

# Memorandum

2012 NOV 16 AM 10:12

CITY SECRETARY  
DALLAS, TEXAS



DATE November 15, 2012

TO Rosa A. Rios, City Secretary  
City Secretary's Office

SUBJECT Community Development Block Grant (CDBG)  
Ecological Community Builders (ECB)  
Bexar St. Senior Housing

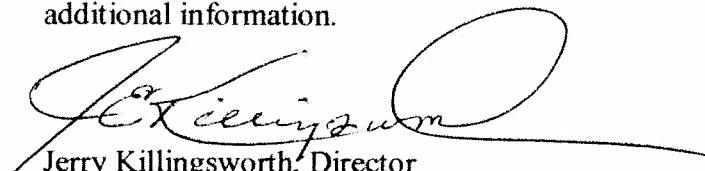
Pursuant to the CDBG Program Statement approved by Council Resolution #11-1828 the City of Dallas approved a Development Loan (CDBG Funds) in the amount of \$200,000 for ECB to assist in the rehabilitation of three (3) affordable single family homes. The following funding information was entered into the accounting system:

<u>Vendor #</u>	<u>Amount</u>	<u>Fund</u>	<u>Unit</u>	<u>Obj.</u>	<u>IDIS</u>	<u>Encumbrance #</u>
VS0000064355	\$200,000	CD10	430C	3015	10955	HOU430C1574

The Housing/Community Services Department is requesting changes to reflect the following modified funding information entered in the system:

<u>Vendor #</u>	<u>Amount</u>	<u>Fund</u>	<u>Unit</u>	<u>Obj.</u>	<u>IDIS</u>	<u>Encumbrance #</u>
VS0000064355	\$39,922.01	CD10	430C	3015	10955	HOU430C1574
VS0000064355	\$160,077.99	CD10	491C	3015	11564	HOU430C1574

Please contact Cynthia Rogers-Ellickson at 214/670-3601, if you have any questions or need additional information.

  
Jerry Killingsworth, Director  
Housing/Community Services Department

c: Donna Maldonado, Coordinator III

RAR 11/20/12

11/20/12

# Memorandum

2012 NOV -7 PM 2:43

CITY SECRETARY  
DALLAS, TEXAS



CITY OF DALLAS

DATE November 5, 2012

TO Rosa A. Rios, City Secretary  
City Secretary's Office

SUBJECT Community Development Block Grant (CDBG)  
Ecological Community Builders (ECB)  
Bexar St. Senior Housing

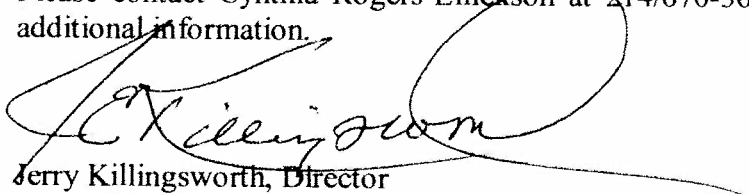
Pursuant to the CDBG Program Statement approved by Council Resolution #11-1828 the City of Dallas approved a Development Loan (CDBG Funds) in the amount of \$200,000 for ECB to assist in the rehabilitation of three (3) affordable single family homes. The following funding information was entered into the accounting system:

<u>Vendor #</u>	<u>Amount</u>	<u>Fund</u>	<u>Unit</u>	<u>Obj.</u>	<u>IDIS</u>	<u>Encumbrance #</u>
VS0000064355	\$200,000	CD10	430C	3015	10955	HOU430CH659

The Housing/Community Services Department is requesting changes to reflect the following modified funding information entered in the system:

<u>Vendor #</u>	<u>Amount</u>	<u>Fund</u>	<u>Unit</u>	<u>Obj.</u>	<u>IDIS</u>	<u>Encumbrance #</u>
VS0000064355	\$39,922.01	CD10	430C	3015	10955	HOU430CH659
VS0000064355	\$160,077.99	CD10	491C	3015	11564	HOU430CH659

Please contact Cynthia Rogers-Ellickson at 214/670-3601, if you have any questions or need additional information.

  
Jerry Killingsworth, Director  
Housing/Community Services Department

c: Donna Maldonado, Coordinator III

RAK 11/8/12  
RZ 11/8/12

**WHEREAS**, on February 26, 2003, the City Council approved the Neighborhood Investment Program (NIP) target areas which included five census tracts by Resolution No. 03-0830.

**WHEREAS**, on September 28, 2005, the City Council approved the redesignation and expansion of three of the existing five NIP targeted areas by Resolution No. 05-2795.

**WHEREAS**, on September 24, 2008, the City Council authorized the redesignation of seven census tracts comprising three Neighborhood Investment Program target areas and the designation of ten census tracts comprising two additional Neighborhood Investment Program target areas for a minimum of two years by Resolution No. 08-2559.

**WHEREAS**, on June 24, 2009, the City Council approved the FY09-10 Consolidated Plan Budget which included the Community-Based Development Organization Program by Resolution No. 09-1635.

**WHEREAS**, on June 24, 2009, the City Council approved the FY09-10 Consolidated Plan Budget for the Community-Based Development Organization Program by Resolution No. 09-1635.

