



# Notice of Funding Availability (NOFA)

to Develop Affordable Homeownership and Rental Housing



City of Dallas

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## Policy Amendments and Administrative Changes

On **February 14, 2024**, the Dallas City Council, by Resolution No. 24-0257, approved an amendment to the Dallas Housing Resource Catalog (DHRC) Single Family Homeownership Development Requirements/Underwriting (SFHDRU) to no longer require Community Housing Development Organizations (CHDOs) to repay HOME funds loans.

- Loans are now forgivable for CHDOs.
- CHDOs may retain proceeds from the sale of HOME-assisted units to spur additional affordable housing for households at or below 80% Area Median Income (AMI) as defined by the Department of Housing and Urban Development (HUD).

On **June 12, 2024**, the Dallas City Council, by Resolution No. 24-0846, approved additional amendments to the DHRC New Construction and Substantial Rehabilitation Program and Dallas Housing Policy 2033 (DHP33) to distribute funds more equitably.

- DHP33 was amended to allow for the commitment of 50% of all resources to the Department of Housing & Community Development (Housing) Equity Strategy Target Areas (ESTAs) ([HERE](#)) as a policy goal and to be delineated in the NOFA funding.
- The amendment imposed caps and added preferences for developers seeking NOFA funding.
- Changes to NOFA further incentivize the development of single-family and homeownership units.
- The amendment provided consistency in repayment terms for annual cash surplus payments for rental housing developments.

### Funding Caps

Gap funding provided to developers shall be capped at a maximum

25% of the total development cost or \$5,000,000.00, whichever is less.

Exceptions include:

- Affordable housing developments located within an ESTA.
- Developments part of a specific project initiatives to include City-owned properties, projects with partnership entities e.g., Dallas Area Rapid Transit (DART), Dallas Housing Authority, Dallas Independent School District, religious and education institutions.

### **Preferences**

Incentivize more development of single-family developments, including detached and attached projects or homeownership units (varying typologies).

Award to developers with no current outstanding housing projects with the City of Dallas

### **Additional points for NOFA applications when/if:**

Developing single-family detached and attached projects or homeownership units (varying typologies).

Developments in the Equity Strategy Target Areas.

### **Administrative Changes**

The amendment also included administrative changes that impact underwriting fees, legal fees, and term sheets.

#### **Underwriting Fees**

- All developer's underwriting fees will be due at the time the project is selected to move forward and before the project enters the underwriting stage. The underwriting fee will be made payable to the third-pay underwriter by the developer.

#### **Term Sheet**

- All projects will require a negotiation of a term sheet for the gap financing. The term sheet must be executed between the developer and the City prior to City Council approval of any

incentives.

### Legal Fees

- All developer's legal fees will be due within 10 days of the project being approved by the City Council.
- An upfront fee will be held by a third-party attorney.
- Any difference in fees will be settled at the time the development gap financing incentive agreement is executed.

### Application Instructions

This Notice of Funding Availability (NOFA) is open to for-profit and non-profit applicants (Applicants) proposing the development of affordable rental and for-sale housing developments, including affordable rental housing for individuals and families experiencing homelessness. Applications that meet all Threshold Criteria will be scored and evaluated according to the following criteria described in the NOFA: project attributes, equity and alignment with city initiatives, readiness, and developer experience.

For development projects that exceed the minimum score required for funding consideration and that effectively leverage existing resources, staff will submit funding recommendations to the City Council for approval based on the evaluation criteria herein.

City subsidy is provided for rehabilitation, preservation, and new construction of affordable rental, for-sale, and supportive housing developments. Funding awarded through this NOFA is intended to fill all or a portion of the gap between development costs and financing available from non-City sources. Applicants are expected to pursue financing from all available sources.

All applications should, to the extent possible based on the funding source used, help meet the production and preservation goals set forth in DHP33.

## NOFA Process and Timeline

The amount of funds available is included in the NOFA Available Funding information sheet. Applicants can access that sheet on our website, [HERE](#). The amount of funding available is updated by the first day of the month, in advance of monthly NOFA presubmission meetings.

Applicants must submit a non-binding notice of intent to apply prior to submitting an application. The notice may be sent via mail or email to the attention of the NOFA team, and must state the location of the proposed project, the total number of units, and the total amount to be requested from the City.

Applicants are strongly encouraged to attend a NOFA pre-application meeting. Meeting dates and times are listed on our website, [HERE](#).

Applicants should review the entire NOFA package, as the application includes a certification that they will comply with all requirements. Prior to the application closing, please check the Housing & Community Development website regularly for any updates, corrections, or posted questions and answers regarding this NOFA.

To be considered a complete application, applicants must submit:

Two (2) flash drives of a complete NOFA application with all required supporting materials to the Department of Housing & Community Development at the address listed below.

Department of Housing & Community Development  
c/o NOFA Team  
1500 Marilla Street, 2CN  
Dallas, TX 7520

Applications must be mailed or hand-delivered. Applications can not be solely emailed. After applying, applicants must email [HousingNOFA@dallascityhall.com](mailto:HousingNOFA@dallascityhall.com) indicating that an application has been mailed or delivered.

The NOFA Application Checklist should be used as the Table of Contents for the application. Each portion of the application must be labeled in accordance with the NOFA Application Checklist. Cover pages for the application exhibits are encouraged along with the NOFA Application Checklist.

To reduce the size of applications, please do not include full copies of Environmental Impact Reports (EIRs) or all of the backup documentation on Phase I reports (these may be requested later if needed).

All applicants will receive a decision letter after the initial review and scoring of their submissions, typically within 4 weeks of submitting a complete NOFA application. The decision letter will be sent via email and USPS. Decision letters are considered final. To make an adjustment to an application that has already been reviewed and scored, applicants must reapply by submitting a complete application (see instructions for submitting a NOFA application above). There is no piecemealing applications, sending supplemental documents, and no applications will be held for any reason.

Applications that are deemed substantially incomplete will be rejected. Applications may also be rejected for not meeting a minimum fundable score, and/or when there is no funding available.

Proposed projects selected for funding will be underwritten using the single family development underwriting standards or rental development underwriting standards in the Dallas Housing Resource Catalog ([HERE](#)). Any request for waivers of these requirements by the Applicant should be submitted in writing with the NOFA application. All requests for waivers from the underwriting standards will be reviewed by the Director of Housing & Community Development. If approved, any waivers to the underwriting standards will be included in the negotiated term sheet should the project move forward.

The City reserves the right to waive specific underwriting criteria for a specific project when, in its judgment, the purposes of the program can be better achieved without taking on undue risk.

The terms of the assistance will be consistent with the terms described in the Dallas Housing Resource Catalog New Construction and Substantial Rehabilitation Program and Single Family and Homeownership Development Requirements/Underwriting, as amended [HERE](#).

Once financing terms are approved, all required items must be submitted and approved by the City before the execution of a development agreement. Construction may not start until all required items have been received and approved, and the City has issued a Notice to Proceed.

The City will determine, in its sole discretion, the appropriate source of funding to allocate to Projects selected under this NOFA.

Depending on the funding source, applicants may be required to comply with Section 3 of the Housing and Urban Development Act of 1968, Federal Labor Standards as per Davis-Bacon and Related Acts, and the Uniform Relocation Act, in the cases of acquisition and/or rehabilitation of existing occupied units.

