DATE August 29, 2014

TO Housing Committee Members: Scott Griggs, Vice-Chair, Monica Alonzo, Rick Callahan, Dwaine Caraway, and Philip Kingston

SUBJECT September 2, 2014 - Housing Committee Agenda

We will have a meeting of the Housing Committee on Tuesday, September 2, 2014, City Hall, 1500 Marilla - Room 6ES, Dallas, Texas, 75201, from 11:00 a.m. - 12:30 p.m. The agenda is as follows:

1. Approval of August 18, 2014 Minutes
   Carolyn R. Davis
   Councilmember

2. Land Bank Program
   Mitchell/O'Donnell
   (Estimated time 30 minutes)

3. Builders of Hope Community Development Corporation
   Mitchell/O'Donnell
   (Estimated time 30 minutes)

4. Upcoming Agenda Items
   Housing Items Only
   For Information Only
   a. Builders of Hope CDC Prairie Creek Loan Modification
   b. Land Bank Interlocal Cooporation Contract

"Dallas, the City that Works: Diverse, Vibrant and Progressive"
Note: A quorum of the Dallas City Council may attend this Council Committee meeting.

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. Contemplated or pending litigation, or matters where legal advice is requested of the City Attorney. Section 551.071 of the Texas Open Meetings Act.

2. The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.

3. A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.

4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.

5. The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.

Housing Committee

Meeting Record
August 18, 2014

The Housing Committee meetings are recorded. Agenda materials and audiotapes may be reviewed/copied by contacting the Housing Department, Staff Coordinator at 214-670-3906.

Meeting Date: August 18, 2014 Meeting Start time: 11:07 A.M.

Committee Members Present:
Carolyn R. Davis (Chair)
Scott Griggs (Vice-Chair)
Dwaine Caraway
Monica Alonzo
Rick Callahan
Philip Kingston

Staff Present:
Theresa O'Donnell-Interim Asst. City Manager
Bernadette Mitchell-Interim Director/HOU
Maria Munoz-Blanco-Director/OCA
Charles Brideau-Asst. Director/HOU
Patrick Inyabri-Interim Asst. Director
Beverly Davis-Asst. Director/FHO
Peer Chacko-Asst. Director/DEV
Don Babers-HOU
Chan Williams-Asst. Director/OFS
Don Whitmire III-OFS
Jeanne Chipperfield-CMO
Charles Estee-CAO
Jack Ireland-OFS
Art Hudman-CAO
Rick Robin-HOU
Nikki Dunklin
Candi Chambers-OFS
Karen Riley-DEV
Robin Bentley-CAO
Barbara Martinez-CAO
Don Edmon-HOU
Renita Griggs-MCC
Cassandra Luster-HOU
Mark Lea-MCC
Priscyllia Bento-SEC
Alida Allen-HOU
Brian Price-HOU

Other Council Members Present:

Other Attendees
Sherman Roberts-City Wide, CDC
Gail Sheridan- M.A.S.S
Jesse Banda-EDCO
Diane Ragsdale-ICDC
Joan Smotzer-ICDC
Susan Watkins-ICP
Anthony McGill-City

AGENDA:

Housing Committee Meeting Called to Order by CM Carolyn R. Davis
1. **Approval of August 4, 2014 Minutes of the Housing Committee**  
   Presenter(s): Council Member Carolyn R. Davis

   **Action Taken/Committee Recommendation(s)**

<table>
<thead>
<tr>
<th>Motion made by: CM Dwaine Caraway</th>
<th>Motion seconded by: CM Scott Griggs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item passed unanimously: X</td>
<td>Item passed on a divided vote:</td>
</tr>
<tr>
<td>Item failed unanimously:</td>
<td>Item failed on a divided vote:</td>
</tr>
</tbody>
</table>

   Follow-up (if necessary):

2. **HUD Monitoring Update**  
   Presenter(s): Theresa O'Donnell, Interim Asst. City Manager/Bernadette Mitchell, Interim Director/Chan Williams, Asst. Director

