

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** May 22, 2013  
**COUNCIL DISTRICT(S):** 5  
**DEPARTMENT:** Housing/Community Services  
**CMO:** Ryan S. Evans, 670-3314  
**MAPSCO:** 66A

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### **SUBJECT**

Authorize **(1)** the sale of one vacant lot located at 2639 Kilburn Avenue from the Dallas Housing Acquisition and Development Corporation to Jose L. Hernandez and Imelda Pinon; and **(2)** the execution of a release of lien for any non-tax liens that may have been filed by the City – Financing: No cost consideration to the City

### **BACKGROUND**

On June 18, 2003, Governor Perry signed the Urban Land Bank Demonstration Program Act. The Act allows the governing body of a municipality to adopt an Urban Land Bank Demonstration Program in which the officer charged with selling real property ordered sold pursuant to foreclosure of a tax lien may sell certain eligible real property by private sale to a land bank for the purpose of affordable housing developments. In 2004, the Dallas City Council established the Dallas Housing Acquisition and Development Corporation (“DHADC”) as its land bank.

If a land bank determines that a property it owns is not appropriate for residential development, Section 379C.0106 of the Texas Local Government Code (“Code”) requires that the land bank first offer the property for sale to an eligible adjacent property owner for the lower of the fair market value of the property as determined by the appraisal district in which the property is located or the sales price recorded in the annual plan.

Jose L. Hernandez and Imelda Pinon are eligible adjacent property owners, as defined in the Code, and have submitted a proposal to purchase the DHADC-owned lot located at 2639 Kilburn Avenue for \$4,800.00, which amount is the sales price of the property recorded in the annual plan. The DHADC Board has approved the sale, subject to City Council approval.

## **BACKGROUND (continued)**

This item will authorize the sale of one lot from DHADC to Jose L. Hernandez and Imelda Pinon and the release of lien for any non-tax liens that may have been filed by the City. The vacant lot was purchased by DHADC from a Sheriff's sale pursuant to foreclosure of tax liens and any non-tax liens in accordance with the Code.

The instrument conveying the property will include a restriction limiting the purchaser's ability to lease, sell, or transfer the property for a period of three years in accordance with the Code.

## **PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

On January 28, 2004, by Resolution No. 04-0458, the City Council established DHADC as its land bank for the purpose of acquiring, holding and transferring unimproved real property for the purpose of promoting the development of affordable housing as allowed under Chapter 379C of the Texas Local Government Code.

