

2014 APR -3 PM 4:19



CITY OF DALLAS

Memorandum
DALLAS, TEXAS

DATE April 4, 2014

TO Housing Committee Members: Scott Griggs, Vice-Chair, Monica Alonzo, Rick Callahan, Dwaine Caraway, and Philip Kingston

SUBJECT April 7, 2014 - Housing Committee Agenda

We will have a meeting of the Housing Committee on Monday, April 7, 2014, City Hall, 1500 Marilla - Room 6ES, Dallas, Texas, 75201, from 11:00 a.m. - 12:30 p.m. The agenda is as follows:

1. Approval of March 3, 2014 Minutes
Carolyn R. Davis
Councilmember
2. Fair Housing Month Events
Davis/O'Donnell
(Estimated time 20 minutes)
3. South Dallas Fair Park Innercity Community Development Corporation (ICDC) Organizational Overview, Current Projects, and Future Plans
Mitchell/O'Donnell
(Estimated time 30 minutes)
4. East Dallas Community Organization (EDCO) Organizational Overview, Current Projects, and Future Plans
Mitchell/O'Donnell
(Estimated time 30 minutes)
5. Upcoming Agenda Items
Housing Items Only
For Information Only
 - a. Reconstruction Program (1) home
 - b. Funding for East Dallas Community Organization Garland Project (Addendum)
 - c. Funding for South Dallas Fair Park Innercity CDC Pittman Project (Addendum)
6. Upcoming Housing Briefing
a. Dallas Housing Finance Corporation
For Information Only



Carolyn R. Davis, Chair
Housing Committee

- c: A.C. Gonzalez, City Manager
Warren M. S. Ernst, City Attorney
Daniel F. Solis, Administrative Judge
Rosa A. Rios, City Secretary
Craig D. Kinton, City Auditor
Ryan S. Evans, (I) First Assistant City Manager
Jill A. Jordan, P. E., Assistant City Manager
Forest E. Turner, Assistant City Manager
Joey Zapata, Assistant City Manager
Charles M. Cato, (I) Assistant City Manager
Theresa O'Donnell, (I) Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Shawn Williams, (I) Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor and Council

Note: A quorum of the Dallas City Council may attend this Council Committee meeting.

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. Contemplated or pending litigation, or matters where legal advice is requested of the City Attorney. Section 551.071 of the Texas Open Meetings Act.
2. The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.
3. A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.
4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.
5. The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.
6. Deliberations regarding Economic Development negotiations. Section 551.087 of the Texas Open Meetings Act.

Housing Committee

Meeting Record March 3, 2014

The Housing Committee meetings are recorded. Agenda materials and audiotapes may be reviewed/copied by contacting the Housing Department, Staff Coordinator at 214-670-3906.

Meeting Date: March 3, 2014

Meeting Start time: 10:46 A.M.

<p><u>Committee Members Present:</u> Carolyn R. Davis (Chair) Monica Alonzo Rick Callahan Philip Kingston</p>	<p><u>Staff Present:</u> Theresa O'Donnell-Interim City Manager Bernadette Mitchell-Interim Director/HOU Charles Brideau-Asst. Director/HOU Karen Rayzer-Asst. Director/HOU Beverly Davis-Asst. Director Patrick Inyabri-Interim Asst. Director-HOU Cynthia Rogers-Ellickson-HOU Robin Bentley-CAO Michael Bostic-CAO Robin Gerard-CMO Renita Griggs-MCO Cassandra Luster-HOU Brian Price-HOU Priscylla Bento-SEC Alida Allen-HOU</p>
<p><u>Other Council Members Present:</u></p>	
<p><u>Committee Members Absent:</u> Dwaine Caraway Scott Griggs (Vice-Chair)</p>	<p><u>Other Attendees</u> Ken Nolan-Dallas CAD Troy Allen-Con Real Joe Beaudette-ICDC Clifton Miller- Cemetrics</p>

AGENDA:

Housing Committee Meeting Called to Order by CM Carolyn R. Davis

1. Approval of February 18, 2014 Minutes of the Housing Committee

Presenter(s): Council Member Carolyn R. Davis

Action Taken/Committee Recommendation(s)

Motion made by: CM Rick Callahan	Motion seconded by: CM Philip Kingston
Item passed unanimously: <u>X</u>	Item passed on a divided vote: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

Follow-up (if necessary):

2. Tour

Presenter(s): Theresa O'Donnell, Interim Asst. City Manager/Bernadette Mitchell, Interim Director

Information Only: X

Depart for tour: 10:49 a.m.
 Return from Tour: 10:42 p.m.

Action Taken/Committee Recommendation(s)

Motion made by: _____	Motion seconded by: _____
Item passed unanimously: _____	Item passed on a divided vote: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

Follow-up (if necessary):

3. Fiji Townhomes Project

Presenter(s): Theresa O'Donnell, Interim Asst. City Manager/Bernadette Mitchell, Interim Director

Information Only:

Action Taken/Committee Recommendation(s) Motion to move forward to full Council

Motion made by: CM Monica Alonzo	Motion seconded by: CM Philip Kingston
Item passed unanimously: <u> X </u>	Item passed on a divided vote: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

Follow-up (if necessary):

Meeting Adjourned by CM Carolyn R. Davis

Meeting Adjourned: 12:57 P.M.

Approved By: _____

Memorandum



DATE April 4, 2014

TO Housing Committee Members: Carolyn R. Davis, Chair, Scott Griggs, Vice-Chair, Monica Alonzo, Rick Callahan, Dwaine Caraway, and Philip Kingston

SUBJECT Fair Housing Month Events

On Monday, April 7, 2014, you will be briefed on Fair Housing Month Events. A copy of the briefing is attached.

Please let me know if you have any questions.



Theresa O'Donnell
Interim Assistant City Manager

c: The Honorable Mayor and Members of the City Council
A. C. Gonzalez, City Manager
Rosa A. Rios, City Secretary
Warren M.S. Ernst, City Attorney
Craig Kinton, City Auditor
Judge Daniel Solis, Administrative Judge
Ryan S. Evans, Interim First Assistant City Manager
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Joey Zapata, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Shawn Williams, Interim Public Information Officer
Bernadette Mitchell, Housing/Community Services, Interim Director
Elsa Cantu, Assistant to the City Manager – Mayor and Council

Fair Housing Month Events

Presented to Housing Committee

April 7, 2014

Fair Housing Office



Fair Housing Symposium

Theme: “ Fair Housing Partnerships: Creating Change for Inclusive and Sustainable Communities”

Keynote Speaker: Professor Myron Orfield, Jr. Director of Institute on Race and Poverty, University of Minnesota Law School

April 30, 2014 at The Meyerson Symphony Center
8:00 a.m. – 2:30 p.m.

