

NOTICE OF FUNDING AVAILABILITY BPZ1805A

RELEASED AUGUST 30, 2018

City of Dallas, Texas
Department of Housing & Neighborhood
Revitalization

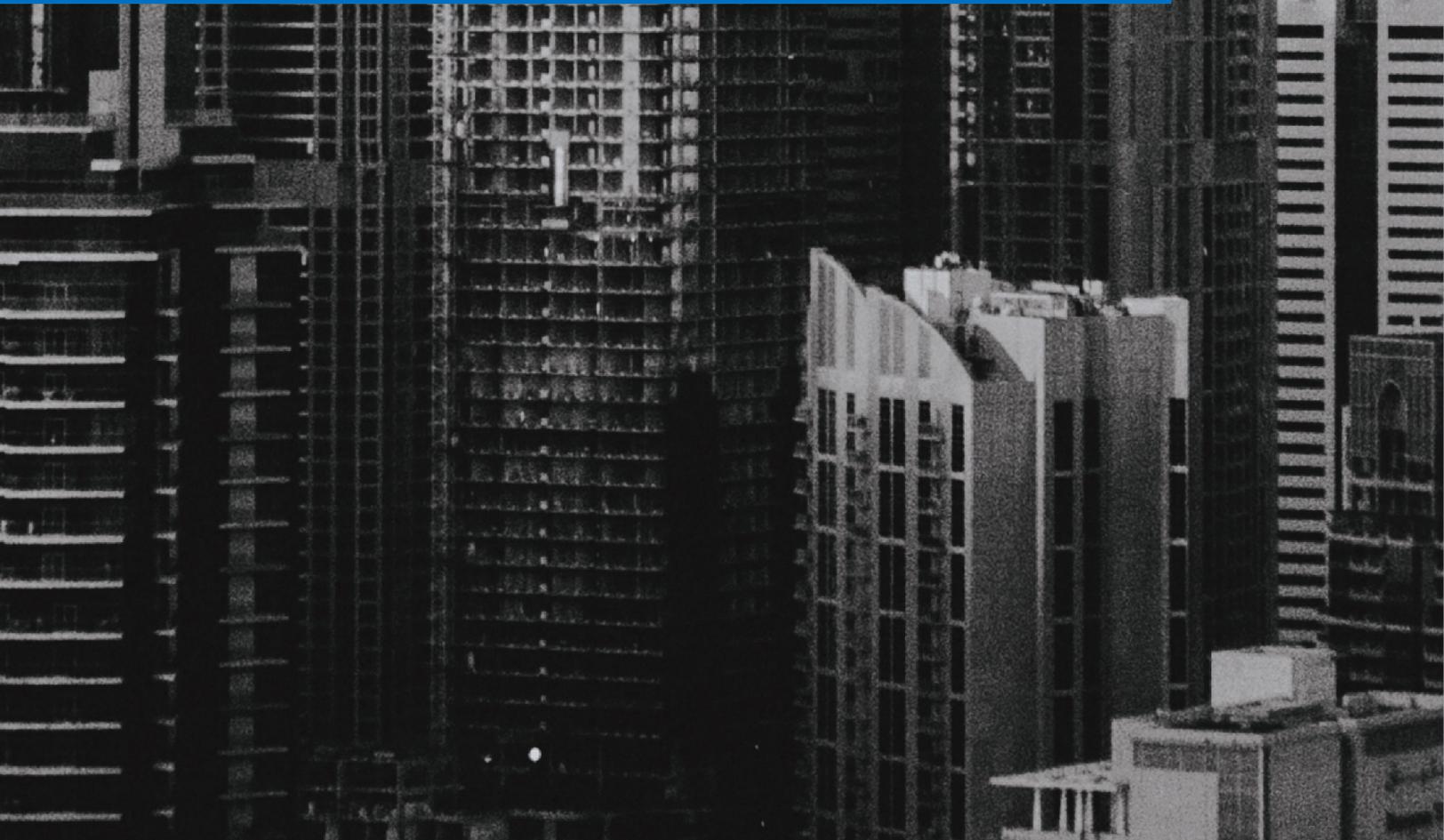


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I. Introduction

Executive Summary

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. Thereafter, the City of Dallas conducted 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. The City used the data gathered from the MVA to develop a Comprehensive Housing Policy that was adopted by the Dallas City Council on May 9, 2019 via Resolution 18-0704.

The primary purpose of this Notice of Funding Availability (NOFA) is to provide gap financing in the form of a repayable loan to support new developments or substantial rehabilitation of existing developments located within the City limits, with such funding prioritized in the Reinvestment Strategy Areas, as outlined in the City's Comprehensive Housing Policy and the Program Statement for the New Construction and Substantial Rehabilitation Program. All proposals for funding should assist in meeting the production goals set forth in the policy by proposing to serve households earning between 30%-120% of the Dallas Area Median Income (AMI) with the targeted income bands varying according to the market and development type.

Additionally, to effectively achieve the three comprehensive housing policy goals, a secondary purpose of this NOFA is to accept proposals from those seeking Resolutions of Support and Resolutions of No Objection for multifamily rental housing developments applying for Housing Tax Credits through the Texas Department of Housing and Community Affairs.

To review the Comprehensive Housing Policy and the Program Statement for the New Construction and Substantial Rehabilitation Program, please visit: <https://www.dallashousingpolicy.com>

To review the Market Value Analysis, please visit:

<https://www.dallascityhall.com/departments/pnv/Pages/MarketValueAnalysis.aspx>

To locate information regarding demographics, education, housing, etc. please visit:

<https://www.policymap.com/maps>

The City is working with PolicyMap to create a Dallas-specific interactive map. Once the map is live, the Department of Housing and Neighborhood Revitalization will publish the map on the department's website.

Funding Priorities

In general, this NOFA prioritizes the funding of developments that:

- based on feasibility and consistency of the proposed development schedule, can expeditiously assist the City with meeting its annual production goals,
- are located in one of the City's Reinvestment Strategy Areas (RSAs),
- serve an appropriate range of income bands from 30%-120% AMI based on market and development type
- are mixed income and include both affordable and market rate units,
- are located near amenities such as full-scale grocery stores, major employment centers, and public parks, and
- will be developed and managed by individuals or entities who have significant experience in successfully developing and managing projects that include an affordable housing component.

Type of Developments Eligible for Funding Awards

Funds may be used to:

- build new single-family houses that will be available for sale (5 or more houses),
- build new multifamily rental housing (5 or more units), or
- substantially rehabilitate existing multifamily or single-family rental housing (5 or more units).

Note: Projects located in the City's Extraterritorial Jurisdiction (ETJ) are not eligible for financial assistance under this NOFA.

Sources of Funds

Respondents should consider City development sources of funds as Gap Financing. Therefore, the proposals should demonstrate that the project(s) as presented have maximized the debt capacity of the project and that the equity in the capital stack provides a reasonable return on investment (ROI) for the project. The ROI must be supported by an independent third-party market analysis submitted along with the proposal. The City will determine, in its sole discretion, the appropriate source of City funding to allocate to projects awarded under this NOFA. If notified of an award under this NOFA, such notice does not constitute a commitment of funds; such commitment shall only occur if a project is awarded funding with City Council approval and once all funds have been appropriated by the City.

