

RESOLUTION NO. 05-2013

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, EXPRESSING SUPPORT FOR THE APPLICATION OF VANSTON PARK INVESTMENTS, L.P., FOR NINE-PERCENT LOW-INCOME HOUSING TAX CREDITS WITH THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS FOR THE CONSTRUCTION OF THE VILLAS OF VANSTON PARK PROJECT LOCATED AT 4540 GUS THOMASSON ROAD, MESQUITE, DALLAS COUNTY, TEXAS; PROVIDING A LOCAL FUNDING COMMITMENT FOR THE PROJECT; AND DECLARING THAT THE PROJECT WILL CONTRIBUTE SIGNIFICANTLY TO THE REVITALIZATION EFFORTS OF THE CITY TO IMPROVE THE NORTH GUS THOMASSON ROAD CORRIDOR.

WHEREAS, Vanston Park Investments, L.P. (Applicant), has filed a pre-application and intends to file a full application with the Texas Department of Housing and Community Affairs (TDHCA) for 2013 nine-percent low-income housing tax credits (LIHTC) for the construction of an affordable housing project known as The Villas of Vanston Park (Project) to be located at 4540 Gus Thomasson Road; and

WHEREAS, on February 1, 2013, the Applicant filed a written request with the City of Mesquite (City) seeking City Council support for the Project and the approval of gap funding for its full application; and

WHEREAS, the proposed Project presents the City with a rare catalyst opportunity to launch the revitalization of the distressed North Gus Thomasson Commercial Corridor as envisioned by residents of the Casa View Heights Neighborhood, and the Project will play a crucial role in such revitalization efforts; and

WHEREAS, a housing study conducted in 2010 for the North Gus Thomasson Corridor notes that future retail activity within the commercial redevelopment zone of the corridor, which includes the site of the proposed Project, must be made accessible to low- to moderate-income households, and further, the study recommends that the City “should explore mechanisms to incentivize developers to construct new affordable housing units” as a means for stabilizing housing conditions over the long-term; and

WHEREAS, the proposed Project is designed to comply with the City’s North Gus Thomasson Corridor Revitalization Code, and once constructed, the Project will affirmatively demonstrate the City’s goal to encourage a more sustainable form of development and signal that the City’s progressive regulations can help property owners and private investors maintain the value of their investment in new construction and rehabilitation within the area.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. That the City of Mesquite affirmatively supports the application for a Texas Department of Housing and Community Affairs's nine-percent low-income housing tax credit allocation for the Villas of Vanston Park to be located at 4540 Gus Thomasson Road, Mesquite, Dallas County, Texas, for the acquisition and new construction of a multifamily residential development for affordable family housing with up to 177 dwelling units.

SECTION 2. That the City hereby approves as a firm commitment to the Project funds in the amount of \$1,860,000 which in the City's discretion may be in the form of a construction and/or permanent loan with an interest rate not to exceed three percent per annum and term of at least five years, or a grant, an in-kind contribution, a contribution which will support the Project, such as vouchers, or a combination thereof. Further, the final form of said commitment shall be determined by the City Council prior to September 1, 2013, and notwithstanding anything contained herein to the contrary, the commitment by the City more fully set forth in this Resolution shall be contingent on: (i) the Applicant securing tax credits for the Project on or before September 1, 2013; (ii) compliance with Section 4 of this Resolution; (iii) approval by the City of all matters discovered through the due diligence conducted by or on behalf of the City in connection with the Project; (iv) the issuance to the City of a title commitment, survey and environment assessments in a form acceptable to the City if a construction and/or permanent loan is all or any part of the funds advanced in support of the Project; and (v) the City and the Applicant mutually agreeing in writing, on or before September 1, 2013, to all of the terms, provisions and conditions of any documents to be executed by the City and/or the Applicant in connection with any construction and/or permanent loan, grant, in-kind contribution, other contributions supporting the Project such as vouchers, or any combination thereof.

SECTION 3. That the Project is deemed crucial to the revitalization of the North Gus Thomasson Road Corridor, and the City Council has determined that said Project will contribute most significantly to the concerted revitalization efforts of the City to improve the corridor, its commercial activity and the surrounding neighborhoods. The Director of Community Development for the City (Director) is, therefore, authorized to amend the Casa View Heights Neighborhood Plan (Plan) accordingly for the purpose of giving the Project priority in the implementation of the Plan's strategic objectives.

SECTION 4. That the City's funding of the Applicant's Project as more fully set forth in this Resolution is contingent upon the following:

Prior to closing on the tax credits with TDHCA, Sphinx Development Corporation on behalf of the Applicant shall submit a complete site plan, storefront floor plans and building elevations for the Project to the Community Development Department and receive approval for the same from the Director.

SECTION 5. That in compliance with Texas Administrative Code Title 10, §11.3(b), in the event that the City is determined to have more than twice the state average of units per capita supported by Housing Tax Credits or Private Activity Bonds, the City Council by this Resolution votes specifically to support the construction of the Project and authorize the allocation of Housing Tax Credits for the Project pursuant to Texas Government Code §2306.6703(a)(4).

SECTION 6. That in compliance with Texas Administrative Code Title 10, §11.3(c), in the event that the proposed Project is located one linear mile or less from a development that serves the same type of household as the proposed Project and has received an allocation of Housing Tax Credits or Private Activity Bonds for new construction since December 17, 2009, the City Council by this Resolution votes specifically to support the construction of the Project and authorize an allocation of Housing Tax Credits for the Project.

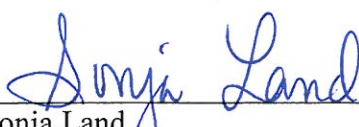
SECTION 7. That in compliance with Texas Administrative Code Title 10, §11.3(d), in the event that the proposed Project is located within a census tract that has more than 30 percent Housing Tax Credit Units per total households as established by the U.S. Census Bureau for the most recent Decennial Census, the City Council by this Resolution votes specifically to support the construction of the Project and authorize the allocation of Housing Tax Credits for the Project.

SECTION 8. That the City Manager is hereby authorized to execute all documents, contracts and loan agreements deemed necessary and proper to effectuate the purposes of this Resolution.


DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 18th day of February, 2013.



John Monaco
Mayor

ATTEST:


Sonja Land
City Secretary

APPROVED:


B.J. Smith
City Attorney