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 via a development agreement.

The Applicants shall provide a comprehensive development budget with sufficient detail so that the City can determine the cost reasonableness of the project, at the time of application. Detailed sources and uses must be provided showing all equity, debt, and requested gap funding from the City.



Applicants shall include commitment letters from funding sources outlining and confirming the terms that funds will be committed to the proposed project. A unit matrix stating the unit type, size, affordability, maximum affordable or market rent or sales price, utility allowance for rental units, and total expected annual rent or sales proceeds must be included in the application. Applicants shall provide an operating budget, cash flow, and proforma with sufficient detail to determine the overall project feasibility and confirm that, but for the City's gap funding, the project would not be economically feasible. For affordable rental developments, the cash flow and proforma must be at least 30 years. For-sale affordable developments must provide a cash flow and proforma for as long as the longest term of financing stated in the sources and uses of funds. The above items must be provided to the City in unlocked Excel files in order for the City and third-party underwriters to effectively "stress" the economic feasibility of the development and confirm the funding gap.

The above-mentioned financial information will be used to independently verify the "funding gap" or financial need of the project to ensure City funds are used prudently. Once it is determined by Staff that the project will achieve a fundable score, the Applicant must pay the upfront underwriting fee to the third-party underwriter before the project enters the underwriting phase. Additionally, after underwriting and approval by City Council, the Applicant will bear the expense of third-party legal fees for preparation of agreements, loan documents, and any other legal documents for all development projects. The City will not bear any expense due to underwriting or legal fees for any NOFA development projects.

## Confidentiality

Any confidential information shall be clearly noted. The City cannot guarantee it will not be compelled to disclose all or part of any public record under the Texas Open Record Act. An applicant that includes information in its application that is legally protected as a trade secret or confidential shall clearly indicate the information that constitutes a trade secret or confidential information by marking that part of the proposal “trade secret” or “confidential” at the appropriate place. If a request is made under the Texas Open Records Act to inspect information designated as trade secret or confidential in a proposal, the applicant shall, upon request, immediately furnish sufficient written reasons and information as to why the information designated as a trade secret or confidential should be protected from disclosure, for the City Attorney to present the matter to the Attorney General of Texas for final determination.

## Grounds for Rejection or Disqualification

The City reserves the right to reject any application and to waive any minor informality in any application requirement. For purposes of this NOFA, a minor informality is one that does not affect the competitiveness of the applicant or its application.

The following may be cause to reject an application as determined by the City in its sole discretion:

- Submission of an application which is not signed by an individual empowered to bind the applicant.
- Evidence of a conflict of interest.
- Evidence of an unfair competitive advantage.
- Evidence of collusion among applicants.
- Applications received from an applicant when its principals are currently debarred or suspended by federal, state, or city

governmental agencies.

- Poor performance in execution of work or default under a previous City contract.
- Evidence of failure to pay subcontractors, suppliers, or employees in accordance with previous City contract requirements.
- Applications containing omissions, alterations of form, additions, qualifications, or conditions not called for by the City, or incomplete applications.
- Failure to negotiate in good faith and execute, in a timely manner, necessary letter of intent, agreement, deed restrictions, deeds, or other documents, after award.
- Previous safety or environmental violations resulting in fines or citations by a governmental entity (e.g., U.S. Environmental Protection Agency, Texas Commission on Environmental Quality, etc.).
- Failure of an applicant to demonstrate its experience with projects of similar size, scope, and complexity.
- Evidence of an applicant's lack of sufficient resources, workforce, equipment, bonding capability, or supervision.
- Applicant served on the Inclusive Housing Task Force.

## Developer Fee

Developer fees are limited to the maximum amount allowed in the Dallas Housing Resource Catalog through the New Construction and Substantial Rehabilitation Program and Single Family and Homeownership Development Requirements/Underwriting, as amended [HERE](#).

## Operating Deficit Reserve for Homeless and/or Permanent Supportive Housing

For proposed projects serving homeless households and/or providing Permanent Supportive Housing units, given the anticipated low incomes of the tenants for these proposed projects, the City will allow Applicants to include a line item on the Development Cost Pro Forma for an operating deficit reserve equal to 5% of the Development Cost. The Operating Deficit Reserve will be held by the City of Dallas or its designee. **The operating deficit reserve portion will be verified and sized during credit underwriting.**

Any disbursements from said operating deficit reserve account shall be reviewed and approved by the City. Upon the expiration of the Compliance Period, any remaining balance may be drawn to pay down any outstanding City debt on the proposed project. If no City debt is owed by the proposed project at the end of the Compliance Period, then the remaining balance of the operating deficit reserve account shall be placed in a replacement reserve account for the proposed project.

## Application Discussion

A threshold review will be conducted on applications received to ensure that every item required per the NOFA application is included and of quality. Items must be labeled for review. Please use the Application Checklist attachment as your table of contents when submitting. Items 1-12 below must be included to meet the minimum threshold requirements for the project to be evaluated and scored. If any items 1-12 are missing, the application does not meet the minimum threshold requirements, and the project will not be evaluated or scored.

**1. Narrative Cover Letter** Applications must include a narrative cover letter that provides a basic description of the project. The cover letter should include but is not limited to the following.

***Summary Information***

- Amount of loan requested
- Total financing gap
- Total development cost
- Description of proposed financing plan (including commercial space financing if mixed use)
- Number and size of units (number of bedrooms)
- Mix of incomes served
- Target population served

***Site Information and Site Selection***

- Location
- How site was selected
- Current use of site
- Distinguishing features
- Any environmental issues, including proximity to industrial zoning and/or industrial uses

***Alignment with DHP33***

- Incorporation of pillars
- Goals impacted
- ESTAs and communities impacted

***Physical Characteristics***

- Type of construction
- Preservation or production
- Number of stories
- Architectural style/Design type
- Distinguishing features
- Location, type and number of parking spaces
- On- and off-site improvements required

***Amenities and Services***

- Common facilities and amenities, including computer technology
- Resident services programs (if included)

**2. Self-Scoring Worksheet** Applicants are required to submit a self-score worksheet. Use the City's **electronic workbook** to complete the self-scoring worksheet. Use the drop-down boxes in cells where applicable to select your answer.

Applicants should not assume that their self-score estimate will be the actual score that will be achieved.

**3. City Application Form** Use the City's electronic workbook to complete the Application Form. Use the drop-down boxes in cells where applicable to select your answer. The electronic workbook can be accessed, [HERE](#).

**4. Evidence of Demand or Market Supply** Applicants must verify the market demand for the proposed housing by providing a narrative and a rent or sales comparable analysis. Note that a full market study will be required prior to the execution of the development agreement.

All proposed projects must provide a brief narrative that addresses the following:

- Describe how the rent or sales price survey (see below) provided in the application demonstrates that there is a strong demand for the proposed project and how the project will ensure lease-up or sales on schedule.
- (Ownership projects) Provide an explanation of how you will ensure that homes will be in contract with a buyer within nine (9) months of construction completion.
- Describe how the proposed project may impact demand for other existing affordable housing developments in the market area.
- Provide other evidence of need for the project, such as how the proposed project provides for needed housing as identified in the City's Consolidated Plan, or other evidence of market demand.

