

SPECIAL CALLED ECONOMIC DEVELOPMENT & HOUSING COMMITTEE REVISED

DALLAS CITY COUNCIL COMMITTEE AGENDA

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CITY SECRETARY
DALLAS, TEXAS

TUESDAY, FEBRUARY 19, 2019
CITY HALL
COUNCIL BRIEFING ROOM, 6ES
1500 MARILLA STREET
DALLAS, TEXAS 75201
9:00 A.M.–10:00 A.M.

Chair, Councilmember Tennell Atkins
Vice Chair, Councilmember Rickey D. Callahan
Councilmember Lee M. Kleinman
Councilmember Scott Griggs
Councilmember Casey Thomas, II
Councilmember B. Adam McGough
Councilmember Mark Clayton
Councilmember Kevin Felder
Councilmember Omar Narvaez

Call to Order

BRIEFINGS

1. Briefing on Proposed Development Loan Agreements and Partnership with City of Dallas Housing Finance Corporation to Purchase, Lease, Own, or otherwise Acquire an Interest in Three Mixed Income Multifamily Residential Development and Recommendations of a Resolution of No Objection for 4% Non-Competitive Housing Tax Credits Allocated by the Texas Department of Housing and Community Affairs to Two of the Developments:
 - a. 2400 Bryan Street
 - b. Estates at Shiloh (2649 Centerville Road)
 - c. Palladium Redbird (a portion of the site of the former Red Bird Mall/Southwest Center Mall located south of the intersection of W. Camp Wisdom Road and S. Westmoreland Road)

Avis Chaisson, Assistant Director
Housing & Neighborhood Revitalization

2. Briefing on Applications submitted under an Issuance of Request for Applications (RFA) seeking Resolutions of Support or No Objection as Required for 9% Competitive and 4% Non-Competitive Housing Tax Credits Allocated by the Texas Department of Housing and Community Affairs and Proposed Recommendations for Resolutions:
 - a. East Side Lofts (4724 and 4806 East Side Avenue)
 - b. HighPoint at Wynnewood (1805 S. Zang Boulevard)
 - c. Northgate Village Apartments (12303 N. Plano Road)
 - d. Pythian Manor Apartments (2719 East Illinois Avenue)
 - e. Signature at Signature Oaks (3303 Southern Oaks Boulevard)
 - f. Signature at Trinity River (220 Stoneport Drive)

Avis Chaisson, Assistant Director
Housing & Neighborhood Revitalization

Adjourn



Tennell Atkins, Chair
Economic Development & Housing Committee

EXECUTIVE SESSION NOTICE

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]
2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]
3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]
4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]
5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]
6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex. Govt. Code §551.087]
7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex. Govt. Code §551.089]

HANDGUN PROHIBITION NOTICE FOR MEETING OF GOVERNMENTAL ENTITIES

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista."

Memorandum



CITY OF DALLAS

DATE February 15, 2019

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 Proposed Development Agreements, Partnerships with the City of Dallas Housing Finance Corporation for Three Multifamily Residential Developments, and Resolutions for Housing Tax Credit Applications**

Summary

On February 19, 2019, the Economic Development and Housing Committee (EDHC) will be briefed on proposed terms and amounts for loan and conditional grant agreements related to **3** developments that include mixed-income multifamily residential. Each development received a fundable score under the 2018 Notice of Funding Availability (NOFA). Additionally, the briefing will provide details on the role of the City of Dallas Housing Finance Corporation's (DHFC) participation in each development. Finally, **2** of the developments are seeking **4%** Non-Competitive Housing Tax Credits (**4% HTC**s) from the Texas Department of Housing and Community Affairs (TDHCA) and require a Resolution of No Objection for the development to move forward.

Background

On May 9, 2018, the Comprehensive Housing Policy (CHP) adopted by City Council, by Resolution Number 180704 and 181680, as amended, adopted Developer programs to provide gap financing in the form of repayable loan, where appropriate, to incentivize private investment for the development of quality, sustainable housing that is affordable to the residents of Dallas. When such funding is available, the City shall award funds through a competitive NOFA or Request for Application process based on a scoring policy. In accordance with the CHP, the Housing and Neighborhood Revitalization Department (Housing) issued the NOFA with an estimated **\$25,000,000** in funding available from federal and local sources such as Community Development Block Grant (CDBG), General Obligation Bonds, and Housing Trust Fund. Responses were due on October 11, 2018. There were **19** proposals submitted.

At the January 7, 2019, EDHC meeting, Housing staff briefed the committee on the development, review process, and results of the NOFA. Based on staff review and the established scoring criteria used by the Evaluation Committee, only **3** of the **19** proposals received a fundable score. The **3** developments are 2400 Bryan Street, Estates at Shiloh, and Palladium Redbird.

The briefing (Attachment **A**) contains details on each development including development team and description. The briefing also outlines the proposed terms for each development. The terms include the following: term of loan and grant, loan amortization,

use of funds, interest rate, repayment, collateral, guarantee and payment and performance bond requirements, affordability requirements, local hiring and MWBE requirements, urban design, reserve requirements, completion deadline, and conditions to closing.

Fiscal Impact

2400 Bryan Street		
Source	Amount	Loan or Grant
City CDBG Funds	\$3,421,373	Loan
City HOME Funds	\$3,605,570	Loan
2012 GO Bond Funds	\$973,057	Grant
Public Private Partnership Funds	\$6,000,000	Loan
Total	\$14,000,000	
Estates at Shiloh		
Source	Amount	
City CDBG Funds	\$3,801,000	Loan
2012 GO Bond Funds	\$199,000	Grant
Total	\$4,000,000	
Palladium Redbird		
Source	Amount	
City CDBG Funds	\$2,696,300	Loan
City HOME Funds	\$3,575,276	Loan
2012 GO Bond Funds	\$2,028,424	Grant
Total	\$8,300,000	

Departments/Committee Coordination

Housing staff coordinated with the Office of Economic Development, Office of Equity and Human Rights, Planning and Urban Design, and City Attorney’s Office to negotiate terms and identify funding sources. Additionally, the DHFC Board approved inducing multifamily mortgage revenue bonds, taking an ownership interest in the developments, purchasing the land, and entering to long-term ground leases.

Next Steps

On February 27, 2019, if recommended for approval by the EDHC, Housing staff would bring forward the items to City Council to consider authorizing the development agreements for the terms proposed and in amounts not to exceed as detailed under Fiscal Impact. Additionally, Council would consider approval of the DHFC purchasing, leasing, and taking an ownership interest in the developments. Finally, required public hearings would be conducted for 4% HTC applications and Council would consider adopting the Resolutions of No Objection.

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



David Noguera, Director
Housing and Neighborhood Revitalization

c: Chris Caso, City Attorney (Interim)
Carol A. Smith, City Auditor (Interim)
Biliera 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
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
M. Elizabeth Reich, Chief Financial Officer
Laila Aleqresh, Chief Innovation Officer
Directors and Assistant Directors

Briefing on Proposed Development Loan Agreements and Partnerships with the City of Dallas Housing Finance Corporation to Purchase, Lease, Own, or otherwise Acquire an Interest in Three Mixed Income Multifamily Residential Developments and Recommendation of a Resolution of No Objection for 4% Non-Competitive Housing Tax Credits Allocated by the Texas Department of Housing and Community Affairs to Two of the Developments:

- a. 2400 Bryan Street
- b. Estates at Shiloh (2649 Centerville Road)
- c. Palladium Redbird (a portion of the site of the former Red Bird Mall/Southwest Center Mall located south of the intersection of W. Camp Wisdom Road and S. Westmoreland Road)

**Economic Development and Housing Committee
February 19, 2019**

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



Presentation Overview

- Summary
- City of Dallas Housing Finance Corporation
- Background and Proposed Development Terms
 - 2400 Bryan Street
 - Estates at Shiloh
 - Palladium Redbird
- Benefit to the City
- Recommendation and Next Steps

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Summary

- **May 9, 2018:** City Council adopted the Comprehensive Housing Policy (CHP), Resolution No. **18-0704** and **18-1680**, as amended on **November 28, 2018** which approved Developer programs to provide gap financing in the form of repayable loan to incentivize private investment for the development of quality, sustainable housing that is affordable to the residents of Dallas
- **August 30, 2018:** Housing and Neighborhood Revitalization Department (Housing) issued a Notice of Funding Availability (NOFA) with estimated **\$25,000,000** to award
- **January 7, 2019:** Briefed the Economic Development & Housing Committee (EDHC) on NOFA Results
 - ✓ Outlined process for development of NOFA, review of proposals, and presented results
 - ✓ Only **3** out of the **19** proposals submitted received a fundable score

City of Dallas Housing Finance Corporation Board

January 25, 2019: DHFC Board approved, taking an ownership interest in the developments, purchasing the land, and entering to a long-term ground lease for all **3** developments and induced multifamily mortgage revenue bonds for **2**

Board of Directors

- | | | |
|--------------------------------|-------------------------|--------------------------|
| Sherman Roberts, President | Trent Hughes, Director | Jim Harp, Director |
| Clint V. Nolen, Vice President | Ryan Garcia, Director | Eric Anderson, Director |
| Marcy Helfand, Secretary | Brad Nitschke, Director | Juan J. Garcia, Director |
| James Armstrong III, Treasurer | Joe Carreon, Director | |

2400 Bryan Street

Economic and Neighborhood Vitality



City of Dallas

Developer Background

- Matthews Southwest/RMGM Developers, LLC (**RMGM**)
 - Since **1988**, MSW has acquired, built and managed the development of hotel, office, mixed use, retail, residential, and industrial developments
- Jack Matthews, President
 - **30+** years of experience in real estate development
- Kristian Teleki, Senior Vice President, Development
 - **28+** years of experience in real estate development
- Redeveloped key historic Old Dallas High School in partnership with the City using TIF funds from Deep Ellum TIF district



Old East Dallas High School



Economic and Neighborhood Vitality



City of Dallas

Proposed Development Background

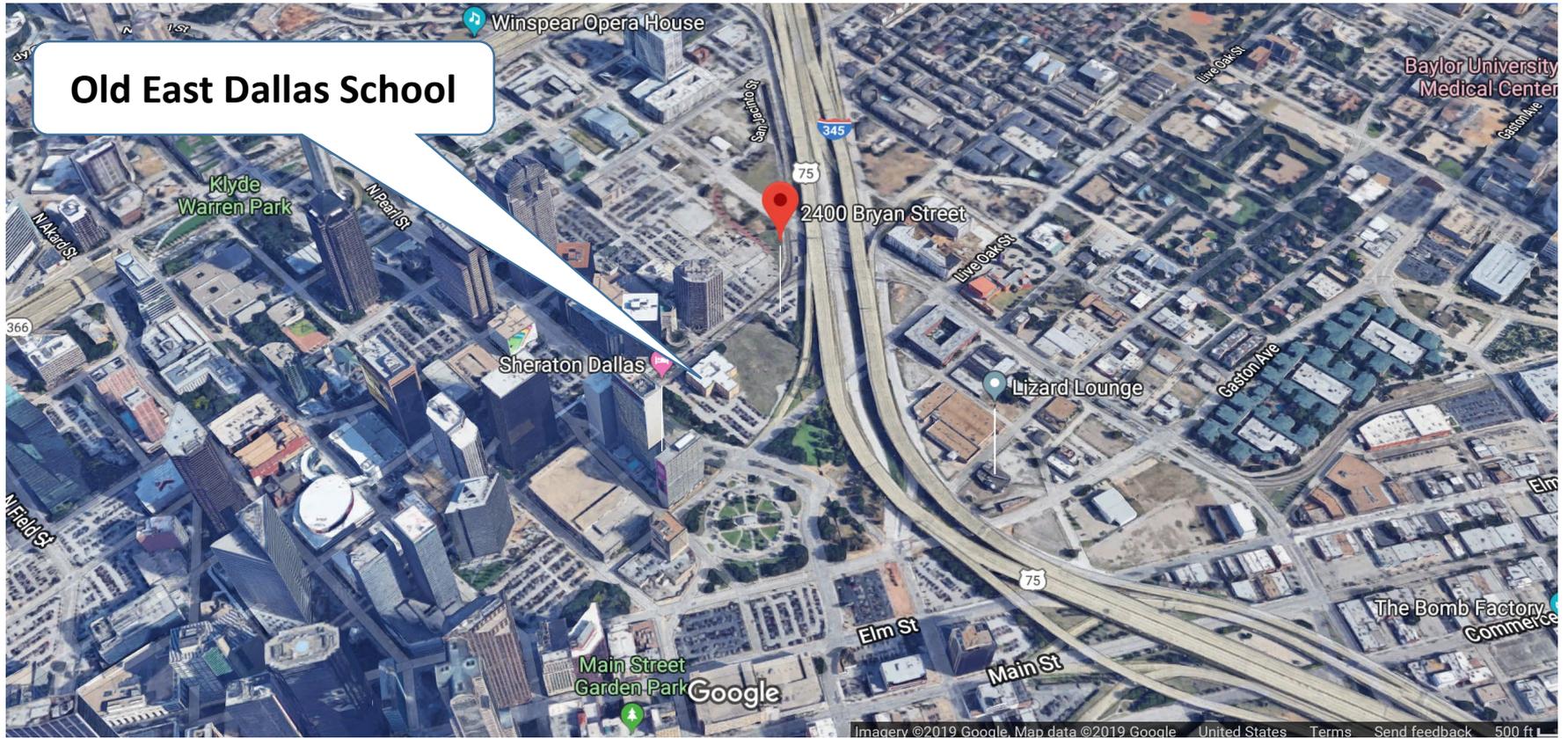
- **2400 Bryan Street**
- Council District: **14**
- East Downtown Reinvestment Strategy Area
- Unit: **217** units **efficiency, 1, 2, and 3 BR**
- **14-story** building; including structured parking
- Planned Amenities:
 - Multipurpose room
 - Pool
 - **10,000** sq. ft. of retail space, with plans to include an early childhood education/childcare facility.

