

# Memorandum



CITY OF DALLAS

DATE January 3, 2025

TO Honorable Members of the City Council Economic Development Committee: Tennell Atkins (Chair), Omar Narvaez (Vice Chair), Carolyn King Arnold, Chad West, Adam Bazaldua, Paul Ridley, and Kathy Stewart

SUBJECT **Dallas Housing Opportunity Fund (DHOFF) – Annual Progress Update**

On December 8, 2021, City Council approved Resolution No. 21-1973, authorizing a Chapter 380 economic development grant agreement (Agreement) with Dallas Housing Opportunity Fund (DHOFF) to support the development of affordable housing within the City of Dallas. Local Incentives Support Corporation Fund (LISC) Fund Management, LLC is the sole managing member of DHOFF and manages, implements, and administers the fund.

As you know, the DHOFF is a targeted investment fund with a minimum fund size of at least \$46 million, of which at least \$40 million is to be raised by the DHOFF from private philanthropic donors as a deliverable of the Agreement on or before December 31, 2026. The remaining \$6 million was provided by the City of Dallas in the form of a Chapter 380 economic development grant and secured by a promissory note. Under the Agreement, DHOFF shall create or retain a minimum of 1,500 housing units by the end of 2031 for households earning at or below 120% of the area median income, with the first 100 units to be created on or before December 31, 2025.

During the obligatory period of the Agreement, LISC is required to submit written quarterly status reports to the Director as well as an annual report. The presentation attached as **Exhibit A** serves as the required annual report for 2024.

Should you have any questions, please contact Kevin Spath, Director (I), in the Office of Economic Development at (214) 670-1691 or [kevin.spath@dallas.gov](mailto:kevin.spath@dallas.gov).



Robin Bentley  
Assistant City Manager (I)

c: Kimberly Bizar Tolbert, City Manager (I)  
Tammy Palomino, City Attorney  
Mark Swann, City Auditor  
Biliera Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Dominique Artis, Chief of Public Safety (I)

Dev Rastogi, Assistant City Manager  
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Alina Ciocan, Assistant City Manager  
Donzell Gipson, Assistant City Manager (I)  
Jack Ireland, Chief Financial Officer  
Elizabeth Saab, Chief of Strategy, Engagement, and Alignment (I)  
Directors and Assistant Directors

# Dallas Housing Opportunity Fund

## Dallas Housing Opportunity Fund Progress update to the City of Dallas

January 6, 2025

Presented by Ben Glispie  
Senior Director Fund Investments of  
LISC Fund Management

Clint Hill  
Senior Loan Underwriter  
TREC

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# The National LISC Fund Management Team



Tiffany Durr, New President of LISC Fund Management



**TIFFANY  
DURR**

PRESIDENT,  
LISC FUND  
MANAGEMENT



**JAIME  
AVERY**

SENIOR  
DIRECTOR OF  
PORTFOLIO AND  
RISK  
MANAGEMENT



**CATHERINE  
CARLSTEDT**

SENIOR  
DIRECTOR OF  
MARKETING



**LAURA  
CONRY**

SENIOR  
DIRECTOR  
OF FUND  
MANAGEMENT  
AND  
OPERATIONS



**OKOMBOLI  
ONG'ONG'A**

SENIOR  
DIRECTOR OF  
FUND MODELING  
AND DESIGN



**MICHELLE  
SPIVAK**

SENIOR  
DIRECTOR OF  
BUSINESS  
DEVELOPMENT



**BEN  
GLISPIE**

SENIOR  
DIRECTOR OF  
FUND  
INVESTMENTS



**MICHAEL  
SKREBUTENAS**

SENIOR VICE  
PRESIDENT, LISC  
HOUSING

LISC Fund Management (LFM) registered as an investment adviser with the SEC on December 15, 2020.

LFM manages over \$900MM in capital on behalf of our clients for impact investments.



# TREC Community Investors - Leadership



**JAMEE  
JOLLY**  
PRESIDENT & CEO



**SUMMER  
LOVELAND**  
CFO/COO



**DOMINIQUE  
PRYOR-  
ANDERSON**  
SENIOR DIRECTOR  
COMMUNITY  
INVESTMENT



**KAWANISE  
JORDAN**  
COMMUNITY  
INVESTMENT  
MANAGER



**AMY  
STOVALL**  
SENIOR DIRECTOR  
OF  
COMMUNICATIONS  
AND BRAND



**CLINTON  
HILL**  
LOAN  
UNDERWRITER

TREC Community Investors is a Dallas-based 501 (c) 3 nonprofit organization and certified CDFI focused on neighborhood revitalization with expertise in the development and renovation of affordable housing, and community-based real estate projects.

