



**SERVICE
FIRST,
NOW!**

**May 27, 2026, City Council Agenda Item TBD
Amendment to the Dallas Housing Resource
Catalog - Dallas Housing Finance Corporation,
Dallas Public Facility Corporation, and Housing
Tax Credit Program Statements**

**Housing and Homelessness Solutions
Committee**

March 24, 2026

Thor Erickson

Director

Office of Housing and Community Empowerment

James Armstrong III

Deputy Director

Office of Housing and Community Empowerment

Aaron Eaquinto

General Manager

Dallas Housing Finance Corporation

Dallas Public Facility Corporation

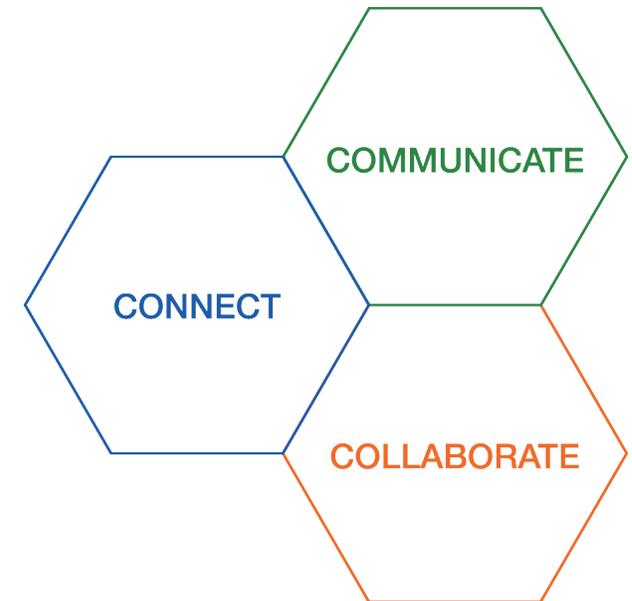


Purpose

The purpose of this presentation is to discuss the Housing Tax Credit, Dallas Housing Finance Corporation and Dallas Public Facility Corporation proposed programs amendments for City Council consideration on May 27, 2026.

This item was referred to the Housing and Homelessness Solutions Committee on March 25, 2026, and the topics will be part of the Full City Council Briefing in the State of Housing in Dallas briefing on April 1, 2026.

The proposed amended program statements originate from City Council requests to strengthen program governance and advance City of Dallas housing initiatives.



Proposed Housing Tax Credit Program Statement Amendment

Current Program Statements	Proposed Program Statements
Combined directions for 4% and 9% applications without clearly separating the process for each type of application	Defines sections for Resolution of No Objection (4% LIHTC) and Resolution of Support (9% LIHTC)
Included definitions and verbage from the Qualified Allocation Plan (QAP)	Removes state QAP language and items reviewed by the State of Texas to avoid duplication
Application criteria was within program statement, which limited ability to update annually	Application criteria removed from program statement and placed in Request for Application (RFA) guidebook which can be updated annually
No requirement for developers to notify City Council members in writing prior to application	Adds new step that requires developers to notify the appropriate City Council members before submitting application
Unclear process for waiver/acknowledgements	Adds clarity around waiver requests aligned with the State's Qualified Action Plan and sets 2/3 council vote for approval
Confusion if projects could be supported for projects in high-poverty areas	Sets requirements for projects in geographic areas with > 20% poverty and requires projects to receive a neutral or positive Fair Housing Rating and 2/3 council vote for approval



Proposed DHFC/DPFC Program Statement Amendment

- In 1984 the DHFC was created and completed 9 properties up to 2020, since then it has completed an additional 20 and 16 under construction. In 2020 the DPFC was created and has completed 12 projects and has 7 under construction.
- From 2019 to present, Council has asked questions about both corporations such as; location of projects, use of revenue, public benefit, and others. The current program statements offer no direct guidance on corporation activity.
- October 29, 2024 – Special Called HHSC meeting to discuss DHFC and DPFC program operations based on Council questions with DHFC and DPFC projects seeking approvals
- January 28, 2025 – briefing at HHSC on recommended amendments to policy, operations, and bylaws for the DHFC and DPFC
- Throughout 2025 – Staff workshopped program statements with both DHFC and DPFC Boards and stakeholders in addition to presenting updates to HHSC
- October 21, 2025 - OHCE briefing to HHSC on amendments to program statements, request for training videos
- January 2026 – OHCE developed training videos to assist City Council for the conversations around both Corporations
 - DPFC [Dallas Public Facility Corporation Training Video](#)* DHFC [Dallas Housing Finance Corporation Training Video](#)**
- February 23, 2026, OHCE briefing to HHSC on amendments to program statements
- OHCE staff continued to meet with City Council Members, Housing Stakeholders and DHFC and DPFC board members to refine the program statements.

