

Memorandum



CITY OF DALLAS

DATE August 23, 2021

TO Honorable members of the Housing and Homelessness Solutions Committee: Casey Thomas II (Chair), Cara Mendelsohn (Vice Chair), Carolyn King Arnold, Paula Blackmon, Lee Kleinman, Jaime Resendez, Chad West

SUBJECT **Department of Housing Performance Measure Update**

The Department of Housing and Neighborhood Revitalization (Housing) reports project pipelines and accomplishments to the Housing & Homelessness Solutions Committee on a monthly basis. Due to the Council holiday, this memo will summarize updates occurring in both June and July. The updated presentation is attached, and details are included below:

Development

In the two months since the last production report, there has been significant movement in the Development production pipeline. Housing received applications for the development of 781 additional units that will be reviewed by staff, including 432 units through applications to the standing Notice of Funding Availability (NOFA), 320 units for Dallas Housing Finance Corporation (DHFC) support and Low Income Housing Tax Credits (LIHTC), and 29 Land Transfer properties.

In June and July:

- City Council approved St. Philips' single family NOFA development that includes six units, one accessory dwelling unit, and rooftop solar.
- City Council approved the sale of 44 Land Transfer lots
- The DHFC authorized a preliminary bond inducement for ParCHAUS at Hickory Trail, a 324-unit, single-family rental development.
- The DHFC authorized a partnership for the Standard at Royal, a 300-unit Transit Oriented Development located near the Royal Lane DART rail station.
- Three single family homes also reached completion including the first home from the 2019 single-family NOFA completed by Dallas Area Habitat for Humanity.

The greatest progress made in the pipeline are 1,221 units that have moved into the construction phase of development. Homes for six land bank projects and three single family NOFA projects have received build permits. All others are multifamily projects taking advantage of LIHTC and other Housing programs.

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- Housing staff were notified that two 9% tax credit projects approved in 2020, Dallas Stemmons Apartments (87 units) and Juliette Fowler Senior Apartments (144 units) closed on financing in the spring of this year.
- Four mixed-income housing tax credit developments totaling 778 new units and 202 substantially renovated units. The total cost of the four developments is over \$200,000,000 funded by low-income housing tax credit equity, private activity bonds issued by the DHFC, developer equity, HOME/CDBG funds, tax-increment financing (TIF), and the Mixed Income Housing Development Bonus. The properties include Gateway Oak Cliff (230 units), Westmoreland Station Apartments (248 units), The Ridge at Lancaster (300 units), and Midpark Towers (202 units).

In addition to providing much-needed affordable housing throughout the City, Gateway Oak Cliff, Westmoreland Station Apartments, and the Ridge at Lancaster are also transit-oriented developments (TODs) located within .5 miles of DART rail stations. The City awarded \$8,000,000 in HOME/CDBG funding for Westmoreland Station and \$2,500,000 in CDBG funding for Midpark Towers through Housing's standing NOFA. The Office of Economic Development awarded Gateway Oak Cliff over \$4,000,000 in TIF funding.

Repair

Staff has continued to work diligently for the five repair programs currently being managed by Housing to improve the city's housing stock, revitalize neighborhoods, and improve quality of life for Dallas residents. A contractor has been secured for the Targeted Repair program and applications are being processed in preparation for construction. In June and July, Housing received four additional applications for West Dallas. Housing also prequalified and inspected 25 homes in West Dallas and one home in Tenth Street Historic District. There are currently 30 final agreements complete and pending signature, and construction on those will begin soon.

Staff received 28 applications for the Dallas Tomorrow Fund (DTF), which assists low-income residents in repairing code violations by recommendation only and completed 6 repairs. The applications received are currently being processed by staff. The Healthy Homes Lead Reduction program is still seeking qualified applicants and has expanded its marketing efforts in neighborhoods throughout Dallas with low incomes, homes most likely to need lead-based repairs, and an above-average number of qualifying children. In June and July, this program received seven applications, cancelled or denied nine, and processed and inspected seven with four ready for construction.

The Emergency Home Repair Program (EHRP) has currently repaired 136 homes after impacts from the 2021 winter storm. Staff is expecting one final report from our nonprofit partner that will bring the number closer to 150.

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For the primary Home Improvement and Preservation Program (HIPP), contractors are finishing another set of home repairs including the first completions for the 2020-2021 application year. Thirteen homes were repaired through this program in July, meaning there will be more capacity available to continue with other repairs in queue. The next application cycle for the 2021-2022 fiscal year is now open. Paper applications will be available for pickup at four libraries throughout Dallas or available for download online. Applications may be submitted in person at those same libraries on Saturday, September 11, 2021 and reviewed on a first-come first-serve basis. For more information, please visit www.dallashousingpolicy.com.