# Dallas Housing Opportunity Fund

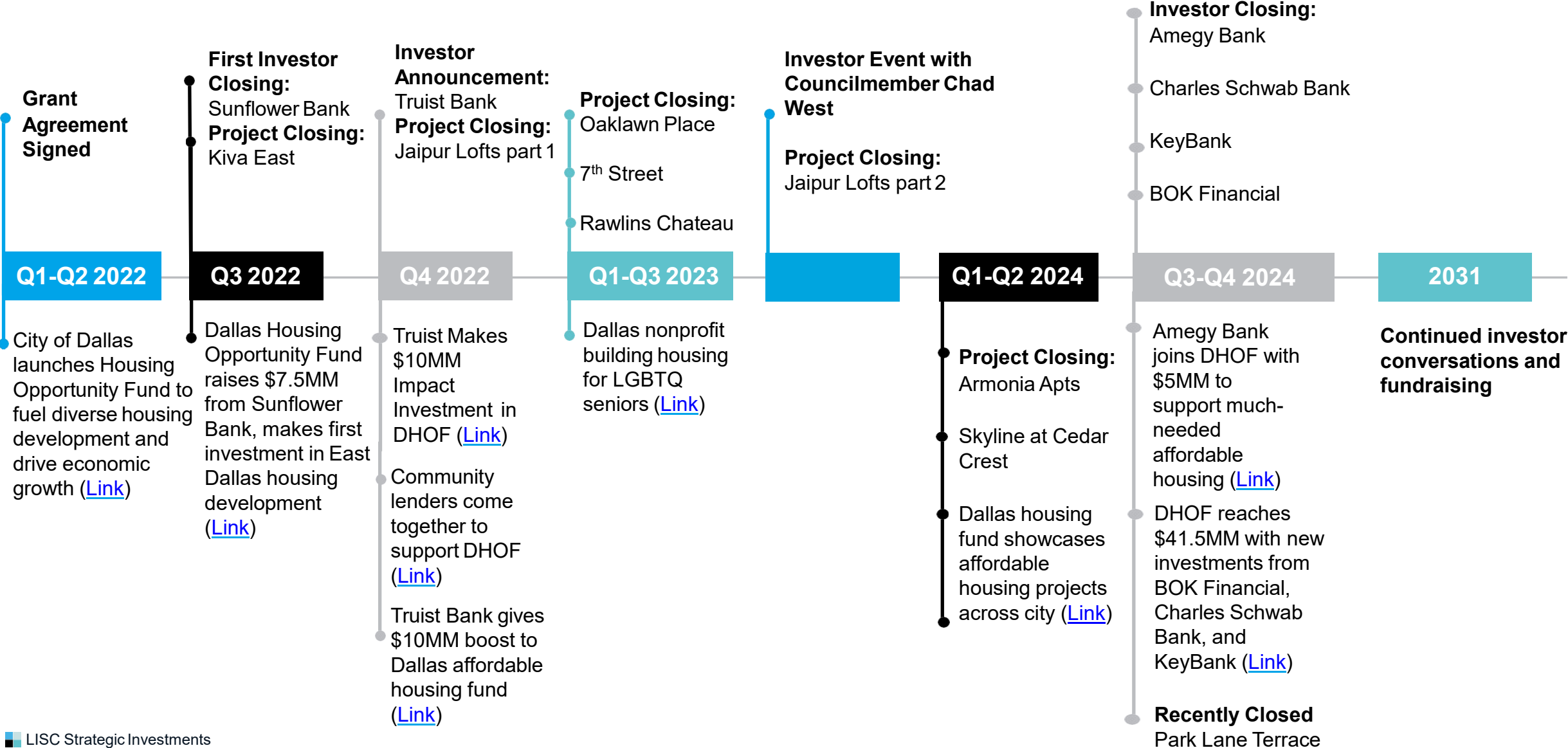
LISC is partnering with TREC Community Investors and the City of Dallas to deploy a mission-oriented Affordable Housing Fund

## About the Dallas Housing Opportunity Fund (DHOF):

- 1) The Fund is seeded by \$6MM from the City of Dallas
- 2) The Fund seeks to support at least 1,500 affordable housing units by 2031. As of 12/31/2024, DHOF has created 553 units under 120% AMI.
- 3) Eligibility:
  - a) At the project level, 50% of the units at or below 120% AMI
  - b) At the Fund level, 51% of the units at or below 80% AMI
- 4) Focus on preservation and new construction
  - a) Mixed-income housing
  - b) Areas of high opportunity

Mission-oriented investment vehicle set up for charitable purposes and the charitable purpose is intended to take priority over the maximizing of profits should a conflict between the two arise.

