

Locations of PSH Units as of Monday, June 21, 2010
Please see pages 47-49 of June 18, 2010 Memorandum (Exhibit A)

Table I. Locations of PSH Units

Project Name	Address	Total Units	Location
Gateway	3550 E. Overton	14	District 7 Southern Sector
Permanent Housing Services	7550 Cliff Creek Crossing	30	District 8 Southern Sector
Gaston Avenue	5650 Gaston	22	District 14 Old East Dallas
Providence @ Mockingbird	1893 W. Mockingbird	27	District 2
Cliff Manor	2423 Fort Worth Avenue	100	District 3 Southern Sector
Senior Project	1205 Walton Walker	44	District 6 Southern Sector
Pebbles Park	8320 Park Lane	24	District 13
DHA Awards Pending	TBD - 200 Units Pending	N/A	N/A
Taylor Farms	32 Pinnacle Park	16	District 3 Southern Sector
Cottages at Hickory	Louise @ Malcolm X	50	District 2 Southern Sector
		Total 327	77.68% Southern Sector

Distribution by Council District Per Table I

District 1 - 0%	District 8 - 9.17%
District 2 - 23.55%	District 9 - 0%
District 3 - 35.47%	District 10 - 0%
District 4 - 0%	District 11 - 0%
District 5 - 0%	District 12 - 0%
District 6 - 13.46%	District 13 - 7.34%
District 7 - 4.28%	District 14 - 6.73%

Locations of PSH Units (Adjusted)

Please see pages 47-49 (Schedules A1-A3) of June 18, 2010 Memorandum (Exhibit A)
Please see Schedules A1-A3 of April 2, 2010 Memorandum (Exhibit B)

The June 18 memorandum does not mention Melody Apartments, VASH, and Citywalk, which are all known PSH-projects mentioned in the April 2 memorandum as being at least partially occupied. Additionally, the June 18 memorandum indicates Pebbles has 24 units instead of 42 units. The following table attempts to correct these inconsistencies between the memoranda.

Table II. Locations of PSH Units (Adjusted)

Project Name	Address	Total Units	Location
Gateway	3550 E. Overton	14	District 7 Southern Sector
Permanent Housing Services	7550 Cliff Creek Crossing	30	District 8 Southern Sector
Gaston Avenue	5650 Gaston	22	District 14 Old East Dallas
Providence @ Mockingbird	1893 W. Mockingbird	27	District 2
Cliff Manor	2423 Fort Worth Avenue	100	District 3 Southern Sector
Senior Project	1205 Walton Walker	44	District 6 Southern Sector
Pebbles Park	8320 Park Lane	42	District 13
DHA Awards Pending	TBD - 200 Units Pending	N/A	N/A
Taylor Farms	32 Pinnacle Park	16	District 3 Southern Sector
Cottages at Hickory	Louise @ Malcolm X	50	District 2 Southern Sector
Melody Apartments	5929 Melody	40	District 9
HUD-VASH/VAMC	4500 S. Lancaster	210	District 5 Southern Sector
Citywalk	511 N. Akard	50	District 2 CBD
		Total 645	71.94% Southern Sector

Distribution by Council District Per Table II

District 1 - 0%	District 8 - 4.65%
District 2 - 19.69%	District 9 - 6.20%
District 3 - 17.98%	District 10 - 0%
District 4 - 0%	District 11 - 0%
District 5 - 32.56%	District 12 - 0%
District 6 - 6.82%	District 13 - 6.51%
District 7 - 2.17%	District 14 - 3.41%

EXHIBIT A

Memorandum



CITY OF DALLAS

DATE June 18, 2010

TO Housing Committee Members: Steve Salazar, Chair, Carolyn R. Davis, Vice-Chair, Tennell Atkins, Dwaine Caraway, Angela Hunt, Ann Margolin, Pauline Medrano

SUBJECT Housing Programs Update and Recommendations

On Monday, June 21, 2010, you will be briefed on Housing Programs Update and Recommendations. A copy of the briefing is attached.

Please let me know if you have any questions.

A handwritten signature in black ink, appearing to read 'A.C. Gonzalez'.