   Information Only: X

   **Action Taken/Committee Recommendation(s)**

<table>
<thead>
<tr>
<th>Motion made by:</th>
<th>Motion seconded by:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item passed unanimously:</td>
<td>Item passed on a divided vote:</td>
</tr>
<tr>
<td>Item failed unanimously:</td>
<td>Item failed on a divided vote:</td>
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</tbody>
</table>

   Follow-up (if necessary):

3. **Housing Plus Plan Update**  
   Presenter(s): Theresa O'Donnell, Interim Asst. City Manager/Bernadette Mitchell, Interim Director/Peer Chacko, Asst. Director/Karen Riley, DEV

   Information Only: X

   **Action Taken/Committee Recommendation(s)**

<table>
<thead>
<tr>
<th>Motion made by:</th>
<th>Motion seconded by:</th>
</tr>
</thead>
<tbody>
<tr>
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<td>Item passed on a divided vote:</td>
</tr>
<tr>
<td>Item failed unanimously:</td>
<td>Item failed on a divided vote:</td>
</tr>
</tbody>
</table>

   Follow-up (if necessary):
4. Upcoming Agenda Items
   Housing Items Only

   a. An amendment to loan agreement for 2000 Roses
   b. An amendment to loan agreement with Dallas Area Habitat for Humanity, Inc.
   c. Land Bank sale to Archangel Reliance (33 lots) (addendum)
   d. Land Bank sale to AAA Homes (7 lots) (addendum)
   e. Land Bank amended deed restrictions to Commonwealth Companies Properties (30 lots) (addendum)
   f. Land Transfer Call for Public Hearing- Habitat (1 lot) (addendum)
   g. Land Bank Call for Public Hearing Annual Plan (addendum)

Information Only: __

Action Taken/Committee Recommendation(s) Motion to move forward to full Council

<table>
<thead>
<tr>
<th>Motion made by: CM Rick Callahan</th>
<th>Motion seconded by: CM Monica Alonzo</th>
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</thead>
<tbody>
<tr>
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<tr>
<td>Item failed unanimously: _____</td>
<td>Item failed on a divided vote:</td>
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</table>

Follow-up (if necessary):

Meeting Adjourned by CM Carolyn R. Davis

Meeting Adjourned: 12:29 P.M.

Approved By: ______________________________
DATE August 29, 2014

TO Housing Committee Members: Carolyn R. Davis, Chair, Scott Griggs, Vice-Chair, Monica Alonzo, Rick Callahan, Dwaine Caraway, and Philip Kingston

SUBJECT Land Bank Program

On Tuesday September 2, 2014, you will be briefed on the Land Bank Program. A copy of the briefing is attached.

Please let me know if you have any questions.

Theresa O'Donnell
Interim Assistant City Manager

c: The Honorable Mayor and Members of the City Council
A. C. Gonzalez, City Manager
Rosa A. Rios, City Secretary
Warren M.S. Ernst, City Attorney
Craig Kinton, City Auditor
Judge Daniel Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager
Forest E. Turner, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Bernadette Mitchell, Housing/Community Services, Interim Director
Elsa Cantu, Assistant to the City Manager – Mayor and Council

"Dallas, The City That Works: Diverse, Vibrant and Progressive."
Land Bank Program

A Briefing to the
Housing Committee

Housing/Community Services Department
September 2, 2014
Purpose

- To provide information on the Land Bank Program and schedule next steps
<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>State Legislature enacted the Texas Urban Bank Demonstration Program Act: (HB2801)</td>
</tr>
<tr>
<td>2004</td>
<td>Negotiation and execution of Interlocal Agreement with all taxing entities and began filing law suits</td>
</tr>
<tr>
<td>2005</td>
<td>Land Bank acquires first properties</td>
</tr>
<tr>
<td>2006</td>
<td>Land Bank sells first lots to developers</td>
</tr>
<tr>
<td>2007</td>
<td>First home completed and sold to an eligible family</td>
</tr>
<tr>
<td>2014</td>
<td>300th home sold to an eligible family</td>
</tr>
</tbody>
</table>
The goal of the Land Bank Program is to develop a significant quantity of affordable single-family homes on vacant, tax-delinquent properties within Dallas neighborhoods. Putting these properties to this productive use will:

