

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: April 22, 2009
COUNCIL DISTRICT(S): 4
DEPARTMENT: Housing
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 56H

SUBJECT

Authorize the private sale under the Land Assembly process through the Land Transfer Program, pursuant to the provisions of Chapter 34 of the Texas Property Tax Code, by quitclaim deed of one unimproved property located at 3104 Rochester Street, acquired by the taxing authorities from the Sheriff's Sale to Dallas Neighborhood Alliance for Habitat, a qualified non-profit organization and execution of a release of non-tax liens included in the seizure warrant and post-judgment non-tax liens, if any (list attached) - Revenue: \$1,000

BACKGROUND

This item authorizes the private sale under the Land Assembly process through the Land Transfer Program, pursuant to the provisions of Chapter 34 of the Texas Property Tax Code, by quitclaim deed of one (1) unimproved property located at 3104 Rochester Street. This property was foreclosed by the Sheriff's Department for unpaid taxes pursuant to a seizure warrant from a District Court. This property is being sold to a qualified non-profit organization that provides affordable housing. Dallas Neighborhood Alliance for Habitat (Habitat) will construct one (1) single-family home containing approximately 1,400 square feet for purchase by a low to moderate income homebuyer at the proposed sales price of \$88,000 each. The anticipated commencement date of construction is May 2009.

The quitclaim to this property will include deed restrictions which prohibit the placement of industrialized housing on the property.

