

WHEREAS, the Lancaster Corridor revitalization plan was adopted by City Council in December 2012; and

WHEREAS, on September 10, 2008, as part of that revitalization plan, City Council approved a loan in the amount of \$500,000 at 0% interest to City Wide Community Development Corporation (CWCDC) for the Lancaster-Opal Project by Resolution No. 08-2433; and

WHEREAS, on August 12, 2009, City Council approved an amendment to the development loan from \$500,000 to \$1,000,000 with CWCDC by Resolution No. 09-1965; and

WHEREAS, on January 12, 2011, City Council approved an amendment to the development loan from \$1,000,000 to \$1,275,000 with CWCDC by Resolution No. 11-0194; and

WHEREAS, on August 28, 2013, City Council approved an amendment to reduce the development loan from \$1,275,000 to \$1,031,326 and to extend the completion date to September 12, 2016 with CWCDC by Resolution No. 13-1515; and

WHEREAS, on June 25, 2014, City Council approved an amendment to increase the development loan from \$1,031,326,000 to \$1,331,326 with CWCDC by Resolution No. 14-1056; and

WHEREAS, CWCDC proposes to continue to work with the City of Dallas on the Lancaster-Opal Project; and

WHEREAS, the redevelopment of the property will further the City's goals for redevelopment along the Lancaster Corridor; **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 (1) change the development loan to a conditional grant agreement; and (2) extend the completion date from September 12, 2016 to September 12, 2018 for the existing development loan with City Wide Community Development Corporation for acquisition, demolition, relocation, and other related costs for Lancaster-Opal Project.

SECTION 2. That some of the terms of the grant agreement continue to include:

- a. If Borrower fails to redevelop the property by the maturity date of the agreement, then fee simple title to the acquired properties will be conveyed to the City of Dallas at no cost to City. To be considered "redeveloped," the properties must be improved in substantial conformance with the architectural plans and must be completed, as evidenced by a certificate of occupancy having been obtained from the City of Dallas for each such building.
- b. If Borrower fails to timely comply with the redevelopment requirements in Section 2(a) hereof, the City of Dallas has the option to require Borrower to convey fee simple title to the undeveloped properties acquired with bond funds to the City of Dallas, free of any liens or encumbrances not acceptable to the City.
- c. Borrower shall maintain ownership of acquired property through the maturity date, subject to Borrower's compliance with the agreements.
- d. Borrower will comply with City of Dallas filed deed restrictions and City's first lien deed of trust securing each property acquired with bond funds.
- e. No approval by the City of the expenditure of any Bond funds shall bind or obligate the City to approve any zoning or replat change that Borrower may request for the properties.
- f. Borrower shall obtain approval from the City for the permitted uses of the properties. Residential units must be sold or rented. "Permitted uses" includes those uses that are permitted under the Dallas Development Code on the property, but in no event may they include any use that requires a sexually oriented business license under Chapter 41A of the Dallas City Code, or a liquor store, a pawn shop, a body piercing studio, or a tattoo studio, as those terms are defined by the Dallas Development Code.
- g. As each residential structure is sold or fully leased and each non-residential structure is issued a certificate of occupancy, Borrower will be released from the indebtedness on the note corresponding to the amount of loan proceeds that were advanced in order to acquire the redeveloped parcel, and the City of Dallas will release the Deed Restrictions for that parcel.

September 14, 2016**SECTION 2. (continued)**

- h. Intermediate benchmarks for progress acceptable to the City of Dallas will be re-established in the modified loan documents, including benchmarks for completion of replatting, finalization of plans and specifications, securing private financing to construct the project, and commencing construction.

SECTION 3. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute releases of liens and terminate deed restrictions on the property upon compliance with the conditional grant terms and deed restrictions.

SECTION 4. That the City Manager, upon approval as to form by the City Attorney, is authorized to subordinate City's lien to a lender who is providing interim construction financing on the properties.

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 conditional grant agreement, until such time as the 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 provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

