

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** April 22, 2015  
**COUNCIL DISTRICT(S):** 8  
**DEPARTMENT:** Housing/Community Services  
**CMO:** A. C. Gonzalez, 670-3297  
**MAPSCO:** 64W

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**SUBJECT**

Authorize a housing development loan in an amount not to exceed \$225,000 with Builders of Hope CDC, a certified Community Housing Development Organization, for construction of ten affordable single family homes for the Creekside Project to be located on Oak Garden Trail – Not to exceed \$225,000 - Financing: 2012-13 HOME Investment Partnership Program Grant Funds

**BACKGROUND**

On February 2, 2015, the City posted a Notice of Funding Availability (NOFA) in the amount of \$4M, of which \$1M was for project to be developed by CHDOs, requesting developers to submit proposals to build single family homes in the city limits of Dallas. Builders of Hope CDC (BOH) submitted a proposal to the City of Dallas for the development of ten (10) affordable housing units for low and moderate income families.

Builders of Hope Community Development Corporation (BOH) is a certified Community Housing Development Organization (CHDO) and has had prior contracts with the City to develop homes in Prairie Creek and West Dallas. In FY 2013-14, they completed construction of 16 homes under various contracts with the City. BOH has acquired the lots for the Creekside Project and obtained interim construction financing with Inwood Bank for a portion of the construction of the units.

The project will receive FY 2012-13 federal funds which included the Community Based Development Organizations (CBDOs) in the Community Development Block Grant Funds for housing developments such as this. The City of Dallas will provide gap construction financing for the units to be built and sold to eligible low and moderate income families. The construction work will be completed within a year with occupancy within the same year. Upon sale, lien will be released but deed restrictions will remain on the property for 10 years.

**BACKGROUND (continued)**

City Council approval of this agenda item will authorize the City Manager to execute the loan documents with BOH for these funds, subject to environmental review by the City of Dallas and HUD.

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

On June 27, 2012, City Council approved the FY 2012-13 Consolidated Plan Budget for FY 2012-13 federal funds which included the Community Based Development Organizations (CBDOs) in the Community Development Block Grant Funds, by Resolution No. 12-1629.

On April 6, 2015, the Housing Committee received a briefing memo on the Single Family NOFA CHDO project recommendations.

**FISCAL INFORMATION**

2012-13 HOME Investment Partnership Program Grant Funds - \$225,000

**OWNER**

**Builders of Hope CDC**

Norman Henry, President

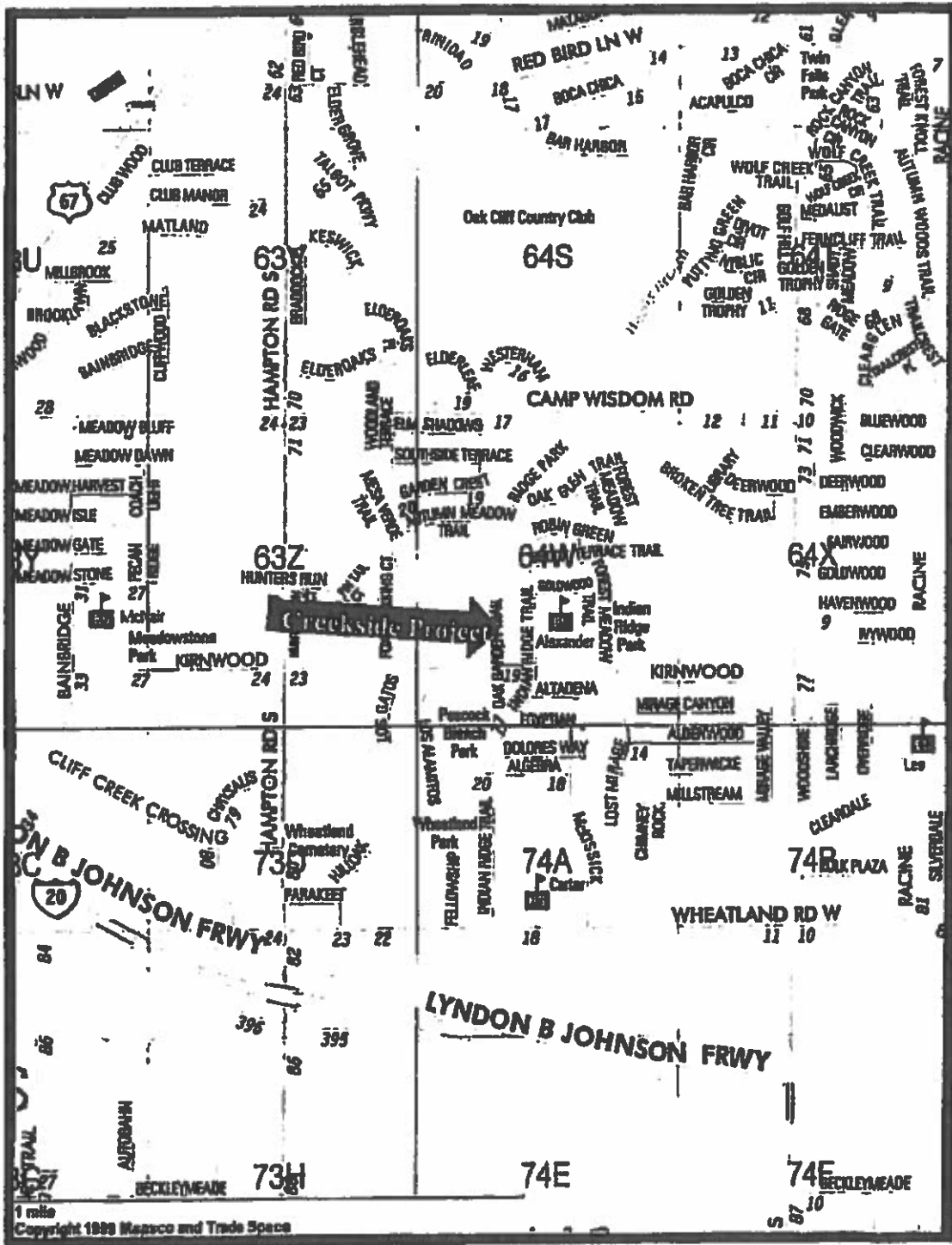
**DEVELOPER**

**Builders of Hope CDC**

Norman Henry, President

**MAP**

Attached



**MAPSCO 64W**

April 22, 2015

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

**WHEREAS**, on June 27, 2012, City Council approved the FY 2012-13 Consolidated Plan Budget for FY 2012-13 federal funds which included the Community Based Development Organizations (CBDOs) in the Community Development Block Grant Funds, by Resolution No. 12-1629; and

**WHEREAS**, the Community Housing Development Organization (CHDO) Program requires a CHDO Set-Aside Project commitment within 24-months of receiving the FY 2014-15 CHDO Operating Assistance Grant award and this project satisfies that requirement; and

**WHEREAS**, on April 6, 2015, the Housing Committee received a briefing memo on the Single Family NOFA CHDO Project recommendations; and

**WHEREAS**, Builders of Hope CDC (BOH) proposes to work with the City of Dallas to undertake the development of ten (10) affordable units in the Creekside Project; and

**WHEREAS**, the City desires for BOH to develop affordable 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 execute a housing development loan in an amount not to exceed \$225,000 with Builders of Hope CDC (BOH), a certified CHDO, for the development of ten affordable single family homes to be located in the Creekside Project.