DHAP

The Dallas Homebuyer Assistance Program (DHAP) is continuing to see movement with 22 applications received in June and July, 12 applicants prequalified, and one loan closed. Many of the applications received have been submitted from potential buyers of the Five Mile and West Dallas developments from the single-family NOFA. These applicants will have homes available in their price range as soon as construction is completed. Other applicants are still struggling to find available affordable homes.

The DHAP Targeted Occupation program has been a success, with this month's closing expending the last of the funds set aside. This program was able to assist three applicants in frontline, service-oriented occupations purchase a home.

MRAP

The Mortgage and Rental Assistance Program (MRAP) has been completed with resounding success. All funds have been expended, and all nonprofit partners have submitted their final numbers. Through this program, the City of Dallas was able to provide over \$14 million in rental assistance to 4,996 families and help them remain in their homes after being impacted by the COVID pandemic. A final audit on dollars spent and households served will be completed by the end of this fiscal year and reported in this memo.

Other

In June Council approved the use of TIF for the Gateway Oak Cliff apartment community, which is also taking advantage of LIHTC and MIHDB. The TIF program is overseen by the Office of Economic Development. Additionally, permits have been issued for 3,380 units citywide since the last report including 982 in May; 1,995 in June; and 403 in July.

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Should you have any questions or require any additional information, please contact me or David Noguera, Director, Department of Housing & Neighborhood Revitalization at David.Noguera@DallasCityHall.com or 214-670-3619



Dr. Eric Anthony Johnson
Chief of Economic Development & Neighborhood Services

Attachment: Department of Housing Performance Measure Update Presentation

c: Honorable Mayor and City Council
T.C. Broadnax, City Council
Chris Caso, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager

Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors



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Homelessness Solutions
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David Noguera, Director
Housing & Neighborhood Revitalization
City of Dallas

Production Chart (data as of 8/9/2021)



	Program Budget	Full Time Employees	Applied	Denied/Cancelled	Benchmark	May 2021 YTD	Jul 2021 YTD	FY 2021 Projections
Development	\$2.5 m CDBG \$4.1 m HOME \$965k CHDO	4 Employees	8,509	1,661	Units Approved	1,921	2,596	2,742
					Units Started	363	1,583	1,686
					Units Completed	49	52	405
Repair	\$2.9 m CDBG \$1.4 m Lead \$2 m EHRP	4 Employees	865	465	Households Approved	105	140	360
					Units Repaired	94	166	410
DHAP	\$500k CDBG \$767k HOME	2 Employees	52	20	Loans Approved	20	32	25
					Loans Provided	4	5	10
MRAP	\$10.5 m HOU \$8.2 m OCC	N/A	N/A	N/A	Households Served	4,539	4,996	2,555
Other	N/A	N/A	N/A	N/A	Units Supported by Other Depts	1,092	1,092	N/A
					All Units Permitted	3,601	6,981*	N/A

4 Admin, 5 Finance, 3 Strategy, 8 Inspection,
8 Compliance, 8 Floating Program Staff,
2 Assistant Directors, 1 Director



*Due to timing of the May presentation, permits were not included. This increase includes May, June, and July permits

Development Chart (data as of 8/9/2021)



	NOFA	Land Programs	MIHDB	LIHTC/DHFC	NEZ	1000 Unit Challenge	Multiple Programs	Total
Program Budget	\$6.7 m	N/A	N/A	N/A	N/A	N/A	N/A	\$6.7 m
Units Applied	1,424	227	300	4,224	0	2,334	0	8,509
Units Cancelled	232	0	0	1,429	0	0	0	1,661
Units Approved	479	168	N/A	1,741	0	0	202	2,596
Units Started*	0	60	51	781	0	0	691	1,583
Units Completed*	37	14	0	0	0	0	1	52



*Due to the length of construction timelines, units starting construction often reflect work done a year prior, and units completed may reflect staff work completed up to 3 years prior depending on the project

Repair Chart (data as of 8/9/2021)



	HIPP	West Dallas	Tenth Street	Lead/ Healthy Homes	DTF	NEZ	EHRP	Total
Program Budget	\$2.9 m	\$2 m	\$750k	\$1.4 m	\$500k	N/A	\$2 m	\$9.05 m
Units Applied	456	118	7	87	64	0	136	865
Units Cancelled	400	19	1	33	12	0	0	465
Households Approved	60	32	3	25	20	0	N/A	140
Units Repaired	21	0	0	0	9	0	136	166



Other Programs (data as of 8/9/2021)



	DHAP
Program Budget	\$1.27 m
Units Applied	52
Units Cancelled	20
Loans Approved	32
Loans Provided	5

	MRAP	TAPA*
Program Budget	\$18.7 m	\$200k
Households Served	4,996	20



*TAPA will report data on a quarterly basis, next update expected October 2021



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