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CITY SECRETARY
DALLAS, TEXAS



CITY OF DALLAS

Memorandum

DATE November 26, 2014

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

SUBJECT December 1, 2014 - Housing Committee Agenda

We will have a meeting of the Housing Committee on Monday December 1, 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 November 3, 2014 Minutes
Carolyn R. Davis
Councilmember
2. Mortgage Assistance Program Update
Mitchell/O'Donnell
(Estimated time 30 minutes)
3. Upcoming Agenda Items
Housing Items Only
For Information Only
 - a. Land Bank Sale – Adjacent Owner (2 lots)
 - b. Land Transfer – Dallas Area Habitat for Humanity (1lot)
 - c. Public Hearing Substantial Amendment No. 1



Carolyn R. Davis, Chair
Housing Committee

- c: The Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Warren M. S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager
Eric D. Campbell, Assistant City Manager
Jill A. Jordan, P. E., Assistant City Manager
Mark McDaniel, Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor and Council

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.
6. Deliberations regarding Economic Development negotiations. Section 551.087 of the Texas Open Meetings Act.

Housing Committee

Meeting Record November 3, 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: November 3, 2014

Meeting Start time: 11:04 A.M.

<p><u>Committee Members Present:</u> Carolyn R. Davis (Chair) Scott Griggs (Vice-Chair) Dwaine Caraway Monica Alonzo Rick Callahan Philip Kingston</p>	<p><u>Staff Present:</u> Theresa O'Donnell-Interim Asst. City Manager Bernadette Mitchell-Interim Director/HOU Charles Brideau-Asst. Director/HOU Beverly Davis-Asst. Director/FHO Don Baber-HOU Cobbie Ransom-HOU Cynthia Rogers-Ellickson-HOU Robin Bentley-CAO Justin Hunt-MCC Renita Griggs-MCC Alida Allen-HOU Cassandra Luster-HOU Priscylla Bento-SEC Brian Price-HOU</p>
<p><u>Other Council Members Present:</u></p>	<p><u>Other Attendees</u> Sherman Roberts-City Wide CDC Kristen Schulz-Habitat for Humanity Damon Polk-Builders of Hope Annie Evans-SouthFair Theresa Canales-Builders of Hope Edie Stewart-Builders of Hope Norman Henry-Builders of Hope Susan Watkins-Inclusive Comm. Project Gerald Carlton-EDCO Diane Ragsdale-ICDC Tom Harbison-Jubilee Jesse Banda-EDCO</p>
<p><u>Committee Members Absent:</u></p>	

AGENDA:

Housing Committee Meeting Called to Order by CM Carolyn R. Davis

1. Approval of October 20, 2014 Minutes of the Housing Committee

Presenter(s): Council Member Carolyn R. Davis

Action Taken/Committee Recommendation(s)

Motion made by: CM Scott Griggs	Motion seconded by: CM Rick Callahan
Item passed unanimously: <input checked="" type="checkbox"/>	Item passed on a divided vote: <input type="checkbox"/>
Item failed unanimously: <input type="checkbox"/>	Item failed on a divided vote: <input type="checkbox"/>

Follow-up (if necessary):

2. **Home Investment Partnership Regulation Changes and Impacts**
 Presenter(s): Theresa O'Donnell, Interim Asst. City Manager/Bernadette Mitchell,
 I Interim Director/Don Babers, HOU

Information Only: X

Action Taken/Committee Recommendation(s)

Motion made by:	Motion seconded by:
Item passed unanimously: _____	Item passed on a divided vote: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

Follow-up (if necessary):

3. **Housing Plus Update**
 Presenter(s): Theresa O'Donnell, Interim Asst. City Manager/Bernadette Mitchell,
 I Interim Director/Don Babers, HOU

Information Only: X

Action Taken/Committee Recommendation(s)

Motion made by:	Motion seconded by:
Item passed unanimously: _____	Item passed on a divided vote: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

Follow-up (if necessary):

4. **Upcoming Agenda Items**
Housing Items Only

- a. Land Bank Sale- adjacent owner (1 lots)
- b. Land Bank Sale- Dallas Area Habitat for Humanity (21 lots)
- c. Land Bank Lot Exchange- RPL Properties (3 lots)
- d. Development Loan Amendment with 2122 Highland LLC
- e. Amendment to Land Bank Program Statement
- f. Land Transfer- Call Public Hearing for Dallas Area Habitat for Humanity (1 lot)
- g. Public Hearing for FY 2014-15 Annual Land Bank Plan

Information Only:

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

Motion made by: CM Scott Griggs	Motion seconded by: CM Rick Callahan
Item passed unanimously: <u> X </u>	Item passed on a divided vote: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

Follow-up (if necessary):

Meeting Adjourned by CM Carolyn R. Davis

Meeting Adjourned: 12:04 P.M.

Approved By: _____

DRAFT

Memorandum



DATE November 26, 2014

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

SUBJECT Mortgage Assistance Program Update

On Monday December 1, 2014, you will be briefed on Mortgage Assistance Program Update. A copy of the briefing is attached.

Please let me know if you have any questions.



