

ECONOMIC DEVELOPMENT & HOUSING COMMITTEE—REVISED
DALLAS CITY COUNCIL COMMITTEE AGENDA

RECEIVED

2018 AUG 31 PM 6:26

CITY SECRETARY
DALLAS, TEXAS

TUESDAY, SEPTEMBER 4, 2018
CITY HALL
COUNCIL BRIEFING ROOM, 6ES
1500 MARILLA STREET
DALLAS, TEXAS 75201
9:00 A.M.—10:30 A.M.

Chair, Councilmember Tennell Atkins
Vice Chair, Councilmember Rickey D. Callahan
Councilmember Lee M. Kleinman
Councilmember Scott Griggs
Councilmember Casey Thomas, II
Councilmember B. Adam McGough
Councilmember Mark Clayton
Councilmember Kevin Felder
Councilmember Omar Narvaez

Public Notice

18 07 79

Call to Order

1. Approval of August 20, 2018 Minutes

POSTED CITY SECRETARY
DALLAS, TX

BRIEFINGS

- | | |
|--|---|
| 2. Executive Session to discuss the offer of a financial or other incentive to Project Bulldog under Section 551.087 of the Texas Govt Code | Courtney Pogue, Director
Office of Economic Development |
| 3. Executive Session to discuss the offer of a financial or other incentive to Project Bonnie under Section 551.087 of the Texas Govt Code | Courtney Pogue, Director
Office of Economic Development |
| 4. Consideration of appropriation of \$1.5M in 2006 Bond Funds for the Dallas Housing Acquisition and Development Corporation (Land Bank) and Amendments to the Bylaws to expand eligible housing types briefing | Maureen Milligan, Assistant Director (I)
Housing & Neighborhood Revitalization |
| 5. Dallas Housing Finance Corporation (DHFC) Amendments to the Articles of Incorporation and Bylaws Briefing | Avis F. Chaisson, Assistant Director
Housing & Neighborhood Revitalization |

A quorum of the City Council may attend this Council Committee meeting

UPCOMING AGENDA ITEMS

- A. Update on upcoming agenda item: September 12, 2018 Public Hearing for Public Improvement Districts (PIDs) to Set Annual Assessment Rates for 2018, Adopt 2019 Service Plans, and Amend Management Contracts
- B. Authorize an Interlocal Agreement with the University of Texas at Arlington for the University of Texas at Arlington Internship Program to facilitate graduate-level urban planning internships with the City of Dallas through the Department of Planning and Urban Design – Total not to exceed \$125,804.00
Financing: General Fund (subject to annual appropriations)
- C. Authorize the third of four twelve-month renewal options to the grant agreement with the World Affairs Council of Dallas/Fort Worth for economic development and protocol services for the period October 1, 2018 through September 30, 2019 - Not to exceed \$250,000 - Financing: Public/Private Partnership Funds (\$200,000) (subject to appropriations) \$200,000; Current funds (\$50,000) (FY18-19; subject to appropriations)

MEMORANDUM

- 1. September 12th and 26th City Council Agenda Items for accelerating timeline for resolutions of support or no objection for rehabilitation projects seeking 4% housing tax credits and that satisfy Texas Government Code Section 1372.037 and for amending the Housing Policy to accommodate the accelerated timeline for such projects.

Adjourn



Tennell Atkins, Chair
Economic Development & Housing Committee

EXECUTIVE SESSION NOTICE

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]
2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]
3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]
4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]
5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]
6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex Govt. Code §551.087]
7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex. Govt. Code §551.089]

HANDGUN PROHIBITION NOTICE FOR MEETING OF GOVERNMENTAL ENTITIES

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista."

Economic Development & Housing Committee

Meeting Record August 20, 2018

The Economic Development & Housing Committee meetings are recorded. Agenda materials and audiotapes may be reviewed/copied by contacting the Committee Coordinator at 214-670-3906 or 214-670-1686.

Meeting Date: August 20, 2018

Meeting Start time: 9:03 A.M.

Committee Members Present: Councilmember Tennell Atkins (Chair) Councilmember Rickey D. Callahan (Vice-Chair) Councilmember Casey Thomas, II Councilmember Scott Griggs Councilmember B. Adam McGough Councilmember Mark Clayton Councilmember Kevin Felder Councilmember Omar Narvaez	Staff Present: Raquel Favela, Chief of Economic Development & Neighborhood Services Elizabeth Reich, Chief Financial Officer Courtney Pogue, Director of Office of Economic Development David Noguera, Director of Housing and Neighborhood Revitalization Kris Sweckard, Director of Sustainable Development & Construction
Other Council Members Present:	Other Presenters:
Committee Members Absent: Councilmember Lee M. Kleinman	

AGENDA:

Housing Committee Meeting Called to Order by CM Tennell Atkins

1. Approval of August 6, 2018 Economic Development/Housing Committee Minutes

Presenter(s): CM Tennell Atkins

Action Taken/Committee Recommendation(s): Motion made to approve the minutes.

Motion made by: CM Mark	Motion seconded by: CM Casey Thomas, II
Item passed unanimously: <u>X</u>	Item passed on a divided vote: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

Follow-up (if necessary):

2. FY 2018-19 Budget Amendments

Presenter(s): Raquel Favela, Chief of Economic Development & Neighborhood Services/ Elizabeth Reich, Chief Financial Officer/Courtney Pogue, Director, Office of Economic Development/David Noguera, Director of Housing and Neighborhood Revitalization/Kris Sweckard, Director, Sustainable Development & Construction

Information Only: X

Action Taken/Committee Recommendation (s) Item will be brought back to the Committee

Motion made by:	Motion seconded by:
Item passed unanimously: _____	Item passed on a divided vote: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

Follow-up (if necessary):

Motion to adjourn: CM Rickey D. Callahan **Seconded by:** CM Kevin Felder

Meeting Adjourned: 9:16 A.M.

Approved By _____

Memorandum



CITY OF DALLAS

DATE August 30, 2018

MEMORANDUM FOR
TO Members of the Economic Development & Housing Committee: Tennell Atkins, Chair, Rickey D. Callahan, Vice-Chair, Lee M. Kleinman, Scott Griggs, Casey Thomas, II, B. Adam McGough, Mark Clayton, Kevin Felder, Omar Narvaez

SUBJECT **Dallas Urban Land Bank Demonstration Program**

On Tuesday, September 4, 2018, the Economic Development and Housing Committee will consider (1) the appropriation of up to \$1,500,000 in 2006 General Obligation Bond funds to the Dallas Urban Land Bank Demonstration Program; and (2) revisions to the Bylaws for the Dallas Housing Acquisition and Development Corporation.

Summary

The Housing and Neighborhood Revitalization (“H&NR”) Department is proposing to appropriate up to \$1,500,000 of 2006 General Obligation Bond funds to the Dallas Urban Land Bank Demonstration Program (“land bank”), which is administered by the Dallas Housing Acquisition and Development Corporation (“DHADC”). The bond funds will be used for capital costs related to acquisition and disposition of unimproved, tax-foreclosed, real property for the development of affordable housing or other commercial purposes in accordance with Chapter 379C of the Texas Local Government Code. Additionally, H&NR is asking Council to adopt amendments to DHADC’s bylaws, including changes that allow for the development of rental housing and for the sale of certain undevelopable property to eligible adjacent property owners. The changes to the bylaws were approved by the DHADC board at its June 21, 2018 meeting.

Background

On June 18, 2003, Governor Perry signed the Urban Land Bank Demonstration Program Act (the “Act”). The Act allows the governing body of a municipality to adopt an Urban Land Bank Demonstration Program (“land bank”) in which the officer charged with selling real property ordered sold pursuant to foreclosure of a tax lien may sell certain eligible real property by private sale to a land bank for the purpose of developing affordable housing. Subsequently, on January 28, 2004, by Resolution No. 04-0458, the City of Dallas designated the DHADC as the entity to administer its land bank program for the purpose of acquiring, holding and transferring unimproved real property pursuant to Subtitle A, Title 12, Local Government Code, Chapter 379C. Included in the 2004 Council Resolution was also the adoption of the Articles of Incorporation and Bylaws for the DHADC, later amended by Resolution No. 11-3230 on December 14, 2011.

In November 2006, City of Dallas voters approved Proposition 8 whereby approximately \$41.4M was set aside to promote economic development, which included \$5.7 million in General Obligation Bonds for housing related expenses, including land acquisition costs associated with the development of affordable housing and related expenses. Currently, the 2006 General Obligation Bond fund has a balance of \$2.5 million available for housing-related activities. H&NR is proposing that \$1.5 million of these bond funds be appropriated to the land bank.

The DHADC, as land bank administrator, will use the General Obligation Bond funds for capital costs related to acquisition and disposition of unimproved, tax-foreclosed, real property for the development of affordable housing or other commercial purposes in accordance with Chapter 379C of the Texas Local Government Code.

Issue

Prior to 2018, DHADC sold land bank lots for a flat sales price of \$5000 per lot. However, this sales policy has prevented the land bank from becoming a financially self-sustaining program. Specifically, DHADC's financial audits reveal that the proceeds from prior lot sales were insufficient to sustain the administrative and other programmatic costs incurred by the DHADC in its administration of the land bank program. Therefore, in the 2017-2018 annual plan for the land bank, the City modified the sales price policy such that all lots are now initially offered at Fair Market Value ("FMV") with a discount available if project underwriting indicates the discount is needed to ensure the viable sale to an income-qualified buyer. H&NR believes this new policy will, incrementally, help the land bank program and DHADC become financially self-sustaining. Additionally, in accordance with the Comprehensive Housing Policy, as the land bank seeks to acquire new lots, its acquisition activities will be focused on Stabilization and Emerging Market reinvestment strategy areas.

Table 1 below illustrates DHADC's current operating budget without the proposed infusion of the \$1.5M in General Obligation Bond Funds. Also included is Table 2, which includes the proposed \$1.5M in General Obligation Bond Funds and projected lot sales proceeds for the 196 existing land bank lots, should they be sold at Fair Market Value. Sales proceeds will be used for operating expenses that cannot be paid for by General Obligation bond funds. It is important to note that Table 2 projections do not take into account lot sales price discounts eligible under the revised program.

TABLE 1

Revenue

Checking Account Beginning Balance (beginning 8/1/2018)	\$164,478
--	-----------

Revenue Subtotal	\$164,478
-------------------------	------------------

Projected Expenses:

Mowing Expense (196 lots)	\$ 33,000
Recording Fees	\$ 3,200
Staff Admin Costs	\$ 170,000
Appraisals	\$ -
Misc Supplies (Board lunches, etc.)	\$ 3,000
Bank Fees	\$ 333
CMA	\$ 1,000

Expenses Subtotal	\$ 210,533
--------------------------	-------------------

Net Income	\$ (46,055)
-------------------	--------------------

TABLE 2

Estimated Revenue	Bond Funds	Operating Funds
Checking Account Beginning Balance	\$ -	
2006 Bond Fund Allocation	\$ 1,500,000	
Lot Sales Revenue		\$ 2,423,500
Revenue Subtotal	\$ 1,500,000	\$ 2,423,500
Projected Expenses:		
Carried frwd expenses from FY17-18	\$ 4,200	\$ 206,333
Mowing Expense	\$ -	\$ 70,000
Recording Fees	\$ 6,400	\$ -
Staff Admin Costs	\$ -	\$ 338,500
CMA	\$ -	\$ -
Misc Supplies	\$ -	\$ 6,000
Audit Fee	\$ -	\$ 8,500
Insurance	\$ -	\$ 14,000
Acquisitions	\$ -	
Republic Title	\$ 20,000	
Consolidated Environmental	\$ 25,000	
Linebarger (referred lots)	\$ -	
Bank Fees	\$ -	\$ 1,000
Advertising Expenses	\$ -	\$ 500
License Fees (LexusNexis, etc.)	\$ -	\$ 3,200
<i>Asset Mgmt Fee</i>		\$ 196,000
Expenses Subtotal	\$ 51,400	\$ 637,700
Net Income	\$ 1,448,600	\$ 1,785,800

Alternatives

Without an additional allocation of funding from the City, the DHADC will not have the operating funds available to administer the land bank program. However, as discussed above, H&NR believes it has put in place new policies that will set the land bank on the path to financial self-sufficiency.

Fiscal Impact

No fiscal impact to the General Fund; \$1,500,000 in 2006 General Obligation Bond Funds for capital costs related to acquisition and disposition of unimproved, tax-foreclosed, real property for the development of affordable housing or other commercial purposes in accordance with Chapter 379C of the Texas Local Government Code.

Departments/Committee Coordination

On January 28, 2004, City Council authorized the: (1) creation of the City of Dallas Urban Land Bank Demonstration Program and Program Statement; (2) DHADC to amend its Articles of Incorporation and Bylaws to allow DHADC to administer the City of Dallas Urban Land Bank Demonstration Program and change the makeup of its Board of Directors; (3) adoption of the Urban Land Bank Demonstration Program Plan; and (4) City to enter into an Interlocal Cooperation Contract between the City of Dallas, Dallas County, Dallas Independent School District, Dallas County Hospital District, Dallas County School Equalization Fund, Dallas County Education District and Dallas County Community College District for the Urban Land Bank Demonstration Program by Resolution No. 04-0458.

On November 8, 2017, City Council authorized an Interlocal Cooperation Contract with the affected taxing jurisdictions to facilitate DHADC's acquisition of unimproved tax foreclosed properties for sale to qualified developers for the development of affordable housing and other commercial purposes by Resolution No. 17-1732.

On January 10, 2018, City Council held a public hearing to receive comments on the proposed City of Dallas FY 2017-18 Urban Land Bank Demonstration Program Plan, and upon the close of the public hearing, approved the City of Dallas FY 2017-18 Urban Land Bank Demonstration Program Plan by Resolution No. 18-0118.

On May 9, 2018, City Council authorized the adoption of a new comprehensive housing policy, which included the Urban Land Bank Demonstration Program by Resolution No. 18-0704.

Staff Recommendation

Staff recommends that the Economic Development and Housing Committee approve the requested funding allocation and revisions to the Bylaws for the Dallas Housing Acquisition and Development Corporation. With the Committee's approval, the item will be placed on the City Council agenda for September 12, 2018.



Raquel Favela
Chief of Economic Development & Neighborhood Services

c: Larry Casto, City Attorney
 Craig Kinton, City Auditor
 Billierae Johnson, City Secretary
 Preston Robinson, Administrative Judge
 Kimberly Bizer Tolbert, Chief of Staff to the City Manager
 Majed A. Al-Ghafry, Assistant City Manager

 Jon Fortune, Assistant City Manager
 Joey Zapata, Assistant City Manager
 Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
 M. Elizabeth Reich, Chief Financial Officer
 Directors and Assistant Directors

STRATEGIC PRIORITY: Economic and Neighborhood Vitality
AGENDA DATE: September 12, 2018
COUNCIL DISTRICT(S): 1, 3, 4, 5, 8, 9, 10, 13, 14
DEPARTMENT: Housing & Neighborhood Revitalization
EXECUTIVE: Raquel Favela

SUBJECT

Authorize **(1)** the City Manager to appropriate up to \$1,500,000.00 in 2006 General Obligation Bond Funds to the City of Dallas Urban Land Bank Demonstration Program for capital costs related to acquisition and disposition of unimproved, tax-foreclosed, real property for the development of affordable housing or other commercial purposes in accordance with Chapter 379C of the Texas Local Government Code; and **(2)** revisions to the Dallas Housing and Acquisition Development Corporation's (DHADC) Bylaws to expand eligible housing types to include rental housing and to allow the sale of certain property to eligible adjacent property owners and for other commercial purposes - Not to exceed \$1,500,000.00 - Financing: 2006 General Obligation Bond Funds

BACKGROUND

On June 18, 2003, Governor Perry signed the Urban Land Bank Demonstration Program Act (the "Act"). The Act allows the governing body of a municipality to adopt an Urban Land Bank Demonstration Program ("land bank") in which the officer charged with selling real property ordered sold pursuant to foreclosure of a tax lien may sell certain eligible real property by private sale to a land bank for the purpose of developing affordable housing. Subsequently, on January 28, 2004, by Resolution No. 04-0458, the City of Dallas designated the DHADC as the entity to administer its land bank program for the purpose of acquiring, holding and transferring unimproved real property pursuant to Subtitle A, Title 12, Local Government Code, Chapter 379C. Included in the 2004 Council Resolution was also the adoption of the Articles of Incorporation and Bylaws for the DHADC, later amended by Resolution No. 11-3230 on December 14, 2011.

In November 2006, City of Dallas voters approved Proposition 8 whereby approximately \$41.4M was set aside to promote economic development, which included \$5.7 million in General Obligation Bonds for housing related expenses, including land acquisition costs associated with the development of affordable housing and related expenses. Currently, the 2006 General Obligation Bond fund has a balance of \$2.5 million available for housing-related activities. The Department of Housing and Neighborhood Revitalization is proposing that \$1.5 million of these bond funds be appropriated to the land bank.

The DHADC, as land bank administrator, will use the General Obligation Bond funds for capital costs related to acquisition and disposition of unimproved, tax-foreclosed, real property for the development of affordable housing or other commercial purposes in accordance with Chapter 379C of the Texas Local Government Code.

Prior to 2018, DHADC sold land bank lots for a flat sales price of \$5000 per lot. This sales policy has prevented the land bank from becoming a financially self-sustaining program. Specifically, DHADC's financial audits reveal that the proceeds from prior lot sales were insufficient to sustain the administrative and other programmatic costs incurred by the DHADC in its administration of the land bank program. In the 2017-2018 annual plan for the land bank, the City modified the sales price policy such that all lots are now initially offered at Fair Market Value ("FMV") with a discount available if project underwriting indicates the discount is needed to ensure the viable sale to an income-qualified buyer. H&NR believes this new policy will, incrementally, help the land bank program and DHADC become financially self-sustaining. Additionally, in accordance with the Comprehensive Housing Policy, as the land bank seeks to acquire new lots, its acquisition activities will be focused on Stabilization and Emerging Market reinvestment strategy areas.

Table 1 below illustrates DHADC's current operating budget without the proposed infusion of the \$1.5M in General Obligation Bond Funds. Also included is Table 2, which includes the proposed \$1.5M in General Obligation Bond Funds and projected lot sales proceeds for the 196 existing land bank lots, should they be sold at Fair Market Value. Sales proceeds will be used for operating expenses that cannot be paid for by General Obligation bond funds. It is important to note that Table 2 projections do not take into account lot sales price discounts eligible under the revised program.

