

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, Dorothy Hopkins, ("Applicant"), submitted an application to the City of Dallas on behalf of Frazier HS LP, for support of their application to TDHCA for the 2012 Low Income Housing Tax Credit Program; and

WHEREAS, on February 6, 2012 and February 21, 2012, the Hatcher Square 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 Hatcher Square by Resolution No. 12-0601; and

WHEREAS, the applicant was approved for \$1.025M on February 14, 2007 and December 8, 2010 in support of this project; and

WHEREAS, the applicant also has submitted an additional request for funding of \$475,000 from the City of Dallas; and

WHEREAS, as a condition for being considered for the award of the 9% tax credit, the Applicant has committed to renting 136 units or 100% of the units to tenants with household incomes 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 Hatcher Square, 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 the Hatcher Square project located at 4600 Scyene Road; **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 for a loan in an amount not to exceed \$475,000 with Frazier HS, L.P. for development costs associated with the construction of Hatcher Square, a 136-unit multifamily residential development for low income families, to be located at 4600 Scyene Road, 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 execution of the loan agreement by the City requires:

- a. Frazier HS, L.P. to adhere to all applicable HOME requirements
- b. Frazier HS, L.P. must file deed of trust and deed restrictions for 30 year affordability period
- c. The outstanding principal balance of the City's \$475,000 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 3. That the City of Dallas' funding and endorsement of the TDHCA LIHTC application for Hatcher Square 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 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 Sustainable Development and Construction Department with regard to security related design standards.

SECTION 5. 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 6. That the City Controller be authorized to disburse funds in accordance with this Resolution as follows:

Frazier HS, L.P. Vendor # VS0000060090

Fund HM11, Dept HOU, Unit 745D, Obj 3015, Amount \$475,000

SECTION 7. That the City Controller is hereby authorized to set up Notes Receivable-Frazier HS, L.P. balance sheet account 033F and Interest Receivable Accrual due from Frazier HS, L.P. balance sheet account 028C.

Section 8. That the City Controller is hereby authorized to modify receivable balance sheet account (033F) and an allowance for uncollectible debt (022D) in fund HM11 for the amount of the loan.

SECTION 9. 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 10. 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.