Theresa O'Donnell
Chief Planning Officer

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
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager
Eric D. Campbell, Assistant City Manager
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Mark McDaniel, Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor and Council

Mortgage Assistance Program Update

A Briefing to the
Housing Committee

Housing/Community Services Department
December 1, 2014



KEY FOCUS AREA: ECONOMIC VIBRANCY

Purpose

- To provide an update regarding the Mortgage Assistance Program (MAP)
- To recommend changes to the program for FY2014-15

MAP Program Purpose

To incentivize homeownership within the city of Dallas

- \$2,743 taxes gained per \$100K valuation
- Wealth is created for low to moderate income households
- Specifically incentivize homeownership and development in areas of interest to the City

Housing Market Conditions

- Seller's market with low inventory
 - Competition for available properties
- Tight credit score requirements
 - Slow approvals
 - More paperwork
- Lender legal issues
 - Bank settlements with Federal Government past loan servicing and foreclosure abuses and fraud
 - Wells Fargo Lift Program
 - \$5 million down payment assistance program
 - Added layer of out of state underwriting
 - Citibank settlement may affect program in future
 - Bank of America settlement may affect program in future

Program Partners FY 2013-14

- 48 Lenders
- 48 Title Companies
- 6 Homebuyer Education Providers
- 6 CHDOs
- Leveraging Private Dollars
 - FY 2012-2013 \$5,567,481 (6.6:1)
 - FY 2013-2014 \$7,801,323 (6.7:1)
- 19 MAP training sessions held with Lenders, Realtors and other program partners
- 15 Marketing events held with potential homebuyer groups

Program Guidelines

- MAP provides principal reduction and closing cost assistance
- Homes purchased must be in the city of Dallas
- Eligible homebuyers' gross income cannot exceed 80% of the Area Median Family Income (AMFI), adjusted for family size
- Eligible homebuyers must:
 - Be a U.S. citizen or permanent resident
 - Complete a homebuyer education class in order to qualify
 - Agree to occupy the home as a primary residence
- Homes are inspected prior to purchase and must meet Minimum Acceptable Property Standards (MAPS)
 - MAP provides up to \$1,500 for MAPS repairs which must be completed prior to closing on existing homes
- The sales price of the home may not exceed \$195,000 for new construction and \$145,000 for existing construction

Program Guidelines (cont.)

- Borrower must have continuous, satisfactory employment history for the past six months
- Borrower's down payment must satisfy the MAP lender's minimum requirements
- Borrower may not have more than \$4,000 plus two month's gross income after closing
- Borrower must qualify for a conventional, FHA, or portfolio mortgage loan from a participating MAP lender
- No adjustable rate mortgages
- Borrower cannot receive cash back at closing
- Debt Ratio for housing expenses & other debt cannot exceed 45% at loan approval

MAP LENDING PROCESS

- Homebuyer attends and receives course completion certification from participating homebuyer counseling agency
- Homebuyer gets pre-qualified for a loan with one of the participating MAP lenders
- Homebuyer contacts Real Estate agent to locate a suitable home
- Lender registers homebuyer online with MAP to reserve funds
- Lender submits loan package to MAP staff
- MAP staff underwrites the loan and submits funding to title company
- Homebuyer closes loan at title company

Note: Program information and registration process are available on the MAP website at www.dallasmap.org

FY 2013-14 Program Guidelines

Category	Maximum Assistance	Lien Term
Existing Homes	\$8,500	5 years
Community Housing Development Organization (CHDO)	\$20,000	10 years
Land Bank	\$10,000	5 years

MAP Production

	FY2012-13	FY 2013-14
Unit Production	64	93
Total Subsidy	\$844,500	\$1,159,228
Private Dollars Leveraged	\$5,567,481	\$7,801,323
Average Sales Price	\$96,414	\$97,391

MAP Snapshot

HOUSEHOLD INCOME BREAKDOWN

INCOME	FY 2012-13	FY 2013-14
30% and Below	0	0
31%-50%	10	18
51%-67%	28	37
68%-80%	26	38
Total	64	93

MAP Snapshot

ETHNICITY BREAKDOWN

ETHNICITY	FY 2012-13	FY 2013-14
Anglo	2	2
African American	15	34
Hispanic	46	54
Other	1	3
Total	64	93

MAP Budget

	<u>FY2013-14</u>	<u>FY2014-15</u>
Community Development Block Grant	\$1,300,000	\$1,165,856
HOME Investment Partnership Program	<u>\$ 800,000</u>	<u>\$ 957,158</u>
Total Allocation	\$2,100,000	\$2,123,014

Proposed Program Changes for FY 2013-14

Category	Maximum Assistance	Lien Term
Existing Homes New Construction* <small>*Includes non-profit and for-profit organizations</small>	\$14,000	5 years
CHDO	\$20,000	10 years
Land Bank	\$20,000	10 years
Neighborhood Investment Program Area or other Designated Area	\$20,000	10 years

Next Steps

- January 14, 2015 – City Council will consider amendments to the program statement for FY2014-15
- Training & Marketing in January 2015

Exhibit A

Area Median Family Income (AMFI)
For 2014

Area Median Family Income for 2014

% Income	Family Size				
	1	2	3	4	5
30%	\$14,250	\$16,300	\$18,350	\$20,350	\$22,000
50%	\$23,800	\$27,200	\$30,600	\$33,950	\$36,700
80%	\$38,050	\$43,450	\$48,900	\$54,300	\$58,650
100%	\$47,530	\$54,320	\$61,110	\$67,900	\$73,332
120%	\$57,036	\$65,184	\$73,332	\$81,480	\$87,998

Exhibit B

AMFI and Affordability
of Housing

Low-to-Moderate Income Buyer

Family Size	80% of AMFI	Income per Month	30% of income paid for housing	40% of income paid for housing	45% of income paid for housing
1	\$38,050	\$3,171	\$951/mo	\$1,268/mo	\$1,427/mo
2	\$43,450	\$3,621	\$1,086/mo	\$1,448/mo	\$1,629/mo
3	\$48,900	\$4,075	\$1,223/mo	\$1,630/mo	\$1,834/mo
4	\$54,300	\$4,525	\$1,358/mo	\$1,810/mo	\$2,036/mo

