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CITY SECRETARY
DALLAS, TEXAS



CITY OF DALLAS

Memorandum

DATE August 17, 2012

TO Housing Committee Members: Scott Griggs, Vice-Chair, Dwaine Caraway, Linda Koop, and Pauline Medrano

SUBJECT August 20, 2012 Housing Committee Agenda

We will have a meeting of the Housing Committee on Monday, August 20, 2012, City Hall, 1500 Marilla - Room 6ES, Dallas, Texas, 75201, from 11:00 a.m. – 12:30 p.m. The agenda is as follows:

1. Approval of August 6, 2012 Minutes Councilmember Carolyn R. Davis
2. Mortgage Assistance Program (MAP) Update Mitchell/Killingsworth (Estimated time 45 minutes)
3. Veteran's Housing Projects Mitchell/Killingsworth (Estimated time 30 minutes)
4. Upcoming Agenda Items
 - a. Interlocal Contract for Land Bank
 - b. Public Hearing Land Transfer (Habitat 1 lot)

Carolyn R. Davis, Chair
Housing Committee

Public Notice

120801

POSTED CITY SECRETARY
DALLAS, TX

c: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Rosa A. Rios, City Secretary
Tom P. Perkins, Jr., City Attorney
Craig Kinton, City Auditor
Judge C. Victor Lander, Administrative Judge, Municipal Court
A.C. Gonzalez, First Assistant City Manager
Ryan S. Evans, Assistant City Manager
Forest Turner, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Stephanie Pegues-Cooper, Assistant to the City Manager

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. Contemplated or pending litigation, or matters where legal advice is requested of the City Attorney. Section 551.071 of the Texas Open Meetings Act.
2. The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.
3. A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.
4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.
5. The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.
6. Deliberations regarding Economic Development negotiations. Section 551.087 of the Texas Open Meetings Act.

Housing Committee

Meeting Record August 6, 2012

The Housing Committee meetings are recorded. Agenda materials and audiotapes may be reviewed/copied by contacting the Housing Department, Staff Coordinator at 214-670-3906.

Meeting Date: August 6, 2012

Meeting Start time: 11:00 A.M.

<p><u>Committee Members Present:</u> Carolyn R. Davis-(Chair) Scott Griggs (Vice-Chair) Dwaine Caraway Linda Koop Pauline Medrano</p>	<p><u>Staff Present:</u> Ryan Evans-Asst. City Manager Jerry Killingsworth-Director/HOU Charles Brideau-Asst. Director/HOU Bernadette Mitchell-Asst. Director/HOU Cynthia Rogers-Ellickson-HOU Michael Bostic-CAO Sean McGrew-CMO Doris Edmon-HOU Esmeralda De la Cruz-HOU Adelia Gonzalez-CSO Cassandra Luster-HOU Alida Allen-HOU</p>
<p><u>Other Council Members Present:</u></p>	
<p><u>Committee Members Absent:</u></p>	<p><u>Other Attendees</u> Kristen Schulz-Dallas Area Habitat for Humanity</p>

AGENDA:

Housing Committee Meeting Called to Order by CM Carolyn R. Davis

1. Approval of June 18, 2012 Minutes of the Housing Committee
 Presenter(s): Council Member Carolyn R. Davis

Action Taken/Committee Recommendation(s)

<p>Motion made by: CM Linda Koop</p>	<p>Motion seconded by: CM Pauline Medrano</p>
<p>Item passed unanimously: <u>X</u></p>	<p>Item passed on a divided 0vote: _____</p>
<p>Item failed unanimously: _____</p>	<p>Item failed on a divided vote: _____</p>

Follow-up (if necessary):

2. 2012 Low Income Housing Tax Credit Program Update

Presenter(s): Evans, Asst. City Manager/Jerry Killingsworth, Director/Bernadette Mitchell, Asst. Director

Information Only: X

Action Taken/Committee Recommendation(s)

Motion made by: _____	Motion seconded by: _____
Item passed unanimously: _____	Item passed on a divided vote: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

Follow-up (if necessary):

3. Upcoming Agenda Items

- a. Call Public Hearing for Land Bank Annual Plan
- b. Call Public Hearing for Land Bank Transfer (Habitat 1 lot)
- c. Land Bank Sale (Habitat 3 lots)
- d. Land Bank Sale (Habitat 1 lot)
- e. Shared Housing Loan

Action Taken/Committee Recommendation(s) Recommendation to move forward to full Council

Motion made by: CM Pauline Medrano	Motion seconded by: CM Scott Griggs
Item passed unanimously: X	Item passed on a divided vote: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

Follow-up (if necessary)

4. Upcoming Housing Committee Items

- a. 2000 Roses
- b. Southfair CDC

Meeting Adjourned by CM Carolyn R. Davis

Meeting Adjourned: 12:01 P.M.

