

Memorandum



CITY OF DALLAS

DATE April 1, 2026

Honorable Members of the City Council Economic Development Committee: Jesse Moreno (Chair), Paul Ridley (Vice Chair), Lorie Blair, Laura Cadena, Zarin Gracey, Bill Roth, Chad West

Upcoming Agenda Item: Authorize a Chapter 380 economic development grant agreement and all other necessary documents (“Agreement”) with Meadow Sycamore, LP, a Texas limited partnership and/or its affiliates (collectively, “Developer”) in an amount not to exceed \$13,500,000 (“Grant”) in consideration of The Meadow Project (“Project”), a mixed-income, transit-oriented, and permanent supportive multi-family residential development project on approximately 2.3 acres of real property addressed as 8130 Meadow Road (“Property”), in accordance with the Economic Development Incentive Policy

On April 22, 2026, staff will seek City Council authorization of a Chapter 380 economic development grant agreement and all other necessary documents (“Agreement”) with Meadow Sycamore, LP, a Texas limited partnership and/or its affiliates (collectively, “Developer”) in an amount not to exceed \$13,500,000 (“Grant”) in consideration of The Meadow Project (“Project”), a mixed-income, transit-oriented, and permanent supportive multi-family residential development project on approximately 2.3 acres of real property addressed as 8130 Meadow Road (“Property”). The Project is located in City Council District 13.

On February 12, 2025, City Council authorized a Resolution of Support for the Developer’s application to the Texas Department of Housing and Community Affairs (“TDHCA”) for competitive 9% Low Income Housing Tax Credits (“LIHTC”) by Resolution No. 25-0278.

On July 24, 2025, the TDHCA Board awarded \$2 million in LIHTCs to the proposed Project in the 2025 allocation cycle. The Project application ranked tied for 3rd out of 14 applications in Region 3/Urban.

The proposed Project is located in a high opportunity area (Census tract 78.22). High opportunity areas within the city of Dallas are Census tracts with a poverty rate of 20% or lower. Census tract 78.22 has a poverty rate of 15.3%. High opportunity areas often have attributes that, based on recent research, appear to have a positive effect on the economic mobility of residents.

The estimated total Project cost is approximately \$31.7 million, and the Project is proposed to include the Developer’s acquisition, renovation, and adaptive reuse of an existing vacant 3-story building to create 75 mixed-income multi-family residential units. All units will be income-restricted for 45 years per a LIHTC Land Use Restriction

DATE April 1, 2026

SUBJECT **Upcoming Agenda Item: Authorize a Chapter 380 economic development grant agreement and all other necessary documents (“Agreement”) with Meadow Sycamore, LP, a Texas limited partnership and/or its affiliates (collectively, “Developer”) in an amount not to exceed \$13,500,000 (“Grant”) in consideration of The Meadow Project (“Project”), a mixed-income, transit-oriented, and permanent supportive multi-family residential development project on real property addressed as 8130 Meadow Road, in accordance with the Economic Development Incentive Policy**

PAGE **2 of 2**

Agreement (“LURA”) to households earning 30% to 60% of Area Median Family Income (“AMFI”). In partnership with the Developer, PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas, a Texas non-profit corporation, will provide supportive services for tenants with HIV/AIDS.

Based on independent outside underwriting, staff is recommending a Grant in an amount not to exceed \$13,500,000 as gap funding to make the Project financially feasible. The Grant is to be sourced from the City’s 2024 General Obligation Bond Program (Proposition G: Economic Development/Housing). The Grant shall be payable upon the Project’s substantial completion and Developer’s compliance with all terms, conditions, and requirements.

Please see the attached **Exhibit A** for more detailed information regarding the proposed Project and the proposed economic development grant agreement. Should you have any questions, please contact Tamara Leak, Assistant Director in the Office of Economic Development, at 214.671.8043 or tamara.leak@dallas.gov.

Service First, Now!