# Progress since City Council Approval



# City of Dallas' \$6MM is making a significant impact in the community

*Oak Lawn Place celebrated its grand opening in September 2024, marking a major milestone for Dallas' LGBTQIA+ community*



Outside of the Oak Lawn Place building



Dan McDermott (LFM) poses with Jason Aldridge from the National Equity Fund

# City of Dallas' \$6MM is making a significant impact in the community



**Mayor Johnson at the Kiva East  
Groundbreaking**  
12/6/2022



**Breaking Ground at Kiva East**  
12/6/2022



**Oak Lawn Place Grand Opening**  
09/10/2024








# DHOF Fundraising

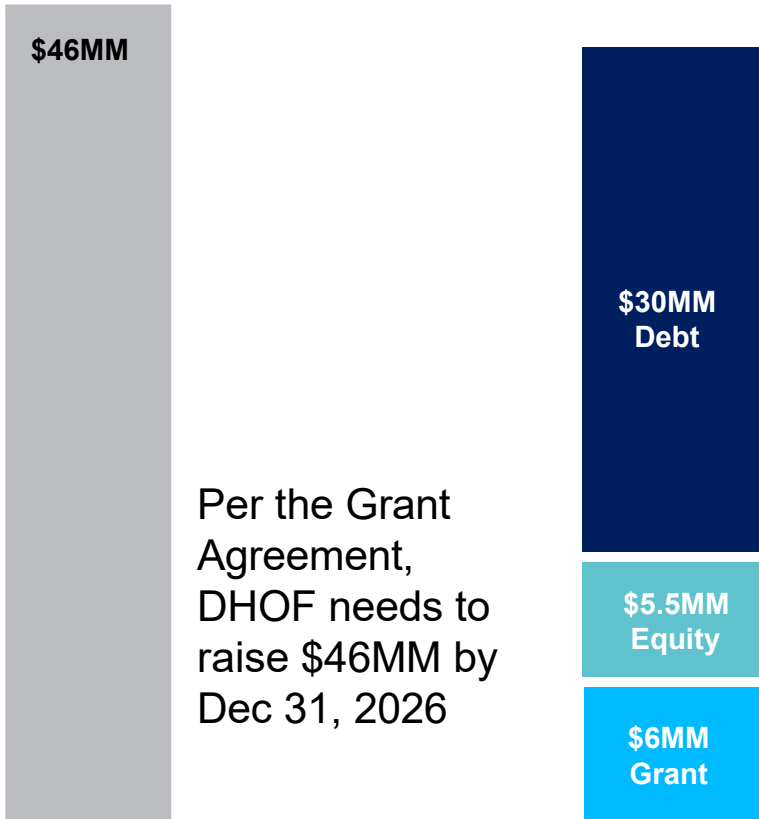
Minimum Goal: \$46MM

Current Status: **\$41.5MM**

**As of December 31, 2024, DHOF is a \$41.5MM Fund.**  
 Achieved in less than 2 years with 1 year remaining.


DHOF Investors:

1.  **City of Dallas** \$6MM grant (1/10/2022)
2.  **Sunflower Bank** \$7.5MM debt and equity (9/23/2022)
3.  **TRUIST** \$10MM debt (3/14/2023)
4.  **Amegy Bank** \$5MM debt (7/18/2024)
5.  **Charles Schwab Bank** \$5MM debt (11/15/2024)
6.  **KeyBank** \$5MM debt (11/15/2024)
7.  **BOK FINANCIAL** \$3MM equity (11/15/2024)




# DHOF currently supports 553 units of affordable housing (<120% AMI)

**Kiva East**



**Oaklawn Place**




**Loan amount:** \$5.4MM  
**TDC:** \$30MM  
**Sponsor:** Resource Center, Matthews Southwest, VofA  
**Total Units:** 84, seniors 55+  
**Closed:** 3/14/2023

**7<sup>th</sup> Street**



**Loan amount:** \$0.95MM  
**TDC:** \$1.1MM  
**Sponsor:** Exodus Development Group  
**Total Units:** 6  
**Closed:** 5/31/2023

