

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: December 9, 2009
COUNCIL DISTRICT(S): 14
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 45Q

SUBJECT

Authorize **(1)** a public hearing to be held on January 13, 2010, to receive comments on the proposed City of Dallas submission of an application to the U.S. Department of Housing and Urban Development (HUD) for a Community Development Block Grant (CDBG) Section 108 Guarantee Loan Program loan in the amount of \$7,600,000 to fund a loan for FC Continental Complex, L.P., for the conversion of a vacant commercial building at 1810 Commerce Street into 199 apartment units with 40 units for individuals and families with incomes at 80% or less of Area Median Family Income as established by HUD and to fund an interest reserve; and at the close of the public hearing, **(2)** consideration of submission of an application to HUD for a CDBG Section 108 Guarantee Loan Program loan for FC Continental Complex, L.P., in an amount not to exceed \$7,600,000 - Financing: No cost consideration to the City

BACKGROUND

In pursuit of programs to help fill the gap in financing for development projects during the economic downturn beginning since the fall of 2008, City staff has researched, and in November briefed the City Council Economic Development and Housing Committees. The Committees gave preliminary approval for application to U.S. Department of Housing and Urban Development (HUD) for Community Development Block Grant (CDBG) Section 108 Guarantee loan funds for individual projects with the total of all applications not to exceed \$75,000,000.

The City seeks to fund projects that sustain or increase the level of business activity in the project area by expanding economic activities. It is also important to the City that Section 108 loan repayments from borrowers match the City's required repayments to HUD on the Section 108 Guarantee Loan. Annual repayments of Section 108 Guarantee loans should be credit enhanced to eliminate risk of City making payments from annual CDBG allocations.

BACKGROUND (continued)

The City has received a proposal from FC Continental Complex, L.P., for a loan in the amount of \$7,600,000 in Community Development Block Grant Section 108 Guarantee Loan funds for the conversion of a vacant commercial building at 1810 Commerce Street into 199 rental units including 40 units that will be deed restricted for 15 years for affordability to individuals and families with incomes at 80% or less of Area Median Family Income as established by HUD.

The Housing Committee was briefed on the Community Development Block Grant Section 108 Guaranteed Loan Application to HUD for the Continental Building project on November 2, 2009.

The City held a neighborhood public hearing at the Dallas Farmers Market on November 23, 2009, and received favorable comments on the application to HUD for the Continental Building project.

The Council public hearing to be held on January 13, 2010, will comply with HUD regulations and City's Citizen Participation Plan of 30 days comment period.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 17, 2008, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Loan Application authorization for the use of Section 108 Guarantee Loan funds to provide project gap financing or mezzanine debt necessary to move projects forward in today's financial market, to minimize, if not eliminate, the risk to the CDBG program revenue and set guidelines by which the funds would be used.

On January 5, 2009, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Guarantee Loan fund application requirements and proposed Program Guidelines for City to apply for up to a total of \$75,000,000 in guarantee loans.

On January 28, 2009, the City Council adopted CDBG Section 108 Guarantee Loan Program Statement, setting out the program purpose, description, operations and project criteria by Resolution No. 09-0291.

On November 2, 2009, the Housing Committee was briefed on the CDBG Section 108 Guaranteed Loan Application to HUD for the Continental Building project and voted to favorably recommend that the City apply for Section 108 Guarantee Loan funds for the project.

FISCAL INFORMATION

No cost consideration to the City.

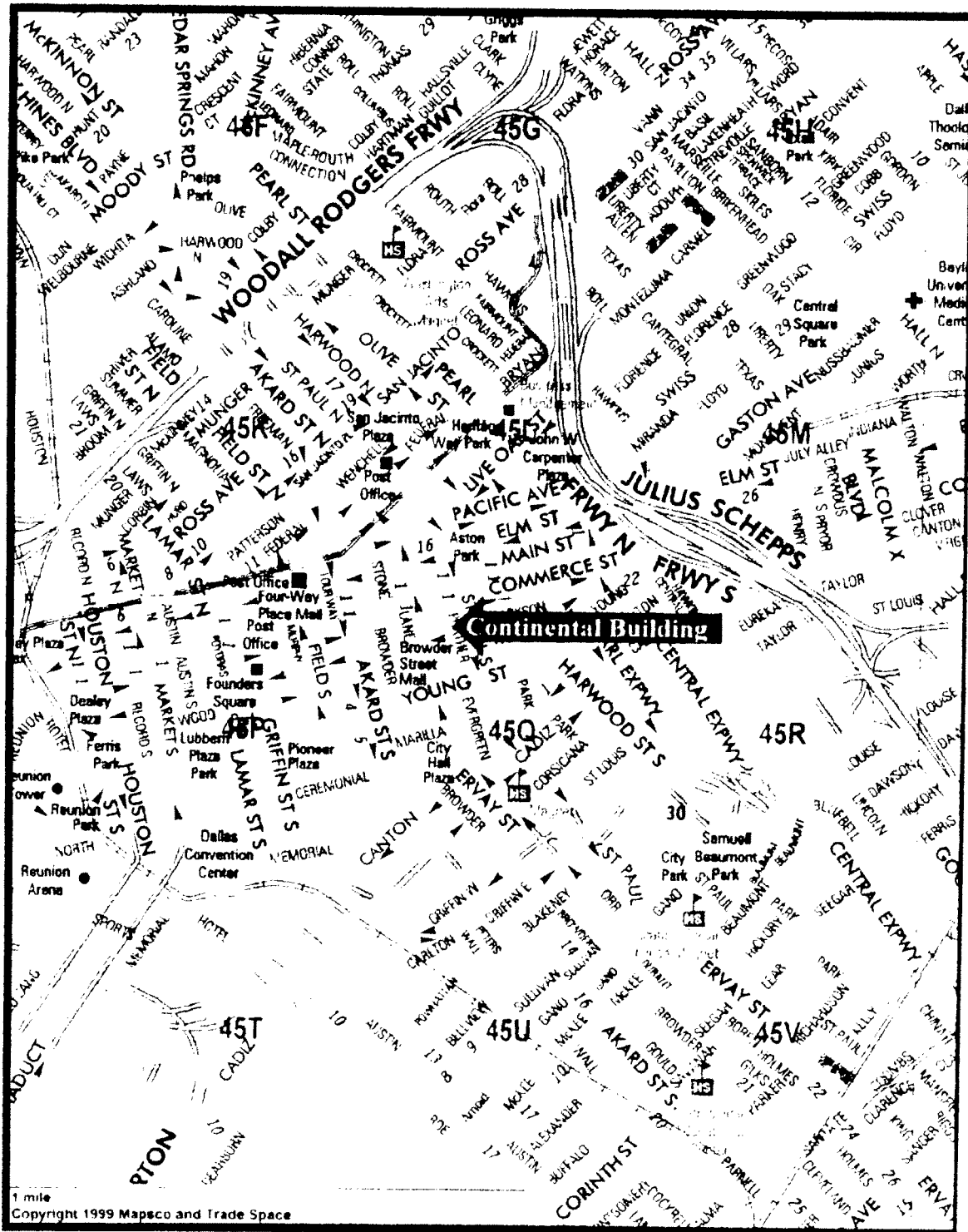
OWNERS

**FC Continental Complex, L.P.
Forest City Residential Group, Inc.**

Ron Ratner, President

MAP

Attached



MAPSCO 45Q

December 9, 2009

WHEREAS, the City of Dallas seeks to keep momentum going in growth prone areas and stimulate investment in more challenged areas by providing a substitute for declining availability of capital funding while banks are not willing to loan as much against collateral, interest rates for available funding have increased and proceeds from sales of tax credits has declined; and

WHEREAS, on November 17, 2008, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Loan Application authorization for the use of Section 108 Guarantee Loan funds to provide project gap financing or mezzanine debt necessary to move projects forward in today's financial market, to minimize, if not eliminate, the risk to the CDBG program revenue and set guidelines by which the funds would be used; and

WHEREAS, on January 5, 2009, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Guarantee Loan fund application requirements and proposed Program Guidelines for the City to apply for up to a total of \$75,000,000 in guarantee loans; and

WHEREAS, on January 28, 2009, the City Council adopted CDBG Section 108 Guarantee Loan Program Statement, setting out the program purpose, description, operations and project criteria by Resolution No. 09-0291; and

WHEREAS, on November 2, 2009, the Housing Committee was briefed on the CDBG Section 108 Guaranteed Loan Application to HUD for the Continental Building project and voted to favorably recommend that the City apply for Section 108 Guarantee Loan funds for the project; and

WHEREAS, the City of Dallas desires to apply to HUD for Community Development Section 108 Guarantee Loan funds for development of the Continental Building project at 1810 Commerce Street consisting of conversion of a vacant commercial building at 1810 Commerce Street into 199 rental units with 40 units for individuals and families with incomes at 80% or less of Area Median Family Income as established by HUD and funding interest reserve; and

WHEREAS, the City Council of the City of Dallas desires to call a public hearing to receive comments on the proposed application to the U.S. Department of Housing and Urban Development for Community Development Block Grant Section 108 Guarantee Loan funds in the amount of \$7,600,000 for the Continental Building project; **NOW THEREFORE**,

December 9, 2009

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

SECTION 1. That the City Council hereby authorizes a public hearing to be held on January 13, 2010, to receive citizens' comments on the proposed City of Dallas submission of an application to the U.S. Department of Housing and Urban Development (HUD) for a CDBG Section 108 Guarantee Loan Program loan in the amount of \$7,600,000 to fund a loan for FC Continental Complex, L.P. for conversion of a vacant commercial building at 1810 Commerce Street into 199 apartment units with 40 units for individuals and families with incomes at 80% or less of Area Median Family Income as established by the U.S. Department of Housing and Urban Development and to fund interest reserve.

SECTION 2. That at the close of the January 13, 2010 public hearing, the City Council will consider whether to authorize the submission of an application to HUD for a CDBG Section 108 Guaranteed Loan for FC Continental Complex, L.P. in an amount not to exceed \$7,600,000.

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

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: December 9, 2009
COUNCIL DISTRICT(S): 3
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 44Z

SUBJECT

Authorize (1) a public hearing to be held on January 13, 2010 to receive comments on the proposed City of Dallas submission of an application to the U.S. Department of Housing and Urban Development (HUD) for a Community Development Block Grant Section 108 Guarantee Loan Program loan in the amount of \$5,500,000 to fund a loan for Lang Partners, LLC for the acquisition of property at 1340 Plowman Avenue and to fund interest reserve, public infrastructure, demolition and site improvements. for development of 260 apartment units with 52 apartment units deed restricted for 15 years for affordability to families with incomes at 80% or less of Area Median Family Income as established by HUD and retail and office space; and at the close of the public hearing, (2) consideration of submission of the application to HUD for a CDBG Section 108 Guarantee Loan Program loan for Lang Partners, LLC in an amount not to exceed \$5,500,000 - Financing: No cost consideration to the City

BACKGROUND

In pursuit of programs to help fill the gap in financing for development projects during the economic downturn beginning since the fall of 2008, City staff has researched, and in November 2008, briefed the City Council Economic Development and Housing Committees. The Committees gave preliminary approval for application to U.S. Department of Housing and Urban Development (HUD) for Community Development Block Grant (CDBG) Section 108 Guarantee loan funds for individual projects with the total of all applications not to exceed \$75,000,000.

The City seeks to fund projects that increase the level of affordable housing in the project area and increase the level of business activity by expanding economic activities. It is also important to the City that Section 108 loan repayments from borrowers match the City's required repayments to HUD on the Section 108 Guarantee Loan. Annual repayments of Section 108 Guarantee loans should be credit enhanced to eliminate risk of City making payments from annual CDBG allocations.

BACKGROUND (continued)

The City has received a proposal from Lang Partners, LLC for a loan in the amount of \$5,500,000 in Community Development Block Grant Section 108 Guarantee Loan funds for acquisition of property located at 1340 Plowman Avenue that will be developed into 260 apartment units including 52 units that will be deed restricted for 15 years for affordability to families with incomes at 80% or less of Area Median Family Income. The Zang Triangle site is located in a CDBG eligible Census Tract.

The Housing Committee was briefed on the Community Development Block Grant Section 108 Guarantee Loan Application to HUD for the Zang Triangle project on December 7, 2009.

The City will hold a neighborhood public hearing during the week of December 14, 2009. Comments from the neighborhood public hearing will be compiled.

This public hearing to be held on January 13, 2010 will comply with HUD regulations and City's Citizen Participation Plan of 30 days comment period from date of call of public hearing.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 17, 2008, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Loan Application authorization for the use of Section 108 Guarantee Loan funds to provide project gap financing or mezzanine debt necessary to move projects forward in today's financial market, to minimize, if not eliminate, the risk to the CDBG program revenue and set guidelines by which the funds would be used.

On January 5, 2009, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Guarantee Loan fund application requirements and proposed Program Guidelines for City to apply for up to a total of \$75,000,000 in guarantee loans.

On January 28, 2009, the City Council adopted CDBG Section 108 Guarantee Loan Program Statement, setting out the program purpose, description, operations and project criteria by Resolution No. 09-0291.

On December 7, 2009, the Housing Committee was briefed on the Community Development Block Grant Section 108 Guaranteed Loan Application to HUD for the Zang Triangle development and voted to favorably recommend that the City apply for Section 108 Guarantee Loan funds for the project.

FISCAL INFORMATION

No cost consideration to the City.

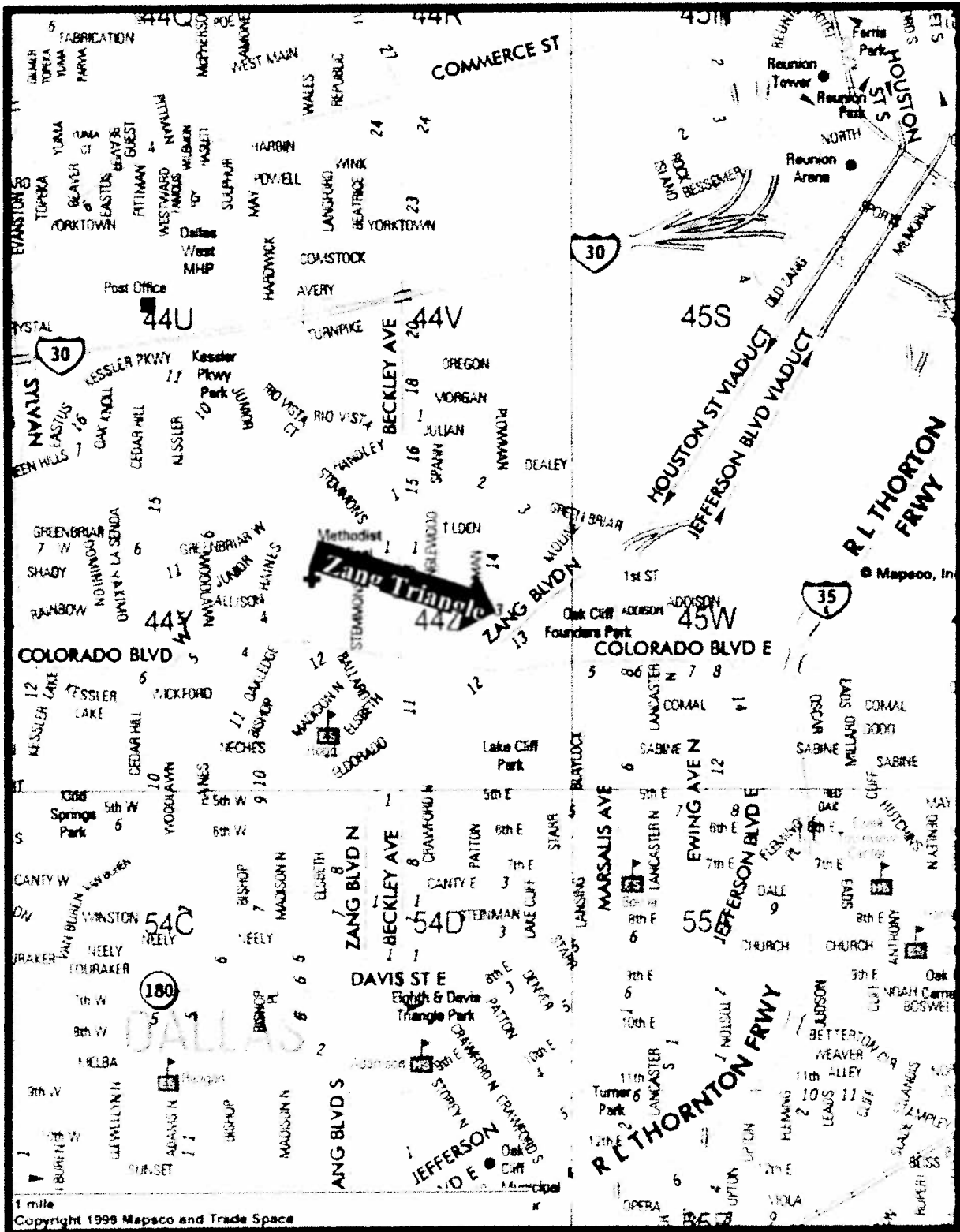
OWNERS

Lang Partners, LLC

Dirik Oudt, President
Matt Johnson, Vice President, Secretary
Kyle Oudt, Vice President, Treasurer
John Ausburn, Vice President

MAP

Attached



1 mile
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MAPSCO 44Z

December 9, 2009

WHEREAS, the City of Dallas seeks to keep momentum going in growth prone areas and stimulate investment in more challenged areas by providing a substitute for declining availability of capital funding while banks are not willing to loan as much against collateral, interest rates for available funding have increased and proceeds from sales of tax credits has declined; and

WHEREAS, on November 17, 2008, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Loan Application authorization for the use of Section 108 Guarantee Loan funds to provide project gap financing or mezzanine debt necessary to move projects forward in today's financial market, to minimize, if not eliminate, the risk to the CDBG program revenue and set guidelines by which the funds would be used; and

WHEREAS, on January 5, 2009, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Guarantee Loan fund application requirements and proposed Program Guidelines for the City to apply for up to a total of \$75,000,000 in guarantee loans; and

WHEREAS, on January 28, 2009, the City Council adopted CDBG Section 108 Guarantee Loan Program Statement, setting out the program purpose, description, operations and project criteria by Resolution No. 09-0291; and

WHEREAS, on December 7, 2009, the Housing Committee was briefed on the amended Community Development Block Grant Section 108 Guaranteed Loan Application to HUD for the Zang Triangle Development and voted to favorably recommend that the City apply for Section 108 Guarantee Loan funds for the project; and

WHEREAS, the City of Dallas desires to apply to HUD for Community Development Section 108 Guarantee Loan funds in the amount of \$5,500,000 for the development of the Zang Triangle, a residential project at 1340 Plowman Avenue of 260 multi-family residential units with 52 apartment units that will be deed restricted for 15 years for affordability to families with incomes 80% or less of Area Median Family Income, and consisting of property acquisition, and funding of interest reserve, public infrastructure, demolition and site improvements; and

WHEREAS, the City will seek a waiver from HUD from the requirement that 51% of the newly created residential units be occupied by low and moderate-income households at affordable rents because this project will provide 20% of its units at affordable rents and occupation by low and moderate-income households; and

December 9, 2009

WHEREAS, the City Council of the City of Dallas desires to call a public hearing to receive comments on the application to the U.S. Department of Housing and Urban Development Block Grant Section 108 Guarantee Loan funds in the amount of \$5,500,000 for the Zang Triangle project; **NOW THEREFORE**,

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

SECTION 1. That the City Council hereby authorizes a public hearing to be held on January 13, 2010 to receive comments on the proposed City of Dallas submission of an application to the U.S. Department of Housing and Urban Development (HUD) for a CDBG Section 108 Guarantee Loan Program loan in an amount not to exceed \$5,500,000 to fund a loan for Lang Partners, LLC for property acquisition and to fund an interest reserve, public infrastructure, demolition and site improvements to develop a residential project at 1340 Plowman Avenue containing 260 multi-family residential units with 52 apartment units that will be deed restricted for 15 years for affordability to families with incomes less than 80% Area Median Family Income as established by HUD.

SECTION 2. That at the close of the January 13, 2010 public hearing, the City Council will consider whether to authorize the submission of an application to HUD for a CDBG Section 108 Guaranteed Loan for Lang Partners, LLC in an amount not to exceed \$5,500,000.

