

Memorandum



CITY OF DALLAS

DATE August 26, 2016

TO Honorable Mayor and Members of the City Council

SUBJECT FY 2016-17 Budget Amendments

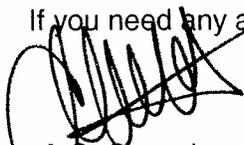
Last night, the last of 39 budget town hall meetings were held where Council Members received citizen input regarding the City Manager's proposed budget for FY 2016-17. At this point in the budget process, Council proposed amendments are considered. Below is the schedule for considering those amendments.

- Thursday, Sept 1st – proposed amendments are due to the City Manager's Office
- Friday, Sept 2nd – all proposed amendments received on Sept 1st or before will be packaged and provided to all Council Members as part of Friday packets
- Tuesday, Sept 6th – any proposed amendments received after Sept 1st will be packaged and emailed to all Council Members
- Wednesday, Sept 7th – discussion and straw votes on Council Member proposed amendments
- Tuesday, Sept 13th – additional time to discuss Council Member proposed amendments (if necessary)
- Friday, Sept 16th – amendments that receive majority support through the straw vote process will be incorporated into the FY 2016-17 budget ordinances
- Wednesday, Sept 21st – final adoption of the FY 2016-17 budget ordinances

Council action earlier this week reserved the option to set the tax rate at \$0.7842 which would increase General Fund revenue by \$3,230,494.

Please submit any proposed amendments to the City Manager's Office by Thursday, Sept 1st. **Council Member proposed amendments should be balanced with any use of funds having an offsetting source of funds.**

If you need any additional information, please contact me.



A.C. Gonzalez
City Manager

c: Christopher D. Bowers, Interim City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
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
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Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager

Memorandum



CITY OF DALLAS

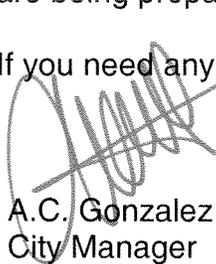
DATE August 26, 2016

TO Honorable Mayor and Members of the City Council

SUBJECT Responses to Budget Questions

Attached is the second set of responses to budget questions asked by City Council members during the August 9th budget workshop. Additional responses are being prepared and will be forwarded as they are available.

If you need any additional information, please contact me.



A.C. Gonzalez
City Manager

Attachment

c: Christopher D. Bowers, Interim City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager
Eric D. Campbell, Assistant City Manager

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Elsa Cantu, Assistant to the City Manager

FY 2016-17 Proposed Budget – Response to Council Questions

1. What other options are there for police and fire uniform compensation increases compared to the increase included in the proposed budget, and how do the cost of each compare?

Response: The City Council was provided a briefing on Public Safety Compensation Update on August 17th by Human Resources Director. Additional strategies are being developed as conversations continue in the Meet and Confer process.

2. What options are there for providing increased compensation for all uniform employees, not just those that are “step-eligible”?

Response:

- Increase the number of steps available
- Increase “special pay” such as patrol duty pay, paramedic pay, certification pay, etc.
- Across-the-board pay increases

3. Provide a status update of the Meet and Confer negotiation process.

Response: The City Council was provided a briefing on Public Safety Compensation Update on August 17th by Human Resources Director. The briefing included information related to Meet and Confer. Meet and Confer negotiations are on-going at this point. The last meeting was held on August 26th.

4. What is the cost of 1% cost of living adjustment (COLA) for all uniform employees?

Response: A 1% COLA for uniformed employees costs \$4.5m which includes pension of 27.5% and Medicare of 1.45%.

5. Is the Dallas Marshals Office included in the Public Safety salary increases?

Response: Marshals are not included in the Meet and Confer Agreement. Marshals are part of the civilian pay system and will receive the average 3% merit as other civilian employees.

6. How much money is available in the forestry fund and can it be used to implement the new Forestry Division in FY17?

Response: The Reforestation Fund currently has a balance of approximately \$5.6m with annual increases. As stated in the ordinance, the fund may only be used for the purchase of trees for planting on public land and the acquisition of woodlands. Funds are spent annually under the Dallas Reforestation Program to provide trees for city planting projects with volunteer tree planting. Some of these projects are done in medians following the Mowmentum review process.

As currently provided by ordinance, the funds cannot be directly applied to the proposed new Mobility and Street Service department’s Forestry Division operations, but may be available, as needed, for the purchase of trees for planting projects. Staff is reviewing ordinance amendments with the Zoning Ordinance Committee for their recommendations and expects to move forward within two months.

7. What is included in the budget to address aging traffic signals?

Response: Current funding includes approximately \$2.8m for materials, equipment, and labor for maintenance of existing signals and repairing signals that are knocked down in accidents.

Staff anticipates replacing approximately 25 existing traffic signals at high accident locations through a federal grant of approximately \$10m. The City's contribution is \$1.8m.

At this time, there is no funding for installation of new traffic signals since the 2006 bond allocations for this purpose have already been expended. Additionally, there is no budget allocation for replacing traffic signals that are past their useful lives.

8. How much in future bond funds will be required in FY17 to be able to maintain the current street condition with zero degradation?

Response: \$27.3m would be needed from the planned 2017 Bond Program.

9. How much money is being proposed in FY17 in order to maintain the current street condition?

Response: \$132.9m is included in the FY17 budget to maintain the current street condition. The source of those funds are listed below.

General Fund	\$ 48,340,890
DWU street rental	5,289,391
Sanitation franchise fee	1,992,220
ROW assessments	1,130,229
2006 & 2012 bond funds	44,000,000
2017 planned bond funds	27,300,000
CDBG	640,000
DWU pipeline replacement	4,197,526
Total	\$ 132,890,256

10. How much more money would be required in FY17 to not just maintain the street condition but to start improving the condition?

Response: Increasing the funding above \$132.9m (FY17 proposed funding) would improve street conditions to some degree. To make a 1% improvement in the overall condition of the streets, at least \$30m is needed, assuming that all of the work is resurfacing and that contractors are available to do the work.

11. What funding is included in proposed budget to address sidewalks near DART stops?

Response: The FY17 proposed budget includes \$136,250 to address sidewalks near DART stops.

12. What is the funding for and schedule for security improvements to police headquarters and substations?

Response:

- Funding
 - Capital Construction Funds: \$1m set aside in FY16 capital budget for DPD security enhancements.
 - CIS Technology Upgrade Funds: \$389,750
 - 2006 Bond Funds – Public Safety Facilities (Proposition 12): \$410,000
- Schedule
 - August 10, 2016: Authorize architectural and engineering services for construction documents and construction administration
 - October 2016: complete design phase (7 substations)
 - November 2016 - April 2017: construction work on 7 substations
 - January 2017: complete design phase of Jack Evans Police Headquarters
 - February 2017: bid construction work for headquarters
 - April 2017: award construction work for headquarters
 - May 2017: construction at headquarters to begin
 - November 2017: construction complete

13. What is the proposal for funding the bike plan and to get us back on schedule?

Response: The FY17 budget proposal includes \$500,000 for implementing on-street bike facilities.

The implementation schedule included in the 2011 Bike Plan was as follows:

- Near-term projects (2012 -2014): 82 miles
- Medium-term projects (2015-2017): 281 miles
- Long-term projects (2018-2021): 264 miles

The current status of implementation is as follows:

- Near-term projects complete/underway: 25 miles
- Medium-term projects complete/underway: 20 miles

Remaining bike facilities needed to bring implementation back on schedule with approximate costs is as follows (estimates include striping costs only – actual costs would be determined during design):

- Near-term projects (57 miles remaining): \$3.4m
- Medium-term projects (261 miles remaining): \$15.7m

14. How long will the City be required to fund the Oak Cliff Streetcar?

Response: The City's cost for operation of the Oak Cliff streetcar is indefinite.

15. Provide information about the home improvement rebate program and what areas will have access to the program?

Response: The Home Improvement Rebate Program (HIRP) is designed to provide incentives, up to \$5,000, for owners to invest in home improvements in targeted neighborhoods. The proposed plan is for the Neighborhood Plus and Neighbor Up target areas.

16. What is the status of funding and deployment of body cams?

Response: 550 body worn cameras (BWC) are currently deployed. The department plans to have an additional 450 for a total of 1,000 BWC deployed by January 2017, which were paid for by UASI (Urban Areas Security Initiative) funding. The purchase of 1,000 cameras will exhaust the current purchasing authority and a new request for proposals (RFP) will be issued to purchase any additional cameras.

Additionally, more funding must be obtained and infrastructure upgrades will be necessary to allow for more cameras.

17. Provide an update of the Park senior services program that was restored in the FY16 budget and the plan for the program in FY17.

Response:

FY16 Senior Program Division highlights include:

- Conducted 16 community roundtable meetings, and met with over 500 seniors. Programs and activities are being implemented throughout the city based on the feedback received during the meetings
- Increased Park Department senior program registration by 74% (2015 YTD/2016 YTD comparison)
- Purchased 3 15-passenger vans to support program activities and trips
- Established a program partnership with Dallas Public Library and the Office of Cultural Affairs to implement technology and art programs beginning at 10 locations
- Hired 6 program staff for the Senior Program Division
- Hosted the following special events:
 - May 6, 2016 – Annual Mother’s Day Luncheon-City Wide (600 in attendance)
 - May 26, 2016 – Dallas Senior Derby Days @ Texas Horse Park (300 in attendance)
 - June 14, 2016 – First Annual Father’s Day Luncheon-City Wide (250 in attendance)

FY17 plans include:

- Continued deployment of the Active Senior and Adult Programs (ASAP) at 42 recreation centers
- Aquatics and additional program development for seniors (per survey requests)
- An increase of the program partnership with the Dallas Public Library and the Office of Cultural Affairs
- Implementation of the Senior Games (Spring 2017)

18. What was the initial gap that was identified for FY17 at the beginning of the process?

Response: The first outlook provided for FY17 General Fund was provided to Council on December 2, 2015. At that time, a gap between General Fund Revenues and Expenses was forecast to be \$49.1m. Update briefings were provided in February, March, May, and June as additional Council input was included and as additional analysis was completed. The proposed budget submitted to Council on August 9, 2016 is balanced for FY17.

19. What funds are available across departments for Neighborhood Plus?

Response: The Planning and Urban Design department includes the Neighborhood Vitality Division which is dedicated to community engagement, planning and coordination for Neighborhood Plus target areas with a proposed budget of \$1,399,994 and 10 positions. The Housing Department's budget includes \$500,000 for the proposed home improvement rebate program targeted at homeowners in Neighborhood Plus/Neighbor Up target areas. Additionally, there is \$1.6m in the CDBG budget for infrastructure improvements for Neighborhood Plus.

20. What can the City do to address the safety within RISD locations within city of Dallas?

Response: The Northeast (NE) Division has a close working relationship with RISD. Each year, NE coordinates with RISD to ensure an adequate police presence around the RISD schools especially at the beginning of the school year as well as throughout the year. NE is already posed to provide extra patrols for the start of school this year. NE communicates with the district frequently to address any concerns.

21. Where will the 50 Public Safety Officers be utilized?

Response: The 50 Public Safety Officer (civilian) positions will be used in several areas of the department. Below are areas they will be allocated:

- 21 Patrol (3 per patrol station)
- 13 Crime Scene
- 12 Jail
- 4 Personnel

22. How much is it costing the City to collect past due fines? How cost effective will it be if we just drop those old cases in the future?

Response: There is no cost for the City to collect on delinquent fines. The defendant is assessed a Collection Agency fee of 30% of the balance due. This assessment is approved by the State Legislature. Since it costs the City nothing to pursue, there would be no cost advantage in forgiving delinquent citations. The collection agency bears all related costs in tracking down delinquent defendants and the City receives approximately \$4m to \$5m annually through the agency's efforts.

Discontinuing collection efforts on delinquent fines could possibly encourage others to not pay their fines if it is anticipated that uncollected amounts may be forgiven.

23. Provide information about the Little Free Library program.

Response: The Little Free Library program is a partnership with Dallas Public Library, Big Thought and bcWorkshop, and is a community driven project to build little free libraries in West Dallas, South Dallas/Fair Park, and South Oak Cliff. These little free libraries have been mainly associated with multifamily developments and community centers. The Library is in the process of raising money to continue the program and is in discussion with a corporate funder to provide Little Free Libraries in former Bookmobile stop locations where feasible.

24. What funding is included in the budget for city facility maintenance?

Response: The proposed budget includes \$13.1m in the General Fund for routine maintenance of City facilities, \$3.8m for major maintenance of City facilities, and an additional \$1.0m for major maintenance specifically for City-owned cultural facilities. These funds are allocated for maintenance of city-owned General Fund facilities and does not include enterprise-owned facilities such as Aviation, Water Utilities, and Convention Center.

25. Provide information about the DISD-City pilot for an aquatics program.

Response: The Park Department (PKR) proposes to pilot aquatics programming at DISD's Pleasant Grove Pool in FY17. PKR will provide programming during times when DISD has no scheduled programming. The program is anticipated to begin January 2017 and would operate Monday – Friday from 9am to 4pm for up to 38 weeks per year. After the first year, the program will be evaluated by both agencies and either expanded to additional locations or discontinued. If future City funding is not approved, DISD would have the option to fund the program which PKR would operate.

26. Does Animal Services have the equipment that they need?

Response: In equipping shelter and field operations for a division as large and complex as Dallas Animal Services, there are always opportunities to upgrade equipment. During the current fiscal year, improvements have been made to ensure Dallas Animal Services has the equipment needed. A new field management team and a warehouse coordinator were hired in the Spring of 2016 and have implemented regular equipment inspections, inventories, and ordering. The FY17 proposed budget includes approximately \$435K for equipment.

27. What additional resources are available for improvements in Animal Services?

Response: Currently, Dallas Animal Services supplements City funding with several partnerships, grants, and collaborations to deliver as many services and programs as possible. For FY17, the City Manager's proposed budget includes an additional \$1.5m to address the following high priority needs:

- a. Four staff positions to provide on-duty overnight coverage four nights per week (\$450K)
- b. Free spay/neuter surgeries and microchipping to combat loose dogs in high impact areas (\$1.0m)
- c. Increase shelter capacity by offering monetary stipends to transfer partners to encourage the transfer of more animals out of the shelter (\$25K)

- d. Establish a fence repair/build program to assist pet owners to prevent loose dogs in high impact areas (\$25K)

Additional improvements and opportunities will be included in the Boston Consulting Group (BCG) strategic plan (to be briefed on Tuesday August 30th).

28. What metrics will be used to know if the additional efforts in Animal Services is effective or not?

Response: Specific to the \$1.5m budget enhancement, the following metrics will be tracked to gauge effectiveness:

- a. Emergency call response time during deep night hours - target: reduce from approximately 90 minutes to 30 minutes
- b. Number of free spay/neuter surgeries - target: increase by 11,000 per year
- c. Number of animals to transfer partners - target: increase by 500 per year
- d. Number of animals returned to owner - target: increase by 20% from approximately 160 per month to 190 per month

29. What additional budget would be needed to have not just 4 evenings per week of animal service but to have 7 evenings per week of Animal Services?

Response: Adding a second deep-night shift would cost approximately \$450,000 for 1 Supervisor, 3 Animal Services Officers, equipment, and 2 vehicles.

30. What is included in the FY17 budget for small arts organizations?

Response: The proposed FY17 budget maintains current services, provides peak levels of cultural funding, and includes approximately \$1.8m for cultural services contracts with small to mid-sized arts organizations (with budgets less than \$1m), including \$275,000 in programming at OCA-managed cultural centers. This is approximately \$90,000 more than current year due to enhancements for Dallas Arts Month, Sammons Center for the Arts, and a projected increase to Hotel Occupancy Tax collections. Funding for services from individual artists through the Community Artist Program is unchanged from current year at \$280,000.

31. How will it be determined how the \$1m for existing City art facility deferred maintenance will be expended?

Response: Priorities will primarily be based on the facility condition assessment project, currently underway and to be completed this fall, and coordination between the Office of Cultural Affairs and Equipment and Building Services staff.

Memorandum



CITY OF DALLAS

DATE August 26, 2016

TO Honorable Mayor and Members of the City Council

SUBJECT Follow-up to Council Budget-Related Briefing Requests

At the August 9th presentation of the FY 2016-17 proposed budget, Council Members were asked to identify topics for budget-related briefings. Based on feedback received, the following briefings have been provided or will be provided.

August 17th

- Code Compliance Chapter 27
- Public Safety cost considerations and Meet & Confer
- Property Tax Rate

August 29th

- Fair Park

August 30th

- Dallas Animal Services

September 7th

- Infrastructure and 2017 Bond Program
- Poverty

Other requests for additional information received from Council Members will be addressed through responses to budget questions.

If you need any further information, please contact me.

A handwritten signature in black ink, appearing to read 'A. C. Gonzalez'.

A. C. Gonzalez
City Manager

c: Christopher D. Bowers, Interim City Attorney
Craig D. Kinton, City Auditor
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Memorandum



DATE August 26, 2016

TO Honorable Mayor and Members of the City Council

SUBJECT Final HUD Monitoring Reports and Repayments

Staff has been directed to notify the City Council of expenditures identified as ineligible not later than 30 days after the reimbursement and be informed of all final HUD audit reports not later than 30 days after the receipt of the report. The purpose of this memo is to provide the status of the most recent final monitoring report received from HUD and repayments made to the City's line-of-credit.

HUD routinely monitors the expenditure of the City's federal funds to ensure compliance with their regulations. When expenses are determined by HUD to be ineligible or disallowed and other corrective actions are not acceptable, the City may be required to return funds to HUD. Repaid funds are deposited to the City's line of credit to be used for other eligible HUD projects; the funds are not lost. When repayment is required, the City utilizes funds such as those from one-time revenue generated outside of HUD projects or other non-federal funds.

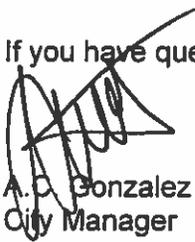
1. An onsite monitoring review of the City of Dallas' CDBG Program was conducted by HUD the week of June 13-17, 2016. The purpose of the review was to assess the city's performance and compliance with applicable federal program regulations and requirements. The CDBG program areas reviewed during the visit were eligibility, national objective compliance, and overall program management for FY 2014-15. CDBG expenditures for FY 2014-15 totaled \$17,090,042.64. A limited civil rights review of the City's CDBG program was also conducted. HUD's letter to the City dated July 29, 2016 provided results of the review. There were no findings or concerns noted by HUD. (Attachment A)
2. At the request of the local Fort Worth Office, HUD's Department Enforcement Center (DEC) reviewed costs incurred by the City of Dallas for housing rehabilitation delivery under the CDBG Program. An onsite review was conducted on February 9, 2016. Additional documentation was submitted and analyzed remotely through March 17, 2016. The review covered disbursements made during FY 2014-15 totaling approximately \$5.8m. The scope of the review also included a review of support documentation for CDBG funded housing rehabilitation activity delivery charges reported in the Consolidated Annual Performance and Evaluation Report (CAPER) for FY 2011-12, FY 2012-13 and FY 2013-14, approximately \$8.9m. HUD questioned the use of CDBG funds to pay costs for staff working on development projects that had multiple funding sources. HUD also questioned support documentation for housing rehabilitation costs that could not readily be tracked to each specific property assisted through the volunteer program, People Helping People. This review resulted in HUD requesting the City to provide source documentation to support costs in the amount of \$390,976.87. (Attachment B)

After review of the City's submission, HUD reduced the amount of questioned costs to \$194,257.88. City staff continued to work with HUD to resolve the matter without having to repay funds. On August 15th, additional documentation was submitted and a repayment to HUD was issued in the amount of \$106,568.37 for costs that could not be resolved. Negotiations are ongoing related to the remaining balance of \$87,689.51 of questioned costs.

