

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: August 27, 2014
COUNCIL DISTRICT(S): 4
DEPARTMENT: Housing/Community Services
CMO: Theresa O'Donnell, 671-9195
MAPSCO: 55A B

SUBJECT

Authorize an amendment to Resolution No. 13-0994, previously approved on June 12, 2013, with 2000 Roses Foundation, Inc. for the renovation of 220 North Cliff Street and new construction of 1102 East Ninth Street to remove the 1102 East Ninth Street property from the contract - Financing: No cost consideration to the City

BACKGROUND

On June 12, 2013, City Council approved a project with 2000 Roses Foundation, Inc. for the renovation of 220 N. Cliff Street and new construction of 1102 E. Ninth Street for \$85,000. The City would contribute \$45,000 and 2000 Roses would privately finance \$40,000. The total cost of the renovation for 220 N. Cliff was estimated at \$85,000.

As of July 1, 2014, 2000 Roses Foundation, Inc. completed portion of the roofing, windows, flooring, and sheetrock on 220 N. Cliff St. In addition to the City's funds of \$45,000, they obtained a grant from BBP, LLC for \$30,000 to pay for a portion of the renovations. The remaining items to complete by June 12, 2015, are electrical, bathroom, kitchen, flooring, HVAC, exterior siding and trim.

Several issues have left this project under sourced. The house at 220 N. Cliff has a historic designation that requires the exterior of the home to meet the original characteristics and these requirements added costs to the budget. Additionally, 2000 Roses anticipated additional funding from private sources but was unsuccessful in obtaining additional funds. The applicant has asked for the City to modify the contract to remove the 1102 E. Ninth Street project and allow the remaining funds to be used to complete 220 N. Cliff Street. Housing staff evaluated the project for completion and determined a total of \$35,000 additional funds are needed to finish the project. The newly estimated total cost for completion of 220 N. Cliff is \$110,000.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 12, 2013, City Council approved the project with 2000 Roses Foundation, Inc. and the City of Dallas entered into a loan agreement for funding for the renovation of 220 N. Cliff Street and new construction of 1102 E. Ninth Street for \$85,000, by Resolution No. 13-0994.