**Rawlins Chateau**




**Loan amount:** \$6.1MM  
**TDC:** \$10.1MM  
**Sponsor:** Metrocare  
**Total Units:** 54  
**Closed:** 8/18/2023

**Jaipur Lofts II**




**Loan amount:** \$5.5MM  
**TDC:** \$27.7MM  
**Sponsor:** O-SDA  
**Total Units:** 71  
**Closed:** 10/31/2023

**Armonia**



**Loan amount:** \$1.7MM  
**TDC:** \$4.7MM  
**Sponsor:** Dallas City Homes  
**Total Units:** 15  
**Closed:** 1/25/2024

**Skyline**




**Loan amount:** \$4MM  
**TDC:** \$31MM  
**Sponsor:** InterFaith Housing  
**Total Units:** 107  
**Closed:** 5/2/2024

**Park Lane Terrace**



**Loan amount:** \$3MM  
**TDC:** \$22MM  
**Sponsor:** Launch Capital Partners  
**Total Units:** 152  
**Closed:** 12/20/2024

**Culbreath**



**Loan amount:** \$3MM  
**TDC:** \$94MM  
**Sponsor:** VOANS  
**Total Units:** 364  
**Est Closing:** Q1 2025

**TBD**

**Pending**

Totals:



**\$30MM**  
in closed loans,



financing  
**576 total units**

Administrator shall produce a minimum of 1,500 affordable housing units, with the first 100 units created on or before 12/31/25

- **Diverse and Emerging Developers:** Over 84% of the developers funded through DHOF are women-led or BIPOC.
- **Permanent Supportive Housing:** DHOF has successfully funded projects that focus on permanent supportive housing, addressing critical needs for Dallas residents experiencing homelessness and housing insecurity.
- **Broad Range of Impactful Projects:** DHOF has successfully funded projects that focus on wrap-around services such as child-care, counseling, and support. These projects are accomplished in partnership with local partners such as Metrocare, The Resource Center, and Bezos Academy.



metrocare.

  
resourcecenter®  
Our Health. Our Community. Our Rights.

**BEZOS  
ACADEMY**  
Light Every Fire

# DHOF has a robust project pipeline of \$60MM in financing requests

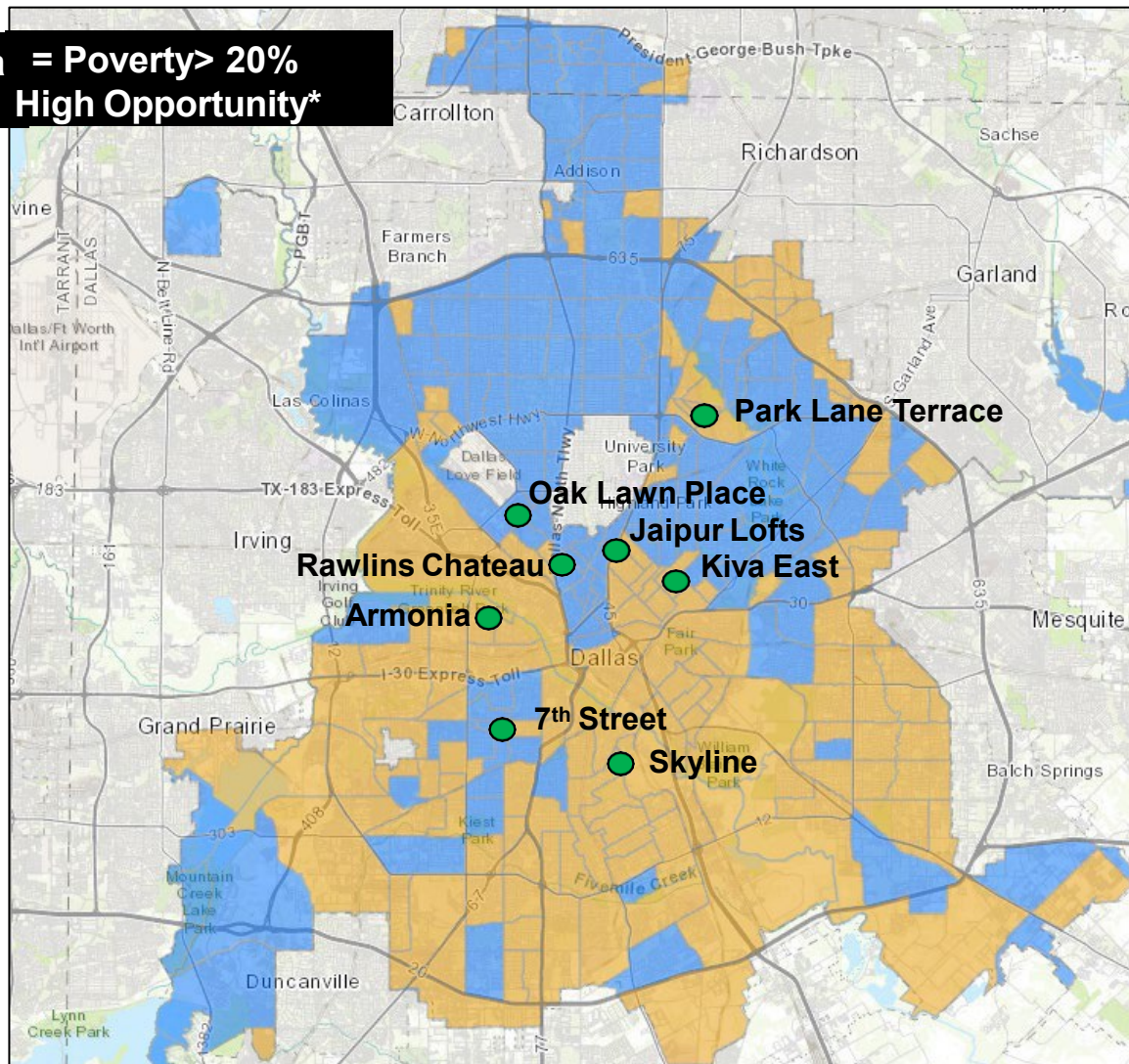
Over **\$60MM** of projects in pipeline supporting more than **\$650MM** worth of total development costs.