Approved By: _____

Memorandum



CITY OF DALLAS

DATE August 17, 2012

TO Housing Committee Members: Carolyn R. Davis, Chair, Scott Griggs, Vice-Chair, Dwaine Caraway, Linda Koop, and Pauline Medrano

SUBJECT Mortgage Assistance Program (MAP) Update

On Monday, August 20, 2012, you will be briefed on the Mortgage Assistance Program (MAP). Please see the attached briefing: Mortgage Assistance Program (MAP) Update.

Please let me know if you have any questions.

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 A. Rios, City Secretary
Tom P. Perkins, Jr., City Attorney
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Jeanne Chipperfield, Chief Financial Officer
Jerry Killingsworth, Housing/Community Services Director
Stephanie Pegues-Cooper, Assistant to the City Manager

Mortgage Assistance Program (MAP) Update

A Briefing to the
Housing Committee

Housing/Community Services Department
August 20, 2012



KEY FOCUS AREA: ECONOMIC VIBRANCY

Purpose

- To provide an update regarding the Mortgage Assistance Program (MAP)
- To recommend program changes for FY 2012-13

MAP Program Purpose

- To provide homeownership opportunities to low to moderate income homebuyers through the provision of financial assistance in purchasing a home

Significant Change in MAP

- In Spring 2012, Enterprise Community Partners informed the City of Dallas that they did not wish to continue to provide the MAP program
 - Additionally, Enterprise recently informed the City of Dallas that it will close its local office
- City of Dallas Housing/Community Services will operate the MAP program from in-house

MAP Budget for 2012-13

Community Development Block Grant	\$1,800,000
HOME Investment Partnership Program	<u>\$ 840,000</u>
Total Allocation	<u>\$2,640,000</u>

Note:

- 1) With direct delivery costs estimated at \$500,000, available program dollars will be \$2.1M
- 2) Entitlements total \$19,089,755 with 14% for MAP Budget

Comparable Programs in Other Cities

City & Program Details	Loan Terms	Funding Sources
<p>City of Austin</p> <ul style="list-style-type: none"> •First time homebuyers •Principal reduction, down payment, closing •Shared Equity Program •Buyer is U.S. Citizen •Incomes at 60-80% AMFI 	<ul style="list-style-type: none"> •Forgivable Loan •Due & payable upon sale, refinance, lease and transfer •Lien Terms <ul style="list-style-type: none"> \$10,000 – 10 years \$40,000 – 30 years Shared Equity 	<ul style="list-style-type: none"> •HOME •Entitlements \$9,122,015 •Program Budget is \$871,933 or 10% of Entitlements
<p>City of Ft. Worth</p> <ul style="list-style-type: none"> •First time homebuyers •Buyer is U.S. Citizen •Incomes at or below 80% AMFI •Principal reduction, down payment, closing 	<ul style="list-style-type: none"> •Forgivable Loan •Due & payable upon sale, lease and transfer •Lien Terms <ul style="list-style-type: none"> \$8,500 – 5 years (non-target) \$14,999 – 5 years (target) 	<ul style="list-style-type: none"> •HOME •Entitlements \$7,803,288 •Program Budget is \$1,775,852 or 23% of Entitlements

Comparable Programs in Other Cities

City & Program Details	Loan Terms	Funding Sources
<p>City of Houston</p> <ul style="list-style-type: none"> •Principal reduction, down payment, closing •Four (4) programs- <u>DAP</u>-Hurricane Ike & Dolly Relief Incomes at or below 80% AMFI <u>HAP</u>-City wide homebuyer assistance •Incomes at or below 80% AMFI Houston "<u>HOPE</u>" Neighborhoods •Incomes at or below 80% AMFI <u>Workforce Housing</u>- Revitalization areas •Incomes up to 110% AMFI 	<ul style="list-style-type: none"> •Forgivable Loan •Due & payable upon sale, refinance, lease and transfer •Lien Terms DAP: \$45,000 – 10 years HAP: \$19,500 – 10 years Hope: \$30,900 – 10 years Workforce: \$30,000 – 10 years 	<ul style="list-style-type: none"> •HOME •Workforce: TIRZ Funds •Entitlements \$32,095,108 •Program Budget is approximately \$5.5M or 17% of Entitlements
<p>City of San Antonio</p> <ul style="list-style-type: none"> •First time homebuyers •Principal reduction, down payment, closing •Shared Equity Program •Buyer is U.S. Citizen •Incomes at or below 80% AMFI 	<ul style="list-style-type: none"> •Forgivable Loan •Due & payable upon sale, lease and transfer •3% Interest Repayment •Lien Terms \$12,000- 5 years 	<ul style="list-style-type: none"> •HOME •Entitlements \$15,432,248 •Program Budget is \$1,300,000 or 8% of Entitlements