2400 Bryan Street – cont'd

UNIT MIX & INCOME BANDS SERVED				
Proposed Units (217* total)	27 – 0BR	120 – 1 BR	57 – 2 BR	13 – 3 BR
30% - 60%	6 – 0BR	41 – 1BR	18 – 2BR	5 – 3BR
60%	10 – 0BR	22 – 1BR	8 – 2BR	1 – 3BR
Market	11 – 0BR	57 – 1BR	31 – 2BR	7 – 3BR



Proposed Development Location





2400 Bryan Street – cont'd

East Downtown Redevelopment Target Area Surrounded by E, F, & G MVA Market Types

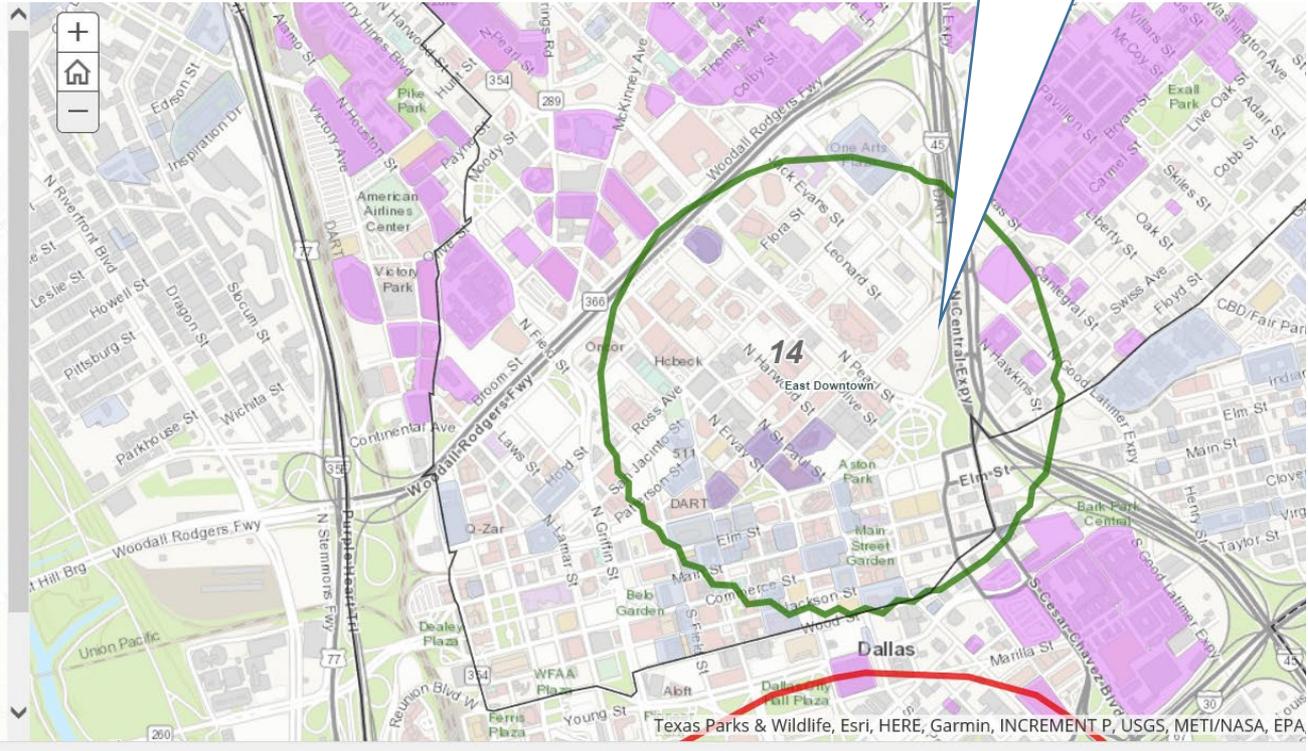
Proposed Development

MVA Legend

	A		F
	B		G
	C		H
	D		I
	E		NA

Reinvestment Areas

-  **Redevelopment Areas**
-  **Stabilization Areas**
-  **Emerging Market Areas**



Proposed Development Background – cont'd

- **Partnership:** 2400 Bryan Street, LLC a Texas LLC to develop, manage and own the improvements
- **General Partner:** 2400 Bryan Street GP, LLC (DHFC as its sole member)
- DHFC to own the land and enter into a long term ground lease with the Partnership
- **Special Limited Partner:** 2400 Bryan Street SLP, LLC a to be formed limited liability company with RMGM Bryan Street as **39%**, TCP as **51%**, and BETCO as **10%** owners
- **Investment Limited Partner:** TBD
- **General Contractor:** DHFC and Jordan Foster as Master Subcontractor
- **Property Manager:** UAH Property Management
- **Developer:** RMGM Bryan Street, LLC
- **Guarantees:** RMGM

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Proposed DHFC Partnership

- Cash flow split **50/50** between SLP and GP after operating expenses, deferred developer fee, required reserves, debt service, and any share of cash flow to equity investors
- Developer fee: **\$8,500,000**, subject to DHFC approval
- If DHFC is GC, than shall receive a reasonable fee for participation subject to RMGM approval

Revenue Source	Amount
Developer Fee*	\$0.00
Projected Cash Flow Payments**	\$1,894,742
Total	\$1,894,742

Start in **Year 12 and paid out by **Year 15** after closing on financing



Proposed Development Background – cont'd

Financing Sources	Amount
Permanent Debt	\$42,000,000
Housing Tax Credits Equity	\$14,850,000
NOI Credit during Lease Up	\$1,486,624
Deferred Developer Fee	\$5,410,175
<i>City CDBG Funds</i>	\$3,421,373
<i>City HOME Funds</i>	\$3,605,570
<i>2012 GO Bond Funds</i>	\$973,057
<i>Public Private Partnership Funds</i>	\$6,000,000
Total	\$77,746,799
Use	Costs
Acquisition	\$9,675,000
Construction Costs	\$48,314,433
Soft Costs & Financing Fees	\$9,286,090
Developer Fees	\$8,500,000
Reserves	\$1,971,277
Total	\$77,746,800



Proposed Development Agreement Terms

PROPOSED TERMS	
Loan and Grant Term	Coterminous with Senior Lender (15 years)
Loan Amortization	Coterminous with Senior Lender (35 years)
Loan Interest Rate	1% Simple annual interest
Use of Funds	Acquisition and eligible construction costs; capitalized costs for GO Bond Funds
Payment/Repayment*	Interest only payable from available surplus cash flow until deferred developer is paid; then annual principal and interest payments with balloon payment at end of Loan Term
Completion Deadline	January 31, 2021; construction must start within 1 month of closing on all financing
*CHP states an annual surplus cash payment	



Estates at Shiloh

Economic and Neighborhood Vitality



City of Dallas

Developer Background

Generation Housing Partners, LLC (GHP)

- Founded in 2002
- Mission is to develop sustainable communities that residents and city leaders can be proud to call their own
- Texas based company
- Involved in the development, construction, and management of over **4,000** units
- Adrian Iglesias, Principal and Founder
 - **20+** years experience in the multifamily housing industry
 - Knowledge of various financing structures including LIHTC, HUD, TCAP, and USDA.
- Chris Applequist, Vice President
 - **14** years experience in multifamily housing development
 - Formerly Senior Developer with Miller Valentine Group
 - Originated over **2,700** units
- Properties in Texas and Mississippi

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Prior Developments



Proposed Development Background

- **2649 Centerville Road**
- Council District: **9**
- Casa View Reinvestment Strategy Area
- Renovation of existing leasing center and **40** existing and new construction **224** units for Seniors
- **4**, three-story congregate-type buildings. These units will include ventilated corridors and accessible elevators
- Planned Amenities:
 - Existing **9,000** square foot community center
 - Community garden
 - Pool
 - Dog park

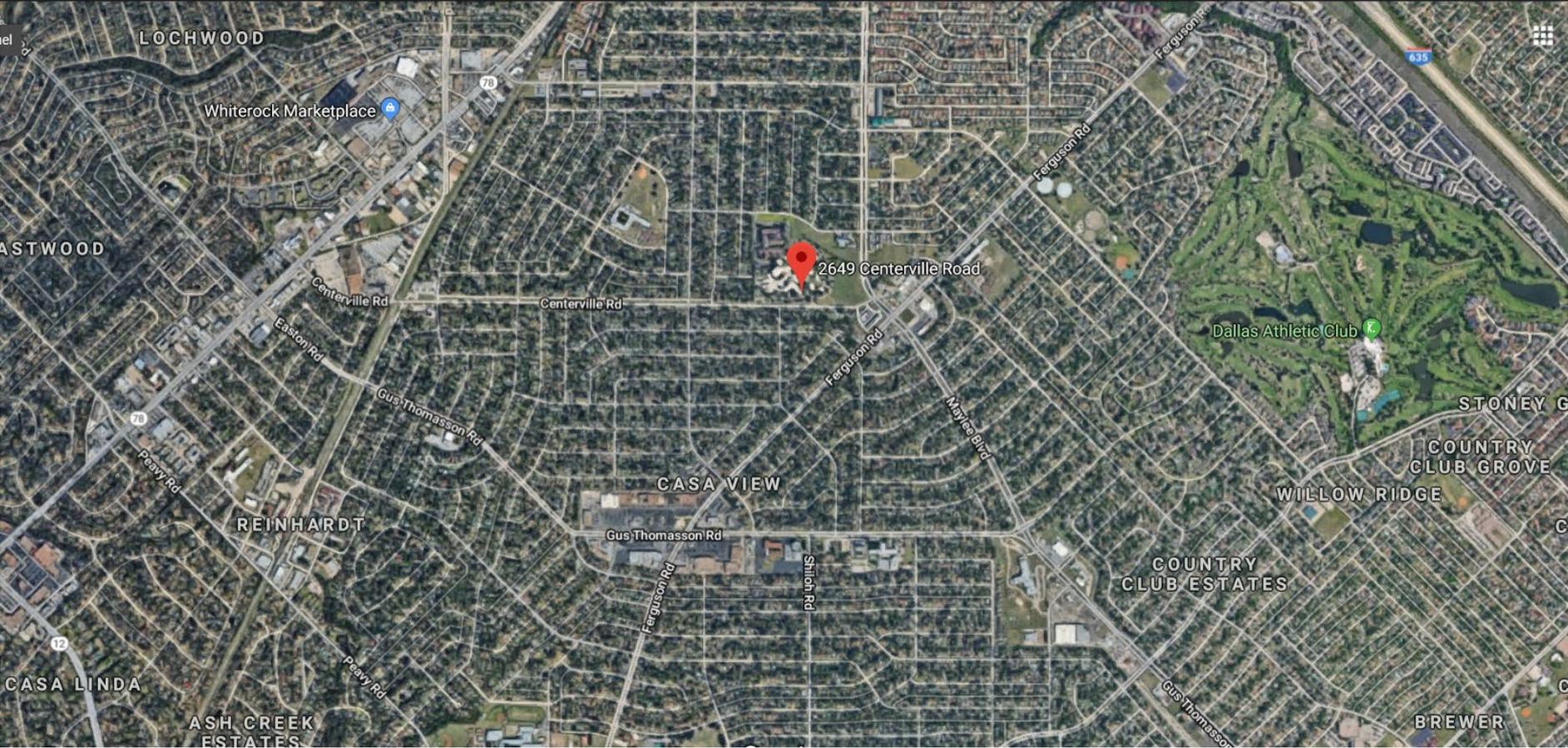


Estates at Shiloh – cont'd

UNIT MIX & INCOME BANDS SERVED			
Proposed Units (264* total)	14 – 0 BR	130 – 1 BR	120 – 2 BR
30%	0 – 0 BR	1 – 1BR	1 – 2BR
50%	0 – 0BR	1 – 1BR	1 – 2BR
60%	0 – 0BR	121 – 1BR	114 – 2BR
Market	14 – 0BR	7 – 1BR	4 – 2BR



Proposed Development Location





SITE AREA: 8.786 AC.

