

## **EXHIBIT A**



CITY OF DALLAS

### **DALLAS ECONOMIC DEVELOPMENT** **AFFORDABLE HOUSING PROGRAM STATEMENT**

The purpose of the Dallas Economic Development Affordable Housing (EDAH) program is to build stronger neighborhoods and communities by equitably creating and maintaining affordable housing throughout the City of Dallas (City) through the provision of grants and/or loans for affordable housing projects and programs. The EDAH is an economic development program created pursuant to the economic development programs provisions of Chapter 380 of the Texas Local Government Code to promote state and local economic and community development and to stimulate business and commercial activity within Texas..

The City serves as the hub of economic activity for the fastest growing region in the country, yet low-income households are increasingly having a difficult time obtaining affordable housing. To address the growing need for affordable housing within the City, the Office of Economic Development may support projects and programs that facilitate the production and preservation of affordable housing units within the corporate limits of the City. Support may be provided in the form of gap financing incentives to real estate developments or loans and grants to third-party affordable housing funds in exchange for specific performance benchmarks tied to the production of affordable housing.

Any public funds provided to Community Development Financial Institutions (CDFIs) or to any other private sector financial institutions must be specifically tied to the production of affordable housing. Special care shall be taken to ensure such arrangements do not violate the lending of credit restrictions under the Texas Constitution, Article 3, Section 52(a). To this end, no public funds shall be deployed as a loan loss reserve, and at no time shall any financial institution or fund manager use public funds as a credit enhancement or represent to the public or its investors or lenders that the City's funds are available to enhance their return on investment or to reimburse investors or lenders for their losses, or to alleviate the risks of any investors or lenders participating in such affordable housing funds.

The Office of Economic Development will provide oversight for the EDAH program. The terms of each loan and grant will be determined on a case-by-case basis. Gap financing

will be determined in accordance with the Office of Economic Development's normal application and underwriting process, and each project will require the approval of the City Council. Participation in third-party funds will require both fundraising and unit production goals to be documented in a written agreement to be approved by the City Council.