

Exhibit 2
Ordinance

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DENTON, TEXAS APPROVING A FUNDING AGREEMENT BETWEEN THE CITY OF DENTON AND THE DENTON AFFORDABLE HOUSING CORPORATION; PROVIDING FOR THE TERMS OF SAID CONTRACT; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT AND TO EXPEND HOME INVESTMENT PARTNERSHIP PROGRAM FUNDS WITH RESPECT TO THE AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City has received funds from the U.S. Department of Housing and Urban Development under the National Affordable Housing Act of 1990 as amended; and

WHEREAS, the City has adopted a budget for such funds included therein an authorized program budget for expenditure of funds, for operating costs and project funding for the Denton Affordable Housing Corporation ("DAHC"); and

WHEREAS, the City Manager has determined that the DAHC is the only locally-certified community housing development organization ("CHDO") that includes the required number of low income citizens from the City or representatives of the low income community on its board of directors necessary to satisfy federal requirements to serve the City's geographical area and that DAHC has provided management services to the City to provide affordable housing within the City which as significantly benefited the community; and

WHEREAS, DAHC has a demonstrated history of significant service to the community in the area of affordable housing; and

WHEREAS, this Agreement, therefore, qualifies as a sole source procurement in accordance with §252.022(7)(f) of the TEX. LOC. GOV'T CODE and does not need to be competitively bid; and

WHEREAS, DAHC is a neighborhood-based non-profit organization and this Agreement is also authorized by §373.005 of the TEX. LOC. GOV'T CODE to meet the needs and objectives of the City's Consolidated Plan for Housing & Community Development; and

WHEREAS, the City Council deems it in the public interest to enter into an agreement for an affordable housing program with the DAHC; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The City Council hereby approves the attached Agreement between the City and the DAHC to provide for an Affordable Housing Opportunity Program (AHOP) and other affordable housing development programs in accordance with the terms of this Agreement, which Agreement is made a part of this ordinance for all purposes, and authorizes the City Manager to execute this Agreement.

SECTION 2. The City Council authorizes the expenditure of funds for operating costs and project funding for the DAHC in accordance with the terms of the attached Agreement.

SECTION 3. This ordinance shall become effective immediately upon its passage and approval.

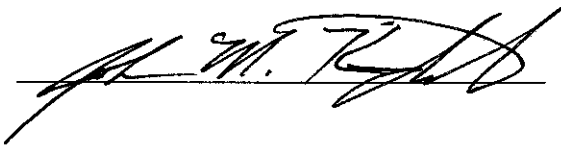
PASSED AND APPROVED this the _____ day of _____, 2014.

CHRIS WATTS, MAYOR

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
ANITA BURGESS, CITY ATTORNEY

BY:  _____