

### HOUSING COMMITTEE DALLAS CITY COUNCIL COMMITTEE AGENDA

2016 APR 14 PM 4:41

CITY SECRETARY DALLAS, TEXAS MONDAY, APRIL 18, 2016 CITY HALL COUNCIL BRIEFING ROOM, 6ES 1500 MARILLA DALLAS, TEXAS 75201 11:00 A.M. – 12:30 P.M.

Chair, Councilmember Scott Griggs Vice-Chair, Councilmember Carolyn King Arnold Mayor Pro Tem Monica R. Alonzo Councilmember Tiffinni A. Young Councilmember Mark Clayton Councilmember Casey Thomas, II

Call to Order

1. Approval of Minutes

### BRIEFINGS

- 2. Creating A New Market for Attainable Housing All Districts
- 3. Briefing Memo: Proposed Amendments to Chapter 27 Minimum Property Standards All Districts
- 4. Tenant Occupied Substandard Structures All Districts
- 5. Briefing Memo Annual Community Assessment for the 2014 Program Year All Districts

Lee M. Kleinman Council Member

Kris Sweckard Director Code Compliance

Kris Sweckard Director Code Compliance

For Information Only

### 6. UPCOMING AGENDA ITEMS

#### April 27, 2016

- A. Agenda Item Authorize (1) approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by Coria Corporation Inc. for the construction of affordable houses; (2) the sale of 3 vacant lots (list attached) from Dallas Housing Acquisition and Development Corporation to Coria Corporation Inc.; and (3) execution of a release of lien for any non-tax liens on the 3 properties that may have been filed by the City District 6
- B. Authorize (1) approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by Dallas Area Habitat for Humanity for the construction of affordable houses; (2) the sale of 4 vacant lots (list attached) from Dallas Housing Acquisition and Development Corporation to Dallas Area Habitat for Humanity; and (3) execution of a release of lien for any non-tax liens on the 4 properties that may have been filed by the City District 4
- C. Authorize (1) approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by Dallas Area Habitat for Humanity for the construction of affordable houses; (2) the sale of 2 vacant lots (list attached) from Dallas Housing Acquisition and Development Corporation to Dallas Area Habitat for Humanity; and (3) execution of a release of lien for any non-tax liens on the 2 properties that may have been filed by the City District 7
- D. Authorize (1) approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by JDS-Q Services, LLC for the construction of affordable houses; (2) the sale of 2 vacant lots (list attached) from Dallas Housing Acquisition and Development Corporation to JDS-Q Services, LLC; and (3) execution of a release of lien for any non-tax liens on the 2 properties that may have been filed by the City Districts 4,5
- E. Authorize (1) approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by KW New Vision Properties and Land, Inc. for the construction of affordable houses; (2) the sale of 5 vacant lots (list attached) from Dallas Housing Acquisition and Development Corporation to KW New Vision Properties and Land, Inc.; and (3) execution of a release of lien for any non-tax liens on the 5 properties that may have been filed by the City Districts 2,4,6,7
- F. Authorize (1) approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by Marcer Construction Company, LLC for the construction of affordable houses; (2) the sale of 2 vacant lots (list attached) from Dallas Housing Acquisition and Development Corporation to Marcer Construction Company, LLC; and (3) execution of a release of lien for any non-tax liens on the 2 properties that may have been filed by the City – District 4

- G. Authorize (1) approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by South Dallas Fair Park Innercity Community Development Corporation for the construction of affordable houses; (2) the sale of 2 vacant lots (list attached) from Dallas Housing Acquisition and Development Corporation to South Dallas Fair Park Innercity Community Development Corporation; (3) the exchange of deed restrictions from the 2 lots proposed to be purchased from the Land Bank to 2 comparable lots owned by the developer; and (4) execution of a release of lien for any non-tax liens that may have been filed by the City District 7
- H. Authorize (1) the acceptance of a Continuum of Care Grant from the U.S. Department of Housing and Urban Development in the amount of \$288,401, to provide permanent supportive housing for homeless persons with HIV/AIDS at Hillcrest House located at 834 North Marsalis Avenue for the period May 1, 2016 through April 30, 2017; (2) a contract with Hillcrest House Partnership, Ltd. (as Owner) and PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas (as Subrecipient) in the amount of \$288,401 to provide permanent supportive housing for homeless persons with HIV/AIDS at Hillcrest House located at 834 North Marsalis Avenue for the period May 1, 2016 through April 30, 2017; (3) a cash match in the amount of \$72,101 from Housing Opportunities for Persons with AIDS grant funds; and (4) execution of any and all agreements and other documents *Districts All*
- A resolution declaring two unimproved properties located at 410 Sparks Street and 411 Hart Street unwanted and unneeded and authorizing their conveyance to Dallas Housing Acquisition and Development Corporation, a qualified non-profit organization, through the Land Transfer Program (list attached) – District 4
- J. Authorize an amendment to Resolution No. 15-1378, previously approved on August 12, 2015, for the conditional grant agreement in the amount of \$1,500,000 with Central Dallas Community Development Corporation to extend the completion date to September 31, 2016 for construction of the 50 permanent supportive housing units located at 1531 Malcolm X Boulevard District 7
- K. Authorize Supplemental Agreement No. 1 to the FY2014-15 contract with Health Services of North Texas, Inc. to provide Housing Opportunities for Persons with AIDS scattered site housing assistance for persons with HIV/AIDS, to revise the Statement of Services and budget to reallocate funding in the amount of \$3,362 from the Emergency/Tenant Based Rental Assistance (E/TBRA) – Housing Services budget category to the Emergency/Tenant Based Rental Assistance (E/TBRA) – Financial Assistance budget category, with no net change in the contract amount – Districts All
- L. A public hearing to receive comments on the proposed sale of one unimproved property acquired by the taxing authorities from the Sheriff to Dallas Housing Acquisition and Development Corporation a qualified non-profit organization; and, at the close of the public hearing, authorize the City Manager to: (1) quitclaim one unimproved property to Dallas Housing Acquisition and Development Corporation, under the HB110 process of the City's Land Transfer Program; and (2) release the City's non-tax liens included in the foreclosure judgment and post-judgment nontax liens, if any (list attached) – District 4

### **Business Development & Procurement Services**

M. Addendum Item - Authorize (1) the rejection of a single proposal received for a one-year service contract for a clinical dental care program; and (2) the re-advertisement for new proposals.

Adjourn

Scott Griggs, Chair Housing Committee

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

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

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapitulo h, capitulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a propiedad con una pistola a la vista. "

### **Housing Committee**

### Meeting Record April 4, 2016

The Economic Development Committee meetings are recorded. Agenda materials and audiotapes may be reviewed/copied by contacting the Office of Economic Development, Staff Coordinator at 214-670-1686.

### Meeting Date: April 4, 2016

Meeting Start time: <u>11:04</u> A.M.

Committee Members Present:	Staff Present:
Scott Griggs (Chair)	Ryan Evans, First Assistant City Manager
Carolyn King Arnold (Vice Chair)	Bernadette Mitchell, Director/H/CS
Tiffinni A. Young	
Monica R. Alonzo	Other Presenters:
Mark Clayton	Betsy Julian, The Inclusive Communities
	Project, Inc.
	Demetria McCain, The Inclusive Communities
Other Council Members Present:	Project, Inc.
Philip Kingston	Mike Daniel, The Inclusive Communities
B. Adam McGough	Project, Inc.
Lee Kleinman	Laura Beshara, The Inclusive Communities
Adam Medrano	Project, Inc.

### AGENDA:

### Housing Committee Meeting Called to Order by CM Scott Griggs

### 1. <u>Approval of March 21, 2016 Minutes of the Housing Committee</u> Presenter(s):

Motion made by: CM Monica Alonzo	Motion seconded by: CM Mark Clayton
Item passed unanimously: X	Item passed on a divided vote:
Item failed unanimously: Item failed on a divided vote:	

### 2. <u>The Inclusive Communities Project, Inc. A Nonprofit Affordable Fair Housing Organization-</u>

### All Districts

Presenter(s): Ryan Evans, First Assistant City Manager/Bernadette Mitchell, Director Betsy Julian, Founder/Senior Counsel/Demetria McCain, Mike Daniel/Laura Beshara

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 possessor	

Follow-up (if necessary

Housing Committee April 4, 2016 Meeting Record - Page 2 of 3

3. <u>Creating a New Market for Affordable Housing-All Districts</u> Presenter(s): Ryan Evans, Assistant City Manager/Bernadette Mitchell, Director/ Councilmember Lee Kleinman

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. <u>Code Compliance Issues in District 4-All Districts</u>

### Presenter(s): Ryan Evans, First Assistant City Manager/Kris Sweckard, Director of Code Code Compliance

Information Only:

### 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:
FT 11 (17)	NYA CARACTERISTICS OF CONTRACTORS AND CONTRACT

Follow-up (if necessary

### 5. Upcoming Agenda Items

April 13, 2016

- A. Agenda Item Authorize an amendment to Resolution No. 14-1488, previously approved on September 10, 2014, to extend the loan agreement with Builders of Hope CDC in the amount of \$265,000 from November 30, 2014 to December 31, 2016 for one phase of the Prairie Creek project District 7
- B. Agenda Item Authorize an amendment to Resolution No. 15-1380, previously approved on August 12, 2015, for the loan agreement in the amount of \$85,000 with 2000 Roses Foundation, Inc. to (1) change from a loan to a conditional grant agreement; (2) to allow rental and sale of the unit; and (3) extend the completion date from March 31, 2016 to September 31, 2016 for construction of one single family unit located at 220 North Cliff Street District 4
- C. Agenda Item Authorize an amendment to Resolution No. 16-0280, previously approved on February 10, 2016, which authorized a contract between the City and CitySquare to increase the contract amount to provide supportive services for an additional 75 clients for the period January 1, 2016 to August 31, 2016 Not to exceed \$50,000, from \$770,362 to \$820,362 District All

### Housing Committee April 4, 2016 Page 3 of 3

- D. Agenda Item Authorize Supplemental Agreement No. 1 to the Interlocal Agreement with Dallas County Health and Human Services for 2015-16 to (1) revise the Statement of Services and budget to reallocate funds in the amount of \$29,902 from Emergency/Tenant Based Rental Assistance - Housing Services to Emergency/Tenant Based Rental Assistance, with no net change in the contract amount; and (2) revise the Housing Opportunities for Persons with Aids Contract Provisions to include changes to applicable federal regulations for Financial Assistance - District All
- E. Agenda Item Authorize Supplemental Agreement No. 1 to the contract with Legacy Counseling Center, Inc. for Housing Opportunities for Persons With Aids (HOPWA) master leasing program to (1) revise the Statement of Services and budget to increase the contract amount from \$338,810 to \$376,810; and (2) revise the HOPWA Contract Provisions to include changes to applicable federal regulations – *Districts All*
- F. Agenda Item Authorize Supplemental Agreement No. 1 to the contract with Legacy Counseling Center, Inc. for Housing Opportunities for Persons With Aids (HOPWA) facility-based housing assistance to (1) revise the Statement of Services and budget to reallocate funds in the amount of \$20,000 from the budget category Supportive Services to Housing Facility Operations, with no net change in the contract amount, and (2) revise the HOPWA Contract Provisions to include changes to applicable federal regulations – *Districts All*
- G. Agenda Item Authorize Supplemental Agreement No. 1 to the FY2015-16 contract with PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas for HOPWA facility based housing assistance, to: (1) revise the Statement of Services and budget to increase the contract amount from \$1,177,620 to \$1,201,620, and (2) revise the HOPWA Contract Provisions to include changes to applicable federal regulations Districts All

Action Taken/Committee Recommendation(s): Motion made to move forward with items 5a-5g to full council

Motion made by: CM Clayton	Motion seconded by: CM Monica Alonzo	
Item passed unanimously: X	Item passed on a divided vote:	
Item failed unanimously:	Item failed on a divided vote:	
Collow up /if necessary)		

Follow-up (if necessary):

Meeting	Adjourned:	11: 54	A.M

Ap	proved	By:
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### Memorandum



DATE April 15, 2016

- Housing Committee Members: Scott Griggs, Chair, Carolyn King Arnold, Vice-Chair, Mayor Pro-Tem Monica R. Alonzo, Tiffinni A. Young, Mark Clayton, and Casey Thomas, II
- SUBJECT Creating a New Market for Attainable Housing

On Monday, April 18, 2016, you will be briefed on Creating a New Market for Attainable Housing. A copy of the briefing is attached.

Please let me know if you have any questions.

Alan E. Sims Chief of Neighborhood Plus

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 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



## Creating a New Market for Attainable Housing

A Briefing to the Housing Committee April 18, 2016 Council Member Lee M. Kleinman





Goal



- Provide an incentive for developers to participate in the City's housing initiatives that intend to increase the middle class in the City of Dallas by substantially increasing the affordability of the City's housing stock
- Use a market-based approach to <u>incentives</u> as opposed to a governmental <u>regulation</u> approach



### Current Practice



- Review of existing "best practices" (few have proven to be effective)
  - Inclusionary Zoning ordinances that require a share of new housing development to be set aside as affordable
  - Tax Credits, TIF policies, Zoning Rights and other incentives
- The burden of attainable housing is borne by the residential development community
- Our current system causes a bias toward commercial development, because developers can get entitlements, benefits and tax credits without building residential
- These approaches are punitive to the development community, creating resistance, concentrations and limited opportunities



Challenges to Current Practice



- City provided benefits (zoning, TIFs, grants, tax credits, abatements, etc.) are <u>subjective</u> and fall to political negotiation. The Council picks winners and losers
- · Results are "win/lose" scenarios for the citizens who need attainable housing



• Now is the time to take the lead in partnership with the development community to ensure housing choices for everyone

Marketable Housing Certificate System (MHCs)



Marketable Housing Certificates



- Create a market-based system for "Win/Win" scenarios
- Key factors:
  - Create an exchange for Housing Certificates
  - · Include all developers, not just residential
  - Have objective measures for certificate acquisition and use
  - Underlying land value factored in to create dispersion \*

\* assumes affordable units concentrate in areas of low land value

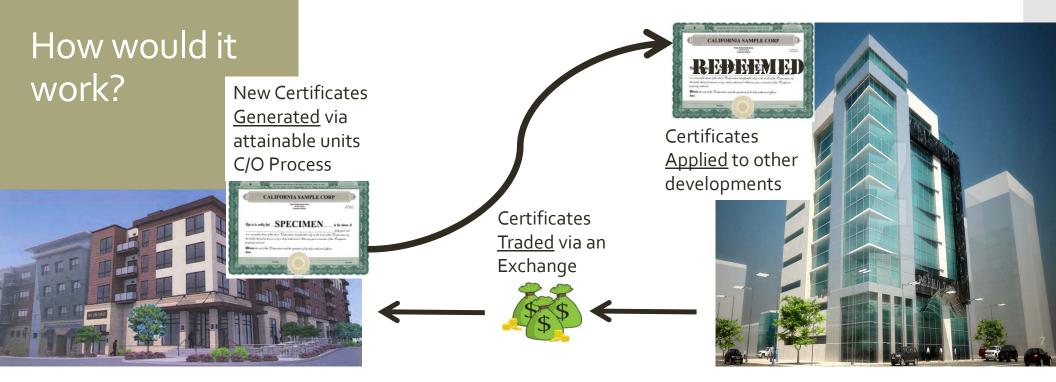
# How would it work?



- Every building permit (regardless of use) would require MHCs based on the square footage being developed
- MHCs would be generated from the development of residential properties that have an attainable component
- Factors such as the number of square feet developed and underlying land value would determine the number of certificates generated
- Certificates would be earned upon certificate of occupancy
- Developers would be required to attach MHCs to every building permit application, regardless of use
- Attainable housing developers generate excess certificates and are allowed to market these to other developers



- For every square foot of attainable housing developed, the developer earns Marketable Housing Certificates
- MHCs must be acquired by those not building attainable housing
- Underlying Land value provides a multiplier / divisor effect on the generation and use of the certificate



### MHC System at Work



- The MHC System is implemented via the permitting and c/o process based on objective criteria
  - It is not tied to the zoning process which might be subjective
  - · City staff would merely issue MHCs and track their utilization
- MHC Marketplace
  - Excess MHCs may be sold in the marketplace to developers who need MHCs in order to pull a permit
  - MHCs are permanently retired when permits are issued
  - MHCs are fungible and liquid and brokered independent of the City
- Other considerations:
  - Limit eligible percentage of SF for MHC generation to encourage mixed income development

Marketable Housing Certificate System (MHCs)



• All developers, regardless of land use, would participate via permit requests

- By requiring all permitted projects to participate, the benefits and costs of the program are widely spread and the overall market is strengthened
- MHCs would create an additional financing tranche to alleviate the burden of development costs in higher priced neighborhoods
  - Further encouraging dispersion of attainable housing throughout the city and eliminate future concentrations of affordable housing in parts of Dallas where land values are lower



### Outcomes of MHC Program



- This method will encourage attainable housing development in more expensive areas by providing additional MHCs to help offset the cost of developing where land values are more expensive
- The market will determine where extra credit is given
- The market provides incentives in the areas of greatest opportunity
- MHCs provide financial support for attainable housing while preserving maximum flexibility for the development community
- Answers the Voluntary Compliance Agreement by promoting affordable housing and geographic dispersion



### Tax Increment Financing (TIF)



- The MHC System would simplify TIF requirements for affordable housing
- Current TIF policies with regard to affordable housing have punitive requirements
  - Creates bias in favor of non-residential development
  - Uses TIF funds to benefit one project, not the TIF zone broadly
  - Uses taxpayer dollars to subsidize affordable housing in the TIF rather than building infrastructure
- The City would use MHC System provide incentives for attainable housing development in TIF districts by increasing the multiplier for the certificate generation





### Benefits to the City of Dallas



- The City has the power to create value via entitlements and incentives or reduce value via requirements and regulations
- The Marketable Housing Certificate System creates value as a tool to implement the vision for the City of Dallas
- A strong market creates demand for MHCs which become scarce and therefore more valuable
- This will attract MHC development into the market and provide another financial layer in the funding stack
- Creates a sustainable and resilient system that withstands economic volatility and budget pressure



### Next Steps



- Housing Committee directs Staff to develop the economic models for this system
- Brief full Council on policies, economics and ordinance changes
- Adopt ordinances that activate the Marketable Housing Certificate system



### Memorandum

CITY OF DALLAS

DATE April 15, 2016

Honorable Members of the Housing Committee: Scott Griggs (Chair)

<sup>TO</sup> Carolyn King Arnold (Vice Chair), Monica R. Alonzo, Mark Clayton, Casey Thomas, II, and Tiffinni A. Young

### SUBJECT Proposed Amendments to Chapter 27 Minimum Property Standards

On Monday, April 18, 2016, the Housing Committee will be updated on Proposed Amendments to Chapter 27 Minimum Property Standards.

Included as attachments to this memorandum are the following:

- April 11, 2016 Memo to the Housing Committee on Proposed Amendments to Chapter 27 Minimum Property Standards;
- Redline version of Chapter 27 of the Dallas City Code;
- Comparison of Chapter 27 Minimum Property Standards to U.S. Department of Housing and Urban Development (HUD).

Please contact me if you have any questions or need additional information.

Joey Zapata Assistant City Manager

Attachment

c: 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 Jeanne Chipperfield, Chief Financial Officer Sana Syed, Public Information Officer Elsa Cantu, Assistant to the City Manager – Mayor & Council

### Memorandum

DATE April 11, 2016

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Honorable Members of the Housing Committee: Scott Griggs (Chair), Carolyn King Arnold (Vice Chair), Monica R. Alonzo, Mark Clayton, Casey Thomas, II, and Tiffinni A. Young **SUBJECT** Proposed Amendments to Chapter 27 Minimum Property Standards

At the March 21, 2016 Housing Committee meeting, staff was directed to provide a redline version of Chapter 27 of the Dallas City Code that contained various additional amendments requested by the Committee. The newly revised redline version of Chapter 27 of the Dallas City Code is attached for your review.

At the same time, the Committee also asked staff to submit comments or concerns to the requested amendments included in this draft version of Chapter 27. The table below contains the categorized list of amendments requested by the Committee and staff comments.

Potential Amendments	Ordinance Reference and Page Number	Staff Comments/Concerns
Environmental		
1a. Air conditioning maximum temperature – 80 degrees	27-11 (e)(1)(A) p.16	Several property owners have reported to staff that the cost to bring older properties into compliance with this maximum will be very high. Second, the committee amendment did not remove the option to provide window screens as an alternative to mechanical air conditioning. Given the option, property owners may opt to remove air conditioners and only provide screens in order to avoid the costs to upgrade A/C units.
2. A/C temperature readings should be required to be taken during hottest times of the day	27-11 (e)(1) p.16	Staff is concerned about the strain on resources if these readings can only be taken during specific times of the day, which would require staff to inspect properties only during those times. Scheduling would be problematic.
3a. Mold – Owners should fix any leaks causing the mold; treat the area with disinfectant; and, if mold returns, remove affected materials, disinfect, and replace with new materials	27-11(h)(7) p.20	Staff opposes inclusion of this amendment in Chapter 27, which already requires repair to the common sources of unwanted moisture, such as leaks in piping distribution systems. The Chapter 27 Reference Manual will address how to make repairs and remediate mold.



Potential Amendments	Ordinance Reference and Page Number	Staff Comments/Concerns
should share some	27-3 (15) p.3	The proposed ordinance already creates shared responsibility and includes a definition of pests that encompasses bedbugs, assigns responsibility for eliminating infestations to the landlord, but provides an affirmative defense when a property has been treated by a licensed pest control person. Currently, TAA leases include a bedbug addendum that creates some tenant responsibility for removing bedbugs and Section 92.018 of the Texas Property Code allows the pass-through of costs to the tenant for damages created by the tenant.
temperatures back from 110 degrees Fahrenheit to 120	27-11 (f)(4)(c) p.18	Staff opposes this amendment. The American Burn Association states that 110 degrees is a safe temperature for bathing. Higher temperatures increase the risk of scald burns, especially with children. To require that every outlet produces water at least 120 degrees means many of them will produce water hotter than 120, since it can cool as it travels through pipes to the point of use. The closer the point of use is to the source of hot water, the higher the temperature and risk of burn.
Crime		
4a. Crime watch meeting participation – Remove	27-44(b) p.53	Staff supports this amendment. The individual who attends the meetings may change due to staff changes.
4b. Crime watch meeting participation – Property	27-44 p.53	Staff supports this amendment. The requirement was increased to four per year in all sections.
	N/A	Staff opposes this amendment because staff has already taken steps to address these concerns. Now, when a property is added to the SAFE program, DPD and Code Compliance MCIS are coordinating to conduct Graded License Inspection (GLI) if a GLI had not been done within the last 12 months. Code Compliance MCIS staff will conduct follow-up inspection. Invoicing for the GLI would be handled the same way as other GLIs.

Potential Amendments	Ordinance Reference and Page Number	Staff Comments/Concerns
16. Amend statements in crime addendum that owner will initiate eviction proceedings if tenant or guest engages in criminal activity to give more clarity	27-43(c)(2) p.53	The attached redline version of the ordinance contains a clarification that addresses this issue.
17. Keep the mandatory crime reduction program (MCRP)	27-45 to 27-58 p.55-66	<ul> <li>Staff opposes this amendment. The Dallas Police</li> <li>Department recommended eliminating the MCRP program due to lack of use by the department. The department asked for recommendations from all seven patrol divisions to determine why the MCRP program was not being used. The various divisions cited the following reasons that the program's effectiveness did not provide enough success for the amount of resources that were required:</li> <li>1. There is not a current accurate count of number of units, bedrooms and occupancy rates for the approximately 1400 apartment complexes in the city.</li> <li>2. The ability to track and collect the initial fine needs improvement along with a structured fine schedule.</li> <li>3. The current mathematical formulas do not always identify problems on the largest properties.</li> <li>If the ordinance remains in effect and the department is required to renew enforcement, the following would be required:</li> <li>1. A complete site visit and inspection to all apartment complexes to determine actual occupancy.</li> <li>2. The creation of a new database that is compatible with the new RMS system to effectively calculate on a monthly basis the crime risk threshold for all registered apartment complexes in the city.</li> </ul>
18. Keep the non-owner occupied registration program (NOORP)	27-59-72 p.67-71	Staff opposes this amendment. The proposed ordinance replaces NOORP with a stronger registration AND inspection program for single-family rental properties, including non-owner occupied rental properties currently addressed in NOORP.
19. Require that community crime report be available to current tenants and given to potential tenants	27-30(d) p.44-45	Staff opposes this amendment. This information is already available online through the Dallas Police Department, and it would be difficult to enforce this requirement.

