

November 10, 2008

WHEREAS, on February 13, 2008, the City Council authorized a pre-application waiver for Frazier Berean nka Carpenter's Point Senior Project by Resolution No. 08-0454; and

WHEREAS, the Carpenter's Point, L.P. submitted a request to the City of Dallas for HOME Investment Partnership (HOME) Funds in an amount not to exceed \$928,473 for a partial funding of all pre-development soft costs (\$3,928,157), including the Texas Department of Housing and Community Affairs tax credit commitment fee (\$60,000), and a partial funding of hard construction costs (\$9,175,748) of the Carpenter's Point Senior Apartments Project (FKA Frazier Berean Senior), and to obtain 19 qualifying points for the final 9% tax credit application; and

WHEREAS, on March 3, 2008, the City Council Housing Committee was briefed on the Carpenter's Point, L.P. 9 % tax credit application, including \$928,473 increasing the total construction budget to provide for pre-development, eligible soft costs and construction costs associated with development of the Carpenter's Point Senior Apartments Project; and

WHEREAS, on March 26, 2008, the City Council authorized support of 9% tax credits and expressed the City's intent, subject to subsequent Council authorization, to a loan up to \$928,473 for the Carpenter's Point Senior Apartments Project located at 3326 Mingo by Resolution No. 08-0878; and

WHEREAS, on April 9, 2008, the City Council approved the preliminary FY 2007-08 Consolidated Plan Reprogramming Budget #3, which included \$928,473 in HOME funds, by Resolution No. 08-1053; and

WHEREAS, on May 14, 2008, the City Council authorized the final FY 2007-08 Consolidated Plan Reprogramming Budget #3 approving the use of HOME funds in the amount of \$928,473 to be allocated for the development of the Carpenter's Point Senior Apartments Project; and

WHEREAS, on July 31, 2008, the Texas Department of Housing and Community Affairs awarded 9% tax credits to the Carpenter's Point Senior Apartments Project in the amount of \$1,200,000 and as a condition for the approval of the 9% tax credits, the Applicant has committed to renting of 8 units to tenants with household incomes at 30% or below the area median family income (AMFI) 53 units to tenants with household incomes at 50% or below the AMFI and 89 units to tenants with household incomes at 60% or below the AMFI; and

WHEREAS, the City Council desires to provide a \$928,473 HOME loan to Carpenter's Point, L.P., for pre-development costs, eligible soft costs and construction costs associated with the development of 3326 Mingo, for the new construction of a 150-unit multi-family rental project for seniors; and

WHEREAS, the execution of a HOME loan agreement by the City is subject: (1) to all applicable HOME regulatory requirements, (2) the loan will be non-recourse with an unsecured note will be unsecured, and (3) Carpenter's Point, L.P. filing of deed restrictions requiring 100% of the units be rented to low to moderate income tenants at affordable rents with incomes of 65% or less of the Dallas County median income at affordable rents, (4) the outstanding principal balance of the City's loan shall bear an interest rate of one percent (1%) per year with interest payable from available cash flow which will accrue and be due and payable with a balloon payment due after the maturity of the principal debt upon the later of thirty years from the closing of the loan or upon the sale or refinancing of the project. The closing of the City's HOME fund loan must occur no later than June 30, 2009; and based upon the developer having agreed to the execution of a loan agreement with the City; **NOW, THEREFORE,**

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

SECTION 1. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute loan documents with Carpenter's Point, L.P., a single asset entity, for pre-development costs, including the Texas Department of Housing and Community Affairs tax credit commitment fee, other eligible soft costs and construction costs associated with the construction of a 150-unit multi-family residential development for seniors located at 3326 Mingo.

SECTION 2. That the execution of a HOME loan agreement by the City is (1) subject to all applicable HOME requirements, (2) the loan will be non-recourse with an unsecured note, and (3) Carpenter's Point, L.P. filing of deed restrictions requiring 100% of the units be rented to low to moderate income tenants at affordable rents with incomes of 65% or less of the Dallas County AMFI with a 20% set aside for households with incomes at or below 50% AMFI at affordable rents and comply with all applicable federal regulations.

SECTION 3. The outstanding principal balance of the City's loan shall bear an interest rate of one percent (1%) per year, which will accrue and be due and payable with the full principal balance upon the later of thirty years from the closing of the loan or upon the sale or refinancing of the Project. The closing of the City's HOME loan must occur no later than June 30, 2009.

SECTION 4. That the City Controller be authorized to disburse funds in accordance with this Resolution as follows:

CARPENTER'S POINT, LP

Vendor – VS0000037516

<u>FUND</u>	<u>DEPT</u>	<u>UNIT</u>	<u>OBJ</u>	<u>CT</u>	<u>AMOUNT</u>
HM07	HOU	8677	3015	HOU8677A163	\$928,473

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SECTION 5. 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 HOME loan, until such time as the loan documents are duly approved by all parties and executed.

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
Budget and Management Services/Community Development, 4FS

APPROVED BY
CITY COUNCIL

NOV 10 2008


City Secretary