

Dallas Urban Land Bank Demonstration Program Briefing



A Briefing to the
Housing Committee

Housing Department
February 4, 2008





Purpose

- To provide an update on the Dallas Urban Land Bank Demonstration Program



Land Bank Functions

- Permits direct sale of qualified tax-foreclosed properties to a municipally created Land Bank;
- Authorizes the Land Bank to assemble tax-foreclosed properties and sell those properties at below market prices to non-profit and for-profit affordable housing developers; and
- Provides Community Housing Development Organizations with a limited right of first refusal to purchase properties.



Background

- 2003 State Legislature enacted the Texas Urban Bank Demonstration Program Act: (HB2801)
- 2004 Negotiation and execution of Inner Local Agreement with all taxing entities
- 2005 Began filing law suits (2 years to sheriff's sale)
- 2007 Land Bank buys 1st properties and sells first lots



Background Con't.

Participants

Taxing Entities

- City
- County
- School District
- Hospital Districts
- Community College District

The Real Estate Council

- Title Companies
- Law firms
- Case filing
- Ad Litam services

Developers

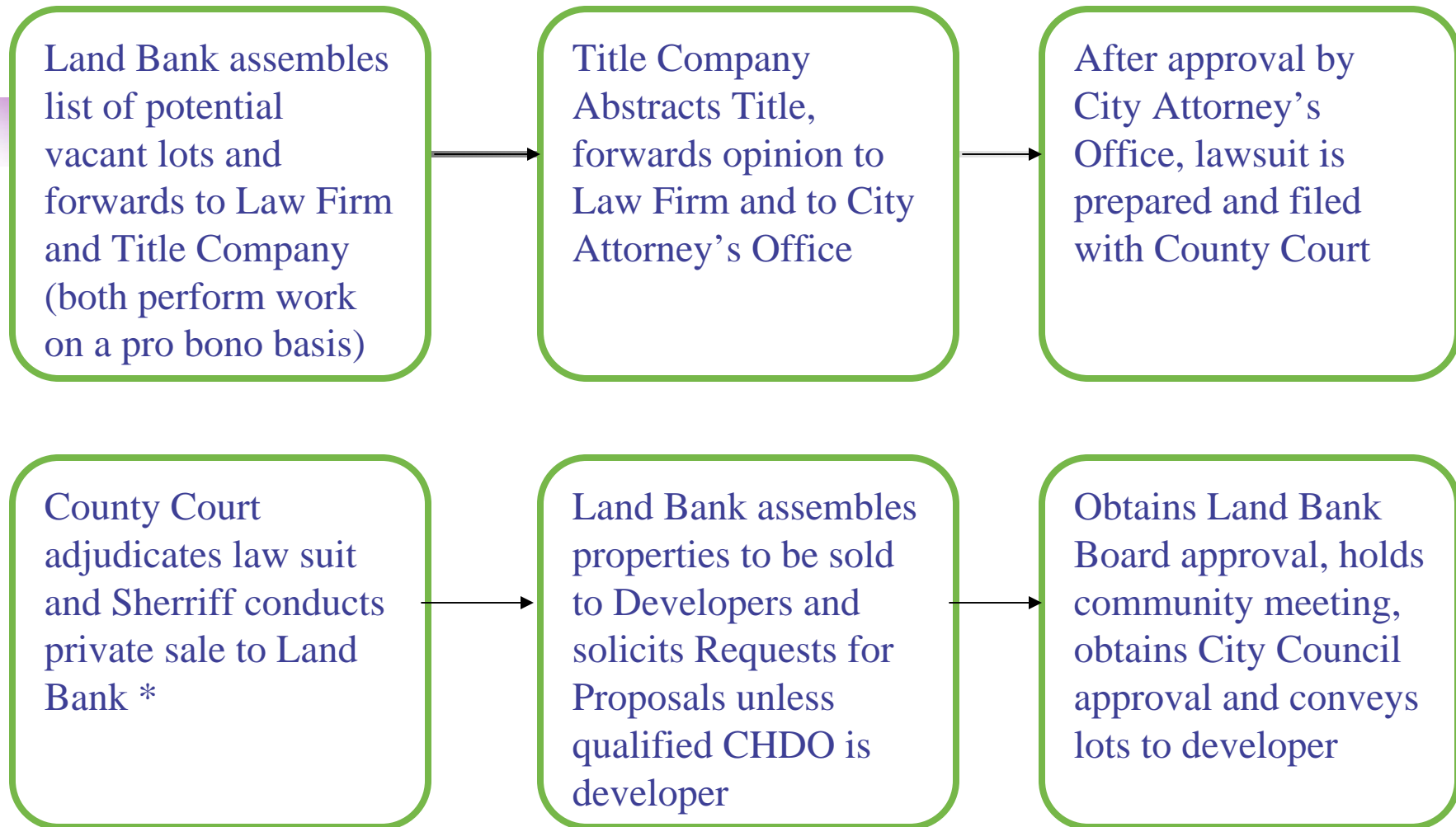
- CHDO's
- For Profit

Community

Land Bank Board

City Council

Six Basic Steps



* Ad Litem attorneys are required on about 90% of the cases and are furnished through TREC member law firms on a pro bono basis