*DPFC Video - <https://www.youtube.com/watch?v=FckDZ5qyegA>

**DHFC Video - <https://www.youtube.com/watch?v=OaMFKRtEPx4&feature=youtu.be>

Proposed DHFC/DPFC Program Statement Amendment

The Dallas Housing Finance Corporation was created by City Council exclusively for the purpose of assisting the City in financing the cost of residential development that will provide decent, safe, and sanitary housing for persons of low and moderate income.

The Dallas Public Facility Corporation was created by City Council exclusively for the purpose of assisting the City in financing, refinancing, or providing public facilities and used primarily for housing activities.

Current Program Statement

- States the Texas Local Government Codes which governs the corporations' activities.

Staff Proposed Program Statements include:

- Corporation and city staffing roles,
- Application criteria and geographic priority areas,
- Rehab and new construction standards,
- Reporting criteria,
- Use of revenue.

Proposed DHFC/DPFC Program Statement Amendment

Criteria	DHFC – Staff Proposed Policy	DPFC - Staff Proposed Policy	Board Comment	Staff Comment
Project Location	Prioritize rehab of expiring deed restricted properties or close to job centers or serve specific populations in areas with <20% poverty	Prioritize new construction and areas with >20% poverty; and areas with higher-than-average appraised values of residential property	Generally, does not support conditions to location	Proposal based on data showing locations of deed restricted properties and encouraging housing activity to align with housing need
Project Conditions	If waivers requested for in high-poverty/R/ECAP areas require 2/3 Council vote	Projects removing revenue from tax role require 2/3 Council vote	Generally, does not support additional level of approval than majority	Set threshold at 2/3 to call more attention to projects that falls outside project location prioritization
Use of Revenue	Corporate and city administration, DHFC project needs for gap, invest in Dallas Housing Opportunity Fund (DHOF), or other fund to support affordable housing		Generally, in support of this	Developed in response to housing needs and best ways to leverage revenue of corporations
Tax-Exempt Reporting	Quarterly reports on activity, total units, pipeline, use of revenue, total tax-exempt value annually		Generally, in support of this	Allows City Council to understand financial impact to budget
Board Participation	Director (or designee) as ex-officio membership on Boards		Does not support. Prefers Liaison	Allows City staff access to pertinent discussions related to properties and ensures City priorities are centered

Policy Discussion – Geographic Focus

Geographic Focus

- Staff approach is to align resources to address the housing need
 - Bring affordable housing to high opportunity areas
 - Bring market rate units to high poverty areas
- Proposed DHFC
 - DHFC primarily rehabs existing buildings and provides units under 60%AMI
 - Proposed policy is to prioritize rehab of expiring deed restricted properties and rehab of properties close to job centers or serve specific populations in areas with <20% poverty
 - If waivers requested for in high-poverty/R/ECAP areas require 2/3 Council vote
- Proposed DPFC
 - DPFC primarily constructs new buildings and provide market rate and affordable units
 - Proposed policy is to prioritize new construction and areas with >20% poverty; and areas with higher-than-average appraised values of residential property
 - Projects removing revenue from tax role require 2/3 Council vote

Policy Discussion – Board Participation

Board Participation

- Staff approach is to be able to participate in project discussion and ensure alignment with existing policies
 - To be apprised of any legal or risk with projects discussed at executive session
 - Liaison and invite to executive session
- Proposed policy is that Director (or designee) serve as ex-officio member on each Board of Directors

Recommendation

- Staff recommends approving the Dallas Housing Resource Catalog Amendments with staff recommendations on May 27, 2026, City Council Agenda TBD to amend the:
 - Housing Tax Credits Program
 - Clarifying application process and set standards for waivers and areas of poverty.
 - Dallas Housing Finance Corporation and Dallas Public Facility Corporation Program Statements
 - Establishing compliance functions and policies and procedures,
 - Setting geographic priorities,
 - Assigning ex-officio member to each board,
 - Providing guidance on use of revenue.



