

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: September 8, 2010
COUNCIL DISTRICT(S): All
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: N/A

SUBJECT

Authorize a sixth amendment to the Land Bank Interlocal Cooperation Contract by and among the City of Dallas, 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: **(1)** extend the term of the contract to September 30, 2011; and, **(2)** provide that the City may refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2011 - Financing: No cost consideration to the City

BACKGROUND

This action will authorize the City Manager to execute the sixth amendment to the Land Bank Interlocal Cooperation Contract by and among the City of Dallas, 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 that allows the term of the contract to be extended to September 30, 2011 and the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2011.

With the assistance of Linebarger Goggan Blair & Sampson, LLP over 1000 lawsuits have been filed and 600 properties have been sold to the Land Bank. Without their continued support, the Land Bank would not be as successful as it has been.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On January 28, 2004, the City Council authorized the establishment of the 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.

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

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 previously approved by City Council on January 28, 2004, 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.

On August 10, 2005, the City Council authorized an amendment to the Land Bank Interlocal Contract to allow the City to refer an additional 625 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by April 30, 2006 and to extend the term to September 30, 2007, by Resolution No. 05-2239.

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.

On January 11, 2006, the City Council authorized an amendment to the City of Dallas FY 2005-06 Urban Land Bank Demonstration 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 August 23, 2006, the City Council authorized a second amendment to the Land Bank Interlocal Contract to allow the City to refer up to an additional 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2007, by Resolution No. 06-2257.

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 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 October 10, 2007, the City Council authorized a third amendment to the Land Bank Interlocal Contract to allow the City to refer up to an additional 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2008 and to extend the term to September 30, 2008, by Resolution No. 07-3009.

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 by Resolution No. 09-0981.

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

On October 14, 2009, the City Council approved the City of Dallas FY 2009-10 Urban Land Bank Demonstration Program Plan by Resolution No. 09-2557.

FISCAL INFORMATION

No cost consideration to the City.

September 8, 2010

WHEREAS, the State Legislature enacted and the Governor signed the Urban Land Bank Demonstration Program Act to enable the foreclosure of unproductive properties and sale to a land bank for the development of affordable housing; and

WHEREAS, on January 28, 2004, the City Council authorized the establishment of the Dallas Housing Acquisition and Development Corporation as its land bank 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; and

WHEREAS, 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 previously approved by 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 10, 2005, the City Council authorized an amendment to the Land Bank Interlocal Contract to allow the City to refer an additional 625 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by April 30, 2006 and to extend the term to September 30, 2007, by Resolution No. 05-2239; 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 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 August 23, 2006, the City Council authorized a second amendment to the Land Bank Interlocal Contract to allow the City to refer up to an additional 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2007, by Resolution No. 06-2257; 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

September 8, 2010

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 October 10, 2007, the City Council authorized a third amendment to the Land Bank Interlocal Contract to allow the City to refer up to an additional 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2008 and to extend the term to September 30, 2008, by Resolution No. 07-3009; 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 by Resolution No. 09-0981; and

WHEREAS, on October 14, 2009, the City Council approved the City of Dallas FY 2009-10 Urban Land Bank Demonstration Program Plan by Resolution No. 09-2557; and

WHEREAS, the City Council desires to authorize the City Manager to execute a sixth amendment to the Land Bank Interlocal Cooperation Contract by and among the City of Dallas, 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 (the "Parties") that allows the term of the contract to be extended to September 30, 2011 and the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2011;
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 the sixth amendment to the Land Bank Interlocal Cooperation Contract by and among the City of Dallas and the Parties that allows the term of the contract to be extended to September 30, 2011 and the City to refer up to 300 parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2011.

September 8, 2010

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 it is accordingly so resolved.

DISTRIBUTION:

Housing/Community Services Department

City Attorney's Office

Office of Financial Services/Community Development, 4FN

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: September 8, 2010
COUNCIL DISTRICT(S): 4
DEPARTMENT: Housing/Community Services
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 East Dallas Community Organization for the construction of affordable houses, (2) the sale of 2 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 and 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.

East Dallas Community Organization (EDCO) has a right of first refusal in the area and submitted a proposal and development plan to Dallas Housing Acquisition and Development Corporation (DHADC or Land Bank) for 2 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 three 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 1,000 to 1,500 square feet and from \$110,000 to \$130,000. 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 percent of the AMFI. DHADC will receive \$8,658.00 for the sales price, as calculated from the 09-10 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.

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.

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

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 by Resolution No. 09-0981.

On September 23, 2009, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2010 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, 2010 by Resolution No. 09-2313.

On October 14, 2009, the City Council approved the City of Dallas FY 2009-10 Urban Land Bank Demonstration Program Plan by Resolution No. 09-2557.

