

March 26, 2025

WHEREAS, pursuant to the Texas Housing Finance Corporation Act, Chapter 394 of the Texas Local Government Code (Act), any residential property owned by a Housing Finance Corporation is exempt from all ad valorem taxes; and

WHEREAS, on April 25, 1984, the City of Dallas (City) authorized the creation of the City of Dallas Housing Finance Corporation (DHFC) as a Texas nonprofit corporation, pursuant to the Texas Housing Finance Corporation Act, Chapter 394, Local Government Code, as amended (the Act), to act on behalf of the City in carrying out the public purpose of the Act by Resolution No. 84-1458; and

WHEREAS, on February 28, 2007, the City Council authorized an amendment to the DHFC Bylaws to allow the DHFC to purchase, lease, own, hold title to, or otherwise acquire an interest in a residential development, directly or indirectly through a subsidiary of the DHFC, subject to City Council approval by Resolution No. 07-0733; and

WHEREAS, on March 27, 2013, the City Council authorized an amendment to the DHFC's Articles of Incorporation to allow the DHFC to classify all its income as tax exempt in accordance with 509(a)(2) of the Internal Revenue Service Code by Resolution No. 13-0541; and

WHEREAS, Elan City Lights, now known as Oak & Ellum, was completed in 2015 with 424 multifamily market-rate residential units, ~~within Tax Increment Financing Reinvestment Zone Number Twelve (Deep Ellum TIF District or TIF District)~~; and

WHEREAS, on May 9, 2018, the City Council authorized the adoption of the Comprehensive Housing Policy (CHP) by Resolution No. 18-0704; and

WHEREAS, after the adoption of the CHP the City Council authorized multiple amendments to the CHP by Resolution No. 18-1680 on November 28, 2018, by Resolution No. 19-0884 on June 12, 2019, by Resolution No. 19-1041 on June 26, 2019, by Resolution No. 19-1498 on September 25, 2019, by Resolution No. 19-1864 on December 11, 2019, and by Resolution No. 21-1450 on September 9, 2021, by Resolution No. 21-1656 on October 13, 2021, and by Resolution No. 22-0744 on May 11, 2022; and

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

WHEREAS, the DHFC, 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

March 26, 2025

WHEREAS, Waterford Property Company, LLC (Applicant), a Texas limited liability company, submitted an application requesting that the DHFC partner with Applicant or its affiliate for the acquisition and operation of the Oak & Ellum, an existing 424-unit multifamily market rate residential housing development located at 2627 Live Oak Street, Dallas, Texas 75204 (Project); and

WHEREAS, upon closing of the acquisition, the DHFC, or its affiliate, will own the Project and reserve at least 85 of the 424 units for households earning less than 60% of area median income (AMI), 128 of the 424 units for households earning less than 80% of AMI, 170 of the 424 units for households earning less than 140% of AMI, and 41 of the 424 units will be at market rate rents; and

WHEREAS, the DHFC's acquisition of the Project will provide mixed-income workforce housing in a high opportunity area of the City and lower rental rates for current qualified households; and

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

~~**WHEREAS**, the Project is located in the Deep Ellum TIF District and a disbursement of \$1,489,361.00 from the Applicant in to Tax Increment Financing Reinvestment Zone Number Twelve Fund, as a one-time payment in lieu of annual tax increment for tax years 2025, 2026, and 2027 has been agreed upon; and~~

WHEREAS, on September 10, 2024, the DHFC adopted a resolution to authorize negotiation and execution of a memorandum of understanding with the Applicant; and

WHEREAS, pursuant to the Act, the City desires to authorize the DHFC's ownership of the Project in order to provide mixed-income, affordable and workforce housing in the City.

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, the City Council hereby authorizes the Dallas Housing Finance Corporation to acquire and own Oak & Ellum, an existing 424-unit multifamily market rate residential housing development located at 2627 Live Oak Street, Dallas, Texas 75204 (Project).

~~**SECTION 2.** That the Chief Financial Officer is hereby authorized to deposit funds from the Applicant co-terminus with DHFC acquisition in an amount not to exceed \$1,489,361.00 in to the Deep Ellum TIF District Fund, Fund 0056, Department ECO, Unit P406, Revenue Code 6006, a one-time payment in lieu of annual increment for tax years 2025, 2026, and 2027 (until Deep Ellum TIF District termination).~~

March 26, 2025

SECTION 23. That it is FURTHER RESOLVED that the City of Dallas hereby confirms that its Governing Body has voted specifically to authorize the Project to be acquired.

SECTION 34. 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.