TABLE 1

Revenue	
Checking Account Beginning Balance	\$ 164,478
Revenue Subtotal	\$ 164,478
Expenses:	
Mowing Expense (196 lots)	\$ 33,000
Recording Fees	\$ 3,200
Staff Admin Costs	\$ 170,000
Misc Supplies (Board lunches, etc.)	\$ 3,000
Bank Fees	\$ 333
CMA	\$ 1,000

TABLE 2

Estimated Revenue	Bond Funds	Operating Funds
Checking Account Beginning Balance	\$ -	
2006 Bond Fund Allocation	\$ 1,500,000	
Gross Lot Sales Revenue		\$ 2,423,500
Revenue Subtotal	\$ 1,500,000	\$ 2,423,500
Projected Expenses:		
Carried frwd expenses from FY17-18	\$ 4,200	\$ 206,333
Mowing Expense	\$ -	\$ 70,000
Recording Fees	\$ 6,400	\$ -
Staff Admin Costs	\$ -	\$ 338,500
CMA	\$ -	\$ -
Misc Supplies	\$ -	\$ 6,000
Audit Fee	\$ -	\$ 8,500
Insurance	\$ -	\$ 14,000
Acquisitions	\$ -	
Republic Title	\$ 20,000	
Consolidated Environmental	\$ 25,000	
Linebarger (referred lots)	\$ -	
Bank Fees	\$ -	\$ 1,000
Advertising Expenses	\$ -	\$ 500
License Fees (LexusNexis, etc.)	\$ -	\$ 3,200
<i>Asset Mgmt Fee (8% of Lot Sales)</i>		\$ 193,880
Expenses Subtotal	\$ 51,400	\$ 635,580
Net Income	\$ 1,448,600	\$ 1,787,920

Without an additional allocation of funding from the City, the DHADC will not have the operating funds available to administer the land bank program. However, as discussed above, H&NR believes it has put in place new policies that will set the land bank on the path to financial self-sufficiency.

There is no fiscal impact to the General Fund; \$1,500,000.00 in 2006 General Obligation Bond Funds for capital costs related to acquisition and disposition of real property tax foreclosures.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 28, 2004, City Council authorized the: (1) creation of the City of Dallas Urban Land Bank Demonstration Program and Program Statement; (2) DHADC to amend its Articles of Incorporation and Bylaws to allow DHADC to administer the City of

Dallas Urban Land Bank Demonstration Program and change the makeup of its Board of Directors; (3) adoption of the Urban Land Bank Demonstration Program Plan; and (4) City to enter into an Interlocal Cooperation Contract between the City of Dallas, Dallas County, Dallas Independent School District, Dallas County Hospital District, Dallas County School Equalization Fund, Dallas County Education District and Dallas County Community College District for the Urban Land Bank Demonstration Program by Resolution No. 04-0458.

On November 8, 2017, City Council authorized an Interlocal Cooperation Contract with the affected taxing jurisdictions to facilitate DHADC's acquisition of unimproved tax foreclosed properties for sale to qualified developers for the development of affordable housing and other commercial purposes by Resolution No. 17-1732.

On January 10, 2018, City Council held a public hearing to receive comments on the proposed City of Dallas FY 2017-18 Urban Land Bank Demonstration Program Plan, and upon the close of the public hearing, approved the City of Dallas FY 2017-18 Urban Land Bank Demonstration Program Plan by Resolution No. 18-0118.

On May 9, 2018, City Council authorized the adoption of a new comprehensive housing policy, which included the Urban Land Bank Demonstration Program by Resolution No. 18-0704.

This item was briefed to the Economic Development and Housing Committee on September 4, 2018.

FISCAL INFORMATION

2006 General Obligation Bond Funds - \$1,500,000.00

September 12, 2018

WHEREAS, the City has an interest in preserving and increasing the tax base and creating affordable housing for low income households to provide necessary decent, safe, and sanitary housing for such households; and

WHEREAS, on November 13, 1991, City Council created the City of Dallas Multifamily Housing Acquisition Corporation (DMHAC) to act as an instrumentality of the City to provide safe affordable housing facilities for the benefit of low and moderate-income persons by Resolution No. 91-3510; and

WHEREAS, on November 14, 2001, City Council authorized the Board of Directors of the DMHAC to adopt an amendment to its articles of incorporation wherein the corporation changed its name to the Dallas Housing and Acquisition Development Corporation (DHADC) by Resolution No. 01-3389; and

WHEREAS, on January 28, 2004, City Council authorized the: (1) creation of the City of Dallas Urban Land Bank Demonstration Program and Program Statement; (2) DHADC to amend its Articles of Incorporation and Bylaws to allow DHADC to administer the City of Dallas Urban Land Bank Demonstration Program and change the makeup of its Board of Directors; (3) adoption of the Urban Land Bank Demonstration Program Plan; and (4) City to enter into an Interlocal Cooperation Contract between the City of Dallas, Dallas County, Dallas Independent School District, Dallas County Hospital District, Dallas County School Equalization Fund, Dallas County Education District and Dallas County Community College District for the Urban Land Bank Demonstration Program by Resolution No. 04-0458; and

WHEREAS, the purpose of the Dallas Urban Land Bank Demonstration Program is to acquire, hold, and transfer unimproved, tax-foreclosed, real property for the development of affordable housing or other purposes in accordance with Chapter 379C of the Texas Local Government Code; and

WHEREAS, on November 8, 2017, City Council authorized an Interlocal Cooperation Contract with the affected taxing jurisdictions to facilitate DHADC's acquisition of unimproved tax foreclosed properties for sale to qualified developers for the development of affordable housing or other commercial purposes by Resolution No. 17-1732; and

WHEREAS, on January 10, 2018, City Council held a public hearing to receive comments on the proposed City of Dallas FY 2017-18 Urban Land Bank Demonstration Program Plan and, upon the close of the public hearing, approved the City of Dallas FY 2017-18 Urban Land Bank Demonstration Program Plan by Resolution No. 18-0118; and

September 12, 2018

WHEREAS, on May 9, 2018, City Council authorized the adoption of a new comprehensive housing policy, which included the Dallas Urban Land Bank Demonstration Program, by Resolution No. 18-0704; and

WHEREAS, the City Council desires to appropriate 2006 General Obligation Bond funds to the Dallas Urban Land Bank Demonstration Program for costs related to the acquisition and transfer of unimproved, tax-foreclosed, real property for the development of affordable housing or other commercial purposes in accordance with Chapter 379C of the Texas Local Government Code.

Now, Therefore,

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

SECTION 1. That the City Manager is hereby authorized to establish appropriation in an amount not to exceed \$1,500,000.00 in Fund 1T52, Department HOU, Unit W310, Object 3099 for the Dallas Urban Land Bank Demonstration Program, which is administered by the Dallas Housing Acquisition and Development Corporation (DHADC), for capital costs related to acquisition and transfer of unimproved, tax-foreclosed, real property for the development of affordable housing or other commercial purposes in accordance with Chapter 379C of the Texas Local Government Code.

SECTION 2. That the Chief Financial Officer is hereby authorized to disburse 2006 General Obligation Bond Funds in an amount not to exceed \$1,500,000.00 from the Fund 1T52, Department HOU, Unit W310, Activity LDBK, Object Code 3099 for capital costs related to acquisition and disposition of unimproved, tax-foreclosed, real property for the development of affordable housing or other commercial purposes in accordance with Chapter 379C of the Texas Local Government Code.

SECTION 3. That the City Council hereby approves the amended Bylaws of the Dallas Housing and Acquisition Development Corporation, which expands eligible housing types to include rental housing and to allow the sale of certain property to eligible adjacent property owners and for other commercial purposes, attached hereto and made part of this Resolution as **Exhibit A**.

SECTION 4. 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.

Exhibit A
REVISED BYLAWS
OF
DALLAS HOUSING ACQUISITION AND DEVELOPMENT CORPORATION

ARTICLE I

POWERS AND PURPOSES

Section 1.1. Issuance of Obligations: Financing of Projects. (a) In order to implement the purposes for which the Dallas Housing Acquisition and Development Corporation (the "Corporation") was formed, as set forth in the Articles of Incorporation, the Corporation may issue obligations to finance all or part of the cost of one or more mixed-income multifamily housing projects pursuant to the provisions of the Texas Non-Profit Corporation Act, as amended (the "Act"), said projects to be located within the corporate limits of the City of Dallas, Texas (the "City") or its extraterritorial jurisdiction. The Corporation shall not be authorized to provide any financing without the consent of the City Council (the "City Council") of the City.

(b) The maximum maturity of obligations that may be issued without specific approval of the City Council of the City of a longer maturity is twenty (20) years, but in no event shall the maturity of the obligations exceed the useful life of the facility to be financed.

(c) In connection with the issuance of its obligations, the Corporation shall select bond counsel, co-bond counsel, a financial advisor, and a trustee acceptable to the City of Dallas' City Attorney and City Manager.

Section 1.2. Notification of Issuance of Obligations. For the purpose of keeping the City informed as to the activities of the Corporation, the Corporation, before the issuance of any bonds, notes, or other obligations, shall provide to the City a full and complete description of any housing facilities, or facilities which are incidental, subordinate, or related thereto or appropriate in connection therewith, the cost of which is to be paid in whole or in part from the proceeds of such obligations of the Corporation, together with a full and complete description of the obligations issued in connection therewith.

Section 1.3. Economic Development and Housing Projects. In order to promote local economic development, stimulate business and commercial activity, and increase the supply of new affordable housing for working individuals and families, the Corporation may, subject to the prior approval of the City Council of the City of Dallas acquire, receive, accept the donation of, hold, own, insure, manage and maintain, transfer, sell, trade, exchange or otherwise dispose of real property as allowed by the purposes of the Corporation

Eligible development uses include:

- (a). For Sale Housing
- (b). Rental Housing
- (c). Commercial

Section 1.4. Urban Land Bank Demonstration Program.

(a) In order to serve the public purpose of promoting new development of housing for low- and moderate-income households and to stabilize distressed communities, the Corporation may, in accordance with Subtitle A, Title 12, Local Government Code, Chapter 379C, Urban Land Bank Demonstration Program (Land Bank Demonstration Program Act), as amended, and the City of Dallas Urban Land Bank Demonstration Program Statement, and subject to annual approval by the City Council of the City of Dallas Urban Land Bank Demonstration Program Plan (“Annual Plan”), the Corporation may:

(1) acquire, hold, own, insure, manage, maintain, transfer, sell, trade, exchange or otherwise dispose of unimproved real property for the development of affordable housing units and require that such property must be sold, rented or offered as a lease-purchase to low-income families

(2) acquire, hold, own, insure, manage, maintain, transfer, sell, trade, exchange or otherwise dispose of unimproved real property for the development of projects for commercial use in accordance with a development plan approved by the City. If the Corporation determines that a property owned by Corporation is not appropriate for residential development, offer the property for sale to an eligible adjacent property owner according to terms and conditions developed by the Corporation and at fair market value or the sales price recorded in the Annual Plan.

(b) For Sale Occupancy Restrictions for Urban Land Bank Demonstration Program Properties

- At least 25 percent of those land bank properties must be deed restricted for sale to households with gross household incomes not greater than 60 percent of the area median family income, adjusted for house hold size; and
- Not more than 30 percent of those land bank properties may be deed restricted for sale to household with gross household incomes greater than 80 percent of the area median family income, adjusted for household size.

(c) Rental Housing Occupancy Restrictions for Urban Land Bank Demonstration Program Properties

- 100 percent of the rental units must be occupied by households with incomes not greater than 60 percent of area median family income, based on gross household income, adjusted for household size, for the Dallas-Fort Worth-Arlington metropolitan statistical area, as determined annually by the United States Department of Housing and Urban Development;
- 40 percent of the units be occupied by households with incomes not greater than 50 percent of area median family income, based on gross household income, adjusted for household size, for the Dallas-Fort Worth-Arlington metropolitan statistical area, as determined annually by the United States Department of Housing and Urban Development;
- 20 percent of the units be occupied by households with incomes not greater than 30 percent of area median family income, based on gross household income, adjusted for household size, for the Dallas-Fort Worth-Arlington metropolitan statistical area, as determined annually by the United States Department of Housing and Urban Development.

Section 1.5. Books and Records: Review of Financial Statements and Programs.

The Corporation shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its board of directors (the "Board ") and committees having any of the authority of the Board. All books and records of the Corporation may be inspected by any director or his agent or attorney for any proper purpose at any reasonable time; and at all times the City Council and its representatives will have access to the books and records of the Corporation. The Board shall present annual reports to the City Council and semiannual reports to the Economic Development and Housing Committee, and the City Council and said Committee shall be entitled to review and to revise the financial affairs, programs, and activities of the Corporation at any time and from time to time.

Section 1.6. Guidelines. The Corporation, by action of the Board, shall be authorized to promulgate, implement, and amend guidelines governing the selection and financing of projects and prescribing the various fees to be collected in amounts reasonably estimated to pay the ministerial and staff costs and expenses of the Corporation, plus reasonable reserves therefore. Copies of the guidelines as approved shall be provided to the Economic Development and Housing Committee and the Finance and Audit Committee of the City Council. Said Committees shall be advised of any amendments to the guidelines.

Section 1.7. Staff Functions. Staff functions for the Corporation may be performed by the City staff, as directed by the City Manager, and the Corporation, from fees collected by it and operating revenues, shall pay the costs

for such services as from time to time shall be billed to the Corporation by the City.

Section 1.8. Powers in General. The Corporation may exercise all powers granted to it under the Act, consistent with its Articles of Incorporation.

ARTICLE II

BOARD OF DIRECTORS

Section 2.1. Appointment Powers. Number and Term of Office. The Board of Directors shall exercise all the powers of the Corporation, subject to the restrictions imposed by law, the Articles of Incorporation, and these Bylaws.

The Board of Directors shall consist of eight directors. The City of Dallas Director of Housing and Neighborhood Revitalization, the City of Dallas Director of Sustainable Development and Construction, the City of Dallas Director of Code Compliance, two Dallas County representatives, a Dallas Independent School District representative, a representative from The Real Estate Council, and a non-profit affordable housing organization representative shall be permanent directors. The term of non-City directorship shall be four years or until a replacement director has been appointed. The non-profit affordable housing organization representative shall be appointed by the City Manager. The non-profit affordable housing organization representative shall not bring an Urban Land Bank Demonstration Program development proposal to the Corporation as an application for approval.

Any appointed director may be removed from office at any time, with or without cause, by the City Manager. Any vacancy on the Board of Directors, whether due to a removal, a resignation, the end of a term, or a change in personnel, shall be filled by the original appointing entity.

Section 2.2. Meetings of Directors. The Board of Directors may hold its meetings at any place authorized by the Act, as the Board of Directors may from time to time designate; provided that, in the absence of any such designation by the Board of Directors, the meetings shall be held at the principal offices of the City. The Board of Directors shall conduct its business and meetings in accordance with the requirements of the Act, and the Open Meetings Act and the Open Records Act of the State.

Section 2.3. Regular Meetings. Regular Meetings of the Board of Directors shall be held at such times and places as shall be designated, from time to time, by resolution of the Board of Directors, a copy of which shall be given to the City Secretary of the City. Notice of regular meetings need not be given to directors, but if notice is required by law to be given to anyone else, such notice will be given in the manner prescribed by law.

Section 2.4. Special Meetings. Special Meetings of the Board of Directors shall be held whenever called by the president, by the secretary, by a majority of the directors then in office, or upon advice of or request by the City Council or the City Manager. The secretary shall give notice to each director of each special meeting in person, or by mail, telephone or telegraph, at least two hours before the meeting. Notice required by law to be given to anyone else shall be given in the manner prescribed by law. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered and acted upon at a special meeting. At any meeting at which every director shall be present, even though without any notice, any matter pertaining to the purpose of the Corporation may be considered and acted upon.

Section 2.5. Quorum. A majority of the directors fixed by these Bylaws shall constitute a quorum for the consideration of matters pertaining to the purposes of the Corporation. The act of a majority of the directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of Directors, unless the act of a greater number is required by law.

Section 2.6. Conduct of Business. At the meetings of the Board of Directors, matters pertaining to the purposes of the Corporation shall be considered in such order as from time to time the Board of Directors may determine.

Section 2.7. Compensation of Directors. Directors as such shall not receive any salary or compensation for their services as directors, except that they shall be reimbursed for their actual out-of-pocket expenses incurred in the performance of their official duties.

ARTICLE III

OFFICERS

Section 3.1. Titles and Term of Office. The officers of the Corporation shall be a president, a vice president, a secretary, and a treasurer. The officers shall be appointed by the City Manager for terms of office as directed by the City Manager. In the absence of the secretary, any officer other than the president may be appointed by the president to act in the secretary's place.

Section 3.2. President. The president shall be the chief executive officer of the Corporation and shall be in general charge of the properties and affairs of the Corporation; the president presides at all meetings of the Board of Directors; in furtherance of the purposes of this Corporation, the president may sign and execute all contracts, conveyances, franchises, loans, bonds, deeds, assignments, mortgages, notes, development partnership agreements and other instruments in the name of the Corporation.

Section 3.3. Vice President. The vice president shall exercise the powers of the president during that officer's absence or inability to act. Any action taken by the vice president in the performance of the duties of the president shall be conclusive evidence of the absence or inability of the president to act at the time such action was taken.

Section 3.4. Treasurer. The treasurer shall have custody of all the funds and securities of the Corporation which come into his or her hands. When necessary or proper, the treasurer may sign or endorse, on behalf of the Corporation, for collection or payment, checks, notes, and other obligations and shall deposit any funds received to the credit of the Corporation in such bank or banks or depositories as shall be designated by the Board of Directors; whenever required by the Board of Directors, the treasurer shall render a statement of the treasurer's cash account; the treasurer shall enter or cause to be entered regularly in the books of the Corporation to be kept by the treasurer for that purpose full and accurate amounts of all moneys received and paid out on account of the Corporation; the treasurer shall perform all acts incident to the position of treasurer. The treasurer may fulfill these functions by means of supervision of the administrator designated under Article I, Section 1.7 of these Bylaws should the Board delegate any or all of the operational aspects of these functions to be performed by the administrator. The signature of the treasurer, president or administrator shall be required for the disbursement of any Corporation funds.

Section 3.5. Secretary. The secretary shall keep the minutes of all meetings of the Board of Directors in books provided for that purpose; the secretary shall attend to the giving and serving of all notices; in furtherance of the purpose of this Corporation, the secretary may sign with the president in the name of the Corporation; and/ or attest the signature thereto, all contracts, conveyances, franchises, loans, bonds, deeds, assignments, mortgages, notes, development partnership agreements, and other instruments of the Corporation; the secretary shall have charge of the corporate books, records, and securities of which the treasurer shall have custody and charge, and such other books and papers as the Board of Directors may direct, all of which shall at all reasonable times be open to inspection upon application at the office of the Corporation during business hours, and the secretary shall in general perform all duties incident to the office of secretary.

Section 3.6. Compensation. Officers as such shall not receive any salary or compensation for their services, except that they may be reimbursed for their actual out-of-pocket expenses incurred in performing such services.

ARTICLE IV

ADMINISTRATOR

Section 4.1 Appointment. The Board of Directors may appoint an administrator to manage the operations of the Corporation under the direction of the Board. The administrator shall be that City of Dallas employee designated by the City as the Land Bank Manager for the City. The administrator shall not be an employee of the Corporation.

Section 4.2. General Duties. The administrator shall implement the programs approved by the Board, manage the day-to-day operations of the Corporation and administer the financial operations of the Corporation.