Exhibit C

Marketing and Training
FY2013-14

Marketing

Date	Event	Location	# in Attendance
10/12/2013	Builders of Hope/Dallas Home Connection/Homebuyer Club	El Centro College - West Campus	15
10/26/2013	Homebuyer Expo - DCHLCC	Friendship West Baptist Church	200
2/14/2014	Neighborhood Lift - BCL of Texas	BCL of Texas	700
2/22/2014	Homebuyer Fair - BCL of Texas	Senter Park Recreation Center	100
2/28-3/1/2014	Neighborhood Lift - Wells Fargo	Hilton Anatole Hotel	700
3/15/2014	Homebuyer Education Class	North Texas Housing Coalition	25
3/15/2014	Budgeting & Homebuying Workshop	MLK Community Center	3
3/22/2014	Dallas Home Connection	MLK Community Center	40
4/3/2014	Wells Fargo - CineMeeting	North Park Theater	200
4/12/2014	Dallas Association of Realtists Homebuyer Expo	Southwest Center Mall	75
6/7/2014	Dallas Home Connection Homebuyer Seminar	City Square Operation Center	40
7/12/2014	Capital One Homebuyers Expo	Crown Plaza	91
7/19/2014	Dallas Home Connection - Homebuyer Workshop	City Square Operation Center	6
8/23/2014	Neighborhood Block Party	Swiss Ave	30
9/20/2014	Healthy, Wealthy, Wise Community Fair	MLK Community Center	100

Training

Date	Event	Location	# in Attendance
10/4/2013	MAP 2013-14 Program Rollout Training	Center for Community Cooperation	112
10/22/2013	JP Morgan Chase Training	Dallas City Hall	6
1/14/2014	Wells Fargo Home Mortgage Training	Dallas City Hall	3
1/15/2014	Valley National Mortgage Company Training	Dallas City Hall	5
1/29/2014	Wells Fargo Home Mortgage MAP Training	Wells Fargo Bank	15
2/12/2014	JP Morgan Chase Training	Dallas City Hall	8
3/5/2014	Guild Mortgage - MAP Training	Guild Mortgage	5
3/19/2014	Wells Fargo Home Mortgage MAP Training	Dallas City Hall	4
3/25/2014	Wells Fargo - MAP Training	Dallas City Hall	3
4/4/2014	Prime Lending - MAP Training	Prime Lending	10
4/9/2014	Bank of America - Lunch & Learn Training	Casa Rita's Mexican Grill	30
4/17/2014	New American Funding - Training	Dallas City Hall	1
5/6/2014	Dallas Area Habitat for Humanity - MAP Training	Dallas Area Habitat for Humanity	10
5/15/2014	Wells Fargo - Training	Dallas City Hall	1
5/29/2014	MAP LO Training (North Dallas & Evolve Bank)	Dallas City Hall	4
6/17/2014	NAHREP North Texas Training	Las Colinas Country Club	85
7/9/2014	Capital One & Guild Mtg Training	Dallas City Hall	2
7/23/2014	Capital One - MAP Training	Capital One Operations Center	15
8/5/2014	Ultima Real Estate - MAP Training	Ultima Real Estate	7

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: December 10, 2014
COUNCIL DISTRICT(S): 7
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 670-3297
MAPSCO: 46U

SUBJECT

Authorize **(1)** the sale of two vacant lots located at 1818 and 1822 Trunk Avenue from the Dallas Housing Acquisition and Development Corporation to Simple Faith International; and **(2)** the execution of a release of lien for any non-tax liens that may have been filed by the City - Financing: No cost consideration to the City

BACKGROUND

On June 18, 2003, Governor Perry signed the Urban Land Bank Demonstration Program Act. The Act allows the governing body of a municipality to adopt an Urban Land Bank Demonstration Program in which the officer charged with selling real property ordered sold pursuant to foreclosure of a tax lien may sell certain eligible real property by private sale to a land bank for the purpose of affordable housing developments. In 2004, the Dallas City Council established the Dallas Housing Acquisition and Development Corporation ("DHADC") as its land bank.

If a land bank determines that a property it owns is not appropriate for residential development, Section 379C.0106 of the Texas Local Government Code ("Code") requires that the land bank first offer the property for sale to an eligible adjacent property owner for the lower of the fair market value of the property as determined by the appraisal district in which the property is located or the sales price recorded in the annual plan.

Simple Faith International is an eligible adjacent property owner, as defined in the Code, and has submitted a proposal to purchase the DHADC-owned lots located at 1818 & 1822 Trunk Avenue for \$10,000.00, which amount is the sales price of the property recorded in the annual plan. The DHADC Board has approved the sale, subject to City Council approval.

BACKGROUND (continued)

This item will authorize the sale of two lots from DHADC to Simple Faith International and the release of lien for any non-tax liens that may have been filed by the City. The vacant lots were purchased by DHADC from a Sheriff's sale pursuant to foreclosure of tax liens and any non-tax liens in accordance with the Code. The instrument conveying the property will include a restriction limiting the purchaser's ability to lease, sell, or transfer the property for a period of three years in accordance with the Code.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On January 28, 2004, by Resolution No. 04-0458, the City Council established DHADC as its land bank for the purpose of acquiring, holding and transferring unimproved real property for the purpose of promoting the development of affordable housing as allowed under Chapter 379C of the Texas Local Government Code.

