

RESOLUTION NO 15-1450

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EULESS, TEXAS, FOR A PROPOSED AGE-RESTRICTED AFFORDABLE SENIOR HOUSING PROJECT (KNOWN AS THE GALA AT OAK CREST ESTATES) LOCATED AT THE SOUTHWEST CORNER OF DICKEY DRIVE AND EAST EULESS BOULEVARD (TEXAS HIGHWAY 10) IN THE CITY OF EULESS, TEXAS; SUPPORTING SUBMITTAL OF AN APPLICATION BY GARDNER CAPITAL DEVELOPMENT TEXAS, LLC TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS FOR AN ALLOCATION OF HOUSING TAX CREDITS (9% HOUSING TAX CREDITS) FOR THE SENIOR HOUSING DEVELOPMENT; COMMITTING LOCAL FUNDS FOR THE PURPOSES OF A COMMITMENT OF DEVELOPMENT FUNDING BY A LOCAL POLITICAL SUBDIVISION; AND CONFIRMATION OF MOST SIGNIFICANT CONTRIBUTION TO THE CONCERTED REVITALIZATION EFFORTS OUTLINED IN THE EULESS REVITALIZATION PLAN #1.

WHEREAS, Gardner Capital Development Texas, LLC (“Gardner Capital”) has proposed a new development of age-restricted affordable senior housing, to be known as the Gala at Oak Crest Estates, located at the southwest corner of Dickey Drive and East Euless Boulevard (Texas Highway 10), Euless, Tarrant County, Texas 76040 (the “Development”); and

WHEREAS, as the population in the United States ages, there is a need for reasonably priced rental housing for seniors in the community, which the Development is intended to provide; and

WHEREAS, Gardner Capital and/or the Partnership (to be formed with affiliates of Gardner Capital) (the “Applicant”) intends to submit an application to the Texas Department of Housing and Community Affairs (TDHCA) for a 2015 allocation of Low Income Housing Tax Credit (LIHTC) funds for the Development; and

WHEREAS, the City of Euless adopted the *Euless Revitalization Plan #1* (the “Revitalization Plan”) in a process allowing for public input and the Development is part of the revitalization area as outlined in the Revitalization Plan; and

WHEREAS, the application for funding through TDHCA of tax credits requires a match of local funds from the City in the form of a loan or in-kind contribution; and

WHEREAS, the City of Euless is not a Related Party to the Applicant; and

WHEREAS, the City has determined that the contribution of local funds in the form of the loan hereinafter referenced is in the best interest of the City, promotes economic development within the City, and is expected to stimulate business and commercial activity in the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EULESS, TEXAS, THAT

SECTION 1.

The City of Euless affirms support for the development of age-restricted affordable senior housing to be located on property at the southwest corner of Dickey Drive and East Euless Boulevard (Texas Highway 10) to be known as the Gala at Oak Crest Estates (the "Development").

SECTION 2.

The City of Euless supports the Application to the Texas Department of Housing and Community Affairs for an allocation of 9% housing tax credits for the Development.

SECTION 3.

The Development is part of the revitalization area as outlined in the *Euless Revitalization Plan #1*. This Resolution affirms that the Development has been identified as contributing most significantly to the concerted revitalization efforts of the City as outlined in the Revitalization Plan.

SECTION 4.

This Resolution is a firm commitment from the City to make a loan to the Applicant (the "Loan Commitment") for the purposes of Commitment of Development Funding by a Local Political Subdivision in the amount of \$8,000 per LIHTC unit. The loan to the Applicant will be in the form of a permanent loan, with a minimum term of 15 years, minimum amortization period of 30 years and annual interest rate no higher than 3%, which will directly support the Development. Any funds committed to the Development have not been first provided to the City of Euless by the Applicant or a Related Party.

SECTION 5.

The Loan Commitment is conditioned upon: (a) the City's receipt and approval of loan documents in final form; (b) no material adverse change in Applicant or the Development or the circumstances surrounding Applicant's development of the Development that would, in the City's judgment, make the loan unacceptable to the City; (c) approval by City's legal counsel of the documents evidencing the loan; (d) Applicant's receipt of a commitment of Tax Credits for the Project from the TDHCA; and (e) availability to City of funding sources in an amount sufficient to fund the loan at the time of closing.

SECTION 6.

The Loan Commitment expires upon the Applicant's failure to satisfy any one of the conditions described in Section 5 above. None of the City, its governing body, nor any employee or representative of the City makes any representation with respect to whether the Loan Commitment qualifies the Applicant for the award of certain points by the TDHCA in connection with an application for a commitment of Tax Credits under any requirement, rule, policy or guideline of the TDHCA, including, but not limited to the Qualified Allocation Plan of the TDHCA.

SECTION 7.

The City Council of the City of Euless, Texas understands that this Resolution, related to potential financing, is not a statement of support for rezoning the site, or for other development approvals that may be required. Such decisions will be made in due course.

SECTION 8.

This Resolution shall become effective immediately from and after its passage, as the law and charter in such cases provide.

APPROVED AND ADOPTED at a regular meeting of the Euless City Council on the 13th day of January, 2015, by a vote of _____ ayes, _____ nays, and _____ abstentions.

APPROVED:

ATTEST:

Linda Martin, Mayor

Kim Sutter, TRMC, City Secretary