

# Memorandum



CITY OF DALLAS

DATE September 28, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **HOME Funded Projects Effecting the De-obligation of Funds**

On September 21, 2018, a City Council memo was provided outlining items including HOME Investment Partnership Program (HOME) commitment and expenditure deadlines. HUD notified the City that \$1,242,443.26 was subject to de-obligation due to the City not spending its HOME funds timely. These HOME funds are comprised from the 2013 HOME allocation. HOME funds must be spent within a 5-year period; therefore, the deadline for the 2013 allocation is September 30, 2018

Attached you will find Exhibit 1 with a total of eleven (11) active contracts that are HOME funded. Exhibit 1 provides details on the developer, project, amount of HOME funds awarded, the amount of HOME funds expended, percentage expended, and remaining balance. Ten of the active projects listed could have contributed to the City meeting the expenditure deadline.

Project delays were due to several circumstances, such as CHDO recertification, plans review, permits, compliance issues, and organizational changes.

Should you have any questions, please contact me at (214) 670-3619.

A handwritten signature in blue ink, appearing to read 'D. Noguera'.

David Noguera

Director of Housing and Neighborhood Revitalization

c: T.C. Broadnax, City Manager  
Chris Caso, City Attorney (I)  
Carol Smith, City Auditor (I)  
Billerae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizzor 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  
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer  
M. Elizabeth Reich, Chief Financial Officer  
Directors and Assistant Directors

### EXHIBIT 1 – Development Contracts

CDS	DEVELOPER	PROJECT	CITY CONTRACT AMOUNT	DRAWN AMOUNT	BALANCE	% DRAWN	TOTAL PROJECT BUDGT	TERM OF CONTRACT	
4	City Wide Community Development Corporation	Scattered Site	\$885,000.00	\$0.00	\$885,000.00	0%	\$1,524,000.00	5/25/2016	5/25/2018*
2, 4, 7	East Dallas Community Organization (EDCO)	Scattered Site	\$652,188.00	\$123,713.02	\$526,474.98	18%	\$2,362,748.00	5/25/2016	11/30/19**
9	KAH Holdings dba Karrington & Company	Ferguson Townhomes	\$450,000.00	\$67,904.75	\$382,095.25	15%	\$0.00	5/25/2016	8/25/2018*
12	St. Jude, Inc. 2920 Forest Lane	St. Jude Center	\$2,00,000.00	\$1,998,000.00	\$2,000.00	99%	\$0.00	12/15/2017	12/31/2019
7	Dallas Area Habitats for Humanity	Joppa I	\$540,000.00	\$540,000.00	\$0.00	100%	\$0.00	5/25/2015	11/30/2018
7	East Dallas Community Organization	Bexar Street Seniors	\$200,000.00	\$200,000	\$0.00	95%	\$613,775.00	3/1/15	11/30/2018**
1	Notre Dame	La Estrella	\$489,322.00	\$487,024.07	\$2,297.93	98%	\$2,454,333.00	5/25/2018	11/30/2019

7	South Dallas Fair Park Inncity Community Development Corporation (ICDC) – Fair Park	Scattered Sites	\$1,220,00.00	\$266,775.47	\$953,224.53	22%	\$1,526,596.00	6/10/2015	12/31/2019**
7	South Dallas Fair Park/CDC - City funds for hard and soft construction cost	Frank Street	\$210,000.00	\$155,156.84	\$54,843.16	34%	\$521,330	5/25/2018	7/31/2019**
7	Southfair Community Development Corporation	6 lots Project	\$712,000.00	\$278,079.81	\$433,920.19	39%	\$1,268,046.00	8/31/2018	12/31/2018
2,4,7	East Dallas Community Organization (EDCO)	Townhomes	\$900,000.00	\$198,255.60	\$701,744.40	28%	1,000,538.30	09/09/2017	12/31/2018

\*Contract has expired, and staff has not brought forward to Council for extension until due diligence items are complete such as environmental review, CHDO recertification, City underwrite, etc.

\*\* City Council approved contract amendment to extend completion deadlines. However, contract has not been executed due to CHDO not being recertified at this time.