

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: August 12, 2009
COUNCIL DISTRICT(S): 4
DEPARTMENT: Housing
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 55F

SUBJECT

Authorize **(1)** approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by Sphinx Development Corporation for the construction of affordable houses, **(2)** the sale of 6 vacant lots from Dallas Housing Acquisition and Development Corporation to Sphinx Development Corporation; and, **(3)** execution of a release of non-tax liens included in the foreclosure judgment and post-judgment non-tax liens, if any (list attached) – Financing: No cost consideration to the City

BACKGROUND

On August 3, 2009, 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.

Consistent with the program briefed in the Housing Committee, the staff requested proposals for the construction of affordable houses. Since there was not an existing non-profit organization in the area with a right of first refusal, proposals were requested from both non-profit and for profit organizations. Proposals were received from two organizations, East Dallas Community Organization and Sphinx Development Corporation (Sphinx).

Sphinx submitted a proposal and development plan to Dallas Housing Acquisition and Development Corporation (DHADC or Land Bank) for 6 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 Sphinx to the City's Land Bank, the sale of those lots from DHADC to Sphinx and the release of non-tax liens included in the foreclosure judgment and post-judgment non-tax liens, if any.

BACKGROUND (continued)

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 Sphinx will contain a reverter that returns the property to DHADC if a construction permit is not applied for by Sphinx and construction financing is not closed within two years of conveyance. Sphinx will build affordable houses on the lots. The approximate square footage and sales prices of the houses will be from 1,200 to 1,700 square feet and from \$100,000 to \$160,000.

The lots will be deed restricted for sale to a low income family and will require at least 25 percent of the developed homes 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 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 per cent of the AMFI, the remaining homes will be sold to buyers below 81 per cent of the AMFI and in compliance with the minimum 25 per cent requirement to sell to buyers below 60 per cent of the AMFI. DHADC will receive \$24,436.08 for the sales price, as calculated from the 08-09 Land Bank Plan approved by City Council.

In 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.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On January 28, 2004, the City Council established the Dallas Housing Acquisition and Development Corporation (DHADC) as its land bank, authorized amendments to the Articles of Incorporation and By-Laws of the DHADC, and authorized an interlocal contract with the affected taxing jurisdictions for participation in the Dallas Urban Land Bank Demonstration Program by Resolution No. 04-0458.

On May 26, 2004, the City Council authorized a 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. 04-1726.

On October 13, 2004, the City Council approved the City of Dallas FY 2004-05 Urban Land Bank Demonstration Program Plan and authorized an amendment to the DHADC Contract to provide additional operating and acquisition funds for FY 2004-05 by Resolution No. 04-2930.

PRIOR ACTION/REVIEW (Council, Boards, Commissions) (continued)

On August 24, 2005, the City Council authorized an amendment to the contract with DHADC to extend the term to November 1, 2006 and to allow the City to refer up to 625 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 26, 2006 by Resolution No. 05-2474.

On August 24, 2005, the City Council approved the City of Dallas FY 2005-06 Urban Land Bank Demonstration Program by Resolution No. 05-2501.

On January 11, 2006, the City Council authorized an amendment to the City of Dallas FY 2005-06 Urban Land Bank Demonstration Program Plan to increase the list of properties in the plan that may become eligible for sale to the Land Bank by Resolution No. 06-0162.

On October 11, 2006, the City Council approved the City of Dallas FY 2006-07 Urban Land Bank Demonstration Program Plan by Resolution No. 06-2785.

On December 13, 2006, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2007 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2007 by Resolution No. 06-3403.

On August 22, 2007, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2008 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2008 by Resolution No. 07-2385.

On October 10, 2007, the City Council approved the City of Dallas FY 2007-08 Urban Land Bank Demonstration Program Plan by Resolution No. 07-2998.

On August 27, 2008, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2009 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2009 by Resolution No. 08-2258.

On October 8, 2008, the City Council approved the City of Dallas FY 2008-09 Urban Land Bank Demonstration Program Plan by Resolution No. 08-2785.

On April 8, 2009, the City Council approved an amendment to the City of Dallas FY 2008-09 Urban Land Bank Demonstration Program Plan to allow rental housing units on Land Bank lots and/or rental housing units above retail development on Land Bank lots by Resolution No. 09-0981.

