

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: January 27, 2016
COUNCIL DISTRICT(S): 6
DEPARTMENT: Housing/Community Services
CMO: Alan Sims, Chief of Neighborhood Plus, 670-1611
MAPSCO: 43F 43M

SUBJECT

Authorize an amendment to Resolution No. 13-2115, previously approved on December 11, 2013, to extend the completion date for an affordable housing development conditional grant in the amount of \$180,000 to Builders of Hope CDC for the construction of six single family homes in West Dallas from December 11, 2015 to December 30, 2016 – Financing: No cost consideration to the City

BACKGROUND

In September 2013, Builders of Hope CDC (BOH) submitted a proposal to the City of Dallas for the construction of six (6) affordable housing units located on scattered sites throughout West Dallas. The proposal requested \$30,000 per home in construction financing leveraged with \$85,000 per home from the Rees-Jones Foundation for the construction of the homes to be built on the lots and sold by December 11, 2015.

In August 2015, BOH had a change in executive staff that resulted in some delays in the completion of this project. To-date, BOH has built and sold five of the six units to low-moderate income families at or below 80% of Area Median Family Income. BOH has completed 95% of the construction of the remaining unit. When completed, BOH may proceed with the sale of the unit to an approved homebuyer.

The extension of the maturity date in the loan agreement will allow BOH to continue its efforts to complete construction and sell the remaining unit.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 27, 2001, City Council approved the CHDO Loan Program Statement that authorized the Housing Director to approve development funding for projects with fewer than 100 units, by Resolution No. 01-2049.

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

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

On December 11, 2013, City Council approved an affordable housing development conditional grant in the amount of \$180,000 to Builders of Hope CDC for the construction of six (6) single family homes in West Dallas through December 11, 2015, by Resolution No. 13-2115.

Information about this item will be provided to the Housing Committee on January 19, 2016.