Robin Bentley
Assistant City Manager

c: Kimberly Bizer Tolbert, City Manager
Tammy Palomino, City Attorney
Mamatha Sparks, City Auditor (I)
Billierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Baron Eliason, Inspector General (I)
Dominique Artis, Chief of Public Safety
Dev Rastogi, Assistant City Manager

M. Elizabeth (Liz) Cedillo-Pereira, 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



Kevin Spath

Director

Office of Economic Development

The Meadow

a mixed-income, transit-oriented, and permanent supportive housing project
(City Council District 13)

Economic Development Committee

April 6, 2026



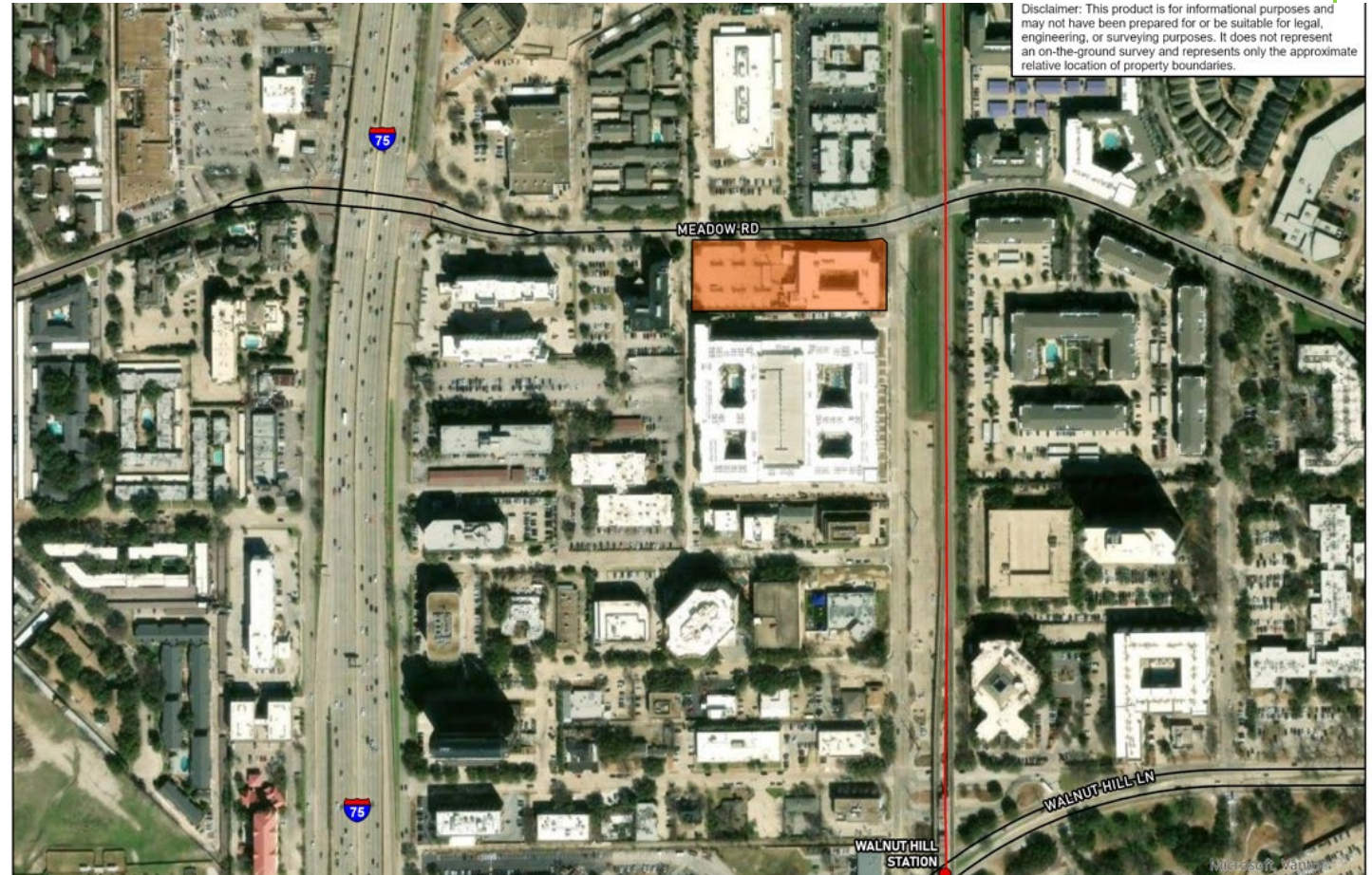
Overview



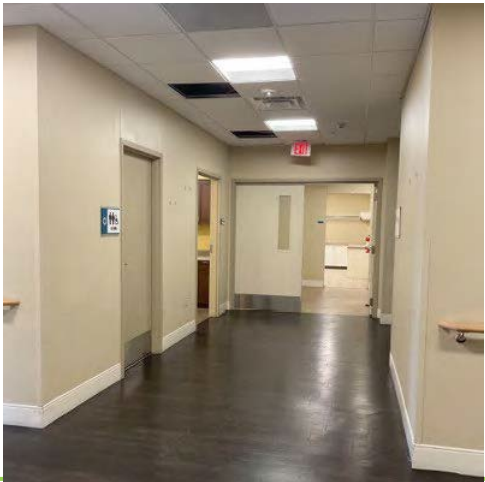
- **Background**
- **Proposed Project**
- **Staff Recommendation**
- **Next Step**
- **Appendix**

Background: Property

- addressed as 8130 Meadow Road
- approximately 2.3 acres
- vacant 77,132 square foot 3-story building
- originally constructed in 2017 as a skilled nursing facility
- zoning: PD 927 (Subarea B)
- high opportunity area
- approximately 1,000 feet from the DART Walnut Hill Station
- proximity to Kindred Hospital Dallas, First Baptist Medical Center, and Presbyterian Hospital Dallas
- proximity to full-service grocery stores and pharmacies
- DCAD 2025 value \$17,900,000



Background: Existing Conditions



Background: Housing Tax Credits

- February 12, 2025: City Council authorized a Resolution of Support for the Developer's application to the Texas Department of Housing and Community Affairs ("TDHCA") in the 2025 application cycle for competitive 9% Low Income Housing Tax Credits ("LIHTC") by Resolution No. 25-0278