Available City Funding Sources

- HOME Investment Partnership (HOME) Funds
- Community Development Block Grant (CDBG) Funds
- Neighborhood Stabilization Program (NSP) Funds
- General Obligation (GO) Bond Funds; and
- Section 108 Funds⁵
- Housing Trust Funds
- Other

Development Sources

For projects located in specific RSAs or Reinvestment Zones:

- Waiver of Building, Inspection and Impact Fees (Neighborhood Empowerment Zone)
- TIF Project Financing (Tax Increment Reinvestment Zone)
- Qualified Opportunity Fund Financing (Opportunity Zone)

For All Projects:

- Tax Exempt Bond Financing (Dallas Housing Finance Corporation)
- Increased Development Rights (Incentive Zoning or Planned Development District)
- Acquisition of Land (Dallas Urban Land Bank Demonstration Program or **City of Dallas Surplus or Tax Resale Inventory**)

Operating Funding Sources

For projects located in specific RSAs or Reinvestment Zones:

- Ten Year Tax Abatement (Neighborhood Empowerment Zone)

For All Projects:

- Partial or Full Tax Exemption (Dallas Housing Finance Corporation Partnership)
- Landlord Incentive (Voucher Sublease Program)
- Homebuyer Financing Assistance (Dallas Homebuyer Assistance Program)
- Community Land Trust

Estimated Amount of Funding

The City estimates that \$25,000,000.00 is available to be awarded pursuant to this NOFA.

Source of Funds	Amount Available	Loan or Grant
HOME	\$8,151,742	Loan
HOME CHDO Set Aside ¹	\$1,585,000	Loan
HOME Operating Assistance Grants ²	\$125,000	Grant
CDBG	\$3,323,870	Loan
NSP	\$824,185	Loan
GO Bonds	\$5,000,000	Grant
Housing Trust Funds ³	\$5,000,000	Loan
Other ⁴	\$1,741,896	Loan

Notes:

¹As a participating jurisdiction, the City is required to commit and expend no less than **15%** of its annual HOME allocation with Community Housing Development Organizations (“CHDO”). HOME CHDO Set Aside funds can only be awarded to certified CHDOs.

²The City in its sole discretion can allocate up to **5%** of the HOME allocation each year for operating expenses for CHDOs (see 24 CFR Part 92.208). The City may provide operating funds to CHDOs 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.

³ A portion of funding available under the Housing Trust Fund is specifically reserved for water and wastewater infrastructure improvements.

⁴Proceeds from other housing activities.

⁵For Section 108, the City has the capacity to borrow against its CDBG grant and submit an application for funding.

II. Resolutions of Support or No Objection

City Policy

Under the adopted Comprehensive Housing Policy, the City established a process and evaluation criteria for Resolutions of Support or No Objection. Each year in December, the City will issue a Request for Applications (RFA) for Resolutions of Support or No Objection and bring forth recommendations to the Economic Development and Housing Subcommittee and City Council in February of each year. By accepting applications once per year, the City can evaluate all potential Housing Tax Credit projects at the same time. The purpose of evaluating all Housing Tax Credit projects at once is to ensure the City is not concentrating low income housing in specific areas, especially existing Racially and Ethnically Concentrated Areas of Poverty (RECAP); is prioritizing developments that offer a greater housing choice in terms of proximity to areas of opportunity; and is supporting competitive 9% Housing Tax Credit applications.

Submission Requirements

All Proposers should reference the Submission Requirements for Proposals described under Section IV and in Appendix 1 of this NOFA and follow the submission guidelines that apply to your specific type of Proposal. Submission requirements apply to 4 categories of Proposals: (1) All Proposals, (2) Proposals Seeking Funding and a Resolution of Support or No Objection (not accelerated); and (3) Proposals Seeking Only a Resolution of Support or No Objection (not accelerated).

Scoring Criteria and Staff Review

The City will review the submitted documents for 2, and 3 using the evaluation criteria listed in pages 41-45 of the Comprehensive Housing Policy to issue resolution scores to Proposals that seek a Resolution of Support or No Objection. Staff will then evaluate Proposals for alignment with the goals of the Comprehensive Housing Policy and may recommend that certain Projects receive a Resolution of Support or No Objection.

Timeline for Submission and Review

Proposals Seeking Funding and a Resolution of Support or No Objection (not accelerated): Submit your proposal by **October 11th**. You will receive:

- funding score based on the NOFA scoring criteria and
- resolution score based on the evaluation criteria for Resolutions of Support or No Objection in the Comprehensive Housing Policy.

Both scores will be released at the same time. The City will set aside—but not immediately award—funding for Housing Tax Credit projects that score competitively.

Proposals Seeking Only a Resolution of Support or No Objection (not accelerated): Submit your Proposal according to either of the following timelines:

- Submit your proposal by **October 11th**. You will receive a resolution score based on the evaluation criteria for Resolutions of Support or No Objection in the Comprehensive Housing Policy; or
- Submit a response to the RFA issued by this Department in December. (Submission requirements will be the same as those listed in the NOFA and the scoring criteria will be based on the evaluation criteria for Resolutions of Support or No Objection in the Comprehensive Housing Policy.)

Timeline for non-accelerated issuance of Resolutions of Support or No Objection is as follows:

Final decisions will not be made with respect to all other requests for Resolutions of Support or No Objection until the Department receives and scores all proposals submitted in response to the December RFA. Thereafter, the Department will select which projects to recommend for such Resolutions to the City Council for approval along with any requested funding in February.

III. Disclaimer and Notice of Requirements

Disclaimer

The City reserves the right to amend or withdraw this NOFA at any time. The City reserves the right to reject and disqualify any incomplete proposals. The NOFA may be modified to account for changes in the housing industry, advancements in building and sustainable design technologies and practices, modifications to the TDHCA regulations, and changes in the City's policies, funding priorities, and goals.

Notice of Requirements

Proposers should be aware of the following requirements that are non-negotiable:

- *Complete and Timely Proposals:* To be considered for an award of funding, a Proposer must submit a complete proposal on or before the due date. The City will not review proposals that are submitted after the due date. Additionally, the City will not review any documents or attachments submitted after the due date. However, the City reserves the right to request supplementary material from Proposers.
- *Federal, State and Local Requirements:* The Dallas City Council adopted a comprehensive Housing Policy in May 2018 that contains federal, state, and local requirements that may apply to any development that is awarded funding pursuant to this NOFA. For a list of federal, state, and local requirements that may apply to your project please refer to Appendix 4. Although, Appendix 4 and the Comprehensive Housing Policy contain a list and the summaries of the federal, state, and local requirements this is **not** an exhaustive list. If selected, additional requirements will be specified in the contract and further documentation may be necessary.

IV. *Timeline and Submission Requirements for Proposals*

Tentative Timeline

DATE	DESCRIPTION
August 30, 2018	Release of NOFA
Advertisement	August 30, 2018
Advertisement	September 6, 2018
September 6, 2018 at 6:00 p.m. September 7, 2018 at 10:00 a.m. September 7, 2018 at 2:00 p.m.	Pre-Proposal Conferences
September 11, 2018 at 5:00 pm	Deadline for Written Comments and Questions
September 18, 2018	City Posts all Comments/Questions or Addendums
October 11, 2018	Proposals Due by 2:00 p.m.
October 7, 2018	Identify Reviewers and Panelists
November 2, 2018	Complete the Review and Underwriting of Proposals
November 10, 2018	Panel Review with Term Sheets
November 16, 2018	Issue Notice of Scoring Results to Proposers and Post Online
November 30, 2018	Complete Negotiations with Developers and Draft Contracts
December 2018	Community Development Commission Briefing
January 2019	Economic Development & Housing Committee Briefing and City Council Approval

Note: This timeline is subject to change.