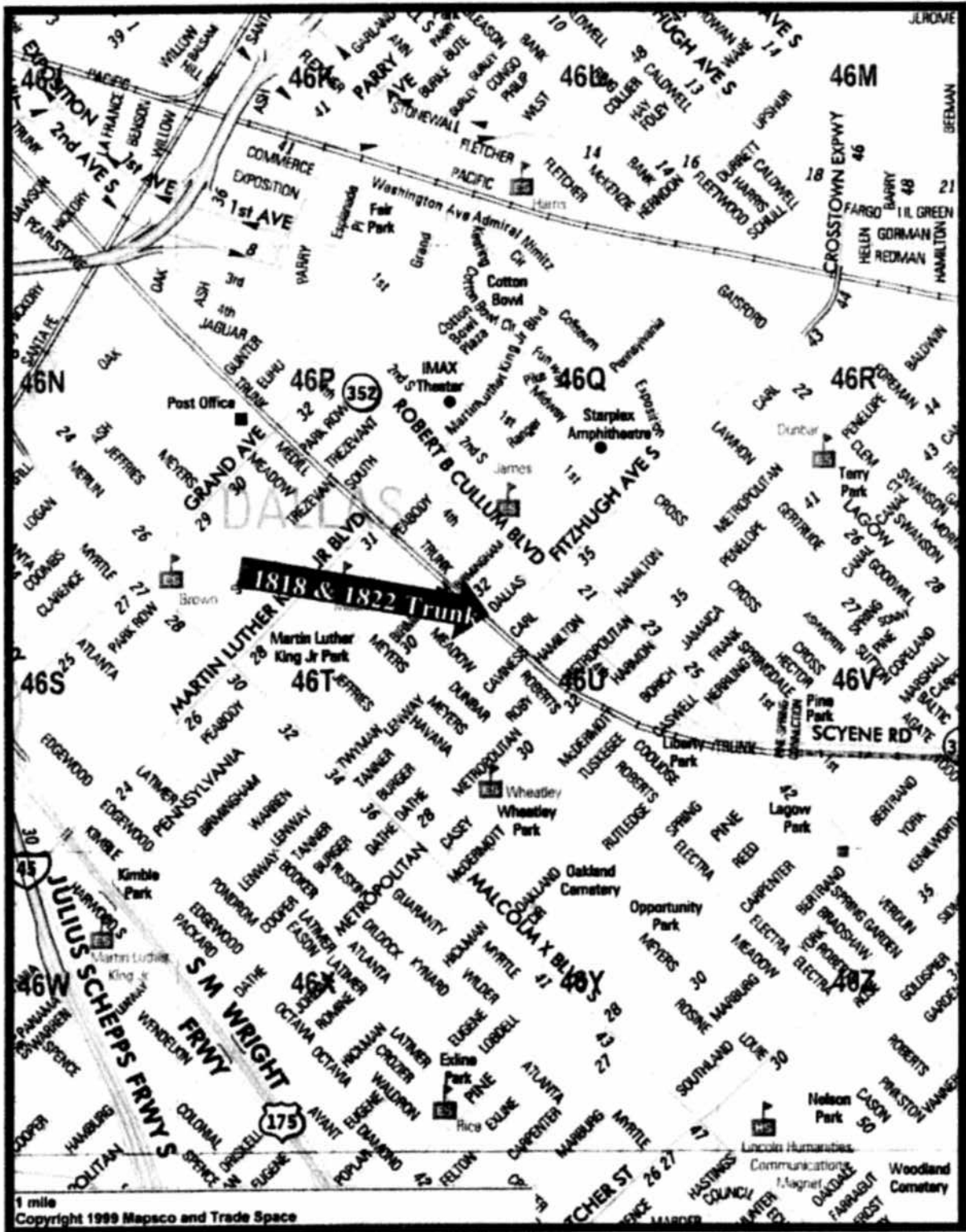
On October 23, 2014, the DHADC Board approved the sale to Simple Faith International, subject to City Council approval.

FISCAL INFORMATION

No cost consideration to the City

MAP

Attached



MAPSCO 46U

December 10, 2014

WHEREAS, on January 28, 2004, the City Council established the Dallas Housing Acquisition and Development Corporation (“DHADC”) as its land bank for the purpose of acquiring, holding and transferring unimproved real property for the purpose of promoting the development of affordable housing as allowed under Chapter 379C of the Texas Local Government Code (“Code”) by Resolution No. 04-0458; and

WHEREAS, if a land bank determines that a property it owns is not appropriate for residential development, Section 379C.0106 of the Code requires that the land bank first offer the property for sale to an eligible adjacent property owner for the lower of the fair market value of the property as determined by the appraisal district in which the property is located or the sales price recorded in the annual plan; and

WHEREAS, Simple Faith International is an eligible adjacent property owner, as defined in the Code, and has submitted a proposal to purchase the DHADC-owned lots located at 1818 & 1822 Trunk Avenue for \$10,000.00, which amount is the sales price of the property recorded in the annual plan; and

WHEREAS, the instrument conveying the property will include a restriction limiting the purchaser’s ability to lease, sell, or transfer the property for a period of three years in accordance with the Code; and

WHEREAS, on October 23, 2014, the DHADC Board approved the sale to Simple Faith International, subject to City Council approval;

NOW, THEREFORE,

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

Section 1. That the sale of the lots located at 1818 & 1822 Trunk Avenue from DHADC to Simple Faith International is approved.

Section 2. That the City Manager, upon approval as to form by the City Attorney, is authorized to execute a release of lien for any non-tax liens that may have been filed by the City on the lots located at 1818 & 1822 Trunk Avenue.

Section 3. 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.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: December 10, 2014
COUNCIL DISTRICT(S): 6
DEPARTMENT: Housing/Community Services
Sustainable Development and Construction
CMO: A. C. Gonzalez, 670-3297
Ryan S. Evans, 671-9837
MAPSCO: 44N

SUBJECT

A resolution declaring one unimproved property located at 1906 Bayonne Street unwanted and unneeded and authorizing its conveyance to Dallas Area Habitat for Humanity, a qualified non-profit organization, through the Land Transfer Program (list attached) - Revenue: \$6,653

BACKGROUND

This item will declare one (1) unimproved property located at 1906 Bayonne Street unwanted and unneeded and authorize its conveyance to Dallas Area Habitat for Humanity, a qualified non-profit organization, through the Land Transfer Program.