UNIT TABULATION:

1 BEDROOM: 108 UNITS (48.21%)
2 BEDROOM: 116 UNITS (51.79%)

TOTAL: 224 UNITS @ 25.49 UNITS/ACRE

PARKING TABULATION:

421 SURFACE PARKING

421 TOTAL PARKING

@ 1.88 PARKING/UNIT

@ 1.24 PARKING/BED

*MIN 340 PARKING REQUIRED

MAX 396 PARKING REQUIRED

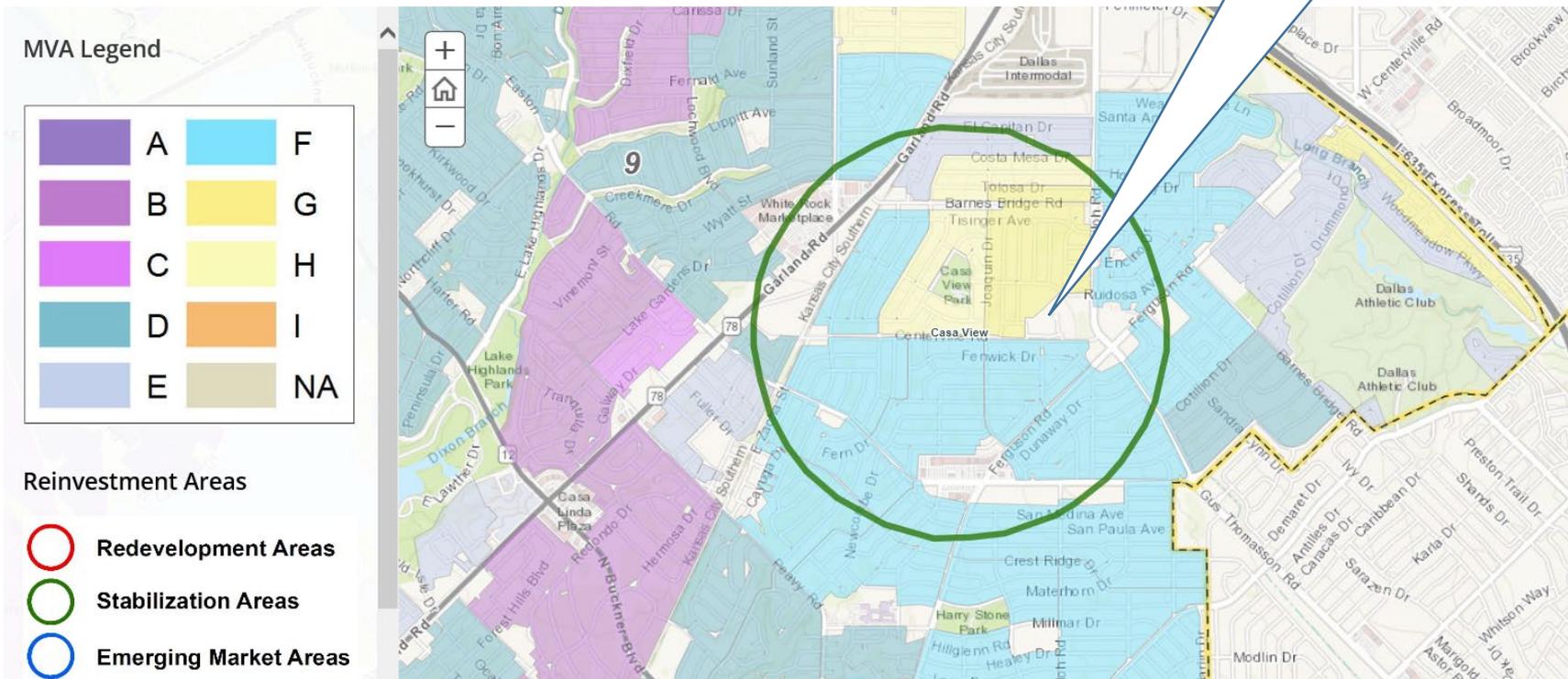
$(1.0P/1BD+2.0P/2BD+3.0P/3BD) + 25\%$ OF TOTAL



Estates at Shiloh – cont'd

Casa View Stabilization Target Area Surrounded by D, E, & F MVA Market Types

**Proposed
Development**



Proposed Development Background – cont'd

- **Partnership:** TX Casa View 2018, Ltd. created to develop, manage and own the improvements
- **General Partner:** TX Casa View 2018 GP, LLC (Dallas Housing Finance Corporation (DHFC) sole member)
- DHFC to own the land and enter into a long term ground lease with the Partnership
- **Special Limited Partner:** TX Casa View 2018, SLP, a partnership between GHP (**50%**) and Hill Tide Development, LLC (**50%**)
- **Investment Limited Partner:** TBD
- **Asset Manager:** GHP
- **General Contractor:** Housing Channel, Inc. and Maker Brothers, LLC
- **Property Manager:** Alpha Barnes Property Management
- **Co-Developers:** Housing Channel, Inc. and Hill Tide Partners, LLC
- **Guarantees:** GHP, Hill Tide Partners, LLC, and Monarch Private Investments, LLC

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Proposed DHFC Partnership

- Cash flow split **50/50** between GHP and GP after operating expenses, deferred developer fee, required reserves, debt service, and any share of cash flow to equity investors
- Developer fee: **\$4,446,049.00**, subject to DHFC approval

Revenue Source	Amount
Developer Fee*	\$0.00
Projected Cash Flow Payments**	\$1,900,367
Total	\$1,900,367

Paid out by **Year 20 after closing on financing

Proposed Development Background – cont'd

Financing Sources	Amount
Tax Exempt Bonds (retired and replace with 221(d)4 loan)	\$19,650,000 (\$20,000,000)
*DHFC as Issuer and induced on 1/25/2019	
Housing Tax Credits Equity	\$12,546,810
Deferred Developer Fee	\$2,238,655
<i>City CDBG Funds</i>	\$3,801,000
<i>2012 GO Bond Funds</i>	\$199,000
Total	\$38,435,465
Use	Costs
Acquisition	\$3,400,000
Rehabilitation & Construction Costs	\$25,103,247
Soft Costs & Financing Fees	\$4,074,624
Developer Fees	\$4,521,806
Reserves	\$1,335,788
Total	\$38,435,465



Proposed Development Agreement Terms – cont'd

PROPOSED TERMS	
Loan and Grant Term*	Coterminous with Senior Lender (40 years)
Loan Amortization*	Coterminous with Senior Lender (40 years)
Loan Interest Rate	1% Simple annual interest
Use of Funds	Acquisition and eligible rehabilitation costs; capitalized costs for GO Bond Funds
Payment/Repayment*	Interest only until deferred developer is paid; then annual principal and interest payments from surplus cash with balloon payment at end of Loan Term
Completion Deadline	December 31, 2021; construction must start within 1 month of closing on all financing
*These items vary from CHP	



Palladium Redbird



Developer Background

- Palladium USA International, Inc. (Palladium)
 - subsidiary of The Palladium Group, a privately owned company with over **140** years' experience developing and managing high quality developments around the world including Dallas, London, Paris, Milan, and Dubai
- Build, own, manage properties long term
- Thomas Huth, President and CEO
 - Started with Palladium in **1998**

Prior Developments



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Economic and Neighborhood Vitality



City of Dallas

Proposed Development Background

- Approx. **6** acres at the intersection of W Camp Wisdom Road and S Westmoreland Road site of the former Red Bird Mall/Southwest Center Mall
- Council District: **8**
- Redbird Reinvestment Strategy Area
- one, four-story building; including structured parking
- Planned Amenities:
 - Clubhouse with fitness room, play area, and multipurpose room
 - Pool

Palladium Redbird – cont'd

UNIT MIX & INCOME BANDS SERVED			
Proposed Units (300* total)	129 – 1 BR	130 – 2 BR	41 – 3 BR
30%	5 – 1BR	6 – 2BR	3 – 3BR
60%	80 – 1BR	88 – 2BR	28 – 3BR
Market	44 – 1BR	36 – 2BR	10 – 3BR