Submission Requirements

Each proposal must include:

- a cover letter to the attention of Procurement Services at 1500 Marilla Street, 3FN, Dallas, Texas 75201
- all information and documents described in Appendix 1 (to the extent they are applicable to your project)

Proposals should be submitted in the following format:

- 10 paper copies of the proposal
- 1 electronic copy of the proposal on a USB drive

Questions and comments regarding this NOFA should be submitted to the following email address, loren.wilson@dallascityhall.com.

Proposals will be considered incomplete if they are missing any of the required elements, or if the project description and other information provided is insufficient to decide whether the project is eligible for a funding award. Late submissions will not be accepted or considered.

Pre-Proposal Conference

All Proposers may attend one of the Pre-Proposal Conferences that will be held at the **Bill J. Priest Institute for Economic Development**, located at **1402 Corinth Street Road, Dallas, Texas 75215**. Staff will provide an overview of the NOFA and the required elements. The Pre-proposal conference will provide Proposers the opportunity to ask questions regarding this NOFA. All questions and presentations with respect to this NOFA will be made available on the city's website.

V. *Evaluation of Proposals*

Two-Part Review Process

Proposals are evaluated in two stages: **Threshold Review** and **Technical Scoring**. During Threshold Review, reviewers will evaluate whether the proposal includes: all elements, eligible activities, eligible end users/beneficiaries, and whether the Proposer is an individual or entity eligible for a city contract.

Proposals that pass Threshold Review move to Technical Scoring, where reviewers will use the Evaluation Criteria set forth in this NOFA to award points to proposals based on their alignment with the Funding Priorities set forth in this NOFA. Based on the availability of funding, the City will seek to award funding to multiple proposals, in order of score. All projects that score at or above the minimum score of 100 will be eligible for a funding award.

Threshold Review

Threshold Review	Criteria
Proposal Elements	Proposal must include all required elements and must be organized in the manner set forth in Appendix 1.
Project Eligibility	Projects must meet the project eligibility requirements of this NOFA.
Project Timelines	Project timelines must provide details of project scope from project commitment through completion of construction.
End Users/Beneficiaries	Projects must contain units set aside for households earning between 30%-120% AMI for rental and 60%-120% of AMI for homeownership units and demonstrate the market absorption and capture rates for each unit type through an independent market analysis.
20-Year Proforma and Stabilization Requirements	Proforma included in proposal must contain all required elements and meet underwriting standards. Proposers must demonstrate equity in the project except that Substantial Rehabilitation projects shall demonstrate that the amount of equity is a minimum of 10% of total development costs.
Fair Housing Ordinance (Chapter 20A of City Code) Human Rights and Sexual Orientation Ordinance (Chapter 46 of City Code)	The City will deny a proposal if the Department of Fair Housing and Human Rights issued a charge against Proposer or any Project Team members for a violation of Chapter 20A or 46.
Fair Housing Review Checklist	Proposals will be evaluated to determine if project offers a greater housing choice and does not overconcentrate poverty, or further segregate neighborhoods.

Suspended and Disbarred under System for Award Management (SAMs)	The City will deny a proposal if the Proposer or any Project Team members are listed as debarred or suspended on the Federal System for Award Management.
City Code Section 2-36 (Ordinance No. 25819)	The City will deny a proposal if the Proposer or any Project Team members have not met any current obligations with the City.
Bankruptcies/Defaults, Lawsuits, and Code Violations	The City will deny a proposal if a Proposer or any Project Team members are a named defendant in a pending lawsuit related to fair housing and/or health and safety violations or if the Proposer or any Project Team members are actively seeking bankruptcy protection or under foreclosure proceedings.

Overview of Technical Scoring and Evaluation Criteria

Proposals will be evaluated based upon:

- Project Team Experience and Nonprofit Participation,
- Leveraging/Equity,
- Location of Project,
- Consistency with Comprehensive Housing Policy,
- Consistency with City's Business Inclusion and Development Plan, and
- Project and Site Factors.

Criteria	Points
Experience and Nonprofit Participation	
Project Team Experience (Partnership Entity, Project Team, General Contractor, etc.)	10
Timely Completion of Projects and Property Performance	5
Qualified Nonprofit on Project Team	5
Leveraging	
Leverage	10
Geography	
Project Located in Reinvestment Strategy Area	20
Consistency with Comprehensive Housing Policy	
Income Bands Served	10
Design Principles	5
Neighborhood/Community Group Support	5
Consistency with City's Business Inclusion and Development Plan	
Affirmative Action Plan and/or Policy	1
Ethnic Workforce Composition Report	1
Business Inclusion and Development Affidavit	2
History of M/WBE or Section 3 Business Utilization	4
Proposer and Project Team's Composition	7
Project and Site Factors	
Project Site Characteristics	5
Site Amenities	35
Homeowner and Tenant Services	5
Project Feasibility	15
Project Readiness	10
Total Points Available	155

The points listed for each category are the maximum total points that may be awarded for each category. Reviewers will evaluate proposals and award points based on the proposal's alignment with the Funding Priorities set forth in this NOFA.

Experience and Nonprofit Participation (Maximum of 20 total points)

Experience (10 points)

Proposals will be evaluated to determine if Proposer and any Project Team members, have adequate and successful experience developing housing for households earning 30% to 120% of AMI. Additionally, proposals will be evaluated to determine if the Proposer and Project Team has successful experience with Qualified Projects. Maximum points will be awarded to Proposers and Project Teams that have a minimum 10 years of collaborative, successful, relevant experience.

Timely Completion of Projects, Property Performance, and Compliance (5 points)

Proposals will be evaluated to determine if the Proposer's and Project Team's previous developments were completed in a timely manner; have been maintained in accordance with city, state and federal regulations; offer Services, if applicable; and there are no outstanding deficiencies related to inspections. Proposals, specifically, the Proposer's Certification of Financial Stability and Regulatory Compliance and related disclosures will be evaluated to determine if the Project Team's history of financial stability and regulatory compliance are satisfactory and limit risk to the City. Proposer must also demonstrate quality of materials utilized and workmanship with regard to final product. Finally, Proposer must provide 3 professional references attesting to the success of the Project Team's developments.

Qualified Nonprofit on Project Team (5 points)

To receive these points, the Project Team must include a Qualified Nonprofit Organization that has a controlling interest in the project. If ownership is a limited partnership, the Qualified Nonprofit Organization 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 must be the controlling Managing Member with greater than 50% ownership in the Managing Member. Additionally, the nonprofit entity or its affiliate or subsidiary must be the developer or a codeveloper of the project.

Leveraging

(Maximum of 10 total points)

Leveraging (10 points)

Proposals will be evaluated to determine how the project leverages debt and equity.

Geography (Maximum of 20 total points)

Location in a Redevelopment or Stabilization Reinvestment Strategy Area (20 points)

To receive these points, the project must be located fully or partially within the actual boundaries of a Redevelopment or Stabilization area. Interactive maps of the Reinvestment Strategy Areas may be reviewed at:

<https://dallasdc.maps.arcgis.com/apps/MapSeries/index.html?appid=2aece5efc034dd89376c6138152729d> (Click on Proposed Reinvestment Areas).