This property is being sold to a qualified non-profit organization that provides affordable housing. Dallas Area Habitat for Humanity will construct eight (8) single-family homes containing approximately 1279 square feet for purchase by low to moderate income homebuyers at the proposed sales price range from \$80,000 to \$90,000 each. The anticipated commencement date of construction is December 2017.

The deed to this property will include deed restrictions which prohibit the placement of industrialized housing on the properties.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

Revenue - \$6,652.50

OWNER

Dallas Area Habitat for Humanity

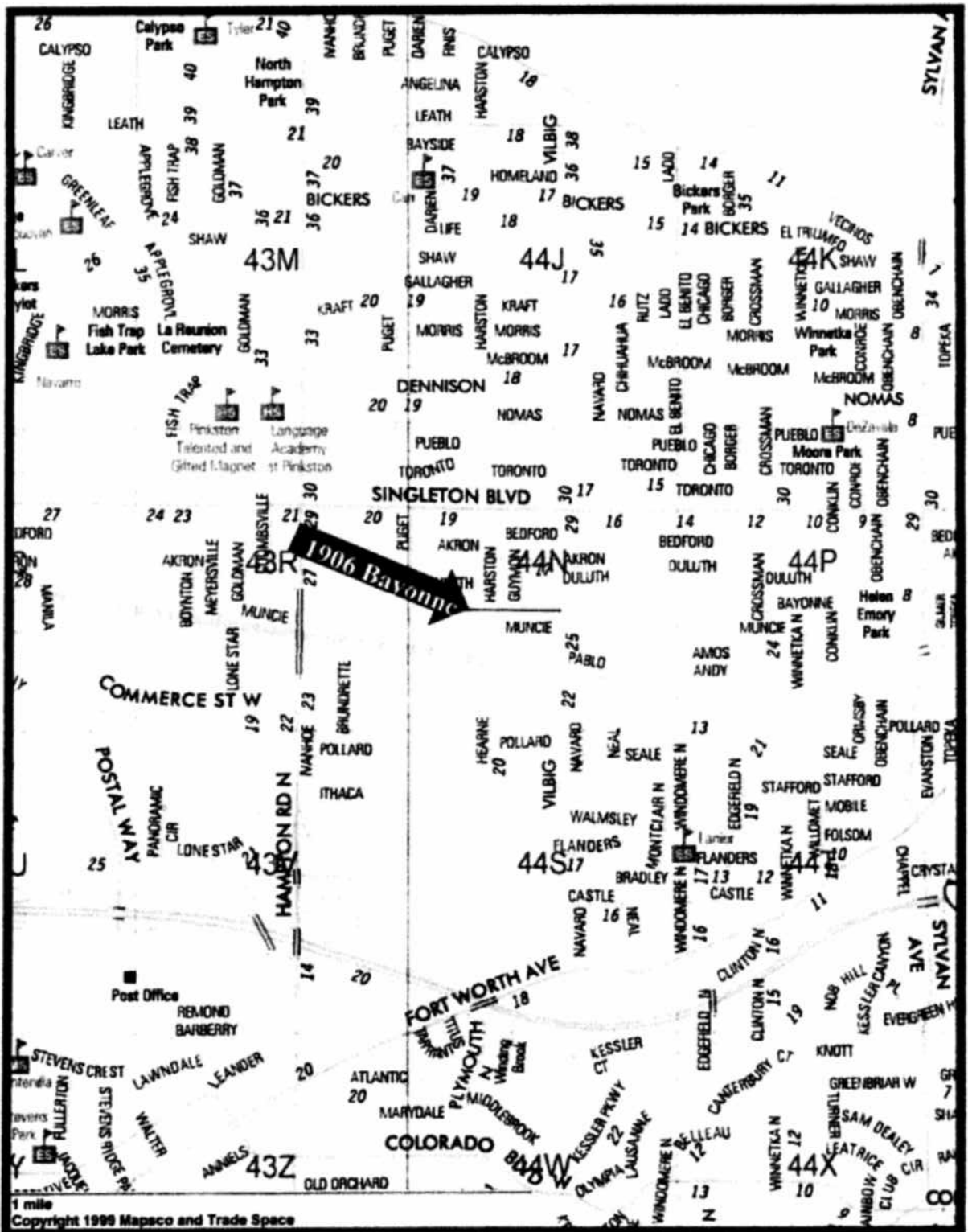
Richard Kelly, President

MAP

Attached

Surplus Property Resale

<u>Parcel No.</u>	<u>Address</u>	<u>Non-Profit Organization</u>	<u>DCAD Amount</u>	<u>Sale Amount</u>	<u>Vac/ Imp</u>	<u>Zoning</u>
1.	1906 Bayonne	Dallas Area Habitat for Humanity	\$73,510	\$6,652.50	V	R-5(A)



MAPSCO 44N

December 10, 2014

WHEREAS, the City acquired title to a certain property, identified on "Exhibit A", attached hereto and made a part hereof, by legal description and the volume and page number of said instrument recorded in the real property records of the county in which the property is located, ("Property"); and

WHEREAS, as authorized by Section 272.001(g) of the Texas Local Government Code, the City desires to sell the Property to a qualified "nonprofit organization" for the development of "affordable housing" for low income persons, as those terms are defined for the purposes of this resolution in Section 2-26.5 of the Dallas City Code ("Code") in accordance with the non-profit organization's written proposal for development of the Property by the purchaser; and