A.C. Gonzalez
Assistant City Manager

c: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Deborah Watkins, City Secretary
Tom P. Perkins, Jr., City Attorney
Craig Kinton, City Auditor
C. Victor Lander, Administrative Judge, Municipal Court
Ryan S. Evans, First Assistant City Manager
Forest Turner, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Jerry Killingsworth, Housing/Community Services Director
Helena Stevens-Thompson, Assistant to the City Manager

Housing Programs Update and Recommendations

A Briefing To The
Housing Committee
June 21, 2010

Housing/Community Services
Department



Purpose

- Review the city's housing programs and seek the committee's recommendations regarding proposed changes

- The Housing/Community Services Department delivers services through two types of programs
 - Development
 - Preservation

Development Programs

- Community Based Development Organizations (CBDO)
- Community Housing Development Organizations (CHDOs)
- Comprehensive Homeless Services
- Land Transfer Program
- Mortgage Assistance Program (MAP)
- Multifamily Bond Program - Dallas Housing Finance Corporation (DHFC)
- Single Family Bond Program (DHFC)
- Neighborhood Stabilization Program (NSP)
- Proposition 8 Bond Program
- Residential Development Acquisition Loan Program
- Section 108 Guarantee Loan Program
- Urban Land Bank Demonstration Program – Dallas Acquisition and Development Corporation

Community Based Development Organizations (CBDO)

- Provides eligible community based development nonprofits with interim construction financing for building new homes in Neighborhood Investment Program areas.
- Expenditures
 - Approximately \$700K annually
- Production
 - 7 units in this “Pilot” year
- Challenges
 - At this point, CDBG regulations only allow this program to be offered in NIP areas
- Recommendations
 - No changes recommended at this time because the program is new this year and we do not have any results to review yet

Community Housing Development Organizations (CHDOs)

- Provides community-based housing development organizations with loans/grants for operating assistance and development funding, including but not limited to pre-development costs, development costs, construction subsidies, relocation costs, demolition costs, acquisition costs, related acquisition costs, home repair, home replacement, rental rehabilitation, lease purchase, and homebuyer subsidies.
- Expenditures
 - Approximately \$2.5M for development loans and \$400K for operating grants
- Production: History/Ongoing
 - Approximately 100 homes/units per year

Community Housing Development Organizations (CHDOs) (Cont'd)

- Challenges
 - Obtaining funding for ongoing operations and bank financing of projects
 - Measures of success
 - Working in the inner-city neighborhoods which lack infrastructure, services, outside investment, and have high levels of crime
 - Marketing of Developments & Name recognition
 - Training & Education of their staff
 - Specific needs for each project that is undertaken
- Recommendations
 - No additional recommendations at this time because 10 recommendations were presented in August 2009 based on input from the CHDO's and those continue to be implemented and updated quarterly

Comprehensive Homeless Services

- This program has two major components
 - The Bridge
 - Supportive Housing

Comprehensive Homeless Services (Cont'd)

THE BRIDGE

- Supports the City's homeless outreach initiative at The Bridge. Services include, but are not limited to:
 - shelter
 - health care
 - ID assistant
 - food
 - employment
 - benefit
 - legal counseling
- Average daily guest count: 1,200
- Expenditure
 - \$5,930,682 (includes General Fund, TDHCA and the County)
- Challenges
 - Primary provider of daytime shelter and services for individuals not enrolled in other programs
 - Increase in "newly homeless" seeking assistance. The Bridge was built to accommodate 500-600 people a day. The Bridge now serves 1,200+ per day

Comprehensive Homeless Services (Cont'd)

- Long lines for meals, case management, cots
- Stress on facility during extreme weather, restrooms, Pavilion not air-conditioned
- Expansion of services & programs to meet the needs of the “newly homeless”
- Increase in # of on-site services such as healthcare, employment, legal aid, etc.
- Operational Costs have increased:
 - 2009 budget \$7,000,000
 - 2010 budget \$8,154,000Increase due to cost to provide adequate Security, Meals, and Staff to serve increased #s

Comprehensive Homeless Services (Cont'd)

- Recommendations
 - Continue funding The Bridge at current level to avoid a reduction in services
 - Continue legislative advocacy for homeless services (housing, mental health, substance abuse, etc.)
 - Council support and implementation of permanent supportive housing initiatives

Comprehensive Homeless Services (Cont'd)