Dallas Association of Realtors Fair Housing Celebration

- Saturday, April 12, 2014 (10 a.m. – 4 p.m.)
- Southwest Center Mall
- Homebuyer's workshops
- Financial education
- Fair Housing information and promotional items

City of Garland Fair Housing Month Celebration

- Tuesday, April 8, 2014
- Sponsored by City of Garland
- City of Dallas Fair Housing participation on Civil Rights Panel
- Provide educational and promotional information
- Includes participation of HUD and other local Fair Housing agencies

Public Outreach Campaign

- Fair Housing will conduct a public outreach campaign during the month of April at the following locations:
 - City Hall
 - Bachman Lake Library
 - Dr. Martin Luther King Jr. Center
 - Pleasant Grove Library
 - Hampton Illinois Library
 - Singing Hills Baptist Church Community Job Fair (April 24th)

Financial Awareness Week

- Saturday, April 5th at Nash Davis Recreation Center
- Provide Fair Housing outreach and information to the public
- Fair includes financial institutions and non-profits
- Wealth building seminars
- College savings plans
- Mortgage counseling
- Small business development

Media and Advertising

- Fair Housing media campaign begins in April and includes the following outlets:
 - Radio
 - The Beat KBFB 97.9 FM, KSOC 94.5 FM, Univision Radio 107.9 (LaJefa),
 - 99.1 FM (Maxima) and 1270 AM (Univision America)
 - Television
 - KMPX TV Channel 29 Estrellas TV

Media and Advertising (Cont.)

- Newspaper
 - Dallas Weekly
 - The Greensheet
 - El Heraldo
 - The Dallas Examiner
 - Dallas Voice
- Other Media
 - CBS/TSN Texas State Network (E –Blast)
 - Clear Channel Digital Billboard (Public Service Announcements)

Future Events

- Chief On The Beat, May 3rd at Samuell Grand Recreation Center
- Zydeco Meets The Blues May 3rd at Fair Park Coliseum

Memorandum



CITY OF DALLAS

DATE April 4, 2014

TO Housing Committee Members: Carolyn R. Davis, Chair, Scott Griggs, Vice-Chair, Monica Alonzo, Rick Callahan, Dwaine Caraway, and Philip Kingston

SUBJECT South Dallas Fair Park Inncity Community Development Corporation (ICDC) Organizational Overview, Current Projects, and Future Plans Project

On Monday April 7, 2014, you will be briefed on South Dallas Fair Park Inncity Community Development Corporation (ICDC) Organizational Overview, Current Projects, and Future Plans Project. A copy of the briefing is attached.

Please let me know if you have any questions.

A handwritten signature in black ink that reads "Theresa O'Donnell". The signature is written in a cursive, flowing style.

Theresa O'Donnell
Interim Assistant City Manager

c: The Honorable Mayor and Members of the City Council
A. C. Gonzalez, City Manager
Rosa A. Rios, City Secretary
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Elsa Cantu, Assistant to the City Manager – Mayor and Council

South Dallas Fair Park Innercity Community Development Corporation (ICDC)

Organizational Overview, Current Projects, and Future Plans

A Briefing To The
Housing Committee

Housing/Community Services Department
April 7, 2014



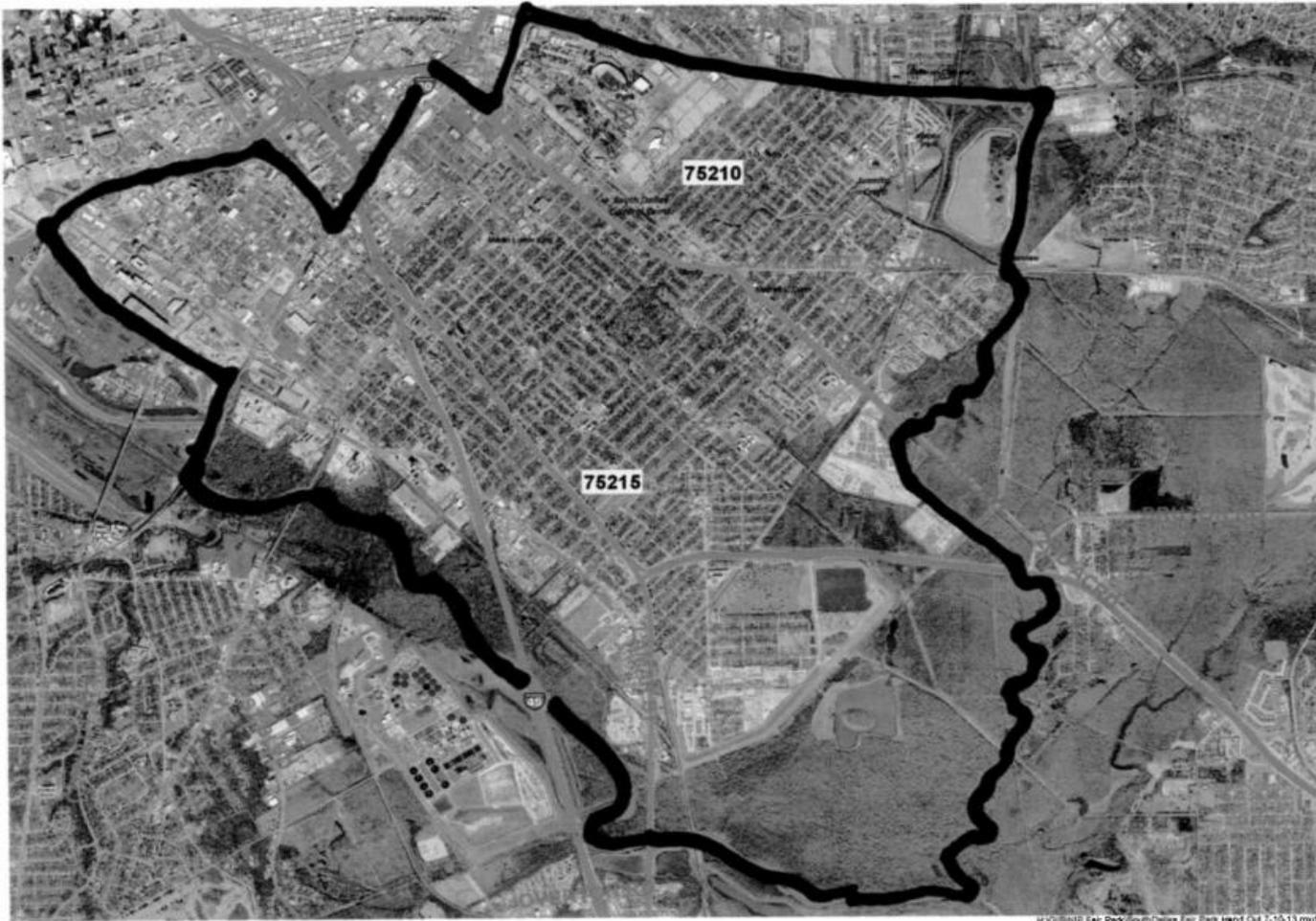
[ICDC's History and Mission]

- ICDC was founded in 1986 with a mission to create a stable, safe and vibrant South Dallas/Fair Park community by building partnerships that promote homeownership opportunities, economic development and community education.
- The revitalization of South Dallas/Fair Park is well underway. ICDC is helping create thriving communities led by strong associations and empowered people. Evidence of increased investment is everywhere – from the townhomes of the rebuilt Frazier Courts Public Housing Development to the new streets and sidewalks and the arrival of DART Rail.

