

September 9, 2020

**WHEREAS**, on May 9, 2018, City Council adopted a Comprehensive Housing Policy Manual (Policy) by Resolution No. 18-0704 that set citywide production goals for homeownership and rental units for the next three years along with respective income bands that will be prioritized within the production goals and also set forth various programs, tools and strategies to be used to meet the production goals while also overcoming concentrations of poverty and racial segregation; and

**WHEREAS**, the Policy 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**, on August 30, 2018, the City issued a Notice of Funding Availability in accordance with the Policy and TX Casa View 2018, Ltd. (TCV), submitted an application for gap financing, and received a fundable score for a development project at the property referred to as Estates at Shiloh; and

**WHEREAS**, the proposed development is located in the Casa View Stabilization target area, one of the 15 approved Reinvestment Strategy Areas in the Policy, and the proposed development is a mixed-income multifamily residential development for seniors providing at least 239 of the 264 units to households earning 60% or below of Area Median Income and the remaining units as market rate and provides future residents with access to opportunities such as transit, park, community center, and retail; and

**WHEREAS**, on January 25, 2019, the City of Dallas Housing Finance Corporation 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 TCV; and

**WHEREAS**, on February 27, 2019, City Council authorized: (1) that it has no objection as to TCV's application to the Texas Department of Housing and Community Affairs (TDHCA's) 2019 4% Non-Competitive Housing Tax Credit (HTC); and (2) conditioned upon TCV receiving a 2019 4% HTC award, authorized (a) a development loan agreement with TCV or an affiliate, thereof in an amount not to exceed \$3,801,000 (Community Development Block Grant Funds); (b) a conditional grant agreement with TCV or an affiliate thereof in an amount not to exceed \$199,000.00 in 2012 General Obligation Bond Funds; and (c) the City of Dallas Housing Finance Corporation to purchase and own the land and to enter into a long-term ground lease with TCV, and take an ownership interest in TCV by Resolution No. 19-0387; and

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**WHEREAS**, on June 12, 2019, City Council authorized a first amendment to Resolution No.19-0387 to: (1) amend the funding source for the development loan amount with TCV of \$3,801,000.00 from \$3,801,000.00 in Community Development Block Grant (CDBG) funds to \$1,620,154.00 in CDBG funds and \$2,180,846.00 in HOME Investment Partnership Program funds; and (2) allow the closing of the TCV grant/loan to occur prior to closing on the equity and all other financing for the development by Resolution No. 19-0945; and

**WHEREAS**, on September 25, 2019, City Council authorized a second amendment to Resolution No. 19-0387, as amended, to: (1) remove the permanent repayment guaranty requirement of Generation Housing Partners, LLC, Hill Tide Partners, LLC, and Monarch Private Investments, LLC (Guarantors); (2) add to the requirement that the City only be added as an additional obligee on payment and performance bonds furnished by TCV to its senior construction lender, if allowed by the permanent lender; (3) add a minimum investment requirement for TCV of \$25,000,000.00 to construct the improvements for the development project as additional consideration; and (4) clarify that the nonprofit entity may assign certain obligations under conditional grant agreement to TCV by Resolution No. 19-1506; and

**WHEREAS**, on November 13, 2019, City Council authorized a third amendment to Resolution No. 19-0387, as amended, to (1) clarify that the loan shall be a nonrecourse loan; (2) limit the City's remedies to foreclosure only in the event of an uncured default; and (3) allow an affiliate entity of the Guarantors to provide the required guarantees by Resolution No. 19-1771.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute the first amendments to the conditional grant agreement and development loan agreement with TX Casa View 2018, Ltd. or an affiliate, and any other related documents, approved as to form by the City Attorney, to provide additional grant funding for changes to the infrastructure plans to expand the capacity of the infrastructure to accommodate future development of surrounding properties, in an amount not to exceed \$300,000.00, increasing the contract amount from \$4,000,000.00 to \$4,300,000.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to encumber funds and distribute funds in an amount not to exceed \$300,000.00 to TX Casa View 2018, Ltd (VS99112), in General Fund, Fund 0001, Department HOU, Unit 4285, Object 3099, Encumbrance/Contract No. HOU-2019-00009595 as the City receives and reviews reimbursement requests and related supporting documentation submitted by TX Casa View 2018, Ltd for eligible expenditures and accepts supporting evidence as defined in the agreements for the total amount not to exceed \$4,300,000.00.

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**SECTION 3.** That, with the exception of the section above, all other requirements of Resolution Nos. 19-0387, 19-0945, 19-1506 and 19-1771, shall remain in full force and effect.

**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 amendment to the grant agreement is duly approved and executed by all parties.

**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.