WHEREAS, the City recognizes certain "qualified nonprofit organizations" as those which:

- (1) are 501(c)(3) corporations, as defined by the U.S. Internal Revenue Service,
- (2) are in good standing with the State of Texas,
- (3) are community based organizations as evidenced by at least one-third (1/3) of their boards being made up of area residents or low income persons,
- (4) have articles of incorporation, charter or bylaws which show the provision of safe, decent, affordable housing to low and moderate income persons is a stated purpose of the organization, and
- (5) owe no outstanding judgements, tax delinquencies, or fees to the City; and

WHEREAS, the City has received a written proposal which contains proposed end use and time frame from a qualified nonprofit organization to purchase the Property by private sale ("Proposal") at 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, all as indicated on "Exhibit A"; and

WHEREAS, the City Council desires to declare the Property shown on Exhibit "A" unwanted and unneeded and authorize its conveyance to Dallas Area Habitat for Humanity; and

WHEREAS, the Deed without Warranty to this Property will contain:

- (1) Restrict the sale and resale of owner-occupied property to low-income individuals or families for five (5) years after the date of filing,
- (2) Require the nonprofit organization to develop the proposed housing unit within three (3) years after receiving the quitclaim deed,

December 10, 2014

- (3) Require any low-income individual or family to maintain each housing unit and all improvements on the land during the five (5) year period,
- (4) deed restrictions on the Property, acceptable to the City, requiring the Property to remain affordable to households whose incomes are less than 80% of the area median family income upon resale for five (5) years after initial occupancy, and
- (5) a right of reverter; **NOW, THEREFORE,**

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

Section 1. That the Proposal identified on Exhibit "A" is approved by the City.

Section 2. That upon receipt of the monetary consideration from Dallas Area Habitat for Humanity for the Property on the list as specified on Exhibit "A", the City Manager is hereby authorized to execute a Deed without Warranty, upon approval as to form by the City Attorney and attested by the City Secretary, conveying the Property to Dallas Area Habitat for Humanity and the possibility of reverter with right of re-entry, and to the terms and conditions of Code Section 2-26.10 through 2-26.12 and the Proposal.

Section 3. That the Deed without Warranty to this Property will contain deed restrictions requiring the purchaser to:

- (1) Restrict the sale and resale of owner-occupied property to low-income individuals or families for five (5) years after the date of filing,
- (2) Require the nonprofit organization to develop the proposed housing unit within three (3) years after receiving the quitclaim deed,
- (3) Require any low-income individual or family to maintain each housing unit and all improvements on the land during the five (5) year period,
- (4) deed restrictions on the Property, acceptable to the City, requiring the Property to remain affordable to households whose incomes are less than 80% of the area median family income upon resale for five (5) years after initial occupancy, and
- (5) a right of reverter.

Section 4. That the City Manager is authorized to execute an instrument, 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 Code Section 2-26.10 through 2-26.12, the Proposal, and the deed restrictions.

Section 5. That the purchaser shall be responsible for the pro rata property taxes assessed from the date of closing for the remaining part of the then current calendar year. This Property shall be placed back on the tax rolls effective as of the date of execution of the deed.

December 10, 2014

Section 6. That any and all proceeds for the resale of the Property listed on Exhibit A shall be deposited to General Fund 0001, Department DEV, Balance Sheet Account 0519 and the Department of Sustainable Development and Construction - Real Estate Division shall be reimbursed for administrative costs incurred (General Fund 0001, Department DEV, Unit 1183, Object 5011). Any remaining proceeds shall be transferred to the General Capital Reserve Fund 0625, Department BMS, Unit 8888, Revenue Source 8118.

Section 7. That if a title policy is desired, same shall be at the expense of the purchaser.

Section 8. That any procedures required by Code Section 2-24 that are not required by state law are hereby waived with respect to these conveyances.

Section 9. That this resolution shall take effect immediately from and after its passage in accordance with provisions of the City Charter of the City of Dallas, and is accordingly so resolved.

EXHIBIT A							
SURPLUS PROPERTY							
December 10, 2014							
PARCEL NUMBER	STREET ADDRESS LEGAL DESCRIPTION	VACANT/ IMPROVED	Volume and Page	QUALIFIED NONPROFIT PURCHASER	NUMBER OF DWELLING UNITS	TYPE OF DEED	SALE AMOUNT
1	1906 Bayonne St. 15 Ft Lot 4 & Lots 5- 12, College Park (Higgins), Block 1/7238	V	V.5571 P.572	Dallas Area Habitat for Humanity	8	Deed without Warranty	6,652.50
						TOTAL:	\$6,652.50

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: December 10, 2014
COUNCIL DISTRICT(S): All
DEPARTMENT: Housing/Community Services
CMO: A. C. Gonzalez, 670-3297
MAPSCO: N/A

SUBJECT

A public hearing to receive comments on Substantial Amendment No. 1 to amend the FY 2014-15 Action Plan for the Community Development Block Grant, HOME Investment Partnerships Program, and the Housing Opportunities for Persons with AIDS grant to **(a)** increase appropriations in the HOME Investment Partnerships Program made possible by unanticipated program income and refunds in the amount of \$1,688,052; **(b)** reprogram prior year unspent HOME Investment Partnerships Program funds in the amount of \$350,000 to the Housing Development Loan Program; **(c)** use of HOME Investment Partnerships Program funds for the Housing Development Loan Program; **(d)** decrease appropriations in the FY 2014-15 Housing Opportunities for Persons with AIDS grant due to revision in the total award amount by \$405 from \$5,375,659 to \$5,375,254; and **(e)** transfer Community Development Block Grant Neighborhood Enhancement Program and Neighborhood Investment Program Infrastructure activities, and associated appropriations, from the Housing/Community Services Department to the newly created Planning and Neighborhood Vitality; and at the close of the public hearing, authorize final adoption of Substantial Amendment No.1 to amend the FY 2014-15 Action Plan for the Community Development Block Grant, HOME Investment Partnerships Program, and the Housing Opportunities for Persons with AIDS grant – Not to exceed \$2,038,052 - Financing: FY 2014-15 HOME Program Income #1 (\$1,688,052), 2012-13 HOME Investment Partnerships Program Grant Funds (\$350,000)

BACKGROUND

On June 25, 2014, City Council adopted the FY 2014-15 Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD) Grant funds. The grant funds were available beginning on October 1, 2014.

