Monitoring and reporting program performance. If a Federal awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient must not be required to establish an accrual accounting system. This recipient may develop accrual data for its reports on the basis of an analysis of the documentation on hand. Similarly, a pass-through entity must not require a subrecipient to establish an accrual accounting system and must allow the subrecipient to develop accrual data for its reports on the basis of an analysis of the documentation on hand.

(3) Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

(4) Effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes. See §200.303 Internal controls.

(5) Comparison of expenditures with budget amounts for each Federal award.

(6) Written procedures to implement the requirements of §200.305 Payment.

(7) Written procedures for determining the allowability of costs in accordance with Subpart E—Cost Principles of this part and the terms and conditions of the Federal award.
ATTACHMENT A TO CHDO CERTIFICATION APPLICATION
HUD—Required Standards for Financial Management and Internal Controls
Code of Federal Regulations, Title 2, Volume 200, Parts 302 and 303
Revised as of April 1, 2000
From the U.S. Government Printing Office via GPO Access
TITLE 2-- GRANTS AND AGREEMENTS
Subpart D--Post Federal Award Requirements
Sec. 200.303-- Internal controls.
The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

(b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.

(c) Evaluate and monitor the non-Federal entity’s compliance with statutes, regulations and the terms and conditions of Federal awards.

(d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.

(e) Take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive or the non-Federal entity considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality.
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**ATTACHMENT B - BOARD MEMBER REQUIREMENTS**

**BOARD MEMBER INFORMATION: PLEASE CHECK THE APPROPRIATE BOX BELOW:**

- Low-income resident of the community?
- Resident of the low-income neighborhood in service area?
- Elected or appointed Public Official?
- Included?
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<tr>
<th>Name:</th>
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#### BOARD MEMBER INFORMATION:

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| City: |                                     |                  |                                        |                                                       |                                                 |                                                                                                         |
| State: | Yes                                  |                  |                                        |                                                       |                                                 |                                                                                                         |
| Zip |                                     | No               |                                        |                                                       |                                                 |                                                                                                         |
| Place of Employment: | |                  |                                        |                                                       |                                                 |                                                                                                         |
| Position: | |                  |                                        |                                                       |                                                 |                                                                                                         |

| Name: |                                     |                  |                                        |                                                       |                                                 |                                                                                                         |
|       |                                     |                  |                                        |                                                       |                                                 |                                                                                                         |
| **12** |                                     |                  |                                        |                                                       |                                                 |                                                                                                         |
| Name: |                                     |                  |                                        |                                                       |                                                 |                                                                                                         |
|       |                                     |                  |                                        |                                                       |                                                 |                                                                                                         |
| Board Position: | |                  |                                        |                                                       |                                                 |                                                                                                         |
| Address: |                                      |                  |                                        |                                                       |                                                 |                                                                                                         |
| City: |                                     |                  |                                        |                                                       |                                                 |                                                                                                         |
| State: | Yes                                  |                  |                                        |                                                       |                                                 |                                                                                                         |
| Zip |                                     | No               |                                        |                                                       |                                                 |                                                                                                         |
| Place of Employment: | |                  |                                        |                                                       |                                                 |                                                                                                         |
| Position: | |                  |                                        |                                                       |                                                 |                                                                                                         |
ATTACHMENT C
Staff Member Information
(Please make additional copies as needed to include all staff members)

PLEASE NOTE: A paid employee is a person whose salary, payroll taxes, and unemployment insurance are paid by the organization and from whom the organization withholds payroll and income taxes. Receipt of a W-2 is sufficient evidence that an individual is a ‘paid employee’. The employee must be paid by the CHDO and, therefore cannot be contracted through, shared with, or cost-allocated through another entity. Employees of a for-profit organization that created a CHDO cannot also be employees of that CHDO.

### STAFF INFORMATION:

<table>
<thead>
<tr>
<th>Name:</th>
<th></th>
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<tbody>
<tr>
<td>Title:</td>
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<tr>
<td>Position:</td>
<td></td>
</tr>
<tr>
<td>Hours of work:</td>
<td></td>
</tr>
<tr>
<td>Duties and Responsibilities</td>
<td></td>
</tr>
</tbody>
</table>

Please indicate if this position is:
- [ ] Paid
- [x] Unpaid

Resume Included?
- [ ] Yes
- [x] No (Required)

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<table>
<thead>
<tr>
<th>Name:</th>
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<tr>
<td>Title:</td>
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<tr>
<td>Position:</td>
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<tr>
<td>Hours of work:</td>
<td></td>
</tr>
<tr>
<td>Duties &amp; Responsibilities</td>
<td></td>
</tr>
</tbody>
</table>

Please indicate if this position is:
- [ ] Paid
- [x] Unpaid

Resume Included?
- [ ] Yes
- [ ] No (Required)

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<table>
<thead>
<tr>
<th>Name:</th>
<th></th>
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<tbody>
<tr>
<td>Title:</td>
<td></td>
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<tr>
<td>Position:</td>
<td></td>
</tr>
<tr>
<td>Hours of work:</td>
<td></td>
</tr>
<tr>
<td>Duties &amp; Responsibilities</td>
<td></td>
</tr>
</tbody>
</table>

Please indicate if this position is:
- [ ] Paid
- [x] Unpaid

Resume Included?
- [ ] Yes
- [x] No (Required)
ATTACHMENT D TO CHDO CERTIFICATION APPLICATION

City of Dallas
Community Housing Development Organization
CERTIFICATION REQUIREMENTS

To be certified as a Community Housing Development Organization (CHDO), an organization must meet the minimum certification criteria as required by the U.S. Department of Housing and Urban Development. Additionally, the organization must comply with the following policies in order to receive CHDO certification from the Housing and Neighborhood Revitalization Department (HNR).

NO DISTRIBUTIONS
An applicant organization's charter or the articles of incorporation must specify that no net earnings of the corporation can inure to the benefit of any member, founder, contributor or individual. All net income must be reinvested in the projects developed by the organization or in subsequent affordable housing projects.

BOARD COMPENSATION
Board members may receive a reasonable fixed sum and expenses for each board meeting he/she attends. However, board members cannot receive a salary for their service as a board member. For HNR staff to verify the reasonableness of compensation, CHDO applicants are required to submit all financial statements and, upon request, any other documents necessary for HNR to verify the amount of compensation provided to board members and the services for which the sum was paid.

SPONSORSHIP OR CREATION BY A RELIGIOUS ORGANIZATION
A religious organization cannot become a CHDO but can create a wholly secular nonprofit housing organization. The sponsoring organization can appoint an unlimited number of board members to the board of the housing organization. Beyond that, however, the housing organization cannot be controlled by the religiously-based sponsor organization. That is, the housing organization must be free to select its projects, to procure its goods, services and financing, and to otherwise operate the organization without influence or intervention by the religiously based sponsor. Additionally, the housing developed by the housing organization must be made available to all persons, regardless of religious belief or affiliation. The by-laws of the housing organization must include language that ensures compliance with all of the above requirements.

REPRESENTATIONS AND WARRANTIES
Any applicant who submits fabricated information, documentation or signatures as part of or along with its CHDO application, or any applicant who misrepresents any aspect of the board, staff or organizational accomplishments, experience or expertise shall be disqualified from the CHDO certification process for a period of 1 year. The 1-year disqualification period will begin at the time the misrepresentation is made by the HNR Department and is reported in writing by HNR staff to the applicant organization. If an applicant believes the HNR determination of misrepresentation is in error, the applicant organization may appeal the decision in writing to the Director of the Housing and Neighborhood Revitalization.

CHDO Certification Application, Attachment D, CHDO Certification Policies
AUDIT
The Housing and Neighborhood Revitalization Department requires that your organization submit audited financial statements for the organization’s most recent program year. If your organization does not have audited financial statements because it has been operating for less than one year, you must submit the audited financial statements of the parent or sponsor organization, along with your organization’s current unaudited financial statements. No nonprofit organization shall be certified as a CHDO if the organization’s most recent audit has an outstanding finding, material weakness or other unresolved matter which would prevent the Housing and Neighborhood Revitalization from certifying the capacity of that organization to successfully develop a CHDO project. The audit will also be used in assessing the organization’s financial capacity for executing the affordable housing activities it intends to pursue.

VERIFICATION OF COMPLIANCE WITH BYLAWS
As part of the certification process, the Housing and Neighborhood Revitalization may do all necessary due diligence to verify that the operations of an applicant organization are being conducted in keeping with the by-laws submitted in the CHDO Certification application.
ATTACHMENT E TO CHDO CERTIFICATION APPLICATION

See chart on next page.
## Current Income Limits for Low Income Families

These definitions are effective: April 1, 2018 through December 31, 2018 or publication of the 2019 income limits.¹

HUD Metro FMR Area (HMFA) estimate of the median family income for the Dallas area is: $77,200

Source: FY 2018 HUD Income Limits website at https://www.huduser.gov/portal/datasets/l.html#2018_data

Effective date: April 1, 2018 per HUD website cited above.

<table>
<thead>
<tr>
<th>Eligibility Standard²</th>
<th>Number of Persons in the Household</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>140%</td>
<td>$75,656</td>
</tr>
<tr>
<td>120%</td>
<td>$64,848</td>
</tr>
<tr>
<td>115%</td>
<td>$62,146</td>
</tr>
<tr>
<td>100%</td>
<td>$54,040</td>
</tr>
<tr>
<td>80%³</td>
<td>$43,250</td>
</tr>
<tr>
<td>67%</td>
<td>$36,207</td>
</tr>
<tr>
<td>65%</td>
<td>$35,126</td>
</tr>
<tr>
<td>60%</td>
<td>$32,424</td>
</tr>
<tr>
<td>50%³</td>
<td>$27,050</td>
</tr>
<tr>
<td>30%³</td>
<td>$16,250</td>
</tr>
</tbody>
</table>

Size adjustment:

- 70% for 80%
- 90% for 90%
- 100% for 100%
- 108% for 108%
- 116% for 116%
- 124% for 124%
- 132% for 132%
- 140% for 140%

¹ Ending date is dependant upon HUD's release of the new income limits for the Federal Fiscal Year.

² Eligibility for housing assistance programs is usually expressed as a percentage of the area-wide median family income (AMFI). For example, eligibility for a given program may be limited to families whose income "does not exceed 50% of AMFI, with adjustments for family size." This means that 100% of 50% of the AMFI is the upper eligible income for a family of four persons. Eligibility limits for smaller families use a smaller percentage of 50% of the AMFI while limits for larger families use larger percentages of 50% of the AMFI.

