

Memorandum



DATE December 29, 2025 CITY OF DALLAS

TO 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

SUBJECT **Dallas Development Fund Awarded New Markets Tax Credit Allocation**

The Office of Economic Development is pleased to share that on Wednesday, December 23, the Community Development Financial Institutions Fund (CDFI Fund) notified Dallas Development Fund (DDF) that it received a \$55 million allocation in New Markets Tax Credits (NMTC). DDF remains the only Texas-based municipal Community Development Entity (CDE) to ever receive allocation.

DDF is a non-profit subsidiary created (and controlled) by the City of Dallas in 2009 to operate the City's NMTC program. DDF's purpose is to advance the economic development objectives of the City and to promote private investment in Dallas' Low-Income Communities using the NMTC program.

Congress created the NMTC program in 2000 to incentivize investments that create jobs and provide services in economically disadvantaged areas. The NMTC program permits taxpayers (primarily corporate) to receive a credit against federal income taxes for making qualified equity investments in designated CDEs. DDF is a designated CDE. These investments must be used by a CDE for projects and investments in low-income communities and provide additional opportunities for development in low-income areas. The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a seven-year credit allowance period.

This is DDF's 6th allocation of NMTCs. Previous awards in 2009, 2012, 2014, 2017 and 2022 totaled \$240 million in NMTC allocation. Projects supported by the previous allocations include the Hatcher Station Parkland Medical Clinic, Dallas Lite & Barricade, Park South YMCA, and Nexus Recovery Center, among others. DDF prioritizes projects that provide needed community services, are located in southern Dallas, and/or are job-creating projects. The DDF's annual impact reports, providing more information about projects, can be found [here](#).

DDF was one of 142 organizations across the country receiving an allocation in the 2025 cycle (from a pool of 216 applicants). These applicants requested approximately \$19.2 billion in allocation authority, while a total of \$10 billion was awarded. A total of 14 organizations serving a local service area received an award, and seven organizations in Texas received an award.

More information about Dallas Development Fund and the City's NMTC program can be found [here](#).

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DDF will be issuing a call for projects in January/February 2026 to solicit projects to be considered for this NMTC funding.

Should you have any questions, please contact Heather Lepaske, Deputy Director, Office of Economic Development, at (214) 670-1222 or Heather.Lepaske@dallas.gov.

Service First, Now!



Robin Bentley
Assistant City Manager

c: Kimberly Bizzor Tolbert, City Manager
Tammy Palomino, City Attorney
Mark Swann, City Auditor
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Dev Rastogi, Assistant City Manager

M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Alina Ciocan, Assistant City Manager
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Robin Bentley, Assistant City Manager
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Ahmad Goree, Chief of Staff to the City Manager
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