

Memorandum



CITY OF DALLAS

DATE May 26, 2026

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 Donnell Willis

SUBJECT **Upcoming Agenda Item: June 24, 2026, Dallas City Council Agenda Item 26-1694A: Public Hearing for Dallas Housing Finance Corporation (DHFC) 2026 Program Year 4% LIHTC Resolution of No Objection – Hall Street Apartments**

The purpose of this memorandum is to brief the Housing and Homelessness Solutions (HHS) Committee of a public hearing scheduled for June 24, 2026, City Council agenda. The hearing concerns the 4% Low Income Housing Tax Credit (LIHTC) application for Hall Street Apartments located at 1823 North Hall Street, Dallas, Texas, 75204 (Project) which was approved for bond inducement in the 2026 program year by the Dallas Housing Finance Corporation (DHFC). The DHFC Board of Directors has authorized an inducement declaring its intent to issue private activity bonds for the Project, allowing them to apply for tax credits for the development with Texas Department of Housing and Community Affairs (TDHCA). These hearings are required as part of the tax credit application process. Not all applications will reach closing due to market forces, financing, zoning, bond availability, or other issues.

Background

Under the 4% LIHTC program, applications approved for inducement by the DHFC for bond approval are also required to obtain the following approvals from the City of Dallas:

- **Resolution of No Objection (RONO):** Applicants of the 4% LIHTC program are required by the Texas Department of Housing and Community Development (TDHCA) to obtain a RONO from the applicable governing body. The resolution must state that a public hearing was held. This resolution is solely for purposes of facilitating the tax credit application through the state process and does not commit the city to any financial liability.
- **Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing Approval:** Section 147 (f) of the Internal Revenue Code requires that for the bonds to be tax exempt, the City of Dallas must approve the issuance of the bonds by the Issuer following a public hearing. The TEFRA hearing is a separate hearing which is publicly advertised and held. The resolution approving that the hearing took place is a requirement of the TBRB for bond issuance. The City of Dallas is not asked to issue bonds. The bonds will not be a debt, liability, or an obligation of the City, nor will any of the City's assets be pledged for payment of the bonds. The City's name will not appear on the bonds. The approval being requested is only for the purpose

of complying with federal law and with regard to tax exempt debt for specific utilization in the state LIHTC program.

On April 12, 2023, by Resolution No. 23-0444, the City Council adopted the Dallas Housing Resource Catalog (DHRC), which contains the approved city-supported housing programs, corporations, funding, and compliance tools, used to develop and maintain mixed-income housing through the Office of Housing and Community Empowerment (OHCE).

On April 22, 2026, by Resolution No. 26-0742, the City Council authorized an amendment to the DHRC and the program statement for the Dallas Housing Finance Corporation, which establishes a clearer and more consistent process for reviewing projects that seek City support. Additionally, the amendment requires the Corporation to prioritize projects designated by City Council and confirmed by OHCE staff, including the redevelopment of existing deed restricted affordable housing, developments located in close proximity to job centers or areas with high concentrations of employment opportunities, and projects that serve populations at higher risk of experiencing social, economic, or health disparities. For LIHTC, the amendment clarifies the City’s role in reviewing and supporting Housing Tax Credit proposals by establishing consistent local evaluation standards, distinguishing the procedures for 4% and 9% applications, and ensuring that scoring priorities are published annually to reflect evolving housing needs and policy objectives.

This Project advances this priority by developing new housing serving populations at higher risk of experiencing social, economic, or health disparities. The Project is located in census tract 16.02 in District 14 with 2.7% poverty. The fair housing rating is low positive. The Project is located within one linear mile of another development serving the same target population, which received a Housing Tax Credit allocation in the three-year period preceding the date the TDHCA application round began. Pursuant to Tex. Gov’t. Code § 2306.6703(a) and 10 Tex. Admin. Code § 11.3 (d), the City Council, as the governing body of the local government where the Project is to be located, must by vote specifically allow the construction of the Project and authorize the allocation of Housing Tax Credits.

