

SECTION 108 LOAN GUARANTEE AMENDED APPLICATION

Lancaster Urban Village Project, southwest quadrant of the intersection of S. Lancaster Rd. and Ann Arbor Ave.

SECTION I – GENERAL INFORMATION

Chief elected official or chief executive officer

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SECTION II – THE APPLICATION

The City of Dallas is applying for an \$8,492,000 Section 108 Guaranteed Loan to fund a mixed-use commercial and residential development as part of the larger Lancaster Urban Village transit-oriented development in South Dallas. The Section 108 funds will be used for site preparation, construction and installation of public facilities specifically related to the construction of 13,926 square feet of commercial space, 127 structured garage parking spaces included in a 405-space structured garage, and 193 residential units. The 127 spaces will serve the commercial space and Urban League of Dallas and North Central Texas.

Statement of Community Development Objectives (570.704(a)(1)(i)(A)).

The purpose of funding the commercial portion of the Lancaster Urban Village is to deliver retail,

small office and commercial parking to this mixed-use, transit-oriented development district.¹ This effort reflects the first project arising from the City of Dallas' Southern Dallas Task force strategy to redevelop the South Lancaster Road corridor. In addition to delivering much needed commercial space and jobs to this district, the funding will also facilitate the further expansion of the Urban League of Dallas and North Central Texas by delivering necessary parking to assist the League's job training and job creation efforts. This will all be accomplished in a LEED-Certified, sustainable format.

Further, funding of the project's residential component will enable the project to provide affordable housing, which is in conformance with the City's affordable housing strategy to create affordable housing that is decent, safe, and sanitary.² This component supports the City's goals to foster and maintain affordable housing by:

- Answering the need for housing options by encouraging higher density housing within a quarter-mile of DART stations and a targeted area for redevelopment in Mayor Leppert's Southern Dallas Initiative that emphasizes residential and infrastructure improvements which enhance mobility and infill development, and
- Expanding affordable housing alternatives by encouraging distribution of affordable housing throughout the City and the region, and by obtaining support to develop affordable housing.³

Project Description.

Project Narrative

The Lancaster Urban Village development is a community economic development project under 24 CFR 204(a)(2) that includes activities that will increase economic opportunity principally for low- and moderate-income persons by creating permanent jobs and providing affordable housing accessible to both existing and planned jobs. The \$8,492,000 Section 108 loan will provide the commercial retail development that will provide the streetscape activity and services for all new components within this urban district and the residential development that will provide mixed-income housing including affordable housing that will serve the needs of persons newly employed in the area as well as those currently employed in the area.

The Lancaster Urban Village development is the first of four development projects planned for the City's Neighborhood Investment Program (NIP) Lancaster Corridor Target Area. The commercial portion of the Lancaster Urban Village development will deliver 13,926 square feet of retail, restaurant, small office and commercial space, and a 405-space parking garage to the NIP Lancaster Corridor area, creating permanent jobs and goods and services for the area. The affordable housing component of the project will provide 193 mixed-income, multi-family rental units with 51% (98 units) rent-restricted for 15 years for rent to low- to moderate-income persons. (See Exhibit A attached for approximate total unit mix and affordable units distribution.)

¹ City of Dallas Five-Year Consolidated Plan FY 2008-09 Thru FY 2012-13, page 4-26

² Ibid., page 4-1

³ Ibid., pages A-20 and A-21

The project is part of a collection of developments proposed by City Wide Community Development Corporation (CDC) situated in the Neighborhood Investment Program (NIP) Lancaster Corridor Target Area, thereby creating a mixed-use, transit-oriented district (TOD) identified by City Wide CDC as their Lancaster Corridor Initiative. This initiative will bring much needed new investment to a site area with much potential but historically inhibited by lack of quality investment. With each development increment timed to open simultaneously, this new urban district will complement the project's delivery of retail and restaurants by offering affordable housing, and parking facilities on a network of new urban streets and pocket-parks connected by pedestrian-friendly streetscape. The project enhances an important component of initiatives designed to foster neighborhood and community development within the NIP Lancaster Corridor area.

Project Structure and Participants

City Wide Community Development Corporation (CWCDC) is an IRS approved 501(c)(3) non-profit Community Based Development Organization (CBDO). CWCDC owns 100% interest in Lancaster Urban Village Residential, LLC (LUVR). CWCDC owns a controlling interest (95%) in Lancaster Urban Village Commercial, LLC (LUVVC). The Urban Lancaster Community Development Corporation (ULCDC), a non-profit, will own a 5% non-controlling interest in LUVVC, and upon IRS approval, 100% of LUVVC will be owned by 501(c)(3) entities. LUVVC, therefore, will be controlled by the CWCDC.

The QALICB entity is a Limited Liability Company, which has no general or limited partners. CWCDC will be the managing member who will control the day to day actions of the company, and ULCDC will be the non-controlling member, which will be a 5% owner with no authority.

- The City of Dallas (Texas) will act as a borrower of HUD Section 108 Guaranteed Loan funds and issue the debt obligation (570.740(b)(2))
- The amount of Section 108 assistance sought is \$8,492,000
- The entity that will undertake the project is City Wide Community Development Corporation
- The principal developer is Lancaster Urban Village Development Partners, LP., which is 70% owned by Catalyst Urban Development, LLC and 30% owned by CWCDC
- Additional sources of capital will be provided by the City of Dallas through its Public Private Partnership program, and through the sale of New Market Tax Credits allocated by the City of Dallas; (please see Exhibit B attached for financial structure)
- Upon completion of the project, the assets including land, parking and improvements associated with the commercial development will be owned by Lancaster Urban Village Commercial, LLC, whose owners are City Wide Community Development Corporation (95%), a 501(c)3 non-profit community housing development organization and Urban

Lancaster Community Development Corporation (5%)

- Commercial retail and small office space will be constructed on property owned by Lancaster Urban Village Commercial, whose owners City Wide Community Development Corporation (95%), a 501(c)3 non-profit community housing development organization and Urban Lancaster Community Development Corporation (5%)

Citizen Participation

Citizens were afforded opportunities to participate in the application process by means of public meetings held to receive questions and comments both at the meetings and through written comments. Initiatives to provide for citizens' input involved the following activities:

- Notice of public meetings to solicit citizens' input regarding the application were posted on the City's website and cable television channel, at all City branch libraries, and in the Dallas Morning News (the City's official newspaper) and were also submitted to the City Secretary's Office.
- Public meetings were held at the Urban League of Dallas on May 13th and May 27th 2010, which is adjacent to the location of the project. Information regarding the proposed project and Section 108 funding was made available and an opportunity for questions/answers or comments was provided. Additionally, a form was provided to submit written comments. Positive comments were received and the project is strongly supported by the surrounding community.
- Council calls for public hearings were authorized and Council public hearings were held. Resolutions approving the application and amendments to the application following the public hearings are attached.
- A notice of application revisions submitted to HUD on May 20, 2011, was published as a 3-column display ad in the Dallas Morning News Legal Section on June 3, 2011, and the application and summary of revisions to the application were placed on the City's main webpage under "Latest News and Announcements" and on the Housing/Community Services Department webpage under "News Center." Final application will be published on the City's webpage by January 18, 2012.

Citizen participation documentation with chronology is attached in Exhibit C.

Displacement, relocation, acquisition, and replacement of housing (570.606, 570.714(e))

The project site is currently vacant, and there has been demolition on the site. However, improvements existed on at least a portion of the site prior to submission of proposal for Section 108 assistance. The developer will work with the City to locate previous residents and/or business owners who may have occupied the property at acquisition in an effort to provide eligible relocation assistance where applicable.

Project Implementation Schedule

Major Tasks/Activities	Begin Date	End Date
1. Financing	March 2010	February 2012
2. City Approvals	March 2010	January 2012
3. Design and Engineering	August 2009	October 2010
4. Construction	March 2012	June 2013
5. Marketing	January 2013	Open

Please see Exhibit D attached for depiction of schedule and how funds will flow through the project structure.

Statement of Sources and Uses

The total project budget of \$28,743,392 for the Lancaster Urban village project is itemized by sources and uses of funds as follows:

- Acquisition – Public Private Partnership funds from City of Dallas Office of Economic Development of \$2,808,506
- Commercial development – Section 108 funds of \$3,727,606, Public Private Partnership funds of \$1,041,494 and New Market Tax Credits of \$3,281,049
- Public Infrastructure – Section 108 funds of \$1,154,588
- Residential Development – Section 108 funds of \$2,718,147 and 221(d)(4) insured loan funds of \$13,120,343
- Interest Reserve – Section 108 funds of \$891,660

Total Project Budget Recap			
Sources:	Amount	Uses:	Amount
Section 108 Loan	\$ 8,492,000	Land Acquisition	\$ 2,808,506
Public Private Partnership	\$ 3,850,000	Public Infrastructure	\$ 1,154,588
New Market Tax Credits	\$ 3,281,049	Commercial Development	\$ 8,050,149
FHA 221(d)(4) funds	\$13,120,343	Interest Reserve	\$ 891,660
		Residential Development	\$15,838,490
Total Sources:	\$28,743,392	Total Uses:	\$28,743,392

Budget

Eligible Activity	108	EDI/ BEDI	CDBG	Other	Nat. Obj.
Acquisition of improved or unimproved real property in fee or by long-term lease, including acquisition for economic development purposes (570.703(a))					
Rehabilitation of real property owned or acquired by the public entity or its designated public agency (570.703(b))					
Payment of interest on 108 loan obligations (570.703(c))	\$891,660				LMH/LMJ/LMA 570.208(a)(4)/ 570.208(a)(4)/ 570.208(a)(1)(i)
Relocation costs of 108-assisted activity (570.703(d))					
Clearance, demolition and removal of buildings and improvements on real property acquired or rehabilitated pursuant to (a) acquisition and (b) rehabilitation, except where necessary to carry out other eligible 108 activity (570.703(e))					
Site preparation, including construction, reconstruction, or installation of public or other site improvements, utilities, or facilities (other than buildings), which is: (1) related to the redevelopment or use of the real property acquired or rehabilitated pursuant to (a) acquisition and (b) rehabilitation or (2) for an economic development purpose(570.703(f))					
Payment of 108 issuance, underwriting, servicing, trust administration, and other costs associated with private sector financing (570.703(g))					
Housing rehabilitation eligible under 570.202 (570.703(h))					
Economic development eligible under 570.203 (570.703(i)(1))					
Economic development as "community economic development" eligible under 570.204(a)(2) (570.703(i)(2))	\$3,727,606				LMJ 570.208(a)(4)
Construction of housing by CBDO under 570.204(a)(2) 570.207(b)(3)(iii)	\$2,718,147				LMH 570.208(a)(3)
108 debt service reserve to be used in accordance with requirements specified in the contract (570.703(k))					
Acquisition, construction, reconstruction, rehab or installation of public facilities, public streets, sidewalks and other site improvements and public utilities (570.703(l))	\$1,154,588				LMA 570.208(a)(1)(i)
Public works, site or other improvements in colonias (570.703(m))					
Total Budget:	\$8,492,000	\$	\$	\$	

Note: See program costs outline in Exhibit E attached

National Objective Compliance (570.704(b)(1)).

The Lancaster Urban Village project is located in the NIP Lancaster Corridor target area in which 9,863 persons (76%) are at 80% or less of the area median family income. The public improvements made at the site will predominately serve the population residing or working in this area. Development of the project will create community-serving businesses in the area as well as 75 new employment opportunities that will be held by low- and moderate-income persons.

1. Economic development as “community economic development” eligible by 24 CFR 570.703(i)(2) under 24 CFR 570.204(a)(2). This activity with funding of \$3,727,606 meets the national objective of **benefiting low- and moderate-income persons under 24 CFR 570.208(a)(4)** by providing job creation through commercial development that will create employment opportunities in which a minimum of 75 permanent jobs will be created for low- and moderate-income persons. In addition to providing permanent jobs, any community-serving businesses will also provide goods and services to the 9,863 low- and moderate-income residents in the NIP Lancaster Corridor area. Although 24 CFR 570.209(b)(3)(i)(B) would allow up to \$9,863,000 in Section 108 funds for community-serving businesses, the current commercial budget is only \$3,727,606.
2. Construction of housing by CBDO is eligible under the 24 CFR 570.207(b)(3)(iii) exception to construction of new residential housing pursuant to 24 CFR 570.204(a)(2). This activity with funding of \$2,718,147 meets the national objective of **benefiting low- and moderate-income persons under 24 CFR 570.208(a)(3)** by reserving 51% of the residential rental units for households eligible at 80% or less of the area median family income.
3. Acquisition, construction, reconstruction, rehab or installation of public facilities, public streets, sidewalks and other site improvements and public utilities under 570.703(l). This activity with funding of \$1,154,588 meets the national objective of **benefiting low- and moderate-income persons** in the NIP Lancaster Corridor area served by providing an area benefit under (24 CFR 570.208(a)(1)(i) where 76% of the population in the NIP Lancaster Corridor area is in the low- and moderate-income range. Funding will be used for public improvements including storm sewer, water and wastewater, streets and streetscapes construction, reconstruction, and installation.
4. Payment of interest on 108 loan obligations is eligible under 24 CFR 570.703(c). This activity with funding of \$891,660 meets the national objective of **benefiting low and moderate-income persons** by enabling the project to use Section 108 funds and have the ability to repay interest derived from use of those funds for all of the activities and national objectives discussed above.

The Project is located in the NIP Lancaster Corridor target area consisting of 4.7 square miles in which 9,863 persons (76%) are at 80% or less of the area median family income. Additionally, the project is located in CDBG eligible census tract 57.00 (including block groups 1, 2, 3, 4, and 5) where 76.7% of the population is at 80% or less of the area median family income and in block group 5 where 69% of the population is at 80% or less of the area median family income. The public improvements made at the site will predominately serve the population residing or working

in the NIP Lancaster Corridor target area. Development of the project will create community-serving businesses in the area as well as 75 new employment opportunities that will be held by low- and moderate-income persons.

Generic Application Screening Activities, Underwriting & Public Benefit Standards

The City will conduct appropriate financial underwriting and project evaluation to insure that the level of Section 108 funding for the project is appropriate and to insure that the project is financially feasible. The commercial development of the project providing for new businesses will result in the creation of jobs for low- to moderate-income persons with at least one full-time permanent position created for each \$50,000 increment of Section 108 funding provided to the project.