Proposed Development Location



Proposed RedBird Development – Conceptual Rendering



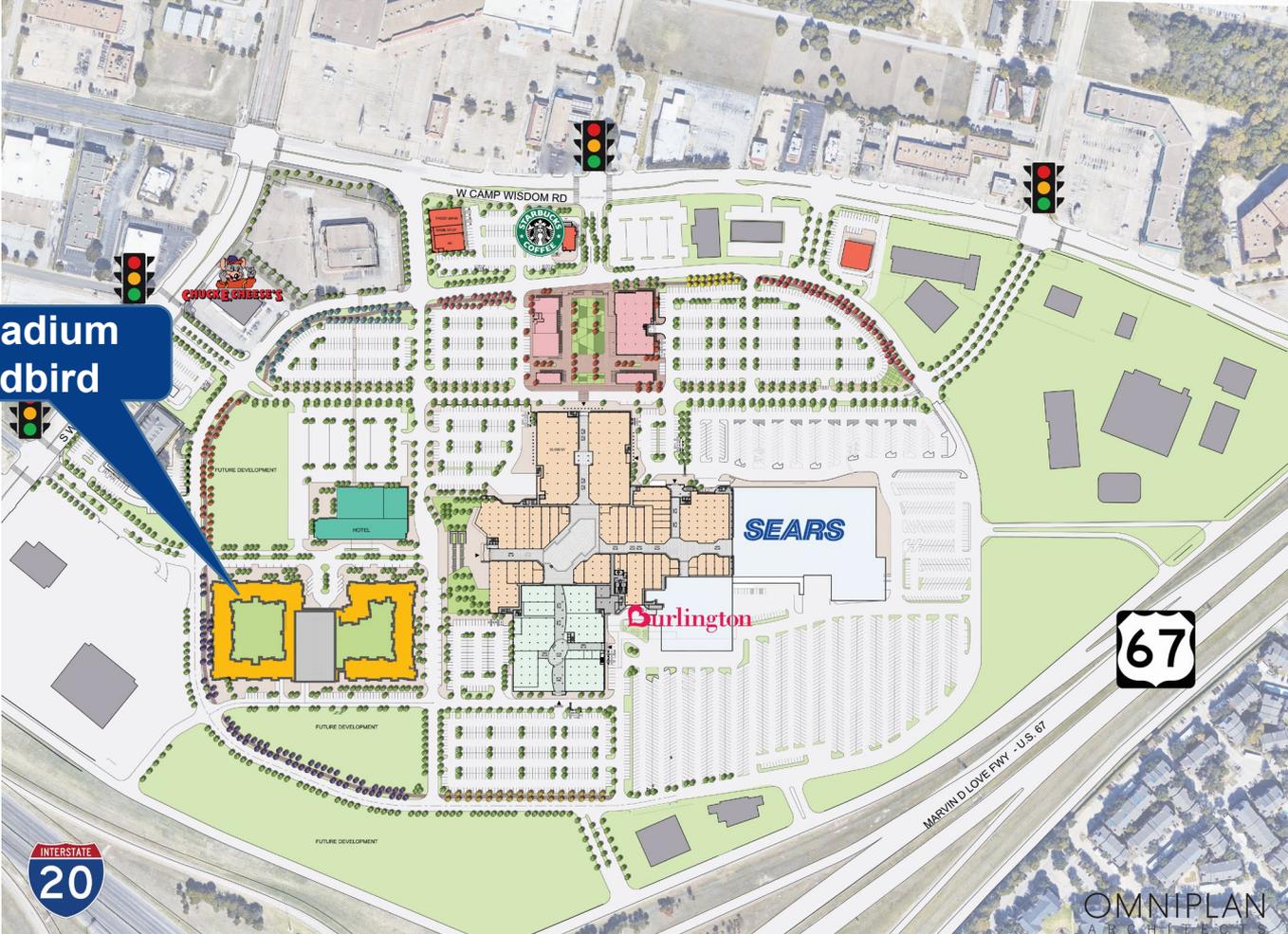
Economic and Neighborhood Vitality

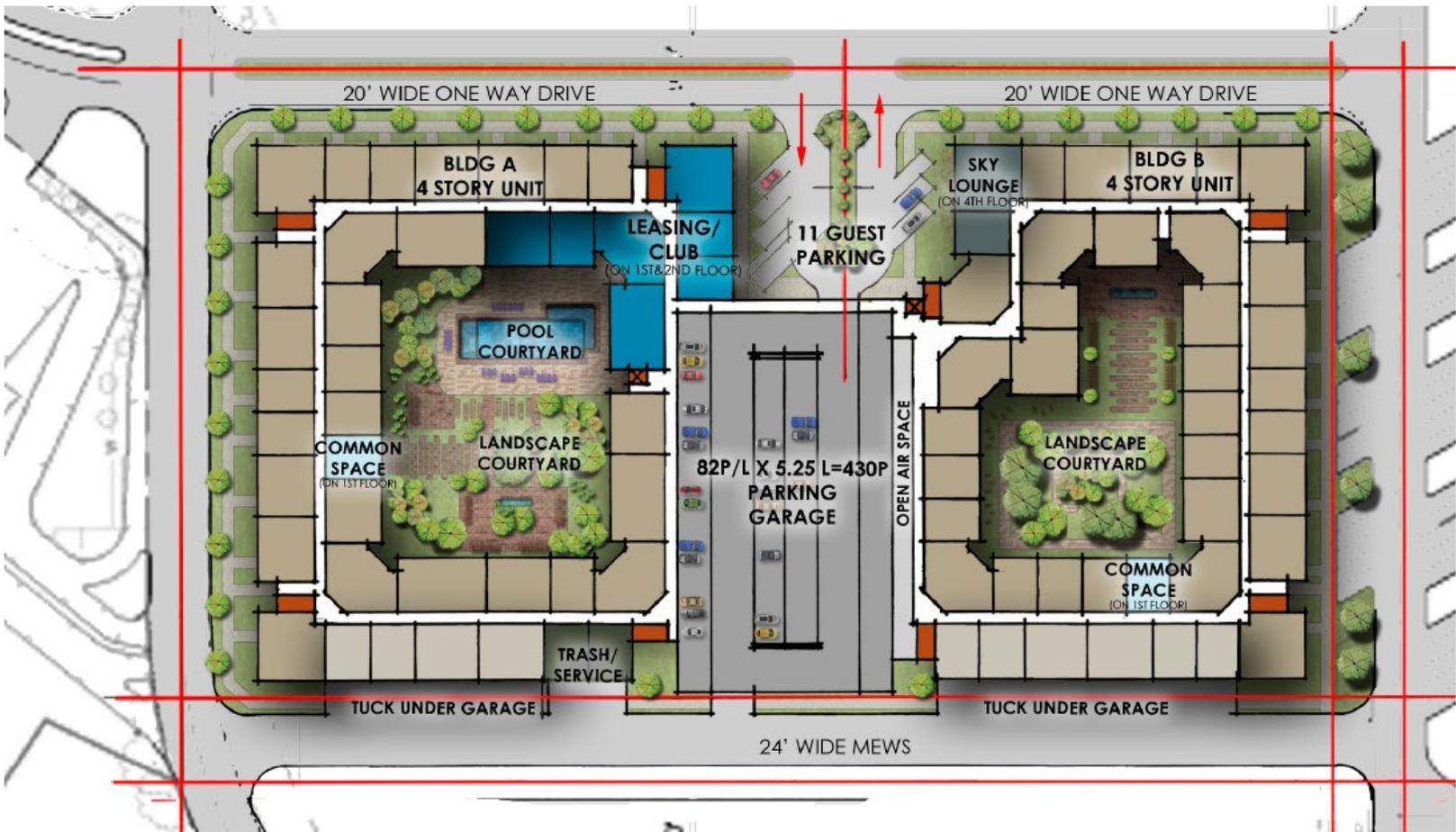


City of Dallas

Proposed RedBird Development

Palladium Redbird

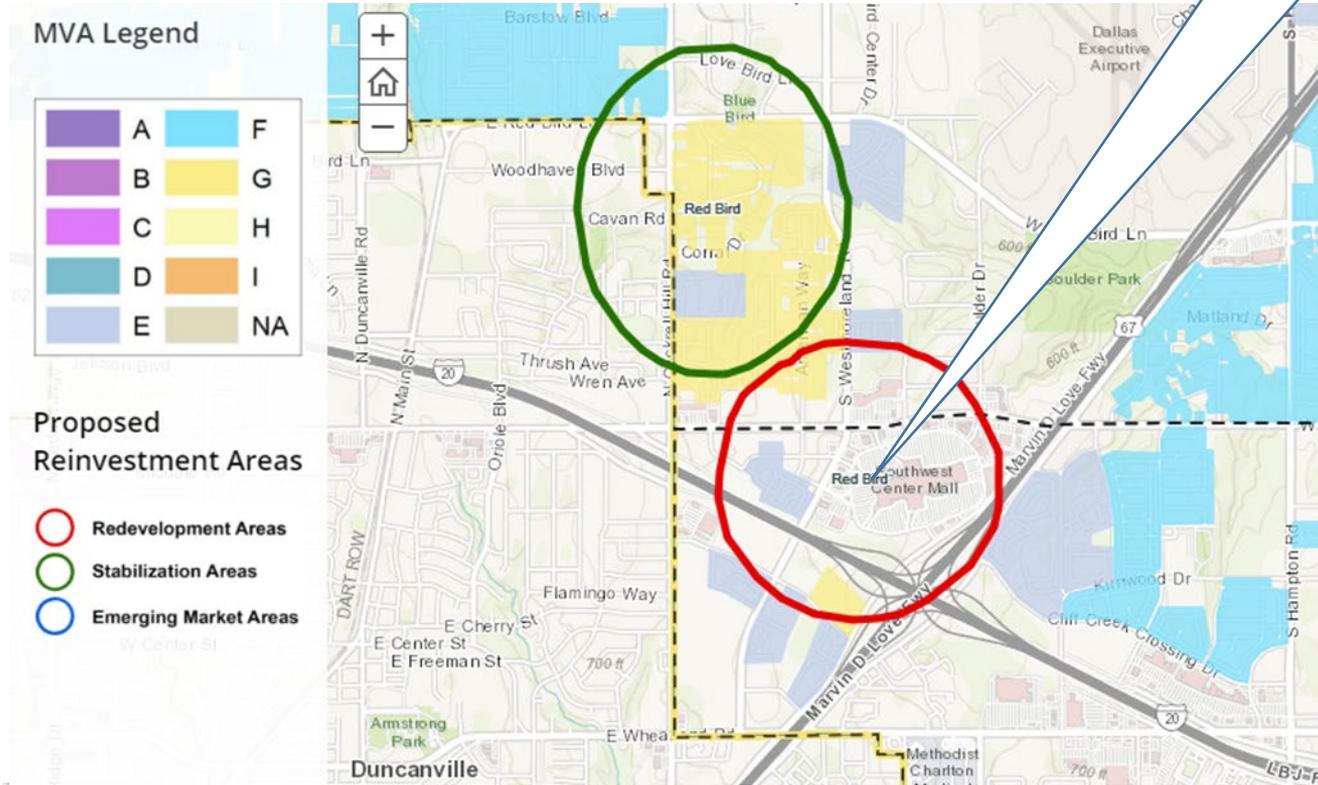




Palladium Redbird – cont'd

Red Bird Redevelopment Target Area
Surrounded by E, F, & G MVA Market Types

Proposed
Development



Proposed Development Background – cont'd

- **Partnership:** Palladium Redbird, Ltd a to be formed limited partnership to develop, manage and own the improvements
- **General Partner:** Palladium Redbird GP, LLC (Dallas Housing Finance Corporation sole member)
- DHFC to own the land and enter into a long term ground lease with the Partnership
- **Special Limited Partner:** Palladium Redbird SLP, LLC, Palladium sole member
- **Investment Limited Partner:** TBD
- **Asset Manager:** None
- **General Contractor:** DHFC and Strategic Construction as Master Subcontractor
- **Property Manager:** Omnium Management Company, Inc.
- **Co-Developers:** Palladium and DHFC
- **Guarantees:** Palladium



Proposed DHFC Partnership

- Cash flow split **50/50** between SLP and GP after operating expenses, deferred developer fee, required reserves, debt service, and any share of cash flow to equity investors
- Developer fee split **70%** to Palladium and **30%** to DHFC
- GC shall receive a reasonable fee for participation subject to Palladium approval

Revenue Source	Amount
Developer Fee*	\$2,106,950
Projected Cash Flow Payments**	\$2,532,421
Total	\$4,639,371

*Paid out by **Year 11** after closing on financing

Paid out by **Year 15 after closing on financing



Proposed Development Background – cont'd

Financing Sources	Amount
Tax Exempt Bonds (retired and replace with 221(d)4 loan)	\$30,167,732 (\$22,000,000)
*DHFC as Issuer and induced on 1/25/2019	
Housing Tax Credits Equity	\$15,312,887
National Housing Trust Funds	\$2,000,000
Deferred Developer Fee	\$5,026,130
<i>City CDBG Funds</i>	\$2,696,300
<i>City HOME Funds</i>	\$3,575,276
<i>2012 GO Bond Funds</i>	\$2,028,424
Total	\$60,806,749
Use	Costs
Acquisition	\$1,150,000
Construction Costs	\$42,978,539
Soft Costs & Financing Fees	\$6,769,844
Developer Fees	\$7,023,168
Reserves	\$16,678,210
Total	\$60,806,749



Proposed Development Agreement Terms – cont'd

PROPOSED TERMS	
Loan and Grant Term*	Coterminous with Senior Lender (40 years)
Loan Amortization*	Coterminous with Senior Lender (40 years)
Loan Interest Rate*	1% Simple annual interest
Use of Funds	Acquisition and eligible construction costs; capitalized costs for GO Bond Funds
Payment/Repayment	Interest only until deferred developer is paid; then annual principal and interest payments from surplus cash with balloon payment at end of Loan Term; if TDHCA loan approved payments paid pari- passu
Completion Deadline	December 31, 2021; construction must start within 1 month of closing on all financing
*These items vary from CHP	



Benefit to the City

- Contribute toward production goals under the CHP and met the priorities outlined in CHP
- 2400 Bryan Street is a proposed mixed income development located in the East Downtown Redevelopment target area
- Estates at Shiloh is in the Casa View Stabilization target area and prevents the displacement of affordable housing and allows seniors to age in place
- Palladium Redbird is a proposed mixed income development located in the Red Bird Redevelopment target area



Recommendation and Next Steps

- Staff recommends the EDHC approve and move forward the following items for Council consideration at the **February 27, 2019** meeting:
 1. Authorize execution of development agreements for 2400 Bryan Street, Estates at Shiloh, and Palladium Redbird based on the proposed terms and in amounts not to exceed those presented;
 2. Approve the DHFC to purchase, lease, own, or otherwise acquire an interest in all **3** developments; and
 3. Conduct a public hearing and adopt a Resolution of No Objection related to the applications to TDHCA for **4%** Non-Competitive Housing Tax Credits for Estates at Shiloh and Palladium Redbird

Proposed City and DHFC Participation for Three Multifamily Residential Developments and Recommendation for Resolutions of No Objection for 4% Housing Tax Credit Application

**Economic Development and Housing Committee
February 19, 2019**

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



Appendices



Appendix A - Proposed Development Agreement Terms

Guarantees	<p>Guarantor may make guaranty if has sufficient assets. If not, all underlying individuals principals affiliated with Guarantors to provide guarantees for the Development Loan and Conditional Grant Agreements.</p> <p>Completion Guaranty: shall provide full, unconditional guarantees of completion and repayment for Borrower.</p> <p>Operating Deficit Guaranty: guarantees to fund operating deficits by making loans to Borrower in accordance with terms as provided by the development's senior permanent lender and its Limited Partner.</p>
Collateral	<p>Promissory note; payment and performance of the Loan and Grant to be secured with Deed of Trust. Deed of Trust subordinate only to Senior Lender</p>
Construction Guarantees and Payment and Performance Bonds	<p>Must provide either in the total amount of construction loan for the development</p>



Proposed Development Agreement Terms – cont'd

PROPOSED TERMS

Affordability

Units designated as affordable must remain affordable for **20** years
10% of the total units must be set aside for voucher holders and must remain set aside for **15** years
Deed Restrictions will run with land to secure Affordability and must be senior to all other loans

Local Hiring and MWBE

Must use best efforts to hire City of Dallas residents and comply with **25%** participation by certified MWBEs

Urban Design

Construct the public and private improvements to substantially conform to the plan and the drawings provided to the Planning and Urban Design Department or UDPRP



Proposed Development Agreement Terms – cont'd

PROPOSED TERMS

Reserve Requirements

1. Capitalized operating reserve equal to at least **3** months of underwritten expenses
2. Lease-up reserve to cover operating deficits following construction
3. Replacement reserve of **\$250/unit** or the amount investor/lender requires.