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

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: December 9, 2009
COUNCIL DISTRICT(S): 3
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 43Z

SUBJECT

A public hearing to receive comments on amendments to the proposed City of Dallas application to the U.S. Department of Housing and Urban Development (HUD) for a Community Development Block Grant (CDBG) Section 108 Guarantee Loan Program loan to increase the loan amount from \$5,100,000 to \$5,300,000 to fund a loan for Courtyards at La Reunion, LLC for the acquisition of land and building located at 2201 Fort Worth Avenue, change project scope of work from rehabilitation to demolition and construction of new apartment units, and increase number of apartment units from 64 to 95 with a decrease from 64 to 59 apartment units deed restricted for 15 years for affordability to families with incomes at 80% or less of Area Median Family Income as established by HUD; and at the close of the public hearing, authorize (1) submission of the application as amended to HUD for a CDBG Section 108 Guarantee Loan Program loan for Courtyards at La Reunion, LLC in an amount not to exceed \$5,300,000; and (2) the City Manager to submit the application as amended and take necessary actions in connection with the application submission - Financing: No cost consideration to the City

BACKGROUND

This item calls for a public hearing to allow the public an opportunity to comment on amendments to the proposed City of Dallas submission of an application to the U.S. Department of Housing and Urban Development (HUD) for a Community Development Block Grant (CDBG) Section 108 Guarantee Loan Program loan (Section 108 loan) to increase the loan amount from \$5,100,000 previously approved to \$5,300,000 to fund a loan for Courtyards at La Reunion, LLC (Section 108 Courtyards at LaReunion Loan) for the acquisition of land and building located at 2201 Fort Worth Avenue, change project scope of work from rehabilitation to demolition and construction of new apartment units, and increase number of apartment units from 64 to 95 new units with a decrease from 64 to 59 apartment units deed restricted for 15 years for affordability to families with incomes at 80% or less of Area Median Family Income as established by HUD.

BACKGROUND (continued)

In pursuit of programs to help fill the gap in financing for development projects during the economic downturn beginning since the fall of 2008, City staff has researched, and in November, briefed the City Council Economic Development and Housing Committees. The Committees gave preliminary approval for application to U.S. Department of Housing and Urban Development (HUD) for Community Development Block Grant (CDBG) Section 108 Guarantee loan funds for individual projects with the total of all applications not to exceed \$75,000,000.

The City seeks to fund projects that increase the level of affordable housing in the project area and increase the level of business activity by expanding economic activities. It is also important to the City that Section 108 loan repayments from borrowers match the City's required repayments to HUD on the Section 108 Guarantee Loan. Annual repayments of Section 108 Guarantee loans should be credit enhanced to eliminate risk of City making payments from annual CDBG allocations.

The City held neighborhood public hearings at the Dallas West Branch Library on June 15, 2009 and received favorable comments on the application to HUD for the Courtyards at La Reunion project and on November 19, 2009. Comments from the November 19th public hearing are being compiled.

The City previously held the Council public hearing on the application to HUD for CDBG Section 108 Guarantee Loan funds for a loan in the amount of \$5,100,000 for the Courtyards at La Reunion project and approved submission of the application to HUD. The amended proposal is requesting an increase in the loan amount from \$5,100,000 to \$5,300,000. With submission of the application the City must certify that the City Manager is authorized to submit the application and all related documents and take necessary actions in connection with the application submission.

This public hearing complies with HUD regulations and City's Citizen Participation Plan of 30 days comment period from date of call of public hearing.

Total project costs to acquire land and building and fund interest reserve, tenant relocation costs and site improvements and demolish 64 apartments units and construct 95 apartment units at 2201 Fort Worth Avenue are approximately \$11.1M. Funding for the project will come from the proposed \$5.3M Section 108 Loan funds and from a first lien note of \$4.8M and developer equity of \$1M.

BACKGROUND (continued)

The Section 108 loan application will request \$5.3M for the project at an interest rate determined by the 3 month London Interbank Offered Rate (LIBOR), with three years of interest reserve escrowed at the construction loan closing.

Additional reserves, operating deficits, and undistributed partnership income will be used to make the Section 108 Courtyards at La Reunion Loan payments for the five years until the Section 108 Courtyards at La Reunion Loan is paid. The Section 108 loan will be paid in five years with a permanent loan. Interest will be paid by the developer. The interest rate on the Section 108 Courtyards at La Reunion Loan will be .5% higher than the Section 108 from HUD and both loans will have matching amortization. All loan payments by borrower will provide adequate funds for the City to make its payments on the Section 108 Loan from HUD.

The use of Section 108 Loan funds to acquire land and building and fund interest reserve, tenant relocation costs, and site improvements for construction of 95 rental units will meet the statements of community development objectives in the City's Consolidated Plan dealing with creation of affordable housing that is decent, safe and sanitary when the 95-unit project is completed. The project also complies with a HUD National Objective as a housing activity benefitting low and moderate-income persons through acquisition of property for the construction of affordable housing. 62% or 59 of project's total units will be affordable for low and moderate-income persons.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 17, 2008, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Loan Application authorization for the use of Section 108 Guarantee Loan funds to provide project gap financing or mezzanine debt necessary to move projects forward in today's financial market, to minimize, if not eliminate, the risk to the CDBG program revenue and set guidelines by which the funds would be used.

On January 5, 2009, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Guarantee Loan fund application requirements and proposed Program Guidelines for City to apply for up to a total of \$75,000,000 in guarantee loans.

On January 28, 2009, the City Council adopted CDBG Section 108 Guarantee Loan Program Statement, setting out the program purpose, description, operations and project criteria by Resolution No. 09-0291.

On June 24, 2009, the Council held a public hearing and approved submission of the CDBG Section 108 Guarantee Loan application to HUD to fund a loan for Courtyards at La Reunion, LLC in the amount of \$5,100,000 by Resolution No. 09-1681.

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

On November 2, 2009, the Housing Committee was briefed on the amended Community Development Block Grant Section 108 Guaranteed Loan Application to HUD for the Courtyards at La Reunion Development and voted to favorably recommend that the City apply for Section 108 Guarantee Loan funds for the project.

FISCAL INFORMATION

No cost consideration to the City.

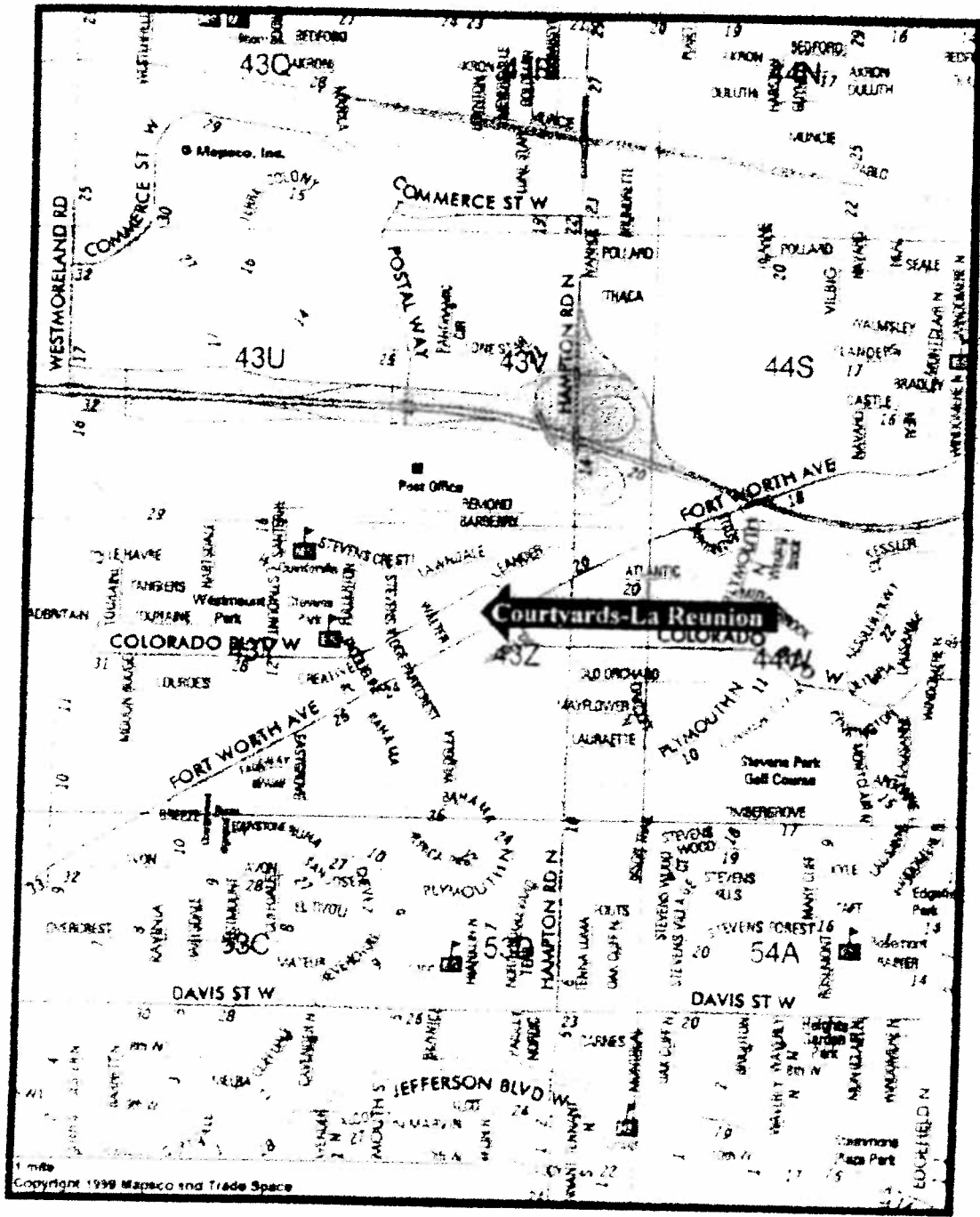
OWNERS

**Courtyards at La Reunion, LLC
Avalon Residential Care Homes, Inc.**

Todd Aaron Seib, Managing Member

MAP

Attached



MAPSCO 43Z

December 9, 2009

WHEREAS, the City of Dallas seeks to keep momentum going in growth prone areas and stimulate investment in more challenged areas by providing a substitute for declining availability of capital funding while banks are not willing to loan as much against collateral, interest rates for available funding have increased and proceeds from sales of tax credits has declined; and

WHEREAS, on November 17, 2008, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Loan Application authorization for the use of Section 108 Guarantee Loan funds to provide project gap financing or mezzanine debt necessary to move projects forward in today's financial market, to minimize, if not eliminate, the risk to the CDBG program revenue and set guidelines by which the funds would be used; and

WHEREAS, on January 5, 2009, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Guarantee Loan fund application requirements and proposed Program Guidelines for the City to apply for up to a total of \$75,000,000 in guarantee loans; and

WHEREAS, on January 28, 2009, the City Council adopted CDBG Section 108 Guarantee Loan Program Statement, setting out the program purpose, description, operations and project criteria by Resolution No. 09-0291; and

WHEREAS, on June 24, 2009, the Council held a public hearing and approved submission of the CDBG Section 108 Guarantee Loan application to HUD to fund a loan for Courtyards at La Reunion, LLC in the amount of \$5,100,000 by Resolution No. 09-1681; and

WHEREAS, on November 2, 2009, the Housing Committee was briefed on the amended Community Development Block Grant Section 108 Guaranteed Loan Application to HUD for the Courtyards at La Reunion Development and voted to favorably recommend that the City apply for Section 108 Guarantee Loan funds for the project; and

WHEREAS, the City of Dallas desires to apply to HUD for Community Development Section 108 Guarantee Loan funds in an amount not to exceed \$5,300,000 for the development of the Courtyards at La Reunion, a multi-family residential project at 2201 Fort Worth Avenue consisting of land and building acquisition and demolition of 64 apartment units to complete development of a multi-family project with 95 new apartment units including 59 units that will be deed restricted for 15 years for affordability to families with incomes at 80% or less of Area Median Family Income as established by HUD; and

December 9, 2009

WHEREAS, HUD requires the City to certify that its governing body has duly adopted a resolution (a) authorizing the person identified as the official representative of the public entity to submit the application and amendments thereto and all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the public entity to act in connection with the application to provide such additional information as may be required; and (b) authorizing such official representative to execute such documents as may be required in order to implement the application and issue debt obligations pursuant thereto (provided that the authorization required by this paragraph may be given by the local governing body after submission of the application but prior to execution of the contract required by §570.705(b)); **NOW THEREFORE**,

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

SECTION 1. That the City Council hereby authorizes the submission of the application as amended to the U.S. Department of Housing and Urban Development (HUD) for a CDBG Section 108 Guarantee Loan Program loan in an amount not to exceed \$5,300,000 to fund a loan for Courtyards at La Reunion, LLC for land and building acquisition and for interest reserve, tenant relocation costs, and site improvements at 2201 Fort Worth Avenue (Project) to develop a multi-family project with 95 new apartment units including 59 apartment units deed restricted for 15 years for affordability to families with incomes at 80% or less of Area Median Family Income as established by HUD.

SECTION 2. That the Section 108 loan application will request an amount not to exceed \$5,300,000 for the Project at an interest rate which is .5% higher than the Section 108 Loan from HUD with principal and interest payments for the first five years of the loan funded out of three years of interest reserve with the excess of additional reserves, operating deficits, and undistributed partnership income to be used to make the Section 108 Courtyard at La Reunion Loan payments until a permanent loan will repay the Section 108 Courtyard at La Reunion Loan in full. Both the Section 108 Loan from HUD and the Section Courtyards at La Reunion Loan will have matching amortization. All loan payments by borrower will provide adequate funds for City to make its payment on the Section 108 Loan from HUD.

SECTION 3. That the City Manager is authorized to submit the application and amendments thereto and all understandings and assurances contained therein, and the City Manager is the official representative of the City of Dallas authorized to act in connection with the application to provide such additional information as may be required.

December 9, 2009

SECTION 4. That the City Manager is authorized to take necessary action as may be required in connection with the submission of the Section 108 application.

SECTION 5. 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
Economic Development Department
City Attorney's Office
Office of Financial Services/Community Development, 4FS

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: December 9, 2009
COUNCIL DISTRICT(S): 3
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 43Z

SUBJECT

A public hearing to receive comments on the proposed City of Dallas submission of an application to the U.S. Department of Housing and Urban Development (HUD) for a Community Development Block Grant Section 108 Guarantee Loan Program loan in the amount of \$10,350,000 to fund a loan for Orleans at La Reunion, LLC for the acquisition of property at 2300 Fort Worth Avenue and to fund an interest reserve, tenant relocation costs and site improvements for mixed-use development of 220 apartment units with 44 apartment units deed restricted for 15 years for affordability to families with incomes at 80% or less of Area Median Family Income as established by HUD and retail and office space; and at the close of the public hearing, authorize (1) submission of the application to HUD for a CDBG Section 108 Guarantee Loan Program loan for Orleans at La Reunion, LLC in an amount not to exceed \$10,350,000; and (2) the City Manager to submit the application and take necessary actions in connection with the application submission - Financing: No cost consideration to the City

BACKGROUND

This item calls for a public hearing to allow the public an opportunity to comment on the proposed City of Dallas submission of an application to the U.S. Department of Housing and Urban Development (HUD) for a Community Development Block Grant (CDBG) Section 108 Guarantee Loan Program loan (Section 108 loan) in the amount of \$10,350,000 to fund a loan for Orleans at La Reunion, LLC (Section 108 Orleans at LaReunion Loan) for the acquisition of property located at 2300 Fort Worth Avenue and to fund an interest reserve, tenant relocation costs and site improvements for mixed-use development of 220 apartment units with 44 apartment units deed restricted for 15 years for affordability to families with incomes at 80% or less of Area Median Family Income as established by HUD and retail and office space.

BACKGROUND (continued)

In pursuit of programs to help fill the gap in financing for development projects during the economic downturn beginning since the fall of 2008, City staff has researched, and in November, briefed the City Council Economic Development and Housing Committees.

The Committees gave preliminary approval for application to U.S. Department of Housing and Urban Development (HUD) for Community Development Block Grant (CDBG) Section 108 Guarantee loan funds for individual projects with the total of all applications not to exceed \$75,000,000.

The City seeks to fund projects that increase the level of affordable housing in the project area and increase the level of business activity by expanding economic activities. It is also important to the City that Section 108 loan repayments from borrowers match the City's required repayments to HUD on the Section 108 Guarantee Loan. Annual repayments of Section 108 Guarantee loans should be credit enhanced to eliminate risk of City making payments from annual CDBG allocations.

The City has received a proposal from Orleans at La Reunion, LLC for a loan in the amount of \$10,350,000 in Community Development Block Grant Section 108 Guarantee Loan funds for acquisition of a multi-family property located at 2300 Fort Worth Avenue that will be developed into retail and office space and 220 apartment units including 44 units that will be deed restricted for 15 years for affordability to families with incomes at 80% or less of Area Median Family Income. The Orleans at La Reunion site is located in a CDBG eligible Census Tract.

The City held a neighborhood public hearing at the Dallas West Library Branch on November 19, 2009. Comments from the neighborhood public hearing are being compiled.

This public hearing complies with HUD regulations and City's Citizen Participation Plan of 30 days comment period from date of call of public hearing. With submission of the application the City must certify that the City Manager is authorized to submit the application and all related documents and take necessary actions in connection with the application submission.

Total project costs to acquire property and fund interest reserve, tenant relocation costs and site improvements and construct the Orleans Development mixed-use project of 220 apartment units and approximately 20,000 square feet of retail space and 5,000 square feet of office space at 2300 Fort Worth Avenue are approximately \$32.7M. Funding for the project will come from the proposed \$10.3M Section 108 Loan funds and from a first lien note of \$17.3M and developer equity of \$5.1M.

BACKGROUND (continued)

The Section 108 loan application will request \$5.3M for the project at an interest rate determined by the 3 month London Interbank Offered Rate (LIBOR), with three years of interest reserve escrowed at the construction loan closing. Additional reserves, operating deficits, and undistributed partnership income will be used to make the Section 108 Orleans at La Reunion Loan payments for the five years until the Section 108 Orleans at La Reunion Loan is paid. The Section 108 loan will be paid in five years with a permanent loan.

Interest will be paid by the developer. The interest rate on the Section 108 Orleans at La Reunion Loan will be .5% higher than the Section 108 from HUD and both loans will have matching amortization. All loan payments by borrower will provide adequate funds for the City to make its payments on the Section 108 Loan from HUD.

The use of Section 108 Loan funds will be used to acquire property and fund interest reserve, tenant relocation costs, and site improvements. The project will meet the statements of community development objectives in the City's Consolidated Plan dealing with creation of affordable housing that is decent, safe and sanitary when the 220-unit project is completed. The project also complies with a HUD National Objective as a housing activity benefitting low and moderate-income persons through acquisition of property for the construction of affordable housing units. 20% or 44 of project's total units will be affordable for low and moderate-income persons. The City will seek a waiver from the requirement that 51% of the newly created residential units be occupied by low and moderate-income households at affordable rents.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 17, 2008, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Loan Application authorization for the use of Section 108 Guarantee Loan funds to provide project gap financing or mezzanine debt necessary to move projects forward in today's financial market, to minimize, if not eliminate, the risk to the CDBG program revenue and set guidelines by which the funds would be used.

On January 5, 2009, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Guarantee Loan fund application requirements and proposed Program Guidelines for City to apply for up to a total of \$75,000,000 in guarantee loans.

On January 28, 2009, the City Council adopted CDBG Section 108 Guarantee Loan Program Statement, setting out the program purpose, description, operations and project criteria by Resolution No. 09-0291.

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

On November 2, 2009, the Housing Committee was briefed on the Community Development Block Grant Section 108 Guaranteed Loan Application to HUD for the Orleans at La Reunion Development and voted to favorably recommend that the City apply for Section 108 Guarantee Loan funds for the project.

FISCAL INFORMATION

No cost consideration to the City.