FISCAL INFORMATION

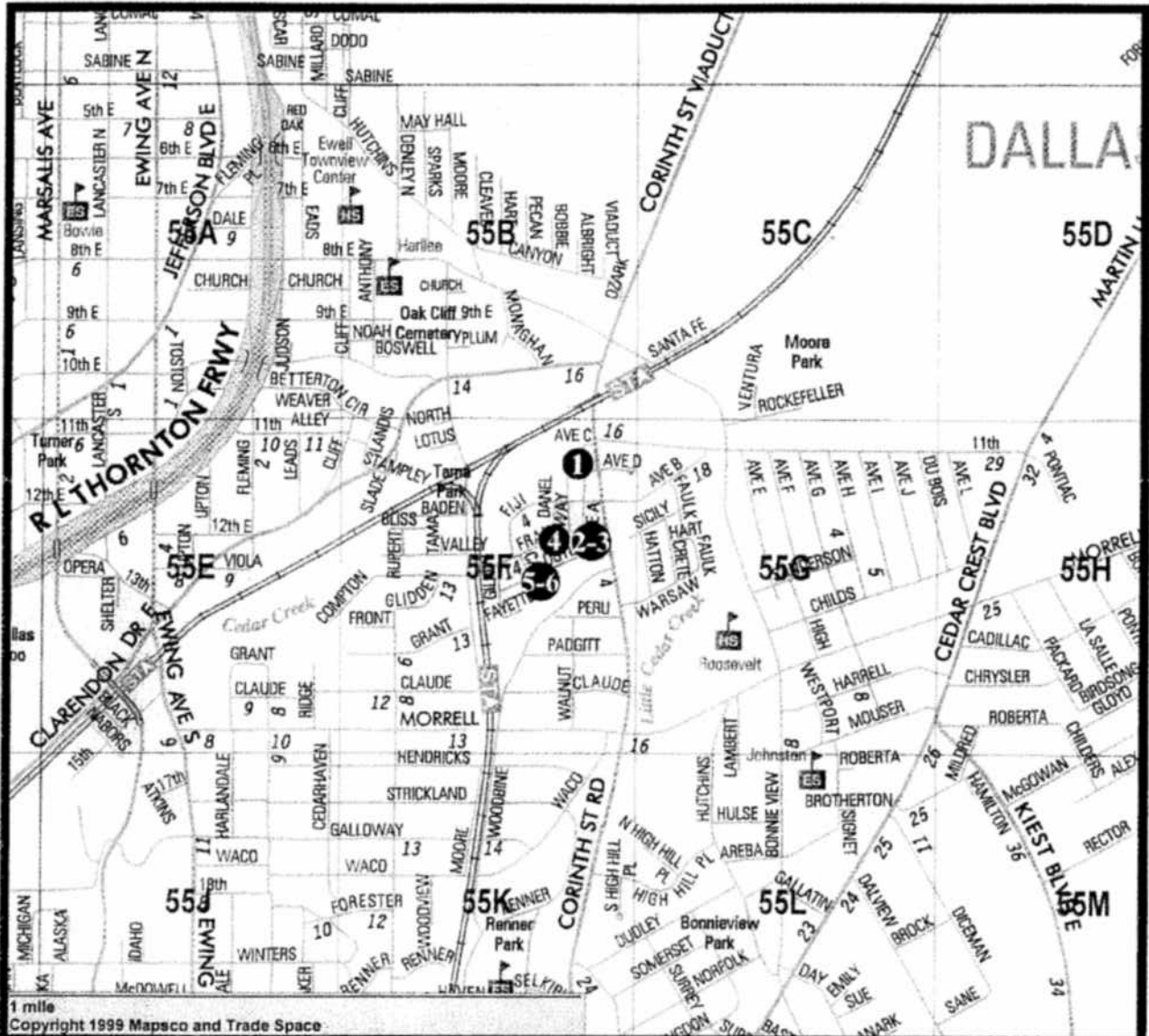
No cost consideration to the City.

MAP

Attached

**Land Bank (DHADC) Sale of 6 Lots
to Sphinx Development Corporation**

	<u>Property Address</u>	<u>Mapsco</u>	<u>Council District</u>
1.	229 Avenue A	55F	4
2.	426 Avenue A	55F	4
3.	430 Avenue A	55F	4
4.	1530 Compton	55F	4
5.	1503 Doyle	55F	4
6.	1507 Doyle	55F	4



PROPERTY ADDRESS	MAPSCO	COUNCIL DISTRICT	PROPERTY ADDRESS	MAPSCO	COUNCIL DISTRICT
1. 229 Avenue A	55F	4	4. 1530 Compton	55F	4
2. 426 Avenue A	55F	4	5. 1503 Doyle	55F	4
3. 430 Avenue A	55F	4	6. 1507 Doyle	55F	4

August 12, 2009

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: 1) approved the City of Dallas Urban Land Bank Demonstration Program Plan; 2) approved the Program Statement for the Dallas Urban Land Bank Demonstration Program; 3) authorized amendments to the Articles of Incorporation and By-Laws of the DHADC; and 4) authorized an interlocal contract with the affected taxing jurisdictions for participation in the Dallas Urban Land Bank Demonstration Program by Resolution No. 04-0458; and

WHEREAS, on May 26, 2004, the City Council authorized a contract with the DHADC for the provision of land bank services as set forth in the amended Program Statement for the Dallas Urban Land Bank Demonstration Program approved by the City Council on January 28, 2004 by Resolution No. 04-1726; and

WHEREAS, on October 13, 2004, the City Council approved the City of Dallas FY 2004-05 Urban Land Bank Demonstration Program Plan and authorized an amendment to the DHADC Contract to provide additional operating and acquisition funds for FY 2004-05 by Resolution No. 04-2930; and

WHEREAS, on August 24, 2005, the City Council authorized an amendment to the contract with DHADC to extend the term to November 1, 2006 and to allow the City to refer up to 625 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 26, 2006 by Resolution No. 05-2474; and

WHEREAS, on August 24, 2005, the City Council approved the City of Dallas FY 2005-06 Urban Land Bank Demonstration Program Plan by Resolution No. 05-2501; and

WHEREAS, on January 11, 2006, the City Council authorized an amendment to the City of Dallas FY 2005-06 Urban Land Bank Demonstration Program Plan to increase the list of properties in the plan that may become eligible for sale to the Land Bank by Resolution No. 06-0162; and

WHEREAS, on October 11, 2006, the City Council approved the City of Dallas FY 2006-07 Urban Land Bank Demonstration Program Plan by Resolution No. 06-2785; and

WHEREAS, on December 13, 2006, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2007 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2007 by Resolution No. 06-3403; and

August 12, 2009

WHEREAS, on August 22, 2007, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2008 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2008 by Resolution No. 07-2385; and

