

September 14, 2022

WHEREAS, on April 25, 1984, City Council authorized the City of Dallas ("City") to create 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, V.T.C.A., 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, 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, 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, pursuant to Section 394.9025(a) of the Act, following a public hearing, the DHFC may issue bonds to finance a multifamily residential development to be owned by the DHFC if at least 50.00% of the units in the multifamily residential development are reserved for occupancy by individuals and families earning 80.00% of the area median family income; and a public hearing with respect to the bonds and the Project shall be held in accordance with Section 394.004 of the Act; and

WHEREAS, Opportunity Housing Group, Inc. ("Applicant"), submitted an application requesting that the DHFC partner with Applicant or its affiliate and issue tax-exempt essential function bonds to finance the DHFC's acquisition of The Briscoe, an existing 322-unit market rate residential housing development located at 12639 Coit Road (Project); and

WHEREAS, upon closing of the acquisition, the DHFC, or its affiliate, will own the Project and reserve at least 161 of the 322 units for households earning less than 80.00% of area median income (AMI), 129 of the 322 units for households earning between 80.00-140% of AMI, and 32 of the 322 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, on July 12, 2022, the DHFC adopted a resolution declaring its intent to issue bonds for the financing of the acquisition and authorizing negotiation and execution of a memorandum of understanding with the Applicant; and

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WHEREAS, pursuant to the Act, the City desires to authorize the DHFC's issuance of tax-exempt essential function bonds and ownership of the Project in order to provide mixed-income, workforce housing to the "missing middle" of the market: residents that earn above low-income housing tax credit income restrictions of 60.00% AMI but are cost burdened by market rents in the City.

Now, Therefore,

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

SECTION 1. That City of Dallas, acting through its Governing Body, does hereby authorize the issuance of tax-exempt essential function bonds by DHFC in an amount not to exceed \$114,600,000.00, to DHFC, or its affiliate, the proceeds of which will be used by the DHFC to acquire The Briscoe, an existing 322-unit market rate residential housing development located at 12639 Coit Road (Project).

SECTION 2. That the authorization of the Governing Body is not to be construed as an undertaking by the City of Dallas. The Bonds shall not constitute a liability, an indebtedness, or obligation of the City of Dallas nor shall any of the assets of the City of Dallas be pledged to the payment of the Bonds. The Bonds shall specifically provide that the Bonds are not a debt of the City of Dallas, Dallas County or the State of Texas and that the City of Dallas, Dallas County and State of Texas are not liable with respect to the Bonds.

SECTION 3. That to the extent applicable, the Governing Body hereby approves the application of the Act to the property on which the Project will be acquired and grants its approval for the use of proceeds of bonds issued by the DHFC pursuant to the Act to acquire the Project.

SECTION 4. 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 5. 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.