**SERVICE
FIRST,
NOW!**

**May 27, 2026, City Council Agenda Item TBD
Amendment to the Dallas Housing Resource
Catalog - Dallas Housing Finance Corporation,
Dallas Public Facility Corporation, and Housing
Tax Credit Program Statements**

**Housing and Homelessness Solutions
Committee**

March 24, 2026

Thor Erickson

Director

Office of Housing and Community Empowerment

James Armstrong III

Deputy Director

Office of Housing and Community Empowerment

Aaron Eaquinto

General Manager

Dallas Housing Finance Corporation

Dallas Public Facility Corporation



Appendix



**SERVICE
FIRST,
NOW!**



**SERVICE
FIRST,
NOW!**

**February 25, 2026, City Council Agenda Item 26-
255A Amendment to the Dallas Housing Resource
Catalog Dallas Housing Finance Corporation,
Dallas Public Facility Corporation, Dallas
Homebuyer Assistance Program and Housing Tax
Credit Program Statements**

**Housing and Homelessness Solutions
Committee**

February 23, 2026

Thor Erickson

Director

Office of Housing and Community Empowerment

James Armstrong III

Deputy Director

Office of Housing and Community Empowerment

Aaron Eaquinto

General Manager

Dallas Housing Finance Corporation

Dallas Public Facility Corporation



Purpose

The purpose of this presentation is to discuss the Housing Tax Credit, Dallas Homebuyer Assistance Program, Dallas Housing Finance Corporation and Dallas Public Facility Corporation proposed programs amendments for City Council consideration on February 25, 2026.

The proposed amended program statements stem from City Council requests to streamline applications, outsource the homebuyer assistance program and provide oversight and compliance to programs. They reflect compliance, collaboration upon multiple parties and advance City of Dallas housing priorities.

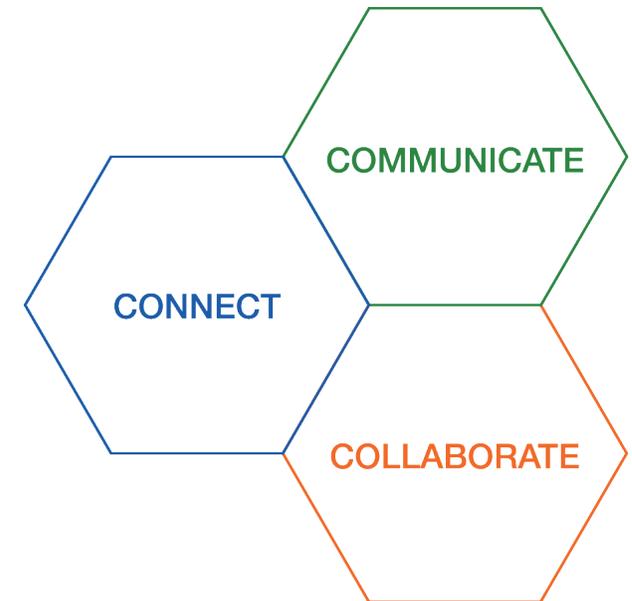


Table of Contents



- **Dallas Housing Resource Catalog Program Statement Amendments**
 - Housing Tax Credit
 - Dallas Homebuyer Assistance Program
 - Dallas Housing Finance Corporation
 - Dallas Public Facility Corporation
- **Next Steps**



Housing Tax Credit Program Statement Amendment

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.

Current Program Statement

- Combines Resolution of No Objection (4% LIHTC) and Resolution of Support (9% LIHTC) together without sections
- Has select State Qualified Action Plan (QAP) technical guidance and definitions
- Has application criteria in policy rather than in a guiding document to be updated based on yearly QAP updates

Proposed Program Statement

- Defines sections for Resolution of No Objection (4% LIHTC) and Resolution of Support (9% LIHTC)
- Sets a timeline and calendar for applications and staff review and links to the State's Qualified Action Plan for Developers to see all technical guidance
- Adds a new requirement for developer to notify City Council member in the respective areas prior to submitting an application
- Adds clarity around waiver requests aligned with the State's Qualified Action Plan
- Sets standards for project type in in areas of greater than 20% poverty
- Continues to require Fair Housing Assessment



Dallas Homebuyer Assistance Program Statement Amendment

Dallas Homebuyer Assistance Program Statement

The Dallas Homebuyer Assistance Program provides financial assistance for down payment, closing costs, and principal reduction.

Current Program Statement

- Allows staff to administer, but does not allow administration by third parties
- Has lien term as listed in chart below

Proposed Program Statement

- Allow administration by third parties
- Update the lien period based on assistance amount to be consistent with the [HOME Final Rule effective February 5, 2025*](#)

Required Affordability Periods	Current Funding Limits	New Funding Limits
5 years	Less than \$15,000	Less than \$25,000
10 years	\$15,000 - \$40,000	\$25,000 - \$50,000
15 years	Over \$40,000	Over \$50,000

* <https://www.federalregister.gov/documents/2025/01/06/2024-29824/home-investment-partnerships-program-program-updates-and-streamlining>



**SERVICE
FIRST,
NOW!**



Dallas Housing Finance Corporation Dallas Public Facility Corporation Program Statement Amendments

Background - Developing DHFC/DPFC Program Statements

The Dallas Housing Finance Corporation is exclusively for the purpose of assisting the City in financing the cost of residential development that will provide decent, safe, and sanitary housing for persons of low and moderate income.