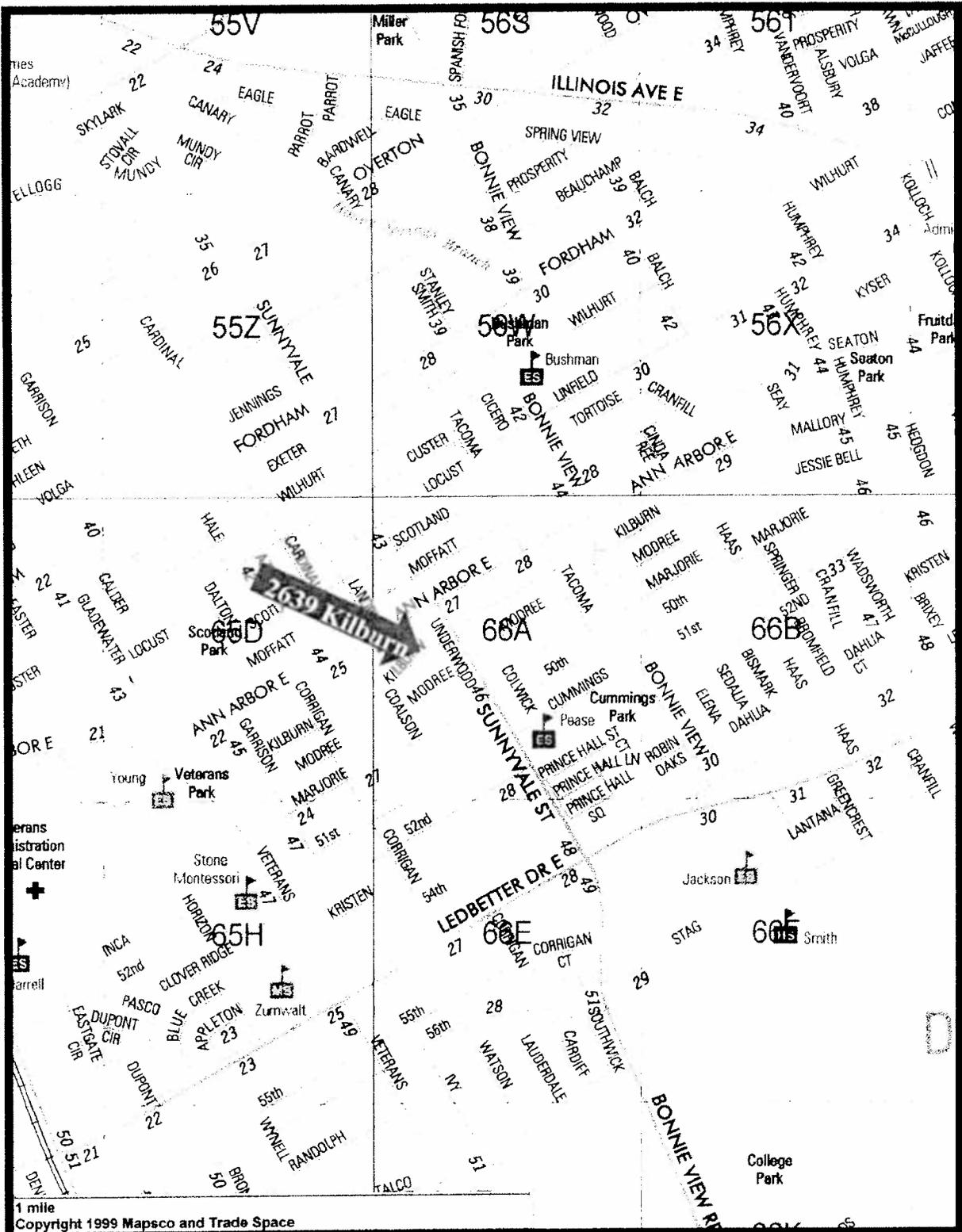
On April 18, 2013, the DHADC Board approved the sale to Jose L. Hernandez and Imelda Pinon, subject to City Council approval.

## **FISCAL INFORMATION**

No cost consideration to the City

## **MAP**

Attached



**MAPSCO 66A**

May 22, 2013

**WHEREAS**, on January 28, 2004, the City Council established the Dallas Housing Acquisition and Development Corporation (“DHADC”) as its land bank for the purpose of acquiring, holding and transferring unimproved real property for the purpose of promoting the development of affordable housing as allowed under Chapter 379C of the Texas Local Government Code (“Code”) by Resolution No. 04-0458; and

**WHEREAS**, if a land bank determines that a property it owns is not appropriate for residential development, Section 379C.0106 of the Code requires that the land bank first offer the property for sale to an eligible adjacent property owner for the lower of the fair market value of the property as determined by the appraisal district in which the property is located or the sales price recorded in the annual plan; and

**WHEREAS**, Jose L. Hernandez and Imelda Pinon are eligible adjacent property owners, as defined in the Code, and have submitted a proposal to purchase the DHADC-owned lot located at 2639 Kilburn Avenue for \$4,800.00, which amount is the sales price of the property recorded in the annual plan; and

**WHEREAS**, the instrument conveying the property will include a restriction limiting the purchaser’s ability to lease, sell, or transfer the property for a period of three years in accordance with the Code; and

**WHEREAS**, on April 18, 2013, the DHADC Board approved the sale to Jose L. Hernandez and Imelda Pinon, subject to City Council approval;

**NOW, THEREFORE,**

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

**Section 1.** That the sale of the lot located at 2639 Kilburn Avenue from DHADC to Jose L. Hernandez and Imelda Pinon is approved.

**Section 2.** 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 that may have been filed by the City on the lot located at 2639 Kilburn Avenue.