Redevelopment Reinvestment Strategy Areas:

- Midtown,
- High Speed Rail,
- Wynnewood, or
- Red Bird.

Stabilization Target Areas:

- LBJ Skillman,
- Vickery Meadow,
- Casa View,
- Forest Heights / Cornerstone Heights,
- East Downtown,
- The Bottom,
- West Dallas, or
- Red Bird North.

Location in an Emerging Market Area (10 points)

To receive these points, the project must be located fully or partially within the actual boundaries of an Emerging Market Area.

Emerging Market Areas:

- Southern Gateway,
- Pleasant Grove, or
- University Hills.

***Note:** A Proposal may receive points for being located within any of the RSAs but cannot receive additional points for being located in more than one RSA.

Consistency with Comprehensive Housing Policy (Maximum of 20 total points)

Proposals will be evaluated based on the Proposer's approach to achieving the goals of the City's Comprehensive Housing Policy.

Income Bands Served (10 points)

Proposals will be evaluated to determine, whether the project serves 1) income bands presently served in the area, if such income bands are at risk of displacement or 2) new income bands that are underserved in the area. Regardless of the income bands proposed to be served, the market data/findings in the Market Feasibility Report must support the proposed population.

Design Principles (5 points)

Proposals will be evaluated to determine whether the planned design elements complement community aesthetics. Additionally, the design of the dwelling unit(s), including unit sizes, bedroom mix and accessibility features should reflect the needs of the project's target population, such as families, seniors or disabled individuals.

Neighborhood/Community Group Support (5 points)

To receive these points, the Proposal must include a letter documenting support from area residents. If the project is located within the boundaries of one or more neighborhood organizations registered with the City, the letter of support must be signed by an officer of at least one of the registered organizations. A link of registered organizations can be found at:

<https://dallasdc.maps.arcgis.com/apps/webappviewer/index.html?id=50281f8ca8df4da694e65116ac5487>:

Consistency with City's Business Inclusion and Development Plan (Maximum of 15 total points)

Proposals will be evaluated based on the Proposer's approach to achieving the goals of the City's Business Inclusion and Development Plan regarding minority- and woman-owned business enterprises as well as Section 3 businesses.

Submission of an Affirmative Action Plan and/or Policy (1 point)

To receive this point, Proposer must fully complete and submit an Affirmative Action Plan or Policy that includes a policy statement, program goals and plan regarding dissemination and internal monitoring of the policy.

Submission of an Ethnic Workforce Composition Report (1 point)

To receive this point, Proposer must fully complete and submit an Ethnic Workforce Composition Report wherein Proposer provides information regarding the ethnic composition of its employees.

Submission of Business Inclusion and Development Affidavit (2 points)

To receive these points, Proposer must fully complete and submit a Business Inclusion and Development Affidavit wherein Proposer acknowledges the City's M/WBE participation goals and agrees to provide the City of Dallas with a completed copy of all required forms provided within the Business Inclusion and Development document package, should the Project be awarded funding.

History of M/WBE or Section 3 Business Utilization (4 points)

Proposals will be evaluated to determine whether the Proposer has prior experience engaging in business relationships with M/WBE or Section 3 businesses.

Proposer and Project Team's Composition (7 points)

Proposals will be evaluated to determine whether Proposer and Project Team (combined) include a significant number of diverse M/WBE and or Section 3 businesses in meaningful roles on the Project.

Project and Site Factors (Maximum of 70 total points)

Project Site Characteristics (5 points)

Proposals will be evaluated to determine if the Proposal contains documentation that the current zoning for the land to be used for the project allows for the proposed land use, density, and development type.

Site Amenities and Resident Services (40 points max)

The following site amenity matrix shall be used in scoring the project under this category:

	1/4 mile or less	>1/4 mile and < 1/2 mile	1/2 mile and up to 1 mile
Amenity	Points	Points	Points
High Intensity Transit	5	3	1
Public Park	5	3	1
Full Scale Grocery Store	5	3	1
Community or Senior Center	5	3	1
Aging and Disability Resource Center	5	3	1
Amenity	1/2 mile or less	>1/2 mile and < 1 mile	1 mile and up to 2 miles
Qualifying Medical Clinic or Hospital	5	2	1
Amenity	20 minutes or less	>20 min. and < 40 min.	More than 40 min.
Transit time to Major Employment Center	5	2	0
Amenity	Services offered as defined in the Glossary		
Homeowner/Tenant Services	5		

Project Feasibility (15 points)

Rental Projects—Proposals will be evaluated to determine if:

- the proposed rent schedule is consistent with Texas Department of Housing and Community Affairs (“TDHCA”) rent limits on rent-restricted units and that appropriate vacancy and collection loss assumptions in the project proforma are consistent with TDHCA Housing Tax Credit (“HTC”) requirements. (5 points)
- reserves in the proforma are consistent with TDHCA HTC requirements. (5 points)
- the completed Market Feasibility Report contains conclusions supporting the applicable project proforma assumptions (5 points)

Homeownership Projects—Proposals will be evaluated to determine if:

- the completed independent third-party Market Analysis contains conclusions supporting the applicable project cash flow assumptions, including but not limited to absorption rates, unit type, value, construction schedule, sales price projections. (15 points)

Project Readiness (10 Points)

Proposals will be evaluated to determine if Proposer has 1) secured Site Control, 2) Environmental Report(s) has/have been completed or the proposal contains information demonstrating that such a study is underway, and, 3) based on feasibility and consistency of the proposed development schedule, the project can expeditiously assist the City with meeting its annual production goals.

VI. Funding Requirements and Structure of Loan

Funding Requirements, Affordability Periods, Maximum Subsidies

Proposers should plan to utilize at least 1 of the following funding sources for eligible activities. However, the Proposal does not need to identify a proposed funding source. If the project is awarded funding, the City will evaluate the use of any and all funds including but not limited to the sources listed below.

Source of Funds	Income Band	Geography	Affordability Period	Max per Unit Subsidy	Max per Project Subsidy
HOME	30% - 80%	Redevelopment Stabilization	20 years (new construction) 15 years (rehab)	Based on HOME 24 CFR Part 92	22.5% of HOME Value Limit
CDBG	30% - 80%	Redevelopment Stabilization Emerging Market	20 years (new construction) 15 years (rehab) Subject to negotiation (infrastructure)	No cap	Based on project underwrite
NSP	30% - 120%	Emerging Market	15 years (rehab)	No cap	Based on project underwrite
GO Bonds	30% - 120%	City-wide	Subject to negotiation	1/3 total costs (infrastructure)	Based on project underwrite
Other	30% - 120%	City-wide	Subject to negotiation	No cap	Based on project underwrite

Structure of Loan

The City will provide gap financing pursuant to this NOFA in the form of a repayable loan with scheduled payments

The interest rate for a qualified Community Housing Development Organization (CHDO) borrower or sponsor shall be zero percent (0%) simple annual interest. The interest rate for a qualified nonprofit borrower or sponsor 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) A borrower guarantee to make annual interest payments will reduce base interest rate by 1%;
- b) borrower agreement to limit loan maturity to 2 years or less reduces base interest rate by 1%;
- or
- c) 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 rate for a borrower in this category.