- Address the shortage of affordable workforce housing in Dallas;
- Eliminate blight in target neighborhoods;
- Stabilize “at risk” communities and enhance quality of life;
- Stimulate community investment and economic growth; and
- Increase local government property tax, sales tax and fee revenues.
Partners

**Taxing Entities**
- City
- County
- School District
- Hospital Districts
- Community College District

**Developers**
- CHDOs
- For-Profit

**The Real Estate Council**
- Title Companies
- Law firms
- Case filing
- Ad Litem services
Land Bank Board

- Dallas Housing Acquisition and Development Corporation (Land Bank)
  - 501(c)(3) non-profit corporation
  - Quasi-governmental

- Eight Directors
  - City of Dallas Directors of Housing, Development Services & Code Compliance
  - 2 Dallas County representatives
  - 1 DISD representative
  - 1 Real Estate Council representative
  - 1 Non-profit affordable housing organization representative (currently vacant)
Six Basic Steps

1. Land Bank assembles list of potential vacant lots and forwards to Law Firm and Title Company.
2. Title Company abstracts Title, forwards opinion to Law Firm and to City Attorney’s Office.
3. After approval by City Attorney’s Office, lawsuit is prepared and filed with County Court.
4. County Court adjudicates lawsuit and Sherriff conducts private sale to Land Bank.
5. Land Bank solicits proposals from CHDOs and forwards list of remaining lots to Real Estate Company for marketing.
6. Obtains Land Bank Board approval, obtains City Council approval and conveys lots to developer.
Required Criteria

- Eligible Properties must:
  - have at least 5 years of delinquent taxes
  - have an appraisal district value less than the amount of taxes and non-tax liens
  - be zoned residential
  - have a minimum frontage of 40’ and minimum size of 4,000 square feet
  - may also allow for 6,000 square foot enclosed grocery store that offers fresh produce for home consumption
Additional Selection Criteria

- Lots in Neighborhood Investment Program (NIP) Areas
- Lots adjacent to NIP Areas
- Lots 1 mile on either side of DART Rail Lines
- Selected Lots for CHDOs
Financial Update

- Land Bank is currently self supporting without any General Funds
- Total operating costs for one year are estimated to be $300,000
- There are 4 staff operating the Land Bank
  - 1 manager
  - 2 staff processing real estate acquisitions and sales including researching title reports, liens, judgments, Sheriff’s notices & deeds, performing due diligence on lots, site inspections and corresponding with citizens & developers
  - 1 staff updating lot inventory, maintenance reports, audit reports and other administrative duties
- Breakeven total sales is 75 lots per year
## Operating Proforma (FY2014–15)

- **Total Estimated Funds 9/30/14**: $300,000
- **Projected Sales (75 lots @ average net price of $4,500/lot)**: $337,500

### Projected Expenses (2014-15)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Staffing Costs</td>
<td>$315,000</td>
</tr>
<tr>
<td>Acquisition Fee Reimbursement (100 lots @ $1,000/lot)</td>
<td>($100,000)</td>
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<tr>
<td>Mowing Expense (300 lots average)</td>
<td>$65,000</td>
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<tr>
<td>Audit Fee</td>
<td>$8,500</td>
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<tr>
<td>Insurance</td>
<td>$9,500</td>
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<tr>
<td>Recording Fees</td>
<td>$6,000</td>
</tr>
<tr>
<td>Misc. Expense (training, supplies, tree removal)</td>
<td>$15,000</td>
</tr>
</tbody>
</table>

