

070733

February 28, 2007

WHEREAS, the City of Dallas, Texas (the "Unit") on April 25, 1984, approved and authorized the creation of the City of Dallas Housing Finance Corporation (the "DHFC") as a Texas non-profit corporation, pursuant to the Texas Housing Finance Corporations Act, Chapter 394, Local Government Code, V.T.C.A., as amended (the "Act"), to act on behalf of the Unit in carrying out the public purposes of the Act; and

WHEREAS, Section 1.2 of the Bylaws states that the corporation shall possess all powers enumerated in the Act; provided, however, that the DHFC 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; and

WHEREAS, on September 19, 2006, the City Council Economic Development and Housing Committee was briefed on the proposed Carroll and Central Project (which required the DHFC or a related entity to have an ownership interest in the project) and voted to recommend that the City Council adopt a resolution for an amendment to the DHFC Bylaws Section 1.2 to allow the DHFC to create a limited liability company that will be wholly owned by the DHFC that will act as the General Partner in a limited partnership; and

WHEREAS, the DHFC met on December 6, 2006 and unanimously approved the Exhibit "A" amendment to Section 1.2 of the DHFC Bylaws which allows the DHFC to acquire an interest in residential real estate; and

WHEREAS, the City of Dallas approves the amendment to Section 1.2 of the DHFC Bylaws to allow the DHFC at any time and from time to time by a majority vote of 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 DHFC, provided that the City Council, by resolution, prior to the transaction being consummated by the DHFC, (1) finds and determines that such transaction should be undertaken; (2) approves the form of the transaction; and (3) authorizes such purchase, lease, or ownership of, holding of title to, or acquisition of the interest in the residential development; **NOW, THEREFORE,**

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

Section 1. That the City of Dallas approves the amendment to Section 1.2 of the DHFC Bylaws to allow the DHFC at any time and from time to time by a majority vote of 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 DHFC, provided that the City Council, by resolution, prior to the transaction being consummated by the DHFC, (1) finds and determines that such transaction should be undertaken; (2) approves the form of the transaction; and

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Section 1. (continued) (3) authorizes such purchase, lease, or ownership of, holding of title to, or acquisition of the interest in the residential development the form of the amendment as set forth in Exhibit "A" attached, hereto, such amendment shall be effective upon adoption of this resolution.

Section 2. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

DISTRIBUTION:

Housing Department
City Attorney's Office
Office of Financial Services/Community Development, 4FN

APPROVED BY
CITY COUNCIL

FEB 28 2007

Richard Watson
City Secretary

APPROVED

[Signature]
HEAD OF DEPARTMENT

APPROVED

[Signature]
CITY CONTROLLER

APPROVED

[Signature]
CITY MANAGER

EXHIBIT A

Section 1.2. Powers of Corporation. The Corporation shall possess all powers enumerated in the Act; provided, however, that 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 in the next paragraph of this Section 1.2 of these Bylaws.

The Corporation may, at any time and from time to time by a majority vote of 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 above or through a duly authorized agent, from exercising any right it may have to satisfy, in whole or in part, any obligation which is due the Corporation.