SUPPORTIVE HOUSING

- Provide 473 (235 permanent/238 transitional) units of housing to the homeless and formerly incarcerated through transitional (24 months) and permanent housing, as well as wrap-around case management support services, transportation assistance and the basic essentials necessary to re-establish themselves in housing.
- Coordinate and manage, in partnership with the Metro Dallas Homeless Alliance, the City of Dallas 10-year Plan to End Homelessness
- Production
 - Goal: Develop 700 Units of Permanent Supportive Housing (PSH) for the Chronically Homeless by 2014
 - 200 Tenant Based Units
 - 93 Units Achieved (See Schedule A1)
 - 500 Long-Term 5 to 10+ Year Units
 - 168 Units Achieved (See Schedule A2)
 - 266 Units In Pipeline (See Schedule A3)

Comprehensive Homeless Services (Cont'd)

- Expenditure
 - \$5,409,808 (includes Federal, state grants and General Fund)
- Challenges
 - Overcoming barriers that suppress the provision of supportive housing opportunities for the homeless and formerly incarcerated (i.e. lack of community's understanding and acceptance of PSH; inability of proposed funding applications to achieve community support for new or rehabbed PSH units; inability to achieve necessary zoning variances to support development)

Comprehensive Homeless Services (Cont'd)

- Recommendations
 - Community Task Force on PSH recommendations
 - General Community Outreach and Education Campaign
 - Project specific Sponsor/Neighborhood Engagement
 - Related City of Dallas Planning Efforts
 - Housing/Community Services Department recommendations
 - Any project seeking City funds will require commitment of 10% of the project be designated as Permanent Supportive Housing. The following procedures apply:
 - Developer meets with appropriate Councilmembers to reviews project
 - Obtain list of Community groups to meet and review project
 - Housing Committee briefed and recommendations given after community meetings

Comprehensive Homeless Services (Cont'd)

- If City Council approves financial support, the following will apply
 - \$40K per unit of PSH
 - Identify and obtain rental vouchers
 - Identify and connect Service Providers
 - If City unable to provide, then requirement for 10% PSH is dropped
- MDHA / City will execute a Memorandum of Understanding (MOU) for Projects over 25 units and not seeking City funds will follow these procedures:
 - MDHA / City / Developer meet with appropriate Councilmembers to review project
 - MDHA / City / Developer meet with community groups suggested by Councilmember
 - Brief Housing Committee

Land Transfer Program

- Provides nonprofit developers tax-foreclosed property, surplus property under the control of the City of Dallas, and release of non-tax City liens on private properties that will be acquired for affordable housing development.
 - Release of non-tax liens is also available to for-profit entities.
- Expenditures
 - No annual budget
- Production
 - 6-12 lots per year (Most of the previous activity through this program has been absorbed by the Land Bank Program.)
- Challenges
 - The CHDO's still have challenges finding qualified homebuyers and obtaining interim construction financing.

Land Transfer Program (Cont'd)

- Recommendation
 - Continue to work with CHDO's to help with buyers and creative financing. As market conditions improve, lenders should loosen their requirements.

Mortgage Assistance Program (MAP)

- Provides up to \$12,000 Citywide zero-interest, forgivable, second lien loan to first-time homebuyers for down payment, closing costs and principle reduction, plus up to \$1,500 for minor repairs needed for the home to qualify. The MAP also provides up to \$25,000 for homes built by nonprofit Community Housing Development Organizations or homes rehabilitated as the result of city sponsored foreclosure programs. The Enterprise Community Partners implements this program on behalf of the City of Dallas.
- Expenditures
 - Approximately \$4M annually
- Production: History/Goal
 - Approximately 400 units annually
- Challenges
 - This program is popular and can run out of money quickly

Mortgage Assistance Program (MAP) (Cont'd)

- Recommendations
 - No changes recommended at this time since policy changes were made in 2009 and are being implemented at this time

Multifamily Bond Program – Dallas Housing Finance Corporation

- Provides tax-exempt mortgage revenue bond financing for acquisition and rehabilitation/construction of multifamily housing for low-to-moderate income tenant households.
- Expenditures
 - No specific allocated funds
- Production
 - None in the past fiscal year
 - Has issued \$116 M bonds in the last 15 years
- Challenges
 - Market conditions dictate whether bond issuances are the most appropriate financing mechanism

