

Memorandum



CITY OF DALLAS

DATE April 22, 2025

Honorable Members of the City Council Housing and Homelessness Solutions
TO Committee: Jesse Moreno (Chair), Cara Mendelsohn (Vice Chair), Zarin Gracey, Chad
West, Gay Donnell Willis

SUBJECT **Proposed Dallas Housing Finance Corporation and Dallas Public Facility
Corporation Program Statements**

The purpose of this memorandum is to brief the Housing and Homelessness Solutions Committee (HHSC) on the updated Dallas Housing Resource Catalog to include draft program statements (Attachment A and B) for the general operation and policies for the Dallas Housing Finance Corporation (DHFC) and the Dallas Public Facility Corporation (DPFC). On October 29, 2024, at the Special Called Meeting for discussion on DHFC and DPFC, Councilmembers asked for recommendations to realign the corporations and place parameters around processes to address the questions raised for Revenue, Location, Approval Process, and Control.

On January 28, 2025, at the HHSC meeting, the Department of Housing and Community Development (Housing) presented recommended amendments to policy, operations, and bylaws for the DHFC and DPFC. Since that time, additional input has been received from the HHSC members, the two corporations, development partners, and stakeholders through various channels including in-person meetings, a housing survey, and by written correspondence and verbal conversations in group and individual settings with developers and the board chairs. That feedback is summarized in Appendix A, and below. The Appendix also indicates which feedback has been incorporated into the policy statements attached to this memo for your consideration. If feedback was not incorporated, the Appendix explains why that decision was made, as well.

Generally, the feedback fell into five areas of concern.

- Administration Caps – the boards express concern about proposed limitations on the amount of funding that can be allocated to administrative costs. Staff had included this proposal as a way to ensure that corporation proceeds are utilized in a responsible way, with the majority of funding made available for additional housing development.
- Location – developers generally expressed that they do not want to limit projects to certain locations of Dallas and want waivers for high poverty areas. Staff had included location proposals to ensure that the City does not concentrate poverty or violate fair housing laws.

- AMI Caps – developers expressed concerns about the proposed requirement to include units at the 50% AMI threshold . Staff had included this proposal to ensure that corporation projects fulfill the goals of Council-approved housing policy.
- Community Input – boards are concerned that the proposed requirement to require community meetings for each proposed project treats subsidized affordable housing differently than unsubsidized developments. Staff had included this proposal to ensure that Council members and neighborhoods had a chance to weigh in on proposed projects before they are brought to Council for consideration.
- Staff on board as ex-officio members – boards are concerned that staff would have too much insight into board operations in executive sessions and may have a conflicting agenda. Staff included this proposal to ensure that City staff are in the loop on all corporation actions. This model mirrors the City of Dallas Economic Development Corporation structure, which includes the City Manager and Director of Economic Development as non-voting ex-officio board members.

In response to the feedback received, Housing staff did make a number of changes to the department's proposals, outlined below:

- The original proposals limited developers to one corporation-supported project at a time, to ensure projects can be delivered on time and in budget. The revised proposal allows multiple applications, subject to limitation by the board.
- Developer communications should be directly with the corporation and Housing staff will communicate with the corporation staff on project details.
- Phase 1 Environmental Reviews are to be conducted on all projects and to be reviewed and certified by the Corporation before presenting to committee and City Council, rather than involving the Office of Environmental Quality and Sustainability as initially proposed.
- Instead of utilizing this formula to structure affordable units in non-LIHTC projects, "For DHFC non-LIHTC projects, minimize market-rate units (81% AMI and higher) to 10% overall in each project with matching units for 50% AMI. If developments must have more than 10% market-rate units, the 50% AMI units will match. Developments can offer more units at 50% AMI but at no time will developments exceed 20% of units at market-rate", limit the number of non-LIHTC projects to two (2) projects that DHFC can perform annually.
- It is the corporations' responsibility to review and approve Uniform Relocation Acts relocation plans rather than the City.

DATE April 22, 2025
SUBJECT **Proposed Dallas Housing Finance Corporation and Dallas Public Facility Corporation Program Statements**
PAGE **3 of 8**

- It is the corporations' responsibility to review and approve capital needs assessments rather than the City.
- Use of the corporations' revenue will be approved by both the Housing Director and Board of Directors rather than just the Housing Director.

Meetings with the Boards will continue into May 2025 to clarify and possibly redefine parameters around the recommendations. During the time, Housing will continue to work with the Boards on this matter.