While funds were repaid in order to bring this matter to a close, we strongly disagree with the unprecedented level of detail and recordkeeping required by HUD for this program. As an example, building materials were purchased in bulk using the City's master agreements. Items included 5 gallon buckets of paint, bags of concrete and face masks worn by volunteers. In order to comply with HUD's requirements, each of these costs would need to be further allocated to each property based on the quantity used at each property. Requirements to meticulously track each cost specifically allocated to the property in order to maintain compliance is administratively burdensome and challenges our ability to work efficiently with community partners.

3. On June 15, 2016, the City Council authorized voluntary refund of \$479,540.77 in CDBG funds used to purchase property located at 138 W. Davis. As a reminder, the scope of the original project included median and pedestrian streetscape improvements and a public plaza. Before the CDBG project was completed, a planned development project in the Oak Cliff Gateway TIF District proposed abandonment of a portion of the property that had been purchased with CDBG funds. According to HUD regulations, the proposed abandonment of a portion of 138 W. Davis triggered change of use provisions at 24 CFR 570.505. In order to provide the most flexibility for the developer with design and timing, the City opted to make a voluntary repayment of all CDBG funds used for the prior purchase of the 138 W. Davis tract. A condition of the TIF agreement for the development project requires the **developer to refund the City for the voluntary HUD repayment.** Repayment in the amount of \$479,540.77 that was paid for the property purchased with CDBG funds was also issued to HUD on August 15th. (Attachment C)

If you have questions or additional information is needed, please let me know.



A.C. Gonzalez
City Manager

Attachments

c: Community Development Commission
Christopher D. Bowers, Interim City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager
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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
 Fort Worth Regional Office, Region VI
 Office of Community Planning and Development
 801 Cherry Street, Unit #45, Suite 2500
 Phone (817) 978-5965 - Fax (817) 978-5567
 Fort Worth, TX 76102
 www.hud.gov

ATTACHMENT A

JUL 29 2016

A.C. Gonzalez, City Manager
 City of Dallas
 1500 Marilla
 Dallas, TX 75201

RECEIVED

AUG 04 2016

OFFICE OF
 FINANCIAL SERVICES

Dear Mr. Gonzalez:

SUBJECT: Onsite Monitoring Review
 Community Development Block Grant (CDBG) Program
 B14-MC-48-0009

HUD conducted an onsite monitoring review of the City of Dallas' CDBG Program the week of June 13-17, 2016, to assess the city's performance and compliance with applicable federal program regulations and requirements. The review was conducted by Senior Community Planning and Development Representatives Kristin Hadawi and Cecelia Peppers-Johnson.

The CDBG program areas reviewed during the visit were eligibility, national objective compliance, and overall program management. A limited civil rights review of the city's CDBG program was also conducted.

The preliminary results of our review were communicated at the exit conference on June 17, 2016, which was attended by the following city staff.

Office of Financial Services		Housing/Community Services Department	
Chan Williams	Assistant Director	Patrick Inyabri	Assistant Director
Justus Bolo	Community Development Manager	Angelyn Page	Asset Management & Compliance Manager
Terry Ryan	Budget Manager	Brenda Sparks	Budget Manager
Melvin Doddy	Compliance Manager	Joseph Hillenbrand	Childcare Services Manager
Sarah Carroll	Coordinator III	Danita Williams	Coordinator IV
Dallas Fire Department			
Richard Ngugi	Business Manager	Rebecca Matthews	Fire Prevention Captain

The enclosed monitoring report contains the results of our review, which resulted in no findings or concerns. Thank you for the courtesies extended to my staff during their review. We appreciate your staff's cooperation and assistance.

If you have any questions about the enclosed report, please contact Ms. Hadawi at (817) 978-5959 or kristin.d.hadawi@hud.gov.

Sincerely,


for Shirley J. Henley
Director

Enclosure

cc: Chan Williams, Assistant Director, Office of Financial Services^v

MONITORING REPORT
Community Development Block Grant (CDBG) Program
City of Dallas, Texas - B14-MC-48-0009
June 13-17, 2016

OVERVIEW

Monitoring is the principal means by which HUD ensures that programs and technical areas are carried out efficiently, effectively, and that the programs comply with applicable laws and regulations. It assists grantees in improving their performance, developing or increasing capacity and enhancing their management and technical skills. In determining which grantees will be monitored, the Department uses a risk-based approach to rate grantees, programs and functions, including assessing the Department's exposure to fraud, waste and mismanagement.

SUMMARY OF RESULTS AND CONCLUSIONS

This report details the results of the monitoring review and contains no findings. Exhibits from the *Community Planning and Development Monitoring Handbook 6509.2* were used to guide the review; they are available at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/cpd/6509.2

SCOPE OF REVIEW

The CDBG program areas reviewed during the visit were eligibility, national objective compliance, and overall program management, and included activities reported in the 2014 program year Consolidated Annual Performance and Evaluation Report (CAPER), which covered the period of October 1, 2014 to September 30, 2015. A limited civil rights review of the city's CDBG program was also conducted. The following activities were reviewed for compliance with eligibility and national objective documentation. The review consisted of either a file documentation review, an onsite visit to the project, or both.

- Public Services (eligible under 570.201(e))
 1. Senior Affairs, 12069
 2. Child Care, 12067
- Public Facilities and Improvements (eligible under 570.201(c))
 1. NIP, West Dallas, 11863
 2. NIP, Ideal/Rochester, 11622
- Code Enforcement (eligible under 570.202(c))
 - NIP Code Compliance, 12088
 - Dedicated Safe II Expansion PD, 12087
 - Dedicated Safe II Expansion FD, 12086
 - Dedicated Safe II Expansion Code, 12085
- Commercial Rehabilitation (eligible under 570.202(a)(3))
 - Façade Improvements, 12213

AREAS REVIEWED AND RESULTS

Review of Eligibility (Exhibit 3-1)

Each activity undertaken by a grantee must fit one of the categories of eligible activities identified in Subpart C of the CDBG regulations at 24 CFR Part 570. Grantees are required to maintain records for each activity that fully describe the activity assisted, including its geographic location and the provision in subpart C under which it is eligible.

Project files for the activities identified above were reviewed to determine if the activities carried out were eligible, appropriately classified and documented by the city. Our review found that the projects reviewed were eligible under the CDBG program and documented in the files.

Review of National Objective

Grantees are required to maintain evidence that each of their assisted activities meets one of the three national objectives of the CDBG program: benefiting low and moderate income (LMI) persons; aiding in the prevention or elimination of slums or blight; or meeting other community development needs having a particular urgency. The documentation requirements for each of the national objectives are described at 570.208, while the recordkeeping requirements are described at 570.506.

Review of National Objective of Low and Moderate Income Area Benefit (Exhibit 3-2)

Our review of area benefit included two public improvement activities, two commercial rehabilitation activities and four code enforcement activities. Since the 2014 CAPER identifies these activities as meeting the national objective of benefit to LMI persons on an area basis, we reviewed the file for compliance with 24 CFR 570.208(a)(1) and 24 CFR 570.506(b)(2).

The public improvement and commercial rehabilitation activities included in our review were completed in a Neighborhood Investment Program (NIP) area. Through the NIP Initiative, the city targets resources to revitalize five designated neighborhoods in very low-income areas.

Public Improvement Activities

We reviewed one sidewalk improvement project and one park improvement project completed in the West Dallas NIP. We also reviewed an activity in the Ideal/Rochester NIP which encompassed street, waterline, sidewalk and streetscape improvements to Bexar Street. Each of the project files contained a map clearly showing the boundaries of the service area and the block groups within the service area. The files also included a description of the basis used to determine the service area, the percentage of LMI persons, and the data used to calculate the percentage.

Commercial Rehabilitation Activities

Two façade improvement activities in the Ideal/ Rochester NIP area were selected for review, one convenience store and one grocery store. The improvements to both stores were underway during our review. Each of the project files included documentation showing the store's service area and the percentage of residents who are LMI. According to the documentation, 86.94 percent of the residents in the service area for Hatcher Convenience Store, 86.94 percent of the residents in the service area for Hatcher Convenience Store, and 86.55 percent in JBC Market's service area are LMI.

We also reviewed the city's two code enforcement programs funded by CDBG.

NIP Code Compliance

This program provides enhanced code enforcement in the city's five NIP areas. CDBG funds are used for the salaries, benefits and operating expenses for the eight dedicated code inspectors who work exclusively within the boundaries of the city's NIP areas. To review compliance, we reviewed the five NIP service area maps and the applicable census data to ensure that all 18 block groups in the five NIP areas qualify and have been accurately reported in the CAPER. We also examined the quarterly reports submitted by the Code Compliance Department on the cases worked. The Office of Financial Services staff provided us a map of the CDBG-eligible areas used by the Compliance Department.

Dedicated Safe II Expansion Program

The SAFE Team was created to reduce criminal nuisances by integrating the police department, code enforcement department, the fire department, and focusing on substandard properties where criminal activities hamper or prevent community revitalization. While the TEAM may work in any of the city's LMI areas, most of the cases assigned to the team are in neighborhoods with high crime levels and extensive code violations. We found that the project file contained quarterly reports and a map of the CDBG-eligible census tracts and block groups in the city. We met with Fire Department staff responsible for the oversight of the fire department's role in the Safe II Program.

Based on our review, the four code enforcement activities reviewed met the area benefit national objective.

Review of National Objective of Low and Moderate Income Limited Clientele Benefit (Exhibit 3-3)

The two activities selected for review were intended to meet the national objective of benefit to LMI persons. Because the 2014 CAPER identifies both of the public services activities as serving a limited clientele, we reviewed the files for compliance with 24 CFR

570.208(a)(2) and 570.506(b). The public services activities reviewed use two different criteria to establish compliance with the national objective.

- The City of Dallas Office of Senior Affairs uses CDBG funds to provide case management, referrals, outreach and educational services to individuals 60 years of age and older. Compliance is based on presumed benefit in accordance with 24 CFR 570.208(a)(2)(A). During our monitoring visit, we reviewed the program binder which includes information on the number of unduplicated persons served by month, and the services provided. The city maintains a program log which identifies each person assisted by telephone with information and referral services. For each beneficiary, the log includes each individual's name, age, race, sex, address, zip code, district, phone number, the type of referral provided, and follow up actions taken. We recommend that the city add "date of birth" to the information collected and tracked in the program log. The information reviewed onsite was consistent with the information reported on persons assisted in the 2014 CAPER.
- The City of Dallas Child Care Services Department uses CDBG funds to provide child care subsidies for low- to moderate-income, working parents and teenage parents who are attending school and do not qualify for any other child care assistance programs. To ensure that at least 51 percent of the children served are from LMI families, the city collects information on family size and income in accordance with 24 CFR 570.208(a)(2)(B) and 570.506(b). According to the CAPER, 104 children participated in the day care program. We reviewed a random sample of files for 10 children. Each program participant file reviewed contained a program application, income documentation, and a subsidy calculation worksheet. We found that the appropriate Section 8 income limits were used to determine CDBG eligibility. We commend the Child Care Services Department on the quality of its program files. Not only did all of the 10 files reviewed contain sound documentation that the children served were from LMI families, they were consistent and well organized.

Review of Overall Management Systems (Exhibit 3-17)

We performed a limited review of the city's overall CDBG program management to determine if there were adequate systems in place for ensuring that program funds are used in accordance with program requirements. The Office of Financial Services (OFS) Department serves as the city's overall grant administrator and is responsible for preparation and submission of the Consolidated Plan, Annual Action Plans, CAPERs and other compliance reports. OFS manages the annual grant cycle, including citizen participation. It also conducts training and provides technical assistance to subrecipients and other city departments on grant requirements. OFS has a system for tracking the progress of individual activities and the timely expenditure of funds, and OFS staff monitors all CDBG-funded activities annually. To ensure compliance with the

recordkeeping requirements at 24 CFR 570.506, we recommended changes to the way OFS maintains CDBG-funded project files.

Review of Civil Rights-Related Program Requirements (Exhibit 22-1)

A limited civil rights review of Dallas' CDBG program was conducted. The purpose of our review was to determine whether the city maintains records required by 570.506(a), (b) and (g)(1), (2) and (6), if the information reported to the city is consistent with the city's records, if the records maintained by the grantee accurately portray the activities undertaken, and if the actions taken by the city to further fair housing are documented.

The review consisted of a review of the city's records and interviews with staff. The city completed its most recent Analysis of Impediments (AI) in June 2010. The AI identified six impediments and an action plan for addressing each one. A copy of the AI was obtained and has been provided to HUD's Office of Fair Housing and Equal Opportunity (FHEO) for review. Our Civil Rights review notes have also been provided to FHEO. That office will be in direct contact with you in the event there are any questions or if it intends to perform a follow-up review.



0 8 APR 2016

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Fort Worth Regional Office, Region VI
Office of Community Planning and Development
801 Cherry Street, Unit #45, Ste. 2500
Fort Worth, TX 76102
www.hud.gov

ATTACHMENT B

Mr. A.C. Gonzalez
City Manager
City of Dallas
1500 Marilla, Room 4EN
Dallas, TX 75201

Dear Mr. Gonzalez:

**SUBJECT: Community Development Block Grant (CDBG) Housing Rehabilitation Activity
Delivery Costs Review Results – Departmental Enforcement Center (DEC)**

The purpose of this letter is to transmit the results of the review undertaken by HUD's Department Enforcement Center (DEC) at the request of this office of costs incurred by the City of Dallas for housing rehabilitation delivery under the CDBG Program. The review was requested after our examination of activities reported by the city in the Integrated Disbursement Information System (IDIS) showed disbursements by the city during the most recent program year for 14H – Rehab Administration exceeded the amount of disbursements for actual rehabilitation hard costs. The review also included an examination of disbursement made for 14J – Housing Services which are CDBG funds utilized for costs in support of activities undertaken through the HOME Investment Partnerships Program.

Our review of disbursements during the most recent program year which ended on September 30, 2015 revealed that the City of Dallas had disbursed \$3,304,312.37 for 14H – Rehab Administration activities and \$2,583,743.35 in actual rehabilitation costs for single family housing rehabilitation projects across several single family housing programs. Review of information entered by the city in IDIS also indicated that rehab administration and housing rehabilitation costs were not being properly classified under individual activities. This prevented analysis of the city's actual costs to deliver its individual housing rehabilitation programs.

In conducting its review the DEC examined supporting documentation being maintained by the city for a sample of disbursements made for 14H – Rehab Administration and 14J- Housing Services activities over the three most recent program years. The DEC's review, a copy of which is enclosed, found that the city is not properly tracking staff costs to individual housing rehabilitation programs and is not maintaining sufficient source documentation to support that the CDBG funds being drawn from IDIS are for actual costs incurred for the delivery of CDBG-funded housing rehabilitation activities.

In addition, for the People Helping People program, it would appear that housing rehabilitation costs are being charged as rehabilitation administration and that the organization is undertaking non-housing rehabilitation activities to include public services and housing maintenance. The invoices for housing rehabilitation costs cannot be tracked to specific units that are being assisted and common costs such as systems and equipment are not being properly allocated to the different activities the organization undertakes.

Based upon the sample review it has been determined that the city is not maintaining documentation to adequately support the use and eligibility of the CDBG funds disbursed for the activities review. Of the \$403,561.79 in CDBG disbursements in the sample, supporting documentation was not sufficient to support the actual use and eligibility of \$390,976.87.

In order for this office to reach a determination on the eligibility of the unsupported costs identified in this report the city must complete the following action. If adequate documentation cannot be provided to support the use of these funds repayment will be required.

- Provide supporting documentation on the unsupported costs that support the actual use of the funds disbursed and their relation to a CDBG-assisted rehabilitation activity.

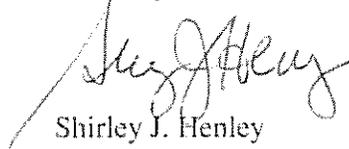
The city must also take the following steps to ensure that 14H – Rehab Administration costs are being properly supported, tracked and reported against the housing rehabilitation programs being undertaken:

- Revise its systems for tracking employee time and allocating employee benefits so that they are reported based upon the housing rehabilitation program under which they are incurred.
- Implement a system to ensure that only eligible costs are charged to 14H – Rehab Administration and that accurate supporting documentation is being maintained.
- Develop a cost allocation plan for its CDBG housing rehabilitation programs so that shared and common costs are properly allocated among programs.
- Revise its procedures for reporting activities, accomplishments and costs in IDIS so that rehabilitation programs and associated delivery costs are reported as distinct activities.
- Institute management controls to ensure sufficient oversight and review of program reporting in IDIS.

Within 30 days of the date of this correspondence the city must provide source documentation to support the \$390,976.87 in unsupported costs. The city must also provide a timetable for completing the four actions outlined above. The timetable should not exceed 90 days from the date of this letter and when completed the corrective actions will be reviewed by this office.

Should you have further questions please have staff contact Stephen Eberlein, Program Manager, at 871.978.5956.

Sincerely,

A handwritten signature in black ink, appearing to read "Shirley J. Henley". The signature is written in a cursive style with a long, sweeping underline that extends to the left.

Shirley J. Henley
Director

Enclosures

cc: Bernadette Peters
Chan Williams



**Community Development Block Grant (CDBG) Referral
City of Dallas
April 5, 2016**


Craig T. Clemmensen, Director

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I. Executive Summary

The Fort Worth Office of Community Planning and Development (CPD) made a referral to the Departmental Enforcement Center (DEC) over concerns regarding the Community Development Block Grant (CDBG)-funded rehabilitation program management.

CPD asked us to look into the City of Dallas' CDBG-funded Housing Rehabilitation Activity Delivery Costs (ADC) and determine if the costs were incurred for implementing and carrying out eligible CDBG activities.