Section 108 Loan Repayment Source (570.704(b)(2)).

The development will take 18 months to construct and 1 year to lease up. A debt service (interest) reserve of \$891,660 has been established within the development budget to cover debt service during this initial lease up period of the project. Once the development is stabilized, the annual repayment will be made from the existing City of Dallas TOD Tax Increment Finance District. The project has been approved as the TOD TIF’s priority project, with increment being dedicated to the repayment program through its completion in year 8. See attached draft of TIF agreement, Exhibit F.

Section 108 Loan Repayment Schedule (570.704(b)(2))

Period/Year	Principal Balance	Interest	Principal Paydown
1 2012	\$8,492,000.00	Interest Only	\$0
2 2013	\$8,492,000.00	Interest Only	\$0
3 2014	\$8,492,000.00	Interest Only	\$0
4 2015	\$8,492,000.00	Interest Only	\$0
5 2016	\$8,492,000.00	Interest Only	\$0
6 2017	\$8,492,000.00	Interest Only	\$0
7 2018	\$8,492,000.00	Interest Only	\$0
8 2019	\$5,661,333.33	Interest	(\$2,830,666.67)
9 2020	\$2,830,666.66	Interest	(\$2,830,666.67)
10 2021	-0-	Interest	(\$2,830,666.66)
Aggregate Principal Amount			(\$8,492,000.00)

Additional Security Requirements (570.705(b)(3)).

Identification of proposed additional security beyond pledge of CDBG funds are defined below.

- Debt service reserves in the development budget;
- A pledge of future tax increments from the City of Dallas TOD TIF district.

Exhibit A

Affordable Units Mix

	<u>Total No. Units</u>	<u>Affordable Units</u>
Studio	13	7
One Bedroom	99	51
Two Bedroom	77	40
Three Bedroom	<u>4</u>	<u>2</u>
Total	193	100

Lancaster Urban Village
Total Unit Mix:

Type	# of Units	% of Total	RSF	Total RSF
E1a Studio	8	4%	493	3,944
E1b Studio	4	2%	493	1,972
E1alt1 Studio	1	1%	489	489
A1,r,q,ansi 1 bdrm	26	13%	651	16,926
A1(g,h) 1 bdrm	2	1%	651	1,302
A1(c,d,e,f) 1 bdrm	4	2%	651	2,604
A1(j,k,L,s) 1 bdrm	28	15%	651	18,228
A1(m,n,p) 1 bdrm	4	2%	651	2,604
A1(alt 1,2) 1 bdrm	3	2%	671	2,013
A1-A 1 bdrm	2	1%	759	1,518
A1-A(a) 1 bdrm	2	1%	759	1,518
A2 1 bdrm	15	8%	704	10,560
A2(a,b,c) 1 bdrm	3	2%	704	2,112
A2(alt 1,2) 1 bdrm	2	1%	690	1,380
A2(alt 3,4) 1 bdrm	4	2%	702	2,808
A3 1 bdrm	4	2%	642	2,568
B1 2 bdrms	8	4%	970	7,760
B1(a) 2 bdrms	2	1%	966	1,932
B1(b) 2 bdrms	2	1%	966	1,932
B1(c,d) 2 bdrms	2	1%	970	1,940
B1(e) 2 bdrms	1	1%	972	972
B1(f) 2 bdrms	3	2%	972	2,916
B1(g,h) 2 bdrms	6	3%	970	5,820
B1(alt 1) 2 bdrms	2	1%	957	1,914
B1-A(b-d,g) 2 bdrms	6	3%	970	5,820
B1-A(e) 2 bdrms	1	1%	970	970
B1-A(f,h) 2 bdrms	2	1%	970	1,940
B2 2 bdrms	6	3%	1080	6,480
B2(a) 2 bdrms	1	1%	1080	1,080
B2(b) 2 bdrms	1	1%	1080	1,080
B2(c,d) 2 bdrms	2	1%	1080	2,160
B2(alt 1) 2 bdrms	2	1%	1087	2,174
B3 2 bdrms	10	5%	1089	10,890
B3(a) 2 bdrms	1	1%	1089	1,089
B3(ansi) 2 bdrms	2	1%	1094	2,188
B3-A 2 bdrms	1	1%	1255	1,255
B4(a) 2 bdrms	1	1%	1200	1,200
B4(alt 1,2) 2 bdrms	3	2%	1238	3,714
B5 2 bdrms	2	1%	1105	2,210
B6(a) 2 bdrms	3	2%	1035	3,105
B7 2 bdrms	4	2%	1069	4,276
B8 2 bdrms	3	2%	1007	3,021
C1(a,b) 3 bdrms	2	1%	1378	2,756
C1(alt 1) 3 bdrms	1	1%	1432	1,432
C1(ansi alt2) 3 bdrms	1	1%	1401	1,401

Total / Average 193 100% 819 157,973

Exhibit B



Exhibit A (continued)
Lancaster Urban Village Structure Chart

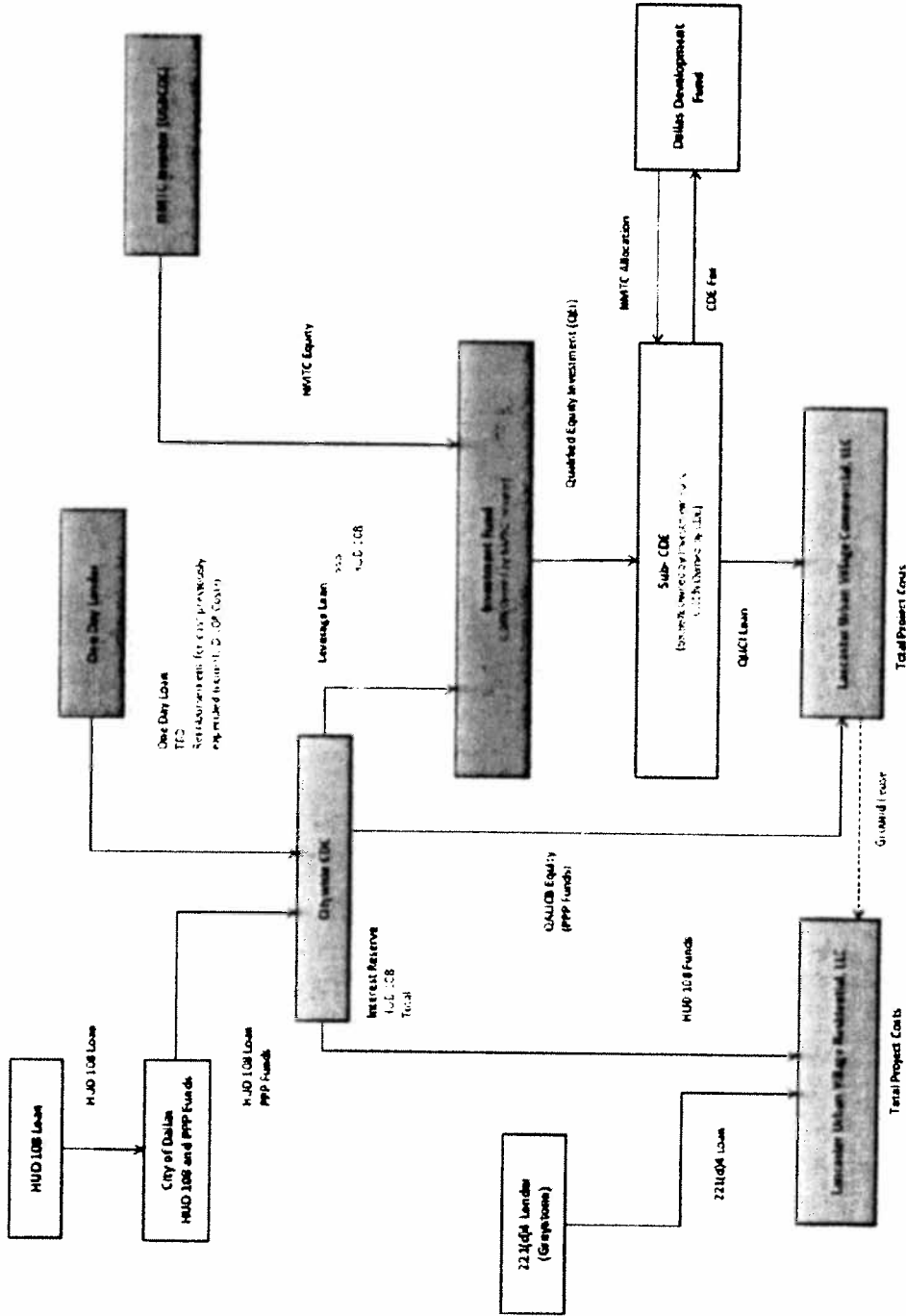


Exhibit C

Lancaster Urban Village Development Citizen Participation Documentation

Documents attached:

- Neighborhood public hearing notice for May 13, 2010 – advertised in the Dallas Morning News on April 29, 2010
- Neighborhood public hearing notice for May 13, 2010 – flyer posted at meeting location, City Secretary's Office, City's web page, and all Dallas Branch Libraries
- Resolution # 10-1265 – call for Council public hearing, 5/12/10
- Resolution # 10-1678 – Council public hearing and approval of application, 6/23/10, \$7.4M
- Resolution # 10-2652 – call for Council public hearing (increase funding amount from \$7.4M previously approved to \$8.5M, 10/13/10
- Resolution # 10-2947 – Council public hearing and approval of application, 11/17/10
- Notice for review and comment period for CDBG Section 108 Loan Guarantee Program and project applications – advertised in the Dallas Morning News Metro Section on July 23, 2010
- Council public hearing notice for November 17, 2010 – advertised in the Dallas Morning News on November 2, 2010, posted in the City Secretary's Office, and posted on the City's web page
- Notice of application revisions published in the Dallas Morning News June 3, 2011, and the application and summary of revisions to the application placed on the City's webpages

WHEREAS, the City of Dallas seeks to keep momentum going in growth prone areas and stimulate investment in more challenged areas by providing a substitute for declining availability of capital funding while banks are not willing to loan as much against collateral, interest rates for available funding have increased and proceeds from sales of tax credits has declined; and

WHEREAS, on November 17, 2008, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Loan Application authorization for the use of Section 108 Guarantee Loan funds to provide project gap financing or mezzanine debt necessary to move projects forward in today's financial market, to minimize, if not eliminate, the risk to the CDBG program revenue and set guidelines by which the funds would be used; and

WHEREAS, on January 5, 2009, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Guarantee Loan fund application requirements and proposed Program Guidelines for the City to apply for up to a total of \$75,000,000 in guarantee loans; and

WHEREAS, on January 28, 2009, the City Council adopted CDBG Section 108 Guarantee Loan Program Statement, setting out the program purpose, description, operations and project criteria by Resolution No. 09-0291; and

WHEREAS, on May 3, 2010, the Housing Committee was briefed on the Community Development Block Grant Section 108 Guaranteed Loan Application to HUD for the Lancaster Urban Village Development and voted to favorably recommend that the City apply for Section 108 Guarantee Loan funds for the project; and

WHEREAS, on May 12, 2010, the City Council authorized a public hearing to be held on June 23, 2010 to receive comments on the proposed City of Dallas submission of an application to HUD for a Section 108 loan in an amount not to exceed \$7,400,000 for the Lancaster Urban Village project by Resolution No. 10-1265; and

WHEREAS, on June 23, 2010, the City Council held a public hearing and approved submission of an application to the U.S. Department of Housing and Urban Development (HUD) for a Community Development Block Grant Section 108 Guaranteed Loan Program loan in the amount of \$7,400,000 to fund Lancaster Urban Village Commercial, LLC for land acquisition, sitework, a loan interest reserve, and commercial development for a mixed-use, transit-oriented development along the South Lancaster Road corridor across from the Veterans Affairs Medical Center by Resolution No. 10-1678; and

WHEREAS, the developer has submitted an amended project proposal to increase the amount of the Section 108 loan funds from \$7,400,000 to \$8,492,000 to increase the total land acquisition from 3.5 acres to 5.2 acres located at the southwest quadrant of the intersection of South Lancaster Road and Ann Arbor Avenue; to increase the number of affordable units from 20% (39) of total units to 51% (98) of total units deed restricted for 15 years for affordability for families with incomes at 80% or less of Area Median Family Income; and to add 10 additional parking spaces increasing the total spaces in the parking garage from 395 to 405; and

WHEREAS, on October 13, 2010, the City Council authorized a public hearing to be held on November 17, 2010, to receive comments on an amended City of Dallas proposal to submit an application to the U.S. Department of Housing and Urban Development for a Community Development Block Grant Section 108 Loan Program loan in the amount of \$8,492,000 by Resolution No. 10-2599.

WHEREAS, the City of Dallas now desires to apply to HUD for Community Development Section 108 Guarantee Loan funds in the increased amount of \$8,492,000 for a Section 108 loan for Lancaster Urban Village Commercial LLC to develop Lancaster Urban Village, a mixed-use, transit-oriented project at the southwest quadrant of the intersection of South Lancaster Road and Ann Arbor Avenue, which consists of land acquisition, sitework, commercial development, development of a parking garage, and funding of a loan interest reserve; and

WHEREAS, HUD requires the City to certify that its governing body has duly adopted a resolution (a) authorizing the person identified as the official representative of the public entity to submit the application and amendments thereto and all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the public entity to act in connection with the application to provide such additional information as may be required; and (b) authorizing such official representative to execute such documents as may be required in order to implement the application and issue debt obligations pursuant thereto (provided that the authorization required by this paragraph may be given by the local governing body after submission of the application but prior to execution of the contract required by §570.705(b); **NOW, THEREFORE**,

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

102947

November 17, 2010

SECTION 1. That the City Council hereby authorizes the submission of the application to the U.S. Department of Housing and Urban Development (HUD) for a CDBG Section 108 Guarantee Loan Program loan in an amount not to exceed \$8,492,000 for a Section 108 loan for Lancaster Urban Village Commercial LLC to develop Lancaster Urban Village, a mixed-use, transit-oriented project at the southwest quadrant of the intersection of South Lancaster Road and Ann Arbor Avenue, including 5.2-acre land acquisition, sitework, commercial development, development of a parking garage, and funding of a loan interest reserve including 193 multi-family residential units with 51% (98) of the units to be deed restricted for 15 years for affordability to families with incomes at 80% less of Area Median Family Income as established by HUD.