FISCAL INFORMATION

No cost consideration to the City

OWNER

Builders of Hope CDC

Damon Polk, Interim President

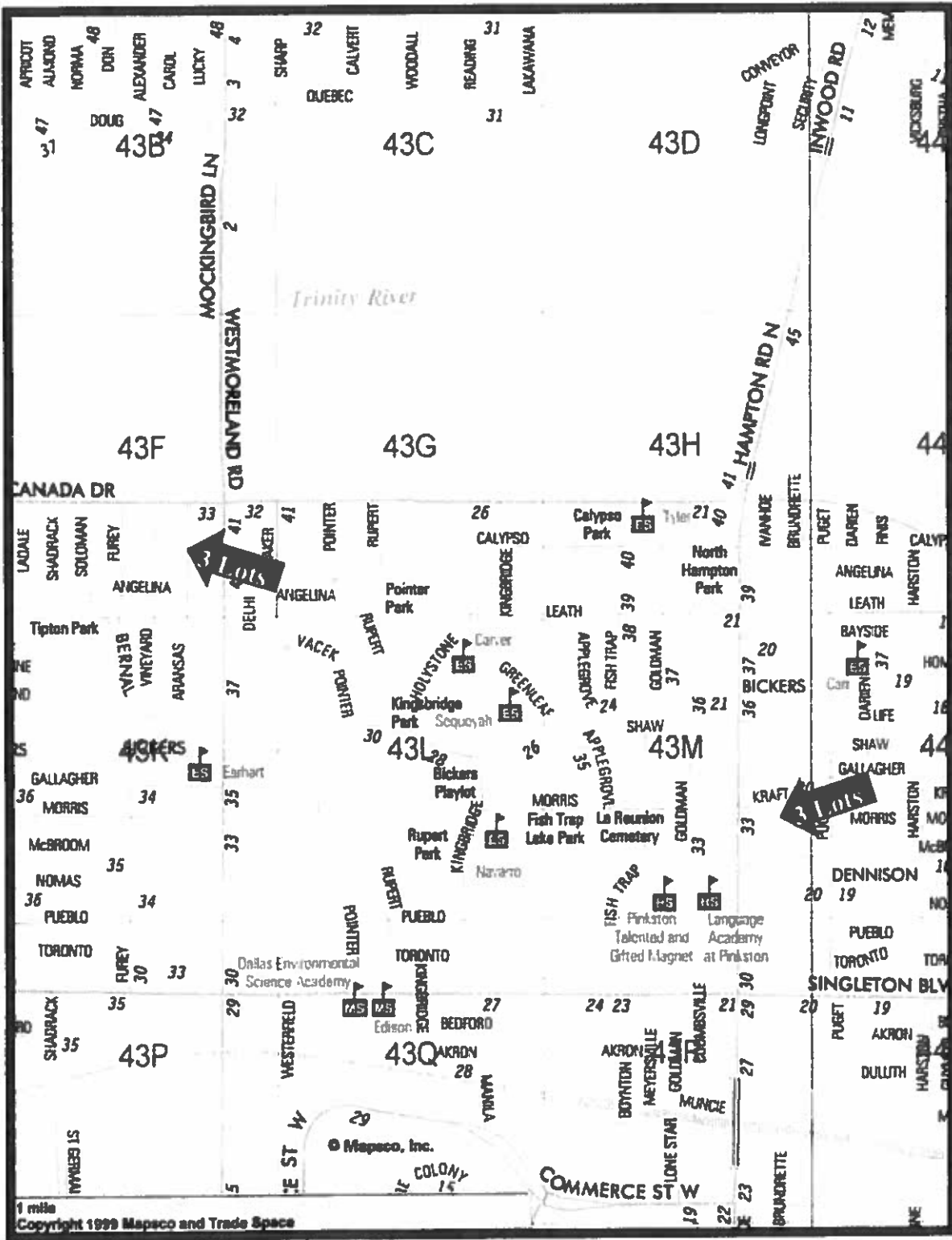
DEVELOPER

Builders of Hope CDC

Damon Polk, Interim President

MAP

Attached



MAPSCO 43F & 43M

January 27, 2016

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

WHEREAS, on June 27, 2001, City Council approved the CHDO Loan Program Statement that authorized the Housing Director to approve development funding for projects with fewer than 100 units, by Resolution No. 01-2049; and

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

WHEREAS, on December 11, 2013, City Council approved an affordable housing development conditional grant in the amount of \$180,000 to Builders of Hope CDC for the construction of six (6) single family homes in West Dallas through December 11, 2015, by Resolution No. 13-2115; and

WHEREAS, Builders of Hope CDC has requested an extension of time to the development grant agreement to allow them to continue their efforts to construct the final unit and complete the sale of the unit to low-to-moderate income family at or below 80% AMFI; **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 the grant agreement with Builders of Hope CDC (BOH) to extend the completion date from December 11, 2015 to December 30, 2016.

Section 2. That the terms of the agreement will include:

- (a) Borrower must execute a Notes Payable and Deed Restrictions.
- (b) BOH must complete and sell or rent the remaining homes to low-to-moderate income families whose incomes are 80% 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 on the home.
- (d) Properties will be deed restricted for affordability at 80% or less of Area Median Family Income for sale and resale to eligible homebuyers for a period of fifteen years.
- (e) The City will subordinate to the interim construction lender for the construction of each unit.

January 27, 2016

Section 3. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute the agreement described herein, as well as releases of liens and terminations of deed restrictions on the property upon compliance with the loan terms and deed restrictions for forgiveness of debt.

Section 4. 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 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: January 27, 2016
COUNCIL DISTRICT(S): 7
DEPARTMENT: Housing/Community Services
CMO: Alan Sims, Chief of Neighborhood Plus, 670-1611
MAPSCO: 48V

SUBJECT

Authorize an amendment to Resolution No. 14-1488, previously approved on September 10, 2014, to extend the completion date of each agreement to December 31, 2016, for two separate loan agreements with Builders of Hope CDC for two separate phases of their Prairie Creek project – Financing: No cost consideration to the City

BACKGROUND

In 2009, this project received HOME funds in the amount of \$500,000 for acquisition of 40 lots for the Prairie Creek project. This loan agreement, as amended, calls for 40 single family homes to be built on the lots and sold by December 31, 2015. Additionally, by Resolution No.14-1488, this project also received \$480,000 as gap financing for the construction of sixteen of the 40 homes. This loan agreement required completion and sale of the sixteen units by December 31, 2015.

In August 2015, Builders of Hope CDC (BOH) had a change in executive staff that resulted in some delay in the completion of this project. To-date, BOH has built and sold 24 of the 40 units to low-moderate income families at or below 80% of Area Median Family Income. BOH has obtained interim financing from Benchmark Bank, Inwood Bank and American National Bank for construction of the remaining sixteen units and has pulled permits and began construction of nine of the sixteen units

The extension of the maturity dates of the two loan agreements will allow BOH to continue its efforts to complete construction and sell the remaining sixteen units.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 27, 2001, City Council approved the CHDO Loan Program Statement that authorized the Housing Director to approve development funding for projects with fewer than 100 units, by Resolution No. 01-2049.