**Section 2.** The terms of the loan agreement include:

- (a) BOH must execute a note payable for \$225,000 to the City of Dallas for the loan.
- (b) BOH will execute a lien through a Deed of Trust and deed restriction for a 10-year term for the affordable units.
- (c) BOH will use the funds to gap the construction costs for the units and will keep the proceeds from the sale of the units.
- (d) BOH will have one (1) year to fully complete the project.
- (e) BOH must build and occupy the affordable units with low and moderate income families with incomes at or below 80% of area median family income..
- (f) The City will subordinate first lien position to the interim construction lender.

April 22, 2015

**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 Chief Financial Officer is authorized to disburse funds in accordance with this resolution as follows:

Builders of Hope CDC      Vendor # 337558

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Object</u> <u>Code</u>	<u>Program #</u>	<u>Encumbrance</u>	<u>Amount</u>
HM12	HOU	890E	3015	HM12Creek	HOU890EF152	\$225,000

**Section 5.** That the City Controller is hereby authorized to record notes receivable-developers loan in balance sheet account (033F) and deferred revenue-home loans in (0859) in fund HM12 for the amount of the loan.

**Section 6.** 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 7.** 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:** April 22, 2015  
**COUNCIL DISTRICT(S):** 8  
**DEPARTMENT:** Housing/Community Services  
**CMO:** A. C. Gonzalez, 670-3297  
**MAPSCO:** 65U

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**SUBJECT**

Authorize a housing development loan in an amount not to exceed \$300,000 with City Wide Community Development Corporation, a certified Community Housing Development Organization, for construction of ten affordable single family homes for the Village of Runyon Springs Project to be located in the Runyon Springs Subdivision – Not to exceed \$300,000 - Financing: 2013-14 HOME Investment Partnership Program Grant Funds

**BACKGROUND**

On February 2, 2015, the City posted a Notice of Funding Availability (NOFA) in the amount of \$4M, of which \$1M was for projects to be developed by CHDOs, requesting developers to submit proposals to build single family homes in the city limits of Dallas. City Wide Community Development Corporation (City Wide) submitted a proposal to the City of Dallas for the development of ten (10) affordable housing units for low and moderate income families.

City Wide Community Development Corporation (City Wide) is a certified Community Housing Development Organization (CHDO) and has had prior contracts with the City to develop homes in the Runyon Springs Subdivision. In FY 2012-13, they completed construction and sold 13 homes in Runyon Springs to households at or below 120% AMFI. City Wide has acquired the lots for the Village of Runyon Springs Project and obtained interim construction financing with Capital One Bank for a portion of the construction of the units.

The project will receive FY 2014-15 HOME Investment Partnership Program Grant Funds from the Department of Housing and Urban Development (HUD) for housing developments such as this. The City of Dallas will provide gap construction financing for the units to be built and sold to eligible low and moderate income families. The construction work will be completed within a year with occupancy within the same year. Upon sale, lien will be released but deed restrictions will remain on the property for 10 years.

**BACKGROUND (continued)**

City Council approval of this agenda item will authorize the City Manager to execute the loan documents with City Wide for these funds, subject to environmental review by the City of Dallas and HUD.

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

On June 26, 2013, City Council approved the City of Dallas FY 2013-14 Consolidated Plan Budget for FY 2013-14 federal funds which included the HOME Investment Partnership Funds, CHDO Development Loans by Resolution No. 13-1142.

On April 6, 2015, the Housing Committee received a briefing memo on the Single Family NOFA CHDO project recommendations.

**FISCAL INFORMATION**

2013-14 HOME Investment Partnership Program Grant Funds - \$300,000

**OWNER**

**City Wide Community  
Development Corporation**

Sherman Roberts, President

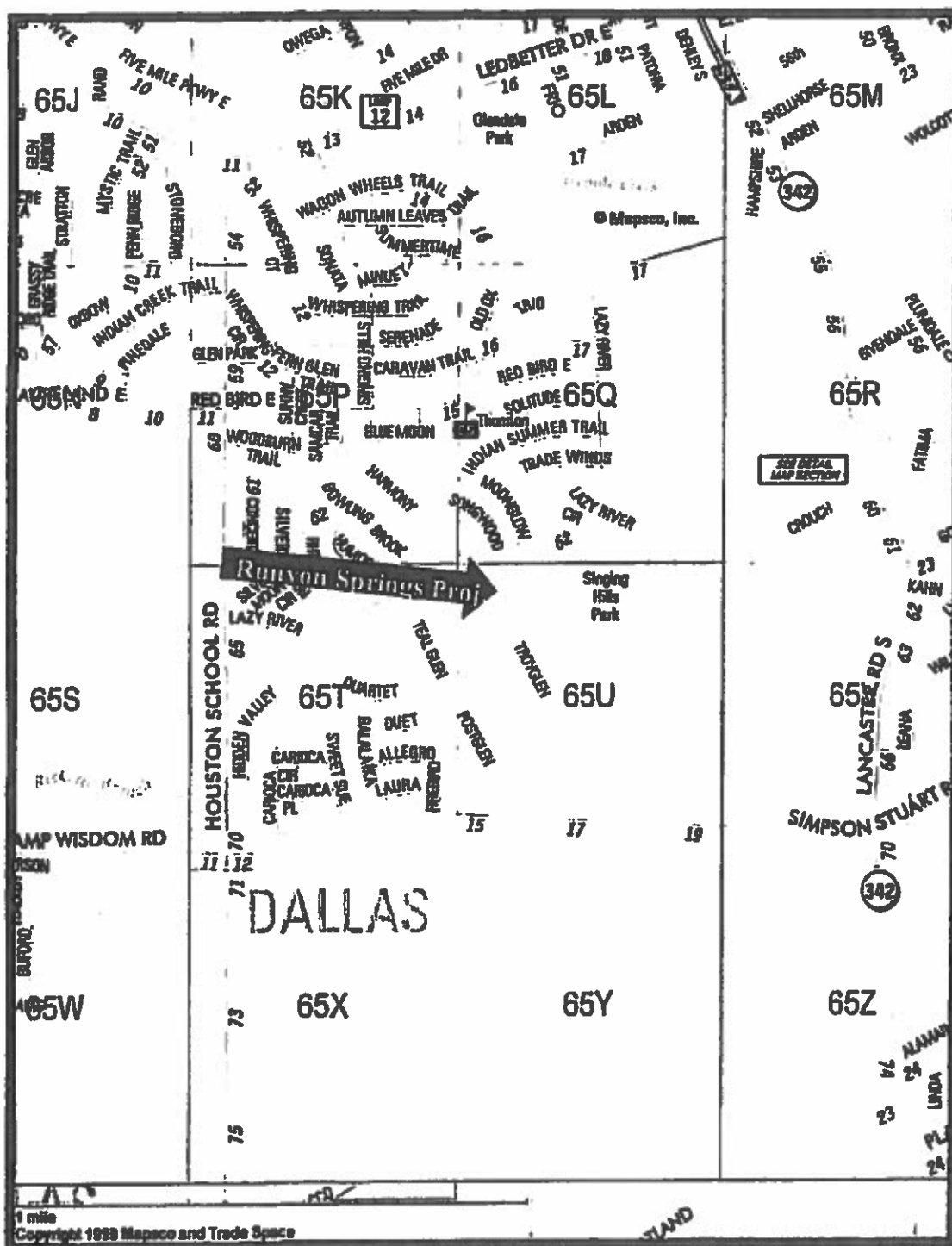
**DEVELOPER**

**City Wide Community  
Development Corporation**

Sherman Roberts, President

**MAP**

Attached



**MAPSCO 65U**



April 22, 2015

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

On June 26, 2013, City Council approved the City of Dallas FY 2013-14 Consolidated Plan Budget for FY 2013-14 federal funds which included the HOME Investment Partnership Funds, CHDO Development Loans by Resolution No. 13-1142; and

