

DATE: May 2026

SUBJECT: Salvation Army – Social Service Campus

FROM: City of Dallas Office of Economic Development

PROJECT OVERVIEW

Project Description

The Salvation Army of North Texas is developing a new 21-acre social service campus to centralize services, co-locate partner agencies, and significantly expand capacity to serve the City of Dallas' homeless population. The Project includes the following key components:

- **Emergency Shelter & Victim Services – 46,700 SF:** 66 units housing 255 beds with length of stay up to 90 days for homeless men, women, and families. Includes separate shelter space for victims of domestic violence or sex trafficking.
- **Supportive Living Building - 115,000 SF:** 134 units housing 297 beds for men, women, and families, including family rooms, with length of stay up to 1-year. Supports emergency shelter and recovery services clients needing additional support and time to end their homelessness.
- **Social Services Center – 56,300 SF:** Features client intake; extensive community partner office space; medical, dental, and mental health clinics for clients operated by onsite partners; a client-choice food pantry; classrooms for job training, financial education, and life skills classes; volunteer center; and Salvation Army's administrative offices.
- **Wellness Center – 37,700 SF:** Includes industrial kitchen for meal production; dining room serving three healthy meals a day; culinary training space; recreation and fitness areas; pet kennel and play area for shelter residents; overflow shelter space for inclement weather; and food distribution warehouse for local Salvation Army food pantries.

The Project will serve more than 5,000 low-income community members annually through a comprehensive, co-located service model that includes emergency shelter, supportive housing, case management, healthcare, job training, and childcare. Onsite partners include Parkland Health, Metrocare, Family Gateway, Vogel Alcove, Legal Aid of NorthWest Texas, and Integrated Psychotherapeutic Services Recovery. Clients can access the campus via city bus – a DART bus stop is located at the entrance to the Social Services Center – or through the Salvation Army's shuttle service. Clients may also leave the campus by bus or shuttle service to travel to work or access services from other community providers.

Please refer to Exhibit 1 for the site plan.

Project Location

The Project site is located at 8625 N Stemmons Freeway in Dallas, TX. The Project falls within Census Tract 48113010003, which is NMTC-qualified and considered highly distressed per the CDFI Fund based on a poverty rate of 23.6% and its location within a Mental Health Professional Shortage Areas, a Major Disaster Declaration area, and a USDA Low-Income, Low-Access area.

Please refer to Exhibit 2 for a map showing the project site.

PROJECT SPONSOR AND RELATED ENTITIES

Project Sponsor: The Salvation Army of North Texas

The Salvation Army of North Texas (“The Salvation Army”) is the largest social services provider in North Texas, serving more than 4,000 square miles across a six-county footprint (Dallas, Tarrant, Ellis, Denton, Collin, and Rockwall). The Salvation Army focuses on helping residents combat addiction, homelessness, and poverty, continuously adapting its approach to meet the evolving needs of all of the communities it serves. The organization’s current programs include six shelters and senior living centers housing 1,300 individuals per night, 12 food pantries feeding 10,000 individuals per week, and three recovery programs treating 500 individuals per week. In addition to these services, the Salvation Army provides a diverse range of programs including resource assistance, job readiness and life skills classes, counseling, out-of-school youth programs, and disaster response services.

Related/Sponsoring Entities

The NMTC borrower is anticipated to be a newly-formed special purpose entity of The Salvation Army.

FINANCING TERMS

NMTC Allocation

DDF will allocate up to \$8 million in Federal NMTC Allocation to support the Project. Additionally, Capital One Community Renewal Fund, LLC (“COCRF”) is anticipated to provide up to \$6 million in Federal NMTC Allocation.

NMTC Investor

Anticipated to be Capital One

Anticipated DDF Closing Costs and Fees

DDF will charge upfront fees totaling 4% of the Qualified Equity Investment (“QEI”) estimated at \$320,000. In addition, DDF will charge an annual Asset Management Fee of \$28,000 per year for seven years and an annual Audit and Tax Fee of \$13,000 per year for eight years. DDF will separately secure reimbursement for costs associated with closing this transaction.

Financing Structure

NMTC Investor will provide a total of approximately \$4.4 million in NMTC Equity (\$0.80 pricing) to support the \$8 million in allocation from DDF and \$6 million in allocation from COCRF. Project Sponsor will provide approximately \$9.8 million in the form of a “Leverage Loan” for the transaction. The underlying sources for the Leverage Loan are previously spent Project costs, a line of credit, and cash in hand.

NMTC Investor will form a special purpose investment fund entity and will be responsible for management of this fund. The equity and leverage debt will be combined to capitalize the investment fund (a subsidiary of NMTC Investor) which in turn will make a QEI of up to \$8 million into a subsidiary of Dallas Development

Fund (“DDF Sub-CDE”) and pay a 2% CDE Fee to DDF.