Section 4.3 Property Acquisition and Sale. The administrator shall:

- (a). Execute letters of intent to purchase real property in accordance with approved Program Statements, as amended, and contractual obligations, subject to subsequent approval of the Board and the City, or the President and the City if the purchase price of the property is \$10,000 or less;
- (b). Pay invoices for court costs in tax lawsuits on property referred for tax-foreclosure on behalf of the Corporation;
- (c). Request payment to the Dallas County Sheriff by the City of Dallas for properties to be acquired under any Interlocal Contract between the City and other taxing units with regard to the Urban Land Bank Demonstration Program and the City contract with the Corporation for administration of the Urban Land Bank Demonstration Program;
- (d). Order and execute payment for environmental assessments, appraisals, surveys, title policies, property maintenance and other such services necessary for the acquisition, maintenance or sale of real property by the Corporation in accordance with Corporation contractual obligations, Board Resolution or specific Board approval;
- (e). Advertise or issue Requests for Proposals with regard to the sale of Corporation properties or procurement of services; and
- (f). Prepare monthly production reports and such other reports as may be required by Board policy or Corporation contractual obligations.

Section 4.4 Procurement. The administrator shall be authorized to:

- (a). Order and pay for equipment, supplies and/or services for the benefit of the Corporation from an individual vendor in an amount not to exceed \$3,000 for a specific purchase from that vendor without prior Board approval;
- (b). Pay earnest money in amounts not to exceed \$1,000 per parcel and \$10,000 in the aggregate for a minimum of ten parcels in one transaction to hold a contract for purchase of real property for the benefit of the Corporation, with Board approval required for earnest money deposits in excess of these amounts;
- (c). Pay for goods and services procured under Board approved contracts in accordance with the terms of such contracts; and
- (d). Payments invoices relating to the filing and prosecution of tax lawsuits in accordance with Board policy and contractual obligations.

Section 4.5 Compensation. The administrator shall be an employee of the City of Dallas and shall not be an employee of the Corporation and shall not receive any salary or compensation from the Corporation for services provided, except as reimbursed for actual out-of-pocket expenses incurred in performing such services, as approved by the President.

ARTICLE V

PROVISIONS REGARDING ARTICLES OF INCORPORATION AND BYLAWS

Section 5.1. Effective Date. These Bylaws shall become effective only upon the occurrence of the following events:

- (1) the approval of these Bylaws by the City Council; and
- (2) the adoption of these Bylaws by the Board of Directors.

Section 5.2. Amendments to Bylaws. These Bylaws may be amended at any time and from time to time by majority vote of the directors then in office with approval of the City Council, or by the City Council, itself, at the sole discretion of the City Council.

Section 5.3. Interpretation of Bylaws. These Bylaws shall be liberally construed to effectuate the purposes set forth herein. If any word, phrase, clause, sentence, paragraph, section, or other part of these Bylaws, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of these Bylaws and the application of such word, phrase, clause, sentence, paragraph, section, or other part of these Bylaws to any other person or circumstance shall not be affected thereby.

ARTICLE VI

GENERAL PROVISIONS

Section 6.1. Principal Office. The principal office of the Corporation shall be located at the principal offices of the City.

Section 6.2. Fiscal Year. The fiscal year of the Corporation shall coincide with the fiscal year of the City.

Section 6.3. Seal. The seal of the Corporation shall be as determined by the Board of Directors.

Section 6.4. Notice and Waiver of Notice. Whenever any notice whatsoever is required to be given to the Board of Directors under the Act, the Articles of Incorporation, or these Bylaws, such notice shall be deemed to be sufficient if given by depositing it in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his or her post office address, as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing.

Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. A waiver of notice in writing, signed by the person or persons entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board of Directors need be specified in the notice of such meeting, unless required by the Board of Directors.

If any notice whatsoever is required to be given to the public by law, such notice shall be given in the manner prescribed by law.

Section 6.5. Resignations. Any appointed director may resign at any time. Such resignation shall be made in writing directed to the City Manager and the president of the Corporation. A resignation shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the City Manager and the president. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 6.6. Approval of the City Council. To the extent these Bylaws refer to any approval or other action to be taken by the City, such approval or action shall be

evidenced by a certified copy of a resolution or ordinance duly adopted by the City Council.

Section 6.7. Organizational Control. The City, at its sole discretion, and at any time, may alter or change the structure, organization, or activities of the Corporation (including the dissolution of the Corporation), subject to any limitation on the impairment of contracts entered into by such Corporation.

Dallas Housing Acquisition and Development Corporation (Dallas Land Bank) Allocation of 2006 Bond Funds and Amendments to Bylaws

**Economic Development and Housing Committee Meeting
September 4, 2018**

**Maureen Milligan, Assistant Director (I)
Housing and Neighborhood Revitalization
City of Dallas**



Summary

- The Department of Housing and Neighborhood Revitalization (H&NR) is requesting to appropriate \$1.5M in 2006 General Obligation Funds to the Dallas Urban Land Bank Demonstration Program (“Land Bank”),
- The Land Bank is administered by the Dallas Housing Acquisition and Development Corporation (DHADC).
- H&NR is also requesting that City Council approve the adoption of certain revisions to the Bylaws of DHADC to allow:
 - development of rental housing and
 - sale of non-developable lots to adjacent owners.



Background

- Urban Land Bank Demonstration Program Act signed by Governor Perry on June 18, 2003.
- The Act, as amended, gives municipalities the right to establish land bank programs to:
 - Reclaim vacant real property from tax delinquency status (5 years or more); and,
 - Use such land to develop affordable housing for low income households, up to 115% of Area Median Income, or for commercial purposes.
- In 2004, the City of Dallas designated the Dallas Housing Acquisition and Development Corporation (DHADC) to administer the Land Bank.



Background – cont'd

- In November 2006, City of Dallas voters approved Proposition 8 which allocated \$5.7 million in General Obligation Bonds for housing related expenses, including land acquisition costs associated with the development of affordable housing and related expenses.
- Currently the 2006 General Obligation Bond Fund has a balance of \$2.5M available for housing related activities. H&NR is proposing that \$1.5 million of these bond funds be appropriated to the Land Bank.
- The DHADC will use the bond funds for the acquisition costs of property from the Dallas County Sheriff's tax foreclosure sales and for operating expenses, including, but not limited to, professional fees, staffing costs, and insurance.



Issue

- Prior to 2018, DHADC sold land bank lots for a flat sales price of \$5,000 per lot.
 - This sales policy prevented the land bank from becoming a financially self-sustaining program because program expenses always exceeded proceeds from lots sales.
- In 2017, DHADC and the City modified the sales price policy such that all lots are now initially offered at Fair Market Value (“FMV”).
 - A sales prices discount is available if project underwriting indicates the discount is needed to ensure the viable sale to an income-qualified buyer.
- H&NR believes this new policy will, incrementally, help the land bank program and DHADC become financially self-sustaining.

Issue—cont'd

- The Land Bank currently has approximately 196 existing land bank lots that must be maintained and that could be sold.
- However, in the coming months, the Land Bank will likely exhaust all funds preventing its ability to continue operations.

Revenue	
Checking Account Beginning Balance (beginning 8/1/2018)	\$164,478
Revenue Subtotal	\$164,478
Projected Expenses:	
Mowing Expense (196 lots)	\$ 33,000
Recording Fees	\$ 3,200
Staff Admin Costs	\$ 170,000
Appraisals	\$ -
Misc Supplies (Board lunches, etc.)	\$ 3,000
Bank Fees	\$ 333
CMA	\$ 1,000
Expenses Subtotal	\$ 210,533
Net Income	\$ (46,055)



Alternatives

- An infusion of bond funds will allow the Lank Bank to sell the existing portfolio of 196 lots at fair market value, which will generate revenue for operating costs.
- New lots will be acquired in Stabilization and Emerging Market Areas, as described in the City of Dallas Comprehensive Housing Policy.

Estimated Revenue	Bond Funds	Operating Funds
Checking Account Beginning Balance	\$ -	
2006 Bond Fund Allocation	\$ 1,500,000	
Lot Sales Revenue		\$ 2,423,500
Revenue Subtotal	\$ 1,500,000	\$ 2,423,500
Projected Expenses:		
Carried frwd expenses from FY17-18	\$ 4,200	\$ 206,333
Mowing Expense	\$ -	\$ 70,000
Recording Fees	\$ 6,400	\$ -
Staff Admin Costs	\$ -	\$ 338,500
CMA	\$ -	\$ -
Misc Supplies	\$ -	\$ 6,000
Audit Fee	\$ -	\$ 8,500
Insurance	\$ -	\$ 14,000
Acquisitions	\$ -	
Republic Title	\$ 20,000	
Consolidated Environmental	\$ 25,000	
Linebarger (referred lots)	\$ -	
Bank Fees	\$ -	\$ 1,000
Advertising Expenses	\$ -	\$ 500
License Fees (LexusNexis, etc.)	\$ -	\$ 3,200
Asset Mgmt Fee		\$ 196,000
Expenses Subtotal	\$ 51,400	\$ 637,700
Net Income	\$ 1,448,600	\$ 1,785,800



Issue

- DHADC's Bylaws need to be amended so that they take advantage of the full scope of the authorizing statute.
- Changes include authorizing the DHADC to:
 - sell land banks lots for affordable housing that is offered for rent, and
 - Sell undevelopable lots to adjacent property owners at Fair Market Value or the sales price recorded in the annual land bank plan



Staff Recommendation

- Staff recommends that the Economic Development and Housing Committee approve the requested funding allocation and revisions to the Bylaws for the Dallas Housing Acquisition and Development Corporation.
- With the Committee's approval, the item will be placed on the City Council agenda for September 12, 2018.

Dallas Housing Acquisition and Development Corporation (Dallas Land Bank) Allocation of 2006 Bond Funds and Amendments to Bylaws

**Economic Development and Housing Committee Meeting
September 4, 2018**

**Maureen Milligan, Assistant Director (I)
Housing and Neighborhood Revitalization
City of Dallas**



Memorandum



CITY OF DALLAS

DATE August 30, 2018

TO Members of the Economic Development & Housing Committee: Tennell Atkins, Chair, Rickey D. Callahan, Vice-Chair, Lee M. Kleinman, Scott Griggs, Casey Thomas, II, B. Adam McGough, Mark Clayton, Kevin Felder, Omar Narvaez

SUBJECT **Briefing on the City of Dallas Housing Finance Corporation**

On Tuesday, September 4, 2018, the Economic Development and Housing Committee will consider amendments to the City of Dallas Housing Finance Corporation Articles of Incorporation and Bylaws.

Summary

At the May 21, 2018, Economic Development and Housing and Government Performance and Financial Management Committees, staff presented proposed amendments to the City of Dallas Housing Finance Corporation (DHFC) Articles of Incorporation and Bylaws (Governing Documents). The proposed amendments were recommended by staff to address concerns raised with the role of the DHFC as intermediary for the Voucher Sublease Program adopted under the Comprehensive Housing Policy adopted on May 9, 2018, and with respect to the Corporation's finances, contracts, and conflict of interest policy. To alleviate these concerns, staff recommended amending the DHFC's Governing Documents to provide staff administrative support and oversight, streamline functions, modify Board representation by increasing the number of Board members to 15, and to memorialize Chapter 12A and portions of Chapter 8 of the Dallas City Code.

On May 8, 2018, the DHFC Board of Directors ("DHFC Board") was briefed by staff on the proposed amendments to the Articles of Incorporation and Bylaws. On June 1, 2018, the DHFC Board submitted a joint proposal of amendments to staff. On June 12, 2018, the DHFC Board adopted the joint proposal of amendments and scheduled a DHFC Board Retreat to discuss the amendments in detail. On July 13, 2018, both staff and DHFC Board walked through the Articles of Incorporation and Bylaws in an effort to present an inclusive and joint recommendation to City Council.

With the exception of two points, staff and the DHFC Board agreed upon the proposed amendments. The following are the two points that the parties have disagreed on:

1. Under Article VII of the Articles of Incorporation, the DHFC Board proposes to incorporate language that a board member must be removed for just cause by the City Council. Staff opposes this language as it was not included in the original Articles of Incorporation.

2. Under Section of 3.1(b) of the Bylaws, the DHFC Board would like to have the ability to appoint the General Manager of the DHFC versus adopting in the Bylaws that the General Manager shall be the Director of the Housing and Neighborhood Revitalization Department or his or her designee (“Director”). Staff does not agree with this change. Since the DHFC is a public instrumentality of the City, it is appropriate for the Director to be in this position to have oversight over the DHFC as the actions of the DHFC could impact the City. Furthermore, since the primary function of the DHFC is to finance the cost of residential ownership and development that will provide decent, safe, and sanitary housing for the residents of the City, it is practical to have the Housing Director who manages housing within the City, serve as the General Manager and provide expertise to the DHFC.

Attached as Exhibit “A” and “B” are staff’s proposed amendments to the DHFC Governing Documents. The DHFC Board adopted Governing Documents are attached as Exhibit “C” and “D” for your review.

A summary of staff recommendations for the DHFC Governing Documents include the following:

1. Insert language that City Council in its sole discretion may amend the Bylaws to change the structure, organization, programs, and activities of the DHFC . Currently, the Articles of Incorporation may be amended by the City Council in its sole discretion for the same reasons
2. Broaden service area to citywide; currently, restricted to the Central Business District (CBD), Community Development Block Grant (CDBG) eligible areas, and the southern portion of Dallas for residential developments
3. Include language that City Councilmembers may appoint only one Director to the Board; increase members to 15
4. Incorporate Chapter 12A of the City Code in the Governing Documents; and statement of conflict of interests
5. Incorporate from Chapter 8 of the City Code; Article I sections 8-1.1, 8-1.2., 8-1.4., and 8-1.5; Article IV, sections 8-14, 8-18, 8-20, 8-20, and 8-21; Article V; and Article VI section 8-26. Chapter 8 covers Boards and Commissions and includes qualifications for appointment such as no criminal history and residency requirement, term limits, code of conduct, etc.
6. Incorporate a General Manager which must be the Director of the Housing and Neighborhood Revitalization Department or designee to manage the day to day operations of the DHFC; General Manager will have the ability to hire and remove all contractors and agents of the Corporation; execute documents on behalf of the Corporation as directed by the Board; may appoint Assistant General Manager and Administrator

7. Staff services for the Board must be provided by the City including the City Attorney's Office (CAO) as General Counsel for the Board, and the City's Chief Financial Officer (CFO) or designee as Assistant Treasurer. The Board must reimburse the City staff salaries and benefits; however, cost shall not exceed the amount approved in the DHFC's annual operating budget. The Corporation may hire outside counsel to provide legal advice subject to approval of the CAO. Additionally, the Corporation may hire outside consultants to perform specialized tasks.

Background

On April 25, 1984, the City Council approved creation of the DHFC, a public instrumentality and nonprofit corporation, and adopted the Articles of Incorporation. The purpose of the DHFC was to issue revenue bonds on behalf of the City for the purpose of providing funds to finance multifamily developments and mortgage loans for the purchase of single family homes that serve low to moderate income households. On March 28, 1990, the DHFC Bylaws were amended to expand the eligible loan area to citywide for the single-family mortgage program. In February 2007, the DHFC Bylaws were amended to allow the DHFC to purchase, lease, hold title to, and take an ownership interest in a residential development subject to City Council approval. To date, the DHFC has an ownership interest in 5 properties. The chart below illustrates the DHFC's role in each of these properties and was provided at the May 21, 2018, meeting. The chart has been updated to correct the Council district for Gurley Place as it previously was listed in Council district 7.

Development	Council District	Co-Developer	General Contractor	General Partner	Own Property	Own Improvements	Issue Bonds	Lender
Gurley Place at Jubilee Park (2012)	2				✓	✓		
Providence Mockingbird (2012)	2			✓	✓			✓
Sterlingshire aka Bruton (2016)	7	✓	✓	✓	✓		✓	
Park at Cliff Creek (2016)	8			✓	✓		✓	
Martha's Vineyard (2017)	2			✓	✓		✓	

On March 27, 2013, the DHFC Articles of Incorporation were amended to state the DHFC was organized for charitable, religious, educational and scientific purpose including for making distributions to 501 (c) (3) charitable organizations. Finally, on October 10, 2017, the DHFC Board approved changes to its Articles of Incorporation and other Governing Documents to include conflict of interest and contracting requirements; however, staff did not bring forward to Council for consideration.

Issues

There have been concerns raised regarding the DHFC; particularly, with the role of the DHFC as intermediary for the Voucher Sublease Program adopted under the Comprehensive Housing Policy. Councilmembers have requested information with respect to the Corporation's finances, contracts, and conflict of interest policies. Finally, the service area for the Corporation is limited to the CBD, CDBG, and the southern portion of Dallas for residential developments.

Alternatives

If the proposed staff recommended amendments do not move forward, then the issues and challenges outlined will persist. Particularly, regarding administrative oversight and concerns with overall operations of the DHFC. Additionally, the DHFC will be limited in terms of the service area for bond issuances for residential developments. In order to fully implement the adopted Comprehensive Housing Policy, the DHFC's service area should be citywide.

Fiscal Impact

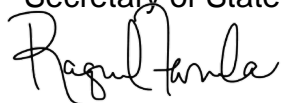
There are no costs considerations to the City as the DHFC generates its own revenue from the following sources: **1)** issuer fees, **2)** application fees, **3)** developer fees, **4)** cash flow payments, **5)** partnership fees, and/or **6)** ground lease payments.

Department/Committee Coordination

HNR staff worked with the CAO, CFO, and the DHFC Board to finalize amendments to the DHFC's Governing Documents.

Staff Recommendations

Staff recommends that the Economic Development and Housing Committee approve the amendments to the DHFC Articles of Incorporation and Bylaws attached as Exhibit "A" and Exhibit "B". With the Committee's approval, the item will move forward for full Council consideration on the September 26, 2018, City Council agenda. If approved, the Articles of Incorporation to be known as the Certificate of Formation will be filed with the Texas Secretary of State.



Raquel Favela

Chief of Economic Development & Neighborhood Services

c: Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
Directors and Assistant Directors

EXHIBIT "A"

AMENDED AND RESTATED CERTIFICATE OF FORMATION

This amended and restated certificate of formation, formerly known as the articles of incorporation, includes new amendments that are submitted for filing pursuant to the applicable provisions of the Texas Housing Finance Corporations Act.

The Unit is defined as the City of Dallas (the "Unit"). The governing body is the Unit's City Council.

On _____, 2018, the governing body of the Unit duly adopted a Resolution No. _-____, approving the form of this Amended and Restated Certificate of Formation (the "Certificate of Formation"), and authorizing the filing of this Amended and Restated Certificate of Formation with the Secretary of State.

The City of Dallas Housing Finance Corporation (the "Corporation") is an existing public, nonprofit corporation organized under the provisions of the Texas Housing Finance Corporations Act, Chapter 394, Sections 394.001, et seq., Local Government Code, as amended (the "Act").

ARTICLE I

The name of the Corporation is CITY OF DALLAS HOUSING FINANCE CORPORATION.

ARTICLE II

The Corporation is a public instrumentality and nonprofit corporation.

ARTICLE III

The duration of the Corporation is perpetual.

ARTICLE IV

The Corporation is organized solely to carry out the purposes of the Texas Housing Finance Corporations Act and shall have and possess all powers enumerated in such Act.