Potential Amendments	Ordinance Reference and Page Number	Staff Comments/Concerns
28. Multitenant property owners must post crime information in a visible area	27-30(d) p.44-45	Staff opposes this amendment This information is already available online through the Dallas Police Department.
40. Require all apartments to have crime watches	27-30(g) p.45	Staff opposes this amendment. Multi-family properties vary greatly in size and it is not practical or feasible for small properties to have a crime watch. Additionally, there are benefits to having combined apartment crime watches, which create positive working relationships among apartment managers and tenants.
43. Registration program should allow landlords to opt-in to receiving email/text messages when an NOV is issued or crime occurs on their property	27-32(a)(1) p.47	Staff supports this concept; no ordinance change is needed to carry this out. Staff will work to make this a part of the registration program, but it will require an enhanced computer system to manage.
51. Allow current language in TAA lease to substitute for	27-3(b)(6)	Staff supports this amendment.
crime addendum	p.53	
8. Provide leases in native language of tenant	N/A	Staff opposes this amendment, which is probably preempted by Chapter 92 of the Texas Property Code. The TAA lease is already available in English and Spanish. The number of languages spoken by residents of the city of Dallas makes such a requirement impractical and costly. It would be difficult to enforce, and raises potential discrimination issues.
Enforcement	07.4/1.)(0)	
9. Fines should be higher	27-4(b)(2) p.8	Staff opposes this amendment. Fines for the higher priority violations were increased in the proposed amendments. In addition, citations may be written for violations daily, resulting in multiple citations (and multiple fines) for continuing violations. One risk of raising the fines too high is that more cases may go to trial, tying up needed staff resources. Finally, fine amounts are limited by Local Government Code Chapter 54.
11. Rental inspection scores and citations/notices of violation should be posted	27-30 (d)(3) p.45	Staff opposes this amendment for inclusion in Chapter 27. As a matter of policy/procedure, rental inspection scores are already posted on the City of Dallas website. Staff opposes posting citations/notices of violation due to the volume of postings that would be required, and difficulty of enforcement

Potential Amendments	Ordinance Reference and Page Number	Staff Comments/Concerns
12. Rental inspection scores and citations/notices of violation should be provided to current tenants	27-30 (d)(2) p.45	Staff opposes this amendment for inclusion in Chapter 27. As a matter of policy/procedure, rental inspection scores are already posted and available to current tenants on the City of Dallas website. Staff opposes the requirement of providing citations/notices of violation due to the volume of notices that would be required and it would be difficult to enforce requiring the owner/manager to provide. Tenants may obtain outcomes of Service Requests from 311 or the 311 website.
13. Rental inspection scores and citations/notices of violation should be provided to prospective tenants	27-30 (d)(1) p.44	Staff opposes this amendment for inclusion in Chapter 27. As a matter of policy/procedure, rental inspection scores are already posted and available to prospective tenants on the City of Dallas website. Staff opposes the requirement of providing citations/notices of violation due to the volume of notices that would be required and it would be difficult to enforce requiring the owner/manager to provide. Prospective tenants may receive a history of Service Requests for the property through Open Records Request.
21. Require a written maintenance/complaint log of tenant complaints and what done about each complaint (available for review at any time by City or tenants)	27-38 (b)(8) p.50	Staff supports this amendment.
23. Add a requirement that complexes with scores below 70 must expedite repairs and/or be closed	N/A	Staff opposes this amendment. Timelines for repairs are already given by the inspector based on the type and severity of the violation. Inspector discretion is important to gaining compliance. Additionally, there are legal issues with closing a property.
27. More frequent graded inspections for properties with more than X complaints	27-42 (d) p.52	Staff opposes this amendment. As part of the planned risk-based inspection program, frequency of inspections would be based on the last Graded License Inspection (GLI) score. Basing the frequency of inspections on complaints would allow one tenant in a civil dispute with a property owner to trigger a GLI, even if the complaints were baseless and/or made for the purpose of harassing the property owner.

Potential Amendments	Ordinance Reference and Page Number	Staff Comments/Concerns
29. The Rental Registration Program should have incentives for landlords including a provision requiring bulk trash citations to be issued to the tenant	N/A	Staff opposes this amendment as a mandatory requirement. Chapter 27 provides the ability to cite either the property owner or the tenant for premise violations under the tenant's control and staff recommends maintaining this. Tenants can be transient and difficult to find, and property owners should ultimately be held responsible for what happens on their property. Staff will work to implement a system to record tenant information with registration and issue citations to the tenant when appropriate.
33. Cite tenant for premise violations	27-11 (l) p.21	See response to 29 above. Ultimately, the owner/landlord needs to control its property and tenants. Staff wants to discourage unengaged owners/landlords.
34. Mandate timeframes to repair violations	27-32 (1)(E) p.47	Staff opposes this amendment. Timelines for repairs are already given by the inspector based on the type and severity of the violation. Inspector discretion is important to gain compliance on a case-by-case basis and blanket requirements cannot fit all situations.
37. City should inspect a higher percentage of units during multi-family graded inspections	N/A	Additional resources would be required for this amendment. Currently, 10% of units in a complex are inspected. As an example, if the percentage were increased to 20%, approximately 80% more inspector time would be required at a cost of approximately \$1 million.
41. Multiple, continuous duplexes should be inspected as multi-family properties	N/A	Staff opposes this amendment. Non-owner occupied duplexes will be required to register and be subject to inspection under the proposed revisions to NOORP.
44. City should not provide landlords/property managers prior notice of inspections or just 24-hour notice	N/A	Staff opposes this amendment. Scheduling must be coordinated to maximize inspector time, otherwise too much time would be wasted trying to gain entry to the units.
46. If property manager/owner shows that they have budgeted for a major repair in a capital improvement plan, allow extra time to make the repair	N/A	Staff supports this concept, but opposes this amendment because no ordinance change is required to carry this out.

Potential Amendments	Ordinance Reference and Page Number	Staff Comments/Concerns
50. Require that extended- stay motels functioning as multi-family be subject to registration and inspection requirements	27-3 (19)(D) p.4	Staff supports this amendment and has proposed a modified definition of extended-stay motel for purposes of Chapter 27.
53. Do not take out the defenses to prosecution	27-11 (l) p.21	Staff supports this amendment.
Registration		
25. Rental registration application should include, if the owner is an LLP or LLC, names of executive officers/partners and their addresses	27-31 (1) (E) p.47	Staff opposes this amendment. Identifying/contact information is already required for entities owning rental properties. This includes agents for service of process and any agent, employee or officer or other person in control of a rental property. Additionally, a goal of the proposed amendments was to make registration easier for everyone in order to encourage participation. We want to avoid duplicative or unnecessary information or information that can be easily retrieved from other sources.
26. Rental registration application should include a list of all properties owned in Dallas by the same owner and any immediate family, including spouse	27-31 (1) (M) p.48	Staff opposes this amendment. The registration database will be searchable by name of owners so that each applicant/registrant does not need to list all other rental properties owned. This would be redundant. For example, 100 property registrations with a common owner would have to list each of the other 99 properties associated with it each time. Additionally, a goal of the proposed amendments was to make registration easier for everyone in order to encourage participation. We want to avoid duplicative or unnecessary information or information that can be easily retrieved from other sources.
39. City should require landlords to provide a copy of their driver's license / photo	27-31 (1) (N) p.49	Staff supports this amendment.
Safety		3
20. Prevent landlords of apartment complexes from wiring common area lights into individual units	27-11 (g)(5) p.19	Staff supports this amendment.

SUBJECT Proposed Amendments to Chapter 27 Minimum Property Standards

Potential Amendments 35. Require landlords to disclose existing or	Ordinance Reference and Page Number 27-30(f)	Staff Comments/Concerns Staff opposes this amendment. Landlords are prohibited from renting rental dwellings on an "as-is" basis and it
anticipated maintenance issues	p.45	would be difficult for inspectors to determine which maintenance issues could have been "anticipated."
36. Require landlords to conspicuously post rules of the complex/property	27-11(g)(5) p.19	Staff partially opposes this amendment. The State already requires posting of changes to parking rules and personal property rules. If there are additional rules for the property, staff supports a requirement that these be provided in writing with the lease.
45. Require full-time managers and multi-family properties	27-30 (h) p.45	Staff opposes this amendment. Many properties are small and/or a few number of units and having a full-time manager is not necessary or feasible. Managers are often shared across multiple properties without issues. Chapter 27 is not intended to dictate business practices. However, a 24x7 emergency contact within a one hour response time is required.
48b. "McGough plan on lighting"	N/A	Staff is working on proposed lighting provisions to address safety concerns at multi-tenant properties. Standards for lighting will be discussed with Sustainable Development and Construction for possible inclusion into development standards.

In addition to these proposed changes, the draft includes staff-proposed changes to the administrative adjudication procedures outlined in Sections 27-16.18 and 27-16.19 of Chapter 27. These changes were mentioned in the April 5, 2015, and September 8, 2015, briefings to the Housing Committee, but were not finalized in earlier ordinance drafts.

Finally, the Committee asked for more information on search and seizure warrants. Staff proposes to amend Section 27-3.1 to include subsection (c), which replicates the authority granted to a home rule municipality in Texas Government Code Section 30.00005. This amendment codifies the use of search warrants for investigating violations of Chapter 27 and seizure warrants to secure, remove or demolish and clear properties in violation. In FY2014-15, a total of 332 warrants were obtained, broken down as follows:

- 124 Junk Motor Vehicles
- 51 High Weeds
- 2 Illegal Outside Storage
- 75 Litter
- 16 Obstruction Alley/Sidewalk/Street
- 33 Administrative Warrants obtained by Community Prosecution
- 31 additional High Weeds/Litter/Obstruction

DATE April 11, 2016 SUBJECT Proposed Amendments to Chapter 27 Minimum Property Standards

Please contact me if you have any questions or need additional information.

Zapata

Assistant City Manager

c: 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 Jeanne Chipperfield, Chief Financial Officer Sana Syed, Public Information Officer Elsa Cantu, Assistant to the City Manager – Mayor & Council

Note: This draft reflects proposed amendments from stakeholders and councilmembers that were voted on by the Housing Committee on March 21, 2016. Staff input on these proposed changes are included in the memo transmitted with this draft.

4/11/16

ORDINANCE NO.

An ordinance amending Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, by repealing [sections, articles]; amending the title of the Chapter; amending Sections [list sections]; providing (description of amendment); providing a penalty not to exceed \$4,000; providing a saving clause; providing a severability clause; and providing an effective date.

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

SECTION 1. That the title of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "CHAPTER 27

#### MINIMUM PROPERTY [URBAN REHABILITATION] STANDARDS"

SECTION 2. That Section 27-3, "Definitions," of Article I, "General Provisions," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

"SEC. 27-3. DEFINITIONS.

In this chapter:

(1) [BASEMENT means the portion of a structure that is partly underground and has more than one half its height, measured from clear floor to ceiling, above the average finished grade of the ground adjoining a structure.

(2)] BATHROOM means an enclosed space containing one or more bathtubs, showers, or both, and which may also include toilets, lavatories, or fixtures serving similar purposes.

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occupancy.

### (2) BUILDING means a structure for the support or shelter of any use or

(3) [CELLAR means the lowermost portion of a structure partly or totally underground having one half or more of its height, measured from clear floor to ceiling, below the average finished grade of the adjoining ground.

(4) CERTIFICATE OF REGISTRATION means a certificate of registration issued by the director under Article VII of this chapter to the owner or operator of a multi tenant property or under Article IX of this chapter to the owner of a non owner occupied rental property, whichever is applicable.

(5)] CITY ATTORNEY means the city attorney of the city of Dallas and includes the assistants and other authorized representatives of the city attorney.

(4) <u>CONDOMINIUM has the meaning given that term in Chapter 82 of the</u> <u>Texas Property Code, as amended.</u>

(5) <u>CONDOMINIUM ASSOCIATION means a for-profit or non-profit</u> corporation the membership of which consists of condominium unit owners of a condominium complex and charged with governing, operating, managing or overseeing a condominium complex or its common elements.

(6) CONSTRUCTION CODES means the *Dallas Building Code*, Chapter 53 of the Dallas City Code, as amended; *Dallas Plumbing Code*, Chapter 54 of the Dallas City Code, as amended; *Dallas Mechanical Code*, Chapter 55 of the Dallas City Code, as amended; *Dallas Electrical Code*, Chapter 56 of the Dallas City Code, as amended; *Dallas One- and Two-Family Dwelling Code*, Chapter 57 of the Dallas City Code, as amended; *Dallas Existing Building Code*, Chapter 58 of the Dallas City Code, as amended; *Dallas Fuel Gas Code*, Chapter 60 of the Dallas City Code, as amended; *Dallas Green Construction Code*, Chapter 61 of the Dallas City Code, as amended; *Dallas Fire Code*, Chapter 16 of the Dallas City Code, as amended; and the *Housing Standards Manual*, as amended.

(<u>7</u>[6]) CRIME PREVENTION ADDENDUM means an addendum to a residential lease or rental agreement for the use of a <u>rental</u> [multi tenant] property as required by Section 27-43 of this chapter.

(8[6.1])DALLAS ANIMAL WELFARE FUND means the Dallas Animal Welfare Fund as described in Section 7-8.4 of Chapter 7 of this code.

(9[7]) DEPARTMENT means the department designated by the city manager to enforce and administer this chapter.

 $(\underline{10[8]})$  DIRECTOR means the director of the department designated by the city manager to enforce and administer this chapter and includes representatives, agents, or department employees designated by the director.

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(<u>11[9]</u>) DWELLING means a structure or building <u>used</u>, intended, or designed to <u>be used</u>, rented, leased, let or hired out to be occupied, or that is occupied for living purposes [occupied as a residence].

(<u>12</u>[<del>10</del>]) DWELLING UNIT has the definition given that term in Section 51A-2.102(34) of the Dallas Development Code, as amended [means one or more rooms in a multifamily property designed to accommodate one family and containing only one kitchen plus living, sanitary, and sleeping facilities].

[(11) FLOOR SPACE means the total area of all habitable space.

(12) GRADE means the natural surface of the ground, or surface ground after completion of any change in contour.]

(13) GRADED INSPECTION means an inspection of a <u>rental</u> [multi tenant] property in which the property is given a score by the director based on the number of code violations found to exist on the premises.

(14) [GUEST ROOM means any room in a multi-tenant property, other than a multifamily property, that is intended as a sleeping area, whether or not the room includes a kitchen or kitchenette and whether or not the property is operated for profit or charges for the services it offers.

(15)] HABITABLE <u>ROOM</u> [SPACE] means <u>a</u> [the] space <u>in a building or</u> <u>structure for</u> [occupied by one or more persons while] living, sleeping, eating, <u>or</u> [and] cooking. [; excluding kitchenettes,] <u>Bathrooms</u> [bathrooms], toilet rooms, [laundries, pantries, dressing rooms], closets, <u>halls</u>, storage <u>or utility</u> spaces, <u>and similar areas</u>, are not considered habitable <u>space</u> [foyers, hallways, utility rooms, heater rooms, boiler rooms, and basement or cellar recreation rooms].

(15) <u>INFESTATION means the presence, within or contiguous to a structure or premises, of insects, rodents, vectors, or other pests.</u>

(16) KITCHEN means <u>an area</u> [a space, 60 square feet or more in floor area with a minimum width of five feet,] used, or designated to be used, for cooking or preparation of food.

[(17) KITCHENETTE means a space, less than 60 square feet in floor area, used for cooking or preparation of food.]

(17) <u>LANDLORD means any person who is an owner, lessor, management</u> company, or managing agent, including on-site manager, of a building or structure.

(18) MULTIFAMILY <u>DWELLING</u> [PROPERTY] means a multifamily use as defined in Section 51A-4.209(b)(5) of the Dallas Development Code, as amended.

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(19) <u>MULTITENANT</u> [<u>MULTI-TENANT</u>] PROPERTY means property containing any of the following uses:

(A) A multifamily <u>dwelling</u> [property] as defined in Subsection  $(\underline{39}[\underline{18}])$  of this section.

(B) A lodging or boarding house as defined in Section 51A-4.205(2) of the Dallas Development Code, as amended.

(C) A group residential facility as defined in Section 51A-4.209(b)(3) of the Dallas Development Code, as amended.

(D) An extended stay hotel or motel as defined in Section 51A-4.205(1.1) of the Dallas Development Code, as amended.

(E) A residential hotel as defined in Section 51A-4.209(b)(5.1) of the Dallas Development Code, as amended.

(20) [NON OWNER OCCUPIED RENTAL PROPERTY means a singlefamily, duplex, townhouse, or condominium dwelling that is leased or rented to one or more persons other than the owner of the property, regardless of whether:

(A) the lease or rental agreement is oral or written; or

(B) the compensation received by the owner for the lease or rental of the property is in the form of money, services, or any other thing of value.

(21)] OCCUPANT means a person who has possessory rights to and is actually in possession of a premise.

(21[22]) OPEN AND VACANT STRUCTURE means a structure that is, regardless of its structural condition:

(A) unoccupied by its owners, lessees, or other invitees; and

(B) unsecured from unauthorized entry to the extent that it could be entered or used by vagrants or other uninvited persons as a place of harborage or could be entered or used by children.

(<u>22</u>[<del>23</del>]) OPERATING CONDITION means free of leaks, safe, sanitary, structurally sound, and in good working order.

(23[24]) OWNER means [a person in whom is vested the ownership or title of real property]:

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Comment [EY1]: Enforcement # 50

(A) <u>a person in whom is vested the ownership or title of real property</u> including, but not limited to:

- (i) the holder of fee simple title;
- (ii) the holder of a life estate;
- (iii) the holder of a leasehold estate for an initial term of five

years or more;

(iv) the buyer in a contract for deed;

(v) a mortgagee, receiver, executor, or trustee in control of real

property; and

(vi) the named grantee in the last recorded deed; and

(B) <u>a landlord, property manager, agent, or person in control of real</u> property [not including the holder of a leasehold estate or tenancy for an initial term of less than five years].

(<u>24[25]</u>) PERSON means any <u>natural person</u> [individual], corporation, organization, <u>estate</u>, trust, partnership, association, or <u>similar</u> [any other legal] entity.

(25) <u>PEST means an invertebrate animal that can cause disease or damage to humans or building materials.</u>

(26) PLUMBING FIXTURES means gas pipes, water pipes, toilets, lavatories, <u>urinals</u>, sinks, laundry tubs, dishwashers, garbage disposal units, clothes-washing machines, catch basins, wash basins, bathtubs, shower baths, sewer pipes, sewage system, septic tanks, drains, vents, traps, and other fuel-burning or water-using fixtures and appliances, together with all connections to pipes.

(27) <u>POTABLE WATER means water that is free from impurities present in</u> <u>amounts sufficient to cause disease or harmful physiological effects and conforming in</u> <u>bacteriological and chemical quality to the requirements of the public health authority having</u> jurisdiction.

(28[27]) PREMISES or PROPERTY means a lot, plot, or parcel of land, including any structures on the land.

(29[28]) PROPERTY MANAGER means a person who for compensation has managing control of real property.

(30[29]) PUBLIC SEWER means a sewer operated by a public authority or public utility and available for public use.

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(<u>31[30]</u>) REGISTRANT means a person <u>filing a rental property</u> [<del>issued a</del> certificate of] registration <u>or renewal application</u> [for a multi tenant property] under Article VII of this chapter [or for a non owner occupied rental property under Article IX of this chapter, whichever is applicable].

(32) <u>RENTAL PROPERTY means multitenant property and single dwelling</u> unit rental property.

(<u>33[31]</u>) SANITARY means any condition of good order and cleanliness that precludes the probability of disease transmission.

(34) <u>SECURITY DEVICE has the definition given that term in Chapter 92 of the Texas Property Code, as amended.</u>

(35) <u>SHORT-TERM RENTAL has the definition given that term in Section</u> 156.001(b) of the Texas Tax Code, as amended.

(36) <u>SINGLE DWELLING UNIT RENTAL PROPERTY means a single-family</u>, duplex, townhouse, or condominium dwelling unit that is leased or rented to one or more persons other than the owner of the property, regardless of whether the lease or rental agreement is oral or written, or the compensation received by the lessor for the lease or rental of the property is in the form of money, services, or any other thing of value, provided, however, if three or more townhouses or condominiums in the same complex are under a common ownership and are leased or offered for lease, they will be considered a multitenant property for purposes of this chapter.

(37) SOLID WASTE means:

(A) industrial solid waste as defined in Section 18-2(22) of the Dallas City Code, as amended, and

(B) <u>municipal solid waste as defined in Section 18-2(28) of the Dallas</u> City Code, as amended.

(38[32]) STRUCTURE means that which is built or constructed, an edifice or building of any kind, or any piece of work artificially built up or composed of parts joined together in some definite manner.

[(33) UNIT means a dwelling unit or a guest room in a multi tenant property.]

(39) <u>TOILET ROOM means a room containing a toilet or urinal but not a</u> <u>bathtub or shower.</u>

(40[34]) URBAN NUISANCE means a premises or structure that:

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(A) is dilapidated, substandard, or unfit for human habitation and a hazard to the public health, safety, and welfare;

(B) regardless of its structural condition, is unoccupied by its owners, lessees, or other invitees and is unsecured from unauthorized entry to the extent that it could be entered or used by vagrants or other uninvited persons as a place of harborage or could be entered or used by children; or

(C) boarded up, fenced, or otherwise secured in any manner if:

(i) the structure constitutes a danger to the public even though

(ii) the means used to secure the structure are inadequate to prevent unauthorized entry or use of the structure in the manner described by Paragraph (B) of this subsection.

(42) <u>VECTOR means an insect or other animal that is capable of transmitting a</u> disease-producing organism.

(43) <u>WORKMANLIKE means executed in a skilled manner, for example,</u> generally plumb, level, square, in line, undamaged, and without marring adjacent work."

SECTION 3. That Section 27-3.1, "Code enforcement official," of Article I, "General

Provisions," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City

Code, as amended, is amended to read as follows:

secured from entry; or

## "SEC. 27-3.1. CODE ENFORCEMENT OFFICIAL.

 $\underline{(a)}$  The director, or a designated representative, shall serve as the code enforcement official of the city.

(b) The code enforcement official shall have the power to render interpretations of this chapter and to adopt and enforce rules and regulations supplemental to this chapter as are deemed necessary to clarify the application of this chapter. Such interpretations, rules, and regulations must be in conformity with the intent and purpose of the codes.

(c) The code enforcement official shall have the power to obtain:

(1) search warrants for the purpose of investigating [allowing the inspection of any specified premises to determine the presence of a health hazard or unsafe building condition, including but not limited to any structural, property, or utility hazard, or] a violation of a[ny] health and safety or nuisance abatement [building] regulation, statute, or ordinance; and

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(2) <u>seizure warrants for the purpose of securing, removing, or demolishing an</u> offending property and removing the debris from the premises."

SECTION 4. That Section 27-4, "Violations; Penalty," of Article II, "Administration," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

## "SEC. 27-4. VIOLATIONS; PENALTY.

(a) A person who violates a provision of this chapter, or who fails to perform an act required of him by this chapter, commits an offense. A person commits a separate offense each day [or portion of a day] during which a violation is committed, permitted, or continued.

(b) Criminal penalties.

(1) An offense under this chapter is punishable by a fine not to exceed \$2,000; except, that an offense under Section 27-5.2 and 27-25 of this chapter is punishable by a fine not to exceed \$500.

(2) An offense under this chapter is punishable by a fine of not less than:

(A)  $\frac{150}{200}$  for a first conviction of a violation of Section 27-11(c)(1), (c)(2), or (c)(6); Section 27-11(d)(2)(A), (d)(3)(A), (d)(4), (d)(5), (d)(6), (d)(7), (d)(9)(A), (d)(9)(C), (d)(9)(D), (d)(10)(A), (d)(11), (d)(13), (d)(15)(A) or (d)(16)(C); Section 27-11(e)(1)(B), (e)(1)(C), or (e)(3); Section 27-11(f)(1)(A), (f)(1)(B), (f)(3)(C), (f)(3)(F), or (f)(4)(C); Section 27-11(g)(5); Section 27-11(h)(1)(B), (h)(3), (h)(4)(i), (h)(4)(ii), (h)(4)(iii), (h)(6)(A) or (h)(6)(B); Section 27-11(i)(1) or (i)(2); Section 27-12(1), (2), (3), or (5) [(a)(1), (3), or (4), 27 11(b)(1), (2), (3), (4), (6), (7), (8), (9), or (10), Section 27 60, or Article VIII of this chapter]; and

(B) \$500 for a first conviction of a violation of Section 27-11(d)(1), (d)(9)(B), (d)(12), (d)(14)(A), (d)(14)(B), (d)(15)(B), (d)(15)(C), (d)(16)(A), or (d)(16)(B); Section 27-11(e)(1)(A) or (e)(2)(A); Section 27-11(f)(2), (f)(3)(A), (f)(3)(B), (f)(3)(D), (f)(3)(E), (f)(3)(G), (f)(4)(A), (f)(4)(B), (f)(4)(D), (f)(4)(E) or (f)(4)(F); Section 27-11(g)(1) or (g)(2); Section 27-11(h)(1)(A), (h)(2), or (h)(5); or Section 27-15.1(c) [(a)(2), (5), or (6), 27-11(b)(5), 27-11(c), or 27-11(d); and

Comment [EY2]: Enforcement # 9

#### (C) \$2,000 for a first conviction of a violation of Section 27-30].

(3) The minimum fines established in Subsection (b)(2) will be doubled for the second conviction of the same offense within any 24-month period and trebled for the third and subsequent convictions of the same offense within any 24-month period. At no time may the minimum fine exceed the maximum fine established in Subsection (b)(1).

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(c) The culpable mental state required for the commission of an offense under this chapter is governed by Section 1-5.1 of this code.