³ Income for the 80%, 50% and 30% categories are HUD's estimated figures rounded to the nearest $50.

Note 1: Figures shown are actual calculated figures except categories for 80%, 50%, and 30% which are HUD's published figures. HUD allows for rounding calculated amounts up to the nearest $50.

Note 2: The Dallas, TX HUD Metro FMR Area consists of the following counties: Collin, Dallas, Denton, Ellis, Hunt, Kaufman, and Rockwall.

Note 3: HUD literature refers to the 80% (of AMFI) standard as "low income" and the 50% standard as "very low income". The HUD definition "extremely low income" is not used for most HUD-funded programs; only in the Public Housing and Section 8 programs. The "extremely low income" amounts are the higher of 30% of AFMI or the 2018 Poverty Guidelines published by the Dept. of Health and Human Services. Use the 30% of AMFI from the table below only for Public Housing and Section 8 programs.

<table>
<thead>
<tr>
<th>Eligibility Standard³</th>
<th>Number of Persons in the Household</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>30%</td>
<td>$16,250</td>
</tr>
</tbody>
</table>

Note 4: Due to the Housing and Economic Recovery Act of 2008 (Public Law 110-289) these limits may not be applicable to projects financed with Section 42 Low Income Housing Tax Credit (LIHTC) or Section 142 tax exempt private equity bonds. Those projects should use the Multifamily Tax Subsidy Project Income Limits.

CHDO Certification Application, Attachment E, MFI Chart
ATTACHMENT F TO CHDO CERTIFICATION APPLICATION

Community Housing Development Organization

SELF-CERTIFICATION FORM

For the purpose of determining income eligibility, I, (print name), do hereby understand that in order to qualify as a representative of the low-income community, my total household income cannot exceed 80% of the Median Family Income for the Dallas area as established by the Federal Government. Currently, the amounts are:

HUD Income Limits by Household Size

Effective Date: April 14, 2017
2017 Area Median Family Income for Dallas, Texas

<table>
<thead>
<tr>
<th>1 PERSON</th>
<th>2 PERSON</th>
<th>3 PERSON</th>
<th>4 PERSON</th>
<th>5 PERSON</th>
<th>6 PERSON</th>
<th>7 PERSON</th>
<th>8 PERSON</th>
</tr>
</thead>
<tbody>
<tr>
<td>$41,100</td>
<td>$47,000</td>
<td>$52,850</td>
<td>$58,700</td>
<td>$63,400</td>
<td>$68,100</td>
<td>$72,800</td>
<td>$77,500</td>
</tr>
</tbody>
</table>

The following is a list of all persons who are currently occupying this household:

Name  Age  Relationship  Gross Monthly Income

(Before Taxes)

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
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<td></td>
</tr>
</tbody>
</table>

Signature  Date

WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.

FOR CITY STAFF ONLY:
Based on the information provided above, the information has been verified by HNR Staff to reflect that the person named above

☐ DOES  ☐ DOES NOT

qualify as a representative of the low-income community as defined by HUD.

__________________________________________  ____________
HNR Staff Name:  Date:

CHDO Certification Application, Attachment F, CHDO Board Self-Certification Form
APPENDIX 6
Recapture/Resale Requirements for Homebuyer Activities

To ensure that HOME investments yield affordable housing over the long term, HOME regulations impose occupancy requirements over the length of an affordability period. If a house purchased with HOME funds is sold during the affordability period, recapture or resale provisions as per 24 CFR 92.254 shall apply to ensure the continued provision of affordable homeownership.

Definitions
Affordability Period: Occupancy restrictions for varying lengths of time for those homeowners assisted with HUD HOME funds. The affordability period affects the terms of the resale/recapture of the property if sold during the affordability period.

<table>
<thead>
<tr>
<th>HOME subsidy/unit</th>
<th>Minimum Period of Affordability in Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $15,000</td>
<td>5</td>
</tr>
<tr>
<td>$15,000 to $40,000</td>
<td>10</td>
</tr>
<tr>
<td>Over $40,000</td>
<td>15</td>
</tr>
</tbody>
</table>

Direct Homebuyer Subsidy: A direct subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidized the purchase (e.g., down payment or closing cost assistance, subordinate financing, etc.).

Development subsidy: A development subsidy is the difference between the cost to develop housing and the market price. For example, the PJ might provide a $50,000 construction loan to a developer. The appraised value after construction will be $45,000 because of neighborhood and the market conditions. The $5,000 difference between the $45,000 sale price and $50,000 construction loan is not repaid to the PJ and represents a development subsidy provided to the developer. While the subsidy does not go directly to the homebuyer, it helps make development of an affordable home feasible.

Summary of Provisions for the City of Dallas by Subsidy Type:

<table>
<thead>
<tr>
<th>Direct Homebuyer Subsidy (DHS)</th>
<th>DHS + Development Subsidy</th>
<th>Development Subsidy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recapture provisions shall apply</td>
<td>Recapture provisions shall apply</td>
<td>Resale provisions shall apply</td>
</tr>
</tbody>
</table>

Net Proceeds: The sales price minus loan repayment (other than HOME funds) and closing costs.
Recapture Requirements

Pursuant to HOME regulations at 24 CFR 92.254(a)(5) each HOME-funded homebuyer unit must be subject to either resale or recapture requirements during the affordability period. The City of Dallas exclusively uses the recapture provisions as defined herein and does not intend to use resale restrictions.

The City of Dallas provides HOME-funded direct buyer assistance to income eligible buyers based on need as dictated by the City of Dallas Homebuyer Assistance Program Underwriting Guidelines.

The level of HOME assistance provided to a buyer is based on an evaluation of the buyer’s individual need taking into account their specific income, debts, etc. according to the City’s underwriting policies for homebuyer assistance. Depending on the level of homebuyer assistance provided, the affordability period may be five (5) years (less than $15,000 in direct assistance), ten (10) years ($15,000 or more but less than $40,000 in direct assistance), or fifteen (15) years ($40,000 or more in direct assistance). Based on the City’s program design, most projects trigger a 5- or 10-year affordability period.

All buyers sign a HOME written agreement with the City outlining the affordability period and recapture provisions. HOME assistance is provided in the form of a deferred loan secured by a second-position deed of trust which is due and payable upon sale or transfer of title. In the event buyers remain in the unit beyond the end of the affordability period, the HOME loan remains outstanding until sale or transfer of title while the term of the HOME written agreement expires.

Any sale or transfer of title during the affordability period results in recapture by the City of the lesser of the:

a) Entire amount of direct HOME assistance originally provided to the buyer (less any voluntary prepayments previously made); or

b) Net proceeds of sale (sales price minus senior secured debt minus reasonable seller’s closing costs).

When the net proceeds are inadequate to fully repay the City’s HOME loan, the City accepts the net proceed as full and final payoff of the note. The City reserves the right to determine that the sales price reflects an arms-length transaction at fair market value. Receipts received as a result of a sale within the affordability period are recorded as “recaptured funds.” When net sales proceeds exceed the HOME assistance, buyers retain all remaining net proceeds after repaying the HOME loan balance.

After the expiration of the affordability period, any sale or transfer requires the HOME loan balance be repaid, and the City similarly limits the payoff to the net proceeds of sale. Receipts collected after the affordability period has expired are recorded as “program income.” Net proceeds in excess of the City’s HOME loan balance are retained by the original homebuyer.
Resale Requirements

The City of Dallas shall require that Resale provisions be used in the event that only a Development Subsidy is used to make the home affordable (i.e. funding construction to the developer). In a project where both Development and Direct subsidies are provided, recapture provisions apply.

Resale provisions require the homeowner to sell to another low-income homebuyer. The resale requirement must ensure that the price at resale provides the original HOME-assisted owner a fair return on investment and ensure that the housing will remain affordable to a reasonable range of low-income homebuyers as defined below:

Affordable to range of low-income homebuyers (As it relates to the Resale Provision only): That which is affordable to a family earning 80% AMI and below and that who not pay any more than 30% their gross income for PITI (Principle, Interest, Tax, and Insurance).

Fair Return on Investment (As it relates to the Resale Provision only): A Homeowner can sell the home during the affordability period according to the following chart:

<table>
<thead>
<tr>
<th>Years</th>
<th>Lower Range</th>
<th>Max Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1-5 of Affordability</td>
<td>A Homeowner can sell the home during the affordability period for no more</td>
<td>Current (as of date of sale) AffordableHomePrice asset forth in the City</td>
</tr>
<tr>
<td>Period</td>
<td>than 15% over DCAD's most recent appraisal value</td>
<td>of Dallas HousingPolicy</td>
</tr>
<tr>
<td>Year 6-15 of Affordability</td>
<td>No Cap on appreciation rate</td>
<td>Current (as of date of sale) AffordableHomePrice asset forth in the City</td>
</tr>
<tr>
<td>Period</td>
<td></td>
<td>of Dallas HousingPolicy</td>
</tr>
</tbody>
</table>

Homeownership projects undertaken using the resale provision shall use deed restrictions, covenants running with land, or other similar mechanisms per 92.254(a)(5)(i)(A) to ensure the resale requirements. The period of affordability specified in the mortgage will be the minimum period for the project as specified above. The period of affordability is based on the total amount of HOME funds invested in the housing.

Either recapture or resale provisions must be detailed and outlined in accordance with 24 CFR in marketing brochures, written agreements and all legal documents with homebuyer. Either recapture or resale may be used within a project, not both. Combining provisions to create "hybrids" is not allowed.
APPENDIX 7
City of Dallas Affirmative Fair Housing Marketing Policy

The Affirmative Fair Housing Marketing (AFHM) Plan is a marketing strategy or approach designed to attract renters and buyers that would be least likely to apply to assisted multi-family or single-family developments. The City of Dallas requires that all recipients and sub-recipients of HOME, CDBG or NSP funds, for all projects resulting in five (5) or more assisted housing units, implement affirmative marking approaches as part of the overall marketing strategy. To market affirmatively means that a good faith effort is made to attract a project those minority or majority groups who are least likely to apply or are underrepresented in a neighborhood or community. Good faith efforts are recorded activities and documented outreach to those individuals identified as least likely to apply. Affirmative marketing requirements apply to all housing programs, including, but not limited to Tenant-Based Rental Assistance and Down Payment Assistance Programs.

The City of Dallas is committed to affirmatively market to such groups and requires that recipients of HOME/CDBG funds to submit an AFHM Plan using HUD Form 935.2B for single-family developments and HUD Form 935.2A for multi-family developments, prior to expending any funds on a project.

