

February 22, 2023

WHEREAS, on May 9, 2018, City Council adopted a Comprehensive Housing Policy (CHP) that set citywide production goals for homeownership and rental units for the next three years along with respective income bands that will be prioritized within the production goals and also set forth various programs, tools and strategies to be used to meet the production goals while also overcoming concentrations of poverty and racial segregation by Resolution No. 18-0704; and

WHEREAS, on November 28, 2018, City Council authorized amendments to the CHP to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680; and

WHEREAS, on May 22, 2019, City Council authorized an amendment to the CHP to add a Land Transfer Program to incentivize the development of high quality, sustainable housing that is affordable to the residents of the City and the development of other uses that complement the City's CHP, economic development policy, and redevelopment policy by Resolution No. 19-0824; and

WHEREAS, on March 27, 2019, City Council approved amendments to Dallas City Code Chapters 51A and 20A by adding Article 20A-II to create the Mixed Income Housing Development Bonus (MIHDB) by Resolution No. 19-0429 and Ordinance No. 31142; and

WHEREAS, on June 12, 2019, City Council authorized amendments to the CHP to amend and restate the low-income Housing Tax Credit policy by Resolution No. 19-0884; and

WHEREAS, on June 26, 2019, City Council authorized amendments to the CHP to amend the DHAP, the HIPP Homeowner Program, and the HIPP Landlord Program by Resolution No. 19-1041; and

WHEREAS, on September 25, 2019, City Council authorized amendments to the CHP to create the Title Clearing and Clouded Title Prevention Pilot Program by Resolution No. 19-1498; and

WHEREAS, on December 11, 2019, City Council authorized amendments to the CHP to modify the provisions for the housing policy task force, update language to comply with the MIHDB previously approved by City Council, and remove two application forms by Resolution No. 19-1864; and

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WHEREAS, on January 22, 2020, City Council authorized amendments to the CHP and created a residential Neighborhood Empowerment Zone Program by Resolution No. 20-0188; and

WHEREAS, on August 26, 2020, City Council authorized amendments to the CHP to amend the DHAP Program, include the 0-30% income band in the range of income bands to be served, create the Targeted Rehabilitation Program (TRP), and to allow Community Housing Development Organizations to retain a percentage of sales proceeds from eligible HOME-funded projects by Resolution No. 20-1220; and

WHEREAS, on January 27, 2021 City Council authorized amendments to the CHP to amend the loan terms in the New Construction and Substantial Rehabilitation program to allow forgivable loans for projects with permanent supportive housing units and remove the nine percent (9%) subsidy cap from the annual HUD 234 – Condominium Housing Limits by Resolution No. 21-0212; and

WHEREAS, on September 9, 2021, City Council authorized amendments to the HIPP, Subrecipient Minor Home Repair Grant Program, Housing Reconstruction Program, Landlord Rental Repair Program, Community Land Trust Program, and the TRP in the CHP by Resolution No. 21-1450; and

WHEREAS, on October 13, 2021, City Council authorized an amendment to the CHP to amend the loan terms in the New Construction and Substantial Rehabilitation program to remove the requirement that the City may only subordinate its lien position to a private financial institution for a loan in a greater amount, by Resolution No. 21-1655; and

WHEREAS, on October 13, 2021, City Council authorized an amendment to the CHP to amend the terms of DHAP to: (1) change the citizenship definition for applicants to meet the guidelines set forth by The U.S. Department of Housing and Urban Development (HUD); (2) remove the minimum income requirement of 60% of the Area Median Income (AMI) (3) remove the minimum 26% front-end loan to income ratio requirement; and (4) modify the Targeted Homebuyer Incentive Program to remove federal requirements when assistance is provided to homebuyers using nonfederal funds, by Resolution No. 21-1656; and

