



City of Dallas

**November 12, 2025, City Council
Agenda Item 25-2158A,
Amendment to the Dallas Housing
Resource Catalog to the Dallas
Housing Finance Corporation,
Dallas Public Facility Corporation,
and Housing Tax Credits Program
Statements**

**Housing & Homelessness Solutions
10.21.2025**

Thor Erickson, Director
Jasmine Bazley, General Manager
Office of Housing and Community Empowerment
City of Dallas

Presentation Overview



- Background/History
- Overview of the Corporations
- Dallas Housing Finance Corporation (DHFC) and Dallas Public Facility Corporation (DPFC) Program Statement changes
- Legislative Updates
- Issues/Operational Concerns
- Next Steps



Background/History



- Housing needs in Dallas:
 - **Rental Housing Shortage:** Dallas currently faces a shortage of approximately 39,900 affordable rental units for households earning 50% or less of the Area Median Income (AMI). Without intervention, this gap is projected to grow to over 70,000 units by 2033.
 - **Homeownership Needs:** To achieve a goal of 50% homeownership in Dallas, about 42,100 households would need to transition from renting to owning. This would require adding approximately 3,400 new housing units per year to keep pace.
 - **Homelessness:** There are currently 3,718 individuals experiencing homelessness in the Dallas City, Dallas County, and Irving area roughly 10 people per 10,000 residents.

Source: City of Dallas Housing Needs Assessment 2024 ([Housing & Community Development Home](#))

Source: National Alliance to End Homelessness, Point in Time (PIT) Counts by Continuum of Care ([Dashboard: Point-In-Time Counts by Continuum of Care - National Alliance to End Homelessness](#))



Background/History



Area Median Income

Eligibility Standard	Number of Persons in the Household							
	1	2	3	4	5	6	7	8
140%	\$ 114,954	\$ 131,376	\$ 147,798	\$ 164,220	\$ 177,358	\$ 190,495	\$ 203,633	\$ 216,770
120%	\$ 98,532	\$ 112,608	\$ 126,684	\$ 140,760	\$ 152,021	\$ 163,282	\$ 174,542	\$ 185,803
80%	\$ 65,700	\$ 75,100	\$ 84,500	\$ 93,850	\$ 101,400	\$ 108,900	\$ 116,400	\$ 123,900
60%	\$ 49,320	\$ 56,340	\$ 63,360	\$ 70,380	\$ 76,020	\$ 81,660	\$ 87,300	\$ 92,940
50%	\$ 41,100	\$ 46,950	\$ 52,800	\$ 58,650	\$ 63,350	\$ 68,050	\$ 72,750	\$ 77,450
30%	\$ 24,650	\$ 28,200	\$ 31,700	\$ 35,200	\$ 38,050	\$ 43,150	\$ 48,650	\$ 54,150

Source: FY 2025 HUD Income Limits website at <https://www.hudexchange.info/resource/5334/cdbg-income-limits/>
Effective date: June 1, 2025, per HUD website cited above.