In developing an Affirmative Marketing Plan, the recipient/managing agent shall abide by the following:

I. Regulations

HOME: The recipient/managing agent shall adopt the affirmative marketing procedures and requirements as specified in the HOME Final Rule 92.351 for all projects resulting in five (5) or more HOME-assisted housing units.

CDBG: The Housing and Community Development Act of 1974, as amended, requires from each federal grantee, through the Consolidated Plan certify the following:

1. Examine and attempt to alleviate housing discrimination with their jurisdiction;
2. Promote fair housing choice for all persons;
3. Provide opportunities for all persons to reside in any given housing development, regardless of race, color, religion, sex, disability, familial status, or national origin;
4. Promote housing that is accessible to and usable by persons with disabilities;
5. And comply with non-discrimination requirements of the Fair Housing Act.

II. Policy on Nondiscrimination and Accessibility

The recipient/managing agent shall not discriminate against any individual or family because of race, color, national origin, religion, gender, disability, familial status, sexual orientation, gender identity or expression or source of income (disability, child support, spousal support or veteran’s income or voucher). Reasonable accommodations will be offered to all disabled persons who request accommodations due to disability at any time during the application, resident selection and rent up process.

III. Training

1. The recipient/managing agent shall provide property management staff with all relevant regulations and Fair Housing provisions. All property
management staff shall be required to follow the procedures and policies adopted by the recipient/managing agent. In the event that property management staff requires fair housing technical assistance, staff is to call the City of Dallas Office of Fair Housing and Human Rights 214-670-FAIR (3247).

2. Regular training programs shall including marketing, outreach, data collection, reporting, and record keeping. Property management staff shall annually receive instruction regarding fair housing laws and the recipient/managing agent's Affirmative Marketing Plan.

IV. Marketing and Outreach

1. All advertising shall display the Equal Housing Opportunity logo or the phrase "Equal Housing Opportunity" and the accessibility logo when appropriate, as shown below:

![Equal Housing Opportunity Logo](image)

2. Consistent with resident population the development is designed to serve, the marketing of the project will ensure equal access to appropriate size units for all persons in any category protected by federal, state, and local laws governing discrimination. There will be no local residency requirements nor will preference be given to local residents for the project. Special marketing outreach consideration shall be given to the following traditionally underserved populations:
   a. African-Americans
   b. Native Americans
   c. Hispanics
   d. Asians and Pacific Islanders
   e. Disabled Persons

3. Marketing shall include the use of newspapers of general circulation in Dallas. The recipient/managing agent will place notices in newspapers, specialized publications, and newsletters to reach potential residents. Applications, notices and all publications will include a Fair Housing and Equal Opportunity Logo, and the Accessibility Logo.

4. The recipients/managing agent will contact local civic and community organizations representative of the ethnic and cultural diversity of the area in order to disseminate information about the development. Groups representing disabled and elderly individuals will be contacted. Where necessary, recipient/managing agent will publish its marketing
materials in multiple languages and alternate formats as requested in order to better reach potential recipients and sub-recipients in the area with language limitations.

V. Race and Ethnic Data Collection and Reporting
An applicant shall be given an application package containing the following: Application, Income Requirements and form HUD-27061-H "Race and Ethnic Data Reporting Form." The recipient/managing agent is required to offer each household member the opportunity to complete the form. Parents or guardians are to complete the form for children under the age of 18. Completed documents for the entire household shall be stapled together and place in the household’s file.

VI. Compliance Assessment
1. The recipient/managing agent will review the Affirmative Marketing Plan every year and update as needed to ensure compliance. The advertising sources will be included in the review to determine if past sources should be changed or expanded.

2. The recipient/managing agent will annually assess the success of affirmative marketing actions for the project. If the demographic data of the residents vary significantly from the jurisdiction’s population data, advertising efforts and outreach will be targeted to underrepresented groups in an attempt to balance the residents with the demographics of the jurisdiction. The recipient/managing agent shall submit any changes to the plan to the Fair Housing Office.

VII. Record Keeping
1. The assigned recipient/managing agent shall establish and maintain an Affirmative Marketing file to hold advertisements, flyers, and other public information documents to demonstrate that the appropriate logo and language have been used. Additionally, staff shall keep records of its activities in implementing the affirmative marketing plan, including other community outreach efforts and its annual analysis.
2. Recipient/managing shall keep up-to-date records based on census data, applications, and surveys about community residents, recipients and sub-recipients, residents of the project, and records about tenant selection or rejection.

3. The recipient/managing agent shall provide City staff access to any pertinent books, documents, papers or other records of their properties, as necessary, for determining compliance with civil rights and nondiscrimination requirements.
APPENDIX 8
Residential Anti-Displacement and Relocation Assistance Plan (RARAP)

This Residential Anti-Displacement and Relocation Assistance Plan (RARAP) is prepared by the City of Dallas Housing & Neighborhood Revitalization Department (City) in accordance with the Housing and Community Development Act of 1974, Section 104(d) as amended and HUD regulations at 24 CFR 42.325 and is applicable to CDBG, CDBG-R, Section 108 Loan Guarantee Program, NSP and/or HOME-assisted projects.

Plan to Minimize Displacement of Low/Mod-Income Families as a Result of Any HUD Assisted Activities

Consistent with the goals and objectives of activities assisted under the Act, the City will take the following steps to minimize the direct and indirect displacement of persons from their homes:

- Coordinate code enforcement with rehabilitation and housing assistance programs.
- Support the Redevelopment and Stabilization Target Areas through this policy.
- Ensure the staging of rehabilitation of apartment units to allow tenants to remain in the building/complex during and after the rehabilitation, working with empty units first.
- Ensure for the arrangement of facilities to house persons who must be relocated temporarily during rehabilitation.
- Identify and mitigate displacement resulting from intensive public investment in neighborhoods.
- Provide reasonable protections for tenants faced with conversion to a condominium or cooperative.
- Where feasible, give priority to rehabilitation of housing, as opposed to demolition, to avoid displacement.
- If feasible, allow for demolition or conversion of only dwelling units that are not occupied or vacant occupied dwelling units (especially those units which are "lower-income dwelling units" as defined in 24 CFR 42.305).
- Target only those properties deemed essential to the need or success of the project.

Relocation Assistance to Displaced Persons

The City will ensure relocation assistance for lower-income tenants who, in connection with an activity assisted under the above-mentioned Programs, move permanently or move personal property from real property as a direct result of the demolition of any dwelling unit or the conversion of lower-income dwelling unit in accordance with the requirements of 24 CFR 42.350.

A displaced person who is not a lower-income tenant, shall be provided relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970m Section 104(d) as amended, and implementing regulations at 49 CFR Part 24.
One-for-One Replacement of Lower-Income Dwelling Units
The City will ensure replacement of all occupied and vacant occupied lower-income dwelling units demolished or converted to use other than lower-income housing in connection with a project assisted with funds provided under the above-mentioned programs in accordance with 24 CFR 42.375.

Before entering into a contract committing the City to provide funds for a project that will directly result in demolition or conversion of lower-income dwelling units, the City will ensure publication of such project in a newspaper of general circulation and submit to HUD the following information in writing:

1. A description of the proposed assisted project;

2. The address, number of bedrooms, and location on a map of lower-income dwelling units that will be demolished or converted to a use other than as lower-income dwelling units as a result of assisted project;

3. A time schedule for the commencement and completion of the demolition or conversions;

4. To the extent known, the address, number of lower-income dwelling units by size (number of bedrooms) and location on a map of the replacement lower-income housing that has been or will be provided. NOTE: See also 24 CFR 420.75(d).

5. The source of funding and a time schedule for the provision of the replacement dwelling units;

6. The basis for concluding that each replacement dwelling unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy; and

7. Information demonstrating that any proposed replacement of lower-income dwelling units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units), or any proposed replacement of efficiency or single-room occupancy (SRO) units with units of a different size, is appropriate and consistent with the housing needs and priorities identified in the HUD-approved Consolidated Plan and 24 CFR 42.375(b).

To the extent that the specified location of the replacement dwelling units and other data in items 4 through 7 are not available at the time of the general submission, the general location of such dwelling units will be identified on a map and the City will ensure that the disclosure and submission requirements are completed as soon as the specific data is available.

Replacement not required Based on Unit Available
Under 24 CFR 42.375(d), the City may submit a request to HUD for a determination that the one-for-one replacement requirement does not apply based on objective data that there is an adequate supply of vacant lower-income dwelling units in standard condition available on a non-discriminatory basis within the area.
Responsible Entity
The City is responsible for tracking the replacement of lower income dwelling units and ensuring that they are provided within the required period. This City will also ensure that relocation payments and other relocation assistance are provided to any lower-income person displaced by the demolition of any dwelling unit or the conversion of lower-income dwelling units to another use.
### APPENDIX 9
Other Federal Requirements

<table>
<thead>
<tr>
<th>Other Federal Requirements</th>
<th>Apply to Owner Occupied Rehabilitation?</th>
<th>Apply to Homebuyer Programs?</th>
<th>Applies to Rental Housing Programs?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Discrimination and Equal Access Rules</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fair Housing and Equal Opportunity</td>
<td>Yes. Must affirmatively further Fair Housing</td>
<td>Yes</td>
<td>Yes.</td>
</tr>
<tr>
<td>Affirmative Marketing</td>
<td>Yes.</td>
<td>Yes, for all projects of five or more HOME-assisted units.</td>
<td>Yes; for projects containing five or more Home-assisted units.</td>
</tr>
<tr>
<td>Accessibility for Disabled Persons</td>
<td>Accessibility features must be part of rehabilitation, if needed by owner/occupant and the overall unit is brought up to the PJ's property standard. (Note: Accessibility improvements are eligible costs.)</td>
<td>Yes.</td>
<td>Yes.</td>
</tr>
<tr>
<td><strong>Employment and Contracting Rules</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal Opportunity Employment</td>
<td>Yes.</td>
<td>Yes.</td>
<td>Yes.</td>
</tr>
<tr>
<td>Section 3 Economic Opportunity</td>
<td>Yes, if amount of assistance exceeds $200,000 or contract or subcontract exceeds $100,000.</td>
<td>Yes, if amount of assistance exceeds $200,000 or contract or subcontract exceeds $100,000.</td>
<td></td>
</tr>
<tr>
<td>Davis-Bacon &amp; other Labor</td>
<td>No.</td>
<td>Yes, if construction contract includes 12 or more units that are HOME-assisted</td>
<td>Yes, if construction contract includes 12 or more units that are HOME-assisted</td>
</tr>
<tr>
<td>Conflict of interest</td>
<td>Yes.</td>
<td>Yes.</td>
<td>Yes.</td>
</tr>
<tr>
<td>Excluded Parties (e.g., Debarred Contractors)</td>
<td>Yes.</td>
<td>Yes.</td>
<td>Yes.</td>
</tr>
<tr>
<td><strong>Other Federal Requirements</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Reviews</td>
<td>Yes.</td>
<td>Yes</td>
<td>Yes.</td>
</tr>
<tr>
<td>Flood Insurance</td>
<td>Yes for PJs that are cities/counties. No for State programs.</td>
<td>Yes if city or county. No if state program</td>
<td>Yes for PJs that are cities/counties. No for State PJs.</td>
</tr>
<tr>
<td>Site and Neighborhood Standards</td>
<td>No.</td>
<td>No.</td>
<td>Yes; for rental new construction only</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-----</td>
<td>-----</td>
<td>-------------------------------------</td>
</tr>
<tr>
<td>Lead-Based Paint</td>
<td>Yes for pre-1978 units</td>
<td>Yes for pre-1978 units</td>
<td>Yes for rehabilitation of pre-1978 units. Applies to HOME and non-HOME assisted units. Requirements differ depending on whether rehabilitation work is performed.</td>
</tr>
<tr>
<td>Relocation</td>
<td>Yes.</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
APPENDIX 10
Lead-Based Paint Requirements

This portion of the manual outlines the requirements in relation to Lead-Based Paint.