**WHEREAS**, the Community Housing Development Organization (CHDO) Program requires a CHDO Set-Aside Project commitment within 24-months of receiving the FY 2014-15 CHDO Operating Assistance Grant award and this project satisfies that requirement; and

**WHEREAS**, on April 6, 2015, the Housing Committee received a briefing memo on the Single Family NOFA CHDO Project recommendations; and

**WHEREAS**, City Wide Community Development Corporation (City Wide) proposes to work with the City of Dallas to undertake the development of ten affordable units for the Village of Runyon Springs Project in the Runyon Springs Subdivision; and

**WHEREAS**, the City desires for City Wide to develop affordable 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 execute a housing development loan in an amount not to exceed \$300,000 with City Wide Community Development Corporation (City Wide), a certified CHDO, for the development of ten affordable single family homes to be located for the Village of Runyon Springs Project to be located in the Runyon Springs Subdivision.

**Section 2.** The terms of the loan agreement include:

- (a) City Wide must execute a note payable for \$300,000 to the City of Dallas for the loan.
- (b) City Wide will execute a lien through a Deed of Trust and deed restriction for a 10-year term for the affordable units.
- (c) City Wide will use the funds to gap the construction costs for the units with and will keep the proceeds from the sale of the units.
- (d) City Wide will have one (1) year to fully complete the project.
- (e) City Wide must build and occupy the affordable units to low and moderate income families with incomes at or below 80% of area median family income.
- (f) The City will subordinate first lien position to the interim construction lender.

April 22, 2015

**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 Chief Financial Officer is authorized to disburse funds in accordance with this resolution as follows:

City Wide Community Development Corporation      Vendor # VS0000026872

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Object Code</u>	<u>Program #</u>	<u>Encumbrance</u>	<u>Amount</u>
HM13	HOU	233F	3015	HM13Runsp	HOU233FF153	\$300,000

**Section 5.** That the City Controller is hereby authorized to record notes receivable - developers loan in balance sheet account (033F) and deferred revenue-home loans in (0859) in fund HM13 for the amount of the loan.

**Section 6.** 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 loans, until such time as the loan documents are duly approved by all parties and executed.

**Section 7.** 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:** April 22, 2015  
**COUNCIL DISTRICT(S):** 7  
**DEPARTMENT:** Housing/Community Services  
**CMO:** A. C. Gonzalez, 670-3297  
**MAPSCO:** 56C

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### **SUBJECT**

Authorize a housing development loan in an amount not to exceed \$608,331 with East Dallas Community Organization, a certified Community Housing Development Organization and a Community Based Development Organization, for construction of up to seven affordable senior rental homes for the Bexar Street Senior Project to be located on Macon Street and Starks Avenue – Not to exceed \$608,331 - Financing: 2014-15 HOME Investment Partnership Program Funds (\$200,000) and 2012-13 Community Development Block Grant Funds (\$408,331)

### **BACKGROUND**

On February 2, 2015, the City posted a Notice of Funding Availability (NOFA) in the amount of \$4 million, of which \$1 million was for projects to be developed by Community Housing Development Organizations (CHDOs), requesting developers to submit proposals to build single family homes in the city limits of Dallas. East Dallas Community Organization (EDCO) submitted a proposal to the City of Dallas for the development of up to seven (7) affordable housing units for low-income seniors .

EDCO is a certified CHDO and Community Based Development Organization (CBDO) and has a prior contract with the City to complete predevelopment on the Bexar Street Senior Project. They completed predevelopment including acquisition, platting and plans for the homes.

The project will receive FY 2014-15 HOME Investment Partnership Program Grant Funds and FY 2012-13 Community Block Grant Funds from the Department of Housing and Urban Development (HUD) which the City Council appropriated for housing developments such as this. The City of Dallas will provide interim construction financing for the units to be built and rented to eligible low and moderate income seniors. The construction work will be completed within a year with occupancy within the same year.

**BACKGROUND (continued)**

City Council approval of this agenda item will authorize the City Manager to execute the loan documents with EDCO for these funds, subject to environmental review by the City of Dallas and HUD.

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

On June 27, 2012, City Council approved the FY 2012-13 Consolidated Plan Budget for FY 2012-13 federal funds which included the Community Based Development Organizations (CBDOs) in the Community Development Block Grant Funds, by Resolution No. 12-1629; and

On June 25, 2014, City Council approved the City of Dallas FY 2014-15 Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD) Grant by Resolution No. 14-1001 (amended and reconsidered by Resolution No. 14-1314 on August 13, 2014) which included the CHDO Development Loans in the HOME Investment Partnership Funds.

On April 6, 2015, the Housing Committee received a briefing memo on the Single Family NOFA CHDO project recommendations.

**FISCAL INFORMATION**

2014-15 HOME Investment Partnership Program Funds - \$200,000  
2012-13 Community Development Block Grant Funds - \$408,331

