
Dallas Housing Acquisition and Development Corporation

Residential Development Land Acquisition Census Tracts 101.01 and 101.02

A Briefing To The
Housing and Neighborhood Development Committee

Housing Department
January 18, 2005

Purpose

- Consider approval for the Dallas Housing Acquisition and Development Corporation (DHADC) to acquire up to 20 lots from HMK, Ltd. and sell the lots to Dallas Neighborhood Alliance for Habitat (DNAH) to build affordable single-family homes for sale to low- and moderate-income homebuyers in conjunction with funding and voluntary services from the Dallas Faith Communities Coalition

Background

- The City created the Dallas Housing Acquisition and Development Corporation (DHADC)
 - In January 2004, the City Council designated the DHADC to serve as its Land Bank
 - In May 2004, the City Council authorized a contract with the DHADC and provided CDBG funds under the Residential Development Acquisition Loan Program to purchase lots that do not qualify for tax foreclosure under the Urban Land Bank Demonstration Program
 - Purchases over \$10,000 require City Council approval

Property Acquisition

- DHADC proposes to acquire 20 lots from HMK, Ltd. at a purchase price up to \$15,000 each - \$300,000
 - The lots are located in close proximity in Census Tracts 101.01 (NIP) and 101.02 (see Appendices for map and list)
 - \$15,000 is based upon known recent comparable sales
 - Purchase is contingent upon:
 - City Council approval
 - Independent appraisal or more on each lot
 - Receipt of acceptable environmental assessment
 - Simultaneous closing on sale to DNAH

Land Bank Operations

- Census Tract 101.01 is a City-designated Neighborhood Investment Program (NIP) target area
- The Land Bank Program has focused its initial efforts within the five NIP areas
 - 162 lots have been referred for Land Bank tax-foreclosure in this Census Tract
- The proposed acquisition is of properties that not eligible for the Land Bank but are interspersed with and adjacent to properties that have been proposed for tax-foreclosure through the Land Bank

Property Sale

- DHADC proposes to sell the properties to Dallas Neighborhood Alliance for Habitat (DNAH) for a sale price of \$7,500 each - \$150,000
 - \$7,500 savings on re-sale price serves as subsidy for affordable housing development
 - DNAH must develop and sell 20 single-family homes to low- and moderate-income households within 2 years of transfer of the deed (expect actual completion in 10/05)
 - Homes will be part of the Dallas Faith Communities Coalition initiative to construct 100 new homes
 - Homes will sell for \$75,000 with Habitat's 0% interest mortgages

Participants

- HMK, Ltd. acquired the portfolio of properties in West Dallas previously owned by Tom Wheeler
 - Dallas Neighborhood Alliance for Habitat is a City-certified Community Housing Development Organization (CHDO)
 - Created by Dallas Habitat for Humanity
 - Participated in construction and sale of over 100 homes in the nearby Greenleaf Village development
 - The Dallas Faith Communities Coalition has provided substantial fund raising and will also provide voluntary services for construction of the homes
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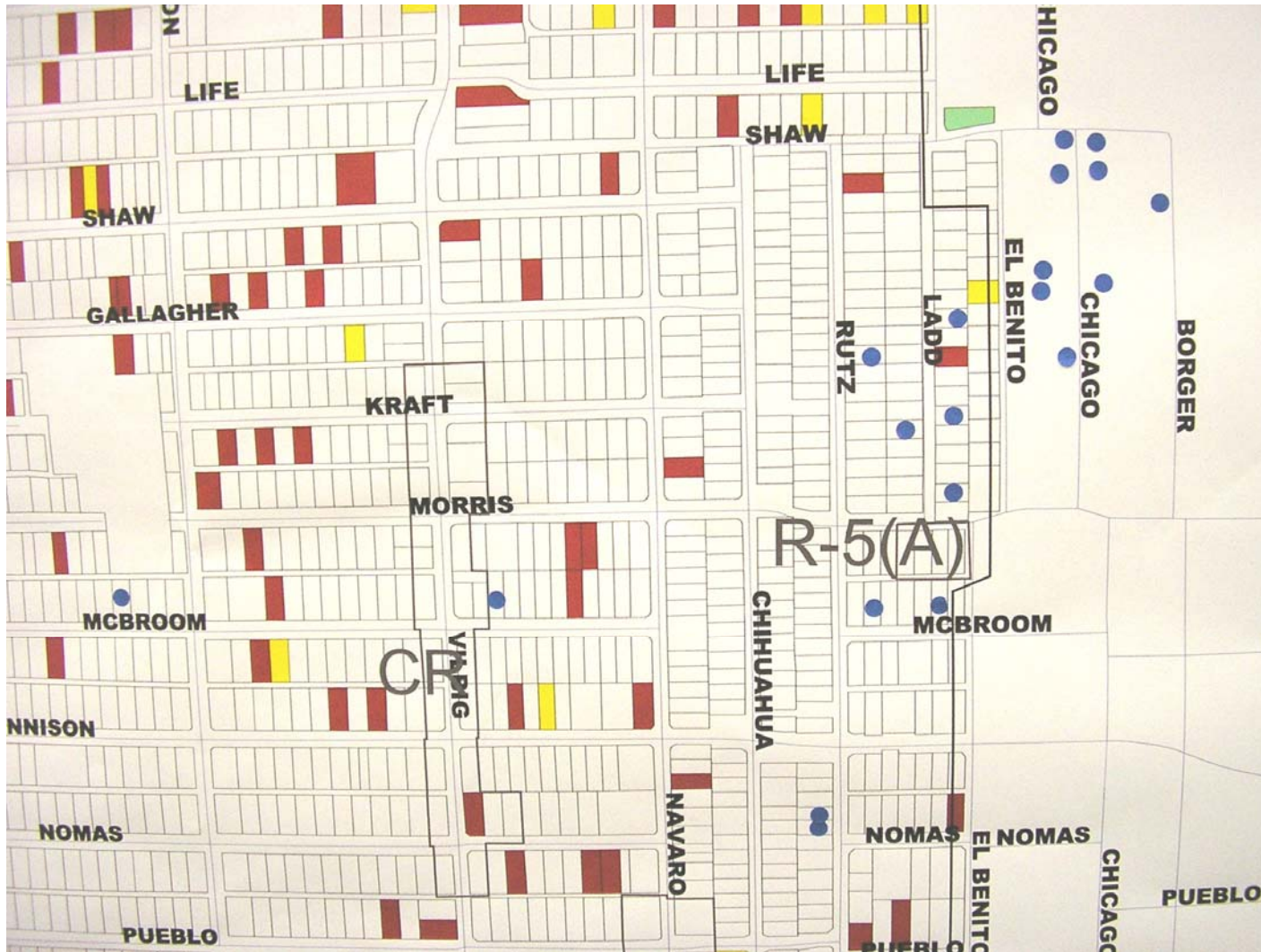
Next Steps

- January 21, 2005 – DHADC Board vote on purchase and re-sale
- February 9, 2005 – City Council consideration

Appendices

- A – Property Map
- B – Property Addresses and City Council Districts

Map



Subject Properties

Property Addresses and Council District

3503 Chicago	6	3417 Ladd	6
3507 Chicago	6	3420 Ladd	6
3516 Chicago	6	3440 Ladd	6
3525 Chicago	6	1507 McBroom	6
3529 Chicago	6	1521 McBroom	6
3406 El Benito	6	1731 McBroom	3
3424 El Benito	6	1915 McBroom	3
3502 El Benito	6	3207 Rutz	6
3520 El Benito	6	3203 Rutz	6
3530 El Benito	6	3432 Rutz	6