Multifamily Bond Program – Dallas Housing Finance Corporation (Cont'd)

- Recommendations
 - Dallas Housing Finance Corporation to consider establishing a single asset Limited Liability Corporation (LLC) for creating and maintaining affordable housing while developing an income stream
 - Continue allowing the Dallas Housing Finance Corp. to consider Bond financing for single family and multifamily affordable housing

Single-Family Bond Program – Dallas Housing Finance Corporation

- Provides mortgage and down payment assistance funds to participating lenders through sale of tax-exempt single-family mortgage revenue bonds.
- Expenditures
 - \$25M in Bonds converted to Mortgage Credit Certificates
 - Has issued \$197 M bonds in the last 20 years
- Production
 - One year Mortgage Credit Certificate program will assist 178 homebuyers
 - Approximately 2500 homebuyers have been assisted historically
- Challenges
 - Market conditions for lending dictate the success of issuances

Single-Family Bond Program – Dallas Housing Finance Corporation (Cont'd)

- Recommendation
 - If current \$25M runs out by July 2010, DHFC will consider issuing additional bonds for mortgage credit certificates this year with HERA bonds

Neighborhood Stabilization Program (NSP)

- Consists of three parts
 - Part A of the program allows the City of Dallas to purchase foreclosed property and land bank it for future redevelopment.
 - Part B of the program provides funds to subcontractors to purchase, rehabilitate, and sell improved property that has been foreclosed.
 - Part C of the program provides funds to subcontractors to redevelop foreclosed and vacant property.
- Expenditures
 - One time funding of \$7.9M
- Production:
 - Goal: 50 single family homes within 3 years
- Challenges
 - Market has sold most improved and foreclosed properties

Neighborhood Stabilization Program (NSP) (Cont'd)

- Recommendations
 - Substantial amendment to the consolidated plan to allow for construction on vacant lots within the NSP action plan
 - June 23, 2010 final adoption will be presented to City Council

Proposition 8 Bond Program

- Promotes economic development in the Southern area of the city and promotes economic development in other areas of the city in connection with transit oriented development, through planning, designing, constructing, improving, extending and expanding public street, utility and other infrastructure facilities, including the acquisition of land and improved properties, demolition, retail, commercial, industrial, residential and mixed use development loans and grants.
- Expenditures
 - Approximately \$5M has been issued for 2010
- Production: History/Ongoing/Goal
 - Bexar Street- Acquisitions are still underway on Phase II
 - Spring Street-Acquisitions are still underway
 - EDCO Bexar –Four townhomes were built with Prop 8 Funds

Proposition 8 Bond Program (Cont'd)

- Bottom Project-Acquisitions are still underway
- Lancaster-CityWide- Acquisitions are still underway
- Jubilee Park-Acquisitions are still underway
- Lancaster-Sapphire-Acquisitions are still underway
- Jubilee Congo Project- Two homes have been built; One is underway
- La Reunion Project- Demolition has been completed
- My Tran Renovation Bexar Street-Contract in process
- JB Jackson Project-Acquisitions being planned
- Challenges
 - Not enough funds to meet gap requirements of many viable projects that are presented for consideration
- Recommendation
 - Bond Proposition for \$100M for Housing and Economic Development be included in the next bond propositions

Residential Development Acquisition Loan Program (RDALP)

- Provides nonprofit developers with loans/grants for acquisition of vacant and improved properties, related acquisition costs, environmental costs, relocation costs, and demolition costs for the development of affordable housing.
- Expenditures
 - Approximately \$900K per year
- Production: History/Ongoing
 - 30 single family units complete
 - 200 SRO units being finished out and leased
 - 120 multifamily units under construction
 - 10 single family units under construction
- Challenges
 - Holding lots for vacant lots are a challenge to the nonprofit
 - Build outs are slow due to market conditions for buyers and lenders

Residential Development Acquisition Loan Program (RDALP) (Cont'd)

- Recommendation
 - No changes recommended because the program provides an effective financing opportunity for nonprofits and the City to strategically purchase properties for neighborhood revitalization