**subtotal**: $319,000

- **Estimated Funds Available @ 9/30/15**: $318,500
Outcomes

- 1,759 lawsuits filed
- 1,065 properties acquired by the Land Bank
- 480 lots sold to CHDOs and Developers
- 102 lots currently approved for sale
- 300 homes completed and sold
Potential Changes for Land Bank

- Public comment period is open from August 27th – November 12th

- Staff will collaborate with internal city departments, City Attorney’s Office and Land Bank clients to research and discuss possible changes to current Land Bank processes and policies

- Staff will brief committee on potential changes in September/October
Upcoming Actions

- August – Calling of Public Hearing for Land Bank annual plan
- September – Authorize Interlocal Cooperation Contract between taxing entities
- November – Amend Land Bank Program Statement
- November – Hold public hearing and authorize approval of Land Bank annual plan
Questions & Answers
Memorandum

DATE August 29, 2014

TO Housing Committee Members: Carolyn R. Davis, Chair, Scott Griggs, Vice-Chair, Monica Alonzo, Rick Callahan, Dwaine Caraway, and Philip Kingston

SUBJECT Builders of Hope Community Development Corporation

On Tuesday September 2, 2014, you will be briefed on Builders of Hope Community Development Corporation. A copy of the briefing is attached.

Please let me know if you have any questions.

Theresa O'Donnell
Interim Assistant City Manager

c: The Honorable Mayor and Members of the City Council
   A. C. Gonzalez, City Manager
   Rosa A. Rios, City Secretary
   Warren M.S. Ernst, City Attorney
   Craig Kinton, City Auditor
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   Ryan S. Evans, First Assistant City Manager
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   Joey Zapata, Assistant City Manager
   Charles M. Cato, Interim Assistant City Manager
   Jeanne Chipperfield, Chief Financial Officer
   Sana Syed, Public Information Officer
   Bernadette Mitchell, Housing/Community Services, Interim Director
   Elsa Cantu, Assistant to the City Manager – Mayor and Council
Builders of Hope Community Development Corporation

A Briefing to the Housing Committee
September 2, 2014
Builders of Hope’s History

- Formed in 1998 as a split from Voice of Hope
- Nine person board
  - Chairman, Jimmy Strawn
- 8 full time, 1 temporary staff
  - President/CEO, Norman Henry
- A nonprofit organization, 501(c)3, and a Certified Housing Development Organization (CHDO)
- BOH works all over the city with some target areas including: Prairie Creek / Pleasant Grove, West Dallas, Oak Cliff / Creekside Neighborhood
- Built over 200 homes in the City of Dallas
Project Areas
Builders of Hope’s Plans for 2014-15

- **Prairie Creek Project**
  - Purchased 40 lots with City of Dallas funds
  - 24 homes are built and occupied
  - 16 parcels left to be developed

- **West Dallas Project**
  - Purchased 22 lots with City of Dallas funds
  - 11 homes are built and occupied
  - 11 parcels left to be developed

- **Creekside Project**
  - Purchased 34 lots (no City funding)
  - 6 homes are built and occupied
  - 18 parcels left to be developed
Prairie Creek Project

- Located in District 7
- In 2009, City of Dallas provided $500,000 to Builders of Hope (BOH) to purchase forty properties in Pleasant Grove
- BOH has built and occupied twenty-four of the homes
- BOH has requested City assistance of $480,000 to complete the remaining sixteen homes
- City funds would be used along with interim construction financing from Inwood Bank
  - City would subordinate to the first lender
Prairie Creek Project-Budget

**SOURCES**
- Private Financing $1,843,952
- City Funds- Acquisition $200,000
- City Funds-Construction $480,000
- Total Sources $2,523,952

**USES**
- Hard Construction Costs $1,920,000
- Land Acquisition $200,000
- Soft Costs $163,952
- Developer Fee $240,000
- Total Uses $2,523,952
### BOH PRAIRIE CREEK CONSTRUCTION BUDGET