All projects must also provide a market study or survey, as described below:

Ownership Projects: Provide evidence of sufficient demand for the proposed units to include information from multiple listing services pertaining to recent sales in the neighborhood, average time on the market for recent sales, availability of other products, and average “month of supply” currently available, and any known or planned projects, that is no more than 9 months old. Applicants may include lists of recently sold homes from websites such as [www.zillow.com](http://www.zillow.com) or local newspapers, or other listings and/or data on recent home sales in the area. Proposed prices should be sufficiently below market prices.

Rental Projects: A market study conducted within 9 months of NOFA application submission must be included. Include a summary of the closest three affordable and three market-rate comparable properties on the following worksheet, including their distance from the project, number of units by bedroom size, rent by unit size, AMI of households served, onsite services and amenities, and if any special needs populations are served. Use the City’s [electronic workbook](#), Tab 5, “Market Demand,” to provide the appropriate information.

Mixed Use Projects: In addition to the above, also provide:

- Evidence of demand for commercial/retail space and marketability of space, or at least half the commercial/retail space pre-leased;
- Information from brokers on vacancy rates, turnover rates, and market rents in the neighborhood;
- Evaluation of the neighborhood's retail environment and relative merits of the newly proposed commercial space.

- Supplemental documentation will be required for applicants considering additional institutional uses. Please reach out to the department directly at [HousingNOFA@dallascityhall.com](mailto:HousingNOFA@dallascityhall.com) if you are considering a project with such a scope.

**5. Evidence of Site Control** At the time a proposed project is submitted, the applicant must demonstrate that it has site control for the property for which funding is being requested and will maintain site control until the land is acquired through one of the following:

- Grant Deed evidencing fee title ownership.
- Purchase agreement, including evidence that the agreement be of a term sufficient to hold the property until the anticipated date of purchase.
- Option to purchase or lease, including evidence that options are renewable until the start of construction
- Long-term lease agreement.
- Executed land sales contract or other enforceable agreement for acquisition.

**6. Completed [NOFA Electronic Workbook](#)**, including the following:

#### **Unit Size and Affordability Worksheet**

Applicants must submit a copy of the worksheet in the application. Provide the Unit Size and Affordability Worksheet based on the proposed restricted rents.

#### **Development Schedule**

Applicants must use the [NOFA electronic workbook](#) to complete a development schedule.



## **Development Budget**

Applicants must submit a [City electronic workbook](#) with the development budget along with any supplemental budget forms. Use the drop-down boxes in cells where applicable to select your answer.

Applicants must submit a hard copy of each completed spreadsheet under the appropriate exhibit in the application. Electronic copies of applicable spreadsheets must also be submitted with your NOFA application on a flash drive. Please round requested City funding amounts up to the nearest \$1,000 increment.

Rental projects must submit:

- Development and Operating Budgets Use the [City's electronic workbook](#), "Operating Budget" tab to provide the appropriate information.
- 30-Year Operating Proforma Financial Summary
- Unit Size and Affordability Analysis (Rental)
- If the proposal includes market-rate units, the operating budget should include the costs for all units in the project.

Ownership projects must submit:

- Development Budget Financial Summary
- Unit Size and Affordability Analysis HUD Utility Schedule Model
- Maximum Affordable Sales Price Calculation (sample provided)
- The calculation of "Post Construction Sources" for both affordable and market rate units is done in the Financial Summary exhibit. Note that proposed market-rate sales prices must be supported by your market study, and additional information about financing sources for both

the affordable and market-rate portions of the project is required.

### **Replacement Unit Analysis**

If any of the current site use is residential or your project involves demolition of existing residential structures, even if units are currently vacant, complete the “Replacement Unit Analysis” tab of the [Electronic Workbook](#). Complete the information according to the current uses (i.e. existing unit mix) and not the proposed uses.

**7. Audited Financial Statements and Financial Analysis Worksheets** Financial statement review will evaluate the organization's net assets, debt equity ratio, and current assets and liabilities ratio, and other factors as deemed appropriate. Provide, for all project sponsors, the following documents regarding financial strength and capacity.

- Audited financial statements for the organization from the past two years (if these are consolidated financial statements, they must also include the standalone financial statements for sponsor/parent organization).
- If audited financial statements are not available, applicant may provide reviewed financial statements or compiled financial statements subject to the approval of the Director of Housing & Community Development. Applicant will be notified of document sufficiency at the time of underwriting.
- If particular circumstances about an organization's financial position or capacity require explanation, provide a narrative summary in addition to the financial statements.
- Complete the Financial Analysis Worksheets.

**8. Construction Financing Commitments** List all sources of funds for the project.

To score points for committed funding, attach evidence of enforceable financing commitments. A Letter of Interest is not considered an enforceable commitment. For a commitment to be considered enforceable, it must:

- be in writing, stating the essential terms of the financing.
- be subject only to conditions within the control of the applicant but for obtaining other sources such as City financing; and
- be executed by an authorized officer of the grantor, lender (other than a mortgage broker), or other agency providing the commitment or award.
- For all non-city lenders, all commitment letters must explicitly state the lender will subordinate to the City's Land Use Restriction Agreement (LURA).

If land or buildings will be donated, the value of the donation should be included as an acquisition cost, and as a source of funds in the Financial Summary and in the tables below.

**9. Permanent Financing Commitments** List all permanent sources of funds for the project in the format shown under item 8 above. Use as many rows as necessary. Attach evidence of enforceable commitments for all sources listed.

**10. Acquisition and Predevelopment Financing Commitments** List all acquisition and predevelopment sources of funds for the project using the format above. Use as many rows as necessary. Attach evidence of enforceable commitments for all sources listed.

**11. Rental or Operating Subsidies (if applicable)** If the project expects to receive a source of rental or operating subsidies, please provide a description of the source and amount of subsidy, whether or not the subsidy is committed to the project (if committed, please provide evidence of commitment), and specify the term of the subsidy.

**12. 30 Year Proforma (Rental Projects)** For rental proposals, provide a 30 Year Pro-Forma. The following assumptions must be used in the 30-year pro forma. These assumptions may be adjusted during underwriting for just cause.

- 7.5% annual vacancy/collection loss for family and senior projects
- 3% annual increase for expenses (other than property taxes and replacement reserves deposit).
- 2% annual increase for property tax, if applicable
- 2% annual increase for income
- First year operating expenses should equal annual total shown in the Operating Budget
- Annual replacement reserves of \$300 per unit per year for operating reserves as outlined in Appendix 3 of the Comprehensive Housing Policy.
- If Section 8 or other rental or operating assistance is committed, an additional operating proforma should be included that assumes the contract will expire after its initial term. Applicants are encouraged to budget transition reserves due to the risk that rental assistance contracts are not renewed.
- Partnership and/or Asset Management fees are allowable

**13. Location Maps** Include maps showing project location and access to neighborhood amenities like high-frequency transit, parks, and grocery stores or drug stores. Maps can be provided using mapping software and/or Google Maps. Orienting information such as streets, a compass, and landmarks should be added to maps to help identify areas. When highlighting distance to neighborhood amenities listed

below, include walking routes, driving routes, or mileage to identify proximity.