BACKGROUND (continued)

The FY 2014-15 Action Plan includes funding for Community Development Block Grant (CDBG) in the amount of \$13,572,496, HOME Investment Partnerships Program (HOME) in the amount of \$4,365,818, and Housing Opportunities for Persons with AIDS (HOPWA) in the amount of \$5,375,659 for various activities.

Following City Council initial approval on June 25, 2014 and reconsideration on August 13, 2014, the City of Dallas received notice of the decrease in HOPWA grant funding by \$405, from the original allocation of \$5,375,659 to the final allocation of \$5,375,254. Additional funds in the amount of \$1,688,052 resulting from unanticipated funds generated from converted properties, buy-outs, etc. and refunds paid back to HUD as well as \$350,000 in unspent HOME Investment Partnerships Program funds have been identified.

On September 17, 2014, City Council authorized the creation of the Planning and Neighborhood Vitality Department by Ordinance No. 29478. The Community Development Block Grant (CDBG) Neighborhood Enhancement Program and Neighborhood Investment Program Infrastructure activities have been identified to be transferred to the Department of Planning and Neighborhood Vitality.

Federal regulations require a public hearing on the City's Proposed Consolidated Plan Budget for U.S. Department of Housing and Urban Development (HUD) grant funds. This includes the following grants: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Solutions Grant (ESG). Federal regulations also require a public hearing on the City's Proposed Reprogramming Budget.

The Federal regulations and the City's Citizen Participation Plan requires a public hearing comment period of not less than 30 days and a public hearing to receive comments.

On October 22, 2014, City Council authorized a public hearing to be held on December 10, 2014 before City Council. This Substantial Amendment was made available for public review and comment on the proposed use of funds from October 23, 2014 through December 10, 2014.

BACKGROUND (continued)

This council action (1) holds the public hearing to receive comments on Substantial Amendment No. 1 to amend the FY 2014-15 Action Plan; and (2) authorizes final adoption of the Substantial Amendment No. 1 to amend the FY 2014-15 Action Plan for the Community Development Block Grant, HOME Investment Partnerships Program, and the Housing Opportunities for Persons with AIDS grant to (a) increase appropriations in the HOME Investment Partnerships Program made possible by unanticipated program income and refunds in the amount of \$1,688,052; (b) reprogram prior year unspent HOME Investment Partnerships Program funds in the amount of \$350,000 to the Housing Development Loan Program; (c) use of HOME Investment Partnerships Program funds for the Housing Development Loan Program; (d) decrease appropriations in the Housing Opportunities for Persons with AIDS grant due to revision in the total award amount by \$405 from \$5,375,659 to \$5,375,254; and (e) transfer Community Development Block Grant Neighborhood Enhancement Program and Neighborhood Investment Program Infrastructure activities, and associated appropriations, from the Housing/Community Services Department to the newly created Planning and Neighborhood Vitality Department.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 25, 2014, City Council adopted the FY 2014-15 Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD) Grant Funds, by Resolution No. 14-1001 (reconsidered and amended by Resolution No. 14-1314 on August 13, 2014).

On May 14, 2014 City Council approved preliminary adoption of the Proposed FY 2014-15 Consolidated Plan Budget and the Proposed FY 2013-14 Reprogramming Budget and authorized a public hearing by Resolution No. 14-0787.

On June 11, 2014 City Council held a public hearing to receive comments on the Proposed FY 2014-15 Consolidated Plan Budget and the Proposed FY 2013-14 Reprogramming Budget.

On June 25, 2014, City Council adopted the FY 2014-15 Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD) Grant funds, by Resolution No. 14-1001.

On September 17, 2014 City Council authorized the creation of the Planning and Neighborhood Vitality Department by Ordinance No. 29478.

On October 22, 2014 City Council approved preliminary adoption of Substantial Amendment No. 1 to amend FY 2014-15 Action Plan for the Community Development Block Grant, HOME Program, HOPWA grant and authorized a public hearing by Resolution No. 14-1848.

FISCAL INFORMATION

\$1,688,051.63 – FY 2014-15 HOME Program Income #1

\$350,000 – 2012-13 HOME Investment Partnerships Program Grant Funds

December 10, 2014

WHEREAS, on June 25, 2014, City Council adopted the FY 2014-15 Consolidated Plan Budget for the U.S. Department of Housing and Urban Development (HUD) Grant Funds, by Resolution No. 14-1001 (reconsidered and amended by Resolution No. 14-1314 on August 13, 2014); and

WHEREAS, Program income generated through HOME Investment Partnerships Program (HOME) activities must be used for other HOME eligible activities including Housing Development Loan Program; and

WHEREAS, unanticipated program income generated through HOME activities and refunded HOME funds must be used for HOME eligible activities including Housing Development Loan Program; and

WHEREAS, City of Dallas received notice from HUD of the decrease in HOPWA grant funding by \$405 from the original allocation of \$5,375,659 to the final allocation of \$5,375,254 following final adoption of the FY 2014-15 HOPWA budget; and

