Memorandum

CITY OF DALLAS

DATE November 4, 2025

TO Honorable Members of the Housing and Homelessness Solutions Committee: Cara Mendelsohn (Chair), Lorie Blair (Vice Chair), Adam Bazaldua, Zarin Gracey, Jesse Moreno, Jaime Resendez, Gay Willis

SUBJECT **November 12, 2025, City Council Agenda Item #25-2952A and #25-2970A, 2025 Program Year 4% LIHTC Resolutions of No Objection (RONO) and Tax Equity and Fiscal Responsibility Act (TEFRA) for the Dallas Housing Finance Corporation (DHFC) project known as Torrington Forest, located at 7100 South Great Trinity Forest Way, Dallas, Texas 75217**

The purpose of this memorandum is to brief Housing and Homelessness Solutions Committee on the upcoming agenda item, a public hearing on November 12, 2025, to receive comments regarding an application by JPI Affordable Acquisition, LLC, to the Texas Department of Housing and Community Affairs (TDHCA) for 4% Non-Competitive Low Income Housing Tax Credits for Torrington Forest, a 248-unit multifamily development located at 7100 South Great Trinity Forest Way, Dallas, TX 75217 (Project); and, at the close of the public hearing, authorize a Resolution of No Objection for Applicant, related to its application to TDHCA for the development of Torrington Forest – Financing: No cost consideration to the City

BACKGROUND

JPI Affordable Acquisition, LLC, a Delaware limited liability company (Applicant), submitted an application for a Resolution of No Objection (RONO) for its application to Texas Department of Housing and Community Development (TDHCA). for 2025 4% Non-Competitive Housing Tax Credits (4% Housing Tax Credits). The 4% Housing Tax Credits will be used for the development of Torrington Forest. Torrington Forest was originally presented to Housing and Homelessness Solutions Committee in the January 28, 2025, memorandum of developments seeking a Bond inducement and RONO for the 4% Low-Income Housing Tax Credit program, as required by the TDHCA. The poverty rate in the Census Tract where the Project is located has declined to 19.1% therefore, the Office of Housing & Community Empowerment now recommends support for this development.

To receive a staff recommendation for a RONO, the applicant must meet all threshold and rehabilitation requirements and affirmatively further fair housing. TDHCA requires 4% Housing Tax Credit applicants to provide a RONO from the governing body of the jurisdiction in which the proposed development will be sited. As part of these TDHCA requirements, the governing body must also conduct a public hearing for citizens to provide comments on the proposed development. Once a resolution is adopted and submitted to TDHCA, it cannot be changed or withdrawn.

As provided for in Tex. Gov't Code §2306.6703(a)(4), it is hereby acknowledged that the proposed Project is located in a census tract with more than twenty percent (20%) Housing Tax Credit units per total households as established by the five (5) year American Community Survey, and that the City Council, as the Governing Body, must by vote, specifically allow the construction of the Project and authorize an allocation of Housing Tax Credits for the Project. This project is located in Council District 8 and is not a Racially/Ethnically Concentrated Area of Poverty (R/ECAP); therefore, City staff support a TDHCA waiver for the project location.

As provided for in Tex. Gov't Code § Gov't Code Sec. 2306.6703(a)(3), it is hereby acknowledged that the proposed Project is located within one mile of another housing tax credit development serving the same target population, which received an HTC allocation within the past three years. Therefore, the City Council, as the Governing Body, must vote to specifically approve the construction of the Project and authorize the allocation of Housing Tax Credits.

Project Overview

The Applicant, JPI Affordable Acquisition, LLC, proposes a new construction project that will include 248 garden-style units, all of which will be reserved for families earning no more than 80% of the Area Median Income (AMI). The Project affordability mix is 13 (5%) units reserved for households earning at or below 50% of AMI, 222 (90%) units reserved for households earning at or below 60% of AMI, and 13 (5%) units reserved for households earning at or below 70% of AMI. The unit mix includes 74 one-bedroom units, 109 two-bedroom units, and 60 three- and four-bedroom units, accommodating different family sizes and needs.

Resident Services:
Include health and wellness programs, educational services, transportation assistance, financial counseling, community-building activities, access to food and nutrition programs, and on-site safety and security.

Unit Amenities:
Include stainless steel appliances, wood-style flooring, spacious floor plans, water-efficient faucets, energy-star ceiling fans, upgraded lighting fixtures, large walk-in closets, granite countertops, private patios & balconies, 9-foot ceilings, walk-in showers, and community laundry rooms.

Total development costs are estimated to be approximately $72,110,523.00, which includes the acquisition price for the land. The construction budget is estimated to be approximately $42,638,296.00, which is $171,928.61 per unit.

