

March 26, 2025

WHEREAS, the City of Dallas (City) is authorized by the Texas Public Facility Corporation Act, Chapter 303 of the Texas Local Government Code, as amended (Act) to create a public facility corporation for the purposes established in the Act, including to provide for financing, acquisition, and construction of public facilities under the Act; and

WHEREAS, on June 24, 2020, the City Council authorized the creation of the Dallas Public Facility Corporation (Corporation) to further the public purposes stated in the Corporation's Articles of Incorporation and Bylaws pursuant to the Act by Resolution No. 20-1035, and amended the Bylaws on August 24, 2022, by Resolution No. 22-1194 (collectively, the Governing Documents); and

WHEREAS, on April 12, 2023, the City Council adopted the Dallas Housing Policy 2033 (DHP33), by Resolution No. 23-0443, and the Dallas Housing Resource Catalog (DHRC) to include the approved housing programs by Resolution No. 23-0444; and

WHEREAS, the Corporation, on behalf of the City, is empowered to finance or to provide for the acquisition, construction, rehabilitation, renovation, repair, equipping, furnishing, and placement in service of public facilities in an orderly, planned manner and at the lowest possible borrowing costs; and

WHEREAS, Ethos Property Development, LLC (Applicant), a Texas limited liability company, submitted an application to the Corporation for the development of The Humphreys for a 322-unit mixed income multifamily development to be located at 5339 Alpha Road, Dallas, Texas 75240 (Project); and

WHEREAS, the Project: (i) will be exempt from all ad valorem taxes; (ii) would not be economically feasible but for the Corporation's participation, and (iii) furthers the goals of the DHP33; and

WHEREAS, on January 28, 2025, the Corporation adopted a resolution declaring its intent to enter into a lease agreement with the Applicant or its affiliate and the authorization to negotiate and execute a term sheet with the Applicant; and

WHEREAS, pursuant to the Act and the governing documents, the City desires to authorize the Corporation's ownership of the Project to be located in a Market Value Analysis (MVA) market type F and a lease agreement with the Applicant or its affiliate in order to provide mixed-income, workforce housing to the "missing middle" of the market: residents that earn below 80% AMI and above 60% AMI that would be cost burdened by market rents in the City. The rents for individuals and families earning below 60% AMI are included to provide deeper affordability at this property.

March 26, 2025

Now, Therefore,

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

SECTION 1. That the City of Dallas, acting through its Governing Body hereby authorizes the Corporation to acquire, develop, and own The Humphreys and enter into a 75-year lease agreement with the Applicant or its affiliate for the development of the Humphreys to be located at 5339 Alpha Road, Dallas, Texas 75240

- A. The Applicant proposes to develop new construction of 322 residential units including 44 efficiency units, 160 one-bedroom units, 103 two-bedroom units and 15 three-bedroom units.
- B. Upon completion of the new construction, at least 128 of the 322 units will be available to rent to households earning less than 80% of Area Median Income (AMI), and 34 of the 322 units will be available to rent to households earning less than 60% of AMI, and 160 of the 322 units will be leased at market rate rents subject to a lease agreement between the Corporation and Applicant.
- C. Pursuant to the Act, the Project will be exempt from all ad valorem taxes.
- D. This is an improved property that is currently occupied that will continue to be secured by the Applicant after conveyance of the property or the Corporation will secure the property and re-coop its costs from the Applicant;
- E. This project does not interfere with any other initiatives offered by the City such as Tax Increment Financing (TIF) and Public Improvement Districts (PID).

SECTION 2. That it is FURTHER RESOLVED that, pursuant to the Corporation's bylaws, the City of Dallas hereby confirms that the City Council has voted specifically to authorize the development to move forward.

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