VII. Eligible and Ineligible Activities

Activities Eligible for Funding

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

New Construction (Single-Family For-Sale and Rental)

- Project must consist of 5 or more units located within the municipal boundaries of the City.
- For single-family for-sale developments, the lots may be scattered. In general, the City 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.

Substantial Rehabilitation (Rental Only)

- Project must be located within the municipal boundaries of the City of Dallas.
- Project must, at a minimum, meet the Substantial Rehabilitation Test.

Activities Ineligible for Funding

The following activities are not eligible for funding under this NOFA:

- Applying for awards for the sole or partial purpose of repayment of a current City or non-City residual receipts or “soft” loan.
- Reapplying for awards for the same proposed project using another source of leveraging while a City commitment is still outstanding.
- Public services activities. Public Services are activities such as senior services, youth services, child care, case management, operational costs of social services programs, housing counseling, rental or other direct financial assistance to low income persons, job training or educational services.
- Economic development or commercial business activities/proposals. Proposals will not be accepted **UNLESS** they are for development of affordable housing for low-moderate households with incomes between 30%-120% of AMI.
- Construction or rehabilitation of buildings for the general conduct of government.
- Purchase of equipment, furniture, and fixtures, and operational or maintenance expenses of facilities.
- Individual proposals for financial assistance. Individuals in need of financial assistance should contact the Office of Community Care at 214-670-5711. Individuals in need of personal home repair assistance should contact the Home Improvement and Preservation Division of the Housing and Neighborhood Revitalization Department at 214-670-7310.

VIII. Eligible and Ineligible Costs

Eligible Costs

These costs are eligible to the extent these activities lead to the production of units.

- Environmental Reviews and remediation
- Property acquisition
- Demolition
- On-site improvements
- Off-site utility connections
- Construction costs necessary to construct a project in accordance with the property and design standards listed in the Handbook
- Soft costs associated with the development and financing of the project
- Reasonable developer fees (see Adopted Comprehensive Housing Policy Appendix 2: Rental Development Underwriting)
- Relocation costs
- GO Bond Funds may be used solely for capitalized costs

For a full list of eligible project costs please refer to the following sources:

- 24 CFR § 92.206
- 24 CFR § 570.201
- Federal Register 75 FR 64322.

Ineligible Costs/Uses

- Furnishings (except where required for special needs projects)
- Most off-site improvements (utility connections into the adjacent street are eligible costs)
- Developer/sponsor administrative costs (other than included in the developer fee)
- Marketing events such as groundbreakings and grand openings
- Substitution of City funds for any source of funds that has been previously committed to the project or represented to any other funding source as being available for the project, is not permitted.
- An initial operating reserve during the period in which the project is initially marketed (not to exceed 18 months after completion)
- Capitalized replacement reserves
- Any costs not cited or listed as Eligible Costs are considered ineligible under this NOFA.
- GO Bond funds cannot be used for any working capital or non-capitalized project costs, including but not limited to developer fees or profit, leasing or sales commissions, attorney fees.
- CDBG funds shall not be used for new construction of housing or for routine maintenance.
- The payment of delinquent taxes, fees or charges on properties to be assisted with federal funds.

For a full list of ineligible costs please refer to the following sources:

- 24 CFR § 92.214
- 24 CFR § 570.207 and Register 75 FR 64322.

Appendix 1: Required Proposal Elements Checklist

Key for Applicability Tab:

1 = Proposals seeking only funding

2 = Proposals seeking funding & a Resolution of Support or No Objection (not accelerated)

3 = Proposals seeking only a Resolution of Support or No Objection (not accelerated)

TAB NO.	ELEMENT	APPLICABILITY
TAB 1	Certification of Financial Stability and Regulatory Compliance (Appendix 2)* Proposer Disclosure and Explanation (Appendix 2)* Proposer Identity of Interest Questionnaire (Appendix 2)* Affidavit of Authorized Representative and Authorization to Obtain Information Form (Appendix 2) Authorization and Release to Obtain Personal Credit Information (Appendix 2) Acknowledgement and Certification of Environmental Review Requirements (Appendix 2) Acknowledgement and Certification of CHDO Requirements (Appendix 2) Conflict of Interest Questionnaire (Link to questionnaire provided in Appendix 2)*	1, 2, 3, * items 1, 2
TAB 2	Executive Summary containing a brief synopsis of the proposed development including number of units, list of income bands served, and targeted population such as seniors or homeless. Clearly describe the location of the project, project costs and the proposed financing. The proposed financing should disclose all financing sources, including funds requested under this NOFA, that the project may utilize. The Summary should also have a brief description of the proposed structure(s) (frontal elevation and floor plan only—detailed drawings are not required with initial Proposal), proposed site plan, security arrangements, amenities and accessibility/adaptability provisions. Additionally, the Summary should identify if the project contemplates a partnership with the City of Dallas Housing Finance Corporation (DHFC) and the role of the DHFC, such as General Partner, owner of the land, bond issuer, etc.	1, 2, 3
Project Team Experience and Capacity		
TAB 3	Proposer statement of qualifications that identifies Project Teams for: <ol style="list-style-type: none"> 1. *Recently completed comparable Qualified Projects completed within the last 10 years, 2. All projects underway and/or pending, include timelines, tenant services offered, most recent inspection report, and property audits. 3. Professional References for previous projects **Include details with respect to materials used and quality of workmanship/craftmanship.	1, 2, 3
TAB 4	<ol style="list-style-type: none"> 1. Provide a list of staff assigned to proposed project and their roles, individual resumes, copies of appropriate licenses and/or professional certifications of all Project Team members 2. Include a list of third-party Project Team members provide corporation profiles 3. If applicable, identify Qualified Nonprofit and outline role and ownership interest. 	1, 2, 3
TAB 5	Information on qualifications of property management agent (if applicable).	1, 2, 3
TAB 6	Last 2 years' audited financial statements for Proposer, developer, or anyone having 20% or more ownership interest, and any guarantors.	1, 2
TAB 7	Last 2 years' corporate audit or reviewed financial statements. If Proposer is a special purpose or single asset entity, also submit 2 years of audited financial statements for the controlling entity of the Proposer.	1, 2