#### PROJECT BUDGET PER UNIT

<table>
<thead>
<tr>
<th></th>
<th>1500 Sq Ft</th>
<th>X16</th>
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<td><strong>LAND COSTS</strong></td>
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<td>TOTAL LAND COSTS</td>
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<td><strong>CONSTRUCTION SOFT COSTS</strong></td>
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<tr>
<td>ENERGY CODE FEES</td>
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<td>BUILDERS RISK</td>
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<td>WARRANTY INSPECTIONS</td>
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<td>FORM SURVEY</td>
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<td>HOME WARRANTY</td>
<td>$ 370.00</td>
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<td>ARCHITECT PLANS</td>
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<td>FOUNDATION PLANS</td>
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<td>INTERIM LOAN</td>
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<td>UTILITIES</td>
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<td><strong>CONSTRUCTION HARD COSTS</strong></td>
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<tr>
<td><strong>CONSTRUCTION HARD COST TOTAL</strong></td>
<td>$ 120,000.00</td>
<td>$ 1,920,000.00</td>
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<tr>
<td><strong>DEVELOPER FEE</strong></td>
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<tr>
<td>DEVELOPER FEE TOTAL</td>
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<td><strong>TOTAL PROJECT COSTS</strong></td>
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<td>ESTIMATED SALES PRICE</td>
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<td>ESTIMATED CITY SUBSIDY</td>
<td>$ 38,747.00</td>
<td>$ 619,952.00</td>
</tr>
</tbody>
</table>
Prairie Creek Project-Details

- Units will be 3 bedroom, 2 baths, approximately 1500 sq.ft. with 2-car garage
- Sales price for the homes will be approximately $119,000
- Units will be sold to low-moderate income families at or below 80% AMFI (homebuyers may also qualify for $20,000 in mortgage assistance)
- BOH will have until December 31, 2015 to build and occupy the eleven homes
- City funds will pay for a portion of the soft costs, construction costs, and developer fees
- Proceeds from the sale of the units will be repaid to Inwood Bank and the City, less related and approved closing costs.
- BOH will sign a loan agreement, Deed of Trust and Deed restrictions with the City
- Deed Restrictions for affordability for 15 years
West Dallas Project

- Located in District 6
- In 2009, City of Dallas provided $500,000 to Builders of Hope (BOH) to purchase twenty-two properties in West Dallas
- BOH has built and occupied eleven of the homes
- BOH has requested City assistance of $521,400 to complete the remaining eleven homes
- City funds would be used along with interim construction financing from Inwood Bank
  - City would subordinate to the first lender
## West Dallas Project-Budget

### SOURCES
- Private Financing: $962,269
- City Funds-Acquisition: $253,000
- City Funds-Construction: $521,400
- Total Sources: $1,736,669

### USES
- Hard Construction Costs: $1,122,000
- Acquisition Costs: $345,774
- Soft Costs: $103,895
- Developer Fee: $165,000
- Total Uses: $1,736,669
**BOH WEST DALLAS CONSTRUCTION BUDGET**

**PROJECT BUDGET PER UNIT**

<table>
<thead>
<tr>
<th>Description</th>
<th>1350 Sq Ft</th>
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<tr>
<td>ENERGY CODE</td>
<td>$580.00</td>
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<tr>
<td>BUILDERS RISK</td>
<td>$250.00</td>
<td>$1,750.00</td>
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<tr>
<td>WARRANTY INSPECTIONS</td>
<td>$350.00</td>
<td>$2,450.00</td>
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<tr>
<td>FORM SURVEY</td>
<td>$150.00</td>
<td>$1,050.00</td>
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<tr>
<td>FOUNDATION PLANS</td>
<td>$275.00</td>
<td>$1,925.00</td>
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<td>ARCHITECT PLANS</td>
<td>$580.00</td>
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<td>HOME WARRANTY</td>
<td>$370.00</td>
<td>$2,590.00</td>
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<tr>
<td>PERMITS</td>
<td>$1,800.00</td>
<td>$12,600.00</td>
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<td>INTERIM LOAN</td>
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<td>VERTICAL CONSTRUCTION</td>
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<td><strong>DEVELOPER FEE</strong></td>
<td>$15,000.00</td>
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<td><strong>TOTAL PROJECT COSTS</strong></td>
<td>$157,879.00</td>
<td>$1,736,669.00</td>
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<td><strong>ESTIMATED SALES PRICE</strong></td>
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<td>$(1,100,000.00)</td>
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<td><strong>ESTIMATED CITY SUBSIDY</strong></td>
<td>$57,879.00</td>
<td>$636,669.00</td>
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</table>
West Dallas Project-Details