FY 2012-13 Program Guidelines to Be Maintained

- MAP provides principal reduction and closing cost assistance
- Homes purchased must be within the city of Dallas
- Eligible homebuyers' gross income cannot exceed 80% of the Area Median Family Income (AMFI), adjusted for family size
- Eligible homebuyers must:
 - Be a U.S. citizen or permanent resident
 - Complete a homebuyer education class in order to qualify
 - Agree to occupy the home as a primary residence
- The home purchased must meet Minimum Acceptable Property Standards (MAPS) and must be inspected prior to purchase
- The sales price of the home may not exceed \$271,050

FY 2012-13 Program Guidelines to Be Maintained (continued)

- Borrower must have continuous, satisfactory employment history for the past six months
- Borrower's down payment must satisfy the MAP lender's minimum requirements
- Borrower may not have more than \$4,000 plus two month's gross income after closing
- Borrower must qualify for a conventional, FHA, or portfolio mortgage loan from a participating MAP lender
- No adjustable rate mortgages
- Borrower cannot receive cash back at closing
- Debt Ratio for housing & debt expenses cannot exceed 45% at loan approval

Recommended Changes to the FY2012-13 MAP Program

- Provide two categories of Assistance:
 - Existing Homes Citywide
 - Preowned homes within the City of Dallas
 - \$8,500 with a 5 year forgivable loan term
 - Provide \$340,000 for this category
 - 40 homebuyers will be assisted
 - Community Housing Development Organizations
 - New Construction and Rent to Purchase Transactions
 - \$20,000 with a 10 year forgivable loan term
 - Each organization, including affiliates, is limited in its access to total funding up to 50% of the available funding for this category
 - Provide \$1,760,000 for this category
 - 88 homebuyers will be assisted

Next Steps:

- September 26, 2012 – City Council will consider amendments to the program statement for FY2012-13
- FY 2012-13 MAP Program to begin by November 2012 with the Housing/Community Services Department operating the program

Exhibit A

Area Median Family Income
for 2012

Area Median Family Income for 2012

% Income	Family Size				
	1	2	3	4	5
30%	\$14,550	\$16,600	\$18,700	\$20,750	\$22,450
50%	\$24,200	\$27,650	\$31,100	\$34,550	\$37,350
80%	\$38,750	\$44,250	\$49,800	\$55,300	\$59,750
100%	\$48,370	\$55,280	\$62,190	\$69,100	\$74,628
120%	\$58,044	\$66,336	\$74,628	\$82,920	\$89,554

Exhibit B

AMFI and Affordability
of Housing

Low-to-Moderate Income Buyer

Family Size	80% of AMFI	Income per Month	30% of income paid for housing	40% of income paid for housing	45% of income paid for housing
1	\$38,750	\$3,229	\$969/mo	\$1,292/mo	\$1,453/mo
2	\$44,250	\$3,688	\$1,106/mo	\$1,475/mo	\$1,660/mo
3	\$49,800	\$4,150	\$1,245/mo	\$1,660/mo	\$1,868/mo
4	\$55,300	\$4,608	\$1,382/mo	\$1,843/mo	\$2,074/mo

Memorandum



CITY OF DALLAS

DATE August 17, 2012

TO Housing Committee Members: Carolyn R. Davis, Chair, Scott Griggs, Vice-Chair, Dwaine Caraway, Linda Koop, and Pauline Medrano

SUBJECT Veteran's Housing Projects

On Monday, August 20, 2012, you will be briefed on the Veteran's Housing Projects. A copy of the briefing is attached.

Please let me know if you have any questions.

A handwritten signature in black ink, appearing to read 'Thy - S E'.

