

# Memorandum



DATE November 22, 2017  
TO The Honorable Mayor and the Members of City Council  
SUBJECT **2017 HOME Deadline Compliance Status Report**

On October 30, 2017, the City received a letter from the Department of Housing and Urban Development (HUD), notifying us of the HOME CHDO obligation shortfall in the amount of \$593,494.05, due by November 30, 2017. On November 9, 2017, the City issued a response whereby we informed HUD of our commitment to obligate the HOME CHDO funds prior to the deadline. *See attached copy.*

In accordance with 24 CFR 92.500 (d), the HOME Investment Partnerships Program (HOME) provisions require that a portion of HOME funds made available to participating jurisdictions (PJs), be committed to CHDO projects with an affordable housing component for a period of 24 months after the last day of the month in which HUD notifies the PJ of HUD's execution of the HOME Investment Partnerships Grant Agreement.

The City obligated over \$3,000,000 in HOME CHDO funds over the past two years, with a balance of \$593,494.05 remaining to be obligated by November 30, 2017.

Given HUD's recent approval of the City's housing development underwriting criteria, policies, procedures, and loan agreements the City committed HOME CHDO funds to Southfair Community Development Corporation for construction of six homes per Council Resolution No. 17-1464, approved on September 13, 2017 in the amount of \$600,000. The contract has been fully executed and set-up on the IDIS system. The Release of Funds is expected later this month with an approximate date of November 27, 2017.



T.C. Broadnax  
City Manager

Attachment (1)

c: Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Biliera Johnson, City Secretary (Interim)  
Daniel F. Solis, Administrative Judge  
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager  
Majed A. Al-Ghafry, Assistant City Manager  
Jo M. (Jody) Puckett, Assistant City Manager (Interim)

Jon Fortune, Assistant City Manager  
Joey Zapata, Assistant City Manager  
M. Elizabeth Reich, Chief Financial Officer  
Nadia Chandler Hardy, Chief of Community Services  
Raquel Favela, Chief of Economic Development & Neighborhood Services  
Theresa O'Donnell, Chief of Resilience  
Directors and Assistant Directors



City of Dallas

November 9, 2017

Ms. Shirley Henley, Director  
U. S. Department of Housing and Urban Development  
Office of Community Planning and Development  
801 Cherry Street, Unit 45 – Suite 2500  
Fort Worth, TX 76102

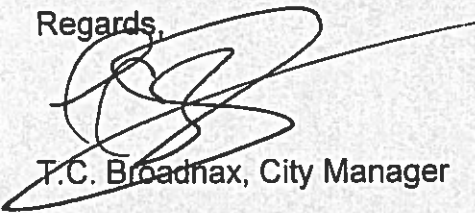
Dear Ms. Henley:

The City of Dallas is in receipt of your letter dated October 30, 2017 regarding the 2017 HOME Deadline Compliance Status Report (shortfall) for CHDO set-aside funds in the amount of \$593,494.05. The City is committed to working with HUD and our community to ensure that we strategically deploy our resources to meet local needs in compliance with HUD requirements.

Since we recently received HUD approval to move forward with our underwriting criteria, policies, procedures, and loan agreements for development projects and we have performed our due diligence in meeting the federal requirements for commitment of HOME funds, we are prepared to commit CHDO funds to Southfair Community Development Corporation for construction of six homes per Council Resolution No. 17-1464 approved on September 13, 2017 in the amount of \$600,000. The contract is expected to be fully executed, pending environmental review clearance, on November 8, 2017 with IDIS setup no later than November 9, 2017. The Release of Funds is expected later this month with an approximate date of November 27, 2017.


Please contact David Noguera at (214) 670-3619 with any questions regarding this submission.

Regards,



T.C. Broadnax, City Manager

Attachments

cc:  Raquel Favela, Chief of Economic Development and Neighborhood Services  
David Noguera, Director of Housing and Neighborhood Revitalization  
Chan Williams, Office of Financial Services  
Craig Kinton, City Auditor



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
Fort Worth Regional Office, Region VI  
Office of Community Planning and Development  
801 Cherry Street, Unit #45, Ste. 2500  
Fort Worth, TX 76102  
www.hud.gov

**OCT 3 0 2017**

T.C. Broadnax, City Manager  
City of Dallas  
1500 Marilla Street, 4EN  
Dallas, TX 75201

Dear Mr. Broadnax:

HUD's records indicate that the City of Dallas is in danger of missing its 2017 Community Housing Development Organization (CHDO) requirement deadline, which occurs on November 30, 2017. Funds not reserved to CHDOs by the deadline will be deobligated.

The Consolidated Appropriations Act of 2017 (P.L. 115-31) suspends the 24-month HOME commitment requirement for deadlines that occurred, or will occur in 2016 through 2019. Therefore, HUD will not enforce cumulative and grant-specific commitment requirements for deadlines in 2017. The City must continue to meet its CHDO reservation and expenditure requirements by committing an amount equal to its CHDO reservation requirement to projects owned, developed, or sponsored by CHDOs, and disbursing an amount equal to its expenditure requirement, as shown on the both versions of the monthly HOME Deadline Compliance Status Reports, by no later than its deadline date in 2017.

The HOME Program statute requires a HOME participating jurisdiction (PJ) to reserve not less than 15 percent of its HOME allocation to projects owned, developed, or sponsored by CHDOs within 24 months of receiving its HOME grant. Compliance with this requirement is based on a review of the PJ's allocations and CHDO reservations, as reported in the Integrated Disbursement and Information System (IDIS) at the time of its deadline.

