

RESPONSES TO QUESTIONS ASKED AT NOVEMBER 15, 2018 LAND BANK APPLICATION TRAINING

How was the scoring criteria determined?

- Total score for each category was determined based on the importance of the information presented in each category in determining the capacity, capabilities, and resources of the applicant to successfully complete the proposed project.
- The same methodology was utilized to determine the individual score of each item within a category.

Is the form fillable? Is it online?

- The application form is a Word document and can be downloaded and filled out. The form is online and can be found here: <https://dallascityhall.com/departments/housing-neighborhood-revitalization/Pages/LandAcquisition.aspx>

How does the land bank scoring criteria align with the Comprehensive Housing Policy?

- The Program's goals related to a for-sale housing product align with the Comprehensive Housing Policy's annual production goals of 3,733 homeownership units serving households between 60% and 120% AMI. The scoring criteria has been developed to ensure applicants have the capacity, capabilities, and resources required to successfully complete home construction to support the annual production goals.

What do you mean by security? Is it OK if we just stagger our material deliveries to just what we can use each day? Can you pay a neighbor to look out for the house?

- Security refers to the actions that will be taken to protect assets through project completion. Any and all actions that protect assets should be provided by the applicant and will be considered in the review process.

Are there environmental considerations that need to be included in the proposal?

- DHADC encourages applicants to perform their own environmental due diligence.
- New construction projects should include a contingency of least 3% and no more than 7% of hard costs. The City may consider higher contingencies based on identified risk factors such as the known need for environmental remediation or poor subsurface soils.

How did we determine that we wanted the past 3 years of experience?

- Three years is needed to identify a trend in an applicant's experience.

If you have not built under your current corporation, but you have built in the past year with another corporation, can you still qualify?

- If the entity applying for the lots has not built one housing unit in the past 3 years but has partners, principals, or members who can show they have the experience that meets the statutory requirement, we will evaluate their qualifications to determine if their experience meets the minimum criteria.

Do we need to submit names of the staff who will be working on the project?

- Names of staff are not required. Your application should demonstrate that you have sufficient staff with the experience needed to successfully complete the project.

Do we need to list all of the sub-contractors who work for us?

- Provide a sufficient amount of information to demonstrate that the resources required to successfully complete the project are in place including sub-contractors (if they will be utilized for the project).

Does the more experienced builder always get more points?

- Applicants with the appropriate project plan, resources, team experience and successful development record have the ability to maximize their score.

If we have a track record of successfully completing the projects and we have a letter of credit, why do we have to provide financial statements? Why can't I just give you information on the land bank properties where I have successfully built homes?

- All applicants must be evaluated by the same criteria. Financial statements will assist in determining the ability of first time applicants (as well as returning applicants) to successfully complete the proposed project.

How are we extinguishing the subjectivity in the process?

- Each application will be reviewed independently by a minimum of three staff who have training on the expectations for the categories and items included the application.

If a bigger builder has more undeveloped lots and I have none will that be taken into account?

- The number of undeveloped lots will be considered in relation to the applicant's capacity to successfully complete projects on the undeveloped lots as well as the proposed project.

Why do we need to provide a pro-forma?

- The pro-forma utilizes project costs and revenues to forecast the financial return of the proposed project and assist in limiting uncertainty and risk associated with development projects. In addition, the pro-forma is required to determine:
 - If costs and returns of the proposed project meet program requirements
 - If requested discount on lot price furthers program goals
 - If sales price is appropriate for targeted AMFI (taking into account any subsidies)

Does the location of a lots in relation to a Reinvestment Strategy Area affect the sales price of the lots?

- The location of a lot in or near a Reinvestment Strategy Area ("RSA") does not impact the sales price of the lot; the DHADC sets its sales prices based on a comparative market analysis.
- Discount requests for lots will be evaluated based on the project pro-forma supporting the discount request.

How do we calculate the bonus?

- The purpose of the bonus is to provide applicants who can provide evidence of being a good neighbor to adjacent property owners in past development projects up to 5 extra points toward their total score. The number of points is determined based on the number and adjacency of neighbors that provide letters of support to the applicant.

Why would you accept a letter from a random neighbor and not a certified neighborhood organization? Would you give preference to a legitimate neighborhood organization?

- Staff will review all letters of support that are received. Letters from individual neighbors who live in close proximity to the Land Bank lots will be given equal weight as those from an existing neighborhood organization whose boundaries include the area where the land bank lot is located. Therefore, it is very important that each letter of support clearly indicate the group's geographic boundaries or the individual neighbor's address.

How many responses do you typically receive?

- 8 proposals seeking a total of 81 lots were submitted in the last application round.

How will the application take into account submissions for multiple lots--do you submit one application?

- One application form can be utilized to submit a proposal for multiple lots. However, the applicant must submit the following documentation for each individual lot: the AMFI being targeted, pro-forma, commitments for financing, and documentation of construction costs.

If two developers are competing and the AMI is the only difference, is there a preference for that lower income band?

- While AMFI is not a factor that is scored, the developer and DHADC must agree on the AMFI for each housing unit prior to signing a contract.

What if we need one parcel to complete a multi-family development, do we need to compete for that lot?

- If a parcel is in the Land Bank inventory, the Land Bank application process must be completed to purchase the parcel.

Is there a preference for a bid for multiple lots or single lots?