Ryan S. Evans
Assistant City Manager

c: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Rosa A. Rios, City Secretary
Tom P. Perkins, Jr., City Attorney
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Jeanne Chipperfield, Chief Financial Officer
Jerry Killingsworth, Housing/Community Services Director
Stephanie Pegues-Cooper, Assistant to the City Manager

Veteran's Housing Projects

Briefing for the
Housing Committee
August 20, 2012





PURPOSE

- To present two projects which will provide affordable housing opportunities for Veterans in Dallas



Defenders of Freedom Project

- Located at 8714 and 8718 Diceman Drive, east of White Rock Lake
- Council District 9
- Two single-family units to be built for Wounded Veterans

8714 & 8718 Diceman





Developer Information

- Defenders of Freedom is a nonprofit 501(c)(3) organization that supports active duty and wounded men and women serving our nation
 - Donna Cranston, Chairwoman and Founder
- The organization was formed in 2004 to provide for the needs of the Troops
 - The organization provides an avenue for the community to support the Troops through in-kind and monetary donations
- The organization proposed to build two single-family homes for wounded Veterans

Defenders of Freedom Sources & Uses

Donations	\$261,671
City of Dallas	<u>\$200,000</u>
Total Sources	\$461,671
Acquisition	\$254,000
Direct Construction Costs	<u>\$207,671</u>
Total Uses	\$461,671



Heroes' House Project

- Located at 2122 Highland Road, North of I-30 at Ferguson Road
- City Council District 7
- Twenty-four unit vacant apartment complex
 - Built in 1964
 - 19,017 square feet
 - Two story

2122 Highland Road





Developer Information

- 2122 Highland LLC
 - Gary Hasty, CEO, Karrington & Co.
 - General Construction Management & Real Estate Services
 - Bryan Brown, Partner, Porter Hedges LLP
 - Legal Services, Mergers, Acquisitions, and other business matters
- Developer will rehabilitate the complex to include 30 one-bedroom units

Heroes' House Sources & Uses

Veritex Community Bank	\$500,000
City of Dallas	<u>\$400,000</u>
Total Sources	\$900,000
Acquisition	\$162,000
Site Work	\$ 34,900
Direct Construction Costs	\$486,529
Other Construction Costs	\$140,000
Indirect Construction Costs	<u>\$ 76,571</u>
Total Uses	\$900,000

Note: Costs are estimates and may change before final approval

2122 Highland Road-Future



New Front Elevation



New Front Elevation



SCALE: 3/8" = 1'-0"
Heroes' House
2122 Highland Drive

February 15, 2012

Dallas, Texas

Next Steps

- The City Council authorized a loan for the Defender's of Freedom Project in the amount of \$200,000 on May 23, 2012
 - Expected to be complete by May 31, 2013
- Heroes' House Project will be presented to the City Council in September or October to consider providing a \$400,000 HOME loan for rehabilitation to the complex
 - A ten year affordability period will be required on all 30 units

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: August 22, 2012
COUNCIL DISTRICT(S): All
DEPARTMENT: Housing/Community Services
CMO: Ryan S. Evans, 670-3314
MAPSCO: N/A

SUBJECT

Authorize an Interlocal Cooperation Contract for the Urban Land Bank Demonstration Program with Dallas County, Dallas Independent School District, Dallas County Hospital District, Dallas County School Equalization Fund, Dallas County Education District and Dallas County Community College District to facilitate the Dallas Housing Acquisition and Development Corporation's (Land Bank) acquisition of unimproved tax foreclosed properties for sale to qualified developers for the development of affordable housing - Financing: No cost consideration to the City

BACKGROUND

This action will authorize the City Manager to execute an Interlocal Cooperation Contract for the Urban Land Demonstration Program with Dallas County, Dallas Independent School District, Dallas County Hospital District, Dallas County School Equalization Fund, Dallas County Education District and Dallas County Community College District to facilitate the Land Bank's acquisition of unimproved, tax-foreclosed properties for sale to qualified developers for the development of affordable housing in accordance with Chapter 379C of the Texas Local Government Code (Code).

The term of the contract will begin on October 1, 2012 and end on September 30, 2013.