[ICDC Organization]

- Formed in 1986
- A nonprofit organization, 501(c)3, and a certified Community Housing Development Organization (CHDO)
- Target Areas include zip codes 75210 & 75215
- Eight person Board of Directors
- Eight person staff
 - Diane Ragsdale, Managing Director
- The organization is in good standing and has received favorable audits

ICDC's Target Area



H:\GIS\NP Fair Park\South Dallas Fair Park Hand Out 7-10-13.mxd

Economic Development History

- 1987 - Purchased and renovated the *Grand Avenue Shopping Plaza*, replacing liquor-related businesses and pawnshops with family-friendly businesses
- 1994 - Established the Business Assistance Center (BAC) and Business Incubator that supports the successful growth of start-up and existing small businesses partly funded by the City of Dallas
- Services include business coaching, business plan development, finance locating, loan packaging, marketing, and business certification
 - A few of the businesses assisted include AJ Handmade Leather, Infinity Pulmonary Services, Black Business Directory, Supreme Health, King of Kutz Barber Shop, Teddy's Restaurant, Fusion 40 Fitness, Evans Heating & Air Conditioning.

Economic Development History (continued)

- 2000 - Constructed and owns the *Spring Plaza Campus* that includes a 2-story Office Complex (26,000sq.ft.), an adult day care center, laundromat, retail and incubator office spaces
- 2007 - Launched another major economic development initiative, the *Spring Avenue Revitalization Project* that is located on the 4700 - 4900 blocks of Spring Avenue



Housing Development Experience

- ICDC has developed 7 projects with the City of Dallas within the past 5 years
 - Peabody
 - Acquisition of one single family unit for rehabilitation and sale to a homebuyer at 80% AMFI
 - Located at 2617 Peabody
 - Total investment \$140,000
 - Neighborhood Stabilization Program (NSP)
 - Acquisition of 4 vacant land bank lots and new construction of single family units for sale to homebuyers at 50% AMFI
 - Located at 2603, 2607 & 2622 Exline and 3523 Meyers
 - Total investment \$500,000
 - Frazier Revitalization
 - Acquisition and construction of 11 single family units for sale to homebuyers at 80% AMFI
 - Located on Spring Avenue
 - Total investment \$1.5M



Housing Development Experience (continued)

- Spring Redevelopment
 - Acquisition, demolition, relocation and development of the My Children's Clinic
 - Located at 4922 Spring Avenue
 - Total investment \$3.4M
- Pittman Project
 - Acquisition, demolition, infrastructure and new construction of 19 single family homes for sale to homebuyers at 80% AMFI
 - Completed construction and sales for 9 homes
 - Located at Meadows and Lenway
 - Total investment \$1.3M



ICDC Plans for the Future

- Economic Development
 - By 2015, complete plans and specifications for Phase II and Phase III of Mill City Renaissance, including 10,000 to 12,000 sq. ft. of neighborhood serving retail and senior citizen cottages along Pacific Street

- Housing
 - By 2015, complete remaining 10 homes in Pittman Project, 2 homes in NSP program, and 10-15 homes utilizing the Land Bank program

Pittman Project History

- In 1999, the City provided a forgivable loan of approximately \$500,000 to ICDC to fund the acquisition of a 51-unit severely dilapidated apartment complex, to relocate existing tenants, and to demolish the structure
- In 2005, ICDC completed the above noted actions, completed the installation of infrastructure, and completed architecture work for nineteen single family homes
 - Following the infrastructure installation, ICDC requested interim construction financing and gap financing for nine homes in phased construction
 - Upon sale of the nine homes, proceeds were repaid to the City for the construction loan and a prorated portion of the \$500,000 was forgiven based on performance
- ICDC is ready to begin the next phase of four single family homes and has requested that the City provide partial interim construction financing and gap financing
 - Capital One Bank will provide \$75,000 per home in interim construction financing while the City is being asked to provide up to \$70,840.75 per home
 - Based on previous home appraisals, each unit would receive \$40,000 in subsidy from the construction loan

Pittman Project

- ICDC is proposing to build four three-bedroom, two-bathroom homes between 1408 and 1519 square feet with a total cost of approximately \$145,000 per home
 - \$86.25 per square foot
 - Homes recently sold in the project area appraised at \$105,000
 - Homes must be sold to households at or below 80% Area Median Family Income.
- The City funds will be provided through HOME Investment Partnership Program CHDO set aside funds from the Department of Housing and Urban Development (HUD)
- ICDC will be required to execute a deed of trust and note payable to ensure performance
- ICDC will pay back a portion of the loan with any proceeds collected with the sale of the homes, minus Capital One's interim construction loan and allowable closing costs
 - City will subordinate its remaining acquisition lien and construction second lien deed of trust to Capital One
- Homebuyers will assume a deed restriction for the regulated affordability period of fifteen years
- Homebuyers may be eligible to apply for the Mortgage Assistance Program and receive up to \$20,000 in down payment and closing cost assistance
- ICDC will have two years to complete construction and sell all four homes.

[Requested Approval]

- Housing Committee approval of a development loan not to exceed \$283,363 with South Dallas Fair Park Innercity Community Development Corporation (ICDC) for the construction of four single family homes in the Pittman project

[Next Steps]

- April 9, 2014 - City Council consideration of a CHDO HOME development loan for \$283,363 to South Dallas Fair Park Innercity Community Development Corporation for the construction of 4 single family homes in the Pittman Project
- April 2014 – contract with ICDC
- April/May 2014 –construction begins

Memorandum



CITY OF DALLAS

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East Dallas Community Organization (EDCO)

Organizational Overview, Current Projects, and Future Plans

A Briefing to the Housing Committee
April 7, 2014



Our Mission and Vision

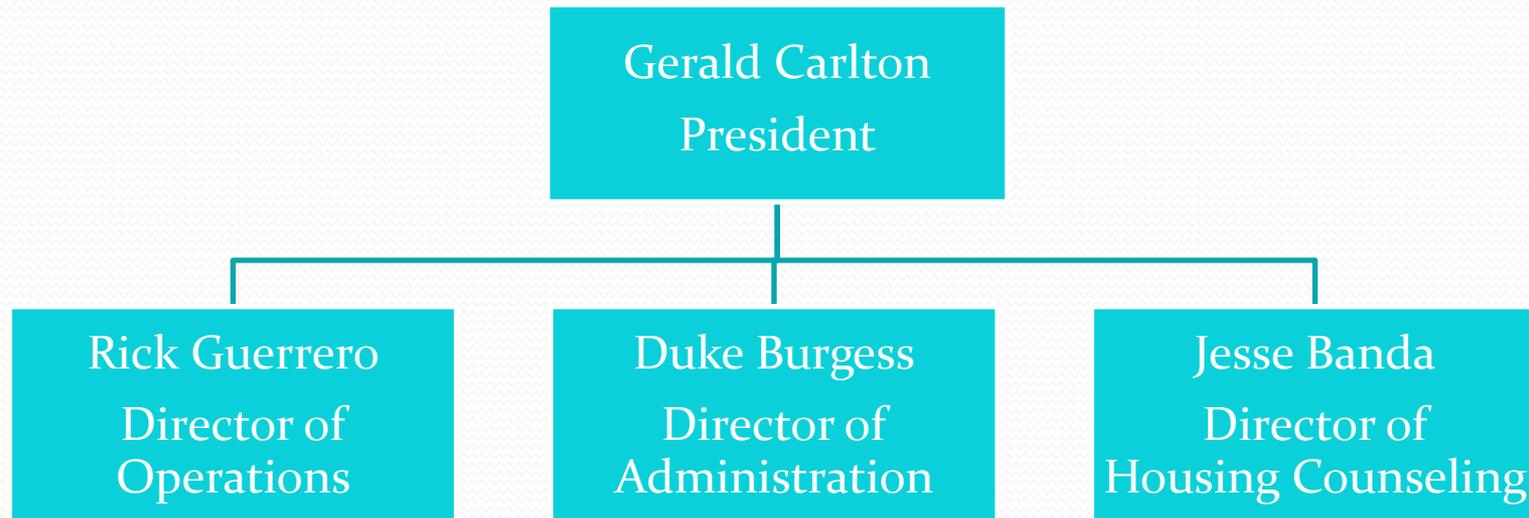
- EDCO's mission is to provide affordable, quality housing while revitalizing the communities in which we are engaged.
- Our vision is that all communities in which we are engaged are safe, vibrant, and productive neighborhoods which contribute to the quality of life in Dallas.