(d) In addition to imposing the criminal penalty prescribed in Subsection (b) or exercising the other remedies provided by this chapter, the city may bring a civil action against a person violating a provision of this chapter. The civil action may include, but is not limited to, a suit to recover a civil penalty not to exceed \$1,000 for each day or portion of a day during which the violation is committed, continued, or permitted.

(e) The penalties provided for in Subsections (b), (d), and (h) are in addition to any other enforcement remedies that the city may have under city ordinances and state law.

(f) The director has the authority to enforce provisions of Chapter 7A and Article II, Chapter 18 of this code.

(g) [A person commits an offense if he fails to correct a violation of this chapter in compliance with any order issued under this chapter that has become final.

(h)] <u>A person is criminally responsible for a violation of this chapter if:</u>

(1) the person commits the violation or assists in the commission of the violation; or

(2) the person is the owner of the property and, either personally or through an employee or agent, allows the violation to exist.

(h) For purposes of subsection (g), an employee of the owner of real property that has been issued a certificate of occupancy or a certificate of completion with respect to improvements on the property is not personally liable for a violation of this chapter if, not later than the fifth calendar day after the date the citation is issued, the employee provides the property owner's name, current street address, and current telephone number to the enforcement official who issues the citation or to the director.

(i) As an alternative to imposing the criminal penalty prescribed in Subsection (b), the city may impose administrative penalties, fees, and court costs in accordance with Article IVb of this chapter, as authorized by Section 54.044 of the Texas Local Government Code, for an offense under this chapter. The alternative administrative penalty range for an offense is the same as is prescribed for a criminal offense in Subsection (b)."

SECTION 5. That Section 27-5, "Inspection," of Article II, "Administration," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

"SEC. 27-5. INSPECTION.

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(a) For the purpose of ascertaining whether violations of this chapter or other city ordinances exist, the director is authorized at a reasonable time to inspect:

and

(1) the exterior of a structure and premises <u>that [which]</u> contain no structure;

(2) the interior of a structure, if the permission of the owner, occupant, or person in control is given.

(b) Nothing in this section limits the director's ability to seek and obtain an administrative search warrant authorizing the inspection of the interior or exterior of a structure or a premises that contains no structure."

SECTION 6. That Subsection (a) of Section 27-5.2, "Retaliation Against Tenants Prohibited," of Article II, "Administration," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

"(a) A landlord commits an offense if he raises a tenant's rent, diminishes services to a tenant, or attempts eviction of a tenant within six months after:

(1) the tenant files a valid complaint with the director complaining of a violation of this chapter on property occupied by the tenant; a complaint is considered valid if it results in an action described in Paragraph (2), (3), or (4) of this subsection;

(2) the director issues to the landlord or the landlor<u>d</u>'s agent a written notice or citation listing any violation of this chapter that exists on property occupied by the tenant;

(3) the city attorney files an action under Article IV-a of this chapter or under Chapter 54, 211, or 214 of the Texas Local Government Code relating to any violation of this chapter that exists on property occupied by the tenant;

(4) the tenant, after filing a complaint with the director and the landlord or the landlord's agent, files a written complaint with the city attorney complaining of a violation of this chapter on property occupied by the tenant, unless the complaint is later withdrawn by the tenant or dismissed on the merits; or

(5) repairs are completed on property occupied by the tenant in compliance with either a written notice or citation issued by the director or a court order."

SECTION 7. That Section 27-11, "Minimum Standards; Responsibilities of Owner," of

Article III, "Minimum Standards," of Chapter 27, "Minimum Urban Rehabilitation Standards,"

of the Dallas City Code, as amended, is amended to read as follows:

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# "SEC. 27-11. MINIMUM <u>PROPERTY</u> STANDARDS; RESPONSIBILITIES OF OWNER.

#### (a) <u>In general.</u>

(1) The regulations in this article are minimum property standards for vacant and occupied buildings, properties, and structures within the city of Dallas. In addition to these minimum property standards, buildings, properties, and structures must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the city of Dallas, including the *Housing Standards Manual*.

(2) These minimum property standards are intended to complement existing laws, ordinances, rules, and regulations. If the regulations in this chapter are less restrictive than other applicable laws, ordinances, rules, or regulation, the more restrictive law, ordinance, rule, or regulation applies.

(b) <u>Repairs.</u> All repairs required by this section must be performed in a workmanlike manner and in accordance with all ordinances, rules, and regulations of the City of Dallas, including the *Housing Standards Manual*, and in accordance with all applicable state and federal laws and regulations.

(c) <u>Property standards</u>. An owner shall:

(1) <u>maintain their premises in operating condition without any [eliminate a]</u> holes, excavations, or sharp protrusions, and <u>without</u> any other object or condition that exists on the land and is reasonably capable of causing injury to a person;

(2) securely cover or close any wells cesspools, or cisterns;

(3) provide solid waste receptacles or containers when required by Chapter 18 of this code;

(4) provide drainage to prevent standing water and flooding on the land;

(5) remove dead trees and tree limbs that are reasonably capable of causing injury to a person;

(6) keep the doors and windows of a vacant structure or vacant portion of a structure securely closed to prevent unauthorized entry; and

(7) protect, by periodic application of paint or other weather-coating <u>materials</u>, any exposed metal or wood surfaces from the elements and against decay or rust [by periodic application of weather coating materials, such as paint or similar surface treatment].

(d[b]) Structural and material standards. [An owner shall:]

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(1) <u>General</u>. <u>An owner shall maintain structural members free from</u> deterioration and shall maintain structural members so that they are capable of safely supporting imposed dead and live loads.

(2) <u>Construction materials</u>. <u>An owner shall</u>:

(A) <u>maintain building and structure materials, including wood, gypsum</u> products, glass, fiberglass, paper, canvas, fabric, plastic, vinyl, masonry, ceramic, plaster, brick, rock, stucco, slate, concrete, asphalt, tin, copper, steel, iron, aluminum, and other metals, in operating condition.

(B) protect, by periodic application of paint or other coating, the exterior surfaces of a structure that are subject to decay or rust.

(3) <u>Roofs.</u> <u>An owner shall:</u>

(A) <u>maintain roofs in operating condition, free from leaks, holes,</u> <u>charred or deteriorated roofing materials, rotted wood, and other unsafe conditions.</u>

(B) maintain gutters and downspouts, if installed, in operating condition and securely fastened.

(4) <u>Chimneys and towers.</u> An owner shall maintain chimneys, cooling towers, smoke stacks, and similar appurtenances in operating condition.

(5) <u>Foundations</u>. <u>An owner shall maintain foundations and foundation</u> components in operating condition, and keep all foundation components securely fastened.</u>

(6) <u>Floors</u>. An owner shall maintain all flooring in operating condition, free from holes, cracks, decay, and trip hazards.

(7) <u>Shower enclosures</u>. An owner shall maintain shower enclosure floors and walls in operating condition free of holes, cracks, breaches, decay, rust, and rot.

(8) <u>Counter tops and backsplashes</u>. <u>An owner shall maintain kitchen and bathroom counter tops and backsplashes surrounding kitchen sinks and lavatory sinks in operating condition free of decay, rust, and rot.</u>

(9) <u>Interior walls, ceilings, and surfaces; doors.</u> An owner shall:

(A) maintain all interior walls and ceilings in operating condition;

(B) keep all interior walls and ceilings securely fastened to eliminate

collapse hazards;

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operating condition;	<u>(C)</u>	maintain all interior surfaces, including windows and doors, in
paint; and	<u>(D)</u>	repair, remove, or cover all peeling, chipping, flaking, or abraded
conditions.	<u>(E)</u>	repair all cracked or loose plaster, wood or other defective surface
<u>(10)</u>	Exterior windows and skylights. An owner shall maintain:	
(A) the glass surfaces of exterior windows and skylights so that they are weather tight, in operating condition; and		
construction codes.	(B)	each habitable room with natural light in accordance with the
(11) Exterior doors. An owner shall maintain exterior doors so that they are weather tight, in operating condition.		
(12) <u>Security devices</u> . An owner shall maintain any bars, grilles, grates, and security devices in operating condition and in accordance with the construction codes.		
(13) <u>Ventilation</u> . An owner shall maintain all natural and mechanical ventilation in habitable rooms in operating condition and in accordance with the construction codes.		
<u>(14)</u> maintain:	<u>Balco</u>	nies, landings, porches, decks, and walkways. An owner shall
(A) all balconies, landings, porches, decks, and walkways in operating condition and securely fastened.		
(B) support posts and columns for balconies, landings, porches, decks, and walkways or canopies in operating condition, securely fastened and anchored.		
<u>(15)</u> guardrails:	Handrails and guardrails. An owner shall maintain all handrails and	
	<u>(A)</u>	in accordance with the construction codes;
	<u>(B)</u>	in operating condition, and securely fastened and anchored; and
loads.	<u>(C)</u>	so that they are capable of safely supporting imposed dead and live

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(16) <u>Steps and stairways</u>. An owner shall:

(A) <u>maintain steps and stairways in operating condition, securely</u> <u>fastened and anchored, and free from trip hazards;</u>

(B) <u>maintain steps and stairways so that they are capable of safely</u> <u>supporting imposed dead and live loads; and</u>

(C) <u>seal any cracks or breaches in lightweight concrete steps</u>, <u>balconies</u>, and walkways.

(17) <u>Fencing, retaining walls, and barriers.</u>

(A) <u>An owner shall maintain all fences, retaining walls, decorative</u> walls, and barriers in operating condition, and in accordance with the Dallas Development Code. <u>This requirement applies to a masonry wall only if wall encloses:</u>

(i) <u>a multitenant property; or</u>

(ii) <u>a single-family or duplex property where the wall is not</u> shared with another property.

(B) An owner shall repair or replace rotted, missing, fire-damaged, or broken wooden slots and support posts.

(C) An owner shall repair or replace broken, missing, or bent metal posts and torn, cut, bent, or ripped metal fencing materials.

(D) <u>An owner shall replace loose or missing bricks, stones, rocks,</u> mortar, and similar materials on any masonry wall that is not shared with another property, if the wall:

(i) encloses a multitenant property or a single-family property

or duplex, or

(ii) serves as a retaining wall.

[protect the exterior surfaces of a structure that are subject to decay by application of paint or other coating;

(2) fill hollow, masonry supporting piers, if used, with concrete and anchor the piers to concrete footings with a 5/8 inch steel dowel;

(3) provide and maintain railings for stairs, steps, balconies, porches, and elsewhere as specified in the Dallas Building Code;

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(4) repair holes, cracks, and other defects reasonably capable of causing injury to a person in stairs, porches, steps, and balconies;

(5) maintain a structure intended for human occupancy and a structure used as an accessory to a structure intended for human occupancy in a weather tight and water tight condition;

(6) maintain floors, walls, ceilings, and all supporting structural members in a sound condition, capable of bearing imposed loads safely;

(7) provide cross ventilation of not less than 1 1/2 square feet for each 25 lineal feet of wall in each basement, cellar, and crawl space;

properly;

(8) repair or replace chimney flue and vent attachments that do not function <del>y;</del>

(9) repair holes, cracks, breaks, and loose surface materials that are health or safety hazards in or on floors, walls, and ceilings; and

(10) maintain any fence on the property in compliance with the following standards:

(A) maintain a fence so that it is not out of vertical alignment more than one foot from the vertical, measured at the top of the fence, for a fence over four feet high, or more than six inches from the vertical, measured at the top of the fence, for a fence not more than four feet high, except that this provision does not apply to a masonry wall unless the wall encloses:

(i) a multi tenant property; or

(ii) a single family or duplex property where the wall is not

shared with another property;

(B) repair or replace rotted, fire damaged, or broken wooden slats and support posts;

(C) repair or replace broken or bent metal posts and torn, cut, bent, or ripped metal fencing materials; and

(D) repair or replace loose bricks, stones, rocks, mortar, and similar materials on any masonry wall that encloses:

(i) a multi tenant property; or

(ii) a single family or duplex property where the wall is not shared with another property.]

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#### (e[e]) Utility and appliance standards. [An owner shall:]

(1) <u>Air conditioning</u>. <u>If screens are not provided in accordance with</u> <u>Subsection (h)(2), an owner shall:</u>

(A) provide and maintain in operating condition refrigerated air equipment capable of maintaining a maximum inside temperature of [80 - / - 85] degrees Fahrenheit, whichever is warmer, in each room of a structure intended for human occupancy;

(B) <u>maintain all fixed air conditioning systems, including air</u> conditioning unit covers, panels, conduits, and disconnects, in operating condition, properly <u>attached; and</u>

(C) install window-mounted air conditioning units, if provided, in compliance with the construction codes.

(2) <u>Heating.</u>

(A) An owner shall provide every dwelling unit with heating facilities that are installed and maintained in operating condition and in accordance with the construction codes. The heating facilities must be capable of maintaining a room temperature of 68 degrees Fahrenheit at a point three feet above the floor and two feet from exterior walls in any room intended for human occupancy.

(B) Where heating is provided in buildings or structures other than dwelling units, an owner shall maintain those facilities in operating condition and in accordance with the construction codes.

(3) <u>Appliances. If appliances are provided in a rental dwelling unit, the owner</u> shall maintain those appliances, including portable heating units, portable air conditioning units, cook stoves, refrigerators, dishwashers, garbage disposals, ventilation hoods, washing machines, and clothes dryers, and all appliance connections, in operating condition.

[provide and maintain in operating condition connections to discharge sewage from a structure or land into a public sewer system where available;

(2) provide and maintain in operating condition a toilet connected to a water source and to a public sewer, where available, in each structure intended for human habitation;

(3) provide and maintain in operating condition connections and pipes to supply potable water at adequate pressure to a structure intended for human occupancy;

(4) provide and maintain in operating condition a device to supply hot water of a minimum temperature of 120°F. within each structure intended for human habitation;

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Comment [EY3]: Environmental # 1

(5) provide and connect a kitchen sink, bathtub or shower, and lavatory to a cold and hot water source in each structure intended for human habitation;

(6) connect plumbing fixtures and heating equipment that the owner supplies in accordance with the Dallas Plumbing Code and Dallas Mechanical Code;

(7) provide and maintain heating equipment in operating condition so that it is capable of maintaining a minimum inside temperature of 68°F. from November 16 through March 15 in each room of a structure intended for human occupancy;

(8) if screens are not provided as required in Subsection (d)(2), provide and maintain in operating condition, from April 1 through November 1, refrigerated air equipment capable of maintaining a maximum inside temperature that is 20 degrees lower than the outside temperature or  $85^{\circ}F$ , whichever is warmer, in each room of a structure intended for human occupancy;

(9) provide and maintain in operating condition supply lines for electrical service to each structure intended for human occupancy if electrical service is available within 300 feet;

(10) connect each heating and cooking device that burns solid fuel to a chimney or flue; and

(11) provide and maintain in operating condition electrical circuits and outlets sufficient to safely carry a load imposed by normal use of appliances and fixtures.]

(f) <u>Plumbing standards.</u>

(1) <u>Plumbing systems.</u> An owner shall maintain:

(A) all plumbing pipes, fittings, and valves necessary to supply and conduct natural fuel gases, sanitary drainage, storm drainage, or potable water in operating condition in accordance with the *Dallas Plumbing Code*, Chapter 54 of the Dallas City Code, as amended; and

(B) all plumbing fixtures free of cross-connections and conditions that permit backflow into the potable water supply.

(2) <u>Fuel gas distribution systems. An owner shall maintain distribution</u> systems that carry fuel gas or liquefied petroleum gas in a leak-free condition in accordance with the construction codes. If such a distribution system has been compromised, an owner shall have the system pressure-tested and repaired in accordance with the *Dallas Fuel Gas Code*, Chapter 60 of the Dallas City Code, as amended.

(3) <u>Plumbing fixtures.</u>

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- (A) An owner shall provide each dwelling unit with:
  - (i) <u>a kitchen equipped with a kitchen sink; and</u>

(ii) <u>a minimum of one toilet; a lavatory sink; and either a</u> <u>bathtub, a shower, or a combination of a bathtub and shower.</u>

(B) An owner shall keep all plumbing fixtures connected to an approved potable water supply system.

(C) An owner shall connect and maintain all plumbing fixtures in operating condition, in accordance with the construction codes.

(D) An owner shall equip toilets and urinals with cold potable water under pressure necessary for safe and sanitary operation.

(E) An owner shall keep all plumbing fixtures connected to a public sewer system or to an approved private sewage disposal system.

(F) <u>An owner shall maintain all piping distribution systems in</u> operating condition, and shall eliminate all unsafe, unsanitary, and inoperable conditions in such distribution systems.

(G) Except when the sewer lines are being serviced, an owner shall cap each sewer clean-out opening with an approved plug in accordance with the construction codes.

(4) Water heating equipment.

(A) An owner shall maintain all water heating equipment in operating condition in compliance with the construction codes.

(B) For all water heating equipment, an owner shall maintain in accordance with the construction codes a temperature and pressure relief valve with an approved drain line.

(C) An owner shall provide and maintain in operating condition water heating equipment that supplies hot water at a minimum temperature of 110–120 degrees Fahrenheit, measured at the water outlet, to every required plumbing fixture.

(D) An owner shall vent all fuel-fired water heating equipment as required by the construction codes.

(E) An owner shall maintain any existing fuel-fired water heaters that are located in a sleeping room or bathroom in compliance with the construction codes.

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Comment [EY4]: Environmental # 10

(F) <u>An owner shall maintain boilers and central heating plants in</u> operating condition.

(g) <u>Electrical standards.</u>

(1) <u>An owner shall maintain all provided electrical equipment and materials in</u> operating condition and in accordance with the construction codes.

(2) <u>An owner shall provide electrical circuits and outlets sufficient to carry</u> safely a load imposed by normal use of appliances, equipment, and fixtures, and maintain them in operating condition.

(3) In each dwelling unit, an owner shall provide and maintain each habitable room, bathroom, hallway, and stairway with at least one electric lighting outlet. The electric lighting outlet must be controlled by a wall switch, unless a wall switch is not required by the construction codes.

(4) <u>An owner shall maintain all electric light fixtures located adjacent to</u> exterior doors of all buildings or structures in operating condition.

(5) In multifamily properties with common areas, an owner shall not wire common area lights into individual dwelling units.

(6) An owner shall not use <u>extension cords or flexible cords as a substitute for</u> permanent wiring and an owner shall only use extension cords and flexible cords in accordance with the construction codes.

(h[d]) Health standards. [An owner shall:]

(1) Infestations.

(A) <u>Where evidence of infestation exists, the owner of a building,</u> <u>structure, or property, including a vacant or occupied one-or two-family dwelling, or multifamily</u> <u>dwelling, shall eliminate infestations and repair any conditions that contribute to infestation.</u>

(B) If the building, structure, or property is a rental property, the owner shall provide notice to the tenants at least 48 hours before taking steps to eliminate the infestation.

(i) <u>The notice must be in writing and must include the method</u> being used to eliminate the infestation.

(ii) <u>A tenant can waive the 48-hour notice period in writing.</u> [eliminate rodents and vermin in or on the land;]

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Comment [EY5]: Safety # 20

(C) It is a defense to prosecution under this paragraph that the building, structure, or property was treated to eliminate insects, vectors, rodents, or pests by a person licensed under the Texas Structural Pest Control Act once within the preceding 30 days.

(2) <u>Screens. An owner shall</u> provide a structure intended for human habitation with a screen for keeping out insects at each opening of the structure if the structure is not cooled with refrigerated air.

(3) <u>Common toilet and shower facilities.</u> An owner shall maintain toilet and shower facilities for common areas of a multifamily dwelling in operating condition. [maintain the interior of a vacant structure or vacant portion of a structure free from rubbish and garbage; and]

(4) Swimming pools, spas, ponds, and fountains.

(i) <u>Water in swimming pools, spas, ponds, fountains, and other</u> containers shall be maintained to prevent the breeding or harborage of insects.

(ii) Swimming pools, spas, ponds, and fountains shall be maintained in operating condition.

(iii) Fences or other barriers enclosing swimming pools, spas, ponds, and fountains shall be maintained in operating condition and in accordance with the construction codes [keep the interior of a structure free from insects, rodents, and vermin, except as specified in Section 27-12(b)].

(5) <u>Sewage overflow</u>. <u>An owner shall sanitize all areas contaminated by</u> sewage overflow immediately after servicing is completed.</u>

(6) Vacant dwelling units.

(A) <u>An owner shall maintain the interiors of all vacant dwelling units</u> <u>free of solid waste.</u>

(B) The owner of a vacant dwelling unit must store any swimming pool chemicals, cleaning chemicals, pesticides, herbicides, rodenticides, fertilizers, paints, solvents, gasoline, gasoline-powered equipment, or combustible materials of any kind in accordance with the construction codes and the Dallas Development Code.

(7) Mold. If mold is visible, the owner shall repair any leaks causing the mold and then clean and disinfect all areas with visible mold. If mold reappears within one week of when the areas are cleaned and disinfected, the owner shall remove all affected materials, disinfect the surrounding areas, and replace with new materials.

 $(\underline{i}[e])$  <u>Security standards</u>. An owner or operator of a multifamily <u>dwelling</u> [property], other than one exempt from registration under Section 27-30 of this chapter, shall:

**Comment [EY7]:** Environmental # 3(a)

**Comment [EY6]:** Environmental # 6(b)

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(1) provide and maintain security devices in each dwelling unit as required by Sections 92.153, 92.154, and 92.155 of the Texas Property Code, as amended; and

(2) if the multifamily <u>dwelling</u> [property] has three or more dwelling units, provide <u>and maintain</u> security lighting that adequately illuminates all parking areas, walkways, stairs and steps, doorways, and garbage storage areas so that persons moving in or around those areas can be easily seen.

 $\{(j[f])$  It is a defense to prosecution under Subsection (a) of this section that the premises concerned is the site of new construction and reasonable and continuous progress is being made to complete the construction.

[(g) It is a defense to prosecution under Subsection (d)(4) of this section that the structure was treated to eliminate insects, rodents, and vermin by a person licensed under the Texas Structural Pest Control Act once within the preceding six months.

 $(\underline{ik}[h])$  An owner shall provide a tenant with alternative housing that meets the minimum standards required by this section when:

(1) after being issued a notice or citation for violation of Subsection  $(\underline{e})(2)$ [ $(\underline{e})(7)$ ] of this section, the owner fails to repair heating equipment within 72 hours after receiving such notice or citation and the overnight low temperature, as measured by the National Weather Service at Dallas Love Field, is below 40 degrees Fahrenheit[-] for three consecutive days after receiving such notice or citation; or

(2) after being issued a notice or citation for violation of Subsection  $(\underline{e})(1)$ [ $(\underline{c})(8)$ ] of this section, the owner fails to repair refrigerated air equipment within 72 hours after receiving such notice or citation and the daytime high temperature, as measured by the National Weather Service at Dallas Love Field, is 95 degrees Fahrenheit[-] or above for three consecutive days after receiving such notice or citation.

([i]) It is a defense to prosecution under Subsections (e)(1) [(c)(7)] and (e)(2) [(c)(8)] of this section and to the alternative housing requirements of Subsection (j[h]) of this section that:

(1) failure to maintain heating and refrigerated air equipment in compliance with those subsections was the direct result of an act of nature or other cause beyond the reasonable control of the owner; or

(2) the owner is making diligent efforts to repair the heating and refrigerated air equipment in compliance with those subsections; if the owner demonstrates to the director that diligent efforts to repair are being made, the director will not issue a notice or citation for a violation of Subsection (e)(1) [(c)(7)] or (e)(2) [(c)(8)] of this section.

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**Comment [EY8]:** Moved to 27-11(h)(1)(C)

 $(\underline{m[j]})$  It is a defense to prosecution under Subsection  $(\underline{e})(1) [(\underline{e})(7)]$  of this section and to the alternative housing requirements of Subsection  $(\underline{j[h]})(1)$  of this section that a written contract is in effect requiring the tenant to provide and maintain heating equipment and the owner has provided utility connections for heating equipment in compliance with the Dallas Mechanical Code, as amended, in each room of the structure intended for human occupancy.

 $(\underline{n}[\underline{k}])$  It is a defense to prosecution under Subsection  $(\underline{e})(2)$  [ $(\underline{e})(8)$ ] of this section and to the alternative housing requirement of Subsection  $(\underline{j}[\underline{k}])(2)$  of this section that the structure is provided with exterior windows and doors that are easily openable to provide air ventilation and covered with screens in compliance with Subsection  $(\underline{h}[\underline{d}])(2)$  of this section.<sup>2</sup>

SECTION 8. That Section 27-12, "Responsibilities of Occupant," of Article III,

"Minimum Standards," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas

City Code, as amended, is amended to read as follows:

## "SEC. 27-12. RESPONSIBILITIES OF OCCUPANT.

[(a)] An occupant shall:

(1) maintain <u>the interior and exterior</u> [those] portions of the <u>person's dwelling</u> <u>unit</u> [interior of a structure under his control] free from <u>accumulations of solid waste</u> [rubbish, garbage,] and other conditions that would encourage infestation [of insects, rodents, or vermin];

(2) remove an animal or animals from a structure if the presence of the animal or animals is a health hazard to an occupant;

(3) connect plumbing fixtures and heating equipment that the occupant supplies in accordance with the <u>construction</u> [building] codes.

(4) provide solid waste receptacles or containers when required by Chapter 18 of this code; and

(5) not alter a structure or its facilities so as to create a nonconformity with Section 27-11 or this section.