**Section 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

**KEY FOCUS AREA:** Economic Vibrancy  
**AGENDA DATE:** May 22, 2013  
**COUNCIL DISTRICT(S):** 3, 6  
**DEPARTMENT:** Housing/Community Services  
**CMO:** Ryan S. Evans, 670-3314  
**MAPSCO:** 43H K R 44E K

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### **SUBJECT**

Authorize **(1)** approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by Santos J. Coria for the construction of affordable houses; **(2)** the sale of 5 vacant lots (list attached) from Dallas Housing Acquisition and Development Corporation to Santos J. Coria; and **(3)** execution of a release of lien for any non-tax liens on the 5 properties that may have been filed by the City non-tax liens included in the foreclosure judgment, pre-judgment non-tax liens not included in the judgment, and post-judgment non-tax liens, if any – Financing: No cost consideration to the City

### **BACKGROUND**

On June 18, 2003, Governor Perry signed the Urban Land Bank Demonstration Program Act. The Act allows the governing body of a municipality to adopt an Urban Land Bank Demonstration Program in which the officer charged with selling real property ordered sold pursuant to foreclosure of a tax lien may sell certain eligible real property by private sale to a land bank for the purpose of affordable housing developments. The City Council then established the Dallas Housing Acquisition and Development Corporation (DHADC or Land Bank) as its land bank for the purpose of acquiring, holding and transferring unimproved real property under Subtitle A, Title 12, Local Government Code, Chapter 379C on January 28, 2004.

On September 17, 2012, the Housing Committee received a briefing regarding the Urban Land Bank Demonstration Program which outlined the process and status of the program. The areas targeted for acquisition to achieve the desired goals under the program were identified.

## **BACKGROUND (continued)**

Santos J. Coria has submitted a proposal and development plan to DHADC for 5 lots shown on the attached list. The DHADC Board has approved the development plan and sale, subject to City Council approval. This item will authorize City Council approval of the development plan submitted by Santos J. Coria to the City's Land Bank, the sale of those lots from DHADC to Santos J. Coria and the release of lien for any non-tax liens that may have been filed by the City non-tax liens included in the foreclosure judgment, pre-judgment non-tax liens not included in the judgment and post-judgment non-tax liens, if any. The vacant lots were purchased by DHADC from a Sheriff's sale pursuant to foreclosure of tax liens and any non-tax liens. DHADC's Deed without Warranty to Santos J. Coria will contain a reverter that returns the property to DHADC if a construction permit is not applied for by Santos J. Coria and construction financing is not closed within three years of conveyance.

Santos J. Coria will build affordable houses on the lots. The approximate square footage and sales prices of the houses will be from 1,200 to 1,500 square feet and from \$109,000 to \$120,000. The lots will be deed restricted for sale to a low income family and will require at least 25 percent of the developed homes (2 in this proposal) to be sold to households with gross household incomes not greater than 60 percent of the Area Median Family Income (AMFI) as determined annually by HUD. A maximum of 30 percent of the developed homes (0 in this proposal) may be sold to households with gross incomes from 81 percent to 115 percent of the AMFI as determined annually by HUD. If 30% of the homes are sold to buyers at 81 percent to 115 percent of the AMFI, the remaining homes (3 in this proposal) will be sold to buyers below 81 percent of the AMFI and in compliance with the minimum 25 percent requirement to sell to buyers below 60 percent of the AMFI. DHADC will receive \$23,985.00 for the sales price, as calculated from the 2012-13 Land Bank Plan approved by City Council.

## **PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

On January 28, 2004, by Resolution No. 04-0458, the City Council established DHADC as its land bank for the purpose of acquiring, holding and transferring unimproved real property for the purpose of promoting the development of affordable housing as allowed under Chapter 379C of the Texas Local Government Code.

On April 18, 2013, DHADC approved the development plan and sale of 5 lots from DHADC to Santos J. Coria.

