



NOTICE OF REVIEW AND COMMENT PERIOD

APPLICATIONS FOR COMMUNITY DEVELOPMENT BLOCK GRANT SECTION 108 GUARANTEE LOAN PROGRAM FUNDS

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 (All files on this page are Adobe PDF.)

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 Yale 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 \$61.2M 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 20,000 sq. ft. of retail and 5,000 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 \$5,300,000 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 95 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 \$5.3M, 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 80% 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 - \$28.4M, Downtown Connection TIF loan - \$2M, City TIF reimbursement - \$2.5M, Federal HTC proceeds - \$7.4M, NTCOG grant - \$6M, and developer equity - \$9.2M. Section 108 Funds would be used for Section 108 interest reserve, clearance and demolition, and housing rehabilitation.

Atmos 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 Atmos LP to assist with conversion of four vacant commercial buildings located at 1900 Jackson St., 301 S. Harwood St., 1915 Wood St., and 1815 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 Atmos GP LLC. Project Cost is approximately \$40.8M with proposed funding from the following sources: Section 108 loan funds - \$9M, first lien note - \$13.7M, LIHTC - \$10.9M, Federal Home Loan Bank grant - \$5M, historic tax credit equity - \$3.1M, NTCOG grant - \$5M, DowntownDallas grant - \$.1M, and developer equity - \$3M. 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 \$7,400,000 for Lancaster Urban Commercial LLC to assist with development of property located at the southwest corner of S. Lancaster Rd. and Ann Arbor Ave., into a mixed-use development consisting of development of approximately 14,131 sq. ft. of retail/office space to create employment opportunities and provide community-serving businesses. Additionally, the development will include 193 new apartment units with 39 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 - \$12.4M, Tax Increment Financing District TOD 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, 2010 to August 23, 2010. Citizens may submit written comments regarding the use of Section 108 funds and applications until 10:00 a.m. on August 23, 2010 to: Office of Financial Services/Community Development Division, 1500 Marilla St., 4FS, Dallas, TX 75201 or fax to (214) 670-0741. For additional information regarding the Section 108 program or applications, please call (214) 670-4522.