Should you have any questions, please contact Cynthia Rogers-Ellickson, Director, Department of Housing & Community Development at cynthia.rogersellic@dallas.gov or 214-670-3601.

[Attachments]

Service First, Now!



Robin Bentley
Assistant City Manager

c: Kimberly Bizzor Tolbert, City Manager
Tammy Palomino, City Attorney
Mark Swann, City Auditor
Billieae Johnson, City Secretary
Preston Robinson, Administrative Judge
Dominique Artis, Chief of Public Safety
Dev Rastogi, Assistant City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager

Alina Ciocan, Assistant City Manager
Donzell Gipson, Assistant City Manager
Jack Ireland, Chief Financial Officer
Elizabeth Saab, Chief of Strategy, Engagement, and Alignment (I)
Directors and Assistant Directors

Appendix A

Housing Recommendation from memo on January 28, 2025	Feedback Received	Feedback Incorporated	Reason
1.G. Developer communication will be through the corporations. Housing will communicate with the corporation staff on reviews, meetings with Councilmembers, questions on projects, and all other pertinent information.	Communication should go through the corporation	Yes	Housing agrees that developer communications should be directly with the corporation and Housing staff will communicate with the corporation staff on project details
1.B. The corporations will hire staff to assist the Boards with general administration, project management, and ongoing monitoring for project development and ownership. Corporation administration costs will be capped at the lesser of \$1M or 20% of annual revenue from the prior year. When City resources are utilized for compliance and monitoring or other services requested by the corporations, the corporations will reimburse the City for those costs. Administrative overruns above the cap set above will require approval of City.	General concern about state law conflicts. Concern that the administrative cap limit is too low	No	CAO legal opinion on this item is under review; the administrative expense cap recommendations are unchanged
1.H Housing Director or designee will have a seat on the Board of Directors as an ex-officio board member, to attend all Board meetings, including executive or closed sessions.	General concern about state law conflicts and conflicting agendas of ex-officio board members.	No	The CAO legal opinion on this item is under review. This structure mirrors the organization of the City of Dallas Economic Development Corporation, which includes the City Manager and Economic

			Development Director as ex-officio board members.
2.A Redirect the corporations to focus their projects to prioritize those that fill the gaps identified in the Housing Needs Assessment and Action Plans for development of units for families below 50% AMI and homeownership opportunities. This can be accomplished through a variety of methods.	Request to soften the language	Yes	Housing believes that Corporations are a great resource in delivery of affordable housing and that by aligning and prioritizing projects against the Dallas Housing Action Plan and Dallas Housing Policy 2033 will assist in tackling the greatest housing needs in Dallas.
2.A.i Written applications/intake must be submitted to the corporations for all discussions and transactions for proposed projects. The corporations will timely notify Housing of new applications.	Remove requirement to receive an application before discussions can begin	Yes	Housing agrees that conversations can happen ahead of a written application, however an intake system must be developed by the corporation to capture the full pipeline of activity.
2.A.ii For existing taxable improved properties, the DHFC will minimize market-rate units (81% AMI and higher) to 10% overall in each project with matching units for 50% AMI. If developments must have more than 10% market-rate units, the 50% AMI units will match. Developments can offer more units at 50% AMI but at no time will developments exceed 20% of units at market-rate.	Revise the formula up to % AMI and/or allow only 2 non-LIHTC projects	Yes	Housing reworked to state that for DHFC non-LIHTC projects, minimize market-rate units (81% AMI and higher) to 10% overall in each project with matching units for 50% AMI. If developments must have more than 10% market-rate units, the 50% AMI units will match. Developments can offer more units at 50% AMI but at no time will developments exceed 20% of units at market-rate. Staff also recommends limiting to no more than 2 non-LIHTC projects annually
2.A.iii DPFC will continue to provide workforce housing	Location of projects should not be limited	No	Projects need to add value to communities and avoid concentrations of poverty.