In addition, said Corporation is organized exclusively for charitable, religious, educational and scientific purposes, including the purpose of making distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code, as amended.

ARTICLE V

The Corporation shall have no members and is a nonstock corporation.

ARTICLE VI

EXHIBIT "A"

The street address of the registered office of the Corporation is Dallas City Hall, Housing & Neighborhood Revitalization – The City of Dallas Housing Finance Corporation, 6DN, 1500 Marilla, Dallas, Texas 75201, and the name of the registered agent is David Noguera.

ARTICLE VII

All powers of the Corporation shall be vested in a Board of Directors consisting of any number of directors, but not less than three, and may be fixed by the bylaws of the Corporation, each of whom shall be appointed by written resolution of the governing body of the Unit. Each member of the governing body of the Unit may appoint only one director. Each director shall serve for a term of two years, unless he or she resigns or is removed and replaced pursuant to this Certificate of Formation before the expiration of a two-year term; provided that, if any director shall at any time also be a member of the governing body of the Unit, then the term of such director shall never exceed the period for which such director is a member of such governing body. Any director may be removed from office at any time by written resolution and the affirmative record vote of a majority of the then-serving members of the governing body of the Unit. All vacancies occurring on the Board of Directors through death, resignation, or otherwise shall be filled by the governing body of the Unit, and the director appointed to fill such vacancy shall hold such office until the expiration of the term for which the vacating director had been appointed. In accordance with Section 8-1.5 "Limitation of Terms" of the Dallas City Code, a director who has served as a member of the Board of Directors for four consecutive two-year terms will not again be eligible to serve until at least one term has elapsed, regardless of whether service was as a director or officer.

All other matters pertaining to the internal affairs of the Corporation shall be governed by the bylaws of the Corporation, so long as such bylaws are not inconsistent with this Certificate of Formation or any law of the State of Texas. Where such inconsistency exists between the bylaws and this Certificate of Formation, the Certificate of Formation shall control the governance of the Corporation.

ARTICLE VIII

The number of directors constituting the initial Board of Directors of the Corporation is three. The names and addresses of the initial directors, each of whom resided at the time of incorporation in the Unit, are:

NAME	ADDRESS
A Starke Taylor, Jr.	City Hall, 1500 Marilla, Dallas, Texas 75201
Annette Strauss	City Hall, 1500 Marilla, Dallas, Texas 75201
Dr. James Hart	City Hall, 1500 Marilla, Dallas, Texas 75201

Each director, including the initial directors, shall be eligible for reappointment.

ARTICLE IX

EXHIBIT "A"

The names and street addresses of the initial incorporators, each of whom resided at the time of incorporation within the Unit, are:

NAME	ADDRESS
A Starke Taylor, Jr.	City Hall, 1500 Marilla, Dallas, Texas 75201
Annette Strauss	City Hall, 1500 Marilla, Dallas, Texas 75201
Dr. James Hart	City Hall, 1500 Marilla, Dallas, Texas 75201

ARTICLE X

On April 25, 1984, the governing body of the Unit duly adopted a resolution approving the form of the initial Articles of Incorporation, approving the creation of the Corporation, and authorizing the Corporation to act on its behalf to further the public purposes in the resolution and the Articles of Incorporation. On March 27, 2013, the governing body of the Unit duly adopted a resolution stating the Corporation was organized for charitable, religious, educational and scientific purpose including for making distributions to 501(c)(3) charitable organizations. On _____, 2018, the Board of Directors of the Corporation, and on __, 2018, the governing body of the Unit, amended and restated the Corporation’s former Articles of Incorporation in this Certificate of Formation, and approved the form hereof.

ARTICLE XI

This Certificate of Formation may be amended by either of the following methods: (1) the members of the Board of Directors of the Corporation may file with the governing body of the Unit a written application, approved by a majority of the Board of Directors, seeking permission to amend the Certificate of Formation, specifying in such application the amendment proposed to be made. If the governing body of the Unit by appropriate resolution finds and determines that it is wise, expedient, necessary, or advisable that the proposed amendment be made and approves the form and authorizes the amendments to be made, then the Board of Directors of the Corporation may amend the Certificate of Formation and deliver the certificate of amendment to the Secretary of State, or (2) the governing body of the Unit, in its sole discretion, by affirmative vote may amend the Certificate of Formation to change the structure, organization, programs, or activities of the Corporation, including the power to terminate the Corporation, subject to any limitation on the impairment of contracts. The governing body shall thereafter deliver the amended Certificate of Formation to the Texas Secretary of State.

The bylaws of the Corporation may be amended by either of the following methods: (1) the method for amending the Certificate of Formation described in subparagraph (1) of the preceding paragraph; or (2) the governing body of the Unit, in its sole discretion, and at any time, may propose any change to the structure, organization, programs, or activities of the Corporation that it deems wise, expedient, necessary, or advisable, subject to any limitation on the impairment of contracts entered into by the Corporation, by a majority vote of the appropriate Unit Committee and delivering the proposed revision to the Board of Directors. If approved by

EXHIBIT "A"

the Board of Directors, such amendment must be adopted by a majority vote of the governing body of the Unit in order to take effect. In the event the Board of Directors fails to adopt such amendment, the governing body of the Unit shall hold a public hearing at the appropriate Unit Committee to allow the Board of Directors to provide comments to the amendment. The Unit Committee shall determine, in its sole discretion, to either: (a) propose an alternative amendment for consideration by the Board of Directors; or (b) to recommend approval to the governing body of the Unit to adopt a resolution approving the amendment as is. If approved by the governing body, such amendment may be made to the bylaws.

ARTICLE XII

No dividends shall ever be paid by the Corporation, and no part of its net earnings shall be distributed to, or inure to the benefit of, its directors or officers or any person, association, or corporation, except as reasonable compensation for services rendered; provided, however, that nothing herein contained shall prevent the Board of Directors from transferring its corporate property in accordance with the terms of any written contract entered into by the Corporation.

If the Board of Directors determines that sufficient provision has been made for full payment of the expenses, bonds, and other obligations of the Corporation, any net corporate earnings accruing after the determination shall be paid to the Unit. The Unit shall use amounts received under this subsection only to provide for the housing needs of individuals and families of low and moderate-incomes, including single-family units and mixed income multifamily projects found by the Unit to serve the interests of low and moderate-income individuals and families if the single-family and multifamily projects have as a major purpose the provision of safe, sanitary, and decent housing for individuals and families of low income.

No substantial part of the Corporation's activities shall be carrying on propaganda, or otherwise attempting to influence legislation, and it shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE XIII

If the governing body of the Unit or Corporation determines by resolution that the Corporation should be dissolved; then the Corporation shall execute a certificate of dissolution stating that it substantially met the purpose, all obligations have been met, and declaring the Corporation is dissolved. The certificate of dissolution shall contain the Corporation's seal and must be filed on record with the Texas Secretary of State. The title to all funds and property owned by the Corporation at the time of the dissolution shall vest in the Unit for the purpose of providing for the housing needs of individuals and families of low and moderate-incomes, including single-family units and mixed income multifamily projects found by the Unit to serve the interests of low and moderate income individuals and families if the single-family and multifamily projects have as a major purpose the provision of safe, sanitary, and decent housing for individuals and families of low income. The funds and property shall be promptly delivered to the Unit.

ARTICLE XIV

EXHIBIT "A"

The Corporation is subject to the Texas Open Meetings Act, pursuant to Chapter 551 of the Texas Government Code, as amended, and the Texas Public Information Act, pursuant to Chapter 552 of the Texas Government Code, as amended.

ARTICLE XV

The Corporation is subject to the Code of Ethics pursuant to Chapter 12A of the Dallas City Code, as amended.

No director or board member shall have any financial interest, direct or indirect, in any contract with the Corporation, or be financially interested, directly or indirectly, in the sale to the Corporation of any land, materials, supplies or services, except on behalf of the Corporation.

ARTICLE XVI

The Corporation shall be subject to Article I, Section 8-1.1 "Reports to the City Council," Section 8-1.2. "Notice of Appointment; Acceptance," Section 8-1.4. "Qualification Considerations in Appointments to Boards," and Section 8-1.5 "Limitation of Terms"; Article IV, Section 8-14 "Financial Interest," Section 8-18 "Demand for Roll Call," Section 8-20 "Attendance," and Section 8-21 "Excusal During Meeting;" Article V "Code of Conduct;" and Article VI, Section 8-26 "Board Recommendations" in Chapter 8 of the Dallas City Code, as amended.

Date: _____, 2018

VERIFICATION: AMENDMENTS APPROVED AND CERTIFIED TO BE TRUE AND CORRECT and to reflect accurately the official action of the duly constituted officers and members of the Corporation's Board of Directors, by a majority vote of the Board of Directors in office, all on _____, 2018.

**CITY OF DALLAS
HOUSING FINANCE CORPORATION**

ATTEST:

By: _____
Sherman Roberts, President

By: _____
Marcy Helfand, Secretary

EXHIBIT “B”

Adopted: April 25, 1984 – Resolution No. 84-1458
Amended: March 28, 1990 – Resolution No. 90-1116
February 28, 2007 – Resolution No. 07-0733
September ____, 2018 – Resolution No. 18-XXXX

**AMENDED AND RESTATED BYLAWS OF
CITY OF DALLAS HOUSING FINANCE CORPORATION**

PREAMBLE

These Bylaws are subject to, and governed by the Texas Housing Finance Corporations Act, Chapter 394 of the Local Government Code, as amended (the “Act”); the Texas Business Organizations Code, as amended (“TBOC”); the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, as amended (“TOMA”); the Texas Public Information Act, Chapter 552 of the Texas Government Code, as amended; and the Articles of Incorporation and/or the Amended and Restated Certificate of Formation (the “Certificate of Formation”), of the City of Dallas Housing Finance Corporation (the “Corporation”), as amended (collectively referred to as the “Governing Regulations”). In the event of a direct conflict between the provisions of these Bylaws and the mandatory provisions of the Governing Regulations, such provisions of the Governing Regulations, as the case may be, shall control. The City of Dallas shall be referred to as the “City” or “Unit” and the Dallas City Council shall be referred to as the “Governing Body.”

**ARTICLE I
POWERS AND PURPOSES**

Section 1.1. Financing of Projects. Any project or projects to be financed in whole or in part through the issuance of obligations of the Corporation must be located within City limits. In order to implement the purposes for which the Corporation was formed and as set forth in the Certificate of Formation, the Corporation may issue obligations to finance all or part of the cost of one or more projects located within the City, provided that all of such actions are made pursuant to the provisions of the Act.

Section 1.2. Powers of Corporation. The Corporation shall possess all powers enumerated in the Act to accomplish the purposes for which the Corporation is organized including without limitation the power to issue bonds to defray, in whole or in part, (a) the development costs of a residential development, as defined in the Act; (b) the costs of purchasing or funding the making of home mortgages, either on a first-come, first-served basis or by selling lender commitments, including all costs related thereto, as allowed by the Act; and (c) any other costs associated with the provision of decent, safe, and sanitary housing and non-housing facilities that are an integral part of or are functionally related to an affordable housing project. The Corporation is a duly constituted authority and a public instrumentality of the City within the meaning of the regulations of the United States Treasury Department and the rulings of the Internal Revenue Service prescribed and promulgated pursuant to Section 103 of the Internal Revenue Code of 1986 (26 U.S.C. §103), as amended, and the Corporation is authorized, and has as an additional specific purpose for its organization and operation, to act on behalf of the City as provided in the Certificate of Formation. However, no agreements, bonds, debts, or obligations of the Corporation are or shall ever be deemed to be the agreements, bonds, debts, or obligations, or the lending of

credit, or a grant of public money or thing of value, of or by the City, or any other political corporation, subdivision, or agency of the State of Texas, or a pledge of the faith and credit of any of them.

However, the Corporation shall not purchase, lease, own, hold title to, or otherwise acquire an interest in a residential development, as such term is defined in the Act (a “Residential Development”), except as set forth below.

The Corporation may by a majority vote of the Board of Directors of the Corporation (the “Board of Directors”), purchase, lease, own, hold title to, or otherwise acquire an interest in a Residential Development, directly or indirectly through a subsidiary of the Corporation, provided that the Governing Body of the Unit, by appropriate resolution, prior to the transaction being consummated by the Corporation: (i) finds and determines that such transaction should be undertaken; (ii) approves the form of the transaction; and (iii) authorizes such purchase, lease, or ownership of, holding of title to, or acquisition of the interest in the Residential Development.

Notwithstanding the foregoing, nothing in these Bylaws shall be construed to restrict or prohibit the Corporation, either acting by or through a duly authorized agent, from exercising any right it may have to satisfy, in whole or in part, any obligation of the Corporation.

Section 1.3. Issuance of Obligations. The Corporation may issue any obligations permitted by the Act upon compliance with all provisions thereof.

Section 1.4. Books and Records; Approval of Programs and Financing Statements. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and any committees of the Board of Directors formed under these Bylaws. All books and records of the Corporation may be inspected by any Director or his agent or attorney for any proper purpose at any reasonable time; and at all times the Unit, including but not limited to the Governing Body, will have access to the books and records of the Corporation upon written request to the General Manager or President. The Unit shall be entitled to annually review and request the Corporation’s explanation of any financial statements, programs, or expenditures of the Corporation.

Section 1.5. Nonprofit Corporation. The Corporation shall be a public nonprofit corporation.

Section 1.6. Corporation Policies. The Corporation, by action of the Board of Directors, shall be authorized to promulgate, implement, and amend policies governing the receipt, processing, and approval of applications for financial participation in development projects and prescribing the fees to be paid by applicants in amounts reasonably estimated to, at least, pay the ministerial and staff costs and expenses of the Corporation, plus reasonable reserves therefor.

Section 1.7. Staff Services. Staff services for the Corporation shall be performed by an employee of the Unit, as determined by the Governing Body or the Director of the Housing & Neighborhood Revitalization department of the Unit or designee (“Housing Director”). The Corporation shall reimburse the Unit, from any fees collected by it, the amount of costs for such staff services but in no event shall the amount exceed the amount adopted in the Corporation’s

annual operating budget or exceed an amount otherwise authorized by a majority vote of the Board of Directors. Any employee of the Unit that performs the duties described herein shall be known as “staff”. Staff shall not include the General Manager, the Assistant General Manager, the Assistant Treasurer, the Assistant Secretary, and the Administrator.

The Board of Directors may at any time hire outside consultants to perform specialized tasks.

ARTICLE II BOARD OF DIRECTORS

Section 2.1. Powers, Number and Term of Office. The property and affairs of the Corporation shall be managed and controlled by the Board of Directors. Subject to the restrictions imposed by law, the Certificate of Formation, and these Bylaws, the Board of Directors shall exercise all of the powers of the Corporation.

The Board of Directors shall consist of fifteen members. Each city council member of the Governing Body may appoint one member to the Board of Directors. The term for each member is as set forth in the Certificate of Formation.

Section 2.2. Meetings of Directors. The Board of Directors may hold their meetings at any place authorized by the Act, as the Board of Directors may from time to time determine; provided that, in the absence of any such determination by the Board of Directors, the meetings shall be held at the principal office of the Corporation.

Section 2.3. Regular Meetings. Regular Meetings of the Board of Directors shall be held at such times and places as shall be designated, from time to time, by the Board of Directors.

Section 2.4. Special Meetings. Special Meetings of the Board of Directors shall be held whenever called by the President, by the Secretary, by three or more of the Directors at the time being in office, or upon advice of or request by the Governing Body.

Section 2.5. Public Notice of Meetings; Open Meetings.

(a) Written notice of the date, hour, place and subject of each meeting of the Board of Directors shall be posted before each meeting at such times and in such places as prescribed by TOMA.

(b) Every meeting of the Board of Directors shall be open to the public, except as otherwise permitted by TOMA.

Section 2.6. Quorum. A quorum exists when there are physically present a simple majority of the number of members officially appointed to the Board of Directors, regardless of the total number of members actually appointed to the Board of Directors if less than 15. The act of a majority of the Directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of Directors, unless the act of a greater number is required by law, the Certificate of Formation, or these Bylaws.

Section 2.7. Conduct of Business. At the meetings of the Board of Directors, matters

pertaining to the purposes of the Corporation shall be considered in such order as from time to time the Board of Directors may determine.

At all meetings of the Board of Directors, the President shall preside, and in the absence of the President, the Vice President shall exercise the powers of the President.

The Secretary of the Corporation shall act as Secretary of all meetings of the Board of Directors. In the absence of the Secretary or at the request of the Secretary, the Assistant Secretary shall act as Secretary during a meeting of the Board of Directors. In the absence of the Secretary and Assistant Secretary, the presiding Officer may appoint any person to act as Secretary of the meeting.

Section 2.8. Committees. The Board of Directors, by resolution passed by a majority of the Directors present at a properly-called meeting of the Board of Directors at which there is a quorum present, may designate three or more Directors to constitute a committee, but any committee shall be limited in size so as not to constitute a quorum of the Directors, and any such committee shall act in the manner provided in such resolution. The committee so designated shall keep regular minutes of the transactions of its meetings, shall cause such minutes to be recorded in books kept for that purpose in the office of the Corporation, and shall file such minutes with the Board of Directors from time to time. Committees are solely for advisory purposes and any action undertaken by the committee cannot bind the Board of Directors or the Corporation.

Section 2.9. Compensation of Directors. Directors as such shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual expenses which are (1) authorized by majority vote of the Board of Directors present at a properly-called meeting of the Board of Directors at which a quorum thereof is present and (2) incurred in the performance of their duties hereunder.

ARTICLE III OFFICERS, MANAGERS AND ADMINISTRATOR

Section 3.1. Titles and Term of Office.

(a) The officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer, and such other officers as the Board of Directors may from time to time elect or appoint. Terms of office shall not exceed two years, provided that an officer may be re-elected to such position by the Board of Directors. All officers must be a member of the Board of Directors.

All officers shall be subject to removal from office, with or without cause, at any time by a vote of a majority of the entire Board of Directors.

A vacancy in the office of any of officer shall be filled by a vote of a majority of the entire Board of Directors.

(b) The General Manager of the Corporation shall be the Housing Director of the Unit or his or her designee. The General Manager shall exercise such powers and perform such duties as are set forth in Section 3.6 of these Bylaws and as shall be determined from time to time by the Unit.

(c) The City Attorney's Office will provide general counsel services for the Board of Directors, including, but not limited to, advice regarding TOMA, Robert's Rule of Order, and matters relating to board governance as well as any other legal matters directed by the Board of Directors. The costs to provide such services shall not exceed the amount adopted in the Corporation's annual operating budget.

The Corporation may engage one or more outside attorneys to provide legal advice to the Corporation and the Board of Directors subject to approval by the City Attorney's Office of any attorney selected by the Corporation to provide such service. The City Attorney's Office may disapprove the engagement of the outside counsel so selected for good cause. Such engagements shall be made on a per-matter basis. The Board of Directors may appoint a committee of its members to review and approve or reject the invoices of any attorney engaged by the Corporation.