- July 24, 2025: TDHCA Board awarded \$2 million in LIHTCs to the proposed Project
- Project application ranked tied for 3rd out of 14 applications in Region 3/Urban

Background: High Opportunity Area

- Project is in a High Opportunity Area (Census Tract 78.22)
- High Opportunity Areas within the city of Dallas are Census Tracts with a poverty rate of 20% or lower
- Census Tract 78.22 has poverty rate of 15.3%
- High Opportunity Areas often have attributes that, based on recent research, appear to have a positive effect on the economic mobility of residents

Proposed Project: Summary

- Project Developer:** Meadow Sycamore, LP, a Texas limited partnership, and/or its affiliates (collectively, "Developer"). All Grant disbursements paid by the City shall be made to PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas, a Texas nonprofit corporation ("Non-Profit"), a 501(c)3 organization, which is an affiliate of the Developer. Upon receipt of Grant funds, the Non-Profit shall loan such funds to Sycamore Meadow GP LLC, a Texas limited liability company ("General Partner"), which is a wholly-owned subsidiary of the Non-Profit and serves as the general partner of Meadow Sycamore, LP. The General Partner shall make such Grant funds available to Meadow Sycamore, LP for use solely in connection with the delivery of the Project
- Project Summary:** Renovation and adaptive reuse of existing vacant Property to create 75 mixed-income multi-family residential units. All units will be income-restricted for 45 years per LIHTC Land Use Restriction Agreement ("LURA") to households earning 30% to 60% of Area Median Family Income ("AMFI")