The Dallas Public Facility Corporation is exclusively for the purpose of assisting the City in financing, refinancing, or providing public facilities.

Current Program Statement

- States the Texas Local Government Codes which governs the corporations' activities.

Proposed Program Statement

- Adds sections on partnerships, policies and procedures, corporation and city staffing roles, application criteria, geographic priority areas, community input, relocation, rehab and new construction standards, alignment with city policies, reporting criteria, use of revenue.

Timeline - Developing DHFC/DPFC Program Statements

- In 1984 the DHFC was created and completed 9 properties up to 2020, since then it has completed an additional 20 and 16 under construction. In 2020 the DPFC was created and has completed 12 projects and has 7 under construction.
- From 2019 to present, Council has asked questions about both corporations such as; location of projects, use of revenue, public benefit, and others. The current program statements offer no direct guidance on corporation activity.
- October 29, 2024 – Special Called HHSC meeting to discuss DHFC and DPFC program operations based on Council questions with DHFC and DPFC projects seeking approvals
- January 28, 2025 – briefing at HHSC on recommended amendments to policy, operations, and bylaws for the DHFC and DPFC
- Throughout 2025 – Staff workshopped program statements with both DHFC and DPFC Boards and stakeholders in addition to presenting updates to HHSC
- October 21, 2025 - OHCE briefing to HHSC on amendments to program statements, request for training videos
- January 2026 – OHCE developed training videos to assist City Council for the conversations around both Corporations
 - DPFC [Dallas Public Facility Corporation Training Video](#)* DHFC [Dallas Housing Finance Corporation Training Video](#)**
- OHCE staff continued to meet with City Council Members, Housing Stakeholders and DHFC and DPFC board members to refine the program statements for consideration on February 25, 2026.

*DPFC Video - <https://www.youtube.com/watch?v=FckDZ5qyegA>

**DHFC Video - <https://www.youtube.com/watch?v=OaMFKRtEPx4&feature=youtu.be>



Dallas Housing Finance Corporation Dallas Public Facility Corporation

Overview of Dallas Housing Finance Corporation and Dallas Public Facility Corporation*

Category	Dallas Housing Finance Corporation (DHFC)	Dallas Public Facility Corporation (DPFC)
Established	1984	2020
Legal Basis	Texas Housing Finance Corporation Act (Ch. 394, TX Local Gov. Code)	Public Facility Corporation Act (Ch. 303, TX Local Gov. Code)
Primary Purpose	Assist low/moderate-income persons in acquiring, renting and owning affordable housing	Assist the City in financing and preserving mixed-income workforce housing
Target Income Group	Low and moderate income (at or below 60% AMI by statute)	Residents earning ≤ 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 investing in public facilities
Partnership Roles	General Partner, Ground Lessor, Co-Developer, General Contractor	General Partner, General Contractor, Landowner
Total # of Properties and Units	45 properties; 10,330 units	20 properties; 4,136 units
Estimated Total Property Value	\$2.5 Billion	\$1.1 Billion
Estimated Total Taxes Foregone	\$1,756,256.00	\$385,634.00
Total Revenue	\$6,041,873.00	\$952,334.00

*Data provided from DHFC and DPFC from inception to January 2026

Background/History - Developing DHFC/DPFC Program Statements

- The median household income in Dallas is \$67,760*
- 100% Area Median Income (AMI) for a family of four is \$117,300**
- The federal poverty line is an income just over \$32,000 for a family of four***
- To achieve mixed income communities
 - DHFC projects typically serve lower or moderate-income households (up to 60% AMI) and should avoid concentrating affordable housing units in neighborhoods that already have predominantly low-income households
 - By State Statute, DHFC projects typically serve households who are low to moderate income
 - DPFC projects serve higher income households (above 80% AMI) and should prioritize developing housing in areas with predominantly low-income households
 - By State Statute, DPFC projects typically serve higher income levels such as 80% AMI and market rate households

DPFC

DHFC

Area Median Income (AMI)				
Number of Persons in the Household				
	1	2	3	4
140%	\$114,954	\$131,376	\$147,798	\$164,220
120%	\$98,532	\$112,608	\$126,684	\$140,760
100%	\$82,110	\$93,840	\$105,570	\$117,300
80%	\$65,700	\$75,100	\$84,500	\$93,850
60%	\$49,320	\$56,340	\$63,360	\$70,380
50%	\$41,100	\$46,950	\$52,800	\$58,650

*Based on the U.S. Census Bureau's American Community Survey (ACS). Median household income includes all individuals occupying a housing unit.