Conditions to Loan Closing

1. Completion of HUD environmental review and other regulatory requirements
2. Final underwriting
3. Conditions listed in the CHP
4. Approval of equity, construction and permanent financing
5. Closing on all financing for the development



2400 Bryan Street



Appendix B - Proposed DHFC Partnership

- DHFC will have:
 - Control of major decisions with regard to the property
 - Right of first refusal for the improvements
 - Option to purchase ILP's interest after the 15-year TDHCA compliance period
 - Right to acquire SLP interests, based on agreed upon terms, if at any time SLP elects to sell its interest in the Partnership and approval rights of buyer if not DHFC
- SLP or RMGM shall:
 - Control major decisions of the Partnership including but not limited to those that affect the liability with respect to Guarantees.
 - Perform all duties and responsibilities on behalf of GP
 - Handle all tax matters on behalf of Partnership
- TCP will have:
 - Option to purchase ILP's interest after the 15-year TDHCA compliance period

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Estates at Shiloh



Appendix B - Proposed DHFC Partnership

- DHFC will have:
 - Control of major decisions with regard to the property
 - Right of first refusal for the improvements
 - Option to purchase ILP's interest after the **15-year** TDHCA compliance period
 - Right to acquire SLP interests, based on agreed upon terms, if at any time SLP elects to sell its interest in the Partnership and approval rights of buyer if not DHFC
- SLP shall:
 - Control major decisions of the Partnership including but not limited those the affect the liability with respect to Guarantees.
 - Perform all duties and responsibilities on behalf of GP
 - Handle all tax matters on behalf of Partnership
- SLP will have:
 - Option to purchase ILP's interest after the **15-year** TDHCA compliance period

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Palladium Redbird



Appendix B - Proposed DHFC Partnership

- DHFC will have:
 - Control of major decisions with regard to the property
 - Right of first refusal for the improvements
 - Option to purchase ILP's interest after the **15-year** TDHCA compliance period
 - Right to acquire SLP interests, based on agreed upon terms, if at any time SLP elects to sell its interest in the Partnership and approval rights of buyer if not DHFC
- SLP shall:
 - Control major decisions of the Partnership including but not limited to those that affect the liability with respect to Guarantees.
 - Perform all duties and responsibilities on behalf of GP
 - Handle all tax matters on behalf of Partnership
- SLP will have:
 - Option to purchase ILP's interest after the **15-year** TDHCA compliance period



Memorandum



CITY OF DALLAS

DATE February 15, 2019

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 Applications Seeking Resolutions for 4% and 9% Housing Tax Credits Issued through Texas Department of Housing and Community Affairs and Proposed Recommendations**

Summary

On February 19, 2019, the Economic Development and Housing Committee (EDHC) will be briefed on the 2018 Request for Application (RFA) process and results. The RFA was issued to solicit applicants seeking Resolutions from the City of Dallas (City) for proposed **9%** Competitive and **4%** Non-competitive Housing Tax Credits allocated through the Texas Department of Housing and Community Affairs (TDHCA). There were **6** applications submitted under the RFA.

Background

On May 9, 2018, the Comprehensive Housing Policy (CHP) adopted by City Council, by Resolution Number 180704 and 181680, as amended, provided a policy for developers requiring Resolutions of Support or No Objection for multifamily rental housing developments seeking Housing Tax Credits (HTC) through TDHCA. The CHP stated that the City will issue a RFA for Resolutions of Support or No Objection in December of each year and bring forth recommendations to the EDHC and City Council in February of each year.

There are **2** types of HTC Programs:

1. **9% tax credit program** — The **9%** percent HTC program is referred to as the “**competitive**” housing tax credit program because developments seeking a **9%** HTC allocation are scored, and thus compete against each other, based on criteria and procedures recommended each year by the TDHCA and approved by the Governor in December. The criteria and procedures are collectively referred to as the Qualified Allocation Plan (QAP). In general, the QAP’s scoring criteria results in the TDHCA favoring developments that are close to the urban core of the City, have a high Opportunity Index (i.e. are located in census tracts with low poverty and crime and are close to public parks, transit and child care, etc.), and are located in places that have the fewest HTC units per capita. Because the allocation of **9%** HTC provides a substantial amount of equity for a development, developments that receive such awards do not typically need to seek out substantial amounts of financing.

Pre-applications for **9%** HTC developments were due January 4, 2019 and full applications, including Resolutions of Support or No Objection, must be submitted March 1, 2019. TDHCA issues scoring notices in Mid-May 2019 that identify developments deemed “competitive”, issues final award notices in July 2019, and commitments issued in Mid-August 2019.

2. **4% tax credit** —The **4%** HTC program is referred to as the “**non-competitive**” housing tax credit program because developments, while subject to some of the policies and procedures outlined in the QAP, are not subject to the scoring criteria or once-per-year timeframe for awards. **4%** HTC developments only need a Resolution of No Objection, not a Resolution of Support.

In the administration of its **9%** HTC Program, TDHCA awards application points for a resolution from a Governing Body of a local municipality on the following basis:

Within a municipality, the application will receive:

- **17** points for a resolution from the Governing Body of that municipality expressly setting forth that the municipality supports (Resolution of Support) the application or development; or
- **14** points for a resolution from the Governing Body of that municipality expressly setting forth that the municipality has no objection (Resolution of No Objection) to the application or development.

Within the extraterritorial jurisdiction of a municipality, the Application may receive:

- **8.5** points for a resolution from the Governing Body of that municipality expressly setting forth that the municipality supports (Resolution of Support) the Application or Development; or
- **7** points for a resolution from the Governing Body of that municipality expressly setting forth that the municipality has no objection (Resolution of No Objection) to the Application or Development

Under the **4%** HTC Program, TDHCA requires a Resolution of No Objection from the Governing Body which cannot be changed or withdrawn. TDHCA will not allocate **4%** HTC unless the development receives a Resolution of No Objection from the applicable city council or other governing body.

For 2018, the Housing and Neighborhood Revitalization Department (Housing) issued a RFA on December 21, 2018. Applications were due to Housing on January 11, 2019. There were **6** applications submitted as follows:

Developer	Development Name	Council District	Location	Request
NRP Lone Star Development	East Side Lofts	2	4724 & 4806 East Side Avenue	Resolution of Support (9%)
MVAH Partners and Auxano Development	HighPoint at Wynnewood	1	1805 S. Zang Boulevard	Resolution of Support (9%) or No Objection (4%)
Northgate Preservation Developer	Northgate Village Apartments	10	12303 N. Plano Road	Resolution of No Objection (4%)
Steele Pythian	Pythian Manor Apartments	4	2719 East Illinois Avenue	Resolution of No Objection (4%)
Dallas Leased Housing Associates X	Signature at Signature Oaks	4	3303 Southern Oaks Boulevard	Resolution of No Objection (4%)
Dallas Leased Housing Associates XI	Signature at Trinity River	8	220 Stoneport Drive	Resolution of No Objection (4%)

The applications were scored and evaluated based on the evaluation criteria in the CHP.

Evaluation Criteria	Points
General Partner and Property Management Experience	
General Partner Experience	10
Property Management Experience	10
Nonprofit Organization Participation	
Nonprofit Organization Participation	10
Geography	
Development Located in Reinvestment Strategy Area	20
Development and Site Factors	
Development Feasibility	20
Development Site Characteristics (Land use density and Zoning)	10
Transit Amenities	35
Development Readiness	10
Resident Services	15
Total Points Available*	140

* The points listed for each category are the maximum points available.

A minimum score of **85** points must be achieved to be considered eligible for staff recommendation for both a Resolution of Support for **9%** HTC and Resolution of No Objection for **4%** HTC. An applicant may be eligible for staff recommendation for a Resolution of No Objection for **9%** HTC if receive less than **85** points provided the application scores a minimum of at least **6** points under the General Partner and Property Manager Experience section of the evaluation criteria. All applications eligible for a staff recommendation must go through an assessment of fair housing review and must successfully demonstrate that the proposed development affirmatively further fair housing. Attachment 1 provides further details for each proposed development including the score. Additionally, each individual application scoring form is attached for your reference.

Based on the evaluation criteria in the CHP, only HighPoint at Wynnewood, Northgate Village Apartments, and Pythian Manor Apartments met the minimum score of **85** points to be recommended for a Resolution. Housing staff in coordination with the Office of Equity and Human Rights conducted a fair housing review to determine if the proposed

developments affirmatively furthers fair housing. After completion of the fair housing review, it was determined that all **3** developments assist the City in its efforts to affirmatively further fair housing.

Benefits to the City

The **3** proposed developments could contribute to the City's production goals under the CHP by providing quality housing at different income bands to the residents of the City. Additionally, the Highpoint at Wynnewood is located in the Wynnewood Redevelopment target area one of the CHP's Reinvestment Strategy Areas and the development would be mixed-income. The Northgate Village Apartments is near the LBJ Skillman Stabilization target area and prevents the displacement of existing affordable housing in a middle market as identified in the Market Value Analysis. Finally, the Pythian at Manor Apartments is located in and surrounded by distressed markets where the focus under the CHP is renovation of existing structures.

Fiscal Impact

For HighPoint at Wynnewood, establish a de minimis line of credit in an amount not to exceed **\$500.00** through the Public/Private Partnership (PPP) Fund for development costs if the development moves forward with a full application to TDHCA for **9%** HTC. The development can receive **1** point for a Commitment of Development Funding by Local Political Subdivision under the **9%** Competitive HTC Program.

Departments/Committee Coordination

Housing staff coordinated with the Office of Equity and Human Rights to perform the fair housing review, Office of Economic Development to identify a Commitment of Development Funding, and the City Attorney's Office.

Next Steps

On February 27, 2019, if recommended for approval by the EDHC, Housing staff will bring forward the recommended Resolutions, conduct required public hearings for **4%** HTC applications, and seek authority to provide a de minimis line of credit from PPP funds for the HighPoint at Wynnewood development from City Council.

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



David Noguera, Director
Housing and Neighborhood Revitalization

c: Chris Caso, City Attorney (Interim)
Carol A. Smith, City Auditor (Interim)
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
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
M. Elizabeth Reich, Chief Financial Officer
Laila Alequresh, Chief Innovation Officer
Directors and Assistant Directors

Attachment 1: 2018 Request for Application (RFA) Evaluation Summary

	Developer	Development Name	Council District	Location	Units Proposed	Income Bands Served	City Request	Total Development Cost	Application Total Score
1	NRP Lone Star Development LLC an affiliate of The NRP Group, LLC	East Side Lofts	2	4724 and 4806 East Side Avenue	74 Multifamily Units	16 Units at 0% - 30% AMI 32 Units at 31% - 50% AMI 26 Units at 51% - 60% AMI	Resolution of Support (9%) De minimis Contribution	\$18,347,295 *\$15,000,00 **\$13,648,635	78***
2	MVAH Partners Auxano Development, LLC, and City Square Housing	HighPoint at Wynnewood	1	1805 S. Zang Boulevard	221 Multifamily Units (Redevelopment of Existing Units)	23 Units at 0% - 30% AMI 0 Units at 31% - 50% AMI 53 Units at 51% - 60% AMI 28 Units at 61% - 80% AMI 117 Units at Market Rate	Resolution of Support (9%) Reinstate Concerted Revitalization Plan De minimis Contribution	\$41,113,550 *\$20,000,000 **\$17,798,220	87
3	Northgate Preservation Developer, LLC, with Related Affordable, LLC, Full Line, LLC and Wes Laramare as members	Northgate Village Apartments	10	12303 N. Plano Road	168 Multifamily Units (Redevelopment of Existing Units)	168 Units at 51% - 60% AMI	Resolution of No Objection (4%)	\$30,897,713 *\$9,745,540 **\$9,455,123	86
4	Steele Pythian LLC, an affiliate of Steele Properties Holdings III LLC	Pythian Manor Apartments	4	2719 East Illinois Avenue	76 Multifamily Units (Redevelopment of Existing Units)	8 Units at 0 - 30% AMI 68 Units at 51% - 60% AMI (Seniors)	Resolution of No Objection (4%)	\$11,788,608 **3,653,498	87
5	Dallas Leased Housing Associates X, LLLP, an affiliate of Dominion	Signature at Signature Oaks	4	3303 Southern Oaks Boulevard	256 Multifamily Units (Redevelopment of Existing Units)	256 Units at 51% - 60% AMI	Resolution of No Objection (4%)	\$41,947,059 *\$1,369,306 **\$13,205,616	83
6	Dallas Leased Housing Associates XI, LLLP, an affiliate of Dominion	Signature at Trinity River	8	220 Stoneport Drive	236 Multifamily Units (Redevelopment of Existing Units)	236 Units at 51% - 60% AMI	Resolution of No Objection (4%)	\$40,506,981 *\$1,371,731 **13,260,016	76

* The amount of housing tax credit requested over a 10 year period. For example, if the amount listed is \$15,000,000; then the HTC request is \$1,500,000

**The approximate amount of housing tax credit (HTC) equity provided through a tax credit syndicator or investor

***Applicant withdrew their application



**Housing and Neighborhood Revitalization
Request for Application Scoring Form
Exhibit "A"**

APPLICANT'S NAME	East Side Lofts Ltd.		
GENERAL PARTNER	East Side Lofts GP LLC, a to be formed entity with an affiliate of The NRP Group as managing member		
DEVELOPER	NRP Lone Star Development LLC		
PROPERTY MANAGER	NRP Management		
DEVELOPMENT NAME	East Side Lofts		
ADDRESS	4724 EastSide Ave., Dallas, Texas 75226		
9% or 4% HOUSING TAX CREDIT PROGRAM	9%		
MARKET VALUE ANALYSIS	E - surrounded by H , D & C		
Experience of the General Partner - up to 10 points	Points	Proposer Score	Comments
1-2 Multifamily rental housing projects managed more than 3 years	1	0	
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3-6 Multifamily 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 Multifamily 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	
1-2 Multifamily rental housing projects managed more than 3 years	0	0	
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3 or more Multifamily 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 Multifamily 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	
Nonprofit Organization Participation	10	0	Nonprofit participation not identified in application.
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	No RSA
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	No RSA
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	No RSA
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	



