

Memorandum



DATE August 2, 2017

TO Members of the Economic Development and Housing Committee:
Tennell Atkins (Chair), Rickey D. Callahan (Vice Chair), Lee M. Kleinman,
Scott Griggs, Casey Thomas, II, B. Adam McGough, Mark Clayton, Kevin Felder,
Omar Narvaez

SUBJECT Housing Department Update

On Monday, August 7, 2017, you will be briefed on the Housing Department Update. A copy of the briefing is attached.

Please let me know if you have any questions.



Raquel Favela
Chief of Economic Development and Neighborhood Services

c: The Honorable Mayor and the Members of City Council
T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Kimberly Bizar Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager
Jo M. (Jody) Puckett, P.E., Assistant City Manager (Interim)
Joey Zapata, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Nadia Chandler Hardy, Chief of Community Services
Theresa O'Donnell, Chief of Resilience
Directors and Assistant Directors

Housing Department Update

**Economic Development &
Housing Committee
August 7, 2017**

**David Noguera, Director
Housing and Neighborhood Revitalization
City of Dallas**



Presentation Overview

- Background/History
- Purpose
- Current Department Divisions
- Department Budget
- Proposed Action
- Staff Recommendations
- Next Steps



Background/History

- Housing and Community Services Split
 - Housing
 - Construction of units
 - Rehabilitation of existing housing stock
 - Rebates for home improvements
 - Down payment assistance
 - Community Services
 - Homeless
 - Human Services

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“Economic Vibrancy”



City of Dallas

Housing & Neighborhood Revitalization Department Purpose

- To enhance the vitality and quality of life for all in the Dallas community



Current Department Divisions

- Development
- Home Repair
- Homebuyer Assistance
- Land Bank
- Inspections
- Compliance
- Administration/Budget

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Development

- Description: To develop multifamily and single family affordable housing throughout the City
- Funding Sources: Community Development Block Grant, HOME Investment Partnership, General and Bond Funds
- 2016-17 Pipeline: 506 units
- Year to Date Completions: Constructed 34 single family units and 164 multifamily units
- Status: developing clearly defined underwriting and subsidy layering policies to resolve the findings in the HUD HOME monitoring report.



Home Repair Program

- Description: Home Repair Program provide loans and grants to low-income homeowners at 80% or below Area Median Family Income for home repairs and rehabilitation. Staff conducts client eligibility and oversight for the CDBG, HOME, and General Fund housing activities.
- Funding Sources: CDBG, HOME, and General Funds
- 2016-17 Pipeline: 118
- Year-to-Date Completions: 385
- Status: Evaluate programs and find best practices to increase the number of units served annually and leverage private resources.

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Dallas Homebuyer Assistance Program

- Description: To provide down payment and closing cost assistance to low-moderate income homebuyers
- Funding Sources: Community Development Block Grant, Home investment Partnership
- 2016-17 Pipeline: ~~293~~ 4
- Year to Date Completions: 120
- Status: Program frozen by HUD since April 2017 due to lack of underwriting policies and compliant Homebuyer Agreement as required by the HUD HOME monitoring report. Proposed guidelines and agreement is under review by HUD.

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Land Bank Program

- Description: To acquire, hold and transfer real property for affordable housing development and to stabilize distressed communities through strategic property acquisition, land use and development
- Funding Sources: Bond Funds
- 2016-17 Pipeline: 269 Lots
- Year to Date: 52 homes sold to income qualified buyers, 7 homes completed not sold, 79 homes under construction
- Status: On hold since Spring pending an interlocal agreement with DISD; Evaluating ways to increase efficiencies, maximize impact, and develop a strategy for acquisitions and dispositions.

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Inspections

- Description: To provide inspections to support our internal and external customers for compliance with federal, state and local regulations and ordinances
- Funding Sources: CDBG, HOME, Bond, General Funds
- 2016-17 Pipeline: 2082 units
- Year to Date Completions: 1090
- Status: Modify inspections process to only conduct inspections on properties that are eligible for program assistance. Build capacity in lead hazard control inspections.



Compliance

- Description: Provides technical assistance, compliance monitoring and regulatory reporting of activities for public service and portfolio management of housing loans.
- Funding Sources: Community Development Block Grant, HOME
- 2016-17 Pipeline: 25 Monitoring reviews, 260 Release of Liens
- Year-to-Date Completions: 32 Monitoring reviews 257 Release of Liens
- Status: Over 10,000 liens need to be released. A review of the files will be required to process the release of liens in an expeditious manner.

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Department Budget

	FY 2016-17 Adopted Budget			FY 2017-18 Proposed Budget		
	General Fund	Grant Fund	Total Combined Budget	Proposed General Fund	Proposed Grant Fund	Total Proposed Combined Budget
Home Repair	\$ 500,000	\$ 5,195,243	\$ 5,695,243	\$ 1,550,555	\$ 4,427,741	\$ 5,978,296
Development	\$ 1,882,232	\$ 3,663,780	\$ 5,546,012	\$ 1,387,036	\$ 4,430,570	\$ 5,817,606
Admin/Budget	\$ 768,370	\$ 4,180,959	\$ 4,949,329	\$ 730,692	\$ 3,314,279	\$ 4,044,971
DHAP (MAP)		\$ 2,123,014	\$ 2,123,014		\$ 1,501,792	\$ 1,501,792
TOTAL	\$ 3,150,602	\$ 15,162,996	\$ 18,313,598	\$ 3,668,283	\$ 13,674,382	\$ 17,342,665
Note:	Compliance & Inspection is all staffing and is included in Admin budget.					
	Home Repair FY 2016-17 grant budget includes reprogrammed funds.					



Next Steps

- Return to the Committee with a recommendation
 - Program re-alignments
 - MVA approach to reinvestment plans through place-based strategies
 - Integrated Development Teams



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