[(b) The tenant occupant of a single family residential structure shall keep the interior of the structure free from insects, rodents, and vermin if the owner can show that the structure was treated to eliminate insects, rodents, and vermin by a person licensed under the Texas Structural Pest Control Act:

(1) within two weeks before the date the tenant took occupancy; or

(2) once within the preceding six months if there has been more than one tenant during the preceding six months]."

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Comment [EY9]: Enforcement # 53

SECTION 9. That Section 27-15, "Occupancy Load Limits," of Article IV, "Vacation, Reduction of Occupancy Load, and Securing of Structures and Relocation of Occupants," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

## "SEC. 27-15. OCCUPANCY LOAD LIMITS.

A structure or dwelling unit is overcrowded if the <u>occupancy limits set in Texas Property</u> <u>Code Section 92.010, as amended, are exceeded[following standards are not met:</u>

(1) <u>Floor space per person</u>. Each structure or dwelling unit must contain at least 150 square feet of habitable floor space for the first occupant and at least 100 square feet of additional habitable floor space for each additional occupant.

(2) <u>Sleeping space per person</u>. In each structure or dwelling unit of two or more rooms, each room occupied for sleeping purposes by one occupant must contain at least 70 square feet of floor space, and every room occupied for sleeping purposes by more than one person must contain at least 50 square feet of floor space for each occupant.

(3) <u>Special provisions</u>. Children under 12 months of age are not considered occupants, and children under 12 years of age are considered as 1/2 of one occupant for purposes of Subparagraphs (1) and (2).

(4) <u>Ceiling height</u>. For purposes of Subparagraphs (1) and (2), a room of a structure must have a ceiling height of at least seven feet to be considered habitable space]."

SECTION 10. That Section 27-15.1, "Placarding of a Structure by the Director," of Article IV, "Vacation, Reduction of Occupancy Load, and Securing of Structures and Relocation of Occupants," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

# "SEC. 27-15.1. PLACARDING OF A STRUCTURE BY THE DIRECTOR.

(a) <u>After a court order requiring vacation of a structure or dwelling unit has become</u> <u>final, t</u>[T]he director may place a red placard [warning of a dangerous condition] on <u>or near the</u> <u>front door of the</u> [any] structure or dwelling unit [that:

(1) is unsanitary or unsafe; and

(2) presents an immediate danger to the health, safety, or welfare of the public or of any occupant of the structure].

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- (b) <u>The red placard shall state:</u>
  - (1) that the structure or dwelling unit was ordered to be vacated;
  - (2) that a person commits an offense if he, without authority from the director:
    - (A) removes or destroys the red placard;
    - (B) occupies the structure or dwelling unit; or

(C) as owner of the structure, authorizes a person to occupy the structure or dwelling unit; and

(3) the maximum fine for violation of the ordinance [After placarding a structure under Subsection (a) of this section, the director shall immediately refer the structure to the city attorney for a hearing before the municipal court, to be held in accordance with Article IV a of this chapter, on the dangerous condition of the structure and the need to vacate any occupants of the structure. Before the 11th day after the director placards the structure, the director shall give notice of the hearing to each owner, lienholder, or mortgagee of the affected property in accordance with the notice requirements of Section 27–16.5].

(c) A person commits an offense if he:

(1) without authority from the director, removes or destroys a red placard placed by the director;

(2) occupies a structure or dwelling unit on which the director has placed a red placard; or

(3) [as owner of a structure or dwelling unit,] authorizes a person to occupy a structure or dwelling unit on which the director has placed a red placard.

[(d) It is a defense to prosecution under Subsection (c)(2) that:

(1) the person had lawfully and continuously occupied the structure or dwelling unit before and after the structure was placarded; and

(2) the structure or dwelling unit had not been ordered vacated by the municipal court.

(e) It is a defense to prosecution under Subsection (c)(3) that:

(1) the person authorized by the owner to occupy the structure or dwelling unit had lawfully and continuously occupied the structure or dwelling unit before and after the structure was placarded; and

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#### (2) the structure or dwelling unit had not been ordered vacated by the

#### municipal court.]"

SECTION 11. That Section 27-16, "Securing of a Structure by the Director," of Article IV, "Vacation, Reduction of Occupancy Load, and Securing of Structures and Relocation of Occupants," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

### "SEC. 27-16. SECURING OF A STRUCTURE BY THE DIRECTOR.

(a) The requirements of this section are in addition to any other requirements of this chapter governing securing of a structure. Any hearing before the municipal court pursuant to this section concerning the securing of a structure must comply with all notice and procedural requirements contained in Article IV-a of this chapter for hearings before the municipal court.

(b) The director shall secure any structure that the director determines:

(1) violates a minimum standard established in Article III of this chapter; and

(2) is unoccupied or is occupied only by a person who does not have a right of possession to the structure.

(c) [Before securing a structure under Subsection (b), the director shall post a notice on or near the front door of the structure stating that if the owner does not secure the structure within 48 hours, the city will secure the structure at the owner's expense.

(d)] Before the 11th day after the date the director secures the structure, the director shall give notice to the owner by:

(1) personally serving the owner with written notice;

(2) depositing the notice in the United States mail addressed to the owner at the owner's post office address;

(3) publishing the notice at least twice within a 10-day period in a newspaper of general circulation in the county in which the structure is located, if personal service cannot be obtained and the owner's post office address is unknown; or

(4) posting the notice on or near the front door of the structure, if personal service cannot be obtained and the owner's post office address is unknown.

(d[e]) The notice issued under Subsection (d) must contain:

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(1) an identification, which is not required to be a legal description, of the structure and the property on which it is located;

the structure;

(2) a description of the violation of the minimum standards that is present at

(3) the structure: and

) a statement that the director will secure or has secured, as the case may be,

(4) an explanation of the owner's entitlement to request a hearing about any matter relating to the director's securing of the structure.

 $(\underline{e}[f])$  A public hearing shall be held before the municipal court if, within 30 days after the date the director secures the structure, the owner files with the municipal court a written request for the hearing. The hearing must be held within 20 days after the date the request is filed. Notice of the hearing must be given to each owner[, lienholder, or mortgagee] of the affected property in accordance with the notice requirements of Section 27-16.5. At the hearing, the director shall present evidence of the need to secure the structure, and the owner may testify or present witnesses or written information about any matter relating to the director's securing of the structure.

 $(\underline{f[g]})$  The municipal court shall uphold the director's action in securing a structure if it finds the structure or a portion of the structure was <u>an urban nuisance</u> [open and potentially dangerous to the health, safety, or welfare of the public].

 $(\underline{g}[\underline{h}])$  An unoccupied structure that is closed pursuant to an order of the director, the municipal court, or the fire marshal, or that is closed by the owner of the structure without an official order, must be secured in compliance with the Dallas Fire Code.

 $(\underline{h}[i])$  A structure intended for residential use or occupancy that, pursuant to an order of the director, the municipal court, or the fire marshal, is closed by the owner through sealing the doors or windows with boards, or equivalent materials, may be referred by the director to the city attorney for appropriate action under Article IV-a of this chapter, if the structure:

(1) remains boarded up for 180 days or more without being occupied by the owner or a lawful tenant; and

(2) has at least one visible violation of this chapter.

 $(\underline{i}[\underline{j}])$  The city's cost of securing a structure under this section constitutes a lien against the real property on which the structure stands, as provided in Section 27-16.8(e)."

SECTION 12. That Subsection (b) of Section 27-16.3, "Municipal Court Jurisdiction,

Powers, and Duties Relating to Urban Nuisances," of Article IV-a, "Municipal Court Jurisdiction

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Over Urban Nuisances," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the

Dallas City Code, as amended, is amended to read as follows:

"(b) The municipal court of record has the following powers and duties:

(1) To require the reduction in occupancy load of an overcrowded structure or the vacation of a structure found to be an urban nuisance.

(2) To require the repair of a structure found to be an urban nuisance.

(3) To require the demolition of a structure found to be an urban nuisance.

(4) To require the removal of personalty from a structure ordered vacated or demolished. Removal may be accomplished by use of city forces or a private transfer company if the owner of the personalty is not known, or the whereabouts of the owner cannot be ascertained, or the owner fails to remove the personalty. Costs of any removal and storage are the responsibility of the owner of the personalty.

(5) To require that an open and vacant structure or open and vacant portion of a structure be secured.

(6) To require or cause the correction of a dangerous condition on the land. Correction of a dangerous condition may be accomplished by city forces or a private contractor. Costs of correction are the responsibility of the owner.

(7) To assess a civil penalty, not to exceed \$1,000 a day per violation or, if the property is the owner's lawful homestead, \$10 a day per violation, against a <u>property or</u> property owner for each day or part of a day that the owner fails to repair or demolish a structure in compliance with a court order issued under this article.

(8) To require vacation of the occupants of a structure found to be an urban nuisance or found to be overcrowded, and to determine, upon an order of vacation of the occupants of a structure, whether the occupants of the structure are eligible for relocation assistance under Chapter 39A of the Dallas City Code, as amended."

SECTION 13. That Subsection (c) of Section 27-16.4, "Initiation of Proceeding; Petition

Requirements," of Article IV-a, "Municipal Court Jurisdiction Over Urban Nuisances," of

Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is

amended to read as follows:

"(c) [The proceeding will be styled "City of Dallas, Plaintiff v. (Property Description), Defendant."]The municipal court shall set the matter for a hearing not less than 30 days nor more than 60 days after the filing of the petition."

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SECTION 14. That Subsection (d), "Assessment of Civil Penalties," of Section 27-16.8 "Noncompliance With Court Orders; Civil Penalties; Liens," of Article IV-a, "Municipal Court Jurisdiction Over Urban Nuisances," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

"(d) Assessment of civil penalties.

(1) If the city attorney or the director determines that the owner, lienholder, or mortgagee of a structure has not timely complied with a municipal court order issued under Section 27-16.7, the city attorney may file an action in municipal court for the assessment of a civil penalty against the property <u>and property owner</u>. The city attorney or the director shall promptly give notice to each owner, lienholder, and mortgagee of the hearing to assess a civil penalty. The notice must include:

(A) an identification, which is not required to be a legal description, of the structure and the property on which it is located;

(B) an identification of the court order affecting the property;

(C) a description of each violation of minimum standards found by the court to be present on the property when the court order was issued;

(D) a description of any work ordered by the court to correct each violation on the property;

(E) a statement that the city attorney or the director has determined that an owner, lienholder, or mortgagee has not timely complied with the court order and a description of the provisions of the court order that still require compliance; and

(F) a statement that the court will conduct a hearing to consider assessment of a civil penalty <u>against</u> [<del>on</del>] the property <u>and property owner</u> and the date, time, and place of the hearing.

(2) The notice required under Subsection (d)(1) for a municipal court hearing to consider the assessment of a civil penalty <u>against the</u> [ $\Theta$ ] property <u>and property owner</u> subject to a court order must be given in compliance with the notice requirements set forth in Section 27-16.5 for other hearings under this article.

(3) A hearing to consider the assessment of a civil penalty on property subject to a court order must be conducted in compliance with the requirements and procedures set forth in this article for other hearings before the municipal court, except that, in addition to any other evidence presented, an owner, lienholder, or mortgagee may present evidence of any work performed or completed on the property to comply with the court order.

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(4) The court, after hearing evidence from each interested person present, may assess a civil penalty against the owner in a specific amount in accordance with Section 27-16.3(b)(7) of this article.

(5) Notice of a court order issued under this subsection must comply with the requirements and procedures of Section 27-16.7(f) and (g) and Section 27-16.11 for notice of other board orders.

(6) A civil penalty assessed under this subsection may be enforced in accordance with Subsection (e) of this section.

(7) A civil penalty assessment hearing may be combined with any other hearing before the municipal court concerning the same property."

SECTION 15. That Paragraph (4) of Subsection (e), "Liens," of Section 27-16.8 "Noncompliance With Court Orders; Civil Penalties; Liens," of Article IV-a, "Municipal Court Jurisdiction Over Urban Nuisances," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

"(4) The city may use lawful means to collect expenses and civil penalties assessed under this article from an owner <u>or a property</u>. Any civil penalty or other assessment imposed under this article accrues interest at the rate of 10 percent a year from the date of the assessment until paid in full. The city may petition a court of competent jurisdiction in a civil suit for a final judgment in accordance with the assessed civil penalty. To enforce the civil penalty, the city must file with the district clerk of a county in which the city is located a certified copy of the municipal court order assessing the civil penalty, stating the amount and duration of the penalty. The assessment of a civil penalty under this article is final and binding and constitutes primae facie evidence of the penalty. No other proof is required for the district court to enter final judgment on the penalty."

SECTION 16. That Subsection (a) of Section 27-16.13, "Administrative Citation," of

Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of

Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is

amended to read as follows:

"(a) An administrative citation issued under this article must:

(1) notify the person charged with violating the ordinance that the person has the right to a hearing;

(2) provide information as to the time and place to appear before [of] the hearing officer;

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(3) include the nature, date, and location of the violation;

(4) notify the person charged with violating the ordinance of the amount of the administrative penalty for which the person may be liable and provide instructions and the due date for paying the administrative penalty;

(5) notify the person charged that any request to have the inspector who issued the citation present at the administrative hearing must be in writing and must be received by the hearing officer at least five calendar days before the scheduled hearing date and that the failure to timely request the presence of the inspector constitutes a waiver of the person's right to require the inspector to be present at the hearing;

(6) notify the person charged that failure to timely appear at the time and place of the hearing as set forth in the citation or, if the hearing is continued or postponed, at any subsequent hearing, is considered an admission of liability for the violation charged; and

(7) contain a return of service signed by the inspector indicating how the administrative citation was served on the person charged."

SECTION 17. That Section 27-16.14, "Service Of an Administrative Citation," of

Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of

Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is

amended to read as follows:

# "SEC. 27-16.14. SERVICE OF AN ADMINISTRATIVE CITATION.

(a) An attempt must be made to personally serve an administrative citation by handing it to the person charged if the person is present at the time of service or by leaving the citation at the person's usual place of residence with any person residing at such residence who is 16 years of age or older and informing that person of the citation's contents.

(b) If an attempt to personally serve the citation fails, the administrative citation must then be served upon the person charged by posting the citation on either:

(1) the front door <u>or front gate</u> of the premises or property; or

(2) a placard staked to the yard of the premises or property in a location visible from a public street or alley.

(c) If service upon the person charged is by posting the citation on the premises or property, a copy of the citation must also be sent to the last known address of the person charged by regular United States mail. If the person charged is the owner of the premises or property, then the last known address of the person is that address kept by the appraisal district of the county in which is located the premises or property that is the subject of the citation. If the owner is a corporation or legal entity, then the last known address of the person is the address of the person per

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<u>registered agent for the corporation kept by the Secretary of State.</u> If the person charged is the person in control of the premises or property, then the last known address of the person is the address of the premises or property.

[(d) If service upon the person charged is by posting the citation on the premises or property, a photograph of the posting and a copy of the mail notice must be forwarded with a copy of the citation to the municipal court clerk. The photograph and the mail notice will become part of the citation.]"

SECTION 18. That Section 27-16.15, "Answering an Administrative Citation," of

Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of

Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is

amended to read as follows:

## "SEC. 27-16.15. ANSWERING AN ADMINISTRATIVE CITATION.

(a) A person who has been <u>charged with a violation of this chapter through [issued]</u> an administrative citation shall answer to the charge [of the violation] by appearing in person <u>or</u> through counsel before the hearing officer no later than the 31st calendar day after the date the citation was issued [at the hearing on the date and location set forth in the citation]. If the 31st calendar day falls on a day when the court is closed, then the person must appear (in person or through counsel) by the next day that the court is open [The hearing must be held no sooner than 31 calendar days following the issuance of the administrative citation].

(b) An answer to the administrative citation may be made in <u>either</u> [any] of the following ways:

(1) By returning the citation, on or before the <u>31st calendar day from the date</u> <u>the citation was issued</u> [date of the administrative hearing], with the applicable administrative penalties, fees, and court costs, which action constitutes an admission of liability.

(2) By personally appearing, with or without counsel, before the hearing officer on <u>or before the 31st calendar day from the date the citation was issued</u> [the date and location set forth in the citation] and on any subsequent hearing date. The person charged in the administrative citation must be present at the hearing and cannot be represented by anyone other than their legal counsel. If the person charged is a corporation or a business entity, the corporation or business entity must be represented by counsel.

[(3) By filing a written answer, either personally or through counsel, at least seven calendar days prior to the hearing date set forth in the citation, except that the filing of a written answer does not relieve the person charged from the duty to personally appear before the hearing officer on the date and location set forth in the citation and on any subsequent hearing date.]"

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SECTION 19. That Section 27-16.16, "Failure To Appear At an Administrative Hearing," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

## "SEC. 27-16.16. FAILURE TO APPEAR AT AN ADMINISTRATIVE HEARING.

(a) A person [issued an administrative citation] who fails to answer an administrative citation as required by section 27-16.15 of this chapter [appear at a hearing authorized under this article] is considered to have admitted liability for the violation charged. Upon proof of service by the city, the hearing officer shall issue, in writing, an administrative order of liability and assess against the person charged with the violation an appropriate amount of administrative penalties, fees, and court costs.

(b) The hearing officer shall assess an additional \$36 administrative penalty for each violation (other than a violation of Section 49-21.1 of this code) for which a person is found liable, which amount will be placed in the Dallas Tomorrow Fund or the Dallas Animal Welfare Fund, as applicable. In no case may the total amount of administrative penalties assessed against a person for a violation exceed the maximum penalty established by city ordinance for the particular violation, and in no case may the total amount of administrative penalties, including the \$36 administrative penalty, assessed against a person for a violation be less than the minimum penalty established by city ordinance for the particular violation.

(c) Within seven calendar days after <u>the hearing officer files</u> [filing] the administrative order of liability with the municipal court clerk, the <u>municipal court clerk</u> [hearing officer] shall send a copy of the order to the person charged with the violation. The copy of the order must be sent by regular United States mail to the person's last known address as defined in Section 27-16.14(c). The administrative order must include a statement:

(1) of the amount of the administrative penalties, fees, and court costs;

(2) of the right to appeal to municipal court before the 31st calendar day after the date the hearing officer's order is filed with the municipal court clerk;

(3) that, unless the hearing officer's order is suspended through a properly filed appeal, the administrative penalties, fees, and court costs must be paid within 31 calendar days after the date the hearing officer's order is filed;

(4) that, if the administrative penalties, fees, and court costs are not timely paid, the penalties, fees, and costs may be referred to a collection agency and the cost to the city for the collection services will be assessed as costs, at the rate agreed to between the city and the collection agency, and added to the judgment; and

(5) that the city may enforce the hearing officer's administrative order by:

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(A) filing a civil suit for collection of the administrative penalties, fees, and court costs; [and/or]

(B) obtaining an injunction to prohibit specific conduct that violates the order or to require specific conduct necessary for compliance with the order; or

## (C) both (A) and (B)."

SECTION 20. That Subsection (a) of Section 27-16.17, "Hearing Officers; Qualifications, Powers, Duties, and Functions," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

"(a) Hearing officers shall be <u>appointed by the city council</u> [employed by the administrative judge of the municipal court] to administratively adjudicate violations of ordinances described by Section 54.032 of the Texas Local Government Code or adopted under Subchapter E, Chapter 683 of the Texas Transportation Code or under Section 214.001(a)(1) of the Texas Local Government Code. The <u>city council</u> [administrative judge of the municipal court] shall appoint one hearing officer and may appoint a maximum of five associate hearing officers, who shall meet the same qualifications and have the same powers, duties, and functions of the hearing officer."

SECTION 21. That Section 27-16.18, "Hearing For Disposition Of an Administrative Citation; Citation As Rebuttable Proof Of Offense," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

# "SEC. 27-16.18. HEARING FOR DISPOSITION OF AN ADMINISTRATIVE CITATION; CITATION AS REBUTTABLE PROOF OF OFFENSE.

(a) Every hearing for the adjudication of an administrative citation under this article must be held before a hearing officer. A hearing cannot be held without the presence of the person charged or the person's attorney.

(b) At a hearing under this article, the administrative citation is rebuttable proof of the facts that is states. Evidence of compliance with the ordinance after the administrative citation was issued can be taken into consideration by the hearing officer when assessing a reasonable administrative penalty, presented but such evidence is not considered rebuttal evidence nor does it refute or contradict the allegations made in the citation.

(c) The formal rules of evidence do not apply to the hearing, and any relevant evidence will be deemed admitted if the hearing officer finds it competent and reliable  $[\frac{1}{2}]$ 

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**Comment [EY10]:** This section contains staff changes to the administrative adjudication procedure as described in the accompanying memo.

regardless of the existence of any common law or statutory rule to the contrary]. The hearing officer shall make a decision based upon a preponderance of the evidence presented at the hearing, after giving due weight to all rebuttable proof established by this article or other applicable law.

 $(\underline{d}[e])$  Each party shall have the right to call and examine witnesses, to introduce exhibits, to cross-examine opposing witnesses on any matter relevant to the issues, and to rebut evidence; except that, if the person charged fails to make a timely, written request to have the inspector who issued the citation present at the hearing, the person charged will be deemed to have waived the right to call and examine that inspector.

 $(\underline{e}[d])$  The hearing officer may examine any witness and may consider any evidence offered by a witness or person charged with a violation, giving due weight to all testimony and evidence offered.

 $(\underline{f[e]})$  If requested by the hearing officer or any party to the hearing prior to commencement of the hearing, the <u>entire</u> proceedings of the administrative hearing[, <u>limited to</u> pre hearing motions and testimony,] will be recorded electronically. Failure to timely request that the administrative hearing be electronically recorded constitutes a waiver of the right to have a record of the hearing. The person charged may, at his expense, have a court reporter present in the hearing room during the proceedings.

 $(\underline{g}[\underline{f}])$  After hearing all the evidence, the hearing officer shall immediately issue an order in writing, either:

(1) finding the person charged liable for the violation, assessing the applicable administrative penalties, fees, and court costs, and notifying the person of the right of appeal to municipal court; or

(2) finding the person charged not liable for the violation ; or

(3) finding the person charged liable for the violation, assessing the applicable administrative penalties, fees, and court costs, notifying the person of the right of appeal to municipal court, and suspending the enforcement of the administrative order for a specific period of time; provided that:

a person whose administrative order is suspended must pay all fees

and court costs;

(A)

(B) if, at the end of the suspension, the property or premises complies with the administrative order, the hearing officer may reduce the applicable administrative penalties; and

(C) if, at the end of the suspension, the property or premises is still in violation of the administrative order, the administrative penalties originally assessed will become due].

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 $(\underline{h[g]})$  The hearing officer shall assess an additional \$36 administrative penalty for each violation (other than a violation of Section 49-21.1 of this code) for which a person is found liable, which amount will be placed in the Dallas Tomorrow Fund or the Dallas Animal Welfare Fund, as applicable. In no case may the total amount of administrative penalties, including the \$36 administrative penalty, assessed against a person for a violation <u>be more than [exceed]</u> the maximum penalty <u>or less than the minimum penalty</u> established by city ordinance for the particular violation.

(i[h]) A person who has been found liable for a violation may, after the hearing officer has issued an administrative order but prior to the conclusion of the hearing, assert financial inability to bring the property or premises into compliance with the order. At that time, the hearing officer shall [may] suspend enforcement of the administrative order for a specific time not to exceed 30 days and set the matter for an indigency hearing [make a determination of financial inability to pay] pursuant to Section 27-16.19(e) If, in the interests of justice, the attorney for the city believes that a further extension should be granted, the attorney for the city can make a motion to extend the suspension period for a specific time and present the motion to the hearing officer for a ruling.

[(ii)] During a period in which enforcement of an administrative order is suspended under Subsection (f)(3) or (h) of this section, the person found liable for a violation may request an extension of the suspension period. The hearing officer may, only one time for each administrative order, grant an extension of the suspension period. The sole basis for an extension is that the person found liable for the violation is making a good faith attempt to comply with the administrative order and, due to delay beyond that person's control, is unable to timely complete the rehabilitation and/or repair of the property or the premises or otherwise comply with the administrative order. The extension granted will be for a specific time period as determined by the hearing officer, not to exceed 30 days. If, in the interests of justice, the city believes that a further extension should be granted, the city can make a motion to extend the suspension period for a specific time and present the motion to the hearing officer for a ruling.]

 $(\underline{ktj})$  An administrative order of the hearing officer must be filed with the municipal court clerk.

[(k) Any recording of an administrative hearing must be kept and stored for not less than 45 calendar days beginning the day after the last day of the administrative hearing. Any administrative hearing that is appealed must be transcribed from the recording by a court reporter or other person authorized to transcribe court of record proceedings. The court reporter or other person transcribing the recorded administrative hearing is not required to have been present at the administrative hearing.

(l) The person found liable for the violation shall pay for any transcription of the recorded administrative hearing unless the hearing officer finds, pursuant to Section 27 16.19, that the person is unable to pay or give security for the transcription.