- Homes will be 3-bedroom, 2 bath, approximately 1350 sq.ft. with garages
- Sales price for the homes will be approximately $100,000
- Units will be sold to low-moderate income families at or below 80% AMFI (homebuyers may also qualify for $20,000 in mortgage assistance)
- BOH will have until December 31, 2015 to build and occupy the eleven homes
- City funds will pay for a portion of the soft costs, construction costs, and developer fees
- Proceeds from the sale of the units will be repaid to Inwood Bank and the City, less related and approved closing costs.
- BOH will sign a loan agreement, Deed of Trust and Deed restrictions with the City
- Deed Restrictions for affordability for 15 years
Next Steps West Dallas Project

- September 10, 2014 - City Council consideration of a HOME development loan for $480,000 to Builders of Hope CDC for the construction of 16 single family homes for the Prairie Creek Project
- September 24, 2014 - City Council consideration of a HOME development loan for $521,400 to Builders of Hope CDC for the construction of 11 single family homes for the West Dallas Project
- September 31, 2014 – contract with BOH
- Nov/Dec 2014 – construction begins
SUBJECT

Authorize (1) an extension of the development loan agreement with Builders of Hope CDC, Prairie Creek Project for acquisition and related acquisition costs of 40 unimproved properties to December 31, 2015; and (2) a development loan in the amount of $480,000 for the construction of the final sixteen homes – Financing: 2010-11 Home Investment Partnership Program Grant Funds ($115,235), 2011-12 Home Investment Partnership Program Grant Funds ($270,767), and 2012-13 Home Investment Partnership Program Grant Funds ($93,998)

BACKGROUND

In January 2009, Builders of Hope CDC (BOH) and the City of Dallas entered into a loan agreement for funding for the Prairie Creek Project for $500,000 to acquire 40 unimproved properties for the construction of single-family homes available to low-to-moderate income families located at Military Parkway and Prairie Creek.

Pursuant to the CHDO Program Statement for June 27, 2001, Council Resolution No. 01-2049, the City of Dallas Housing Director was authorized to approve development funding for projects with fewer than 100 units. The Prairie Creek Project was approved by this method. As of the notice from the City Manager dated February 28, 2014 requiring more transparency, this and similar projects must now be presented for City Council approval.

As of July 31, 2014, BOH has built and sold 24 single family homes to low-moderate income families at or below 80% AMFI. Sixteen homes remain to be built. The total cost of construction per unit is $150,000 for 1539 square foot home at $97 per square foot. The recent sales are valued at $120,000. BOH has obtained private financing for a portion of the construction costs with Inwood Bank and has requested a $480,000 development loan from the City. The City funds will be used to pay $30,000 per unit for a portion of the total development costs including soft costs and developer fees.
BACKGROUND (continued)

The loan terms will be zero percent interest with a maturity date of December 31, 2015. BOH will be forgiven a prorated portion of the loan as homes are sold with a repayment of $6,625 to the City. Homebuyers will assume a 15 year resale restriction.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 27, 2001, the City Council approved the CHDO Loan Program Statement that authorized the Housing Director to approve development funding for projects with fewer than 100 units, by Resolution No. 01-2049.

On June 23, 2010, the City Council approved the City of Dallas Consolidated Plan Budget for FY 2010-11 federal funds which included the HOME Investment Partnership Funds for Housing Development Loan Program, by Resolution No. 10-1594.