Under the contract, the City may refer to the County up to 300 parcels of real property intended for acquisition by the Land Bank for filing of a tax lawsuit prior to March 31, 2013. The City or the Land Bank must give written notice to all parties to the contract of the specific addresses of parcels intended for acquisition by the Land Bank prior to referring said parcels to the County for filing of a tax lawsuit and prior to the sale of a property to the Land Bank after a judgment is obtained. Each party will have the right to withhold its consent to the filing of lawsuit on a parcel or sale of a particular parcel to the Land Bank.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On January 28, 2004, by Resolution No. 04-0458, the City Council established the Dallas Housing Acquisition and Development Corporation as its land bank and authorized an interlocal contract for an urban land bank demonstration program with Dallas County, Dallas Independent School District, Dallas County Hospital District, Dallas County School Equalization Fund, Dallas County Education District and Dallas County Community College District (Interlocal Contract).

On August 24, 2011, by Resolution No. 11-2178, the City Council authorized an Interlocal Contract to allow the City to refer up to 300 additional parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2012 and to extend the term to September 30, 2012.

FISCAL INFORMATION

No cost consideration to the City

August 22, 2012

WHEREAS, the City has an interest in preserving and increasing the tax base and creating affordable housing for low-income households to provide necessary decent, safe, and sanitary housing for such households; and

WHEREAS, on January 28, 2004, by Resolution No. 04-0458, the City Council established the Dallas Housing Acquisition and Development Corporation (Land Bank) as its land bank for the purpose of acquiring, holding, and transferring unimproved, tax-foreclosed, real property for the development of affordable housing in accordance with Chapter 379C of the Texas Local Government Code (Code); and

WHEREAS, the City Council desires to enter into an Interlocal Cooperation Contract for the Urban Land Bank Demonstration Program with Dallas County, Dallas Independent School District, Dallas County Hospital District, Dallas County School Equalization Fund, Dallas County Education District and Dallas County Community College District to facilitate the Land Bank's acquisition of unimproved, tax-foreclosed properties for sale to qualified developers for the development of affordable housing in accordance with the Code; **NOW, THEREFORE;**

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

Section 1. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute an Interlocal Cooperation Contract for the Urban Land Bank Demonstration Program with Dallas County, Dallas Independent School District, Dallas County Hospital District, Dallas County School Equalization Fund, Dallas County Education District and Dallas County Community College District, which will include the following provisions:

- A. The term of the contract will begin on October 1, 2012 and end on September 30, 2013.
- B. The City will be allowed to refer to the County up to 300 parcels of real property intended for acquisition by the Land Bank for filing of a tax lawsuit prior to March 31, 2013.
- C. The City or the Land Bank must give written notice to all parties to the contract of the specific addresses of parcels intended for acquisition by the Land Bank prior to referring said parcels to the County for filing of a tax lawsuit and prior to the sale of a property to the Land Bank after a judgment is obtained. Each party will have the right to withhold its consent to the filing of lawsuit on a parcel or sale of a particular parcel to the Land Bank.

August 22, 2012

Section 2. That this Resolution shall take effect immediately from and after its passage in accordance with provisions of the Charter of the City of Dallas, and is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: August 22, 2012
COUNCIL DISTRICT(S): 4
DEPARTMENT: Housing/Community Services
CMO: Ryan S. Evans, 670-3314
MAPSCO: 55Z

SUBJECT

A public hearing to receive comments on the proposed sale of one unimproved property acquired by the taxing authorities from the Sheriff to Dallas Neighborhood Alliance for Habitat, Inc., a qualified non-profit organization; and at the close of the public hearing, authorize the City Manager to: **(1)** quitclaim one unimproved property (list attached) to Dallas Neighborhood Alliance for Habitat, Inc., under the HB110 process of the City's Land Transfer Program; and **(2)** release the City's non-tax liens included in the foreclosure judgment and post-judgment non-tax liens, if any ~~(list attached)~~ - Revenue: \$1,120

BACKGROUND

The HB110 process of the City's Land Transfer Program, in accordance with Section 2-26 of the Dallas City Code ("Code") and with Section 253.010 of the Texas Local Government Code, permits the City to sell land, which the City has acquired as a trustee, for itself and the other taxing jurisdictions, from the Sheriff pursuant to the tax foreclosure process, to a qualified non-profit organization for the purpose of providing affordable housing, subject to the consent of the other taxing jurisdictions.