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(m) Before the recorded proceedings are transcribed, the person found liable for the violation shall, unless found by the hearing officer to be unable to pay for the transcription, post a cash deposit with the municipal clerk for the estimated cost of the transcription. The cash deposit will be based on the length of the proceedings, as indicated by the amount of tape used to electronically record the proceedings, and the costs of the court reporter, typing, and other incidental services. The municipal court clerk shall post a current schedule of charges for transcription fees, including deposits. If the cash deposit exceeds the actual cost of the transcription, the municipal court clerk shall refund the difference to the person charged. If the cash deposit is insufficient to cover the actual cost of the transcription, the person charged must pay the additional amount before being given the transcription. If a case is reversed on appeal, the municipal court clerk shall refund to the person charged any amounts paid for a transcription.]"

SECTION 22. That Subsection (e) of Section 27-16.19, "Financial Inability To Comply With an Administrative Order, Pay For Transcription Of a Record, Or Post an Appeal Bond," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

"(e) After receiving a claim that a person found liable for a violation under this article is financially unable to comply with an administrative order, to pay for a transcription of the record, and/or to post an appeal bond, the hearing officer <u>shall</u> [may] set the matter for hearing and notify all parties of the hearing date by regular United States mail. The hearing officer <u>shall</u> [may] order the person found liable for a violation to bring to the hearing documentary evidence to support the person's claim of financial inability. The hearing officer's determination of whether the person found liable for a violation is financially unable to comply with the administrative order, to pay for a transcription of the record, and/or to post an appeal bond must be based on all information provided to the hearing officer by the person found liable for a violation does not have the financial ability to bring the property or premises into compliance with the administrative order, to pay for a transcription of the record, and/or to post an appeal bond, then the hearing officer shall enter that finding in writing."

SECTION 23. That Subsection (f) of Section 27-16.19, "Financial Inability To Comply With an Administrative Order, Pay For Transcription Of a Record, Or Post an Appeal Bond," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

**Comment [EY11]:** This section contains staff change to the administrative adjudication procedure as described in the accompanying memo.

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"(f) If the hearing officer finds that a person is financially unable to bring the property or premises into compliance with the administrative order, the <u>hearing</u> officer shall not suspend the finding of liability, but shall suspend the enforcement of the administrative order <u>for a</u> <u>specified period of time</u>, not to exceed 120 days, to allow the person to apply with a Citizen <u>Advocate Program to help bring their properties into compliance with the administrative order</u>. [The suspension must be for a specific period of time.] At the end of the suspension period, if the property or premises is in compliance with the administrative order, the administrative <u>penalty</u> [citation] will be <u>waived [dismissed]</u>. If, at the end of the suspension period, the property or premises is still in violation of the administrative order, the administrative penalties, fees, and court costs originally assessed will become due. <u>If</u>, in the interests of justice, the attorney for the city believes that the suspension should be extended, the attorney for the city can make a motion to extend the suspension period for a specific time and present the motion to the hearing officer for a ruling."

SECTION 24. That Section 27-16.20, "Appeal To Municipal Court," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

## "SEC. 27-16.20. APPEAL TO MUNICIPAL COURT.

(a) <u>Either party to an action ruled upon by the hearing officer [A person determined</u> by the hearing officer to be liable for a violation of an ordinance enforced] under this article may appeal that determination by filing a petition in municipal court <u>within</u> [before the] 31[st] calendar days after the date the hearing officer's administrative order is filed with the municipal court clerk. An appeal does not stay the enforcement of the order of the hearing officer unless, before the appeal petition is filed, a bond is filed with the municipal court for twice the amount of the administrative penalties, fees, and court costs ordered by the hearing officer. <u>The city is</u> <u>not required to file a bond in order to appeal.</u> An appellant to municipal court may request a waiver of the bond amount on the basis of financial inability to pay, in which case the hearing officer may hold a hearing pursuant to Section 27-16.19 to determine whether the appellant is indigent and whether the bond amount may be waived. If the hearing officer's administrative order is reversed on appeal, the appeal bond will be returned to the appellant.

(b) If a person found liable for a violation does not timely appeal the hearing officer's administrative order, the order will become a final judgment. If the administrative penalties, fees, and court costs assessed in the final judgment are not paid within 31 calendar days after the date the hearing officer's order is filed with the municipal court clerk, the administrative penalties, fees, and court costs may be referred to a collection agency and the cost to the city for the collection services will be assessed as costs, at the rate agreed to between the city and the collection agency, and added to the judgment. The city may enforce the hearing officer's administrative order by filing a civil suit for collection of the administrative penalties, fees, and court costs and/or by obtaining an injunction to prohibit specific conduct that violates the administrative order or to require specific conduct necessary for compliance with the administrative order.

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(c) <u>Any recording of an administrative hearing must be kept and stored for not less</u> than 45 calendar days beginning the day after the last day of the administrative hearing. Any administrative hearing that is appealed must be transcribed from the recording by a court reporter or other person authorized to transcribe court of record proceedings. The court reporter or other person transcribing the recorded administrative hearing is not required to have been present at the administrative hearing.

(d) <u>The person found liable for the violation shall pay for any transcription of the</u> recorded administrative hearing unless the hearing officer finds, pursuant to Section 27-16.19, that the person is unable to pay or give security for the transcription.

(e) Before the recorded proceedings are transcribed, the person found liable for the violation shall, unless found by the hearing officer to be unable to pay for the transcription, post a cash deposit with the municipal clerk for the estimated cost of the transcription. The cash deposit will be based on the length of the proceedings, as indicated by the amount of tape used to electronically record the proceedings, and the costs of the court reporter, typing, and other incidental services. The municipal court clerk shall post a current schedule of charges for transcription fees, including deposits. If the cash deposit exceeds the actual cost of the transcription, the municipal court clerk shall refund the difference to the person charged. If the cash deposit is insufficient to cover the actual cost of the transcription, the person charged must pay the additional amount before being given the transcription. If a case is reversed on appeal, the municipal court clerk shall refund to the person charged any amounts paid for a transcription.

(f) Upon receipt of an appeal petition, the municipal court clerk or deputy clerk shall cause a record of the case to be prepared from the transcript and the statement of facts, which must conform to the provisions relating to the preparation of a statement of facts in the Texas Rules of Appellate Procedure. The appellant shall pay for the statement of facts. If the person found liable for a violation failed to timely request that the administrative hearing be electronically recorded, then that person has waived the right to appeal the administrative order. If the person found liable for a violation timely requested that the administrative hearing be electronically recorded and, through no fault of the person, the recording of the hearing is either unavailable or cannot be transcribed, then the municipal judge shall reverse the hearing officer's order and remand the matter to the hearing officer for a new administrative hearing.

 $(\underline{g}[\underline{d}])$  Upon receiving the record of the administrative hearing, the municipal judge shall review the record and may grant relief from the administrative order only if the record reflects that the appellant's substantial rights have been prejudiced because the administrative order is:

- (1) in violation of a constitutional or statutory provision;
- (2) in excess of the hearing officer's statutory authority;
- (3) made through unlawful procedure;
- (4) affected by another error of law;

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(5) not reasonably supported by substantial evidence considering the reliable and probative evidence in the record as a whole; or

(6) arbitrary or capricious or characterized by an abuse of discretion or a clearly unwarranted exercise of discretion.

 $(\underline{h}[e])$  The municipal judge shall rule on the appeal within 21 calendar days after receiving the record of the administrative hearing. The municipal judge shall affirm the administrative order of the hearing officer unless the record reflects that the order violates one of the standards in Subsection (d) of this section. If the record reflects that the hearing officer's order violated one of the standards in Subsection (d), the municipal judge may either:

(1) reverse the hearing officer's order and find the appellant not liable;

(2) reverse the hearing officer's order and remand the matter to the hearing officer for a new hearing; or

(3) affirm the order, but reduce the amount of the administrative penalties assessed to no lower than the minimum penalty established by ordinance for the particular violation, including the additional \$36 administrative penalty.

 $(\underline{i}[f])$  The municipal judge's ruling on the appeal must be issued in writing and filed with the municipal court clerk. A copy of the ruling must be sent to the appellant by regular United States mail at the last known address of the appellant as provided to the municipal court for the appeal.

(j[g]) The municipal judge's ruling is a final judgment. If an appeal bond was posted, any administrative penalties, fees, or court costs assessed by the municipal judge or by the hearing officer, if affirmed by the municipal judge, will be deducted from the appeal bond. If no appeal bond was posted, any administrative penalties, fees, or court costs assessed by the municipal judge or by the hearing officer, if affirmed by the municipal judge, fees, or court costs assessed by the municipal judge or by the hearing officer, if affirmed by the municipal judge, must be paid within 30 calendar days after the municipal judge's ruling is filed with the municipal court clerk. If not timely paid, such penalties, fees, and court costs may be referred to a collection agency and the cost to the city for the collection services will be assessed as costs, at the rate agreed to between the city and the collection agency, and added to the judgment. The city may enforce the municipal judge's ruling by filing a civil suit for collection of the administrative penalties, fees, and court costs and/or by obtaining an injunction to prohibit specific conduct that violates the ruling or to require specific conduct necessary for compliance with the ruling."

SECTION 25. That Section 27-16.22, "Dallas Tomorrow Fund," of Article IV-b,

"Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27,

"Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to

read as follows:

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#### "SEC. 27-16.22. DALLAS TOMORROW FUND.

(a) The Dallas Tomorrow Fund is composed of:

(1) all Dallas Tomorrow Fund penalties collected under Section 27-16.21(b) of this article;

(2) 30 percent of all civil <u>penalties</u> [fines] collected by the city for <u>civil</u> lawsuits filed in the municipal court under Subchapter B, Chapter 54 of the Texas Local Government Code or under Chapter 214 of the Texas Local Government Code; and

(3) any funds donated by an individual or entity, any of which donations may be refused by a majority vote of the city council.

(b) The Dallas Tomorrow Fund <u>shall</u> [must] be used for the sole purpose of rehabilitating and [/or] repairing properties and premises in the city for persons who[:

(1)] are found by the Dallas Tomorrow Fund administrator to be financially unable to comply with a notice of violation issued by the director under this chapter [an administrative order of a hearing officer under Section 27 16.19; and

(2) do not qualify for other home repair or rehabilitation assistance available through the city]."

SECTION 26. That Section 27-16.23, "Administration of the Dallas Tomorrow Fund," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

## "SEC. 27-16.23. ADMINISTRATION OF THE DALLAS TOMORROW FUND.

(a) The city manager shall appoint an administrator of the Dallas Tomorrow Fund. The administrator shall adopt policies and procedures consistent with this article for the administration of the fund.

(b) To be eligible to receive funds from the Dallas Tomorrow Fund, a person must:

(1) have <u>received a notice of violation of this chapter from the director</u> [been found liable for an administrative offense under this article (other than a violation of Chapter 7 or Section 49 21.1 of this code)];

(2) have been found by <u>the administrator of the Dallas Tomorrow Fund</u> [a hearing officer under Section 27 16.19] to be financially unable to comply with <u>the notice of violation</u> [an administrative order issued under this article];

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(3) [not qualify for other home repair or rehabilitation assistance available through the city;

(4)] file a request with the Dallas Tomorrow Fund administrator for the purpose of rehabilitating and/or repairing the person's property or premises until it complies with the <u>notice of violation</u> [administrative order]; and

(4[5]) not have received funds from the Dallas Tomorrow Fund within the preceding 60 months.

(c) A person who makes a request to the Dallas Tomorrow Fund administrator is voluntarily requesting that the administrator use the fund to rehabilitate and/or repair the person's property or premises for the sole purpose of bringing the property or premises into compliance with the <u>notice of violation [administrative order]</u>.

(d) The administrator is responsible for ensuring that the property or premises is inspected and that a detailed, written project plan is prepared that includes the work proposed, the amount of time the work will take, and the cost of the work. The project plan shall include only the work necessary to bring the property or premises into compliance with the notice of violation.

(e) A person who files a request with the Dallas Tomorrow Fund administrator does so voluntarily. <u>Before the work on the property or premises begins, the person who filed the request must confirm in writing that he or she: [That person may]</u>

(1) <u>has inspected</u> the project plan [prior to the beginning of work];

(2) approves the project plan; and

(3) <u>understands that he or she has the right to</u> withdraw the request <u>at any time</u> by providing written notice to the Dallas Tomorrow Fund administrator. [The administrator shall give the person written notice of this right to examine the project plan and withdraw the request. If the person does not withdraw the request, the person is considered to have given approval for the project.]

 $(\underline{f})$  If the person continues with the request, the person must indemnify the city against any liability resulting from the project, any damages that may occur related to the project, and any damages resulting from any early termination of the project.

 $(\underline{g}[\underline{f}])$  The administrator shall comply with state law in procuring a contractor to rehabilitate and/or repair the property or premises in accordance with the project plan [and the administrative order].

 $(\underline{h}[\underline{g}])$  The [person who filed the request with the Dallas Tomorrow Fund and the] contractor selected by the Dallas Tomorrow Fund administrator [that person shall each have] has the right to terminate the project at any time pursuant to their contractual agreement and [or]

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pursuant to policies and procedures adopted by the administrator. Any termination notice must be in writing. The city has no obligation, and is not liable, for any subsequent rehabilitation and/or repair of the property or premises as a result of the termination.

 $(\underline{i}[\underline{h}])$  If the project is terminated prior to completion for any reason, the administrator may disburse money from the Dallas Tomorrow Fund to pay the contractor for <u>work completed</u> by the contractor [completion of work approved by the administrator].

(j[i]) Once the administrator certifies that the project is completed, the administrator shall notify the <u>code officer who wrote the notice of violation and the officer's district manager</u> [hearing officer] in writing. The project must then be inspected by the city for the sole purpose of determining whether the property or premises complies with the <u>notice of violation</u> [administrative order. If the property or premises complies with the administrative order, then the city inspector shall send a notification of compliance to the hearing officer, who shall then dismiss the administrative citation]. If the city inspector determines that the property or premises does not comply with the <u>notice of violation</u> [administrative order], then the city inspector shall send written notice to the administrator that the project is not completed and describe the work that is required before the project will be considered completed. At that point, the administrator shall ensure that the selected contractor will continue the project until once again certifying that the project is completed, at which time the project will again be inspected by the city for the sole purpose of determining whether the property or premises complies with the <u>notice of violation</u> [administrative order].

 $(\underline{k}[j])$  The administrator may only initiate project plans for projects costing \$20,000 [10,000] or less. No project plan may be initiated by the administrator unless the project cost is less than or equal to the amount in the Dallas Tomorrow Fund at any one time. The administrator shall produce a biannual report of available funds and appropriated funds in the Dallas <u>Tomorrow Fund</u>. If the fund is temporarily out of money, the administrator may not initiate a project plan until such time as there are additional funds equal to or exceeding the amount of the project's cost. If during work on the project, additional funds [change orders] are needed in order to ensure that the property or premises complies with the <u>notice of violation</u> [administrative order], the administrator may approve additional funds, not to exceed 25 percent of the maximum project amount allowed by this subsection, for work that was necessary to bring the property or premises into compliance with the <u>notice of violation</u> [administrative order], but that was not anticipated in the original project plan. <u>Substantial changes to the project plan shall be</u> approved in writing by the person who filed the request with the Dallas Tomorrow Fund administrator."

SECTION 27. That Section 27-24, "Definitions," of Article VI, "Master Metered Utilities," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-24. DEFINITIONS.

In this article:

(1) MASTER METERED APARTMENT BUILDING means a building or group of buildings on a single premise containing <u>three or</u> more [than four] dwelling units that are leased to occupants who are provided one or more utility services for which they do not pay the utility company directly.

(2) PROPERTY MANAGER means the person, firm, or corporation that collects or receives rental payments, or has responsibility for paying utility bills for a master metered apartment building.

(3) UTILITY COMPANY means the entity providing gas, electric, or water and wastewater service to a master metered apartment building.

(4) UTILITY INTERRUPTION means the termination of utility service to a master metered apartment building by a utility company for nonpayment of billed service."

SECTION 28. That Section 27-27, "Notice Of Utility Interruption," of Article VI,

"Master Metered Utilities," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the

Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-27. NOTICE OF UTILITY INTERRUPTION.

(a) A utility company shall make a reasonable effort (including, but not limited to messenger delivery) to provide notice of a pending utility interruption to tenants of a master metered apartment building.

(b) A person commits an offense if he knowingly:

(1) interferes with an employee of a utility company posting notices of a utility interruption at dwelling units of a master metered apartment building; or

(2) removes a notice of utility interruption posted at a dwelling unit of a master metered apartment building.

(c) It is a defense to prosecution under Subsection (b)(2) that the person is the resident of the dwelling unit from which notice was removed.

(d) A utility company shall notify the city attorney of any utility interruption to a master metered apartment dwelling unit resulting from a violation of Section 27-28 of this article. Notice must be given, in writing, not more than three days after utility service is interrupted.

(e) <u>A person who is responsible for bills received for electric utility service or gas</u> utility service provided to an apartment, a leased or owner-occupied condominium, or one of more buildings containing at least 10 dwellings that receive electric utility service of gas utility

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service that is master metered but not submetered, shall comply with the notice requirements in Subchapter G of Chapter 92 of the Texas Property Code, as amended."

SECTION 29. That the title of Article VII, "Registration and Inspection of Multi-Tenant

Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code,

as amended, is amended to read as follows:

#### "ARTICLE VII.

#### REGISTRATION AND INSPECTION OF <u>RENTAL</u> [<u>MULTI-TENANT</u>] PROPERTIES AND CONDOMINIUMS."

[NOTE: The following proposed changes to Article VII do not include the current language that is being amended. Except for the changes reflected in the section titles, the language below is the new language only. A reader can determine what is being changed by comparing the language below with the current Article VII found on the city's website.]

SECTION 30. That Section 27-30, "Registration Required; Defenses," of Article VII,

"Registration and Inspection of Rental Properties," of Chapter 27, "Minimum Urban

Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-30. REGISTRATION <u>AND POSTING REQUIREMENTS</u> [REQUIRED]; <u>CRIME WATCH PROGRAM REQUIRED;</u> DEFENSES.

(a) The owner of a rental property located in the city commits an offense if he operates the rental property or otherwise allows a dwelling unit in a rental property to be occupied or leased without first submitting a rental registration application or annual reapplication that fully complies with Section 27-31 of this article.

(b) A condominium association commits an offense if it governs, operates, manages, or oversees a condominium complex or its common elements located in the city without first submitting a rental registration application or annual renewal application that fully complies with Section 27-31 of this article.

(c) A person commits an offense if he, as a landlord or property manager, operates a rental property or otherwise allows a dwelling unit in a rental property to be occupied or leased without first submitting a rental registration application or annual renewal application that fully complies with Section 27-31 of this article.

(d) A person commits an offense if he, as an owner, officer, landlord, or property manager of a multitenant property or condominium association, fails to post the certificate of inspection in a conspicuous place in a common area of the property or as otherwise approved by the director:

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(1)	the certificate of inspection:		
(2)	the community crime report;	_	Comment [EY12]: Crime # 28
(3)	any notices of violation; and		Comment [EY13]: Enforcement # 11
(4)	the rules of the complex or property, if any.		<b>Comment [EY14]:</b> Safety # 36

(e) A person commits an offense if he, as an owner, officer, landlord, or property manager of a multitenant property or condominium association, fails to provide each tenant or condominium owner, and each person who completes a rental application, a copy of:

(1) the certificate of inspection within 30 days of receiving the current score from the director;

(2) the community crime report within 30 days of receiving it from the police department: and

(3) any notices of violation.

(f) A person commits an offense if he, as an owner, officer, landlord, or property manager of a multitenant property or condominium association, fails to disclose to each tenant or condominium owner, and to each person who completes a rental application, an updated list of existing or anticipated maintenance issues with the property.

(g) A person commits an offense if he, as a landlord or property manager of a multitenant property, operates that property or otherwise allows a dwelling unit in that property to be occupied or leased without instituting a crime watch program at the property.

(h) A person commits an offense if he, as a landlord or property manager of a multitenant property, operates that property or otherwise allows a dwelling unit in that property to be occupied or leased without employing a full-time manager to oversee the day-to-day operations of the property.

 $(\underline{fi})$  It is a defense to prosecution under this section that:

(1) at the time of notice of a violation, no dwelling units in the rental property are leased or offered for lease and the owner of the rental property has filed with the director an exemption affidavit on a form promulgated by the director;

(2) at the time of notice of a violation, the owner of the single dwelling unit rental property had rented the property to tenants for a total of not more than 30 days during the preceding 12-months;

(3) at the time of notice of a violation, the only tenants living in the single dwelling unit rental property are individuals related to the owner by consanguinity or affinity;

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**Comment [EY19]:** Crime # 40

Comment [EY18]: Safety # 35 - see also 27-

Comment [EY20]: Safety # 45

Comment [EY15]: Crime # 19; Enforcement #

Comment [EY16]: Crime # 28

32(a)(1)(O)

Comment [EY17]: Enforcement # 12

(4) within the two years preceding the notice of violation or at the time of the notice of violation, the owner of a single dwelling unit rental property had a homestead exemption for the property on file with the county appraisal district in which the rental property is located; or

(5) at the time of the notice of a violation:

(A) the property use was a short-term rental; and

(B) applicable hotel occupancy taxes levied on the property under Article V of Chapter 44 of the city code had been collected and remitted in full.

SECTION 31. That Section 27-31, "Registration Application," of Article VII, "Registration and Inspection of Rental Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-31. REGISTRATION APPLICATION; FEES; RENEWAL.

(a) Rental properties and condominium associations must provide a complete registration to the director annually.

(b) A registration application for a rental property or condominium association that was not previously required to register must be submitted before the owner leases the property or before any condominium units are occupied.

(c) Rental registration expires one year after the registration date.

(d) The annual registration fee for a multitenant rental property is an amount equal to \$6.00 times the total number of dwelling units, whether occupied or unoccupied, in the multitenant rental property.

(e) The annual registration fee for a condominium association is \$XX per [unit? association?].

(f) The annual registration fee for a single dwelling unit rental property is \$XX per rental property.

(g) No refund or prorating of a registration fee will be made.

(h) A registrant shall keep the information contained in its registration application current and accurate. In the event of any change in the application information, the registrant shall promptly notify the director in writing of said changed information.

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(i) A registration may be renewed by making application for a renewal in accordance with this article on a form promulgated by the director. In the application for renewal the registrant shall certify that all information in the then current registration application is still accurate as of the date of the renewal application or correct any information that is not accurate as of the date of the renewal application. The registrant shall also submit a new, current affidavit certifying the matters identified in subsection 27-32(b) of this article."

SECTION 32. That Section 27-32, "Registration Fees," of Article VII, "Registration and

Inspection of Rental Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of

the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-32. REGISTRATION <u>APPLICATION</u> [FEES].

(a) An owner of a rental property and the owner, officer, landlord, or property manager of a condominium association must submit to the director a registration application on a form promulgated for that purpose by the director. The application must contain the following true and correct information:

(1) the name, mailing address, telephone number, and email address for:

(A) the owner of the rental property being registered, or the name of the condominium association being registered;

(B) the person or persons who can be contacted 24 hours a day, seven days a week in the event of an emergency condition on the rental property. An emergency condition includes any fire, natural disaster, collapse hazard, burst pipe, lack of working utilities, serious police incident, or other condition that requires an immediate response to avoid or minimize potential harm to the rental property, neighboring property, the occupants of the property, or the public.

(C) if the owner is not a natural person, then an agent, employee, or officer of the owner or condominium association authorized to receive legal notices and service of legal process on behalf of the owner or condominium association, and, in the case of an entity required to be registered with the State of Texas, the registered agent for service of process for said entity;

(D) the holder of any deed of trust or mortgage lien on the rental property being registered;

(E) all affiliates of the applicant. For purposes of this paragraph, the term "affiliates" means any person other than the applicant that directly or indirectly: (a) through one or more intermediaries, controls or is controlled by, or is under common control with, the applicant, (b) beneficially owns or holds an ownership interest in the applicant, or (c) is owned, or an ownership interest in such person is held, in whole or in part, by the applicant. For purposes of this paragraph, the term "control" means the possession, directly or indirectly, of the

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**Comment [EY21]:** Crime # 43

power to direct or cause direction of the management and policies of a person, whether through the ownership of voting securities, partnership interests, membership interests, venture interest, or other organizational interests, by contract or otherwise.

(F) any insurance carriers providing casualty insurance to the owner covering the rental property or condominium association being registered (and providing the applicable policy number(s));

(FG) any agent, employee, officer, landlord, property manager, and other persons in control of, managing, or operating the rental property or condominium association on behalf of the owner or condominium association; and

(GH) [any persons designated to attend crime watch meetings as required by Section 27 44 of this article;

(H)] if the property being registered is part of a multitenant complex or a condominium complex,

(i) the complex name, all legal addresses comprising the complex, and the main telephone number, if any, of the complex;

(ii) the number of dwelling units, buildings, and swimming pools located on the rental property and the total number of bedrooms located on the property (a dwelling unit with no separate bedroom will be counted as one bedroom); and

(iii) the name, mailing address, telephone number and e-mail address for any condominium association applicable to said complex;

(I) if the owner of the rental property is not a natural person, the form of the entity (e.g., corporation, general partnership, limited partnership, trust, limited liability company, etc.) and the state or foreign jurisdiction of organization and registration, if other than the State of Texas;

(J) the location of business records pertaining to the rental property or condominium association required to be maintained by Section \_\_\_\_\_ of this article;

(K) the official recording information (e.g., volume, page, and county of recording) for the owner's deed and any other instruments evidencing ownership of the rental property or creation and governance of the condominium association being registered;

(L) a list of all businesses, whether for-profit or non-profit, operating out of the rental property and offering goods or services to persons residing at or visiting the property;, and

(M) a list of all properties owned in the city of Dallas by

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Comment [EY22]: Registration # 25

**Comment [EY23]:** Crime # 4(a) –also see Section 27-44(b)

(i) the owner; and

(ii) any	affiliates listed in (a)(1)(E) of this section;.	C
(N) a copy of the owner, if the owner is a natural per	he owner's driver's license or other approved photo ID son; and.	C

(O) a list of existing or anticipated maintenance issues with the property;

(P) such additional information as the applicant desires to include or that the director deems necessary to aid in the determination of whether the registration application will be deemed complete.

