

# Memorandum



CITY OF DALLAS

DATE July 29, 2010

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

SUBJECT Substantial Amendment to the City of Dallas FY 2008-2013 Consolidated Plan

On Monday, August 2, 2010, you will be briefed on a Substantial Amendment to the City of Dallas FY 2008-2013 Consolidated Plan. A copy of the briefing is attached.

Please let me know if you have any questions.

A handwritten signature in cursive script that reads "Jeanne Chipperfield".

Jeanne Chipperfield  
Chief Financial Officer

c: The Honorable Mayor and Members of the City Council  
Mary K. Suhm, City Manager  
Ryan S. Evans, First Assistant City Manager  
Forest Turner, Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager  
A.C. Gonzalez, Assistant City Manager  
Deborah Watkins, City Secretary  
Tom P. Perkins, Jr., City Attorney  
Craig Kinton, City Auditor  
C. Victor Lander, Judiciary  
Jerry Killingsworth, Housing/Community Services Director  
Jack Ireland, Executive General Manager  
Helena Stevens-Thompson, Assistant to the City Manager

# Substantial Amendment to the City of Dallas FY 2008- 2013 Consolidated Plan

Presented to the  
Housing Committee  
August 2, 2010





# Purpose

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- Review proposed amendments to the FY 2008-2013 Consolidated Plan and Annual Action Plan Budgets
- Seek committee's recommendation to full Council for approval on August 11, 2010



# Consolidated Plan

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- The Consolidated Plan is a comprehensive analysis and strategic plan that identifies and addresses community needs. City's needs include:
  - Housing
  - Homelessness
  - Economic Development
  - Public Services (i.e. health and human services programs)
- Covers a planning period of five years
  - Current 5-year plan covers FY 2008-09 through 2012-13
- To receive grant funds, the City must complete a Consolidated Plan and submit the Plan to HUD



# Consolidated Plan (cont'd)

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- Consolidated Plan budget includes the following HUD grants:
  - Community Development Block Grant (CDBG)
  - Emergency Shelter Grant (ESG)
  - HOME Investment Partnerships Program (HOME)
  - American Dream Down-payment Assistance (ADDI) – Discontinued after FY 08-09
  - Housing Opportunities for Persons with AIDS (HOPWA)



# Consolidated Plan (cont'd)

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- Each year, the City receives grant funds from HUD according to an entitlement allocation formula
  - To be an entitlement city, must have population of 50,000 or more
  - Allocation is based on latest Census data
- Current Consolidated Plan (FY2008-09 through 2012-13) submitted to HUD in 2008



# Annual Action Plan

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- Grant funds are budgeted and submitted to HUD each year in Annual Action Plan document
  - Combined total approximately \$30m annually
  - Budget must be developed consistent with needs and priorities as identified in 5-year Consolidated Plan document
  - Action Plan must be submitted by August 15<sup>th</sup> of each year (for the fiscal year beginning October 1)
    - Denied access to funds if deadline is missed (statutory)



# Background

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- Since 2008, the City has identified additional priority needs not originally specified in the Consolidated Plan submitted to HUD
- To date, five amendments have been incorporated
  1. Neighborhood Stabilization Program (NSP), 11/09
  2. Homeless Prevention and Rapid Re-housing Program, 05/09
  3. Community Development Block Grant – Recovery Funds, 05/09
  4. Realignment of programs and services due to department consolidations, 10/09
  5. Amend Program Statement for NSP, 05/10





# Approval Process

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- Amendments to the Consolidated Plan require
  - Preliminary adoption and call for a public hearing
  - 30-day review and comment period
  - One newspaper ad
  - Hold public hearing
  - Final adoption



# Amendment

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- Recommended amendment #6 to the Consolidated Plan includes:
  - A. The production, acquisition or rehabilitation of rental units for low and moderate income renters
    - Affordable housing priority needs currently identified in the Consolidated Plan are low to moderate income and elderly homeowners and elderly renters
    - Amendment increases access to eligible uses of HUD funds to address affordable rental housing needs



# Amendment

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## B. Micro-loans for the establishment, stabilization and expansion of microenterprises

- New PILOT service as recommended by HUD
- Expands eligible economic development activities provided by Business Assistance Centers
- Available to for-profit businesses with five (5) or fewer employees, including the owner
- City to establish parameters and range of loans for new lending service at a later date



# Amendment

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- C. Use of up to \$75,000,000 in Section 108 funds as potential resources to address identified needs
  - Section 108 Guaranteed Loan Funds not identified as a potential resource in Consolidated Plan
  - In January 2009, City Council approved that staff move forward with Section 108 loan application process for individual housing projects
  - Funding for each project will be submitted to HUD as an individual Section 108 loan program application and will require separate hearings and submission to HUD



# Amendment

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- In order to incorporate additional priority needs and the proposed use of up to \$75m of Section 108 loans funds as potential resource to address identified needs, an amendment to the Consolidated Plan is required



# Next Steps

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- August 11 – Seek City Council authorization of preliminary adoption of Substantial Amendment #6 to the Consolidated Plan and call public hearing
- August 12 – 30 day review and comment period begins
- Sept 8 – Hold public hearing
- Sept 22 – Final adoption of Substantial Amendment #6 to the Consolidated Plan