FISCAL INFORMATION

No cost consideration to the City

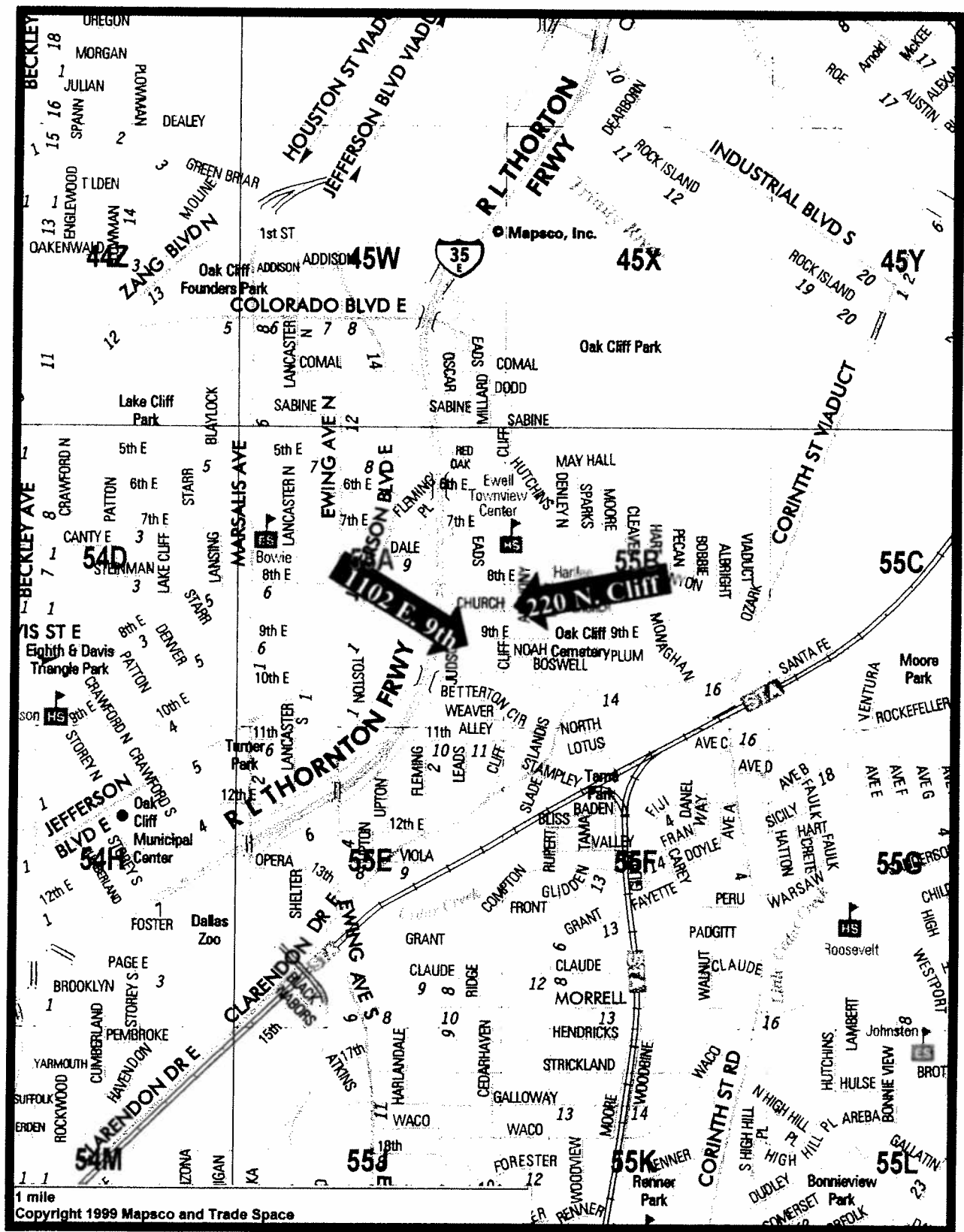
OWNER

2000 Roses Foundation, Inc.

Alonzo Harris, President

MAP

Attached



MAPSCO 55A & 55B

August 27, 2014

WHEREAS, on June 12, 2013, City Council approved the project with 2000 Roses Foundation, Inc. and the City of Dallas entered into a loan agreement for funding for the renovation of 220 N. Cliff Street and new construction of 1102 E. Ninth Street for \$85,000. The \$85,000 was distributed as \$45,000 for the renovation and \$40,000 for the new construction by Resolution No. 13-0994; and

WHEREAS, 2000 Roses Foundation, Inc. requested a revision to the development loan agreement to remove the unit at 1102 E. Ninth Street to allow them to use the remaining funds on 220 N. Cliff Street ; **NOW, THEREFORE**,

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

Section 1. That the City Manager or designee, upon approval as to form by the City Attorney, is hereby authorized to amend the contract with 2000 Roses Foundation, Inc. to remove the 1102 E. Ninth Street property from the contract.

Section 2. The terms of the agreement include:

- (a) Borrower must execute an amendment to the Note.
- (b) Borrower must complete and sell the 220 N. Cliff to a low-to-moderate income family whose income is 140% or less of area median family income by the maturity date.
- (c) Borrower will be released from liability on the Note at the same time the low-to-moderate income family closes the purchase of the home.
- (d) Property will be deed restricted for affordability at 140% or less of Area Median Family Income for sale and resale to eligible homebuyers for a period of ten years.

Section 3. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute releases of liens and terminate deed restrictions on the property upon compliance with the loan terms and deed restrictions.

Section 4. That nothing in this resolution shall be construed as a binding contract or agreement upon the City, that it is subject to available funds and there will be no liability or obligation on the City until final contract documents are approved, executed, and final closing completed.

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

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: August 27, 2014
COUNCIL DISTRICT(S): 4
DEPARTMENT: Housing/Community Services
CMO: Theresa O'Donnell, 671-9195
MAPSCO: 65D

SUBJECT

Authorize an amendment to Resolution No. 14-0771, previously approved on May 14, 2014 with Dallas Area Habitat for Humanity, Inc. (DAHFH) to: **(1)** change the terms of the development loan to a conditional grant; **(2)** decrease the federal HOME Investment Partnership Program Funds (HOME) to \$450,000 for the construction of 15 homes; and **(3)** provide \$450,000 in Bond funds for construction of 15 homes for a total of 30 affordable single family homes for the Jimmy & Rosalynn Carter project to be located on Exeter and Custer Streets - Financing: No cost consideration to the City

BACKGROUND

DAHFH has been incorporated as a nonprofit developer in Dallas County since 1986. During this time, they have built over 1,200 homes investing over \$120M and recruited over 12,000 volunteers. They serve a target population of families at or below 60% AMFI.