**FISCAL INFORMATION**

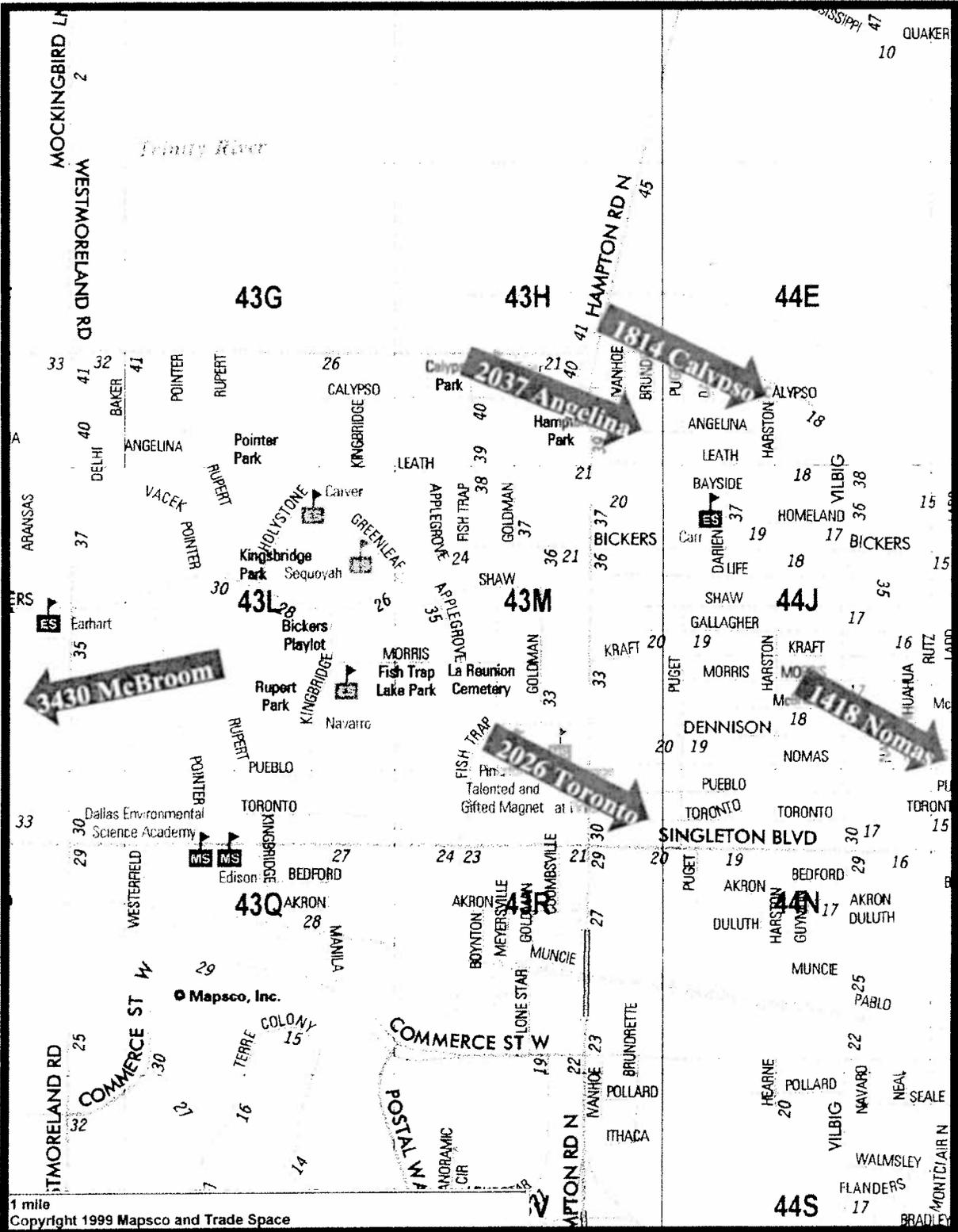
No cost consideration to the City

**MAP**

Attached

**LAND BANK (DHADC) SALE OF LOTS TO  
Santos J. Coria**

<b><u>PROPERTY ADDRESS</u></b>	<b><u>MAPSCO</u></b>	<b><u>COUNCIL DISTRICT</u></b>	<b><u>AMOUNT OF NON-TAX LIENS</u></b>
1. 1814 Calypso	44E	3	\$12,471.08
2. 2037 Angelina	43H	3	\$15,741.96
3. 2026 Toronto	43R	3	\$20,748.88
4. 1418 Nomas	44K	6	\$ 6,343.17
5. 3430 McBroom	43K	3	\$12,877.13



**MAPSCO 43H K R 44EK**

May 22, 2013

**WHEREAS**, on January 28, 2004, the City Council established the Dallas Housing Acquisition and Development Corporation (DHADC) as its land bank for the purpose of acquiring, holding and transferring unimproved real property under Subtitle A, Title 12, Local Government Code, Chapter 379C; and

**WHEREAS**, on August 11, 2010, the City Council authorized a new contract with DHADC for the provision of land bank services as set forth in the amended Program Statement for the Dallas Urban Land Bank Demonstration Program by Resolution No. 10-1952; and

**WHEREAS**, Santos J. Coria submitted a proposal and development plan to DHADC for 5 lots shown on Exhibit "A" and the DHADC Board has approved the development plan and sale, subject to City Council approval; and

**WHEREAS**, the City Council desires to approve the development plan shown on Exhibit "B" submitted by Santos J. Coria and authorize the sale of the said 5 lots from DHADC to Santos J. Coria to build affordable houses;

**NOW, THEREFORE,**

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

**Section 1.** That the development plan shown on Exhibit "B" submitted by Santos J. Coria and the sale of 5 lots shown on "Exhibit A" from DHADC to Santos J. Coria is approved.