- Estimated Total Project Cost: \$31.7 million
- Construction Start: December 2026
- Completion: June 2028

Income Level	# Units	Unit Types	# Units
30% AMFI	15	Studio	2
50% AMFI	45	1 bedroom	73
60% AMFI	15		
Total	75	Total	75

Proposed Project: Supportive Services

- PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas will provide supportive services for tenants with HIV/AIDS
- Wrap-around services to be provided include:
 - Monthly transportation to community/social events
 - Annual income tax preparation
 - Food pantry
 - Annual health fair
 - Weekly exercise class
 - Local law enforcement partnership
 - Notary services
 - Bi-Monthly recreational activities (arts and crafts, book club etc.)
 - Bi-Monthly social activities (pot lucks, holiday celebrations etc.)
 - Weekly home chore or maintenance for elderly or disabled tenants

Proposed Project: Amenities

Unit Amenities include:

- Full electric kitchen appliances
- Spacious eight-foot ceilings
- Decorative lighted ceiling fans in living and bedrooms
- Garden tubs and walk-in showers
- Full size washer and dryer connection
- Oversized walk-in closets

Community Amenities include:

- Fully equipped fitness room
- Community theater room
- Community/event room with kitchen
- Business center with computers and printers
- Library
- Billiards room
- Laundry facilities

Proposed Project: Renderings

The Meadows Entry

Protective Barrier
Parking Lot Approach



Proposed Project: Renderings

The Meadows Multipurpose

Community Event Space
Flexible & Community



Proposed Project: Unit Layout

The Meadows Multipurpose and Courtyard



MULTIPURPOSE



COMMUNITY CONNECTION



COURTYARD



First Floor



Proposed Project: Sources and Uses

Project Funding (Sources)

Sources of Funds	Amount	
Bank OZK (senior debt)	\$1,878,416	5.9%
Third-party LIHTC equity (Hunt Capital Partners)	\$16,198,380	51.2%
Deferred Developer Fee	\$74,263	0.2%
City economic development Grant	\$13,500,000	42.7%
Total	\$31,651,059	100.0%

Project Budget (Uses)

Uses of Funds	Amount	
Land Acquisition	\$17,200,000	54.3%
Hard Construction Costs	\$7,123,962	22.5%
Soft costs	\$3,340,081	10.6%
Developer fee	\$3,596,346	11.4%
Reserves	\$390,670	1.2%
Total	\$31,651,059	100.0%

Staff Recommendation

- On March 25, 2026, staff executed Letter of Intent (“LOI”) with Developer
- Staff recommends an economic development incentive (“Grant”) in the form of a Chapter 380 economic development grant agreement in an amount not to exceed \$13,500,000 as gap funding to make the Project financially feasible
- Grant to be sourced from the City’s 2024 General Obligation Bond Program (Proposition G: Economic Development/Housing)
- Grant shall be payable upon Substantial Completion and Developer’s compliance with all terms, conditions, and requirements

Next Step

April 22, 2026: City Council

Appendix

Appendix: Development Team

Developer: Meadow Sycamore, LP, a Texas limited partnership, and/or its affiliates (collectively, "Developer")

Non-Profit: PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas, a Texas nonprofit corporation, which is an affiliate of the Developer

General Partner of Meadow Sycamore, LP: Sycamore Meadow GP LLC, a Texas limited liability company, which is a wholly-owned subsidiary of the Non-Profit

Architect: Gensler

General Contractor: Andres Construction

Appendix: Grant Agreement Requirements

Project Financing and Execution of Grant Agreement

- Developer shall close construction financing for the Project prior to or contemporaneously with the City's execution of the Agreement and provide evidence to the Director of binding commitments for all capital sources necessary to deliver the Project. Developer shall execute the Agreement by December 31, 2026.