SECTION 2. That the Section 108 loan application will request an amount not to exceed \$8,492,000 with interest payments for the first three years of the loan funded out of three years of interest reserve and with Tax Increment Financing District (TIF) reimbursements to be used to make the Section 108 Lancaster Urban Village Loan payments until the Section 108 Lancaster Urban Village Loan is paid in full. Both the Section 108 Loan from HUD and the Section 108 Lancaster Urban Village Loan will have matching amortization, and the Section 108 Lancaster Urban Village Loan will have an interest rate which is .5% higher than the Section 108 Loan from HUD. All loan payments by borrower will provide adequate funds for City to make its payment on the Section 108 Loan from HUD.

SECTION 3. That the City Manager is authorized to submit the application and amendments thereto and all understandings and assurances contained therein, and the City Manager is the official representative of the City of Dallas authorized to act in connection with the application to provide such additional information as may be required.

SECTION 4. That the City Manager is authorized to take necessary actions as may be required in connection with the submission of the Section 108 application.

SECTION 5. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

DISTRIBUTION:

Housing/Community Services Department
Economic Development Department
City Attorney's Office
Budget and Management Services/Community Development, 4FS

APPROVED BY
CITY CLERK

NOV 17 2010

William D. Heston
City Secretary

WHEREAS, the City of Dallas seeks to keep momentum going in growth prone areas and stimulate investment in more challenged areas by providing a substitute for declining availability of capital funding while banks are not willing to loan as much against collateral, interest rates for available funding have increased and proceeds from sales of tax credits has declined; and

WHEREAS, on November 17, 2008, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Loan Application authorization for the use of Section 108 Guarantee Loan funds to provide project gap financing or mezzanine debt necessary to move projects forward in today's financial market, to minimize, if not eliminate, the risk to the CDBG program revenue and set guidelines by which the funds would be used; and

WHEREAS, on January 5, 2009, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Guarantee Loan fund application requirements and proposed Program Guidelines for the City to apply for up to a total of \$75,000,000 in guarantee loans; and

WHEREAS, on January 28, 2009, the City Council adopted CDBG Section 108 Guarantee Loan Program Statement, setting out the program purpose, description, operations and project criteria by Resolution No. 09-0291; and

WHEREAS, on May 3, 2010, the Housing Committee was briefed on the Community Development Block Grant Section 108 Guaranteed Loan Application to HUD for the Lancaster Urban Village Development and voted to favorably recommend that the City apply for Section 108 Guarantee Loan funds for the project; and

WHEREAS, on June 23, 2010, the City Council held a public hearing and approved submission of an application to the U.S. Department of Housing and Urban Development (HUD) for a Community Development Block Grant Section 108 Guaranteed Loan Program loan in the amount of \$7,400,000 to fund Lancaster Urban Village Commercial, LLC for land acquisition, sitework, a loan interest reserve, and commercial development for a mixed-use, transit-oriented development along the South Lancaster Road corridor across from the Veterans Affairs Medical Center; and

WHEREAS, the developer has submitted an amended project proposal to increase the amount of the Section 108 loan funds from \$7,400,000 to \$8,492,000 to increase the number of affordable units from 20% (39) units to 51% (98) units deed restricted for 15 years for affordability for families with incomes at 80% or less of Area Median Family Income, and to use Section 108 funding to develop the project garage which will have 10 additional parking spaces increasing the total spaces from 395 to 405; and

WHEREAS, the City of Dallas now desires to apply to HUD for Community Development Section 108 Guarantee Loan funds in the increased amount of \$8,492,000 for the development of Lancaster Urban Village, a mixed-use, transit-oriented project at the southeast quadrant of the intersection of S. Lancaster Rd. and Ann Arbor Ave., which consists of land acquisition, sitework, funding of a loan interest reserve, commercial development, and development of a parking garage; and

WHEREAS, The City Council of the City of Dallas desires to call a public hearing to receive comments on the application to the U.S. Department of Housing and Urban Development for the Community Development Block Grant Section 108 Guarantee Loan funds in the amount of \$8,492,000 for the Lancaster Urban Village Development; **NOW THEREFORE**,

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

SECTION 1. That the City Council hereby authorizes a public hearing to be held on November 17, 2010, to receive comments on the proposed City of Dallas submission of an application to the U.S. Department of Housing and Urban Development (HUD) for a CDBG Section 108 Guarantee Loan Program loan in an amount not to exceed \$8,492,000 to aid Lancaster Urban Village Commercial LLC for development of Lancaster Urban Village, a mixed-use, transit-oriented project at the southeast quadrant of the intersection of S. Lancaster Rd. and Ann Arbor Ave., including 3.5-acre land acquisition, sitework, funding of a loan interest reserve, commercial development, and development of a parking garage.

SECTION 2. That at the close of the November 17, 2010 public hearing, the City Council will consider whether to authorize the submission of an application to HUD for a CDBG Section 108 Guaranteed Loan for Lancaster Urban Commercial LLC in an amount not to exceed \$8,492,000.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

DISTRIBUTION:

Housing/Community Services Department
Economic Development Department
City Attorney's Office
Office of Financial Services/Community Development, 4FS

APPROVED BY
CITY COUNCIL

OCT 13 2010

Deborah West
City Secretary

WHEREAS, the City of Dallas seeks to keep momentum going in growth prone areas and stimulate investment in more challenged areas by providing a substitute for declining availability of capital funding while banks are not willing to loan as much against collateral, interest rates for available funding have increased and proceeds from sales of tax credits has declined; and

WHEREAS, on November 17, 2008, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Loan Application authorization for the use of Section 108 Guarantee Loan funds to provide project gap financing or mezzanine debt necessary to move projects forward in today's financial market, to minimize, if not eliminate, the risk to the CDBG program revenue and set guidelines by which the funds would be used; and

WHEREAS, on January 5, 2009, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Guarantee Loan fund application requirements and proposed Program Guidelines for the City to apply for up to a total of \$75,000,000 in guarantee loans; and

WHEREAS, on January 28, 2009, the City Council adopted CDBG Section 108 Guarantee Loan Program Statement, setting out the program purpose, description, operations and project criteria by Resolution No. 09-0291; and

WHEREAS, on May 3, 2010, the Housing Committee was briefed on the Community Development Block Grant Section 108 Guaranteed Loan Application to HUD for the Lancaster Urban Village Development and voted to favorably recommend that the City apply for Section 108 Guarantee Loan funds for the project; and

WHEREAS, the City of Dallas desires to apply to HUD for Community Development Section 108 Guarantee Loan funds in the amount of \$7,400,000 for the development of Lancaster Urban Village, a mixed-use, transit-oriented project at the southeast quadrant of the intersection of S. Lancaster Rd. and Ann Arbor Ave., which consists of land acquisition, sitework, funding of a loan interest reserve, and commercial development; and

WHEREAS, The City Council of the City of Dallas desires to call a public hearing to receive comments on the application to the U.S. Department of Housing and Urban Development for the Community Development Block Grant Section 108 Guarantee Loan funds in the amount of \$7,400,000 for the Lancaster Urban Village Development;
NOW THEREFORE,

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

SECTION 1. That the City Council hereby authorizes a public hearing to be held on June 23, 2010, to receive comments on the proposed City of Dallas submission of an application to the U.S. Department of Housing and Urban Development (HUD) for a CDBG Section 108 Guarantee Loan Program loan in an amount not to exceed \$7,400,000 to aid Lancaster Urban Commercial LLC for development of Lancaster Urban Village, a mixed-use, transit-oriented project at the southeast quadrant of the intersection of S. Lancaster Rd. and Ann Arbor Ave., including 3.5-acre land acquisition, sitework, funding of a loan interest reserve, and commercial development.

SECTION 2. That at the close of the June 23, 2010 public hearing, the City Council will consider whether to authorize the submission of an application to HUD for a CDBG Section 108 Guaranteed Loan for Lancaster Urban Commercial LLC in an amount not to exceed 7,400,000.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

DISTRIBUTION:

Housing/Community Services Department
Economic Development Department
City Attorney's Office
Office of Financial Services/Community Development, 4FS

APPROVED BY
CITY COUNCIL

MAY 12 2010


City Secretary

WHEREAS, the City of Dallas seeks to keep momentum going in growth prone areas and stimulate investment in more challenged areas by providing a substitute for declining availability of capital funding while banks are not willing to loan as much against collateral, interest rates for available funding have increased and proceeds from sales of tax credits has declined; and

WHEREAS, on November 17, 2008, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Loan Application authorization for the use of Section 108 Guarantee Loan funds to provide project gap financing or mezzanine debt necessary to move projects forward in today's financial market, to minimize, if not eliminate, the risk to the CDBG program revenue and set guidelines by which the funds would be used; and

WHEREAS, on January 5, 2009, the Economic Development Committee and the Housing Committee were briefed and gave favorable approval on CDBG Section 108 Guarantee Loan fund application requirements and proposed Program Guidelines for the City to apply for up to a total of \$75,000,000 in guarantee loans; and

WHEREAS, on January 28, 2009, the City Council adopted CDBG Section 108 Guarantee Loan Program Statement, setting out the program purpose, description, operations and project criteria by Resolution No. 09-0291; and

WHEREAS, on May 3, 2010, the Housing Committee was briefed on the amended Community Development Block Grant Section 108 Guaranteed Loan Application to HUD for the Lancaster Urban Village Development and voted to favorably recommend that the City apply for Section 108 Guarantee Loan funds for the project; and

WHEREAS, on May 12, 2010, the City Council authorized a public hearing to be held on June 23, 2010 to receive comments on the proposed City of Dallas submission of an application to HUD for a Section 108 loan not to exceed \$7,400,000 for the Lancaster Urban Village project by Resolution No. 10-1265; and

WHEREAS, the City of Dallas desires to apply to HUD for Community Development Section 108 Guarantee Loan funds in the amount of \$7,400,000 for the development of the Lancaster Urban Village, a mixed-use, transit-oriented project at southwest quadrant of intersection of South Lancaster Road and Ann Arbor Boulevard including commercial, retail and office space and 193 multi-family residential units with 20% (39) of the units to be deed restricted for 15 years for affordability to families with incomes 80% or less of Area Median Family Income, and consisting of property acquisition, funding of interest reserve, sitework including demolition and site and infrastructure improvement, and commercial development; and

June 23, 2010

WHEREAS, HUD requires the City to certify that its governing body has duly adopted a resolution (a) authorizing the person identified as the official representative of the public entity to submit the application and amendments thereto and all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the public entity to act in connection with the application to provide such additional information as may be required; and (b) authorizing such official representative to execute such documents as may be required in order to implement the application and issue debt obligations pursuant thereto (provided that the authorization required by this paragraph may be given by the local governing body after submission of the application but prior to execution of the contract required by §570.705(b)); **NOW THEREFORE**,

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

SECTION 1. That the City Council hereby authorizes the submission of the application to the U.S. Department of Housing and Urban Development (HUD) for a CDBG Section 108 Guarantee Loan Program loan in an amount not to exceed \$7,400,000 to fund a loan for Lancaster Urban Commercial LLC for property acquisition and to fund an interest reserve, demolition, site improvements, public infrastructure, and commercial development to develop a mixed-use project at southwest quadrant of intersection of South Lancaster Road and Ann Arbor Boulevard including commercial, retail and office space and 193 multi-family residential units with 20% (39) of the units to be deed restricted for 15 years for affordability to families with incomes at 80% less of Area Median Family Income as established by HUD.

SECTION 2. That the Section 108 loan application will request an amount not to exceed \$7,400,000 with interest payments for the first three years of the loan funded out of three years of interest reserve and with Tax Increment Financing District (TIF) reimbursements to be used to make the Section 108 Lancaster Urban Village Loan payments until the Section 108 Lancaster Urban Village Loan is paid in full. Both the Section 108 Loan from HUD and the Section 108 Lancaster Urban Village Loan will have matching amortization, and the Section 108 Lancaster Urban Village Loan will have an interest rate which is .5% higher than the Section 108 Loan from HUD. All loan payments by borrower will provide adequate funds for City to make its payment on the Section 108 Loan from HUD.

SECTION 3. That the City Manager is authorized to submit the application and amendments thereto and all understandings and assurances contained therein, and the City Manager is the official representative of the City of Dallas authorized to act in connection with the application to provide such additional information as may be required.

COUNCIL CHAMBER

101678
June 23, 2010

SECTION 4. That the City Manager is authorized to take necessary actions as may be required in connection with the submission of the Section 108 application.

SECTION 5. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

DISTRIBUTION:

Housing/Community Services Department
Economic Development Department
City Attorney's Office
Office of Financial Services/Community Development, 4FS

APPROVED BY
CITY COUNCIL

JUN 23 2010


City Secretary

DUN 4/29/10
dallasnews.com

The Dallas Morning News

Legal Notices

NEVERABILITY
CAUSE; AND
PROVIDING AN
EFFECTIVE DATE.

PASSED & APPROVED
this 20th day of April, 2010

Ronald E. Jones, Mayor
Mary J. Kayser,
City Secretary

PN 4317
As of 4/29/2010 and 4/29/2010

PUBLIC AUCTION

Day and Date of Sale:
Monday, May 3, 2010

Place: 1550 Nible Prairie
Road, Suite 410
Grand Prairie, TX 75050

Time: 2:00 P.M.

Financial Federal Credit
Co. will sell at public sale
the highest bidder AS
IS, WHERE IS, WITHOUT
ANY REPRESENTA-
TIONS OR
WARRANTIES,
EXPRESS, IMPLIED OR
STATUTORY,
INCLUDING WITHOUT
LIMITATION, ANY
WARRANTY OF
MERCHANTABILITY OR
ANY WARRANTY OF
FITNESS FOR A
PARTICULAR
PURPOSE, all of its right,
title and interest to:

- Three (3) 2006 Transcraft
4x102 Platform Trailers
- Two (2) 2006 Transcraft
4x102 Platform Trailers
- One (1) 2007 Benzco 4x102
Platform Trailer
- One (1) 2007 Reimke 4x102
Platform Trailer
- Four (4) 2007 Volvo
7NLS47780

TERMS: (in cash,
certified check or bank
check) 25% down at close
of bidding, balance due
within 24 hours.