Property eligible for the HB110 process of the City's Land Transfer Program must to be sold by quitclaim deed and include a possibility of reverter and right of re-entry, triggered under certain conditions, including if construction of affordable housing is not completed on the property within three years of the non-profit's receipt of the quitclaim deed. The quitclaim deed must also include deed restrictions that ensure the desired development of the property and maintain the affordability of the property as required by the Code. Per the Code, the sales price of each property is \$1,000 for up to 7,500 square feet of land plus \$0.133 for each additional square foot of land, which amount is distributed by the City to both the City and the other taxing jurisdictions in accordance with Section 34.06 of the Texas Tax Code, plus an amount equal to the actual fees charged for recording the Sheriff's deed and the quitclaim deed in the real property records.

BACKGROUND (Continued)

Prior to the approval of any sale, the Code requires that the City Council hold a public hearing to receive comments on the proposed sale of land and provide certain notices to the public.

Dallas Neighborhood Alliance for Habitat, Inc., submitted a proposal to construct one single-family home containing approximately 1,400 square feet on one unimproved HB110 process-eligible, Land Transfer Program property, identified on Exhibit A, attached to the resolution, for purchase by a low to moderate income homebuyer at a proposed sales price of \$74,000 - \$79,000, with construction to begin in August 2014.

This item calls for a public hearing to allow the public an opportunity to comment on the proposed sale of the one unimproved property to Dallas Neighborhood Alliance for Habitat, Inc., and, at the close of the public hearing, authorizes the sale of the property to Dallas Neighborhood Alliance for Habitat, Inc., by quitclaim deed and the release of the City's non-tax liens included in the foreclosure judgment and the post-judgment non-tax liens, if any.

In conformance with the Code, at least ten calendar days prior to the public hearing, a sign indicating the time and place of the public hearing was placed on the property, notification of the public hearing was mailed to property owners within 200 feet of the property, and notice of the public hearing was published in the Dallas Morning News.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On August 08, 2012, authorized a public hearing to receive comments on the proposed sale by quitclaim deed of one unimproved property acquired by the taxing jurisdictions from the Sheriff to Dallas Neighborhood Alliance for Habitat, Inc.

