

December 11, 2019

**WHEREAS**, on May 9, 2018, City Council adopted a Comprehensive Housing Policy (CHP) that set citywide production goals for homeownership and rental units for the next three years along with respective income bands that will be prioritized within the production goals and also set forth various programs, tools and strategies to be used to meet the production goals while also overcoming concentrations of poverty and racial segregation by Resolution No. 18-0704; and

**WHEREAS**, on November 28, 2018, City Council adopted amendments to the CHP to make technical changes to the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer Assistance Program (DHAP), and the New Construction and Substantial Rehabilitation Program by Resolution No. 18-1680; and

**WHEREAS**, on May 9, 2019, the City issued a Notice of Funding Availability in accordance with the CHP and Dallas Area Habitat for Humanity, Inc. submitted an application that received a fundable score and passed an underwriting review for the Ideal/Joppa Single Family Infill Development Project (Project); and

**WHEREAS**, on May 22, 2019, City Council adopted amendments to the City of Dallas Comprehensive Housing Policy to establish a Land Transfer Program by Resolution No. 19-0824; and

**WHEREAS**, the Project is located in the Ideal/Joppa area on 33 vacant Land Transfer lots and is an affordable single-family residential development providing up to 33 affordable homeownership units to households earning between 60-80 percent of area median income; and

**WHEREAS**, to assist in the affordable housing production goals established in the Comprehensive Housing Policy, the City desires to enter into a development agreement with Dallas Area Habitat for Humanity, Incorporated.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute a development agreement with Dallas Area Habitat for Humanity, Incorporated (Developer) and/or its affiliates for the development of up to 33 affordable homes in the Ideal and Joppa neighborhoods, approved as to form by the City Attorney. An "affiliate" shall be an individual or entity that is either a parent company to the Developer or a subsidiary of the Developer.

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**SECTION 2.** That the City Manager is hereby authorized to execute all documents, including, but not limited to deed without warranty (subject to right of redemption for tax lots), restrictive covenants, and any necessary documents to effectuate the sale of up to 33 Land Transfer lots shown in Exhibit A to Developer pursuant to the terms of development as described in Section 6, approved as to form by the City Attorney. All lots may revert to the City if the City Manager or his/her designee determines that the Developer has:

1. failed to take possession of the land within 90 calendar days after receiving the deed to the parcels of real property;
2. failed to complete construction of all required housing units or other required development on the real property, or failed to ensure occupancy by eligible households within the development timeframe set forth in the development agreement;
3. incurred a lien on the property because of violations of city ordinances and failed to fully pay off the lien within 180 days of the City's recording of the lien; or
4. sold, conveyed, or transferred the land without the consent of the City.

Upon determination by the City Manager that a condition described above has occurred, the City Manager is authorized to execute an instrument, approved as to form by the City Attorney, exercising against the parcel of real property the City's possibility of reverter with right to reentry. The City shall file notice of the reverter and reentry of the land by the City in the real property records of the county in which the parcel of real property is located, which notice must specify the reason for the reverter and reentry. The City shall provide a copy of the notice to the Developer in person or by mailing the notice to the Developer's post office address as shown on the tax rolls of the City or of the county in which the land is located.

**SECTION 3.** That each tax foreclosed lot shall be sold to the Developer for a fixed price of \$1,000.00 for up to 7,500 square feet of land purchased under a single proposal, plus \$0.133 for each additional square foot of land purchased under the proposal as detailed in Exhibit A. The proceeds from sale will be deposited to General Fund, Fund 0001, Department DEV, Balance Sheet Account 0519.

**SECTION 4.** That each surplus lot shall be offered at fair market values. A discount is available if project underwriting indicates that the discount is needed either to ensure the viable sale, lease or lease-purchase to an income-qualified buyer. The lots located at 2522 Ghent Street and 2611 Anderson Street are being sold at a discounted price of \$1,000.00 each – a combined discount of \$14,000.00.

**SECTION 5.** That the City will provide Developer with a 90-day right of entry and due diligence period. During this period, the Developer will identify lots with significant development challenges that may be undevelopable or may require significant remediation. Following the 90-day period, Developer must submit a final list of requested lots to the City.

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**SECTION 6.** That the City Manager is hereby authorized to release all non-tax City liens, notices, and orders that were filed on the lots sold to Developer, shown in Exhibit A, prior or subsequent to the deed transferring the lots to the City of Dallas, approved as to form by the City Attorney.

**SECTION 7.** That this resolution does not constitute a binding agreement upon the City or subject the City to any liability or obligation with respect to this transaction, until such a time as the documents are duly approved by all parties and executed.

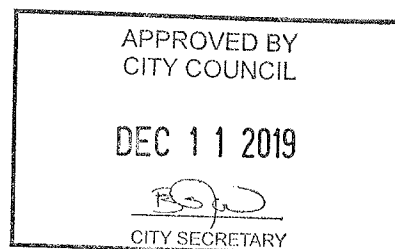
**SECTION 8.** That in addition to the conditions set out in the sections above, the development agreement shall include the following:

- A. Developer is required to design, redevelop, construct and sell a single-family home on each Land Transfer lot obtained by Developer from the City in the Fair Park West Ideal/Joppa area. Developer shall submit a development plan and the development plan must be approved by the City.
- B. Upon transfer of ownership of the lots from the City to the Developer, Developer must maintain all vacant lots in compliance with all applicable city, state and federal regulations including maintaining the lots free of high weeds and litter.
- C. No liens shall exist on the lots, except for liens related to the development of each lot. However, Developer shall ensure that each lot is free from liens or other encumbrances at the time of sale to each income-eligible homebuyer.
- D. Developer shall ensure that all single-family homes (Units) have access to public sewer, public water, public road, and any other necessary utilities.
- E. All Project costs must be reasonable and customary and conform with the Comprehensive Housing Policy, and any other applicable City regulations.
- F. All hard costs associated with the Project should be certified and result from a competitive bidding process.
- G. Each Unit must include a minimum of 1,161 square feet of living space and a one or two-car garage.
- H. Units must be equipped with the following Energy Star-rated appliances in conformity with the development standards outlined in the Comprehensive Housing Policy: refrigerator, range/oven, dishwasher, and garbage disposal.