**WHEREAS**, on March 10, 2010, the City Council approved the Community-Based Development Organization (CBDO) Program Statement for implementation and use of Community Development Block Grant Funds by Resolution No. 10-0741; and

**WHEREAS**, On June 23, 2010, the City Council approved the FY10-11 Consolidated Plan Budget which included the Community-Based Development Organization Program by Resolution No. 10-1594; and

**WHEREAS**, Ecological Community Builders (ECB), a Dallas certified Community Development Organization (CBDO), proposed to work with the City of Dallas to undertake the development of affordable senior rental housing; and

**WHEREAS**, the City now desires to authorize changes to the Community-Based Development Organization Program Statement for the continued implementation of the CBDO program; and,

**WHEREAS**, the City desires for ECB to develop affordable senior housing in the Bexar Street corridor, **NOW THEREFORE**,

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

**Section 1.** That the City Manager is authorized to implement the changes to the Community-Based Development Organization (CBDO) Program in accordance with the Program Statement (Attachment A)

**Section 2.** That the City Manager is authorized to execute a secured zero percent (0%) interest forgivable loan in the amount of \$200,000 with Ecological Community Builders (ECB) for the development of unimproved property into affordable senior rental housing in the Bexar Street corridor as part of the Neighborhood Investment Program (NIP) revitalization of the neighborhood.

The terms of the agreement include:

- (a) Borrower must develop a minimum of four (4) affordable senior rental housing units in the Bexar Street corridor and rent to low-income households with incomes at or below 80% of area median family income (AMFI).
- (b) Borrower will begin construction no later than 12 months from contract execution.
- (c) Borrower will have two years to build and lease the units.
- (d) Borrower must execute a Note payable to the City of Dallas for \$200,000 for the CBDO grant.
- (e) Borrower will execute a Deed of Trust Lien on each of the properties.
- (f) The loan will be forgiven 1/5<sup>th</sup> per year beginning with initial occupancy.
- (g) Deed Restrictions will remain on the property for a period of 5 years from the occupancy of at least 51% of units leased to low/moderate tenants whose incomes are at or below 80% AMFI for Dallas.

**Section 3.** That following approval as to form by the City Attorney, the City Manager is authorized to execute any legal instruments as may be necessary to carry out the program in accordance with the CBDO Program Statement (Attachment A).

**Section 4.** That the City Controller is hereby authorized to disburse funds in accordance with this Resolution and the above referenced terms and conditions of the loan agreement with Ecological Community Builders Vendor # VS0000064355 as follows:

<u>FUND</u>	<u>DEPT</u>	<u>UNIT</u>	<u>OBJ</u>	<u>CT</u>	<u>AMOUNT</u>
CD10	HOU	430C	3015	HOU430C1574	\$200,000

**Section 5.** That the City Controller is hereby authorized to set up receivable balance sheet account (033F) and an allowance for uncollectible debt (022D) in fund CD10 for the amount of the loan.

111828

**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 is accordingly so resolved.

APPROVED BY  
CITY COUNCIL

JUN 22 2011

  
City Secretary

## ATTACHMENT A

**COMMUNITY-BASED DEVELOPMENT ORGANIZATION (CBDO)  
PROGRAM STATEMENT**

Program Purpose: Provide interim finance loans to Community Based Development Organizations (CBDOs) to carry out a neighborhood revitalization, community economic development, or energy conservation project within an identified geographic area.

General Program Description:

1. The City of Dallas will allow eligible entities to carry out new construction on its behalf under Regulation 570-204 (c). These entities will be titled Community Based Development Organizations or CBDOs.
2. Eligible CBDOs will include Community Housing Development Organizations (CHDOs) recognized under the HOME Investment Partnership Program who are directly involved in the undertaking of a neighborhood revitalization plan or local comprehensive plan for a specific area.
3. CBDOs must be undertaking a neighborhood revitalization, community economic development, or energy conservation project in order to use Community Development Block Grant (CDBG) funding for new construction. The new construction must be part of a larger effort to revitalize a specific neighborhood.
4. The project must have a significant impact on the neighborhood. This is measured physically or socially by the CBDO.
5. Funds will be provided as repayment loans, deferred loans, or grants. Under repayment provisions, the expended funds will be repaid to the City from the prorated sales proceeds at the time of each home purchase. Deed of Trust lien will be released upon repayment of the loan for the respective property or upon occupancy of the rental unit for a designated period of time of occupancy. A portion of the loan may be forgiven at the time of homebuyer purchase of the home or occupancy of the rental unit.
6. Repaid funds will revolve back to the CBDO fund to provide for additional loans.
7. Project proposals will be accepted contingent on CDBG fund appropriations for this program and timing of neighborhood revitalization efforts.
8. All homes assisted must be sold to a low to moderate income families whose household incomes are at or below 80% of Area Median Family Income for the City of Dallas.

9. The City of Dallas Housing/Community Services Department will create a Loan Committee (LC) with minimum representation from three (3) lending institutions, and Assistant Director to evaluate, rank and make recommendations to the Housing/Community Services Director & the City Manager for all proposals.
10. The Housing/Community Services Director & City Manager will provide final approvals for projects with 50 units or less.
11. The City Manager is authorized to establish guidelines and procedures to administer the program in accordance with this Program Statement and applicable Federal and State Regulations, as amended.