

February 12, 2025

WHEREAS, on May 9, 2018, City Council adopted the Comprehensive Housing Policy (CHP) by Resolution No. 18-0704; and

WHEREAS, on April 12, 2023, the City Council adopted the Dallas Housing Policy 2033 (DHP33) to replace the CHP by Resolution No. 23-0443 and the Dallas Housing Resource Catalog (DHRC) to include the approved programs from the CHP by Resolution No. 23-0444; and

WHEREAS, the DHRC provides a policy for developers requesting a Resolution of Support or No Objection (Resolutions) for multifamily rental housing developments seeking Housing Tax Credits (HTC) through the Texas Department of Housing and Community Affairs (TDHCA); and

WHEREAS, Sycamore Strategies, LLC and/or its affiliate (Applicant) has proposed the development of a mixed income multifamily complex to be known as The Magnolia (the Development) at 1401 Commerce Street, Dallas, Texas 75201, in the City of Dallas, Texas; and

WHEREAS, the Applicant proposes to develop 130 units, to include 39 studio, 52 one-bedroom, and 39 two-bedrooms; and will include amenities; and

WHEREAS, upon completion of the development, the Applicant proposes to make 8 of the 130 units available to households earning 0.00%-30.00% of Area Median Income (AMI), 29 of the 130 units available to households earning between 31.00%-50.00% of AMI, 34 of the 130 units available to households earning between 51.00%-80.00%, and 59 of the 130 units being non-income-restricted; and

WHEREAS, the Applicant has advised the City that it submitted a pre-application to the TDHCA for 2025 9% Competitive HTC (9% HTC) for the proposed development of a property to be known as The Magnolia (TDHCA No. 25240) and

WHEREAS, the expenditure of the City local general funds supporting this development project is consistent with the City's DHP33 and DHRC and adopted annual budget; and

WHEREAS, pursuant to Section 11.9 of the Qualified Allocation Plan and Chapter 2306 of the Texas Government Code, the City desires to provide a Resolution of Support to the Applicant for the 9% HTC application for The Magnolia located 1401 Commerce Street, Dallas, Texas 75201; and

WHEREAS, in accordance with 10 TAC §11.3(d), the Governing Body must vote to specifically allow the adaptive reuse development within one linear mile or less of West End Lofts (a 9% housing tax credit development located at 805 Elm Street) and is subject to the One Mile Three Year Rule.

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Now, Therefore,

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

SECTION 1. That the City of Dallas, acting through its governing Body, hereby confirms that it supports the proposed development by Sycamore Strategies, LLC or its affiliate, to be located at 1401 Commerce Street, Dallas, Texas 75201, the development's application for 2025 9% HTC, and any allocation by the TDHCA of 9% HTC for the proposed development.

SECTION 2. That the governing body of the City of Dallas has by vote specifically allowed the construction of The Magnolia and to authorize an allocation of Housing Tax Credits for the Development.

SECTION 3. That as provided in for 10 TAC §11.3(d), it is hereby acknowledged that the adaptive reuse development is located one linear mile or less from a development that serves the same Target Population as the proposed Project and has received an allocation of HTC in the three-year period preceding the date the Housing Tax Credits were issued.

SECTION 4. That the City Manager or their designee, is hereby authorized to execute a line of credit agreement in the amount of \$500.00 with Sycamore Strategies, LLC and/or its affiliates, approved as to form by the City Attorney, for the construction of the proposed development. The agreement will include, but is not limited to, the following terms:

- a. Sycamore Strategies, LLC and/or its affiliate must be awarded 2025 9% HTC by TDHCA; and
- b. The line of credit will have an interest rate of 1%. Interest will not be incurred or accrue until and unless funds are drawn; and
- c. The line of credit must be repaid in full on expiration or termination of the Land Use Restriction Agreement recorded by TDHCA.

SECTION 5. That the Chief Financial Officer is hereby authorized to encumber and disburse funds in amount not to exceed \$500.00 in accordance with this resolution from General Fund, Fund 0001, Department HOU, Unit 4285, Object 3015, Activity AFHO, Encumbrance/Contract No. HOU-2025-00026958, Vendor VC22772.

SECTION 6. That the Chief Financial Officer is hereby authorized to set up a Receivable Balance Sheet Account in an amount not to exceed \$500.00 in General Fund, Fund 0001, Department HOU, Balance Sheet Account 033F and a Deferred Revenue Balance Sheet Account 0898 in General Fund, Fund 0001, in the amount of \$500.00.

SECTION 7. That the Chief Financial Officer is hereby authorized to receive, accept and deposit loan payments from Applicant from the General Fund, Fund 0001, Department

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SECTION 7. (continued)

HOU, Principal Revenue Code and Interest Revenue Code 847G and Interest Revenue Code 847H, and debit Balance Sheet Account 0001 (Cash); as well as debit Deferred Revenue Balance Sheet Account 0898 and credit Receivable Balance Sheet Account 033F.

SECTION 8. That this formal action has been taken to put on record the support

expressed by the City of Dallas on February 12, 2025, and that for and on behalf of the Governing Body, the Mayor or City Manager, or their designee, is hereby authorized, empowered, and directed to certify this resolution to the TDHCA.

SECTION 9. 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.