- Show whether the project is located inside an Equity Strategy Target Areas (ESTA) using the City mapping tool ([HERE](#)) or by Google maps.
- Project zoned to Dallas ISD Transformation and Innovation School.
- Proximity to public transportation – show whether the project is within ¼ mile or ½ mile of high-frequency transit stop
- Proximity to public parks (NOTE: Parks must be at least 1 acre to receive points).
- Proximity to open space or playground space. If the project includes open space, park space, or playground space, note this on the map and include information about the planned space in the project site information.
- Proximity to grocery or drug store – show all *full-service* grocery stores and drug stores within one mile of the project. Label the distance between each store and the project.
- Provide an existing parcel map. If changes in parcel configuration are involved, please also provide a map or description of the proposed future parcel configuration.
- Distance from industrial zoning and uses – show all property zoned Industrial/Research (IR) District, Industrial Manufacturing (IM) District or a planned development district that allows potentially incompatible industrial uses as defined in Section 51A-4.20(a) of the Dallas Development Code within one mile of the project.
- Note: all properties within a one-mile radius with potentially incompatible industrial uses as defined in

Section 51A-4.203(a) of the Dallas Development Code may not be eligible for funding. Staff will evaluate each application and surrounding uses and recommend funding on a case-by-case basis.

**14. Community Engagement Plan** Provide a community engagement plan that outlines how the Applicant has engaged or intends to engage the community. The plan must include the following:

- Define the community that will be impacted within the general proximity of the project (5-mile radius). Include a narrative about the community, including self-identified communities, historical communities, and demographic groups presence that can be used to identify the area.
- Background information, including project context and previous community engagement learnings that are relevant to the project and community. Highlight how recommendations and concerns shared by the community were included in the project development plans.
- Clearly define community engagement purpose and objectives. Include all meetings or events, the people engaged, the times of day, and any supporting details about your community engagement efforts.
- Methods of engagement with stakeholders, including details about stakeholder groups, City departments, local governments, and advocacy organizations that were leveraged to expand efforts. Consider the contribution that stakeholders can make to the project and highlight how recommendations and concerns shared by stakeholders were included in the project development plans.

**15. Preliminary Design** The City recognizes that the project design is likely to be modified as the design process

continues. Full schematic drawings will be required prior to Loan Closing. If schematics are available to submit with your application, please provide them. If they are not available, please provide at a minimum:

- a site plan with the building footprint,
- elevations or massing for each building,
- unit configurations/plans,
- 3D renderings, if available.

The design must be to scale (with identified ratios). Floor plans of rental projects should include unit numbers and approximate unit square footage. Please include furniture in the unit plans for multifamily developments.

As per the DALLAS HOUSING POLICY 2033, if not currently zoned for the intended use, the applicant must have completed a formal consultation with City Planning staff outlining the process and requirements for rezoning the site. Providing proof of consultation with City Planning staff can suffice for a portion of the land use approval requirements as outlined in the NOFA scoring criteria.

**16. Planning Approvals** Include evidence of discretionary land use approvals that have been received for the project (Approval Letter, Conditions of Approval, and any extensions to planning approvals received). If land use approvals have been submitted, but not yet received, include evidence of submission.

**17. Fair Housing Review Checklist** All applicants must complete a City of Dallas Fair Housing Review Checklist. The Checklist can be found [HERE](#).

**18. Final Marketing Plan** Provided plan must be consistent with the Affirmative Fair Housing Marketing Policy of the DHP33. Marketing plans for ownership projects must, at a minimum, provide information on the marketing process, a method for

educating buyers on resale restrictions, and a description of the proposed homebuyer counseling program (pre- and post-purchase). A Final Marketing Plan will be required 180 days prior to construction completion (for rental projects) or prior to the beginning of marketing units (for ownership projects) and must be approved as outlined in the Dallas Housing Resource Catalog ([HERE](#)).

**19. Developer Experience Worksheets** Complete the "[Developer Experience Worksheet](#)" file to provide the requested information for all projects developed within the last ten years that are of a similar size and composition as the proposed project. Applicants must have completed at least three similar projects to qualify for funding. Applicants who have successfully completed more than the minimum number of required projects within the last ten years may be given preference.

**20. Resumes of the Developer's Key Staff** Include resumes for the applicant's key staff that will be assigned to the proposed project. Resumes provided should highlight any experience that is relevant to the project being proposed.

**21. Resumes and Experience of Other Members of the Development Team** As a cover page to this Exhibit, indicate which of the following Development Team Members have been selected and identify them.

- Developer, if different from applicant
- Architect(s)/Engineer(s)
- Attorney(s) and/or Tax Professionals
- Property Management Agent
- Financial and Other Consultant(s)
- General Contractor
- Investor(s)



- Service Provider

For each Team Member other than the developer, provide descriptions of at least 3 previous projects, including the address, number of units, total cost, completion date and funding sources. Also, include resumes of the assigned project staff.

**22. Joint Venture Agreement** If the applicant is a Joint Venture, a Joint Venture Agreement is required, clearly describing the roles and responsibilities of each partner, who is the lead partner, or if the responsibilities are approximately equally split between the partners.

**23. Business and Workforce Inclusion** Demonstrated inclusion and commitment to understanding the City's business inclusion policy is important to the City of Dallas. It is the policy of the City of Dallas to involve minority and women business enterprises (M/WBE) to the greatest extent feasible on the City's construction contracts.

Applicants are required to meet with Business Enterprise Hub (BEH) staff and the Office of Procurement Services (OPS) before the application is approved. Staff will assist applicants with identifying certified M/WBEs based on the scope of the proposed project. Applicants shall comply with the City's Business Inclusion Policy. Staff will review and clarify the M/WBE expectations with the applicant. Applicants shall work to meet or exceed the M/WBE goal for portions of the construction project funded by the City. Additionally, applicants may make a good faith effort to achieve an M/WBE construction goal (in accordance with the City's business inclusion policy) for total private construction expenditures for the project. To schedule a meeting, please send an email to [BusinessEnterpriseHub@Dallas.gov](mailto:BusinessEnterpriseHub@Dallas.gov).

All applicants should assume that a minimum of 32% of all City of Dallas funds proposed must be subcontracted to

M/WBEs. Additionally, applicants must outline efforts to reach a minimum of 32% participation by M/WBEs for the entire project.

Example: Applicant requests \$100,000 in City funds for a \$500,000 project. A minimum of \$25,000 in M/WBE participation is required for the City of Dallas's funds. The Developer must also outline efforts for M/WBE participation of \$125,000 of the project.

As part of the Business and Workforce Inclusion threshold requirement, all applicants should submit the following:

- Documentation of requisite meeting with Business Enterprise Hub (BEH) staff
- City of Dallas Ethnic Workforce Composition form. Form can be accessed, [HERE](#).
- City of Dallas Small Business Center Pre-Bid/Proposal Form. Form can be accessed, [HERE](#).

#### **24. Proof that the Developer is M/WBE (if applicable)**

Minority/Women Business Enterprise (M/WBE) certification is a review process designed to ensure that a business is actually owned, controlled and operated by an ethnic minority or woman. Firms who desire to be counted towards the Business Inclusion and Development (BID) Plan participation goals must be certified by an agency recognized by the City of Dallas. For more information, please follow up with OPS ([HERE](#)).