Organization Background

- Organized in 1993 by Elizabeth Blessing and community volunteers
- Became a nonprofit 501(c)(3) in 1997
- Became a CHDO in 1997
- Twelve-member board of directors
- Three board members are previous EDCO homeowners
- Built first house in 2002
- The organization is in good standing and has received favorable audits

Our Staff

We optimize our resources and operate with a staff of only two part-time and two full-time employees.



Our Support

- Primary revenue support comes from home sales, grants, and contributions from the community
- Successful in developing strong relationships with lenders, banks, The Real Estate Council, and community organizations

Our Neighborhoods

Bexar Street Village

Dolphin Heights

East Oak Cliff

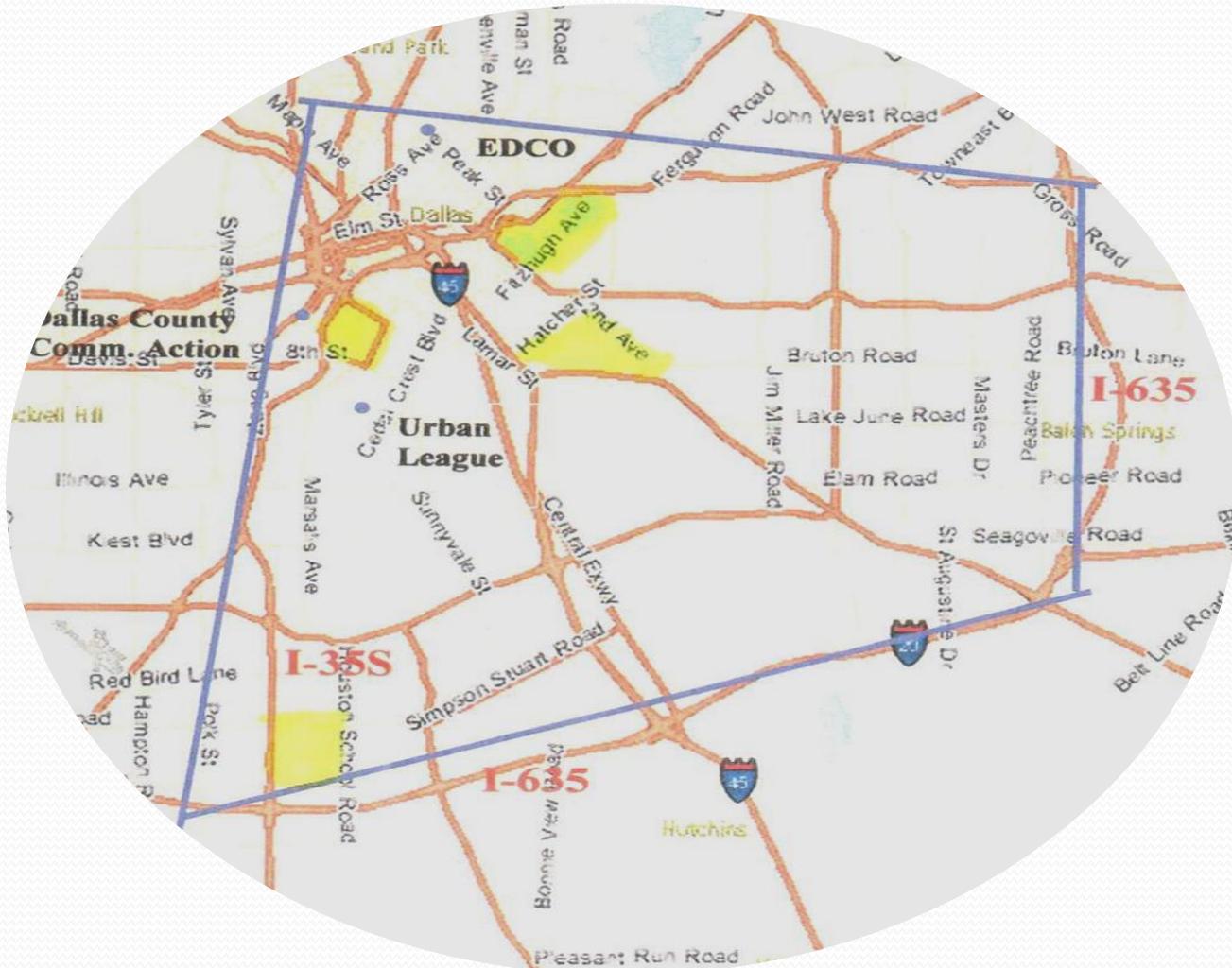
Old East Dallas

South Oak Cliff

(Thornton Heights)

Jubilee Park

Our Service Area



Project History

- Built 31 townhomes and 45 detached homes
- Built first “green” home in 2008
- Built two LEED-certified homes
- Served six communities
- Has never had a foreclosure!

Bexar Street Development

- Project is located at 5302-5410 Bexar Street
- Constructed 21 single family townhome units for sale
- Cost to build was \$3,255,000
- Mixed-income development



Dolphin Heights Project

- Constructed 3 single family units for sale at scattered sites
- Cost to build was \$362,000
- Other activities included: playground, tree planting, and comprehensive community development plan



East Oak Cliff

- Project is located at 1103-1105 Church Street
- Constructed 2 single family units for sale
- Cost to build was \$306,000
- Two units LEED certified



Old East Dallas

- Project is located at various sites on Grigsby Street, Fitzhugh, Scurry and N. Prairie
- Constructed 13 single family, 4 townhomes and 4 duplexes for sale
- Cost to build was \$2,663,000



Thornton Heights Project

- Project is located at Wheatland and I-35
- Constructed 17 single family units for sale
- Cost to build was \$2,180,000



NSP Activities

- Project is located at scattered sites in the Bexar Street Neighborhood Investment Program Area
- Constructed 10 single family units for sale
- Cost to build was \$1,233,000



EDCO FY 2013-14 Projects

- Bexar Street Townhomes
 - Purchased 6 lots
 - Complete construction of 6 houses by March 2014
- East Oak Cliff
 - Purchased 2 lots
 - Complete construction of 2 houses by December 2014
- NSP
 - Purchased 3 lots
 - Completed construction of 3 houses by March 2014

EDCO FY 2013-14 Projects (continued)

- Jubilee Project

- Purchased 2 lots
- Complete construction of 2 houses by May 2014

- Bexar Senior Units

- Purchased 8 lots
- Build 3 single family homes and 2 duplexes by October 2014
- Phase II to build 3 additional units by December 2015

