

June 27, 2012

**WHEREAS**, Graham Greene, ("the Applicant"), submitted an application to the City of Dallas on behalf of EVERgreen Residential Ltd., for support of their application to TDHCA for the 2012 Low Income Housing Tax Credit Program; and

**WHEREAS**, on February 10, 2010, the City Council approved a modification to the policy for the acceptance of applications seeking City of Dallas support for low income housing tax credit financing, when the State of Texas does not require direct City of Dallas approval by Resolution No. 10-0498; and

**WHEREAS**, the Applicant requested a waiver of the one mile three year rule for the 1701 Canton - EVERgreen Residences' project; and

**WHEREAS**, on February 6, 2012 and February 21, 2012, the 1701 Canton - EVERgreen Residences' Low Income Housing Tax Credit multifamily project was briefed to the Housing Committee; and

**WHEREAS**, on February 22, 2012, the City Council approved a resolution in support of the TDHCA 9% LIHTC allocation for EVERgreen Residences-1701 Canton by Resolution No. 12-0599; and

**WHEREAS**, the applicant has submitted a direct request for funding of \$2,000,000 from the City of Dallas for the development of the project, contingent upon available funding and the success of the applicant to secure other project approvals; and

**WHEREAS**, the applicant also requested that the City of Dallas participate in acquisition, demolition, and site improvements in the amount of \$2,603,720.

**WHEREAS**, as a condition for being considered for the award of the 9% tax credit, the Applicant has committed renting 130 units or 100% of the units to tenants with household incomes capped at 60% or below the area median family income (AMFI) with rents affordable to tenants whose household incomes are 60% or below the AMFI; and

**WHEREAS**, as with the City of Dallas' funding and endorsement of the TDHCA LIHTC application for 1701 Canton - EVERgreen Residences, the owner of the project will provide social services with the project approved by the Housing/Community Services Department, if the owner is utilizing City funding in the financing of the low income housing tax credit project; and

**WHEREAS**, the City of Dallas desires to provide further support of the TDHCA LIHTC application for 1701 Canton - EVERgreen Residences project at the 1701 Canton Street; **NOW, THEREFORE**

June 27, 2012**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 for a loan in an amount not to exceed \$2,000,000 to EVERgreen Residential Ltd. for development costs associated with the construction of EVERgreen Residences, a 130-unit multifamily residential development for low income permanent supportive housing for families, to be located at 1701 Canton, contingent upon award of Texas Department of Housing and Community Affairs (TDHCA) 9% low-income housing tax credits (LIHTC) for 2012.

**SECTION 2.** That the City Manager is authorized to set aside up to \$2,603,720 for the acquisition and site improvements at the 1701 Canton location contingent upon award of TDHCA 9% LIHTC for the EVERgreen Residences for 2012.

**SECTION 3.** That the execution of the loan agreement by the City requires:

- a. EVERgreen Residential Ltd. to adhere to all applicable HOME requirements
- b. EVERgreen Residential Ltd. must file deed of trust and deed restrictions for 30 year affordability period
- c. The outstanding principal balance of the City's \$2,000,000 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

**SECTION 4.** That the City of Dallas waives the one mile three year rule for 1701 Canton - EVERgreen Residences project, pursuant to §50.8(2)(B)(iv)(IV) of the 2012-2013 Housing Tax Credit Program Qualified Allocation Plan.

**SECTION 5.** That the City of Dallas' funding and endorsement of the TDHCA LIHTC application for 1701 Canton - EVERgreen Residences will be contingent on the following if the owner is utilizing City funding in financing of the low income housing tax credit project: (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) execution of a Declaration of City of Dallas Land Use Covenants to Provide Social Services containing the social services requirement; and, (3) a separate guarantee by an entity or individual acceptable to the City that the social services expenditures will be made, 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 6.** 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 Sustainable Development and Construction Department with regard to security related design standards.

**SECTION 7.** That the City of Dallas' funding and endorsement for this project will be 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, if the Project Owner is utilizing City funding in the financing of the low income housing tax credit project.

**SECTION 8.** That the City Controller be authorized to disburse funds in accordance with this Resolution as follows:

EVERgreen Residential Ltd.                      Vendor # VS0000072089

Fund	HM10	Dept	HOU	Unit	463C	Obj	3015	Amount	\$2,000,000
Fund	6S43	Dept	EHS	Unit	P446	Obj	3015	Amount	\$ 620,000
Fund	CD12	Dept	HOU	Unit	879E	Obj	3015	Amount	\$1,983,720 (subject to appropriations)

**SECTION 9.** That the City Controller is hereby authorized to set up Notes Receivable- EVERgreen Residential Ltd. balance sheet account 033F and Interest Receivable Accrual due from EVERgreen Residential Ltd. balance sheet account 028C.

**Section 10.** That the City Controller is hereby authorized to modify receivable balance sheet account (033F) and an allowance for uncollectible debt (022D) in funds HM10, 6S43, and CD12 for the amount of the loan.

**SECTION 11.** 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 loan, until such time as the loan documents are duly approved by all parties and executed.

**SECTION 12.** 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.

APPROVED BY  
CITY COUNCIL

JUN 27 2012

*Lucas A. Pineda*  
City Secretary