The attached HOME Deadline Compliance Status Report identifies the CHDO reservation requirement amount for your November 30, 2017 deadline; the total amount reserved to CHDOs as reported in IDIS through the date of the report; and indicates a \$593,494.05 CHDO reservation requirement shortfall. This information is updated monthly on the HOME website at: [www.hudexchange.info/manage-a-program/home-deadline-compliance-status-reports/](http://www.hudexchange.info/manage-a-program/home-deadline-compliance-status-reports/) and [www.hudexchange.info/programs/home/home-deadline-compliance-status-reports-grant-specific/](http://www.hudexchange.info/programs/home/home-deadline-compliance-status-reports-grant-specific/).

HUD is providing this warning notice to the city so that it may reserve funds to CHDOs before its upcoming deadline and enter those CHDO reservations in IDIS to meet its deadline requirement. If you have any questions or require assistance, please contact Ellen Melendez, Senior CPD Representative, at 817-978-5958 or [ellen.m.melendez@hud.gov](mailto:ellen.m.melendez@hud.gov).

Sincerely,



Shirley J. Henley  
Director

Enclosure

cc: Raquel Favela  
David Noguera  
Chan Williams

**HOME Grant-Specific Deadline Compliance Status Report**  
**Requirement Years: 2015 CHDO Reservations, and 2015 Disbursements**

**As Of 9/30/2017**

(sorted alphabetically by Field Office)

| <u>PJ</u>     | <u>±</u> | <u>Deadline Date</u> | <u>Original Allocation</u> | <u>Adjustments<sup>++</sup></u> | <u>Requirement Amount</u> | <u>Total C.R.orD<sup>+</sup> through Deadline</u> | <u>%</u> | <u>Shortfall</u> | <u>Current Status</u>           |
|---------------|----------|----------------------|----------------------------|---------------------------------|---------------------------|---|----------|------------------|---------------------------------|
| Ft. Worth     |          |                      |                            |                                 |                           |   |          |                  |                                 |
| Abilene       | CHDO-C   | 11/30/2017           | \$321,525.00               | \$0.00                          | \$48,228.75               | \$0.00  | 0.00     | \$48,228.75      | FO four month letter -7/19/2017 |
| TX            | D        | 9/30/2023            | \$321,525.00               | \$108,174.00                    | \$213,351.00              | \$162,768.53                                      | 76.29    | \$50,582.47      |                                 |
| Amarillo      | CHDO-C   | 11/30/2017           | \$499,454.00               | \$0.00                          | \$74,918.10               | \$140,000.00                                      | 28.03    | \$0.00           |                                 |
| TX            | D        | 9/30/2023            | \$499,454.00               | \$0.00                          | \$499,454.00              | \$420,350.11                                      | 84.16    | \$79,103.89      |                                 |
| Arlington     | CHDO-C   | 7/31/2017            | \$837,670.00               | \$0.00                          | \$125,650.50              | \$150,000.00                                      | 17.91    | \$0.00           |                                 |
| TX            | D        | 9/30/2023            | \$837,670.00               | \$0.00                          | \$837,670.00              | \$827,962.18                                      | 98.84    | \$9,707.82       |                                 |
| Dallas        | CHDO-C   | 11/30/2017           | \$3,956,627.00             | \$0.00                          | \$593,494.05              | \$0.00  | 0.00     | \$593,494.05     | FO four month letter -7/18/2017 |
| TX            | D        | 9/30/2023            | \$3,956,627.00             | \$0.00                          | \$3,956,627.00            | \$1,350,679.42                                    | 34.14    | \$2,605,947.58   |                                 |
| Dallas County | CHDO-C   | 11/30/2017           | \$476,750.00               | \$0.00                          | \$71,512.50               | \$71,512.50                                       | 15.00    | \$0.00           |                                 |
| TX            | D        | 9/30/2023            | \$476,750.00               | \$0.00                          | \$476,750.00              | \$57,241.12                                       | 12.01    | \$419,508.88     |                                 |
| Denton        | CHDO-C   | 8/31/2017            | \$336,406.00               | \$0.00                          | \$50,460.90               | \$97,000.00                                       | 28.83    | \$0.00           |                                 |
| TX            | D        | 9/30/2023            | \$336,406.00               | \$0.00                          | \$336,406.00              | \$152,066.01                                      | 45.20    | \$184,339.99     |                                 |
| El Paso       | CHDO-C   | 9/30/2017            | \$2,005,491.00             | \$0.00                          | \$300,823.65              | \$300,823.65                                      | 15.00    | \$0.00           |                                 |
| TX            | D        | 9/30/2023            | \$2,005,491.00             | \$0.00                          | \$2,005,491.00            | \$241,482.58                                      | 12.04    | \$1,764,008.42   |                                 |
| Fort Worth    | CHDO-C   | 11/30/2017           | \$1,934,447.00             | \$0.00                          | \$290,167.05              | \$135,526.20                                      | 7.01     | \$154,640.85     | FO four month letter -7/18/2017 |
| TX            | D        | 9/30/2023            | \$1,934,447.00             | \$0.00                          | \$1,934,447.00            | \$567,264.13                                      | 29.32    | \$1,367,182.87   |                                 |

+ CHDO-C: CHDO Reservations, SU: Subgrants, D: Disbursements, LA-C: Local Account Commitments

Source: Data entered by HOME Participating Jurisdictions into HUD's Integrated Disbursement and Information System (DIS)

Thursday, October 05, 2017