**OWNER**

**DEVELOPER**

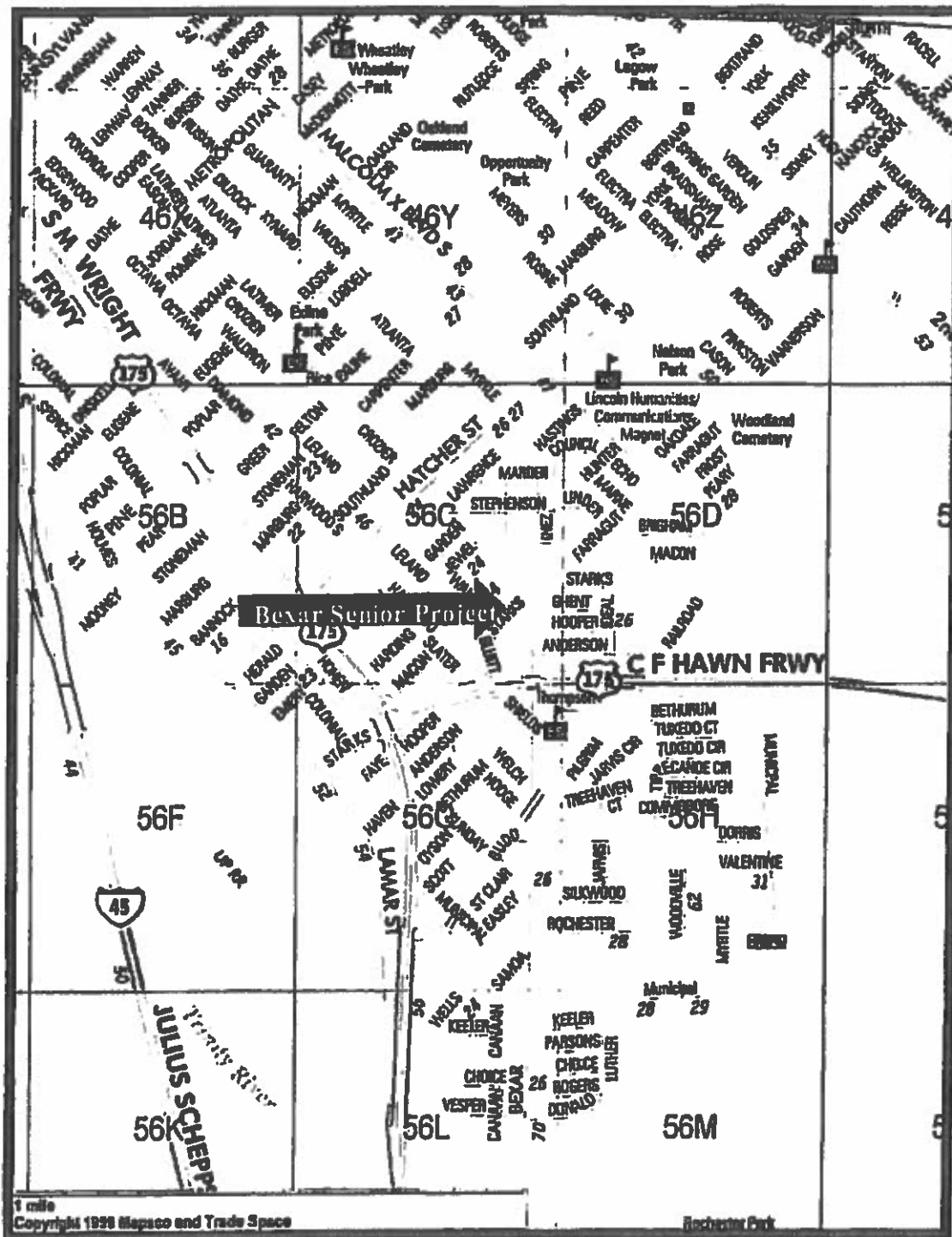
East Dallas Community Organization East Dallas Community Organization

Gerald Carlton, President

Gerald Carlton, President

**MAP**

Attached



**MAPSCO 56C**

April 22, 2015

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

**WHEREAS**, on June 27, 2012, City Council approved the FY 2012-13 Consolidated Plan Budget which included the Community Based Development Organizations (CBDOs) in the Community Development Block Grant Funds, by Resolution No. 12-1629; and

**WHEREAS**, on June 25, 2014, City Council approved the FY 2014-15 Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD) Grant by Resolution No. 14-1001 (amended and reconsidered by Resolution No. 14-1314) which included the HOME Investment Partnership Program, Community Housing Development Organization (CHDO) Development Loan funds; and

**WHEREAS**, the Community Housing Development Organization (CHDO) Program requires a CHDO Set-Aside Project commitment within 24-months of receiving the FY 2014-15 CHDO Operating Assistance Grant award and this project satisfies that requirement; and

**WHEREAS**, on April 6, 2015, the Housing Committee was briefed on the Single Family NOFA CHDO Project recommendations; and

**WHEREAS**, East Dallas Community Organization (EDCO) proposed to work with the City of Dallas to undertake the development of up to seven (7) affordable housing units for low-income seniors; and

**WHEREAS**, the City desires for EDCO to develop affordable units for low and moderate income seniors; **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 execute a housing development loan in an amount not to exceed \$608,331 with East Dallas Community Organization (EDCO), a certified CHDO and CBDO, for up to seven affordable housing units for low-income seniors located on Macon Street and Starks Avenue.

**Section 2.** The terms of the loan agreement include:

- (a) EDCO must execute a note payable of \$608,331 to the City of Dallas for the loan.
- (b) EDCO will execute a lien through a Deed of Trust and deed restriction for a 20-year term for the affordable units.

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**Section 2. (continued)**

- (c) The loan will be forgiven at 1/20 per year upon compliance with loan terms and deed restrictions.
- (d) EDCO will be responsible for paying taxes, insurance, maintenance, and property management.
- (e) EDCO will have one (1) year to fully complete the project.
- (f) EDCO must build and occupy the affordable units to low and moderate income seniors with incomes at or below 80% of area median family income.

**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 Chief Financial Officer is authorized to disburse funds in accordance with this resolution as follows:

East Dallas Community Organization Vendor #354413

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Object Code</u>	<u>Program #</u>	<u>Encumbrance</u>	<u>Amount</u>
HM14	HOU	463G	3015	HM14Bexar	HOU879EF149	\$200,000
CD12	HOU	879E	3015	HM14Bexar	HOU879EF149	\$408,331

**Section 5.** That the City Controller is hereby authorized to record notes receivable-developers loan in balance sheet account (033F) and deferred revenue-home loans in (0859) in funds HM14 and CD12 for the amount of the loan.

**Section 6.** 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 7.** 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:** April 22, 2015  
**COUNCIL DISTRICT(S):** 7  
**DEPARTMENT:** Housing/Community Services  
**CMO:** A. C. Gonzalez, 670-3297  
**MAPSCO:** 46T

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**SUBJECT**

Authorize a housing development loan in an amount not to exceed \$200,000 with Southfair Community Development Corporation, a certified Community Housing Development Organization, for construction of four affordable single family homes for the 2825 South Townhomes Project to be located at 2825 South Boulevard – Not to exceed \$200,000 - Financing: 2014-15 HOME Investment Partnership Program Grant Funds

**BACKGROUND**

On February 2, 2015, the City posted a Notice of Funding Availability (NOFA) in the amount of \$4 million, of which \$1 million was for projects to be developed by Community Housing Development Organizations (CHDOs), requesting developers to submit proposals to build single family homes in the city limits of Dallas. Southfair Community Development Corporation (Southfair) submitted a proposal to the City of Dallas for the development of four (4) affordable housing units for low and moderate income families.

Southfair is a certified CHDO and had a prior contract with the City to complete demolition and predevelopment of the 2825 South Townhomes Project. They completed the acquisition, demolition, and plans for the homes and now, Southfair has obtained interim construction financing with Capital One for a portion of the construction of the units.

The project will receive 2014-15 HOME Investment Partnership Program Grant Funds from the Department of Housing and Urban Development (HUD) which the City Council appropriated for housing developments such as this. The City of Dallas will provide gap construction financing for the units to be built and sold to eligible low and moderate income families. The construction work will be completed within a year with occupancy within the same year. Upon sale, lien will be released but deed restrictions will remain on the property for 15 years.



**BACKGROUND (continued)**

City Council approval of this agenda item will authorize the City Manager to execute the loan documents with Southfair for these funds, subject to environmental review by the City of Dallas and HUD.

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

On June 25, 2014, City Council approved the City of Dallas FY 2014-15 Consolidated Plan Budget for the U.S. Department and Urban Development (HUD) Grant by Resolution No. 14-1001 (amended and reconsidered by Resolution No. 14-1314 on August 13, 2014) which included the CHDO Development Loans in the HOME Investment Partnership Funds.

