

Memorandum

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REVISED
CITY SECRETARY
DALLAS, TEXAS



DATE April 16, 2010

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

SUBJECT April 19, 2010 Housing Committee Agenda

We will have a meeting of the Housing Committee on Monday, April 19, 2010, City Hall, 1500 Marilla – Room 6ES, Dallas, Texas, 75201, at 2:00 p.m. The agenda is as follows:

1. Approval April 5, 2010 Minutes Councilmember Steve Salazar
2. Update on 2010 Low Income Housing Tax Credit Projects For Dallas Mitchell/Killingworth (estimated time 30 minutes)
3. Hillside West Seniors Housing Development (Davis Garden TIF District) Karl Zavitkovsky, Director (estimated time 20 minutes)
4. Changes to Council Housing Policy – Discussion Only Councilmember Davis (estimated time 30 minutes)
5. Upcoming Agenda Items For information only (Estimated time 20 minutes)
 - a. Call a Public Hearing Dallas Neighborhood Alliance For Habitat, Inc. (2 lots)
 - b. Call a Public Hearing for Builders of Hope CDC (4 lots)
 - c. Reconstruction Replacement Home (2 homes)
 - d. Amendment to increase ICDC Economic Development Loan

Steve Salazar, Chair
Housing Committee

- 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
Judge C. Victor Lander, Administrative Judge, Municipal Court
Ryan S. Evans, First Assistant City Manager
A.C. Gonzalez, Assistant City Manager
Forest Turner, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Helena Stevens-Thompson, Assistant to the City Manager

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. Contemplated or pending litigation, or matters where legal advice is requested of the City Attorney. Section 551.071 of the Texas Open Meetings Act.
2. The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.
3. A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.
4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.
5. The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.
6. Deliberations regarding Economic Development negotiations. Section 551.087 of the Texas Open Meetings Act.

Housing Committee

Meeting Record April 5, 2010

The Housing Committee meetings are recorded. Agenda materials and audiotapes may be reviewed/copied by contacting the Housing Department, Staff Coordinator at 214-670-3906.

Meeting Date: April 5, 2010

Meeting Start time: 2:08 p.m.

<p><u>Committee Members Present:</u> Steve Salazar (Chair) Carolyn R. Davis (Vice-Chair) Tennell Atkins Dwaine Caraway Angela Hunt Ann Margolin Pauline Medrano</p>	<p><u>Staff Present:</u> A.C. Gonzalez-Asst. City Manager Jerry Killingsworth-Director/HOU Terry Williams-Asst. Director/HOU Charles Brideau-Asst. Director/HOU Les Allen-Asst. Director/HOU Bernadette Mitchell-Asst. Director/HOU Patrick Inyabri-HOU Suanne Durham-HOU Gwen Satterthwaite-CAO Barbara Martinez-CAO Michael Bostic-CAO Brittany Burrell-CMO Cobble Ransom-HOU Cynthia R. Ellickson- HOU Doris Edmon-HOU Esmeralda De La Cruz-HOU Alida Allen-HOU Rhonn Ramirez-CSO</p>
<p><u>Other Councilmember's Present:</u></p>	<p>Liam Mulvaney-Lifenet Sherman Roberts-Citywide Development Corporation</p>
<p><u>Committee Members Absent:</u></p>	

AGENDA:

Housing Committee Meeting Called to Order by CM Steve Salazar

1. Approval of March 1, 2010 Minutes of the Housing Committee

Presenter(s): Council Member Steve Salazar

Action Taken/Committee Recommendation(s):

Motion made by: CM Angela Hunt	Motion seconded by: CM Pauline Medrano
Item passed unanimously: <input checked="" type="checkbox"/>	Item passed on a divided vote: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

Follow-up (if necessary):

2. **Permanent Supportive Housing Community Task Force Recommendations**

Presenter(s): A.C. Gonzalez, Asst. City Manager/Jerry Killingsworth, Director/Mike Faenza, President/CEO-Metro Dallas Homeless Alliance (MDHA)/John Castle, Chair-Elect-MDHA/Dianna Lewis-Corporation for Supportive Housing

Information Only: X

Action Taken/Committee Recommendation(s) CM Davis requested in writing the top five priorities of the PSH Task Force recommendations. (2) CM Salazar requested that a timeline is prepared in order to keep track of the projects. Housing will return to the committee May 3rd with updated recommendations.

Motion made by: _____	Motion seconded by: _____
Item passed unanimously: _____	Item passed on a divide: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

Follow-up (if necessary): _____

3. **Upcoming Agenda Items**

- a. Bexar Street Acquisition (1 lot)
- b. Reconstruction Replacement Homes (3 homes)

Information Only: _____

Action Taken/Committee Recommendation(s)

Motion made by: CM Carolyn R. Davis	Motion seconded by: CM Tennell Atkins
Item passed unanimously: <u>X</u>	Item passed on a divided vote: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

Follow-up (if necessary)

Meeting Adjourned by CM Steve Salazar

Motion made by: _____	Motion seconded by: _____
Item passed unanimously: _____	Item passed on a divided vote: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

Meeting Adjourned: 3:00 P.M.

Approved By: _____

Memorandum



CITY OF DALLAS

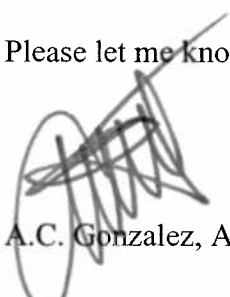
DATE April 16, 2010

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

SUBJECT Update on 2010 Low Income Housing Tax Credit Projects for Dallas

On Monday, April 19, 2010, you will be briefed on Update on 2010 Low Income Housing Tax Credit Projects for Dallas. 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
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Jerry Killingsworth, Housing/Community Services Director
Helena Stevens-Thompson, Assistant to the City Manager

Update on 2010 Low Income Housing Tax Credit Projects for Dallas

A Briefing To The
Housing Committee

Housing/Community Services Department
April 19, 2010



Key Focus Area: Economic Vibrancy

Purpose

- ❑ Provide information regarding fourteen Low Income Housing Tax Credit (LIHTC) Projects for Dallas that applied for 9% tax credits from the Texas Department of Housing & Community Affairs (TDHCA)

- ❑ Provide further recommendations for:
 - ❑ the remaining projects
 - ❑ funding for certain applicants

Background Information

- December 2009, Texas Department of Housing & Community Affairs (TDHCA) released the Qualified Allocation Plan and Rules to allow for developers to apply for 2010 Low Income Housing Tax Credits (LIHTCs)
- January 8, 2010, Preapplications from developers were due to TDHCA
- January 22, 2010, applications from developers were due to the City of Dallas
- February 1, 2010, City Council Housing Committee was briefed on the LIHTC Program and notified of the applications which had been submitted to the City of Dallas
- February 16, 2010, City Council Housing Committee was briefed and the Committee recommended support of certain LIHTC projects
- February 24, 2010, City Council approved recommendations for support of LIHTC projects
- March 1, 2010, final applications from developers were due to TDHCA

TDHCA LIHTC Allocations & Scoring

- In 2010, TDHCA will provide approximately \$10M per year for 10 years for the North Texas Region including Dallas, Denton, Collin, Tarrant, and Grayson Counties
- 89.5% of that allocation (\$9.6M) will be provided to urban projects and 10.5% (\$1.1M) will be provided to rural projects
- TDHCA further categorizes projects statewide into a general pool and an “At Risk” pool
 - The “At Risk” projects are those where the units are currently low income and they are at risk of losing all financial benefits available to the development to keep them affordable
 - The “At Risk” pool will be funded for 15% of the total state allocation or approximately \$7.6M
- The LIHTC point based scoring system has a maximum of 240 points

LIHTC Applications Received by City of Dallas

Project Name	Address	Council District	# of Units	Unit Types	Ranking by Score
Atmos Lofts	300 S.Harwood/1900 Jackson	14	107	Families	3 of 27
Greenhaus at East Side	4611 East Side Ave.	2	24	SRO-PSH	4 of 27
Champion Homes at Copperridge	5542 Maple Ave.	2	107	Families	6 of 27
Kleberg Commons	12700 Kleberg Rd.	8	200	Senior	9 of 27
Hillside West Seniors	32 Pinnacle Park	3	130	Senior	12 of 27
Jackson Square	1701 Jackson St.	14	100	Families	14 of 27
Sphinx at Lawnview	4120 Lawnview	7	130	Senior	19 of 27
Evergreen Residences	3800 Willow	2	100	SRO-PSH	21 of 27
Prince of Wales	4515 Live Oak	2	63	SRO-PSH	6 of 18 (At Risk Category)
Wynnewood Village	1500 S.Zang	3	140	Senior	7 of 18 (At Risk Category)
Akard Plaza	1011 S. Akard	2	203	SRO-PSH	Withdrawn
Terrace at Founders Square	1400 Englewood (at Tilden)	3	172	Senior	Withdrawn
Hatcher Square	4600 Scyene	7	126	Families	Withdrawn
Evergreen Residences	2012 Jackson St.	14	100	SRO-PSH	Withdrawn

Texas Department of Housing & Community Affairs (TDHCA) -One Mile Rule

- Within counties with populations of one million or greater, for applicants whose projects are one mile or less from each other, TDHCA will only fund one project per funding cycle
- Applications with one mile concerns:
 - Atmos Lofts and Jackson Square
 - Greenhaus at East Side, Evergreen Residences (Willow), and Prince of Wales

LIHTC Applications Recommendations

Project Name	Support or Deny	GAP Funding Requested	Funding Recommended	Comments
Atmos Lofts	Support	\$1.5M Sec.108	\$1.5M Sec.108	Sec.108 in process; TIF Reimbursement approved by City Council
Greenhaus at East Side	Support	\$400K CDBG	\$400K CDBG	Funds already approved & invested
Champion Homes at Copperridge	Support	\$1M	\$1M Sec.108	Seek Sec.108 approval from City Council by June 2010
Kleberg Commons	Support	\$1.5M	\$1.5M Sec.108	Seek Sec.108 approval from City Council by June 2010
Hillside West Seniors	Support	\$1.6M TIF	\$1.6M TIF	Seek TIF Board & City Council approval by June 2010
Jackson Square	Support	\$6.7M	\$4.6M Sec.108	Seek Sec.108 approval from City Council by June 2010
Sphinx at Lawnview	Support	\$1.6M	\$1.6M Sec. 108	Seek Sec.108 approval from City Council by June 2010
Evergreen Residences Willow	Deny	\$4M	No Funding Recommended	Lack of Community Support
Prince of Wales	Support	\$2.2M	No Funding Recommended	This project has 13 more years left on tax credit compliance
Wynnewood Village	Support	\$1.5M	\$1.5M Sec.108	Seek Sec.108 approval from City Council by June 2010

Next Steps

- ❑ Considerations for zoning, TIF, or other funding presented to City Council individually
- ❑ TDHCA Board will decide on tax credit awards by July 31, 2010

Attachment A

Detail of each LIHTC project
(not withdrawn) from
February 16, 2010
Housing Committee briefing

Atmos Lofts 1900 Jackson St.

- **Description:**
 - Adaptive/Reuse of office buildings to create 107 multifamily units for families
 - 37 efficiencies, 56 one-bedrooms, 14 two-bedrooms
 - 6 units for households at or below 30% area median family income
 - 49 units for households at or below 50% area median family income
 - 52 units for households at or below 60% area median family income

- **Applicant** –FC Atmos,Inc.
 - Partners Include:
 - Lawrence E Hamilton and Lawrence E Hamilton III

- **Developer** – Hamilton Development & Central Dallas Ministries

- **Property Manager** – Pinnacle, an American management Services Central Co.

Atmos Lofts

Sources and Uses

Sources

Section 108 Loan	\$1,546,390 *
Tax Credit Equity	11,077,205
Total Sources	\$12,623,595

Uses

Hard Costs	\$8,486,166
Indirect Costs	864,076
Developer Fee	2,100,494
Construction Bridge Loan	760,576
Other Financing Costs	85,892
Reserves	326,391
Total Uses	\$12,623,595

* Requested City of Dallas Support; \$9 M has already been approved

Greenhaus at East Side

4611 East Side Ave.

- **Description:**
 - New construction of 24 Permanent Supportive Housing units
 - 12 two bedrooms and 12 three bedrooms for households below 30% area median family income
 - Energy efficient-LEED Platinum

- **Applicant** – Shared Housing Center, Inc. –nonprofit agency

- **Developer** – OM Housing, LLC

- **Property Manager** – To be determined

- **Service Provider** – Shared Housing Center, Inc.