**Section 2.** 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 that may have been filed by the City a release of lien for any non-tax liens included in the foreclosure judgment, pre-judgment non-tax liens not included in the judgment and any non-tax liens that may have been filed by the City post-judgment on the lots shown on "Exhibit A".

**Section 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

EXHIBIT "A"

LAND BANK PROPERTY					
PARCEL NUMBER	STREET ADDRESS LEGAL DESCRIPTION	QUALIFIED PURCHASER	NUMBER OF HOMEOWNER UNITS	SALE AMOUNT	
1	<b>1814 Calypso</b> East 40 Feet of Lot 2, Roosevelt Manor Addition Block 10-71-33	Santos J. Corra	1	\$5,465.00	
2	<b>2037 Angelina</b> Lot 26, Roosevelt Manor, 2nd and 3rd Section Addition Block 8-71-30	Santos J. Corra	1	\$4,680.00	
3	<b>2026 Toronto</b> Lot 3, Victory Gardens No. 3 Addition Block 17-71-27	Santos J. Corra	1	\$4,635.00	
4	<b>1418 Nomax</b> Lot 2, Eagle Point Addition Block D-71-11	Santos J. Corra	1	\$4,705.00	
5	<b>3430 McBroom</b> Lot 19, Westmoreland Park Addition No. 1 Block 2-71-44	Santos J. Corra	1	\$4,430.00	
<b>TOTAL</b>				<b>\$23,985.00</b>	

EXHIBIT B

SECTION II: DEVELOPMENT PLAN

A. DESCRIPTION OF THE LAND REQUESTED FOR DEVELOPMENT

- (1) Number of lots requested in this proposal. 5
- (2) Land Bank name for this parcel of lots. \_\_\_\_\_
- (3) Provide the property address and legal description of the land requested (attach extra sheets if necessary) (the "Property")  
3037 Angelina Ct 26 B/LK 8/7130      3430 Mc3room Lt 19 B/LK 2/7144  
1814 Calypso 690# Lt 2 B/LK 10/7130      1418 Mercury Lt 2 Pt Eagle Pt. Add.  
2026 Toronto Ct 3 B/LK 17/7127

B. DESCRIPTION OF PROPOSED HOUSES ENTITY WILL CONSTRUCT

At least 25% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes not greater than 60% of AMFI. No more than 30% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes between 81% and 115% of AMFI. (At least 70% of the Land Bank properties sold during any fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes at 80% AMFI or less.)

Single Family Home (to be sold to low income households at 60% or less of AMFI):

Number of homes to be built on lots 2  
 Square Footage of each home 1200 - 1500  
 Number of Bedrooms/Baths in each home 3 / 2  
 Number of Garages \_\_\_\_\_ Number of Carports \_\_\_\_\_ Detached \_\_\_\_\_ Attached \_\_\_\_\_  
 Type of Exterior Veneer Siding Which sides all  
 Your Sales Price ranges without Subsidies to Qualified Low Income Buyer 139,000 - 120,000

Single Family Home (to be sold to low income households at 80% or less of AMFI):

Number of homes to be built on lots 3  
 Square Footage of each home 1200 - 1500  
 Number of Bedrooms/Baths in each home 3 / 2  
 Number of Garages \_\_\_\_\_ Number of Carports \_\_\_\_\_ Detached \_\_\_\_\_ Attached \_\_\_\_\_  
 Type of Exterior Veneer Siding Which sides all  
 Your Sales Price ranges without Subsidies to Qualified Low Income Buyer 119,000 - 100,000

Single Family Home (to be sold to low income households between 81% and 115% of AMFI):

Number of homes to be built on lots \_\_\_\_\_  
 Square Footage of each home \_\_\_\_\_  
 Number of Bedrooms/Baths in each home \_\_\_\_\_ / \_\_\_\_\_  
 Number of Garages \_\_\_\_\_ Number of Carports \_\_\_\_\_ Detached \_\_\_\_\_ Attached \_\_\_\_\_  
 Type of Exterior Veneer \_\_\_\_\_ Which sides \_\_\_\_\_  
 Your Sales Price ranges without Subsidies to Qualified Low Income Buyer \_\_\_\_\_

Attach extra sheet(s) breaking out above information for each different model of home.