FISCAL INFORMATION

Revenue - \$1,000

OWNER

Dallas Neighborhood Alliance for Habitat

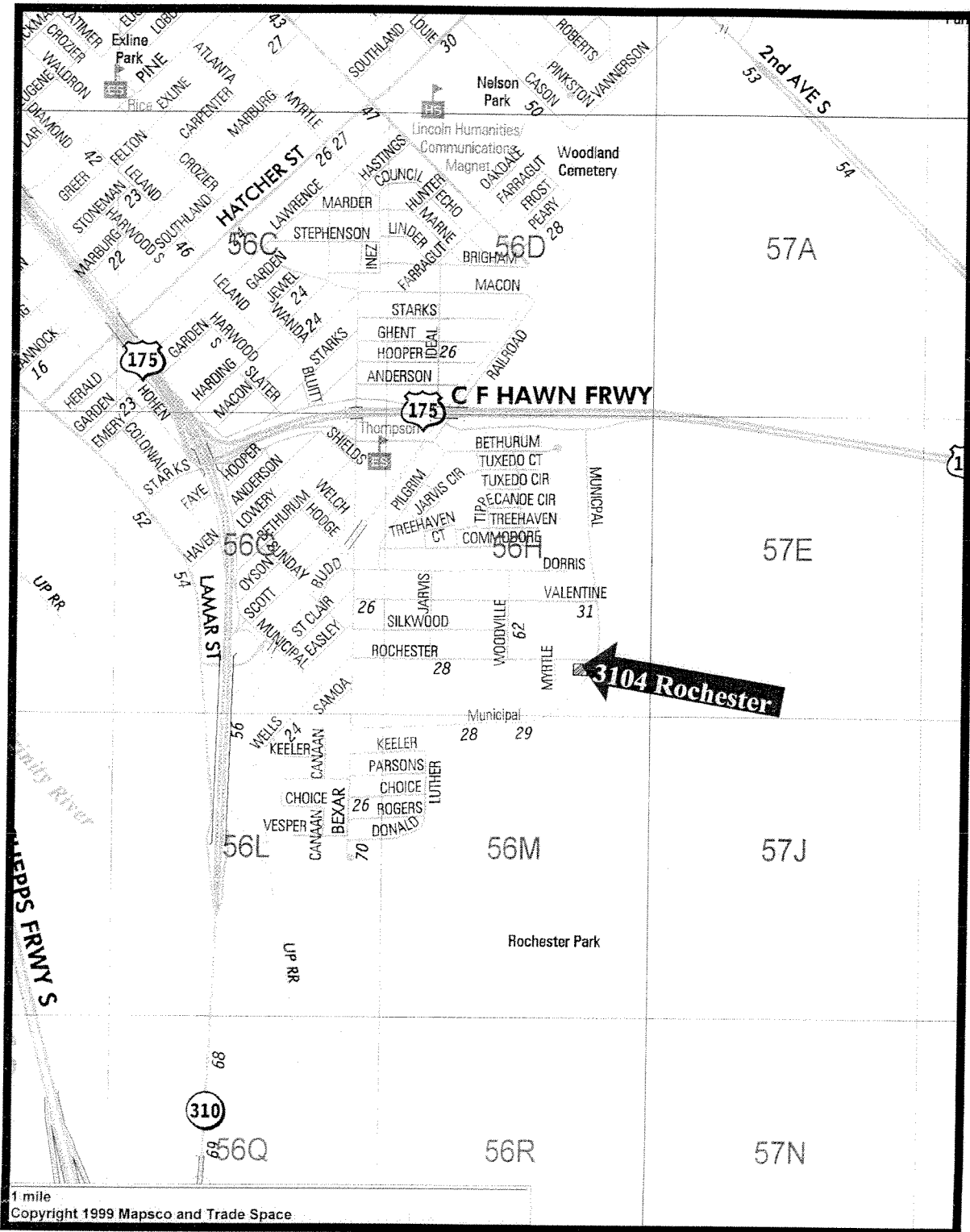
Scott Begin, Chief Executive Officer

MAP

Attached

Tax Foreclosure and Seizure Property Resale

<u>Parcel No.</u>	<u>Address</u>	<u>Non-Profit Organization</u>	<u>Mapsco</u>	<u>DCAD Value</u>	<u>Sale Amount</u>	<u>Vac/ Imp</u>	<u>Council Zoning District</u>
1.	3104 Rochester	Dallas Neighborhood Alliance for Habitat	56H	\$1,000	\$1,000	V	PD 595 MF-2(A) 7



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WHEREAS, the City of Dallas ("City"), for itself and as trustee, on behalf of the taxing units named as a party to a judgment or in an application for a seizure warrant for delinquent taxes ("Taxing Units"), received tax title to certain properties by Sheriff's Deed, identified on "Exhibit A", attached hereto and made a part hereof, by legal description and the volume and page number of said deed recorded in the real property records of the county in which the property is located, ("Property"); and

WHEREAS, in accordance with Attorney General Opinion No. JM-1232, the City of Dallas, pursuant to the provisions of Chapter 34 of the Texas Property Tax Code, may resell the Property at any time; and

WHEREAS, as authorized by Section 253.010 of the Texas Local Government Code, the City desires to sell the Property to a qualified "nonprofit organization" for the development of "affordable housing" for low income persons, as those terms are defined for the purposes of this resolution in Section 2-26.5 of the Dallas City Code ("Code"); and

WHEREAS, the City has received a written proposal which contains proposed end use and time frame from the qualified nonprofit organization to purchase the Property by private sale ("Proposal") at the (1) lesser of the market value as specified in the judgment of foreclosure or the total amount of the judgments against the property, or (2) lesser of the tax warrant amount or the market value of the property as indicated in the Sheriff's Deed, all as indicated on "Exhibit A"; and

WHEREAS, the City Council has previously approved the resale of other properties where funds were not received and have not been disbursed prior to the April 1, 2001 Tax Collection Consolidation with Dallas County; and

WHEREAS, the proceeds of the resale will be distributed in accordance with Chapter 34, Section 34.06 of the Texas Property Tax Code; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the Proposal identified on Exhibit "A" is approved by the City.

SECTION 2. That upon receipt of the monetary consideration from the qualified nonprofit organization ("Requestor") for the Property on the list as specified on Exhibit "A", and upon approval of Requestor's Proposal by the governing bodies of the other affected Taxing Units which own the Property, the City Manager is hereby authorized to execute a Quitclaim Deed, upon approval as to form by the City Attorney and attested by the City Secretary, quitclaiming the Property to the Requestor, subject to the right of redemption, if any, and the possibility of reverter with right of re-entry, and to the terms and conditions of Code Section 2-26.10 through 2-26.12 and the Proposal.

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SECTION 3. That the quitclaim deeds to this Property will contain deed restrictions requiring the purchaser to:

- (1) Restrict the sale and resale of owner-occupied property to low-income individuals or families for five (5) years after the date of filing,
- (2) Require the nonprofit organization to develop the proposed housing unit within three (3) years after receiving the quitclaim deed, and
- (3) Require any low-income individual or family to maintain each housing unit and all improvements on the land during the five (5) year period.