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

On September 10, 2014, City Council approved (1) an extension of the development loan agreement with Builders of Hope CDC, Prairie Creek Project for acquisition and related acquisition costs of 40 unimproved properties to December 31, 2015; and (2) a development loan in the amount of \$480,000 for the construction of the final sixteen homes, by Resolution No. 14-1488.

Information about this item will be provided to the Housing Committee on January 19, 2016.

FISCAL INFORMATION

No cost consideration to the city

OWNER

Builders of Hope CDC

Damon Polk, Interim President

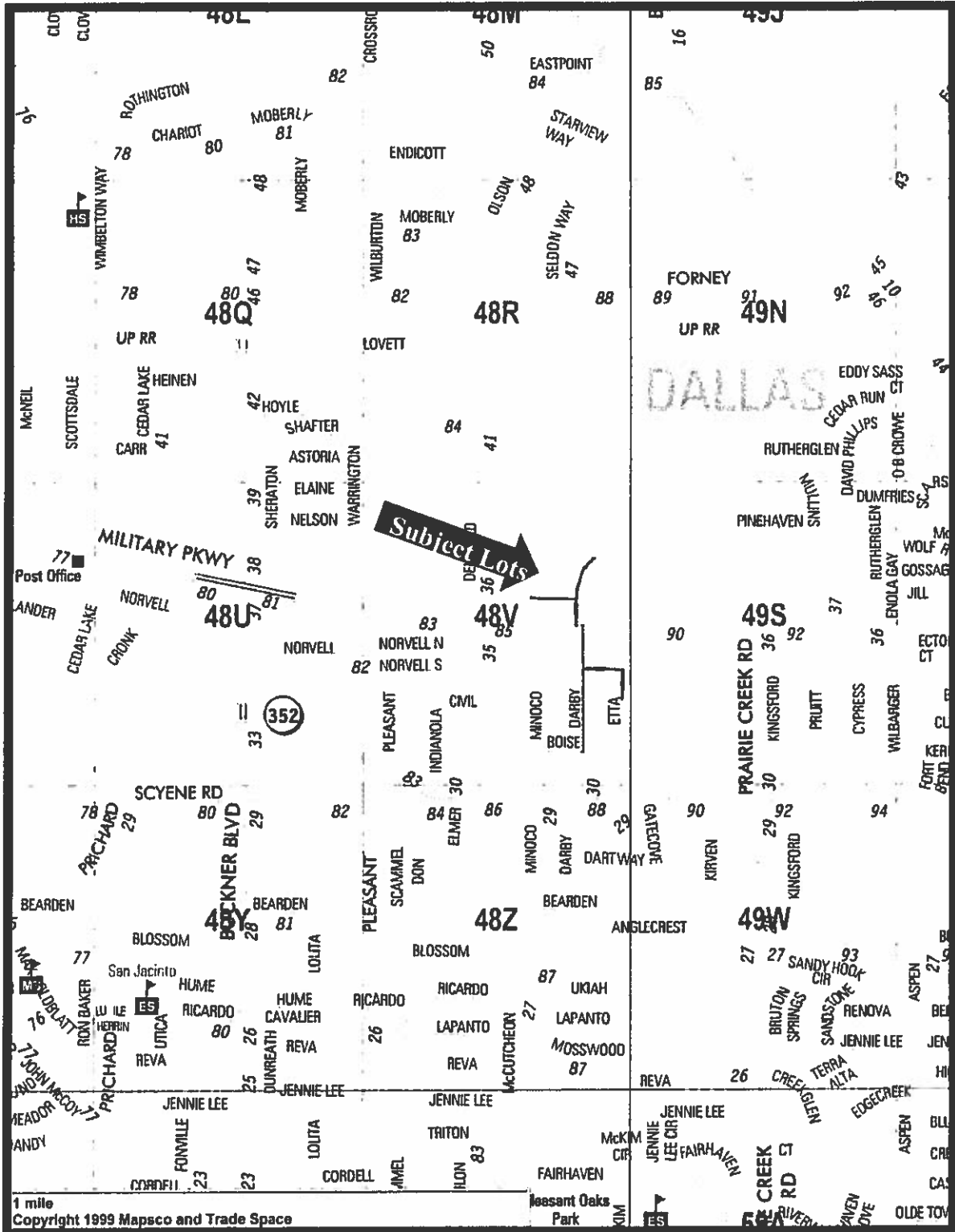
DEVELOPER

Builders of Hope CDC

Damon Polk, Interim President

MAP

Attached



MAPSCO 48V

January 27, 2016

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

WHEREAS, on September 10, 2014, the City Council approved (1) an extension of the development loan agreement with Builders of Hope CDC, Prairie Creek Project for acquisition and related acquisition costs of 40 unimproved properties to December 31, 2015; and (2) a development loan in the amount of \$480,000 for the construction of the final sixteen homes, by Resolution No. 14-1488; and

WHEREAS, Builders of Hope CDC has requested an extension of time to the development loan agreement to allow them to continue their efforts to construct the final 16 units and complete the sale of the units to low-to-moderate income families at or below 80% AMFI; **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 two separate loan agreements with Builders of Hope CDC (BOH), for two separate phases of their Prairie Creek project, to extend the completion dates of each agreement to December 31, 2016.

Section 2. That the terms of the agreement will include:

- (a) Borrower must execute a Notes Payable and Deed Restrictions.
- (b) BOH must complete and sell or rent the remaining homes to low-to-moderate income families whose incomes are 80% 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 on the home.
- (d) Properties will be deed restricted for affordability at 80% or less of Area Median Family Income for sale and resale to eligible homebuyers for a period of fifteen years.
- (e) The City will subordinate to the interim construction lender for the construction of each unit.

Section 3. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute the agreement described herein, as well as releases of liens and terminations of deed restrictions on the property upon compliance with the loan terms and deed restrictions for forgiveness of debt.