(b) In addition to the application containing the information enumerated above, the owner must also provide an affidavit certifying that the following statements are true:

(1) there are no outstanding and unpaid ad valorem taxes or city liens applicable to the rental property being registered;

(2) operation of the rental property as currently configured does not violate the city's zoning ordinance;

(3) if the rental property is a multitenant rental property or part of a condominium complex, that it has a valid and adequate certificate of occupancy;

(4) if the rental property owner is an entity required to be registered or incorporated in its jurisdiction of formation, said entity is duly formed, existing, and in good standing with said jurisdiction; and

(5) if the rental property is a single dwelling unit rental property, the owner or the owner's agent inspected the interior and exterior of the rental property within the 60 days prior to the submission of the application and the results have been recorded on a form provided by the director."

SECTION 33. That Article VII, "Registration and Inspection of Rental Properties," of

Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is

amended to add a new Section 27-32.1 to read as follows:

## "SEC. 27-32.1. REVIEW AND ACCEPTANCE OF REGISTRATION APPLICATION.

(a) Upon receiving a registration application, the director shall review the application for completeness.

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Comment [EY24]: Registration # 26

omment [EY25]: Registration # 39

**Comment [EY26]:** Safety # 35 – see also 27-30(f)

(b) If the director finds that the registrant submitted a complete application and paid the correct annual registration fee, the director shall promptly notify the registrant that his application has been received and found to be complete.

(c) If the director finds that the registrant has failed to submit a complete application or pay the annual registration fee or that any of the information on the application is materially incorrect or misleading, the director shall promptly notify the registrant that the application has been found to be defective or incomplete and the director shall list the defects or missing items."

#### [REPEAL 27-33, 27-34, 27-35, 27-36, and 27-37.]

SECTION 34. That Section 27-38, "Registrant's Records," of Article VII, "Registration and Inspection of Rental Properties," of Chapter 27, "Minimum Urban Rehabilitation

Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-38. REGISTRANT'S RECORDS.

(a) Each registrant shall maintain at a single location within the city identified in its registration application the business records of the rental property or condominium association being registered. If the registrant refuses to make those records available for inspection by the director or a peace officer, the director or peace officer may seek a court order to inspect the records.

(b) Business records that must be maintained by the registrant include:

(1) the current certificate of occupancy issued for the rental property, if required;

(2) deeds or other instruments evidencing ownership of the rental property;

(3) a current rental registration application or renewal application;

(4) the pool logs, pool permits, and manager of pool operation certificates for any swimming pool on the rental property, if required;

(5) leases or rental agreements applicable to the rental property;

(6) the crime prevention addendum form<u>or Texas Apartment Association</u> Lease Contract provided by the city for each lease or rental agreement as required under Section 27-43 of this article;

(7) records of attendance at four crime watch meetings as required by Section 27-44 of this article:

(8) a record of each tenant complaint, describing the complaint and how the complaint was resolved; and

Comment [EY28]: Enforcement # 21

27-43(e)

Comment [EY27]: Crime # 51 - see also Section

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(8) any other records deemed necessary by the director for the administration and enforcement of this article."

SECTION 35. That Section 27-39, "Emergency Response Information," of Article VII,

"Registration and Inspection of Rental Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-39. <u>REQUIRED</u> EMERGENCY RESPONSE [INFORMATION].

The owner of a rental property or condominium association, or an authorized agent thereof, must arrive at the property within one hour after the contact person named in the registration application is notified by the city or emergency response personnel that an emergency condition has occurred on the property."

SECTION 36. That Section 27-40, "Failure To Pay Ad Valorem Taxes," of Article VII, "Registration and Inspection of Rental Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-40. FAILURE TO PAY AD VALOREM TAXES.

A registrant or an applicant for [a certificate of] registration for a [multi tenant] property subject to registration under this article shall not allow the payment of ad valorem taxes owed in connection with the [multi tenant] property to become delinquent."

#### [REPEAL 27-41.]

SECTION 37. That Section 27-42, "Property Inspections; Inspection and Reinspection

Fees," of Article VII, "Registration and Inspection of Rental Properties," of Chapter 27,

"Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to

read as follows:

## "SEC. 27-42. PROPERTY INSPECTIONS; INSPECTION AND REINSPECTION FEES.

(a) The director shall conduct a graded inspection of each multitenant property and each condominium property at least once every three years but not more frequently than once a year, except as required in subsection (d) of this section.

(1) After completing a graded inspection, the director shall timely issue the property owner or condominium association a certificate of inspection that includes the inspection score.

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(2) Multitenant properties and condominiums that were constructed and issued a certificate of occupancy within the preceding five years are not subject to a graded inspection.

(b) The director shall conduct an inspection of each single dwelling unit rental property at least once every five years but not more frequently than once a year, except as required in subsection (d) of this section.

(c) The inspections conducted pursuant to this section are in addition to any inspections conducted under section 27-5 of this chapter.

(d) <u>If a property receives more than [number] of tenant complaints in any 30-day</u> period, graded inspections shall be conducted twice a year for the two years following that 30day period.

(e) The director may use a property condition assessment tool to determine the frequency and the scope of graded inspections. If a property fails its graded inspection, the owner will be assessed fees for all subsequent inspections of the property conducted for the purposes of determining whether the owner has abated the deficiencies noted in the graded inspection.

(ef) Inspection fees will be assessed in accordance with the fee schedule set forth in XXXX.

(fg) The director shall provide a list of the current graded inspection scores for all registered rental properties on the city's website."

SECTION 38. That Chapter 27, "Minimum Urban Rehabilitation Standards," of the

Dallas City Code, as amended, is amended by adding a new Section 27-42.1 to read as follows:

#### "SEC. 27-42.1. REVOCATION OF CERTIFICATE OF OCCUPANCY.

Where a multitenant rental property is being used or maintained in a manner that is a substantial danger of injury or an adverse health impact to any person or property and is in violation of this ordinance, the Dallas Development Code, other city ordinances, rules or regulations, or any county, state or federal laws or regulations, the director may ask the building official to revoke the property's certificate of occupancy."

SECTION 39. That Section 27-43, "Crime Prevention Addendum Required," of Article

VII, "Registration and Inspection of Rental Properties," of Chapter 27, "Minimum Urban

Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-43. CRIME PREVENTION ADDENDUM REQUIRED.

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Comment [EY29]: Enforcement # 27

(a) The owner or operator of a multitenant property shall require that every lease or rental agreement, or renewal of a lease or rental agreement, executed after September 1, 2004 include a crime prevention addendum complying with this section.

(b) The owner of a single dwelling unit rental property shall require that every lease or rental agreement, or renewal of a lease or rental agreement, executed after [the effective date of this ordinance] include a crime prevention addendum complying with this section.

(c) The crime prevention addendum must include the following information:

(1) The name, date of birth, driver's license number (or, if the person does not have a driver's license, the number on any other government-issued personal identification card containing a photograph of the person), and signature of the tenant named in the lease or rental agreement and, if the applicant will not be occupying the rental property, the name, date of birth, driver's license number (or, if the person does not have a driver's license, the number on any other government-issued personal identification card containing a photograph of the person), and signature of the tenant or tenants who will be occupying the property. The signatures required on the crime prevention addendum must be separate and apart from the signatures used to execute other provisions of the lease or rental agreement.

(2) A statement advising the tenant or tenants that the owner of the rental property will initiate eviction proceedings if the tenant, or any guest or co-occupant of the tenant, engages in any abatable criminal activity on the premises of the rental property, as described in subsection (d) of this section.

(d) For purposes of this section, an abatable criminal activity includes robbery or aggravated robbery; aggravated assault; murder; prostitution; criminal gang activity; discharge of firearms; gambling; illegal manufacture, sale, possession, or use of drugs; and illegal manufacture or sale of alcoholic beverages.

(e) It is a defense to prosecution under subsection (a) of this section that the owner or operator of the multitenant property used a Texas Apartment Association Lease Contract for the lease or lease renewal."

SECTION 40. That Section 27-44, "Attendance At Crime Watch Safety Meetings and Mandatory Crime Prevention and Safety Meetings Sponsored By the City," of Article VII, "Registration and Inspection of Multi-Tenant Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-44. ATTENDANCE AT CRIME WATCH SAFETY MEETINGS [AND MANDATORY CRIME PREVENTION AND SAFETY MEETINGS SPONSORED BY THE CITY].

(a) The owner of a multitenant property shall attend at least three-four crime watch meetings each calendar year. The meetings attended must be held by crime watch organizations

**Comment [EY32]:** Crime # 4(b)

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Comment [EY30]: Crime # 16

**Comment [EY31]:** Crime # 51 – see Section 27-38(b)(6)

consisting of business owners, single-family residential property owners, or managers, employees, or tenants of multifamily dwellings, or any combination of those groups, gathered for the purpose of improving the quality of life in and around the properties, promoting crime prevention, reducing criminal opportunity, and encouraging cooperation with the Dallas Police Department. The meetings must be attended in the neighborhood in which the multitenant property is located or, if that neighborhood has no crime watch organization, then in the nearest neighborhood that does. A crime watch attendance certificate, signed by a crime watch chair, verifying that the crime watch meeting was attended by the owner of the multitenant property, or by the person designated to attend meetings for the property under Subsection (c), must be maintained with the property's records and submitted to the director upon request.

(b) If unable to personally attend every crime watch meeting required by this section, the owner of a multitenant property may designate [in the property registration application] another person to attend the meetings. A person may not be designated to attend crime watch meetings for more than five separate multitenant properties."

SECTION 41. That Chapter 27, "Minimum Urban Rehabilitation Standards," of the

Dallas City Code, as amended, is amended by adding a new Section 27-44.1 to read as follows:

#### [NOTE: This section is still subject to revision.]

#### "SEC. 27-44.1. PRESUMPTIONS.

(a) Unless otherwise provided in a section of the article, 30 business days is deemed prompt and sufficient notice by the city.

(b) Any notice to be provided by the city pursuant to this article shall be deemed effective when personally delivered to the intended addressee or mailed by first class U.S. mail, certified mail, return receipt requested, addressed to the intended addressee at the last applicable address provided in the registration of the rental property in question. Mailed notice shall be deemed received and effective three days after the date of mailing whether the notice was actually received or not or whether the notice was returned unclaimed or undeliverable.

(c) Notices delivered to one tenant of a dwelling unit in a rental property shall be deemed effective as to all tenants and occupants of that dwelling unit.

(d) Notice delivered to one owner of a rental property shall be deemed effective as to all owners of a rental property.

(e) Notice to an owner of a rental property shall be deemed effective if made to an agent, employee, officer, landlord, or property manager authorized to act on behalf of said owner or identified in the registration for said rental property. For purposes of this article, an owner may act by and through an agent, employee, officer, landlord, or property manager authorized to act on behalf of said owner or identified in the registration for a rental property for said purposes.

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**Comment [EY33]:** Crime # 4(a) –also see Section 27-32(a)(1)(H)

(f) Notice to a condominium association with respect to common areas or exteriors of a condominium complex shall be effective as to all owners with an interest in that common area or those exteriors. If there is not a condominium association existing and in good standing with authority over common areas or exteriors of a condominium complex, notice to an owner of a common interest in the common areas or exterior shall be effective as to all other owners with a common interest in the common area or exterior.

(g) In lieu of originals, true and correct copies of any instruments or documents required of an owner or registrant shall be sufficient. Notwithstanding the foregoing, affidavits submitted to the city must bear the original signatures of the affiant and the authority taking said oath.

(h) Any affidavits required in connection with this article must be made by a natural individual having actual personal knowledge of the matters certified and duly signed and sworn to under oath before an authority authorized to take oaths."

SECTION 42. That Article VIII, "Mandatory Crime Reduction Program for Designated

Apartment Complexes," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the

Dallas City Code is repealed, and Article VIII shall be indicated as "Reserved" in the Dallas City

Code as follows:

#### **"ARTICLE VIII.**

#### **<u>RESERVED.</u>** [MANDATORY CRIME REDUCTION PROGRAM FOR DESIGNATED APARTMENT COMPLEXES.

#### SEC. 27-45. PURPOSE.

(a) A correlation exists between high crime rates at an apartment complex and an apartment complex's failure to meet minimum property standards. High crime rates contribute to the deterioration, decay, disrepair, and substandard appearance and condition of the structures and premises of an apartment complex. The purpose of this article is to protect the health, safety, morals, and welfare of the occupants of apartment complexes and other citizens of the city of Dallas by obtaining greater compliance with minimum property standards through the establishment of a mandatory crime reduction program for apartment complexes. Reducing the crime rate at an apartment complex is essential to making the apartment complex safe, sanitary, and fit for human use and habitation.

(b) This article does not create a private cause of action (other than one brought by the city) or expand existing tort liability against an owner, operator, property manager, or other person in control of an apartment complex that is designated for participation in a mandatory crime reduction program.

SEC. 27-46. DEFINITIONS.

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**Comment [EY34]:** Crime # 17 – by removing the repeal of Article VIII (MCRP program), the program will stay in place.

In this article:

(1) APARTMENT COMPLEX means a multifamily property that contains 10 or more dwelling units that are leased or offered for lease and are not independently owned.

(2) CHAPTER 125 CRIMES means murder; capital murder; sexual assault; aggravated sexual assault; aggravated assault; robbery; aggravated robbery; unlawfully carrying a weapon; prostitution; gambling; delivery, possession, manufacture, or use of a controlled substance; discharging a firearm in a public place; reckless discharge of a firearm; engaging in organized criminal activity; commercial distribution or manufacture of obscene material; and other crimes listed in Chapter 125 of the Texas Civil Practice and Remedies Code, as amended. The term does not include nonapplicable crimes.

(3) CHIEF OF POLICE means the chief of the police department of the city or the chief's authorized representative.

(4) COMMUNITY PER CAPITA CRIME INDEX or CRIME INDEX means a statistically determined level of criminal activity in an individual apartment complex in the city during a 12 month period that is expressed on a per capita basis and calculated in accordance with Section 27-48 of this article.

(5) CRIME RISK THRESHOLD means a statistically determined level of criminal activity in apartment complexes in the city during a 12-month period, adjusted for the occupancy of the apartment complexes surveyed and expressed on a per capita basis, that is calculated in accordance with Section 27 49 of this article.

(6) DESIGNATED APARTMENT COMPLEX means an apartment complex that is required to participate in a mandatory crime reduction program under Section 27 50 of this article.

(7) MULTI TENANT PROPERTY REGISTRATION means registration as a multi-tenant property under Article VII of this chapter.

(8) NONAPPLICABLE CRIMES means all offenses involving domestic violence, forgery, counterfeiting, fraud, embezzlement, stolen property (buying, receiving, or possessing), crimes against family and children, driving while intoxicated, violations of alcoholic beverage laws, and vagrancy.

(9) PART 1 CRIMES means murder (excluding suicide and murder resulting from domestic violence), rape, robbery, aggravated assault (excluding domestic violence), burglary, theft, and auto theft. The term does not include nonapplicable crimes.

(10) PART 2 CRIMES means assaults other than those listed as Part I crimes, narcotics offenses (restricted to those of delivery, possession, or manufacture), arson, vandalism, weapons offenses, prostitution, gambling, and disorderly conduct. The term does not include nonapplicable crimes.

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(11) REGISTERED APARTMENT COMPLEX means an apartment complex holding a certificate of registration as a multi tenant property under Article VII of this chapter.

#### SEC. 27-47. AUTHORITY OF THE CHIEF OF POLICE.

The chief of police shall implement and enforce this article and may by written order establish such rules, regulations, or procedures, not inconsistent with this article, as the chief of police determines are necessary to discharge any duty under or to effect the policy of this article.

#### SEC. 27-48. COMMUNITY PER CAPITA CRIME INDEX.

(a) The chief of police shall calculate on a monthly basis the community per capita crime index for each registered apartment complex in the city.

(b) The community per capita crime index for an apartment complex is calculated as follows:

(1) Determine the total number of bedrooms in the apartment complex as designated in the most recent multi tenant property registration application filed with the director for the property;

(2) Multiply the number of bedrooms by two (two occupants counted for each bedroom) to produce the ideal occupancy number for the property;

(3) Multiply the ideal occupancy number by the percent of units in the apartment complex that are occupied (as designated in the most recent multi tenant property registration application filed with the director for the property) to produce the actual occupancy number;

(4) Divide the number of Part I crimes occurring on the property within the preceding 12 months by the actual occupancy number and multiply the result by 100 to produce the community per capita crime index for Part I crimes;

(5) Divide the number of Part II crimes occurring on the property within the preceding 12 months by the actual occupancy number and multiply the result by 100 to produce the community per capita crime index for Part II crimes.

(6) Divide the number of Chapter 125 crimes occurring on the property within the preceding 12 months by the actual occupancy number and multiply the result by 100 to produce the community per capita crime index for Chapter 125 crimes.

(c) Example of calculation of community per capita crime index.

Apartment size: 100 units

Apartment occupancy rate: 90% occupied

Apartment crime in 12 month period: 10 Part I crimes;

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	20 Part II crimes;
	15 Chapter 125 crimes
Apartment unit mix:	70 one bedrooms; 30 two bedrooms
Total bedrooms	130 (with two occupants counted for each bedroom)

Ideal occupancy number = 130 x 2 = 260 Actual occupancy number = 260 x 90% = 234

Crime index for Part I crimes =  $(10 \div 234) \times 100 = 4.3$ Crime index for Part II crimes =  $(20 \div 234) \times 100 = 8.5$ Crime index for Chapter 125 crimes =  $(15 \div 234) \times 100 = 6.4$ 

#### SEC. 27-49. CRIME RISK THRESHOLD.

(a) The chief of police shall collectively calculate on a monthly basis the crime risk threshold for all registered apartment complexes in the city.

(b) The crime risk threshold for apartment complexes is calculated as follows:

(1) Determine the total number of registered apartment complexes in the city.

(2) Add together each apartment complex's crime index for Part I crimes and divide the sum by the total number of registered apartment complexes to produce the average crime index for Part I crimes.

(3) Subtract each apartment complex's crime index for Part I crimes from the average crime index for Part I crimes to get the apartment complex's deviation from the average crime index for Part I crimes.

(4) Add the square of each apartment complex's deviation from the average crime index for Part I crimes together and divide the sum by the total number of registered apartment complexes to produce the average squared deviation for Part I crimes.

(5) Take the square root of the average squared deviation for Part I erimes and add it to the average crime index for Part I erimes to produce the erime risk threshold for Part I erimes.

(6) Repeat the process using each apartment complex's crime index for Part II erimes and Chapter 125 crimes to determine the crime risk threshold for Part II crimes and Chapter 125 crimes, respectively.

(c) Example of calculation of crime risk threshold.

Apartment Complex No.	4	2	3	4	5	6	7	8	<del>9</del>	<del>10</del>	SUM
Crime Index for Part I	<del>12</del>	<del>9</del>	3	<del>10</del>	<del>12</del>	<del>22</del>	7	<del>11</del>	<del>15</del>	<del>19</del>	<del>120</del>

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Crimes Deviation from Average	θ	-3	<del>_9</del>	-2	θ	<del>10</del>	-5	4	3	7	θ
Crime Index Deviation Squared	θ	9	<del>81</del>	4	θ	<del>100</del>	<del>25</del>	4	9	4 <del>9</del>	<del>278</del>
Average crime index for Part I crimes = $120 \div 10 = 12$ Average squared deviation = $278 \div 10 = 27.8$ Standard deviation = $\sqrt{27.8} = 5.27$ Crime risk threshold for Part I crimes = $12 + 5.27 = 17.27$											
(Note: To calculate the crim formula using the crime inde	vos fo	r Dort	II orim		d thop	for Ch	ontor	125  or		<del>es, rep</del>	eat the
SEC. 27-50. MAN	DATO	)RY	-CRI		RED	UCTI	ON	PRO	GRAN		<b>VHEN</b>

(a) An apartment complex must participate in a mandatory crime reduction program, whenever the apartment complex has:

(1) a crime index for Part I crimes that is greater than the crime risk threshold for Part I crimes for all registered apartment complexes in the city and a crime index for Part II crimes that is greater than the crime risk threshold for Part II crimes for all registered apartment eomplexes in the city; or

(2) a crime index for Chapter 125 crimes that is greater than the crime risk threshold for Chapter 125 for all registered apartment complexes in the city.

(b) An apartment complex must remain in the mandatory crime reduction program for six months or until the apartment complex's crime index falls below the crime risk threshold for the applicable types of crime, whichever occurs later.

#### SEC. 27-51. NOTICE OF DESIGNATION TO PARTICIPATE IN PROGRAM.

(a) The chief of police shall provide written notice to the owner, operator, or property manager of each apartment complex designated to participate in the mandatory crime reduction program.

(b) The notice must include the following information:

REOUIRED.

(1) The name and address of the apartment complex.

(2) A statement that the apartment complex is required to participate in a mandatory crime reduction program, including a description of the fee and other requirements of the program.

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(3) The community per capita crime index and crime risk threshold used to calculate the apartment complex's qualification for the mandatory crime reduction program.

(4) The actual occupancy number used to calculate the apartment complex's crime index.

(5) The number of Part I, Part II, and Chapter 125 crimes used to calculate the apartment complex's crime index, including the date, time, and location of each offense.

(6) A statement that a mandatory inspection of the apartment complex premises will be conducted by the chief of police at a scheduled date and time.

(7) The process for appealing the chief of police's decision requiring an apartment complex to participate in a mandatory crime reduction program.

(c) Designation of an apartment complex for participation in the mandatory crime reduction program and application of the requirements of this article are binding upon all subsequent owners or other transferees of an ownership interest in the apartment complex.

#### SEC. 27-52. DELIVERY OF NOTICES.

Any written notice that the chief of police is required to give to an apartment complex under this article is deemed to be delivered:

(1) on the date the notice is hand delivered to the owner, operator, or property manager of the apartment complex; or

(2) three days after the date the notice is placed in the United States mail with proper postage and properly addressed to the owner, operator, or property manager of the apartment complex at the address provided for in the most recent multi tenant property registration application.

#### SEC. 27-53. APPEAL FROM DESIGNATION.

(a) If the chief of police designates an apartment complex for participation in the mandatory crime reduction program pursuant to this article, this action is final unless the owner, operator, or property manager of the apartment complex files a written appeal to the permit and license appeal board with the city secretary not later than 10 days after receiving notice of being a designated apartment complex.

(b) If the appeal of the chief of police's decision is based on changes in an apartment complex's occupancy rate, then the owner, operator, or property manager of the apartment complex shall, at the time of filing the appeal, also file with the city secretary and the chief of police a copy of a current and valid lease for every occupied dwelling unit in the apartment complex.

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(c) If a written request for an appeal hearing is filed under Subsection (a) with the city secretary within the 10 day limit, the permit and license appeal board shall hear the appeal. The city secretary shall set a date for the hearing within 60 days after the date the appeal is filed.

(d) A hearing by the board may proceed if a quorum of the board is present. The board shall hear and consider evidence offered by any interested person. The formal rules of evidence do not apply. Any dispute of fact must be decided on the basis of a preponderance of the evidence presented at the hearing.

(e) In deciding the appeal, the permit and license appeal board is limited to the issue of whether the apartment complex's crime index is greater than the crime risk threshold calculated for all registered apartment complexes in the city for the particular types of crime that qualified the apartment complex for designation under Section 27 50(a). The board shall affirm the decision of the chief of police if the board finds that the apartment complex's crime index exceeds the applicable crime risk threshold and shall reverse the chief of police's decision if the board finds that the crime index does not exceed the applicable crime risk threshold.

(f) The board's decision must be by a majority vote. Failure to reach a majority vote will leave the decision of the chief of police unchanged. The decision of the permit and license appeal board is final, and no rehearing may be granted.

#### SEC. 27-54. PROPERTY INSPECTIONS.

(a) After an apartment complex has been designated to participate in the mandatory crime reduction program, the chief of police shall inspect the apartment complex to:

(1) determine whether the apartment complex is in compliance with applicable city ordinances and state laws relating to public safety and security, including but not limited to requirements for locks, door viewers, signage, building numbering, and crime prevention addenda;

(2) evaluate what changes and improvements to the premises and operations of the apartment complex will assist in reducing the occurrence of crimes at the apartment complex; and

(3) determine whether the apartment complex is in compliance with this article.

(b) The chief of police is authorized at a reasonable time to inspect:

(1) the exterior of the apartment complex; and

(2) the interior of the apartment complex, if the permission of the owner, operator, property manager, or other person in control is given or a search warrant is obtained.

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(c) The chief of police shall inspect a designated apartment complex at least twice during each period that the apartment complex is required to participate in the mandatory crime reduction program. The first inspection must be conducted for the purposes of Subsections (a)(1) and (a)(2), and the second inspection must be conducted for the purposes of Subsection (a)(3). Other inspections may be conducted as the chief of police deems necessary to the administration and enforcement of this article.