Land Assemblage

12	Lots in South Oak Cliff
2	Lots in East Oak Cliff
10	Lots in Jubilee Park
<u>16</u>	Lots in Bexar Street Village
40	Total Lots

- Negotiating to purchase over 20 lots in various neighborhoods

Strategic Plan for 2014

- Develop 3-year financial model to include:
 - All revenue streams
 - Various types of projects, i.e., build to sell, rent, lease, single family, multi-family
- Maximize support by strengthening/increasing relationships with funders, City of Dallas, and State of Texas
- Strengthen governance through an increase in the size and expertise of board of directors
- Continue to enhance impact on revitalization efforts for the City of Dallas

Garland Project

- In 2013, EDCO purchased two properties from the Land Bank program with private funds at approximately \$13,000
- In December 2013, EDCO submitted a proposal to the City of Dallas for the construction of two affordable housing units on those properties located at 4529 & 4531 Garland, included within the Neighborhood Investment Program Area
- EDCO has requested that the City provide gap financing for the two homes
 - Inwood Bank will provide full, interim construction financing while the City is being asked to provide up to \$31,500 per home in subordinated gap financing which is the subsidy per home
 - Any amount above the Bank funds and City funds will be covered by the developer
- EDCO is proposing to build two, three-bedroom, two bathroom homes around 1243 square feet with a total cost of approximately \$140,000 per home
 - \$113 per square
 - Homes recently sold in the area appraised at \$105,000
 - Homes must be sold to households at or below 80% Area Median Family Income

Garland Project (continued)

- The City funds will be provided through HOME Investment Partnership Program CHDO set aside funds from the Department of Housing and Urban Development (HUD), which the City Council appropriated for housing developments such as this
- EDCO will be required to execute a deed of trust and note payable to ensure performance and receive a pro rata forgiveness based on performance
- Homebuyers will assume a deed restriction for the regulated affordability period of ten years
- Homebuyers may be eligible to apply for the Mortgage Assistance Program and receive up to \$20,000 in down payment and closing cost assistance
- EDCO will have one year to complete construction and sell the two homes

Request Approval

- Housing Committee approval of the development loan not to exceed \$63,000 with East Dallas Community Organization (EDCO) for the construction of two single family homes on Garland Avenue

Next Steps

- April 9, 2014 – City Council consideration of a CHDO HOME development loan for \$63,000 to East Dallas Community Organization for the construction of 2 single family homes on Garland Avenue
- April 2014 – contract with EDCO
- June 2014 – estimated construction completion

To the Housing Committee of the City of Dallas

EDCO's Board of Directors and Staff thank the Housing Committee for the opportunity to share its vision to work with Southern Dallas neighborhoods to continue improvements in the quality of life through safe, vibrant, and productive communities.

We desire a strong, solid working relationship with the Housing Committee and with our neighborhoods to continue the revitalization effort.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: April 9, 2014
COUNCIL DISTRICT(S): 4
DEPARTMENT: Housing/Community Services
CMO: Theresa O'Donnell, 671-9195
MAPSCO: 55S

SUBJECT

Authorize on-site reconstruction of one home in accordance with the requirements of the Reconstruction Program Statement for the property located at 2507 Harlandale Avenue - Total not to exceed \$103,000 - Financing: 2009-10 HOME Investment Partnership Program Grant Funds (\$7,927); 2011-12 HOME Investment Partnership Program Grant Funds (\$99) and 2012-13 HOME Investment Partnership Program Grant Funds (\$94,974)

BACKGROUND

On September 22, 2010, City Council authorized 10% of funds to be used to assist persons younger than 62 years of age, or without a disability, and still meeting all other loan criteria. The homeowner, Sharon Beard, 53 year old female, residing at 2507 Harlandale Avenue has been found eligible for the Reconstruction Program.

Authorization by City Council is required before proceeding with on-site reconstruction of a home when all of the following conditions exist: (a) repairs necessary to meet the Quality Standards and all applicable codes cannot be accomplished within the program funding limits; (b) the condition of the home creates an imminent danger to the life, health and/or safety of the residents, and/or the neighborhood; and (c) repairs are not feasible to extend the life of the repaired structure beyond 15 years.

This action provides the authority to proceed with on-site reconstruction of one (1) single-family home in compliance with the conditions listed above.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On September 22, 2010, City Council authorized modifications to the Program Statement for the Reconstruction/SHARE Program including using 10% to assist persons younger than 62 years of age, or without a disability, and still meeting all other loan criteria by Resolution No. 10-2465.

On November 10, 2010, City Council authorized an amendment to the Home Repair Program Statement for Reconstruction/SHARE Program Statement previously approved on September 22, 2010 by Resolution No. 10-2465; allow payoff of liens up to the amount of the amenities package of \$5,900 amended to: allow refinancing of liens up to the amount of the amenities package of \$5,900 by Resolution No. 10-2884.

On May 25, 2011, City Council authorized modifications to the Reconstruction/SHARE Program Statement to increase the maximum Reconstruction Program Assistance Type One loan amount from up to \$93,400 to up to \$103,000 by Resolution No. 11-1349.

On January 22, 2014, City Council authorized modifications to the Reconstruction Program Statement to provide assistance as a twenty-year forgivable loan by Resolution No. 14-0180.

FISCAL INFORMATION

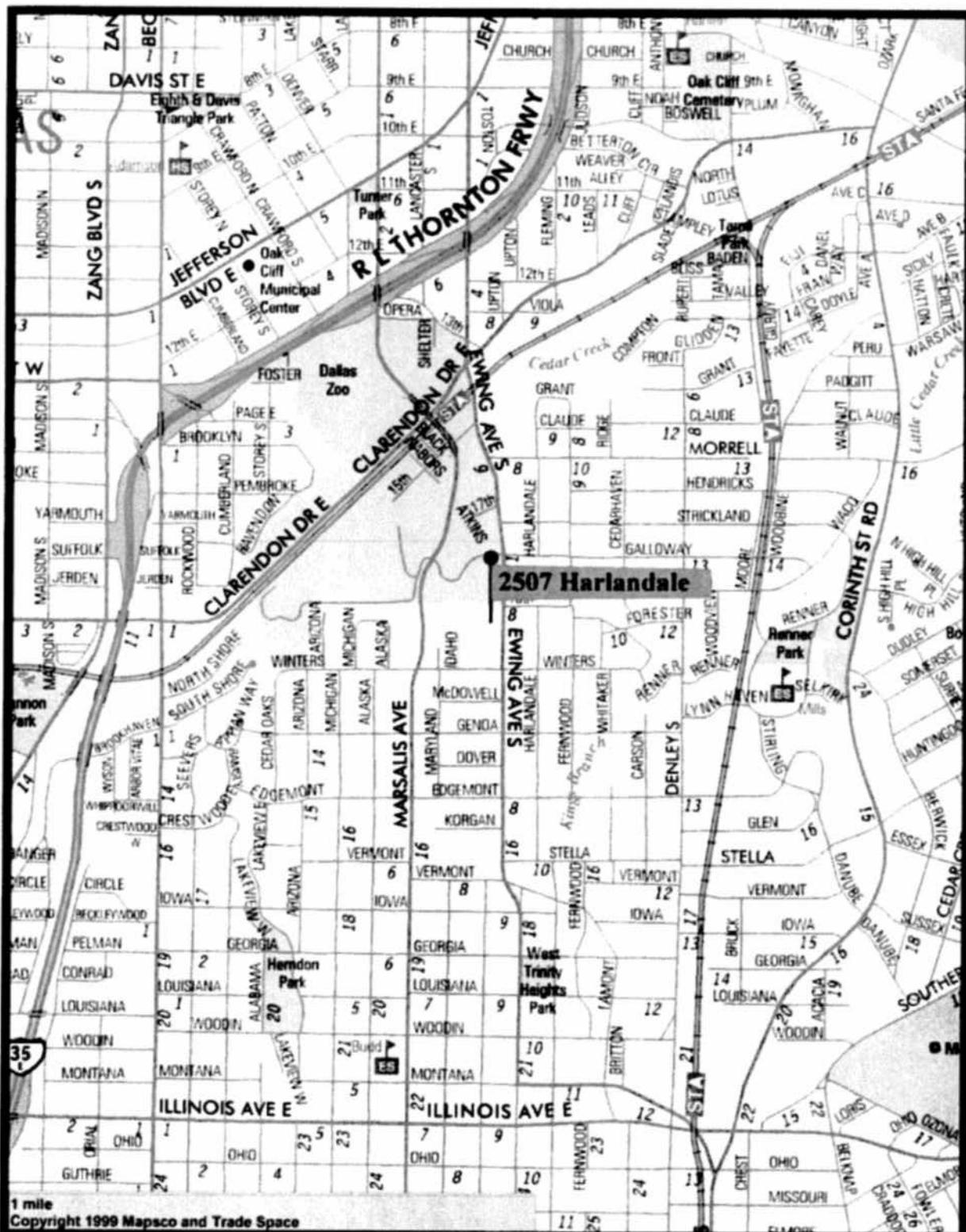
2009-10 HOME Investment Partnership Program Grant Funds - \$7,927

