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WHEREAS, the City of Dallas seeks to increase the supply of new affordable workforce housing in order to attract and retain economic growth; and

WHEREAS, on February 26, 2003, City Council authorized the designation of five census tracts, (CT 25.00, CT 39.02, CT 49.00, CT 89.00, and CT 101.01) as Neighborhood Investment Program (NIP) target areas for two years beginning October 1, 2003 by Resolution No. 03-0830; and

WHEREAS, on September 28, 2005, City Council authorized the redesignation and expansion of three of the existing five NIP targeted areas as follows: CT 25.00 expanded to include CT 27.01 and CT 27.02; CT 39.02 expanded to include CT 115.00 (part); and CT 101.01 expanded to include CT 101.02. These census tracts were designated for a minimum of three years, beginning October 1, 2005 by Resolution No. 05-2795; and

WHEREAS, on August 9, 2006, City Council authorized an ordinance ordering a bond election to be held in the City of Dallas on November 7, 2006, for the purpose of submitting propositions for the issuance of general obligation bonds for funding permanent public improvements by Resolution No. 06-2056; and

WHEREAS, on November 7, 2006, the voters of Dallas approved a \$1.35 billion General Obligation Bond Program of which \$41,495,000.00 was set aside for the purpose of providing funds for promoting economic development in the Southern area of the city, and promoting economic development in other areas of the city in connection with transit-oriented development; and

WHEREAS, on December 12, 2007, City Council authorized an amendment to the Public/Private Partnership Program to include a special category for an Economic Development General Obligation Bond Program for Southern Dallas by Resolution No. 07-3788; and

WHEREAS, on January 22, 2008, the Housing Committee of the City Council was briefed on the Frazier Neighborhood Investment Area and the Spring Avenue Revitalization Project; and

WHEREAS, on February 20, 2008, City Council authorized an economic development loan in the amount of \$500,000.00 at 0% interest to South Dallas/Fair Park Inncity Community Development Corporation by Resolution No. 08-0595; and

WHEREAS, on August 26, 2009, City Council authorized an increase in the economic development loan to ICDC from \$500,000.00 to \$1,000,000.00 by Resolution No. 09-2085; and

WHEREAS, on April 28, 2010, City Council authorized an increase in the economic development loan to ICDC from \$1,000,000.00 to \$1,500,000.00 by Resolution No. 10-1101; and

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WHEREAS, on September 22, 2010, City Council authorized an increase in the economic development loan to ICDC from \$1,500,000.00 to \$2,500,000.00 by Resolution No. 10-2419; and

WHEREAS, on December 12, 2012, City Council authorized an increase in the economic development loan to ICDC from \$2,500,000.00 to \$3,100,000.00 by Resolution No. 12-3019; and

WHEREAS, on April 24, 2013, City Council authorized an increase in the economic development loan to ICDC from \$3,100,000.00 to \$3,300,000.00 by Resolution No. 13-0732; and

WHEREAS, on October 8, 2013, City Council authorized an increase in the existing economic development loan to ICDC from \$3,300,000.00 to \$3,400,000.00 by Resolution No. 13-1795, and

WHEREAS, ICDC, as part of their redevelopment plan in the Mill City Neighborhood requests, and the City desires to transfer a tract of land, being in lot 45 of Block 2421, Parks & Friedman Spring Avenue Addition, Dallas, Dallas County, Texas (the "Property") and commonly known as 4850 Brashear Street, which is no longer needed for municipal use, to ICDC; and

WHEREAS, ICDC is a validly existing non-profit organization exempt from federal taxation under Section 501 (c)(3), Internal Revenue Code 1986, as amended, and has requested that the City convey the Property for use in a manner that primarily promotes a public purpose of the City and the greater community, including specifically the installation and maintenance of landscaping and parking benefiting the Mill City Townhome Development and surrounding community; and

WHEREAS, pursuant to Section 253.011 of the Texas Local Government Code, the City may transfer the Property to a non-profit organization without complying with the notice and bidding requirements for the sale of public lands provided for in Section 272.001(a) of the Texas Local Government Code for and in consideration of an agreement between the parties that requires the non-profit organization to use the property in a manner that primarily promotes a public purpose of the municipality.

Now, Therefore,

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

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SECTION 1. That the City Manager is hereby authorized to execute an amended and restated conditional loan agreement ("Agreement") with South Dallas/Fair Park Inncity Community Development Corporation ("ICDC") for the Spring Avenue project, to **(1)** extend the term of Agreement date to December 31, 2024; **(2)** allow for the City of Dallas to demolish the building at 4850 Brashear Street, subject to appropriation; **(3)** authorize the City to convey the property at 4850 Brashear Street to ICDC pursuant to Section 253.011 of the Local Government Code; **(4)** require ICDC to construct eight single family townhomes, on lots owned by ICDC, and sell the townhomes to families earning up to 140% of the area median income, for which ICDC will obtain forgiveness upon completion and sale of each property to a qualified homebuyer; **(5)** require a five year affordability period; and **(6)** authorize the execution of deed restrictions, and amended and restated deed of trust and note, approved as to form by the City Attorney.