WHEREAS, on May 11, 2022, City Council authorized an amendment to the City of Dallas CHP, previously approved on May 9, 2018, by Resolution No. 18-0704, as amended, to (1) amend the MIHDB Program by (a) adding additional development bonus options including additional development rights, parking reductions, and financial incentives and (b) adding a fee in lieu of on-site provision to fulfill the requirements of the bonus; and (2) establish the Mixed Income Housing Development Bonus Fund; and

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WHEREAS, on September 28, 2022, City Council authorized an amendment to the City of CHP, to amend the Home Improvement and Preservation Program to expand the type of third-party organizations that may administer the Major Home Rehabilitation Program and the Home Reconstruction Program by Resolution No. 22-1432; and

WHEREAS, on December 14, 2022, City Council authorized an amendment to the City of CHP, to amend the Targeted Rehabilitation Program to (1) remove property insurance from property eligibility requirements; (2) allow applicants to reapply to receive additional assistance for property previously assisted with funds through the Targeted Rehabilitation Program; (3) revise the funding cap amount from \$10,000.00 to \$20,000.00 for the Targeted Rehabilitation Program - West Dallas Sub-Program Module by Resolution 22-1755; and

WHEREAS, City Council must approve any addition to, alteration of, or deletion of a strategy tool, or program in the CHP; and

WHEREAS, the City desires to maintain affordable housing, to provide greater fair housing choices, and to overcome patterns of segregation and concentrations of poverty; and therefore, it is in the best interest of the City to adopt certain amendments to the CHP; and

WHEREAS, the City has recognized an equity gap related to homeownership and neighborhood displacement and seeks to: (1) provide homebuyer assistance to Dallas residents vulnerable to displacement in the face of rising housing costs, rent, and interest rates; (2) establish programs that help to preserve intergenerational wealth for these residents; and (3) realize economic benefits from retaining these residents in Dallas city limits; and

WHEREAS, it is in the best interest of the City of Dallas to authorize an amendment to the CHP, previously approved on May 9, 2018 by Resolution No. 18-0704, as amended, to add the Dallas Anti-Displacement Homebuyer Assistance Program (DHAP 10) to provide homebuyer assistance to low- to moderate-income Dallas residents with 10 years of Dallas residency; adjust underwriting criteria and increase maximum assistance amount for the Dallas Homebuyer Assistance Program (DHAP); and adjust underwriting criteria and increase maximum assistance amount for the DHAP Targeted Homebuyer Incentive Program.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

February 22, 2023

SECTION 1. That City Council hereby authorizes **(1)** an amendment to the City of Dallas Comprehensive Housing Policy (CHP), attached as **Exhibit A** to: **(a)** establish the Dallas Anti-Displacement Homebuyer Assistance Program (DHAP 10) to provide Dallas homebuyers living in Dallas for at least ten years (at the time of application) with household income between 50%-120% of the Area Median Income (AMI) a forgivable loan not to exceed \$50,000.00 per household; **(b)** amend the Dallas Homebuyer Assistance Program (DHAP) by increasing the front-end ratio requirement of the underwriting criteria to 35% and the maximum assistance amount for areas outside High Opportunity Areas to an amount not to exceed \$50,000.00 per household; **(c)** amend the DHAP Targeted Homebuyer Incentive Program to increase the front-end ratio requirement of the underwriting criteria to 35% and the maximum assistance amount to an amount not to exceed \$50,000.00 per household; and **(2)** the use of equity funds in an amount not to exceed \$1,000,000.00 for DHAP 10 program – Financing: Equity Funds.

SECTION 2. That for DHAP 10, the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$50,000.00 per agreement and total not to exceed 1,000,000.00 from the Equity Fund, Fund 0722, Department HOU, Unit 2385, Object 3099.

SECTION 3. That for DHAP 10, subject to applicable procurement laws, the City Manager is hereby authorized to execute individual agreements including supplemental agreements (and other necessary documents), each approved as to form by the City Attorney, in accordance with the amounts specified in the applicable program(s).

SECTION 4. That the amendments to the CHP shall take effect immediately for applications received on/after the effective date.

SECTION 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.