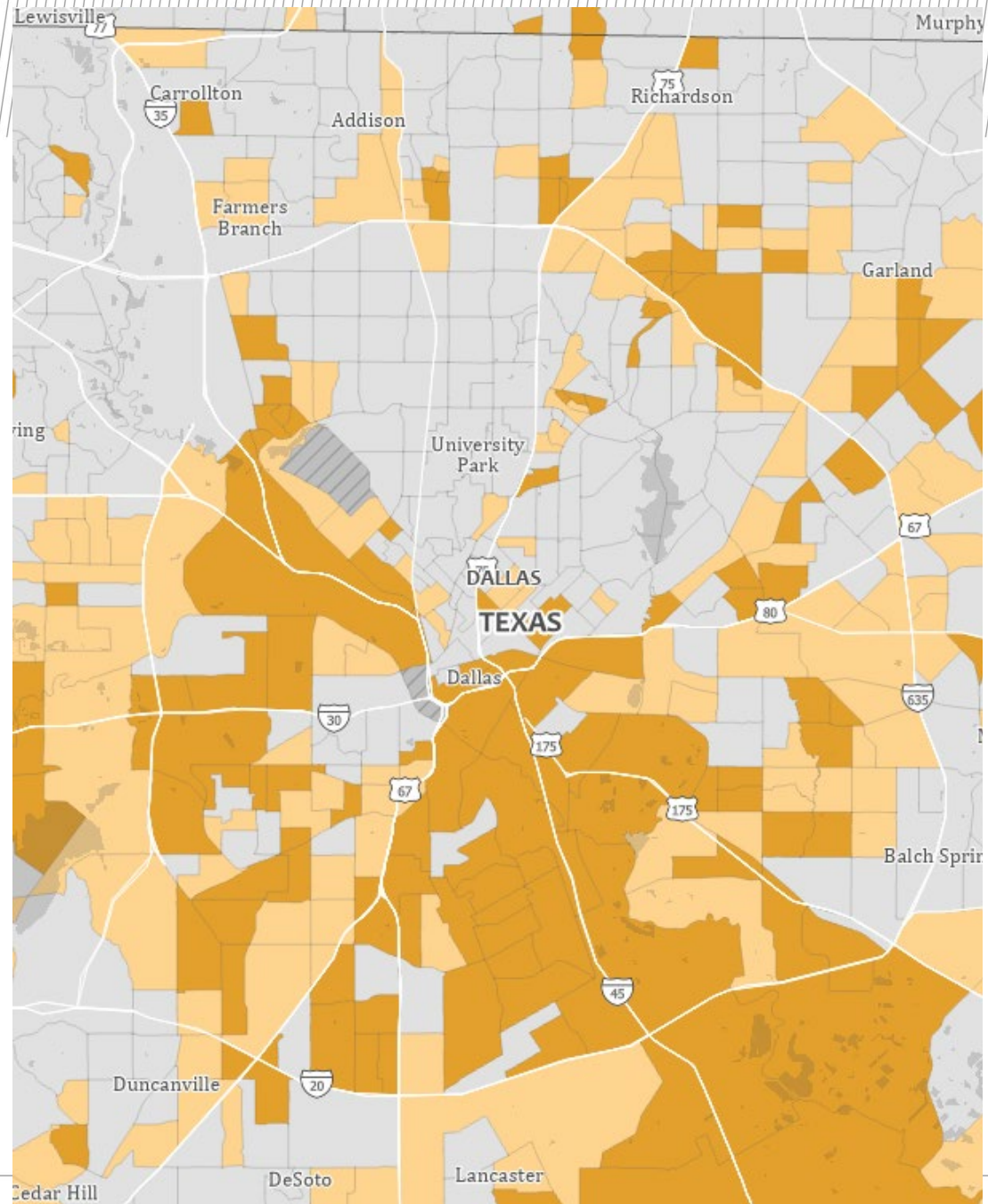


Background/History

Census Tract Poverty Rates

High Poverty Status

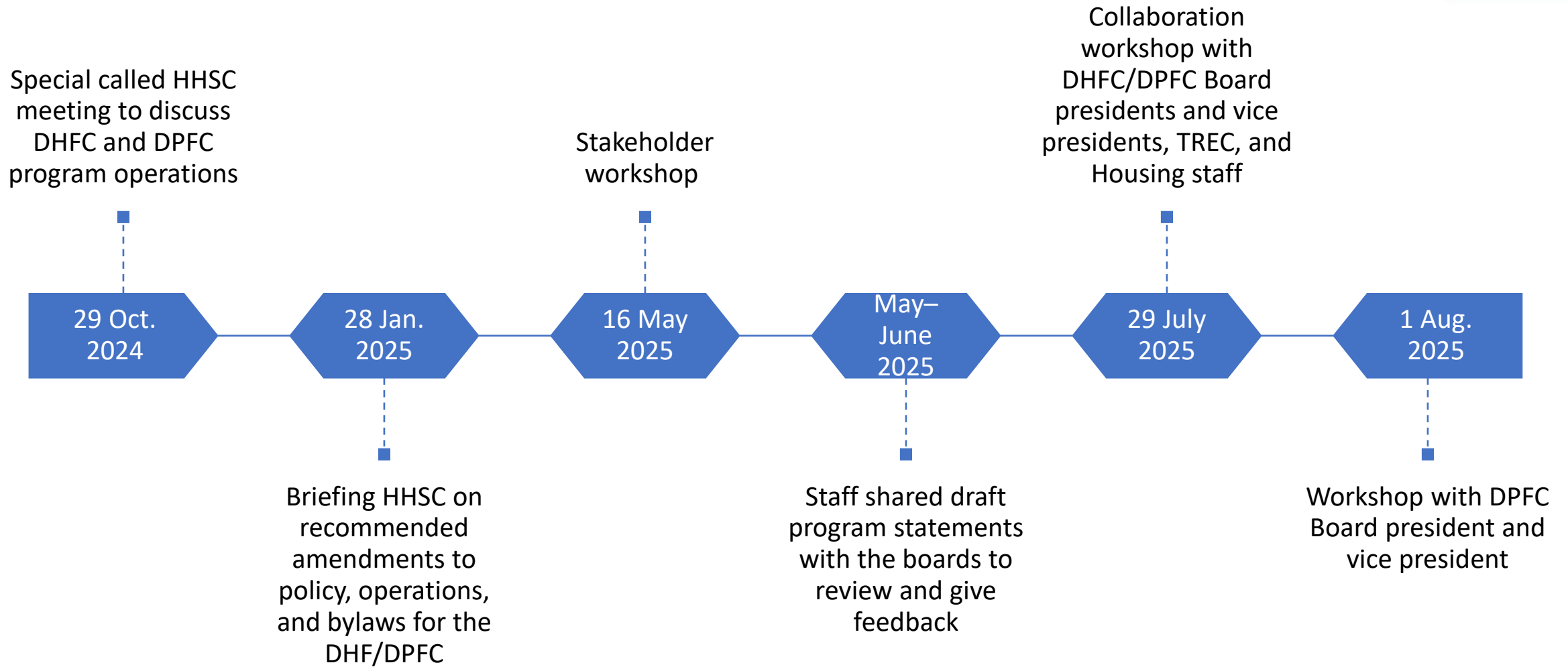
- High poverty area**
20% of the population or more are below the poverty level
- Possible high poverty area**
The confidence interval includes "20% of the population or more are below the poverty level," but the point estimate is lower than that threshold
- Not a high poverty area**
Areas that do not meet either of these criteria
- Data not available**
Data is not shown for these areas