Section 3.2. Powers and Duties of the President. The President shall be the chief executive officer of the Corporation, and subject to the direction of the Board of Directors, the President shall be in general charge of the properties and affairs of the Corporation and shall preside at all meetings of the Board of Directors. The President shall be the agent of the Corporation with primary responsibility for executing contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes, and other instruments on behalf of and/or in the name of the Corporation, provided however, that the President may not execute any instrument on behalf of the Corporation without the prior written approval of the Board of Directors. For purposes of this Section 3.2, the approval of the Board of Directors of the parties to and material terms of an instrument shall constitute the approval of the President's execution of such instrument except when the Board of Directors has otherwise authorized the execution of such instrument.

Section 3.3. Powers and Duties of the Vice President. The Vice President shall have such powers and duties as may be assigned by the Board of Directors and shall exercise the powers of the President during that officer's absence or inability to act; provided however, that the Vice President may not execute any instrument on behalf of the Corporation without the prior written approval of the Board of Directors. For purposes of this Section 3.3, the approval of the Board of Directors of the parties to and material terms of an instrument shall constitute the approval of the Vice President's execution of such instrument except when the Board of Directors has otherwise authorized the execution of such instrument.

Section 3.4. Powers and Duties of the Treasurer. The Treasurer shall have custody of all the funds and securities of the Corporation which come into his or her hands. When necessary or proper, he or she may endorse, on behalf of the Corporation, for collection, checks, notes, and other obligations, and shall deposit the same to the credit of the Corporation in such bank or banks or depositories as shall be designated in the manner prescribed by the Board of Directors; he or she may sign all checks, receipts and vouchers for payment made to the Corporation, jointly with the General Manager, Assistant General Manager, Assistant Treasurer and such other Officer as is designated by the Board of Directors; whenever required by the Board of Directors, he or she shall render a statement of the Corporation's accounts; he or she shall enter or cause to be entered regularly in the books of the Corporation to be kept by him or her for that purpose full and accurate amounts of all monies received and paid out on account of the Corporation; he or she shall perform all acts incident to the position of Treasurer subject to the control of the Board of Directors and provided that he or she shall not transfer, convey, or dispose of any asset of the Corporation except

as directed by the Board of Directors; and he or she shall, if required by the Board of Directors, give such bond for the faithful discharge of his or her duties in such form as the Board of Directors may require, at the expense of the Corporation.

The Board of Directors shall appoint the Chief Financial Officer (“CFO”) of the Unit or his or her designee to serve as an Assistant Treasurer, who shall have the same level of access to the books and records of the Corporation as the Treasurer. The Assistant Treasurer may perform any duty required of or power granted to the Treasurer in these Bylaws and/or in any resolution or order approved by the Board of Directors.

Section 3.5. Powers and Duties of the Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors in books provided for that purpose; he or she shall attend to the giving and serving of all notices; in furtherance of the purposes of this Corporation, he or she may sign with the President in the name of the Corporation and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation authorized by the Board of Directors as set forth in Section 3.2 above; he or she shall have access upon demand to the corporate books and records of which the Treasurer shall have custody and charge, and shall have custody and charge of such other books and papers as the Board of Directors may direct, all of which shall at all reasonable times be open to inspection upon request at the office of the Corporation during business hours, and he or she shall in general perform all duties incident to the office of Secretary subject to the control of the Board of Directors.

The Board of Directors may appoint one or more persons to serve as an Assistant Secretary, which person may, but need not, be a Director. The Assistant Secretary may perform any duty required of or granted to the Secretary in these Bylaws and/or in any resolution or order approved by the Board of Directors, other than the execution of documents.

Section 3.6. Powers and Duties of the General Manager.

- (a) The powers and duties of the General Manager shall include the following:
 - (1) In cooperation with the Corporation’s legal counsel, to ensure that all actions of the Board of Directors are in compliance with the laws, ordinances, orders, and resolutions that are in effect.
 - (2) Except as otherwise herein provided, to hire and remove all subordinates, employees, agents, or contractors of the Corporation.
 - (3) To manage the day to day operations of the Corporation, subject to the Governing Regulations, the Certificate of Formation, these Bylaws, and any policies and procedures adopted by the Board of Directors.
 - (4) To review all contracts of the Corporation to ensure each contract is in accordance with the directives of the Board of Directors and execute such contracts when directed by the Board of Directors.

- (5) To attend and participate in all meetings and deliberations of the Board of Directors to the extent allowed by TOMA, but shall not possess the power to vote.
- (6) To recommend to the Board of Directors for adoption such measures as he or she may deem necessary or expedient to further the goals and priorities of the Governing Body.
- (7) In collaboration with the Treasurer and Assistant Treasurer, keep the Board of Directors at all times fully advised of the financial condition of the Corporation including providing monthly financial statements or reports.
- (8) To spend funds up to \$25,000.00 without prior approval from the Board of Directors when the General Manager deems it necessary to pay a refundable option fee or earnest money in connection with any contract for the sale, purchase, or lease of real property or real property interests, provided that the General Manager shall first execute an enforceable written agreement which makes all funds paid fully refundable at the Board of Director's discretion. Any such agreement or pledge of funds shall be approved by the Board of Directors prior to execution or acceptance of an agreement that would render the funds non-refundable.
- (9) To act as budget supervisor with the Treasurer and Assistant Treasurer and as such prepare and submit to the Board of Directors the annual budget.

(b) The General Manager shall execute all necessary documents in performance of the duties specified in Section 3.6(a).

(c) The General Manager may appoint an Assistant General Manager who shall perform such duties of the General Manager as may be assigned by the General Manager and shall exercise the powers of the General Manager during the General Manager's absence or inability to act. The Assistant General Manager shall be removable, with or without cause, at any time by the General Manager. The Assistant General Manager shall not be an officer of the Board of Directors.

(d) The General Manager may appoint an Administrator who shall perform such duties as may be assigned by the General Manager or the Assistant General Manager and shall report to the General Manager or the Assistant General Manager, as applicable. The Administrator shall be removable, with or without cause, at any time by the General Manager and shall not be an officer of the Board of Directors.

(e) The General Manager shall make recommendations to the Board of Directors regarding the engagement and retainment of contractors for professional services, as needed by the Board of Directors.

Section 3.7. Compensation. Officers as such shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual expenses incurred in the performance of their duties hereunder. The General Manager, Assistant General Manager,

Assistant Treasurer, Assistant Secretary, and the Administrator (the “HFC Liaisons”) shall not receive any salary from the Corporation for their performance of their duties because the HFC Liaisons are not employees of the Corporation. However, such HFC Liaisons may be reimbursed pursuant to Section 1.7 “Staff Services”.

Section 3.8. Requests by the Board of Directors. The Board of Directors may provide input to the Housing Director (or the City Manager, or designee, of the Unit if the Housing Director is operating as the person in question) regarding the performance of duties of General Manager, the Assistant General Manager, the Assistant Treasurer, the Assistant Secretary, or the Administrator, to ensure alignment of their performance with the duties described in these Bylaws. By a two-third (2/3) vote of the Board of Directors, the Corporation may request that the Housing Director or the City Manager assign a new person to fill the position in question. The Housing Director or the City Manager retains the sole discretion regarding the reassignment of each position.

ARTICLE IV PROVISIONS REGARDING ARTICLES OF INCORPORATION AND BYLAWS

Section 4.1. Effective Date. These Bylaws shall become effective only upon the adoption of these Bylaws by the Board of Directors and approval of the Governing Body.

Section 4.2. Amendments to Bylaws. These Bylaws may be amended as set forth in the Certificate of Formation.

Section 4.3. Interpretation of Bylaws. These Bylaws and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein. If any word, phrase, clause, sentence, paragraph, section or other part of these Bylaws or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of these Bylaws and the application of such word, phrase, clause, sentence, paragraph, section or other part of these Bylaws to any other person or circumstance shall not be affected thereby.

ARTICLE V GENERAL PROVISIONS

Section 5.1. Principal Office. The principal office of the Corporation shall be located at Dallas City Hall, 1500 Marilla Street, 6DN, Dallas, Texas 75201.

Section 5.2. Fiscal Year. The fiscal year of the Corporation shall be as determined by the Board of Directors.

Section 5.3. Seal. The seal of the Corporation, if any, shall be as determined by the Board of Directors.

Section 5.4. Notice and Waiver of Notice. Whenever any notice whatsoever is required to be given under the provisions of the Act, the Certificate of Formation, or these Bylaws, such notice shall be deemed to be sufficient if sent by U.S. Mail, with proper postage, certified mail return

receipt requested or by a nationally recognized overnight delivery service addressed to the person entitled thereto at his or her post office address, as it appears on the books of the Corporation, and such notice shall be deemed to have been given three business days following such mailing.

Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any Regular or Special Meeting of the Board of Directors need be specified in the notice of such meeting, unless required by the Board of Directors or by the provisions of these Bylaws. A waiver of notice in writing, signed by the person or persons entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 5.5. Resignations. Any Director or Officer may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5.6. Action Without a Meeting of Directors or Committees. Any action which may be taken at a meeting of the Board of Directors or of any committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the Directors, or all of the members of the committee, as the case may be, subject to TOMA. Such consent shall have the same force and effect as a unanimous vote and may be stated as such in any articles or document filed with the Secretary of State, or any other person.

Section 5.7. Approval or Advice and Consent of the Governing Body. To the extent these Bylaws refer to any approval by the Unit or refer to advice and consent by the Unit, such advice and consent shall be evidenced by a certified copy of a resolution, or motion duly adopted by the Governing Body.

ARTICLE VI CODE OF ETHICS

Section 6.1. Conflicts of Interest. In addition to the sections of the Dallas City Code adopted by reference in the Certificate of Formation, it is the policy of the Corporation that Directors and Officers conduct themselves in a manner consistent with sound business and ethical practices; that the public interest always be considered in conducting corporate business; that the appearance of impropriety be avoided to ensure and maintain public confidence in the Corporation; and that no Officer, employee or member of the Board of Directors, should have an interest, financial or otherwise, direct or indirect, or engage in any business, transaction or professional activity or incur any obligation of any nature which is in conflict with the proper discharge of his or her duties and are not to use their position for personal gain.

ARTICLE VII INDEMNIFICATION

Section 7.1. Indemnification. A Director of the Corporation shall not be personally liable to the Corporation for monetary damages for any act or omission in such Director's capacity as a Director, except that this Article does not authorize the elimination or limitation of the liability of a Director to the extent the Director is found liable for: (i) a breach of a Director's duty of loyalty to the Corporation; (ii) an act or omission not in good faith that constitutes a breach of duty of the Director to the Corporation or an act or omission that involves intentional misconduct or a knowing violation of the law; (iii) a transaction from which a Director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the Director's office; or (iv) an act or omission for which the liability of a Director is expressly provided for by an applicable statute. The foregoing elimination of liability shall not be deemed exclusive of any other rights, limitations of liability or indemnity to which a Director may be entitled under any other provision of the Restated Certificate of Formation or Bylaws of the Corporation, contract or agreement, vote of Directors, principle of law or otherwise. Any repeal or amendment of this Article shall be prospective only, and shall not adversely affect any limitation on the personal liability of a Director of the Corporation existing at the time of such repeal or amendment. In addition to the circumstances in which a Director of the Corporation is not personally liable as set forth in the foregoing provisions of this Article, a Director shall not be liable to the full extent permitted by any amendment to the Texas Business Organizations Code or Texas Housing Finance Corporations Act hereafter enacted that further eliminates or authorizes the elimination of the liability of a Director.

Section 7.2. Directors and Officers Insurance. The Corporation shall indemnify Directors, Officers, employees and agents of the Corporation to the fullest extent permitted by law, subject in each case to the restrictions, if any, of Section 7.1 above. The Corporation shall have the power to purchase and maintain at its cost and expense insurance on behalf of such persons to the fullest extent permitted by law.

VERIFICATION: AMENDMENTS APPROVED AND CERTIFIED TO BE TRUE AND CORRECT and to reflect accurately the official action of the duly constituted officers and members of the Corporation's Board of Directors, by a majority vote of the Board of Directors in office, all on _____, 2018.

**CITY OF DALLAS
HOUSING FINANCE CORPORATION**

ATTEST:

By: _____
Sherman Roberts, President

By: _____
Marcy Helfand, Secretary

EXHIBIT "C"

AMENDED AND RESTATED CERTIFICATE OF FORMATION

This amended and restated certificate of formation, formerly known as the articles of incorporation, include new amendments that are submitted for filing pursuant to the applicable provisions of the Texas Housing Finance Corporations Act.

The Unit is defined as the City of Dallas (the "Unit"). The governing body is the Unit's City Council.

On _____, 2018, the governing body of the Unit duly adopted a Resolution No. _-____, approving the form of this Amended and Restated Certificate of Formation (the "Certificate of Formation"), and authorizing the filing of this Amended and Restated Certificate of Formation with the Secretary of State.

The City of Dallas Housing Finance Corporation (the "Corporation") is an existing public, nonprofit corporation organized under the provisions of the Texas Housing Finance Corporations Act, Chapter 394, Sections 394.001, et seq., Local Government Code, as amended (the "Act").

ARTICLE I

The name of the Corporation is CITY OF DALLAS HOUSING FINANCE CORPORATION.

ARTICLE II

The Corporation is a public instrumentality and nonprofit corporation.

ARTICLE III

The duration of the Corporation is perpetual.

ARTICLE IV

The Corporation is organized solely to carry out the purposes of the Texas Housing Finance Corporations Act and shall have and possess all powers enumerated in such Act.

In addition, said Corporation is organized exclusively for charitable, religious, educational and scientific purposes, including the purpose of making distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code, as amended.

ARTICLE V

The Corporation shall have no members and is a nonstock corporation.

ARTICLE VI

EXHIBIT “C”

The street address of the registered office of the Corporation is Dallas City Hall, Housing & Neighborhood Revitalization – The City of Dallas Housing Finance Corporation, 6DN, 1500 Marilla, Dallas, Texas 75201, and the name of the registered agent is David Noguera.

ARTICLE VII

All powers of the Corporation shall be vested in a Board of Directors consisting of any number of directors, but not less than three, and may be fixed by the bylaws of the Corporation, each of whom shall be appointed by written resolution of the governing body of the Unit. Each member of the governing body of the Unit may appoint only one director. Each director shall serve for a term of two years, unless he or she resigns or is removed and replaced pursuant to this Certificate of Formation before the expiration of a two-year term; provided that, if any director shall at any time also be a member of the governing body of the Unit, then the term of such director shall never exceed the period for which such director is a member of such governing body. Any director may be removed from office at any time, for good cause shown, by written resolution and the affirmative record vote of a majority of the then-serving members of the governing body of the Unit. All vacancies occurring on the Board of Directors through death, resignation, or otherwise shall be filled by the governing body of the Unit, and the director appointed to fill such vacancy shall hold such office until the expiration of the term for which the vacating director had been appointed. In accordance with Section 8-1.5 “Limitation of Terms” of the Dallas City Code, a director who has served as a member of the Board of Directors for four consecutive two-year terms will not again be eligible to serve until at least one term has elapsed, regardless of whether service was as a director or officer.

All other matters pertaining to the internal affairs of the Corporation shall be governed by the bylaws of the Corporation, so long as such bylaws are not inconsistent with this Certificate of Formation or any law of the State of Texas. Where such inconsistency exists between the bylaws and this Certificate of Formation, the Certificate of Formation shall control the governance of the Corporation.

ARTICLE VIII

The number of directors constituting the initial Board of Directors of the Corporation is three. The names and addresses of the initial directors, each of whom resided at the time of incorporation in the Unit, are:

NAME	ADDRESS
A Starke Taylor, Jr.	City Hall, 1500 Marilla, Dallas, Texas 75201
Annette Strauss	City Hall, 1500 Marilla, Dallas, Texas 75201
Dr. James Hart	City Hall, 1500 Marilla, Dallas, Texas 75201

Each director, including the initial directors, shall be eligible for reappointment.

ARTICLE IX

EXHIBIT "C"

The names and street addresses of the initial incorporators, each of whom resided at the time of incorporation within the Unit, are:

NAME	ADDRESS
A Starke Taylor, Jr.	City Hall, 1500 Marilla, Dallas, Texas 75201
Annette Strauss	City Hall, 1500 Marilla, Dallas, Texas 75201
Dr. James Hart	City Hall, 1500 Marilla, Dallas, Texas 75201

ARTICLE X

On April 25, 1984, the governing body of the Unit duly adopted a resolution approving the form of the initial Articles of Incorporation, approving the creation of the Corporation, and authorizing the Corporation to act on its behalf to further the public purposes in the resolution and the Articles of Incorporation. On March 27, 2013, the governing body of the Unit duly adopted a resolution stating the Corporation was organized for charitable, religious, educational and scientific purpose including for making distributions to 501(c)(3) charitable organizations. On _____, 2018, the Board of Directors of the Corporation, and on __, 2018, the governing body of the Unit, amended and restated the Corporation’s former Articles of Incorporation in this Certificate of Formation, and approved the form hereof.

ARTICLE XI

This Certificate of Formation may be amended by either of the following methods: (1) the members of the Board of Directors of the Corporation may file with the governing body of the Unit a written application, approved by a majority of the Board of Directors, seeking permission to amend the Certificate of Formation, specifying in such application the amendment proposed to be made. If the governing body of the Unit by appropriate resolution finds and determines that it is wise, expedient, necessary, or advisable that the proposed amendment be made and approves the form and authorizes the amendments to be made, then the Board of Directors of the Corporation may amend the Certificate of Formation and deliver the certificate of amendment to the Secretary of State, or (2) the governing body of the Unit, in its sole discretion, by affirmative vote may amend the Certificate of Formation to change the structure, organization, programs, or activities of the Corporation, including the power to terminate the Corporation, subject to any limitation on the impairment of contracts. The governing body shall thereafter deliver the amended Certificate of Formation to the Texas Secretary of State.

The bylaws of the Corporation may be amended by either of the following methods: (1) the method for amending the Certificate of Formation described in subparagraph (1) of the preceding paragraph; or (2) the governing body of the Unit, in its sole discretion, and at any time, may propose any change to the structure, organization, programs, or activities of the Corporation that it deems wise, expedient, necessary, or advisable, subject to any limitation on the impairment of contracts entered into by the Corporation, by a majority vote of the appropriate Unit Committee and delivering the proposed revision to the Board of Directors. If approved by

EXHIBIT "C"

the Board of Directors, such amendment must be adopted by a majority vote of the governing body of the Unit in order to take effect. In the event the Board of Directors fails to adopt such amendment, the governing body of the Unit shall hold a public hearing at the appropriate Unit Committee to allow the Board of Directors to provide comments to the amendment. The Unit Committee shall determine, in its sole discretion, to either: (a) propose an alternative amendment for consideration by the Board of Directors; or (b) to recommend approval to the governing body of the Unit to adopt a resolution approving the amendment as is. If approved by the governing body, such amendment may be made to the bylaws.

ARTICLE XII

No dividends shall ever be paid by the Corporation, and no part of its net earnings shall be distributed to, or inure to the benefit of, its directors or officers or any person, association, or corporation, except as reasonable compensation for services rendered; provided, however, that nothing herein contained shall prevent the Board of Directors from transferring its corporate property in accordance with the terms of any written contract entered into by the Corporation.