Greenhaus at East Side

Sources and Uses

Sources

Conventional Loan	\$630,000
Tax Credit Equity	2,443,134
Developer's Note	339,700
City Loan	400,000 *
Total Sources	\$3,812,834

Uses

Land Acquisition	\$350,000
Sitework	208,800
Hard Construction Costs	1,992,300
Soft Costs	456,332
Financing Costs	191,925
Developer Fee	535,476
Operating Reserve	52,001
Syndication Costs	5,000
Real Estate & Mortgage Costs	21,000
Total Uses	\$3,812,834

* City of Dallas support provided 11/9/09

Champion Homes of Copperidge

5542 Maple Ave.

- **Description:**
 - New construction of 107 multifamily units for families
 - 53 One Bedroom Units and 54 Two Bedroom Units
 - 6 units for households at or below 30% area median family income
 - 38 units for households at or below 50% area median family income
 - 63 units for households at or below 60% area median family income
 - Near Maple/Inwood DART Station

- **Applicant** – Chickory Court IX, LP, Odyssey Residential Holdings, LP
 - Partners include:
 - Saleem Jafar, Bill Fisher

- **Developer** – Saleem Jafar & Bill Fisher

- **Property Manager** – Odyssey Residential Management, LLC

Champion Homes at Copperidge

Sources & Uses

SOURCES

Permanent Debt	\$3,150,000
City's Loan	1,000,000 *
Tax Credit Equity	9,739,545
Deferred Developer Fee	150,474
Total Sources	\$14,040,019

USES

Land Acquisition	\$2,120,000
Sitework	963,000
Hard Construction Costs	5,904,520
Contractor's Fees	961,453
Contingency	343,376
Professional Fees	680,000
Interim Financing Costs	1,089,250
Permanent Financing Fees	316,420
Development Fee	1,262,000
Reserves & Other Costs	400,000
Total Uses	\$14,040,019

* Requested City of Dallas Support

Kleberg Commons Housing

12700 Kleberg

■ **Description:**

- New construction of 200 multifamily units for seniors
- 100 one-bedrooms and 100 two-bedrooms
- 30 units for households at or below 30% area median family income
- 70 units for households at or below 50% area median family income
- 100 units for households at or below 60% area median family income

■ **Applicant** – Kleberg Leased Housing, L.P.

■ Partners include:

- Dale Lancaster and Jeffrey spicer

■ **Developer** – Arrington Developers, LLC

■ **Property Manager** – Guardian Asset Management, Inc.

Kleberg Commons

Sources and Uses

SOURCES

Taxable Loan	\$3,700,000
City Loan	1,500,000 *
Tax Credit Equity	13,727,417
Deferred developer fee	559,285
Total Sources	\$19,486,702

USES

Land Acquisition	\$1,800,000
Hard Construction Costs	13,197,096
Architect/Engineering	303,500
Permits and Fees	95,600
Financing	356,720
Construction Period Interest	444,000
Tax Credit Costs	103,432
Soft Costs	58,681
Legal	40,000
FFE	152,300
Prestabilization Costs	210,000
Reserves	569,707
Developer Fee	2,155,666
Total Uses	\$19,486,702

* Requested City of Dallas Support

Hillside West Seniors

32 Pinnacle Park

- **Description:**
 - New construction of 130 senior units
 - 40 one-bedrooms and 90 two-bedrooms
 - 7 units for households at or below 30% area median family income
 - 65 units for households at or below 50% area median family income
 - 58 units for households at or below 60% area median family income

- **Applicant** – Hillside West Seniors, LP
 - Partners include:
 - Brandon Bolin and Alan McDonald

- **Developer** – Hillside West Seniors, LP

- **Property Manager** – To be determined

Hillside West Seniors

Sources and Uses

SOURCES

Conventional Loan	\$4,850,000
Equity	8,858,993
Developer's Note	1,587,413
Construction Loan Bridge	<u>1,656,613</u> *
Total Sources	\$16,953,019

USES

Land Acquisition	\$2,000,000
Taxes and Insurance	355,000
Financing	1,143,006
Architectural/Engineering	599,935
Legal	167,500
Site Work	1,169,996
Hard Construction Costs	8,054,082
Soft Costs	1,336,087
Contingency	540,000
Developer Fee	<u>1,587,413</u>
Total Uses	\$16,953,019

* Requested City of Dallas Support from TIF Funds

Jackson Square 1701 Jackson Street

- **Description:**
 - 100 units for families
 - 28 one-bedrooms, 55 two-bedrooms and 11 three-bedrooms
 - 5 units for households at or below 30% area median family income
 - 45 units for households at or below 50% area median family income
 - 50 units for households at or below 60% area median family income

- **Applicant** –Forest City Residential Group, Inc., Jim Truitt, Vice-Pres.
 - Partnership not yet formed

- **Developer** – Forest City Residential Group, Inc.

- **Property Manager** – Forest City Residential Management, Inc.

Jackson Square

Sources and Uses

SOURCES

Conventional Loan	\$3,106,500
City Loan Section 108	6,750,000 *
Tax Credit Equity	12,348,159
Forest City Equity	(17,122)
Total Sources	\$22,187,537

USES

Land Acquisition	\$2,592,694
Hard Construction Costs	12,055,594
Architect/Engineering	600,000
Office	132,500
F/F/E	200,000
Legal	100,000
Marketing	195,000
Tax and Insurance	142,995
Developer Fee	1,627,505
Construction Manager	482,224
Financing	526,584
Reserves	789,857
Section 108 Interest Reserve/start-up	865,000
Contingency	1,205,559
Operating Deficit	672,025
Total Uses	\$22,187,537

* Requested City of Dallas Support

Sphinx at Lawnview

4120 Lawnview Ave.

- **Description:**

- New construction of 130 Units for seniors
- 7 units for households at or below 30% area median family income
- 45 units for households at or below 50% area median family income
- 78 units for households at or below 60% area median family income

- **Applicant** – SDC Lawnview Villas, LP

- Partners include:
 - Jay Oji

- **Developer** – Sphinx Development Corporation

- **Property Manager** – Alpha Barnes

Sphinx at Lawnview

Sources and Uses

SOURCES

Conventional Loan	\$3,289,000
City of Dallas Loan	1,600,000 *
Tax Credit Equity	10,498,950
Deferred Developer Fee	630,426
Total Sources	\$16,018,376

USES

Land Acquisition/Demolition	\$767,150
Hard Construction Costs	10,370,965
Architect and Engineering	510,500
Permits and Fees	180,100
Financing	516,500
Construction Period Interest	475,000
Tax Credit Costs	84,850
Soft Costs	128,914
Legal Fees	127,500
FFE/Pre-Stabilization	614,075
Reserves	438,639
Developer Fees	1,804,183
Total Uses	\$16,018,376

* Requested City of Dallas Support

Evergreen Residences

3800 Willow

- **Description:**
 - New construction of 100 Permanent Supportive Housing Units
 - 100 efficiency units for households below 30% area median family income
 - Energy efficient-LEED Platinum

- **Applicant** –Evergreen Residential, Ltd, FPC Housing, LLC, GREENarc Corp
 - Partners include:
 - Rev. Dr. Bruce Buchanan, Janice Estes, Lee Hutchins, Graham Greene

- **Developer** – Graham Greene and Rev. Dr. Bruce Buchanan

- **Property Manager** – FPC Housing, LLC

- **Service Provider** – First Presbyterian Church/Stewpot

Evergreen Residences 3800 Willow

Sources and Uses

SOURCES

Conventional Loan	\$910,116
City Loan	4,000,000 *
Tax Credit Equity	9,750,000
Equity Contribution	853,234
Total Sources	\$15,513,350

USES

Land Acquisition	\$1,500,000
Hard Construction Costs	8,480,000
Soft Costs	2,679,000
Financing Costs	70,000
Developer Fee	1,804,350
Syndication Costs	300,000
Debt Service Fund	350,000
Real Estate and Mortgage Costs	330,000
Total Uses	\$15,513,350

* Requested City of Dallas Support

Prince of Wales 4515 Live Oak

- **Description:**
 - Rehabilitation of 63 Permanent Supportive Housing units
 - 61 efficiencies and 2 one-bedrooms for households below 30% area median family income

- **Applicant** – Prince of Wales, Partnership, Ltd., Prince of Wales, LLC, Undermain Corp, Greenfield Operations, LLC
 - Partners include:
 - Eric Anderson, Graham Greene

- **Developer** – Prince of Wales Partnership, Ltd. And Undermain Corp.

- **Property Manager** – Prince of Wales, LLC with the First Presbyterian Church/Stewpot

Prince of Wales

Sources and Uses

SOURCES

First Lien City Loan	\$2,205,000 *
Tax Credit Equity	4,568,996
Equity Contribution	207,527
Total Sources	\$6,981,523

USES

Construction Costs	\$3,392,000
Soft Costs	928,620
Financing Costs	200,000
Developer Fee	910,603
Syndication Costs	200,000
Debt Service Reserve Fund	300,300
Real Estate and Mortgage Costs	1,050,000
Total Uses	\$6,981,523

* Requested City of Dallas Support

Wynnewood Village

1500 S. Zang Blvd.

- **Description:**

- New construction of 140 units for Seniors
- 73 one bedrooms and 67 two bedrooms
- 7 units for households at or below 30% area median family income
- 56 units for households at or below 50% area median family income
- 77 units for households at or below 60% area median family income

- **Applicant** – Wynnewood Senior Housing, L.P.

- Partners Include:

- Central Dallas CDC, Banc of America Community Development Corporation

- **Developer** – Bank of America, CDC

- **Property Manager** – To be determined

Wynnewood Village

Sources and Uses

SOURCES

Conventional Loan	1,755,838
Section 108 Loan	1,459,247 *
Tax Credit Equity	14,714,548
Deferred Developer Fee	1,465,225
Total Sources	\$19,394,858

USES

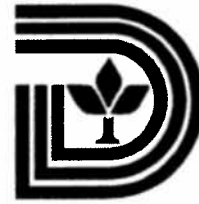
Land Acquisition/Demolition	\$2,337,500
Hard Construction Costs	10,630,145
Rehabilitation Soft Costs	2,909,085
Developer Fees	2,520,001
Other Soft Costs	284,325
Reserves & Others	713,802
Total Uses	\$19,394,858

* Requested City of Dallas Support

Attachment B

Texas Department of Housing & Community Affairs Application Log with Current Scoring

Memorandum



CITY OF DALLAS

DATE April 16, 2010

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

SUBJECT Hillside West Seniors Housing Development (Davis Garden TIF District)

On Monday, April 19, 2010, you will be briefed on Hillside West Seniors Housing Development (Davis Garden TIF District). 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
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Hillside West Seniors Housing Development (Davis Garden TIF District)

Housing Committee

April 19, 2010



Office of Economic Development
WWW.DALLAS-ECODEV.ORG

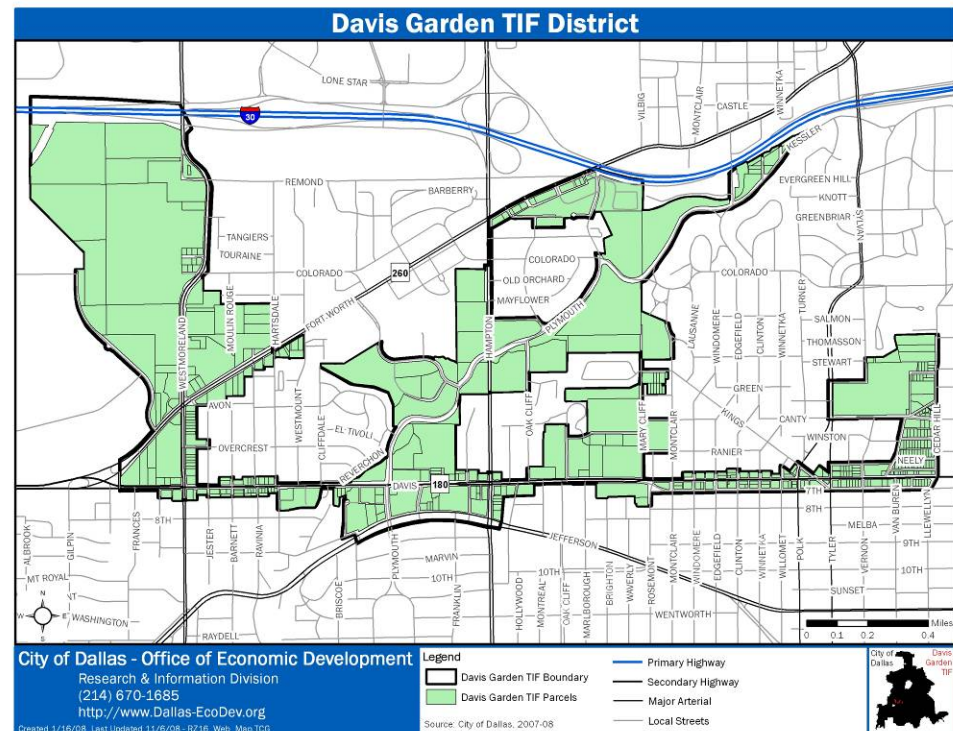


Purpose

- ◆ Review the Hillside West project proposal for TIF funding in the Davis Garden TIF District.
- ◆ Obtain Economic Development Committee approval for consideration of the project by City Council on April 28, 2010.