Financial Federal Credit
Co. reserves the right to
cancel the sale. Please
contact James Hutchinson
at (214) 354-2189 to make
auction arrangements.

FINANCIAL FEDERAL
CREDIT INC.
26 West Oak Blvd., Suite
60, Houston, TX 77054



CITY OF DALLAS
NOTICE OF
PUBLIC HEARING

The City of Dallas will
hold Public Hearings on
May 11, 2010 to consider
the issuance of an order
authorizing the repair,
removal or termination of
structures located in the
City of Dallas. The
following properties cases
will be heard at 1:00 p.m.
on Monday, 5:00 P.M. at
5011 Hancock St.,
Dallas, Texas 75244
1119 E. Leobetter;
2121 West Avenue; 2332
Luzon; 4330
Hancock Dr; 4506
Hancock Ave; 4527

Legal Notices

Legal Notices

Legal Notices



CITY OF DALLAS

NOTICE OF PUBLIC HEARING

The City of Dallas Housing/Community Services Department will hold a public hearing to solicit citizen comments on an application to be submitted to the Department of Housing and Urban Development for approval of a Community Development Block Grant Section 108 guaranteed loan in the amount of \$7,000,000 in support of a mixed-use development including construction of retail/office space and 123 apartment units with 39 affordable apartment units located at the southeast corner of S. Lancaster Rd. and Ann Arbor Ave., developer Catalyst Urban Development, LLC.

Date	Location	Time
Thursday May 13, 2010	Dallas Urban League 1315 S. Lancaster Rd., 4th Fl. Dallas, TX 75216	5:30 p.m. - 7:00 p.m.

Anyone who plans to attend and requires special arrangements due to a disability should contact the Housing/Community Services Department at 214-670-7302 forty-eight (48) hours prior to the meeting; reasonable accommodations will be made. (DD Via Relay TX) 1-800-735-2789. For additional information, call 214-670-4522. For more information, see favor name at 214-670-4522.

Legal Notices

Interposition: 1527
Retraction: 104 Pecan;
139 Randolph; 1606
Wicks; 104 N. Tatum.

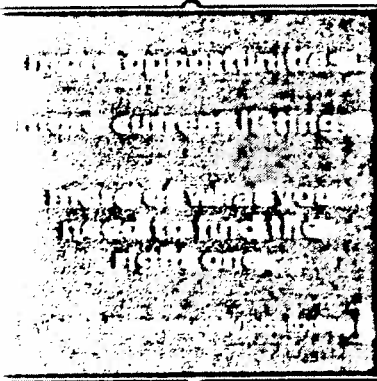
The hearings will be
held in Municipal Property
Court #9 on the second
floor of the Courthouse
located at 104 South
Harwood St., Dallas,
Texas. For questions,
contact Michelle Jennings,
Office of the City
Attorney, City of Dallas,
City Hall, Dallas, TX 75201
at (214) 570-3509.

The Dallas Independent
School District announces
its community-wide public
hearing, soliciting citizens'
comments and
suggestions on the
availability of after-school
programming for the 2010-
11 school year. The
hearing will be held on
May 4, 2010 at the Dallas
10 Administration
Building, 1700 Ross Ave.,
Dallas 75204. For those
unable to attend, please
forward your comments to
the previous stated
address, ATTN: Box 188,
by May 4.

Effective May 7, 2010
Charles R. Leach, MD will
be leaving Baylor Family
Medical Center at
Riverside. His medical
records will be maintained
at this location and
patients may obtain a
copy by calling 317-119-
2244.



Application has been made with the
Texas Alcoholic Beverage Commission
for a Mixed Beverage (MB), Mixed Beverage
Late Hours (LB), Mixed Beverage
with Food and Beverage Certificate
(RM) by K. Dominique Cobbins and
Jockton J. Roberts dba The SpeakEasy,
to be located at 1908 Martin Luther King
Jr. Blvd., Dallas, Dallas County, Texas.
Owners of said business are K. Domini-
que Cobbins, owner and Jockton J. Rob-
erts, co-owner.



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2010 APR 29 AM 8:25

CITY OF DALLAS
DALLAS, TEXAS

Council District 5 Neighborhood Public Hearing

A public hearing to solicit citizen comments on an application for approval from HUD for a Community Development Block Grant Section 108 guaranteed loan in the amount of \$7,400,000 in support of a mixed-use development including construction of retail/office space and 193 apartment units with 39 affordable apartment units located at the southeast corner of S. Lancaster Rd. and Ann Arbor Ave.

Thursday, May 13, 2010
6:00 p.m. – 7:00 p.m.

Dallas Urban League
4315 S. Lancaster Rd., Rm. 168

Anyone who plans to attend and requires special arrangements due to a disability should contact the Housing/Community Services Department at 214-670-7302 forty-eight (48) hours prior to the meeting; reasonable accommodations will be made. TDD Via Relay TX 1-800-735-2989. For additional information, call 214-670-4522. Para mas información, por favor llame al 214-670-4522.

X D M N 7/23/10



NOTICE OF REVIEW AND COMMENT PERIOD APPLICATIONS FOR COMMUNITY DEVELOPMENT BLOCK GRANT SECTION 108 GUARANTEE LOAN PROGRAM FUNDS

CITY OF DALLAS

The City of Dallas is soliciting public comments on applications submitted and applications approved by the Dallas City Council for submission to the Department of Housing and Urban Development (HUD) for Section 108 Guarantee Loan (Section 108) funds. A copy of this notice concerning applications submitted and approved for submission to HUD to approve Section 108 funds is posted at all Dallas Public Library branches, Office of Financial Services/Community Development Division at 1500 Marilla Street, 4FS, Dallas City Hall, Dallas, TX 75201 and on the City of Dallas main webpage at www.dallascityhall.com under "Latest News & Announcements" or www.dallascityhall.com/housing under "News Center." Individual applications and approvals are also available on the City's webpage.

SECTION 108 GUARANTEE LOAN PROGRAM SUMMARY

In pursuit of programs to help fill the gap in financing for development projects during the economic downturn beginning since the fall of 2008, the City seeks to fund projects that increase the level of affordable housing in the project areas and increase the level of business activity by expanding economic opportunities. Following preliminary approval of City Council Economic Development and Housing Committees in November 2008, the City Council, in January 2009, approved submission of applications to HUD for Community Development Block Grant (CDBG) Section 108 funds for individual projects with the total of all applications not to exceed \$75,000,000.

APPLICATIONS SUBMITTED AND APPROVED FOR SUBMISSION TO HUD FOR SECTION 108 FUNDING APPROVAL

Shamburger Development. An application was submitted to HUD on November 3, 2009, for Section 108 funding of \$15,254,000 to fund a loan for 5630 SMU Boulevard LP to assist with development of property located at the southwest corner of SMU Blvd. (formerly Elm Blvd.) and Greenville Ave. into a mixed-use development consisting of 417 new apartment units including 104 affordable apartment units deed restricted for 15 years for affordability to families with incomes at 80% or less of the area median family income as established by HUD above approximately 9,100 sq. ft. of retail space. The project site is located in CDBG-eligible Census Block 5 in Census Tract 79.05; the developer is Prescott Development Company LLC. Project Cost is approximately \$41.2M with proposed funding from the following sources: Section 108 loan funds - \$15.2M, first lien note - \$36.7M, and developer equity - \$9.3M. Section 108 Funds would be used for Section 108 interest reserve, land acquisition, site work, clearance and demolition, and infrastructure.

Orleans at La Reunion Development. An application was submitted to HUD on December 22, 2009, for Section 108 funding of \$10,350,000 to fund a loan for Orleans at La Reunion, LLC to assist with development of property located at 2300 Fort Worth Ave., into a mixed-use development consisting of 220 new apartment units including 44 affordable apartment units deed restricted for 15 years for affordability to families with incomes at 80% or less of the area median family income as established by HUD and approximately 20,300 sq. ft. of retail and 3,000 sq. ft. of office space. The project site is located in CDBG-eligible Census Tract 68.00; the developer is Avalon Residential Care Homes, Inc. Project cost is approximately \$33.5M with proposed funding from the following sources: Section 108 loan funds - \$10.3M, first lien note - \$18.1M, and developer equity - \$5.1M. Section 108 funds would be used for Section 108 interest reserve, property acquisition, tenant relocation costs, and site improvements and demolition.

Courtyards at La Reunion Development. An application was submitted to HUD on December 22, 2009, for Section 108 funding of \$5,000,000 to fund a loan for Courtyards at La Reunion, LLC to assist with development of property located at 2201 Fort Worth Avenue consisting of construction of 96 new apartment units including 59 affordable apartment units deed restricted for 15 years for affordability to families with incomes at 80% or less of the area median family income as established by HUD. The project site is located in CDBG-eligible Census Tract 69.00; the developer is Avalon Residential Care Homes, Inc. Project Cost is approximately \$11.1M with proposed funding from the following sources: Section 108 loan funds of \$5.2M, first lien note - \$4.8M, and developer equity - \$1M. Section 108 funds would be used for Section 108 interest reserve, land and building acquisition, tenant relocation costs, and site improvements and demolition.

Continental Building Development. An application was submitted to HUD on January 15, 2010, and amended on June 8, 2010, for Section 108 funding of \$7,600,000 for FC Continental Complex, L.P. to assist with conversion of a vacant commercial building located 1810 Commerce St. into a mixed-use development consisting of 203 new apartment units including 41 affordable apartment units deed restricted for 15 years for affordability to families with incomes at 90% or less of the area median family income as established by HUD above approximately 5,000 sq. ft. of retail space; the Developer is Forest City Residential Group, Inc. Project Cost is approximately \$57.7M with proposed funding from the following sources: Section 108 loan funds - \$7.6M, HUD 221(d)(4) loan - \$28.1M, Downtown Connection TIF loan - \$2M, City TIF reimbursement - \$2.6M, Federal HTC proceeds - \$7.4M, NTCOG grant - \$3M, and developer equity - \$9.2M. Section 108 Funds would be used for Section 108 interest reserve, clearance and demolition, and housing rehabilitation.

Almos Lofts Development. An application was submitted to HUD on May 11, 2010, for Section 108 funding of \$9,000,000 to fund a loan for Hamilton Almos LP to assist with conversion of four vacant commercial buildings located at 1900 Jackson St., 301 S. Harwood St., 1915 Wood St., and 1915 Wood St. into a mixed-use development consisting of 230 new apartment units including 117 affordable apartment units deed restricted for 15 years for affordability to families with incomes at 80% or less of the area median family income as established by HUD above approximately 10,000 sq. ft. of retail space; the Developer is Hamilton Almos LP LLC. Project Cost is approximately \$40.8M with proposed funding from the following sources: Section 108 loan funds - \$9.1M, first lien note - \$13.7M, FHTC - \$19.6M, Federal Home Loan Bank grant - \$5M, historic tax credit equity - \$3.1M, NTCOG grant - \$5.3M, and state bond grant - \$1M, and developer equity - \$2M. Section 108 Funds would be used for Section 108 interest reserve, site work, and housing rehabilitation.

Lancaster Urban Village. On June 23, 2010, the City Council approved submission of an application to HUD for Section 108 funding of \$1,160,000 for Lancaster Urban Commercial LLC to assist with development of property located at the southwest corner of 5th and Amber Pkwy. and Ann Arbor Ave. into a mixed-use development consisting of development of approximately 14,131 sq. ft. of retail/office space to include employment opportunities and provide community-serving businesses. Additionally, the development will include 193 new apartment units with 19 affordable apartment units deed restricted for 15 years for affordability to families with incomes at 80% or less of the area median family income as established by HUD. The project site is located in CDBG-eligible Census Tract 57.00; the developer is Catalyst Urban Development, LLC. Project Cost is approximately \$25.8M with proposed funding from the following sources: Section 108 loan funds - \$7.4M, first lien note - \$12.1M, Tax Increment Financing District 510 funds - \$3.2M, and new market tax credits - \$2.8M. Section 108 Funds would be used for Section 108 interest reserve, property acquisition, clearance and demolition, site and infrastructure improvements, and commercial development.

COMMENT PERIOD AND INFORMATION

The City will be accepting comments on use of Section 108 Guarantee Loan Program funds and applications for proposed developments from July 23 to August 23, 2010. Citizens may submit written comments regarding the use of Section 108 funds and applications and information regarding the Section 108 program or applications, please call (214) 670-4522.

D.M.N. 6/3/11

Legal Notices

PUBLIC NOTICE BOARD OF ADJUSTMENT OF THE CITY OF DALLAS (PANEL A)

NOTICE IS HEREBY GIVEN that the BOARD OF ADJUSTMENT OF THE CITY OF DALLAS (PANEL A) will hold a hearing as follows:

DATE: Tuesday, June 14, 2011
BRIEFING: 11:00 A.M. in 5E5, Dallas City Hall
PUBLIC HEARING: 1:00 P.M. in Council Chambers, Dallas City Hall

The purpose of the hearing is to consider the following applications now pending before the Board of Adjustment:

- 1. BDA 101-946 - Application of William Milligan of Merriman Associates Architects for a special exception to the off-street parking regulations at 4158 Sherry Lane.
2. BDA 101-950 - Application of Tom Bell, represented by Robert Howman, for a special exception to the fence height regulations at 5325 Fremont Road.
3. BDA 101-953(J) - Application of Baldwin Associates for a variance to the front yard setback regulations at 2828 Lemmon Avenue East.
4. BDA 101-957 - Application of GHA Architects/Kristy Torneo for a special exception of the sign regulations at 7815 L.B. Freeway.
5. BDA 101-962(J) - Application of Leigh Ann Everett represented by Roger Atbright for a special exception to the parking regulations at 2749 Southwestern Boulevard.

Please contact Steve Long, Board Administrator at (214) 670-4666, or Trena Law, Board Secretary at (214) 670-4206 if you have any further questions or need any additional information.