To ensure that the BID Plan benefits businesses which are owned and controlled in both form and substance by minority individuals or women, the City of Dallas requires that prime contractors use M/WBEs which have been certified as such by either the North Central Texas Regional Certification Agency (NCTRCA), Dallas Fort Worth Minority Business Council, or the Women's Business Council - Southwest

(formerly the North Texas Women's Business Council). The City only recognizes M/WBEs certified through these agencies. These independent agencies are responsible for evaluating the eligibility of businesses seeking certification as M/WBEs.

**25. Nonperformance of Previously Funded Projects**

Document any events that have occurred in connection with projects with City funding under the control of the applicant that have failed or defaulted for any of the reasons listed in the scoring section.

**26. Relocation Plan and Budget (if Applicable/Required)**

If the project involves temporary or permanent relocation of residential or commercial tenants, please provide a narrative Relocation Plan. For any proposed project 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 proposed project. In the event of permanent displacement, Applicants 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 proposed project or temporarily vacating their units to allow rehabilitation work to proceed; and
- Applicant must meet all applicable state, federal, or local laws relating to displacement of tenants

Timeline and a detailed Relocation Budget. If the proposed project is financed with federal funds, the provisions of the

Uniform Relocation Act will apply. Additional federal and/or state relocation requirements may also apply.

**27. Final Management Plan (Rental Projects Only)** Will be required 180 days prior to construction completion and a Management Contract must be submitted to the City 90 days prior to construction completion, and should address, at a minimum, the following information:

- The name and contact information for the Management Company
- The role and responsibility of the Sponsor and its delegation of authority, if any, to the management agent.
- Staffing arrangements and personnel policy.
- Plans and procedures for publicizing vacancies and achieving occupancy
- Procedures for determining tenant eligibility and selecting tenants and for initially certifying and annually recertifying household income and size.
- Plans for carrying out maintenance and repair.
- A program for maintaining adequate accounting records.
- An approach to enhancing tenant relations.
- Procedures for grievances and appeals.
- Reasonable accommodation policy and procedures.
- Plans for damages collections and processing of evictions and terminations.
- Table of rent/income restrictions from all funding sources identifying most restrictive requirements and final rent schedule (required for the final plan).

**28. Preliminary Resident Services and Technology Plan and Service Provider MOUs** Resident Services Plans should be

well-defined, identify committed or proposed funding sources (projects with committed funding receive preference), have an identified provider, and show evidence of consultation with established service providers. A preliminary budget, or sources and uses of funds, should be included if possible. Services may include but are not limited to; free or sliding-scale services such as computer classes and the provision of a common computer room, credit counseling, childcare, employment and training programs, ESL classes, after school programs, individual case management, counselors, health services, or other services relevant for the community served.

Resident service coordination reasonable for the programs provided and size and type of population being served may be funded as an operating cost. However, case management services are not an eligible cost.

**Technology Plan:** Projects must provide the capacity for high-speed internet access in each unit by a means that does not impede use of the primary telephone line. Please address how the project will meet or exceed this requirement. Descriptions of tutoring, training, and computer facilities provided for residents should also be included as an element of the Resident Services Plan.

**Special Needs & Permanent Supportive Housing (Homeless) Projects:** If a project reserves units for Special Needs and/or Homeless populations, the Resident Services Plan must state clearly how many special needs and/or Homeless set-aside units there will be in the project and the exact population that will be targeted; must demonstrate that the essential supportive and social service needs of the target population will be met (e.g., health services for people with chronic health conditions; mental health services for people with mental illness) and must include individual case management services.

Applicants are also encouraged to use the [Coordinated Entry System](#) in their tenant selection processes to fill designated permanent supportive housing units for homeless individuals with disabilities. For this NOFA, a person with special needs includes the following: 1) Households where one individual has alcohol and/or drug addictions; 2) Colonia residents; 3) Persons with disabilities; 4) Persons protected by the Violence Against Women Act Protections; 5) Persons with HIV/AIDS; 6) Homeless persons; 7) Veterans; 8) Wounded warriors (as defined by the Caring for Wounded Warriors Act of 2008); and 9) Farmworkers. Please refer to TDHCA's Special Needs Tenant Certification Form found [HERE](#).

**Memorandum of Understanding:** Provide any current MOU's or other agreements with supportive service providers for the project, or information regarding contacts made with service providers. Provide information on potential and committed service funding to be used for the project.

**Ownership Projects:** The Resident Services Plan is optional for ownership projects. Note that ownership projects must include a description of the homebuyer counseling program in the Preliminary Marketing Plan.

## Scorecard Criteria Matrix

	<i>Rental</i>	<i>Owner</i>
<b>Project Attributes</b>	<b>21</b>	<b>21</b>
Project Description	3	3
Income Targeting	10	13
Unit Size	5	5
Special Needs Set-asides	3	N/A
<b>Equity &amp; Alignment with City Initiatives</b>	<b>40</b>	<b>47</b>
Located in ESTA(s)	10	10
Proximity to Neighborhood Amenities	16	16
Alignment with DHP33	5	5
Community Engagement	4	4
Preservation	5	5
Production	N/A	7
<b>Readiness</b>	<b>53</b>	<b>56</b>
Land Use Approval	20	20
Timeliness	10	13
Leveraging	8	8
Funding Commitments	15	15
<b>Developer experience</b>	<b>27</b>	<b>27</b>
Developer Experience Exceeds Minimum	10	10
Developer Capacity	8	8
Developer Financial Strength	6	6
Strength of the Development Team	3	3
<b>Bonus points</b>	<b>28</b>	<b>18</b>
Leveraging Land Bank/Land Transfer	10	10
Leveraging PFC/HFC	10	N/A
Aligns with CECAP	2	2
Joint venture	2	2
First time developer applicants	2	2
M/WBE certification	2	2
<b>Penalty for Nonperforming Previously Funded Projects</b>	<b>-10 pts</b>	<b>-10 pts</b>
<b>Total Possible Points</b>	<b>169</b>	<b>169</b>
<b>Minimum Points Needed to be Considered for Funding</b>	<b>120</b>	<b>100</b>

## Scoring Criteria Discussion

Only complete applications will be scored in the following categories. Some categories are not applicable to certain types of projects. The maximum points in each category are noted, and the discussion covers how points are earned.

Rental applications must score at least 120 points to be considered for funding. Ownership applications must score at least 100 points to be considered for funding.

### **Project attributes (21 points)**

- Project Description (3 points)  
The applicant must include a narrative with a project description. This narrative should include information about how the site was selected, how the site plan, development type, and design type were chosen, what benefits the project is providing the community and any additional details that make the project unique or impactful.
  - The narrative demonstrates that the developer has exceeded expectations in the development and that it will significantly impact the community. (3 points)
  - The narrative demonstrates a project that was intentionally selected and designed to provide an impact to the community served. (2 points)
  - The narrative provides requested details and contains some explanation of impact. (1 point)
  - The narrative does not explain the project well, provide requested details, or sufficiently articulate impact. (0 points)
- Income targeting (10 points rental, 13 points ownership)  
Points incentivize projects that mix incomes within the project



or neighborhood.