In partnership with Pioneer Natural Resources, DAHFH plans to revitalize the Oak Cliff Gardens-Lisbon Heights Neighborhood, to include land acquisition (including nuisance properties), demolition, new construction, home repair (Brush of Kindness Program).

In May 2014, Council approved a housing development loan with Dallas Area Habitat for Humanity, Inc. for HOME Investment Partnership (HOME) funds for the revitalization work in Oak Cliff Gardens-Lisbon Heights Neighborhood for the development of 30 single family affordable housing units for low and moderate income families at or below 60% AMFI. Since the approval, DAHFH changed some of the lots to be built on and changed the development timeline in a manner that does not make HOME funds the best source for a portion of the project. They requested a change in funding to continue to provide HOME funds for 15 units and provide 2012 General Obligation Bond Funds for 15 units. All other terms of the conditional grant will remain the same.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 27, 2012, the City Council approved the City of Dallas Consolidated Plan Budget for FY 2012-13 federal funds which included the HOME Investment Partnership Funds, CHDO Development Loans, by Resolution No. 12-1629.

On April 21, 2014, the Housing Committee was briefed on the Dallas Area Habitat for Humanity, Inc. Jimmy & Rosalynn Carter Work Project.

On May 14, 2014, the City Council approved a housing development loan with Dallas Area Habitat for Humanity, Inc. Jimmy & Rosalynn Carter Work Project by Resolution No. 14-0771.

FISCAL INFORMATION

No cost consideration to the City

OWNER

Dallas Area Habitat for Humanity, Inc.