On April 6, 2015, the Housing Committee received a briefing memo on the Single Family NOFA CHDO project recommendations.

**FISCAL INFORMATION**

2014-15 HOME Investment Partnership Program Grant Funds - \$200,000

**OWNER**

**Southfair Community Development Corporation**

**Annie Evans-Jones, Executive Director**

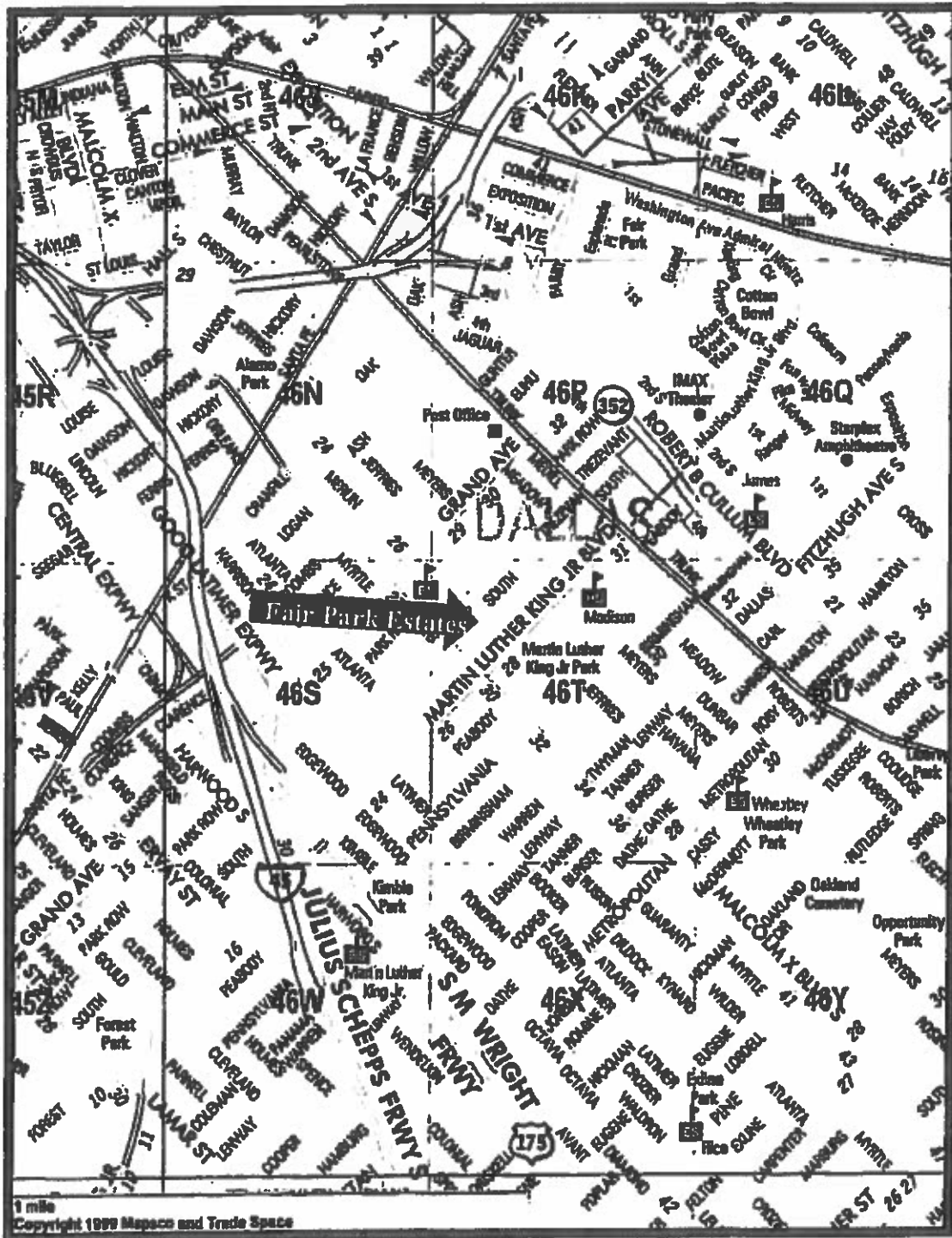
**DEVELOPER**

**Southfair Community Development Corporation**

**Annie Evans-Jones, Executive Director**

**MAP**

Attached



**MAPSCO 46T**

April 22, 2015

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

**WHEREAS**, on June 25, 2014, City Council approved the FY 2014-15 Consolidated Plan Budget for the U.S. Department and Urban Development (HUD) Grant by Resolution No. 14-1001 (amended and reconsidered by Resolution No. 14-1314 on August 13, 2014) which included the HOME Investment Partnership Program, CHDO Development Loan funds; and

**WHEREAS**, the Community Housing Development Corporation (CHDO) Program requires a CHDO Set-Aside Project commitment within 24-months of receiving the FY 2014-15 CHDO Operating Assistance Grant award and this project satisfies that requirement; and

**WHEREAS**, on April 6, 2015, the Housing Committee received a briefing memo on the Single Family NOFA CHDO Project recommendations; and

**WHEREAS**, Southfair Community Development Corporation (Southfair) proposes to work with the City of Dallas to undertake the development of four (4) affordable units at 2825 South Blvd; and

**WHEREAS**, the City desires for Southfair to develop affordable 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 execute a housing development loan in an amount not to exceed \$200,000 with Southfair Community Development Corporation, a certified CHDO, for the development of four affordable single family homes to be located at 2825 South Blvd.

**Section 2.** The terms of the loan agreement include:

- (a) Southfair must execute a note payable of \$200,000 to the City of Dallas for the loan.
- (b) Southfair will execute a lien through a Deed of Trust and deed restriction for a 15-year term for the affordable units.
- (c) Southfair will use the funds to gap the construction costs for the units and will remit any proceeds to the City after paying the interim construction lien and allowable closing costs.
- (d) Southfair will have one (1) year to fully complete the project.

April 22, 2015

- (e) Southfair must build and occupy the affordable units to low and moderate income families with incomes at or below 80% of area median family income.
- (f) The City will subordinate first lien position to the interim construction lender.

**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 Chief Financial Officer is authorized to disburse funds in accordance with this resolution as follows:

Southfair Community Development Corporation      Vendor # 345471

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Object Code</u>	<u>Program #</u>	<u>Encumbrance</u>	<u>Amount</u>
HM14	HOU	463G	3015	HN14TOAM	HOU463GF151	\$200,000

**Section 5.** That the City Controller is hereby authorized to record notes receivable in balance sheet account (033F) and deferred revenue-home loan in (0859) in fund HM14 for the amount of the loan.

**Section 6.** 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 7.** 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:** April 22, 2015  
**COUNCIL DISTRICT(S):** 7  
**DEPARTMENT:** Housing/Community Services  
**CMO:** A. C. Gonzalez, 670-3297  
**MAPSCO:** 46U

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**SUBJECT**

Authorize a housing development loan in an amount not to exceed \$415,989 with South Dallas Fair Park/Innercity Community Development Corporation, a certified Community Housing Development Organization, for construction of six affordable single family homes for the Pittman development project to be located on Meadow and Lenway Streets – Not to exceed \$415,989 - Financing: 2014-15 HOME Investment Partnership Program Grant Funds

**BACKGROUND**

On February 2, 2015, the City posted a Notice of Funding Availability (NOFA) in the amount of \$4M, of which \$1M was for projects to be developed by Community Housing Development Organizations (CHDO) requesting developers to submit proposals to build single family homes in the city limits of Dallas. South Dallas Fair Park/Innercity Community Development Corporation (ICDC) submitted a proposal to the City of Dallas for the development of six (6) affordable housing units for low and moderate income families.