The following application(s) have been approved for inducement by the DHFC. The chart below details waivers requested by the applicant, if applicable. Please see Exhibit A for map location.

Development Name	Developer	Council District	Development Costs	Bond Amount	50% AMI	60% AMI	80% AMI	Market Rate	Total Units	Poverty Rate	Waiver?
Hall Street Apartments	Fairfield Hall Street, LP	14	\$136,446,234	\$75,000,000		354			354	2.70%	1mi/3yr

Section 11.3 of the Texas QAP defines four de-concentration factors - (1) jurisdictions with more than twice the state average of tax-credit units per capita, (2) new developments located within one mile of another project awarded tax credits in the past three years, (3) census tracts with poverty rates at or above 40%, and (4) census tracts where at least 20% of households are in Housing Tax Credit units - all of which require local government acknowledgment or resolution before proceeding

- **Twice the State Average Per Capita:** If a city has more than twice the statewide average of LIHTC units per capita, new developments need local government approval. (acknowledgment)
- **One-Mile, Three-Year Rule:** A new LIHTC development cannot be within one mile of a similar project built in the last three years unless the city approves it. (acknowledgment)
- **40%+ Poverty Rate:** Developments in census tracts with poverty rates of 40% or higher require a local resolution acknowledging the location. (waiver)
- **20%+ HTC Units in Census Tract:** If 20% or more of households in a tract are in LIHTC units, a local resolution is needed to proceed. (waiver)

Additionally, the City of Dallas has chosen to also acknowledge when the proposed development is located in a census tract with more than 20% poverty.

The DHFC Board of Directors approved the Development for inducement on March 10, 2026. The developer has proposed a new construction project in District 14 at 1823 North Hall Street, Dallas, Texas 75204, consisting of 354 units in a wrap-style building with a 6-story parking garage. The unit mix includes 72 one-bedroom units, 181 two-bedroom units, and 101 three-bedroom units. The Project increases the supply of affordable housing in a central location within District 14, providing additional income-restricted units near major employment centers, public transit, and existing neighborhood services. Total development costs are estimated at approximately \$136,446,234.00, including the land acquisition price. The construction budget is estimated to be approximately \$69,030,000.00, which is \$195,000.00 per unit.

The Project will offer the standard amenities and services required by TDHCA for all non-competitive LIHTC programs, including:

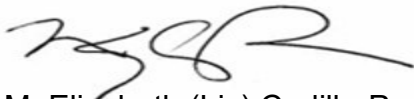
- Minimum 12 hours/week organized on-site K-12 programming (e.g. tutoring, after school and summer care, etc.)
- Minimum 4 hours/week organized onsite classes for adults (e.g., GED, ESL, financial literacy, etc.) Weekly financial literacy classes.
- Food pantry accessible to residents (on site or via on-request transportation).
- Annual health fair - in addition, the community will provide free annual flu shots.
- Notary services for tenants.
- Minimum 2x/month arts, crafts, or other recreational activities (e.g., book club).

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- Minimum 2x/month on-site social events (e.g., potlucks, holiday celebrations, etc.).

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!



