

WHEREAS, 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., (DNAH) submitted a proposal to construct nine (9) single-family homes with the home containing approximately 1,691 square feet on nine unimproved HB110 process-eligible, Land Transfer Program properties, 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 \$85,000 - \$95,000, with construction to begin in August 2018; 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:

Section 1. That upon receipt of the requisite monetary consideration from DNAH (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

(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 Deed without Warranty 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.

August 26, 2015

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 Chief Financial Officer 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 the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED BY
CITY COUNCIL

AUG 26 2015

Lisa C. Price
City Secretary

EXHIBIT "A"

151600

LAND TRANSFER PROPERTIES				
FARCEL NUMBER	STREET ADDRESS LEGAL DESCRIPTION	QUALIFIED PURCHASER	NUMBER OF HOMEOWNER UNITS	SALE AMOUNT
1	4749 Yancy Lot 22, Central Avenue # 5 Addition Block G/7650	Dallas Neighborhood Alliance for Habitat, Inc.	1	\$1,000.00
2	4528 Luzon Lot 7, Central Avenue Addition Block D/7647	Dallas Neighborhood Alliance for Habitat, Inc.	1	\$1,000.00
3	4812 Nome Lot 3, Central Avenue Addition Block D/7648	Dallas Neighborhood Alliance for Habitat, Inc.	1	\$1,000.00
4	4832 Fellows Lot 8, Central Avenue #3 Addition Block B/7648	Dallas Neighborhood Alliance for Habitat, Inc.	1	\$1,000.00
5	7920 Saipan Lot 15, Central Avenue #3 Addition Block B/7648	Dallas Neighborhood Alliance for Habitat, Inc.	1	\$1,000.00
6	7927 Ivory Lot 14, Central Avenue Addition Block A/7646	Dallas Neighborhood Alliance for Habitat, Inc.	1	\$1,000.00
7	4550 Solar Lot 12, Central Avenue Addition Block B/7647	Dallas Neighborhood Alliance for Habitat, Inc.	1	\$1,000.00
8	4742 Zealand Lot 10, Central Avenue #3 Addition Block F/7648	Dallas Neighborhood Alliance for Habitat, Inc.	1	\$1,000.00
9	4561 Cherbourg Lot 30, Central Avenue #2 Addition Block F/7647	Dallas Neighborhood Alliance for Habitat, Inc.	1	\$1,000.00
TOTAL				\$9,000.00