Building Permit

- Developer shall obtain a building permit for the Project by December 31, 2026. A demolition permit does not constitute satisfaction of this requirement.

Minimum Investment

- Developer shall invest (or cause to be invested) and provide documentation to the OED Director evidencing a minimum of \$24,000,000 in investment expenditures for the delivery of the Project ("Minimum Investment") by June 30, 2028. Construction management costs may be included in the Minimum Investment calculation if the construction management services are directly related to ensuring the quality of the construction of the Project and are performed by an independent and unaffiliated third party. Construction management costs must be evidenced by invoices with detailed descriptions of services performed. Developer fees, legal fees, marketing fees, financing fees, leasing commissions, carrying costs, reserves, operating deficits through stabilization and other similar costs shall not be considered an eligible Investment Expenditure. No expenditures made prior to execution of the Letter of Intent (LOI) on March 25, 2026 may be included in the Minimum Investment calculation.

Required Project Components

- The Project shall include the following Required Project Components ("Required Project Components"):
 - renovation of the entire three three-story building into a minimum of 72,000 square feet of multi-family residential space and a minimum 75 multi-family residential units; and
 - private on-site improvements and public off-site improvements, if any, necessary to complete the Required Project Components listed above (e.g. utilities; interior demolition; mechanical systems upgrade; lighting; landscaping; signage).

Appendix: Grant Agreement Requirements

City Affordability Requirement.

- The Project shall contain a total of at least 75 rental multi-family residential units, of which at least 100% of the units shall be set aside and leased solely to those households earning at or below 30%, 50%, and 60% of AMFI for a minimum of fifteen (15) years beginning after the Project has reached Substantial Completion as defined herein and has been placed in service (“City Affordability Period”) (although anticipated to be set aside for 45 years for LIHTC compliance), in accordance with the attached rent schedule updated annually by Housing and Urban Development. Recertification at lease renewals of the income-restricted units shall be consistent with TDHCA regulations.
- For the term of the City Affordability Period, the affordability requirements as described herein shall be impressed upon the Property by deed restrictions filed in the Official Real Property Records of Dallas County prior to Project’s Substantial Completion.
- After the Project’s Substantial Completion, as defined herein, and throughout the City Affordability Period, Developer shall monitor and submit reports twice a year to Director on the status of its compliance with the requirements of the Project’s City Affordability Requirement. Developer shall submit written certification and documentation of compliance in a form to be attached to the Agreement or may submit TDHCA compliance documents in lieu of the City’s form.
- Developer further agrees to complete the Affirmative Fair Housing Marketing Plan (“AFHMP”), in a form to be attached to the Agreement, and submit the AFHMP to the City’s Fair Housing staff for approval. Developer shall submit a copy of the approved AFHMP to Director within 30 calendar days of approval and shall market the residential units pursuant to the approved AFHMP.

Vouchers

- In accordance with Section 20-4.1(b) of the Dallas City Code, Developer shall make best efforts to lease up to ten percent (10%) of the Project’s multi-family residential units to voucher holders during the City Affordability Period. Developer shall register with a minimum of one local provider of housing vouchers at least 12 months prior to Project’s Substantial Completion. “Best efforts” is defined as “compliance with Section 20A-4.1(a), compliance with the development agreement, and submission of the evidence of compliance to the Director.” As applicable, Ordinance 32195 shall be enforced. Should Ordinance 32195 and Chapter 20A of the Dallas City Code be further amended prior to Project’s Substantial Completion, Developer shall abide by such amended terms. Pursuant to Section 20A-4.1(a) of the Dallas City Code, Developer shall not discriminate against holders of any housing vouchers, and Developer shall comply with Section 20A-28 of the Dallas City Code regarding tenant selection. Prior to Project’s Substantial Completion, this requirement shall also be impressed upon the Property by deed restriction filed in the Official Real Property Records of Dallas County.