PUBLIC NOTICE BOARD OF ADJUSTMENT OF THE CITY OF DALLAS (PANEL B)

NOTICE IS HEREBY GIVEN that the BOARD OF ADJUSTMENT OF THE CITY OF DALLAS (PANEL B) will hold a hearing as follows:

DATE: Wednesday, June 15, 2011
BRIEFING: 11:00 A.M. in L1FN Conference Center Auditorium, Dallas City Hall
PUBLIC HEARING: 1:00 P.M. in L1FN Conference Center Auditorium, Dallas City Hall

The purpose of the hearing is to consider the following applications now pending before the Board of Adjustment:

- 1. BDA 999-983 - Application of Larry and Jill Meletto for a special exception to the visual obstruction regulations at 4341 Beechwood Lane.
2. BDA 101-947 - Application of Walter Guillaume, represented by Jon Mindrup, for special exceptions to the visual obstruction regulations at 445 N. St. Paul Street.
3. BDA 101-949 - Application of Sue Markwald for a special exception to the parking regulations at 2401 Walnut Ridge Street.
4. BDA 101-951 - Application of Kristy Torneo for a special exception to the landscape regulations at 12999 Midway Road.
5. BDA 101-955 - Application of Karl A. Crowley for a special exception to the tree preservation regulations at 3031 N. Prairie Creek Road.

Please contact Steve Long, Board of Adjustment Administrator at (214) 670-4666, or Trena Law, Board Secretary at (214) 670-4206 if you have any further questions or need any additional information.

Legal Notices

If you have any questions about the public meeting or the proposed MSD ordinance, please contact Lori Frauli-Truitt at 214-671-4967 or Carlette Carraway at 214-671-9385.

DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY

basis for the floodplain management measures that your community is required to either adopt or show evidence of having in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP). For a detailed listing of the proposed BEF and information on the statutory period provided for appeals, please visit FEMA's website at

the respondent Gyongyi Bator. Respondent is asked to contact The Tribunal of the Diocese of Orlando at P.O. Box 1900 Orlando, FL 32802 (407) 246-4851.

Unparalleled updates



CITY OF DALLAS

NOTICE OF APPLICATION REVISIONS FOR COMMUNITY DEVELOPMENT BLOCK GRANT SECTION 108 GUARANTEE LOAN PROGRAM FOR LANCASTER URBAN VILLAGE PROJECT

The City of Dallas is providing notice of revisions to an application submitted to the Department of Housing and Urban Development (HUD) for Section 108 Guarantee Loan (Section 108) funds. A copy of the application submitted to HUD, this notice concerning revisions, and a summary of the revisions to the application are posted at all Dallas Public Library branches, Office of Financial Services/Community Development Division at 1500 Marilla Street, 4FS, Dallas City Hall, Dallas, TX 75201, and on the City of Dallas main webpage at www.dallascityhall.com under "Latest News & Announcements" and on the Housing/Community Services Department webpage at www.dallascityhall.com/housing under "News Center."

On November 23, 2010, the City submitted an application to HUD for Section 108 funding of \$8,492,000 for a loan for Lancaster Urban Village Commercial LLC to develop the Lancaster Urban Village project located at the southwest quadrant of the intersection of South Lancaster Road and Ann Arbor Avenue consisting of a mixed-use, transit-oriented development along the South Lancaster Road corridor across from the Veterans Affairs Medical Center (V.A.) that will provide community-serving businesses and provide employment opportunities for low- to moderate-income persons. The project is in CD-eligible census tract 57.00 and is part of a collection of planned developments situated in the Lancaster Corridor Neighborhood Investment Program (NIP) target area. The entire project consists of commercial development of 13,926 square feet of retail/office space and development of a parking garage, sitework, public improvements, construction of 193 multi-family rental units with 98 units (51%) deed-restricted for 15 years for affordability to families with incomes at 80% or less of Area Median Family Income, and a loan interest reserve. The HUD application requested funding for the following activities: property acquisition - \$1,802,516, community economic development - \$3,180,967, sitework - \$2,581,192, and loan interest reserve - \$927,326.

REVISIONS TO THE APPLICATION

The revisions to the application provide for a community economic development project that will redirect funding of \$1,802,516 from property acquisition by Lancaster Urban Village Commercial LLC to construction of multi-family rental housing by City Wide Community Development Corporation.

PUBLIC NOTICE BOARD OF ADJUSTMENT OF THE CITY OF DALLAS (PANEL C)

NOTICE IS HEREBY GIVEN that the BOARD OF ADJUSTMENT OF THE CITY OF DALLAS (PANEL C) will hold a hearing as follows:

DATE: Monday, June 13, 2011
BRIEFING: 11:00 A.M. in 5E5, Dallas City Hall
PUBLIC HEARING: 1:00 P.M. in Council Chambers, Dallas City Hall

The purpose of the hearing is to consider the following applications now pending before the Board of Adjustment:

- 1. BDA 101-940(J) - Application of Tony Visconti represented by Darren Marlowe for a special exception to the fence height regulations at 3242 Park Lane.
2. BDA 101-952(J) - Application of Julianne McGee for a special exception to the parking regulations at 11217 Garland Road.
3. BDA 101-954(J) - Application of Robert Jamieson represented by Andrew Pappas for a variance to the side yard setback regulations at 4778 Patrick Circle.
4. BDA 101-956 - Application of Fernando Perez for a special exception to the fence height regulations at 8344 Crystalwood Drive.
5. BDA 101-958 - Application of Juan Diaz for a special exception to the side yard setback regulations at 7107 Redbud Drive.

Please contact Steve Long, Board of Adjustment Administrator at (214) 670-4666, or Trena Law, Board Secretary at (214) 670-4206 if you have any further questions or need any additional information.

Lancaster Urban Village Project
Application Revisions Summary
May 20, 2011

1. Project Description.

The Lancaster Urban Village development is a community economic development project under 24 CFR 204(a)(2) that includes activities that will increase economic opportunity principally for low- and moderate-income persons by creating permanent jobs and providing affordable housing accessible to both existing and planned jobs. The \$8,492,000 Section 108 loan will provide the commercial retail development that will provide the streetscape activity and services for all new components within this urban district and the residential development that will provide mixed-income housing including affordable housing that will serve the needs of persons newly employed in the area as well as those currently employed in the area.

The Lancaster Urban Village development is the first of four development projects planned for the City's Neighborhood Investment Program (NIP) Lancaster Corridor Target Area. The commercial portion of the Lancaster Urban Village development will deliver 13,926 square feet of retail, restaurant, small office and commercial space, and a 405-space parking garage to the NIP Lancaster Corridor area, creating permanent jobs and goods and services for the area. The affordable housing component of the project will provide 193 mixed-income, multi-family rental units with 51% (98 units) rent-restricted for 15 years for rent to low- to moderate-income persons.

The project is part of a collection of developments proposed by City Wide Community Development Corporation (CDC) situated in the Neighborhood Investment Program (NIP) Lancaster Corridor Target Area, thereby creating a mixed-use, transit-oriented district (TOD) identified by City Wide CDC as their Lancaster Corridor Initiative. This initiative will bring much needed new investment to a site area with much potential but historically inhibited by lack of quality investment. With each development increment timed to open simultaneously, this new urban district will complement the project's delivery of retail and restaurants by offering affordable housing, and parking facilities on a network of new urban streets and pocket-parks connected by pedestrian-friendly streetscape. The project enhances an important component of initiatives designed to foster neighborhood and community development within the NIP Lancaster Corridor area.

2. Structure and Participants Description

City Wide Community Development Corporation (CWCDC) is an IRS approved 501(c)(3) non-profit Community Based Development Organization (CBDO). CWCDC owns 100% interest in Lancaster Urban Village Residential, LLC (LUVR). CWCDC owns a controlling interest (95%) in Lancaster Urban Village Commercial, LLC (LUVV). A new non-profit will own a 5% non-controlling interest in LUVV, and upon IRS approval, 100% of LUVV will be owned by 501(c)(3) entities. LUVV, therefore, will be controlled by the CWCDC.

Developer will send a draft of the IRS exemption letter to your office for CWCDC as a central organization, with affiliated subordinates under its control, which is applying for a group exemption letter for its subordinates.

The QalB entity is a Limited Liability Company, which has no general or limited partners. CWCDC will be the managing member who will control the day to day actions of the company, and the new non-profit will be the non-controlling member, which will be a 5% owner with no authority.

3. National Objective and Public Benefit Description.

Use of funds will be allocated to eligible activities as follows:

- \$3,180,967 for economic development as “community economic development” eligible by 24 CFR 570.703(i)(2) under 24 CFR 570.204(a)(2). This activity meets the national objective of benefiting low- and moderate-income persons under 24 CFR 570.208(a)(4) by providing job creation through commercial development that will create employment opportunities in which a minimum of 64 permanent jobs will be created for low- and moderate-income persons. In addition to providing permanent jobs, any community-serving businesses will also provide goods and services to the 9,863 low- and moderate-income residents in the NIP Lancaster Corridor area. Although 24 CFR 570.209(b)(3)(i)(B) would allow up to \$9,863,000 in Section 108 funds for community-serving businesses, the current commercial budget is only \$3,180,967.
- \$2,581,192 for site preparation and public improvements including storm sewer, water and wastewater, streets and streetscapes construction, reconstruction, and installation under 24 CFR 570.703(l). This activity meets the national objective benefiting low- and moderate-income persons in the NIP Lancaster Corridor area served by providing an area benefit under (24 CFR 570.208(a)(1)(i) where 76% of the population in the NIP Lancaster Corridor area is in the low- and moderate-income range.
- \$1,802,516 for construction of housing is eligible under the 24 CFR 570.207(b)(3)(iii) exception to construction of new residential housing pursuant to 24 CFR 570.204(a)(2). This activity meets the national objective of benefiting low- and moderate-income persons under 24 CFR 570.208(a)(3) by reserving 51% of the residential rental units for households eligible at 80% or less of the area median family income.
- \$927,326 for payment of interest is eligible under 24 CFR 570.703(c) and meets the national objective of benefiting low and moderate-income persons by enabling the project to use Section 108 funds and have the ability to repay interest derived from use of those funds for all of the activities and national objectives discussed above.

The Project is located in the NIP Lancaster Corridor target area in which 9,863 persons (76%) are at 80% or less of the area median family income. The public improvements made at the site will predominately serve the population residing or working in this area. Development of the project will create community-serving businesses in the area as well as 64 new employment opportunities that will be held by low- and moderate-income persons.

4. Project Budget

The total project budget of \$26,842,301 is itemized by sources of funds as follows:

- Acquisition – Public Private Partnership funds from City of Dallas Office of Economic Development of \$1,802,516
- Commercial development – Section 108 funds of \$3,180,967, Public Private Partnership funds of \$733,275 and New Market Tax Credits of \$3,106,991
- Public Infrastructure and sitework – Section 108 funds of \$2,581,192
- Residential Development – Section 108 funds of \$1,802,516, 221(d)(4) insured loan funds of \$12,050,000, and Public Private Partnership funds of \$657,518
- Interest Reserve – Section 108 funds of \$927,326

5. Citizen Participation Notice.

Notice of application revisions will be published as a 3-column display ad in the Dallas Morning News Legal Section by May 24, 2011, and an updated application will be placed on the City's main webpage under "Latest News and Announcements" and on the Housing/Community Services Department webpage under "News Center."

Exhibit D

FLOW OF FUNDS
Lancaster Urban Village
 Dallas, Texas

11/1/11

<u>PPP</u>	<u>From</u>	<u>To</u>	<u>Notes</u>	<u>Debit/Credits</u>
	Apr-09 City of Dallas	Citywide (LUVR/LUVC)	Funding of PPP	\$ 3,850,000
	Jan-12 LUV, LLC	Commercial Dev. Costs	PPP portion of Commercial Costs	\$ (211,807)
	Jan-12 LUV, LLC	Residential Garage	NMTC Portion of Residential Garage	\$ (829,687)
	Jan-12 LUV, LLC	Land	All Land	\$ (2,808,506)
				\$ -
<u>108</u>	<u>From</u>	<u>To</u>	<u>Notes</u>	<u>Debit/Credits</u>
	Mar-12 HUD	LUV, LLC	Funding of HUD 108	\$ 5,454,964
	Mar-12 HUD	LUV, LLC	Funding of HUD 108	\$ 3,037,036
	Jun-12 LUV, LLC	Residential Dev. Costs	108 Portion of Residential Costs	\$ (3,037,036)
	Mar-12 LUV, LLC	Sitework	All Sitework	\$ (1,154,588)
	Apr-12 LUV, LLC	Commercial Garage	All Commercial Garage	\$ (1,662,809)
	Jun-12 LUV, LLC	Commercial Dev. Costs	108 Portion of Commercial Costs	\$ (2,637,568)
				\$ -
<u>NMTC</u>	<u>From</u>	<u>To</u>	<u>Notes</u>	<u>Debit/Credits</u>
	Feb-11 NMTC Inv.	LUV, LLC	Closing of NMTC	\$ 3,281,049
	Feb-11 LUV, LLC	Residential Garage	NMTC Portion of Residential Garage	\$ (3,281,049)
				\$ (0)
<u>HUD 221(d)(4)</u>	<u>From</u>	<u>To</u>	<u>Notes</u>	<u>Debit/Credits</u>
	Mar-12 HUD 221(d)(4)	LUV, LLC	Funding of HUD 221(d)(4) loan	\$ 13,120,343
	Mar-12 LUV, LLC	Residential Dev. Costs	HUD 221(d)(4) portion of Residential Costs	\$ (13,120,343)
				\$ -

Exhibit E

DEVELOPMENT COSTS DETAILS

11/1/11

Lancaster Urban Village
Dallas, Texas

Apartment Program	GSF	% of Total	RSF	% of Total Efficiency	RSF/Unit	# of Units
Apartment	213,221	58.45%	157,973	51.05%	74%	193
Club/Leasing	4,948	1.36%	4,948	1.60%	100%	
Retail	13,926	3.82%	13,807	4.46%	99%	
Subtotal	232,095	63.62%	176,728	57.11%	76%	
Garage	132,725	36.38%	132,725	42.89%	100%	395
Total	364,820	100.00%	309,453	100.00%	85%	

APARTMENT COSTS

RSF

LAND & SITEWORK:

Land					\$2,808,506	\$15.89
Sitework					<u>1,059,255</u>	<u>\$5.99</u>
TOTAL LAND & SITEWORK					\$3,867,760	13%

HARD COSTS:

