

Memorandum



CITY OF DALLAS

DATE October 22, 2018

TO Members of the Economic Development & 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 **Briefing on Proposals Requesting a Resolution of No Objection for Developments Seeking 4% Non-Competitive Housing Tax Credits through the Texas Department of Housing and Community Affairs**

On Monday, October 22, 2018, the Economic Development and Housing Committee will be briefed on two proposals requesting Resolutions of No Objection for multifamily developments seeking 4% Non-Competitive Housing Tax Credits (HTC) through the Texas Department Housing and Community Affairs (TDHCA).

Summary

On May 9, 2018, City Council adopted the Comprehensive Housing Policy (Policy), Resolution No. 18-0704, which provides a specific policy for developers requesting a Resolution of Support or No Objection (Resolutions) for multifamily rental developments seeking HTCs through TDHCA. The current Policy allows staff to issue a Request for Applications (RFA) for Resolutions annually in December with recommendations made to the Economic Development and Housing Committee (EDHC) and City Council in February each year. TDHCA requires 4% HTC applicants to provide a Resolution of No Objection from the governing body of the jurisdiction in which the proposed development will be sited. The Resolutions cannot be changed or withdrawn once submitted. As part of these TDHCA requirements, if the governing body is considering adopting a Resolution, the governing body must first conduct a public hearing for citizens to provide comment on any proposed development.

Background

On September 4, 2018, the EDHC was briefed on a recommendation to amend the Policy to accelerate issuance of an RFA for HTCs developments that need a Resolution of No Objection prior to the timeframe stated in the Policy. The recommendation was in response to feedback received from the development community at two meetings held in August in advance of an issuance of Notice of Funding Availability (NOFA). The Policy as currently written does not afford 4% HTC developments requiring more than \$20 million in tax exempt bonds the opportunity to request a Resolution of No Objection prior to the February timeframe. Developments that meet this description can only submit applications for bonds between August 15 and November 15.

On September 7, 2018, after receiving comments from the EDHC staff published a memo to the EDHC providing details on the difference between 4% and 9% HTCs. Additionally,

the memo provided details on three developments that may require a Resolution of No Objection prior to February. Finally, the memo outlined a timeline based on the EDHC's questions, comments and concerns, conducting additional research, and seeking advice from TDHCA and the City's financial advisors.

Based on the timeline, staff sought input at pre-proposal conferences for the NOFA, amended the NOFA to allow developments seeking Resolutions and no funding to submit and be scored by October 11, 2018, and for an accelerated review of proposals seeking a Resolution of No Objection to be submitted by September 27, 2018 and brought forward to EDHC on October 22, 2018, with Council consideration on October 24, 2018 if EDHC recommends. The accelerated RFA requires a change to the Policy and the amendment would be considered on the same aforementioned dates.

The City received two proposals for Ridgecrest Terrace Apartments and Treymore Eastfield Apartments. Both developments have submitted applications to TDHCA for HTCs and have applied for a reservation of bonds through the Texas Bond Review Board.

Ridgecrest Terrace Apartments

DAL Steele Ridgecrest LLC, a Texas limited liability company (Applicant), is proposing to acquire, rehab, renovate, and manage the Ridgecrest Terrace Apartments. The property is currently owned by Ridgecrest Holdings LLC. Steele Ridgecrest LM LLC, an affiliate of Steele Properties Holdings III LLC, is the current manager. An amended and restated operating agreement will be executed to add a managing member and a to-be-formed entity as an investor member. Steele Properties III LLC, an affiliate of Steele Properties will serve as the developer.

The proposed property manager is Monroe Group Ltd. which is a sister company of Steele Properties. Steele Properties was founded in 2006 and has experience renovating and building affordable housing developments throughout the nation. They currently own and manage over 50 affordable housing apartment complexes across the country, including 12 housing complexes in Texas.