- Mixed income – No more than 60% of the units in the project development are set aside for households at or above 80% AMI, and 20-40% of the units are set aside for households between 60-80% AMI and 20-30% of units are set aside for households at or below 60% AMI (7 points rental, 10 points ownership)
- Additional Rental – at least 10% of affordable units set aside or reserved for households earning at or below 30% AMI (3 points)
- Additional Owner – at least 10% of affordable units set aside or reserved for households earning at or below 59% AMI (3 points)
- Unit Size (5 points) Rental projects and non-single family ownership projects must contain a mix of unit sizes; no more than 40% of the total units can be one size. Single-family ownership projects must all contain 3 bedrooms and 1.5 baths at a minimum.
  - Applicants can earn points for exceeding minimum criteria and including a number of larger units.
  - Rental – at least 10% of units 3 bedrooms or larger
  - Owner – at least 10% of units 4 bedrooms or larger
- Special needs set-asides (3 points, rental only)
  - 25% of restricted units for formerly homeless, seniors, or other special needs groups as defined in the NOFA application (3 points)
  - 11-24% of restricted units for formerly homeless, seniors, or other special needs groups as defined in the NOFA application (2 points)
  - 5-10% of restricted units for formerly homeless, seniors, or other special needs groups as defined in the NOFA

application (1 points)

## **Equity and Alignment with City Initiatives (40 points rental, 47 points ownership)**

- Located in ESTAs (10 points)
  - the project is within any of the three Equity Strategy Target Areas (ESTAs) as outlined by Dallas Housing Policy 2033. ([Map](#))
- Proximity to Neighborhood Amenities (16 points)
  - Educational Quality (4 points) points will be awarded if the project is located within the assigned neighborhood boundaries of a Dallas ISD Transformation and Innovation School.  
A list of DISD Innovation Schools, DISD Transformation Schools, and attendance boundaries can be found [HERE](#).
  - Proximity to parks (4 points)
    - A project that is within 0.1 mile of a City of Dallas Neighborhood, Community, Metropolitan or Regional Park will score 4 points.
    - A project that is within 0.25 miles of a City of Dallas Neighborhood, Community, Metropolitan or Regional Park will score 1 point. Projects incorporating open space, park space, or playground space within the site will be awarded 2 points.
  - Proximity to public transportation (4 points)
    - Full points require a project location within 1/4 mile of a High-Frequency Transit stop (service every 15 minutes)
    - Up to 2 points will be awarded for a project location

within 1/2 mile of a High Frequency Transit stop.  
(service every 15 minutes)

- Proximity to full-service grocery (4 points)
  - A project location within 1/2 mile of a full-service grocery store (where staples, fresh meat, and fresh produce are sold) or drug store will score full points.
  - A project location within 1 mile will score 2 points.
  - The required map in the application must show the location of the full-service grocery store must include a description of the store(s) demonstrating the required elements.
- Alignment with Dallas Housing Policy 2033 (5 points)
  - Points will be awarded if applicant demonstrates that the proposed development is in alignment with the goals of Dallas Housing Policy 2033 ([HERE](#)), including:
    - Consultation with City Departments, and/or councilmembers ([Pillar 5 Collaboration and Coordination](#))
    - Project leverages other community revitalization efforts ([Pillar 5 Collaboration and Coordination](#))
    - Project developed/designed through engagement and outreach with the residents in the area ([Pillar 6 Engagement](#))
    - The community is aware of the housing opportunity ([Pillar 6 Engagement](#))
    - Project incorporates anti displacement strategies ([Pillar 1 Equity Strategy Target Area](#))

*Please note: To avoid even a perceived conflict of interest (see [City of Dallas Code of Ethics, 12A](#)) after a NOFA application has been submitted, consultation and communication with City officials, councilmembers, employees must cease.*

- Community Engagement (4 points)
  - Detailed plan (2 points) Community Engagement Plan. Points will be awarded to projects that provide multiple opportunities for a range of stakeholders to provide meaningful input into the project. An additional two points (2 points) will be awarded if evidenced community engagement has already begun.
- Preservation (5 points)
  - Points will be awarded for any of the following:
  - Rehabilitation or preservation of existing projects that results in an extension of existing affordability restrictions or adds affordability restriction where one is not currently in place.
  - Proposed development is adaptive reuse. Adaptive reuse is the renovation and reuse of a pre-existing structure to a housing structure, adding more units.
    - Does the development stabilize housing, either subsidized or unsubsidized, as long-term affordable housing for current residents?
    - Does the development convert market-rate housing to affordable housing for new residents?
    - Does the development convert a building from a non-housing use, such as a hotel, office or industrial space, to affordable housing for new residents?
    - If the answer is yes to any of these questions, the applicant scores points for this section.
- Production (7 points, ownership only)
  - Points will be awarded if the applicant demonstrates that the proposed development contributes to greater housing variability throughout Dallas, including if the project proposes (5 points):

- Scattered site infill housing – development proposes constructing new housing on vacant or underutilized lots within existing or mature neighborhoods. Location of development(s) is not on new/raw land. (If the project is not constructed on new/raw land; and the project is within a developed area, it qualifies for points in this category.)
- Housing development concepts with less than 20 total housing units per structure, including duplex, triplex, fourplex, townhouse, or multiplex units. Proposed development can include clusters of housing that, in total, exceeds 20 units.
- Development of resident-owned communities or developments using a shared ownership model.
- Additional 2 points for single-family detached and single-family attached units. (2 points)

**Readiness (53 points rental, 56 points ownership)**

- Land use approval (20 points)
  - Maximum points are awarded for sites that have obtained discretionary public land use approvals (obtaining building permits is not necessary to score points). Projects that have submitted their application for planning approvals will be eligible for partial points, up to 5 points.
- Timeliness (10 points rental, 13 points ownership)
  - Full points (10 points rental, 13 points ownership) will be awarded if the applicant demonstrates that it is reasonably feasible to commence construction within 18 months of the date of developer agreement/contract.

- Partial points (5 points) will be awarded if the project is expected to be under construction within 24 months of the date of the developer agreement/contract. Developer must provide a detailed month by month timeline outlining how the timeline will be met.
- Leveraging (8 points) the degree to which outside funding will be pursued
  - Points will be awarded for projected Applicant's equity and permanent financing excluding City of Dallas resources of the total development costs. [leveraged financial resources/total development costs (TDC)\*100]
  - City resources include loan and grant funds received by or committed to the project and the value of any land donations or below-market sales/ground leases.
  - The higher the percentage of leveraged funding sources, the higher the score. Points will be awarded based on the following table:

Leveraged Financial Resources as a Percent of TDC	Points
Greater than:	
20%	2
25%	3
30%	4
35%	5
40%	6
45%	7
50%	8

- Funding Commitments (15 points) the degree to which outside funding has been committed

- Applicant must provide written proof of funding commitments at the time of application. The documentation provided must include the date of allocation, project referenced, and funding amounts to receive points.
- Points will be given based on non-City financing currently committed to the project as follows:

Committed Financial Resources as a Percent of TDC Greater than:	Points
5%	1
10%	2
15%	3
20%	4
25%	5
30%	6
35%	7
40%	8
45%	9
50%	10
55%	11
60%	12
65%	13
70%	14
75%	15

**Developer Experience (27 points)**

- Developer Experience Exceeds Minimum (10 points)
  - Points are awarded for completing more than three affordable or mixed-income housing projects within the last ten years (by the applicant, not other team members). 2 points will be awarded for each additional project (up to 6 points).