2011-12 HOME Investment Partnership Program Grant Funds - \$99

2012-13 HOME Investment Partnership Program Grant Funds - \$94,974

MAP

Attached



MAPSCO 55S

April 9, 2014

WHEREAS, on September 22, 2010, the City Council authorized modifications to the Program Statement for the Reconstruction/SHARE Program to allow for 10 % of available funding to be used for homeowners that are not seniors or disabled by Resolution No. 10-2465; and

WHEREAS, on May 25, 2011, City Council authorized modifications to the Reconstruction/SHARE Program Statement to increase the maximum Reconstruction Program Assistance Type One loan amount from up to \$93,400 to up to \$103,000 by Resolution No. 11-1349; and

WHEREAS, on January 22, 2014, City Council authorized modifications to the Reconstruction Program Statement to provide assistance as a twenty-year forgivable loan by Resolution No. 14-0180; and

WHEREAS, the homeowner, Sharon Beard has made application to the Home Repair Program for her home located at 2507 Harlandale Avenue; and

WHEREAS, all three conditions outlined in the Reconstruction Program Statement for on-site reconstruction of the homes were met for the property owners: Sharon Beard; **NOW, THEREFORE,**

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

SECTION 1. That the City Manager, upon approval of City Attorney can approve the on-site reconstruction of one home in accordance with the requirements of the Reconstruction Program Statement for property located at 2507 Harlandale Avenue.

SECTION 2. That the City Manager, upon approval as to form by the City Attorney is authorized to execute the following loan documents for Sharon Beard for on-site home reconstruction at 2507 Harlandale Avenue.

SECTION 3. That the City Controller is authorized to make payments for reconstruction of the home in accordance with the following funding information:

Torres Construction

Vendor No. 337798

<u>Fund</u>	<u>Dept.</u>	<u>Unit</u>	<u>Object Code</u>	<u>Encumbrance No.</u>	<u>Amount</u>
HM09	HOU	663B	3100	HOU896EF094	\$ 7,927
HM11	HOU	744D	3100	HOU896EF094	\$ 99
HM12	HOU	896E	3100	HOU896EF094	\$94,974

April 9, 2014

SECTION 4. 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.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: April 9, 2014
COUNCIL DISTRICT(S): 2
DEPARTMENT: Housing/Community Services
CMO: Theresa O'Donnell, 671-9195
MAPSCO: 46K

SUBJECT

Authorize a housing development loan in an amount not to exceed \$63,000 with East Dallas Community Organization (EDCO), a certified Community Housing Development Organization (CHDO) for the construction of two affordable single family homes located at 4529 and 4531 Garland Avenue – Not to exceed \$63,000 - Financing: 2012-13 HOME Investment Partnership Program Grant Funds

BACKGROUND

This item was placed on the addendum for approval of funding for the East Dallas Community Organization Housing Development on Garland Avenue and allows the developer to commence construction. The developer has interim construction lender approval which will expire before April 23rd, and the developer is attempting to meet the timeline for funding commitment for the development.

In 2013, EDCO purchased two properties from the Land Bank program with private funds. In December 2013, EDCO submitted a proposal to the City of Dallas for the construction of two (2) affordable housing units on those properties located at 4529 and 4531 Garland, included within the Neighborhood Investment Program Area.

EDCO has requested that the City provide gap financing. Inwood Bank will provide interim construction financing while the City is being asked to provide up to \$31,500 per home in subordinated gap financing which will be the subsidy per home. EDCO is proposing to build two, three-bedroom, two bathroom homes around 1,243 square feet with a total cost of approximately \$140,000 per home (\$113/square feet). Any amount above the Bank funds and City funds will be paid by the developer. Homes recently sold in the area appraised at \$105,000. Homes must be sold to households at or below 80% Area Median Family Income.

BACKGROUND (Continued)

The City funds will be provided through FY 2012-13 HOME Investment Partnership Program CHDO set aside funds from the Department of Housing and Urban Development (HUD), which the City Council appropriated for housing developments such as this. EDCO will be required to execute a deed of trust and note payable to ensure performance and receive a prorate forgiveness based on performance. Homebuyers will assume a deed restriction for the regulated affordability period of ten years. Homebuyers may be eligible to apply for the Mortgage Assistance Program and receive up to \$20,000 in down payment and closing cost assistance.

EDCO will have one year to complete construction and sell the two homes. The organization is in good standing and has received favorable audits.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 27, 2012, the City Council approved the City of Dallas Consolidated Plan Budget for FY 2012-13 federal funds which included the HOME Investment Partnership Funds, CHDO Development Loans by Resolution No. 12-1629.