The Applicant proposes to rehabilitate all 250 units. The 250 units are comprised of 18 1-bedroom, 184 2-bedroom, and 48 3-bedroom. Interior renovations include upgraded kitchens and bathrooms with new energy-star appliances and flooring replacement. Plumbing fixtures and interior lighting will be replaced throughout, and HVAC systems will be upgraded as well. Exterior work will include, at a minimum, complete roofing replacement, building repainting, landscaping, exterior repair, foundation repair, parking lot repair and enhanced lighting throughout the site. As part of the rehabilitation, a new 3,000 square foot community building and management office will be constructed. This new structure will have a community room, fitness center, library, communal kitchen and computer laboratory. Site amenities include a pavilion, sport court and playgrounds. The new community building will also house a police substation. Additionally, there will be substantial security upgrades including a site-wide camera system.

Total development costs are anticipated to be approximately \$49,136,619.00 which include the acquisition price for the apartment complex. The hard cost rehabilitation budget is anticipated to be \$11,595,444.00 plus a 10% hard cost contingency of \$1,159,544.00. This will total over \$12,500,000.00 in hard costs, which is over \$50,000.00 per unit.

Use	Costs
Acquisition	\$23,662,500
Improvements	\$13,436,746
Cost of Financing	\$4,484,689
Fees, Reserves, and Soft Costs	\$7,552,684
Total	\$49,136,619

Currently, there is a project-based Housing Assistance Payment (HAP) contract administered by the U.S. Department of Housing and Urban Development that provides rental assistance for the complex. The HAP contract requires units to be set aside for low income residents. The HAP contract was renewed on September 1, 2015 and expires on August 31, 2020. After the acquisition and rehabilitation is complete, the units will be made available to households earning 60% or below of Area Median Income subject to any additional restrictions required under the HAP contract.

The Policy contains evaluation criteria which include factors such as general partner and property management experience, location in a Reinvestment Strategy Area, determination of project feasibility, location to amenities, etcetera. Based on the evaluation criteria, the Ridgecrest Terrace proposal scored a 69 (scoring matrix is attached as Exhibit A). To receive a staff recommendation for a Resolution, the applicant must score 85 points out of 140.

Ridgecrest Terrace Apartments is located in Council District 3.

Treymore Eastfield Apartments

JKLF Eastfield, LTD., a Texas limited partnership (Applicant 2), is proposing to acquire, rehab, renovate, and manage the Treymore Eastfield Apartments. The property is currently owned by Carleton-LaPrada, Ltd. JKLF Eastfield GP, LLC, is the general partner and The JKL Foundation, a private foundation, is its sole member. The JKL Foundation will also serve as co-developer with Dalcour Affordable Housing I, LLC. An amended and restated agreement of limited partnership will be executed to add AHP Housing Fund, LLC, a subsidiary of Berkshire-Hathaway as limited partner.

The proposed property manager is Dalcour Management LLC which is a sister company of Dalcour Companies. Dalcour Companies was founded in 1982 and the primary focus is structuring acquisitions, financing and management of multifamily investments and operations. Dalcour Companies also successfully performed property management for various institutions. They currently own and manage 11 affordable housing apartment complexes in Texas and Florida.

Applicant 2 proposes to rehabilitate all 196 units. The 196 units are comprised of 108 1-bedroom, 48 2-bedroom, and 40 3-bedroom. Interior renovations include replacing all appliances with energy star rated features, replacing kitchen and bathroom countertops and fixtures, water heaters, replace flooring, cabinetry, sheetrock, as needed. Exterior work includes roof replacement, as needed, replace damaged siding, as needed, repair fencing, update amenities, and add common area Wi-Fi, gazebo and volleyball court. Current property amenities include a pool, children's playscape area, fitness center, and community center with a full kitchen.

Total development costs are anticipated to be approximately \$21,192,744.00 which include the acquisition price for the apartment complex. The hard cost rehabilitation budget is anticipated to be \$3,920,000.00 which is \$20,000.00 per unit. The total construction amount is \$4,664,800.00 which includes 5% contingency and contractor overhead.

Use	Costs
Acquisition	\$11,581,515
Improvements	\$4,664,800
Cost of Financing	\$1,936,436
Fees, Reserves, and Soft Costs	\$3,009,993
Total	\$21,192,744

After the acquisition and rehabilitation is complete, the units will be made available to households earning 50%-60% or below of Area Median Income.

Based on the evaluation criteria in the Policy, the Treymore Eastfield proposal scored an 87 (scoring matrix is attached as Exhibit B).