Section 108 Guarantee Loan Program

- Provides the City of Dallas with a source of financing for mixed-use, housing and economic development projects including large-scale physical development projects. To provide project gap financing or mezzanine debt necessary to move targeted development projects forward in today's financial market while minimizing the risk of needing future Community Development Block Grant entitlement funds to make Section 108 loan payments.
- Expenditures
 - The City can apply to HUD for up to \$75,000,000 in CDBG Section 108 Guarantee Loan funds with a minimum of \$37,500,000 reserved for the Southern Sector

Section 108 Guarantee Loan Program (Cont'd)

- Production
 - Status of applications
 - 6 applications under review at HUD Fort Worth office
 - 5 City Council public hearings scheduled for June 23rd
 - 1 proposal pending TIF approval prior to review
 - Estimated production for 12 projects
 - 109,200 square feet of retail and/or commercial
 - 2,308 multifamily units (1,242 affordable units)
 - Section 108 funds will be used in developments totaling \$358.4M
- Challenges
 - HUD has yet to approve the use of Section 108 for any costs associated with new construction residential
 - Application and approval process are time consuming
 - Uses of funds are limited by federal statute and regulation

Section 108 Guarantee Loan Program (Cont'd)

- Recommendations
 - Maintain an ongoing Section 108 program to assist with projects even when the market recovers

Urban Land Bank Demonstration Program – Dallas Acquisition and Development Corporation

- Acquires vacant tax-delinquent lots through tax-foreclosure lawsuits for re-sale at below market pricing to nonprofit and for-profit developers of single-family homes for sale to low-to-moderate income homebuyers.
- Expenditures
 - \$1.9M total
 - \$1.2M (Bond Funds) (\$2.0M remaining with an additional \$1.5M to be sold in 2011)
 - acquisition costs, environmental costs, legal costs & title costs
 - \$0.7M
 - salaries, maintenance & miscellaneous expenses

Urban Land Bank Demonstration Program – Dallas Acquisition and Development Corporation (Cont'd)

- Production
 - 300 lots submitted for foreclosure annually (1683 lots submitted since 2003)
 - Budget
 - FY09-10 --- 125 lots acquired and 75 lots sold.
 - FY10-11 --- 150 lots acquired and 150 lots sold
 - 564 lots acquired since inception
 - 92 sold, 152 pending sale
- Challenges
 - Ability to sell enough lots to cover overhead
 - Trinity River Levee pump replacement and flood plain uncertainty
 - Need for additional General Obligation bonds in next election now that costs for title company and tax collector law firm are no longer pro bono

Urban Land Bank Demonstration Program – Dallas Acquisition and Development Corporation (Cont'd)

- Recommendations
 - Increase marketing efforts to include for-profit organizations
 - Expedite approval of corrective actions for Trinity River levee and pump replacements
 - Recommend \$2M in General obligation bonds

Preservation Programs

- Home Reconstruction Program
- Home Repair – South Dallas/Fair Park
- Major Systems Repair Program (MSRP)
- Neighborhood Investment Program
- People Helping People
- Weatherization

Home Reconstruction Program

- Provides up to \$93,400 zero-interest, deferred payment loan for demolition and on-site reconstruction of structures beyond economic feasibility for repair.
- Expenditures
 - The annual budget for this program is \$5,137,000.
- Production: History/Ongoing
 - 55 homes per year.
- Challenges
 - Recycling program requirements every 2-3 years
 - Age and disability restrictions
 - Lien terms

Home Reconstruction Program (Cont'd)

- Recommendations
 - The recommendation is to leave the program as is
 - Minimum age 62 or disabled
 - Lien terms – no expiration of lien with one assumption
 - Revise program requirements to include reconstruction on homes with failure of 3 systems and foundation and life, safety and health concerns

Major Systems Repair Program (MSRP)

- Provides up to \$15,000 grant for replacement of up to two major systems from among: electrical, plumbing, HVAC and roof, performed by certified contractors.
- Expenditures
 - The annual budget is \$1,501,500.
- Production: History/Ongoing
 - The average annual production rate is 145 repair projects.
- Challenges
 - Not being able to offer assistance to homeowners who have received previous assistance.
- Recommendation is to allow homeowners who received prior assistance to be eligible for assistance
 - provided it has been at least 10 years and
 - the new assistance being sought is not for the same repair type previously completed.

