



Legislation Details (With Text)

File #: 21-1796 **Version:** 1 **Name:**

Type: ITEMS FOR INDIVIDUAL CONSIDERATION **Status:** Deleted

File created: 9/14/2021 **In control:** Department of Housing & Neighborhood Revitalization

On agenda: 10/13/2021 **Final action:**

Title: Authorize the execution of a conditional grant agreement with WPC Acquisition, Inc., a subsidiary of the Wilbow Corporation, Inc. (Developer), or an affiliate thereof, in an amount not to exceed \$1,550,000.00 in 2017 Proposition I Bond Funds for public infrastructure and construction costs related to the development of up to 156 market-rate single-family homes, and the dedication of 3.7 acres of land for the development of a park - Not to exceed \$1,550,000.00 - Financing: ECO (I) Fund (2017 General Obligation Bond Fund)

Sponsors:

Indexes: 7

Code sections:

Attachments: 1. Map, 2. Resolution, 3. Exhibit A

Date	Ver.	Action By	Action	Result
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STRATEGIC PRIORITY: ~~Economic and Neighborhood Vitality~~

AGENDA DATE: ~~October 13, 2021~~

COUNCIL DISTRICT(S): ~~7~~

DEPARTMENT: ~~Department of Housing & Neighborhood Revitalization~~

EXECUTIVE: ~~Dr. Eric A. Johnson~~

SUBJECT

Authorize the execution of a conditional grant agreement with WPC Acquisition, Inc., a subsidiary of the Wilbow Corporation, Inc. (Developer), or an affiliate thereof, in an amount not to exceed \$1,550,000.00 in 2017 Proposition I Bond Funds for public infrastructure and construction costs related to the development of up to 156 market-rate single-family homes, and the dedication of 3.7 acres of land for the development of a park - Not to exceed \$1,550,000.00 - Financing: ECO (I) Fund (2017 General Obligation Bond Fund)

BACKGROUND

WPC Acquisition, Inc., a community development subsidiary of the Wilbow Corporation, Inc. (Developer or Wilbow) submitted a proposal under the City's Notice of Funding Availability (NOFA), issued on August 7, 2020, to receive gap financing in the form of a grant to fund infrastructure in support of the construction of market-rate housing units located within the City limits. The grant is

necessary to fund a financial gap related to and in consideration of the Applicant's dedication of 3.7 acres of the site to the City for the proposed development of a public park.

The NOFA was issued by the Department of Housing & Neighborhood Revitalization (Housing) in accordance with the City's Comprehensive Housing Policy (CHP). The Department of Housing and Neighborhood Revitalization administers programs to appropriately incentivize private investment for the development of quality, sustainable housing that is affordable to the residents of the City. Specifically, Housing administers the New Construction and Substantial Rehabilitation Program which where necessary seeks to provide financial assistance to new developments or substantially rehabilitate existing developments. All projects seeking financial assistance are required to submit a Notice of Intent to apply for financial assistance through the NOFA to Develop Affordable Homeownership and Rental Housing. As outlined in the NOFA, multiple sources of funding are available, however, proposed projects must meet specific thresholds to qualify for the use of a specific funding source. At minimum, each proposed project must be composed of at least five units and must achieve a fundable score as outlined in the NOFA solicitation. Wilbow received a fundable score of 87 points.

The Timberlawn at Buckner Terrace development is a 19-acre residential development and will be a mixture of attached and detached single family homes coupled with open space, trails, and an amenity center. All land included in the proposed project is under contract to be purchased by Wilbow. The proposed development includes the construction of 156 market-rate single-family units located on the South Side of Samuell Boulevard, East of Grove Hill Road. The single-family units are anticipated to consist of both townhome-style and detached units and will range from 1,400-3,500 square feet. All homes will have at least 2 bedrooms and will be offered for sale to homeowners at a market price.

The 3.72-acres of land to be dedicated to the City is anticipated to be used for the development of a public park at the main entrance of the neighborhood along Samuell Boulevard. The dedicated land will not officially be dedicated as municipal parkland; and, to the extent allowed by law, shall be dedicated only as such when the property is developed for park purposes. This land will be dedicated to the city at no cost in consideration for the grant funds being supplied to the developer by the City to help pay for infrastructure costs related to the construction and construction costs related to the development of up to 156 market-rate single-family homes.

Total development cost of the infrastructure is anticipated to be approximately \$12,392,602.00 which includes the \$4,950,000.00 acquisition price for the property. The anticipated sources and uses are as follows:

Financing Sources	Amount
Owner Equity	\$ 3,707,000.00
Construction Loan	\$ 7,135,602.00
City of Dallas Bond Fund	\$ 1,550,000.00
Total	\$ 12,392,602.00

Proposed Uses	Costs
Acquisition	\$ 4,950,000.00

Construction Hard Costs	\$ 5,262,917.00
City Fees/Permitting	\$ 421,828.00
Closing Costs	\$ 49,500.00
Construction Soft Costs	\$ 1,708,357.00
Total	\$ 12,392,602.00

The City proposes to provide an amount not to exceed \$1,550,000.00 in gap financing for the construction of the development based on the recommendation of a staff underwriting analysis and financial statements supplied by the development team.

ESTIMATED SCHEDULE OF PROJECT

Begin Construction October 2022
Complete Construction October 2024

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

Fund	FY 2022	FY 2023	Future Years
ECO (I) Fund (2017 General Obligation Bond Fund)	\$1,550,000.00	\$0.00	\$0.00

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Procurement Category	M/WBE Goal	M/WBE %	M/WBE \$
\$5,262,917.00	Construction	32.00%	32.00%	\$1,684,133.44
• This contract meets the M/WBE goal.				
• WPC Acquisition, Inc./Wilbow Corporation – Local				

OWNER/DEVELOPER

WPC Acquisition, Inc./Wilbow Corporation

Matt Johnson, Senior Vice President – Land Acquisition and Development

MAP

Attached