Treymore Eastfield Apartment is located in Council District 7.

Issues

Without the City adopting a Resolution of No Objection for either application submitted to TDHCA, the proposed acquisition and rehabilitations for Ridgecrest Terrace Apartments and Treymore Eastfield Apartments cannot receive an allocation of 4% HTC's. Four percent HTC's are a source of equity that contribute to financing acquisitions and rehabilitations of these type. If the items donot move forward, creative solutions for other financing will need to be researched to provide the much-needed renovations and quality of life improvements for both properties.

Fiscal Impact

There are no costs considerations to the City.

Proposed Amendment to the Comprehensive Housing Policy and Review of Accelerated 4% Housing Tax Credit Proposals

**Economic Development and Housing Committee
October 22, 2018**

**Avis F. Chaisson, Assistant Director
Housing & Neighborhood Revitalization
City of Dallas**

**Maureen Milligan, Interim Assistant Director
Housing & Neighborhood Revitalization
City of Dallas**



Presentation Overview

- Summary
- Background
- Ridgecrest Terrace Apartments
- Treymore Eastfield Apartments
- Issues
- Alternatives
- Next Steps



Summary

- **May 9, 2018:** City Council adopted the Comprehensive Housing Policy (Policy), **Resolution No. 18-0704**
- Policy contains scoring criteria and a timeframe for reviewing housing developments seeking an allocation of housing tax credits
 - ✓ Policy applies to developers requesting a Resolution of Support or No Objection for multifamily rental developments seeking Housing Tax Credits (HTCs) through Texas Department of Housing and Community Affairs (TDHCA)
 - ✓ Timeline:
 - ✓ Each December issue a Request for Applications (RFA)
 - ✓ Each February provide recommendations to Economic Development and Housing Committee and City Council (must score a minimum of **85** points for a support resolution based on established criteria)



Summary

- TDHCA requires applicants proposing a **4%** HTC and Tax-Exempt Bond development to provide a Resolution of No Objection from the governing body (which cannot be changed or withdrawn)
- The adoption of and wording of the Resolution must comply with the TDHCA Uniform Multifamily Rules.

Background

- **September 4, 2018:** EDHC was briefed on a recommendation to amend the Policy to accelerate issuance of a RFA for HTC developments that need a Resolution of No Objection prior to the February timeframe stated in the Policy
- The recommendation was in response to feedback received from the development community
- Current Policy does not afford **4%** HTC developments the opportunity to request a Resolution of No Objection prior to the February timeframe
 - Timeframe affects several types of developments, including those requiring more than **\$20 million** in tax exempt bonds
 - Developments that meet this description can only submit applications for bonds between **August 15** and **November 15**

Background cont'd

- **September 7, 2018:** After receiving comments from the EDHC, staff published a memo to the EDHC that:
 1. Explained the difference between 4% and 9% HTC's
 2. Identified the 3 developments that may require a Resolution of No Objection prior to February; and
 3. Outlined a timeline based on the EDHC's questions, comments and concerns and after conducting additional research including consulting with TDHCA and the City's financial advisors



Background cont'd

Date	Event
September 6 & 7	Hold NOFA pre-proposal conferences
September 10	City issues addendum to NOFA requesting all projects in need of a Resolution prior to February 2019 to apply under the NOFA and including the timeline for accelerated review and approval
September 27	Deadline to submit proposals pursuant to the NOFA
September 28- October 19	Staff score and review projects seeking Resolutions of Support or No Objection
October 22	Special-called meeting of the Economic Development and Housing Committee; staff present recommendations to (1) amend the comprehensive housing policy to allow for an accelerated timeframe for issuing Resolutions of Support or No Objection and (2) recommend that the Council issue a Resolution(s) regarding specific projects (if any)
October 24	Council Agenda; to include action items, if forwarded by the Committee

Background cont'd

- If any projects were to be recommended to receive a Resolution of No Objection, the accelerated timeline requires a change to the Policy
- However, as will be discussed next, staff recommends that neither project that submitted a proposal be provided a Resolution
- Therefore, staff is recommending that the Committee hold the proposed amendment to the Policy because the Housing and Neighborhood Revitalization Department is not making any recommendations that would require City Council action related to the two projects