FISCAL INFORMATION

Revenue: \$1,119.70

OWNER

Dallas Neighborhood Alliance for Habitat, Inc.,

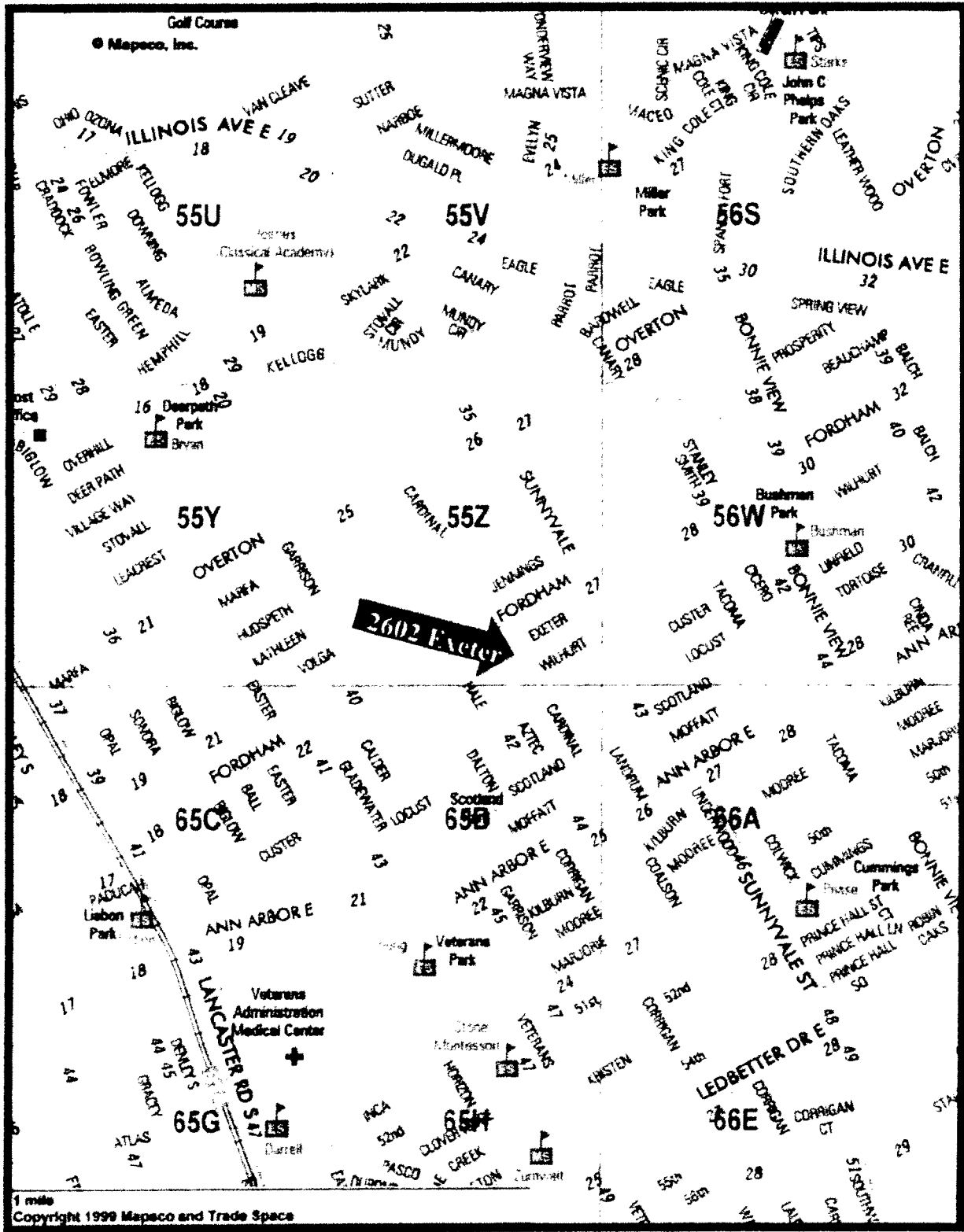
Richard Kelly, President

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>Zoning</u>
1.	2602 Exeter	Dallas Neighborhood Alliance for Habitat, Inc.	55Z	\$6,900	\$1,119.70	V	R-5(A)



MAPSCO 55Z

August 22, 2012

WHEREAS, the of the City's Land Transfer Program, in accordance with Section 2-26 of the Dallas City Code ("Code") and with Section 253.010 of the Texas Local Government Code, permits the City to sell land, which the City has acquired as a trustee, for itself and the other taxing jurisdictions, from the Sheriff pursuant to the tax foreclosure process, to a qualified non-profit organization for the purpose of providing affordable housing, subject to the consent of the other taxing jurisdictions; and

WHEREAS, property eligible for the HB110 process of the City's Land Transfer Program must be sold by quitclaim deed and include a possibility of reverter and right of re-entry, triggered under certain conditions, including if construction of affordable housing is not completed on the property within three years of the non-profit's receipt of the quitclaim deed; and

WHEREAS, the quitclaim deed must also include deed restrictions that ensure the desired development of the property and maintain the affordability of the property as required by the Code; and

WHEREAS, per the Code, the sales price of each property is \$1,000 for up to 7,500 square feet of land plus \$0.133 for each additional square foot of land, which amount is distributed by the City to both the City and the other taxing jurisdictions in accordance with Section 34.06 of the Texas Tax Code, plus an amount equal to the actual fees charged for recording the Sheriff's deed and the quitclaim deed in the real property records; and

WHEREAS, prior to the approval of any sale, the Code requires that the City Council hold a public hearing to receive comments on the proposed sale of land and provide certain notices to the public; and

WHEREAS, Dallas Neighborhood Alliance for Habitat, Inc., submitted a proposal to construct one single-family home containing approximately 1,400 square feet on one unimproved HB110 process-eligible, Land Transfer Program property, identified on Exhibit A, attached hereto and made a part hereof (hereinafter the "property"), for purchase by a low to moderate income homebuyer at a proposed sales price of \$74,000 - \$79,000, with construction to begin in August 2014; and

WHEREAS, at least ten calendar days prior to the public hearing, a sign indicating the time and place of the public hearing was placed on the property, notification of the public hearing was mailed to property owners within 200 feet of the property, and notice of the public hearing was published in the Dallas Morning News; **NOW, THEREFORE,**

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

August 22, 2012

Section 1. That upon receipt of the requisite monetary consideration from Dallas Neighborhood Alliance for Habitat, Inc., (hereinafter the “non-profit organization”) and the approval of the governing bodies of the other affected taxing jurisdictions, the City Manager is hereby authorized to execute a quitclaim deed, approved as to form by the City Attorney and attested by the City Secretary, quitclaiming the property, acquired by the taxing authorities from the Sheriff, to the non-profit organization, subject to the conditions contained in this resolution.

Section 2. That the City Manager is hereby authorized to execute instruments, approved as to form by the City Attorney, releasing the City’s non-tax liens included in the foreclosure judgment and post-judgment non-tax liens, if any, on the property.