FISCAL INFORMATION

2012-13 – HOME Investment Partnership Program Grant Funds - \$63,000

OWNER

East Dallas Community Organization

Gerald Carlton, Chief Operations Officer

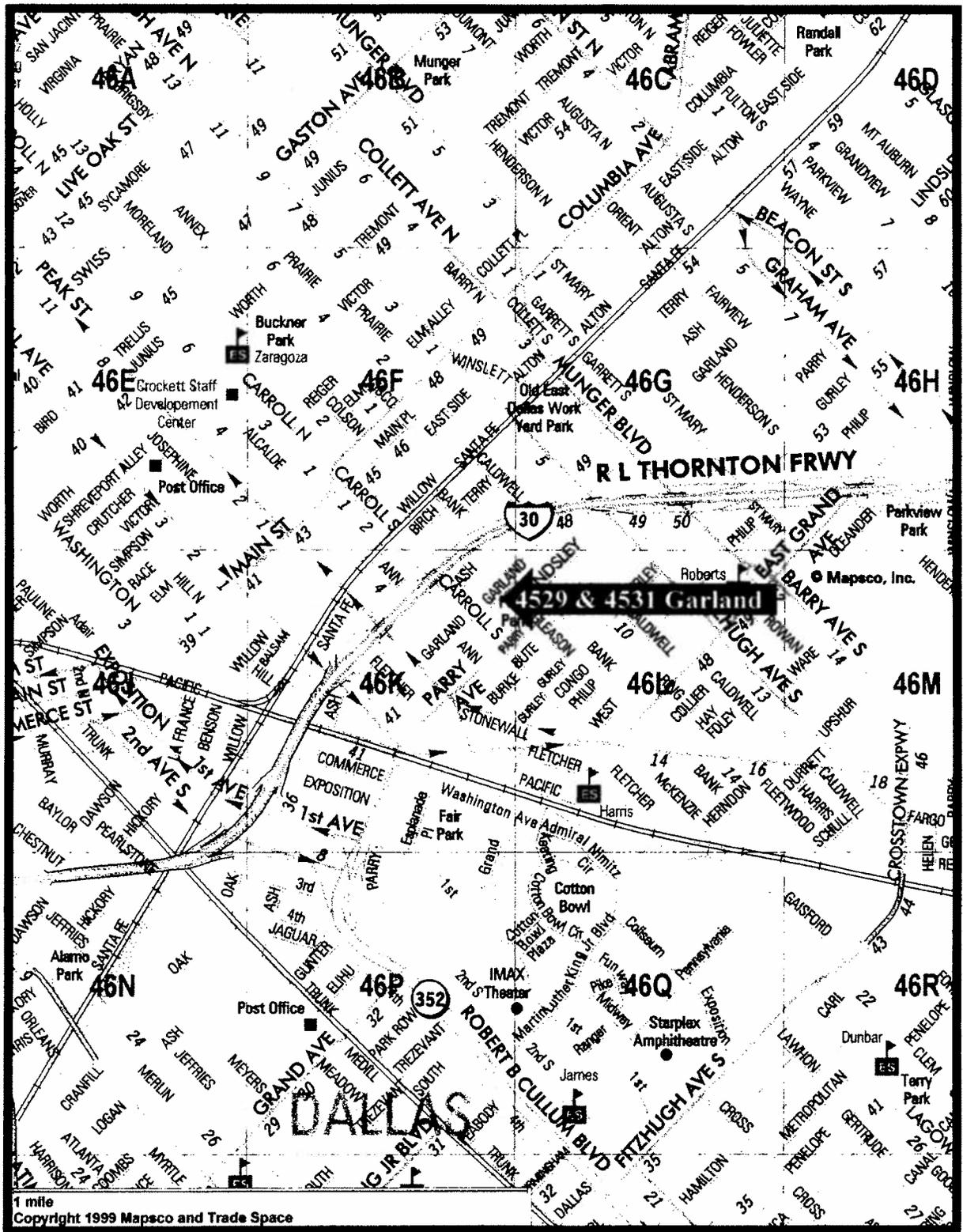
DEVELOPER

East Dallas Community Organization

Gerald Carlton, Chief Operations Officer

MAP

Attached



MAPSCO 46K

April 9, 2014

WHEREAS, affordable housing for low and moderate income families is a high priority of the City of Dallas; and

WHEREAS, on June 27, 2012, the City Council approved the FY 2012-13 Consolidated Plan Budget which included the HOME Investment Partnership Program, CHDO Development Loan funds, by Resolution No. 12-1629; and

WHEREAS, East Dallas Community Organization proposed to work with the City of Dallas to undertake the development of two (2) affordable units on Garland Ave; and

WHEREAS, the City desires for East Dallas Community Organization to develop affordable units for low and moderate income families; **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 a housing development loan in an amount not to exceed \$63,000 with East Dallas Community Organization (EDCO), a certified Community Housing Development Organization (CHDO), for the construction of two (2) single family homes located at 4529 and 4531 Garland Avenue.

Section 2. The terms of the loan agreement include:

- (a) EDCO must execute a deed of trust and note payable to the City of Dallas for \$63,000 for the loan which will be released upon sale to each eligible homebuyer.
- (b) EDCO will execute deed restrictions requiring a 10 year term for the two units.
- (c) EDCO will have one (1) year to fully complete the project.
- (d) Contract will be effective from March 1, 2014 to February 28, 2015.
- (e) EDCO must build and sell 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 second lien deed of trust to the interim construction lender.

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

April 9, 2014

Section 4. That the City Controller is hereby authorized to disburse funds in accordance with this resolution and the terms and conditions of the loan agreement with East Dallas Community Organization as follows:

<u>FUND</u>	<u>DEPT</u>	<u>UNIT</u>	<u>OBJ</u>	<u>CT</u>	<u>VENDOR</u>	<u>AMOUNT</u>
HM12	HOU	890E	3015	HOU890EF103	354413	\$63,000

Section 5. That the City Controller is hereby authorized to modify receivable balance sheet account 033F and an allowance for uncollectible debt 022D in funds HM12, 890E 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.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: April 9, 2014
COUNCIL DISTRICT(S): 7
DEPARTMENT: Housing/Community Services
CMO: Theresa O'Donnell, 671-9195
MAPSCO: 46U

SUBJECT

Authorize a housing development loan in an amount not to exceed \$283,363 with South Dallas Fair Park Inncity Community Development Corporation (ICDC), a certified Community Housing Development Organization (CHDO), for construction of four (4) affordable single family homes for the Pittman development project located along the 3100 block of Lenway Street - Not to exceed \$283,363 - Financing: 2012-13 HOME Investment Partnership Program Grant Funds

BACKGROUND

This item was placed on the addendum for approval of funding for the South Dallas Fair Park Inncity Community Housing Development on Lenway Street and allows the developer to commence construction. The developer has interim construction lender approval which will expire before April 23rd, and the developer is attempting to meet the timeline for funding commitment for the development.

In 1999, the City provided a forgivable loan of approximately \$500,000 to ICDC to fund the acquisition of a 51-unit severely dilapidated apartment complex, to relocate existing tenants, and to demolish the structure. In 2005, ICDC completed the above noted actions, completed the installation of infrastructure, and completed architecture work for nineteen single family homes. Following the infrastructure installation, ICDC requested interim construction financing and gap financing for nine homes in phased construction. Upon sale of the nine homes, proceeds were repaid to the City for the construction loan and a prorated portion of the \$500,000 was forgiven based on performance.

ICDC is ready to begin the next phase of four single family homes and has requested that the City provide partial interim construction financing and gap financing. Capital One Bank will provide \$75,000 per home in interim construction financing while the City is being asked to provide up to \$70,840.75 per home.

BACKGROUND (Continued)

ICDC is proposing to build four three-bedroom, two-bathroom homes between 1,408 and 1,519 square feet with a total cost of approximately \$145,000 per home (\$86.25/square feet). Homes recently sold in the project area appraised at \$105,000. Based on these appraisals, each home would receive \$40,000 in subsidy from the construction loan. Homes must be sold to households at or below 80% Area Median Family Income. Homebuyers may be eligible to apply for the Mortgage Assistance Program and receive up to \$20,000 in downpayment and closing cost assistance.