We conducted an on-site review February 9, 2016. Additional documentation was requested and analyzed remotely through March 17, 2016. Our review included accessing Integrated Disbursement and Information System (IDIS) data and documentation in support of CDBG-funded grant activities in conjunction with the Consolidated Annual Performance and Evaluation Report (CAPERs), Payroll Processing Procedures and Payroll Activity Codes. We met with and conducted interviews with City of Dallas staff working in the Housing and Community Services Department and the Office of Financial Services.

We found that the City of Dallas does not have separate identifying records to track staff time charged under specific CDBG-funded housing rehabilitation programs that it administers, that the CAPERs reports for program years 2011, 2012 and 2013 incorrectly classified activities, that support documentation was lacking to support activities and that the system used to track employee time does not accurately reflect time spent on CDBG-funded activities.¹

We recommend that CPD ask the City for further support documentation to support expenditures associated with 14H activities² identified in CAPERs and more fully discussed in the attached exhibits, that the City of Dallas adjust their reporting to ensure that staff costs charged to 14H Rehabilitation ADC Activities are for eligible activities and that the City of Dallas develop and implement a cost allocation plan to reflect employee time spent on specific housing rehabilitation related activities and that staff costs charged to CDBG-assisted housing rehabilitation activity be tracked accordingly.

If the City of Dallas cannot support the \$390,976.87 in disbursements associated with the grant activity CPD should seek repayment to the City's Treasury account from non-federal funds.

¹ Recordkeeping requirements at 24 CFR §570.506(h), Standards for Financial Management 24 CFR §85.20(b), personnel services requirements of OMB Circular A-87, Attachment B, Item 8(h)

² 14H activities are defined as Rehab: Administration, and include all delivery costs directly related to carrying out housing rehabilitation activities. CPD Notice 13-07, which reportedly is still in effect, though dated August 23, 2014. See also 2 CFR Part 225 and 230 and 24 CFR § 570.201 - 204

II. Objective

Our objective was to review CDBG-funded Housing Rehabilitation ADC as reported in the CAPERs reports and to determine if the activities were adequately supported.

III. Scope

The scope of the review included support documentation for CDBG-funded housing rehabilitation ADC charged to the CDBG program reported in the 2011, 2012 and 2013 CAPERs. The review included evaluating source documentation to determine if the activity was properly classified in IDIS according to Federal regulations and CPD notices.³

Interviews were conducted with City of Dallas Housing and Community Services staff, Chan Williams, Assistant Director, Office of Financial Services, Angelyn Page, Compliance Manager, Bernadette Mitchell, Director, Housing and Community Services Department, Justus Bolo, Community Development Manager, Terry Ryan, Office of Financial Services, and Patrick Inyabri, Assistant Director, Housing and Community Services Department.

IV. Background

The City of Dallas, Housing and Community Services Department is located at 1500 Marilla Street, Dallas, TX 75201. The Fort Worth Office of CPD oversees the City of Dallas' administration of the CDBG program. CDBG is one of four formula based programs administered by CPD, and carried out by Housing and Community Services Department staff.

V. Results of Review

A. CAPERs Reports

We selected projects identified on the CAPERs report for 14H and 14J activities⁴ which correspond to CDBG classified housing rehabilitation. 14-H costs can only be charged for rehabilitation activities. 14-J corresponds to Housing Services in support of the HOME Program, eligible under 24 CFR § 570.201 (k). CPD referred this matter because the 14-H and 14-J designations and activity accomplishment descriptions

³ Activity Delivery Costs are those allowable costs incurred for implementing and carrying out eligible CDBG activities. Notice: CPD Notice 13-07, which reportedly is still in effect, though dated August 23, 2014. See also 2 CFR Part 225 and 230 and 24 CFR § 570.201 - 204

⁴ 14 H are designated as CDBG-funded Housing Rehabilitation Delivery Costs, 14J are defined as Housing services in support of the HOME Program, eligible under 24 CFR §570.201 (k).

provided by the City of Dallas in the CAPERs report didn't support eligible 14H or 14J activities. For example, CPD reported that paint supplies, lumber and materials were improperly classified as 14H activities in CAPERs and should have been recorded in IDIS as 14A, Rehabilitation – Single-Unit Res. (24 CFR §570.202).

When questioned about the entries and accomplishment information in the CAPERs reports City staff acknowledged that the CAPERs report accomplishment descriptions were inaccurate. They reported that the guidance regarding determining whether a cost should be allocable as a program administrative cost or an activity delivery cost⁵ was not carefully adhered to and recognized that going forward they would pay greater attention to the activity accomplishment descriptions in CAPERs.

We selected the following project activities and associated drawdowns for review from the CAPERs reports focusing on 14 H and 14J designations, which are specific to CDBG-assisted housing rehabilitation ADC. Matrix codes are used to indicate activity eligibility in IDIS. The CAPERs report has a place where the City of Dallas enters in accomplishments, which include a description of the activities completed to support the drawdown of funds.

Program Year	IDIS Activity #	Activity Name	Matrix Code ⁶	Drawn in Program Year
2011	10953	Housing Development Support	14 H	\$98,458.99
2011	10381	Housing Services Program	14 J	\$26,462.16
2013	11824	People Helping People	14 H	\$ 278,640.64*
Total				\$403,561,79

*total drawn was \$754,447.76. We asked for support of specific contract services identified as Housing Rehabilitation Administration totaling \$278,640.64.

Our review consisted of looking at ADC charged to the identified grants, including staff, other direct costs and service costs directly related to carrying out housing rehabilitation activities together with source documentation to support the drawdowns from IDIS.

B. IDIS # 10953, Housing Development Support, \$98,458.99⁷

We asked for support documentation for the \$98,458.99 draw down from IDIS Activity # 10953 for Program Year 2011, reported as 14H, Rehab: Administration. The City of Dallas provided time cards, semi-annual certifications when an employee's time

⁵ CPD Notice 13-07, Issued August 23, 2013

⁶ <https://www.hudexchange.info/resources/documents/Matrix-Code-Definitions.pdf>

⁷ Exhibit 1, Breakdown of Costs

was spent on a single program during the pay period, together with Activity descriptions next to the hours worked on the time card. The Activity descriptions do not allow us to determine if the time allocated and charged to the grant was allocated to CDBG-assisted rehabilitation activity.

The City provided us with payroll data for employees for Program Year 2011 totaling \$179,790.40 (Exhibit 1). There was an additional breakdown by employee to support the IDIS drawdown of \$98,458.99, as demonstrated below, with adjustments for funds not drawn down and variances (Exhibit 3), but there was no way to determine how the costs were allocated given the generic codes associated with an activity, and no way to identify when an employee worked on a CDBG-assisted housing rehabilitation activity because there are no separate code for each activity funded for each grant. All of the employees making up the \$98,458.99 are charged to one of the activity codes (Exhibit 2) but because none identify CDBG-assisted housing rehabilitation activity we cannot determine if and what was done to support the charges to the grant.

Housing Development Support	
IDIS 10953	
Activity Code	Gross Payroll
HOUZZZHOME (Housing)	\$83,439.51
HOUZZZHOU-CD (Housing)	\$32,634.83
HOUZZZHOU-GF (Housing)	\$52,750.42
HOUZZZNSP08 (Neighborhood Stabilization Pro)	\$10,965.64
Grand Total	\$179,790.40

City of Dallas Report	
IDIS 10953	
Employee	Object 1101
[REDACTED]	7,756.38
[REDACTED]	15,989.44
[REDACTED]	6,970.97
[REDACTED]	14,380.37
[REDACTED]	13,484.03
[REDACTED]	12,025.17
[REDACTED]	10,437.97
Subtotal	81,044.33
Amount charged to GRANT	(80,872.00)
Variance	172.33

	31,119.00
	80,872.00
	31,119.00
Total expenses	111,991.00
City adjustments during monthly reconciliation. Funds NOT drawn.)	(13,532.01)
	98,458.99

We noted the following issues with the submission.⁸

- The information provided was lacking in specificity because there was no separate identifying records to track staff time charged to activities under 14H. The City of Dallas administers various CDBG-funded housing rehabilitation programs and the activity and pay code on the timecards say "Pay Code" ACTV, HOUZZZ, NSP08, HOUZZZ HOME (Housing), HOUZZZHOU-GF (Housing) but none that we could identify that report CDBG activities. We could not determine, based on the information provided, if the staff costs charged to 14H activities were associated with time spent carrying out specific CDBG-eligible activity work.
- The time cards reflected when an employee was paid for a holiday, took sick leave or vacation time. According to City of Dallas staff paid leave is charged to the Unit # where the employee actually sits. If an employee sits in a CDBG "unit" then the charges go the CDBG unit, whether or not the activities being carried out relate to CDBG activities. The explanation given was that the payroll system allows only one Unit # per employee. We found this flawed. If an employee does not work on CDBG related activities the grant should not be charged.
- Staff time is certified semi-annually only if an employee works on a single program 100% of the time. We questioned the City's internal control measures for those staff working on different programs. For example, we identified one employee who in a given week (10/19/11 – 10/31/11) worked on the Neighborhood Stabilization Program and HOME program. The employee was paid out of the grant monies associated with #10953 for CDBG-housing rehabilitation activities. No certification was done of the employee's time. Had a review and certification been done it would have reflected that the time should not have been charged as reported without further clarification of the activity because there was no explanation or support that the costs were associated with carrying out activities for CDBG-assisted housing rehabilitation.

⁸ 24 CFR § 570.201 - 204

- The City did not provide us with a method for allocating costs and the employee time sheets did not show actual time spent on CDBG-assisted rehabilitation activities. The City of Dallas administers various housing programs and staff time should be allocated among the different programs to prevent grants being charged for activities not carried out to benefit a particular program.

C. IDIS # 10381, Housing Services Program, \$26,462.16

We reviewed support documentation for drawdown activities characterized as 14J, Housing Services in support of the HOME Program, eligible under 24 CFR § 570.201 (k). The City provided time cards, payroll reports and cancelled checks, as well as a description of tasks performed by employees to support the grant drawdowns.

Where no timecards were provided or the timecards did not match the attendance and performance summaries we concluded the amount charged to the grant was unsupported.

We found that \$12,584.92 was supported and \$13,877.24 was unsupported. See attached Exhibit 5.

D. IDIS # 11824, People Helping People, \$ 278,640.64

With regard to IDIS # 11824, classified on the CAPERs as a 14H activity, we reviewed support documentation for the following charges. The breakdown of activities is summarized below and included as Exhibit 4 with a complete analysis of the support documentation for IDIS Activity # 11824 found at Exhibit 6.

People Helping People IDIS 11824	
Category	Amount Charged to Grant
Advertising	\$127.44
Alarm monitoring	\$315.38
Building Materials	\$182,968.64
Equipment	\$1,680.00
Misc. Expenses	\$1,586.98
Supplies	\$356.04
Technology	\$8,345.91
Temporary Personnel	\$20,683.82
Training	\$220.00
Unknown	\$12,719.44
Utilities	\$1,144.49
Worksite Expenses	\$48,492.50

Grand Total	\$278,640.64
--------------------	---------------------

We concluded that the total amount charged to the grant was unsupported. The City did not provide sufficient supporting documentation demonstrating that the activities was for CDBG-assisted housing rehabilitation activity delivery costs or other CDBG-eligible activities.

Several examples include the following:

- Lumber and paint supplies are misclassified. Lumber and Paint supplies should have been identified as 14-A, and not 14 H on the CAPERs report.
- No support for temporary day laborers or other personnel; an invoice with no description.
- Copy machine rental, Visual Communications, Encon Systems, etc. were not allocated among housing programs so there was no way to determine what cost objective, project or service was performed and what relationship it has to the CDBG-assisted activity.
- Common costs, such as rent, utilities and office equipment were not allocated across the activities being undertaken.

VI. Recommendations

We recommend the City of Dallas:

1. Identify the disbursements that should properly be classified as 14A Housing Rehabilitation versus 14H housing rehabilitation activity delivery costs to include providing support documentation that show the housing rehabilitation costs can be tracked to a specific CDBG-assisted unit.
2. For those costs that cannot be tracked or allocated to a specific CDBG-assisted unit, submit reimbursement to HUD from non-federal funds.
3. Revise and address the incorrect entries in CAPERs for the above referenced activities. Ensure that future CAPERs reports accurately reflect correct matrix codes and accomplishment activities.
4. Take steps to ensure that costs for non-CDBG-assisted housing rehabilitation activities are not charged as rehabilitation ADC or as rehabilitation hard costs. For activities involving client service and housing maintenance, establish a distinct public service activity in IDIS to cover such activities.

5. Develop and implement an allocation plan to ensure that shared costs are properly allocated across activities and accurate supporting documentation is maintained.

6. With regard to People Helping People, Activity # 11824, costs such as labor, materials and services for individual rehabilitation projects are not eligible as 14H activities. These costs are potentially 14A Housing Rehabilitation Costs. There is insufficient documentation to support where the project costs occurred.

7. Public Services and home maintenance activities are not eligible as rehabilitation administration. While an allowable CDBG program activity there must be sufficient source documentation and reported as distinct activities.

8. Revise the activity codes to reflect specific CDBG-assisted rehabilitation.

VII. Summary of Supported and Unsupported Costs

	Supported	Unsupported	Total
IDIS # 10953 Housing Development Support		\$98,458.99	\$98,458.99
IDIS # 10381 Housing Services Program	\$12,584.92	\$13,877.24	\$26,462.16
IDIS # 11824 People Helping People		\$278,640.64	\$278,640.64
Total	\$12,584.92	\$390,976.87	\$403,561.79

Exhibit 1

Housing Development Support
IDIS 10953

Employee Name	Gross Payroll
[REDACTED]	18,706.17
[REDACTED]	15,411.22
[REDACTED]	20,125.16
[REDACTED]	15,745.80
[REDACTED]	10,415.49
[REDACTED]	15,749.33
[REDACTED]	83,637.23
Grand Total	179,790.40

Exhibit 2

Housing Development Support
IDIS 10953

<u>Activity Code</u>	<u>Gross Payroll</u>
HOUZZZHOME (Housing)	\$83,439.51
HOUZZZHOU-CD (Housing)	\$32,634.83
HOUZZZHOU-GF (Housing)	\$52,750.42
HOUZZZNSP08 (Neighborhood Stabilization Pro)	\$10,965.64
Grand Total	\$179,790.40

Exhibit 3

City of Dallas Report
IDIS 10953

Employee

Object 1101

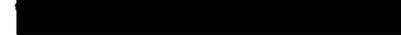
	7,756.38
	15,989.44
	6,970.97
	14,380.37
	13,484.03
	12,025.17
	10,437.97
Subtotal	<u>81,044.33</u>
Amount charged to GRANT	(80,872.00)
Variance	172.33
	31,119.00
	80,872.00
	31,119.00
Total expenses	<u>111,991.00</u>
City adjustments during monthly reconciliation. Funds NOT drawn.)	(13,532.01)
	<u>98,458.99</u>

Exhibit 4

People Helping People
IDIS 11824

<u>Category</u>	<u>Amount Charged to Grant</u>
Advertising	\$127.44
Alarm monitoring	\$315.38
Building Materials	\$182,968.64
Equipment	\$1,680.00
Misc. Expenses	\$1,586.98
Supplies	\$356.04
Technology	\$8,345.91
Temporary Personnel	\$20,683.82
Training	\$220.00
Unknown	\$12,719.44
Utilities	\$1,144.49
Worksite Expenses	\$48,492.50
Grand Total	\$278,640.64

Exhibit 5

Housing Services Program
IDIS 10381

<u>Supported or Unsupported?</u>	<u>Amount Charged to Grant</u>
Supported	\$12,584.92
Unsupported	<u>\$13,877.24</u>
Grand Total	\$26,462.16

Exhibit 6

People Helping People

IDIS 11824 - \$278,640.64

Reference Number	Transaction Number	Vendor Charged to Grant	Amount Charged to Grant	Description	Category	Purchase Order Available?	Invoice Available?	Supported or Unsupported?	Notes
				Reset security system and replacement security cards for					
CT HOU224FI124	PRM PY140083296	Covergint Technologies	\$1,180.00	employee building access	Technology	YES	YES	Unsupported	
CT HOU224FI124	PRM PY140083584	Covergint Technologies	\$580.00	Replace backplate on card reader	Technology	YES	YES	Unsupported	
CT HOU224FK128	PRM PY140095009	GEBCO Associates	\$220.00	Lead Renovator training course for [REDACTED]	Training	YES	YES	Unsupported	
DO 00000442238	PRM PY140034323	Data Applications	\$375.00	Desktop support services	Technology	NO	YES	Unsupported	
DO 00000443278	PRM PY150067668	Lane Staffing	\$876.80	[REDACTED]	Temporary Personnel	NO	YES	Unsupported	
DO 00000443278	PRM PY140065916	Lane Staffing	\$876.80	[REDACTED]	Temporary Personnel	NO	NO	Unsupported	
DO 00000443278	PRM PY140065125	Lane Staffing	\$701.44	[REDACTED]	Temporary Personnel	NO	NO	Unsupported	
DO 00000443383	PRM PY140041078	Xerox Corporation	\$224.42	Copy machine rental	Technology	NO	NO	Unsupported	
DO 00000447874	PRM PY140039255	Xerox Corporation	\$224.42	Copy machine rental	Technology	NO	NO	Unsupported	
DO 00000451185	PRM PY140048227	Xerox Corporation	\$224.42	Copy machine rental	Technology	NO	NO	Unsupported	
DO 00000452250	PRM PY140069340	Lane Staffing	\$543.20	[REDACTED]	Temporary Personnel	NO	NO	Unsupported	
DO 00000452250	PRM PY140068739	Lane Staffing	\$325.92	[REDACTED]	Temporary Personnel	NO	NO	Unsupported	
DO 00000452250	PRM PY140068738	Lane Staffing	\$434.56	[REDACTED]	Temporary Personnel	NO	NO	Unsupported	
DO 00000452250	PRM PY140068737	Lane Staffing	\$434.56	Unknown	Unknown	NO	NO	Unsupported	
DO 00000456914	PRM PY140049943	Communication Concepts	\$13.24	Burglar alarm monitoring	Alarm monitoring	NO	YES	Unsupported	
DO 00000458143	PRM PY140059047	Xerox Corporation	\$791.01	Copy machine rental	Technology	NO	NO	Unsupported	
DO 00000458647	PRM PY140064795	Lane Staffing	\$325.92	[REDACTED]	Temporary Personnel	NO	NO	Unsupported	
DO 00000459604	PRM PY140058420	Visual Communications	\$193.68	Lead Safety Certificates and envelopes	Supplies	NO	YES	Unsupported	
DO 00000460367	PRM PY140065915	Lane Staffing	\$74.69	[REDACTED]	Temporary Personnel	NO	NO	Unsupported	
DO 00000460367	PRM PY140064793	Lane Staffing	\$543.20	Unknown	Unknown	NO	NO	Unsupported	
DO 00000460367	PRM PY140062871	Lane Staffing	\$108.64	[REDACTED]	Temporary Personnel	NO	NO	Unsupported	
DO 00000460367	PRM PY140062513	Lane Staffing	\$543.20	Unknown	Unknown	NO	NO	Unsupported	
DO 00000460838	PRM PY140060960	Big D Lumber Company	\$1,395.30	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000460851	PRM PY140060142	Sherwin Williams	\$564.17	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000461813	PRM PY140064257	Xerox Corporation	\$224.42	Copy machine rental	Technology	NO	YES	Unsupported	
DO 00000461900	PRM PY140059304	Communication Concepts	\$13.24	Burglar alarm monitoring	Alarm monitoring	NO	YES	Unsupported	
DO 00000462639	PRM PY140088490	Lane Staffing	\$328.80	[REDACTED]	Temporary Personnel	NO	NO	Unsupported	
DO 00000462639	PRM PY140087339	Lane Staffing	\$526.08	[REDACTED]	Temporary Personnel	NO	NO	Unsupported	
DO 00000462639	PRM PY140087334	Lane Staffing	\$942.56	[REDACTED]	Temporary Personnel	NO	NO	Unsupported	
DO 00000462639	PRM PY140084550	Lane Staffing	\$876.80	[REDACTED]	Temporary Personnel	NO	NO	Unsupported	
DO 00000462639	PRM PY140082600	Lane Staffing	\$876.80	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140082190	Lane Staffing	\$876.80	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140080600	Lane Staffing	\$876.80	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140080025	Lane Staffing	\$701.44	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140080023	Lane Staffing	\$1,106.96	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140080018	Lane Staffing	\$975.44	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140078842	Lane Staffing	\$701.44	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140078842	Lane Staffing	(\$701.44)	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140078840	Lane Staffing	\$1,106.96	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140078840	Lane Staffing	(\$1,106.96)	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140078834	Lane Staffing	\$975.44	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140078834	Lane Staffing	(\$975.44)	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140076966	Lane Staffing	(\$701.44)	Unknown	Unknown	NO	NO	Unsupported	