Ridgecrest Terrace Apartments



Ridgecrest Terrace Apartments cont'd

- 526 S. Walton Walker Boulevard
- **Council District:** 3
- **Current Property Owner:** Ridgecrest Holdings LLC
- **Proposer:** DAL Steele Ridgecrest LLC
- **General Partner:** TBD
- **Developer:** Steele Properties III LLC, an affiliate of Steele Properties
 - Steele Properties was founded in 2006 and has experience renovating and building affordable housing developments throughout the nation
- **Property Management:** Monroe Group, Ltd.
- **Unit Mix:** 250 units
 - 18 1-bedroom
 - 184 2-bedroom, and
 - 48 3-bedroom
- Units will be made available to households earning 60% or below of AMI subject to any additional restrictions required under existing HAP contract

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Ridgecrest Terrace Apartments cont'd

- **Description:** Acquisition and rehabilitation of all **250** units. Interior and Exterior improvements include:
 - ✓ Upgraded kitchens and bathrooms with new energy-star appliances and flooring replacement
 - ✓ Plumbing fixtures and interior lighting will be replaced throughout
 - ✓ HVAC systems will be upgraded
 - ✓ Complete roofing replacement, building repainting, landscaping, exterior repair, foundation repair, parking lot repair and enhanced lighting throughout the site
 - ✓ New **3,000** square foot community building and management office will be constructed
 - ✓ Substantial security upgrades including a site-wide camera system

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Ridgecrest Terrace Apartments cont'd

- Total development costs include the acquisition price for the apartment complex
- Hard costs is anticipated to be **\$11,595,444.00** plus a **10%** hard cost contingency of **\$1,159,544.00**. This will total over **\$12,500,000.00** in hard costs, which is over **\$50,000.00** per unit.

Use	Costs
Acquisition	\$23,662,500
Improvements	\$13,436,746
Cost of Financing	\$4,484,689
Fees, Reserves, and Soft Costs	\$7,552,684
Total	\$49,136,619



Ridgecrest Terrace Apartments cont'd

- Based on the evaluation criteria in the Policy, the proposal scored **69** points
- The project does not align with the goals of the Comprehensive Housing Policy



Treymore Eastfield Apartments



Treymore Eastfield Apartments

- 2631 John West Road
- **Council District: 7**
- **Current Property Owner:** Carleton-LaPrada, Ltd
- **Proposer:** JKLF Eastfield, LTD.
- **General Partner:** JKLF Eastfield GP, LLC, an affiliate of The JKL Foundation
- **Developer:** Dalcour Affordable Housing I, LLC
 - Dalcour Companies was founded in 1982 and primary focus is structuring acquisitions, financing and management of multifamily investments and operations.
- **Property Management:** Dalcour Management LLC
- **Unit Mix: 196 units**
 - **108** 1-bedroom
 - **48** 2-bedroom, and
 - **40** 3-bedroom
- Units will be made available to households earning **50%** and **60%** or below of AMI

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Treymore Eastfield Apartments cont'd

- **Description:** Acquisition and rehabilitation of all **196** units. Interior and Exterior improvements include:
 - ✓ New energy-star appliances
 - ✓ Replace kitchen and bathroom countertops, fixtures
 - ✓ Replace water heaters
 - ✓ As needed, replace flooring, cabinetry, and sheetrock
 - ✓ Roof replacement, as needed, replace damaged siding, repair fencing
 - ✓ Update amenities and add common area Wi-Fi

Treymore Eastfield Apartments cont'd

- Total development costs include the acquisition price for the apartment complex
- Hard costs is anticipated to be **\$3,920,000.00** plus a **5%** hard cost contingency of **\$196,000.00**. This will total over **\$3,920,000.00** in hard costs, which is over **\$20,000.00** per unit.