The U.S. Department of Housing and Urban Development recently adopted new regulations in relation to the treatment of Lead Based Paint in properties built before 1978 that are assisted with HUD funding. The requirements are outlined below based on the activity undertaken. To obtain a copy of the rules from HUD, go to the HUD website at: www.hud.gov/lead and download the regulation.

The section does not outline the City programs that are available to provide financial assistance in relation to lead abatement. Please note, however that any financial assistance provided by the City to address lead based paint will be in the form of a GRANT to the homeowner or developer.

Down-payment Assistance Programs:
The following are HUD's requirements See 24 CFR part 35 (subpart K):

• Distribute Lead Hazard Information Pamphlet and Disclosure to buyers of homes built prior to 1978.
• Perform Visual Assessment of all painted surfaces.
• If Visual Assessment reveals deteriorated paint, action must be taken to stabilize each deteriorated paint surface.
  -At this point, one will have to assume every component has lead since the Visual Assessment does not determine where lead is present. Safe work practices must be used by trained worker in this field. Paint stabilization works will on non-friction surfaces such as walls (interior/exterior). When dealing with friction points such as windows and doors, abatement procedures (removal, replacement, enclosure) are recommended.
• After paint stabilization, clearance must be performed by a certified Risk Assessor or Lead Inspector. HUD has established lead levels that meet clearance requirements.
• Notify the homebuyer within 15 days of results of clearance exam.

At the Visual Assessment Stage, the homebuyer may opt for a lead test. This will reveal the levels of lead present in the home. A lead inspection will not tell you the risk involved, but only where the lead is located. This is when a buyer may request a Risk Assessment to outline the necessary Lead Hazard Reduction methods needed to insure a lead safe residence.

Following are some options (NOT REQUIREMENTS) to consider in relation to your program design for down payment assistance programs:

• If the visual assessment reveals defective paint in which stabilization and clearance is required then this cost can be funded by the nonprofit or the homebuyer or seller.
• If visual assessment shows no deterioration of a painted surface, the homebuyer can sign a waiver stating that they are aware of the potential presence of lead paint and they choose not to address it.
• A qualified consultant should advise on any lead inspection, lead hazard screen or risk assessments.
For Rehabilitation Programs (Owner-Occupied, Homebuyer, and Rental Property Rehabilitation Programs and Historic Preservation Residential Programs):

See 24 CFR Part 35 (subpart J)

If you are implementing a rehabilitation program, HUD's requirements are a bit more stringent in relation to lead based paint. The following describes HUD's requirements:

For HUD funded rehabilitation activities, lead hazard evaluation and reduction activities must be carried out for all projects constructed before 1978.

In all case, notification must be made to the homeowner/buyer in the form of the HUD Lead Hazard Information Pamphlet and Disclosure or an acceptable alternative pamphlet.

The required evaluation and reduction activity is dependent upon the amount of HUD funding used for the project.

For cases where less than or equal to $5,000 will be spent on the rehabilitation: Testing: Paint Testing of surfaces to be disturbed by the rehabilitation activities must occur.

Lead Hazard Reduction: Surfaces, which are disturbed during rehabilitation, must be repaired. Safe work practices must be used. After the rehabilitation activities are completed, clearance must be performed by a certified professional to ensure that units are safe.

For cases where $5,001 to $25,000 will be spent on the rehabilitation: Testing: Paint testing of surfaces to be disturbed by rehabilitation must occur. In addition, a risk assessment must be performed.

Lead Hazard Reduction: Interim controls must be used. This means that the friction and impact surfaces would be addressed. Interim controls include paint stabilization and cleaning. Safe work practices must be used. After the rehabilitation activities are completed, clearance must be performed by a certified professional to ensure that units are safe.
For cases where more than $25,000 will be spent on the rehabilitation:

*Testing:* Paint testing of surfaces to be disturbed by rehabilitation must occur. In addition, a risk assessment must be performed.

*Lead Hazard Reduction:* abatement of hazards is the required approach. Abatement involves permanently removing lead based hazards, often through paint and component removal, replacement, encapsulation and enclosure. Interim controls and paint stabilization may be used on the home’s exterior if it is not involved in the rehabilitation. Safe work practices must be used. After the lead hazard reduction activities are completed, clearance must be performed by a certified professional to ensure that units are safe.

**Calculating the level of rehabilitation assistance:**
When calculating how much HUD funding will be used on a rehabilitation project, the following costs are counted: soft costs, administrative costs, relocation costs, environmental reviews, acquisition of property, and lead hazard evaluation and reduction costs.

**Lead-Based Paint Requirements**
For HUD funded rehabilitation activities, lead hazard evaluation and reduction activities must be carried out for all projects constructed before 1978.

Less than or equal to $5,000 spent on the rehabilitation:
Projects where the level of rehabilitation assistance is less than or equal to $5,000 per unit must meet the following requirements. All work must be conducted using lead safe work practices and workers/contractors must be trained in lead safe work practices. It is presumed that painted surfaces being worked on contain lead-based paint. All disturbed paint must be repaired. Clearance is required by a State of Texas Certified Risk Assessor or Inspector if paint is disturbed. Safe work practices are NOT required when lead hazard reduction activities do not disturb (De Minimis Levels) painted surfaces that total more than 20 sq ft on exterior surfaces, 2 sq ft in any one interior room, or space or 10% of the total surface on an interior or exterior type of component.

In addition, the following notices must be provided to owners:
- Lead Hazard Information pamphlet
- Notice of Presumption and
- The Notice of Lead Hazard Reduction

Where $5,001 to $25,000 spent on the rehabilitation:
A risk assessment is required to identify lead hazards and identified hazards must be addressed by interim controls. A risk assessment must be conducted by a qualified professional prior to rehabilitation to find lead-based paint hazards in assisted units, in common areas that service those units, and on exterior surfaces. The risk assessment must include paint testing of any surfaces to be disturbed by the rehabilitation. If the risk assessment identifies lead-based paint hazards, interim controls must be implemented to address lead-based paint hazards. Interim controls must be performed by qualified professionals using safe work practices. Clearance, conducted by a State of Texas Certified Risk Assessor or Inspector, is required when lead hazard reduction activities are complete.
In addition, the following notices must be provided to owners:

- Lead Hazard Information pamphlet
- Notice of Presumption and
- The Notice of Lead Hazard Reduction

Where more than $25,000 will be spent on the rehabilitation:

A risk assessment is required to identify hazards and any identified hazards must be abated by a qualified professional. A risk assessment must be conducted prior to rehabilitation to find lead- based paint hazards in assisted units, in common areas that service those units, and on exterior surfaces. The risk assessment must include paint testing of any surfaces to be disturbed by the rehabilitation.

To address hazards identified:

- Abatement must be conducted to reduce all identified lead-based paint hazards except those described below. Abatement must be conducted by a certified abatement contractor.

If lead-based paint hazards are detected during the risk assessment on the exterior surfaces that are not to be disturbed by rehabilitation, interim controls may be completed instead of abatement to reduce these hazards.

- Clearance is required when lead hazard reduction activities are complete.

In addition, the following notices must be provided to owners:

- Lead Hazard Information pamphlet
- Notice of Presumption and
- The Notice of Lead Hazard Reduction

<table>
<thead>
<tr>
<th>Approach to Lead Hazard Evaluation and Reduction</th>
<th>&lt;$5,000</th>
<th>$5,000 to $25,000</th>
<th>&gt;$25,000</th>
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<tbody>
<tr>
<td>Notification</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Lead Hazard Evaluation</td>
<td>Paint Testing</td>
<td>Paint Testing and Risk Assessment</td>
<td>Paint Testing and Risk Assessment</td>
</tr>
<tr>
<td>Lead Hazard Reduction</td>
<td>Repair surfaces disturbed during rehabilitation</td>
<td>Interim Controls</td>
<td>Abatement (Interim controls may be used on exterior surfaces not disturbed by rehabilitation)</td>
</tr>
</tbody>
</table>
APPENDIX 11
Environmental Review Policy, Procedures, and Standards

For every project, an Environmental Review must be completed in accordance with 24 CFR Part 58 prior to executing an agreement with a sub-recipient, developer or CHDO. The City has developed the “Environmental Review Policy, Procedures, and Standards” document to outline the process and requirements of completing an Environmental Review.
APPENDIX 12
SECTION 3

All projects receiving an award of HOME funds must comply with HUD's Section 3 requirements. The purpose of Section 3 is to ensure that employment, training, contracting, and other economic opportunities generated by financial assistance from HUD shall, to the greatest extent feasible, and consistent with existing federal, state, and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns that provide economic opportunities to low- and very low-income persons. Recipients of an award of HOME funds will be required to complete Section 3 compliance forms prior to execution of a loan agreement. Applicants requesting HOME funds must provide a written strategy demonstrating understanding of the Section 3 requirements and detailing how they will ensure that, when employment or contracting opportunities are generated because the project or activity necessitates the employment of additional persons or the award of contracts for work, preference shall be given to low- and very low-income persons or business concerns in the neighborhood. Neighborhood is defined in the HOME regulations (24 CFR Part 92, Subpart A) as "a geographic location designated in comprehensive plans, ordinances, or other local documents as a neighborhood, village, or similar geographical designation that is within the boundary but does not encompass the entire area of a unit of general local government."