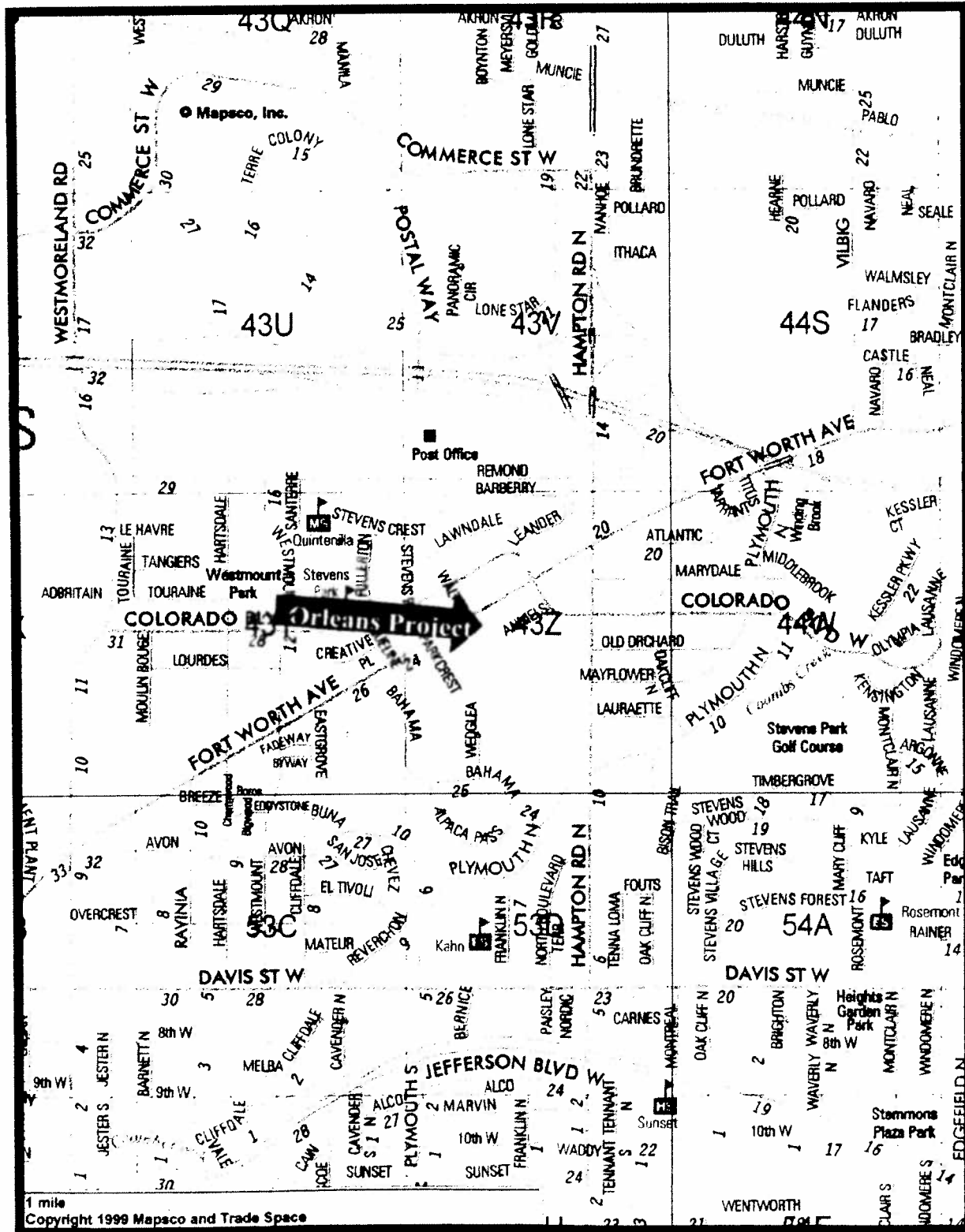
OWNERS

**Orleans at La Reunion, LLC
Avalon Residential Care Homes, Inc.**

Todd Aaron Seib, Managing Member

MAP

Attached



1 mile
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MAPSCO 43Z

December 9, 2009

WHEREAS, the City of Dallas seeks to keep momentum going in growth prone areas and stimulate investment in more challenged areas by providing a substitute for declining availability of capital funding while banks are not willing to loan as much against collateral, interest rates for available funding have increased and proceeds from sales of tax credits has declined; and

WHEREAS, on November 17, 2008, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Loan Application authorization for the use of Section 108 Guarantee Loan funds to provide project gap financing or mezzanine debt necessary to move projects forward in today's financial market, to minimize, if not eliminate, the risk to the CDBG program revenue and set guidelines by which the funds would be used; and

WHEREAS, on January 5, 2009, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Guarantee Loan fund application requirements and proposed Program Guidelines for the City to apply for up to a total of \$75,000,000 in guarantee loans; and

WHEREAS, on January 28, 2009, the City Council adopted CDBG Section 108 Guarantee Loan Program Statement, setting out the program purpose, description, operations and project criteria by Resolution No. 09-0291; and

WHEREAS, on November 2, 2009, the Housing Committee was briefed on the Community Development Block Grant Section 108 Guaranteed Loan Application to HUD for the Orleans at La Reunion Development and voted to favorably recommend that the City apply for Section 108 Guarantee Loan funds for the project; and

WHEREAS, the City of Dallas desires to apply to HUD for Community Development Section 108 Guarantee Loan funds in the amount of \$10,350,000 for the development of the Orleans at La Reunion, a mixed-use project at 2300 Fort Worth Avenue including retail and office space and 220 multi-family residential units with 44 apartment units that will be deed restricted for 15 years for affordability to families with incomes 80% or less of Area Median Family Income, and consisting of property acquisition, funding of interest reserve, tenant relocation costs, and site improvements; and

WHEREAS, the City will seek a waiver from HUD from the requirement that 51% of the newly created residential units be occupied by low and moderate-income households at affordable rents because this project will provide 20% of its units at affordable rents and occupation by low and moderate-income households; and

December 9, 2009

WHEREAS, HUD requires the City to certify that its governing body has duly adopted a resolution (a) authorizing the person identified as the official representative of the public entity to submit the application and amendments thereto and all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the public entity to act in connection with the application to provide such additional information as may be required; and (b) authorizing such official representative to execute such documents as may be required in order to implement the application and issue debt obligations pursuant thereto (provided that the authorization required by this paragraph may be given by the local governing body after submission of the application but prior to execution of the contract required by §570.705(b)); **NOW THEREFORE**,

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

SECTION 1. That the City Council hereby authorizes the submission of the application to the U.S. Department of Housing and Urban Development (HUD) for a CDBG Section 108 Guarantee Loan Program loan in an amount not to exceed \$10,350,000 to fund a loan for Orleans at La Reunion, LLC for property acquisition and funding of interest reserve, tenant relocation costs, and site improvements to develop a mixed-use project at 2300 Fort Worth Avenue including retail and office space and 220 multi-family residential units with 44 apartment units that will be deed restricted for 15 years for affordability to families with incomes less than 80% Area Median Family Income as established by HUD.

SECTION 2. That the Section 108 loan application will request an amount not to exceed \$10,350,000 for the Project at an interest rate which is .5% higher than the Section 108 Loan from HUD with principal and interest payments for the first five years of the loan funded out of three years of interest reserve with the excess of additional reserves, operating deficits, and undistributed partnership income to be used to make the Section 108 Orleans at La Reunion Loan payments until a permanent loan will repay the Section 108 Orleans at La Reunion Loan in full. Both the Section 108 Loan from HUD and the Section Orleans at La Reunion Loan will have matching amortization. All loan payments by borrower will provide adequate funds for City to make its payment on the Section 108 Loan from HUD.

SECTION 3. That the City will seek a waiver from HUD from the requirement that 51% of the newly created residential units be occupied by low and moderate-income households at affordable rents because this project will provide 20% of its units at affordable rents and occupation by low and moderate-income households.

December 9, 2009

SECTION 4. That the City Manager is authorized to submit the application and amendments thereto and all understandings and assurances contained therein, and the City Manager is the official representative of the City of Dallas authorized to act in connection with the application to provide such additional information as may be required.

SECTION 5. That the City Manager is authorized to take necessary action as may be required in connection with the submission of the Section 108 application.

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

KEY FOCUS AREA: A Cleaner, Healthier City Environment

AGENDA DATE: December 9, 2009

COUNCIL DISTRICT(S): All

DEPARTMENT: Housing/Community Services

CMO: A. C. Gonzalez, 671-8925

MAPSCO: N/A

SUBJECT

Authorize modifications to the Reconstruction/SHARE Program Statement to increase the maximum Reconstruction Program Assistance Type One loan amount from \$87,500 to \$93,400 - Financing: No cost consideration to the City

BACKGROUND

On November 12, 2007, the City Council adopted the Program Statement for the Major System Repair and Reconstruction/SHARE Programs by Resolution No. 07-3306.

On October 8, 2008, the City Council authorized Program Statement modifications for the Reconstruction/SHARE Program by Resolution No. 08-2768. This modification limited eligible applicants to homeowners sixty-two years of age or older or disabled.

This agenda item will authorize modifications to the Reconstruction/SHARE Program Statement as shown on attached Exhibit B. The modified program statement increases the maximum loan amount for Assistance Type One from \$87,500 to \$93,400. The increase will fund specification modifications to address homeowner handicap accessibility needs of elderly or disabled homeowners and meet the City of Dallas' 2009 Green Building Ordinance No. 27131 which requires energy efficient heating and cooling, low flow faucets and shower heads, low E windows and increased R value insulation.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

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

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

On October 13, 2004, the City Council authorized an amendment to the Program Statement for the Home Repair Program by Resolution No. 04-2932.

On October 18, 2004, the Housing and Neighborhood Development Committee voted to recommend an increase in the maximum Replacement Housing loan amount from \$55,000 to \$70,000 and establish a minimum structure size of 1,200 square feet.

On November 10, 2004, the City Council authorized an amendment to increase the maximum Replacement Housing loan amount and establish a minimum structure size of 1,200 square feet by Resolution No. 04-3194.

On October 15, 2007, the Economic Development and Housing Committee were briefed on home repair and reconstruction program revisions.

On November 12, 2007, the City Council authorized the Program Statement for the Major Systems Repair Program and the Reconstruction/SHARE Program by Resolution No. 07-3306.

On October 8, 2008, the City Council authorized Program Statement modifications for the Reconstruction/SHARE Program by Resolution No. 08-2768.

On November 16, 2009, the Housing Committee was briefed on Reconstruction/SHARE program revisions.

FISCAL INFORMATION

No cost consideration to the City.

December 9, 2009

WHEREAS, the City of Dallas desires to preserve the supply of safe, decent, and affordable homes for ownership and occupancy of low-to-moderate income households; and

WHEREAS, on October 13, 2004, the City Council authorized an amendment to the Program Statement for the Home Repair Program by Resolution No. 04-2932.

WHEREAS, on October 18, 2004, the Housing and Neighborhood Development Committee voted to recommend an increase in the maximum Replacement Housing loan amount from \$55,000 to \$70,000 and establish a minimum structure size of 1,200 square feet.

WHEREAS, on November 10, 2004, the City Council authorized an amendment to increase the maximum Replacement Housing loan amount and establish a minimum structure size of 1,200 square feet by Resolution No. 04-3194.

WHEREAS, on October 15, 2007, the Economic Development and Housing Committee were briefed on home repair and reconstruction program revisions.

WHEREAS, on November 12, 2007, the City Council authorized the Program Statement for the Major Systems Repair Program and the Reconstruction/SHARE Program by Resolution No. 07-3306.

WHEREAS, on October 8, 2008, the City Council authorized Program Statement modifications for the Reconstruction/SHARE Program by Resolution No. 08-2768.

WHEREAS, the City of Dallas desires to provide a program that provides for the needs of homeowners who are 62 years of age and/or disabled; and

WHEREAS, the City of Dallas desires to improve air quality indoors and out, conserve energy and water usage, minimize waste of materials and in landfills, preserve natural resources, reduce storm water impacts on the environment, and enhance human health; and

WHEREAS, the City now desires to adopt the revisions to the Program Statement for the Reconstruction/SHARE Program attached as Exhibit B; **NOW, THEREFORE**,

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

SECTION 1. That the City Council authorizes modifications to the Reconstruction/SHARE Program Statement to increase the maximum Reconstruction Program Assistance Type One loan amount from \$87,500 to \$93,400 attached as Exhibit B effective upon adoption of this resolution.

December 9, 2009

SECTION 2. That the City Manager is authorized to administer the Reconstruction/SHARE Program Statement.

SECTION 3. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute loan documents and, upon compliance with Program requirements, and release of liens, consistent with the revised Program Statement for the Reconstruction/SHARE Program.

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

EXHIBIT B

RECONSTRUCTION / SHARE PROGRAM PROGRAM STATEMENT

Program Purpose:

To provide for the reconstruction of single-family homes on the homeowner's lot subject to City Council approval.

To provide a deferred payment loan to qualified applicants who reside in single-family, owner-occupied structures where Major Systems Repair Program assistance Level II eligibility has been determined infeasible due to the following:

- All major systems (foundation, plumbing, electric, structural, and roofing) are failing and
- The condition of the home creates an imminent danger to the life, health, and/or safety of the residents and/or the neighborhood;

Assistance Type One:

Provide loan up to ~~\$87,500~~ \$93,400 for demolition costs and on-site reconstruction of an approximately 1,200 square foot home on the homeowner's lot. Various house plans will be available for selection by the applicant. Plans that are consistent with the configuration of the neighborhood will be included. Homes will meet Energy Star and water conservation standards.

Assistance Type Two:

Provide loan up to \$65,000 combined with a \$22,500 replacement housing payment from the Department of Code Compliance, commonly referred to as SHARE loans, for the on-site reconstruction of a home on the homeowner's lot. Various house plans will be available for selection by the applicant. Plans that are consistent with the configuration of the neighborhood will be included. Homes will meet Energy Star and water conservation standards.

RECONSTRUCTION / SHARE PROGRAM INSURANCE AND TAX ASSISTANCE

Within twenty-four (24) months of the completion date for the reconstruction of the new home in accordance with the Program Statement for the Reconstruction/SHARE Program, the Program may provide one reimbursement payment to the Borrower that may include all ad valorem property taxes for all taxing units for only the first year after appraisal of the new home and the property insurance premium for one year.

EXHIBIT B

RECONSTRUCTION / SHARE PROGRAM PROGRAM STATEMENT

General Conditions:

Applicants must meet following loan criteria:

- Identity
- Citizenship or permanent legal status
- Current on all property taxes for the property
- 62 years of age or older or disabled, which means under a disability for purposes of payment of disability insurance benefits under Federal Old-Age, Survivors, and Disability Insurance or the Veterans Administration.
- Current on all property taxes for the property
- Ownership and occupancy of property for a minimum of two (2) consecutive years or six (6) months in Neighborhood Investment Program (NIP) areas, unless safety and/or health conditions have forced applicants to evacuate within the past 24 months of application
- Maximum Area Median Family Income (AMFI) at 80%, based on the number of persons in household, as defined by HUD
- Property insurance on home
- No liens or judgments on the property
- Property is not located in a 100-year floodplain
- Zoning of property for ~~replacement~~ reconstruction housing must permit single-family dwelling construction

Upon determination of appropriateness for reconstruction, the applicant must be able to obtain title insurance, agree to voluntarily move and live elsewhere at their own expense during reconstruction, and provide proof of insurance for the new home prior to occupancy.

Loan Terms:

Assistance Type One and Assistance Type Two:

- Deferred loans will be secured by a promissory note, and deed of trust,
- The no interest note is due and payable upon the death of Borrower or transfer of the property; provided, however, the amount owed and due on the note to Lender on date of death of Borrower or transfer of the property shall be the lesser of (a) the original Principal Amount of the note as may be amended or (b) seventy-five percent (75%) of the market value of the land and improvements as determined by the Central Appraisal District for the property for the year immediately prior to the proposed sale or transfer of property. "Transfer of Property" shall be deemed to include, but not be limited to, the conveyance of the property or any interest therein, (except oil, gas or mineral interests), such as the granting of a leasehold interest or a life estate in the property, or the quitclaim of the property by any Borrower or Maker or if any Borrower of Maker obtains a reverse mortgage on the property.

EXHIBIT B

RECONSTRUCTION / SHARE PROGRAM PROGRAM STATEMENT

Lender, in its sole discretion, may consent to a one time transfer and assumption of the note upon the death of Borrower by an eligible heir of the Borrower. To be considered "eligible," an heir of Borrower must satisfy all the following conditions: (a) the heir has full title to said property and will occupy the property as the heir's principal residence, (b) the heir is at least 62 years of age or disabled as defined in the program statement as hereby amended; (c) the heir's household income as adjusted for family size is 80% or less of the area median family income for Dallas as determined by the U.S. Department of Housing and Urban Development, or its successor, and (d) the heir executes loan assumption documents in form acceptable to Lender.

- Upon said heir's death or transfer of the property by heir, the amount owed and due on the note to Lender shall be the lesser of (a) the original Principal Amount of the note as may be amended or (b) seventy-five percent (75%) of the market value of the land and improvements as determined by the Central Appraisal District for the year immediately prior to the heir's death or transfer of the title to the property.-
- If the Central Appraisal District is no longer in existence at the time of Borrower's or heir's death or transfer of the property, the "market value of the land and improvements" may be determined by a state-certified residential real estate appraiser who is acceptable to the City Manager and who prepares an independent fee appraisal of the land and improvements at the expense of Borrower or Borrower's legal representative.
- Refinancing and loan subordinations are not permitted

Program Administration

The City Manager, or his designee, is authorized to establish guidelines and procedures to administer this program in accordance with this Program Statement and applicable Federal and local regulations.

KEY FOCUS AREA: A Cleaner, Healthier City Environment
AGENDA DATE: December 9, 2009
COUNCIL DISTRICT(S): 4, 5, 6, 7, 8
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 42G 46R 56B 57M 65C 66A 66P

SUBJECT

Authorize the reconstruction on-site of seven homes in accordance with the Reconstruction/SHARE Program Statement requirements for the properties located at 4238 Carl Street in the amount of \$87,500, 3623 Palacios Avenue in the amount of \$87,500, 4618 Underwood Street in the amount of \$87,500, 3923 Sonora Avenue in the amount of \$87,500, 3622 Lovingood Drive in the amount of \$87,500, 6297 Denham Circle in the amount of \$87,500 and 2334 Pine Street in the amount of \$87,500 – Total not to exceed \$612,500 - Financing: 2007-08 Community Development Block Grant Reprogramming 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 April 23, 2008, City Council approved an amendment to the Program Statement for the Reconstruction/SHARE program to provide to the homeowners up to \$5,900 of the maximum \$87,500 for an amenities package. (Maximum Program funding is \$87,500 for a new home on-site of approximately 1,200 sq ft).

City Council authorization is also 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 condition of the home creates an imminent danger to the life, health and/or safety of the residents and/or the neighborhood; and (c) repairs are not feasible in that they will not 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 provide assistance with one (1) tax and insurance payment.

The following homeowners are at 80% and below AMFI, are eligible for a loan to reconstruct the homes on-site and the properties described are eligible: a disabled male, Jerry Bagley, 57 years old, resides at 4238 Carl Street; an elderly couple, Carmen & Felix Islas, 79 & 81 years old, resides at 3623 Palacios Avenue; an elderly female, Myrtle Brown Reed, 82 years old, resides at 4618 Underwood Street; an elderly male, Seth Humphrey, 82 years old, resides at 3923 Sonora Avenue; an elderly female, Florine Bell, 73 years old, resides at 3622 Lovingood Drive; an elderly female, Ida Mae Else, 70 years old, resides at 6297 Denham Circle and an elderly female, Essie Johnson, 73 years old, resides at 2334 Pine Street.

This action provides authority to proceed with reconstruction of seven (7) single-family homes on-site, as all conditions noted above have been met.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

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

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

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

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

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

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

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

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

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

On November 10, 2004, the 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, the City Council approved the Program Statement authorizing the Housing Department to implement the Reconstruction/SHARE Program Statement for reconstruction on-site under certain conditions for assistance up to \$87,500 by Resolution No. 07-3307.

On April 23, 2008, the 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, the 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 provide assistance with one (1) tax and insurance payment by Resolution No. 08-2768.