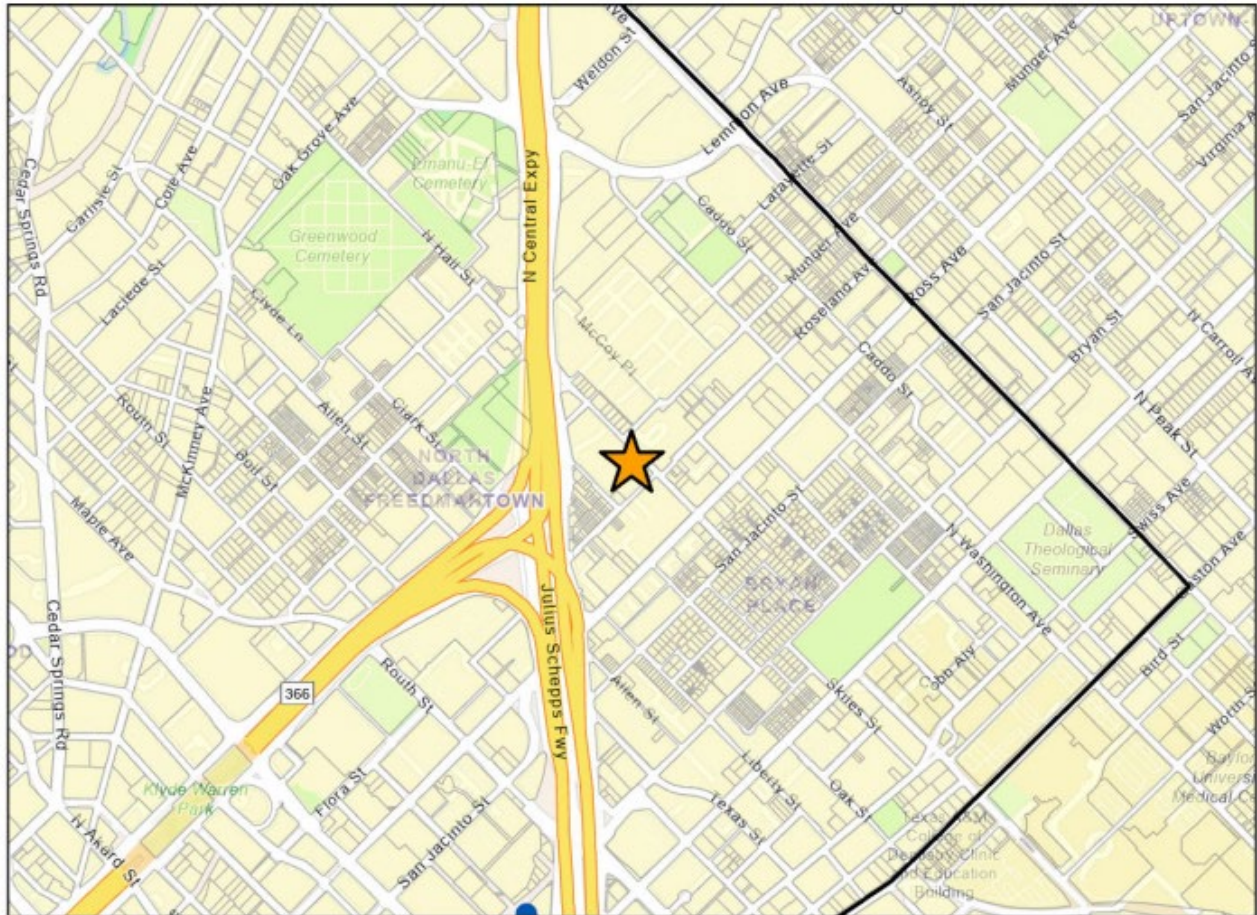
M. Elizabeth (Liz) Cedillo-Pereira, J.D.
Assistant City Manager

c: Kimberly Bizer Tolbert, City Manager
Bertram Vandenberg, City Attorney (I)
Mamatha Sparks, City Auditor (I)
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Baron Eliason, Inspector General (I)
Dominique Artis, Chief of Public Safety

Dev Rastogi, Assistant City Manager
Alina Ciocan, Assistant City Manager
Robin Bentley, Assistant City Manager
Jack Ireland, Chief Financial Officer
Ahmad Goree, Chief of Staff to the City Manager
John Johnson, Chief of Real Estate
Directors and Assistant Directors

EXHIBIT A

**Hall Street Apartments
 1823 N Hall Street
 Council District 14**



Legend

Council Districts (Implemented on May 6, 2023)	DHFC Completed Projects
DPFC Completed Projects	Project Location Current
TDHCA LIHTC Project List	Appraisal District Parcels 2025

Terminology:
 DHFC: Dallas Housing Finance Corporation
 DPFC: Dallas Public Facility Corporation
 LIHTC: Low income Housing Tax Credit
 TDHCA: Texas Department of Housing and Community Affairs

