

# Memorandum



CITY OF DALLAS

DATE October 16, 2015

TO Housing Committee Members: Scott Griggs, Chair, Carolyn King Arnold, Vice-Chair, Monica R. Alonzo, Tiffinni A. Young, Mark Clayton, and Casey Thomas, II

SUBJECT Housing Development & Funding Availability

On Monday, October 21, 2015, you will be briefed on Housing Development & Funding Availability. A copy of the briefing is attached.

Please let me know if you have any questions.

A handwritten signature in blue ink, appearing to read 'Alan E. Sims'.

Alan E. Sims  
Chief of Neighborhood Plus

c: The Honorable Mayor and Members of the City Council  
A. C. Gonzalez, City Manager  
Rosa A. Rios, City Secretary  
Warren M.S. Ernst, City Attorney  
Craig Kinton, City Auditor  
Daniel F. Solis, Administrative Judge  
Ryan S. Evans, First Assistant City Manager  
Eric D. Campbell, Assistant City Manager  
Jill A. Jordan, P. E., Assistant City Manager  
Mark McDaniel, Assistant City Manager  
Joey Zapata, Assistant City Manager  
Jeanne Chipperfield, Chief Financial Officer  
Sana Syed, Public Information Officer  
Elsa Cantu, Assistant to the City Manager – Mayor and Council

# Housing Development & Funding Availability

A Briefing to the Housing Committee  
Housing/Community Services Department  
October 19, 2015



# Purpose

- ▶ Discuss the availability of funding for Housing Development for FY 2015-16 and the possible issuance of a Notice of Funding Availability (NOFA) for Single Family
- ▶ Discuss next steps

# City of Dallas Available Funds

- ▶ The Housing/Community Services Department has \$5.3 million in funds available to commit to gap financing Housing Development projects
  - ▶ \$2.3M in HOME Investment Partnership funds which includes \$1M set-aside for certified Community Housing Development Organizations
  - ▶ \$3M in general obligation bond funds for southern Dallas projects and transit oriented development projects
- ▶ Other sources may include:
  - ▶ Land Bank or City owned properties
  - ▶ Tax Increment Financing District Funds
  - ▶ Section 108 Loan Funds

# Notice of Funding Availability (NOFA) FY 2014-15

- ▶ Multifamily NOFA was posted in October 2014
  - ▶ Available funding of \$6M
  - ▶ Received proposals in December 2014
  - ▶ 19 proposals received
  - ▶ 3 awards made
- ▶ Single family NOFA was posted in February 2015
  - ▶ Available funding of \$4M
  - ▶ Received proposals in March 2015
  - ▶ 15 proposals received
  - ▶ 12 awards made

# Other Events

- ▶ June 25, 2015 - the Supreme Court ruled that disparate impact claims are cognizable under the Fair Housing Act, and upheld the 2013 HUD regulations regarding burdens of proof in disparate impact cases
  - ▶ Inclusive Communities Project (ICP) sued TDHCA in 2008 arguing that the agency's allocation of LIHTCs in Dallas resulted in a disparate impact on African-American residents under the Fair Housing Act.
  - ▶ ICP alleged that TDHCA was disproportionately approving LIHTC projects in minority concentrated neighborhoods in Dallas and disproportionately disapproving them in predominantly Caucasian neighborhoods.
  - ▶ Per ICP, this created a concentration of low income units in minority areas, a lack of units in other areas, and maintained and perpetuated segregated housing patterns.

# NOFA Recommendation

- ▶ Allow staff to issue a Single Family Notice of Funding Availability
  - ▶ There are funds that are time sensitive to commit to projects
  - ▶ During Neighborhood Plus briefing, Council indicated this area to be a priority
- ▶ Once Council has adopted a housing policy in the Spring 2016, issue a Multifamily Notice of Funding Availability (NOFA)
  - ▶ The Supreme Court case specifically dealt with multifamily projects in Dallas
  - ▶ The Committee nor the Council has worked through all the issues surrounding the court's decision

# Next Steps

- ▶ Issue Single Family NOFA on October 26, 2015
- ▶ Provide a Question & Answer Meeting on November 2, 2015
- ▶ NOFAs will be due on November 27, 2015
- ▶ Project applications to be posted on the City of Dallas website by December 4, 2015
- ▶ Staff will begin processing applications in December 2015

# Appendix

FY 2014-15 NOFA Criteria

# Criteria for Single Family NOFA

- ▶ Private interim financing within 120 days of City commitment
- ▶ Quality of proposed project
- ▶ Project design and special accommodations for expected occupants
- ▶ Project compatible with existing or anticipated development of area
- ▶ Existing or proposed public transit availability
- ▶ Preservation of environmental assets and energy conservation
- ▶ Financial capacity of applicant to complete the project
- ▶ Any other factor relevant to the best interest of the City (includes consideration for fair housing)
- ▶ The City of Dallas is interested in projects that connect affordable housing to transportation, education, jobs, and healthcare
- ▶ Consideration of housing choices
- ▶ First-come-first-served basis