Davis Garden TIF District Overview: Background

- ◆ The Davis Garden TIF District was created June 13, 2007.
- ◆ This area is located south of I-30 in the North Oak Cliff area, approximately 4.0 miles southwest of downtown Dallas
- ◆ The TIF District contains commercial property along Davis Street, several large vacant parcels where aging apartment complexes were demolished and the 200 acre 'Urban Campus' area, located between I-30 and Fort Worth Avenue west of Westmoreland Road.



Davis Garden TIF District Overview: Background (continued)

- ◆ Assets in and near the District include Pinnacle Park, Kessler Park Conservation District, Kidd Springs Park, Stevens Park Golf Course, Winnetka Heights Historic District, and the Bishop Arts District.
- ◆ The District expires on December 31, 2029 or when approximately \$60 million has been collected. TIF funding is used to offset the infrastructure and other development costs in an effort to encourage redevelopment of the area.
- ◆ Both the Davis Street corridor and the Urban Campus area provide great potential for redevelopment.

Davis Garden TIF District Overview: Current Status

◆ District Development Goals

- **Encourage needed horizontal improvements and site preparation in the District**
 - *6 sites comprising 1,503 units have been demolished and cleared for future redevelopment*
- **Create additional taxable value attributed to new private projects in the Davis Garden TIF District and appreciation totaling approximately \$1.0 billion**
 - The total appraised value of property in the District has increased by \$18,187,206 since its creation (1.8% of the goal).
- **Attract new private development by replacing approximately 1,969 residential units with a more sustainable mix of for-sale and rental units; add approximately 700 residential units to increase the area's population density; and redevelop approximately 472,000 square feet of commercial and retail space.**
 - 6 sites have been prepared for redevelopment activities. However, to date no construction has occurred.
- **Diversify housing options by increasing homeownership opportunities while maintaining an affordable housing component of 20% of all new units built.**
 - TF Development, LP's Taylor Farms project was approved by Council on November 9, 2009. Upon its completion the project will satisfy 29% (160 units) of the District's goal of providing 550 affordable housing units.
- **Maintain the stability of local schools while redevelopment activities occur within the area's neighborhoods by encouraging strong communication between the Dallas Independent School District and area developers**
 - *Staff is working closely with neighborhood schools to coordinate redevelopment activities with school needs.*

Davis Garden TIF District Overview:

Current Status (continued)

◆ District Development Goals

- **Diversify commercial and retail uses in the District by restoring historic commercial buildings and finding redevelopment options for commercial structures that are architecturally less significant.**
 - The Settles and Kemp Garages on West Davis Street are properties with historic significance that have been converted for commercial use since the District's creation.
- **Encourage the redevelopment of properties along the Davis Street, Fort Worth Avenue, and Hampton Road corridors for new residential and commercial uses that feature enhanced urban design standards which are complementary to the historic and conservation districts in the immediate area.**
 - INCAP's Development Agreement with the City includes site preparation that will allow for the redevelopment of property at six sites throughout the District. This includes three sites that are located along West Davis Street.
- **Improve recreational opportunities and connections to City trails and open space within the District while providing better connections to County trails and other recreational amenities in the area.**
 - The Twelve Hills Nature Center's Urban Prairie Trailhead project was approved by Council on October 14, 2009.
- **Generate approximately \$38.3 million (2006 dollars) in increment over 20 years of collections.**
 - To date \$94,901 in Tax Increment is anticipated for the District. Increment collection began with the 2009 tax year.

Davis Garden TIF District Overview: Budget

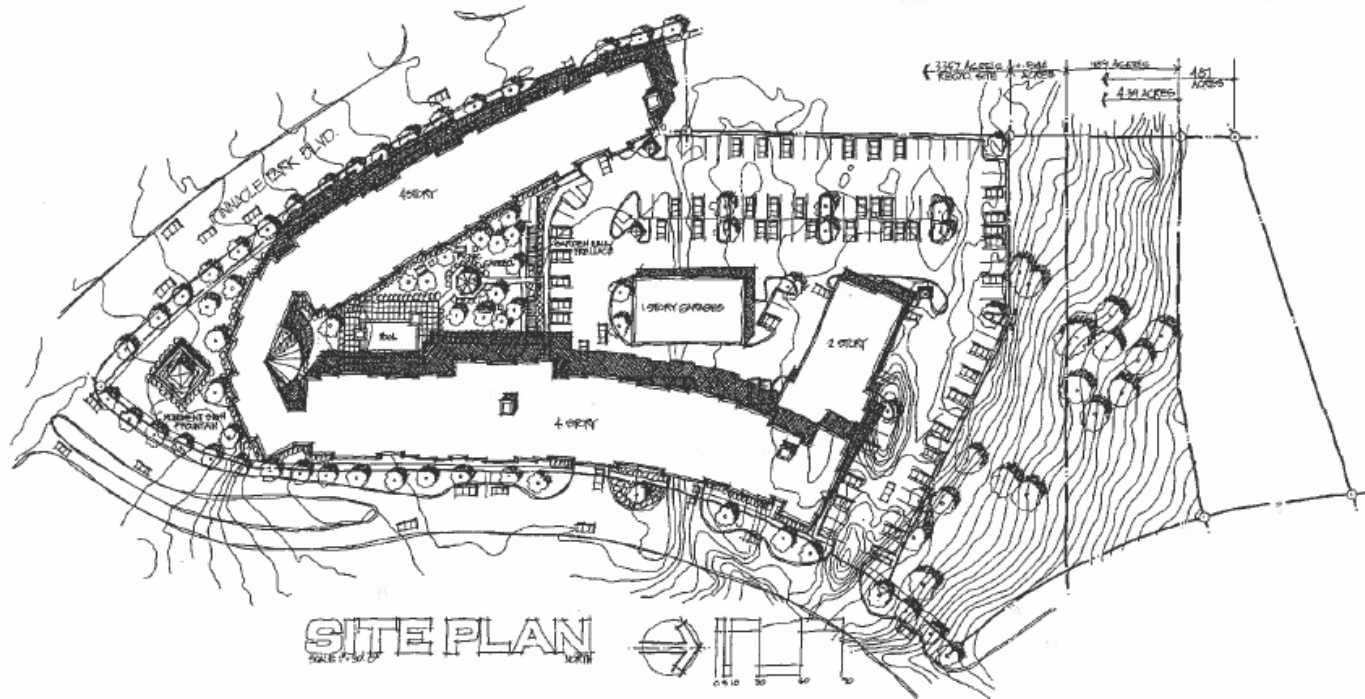
Davis Garden TIF District Projected Increment Revenues to Retire TIF Fund Obligations			
Category	TIF Budget	Allocated	Balance
Environmental Remediation/Demolition	\$9,635,310	\$3,634,952	\$6,000,358
Infrastructure Improvements	\$34,687,115	\$4,625,194	\$30,061,921
Open Space, Parks, Streetscapes and Trails	\$2,047,504	\$88,145	\$1,959,359
Historic Façade Restoration	\$843,090	\$86,535	\$756,555
Affordable Housing	\$11,114,014	\$0	\$11,114,014
Administration and Implementation**	\$1,803,922	\$128,719	\$1,675,203
Total Project Costs	\$60,130,955	\$8,563,545	\$51,567,410
<p><i>** All values are estimated expenditures based on Annual TIF Project Costs and Debt Service schedules. These values depend on timing of projects and will fluctuate. An interest rate of 5% is used throughout the TIF term.</i></p>			

Hillside West Project (continued)

◆ Project Description

- The project consists of one 4-story, senior housing development with 130 residential units. The building will contain a minimum of 100,000 square feet of residential space and approximately 32,719 square feet of common space.
- The estimated private investment for the project is \$16.6M.
- The recommended TIF subsidy for the project is \$1,600,000.
- All 130 units will meet affordable housing requirements.
- GFD Opportunity II, LLC is requesting a Tax Credit from the Texas Department of Housing and Community Affairs for the Hillside West project.
 - 10-year Tax Credit
 - Total 10-year Tax Credit – \$16M
- On-site amenities for the project include a leasing office, business center, fitness center and swimming pool.

Hillside West Project – Site Plan



Hillside West Project – Funding Sources & Uses

- ◆ Funding Sources and Uses
 - Dougherty Mortgage (FA loan) – Construction loan
 - Texas Department of Housing and Community Affairs – Tax Credit Equity
 - Deferred Developer Fee – Private Equity

Funding Source	Amount	Use
Dougherty Mortgage (FA loan)	\$4,635,000	Construction Loan
Texas Department of Housing and Community Affairs	\$11,205,288	Tax Credit Equity
Deferred Developer Fee	\$795,520	Private Equity
Total	\$16,635,808	

Hillside West Project – Summary

Total square footage required A) Residential Rental Space B) Common Area	N/A 100,000 square feet 30,000 square feet
* Developer fee	11%
Required private investment – site acquisition and hard costs of construction	\$11,500,000
Total project cost including site acquisition, hard costs of construction, all soft costs, and TIF expenses/other public.	\$16,635,808
TIF funding	\$1,600,000
% TIF funds to total project cost	9.62%
Return on Cost with TIF funds	5.28%
Return on Cost without TIF funds or other public assistance	4.75%
Deadline to purchase properties	N/A
Deadline to complete environmental remediation activities	September 21, 2011
Deadline to complete and receive a Certificate of Occupancy	July 2, 2012
Deadline to complete public infrastructure improvements	May 1, 2012

* Developer fee reflects the administration fee that is required to administer the project's tax credits over a 10 year period

Recommendations

- ◆ The following actions are recommended:
 - Approval of a Development Agreement with GFD Opportunity II, LLC for TIF reimbursement for the Hillside West project