Section 4. 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.

January 27, 2016

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: January 27, 2016
COUNCIL DISTRICT(S): 6
DEPARTMENT: Housing/Community Services
CMO: Alan Sims, Chief of Neighborhood Plus, 670-1611
MAPSCO: 43E 43F 43K 43P 44J 44K 44N

SUBJECT

Authorize an amendment to Resolution No. 14-1633, previously approved on September 24, 2014, to extend completion date of each agreement to December 31, 2016, for two separate loan agreements with Builders of Hope CDC for two separate phases of their West Dallas project – Financing: No cost consideration to the City

BACKGROUND

In 2009 this project received HOME funds in the amount of \$547,000 for acquisition of 22 scattered sites lots in West Dallas. This loan agreement, as amended, calls for 22 single family homes to be built on the lots and sold by December 31, 2015. By Resolution No. 14-1633, this project also received \$521,400 as gap financing for the construction eleven of the 22 homes. This loan agreement requires completion and sale of its eleven units by December 31, 2015.

In August 2015, Builders of Hope CDC (BOH) had a change in executive staff that resulted in some delays in the completion of this project. To-date, BOH has built and sold eleven of the 22 units to low-moderate income families at or below 80% of Area Median Family Income. BOH has obtained interim financing from Inwood Bank for construction of the remaining eleven units and has pulled permits for eight units. Seven units are already under construction.

The extension of the maturity dates in the two loan agreements will allow BOH to continue its efforts to complete construction and sell the remaining eleven units.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 27, 2001, City Council approved the CHDO Loan Program Statement that authorized the Housing Director to approve development funding for projects with fewer than 100 units, by Resolution No. 01-2049.

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

On September 24, 2014, City Council approved (1) an extension of the development loan agreement with Builders of Hope CDC, West Dallas Project for acquisition and related acquisition costs of 22 unimproved properties to December 31, 2015; and (2) a development loan in the amount of \$521,400 for the construction of the final eleven homes, by Resolution No. 14-1633.

Information about this item will be provided to the Housing Committee on January 19, 2016.