TAB 8	Last 2 years' tax returns for developer (990s for nonprofit developers).	1, 2
TAB 9	Certified copies of all organizational documents of all entities in the project, including articles of incorporation, operating agreement, partnership agreement, as applicable.	1, 2, 3
TAB 10	As applicable, completed application for CHDO Certification along with all required documentation. (Link to application provided in Appendix 2)	1, 2
TAB 11	Business Inclusion and Development Affidavit and/or History of MWBE and/or Section 3 Utilization Form (BDPS-FRM-205) Affirmative Action Requirements (BDPS-PRO-204) Ethnic Workforce Composition Report (BDPS-FRM-204) Proposer's Affidavit Type of Work by Prime and Sub-Consultant Form (BDPS-FRM-206) (Link to forms provided in Appendix 2)	1, 2
Site and Development Characteristics		
TAB 12	Evidence of site control (e.g. option, deed, etc.).	1, 2, 3
TAB 13	Preliminary title insurance commitment.	1, 2
TAB 14	Documentation of existing/improved property value (e.g. tax assessment, appraisal, comparable developments etc.).	1, 2
TAB 15	Maps demonstrating the following: Proximity to Amenities including High Intensity Transit, Public Parks, Full Service Grocery Stores, Community or Senior Center, Aging and Disability Resource, Qualifying Medical Clinic or Hospital, Major Employment Center.	1, 2, 3
TAB 16	Site specific environmental record (as applicable) and estimate of remediation costs: 1. Radon and mold testing (as applicable) 2. Lead Based Paint risk assessment (as applicable) 3. Asbestos Containing Material (ACM) reports (as applicable).	1, 2, 3
TAB 17	Documentation of utility availability and connection costs (Water/sewer, electric, gas); Provide any engineering studies documenting availability.	1, 2, 3
TAB 18	Plans and specifications, including site plan and elevation drawings	1, 2, 3
TAB 19	Phase I and Phase II Environmental Site Assessment (ESA). The Phase I must be completed in compliance with the American Society for Testing and Materials (ASTM) standard E-1527-13, including Appendices X4 and X5. The Phase I provider should acknowledge in its "statement of purpose" that one use of the report will be to determine compliance with HUD's environmental review requirements at 24 CFR Part 58. The Phase I ESA should include the City of Dallas as a user that has reliance and be valid up to 180 days. Phase II ESA, as applicable.	1, 2, 3
TAB 20	Zoning/site plan and building/code review approvals	1, 2, 3
TAB 21	Flood Hazard Determination Form (FEMA Form 086-0-32; link to form provided in Appendix 2) from a nationally recognized flood data service or from a licensed surveyor that no portion of the property is located within the 100-year flood plain. The proposed development cannot be located in the designated floodplain.	1, 2
Market Data		
TAB 22	Independent third-party market analysis that supports project assumptions including but not limited to: rents, vacancy rates, utility calculations, operating costs, absorption rates, escalating factors, market cap rates, internal rate of return and cash on cash returns demanded for projects of similar type, debt and equity requirements, etc. If combined with HTC, the market study submitted in conjunction with the TDHCA Proposal satisfies the requirement.	1, 2, 3
TAB 23	Additional Evidence of Demand - Proposals/waiting lists from similar projects, voucher/rental assistance pipelines, or Continuum of Care data for homeless/special needs projects, etc.	1, 2, 3
TAB 24	Fair Housing Review Checklist (Link to form provided in Appendix 2)	1, 2, 3

Underwriting/Financial Projections		
TAB 25	Proforma showing rent, utility allowance, and operating cost projections; or cash flow statements and projected sales; all project costs, construction period sources/uses including owner equity, and 20-year operating/cash flow projections. For single family, proforma should be through closing of sales of homes to eligible homebuyers.	1, 2, 3
TAB 26	Commitments for other financing, both permanent and construction loan sources. Documentation of construction costs (e.g. estimate by qualified individual, bids, contract documents)	1, 2
TAB 27	Estimates/documentation of professional services and soft costs (e.g. architectural fees, construction period taxes/insurance, marketing expenses, realtor listing agreement, etc.)	1, 2
Marketing and Leasing		
TAB 28 (Rental Only)	Marketing plan outlining: <ol style="list-style-type: none"> 1. Tenant selection criteria and waiting list procedures, 2. Description of primary market and outreach strategies, including affirmative marketing plan using HUD form HUD-935.2A (as applicable), 3. Availability of tenant services and appropriate referral plan, 4. Tenant selection criteria and waiting list procedures, 5. Description of primary market and outreach strategies, including affirmative marketing plan using HUD form HUD-935.2A (as applicable). (Link to form provided in Appendix 2) 	1, 2
TAB 29 (Rental Only)	Waiting list(s) of interested tenants - compare demographics to underwriting assumptions about household incomes, ability to pay projected rent, etc. (if available).	1, 2
TAB 30 (Rental Only)	Form lease agreement consistent with 24 CFR Part 92.253	1, 2
TDHCA Applications		
TAB 31 (Rental Only)	If applicable, TDHCA Rental Housing Programs Proposal and all exhibits submitted to TDHCA (for any development seeking HTC or other funding from the TDHCA)	1, 2, 3

Appendix 2: Forms

The following is a list of forms that must be submitted, if applicable, with the Proposal. Failure to submit required forms will eliminate Proposals from further consideration.

- Certification of Financial Stability and Regulatory Compliance
- Proposer Disclosure and Explanation Form
- Proposer Identity of Interest Questionnaire
- Affidavit of Authorized Representative and Authorization to Obtain Information
- Authorization and Release to Obtain Personal Credit Information
- Acknowledgement and Certification of Environmental Review Requirements
- Acknowledgement and Certification of CHDO Requirements
- Conflict of Interest Questionnaire. The link to the form is as follows: <https://www.ethics.state.tx.us/forms/CIQ.pdf>.
- CHDO Application, if applicable. The link to the application is as follows: <https://dallascityhall.com/departments/housing-neighborhood-revitalization/Pages/CHDOCBDO.asp>.
- Business Inclusion and Development Affidavit BDPS_FRM-203. The link to the form is as follows: http://www3.dallascityhall.com/business_development/BID/BID_Affidavit.pdf
- Fair Housing Review Checklist. The link to the checklist is as follows: <https://dallascityhall.com/departments/fairhousing/pages/fair-housing-review-checklist.aspx>
- FEMA Form 086-0-32. Please contact a surveyor to provide with Proposal
- HUD-935.2A. The link to the form is as follows: <https://www.hud.gov/sites/documents/935-2A.PDF>.

Proposer Certification (Form 1) and Disclosures (Form 2)

Every Proposer is required to complete the Certification of Financial Stability and Regulatory Compliance (“Certification”). If a Proposer is not able to certify all of the items listed in the form, the Proposer must also complete the Proposer Disclosure and Explanation Form (“Disclosure”). The Proposer should provide sufficient explanation and context related to any disclosures so that the City can evaluate the nature and severity of any history of financial instability or regulatory non-compliance.

A Proposal will be deemed incomplete and will not be reviewed if the Certification is not accurately and fully completed. Likewise, if the Proposer is required to complete the Disclosure, the Proposal will be deemed incomplete and will not be reviewed if the Disclosure is not accurately and fully completed.

By signing the Certification, the Proposer agrees to allow the City to contact Banking references and obtain the Proposer’s corporate credit report (e.g. Dun & Bradstreet) or personal credit report (e.g. sole proprietors, S-corps, etc.).



CERTIFICATION OF FINANCIAL STABILITY AND REGULATORY COMPLIANCE

NAME: (PRIMARY CONTACT)	
ADDRESS:	
PHONE: (PRIMARY CONTACT)	
EMAIL: (PRIMARY CONTACT)	
NAME OF AUTHORIZED REPRESENTATIVE:	
AUTHORIZED REPRESENTATIVE PHONE:	
AUTHORIZED REPRESENTATIVE EMAIL:	

I certify that neither the Proposer, its Affiliates, nor any Project Team members have experienced or been served with any of the following within the past five (5) years:

- bankruptcies, defaults or foreclosures, or any event that could lead to a potential bankruptcy, default or foreclosure. For this purpose, violation of terms, conditions and/or covenants, whether or not a Notice of Default has been recorded, is deemed a default;
- a civil or criminal lawsuit filed by a municipal, state or federal government where the Proposer or any of its Affiliates or Project Team members was a named defendant; and
- any notices of violation or citations issued by a local, state or federal government regarding fair housing, health and safety, or zoning violations on the Proposer's, its Affiliate's or Project Team member's projects.

If you cannot certify every element, please complete the Proposer's Disclosure and Explanation Form.