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People Helping People

IDIS 11824 - \$278,640.64

Reference Number	Transaction Number	Vendor Charged to Grant	Amount Charged to Grant	Description	Category	Purchase Order Available?	Invoice Available?	Supported or Unsupported?	Notes
DO 00000462639	PRM PY140076966	Lane Staffing	\$701.44	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140076141	Lane Staffing	(\$1,106.96)	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140076141	Lane Staffing	\$1,106.96	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140075079	Lane Staffing	(\$975.44)	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140075079	Lane Staffing	\$975.44	Unknown	Unknown	NO	NO	Unsupported	
DO 00000462639	PRM PY140073330	Lane Staffing	\$1,041.20		Temporary Personnel	NO	NO	Unsupported	
DO 00000462639	PRM PY140071687	Lane Staffing	\$876.80		Temporary Personnel	NO	NO	Unsupported	
DO 00000462639	PRM PY140069874	Lane Staffing	\$876.80		Temporary Personnel	NO	NO	Unsupported	
DO 00000462639	PRM PY140068731	Lane Staffing	\$843.92		Temporary Personnel	NO	NO	Unsupported	
DO 00000462639	PRM PY140068123	Lane Staffing	\$876.80		Temporary Personnel	NO	NO	Unsupported	
DO 00000462639	PRM PY140065923	Lane Staffing	\$876.80		Temporary Personnel	NO	NO	Unsupported	
DO 00000462639	PRM PY140065126	Lane Staffing	\$876.80		Temporary Personnel	NO	NO	Unsupported	
DO 00000462639	PRM PY140064791	Lane Staffing	\$876.80		Temporary Personnel	NO	NO	Unsupported	
DO 00000462651	PRM PY140061518	Big D Lumber Company	\$1,325.74	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000462695	PRM PY140060628	MMG Building and Construction	\$185.00	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000462695	PRM PY140061520	MMG Building and Construction	\$46.25	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000463671	PRM PY140073331	Verizon Wireless	\$51.34	Wireless Monthly Charges - Unknown employee	Technology	NO	YES	Unsupported	
DO 00000464623	PRM PY140073337	Lane Staffing	\$325.92		Temporary Personnel	NO	NO	Unsupported	
DO 00000464623	PRM PY140071690	Lane Staffing	\$434.56		Temporary Personnel	NO	NO	Unsupported	
DO 00000464623	PRM PY140069875	Lane Staffing	\$488.88		Temporary Personnel	NO	NO	Unsupported	
DO 00000464623	PRM PY140068734	Lane Staffing	\$543.20		Temporary Personnel	NO	NO	Unsupported	
DO 00000464623	PRM PY140068124	Lane Staffing	\$393.82		Temporary Personnel	NO	NO	Unsupported	
DO 00000464623	PRM PY140065922	Lane Staffing	\$434.56		Temporary Personnel	NO	NO	Unsupported	
DO 00000464666	PRM PY140066277	Sherwin Williams	\$684.03	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000464673	PRM PY140089689	Kwal Paint	\$486.66	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000464676	PRM PY140075399	PPG Architectural Coatings	\$253.36	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000464681	PRM PY140066770	Big D Lumber Company	\$284.30	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000464693	PRM PY140074035	PPG Architectural Coatings	\$98.90	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000464729	PRM PY140067008	Kwal Paint	\$4,839.17	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000464758	PRM PY140066276	Sherwin Williams	\$1,975.18	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000464769	PRM PY140074029	Big D Lumber Company	\$6,594.22	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000465680	PRM PY140070546	Big D Lumber Company	\$106.70	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000465713	PRM PY140073332	Big D Lumber Company	\$1,416.35	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000466771	PRM PY140067558	Xerox Corporation	\$224.42	Copy machine rental	Technology	NO	NO	Unsupported	
DO 00000467087	PRM PY140070983	Big D Lumber Company	\$413.05	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000467324	PRM PY140071340	Big D Lumber Company	\$3,091.31	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000467616	PRM PY140075393	MMG Building and Construction	\$92.50	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000467616	PRM PY140067829	MMG Building and Construction	\$46.25	Special Event Charge - Portable Toilets	Worksite Expenses	NO	NO	Unsupported	No invoice
DO 00000467616	PRM PY140066773	MMG Building and Construction	\$601.25	Special Event Charge - Portable Toilets	Worksite Expenses	NO	NO	Unsupported	No invoice
DO 00000467663	PRM PY140067829	MMG Building and Construction	\$46.25	Special Event Charge - Portable Toilets	Worksite Expenses	NO	NO	Unsupported	No invoice
DO 00000467663	PRM PY140066773	MMG Building and Construction	\$92.50	Special Event Charge - Portable Toilets	Worksite Expenses	NO	NO	Unsupported	No invoice
DO 00000468013	PRM PY140066771	Communication Concepts	\$13.24	Burglar alarm monitoring	Alarm monitoring	NO	YES	Unsupported	
DO 00000468526	PRM PY140069345	Visual Communications	\$27.50		Misc Expenses	NO	YES	Unsupported	Invoice reflected a total of \$55.00
DO 00000469366	PRM PY140070544	MMG Building and Construction	\$46.25	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	

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Reference Number	Transaction Number	Vendor Charged to Grant	Amount Charged to Grant	Description	Category	Purchase Order Available?	Invoice Available?	Supported or Unsupported?	Notes
DO 00000469366	PRM PY140069865	MMG Building and Construction	\$92.50	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000470137	PRM PY140078367	Big D Lumber Company	\$465.50	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000470178	PRM PY140085161	Kwal Paint	\$2,196.10	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000470318	PRM PY140076146	Sherwin Williams	\$1,672.08	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000470345	PRM PY140100820	Big D Lumber Company	\$1,248.10	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000470566	PRM PY140076145	Big D Lumber Company	\$675.50	Materials	Building Materials	NO	YES	Unsupported	extra invoice for \$94.00
DO 00000470576	PRM PY140080043	Big D Lumber Company	\$1,613.04	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000470652	PRM PY140072412	Visual Communications	\$225.00	Lead Safety Certificates and punch list	Misc Expenses	NO	YES	Unsupported	
DO 00000470691	PRM PY140080043	Big D Lumber Company	\$913.06	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000470752	PRM PY140076146	Sherwin Williams	\$454.80	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000470799	PRM PY140089689	Kwal Paint	\$1,152.13	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000470839	PRM PY140076146	Sherwin Williams	\$725.15	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000470909	PRM PY140082612	Data Applications	\$65.00	Desktop support services	Technology	NO	YES	Unsupported	
DO 00000471355	PRM PY140078367	Big D Lumber Company	\$2,482.96	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000471435	PRM PY140085160	Fisher Safety	\$1,680.00	Respirators	Equipment	NO	YES	Unsupported	
DO 00000471701	PRM PY140070978	MMG Building and Construction	\$383.25	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000471701	PRM PY140071335	MMG Building and Construction	\$19.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000471701	PRM PY140071341	MMG Building and Construction	\$26.50	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000471701	PRM PY140073336	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000471926	PRM PY140080041	Encon Systems, Inc	\$198.18	Inkjet printer	Technology	NO	NO	Unsupported	
DO 00000472070	PRM PY140079613	Akzo Nobel Paints	\$858.46	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000472075	PRM PY140076145	Big D Lumber Company	\$94.00	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000472163	PRM PY140078039	Xerox Corporation	\$224.42	Copy machine rental	Technology	NO	NO	Unsupported	
DO 00000472335	PRM PY140071342	Communication Concepts	\$13.24	Burglar alarm monitoring	Alarm monitoring	NO	YES	Unsupported	
DO 00000473550	PRM PY140088382	Austin Ribbon and Computer Supplies	\$2,587.42	Data processing equipment	Technology	NO	NO	Unsupported	
DO 00000473707	PRM PY140088495	Unknown	\$438.00	Unknown	Unknown	NO	NO	Unsupported	
DO 00000473710	PRM PY140078362	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000473710	PRM PY140080035	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000474101	PRM PY140088175	Big D Lumber Company	\$692.80	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000475015	PRM PY140087764	Big D Lumber Company	\$2,926.28	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000475030	PRM PY140074488	Verizon Wireless	\$51.36	Wireless Monthly Charges - Unknown employee	Technology	NO	YES	Unsupported	Invoice was for \$2,403.78
DO 00000475109	PRM PY140094236	Big D Lumber Company	\$5,085.01	Lumber and materials	Building Materials	NO	YES	Unsupported	
DO 00000475871	PRM PY140086829	Kwal Paint	\$695.84	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000475881	PRM PY140088174	Sherwin Williams	\$420.35	Paint Supplies	Building Materials	NO	YES	Unsupported	Invoice was for \$420.56
DO 00000476018	PRM PY140087763	Kwal Paint	\$1,084.91	Paint Supplies	Building Materials	NO	YES	Unsupported	Invoice was for \$1,084.96
DO 00000476054	PRM PY140088494	Sherwin Williams	\$608.12	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000477007	PRM PY140089990	Kwal Paint	\$379.77	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000477364	PRM PY140086827	Sherwin Williams	\$914.17	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000477374	PRM PY140093891	Lane Staffing	\$377.20	Day laborer	Temporary Personnel	NO	NO	Unsupported	
DO 00000477374	PRM PY140092032	Lane Staffing	\$363.06	Day laborer	Temporary Personnel	NO	NO	Unsupported	
DO 00000477374	PRM PY140091079	Lane Staffing	\$330.05	Day laborer	Temporary Personnel	NO	NO	Unsupported	
DO 00000477374	PRM PY140088492	Lane Staffing	\$367.77	Day laborer	Temporary Personnel	NO	NO	Unsupported	
DO 00000477374	PRM PY140087336	Lane Staffing	\$282.90	[REDACTED]	Temporary Personnel	NO	NO	Unsupported	
DO 00000477374	PRM PY140086822	Lane Staffing	\$84.87	Day laborer	Temporary Personnel	NO	NO	Unsupported	

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Reference Number	Transaction Number	Vendor Charged to Grant	Amount Charged to Grant	Description	Category	Purchase Order Available?	Invoice Available?	Supported or Unsupported?	Notes
DO 00000477374	PRM PY140084549	Lane Staffing	\$358.34	Day laborer	Temporary Personnel	NO	NO	Unsupported	
DO 00000477374	PRM PY140082187	Lane Staffing	\$282.90	Day laborer	Temporary Personnel	NO	NO	Unsupported	
DO 00000477374	PRM PY140080882	Lane Staffing	\$146.17	Day laborer	Temporary Personnel	NO	NO	Unsupported	
DO 00000477916	PRM PY140082610	Verizon Wireless	\$51.36	Wireless Monthly Charges - Unknown employee	Technology	NO	YES	Unsupported	Invoice was for \$2,519.44
DO 00000478018	PRM PY140079614	Communication Concepts	\$13.24	Burglar alarm monitoring	Alarm monitoring	NO	YES	Unsupported	
DO 00000478055	PRM PY140082707	Xerox Corporation	\$224.42	Copy machine rental	Technology	NO	NO	Unsupported	
DO 00000478104	PRM PY140088943	PPG Architectural Coatings	\$80.88	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000478113	PRM PY140088496	PPG Architectural Coatings	\$908.80	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000478199	PRM PY140089694	Visual Communications	\$27.50	Business cards - [REDACTED]	Misc Expenses	NO	YES	Unsupported	
DO 00000478242	PRM PY140080887	PPG Architectural Coatings	\$120.09	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000478264	PRM PY140083304	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000478264	PRM PY140080603	MMG Building and Construction	\$155.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000478264	PRM PY140080889	MMG Building and Construction	\$26.50	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	Invoice total was \$46.25, Inv# 90897
DO 00000478264	PRM PY140080881	MMG Building and Construction	\$19.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	Invoice total was \$46.25, Inv# 90897
DO 00000478673	PRM PY140095006	Hill Country Computer	\$916.00	Dell Toner Cartridges	Technology	NO	NO	Unsupported	Only emails available
DO 00000479608	PRM PY140082614	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000479608	PRM PY140082608	MMG Building and Construction	\$328.50	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000479608	PRM PY140082605	MMG Building and Construction	\$219.00	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	Portable Toilet
DO 00000479613	PRM PY140083299	MMG Building and Construction	\$273.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000479613	PRM PY140083297	MMG Building and Construction	\$273.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000479613	PRM PY140084173	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000481702	PRM PY150000821	KWAL Paint	\$2,147.06	Paint Supplies	Building Materials	NO	YES	Unsupported	Invoice was for \$2,147.04 - Overpayment
DO 00000481704	PRM PY140088177	Sherwin-Williams	\$1,137.86	Paint Supplies	Building Materials	NO	YES	Unsupported	
DO 00000481805	PRM PY140094235	Communication Concepts	\$156.50	Service on Burglar Alarm System	Alarm monitoring	NO	YES	Unsupported	
DO 00000482377	PRM PY140086823	MMG Building and Construction	\$328.50	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000482377	PRM PY140088482	MMG Building and Construction	\$219.00	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000482377	PRM PY140089180	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000482454	PRM PY140090867	Unknown	\$224.42	Unknown	Unknown	NO	NO	Unsupported	
DO 00000484214	PRM PY140088499	Communication Concepts	\$13.24	Burglar alarm monitoring	Alarm monitoring	NO	YES	Unsupported	
DO 00000484439	PRM PY140089182	Verizon Wireless	\$51.36	Wireless Monthly Charges - Unknown employee	Technology	NO	YES	Unsupported	Invoice amount is \$2,350.45
DO 00000484860	PRM PY140092970	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000484860	PRM PY140091644	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000484860	PRM PY140091642	MMG Building and Construction	\$164.25	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000484860	PRM PY140092028	MMG Building and Construction	\$164.25	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000484874	PRM PY150045188	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000484874	PRM PY150045884	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000484874	PRM PY140093247	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000484874	PRM PY140094649	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000484874	PRM PY140092028	MMG Building and Construction	\$547.50	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	Amount on sample cover sheet is larger than amount charged to grant on spreadsheet
DO 00000485616	PRM PY140094238	Visual Communications	\$225.00	Lead Safety Certificates	Misc Expenses	NO	YES	Unsupported	Amount on sample cover sheet is larger than amount charged to grant on spreadsheet
DO 00000487553	PRM PY140101756	Unknown	\$224.42	Unknown	Unknown	NO	NO	Unsupported	Amount on sample cover sheet is larger than amount charged to grant on spreadsheet

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Reference Number	Transaction Number	Vendor Charged to Grant	Amount Charged to Grant	Description	Category	Purchase Order Available?	Invoice Available?	Supported or Unsupported?	Notes
DO 00000487757	PRM PY140093624	Communication Concepts	\$13.24	Burglar alarm monitoring	Alarm monitoring	NO	YES	Unsupported	
DO 00000488460	PRM PY140101311	Dallas Morning News	\$127.44	Advertising	Advertising	NO	NO	Unsupported	
DO 00000488620	PRM PY140095607	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000488934	PRM PY140100817	Visual Communications	\$162.36	2,000 Grey Envelopes	Supplies	NO	YES	Unsupported	
DO 00000489317	PRM PY140096969	Verizon Wireless	\$50.68	Wireless Monthly Charges [REDACTED]	Technology	NO	YES	Unsupported	
DO 00000494010	PRM PY150005356	Unknown	\$224.42	Unknown	Unknown	NO	NO	Unsupported	
DO 00000494352	PRM PY150000526	Verizon Wireless	\$50.68	Wireless Monthly Charges [REDACTED]	Technology	NO	YES	Unsupported	
DO 00000494907	PRM PY140102923	Communication Concepts	\$13.24	Burglar alarm monitoring	Alarm monitoring	NO	YES	Unsupported	
DO 00000496095	PRM PY150022635	Unknown	\$377.20	Day laborer	Temporary Personnel	NO	NO	Unsupported	
DO 00000496095	PRM PY150018162	Unknown	\$311.19	Day laborer	Temporary Personnel	NO	NO	Unsupported	
DO 00000496095	PRM PY150009954	Unknown	\$391.34	Day laborer	Temporary Personnel	NO	NO	Unsupported	
DO 00000496095	PRM PY150008709	Unknown	\$301.76	Day laborer	Temporary Personnel	NO	NO	Unsupported	
DO 00000496451	PRM PY150009370	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150009361	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150009360	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150009359	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150002211	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150002207	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150002208	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150002209	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150002210	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150002212	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150002213	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150002217	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150002215	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150002220	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150002219	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150002218	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150002214	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496451	PRM PY150002218	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496461	PRM PY150005170	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496461	PRM PY150001350	MMG Building and Construction	\$766.50	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496461	PRM PY150002206	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496463	PRM PY150003195	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496463	PRM PY150003194	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496463	PRM PY150003193	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496463	PRM PY150003192	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496463	PRM PY150003191	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496463	PRM PY150004541	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496463	PRM PY150004538	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496463	PRM PY150004534	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496463	PRM PY150004535	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496463	PRM PY150004536	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	