Section 3. That the non-profit organization’s proposal for the development of affordable housing on the property, described in Exhibit A, is hereby approved.

Section 4. That the quitclaim deed shall contain:

(a) A copy or summary of the proposal from the non-profit organization for the property and a requirement that the property be developed by the non-profit organization in accordance with the proposal, including the timetable specified in the proposal.

(b) A possibility of reverter with right of re-entry if the director determines that the non-profit organization:

(i) has failed to take possession of the property within ninety calendar days after receiving the quitclaim deed;

(ii) has failed to complete construction of affordable housing on the property within three years after receiving the quitclaim deed or by the end of any extended development period approved by the City Council in accordance with Section 2-26.6(c) of the Code;

(iii) is not developing the property in compliance with the timetable specified in the non-profit organization’s proposal;

(iv) is unable to develop the land in compliance with its proposal because a request for a zoning change has been denied;

(v) has incurred a lien on the property because of violations of the Code or other City ordinances within three years after receiving the quitclaim deed; and

August 22, 2012

(vi) has sold, conveyed, or transferred the property without the consent of the City and the other affected taxing jurisdictions within three years after receiving the quitclaim deed.

(c) Deed restrictions requiring the purchaser to:

(i) restrict the sale and resale of owner-occupied property to low-income individuals or families for five years after the date the deed from the non-profit organization to the initial homebuyer is filed in the real property records of the county in which the property is located;

(ii) require the non-profit organization to develop all proposed housing units on the property in accordance with the Code and all applicable City ordinances and state and federal laws within three years after receiving the quitclaim deed or by the end of any extended development period approved by the City Council in accordance with Section 2-26.6(c) of the Code, and to obtain inspections and approval of the housing units by the City before initial occupancy; and

(iii) require any low-income individual or family who purchases a housing unit on a property to maintain the housing unit in accordance with the Code and all applicable City ordinances and state and federal laws for a period of five years after the date the deed from the non-profit organization to the initial homebuyer is filed in the real property records of the county in which the property is located.

(d) An indemnification by the non-profit organization of the City and other affected taxing jurisdictions.

(e) A statement and acknowledgment that the property is quitclaimed subject to all redemption rights provided by state law.

(f) The non-profit organization's representation and agreement that it did not purchase the property on behalf of a "prohibited person" and will not sell or lease the property to a "prohibited person" for five years from the date of the quitclaim deed. A "prohibited person" is any party who was named as a defendant in the legal proceedings where the City obtained a final judgment for delinquent taxes and an order to foreclose its tax lien on the property or person in the judgment or seizure tax warrant, 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.

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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 Section 2-26 of the Code and the quitclaim deed, including the deed restrictions and the proposal.

Section 6. That the non-profit organization shall be responsible for the pro-rata taxes assessed on the property from the date of closing for the remaining part of the then-current calendar year. The property shall be placed back on the tax rolls effective as of the date of execution of the quitclaim deed.

Section 7. That any procedures required by Section 2-24 of the Code that are not required by state law are hereby waived with respect to conveyance of the property.

Section 8. That the monetary consideration received from the non-profit organization shall be distributed pursuant to the Section 34.06 of the Texas Tax Code.

Section 9. That any and all proceeds for the City's sale of the property to the non-profit organization be deposited to General Fund 0001, Agency DEV, Balance Sheet Account 0519.

Section 10. That upon receipt of the monetary consideration from the non-profit organization, the City Controller is authorized to disburse proceeds of the sale of the property in accordance Section 34.06 of the Texas Tax Code, which calculations for disbursement shall be provided by the Director of Sustainable Development and Construction, 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 this resolution shall take effect immediately from and after its passage in accordance with provisions of the City Charter of the City of Dallas and it is accordingly so resolved.

EXHIBIT A

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

August 22, 2012

PARCEL NO.	STREET ADDRESS/ LEGAL DESCRIPTION	TF/SW	VACANT/ IMPROVED	INSTRUMENT NUMBER	QUALIFIED NON-PROFIT PURCHASER	HOMEOWNER RENTAL LEASE PURCHASE	NUMBER OF DWELLING UNITS	SALE AMOUNT
1	2602 Exeter Lot 1, Lisbon Heights Block 4/5852	TF	V	200900082401	Dallas Neighborhood Alliance for Habitat, Inc.	Homeowner	1	\$1,119.70
TOTAL								\$1,119.70