

Memorandum



CITY OF DALLAS

DATE January 24, 2022

Honorable members of the Housing and Homelessness Solutions Committee: Casey Thomas (Chair), Jesse Moreno (Vice Chair), Carolyn King Arnold, Paula Blackmon, Cara Mendelsohn, Paul Ridley, Jaynie Schultz

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. This memo will summarize accomplishments occurring in December. The updated presentation is attached, and details are included below:

Development

The holidays often see little movement in production processes. This is typical per annual cycles and development timelines. However, December is also a major deadline for some housing programs, and staff has received a significant number of applications for these programs this year. The first deadline was for the competitive 9% Low Income Housing Tax Credits (LIHTC). Staff received ten applications for a total of 1,114 units, 83% of which are affordable. These will be processed and progressed through City Council quickly due to a rapidly approaching state deadline, though not all projects will receive tax credits and move forward into production.

The new Dallas Public Facilities Corporation (DPFC) had the second December deadline. Staff received twelve applications totaling 3,391 mixed-income units. Staff will begin evaluating these applications and move them through the DPFC board and council in the coming months.

In addition to these two major events this month, the standing Notice of Funding Availability (NOFA) received one application for six units which staff evaluated and did not meet minimum scoring criteria. Two Land Bank homes were completed, one Land Bank was permitted, and staff received an application for the sale of 11 Land Transfer lots.

Finally, one development using the Mixed Income Housing Development Bonus (MIHDB) received a permit in December for 336 units, 17 of which will be reserved for lower-income households.

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Repair

Housing staff manages a handful of repair programs suited to different needs and different funding sources. All these programs are seeing progress, though that progress may not be reflected in the numbers.

The Home Improvement and Preservation Program (HIPP) is Housing's flagstone repair program. There are currently 54 homes from previous years' cycles under construction, many of which are full home reconstruction projects. In addition to permit delays, these projects have been experiencing issues common in many other industries due to staffing shortages, COVID outbreaks, and supply issues. Currently it is taking up to four months to receive windows for construction projects. Despite these delays, staff have still made progress. In December staff prequalified and completed the initial inspection on one home for this funding year. Five homes have completed the bidding process and are being prepared for closing, and bid walks on additional homes are scheduled throughout January.

Major developments have occurred for the Healthy Homes/Lead Reduction (HHLR) program. Since its creation, staff have struggled to find qualified applicants despite significant marketing efforts. This month staff identified three multifamily complexes totaling over 50 units that can partner with this program to reduce lead exposure and make additional changes to improve the quality of life for their residents.

The Targeted Repair Program is seeing good progress in West Dallas, especially, where ten projects are under construction and four are complete and awaiting final processing and payment. The projects in Tenth Street Historic District are still undergoing Historic Preservation review. Once this is complete, construction will be able to begin on prequalified and inspected homes. Finally, Dallas Tomorrow Fund (DTF) is continuing to receive application with four homes currently under construction.

DHAP

The Dallas Homebuyer Assistance Program (DHAP) is progressing much faster this year due to recent changes in the Comprehensive Housing Policy (CHP) allowing for more competitive loan terms and requirements. So far this year, Housing staff has closed six loans compared to none at this same point last year.

There was a noticeable slowdown in December's numbers compared to October's and November's. This is typical of the housing cycle, with spring and tax season typically bringing an uptick in interest but may also be exacerbated by the impact of COVID and supply issues on the availability of affordable housing.

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Other

In December, Dallas issued new construction permits on 416 new housing units for a total of 1,841 new units. A total of 602 units supported by the Housing department have received a permit, meaning that almost 33% of all housing units permitted in Dallas so far this year have received support from the City.

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: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Billerae 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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David Noguera, Director
Housing & Neighborhood Revitalization
City of Dallas

Production Chart (data as of 1/10/2022)



	Program Budget	Full Time Employees	Applied	Denied/Cancelled	Benchmark	Nov 2021 YTD	Dec 2021 YTD	FY 2022 Projections
Development	\$2.89m CDBG \$4.36m HOME \$1.05m CHDO	5 Employees	4,573	330	Units Approved	650	650	2,412
					Units Started	255	602	2,474
					Units Completed	22	24	1,983
Repair	\$3m CDBG \$1.95m Equity \$800k Bond \$1.4 m Lead \$500k DTF	2 Employees	526	397	Households Qualified	14	15	166
					Agreements Signed	2	2	183
					Units Repaired	2	2	255
DHAP	\$400k CDBG \$400k HOME \$220k General	2 Employees	17	6	Loans Approved	6	6	25
					Loans Provided	5	6	10
Other	N/A	N/A	N/A	N/A	Units Supported by Other Depts	375	375	N/A
					All Units Permitted	1,425	1,841	N/A

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



Development Chart (data as of 1/10/2022)



	NOFA	Land Programs	MIHDB	LIHTC/DHFC	DPFC	1000 Unit Challenge	Total Pipeline
Program Budget	\$8.3 m	N/A	N/A	N/A	N/A	N/A	\$8.3 m
Units Applied	42	26	0	1,114	3,391	0	4,573
Units Approved	15	11	N/A	300	324	0	650
Units Started*	13	17	396	180	0	0	602
Units Completed*	9**	23	0	0	0	0	24
Units Cancelled	6	0	0	324	0	0	330

Note: Program accomplishments are duplicative. The total pipeline is non-duplicative. E.g., if a development of 300 units uses both NOFA And LIHTC, it will be counted as 300 in both columns, but it will only count as 300 in the Total column, not 600.

**December NOFA completion data delayed until next month due to impacts of holidays and COVID on developers



*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 1/10/2022)



	HIPP	West Dallas	Tenth Street	Lead/ Healthy Homes	DTF	Total
Program Budget	\$3m	\$2m	\$750k	\$1.4m	\$500k	\$7.65m
Units Applied	466	3	0	25	32	526
Households Qualified	12	2	0	1	1	15
Agreements Signed	2	0	0	0	0	2
Units Repaired	2	0	0	0	0	2
Units Cancelled	353	2	0	32	6	397



DHAP Chart (data as of 1/10/2022)



	DHAP
Program Budget	\$1.02m
Units Applied	17
Loans Prequalified	6
Loans Provided	6
Units Cancelled	6





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