WHEREAS, on October 10, 2007, the City Council approved the City of Dallas FY 2007-08 Urban Land Bank Demonstration Program Plan by Resolution No. 07-2998; and

WHEREAS, on August 27, 2008, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2009 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2009 by Resolution No. 08-2257; and

WHEREAS, on October 8, 2008, the City Council approved the City of Dallas FY 2008-09 Urban Land Bank Demonstration Program Plan by Resolution No. 08-2785; and

WHEREAS, on April 8, 2009, the City Council approved an amendment to the City of Dallas FY 2008-09 Urban Land Bank Demonstration Program Plan to allow rental housing units on Land Bank lots and/or rental housing units above retail development on Land Bank lots by Resolution No. 09-0981; and

WHEREAS, Sphinx Development Corporation (Sphinx) submitted a proposal and development plan to DHADC for 6 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 Sphinx and authorize the sale of the said 6 lots from DHADC to Sphinx 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 Sphinx and the sale of 6 lots shown on "Exhibit A" from DHADC to Sphinx 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 included in the foreclosure judgment and any non-tax liens that may have been filed by the City post-judgment on the lots shown on "Exhibit A".

August 12, 2009

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.

DISTRIBUTION:

Housing Department

City Attorney's Office

Office of Financial Services, 4FN

EXHIBIT "A"

LAND BANK PROPERTY					
PARCEL NUMBER	STREET ADDRESS LEGAL DESCRIPTION	QUALIFIED PURCHASER	NUMBER OF HOMEOWNER UNITS	SALE AMOUNT	
1	229 Avenue A Lots 25 & 26, Oak Cliff Heights Addition Block 4717	Sphinx Development Corporation	1	\$4,349.78	
2	426 Avenue A N. 40 feet of Lot 6, Samuel T. Morgan's Subdivision Block 4716	Sphinx Development Corporation	1	\$4,017.26	
3	430 Avenue A Part of Lots 6 & 7, Samuel T. Morgan's Subdivision Block 4716	Sphinx Development Corporation	1	\$4,017.26	
4	1530 Compton Lot 13, Miss Carrie Giltroy's Addition Block 4711-C	Sphinx Development Corporation	1	\$4,017.26	
5	1503 Doyle Lot 5, Miss Carrie Giltroy's Addition Block 4711-C	Sphinx Development Corporation	1	\$4,017.26	
6	1507 Doyle Lot 4, Miss Carrie Giltroy's Addition Block C/4711	Sphinx Development Corporation	1	\$4,017.26	
TOTAL				\$24,436.08	

EXHIBIT B

SECTION II: DEVELOPMENT PLAN

A. DESCRIPTION OF THE LAND REQUESTED FOR DEVELOPMENT

- (1) Number of lots requested in this proposal. 7 (6 lots since one has been redeemed)
- (2) Land Bank name for this parcel of lots. South Dallas (Fiji Street) – No. 2
- (3) Provide the property address and legal description of the land requested (attach extra sheets if necessary) (the "Property").

See Attached Exhibit

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 (1 home since one lot has been redeemed)
Square Footage of each home 1,200 – 1,700
Number of Bedrooms/Baths in each home 3/2.5-3.5
Number of Garages ___ Number of Carports 2 Detached ___ Attached ___
Type of Exterior Veneer Masonry Which sides All Sides
Your Sales Price ranges without Subsidies to Qualified Low Income Buyer \$100,000 - \$160,000

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

Number of homes to be built on lots 4
Square Footage of each home 1,200 – 1,700
Number of Bedrooms/Baths in each home 3/2.5-3.5
Number of Garages ___ Number of Carports 2 Detached ___ Attached ___
Type of Exterior Veneer Masonry Which sides All Sides
Your Sales Price ranges without Subsidies to Qualified Low Income Buyer \$100,000 - \$160,000

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

Number of homes to be built on lots 1
Square Footage of each home 1,200 – 1,700
Number of Bedrooms/Baths in each home 3/2.5-3.5
Number of Garages ___ Number of Carports 2 Detached ___ Attached ___
Type of Exterior Veneer Masonry Which sides All Sides
Your Sales Price ranges without Subsidies to Qualified Low Income Buyer \$100,000 - \$160,000

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

EXHIBIT B

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 12/2009

Completion of Construction 09/2010

Sale of first affordable housing unit to low income households 365 days

Sale of last affordable unit to low income households 720 days

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: August 12, 2009
COUNCIL DISTRICT(S): 3
DEPARTMENT: Housing
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 43H M 44E N

SUBJECT

Authorize **(1)** approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by Builders of Hope Community Development Corporation for the construction of affordable houses, **(2)** the sale of 6 vacant lots from Dallas Housing Acquisition and Development Corporation to Builders of Hope Community Development Corporation; and, **(3)** execution of a release of 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 (list attached) – Financing: No cost consideration to the City

BACKGROUND

On February 4, 2008, 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.

Builders of Hope Community Development Corporation (Builders of Hope CDC), a City Certified Housing Development Organization, has submitted a proposal and development plan to Dallas Housing Acquisition and Development Corporation (DHADC or Land Bank) for 6 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 Builders of Hope CDC to the City's Land Bank, the sale of those lots from DHADC to Builders of Hope CDC and the release of 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 Builders of Hope CDC will contain a reverter that returns the property to DHADC if a construction permit is not applied for by Builders of Hope CDC and construction financing is not closed within two years of conveyance. Builders of Hope CDC will build affordable houses on the lots.