(d) The owner, operator, property manager, or person in control of an apartment complex commits an offense if, either personally or through an agent or employee, he refuses to permit a lawful inspection of the apartment complex as required by this section.

(c) Whenever an apartment complex is inspected by the chief of police and a violation of this article or any other city ordinance or state law applicable to the apartment complex is found, the apartment complex will, after the expiration of any time limit for compliance given in a notice or order issued because of the violation, be reinspected by the chief of police to determine that the violation has been eliminated.

#### SEC. 27-55. CONFERENCE WITH POLICE.

(a) At least once during each period that an apartment complex is required to participate in the mandatory crime reduction program, the chief of police shall require a conference with the owner, operator, or property manager of a designated apartment complex to review:

(1) the requirements of the mandatory crime reduction program;

(2) the results of the chief of police's inspection of the apartment complex;

(3) any voluntary recommendations for reducing crimes on and near the apartment complex; and

(4) any other information the chief of police wishes to discuss at the conference.

(b) An owner, operator, or property manager of a designated apartment complex commits an offense if he fails to attend a scheduled conference after receiving notice of the conference from the chief of police.

(c) At least one individual with legal authority to act on behalf of the apartment complex must attend each conference required by this section.

#### SEC. 27-56. PROGRAM FEE.

(a) A program fee of \$250 will be charged to each designated apartment complex to defray the costs incurred by the chief of police in conducting inspections of the apartment complex, attending conferences with the owner, operator, or property manager of the apartment

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eomplex, and administering and enforcing the mandatory crime reduction program. A separate program fee is required each time an apartment complex is designated to participate in the mandatory crime reduction program.

(b) The owner, operator, or property manager of a designated apartment complex shall pay the program fee to the chief of police within 30 days after receiving notice of being a designated apartment complex.

(c) No refund of a program fee will be made.

#### SEC. 27-57. MANDATORY REQUIREMENTS.

(a) Within 30 days after receiving notice of being a designated apartment complex, the apartment complex must meet all of the requirements of this section, except Subsection (h) (fencing requirements) must be met within 60 days after receiving notice of being a designated apartment complex. The chief of police may extend the deadlines of this subsection, in increments not exceeding 30 days each, upon a showing that the work cannot be performed within the required time period because of its scope and complexity.

(b) Trespass affidavits.

(1) An owner, operator, or property manager of the apartment complex shall execute a trespass affidavit, on a form provided by the chief of police for that purpose, that authorizes the police department to enforce, on behalf of the apartment complex, all applicable trespass laws on the premises of the apartment complex.

(2) A true and correct copy of the trespass affidavit must be posted at the apartment complex in a manner and location so that it is clearly visible to the public at all times.

(c) Background checks.

(1) A current official criminal history report (issued by the Texas Department of Public Safety within the preceding 12 months) must be obtained on all current and prospective employees of the apartment complex.

(2) A current official criminal history report (issued by the Texas Department of Public Safety within the preceding 12 months) must be obtained on all prospective tenants 18 years of age or older who apply for occupancy in the apartment complex on or after February 1, 2009.

(3) A current credit report must be obtained on all prospective tenants 18 years of age or older who apply for occupancy in the apartment complex on or after February 1, 2009.

(4) All records maintained on an employee or tenant in compliance with this subsection must be retained at the apartment complex for at least 90 days following the date of

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any termination of the employee's employment or the tenant's occupancy at the apartment complex.

(5) The owner, operator, or property manager of the apartment complex shall make all records maintained under this subsection available for inspection by a police officer at reasonable times upon request.

(d) Lighting.

(1) Security lighting must be provided, maintained, and operated so that it adequately illuminates all parking areas, walkways, stairs, steps, doorways, and garbage storage areas of the apartment complex to such a degree that the facial features of a person at least five feet tall are distinguishable from a distance of 35 feet.

(2) Security lighting must be in compliance with all applicable city ordinances and state law. If there is any conflict between Subsection (d)(1) of this section and another city ordinance or state law, the other law will prevail.

(e) Landscaping.

(1) No bush or shrub on the premises of the apartment complex may be taller than three and one half feet.

(2) No tree on the premises of the apartment complex may have a canopy lower than six feet above the ground.

(3) All trees, shrubs, bushes, and other landscaping must be maintained in compliance with all applicable city ordinances and state law. If there is any conflict between Subsection (e)(1) or (e)(2) of this section and another city ordinance or state law, the other law will prevail.

(f) Locked common areas. All enclosed common areas of the apartment complex (including but not limited to laundry rooms, club rooms, and fitness rooms) must be kept locked and may only be accessed with a key, key card, key pad, or similar device.

(g) Key control plan. A description of the plan and procedures for storing and accessing keys, key cards, and key codes to dwelling units, enclosed common areas, and other facilities of the apartment complex must be filed with the chief of police.

(h) Fencing.

(1) The perimeter of the premises of a designated apartment complex must be enclosed with a fence that is at least six feet high, except that if a lower height is required by another city ordinance, the fence must be the maximum height allowed under the other city ordinance.

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(2) Notwithstanding Subsection (h)(1) of this section, vehicular driveways and pedestrian walkways are not required to be fenced or gated, except that the combined width of openings in the fence for vehicular driveways and pedestrian walkways may not exceed 10 percent of the perimeter of the area of the property required to be fenced.

(3) All fencing must be maintained in compliance with applicable city ordinances and state law. If there is any conflict between Subsection (h)(1) or (h)(2) of this section and another city ordinance or state law, the other law will prevail.

(i) Pay phones. All pay phones on the premises of the apartment complex must be blocked to incoming calls or removed from the premises.

(j) Crime watch meetings.

(1) At least one crime watch meeting must be held each month on the premises of the apartment complex.

(2) The chief of police must be given at least 10 days advance notice of the meeting.

(k) Residential security survey.

(1) An owner, operator, or property manager of the apartment complex shall distribute a residential security survey, on a form provided by the chief of police, to each tenant of the apartment complex who is 18 years of age or older.

(2) The owner, operator, or property manager of the apartment complex shall file all returned surveys with the chief of police within 30 days after distribution.

SEC. 27-58. MODIFICATION OF FENCING REQUIREMENTS.

(a) The owner, operator, or property manager of a designated apartment complex may request a modification of the fencing requirements set forth in Section 27-57(h) by filing a written request with the city secretary not later than 10 days after receiving notice of:

(1) being designated for participation in a mandatory crime reduction program under Section 27-57; or

(2) having a previously-granted fencing modification revoked by the chief of police under Subsection (f) of this section.

(b) If a written request is filed under Subsection (a) with the city secretary within the 10 day limit, the permit and license appeal board shall consider the request. The city secretary shall set a date for the hearing within 45 days after the date the written request is filed.

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(c) A hearing by the board may proceed if a quorum of the board is present. The board shall hear and consider evidence offered by any interested person. The formal rules of evidence do not apply. Any dispute of fact must be decided on the basis of a preponderance of the evidence presented at the hearing.

(d) The permit and license appeal board shall grant the request for a fencing modification if it finds that:

(1) an existing fence or other barrier, or a proposed fence or other barrier, on the premises of the apartment complex will serve to deter and reduce crime at the apartment complex to the same extent as the fence required under Section 27 57(h); and

(2) the existing fence or barrier, or the proposed fence or barrier, complies with all other applicable city ordinances and state law.

(e) The board shall grant or deny the request for a fencing modification by a majority vote. Failure to reach a majority vote will result in denial of the request. The decision of the permit and license appeal board is final, and no rehearing may be granted.

(f) If the board grants the request for a fencing modification, the modification remains valid and does not have to be renewed each time an apartment complex is designated for participation in the mandatory crime reduction program, unless the chief of police revokes the fencing modification upon a determination that the modified fence or other barrier:

(1) fails to deter and reduce crime at the apartment complex to the same extent as the fence required under Section 27-57(h); or

(2) fails to comply with a city ordinance or state law applicable to fences.

(g) Upon revoking a fencing modification, the chief of police shall notify the owner, operator, or property manager of a designated apartment complex in writing of the revocation. The notice must include the reason for the revocation, the date the chief of police orders the revocation, and a statement informing the owner, operator, or property manager of the right to appeal the decision by filing a new request for a fencing modification in accordance with Subsection (a). The chief of police may not revoke a fencing modification under Subsection (f) sooner than six months after the modification is granted by the permit and license appeal board.

(h) The grant of a request for modification of the fencing requirements of Section 27-57(h) does not exempt a designated apartment complex from any other provision of this chapter or other applicable city ordinances or state law.]"

SECTION 43. That Article IX, "Registration and Inspection of Non-Owner Occupied

Rental Property," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City

Code is repealed, and Article IX shall be indicated as "Reserved" in the Dallas City Code as

**Comment [EY35]:** Crime # 18 – By removing the repeal of Article IX (NOORP), NOORP will stay in place.

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#### "ARTICLE IX.

#### RESERVED. [REGISTRATION AND INSPECTION OF NON-OWNER OCCUPIED RENTAL PROPERTY.

#### SEC. 27-59. AUTHORITY OF DIRECTOR.

The director shall implement and enforce this article and may by written order establish such rules, regulations, or procedures, not inconsistent with this article, as the director determines are necessary to discharge any duty under or to effect the policy of this article.

#### SEC. 27-60. REGISTRATION REQUIRED; DEFENSES.

(a) A person commits an offense if he owns a non-owner occupied rental property in the city without a valid certificate of registration issued under this article.

(b) If a person owns more than one non-owner occupied rental property in the city, a separate registration is required for each property. If both dwelling units of a duplex qualify as non-owner occupied rental properties, then each dwelling unit must be registered separately, even if under a common ownership.

(c) If three or more townhouses or condominiums in the same complex are under a common ownership and are leased or offered for lease, they must be registered as a multi-tenant property under Article IV of this chapter instead of as non owner occupied rental properties under this article.

(d) It is a defense to prosecution under Subsection (a) that the non owner occupied rental property had been leased or rented for less than the 60 day period preceding the date of the violation.

#### SEC. 27-61. REGISTRATION APPLICATION.

To obtain a certificate of registration for a non owner occupied rental property, a person must submit an application on a form provided for that purpose to the director. The applicant must be the owner of the non owner occupied rental property. If the owner is not an individual, an authorized officer or agent of the owner must file the form. The application must contain the following information:

(1) The name, street address, mailing address, and telephone number of the applicant (owner of the property).

(2) The name, street address, mailing address, telephone number, and position of the authorized officer or agent filing the form on behalf of the applicant, if the applicant for the non-owner occupied rental property is not an individual.

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(3) The form of business of the applicant; the name, street address, mailing address, and telephone number of a high managerial agent of the business; and, if the business is a corporation or association, a copy of the documents establishing the business.

(4) The street address of the non-owner occupied rental property.

(5) The name, street address, mailing address, and telephone number of a person or persons to contact in an emergency as required by Section 27 69 of this article.

(6) Documentary evidence of payment of ad valorem taxes owed in connection with the non-owner occupied rental property.

(7) The names, street addresses, mailing addresses, and telephone numbers of any owners of the non-owner occupied rental property other than the applicant.

(8) A statement that, by filing the registration, the applicant swears or affirms under penalty of perjury that, to the best of the applicant's knowledge, all information contained in the registration is true and correct and that the registration is complete and includes all information required to be disclosed under this article.

(9) Such additional information as the applicant desires to include or that the director deems necessary to aid in the determination of whether the requested certificate of registration should be granted.

#### SEC. 27-62. REGISTRATION FEES.

(a) The annual fee for a certificate of registration for a non–owner occupied rental property is \$25.

(b) No refund of a registration fee will be made.

(c) The registration fee established in Subsection (a) will not be charged upon renewal of a certificate of registration for a non owner occupied rental property if no violations of Section 27-11(b), (c), or (d) of this chapter were found on the property by the director within the preceding registration year.

SEC. 27-63. ISSUANCE, DENIAL, AND DISPLAY OF CERTIFICATE OF REGISTRATION.

(a) Upon payment of all required fees, the director shall issue a certificate of registration for a non owner occupied rental property to the applicant if the director determines that:

(1) the applicant has complied with all requirements for issuance of the certificate of registration;

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(2) the applicant has not made a false statement as to a material matter in an application for a certificate of registration; and

(3) the applicant has no outstanding fees assessed under this article.

(b) If the director determines that the requirements of Subsection (a) have not been met, the director shall deny a certificate of registration to the applicant.

(c) If the director determines that an applicant should be denied a certificate of registration, the director shall notify the applicant in writing that the application is denied and include in the notice the reason for denial and a statement informing the applicant of the right of appeal.

(d) A certificate of registration issued under this section must be displayed on the premises of the non owner occupied rental property in a manner and location approved by the director. The certificate of registration must be presented upon request to the director or to a peace officer for examination.

#### SEC. 27-64. REVOCATION OF CERTIFICATE OF REGISTRATION.

(a) The director shall revoke any certificate of registration for a non-owner occupied rental property if the director determines that:

(1) the registrant failed to comply with any provision of this chapter, any other city ordinance, or any state or federal law applicable to the operation of a non owner occupied rental property;

(2) the registrant intentionally made a false statement as to a material matter in the application or in a hearing concerning the certificate of registration; or

(3)

the registrant failed to pay a fee required by this article at the time it was

due.

(b) Before revoking a certificate of registration under Subsection (a), the director shall notify the registrant in writing that the certificate of registration is being considered for revocation. The notice must include the reason for the proposed revocation, action the registrant must take to prevent the revocation, and a statement that the registrant has 10 days to comply with the notice.

(c) If, after 10 days from receipt of the notice required in Subsection (b), the registrant has not complied with the notice, the director shall revoke the certificate of registration and notify the registrant in writing of the revocation. The notice must include the reason for the revocation, the date the director orders the revocation, and a statement informing the registrant of the right of appeal.

SEC. 27-65. APPEALS.

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If the director denies issuance or renewal of a certificate of registration or revokes a certificate of registration issued pursuant to this article, this action is final unless the applicant or registrant files an appeal with a permit and license appeal board in accordance with Section 2–96 of this code.

## SEC. 27-66. EXPIRATION AND RENEWAL OF CERTIFICATE OF REGISTRATION.

(a) A certificate of registration for a non-owner occupied rental property expires one year after the date of issuance.

(b) A certificate of registration may be renewed by making application in accordance with Section 27-61. A registrant shall apply for renewal at least 30 days before the expiration of the certificate of registration.

#### SEC. 27-67. NONTRANSFERABILITY.

A certificate of registration for a non-owner occupied rental property is not transferable.

#### SEC. 27-68. REGISTRANT'S RECORDS.

(a) Each registrant shall maintain at a single location business records of the nonowner occupied rental property. A registrant shall make those records available for inspection by the director or a peace officer at reasonable times upon request.

(b) Records that must be maintained by the registrant include, but are not limited to:

(1) records of ownership for the property; and

(2) any other records deemed necessary by the director for the administration and enforcement of this article.

#### SEC. 27-69. EMERGENCY RESPONSE INFORMATION.

(a) The registrant of a non-owner occupied rental property shall provide the director with the name, street address, mailing address, and telephone number of a person or persons who can be contacted 24 hours a day, seven days a week in the event of an emergency condition on the property. An emergency condition includes any fire, natural disaster, collapse hazard, burst pipe, lack of working utilities, serious police incident, or other condition that requires an immediate response to prevent harm to the property, the occupants of the property, or the public.

(b) The registrant of the non owner occupied rental property shall notify the director within 10 days of any change in the emergency response information.

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(c) The registrant of a non-owner occupied rental property, or an authorized agent, must arrive at the property within one hour after a contact person named under this section is notified by the city or emergency response personnel that an emergency condition has occurred on the property.

#### SEC. 27-70. FAILURE TO PAY AD VALOREM TAXES.

A registrant or an applicant for a certificate of registration for a non owner occupied rental property shall not allow the payment of ad valorem taxes owed in connection with the non-owner occupied rental property to become delinquent.

#### SEC. 27-71. NOTIFICATION OF CHANGE OF INFORMATION.

A registrant shall notify the director within 10 days of any material change in the information contained in the application for a certificate of registration for a non-owner occupied rental property, including any changes in ownership of the property.

#### SEC. 27-72. PROPERTY INSPECTIONS; REINSPECTION FEES.

(a) The director may inspect any non owner occupied rental property in the city for code violations in accordance with Section 27.5 of this chapter.

(b) Whenever a non-owner occupied rental property is inspected by the director and a violation of this code is found, the building or premises will, after the expiration of any time limit for compliance given in a notice or order issued because of the violation, be reinspected by the director to determine that the violation has been eliminated.

(c) The owner, occupant, or other person responsible for the violation shall pay to the director \$50 for each reinspection after the first reinspection that must be conducted before the violation is determined to be eliminated.]"

SECTION 44. That, unless specifically provided otherwise by this ordinance or by state law, a person violating a provision of this ordinance governing the dumping of refuse, is, upon conviction, punishable by a fine not to exceed \$4,000; a person violating a provision of this ordinance governing fire safety, zoning, or public health and sanitation, other than the dumping of refuse, is, upon conviction, punishable by a fine not to exceed \$2,000; and a person violating any other provision of this ordinance is, upon conviction, punishable by a fine not to exceed \$500.

SECTION 45. That Chapter 27 of the Dallas City Code shall remain in full force and effect, save and except as amended by this ordinance.

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SECTION 46. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

SECTION 47. That this ordinance shall take effect on October 1, 2016, and it is accordingly so ordained.

APPROVED AS TO FORM:

WARREN M.S. ERNST, City Attorney

By\_

Assistant City Attorney

Passed\_

Amending minimum urban rehabilitation standards - Page 72 of 72 (Rev. 4/11/16) - WORKING DRAFT

## Memorandum



DATE April 15, 2016

 $_{\scriptscriptstyle \rm TO}$  Honorable Members of the Housing Committee: Scott Griggs (Chair),

Carolyn King Arnold (Vice Chair), Monica R. Alonzo, Mark Clayton, Casey Thomas, II, and Tiffinni A. Young SUBJECT Comparison of Chapter 27 Minimum Property Standards to U.S. Department of Housing and Urban Development (HUD)

At the request of Vice Chair Carolyn King Arnold, staff compared the inspection standards for the U.S. Department of Housing and Urban Development (HUD) with those of the current and proposed Chapter 27. In the proposed Chapter 27, there is only one item not inspected by the City of Dallas: the Federal standards on lead-based paint. There are five standards inspected by the City that are not in the HUD standards, as shown in the table below.

Standards	HUD	Current Ch. 27	Proposed Ch. 27		
Lead Based Paint	Yes	No	No		
Electrical Hazards	Yes	Yes	Yes		
Security	Yes	Yes	Yes		
Window Conditions	Yes	Yes	Yes		
Ceiling Condition	Yes	Yes	Yes		
Floor Condition	Yes	Yes	Yes		
Stove/Oven	Yes	No	Yes*		
Refrigerator	Yes	No	Yes*		
Sink	Yes	Yes	Yes		
Food Preparation Area	Yes	No	Yes		
Flush Toilet	Yes	Yes	Yes		
Bathroom Sink	Yes	Yes	Yes		
Tub/Shower	Yes	Yes	Yes		
Bathroom Ventilation	Yes	No	Yes		
Foundation	Yes	No	Yes		
Stairs/Rails/Porches	Yes	Yes	Yes		
Roof/Gutters	Yes	No	Yes		
Exterior Surfaces	Yes	Yes	Yes		
Chimney	Yes	No	Yes		
Heating Equipment	Yes	Yes	Yes		
Air Conditioning	Yes	Yes	Yes*		
Water Heater	Yes	Yes	Yes		
Plumbing	Yes	Yes	Yes		
Sewer	Yes	Yes	Yes		
Pest Infestation	Yes	Yes	Yes		
Garbage/Litter	Yes	Yes	Yes		
Interior Air Quality	Yes	No	Yes		
Site Conditions	Yes	Yes	Yes		
Fences	No	Yes	Yes		

#### DATE April 15, 2016

SUBJECT Comparison of Chapter 27 Minimum Property Standards to U.S. Department of Housing and Urban Development (HUD)

Screens	No	Yes	Yes
Graffiti	No	Yes	Yes
Swimming Pool/Spas	No	No	Yes
Mold	No	No	Yes

\* Items supplied by landlord must be maintained by landlord

Please contact me if you have any questions or need additional information.

ain Zapata

Assistant City Manager

c: 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 Jeanne Chipperfield, Chief Financial Officer Sana Syed, Public Information Officer Elsa Cantu, Assistant to the City Manager – Mayor & Council

### Memorandum



DATE April 15, 2016

Honorable Members of the Housing Committee: Scott Griggs (Chair)

<sup>™</sup> Carolyn King Arnold (Vice Chair), Monica R. Alonzo, Mark Clayton, Casey Thomas, II, and Tiffinni A. Young

#### **SUBJECT Tenant Occupied Substandard Structures**

On Monday, April 18, 2016, the Housing Committee will be briefed on Tenant Occupied Substandard Structures. A copy of the briefing is attached for your review.

Please contact me if you have any questions or need additional information.

Joey Zapata Assistant City Manager

#### Attachment

c: 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 Jeanne Chipperfield, Chief Financial Officer Sana Syed, Public Information Officer Elsa Cantu, Assistant to the City Manager – Mayor & Council

# Tenant Occupied Substandard Structures

Briefing to the Housing Committee

April 18, 2016

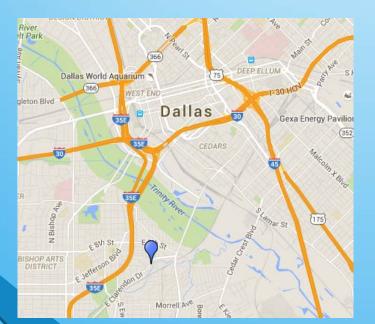


## Purpose of Briefing

Advise the Housing Committee of a time-sensitive issue

### lssues

 Six structures in very poor condition used as rental homes in the 1300 block of E. Clarendon Drive







- Occupied
- Found in violation
- No repairs made



Thursday 29 October 2015

- Occupied
- Found in violation
- No repairs made





- Unoccupied
- Found in violation
- No repairs made





- Occupied
- Found in violation
- No repairs made





- Occupied
- Found in violation
- No repairs made





Occupied
Found in violation
No repairs made



### **Remediation of Urban Nuisance**

- Urban Nuisance Defined: Tex. Loc. Gov't Code § 214.001; Dallas City Code § 27-3(34)
  - Property is dilapidated, substandard, or unfit for human habitation and a hazard to the public health, safety, and welfare
- Dallas City Code §27-16.3 allows municipal court to order:
  - Repair
  - Payment of civil penalties (up to \$1000 per day)
  - Vacation
  - Demolition

## **Typical Code Compliance Steps**

- Service requests from residents or proactively created by Code Inspectors
- Property inspected
- Enforcement actions taken
  - Notices of Violation (NOV) issued
  - Citations issued if still in violation upon re-inspection
  - City action (mow/clean) followed by liens on the property
- Property owners that do not respond to typical enforcement efforts are referred to City Attorney's Office
  - Notice letter
  - Pre-suit inspection and attempted negotiation of Repair Agreement
  - Municipal or district court action

### Efforts to Abate Violations 1320 – 1330 E. Clarendon Dr.

- Six dilapidated shotgun houses, all initially tenant-occupied
- Two owners
- The properties were referred to Community Prosecution in July 2015
  - Initial inspections carried out with owners' consent and presence on July 27, 2015
  - Significant code violations related to health, safety, and sanitation documented
- Chapter 54 Notice Letter was delivered to owners by certified mail and hand delivery
- Several in-person and on-site meetings with owners beginning in July 2015

### **Court Filings and Court-Ordered Inspections**

- Neither owner provided any plans to abate health and safety violations
- Urban nuisance actions filed in municipal court for each property in Aug/Sept 2015
- Hearings set for each property with 30 days notice
  - Owners, tenants, interested parties were permitted to be heard
- Court entered orders for each property finding that the violations existed, and requiring repair within 30 days
  - Court orders monthly inspections and compliance hearings
- No significant repairs completed
  - City filed notices of noncompliance in November for each property
  - Court authorized additional inspections
  - Owners no longer responsive

### **Ongoing Enforcement Actions**

### City has repeatedly reached out to occupants

- Letters posted and hand delivered in December 2015
- Visits from relocation specialist in early December 2015
- Follow-up from Crisis Intervention and Community Court Social Services in December 2015 and January 2016

### **Additional Remedies**

- Seek order to vacate properties
  - Hearing set for April 27, 2016
  - Have not in the past sought order to vacate occupied properties for code violations
- Consider legal options to bring property into compliance
- City Attorney's Office prepared to brief legal issue in executive session

# Next Step

 Proceed on current path and seek court ordered vacation of properties at April 27, 2016 hearing

#### Memorandum



DATE April 15, 2016

- Housing Committee Members: Scott Griggs, Chair, Carolyn King Arnold, Vice-Chair, Mayor Pro-Tem Monica R. Alonzo, Tiffinni A. Young, Mark Clayton, and Casey Thomas, II
- SUBJECT Annual Community Assessment for the 2014 Program Year

On Monday, April 18, 2016, the HUD Annual Community Assessment for the City of Dallas 2014 Program Year will be available. A copy of the report for your review is attached.