Exhibit 6

People Helping People
IDIS 11824 - \$278,640.64

Reference Number	Transaction Number	Vendor Charged to Grant	Amount Charged to Grant	Description	Category	Purchase Order Available?	Invoice Available?	Supported or Unsupported?	Notes
DO 00000496463	PRM PY150004537	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496463	PRM PY150004539	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496463	PRM PY150004543	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496463	PRM PY150004542	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496463	PRM PY150004540	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000496463	PRM PY150005172	MMG Building and Construction	\$54.75	Special Event Charge - Portable Toilets	Worksite Expenses	NO	YES	Unsupported	
DO 00000497257	PRM PY150001358	Communication Concepts	\$13.24	Burglar alarm monitoring	Alarm monitoring	NO	YES	Unsupported	
DO 00000497514	PRM PY150005982	Unknown	\$224.42	Unknown	Unknown	NO	NO	Unsupported	
DO 00000506635	PRM PY150031782	Unknown	\$224.42	Unknown	Unknown	NO	NO	Unsupported	
DO 00000510106	PRM PY150032459	Communication Concepts	\$13.24	Burglar alarm monitoring	Alarm monitoring	NO	YES	Unsupported	
DO 00000522381	PRM PY150053965	KAPPA Map Group	\$264.90	Mapsco	Misc Expenses	NO	YES	Unsupported	
DO 00000522387	PRM PY150058605	Unknown	\$1,680.00	Unknown	Unknown	NO	NO	Unsupported	
DO 00000522449	PRM PY150053217	Work Wear	\$119.70	Boots	Misc Expenses	NO	YES	Unsupported	
DO 00000522644	PRM PY150066059	Professional Designs Inc	\$43.08	Three Ladies Polo	Misc Expenses	NO	YES	Unsupported	
DO 00000522644	PRM PY150066061	City of Dallas Webstore	\$453.32	Ten Jackets and 19 Polos	Misc Expenses	NO	YES	Unsupported	Order total was \$496.40
DO 00000522665	PRM PY150053964	Communication Concepts	\$13.24	Burglar alarm monitoring	Alarm monitoring	NO	YES	Unsupported	
DO 00000523686	PRM PY150058606	Work Wear	\$81.28	Boots	Misc Expenses	NO	YES	Unsupported	
DO 00000523691	PRM PY150055688	Work Wear	\$119.70	Boots	Misc Expenses	NO	YES	Unsupported	
DO 00000525924	PRM PY150078721	KWAL Paint	\$151.91	Paint Supplies	Building Materials	NO	NO	Unsupported	Cover Sheet is for \$2,207.47
DO 00000526175	PRM PY150066057	Sherwin Williams	\$768.24	Paint Supplies	Building Materials	NO	NO	Unsupported	
DO 00000527282	PRM PY150064482	Sherwin Williams	\$228.20	Paint Supplies	Building Materials	NO	NO	Unsupported	
DO 00000527418	PRM PY150069279	Unknown	\$491.52	Concrete and Mortar	Building Materials	NO	NO	Unsupported	
DO 00000527517	PRM PY150058262	Communication Concepts	\$13.24	Burglar alarm monitoring	Alarm monitoring	NO	YES	Unsupported	
DO 00000528735	PRM PY150065508	Sherwin Williams	\$701.90	Paint Supplies	Building Materials	NO	YES	Unsupported	
PO 00000112022	PRM PY140037168	Unknown	\$372.36	Unknown	Unknown	NO	NO	Unsupported	
PO 00000113951	PRM PY140099085	Unknown	\$791.25	Unknown	Unknown	NO	NO	Unsupported	
PO 00000113951	PRM PY140099087	Big D Lumber Company	\$7,686.40	Doors	Building Materials	YES	YES	Unsupported	Invoice, PO and amount paid do not match
PO 00000113951	PRM PY140100050	Big D Lumber Company	\$615.00	Paint Supplies	Building Materials	NO	YES	Unsupported	
PO 00000114173	PRM PY140088483	Mobile Mini I	\$5,650.00	Storage Container	Worksite Expenses	NO	YES	Unsupported	
PO 00000114173	PRM PY140089181	Mobile Mini I	\$5,650.00	Storage Container	Worksite Expenses	NO	YES	Unsupported	
PO 00000114705	PRM PY140094231	Big D Lumber Company	\$3,693.45	Lumber and materials	Building Materials	NO	YES	Unsupported	
PO 00000114705	PRM PY140096968	Big D Lumber Company	\$3,221.51	Lumber and materials	Building Materials	NO	YES	Unsupported	
PO 00000115149	PRM PY150001734	Craddock Lumber Company	\$26,341.85	Lumber and materials	Building Materials	NO	YES	Unsupported	
PO 00000115187	PRM PY140100376	PPG Architectural Coatings	\$25,329.15	Paint Supplies	Building Materials	NO	YES	Unsupported	
PO 00000115259	PRM PY150000235	Craddock Lumber Company	\$2,237.70	Siding	Building Materials	YES	YES	Unsupported	
PO 00000119083	PRM PY150072286	Craddock Lumber Company	\$10,382.90	Lumber and materials	Building Materials	NO	YES	Unsupported	
PO 00000119446	PRM PY150095342	Sherwin Williams	\$134.06	Paint Supplies	Building Materials	NO	YES	Unsupported	
PO 00000119446	PRM PY150093762	Sherwin Williams	\$4,349.69	Paint Supplies	Building Materials	NO	YES	Unsupported	Amount paid less than invoice
PO 00000119446	PRM PY150093760	Sherwin Williams	\$144.14	Paint Supplies	Building Materials	NO	YES	Unsupported	Amount paid greater than invoice
PO 00000119531	PRM PY150081240	Craddock Lumber Company	\$6,293.05	Lumber and materials	Building Materials	NO	YES	Unsupported	
PO 00000119600	PRM PY150083220	Craddock Lumber Company	\$3,440.60	Lumber and materials	Building Materials	NO	NO	Unsupported	Same invoice as previous entry
PO 00000119628	PRM PY150090333	Big D Lumber Company	\$25,436.80	Lumber and materials	Building Materials	NO	YES	Unsupported	
PO 00000119684	PRM PY150095342	Sherwin Williams	\$5,814.89	Paint Supplies	Building Materials	NO	YES	Unsupported	Actual amount paid greater than invoice total
PO 00000119684	PRM PY150093760	Unknown	\$1,114.68	Unknown	Unknown	NO	NO	Unsupported	

Exhibit 6

People Helping People

IDIS 11824 - \$278,640.64

Reference Number	Transaction Number	Vendor Charged to Grant	Amount Charged to Grant	Description	Category	Purchase Order Available?	Invoice Available?	Supported or Unsupported?	Notes
PRM PY150058262	AD AY150049473	Unknown	(\$13.24)	Unknown	Unknown	NO	NO	Unsupported	
SC 00000008278	PRM PY150017819	City of Dallas Utilities	\$177.24	Water	Utilities	NO	YES	Unsupported	
SC 00000008278	PRM PY150005168	City of Dallas Utilities	\$183.24	Water	Utilities	NO	YES	Unsupported	
SC 00000008278	PRM PY140103499	Unknown	\$199.09	Unknown	Unknown	NO	NO	Unsupported	
SC 00000008278	PRM PY140096304	City of Dallas Utilities	\$373.16	Water	Utilities	NO	YES	Unsupported	
SC 00000008278	PRM PY140082981	City of Dallas Utilities	\$176.05	Water	Utilities	NO	YES	Unsupported	
SC 00000008278	PRM PY140088485	City of Dallas Utilities	\$169.80	Water	Utilities	NO	YES	Unsupported	
SC 00000008279	PRM PY150017823	Moore Disposal	\$10,175.00	Disposal	Worksite Expenses	NO	YES	Unsupported	
SC 00000008279	PRM PY150010479	City of Dallas Utilities	\$65.00	Sanitation	Utilities	NO	YES	Unsupported	
SC 00000008279	PRM PY150010478	Unknown	\$80.00	Unknown	Unknown	NO	NO	Unsupported	
SC 00000008279	PRM PY150006967	Moore Disposal	\$485.00	Disposal	Worksite Expenses	NO	YES	Unsupported	
SC 00000008279	PRM PY140098840	Moore Disposal	\$4,950.00	Disposal	Worksite Expenses	NO	YES	Unsupported	
SC 00000008279	PRM PY140091078	Moore Disposal	\$3,015.00	Disposal	Worksite Expenses	NO	YES	Unsupported	
SC 00000008279	PRM PY140089985	Moore Disposal	\$4,850.00	Disposal	Worksite Expenses	NO	YES	Unsupported	
SC 00000008279	PRM PY140083869	Moore Disposal	\$4,750.00	Disposal	Worksite Expenses	NO	YES	Unsupported	
SC 00000008279	PRM PY140078848	Moore Disposal	\$1,010.00	Disposal	Worksite Expenses	NO	YES	Unsupported	



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Fort Worth Regional Office, Region VI
Office of Community Planning and Development
801 Cherry Street, Unit #45, Ste. 2500
Fort Worth, TX 76102
www.hud.gov

JUL 07 2016

Mr. A.C. Gonzalez
City Manager
City of Dallas
1500 Marilla, Room 4EN
Dallas, TX 75201

Dear Mr. Gonzalez:

**SUBJECT: Community Development Block Grant (CDBG) Housing Rehabilitation Activity
Delivery Costs Review**

We have completed our review of the supporting documentation provided by the City of Dallas with its correspondence dated May 9, 2016. The documentation was provided in response to a review by the HUD's Departmental Enforcement Center (DEC) of housing rehabilitation delivery costs reported by the city under the Community Development Block Grant (CDBG) Program.

The DEC report was transmitted on April 8, 2016 and identified that of the \$403,561.79 in CDBG disbursements contained in the sample, supporting documentation was not sufficient to support the actual use and eligibility of \$390,976.97. The file sample covered activities 10381, 10953, and 11824 as reported by the city in the Integrated Disbursement Information System (IDIS). A summary of the city's response and the results of our review are contained below.

IDIS #10381 – Housing Services Program

The city reported that the costs in the sample for this activity involved funding provided to Community Housing Development Organizations (CHDOs) that were administering homeownership activities. The city provided documentation to support the allowability and use of \$13,877.24 of the \$14,305.20 contained in the sample. The city reported that it could not support \$427.96.

HUD Response

While our review of the city's supporting documentation did support the allowability of the costs in question we have determined that the activities were improperly classified as 14H – Housing Rehabilitation Activity Delivery costs. The activities do not involve the administration by these organizations of CDBG-funded housing rehabilitation programs on the city's behalf but the operating costs of these organizations in the capacity as CHDOs.

In order to resolve the classification issue, the city must revise the activity in IDIS to reflect the proper classification as 21I – CHDO Operating Costs and report on the disbursements and accomplishments by organization assisted. The city must also repay its CDBG Treasury Account via wire transfer the \$427.96 in unsupported costs using non-federal funds.

IDIS #10953 – Housing Development Support

The city concurred with the DEC's review that it did not have separate identifying records to track staff time charged under specific CDBG-funded housing rehabilitation programs down to the specific activity level. The city advised that a process is underway to revise the city's tracking system so that employees are able to track their time by grant and the specific program/activity worked. The city concurred that the \$98,458.99 in the sample could not be supported.

HUD Response

The city must repay its Treasury Account via wire transfer \$98,458.99 in unsupported costs using non-federal funds. Until such time as the city finalizes and implements the revised time tracking system the city should refrain from charging costs to its CPD-funded grants that cannot be supported. The city must advise this office upon completion and implementation of the tracking system.

IDIS #11824 – People Helping People (PHP)

The city concurs that PHP rehabilitation costs were improperly classified, that materials were purchased in advance of need and that a system is not available to readily track costs to specific units being assisted. Shared costs were not properly allocated across the non-housing rehabilitation activities being undertaken by PHP. Extensive source documentation was submitted in support of materials costs.

HUD Response

Our review of the supporting documentation provided by the city found that \$190,669.95 of the \$286,040.88 reported by the city as 14H – Housing Rehabilitation Activity Delivery Costs were in fact improperly classified and should have been recorded as 14A – Housing Rehabilitation Costs. In many cases costs could not be tied to specific units given the deficiencies in the program design. Where invoices provided sufficient detail, costs were deemed allowable. For items where either invoices were not provided or there was not sufficient detail to tie the cost to specific projects (day laborers and waste management) the costs were deemed not allowable. The total for the disallowed costs is \$39,791.42.

The remainder of the costs, \$55,579.51, may be eligible as 14H – Housing Rehabilitation Activity Delivery Costs or 21A – CDBG Administrative costs if they can be properly supported and allocated. Some of these costs such as administrative staff, shared office equipment, common systems and utilities will need to be allocated to the non-housing rehabilitation activities that PHP is undertaking. If records do not exist to establish a sound methodology for allocating the costs across activities, those costs will also need to be repaid.

Details on the individual costs are provided in the attached spreadsheets.

To resolve these issues, the city will need to revise activity #11824 in IDIS so that the all costs related to housing rehabilitation are properly classified under 14A – Housing Rehabilitation and the balance of the allowable costs are allocated to an eligible activity or repaid. The city will also need to provide accurate accomplishment numbers for all households whose housing received rehabilitation assistance with the funds expended under activity #11824.

The \$39,791.42 in disallowed costs will need to be repaid via wire transfer to the city's Treasury Account using non-federal funds.

Additional Recommendations

The purchase of building materials and equipment is not in and of itself an eligible CDBG activity unless those items are utilized in the rehabilitation of a housing unit occupied by a low- and moderate-income (LMI) household. As such, a robust inventory control and materials management system is required where materials are purchased for multiple units at the same times. The systems must ensure that each item purchased can readily be tracked to a specific housing rehabilitation project. From the city's response such systems are not currently in place. No additional CDBG costs for PHP activities should be incurred until these systems have been put in place.

The standards for financial management in the CDBG program at 2 CFR 200 Subpart D require that the city minimize the amount of time from when CDBG funds are drawn and expended on eligible project costs. Since rehabilitation materials and equipment are not eligible until they are used on an LMI-occupied unit the city should review its recent practice of bulk purchases in advance of needs.

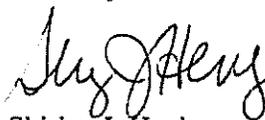
In our review of the source documentation provided it was noted that a limited number of suppliers were utilized for a large number of purchases. In many cases purchase orders cited only brand name items. The city is reminded that procurement requirements of 2 CFR 200.318 thru 200.326 apply to this program. Independent price and cost analysis must be conducted prior to procurements with activities being conducted in a competitive manner and an adequate number of price quotations being obtained. 24 CFR 200.319 should be reviewed closely with respect to the competition requirements.

While not a subject to this review we would also like to remind the city of the importance of having detailed scopes of work and specifications for all housing rehabilitation projects whether undertaken by contractors or volunteers. Without detailed specifications and cost estimates a rehabilitation project cannot be properly managed or justified. In addition, a detailed scope of work and rehabilitation specifications are required in order to evaluate pre-1978 housing to ensure compliance with the lead-based paint requirements at 24 CFR Part 35.

Please provide a written response to this letter within 30 days of this letter and include a timeline for completing the repayment of funds and other corrective actions outlined above.

Should you have further questions please have staff contact Stephen Eberlein, Program Manager, at 871.978.5956.

Sincerely,

A handwritten signature in black ink, appearing to read "Shirley J. Henley". The signature is written in a cursive style with a large initial "S".

Shirley J. Henley
Director

Enclosure

cc: Bernadette Mitchell
Chan Williams

City of Dallas People Helping People Cost Analysis
Activity 11824

Item #	Description	Cost	Comment
23	Building Materials	\$ 1,395.30	Reclassify as 14A
24	Paint & Supplies	\$ 564.17	Reclassify as 14A
57	Building Materials	\$ 1,325.74	Reclassify as 14A
58	Portable Toilets	\$ 185.00	Reclassify as 14A
59	Portable Toilets	\$ 46.25	Reclassify as 14A
67	Paint & Supplies	\$ 684.03	Reclassify as 14A
68	Paint & Supplies	\$ 486.66	Reclassify as 14A
69	Paint & Supplies	\$ 253.36	Reclassify as 14A
70	Building Materials	\$ 284.30	Reclassify as 14A
71	Paint & Supplies	\$ 98.90	Reclassify as 14A
72	Paint & Supplies	\$ 4,839.17	Reclassify as 14A
73	Paint & Supplies	\$ 1,975.18	Reclassify as 14A
74	Building Materials	\$ 6,594.22	Reclassify as 14A
75	Building Materials	\$ 106.70	Reclassify as 14A
76	Building Materials	\$ 1,416.35	Reclassify as 14A
78	Paint & Supplies	\$ 413.05	Reclassify as 14A
79	Building Materials	\$ 3,091.31	Reclassify as 14A
80	Portable Toilets	\$ 92.50	Reclassify as 14A
81	Portable Toilets	\$ 46.25	Reclassify as 14A
82	Portable Toilets	\$ 601.25	Reclassify as 14A
83	Portable Toilets	\$ 46.25	Reclassify as 14A
84	Portable Toilets	\$ 92.50	Reclassify as 14A
87	Portable Toilets	\$ 46.25	Reclassify as 14A
88	Portable Toilets	\$ 92.50	Reclassify as 14A
89	Concrete	\$ 465.50	Reclassify as 14A
90	Paint & Supplies	\$ 2,196.10	Reclassify as 14A
91	Paint & Supplies	\$ 1,672.80	Reclassify as 14A
92	Building Materials	\$ 1,248.10	Reclassify as 14A
93	Doors & Hardware	\$ 675.50	Reclassify as 14A
94	Building Materials	\$ 1,613.04	Reclassify as 14A
96	Building Materials	\$ 913.06	Reclassify as 14A