South Dallas Fair Park/Innercity Community Development Corporation (ICDC) is a certified Community Housing Development Organization (CHDO) and had prior contracts with the City to complete several phases of the Pittman Project. They completed the acquisition, demolition, infrastructure, construction and sales to low-income households for 13 of the 19 homes. ICDC has obtained interim construction financing with Capital One for a portion of the construction on the remaining units.

The project will receive FY 2014-15 HOME Investment Partnership Program Grant Funds from the Department of Housing and Urban Development (HUD) which the City Council appropriated for housing developments such as this. The City of Dallas will provide gap construction financing for the units to be built and sold to eligible low and moderate income families. The construction work will be completed within a year with occupancy within the same year. Upon sale, lien will be released but deed restrictions will remain on the property for 15 years.

**BACKGROUND (continued)**

City Council approval of this agenda item will authorize the City Manager to execute the loan documents with ICDC for these funds, subject to environmental review by the City of Dallas and HUD.

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

On June 25, 2014, City Council approved the City of Dallas FY 2014-15 Consolidated Plan Budget for the U.S. Department and Urban Development (HUD) Grant by Resolution No. 14-1001 (amended and reconsidered by Resolution No. 14-1314 on August 13, 2014) which included the CHDO Development Loans in the HOME Investment Partnership Grant Funds.

On April 6, 2015, the Housing Committee received a briefing memo on the Single Family NOFA CHDO project recommendations.

**FISCAL INFORMATION**

2014-15 HOME Investment Partnership Program Grant Funds - \$415,989

**OWNER**

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

Diane Ragsdale, Executive Director

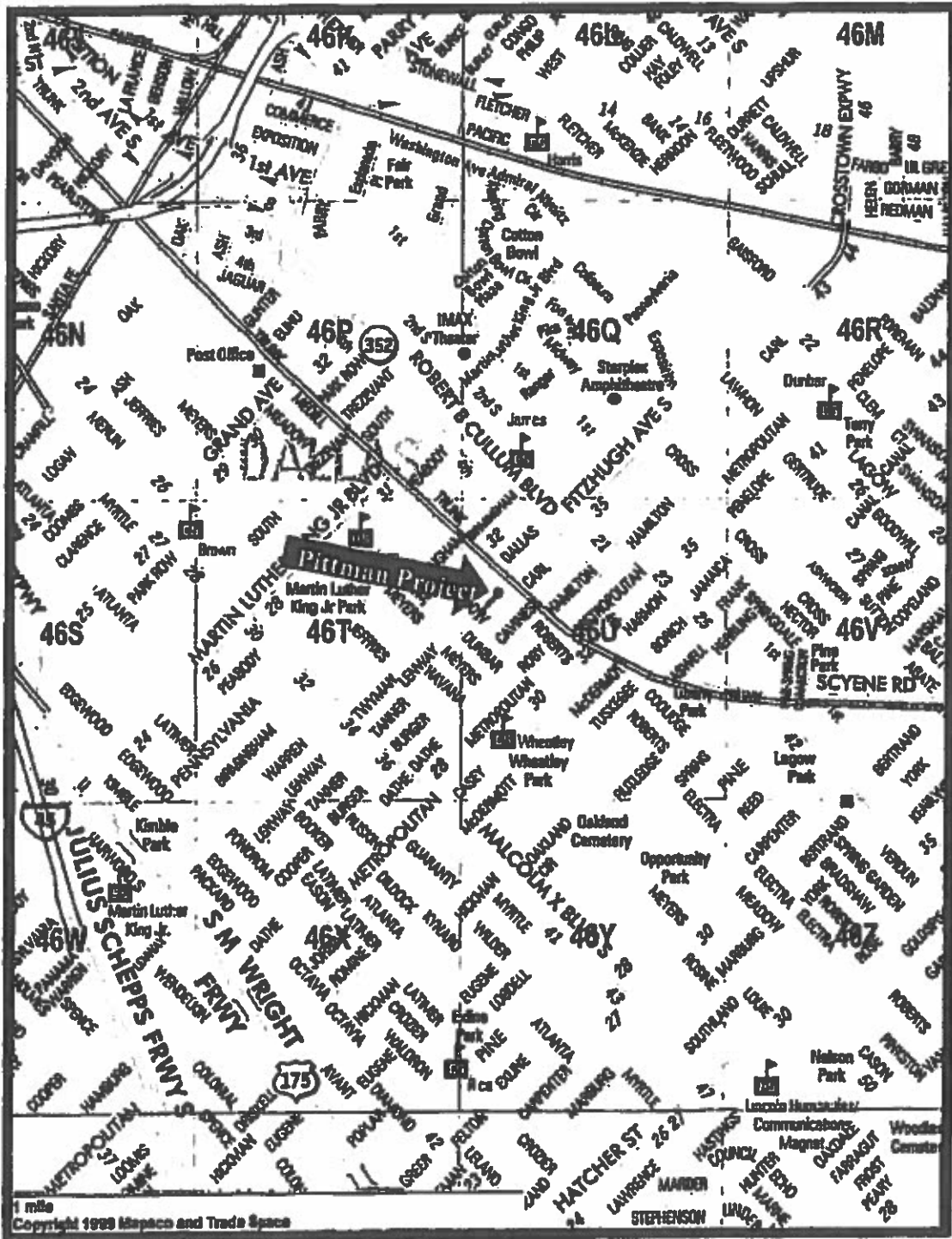
**DEVELOPER**

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

Diane Ragsdale, Executive Director

**MAP**

Attached



**MAPSCO 46U**

April 22, 2015

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

**WHEREAS**, on June 25, 2014, City Council approved the FY 2014-15 Consolidated Plan Budget for the U.S. Department and Urban Development (HUD) Grant by Resolution No. 14-1001 (amended and reconsidered by Resolution No. 14-1314 on August 13, 2014) which included the CHDO Development Loans in the HOME Investment Partnership Grant Funds.; and

**WHEREAS**, the Community Housing Development Organization (CHDO) Program requires a CHDO Set-Aside Project commitment within 24-months of receiving an FY 2014-15 CHDO Operating Assistance Grant award and this project satisfies that requirement; and

**WHEREAS**, on April 6, 2015, the Housing Committee received a briefing memo on the Single Family NOFA CHDO Project recommendations; and

**WHEREAS**, South Dallas Fair Park/Innercity Community Development Corporation (ICDC) proposed to work with the City of Dallas to undertake the development of six (6) affordable units on Lenway Street; and

**WHEREAS**, the City desires for ICDC to develop affordable 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 execute a housing development loan in an amount not to exceed \$415,989 with South Dallas Fair Park/Innercity Community Development Corporation (ICDC), a certified CHDO, for the development of six (6) affordable single family homes to be located on Lenway Street.

