DALLAS NEIGHBORHOOD ALLIANCE FOR HABITAT
SCATTERED-SITE CONTRACT

A Briefing to the
Economic Development
and
Housing Committee

Housing Department
October 16, 2006
PURPOSE

To consider the award of a contract to Dallas Neighborhood Alliance for Habitat (DNAfH) to acquire improved properties in the City’s Neighborhood Investment Program Areas
DNAfH’s Proposal for Scattered-site Acquisition

On August 18, 2006, DHAfH proposed that the City consider funding a contract that would provide for acquisition of individual lots, having single-family structures in need of demolition, within the City’s NIP areas.
DNAfH’s Proposal for Scattered-site Acquisition (Cont’d)

- The Neighborhood Investment Program (NIP) areas are burdened with improved properties deteriorating from deferred maintenance and disinvestment
  - Code compliance violations are commonplace
  - Criminal activity and drug enforcement is on the rise
  - Homebuyers are reluctant to purchase homes in the neighborhood under these conditions
DNAfH’s Proposal for Scattered-site Acquisition (Cont’d)

DNAfH’s proposal focuses on:

- The elimination of vacant structures, safety concerns, and crime ridden properties in NIP areas
  - Identification of unoccupied properties with substandard single-family structures
  - The acquisition and demolition of scattered properties for reconstruction of affordable housing
  - Works hand-in-hand with the City’s Land Bank Program
Dallas Neighborhood Alliance for Habitat Contract Funding

- $1M for Acquisition and Demolition Loans
  - $700,000 from CDBG Residential Development Acquisition Loan Program (RDALP)
  - $300,000 from HOME CHDO
DNAfH’s Proposal for Scattered-site Acquisition (Cont’d)

Terms and Conditions for property acquisition:

- Only lots with unoccupied dwellings in the NIPs
- City funding, up to $30,000 per acquisition, will be limited to the appraised value of that property plus the environmental assessment and demolition costs
- DNAfH will build approximately 1/3 of the buildable sites acquired and contract with a for-profit builder to build the remaining two-thirds of the homes
DNAfH’s Proposal for Scattered-site Acquisition (Cont’d)

- Habitat homes will be reconstructed at a minimum of 1200 sq. ft. with an average sales price of $75,000
- For-profit builder will build homes that exceed the Habitat minimums
- Properties will be deed restricted for affordability at 80% or less of Area Median Family Income for resale to eligible homebuyers for a period of ten years
- Housing designs must be compatible with houses being built in the Land Bank areas
That the Economic Development and Housing Committee recommend approval of $1M for acquisition and development loans with the Dallas Neighborhood Alliance for Habitat to the Dallas City Council.
NEXT STEPS

- December 13, 2006, City Council Action Item to authorize funding for the DNAfH Scattered-Site contract