**Housing and Neighborhood Revitalization
Request for Application 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	
Completed Market Feasibility Report with conclusions supporting the applicable project proforma assumptions completed or underway.	5	5	Submitted preliminary market analysis on January 4, 2019 by Apartment MarketData
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	Zoning is MF-2(A)
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	0	0
Public Park	5	0	0
Full Scale Grocery Store	0	0	1
Community or Senior Center	0	0	1
Aging & Disability Resource Center	0	0	0
			Bus Stop 076 - .1 mile Old East Dallas Work Yard - .2 miles &.7 miles to Buckner Park ALDI within 1 mile; Jubilee Community Center -.8 miles Samuell Grand Recreation Center - 1.7 miles
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	2	0
			Baylor Scott & White Medical Center
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		
			Baylor Scott & White Medical Center Downtown
Project Readiness - up to 10 points			
	Points	Proposer Points	Comments
Applicant has secured site control per TDHCA HTC definition of site control	5	5	Yes, valid contract of sale between Willow Partners, LP and NRP Properties LLC effective December 2018 for 4724 and 4806 East Side Avenue.
Environmental Report (s) has/have been completed.	5	0	Yes, however submitted Phase 1 prepared by EnviroPhase, Incorporated dated July 5, 2007
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	Stated in Executive Summary to provide the following at no costs to the residents: financial/credit/literacy counseling; homework first programs; health and wellness fairs; notary public service.
Project provides or has agreements with third party service providers to provide on-site educational, wellness and/or skill building classes	5	5	
Project provides on-site, licensed child care or after school program that operates at least 20 hours per week.	5	0	
PROPOSAL TOTAL SCORE		79	WITHDRAWN



Housing and Neighborhood Revitalization Request for Application Scoring Form Exhibit "A"

APPLICANT'S NAME	HighPoint at Wynnewood, LP		
GENERAL PARTNER	City of Dallas Housing Finance Corporation		
DEVELOPER	Auxano Development, LLC, and MVAH Partners		
PROPERTY MANAGER	MVAH Management LLC		
DEVELOPMENT NAME	HighPoint at Wynnewood		
ADDRESS	1805 S. Zang Boulevard, Dallas, Texas		
9% or 4% HOUSING TAX CREDIT PROGRAM	9% or 4%		
MARKET VALUE ANALYSIS	G - surrounded by D,F, & H		
Experience of the General Partner - up to 10 points	Points	Proposer Score	Comments
1-2 Multifamily rental housing projects managed more than 3 years	1	0	
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3-6 Multifamily rental housing projects in service more than 3	4	4	
3-6 Sec. 42/142/HOME projects in service more than 3 years	6	0	
7 or more Multifamily 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 Multifamily rental housing projects managed more than 3 years	0	0	
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3 or more Multifamily 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 Multifamily 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	CitySquare listed as a Co-developer. Proposed Dallas Housing Finance Corporation to be sole members
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	20	A portion of the property is located in the Wynnewood RSA
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	



**Housing and Neighborhood Revitalization
Request for Application Scoring Form
Exhibit "A"**

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	
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	
Completed Market Feasibility Report with conclusions supporting the applicable project proforma assumptions completed or underway.	5	5	Yes, prepared by Apartment MarketData, LLC dated October 2, 2018.



**Housing and Neighborhood Revitalization
Request for Application Scoring Form
Exhibit "A"**

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	0	Site is zoned MF-1 (A); Need variance for 4 stories	
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	0	0	Bus Stop 081/082 - 394 ft Kroger's - .4 mile
Public Park		0	0	0	
Full Scale Grocery Store		0	3	0	
Community or Senior Center		0	0	0	
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	Yes, valid Purchase and Sale Agreement between WCH Limited Partnership and HighPoint at Wynnewood, LP effective January 7, 2019.	
Environmental Report (s) has/have been completed.		5	5	Phase 1 ESA prepare by Property Solutions, Inc. revised March 1, 2017	
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	Buckner International is currently planned to be the third-party service provider to provide one of the TDHCA eligible services	
Project provides or has agreements with third party service providers to provide on-site educational, wellness and/or skill building classes		5	5		
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		



Housing and Neighborhood Revitalization Request for Application Scoring Form Exhibit "A"

APPLICANT'S NAME	Related Affordable, LLC		
GENERAL PARTNER	Northgate Village Preservation GP, LLC, Related Affordable, LLC its sole member		
DEVELOPER	Northgate Preservation Developer, LLC, with Related Affordable, LLC, Full Line, LLC and Wes Laramare as members		
PROPERTY MANAGER	Related Management Company		
DEVELOPMENT NAME	Northgate Village Apartments		
ADDRESS	12303 N. Plano Road, Dallas, Texas 75243		
9% or 4% HOUSING TAX CREDIT PROGRAM	4%		
MARKET VALUE ANALYSIS	D - surrounded by E, F & I submarkets		
Experience of the General Partner - up to 10 points	Points	Proposer Score	Comments
1-2 Multifamily rental housing projects managed more than 3 years	1	0	
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3-6 Multifamily 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 Multifamily 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	
1-2 Multifamily rental housing projects managed more than 3 years	0	0	
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3 or more Multifamily 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 Multifamily 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	
Nonprofit Organization Participation	10	0	Nonprofit participation not identified in application.
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	No
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	Located just outside the LBJ Skillman RSA
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	No



Housing and Neighborhood Revitalization Request for Application Scoring Form Exhibit "A"

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	
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	
Completed Market Feasibility Report with conclusions supporting the applicable project proforma assumptions completed or underway.		5	5	Yes, Prepared by Gil Group dated January 7, 2019.
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	MF-2(A)
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	0	0	Bus Stop 463 - .1 mile and Stop 551 - .2 mile Friendship Park - .9 miles Aldi - 1.9 miles
Public Park	0	0	1	
Full Scale Grocery Store	0	0	0	
Community or Senior Center	0	0	0	
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			Richland College - 10 minutes Texas Instruments - 12 minutes
Project Readiness - up to 10 points		Points	Proposer Points	Comments
Applicant has secured site control per TDHCA HTC definition of site control		5	5	Yes, submitted valid Purchase and Sale Agreement between Northgate Village Associates, LLC and Northgate Preservation, L.P. effective November 14, 2018.
Environmental Report (s) has/have been completed.		5	5	Yes, prepared by Partner Engineering and Science, Inc. dated October 4, 2018.



**Housing and Neighborhood Revitalization
Request for Application Scoring Form
Exhibit "A"**

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	5	Compass Working Capital to provide family self-sufficiency classes.
Project provides or has agreements with third party service providers to provide on-site educational, wellness and/or skill building classes	5	5	
Project provides on-site, licensed child care or after school program that operates at least 20 hours per week.	5	5	
PROPOSAL TOTAL SCORE		86	



Housing and Neighborhood Revitalization Request for Application Scoring Form Exhibit "A"

PROPOSER'S NAME	Steele Pythian LLC, an affiliate of Steele Properties Holdings III LLC		
GENERAL PARTNER	MMM Pythian Manor LLC with Multi-Family Mission Ministries a Texas nonprofit corporation .01% managing member		
DEVELOPER	Multi-Family Mission Ministries & Steele Properties		
PROPERTY MANAGER	Monroe Group		
DEVELOPMENT NAME	Pythian Manor Apartments		
ADDRESS	2719 East Illinois Avenue, Dallas, Texas 75216		
9% or 4% HOUSING TAX CREDIT PROGRAM	4%		
MARKET VALUE ANALYSIS	G - surrounded by H & I		
Experience of the General Partner - up to 10 points	Points	Proposer Score	Comments
1-2 Multifamily rental housing projects managed more than 3 years	1	0	
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3-6 Multifamily 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 Multifamily 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 Multifamily rental housing projects managed more than 3 years	0	0	
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3 or more Multifamily 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 Multifamily 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	Multi-Family Mission Ministries is managing member of GP and listed as a 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	



Housing and Neighborhood Revitalization Request for Application Scoring Form Exhibit "A"

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	
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	Proforma provided \$300/unit
Completed Market Feasibility Report with conclusions supporting the applicable project proforma assumptions completed or underway.		5	5	Yes, prepared by Affordable Housing Analysts dated October 5, 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	MF-2A
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	0	0	Bus Stop ID: 15661 - 213 ft John Phelps Park - .7 mile John Phelps Recreation Center - .8 mile
Public Park	0	0	1	
Full Scale Grocery Store	0	0	0	
Community or Senior Center	0	0	1	
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	0	0	
Project Readiness - up to 10 points		Points	Proposer Points	Comments
Applicant has secured site control per TDHCA HTC definition of site control		5	5	Yes, submitted valid Purchase and Sale Agreement between Cedar Crest Pythian Manor, LP, and Steele Acquisitions III LLC effective
Environmental Report (s) has/have been completed.		5	5	Yes, prepared by Bock and Clark and dated October 16, 2018



**Housing and Neighborhood Revitalization
Request for Application Scoring Form
Exhibit "A"**

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	Proforma provides \$3,000 annually for resident services.
Project provides or has agreements with third party service providers to provide on-site educational, wellness and/or skill building classes	5	5	Application states will include Fall Prevention Techniques, Financial Management Course, Assistance with Social Services, etc.
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	



Housing and Neighborhood Revitalization Request for Application Scoring Form Exhibit "A"

PROPOSER'S NAME	Dallas Leased Housing Associates X, LLLP, an affiliate of Dominion		
GENERAL PARTNER	Dallas Leased Housing Associates GP X, LLC		
DEVELOPER	Dominium		
PROPERTY MANAGER	Dominium Texas Management Services, LLC		
DEVELOPMENT NAME	Signature at Southern Oaks		
ADDRESS	3303 Southern Oaks		
9% or 4% HOUSING TAX CREDIT PROGRAM	4%		
MARKET VALUE ANALYSIS	H - surrounded by G & I submarkets		
Experience of the General Partner - up to 10 points	Points	Proposer Score	Comments
1-2 Multifamily rental housing projects managed more than 3 years	1	0	
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3-6 Multifamily 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 Multifamily 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	
1-2 Multifamily rental housing projects managed more than 3 years	0	0	
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3 or more Multifamily 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 Multifamily 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	
Nonprofit Organization Participation	10	0	Nonprofit participation not identified in application.
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	



Housing and Neighborhood Revitalization Request for Application 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	Proforma provided \$300/unit under annual operating expenses.	
Completed Market Feasibility Report with conclusions supporting the applicable project proforma assumptions completed or underway.	5	5	Engaged Novogradac & Company LLP on January 2, 2019 to complete market study.	
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	MF-1 (A) , with a Deed Restriction 2012-265	
Transit Amenities - up to 35 points				
	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	0	0	Bus Stop ID: 30294 - 127 ft John Phelps Park - .2 miles John Phelps Recreation Center - .4 miles
Public Park	5	0	0	
Full Scale Grocery Store	0	0	0	
Community or Senior Center	0	3	0	
Aging & Disability Resource Center	0	0	0	
Transit Amenities - up to 35 points				
	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	
Transit Amenities - up to 35 points				
	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	Provided Special Warranty Deed conveying property to Southern Oaks Housing, LP of which Dallas Leased Housing Associates GP VI, LLC is an owner with affiliates of Dominimum as members.	
Environmental Report (s) has/have been completed.	5	5	Yes, prepared by Braun Intertec Corporation and dated August 21, 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		3rd Party contract with Portfolio Resident Services for	
Project provides or has agreements with third party service providers to provide on-site educational, wellness and/or skill building classes	5	5		
Project provides on-site, licensed child care or after school program that operates at least 20 hours per week.	5	0		
PROPOSAL TOTAL SCORE		83		



Housing and Neighborhood Revitalization Request for Application Scoring Form Exhibit "A"

PROPOSER'S NAME	Dallas Leased Housing Associates XI, LLLP, an affiliate of Dominion		
GENERAL PARTNER	Dallas Leased Housing Associates GP XI, LLC		
DEVELOPER	Dominium		
PROPERTY MANAGER	Dominium Texas Management Services, LLC		
DEVELOPMENT NAME	Signature at Trinity River		
ADDRESS	220 Stoneport Drive, Dallas, TX 75217		
9% or 4% HOUSING TAX CREDIT PROGRAM	4%		
MARKET VALUE ANALYSIS	E - surrounded by H and I submarkets		
Experience of the General Partner - up to 10 points	Points	Proposer Score	Comments
1-2 Multifamily rental housing projects managed more than 3 years	1	0	
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3-6 Multifamily 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 Multifamily 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 Multifamily rental housing projects managed more than 3 years	0	0	
1-2 Sec. 42/142/HOME projects in service more than 3 years	3	0	
3 or more Multifamily 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 Multifamily 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	Nonprofit participation not identified in application.
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	No
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	No
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	Located just outside of the Pleasant Grove RSA.
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	