If the Board of Directors determines that sufficient provision has been made for full payment of the expenses, bonds, and other obligations of the Corporation, any net corporate earnings accruing after the determination shall be paid to the Unit. The Unit shall use amounts received under this subsection only to provide for the housing needs of individuals and families of low and moderate-incomes, including single-family units and mixed income multifamily projects found by the Unit to serve the interests of low and moderate-income individuals and families if the single-family and multifamily projects have as a major purpose the provision of safe, sanitary, and decent housing for individuals and families of low income.

No substantial part of the Corporation's activities shall be carrying on propaganda, or otherwise attempting to influence legislation, and it shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE XIII

If the governing body of the Unit or Corporation determines by resolution that the Corporation should be dissolved; then the Corporation shall execute a certificate of dissolution stating that it substantially met the purpose, all obligations have been met, and declaring the Corporation is dissolved. The certificate of dissolution shall contain the Corporation's seal and must be filed on record with the Texas Secretary of State. The title to all funds and property owned by the Corporation at the time of the dissolution shall vest in the Unit for the purpose of providing for the housing needs of individuals and families of low and moderate-incomes, including single-family units and mixed income multifamily projects found by the Unit to serve the interests of low and moderate income individuals and families if the single-family and multifamily projects have as a major purpose the provision of safe, sanitary, and decent housing for individuals and families of low income. The funds and property shall be promptly delivered to the Unit.

ARTICLE XIV

EXHIBIT "C"

The Corporation is subject to the Texas Open Meetings Act, pursuant to Chapter 551 of the Texas Government Code, as amended, and the Texas Public Information Act, pursuant to Chapter 552 of the Texas Government Code, as amended.

ARTICLE XV

The Corporation is subject to the Code of Ethics pursuant to Chapter 12A of the Dallas City Code, as amended.

No director or board member shall have any financial interest, direct or indirect, in any contract with the Corporation, or be financially interested, directly or indirectly, in the sale to the Corporation of any land, materials, supplies or services, except on behalf of the Corporation.

ARTICLE XVI

The Corporation shall be subject to Article I, Section 8-1.1 "Reports to the City Council," Section 8-1.2. "Notice of Appointment; Acceptance," Section 8-1.4. "Qualification Considerations in Appointments to Boards," and Section 8-1.5 "Limitation of Terms"; Article IV, Section 8-14 "Financial Interest," Section 8-18 "Demand for Roll Call," Section 8-20 "Attendance," and Section 8-21 "Excusal During Meeting;" Article V "Code of Conduct;" and Article VI, Section 8-26 "Board Recommendations" in Chapter 8 of the Dallas City Code, as amended.

Date: _____, 2018

VERIFICATION: AMENDMENTS APPROVED AND CERTIFIED TO BE TRUE AND CORRECT and to reflect accurately the official action of the duly constituted officers and members of the Corporation's Board of Directors, by a majority vote of the Board of Directors in office, all on _____, 2018.

**CITY OF DALLAS
HOUSING FINANCE CORPORATION**

ATTEST:

By: _____
Sherman Roberts, President

By: _____
Marcy Helfand, Secretary

EXHIBIT “D”

Adopted: April 25, 1984 – Resolution No. 84-1458
Amended: March 28, 1990 – Resolution No. 90-1116
February 28, 2007 – Resolution No. 07-0733
September ____, 2018 – Resolution No. 18-XXXX

AMENDED AND RESTATED BYLAWS OF CITY OF DALLAS HOUSING FINANCE CORPORATION

PREAMBLE

These Bylaws are subject to, and governed by the Texas Housing Finance Corporations Act, Chapter 394 of the Local Government Code, as amended (the “Act”); the Texas Business Organizations Code, as amended (“TBOC”); the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, as amended (“TOMA”); the Texas Public Information Act, Chapter 552 of the Texas Government Code, as amended; and the Articles of Incorporation and/or the Amended and Restated Certificate of Formation (the “Certificate of Formation”), of the City of Dallas Housing Finance Corporation (the “Corporation”), as amended (collectively referred to as the “Governing Regulations”). In the event of a direct conflict between the provisions of these Bylaws and the mandatory provisions of the Governing Regulations, such provisions of the Governing Regulations, as the case may be, shall control. The City of Dallas shall be referred to as the “City” or “Unit” and the Dallas City Council shall be referred to as the “Governing Body.”

ARTICLE I POWERS AND PURPOSES

Section 1.1. Financing of Projects. Any project or projects to be financed in whole or in part through the issuance of obligations of the Corporation must be located within City limits. In order to implement the purposes for which the Corporation was formed and as set forth in the Certificate of Formation, the Corporation may issue obligations to finance all or part of the cost of one or more projects located within the City, provided that all of such actions are made pursuant to the provisions of the Act.

Section 1.2. Powers of Corporation. The Corporation shall possess all powers enumerated in the Act to accomplish the purposes for which the Corporation is organized including without limitation the power to issue bonds to defray, in whole or in part, (a) the development costs of a residential development, as defined in the Act; (b) the costs of purchasing or funding the making of home mortgages, either on a first-come, first-served basis or by selling lender commitments, including all costs related thereto, as allowed by the Act; and (c) any other costs associated with the provision of decent, safe, and sanitary housing and non-housing facilities that are an integral part of or are functionally related to an affordable housing project. The Corporation is a duly constituted authority and a public instrumentality of the City within the meaning of the regulations of the United States Treasury Department and the rulings of the Internal Revenue Service prescribed and promulgated pursuant to Section 103 of the Internal Revenue Code of 1986 (26 U.S.C. §103), as amended, and the Corporation is authorized, and has as an additional specific purpose for its organization and operation, to act on behalf of the City as provided in the Certificate of Formation. However, no agreements, bonds, debts, or obligations of the Corporation are or shall ever be deemed to be the agreements, bonds, debts, or obligations, or the lending of

credit, or a grant of public money or thing of value, of or by the City, or any other political corporation, subdivision, or agency of the State of Texas, or a pledge of the faith and credit of any of them.

However, the Corporation shall not purchase, lease, own, hold title to, or otherwise acquire an interest in a residential development, as such term is defined in the Act (a “Residential Development”), except as set forth below.

The Corporation may by a majority vote of the Board of Directors of the Corporation (the “Board of Directors”), purchase, lease, own, hold title to, or otherwise acquire an interest in a Residential Development, directly or indirectly through a subsidiary of the Corporation, provided that the Governing Body of the Unit, by appropriate resolution, prior to the transaction being consummated by the Corporation: (i) finds and determines that such transaction should be undertaken; (ii) approves the form of the transaction; and (iii) authorizes such purchase, lease, or ownership of, holding of title to, or acquisition of the interest in the Residential Development.

Notwithstanding the foregoing, nothing in these Bylaws shall be construed to restrict or prohibit the Corporation, either acting by or through a duly authorized agent, from exercising any right it may have to satisfy, in whole or in part, any obligation of the Corporation.

Section 1.3. Issuance of Obligations. The Corporation may issue any obligations permitted by the Act upon compliance with all provisions thereof.

Section 1.4. Books and Records; Approval of Programs and Financing Statements. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and any committees of the Board of Directors formed under these Bylaws. All books and records of the Corporation may be inspected by any Director or his agent or attorney for any proper purpose at any reasonable time; and at all times the Unit, including but not limited to the Governing Body, will have access to the books and records of the Corporation upon written request to the General Manager or President. The Unit shall be entitled to annually review and request the Corporation’s explanation of any financial statements, programs, or expenditures of the Corporation.

Section 1.5. Nonprofit Corporation. The Corporation shall be a public nonprofit corporation.

Section 1.6. Corporation Policies. The Corporation, by action of the Board of Directors, shall be authorized to promulgate, implement, and amend policies governing the receipt, processing, and approval of applications for financial participation in development projects and prescribing the fees to be paid by applicants in amounts reasonably estimated to, at least, pay the ministerial and staff costs and expenses of the Corporation, plus reasonable reserves therefor.

Section 1.7. Staff Services. Staff services for the Corporation shall be performed by an employee of the Unit, as determined by the Governing Body or the Director of the Housing & Neighborhood Revitalization department of the Unit or designee (“Housing Director”). The Corporation shall reimburse the Unit, from any fees collected by it, the amount of costs for such staff services but in no event, shall the amount exceed the amount adopted in the Corporation’s

annual operating budget or exceed an amount otherwise authorized by a majority vote of the Board of Directors. Any employee of the Unit that performs the duties described herein shall be known as “staff”. Staff shall not include the General Manager, the Assistant General Manager, the Assistant Treasurer, the Assistant Secretary, and the Administrator.

The Board of Directors may at any time hire outside consultants to perform specialized tasks.

ARTICLE II BOARD OF DIRECTORS

Section 2.1. Powers, Number and Term of Office. The property and affairs of the Corporation shall be managed and controlled by the Board of Directors. Subject to the restrictions imposed by law, the Certificate of Formation, and these Bylaws, the Board of Directors shall exercise all of the powers of the Corporation.

The Board of Directors shall consist of fifteen members. Each city council member of the Governing Body may appoint one member to the Board of Directors. The term for each member is as set forth in the Certificate of Formation.

Section 2.2. Meetings of Directors. The Board of Directors may hold their meetings at any place authorized by the Act, as the Board of Directors may from time to time determine; provided that, in the absence of any such determination by the Board of Directors, the meetings shall be held at the principal office of the Corporation.

Section 2.3. Regular Meetings. Regular Meetings of the Board of Directors shall be held at such times and places as shall be designated, from time to time, by the Board of Directors.

Section 2.4. Special Meetings. Special Meetings of the Board of Directors shall be held whenever called by the President, by the Secretary, by three or more of the Directors at the time being in office, or upon advice of or request by the Governing Body.

Section 2.5. Public Notice of Meetings; Open Meetings.

(a) Written notice of the date, hour, place and subject of each meeting of the Board of Directors shall be posted before each meeting at such times and in such places as prescribed by TOMA.

(b) Every meeting of the Board of Directors shall be open to the public, except as otherwise permitted by TOMA.

Section 2.6. Quorum. A quorum exists when there are physically present a simple majority of the number of members officially appointed to the Board of Directors, regardless of the total number of members actually appointed to the Board of Directors if less than 15. The act of a majority of the Directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of Directors, unless the act of a greater number is required by law, the Certificate of Formation, or these Bylaws.

Section 2.7. Conduct of Business. At the meetings of the Board of Directors, matters

pertaining to the purposes of the Corporation shall be considered in such order as from time to time the Board of Directors may determine.

At all meetings of the Board of Directors, the President shall preside, and in the absence of the President, the Vice President shall exercise the powers of the President.

The Secretary of the Corporation shall act as Secretary of all meetings of the Board of Directors. In the absence of the Secretary or at the request of the Secretary, the Assistant Secretary shall act as Secretary during a meeting of the Board of Directors. In the absence of the Secretary and Assistant Secretary, the presiding Officer may appoint any person to act as Secretary of the meeting.

Section 2.8. Committees. The Board of Directors, by resolution passed by a majority of the Directors present at a properly-called meeting of the Board of Directors at which there is a quorum present, may designate three or more Directors to constitute a committee, but any committee shall be limited in size so as not to constitute a quorum of the Directors, and any such committee shall act in the manner provided in such resolution. The committee so designated shall keep regular minutes of the transactions of its meetings, shall cause such minutes to be recorded in books kept for that purpose in the office of the Corporation, and shall file such minutes with the Board of Directors from time to time. Committees are solely for advisory purposes and any action undertaken by the committee cannot bind the Board of Directors or the Corporation.

Section 2.9. Compensation of Directors. Directors as such shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual expenses which are (1) authorized by majority vote of the Board of Directors present at a properly-called meeting of the Board of Directors at which a quorum thereof is present and (2) incurred in the performance of their duties hereunder.

ARTICLE III OFFICERS, MANAGERS AND ADMINISTRATOR

Section 3.1. Titles and Term of Office.

(a) The officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer, and such other officers as the Board of Directors may from time to time elect or appoint. Terms of office shall not exceed two years, provided that an officer may be re-elected to such position by the Board of Directors. All officers must be a member of the Board of Directors.

All officers shall be subject to removal from office, with or without cause, at any time by a vote of a majority of the entire Board of Directors.

A vacancy in the office of any of officer shall be filled by a vote of a majority of the entire Board of Directors.

(b) The General Manager of the Corporation shall be ~~the Housing Director of the Unit or his or her designee~~appointed by the Board of Directors by resolution passed by a majority of the Directors present at a properly-called meeting of the Board of Directors. The General Manager shall exercise such powers and perform such duties as are set forth in Section 3.6 of these Bylaws and as shall be determined from time to time by the Unit.

(c) The City Attorney's Office will provide general counsel services for the Board of Directors, including, but not limited to, advice regarding TOMA, Robert's Rule of Order, and matters relating to board governance as well as any other legal matters directed by the Board of Directors. The costs to provide such services shall not exceed the amount adopted in the Corporation's annual operating budget.

The Corporation may engage one or more outside attorneys to provide legal advice to the Corporation and the Board of Directors subject to approval by the City Attorney's Office of any attorney selected by the Corporation to provide such service. The City Attorney's Office may disapprove the engagement of the outside counsel so selected for good cause. Such engagements shall be made on a per-matter basis. The Board of Directors may appoint a committee of its members to review and approve or reject the invoices of any attorney engaged by the Corporation.

Section 3.2. Powers and Duties of the President. The President shall be the chief executive officer of the Corporation, and subject to the direction of the Board of Directors, the President shall be in general charge of the properties and affairs of the Corporation and shall preside at all meetings of the Board of Directors. The President shall be the agent of the Corporation with primary responsibility for executing contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes, and other instruments on behalf of and/or in the name of the Corporation, provided however, that the President may not execute any instrument on behalf of the Corporation without the prior written approval of the Board of Directors. For purposes of this Section 3.2, the approval of the Board of Directors of the parties to and material terms of an instrument shall constitute the approval of the President's execution of such instrument except when the Board of Directors has otherwise authorized the execution of such instrument.

Section 3.3. Powers and Duties of the Vice President. The Vice President shall have such powers and duties as may be assigned by the Board of Directors and shall exercise the powers of the President during that officer's absence or inability to act; provided however, that the Vice President may not execute any instrument on behalf of the Corporation without the prior written approval of the Board of Directors. For purposes of this Section 3.3, the approval of the Board of Directors of the parties to and material terms of an instrument shall constitute the approval of the Vice President's execution of such instrument except when the Board of Directors has otherwise authorized the execution of such instrument.

Section 3.4. Powers and Duties of the Treasurer. The Treasurer shall have custody of all the funds and securities of the Corporation which come into his or her hands. When necessary or proper, he or she may endorse, on behalf of the Corporation, for collection, checks, notes, and other obligations, and shall deposit the same to the credit of the Corporation in such bank or banks or depositories as shall be designated in the manner prescribed by the Board of Directors; he or she may sign all checks, receipts and vouchers for payment made to the Corporation, jointly with the General Manager, Assistant General Manager, Assistant Treasurer and such other Officer as is designated by the Board of Directors; whenever required by the Board of Directors, he or she shall render a statement of the Corporation's accounts; he or she shall enter or cause to be entered regularly in the books of the Corporation to be kept by him or her for that purpose full and accurate amounts of all monies received and paid out on account of the Corporation; he or she shall perform all acts incident to the position of Treasurer subject to the control of the Board of Directors and

provided that he or she shall not transfer, convey, or dispose of any asset of the Corporation except as directed by the Board of Directors; and he or she shall, if required by the Board of Directors, give such bond for the faithful discharge of his or her duties in such form as the Board of Directors may require, at the expense of the Corporation.

The Board of Directors shall appoint the Chief Financial Officer (“CFO”) of the Unit or his or her designee to serve as an Assistant Treasurer, who shall have the same level of access to the books and records of the Corporation as the Treasurer. The Assistant Treasurer may perform any duty required of or power granted to the Treasurer in these Bylaws and/or in any resolution or order approved by the Board of Directors.

Section 3.5. Powers and Duties of the Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors in books provided for that purpose; he or she shall attend to the giving and serving of all notices; in furtherance of the purposes of this Corporation, he or she may sign with the President in the name of the Corporation and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation authorized by the Board of Directors as set forth in Section 3.2 above; he or she shall have access upon demand to the corporate books and records of which the Treasurer shall have custody and charge, and shall have custody and charge of such other books and papers as the Board of Directors may direct, all of which shall at all reasonable times be open to inspection upon request at the office of the Corporation during business hours, and he or she shall in general perform all duties incident to the office of Secretary subject to the control of the Board of Directors.

The Board of Directors may appoint one or more persons to serve as an Assistant Secretary, which person may, but need not, be a Director. The Assistant Secretary may perform any duty required of or granted to the Secretary in these Bylaws and/or in any resolution or order approved by the Board of Directors, other than the execution of documents.

Section 3.6. Powers and Duties of the General Manager.

- (a) The powers and duties of the General Manager shall include the following:
 - (1) In cooperation with the Corporation’s legal counsel, to ensure that all actions of the Board of Directors are in compliance with the laws, ordinances, orders, and resolutions that are in effect.
 - (2) Except as otherwise herein provided, to hire and remove all subordinates, employees, agents, or contractors of the Corporation.
 - (3) To manage the day to day operations of the Corporation, subject to the Governing Regulations, the Certificate of Formation, these Bylaws, and any policies and procedures adopted by the Board of Directors.
 - (4) To review all contracts of the Corporation to ensure each contract is in accordance with the directives of the Board of Directors and execute such contracts when directed by the Board of Directors.

- (5) To attend and participate in all meetings and deliberations of the Board of Directors to the extent allowed by TOMA, but shall not possess the power to vote.
- (6) To recommend to the Board of Directors for adoption such measures as he or she may deem necessary or expedient to further the goals and priorities of the Governing Body.
- (7) In collaboration with the Treasurer and Assistant Treasurer, keep the Board of Directors at all times fully advised of the financial conditions of the Corporation including providing monthly financial statements or reports.
- (8) To spend funds up to \$25,000.00 without prior approval from the Board of Directors when the General Manager deems it necessary to pay a refundable option fee or earnest money in connection with any contract for the sale, purchase, or lease of real property or real property interests, provided that the General Manager shall first execute an enforceable written agreement which makes all funds paid fully refundable at the Board of Director's discretion. Any such agreement or pledge of funds shall be approved by the Board of Directors prior to execution or acceptance of an agreement that would render the funds non-refundable.
- (9) To act as budget supervisor with the Treasurer and Assistant Treasurer and as such prepare and submit to the Board of Directors the annual budget.

(b) The General Manager shall execute all necessary documents in performance of the duties specified in Section 3.6(a).

(c) The General Manager may appoint an Assistant General Manager who shall perform such duties of the General Manager as may be assigned by the General Manager and shall exercise the powers of the General Manager during the General Manager's absence or inability to act. The Assistant General Manager shall be removable, with or without cause, at any time by the General Manager. The Assistant General Manager shall not be an officer of the Board of Directors.