Developers must obtain the City's approval of the Section 3 plan prior to the construction start of the project.
APPENDIX 13
MINORITY BUSINESS ENTERPRISE & WOMEN BUSINESS ENTERPRISE

Developers must maintain a MBE/WBE plan that demonstrates marketing and solicitation of MBE/WBE businesses and contractors for the construction of the project.
APPENDIX 14
Regulatory References

You may be interested in reading the actual regulations published by the U.S. Department of Housing and Urban Development for CDBG and HOME and the applicable federal requirements. A copy of the regulations may be obtained by contacting the Department of Housing and Neighborhood Revitalization or downloading the information from the HUD website at www.hud.gov.

The regulations for CDBG are located at
24 CFR Part 570: Part 570 – Community Development Block Grants

Subpart A – General Provisions

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</thead>
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<td>570.2</td>
<td>Removed</td>
</tr>
<tr>
<td>570.3</td>
<td>Definitions</td>
</tr>
<tr>
<td>570.4</td>
<td>Allocations of Funds</td>
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<td>570.5</td>
<td>Waivers</td>
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</tbody>
</table>

Subpart C – Eligible Activities

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<th>Title</th>
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</thead>
<tbody>
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</tr>
<tr>
<td>570.201</td>
<td>Basic eligible activities</td>
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<td>570.202</td>
<td>Eligible rehabilitation and preservation activities</td>
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<td>570.203</td>
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<td>570.204</td>
<td>Special activities by Community-Based Development Organizations (CBDO’s)</td>
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<tr>
<td>570.205</td>
<td>Eligible planning, urban environmental design and policy-planning-management- capacity building activities</td>
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<td>Program administration costs</td>
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<td>570.207</td>
<td>Ineligible activities</td>
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<tr>
<td>570.208</td>
<td>Criteria for national objectives</td>
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<tr>
<td>570.209</td>
<td>Guidelines for evaluating and selecting economic development projects</td>
</tr>
</tbody>
</table>

The regulations for HOME are located at
24 CFR Part 92: Home Investment Partnerships Program

Subpart A - GENERAL

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
</tr>
</thead>
<tbody>
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<td>Overview</td>
</tr>
<tr>
<td>92.2</td>
<td>Definitions</td>
</tr>
<tr>
<td>92.4</td>
<td>Waivers and Suspensions of Requirements for Disaster Areas</td>
</tr>
</tbody>
</table>
SUBPART B – ALLOCATIONS FORMULA
92.50  Formula Allocations
92.60  Allocation Amounts for Insular Areas
92.61  Program Description
92.62  Review of Program Description and Certifications
92.63  Amendments to Program Description
92.64  Applicability of Requirements to Insular Areas
92.65  Funding Sanctions
92.66  Reallocations

SUBPART C – CONSORTIA; DESIGNATION AND REVOCATION OF
DESIGNATION AS A PARTICIPATING JURISDICTION
92.101  Consortia
92.102  Participation Threshold Amount
92.103  Notification of Intent to Participate
92.104  Submission of a Consolidated Plan
92.105  Designation as a Participating Jurisdiction
92.106  Continuous Designation as a Participating Jurisdiction
92.107  Revocation of Designation as a Participating Jurisdiction

SUBPART D – SUBMISSION REQUIREMENTS
92.150  Submission Requirements

SUBPART E – PROGRAM REQUIREMENTS
92.200  Private-Public Partnership
92.201  Distribution of Assistance
92.202  Site and Neighborhood Standards
92.203  Income Determinations
92.204  Applicability of Requirements to Entities that Receive a Reallocation of HOME Funds, other than Participating Jurisdictions
92.205  Eligible Activities: General
92.206  Eligible Project Costs
92.207  Eligible Administrative and Planning Costs
92.208  Eligible Community Housing Development Organization (CHDO) Operating Expense and Capacity Building Costs
92.209  Tenant-Based Rental Assistance: Eligible Costs and Requirements
Lead Based Paint Regulations
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance.

AGENCY: Office of the Secretary – Office of Lead Hazard Control, HUD.

ACTION: Final rule.

SUMMARY: The purpose of this rule is to ensure that housing receiving Federal assistance and federally owned housing that is to be sold does not pose lead-based paint hazards to young children. It implements sections 1012 and 1013 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, which is Title X of the Housing and Community Development Act of 1992. The requirements of this rule are based on the practical experience of cities, states and others who have been controlling lead-based paint hazards in low-income privately-owned housing and public housing through HUD assistance. It also reflects the results of new scientific and technological research and innovation on the sources, effects, costs, and methods of evaluating and controlling lead hazards. With today’s action, HUD’s lead-based paint requirements for all Federal programs are now consolidated in one part of title 24 of the Code of Federal Regulations.

DATES: Effective Dates: Section 35.140 is effective on November 15, 1999. All other provisions of the rule are effective on September 15, 2000.

FOR FURTHER INFORMATION CONTACT: For questions on this rule, call (202) 755-1785, ext. 104 (this is not a toll-free number) or e-mail your inquiry to lead.regulations@hud.gov. For lead-based paint program information, contact the Office of Lead Hazard Control, Department of Housing and Urban Development, 451 7th Street SW, Room B-133, Washington, DC 20410-0500. For legal questions, contact the Office of General Counsel, Room 9262, Department of Housing and Urban Development. Hearing and speech-impaired persons may access the above telephone number via TTY by calling the toll-free Federal Information Relay Service at 1-800-877-8339.

Subpart A – Disclosure of Known Lead-Based Paint Hazards upon Sale or Lease of Residential Property.
Subpart B – General Lead-Based Paint Requirements and Definitions for All Programs
   a. Definitions
   b. Exemptions
   c. Options
   d. Notice of Evaluation and Hazard Reduction Activities
e. Lead Hazard Information Pamphlet
f. Use of Paint Containing Lead
g. Prohibited Methods of Paint Removal
h. Compliance with Other, State, Tribal, and Local Laws
i. Minimum Requirements
j. Waivers
k. Prior Evaluation or Hazard Reduction
l. Enforcement
m. Records

Subpart C – Disposition of Residential Property Owned by Federal Agency Other Than HUD
Subpart D – Project-Based Assistance Provided by a Federal Agency Other than HUD
Subpart E – Reserved
Subpart F – HUD-Owned Single-Family Property
Subpart G – Multifamily Mortgage Insurance
Subpart H – Project-Based Rental Assistance
Subpart I – HUD – Owned and Mortgagee-in-Possession Multifamily Property
Subpart J – Rehabilitation
Subpart K – Acquisition, Leasing, Support Services, or Operation
Subpart L – Public Housing Programs
Subpart M – Tenant-Based Assistance
Subpart N-Q – Reserved
Subpart R – Methods and Standards for Lead-Based Paint Hazard Evaluation and Reduction Activities
a. Standards
b. Adequacy of Dust-Lead Standards
c. Summary Notice Formats
d. Interim Controls
e. Standard Treatments
f. Clearance
g. Occupant Protection and Worksite Preparation
h. Safe Work Practices
i. Ongoing Lead-Based Paint Maintenance and Reevaluation
APPENDIX 15
OWNER-OCCUPIED HOUSING REHABILITATION / RECONSTRUCTION PROGRAM
GENERAL CONTRACTOR / HOMEBUILDER APPLICATION

A. **COMPANY NAME:** (Print) ____________________________________________

Address _____________________________________________________________

City, State, & Zip _____________________________________________________

Office Telephone No. ____________________ Employer’s Tax No. ______________

Cell No. ____________________________ Fax ____________________________

B. **BUSINESS OWNER(S) / PRINCIPAL(S):**

1. Name __________________________ Title ____________________________

   Home Address ______________________________________________________

   City, State, & Zip __________________________________________________

   Telephone No. ( ) __________________ Fax No. ( ) _____________________

2. Name __________________________ Title ____________________________

   Home Address ______________________________________________________

   City, State, & Zip __________________________________________________

   Telephone No. ( ) __________________ Fax No. ( ) _____________________

3. Name __________________________ Title ____________________________

   Home Address ______________________________________________________

   City, State, & Zip __________________________________________________
Telephone No. (    ) ___________________ Fax No. (    ) ___________________

C. HISTORY OF COMPANY:

1. How long has your company been under the present company name? If less than 2 years, please
   list previous company name, if any __________________________
   __________________________
   __________________________

2. Are you a member of any trade or professional association? Yes ________ No ________
   If yes, please indicate name and number of years as member: ___________________
   __________________________
   __________________________
   __________________________

3. Number of Employees: Office/Admin____Trades ____ (Give averages if number fluctuates)

4. Contractor’s and/or Homebuilder’s License Number __________________________
   Where Licensed ___________________

5. Have you ever had your Contractor’s License revoked? Yes ________ No ________
If yes, provide year revoked and justification.

__________________________________________________________________________

__________________________________________________________________________

6. Have you ever defaulted on a contract? Yes_______ No _________

7. Are you on any debarment or suspension lists or have been declared ineligible to
   participate in any Federal Assistance Programs? Yes_______ No _________

8. Have any members of the firm been sued within the past 2 years by sub-contractors,
   suppliers, customers, or other persons? Yes_______ No _________
   If yes, give details: _____________________________________________________

   ______

9. Do you have working capital to start a home improvement job of $50,000.00?
    Yes______ No_______

10. How do you finance your work?
    ________________________________________________________________

11. If this application is approved, how do you plan on financing these public projects?
    ________________________________________________________________

12. If you intend on using interim financing from a lending institution to finance these
    public projects, please provide a commitment letter from your lending institution or
other financial resources.

D. CONTRACTOR’S INFORMATION AND BACKGROUND:

1. Principal Contractor’s Social Security Number: ____________________________

2. How long have you been in business? ____________________________

3. Describe your construction background and specific trades:
   ____________________________
   ____________________________
   ____________________________
   ____________________________

   If you have no construction background, who in your company does?
   ____________________________
   ____________________________
   ____________________________

4. In what areas and trades are you licensed by the City of Dallas? ________________

   ____________________________

5. Who is responsible for jobsite day-to-day activities such as: scheduling, supervision, coordination, quality control, clients concerns and complaints, etc.?

   Name: ____________________________
   ____________________________
   ____________________________

   Title: ____________________________  Years w/Company
   ____________________________
6. Please list full-time employees and the trades they cover? List names, trades and licenses, if any, and years with the company.

7. What kind of warranty do you provide your customers upon completion of the construction work and how long is the warranty period?