PROVIDE FLOOR PLANS AND ELEVATIONS.

### C. CONSTRUCTION TIMETABLE

State the number of days it will take you to complete construction and sale of improved Property from the date of obtaining the executed deed from DHADC. Attach a schedule, if you desire. The deed conveying property sold by DHADC will include a right of reverter so that if the Entity does not apply for a construction permit and close on any construction financing within a two year period following the date of conveyance of the property from the DHADC to the Entity, the property will revert to the DHADC for subsequent resale.

Commencement of Construction 120 days  
Completion of Construction 130 days  
Sale of first affordable housing unit to low income households 365 days  
Sale of last affordable unit to low income households 365 days

# Memorandum



CITY OF DALLAS

DATE May 17, 2013

TO Members of the Housing Committee,  
Carolyn Davis (Chair), Scott Griggs, (Vice-Chair) Linda Koop, Pauline Medrano, Dwaine Caraway

SUBJECT **City Wide CDC Lease Agreement Extension Approval (Addendum)**

On February 27, 2013, the City Council approved a resolution in support of the City Wide Serenity Place Apartments' application for 2013 9% Low Income Housing Tax Credits. The City Council also approved a loan in the amount of \$1,997,913 toward the development of the 45 units and a long-term land lease of City owned property for 35 years.

The Texas Department of Housing & Community Affairs (TDHCA) has requested that the long term land-lease between the City of Dallas and City Wide Serenity Place Apartments, L.P. reflect a minimum of 45 years. On April 11, 2013, the developer requested for the lease to be 55 years in order to satisfy the syndicator of the tax credits.

On May 22, 2013, the City Council will consider approving the long-term land lease extension as requested by the developer for the benefit of this project.

Should you have any questions, please contact me at (214) 670-3296.

A handwritten signature in black ink, appearing to read 'Ryan S. Evans'.

Ryan S. Evans  
Assistant City Manager

C: The Honorable Mayor and Members of the City Council

Mary K. Suhm, City Manager  
Rosa Rios, City Secretary  
Tom Perkins Jr., City Attorney  
Craig Kinton, City Auditor  
Daniel Solis, Administrative Judge, Municipal Court  
A.C. Gonzalez, First Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager  
Forest Turner, Assistant City Manager  
Joey Zapata, Assistant City Manager  
Jeanne Chipperfield, Chief Financial Officer  
Jerry Killingsworth, Director, Housing/Community Services Department  
Bernadette Mitchell, Assistant Director, Housing/Community Services Department  
Stephanie Pegues-Cooper, Assistant to the City Manager

# Memorandum



CITY OF DALLAS

DATE May 17, 2013

TO Members of the Housing Committee,  
Carolyn Davis (Chair), Scott Griggs, (Vice-Chair) Linda Koop, Pauline Medrano, Dwaine Caraway

SUBJECT **Conditional Grant Approval for Rudolph Edwards (Addendum)**

As briefed in December 5, 2012 to the City Council Housing Committee, the Lancaster/Kiest Development included four phases. Phase I of the project was to include the relocation of Rudy's Chicken to a new building with more parking and better ingress and egress from Lancaster.

On May 22, 2013, the City Council will consider approving a conditional grant from 2006 General Obligation Bond Funds in the amount of \$890,000 to Rudolph Edwards for the purpose of completing the Phase I Development. Rudolph Edwards has signed a development agreement with City Wide Community Development Corporation to complete the necessary work.

Should you have any questions, please contact me at (214) 670-3296.

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Ryan S. Evans  
Assistant City Manager

C: The Honorable Mayor and Members of the City Council  
Mary K. Suhm, City Manager  
Rosa Rios, City Secretary  
Tom Perkins Jr., City Attorney  
Craig Kinton, City Auditor  
Daniel Solis, Administrative Judge, Municipal Court  
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Bernadette Mitchell, Assistant Director, Housing/Community Services Department  
Stephanie Pegues-Cooper, Assistant to the City Manager