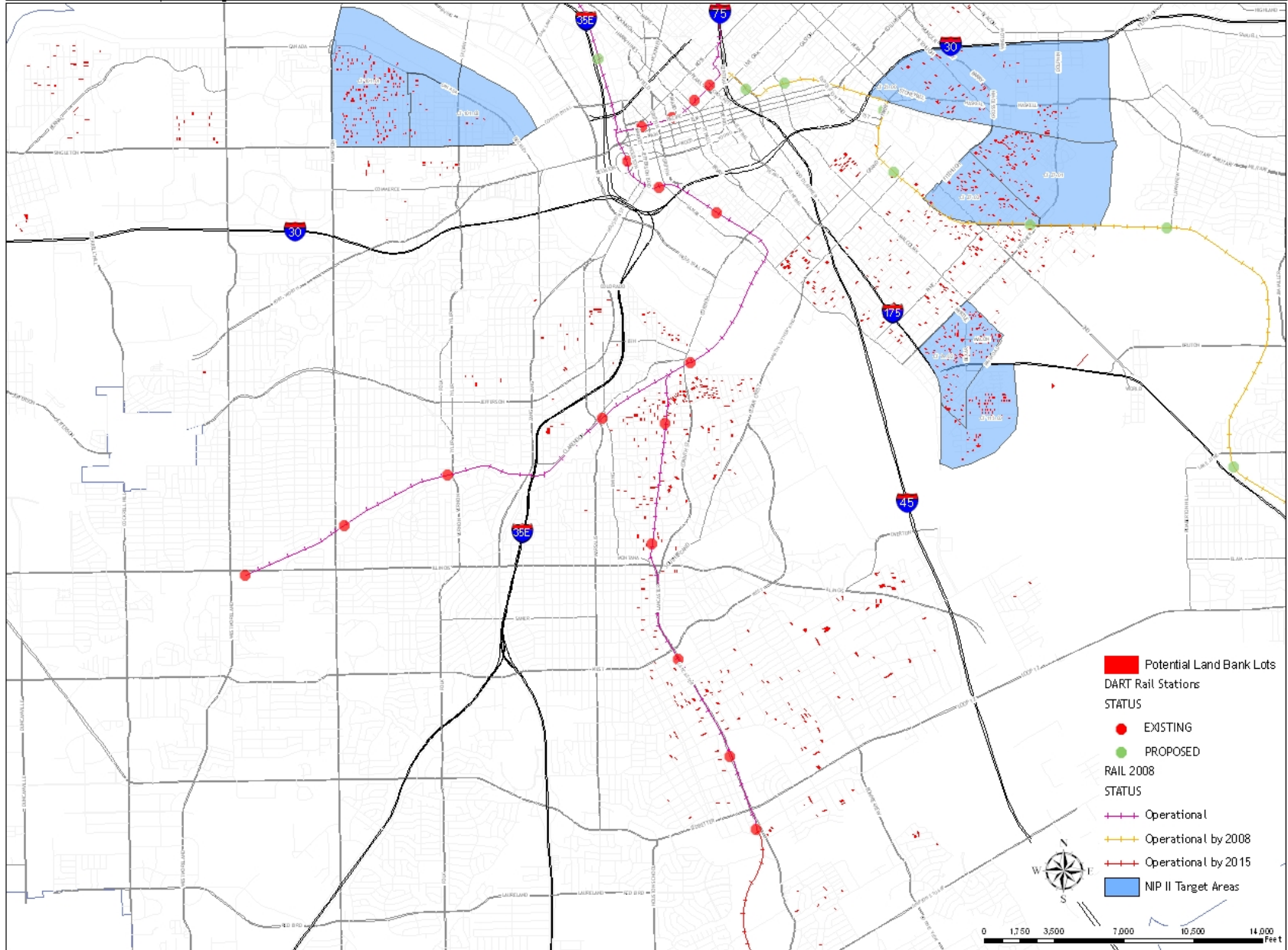
Capitalization

■ Cash on Hand	\$ 146,762
■ 2003 Bond Balance	\$ 2,751,235
■ Funds Under Contract	
➤ City General Funds	\$ 171,732
➤ CDBG Funds	\$ 300,000
➤ TIF Funds	\$ 330,367
➤ TREC Funds	<u>\$ 100,000</u>
Cash & Contract Available Funds	\$ 3,653,334
2006 Bond Funds to be Sold 11/09	<u>\$ 1,500,000</u>
Total Funds Available	\$ 5,153,334

POTENTIAL LAND BANK LOTS

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MAP PREPARED BY:
CITY OF DALLAS HOUSING DEPARTMENT
February, 2008





Foreclosure Selection Process

1. Lots in NIP Areas
2. Lots 1 mile on either side of DART Rail Lines
3. Selected Lots for CHDO's



Production

- Over 750 lawsuits filed
- Over 200 properties sold to the Land Bank
- First 101 lost sold to CHDO's and Developers
- First 23 homes built
- Goal is to add to the pipeline each year:
 - 300 lawsuits brought to the Sheriff's sale
 - 300 lots sold
 - 300 homes built



Production Con't.