Signed:		<input type="checkbox"/> Authorized Representative
Print Name:		
Date:		



PROPOSER DISCLOSURE AND EXPLANATION

NAME: (PRIMARY CONTACT)	
ADDRESS:	
PHONE: (PRIMARY CONTACT)	
EMAIL: (PRIMARY CONTACT)	
NAME OF AUTHORIZED REPRESENTATIVE:	
AUTHORIZED REPRESENTATIVE PHONE:	
AUTHORIZED REPRESENTATIVE EMAIL:	

Below is a disclosure and explanation of the following financial or regulatory history related to the Proposer, its Affiliates or Project Team members.

This disclosure contains an additional _____ pages of attachments.

Signed:		<input type="checkbox"/> Authorized Representative
Print Name:		
Date:		



PROPOSER IDENTITY OF INTEREST QUESTIONNAIRE

NAME: (PRIMARY CONTACT)	
ADDRESS:	
PHONE: (PRIMARY CONTACT)	
EMAIL: (PRIMARY CONTACT)	
NAME OF AUTHORIZED REPRESENTATIVE:	
AUTHORIZED REPRESENTATIVE PHONE:	
AUTHORIZED REPRESENTATIVE EMAIL:	

Please disclose and provide an explanation of any relationship based on family ties or financial interests between or among two or more entities involved in any proposed or anticipated project-related transactions. The City will take a broad approach to defining Identities of Interest and expects all Proposers 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.

This Identity of Interest Questionnaire contains an additional _____ pages of attachments.

Signed:		<input type="checkbox"/> Authorized Representative
Print Name:		
Date:		



AUTHORIZATION AND RELEASE TO OBTAIN PERSONAL CREDIT INFORMATION

The undersigned hereby authorizes the City of Dallas or its agents or employees (collectively "City") to obtain any and all information pertaining to my business or personal credit history from any reporting agency or bureau, and to consider such information when making any decisions regarding proposals submitted under the Notice of Funding Availability by _____.

I understand that I am not obligated to provide City this authorization; however, I have voluntarily agreed that such information can be released to City so that it will consider the proposal. I authorize, without reservation, any person or entity contacted by City to furnish information requested by City.

I HEREBY RELEASE CITY FROM ANY AND ALL LIABILITY RELATED TO THIS AUTHORIZATION AND RELEASE TO OBTAIN PERSONAL CREDIT INFORMATION.

Dated: _____

Signature: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on the ___ day of _____, 20___, by _____, an individual.

Notary Public, State of Texas



AFFIDAVIT OF AUTHORIZED REPRESENTATIVE AND AUTHORIZATION TO OBTAIN INFORMATION

ENTITY TYPE AND STATE OF FORMATION	
PROPOSER NAME: (PRIMARY CONTACT)	
ADDRESS:	
PHONE: (PRIMARY CONTACT)	
EMAIL: (PRIMARY CONTACT)	
NAME/TITLE OF AUTHORIZED REPRESENTATIVE:	
AUTHORIZED REPRESENTATIVE PHONE:	
AUTHORIZED REPRESENTATIVE EMAIL:	

Before me on this day personally appeared _____ as Authorized Representative for the Proposer listed above, and after by me being duly sworn, hereby certifies that all materials submitted to the City of Dallas or its agents or employees (collectively "City") about this proposal are true and correct. The undersigned understands that any submission of false information shall result in disqualification for funding under this Notice of Funding Availability, and that submission of incomplete information may result in rejection of the proposal.

The undersigned authorizes the City to contact any party in order verify information in this proposal. The undersigned acknowledges that Proposer is not obligated to provide City this authorization, but has voluntarily agreed to such release so that City will consider this proposal. The undersigned hereby authorizes, on behalf of Proposer, without reservation, any person or entity contacted by City to furnish all information requested by City.

Dated: _____ Signature: _____

BEFORE ME, the undersigned authority, on this day personally appeared _____ and by oath stated that the facts herein stated are true and correct. SWORN TO AND SUBSCRIBED BEFORE ME before me on this _____ day of _____, 20 _____.

Notary Public in and for the State of Texas



ACKNOWLEDGEMENT AND CERTIFICATION OF ENVIRONMENTAL REVIEW REQUIREMENTS

NAME OF AUTHORIZED REPRESENTATIVE:	
AUTHORIZED REPRESENTATIVE PHONE:	
AUTHORIZED REPRESENTATIVE EMAIL:	

The National Environmental Policy Act (NEPA) was established in 1969 to give environmental values appropriate consideration in decision-making with regard to federally-funded projects. Because all projects funded under this NOFA assume federal funds, the environmental review process and clearance must meet NEPA standards.

In addition, projects must meet the requirements of the Texas Commission on Environmental Quality (TCEQ). NEPA and TCEQ environmental laws differ in their requirements; project approval under TCEQ does not constitute NEPA project approval, and vice-versa.

An initial award of funds does not constitute a commitment of funds or site approval until satisfactory completion of a NEPA environmental review and receipt by the Authority to Use Grant Funds from HUD under 24 CFR Part 58. The provision of any funds to the project is conditioned on City's determination to proceed with, modify or cancel the project based on the results of subsequent NEPA environmental review. Furthermore, the proposer shall not undertake or commit any funds to physical or choice-limiting actions, including further property acquisition, demolition, movement, rehabilitation, conversion, repair or construction prior to the NEPA environmental clearance. Violation of this provision shall result in the denial of funds.

Notwithstanding the above, Proposers may begin architectural and engineering services, purchase options and certain pre-development activities only with prior written approval from the City of Dallas. Undertaking these activities without prior approval will result in the denial of funds under this Request for Proposal.

In any case where architectural and engineering services, purchase options or other pre-development activities are underway, I will notify the City of Dallas of the status of those activities and wait on written approval from the Housing and Neighborhood Revitalization Department before proceeding with any additional activity.

I acknowledge and certify that I have read this information and understand these requirements.

Signed:		<input type="checkbox"/> Authorized Representative
Print Name:		
Date:		



ACKNOWLEDGEMENT AND CERTIFICATION OF COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO) REQUIREMENTS

NAME
OF AUTHORIZED REPRESENTATIVE:

AUTHORIZED REPRESENTATIVE PHONE:

AUTHORIZED REPRESENTATIVE EMAIL:

As a participating jurisdiction, the City of Dallas (City) is required to commit and expend no less than **15%** of its annual HOME allocation with Community Housing Development Organizations (“CHDO”). Additionally, the City in its sole discretion can allocate up to **5%** of the HOME allocation each year for operating expenses for CHDOs (see 24 CFR Part 92.208). The City may provide operating funds to CHDOs 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.

In order to be consider for the CHDO set aside and the funding for operating expenses, an organization must be certified as a CHDO by the City.

The undersigned understands and certifies that the organization shall meet the CHDO requirements under 24 CFR Part 92, have read the City’s CHDO Manual, and must be certified as a CHDO by the City prior to any contract award.

Dated: _____

Signature: _____

BEFORE ME, the undersigned authority, on this day personally appeared _____ and by oath stated that the facts herein stated are true and correct. SWORN TO AND SUBSCRIBED BEFORE ME before me on this ____ day of _____, 20 _____ .

