

**WHEREAS**, the development of owner occupied units for households with varied income levels is a high priority of the City of Dallas; 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**, the Community Housing Development Organization (CHDO) Program requires a CHDO Set-Aside Project commitment within 24-months of receiving the FY 2014-15 CHDO Operating Assistance Grant award and this project satisfies that requirement; and

**WHEREAS**, on June 10, 2015, City Council approved the housing development loan agreement with South Dallas Fair Park/Innercity Community Development Corporation (ICDC), by Resolution No. 15-1080; and

**WHEREAS**, on August 10, 2016, City Council approved an amendment to the housing development loan agreement with ICDC, by Resolution No. 16-1224; and

**WHEREAS**, ICDC proposes to work with the City of Dallas to undertake the development of eleven scattered sites in the Fair Park area; and

**WHEREAS**, the City desires for ICDC to develop owner occupied units for households at or below 80% of Area Median Family Income; **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 for a housing development loan to (1) increase the number of units from five to eleven; (2) increase funding from \$320,000 to \$1,220,000; and (3) to extend the contract from March 30, 2017 to December 31, 2017 for scattered sites located in the Fair Park area.

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

- (a) ICDC must execute an amended note payable of \$1,220,000 to the City of Dallas for the loan.
- (b) ICDC will execute an amended lien through a Deed of Trust and deed restriction for a 15-year term for the affordable units.
- (c) ICDC will use the funds to interim finance and gap the construction costs for the units and will repay the proceeds from the sale of the units, after payment of the first lender lien. Upon repayment, the debt will be forgiven and the lien released.

September 14, 2016

**Section 2. (continued)**

- (d) ICDC will have two years to complete construction. Occupancy must be completed within 6 months after construction of the units.
- (e) ICDC must build and occupy the affordable units to low and moderate income families with incomes at or below 80% of area median family income.
- (f) The City will subordinate first lien position to the interim construction lender.

**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 properties 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:

South Dallas Fair Park/Innercity Community Development Corporation  
Vendor #266539

<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>
14M1	HOU	489G	3015	HM05FPAR	CHDO-FAIRPARK	HOU4384G159	\$800,000
HM15	HOU	644H	3015	HM05FPAR	CHDO-FAIRPARK	HOU4384G159	\$100,000

**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 14M1 and HM15 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.