BACKGROUND (continued)

The approximate square footage and sales prices of the houses will be from 1,100 to 1,500 square feet and from \$90,000 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 homes 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 (2 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 per cent of the AMFI, the remaining homes (2 in this proposal) will be sold to buyers below 81 per cent of the AMFI and in compliance with the minimum 25 per cent requirement to sell to buyers below 60 per cent of the AMFI. DHADC will receive \$27,045.00 for the sales price, as calculated from the 08-09 Land Bank Plan approved by City Council.

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.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On January 28, 2004, the City Council established the Dallas Housing Acquisition and Development Corporation (DHADC) as its land bank, authorized amendments to the Articles of Incorporation and By-Laws of the DHADC, and authorized an interlocal contract with the affected taxing jurisdictions for participation in the Dallas Urban Land Bank Demonstration Program by Resolution No. 04-0458.

On May 26, 2004, the City Council authorized a 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. 04-1726.

On October 13, 2004, the City Council approved the City of Dallas FY 2004-05 Urban Land Bank Demonstration Program Plan and authorized an amendment to the DHADC Contract to provide additional operating and acquisition funds for FY 2004-05 by Resolution No. 04-2930.

PRIOR ACTION/REVIEW (Council, Boards, Commissions) (continued)

On August 24, 2005, the City Council authorized an amendment to the contract with DHADC to extend the term to November 1, 2006 and to allow the City to refer up to 625 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 26, 2006, by Resolution No. 05-2474.

On August 24, 2005, the City Council approved the City of Dallas FY 2005-06 Urban Land Bank Demonstration Program by Resolution No. 05-2501.

On January 11, 2006, the City Council authorized an amendment to the City of Dallas FY 2005-06 Urban Land Bank Demonstration Program Plan to increase the list of properties in the plan that may become eligible for sale to the Land Bank by Resolution No. 06-0162.

On October 11, 2006, the City Council approved the City of Dallas FY 2006-07 Urban Land Bank Demonstration Program Plan by Resolution No. 06-2785.

On December 13, 2006, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2007 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2007, by Resolution No. 06-3403.

On August 22, 2007, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2008 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2008, by Resolution No. 07-2385.

On October 10, 2007, the City Council approved the City of Dallas FY 2007-08 Urban Land Bank Demonstration Program Plan by Resolution No. 07-2998.

On August 27, 2008, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2009 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2009, by Resolution No. 08-2257.

On October 8, 2008, the City Council approved the City of Dallas FY 2008-09 Urban Land Bank Demonstration Program Plan by Resolution No. 08-2785.

On April 8, 2009, the City Council approved an amendment to the City of Dallas FY 2008-09 Urban Land Bank Demonstration Program Plan to allow rental housing units on Land Bank lots and/or rental housing units above retail development on Land Bank lots by Resolution No. 09-0981.