8. How long does it take you to build a new 1,900 square foot home?

9. How long does it take you to complete a FULL rehab of a 1,900 square foot home on pier and beam?

E. CONSTRUCTION WORK PREFERENCE:

1. What type of construction work program do you want to participate in?
   - [ ] Reconstruction (New construction)  Yes____ No____
     - Single family units  Yes____ No____
     - Multi-family developments  Yes____
   - [ ] Rehabilitation (Existing homes)  Yes____ No____
     - Single family units  Yes____ No____
o Multi-family developments  
Yes____
No____

E. EXPERIENCE WITH PUBLIC AGENCIES:

1. Have you participated or worked with similar federally-funded housing construction programs with other entities, i.e., Dallas Housing Authority (DHA), other housing non-profit organizations, etc.?  Yes ________  No ________

If yes, please complete the following information:

(a) Agency Name ___________________________ Phone No. ____________
Address ___________________________ City, State, and Zip ____________
Type of Work ___________________________
Contract Amount $ ________ Units Completed ____________ Date: ____________

(b) Agency Name ___________________________ Phone No. ____________
Address ___________________________ City, State, and Zip ____________
Type of Work ___________________________
Contract Amount $ ________ Units Completed ____________ Date: ____________

(c) Agency Name ___________________________ Phone No. ____________
Address ___________________________ City, State, and Zip ____________
Type of Work ___________________________
Contract Amount $ ________ Units Completed ____________ Date: ____________

(d) Agency Name ___________________________ Phone No. ____________
Address ___________________________ City, State, and Zip ____________
Type of Work ___________________________
G. CURRENT CONTRACT AGREEMENTS:

Presently, do you have any contracts under construction? Yes ______ No ______

If yes, provide the following information:

<table>
<thead>
<tr>
<th>Project Address</th>
<th>Contract Amount</th>
<th>Client’s Name</th>
<th>Client’s Phone No.</th>
<th>Construction Start and Expected Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2</td>
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<tr>
<td>3</td>
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</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

H. INSURANCE REQUIREMENTS (See Attachment A): If your application is approved, you will be required to provide proof of insurance as outlined in Attachment A.

I. EXPERIENCE: REHABILITATION AND/OR RECONSTRUCTION WORK DURING THE PAST YEAR:

1. Name ___________________________ Phone No. __________________
   Address ______________________ City, State, Zip __________________
   Type of Work __________________________
   Contract Amount $ _________________ Completed __________________

2. Name ___________________________ Phone No. __________________
   Address ______________________ City, State, Zip __________________
Type of Work ____________________________________________

Contract Amount $ ___________________ Completed ________________

3. Name ___________________________ Phone No. __________________
   Address __________________________ City, State, Zip ________________
   Type of Work ____________________________________________
   Contract Amount $ ___________________ Completed ________________

4. Name ___________________________ Phone No. __________________
   Address __________________________ City, State, Zip ________________
   Type of Work ____________________________________________
   Contract Amount $ ___________________ Completed ________________
   Contract Amount $ ___________________ Completed ________________

J. REQUIRED DOCUMENTS:

1. The following documents must accompany this General Contractor / Homebuilder Application before this application is accepted and processed.

   □ Copy of Current Picture I.D. (Texas Driver’s License) of Owners

   □ Copy of Current General Contractor’s License

   □ Copy of Current Homebuilder’s License

   □ Copy of commitment letter from financial resource if applicable

   □ Copy of Current Certificate of Liability Insurance to include General Liability & Workers compensation and employers’ Liability

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2007/2008 Tax Returns for Business or Owners
K. **PENALTY FOR FALSE OR FRAUDULENT STATEMENT:**

USC Title 18, Sec. 1001, states: "Whomever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statement or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than $10,000 or imprisoned not more than five years, or both."

The undersigned certifies that all information provided in this CONTRACTOR INFORMATION APPLICATION, and all information in support of said form, is true and complete to the best of the undersigned's knowledge and belief. Further, the undersigned hereby authorizes and requests any person, firm or corporation to furnish any information requested by the City of Dallas, Housing & Neighborhood Revitalization Department, in verification of the recitals comprising this statement of contractor's qualifications.

SIGNED this ______ day of __________________, 2008.

______________________________
Name of Business

By: ____________________________
Print Name

Title: ____________________________
Owner, Partner, President, Agent or Representative

STATE OF TEXAS

§

141
DALLAS COUNTY

BEFORE ME, the undersigned authority, on this day personally appeared
________________________
________________________, known to me to be the person whose name is subscribed to
the foregoing instrument, and acknowledges to me that the answers to the foregoing
questions and all statements therein contained are true and correct.

GIVEN UNDER my hand and seal of office this ____ day of, ________________, 2008.

________________________
NOTARY PUBLIC, STATE OF TEXAS

Please Return Completed Application to:

City of Dallas
Housing & Neighborhood Revitalization Department
Attention: Inspections Manager
1500 Marilla Street,
Dallas, Texas 75201

For Questions, please contact:
EXHIBIT “A”
INSURANCE REQUIREMENTS

Prior to the commencement of the Project or any other work under this Agreement, BORROWER shall furnish an original completed Certificate(s) of Insurance or the City’s Standard Certificate of Insurance form to the City’s Housing & Neighborhood Revitalization Department and City’s Risk Management Division, and shall be clearly labeled with Agreement name, which shall be completed by an agent authorized to bind the named underwriter(s) and their company to the coverage, limits, and termination provisions shown thereon. The original certificate(s) of form must have the agent’s original signature, including the signer’s company affiliation, title and phone number, and be mailed directly from the agent to the City. The City shall have no duty to pay or perform under this Agreement or under any of the other Loan Documents until such certificate(s) shall have been delivered to the City’s Housing & Neighborhood Revitalization Department and the City’s Risk Management Office, and no officer or employee, other than the City’s Risk Manager, shall have authority to waive this requirement.

The City reserves the right to review the insurance requirements of this section during the effective period of this Agreement and of the other Loan Documents, including the term of the Note, and any extension of renewal thereof and to modify insurance coverage and their limits when deemed necessary and prudent by the City’s Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding the Project, this Agreement or any of the other Loan Documents, but in no instance will the City allow modification whereupon the City may incur increased risk.

A BORROWER’s financial integrity is of interest to the City; therefore, subject to BORROWER’s right to maintain reasonable deductibles in such amounts as are first approved in writing by the City, BORROWER shall obtain and maintain in full force and effect for the duration of this Agreement and the other Loan Documents, and any extension thereof, at BORROWER’s sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and rated A- or better by A.M. Best Company and/or otherwise acceptable to the City, in the following types and amounts:

<table>
<thead>
<tr>
<th>TYPE</th>
<th>AMOUNTS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

143
| **1. Workers’ Compensation **
| **Employers’ Liability ** | Statutory
| $1,000,000/$1,000,000/$1,000,000 |

| **2. Commercial General (public) Liability**
| Insurance to include coverage for the following:
| a. Premises operations
| *b. Independent contractors*
| c. Products/completed operations
| d. Personal Injury
| e. Contractual Liability
| *f. Explosion, collapse, underground*
| g. Broad form property damage, to include fire legal liability | For Bodily Injury and Property Damage of
| $1,000,000 per occurrence;
| $2,000,000 General Aggregate, or its equivalent in Umbrella or Excess Liability Coverage |

| **3. Business Automobile Liability**
| a. Owned/leased vehicles
| b. Non-owned vehicles
| c. Hired Vehicles | Combined Single Limit for Bodily Injury and Property Damage of $1,000,000 per occurrence |

| **4. Professional Liability**
| (Claims Made Form) | $1,000,000 per claim to pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages by reason of any act, malpractice, error or omission in professional services. |

| **5. Payment/Performance Bond** | $125,000.00 |
| **6. Builder’s Risk** | $125,000.00 |
| **7. Pollution of Fuel Storage Tank** | $125,000.00 |
| **8. Environmental** | $125,000.00 |
| **9. Commercial Crime/Fidelity Bond, etc.** | $125,000.00 |
| **10. Liquor Legal Liability** | $125,000.00 |
| * If Applicable |

** Alternate Plans Must Be Approved by Risk Management
11. BORROWER must provide to City proof of continuous and renewed professional liability insurance having been obtained by all professional persons performing work or services in connection with the Project, such insurance policy having an extended discovery period of two (2) years, with such insurance policy being maintained in the same manner as set forth herein.

12. Upon completion of construction of the Project, BORROWER must carry insurance to the extent of 80% of A.C.V., fire and extended coverage policy.

13. BORROWER must provide insurance in the manner set forth herein protecting City with a standard mortgage clause naming City as loss payee for a sum equal at least to BORROWER's indebtedness to City.

BORROWER shall contractually require all third-party contractors associated with the Project to obtain the foregoing types of insurance, in the amounts and in the manner as specified herein.

The City shall be entitled, upon request and without expense, to receive copies of the policies and all endorsements thereto as they apply to the limits required by the City, and may make a reasonable request for deletion, revision, or modification of particular policy terms, conditions, limitations or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). Upon such request by the City, BORROWER shall exercise reasonable efforts to accomplish such changes in policy coverage and shall pay the cost thereof.

BORROWER agrees that with respect to the above-required insurance, all insurance contracts and Certificate(s) of Insurance will contain the following required provisions:

- Name City and its officers, employees, volunteers and elected representatives as additional insureds as with respect to operations and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation (and professional liability, if required) policies;
• BORROWER's insurance shall be deemed primary with respect to any insurance or self insurance carried by the City for liability arising out of operations under this agreement with the City or under any of the other Loan Documents; and

• Workers' compensation and employers' liability policy will provide a waiver of subrogation in favor of City.

BORROWER shall notify the City in the event of any notice of cancellation, non-renewal or material change in coverage and shall give such notices not less than thirty (30) days prior to the change, or twenty (20) days notice for cancellation due to non-payment of premiums, which notice must be accompanied by a replacement Certificate of Insurance. All notices shall be given to the City at the following address:

City of Dallas
Housing & Neighborhood Revitalization Department
Attn: Director
1500 Marilla St.
Dallas, Texas 75201

and

City of Dallas
Risk Management Division
P.O. Box 839966
Dallas, Texas 78283-3966

If BORROWER fails to maintain the aforementioned insurance, or fails to secure and maintain the aforementioned endorsements, the City may obtain such insurance, and deduct and retain the amount of the premiums for such insurance from any sums due under any of the Loan Documents; however, procuring of said insurance by the City is an alternative to other remedies the City may have, and is not the exclusive remedy for failure of BORROWER to maintain said insurance or secure such endorsement. In addition to any other remedies the City may have upon BORROWER's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to (a) withdraw from the Project, (b) withhold any and all Loan monies until BORROWER
demonstrates compliance with the requirements hereof, (c) declare a default under the Note and/or (d) terminate any and all Loan Documents.

