

June 22, 2022

WHEREAS, the City of Dallas (the “City”) recognizes the importance of, and seeks to establish as a public purpose, the creation and maintenance of emergency, transitional and affordable housing, improving housing security, and providing supportive services to the homeless and housing insecure; and

WHEREAS, the 2019 Novel Coronavirus (“COVID-19”) pandemic was declared a public health emergency in the United States in January 2020; and

WHEREAS, on March 11, 2021, President Biden signed into law H.R. 1319, a \$1.9 trillion supplemental appropriations bill commonly referred to as the American Rescue Plan Act, (ARPA) to provide additional federal resources for economic stimulus and recovery from the public health and economic impacts of the COVID-19 pandemic; and

WHEREAS, as part of the \$362 billion in federal fiscal recovery aid allocated to state and local governments, \$65.1 billion was provided under ARPA direct aid to counties, on June 1, 2021, the Dallas County Commissioners Court accepted and authorized the use of federal funds received by Dallas County (the “County”) through ARPA and the CARES Act Coronavirus Relief Fund in the amount of \$511,918,088 via court order 2021-0573; and

WHEREAS, the County intends to utilize a portion of its allocation to fund regional projects and programs that assist disadvantaged and underserved communities through housing support and infrastructure improvements; and

WHEREAS, the U.S. Department of Treasury, via the Final Rule issued January 2022 (“ARPA Treasury Guidance”) regarding the use of ARPA State and Local Fiscal Recovery funds (“ARPA SLFR Funds”), encourages recipients to consider regional initiatives, including partnering with other ARPA recipients, to augment efforts or create cooperative spending plans to enhance the structural financial condition of a community or region; and

WHEREAS, ARPA Treasury Guidance affirms the objectives stated in the Interim Final Rule that the allocation of ARPA SLFR Funds to improve access to stable, affordable housing, including through interventions that: (i) increase the supply of affordable housing and high-quality living units; (ii) improve housing security; and (iii) support durable and sustainable homeownership; and

WHEREAS, ARPA Treasury Guidance provides that the following are eligible costs: responses to the negative economic impacts of the pandemic include “rent, mortgage, or utility assistance and counseling and legal aid to prevent homelessness,” including housing stability services that enable eligible households to maintain or obtain housing,

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such as housing counseling, fair housing counseling, case management related to housing stability, outreach to households at risk of eviction or promotion of housing support programs that support the ability of vulnerable populations to access or maintain housing; and

WHEREAS, the City has a long-standing commitment to protect the health and safety of Dallas's homeless and housing insecure through medical services, supportive services, job training, temporary and permanent housing and other emergent services; and

WHEREAS, the City of Dallas ("City") is the owner of that certain tract of land improved with a former Townhouse Suites hotel located in the City of Dallas, Dallas County, Texas which is commonly known as 4150 Independence Drive (the "Property"); and

WHEREAS, the City and the County desire to address the needs of the unsheltered via redevelopment of the Property and establish a program (via a separate competitive bid process) to support unsheltered youth (ages 18-24) with housing opportunities and supportive services with a focus on LGBTQIA+ youth, both populations being at or below thirty percent (30%) of the Area Median Income (collectively, the "Target Populations") to expand access to supportive services and provide additional supportive services and housing for the homeless and housing insecure throughout the City and County; and

WHEREAS, Chapter 791 of the Texas Government Code, the Interlocal Cooperation Act (the "Act") provides authorization for local governments to contract with each other for the performance of governmental functions and services, and

WHEREAS, the City and the County seek to enter into an interlocal agreement, approved as to form by the City Attorney, consistent with the terms set forth in **Exhibit A** attached hereto and incorporated by reference, to establish a regional initiative under which the County will provide the City with an allocation not to exceed \$10,000,000.00 dollars of ARPA SLFR Funds to enable the City to redevelop the Property to serve the region's need for supportive housing and services for those experiencing homelessness or housing insecurity; and

WHEREAS, more specifically, the Property, which currently consists of 108 hotel units, will be redeveloped by the City to develop, construct, use, operate, and maintain emergency, transitional or affordable housing, increase housing stability and provide supportive services for individuals at or below thirty percent (30%) of the Area Median Income, who are experiencing homelessness or housing insecurity, with programs such as workforce and job training, affordable and supportive housing, financial education; and

WHEREAS, the City and the County seek to also provide supportive housing opportunities for the Target Populations; and

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WHEREAS, the City will be the lead agency for the Property redevelopment, including taking lead in all public solicitations to solicit one or more proposals needed for the redevelopment of and construction of improvements at the Property; and

WHEREAS, the City shall be responsible for any cost overruns in excess of the County funding participation, subject to annual appropriation.