in areas of greatest need to assist with eliminating concentration of poverty. These areas are R/ECAP and underdeveloped areas. DPFC projects will be limited to areas with poverty rates greater than 20%.			DPFC projects can assist in meeting this requirement by providing market-rate projects in low-income areas and hard to develop areas. The DHP33 states that we are to ensure developments do not concentrate poverty.
2.A.iv DHFC will not request waivers for LIHTC in R/ECAP areas in Dallas or areas with 20% poverty or higher unless redevelopment of an existing low-income property is proposed.	Location of projects should not be limited	No	Projects need to add value to communities and avoid concentrations of poverty. DHFC projects can assist in meeting this requirement. The DHP33 states that we are to ensure developments do not concentrate poverty.
2.A.v All corporation projects located in a TIF district will be reviewed and approved by the TIF board of directors before being considered by HHS Committee or Council.	Location of projects should not be limited	No	Projects need to add value to communities and working with TIF boards is warranted when a property may be removed from contributing to that TIF district. State law already requires that the TIF board of directors' review and approve other types of tax abatements, so this recommendation aligns with similar approvals for other tools.
2.B DHFC and DPFC will require Phase 1 Environmental Reviews to be conducted on all projects and to be further reviewed by the Office of Environmental Quality before presenting to HHSC. The cost of review will be reimbursed by the developer.	This should be the Corporation responsibility	Yes	Housing agrees and this updated language is in the draft program statements - Phase 1 Environmental Reviews are to be conducted on all projects and to be reviewed and certified by the Corporation before presenting to committee and City Council.
2.D	Remove this requirement as	No	Federal and State guidelines do list engagement

Corporations will notify property owners and homeowners associations surrounding the proposed development site of the project and will ensure that each developer holds at least one community meeting about the proposed project before HHS Committee or Council consideration. The City Councilmember of the district in which the proposed project is located shall be invited to all community meetings.	this requirement treats subsidized affordable housing differently than unsubsidized developments		requirements and the DHP33 Engagement Pillar states that we should authentically engage Dallas residents to minimize confusion on planned activities and better understand community interests and expectations.
2 H. For developments that are occupied by existing tenants and that are not otherwise subject to the Uniform Relocation Act (URA), the development proposal must include a City approved relocation plan that:	This should be the Corporation responsibility	Yes	Housing Agrees. City is Replaced with Corporation in draft program statement
2.I. For rehabilitation projects, the proposed scope of work must be informed by a capital needs assessment (CNA), prepared by a qualified third-party professional that is independent from the Development's architect or engineer, builder/general contractor, or other member of the Development Team. The City will review the CNA and conduct a site visit. The CNA must demonstrate to the City's satisfaction that the initial scope of work is	This should be the Corporation responsibility	Yes	Housing Agrees. City is Replaced with Corporation in draft program statement

sufficient to address all City code violations (whether formally cited or not).			
3. Limit uses of revenue to development opportunities only as defined by Housing Director. Development activities can be, but are not limited to acquisition, construction, rehabilitation (multifamily) and infrastructure for housing development.	This should be a joint decision of the board and Housing director	Yes	Housing agrees and both are listed in the draft program statements

Dallas Housing Finance Corporation (DHFC) – Pillars 1, 2, 3, 4, 5, 6, 7
Amended Month, Day, 2025, by Resolution No 25-???

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

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

About Dallas Housing Finance Corporation

The City of Dallas Housing Finance Corporation (DHFC) was created by the City of Dallas in 1984 in accordance with the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code (the Act). Under the Act, the purpose of the DHFC is to assist persons of low and moderate income to acquire and own decent, safe, sanitary, and affordable housing. To fulfill this purpose, the DHFC can be an issuer of tax-exempt bonds. The DHFC may issue bonds to finance, in whole or in part, the development costs of a residential development or redevelopment; the acquisition of existing residential properties, the costs of purchasing or funding the making of home mortgages; and any other costs associated with the provision of decent, safe, and sanitary housing and non-housing facilities that are an integral part of or are functionally related to an affordable housing development. The DHFC is authorized to purchase, lease, own, hold title to, or otherwise acquire an interest in residential development, directly or indirectly through a subsidiary of the DHFC. For both LIHTC and non-LIHTC properties, at least Ninety percent of the units must be set aside for affordable housing.

The DHFC and all property owned by it are exempt from license fees, recording fees and all other taxes imposed by the State of Texas or any political subdivision.

Partnerships

The DHFC can partner with affordable housing developers to produce affordable housing. The DHFC can participate in the partnership structure by becoming the General Partner (GP) of an ownership entity, admitted into a limited partnership with the affordable housing developer and an investor; the Ground Lessor, owning the land on which the development is located and receiving fees for the ground lease from the borrower; Co-Developer, entering into a development agreement with the affordable housing developer; and/or General Contractor, entering into a construction contract (and subcontract) of joint-venture agreement for the construction of the affordable housing development. Of these partnership structures, the DHFC is the sole member of the GP. The DHFC's role as GC allows for sales tax exemption on construction materials.