◆ Appendices

Appendix 1: Davis Garden TIF Increment Chart

PROJECTED TIF INCREMENT SCHEDULE										
Tax Year	Property Value	Property Value	Property	Anticipated	City of Dallas	TIF	Dallas County	TIF	Total	TOTAL TIF
	Estimate	Estimate	Value Total	Captured	Participation	Contribution	Participation	Contribution	TIF	2008 NPV @
	(2.0% Appreciation)	(New Development)		Value	Rate	City of Dallas	Rate	Dallas County	Contribution	5.00%
2007	\$120,414,462		\$120,414,462							
Adj Base 08	\$137,853,667									
2008	\$146,619,100	\$0	\$146,619,100	\$8,765,433	0.0%	\$0	0.0%	\$0	\$0	\$0
2009	\$154,396,105	\$0	\$155,532,631	\$17,678,964	55.0%	\$72,722	55.0%	\$22,179	\$94,901	\$86,078
2010	\$158,643,284	\$45,710,956	\$204,354,239	\$66,500,572	55.0%	\$273,547	55.0%	\$83,428	\$356,975	\$394,446
2011	\$208,441,324	\$48,545,446	\$256,986,770	\$119,133,103	70.0%	\$629,698	55.0%	\$149,458	\$773,156	\$1,030,524
2012	\$262,126,506	\$61,260,508	\$323,387,013	\$185,533,346	70.0%	\$971,323	55.0%	\$232,761	\$1,204,084	\$1,973,955
2013	\$329,854,754	\$174,079,007	\$503,933,761	\$366,080,094	70.0%	\$1,916,539	55.0%	\$459,266	\$2,375,805	\$3,746,817
2014	\$514,012,436	\$185,497,799	\$699,510,235	\$561,656,568	85.0%	\$3,570,535	55.0%	\$704,626	\$4,275,161	\$6,785,094
2015	\$713,500,440	\$186,359,613	\$899,860,053	\$762,006,386	85.0%	\$4,844,189	55.0%	\$955,975	\$5,800,164	\$10,710,873
2016	\$917,857,254	\$232,564,514	\$1,150,421,769	\$1,012,568,102	85.0%	\$6,437,047	55.0%	\$1,270,317	\$7,707,365	\$15,679,109
2017	\$1,173,430,204	\$77,060,434	\$1,250,490,638	\$1,112,636,971	85.0%	\$7,073,200	55.0%	\$1,395,859	\$8,469,059	\$20,878,377
2018	\$1,275,500,451	\$52,410,127	\$1,327,910,578	\$1,190,056,911	85.0%	\$7,565,370	55.0%	\$1,492,986	\$9,058,356	\$26,174,610
2019	\$1,354,468,790	\$41,480,683	\$1,395,949,473	\$1,258,095,806	85.0%	\$7,997,904	55.0%	\$1,578,344	\$9,576,248	\$31,507,023
2020	\$1,423,868,462	\$60,915,781	\$1,484,784,243	\$1,346,930,576	85.0%	\$8,562,640	55.0%	\$1,689,792	\$10,252,431	\$36,944,106
2021	\$1,514,479,928	\$15,029,697	\$1,529,509,625	\$1,391,655,958	70.0%	\$2,113,047	55.0%	\$506,356	\$2,619,403	\$38,267,083
2022	\$1,560,099,817	\$0	\$1,560,099,817	\$1,422,246,150	70.0%	\$0	55.0%	\$0	\$0	\$38,267,083
2023	\$1,591,301,814	\$0	\$1,591,301,814	\$1,453,448,147	70.0%	\$0	55.0%	\$0	\$0	\$38,267,083
2024	\$1,623,127,850	\$0	\$1,623,127,850	\$1,485,274,183	55.0%	\$0	55.0%	\$0	\$0	\$38,267,083
2025	\$1,655,590,407	\$0	\$1,655,590,407	\$1,517,736,740	55.0%	\$0	55.0%	\$0	\$0	\$38,267,083
2026	\$1,688,702,215	\$0	\$1,688,702,215	\$1,550,848,548	55.0%	\$0	55.0%	\$0	\$0	\$38,267,083
2027	\$1,722,476,259	\$0	\$1,722,476,259	\$1,584,622,592	55.0%	\$0	55.0%	\$0	\$0	\$38,267,083
2028	\$1,756,925,784	\$0	\$1,756,925,784	\$1,619,072,117	55.0%	\$0	55.0%	\$0	\$0	\$38,267,083
2029	\$1,792,064,300	\$0	\$1,792,064,300	\$1,654,210,633	55.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2030	\$1,827,905,586	\$0	\$1,827,905,586	\$1,690,051,919	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2031	\$1,864,463,698	\$0	\$1,864,463,698	\$1,726,610,031	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2032	\$1,901,752,972	\$0	\$1,901,752,972	\$1,763,899,305	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2033	\$1,939,788,031	\$0	\$1,939,788,031	\$1,801,934,364	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2034	\$1,978,583,792	\$0	\$1,978,583,792	\$1,840,730,125	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2035	\$2,018,155,468	\$0	\$2,018,155,468	\$1,880,301,801	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2036	\$2,058,518,577	\$0	\$2,058,518,577	\$1,920,664,910	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2037	\$2,099,688,949	\$0	\$2,099,688,949	\$1,961,835,282	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2038	\$2,141,682,728	\$0	\$2,141,682,728	\$2,003,829,061	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2039	\$2,184,516,382	\$0	\$2,184,516,382	\$2,046,662,715	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2040	\$2,228,206,710	\$0	\$2,228,206,710	\$2,090,353,043	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2041	\$2,272,770,844	\$0	\$2,272,770,844	\$2,134,917,177	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
2042	\$2,318,226,261	\$0	\$2,318,226,261	\$2,180,372,594	0.0%	\$0	0.0%	\$0	\$0	\$38,267,083
TOTAL thru 2037		\$1,180,914,566				\$52,021,760		\$10,541,347	\$62,563,107	\$38,267,083
2008 NPV						\$31,799,576		\$6,467,507	\$38,267,083	

Appendix 2: GFD Opportunity II, LLC

- ◆ The principals of GFD Opportunity II, LLC include Brandon Bolin and Alan McDonald
 - Brandon Bolin – previously worked with INCAP as a Director of Acquisitions for a 300 acre, \$200M North Oak Cliff land portfolio. The Hillside West is the second development project that he will oversee.
 - Alan McDonald – currently a *Senior Managing Director for INCAP*. Alan founded CityHomes, the nation’s largest inner-city homebuilder. Alan has also served as the President and CEO of Parkwood Development Corporation, the largest inner-city, multi-family adaptive re-use developer in Dallas.

Appendix 3:

Development Assumptions for Davis Garden TIF District

Project	Use	Projected Increased Value	Projected Completion Date
Acorn Tree & Gulf Latin	Multi-Family Housing	\$36,890,480	2014
Bahama Glen	Multi-Family Housing	\$248,357,690	2016
Brookwood	Multi-Family Housing	\$34,175,840	2015
Chateau Crete & Sebastian	Multi-Family Housing	\$22,794,630	2013
Cliffwood	Multi-Family Housing	\$26,165,410	2014
Country Green	Multi-Family Housing	\$25,003,130	2016
Emory Park & Virginia Manor	Multi-Family Housing	\$68,666,920	2015
Holiday Hills 1	Multi-Family Housing	\$87,414,000	2017
Holiday Hills 2	Multi-Family Housing	\$37,291,000	2018
Kidd Springs	Multi-Family Housing	\$34,780,590	2014
King's Highway	Multi-Family Housing	\$8,778,117	2013
TT Apartments	Multi-Family Housing	\$4,738,310	2013
Veterans Apartments	Multi-Family Housing	\$12,894,710	2016
Cantera Crossing	Multi-Family Housing	\$18,870,060	2013
North Hills	Multi-Family Housing	\$31,210,000	2013
Plymouth	Multi-Family Housing	\$4,820,000	2014

Appendix 3: Development Assumptions for Davis Garden TIF District (continued)

Project	Use	Projected Increased Value	Projected Completion Date
Fort Worth Avenue commercial	Commercial/Retail	\$6,200,071	2014
North Hills retail	Commercial/Retail	\$2,576,370	2014
Veterans retail	Commercial/Retail	\$421,740	2015
2800 W. Davis apartments	Multi-Family Housing	\$9,328,990	2018
2717 W. Jefferson apartments	Multi-Family Housing	\$5,119,319	2018
411 Plymouth apartments	Multi-Family Housing	\$2,177,793	2019
515 Plymouth apartments	Multi-Family Housing	\$2,159,292	2019
701 W. Davis block retail	Commercial/Retail	\$1,524,350	2014
Townhome Construction	Single Family Housing	\$16,994,965	2018
Future single-family residences	Single Family Housing	\$49,682,000	2021
New retail w. of Westmoreland	Commercial/Retail	\$4,883,831	2019
Westmoreland/FWA shopping	Commercial/Retail	\$7,284,730	2020
Taylor Farms	Multi-Family Housing	\$11,061,343	2012
Kessler Theater	Commercial/Retail	\$603,770	2011
Hillside West	Senior Housing	\$8,574,650	2012
Urban Campus Land	Land	\$68,762,540	2014
Total		\$900,206,641	

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: April 28, 2010
COUNCIL DISTRICT(S): 3, 7
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 44J 56H

SUBJECT

Authorize **(1)** a public hearing to be held on May 26, 2010 to receive comments on the proposed private sale by quitclaim deed of two unimproved properties acquired by the taxing authorities from the Sheriff's Sale to Dallas Neighborhood Alliance For Habitat, Inc. a qualified non-profit organization; and **(2)** at the close of the public hearing, consideration of approval of the sale of these properties (list attached) - Financing: No cost consideration to the City

BACKGROUND

This item will begin the acquisition process for Dallas Neighborhood Alliance For Habitat, Inc. to purchase two (2) unimproved properties for construction of two (2) single-family homes containing approximately 1,303 – 1,706 square feet each for purchase by a low to moderate income homebuyer at the proposed sales price of \$85,000 - \$90,000 each. The anticipated commencement date of construction is May 2012. The calling of a public hearing is part of the state requirements under House Bill 110.

The 1997 Texas State Legislature enacted House Bill 110 which amended Chapter 34 of the Texas Property Tax Code. Subsequently, Tax Code Section 34.015 was redesignated as Local Government Code Section 253.010. The legislation allows a municipality to adopt an ordinance which provides for land acquired by the municipality following the foreclosure of a tax lien in favor of or seizure by the municipality, to be sold to non-profit organizations for the development of affordable housing for low income individuals and families. The City Council approved Ordinance No. 23713, implementing House Bill 110, on November 11, 1998. Subsequently, the Texas Legislature moved these provisions by redesignating Tax Code Section 34.015 as Local Government Code Section 253.010. On December 8, 2003, the City Council approved Ordinance No. 25443 to reference this applicable state law.

BACKGROUND (continued)

The ordinance requires that housing be provided to households with incomes at or below 80% of Area Median Family Income. The ordinance defines non-profit organization as either: (1) a non-profit corporation as provided by the State law, or (2) a joint venture or partnership between a nonprofit corporation and a non-profit corporation or other non-profit legal entity composed of residents or property owners in the community or neighborhood in which the land subject to a purchase proposal under the ordinance is located.

Housing units require a 5-year deed restriction for single-family properties and a 15-year deed restriction for multi-family properties developed under this program. Rental property to be developed that contains more than 25 housing units will also be deed-restricted to require that social services be provided to residents based on the needs of the residents.

Non-profit organizations are allowed to purchase the property for a fixed sum of \$1,000 for up to 7,500 square feet of land purchased under the single proposal plus \$0.133 for each additional square foot of land purchased under the proposal. This revenue is paid first for court costs and maintenance costs and then any excess to taxing units in proportion to their share of taxes on the property. An additional sum will be paid to the City for costs of recording legal documents associated with the transaction. The purchase of properties is subject to any redemption rights of the owners. Approval by the City Council and the other taxing units will be required for all land transactions under this ordinance. The affordable housing unit(s) must be constructed within 3 years from the date on which the City conveys the quitclaim deed, unless City Council extends the time line.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On November 13, 1996, the City Council authorized the development of procedures to allow for the private sale of tax foreclosed or seized properties to qualified non-profit organizations by Resolution No. 96-3691.

On May 14, 1997, the City Council authorized implementation of the procedures for the Land Assembly Program by Resolution No. 97-1504.

On November 11, 1998, the City Council authorized an ordinance amending Chapter 2 of the Dallas City Code to allow for an alternate manner of sale for tax foreclosed property to non-profit housing corporations and non-profit organizations by Ordinance No. 23713.

PRIOR ACTION/REVIEW (Council, Boards, Commissions) (continued)

On September 22, 1999, the City Council authorized an ordinance amending Chapter 2 of the Dallas City Code to authorize and provide requirements, qualifications, restrictions, and procedures for an alternate manner of sale of seized real property to nonprofit organizations for the development of affordable housing by Ordinance No. 24046.

On May 9, 2001, the City Council authorized implementation of the procedures contained in the Land Transfer Program Statement and consolidate all land assembly processes under the Land Transfer Program Statement to allow for the private sale of City surplus, tax foreclosed and seized property to qualified, non-profit organizations for the public purpose of creating or preserving affordable housing by Resolution No. 01-1411.

On June 27, 2001, the City Council authorized implementation of policies and procedures contained in the adopted Housing Policy and to allow for modifications to Housing Program Statements under the adopted Housing Policy by Resolution No. 01-2049.

On December 8, 2003, the City Council authorized an ordinance amending Chapter 2 of the Dallas City Code to allow for changes in and extension of the development periods under H.B. 110 proposals and update references to applicable state law by Ordinance No. 25443.

On December 8, 2003, the City Council authorized an amendment to the program statement of the Land Transfer Program Policy to reflect the December 8, 2003 Ordinance change and changes to Section V. of the program statement by Resolution No. 03-3355.

On November 10, 2004, the City Council authorized an amendment to the program statement of the House Bill 110 Program to prohibit the placement of industrialized housing on properties sold by the City by Resolution No. 04-3193.

