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**WHEREAS**, the Interlocal Cooperation Act, Government Code Chapter 791, Vernon's Texas Civil Statutes, provides authorization for any local government to contract with one or more local governments to perform governmental functions and services; and

**WHEREAS**, the City of Dallas (City) and Dallas County (County) have expressed a need for supportive housing for those that are homeless or at risk of becoming homeless; and

**WHEREAS**, City and County desire to partner with the city to providing funding for the housing; and

**WHEREAS**, County has ordered, adjudged and decreed that County is approved to participate in a collaboration with City to share costs with funding identified by County and City respectively; and

**WHEREAS**, the successful St. Jude Center ~~senior~~ homeless permanent supportive transitional housing projects owned and operated by St. Jude Inc. have ~~has~~ been considered a model that could be utilized to address the current situation; and

**WHEREAS**, County engaged in discussions with Catholic Charities Dallas ("CCD") and St. Jude, Inc. ("SJI") regarding different approaches to achieve the common objectives of supportive housing and future transitional housing opportunities to low-income residents in need. SJI has identified a suitable property that may provide service to approximately 132 individuals at a time; and

**WHEREAS**, SJI has agreed to oversee the acquisition and renovations of the property located at 9019 Vantage Point Drive, Dallas, TX 75243 (the "Property"). SJI will acquire the Property using a grant from the County, a grant from the City plus its own equity and other third-party funds, and the use of the Property will be restricted for 15 years to housing for low-income residents. SJI intends to engage CCD serve as both property and program manager, providing such services with either its own staff or arranging services to be provided by ~~GCD-or~~ other third parties; and

**WHEREAS**, the Project (as defined below) will have a positive impact on City and County by assisting persons who have experienced homelessness and are seeking affordable housing. The Project will offer case management services provided for all residents helping each to access additional needed services such as mental, medical, and dental health. In addition, assistance will be provided to help develop independence, vocational skills, and general life skills; and ~~Additionally, the Project intends to provide direct assistance and facilitation with all medical/behavioral health appointments and medication management; and~~

**WHEREAS**, on August 7, 2020, the City issued a Notice of Funding Availability (NOFA), as amended, in accordance with the City of Dallas Comprehensive Housing Policy (CHP); and

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**WHEREAS**, on May 11, 2022, the City Council authorized (1) an amendment to the CHP, as amended, to amend the Mixed Income Housing Development Bonus (MIHDB) program by (a) adding additional development bonus options including additional development rights, parking reductions, and financial incentives and (b) adding a fee in lieu of on-site provision to fulfill the requirements of the bonus; and (2) the establishment of the Mixed Income Housing Development Bonus Fund by Resolution. No. 22-0744; and

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

**WHEREAS**, the Department of Housing & Neighborhood Revitalization continues operating its programs, previously authorized and adopted under the CHP, now as restated in the Dallas Housing Resource Catalog approved on April 12, 2023; and

**WHEREAS**, on May 23, 2023, SJI (Applicant) submitted an application for gap financing and received a fundable Notice of Funding Availability score 97 out of 143 points; and passed a third-party underwriting review for their proposed development, St. Jude - Center Vantage Point (Project); and

**WHEREAS**, on June 6, 2023, the Dallas County Commissioner's Court approved an agreement with SJI in the amount of \$3,000,000.00 through Coronavirus State and Local Fiscal Recovery Funds ("ARPA Funds") for the delivery of 132 permanent supportive housing units at the property; and

**WHEREAS**, the City has determined that the acquisition of this property is necessary to provide supportive housing. In particular, the City has determined that it is not able to meet the need of supportive housing in a cost-effective manner by utilizing property already owned or leased.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute an Interlocal Agreement with Dallas County, approved as to form by the City Attorney, for supportive housing for persons experiencing homelessness as part of a cost share agreement between the City of Dallas and Dallas County for the St. Jude Center - Vantage Point Project located at 9019 Vantage Point Drive, Dallas, Texas 75243, in an amount not to exceed \$3,000,000.00.

**SECTION 2.** That the City Manager is hereby authorized to establish appropriations in an amount not to exceed \$3,000,000.00 in the Mixed Income Housing Development Bonus Fund, Fund 0T77, Department HOU, Unit 283C, Object 3100/3099.

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**SECTION 3.** That the Interlocal Agreement will ensure that the County enters into a contract with SJI under which SJI agrees to provide, at a minimum, that:

- a) SJI will acquire the property located at 9019 Vantage Point Drive, Dallas, TX 75243.
- b) The Property will create 132 units for supportive housing, to be utilized by the City and the County, to assist with the needs of the homeless community.
- c) All units acquired shall be deed restricted for fifteen years to remain in use for the purpose of providing affordable rental housing and servicing low-income residents earning a household income between 0%-80% of the Area Median Income (AMI); ~~4~~30% of the units will be reserved for residents earning a household income at or below 30% of AMI, ~~3~~40% of the units reserved for residents earning a household income at or below 60% of AMI and ~~4~~30% of the units reserved for residents earning a household income at or below 80% AMI).
- d) Residents will pay affordable rents with the remainder of nominal rental rate paid from housing subsidies arranged by SJI in collaboration with City Square, VASH, Metrocare, and other non-profits working directly with the homeless population. In addition, SJI will attempt to arrange project-based subsidies with both Dallas County and DHA Housing Solutions for a fraction of the units.
- e) Cost must be incurred, and the property must be acquired and placed in service for supportive housing by ~~February 29~~ September 30, 2024.