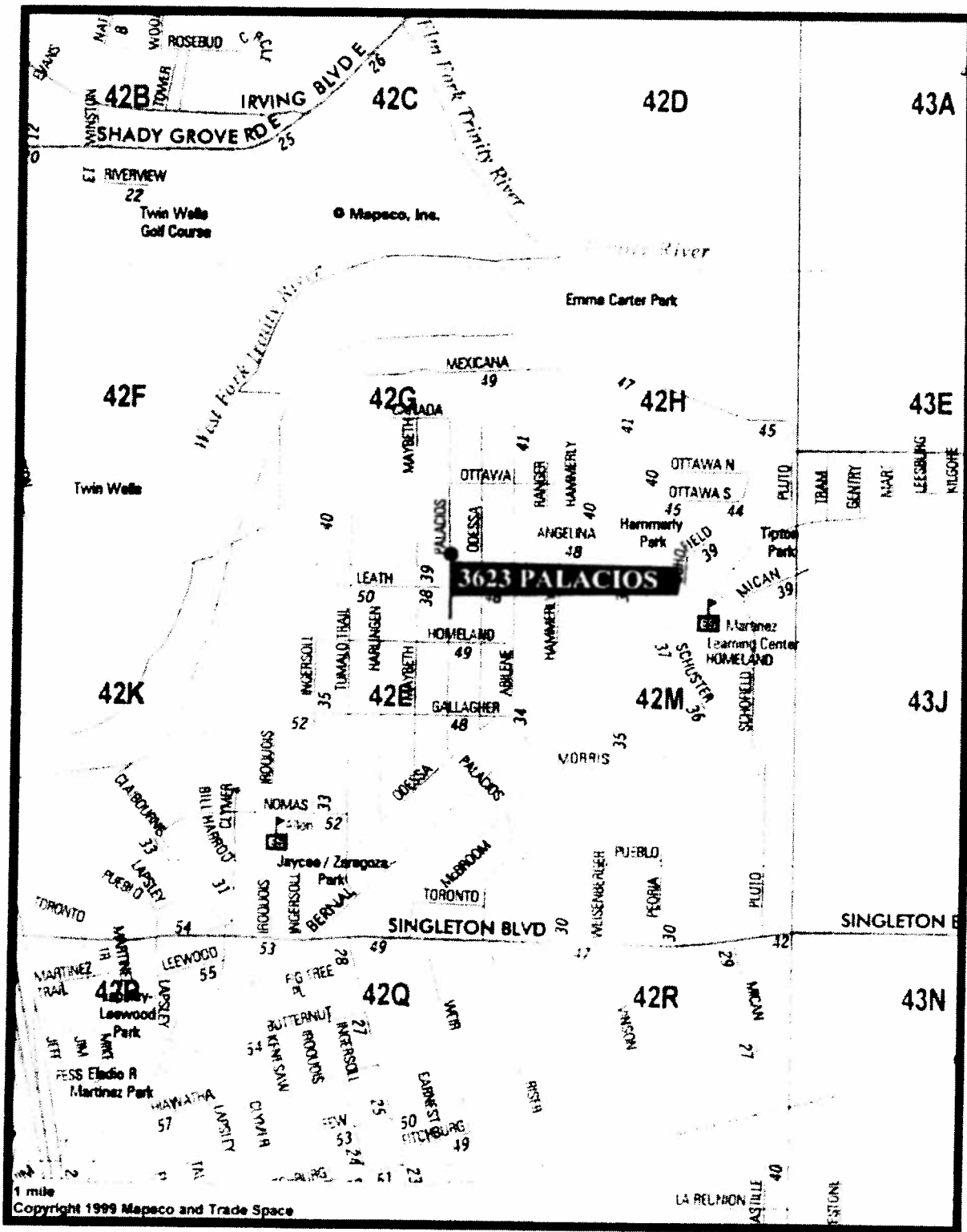
FISCAL INFORMATION

2007-08 Community Development Block Grant Reprogramming Funds - \$612,500

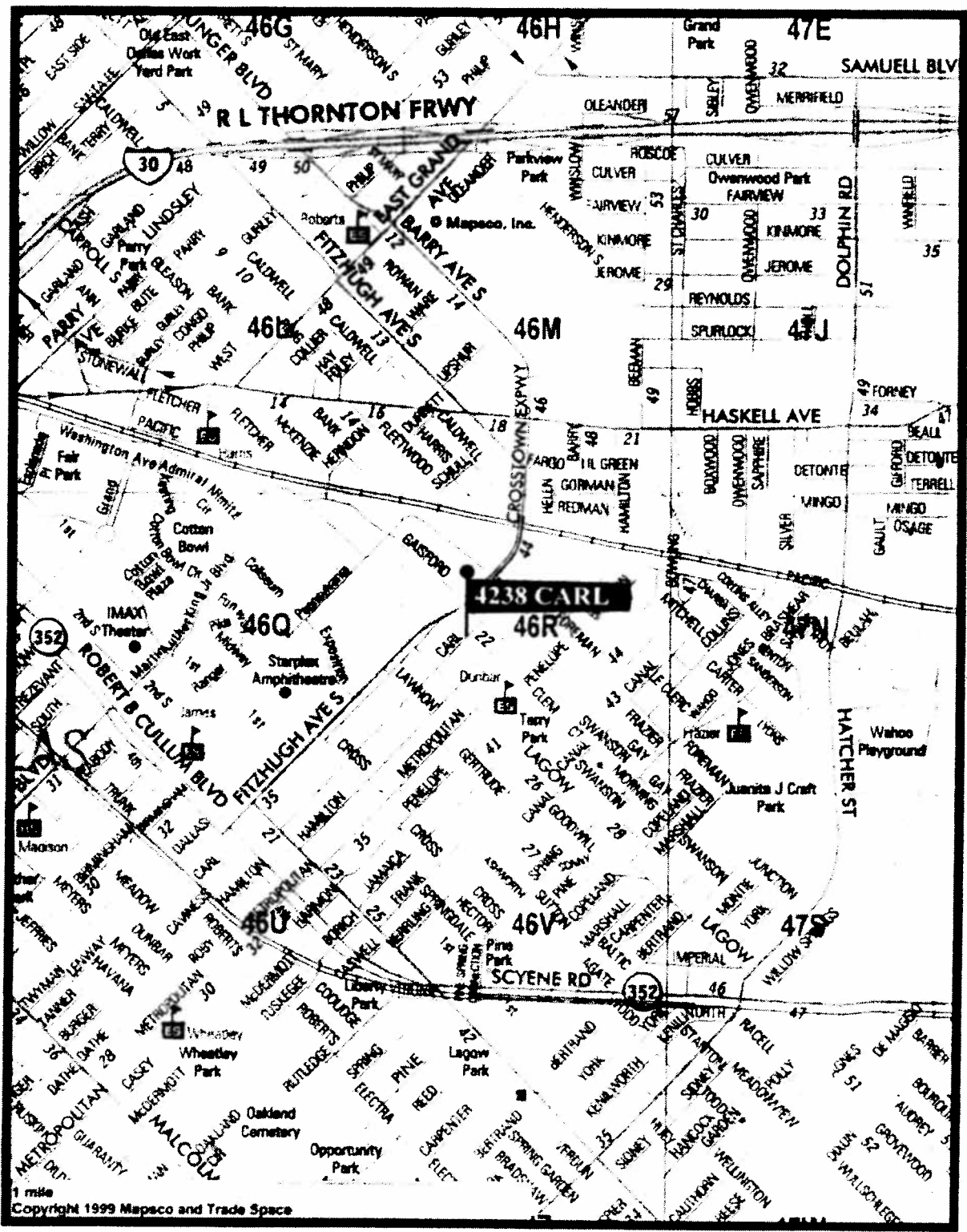
- Council District 4 - \$87,500
- Council District 5 - \$175,000
- Council District 6 - \$87,500
- Council District 7 - \$175,000
- Council District 8 - \$87,500

MAP(S)

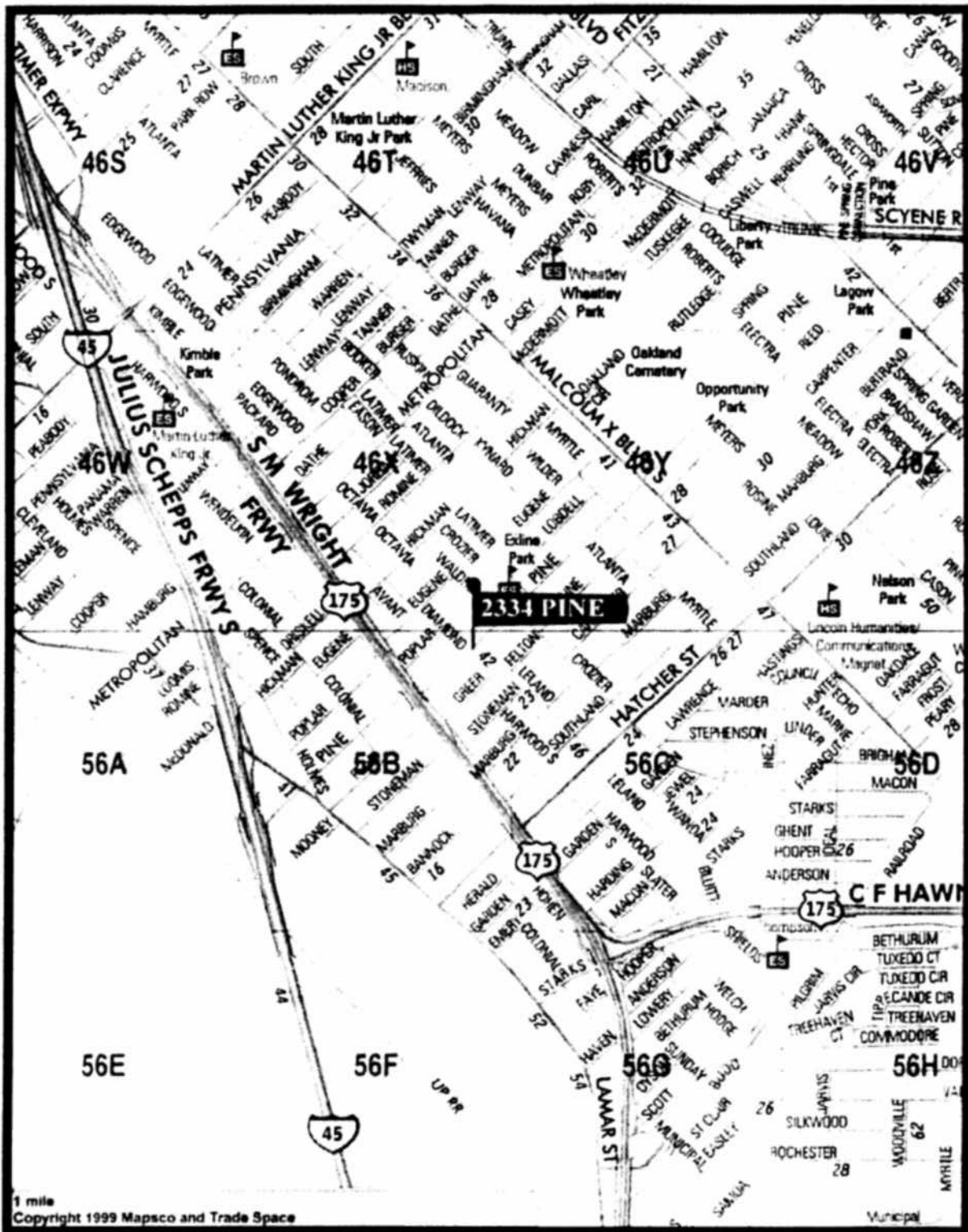
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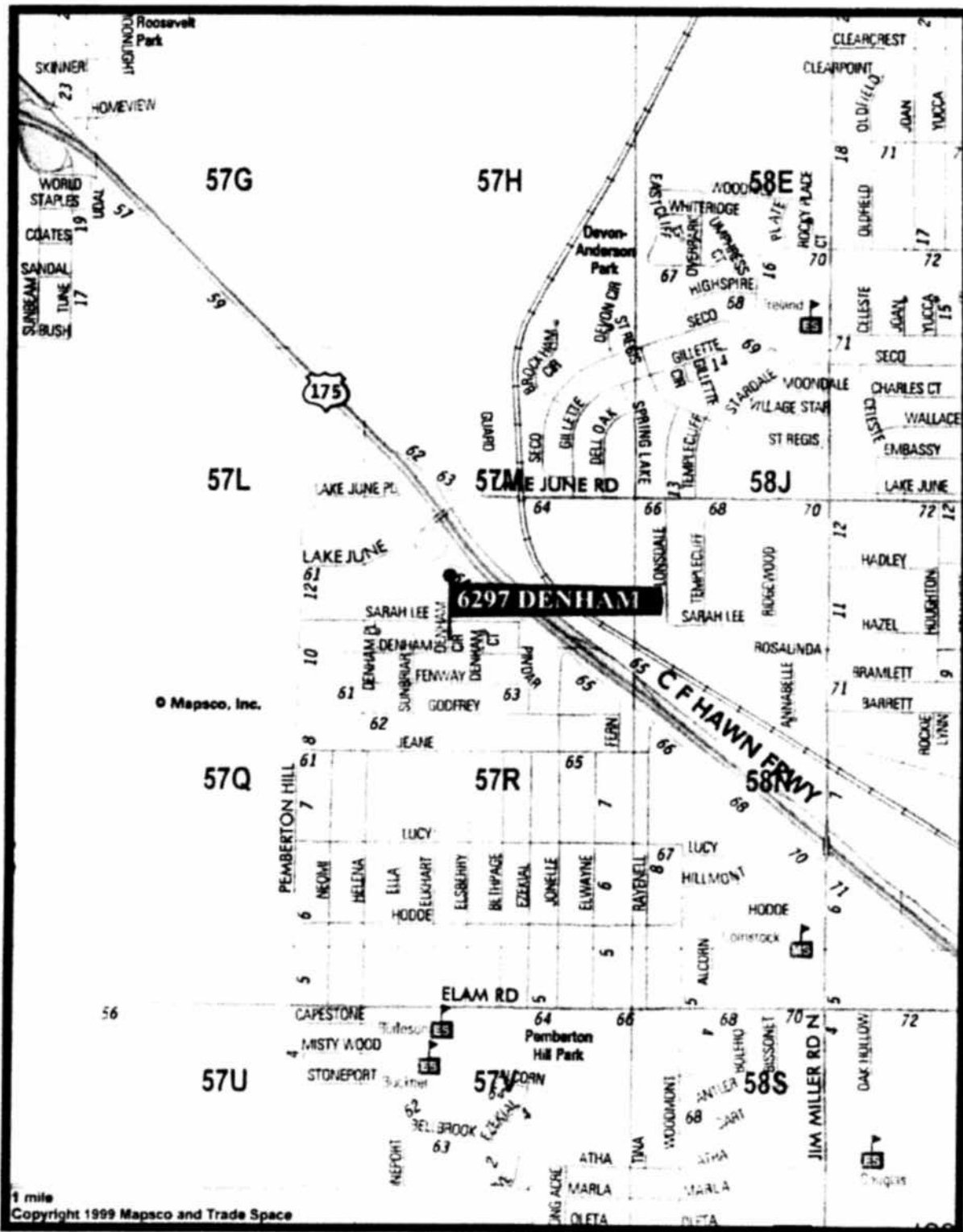
MAPSCO 42G



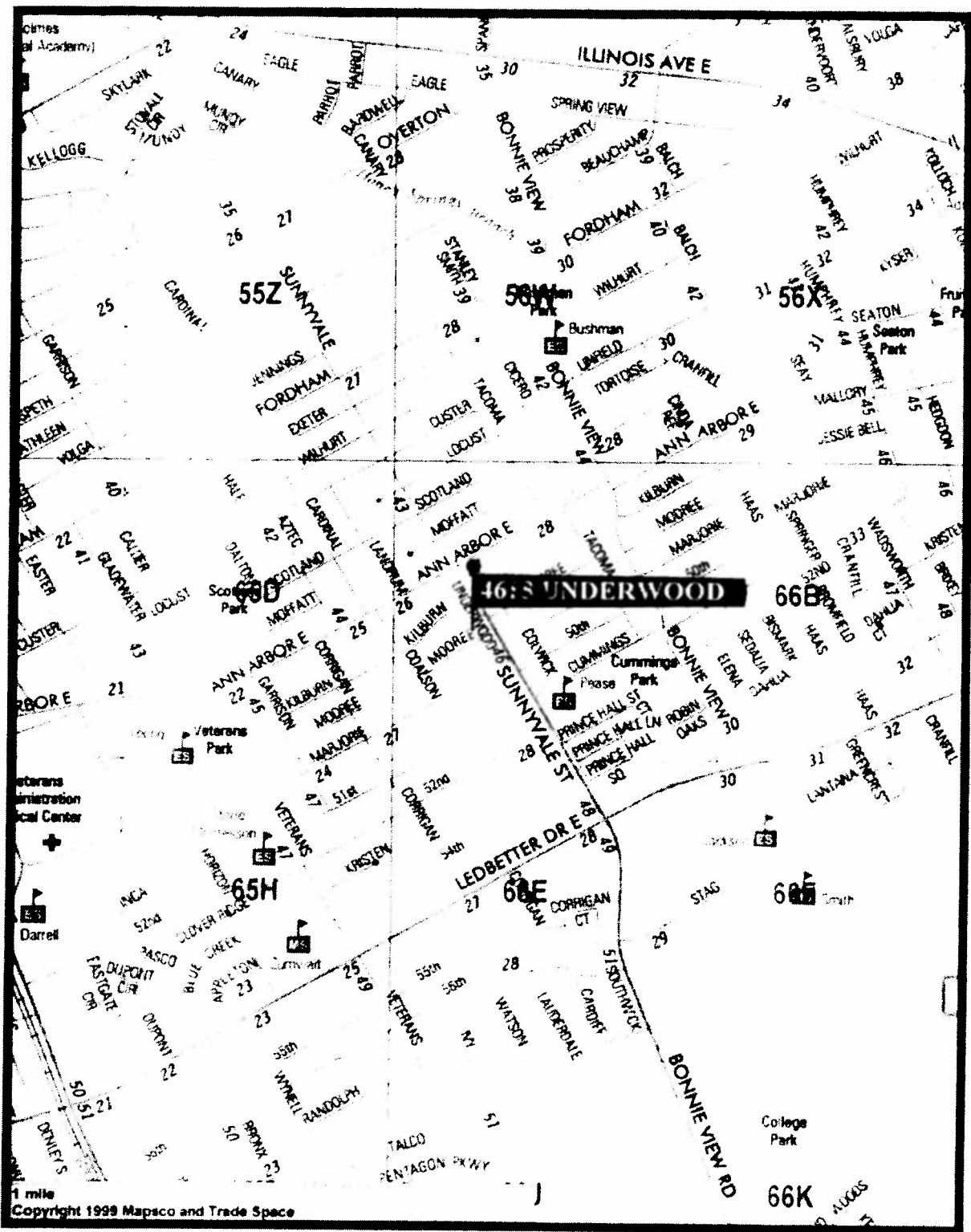
MAPSCO 46R



MAPSCO 56B



MAPSCO 57M



MAPSCO 66A



MAPSCO 66P

December 9, 2009

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

WHEREAS, on August 23, 2000, the 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, the City Council authorized approval of a Program Statement for the Home Repair Program by Resolution No. 01-2049; and

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

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

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

WHEREAS, on June 23, 2004, the 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, the City Council authorized an amendment to the Program Statement for the Replacement and SHARE Housing Program to increase the maximum amount for a replacement home to \$70,000 by Resolution No. 04-3194; and

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

WHEREAS, on April 23, 2008, the 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

December 9, 2009

WHEREAS, on October 8, 2008, the 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, the homeowners described made application to the Home Repair Program; Jerry Bagley, at 4238 Carl Street; Carmen & Felix Islas, at 3623 Palacios Avenue; Myrtle Brown Reed, at 4618 Underwood; Seth Humphrey, at 3923 Sonora Avenue; Florine Bell, at 3622 Lovingood; Ida Mae Else, at 6297 Denham Circle and Essie Johnson, at 2334 Pine Street; 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 Jerry Bagley; Carmen & Felix Islas; Myrtle Brown Reed; Seth Humphrey; Florine Bell; Ida Mae Else and Essie Johnson; **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: Jerry Bagley, 4238 Carl Street; Carmen & Felix Islas, 3623 Palacios Avenue; Myrtle Brown Reed, 4618 Underwood Street; Seth Humphrey, 3923 Sonora Avenue; Florine Bell, 3622 Lovingood Drive; Ida Mae Else, 6297 Denham Circle and Essie Johnson, 2334 Pine Street: all 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 Jerry Bagley, Carmen & Felix Islas, Myrtle Brown Reed, Seth Humphrey, Florine Bell, Ida Mae Else and Essie Johnson for reconstruction on-site of the homes to be located at 4238 Carl Street, 3623 Palacios Avenue, 4618 Underwood Street, 3923 Sonora Avenue, 3622 Lovingood Drive, 6297 Denham Circle and 2334 Pine Street.