**Section 2.** The terms of the loan agreement include:

- (a) ICDC must execute a note payable of \$415,989 to the City of Dallas for the loan.
- (b) ICDC will execute a lien through a Deed of Trust and deed restriction for a 15-year term for the affordable units.
- (c) ICDC will use the funds to gap fund the construction costs for the units and will remit any proceeds to the City after paying the interim construction lien and allowable closing costs.
- (d) ICDC will have one (1) year to fully complete the project.



April 22, 2015

- (e) ICDC must build and occupy the affordable units to low and moderate income families with incomes at or below 80% of area median family income.
- (f) The City will subordinate first lien position to the interim construction lender.

**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 Chief Financial Officer is authorized to disburse funds in accordance with this resolution as follows:

South Dallas Fair Park/Inner City Development Corporation Vendor # 266539

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Object Code</u>	<u>Program #</u>	<u>Encumbrance</u>	<u>Amount</u>
HM14	HOU	463G	3015	HM14Pitt	HOUS803F150	\$415,989

**Section 5.** That the City Controller is hereby authorized to record notes receivable in balance sheet account (033F) and deferred revenue- home loan in (0859) in fund HM14 for the amount of the loan.

**Section 6.** 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 7.** 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:** Clean, Healthy Environment  
**AGENDA DATE:** April 22, 2015  
**COUNCIL DISTRICT(S):** All  
**DEPARTMENT:** Housing/Community Services  
**CMO:** A. C. Gonzalez, 670-3297  
**MAPSCO:** N/A

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**SUBJECT**

Authorize (1) preliminary adoption of Substantial Amendment No. 2 to the FY 2014-15 Action Plan to (a) establish a Reconstruction activity and reallocate \$1,020,000 from the Housing Development Loan Program activity to the Reconstruction Program; and (b) reallocate \$1,642,626 from the Residential Development Loan Program to the Major Systems Repair Program; and (2) a public hearing to be held on May 27, 2015, to receive comments on the proposed use of funds - Financing: No cost consideration to the City

**BACKGROUND**

This item is on the addendum because it adopts Amendment Number 2 to the FY 2014-15 Action Plan and calls for a public hearing on May 27, 2015. This resolution will transfer federal housing funds from programs that are not moving forward in time to meet federal commitment and expenditure deadlines to programs that are expending funds at a faster pace.

On June 25, 2014, City Council adopted the final FY 2014-15 Consolidated Plan Budget by Resolution No. 14-1001, which was amended and reconsidered on August 13, 2014, by Resolution No. 14-1314.

Following the 30-day citizen comment period and public hearing, final adoption by the City Council will be necessary on May 27, 2015.

This request is to reallocate funds as identified below:

**Source of Funds:**

FY13-14	HOME	Housing Development Loan	\$ 22,922
FY14-15	HOME	Housing Development Loan	\$ 997,078
FY06-07	CDBG	Residential Development Loan	\$ 142,626
FY10-11	CDBG	Residential Development Loan	\$ 478,509
FY11-12	CDBG	Residential Development Loan	<u>\$1,021,491</u>
		<b>TOTAL</b>	<b>\$2,662,626</b>

**BACKGROUND (continued)**

Use of Funds:

FY13-14	HOME	Reconstruction Program	\$ 22,922
FY14-15	HOME	Reconstruction Program	\$ 997,078
FY14-15	CDBG	Major Systems Repair Program	<u>\$1,642,626</u>
		TOTAL	\$2,662,626

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

On May 25, 2011, City Council authorized modifications to the Reconstruction Program Statement to: (1) increase the maximum Reconstruction Program Assistance Type One loan amount from up to \$93,400 to up to \$103,000; (2) provide assistance to the extent permitted under appropriate regulations to cover the difference in the amount needed to complete an on-site reconstruction when either the contractor or property owner terminates the existing contract; and (3) clarification of the use of funds and of deleting the one-time payment of taxes in accordance with directions from the U.S. Department of Housing and Urban Development (HUD), by Resolution No. 11-1349.

On June 25, 2014, City Council adopted the final FY 2014-15 Consolidated Plan Budget by Resolution No. 14-1001, which was amended and reconsidered on August 13, 2014, by Resolution No. 14-1314.

On March 2, 2015 the Housing Committee was briefed on the Home Repair and People Helping People Programs, including a specific recommendation to increase the Major Systems Repair Program maximum allowable individual project funding from \$17,500 to \$20,000.

On April 8, 2015, City Council authorized modifications to the Home Repair Program for the MSRP Program Statement to: (1) increase dollar amount of assistance from \$17,500 to \$20,000; and (2) decrease Assistance Type Two from \$7,500 to \$5,000, by Resolution No. 15-0657.

**FISCAL INFORMATION**

No cost consideration to the City

April 22, 2015

**WHEREAS**, on May 25, 2011, City Council authorized modifications to the Reconstruction/SHARE Program Statement to: (1) increase the maximum Reconstruction Program Assistance Type One loan amount from up to \$93,400 to up to \$103,000; (2) provide assistance to the extent permitted under appropriate regulations to cover the difference in the amount needed to complete an on-site reconstruction when either the contractor or property owner terminates the existing contract; and (3) clarification to the use of funds and deleting the payment of taxes in accordance with directions from the U.S. Department of Housing and Urban Development (HUD) by, Resolution No. 11-1349; and

**WHEREAS**, on June 25, 2014, City Council adopted the final FY 2014-15 Consolidated Plan Budget by Resolution No. 14-1001, which was amended and reconsidered on August 13, 2014, by Resolution No. 14-1314; and

**WHEREAS**, on March 2, 2015, the Housing Committee was briefed on the Home Repair and People Helping People Programs including a specific recommendation to increase the Major Systems Repair Program maximum allowable individual project funding from \$17,500 to \$20,000; and

**WHEREAS**, on April 8, 2015, City Council authorized modifications to the Home Repair Program for the MSRP Program Statement to: (1) increase dollar amount of assistance from \$17,500 to \$20,000; and (2) decrease Assistance Type Two from \$7,500 to \$5,000, by Resolution No. 15-0657; **NOW, THEREFORE,**

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

**SECTION 1.** Authorize (1) preliminary adoption of Substantial Amendment No. 2 to the FY 2014-15 Action Plan to (a) establish a Reconstruction activity and reallocate \$1,020,000 from the Housing Development Loan Program activity to the Reconstruction Program; and (b) reallocate \$1,642,626 from the Residential Development Loan Program to Major Systems Repair Program; and (2) a public hearing to be held on May 27, 2015, to receive comments on the proposed use of funds.

**SECTION 2.** 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 according so resolved.

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** April 22, 2015  
**COUNCIL DISTRICT(S):** 3  
**DEPARTMENT:** Housing/Community Services  
**CMO:** A. C. Gonzalez, 670-3297  
**MAPSCO:** 65G

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**SUBJECT**

Authorize (1) a conditional grant agreement with NP Community Development Corporation dba Heroes House to pay for a portion of the rehabilitation costs; and (2) transfer of the property to NP Community Development Corporation dba Heroes House located at 2120 52<sup>nd</sup> Street - Not to exceed \$450,000 - Financing: 2012 Bond Funds

**BACKGROUND**

This item is on the agenda because briefing to Housing Committee was on April 6, 2015, which did not meet regular agenda timeline.

