

February 27, 2019

**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, City Council designated 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 by Resolution No. 04-0458; and

**WHEREAS**, on January 9, 2019, City Council approved the FY 2018-19 Urban Land Bank Demonstration Program Plan by Resolution No. 19-0117; and

**WHEREAS**, PAD Enterprise, LLC (Developer) submitted a proposal to purchase from DHADC 2 vacant lots and develop single-family homes; and

**WHEREAS**, on January 17, 2019, the DHADC Board of Directors approved the terms of sale and development for the 2 lots proposed to be sold to Developer as further described on Exhibit A; and

**WHEREAS**, the City Council desires to approve the sale of 2 vacant lots owned by DHADC to Developer along with the terms of development as further described on Exhibit A.

**Now, Therefore,**

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

**SECTION 1.** That the development plan and the sale of 2 lots shown on Exhibit A from DHADC to Developer is approved.

**SECTION 2.** That the DHADC is hereby authorized to execute all documents, including, but not limited to sales contract, deed of trust, and deed restrictions necessary to effectuate the sale of 2 vacant lots owned by DHADC to Developer pursuant to the terms of development as described on Exhibit A, approved as to form by the City Attorney.

**SECTION 3.** That the City Manager is hereby authorized to release any non-tax liens that may have been filed by the City on the lots shown on Exhibit A, approved as to form by the City Attorney.

**SECTION 4.** That this resolution does not constitute a binding agreement upon the City or DHADC or subject the City or DHADC to any liability or obligation with respect to this transaction, until such time as the documents are duly approved by all parties and executed.

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**SECTION 5.** 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****Plan for PAD Enterprise, LLC (Developer)**

**Vacant Lot Sales Price:** See Page 2.

**Targeted Income of Homebuyer:** See Page 2.

**Construction Timeframe:** Developer must apply for a construction permit and close on any construction financing within three years of purchase from the Land Bank.

**Restrictive Covenants:** Developer must (1) sell each lot to a low-income household as specified on Page 2 and (2) prior to the sale, Developer must provide to DHADC written documentation of the income of the proposed purchaser and the sales price. After sale of the home, the property must be occupied as a low-income household's principal residence during the entire term of the five-year affordability period.

**Affordability Period:** Once the property is sold to a low-income household, it must be occupied as the household's principal place of residence for five years. If the original purchaser re-sells the property during the affordability period, the property must be sold to another qualified low-income household. Developer or subsequent owners must inform prospective purchaser of the five-year affordability period.

**Right of Reverter:** Title to the property may revert to the DHADC if Developer does not: (1) apply for a construction permit within eighteen months from the date the Deed without Warranty is filed, (2) close on any construction financing within three years from the date the Deed without Warranty is filed and (3) complete construction within four years from the date the Deed without Warranty is filed.

**Single-Family Home Sales Price:** The sales price of the home cannot exceed the 2018 HUD HOME homeownership sales price for the Dallas, TX HUD Metro FMR Area and must be affordable based on the income of the targeted homebuyer.