Nothing herein contained shall be construed as limiting in any way the extent to which BORROWER may be held responsible for payments of damages to persons or property resulting from BORROWER's or its subcontractors' performance of the work covered hereunder or under any of the other Loan Documents.
## APPENDIX 16
### INTERVENTIONS BY STRATEGY AREA

<table>
<thead>
<tr>
<th>IMPLEMENTATION REQUIREMENTS</th>
<th>Requires an ordinance change</th>
<th>Authorized by Resolution</th>
<th>Policy Decision</th>
<th>Available through NEZ</th>
<th>Non-City Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accessory Dwelling Units</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building Code Fee Waivers</td>
<td>X</td>
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<tr>
<td>Community Court</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
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<tr>
<td>Code Lien Foreclosures</td>
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<td></td>
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<tr>
<td>Community Land Trust</td>
<td>X</td>
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<tr>
<td>Contractor Training Program</td>
<td></td>
<td>X</td>
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<td>Development Code Fee Waivers</td>
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<tr>
<td>Employer-Assisted Housing Program</td>
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<td></td>
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<tr>
<td>Envision Centers</td>
<td></td>
<td></td>
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<td>X</td>
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<tr>
<td>Expedited Processing</td>
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</tr>
<tr>
<td>Home Improvement Preservation Program</td>
<td>X</td>
<td></td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Homestead Preservation Districts</td>
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<td></td>
<td></td>
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<tr>
<td>Housing Trust Fund</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Incentive Zoning/Density Bonuses</td>
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<td></td>
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<tr>
<td>Lien Releases</td>
<td>X</td>
<td></td>
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<tr>
<td>Multi-Family Rehab Program</td>
<td></td>
<td></td>
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<tr>
<td>Neighborhood Empowerment Zones</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Opportunity Zones</td>
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<td></td>
<td></td>
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<tr>
<td>Park Land Dedication Fees</td>
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<td></td>
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<td>Property Tax Abatement</td>
<td>X</td>
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<tr>
<td>Rental/Homeowner Maintenance Education Program</td>
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<tr>
<td>Tax Increment Financing (TIF)</td>
<td></td>
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<tr>
<td>Voucher Sublease Program</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
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148
<table>
<thead>
<tr>
<th>Proposed Type of Activities</th>
<th>Redevelopment Areas</th>
<th>Stabilization Areas</th>
<th>Emerging Markets</th>
<th>Citywide</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notice of Funding Availability: New Development (for-sale and rental) or Substantial</td>
<td>P</td>
<td>P</td>
<td>N</td>
<td>Y</td>
</tr>
<tr>
<td>Rehabilitation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preservation of owner-occupied housing: Home Improvement &amp; Preservation Program</td>
<td>P</td>
<td>P</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>Preservation of Single-Family rental housing: Home Improvement &amp; Preservation Program</td>
<td>P</td>
<td>P</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>Preservation of Multi-Family rental housing: Home Improvement &amp; Preservation Program</td>
<td>P</td>
<td>P</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>Landbanking</td>
<td>N</td>
<td>P</td>
<td>P</td>
<td>N</td>
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<tr>
<td>Code Lien Foreclosures</td>
<td>N</td>
<td>P</td>
<td>P</td>
<td>N</td>
</tr>
<tr>
<td>Neighborhood Empowerment Zones (unlocks development fee waivers including landscape and</td>
<td>N</td>
<td>Y</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>tree mitigation and parkland dedication fees &amp; property tax freeze)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City’s Second Mortgage Assistance Program (DHAP)</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>Neighborhood Revitalization Strategy Area Designation</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>N</td>
</tr>
<tr>
<td>Dallas Tomorrow Fund (Dept. of Code Compliance home repair fund through fee assessment)</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
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<tr>
<td>Code Academy</td>
<td>Y</td>
<td>Y</td>
<td>P</td>
<td>Y</td>
</tr>
<tr>
<td>Tax Increment Reinvestment Zone designation - If one doesn’t already exist</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>N</td>
</tr>
<tr>
<td>Create Neighborhood Association</td>
<td>Y</td>
<td>Y</td>
<td>P</td>
<td>Y</td>
</tr>
<tr>
<td>Neighborhood Sweep - 2 week intensive; minor street repair, code inspections, signage,</td>
<td>Y</td>
<td>Y</td>
<td>P</td>
<td>N</td>
</tr>
<tr>
<td>beautification projects, neighborhood plan</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neighborhood Beautification Projects</td>
<td>Y</td>
<td>Y</td>
<td>P</td>
<td>Y</td>
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<tr>
<td>Low Income Housing Tax Credit City support - with scoring criteria</td>
<td>N</td>
<td>Y</td>
<td>N</td>
<td>Y</td>
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<tr>
<td>Voucher Sublease Agreements</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>Accessory Dwelling Units</td>
<td>See Citywide</td>
<td>Y</td>
<td>See Citywide</td>
<td>Y-opt in</td>
</tr>
<tr>
<td>Incentive Zoning</td>
<td>P</td>
<td>P</td>
<td>N</td>
<td>Y</td>
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<td>Homestead Preservation District designation</td>
<td>N</td>
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<td>N</td>
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</tr>
<tr>
<td>Community Land Trust</td>
<td>Y</td>
<td>P</td>
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<td>N</td>
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<tr>
<td>Tenant Based Rental Assistance Program (HILI)</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>Express Plan Review</td>
<td>P</td>
<td>P</td>
<td>N</td>
<td>N</td>
</tr>
</tbody>
</table>
Authorize:

1. Adoption of a Substantial Amendment to reallocate the FY 2017 ESG funds to the FY 2018-19 Action Plan for the Emergency Solutions Grant (ESG) Program in the amount of $333,895.00 from Emergency Shelter, Rapid Re-Housing, and Homeless Management Information System eligible activities to Street Outreach and Homelessness Prevention eligible activities.

Financing:

No cost consideration to the City.

Prior Actions:

<table>
<thead>
<tr>
<th>Date</th>
<th>Resolution #</th>
<th>Action Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 24, 2017</td>
<td>17-0848</td>
<td>The City Council authorized preliminary adoption of the Proposed FY 2017-18 Consolidated Plan Budget, including ESG funds.</td>
</tr>
<tr>
<td>June 30, 2017</td>
<td></td>
<td>Hud notified the City of Dallas an FY 2017 ESG Supplemental Allocation in the amount of $1,923,927.00.</td>
</tr>
<tr>
<td>August 9, 2017</td>
<td>17-1171</td>
<td>The City Council authorized final adoption of the FY 2017-18 Consolidated Plan Budget for HUD Grant Funds, including ESG funds in the amount of #3,117,540.00.</td>
</tr>
<tr>
<td>June 26, 2019</td>
<td>19-1063</td>
<td>The City Council authorized the preliminary adoption of Substantial Amendment No. 3 to the FY 2018-19 Action Plan for the ESG Program to reallocate FY2107 ESG funds.</td>
</tr>
</tbody>
</table>
MISCELLANEOUS HEARINGS

Item 79: A public hearing to receive comments on Substantial Amendment No. 3 to the FY 2018-19 Action Plan for the Emergency Solutions Grant ("ESG") Program, to reallocate FY17 ESG funds in the amount of $333,895.00 from Emergency Shelter, Rapid Re-Housing, and Homeless Management Information System eligible activities to Street Outreach and Homelessness Prevention eligible activities; and at the close of the public hearing, authorize final adoption of Substantial Amendment No. 3 to the FY 2018-19 Action Plan - Financing: No cost consideration to the City

No one addressed the city council on the item.

Councilmember Thomas moved to close the public hearing and adopt the item.

Motion seconded by Councilmember Atkins and unanimously adopted.
WHEREAS, on May 24, 2017, City Council authorized preliminary adoption of the Proposed FY 2017-18 Consolidated Plan Budget for U.S. Department of Housing and Urban Development ("HUD") Grant Funds, including FY17 Emergency Solutions Grant ("ESG") funds in the preliminary amount of $1,211,466.00, by Resolution No. 17-0848; and

WHEREAS, on June 14, 2017, HUD published the final grant allocations for the FY 2017-18 Consolidated Plan Budget for HUD Grant Funds, including the actual FY17 ESG grant allocation in the amount of $1,193,613.00, and City Council was briefed by memorandum on these final grant allocations on June 23, 2017; and

WHEREAS, on June 30, 2017, HUD notified the City of Dallas that it would receive an FY17 ESG Supplemental Allocation in the amount of $1,923,927.00, for a total FY17 ESG allocation of $3,117,540.00; and

WHEREAS, on August 9, 2017, City Council authorized final adoption of the FY 2017-18 Consolidated Plan Budget for HUD Grant Funds, including FY17 ESG funds in the amount of $3,117,540.00, by Resolution No. 17-1171; and

WHEREAS, on April 10, 2019, City Council authorized Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan to use unspent prior year Community Development Block Grant ("CDBG") funds by Resolution No. 19-0556; and

WHEREAS, on April 24, 2019, City Council authorized the preliminary adoption of Substantial Amendment No. 2 to the FY 2018-19 Action Plan for HOME Investment Partnerships Program and CDBG to revise the Dallas Homebuyer Assistance Program Statement and the Housing Improvement and Preservation Program Statement, by Resolution No. 19-0639; and

WHEREAS, on June 26, 2019, City Council authorized the final adoption of Substantial Amendment No. 2 to the FY 2018-19 Action Plan for HOME Investment Partnerships Program and CDBG to revise the Dallas Homebuyer Assistance Program Statement and the Housing Improvement and Preservation Program Statement by Resolution No. 19-1061; and

WHEREAS, on June 26, 2019, City Council authorized the preliminary adoption of Substantial Amendment No. 3 to the FY 2018-19 Action Plan for the ESG Program to reallocate FY17 ESG funds by Resolution No. 19-1063; and

WHEREAS, FY17 ESG funds must be expended within 24 months after the date HUD signed the grant agreement with the City of Dallas, which is October 19, 2019; and
WHEREAS, it is necessary to reallocate FY17 ESG funds among eligible activities to meet the expenditure deadline.

Now, Therefore,

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

SECTION 1. That the City Council hereby authorizes the final adoption of Substantial Amendment No. 3 to the FY 2018-19 Action Plan for the Emergency Solutions Grant ("ESG") Program, to reallocate FY17 ESG funds in the amount of $333,895.00 from Emergency Shelter, Rapid Re-Housing, and Homeless Management Information System eligible activities to Street Outreach and Homelessness Prevention eligible activities, as provided in the attached Schedule A.

