

WHEREAS, the development of owner occupied units for households with varied income levels is a high priority of the City of Dallas to create more housing choices; and

WHEREAS, on June 10, 2015, City Council approved the City of Dallas FY 2015-16 Consolidated Plan Budget for federal funds which included the HOME Investment Partnership Funds, CHDO Development Loans, by Resolution No. 15-1055; and

WHEREAS, on January 13, 2016, City Council approved the Owner Occupied Housing Development Program Statement, by Resolution No. 16-0079; and

WHEREAS, on May 25, 2016, City Council approved the housing development loan agreement with City Wide Community Development Corporation (CWCDC), by Resolution No. 16-0847; and

WHEREAS, CWCDC proposes to work with the City of Dallas to undertake the development of single family units for the Scattered Sites Project in the Lancaster Corridor area; and

WHEREAS, the City desires for CWCDC to develop single family homes for households with household incomes at or below 80% AMFI; **NOW, THEREFORE,**

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

Section 1. That following approval as to form by the City Attorney, the City Manager is authorized to execute an amendment to a housing development loan to (1) increase the number of units from five to eleven; and (2) increase funds from \$225,000 to \$975,000 for construction of single family homes located on scattered sites.

Section 2. That the terms of the loan agreement include:

- (a) CWCDC must execute an amended note payable for \$975,000 with 0% interest and deferred payments until completion with the City of Dallas.
- (b) CWCDC will execute a lien through a Deed of Trust and deed restriction for a 15-year term.
- (c) CWCDC will use the funds to gap the construction costs for the units and will repay any net proceeds from the sale of the units after repayment of the first lender lien. Upon such repayment the remaining debt attributable to the unit will be forgiven and lien partially released.
- (d) CWCDC will have until May 25, 2018 to fully complete the project and sell the units to income eligible households.
- (e) The City will subordinate first lien position to the interim construction lender.

September 14, 2016

Section 3. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute the loan amendment, releases of liens and terminations of deed restrictions on the property upon compliance with the loan terms and deed restrictions.

Section 4. That the Chief Financial Officer is hereby authorized to disburse funds in accordance with this resolution as follows:

City Wide Community Development Corporation Vendor # VS0000026872

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Object Code</u>	<u>Program #</u>	<u>Program Name</u>	<u>Encumbrance</u>	<u>Amount</u>
HM12	HOU	893E	3015	HMHOCWCD	CWCDC-5SDAL	HOUHM14G211	\$488,913
HM13	HOU	236F	3015	HMHOCWCD	CWCDC-5SDAL	HOUHM14G211	\$261,087

Section 5. That the City Controller is hereby authorized to record notes receivable - developers loan in balance sheet account (033F) and deferred revenue-home loans in (0859) in funds HM12 and HM13 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 loans, 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

SEP 14 2016

[Signature]
City Secretary