

Memorandum



CITY OF DALLAS

DATE May 30, 2019

Honorable Mayor and Members of the City Council:

TO Mayor Pro Tem Casey Thomas, II (Chair), Deputy Mayor Pro Tem Adam Medrano (Vice Chair), Councilmember Omar Narvaez, Councilmember Mark Clayton, Councilmember B. Adam McGough, Councilmember Carolyn King Arnold

SUBJECT **Request for Developer Interest (RDI) Overview: Track 4 Supportive Housing Development**

Summary

Attached is briefing presentation on Request for Developer Interest (RDI) Overview: Track 4 Supportive Housing Development.

Background

The development of supportive housing units through utilization of \$20 million in Proposition J Bond funds is the 4th track of approved Homeless Solutions Strategy Plan. Track 4 is focused on the long-term solution which is creation of 1,000 affordable supportive housing units over the next 3-5 years.

The Office of Homeless Solutions is ready to accept competitive proposals and will accomplish through a Request for Developer Interest (RDI). This presentation will detail the investment and funding priorities, eligibility, qualification criteria for development team, and implementation timeline.

The Citizen Homelessness Commission (CHC) has led several community engagement sessions and provided a recommendation to encourage high quality innovative projects that address the needs of situational homelessness prioritized for use as rapid rehousing.

On May 15, 2019, the Office of Homeless Solutions presented potential City-owned, other publicly-owned, and private sites to City Council for consideration. The RDI will include several of these sites for the development community to bid on. The RDI is scheduled to be released and advertised to the public on June 13, 2019 with proposals due on August 14, 2019 and tentative awards in November/December 2019.

Should you have any questions or concerns, please contact myself or Monica Hardman, Director of Office of Homeless Solutions.

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

Nadia Chandler-Hardy
Assistant City Manager and Chief Resilience Officer

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c: T.C. Broadnax, City Manager
Mark Swann, City Auditor
Chris Caso, City Attorney (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
Michael Mendoza, Chief of Economic Development and Neighborhood Services
M. Elizabeth Reich, Chief Financial Officer
Laila Aleqresh, Chief Innovation Officer
Directors and Assistant Directors

Request for Developer Interest (RDI) Overview: Track 4 Supportive Housing Development

Human & Social Needs

June 3, 2019

**Monica Hardman, Director
Office of Homeless Solutions**

**Nadia Chandler-Hardy
Assistant City Manager
Chief Resilience Officer**



City of Dallas

Agenda

- RDI Overview
- RDI Incentives
- RDI Scope
- RDI Investment Strategy and Funding Priorities
- Eligible Activities
- Qualification of Development Team
- CHC Feedback
- Next Steps

RDI Overview

- The Answer to Homelessness is a Home
- 1,000 supportive housing units over the next three to five years
- Creation or preservation of existing affordable housing to serve Dallas residents experiencing homelessness in the categories of permanent supportive housing (PSH) and supportive housing (SH)

RDI Incentives

- Up to \$20 Million dollars in designated bond funds for gap financing to support capital investment of supportive housing units
- Other City funding sources and incentives may be considered to supplement gap financing, if applicable
- City-owned properties and vacant land available to qualified developers to propose a qualified project
- Up to \$500,000 in operating assistance to awarded projects

Investment Strategy

Bond Development Goal: 1,000 units over 3-5 years

Innovation

Public private partnerships to deliver transformative projects

Collaboration

Developed and managed by entities with shared values and mission

Leverage

Stretch City's investment funding to achieve exponential impact

Inclusion

Mixed-income provide affordable, workforce, and market rate housing in high-opportunity areas

Accommodation

Located near transportation, full-scale grocery stores, major employment centers, public parks and libraries

Alignment

Compliant with all City policy and strategic priorities

RDI Funding Priorities

- Projects creating or preserving housing units with the purpose to rapidly rehouse individuals and families who are able to maintain stable housing through wraparound services
- Projects that are shovel ready and can expeditiously assist the City in meeting production goals based on feasibility of development schedule
- Projects with sustainable designs that are located near amenities such as full-scale grocery stores, major employment centers, and public parks and libraries

Eligible Activities

- New construction of properties 50 units or more
- Rehabilitation of multifamily properties of 25 units or more
- Adaptive reuse, repurposing or retrofitting non-residential buildings to provide housing of 25 units or more
- Property or land acquisition
- Project related soft costs may be awarded on a limited basis and will be at the recommendation of City staff and based on the need determined during the underwriting review

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Qualification of Development Team

1. Experience and Good Standing

- Documented capacity to construct, or rehabilitate, and operate multi-family housing that benefits low-income individuals
- Commitment to and experience in providing supportive services
- Recent relevant experience:
 - Providing housing to homeless people
 - Administering leasing or rental assistance funds
 - Homeless Management Information System (HMIS) data
- No outstanding tax liens or outstanding monitoring/audit issues

2. Financial Capacity

- Sufficient liquidity to cover any funding shortfalls or delays that may occur during construction, lease-up and operation of the property

3. Site control

- Current owner of property
- Have a binding contract to purchase property at time of application
- Applying for available City-owned site through this RDI

CHC Involvement and Feedback

- CHC sponsored community engagement
 - October 23, 2018, January 30, 2019, and February 6, 2019
 - Recommend that funding is prioritized for use as rapid rehousing
- CHC Housing Committee's recommendation reported to full CHC on February 14, 2019
 - *“Given the substantial HUD funding of [Permanent Supportive Housing], the subcommittee recommends the bond funding encourage high quality innovative projects that address the needs of situational homelessness.*
 - *Considering [Continuum of Care] minimum standards*
 - *Want tighter language on service levels, outcome measures and reporting”*

Next Steps

DATE	DESCRIPTION
June 13, 2019	Release and Advertisement of RDI/RFP
June 20, 2019	2 nd Advertisement
June 24, 2019 – June 28, 2019	Pre-proposal conferences
July 8-10, 2019	Community Engagement Meetings
July 25, 2019 at 5:00 p.m.	Deadline for written comments and questions
August 1, 2019	City posts all comments/questions or addendums
August 14, 2019	Proposals Due by 2:00 p.m.
November/December 2019	Tentative Award Date (OHS Intent to Award)

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