97	Paint & Supplies	\$	454.80	Reclassify as 14A
98	Paint & Supplies	\$	1,152.13	Reclassify as 14A
99	Paint & Supplies	\$	725.15	Reclassify as 14A
101	Building Materials	\$	2,482.96	Reclassify as 14A
103	Portable Toilets	\$	383.25	Reclassify as 14A
104	Portable Toilets	\$	19.75	Reclassify as 14A
105	Portable Toilets	\$	26.50	Reclassify as 14A
106	Portable Toilets	\$	54.75	Reclassify as 14A
108	Paint & Supplies	\$	858.46	Reclassify as 14A
109	Concrete	\$	94.00	Reclassify as 14A
113	Paint & Supplies	\$	438.17	Reclassify as 14A
114	Portable Toilets	\$	54.75	Reclassify as 14A
115	Portable Toilets	\$	54.75	Reclassify as 14A
117	Building Materials	\$	2,926.28	Reclassify as 14A
119	Building Materials	\$	5,085.01	Reclassify as 14A
120	Paint & Supplies	\$	695.84	Reclassify as 14A
121	Paint & Supplies	\$	420.98	Reclassify as 14A
122	Paint & Supplies	\$	1,084.96	Reclassify as 14A
123	Paint & Supplies	\$	608.12	Reclassify as 14A
124	Paint & Supplies	\$	379.77	Reclassify as 14A
125	Paint & Supplies	\$	914.17	Reclassify as 14A
138	Paint & Supplies	\$	80.88	Reclassify as 14A
139	Paint & Supplies	\$	908.80	Reclassify as 14A
141	Paint & Supplies	\$	120.09	Reclassify as 14A
142	Portable Toilets	\$	54.75	Reclassify as 14A
143	Portable Toilets	\$	155.75	Reclassify as 14A
144	Portable Toilets	\$	26.50	Reclassify as 14A
145	Portable Toilets	\$	19.75	Reclassify as 14A
147	Portable Toilets	\$	54.75	Reclassify as 14A
148	Portable Toilets	\$	328.50	Reclassify as 14A
149	Portable Toilets	\$	219.00	Reclassify as 14A
150	Portable Toilets	\$	273.75	Reclassify as 14A
151	Portable Toilets	\$	273.75	Reclassify as 14A
152	Portable Toilets	\$	54.75	Reclassify as 14A

153	Paint & Supplies	\$	2,147.60	Reclassify as 14A
154	Paint & Supplies	\$	1,137.86	Reclassify as 14A
156	Portable Toilets	\$	328.50	Reclassify as 14A
157	Portable Toilets	\$	219.00	Reclassify as 14A
158	Portable Toilets	\$	54.75	Reclassify as 14A
162	Portable Toilets	\$	54.75	Reclassify as 14A
163	Portable Toilets	\$	54.75	Reclassify as 14A
164	Portable Toilets	\$	164.25	Reclassify as 14A
165	Portable Toilets	\$	164.25	Reclassify as 14A
166	Portable Toilets	\$	54.75	Reclassify as 14A
167	Portable Toilets	\$	54.75	Reclassify as 14A
168	Portable Toilets	\$	54.75	Reclassify as 14A
169	Portable Toilets	\$	54.75	Reclassify as 14A
170	Portable Toilets	\$	547.50	Reclassify as 14A
175	Portable Toilets	\$	54.75	Reclassify as 14A
185	Portable Toilets	\$	54.75	Reclassify as 14A
186	Portable Toilets	\$	54.75	Reclassify as 14A
187	Portable Toilets	\$	54.75	Reclassify as 14A
188	Portable Toilets	\$	54.75	Reclassify as 14A
189	Portable Toilets	\$	54.75	Reclassify as 14A
190	Portable Toilets	\$	54.75	Reclassify as 14A
191	Portable Toilets	\$	54.75	Reclassify as 14A
192	Portable Toilets	\$	54.75	Reclassify as 14A
193	Portable Toilets	\$	54.75	Reclassify as 14A
194	Portable Toilets	\$	54.75	Reclassify as 14A
195	Portable Toilets	\$	54.75	Reclassify as 14A
196	Portable Toilets	\$	54.75	Reclassify as 14A
197	Portable Toilets	\$	54.75	Reclassify as 14A
198	Portable Toilets	\$	54.75	Reclassify as 14A
199	Portable Toilets	\$	54.75	Reclassify as 14A
200	Portable Toilets	\$	54.75	Reclassify as 14A
201	Portable Toilets	\$	54.75	Reclassify as 14A
202	Portable Toilets	\$	54.75	Reclassify as 14A
203	Portable Toilets	\$	54.75	Reclassify as 14A

204	Portable Toilets	\$	54.75	Reclassify as 14A
205	Portable Toilets	\$	766.50	Reclassify as 14A
206	Portable Toilets	\$	54.75	Reclassify as 14A
207	Portable Toilets	\$	54.75	Reclassify as 14A
208	Portable Toilets	\$	54.75	Reclassify as 14A
209	Portable Toilets	\$	54.75	Reclassify as 14A
210	Portable Toilets	\$	54.75	Reclassify as 14A
211	Portable Toilets	\$	54.75	Reclassify as 14A
212	Portable Toilets	\$	54.75	Reclassify as 14A
213	Portable Toilets	\$	54.75	Reclassify as 14A
214	Portable Toilets	\$	54.75	Reclassify as 14A
215	Portable Toilets	\$	54.75	Reclassify as 14A
216	Portable Toilets	\$	54.75	Reclassify as 14A
217	Portable Toilets	\$	54.75	Reclassify as 14A
218	Portable Toilets	\$	54.75	Reclassify as 14A
219	Portable Toilets	\$	54.75	Reclassify as 14A
220	Portable Toilets	\$	54.75	Reclassify as 14A
221	Portable Toilets	\$	54.75	Reclassify as 14A
222	Portable Toilets	\$	54.75	Reclassify as 14A
240	Paint & Supplies	\$	701.90	Reclassify as 14A
242	Building Materials	\$	614.00	Reclassify as 14A
243	Doors & Hardware	\$	7,686.40	Reclassify as 14A
244	Doors & Hardware	\$	791.25	Reclassify as 14A
247	Roofing Materials	\$	3,693.45	Reclassify as 14A
248	Roofing Materials	\$	3,221.51	Reclassify as 14A
249	Building Materials	\$	26,341.85	Reclassify as 14A
250	Paint & Supplies	\$	25,329.15	Reclassify as 14A
251	Paint & Supplies	\$	2,337.70	Reclassify as 14A
252	Building Materials	\$	10,382.90	Reclassify as 14A
253	Paint & Supplies	\$	134.06	Reclassify as 14A
254	Paint & Supplies	\$	4,349.69	Reclassify as 14A
256	Building Materials	\$	6,293.05	Reclassify as 14A
257	Building Materials	\$	3,440.60	Reclassify as 14A
258	Building Materials	\$	25,436.80	Reclassify as 14A

259	Paint & Supplies	\$	5,814.89	Reclassify as 14A
260	Paint & Supplies	\$	1,114.68	Reclassify as 14A
		\$	190,669.95	

City of Dallas People Helping People Cost Analysis

Activity 11824

Item #	Description	Cost	Comment
245	Storage Container	\$ 5,650.00	Need cost and price analysis
246	Storage Container	\$ 5,650.00	Need cost and price analysis

City of Dallas People Helping People Cost Analysis
 Activity 11824

Item #	Description	Cost	Comment
102	Masks/Filters	\$ 1,680.00	No invoice
126	Day Laborer	\$ 377.20	No information on task/project
127	Day Laborer	\$ 363.08	No information on task/project
128	Day Laborer	\$ 330.05	No information on task/project
129	Day Laborer	\$ 367.77	No information on task/project
130	Temp Personnel	\$ 282.90	No information on task/project
131	Day Laborer	\$ 84.87	No information on task/project
132	Day Laborer	\$ 358.34	No information on task/project
133	Day Laborer	\$ 282.90	No information on task/project
134	Day Laborer	\$ 146.17	No information on task/project
174	Advertisement	\$ 127.44	No source documentation
181	Day Laborer	\$ 377.30	No information on task/project
182	Day Laborer	\$ 311.19	No information on task/project
183	Day Laborer	\$ 391.34	No information on task/project
184	Day Laborer	\$ 301.76	No information on task/project
228	Masks/Filters	\$ 1,680.00	No invoice
235	Paint and Supplies	\$ 151.01	No invoice
236	Paint and Supplies	\$ 768.24	No invoice
237	Paint and Supplies	\$ 228.20	No invoice
238	Concrete	\$ 491.52	No invoice
255	Paint and Supplies	\$ 1,321.08	No invoice
259	Paint and Supplies	\$ 134.06	Amount in excess of invoice
268	Disposal Costs	\$ 10,175.00	No information on task/project
271	Disposal Costs	\$ 485.00	No information on task/project
272	Disposal Costs	\$ 4,950.00	No information on task/project
273	Disposal Costs	\$ 3,015.00	No information on task/project
274	Disposal Costs	\$ 4,850.00	No information on task/project
275	Disposal Costs	\$ 4,750.00	No information on task/project
276	Disposal Costs	\$ 1,010.00	No information on task/project
		\$ 39,791.42	

ATTACHMENT C

COUNCIL CHAMBER

161020

June 15, 2016

WHEREAS, Community Development Block Grant (CDBG) funds in the amount of \$479,541 were used to complete design work, environmental testing related to median improvements and the purchase of the property located at 138 West Davis Street; and

WHEREAS, the City of Dallas desires to abandon 1,250 square feet of City-owned property purchased with CDBG funds located at 138 West Davis Street as part of a proposed development project; and

WHEREAS, a condition of the TIF agreement for the development project is that the developer provide for funds as required by HUD for the City to refund HUD; however, the developer funding is contingent on a construction loan necessitating the need for City interim funding to provide the voluntary refund in a timely manner for HUD; and

WHEREAS, according to HUD regulations, the proposed abandonment of a portion of the property at 138 West Davis Street triggers the change of use provisions in HUD's Code of Federal Regulations (CFR), at 24 CFR 570.505 that requires public notice; and

WHEREAS, on April 27, 2016, City Council authorized a public hearing to be held on June 15, 2016 to receive comments on the proposed change of use, and notice was published in the Dallas Morning News on May 15, 2016; and

WHEREAS, holding a public hearing on June 15, 2016 for public comment on the proposed change of use for property located at 138 West Davis Street purchased with CDBG funds will satisfy HUD requirements;

Now, Therefore,

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

Section 1. That the City Council hereby authorizes approval of the change of use for property located at 138 West Davis Street purchased with CDBG funds and voluntary refund of CDBG funds to be used for other eligible purposes in the future.

Section 2. That the Chief Financial Officer is hereby authorized to disburse funds to the U.S. Department of Housing and Urban Development in an amount not to exceed \$479,541, from Fund 0352, Department ECO, Unit 9992, Object Code 3571, Activity PPPF, Encumbrance No. ECO99921283, Vendor No. 263304 for the voluntary refund of CDBG funds.

Section 3. That the Chief Financial Officer is hereby authorized to receive and deposit any and all funds received from the Developer in an amount not less than \$479,541, to fully reimburse the Public/Private Partnership Fund 0352, Department ECO, Unit 9992, Activity PPPF, Revenue Source 8518 for funds expended to provide for the voluntary refund of CDBG funds.

COUNCIL CHAMBER

161020

June 15, 2016

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

APPROVED BY
CITY COUNCIL

JUN 15 2016

Lucas D. Jones
City Secretary

Memorandum



CITY OF DALLAS

DATE August 26, 2016

TO Honorable Mayor and Members of the City Council

SUBJECT **Chief Financial Officer Announcement**

I am excited to announce the hiring of M. Elizabeth Reich as the Chief Financial Officer. A resident of Dallas, Elizabeth has built a strong record in the Federal Government for more than 16 years, including serving as the Acting Chief Financial Officer of the Social Security Administration in Baltimore, MD, in 2015.

In that role, Elizabeth was accountable for all financial planning, analysis, and control for the Social Security Programs, including making over \$940 billion in benefit payments annually, and managing an almost \$12 billion administrative budget supporting 65,000 employees in over 1,600 facilities nationwide.

Under her leadership, SSA's FY 2015 Agency Financial Report won the Certificate of Excellence in Accountability Reporting award from AGA.

Elizabeth was also responsible for a broad range of other management functions at Social Security. She served as the agency's Senior Procurement Executive, purchasing over \$1.6 billion in products and services annually. Elizabeth had national oversight of anti-fraud programs, facilities and supply management, quality improvement initiatives, quality review, and security and emergency preparedness.

Prior to heading to Baltimore from Dallas, Elizabeth had oversight of field operations, including 139 field offices, 3 teleservice centers, and over 4,000 employees serving 33 million people in Texas, Oklahoma, Arkansas, Louisiana, New Mexico, and the Navaho nation in Arizona and Utah.

She received a Master of Public Administration, with concentrations in Public Financial Management and Policy Analysis, from The American University in Washington, D.C. in 2000. Elizabeth holds a BA in Government and International Studies from The American University as well, where she was inducted into Pi Sigma Alpha, the national Political Science Honor Society.

I also want to recognize the valuable contributions of Jeanne Chipperfield as Chief Financial Officer. Jeanne will continue to be a vital asset to Dallas in her role as Director of the Office of Ethics and Compliance.

Please join me in welcoming Elizabeth on September 6, 2016 and giving her your support as she joins the team.



A.C. Gonzalez
City Manager

DATE August 26, 2016

SUBJECT Chief Financial Officer Announcement

c: Christopher D. Bowers, Interim City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
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 & Council

Memorandum



CITY OF DALLAS

DATE: August 26, 2016

TO: Honorable Mayor and Members of the City Council

SUBJECT: **Executive Appointment - Development Services Administrator**

I am pleased to announce that Tommy Ludwig is being appointed Development Services Administrator for Sustainable Development and Construction. After completion of a national search, it was concluded that Mr. Ludwig's unique experience with the City made him the best choice for this position. This position is an outgrowth of our joint review of the development process with our partners in the development community. The position will be responsible for coordinating the development review processes within the Sustainable Development and Construction Department and interactions with other departments involved in the development review process. The position will report directly to the Department Director.

Mr. Ludwig has worked for the City for 8 years and has held positions in the City Manager's Office, Equipment and Building Services and Sustainable Development and Construction. Mr. Ludwig holds a Masters in Political Science from the University of North Texas. For the past year Mr. Ludwig has served as the manager of the Development Review Process Improvement Team under the purview of the City Manager's Office. The team was established as a result of recommendations from the Development Review Enhancement Strategy Report which was created in a collaborative effort between the development community and various departments within the city responsible for development review. These departments include Sustainable Development and Construction, Dallas Water Utilities, Dallas Fire and Rescue, Planning and Urban Design and the City Attorney's Office.

Sustainable Development and Construction is committed to continuing to work to make the review, permitting and inspection process as efficient as possible while ensuring that development is in compliance with all city code requirements and public safety. Please join me in welcoming Mr. Ludwig to this important position.

A handwritten signature in blue ink, appearing to read 'Ry - S. E'.

Ryan S. Evans
First Assistant City Manager

CC: A.C. Gonzalez, City Manager
Chris Bowers, Interim City Attorney
Rosa Rios, City Secretary
Craig Kinton, City Auditor
Daniel F. Solis, Administrative Judge
Eric D. Campbell, Assistant City Manager
Mark McDaniel, Assistant City Manager
Jill A. Jordan, P.E., 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 & Council

Memorandum



DATE August 26, 2016

TO Honorable Mayor & Members of the City Council

SUBJECT Consideration of Potential Aerial Sprays for Zika Virus Response

On September 22, 2015, the City of Dallas entered into an interlocal agreement (ILA) with Dallas County for the professional services of Dallas County Health & Human Services (DCHHS) to act on behalf of the City as its health authority, for the purposes stated in the ILA, in providing essential public health services, including identifying health hazards, developing policies and plans that improve public health, and aiding the State in relation to disease prevention and suppression.

During recent meetings between city staffs and the County, aerial spraying has been discussed to combat Zika based on lessons learned from the State of Florida. DCHHS is reviewing this option with other Dallas County cities and updated the Quality of Life & Environment Committee on August 22, 2016.

As recommended by the Quality of Life & Environment Committee, an action item to authorize aerial sprays in Dallas against Zika Virus to be conducted when directed by DCHHS will be scheduled for consideration by City Council at its September 7, 2016 briefing meeting.

Should a need arise for aerial sprays before September 7, the City Council could hold an emergency meeting with 2-hours' posting of the notice for the meeting and consider approval of this action item.

Dallas County has requested a ratified letter from the City requesting aerial sprays even though it is the City's position that the ILA gives the County authority to act as our health authority for the West Nile virus and the Zika virus and such approval by the City is not necessary. Please contact Chris Bowers, Interim City Attorney, if you have questions about this matter.

To date, there have been 15 travel-associated Zika virus cases in the City of Dallas and none of these cases resulted from local mosquito transmission. For these cases, the City continues to follow a response protocol established by the U.S. Centers for Disease Control (CDC) and local health officials. Additionally, the Office of Emergency Management (OEM) is working closely with DCHHS through weekly communications and staying in touch with State health authorities and CDC to learn more about potential impacts and maintain readiness with emergency plans.

Please contact me if you have any questions or need additional information



Joey Zapata
Assistant City Manager

Consideration of Potential Aerial Sprays for Zika Virus Response
August 26, 2016

c: A.C. Gonzalez, City Manager
Christopher D. Bowers, Interim City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
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
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor & Council

Memorandum



DATE August 26, 2016
TO Honorable Mayor and Members of Council
SUBJECT 311 Technology Improvements

This memorandum is to advise you of some upcoming technology improvements for 311.

This weekend, 311 and CIS staff are implementing a minor upgrade to the Motorola service request software. This upgrade adds functionality on service request routing and provides a “bug fix” for some minor issues. In order to complete the upgrade, the software will be offline on Saturday from approximately 7 a.m. until late afternoon Sunday. A message will be posted on the 311 website and the app advising customers to call 311 for their service request needs. Residents will be unable to submit service requests on the website and the mobile app on Saturday and Sunday until the upgrade is complete. **However, the 311 Customer Service Center will be open and agents will take calls as usual during this time, including dispatching field crews for any urgent issues.**

Two other projects are in progress with expected completion this fall:

- Automated post-call surveys will provide the option for every caller to answer a four-question survey about their experience with the agents in the 311 Customer Service Center. (Currently, 311’s Quality Assurance staff conducts phone surveys by contacting a limited number of customers after their calls to 311, Water Customer Service, or the Court & Detention services line.)
- “Conversational” introductory messaging on the 311 line will allow callers to use their own words to describe the reasons for their calls. Information-only calls (such as questions about the location/hours for City Hall, or what items can be recycled) can be handled within the messaging system. Questions that should be directed to DART, Dallas County, or other agencies can be transferred to those agencies without 311 agent assistance. This saves time for the caller (no holding to speak to an agent) and frees up more time for agents to handle other calls. However, callers will always be able to speak to an agent if they need to do so.

311 Technology Improvements
August 26, 2016
Page 2 of 2

We will continue to keep you advised of technology enhancements, particularly those that impact the customers' experience.

Please contact me if you have any questions. Thank you.


Mark McDaniel, Assistant City Manager

- c: A.C. Gonzalez, City Manager
- Christopher D. Bowers, Interim City Attorney
- Rosa A. Rios, City Secretary
- Daniel Solis, Administrative Judge
- Craig D. Kinton, City Auditor
- Ryan S. Evans, First Assistant City Manager
- Eric D. Campbell, Assistant City Manager
- Jill A. Jordan, P.E., 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 & Council
- William Finch, Chief Information Officer
- Margaret Wright, Assistant Director, 311 Customer Service Center

Memorandum



DATE: August 26, 2016

TO: Honorable Members of the Public Safety Committee:
Adam Medrano (Chair), B. Adam McGough (Vice Chair), Sandy Greyson, Tiffinni A. Young,
Jennifer S. Gates, Philip T. Kingston

SUBJECT: **Low Sterrett Jail Contract**

Pending the support and recommendation from the Public Safety Committee, on September 28, 2016, City Council will consider an agenda item to authorize payment to Dallas County under the Low Sterrett Jail contract for FY 2016-17. The proposed amount is \$7,812,862, or approximately 3% more than the current FY 2015-16 contract. To better understand how costs to the City are determined, information below provides the methodology as to how the City's jail contract costs are charged on an annual basis.