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- I. Units must meet applicable Section 504 Rehabilitation Act and Uniform Federal Accessibility Standards requirements. If Units are presold, Developer must make the unit accessible upon the request of the prospective buyer.
- J. Units must be sold to an income-eligible homebuyer between 60-80 percent of the area median income at an average sales price of \$160,000.00.
- K. All income-eligible homebuyers must meet the eligibility criteria set forth in the City of Dallas Comprehensive Housing Policy - DHAP, or a successor program.
- L. Developer shall construct and sell each Unit to eligible homebuyers within two years from the date of sale by the City to Developer. Developer may receive a one one-year extension of the development agreement if delays are related to installation or improvement of infrastructure or zoning/platting issues, subject to prior approval of the City Manager or designee.
- M. Developer shall submit a marketing plan to the City for review and approval prior to construction. The marketing plan must identify the steps it is proposing to take in marketing the homes to income-eligible homebuyers.
- N. The term of affordability for each Unit is five years from the filing date of the deed transferring the unit from Developer to homebuyer, which shall be enforced by the restrictive covenants filed against each property.
- O. The City Manager may authorize minor modifications to the Project to reduce the amount of lots sold to Developer and to modify the sales price.
- P. Developer shall obtain a building permit for at least one Unit within 30 days from the date of sale to Developer from City.

**SECTION 9.** 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**  
**Dallas Aea Habitat for Humanity - 2019 NOFA**

<b>Number</b>	<b>Street_Nam</b>	<b>Suffix</b>	<b>Type</b>	<b>Cluster</b>	<b>AREA (Sq. Ft.)</b>	<b>Purchase Price</b>
2806	Brigham	Ln	Tax Foreclosure	Ideal 2	6003	\$ 1,000.00
2715	Macon	St	Tax Foreclosure	Ideal 2	6148	\$ 1,000.00
2637	Macon	St	Tax Foreclosure	Ideal 2	6645	\$ 1,000.00
2726	Macon	St	Tax Foreclosure	Ideal 2	6106	\$ 1,000.00
2924	Brigham	Ln	Tax Foreclosure	Ideal 2	7640	\$ 1,016.12
2718	Macon	St	Tax Foreclosure	Ideal 2	6152	\$ 1,000.00
2807	Macon	St	Tax Foreclosure	Ideal 2	5972	\$ 1,000.00
2622	Macon	St	Tax Foreclosure	Ideal 2	5906	\$ 1,000.00
2807	Brigham	Ln	Tax Foreclosure	Ideal 2	2917	\$ 1,000.00
2810	Macon	St	Tax Foreclosure	Ideal 2	7179	\$ 1,000.00
2558	Starks	Ave	Tax Foreclosure	Ideal 2	5000	\$ 1,000.00
2702	Macon	St	Tax Foreclosure	Ideal 2	5656	\$ 1,000.00
2831	Macon	St	Tax Foreclosure	Ideal 2	6180	\$ 1,000.00
2543	Starks	Ave	Tax Foreclosure	Ideal 2	5711	\$ 1,000.00
2702	Starks	Ave	Tax Foreclosure	Ideal 2	5443	\$ 1,000.00
2627	Starks	Ave	Tax Foreclosure	Ideal 2	5692	\$ 1,000.00
2732	Macon	St	Tax Foreclosure	Ideal 2	5100	\$ 1,000.00
2562	Starks	Ave	Tax Foreclosure	Ideal 2	5324	\$ 1,000.00
2510	Starks	Ave	Tax Foreclosure	Ideal 3	5000	\$ 1,000.00
2530	Hooper	St	Tax Foreclosure	Ideal 3	5147	\$ 1,000.00
2522	Ghent	St	Surplus	Ideal 3	5092	\$ 1,000.00
2563	Hooper	St	Tax Foreclosure	Ideal 3	4684	\$ 1,000.00
2611	Anderson	St	Surplus	Ideal 3	5039	\$ 1,000.00
2526	Ghent	St	Tax Foreclosure	Ideal 3	4935	\$ 1,000.00
2618	Hooper	St	Tax Foreclosure	Ideal 3	5255	\$ 1,000.00
2511	Ghent	St	Tax Foreclosure	Ideal 3	5197	\$ 1,000.00
2546	Ghent		Tax Foreclosure	Ideal 3	4503	\$ 1,000.00
2558	Hooper	St	Tax Foreclosure	Ideal 3	5093	\$ 1,000.00
2715	Anderson	St	Tax Foreclosure	Ideal 3	8164	\$ 1,085.81
4836	Nome	St	Tax Foreclosure	Joppa	7548	\$ 1,003.88
4812	Zealand	St	Tax Foreclosure	Joppa	7346	\$ 1,000.00
4705	Zealand	St	Tax Foreclosure	Joppa	10064	\$ 1,338.51
4640	Cherbourg	St	Tax Foreclosure	Joppa	5598	\$ 1,000.00
					<b>Total Sales Price</b>	<b>\$ 33,444.33</b>

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