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

Substantial Amendment No. 3 to 
FY 2018-19 Action Plan for 
Emergency Solutions Grant (ESG) Program

FY17 Emergency Solutions Grant (ESG) Funds

<table>
<thead>
<tr>
<th>Fund</th>
<th>Dept</th>
<th>Unit</th>
<th>Project Description</th>
<th>FY 2017-18 City Council Adopted Budget</th>
<th>Change Increase (+)</th>
<th>FY 2017-18 Revised Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Management Services/Office of Homeless Solutions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ES17</td>
<td>MGT</td>
<td>281B</td>
<td>Emergency Shelter</td>
<td>1,587,807</td>
<td>(18,370)</td>
<td>1,569,437</td>
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<tr>
<td>ES17</td>
<td>MGT</td>
<td>282B</td>
<td>Street Outreach</td>
<td>69,072</td>
<td>232,015</td>
<td>301,087</td>
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<tr>
<td>ES17</td>
<td>MGT</td>
<td>283B</td>
<td>Homelessness Prevention</td>
<td>50,000</td>
<td>0</td>
<td>50,000</td>
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<tr>
<td>ES17</td>
<td>MGT</td>
<td>284B</td>
<td>Rapid Re-Housing</td>
<td>1,065,784</td>
<td>(302,778)</td>
<td>763,006</td>
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<tr>
<td>ES17</td>
<td>MGT</td>
<td>285B</td>
<td>HMIS Data Collection</td>
<td>69,000</td>
<td>(12,747)</td>
<td>56,253</td>
</tr>
<tr>
<td>ES17</td>
<td>MGT</td>
<td>286B</td>
<td>ESG Administration</td>
<td>155,877</td>
<td>0</td>
<td>155,877</td>
</tr>
<tr>
<td></td>
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</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Management Services/Office of Community Care</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ES17</td>
<td>MGT</td>
<td>287B</td>
<td>Homelessness Prevention</td>
<td>120,000</td>
<td>101,880</td>
<td>221,880</td>
</tr>
</tbody>
</table>

Total ESG Funds 3,117,540 0 3,117,540
Authorize:

A public hearing to receive comments to FY 2018-19 Action Plan the HOME Investment Partnerships Program (HOME) for the use of $3,600,000.00 of HOME funds from the receipt of unanticipated program income. The authorized public hearing will authorize

1. Final adoption of Substantial Amendment No. 4 to the FY 2018-19 Action Plan;

2. The receipt and deposit of HOME Program income funds in an amount not to exceed $3,600,000.00 in the HOME Investment Partnership Program Income Fund; and

3. To establish appropriations in an amount not to exceed $3,600,000.00 in the HOME Investment Partnership Program Income Fund by Council Resolution No. 19-1614.

Financing:

No cost consideration to the City.

Prior Actions:

<table>
<thead>
<tr>
<th>Date</th>
<th>Resolution #</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 28, 2019</td>
<td>19-1292</td>
<td>The City Council authorized the preliminary adoption of Substantial Amendment No. 4 to the FY 2018-19 Action Plan for the HOME Investment Partnerships Program and a public hearing to be held on October 8, 2019.</td>
</tr>
<tr>
<td>October 8, 2019</td>
<td>19-1614</td>
<td>The City Council held a public hearing to receive comments on Substantial Amendment No. 4 to the FY 2018-19 Action Plan for the HOME Program</td>
</tr>
<tr>
<td>October 8, 2019</td>
<td>19-1614</td>
<td>The City Council authorized final adoption of Substantial Amendment No. 4 to the FY 2018-19 Action Plan for the HOME Investment Partnerships Program for the use of $3,600,000.00 of HOME funds resulting from the receipt of unanticipated program income for housing, associated administrative and soft costs.</td>
</tr>
</tbody>
</table>
MISCELLANEOUS HEARINGS

Item PH1: A public hearing to receive comments on Substantial Amendment No. 4 to the FY 2018-19 Action Plan for the HOME Investment Partnerships Program (HOME) for the use of $3,600,000.00 of HOME funds resulting from the receipt of unanticipated program income for housing, associated administrative and soft costs; and at the close of the public hearing, authorize (1) final adoption of Substantial Amendment No. 4 to the FY 2018-19 Action Plan; (2) the receipt and deposit of HOME Program income funds in an amount not to exceed $3,600,000.00 in the HOME Investment Partnership Program Income Fund; and (3) the establishment of appropriations in an amount not to exceed $3,600,000.00 in the HOME Investment Partnership Program Income Fund - Financing: FY 2018-19 HOME Program Income Funds

No one addressed the city council on the item.

Councilmember Mendelsohn moved to close the public hearing and adopt the item.

Motion seconded by Councilmember Atkins and unanimously adopted. (McGough, Thomas absent when vote taken)
Memorandum

DATE October 25, 2019

TO Bilierae Johnson, City Secretary

SUBJECT Correction to CR 19-1614

This is a correction to Council Resolution No. 19-1614.

Is this the first correction to the subject Council Resolution?  ❑ Y  ❑ N
If no, attach copies of any previous approved correction memos.

The subject Council Resolution was approved on October 8, 2019, authorizing:

Authorize public hearing to receive comments on Substantial Amendment No. 4 to the FY 2018-19 Action Plan for the HOME Investment Partnerships Program (HOME) for the use of $3,600,000.00 of HOME funds resulting from the receipt of unanticipated program income for housing, associated administrative and soft costs; and at the close of the public hearing, authorize (1) final adoption of Substantial Amendment No. 4 to the FY 2018-19 Action Plan; (2) the receipt and deposit of HOME Program income funds in an amount not to exceed $3,600,000.00 in the HOME Investment Partnership Program Income Fund; and (3) the establishment of appropriations in an amount not to exceed $3,600,000.00 in the HOME Investment Partnership Program Income Fund - Financing: FY 2018-19 HOME Program Income Funds

❑ Typo  ❑ Financial/funding information  ❑ Obvious error from CR context

Sections 2, 3, and 4 of the Council Resolution should read as follows:

SECTION 2. That the Chief Financial Officer is hereby authorized to receive and deposit HOME Program income funds in an amount not to exceed $3,600,000.00 in the HOME Investment Partnership Program Income Fund, Fund 48R4 18M4, Department HOU, Unit M14A, Revenue Code 6506.

SECTION 3. That the City Manager is hereby authorized to establish appropriations in an amount not to exceed $3,600,000.00 in the HOME Investment Partnership Program Income Fund, Fund 48R4 18M4, Department HOU, Unit M14A, various Object Codes.

SECTION 4. That the Chief Financial Officer is hereby authorized to disburse grant funds in the amount of $3,600,000.00 from the HOME Investment Partnership Program Income Fund, Fund 48R4 18M4, Department HOU, Unit M14A, various Object Codes.
Department: Office of Budget

Director (or designee): Jack Ireland, Director
Signature
Date 10/25/19
Printed Name

OFS: □ Approved □ Denied Is ATT Approval Needed? □ Y □ N

OFS: Ausencio Vicente, Budget Manager III
Signature
Date 10/25/19
Printed Name

ATT: □ Approved □ Denied

Assistant Attorney: City
Signature
Date
Printed Name

cc: Chan Williams, Assistant Director, Grant Administration, BMS
    Justus Bolo, Manager III, Grant Administration, BMS
    Ausencio Vicente, Budget Manager III, Grant Administration, BMS
    David Noguera, Director, HOU
    Anna Pham, Budget Manager III, HOU

Attachment:
Council Resolution 19-1614
WHEREAS, on June 27, 2018, City Council adopted the FY 2018-19 HUD Consolidated Plan Budget and the Proposed FY 2017-18 Reprogramming Budget and an amendment to the Five-Year Consolidated Plan to extend the covered period by one year from September 30, 2018 to September 30, 2019, by Resolution No. 18-0987; and

WHEREAS, on April 10, 2019, City Council authorized the final adoption of Reprogramming Budget No. 1 (Substantial Amendment No. 1) to the FY 2018-19 Action Plan by Resolution No. 19-0556; and

WHEREAS, on June 26, 2019, City Council held a public hearing to receive comments on Substantial Amendment No. 2 to the FY 2018-19 Action Plan for the HOME Investment Partnerships Program and Community Development Block Grant Program and authorized the final adoption of Substantial Amendment No. 2 to the FY 2018-19 Action Plan by Resolution No. 19-1061; and

WHEREAS, on August 14, 2019, City Council held a public hearing to receive comments on Substantial Amendment No. 3 to the FY 2018-19 Action Plan for the Emergency Solutions Grant (ESG) Program to reallocate FY17 ESG funds and authorized the final adoption of Substantial Amendment No. 3 to the FY 2018-19 Action Plan by Resolution No. 19-1162; and

WHEREAS, on August 28, 2019, City Council authorized the preliminary adoption of Substantial Amendment No. 4 to the FY 2018-19 Action Plan for the HOME Investment Partnerships Program and a public hearing to be held on October 8, 2019, by Resolution No. 19-1292; and

WHEREAS, on October 8, 2019, City Council will hold a public hearing to receive comments on Substantial Amendment No. 4 to the FY 2018-19 Action Plan for the HOME Program; and

WHEREAS, the City desires to provide housing opportunities for persons of low- and moderate-income.

Now, Therefore,

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

SECTION 1. That the City Council hereby authorizes the final adoption of Substantial Amendment No. 4 to the FY 2018-19 Action Plan for the HOME Investment Partnerships Program for the use of $3,600,000.00 of HOME funds resulting from the receipt of unanticipated program income for housing, associated administrative and soft costs.
SECTION 2. That the Chief Financial Officer is hereby authorized to receive and deposit HOME Program income funds in an amount not to exceed $3,600,00.00 in the HOME Investment Partnership Program Income Fund, Fund 18R4, Department HOU, Unit M14A, Revenue Code 6506.

SECTION 3. That the City Manager is hereby authorized to establish appropriations in an amount not to exceed $3,600,000.00 in the HOME Investment Partnership Program Income Fund, Fund 18R4, Department HOU, Unit M14A, various Object Codes.

SECTION 4. That the Chief Financial Officer is hereby authorized to disburse grant funds in the amount of $3,600,000.00 from the HOME Investment Partnership Program Income Fund, Fund 18R4, Department HOU, Unit M14A, various Object Codes.

SECTION 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED BY
CITY COUNCIL

OCT 08 2019

CITY SECRETARY