Use	Costs
Acquisition	\$11,581,515
Improvements	\$4,664,800
Cost of Financing	\$1,936,436
Fees, Reserves, and Soft Costs	\$3,009,993
Total	\$21,192,744



Treymore Eastfield Apartments cont'd

- Based on the evaluation criteria in the Policy, the proposal scored **87** points
- The project does not align with the goals of the Comprehensive Housing Policy

Issues

- Without the City adopting a Resolution of No Objection for either application submitted to TDHCA, the proposed acquisition and rehabilitation of Ridgecrest Terrace Apartments and Treymore Eastfield Apartments cannot receive an allocation of **4% HTC**s
- **4% HTC**s are a source of equity that contribute to financing acquisitions and rehabilitations of these type
- If item does not move forward, creative solutions for other financing will need to be researched to provide the much-needed renovations and quality of life improvements for both properties

Recommendation

Staff does not recommend moving forward the Ridgecrest Terrace and Treymore Eastfield Apartments for a Resolution of No Objection as the proposals do not align with the goals of the Comprehensive Housing Policy

Accelerated 4% Housing Tax Credit Proposals

**Economic Development and Housing Committee
October 22, 2018**

**Avis F. Chaisson, Assistant Director
Housing & Neighborhood Revitalization
City of Dallas**





Housing and Neighborhood Revitalization Accelerated Proposal Scoring Form

Exhibit "A"

PROPOSER'S NAME	DAL Steele Ridgecrest LLC		
GENERAL PARTNER	TBD		
DEVELOPER	Steele Properties III LLC, an affiliate of Steele Properties		
PROPERTY MANAGER	Monroe Group, Ltd.		
DEVELOPMENT NAME	Ridgecrest Terrace Apartments		
ADDRESS	526 S. Walton Walker Boulevard, Dallas, Texas 75211		
Experience of the General Partner - up to 10 points	Points	Proposer Score	Comments
1-2 Multi-family rental housing projects managed more than 3 years	1	0	Ridgecrest Terrace PFC was listed on the proposal as the managing member; however, they have withdrawn. At this time, a managing member has not been identified.
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3-6 Multi-family rental housing projects in service more than 3	4	0	
3-6 Sec. 42/142/HOME projects in service more than 3 years	6	0	
7 or more Multi-family rental housing projects in service more than 3 yrs.	7	0	
7 or more Sec. 42/142/HOME projects in service more than 3 years	10	0	
Experience of the Property Manager - up to 10 points	Points	Proposer Score	Comments
1-2 Multi-family rental housing projects managed more than 3 years	0	0	Monroe Group Ltd. has a current portfolio of 56 properties.
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3 or more Multi-family rental housing projects in service more than 3 years	4	0	
3-6 Sec. 42/142/HOME projects in service more than 3 years	6	0	
7 or more Multi-family rental housing projects in service more than 3 yrs.	7	0	
7 or more Sec. 42/142/HOME projects in service more than 3 years	10	10	
Nonprofit Organization Participation - up to 10 points	Points	Proposer Score	Comments
Nonprofit Organization Participation	10	0	
Redevelopment Areas	Points	Proposer Score	Comments
Is the proposed development located in on of the following areas: Midtown, High Speed Rail, Wynnewood, Red Bird Areas	20	0	
Stabilization Target Areas-up to 20 points	Points	Proposer Score	Comments
Is the proposed development located in one of the following areas: LBJ Skillman, Vickery Meadow, Casa View, Forest Heights/Cornerstone Heights, East Downtown, The Bottom, West Dallas, or Red Bird North.	20	0	
Emerging Market Area - up to 10 points	Points	Proposer Score	Comments
Is the proposed development located in on of the following areas: Southern Gateway, Pleasant Grove, University Hills	10	0	
Project Feasibility - up to 20 points	Points	Proposer Score	Comments
Proposed rent schedule consistent with TDHCA rent limits on rent-restricted units (see TDHCA rent limits tool)	5	5	
Appropriate vacancy and collection loss assumptions in the project proforma are consistent with TDHCA HTC requirements. (Normalized vacancy rate of 7.5% (5% vacancy plus 2.5% for collection loss). 100% project-based rental subsidy developments and other well documented cases may be underwritten at a combined 5 percent. TAC §10.302 (d)(1)(C))	5	5	Due to HAP contract used 5% vacancy and collection loss rate. Used 2% escalator for growth.