Now, Therefore,

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

SECTION 1. That the City hereby identifies the lack of supportive housing within the City and the surrounding region.

SECTION 2. That the City hereby establishes as a public purpose the creation and maintenance of supportive housing, improving housing security, and providing supportive services to the homeless and housing insecure for youth (18-24), including lesbian, gay, bisexual, transgender, queer, questioning, intersex, and asexual/agender (“LGBTQIA+”) youth and the larger unsheltered and/or unstably housed population at or below 30% Area Median Income (collectively, the “Target Populations”), within the City of Dallas and Dallas County (the “public purpose”).

SECTION 3. That the City Manager is hereby authorized to work with the County Administrator to establish a regional partnership to provide housing opportunities for the Target Populations to serve the public purpose.

SECTION 4. That the City Manager is hereby authorized to execute an interlocal agreement with Dallas County, approved as to form by the City Attorney (“interlocal agreement”), to accept funds in an amount not to exceed \$10,000,000 for the period of September 1, 2022 to August 30, 2024 and includes the special terms, conditions and obligations consistent with those set forth in **Exhibit A**, which is incorporated herein, as follows:

- (a) Dallas County will contribute up to \$10,000,000 of its allocated ARPA State and Local Fiscal Recovery (“ARPA SLFR Funds”) to the City to help finance redevelopment of 4150 Independence Drive (the “Property”);
- (b) The City shall commit the Property to provide supportive services and housing for individuals at thirty percent (30%) of the Area Median Income who are homeless or housing insecure;

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- (c) The City will procure a contractor for the redevelopment of and construction of improvements at the Property. The City shall administer the redevelopment and construction of the improvements at 4150 Independence Drive, Dallas, Texas 75237. The City shall be responsible for any cost overruns in excess of the County funding participation, subject to annual appropriation;
- (d) The City will procure a contractor to provide supportive housing services for the Target Populations in accordance with an authorized public purpose, the interlocal agreement, and ARPA Treasury Guidance;
- (e) The City and County shall jointly develop and provide supportive services for the Target Populations. Such direct supportive services will be funded, in part, with the ARPA SLFR Funds contributed by the County. The City shall be responsible for any ongoing Program costs in excess of the County funding participation, subject to annual appropriation.

SECTION 5. That, upon execution of the interlocal agreement, the City Manager is authorized to initiate redevelopment of the Property by procuring a contractor.

SECTION 6. That the City Manager is hereby authorized to reimburse to the County or the Treasury any expenditures identified as ineligible. That the City Manager shall notify the appropriate City Council Committee of expenditures identified as ineligible not later than thirty (30) days after the reimbursement. Further, that the City Manager shall keep the appropriate City Council Committee informed of all final audit reports to the County or the Treasury not later than thirty (30) days after the receipt of the report.

SECTION 7. That the City Manager is hereby authorized to make changes to receipt of funds in accordance with ARPA Treasury Guidance and to provide additional information, make adjustments, and take other actions relating to the funds as may be necessary to satisfy County or Treasury requirements.

SECTION 8. That the Chief Financial Officer is hereby authorized to receive and deposit from Dallas County funds in the amount not to exceed \$10,000,000.00, upon receipt of a fully executed interlocal agreement in an amount not to exceed \$10,000,000.00 in the FY22 Dallas County ARPA Fund, Fund FC30, Department MGT-OHS, Unit 935G, Dallas County FY22 Fund, RSC 6506.

SECTION 9. That the interlocal agreement with Dallas County is designated as Contract No. OHS-2022-00019345.

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SECTION 10. 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.