Housing and Neighborhood Revitalization Request for Application 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	Proforma provided \$300/unit for reserves under annual operating expenses.	
Completed Market Feasibility Report with conclusions supporting the applicable project proforma assumptions completed or underway.	5	5	Engaged Novogradac & Company LLP on January 2, 2019 to complete market study.	
Project Site Characteristics - up to 10 points				
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	MF-1 (A) and a Dry (D-1) Overlay regulations.	
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	0	0	Bus Stop 466 - .1 mile Pemberton Hill Park - .7 mile
Public Park	0	0	1	
Full Scale Grocery Store	0	0	0	
Community or Senior Center	0	0	0	
Aging & Disability Resource Center	0	0	0	
Transit Amenities - up to 35 points				
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	
Transit Amenities - up to 35 points				
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			Less than 20 minutes to CBD
Project Readiness - up to 10 points				
Project Readiness - up to 10 points	Points	Proposer Points	Comments	
Applicant has secured site control per TDHCA HTC definition of site control	5	5	Provided Special Warranty Deed where property owned by TX Hillside Apartments, L.P.; Dallas Leased Housing Associates GP IX, LLC an affiliates of Dominimum as members.	
Environmental Report (s) has/have been completed.	5	5	Yes, prepared by Braun Intertec Corporation dated October 11, 2018.	
Resident Services-up to 15 points				
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	Expected Supportive Services to include: -Children's After School Programs -Computer Training -Job Training -ESL -Parenting and Nutrition -Social / Recreational Activities	
Project provides or has agreements with third party service providers to provide on-site educational, wellness and/or skill building classes	5	5		
Project provides on-site, licensed child care or after school program that operates at least 20 hours per week.	5	0		
PROPOSAL TOTAL SCORE		76		

Briefing on Applications submitted under an Issuance of Request for Applications (RFA) seeking Resolutions of Support or No Objection as Required for 9% Competitive and 4% Non-Competitive Housing Tax Credits Allocated by the Texas Department of Housing and Community Affairs and Proposed Recommendations for Resolutions:

- a. East Side Lofts (4724 and 4806 East Side Avenue)**
- b. HighPoint at Wynnewood (1805 S. Zang Boulevard)**
- c. Northgate Village Apartments (12303 N. Plano Road)**
- d. Pythian Manor Apartments (2719 East Illinois Avenue)**
- e. Signature at Signature Oaks (3303 Southern Oaks Boulevard)**
- f. Signature at Trinity River (220 Stoneport Drive)**

**Economic Development and Housing Committee
February 19, 2019**

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



Presentation Overview

- Background
- Summary
- Request for Application Results
- Benefit to the City
- Recommendations and Next Steps



Background

- **May 9, 2018:** City Council adopted the Comprehensive Housing Policy (**CHP**), Resolution No. **18-0704 and 18-1680**, as amended on **November 28, 2018**
- CHP contains scoring criteria and a timeframe for reviewing housing developments seeking Housing Tax Credits (**HTCs**) through Texas Department of Housing and Community Affairs (**TDHCA**)

Background – cont'd

- CHP applies to developers requesting a Resolution of Support or No Objection for multifamily rental developments
 - ✓ **Timeline:**
 - December issue a Request for Applications (**RFA**)
 - February provide recommendations to Economic Development and Housing Committee (**EDHC**) and City Council
 - ✓ Must score a minimum of **85** points for a support resolution based on established criteria

Background – cont'd

- **4% HTC program**
 - ✓ **Non-competitive**
 - ✓ Submitted year round and must obtain private activity bond financing
 - ✓ Resolution of No Objection required and if provided it cannot be changed or withdrawn once provided
- **9% HTC program**
 - ✓ **Competitive** and can submit application **1x/year**
 - ✓ Resolution of Support – **17** points (**8.5** points in ETJ)
 - ✓ Resolution of No Objection – **14** points (**7** points in ETJ)
 - ✓ Commitment of Development Funding – **1** point



Background – cont'd

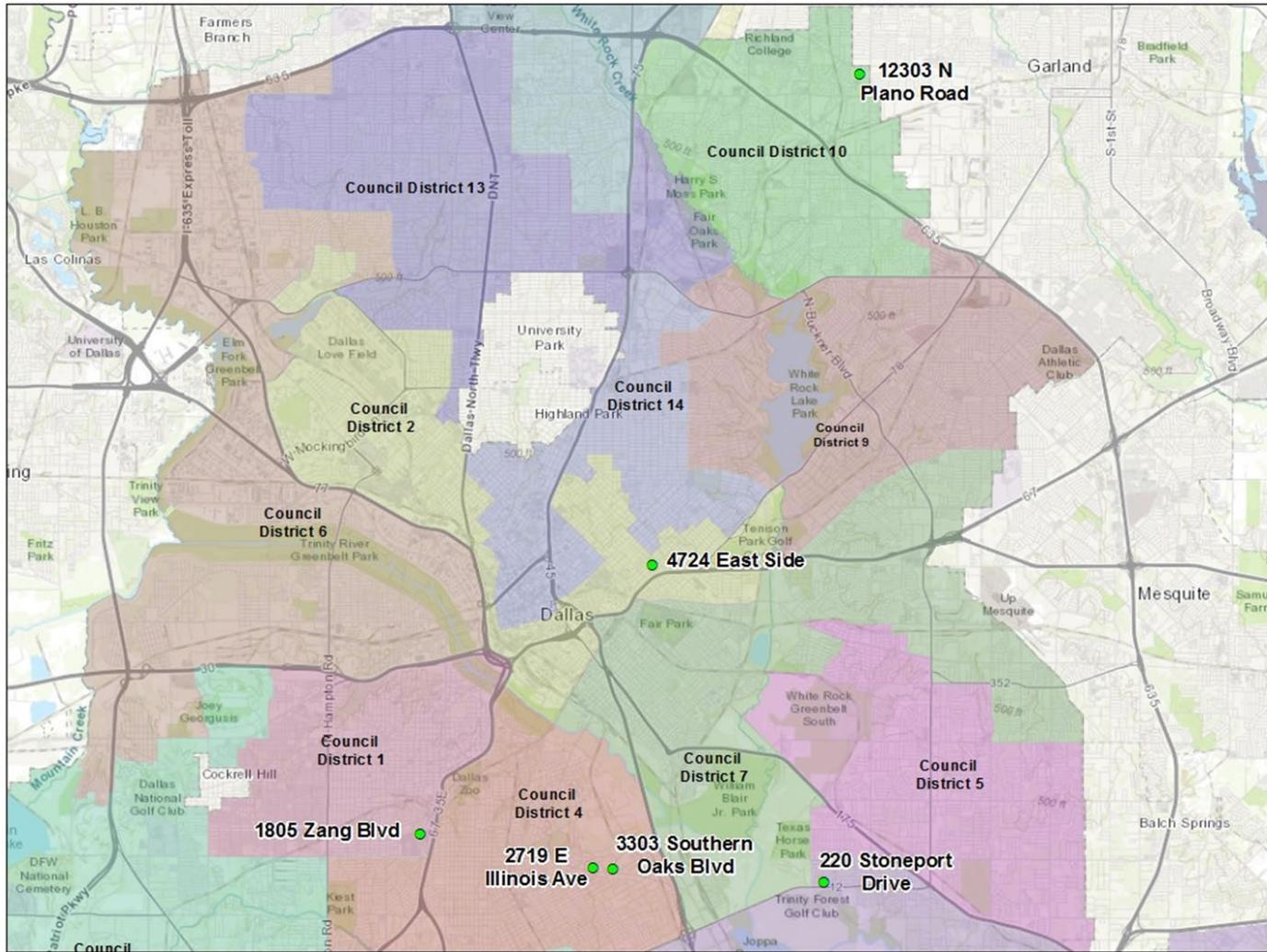
Evaluation Criteria	Points
General Partner and Property Management Experience	
General Partner Experience	10
Property Management Experience	10
Nonprofit Organization Participation	
Nonprofit Organization Participation	10
Geography	
Project Located in Reinvestment Strategy Area	20
Project and Site Factors	
Project Feasibility	20
Project Site Characteristics (Land use density and Zoning)	10
Transit Amenities	35
Project Readiness	10
Resident Services	15
Total Points Available*	140
*The points listed for each category are the maximum points available.	



Summary

- **December 21, 2018:** Housing issued a RFA to solicit applications for developments seeking Resolutions for the **9% Competitive and 4% Non-competitive HTC Program**
- **January 11, 2019:** Applications due to the Housing Department
- **6 Applications submitted**
 - ✓ **1 – 9% HTC Developments**
 - ✓ **4 – 4% HTC Developments**
 - ✓ **1 – 4% or 9% HTC Development**
- **3 Applications met minimum score of 85 points**

2018 RFA Proposed Developments



Request for Application Results

Developer	Development Name	Council District	Location	Unit Proposed	Income Bands Served	4% or 9%	Total Development Cost	Proposal Total Score
NRP Lone Star Development	East Side Lofts	2	4724 and 4806 East Side Avenue	74 Multifamily Units	16 Units at 0% - 30% AMI 32 Units at 31% - 50% AMI 26 Units at 51% - 60% AMI	9%	\$18,347,295 *\$15,000,00 **\$13,648,635	78***
MVAH Partners, Auxano Development, LLC, and CitySquare Housing	HighPoint at Wynnewood	1	1805 S. Zang Boulevard	221 Multifamily Units (Redevelopment of Existing Units)	23 Units at 0% - 30% AMI 0 Units at 31% - 50% AMI 53 Units at 51% - 60% AMI 28 Units at 61% - 80% AMI 117 Units at Market Rate	4% or 9%	\$41,113,550 *\$20,000,000 **\$17,798,220	87
Northgate Preservation Developer, LLC	Northgate Village Apartments	10	12303 N. Plano Road	168 Multifamily Units (Redevelopment of Existing Units)	168 Units at 51% - 60% AMI	4%	\$30,897,713 *\$9,745,540 **\$9,455,123	86

*The amount of housing tax credit requested over a 10 year period. For example, if the amount listed is \$15,000,000; then the HTC request is \$1,500,000

**The approximate amount of housing tax credit (HTC) equity provided through a tax credit syndicator or investor

***Applicant withdrew application from consideration

Request for Application Results – cont'd

Developer	Development Name	Council District	Location	Unit Proposed	Income Bands Served	4% or 9%	Total Development Cost	Proposal Total Score
Steele Properties Holdings III	Pythian Manor Apartments	4	2719 East Illinois Avenue	76 Multifamily Units (Redevelopment of Existing Units)	8 Units at 0 - 30% AMI 68 Units at 51% - 60% AMI (Seniors)	4%	\$11,788,608 **3,653,498	87
Dominium	Signature at Signature Oaks	4	3303 Southern Oaks Boulevard	256 Multifamily Units (Redevelopment of Existing Units)	256 Units at 51% - 60% AMI	4%	\$41,947,059 *\$1,369,306 **\$13,205,616	83
Dominium	Signature at Trinity River	8	220 Stoneport Drive	236 Multifamily Units (Redevelopment of Existing Units)	236 Units at 51% - 60% AMI	4%	\$40,506,981 *\$1,371,731 **13,260,016	76

* The amount of housing tax credit requested over a 10 year period. For example, if the amount listed is \$15,000,000; then the HTC request is \$1,500,00

**The approximate amount of housing tax credit (HTC) equity provided through a tax credit syndicator or investor

- Housing staff in coordination with Office of Equity and Human Rights conducted a fair housing review on applications that met the minimum score
- Staff is recommending Resolutions for the applications that met the minimum score

HighPoint at Wynnewood

- **1805 S. Zang Boulevard**
- **Council District: 1**
- **Current Property Owner:** WCH Limited Partnership
- **Applicant:** HighPoint at Wynnewood, LP
- **General Partner:** Propose City of Dallas Housing Finance Corporation
- **Developer:** CitySquare Housing, Auxano Development, LLC, MVAH Partners, and Banc of America CDC
- **Property Management:** MVAH Management LLC



HighPoint at Wynnewood – cont'd

UNIT MIX & INCOME BANDS SERVED			
Proposed Units (221* total)	90 – 1 BR	90 – 2 BR	41 – 3 BR
30%	0 – 1BR	18 – 2BR	5 – 3BR
60%	23 – 1BR	20 – 2BR	10 – 3BR
80%	13 – 1BR	9 – 2BR	6 – 3BR
Market	54 – 1BR	42 – 2BR	20 – 3BR
*1 Unit reserved for the Property Manager			