FISCAL INFORMATION

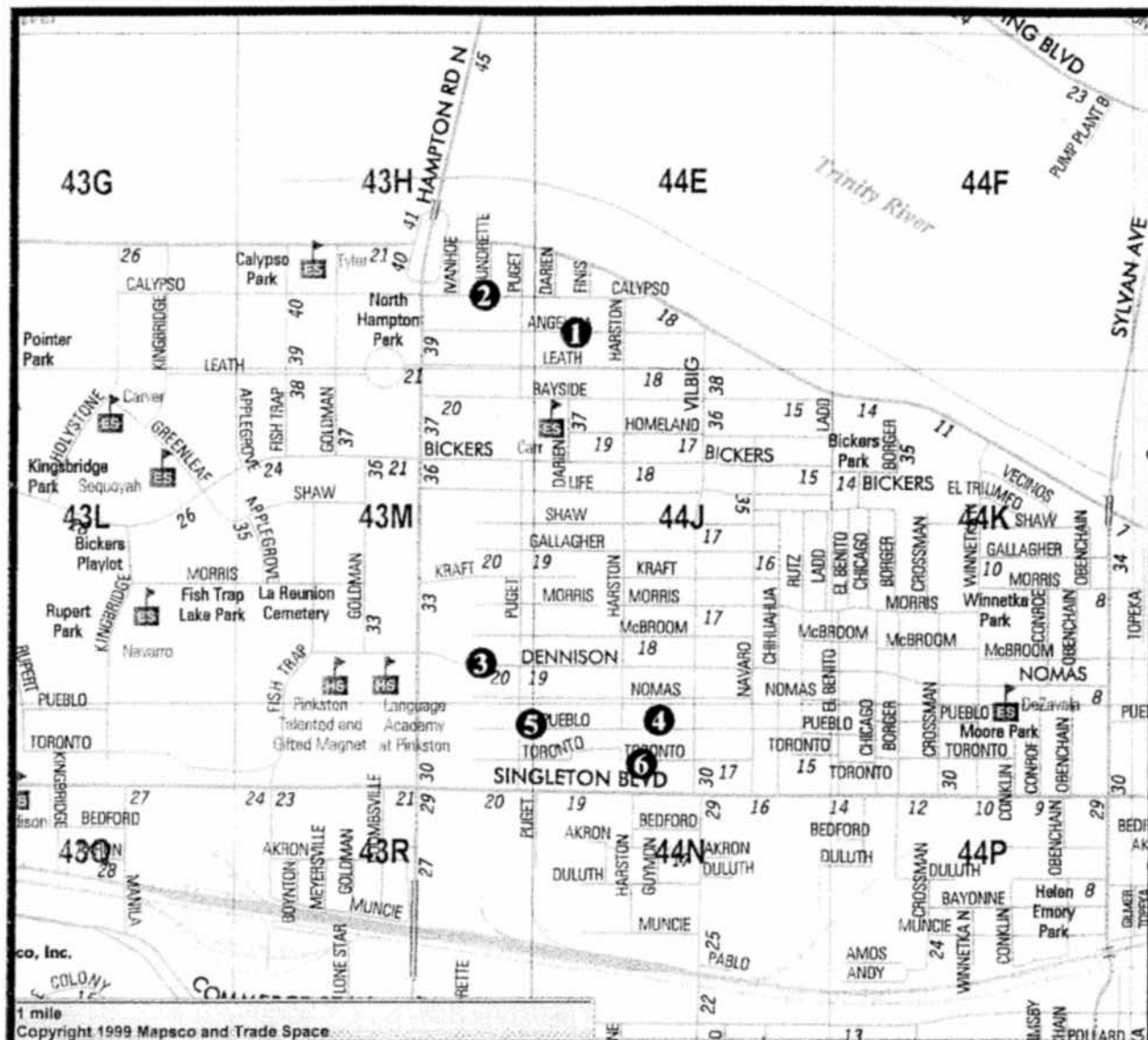
No cost consideration to the City

MAP

Attached

**LAND BANK (DHADC) SALE OF LOTS
TO BUILDERS OF HOPE
COMMUNITY DEVELOPMENT CORPORATION**

<u>Property Address</u>	<u>Mapsco</u>	<u>Council District</u>
1. 1922 Angelina	44E	3
2. 2022 Calypso	43H	3
3. 2023 Dennison	43M	3
4. 1815 Pueblo	44N	3
5. 1973 Pueblo	44N	3
6. 1839 Toronto	44N	3



Property Address

MAPSCO

Council District

- | | | |
|------------------|-----|---|
| 1. 1922 Angelina | 44E | 3 |
| 2. 2022 Calypso | 43H | 3 |
| 3. 2023 Dennison | 43M | 3 |
| 4. 1815 Pueblo | 44N | 3 |
| 5. 1973 Pueblo | 44N | 3 |
| 6. 1839 Toronto | 44N | 3 |

August 12, 2009

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: 1) approved the City of Dallas Urban Land Bank Demonstration Program Plan; 2) approved the Program Statement for the Dallas Urban Land Bank Demonstration Program; 3) authorized amendments to the Articles of Incorporation and By-Laws of the DHADC; and 4) authorized an interlocal contract with the affected taxing jurisdictions for participation in the Dallas Urban Land Bank Demonstration Program by Resolution No. 04-0458; and

WHEREAS, on May 26, 2004, the City Council authorized a contract with the DHADC for the provision of land bank services as set forth in the amended Program Statement for the Dallas Urban Land Bank Demonstration Program approved by the City Council on January 28, 2004 by Resolution No. 04-1726; and

WHEREAS, on October 13, 2004, the City Council approved the City of Dallas FY 2004-05 Urban Land Bank Demonstration Program Plan and authorized an amendment to the DHADC Contract to provide additional operating and acquisition funds for FY 2004-05 by Resolution No. 04-2930; and

WHEREAS, on August 24, 2005, the City Council authorized an amendment to the contract with DHADC to extend the term to November 1, 2006 and to allow the City to refer up to 625 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 26, 2006 by Resolution No. 05-2474; and

WHEREAS, on August 24, 2005, the City Council approved the City of Dallas FY 2005-06 Urban Land Bank Demonstration Program Plan by Resolution No. 05-2501; and

WHEREAS, on January 11, 2006, the City Council authorized an amendment to the City of Dallas FY 2005-06 Urban Land Bank Demonstration Program Plan to increase the list of properties in the plan that may become eligible for sale to the Land Bank by Resolution No. 06-0162; and

WHEREAS, on October 11, 2006, the City Council approved the City of Dallas FY 2006-07 Urban Land Bank Demonstration Program Plan by Resolution No. 06-2785; and

WHEREAS, on December 13, 2006, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2007 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2007 by Resolution No. 06-3403; and

August 12, 2009

WHEREAS, on August 22, 2007, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2008 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2008 by Resolution No. 07-2385; and

WHEREAS, on October 10, 2007, the City Council approved the City of Dallas FY 2007-08 Urban Land Bank Demonstration Program Plan by Resolution No. 07-2998; and

WHEREAS, on August 27, 2008, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2009 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2009 by Resolution No. 08-2257; and

WHEREAS, on October 8, 2008, the City Council approved the City of Dallas FY 2008-09 Urban Land Bank Demonstration Program Plan by Resolution No. 08-2785; and

WHEREAS, on April 8, 2009, the City Council approved an amendment to the City of Dallas FY 2008-09 Urban Land Bank Demonstration Program Plan to allow rental housing units on Land Bank lots and/or rental housing units above retail development on Land Bank lots by Resolution No. 09-0981; and

WHEREAS, Builders of Hope Community Development Corporation (Builders of Hope CDC) submitted a proposal and development plan to DHADC for 6 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 Builders of Hope CDC and authorize the sale of the said 6 lots from DHADC to Builders of Hope CDC 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 Builders of Hope CDC and the sale of 6 lots shown on "Exhibit A" from DHADC to Builders of Hope CDC is approved.

August 12, 2009

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 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.