ACTIVITY	LAND BANK PLAN					TOTALS
	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	
Land Bank Tax Foreclosure Referrals	106	375	606	0	304	1391
Title Company Reviews	103	370	137	322	42	974
City Attorney Reviews	103	370	137	322	0	932
Removed or In Transit	2	34	18	30	0	84
City Attorney Approved	101	336	119	292	0	848
Tax Attorney Lawsuits Filed	95	327	110	224	0	756
Court Orders of Sale Issued	66	134	18	4	0	222
Sheriff Notices of Sale Issued	66	134	18	4	0	222
Sheriff Sales to Land Bank	66	114	9	3	0	192



Challenges

- County Court Capacity
- Continued Pro Bono Activity
- Limited supply of qualified lots under the current state statute guidelines
- Maintaining a rolling inventory of 100-150 lots
- Properties referred in one Census Tract do not complete the foreclose process at the same time
- Finding enough qualified home buyers given the current and projected market conditions
- Identifying qualified for-profit developers



APPENDIX

- Potential Lots Available for Development by Census Tract

POTENTIAL LOTS AVAILABLE FOR DEVELOPMENT BY CENSUS TRACT

COUNCIL DISTRICT	CENSUS TRACT	LAND BANK				LAND TRANSFER			GRAND TOTAL	COMMENTS (Over 10 lots)
		LOTS SOLD/ PENDING	LOTS AVAILABLE FOR SALE	LAWSUITS PENDING	TOTAL LOTS	CHDO OWNED	PENDING SALE/HOLD	TOTAL LOTS		
1	20.00			6	6			0	6	
2	24.00			3	3			0	3	
2/7	25.00	0/20	6	26	52	2	0/3	5	57	Council approved sale to Dallas City Homes for 20 lots
7	27.01			47	47	11	1/3	15	62	
7	27.02			28	28	2	0/2	4	32	
7	29.00			11	11	8	0/8	16	27	
7	34.00			5	5		5/8	13	18	
7	37.00			17	17	1	0/6	7	24	
7	38.00			15	15		0/2	2	17	
7	39.01			31	31	1	0/2	3	34	
7	39.02	0/32	4	65	101		0/28	28	129	Council approved sale to Habitat for 32 lots
7	40.00			11	11	2		2	13	
7	41.00			20	20	4		4	24	
1	42.01			0	0			0	0	
3/6	43.00			0	0		0/1	1	1	
1	47.00			0	0			0	0	
1	48.00			0	0			0	0	
4	49.00		22	48	70	1		1	71	Floor plans & elevations due January for 17 lots
4	55.00			15	15		0/1	1	16	
4/5	57.00			24	24	3		3	27	
4	59.01		1	0	1	1		1	2	
4	87.03		2	2	4	2	1/1	4	8	
5	87.04			8	8			0	8	
7	89.00		18	32	50			0	50	Floor plans & elevations due January for 13 lots
3/6	101.01	38/10	14	87	149	1	0/2	3	152	Council approved sale to Habitat for 2 lots; BOH for 8 lots; additional 10 lots in process
6	101.02		2	11	13			0	13	
3	105.00	1/0	4	5	10			0	10	
6	106.01			11	11			0	11	
8	114.01			4	4			0	4	
4/7	115.00		5	45	50	21		21	71	
8	117.01			0	0		71/0	71	71	
	MISC.					23	1/5	29	29	
Totals		39/62	78	577	756	83	79/72	234	990	CHDO Owned includes 13 lots that will revert to the City

MISC. for Land Transfer includes 23 lots in Census Tract # 15.03, 35.00, 54.00, 56.00, 93.03, 93.04, 100.00, 106.02, 112.00, 114.02, 121.00, 147.01, 166.05 & 171.02 for CHDO Owned;
1 lot in Census Tract # 121.00 for Pending Sale; 5 lots in Census Tract # 35.00 & 114.02 for Hold

Lawsuits Pending include 37 rejected properties - (5 lots in Census Tract # 25; 13 lots in Census Tract # 39.02; 1 lot in Census Tract # 41.001; 6 lots in Census Tract # 89.00;
12 lots in Census Tract # 101.01)