Neighborhood Investment Program

- The Neighborhood Investment Program acts as a vehicle for focusing Housing Department programs, as well as public improvements, code enforcement and City Attorney resources, within specific geographic areas of the city.
- Planning, land banking, land acquisition for redevelopment, infrastructure improvements and other quality of life enhancements/initiatives are ongoing in NIP target areas.
- Listed below are the 5 current designated NIP target neighborhoods:
 - South Dallas – Jubilee, Owenwood, Dolphin Heights & Frazier Courts neighborhoods
 - West Dallas
 - South Dallas – Ideal and Rochester Park neighborhoods
 - Lancaster Corridor / Cigarette Hill

Neighborhood Investment Program (Cont'd)

- Expenditures
 - CDBG Public Improvements
 - FY 09-10 \$1.7M
 - FY 10-11 \$2.7M*
- Challenges
 - There is a limit on the number of NIPs and can't focus on the entire area due to lack of resources
- Recommendations
 - Continue in existing 5 NIP areas and continue to report progress on concentrated development

*Proposed

People Helping People Program

- Provides up to \$5,000 as a grant in materials and supplies for minor *exterior* repair provided by volunteer organizations
- Expenditures
 - \$1.1M annually
- Production: History/Ongoing
 - 200 homes annually
- Challenges
 - Projects are now being funded with CDBG
 - This increases the costs per project and reduces the number of families that can be assisted
- Recommendation
 - In future years, when the economy recovers, place the project back in the General Fund
 - Reduces costs and allows assistance to more families

Weatherization

- Provides weatherization assistance to low-income families with a priority given to elderly, disabled and families with children 5 years and younger
- Expenditures
 - \$6.5M
- Production
 - Goal: 745 homes by 12/31/2010; 2,050 homes by 8/31/2011
- Challenges
 - Capacity of contractors and short timeframes to complete work and expend funds

Weatherization (Cont'd)

- Recommendations
 - Contractors to hire additional crews
 - One additional contractor to be added to the program
 - Energy assessment companies to be hired directly by the City
 - Apartment complexes to be included in the program
 - Add staff – 1 assistant and 2 inspectors

Next Steps

- Recommend adoption of Part C for the Neighborhood Stabilization Program (NSP) on the June 23rd Council agenda
- Brief Housing committee on Renewal requirements on Neighborhood Investment Program (NIP) in August 2010
- Recommend approval of Permanent Supportive Housing Procedures in August 2010
- Recommend approval of changes to Reconstruction/SHARE program statement in August 2010

Attachments

Schedule A1

Goal: 200 Tenant Based Units

Project Name	Sponsor	Total Units	Chronic Placed	Available Units
Supportive Housing: GATEWAY 3550 E. Overton Road CCD:7 CCM: Davis	City of Dallas Continuum of Care	14	14	0
Permanent Housing Services 7550 Cliff Creek Crossing CCD:8 CCM: Atkins	Housing Crisis Center	30	30	0
Gaston Avenue 5650 Gaston CCD:14 CCM: Hunt	Citywide CDC ABC Behavioral	22	0	22
Providence @ Mockingbird 1893 W. Mockingbird Lane CCD:2 CCM: Medrano	CDM	27	0	27
	TOTAL:	93	44	49

Schedule A2

Goal: 500 Long Term Contract Units

Project Name	Project Based	Sponsor	Total Units	Chronic Placed	Available
Cliff Manor 2423 Ft. Worth Avenue CCD:3 CCM: Neuman	5 year	DHA	100	0	100
Senior Project 1205 Walton Walker CCD:6 CCM Salazar	5-year	MDHA	44	20	24
TOTAL 5-YEAR			144	20	124
Pebbles Park Apartments 8320 Park Lane CCD:13 CCM: Margolin	10-year	MDHA	24	23	1
TOTAL 10 YEAR			24	23	1
GRAND TOTAL			168	43	125

Schedule A3 Pipeline Units

Project Name	Sponsor	TOTAL Long-Term Units	TOTAL Tenant Based Units
DHA Project Based Vouchers 10- year CCD: City-wide Locations Awards Pending	DHA	200	
Taylor Farms 10- year 32 Pinnacle Park Blvd CCD:3 CCM: Neuman	LIHTC w/ 10% set aside – 2011 Bonus Project Continuum of Care	16	
Cottages at Hickory 10-year CCD: 2 CCM: Medrano	Caruth Foundation Central Dallas CDC MDHA	50	
	Total:	266	0