If the application criteria are met and approved by City Council, then the development can benefit from a tax exemption.

Policies and Procedures

DHFC must have written policies and procedures that outline division of duties, application criteria, fair, equitable, transparent procurement procedures, board terms and assignment and methods to adjust any and all policy or procedure stated.

City Staff Representation on the Board

Housing Director or designee will have a seat on the Board of Directors as an ex-officio board member, to attend all Board meetings, including executive or closed sessions.

Staffing

DHFC staff will handle:

- general administration,
- developer communication,
- notifying Housing staff of new applications received,
- project management,
- project monitoring,
- quarterly reporting,
- annual education for developers,
- attending all Housing and Homelessness Solutions Committee (or others as needed or named) and City Council meetings when board-related agenda items are under consideration.

Housing Staff will handle:

- review projects against city policies,
- long-term monitoring,
- perform administrative functions for items to be placed on committee or council agendas,
- communicate with the corporation staff on reviews, meetings with Councilmembers, questions on projects, and all other pertinent information.

Administration costs will be capped at the lesser of \$1M or 20% of annual revenue from the prior year. When City resources are utilized for compliance and monitoring or other services requested by the corporations, the corporations will reimburse the City for those costs. Administrative overruns above the cap set above will require approval by Director of Housing.

Applications

Applications for partnership agreements shall:

- be submitted in writing to DHFC so that discussions and transactions can be discussed
- prioritize projects that serve families below 50% AMI or have homeownership opportunities,
- not request waivers for LIHTC in R/ECAP areas in Dallas or areas with 20% poverty or higher, unless redevelopment of an existing low-income property is proposed,
- for non-LIHTC projects, minimize market-rate units (81% AMI and higher) to 10% overall in each project with matching units for 50% AMI. If developments must have more than 10% market-rate units, the 50% AMI units will match. Developments can offer more units at 50% AMI but at no time will developments exceed 20% of units at market-rate or allow 2 non-LIHTC projects annually.

Applications may be denied if:

- applicants have open projects underway
- waivers are requested for LIHTC in R/ECAP areas in Dallas or areas with 20% poverty or higher, unless redevelopment of an existing low-income property is proposed,
- project does not align with any term of the program statement, City of Dallas program or regulation.

Community Input

DHFC will notify property owners and homeowners associations surrounding the proposed development site of the project and will ensure that each developer holds at least one community meeting about the proposed project before HHS Committee or Council consideration. The City Council member of the district in which the proposed project is located shall be invited to all community meetings.

Relocation Policy

For developments that are occupied by existing tenants and that are not otherwise subject to the Uniform Relocation Act (URA), the development proposal must include a

Corporation approved relocation plan that: (1) Minimizes permanent displacement from the Development. In the event of permanent displacement, Applicants will be required to provide compensation to affected tenants that is otherwise in alignment with URA requirements; (2) Must provide reasonable notice to affected tenants prior to any temporary relocation and covers all reasonable out of pocket costs incurred by tenants as a result of moving from one unit to another within the Development or temporarily vacating their units to allow rehabilitation work to proceed; and (3) Proposer must meet all applicable state, federal, or local laws relating to displacement of tenants.

Minimum Rehabilitation Requirements

For rehabilitation projects, the proposed scope of work must be informed by a capital needs assessment (CNA), prepared by a qualified third-party professional that is independent from the Development's architect or engineer, builder/general contractor, or other member of the Development Team. The Corporation will review the CNA and conduct a site visit. The CNA must demonstrate to the Corporations satisfaction that the initial scope of work is sufficient to address all City code violations (whether formally cited or not). Further, the scope of work, combined with planned replacement reserve funding, must be determined sufficient to address all projected repairs or replacements of the following items through the entire term of the Development's affordability period:

- All major systems including roof, foundation, electrical, HVAC, and plumbing,
- Interior and exterior windows and doors,
- The interiors of all units including the kitchen and bathroom and all major appliances,
- The exterior of the development, including balconies, walkways, railings, and stairs,
- Communal facilities such as community rooms, fitness centers, business centers, etc.,
- Security features including gates and security cameras, and
- Accessibility.

City Goals and Initiatives

Prior to consideration by the Housing and Homelessness Solutions (HHS) Committee or Council, Housing staff will:

- review DHFC projects for compliance with DHP33 goals, needs identified as priorities, and affordability compliance,
- determine if project is located in a TIF district and if so, project will be reviewed and approved by the TIF board of directors before being considered by HHS Committee or Council.
- require a Phase 1 Environmental Review to be conducted on all projects and to be further reviewed by the corporation to certify the review was cleared before presenting to committee and City Council.