The City funds will be provided through FY 2012-13 HOME Investment Partnership Program CHDO set aside funds from the Department of Housing and Urban Development (HUD). ICDC will be required to execute a deed of trust and note payable to ensure performance. The City will subordinate its remaining acquisition loan and construction loan to Capital One. ICDC will pay back a portion of the loan with any proceeds collected with the sale of the homes, minus Capital One’s interim construction loan and allowable closing costs. Homebuyers will assume a deed restriction for the regulated affordability period of fifteen years. ICDC will have two years to complete construction and sell all four homes. The organization is in good standing and has received favorable audits.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 27, 2012, the City Council approved the City of Dallas Consolidated Plan Budget for FY 2012-13 federal funds which included the HOME Investment Partnership Funds, CHDO Development Loans by Resolution No. 12-1629.

On April 7, 2014, the Housing Committee was briefed on the Pittman Project Phase III.

FISCAL INFORMATION

2012-13 – HOME Investment Partnership Program Grant Funds - \$283,363

OWNER

**South Dallas Fair Park/
Innercity CDC**

Diane Ragsdale, Executive Director

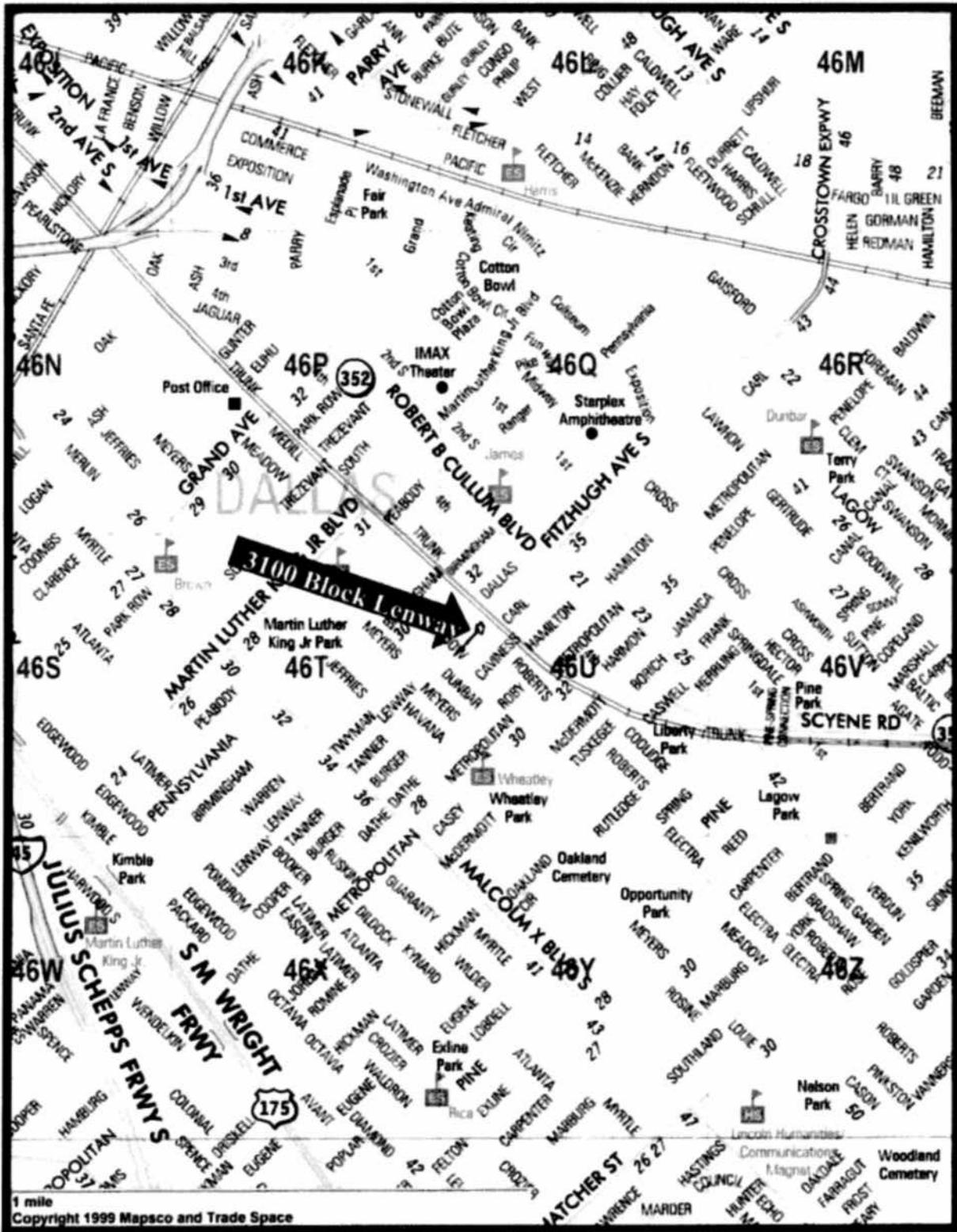
DEVELOPER

**South Dallas Fair Park/
Innercity CDC**

Diane Ragsdale, Executive Director

MAP

Attached



MAPSCO 46U

April 9, 2014

WHEREAS, affordable housing for low and moderate income families is a high priority of the City of Dallas; and

WHEREAS, on June 27, 2012, the City Council approved the FY 2012-13 Consolidated Plan Budget which included the HOME Investment Partnership Program, CHDO Development Loan funds, by Resolution No. 12-1629; and

WHEREAS, on April 7, 2014, the Housing Committee was briefed on the ICDC Pittman Project for \$283,363; and

WHEREAS, South Dallas Fair Park Innercity Community Development Corporation proposed to work with the City of Dallas to undertake the development of four (4) affordable units on Lenway Street; and

WHEREAS, the City desires for South Dallas Fair Park Innercity Community Development Corporation to develop affordable units for low and moderate income families; **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 a housing development loan in an amount not to exceed \$283,363 with South Dallas Fair Park Innercity Community Development Corporation (ICDC), Community Housing Development Organization (CHDO) for the construction of four (4) affordable single family homes for the Pittman development project located along the 3100 block of Lenway Street.

Section 2. The terms of the loan agreement include:

- (a) South Dallas Fair Park Innercity Community Development Corporation must execute a deed of trust and note payable to the City of Dallas for \$283,363 for the loan which will be released upon sale to each eligible homebuyer.
- (b) ICDC will execute deed restrictions requiring a 15 year term for the four units.
- (c) ICDC will repay the loan minus Capital One's interim construction loan and allowable closing costs.
- (d) ICDC will have two years to complete the construction and sale of the four units.
- (e) ICDC must build and sell 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 its acquisition lien and construction lien to the interim construction lender.

April 9, 2014

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

Section 4. That the City Controller is hereby authorized to disburse funds in accordance with this resolution and the terms and conditions of the loan agreement with South Dallas Fair Park Innercity Community Development Corporation as follows:

<u>FUND</u>	<u>DEPT</u>	<u>UNIT</u>	<u>OBJ</u>	<u>CT</u>	<u>VENDOR</u>	<u>AMOUNT</u>
HM12	HOU	890E	3015	HOU233FF097	266539	\$283,363

Section 5. That the City Controller is hereby authorized to modify receivable balance sheet account 033F and an allowance for uncollectible debt 022D in funds HM12, 890E 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 to the Charter of the City of Dallas, and it is accordingly so resolved.