EXHIBIT B

Memorandum



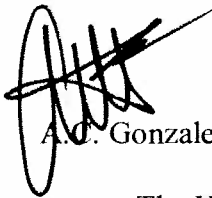
DATE April 2, 2010

TO Housing Committee Members: Steve Salazar, Chair, Carolyn R. Davis, Vice-Chair, Tennell Atkins, Dwaine Caraway, Angela Hunt, Ann Margolin, Pauline Medrano

SUBJECT Permanent Supportive Housing Community Task Force Recommendations

On Monday, April 5, 2010, you will be briefed on Permanent Supportive Housing Community Task Force Recommendations. A copy of the briefing is attached.

Please let me know if you have any questions.



A.C. Gonzalez, Assistant City Manager

c: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Deborah Watkins, City Secretary
Tom P. Perkins, Jr., City Attorney
Craig Kinton, City Auditor
C. Victor Lander, Administrative Judge, Municipal Court
Ryan S. Evans, First Assistant City Manager
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Jill A. Jordan, P.E., Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Jerry Killingsworth, Housing/Community Services Director
Helena Stevens-Thompson, Assistant to the City Manager

Permanent Supportive Housing

Community Task Force Recommendations

Housing/Community Services Department

April 5, 2010



Purpose

- To provide an update regarding the recommendations proposed by the Community Task Force on Permanent Supportive Housing
- To provide an update as to the current number of PSH units developed since January 2009
- To identify the next steps as proposed by Housing/Community Services

BACKGROUND

- January 28, 2009, Council authorized and approved by Resolution 09-0344, a plan to set a goal of creating 700 permanent supportive housing (PSH) units in 5 years for the chronically homeless by 2014.
 - 500 Units built
 - 200 Units leased from existing apartment projects

The plan included a combination of strategies including leasing existing market apartments and developing new units dedicated to PSH through new construction and/or rehabilitation.

Achieving this 5-year plan is absolutely critical to reducing the daily guest load of chronically homeless at the Bridge to a more manageable and affordable number. It is quite possible that the original 5 year goal underestimated the number of PSH units needed to maintain the Bridge at its originally designated capacity.

Challenges

- **While we have been extremely successful in developing more than the 200 leased units in the five year plan, we have been unsuccessful in developing new project based units.**
- **This inability to develop project based units resulted in the Mayor's Task Force being formed.**

Mayor's Task Force Formed To Seek Resolution

- **In mid-2009, Mayor Leppert called for the creation of a community task force to address the difficulties.**
 - To develop outreach and education strategies that foster community-wide understanding and acceptance of PHS, and
 - To develop an accepted process for neighborhood/developer engagement that supports the goal of establishing 700 units of PSH in Dallas by 2014

Task Force

Members / Leadership / Timeline

**Councilmember
Co-Chairs**
Steve Salazar, District 6
Carolyn Davis, District 7

August 2009 – December 2009

Planning and Support
Metro Dallas Homeless Alliance

Planning and Facilitation
Corporation for Supportive Housing

Community Participants
Neighborhood Associations
Foundations
Community Participants
Civic Leaders
Developers
Service Providers

Recommendation #1

■ General Outreach & Education

1. City of Dallas should fund a community outreach effort overseen by Metro Dallas Homeless Alliance (MDHA) and Steering Committee to implement and deliver a campaign message
2. Use professional public relations firm to refine recommendations and materials to create a comprehensive Communications Plan and a campaign budget
3. Campaign should be delivered by political leaders, outside experts, religious leaders and trusted, highly visible community members
4. Funding / Training for campaign spokespeople
5. Core campaign to be approximately 18-24 months

Recommendation #2

■ Project-Specific Sponsor/Neighborhood Engagement

6. When a project site is identified, project Sponsors and Neighborhood representative should respectfully engage and educate one another
7. Project Sponsor, Neighborhood and Council should encourage the use of the template created to ensure the completion of as many recommended steps as possible
8. Sponsors & Neighborhoods acknowledge and work closely to allow ample time to meet financing deadlines
9. Sponsors requesting City funding or project support should be required to demonstrate good faith effort to complete recommended steps

Recommendation #3

■ Related City of Dallas Planning Efforts

10. All departments with purview over development and planning processes should specify activities of their departments that can contribute to the 700 unit goal. At a minimum, these departments should include:

Housing/Community Services

Sustainable Development & Construction

Economic Development

Additionally, the City should request information from the Dallas Housing Authority (DHA) and the Dallas City Design Studio.