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 07RP Dept HOU, Unit 305A, Obj 3100 CT HOU305AA303 (\$87,500)
Vendor # 339393 – Bethel Construction – 4238 Carl Street

Fund 07RP Dept HOU, Unit 305A, Obj 3100 CT HOU305AA307 (\$87,500)
Vendor # VC000005552 – Eric Miller Homes, Inc. – 3623 Palacios Avenue

December 9, 2009

Fund 07RP Dept HOU, Unit 305A, Obj 3100 CT HOU305AA308 (\$87,500)
Vendor # 339393 – Bethel Construction – 4618 Underwood Street

Fund 07RP Dept HOU, Unit 305A, Obj 3100 CT HOU305AA306 (\$87,500)
Vendor # 339393 – Bethel Construction – 3923 Sonora Avenue

Fund 07RP Dept HOU, Unit 305A, Obj 3100 CT HOU305AA304 (\$87,500)
Vendor # 339393 – Bethel Construction – 3622 Lovingood Drive

Fund 07RP Dept HOU, Unit 305A, Obj 3100 CT HOU305AA305 (\$87,500)
Vendor # VS0000024909 – JB's Kool Air & Painting Service – 6297 Denham Circle

Fund 07RP Dept HOU, Unit 305A, Obj 3100 CT HOU305AA302 (\$87,500)
Vendor # 242068 – Nationwide Contractors. – 2334 Pine Street

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: December 9, 2009
COUNCIL DISTRICT(S): All
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: N/A

SUBJECT

Authorize an amendment to the professional services contract with Building Community Workshop, whereby Building Community Workshop is providing research, recommendations, design and construction documents for the Reconstruction/SHARE Program, in order to provide for an extension of certain deadlines - Financing: No cost consideration to the City

BACKGROUND

The Housing Department's approved Reconstruction Program Statement stipulates that various house plans, consistent with the configuration of the neighborhood, will be made available to homeowners for selection. In March 2008, the Housing Department issued a request for qualifications (RFQ) to acquiring an architectural contract that would provide professional services to develop sustainable, affordable single-family residential plans.

On June 25, 2008, by Resolution No. 08-1802, the City Council approved an Architect's Contract for Housing Reconstruction Project ("Contract").

The Pre-Design Phase and Schematic Design Phase components of the contract have been completed. However, in order to achieve the desired goal of the contract, which is to obtain designs consistent with the configurations of Dallas neighborhoods, these phases exceeded the original deadlines. Further time is now required to achieve the design development and construction documents necessary to complete the contract.

This action will authorize a supplemental agreement to the Architect's contract for Housing Reconstruction Services. The supplemental agreement will modify the completion dates for the design development, construction documents, and review/evaluation phases all other contract terms will remain the same.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 12, 2007, the City Council authorized the adoption of the Reconstruction/SHARE Program Statement by Resolution No. 07-3306.

On November 12, 2007, the City Council authorized a public hearing to be held on December 12, 2007 to receive comments on the proposed use of funds to increase the loan amount of Reconstruction/SHARE housing by Resolution No. 07-3307.

On December 12, 2007, the City Council held a public hearing to receive comments on the proposed use of funds to increase the loan amount of Reconstruction/SHARE housing and authorized the use of funds by Resolution No. 07-3768.

FISCAL INFORMATION

No cost consideration to the City.

December 9, 2009

WHEREAS, the City of Dallas desires to provide qualified Reconstruction/SHARE applicants with the use of house plans that are similar in mass, scale, and design to those typical of the neighborhood; and

WHEREAS, a qualifications-based selection process was undertaken by City staff to determine the most qualified architectural consultant; and

WHEREAS, on November 12, 2007, the City Council authorized the adoption of the Reconstruction/SHARE Program Statement by Resolution No. 07-3306; and

WHEREAS, on November 12, 2007, the City Council authorized a public hearing to be held on December 12, 2007 to receive comments on the proposed use of funds to increase the loan amount of Reconstruction/SHARE housing by Resolution No. 07-3307; and

WHEREAS, on December 12, 2007, the City Council held a public hearing to receive comments on the proposed use of funds to increase the loan amount of Reconstruction/SHARE housing and authorized the use of funds by Resolution No. 07-3768; and

WHEREAS, the City entered into a professional services contract with Building Community Workshop whereby Building Community Workshop is providing research, recommendations, design and construction documents for the Reconstruction/SHARE Program; and

WHEREAS, it is now desirable to amend the professional services contract with Building Community Workshop in order to extend certain project deadlines to allow time for production of the design development and construction documents necessary to complete the contract; **NOW, THEREFORE,**

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

SECTION 1. That the City Manager is hereby authorized to execute an amendment to the professional services contract with Building Community Workshop, whereby Building Community Workshop is providing research, recommendations, design and construction documents for the Reconstruction/SHARE Program, in order to provide for an extension of certain deadlines as described in Attachment A, after approval as to form by the City Attorney.

December 9, 2009

SECTION 2. 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

EXHIBIT A

FIRST SUPPLEMENTAL AGREEMENT TO THE ARCHITECT'S CONTRACT FOR HOUSING RECONSTRUCTION PROJECT

THIS FIRST SUPPLEMENTAL AGREEMENT TO THE ARCHITECT'S CONTRACT FOR HOUSING RECONSTRUCTION PROJECT ("First Supplemental Agreement") is entered into by and between the City of Dallas, a Texas municipal corporation, acting by and through its duly authorized officers ("City"), and Building Community Workshop, located at 2814 Main Street, Suite 102, Dallas, Texas 75226 ("Architect").

WITNESSETH:

WHEREAS, on June 25, 2008, by Resolution No. 08-1802, the City Council approved an Architect's Contract for Housing Reconstruction Project ("Contract"); and

WHEREAS, City and Architect now desire to extend certain Contract deadlines.

NOW, THEREFORE, FOR TEN AND NO/100 DOLLARS (\$10.00) CASH, the mutual covenants, representations, warranties, and agreements contained herein, and for other valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the Contract is amended as follows.

SECTION 1.

In this First Supplemental Agreement, deleted Contract terms are shown as strikethroughs; new Contract terms are shown as underlined text. Capitalized terms used in this First Supplemental Agreement that are undefined herein have the same meanings as defined in the Contract.

SECTION 2.

Article 1, Section H(3) of the Contract is amended as follows: Architect shall submit the Design Development Documents to City by ~~November 30, 2008~~ February 1, 2010.

EXHIBIT A

FIRST SUPPLEMENTAL AGREEMENT TO THE ARCHITECT'S CONTRACT FOR HOUSING RECONSTRUCTION PROJECT

SECTION 3.

Article 1, Section I(4) of the Contract is amended as follows: Architect shall submit the Construction Documents to City by ~~March 31, 2009~~ May 1, 2010.

SECTION 4.

Article 1, Section J(1) of the Contract is amended as follows: Architect shall complete an analysis of the firm's initial research and recommendations and provide information and suggestions that will strengthen and/or support the Housing Department's in-fill housing goals and objectives by ~~June 30, 2009~~ September 1, 2010.

SECTION 5.

Article 8, Section A of the Contract is amended as follows: Architect shall deliver to City all Designs, Drawings, Specifications or other documents and work as outlined in **Exhibit A** by ~~January 31, 2009~~ March 31, 2010.

SECTION 6.

All other terms, provisions, conditions, and obligations of the Contract between City and Architect shall remain in full force and effect, and said Contract, as same has been previously amended, and this First Supplemental Agreement shall be construed together as a single contractual agreement.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

EXHIBIT A

**FIRST SUPPLEMENTAL AGREEMENT TO THE ARCHITECT'S CONTRACT
FOR HOUSING RECONSTRUCTION PROJECT**

IN WITNESS WHEREOF, this First Supplemental Agreement is executed and effective as of the _____ day of _____, 2009, by City, signing by and through its City Manager, and by Architect, acting by and through its duly authorized officer(s).

CITY OF DALLAS:

MARY K. SUHM,
City Manager

APPROVED AS TO FORM:

THOMAS P. PERKINS, JR.,
City Attorney

By: _____

A.C. Gonzalez
Assistant City Manager

By: _____

Sarah F. Hasib
Assistant City Attorney

ARCHITECT:

Building Community Workshop

By: _____

Name: _____

President

ATTEST:

By: _____

Name: _____

Architect's Corporate Secretary

THE TEXAS BOARD OF ARCHITECTURAL EXAMINERS, P.O. BOX 12337, AUSTIN, TEXAS 78711-2337, OR 333 GUADALUPE, SUITE 2-350, AUSTIN, TEXAS 78701-3942, (512) 305-9000, HAS JURISDICTION OVER COMPLAINTS REGARDING THE PROFESSIONAL PRACTICES OF PERSONS REGISTERED AS ARCHITECTS IN TEXAS

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: December 9, 2009
COUNCIL DISTRICT(S): 1, 3, 4, 5, 7, 8
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: N/A

SUBJECT

A public hearing to receive comments on Substantial Amendment No. 4 to the Consolidated Plan; and at the close of the hearing, authorize final adoption of Substantial Amendment No. 4 to the FY 2008-09 Consolidated Plan for the Neighborhood Stabilization Program to reduce the required acquisition discount from 15% to 1%, to allow for foreclosed unimproved property to be acquired, and to add MAPSCO pages 53, 69, and 69A to the defined Areas of Greatest Need – Financing: No cost consideration to the City

BACKGROUND

In July 2008, the Housing and Economic Recovery Act of 2008 (HERA) was enacted into law. HERA appropriated \$3.92 billion to assist states and localities in redevelopment efforts, particularly for foreclosed or abandoned housing properties. The Program is referred to as the Neighborhood Stabilization Program (NSP) and is considered a Special Allocation of 2008 Community Development Block Grant Funds.

On September 26, 2008, the City of Dallas was notified of its allocation of \$7,932,555 of NSP funds. Allocations to states and localities were based on percentage and number of home foreclosures, homes financed by sub prime mortgage related loans, and homes in default or delinquency.

Localities who wished to accept the allocation of NSP funds submitted an amendment to their Consolidated Plan on December 1, 2008. The City of Dallas amendment included identification of the “Areas of Greatest Need” based upon the greatest percentage of home foreclosures, the highest percentage of homes financed by subprime mortgage loans, and areas identified as likely to face a significant rise in foreclosures.

BACKGROUND (continued)

The NSP funds may benefit low, moderate and middle income persons up to 120% Area Median Family Income (AMFI) for Dallas and 25% of the NSP funds must benefit low income persons up to 50% AMFI. The use of the funds must comply with the requirements under the HERA; the Community Development Block Grant regulations; the Uniform Relocation Assistance Real Property Acquisition Policies Act of 1970, and other federal requirements.

Notice of the allocation of NSP funds was provided to the public on October 23, 2008 and comments as to the use of funds were requested. On November 17, 2008, the Housing Committee of the City Council was briefed on the NSP and reviewed recommendations for the use of funds. On November 19, 2008, City Council authorized the FY 2008-09 Consolidated Plan Reprogramming Budget #1 for the NSP funds, which included \$2.5 million for Acquisition, Demolition, and Redevelopment of Foreclosed and Abandoned Properties (ADR), \$4,639,300 for Acquisition, Rehabilitation, and Sell or Rent Foreclosed Properties (ARSR), and \$793,255 to provide for the administration, planning, oversight, reporting and implementation of projects to be funded by NSP over a four year period.

This Council action would amend the current program to reduce the required acquisition discount from 15% to 1%, to allow for foreclosed unimproved property to be acquired, and to add MAPSCO pages 53, 69, and 69A to the defined Areas of Greatest Need (Attachment A).

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On September 2, 2008, the City Council Housing Committee was briefed on the City of Dallas foreclosure activity.

On November 3, 2008, the City Council Housing Committee was briefed on Dallas Foreclosure and Code Compliance Updates which included information regarding the pending Neighborhood Stabilization Program (NSP) allocations.

On November 17, 2008, the City Council Housing Committee was briefed on the NSP allocation and reviewed recommendations for the use of funds.

On November 19, 2008, the City Council authorized the FY 2008-09 Consolidated Plan Reprogramming Budget #1 for the NSP funds by Council Resolution No. 08-3195.

On February 25, 2009, the City Council authorized the acceptance of the NSP funds by Council Resolution No. 09-0530.

On November 9, 2009, the City Council authorized the preliminary adoption of the NSP Program changes and setting a public hearing for December 9, 2009.

FISCAL INFORMATION

No cost consideration to the City.

December 9, 2009

WHEREAS, On September 2, 2008, the Housing Committee was briefed on the City of Dallas foreclosure activity; and

WHEREAS, On November 3, 2008, the Housing Committee was briefed on Dallas Foreclosure and Code Compliance Updates which included information regarding the pending Neighborhood Stabilization Program (NSP) allocations; and

WHEREAS, On November 17, 2008, the Housing Committee was briefed on the NSP allocation and reviewed recommendations for the use of funds; and

WHEREAS, On November 19, 2008, the City Council authorized the FY 2008-09 Consolidated Plan Reprogramming Budget #1 for the NSP funds by Resolution No. 08-3195; and

WHEREAS, On February 25, 2009, the City Council authorized the acceptance of the NSP funds by Resolution No. 09-0530; and

WHEREAS, federal regulations and City's Citizen Participation Plan requires not less than a 30 day public comment period and public hearing be held on any substantial amendment; **NOW, THEREFORE,**

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

SECTION 1. That a public hearing is held on December 9, 2009 to receive comments on the proposed Substantial Amendment No. 4 to the FY 2008-09 Consolidated Plan for the Neighborhood Stabilization Program (NSP) to reduce the required acquisition discount from 15% to 1%, to allow for foreclosed unimproved property to be acquired, and to add MAPSCO pages 53, 69, and 69A to the defined Areas of Greatest Need (Attachment A).

SECTION 2. That the final adoption of the Substantial Amendment No. 4 to the FY 2008-09 Consolidated Plan for the Neighborhood Stabilization Program (NSP) to reduce the required acquisition discount from 15% to 1%, to allow for foreclosed unimproved property to be acquired, and to add MAPSCO pages 53, 69, and 69A to the defined Areas of Greatest Need per the revised Attachment A.

December 9, 2009

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

ATTACHMENT A

PROGRAM STATEMENT NEIGHBORHOOD STABILIZATION PROGRAMS (NSP)

Program Purpose: To provide Neighborhood Stabilization Program (NSP) funding for the establishment of financing mechanisms for 1) the acquisition, demolition, maintenance & redevelopment of foreclosed or abandoned single-family homes and multi-family properties, and the acquisition of vacant, abandoned or foreclosed land operated by the Dallas Housing Acquisition and Development Corporation (DHADC); and 2) the acquisition, rehabilitation, and sale/rent of improved properties that have been foreclosed, on a bulk sales basis.

Acquisitions could include duplexes and four-plexes, multifamily properties for Permanent Supportive Housing redevelopment, including Homeless rental units, to achieve affordability for low and moderate-income homebuyers and renters. To benefit NSP designated neighborhoods through the making of loans/grants that promote activities that contribute to the development of viable neighborhood communities by providing decent housing and a suitable living environment. Both components will increase the supply of existing and new affordable single-family housing, workforce housing and multifamily development.

- **Funding:** \$7,139,300 – NSP/Community Development Block Grant Funds (CDBG)
Twenty-five percent (25%) of the NSP funds must be used for housing individuals and families whose incomes do not exceed 50 percent of AMFI
NSP funds will be made available to interested parties via Request for Proposal Application (RFAP), under activity #2
- **NSP Areas:** NSP areas are identified as “Areas of Greatest Need” (AGN), (Attachment A). Areas were selected based on the greatest percentage of home foreclosures; highest percentage of homes financed by a subprime mortgage related loan; and identified as likely to face a significant rise in the rate of home foreclosures. Each AGN is identified by a MAPSCO page because they represent smallest areas in foreclosure data base. There are a total of 40 13 AGN authorized by the City.

Activity 1: Available Funding: \$2,500,000 - Acquisition, Demolition, Maintenance & Redevelopment for Land Banking Program (ADR) Description:

- The City Housing Department, through the Land Bank section of the DHADC, will purchase improved properties that have been foreclosed upon, identified as abandoned or blighted structures and/or improved properties which are unoccupied, and vacant, abandoned or foreclosed land.

ATTACHMENT A

PROGRAM STATEMENT NEIGHBORHOOD STABILIZATION PROGRAMS (NSP)

- Abandoned - A home is abandoned when mortgage or tax foreclosure proceedings have been initiated for that property, the property has been unoccupied for at least 90 days, and/or no mortgage or tax payments have been made by the property owner for at least 90 days.
- Properties will be demolished and land banked for up to 10 years, pursuant to NSP federal guidelines. The vacant properties will be maintained by the City and held for future sale to developers for development of new affordable and workforce single-family housing and for development of multifamily projects.
- The City of Dallas may demolish up to 50 units under the land bank portion of the NSP
 - Under the NSP, one-for-one replacement requirements under CDBG regulations have been waived
 - The City of Dallas Will not use eminent domain or allow for involuntary sales in its NSP
- Foreclosed properties acquired in the NSP areas will be assembled by the DHADC Land Bank Program (LB) and made available for resale to developers ~~under RFP~~ to acquire vacant single-family lots in the NSP under a bulk sales agreement.
- The City Housing Department will solicit proposals via a Request for Proposal (RFP) and will include a list of available properties, project and selection criteria for acquisition and redevelopment of properties.
 - Developers acquiring properties will be required to maintain properties in order to avoid City Code Compliance Department (CCD) violations.
 - All NSP property addresses have been provided to the CCD for monitoring purposes
- Vacant properties will be sold to qualified developers at a discount and may also be combined with other City owned lots being sold in the same NSP neighborhood. The sales proceeds from these single-family lot sales will be used for future NSP foreclosed single-family home purchases.

ATTACHMENT A

PROGRAM STATEMENT NEIGHBORHOOD STABILIZATION PROGRAMS (NSP)

- Developers will be required to redevelop the vacant property and sell the newly constructed home within three years.
- The NSP LB lots, once redeveloped, will be subject to affordability requirements at or below 120% of Area Median Family Income (AMFI). The City require that twenty-five percent (25%) of the NSP funds used for the acquisition of NSP LB lots that will be redeveloped, be sold to homebuyers at or below fifty percent (50%) of AMFI. The latter requirement will be negotiated with the Developer on an individual basis.
- Additional consideration will be given to those Developers proposing to build “Green”, environmentally friendly homes which conserve energy and reduce utility costs. Homes must meet energy star requirements, at minimum.

Activity 2: Available Funding: \$4,639,300 - Acquisition, Rehabilitation, & Sell/Rent Foreclosed Properties Program (ARSR) Description

The City of Dallas Housing Department will provide funds to qualified non-profit and for-profit developers to assist with acquisition and rehabilitation costs of single-family and multi-family properties that have been foreclosed. Acquired properties must be rehabilitated, sold or rented to achieve affordability for low and moderate-income homebuyers and renters. The ARSR program funds will benefit NSP neighborhoods by making of loans/grants that promote activities which contribute to the development of viable communities by providing decent housing and a suitable living environment, and to increase the supply of new affordable housing for individuals and families.

- The Housing Department will provide non-profit and for-profit entities (the “Developer”) loans/grants for the purchase and rehabilitation of foreclosed homes and residential properties for sale or rent to families at 120% or below of AMFI. The City will require that twenty-five percent (25%) of the NSP funds used for the purchase of foreclosed upon homes and redeveloped must be sold or rented to homebuyers at or below fifty percent (50%) of AMFI.
- The City Housing Department will solicit proposals via a Request for Application (RF AP) that includes project and selection criteria for acquisition and rehabilitation of properties.

ATTACHMENT A

PROGRAM STATEMENT NEIGHBORHOOD STABILIZATION PROGRAMS (NSP)

- At a minimum, the project must meet applicable City Codes, and locally adopted Minimum Housing Standards (MHS).
- Affordability requirements and eligibility requirements will be observed in accordance with federal guidelines.
- The RFAP will include a listing of properties that have been foreclosed for each of the MAPSCO pages designated as an AGN by the City Council. The foreclosure listing will be the most recently updated data available to the City; however, there may be properties on the foreclosure listing that have already been sold by the lender/owner.
- All acquisition of foreclosed properties must be located in the following designated MAPSCO pages that included the highest number of foreclosure concentrations, corresponding Foreclosure Needs Score (FNS), as published by the LISC Foreclosure Response Project issued October 2008 (FNS with a score of 100 being the highest needs category) and corresponding ZIP Codes.