FISCAL INFORMATION

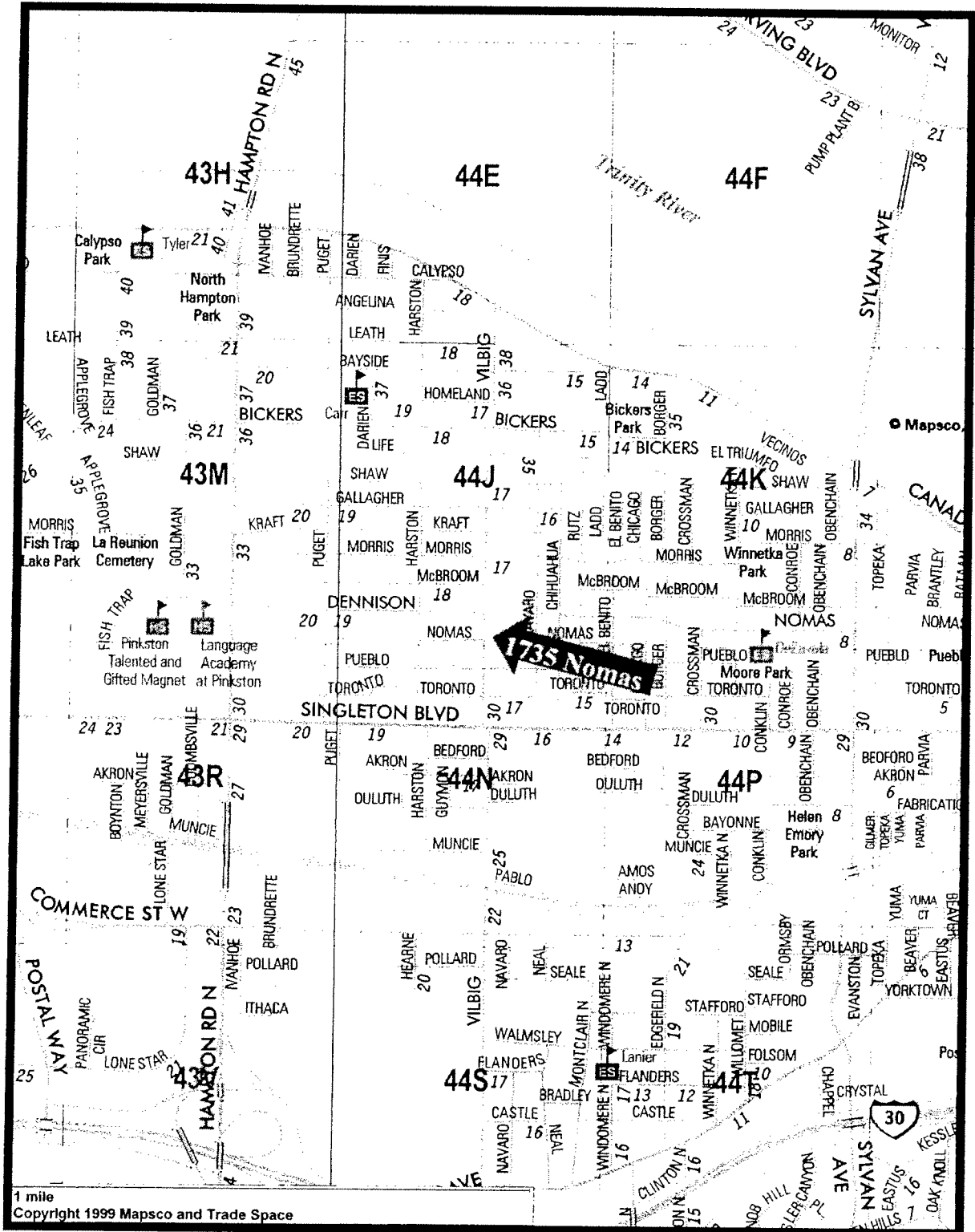
No cost consideration to the City.

MAP

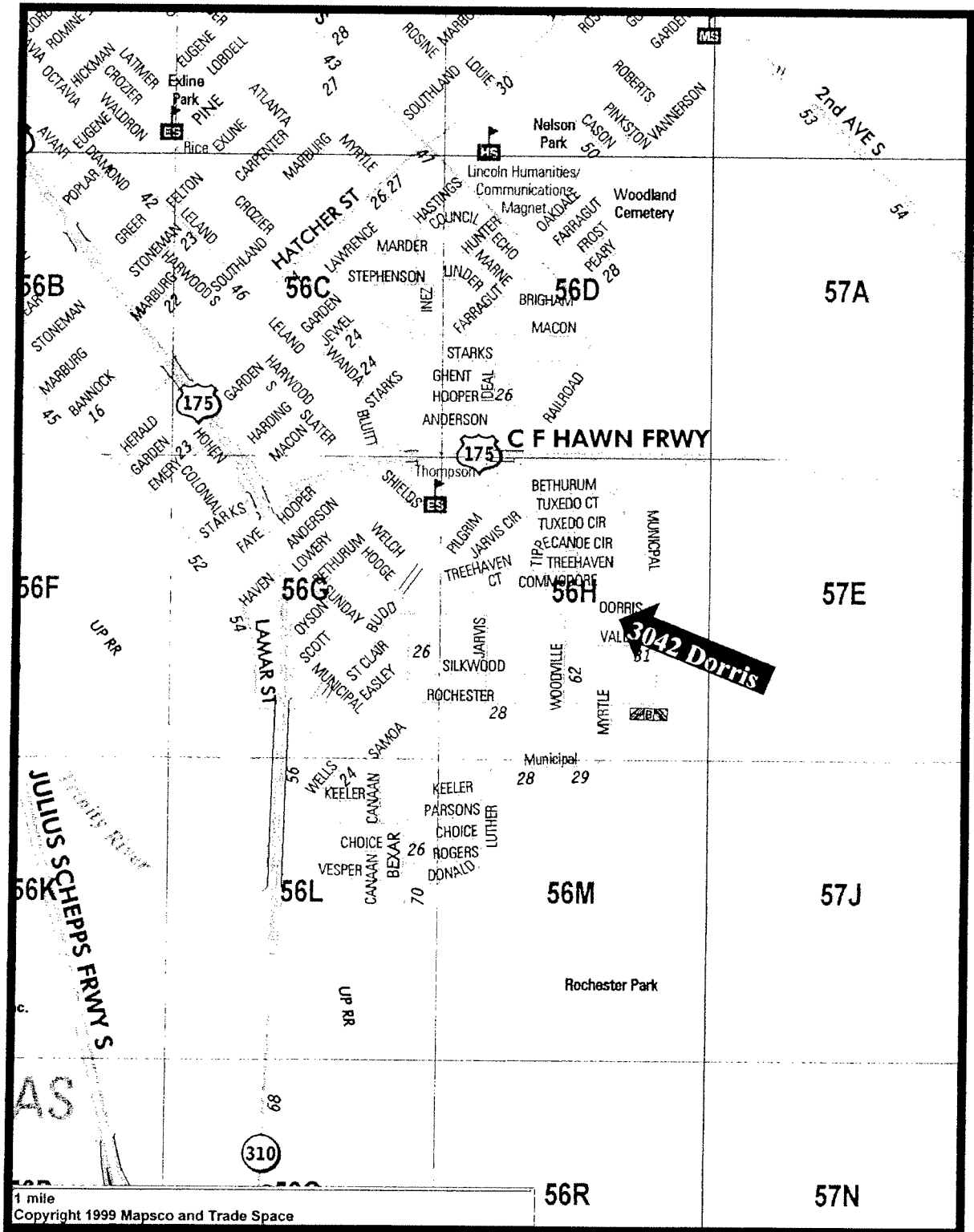
Attached

Tax Foreclosure and Seizure Property Resale

<u>Parcel No.</u>	<u>Address</u>	<u>Non-Profit Organization</u>	<u>Mapsco</u>	<u>DCAD Value</u>	<u>Sale Amount</u>	<u>Vac/ Imp Zoning</u>	<u>Council District</u>
1.	1735 Nomas	Dallas Neighborhood Alliance For Habitat, Inc.	44J	\$10,000	\$1,000	V R-5(A)	3
2.	3042 Dorris	Dallas Neighborhood Alliance For Habitat, Inc.	56H	\$1,000	\$1,000	V R-5(A)	7



MAPSCO 44J



MAPSCO 56H

April 28, 2010

WHEREAS, on November 13, 1996, The City Council authorized the development of procedures to allow for the private sale of tax foreclosed or seized properties to qualified non-profit organizations by Resolution No. 96-3691; and

WHEREAS, on May 14, 1997, the City Council authorized implementation of the procedures for the Land Assembly Program by Resolution No. 97-1504; and

WHEREAS, on November 11, 1998, the City Council authorized an ordinance amending Chapter 2 of the Dallas City Code to allow for an alternate manner of sale for tax foreclosed property to non-profit housing corporations and non-profit organizations by Ordinance No. 23713; and

WHEREAS, on September 22, 1999, the City Council authorized an ordinance amending Chapter 2 of the Dallas City Code to authorize and provide requirements, qualifications, restrictions, and procedures for an alternate manner of sale of seized real property to nonprofit organizations for the development of affordable housing by Ordinance No. 24046; and

WHEREAS, on May 9, 2001, the City Council authorized implementation of the procedures contained in the Land Transfer Program Statement and consolidate all land assembly processes under the Land Transfer Program Statement to allow for the private sale of City surplus, tax foreclosed and seized property to qualified, non-profit organizations for the public purpose of creating or preserving affordable housing by Resolution No. 01-1411; and

WHEREAS, on June 27, 2001, the City Council authorized implementation of policies and procedures contained in the adopted Housing Policy and to allow for modifications to Housing Program Statements under the adopted Housing Policy by Resolution No. 01-2049; and

WHEREAS, on December 8, 2003, the City Council authorized an ordinance amending Chapter 2 of the Dallas City Code to allow for changes in and extension of the development periods under H.B. 110 proposals and update references to applicable state law by Ordinance No. 25443; and

WHEREAS, on December 8, 2003, the City Council authorized an amendment of the program statement of the Land Transfer Program Policy to reflect the December 8, 2003 Ordinance change and changes to the program statement by Resolution No. 03-3355; and

WHEREAS, on November 10, 2004, the City Council authorized an amendment of the program statement of the House Bill 110 Program to prohibit the placement of industrialized housing on properties sold by the City by Resolution No. 04-3193; and

April 28, 2010

WHEREAS, on March 4, 2010, the City received two proposals from Dallas Neighborhood Alliance For Habitat, Inc. to purchase two (2) properties shown on Exhibit "A" for construction of two (2) single-family homes for purchase by low to moderate income homebuyers; **NOW, THEREFORE**,

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

SECTION 1. That the public hearing shall be held at 1:00 p.m. on May 26, 2010 in the City Council Chambers, Dallas City Hall, 6th floor, 1500 Marilla Street, Dallas, Texas, at which time any interested person may appear and speak for or against the proposed private sale by quitclaim deed of two (2) unimproved properties acquired by the taxing authorities from the Sheriff's Sale to a qualified non-profit organization; and, at the close of the public hearing, consider approval of the sale of the properties to the nonprofit organization, all as shown on Exhibit "A".

SECTION 2. That notice of such public hearing shall be published in the newspaper of record not later than ten (10) days prior to the date of such hearing. Written notice of such hearing shall be sent to all owners of real property lying within 200 feet of the boundary of the area subject to the purchase and notice of the hearing along with a copy of this resolution shall be delivered in writing to the presiding officer of the governing body of each taxing unit that includes in its boundaries real property that is to be included in the proposed purchase.

SECTION 3. That this resolution shall take effect immediately from and after its passage, in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

DISTRIBUTION:

Housing/Community Department
City Attorney's Office
Office of Financial Services/Community Development, 4FN
Office of Property Management

EXHIBIT "A"

TAX FORECLOSURE PROPERTY SALE

PARCEL NO.	Address	Mapsco	Non-Profit Organization	Sale Amount	Council District
1.	1735 Nomas	44J	Dallas Neighborhood Alliance For Habitat, Inc.	\$1,000	3
2.	3042 Dorris	56H	Dallas Neighborhood Alliance For Habitat, Inc.	\$1,000	7

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: April 28, 2010
COUNCIL DISTRICT(S): 3, 6
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 44E 42H U 43J

SUBJECT

Authorize **(1)** a public hearing to be held on May 26, 2010 to receive comments on the proposed private sale by quitclaim deed of four unimproved properties acquired by the taxing authorities from the Sheriff's Sale to Builders of Hope Community Development Corporation, a qualified non-profit organization; and **(2)** at the close of the public hearing, consideration of approval of the sale of these properties (list attached) - Financing: No cost consideration to the City

BACKGROUND

This item will begin the acquisition process for Builders of Hope Community Development Corporation to purchase four (4) unimproved properties for construction of four (4) single-family homes containing approximately 1,100 – 2,100 square feet each for purchase by a low to moderate income homebuyer at the proposed sales price of \$96,000 - \$150,000 each. The anticipated commencement date of construction is May 2013. The calling of a public hearing is part of the state requirements under House Bill 110.