DISTRIBUTION:

Housing Department
City Attorney's Office
Office of Financial Services, 4FN

EXHIBIT "A"

LAND BANK PROPERTY					
PARCEL NUMBER	STREET ADDRESS LEGAL DESCRIPTION	QUALIFIED PURCHASER	NUMBER OF HOMEOWNER UNITS	SALE AMOUNT	
1	1922 Angelina Lot 13, Roosevelt Manor Addition Block 12/7130	Builders of Hope CDC	1	\$4,507.50	
2	2022 Calypso Lot 13, Roosevelt Manor No. 2 Addition Block 7130-8	Builders of Hope CDC	1	\$4,507.50	
3	2023 Dennison Lot 8, Victory Gardens No 5 Addition Block 21/7127	Builders of Hope CDC	1	\$4,507.50	
4	1815 Pueblo Lot 4, Victory Gardens Addition Block 1/7122	Builders of Hope CDC	1	\$4,507.50	
5	1973 Pueblo Lot 11, Victory Gardens No. 4 Block 8/7126	Builders of Hope CDC	1	\$4,507.50	
6	1839 Toronto Lot 10, Victory Gardens Addition Block 3/7122	Builders of Hope CDC	1	\$4,507.50	

TOTAL	\$27,045.00
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EXHIBIT B

SECTION II: DEVELOPMENT PLAN

A. DESCRIPTION OF THE LAND REQUESTED FOR DEVELOPMENT

- (1) Number of lots requested in this proposal. 6
- (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").
See Attachment _____

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 1100 - 1300
Number of Bedrooms/Baths in each home 3 / 2
Number of Garages 0 Number of Carports 0-1 Detached 0 Attached 0-1
Type of Exterior Veneer Brick Which sides Front & Sides
Sales Price ranges without Subsidies to Qualified Low Income Buyer \$90,000-\$104,000

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

Number of homes to be built on lots 2
Square Footage of each home 1200-1500
Number of Bedrooms/Baths in each home 3-4 / 2
Number of Garages 1 Number of Carports 0 Detached 0 Attached 0
Type of Exterior Veneer Brick Which sides Front & Sides
Sales Price ranges without Subsidies to Qualified Low Income Buyer \$96,000-\$120,000

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

Number of homes to be built on lots 2
Square Footage of each home 1200-1500
Number of Bedrooms/Baths in each home 3-4 / 2-2 1/2
Number of Garages 1 Number of Carports 0 Detached 0 Attached 0
Type of Exterior Veneer Brick Which sides Front & Sides
Sales Price ranges without Subsidies to Qualified Low Income Buyer \$96,000-\$120,000

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 1080 days
Completion of Construction 1200 days
Sale of first affordable housing unit to low income households 1320 days
Sale of last affordable unit to low income households 1800 days

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: August 12, 2009
COUNCIL DISTRICT(S): 7
DEPARTMENT: Housing
CMO: A. C. Gonzalez, 671-8925
MAPSCO: 47J N

SUBJECT

Authorize **(1)** approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by East Dallas Community Organization for the construction of affordable houses, **(2)** the sale of 5 vacant lots from Dallas Housing Acquisition and Development Corporation to East Dallas Community Organization; and, **(3)** execution of a release of 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 (list attached) – Financing: No cost consideration to the City

BACKGROUND

On February 4, 2008, 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.

East Dallas Community Organization (EDCO), a City Certified Housing Development Organization, has submitted a proposal and development plan to Dallas Housing Acquisition and Development Corporation (DHADC or Land Bank) 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 EDCO to the City's Land Bank, the sale of those lots from DHADC to EDCO and the release of 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 EDCO will contain a reverter that returns the property to DHADC if a construction permit is not applied for by EDCO and construction financing is not closed within two years of conveyance. EDCO will build affordable houses on the lots.

BACKGROUND (continued)

The approximate square footage and sales prices of the houses will be from 1,100 to 1,500 square feet and from \$110,000 to \$170,000. 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 homes 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 (1 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 per cent of the AMFI, the remaining homes (2 homes in this proposal) will be sold to buyers below 81 per cent of the AMFI and in compliance with the minimum 25 per cent requirement to sell to buyers below 60 per cent of the AMFI. DHADC will receive \$23,775.00 for the sales price, as calculated from the 08-09 Land Bank Plan approved by City Council.

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.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On January 28, 2004, the City Council established the Dallas Housing Acquisition and Development Corporation (DHADC) as its land bank, authorized amendments to the Articles of Incorporation and By-Laws of the DHADC, and authorized an interlocal contract with the affected taxing jurisdictions for participation in the Dallas Urban Land Bank Demonstration Program by Resolution No. 04-0458.

On May 26, 2004, the City Council authorized a 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. 04-1726.

On October 13, 2004, the City Council approved the City of Dallas FY 2004-05 Urban Land Bank Demonstration Program Plan and authorized an amendment to the DHADC Contract to provide additional operating and acquisition funds for FY 2004-05 by Resolution No. 04-2930.

PRIOR ACTION/REVIEW (Council, Boards, Commissions) (continued)

On August 24, 2005, the City Council authorized an amendment to the contract with DHADC to extend the term to November 1, 2006 and to allow the City to refer up to 625 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 26, 2006 by Resolution No. 05-2474.

On August 24, 2005, the City Council approved the City of Dallas FY 2005-06 Urban Land Bank Demonstration Program by Resolution No. 05-2501.

On January 11, 2006, the City Council authorized an amendment to the City of Dallas FY 2005-06 Urban Land Bank Demonstration Program Plan to increase the list of properties in the plan that may become eligible for sale to the Land Bank by Resolution No. 06-0162.