AREAS OF GREATEST NEED January - September 2008

No.	MAPSCO Page	# of Foreclosures	City Council Districts
1	65	161	8,5,4
2	59	151	8,5
3	46	135	7
4	55	132	4
5	54	127	3,4,1
6	56	127	4,5,7
7	64	124	5,8,4
8	58	102	5,8,4
9	66	100	8,5
10	48	90	7,4
<u>11</u>	<u>53</u>	<u>89</u>	<u>8,5,3,1</u>
<u>12</u>	<u>69</u>	<u>68</u>	<u>8</u>
<u>13</u>	<u>69A</u>	<u>50</u>	<u>8</u>
Total		12491456	

ATTACHMENT A
PROGRAM STATEMENT
NEIGHBORHOOD STABILIZATION PROGRAMS
(NSP)

RFP Foreclosure List will be made available for the following MAPSCO Pages

- 65**: 161 foreclosures includes ZIP Codes 75216 that has a 48.4 FNS (48.1 Subprime, 32.6 foreclosure and 30.9 delinquency scores), and 75241 with a 58.6 FNS (59.1 Subprime, 68.2 foreclosure and 50.8 delinquency scores)
- 59**: 151 foreclosures includes ZIP Codes 75217 with an 81.2 FNS (71.9 Subprime, 45.4 foreclosure and 63.0 delinquency scores), the highest in the City of Dallas, and 75227 that has a 52.6 FNS (49.9 Subprime, 45.7 foreclosure and 53.3 delinquency scores)
- 46**: 135 foreclosures includes ZIP Codes 75215 with an 11.6 FNS; 75223 with a 2.3 FSN; 75210 with a 5.2 FSN; 75204 with a 1.1 FSN; 75214 with a 1.1; 75246 with a 1.1 FSN having the 3rd highest number of foreclosures
- 55**: 132 foreclosures includes ZIP Codes 75215 with a 11.6 FNS; 75203 with a 5.5 FNS; 75216 with 48.4 FNS (48.1 Subprime, 32.6 foreclosure and 30.9 delinquency scores)
- 54**: 127 foreclosures includes ZIP Codes 75208 with a 5.6 FNS and 75224 with a 16.2 FNS (16.0 Subprime, 9.4 foreclosure and 17.2 delinquency scores)
- 56**: 127 foreclosures includes ZIP Codes 75215 with 11.6 FNS and 75216 with 48.4 FNS (48.1 Subprime, 32.6 foreclosure and 30.9 delinquency scores)
- 64**: 124 foreclosures includes ZIP Codes 75224 with a 16.2 FNS (16.0 Subprime, 9.4 foreclosure and 17.2 delinquency scores) and 75232 with a 39.1 (37.6 Subprime, 38.7 foreclosure and 37.6 delinquency scores)
- 58**: 102 foreclosures includes ZIP Codes 75227 with a 52.6 FNS (49.9 Subprime, 45.7 foreclosure and 53.3 delinquency scores) and 75217 with an 81.2 FNS (71.9 Subprime, 45.4 foreclosure and 63.0 delinquency scores), the highest in the City of Dallas
- 66**: 100 foreclosures includes ZIP Codes 75216 with a 48.4 FNS (48.1 Subprime, 32.6 foreclosure and 30.9 delinquency scores) and 75241 with

ATTACHMENT A
PROGRAM STATEMENT
NEIGHBORHOOD STABILIZATION PROGRAMS
(NSP)

a 58.6 FNS (59.1 Subprime, 68.2 foreclosure and 50.8 delinquency scores)

48: 90 foreclosures includes ZIP Codes 75228 with a 20.8 FNS (24.1 Subprime, 12.4 foreclosure and 18.9 delinquency scores) and 75227 with a 52.6 FNS (49.9 Subprime, 45.7 foreclosure and 53.3 delinquency scores)

53: 89 foreclosures includes ZIP Codes 75211 with an 30.0 FNS (31.6 Subprime, 15.0 foreclosure and 31.0 delinquency scores) and 75233 that has a 12.6 FNS (8.8 Subprime, 6.9 foreclosure and 12.1 delinquency scores)

69: 68 foreclosures includes ZIP Codes 75217 with an 81.2 FNS (71.9 Subprime, 45.4 foreclosure and 63.0 delinquency scores), the highest in the City of Dallas; and 75253 that has a 10.2 FNS (8.7 Subprime, 17.1 foreclosure and 8.6 delinquency scores)

69A: 50 foreclosures includes ZIP Code 75253 that has a 10.2 FNS (8.7 Subprime, 17.1 foreclosure and 8.6 delinquency scores)

Program Operations:

ARSR Activities will proceed as follows:

- ARSR Request for Applications/Proposals (RFA/RFP) are made when available funding is sufficient to support a NSP project request according to the requirements of this program statement.
- ARSR contract awards will be made through a RFA/RFP that will be mailed to interested entities for the acquisition, rehabilitation and sale of foreclosed properties as follows:
 - Prior to mail out of any RFA/RFP, a letter will be sent to entities on City's non-profit, for-profit mailing list and an ad placed in the Dallas Morning News announcing NSP funding availability

ATTACHMENT A

PROGRAM STATEMENT NEIGHBORHOOD STABILIZATION PROGRAMS (NSP)

- The letter outlining the terms, process and requirements of the City of Dallas' NSP will include MAPSCO pages identifying "Areas of Greatest Need" that have been approved by the City Council
- Interested entities will be required to respond within 2 weeks identifying one or all of the MAPSCO pages if they intend to participate
- RFA/RFP package will be sent to each interested applicant, detailing all the requirements for participation in the NSP
 - Capacity, development experience, financials and production will all be considered in recommending a contract award
- RFP will include list of all known foreclosed properties in each MAPSCO area selected by proposer
 - Applicants will have 30-days to respond to the RFA/RFP
 - Proposer will identify proposed foreclosure acquisitions by address
- Those applicants receiving an award will be provided a letter from City that can be used in negotiating the acquisition of properties with the owner of the property (lender), and with a commitment to advance funds for a period of 90 days
- Applicant will have 90 days to submit sales contracts to City
- Once sales contract(s) are received, Applicant will have up to 90 days to complete each environmental, appraisal, title commitment, survey and close on the property
- City staff is responsible for reviewing completeness of funding ARSR/ADR proposals and determining if the applicant meets the minimum requirements, prior to briefing and a recommendation for funding to the Dallas City Council's Housing Committee. Those applications not meeting the RFP criteria will not be sent to the Housing Committee for consideration.
- The City Housing Department is responsible for seeking Housing Committee and City Council approval, timing of the RFAs/RFPs, entering into a contract with the successful Developer, and monitoring of the loan.

ATTACHMENT A

PROGRAM STATEMENT NEIGHBORHOOD STABILIZATION PROGRAMS (NSP)

- The City reserves the right to reject all proposals/applications.
- The Developer who purchases foreclosed properties from lenders/owners in the designated NSP Areas will be responsible for: 1) providing documentation of purchase of the foreclosed single-family or multi-family properties in the NSP Areas; 2) securing primary financing with guarantees where required; 3) securing commitment(s) from home builders (if applicable); 4) completing the project on time and within budget; and 5) managing the rehabilitation and/or build-out of the development.
- The ARSR Activity will:
 - Require a minimum of 10 foreclosed property acquisitions per NSP proposal
 - Restrict the acquisition and rehabilitation to homes built after 1978
 - Require a 1 5% or greater discount off appraised value on the acquisition of a property from a lender
 - Require an environmental assessment report on each property acquired
 - Require an appraisal no more than 60 days prior to date of acquisition (lender may provide current appraisal)
 - Provide 50% of the acquisition cost for homes to be acquired by qualified entities @ 0% interest loan
 - Provide up to \$20,000 in a deferred loan, for rehabilitation cost, to bring the home up to minimum housing standards
 - Require full insurance coverage to protect against theft, vandalism and other losses until home is sold
 - Allow the contractor a maximum developer fee of 20% on the sale or rental of each home
 - Apply affordability period pursuant to HOME regulations, will be a 15 year deed restriction
 - Require the Developer to pay City's acquisition loan in full, upon sale and closing of permanent loan to homebuyer
 - ~~Require Davis Bacon Labor Standards for all NSP ARSR loans in accordance with regulations~~
 - Require Developers to maintain properties in order to avoid City Code Compliance Department (CCD) violations.
 - All NSP property addresses have been provided to the CCD for monitoring purposes

ATTACHMENT A

PROGRAM STATEMENT NEIGHBORHOOD STABILIZATION PROGRAMS (NSP)

- ARSR Loans may be negotiated as a rental/lease with option to buy, with home sold to qualified homebuyer no later than 5 years of acquisition from lender with a balloon payment made to the City for 50% of the initial acquisition cost. Homes not sold within the 5 year period will convert to rental units and will remain affordable for a period not to exceed a total of 15 years. ~~in accordance with these requirements will revert to the City of Dallas.~~
 - Provisions for Insurance and Maintenance will be required until home is sold

Additional Requirements

- The Developer or any of its associated companies must not have any outstanding compliance issues, delinquent taxes, or code violations with the City of Dallas.
- The Developer, or any of its associated companies, must not have had any bankruptcies in the last seven (7) years.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: December 9, 2009
COUNCIL DISTRICT(S): All
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: N/A

SUBJECT

Authorize **(1)** the Dallas Housing Finance Corporation to drawdown \$25,000,000 of its tax-exempt bond allocation from the Housing Economic Recovery Act Emergency Volume Cap to convert into \$6,250,000 Mortgage Credit Certificate (MCCs) Authority to provide MCCs to low-to-moderate income first-time homebuyers purchasing homes in the City of Dallas; and **(2)** approval of the plan related to that financing - Financing: No cost consideration to the City

BACKGROUND

The Dallas City Council created the Dallas Housing Finance Corporation (DHFC) in 1984 to provide financing for affordable single-family home ownership and multi-family rehabilitation and development within the city. Since its creation, the DHFC has issued approximately \$124,337,002 in tax-exempt mortgage revenue bonds to provide mortgage financing and down payment assistance to 1,621 homebuyers. The DHFC typically implements a new single-family bond program every two to three years, depending on market conditions.

In July 2008, H.R. 3221, the "Housing & Economic Recovery Act of 2008" (HERA) was enacted into law. HERA appropriated \$11 billion, increasing the 2008 cap on tax-exempt housing bonds for states. The Texas Department of Housing and Community Affairs (TDHCA) received an allocation of \$748 million. The DHFC applied for \$150 million of that allocation and received the reservation for these bonds. One use for these bonds is a Single-Family Mortgage Credit Certificate (MCC) Program.

On September 22, 2009, the DHFC board voted to create such a program in Dallas. The MCC program will assist approximately 179 low and moderate income first-time homebuyers by providing 35% of their mortgage interest paid each year, up to \$2,000. The MCC can be used to offset federal income taxes for the life of the mortgage loan or up to 30 years.

BACKGROUND (continued)

Approval of this agenda item will authorize the DHFC to drawdown \$25,000,000 of its \$150,000,000 in tax-exempt bond allocation from the Housing and Economic Recovery Act (HERA) Emergency Volume Cap awarded by the Texas Bond Review Board on December 1, 2008, to convert into \$6,250,000 in MCC Authority (MCCs)) and offer this program to first time low and moderate income homebuyers buying a home in Dallas.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On December 13, 2006, the City Council authorized the Dallas Housing Finance Corporation to issue tax-exempt bonds in an amount not to exceed \$14,337,022 for the 2006 Single Family Tax Exempt Mortgage Bond Program by Resolution No. 06-3404.

On November 16, 2009, the Housing Committee of the City Council was briefed on the Dallas Housing Finance Corporation and the Single Family Mortgage Credit Certificate Program.

FISCAL INFORMATION

No cost consideration to the City.

December 9, 2009

WHEREAS, on April 25, 1984, the City of Dallas (City) approved and authorized the creation of the Dallas Housing Finance Corporation (DHFC) as a Texas nonprofit corporation, pursuant to the Texas Housing Finance Corporation Act, Chapter 394, Local Government Code, V.T.C.A. as amended (the Act), to act on behalf of the City in carrying out the public purposes of the Act; and

WHEREAS, the DHFC is authorized by the Act to issue its revenue bonds on behalf of the City for the purpose of providing funds to finance mortgage loans made to persons of low and moderate income to purchase residences located within the City of Dallas; and

WHEREAS, on December 1, 2008, the DHFC received a Certificate of Reservation from the Texas Bond Review Board in Housing and Economic Recovery Act (HERA) Emergency Volume Cap in an amount not to exceed \$150,000,000; and

WHEREAS, on September 22, 2009, the DHFC approved the plan for financing of the 2009 Single Family Mortgage Credit Certificate Program and drawdown \$25,000,000 of its \$150 Million in tax-exempt bond allocation from the HERA Emergency Volume Cap to convert into \$6,250,000 in Mortgage Credit Certificate Authority (MCCs) to provide mortgage interest credit in available cash that equals 35% of interest paid for up to \$2,000 yearly or \$166.67 monthly to qualified low and moderate income homebuyers for the term of the mortgage loan; and

WHEREAS, on September 23, 2009, a publication of public notice on the 2009 Single Family Mortgage Credit Certificate Program was placed in the Dallas Morning News; and

WHEREAS, on November 16, 2009, the Housing Committee of the City Council was briefed on the 2009 Single Family Mortgage Credit Certificate Program; and

WHEREAS, Section 147 of the Internal Revenue Code of 1986, as amended (the Code), requires that the City Council approve the drawdown of bonds and the financing plans after a ninety day public notice; and

WHEREAS, the City Council desires to approve the drawdown of \$25,000,000 of DHFC's tax-exempt bond allocation from the HERA Emergency Volume Cap to convert into MCCs and approve the plan for financing related thereto; **NOW, THEREFORE**,

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

December 9, 2009

SECTION 1. That the City Council hereby authorizes the DHFC to drawdown \$25,000,000 of its tax-exempt bond allocation from the HERA Emergency Volume Cap to convert into \$6,250,000 Mortgage Credit Certificate (MCCs) Authority to provide MCCs to low-to-moderate income first-time homebuyers purchasing homes in the City of Dallas and approves the plan related to that financing.

SECTION 2. That the approval of the City Council is provided solely for the purpose of satisfying the conditions and requirements of the Corporation's Articles of Incorporation and By-Laws and the City Council's consent for the DHFC to drawdown \$25,000,000 of its tax-exempt bond allocation from the HERA Emergency Volume Cap and consent to the plan of financing for the 2009 Single Family Mortgage Credit Certificate Program shall not be construed to subject the City, its officers or employees to any liability or obligation with respect to the MCCs. The MCCs shall specifically provide that the MCCs are not a debt of the City, Dallas County and State of Texas and that the City, Dallas County and State of Texas are not liable with respect to the MCCs.

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

DISTRIBUTION:

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

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: December 9, 2009
COUNCIL DISTRICT(S): 7
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 47J

SUBJECT

Authorize (1) the private sale under the Land Assembly process through the Land Transfer Program, pursuant to the provisions of Chapter 34 of the Texas Property Tax Code, by Quitclaim Deed of one (1) unimproved property located at 3313 Beall Street acquired by the taxing authorities from the Sheriff's Sale to Central Dallas Community Development Corporation, a qualified non-profit organization; and (2) execution of a release of non-tax liens included in the foreclosure judgment and post-judgment non-tax liens, if any, for the property located at 3313 Beall Street (list attached) - Revenue: \$6,327

BACKGROUND

This item authorizes the private sale under the Land Assembly process through the Land Transfer Program, pursuant to the provisions of Chapter 34 of the Texas Property Tax Code, by Quitclaim Deed of one (1) unimproved property located at 3313 Beall Street acquired by the taxing authorities from the Sheriff's Sale to Central Dallas Community Development Corporation, a qualified non-profit organization. This property was foreclosed by the Sheriff's Department for unpaid taxes pursuant to a judgment from a District Court. This property is being sold to a City certified Community Housing Development Organization that provides affordable housing. Central Dallas Community Development Corporation will construct one (1) single-family cottage containing approximately 850 to 1,100 square feet for purchase by a low to moderate income homebuyer at the proposed sales price of \$75,000 to \$95,000 each. The anticipated commencement date of construction is September 2010.

The deed to this property will include deed restrictions which prohibit the placement of industrialized housing on the property.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

Revenue - \$6,326.66

OWNER

Central Dallas Community Development Corporation

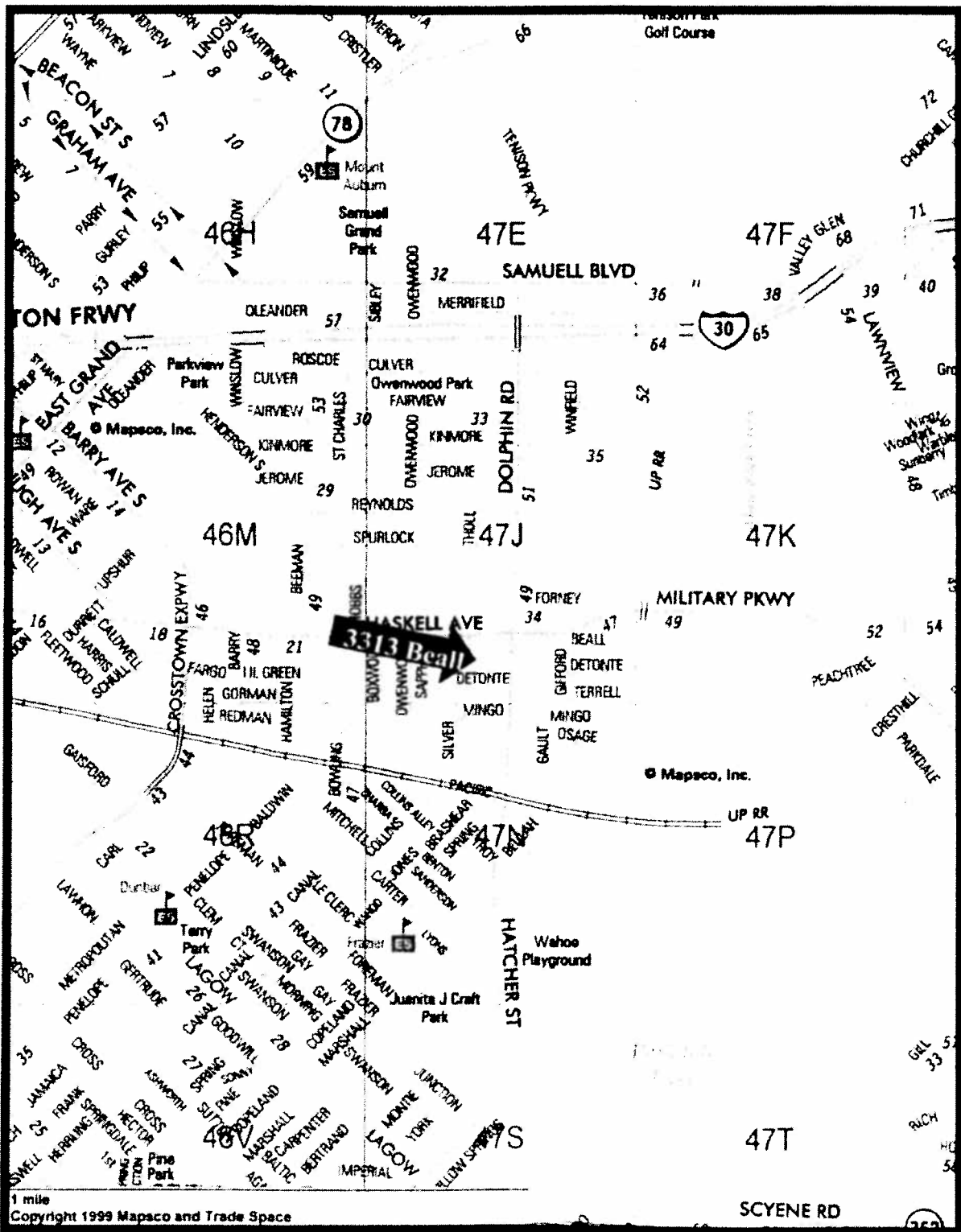
John Greenan, Executive Director

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 Amount</u>	<u>Sale Amount</u>	<u>Vac/ Imp</u>	<u>Zoning</u>
1.	3313 Beall	Central Dallas Community Development Corporation	47J	\$8,910	\$6,326.66	V	R-5(A)



MAPSCO 47J

December 9, 2009

WHEREAS, the City of Dallas ("City"), for itself and as trustee, on behalf of the taxing units named as a party to a judgment or in an application for a seizure warrant for delinquent taxes ("Taxing Units"), received tax title to a certain property by Sheriff's Deed, identified on "Exhibit A", attached hereto and made a part hereof, by legal description and the volume and page number of said deed recorded in the real property records of the county in which the property is located, ("Property"); and

WHEREAS, in accordance with Attorney General Opinion No. JM-1232, the City of Dallas, pursuant to the provisions of Chapter 34 of the Texas Property Tax Code, may resell the Property at any time; and

WHEREAS, as authorized by Section 253.010 of the Texas Local Government Code, the City desires to sell the Property to a qualified "nonprofit organization" for the development of "affordable housing" for low income persons, as those terms are defined for the purposes of this resolution in Section 2-26.5 of the Dallas City Code ("Code"); and

WHEREAS, the City has received a written proposal which contains proposed end use and time frame from the qualified nonprofit organization to purchase the Property by private sale ("Proposal") at the (1) lesser of the market value as specified in the judgment of foreclosure or the total amount of the judgments against the property, or (2) lesser of the tax warrant amount or the market value of the property as indicated in the Sheriff's Deed, all as indicated on "Exhibit A"; and

WHEREAS, the City Council has previously approved the resale of other properties where funds were not received and have not been disbursed prior to the April 1, 2001 Tax Collection Consolidation with Dallas County; and

WHEREAS, the proceeds of the resale will be distributed in accordance with Chapter 34, Section 34.06 of the Texas Property Tax Code; **NOW, THEREFORE,**

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

Section 1. That the Proposal identified on Exhibit "A" is approved by the City.