- Points will be given for completing more than one project similar to the proposed project by the applicant within the last ten years. 2 points will be awarded for each additional similar project (up to 4 points).
- Developer Capacity (8 points)
  - Points are awarded based on evidence that the lead staff, including the Project Manager and supervisory staff, proposed to work on the current proposal have the necessary experience and that the organization has adequate staffing capacity to undertake the project.
- Developer Financial Strength (6 points)
  - Points are awarded based on evidence that the applicant is financially sound and can sustain the costs of effectively following through with the current proposal, based on a review of current interim and previous years' audited financial statements. The lead applicant must provide a non-consolidated financial statement. The financial statement review will evaluate the organization's net assets, debt-equity ratio, current assets and liabilities ratio, and other factors as determined by City staff.
  - Applicants submitting applications for 15 or fewer units may submit unaudited financial statements, provided they were prepared by a Certified Public Accountant.
- Strength of Development Team (3 point)
  - Points are awarded based on evidence that the Development Team members (Developer Principals, Property Manager, Attorney, Architect, Financial Consultant, etc.) proposed to work on the current proposal have the necessary experience.



## **Bonus Points (28 points rental, 18 points ownership)**

- Leveraging Land Bank or Land Transfer (10 points) will be awarded if the proposal includes the purchase of Land Transfer Program or Land Bank lots in areas that did not receive the maximum points for being in Proximity to Neighborhood Amenities and distance from industrial zoning and uses. (Rental or Ownership)
- Leveraging PFC/HFC (10 points) if the proposal includes participation by the City of Dallas Housing Finance Corporation or Dallas Public Facility Corporation applicable to housing. Such participation must include ownership of the underlying development site by the entity and/or stake in the ownership structure of the development. (Rental)
- Aligns with [CECAP](#) (2 points) will be awarded if the proposed project supports any of the goals outlined in the City of Dallas Comprehensive Environmental and Climate Action Plan (CECAP), including if the project is energy efficient and promotes climate resilience; exceeds either the LEED Silver Certification or the proposed project scores higher than the minimum optional points required to receive the Enterprise Green Communities Certification; and/or incorporates solar power.
- Joint venture (2 points) will be awarded for joint venture partnership projects. The less experienced partner must be provided with at least 25% of the developer fee.
- First time developer applicants (2 points) will be awarded for first-time applicants to this NOFA.
- M/WBE certification (2 points) will be awarded to developers certified as M/WBE as outlined in this NOFA.

## 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 570** 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.

**Affordable** means housing units that are restricted for sale, lease-purchase, or rent to households earning 30% - 120% of Dallas Area Median Income and where the household spends no more than 30% of their adjusted monthly income on housing-related expenses.

**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.

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

**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.

**Developer** means any Person entering into a contractual relationship with the Owner to provide Developer Services with respect to the Project and receiving the right to earn a fee for such services and any other Person receiving any portion of a Developer Fee, whether by subcontract or otherwise, except if the Person is acting as a consultant with no Control.

**Development fee** means the fee that is intended to compensate a developer for the time and effort of assembling a project, overseeing its development team, and carrying a project to fruition. It is equal to 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.).

**Eligible Homebuyer** means a potential homebuyer with a household whose income is between 60% - 120% of the Dallas Area Median Income.

**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.

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

**Equity Strategy Target Areas (ESTAs)** are Geographic areas identified by the Department of Housing & Community Development for concentrated housing investment in coordination with other investments made through the City departments and external partners. Areas will be selected after identifying specific disparities in housing opportunities. Staff will work to develop strategies to reduce identified disparities utilizing a targeted approach to investment. See maps [here](#).

**Evidence of proper zoning** documentation showing proposed uses of the site(s) for the project is within what is allowable by City zoning regulation on the property. Documentation can include zoning maps from the City search tool, with the legend displayed identifying zoning category for the site ([HERE](#)). If proper zoning is not in place, the Applicant must provide documents that the process to change the property zoning has begun.

**Full Scale Grocery Store** is a store that sells a full line of groceries, meat, produce, and dairy products.

**General Contractor** means any Person who contracts to perform the construction or rehabilitation of an entire Project, rather than a portion of the work. The General Contractor hires subcontractors, such as plumbing contractors, electrical contractors, etc., coordinates all work, and is responsible for payment to the subcontractors.

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

**High-speed internet** means broadband speeds of at least 25 Mbps download, 3 Mbps upload—a standard set by the FCC in 2015; see reference in the City of Dallas Digital Equity Strategic Plan ([HERE](#)).

**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.

**Land use/Planning approval** means any evidence of discretionary land use approvals that have been received for the project including an approval letter, conditions of approval, and any extensions to planning approvals received. If land use approvals have been submitted, but not yet received, include

evidence of submission.

**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.

**Medical Clinic or Hospital** is a facility that provides comprehensive health care services.

**Owner** means the Person or Persons who owns or proposes a Project or expects to acquire Control of a Project under a purchase contract or ground lease.

**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.

**Pharmacy** is a facility that dispenses and sells both prescription and non-prescription medicinal drugs.

**Proposed Project** means the proposed project of housing units for which an application has been submitted pursuant to this NOFA.

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

**Project timeline** must include the projected dates of acquisition, construction start, certificate of occupancy, 100% occupancy of City assisted units.

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.

**Qualified Projects** means a Project that was funded in part by either 1) 24 CFR Part 92 (HOME Investments Partnership Program), 2) 24 CFR Part 570 (Community Development Block Grants), or 3) Federal Register 75 FR 64322 (Neighborhood Stabilization Program).

**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

**Schematic Drawing(s)** include a variety of drawings that depict the exterior, interior, and systems of the building. These commonly include the site plan, floor plan, building elevations, and building systems.

**Special Initiatives/Projects** include developments on City-owned land; any development projects with partners such as Dallas Area Rapid Transit (DART), Dallas Independent School District (DISD), Dallas Housing Authority (DHA); applicants where churches/religious institutions, colleges/institutions of higher learning with ownership interests, are partnering with developers for development projects. Additional Special Initiatives/Projects may be identified by the Director of the Department of Housing & Community Development.

**Special Needs** Defined by TDHCA as:

- Households where one individual has alcohol and/or drug

addictions

- Colonia residents
- Persons with Disabilities
- Persons protected by the Violence Against Women Act Protections (domestic violence, dating violence, sexual assault, and stalking)
- Persons with HIV/AIDS
- Homeless persons
- Veterans
- Wounded warriors (as defined by the Caring for Wounded Warriors Act of 2008)
- Farmworker

**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.

**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 Applicant or, if transferrable to the Applicant, an Affiliate of the Applicant, 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:

- Replacement of two or more major building components (roof, wall or floor structures, foundation, plumbing, central HVAC, or electrical system); or
- 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
- Rehabilitation hard costs are \$10,000 or more per unit

**Universal Design** is a design principal that includes guidelines to help accommodate persons of all ages and abilities to use their home in a functional manner. Some design considerations may include:

- General:
  - One-story/open floorplan with few obstructions
  - Larger windows
  - No-step entries, minimum 36" doorways
  - Thresholds flush with floor
  - Ramp installation
  - Lever-style door handles
- Bathroom:
  - Adjusting toilet height or installing a seat extender
  - Grab bars near toilet and in bath/shower
  - Shower seat

- Anti-slip coating in tub/shower
- Walk-in shower/tub
- Handheld showerhead
- Kitchen:
  - Adjusting height of sink
  - Shallow sink
  - Hands-free faucet
  - Pull-out pantry
  - Front-mounted controls on cooktop
  - D-shaped cabinet pulls
  - Under-cabinet lighting
  - Round edges for countertops
  - Sink close to stove
  - Large drawers
  - Microwave at counter height
- Bedroom:
  - Bedroom on main level
  - Pull-down closet rods
  - Lighting in closet

**Waivers** mean a warranted exception to the general underwriting requirements for homeownership or rental developments. The City reserves the right to waive specific underwriting criteria for a specific project when, in its judgment, the purposes of the program can be better achieved without taking on undue risk.