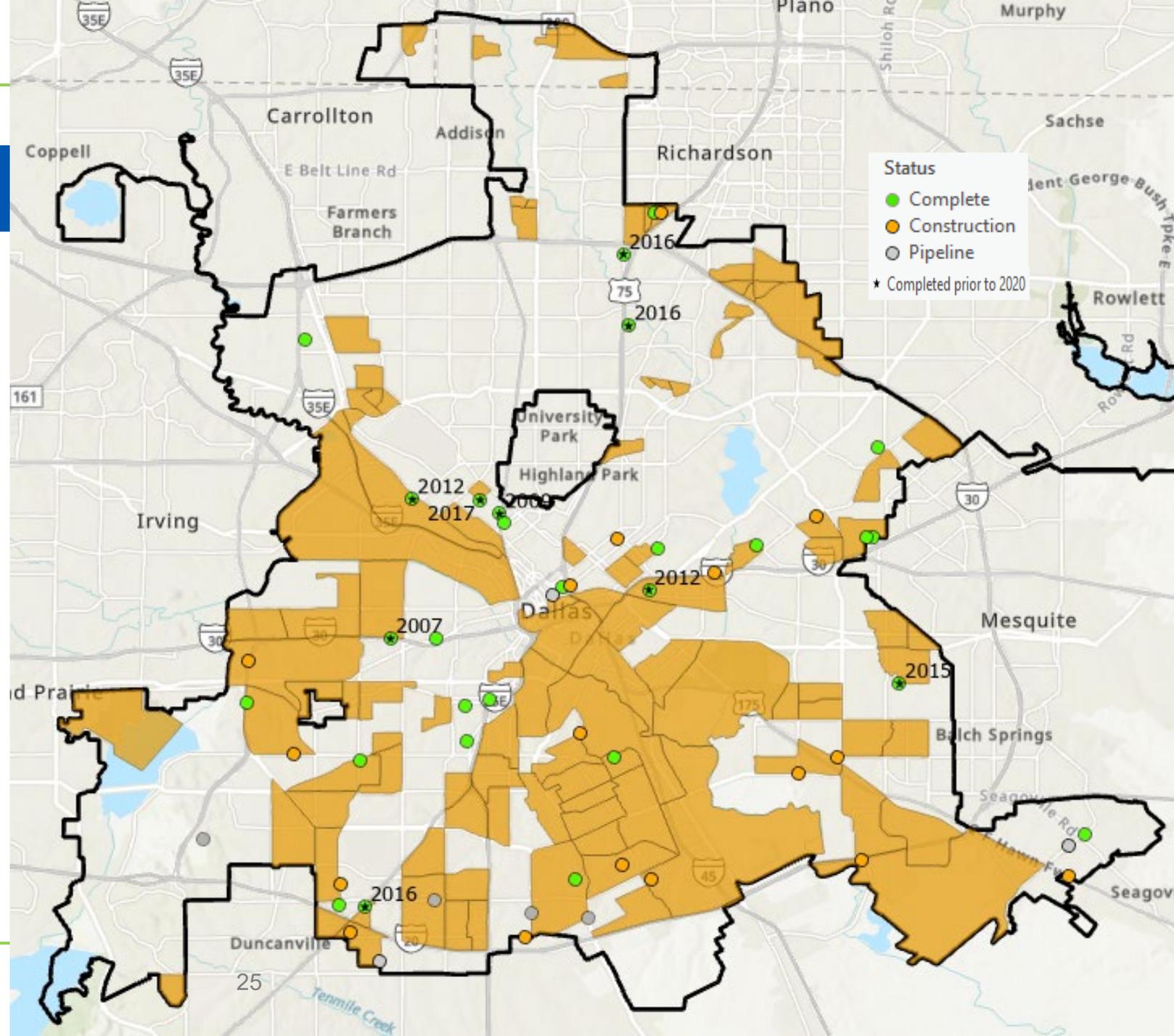
**HUD Income limits effective June 1, 2025