#3 Continued

11. Council should establish a policy that utilizes TIF funds to incentivize inclusion of PSH units in all future Transit Oriented Developments

12. Council should require that housing developments guaranteed with Section 108 CDBG funds set aside 5-10% of units for PSH

13. Current and future comprehensive plans (ForwardDallas, etc.) should ensure PSH is integrated into planning process by specifically considering whether proposed zoning allows for a range of housing types and densities conducive to PSH

#3 Continued

14. The City should utilize existing GIS information to identify areas or tracts that would be ideal for PSH development
 - ❖ Zoning
 - ❖ Easy access to transportation
 - ❖ Grocery Stores
 - ❖ Criteria related to crime rates

15. Staff should develop list of existing vacant properties that might be suitable for development or adaptive use (i.e. buildings w/ limited parking resources, vacant hotels)

16. City of Dallas Housing/Community Services Department, MDHA, and the DHA should integrate criteria around neighborhood crime rates and quality property management practices in any funding processes impacting PSH production or operation

2009-2010

Year One Accomplishments

- 456 leased units* of the 200 PSH goal available

215 occupied 241 available

*See Schedule A1

- 222 leased units* in pipeline

*See Schedule A3

Additionally, we are serving 232 chronically homeless individuals in leased units who were in housing prior to the 200 goal

- 50 new/rehab units* of the 500 PSH goal

*See Schedule A2

- 117 new/rehab units* in pipeline

*See Schedule A3

Bridge Census Update

- **Winter 2008-2009, more than 1,250 people seek Bridge services per month**
 - 39% self-report being chronically homeless
 - 61% self-report recently becoming homeless

- **Winter 2009-2010, more than 1,750 people seek Bridge services per month**
 - 19% of “new” enrollees self-report being chronically homeless
 - 81% of “new” enrollees self-report recently becoming homeless
 - Why are so many people initially seeking services self-reporting recently becoming homeless?
 - 49% self-report recently being incarcerated
 - 52% self-report recently struggling with health/behavioral health and unemployment
 - 1,500 assured shelter space per night leaving 250 to seek shelter in encampments or shelter “overflow” space

803 of those currently seeking Bridge services are likely to need permanent supportive housing to transition from homelessness.

If homelessness continues to increase after incarceration and health/behavioral health and unemployment challenges, the need for Bridge services will continue as well as the need for permanent supportive housing.

Next Steps

Prepare a future Housing Committee briefing that will incorporate

- ❑ **Housing Committee recommendations and comments**
- ❑ **Input from other Departments**

Schedule A1

200 Leased Site Unit Goal

as of 3/30/10

Project Name	Sponsor	Units Leased	Units Available	TOTAL Units
Supportive Housing: GATEWAY 70 leased – 14 units on line to lease up by May 2010	City of Dallas Continuum of Care	7	7	14
Melody Apartments	LifeNet	30	10	40
Permanent Housing Services	Housing Crisis Center	30		30
Pebbles	MDHA – DHA – LifeNet	40	2	42
Senior Project	MDHA	20		20
Cliff Manor	MDHA – LifeNet		100	100
VASH	Veterans Admin. DHA	88	122	210
	TOTAL:	215	241	456

Schedule A2

500 Unit New/Rehab Construction Site Goal

Funding & Site Secured as of 3/30/10

Project Name	Sponsor	Available	Leased	Total New Units
Citywalk	Central Dallas Ministries	46	4	50
	TOTAL:	46	4	50

Schedule A3 – Project Site Based Pipeline Units

as of 3/30/10

Project Name	Sponsor	New / Rehab	Leased
Greenhaus at East Side Apartments	Shared Housing LIHTC	24	
Taylor Farms	LIHTC w/ 10% set aside – 2011	16	
Destination Home III	Central Dallas Ministries	27	
Cottages at Hickory	Caruth Foundation Central Dallas CDC MDHA	50	
ABC Behavioral Healthcare	ABC / Citywide CDD		22
DHA RFB April '10	DHA / MDHA		200
	Total:	117	222