FISCAL INFORMATION

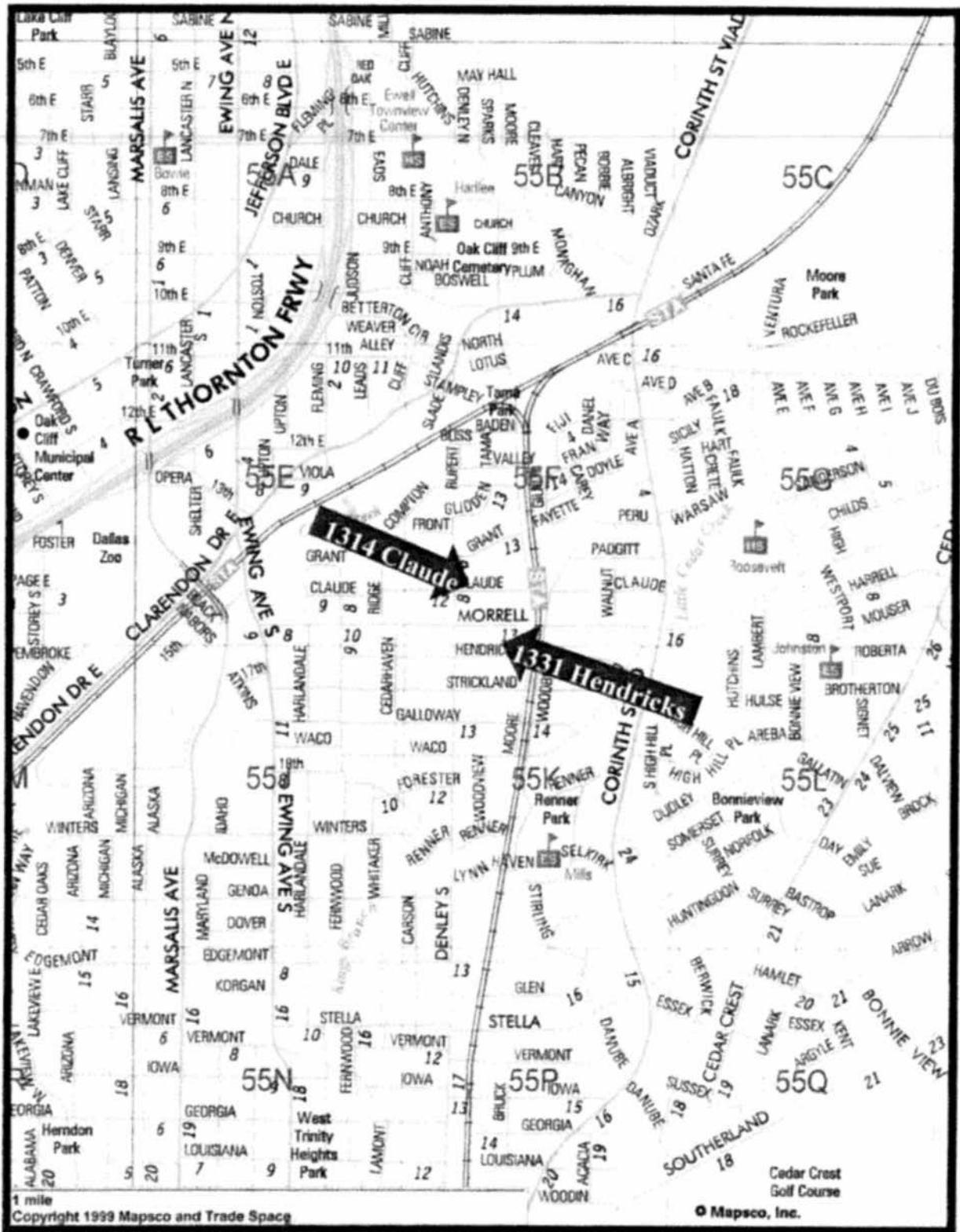
No cost consideration to the City.

MAP

Attached

**LAND BANK (DHADC) SALE OF 2 LOTS
TO EAST DALLAS COMMUNITY ORGANIZATION**

<u>Property Address</u>	<u>MAPSCO</u>	<u>Council District</u>
1. 1314 Claude	55F	4
2. 1331 Hendricks	55F	4



MAPSCO 55F

September 8, 2010

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

September 8, 2010

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 by Resolution No. 09-0981; and

WHEREAS, on September 23, 2009, the City Council authorized an amendment to the contract with DHADC to extend the term to September 30, 2010 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, 2010 by Resolution No. 09-2313; and

WHEREAS, on October 14, 2009, the City Council approved the City of Dallas FY 2009-10 Urban Land Bank Demonstration Program Plan by Resolution No. 09-2557; and

WHEREAS, East Dallas Community Organization (EDCO) submitted a proposal and development plan to DHADC for 2 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 2 lots from DHADC to EDCO to build affordable houses; **NOW, THEREFORE;**

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

September 8, 2010

Section 1. That the development plan shown on Exhibit "B" submitted by EDCO and the sale of 2 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".

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	1314 Claude Lot 4, Edgemont No. 4 Addition Block 28/3589	East Dallas Community Organization	1	\$4,329.00
2	1331 Hendricks Lot 24, Edgemont Addition Block 3576-16	East Dallas Community Organization	1	\$4,329.00
TOTAL				\$8,658.00

EXHIBIT B

SECTION II: DEVELOPMENT PLAN

A. DESCRIPTION OF THE LAND REQUESTED FOR DEVELOPMENT

- (1) Number of lots requested in this proposal. 2
- (2) Land Bank name for this parcel of lots. CENSUS TRACTS # 49.00
- (3) Provide the property address and legal description of the land requested (attach extra sheets if necessary) (the "Property").

1314 Claude St. - Edgemont Addition No 4 Block 28/3589 LT 4
1331 Hendricks - Edgemont 2ND INST Block16/3576 LT 24

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 approx.
Number of Bedrooms/Baths in each home 3 / 2
Number of Garages 1 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 90-110K

Single Family Home (to be sold to low income households at 80% or less 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 500 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 900 days