

Memorandum



DATE June 15, 2018

Members of the Economic Development & Housing Committee: Tennell Atkins, Chair,
TO Rickey D. Callahan, Vice-Chair, Lee M. Kleinman, Scott Griggs, Casey Thomas, II, B.
Adam McGough, Mark Clayton, Kevin Felder, Omar Narvaez

**Authorize an amendment to Resolution No. 18-0219, previously approved on
January 24, 2018, to support either 4% or 9% Low Income Housing Tax Credit
applications to the Texas Department of Housing and Community Affairs by 2400
SUBJECT Bryan Street, LP, or its affiliate, for the new construction of up to a 230-unit
residential development located at 2400 Bryan Street - Financing: No cost
consideration to the City**

Summary

On June 27, 2018, the Council will consider an amendment to Resolution No. 18-0219, previously approved on January 24, 2018, to support 9% Low Income Housing Tax Credit (LIHTC) applications by 2400 Bryan Street, LP, or its affiliate, for the new construction of up to a 230-unit residential development located at 2400 Bryan Street to include the support of a 4% LIHTC application in the event the 9% credits are not approved by TDHCA.

Background

The proposed development is a 14 to 15 story structure at 2400 Bryan Street with 5 floors of parking and 9 to 10 floors of residential units (Project). The Project will be developed and owned by a to-be formed partnership called 2400 Bryan Street, LP. RMGM or an affiliate of RMGM will control the general partner of the new entity. RMGM is owned by John H. (Jack) Matthews and D. Scott Galbraith.

The Project will have a total of up to 230 units, which will include 24 efficiency units, 130 one-bedroom units, 62 two-bedroom units, and 14 three-bedroom units. Approximately 120 of the 230 total units will be offered at market value rents. The remaining approximately 110 units will be reserved for low income households, of which 12 units will be reserved for households earning at or below 30% of area median family income, 46 units will be reserved for households earning at or below 50% of area median family income, and 52 units will be reserved for households earning at or below 60% of area median family income. The income-restricted units will be distributed throughout the unit types and throughout the Project.

The Project site is located in a High Opportunity Area, the Walker Targeted Area, as described under the Walker Consent Decree, and the Project will accept Walker Settlement Vouchers, a type of voucher administered by the Dallas Housing Authority. The project is located in Census tract 48113001701 which has a poverty rate of 5.9%. The project is served by Ben Miliam Elementary School which is rated "Met Standard".

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SUBJECT Amending Resolution for Letter of Support for 2400 Bryan LIHTC Application

The Project is part of a multi-phased development that includes the Project, the recently opened Old Dallas High School redevelopment, and a future phase of commercial development. In addition to the approximately 230 residential units, the Project also includes approximately 400 parking garage spaces and 10,000 square feet of retail. The Project will break ground in early 2019 and will complete construction on or before August 31, 2021.

On January 24, 2018, City Council approved Resolution 18-0219, which authorized (1) a resolution of support for 2400 Bryan Street, LP, or its affiliate, related to its application for 9% Low Income Housing Tax Credits from the Texas Department of Housing and Community Affairs for the new construction of up to a 230-unit residential development located at 2400 Bryan Street; and (2) a line of credit for the proposed development in the amount of \$500 by Resolution No. 18-0219.

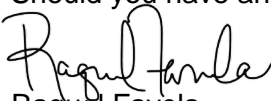
The project submitted a pre-application to TDHCA and scored well. However, the developer has requested that the City clarify its resolution to confirm that it supports the project regardless of whether the project receives 9% or 4% low income housing tax credits. This amendment is to document that clarification.

Fiscal Impact
No fiscal impact

Staff Recommendation

Staff recommends that the Committee forward for consideration by the City Council an item amending Resolution No. 18-0219, previously approved on January 24, 2018, to support both 4% and 9% Low Income Housing Tax Credit applications by 2400 Bryan Street, LP, or its affiliate, for the new construction of up to a 230-unit residential development located at 2400 Bryan Street.

Should you have any questions, please contact me at (214) 671-5257.



Raquel Favela

Chief of Economic Development & Neighborhood Services

c: The Honorable Mayor and the Members of City Council
T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Billierae Johnson, City Secretary
Daniel F. Solis, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager
Jo M. (Jody) Puckett, P.E., Assistant City Manager (Interim)
Joey Zapata, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Nadia Chandler Hardy, Chief of Community Services
Theresa O'Donnell, Chief of Resilience
Directors and Assistant Directors