Appendix: Grant Agreement Requirements

Small Business Inclusion in Construction

- Developer shall make a good faith effort to comply with the City's Developing Regional & Inclusive Vendor Enterprises ("DRIVE") Policy goal of 33% participation by certified Small Business Enterprises ("SBE") for all hard construction expenditures (i.e. public and private improvements) for the Project and meet all process and reporting requirements of the DRIVE Policy as administered by the City's Office of Procurement Services ("OPS"). DRIVE reporting requirements and forms will be incorporated into the Agreement, and compliance shall be coordinated with OPS.

Urban Design

- As a requirement of the Grant, the Developer submitted conceptual design plans for the Project (i.e., public and private improvements) to OED and the City's Planning and Development Department ("PDD") Preservation and Urban Design staff on January 9, 2026 for urban design review. Following administrative review of the conceptual plans, PDD Preservation and Urban Design staff provided written recommendations on February 13, 2026. Developer shall submit to OED and PDD Preservation and Urban Design staff updated conceptual design plans addressing the written recommendations, and the updated conceptual design plans shall be attached as material exhibits to the Agreement.
- Prior to submitting construction plans to PDD as part of a building permit application, Developer shall submit a set of the construction drawings to PDD Preservation and Urban Design staff and Director for a final staff review to ensure that the Project (i.e. public and private improvements) will be constructed in substantial conformance with the Project's approved conceptual design plans attached to the Agreement. PDD Preservation and Urban Design staff and Director shall complete the final staff review of permit drawings within ten (10) business days of submission by Developer.
- Allowable minor modifications to the Project's design may include those required to comply with development regulations administered by the City's PDD or other City departments, federal, state and local laws, codes and regulations. Prior to making any Project design changes that would be considered minor in nature, Developer shall notify the Director and submit proposed changes to the Director for review and approval. Director shall complete the final review of any minor design changes to ensure compliance with approved conceptual design plans within ten (10) business days of submission by the Developer.

Appendix: Grant Agreement Requirements

Substantial Completion Deadline.

- Developer shall complete or cause the completion of the Required Project Components described herein, and all portions of the building shall be occupiable by June 30, 2028 or the placed-in-service deadline established by TDHCA (whichever is later), as evidenced by certificate(s) of occupancy, certificate(s) of completion, and/or similar documentation issued by the City (“Substantial Completion”). Developer shall provide Director documentation of any changes to TDHCA’s placed-in-service deadline within five (5) days of Developer notification. Developer shall also obtain final acceptance of any public infrastructure improvements associated with the construction of the Project, as evidenced by a letter of acceptance or similar documentation issued by the City, by June 30, 2028 (“Public Infrastructure Acceptance”).

Operating and Maintenance Agreement

- Prior to Substantial Completion, Developer (or its assignee as provided herein) shall execute an Operating and Maintenance Agreement (defined below) for any Non-Standard Public Improvements (defined below), if any, associated with the Project that will be owned by the City but maintained by the Developer (the “Operating and Maintenance Agreement”). If necessary, Developer shall obtain a license from City for the purpose of maintaining any improvements in the public right-of-way. “Non-Standard Public Improvements” shall be defined as those public infrastructure improvements which exceed the City’s standard design requirements, as determined by the City, and shall include specially designed street/pedestrian lighting, brick pavers, bollards, sidewalks, public art, fountains, landscaping and irrigation. With the exception of specially designed street/pedestrian lighting, public artwork and fountains, City shall retain ownership of such public improvements and may at its sole option, if Developer fails to maintain such public improvements after notice from City, perform such maintenance and invoice Developer for the costs, which costs Developer shall pay within thirty (30) days of notice. Developer shall submit documentation evidencing that an executed Notice of Operating and Maintenance Agreement specifying the existence of an executed Operating and Maintenance Agreement for the Non-Standard Public Improvements was recorded with the Dallas County Clerk’s Office. The term for the Operating and Maintenance Agreement shall be twenty (20) years. The terms and conditions of the Operating and Maintenance Agreement are binding upon the successors and assigns of all parties hereto and may be assignable, subject to OED Director approval, in whole or in part, to a new owner of all or a portion of the Project or to another entity such as a public improvement district or property owner’s association. Developer or its assignee shall remain responsible for the maintenance of the Non-Standard Public Improvements for a term of twenty (20) years even if Developer chooses to forgo the Grant or is not paid the Grant as a result of default.