DDF, through the aforementioned Sub-CDE, will make a Qualified Low-Income Community Investment (QLICI) loan to the QALICB. Pursuant to DDF’s Allocation Agreement, DDF will take a fee of 2% of the QEI to finance its activities. The total DDF QLICI loans to the QALICB will be up to approximately \$7.84 million. Please refer to Exhibits 3 and 4 for budget and structure chart, respectively.

Closing Timeline

This project financing is expected to close by August 2026.

COMMUNITY BENEFITS

Community Services

The Project will serve more than 5,000 unique low-income individuals annually with a broad array of co-located supportive services aimed at strengthening housing stability and economic mobility.

- **Emergency Shelter.** The Project will provide 255 beds for emergency shelter, with a length of stay up to 90 days, to support individuals experiencing homelessness, those in need of recovery services, and individuals fleeing from domestic violence and/or sex trafficking. The shelter will be open 24/7, welcoming new arrivals at any time.
- **Supportive Housing.** Emergency Shelter clients needing additional support and time to end their homelessness can enroll in the Supportive Living Program with a length of stay up to one year. Clients can also be directly referred by a contracted partner. The Supportive Living Building will crucially provide family housing for the first time, providing a secure living environment for children and their parents.
- **Wraparound Services.** The Project will co-locate multiple highly-regarded partner agencies on the new campus to provide comprehensive, wraparound services that both support individuals experiencing homelessness and help prevent it by addressing its root causes.
 - Case Management. Upon arrival, all clients will be assigned a case manager who helps them work on appropriate goals including homeless recovery, employment, life skills, permanent housing, and other treatment goals. Family Gateway will provide case management using individualized housing stabilization plans to support families, working with both adults and children experiencing homelessness to help them regain stability and self-sufficiency. Family Gateway’s programs annually transition 90% of its participants to stable housing, with 99% of these participants remaining stably housed.
 - Job Training. A campus Education Supervisor and Employment Specialist will facilitate job training, job readiness, and placement services onsite for clients. The campus teaching kitchen will provide culinary training, including ServSafe certification, in partnership with the North Texas Food Bank and Aramark. The campus warehouse will facilitate forklift

training and certification.

- Childcare. Vogel Alcove, a highly accredited nonprofit organization that provides free childcare and a broad array of services for children and families at-risk of or experiencing homelessness, will operate a childcare center onsite for residential clients. Vogel Alcove will provide NAEYC-accredited, trauma informed early childhood programming, developmental and behavioral therapy, and family support services including parenting training, mental health support, and resource assistance. Vogel Alcove is expected to serve 168 children annually.
- Legal Services. Legal Aid of NorthWest Texas will provide free civil legal services to ensure equal access to justice. Services will help address a range of civil legal needs, including removing barriers to employment and housing, foreclosure and eviction support, homelessness, healthcare coverage, debt and debt collection, and legal assistance following disasters.
- Increased Access to Healthy Foods. The campus will feature a client-choice food pantry, providing 3-5 days worth of meals and meeting the nutritional needs of individuals and families. Additionally, staff from the North Texas Food Bank will be onsite to assist with WIC and SNAP enrollments.
- **Healthcare**. The Project will feature an integrated health clinic with medical, dental, and behavioral healthcare in partnership with Parkland Health and Metrocare Services.
 - Parkland Health, the public hospital for Dallas County, will provide non-emergent medical and dental services. This will appropriately divert patients and provide preventative care for homeless “high-utilizers” of the nearby Parkland Emergency Room.
 - Metrocare, the largest provider of mental health services in Dallas County, will provide holistic behavioral health, substance abuse treatment, and specialized support services, including psychiatric assessments, counseling, crisis intervention, case management, and medication management.
 - Integrated Psychotherapeutic Services Recovery, an outpatient treatment clinic for substance recovery with wrap-around psychiatric services, will also have a presence onsite. Services include medication assisted treatment, evidence-based outpatient treatment, individual and group therapy, and job counseling.

Quality, Accessible Jobs

The Project will support 219 full-time equivalent jobs (FTEs). All employees will have access to a wide range of benefits including health insurance (medical/dental/vision), tuition reimbursement, retirement, and paid time off. 77% of positions are accessible without a four-year degree, and the Salvation Army will work with community partners, including Workforce Solutions of Greater Dallas, to recruit local residents. The Salvation Army is a second-chance employer and routinely hires large numbers of workers with only high school diplomas or GEDs.

NMTC DUE DILIGENCE

Financial Considerations of the Project

The non-NMTC financing for the Project includes ~\$151MM cash from Salvation Army's broader capital campaign. As of December 2025, just over \$100MM in campaign proceeds were funded and in hand. To the extent additional cash is needed prior to receipt of campaign pledges, Sponsor has a \$125MM line of credit with Wells Fargo that can be drawn on; as of December 2025, only ~\$18MM was utilized. Any draws on the line of credit will be repaid with capital campaign proceeds, and the Project does not anticipate requiring any permanent debt.