On October 11, 2006, the City Council approved the City of Dallas FY 2006-07 Urban Land Bank Demonstration Program Plan by Resolution No. 06-2785.

On December 13, 2006, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2007 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2007 by Resolution No. 06-3403.

On August 22, 2007, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2008 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2008 by Resolution No. 07-2385.

On October 10, 2007, the City Council approved the City of Dallas FY 2007-08 Urban Land Bank Demonstration Program Plan by Resolution No. 07-2998.

On August 27, 2008, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2009 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2009 by Resolution No. 08-2257.

On October 8, 2008, the City Council approved the City of Dallas FY 2008-09 Urban Land Bank Demonstration Program Plan by Resolution No. 08-2785.

On April 8, 2009, the City Council approved an amendment to the City of Dallas FY 2008-09 Urban Land Bank Demonstration Program Plan to allow rental housing units on Land Bank lots and/or rental housing units above retail development on Land Bank lots by Resolution No. 09-0981.

FISCAL INFORMATION

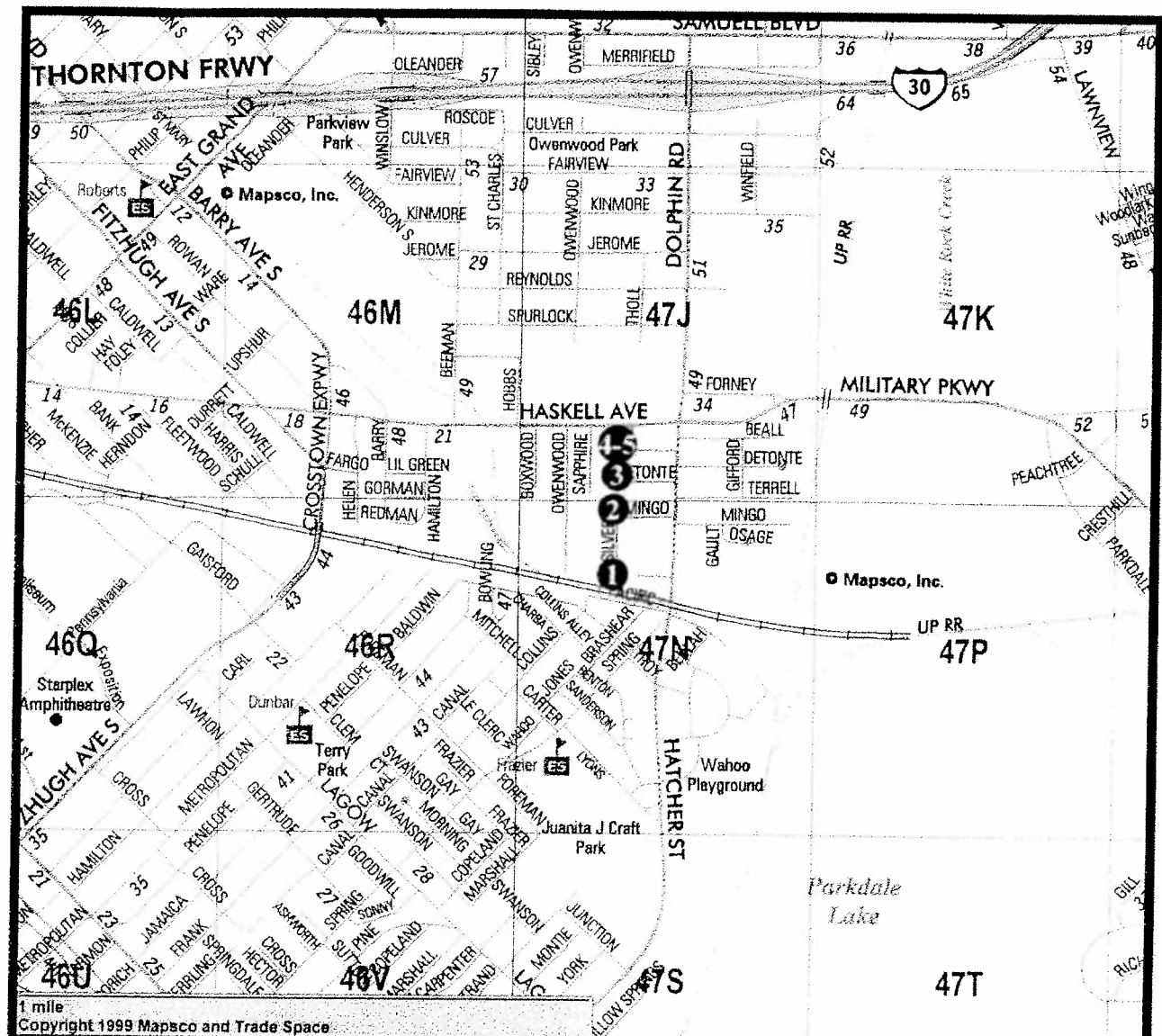
No cost consideration to the City.