William Hall, Chief Executive Officer

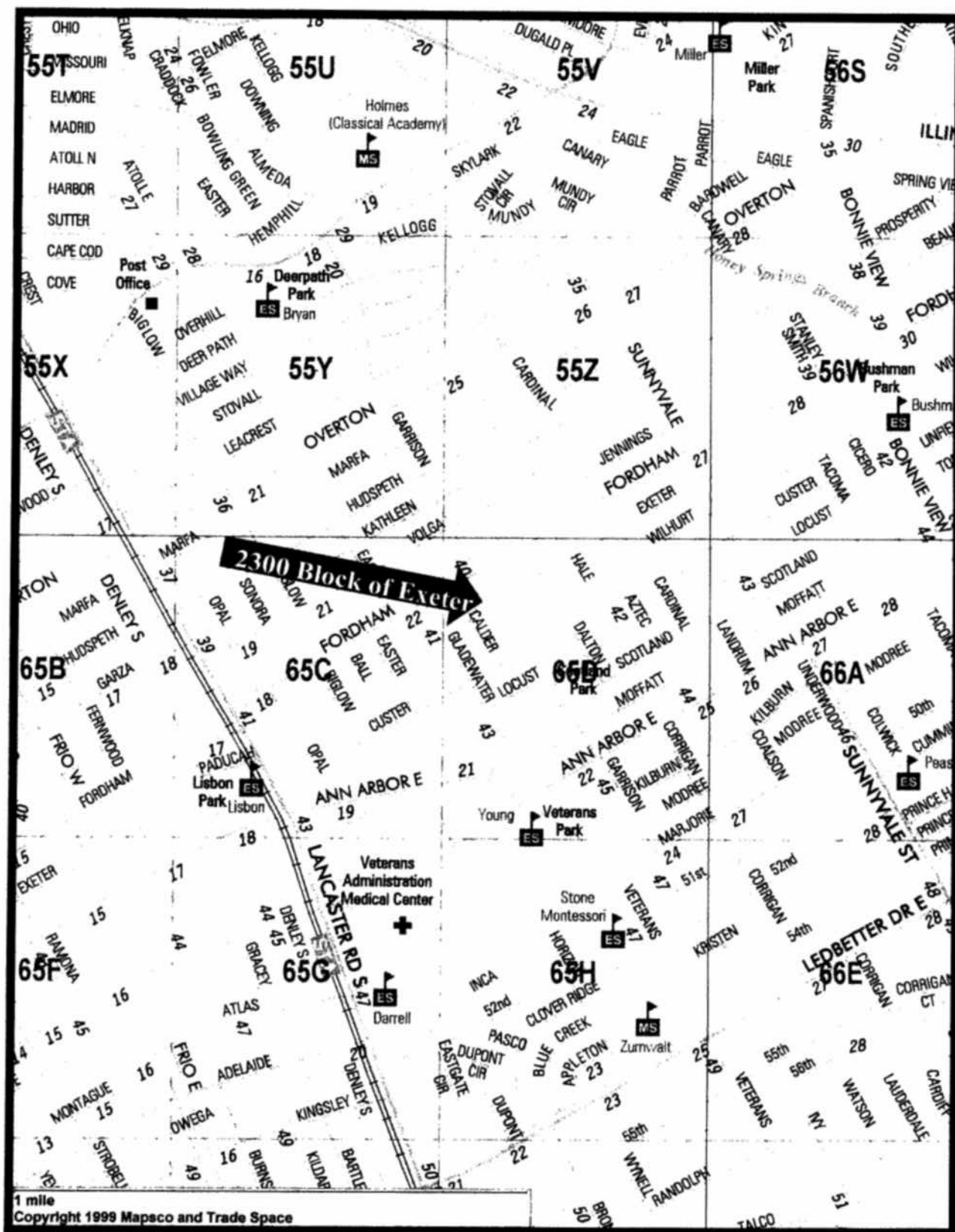
DEVELOPER

Dallas Area Habitat for Humanity, Inc.

William Hall, Chief Executive Officer

MAP(S)

Attached



MAPSCO 65D

August 27, 2014

WHEREAS, affordable housing for low and moderate income families is a high priority of the City of Dallas; and

WHEREAS, on June 27, 2012, the City Council approved the FY 2012-13 Consolidated Plan Budget which included the HOME Investment Partnership Program, CHDO Development Loan funds, by Resolution No. 12-1629; and

WHEREAS, on May 14, 2014, the City Council approved a housing development loan with Dallas Area Habitat for Humanity, Inc., Jimmy & Rosalynn Carter Work Project by Resolution No. 14-0771; and

WHEREAS, Dallas Area Habitat for Humanity, Inc. desires to continue to work with the City of Dallas to undertake the development of 30 affordable single family units on Exeter and Custer Streets; and

WHEREAS, the City desires for Dallas Area Habitat for Humanity, Inc. to develop affordable single family units for low and moderate income families; **NOW, THEREFORE,**

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

Section 1. That following approval as to form by the City Attorney, the City Manager is authorized to amend Resolution No. 14-0771, previously approved on May 14, 2014 with Dallas Area Habitat for Humanity, Inc. (DAHFH) to (1) change the terms of the development loan to a conditional grant; (2) decrease the federal HOME Investment Partnership Program Funds (HOME) to \$450,000 for the construction of 15 homes; and (3) provide \$450,000 in Bond funds for construction of 15 homes for a total of 30 affordable single family homes for the Jimmy & Rosalynn Carter project to be located on Exeter and Custer Streets.

Section 2. The terms of the agreement include:

- (a) Dallas Area Habitat for Humanity, Inc. must execute two (2) notes payable to the City of Dallas for \$450,000 each for a total of \$900,000.
- (b) Dallas Area Habitat for Humanity, Inc. will execute a lien through a Deed of Trust for a 10-year term for the affordable units.
- (c) Dallas Area Habitat for Humanity, Inc. will have two (2) years to fully complete the project.
- (d) Dallas Area Habitat for Humanity, Inc. must build and occupy the affordable units to low and moderate income families with incomes at or below 80% of area median family income.
- (e) The City will subordinate first lien to the mortgage lender as each unit is sold to a low-income homebuyer.

August 27, 2014

Section 3. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute releases of liens and terminate deed restrictions on the property upon compliance with the loan terms and deed restrictions.

