

# Memorandum



DATE March 17, 2017

TO Housing Committee Members: Scott Griggs, Chair, Carolyn King Arnold, Vice-Chair, Mayor Pro-Tem Monica R. Alonzo, Tiffinni A. Young, Mark Clayton, and Casey Thomas, II

SUBJECT HOME Investment Partnership Program

On Monday, March 20, 2017, you will be briefed on the HOME Investment Partnership Program. A copy of the briefing is attached.

Please let me know if you have any questions.



Theresa O'Donnell  
Interim Chief of Economic Development &  
Neighborhood Revitalization

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

Mark McDaniel, Assistant City Manager  
Eric D. Campbell, Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager  
Joey Zapata, Assistant City Manager  
M. Elizabeth Reich, Chief Financial Officer  
Alan E. Sims, Interim Chief of Community Services  
Directors and Assistant Directors

# HOME Investment Partnership Program

## Housing Committee

### March 20, 2017

**Bernadette Mitchell, Director  
Housing & Neighborhood Revitalization  
City of Dallas**



# Presentation Overview

- Background/History
- Purpose
- HUD Regulations for the HOME Program
- Prior Year Budgets and Operational Impact
- Staff Recommendation
- Next Steps



# Background/History

- During the 2016-17 Consolidated Plan Budget review process, the City Council requested an opportunity to learn more about the entitlement grants and discuss future uses
  - HOME Investment Partnership Program (HOME)
  - Community Development Block Grant (CDBG)
  - Emergency Solutions Grant (ESG)
  - Housing for Persons with AIDS (HOPWA)
- The HOME Investment Partnership Program (HOME) is an entitlement grant that has been received by the City of Dallas since 1992 from the Department of Housing and Urban Development (HUD)
  - The intent of the Program is to:
    - Provide decent affordable housing to lower income households
    - Expand the capacity of nonprofit housing providers

# Purpose

- Provide information regarding the HOME Program and prior years' budget and operational impact
- Receive Housing Committee feedback for FY 2017-18 budget recommendations

# HUD Regulations – Eligible Uses

- Current HUD regulations provide for the following eligible uses -
  - Housing Development
    - Community Housing Development Organizations (CHDO)
  - Homeowner Rehabilitation
  - Homebuyer Activities
  - Rental Housing
  - Tenant Based Rental Assistance
  - Administration

# HUD Regulations – Ineligible Uses

- The following activities are ineligible under HUD regulations
  - Commercial development
  - Retail development
  - Transitional housing
  - Service programs

# HUD Regulations - Other Provisions

- Funds must be matched at 25% of the grant per year
  - HUD will allow cash or donated materials/services
- Funds must be committed within 24 months and expended within 4 years
- Annual Reports are required
  - City must enter client data in IDIS with accomplishments
- Environmental reviews are required on all units
- Long term compliance monitoring is required for all homes/units produced with HOME funds

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# FY12-13 to FY16-17 HOME Budgets

Program Category	FY 12-13	FY 13-14	FY14-15	FY15-16	FY 16-17
CHDO Development Loans	\$1,050,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
CHDO Operating Assistance	\$200,000	\$175,000	\$175,000	\$175,000	\$175,000
Housing Development Loan	900,000	\$1,621,189	\$1,977,078	\$1,348,807	\$2,488,780
Mortgage Assistance Program	\$840,000	\$800,000	\$957,158	\$957,158	\$957,158
Tenant Based Rental Assistance	\$350,000	\$320,000	\$320,000	\$130,000	\$0
Reconstruction/SHARE Program	\$1,030,617	\$0	\$0	\$0	\$0
HOME Program Administration	\$380,069	\$374,021	\$386,582	\$395,662	\$511,385
<b>Totals</b>	<b>*\$4,750,686</b>	<b>*\$4,290,210</b>	<b>*\$4,006,627</b>	<b>*\$4,006,627</b>	<b>*\$5,132,323</b>

\*Grant has been reduced 48% over the past 7 years

# Operational Impact for past 5 years

Program Category	FY 12-13	FY 13-14	FY14-15	FY15-16	FY 16-17
CHDO Development Loans	15	4	4	0	-
Housing Development Loan	8	1	3	1	-
CHDO Operating Assistance	7	5	5	5	-
Mortgage Assistance Program	118	121	145	81	-
Tenant Based Rental Assistance	59	58	52	69	-
Reconstruction/SHARE Program	14	10	0	0	-

# Proposed Action

- Staff determination that current allocation aligns with the new Housing strategies and policies
- In preparation for the upcoming FY17-18 budget, staff recommends that the proposed revenue allocations remain consistent with current year funding



# Staff Recommendation

- Prioritize HOME funds to support ownership housing opportunities throughout Dallas as adopted by Resolution No. 16-0079, approved on January 13, 2016
- Maintain a leveled budget as detailed for FY 16-17



# Next Steps

- Council Retreat to be held March 29-30, 2017
- HUD Budget preliminary adoption May 24, 2017
- HUD Budget final adoption June 28, 2017
- Program implementation October 1, 2017

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