*** Department of Health and Human Services 2025 guidelines

DHFC Portfolio

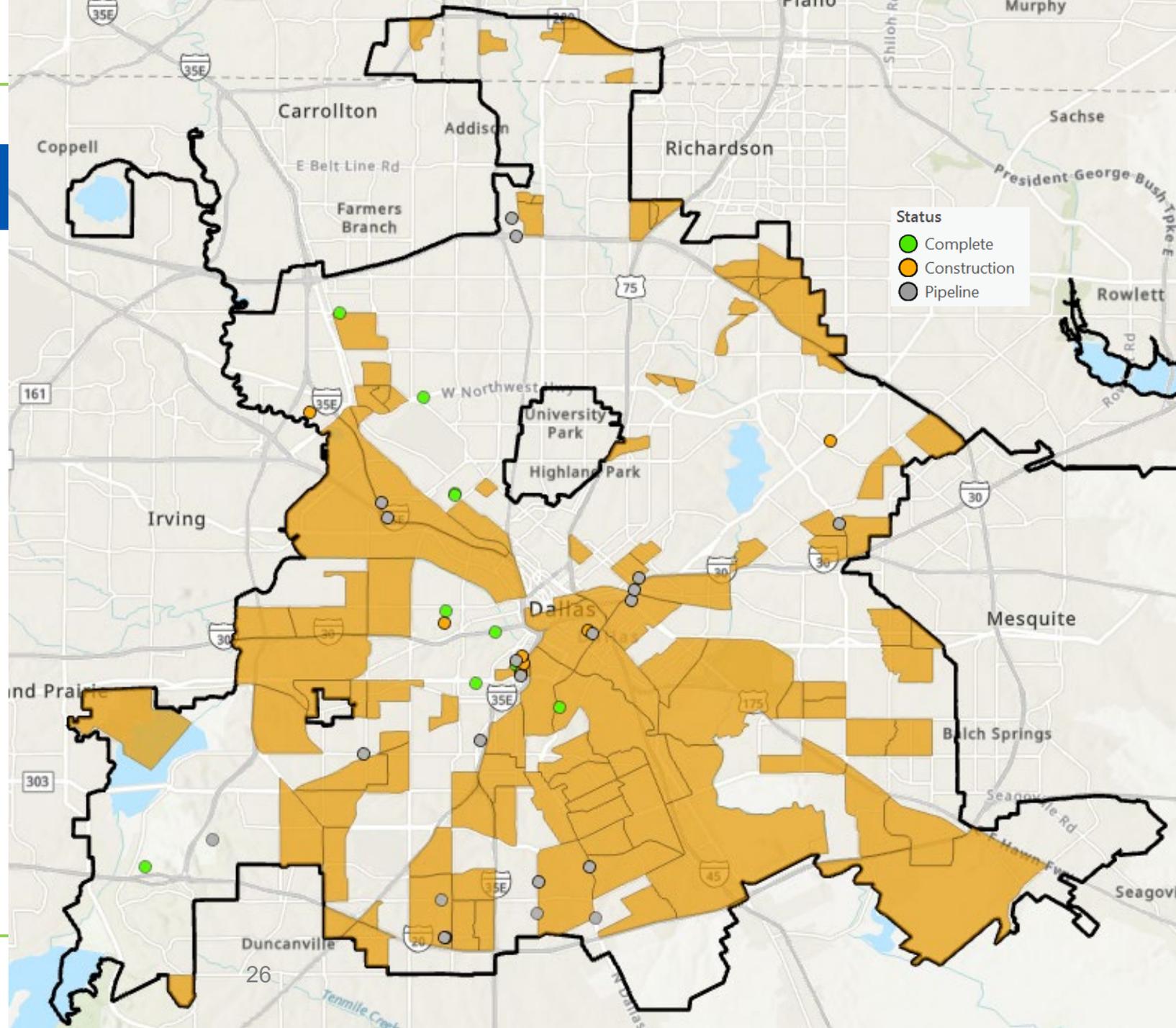
- 45 properties in portfolio (1984-2026)
 - 29 properties in operation
 - 16 under construction
 - 7 in pipeline
- Since 2021, 19 of 26 properties requested waivers as part Resolution of No Objection (RONO) approval for Low Income Housing Tax Credits (LIHTC). Some had multiple waivers.
- 0 projects - Twice the State Average per Capita
- 16 projects - One Mile within Three Years
- 5 projects - 20% Housing Tax Credit (HTC) Units per Total Households in the Census Tract (waiver)
- 2 projects - Racially or Ethnically Concentrated Area of Poverty (R/ECAP) (waiver)
- 8 projects - were approved when the poverty rate of the census tract was over 20%