Appendix: Grant Agreement Requirements

Quarterly Reporting

- Until all Required Project Components have passed final building inspection and Developer has submitted all required paperwork documenting Substantial Completion to Director, Developer shall submit to the Director quarterly status reports for ongoing work on the Project, in a form to be attached to the Agreement. Such status reports shall be due within thirty (30) calendar days following the end of each calendar quarter after the date of City Council's authorization of the Agreement.

Local Hiring

- For all permanent employment opportunities created by operation of the Project, Developer shall submit to the City a written plan ("Local Hiring Plan") describing how Developer or its property management group shall use and document commercially reasonable efforts to recruit and hire residents of the city of Dallas. At a minimum, the Local Hiring Plan shall describe how Developer or its property management group will target local recruitment through local advertisement, community outreach, local engagement, participation in local job fairs, and/or coordination with local hiring sources. The Local Hiring Plan shall be subject to approval by the OED Director to ensure that employment opportunities are targeted to Dallas residents and that commercially reasonable efforts are made to promote the hiring of neighborhood residents for any new permanent jobs created. No portion of the Grant shall be disbursed to Developer until the OED Director approves the Local Hiring Plan. Within 30 calendar days of OED Director's receipt of the local hiring plan, the OED Director shall either approve the Local Hiring Plan or give written notification to the Developer of the OED Director's disapproval, specifying the reasons for such disapproval. Compliance with the Local Hiring Plan shall be a material requirement for the Agreement.

Property Management

- The proposed property management entity for the Project shall be submitted at least three (3) months prior to Project's Substantial Completion for review and approval by OED Director based on the management entity's comparable experience managing other mixed-income multi-family properties with income-restricted units, such approval not to be unreasonably withheld.

Appendix: Grant Agreement Requirements

Minor Modifications and Extensions

- Director may authorize minor modifications to the Project, including a change in the number of multi-family residential units by up to 5% and an extension of the Project's material dates and deadlines by up to twelve (12) months for just cause, except as provided by the Force Majeure provision.

Force Majeure

- Notwithstanding any other provision of this LOI to the contrary, in the event the OED Director determines (which determination shall not be unreasonably withheld, conditioned, or delayed) the Project has been delayed as a result of Force Majeure, after being provided written notice by Developer, Developer shall have additional time to complete the Project, as may be required in the event of Force Majeure, defined herein, so long as Developer is diligently and faithfully pursuing completion of the Project, as determined by the OED Director (which determination shall not be unreasonably withheld, conditioned, or delayed). Extension of Project deadlines as a result of Force Majeure shall not require City Council approval. "Force Majeure" shall mean any contingency or cause beyond the reasonable control of Developer, as reasonably determined by the OED Director (which determination shall not be unreasonably withheld, conditioned, or delayed) including, without limitation, acts of nature or the public enemy, war, riot, civil commotion, insurrection, state, federal or municipal government, or de facto governmental action (unless caused by acts or omissions of Developer), fires, explosions, floods, pandemics, epidemics, or viral outbreaks, shortages in labor or materials, delays in or damages caused by delivery of materials, and strikes. In the event of Force Majeure, Developer shall be excused from doing or performing the same during such period of delay, so that the completion dates applicable to such performance, or to the construction requirement shall be extended for a period equal to the period of time Developer was delayed, subject to OED Director's approval (which approval shall not be unreasonably withheld, conditioned, or delayed).