Housing and Neighborhood Revitalization Accelerated Proposal Scoring Form Exhibit "A"

Reserves in the proforma are consistent with TDHCA HTC requirements. (\$250 per Unit for New Construction and Reconstruction Developments and \$300 per Unit for all other Developments. TAC §10.302 (d)(2)(I))	5	5	250*\$300= \$75,000 for year 1 with 3% escalator for growth	
Completed Market Feasibility Report with conclusions supporting the applicable project proforma assumptions completed or underway.	5	5	Yes, prepared by Affordable Housing Analysts dated June 7, 2018	
Project Site Characteristics - up to 10 points				
	Points	Proposer Score	Comments	
Project meets land use density requirements at time of application	5	5		
Project meets City of Dallas zoning requirements at time of application.	5	5		
Transit Amenities - up to 35 points				
Amenity	1/4 Mile or Less 5 Points	>1/4 Mile and < 1/2 Mile 3 Points	1/2 Mile and up to 1 Mile 1 Point	Comments
Bus Station or Stop	5			
Public Park		3		
Full Scale Grocery Store	0	0	1	
Community or Senior Center	5			
Aging & Disability Resource Center	0	0	0	
Amenity	1/2 Mile or less 5 Points	>1/2 Mile and < 1 Mile 2 Points	1 Mile and up to 2 Miles 1 Point	Comments
Qualifying Medical Clinic or Hospital	0	0	0	
Amenity	20 Minutes or less 5 Points	>20 Minutes and < 40 minutes 2 Points	More than 40 Minutes 0 points	Comments
Transit time to Major Employment Center	5			
Project Readiness - up to 10 points				
	Points	Proposer Points	Comments	
Applicant has secured site control per TDHCA HTC definition of site control	5	5	Purchase and Sale Agreement between Ridgecrest Holdings LLC and Steele Acquisitions II LLC. Effective 01/05/2018. Closing contingent upon HTC award and HUD approvals. Contract expires on 03/15/19. Assigned to DAL Steele Ridgecrest LLC.	
Environmental Report (s) has/have been completed.	5	5	AEI consultants prepared 6/2018	
Resident Services-up to 15 points				
	Points	Proposer Points	Comments	
The equivalent of one (1) FTE resident service coordinator for every 600 project bedrooms.	5	0	Proposal does not contain sufficient documentation evidencing 1 of 3 options.	
Project provides or has agreements with third party service providers to provide on-site educational, wellness and/or skill building classes	5	0		
Project provides on-site, licensed child care or after school program that operates at least 20 hours per week.	5	0		
PROPOSAL TOTAL SCORE		69		



Housing and Neighborhood Revitalization Accelerated Proposal Scoring Form Exhibit "B"

PROPOSER'S NAME	JKLF Eastfield, LTD.		
GENERAL PARTNER	JKLF Eastfield GP, LLC, an affiliate of The JKL Foundation		
DEVELOPER	Dalcor Affordable Housing I, LLC		
PROPERTY MANAGER	Dalcor Management LLC		
DEVELOPMENT NAME	Tremore Eastfield Apartments		
ADDRESS	2631 John West Road, Dallas, TX 75228		
Experience of the General Partner - up to 10 points	Points	Proposer Score	Comments
1-2 Multi-family rental housing projects managed more than 3 years	1	0	The JKL Foundation is the sole member of the GP and Kathi Yeager, Ronald Murff, and Judy Burleson are Trustees. Each have participated on tax credit projects for over 5 years.
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3-6 Multi-family rental housing projects in service more than 3	4	0	
3-6 Sec. 42/142/HOME projects in service more than 3 years	6	0	
7 or more Multi-family rental housing projects in service more than 3 yrs.	7	0	
7 or more Sec. 42/142/HOME projects in service more than 3 years	10	10	
Experience of the Property Manager - up to 10 points	Points	Proposer Score	Comments
1-2 Multi-family rental housing projects managed more than 3 years	0	0	Dalcor Management provided a portfolio including 12 properties that been placed in service since May 2013.
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3 or more Multi-family rental housing projects in service more than 3 years	4	0	
3-6 Sec. 42/142/HOME projects in service more than 3 years	6	0	
7 or more Multi-family rental housing projects in service more than 3 yrs.	7	0	
7 or more Sec. 42/142/HOME projects in service more than 3 years	10	10	
Nonprofit Organization Participation - up to 10 points	Points	Proposer Score	Comments
Nonprofit Organization Participation	10	10	The JKL Foundation is a nonprofit corporation; and sole member of the GP but not listed as the developer or co-developer.
Redevelopment Areas	Points	Proposer Score	Comments
Is the proposed development located in on of the following areas: Midtown, High Speed Rail, Wynnewood, Red Bird Areas	20	0	
Stabilization Target Areas-up to 20 points	Points	Proposer Score	Comments
Is the proposed development located in one of the following areas: LBJ Skillman, Vickery Meadow, Casa View, Forest Heights/Cornerstone Heights, East Downtown, The Bottom, West Dallas, or Red Bird North.	20	0	
Emerging Market Area - up to 10 points	Points	Proposer Score	Comments
Is the proposed development located in on of the following areas: Southern Gateway, Pleasant Grove, University Hills	10	0	
Project Feasibility - up to 20 points	Points	Proposer Score	Comments
Proposed rent schedule consistent with TDHCA rent limits on rent-restricted units (see TDHCA rent limits tool)	5	5	Yes, all the units are rent restricted at 60% and 50% of AMI and reflect TDHCA rent limits.
Appropriate vacancy and collection loss assumptions in the project proforma are consistent with TDHCA HTC requirements. (Normalized vacancy rate of 7.5% (5% vacancy plus 2.5% for collection loss). 100% project-based rental subsidy developments and other well documented cases may be underwritten at a combined 5 percent. TAC §10.302 (d)(1)(C))	5	5	Yes, vacancy and collection loss is 7.5% with 2% escalator.