- Submitting an application for multiple lots will not lead to a higher score. All applications will be evaluated to determine the capacity, capabilities, and resources the applicant presents to demonstrate their ability to successfully complete the proposed project.

If a Developer Corporation is a single member entity where there is one owner, is an Operating Agreement required in the Application?

- If an entity applying for properties has an operating agreement, it is required to be included in the application.

Will City Parkland dedication fees be waived?

- The Parkland Dedication ordinance requires, with certain exceptions, persons constructing single family, duplex, multifamily residential units or a hotel/motel use to either dedicate a portion of land for use as park land or to pay a fee-in-lieu of dedication. The ordinance also requires such persons to pay a park development fee. The ordinance states that developments that are enrolled in a program administered by the Housing and Neighborhood Revitalization Department and authorized by the City Council, that furthers the public purposes of the city's housing policy may be eligible to have some or all of the ordinance's requirements waived. The Department of Housing & Neighborhood Revitalization has not yet sought City Council approval of such a program, but intends to do so in 2019.

Will the City still use the submission date as a tie-breaker where two or more applicants request to purchase the same lot and achieve the same score?

- If two or more applications apply for the same lot and have the same score based on the application evaluation, the submission time stamp identifying the first submitted proposal will be used as the tie breaker.

Will the City use the original application submission date for applicants who previously submitted and do not ask for any new lots (i.e. don't change their application) in this round as the "tie-breaker" date should there be a tie in scoring ?

- Applications that were previously submitted in the last round of applications (i.e. Summer 2018) must be re-submitted to be considered. The re-submission date will be used for purposes of a tie-breaker.
- Applications received on or before December 21, 2018 will be evaluated for DHADC consideration at the January 2017 DHADC board meeting.
- Going forward, application submission deadlines for review at DHADC meetings will be based on the 2019 submission timeline found in the training materials.
- So for example, if you submit an application after the December 21, 2018 but before the February 6, 2019 deadline, it will be evaluated for DHADC Board consideration at their February board meeting (assuming lots requested were not requested by another applicant and moved forward in the process at the January board meeting).
- After the December 21, 2018 submission deadline, lots will no longer be reserved.

Is notification to all property owners within 500 feet of each lot inviting them to a Public Meeting required for applicants seeking 5 or more Lots for Single Family residential projects prior to Submission? If a Public Meeting is required, will the City's Planning Department assist in providing the list of Property Owners and Addresses for the radius for notification?

- Community outreach is required when an applicant is seeking to purchase ten or more properties, whether contiguous or scattered site as documented on page 6 of the Land Bank Application.
- The Land Bank staff will be available to help applicants with identifying the owners who need to be notified. It is required that you allow at least 5 business days for the Land Bank staff to create a list of owners for you.

If there is overlapping of one radius over another, could one notification to property owners within 500 feet of subject properties to one meeting be acceptable?

- If there is an overlap in the 500 foot radius required for notification per page 6 of the Land Bank Application, one meeting for the residents in the overlapping 500 foot radius is acceptable.

When will the On-Line Application be posted on the City's website?

- The Land Bank Application Form has been posted to the Department of Housing & Neighborhood Revitalization and can be found on this page:
<https://dallascityhall.com/departments/housing-neighborhood-revitalization/Pages/LandAcquisition.aspx>

If a \$300 application fee was paid for the earlier application, will another \$300 application fee be required again?

- If an applicant submitted an application for lots between June-August 2018 and is submitting an application for the same properties that were submitted in the previous application, a new application fee will not be required.
- If an applicant is applying for different or additional properties, a new application fee is required to be paid.

Is a Fair Housing Marketing Plan required for each individual lot or one for the portfolio of lots requested for purchase?

- If the lots are located in the same Census Tract, only one Fair Housing Market Plan is required. Applicants are encouraged to contact The Office of Equity & Human Rights for assistance in completing the Fair Housing Market Plan at (214) 670-3247, you should check to see how much lead time they need to help with your request.
- There has been a change in the form that is being requested for the Fair Housing Marketing Plan. The City of Dallas Affirmative Fair Housing Marketing Plan should be used and can be obtained (along with assistance filling out the form) from the Office of Equity & Human Rights.

Can I submit request for lots marked reserved? And you will how distribute those differently or the same as others?

- Lots that are marked reserved will first be made available to the entity that reserved the lot if they choose to apply for it *prior to December 21, 2018*.
- After December 21, 2018 no lots will be listed as reserved.
- If you include a lot that is marked reserved in your application, the Land Bank staff will determine if it has been applied for by the entity it was reserved for after the submission deadline. If it was not applied for or if their request for the lot is not being recommended to the DHADC Board of Directors, you will be informed and the lot will be reviewed with your application.

For the purposes of determining income band for our financial projections for a specific lot location using the Median Sales Price from the City's MVA, do we use for example the Median Sales Price in Category H which is \$72,400 OR the City's MVA (Reinvestment Fund) data by block group which says the Project Site address Median Sales Price is \$65,000?

- Your knowledge of or research on the neighborhood should be used to determining the appropriate sales price based on the specific development you are proposing.
- Home sales price must be reasonable and meet all requirements set forth in the Land Bank Application, including allowable fees and costs. The income band determination does not solely depend on the sales price; your financial projections must account for how you are going to target the correct income band with or without subsidies.