Proposed Financing Sources	**Amount**
Permanent Financing	$37,135,651
Tax Credit Equity	$27,736,481.00
Net Operating Income	$ 500,000.00
Other/Sponsor Loan	$ 750,000.00
Deferred Developer Fee	$ 5,988,392.00
Total	**$72,110,523.00**

Proposed Uses	**Amount**
Acquisition Cost	$ 2,165,726.00
Construction Contract	$ 42,638,296.00
Construction Contingency	$ 2,131,915.00
Soft Costs	$ 1,792,434.00
Financing Costs	$ 3,746,105.00
Furniture, Fixtures & Equipment	$ 460,824.00
Predevelopment	$ 317,100.00
Title Insurance	$ 210,000.00
Reserves	$ 6,300,000.00
Operating Deficit	$ 1,251,902.00
Developer Fee	$ 2,435,742.00
Total	**$ 72,110,523.00**

This development helps ensure that individuals and families from diverse backgrounds in Southeast Dallas have access to a safe, quality, and affordable place to live while fostering inclusivity and creating a better quality of life, contributing to the overall growth of the area.

On April 12, 2023, the City Council adopted the Dallas Housing Policy 2033 (DHP33) to replace the CHP by Resolution No. 23-0443 and the Dallas Housing Resource Catalog (DHRC) that includes the approved programs in support of Housing Tax Credits by Resolution No. 23-0444.

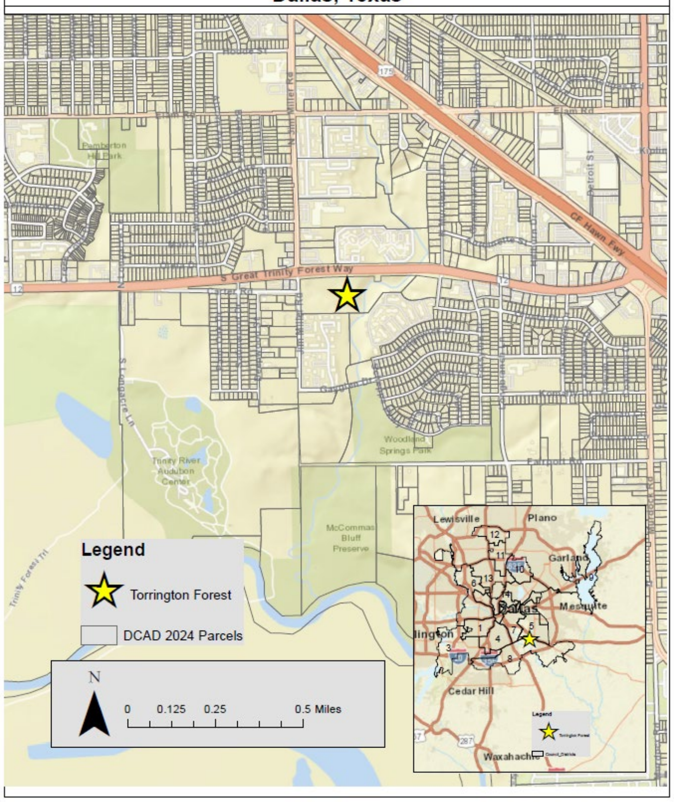
DHFC staff and its counsel and financial advisors have confirmed that this Project would not be feasible but for the DHFC's participation. The DHFC recommends approval of this item, as it furthers the goals of the DHP33 by providing mixed-income housing.

On August 27, 2024, the DHFC Board of Directors adopted a resolution declaring its intent to issue $40,000,000 in bonds for the Project and authorized the filing of an application for allocation of private activity bonds with the Texas Bond Review Board.

On January 28, 2025, the Housing and Homelessness Solutions Committee was briefed by memorandum that the project application was approved for Bond inducement by the DHFC.

Project Location:

Torrington Forest
7100 South Great Trinity Forest Way
Dallas, Texas



Should you have any questions or need any additional information, please contact myself or Thor Erickson, Director, Office of Housing and Community Empowerment, at 214-670-3632 or Thor.Erickson@dallas.gov.

Service First, Now!

Liz Cedillo-Pereira,
Assistant City Manager

c: Kimberly Bizor Tolbert, City Manager
Tammy Palomino, City Attorney
Mark Swann, City Auditor
Bilierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Dominique Artis, Chief of Public Safety
Dev Rastogi, Assistant City Manager
Alina Ciocan, Assistant City Manager
Donzell Gipson, Assistant City Manager
Robin Bentley, Assistant City Manager
Jack Ireland, Chief Financial Officer
Ahmad Goree, Chief of Staff to the City Manager
Directors and Assistant Directors