Source: EDA Census Poverty Status Viewer ([EDA-Census Poverty Status Viewer](#))



Background/History



Overview



Category	Dallas Housing Finance Corporation (DHFC)	Dallas Public Facility Corporation (DPFC)
Established	1984	2020
Legal Basis	Texas Housing Finance Corporation Act (Chapter 394, Texas Local Government Code)	Public Facility Corporation Act (Chapter 303, Texas Local Government Code)
Primary Purpose	Assist low/moderate-income persons in acquiring and owning affordable housing	Assist the City in financing and preserving mixed-income workforce housing
Target Income Group	Low and moderate income	Residents earning $\leq$ 80% Area Median Income (AMI); includes non-income restricted units
Financing Tools	Tax-exempt bonds, home mortgages, acquisition, and redevelopment	Acquisition, construction, rehab, renovation, and equipping of public facilities
Partnership Roles	General Partner, Ground Lessor, Co-Developer, General Contractor	General Partner, landowner, General Contractor
Total Number of Properties	41	20
Total Number of Units	9,192	4,774
Estimated Total Property Value	\$2.2 Billion	\$1.1 Billion
Estimated Total Taxes Foregone	To be Calculated	To be Calculated
Total Revenue	\$6,041,873.00	\$952,334.00



DHFC/DPFC Program Statements



- Policies and Procedures
 - DHFC/DPFC will develop written policies and procedures
 - Housing Director or designee will have a seat on the Board of Directors as an ex-officio board member; will attend Board meetings, including executive and closed sessions
- Staffing
 - DHFC/DPFC manage administration, developer communication, application intake, project oversight, reporting and developer education
 - DHFC/DPFC staff serve as primary presenters at Housing and Homelessness Solutions Committee and City Council meetings
 - City staff will review projects for policy alignment, monitor long term affordability, manage City Council agenda items, and coordinate communications with corporation staff and Councilmembers



Dallas Housing Finance Corporation (DHFC)



- Applications

- Must be submitted in writing and prioritize projects that have been designated for prioritization by City Council and confirmed by OHCE staff
- Low Income Housing Tax Credit (LIHTC) waivers in Racially/Ethnically Concentrated Areas of Poverty (R/ECAP) areas or areas with 20% poverty or higher will *not* be granted unless project is redevelopment or addressing slum/blight, urban nuisance, environmental contamination or environmental nuisance, or providing other public benefit; waiver approval will require $\frac{3}{4}$ City Council vote
- May be denied due to developer capacity, requesting ineligible waivers, or the project conflicts with DHFC policies or City programs and goals
- DHFC will track and report total tax-exempt value annually



Poverty rate: The poverty rate is the percentage of people whose household income falls below the poverty threshold set by the government.

Dallas Public Facility Corporation (DPFC)



- Applications

- Must be submitted in writing and prioritize projects that have been designated for prioritization by City Council and confirmed by OHCE staff
- DPFC projects will be limited to areas *with* poverty rates over 20%, including R/ECAPs and underdeveloped areas, to help reduce concentrated poverty
- Projects outside these areas must meet specific public benefit criteria (e.g., a conversion, renovation of existing housing to provide deeper affordability, in a rapidly changing census tract or high opportunity areas, addressing slum/blight, urban nuisance, environmental contamination or environmental nuisance, or providing other public benefit) and require a $\frac{3}{4}$ Council vote for approval
- May be denied due to developer capacity, requesting ineligible waivers, or the project conflicts with DPFC policies or City programs and goals
- DPFC will track and report total tax-exempt value annually



Poverty rate: The poverty rate is the percentage of people whose household income falls below the poverty threshold set by the government.