Total units in pipeline: 2,368 of which 1,800 are at 80% of AMI. **(76% of units are affordable)**.

Deal Name	Sponsor	Total Development Costs	Loan Amount	<80% AMI Affordable Units	<120% AMI Affordable Units	Total Units
Kingdom South	Kingdom Legacy	\$6,200,000	\$1,500,000	50	50	50
Culbreath	Dallas Housing Authority/VOA	\$93,500,000	\$3,000,000	327	327	364
St. Jude - Miramar	Catholic Charities/St. Jude	\$8,100,000	\$2,000,000	75	75	75
The Carolina	Ojala Holdings	\$92,500,000	\$3,000,000	172	172	344
St. Jude Center - Vantage Point	Catholic Charities/St. Jude	\$11,000,000	\$2,000,000	132	132	132
The Adaline	Onu Ventures	\$44,700,000	\$4,000,000	200	252	252
Friendship Village	Friendship West	\$22,400,000	\$3,000,000	162	162	162
Hillburn	Dallas City Homes	\$50,000,000	\$3,000,000	250	300	300
Trinity West	Builders of Hope	\$7,900,000	\$2,000,000	18	18	36
Malcolm's Point	South Fair CDC	\$15,000,000	\$2,000,000	21	21	21
Capella Park	The Steinbridge Group	\$45,000,000	\$3,000,000	175	175	200
Power & Light Building	Savoy Equity Partners	\$85,000,000	\$3,000,000	153	153	305
The Parker	Savoy Equity Partners	\$32,000,000	\$3,000,000	65	65	127

# DHOF seeks projects in “Areas of High Opportunity” with low poverty

**Orange Area = Poverty > 20%**  
**Blue Area = High Opportunity\***



Five projects are within the City of Dallas’ **high opportunity areas**, supporting the City of Dallas’ goals for community development

**\*High opportunity areas within the City of Dallas where the census tract has a poverty rate of 20% or below**

# What's Next

- **Recent successes:** \$13MM of new investment closed from the following investors
  - Charles Schwab Bank: \$5MM debt investment
  - KeyBank: \$5MM debt investment
  - BOK Financial: \$3MM equity investment
- **Our latest project funded (12/19/2024):**
  - Park Lane Terrace: 152-unit complex located in Northeast Dallas
  - 100% of the units at 120% AMI
  - Loan Amount: \$3MM
  - This project supports the \$22MM renovation and conversion of an existing apartment into a refugee resettlement community, creating affordable housing in a much-needed area.



# Additional Partnership Opportunities

- Discussions with the City's Housing Department, Housing Finance Corporation (HFC), and Public Facility Corporation (PFC) about potentially leveraging additional funds:
  - \$13MM in HFC
  - \$2MM in PFC
- Key Initiatives:
  - Deeper affordability: 50% of AMI or below
  - Expanding access to higher density for-sale single-family housing
- LISC would be open to exploring additional opportunities to partner with the City and would be open to additional investment.
- For Sale Single Family Challenge: need to explore solutions to extend affordability beyond the typical 5 years for single-family housing.



# Questions

# CONTACT

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