If additional City incentives are requested in conjunction with DHFC tax exemptions, a second fiscal underwrite will be conducted by the Department of Housing or Economic

Development for subsidy layering review before any commitments are authorized.

Monitoring

Long-term affordability monitoring will be conducted by Housing staff, while project monitoring is conducted by corporation staff

Reporting

DHFC staff will provide:

- quarterly reports for the entity and each project in a form satisfactory to the Director of Housing and Community Development, including financial information, property occupancy, crime statistics, project pipeline, and other information requested by the Director from time to time.
- financial audits that must be completed and submitted to the Department of Housing and Community Development no later than December 1st.

Revenue

DHFC will limit uses of revenue to opportunities as defined by Housing Director and the Board of Directors. Development activities can be, but are not limited to acquisition, construction, rehabilitation (multifamily), City services and infrastructure for contributions to housing.

- Funds will be made available to the City and developers annually through the corporation or in another approved application opportunity approved by Housing Director and the Board. Housing and the Board will collaborate on uses of funds that will be presented to the Housing Committee.

Dallas Public Facility Corporation (DPFC) – Pillars 1, 2, 3, 4, 5, 6, 7
Amended Month, Day, 2025, by Resolution No 25-???

~~Created by the City of Dallas in 2020, the Dallas Public Facility Corporation (DPFC) is a Texas public facility corporation and public nonprofit corporation governed by the Public Facility Corporation Act, Chapter 303 of the Texas Local Government Code, as amended (the "Act"). The DPFC is organized exclusively for the purpose of assisting the City in financing, refinancing, or providing "public facilities," as defined by the Act. In general, the DPFC seeks to develop and preserve mixed-income workforce housing communities to serve residents earning at or below 80% of the area median income (AMI) as well as provide non-income restricted units.~~

~~The DPFC is authorized to finance the acquisition of obligations issued or incurred in accordance with existing law, to provide for the acquisition, construction, rehabilitation, renovation, repair, equipping, furnishing, and placement in service of public facilities as allowed by the City and pursuant to the Act.~~

About Dallas Public Facility Corporation

The City of Dallas Public Facility Corporation (DPFC) was created by the City of Dallas in 2020, in accordance with Chapter 303 of the Texas Local Government Code (Code) under the Public Facility Corporation Act (Act). Under the Code, the purpose of the DPFC is organized exclusively for the purpose of assisting the City in financing, refinancing, or providing "public facilities." as defined by the Act. To fulfill this purpose, the DPFC can develop and preserve mixed-income workforce housing communities to serve residents earning at or below 80% of the area median income (AMI) as well as provide non-income restricted units.

The DPFC is authorized to finance the acquisition of obligations issued or incurred in accordance with existing law, to provide for the acquisition, construction, rehabilitation, renovation, repair, equipping, furnishing, and placement in service of public facilities as allowed by the City and pursuant to the Act.

Partnerships

The DPFC can partner with affordable housing developers to produce multifamily or for-sale housing. The DPFC can acquire an ownership stake in the development by becoming the General Partner (GP) of an ownership entity, right of refusal to purchase the improvements, and owning and controlling the land. DPFC is the sole member of the GP.

DPFC can be the General Contractor to allow for sales tax exemption on construction materials.

Policies and Procedures

DPFC must have written policies and procedures that outline division of duties, application criteria, fair, equitable, transparent procurement procedures, board terms and assignment and methods to adjust any and all policy or procedure stated.

City Staff Representation on the Board

Housing Director or designee will have a seat on the Board of Directors as an ex-officio board member, to attend all Board meetings, including executive or closed sessions.

Staffing

DPFC will hire staff for:

- general administration,
- developer communication,
- notifying Housing staff of new applications received,
- project management,
- project monitoring,
- quarterly reporting,
- annual education for developers,
- attending all Housing and Homelessness Solutions Committee (or others as needed or named) and City Council meetings when board-related agenda items are under consideration.

Housing Staff will:

- review projects against city policies,
- long-term monitoring,
- perform administrative functions for items to be placed on committee or council agendas,
- communicate with the corporation staff on reviews, meetings with Councilmembers, questions on projects, and all other pertinent information.