## Funding Resources & Regulations

### **ARPA (American Rescue Plan Act) United States Treasury**

<https://home.treasury.gov/system/files/136/City-of-Dallas-2021-Recovery-Plan-SLT-0557.pdf>

[Coronavirus State and Local Fiscal Recovery Funds Final rule](#)

### **CHDO HOME Development Funds United States Department of Housing and Urban Development**

<https://www.govinfo.gov/content/pkg/CFR-2003-title24-vol1/pdf/CFR-2003-title24-vol1-part92-subpartG.pdf>

[https://www.hud.gov/sites/documents/19787\\_CH03.PDF](https://www.hud.gov/sites/documents/19787_CH03.PDF)

### **CHDO HOME Operation Assistance United States Department of Housing and Urban Development**

Up to 5 percent of a participating jurisdiction's fiscal year HOME allocation may be used for the operating expenses of community housing development organizations (CHDOs). These funds may not be used to pay operating expenses incurred by a CHDO acting as a subrecipient or contractor under the HOME Program. Operating expenses means reasonable and necessary costs for the operation of the community housing development organization. Such costs include salaries, wages, and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; equipment; materials and supplies. The requirements and limitations on the receipt of these funds by CHDOs are set forth in §92.300 (e) and (f). (b) HOME funds may be used for capacity building costs under §92.300(b).

<https://www.govinfo.gov/content/pkg/CFR-2010-title24-vol1/pdf/CFR-2010-title24-vol1-sec92-208.pdf>

[https://www.hud.gov/sites/documents/19787\\_CH03.PDF](https://www.hud.gov/sites/documents/19787_CH03.PDF)

## **CDBG Funds**

### **United States Department of Housing and Urban Development**

The Community Development Block Grant (CDBG) Program supports community development activities to build stronger and more resilient communities. To support community development, activities are identified through an ongoing process. Activities may address needs such as infrastructure, economic development projects, public facilities installation, community centers, housing rehabilitation, public services, clearance/acquisition, microenterprise assistance, code enforcement, homeowner assistance, etc.

<https://www.govinfo.gov/content/pkg/CFR-2022-title24-vol3/pdf/CFR-2022-title24-vol3-sec570-202.pdf>

[https://www.hud.gov/sites/documents/DOC\\_16473.PDF](https://www.hud.gov/sites/documents/DOC_16473.PDF)

## **HOME Funds**

### **United States Department of Housing and Urban Development**

In general, under the HOME Investment Partnerships Program, 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.

<https://www.ecfr.gov/current/title-24/subtitle-A/part-92?toc=1>

## **CDBG-DR**

### **United States Department of Housing and Urban Development**

CDBG-DR grants are subject to Title I of the HCD Act, (42 U.S.C. § 5301 et seq.) which governs all CDBG programs. Grantees are also subject to the CDBG regulations at 24 CFR Part 570, unless modified by waivers and alternative requirements included in the applicable Federal Register Notice. CDBG-DR grantees must also comply with the applicable requirements of 2 CFR Part 200, which provides the Federal government's guidance on administrative requirements, cost principles, and audit requirements.

<https://www.hudexchange.info/programs/cdbg-dr/>

[CDBG-DR Policy Guide](#)

## **Dallas Housing Policy 2033**

Racial and economic inclusion are integral to Dallas' housing growth. Accordingly, through the Dallas Housing Policy 2033, the City seeks to continue to reduce disparities that disproportionately impact historically disadvantaged communities by providing quality affordable mixed-income housing initiatives across the City.

[Dallas Housing Policy 2033](#)

[Dallas Housing Resource Catalog](#)

## **Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR Part 200**

This link below provides federal administrative and audit requirements and general provisions associated with Federal funds.

## [2 CFR Part 200](#)

In the procurement of supplies, equipment, construction, and services by recipients and by subrecipients, the conflict of interest provisions in [2 CFR 200.317](#) and [200.318](#) shall apply.

### **Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards**

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

#### [Appendix II to Part 200- Contract Provisions for Non-Federal Entity Contracts Under Federal Awards](#)

## Application Checklist Discussion

Use the attached Application Checklist as a Table of Contents.

- 1. Narrative Cover Letter**
- 2. Self-Scoring Worksheet**
- 3. City Application Form**
- 4. Community Outreach**
- 5. Evidence of Demand or Market Study**
- 6. Parcel Map and Location Maps**
- 7. Evidence of Site Control**
- 8. Replacement Unit Analysis**
- 9. Relocation Plan**
- 10. Preliminary Design** – highlight if designs align with the City of Dallas Comprehensive Environmental and Climate Action Plan (CECAP) or utilize Universal Design standards.
- 11. Development Schedule**
- 12. Preliminary Marketing Plan**
- 13. Preliminary Management Plan**
- 14. Development Budget**
- 15. Construction Financing** – Include financing commitments and commitment letters.
- 16. Permanent Financing** - Include financing commitments and commitment letters.
- 17. Acquisition and Predevelopment Financing** – An as-is appraisal is required for NOFA applications seeking gap financing for acquisition.
- 18. Rental or Operating Subsidies**
- 19. Proof of Planning Consult for Rezoning**
- 20. Operating Budget**
- 21. 30-year Proforma** – The proforma should include a calculation for Debt Coverage Ratio (DCR) the proforma and Operating Margin as required by the DHRC.

- 22. Unit Size and Affordability** – Applicant should include documentation on how utility allowances are determined for both Rental and Ownership projects.
- 23. Location Maps** – Maps should be separated for each individual proximity amenity to include the necessary detail per the scoring criteria as outlined in this NOFA application. For example: A proximity map for a school should detail proximity to a specific Transformation or Innovation School.
- 24. [Developer Experience Worksheets](#)**
- 25. Nonperformance of Previously Funded Projects**  
**Narrative/Explanation**
- 26. Resumes of Developer’s Key Staff**
- 27. Resumes and Experience of Development Team**
- 28. Audited Financial Statements & Financial Analysis**  
**Worksheets** – Audited financial statements are required and DHRC requires list of all projects underway (any location), total number of units and total development costs associated with each project.
- 29. Business and Workforce Inclusion**
- 30. Preliminary Resident Services and Technology Plan**
- 31. Fair Housing Compliance Review Checklist**
- 32. Completed [NOFA Electronic Workbook](#)**
- 33. Joint Venture Agreement (if applicable)**
- 34. Proof that Developer is M/WBE (if applicable)**