FISCAL INFORMATION

No cost consideration to the City

OWNER

Builders of Hope CDC

Damon Polk, Interim President

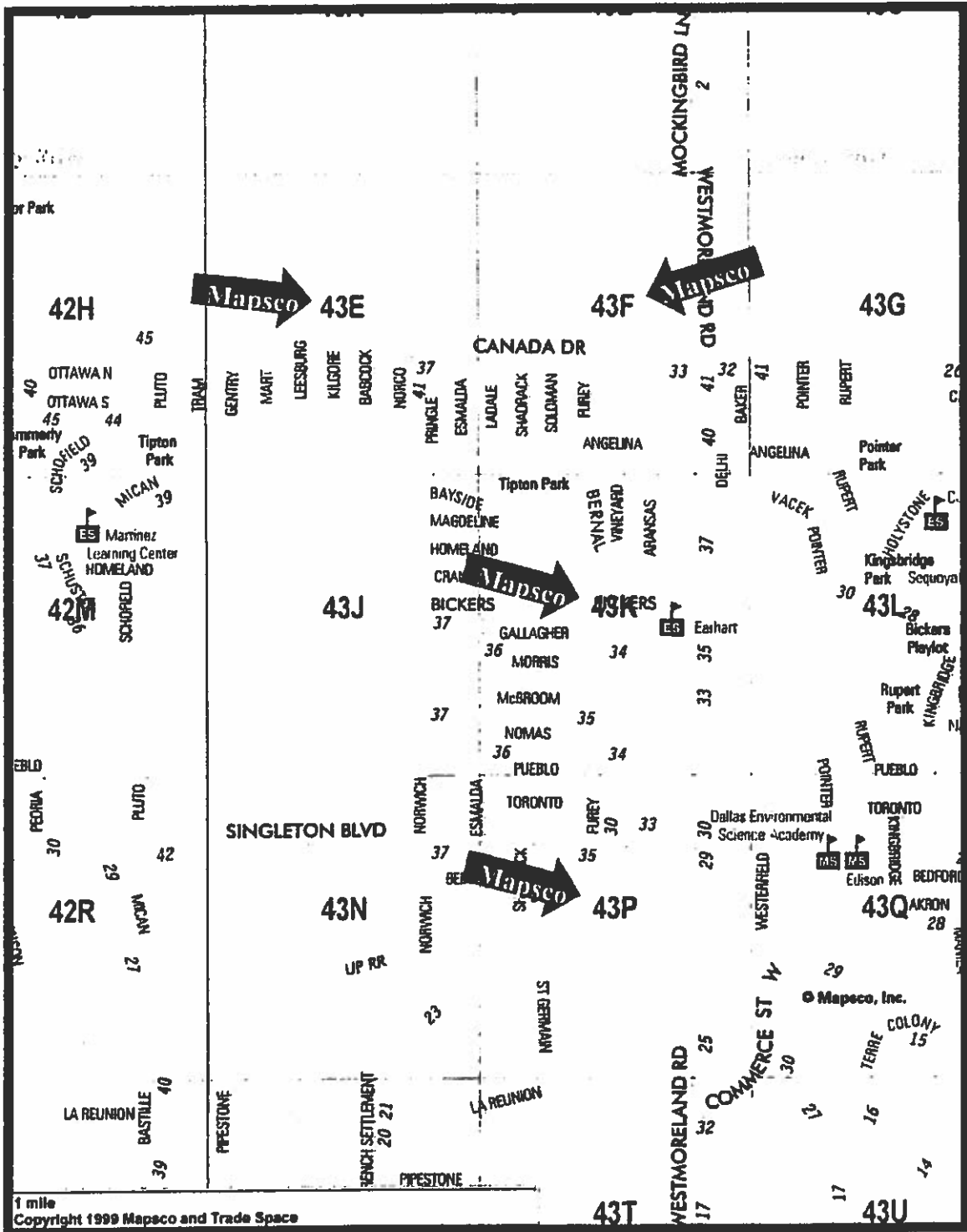
DEVELOPER

Builders of Hope CDC

Damon Polk, Interim President

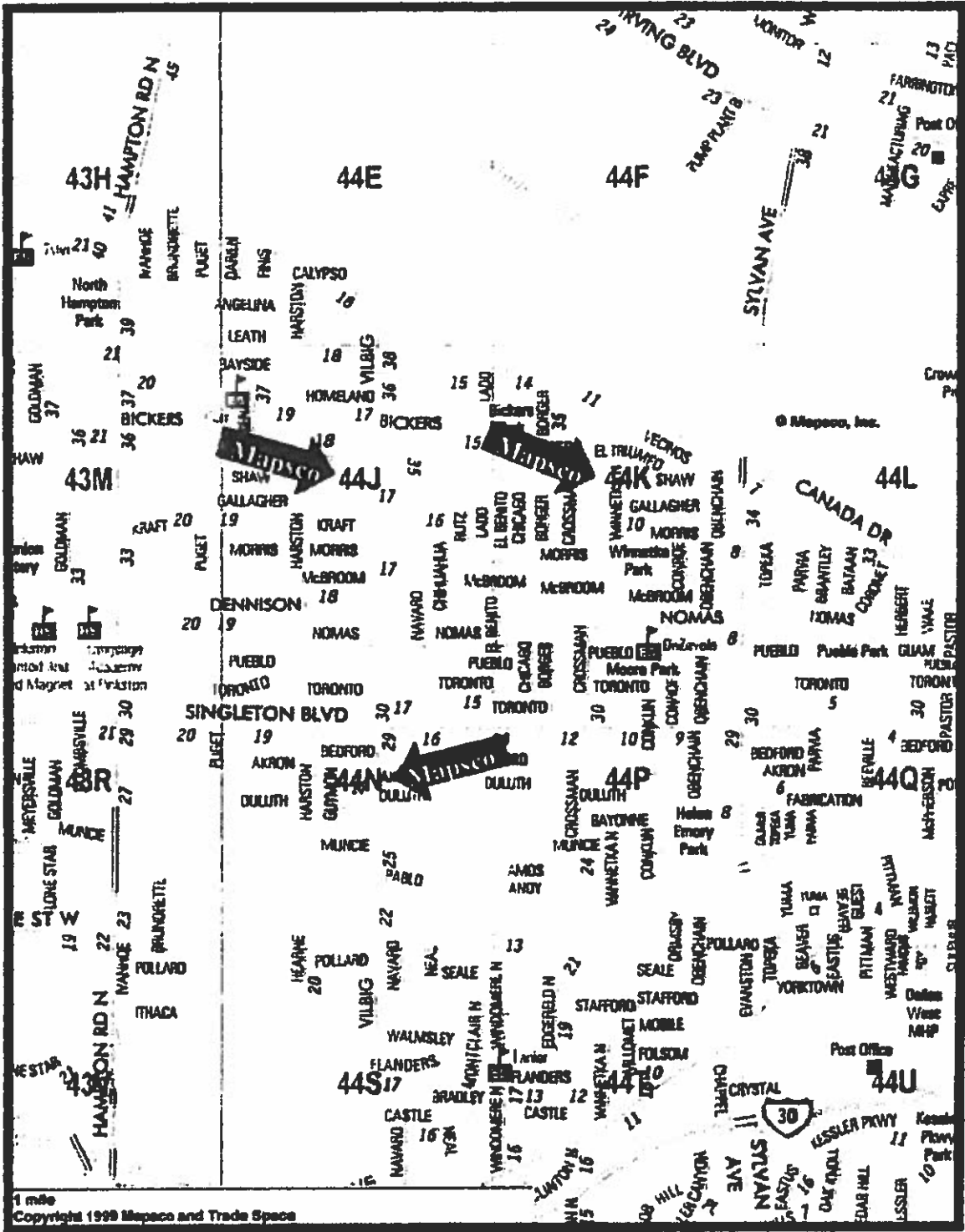
MAP

Attached



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MAPSCO 43E, F, K & P



MAPSCO 44J, K & N

January 27, 2016

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

WHEREAS, on June 27, 2001, City Council approved the CHDO Loan Program Statement that authorized the Housing Director to approve development funding for projects with fewer than 100 units, by Resolution No. 01-2049; and

WHEREAS, on September 24, 2014, City Council approved (1) an extension of the development loan agreement with Builders of Hope CDC (BOH), West Dallas Project for acquisition and related acquisition costs of 22 unimproved properties to December 31, 2015; and (2) a development loan in the amount of \$521,400 for the construction of the final eleven homes, by Resolution No. 14-1633; 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 amend two separate loan agreements with Builders of Hope CDC, for two separate phases of their West Dallas project, to extend completion dates of each agreement to December 31, 2016.

Section 2. The terms of the agreement will include:

- (a) Borrower must execute a Notes Payable and Deed Restrictions.
- (b) BOH must complete and sell or rent the remaining homes to low-to-moderate income families whose incomes are 80% 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 on the home.
- (d) Properties will be deed restricted for affordability at 80% or less of Area Median Family Income for sale and resale to eligible homebuyers for a period of fifteen years.
- (e) The City will subordinate to the interim construction lender for the construction of each unit.

Section 3. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute the agreement described herein, as well as releases of liens and terminations of deed restrictions on the property upon compliance with the loan terms and deed restrictions for forgiveness of debt.

Section 4. 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.

January 27, 2016

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.