Shell, Core & Finishes					\$11,676,016	\$66.07
	\$71.67 per RSF		162,921 rsf			
Garage Costs					578,098	\$3.27
	\$41.87 per RSF		13,807 rsf			
Residential	\$6.560 per Space		278 spaces	70%	1,823,777	\$10.32
Commercial	\$6.560 per Space		46 spaces	12%	301,776	\$1.71
Urban League	\$6.560 per Space		71 spaces	18%	465,785	\$2.64
Retail TI						
Tenant to be determined	\$20.00 per RSF		13,926 sqf		278,520	\$1.58
Construction Management			2.5% of Total Development Costs		718,585	\$4.07
On-site Construction Manager					155,000	\$0.88
LEED Premium	\$378.24 per Unit		193 units		<u>73,000</u>	<u>\$0.41</u>
TOTAL HARD COSTS					16,070,637	56%

SOFT COSTS:

Predevelopment					\$125,000	\$0.71
A & E Consultant Fees					900,000	\$5.09
Legal					200,000	\$1.13
NMTC Closing Costs Allowance					425,000	\$2.40
Audit/Tax Reserve- DDF and Investor	\$25,000 per year		7 year		175,000	\$0.99
Permit Fees					75,000	\$0.42
Accounting Fees					25,000	\$0.14
Title Insurance					125,000	\$0.71
Insurance					54,000	\$0.31
FF&E					250,000	\$1.41
Marketing					80,000	\$0.45
Leasing Commissions	Retail		5.0% of Total Base Rent over 5 years		\$43,281	\$0.24
Development Fees			4.0% of Total Development Costs		1,149,736	\$6.51
	Catalyst Urban Development, LLC		1.60% of Total Development Costs		459,894	
	Citywide Community Development Corp.		2.40% of Total Development Costs		689,841	
Financing Fees			5.0% of Total Development Costs		1,425,341	\$8.07
	FHA Application Fee	0.30% of Debt Amount			39,361	
	FHA Inspection Fee	0.50% of Debt Amount			65,602	
	MIP	0.30% of Debt Amount			118,083	
	Financing/Origination/Structure Fee	1.50% of Total Development Costs			431,151	
	Lender Origination Fee (Greystone)	1.00% of 221(d)(4) Debt Amount			131,203	
	Lender Origination Fee (HUD 108)	1.00% of 108 Debt Amount			84,920	
	Asset Management Fee Reserve- DDF	1.75% of QE1			204,481	
	DDF NMTC Fee	3.00% of QE1			350,539	
Interest During Construction					888,642	\$5.03
	Land & Sitework-221(d)(4)	4.50% for	18 months		-	
	Hard Costs-221(d)(4)	4.50% for	18 months		321,541	
	Soft Costs-221(d)(4)	4.50% for	18 months		121,270	
	Interest Reserve for 108	3.50% for	18 months		445,830	
Capitalized Reserves					445,830	
Operating Deficit					<u>656,017</u>	<u>\$3.71</u>
TOTAL SOFT COSTS					7,042,846	25%

CONTINGENCY

Owner's Contingency	4.0% of Hard Costs	4.0% of Soft Costs	4.0% of Sitework		\$966,910	\$5.47
General Contractor's Contingency	5.0% of Hard Costs		5.0% of Sitework		<u>795,239</u>	<u>\$4.50</u>
TOTAL CONTINGENCY					1,762,149	6%

TOTAL DEVELOPMENT COSTS					24,240,390	100%
Cost per Rentable Square Foot					\$162.64	
Cost per Unit					\$148,927	

Exhibit F

Resolution Nos. 10-_____ and 10-_____
Approved on May 12, 2010

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

DEVELOPMENT AGREEMENT - LANCASTER URBAN VILLAGE PROJECT

THIS DEVELOPMENT AGREEMENT ("Agreement") is entered into by and between the City of Dallas, a Texas municipal corporation located in Dallas County, Texas ("City"), acting by and through its duly authorized officers, and City Wide Community Development Corporation, a Texas limited liability company, acting by and through its duly authorized officers ("Developer").

WITNESSETH:

WHEREAS, on December 10, 2008, the City Council established Tax Increment Financing Reinvestment Zone Number Seventeen, City of Dallas, Texas, ("The TOD TIF District") by Ordinance No. 27432 in accordance with the Tax Increment Financing Act, as amended (V.T.C.A., Tax Code, Chapter 311) ("Act"), to promote transit-oriented development ("TOD") around Dallas Area Rapid Transit ("DART") light rail stations in the central portion of the city and to help create a series of unique destinations throughout the light rail system; and

WHEREAS, on April 14, 2010, the City Council adopted Ordinance No. 27854, as amended, approving the final Project Plan and Reinvestment Zone Financing Plan ("Project Plan") for the TOD TIF District, attached as **Exhibit A**; and

WHEREAS, the Act authorizes the expenditure of funds derived within a reinvestment zone, whether from bond proceeds or other funds, for the payment of expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred by a municipality consistent with the Project Plan of the reinvestment zone, which expenditures and monetary obligations constitute "TIF-Eligible Project Costs" (defined in Section 3.B below); and

WHEREAS, the City Council has further approved by Resolution No. 06-1105, on April 12, 2006, as amended: (1) the revised Public/Private Partnership Program - Guidelines and Criteria, which established certain guidelines and criteria for the use of City incentive programs for private development projects; and (2) established programs for making loans and grants of public money to promote local economic development and to stimulate business and commercial activity in the City of Dallas pursuant to the Economic Development Programs provisions under Chapter 380 of the Texas Local Government Code, (the "Economic Development Programs Act"); and

WHEREAS, consistent with the Economic Development Programs Act and the City's Chapter 380 Program for Loans and Grants, the City entered into a certain loan agreement dated _____, 2008, (the "Loan Agreement") with Developer and advanced an amount not to exceed \$850,000.00 (the "Loan Amount") for Developer to acquire and assemble certain Property (defined herein) at the southwest corner of Lancaster Road and Ann Arbor Avenue and as more particularly described in **Exhibit B**; and

WHEREAS, the Loan Agreement was secured by that certain promissory note dated _____, 2008, (the "Note") payable to the City, for the Loan Amount that was used to acquire the Property, executed at the time of funding of the Loan Agreement and delivered to the City evidencing the Loan, and Developer executed and recorded a Deed of Trust (Deed of Trust, whether one or more) for the Property pursuant to which Developer agreed to convey its interest in the Property and the improvements to the Director (hereinafter defined), Trustee for the City of Dallas, to secure the Loan; and

WHEREAS, in addition to the Loan Agreement, Developer is requesting funding from the Tax Increment Fund (hereinafter defined) to develop and redevelop the Property into residential and commercial uses as described in Section 2.B, and as more fully detailed in **Exhibit C** and referred to herein as Lancaster Urban Village (the "Project") in accordance with the Project Plan and the Economic Development Programs Act and as a part of the City's ongoing program to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, Developer acquired two tracts of land pursuant to the terms of the Loan Agreement, one situated at and referred to as 4343 Lancaster Road and one situated at and referred to as 4411 Lancaster Road along with additional parcels, (collectively the "Property") all parcels situated within the city limits of Dallas, Dallas County, in the State of Texas, with the area more particularly described in **Exhibit B** attached hereto and made a part hereof; and

WHEREAS, on April 29, 2010, the TOD TIF District Board of Directors recommended that the City Council authorize this Agreement whereby Developer may be reimbursed for certain TIF-Eligible Project Costs **in an amount not to exceed \$8,492,273.00** to be paid from TOD TIF District tax increment fund ("Tax Increment Fund"); and

WHEREAS, on May 12, 2010, the City Council confirmed the TOD TIF District Board of Directors' recommendation and authorized this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and obligations herein, the parties agree as follows:

SECTION 1. DEVELOPMENT AGREEMENT ADMINISTRATION

This Agreement shall be administered by City's Director of the Office of Economic Development ("Director") or his or her designee.

SECTION 2. DEVELOPMENT PLAN; DEVELOPER COMMITMENTS

A. Minimum Developer Investment. In accordance with the Project Plan and the Economic Development Programs Act, Developer shall, on or before the CO Dates (defined in Section 2.D below), Invest (defined below) a minimum of **\$16,000,000.00** into the development of the Project as described in the Budget attached hereto as **Exhibit C**. The term “Invest” means the sum of private land and building acquisition, site preparation, infrastructure, and construction hard costs paid, payable, or actually incurred by or on behalf of Developer with respect to the Property and improvements thereon. The amount Invested shall include all such amounts incurred or paid by Developer before the date of this Agreement. The amount Invested shall not include any soft costs.

B. Lancaster Urban Village Development. Developer shall develop the Project consisting of at least the following components (collectively, the “Project” or “Lancaster Urban Village”):

(1) Mixed-Use Building. Development of a mixed-use building located at 1816, 1830, 1824 E. Ann Arbor Avenue; 4303 S. Lancaster Road and 4344 Denley Drive (Lisbon parking tract and Lisbon green tract) and containing approximately 226,018 total square feet with a minimum of 193 residential units or 148,757 net leasable square feet and 141,131 square feet of retail and small office space (“Mixed-Use Building”); and

(2) Parking Garage. Construction of a parking garage with approximately 134,810 square feet or a minimum of 395 spaces for use by both the adjacent Urban League Expansion as well as the Mixed-Use Building (“Parking Garage”); and

For purposes of this Agreement, the Mixed-Use Building and Parking Garage may each be referred to as a “component” of the Project and collectively as “components” of the Project.

C. Urban League Expansion. Redevelopment and expansion of the Dallas Urban League located at 4343, 4411, 4415, 4417, 4419, 4425 S. Lancaster Road and 4408, 4416, 4412, 4344 (Lisbon triangle tract) and 4400 Denley Drive consisting of approximately 46,568 square feet of office and training facilities is a related project that will utilize a portion of the parking garage and the infrastructure improvements constructed as part of the Project (“Urban League Expansion” or “Related Project”).

D. Start Construction Dates. Developer shall obtain building permits for each component of the Project by the dates detailed below and submit a copy of each required building permit with the next due quarterly status report (as required in Section 2.Q below) following issuance of permit.

(1) Mixed-Use Building. Developer shall obtain a building permit for and begin construction on the Mixed-Use Building by **December 31, 2010**.

(2) Parking Garage. Developer shall obtain a building permit for and begin construction on the Parking Garage by **December 31, 2010**.

E. CO Dates. Developer shall obtain a final certificate of occupancy (“CO”) for each component of the Project by the dates detailed below (“CO Dates”) and submit a copy of each required CO to Director within 30 days of issuance of each CO.

(1) Mixed-Use Building. Developer shall obtain a CO for the Mixed-Use Building by **December 31, 2012**.

(2) Parking Garage. Developer shall obtain a CO for Parking Garage by **December 31, 2012**.

F. Certificate of Acceptance. Developer shall obtain a final certificate of acceptance from City’s Public Works and Transportation Department for all public infrastructure improvements associated with the Project by **December 31, 2012**.

G. Minimum Commercial Space Square Footage. The Project shall contain a minimum of 150,000 rentable square feet of space for residential, retail, office, or amenity space of which a minimum of 5,000 square feet will contain one or more active ground floor uses.

H. Local Hiring. Developer shall provide evidence to City that it has made reasonable efforts to promote the hiring of neighborhood residents for any new jobs created by the Project development.

I. Mixed-Use Building Management. The Mixed-Use Building shall be managed by an experienced management company approved by the Director based on the management group’s experience managing other residential or mixed-use project. Developer shall submit the proposed management group for the Mixed-Use Building by September 30, 2012, or at least three months prior to opening, whichever occurs first for review by the Director.

J. Abandonment of Denley Street. Upon acquisition of property abutting Denley Street, Developer may apply for an abandonment in conjunction with its plans for development of the Project. Developer shall proceed in accordance with the City’s process for abandonments and apply for the abandonment of Denley Street by no later than December 31, 2010.

K. Affordable Housing. A minimum of 20% of the residential units in the Project shall be set aside to meet the affordability requirements of the Project Plan for a period of 15 years. The minimum 20% affordable housing requirement is anticipated to be met by the units in the Mixed-Use Building. “Affordable Housing” means those residential units that are occupied by a Moderate-income family. A Moderate-income family is defined as a household whose

income at the time of initial occupancy does not exceed 80% or below of the median annual household income for the Dallas Standard Metropolitan Statistical Area (“SMSA”) as determined annually by the U.S. Department of Housing and Urban Development, with adjustments for family size. Residential units that are for rent by a Moderate-income family qualify as Affordable Housing if the rent charged to the Moderate-income family does not exceed thirty percent (30%) of the monthly household income for that Moderate-income family (the “Affordable Rent”). Developer shall set aside at least 20% of the residential units in the Project as Affordable Housing at the same time the market units are made available for rent. This number shall be adjusted to reflect 20% of the total number of residential units that are actually constructed in the Property. Each Affordable Housing unit shall be a minimum of 576 square feet in size and shall meet the City of Dallas’s Affordable Housing Program requirements for a period of at least 15 years (the “Affordability Period”). Developer shall certify and verify with documentation semi-annually throughout the Affordability Period the Affordable Rent limits and household incomes for the units counted towards the TOD TIF District Affordable Housing requirement. After the CO Date, Developer shall monitor and report to the City on a semi-annual basis on the Affordable Housing provided in the Property to ensure such housing is occupied by income-eligible households throughout the Affordability Period. Developer shall provide the City with any documentation specified and requested by City staff responsible for monitoring and reporting the results of the TOD TIF District Affordable Housing requirement to the TOD TIF Board or to the City Council. The Affordability Period shall be extended by six months for any number of units by which the Affordable Housing provided during a semi-annual reporting period falls short of the number of units required to meet the Affordable Housing requirements. The City reserves the right to change the recordkeeping documentation required of Developer.

L. Affirmative Fair Housing Marketing. Developer agrees to market the Lancaster Urban Village residential units pursuant to the City’s Affirmative Fair Housing Marketing Plan, attached as **Exhibit I**. Should City request amendments from time to time to the marketing plan to improve its effectiveness, Developer shall cooperate in good faith to accommodate reasonable modifications to the plan.

