

June 12, 2013

WHEREAS, the City of Dallas seeks to increase the supply of new affordable workforce housing in order to attract and retain economic growth; and

WHEREAS, on August 9, 2006, the City Council approved an ordinance ordering a bond election to be held in the City of Dallas on November 7, 2006, for the purpose of submitting propositions for the issuance of general obligation bonds for funding permanent public improvements; and

WHEREAS, on November 7, 2006, the voters of Dallas approved a \$1.35 billion General Obligation Bond Program of which \$41,495,000 was set aside for the purpose of providing funds for promoting economic development in the Southern area of the city, and promoting economic development in other areas of the city in connection with transit-oriented development; and

WHEREAS, on December 12, 2007, the City Council approved an amendment to the Public/Private Partnership Program to include a special category for an Economic Development General Obligation Bond Program for Southern Dallas; and

WHEREAS, 2000 Roses Foundation, Inc. proposes to work with the City of Dallas for the Ninth Street Redevelopment Project; **NOW, THEREFORE**,

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

Section 1. That the City Manager or designee, upon approval as to form by the City Attorney, is hereby authorized to execute loan documents for the City's loan in the amount of \$85,000 at 0% interest to 2000 Roses Foundation, Inc. for the renovation of 220 N. Cliff Street and new construction of 1102 E. Ninth Street which facilitates implementation of master planned economic development projects.

Section 2. That some of the terms of the loan documents include:

- a. Borrower's note payable to the City of Dallas will have a maturity date of two (2) years; provided, however, if Borrower fails to complete and sell the residential housing to eligible persons, then the entire amount of the loan becomes due and payable. To be considered "completed," the properties must be residential units that have all been constructed and sold, as evidenced by a certificate of occupancy having been obtained from the City of Dallas for each unit in all the structures or projects and settlement statements from each homebuyer closing.

Section 2. (continued)

- b. If Borrower fails to timely comply with the expenditure or construction requirements in Section 2(a) hereof, the City of Dallas has the option to require Borrower to convey fee simple title to the properties acquired with the bond funds under the loan to the City of Dallas, free of any liens or encumbrances not acceptable to the City.
- c. Borrower shall execute deed restrictions and a deed of trust on each property developed for which construction costs have been expended from loan proceeds.
- d. No approval by the City of the expenditure of any loan funds shall bind or obligate the City to approve any zoning or replat change that Borrower may request for the properties.
- e. Borrower will be forgiven of the loan upon sale or transfer of each of the two homes to City approved homebuyers.
- f. Deed Restrictions will remain with the property for ten years to maintain homeownership use.

Section 3. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute lien releases and terminate deed restrictions on the properties upon compliance with the terms.

Section 4. That the City Controller is hereby authorized to encumber and disburse funds in accordance with the terms and conditions of the contracts as follows:

2000 Roses Foundation, Inc. Vendor # VC0000008353

Fund 9T52, Dept HOU, Unit T808, Obj 3015, Act. H0IN, Program # Rosesfound
CT HOU05300H125 - in an amount not to exceed \$85,000

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 9T52 for the amount of the loan.

Section 6. 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 7. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED BY
CITY COUNCIL

JUN 12 2013


City Secretary