Section 2. That upon receipt of the monetary consideration from Central Dallas Community Development Corporation (Central Dallas CDC) for the Property on the list as specified on Exhibit "A", the City Manager is hereby authorized to execute a Quitclaim Deed, upon approval as to form by the City Attorney and attested by the City Secretary, quitclaiming the Property to Central Dallas CDC, subject to the right of redemption, if any, and the possibility of reverter with right of re-entry, and to the terms and conditions of Code Section 2-26.10 through 2-26.12 and the Proposal.

December 9, 2009

Section 3. That the quitclaim deed to this Property will contain deed restrictions requiring the purchaser to:

- (1) Restrict the sale and resale of owner-occupied property to low-income individuals or families for five (5) years after the date of filing,
- (2) Require the nonprofit organization to develop the proposed housing unit within three (3) years after receiving the quitclaim deed, and
- (3) Require any low-income individual or family to maintain each housing unit and all improvements on the land during the five (5) year period.

Section 4. That the quitclaim deed to this Property will contain a condition that the quitclaim is also subject to Grantee's representation and agreement that Grantee did not purchase the Property on behalf of a Prohibited Person, as hereinafter defined, and that Grantee will not sell or lease the Property to a Prohibited Person. A "Prohibited Person" shall mean any party who was named as a defendant in the legal proceedings at which the City obtained a final judgment in a District Court in the county in which the land is located for delinquent taxes and an order to foreclose its tax lien on the property or person in the Judgment or Seizure Tax Warrant, issued in a District Court in the county in which the land is located, or the Sheriff's Deed as the owner of the Property, authorized seized and ordered sold for delinquent taxes and any municipal health and safety liens (as applicable). Grantee's agreement shall be for five (5) years from execution of the quitclaim deed, and any breach or violation thereof may be enforced by Grantor against Grantee at law or in equity to require the correction of the violation. Grantee further agrees that if Grantor substantially prevails in a legal proceeding to enforce these terms, conditions and restrictions, Grantor shall be entitled to recover damages, reasonable attorney fees, and court costs from Grantee. Grantee's agreement to those terms, conditions and restrictions is a material representation and part of the consideration for this transaction.

Section 5. That the City Manager is authorized to execute an instrument, approved as to form by the City Attorney, releasing the City's possibility of reverter with right of re-entry and terminating the deed restrictions to the Property upon compliance with all terms and conditions of Code Section 2-26.10 through 2-26.12, the Proposal, and the deed restrictions.

Section 6. That the consideration received shall be distributed pursuant to Chapter 34, section 34.06 of the Texas Property Tax Code and applied to the payment of the judgment, court costs, interest, and cost of sale and resale owed to the Taxing Units by the delinquent taxpayer or the amount of delinquent taxes, penalties, the amount secured by any municipal health or safety liens on the Property included in the Warrant application, court costs, interest and cost of seizure and sale owed to the Taxing Units as set forth in the Warrant; any such amount(s) still owed by the delinquent taxpayer to any of the Taxing Units shall remain the personal obligation of the delinquent taxpayer.

December 9, 2009

Section 7. That the purchaser shall be responsible for the pro rata property taxes assessed from the date of closing for the remaining part of the then current calendar year. This Property shall be placed back on the tax rolls effective as of the date of execution of the deed.

Section 8. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute a release of lien for any non-tax liens included in the foreclosure judgment and any non-tax liens that may have been filed by the City post-judgment on the Property.

Section 9. That any and all proceeds for the resale of the Property listed on Exhibit A and for the properties previously approved for resale by the City Council where funds were not received and have not been disbursed prior to the April 1, 2001 Tax Collection Consolidation with Dallas County be deposited to General Fund 0001, Agency DEV, Balance Sheet Account 0519.

Section 10. That upon receipt of the consideration, the City Controller is authorized to disburse proceeds of the resale of the Property listed on Exhibit A, in accordance with Chapter 34, section 34.06 of the Texas Property Tax Code, which calculations for disbursement shall be provided by the Sustainable Development and Construction Services Director, to the City of Dallas Land Based Receivables, the Dallas County District Clerk and the Dallas County Tax Office from the account specified in Section 9 above.

Section 11. That upon receipt of the distribution amounts, the City Controller is authorized to disburse proceeds pursuant to Chapter 34, section 34.06 of the Texas Property Tax Code, which calculations for disbursement shall be provided by the Sustainable Development and Construction Services Director, for properties previously approved for resale by the City Council where funds have not been disbursed prior to the April 1, 2001 Tax Collection Consolidation with Dallas County from the account specified in Section 9 above.

Section 12. That any procedures required by Code Section 2-24 that are not required by state law are hereby waived with respect to these conveyances.

December 9, 2009

Section 13. That this resolution shall take effect immediately from and after its passage in accordance with provisions of the City Charter of the City of Dallas and is accordingly so resolved.

DISTRIBUTION:

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

EXHIBIT A

TAX-FORECLOSED (TF) AND/OR SEIZURE WARRANT (SW) PROPERTY RESALE

December 9, 2009

PARCEL NO.	STREET ADDRESS/ LEGAL DESCRIPTION	TF/SW	VACANT/ IMPROVED	DEED VOLUME PAGE	QUALIFIED NON-PROFIT PURCHASER	HOMEOWNER RENTAL LEASE PURCHASE	NUMBER OF DWELLING UNITS	SALE AMOUNT
1	3313 BEALL ST. Lot 6, R. I. Cook's Subdivision, Block 2633	TF	V	V.2003049 P.9658	Central Dallas Community Development Corporation	Homeowner	1	\$6,326.66
							TOTAL	\$6,326.66

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: December 9, 2009
COUNCIL DISTRICT(S): 7
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 47J

SUBJECT

A resolution declaring one unimproved property located at 3331 Beall Street unwanted and unneeded and authorizing its conveyance to Central Dallas Community Development Corporation, a qualified non-profit organization, through the Land Transfer Program (list attached) - Revenue: \$1,000

BACKGROUND

This item will declare one (1) unimproved property located at 3331 Beall Street unwanted and unneeded and authorize its conveyance to Central Dallas Community Development Corporation, a qualified non-profit organization, through the Land Transfer Program. This property reverted back to the City of Dallas due to noncompliance by a Community Housing Development Organization who previously purchased the lot. This property is being sold to a City certified Community Housing Development Organization that provides affordable housing. Central Dallas Community Development Corporation will construct one (1) single-family cottage containing approximately 850 to 1,100 square feet for purchase by a low to moderate income homebuyer at the proposed sales price of \$75,000 to \$95,000 each. The anticipated commencement date of construction is September 2010.

The deed to this property will include deed restrictions which prohibit the placement of industrialized housing on the property.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

Revenue - \$1,000

OWNER

Central Dallas Community Development Corporation

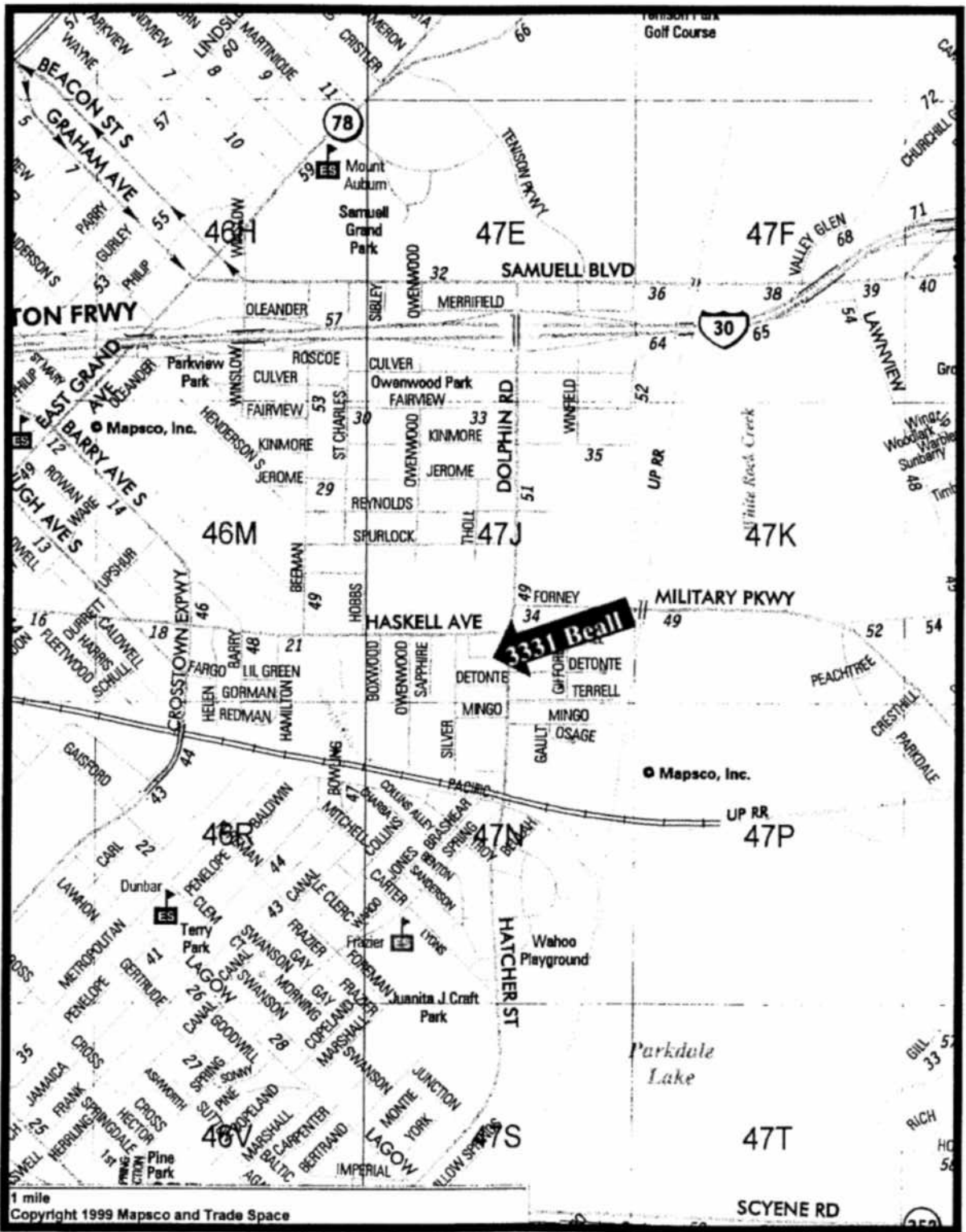
John Greenan, Executive Director

MAP

Attached

Surplus Property Resale

<u>Parcel No.</u>	<u>Address</u>	<u>Non-Profit Organization</u>	<u>Mapsco</u>	<u>DCAD Amount</u>	<u>Sale Amount</u>	<u>Vac/ Imp</u>	<u>Zoning</u>
1.	3331 Beall	Central Dallas Community Development Corporation	47J	\$7,920	\$1,000	V	R-5(A)



MAPSCO 47J

December 9, 2009

WHEREAS, the City acquired title to a certain property by Notice of Reverter and Reentry of Real Property, identified on "Exhibit A", attached hereto and made a part hereof, by legal description and the volume and page number of said instrument recorded in the real property records of the county in which the property is located, ("Property"); and

WHEREAS, as authorized by Section 272.001(g) of the Texas Local Government Code, the City desires to sell the Property to a qualified "nonprofit organization" for the development of "affordable housing" for low income persons, as those terms are defined for the purposes of this resolution in Section 2-26.5 of the Dallas City Code ("Code") in accordance with the non-profit organization's written proposal for development of the Property by the purchaser; and

WHEREAS, the City recognizes certain "qualified nonprofit organizations" as those which:

- (1) are 501(c)(3) corporations, as defined by the U.S. Internal Revenue Service,
- (2) are in good standing with the State of Texas,
- (3) are community based organizations as evidenced by at least one-third (1/3) of their boards being made up of area residents or low income persons,
- (4) have articles of incorporation, charter or bylaws which show the provision of safe, decent, affordable housing to low and moderate income persons is a stated purpose of the organization, and
- (5) owe no outstanding judgements, tax delinquencies, or fees to the City; and

WHEREAS, the City has received a written proposal which contains proposed end use and time frame from a qualified nonprofit organization to purchase the Property by private sale ("Proposal") at a fixed price of \$1,000.00 for up to 7,500 square feet of land purchased under a single Proposal, plus \$0.133 for each additional square foot of land purchased under the Proposal, all as indicated on "Exhibit A"; and

WHEREAS, the City Council desires to declare the Property shown on Exhibit "A" unwanted and unneeded and authorize its conveyance to Central Dallas Community Development Corporation (Central Dallas CDC) a City certified Community Housing Development Organization; and

December 9, 2009

WHEREAS, the Deed without Warranty to this Property will contain:

- (1) Restrict the sale and resale of owner-occupied property to low-income individuals or families for five (5) years after the date of filing,
- (2) Require the nonprofit organization to develop the proposed housing unit within three (3) years after receiving the quitclaim deed,
- (3) Require any low-income individual or family to maintain each housing unit and all improvements on the land during the five (5) year period,
- (4) deed restrictions on the Property, acceptable to the City, requiring the Property to remain affordable to households whose incomes are less than 80% of the area median family income upon resale for five (5) years after initial occupancy, and
- (5) a right of reverter;

NOW, THEREFORE,

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

Section 1. That the Proposal identified on Exhibit "A" is approved by the City.

Section 2. That upon receipt of the monetary consideration from Central Dallas CDC for the Property on the list as specified on Exhibit "A", the City Manager is hereby authorized to execute a Deed without Warranty, upon approval as to form by the City Attorney and attested by the City Secretary, conveying the Property to Central Dallas CDC and the possibility of reverter with right of re-entry, and to the terms and conditions of Code Section 2-26.10 through 2-26.12 and the Proposal.

Section 3. That the Deed without Warranty to this Property will contain deed restrictions requiring the purchaser to:

- (1) Restrict the sale and resale of owner-occupied property to low-income individuals or families for five (5) years after the date of filing,
- (2) Require the nonprofit organization to develop the proposed housing unit within three (3) years after receiving the quitclaim deed,
- (3) Require any low-income individual or family to maintain each housing unit and all improvements on the land during the five (5) year period,
- (4) deed restrictions on the Property, acceptable to the City, requiring the Property to remain affordable to households whose incomes are less than 80% of the area median family income upon resale for five (5) years after initial occupancy, and
- (5) a right of reverter.

December 9, 2009

Section 4. That the City Manager is authorized to execute an instrument, approved as to form by the City Attorney, releasing the City's possibility of reverter with right of re-entry and terminating the deed restrictions to the Property upon compliance with all terms and conditions of Code Section 2-26.10 through 2-26.12, the Proposal, and the deed restrictions.

Section 5. That the purchaser shall be responsible for the pro rata property taxes assessed from the date of closing for the remaining part of the then current calendar year. This Property shall be placed back on the tax rolls effective as of the date of execution of the deed.

Section 6. That any and all proceeds from the resale of the Property listed on Exhibit A shall be deposited to General Fund 0001, Agency DEV, Balance Sheet Account 0519 and the Sustainable Development and Construction Department shall be reimbursed for administrative costs incurred (Fund 0001, Department DEV, Unit 1183, Object 5011). Any remaining proceeds shall be transferred to the General Capital Reserve Fund 0625, Department DEV, Unit 8888, Revenue Source 8118.

Section 7. That if a title policy is desired, same shall be at the expense of the purchaser.

Section 8. That any procedures required by Code Section 2-24 that are not required by state law are hereby waived with respect to these conveyances.

Section 9. That this resolution shall take effect immediately from and after its passage in accordance with provisions of 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

**EXHIBIT A
SURPLUS PROPERTY**

December 9, 2009

PARCEL NUMBER	STREET ADDRESS LEGAL DESCRIPTION	VACANT/ IMPROVED	INSTRUMENT NUMBER	QUALIFIED NONPROFIT PURCHASER	NUMBER OF DWELLING UNITS	TYPE OF DEED	SALE AMOUNT
1	3331 Beall Lot 4, Burkleys Subdivision, Block 2/2632	V	200900054171	Central Dallas Community Development Corporation	1	Deed without Warranty	\$1,000.00
						TOTAL:	\$1,000.00

APPROVED AND FORWARDED:

 TITLE: _____

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: December 9, 2009

COUNCIL DISTRICT(S): 1, 2, 3, 4, 5, 6, 7, 8

DEPARTMENT: Housing/Community Services

CMO: A. C. Gonzalez, 671-8925

MAPSCO: 33 34 35 36 37 38 42 43 44 45 46 47 48 49 51 52 53 54 55 56
57 58 59 61 62 63 64 65 66 67 68 69 70 71 73 74 75 76

SUBJECT

Authorize the Dallas Housing Acquisition and Development Corporation (the "Land Bank") to enter into a one-year contract commencing as of October 1, 2009, with five one-year renewal term options, with Republic Title of Texas, Inc. to provide title abstract services for up to 300 title reports during the one-year term of the contract - Not to exceed \$93,000 - Financing: 2003 Bond Funds

BACKGROUND

This action will authorize the Land Bank to enter into a one-year contract and exercise five 1-year renewal term options to extend the contract, with Republic Title of Texas, Inc. ("Republic") to provide title abstract services for up to 300 title reports during the one-year term of the contract and same number of title reports for each subsequent renewal in the amount not to exceed \$93,000.00 annually. This amount represents about 40% of the actual costs incurred by Republic to abstract the title records. The Land Bank refers up to 300 lots each year for title commitments and City Attorney approval.

Republic has been providing these services pro bono to the Land Bank since 2004. The contract was approved by the Land Bank Board on November 19, 2009. This action does not require the Land Bank to exercise the renewal options, but does allow the Land Bank to exercise the renewal term options upon expiration of each renewal term, if desired, without requiring further Council action.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

2003 Bond Funds - \$93,000

ETHNIC COMPOSITION

Republic Title of Texas, Inc.

Hispanic Female	18	Hispanic Male	3
African-American Female	14	African-American Male	7
Other Female	4	Other Male	1
White Female	346	White Male	81

OWNER(S)

Republic Title of Texas, Inc.