(d) The General Manager may appoint an Administrator who shall perform such duties as may be assigned by the General Manager or the Assistant General Manager and shall report to the General Manager or the Assistant General Manager, as applicable. The Administrator shall be removable, with or without cause, at any time by the General Manager and shall not be an officer of the Board of Directors.

(e) The General Manager shall make recommendations to the Board of Directors regarding the engagement and retainment of contractors for professional services, as needed by the Board of Directors.

Section 3.7. Compensation. Officers as such shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual expenses incurred in the

performance of their duties hereunder. The General Manager, Assistant General Manager, Assistant Treasurer, Assistant Secretary, and the Administrator (the “HFC Liaisons”) shall not receive any salary from the Corporation for their performance of their duties because the HFC Liaisons are not employees of the Corporation. However, such HFC Liaisons may be reimbursed pursuant to Section 1.7 “Staff Services”.

Section 3.8. Requests by the Board of Directors. In the instance where an employees of the Unit are appointed to serve as the HFC Liaisons; then the Board of Directors may provide input to the Housing Director (or the City Manager, or designee, of the Unit if the Housing Director is operating as the person in question) regarding the performance of duties of ~~General Manager, the Assistant General Manager, the Assistant Treasurer, the Assistant Secretary, or the Administrator~~ the HFC Liaisons, to ensure alignment of their performance with the duties described in these Bylaws. By a two-third (2/3) vote of the Board of Directors, the Corporation may request that the Housing Director or the City Manager assign a new person to fill the position in question. The Housing Director or the City Manager retains the sole discretion regarding the reassignment of each position.

ARTICLE IV PROVISIONS REGARDING ARTICLES OF INCORPORATION AND BYLAWS

Section 4.1. Effective Date. These Bylaws shall become effective only upon the adoption of these Bylaws by the Board of Directors and approval of the Governing Body.

Section 4.2. Amendments to Bylaws. These Bylaws may be amended as set forth in the Certificate of Formation.

Section 4.3. Interpretation of Bylaws. These Bylaws and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein. If any word, phrase, clause, sentence, paragraph, section or other part of these Bylaws or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of these Bylaws and the application of such word, phrase, clause, sentence, paragraph, section or other part of these Bylaws to any other person or circumstance shall not be affected thereby.

ARTICLE V GENERAL PROVISIONS

Section 5.1. Principal Office. The principal office of the Corporation shall be located at Dallas City Hall, 1500 Marilla Street, 6DN, Dallas, Texas 75201.

Section 5.2. Fiscal Year. The fiscal year of the Corporation shall be as determined by the Board of Directors.

Section 5.3. Seal. The seal of the Corporation, if any, shall be as determined by the Board of Directors.

Section 5.4. Notice and Waiver of Notice. Whenever any notice whatsoever is required

to be given under the provisions of the Act, the Certificate of Formation, or these Bylaws, such notice shall be deemed to be sufficient if sent by U.S. Mail, with proper postage, certified mail return receipt requested or by a nationally recognized overnight delivery service addressed to the person entitled thereto at his or her post office address, as it appears on the books of the Corporation, and such notice shall be deemed to have been given three business days following such mailing.

Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any Regular or Special Meeting of the Board of Directors need be specified in the notice of such meeting, unless required by the Board of Directors or by the provisions of these Bylaws. A waiver of notice in writing, signed by the person or persons entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 5.5. Resignations. Any Director or Officer may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5.6. Action Without a Meeting of Directors or Committees. Any action which may be taken at a meeting of the Board of Directors or of any committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the Directors, or all of the members of the committee, as the case may be, subject to TOMA. Such consent shall have the same force and effect as a unanimous vote and may be stated as such in any articles or document filed with the Secretary of State, or any other person.

Section 5.7. Approval or Advice and Consent of the Governing Body. To the extent these Bylaws refer to any approval by the Unit or refer to advice and consent by the Unit, such advice and consent shall be evidenced by a certified copy of a resolution, or motion duly adopted by the Governing Body.

ARTICLE VI CODE OF ETHICS

Section 6.1. Conflicts of Interest. In addition to the sections of the Dallas City Code adopted by reference in the Certificate of Formation, it is the policy of the Corporation that Directors and Officers conduct themselves in a manner consistent with sound business and ethical practices; that the public interest always be considered in conducting corporate business; that the appearance of impropriety be avoided to ensure and maintain public confidence in the Corporation; and that no Officer, employee or member of the Board of Directors, should have an interest, financial or otherwise, direct or indirect, or engage in any business, transaction or professional activity or incur any obligation of any nature which is in conflict with the proper discharge of his or her duties and are not to use their position for personal gain.

ARTICLE VII

INDEMNIFICATION

Section 7.1. Indemnification. A Director of the Corporation shall not be personally liable to the Corporation for monetary damages for any act or omission in such Director's capacity as a Director, except that this Article does not authorize the elimination or limitation of the liability of a Director to the extent the Director is found liable for: (i) a breach of a Director's duty of loyalty to the Corporation; (ii) an act or omission not in good faith that constitutes a breach of duty of the Director to the Corporation or an act or omission that involves intentional misconduct or a knowing violation of the law; (iii) a transaction from which a Director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the Director's office; or (iv) an act or omission for which the liability of a Director is expressly provided for by an applicable statute. The foregoing elimination of liability shall not be deemed exclusive of any other rights, limitations of liability or indemnity to which a Director may be entitled under any other provision of the Restated Certificate of Formation or Bylaws of the Corporation, contract or agreement, vote of Directors, principle of law or otherwise. Any repeal or amendment of this Article shall be prospective only, and shall not adversely affect any limitation on the personal liability of a Director of the Corporation existing at the time of such repeal or amendment. In addition to the circumstances in which a Director of the Corporation is not personally liable as set forth in the foregoing provisions of this Article, a Director shall not be liable to the full extent permitted by any amendment to the Texas Business Organizations Code or Texas Housing Finance Corporations Act hereafter enacted that further eliminates or authorizes the elimination of the liability of a Director.

Section 7.2. Directors and Officers Insurance. The Corporation shall indemnify Directors, Officers, employees and agents of the Corporation to the fullest extent permitted by law, subject in each case to the restrictions, if any, of Section 7.1 above. The Corporation shall have the power to purchase and maintain at its cost and expense insurance on behalf of such persons to the fullest extent permitted by law.

VERIFICATION: AMENDMENTS APPROVED AND CERTIFIED TO BE TRUE AND CORRECT and to reflect accurately the official action of the duly constituted officers and members of the Corporation's Board of Directors, by a majority vote of the Board of Directors in office, all on _____, 2018.

**CITY OF DALLAS
HOUSING FINANCE CORPORATION**

ATTEST:

By: _____
Sherman Roberts, President

By: _____
Marcy Helfand, Secretary

Housing Finance Corporation

Economic Development and Housing Committee

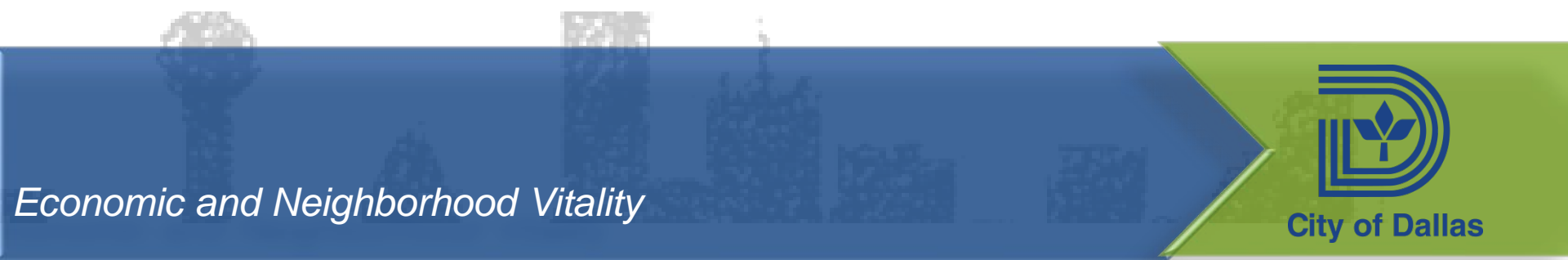
September 4, 2018

Avis F. Chaisson, Assistant Director
Housing & Neighborhood Revitalization
City of Dallas



Presentation Overview

- Summary
- Background
- Issues
- Purpose of Amendments
- Proposed Amendments to the DHFC Articles of Incorporation and Bylaws
- Recommendation



Summary

- **May 8, 2018:** DHFC Board briefed by staff on proposed amendments to the DHFC Governing Documents to address concerns
- **May 21, 2018:** Staff briefed the Economic Development and Housing; Government Performance and Financial Management Committees
- **June 1, 2018:** DHFC Board proposed a joint proposal to provide comments to staff's recommended changes
- **June 12, 2018:** DHFC Board adopted joint proposal with staff objections provided to the proposal

Summary

- **July 13, 2018:** Both staff and the DHFC Board walked through the Governing Documents in an effort to present an inclusive and joint recommendation to City Council. With the exception of **2** points, staff and the Board agreed on the changes
- The following are the **2** points that the parties disagreed on:
 1. Under the Article VII of the Articles of Incorporation, removal for just cause by City Council vs. at will
 2. Under the Bylaws, DHFC Board appointing the General Manager or designee vs. adopted in the Bylaws must be Housing Director
- Included for Committee consideration, are both staff recommendations (Exhibit A & B) and the DHFC Board adopted Governing Documents (Exhibits C & D)

History and Background of DHFC

- **April 25, 1984:** City Council approved creation of the City of Dallas Housing Finance Corporation, a public instrumentality and nonprofit corporation, and adopted the Articles of Incorporation
- **Purpose:** To issue revenue bonds on behalf of the City for the purpose of providing funds to finance multifamily developments and mortgage loans for the purchase of single family homes that serve low to moderate income households
- **March 28, 1990:** Amended bylaws expanded the eligible loan area to make single family mortgage program citywide

History and Background of DHFC – cont'd

- **February 28, 2007:** Bylaws were amended to allow the Corporation to purchase, lease, hold title to, and take an ownership interest in a residential development
- **March 27, 2013:** Articles were amended to state the DHFC was organized for charitable, religious, educational and scientific purpose including for making distributions to 501 (c) (3) charitable organizations
- **October 10, 2017:** Board approved changes to articles of incorporation and other governing documents to include conflict of interest and contracting requirements; staff did not bring forward to Council for consideration

DHFC Developments

- Since **2002**, the DHFC has issued bond obligations to partially fund **14** projects for families totaling **\$183.3M** in conjunction with **4%** housing tax credits allocated by the Texas Department of Housing Community Affairs
- Since **2007**, the DHFC has taken a ownership interest in **5** properties

Development	Council District	Co-Developer	General Contractor	General Partner	Own Property	Own Improvements	Issue Bonds
Gurley Place at Jubilee Park * (2012)	2				✓	✓	
Providence Mockingbird (2012)	2			✓	✓		
Sterlingshire aka Bruton (2016)	7	✓	✓	✓	✓		✓
Park at Cliff Creek (2016)	8			✓	✓		✓
Martha's Vineyard (2017)	2			✓	✓		✓
*Updated to correct Council District							



Issues

- Role as intermediary for the Voucher Sublease Program
- Concerns with respect to finance, contracts, and conflict of interest policies
- Service area is restricted to CBD, CDBG eligible areas, and the southern portion of Dallas for residential developments. In order to fully implement the adopted Comprehensive Housing Policy the service area should be citywide

Purpose of Proposed Amendments to the DHFC Articles of Incorporation and Bylaws

- Housekeeping items to reflect transition from Office of Economic Development to Housing and Neighborhood Revitalization Department as Board Liaison
- Provide Board with Administrative Support and Oversight
- Streamline Functions
- Modify Board Representation to Increase Number of Board Members
- Memorialize Chapter 12A of the City Code and portions of Chapter 8 of the City Code

Proposed Amendments to the DHFC Articles of Incorporation and Bylaws

- Insert language that City Council in its sole discretion may amend the bylaws of the DHFC to change the programs, organization, structure, and activities. Currently, the articles of incorporation may be amended for the same reasons by the City Council in its sole discretion
- Broaden service area to citywide; currently, restricted to CBD, CDBG eligible areas, and southern portion of Dallas for residential developments
- Include language that City Councilmembers may appoint only **one** Director to the Board; increase members to **15**
- Incorporate **Chapter 12A** (Code of Ethics) of the City Code in the articles of incorporation and bylaws; and statement of conflict of interest

10

Proposed Amendments to the DHFC Articles of Incorporation and Bylaws – cont'd

- Incorporate from **Chapter 8** (Boards and Commissions) of the City Code; Article I sections 8-1.1, 8-1.2., 8-1.4., and 8-1.5; Article IV, sections 8-14, 8-18, 8-20, 8-20, and 8-21; Article V; and Article VI section 8-26.
 - ✓ Qualifications for Appointments such as no criminal history;
 - ✓ Residency requirement
 - ✓ Term Limits
 - ✓ Code of Conduct
 - ✓ Roll Call

Proposed Amendments to the DHFC Articles of Incorporation and Bylaws – cont'd

- Incorporate General Manager which must be the Director of the Housing and Neighborhood Revitalization Department or designee; General Manager may appoint Assistant General Manager and Administrator
- Staff services for the Board must be provided by the City including the City Attorney's Office as General Counsel to the Board, and the City's Chief Financial Officer or designee as Assistant Treasurer. The Board must reimburse the City for staff salaries and benefits
- Authorize the Director and Assistant Director of Housing and Neighborhood Revitalization, and Chief Financial Officer or designee to be signatories for all DHFC bank accounts

12

Proposed Amendments to the DHFC Articles of Incorporation and Bylaws – cont'd

Article III, Section 3.6: Powers and Duties of the General Manager include the following at the direction of the Board:

1. Ensure compliance with laws, ordinances, orders, and resolutions;
2. Hire and remove all subordinates, employees, agents or contractors of the DHFC;
3. Control over dealings and matters of the DHFC;
4. Review all contracts and ensure it meets Board directive and execute contracts when directed;
5. Recommend to the Board adoption of measures he or she deem necessary and expedient to further Council goals and priorities;
6. Keep Board advised of financial conditions;
7. Spending authority of up to \$25,000 for real property transactions such as option fee or escrow. Board must approve execution of acquisition;
8. Budget supervisor with the Treasurer; whom shall be selected by the Chief Financial Officer of the City; and
9. Make recommendations to the Board regarding retainment of contractors for professional services, as needed by the Board

13

Recommendation and Next Steps

- Staff recommends that the Economic Development and Housing Committee approve the staff recommended amendments to the DHFC Articles of Incorporation and Bylaws attached as Exhibit “A” and Exhibit “B”
- **September 26, 2018:** If approved by the Committee, the item will move forward for full Council consideration on the City Council agenda.
- The Articles of Incorporation to be known as the Certificate of Formation will be filed with the Texas Secretary of State if Council approves the amendments

Housing Finance Corporation

Economic Development and Housing Committee

September 4, 2018

Avis F. Chaisson, Assistant Director
Housing & Neighborhood Revitalization
City of Dallas



Memorandum



CITY OF DALLAS

DATE August 29, 2018

TO The Honorable Members of the Economic Development & Housing Committee:
Tennell Atkins, Chair, Rickey D. Callahan, Vice-Chair, Lee M. Kleinman,
Scott Griggs, Casey Thomas, II, B. Adam McGough, Mark Clayton, Kevin Felder,
Omar Narvaez

SUBJECT **Upcoming Agenda Item: September 12, 2018 Public Hearing for Public Improvement Districts (PIDs) to Set Annual Assessment Rates for 2018 Adopt 2019 Service Plans, and Amend Management Contracts**

Background

At your August 3, 2018, Economic Development and Housing Committee Meeting, a memo was presented to Committee Members regarding the upcoming annual Public Improvement District (PID) public hearings and adoption of the final 2019 Service Plans, the final 2018 Assessment Plans and the 2018 Assessment Rolls. The memo stated that a follow up memo would be sent prior to the September 12th public hearing, once the 2018 assessment rolls were compiled. The assessment rolls have now been finalized. Below is a list of the PIDs and the proposed 2018 Assessments:

PID	2018 Assessment
Dallas Downtown Improvement District	\$8,323,181
Deep Ellum Public Improvement District	\$623,275
Klyde Warren Park/Dallas Arts Public Improvement District	\$1,268,012
Knox Street Public Improvement District	\$362,208
Lake Highlands Public Improvement District	\$689,814
North Lake Highlands Public Improvement District	\$382,588
Oak Lawn Hi-Line Public Improvement District	\$362,146
Prestonwood Public Improvement District	\$423,306
South Side Public Improvement District	\$260,997
Tourism Public Improvement District	\$18,222,755
University Crossing Public Improvement District	\$871,000
Uptown Public Improvement District	\$2,715,433
Vickery Meadow Public Improvement District	\$891,658

The public hearings for all the City's PIDs, with the exception of South Dallas/Fair Park which will not be collecting 2018 assessment, were successfully called on August 22, 2018, and on September 12, 2018, the public hearings and action related to the annual PID process will take place.

On September 12, 2018, in addition to the annual PID assessment public hearing, separate, related City Council items will be agenda. The related items will authorize amended and restated management contracts with each of the PID management entities to reflect changes in the process for disbursement of assessment revenue, authorizing the City to disburse assessments to the PIDs, and to address other amendments to the agreement form.

Through management contracts, cooperative relationships are established between the City and each of the PIDs. The management contract amendments are needed to document changes in the flow of funds to the PIDs, beginning with the 2018 assessments.

Per the contract between the City and Dallas County, the County has collected the annual assessments for the District and included the assessments as part of the property owner tax bills. The County has retained a fee (currently \$2.75 and subject to change) per account that is deducted from the first dollars collected. After this fee has been paid, the net collections had been transferred to a separate established bank account for each of the PID management entities. Beginning with the 2018 assessment year, Dallas County will continue to collect assessments, retain a collection fee, and include the assessments in the property owner tax bill; however, remaining assessments will be transferred to the City (as opposed to the County disbursing directly to the PID as has been the practice in the past). The City will then disburse assessments to the PID entity at a frequency outlined in an amended management contract. No assessment revenue will be disbursed until an amended and restated management contract is executed to reflect these changes.

Fiscal Information

No cost consideration to the City except for the Downtown Improvement District. Last year's assessment for the Downtown Improvement District on City-owned property was \$715,238.85.

Issues

The City must adhere to the City Council annual schedule of calling for public hearing (last August Council date) and holding of public hearing (first September Council date) so that Dallas County can include the PID assessments in the regular tax bills. If this schedule is not met, the City would need to find another way to collect the assessments, costing the City money to send a separate bill, and would likely not have the same success rate with payments or issuing penalties. The management contract amendments are needed to codify the changes in flow of funds.

Recommendation

Staff recommends City Council's approval to hold a public hearing for each district to set the annual assessment rate for property in each district and authorize the Service Plan for each district.

Should you have any questions, please contact me at (214) 671-5257.