On June 27, 2012, the City Council approved the City of Dallas Consolidated Plan Budget for FY 2012-13 federal funds which included the HOME Investment Partnership Funds for Housing Development Loan Program, by Resolution No. 12-1629.

On June 26, 2013, the City Council approved the City of Dallas Consolidated Plan Budget for FY 2013-14 federal funds which included the HOME Investment Partnership Funds for Housing Development Loan Program, by Resolution No. 13-1142.

On November 27, 2013, the City Council Housing Committee was briefed on the organization and this project.

FISCAL INFORMATION

2010-11 Home Investment Partnership Program Grant Funds - $115,235
2011-12 Home Investment Partnership Program Grant Funds - $270,767
2012-13 Home Investment Partnership Program Grant Funds - $93,998

OWNER

Builders of Hope CDC

Norman Henry, President

MAP(S)

Attached
MAPSCO 48V
WHEREAS, on June 27, 2001, the City Council approved the CHDO Loan Program Statement that authorized the Housing Director to approve development funding for projects with fewer than 100 units, by Resolution No. 01-2049; and

WHEREAS, on June 23, 2010, the City Council approved the City of Dallas Consolidated Plan Budget for FY 2010-11 federal funds which included the HOME Investment Partnership Funds for Housing Development Loan Program, by Resolution No. 10-1594; and

WHEREAS, on June 27, 2012, the City Council approved the City of Dallas Consolidated Plan Budget for FY 2012-13 federal funds which included the HOME Investment Partnership Funds for Housing Development Loan Program by Resolution No. 12-1629; and

WHEREAS, on June 26, 2013, the City Council approved the City of Dallas Consolidated Plan Budget for FY 2013-14 federal funds which included the HOME Investment Partnership Funds for Housing Development Loan Program, by Resolution No. 13-1142; and

WHEREAS, Builders of Hope CDC has requested an extension of time to the development loan agreement to allow them to continue their efforts to construct the final 16 units and complete the sale of the units to low-to-moderate income families at or below 80% AMFI; NOW, THEREFORE,

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

Section 1. That the City Manager or designee, upon approval as to form by the City Attorney, is hereby authorized to amend the development loan agreement with Builders of Hope CDC to: (1) extend the current development loan agreement to December 31, 2015; and (2) provide a development loan in the amount of $480,000 for the construction of the final sixteen homes.

Section 2. The terms of the agreement include:

(a) Borrower must execute a Notes Payable and Deed Restrictions.
(b) Borrower must complete and sell the remaining homes to low-to-moderate income families whose incomes are 80% or less of area median family income by the maturity date.
(c) Borrower will be released from liability on the Note at the same time the low-to-moderate income family closes the purchase of the home.
(d) Properties will be deed restricted for affordability at 80% or less of Area Median Family Income for sale and resale to eligible homebuyers for a period of fifteen years.
Section 3. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute a subordination of lien to a lender who is providing construction financing on the property.

Section 4. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute releases of liens and terminate deed restrictions on the 40 properties upon compliance with the loan terms and deed restrictions.

Section 5. That the City Controller is hereby authorized to disburse funds in accordance with this Resolution and the terms and conditions of the loan agreement with as follows:

<table>
<thead>
<tr>
<th>FUND</th>
<th>DEPT</th>
<th>UNIT</th>
<th>OBJ</th>
<th>CT</th>
<th>AMOUNT</th>
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<td>HOU</td>
<td>893E</td>
<td>3015</td>
<td>HOU463CK129</td>
<td>$93,998</td>
</tr>
</tbody>
</table>

Section 6. That the City Controller is hereby authorized to modify receivable balance sheet account (033F) and an allowance for uncollectible debt (022D) in funds HM10, HM11, and HM12 for the amount of the loan.

Section 7. That nothing in this resolution shall be construed as a binding contract or agreement upon the City, that it is subject to available HOME funds and there will be no liability or obligation on the City until final contract documents are approved, executed, and final closing completed.