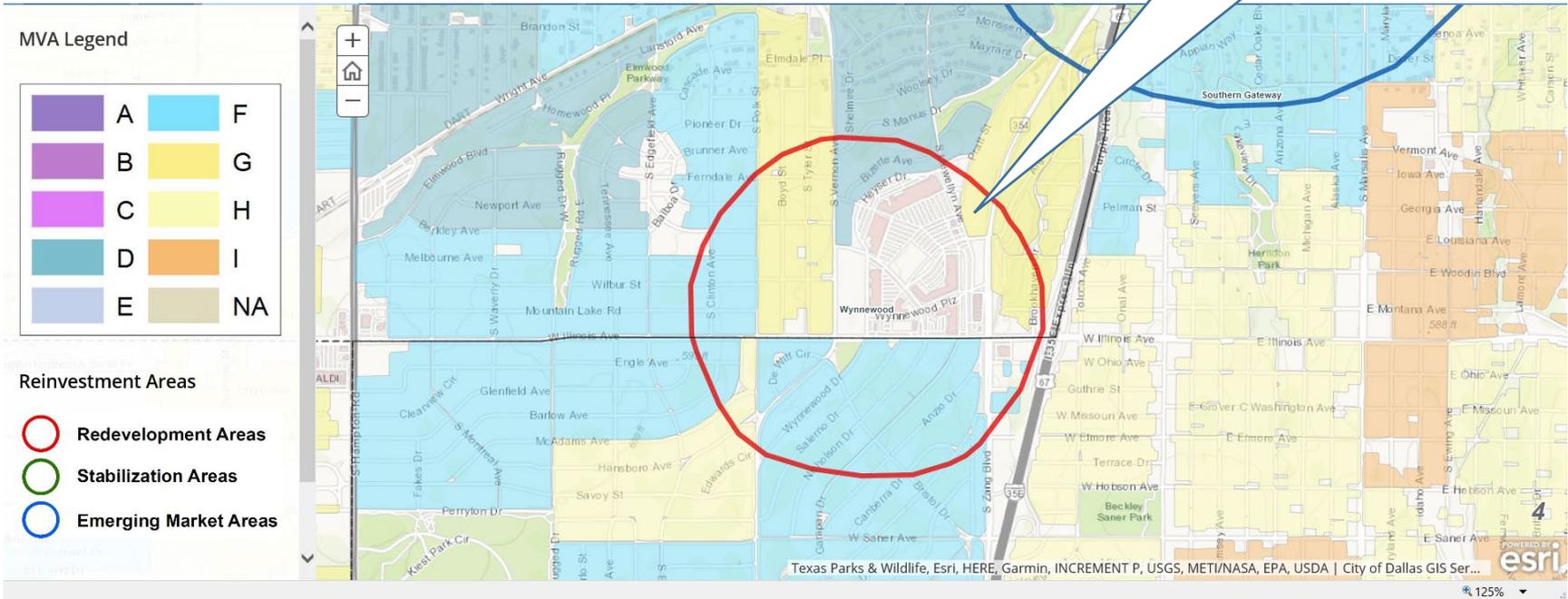
HighPoint at Wynnewood – cont'd

Wynnewood Redevelopment Target Area

G MVA Market Type

Surrounded by D, F, & H MVA Market Types

Proposed Development



HighPoint at Wynnewood - cont'd

- **Description:** Acquisition of existing site and 3rd and final phase for the redevelopment of Parks at Wynnewood
 - ✓ **3** and **4** - story garden style buildings
 - ✓ **775** sq. ft – **1025** sq. ft
 - ✓ **9** foot ceilings
 - ✓ Granite countertops
 - ✓ Swimming pool
 - ✓ Fitness center
 - ✓ Business center
 - ✓ Controlled access gates

HighPoint at Wynnewood - cont'd

Proposed Financing Sources	Amount
Bank of America Loan	\$23,315,330
Housing Tax Credits Equity	\$17,798,220
Total	\$41,113,550
Proposed Uses	Costs
Acquisition	\$1,200,000
Rehabilitation Construction Costs	\$26,313,788
Soft Costs & Financing Fees	\$6,302,714
Developer Fees	\$5,100,000
Reserves	\$2,197,048
Total	\$41,113,550



Northgate Village Apartments

- **12303 N. Plano Road**
- **Council District: 10**
- **Current Property Owner:** Northgate Village Associates, LLC
- **Applicant:** Related Affordable, LLC – Subsidiary of The Related Companies which was founded in **1972**. One of the largest owners of affordable multifamily apartment complexes in the country
- **General Partner:** Northgate Village Preservation GP, LLC, Related Affordable, LLC its sole member
- **Developer:** Northgate Preservation Developer, LLC with Related Affordable, Full Line, LLC and Wes Laramore as members
- **Property Management:** Related Management Company

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Northgate Village Apartments – cont'd

UNIT MIX & INCOME BANDS SERVED			
Proposed Units (168* total)	16 – 2 BR	80 – 3 BR	72 – 4 BR
60%**	16 – 2BR	79 – 3BR	72 – 4BR
*1 Unit reserved for the Property Manager			
**Subject to any additional restrictions required under existing HAP contract which expires February 2020			

Northgate Village Apartments - cont'd

- **Description:** Acquisition of existing building (built **1980**) and renovation of **168** units
 - ✓ Upgrade kitchens (cabinets, sink and faucets)
 - ✓ Upgrade bathrooms (vanities, tub venting, flooring), and
 - ✓ Replace existing fixtures and appliances with energy efficient appliances
 - ✓ New Computer room
 - ✓ Wi-Fi in common areas

Northgate Village Apartments - cont'd

Proposed Financing Sources	Amount
Tax Exempt Bond	\$19,000,000
Housing Tax Credits Equity	\$9,455,123
Deferred Developer Fee	\$442,590
Seller Note	\$2,000,000
Total	\$30,897,713
Proposed Uses	Costs
Acquisition	\$16,130,000
Rehabilitation Construction Costs	\$8,820,235
Soft Costs & Financing Fees	\$3,617,576
Developer Fees	\$1,741,208
Reserves	\$588,695
Total	\$30,897,713

Pythian Manor Apartments

- **2719 East Illinois Avenue**
- **Council District: 4**
- **Current Property Owner:** Cedar Crest Pythian Manor, LP
- **Applicant:** Steele Pythian LLC, an affiliate of Steele Properties Holdings III LLC - Steele Properties was founded in **2006** and has experience renovating and building affordable housing developments throughout the nation
- **General Partner:** MMM Pythian Manor LLC with Multi-Family Mission Ministries, a Texas nonprofit corporation its sole member
- **Developer:** Multi-Family Mission Ministries and Steele Properties
- **Property Management:** Monroe Group

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Pythian Manor Apartments – cont'd

UNIT MIX & INCOME BANDS SERVED		
Proposed Units (76* total)	50 – 0 BR	26 – 1 BR
30%	4 – 0 BR	0 – 1BR
60%	46 – 0 BR	26 – 1BR
*1 Unit reserved for the Property Manager		
**Subject to any additional restrictions required under existing HAP contract which expires September 2019		



Pythian Manor Apartments – cont'd

G MVA Market Type
Surrounded by H & I MVA Market Types

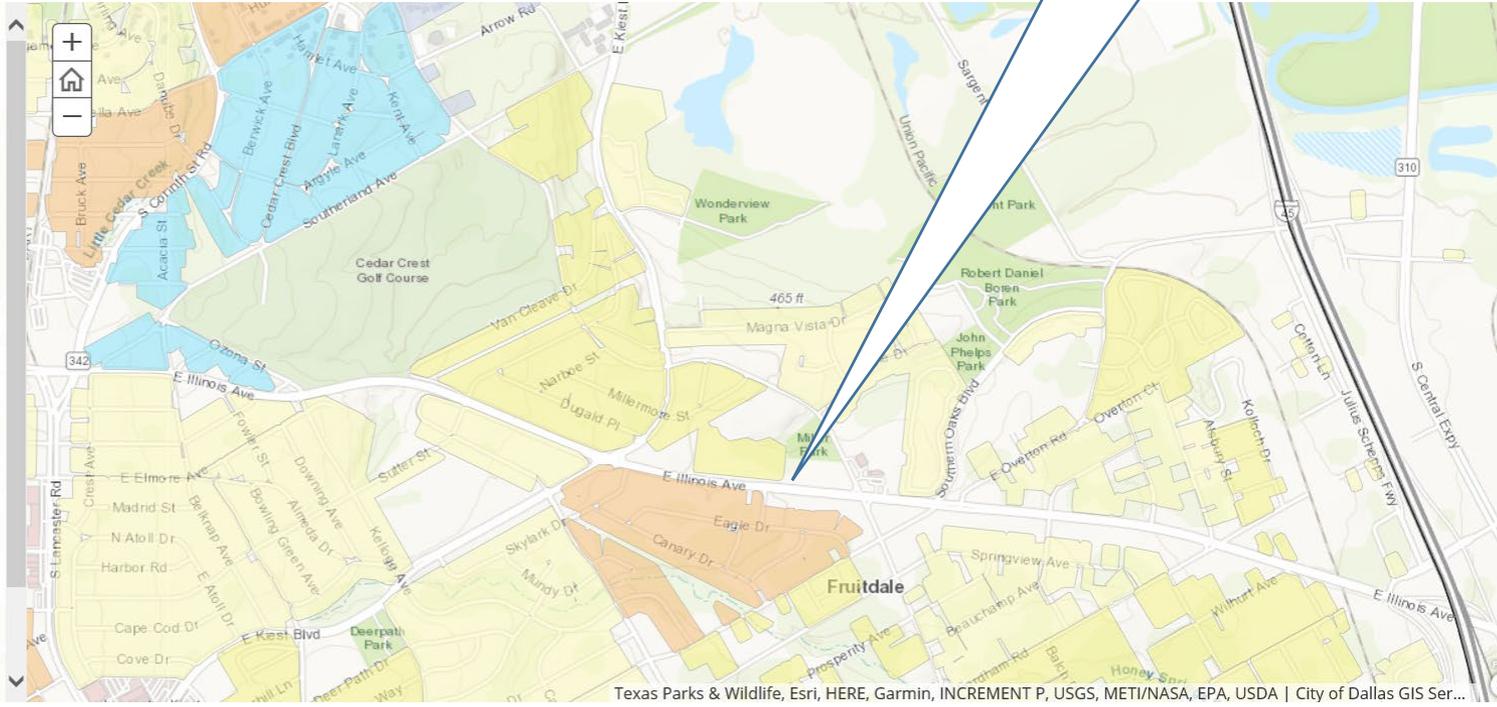
Proposed Development

MVA Legend

	A		F
	B		G
	C		H
	D		I
	E		NA

Reinvestment Areas

-  Redevelopment Areas
-  Stabilization Areas
-  Emerging Market Areas



Texas Parks & Wildlife, Esri, HERE, Garmin, INCREMENT P, USGS, METI/NASA, EPA, USDA | City of Dallas GIS Ser...

Pythian Manor Apartments - cont'd

- **Description:** Acquisition of existing building (built **1968**) and renovation of **76** units
 - ✓ Upgrades to kitchens and bathrooms
 - ✓ **4** units will be fully remodeled to comply with ADA standards and **2** units will be upgraded for hearing and visual disabilities.
 - ✓ Provide modern enhancements to improve the building's aesthetic appeal, safety, and functionality
 - ✓ Modernization of the community rooms, community kitchen and outdoor gathering areas for all residents to congregate and enjoy
 - ✓ Upgrades to the building systems and site work
 - ✓ Energy efficient features including LED lighting, water conserving low flow toilets and faucets

Pythian Manor Apartments - cont'd

Financing Sources	Amount
Tax Exempt Bond Debt	\$7,250,000
Housing Tax Credits Equity	\$3,668,668
Deferred Developer Fee	\$539,076
Net Operating Income During Development	\$368,364
GP Contribution	\$100
Total	\$11,826,208
Use	Costs
Acquisition	\$5,865,720
Rehabilitation Construction Costs	\$3,100,100
Soft Costs & Financing Fees	\$392,224
Developer Fees	\$1,371,914
Reserves	\$224,223
Total	\$11,826,208



Benefit to the City

- Contribute toward production goals under the CHP
- HighPoint at Wynnewood is a proposed mixed income development located in the Wynnewood Redevelopment target area
- Northgate Village Apartments is near the LBJ Stabilization target area and prevents the displacement of affordable housing in a middle market as classified under the Market Value Analysis
- Pythian Manor is located a distressed market and renovation of existing structures is a priority

Recommendation

Staff recommends the EDHC approve and move forward the following items for Council consideration at the **February 27, 2019** meeting:

1. Conduct a public hearing and adopt a Resolution of No Objection related to the applications to TDHCA for **4% Non-Competitive Housing Tax Credits** for HighPoint at Wynnewood, Northgate Village Apartments and Pythian Manor Apartments
2. Adopt a Resolution of Support related to the application to TDHCA for **9% Competitive Housing Tax Credits** for HighPoint at Wynnewood and authorize **\$500.00** for a commitment of development funding from PPP funds

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Briefing on Applications submitted under an Issuance of Request for Applications (RFA) seeking Resolutions of Support or No Objection as Required for 9% Competitive and 4% Non-Competitive Housing Tax Credits Allocated by the Texas Department of Housing and Community Affairs and Proposed Recommendations for Resolutions:

- a. East Side Lofts (4724 and 4806 East Side Avenue)**
- b. HighPoint at Wynnewood (1805 S. Zang Boulevard)**
- c. Northgate Village Apartments (12303 N. Plano Road)**
- d. Pythian Manor Apartments (2719 East Illinois Avenue)**
- e. Signature at Signature Oaks (3303 Southern Oaks Boulevard)**
- f. Signature at Trinity River (220 Stoneport Drive)**

**Economic Development and Housing Committee
February 19, 2019**

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