Data from January 2026



DPFC Portfolio

- 20 properties in portfolio (2020-2026)
 - 12 complete
 - 8 under construction
 - 7 in pipeline
- 15 of the existing 19 properties are in higher income areas (census tracts with a poverty rate at or below 20%)



Data from January 2026



Dallas Housing Finance Corporation Dallas Public Facility Corporation Program Statement Amendments

DHFC/DPFC Program Statements Highlights

Program Statements apply to all projects for DHFC/DPFC

- Written policies and procedures for both corporations
- OHCE Director (or Designee) as ex-officio DHFC/DPFC board member
- DHFC/DPFC oversee administration of both corporations, coordinate communications with developers, provide project oversight and reporting to OHCE quarterly
- OHCE reviews projects for alignment with City Policies, Program Statements, prepares projects for City Council, and monitors long term affordability
- Revenue to support:
 - Corporate and City administration
 - Investments in approved affordable housing activities
 - Gap financing, development, acquisition, and rehab
 - Investment in Dallas Housing Opportunity Fund or other funds that support affordable housing in the City
- City will not support tax exemptions or municipal approvals for non DHFC/DPFC projects

DHFC/DPFC Program Statements Highlights

Criteria	DHFC	DPFC
Project Location	Prioritize rehab of expiring deed restricted properties or close to job centers or serve specific populations in areas with <20% poverty	Prioritize new construction and areas with >20% poverty; and areas with higher-than-average appraised values of residential property
Project Conditions	If waivers requested for in high-poverty/R/ECAP areas require 2/3 Council vote	Projects removing revenue from tax role require 2/3 Council vote
Use of Revenue	Corporate and city administration, DHFC project needs for gap, invest in Dallas Housing Opportunity Fund (DHOF), or other fund to support affordable housing	Corporate and city administration, DPFC project needs for gap, invest in Dallas Housing Opportunity Fund (DHOF), or other fund to support affordable housing
Tax-Exempt Reporting	Quarterly reports on activity, total units, pipeline, use of revenue, total tax-exempt value annually	Quarterly reports on activity, total units, pipeline, use of revenue, total tax-exempt value annually

Policy Discussion

- There have been many conversations about the updates to the Program Statements.
- Three areas were identified where OHCE recommendations did not align with DHFC and DPFC boards:

Category	OHCE Staff Recommendation	DHFC/DPFC Board Position	Pro	Con
Geographic Focus	Prioritize DHFC/DPFC projects to address housing needs	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 limitation and Tax Exemption Cap	OHCE has not made a formal recommendation as each project has limited impact based on appraised value before construction. As the portfolios grow this amount starts to get larger. Overall exemptions in the city should be considered. OHCE defers to City Council to determine.	Oppose limiting production and enforcing a cap	Allows more control of potential impact to the general fund budget	Potentially reduces the number of projects approved in any one year. Projects may not all come online at the same time.
Board Participation	Director (or designee) as ex-officio membership on Boards	Advisory only participation without a formal seat on Board	Allows City staff access to pertinent discussions related to properties and ensures City priorities are centered	Corporation concerned about potential conflict and access to personnel issues

Next Steps

- Staff recommends approving the Dallas Housing Resource Catalog Amendments with staff recommendations on February 25, 2026, City Council Agenda #26-255A to amend the:
 - Housing Tax Credits Program
 - Clarifying application process and set standards for waivers and areas of poverty.
 - Dallas Homebuyer Assistance Program
 - Allowing third party administrators and adjust lien periods.
 - Dallas Housing Finance Corporation and Dallas Public Facility Corporation Program Statements
 - Establishing compliance functions and policies and procedures,
 - Setting geographic priorities,
 - Assigning ex-officio member to each board,
 - Providing guidance on use of revenue.



**SERVICE
FIRST,
NOW!**

February 25, 2026, City Council Agenda Item 26-255A Amendment to the Dallas Housing Resource Catalog Dallas Housing Finance Corporation, Dallas Public Facility Corporation, Dallas Homebuyer Assistance Program and Housing Tax Credit Program Statements

Housing and Homelessness Solutions Committee

February 23, 2026

Thor Erickson

Director

Office of Housing and Community Empowerment

James Armstrong III

Deputy Director

Office of Housing and Community Empowerment

Aaron Eaquinto

General Manager

Dallas Housing Finance Corporation

Dallas Public Facility Corporation



Housing Data

Rental Housing

- A shortage of 40,000 affordable rental units for households who make less than \$58k for family of 4 (50%Area Median Income).
- 7,700 units will lose rent restrictions by 2033.