M. Conceptual and Site Plans. Each of the three components of the Lancaster Urban Village shall be in substantial conformance with the conceptual plans and site plans including elevations, attached as **Exhibit D**. Director and the TOD TIF District Board of Directors have reviewed and approved the conceptual design of the physical elements of each of the components of the Project development. Conformance to the approved conceptual plans is a material element of this Agreement. In addition, Developer shall submit site plans and renderings which shall show the location of the parcel boundaries clearly differentiating publicly accessible space from private space and which shall include provisions to address all of the following elements:

(1) Pedestrian Lighting. Developer shall develop a final pedestrian lighting plan for each component of the Project using lighting acceptable to City and spaced according to the TOD TIF District Design Review Guidelines and no more than 75 feet apart unless otherwise required by City’s Department of Public Works and Transportation.

(2) Sidewalks. Developer shall submit a final sidewalk plan for each component of the Project. Sidewalks with high anticipated levels of pedestrian traffic shall be designed to accommodate pedestrian traffic.

(3) Landscaping. Developer shall submit a final landscaping plan for each component of the Project showing the type and location of all landscaping materials.

(4) Fencing. Developer shall submit a final plan for any fences, gates, landscape walls, retaining walls, and other barricades or dividers for each component of the Project showing the type, location, and dimensions of all such erections. Security fencing is discouraged in the TOD TIF District.

N. Operation and Maintenance Agreement. Developer or an Affiliate shall execute and fund an operation and maintenance agreement (as detailed in Section 5 below) in a form attached as Exhibit E by the CO Date for the Lancaster Urban Village for all non-standard public improvements (defined below) associated with the Project, and if necessary, obtain a license from City for the purpose of maintaining any improvements in the public right-of-way. For purposes of this Agreement, "non-standard public improvements" shall be defined as improvements which exceed City's standard design requirements as determined by City's Department of Public Works and Transportation and shall include specially designed street/pedestrian lighting, brick pavers, bollards, sidewalks, or landscaping and irrigation.

O. Time of the Essence. Developer agrees and understands that adherence to Project deadlines detailed in this Agreement is a vital term of this Agreement, and that time is of the essence. The Director, upon recommendation of the TOD TIF District Board of Directors, shall have the authority to allow minor modifications to the project, including changes in the mix of uses within the Project, and to extend deadlines for the Project up to one year for good cause. **Developer's failure to start or complete construction for any component of the Project by the applicable start construction dates or CO Dates specified herein or delays in obtaining approval of other financing sources, may result in a reduction in the total amount of the TIF Subsidy (defined in Section 3.A) for the Project or an adjustment of the priority status for increment allocation to the Project.**

P. Quarterly Status Reports. Developer shall submit to Director a status report in a form attached as Exhibit F once every three months for ongoing work on each of the components of the Project, including the status of both the public and the private improvements to the Property. The first status report will be due three months after the authorization of this Agreement by the City Council.

SECTION 3. TIF SUBSIDY AND TIF-ELIGIBLE PROJECT COSTS

A. TIF Subsidy. In consideration of Developer's Investment in the Project pursuant to Section 2, City agrees, subject to the conditions and limitations contained in this Agreement, to dedicate to Developer, from future revenues available in the Tax Increment Fund, **an amount not to exceed \$8,492,273.00** for the actual expenditures incurred for TIF-Eligible Project Costs

(defined in Section 3B below) (“TIF Subsidy”). The TIF Subsidy may be less if the actual TIF-Eligible Project Costs incurred are less. Legal fees are not TIF-Eligible Project Costs for purposes of this Agreement; however, a development fee not to exceed 4% of the Project budget as detailed in **Exhibit C** will be reimbursable by the TIF or other sources if eligible. No interest will be paid to Developer on the TIF Subsidy.

B. TIF-Eligible Project Costs. For purposes of this Agreement, “TIF-Eligible Project Costs” allow for reimbursement of the following items:

(1) Reimbursement for Infrastructure Improvements. Developer’s reimbursement for Infrastructure Improvements (defined below) for the Project is \$2,183,110. “Infrastructure Improvements” include streetscape, street, storm water, and utility burial improvements adjacent to the Project.

(2) Reimbursement for Environmental Remediation and Demolition. Developer’s reimbursement for environmental remediation and demolition of the Project is \$298,805.

(3) Reimbursement for Affordable Housing. Developer’s reimbursement to offset the cost of providing affordable housing in a project designed as urban scale and transit-oriented in an untested market in southern Dallas is \$4,276,600.

(4) Reimbursement for Grant Eligible Projects. Developer’s reimbursement from funds from the TOD TIF District Grant Program (“Grant Program”), attached hereto as **Exhibit G**, is anticipated to be \$1,733,758, for those portions of the Project that meet the Grant Program requirements. No Grant Program funds will be disbursed until all conditions of this Agreement have been satisfied by Developer. Grant Program funds are payable only from the City’s contribution to the Tax Increment Fund.

Subject to the limitations of the Grant Program, reimbursement for TIF-Eligible Project Costs may be shifted from one TIF-Eligible Project Cost category to another so long as the total amount of the TIF Subsidy does not exceed \$8,492,273.00.

C. Availability of TIF Subsidy. Reimbursement is subject to the availability of tax increment. If the appraised values of property in the TOD TIF District remains constant or decreases in value, the TIF Subsidy for that year may be reduced or unpaid due to lack of available increment. City agrees, subject to the conditions and limitations contained in this Agreement, to pay Developer from the Tax Increment Fund from tax increments received and deposited therein during the life of the TOD TIF District subject to the limitations on repayment provided in this Agreement. Developer agrees to look solely to the Tax Increment Fund, and not City’s general fund or other source of funds, or to City bond funds other than tax increment bonds, if any, for payment of the TIF Subsidy, which payments shall be made to the extent monies in the Tax Increment Fund are available and after the performance and observance of all of the requirements and conditions outlined in this Agreement and after prior TOD TIF District obligations have been paid.

D. TIF Subsidy Expires with the Term of the TOD TIF District. Nothing in this Agreement shall be construed to require City to approve payments from any source of City funds other than from the Tax Increment Fund or to require City to issue TIF bonds in order to pay Developer for the TIF Subsidy. City's obligation to pay Developer the TIF Subsidy shall automatically expire upon the final allocation of any funds remaining in the Tax Increment Fund after the expiration of the term of the TOD TIF District as provided in the ordinance creating same.

E. Conditions for Payment of the TIF Subsidy. Payment of the TIF Subsidy is further subject to:

- (1) Availability of monies on deposit in the Tax Increment Fund; and
- (2) Satisfaction of any other prior obligations of the Tax Increment Fund; and
- (3) No Event of Default hereunder or under the Loan Agreement, and City shall have received the originally executed Note for the Property and the recorded Deed of Trust to secure the Note for the Property; and
- (4) Developer's submission to City of all documentation for the Project evidencing that all contractors have been paid by Developer and the issuance of a certificate of acceptance for the public improvements by the Department of Public Works and Transportation for all Project components by the CO Dates or by such later date as approved by the City Council; and
- (5) Issuance of a CO issued by Building Inspection for all components of the Project by the CO Date or by such later date approved by the City Council; and
- (6) Conformance to the approved Conceptual Site Plans and Elevations and construction of all components of the Lancaster Urban Village in accordance with all requirements outlined in Section 2; and
- (7) Completion of a post construction audit conducted by City at the completion of the Project to verify Developer's compliance with the Investment commitment in Section 2 and verification of the total actual expenditures made for TIF-Eligible Project Costs comprising the TIF Subsidy.

F. Priority of Payments. It is important for City to encourage as many projects as possible in the TOD TIF District. In general, TOD TIF District funds are allocated to projects proportionately, dependent on the portion of increment created by the project and other projects in the TOD TIF District by the same developer and in accordance with sub-district increment sharing arrangements and specific provisions for this Project as a catalyst priority project.. Annually, after administrative fees have been paid, the TIF Subsidy, separate from any potential bond financing (described in Section 3.I below), shall be allocated in accordance with the TOD TIF District Increment Allocation Policy ("Increment Allocation Policy"), attached as **Exhibit H**. Notwithstanding the priority of payments process and formula in the Increment Allocation

Policy, Director shall have the sole and final determination if any differences of opinion arise regarding the amount of increment that will be paid on any project in any given year.

G. Administration of Payments. Once the Project is eligible for payment pursuant to the requirements of this Agreement, payment of the TIF Subsidy shall be administered annually. The frequency of payments to Developer under this Agreement shall coincide with the frequency of payments made by the various taxing units into the Tax Increment Fund from fiscal year to fiscal year. Subject to all limitations and conditions precedent contained in this Agreement, City agrees to pay the TIF Subsidy within 30 days after receipt of all annual payments into the Tax Increment Fund. City also reserves the right, when payments come into the Tax Increment Fund, to repay all or any portion of the TIF Subsidy at any given time.

H. Public Necessity. City hereby declares that the payment of the TIF Subsidy outlined above is necessary to implement the Project Plan and that the TIF Subsidy constitutes a TIF-eligible Project Cost or other payment made at the discretion of the City Council that the City Council and the TOD TIF District Board of Directors finds necessary or convenient to the implementation of the TOD TIF District Project Plan.

I. TIF Bonds. City staff *may* consider, at a future date, recommendation of a TIF bond sale. Recommendation of such a sale shall be based on a review by staff of the significant new taxable value from the Project on the tax roll. Any delay in Project completion or a reduction in Project scope shall delay consideration of a bond sale and potentially reduce bond financing available. Any bond financing shall be based on City's and County's portion of the tax increment generated by the Project. Any amount of the TIF incentive not covered by bond financing will be paid when other increment is available. TIF bond financing is subject to the City's financial management performance criteria and policies, attached, in part, as **Exhibit J.** Any recommendation concerning the sale of TIF bonds by staff is also subject to review by City's financial and legal advisors and independent City Council approval.

J. Reallocation of TIF Subsidy. Developer agrees and understands that in the event Developer fails to complete the requirements of the Project as by the dates detailed in Section 2 or such later date approved by the City Council, the TIF Subsidy shall no longer be considered TIF-Eligible Project Costs of the TOD TIF District and any obligation of the TOD TIF District or City to pay Developer the TIF Subsidy shall automatically expire, with certain deadlines being subject to extension due to force majeure, as provided herein. Further, in the event of such expiration, the TIF Subsidy may be reallocated to other TIF projects upon recommendation by the TOD TIF District Board of Directors and approval by the City Council.

K. Rate of Return. Developer's rate of return, based on committed public funding sought by Developer, is estimated to be 4.8% using a return on cost calculation. If the actual rate of return exceeds 12% based on pre-construction review of proforma by City's Office of Economic Development, City may reassess the level of TIF incentives.

L. Other Financing Sources. The City and Developer understand that Developer is pursuing several sources of public funding for the development of the Lancaster Urban Village. The approval of such other sources of public funding including the particular terms, conditions and restrictions regarding such funding shall be in the sole discretion of the City's Housing

Department and the City Council acting at the time any such funding is considered for approval. This Agreement and the prior Loan Agreement do not create any obligation of the City or entitlement by the Developer whatsoever to such funding. Developer further understands that the City expresses no opinion with respect to the availability or amounts of other state or federal funding sources including Department of Housing and Urban Development (HUD) Section 221(d)(4), and Section 108 Guaranteed Loan programs . The City makes no guarantee that such other potential sources of City such as New Market Tax Credits, state or federal funding will be approved and funded.

The total TIF Subsidy available subject to the conditions and requirements of this Agreement of \$8,492,273.00 is a fixed, not-to-exceed amount, regardless of the outcome of other pursued public funding. Any future request for additional TIF incentives will be evaluated based on Developer providing additional consideration with regard to the Project and the overall financial status of the TOD TIF District. Any funding Developer may receive through the City's Housing Department or from federal funding sources is separate from TIF reimbursement and follows a separate application, review, approval, and funding process.

SECTION 4. CONSTRUCTION AWARD AND CONSTRUCTION MANAGEMENT OBLIGATIONS

A. Project to be Privately Bid. Developer agrees to privately bid and construct the Project. The public bidding requirements in Chapter 252 of the Texas Local Government Code do not apply to a dedication, pledge, or other use of revenue in the Tax Increment Fund because the TOD TIF District Board of Directors finds that the funds are necessary or convenient to the implementation of the Project Plan for the TOD TIF District and finds that the use of revenue in the Tax Increment Fund pursuant to this Agreement benefits the TOD TIF District. Unlike projects requiring a public bid process and advance of funds to City, no interest shall be paid on this award because no funds are advanced to City for the Project.

B. M/WBE and Fair Share Requirements. Developer shall make good faith efforts to comply with the M/WBE (defined below) process and goals established by City in its Business Inclusion and Development Plan and with the City's Fair Share goals. Specifically, Developer's goals shall be 25% participation by M/WBE firms for all construction work related to the Project that is a TIF-Eligible Project Cost and 10% participation by M/WBE firms for remainder of the Project construction.

C. City's Pre-Certification Process. Developer shall award the contract for the construction of the Project to the lowest responsible bidder as determined by Developer through a private bid process established and administered by Developer. Before bid solicitation, City Business Development and Procurement Service staff and Developer will solicit involvement by minority/women business enterprises ("M/WBE"). Staff will hold informational meetings and Developer shall provide the following: (1) an overview of the bid to the prospective contractors and (2) an opportunity for prospective contractors to meet one-on-one with Developer. City and Developer shall agree on a pre-certified list with not more than five contractors for each bid item to be used for solicitation, and after review by City, Developer shall issue bid packages to the certified list. City and Developer shall receive and open bids together and bids will be awarded

by Developer after they are evaluated by City and Developer. Developer shall notify City in the event of any substitution of contractors and evidence that Developer made additional contact with M/WBE firms for substitution. These requirements may be modified at the direction of the City's Business Development and Procurement Service Department.

D. Developer as Construction Manager. Developer shall be responsible for the construction of the entire development including inspection, supervision, testing, quality control, approval of shop drawings, utility coordination, obtaining utility clearances from all utility companies, staging and coordinating all utility-related work with the construction contractor, general coordination, and completion of all construction work. Developer in its capacity as construction manager shall use its diligent good faith efforts to ensure that the Project is completed in a timely manner and in accordance with the contract documents, including all plans and specifications approved by City. All payments for work performed shall be made by Developer to the contractor. Developer shall not make any payment under a monthly or final estimate unless contractor has certified, by affidavit sworn to by the corporate official or employee duly authorized to submit same, that the estimate of work completed for the period in question is true and correct to the best of his information and belief, has been measured and verified in accordance with the contract documents, and that all contract preconditions to payment have been met. City reserves the right to perform inspections, measurements or verifications of the estimates or work quantities as are necessary. Final payment to the contractor shall not be made until all preconditions to final payment set forth in the construction contract have been performed (as verified by Developer and Director) and lien releases have been obtained in accordance with the approved contract documents, including the plans and specifications, and accepted in writing by Director.