The 1997 Texas State Legislature enacted House Bill 110 which amended Chapter 34 of the Texas Property Tax Code. Subsequently, Tax Code Section 34.015 was redesignated as Local Government Code Section 253.010. The legislation allows a municipality to adopt an ordinance which provides for land acquired by the municipality following the foreclosure of a tax lien in favor of or seizure by the municipality, to be sold to non-profit organizations for the development of affordable housing for low income individuals and families. The City Council approved Ordinance No. 23713, implementing House Bill 110, on November 11, 1998. Subsequently, the Texas Legislature moved these provisions by redesignating Tax Code Section 34.015 as Local Government Code Section 253.010. On December 8, 2003, the City Council approved Ordinance No. 25443 to reference this applicable state law.

BACKGROUND (continued)

The ordinance requires that housing be provided to households with incomes at or below 80% of Area Median Family Income. The ordinance defines non-profit organization as either: (1) a non-profit corporation as provided by the State law, or (2) a joint venture or partnership between a nonprofit corporation and a non-profit corporation or other non-profit legal entity composed of residents or property owners in the community or neighborhood in which the land subject to a purchase proposal under the ordinance is located.

Housing units require a 5-year deed restriction for single-family properties and a 15-year deed restriction for multi-family properties developed under this program. Rental property to be developed that contains more than 25 housing units will also be deed-restricted to require that social services be provided to residents based on the needs of the residents.

Non-profit organizations are allowed to purchase the property for a fixed sum of \$1,000 for up to 7,500 square feet of land purchased under the single proposal plus \$0.133 for each additional square foot of land purchased under the proposal. This revenue is paid first for court costs and maintenance costs and then any excess to taxing units in proportion to their share of taxes on the property. An additional sum will be paid to the City for costs of recording legal documents associated with the transaction. The purchase of properties is subject to any redemption rights of the owners. Approval by the City Council and the other taxing units will be required for all land transactions under this ordinance. The affordable housing unit(s) must be constructed within 3 years from the date on which the City conveys the quitclaim deed, unless City Council extends the time line.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On November 13, 1996, the City Council authorized the development of procedures to allow for the private sale of tax foreclosed or seized properties to qualified non-profit organizations by Resolution No. 96-3691.

On May 14, 1997, the City Council authorized implementation of the procedures for the Land Assembly Program by Resolution No. 97-1504.

On November 11, 1998, the City Council authorized an ordinance amending Chapter 2 of the Dallas City Code to allow for an alternate manner of sale for tax foreclosed property to non-profit housing corporations and non-profit organizations by Ordinance No. 23713.

PRIOR ACTION/REVIEW (Council, Boards, Commissions) (continued)

On September 22, 1999, the City Council authorized an ordinance amending Chapter 2 of the Dallas City Code to authorize and provide requirements, qualifications, restrictions, and procedures for an alternate manner of sale of seized real property to nonprofit organizations for the development of affordable housing by Ordinance No. 24046.

On May 9, 2001, the City Council authorized implementation of the procedures contained in the Land Transfer Program Statement and consolidate all land assembly processes under the Land Transfer Program Statement to allow for the private sale of City surplus, tax foreclosed and seized property to qualified, non-profit organizations for the public purpose of creating or preserving affordable housing by Resolution No. 01-1411.

On June 27, 2001, the City Council authorized implementation of policies and procedures contained in the adopted Housing Policy and to allow for modifications to Housing Program Statements under the adopted Housing Policy by Resolution No. 01-2049.

On December 8, 2003, the City Council authorized an ordinance amending Chapter 2 of the Dallas City Code to allow for changes in and extension of the development periods under H.B. 110 proposals and update references to applicable state law by Ordinance No. 25443.

On December 8, 2003, the City Council authorized an amendment to the program statement of the Land Transfer Program Policy to reflect the December 8, 2003 Ordinance change and changes to Section V. of the program statement by Resolution No. 03-3355.

On November 10, 2004, the City Council authorized an amendment to the program statement of the House Bill 110 Program to prohibit the placement of industrialized housing on properties sold by the City by Resolution No. 04-3193.

FISCAL INFORMATION

No cost consideration to the City.

MAP

Attached

Tax Foreclosure and Seizure Property Resale

<u>Parcel No.</u>	<u>Address</u>	<u>Non-Profit Organization</u>	<u>Mapsco</u>	<u>DCAD Value</u>	<u>Sale Amount</u>	<u>Vac/ Imp Zoning</u>	<u>Council District</u>
1.	1966 Calypso	Builders of Hope Community Development Corporation	44E	\$7,000	\$1,000	V R-5(A)	3
2.	5403 Fannie	Builders of Hope Community Development Corporation	42U	\$18,000	\$5,744.70	V R-5(A)	6
3.	3720 Nomas	Builders of Hope Community Development Corporation	43K	\$12,000	\$1,000	V R-5(A)	3
4.	4020 Ranger	Builders of Hope Community Development Corporation	42H	\$12,000	\$1,000	V R-5(A)	6

April 28, 2010

WHEREAS, on November 13, 1996, The City Council authorized the development of procedures to allow for the private sale of tax foreclosed or seized properties to qualified non-profit organizations by Resolution No. 96-3691; and

WHEREAS, on May 14, 1997, the City Council authorized implementation of the procedures for the Land Assembly Program by Resolution No. 97-1504; and

WHEREAS, on November 11, 1998, the City Council authorized an ordinance amending Chapter 2 of the Dallas City Code to allow for an alternate manner of sale for tax foreclosed property to non-profit housing corporations and non-profit organizations by Ordinance No. 23713; and

WHEREAS, on September 22, 1999, the City Council authorized an ordinance amending Chapter 2 of the Dallas City Code to authorize and provide requirements, qualifications, restrictions, and procedures for an alternate manner of sale of seized real property to nonprofit organizations for the development of affordable housing by Ordinance No. 24046; and

WHEREAS, on May 9, 2001, the City Council authorized implementation of the procedures contained in the Land Transfer Program Statement and consolidate all land assembly processes under the Land Transfer Program Statement to allow for the private sale of City surplus, tax foreclosed and seized property to qualified, non-profit organizations for the public purpose of creating or preserving affordable housing by Resolution No. 01-1411; and

WHEREAS, on June 27, 2001, the City Council authorized implementation of policies and procedures contained in the adopted Housing Policy and to allow for modifications to Housing Program Statements under the adopted Housing Policy by Resolution No. 01-2049; and

WHEREAS, on December 8, 2003, the City Council authorized an ordinance amending Chapter 2 of the Dallas City Code to allow for changes in and extension of the development periods under H.B. 110 proposals and update references to applicable state law by Ordinance No. 25443; and

WHEREAS, on December 8, 2003, the City Council authorized an amendment of the program statement of the Land Transfer Program Policy to reflect the December 8, 2003 Ordinance change and changes to the program statement by Resolution No. 03-3355; and

WHEREAS, on November 10, 2004, the City Council authorized an amendment of the program statement of the House Bill 110 Program to prohibit the placement of industrialized housing on properties sold by the City by Resolution No. 04-3193; and

April 28, 2010

WHEREAS, on March 31, 2010, the City received four proposals from Builders of Hope Community Development Corporation to purchase four (4) properties shown on Exhibit "A" for construction of four (4) single-family homes for purchase by low to moderate income homebuyers; **NOW, THEREFORE**,

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

SECTION 1. That the public hearing shall be held at 1:00 p.m. on May 26, 2010 in the City Council Chambers, Dallas City Hall, 6th floor, 1500 Marilla Street, Dallas, Texas, at which time any interested person may appear and speak for or against the proposed private sale by quitclaim deed of four (4) unimproved properties acquired by the taxing authorities from the Sheriff's Sale to a qualified non-profit organization; and, at the close of the public hearing, consider approval of the sale of the properties to the nonprofit organization, all as shown on Exhibit "A".

SECTION 2. That notice of such public hearing shall be published in the newspaper of record not later than ten (10) days prior to the date of such hearing. Written notice of such hearing shall be sent to all owners of real property lying within 200 feet of the boundary of the area subject to the purchase and notice of the hearing along with a copy of this resolution shall be delivered in writing to the presiding officer of the governing body of each taxing unit that includes in its boundaries real property that is to be included in the proposed purchase.

SECTION 3. That this resolution shall take effect immediately from and after its passage, in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

DISTRIBUTION:

Housing/Community Department
City Attorney's Office
Office of Financial Services/Community Development, 4FN
Office of Property Management

TAX FORECLOSURE PROPERTY SALE

PARCEL NO.	Address	Mapsco	Non-Profit Organization	Sale Amount	Council District
1.	1966 Calypso	44E	Builders of Hope Community Development Corporation	\$1,000.00	3
2.	5403 Fannie	42U	Builders of Hope Community Development Corporation	\$5,774.70	6
3.	3720 Nomas	43K	Builders of Hope Community Development Corporation	\$1,000.00	3
4.	4020 Ranger	42H	Builders of Hope Community Development Corporation	\$1,000.00	6

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: April 28, 2010
COUNCIL DISTRICT(S): 7, 8
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 46X 70B

SUBJECT

Authorize the reconstruction on-site of two homes in accordance with the Reconstruction/SHARE Program Statement requirements for the properties located at: 2220 Jordan Street in the amount of \$93,400; and 12511 Fish Road in the amount of \$93,400 - Total not to exceed \$186,800 - Financing: 2008-09 Community Development Block Grant Funds

BACKGROUND

On November 12, 2007, City Council approved an amendment to the Program Statement for the Home Repair Program which authorizes loans for reconstruction on site of new homes to low-income homeowners in Dallas earning less than 50% Citywide, and 80% in NIP areas of Area Median Family Income (AMFI).

On December 9, 2009, City Council approved an amendment to the Program Statement for the Reconstruction/SHARE program to provide to homeowners a maximum of \$93,400 for a new home on-site of approximately 1,200 sq ft.

City Council authorization is required prior to proceeding with reconstruction on site when all of the following conditions exist: (a) repairs necessary to meet the City's locally adopted Housing Rehabilitation Standards or Federal Housing Quality Standards, and all applicable codes cannot be accomplished within the program funding limits; (b) the conditions of the home create an imminent danger to the life, health and/or safety of the residents, and/or the neighborhood; and (c) repairs are not feasible so as to extend the life of the repaired structure beyond 15 years.

BACKGROUND (continued)

On October 8, 2008, City Council approved an amendment to the Program Statement for the Home Repair Program which authorizes loans for reconstruction on site of new homes to low-income homeowners in Dallas earning less than 80% of Area Median Family Income (AMFI), and who are older than 62 years of age or disabled, and to provide assistance with one (1) tax and insurance payment.

The homeowners herein described and their properties are eligible for a reconstruction/SHARE Program loan. The homeowners are 80% and below AMFI and their names, ages and property addresses are as follows: Cecil Earl Phillips & Viola Phillips, an elderly couple 86 & 82 years old residing at 2220 Jordan Street; and Maria L. Villarreal, a 59 year old disabled female residing at 12511 Fish Road.

This action provides authority to proceed with reconstruction of two (2) single-family homes on-site, as all conditions noted above have been met.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 28, 1998, City Council approved the Program Statement authorizing the Housing Department to implement the Home Improvement Loan Program, and clarified the procedures for reconstruction on-site under certain conditions by Council Resolution No. 98-3157.

On August 23, 2000, City Council authorized approval of the Program Statement for the Home Improvement Loan Program by Resolution No. 00-2656.

On June 27, 2001, City Council authorized approval of the Program Statement for the Home Repair Program by Resolution No. 01-2049.

On August 14, 2002, City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-2272.

On October 23, 2002, City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-3047.

On October 22, 2003, City Council authorized the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 03-2833.

On June 23, 2004, City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 04-2097.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (continued)

On October 18, 2004, the Housing and Neighborhood Development Committee recommended to increase the Maximum loan for a replacement home to \$70,000.

On November 10, 2004, City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program to increase the maximum amount to \$70,000 by Resolution No. 04-3194.

On November 12, 2007, City Council approved the Program Statement authorizing the Housing Department to implement the Reconstruction/SHARE Program Statement for reconstruction on-site pursuant to certain conditions for assistance up to \$87,500 by Resolution No. 07-3307.

On April 23, 2008, City Council authorized an amendment to the Reconstruction/SHARE Program Statement to add an amenities package up to \$5,900 by Resolution No. 08-1266.

