

Memorandum



CITY OF DALLAS

DATE January 2, 2015

TO Honorable Mayor and Members of the City Council

SUBJECT **Deobligation of HOME Program Funds**

The City of Dallas was recently notified by the Department of Housing and Urban Development (HUD), Ft. Worth Regional Office, that \$77,816 in 2013 HOME program funds would be deobligated from the City's total availability of \$151,401,932. This is not a payback situation. HUD is ruling that a portion of our program income will not be available.

The HOME program statute and regulations require a HOME participating jurisdiction (PJ) to commit 100 percent of its annual allocation of HOME funds and any program income within 24 months of receiving its HOME grant. Program income, such as rents, also has to be spent within the same period, so if you have program income in the 23rd month, you would have only a month to commit it to a project.

We intend to continue discussing with HUD the City's position opposing this deobligation, but it appears it will be unlikely that the City will be successful in regaining use of these funds.



A.C. Gonzalez
City Manager

cc: Warren M.S. Ernst, 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
Elsa Cantu, Assistant to the City Manager
Sana Syed, Public Information Officer