E. Developer Responsible for Contractors. Developer shall use its diligent good faith efforts to inspect the work of all contractors to guard City against defects and deficiencies in the Project, without assuming responsibilities for means and methods used by the assigned contractor. In addition, Developer shall use its diligent good faith efforts to fully and completely settle, by litigation or otherwise, any claims (including utility damage and delay claims as a result of utility work) of the assigned contractor or any other person or entity arising out of performance of the construction contract without involving City and without any payment from City or the Tax Increment Fund except as set forth in Section 3 above, unless such claims result from a wrongful action or failure to act by City in the performance of this Agreement. City reserves the right upon reasonable notice, at City's election, to make a reasonable audit of all books, records, accounts, and other data of the contractors and Developer relating to the Project and the performance of any construction contractors or Developer.

SECTION 5. OPERATION AND MAINTENANCE OBLIGATION

A. Operation and Maintenance Obligation Generally. Developer's obligation to maintain non-standard items (as defined in Section 2.0 above) shall be limited to maintenance necessitated by normal wear and tear, and such obligation shall not include the responsibility to reconstruct items disturbed by construction or utility work not initiated by Developer. With the exception of specially designed street/pedestrian lighting, City shall retain ownership of such improvements and may at its sole option, if Developer fails to maintain such improvements, after

notice from City under this Agreement, perform such maintenance and invoice Developer for the costs, which costs Developer shall pay. Specially designed street/pedestrian lighting shall be privately owned and maintained unless determined by the City's Public Works and Transportation Department to meet certain criteria, under which City will own and maintain the specially designed street/pedestrian lighting.

B. Transfer and Assumption of Maintenance Obligation. The terms and conditions of the operating and maintenance agreement are binding upon the successors and assigns of all parties hereto and may be assignable, in whole or in part, to a new owner of all or a portion of the Property or to a public improvement district, a homeowner's association, or other non-City entity. Developer may be released from such operating and maintenance obligations upon the express assumption by such new owner, public improvement district, homeowner's association, or other non-City entity of all of the obligations of Developer under the operating and maintenance agreement for the balance of the term of such agreement.

SECTION 6. TERM

Prior to the expenditure of TIF funds on Project Improvements, Developer may terminate this Agreement by delivering a written notice of termination to the City and shall have no further obligations hereunder. Unless earlier terminated in accordance with the applicable provisions of this Agreement, the term of this Agreement shall begin on the date of execution and end upon the earlier of: A. the complete performance of all obligations of the parties to this Agreement; or B. the expiration of the term of the TOD TIF District; provided however, that Developer continues to abide by its maintenance and operation obligations under Sections 2 and 5 of this Agreement or ensures such maintenance and operations obligations are transferred to, or assumed by, a special district, subsequent owners upon sale of the Property, or an owners' association.

SECTION 7. CERTIFICATION REGARDING UNDOCUMENTED WORKERS

Developer has signed the statement, attached as **Exhibit K**, stating that Developer's business, or a branch, division, or department of Developer's business, does not or will not knowingly employ an undocumented worker and has agreed to abide by the requirements of Chapter 2264 of the Texas Government Code.

SECTION 8. FORCE MAJEURE

It is expressly understood and agreed by the parties to this Agreement that Developer shall complete the Project by the dates specified in Section 2; provided however, that Developer shall have such additional time to complete the Project as may be required in the event of force majeure, defined herein, if Developer is diligently and faithfully pursuing completion of the Project. For this purpose, "force majeure" shall mean any contingency or cause beyond the reasonable control of Developer including, without limitation, acts of God or the public enemy,

war, riot, civil commotion, insurrection, state, federal or municipal government, or de facto governmental action (unless caused by acts or omissions of Developer), fires, explosions, floods, and strikes. In an event of force majeure, Developer shall be excused from doing or performing the same during such period of delay so that the completion dates applicable to such performance, or to the construction requirement, shall be extended for a period of time equal to the period Developer was delayed.

SECTION 9. INDEMNITY

Developer agrees to defend, indemnify and hold City, its officers, agents, and employees harmless against any and all claims, lawsuits, judgments, costs, and expenses for personal injury (including death), property damage, or other harm for which recovery of damages is sought, suffered by any person or persons, that may arise out of or be occasioned by Developer's breach of any of the terms or provisions of this Agreement, or by any negligent or strictly liable act or omission of Developer, its officers, agents, associates, employees, affiliates, contractors, or subcontractors, in the performance of this Agreement; except that the indemnity provided for in this paragraph shall not apply to any liability resulting from the sole negligence or fault of City, its officers, agents, employees, or separate contractors, and in the event of joint and concurrent negligence/breach of both Developer and City, responsibility and indemnity, if any, shall be apportioned in accordance with the law of the State of Texas, without waiving any governmental immunity available to City under Texas law and without waiving any defenses of the parties under Texas law. The provisions of this paragraph are solely for the benefit of the parties to this Agreement and are not intended to create or grant any rights, contractual or otherwise, to any other person or entity.

SECTION 10. EVENTS OF DEFAULT

In the event Developer defaults in its performance of any of the items listed below, City shall give Developer written notice of such default and if Developer has not cured such default within 30 days of said written notice, this Agreement as well as City's obligation to pay the TIF Subsidy shall terminate. Notice shall be provided in accordance with the Notice provision hereof. A default shall exist if any one or more of the following occurs:

- A. The Project is not completed in accordance with all of the provisions of Section 2.
- B. Developer is in default under the Loan Agreement; and
- C. The Project is not in substantial conformance to the conceptual site plans and elevations approved by Director.
- D. Developer allows its ad valorem taxes and/or tangible personal property taxes owed to City to become delinquent (provided that Developer retains its right to timely and properly follow the legal procedures for protest and/or contest of any such ad valorem or tangible personal property taxes).

E. Developer breaches any of the terms or conditions of this Agreement or if any statement, warranty, or representation contained herein is false.

SECTION 11. NOTICES

Any notice, payment, statement, or demand required or permitted to be given under this Agreement by either party to the other may be effected by personal delivery in writing or deposited in the U.S. mail by certified letter, return receipt requested. Mailed notices shall be addressed to the parties at the addresses appearing below, but each party may change its address by written notice in accordance with this section. Mailed notices shall be deemed communicated as of three days after mailing.

If intended for City, to:
Director
Office of Economic Development
City of Dallas
City Hall, Room 5CS
1500 Marilla Street
Dallas, Texas 75201

If intended for Developer, to:
Sherman Roberts
President/CEO
City Wide Community Development Corp
3440 S. Polk, Suite A
Dallas, Texas 75224

SECTION 12. RIGHT OF OFFSET

City may, at its option, offset any amounts due and payable under this Agreement for payment from the Tax Increment Fund against any debt (including taxes) lawfully due to City from Developer, regardless of whether the amount due arises pursuant to the terms of this Agreement or otherwise and regardless of whether or not the debt due to City has been reduced to judgment by a court.

SECTION 13. VENUE

The obligations of the parties to this Agreement shall be performable in Dallas County, Texas. And, if legal action is necessary in connection with or to enforce rights under this Agreement, exclusive venue shall lie in Dallas County, Texas.

SECTION 14. CONFLICT OF INTEREST OF CITY EMPLOYEES

The following section of the Charter of City of Dallas shall be one of the conditions, and a part of, the consideration of this Contract, to wit:

“CHAPTER XXII. Sec. 11. FINANCIAL INTEREST OF EMPLOYEE OR OFFICER PROHIBITED --

(a) No officer or employee shall have any financial interest, direct or indirect, in any contract with City or be financially interested, directly or indirectly, in the sale to City of any land, materials, supplies or services, except on behalf of City as an officer or employee. Any violation of this section shall constitute malfeasance in office, and any officer or employee guilty thereof shall thereby forfeit the officer's or employee's office or position with City. Any violation of this section, with knowledge, express or implied, of the person or corporation contracting with City shall render the contract involved voidable by City Manager or The City Council.

(b) The alleged violations of this section shall be matters to be determined either by the Trial Board in the case of employees who have the right to appeal to the Trial Board, and by The City Council in the case of other employees.

(c) The prohibitions of this section shall not apply to the participation by City employees in federally-funded housing programs, to the extent permitted by applicable federal or state law.”

SECTION 15. GIFT TO PUBLIC SERVANT

A. City may terminate this Contract immediately if Contractor has offered, agreed to confer, or conferred any benefit upon a City employee or official that City employee or official is prohibited by law from accepting. City has been advised by the prosecuting authorities that Section 36.10(b) and (c) exceptions to Section 36.08 and 36.09, respectively, of the Texas Penal Code are not available to public servants who have no legal reporting requirements.

B. For purposes of this section, “benefit” means anything reasonably regarded as pecuniary gain or pecuniary advantage, including benefit to any other person in whose welfare the beneficiary has a direct or substantial interest, but does not include a contribution or expenditure made and reported in accordance with the law.

C. Notwithstanding any other legal remedies, City may require Developer to remove any employee of Developer from the development who has violated the restrictions of this section or any similar state or federal law and obtain reimbursement for any expenditures made to Developer as a result of the improper offer, agreement to confer, or conferring of a benefit to a City employee or official.

SECTION 16. GOVERNING LAW

This Agreement is made subject to the provisions of the Charter and ordinances of City, as amended, and all applicable State and federal laws. This Agreement shall be governed by and construed in accordance with the laws and court decisions of the State of Texas, without regard to conflict of law or choice of law principles of Texas or of any other state.

SECTION 17. LEGAL CONSTRUCTION

In the case that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.

SECTION 18. NOTICE OF CONTRACT CLAIM

This Agreement is subject to the provisions of Section 2-86 of the Dallas City Code, as amended, relating to requirements for filing a notice of breach of contract claim against City. Section 2-86 of the Dallas City Code, as amended, is expressly incorporated by reference and made a part of this Agreement as if written word for word in this Agreement. Developer shall fully comply with the requirements of this ordinance as a precondition of any claim relating to this Agreement, in addition to all other requirements in this Agreement related to claims and notice of claims.

SECTION 19. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument. If this Agreement is executed in counterparts, then it shall become fully executed only as of the execution of the last such counterpart called for by the terms of this Agreement to be executed.

SECTION 20. CAPTIONS

The captions to the various clauses of this Agreement are for informational purposes only and shall not alter the substance of the terms and conditions of this Agreement.

SECTION 21. ASSIGNMENT; SUCCESSORS AND ASSIGNS; ASSIGNMENT TO AFFILIATES

A. Assignment Generally; Successors and Assigns. This Agreement shall not be assigned by Developer, in whole or in part, without prior written approval from Director, which approval shall not be unreasonably withheld; however, City Council approval shall not be required. If Director allows Developer to assign this Agreement, all of the terms and conditions of this Agreement shall be binding upon the successors and assigns of all parties hereto.

B. Assignment to Affiliates. An assignment of the obligations of this Agreement, in whole or in part, to an Affiliate of Developer shall require the written approval of Director, which approval shall not be unreasonably withheld, but shall not require City Council approval and shall not result in a breach of the Agreement if the Affiliate of Developer assumes obligations of Developer under this Agreement for the balance of the term of this Agreement. Developer's "Affiliates," as used in this Agreement, includes the following entities: (1)

Lancaster Urban Village Residential, LLC; (2) Lancaster Urban Village Garage, LLC; and (3) Lancaster Urban Village Commercial, LLC.

SECTION 22. AMENDMENTS; ENTIRE AGREEMENT

A. Amendments. This Agreement may be modified or amended only by written agreement of the parties, to be attached to and made a part of this Agreement.

B. Entire Agreement. This Agreement (with all referenced Exhibits, attachments, and provisions incorporated by reference) embodies the entire agreement of both parties, superseding all oral or written previous and contemporary agreements between the parties relating to matters set forth in this Agreement.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

EXECUTED and effective as of the ____ day of _____, 2010, by City, signing by and through its City Manager, duly authorized to execute same by Resolution Nos. 10-_____ and 10-_____, approved by the City Council on May 12, 2010, and by Developer, acting through its duly authorized officials.

APPROVED AS TO FORM:
THOMAS P. PERKINS, JR.,
City Attorney

CITY OF DALLAS
MARY K. SUHM,
City Manager

By: _____
Barbara Martínez
Assistant City Attorney

By: _____
A. C. Gonzalez
Assistant City Manager

RECOMMENDED BY DIRECTOR:

DEVELOPER:
CITY WIDE COMMUNITY
DEVELOPMENT CORPORATION,
a Texas nonprofit corporation

Frank Karl Zavitkovsky
Office of Economic Development

BY _____
Sherman Roberts, President

CONFIRMATION OF DEDICATION OF TIF FUND REVENUE:

BOARD OF DIRECTORS, TAX INCREMENT FINANCING REINVESTMENT ZONE
NUMBER SEVENTEEN, CITY OF DALLAS, TEXAS (TOD TIF DISTRICT)

By: _____
Name: _____
Title: _____

ATTACHMENTS & EXHIBITS

Authorizing Resolutions Approved on May 12, 2010

- Exhibit A** TOD TIF District Project Plan and Reinvestment Zone Financing Plan
- Exhibit B** Property Description (Mixed-Use Building, Parking Garage and Urban League Expansion)
- Exhibit C** Budget and Description of Lancaster Urban Village Development
- Exhibit D** Lancaster Urban Village Conceptual Site Plans and Elevations
- Exhibit E** Form of Operating and Maintenance Agreement
- Exhibit F** Form of Quarterly Status Report
- Exhibit G** TOD TIF District Grant Program
- Exhibit H** TOD TIF District Increment Allocation Policy
- Exhibit I** City of Dallas Affirmative Fair Housing Marketing Plan
- Exhibit J** City Financial Management Performance Criteria FY 2009-2010 Related to a Potential TIF Bond Sale
- Exhibit K** Certification Regarding Undocumented Workers