DHFC/DPFC Program Statements



- Applications/Portfolio
 - Each project must include a Public Benefit Analysis (PBA) showing benefits equal at least 60% of foregone property taxes
 - If below 60%, the project must explain how it supports jobs, improves aging housing, or enhances community services.
 - Council Members will be notified of district projects so they can decide if community engagement is needed
 - Projects must comply with Uniform Relocation Act (URA) or meet similar legal requirements
 - Rehab scope must address code violations, major systems, unit interiors, and accessibility



DHFC/DPFC Program Statements



- City Goals and Initiatives

- OHCE staff will ensure DHFC/DPFC projects align with City policies, TIF requirements, and have environmental clearance
- If City incentives are requested, a second financial underwrite will be completed by Housing or Economic Development
- OHCE staff will oversee long-term affordability; DHFC/DPFC will monitor project performance
- DHFC/DPFC will provide quarterly project reports and annual audits; the Board will present financials to the Housing Committee each year
- DHFC/DPFC will limit revenue use to approved housing-related activities, report spending quarterly, and reimburse the City for administrative support as needed



DHFC/DPFC Program Statements



- DHFC/DPFC Revenue will be used for:
 - Opportunities approved by the OHCE Director and Board
 - DHFC/DPFC administration, infrastructure and gap financing for approved housing projects, including development, acquisition, construction, and rehab
 - DHFC/DPFC approved projects that are seeking gap funds
 - Reimbursements to the City for administrative
- Revenue will be made available annually to the City and developers through approved applications
- DHFC/DPFC will report to OHCE quarterly and annually on expenditures and administrative costs



Legislative Update



- Texas House Bill 21 (89th Legislature, 2025) (Housing Finance Corporations (HFCs))
 - Must now operate within their sponsor's boundaries unless dual local approvals are obtained for projects outside those areas
 - Now subject to the Open Meetings Act and Public Information Act
 - Non-LIHTC projects must meet strict affordability, rent reduction, and tenant protection standards to qualify
 - Tax Exemptions and Bonds can only be issued for projects within sponsor boundaries or with local government approval and a public hearing
- The updated Program Statements do not allow for non-city supported housing finance corporations or public facility corporations to seek City Council support.



Operational Updates



- DHFC/DPFC
 - Both Housing Corporations staffed open positions over the summer and continue to accept new developer applications
 - Collaborative reviews between OHCE staff and Corporation staff have already started to incorporate suggested policy changes
 - Projects from both corporations are on today's agenda and are expected to advance to City Council by the first meeting in November



Policy Discussion



- There have been many conversations about the updates to the Program Statements.
- Three areas remain where City Council input is needed:

Category	OHCE staff recommendation	DHFC/DPFC Board position	Pro	Con
Geographic Focus	Limit DHFC/DPFC projects to strategic areas, where activity of both corporations compliment each other	No general restrictions on location	Policy as drafted aligns strong use of the corporation with city housing needs	Requires corporations to review projects for location and may have to say no to projects
Project Prioritization and Tax Exemption Cap	Establish cap on how many properties can be exempted in a year and how many projects can be exempted overall	Oppose limiting production and enforcing a cap	Allows more control of potential impact to the general fund budget	Potentially reduces the amount of projects approved in one year
Board Participation	Director (or designee) as ex-officio membership on Boards	advisory only participation without a formal seat on Board	Allows staff access to legal discussions related to properties	Corporation is worried about potential conflict and access to personal issues



Housing Tax Credit Program Statement



- The Housing Tax Credit Program statements sets standards for how developers apply for a 4% Resolution of No Objection or a 9% Resolution of Support.
- The current Program Statement requires clarity for each review process.
- Program Statement updates include:
 - Streamline applications for Resolution of No Objection (4% LIHTC) and Resolution of Support (9% LIHTC)
 - Set timeline for applications and staff review
 - 4% LIHTC Projects
 - Adds clarity around waiver requests
 - Restricts waivers for R/ECAP and areas with 20% poverty or higher
 - 9% LIHTC Projects
 - Simplifies scoring criteria
 - Links to the Qualified Action Plan for Developers to see all technical guidance there



Next Steps



- Staff recommends approving the DHRC Amendments for the Dallas Housing Finance Corporation, Dallas Public Facility Corporation and the Housing Tax Credits Program move forward to City Council
- November 12, 2025, City Council Agenda
 - Housing Resource Catalog amendment
 - Updated DHFC/DPFC Program Statements
 - Updated Housing Tax Credits Program Statement for 4% and 9% application review





City of Dallas

Amendment to the Dallas Housing Resource Catalog to the Dallas Housing Finance Corporation, Dallas Public Facility Corporation, and Housing Tax Credit Program Statements

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Solutions
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