Administration costs will be capped at the lesser of \$1M or 20% of annual revenue from the prior year. When City resources are utilized for compliance and monitoring or other services requested by the corporations, the corporations will reimburse the City for those costs. Administrative overruns above the cap set above will require approval by Director of Housing.

Applications

Applications for partnership agreements shall:

- be submitted in writing to DPFC so that discussions and transactions can be discussed
- prioritize projects that serve families below 50% AMI or have homeownership opportunities,
- not request waivers for LIHTC in R/ECAP areas in Dallas or areas with 20% poverty or higher, unless redevelopment of an existing low-income property is

- proposed,
- provide workforce housing in areas of greatest need to assist with eliminating concentration of poverty. These areas are R/ECAP and underdeveloped areas. DPFC projects will be limited to areas with poverty rates greater than 20%.

Applications may be denied if:

- applicants have open projects underway
- waivers are requested for LIHTC in R/ECAP areas in Dallas or areas with 20% poverty or higher, unless redevelopment of an existing low-income property is proposed,
- project does not align with any term of the program statement, City of Dallas program or regulation.

Community Input

DPFC will notify property owners and homeowners associations surrounding the proposed development site of the project and will ensure that each developer holds at least one community meeting about the proposed project before HHS Committee or Council consideration. The City Council member of the district in which the proposed project is located shall be invited to all community meetings.

Relocation Policy

For developments that are occupied by existing tenants and that are not otherwise subject to the Uniform Relocation Act (URA), the development proposal must include a Corporation approved relocation plan that: (1) Minimizes permanent displacement from the Development. In the event of permanent displacement, Applicants will be required to provide compensation to affected tenants that is otherwise in alignment with URA requirements; (2) Must provide reasonable notice to affected tenants prior to any temporary relocation and covers all reasonable out of pocket costs incurred by tenants as a result of moving from one unit to another within the Development or temporarily vacating their units to allow rehabilitation work to proceed; and (3) Proposer must meet all applicable state, federal, or local laws relating to displacement of tenants.

Minimum Rehabilitation Requirements

For rehabilitation projects, the proposed scope of work must be informed by a capital needs assessment (CNA), prepared by a qualified third-party professional that is independent from the Development's architect or engineer, builder/general contractor, or other member of the Development Team. The Corporation will review the CNA and conduct a site visit. The CNA must demonstrate to the Corporations satisfaction that the initial scope of work is sufficient to address all City code violations (whether formally cited or not). Further, the scope of work, combined with planned replacement reserve funding, must be determined sufficient to address all projected repairs or replacements of the following items through the entire term of the Development's affordability period:

- All major systems including roof, foundation, electrical, HVAC, and plumbing,
- Interior and exterior windows and doors,
- The interiors of all units including the kitchen and bathroom and all major

- appliances,
- The exterior of the development, including balconies, walkways, railings, and stairs,
- Communal facilities such as community rooms, fitness centers, business centers, etc.,
- Security features including gates and security cameras, and
- Accessibility.

City Goals and Initiatives

Prior to consideration by the Housing and Homelessness Solutions (HHS) Committee or Council, Housing staff will:

- review DPFC projects for compliance with DHP33 goals, needs identified as priorities, and affordability compliance,
- determine if a project is located in a TIF district and if so, project will be reviewed and approved by the TIF board of directors before being considered by HHS Committee or Council.
- require a Phase 1 Environmental Review to be conducted on all projects and to be further reviewed by the corporation to certify the review was cleared before presenting to committee and City Council.

If additional City incentives are requested in conjunction with DPFC tax exemptions, a second fiscal underwrite will be conducted by the Department of Housing or Economic Development for subsidy layering review before any commitments are authorized.

Monitoring

Long-term affordability monitoring will be conducted by Housing staff, while project monitoring is conducted by corporation staff

Reporting

DPFC staff will provide:

- quarterly reports for the entity and each project in a form satisfactory to the Director of Housing and Community Development, including financial information, property occupancy, crime statistics, project pipeline, and other information requested by the Director from time to time.
- financial audits that must be completed and submitted to the Department of Housing and Community Development no later than December 1st.

Revenue

DPFC will limit uses of revenue to opportunities as defined by Housing Director and the Board of Directors. Development activities can be, but are not limited to acquisition, construction, rehabilitation (multifamily), City services and infrastructure for contributions to housing.

- Funds will be made available to the City and developers annually through the corporation or in another approved application opportunity approved by Housing Director and the Board. Housing and the Board will collaborate on uses of funds

that will be presented to the Housing Committee.