

WHEREAS, on December 14, 1994, the City Council authorized a loan agreement for \$4,000,000 for rehabilitation of the Majestic Lofts, by Resolution No. 94-4355; and

WHEREAS, on June 22, 2005, the City Council authorized a loan modification to the Santa Fe II Lofts loan to allow for subordination to a new condominium conversion loan, release of the deed restrictions after a pay-down of \$1,600,000 and an accelerated pay-off in full of the remainder of the balance of the Section 108 loan by Resolution No. 05-2010; and

WHEREAS, on May 17, 2006, City Council was briefed on FY 2006-07 Consolidated Plan Budget; and

WHEREAS, on June 28, 2006, the City Council adopted the Final FY 2006-07 Consolidated Plan Budget for U.S. Department of Housing and Urban Development (HUD) Grant Funds by Resolution No. 06-1739; and

WHEREAS, on October 25, 2006, the City Council authorized the City Manager to enter into a contract for the sale of the Section 108 loan for The Majestic Lofts at a sale price of 60% of the outstanding value of the note as of the date of acquisition by Resolution No. 06-2968; and

WHEREAS, on December 13, 2006, the City Council adopted the preliminary FY 2006-07 Consolidated Plan Reprogramming Budget #1 which appropriated \$3,300,000 of Section 108 Intown Program Income to be used for downtown condominium purchases, the acquisition and development costs for downtown multi-family development, southern sector acquisition, demolition, and infrastructure and construction financing for housing, economic development and mixed-use development by Resolution No. 06-3435; and

WHEREAS, the City Manager recommends appropriating \$3,343,732 of Section 108 Intown Program Income to be used for eligible Housing Programs; and

WHEREAS, on February 5, 2007, the Economic Development & Housing Committee was briefed; and

WHEREAS, the City's Citizen Participation Plan and HUD regulations require a 30-day public comment period and a public hearing; **NOW, THEREFORE,**

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

Section 1. That the preliminary FY 2006-07 Consolidated Plan Reprogramming Budget #2 be approved as follows:

Source of Funds:			
FY 06-07		Section 108 Intown Housing Program Income	\$3,343,732
Use of Funds:			
FY 06-07	CDBG	Downtown condo purchase	\$1,000,000
FY 06-07	CDBG	Southern sector housing and Economic development financing	<u>\$2,343,732</u>
		Total	\$3,343,732

Section 2. That a public hearing be held on April 11, 2007 to receive comments on the proposed use of funds.

Section 3. 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, 4FS

APPROVED BY
CITY COUNCIL

FEB 28 2007

Deborah Wittoria
City Secretary

APPROVED *Charles Bird*
HEAD OF DEPARTMENT

APPROVED *Sam Kinney*
CITY CONTROLLER

APPROVED *[Signature]*
CITY MANAGER