On January 16, 2015, the City posted a Request for Application (RFA), asking developers to submit proposals to own, rehabilitate, and occupy the 64-unit apartment complex located at 2120 52<sup>nd</sup> Street which is owned by the City of Dallas. Gary Hasty, Chairman of Heroes House, submitted a proposal to the City of Dallas to perform the requested actions and was the best proposer.

On April 6, 2015, the Housing Committee was briefed on all options for the building and all proposals received and voted to recommend the proposal from NP Community Development Corporation. The proposal includes the transfer of the property to Heroes House at no cost, pursuant to Section 272.001(g) of the Texas Local Government Code, and a conditional grant of \$450,000 in general obligation bond funds for the remaining construction cost gap. The units will be 1 and 2 bedroom at approximately 760 sq. ft. The developer has obtained private financing with Mid South Bank for the balance of the rehabilitation costs. The \$450,000 conditional grant will be released after obtaining a certificate of occupancy with deed restrictions remaining for 5 years following the completion of rehabilitation and 51% occupancy with households at or below 80% AMFI.

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

On April 6, 2015, the Housing Committee was briefed on the current status of the property and the results of the Request for Proposals, and recommended the NP Community Development Corporation dba Heroes House proposal for City Council consideration.

**FISCAL INFORMATION**

2012 Bond Funds - \$450,000

**OWNER**

**NP Community Development  
Corporation dba Heroes House**

**Gary Hasty, Founder and Chairman**

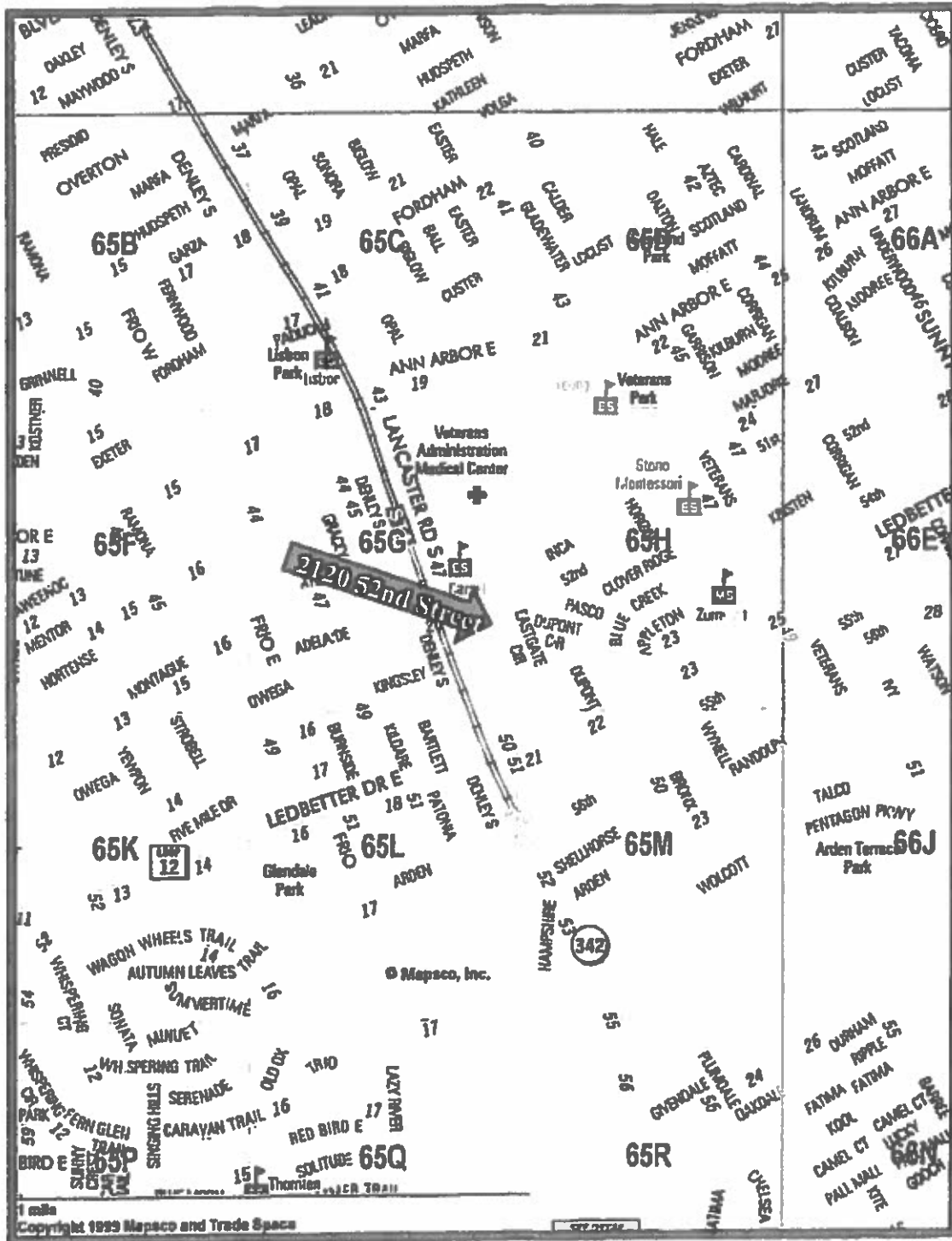
**DEVELOPER**

**NP Community Development  
Corporation dba Heroes House**

**Gary Hasty, Founder and Chairman**

**MAP**

**Attached**



**MAPSCO 65G**

April 22, 2015

**WHEREAS**, affordable housing is a high priority of the City of Dallas; and

**WHEREAS**, on April 6, 2015, the Housing Committee was briefed on the current status of the property and the results of the Request for Proposals, and recommended the NP Community Development Corporation dba Heroes House proposal for City Council consideration; and

**WHEREAS**, the City desires for NP Community Development Corporation dba Heroes House to acquire, rehabilitate and occupy the 64 units;

**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 execute (1) a conditional grant agreement with NP Community Development Corporation dba Heroes House to pay for a portion of the rehabilitation costs; and (2) the transfer of the property to NP Community Development Corporation dba Heroes House located at 2120 52<sup>nd</sup> Street.

**Section 2.** The terms of the conditional grant agreement include:

- (a) NP Community Development Corporation dba Heroes House must transfer the property into their name prior to June 30, 2015.
- (b) NP Community Development Corporation dba Heroes House will execute a performance Deed of Trust and deed restrictions on the property which will carry a 5 year term for the affordable units.
- (c) The lien will be released after acquisition, completion of rehabilitation and 51% occupancy of the units to households at or below 80% AMFI.
- (d) NP Community Development Corporation dba Heroes House will have until June 30, 2016 to fully complete the rehabilitation and occupancy of the units.

**Section 3.** That the Chief Financial Officer is hereby authorized to disburse funds in accordance with this resolution and the terms and conditions of the conditional grant agreement from:

NP Community Development Corporation dba Heroes House Vendor - VS87671

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Obj</u>	<u>Program #</u>	<u>Encumbrance</u>	<u>Amount</u>
2U53	HOU	P951	3016	2U53HEHSF	HOUN951G154	\$450,000

**Section 4.** 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.