

Memorandum



CITY OF DALLAS

DATE February 10, 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 Items: Dallas Housing Finance Corporation - 2026 Program Year 4% LIHTC Resolution of No Objection**

This memorandum is to inform you of the upcoming public hearing agenda items for 4% Low Income Housing Tax Credit (LIHTC) applications approved for bond inducement in the 2026 program year by the Dallas Housing Finance Corporation (DHFC). The DHFC Board of Directors has authorized inducements declaring its intent to issue private activity bonds for six applicants, allowing them to apply for tax credits for the developments with Texas Department of Housing and Community Affairs (TDHCA). Since authorization, two projects have withdrawn, and four projects remain for consideration. 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, the City Council adopted the Dallas Housing Resource Catalog that includes the approved programs in support of Housing Tax Credits by Resolution No. 23-0444.

The following applications have been approved for inducement by the DHFC.
Please see Exhibit A for map locations of each application.

Project	Developer Name	Council Districts	Development Costs	Bond Amount	50% AMI	60% AMI	80% AMI	Market Rate	Total Units
Beltline Flats	Elmington Capital	8	\$ 55,569,417.00	\$ 37,000,000.00	44	92	44		180
Huntington Place Senior Living	Cross Development Residential	3	\$ 48,422,933.00	\$ 30,000,000.00		210			210
The Henley	Cohen Esrey	8	\$ 60,313,624.00	\$ 35,000,000.00		228			228
University Hills	Streamline Advisory Partners	8	\$ 86,185,291.00	\$ 50,000,000.00	72	252	36		360
Total			\$250,491,265.00	\$152,000,000.00	116	782	80		978

The chart below details waivers requested by each development:

Project	Address	Council Districts	Development Costs	Bond Amount	50% AMI	60% AMI	80% AMI	Market Rate	Total Units	Poverty Rate	Waivers and Acknowledgements Requested
Beltline Flats	1275 S Belt Line Rd	8	\$55,569,417.00	\$37,000,000.00	44	92	44		180	15.5	One Mile 3 Year
Huntington Place Senior Living	1431 W Camp Wisdom Rd	3	\$48,422,933.00	\$30,000,000.00		210			210	11.8	
The Henley	7535 University Hills Blvd	8	\$60,313,624.00	\$35,000,000.00		228			228	14	
University Hills	Interstate Highway 20, Dallas 75241	8	\$86,185,291.00	\$50,000,000.00	72	252	36		360	20.7	Over 20% Poverty

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.

A) Beltline Flats - Recommend Support

The DHFC Board of Directors approved the Development for inducement on September 9, 2025. The developer has proposed a new construction project located in District 8 at 1275 South Beltline Road which consists of 180 garden-style multifamily units. The unit mix includes 6 one-bedroom units, 75 two-bedroom units, 89 three-bedroom units, and 10 four-bedroom units. This Project helps ensure that individuals and families from diverse backgrounds in Southeast Dallas have access to a safe, quality, and affordable place to live while fostering inclusivity and creating a better quality of life, contributing to the overall growth of the area. Total development costs are estimated to be approximately \$55,569,417.00, which includes the acquisition price for the land. The construction budget is estimated to be approximately \$32,041,895.00, which is \$199,017.98 per unit. The Project is also 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 Fair Housing rating for this Development is Low Positive.

B) Huntington Place Senior Living - Recommend Support

The DHFC Board of Directors approved the Development for inducement on December 9, 2025. The developer has proposed a new construction project located in District 3 at 1431 West Camp Wisdom Road which consists of 210 garden-style units. The unit mix includes 110 one-bedroom units and 100 two-bedroom units. This Project helps ensure that senior individuals in South Central Dallas have access to a safe, quality, and affordable place to live while fostering inclusivity and creating a better quality of life, contributing to the overall growth of the area. Total development costs are estimated to be approximately \$48,422,933.00, which includes the acquisition price for the land. The construction budget is estimated to be approximately \$28,084,150.00, which is \$133,734.05 per unit. The Fair Housing rating for this Development is Low Positive.

C) The Henley - Recommend Support

The DHFC Board of Directors approved the Development for inducement on October 14, 2025. The developer has proposed a new construction project located in District 8 at 7535 University Hills Boulevard which consists of 228 garden-style units. The unit mix includes 71 one-bedroom units, 123 two-bedroom units, and 34 three-bedroom units. This Project

helps ensure that individuals and families from diverse backgrounds in South Central Dallas have access to a safe, quality, and affordable place to live while fostering inclusivity and creating a better quality of life, contributing to the overall growth of the area. Total development costs are estimated to be approximately \$60,313,624.00, which includes the acquisition price for the land. The construction budget is estimated to be approximately \$35,823,253.00, which is \$144,448.60 per unit. The Fair Housing rating for this Development is Low Positive.

D) University Hills – Neutral Recommendation

The DHFC Board of Directors approved the Development for inducement on October 14, 2025. The developer has proposed a new construction project located in District 8 at the northwest corner of South Lancaster Road and East Wheatland Road which consists of 360 garden-style units. The unit mix includes 126 one-bedroom units, 162 two-bedroom units, and 72 three-bedroom units. This Project helps ensure that individuals and families from diverse backgrounds in South Central Dallas have access to a safe, quality, and affordable place to live while fostering inclusivity and creating a better quality of life, contributing to the overall growth of the area. Total development costs are estimated to be approximately \$86,185,291.00, which includes the acquisition price for the land. The construction budget is estimated to be approximately \$54,043,302.00, which is \$150,120.28.00 per unit. While the project is not located in a Racially/Ethnically Concentrated Area of Poverty (R/ECAP), it is situated in a census tract with a poverty rate of 20.7% and therefore, the City Council, as the Governing Body, must vote to specifically approve the construction of the Project and authorize the allocation of Housing Tax Credits. The Fair Housing rating for this Development is low positive.

The Office of Housing and Community Empowerment offers a neutral recommendation with this this development as it would create new income-restricted units in a census block group with a poverty rate of 20.7% and may therefore further concentrate poverty but is part of a master plan vision and will ensure affordable units are part of the development.

All developments 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).

DATE February 10, 2026
SUBJECT **Upcoming Agenda Items: Dallas Housing Finance Corporation - 2026 Program Year
4% LIHTC Resolution of No Objection**
PAGE **Page 5 of 5**

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

Should you have any questions or concerns, 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
Assistant City Manager

c: Kimberly Bizer Tolbert, City Manager
Tammy Palomino, City Attorney
Mark Swann, City Auditor
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
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