How are the costs to the City calculated?

The total cost of Low Sterrett's housing and intake operations for FY17 is approximately \$135m. Through a 1978 contractual agreement, the City participates in cost sharing for facility and operational costs in exchange for jail services to City prisoners. In determining the City of Dallas' cost, the County develops an average cost per prisoner for their entire intake and housing population.

Details of those two calculations are found below:

Central Intake Cost - FY17	
Salaries	\$20,022,121
Other	\$244,898
Indirect Cost	\$3,379,734
	\$23,646,753
	Total Cost
<i>Divided by:</i>	69,322
	Total Prisoners
Per Prisoner	\$341.12

Housing Cost - FY17		
Department	Salary	Other
Detention Admin.	\$1,148,777	\$25,303
Sterrett N,W,S	\$62,903,820	\$854,102
Food Services	\$2,205,198	\$5,815,100
Laundry	\$1,543,105	\$21,800
Inmate Transport	\$13,170,300	\$84,200
Jail Medical	\$8,502,938	\$93,000
Direct Costs	\$89,474,138	\$6,893,505
Indirect Costs	\$15,103,234	
	\$111,470,877	Total Costs
<i>Divided by:</i>	5,766	Daily Prisoners
Per Prisoner:	\$52.97	

Once the County calculates average per prisoner charges, the amounts are multiplied against the City's actual usage over the prior 24 months. Additionally, a 10% apportioned cost for the Sheriff's Office jail administrative costs are billed to the City.

The table below shows the City's historical usage and costs:

	<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f=(a*b)+(c*d)+e</i>
Fiscal Year	City Intake Count	County Intake Unit Cost*	City Housing Count	County Housing Unit Cost*	Apportioned County Costs	City Contract Payment Amount
FY11-12	21,354	\$ 271.76	24,782	\$ 53.12	\$ 732,352	\$ 7,851,819
FY12-13	22,840	\$ 256.52	28,987	\$ 56.28	\$ 738,532	\$ 8,228,943
FY13-14	21,443	\$ 300.62	23,474	\$ 62.46	\$ 801,192	\$ 8,713,637
FY14-15	20,246	\$ 306.46	15,094	\$ 63.11	\$ 825,854	\$ 7,983,142
FY15-16	19,453	\$ 314.22	8,418	\$ 69.38	\$ 860,906	\$ 7,557,391
FY16-17	18,919	\$ 341.12	9,589	\$ 52.97	\$ 851,372	\$ 7,812,862

*Shown Rounded to Nearest Cent

How do we ensure we are not overpaying for this contracted expense?

Dallas County's FY 2016-17 daily per prisoner housing cost will decrease by (24%) over the current year contract. To contextualize the County's prisoner housing proposal, an analysis was recently undertaken using data from the Texas Commission on Jail Standards or T.C.J.S. On a monthly basis the T.C.J.S. issues a standardized report which compares the cost per prisoner housed for all Texas counties. Excluding indirect costs and measuring Dallas County's total number of beds, they list Dallas County's average daily housing cost to be \$52.97 per prisoner. In their most recent July 2016 report, the T.C.J.S. calculates the statewide average for Texas county jails to be \$58.19 per prisoner housed. The cost for Texas' five largest counties is as follows: Travis, \$114; Harris, \$75; Dallas, \$53; Bexar, \$46; and Tarrant, \$38.

The Court & Detention Services Department is seeking the support and recommendation from the Public Safety Committee to authorize payment to Dallas County under the Lew Sterrett Jail contract for FY 2016-17. This item will be placed on the September 28, 2016 City Council Agenda.



Eric D. Campbell
 Assistant City Manager

- cc: Honorable Mayor and Members of the City Council
- A.C. Gonzalez, City Manager
- Christopher D. Bowers, (I) City Attorney
- Craig D. Kinton, City Auditor
- Rosa A. Rios, City Secretary
- Daniel F. Solis, Administrative Judge
- Ryan S. Evans, First 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 & Council
- Gloria Lopez Carter, Director, Court & Detention Services

Memorandum



DATE: August 26, 2016

TO: Honorable Members of the Public Safety Committee:
Adam Medrano (Chair), B. Adam McGough (Vice Chair), Sandy Greyson, Tiffinni A. Young,
Jennifer S. Gates, Philip T. Kingston

SUBJECT: **Public Safety Committee Responses**

Below are follow-up responses to questions/requests asked during the Public Safety Council Committee Meeting held on Monday, August 22, 2016.

Dallas Police Department Crime Report

1. **Provide a breakdown of the taskforces as it relates to what they are currently doing, associated expenses, and its impact.**
 - a. The mission of the Violent Crime Task Force is focused on the reduction of violent crime and to take action to arrest violent offenders. The task force is deployed throughout the City within the Targeted Area Action Grids (TAAGs).

I. **Associated Expenses**

Overtime Expense Totals

TAAG DEPLOYMENT	MONEY
NORTHEAST'S FOREST / AUDELIA TAAG	157,172.03
NORTHEAST'S 5 POINTS TAAG	136,294.67
NORTHEAST'S JOHNWEST / BUCKNER TAAG	88,975.59
SOUTHEAST TAAGS	40,576.65
CENTRALS ROSS / BENNETT TAAG	34,143.80
SOUTHWEST CALL ANSWERING	33,220.64
TOTAL	\$490,383.38

II. Activity Totals

Violent Crime Task Force activity totals for all TAAGs

CALLS ANSWERED	2,503
TRAFFIC STOPS MADE	2,249
PEDESTRIAN STOPS MADE	1,107
CITATIONS ISSUED	845
INVESTIGATIVE ARRESTS	151
CITY ARRESTS	170
GANG CARDS	40
STOLEN VEHICLES RECOVERED	16
GUNS RECOVERED	9
DRUGS SEIZED	26

2. What is the number of S.A.F.E. cases closed this year?

b. 32

3. What incident caused the spike in cash seized for the years 2014 and 2015?

c. "Operation Caprock Candy," coordinated by Federal Bureau of Investigations in conjunction with Gang Task Force Officers. This operation began in 2013 and concluded in 2015.

- Yielded 78 federal indictments
- \$596,500.00 cash seizures along with 35 firearms
- 358 kilograms of methamphetamine
- 3.5 kilograms of cocaine and 1 kilogram of heroin

2016 – Year to date there have been over 50 federal warrants executed, approximately \$120,000.00 seized, 48 firearms seized, and 28 narcotic seizures

4. What is the current staffing with the Gang Unit?

d. Total Gang Unit Personnel: 19 Sworn and 1 Non-Sworn

Gang Unit

- 1 Sergeant
- 7 Senior Corporals

Gang Officers Assigned to Federal Gang Task Forces

- 1 Sergeant
- 7 Senior Corporals
 - 4 - Federal Bureau of Investigations,
 - 2 - Alcohol, Tobacco, Firearms,
 - 1 United States Marshals Services

Metro Gang Officers

- 3 Police Officers

Non-Sworn Position

- 1 Police Research Specialist

Gang Unit Trained Liaisons

- 14 Police Officers (Currently assigned to Patrol Divisions)



Eric D. Campbell
Assistant City Manager

cc: Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Christopher D. Bowers, (I) City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First 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 & Council
Chief David O. Brown, Dallas Police Department

Memorandum



DATE August 26, 2016
TO Honorable Members of the Quality of Life & Environment Committee: Sandy Greyson (Chair),
Tiffinni A. Young (Vice Chair), Rickey D. Callahan, Mark Clayton, Philip T. Kingston, B. Adam McGough
SUBJECT Proposed Amendments to Chapter 47A – Transportation for Hire

This memorandum provides an update on the proposed amendments to Chapter 47A -Transportation for Hire. In addition to the amendments provided in at the June 13, 2016, committee meeting, the proposed ordinance amends the flat rates from Love Field and Dallas-Fort Worth International airports, clarifies what charges are included in flat rates from airports, and synchronizes them with the trip fees charged from Love Field and DFW.

Please note that staff consulted with DFW Airport legal staff on the new rates and flat fare language, and they are in agreement with the proposed amendments.

The attached proposed ordinance will be presented for consideration on September 14, 2016.

Please contact me if you have any questions or need additional information.



Joey Zapata
Assistant City Manager

Attachment

c: Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Christopher D. Bowers, Interim City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
Eric D. Campbell, Assistant City Manager
Mark McDaniel, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor & Council

KEY FOCUS AREA: Clean, Healthy Environment
AGENDA DATE: September 14, 2016
COUNCIL DISTRICT(S): All
DEPARTMENT: Code Compliance
CMO: Joey Zapata, 670-3009
MAPSCO: N/A

SUBJECT

An ordinance amending Sections 47A.1-4, 47A-1.6, 47A-2.1.2, 47A-2.1.8, 47A-2.2.1, 47A-2.3.2, 47A-2.3.3, 47A-2.3.5, 47A-2.4.8, 47A-2.5.1, and 47A-2.5.2 of Chapter 47A, "Transportation for Hire," of the Dallas City Code to: **(1)** clarify certain exclusions and definitions; **(2)** clarify insurance requirements; **(3)** prohibit an operating authority from owning a certain interest or maintaining control over entities that inspect or certify vehicles as required to obtain a vehicle permit under this chapter; **(4)** provide that the director may request information to verify airport fees from operating authorities; **(5)** add requirements for vehicle permits; **(6)** remove certain vehicle quality standards; **(7)** synchronize the vehicle permit validity period with the state registration period; **(8)** adjust the flat rates from Love Field and Dallas-Fort Worth International Airports; **(9)** clarify what flat rates from airports include; and **(10)** make certain other grammatical changes - Financing: No cost consideration to the City.

BACKGROUND

On April 30, 2015, the current Chapter 47A went into effect redefining transportation for hire services as any ride for compensation, including motorized and non-motorized vehicles. It encouraged market competition by allowing new business models to operate, streamlined the permitting process and reduced fees. Different modes of transportation for hire companies can now compete directly against each other and consumers have a choice of what type of service to use.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 28, 2013, the City Council remanded consideration of transportation-for-hire service regulations to the Transportation and Trinity River Project Committee.

On January 13, 2014, the Transportation and Trinity River Project Committee was briefed on transportation-for-hire service regulations.

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

On January 21, 2014, the Transportation and Trinity River Project Committee held a special meeting to hear vendor presentations, receive public comments, and discuss the transportation-for-hire service regulations.

On January 24, 2014, the Transportation and Trinity River Project Committee was briefed on proposed amendments to the transportation-for-hire service regulations.

On March 4, 2014, April 25, 2014, and May 6, 2014, the Transportation-for-Hire Workgroup met to discuss amendments to the transportation-for-hire service regulations.

On May 27, 2014, the Transportation and Trinity River Project Committee was briefed on the proposed amendments to the transportation-for-hire service regulations submitted by the Transportation-for-Hire Workgroup, and moved to forward the amendments to the full council for consideration and comment, and then to establish a public forum and comment period.

On August 6, 2014, the City Council was briefed on the proposed amendments to the transportation-for-hire service regulations submitted by the Transportation-for-Hire Workgroup.

The transportation-for-hire ordinance was posted on the City's website on August 8, 2014, and written public comments were accepted by the City Secretary's Office from 12:00 a.m. on Saturday August 9, 2014 through 5:00 p.m. on Friday August 29, 2014. A revised transportation-for-hire ordinance was posted on the City's website on August 25, 2014.

A public forum on the transportation-for-hire ordinance was held on Tuesday, September 2, 2014.

On September 8, 2014, the Transportation and Trinity River Project Committee was briefed on the revised transportation-for-hire ordinance.

On November 17, 2014, the Transportation and Trinity River Project Committee was briefed on the transportation-for-hire ordinance.

On December 10, 2014, the City Council approved the transportation-for-hire ordinance.

On April 30, 2015, Chapter 47A, "Transportation for Hire," of the Dallas City Code went into effect.

FISCAL INFORMATION

No cost consideration to the City

ORDINANCE NO. _____

An ordinance amending Chapter 47A, "Transportation For Hire," of the Dallas City Code, as amended, by amending Sections 47A.1-4, 47A-1.6, 47A-2.1.2, 47A-2.1.8, 47A-2.2.1, 47A-2.3.2, 47A-2.3.3, 47A-2.3.5, 47A-2.4.8, 47A-2.5.1, and 47A-2.5.2; clarifying certain exclusions and definitions; clarifying insurance requirements; providing that an operating authority may not own a certain interest or maintain control over entities that inspect vehicles as required to obtain a vehicle permit under this chapter; providing that the director may request information to verify airport fees from operating authorities; adding requirements for vehicle permits; removing certain vehicle quality standards; synchronizing the vehicle permit validity period with the state registration period; adjusting the flat rates from Love Field and Dallas-Fort Worth International Airports; clarifying what flat rates from the airports include; and making certain other grammatical changes; providing a penalty not to exceed \$500; providing a saving clause; providing a severability clause; and providing an effective date.

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

SECTION 1. That Section 47A.1-4, "Exclusions," of Article I, "General Provisions," of Chapter 47A, "Transportation for Hire," of the Dallas City Code, as amended, is amended to read as follows:

"SEC. 47A-1.4. EXCLUSIONS.

This chapter does not apply to:

- (1) a vehicle operating as a Dallas Area Rapid Transit ("DART") vehicle[s];
- (2) courtesy vehicles;
- (3) carpooling;
- (4) the transportation of a person by a transportation-for-hire vehicle licensed by another governmental entity from a point outside the city to a destination inside the city, if the transportation-for-hire vehicle leaves the city without receiving a passenger inside the city;

(5) a motor vehicle used to transport persons for hire that is regulated by another chapter of this code, such as ambulances regulated under Chapter 15D, “Emergency Vehicles”; or

(6) a bus or shuttle vehicle that is:

(A) operated for a funeral home in the performance of funeral services;

(B) provided by an employer or employee association for use in transporting employees between the employees’ homes and the employer’s place of business or between workstations, with the employees reimbursing the employer or employee association in an amount calculated only to offset the reasonable expenses of operating the vehicle;

(C) owned and operated by the federal or state government, by a political subdivision of the state, or by a person under contract with the city for operation of the vehicle;

(D) used to transport children to or from school if only a fee calculated to reasonably cover expenses is charged;

(E) regulated by Texas Department of Transportation (TXDOT) or the Federal Motor Carrier Safety Administration (FMCSA) [~~operated under state or federal authority unless subject to the city’s regulatory authority~~];

(F) owned by a nonprofit organization and carrying only passengers associated with that organization, if no compensation is received from any other person for carrying the passengers; or

(G) operated under authority granted by the Surface Transportation Board.”

SECTION 2. That Section 47A-1.6, “Permit Fees,” of Article I, “General Provisions,” of Chapter 47A, “Transportation for Hire,” of the Dallas City Code is amended to read as follows:

“SEC. 47A-1.6. PERMIT FEES.

(a) The fee for an operating authority permit is \$278 per year for transportation-for-hire service provided by non-motorized passenger transport vehicles, and \$282 per year for transportation-for-hire service provided by all other transport vehicles.

(b) The fee for a transportation-for-hire vehicle permit is \$77 per vehicle permit per year for non-motorized passenger transport vehicles, and \$3 per vehicle permit per year or any portion thereof, for all other transportation-for-hire vehicles. [~~If a vehicle permit is issued for a period of time of less than one year, the fee will be prorated.~~]

(c) The fee for a driver permit is \$30 per two years. If a driver permit is issued for a period of time of less than two years, the fee will be prorated.”

SECTION 3. That Section 47A-2.1.2, “Application for Operating Authority Permit,” of Division 1, “Operating Authority Permit,” of Article II, “Regulations Applicable to All Transportation-for-Hire Services,” of Chapter 47A, “Transportation for Hire,” of the Dallas City Code is amended to read as follows:

“SEC. 47A-2.1.2. APPLICATION FOR OPERATING AUTHORITY PERMIT.

(a) To obtain an operating authority permit, a person shall make application in the manner prescribed by the director [~~this section~~]. The applicant must be the person who will own, control, or operate the proposed transportation-for-hire company.

(b) An applicant shall file with the director a verified application statement, to be accompanied by a non-refundable [~~nonrefundable~~] application fee of \$133, containing the following:

(1) the form of business of the applicant and, if the business is a corporation or association, a copy of the documents establishing the business and the name and address of each person with a 20 percent [%] or greater ownership interest in the business;

(2) the verified signature of the applicant;

(3) the address of the fixed facilities to be used in the operation, if any, and the address of the applicant’s corporate headquarters, if different from the address of the fixed facilities;

(4) the name of the person designated by the applicant to receive on behalf of the operating authority any future notices sent by the City to the operating authority, and that person’s contact information, including a mailing address, telephone number, and email or other electronic address;

(5) a method for the director to immediately verify whether a driver or vehicle are currently operating under that operating authority or were operating under that operating authority within the past 90 days;

(6) documentary evidence from an insurance company listed as an authorized auto liability lines carrier on the Texas Department of Insurance’s List of Authorized Insurance Companies or a surplus lines insurer listed on the Texas Department of Insurance’s list of Eligible Surplus Lines Insurance Companies, indicating that such insurance company has bound itself to provide the applicant with the [~~a willingness to provide~~] liability insurance required by this chapter;

(7) documentary evidence of payment of ad valorem taxes on the local property, if any, to be used in connection with the operation of the proposed transportation-for-hire company; ~~and~~

(8) a copy of the company's zero-tolerance policy for intoxicating substances; and

(9) a statement that the applicant does not maintain an ownership interest of 20 percent or greater in, or maintain control over, an entity that inspects or certifies vehicles pursuant to Section 47A-2.3.3 of this chapter."

SECTION 4. That Section 47A-2.1.8, "Transportation-For-Hire Service at Dallas Love Field Airport and Dallas-Fort Worth International Airport," of Division 1, "Operating Authority Permit," of Article II, "Regulations Applicable to All Transportation-for-Hire Services," of Chapter 47A, "Transportation for Hire," of the Dallas City Code is amended to read as follows:

"SEC. 47A-2.1.8. TRANSPORTATION-FOR-HIRE SERVICE AT DALLAS LOVE FIELD AIRPORT AND DALLAS-FORT WORTH INTERNATIONAL AIRPORT.

(a) In general. In addition to complying with this chapter, an operating authority providing transportation-for-hire services at Dallas Love Field Airport or Dallas-Fort Worth International Airport shall comply with all of the rules and regulations of those airports.

