

Memorandum



CITY OF DALLAS

DATE May 5, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **The Park at Northpoint – Additional Tax Information**

The purpose of this memorandum is to provide additional information on foregone taxes for the multifamily mixed-income housing development known as The Park at Northpoint located at 9999 West Technology Boulevard Dallas, Texas.

This item was considered by City Council on April 26, 2023 and approved as amended by Resolution No. 23-0544, authorizing Community Development Block Grant funds and a developer agreement with the Dallas Public Facility Corporation (DPFC) to acquire property in preparation for housing, which property the DPFC will subsequently enter a lease to one or more affordable housing developers to be developed in two phases.

In response to the discussion concerning the amount of taxes foregone for this project, the current 2022 tax bill is \$108,089.00. Over a 15-year period with an estimated 3% annual growth rate, the total taxes foregone to the City are estimated to be \$2,010,333.00.

In contrast to these foregone taxes, the DPFC stands to collect an estimated \$13,673,858.00 from annual lease payments and structuring fees over the same 15-year period, far outweighing any taxes that would have been collected from the property had it remained on the tax rolls in its current state. As a result of granting this tax exemption for this new development, the City is gaining 615 units of safe, affordable housing, revitalizing a declining vacant property in an existing neighborhood, and collecting increased revenue to fund additional investments in housing citywide in addition to the DPFC being an equity partner which will own the property outright at the conclusion of the 75-year lease term.

Should you have any questions or require any additional information, please contact David Noguera, Director, Department of Housing & Neighborhood Revitalization at David.Noguera@Dallas.gov or 214-670-3619.


Majed A. Al-Ghafry, P.E.
Assistant City Manager

c: T.C. Broadnax, City Manager
Tammy Palomino, Interim City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Deputy City Manager
Jon Fortune, Deputy City Manager

M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Dr. Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
Jack Ireland, Chief Financial Officer
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors