

September 25, 2019

WHEREAS, on August 30, 2018, the City issued a Notice of Funding Availability in accordance with the Policy and 2400 Bryan Street, LLC, submitted an application for gap financing, and received a fundable score; and

WHEREAS, on January 25, 2019, the City of Dallas Housing Finance Corporation (DHFC) Board of Directors at its Board meeting approved entering into an agreement to purchase and own the land, enter into a long-term ground lease, and taking an ownership interest in 2400 Bryan Street, LLC; and

WHEREAS, on February 27, 2019, City Council authorized (1) a development loan agreement with 2400 Bryan Street, LLC or an affiliate thereof in an amount not to exceed \$13,026,943.00 (comprised of \$3,605,570.00 in HOME Investment Partnerships Program Funds, \$6,000,000.00 in Public/Private Partnership Funds, and \$3,421,373.00 in Community Development Block Grant Funds (CDBG); (2) a conditional grant agreement with 2400 Bryan Street, LLC or an affiliate thereof for the development of a mixed-use and mixed-income multifamily residential development to be located at 2400 Bryan Street in an amount not to exceed \$973,057.00 in 2012 General Obligation Bond Funds; and (3) the DHFC to purchase and own the land and to enter into a long-term ground lease with 2400 Bryan Street, LLC by Resolution No. 19-0360; and

WHEREAS, on June 12, 2019, City Council authorized the first amendment to Resolution No.19-0360, previously approved on February 27, 2019, for a mixed-use and mixed-income multifamily residential development to be located at 2400 Bryan Street to: (1) amend the development loan amount with 2400 Bryan Street, LLC or an affiliate ("2400 Bryan") to only include an amount not to exceed \$6,000,000.00 in Public/Private Partnership funds for construction, (2) authorize a development loan agreement with the DHFC, instead of 2400 Bryan, for acquisition of land and construction, subject to DHFC Board of Directors' approval, in amount not to exceed \$7,026,943.00 in CDBG funds, (3) allow the closing of the 2400 Bryan and DHFC grant/loan to occur prior to closing on the equity and all other financing for the development, (4) allow 2400 Bryan and DHFC to be reimbursed for costs associated to acquisition at closing, but must meet all other requirements under Resolution No.19-0360 to be reimbursed the remaining loan and grant amounts and (5) allow the City to maintain no less than 3rd lien position; and

WHEREAS, the City desires to move forward with the 2400 Bryan Street development to complete the project; and

Now, Therefore,

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

September 25, 2019

SECTION 1. That the City Manager is hereby authorized to execute a first amendment to the development loan agreement, approved to form by the City Attorney, with DHFC to remove the permanent repayment guaranty requirement of RMGM Bryan Street, LLC, to add to the requirement that the City only be added as an additional obligee on payment and performance bonds furnished by 2400 Bryan Street, LLC to its senior construction lender, if allowed by the permanent lender and to add a minimum investment requirement for 2400 Bryan and DHFC of \$45,000,000.00 to construct the improvements for the 2400 Bryan Street development.

SECTION 2. That the terms and conditions of ~~agreed upon in~~ Resolution Nos. 19-0360, ~~as amended, is and 19-0943 for the loan and conditional grant agreements with 2400 Bryan are~~ hereby amended as follows:

1. Remove the requirement of RMGM Bryan Street, LLC, to provide full, unconditional guarantee of repayment for the 2400 Bryan development, for the grant and loan;
2. Add to the requirement that the City only be added as an additional obligee on payment and performance bonds furnished by 2400 Bryan Street, LLC to its senior construction lender, if allowed by the permanent lender, for the grant and loan; and
3. Add a minimum investment requirement by 2400 Bryan and DHFC of \$45,000,000.00 to construct the improvements for 2400 Bryan development as additional consideration, for the grant and loan.

SECTION 3. That all other terms and conditions contained in Contract No. HOU-2019-00010717, Resolution No. 19-0360, approved on February 27, 2019 and Resolution No. 19-0943 approved on June 12, 2019, shall remain unchanged and in full force and effect and binding upon 2400 Bryan and DHFC.

SECTION 4. That this resolution does not constitute a binding agreement upon the City or subject the City to any liability or obligation until such time as the agreements are duly approved by all parties and executed.

SECTION 5. 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.