Raquel Pavela

Chief of Economic Development & Neighborhood Services

c: Larry Casto, City Attorney
Craig Kinton, City Auditor
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Nadia Chandler Hardy, Assistant City Manager and Chief of Resilience Officer
Directors and Assistant Directors

Memorandum



CITY OF DALLAS

DATE August 27, 2018

TO The Honorable Members of the Economic Development and Housing Committee:
Tennell Atkins (Chair), Rickey D. Callahan (Vice-Chair), Lee M. Kleinman, Scott Griggs, Casey Thomas, II, B. Adam McGough, Kevin Felder, and Omar Narvaez

SUBJECT **UTA Internship Program Interlocal Agreement**

DEPARTMENT Planning & Urban Design

Summary:

This concerns an upcoming Council agenda item on September 12, 2018. Staff will seek approval of an interlocal agreement (ILA) with The University of Texas at Arlington (UTA) to facilitate graduate-level urban planning internships with the City of Dallas, through the Planning and Urban Design Department. The budget for this program is \$125,804.00 funded through the FY 18-19 General Fund budget.

Background Information:

The University of Texas at Arlington (UTA), through its College of Architecture, Planning, and Public Affairs (CAPPA) currently has an Interlocal Agreement (ILA) with the City of Dallas Department of Planning & Urban Design (PUD) for FY 2017-18 to provide internship services. This action is intended to continue this successful partnership between PUD and UTA CAPPA and expand the scope to provide similar internship services for the Office of Economic Development and the Department of Housing and Neighborhood Revitalization. CAPPA is the only college in the North Texas region with an urban planning graduate program. This ILA is designed to provide graduate students the opportunity to learn and practice a variety of urban planning-related skills in an applied setting, and to provide a meaningful contribution to the respective City of Dallas departments' projects and programs.

Issues:

Working with a university partner is beneficial for the facilitation of internships for two reasons. Firstly, the university has a shorter turnaround time and greater flexibility in the hiring process. Secondly, a university like UTA is able to promote these internships directly to graduate students in the fields that are relevant to the programs and initiatives of the Department of Planning and Urban Design, Office of Economic Development, and Department of Housing and Neighborhood Revitalization. This partnership enables the City to fill internship opportunities in these three departments with qualified candidates that are affiliated with a local university.

Alternatives:

If the UTA Internship Program ILA is not authorized, these departments will be required to hire and onboard interns through the City's traditional hiring process, which has been impractical for short-term internships.

Coordination:

The development of this program and ILA has involved coordination with UTA to ensure that the program will be beneficial and fair to its graduate students, as well as internal departments, to ensure that the agreement meets City standards. Internal departments participating in the development of this program include Economic Development, Housing and Neighborhood Revitalization, Risk Assessment, Human Resources, the Budget Office, and the City Attorney's Office.

Fiscal Impact:

The budget for this program is \$125,804.00, which is subject to annual appropriations as part of the FY 18-19 General Fund budget.

Staff Recommendation:

Staff recommends approval of the UTA Internship Program ILA.

Attachments:

Exhibit A: UTA Internship Program Scope of Services

Exhibit B: City Council Agenda Information Sheet (AIS)

Should you have any questions, please contact me at (214) 671-5257.



Raquel Favela

Chief of Economic Development & Neighborhood Services

c: Larry Casto, City Attorney
Craig Kinton, City Auditor Interim
Billierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
M. Elizabeth Reich, Chief Financial Officer
Raquel Favela, Chief of Economic Development & Neighborhood Services
Directors and Assistant Directors

Exhibit A: UTA Internship Program Scope of Services

Scope

The University of Texas at Arlington (UTA), operating its College of Architecture, Planning, and Public Affairs (CAPPA), will provide urban planning internship services to the City of Dallas (COD) through the Department of Planning & Urban Design (PUD), including advertising the positions, working with the City to select candidates, and hiring candidates as Graduate Research Assistants, to be assigned to the City of Dallas. Internship placements will be made in the Department of Planning and Urban Design, the Office of Economic Development, and the Department of Housing and Neighborhood Revitalization. The internship program is designed to provide graduate students the opportunity to learn and practice a variety of urban planning-related skills in an applied setting, and to provide a meaningful contribution to the City of Dallas' ongoing projects and programs.

Responsibilities of UTA CAPPA

- 1) CAPPA will advertise and post the available CAPPA intern positions pursuant to the City of Dallas' outline of needed skillsets provided by PUD.
- 2) CAPPA will provide applications received from this process to PUD with the following specifications:
 - a) each applicant's application packet will be submitted in a separate folder, labeled with the applicant's name: last, first.
 - b) application packets will be complete and final, including all required supporting documentation, each document clearly labeled without duplicate documents or older document versions
- 3) CAPPA and PUD will jointly review submitted graduate student applications with PUD making the final determination of which students will be interviewed either in person or over the phone.
- 4) CAPPA will hire as Graduate Research Assistants (GRAs) those students selected by PUD from the available pool of candidates.
- 5) CAPPA will conduct background checks on the GRAs selected by PUD to be assigned as interns.
- 6) CAPPA will provide the selected GRAs with a weekly timesheet to be filled out by the GRA and approved by the City of Dallas.
- 7) CAPPA will submit monthly invoices to the City of Dallas. Separate invoices will be submitted to each partnering City department, based on each department's intern hours worked, or as otherwise specified by PUD.

Exhibit A: UTA Internship Program Scope of Services

- 8) CAPP A will re-advertise and re-post any position that becomes vacant in the event a GRA leaves the internship program or is dismissed by the City of Dallas.

Responsibilities of City of Dallas

- 1) PUD will coordinate with partnering City departments to assist CAPP A with the hiring of GRA students by:
 - a) Providing the number of interns and the type of skillsets needed so that CAPP A can advertise the positions.
 - b) Selecting from the pool of applicants the candidates to be interviewed (in person or by phone).
 - c) Making a final selection of graduate students to be hired for the internship program.
- 2) The City of Dallas will provide office space, office supplies, computer and internet access, and assignments for the GRA students for the assigned school term.
- 3) The City of Dallas will direct GRAs through the necessary internal process to receive an ID badge and computer access.
- 4) The City of Dallas will approve and submit to CAPP A each GRAs time sheet on a weekly basis.
- 5) PUD will immediately notify CAPP A if a GRA has abdicated their duties or is not up to performance standards so that CAPP A can advertise and re-post the position and hire a replacement intern as soon as is feasible.

Contract Term

The contract will commence on the date the ***Notice to Proceed*** is issued and will continue through December 31, 2019.

Exhibit A: UTA Internship Program Scope of Services

Program Budget

The total not to exceed budget for the UTA Internship Program is \$136,967.85, to be allocated as follows:

City of Dallas contribution:	\$125,804.00 (not to exceed)
UTA CAPPa contribution:	<u>\$ 11,163.85</u>
Total (not to exceed)	\$136,967.85

Payment and Billing

- 1) The agreed upon billing rate for Graduate Research Assistants (GRAs) is as follows:

GRA Level	Stipend	Fringe Benefits 10%	UTA IDC 26%	Billing Rate
Masters	\$ 15.63	\$ 1.56	\$ 4.47	\$ 21.66
PhD	\$ 18.75	\$ 1.88	\$ 5.36	\$ 25.99

- 2) Interns are authorized to work a maximum of 20 hours per week.
- 3) The total cost under this agreement cannot exceed the program budget of **136,967.85**.
- 4) The City of Dallas will make the final determination as to the GRA level (Masters or PhD) to be assigned.

Billing

- 1) CAPPa will invoice the City of Dallas monthly for hours completed in the previous month. CAPPa will receive timesheets from, and submit invoices to, each participating City department separately, or as otherwise specified by PUD.
- 2) Invoices shall be emailed to:

Brian Price	brian.price1@dallascityhall.com
Teresa Bateman	teresa.bateman@dallascityhall.com
Lisa Parker	lisa.parker@dallascityhall.com

Exhibit A: UTA Internship Program Scope of Services

- 3) The monthly invoice shall be itemized and, at a minimum, include the following:
 - Invoice number
 - Service period being invoiced (e.g., 1/1/18 – 1/31/18)
 - Name of each intern for whom hours are being invoiced
 - Indication of each intern's GRA level (Masters or PhD)
 - Monthly rate for each intern being invoiced (unit cost)
 - Number of hours being billed (backed up with the GRA's timesheet for the service period)
 - Extended cost for each intern being invoiced (hourly rate multiplied by number of hours)
 - Total monthly cost being invoiced for the service period
- 4) Each month's invoice shall have attached each GRA's approved monthly timesheet (signed by both the intern and their assigned City of Dallas supervisor).
- 5) No more than 20 hours per week per intern may be billed in any month.
- 6) Within thirty (30) days of receipt and acceptance of invoice, the City of Dallas will affect payment in the amount shown on UTA's approved invoice. The payments shall be remitted to:

VENDOR ID#: 0000035106
The University of Texas at Arlington
ATTN: Grant and Contract Accounting
219 West Main Street
Box 19136
Arlington, TX 76019-0136

The total amount billed to the City of Dallas for the intern program will not exceed the City of Dallas' not to exceed contribution amount of **\$125,804.00**. The UTA CAPPAs contribution will be applied to each billing period, covering 8% of each invoice's cost. The invoices that the City of Dallas receives will reflect 92% of the total invoice cost. A separate report will be submitted by UTA to the City of Dallas, detailing the amount covered by UTA for each billing period.

EXHIBIT B: City Council Agenda Information Sheet (AIS)

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: September 12, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Department of Planning and Urban Design

EXECUTIVE: Raquel Favela

SUBJECT

Authorize an Interlocal Agreement with the University of Texas at Arlington for the University of Texas at Arlington Internship Program to facilitate graduate-level urban planning internships with the City of Dallas through the Department of Planning and Urban Design – Total not to exceed \$125,804.00 - Financing: General Fund (subject to annual appropriations)

BACKGROUND

The University of Texas at Arlington (UTA), through its College of Architecture, Planning, and Public Affairs (CAPPA) currently has an Interlocal Agreement (ILA) with the City of Dallas Department of Planning & Urban Design (PUD) for FY 2017-18 to provide internship services including advertising positions, working with the City through PUD to select candidates, hiring Graduate Research Assistants to be assigned to the City of Dallas, and contributing to the cost. This Council item is intended to continue this successful partnership between PUD and UTA CAPPA and expand the scope to provide similar internship services for the Office of Economic Development and the Department of Housing and Neighborhood Revitalization.

CAPPA is the only college in the North Texas region with an urban planning graduate program. The UTA Internship Program is designed to provide graduate students the opportunity to learn and practice a variety of urban planning-related skills in an applied setting and to provide a meaningful contribution to the respective City of Dallas departments' projects and programs. The UTA Internship Program Scope of Services is attached as "Exhibit A."

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 14, 2018, City Council authorized the Interlocal Agreement with the University of Texas at Arlington to facilitate graduate level internships with the City of Dallas Department of Planning and Urban Design by Resolution No. 18-0270.

The Economic Development and Housing Committee will be briefed by memorandum regarding this matter on September 4, 2018.

EXHIBIT B: City Council Agenda Information Sheet (AIS)

FISCAL INFORMATION

General Fund - \$125,804.00

FY 2018-19 \$125,804.00 (subject to annual appropriations)

Fund	Dept	Unit	Object	FY 18-19
0001	PNV	1598	3994	\$35,804.00
0001	ECO	1166	3072	\$45,000.00
0001	HOU	5510	3070	\$45,000.00
			Total	\$125,804.00

Memorandum



DATE August 31, 2018

TO Members of the Economic Development Committee:
Tennell Atkins (Chair), Rickey D. Callahan (Vice Chair), Lee M. Kleinman,
Scott Griggs, Casey Thomas, II, B. Adam McGough, Mark Clayton, Kevin Felder,
Omar Narvaez

SUBJECT **Consideration of the third of four twelve-month renewal options to the grant agreement with the World Affairs Council of Dallas/Fort Worth for economic development and protocol services for the period October 1, 2018 through September 30, 2019**

Summary

At your September 12, 2018 Council meeting you will consider authorizing the third of four twelve-month renewal options to the grant agreement with the World Affairs Council of Dallas/Fort Worth for economic development and protocol services for the period October 1, 2018 through September 30, 2019.

Background Information

Since February 2003, the City has entered into a series of grant agreements with the World Affairs Council of Dallas/Fort Worth to provide professional support related to the operations of the City's International Protocol Services, with an emphasis on assistance with marketing and promotion (including event planning) of Dallas and DFW as an international destination for business and tourism, and fundraising to support these efforts. The World Affairs Council of Dallas/Fort Worth's responsibilities include:

- Work with the Office of the Mayor, City officials, the diplomatic corps and other international stakeholders to continue expanding trade and consular representation in Dallas.
- Assist in promoting the global identity for Dallas. This includes scheduling opportunities for the Mayor to deliver an international message, convening a biannual Consular Corps Summit, and crafting a consistent message for major speaking events.
- Support the Office of Economic Development and assist in the promotion and attraction of foreign companies and trade delegations to Dallas. This includes maintaining office space on the fifth floor of City Hall, co-sponsoring programs with the City, providing logistical support to visiting international trade and business delegations, engaging the Consular Corps to promote the region, and leveraging outside resources to offset operating expenses, including foreign travel.

- Leverage relationships with Dallas businesses, regional and foreign partners to heighten awareness of Dallas as a global destination. Specific items may include hosting emerging and established global leaders to experience Dallas, partnering with the State Department and foreign governments to bring cultural and business events to the region, and providing international learning opportunities for students and teachers.
- Manage the Sister Cities International (SCI) (see sister-cities.org for more information) program and support the Office of Economic Development and other City departments in the development of global city partnership programs.
- Provide protocol and logistical support for international delegations visiting Dallas, including serving as the point of contact for diplomatic matters with the Consular Corps, the Office of the Texas Assistant Secretary of State and the U.S. Department of State.
- Develop fundraising initiatives to support international activities as described in previous tasks above.

For the past fifteen years, the World Affairs Council of Dallas/Fort Worth has received annual grants from the City to fund the City of Dallas Protocol office. The grant agreement provides funding to pay for salaries of two full time persons to work exclusively for the City of Dallas, plus a portion of the salaries and overhead of the executive staff of the World Affairs Council of Dallas/Fort Worth.

Issue

The current term of the contract will expire on September 30, 2018. This agenda item would authorize the third renewal term of the contract (October 1, 2018-September 30, 2019). The option for one renewal term remain. The renewal amount for FY 2018-19 is \$250,000 and is to be funded from Public/Private Partnership funds (\$200,000) and Current Funds (\$50,000).

Alternatives

If funding is not approved, protocol services would not be provided to the City of Dallas.

Coordination

N/A

Fiscal Impact

\$250,000; Public/Private Partnership funds (\$200,000) and Current Funds (\$50,000).

Recommendation

Staff recommends approval of the renewal.

Should you have any questions, please contact me at (214) 671-5257.



Raquel Favela

Chief of Economic Development and Neighborhood Services

c: Larry Casto, City Attorney
 Craig Kinton, City Auditor (Interim)
 Biliera Johnson, City Secretary
 Preston Robinson, Administrative Judge
 Kimberly Bizer Tolbert, Chief of Staff to the City Manager
 Majed A. Al-Ghafry, Assistant City Manager

 Jon Fortune, Assistant City Manager
 Joey Zapata, Assistant City Manager
 M. Elizabeth Reich, Chief Financial Officer
 Nadia Chandler Hardy, Assistant City Manager and Chief of Resilience Officer
 Raquel Favela, Chief of Economic Development & Neighborhood Services
 Directors and Assistant Directors

Memorandum



CITY OF DALLAS

DATE September 2, 2018

Honorable Members of the Economic Development & Housing Committee:
Tennell Atkins, Chair, Rickey D. Callahan, Vice-Chair, Lee M. Kleinman,
TO Scott Griggs, Casey Thomas, II, B. Adam McGough, Mark Clayton, Kevin Felder,
Omar Narvaez

SUBJECT **REVISED: Accelerating Issuance of RFA's for 4% Rehabilitation Projects**

On Tuesday, September 4, 2018, you will be briefed on the accelerated issuance of a Request for Applications (RFA) for Resolutions of No Objection for rehabilitation of multi-family rental housing projects seeking Housing Tax Credits.

Summary

The Comprehensive Housing Policy allows the City to issue a Request for Applications for Resolutions of Support or No Objection in December of each year. However, the Comprehensive Housing Policy does not specify what types of housing tax credit projects this date applies to and while the date works for 9% Low Income Housing Tax Credit (LIHTC) proposals, it fails to incorporate a schedule that correlates with the 4% LIHTC proposals that are for rehabilitation. To help families access safe, decent and affordable housing options, and minimize the impact on the Comprehensive Housing Policy, staff recommends accelerating the issuance of RFAs for those 4% LIHTC rehabilitation projects that (1) do not need City funding and (2) need a Resolution of No Objection prior to November 15, 2018.

Background

On May 9, 2018, the Dallas City Council adopted a Comprehensive Housing Policy that established three broad goals—create and maintain affordable housing units throughout Dallas, promote greater fair housing choices and overcome patterns of segregation and concentrations of poverty through incentives and requirements. One of the programs used to achieve the housing goals is Low-Income Housing Tax Credits (LIHTC). The Comprehensive Housing Policy also established an annual review process in December of each year for all LIHTC proposals in need of a resolution of support or no objection for submission to the Texas Department of Housing and Community Affairs (TDHCA).

Issue

The Comprehensive Housing Policy annual review of LIHTC proposals in December of each year correlates with the 9% LIHTC program submission dates. However, this timeframe negatively impacts rehabilitation project that do not need City funding and it conflicts with the schedule dictated by state law for 4% LIHTC projects that need bond funds in excess of \$20 million; the applicable citation is Section 1372.037 of the Texas

DATE September 4, 2018
SUBJECT REVISED: Accelerating Issuance of RFA's for 4% Rehabilitation Projects

Government Code. During August 15 through November 15 is when developers will be eligible for bonds in excess of \$20 million.

Alternatives

The City can maintain its existing schedule described in the Comprehensive Housing Policy for issuance of an RFA and forgo all 4% LIHTC rehabilitation projects that do not need City funding and those that need a Resolution of No Objection prior to November 15, 2018.

Fiscal

The City does not incur a financial impact in issuing Resolutions of No Objection.

Staff Recommendation

In keeping with the intent of the Comprehensive Housing Policy, most LIHTC proposals would be evaluated under the December RFA including new projects applying for 4% and 9% tax credits. Staff will brief the Economic Development and Housing Subcommittee on Tuesday, September 4, 2018, and seek authorization to amend the Comprehensive Housing Policy to accelerate issuance of the RFA for existing projects in need of rehabilitation that do not need City funding and those that need a Resolution of No Objection prior to November 15, 2018. The following timeline would be used to accommodate such projects:

- September 12, 2018 - Recommending approval by City Council
- September 19, 2018 – Receive RFA proposals
- September 26, 2018 – Recommend RFA proposals for Resolution of Support or no Objection



David Noguera
Director, Housing & Neighborhood Revitalization

c: Larry Casto, City Attorney
Craig Kinton, City Auditor
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizor Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
M. Elizabeth Reich, Chief Financial Officer
Directors and Assistant Directors