Notary Public in and for the State of Texas

Appendix 3: Glossary

24 CFR Part 92 is the federal regulation that implements the HOME Investment Partnerships Program (“HOME”). According to this regulation, “under the HOME Investment Partnerships Program Act, HUD allocates funds by formula among eligible State and local governments to strengthen public-private partnerships and to expand the supply of decent, safe, sanitary, and affordable housing, with primary attention to rental housing, for very low-income and low-income families.”

24 CFR Part 500 is the federal regulation that implements the Community Development Block Grant (“CDBG”). HUD provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

Affiliate is an individual, corporation, partnership, joint venture, limited liability company, trust, estate, association, cooperative or other organization or entity of any nature whatsoever that directly, or indirectly through one or more intermediaries, has Control of, is Controlled by, or is under common Control with any other person. All entities that share a Principal are Affiliates.

Affordability is units that are affordable to households earning 30% - 120% of Dallas Area Median Income.

Aging and Disability Resource Center is a facility that serves older adults and persons with disabilities, as well as family members and caregivers that is part of the No Wrong Door system and is designed to streamline public access to long-term services care programs.

Affordability Period means the period of time that units set aside for households earning 30% - 120% of Dallas Area Median Income shall remain affordable; length of time will be determined based on funding source.

Community or Senior Center is a public facility owned by the City of Dallas, either operated by the City of Dallas through its employees or via a private management contract, that provides programming targeted at either all age ranges or specifically at older adults.

Conflict of Interest is defined under federal regulations 24 CFR 92.356 and 24 CFR 570.611 and state statute Chapter 176 of the Texas Local Government Code.

Control (including the terms “Controlling” and “Controlled by” and/or “under common Control with”) means the power, ability, or authority, acting alone or in concern with others, directly or indirectly, to manage, direct, superintend, restrict, regulate, govern, administer, or oversee.

Eligible Cash is 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, and 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).

Eligible Homebuyer means a potential homebuyer with a household whose income is between 40% - 120% of the Dallas Area Median Income.

Environmental Reports are a Phase I environmental site assessment and, if applicable, a Phase II environmental site assessment.

Federal Register 75 FR 64322 is the federal notice that advises the public of the allocation amounts, the list of grantees, alternative requirements, and the waivers of regulations granted to grantees under Section 2301(b) of the Housing and Economic Recovery Act of 2008. Neighborhood Stabilization Program (“NSP”) funding is awarded under this notice of which the purpose is to stabilize neighborhoods whose viability has been, and continues to be, damaged by the economic effects of properties that have been foreclosed upon and abandoned.

Full scale grocery store is a store that sells a full line of groceries, meat, produce, and dairy products.

High Frequency Transit is accessible public transportation where the frequency of departures and arrivals is no more than every 15 minutes.

HUD means the United States Department of Housing and Urban Development.

Identity of Interest means (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. Beyond this general definition, an identity of interest relationship will be deemed to exist if: 1) 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/other entity; or 2) 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/other entity. 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.

Major Employment Centers are urban areas with a concentration of jobs and services including but not limited to business, industrial, and office parks, and medical or educational districts, etc.

Market Feasibility Report is an analysis of the local real estate market to determine if the market will support a proposed development and that projected incomes are greater than projected costs.

Person means, without limitation, any natural person, corporation, partnership, limited partnership, joint venture, limited liability company, trust, estate, association, cooperative, government, political subdivision, agency or instrumentality or other organization or entity of any nature whatsoever, and shall include any group of Persons acting in concert toward a common goal, including the individuals members of the group.

Project Team means all persons and Affiliates thereof that play a role in the development, construction, rehabilitation, management and/or continuing operation of a development.

Proposer means any individual or group of individuals and any Affiliates who apply for a funding award pursuant to this NOFA.

Public park is land owned or managed by the city, whether located inside or outside the city limits, that is planned, developed, or used for active or passive recreational use by the public.

Qualifying Medical Clinic or Hospital is a Federally Qualified Health Center (FQHC) that provides comprehensive health care services to a target underserved population, including individuals who are indigent, uninsured and underserved, in a specific area and determines patient eligibility for services based on family income and on a sliding fee schedule.

Qualified Nonprofit Organization is an entity duly organized as a nonprofit corporation under applicable state law, currently in good standing within its state of incorporation and the State of Texas, and at the time of proposal, exempt from taxation under the Internal Revenue Code.

Qualified Projects means a multifamily project that was funded in part by either 1) 24 CFR Part 92, 2) 24 CFR Part 500, 3) Federal Register 75 FR 64322, 4) Section 42, or 5) Section 142.

Reinvestment Strategy Areas (“RSAs”) means the areas adopted under the Comprehensive Housing Policy to address 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.

Stabilization Areas: LBJ Skillman, Vickery Meadow, Casa View, Forest Heights / Cornerstone Heights, East Downtown, The Bottom, West Dallas, and Red Bird North.

Emerging Market Areas: These markets are characterized as areas in need of intensive environmental enhancements, master planning and formalized neighborhood organization. In order to facilitate the creation of mixed income developments, the City recommends seeking designation as Neighborhood Revitalization Strategy Areas (NRSAs) 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.

Section 42 is in Chapter 26 of the Internal Revenue Code. This section defines low-income housing credits and sets forth rules related to the issuance of such credits.

Section 142 is in Chapter 26 of the Internal Revenue Code. This section defines exempt facility bonds and sets forth rules related to the issuance of such bonds, including those for qualified residential rental projects.

Services means

For homeowners: counseling courses offered such as first-time homebuyer, after purchase such as maintenance requirements, financial literacy during the affordability period.

For tenants: hiring 1 full time equivalent resident services coordinator for every 600 bedrooms, provide onsite educational, wellness and/or skill building classes via third party contract or onsite employees, or provides onsite, licensed child care or after school program that operates at least 20 hours per week during the Affordability Period.

Site Control is defined in Texas Administrative Code, Chapter 10, Section 10.204(10). In order to establish site control one of the following must be provided (i) a recorded warranty deed vesting indefeasible title in the Proposer or, if transferrable to the Proposer, an Affiliate of the Proposer, with corresponding executed settlement statement (or functional equivalent for an existing lease with at least forty-five (45) years remaining); or (ii) a contract or option for lease with a minimum term of forty-five (45) years that includes a price; address and/or legal description; proof of consideration in the form specified in the contract; and expiration date; or (iii) a contract for sale or an option to purchase that includes a price; address and/or legal description; proof of consideration in the form specified in the contract; and expiration date.

Substantial Rehabilitation is one or more of the following:

1. replacement of two or more major building components (roof, wall or floor structures, foundation, plumbing, central HVAC or electrical system); or
2. rehabilitation 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
3. rehabilitation hard costs are \$10,000 or more per unit.

Appendix 4: Requirements

The following requirements may apply to your project:

- Insurance and Bonding
- Certificate of Good Standing
- Design Standards: Universal Design & Compliance with Comprehensive/ Neighborhood Plans
- Fair Housing and Equal Opportunity
- Affirmative Fair Housing Marketing
- Accessibility for Disabled Persons
- Equal Opportunity Employment
- Section 3 Economic Opportunity
- Minority/Women Business Enterprises
- Davis Bacon and Other Labor Standards
- Conflict of Interest Disclosure
- Lead-Based Paint Testing and Remediation
- Residential Anti-Displacement and Relocation Assistance
- Underwriting and Cost Reasonableness
- Debarred Contractors
- Environmental Review
- Incomes and Rents
- Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (SuperCircular 2 CFR Part 200)