SECTION 2. That the City Manager, upon approval as to form by the City Attorney, is authorized to (1) execute releases of liens and termination of the deed restrictions upon satisfaction of all applicable conditions; and (2) subordinate the City's lien to interim construction lenders (including refinances). The Director may extend all deadlines by up to twelve months. As each property is completed and sold in accordance with the conditional loan documents, ICDC may obtain forgiveness of the remaining \$1,765,177.00 of the grant and obtain a partial release of lien.

SECTION 3. That the City Manager, upon approval as to form by the City Attorney and attested by the City Secretary, is hereby authorized to amend and restate the Agreement with ICDC whereby ICDC commits to use the Property located at 4850 Brashear Street in a manner that primarily promotes a public purpose of the City and the greater community, including specifically the installation and maintenance of landscaping and parking benefiting the Mill City Townhome Development and surrounding community, and execute a Deed Without Warranty to the Property in favor of ICDC.

SECTION 4. That the Agreement shall provide the following:

- a) ICDC shall use the Property in a manner that primarily promotes a public purpose of the City and the greater community, including specifically (i) the installation and maintenance of landscaping and parking benefiting the Mill City Townhome Development and surrounding community as evidenced by the issuance of a building permit sufficient for and accommodating the development within 12 months of the conveyance of the Property by the City, and (ii) insure that any conveyance by ICDC and/or subsequent owners of the Property does not materially alter, amend, or discontinue said use without the prior written consent of the City; and
- b) The Property will be conveyed in its then current "AS IS" condition without warranty, express or implied, and ICDC shall be responsible for all necessary inspections, investigations, renovations, and improvements, including without limitation any environmental issues; and

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SECTION 4. (continued)

- c) At all times during its ownership of the Property, ICDC will maintain its status as a non-profit organization exempt from federal taxation under Section 501 (c)(3), Internal Revenue Code 1986, as amended; ICDC will not sell or otherwise convey its ownership of the Property to another entity without the prior written consent of City; and any subsequent owner of the Property shall be subject to the terms of the Agreement and the Deed Without Warranty described below; and
- d) ICDC shall pay all customary closing costs; including without limitation, recording fees, title company expenses, and the premium for any desired title policy; and
- e) Any taxes and assessments attributable to the Property will likewise be ICDC's responsibility, including the pro-rata property taxes for the remaining part of the then current calendar year, which will be assessed from the date of execution of the deed; and
- f) Such other terms and conditions as the City deems necessary, convenient or appropriate; and
- g) ICDC shall execute deed restrictions for each single-family townhome, which shall continue for a period of five years from conveyance to a qualified homebuyer; and
- h) ICDC shall execute an amended and restated deed of trust and note; and
- i) In addition to the remedies available to the City under the loan documents, in the event of default by ICDC that remains uncured, ICDC shall transfer the properties that remain uncompleted and/or unsold to qualified homebuyers, in accordance with the Agreement, to the City upon demand and in a form provided by the City.

SECTION 5. That the Deed Without Warranty shall provide that the conveyance of the Property to South Dallas Fair Park Inncity Community Development Corporation (ICDC) is and shall be subject to the following:

- a) restriction ("Deed Restrictions") of the primary use of the Property to install and maintain parking benefiting the Mill City Townhome development and surrounding community which use shall not be materially altered, amended, or discontinued without the prior written consent of the City; and
- b) a condition subsequent with right of reentry in favor of the City enforcing the Deed Restrictions and requiring that ICDC (i) install and maintain landscaping and parking on the Property within 12 months of the conveyance as evidenced by issuance of a building permit sufficient for and accommodating the development, and (ii) maintain its status as a Section 501 (c)(3) non-profit corporation; and providing for the reversion of title to the Property to the City of Dallas, upon its exercise thereof; and
- c) any and all covenants, conditions, reservations, restrictions, exceptions, easements, rights-of-way, mineral interests, mineral leases, or other instruments of record in the official real property records for the county where the Property is located effective as to the Property, or any part thereof, and any and all visible and apparent easements and encroachments, whether of record or not impacting the Property; and
- d) such other terms, conditions, waivers and disclaimers as the City deems necessary, convenient or appropriate.

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SECTION 6. That ICDC be responsible for the pro rata portion of property taxes for the remaining part of the current calendar year that will be assessed from the date of closing of the conveyance. The Property shall be returned to the tax rolls as of the date of execution of the Deed Without Warranty, if not otherwise exempt.

SECTION 7. That if a title policy is desired by ICDC, it shall be secured by ICDC at its sole cost and expense.

SECTION 8. That any procedures required by Section 2-24 of the Dallas City Code and not required by Texas state law are hereby waived with respect to said Property conveyance.

SECTION 9. 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 10. That this contract is designated as Contract No. HOU-2022-00017959.

SECTION 11. That all other requirements of Resolution No. 08-0595, as amended, shall remain in full force and effect.

SECTION 12. 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.