William A. Kramer, Chairman of the Board

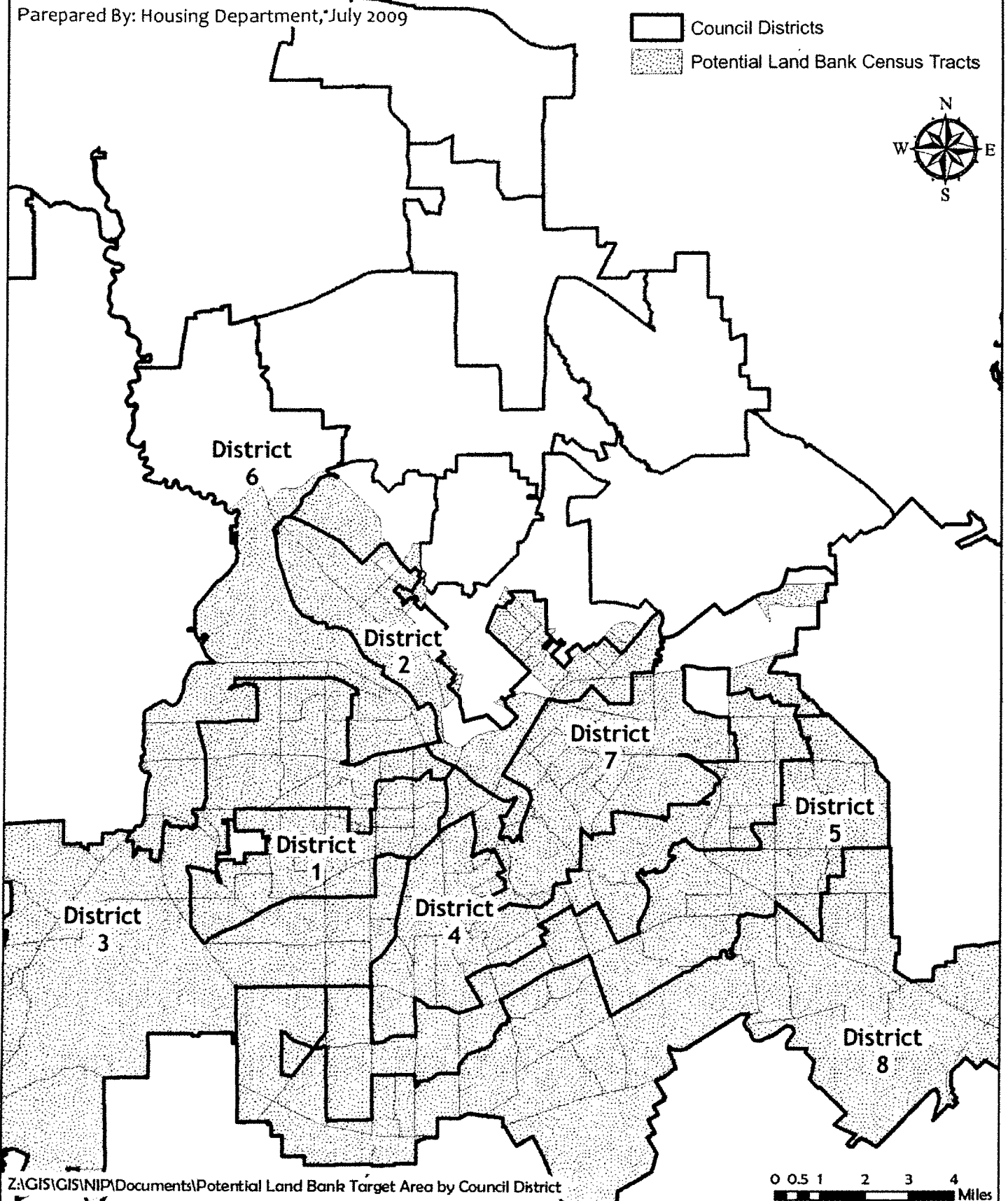
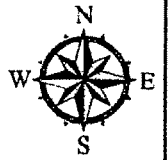
Map

Attached

Potential Land Bank Census Tracts 2009-2010

Prepared By: Housing Department, July 2009

-  Council Districts
-  Potential Land Bank Census Tracts



Z:\GIS\GIS\NIP\Documents\Potential Land Bank Target Area by Council District

0 0.5 1 2 3 4 Miles

December 9, 2009

WHEREAS, the State Legislature enacted and the Governor signed the Urban Land Bank Demonstration Program Act to enable the foreclosure of unproductive properties and sale to a land bank for the development of affordable housing; and

WHEREAS, Republic Title of Texas, Inc. has been providing pro bono title abstract services to the Land Bank for title reports for up to 300 lots annually since 2004; and

WHEREAS, it is now desirable to authorize the Land Bank to enter into a contract and to exercise five one-year options to extend the contract with Republic Title of Texas, Inc. to provide title abstract services for up to 300 title reports during the one-year term of the contract and same number of title reports for each subsequent renewal; **NOW, THEREFORE,**

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

SECTION 1. That the Land Bank is hereby authorized to enter into a one-year contract commencing as of October 1, 2009, and exercise five one-year renewal term options to extend the contract, with Republic Title of Texas, Inc. to provide title abstract services for up to 300 title reports during the one-year term of the contract and same number of title reports for each subsequent renewal in an amount not to exceed \$93,000.00 annually.

SECTION 2. That the Land Bank is authorized to execute the contract after it has been approved as to form by the City Attorney.

SECTION 3. That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions of the contract:

Republic Title of Texas, Inc.

Vendor # 342843

Fund 4R10, Dept HOU, Unit R930, Obj 3099, CT HOUR930B330 in an amount not to exceed \$93,000

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: December 9, 2009
COUNCIL DISTRICT(S): 1, 2, 3, 4, 5, 6, 7, 8
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 33 34 35 36 37 38 42 43 44 45 46 47 48 49 51 52 53 54 55 56
57 58 59 61 62 63 64 65 66 67 68 69 70 71 73 74 75 76

SUBJECT

Authorize the Dallas Housing Acquisition and Development Corporation (the "Land Bank") to enter into a one-year contract commencing as of October 1, 2009, with five one-year renewal term options, with Linebarger Goggan Blair and Sampson, LLP to provide legal services for up to 300 lots acquired by the Land Bank during the one-year term of the contract - Not to exceed \$300,000 - Financing: 2003 Bond Funds

BACKGROUND

This action will authorize the Land Bank to enter into a one-year contract and to exercise five one-year renewal term options to extend the contract, with Linebarger Goggan Blair and Sampson, LLP ("Linebarger") to provide legal services for up to 300 lots acquired by the Land Bank during the one-year term of the contract and same number of lots for each subsequent renewal in the amount not to exceed \$300,000.00 annually. This amount represents about a third of the actual costs incurred by Linebarger to foreclose on the lots for delinquent taxes and non-tax liens. The Land Bank refers up to 300 lots each year for foreclosure by Linebarger after obtaining title commitments and City Attorney approval.

Linebarger has been providing these services pro bono to the Land Bank since 2004. The contract was approved by the Land Bank Board on November 19, 2009. This action does not require the Land Bank to exercise the renewal options, but does allow the Land Bank to exercise the renewal term options upon expiration of each renewal term, if desired, without requiring further Council action.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

2003 Bond Funds - \$300,000

ETHNIC COMPOSITION

Linebarger Goggan Blair and Sampson, LLP

Hispanic Female	20	Hispanic Male	3
African-American Female	33	African-American Male	6
Other Female	1	Other Male	0
White Female	16	White Male	13

OWNER(S)

Linebarger Goggan Blair and Sampson, LLP



DeMetris A. Sampson, Partner

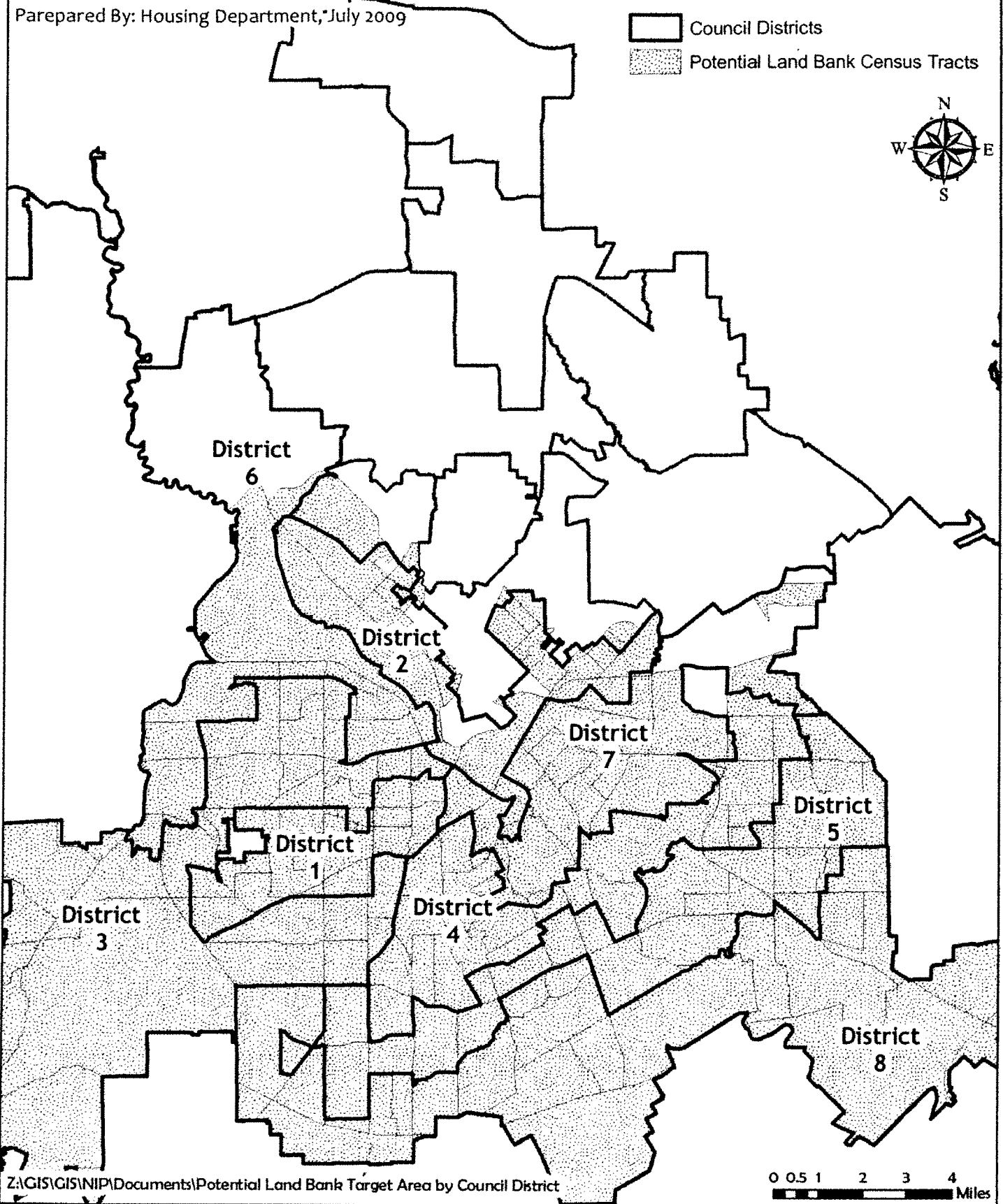
Map

Attached

Potential Land Bank Census Tracts 2009-2010

Prepared By: Housing Department, July 2009

-  Council Districts
-  Potential Land Bank Census Tracts



December 9, 2009

WHEREAS, the State Legislature enacted and the Governor signed the Urban Land Bank Demonstration Program Act to enable the foreclosure of unproductive properties and sale to a land bank for the development of affordable housing; and

WHEREAS, Linebarger Goggan Blair and Sampson, LLP has been providing pro bono legal services to the Land Bank for tax foreclosure of up to 300 lots annually since 2004; and

WHEREAS, it is now desirable to authorize the Land Bank to enter into a contract and to exercise five one-year options to extend the contract with Linebarger Goggan Blair and Sampson, LLP to provide legal services for up to 300 lots acquired by the Land Bank during the one-year term of the contract and same number of lots for each subsequent renewal; **NOW, THEREFORE**,

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

SECTION 1. That the Land Bank is hereby authorized to enter into a one-year contract commencing as of October 1, 2009 and exercise five one-year renewal term options to extend the contract, with Linebarger Goggan Blair and Sampson, LLP to provide legal services for up to 300 lots acquired by the Land Bank during the one-year term of the contract and same number of lots for each subsequent renewal in an amount not to exceed \$300,000.00.

SECTION 2. That the Land Bank is authorized to execute the contract after it has been approved as to form by the City Attorney.

SECTION 3. That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions of the contract:

Linebarger Goggan Blair and Sampson, LLP Vendor # 501164

Fund 4R10, Dept HOU, Unit R930, Obj 3099, CT HOUR930B331 in an amount not to exceed \$300,000.00

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: December 9, 2009
COUNCIL DISTRICT(S): 4
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 56L

SUBJECT

Authorize a resolution in support of the Texas Department of Housing and Community Affairs (TDHCA) Tax-exempt Bond and 4% tax credit financing pursuant to the Qualified Allocation Plan for the new construction of Turner Courts development project of 206 multifamily housing units located at 6601 Bexar Street - Financing: No cost consideration to the City

BACKGROUND

The to be formed entity ("Applicant") submitted a pre-application to TDHCA for tax-exempt bonds and 4% tax credits on behalf of the Housing Options, Inc., a public facilities corporation created by the Dallas Housing Authority (DHA), that will issue tax-exempt bonds for this development.

On January 11, 2006, the City Council approved an item authorizing (1) amendments to the City of Dallas review criteria for multifamily project applications seeking City of Dallas approval and for tax-exempt mortgage revenue bond and/or low income housing tax credit financing and (2) prohibiting submission to the City of applications for approval of tax exempt mortgage revenue bonds and for low income tax credits for a 12-month period beginning January 11, 2006, unless the City Council grants a pre-application waiver. The City Council authorized support of a pre-application waiver on November 9, 2009.

Under the 2009 Qualified Allocation Plan Rules, if the proposed development is located in a municipality that has more than twice the state average of units per capita supported by Housing Tax Credits or private activity bonds, the applicant must obtain prior approval of the development from the governing body of the municipality. Texas Department of Housing and Community Affairs (TDHCA) funding for projects in the City of Dallas must be approved by the City Council.

BACKGROUND (continued)

The resolution must include a written statement of support from the governing body referencing the state rule and authorizing an allocation of housing tax credits for the development.

As a requirement for City approval of low income housing tax credits, the Applicant(s) are required to conduct a survey of the needs of the tenants as each lease is signed and will provide some or all of the following social services at no cost to the tenants, such as: after-school and summer break care for children, health screenings; counseling/domestic crisis intervention; emergency assistance, computer education, adult education programs (such as: ESL, life skills and nutrition classes, etc.); and social and recreational activities.

Approval of this application will enable the Applicant (s) to apply for low income housing tax credit financing to construct 206 new multifamily units of affordable housing at 6601 Bexar Street.

The Housing Department recommends that the City Council grant approval and support of Texas Department of Housing and Community Affairs 4% tax credits for this project.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On November 2, 2009, the Housing Committee was briefed on the Turner Courts Development.

On November 9, 2009, the City Council authorized support of the pre-application waiver by Resolution No. 09-2823.

On November 9, 2009, the City Council authorized a loan for \$2,500,000 at 4% interest to Dallas Housing Authority for infrastructure improvements by Resolution No. 09-2768.

FISCAL INFORMATION

No cost consideration to the City.

OWNER(S)

Dallas Housing Authority

MaryAnn M. Russ, Executive Director

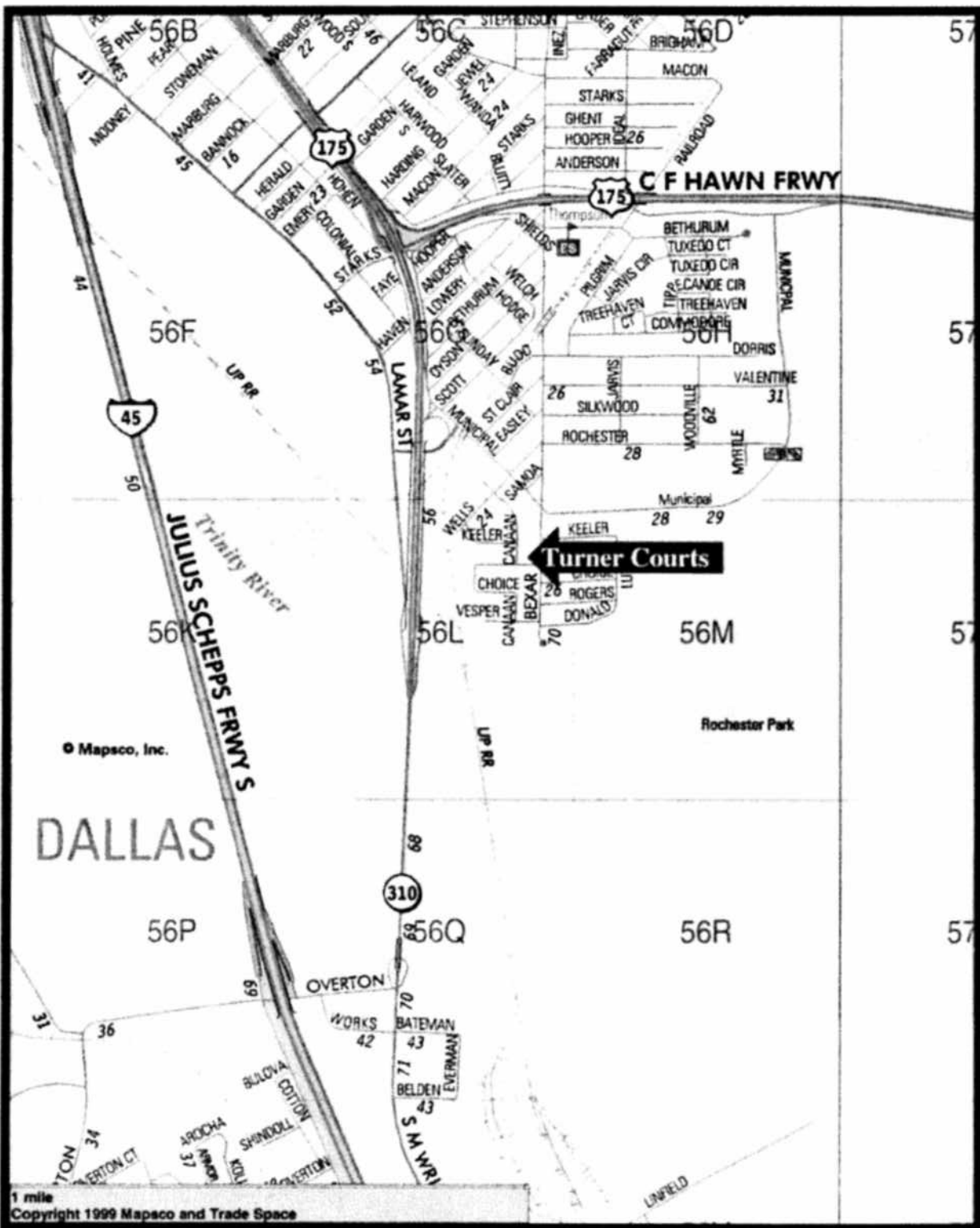
DEVELOPER

Dallas Housing Authority

MaryAnn M. Russ, Executive Director

MAP

Attached



MAPSCO 56L

December 9, 2009

WHEREAS, the Applicant, to be formed entity, (the "Applicant") submitted a pre-application waiver seeking approval to apply for 4% tax credit with the Texas Department of Housing and Community Affairs (TDHCA); and

WHEREAS, under the TDHCA rules in the 2009 Qualified Allocation Plan and Rules (QAP), if the development is located in a municipality that has more than twice the State average of units per capita supported by Housing Tax Credit or private activity bonds, the applicant must obtain prior approval of the development from the governing body of the municipality; and

WHEREAS, as a condition for being considered for the award of the 4% tax credit, the Applicant has committed to renting 100% of the units to tenants with household incomes capped at 80% or below the area median family income (AMFI) with affordable; and

WHEREAS, pursuant to Resolution No. 06-0136, the Dallas City Council decided for the 12 month period beginning January 11, 2006 not to approve any new tax credit transactions unless a pre-application waiver is granted by the City Council; and

WHEREAS, as a condition for being considered for the award of the 4% tax credits, the owner of the project will expend a minimum of \$40,000 (a minimum of \$40,000 or \$200 per unit per year, whichever is greater) for social services at no cost to the tenants, based on the needs of the tenants, to include some or all of the following: after-school and summer break care for children, health screenings, family counseling/domestic crisis intervention, computer education, emergency assistance, vocational guidance, and other social services and recreational activities; and that up to 50% of the social service requirement can be in the form of in-kind contributions; and

WHEREAS, the City of Dallas desires to consider the approval of the development of this housing project and therefore approves the TDHCA Tax-exempt Bond and 4% tax credit financing pursuant to the Qualified Allocation Plan; **NOW, THEREFORE**

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

SECTION 1. That the City of Dallas approves and supports the Texas Department of Housing and Community Affairs (TDHCA) Tax-exempt Bond and 4% tax credits for the new construction of Turner Courts development project of 206 multifamily housing units located at 6601 Bexar Street pursuant to the Qualified Allocation Plan.

December 9, 2009

SECTION 2. That the City's subsequent approval of the tax credits for this project will be contingent on: (1) the Project Owner expending a minimum of \$40,000 (a minimum of \$40,000 or \$200 per unit per year, whichever is greater) for social services for and at no cost to the residents of the development, based on a survey of residents needs, to be implemented within three months of project completion; (2) inclusion of this requirement in the Land Use Restriction Agreement (LURA) by the Texas Department of Housing and Community Affairs (TDHCA); and, (3) if the LURA does not require the social services expenditures to be made prior to debt service payment, a separate guarantee by an entity or individual acceptable to the City that the social services expenditures will be made. Up to 50% of the social service requirement can be fulfilled with in kind social services.

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