Homeownership Housing

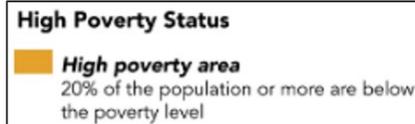
- 42,000 households can afford homeownership but are currently renting.
- Average Dallas home price is \$405k and a household needs \$135k income to qualify and not have payments that exceed 30% of income.

Homelessness

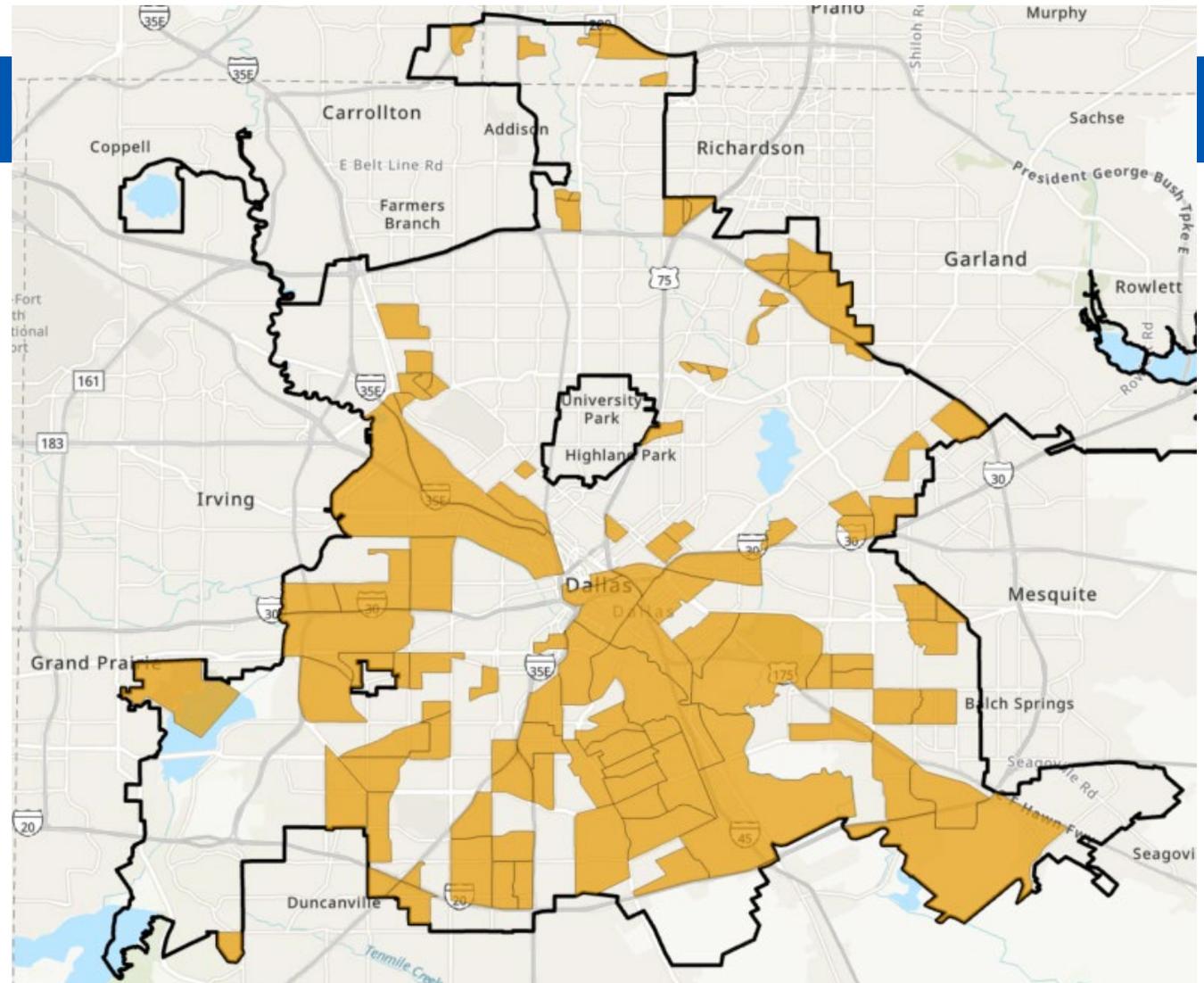
- There are on average 3,500 individuals experiencing homelessness in the Dallas and Collin County area, roughly 9 people per 10,000 residents.
- Dallas has ~2,400 Emergency Shelter Beds which at or near capacity.

Housing Data

- Census Tracts where 20% of residents are below poverty line.*
- City Average is 15.8%



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



*The Poverty Rate is defined as the percentage of people whose household income falls below the poverty threshold set by the government. 34