(b) Dallas Love Field Airport. An operating authority that tracks vehicle location for ground transportation shall, upon request of the director, provide the director with the information necessary to independently verify trip fees, as that trip fee is set in chapter five of this code, as amended, owed by that operating authority on a daily, weekly, and monthly basis."

SECTION 5. That Section 47A-2.2.1, "Driver Permit Required," of Division 2, "Driver Permit," of Article II, "Regulations Applicable to All Transportation-for-Hire Services," of Chapter 47A, "Transportation for Hire," of the Dallas City Code is amended to read as follows:

"SEC. 47A-2.2.1. DRIVER PERMIT REQUIRED.

(a) A person may not drive a transportation-for-hire vehicle for the purpose of providing transportation-for-hire services without a valid driver permit issued under this article.

(b) An operating authority may not knowingly request or allow a person who does not hold a valid driver permit issued under this article to drive a transportation-for-hire vehicle for the purpose of providing transportation-for-hire services for that operating authority.”

SECTION 6. That Section 47A-2.3.2, “Requirements for Vehicle Permit,” of Division 3, “Vehicle Permit,” of Article II, “Regulations Applicable to All Transportation-for-Hire Services,” of Chapter 47A, “Transportation for Hire,” of the Dallas City Code is amended to read as follows:

“SEC. 47A-2.3.2. REQUIREMENTS FOR VEHICLE PERMIT.

(a) To obtain a vehicle permit [~~or renewal of a vehicle permit~~], a permit applicant [~~person~~] must provide the director or an approved company with the following information, including the [~~and documents~~]:

(1) vehicle’s current state issued vehicle registration expiration year and month [~~and safety inspection expiration year and month~~];

(2) permit applicant’s name, mailing address, email address, and telephone contact information [~~proof that within the preceding 90 days, the vehicle has been inspected and certified as meeting the requirements in Section 47A-2.3.3~~];

(3) vehicle identification number of the vehicle to be permitted;

(4) year, make, and model of the vehicle to be permitted; and

(5) license plate number of the vehicle to be permitted.

(b) To obtain a vehicle permit for a previously permitted vehicle, in addition to providing the above information, a permit applicant must demonstrate that, within the preceding 90 days, the vehicle has been inspected and certified as meeting the requirements in Section 47A-2.3.3 of this chapter.”

SECTION 7. That Section 47A-2.3.3, “Vehicle Quality Standards,” of Division 3, “Vehicle Permit,” of Article II, “Regulations Applicable to All Transportation-for-Hire Services,” of Chapter 47A, “Transportation for Hire,” of the Dallas City Code is amended to read as follows:

“SEC. 47A-2.3.3. VEHICLE QUALITY STANDARDS.

(a) An operating authority shall maintain all motorized vehicles operating under its permit, and a driver shall maintain the motorized transportation-for-hire vehicle he is driving for hire, in a condition such that each vehicle meets all safety standards required by the state of Texas for passenger vehicles and the following additional standards: [~~is mechanically sound and road worthy, the exterior and interior are clean and appear new or substantially like new, and meets the following standards]~~

(1) the exterior and interior are clean and appear new or substantially like new [~~body panels, trim, and moldings are free of dents (other than minor door dings that do not involve paint damage), scratches, or other obvious unrepaired damage];~~

(2) front and rear seats, armrests, interior door panels, headliners, carpet, mats, and front and rear dashboards are in good condition, free of cracks, rips, tears, or excessive wear [~~paint in good condition, free of scratches or other obvious unrepaired damage, visible fading, runs, peeling, overspray, mismatched colors, or excessive “orange peel”];~~

(3) body panels, trim, and moldings are free of dents (other than minor door dings that do not involve paint damage), scratches, or other obvious unrepaired damage [~~all recall work recommended by the vehicle’s manufacturer has been performed];~~

(4) paint is in good condition, free of scratches or other obvious unrepaired damage, visible fading, runs, peeling, overspray, mismatched colors, or excessive paint damage [~~all exterior lights function and are aimed as designed by the manufacturer];~~

(5) front and rear tires, wheels, and wheel covers match and are the proper size and type for the vehicle [~~all doors open and close smoothly using interior and exterior door handles];~~

(6) all recall work recommended by the vehicle’s manufacturer has been performed [~~windshield and windows are in good condition, free of cracks or any condition that obscures visibility];~~

(7) [~~front and rear seats, armrests, interior door panels, headliners, carpet, mats, and front and rear dashboards are in good condition, free of cracks, rips, tears or excessive wear;~~

(8) all seat belts function smoothly, lock securely, and are free of twists, cuts or visible signs of wear;

(9) power windows and locks function properly;

(10) windshield wipers function as designed and wiper blades clean properly;

- (11) ~~all dashboard lights illuminate as designed;~~
- (12) ~~air conditioner, heater, and defoggers function properly[;~~
- (13) ~~all interior lights function properly;~~
- (14) ~~all power controlled rearview mirrors function properly;~~
- (15) ~~trunk lid functions properly;~~
- (16) ~~trunk compartment contains a proper spare tire in good condition with proper tread depth and air pressure, and all tools required to change a tire;~~
- (17) ~~engine hood release operates properly;~~
- (18) ~~all engine compartment fluid levels are at manufacturer recommended levels;~~
- (19) ~~no leaks or excessive noise emitting from the fuel pump, cooling system, water pump, engine, or transmission;~~
- (20) ~~all engine belts are in good condition with no visible signs of damage or excessive wear;~~
- (21) ~~air filter is clean;~~
- (22) ~~engine oil is clean and free of contaminants;~~
- (23) ~~battery is at full charge, tests to proper standards and shows no visible signs of damage or leakage;~~
- (24) ~~front and rear tires, wheels and wheel covers match and are the proper size and type for the vehicle;~~
- (25) ~~front and rear tires contain the proper air pressure, sidewalls are in good condition, and tread depth is a minimum of 5/32";~~
- (26) ~~all lug nuts are properly torqued;~~
- (27) ~~brake rotors show no signs of warpage, heat damage, or excessive wear;~~
- (28) ~~brakes, including parking brakes, and brake assemblies, calipers, lines, hoses and cables show no signs of leakage, damage, or excessive wear;~~

~~(29) vehicle chassis, including frame rails, subframe, transmission case or pan, drive shaft, fuel tank and components, steering system, differential assembly, exhaust system, transmission mounts, and struts/shocks show no sign of damage, leakage, or excessive wear;~~

~~(30) on startup, engine idles normally; and~~

~~(31) while driving, engine performs normally, transmission shifts normally, brakes function normally, no warning lights illuminate, and steering functions normally, with no abnormal vibration].~~

(b) It is a defense to prosecution for a violation of Subsection (a) that the violation was remedied within twenty-one (21) days after receiving the citation.

(c) A person commits an offense if he knowingly falsely certifies, requests another to falsely certify, or intentionally causes another to falsely certify that a transportation-for-hire vehicle meets the standards in Subsection (a).”

SECTION 8. That Section 47A-2.3.5, “Expiration of Vehicle Permit,” of Division 3, “Vehicle Permit,” of Article II, “Regulations Applicable to All Transportation-for-Hire Services,” of Chapter 47A, “Transportation for Hire,” of the Dallas City Code is amended to read as follows:

“SEC. 47A-2.3.5. EXPIRATION OF VEHICLE PERMIT.

A [The] vehicle permit is valid for the period of and expires concurrently with the permitted vehicle’s state registration displayed on the vehicle at the time the permit is issued [expires one year from the date it is issued].”

SECTION 9. That Section 47A-2.4.8, “Rates and Fares,” of Division 4, “Service Rules,” of Article II, “Regulations Applicable to All Transportation-for-Hire Services,” of Chapter 47A, “Transportation for Hire,” of the Dallas City Code is amended to read as follows:

“SEC. 47A-2.4.8. RATES AND FARES.

(a) For purposes of this section, “payor” means the person paying for transportation-for-hire service.

(b) An operating authority shall inform the payor of the rate for the transportation-for-hire service before the transportation-for-hire service is provided.

(c) An operating authority must disclose its rates on a publicly remotely accessible data site. An operating authority must also disclose its rates on a sign placed in or on all hailable transportation-for-hire vehicles operated under the operating authority's permit.

(d) A driver or operating authority shall provide the payor of a fare with a legible receipt at the time of payment. The receipt, alone or in combination with additional contemporaneously produced document(s), must contain the following information:

- (1) the fare rate;
- (2) the total fare;
- (3) an itemization showing how the fare was calculated;
- (4) the trip distance (if fare based in whole or in part on distance);
- (5) the duration of the trip in minutes (if fare based in whole or in part on time);
- (6) the name of the operating authority under which the driver was operating at the time of the ride;
- (7) the driver's first name and driver permit number; and
- (8) the vehicle permit number.

(e) The receipt may be submitted to the payor electronically if the ride was dispatched electronically or if the payor agrees to accept an electronic receipt.

(f) Hailable vehicles shall not charge any fare for providing transportation-for-hire service in the city that exceeds the maximum rates of fare authorized by the following schedule:

- (1) General fares.
 - (A) Initial meter drop: \$2.25;
 - (B) Each 1/9 mile: \$0.20;
 - (C) Traffic delay time/waiting time, per 1- 1/2 minutes: \$0.45; and
 - (D) Each extra passenger (up to manufacturer's rated seating capacity): \$2.00.
- (2) Love Field Airport fares.

(A) Each ~~[passenger-carrying]~~ trip departing from the airport (in addition to the general fare) shall include the trip fee as that trip fee is set in Chapter 5 of this code, as amended. [~~\$0.50~~]

(B) Minimum charge for each trip departing from the airport: \$8.00.

(C) Flat rate for each trip either originating at the airport and terminating at a location within the Dallas Central Business District area or originating at a location within the Dallas Central Business District area and terminating at the airport: \$21[~~18~~].00.

(D) Flat rate for each trip either originating at the airport and terminating at a location within the Dallas Market Center area or originating at a location within the Dallas Market Center area and terminating at the airport: \$18 [~~15~~].00.

(3) Dallas-Fort Worth International Airport fares.

(A) Minimum charge for each terminal transfer: \$7.00.

(B) Minimum charge for each trip that requires exiting the Airport parking plaza and terminates inside of airport property: \$14.50.

(C) Minimum charge for each trip that requires exiting the Airport parking plaza and terminates outside of airport property: \$17.00.

(D) Flat rate for each trip either originating at the airport and terminating at a location within the Dallas Central Business District area or originating at a location within the Dallas Central Business District area and terminating at the airport: \$45[~~40~~].00.

(E) Flat rate for each trip either originating at the airport and terminating at a location within the Dallas Market Center area or originating at a location within the Dallas Market Center area and terminating at the airport: \$37[~~2~~].00.

(4) Gasoline surcharge.

(A) A gasoline surcharge approved by the director may be added to a hailable vehicle fare when the average weekly retail price of regular grade gasoline in the State of Texas exceeds \$2.00 per gallon as determined by the United States Department of Energy, Energy Information Administration.

(B) The gasoline surcharge will be calculated in \$0.50 increments and applied per trip. For every \$0.50 increase or decrease in the average price per gallon of gasoline above the \$2.00 threshold, the per trip surcharge fee will be adjusted \$0.50 up or down to reflect the change in the average gasoline price. For example:

AVERAGE PRICE OF GASOLINE (PER GALLON)	AMOUNT OF SURCHARGE (PER TRIP)
\$2.00 or less	No surcharge
\$2.01 to \$2.50	\$0.50
\$2.51 to \$3.00	\$1.00
\$3.01 to \$3.50	\$1.50
Each additional \$0.50 increase in the average per gallon price of gasoline	Additional \$0.50 per trip

(C) The director shall determine the gasoline surcharge on a quarterly basis each year by checking, in accordance with the following schedule, the average price per gallon of gasoline as posted by the United States Department of Energy in its weekly updates:

DATE OF QUARTERLY PRICE CHECK BY DIRECTOR	DATE OF QUARTERLY ADJUSTMENT (IF REQUIRED)
December 20	January 1
March 20	April 1
June 20	July 1
September 20	October 1

(g) Each driver of a hailable vehicle shall charge the rates of fare prescribed in Subsection (f) in accordance with the following terms and conditions:

(1) “Dallas Central Business District area” includes:

(A) the Dallas Central Business District, which is the area bounded by Woodall Rodgers Freeway on the north, Central Expressway on the east, R. L. Thornton Freeway on the south, and Stemmons Freeway on the west; and

(B) all points located within 1,000 feet of the Dallas Central Business District boundaries described in Paragraph (1)(A) of this subsection.

(2) “Dallas Market Center area” includes:

(A) the Dallas Market Center, which is the area bounded by Medical District Drive [~~Motor Street~~] on the northwest, Harry Hines Boulevard on the northeast, Oak Lawn Avenue on the southeast, and Irving Boulevard on the southwest; and

(B) all points located within 1,000 feet of the Dallas Market Center boundaries described in Paragraph (2)(A) of this subsection.

(3) “Extra passengers” means the total number of passengers, less one, riding in the same vehicle whether or not going to the same destination.

(4) “Traffic delay time” is that time, as set and determined by the meter, during which the vehicle is stopped in traffic or proceeding at a speed of less than 11.5 miles per hour due to traffic conditions.

(5) “Waiting time” may be charged only when a passenger or party requests a vehicle to wait and be held exclusively for the use of that passenger or party.

(6) Passengers in the same vehicle traveling between the same points must be considered as one trip, and a multiple fare may not be charged. The only extra charge permitted for additional passengers is the \$2.00 allowed under Subsection (e) for each extra passenger.

(7) When passengers in the same vehicle have different destinations, the fare must be collected and the meter must be reset at each destination point, except when the vehicle is engaged by, and the fare for the entire trip is paid by, one passenger or party. The \$2.00 charge for each extra passenger is permitted under this paragraph only when the fare for the entire trip is paid by one passenger or party or when more than one passenger disembarks at a single location.

(8) A passenger or party must reimburse the driver for all lawful tolls paid during the time of engagement only if the passenger or party was notified of the toll route beforehand by the driver and did not object to the toll route.

(9) Flat rate fares provided in Subsection (f) of this section, as amended, shall include all fares described in this section, except for the extra passenger fare, also as described in this section.

(h) The director shall periodically review the hailable vehicle rates of fare and, after receiving input from operators and drivers of hailable vehicles, recommend any change to the city council. The city council shall hold a public hearing to consider the proposed change in rates of fare. After the hearing, the city council may approve, disapprove, or modify the proposed change.

(i) Nothing in this section prohibits a hailable vehicle from being operated for a discounted rate or charge.”

SECTION 10. That Subsection (c) of Section 47A-2.5.1, “Insurance Policy Requirements and Prohibitions,” of Division 5, “Insurance,” of Article II, “Regulations Applicable to All Transportation-for-Hire Services,” of Chapter 47A, “Transportation for Hire,” of the Dallas City Code is amended to read as follows:

“(c) Insurance required under this article must:

(1) include a cancellation provision in which the insurance company is required to notify the director in writing not fewer than 30 days before cancelling the insurance policy (for a reason other than non-payment) or before making a reduction in coverage [~~material change to the insurance policy~~];

(2) include a cancellation provision in which the insurance company is required to notify the director in writing not fewer than 10 days before cancelling for non-payment;

(3) cover all transportation-for-hire vehicles during all times that the vehicles are operating in furtherance of the operating authority's business, whether the vehicles are owned, non-owned, hired, rented, or leased by the operating authority, and whether the vehicles are or are not listed on a schedule of vehicles provided to the insurance company;

(4) include a provision requiring the insurance company to pay every covered claim on a first-dollar basis;

(5) require notice to the city of Dallas if the policy is cancelled or if there is a reduction in coverage [~~materially changed~~]; and

(6) comply with all applicable federal, state, or local laws.”

SECTION 11. That Subsection (b), “Insurance Policy Limits for Non-Motorized Passenger Transport Vehicles,” of Section 47A-2.5.2, “Minimum Insurance Limits,” of Division 5, “Insurance,” of Article II, “Regulations Applicable to All Transportation-for-Hire Services,” of Chapter 47A, “Transportation for Hire,” of the Dallas City Code is amended to read as follows:

“(b) Insurance policy limits for non-motorized passenger transport vehicles. The commercial general liability insurance for non-motorized passenger transport vehicles must provide combined single limits of liability for bodily injury and property damage of not less than \$500,000 for each occurrence, or the equivalent, and include coverage for premises operations, independent contractors, products/completed operations, personal injury, contractual liability, and medical payments. Coverage for medical payments must include a minimum limit of \$5,000 per person. [~~Aggregate limits of liability are prohibited.~~]”

SECTION 12. That a person violating a provision of this ordinance, upon conviction, is punishable by a fine not to exceed \$500.

SECTION 13. That Chapter 47A of the Dallas City Code shall remain in full force and effect, save and except as amended by this ordinance.

SECTION 14. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

SECTION 15. That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

CHRISTOPHER D. BOWERS, Interim City Attorney

By _____
Assistant City Attorney

Passed _____

Memorandum



DATE August 26, 2016

TO Honorable Members of the Quality of Life & Environment Committee: Sandy Greyson (Chair),
Tiffinni A. Young (Vice Chair), Rickey D. Callahan, Mark Clayton, Philip T. Kingston, B. Adam McGough

SUBJECT Smoke Free Parks

On August 22, 2016 Quality of Life & Environment Committee was briefed on Smoked Free Parks and recommended a complete smoking ban in City of Dallas parks with no exceptions for golf courses, the Elm Fork Shooting Range and/or other partner sites. This ordinance will be scheduled for consideration by City Council in October 2016.

Additionally, the committee requested enforcement data on violations of Chapter 41, "Smoking", of the Dallas City Code.

	Complaints	Citations
FY14 -15	34	39
FY15 -16	32	27

Please contact me if you have any questions or need additional information.

Joey Zapata
Assistant City Manager

c: Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Christopher D. Bowers, Interim City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
Eric D. Campbell, Assistant City Manager
Mark McDaniel, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor & Council
Willis Winters, Director, Park and Recreation

Memorandum



DATE: August 26, 2016
TO: Honorable Mayor and Members of the City Council
SUBJECT: **City License Applications**

There were no Dance Hall and/or Sexual Oriented Business applications received for the week of August 15 - 19, 2016 by the Investigations Bureau Licensing Squad of the Dallas Police Department.

Please have your staff contact Sergeant Lisette Rivera, #7947 at (214) 670-4811 and/or by email at lisette.rivera@dps.ci.dallas.tx.us should you need further information.



Eric D. Campbell
Assistant City Manager

cc: A.C. Gonzalez, City Manager
Christopher D. Bowers, (I) City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager
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Elsa Cantu, Assistant to the City Manager – Mayor & Council
Chief David O. Brown, Dallas Police Department