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

WHEREAS, the Applicant, Carpenter's Point, L.P. (the "Applicant") submitted a pre-application waiver on November 8, 2006 seeking approval to apply for 9% tax credits with the Texas Department of Housing and Community Affairs (TDHCA); and

WHEREAS, on December 13, 2006, the City Council approved the pre-application waiver for the Project by Resolution No. 06-3463; and

WHEREAS, under the TDHCA rules in the 2007 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 Credits or private activity bonds, the applicant must obtain prior approval of the development from the governing body of the municipality; and

WHEREAS, on January 31, 2007, the applicant submitted an application to the City of Dallas for the approval of TDHCA 9% tax credit program; and

WHEREAS, on February 5, 2007, the Economic Development and Housing Committee was briefed on the project and voted to recommend that the City Council adopt a resolution supporting the 9% tax credit financing of the Frazier Berean senior multifamily development; and

WHEREAS, the applicant submitted an application in an amount not to exceed \$750,000 in Federal HOME Investment Partnership Program (HOME) funds for the project; and

WHEREAS, as a condition for being considered for the award of the 9% tax credits, the Applicant has committed to renting 15 units or 10% of the units to tenants with household incomes capped at 30% or below the area median family income with rents affordable to tenants whose household incomes are 30% or below the area median family income and 130 units or 87% of the units to tenants with household incomes capped at 60% or below the area median family income with rents affordable to tenants whose household incomes are 60% or below the area median family income with 5 market rate units, in compliance with the maximum Low Income Housing Tax Credit rents as published by the TDHCA; and

WHEREAS, as a condition for being considered for the award of the 9% 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: health

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screenings, family counseling/domestic crisis intervention, computer education, emergency assistance, vocational guidance, and other social services and recreational activities; and that the City will allow up to 100% (this is an exception to the City's standard 50% requirement) of the social service requirement can be in the form of in-kind contributions due to the limited amount of cash flow provided by the project and the ability of The Frazier Berean Group to provide a majority of the in-kind contributions, however approval for these in-kind services must be approved by the Housing Department; and

WHEREAS, the City of Dallas desires to consider approval of the development of this housing project and therefore approves the TDHCA 9% tax credit financing pursuant to Sec. 49.5 (a) (7) (A-C) of the Qualified Allocation Plan subject to the conditions set forth herein, however, that the City's approval of the tax credit financing for this project shall be contingent upon, among other things, the appropriate zoning change to allow for the development of 150 residential units for seniors and the future approval in an amount not to exceed \$750,000 in Federal HOME Investment Partnership Program (HOME) funds; **NOW, THEREFORE**,

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

SECTION 1. That the City approves and supports Texas Department of Housing and Community Affairs (TDHCA) 9% tax credits for the Frazier Berean senior apartment project pursuant to Sec. 49.5 (a) (7) (A-C). The Frazier Berean senior apartment project is proposed new construction development of 150 multifamily housing units, located at 3326 Mingo Street, comprised of 126 one-bedroom units, and 24 two-bedroom units for the Carpenter's Point L. P.; provided, however, that the City's approval of the tax credit financing for this project shall be contingent upon, among other things, future City Council approval to change the zoning to allow for the development of 150 residential units for seniors and the future City Council approval by subsequent resolution of in an amount not to exceed \$750,000 in Federal HOME Investment Partnership Program (HOME) funds for the project.

SECTION 2. That the City's approval of the tax credits for this project is 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) a separate guarantee by an entity or individual acceptable to the Housing Director, to be executed at the closing of the tax credits and provided to the City of Dallas, and that will contain language stating that the guarantee will remain in effect until proper documentation can be provided by the Applicant that the Texas Department of Housing and Community Affairs has included the monetary amount of the social service requirement (\$200 per unit for a minimum of \$40,000) in their Land Use Restriction Agreement. The City may allow up to 100% of the social service requirement (this is an exception to the City's 50%

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requirement) due to the limited amount of cash flow provided by the project and the ability of The Frazier Berean Group to provide a majority of the in-kind contributions, can be in the form of in-kind contributions provided the Housing Department gives prior approval of the social service plan.

SECTION 3. That prior to receiving a conditional City of Dallas building permit required by TDHCA prior to closing on the tax credits, the Project Developer will consult with the City of Dallas Office of Development Services with regard to security related design standards.

SECTION 4. That the City's approval of the tax credits for this project is contingent on the Project Owner paying to the City an annual monitoring review fee in the amount of \$500, beginning on the anniversary of the closing on the 9% tax credits and ending at the end of the tax credit compliance period, for the cost of monitoring compliance with the social service requirement.

SECTION 5. That the City Manager is authorized to convey a copy of this resolution to the Applicant and the TDHCA with a written statement of support by the City Council referencing Sec. 49.5 (a) (7) (A-C) of the Qualified Allocation Plan, subject to the conditions set forth herein.

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

DISTRIBUTION:

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

APPROVED BY
CITY COUNCIL

FEB 28 2007

Richard Williams
City Secretary

APPROVED *Charles Ford*
HEAD OF DEPARTMENT

APPROVED *Samuel King*
CITY CONTROLLER

APPROVED *[Signature]*
CITY MANAGER