**SECTION 4.** That the Interlocal Agreement will also include the following terms:

- a) City Responsibilities
  - i. City shall provide County with Project funds in an amount not to exceed THREE MILLION AND NO/100 DOLLARS (\$3,000,000.00) ("Project Funds") to be disbursed to SJI as set forth in the "Method and Timing of Funding" section. County shall provide the Project Funds to SJI, towards acquisition costs of the Property.
  - ii. Such payment shall create and secure the ability of the City and County to utilize 132 units ("Units") for supportive housing to assist with the needs of the homeless community.
  - iii. All Units acquired shall remain in use for the purpose of housing and servicing low-income residents (30% of the Units shall be reserved for residents with income <30% of Area Median Income (AMI), 40% of the Units shall be reserved for residents with income at <60% of AMI, and 30% of the Units shall be reserved for residents with income at <80% of AMI).

**SECTION 4.** (continued)

- iv. Costs (in the amount of or more than the Project Funds) for acquisition of the Property must be incurred, and the Property must be acquired and put to use in service for supportive housing by ~~December~~ September 30, 2024.
- b) County Responsibilities
- i. County shall provide SJI with Project Funds to be disbursed to SJI as set forth in the "Method and Timing of Funding" section. County shall work in conjunction with City staff to implement the use of the Units during the term of this Agreement to provide supportive housing to the homeless affected by COVID-19.
- c) Method & Timing of Funding
- i. City shall pay Project funds County ~~on the closing date for the Property provided by August 16, 2023 SJI or~~ and such funds ~~shall~~ may be held in escrow ~~prior to the closing date~~, which shall not be released until all prerequisites established by the City have been met.
  - ii. The Project Funds paid by City to County will be deposited with the County in a fund designated in the County order approving this Agreement. until transferred to the Title Company ("Escrow Agent").
  - iii. County shall pay the Project Funds to the Escrow Agent on or before the Property purchase closing date. The Escrow Agent will release the Project Funds and other funds to acquire the Property.
- d) Term
- i. The term of the Interlocal Agreement between the City and the County shall be from the date of execution by both parties until terminated by either party (1) for convenience, (2) for non-appropriation of funds or (3) for default, but in no event shall the term continue after ~~February~~ September 29, 2024. If the County terminates for convenience after the City has provided the Project Funds to the County, the County must repay the amount of the Project Funds provided by the City, subject to appropriation. If County is unable to repay, County shall obtain repayment from SJI to repay the City.
  - ii. If County fails to comply with federal statutes, regulations or the terms and conditions of this Agreement, City may impose additional conditions, as described in 2 CFR §200.207. If City determines that the noncompliance cannot be remedied by imposing additional conditions,

then the City may take one or more of the following actions, as appropriate in the circumstances:

- a. Temporarily withhold cash payments pending correction of the deficiency by County or more severe enforcement action by the Treasury or the City;

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**SECTION 4.** (continued)

- b. Disallow all or part of the cost of the activity or action not in compliance;
    - c. Wholly or partly suspend or terminate this Agreement;
    - d. Initiate or recommend suspension or debarment proceedings as authorized under 2 CFR part 180 to Treasury;
    - e. Withhold further allocations of funds to County under the Project;
    - f. Take other remedies that may be legally available in law or at equity.
  - iii. City may terminate the Interlocal Agreement for convenience. County may also terminate if City does not provide the Funds substantially in accordance with the Interlocal Agreement. County may terminate the Interlocal Agreement after providing written notice to the City setting forth the reason for such termination, the effective date, and in the case of partial termination, the portion to be terminated. City, however, may determine in the case of partial termination that the reduced or modified portion of the Interlocal Agreement will not accomplish the purpose of the Project, and may terminate the Interlocal Agreement in its entirety.
  - iv. Both parties may terminate the Interlocal Agreement for convenience so long as the parties agree to termination conditions, including the effective date of the termination. In the case of partial termination, the portion of the Agreement to be terminated. Regardless of the party who initiates the termination, both parties shall remain responsible for compliance with the requirements set forth in 2 CFR §200.343 and §200.344, if applicable.
- e) County shall comply with all federal requirements applicable to its use of ARPA Funds for the acquisition and rehabilitation of the Property.

**SECTION 5.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$3,000,000.00 to Dallas County from the Mixed Income Housing Development Bonus Fund, Fund 0T77, Department HOU, Unit 283C, Object 3100/3099, Encumbrance/Contract No. HOU-2023-00022490, Vendor 243282.

**SECTION 6.** 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.