

September 13, 2023

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, as amended on August 24, 2022, by Resolution No. 22-1194 (collectively, the governing documents); and

WHEREAS, the Corporation, on behalf of the City, is empowered to finance the costs of public facilities that will provide decent, safe, and sanitary housing at affordable and market rents for residents of the City; and

WHEREAS, Savoy Equity Partners, LLC (Applicant), a Texas limited liability company, submitted an application requesting that the Corporation partner with Applicant or its affiliate for the acquisition, development, construction, and operation of The Cedars, a proposed 377-unit residential housing development to be located at 2000 and 2220 South Ervay Street (Project); and

WHEREAS, the Applicant proposes to develop new construction of 377 residential units including 57 studio units, 226 one-bedroom units, 76 two-bedroom units, and 18 three-bedroom units; and

WHEREAS, upon completion of the new construction, at least 155 of the 377 units will be available to rent to households earning less than 80% of Area Median Income (AMI), and 39 of the 377 units will be available to rent to households earning less than 60% of AMI, and 183 of the 377 units will be leased at market rate rents subject to a lease agreement between the Corporation and Applicant; and

WHEREAS, pursuant to the Act, the Project will be exempt from all ad valorem taxes; and

WHEREAS, that but for the Corporation's participation, the Project would not be economically feasible, and the Project furthers the goals of the Dallas Housing Policy 2033 and City of Dallas' Comprehensive Housing Policy, as restated in the Dallas Housing Resource Catalog; and

WHEREAS, on June 27, 2023, 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

September 13, 2023

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 an uncategorizable Market Value Analysis market type 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 above 60% AMI but would be cost burdened by market rents in the City. The rents for individuals and families earning below 80% AMI are included to provide deeper affordability at this property.

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 **(1)** acquire, develop, and own The Cedars; and **(2)** enter into a 75-year lease agreement with the Applicant or its affiliate for the development of The Cedars to be located at 2000 and 2220 South Ervay Street.

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 provisions of the Charter of the City of Dallas, and it is accordingly so resolved.