MAP

Attached

**LAND BANK (DHADC) SALE OF LOTS
TO EAST DALLAS COMMUNITY ORGANIZATION**

<u>Property Address</u>	<u>Mapsco</u>	<u>Council District</u>
1. 4600 Silver	47N	7
2. 4701 Silver	47N	7
3. 4812 Silver	47J	7
4. 4835 Silver	47J	7
5. 4838 Silver	47J	7



Property Address

MAPSCO

Council District

1. 4600 Silver	47N	7
2. 4701 Silver	47N	7
3. 4812 Silver	47J	7
4. 4835 Silver	47J	7
5. 4838 Silver	47J	7

August 12, 2009

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: 1) approved the City of Dallas Urban Land Bank Demonstration Program Plan; 2) approved the Program Statement for the Dallas Urban Land Bank Demonstration Program; 3) authorized amendments to the Articles of Incorporation and By-Laws of the DHADC; and 4) authorized an interlocal contract with the affected taxing jurisdictions for participation in the Dallas Urban Land Bank Demonstration Program by Resolution No. 04-0458; and

WHEREAS, on May 26, 2004, the City Council authorized a contract with the DHADC for the provision of land bank services as set forth in the amended Program Statement for the Dallas Urban Land Bank Demonstration Program approved by the City Council on January 28, 2004 by Resolution No. 04-1726; and

WHEREAS, on October 13, 2004, the City Council approved the City of Dallas FY 2004-05 Urban Land Bank Demonstration Program Plan and authorized an amendment to the DHADC Contract to provide additional operating and acquisition funds for FY 2004-05 by Resolution No. 04-2930; and

WHEREAS, on August 24, 2005, the City Council authorized an amendment to the contract with DHADC to extend the term to November 1, 2006 and to allow the City to refer up to 625 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 26, 2006 by Resolution No. 05-2474; and

WHEREAS, on August 24, 2005, the City Council approved the City of Dallas FY 2005-06 Urban Land Bank Demonstration Program Plan by Resolution No. 05-2501; and

WHEREAS, on January 11, 2006, the City Council authorized an amendment to the City of Dallas FY 2005-06 Urban Land Bank Demonstration Program Plan to increase the list of properties in the plan that may become eligible for sale to the Land Bank by Resolution No. 06-0162; and

WHEREAS, on October 11, 2006, the City Council approved the City of Dallas FY 2006-07 Urban Land Bank Demonstration Program Plan by Resolution No. 06-2785; and

WHEREAS, on December 13, 2006, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2007 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2007 by Resolution No. 06-3403; and

August 12, 2009

WHEREAS, on August 22, 2007, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2008 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2008 by Resolution No. 07-2385; and

WHEREAS, on October 10, 2007, the City Council approved the City of Dallas FY 2007-08 Urban Land Bank Demonstration Program Plan by Resolution No. 07-2998; and

WHEREAS, on August 27, 2008, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2009 and to allow the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2009 by Resolution No. 08-2257; and

WHEREAS, on October 8, 2008, the City Council approved the City of Dallas FY 2008-09 Urban Land Bank Demonstration Program Plan by Resolution No. 08-2785; and

WHEREAS, on April 8, 2009, the City Council approved an amendment to the City of Dallas FY 2008-09 Urban Land Bank Demonstration Program Plan to allow rental housing units on Land Bank lots and/or rental housing units above retail development on Land Bank lots by Resolution No. 09-0981; and

WHEREAS, East Dallas Community Organization (EDCO) 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 EDCO and authorize the sale of the said 5 lots from DHADC to EDCO 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 EDCO and the sale of 5 lots shown on "Exhibit A" from DHADC to EDCO 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 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".

August 12, 2009

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.

DISTRIBUTION:

Housing Department

City Attorney's Office

Office of Financial Services, 4FN

EXHIBIT "A"

LAND BANK PROPERTY					
PARCEL NUMBER	STREET ADDRESS LEGAL DESCRIPTION	QUALIFIED PURCHASER	NUMBER OF HOMEOWNER UNITS	SALE AMOUNT	
1	4600 Silver Lot 14, White Rock Heights No. 2 Addition Block 2624-E	East Dallas Community Organization	1	\$4,755.00	
2	4701 Silver Lot 3, White Rock Heights No. 2 Addition Block F/2625	East Dallas Community Organization	1	\$4,755.00	
3	4812 Silver Lot 10, White Rock Heights No. 2 Addition Block B/2623	East Dallas Community Organization	1	\$4,755.00	
4	4835 Silver Lot 5, White Rock Heights Addition Block A/2622	East Dallas Community Organization	1	\$4,755.00	
5	4838 Silver Lot 3, White Rock Heights Addition No. 2 Block B/2623	East Dallas Community Organization	1	\$4,755.00	

TOTAL					\$23,775.00
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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. South Dallas Census Tract 25.00
- (3) Provide the property address and legal description of the land requested (attach extra sheets if necessary) (the "Property").

SEE EXHIBIT A

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: 1100 -1500 approx.
Number of Bedrooms/Baths in each home 3 / 2
Number of Garages 1-2 Number of Carports Detached Attached
Type of Exterior Veneer Hardiplank / Brick Which sides All sides typical
Your Sales Price ranges without Subsidies to Qualified Low Income Buyer 110 – 130K

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

Number of homes to be built on lots 2
Square Footage of each home 1300 -1500 approx.
Number of Bedrooms/Baths in each home 3 / 2
Number of Garages 1-2 Number of Carports Detached Attached 1
Type of Exterior Veneer Hardiplank / Brick Which sides All sides typical
Your Sales Price ranges without Subsidies to Qualified Low Income Buyer 120 – 150K

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

Number of homes to be built on lots 1
Square Footage of each home 1300 -1500 approx.
Number of Bedrooms/Baths in each home 3 / 2
Number of Garages 2 Number of Carports Detached Attached 1
Type of Exterior Veneer Hardiplank / Brick Which sides All sides typical
Your Sales Price ranges without Subsidies to Qualified Low Income Buyer 130 – 170K

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

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 365 days

Completion of Construction 725 days

Sale of first affordable housing unit to low income households 500 days

Sale of last affordable unit to low income households 800 days