At stabilization in 2028, the Project is projected to have a \$65.4MM annual operating budget, with a net operating cash flow of ~\$500k. Revenue is supported by donations from individuals, grants, and contracts, with additional income from corporate donations and trust funds.

Project Completion

Sponsor has assembled a high-capacity team to bring the Project to fruition. Key Project team members are described below.

- **General Contractor - Balfour Beatty Construction, LLC:** Part of the global infrastructure group Balfour Beatty plc, Balfour Beatty Construction, LLC is a large commercial construction firm based in Dallas, TX. Balfour has a proven track-record of delivering complex, large-scale infrastructure and building projects across sectors such as healthcare, education, transportation, and commercial development, supported by multidisciplinary engineering and project management expertise.
- **Architect - HH Architects:** HH Architects is a U.S.-based architectural planning and design firm founded in 1971 and headquartered in Richardson, Texas. The firm specializes in creating purpose-driven, community-focused spaces, with services that include architecture, master planning, interior design, and strategic positioning for organizations across sectors such as religious, educational, municipal, and commercial facilities.
- **Owner's Representative - Project Advocates:** Project Advocates is a U.S.-based construction advisory and project management firm founded in 2010, with headquarters in Omaha and additional offices in Kansas City and Dallas. As an owner's representative, their team provides guidance to clients through the full lifecycle of a project—from early planning and design through construction and final commissioning.

Management Team

Christina Cavalier – Managing Director

Christina Cavalier serves as Managing Director of The Salvation Army of North Texas, where she leads the Executive Leadership Team overseeing social services, youth and education programs, operations, finance, fundraising, and communications for the North Texas Area Command. She is the architect of the \$212.7 million One Army Many Fronts capital campaign, which has secured more than \$208 million to date, and previously served as Vice President of Development at the Perot Museum of Nature and

Science, where she led a \$25 million campaign that secured eight-figure commitments in its first year. Her more than 15 years of nonprofit leadership, fundraising, and strategic planning experience position The Salvation Army of North Texas for continued long-term growth and community impact.

Joseph Tafur – Senior Director

Joseph Tafur serves as Senior Director of Facilities and Procurement for The Salvation Army of North Texas, overseeing planning, development, and execution of major capital projects across administrative, program, residential, and warehouse facilities. With more than 20 years of experience in facilities management, construction oversight, and long-range capital planning, he has led multiple multimillion-dollar projects from concept through design, permitting, construction, and occupancy. He holds an MBA with concentrations in Organizational Management and Project Management, providing a strong foundation in financial stewardship, process improvement, and risk management.

Tina Robertson – Director of Operations

Tina L. Robertson, LCSW-S serves as Director of Operations for The Salvation Army's Carr P. Collins Social Services Center in Dallas, bringing more than 27 years of experience in mental health, social services, and nonprofit leadership. She has held senior executive and clinical leadership roles across mission-driven organizations, leading large-scale trauma-informed initiatives, managing multimillion-dollar budgets, and expanding nationally recognized programs serving children, families, and professionals. Her expertise spans program innovation, systems change, fundraising, and workforce development, grounded in a strong clinical foundation.

Market Demand

The new campus replaces the Salvation Army's existing Carr P. Collins Social Service Center, a forty-year-old obsolete facility that if not replaced will close, leaving the city without a critical community resource. The 2025 Annual Point-in-Time Report identified 3,541 individuals experiencing homelessness in Dallas and Collin County, 29% of whom were unsheltered. The Project will provide vital services to support individuals experiencing homelessness as well as services to address the root causes of homelessness and poverty.

NEED FOR NMTC ASSISTANCE

The Salvation Army's Social Service Campus is a \$212.7 million project funded primarily through a capital campaign. However, the Project has encountered significant cost escalation driven by sustained inflation in construction materials and labor, creating a critical financing gap that philanthropy alone cannot bridge. NMTC helps to offset these increased construction costs and ensures the Project can be fully delivered as designed. Without NMTC assistance, the Salvation Army would face difficult tradeoffs that could reduce the overall scope and/or phase components of the project, which would reduce the ability to serve clients in the near term.

Exhibit 1: Site Plan



Exhibit 2: Project Location



Exhibit 3: Preliminary Sources and Uses

Sources (Collapsed)		Uses	
NMTC Gross Subsidy - DDF	\$ 2,496,000	Hard Costs	\$ 124,072,103
NMTC Gross Subsidy - COCRF	\$ 1,872,000	Architect Fees	\$ 5,570,913
Capital Campaign Cash on Hand / Draw on LOC	\$ 151,581,907	FF&E	\$ 7,922,528
		Other Soft Costs	\$ 7,263,595
		Contingency	\$ 9,925,768
		Estimated Base Project Costs	\$ 154,754,907
		NMTC Closing and Other Costs	\$ 575,000
		CDE Reserves Ongoing Fees	\$ 300,000
		CDE At Close Fees	\$ 320,000
Total	\$ 155,949,907	Total	\$ 155,949,907