Section 8. 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.
SUBJECT

Authorize an Interlocal Cooperation Contract for the Urban Land Bank Demonstration Program with Dallas County, Dallas Independent School District, Dallas County Hospital District, Dallas County School Equalization Fund, Dallas County Education District and Dallas County Community College District to facilitate the Dallas Housing Acquisition and Development Corporation’s (Land Bank) acquisition of unimproved tax foreclosed properties for sale to qualified developers for the development of affordable housing - Financing: No cost consideration to the City

BACKGROUND

This action will authorize the City Manager to execute an Interlocal Cooperation Contract for the Urban Land Demonstration Program with Dallas County, Dallas Independent School District, Dallas County Hospital District, Dallas County School Equalization Fund, Dallas County Education District and Dallas County Community College District to facilitate the Land Bank’s acquisition of unimproved, tax-foreclosed properties for sale to qualified developers for the development of affordable housing in accordance with Chapter 379C of the Texas Local Government Code (Code).

The term of the contract will begin on October 1, 2014 and end on September 30, 2015.

Under the contract, the City may refer to the County up to 300 parcels of real property intended for acquisition by the Land Bank for filing of a tax lawsuit prior to March 31, 2015. The City or the Land Bank must give written notice to all parties to the contract of the specific addresses of parcels intended for acquisition by the Land Bank prior to referring said parcels to the County for filing of a tax lawsuit and prior to the sale of a property to the Land Bank after a judgment is obtained. Each party will have the right to withhold its consent to the filing of lawsuit on a parcel or sale of a particular parcel to the Land Bank.
PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On January 28, 2004, by Resolution No. 04-0458, the City Council established the Dallas Housing Acquisition and Development Corporation as its Land Bank and authorized an Interlocal Contract for an Urban Land Bank Demonstration Program with Dallas County, Dallas Independent School District, Dallas County Hospital District, Dallas County School Equalization Fund, Dallas County Education District and Dallas County Community College District (Interlocal Contract).

On August 28, 2013, by Resolution No. 13-1437, the City Council authorized an Interlocal Contract to allow the City to refer up to 300 additional parcels intended for acquisition by the Land Bank for filing of a tax lawsuit by March 31, 2014 and to extend the term to September 30, 2014.

FISCAL INFORMATION

No cost consideration to the City
COUNCIL CHAMBER

September 10, 2014

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, by Resolution No. 04-0458, the City Council established the Dallas Housing Acquisition and Development Corporation (Land Bank) as its land bank for the purpose of acquiring, holding, and transferring unimproved, tax-foreclosed, real property for the development of affordable housing in accordance with Chapter 379C of the Texas Local Government Code (Code); and

WHEREAS, the City Council desires to enter into an Interlocal Cooperation Contract for the Urban Land Bank Demonstration Program with Dallas County, Dallas Independent School District, Dallas County Hospital District, Dallas County School Equalization Fund, Dallas County Education District and Dallas County Community College District to facilitate the Land Bank’s acquisition of unimproved, tax-foreclosed properties for sale to qualified developers for the development of affordable housing in accordance with the Code;

NOW, THEREFORE,

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

Section 1. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute an Interlocal Cooperation Contract for the Urban Land Bank Demonstration Program with Dallas County, Dallas Independent School District, Dallas County Hospital District, Dallas County School Equalization Fund, Dallas County Education District and Dallas County Community College District, which will include the following provisions:

a. The term of the contract will begin on October 1, 2014 and end on September 30, 2015.

b. The City will be allowed to refer to the County up to 300 parcels of real property intended for acquisition by the Land Bank for filing of a tax lawsuit prior to March 31, 2015.

c. The City or the Land Bank must give written notice to all parties to the contract of the specific addresses of parcels intended for acquisition by the Land Bank prior to referring said parcels to the County for filing of a tax lawsuit and prior to the sale of a property to the Land Bank after a judgment is obtained. Each party will have the right to withhold its consent to the filing of lawsuit on a parcel or sale of a particular parcel to the Land Bank.
Section 2. 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.