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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, SDC Fiji Senior, 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 wavier for the Project by Resolution No. 06-3464; 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 the 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 Fiji senior multifamily development; and

WHEREAS, the applicant submitted an application to the City of Dallas for Proposition 8 General Obligation Bond 2006 funds in an amount not to exceed \$1.2 Million; and

WHEREAS, as a condition for being considered for the award of the 9% tax credits, the Applicant has committed to renting 100 units to tenants with household incomes capped at 50% or below the area median family income with rents affordable to tenants whose household incomes are 50% or below the area median family income and 24 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 and 6 market rate units, with two units which may be occupied by management or maintenance personnel, 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: after-school

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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, however approval for these in-kind services must be approved by the Housing Department; and

WHEREAS, the City desires to consider the 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 130 residential units for seniors and the future approval in an amount not to exceed \$1.2 Million in Proposition 8 General Obligation Bonds 2006 funds;

NOW, THEREFORE,

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

SECTION 1. That the City approves and supports the Texas Department of Housing and Community Affairs (TDHCA) 9% tax credits for the SDC Fiji Senior Villas apartment project 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 130 residential units for seniors and the future approval of a subsequent City Council resolution approving a loan or grant in an amount not to exceed \$1.2 Million in Proposition 8 General Obligation Bond 2006 funds for this project. The SDC Fiji Senior Villas project is proposed new construction development of 130 multifamily housing units located at 201 Fran Way comprised of 65 one-bedroom units and 65 two-bedroom units for the SDC Fiji Senior, 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 130 residential units for seniors.

SECTION 2. That the City's 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; and (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

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minimum of \$40,000) in their Land Use Restriction Agreement. The City may allow up to 50% of the social service requirement can be fulfilled with in-kind social services provided the Housing Department gives prior approval of the social service plan.

SECTION 3. That the City's approval 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 of 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 4. 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 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 Section 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

Deborah Whittle
City Secretary

APPROVED *Charles Bird* HEAD OF DEPARTMENT APPROVED *Susan King* CITY CONTROLLER APPROVED *Jill Jordan* CITY MANAGER