WHEREAS, Federal regulations require a public hearing on substantial amendments to the Action Plan for the City's Consolidated Plan Budget for U. S. Department of Housing and Urban Development (HUD) grant funds. This includes the following grants: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Solutions Grant (ESG). Federal regulations also require a public hearing on the City's Proposed Reprogramming Budget; and

WHEREAS, Federal regulations and the City's Citizen Participation Plan requires a public comment period of not less than 30 days and a public hearing to receive comments to the substantial amendment #1 to the FY 2014-15 Action Plan; and

WHEREAS, a summary of the Proposed Substantial Amendment No. 1 to amend the FY 2014-15 Action Plan for the Community Development Block Grant, HOME Investment Partnerships Program and the Housing Opportunities for Persons with AIDS grants will be published in the Dallas Morning News on October 23, 2014 to provide an opportunity to submit written comments through December 10, 2014; and

WHEREAS, holding a public hearing on December 10, 2014 satisfies requirements set forth in the City's Citizen Participation Plan; **NOW, THEREFORE**,

December 10, 2014

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

SECTION 1. That the City Council hereby authorizes (1) final adoption of Substantial Amendment No.1 to amend the FY 2014-15 Action Plan for the Community Development Block Grant, HOME Investment Partnerships Program, and the Housing Opportunities for Persons with AIDS grant to (a) increase appropriations in the HOME Investment Partnerships Program made possible by unanticipated program income and refunds in the amount of \$1,688,052; (b) reprogram prior year unspent HOME Investment Partnerships Program funds in the amount of \$350,000 to the Housing Development Loan Program; (c) use of HOME Investment Partnerships Program funds for the Housing Development Loan Program; (d) decrease appropriations in the FY 2014-15 Housing Opportunities for Persons with AIDS grant due to revision in the total award amount by \$405 from \$5,375,659 to \$5,375,254; and (e) transfer Community Development Block Grant Neighborhood Enhancement Program and Neighborhood Investment Program Infrastructure activities, and associated appropriations, from the Housing/Community Services Department to the newly created Planning and Neighborhood Vitality.

SECTION 2. That the City Manager is hereby authorized to establish appropriations in the amount of \$1,688,051.63 in Fund 14M1, Dept HOU, Unit 489G for the Housing Development Loan Program.

SECTION 3. That the City Manager is hereby authorized to release funds from their originally budgeted purpose from:

Fund HM12, Dept HOU, Unit 897E \$300,000

Fund HM12, Dept HOU, Unit 898E \$50,000

and reprogram them for the Housing Development Loan Program to:

Fund HM12, Dept HOU, Unit 893E \$350,000.

SECTION 4. That the City Controller is authorized to receive and deposit the following funds in an amount not to exceed \$1,688,051.63 in:

Fund 14M1, Dept HOU, Unit 489G, \$1,688,051.63

SECTION 5. That the City Controller is authorized to disburse funds from the following appropriations in an amount not to exceed \$2,038,051.63:

Fund 14M1, Dept HOU, Unit 489G, \$1,688,051.63

Fund HM12, Dept HOU, Unit 893E, \$350,000

December 10, 2014

SECTION 6. That the City Manager is hereby authorized to transfer appropriations in the amount of \$1,748,157 from Fund CD14, Dept HOU, to Fund CD14, Dept PNV as set forth in the attached schedule.

SECTION 7. That the City Manager is hereby authorized to decrease appropriations in the amount of \$12 in Fund HW14, Dept HOU, Unit 486G, Program Administration/City of Dallas, and \$393 in Fund HW14, Dept HOU, Unit 487G Program Administration/Project Sponsors.

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.

PROPOSED BUDGET CHANGES

		ADOPTED BUDGET	PROPOSED CHANGE	AMENDED BUDGET
<u>COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)</u>				
CD14	2014-15 Community Development Block Grant			
	FROM:			
	<u>Housing/Community Services</u>			
	Housing Assistance Support	1,945,172	(316,300)	1,628,872
	Housing Development Support	1,052,706	(157,241)	895,465
	Neighborhood Enhancement Program (NEP)	25,000	(25,000)	0
	Neighborhood Investment Program Infrastructure	1,249,616	<u>(1,249,616)</u>	0
			<u>(1,748,157)</u>	
	TO:			
	<u>Planning and Neighborhood Vitality</u>			
	Neighborhood Enhancement Program (NEP)	0	25,000	25,000
	Neighborhood Investment Program Infrastructure	0	1,249,616	1,249,616
	Neighborhood Vitality Project Delivery	0	<u>473,541</u>	473,541
			<u>1,748,157</u>	
<u>HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)</u>				
	<u>Housing/Community Services</u>			
HM12	2012-13 HOME Investment Partnerships Program Grant			
	FROM:			
	Tenant Based Rental Assistance	300,000	(300,000)	0
	Tenant Based Rental Assistance (Admin)	50,000	<u>(50,000)</u>	0
			<u>(350,000)</u>	
	TO:			
	Housing Development Loan Program	900,000	<u>350,000</u>	1,250,000
			<u>350,000</u>	
14M1	FY 2014-15 HOME Program Income #1			
	Housing Development Loan Program	0	<u>1,688,052</u>	1,688,052
			<u>1,688,052</u>	
<u>HOUSING OPPORTUNITIES FOR PERSONS W/AIDS (HOPWA)</u>				
	<u>Housing/Community Services</u>			
HW14	2014-15 Housing Opportunities for Persons W/AIDS Grant			
	Program Administration/City of Dallas	161,269	(12)	161,257
	Program Administration/Project Sponsors	278,475	<u>(393)</u>	278,082
			<u>(405)</u>	