Section 4. That the City Controller is hereby authorized to disburse funds in accordance with this resolution and the terms and conditions of the agreement as follows:

Dallas Area Habitat for Humanity, Inc. Vendor VC0000002756

<u>FUND</u>	<u>DEPT</u>	<u>UNIT</u>	<u>OBJ</u>	<u>CT</u>	<u>AMOUNT</u>
HM12	HOU	893E	3015	HOUS803K125	(\$450,000)
2U53	HOU	S803	3015	HOUS803K125	\$450,000

Section 5. That the City Controller is hereby authorized to modify receivable balance sheet account 033F and an allowance for uncollectible debt 022D to reverse the original provision in funds HM13 and 13M1 for the amount of \$450,000 of the loan approved in Resolution No. 14-0771 dated May 14, 2014,

Section 6. That the City Controller is hereby authorized to set up receivable balance sheet account 033F and an allowance for uncollectible debt 022D in Funds 2U53, and HM12 for the amount of the loan.

Section 7. That this resolution does not constitute a binding agreement upon the City or subject the City to any liability or obligation with respect to the loan, until such time as the loan documents are duly approved by all parties and executed.

Section 8. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Memorandum



CITY OF DALLAS

DATE August 15, 2014

TO Members of the Housing Committee,
Carolyn Davis (Chair), Scott Griggs (Vice-Chair), Monica R. Alonzo, Rick Callahan, Dwaine Caraway, and Philip Kingston

SUBJECT Land Bank Sale to Archangel Reliance, LLC

At the August 27, 2014 Council meeting, you will consider an addendum agenda item to authorize the sale of 33 Land Bank lots to Archangel Reliance, LLC.

Should you have any questions, please contact me at (214) 670-3309.

A handwritten signature in black ink, appearing to read 'Theresa O'Donnell'.

Theresa O'Donnell
Interim Assistant City Manager

c: The Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Forest E. Turner, Assistant City Manager
Joey Zapata, Assistant City Manager
Charles M. Cato, (I) Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Shawn Williams, (I) Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor & Council

Memorandum



CITY OF DALLAS

DATE August 15, 2014

TO Members of the Housing Committee,
Carolyn Davis (Chair), Scott Griggs (Vice-Chair), Monica R. Alonzo, Rick Callahan, Dwaine Caraway, and Philip Kingston

SUBJECT Land Bank Sale to AAA Home Builder, LLC

At the August 27, 2014 Council meeting, you will consider an addendum agenda item to authorize the sale of 7 Land Bank lots to AAA Home Builder, LLC. The lots are located in the following Council Districts:

5524 Fannie	6
1423 Rowan	2
1520 Rowan	2
4609 Silver	7
4612 Silver	7
4631 Silver	7
4831 Silver	7

As the result of community input, only two lots in Council District 7 will be released initially. The remaining two will be held pending further community input.

Should you have any questions, please contact me at (214) 670-3309.

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Theresa O'Donnell
Interim Assistant City Manager

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DATE August 15, 2014

TO Members of the Housing Committee,
Carolyn Davis (Chair), Scott Griggs (Vice-Chair), Monica R. Alonzo, Rick Callahan, Dwaine Caraway, and Philip Kingston

SUBJECT Land Bank Amended Deed Restrictions for Commonwealth Companies, LLC

At the August 27, 2014 Council meeting, you will consider an addendum agenda item to authorize amended deed restrictions for Commonwealth Companies, LLC.

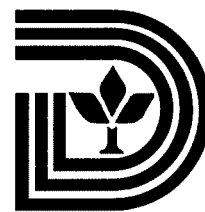
Should you have any questions, please contact me at (214) 670-3309.



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DATE August 15, 2014

TO Members of the Housing Committee,
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SUBJECT Land Transfer Call of Public Hearing for Sale to Dallas Neighborhood Alliance for Habitat

At the August 27, 2014 Council meeting, you will consider an addendum agenda item to authorize the calling of the public hearing to be held on October 8, 2014 for the sale of one vacant lot to Dallas Neighborhood Alliance for Habitat.

Should you have any questions, please contact me at (214) 670-3309.

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CITY OF DALLAS

DATE August 15, 2014

TO Members of the Housing Committee,
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SUBJECT Land Bank Call of Public Hearing for Annual Plan

At the August 27, 2014 Council meeting, you will consider an addendum agenda item to authorize the calling of the public hearing to be held on November 12, 2014 for the Land Bank annual plan. A full briefing of the Land Bank Program will be presented September 2, 2014 for the Housing Committee.

Should you have any questions, please contact me at (214) 670-3309.

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Theresa O'Donnell
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