Appendix: Grant Agreement Requirements

Assignment

- Until completion of the Project, an assignment of the Developer's duties and obligations under the Agreement shall only be allowed to a direct affiliate of Developer with the prior written approval of the OED Director, not to be unreasonably withheld, conditioned, or delayed.
- After Developer achieves Substantial Completion, Developer may assign its rights or obligations under the Agreement to any entity, provided the assignee expressly assumes all of the obligations of the Developer under the Agreement for the balance of the term of such Agreement.
- Any receivables due under the Agreement may be assigned by Developer or assignee upon providing the OED Director with written notice within thirty (30) calendar days of such assignment. Developer and assignee have the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of their respective rights, title, interest under the Agreement for the benefit of their respective lenders without the consent of, but with written notice to, the OED Director. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate the lender to perform any obligations or incur any liability under the Agreement unless the lender agrees in writing to perform such obligations or incur such liability.

Public Access to Infrastructure Not Owned by City

- If applicable, prior to City's payment of any portion of the Grant and at no cost to the City, Developer shall provide public access easements, deed restrictions, or other instruments reasonably acceptable to the Director if any street and/or utility infrastructure improvements associated with the Project remain in non-City ownership but require public access.

Post-Construction Audit and Possible Reduction in Grant

- Following Substantial Completion and prior to initial payment of the Grant, the City shall conduct a post-construction audit to verify Developer's compliance with all terms and conditions in the Agreement and review the Developer's actual costs incurred to deliver the Project. For every \$100,000 in actual costs incurred below the estimated total Project cost of \$31,651,059, the City shall reduce the Grant by \$42,000. The City agrees to complete such audit within three (3) months of City's receipt of all necessary supporting documentation from Developer.

Appendix: Underwriting

- Grow America (formerly National Development Council), under contract with the City, conducted independent underwriting of the development incentive application
- Developer's development incentive application requested \$13.8 million
- Conclusions of independent underwriting:
 - **Development team:** Development team is highly qualified to carry out the proposed project. Their application demonstrates extensive experience with development projects of similar size and scale.
 - **Financial Capacity:** Development team has demonstrated sufficient financial capacity to support the successful development and stabilization of the proposed project. Development team has a track record of capitalizing similar complex development projects.
 - **Cost Reasonableness:** For establishing cost reasonableness and accounting for this project's intended use, underwriter took the total development cost and divided by the Project's total square footage, which equals \$410.35 (development costs per SF). Total development costs for comparable developments range from \$300-\$450 per square foot in Dallas. Project development costs are within acceptable ranges for this development types in Dallas.
 - **Debt Capacity:** Bank OZK provided a letter wherein it will provide up to \$28,000,000 during the construction phase. For purposes of this underwriting, an 8% interest rate amortized over 30 years with a term of 15 years, 1.25 DCR, and 75% LTV were used to size the permanent debt capacity.
 - **Rationale for City Grant:** Development team requested \$13.8 million in gap funding to close the difference between available sources of financing and total development costs. The funding gap was determined by taking the total development costs (\$31.65 million) and subtracting the senior loan (\$1.88 million), tax credit equity (\$16.19 million), and deferred developer fee of \$74,263.
 - **Market Analysis & Operating Assumptions:** Based on the analysis of the market, there is currently adequate demand for the proposed uses and the economic return. Project appears well-conceived to meet the market demand, and the supply and demand appear in balance. Project should capture at least its fair share of demand, which fair share may be enhanced due to the unique finishes and building features.

Appendix: 2024 Bond Program

Proposition G (\$72,300,000)

- Providing funds for City's programs for economic development pursuant to City's Economic Development Incentive Policy, including making grants of bond proceeds and otherwise providing assistance and incentives for commercial, industrial, retail, residential, mixed-use development, and other economic development and redevelopment, land acquisition, demolition, and infrastructure development



Kevin Spath

Director

Office of Economic Development

The Meadow

a mixed-income, transit-oriented, and permanent supportive housing project
(City Council District 13)

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