On October 8, 2008, City Council authorized an amendment to the Reconstruction/SHARE Program Statement to assist low-income homeowners in Dallas earning less than 80% of Area Median Family Income (AMFI), and who are older than 62 years of age or disabled, and to provide assistance with one (1) tax and insurance payment in Resolution No. 08-2768.

On December 9, 2009, City Council authorized an amendment to the Reconstruction/SHARE Program Statement to increase the maximum Reconstruction Program Assistance Type One loan amount from \$87,500 to \$93,400 in Resolution No. 09-2951.

FISCAL INFORMATION

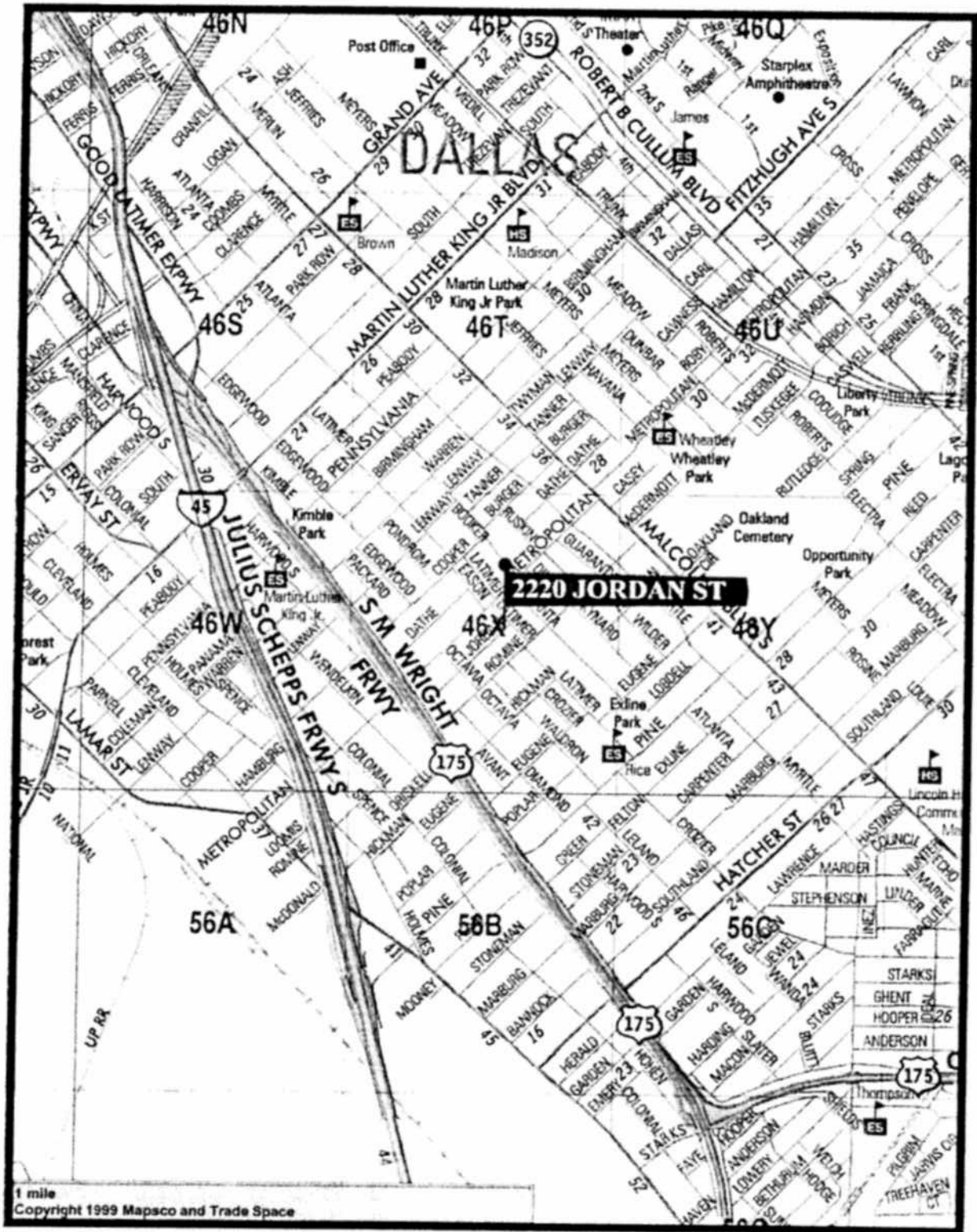
2008-09 Community Development Block Grant Funds - \$186,800

Council District 7 - \$93,400

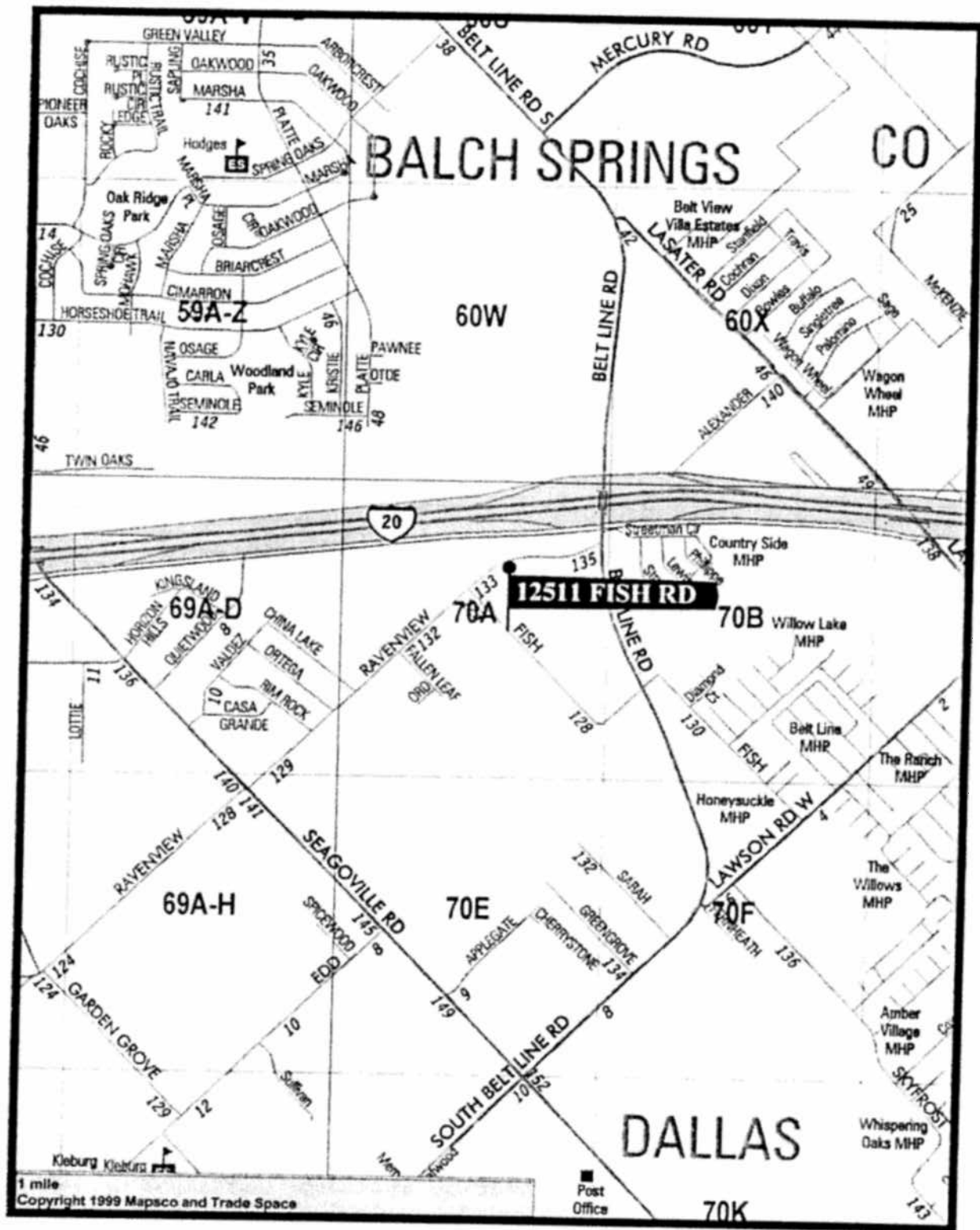
Council District 8 - \$93,400

MAP(S)

Attached



MAPSCO 46X



MAPSCO 70A

April 28, 2010

WHEREAS, on October 28, 1998, City Council approved the Program Statement authorizing the Housing Department to implement the Home Improvement Loan Program and clarified the procedures for reconstruction on-site under certain conditions by Resolution No. 98-3157; and

WHEREAS, on August 23, 2000, City Council authorized approval of the Program Statement for the Home Improvement Loan Program by Resolution No. 00-2656; and

WHEREAS, on June 27, 2001, City Council authorized approval of a Program Statement for the Home Repair Program by Resolution No. 01-2049; and

WHEREAS, on August 14, 2002, City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-2272; and

WHEREAS, on October 23, 2002, City Council authorized the Program Statement for the Home Repair Program by Resolution No. 02-3047; and

WHEREAS, on October 22, 2003, City Council authorized the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 03-2833; and

WHEREAS, on June 23, 2004, City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program by Resolution No. 04-2097; and

WHEREAS, on October 18, 2004, the Housing and Neighborhood Development Committee recommended increasing the Maximum loan for a replacement home to \$70,000; and

WHEREAS, on November 10, 2004, City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program to increase the maximum amount to \$70,000 by Resolution No. 04-3194; and

WHEREAS, on November 12, 2007, City Council approved the Program Statement authorizing the Housing Department to implement the Reconstruction/SHARE Program Statement for reconstruction on-site pursuant to certain conditions for assistance up to \$87,500 by Resolution No. 07-3307; and

WHEREAS, on April 23, 2008, City Council authorized an amendment to the Reconstruction/SHARE Program Statement to add an amenities package up to \$5,900 by Resolution No. 08-1266; and

April 28, 2010

WHEREAS, on October 8, 2008, City Council authorized an amendment to the Reconstruction/SHARE Program Statement to assist low-income homeowners at 80% of AMFI, who are older than 62 years old or disabled, and to provide assistance with one (1) tax and insurance payment; and

WHEREAS, on December 9, 2009, City Council authorized an amendment to the Reconstruction/SHARE Program Statement to increase the maximum Reconstruction Program Assistance Type One loan amount from \$87,500 to \$93,400 by Resolution No. 09-2951; and

WHEREAS, the homeowners herein described made application to the Home Repair Program: Cecil Earl Phillips & Viola Phillips at 2220 Jordan Street; and Maria L. Villarreal at 12511 Fish Road; and

WHEREAS, all three conditions outlined in the Reconstruction/SHARE Program Statement for reconstruction of a home on-site have been met for the property owners Cecil Earl Phillips & Viola Phillips, and Maria L. Villarreal; **NOW THEREFORE**,

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

SECTION 1. That the application and property from homeowners described for a reconstruction loan be approved under the Reconstruction/SHARE Program: Cecil Earl Phillips & Viola Phillips at 2220 Jordan Street; and Maria L. Villarreal at 12511 Fish Road. All loans are in the amounts shown in Section 3 hereof.

SECTION 2. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute loan documents with Cecil Earl Phillips & Viola Phillips, and Maria L. Villarreal for reconstruction on-site of the homes to be located at: 2220 Jordan Street; and 12511 Fish Road.

SECTION 3. That the City Controller is authorized to make payments for reconstruction of the home in accordance with the funding information listed according to:

Fund CD08 Dept HOU, Unit 304A, Obj 3100 CT HOU304AF374 (\$93,400)
Vendor # 337798 – Torres Construction. – 2220 Jordan Street

Fund CD08 Dept HOU, Unit 304A, Obj 3100 CT HOU304AE361 (\$93,400)
Vendor # 337798 – Torres Construction. – 12511 Fish Road

April 28, 2010

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas and it is accordingly so resolved.

DISTRIBUTION:

Housing/Community Services Department
City Attorney's Office
Office of Financial Services/Community Development, 4FS

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: April 28, 2010
COUNCIL DISTRICT(S): 7
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 47N

SUBJECT

Authorize an amendment to Resolution No. 09-2085, previously approved on August 26, 2009, to increase the loan amount by \$500,000 on an existing economic development loan with South Dallas/Fair Park Inncity Community Development Corporation (ICDC) for the acquisition of improved and unimproved properties, located within the Frazier Neighborhood Investment Program (NIP) area, including associated closing costs, relocation, environmental remediation, or demolition costs for the purpose of constructing residential, retail, commercial, or mixed-use redevelopment as part of the Economic Development Plan for the Frazier area – Not to exceed \$500,000, from \$1,000,000 to \$1,500,000 - Financing: 2006 Bond Funds

BACKGROUND

Over the period of 2003-2008, master planning, leveraging of capital investments, public/private developments, and redevelopment has begun in the Frazier Neighborhood Investment Program (NIP) Area. In order to implement components of the master plan, catalyst projects for new public/private development and redevelopment have been considered by the City Council on an individual basis.