SECTION 4. That the quitclaim deed to this Property will contain a condition that the quitclaim is also subject to Grantee's representation and agreement that Grantee did not purchase the Property on behalf of a Prohibited Person, as hereinafter defined, and that Grantee will not sell or lease the Property to a Prohibited Person. A "Prohibited Person" shall mean any party who was named as a defendant in the legal proceedings at which the City obtained a final judgment in a District Court in the county in which the land is located for delinquent taxes and an order to foreclose its tax lien on the property or person in the Judgment or Seizure Tax Warrant, issued in a District Court in the county in which the land is located, or the Sheriff's Deed as the owner of the Property, authorized seized and ordered sold for delinquent taxes and any municipal health and safety liens (as applicable). Grantee's agreement shall be for five (5) years from execution of the quitclaim deed, and any breach or violation thereof may be enforced by Grantor against Grantee at law or in equity to require the correction of the violation. Grantee further agrees that if Grantor substantially prevails in a legal proceeding to enforce these terms, conditions and restrictions, Grantor shall be entitled to recover damages, reasonable attorney fees, and court costs from Grantee. Grantee's agreement to those terms, conditions and restrictions is a material representation and part of the consideration for this transaction.

SECTION 5. That the City Manager is authorized to execute instruments, approved as to form by the City Attorney, releasing the City's possibility of reverter with right of re-entry and terminating the deed restrictions to the Property upon compliance with all terms and conditions of Code Section 2-26.10 through 2-26.12, the Proposal, and the deed restrictions.

SECTION 6. That the consideration received shall be distributed pursuant to Chapter 34, section 34.06 of the Texas Property Tax Code and applied to the payment of the judgment, court costs, interest, and cost of sale and resale owed to the Taxing Units by the delinquent taxpayer or the amount of delinquent taxes, penalties, the amount secured by any municipal health or safety liens on the Property included in the Warrant application, court costs, interest and cost of seizure and sale owed to the Taxing Units as set forth in the Warrant; any such amount(s) still owed by the delinquent taxpayer to any of the Taxing Units shall remain the personal obligation of the delinquent taxpayer.

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SECTION 7. That the purchaser shall be responsible for the pro rata property taxes assessed from the date of closing for the remaining part of the then current calendar year. This Property shall be placed back on the tax rolls effective as of the date of execution of the deed.

SECTION 8. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute a release of lien for any non-tax liens included in the foreclosure judgment and any non-tax liens that may have been filed by the City post-judgment on the Property.

SECTION 9. That any and all proceeds for the resale of the Property listed on Exhibit A and for the properties previously approved for resale by the City Council where funds were not received and have not been disbursed prior to the April 1, 2001 Tax Collection Consolidation with Dallas County be deposited to General Fund 0001, Agency DEV, Balance Sheet Account 0519.

SECTION 10. That upon receipt of the consideration, the City Controller is authorized to disburse proceeds of the resale of the Property listed on Exhibit A, in accordance with Chapter 34, section 34.06 of the Texas Property Tax Code, which calculations for disbursement shall be provided by the Development Services Director, to the City of Dallas Land Based Receivables, the Dallas County District Clerk and the Dallas County Tax Office from the account specified in Section 9 above.

SECTION 11. That upon receipt of the distribution amounts, the City Controller is authorized to disburse proceeds pursuant to Chapter 34, section 34.06 of the Texas Property Tax Code, which calculations for disbursement shall be provided by the Development Services Director, for properties previously approved for resale by the City Council where funds have not been disbursed prior to the April 1, 2001 Tax Collection Consolidation with Dallas County from the account specified in Section 9 above.

SECTION 12. That any procedures required by Code Section 2-24 that are not required by state law are hereby waived with respect to these conveyances.

SECTION 13. That this resolution shall take effect immediately from and after its a passage in accordance with provisions of the City Charter of the City of Dallas and is accordingly so resolved.

DISTRIBUTION:

Housing Department

City Attorney's Office

Office of Financial Services/Community Development, 4FN

Office of Property Management

EXHIBIT A

TAX-FORECLOSED (TF) AND/OR SEIZURE WARRANT (SW) PROPERTY RESALE

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PARCEL NO.	STREET ADDRESS/ LEGAL DESCRIPTION	TF/SW	VACANT/ IMPROVED	DEED VOLUME PAGE	QUALIFIED NON-PROFIT PURCHASER	HOMEOWNER RENTAL LEASE PURCHASE	NUMBER OF DWELLING UNITS	SALE AMOUNT
1	3104 ROCHESTER Lot 13, 49x235ft, S. Solomon Sur Abst #1345 Rochester, Block 7070	SW	V	V.99166 P.2048	Dallas Neighborhood Alliance for Habitat	Homeowner	1	\$1,000.00
TOTAL								\$1,000.00