Housing and Neighborhood Revitalization Accelerated Proposal Scoring Form Exhibit "B"

Reserves in the proforma are consistent with TDHCA HTC requirements. (\$250 per Unit for New Construction and Reconstruction Developments and \$300 per Unit for all other Developments. TAC §10.302 (d)(2)(I))	5	5	Yes, 196*\$300 = \$58,800 in Year 1 with 3% escalator	
Completed Market Feasibility Report with conclusions supporting the applicable project proforma assumptions completed or underway.	5	5	Yes, completed by Apartment Market Data, LLC dated August 16, 2018.	
Project Site Characteristics - up to 10 points				
	Points	Proposer Score	Comments	
Project meets land use density requirements at time of application	5	5		
Project meets City of Dallas zoning requirements at time of application.	5	5		
Transit Amenities - up to 35 points				
Amenity	1/4 Mile or Less 5 Points	>1/4 Mile and < 1/2 Mile 3 Points	1/2 Mile and up to 1 Mile 1 Point	Comments
Bus Station or Stop	5			
Public Park	5			
Full Scale Grocery Store			1	
Community or Senior Center	0	0	0	
Aging & Disability Resource Center	0	0	1	
Amenity	1/2 Mile or less 5 Points	>1/2 Mile and < 1 Mile 2 Points	1 Mile and up to 2 Miles 1 Point	Comments
Qualifying Medical Clinic or Hospital	0	0	0	
Amenity	20 Minutes or less 5 Points	>20 Minutes and < 40 minutes 2 Points	More than 40 Minutes 0 points	Comments
Transit time to Major Employment Center	5			
Project Readiness - up to 10 points				
	Points	Proposer Points	Comments	
Applicant has secured site control per TDHCA HTC definition of site control	5	5	Purchase and Sale Agreement between Carleton-LaPrada, Ltd. And The JKL Foundation. Effective date: March 20, 2018. Closing 130 days after TDHCA approval date with 2-30 day extensions. First Amendment effective July 6, 2018. Closing Date 100 days after Inspection Period.	
Environmental Report (s) has/have been completed.	5	5	Yes, Phase 1 ESA completed by Apex Companies LLC on August 9, 2018.	
Resident Services-up to 15 points				
	Points	Proposer Points	Comments	
The equivalent of one (1) FTE resident service coordinator for every 600 project bedrooms.	5	0	Proposal does not contain sufficient documentation evidencing 1 of 3 options.	
Project provides or has agreements with third party service providers to provide on-site educational, wellness and/or skill building classes	5	0		
Project provides on-site, licensed child care or after school program that operates at least 20 hours per week.	5	0		
PROPOSAL TOTAL SCORE		87		