The 2006 Bond Election provided \$41.495 million in general obligation bonds to provide funds for promoting economic development in the Southern Sector. On December 12, 2007, the City Council approved an amendment to the Public/Private Partnership Program to set forth the Economic Development Program for Southern Dallas. This project will be implemented under the amended program.

One of the key Frazier Neighborhood community stakeholders, South Dallas/Fair Park Inncity Community Development Corporation (ICDC), who is a certified Community Housing Development Organization (CHDO), proposed to work with the City of Dallas to undertake the Spring Avenue Revitalization which is a component of the master plan.

BACKGROUND (continued)

On February 20, 2008, the City Council approved a \$500,000 economic development loan for ICDC to begin acquisition of improved and unimproved properties, address any relocation issues, address environmental remediation, and demolish existing improvements in order to begin revitalization efforts. ICDC has expended these funds and acquired parcels.

On August 26, 2009, the City Council approved an additional \$500,000 of FY06 Bond proceeds to ICDC to continue the acquisition of improved and unimproved properties located within the Frazier Neighborhood Investment Program (NIP) area, including associated closing costs, relocation, environmental remediation, or demolition costs. Sites are being acquired for the purpose of constructing residential, retail, commercial, or mixed-use redevelopment in accordance with the Economic Development Master Plan for the Frazier area.

ICDC's loan will continue to be a zero percent interest rate with a seven year term, subject to multiple acceleration for failure to expend the additional funds within two years or complete and sell or lease the residential housing to persons at 140% or less of area median family income or obtain a certificate of occupancy for completed non-residential structures and projects within seven years of execution of the note. ICDC must begin vertical construction by 2014 in order to comply with this contract. ICDC will have to continue to file deed restrictions and liens on acquired properties in order to assure their redevelopment in accordance with Bond Program requirements.

ICDC has already purchased a number of improved and unimproved properties within the Frazier area. They have expended \$856,261 of the allocated amounts to date. The additional \$500,000 will allow ICDC to continue their efforts to acquire improved and unimproved property on Spring Street for the greater purpose of constructing residential, retail, commercial, or mixed-use redevelopment in accordance with the Economic Development Master Plan for the Frazier area.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 26, 2003, the City Council approved the designation of five (5) census tracts, (CT 25.00, CT 39.02, CT 49.00, CT 89.00, and CT 101.01) as Neighborhood Investment Program (NIP) target areas for two years beginning October 1, 2003.

On September 28, 2005, the City Council approved the redesignation and expansion of three of the existing five NIP targeted areas as follows: CT 25.00 expanded to include CT 27.01 and CT 27.02; CT 39.02 expanded to include CT 115.00 (part); and CT 101.01 expanded to include CT 101.02. These census tracts were designated for a minimum of three years, beginning October 1, 2005.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (continued)

On August 9, 2006, the City Council approved an ordinance ordering a bond election to be held in the City of Dallas on November 7, 2006, for the purpose of submitting propositions for the issuance of general obligation bonds for funding permanent public improvements.

On December 12, 2007, the City Council approved an amendment to the Public/Private Partnership Program to include a special category for an Economic Development General Obligation Bond Program for Southern Dallas.

On January 22, 2008, the Housing Committee of the City Council was briefed on the Frazier Neighborhood Investment Area and the Spring Avenue Revitalization Project.

On February 20, 2008, the City Council approved an economic development loan in the amount of \$500,000 at 0% interest to South Dallas/Fair Park Inncity Community Development Corporation by Resolution No. 08-0595.

On August 26, 2009, the City Council approved an additional \$500,000 of FY06 Bond proceeds to ICDC to continue the acquisition of improved and unimproved properties located within the Frazier Neighborhood Investment Program (NIP) area, including associated closing costs, relocation, environmental remediation, or demolition costs by Resolution No. 09-2085. Sites are being acquired for the purpose of constructing residential, retail, commercial, or mixed-use redevelopment in accordance with the Economic Development Master Plan for the Frazier area.

FISCAL INFORMATION

2006 Bond Funds - \$500,000

OWNERS

**South Dallas/Fair Park Inncity
Community Development
Corporation**

Diane Ragsdale, Executive Director

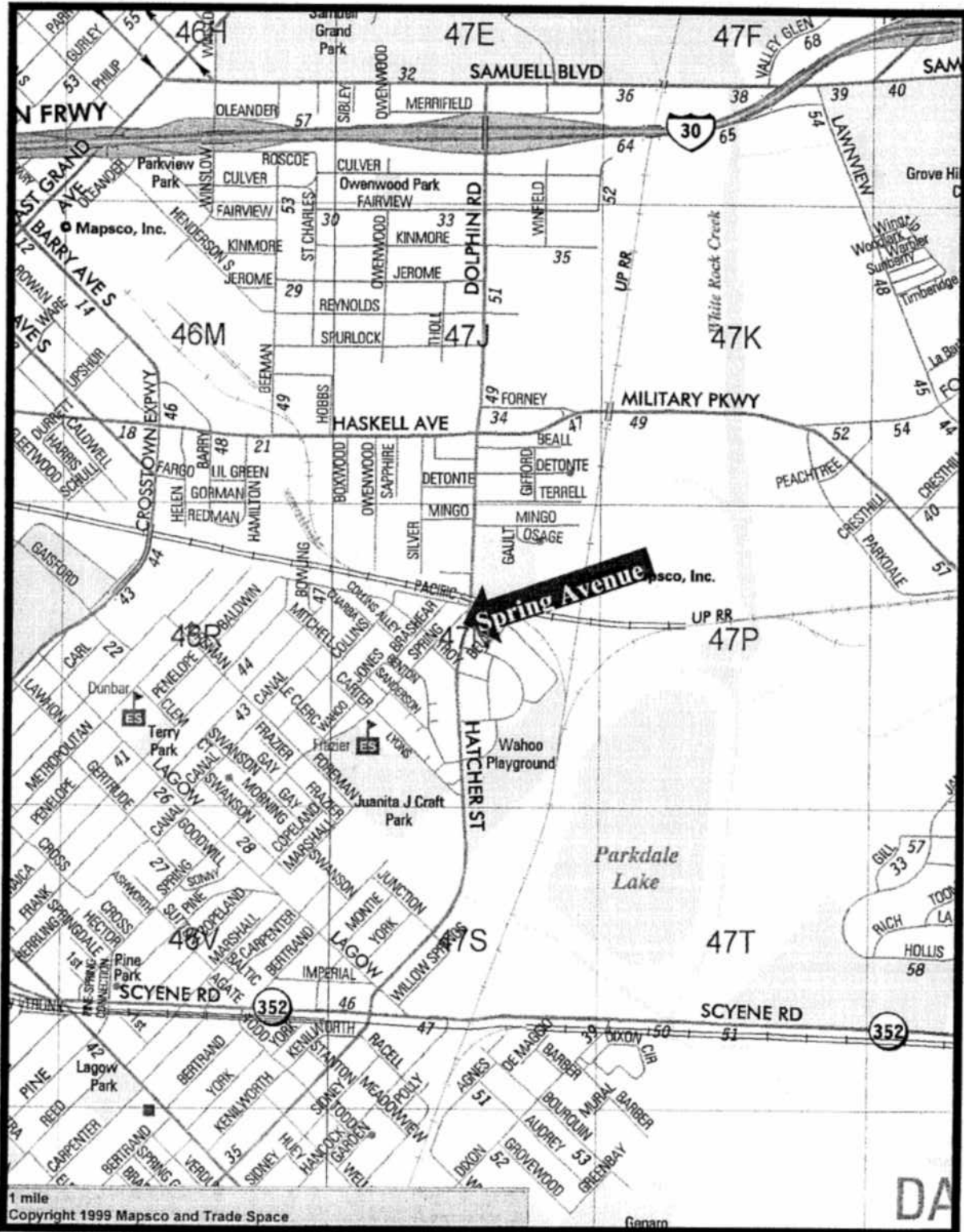
DEVELOPER

**South Dallas/Fair Park Inncity
Community Development
Corporation**

Diane Ragsdale, Executive Director

MAP(S)

Attached



1 mile
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MAPSCO 47N

April 28, 2010

WHEREAS, the City of Dallas seeks to increase the supply of new affordable workforce housing in order to attract and retain economic growth; and

WHEREAS, on February 26, 2003, the City Council approved the designation of five (5) census tracts, (CT 25.00, CT 39.02, CT 49.00, CT 89.00, and CT 101.01) as Neighborhood Investment Program (NIP) target areas for two years beginning October 1, 2003; and

WHEREAS, on September 28, 2005, the City Council approved the redesignation and expansion of three of the existing five NIP targeted areas as follows: CT 25.00 expanded to include CT 27.01 and CT 27.02; CT 39.02 expanded to include CT 115.00 (part); and CT 101.01 expanded to include CT 101.02. These census tracts were designated for a minimum of three years, beginning October 1, 2005; and

WHEREAS, on August 9, 2006, the City Council approved an ordinance ordering a bond election to be held in the City of Dallas on November 7, 2006, for the purpose of submitting propositions for the issuance of general obligation bonds for funding permanent public improvements; and

WHEREAS, On November 7, 2006, the voters of Dallas approved a \$1.35 billion General Obligation Bond Program of which \$41,495,000 was set aside for the purpose of providing funds for promoting economic development in the Southern area of the city, and promoting economic development in other areas of the city in connection with transit-oriented development; and

WHEREAS, on December 12, 2007, the City Council approved an amendment to the Public/Private Partnership Program to include a special category for an Economic Development General Obligation Bond Program for Southern Dallas; and

WHEREAS, on January 22, 2008, the Housing Committee of the City Council was briefed on the Frazier Neighborhood Investment Area and the Spring Avenue Revitalization Project; and

WHEREAS, on February 20, 2008, the City Council approved an economic development loan in the amount of \$500,000 at 0% interest to South Dallas/Fair Park Inncity Community Development Corporation; and

April 28, 2010

WHEREAS, On August 26, 2009, the City Council approved an additional \$500,000 of FY06 Bond proceeds to ICDC to continue the acquisition of improved and unimproved properties located within the Frazier Neighborhood Investment Program (NIP) area, including associated closing costs, relocation, environmental remediation, or demolition costs. Sites are to be acquired for the purpose of constructing residential, retail, commercial, or mixed-use redevelopment in accordance with the Economic Development Master Plan for the Frazier area; and

WHEREAS, South Dallas/Fair Park Inncity Community Development Corporation (ICDC) proposes to work with the City of Dallas for the Frazier Neighborhood Investment Program Area-Spring Avenue Revitalization Project; **NOW, THEREFORE**,

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

Section 1. That the City Manager or designee, upon approval as to form by the City Attorney, is hereby authorized to increase the loan amount by \$500,000, from \$1,000,000 to \$1,500,000 on an existing economic development loan with South Dallas/Fair Park Inncity Community Development Corporation (ICDC) for the acquisition of improved and unimproved properties, located within the Frazier Neighborhood Investment Program (NIP) area, including associated closing costs, relocation, environmental remediation, or demolition costs for the purpose of constructing residential, retail, commercial, or mixed-use redevelopment as part of the Economic Development Plan for the Frazier area.

Section 2. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute modifications to South Dallas/Fair Park Inncity Community Development Corporation's (ICDC's) loan documents.

Section 3. That the Controller is hereby authorized to encumber and disburse funds in accordance with the terms and conditions of the contracts as follows:

South Dallas/Fair Park Inncity Development Corp. Vendor # 266539
Fund 9T52, Dept HOU, Unit T807, Act AQDM, Obj 3015
Program # FRAZIER1, CT HOUT807J277 - in an amount not to exceed \$500,000

Section 4. That the City Controller is hereby authorized to set up receivable balance sheet account (033F) and an allowance for uncollectible debt (022D) in fund 8T52 for the amount of the loan.

April 28, 2010

Section 5. That nothing in this resolution shall be construed as a binding contract or agreement upon the City, that it is subject to available bond funding, and there will be no liability or obligation on the City until final contract documents are approved, executed, and final closing completed.

Section 6. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

DISTRIBUTION:

Housing Department
City Attorney's Office
Office of Financial Services/Community Development, 4FN