Please let me know if you have any questions.

Alis &-

Alan E. Sims Chief of Neighborhood Plus

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
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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT Fort Worth Regional Office, Region VI Office of Community Planning and Development 801 Cherry Street, Unit #45, Ste. 2500 Fort Worth, TX 76102 www.hud.gov

#### MAR 2 9 2016

A.C. Gonzalez, City Manager City of Dallas Dallas City Hall, 4EN 1500 Marilla Dallas, Texas 75201

Dear Mr. Gonzalez:

#### SUBJECT: Annual Community Assessment for the 2014 Program Year

HUD is required to conduct an annual review of performance by grant recipients according to the provisions of the Housing and Community Development Act and the National Affordable Housing Act. We must determine that each recipient is in compliance with the statutes and has the continuing capacity to implement and administer the programs for which assistance is received. This is to report the results of our review of the City of Dallas' performance.

#### Report

Our review is based on an evaluation of your consolidated planning process and progress in carrying out the programs, the management of funds by the City of Dallas and your subrecipients, information provided in the Consolidated Annual Performance and Evaluation Report (CAPER) and the Integrated Disbursement and Information System (IDIS), the results of on-site monitoring, and your achievement of program objectives.

Based on the information contained in the CAPER, it appears the city is making progress in meeting the statutory goals of the Consolidated Plan programs.

- **Providing Decent Housing.** To promote decent, affordable housing, the city administered rehabilitation, homeownership, and housing development programs, rental assistance, and housing for homeless persons and families and other special needs populations. Highlights include:
  - The city used Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) funds for the programs listed below, which rehabilitated a total of 504 single-family homes owned by low and moderate income (LMI) households during the program year.

Program	Number of Homes
Pcople Helping People	258
Major Systems Repair	134
Minor Plumbing Repair/Replacement	93
Housing Reconstruction	19

- Through the Mortgage Assistance Program (MAP), the city provided homeownership assistance to 115 LMI homebuyers. Additionally, 36 households received homebuyer outreach, education, foreclosure counseling and mortgage qualification services through the Housing Services Program.
- Emergency Solutions Grants (ESG) funds were used to provide emergency shelter to 3,205 homeless persons, rapid rehousing to 218 individuals, and homeless prevention assistance to 132 persons at risk of becoming homeless. An additional 80 persons received rapid rehousing assistance with Continuum of Care Program funds.
- Housing Opportunities for Persons with AIDS (HOPWA) funds were used to provide housing assistance to 867 households.
- The city administered 282 units of tenant-based rental assistance for homeless individuals and families using HOME and Continuum of Care Program funds.
- Suitable Living Environment. CDBG-funded public services projects served 14,361 persons during the program year, including 11,175 elderly persons, 3,058 youth and 128 persons with disabilities. Services provided included job training and employment assistance, child care, youth programs, and various programs designed to meet the needs of senior citizens. CDBG funds were also used to carry out code enforcement activities in the city's five Neighborhood Investment Program (NIP) target areas. Sidewalk and street repairs were made in the 4600-4800 blocks of Lindsley Avenue in the South Dallas/Fair Park NIP.
- Expand Economic Opportunity. To promote local economic opportunities, CDBG funds were used to make loans to three small businesses. CDBG-funded small business loans created 10 full-time and 24 part-time jobs during the program year. Also, technical assistance was provided to 1,984 persons who either own or are interested in developing a microenterprise business.

We note the city's compliance with the following requirements.

#### **CDBG**

- Overall CDBG Program Benefit. In program year 2014, 100 percent of CDBG funds (excluding funds expended for planning and administration) were expended on activities which principally benefit low and moderate income persons. The city designated program year 2014 as the overall program benefit period; therefore, the city has met the 70 percent minimum standard for overall program benefit.
- Planning and Administration and Public Service Caps. The amount of funds expended on planning and administration was 18.37 percent, which is within the 20 percent cap for such activities. The amount of funds expended on public service activities was 14.36 percent, which complies with the 15 percent cap for public service activities.

CDBG Timeliness. The city expended CDBG funds in a timely manner. HUD's CDBG timeliness standard is that 60 days before the end of the program year, a grantee must not have more than 1.50 program years of grant funds in its line of credit. As of August 2, 2015, the city's line of credit balance was equivalent to 1.26 grant years, which is below the maximum allowed.

#### HOME

- Program Progress. For the HOME program, a participating jurisdiction has two years to commit and five years to expend each year's HOME allocation. The HOME Deadline Compliance Status Report indicates that the city has met its statutory 24-month total commitment and CHDO reservation deadline for its Fiscal Year (FY) 2013 HOME allocation. The city has also met its statutory five-year expenditure deadline for its FY 2010 HOME allocation.
- Match Requirements. According to the information contained in the CAPER, the City of Dallas met its annual match requirement for the 2014 program year.

#### ESG AND HOPWA

- ESG Program Expenditure Deadline. Based on drawdown information in IDIS, the city met the 24-month grant expenditure deadline for its FY 2013 ESG grant allocation.
- HOPWA Program Expenditure Deadline. According to the information in IDIS, the city met the 36-month program expenditure deadline for its FY 2012 allocation.

#### SECTION 108

Lorenzo Hotel. In 2015 the city applied and was approved for a HUD 108 Loan Guarantee for \$11 million. The loan funds will be used to redevelop the vacant, former Ramada Plaza Hotel into a four-star, 237-room Lorenzo Hotel under the Choice Hotels' Ascend Hotel Collection. The new hotel will include two full-service restaurants, a gift shop, four meeting areas, concierge service, a fitness center, an outdoor swimming pool with patio bar, and a structured parking garage with a upper level parking lot sound stage for major outdoor music concerts. The City estimates that the project will create 220 permanent jobs. To meet a national objective, at least 51 percent of the jobs created must be filled by LMI persons.

#### **Areas Needing Improvement and Recommendations**

We provide the following recommendations for your consideration as you continue to improve performance, develop and refine your Consolidated Planning process, and carry out your program.

 Mortgage Assistance Program (MAP). In 2012 HUD identified excess subsidy issues during a review of the Habitat for Humanity (HFH) Neighborhood Stabilization Program 2 (NSP2) grant. The review found that 53 properties developed by Dallas Area Habitat for Humanity (DAHFH), received excess federal subsidy. In addition to the NSP 2 funds HFH invested in the properties, the City of Dallas invested CDBG and HOME funds. In 2015 HUD's Departmental Enforcement Center (DEC) performed a more in-depth review, which confirmed that the excess subsidy issues were resolved with DAHFH's repayment of NSP2 funds with respect to the NSP2 and CDBG Programs. The DEC also confirmed that the homebuyers qualified as LMI, as required by the CDBG Program. In our letter of August 4, 2015, we advised the city that it must include in future CAPERs a report on the 53 MAP properties while the 10-year term of each property's promissory note is in effect. The city included the requested information in its 2014 CAPER. Our August 4<sup>th</sup> letter also recommended ways the city can improve management and oversight of its MAP program. The city should continue its efforts to implement those recommendations.

 Financial Management 101. HUD has posted online three training modules on financial management at <u>https://www.hudexchange.info/training-events/financial-management-</u> <u>curriculum/</u>. The training is designed to assist CPD grant recipients and subrecipients to comply with federal grant requirements, increase effectiveness, and maximize efficiency.

#### Conclusion

As a result of our evaluation, we have determined that the City of Dallas has carried out its program substantially as described in its Consolidated Plan; the Consolidated Plan as implemented complies with the requirements of the Housing and Community Development Act and other applicable laws and regulations; and, the city has the continuing capacity to carry out its approved program in a timely manner.

We are providing the city with 30 days from the date of this letter to comment on this report. Should the city wish to comment or request changes to it we will take them into consideration and provide a written response. If no comments are received within the period allowed, this report will be considered to be in final form. Once it is in final form, it will be made available to the public upon request.

This report is intended to be shared with the public. You may provide copies to interested persons such as the news media, members of local advisory committees, and citizens attending public hearings. We request that you provide a copy of this letter to the Independent Public Accountant who performs the single audit of the city in accordance with OMB Circular A-133.

If you have any questions, please contact Kristin Hadawi, Senior Community Planning and Development Representative, at (817) 978-5959.

Sincerely,

Shirley J. Henley Director

cc: Chan Williams, Assistant Director, Office of Financial Services

MAPSCO:	42K 43K 44N
MADSCO	174 474 441
CMO:	Alan Sims, Chief of Neighborhood Plus, 670-1611
DEPARTMENT:	Housing/Community Services
COUNCIL DISTRICT(S):	6
AGENDA DATE:	April 27, 2016
KEY FOCUS AREA:	Economic Vibrancy

#### **SUBJECT**

Authorize (1) approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by Coria Corporation Inc. for the construction of affordable houses; (2) the sale of 3 vacant lots (list attached) from Dallas Housing Acquisition and Development Corporation to Coria Corporation Inc.; and (3) execution of a release of lien for any non-tax liens on the 3 properties 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. The City Council then established the Dallas Housing Acquisition and Development Corporation (DHADC or Land Bank) as its land bank for the purpose of acquiring, holding and transferring unimproved real property under Subtitle A, Title 12, Local Government Code, Chapter 379C on January 28, 2004.

Coria Corporation Inc. has submitted a proposal and development plan to DHADC for 3 lots shown on the attached list. The DHADC Board has approved the development plan and sale, subject to City Council approval. This item will authorize City Council approval of the development plan submitted by Coria Corporation Inc. to the City's Land Bank, the sale of those lots from DHADC to Coria Corporation Inc. 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. DHADC's Deed without Warranty to Coria Corporation Inc. will contain a reverter that returns the property to DHADC if a construction permit is not applied for by Coria Corporation Inc. and construction financing is not closed within three years of conveyance.

#### **BACKGROUND** (continued)

Coria Corporation Inc. will build affordable houses on the lots. The approximate square footage and sales prices of the houses will be from 1,600 to 2,000 square feet and from \$120,000 to \$160,000. The lots will be deed restricted for sale to a low income family and will require at least 25 percent of the developed homes (0 in this proposal) to be sold to households with gross household incomes not greater than 60 percent of the Area Median Family Income (AMFI) as determined annually by HUD. A maximum of 30 percent of the developed homes (2 in this proposal) may be sold to households with gross incomes from 81 percent to 115 percent of the AMFI as determined annually by HUD. If 30 percent of the homes are sold to buyers at 81 percent to 115 percent of the AMFI, the remaining homes (1 in this proposal) will be sold to buyers below 81 percent of the AMFI and in compliance with the minimum 25 percent requirement to sell to buyers below 60 percent of the AMFI. DHADC will receive \$15,000.00 for the sales price, as calculated from the 2015-16 Land Bank Plan approved by City Council.

#### 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 September 21, 2015, the Housing Committee was briefed regarding the Urban Land Bank Demonstration Program which outlined the process and status of the program.

On March 24, 2016, DHADC approved the development plan and sale of 3 lots from DHADC to Coria Corporation Inc.

Information about this item will be provided to the Housing Committee on April 18, 2016.

#### **FISCAL INFORMATION**

No cost consideration to the City

#### DEVELOPER

Coria Corporation Inc.

Santos Coria, President

#### MAPS

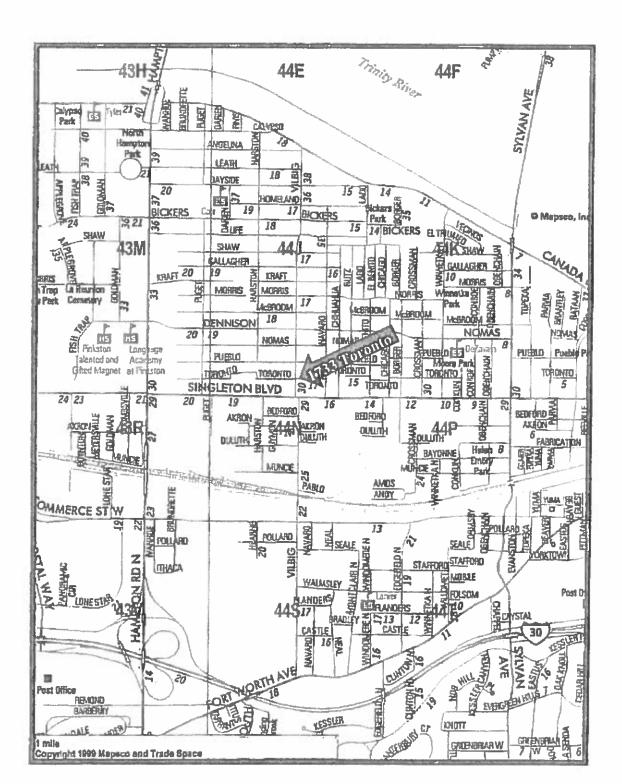
Attached

#### Land Bank (DHADC) Sale of Lots to Coria Corporation Inc.

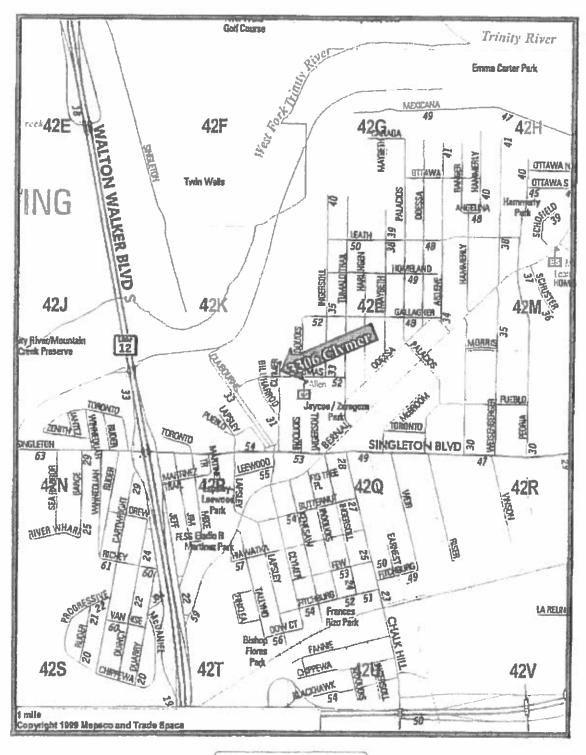
Property Address	Mapsco	Council <u>District</u>	Amount of <u>Non-Tax Liens</u>
1. 1733 Toronto	44N	6	\$ 6,846.51
2. 3306 Clymer	42K	6	\$10,170.31
3. 3615 Nomas	43K	6	\$14,615.88

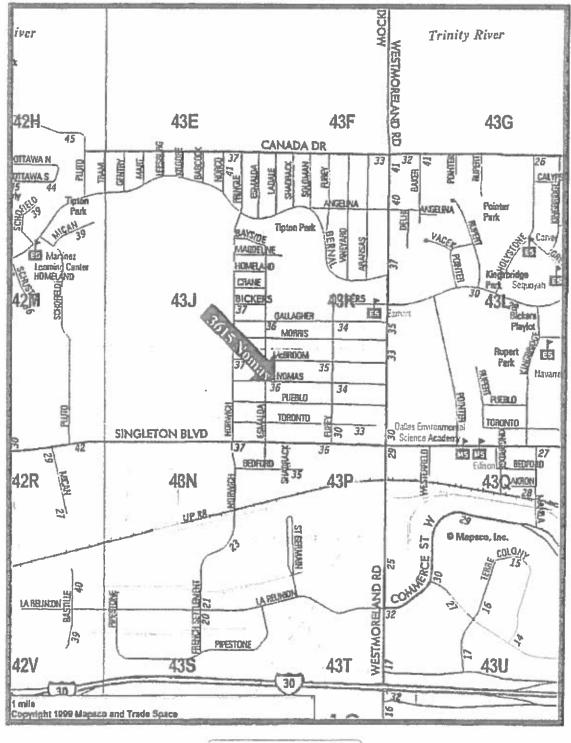
÷.

**MAPSCO 44N** 



MAPSCO 42K





**MAPSCO 43K** 

#### <u>April 27, 2016</u>

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 under Subtitle A, Title 12, Local Government Code, Chapter 379C, by Resolution No. 04-0458; and

WHEREAS, Coria Corporation Inc. submitted a proposal and development plan to DHADC for 3 lots shown on Exhibit "A" and the DHADC Board has approved the development plan and sale, subject to City Council approval; and

WHEREAS, the City Council desires to approve the development plan shown on Exhibit "B" indicating the approximate square footage and sales price ranges of the proposed houses submitted by Coria Corporation Inc. and authorize the sale of the said 3 lots from DHADC to Coria Corporation Inc. to build affordable houses;

#### NOW, THEREFORE,

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

Section 1. That the development plan shown on Exhibit "B" indicating the approximate square footage and sales price ranges of the proposed houses submitted by Coria Corporation Inc. and the sale of 3 lots shown on Exhibit "A" from DHADC to Coria Corporation Inc. 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 shown on Exhibit "A".

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.

EXHIBIT "A"

PARCEL STREET ADDRESS QUALIFIED NUMBER OF SALE					
NUMBER	LEGAL DESCRIPTION	PURCHASER	HOMEOWNER UNITS	AMOUNT	
i	1733 Toronto Lot 2, Hamestead Addition Block B/7116	Corta Corporation Inc	1	00 000 <b>£</b> 2	
2	3306 Clymer Lot 6, Joe Irwn No. 4 Addition Block B/7167	Cons Corporation Inc.	ô.	\$5,000.00	
3	3615 Nomas The Middle 40 Feet of Los 2, Eagle Ford Gardens Addition Block H/7152	Согіа Сотрегаціян Ілс.	i	\$3,000.00	

#### EXHIBIT B

#### SECTION II: DEVELOPMENT PLAN

### A. DESCRIPTION OF THE LAND REQUESTED FOR DEVELOPMENT

(1) Number of lots requested in this proposal.

(2) Provide the property address and legal description of the land requested (attach extra sheets if necessary) (the "Property"). 1733 IDPORTO LAD Hock B/1114 Home Lad Addition 3206 Churner Let to Block B/1167 Joe Irwin No 4 Addition 116 3415 Margan Anti 21 Block B/1167 Joe Irwin No 4 Addition 116

- 1015 Manun	hot dil	Block H/71.	52 Eacl	Ford 6	andane	H-H-
			1			

### B. DESCRIPTION OF PROPOSED HOUSES ENTITY WILL CONSTRUCT

At least 25% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes not greater than 60% of AMFI. No more than 30% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes between 81% and 115% of AMFI. (At least 70% of the Land Bank properties sold during any fiscal year to be developed shall be deed restricted Land Bank properties sold during any fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes at 80% AMFI or less.)

Single Family Home (to be sold to low income households at 60% or less of AMFI):

	Number of homes to be built
	Square Footage range of each home
	Number of Bedrooms/Baths in each home
	Number of Garages       Number of Carports       Detached       Attached         Type of Exterior Veneer       Which sides       Which sides         Your Sales Price range without Subsidies to Qualified Low Income Buyer
Single For	nily Home (to be sold to low income households at 80% or less of AMIFI):
	Number of homes to be built

Number of Bedrooms/Baths in each home <u>3</u> / <u>2</u>. Number of Garages <u>6</u> Number of Carports <u>Detached</u> Attached Type of Exterior Veneer <u>Hore Brick</u> <u>514 ne</u> Which sides front Store Brick, <u>514 ne</u> Which Your Sales Price range without Subsidies to Qualified Low Income Buyer 12,0,000 - 125,000 CC

Single Family Home (to be sold to low income households between 81% and 115% of AMFI):

Number of homes to be built $\mathcal{A}$
Square Footage range of each home 1800 - 2000
Number of Bedrooms/Baths in each home
Number of Garages Number of Comparis
I voc of Exterior Veneer, You all Really in the second sec
Type of Exterior Veneer Store Brick, Stdins Which sides Front Sone Bricks Your Sales Price range without Subsidies to Qualified Low Income Buyer, 12/0, 000 - 1/20,000
Low Income Buyer, 140, DOD - 160, DOD

Attach extra sheet(s) breaking out above information for each different model of home.

PROVIDE FLOOR PLANS AND ELEVATIONS.

#### C. CONSTRUCTION TIMETABLE

State the number of days it will take you to complete construction and sale of improved Property from the date of obtaining the executed deed from DHADC. Attach a schedule, if you desire. The deed conveying property sold by DHADC will include a right of reverter so that if the Entity does not apply for a construction permit and close on any construction financing within a three year period following the date of conveyance of the property from the DHADC to the Entity, the property will revert to the DHADC for subsequent resale.

Start of Construction: 180 days after receiving the deed to the property

Completion of Construction: 180 days after start of construction

Sale of first affordable housing unit to low income household:  $\underline{45}$  days after completion of construction Sale of last affordable unit to low income households:  $\underline{45}$  days after completion of first house

KEY FOCUS AREA:	Economic Vibrancy
AGENDA DATE:	April 27, 2016
COUNCIL DISTRICT(S):	4
DEPARTMENT:	Housing/Community Services
CMO:	Alan Sims, Chief of Neighborhood Plus, 670-1611
MAPSCO:	65C D

#### SUBJECT

Authorize (1) approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by Dallas Area Habitat for Humanity for the construction of affordable houses; (2) the sale of 4 vacant lots (list attached) from Dallas Housing Acquisition and Development Corporation to Dallas Area Habitat for Humanity; and (3) execution of a release of lien for any non-tax liens on the 4 properties 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. The City Council then established the Dallas Housing Acquisition and Development Corporation (DHADC or Land Bank) as its land bank for the purpose of acquiring, holding and transferring unimproved real property under Subtitle A, Title 12, Local Government Code, Chapter 379C on January 28, 2004.

Dallas Area Habitat for Humanity has submitted a proposal and development plan to DHADC for 4 lots shown on the attached list. The DHADC Board has approved the development plan and sale, subject to City Council approval. This item will authorize City Council approval of the development plan submitted by Dallas Area Habitat for Humanity to the City's Land Bank, the sale of those lots from DHADC to Dallas Area Habitat for Humanity 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. DHADC's Deed without Warranty to Dallas Area Habitat for Humanity will contain a reverter that returns the property to DHADC if a construction permit is not applied for by Dallas Area Habitat for Humanity and construction financing is not closed within three years of conveyance.

#### BACKGROUND (continued)

Dallas Area Habitat for Humanity will build affordable houses on the lots. The approximate square footage and sales prices of the houses will be 1,387 square feet and from \$93,500 to \$115,000. The lots will be deed restricted for sale to a low income family and will require at least 25 percent of the developed homes (0 in this proposal) to be sold to households with gross household incomes not greater than 60 percent of the Area Median Family Income (AMFI) as determined annually by HUD. A maximum of 30 percent of the developed homes (4 in this proposal) may be sold to households with gross incomes from 81 percent to 115 percent of the AMFI as determined annually by HUD. If 30 percent of the homes are sold to buyers at 81 percent to 115 percent of the AMFI, the remaining homes (0 in this proposal) will be sold to buyers below 81 percent of the AMFI and in compliance with the minimum 25 percent requirement to sell to buyers below 60 percent of the AMFI. DHADC will receive \$20,000.00 for the sales price, as calculated from the 2015-16 Land Bank Plan approved by City Council.

#### 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 September 21, 2015, the Housing Committee was briefed regarding the Urban Land Bank Demonstration Program which outlined the process and status of the program.

On March 24, 2016, DHADC approved the development plan and sale of 4 lots from DHADC to Dallas Area Habitat for Humanity.

Information about this item will be provided to the Housing Committee on April 18, 2016.

#### **FISCAL INFORMATION**

No cost consideration to the City

#### DEVELOPER

#### **Dallas Area Habitat for Humanity**

William D. Hall, Chief Executive Officer

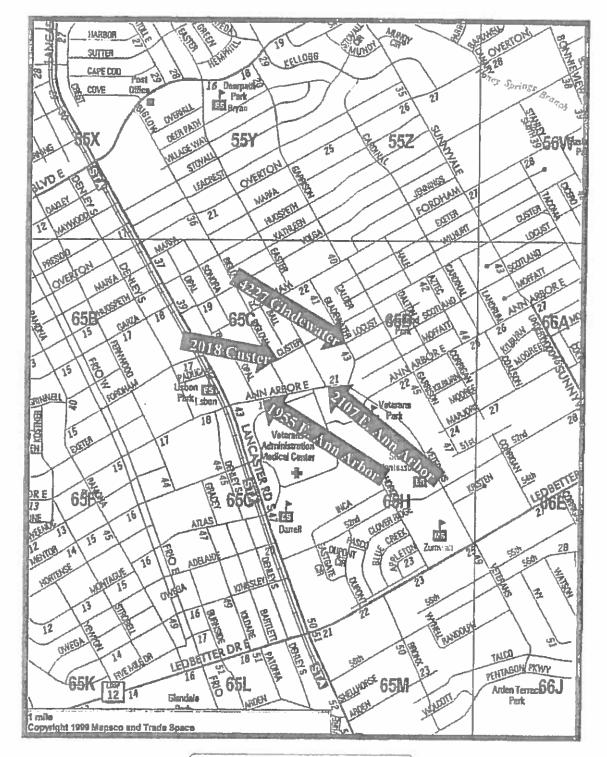
MAP

Attached

#### Land Bank (DHADC) Sale of Lots to Dallas Area Habitat for Humanity

Property Address	Mapsco	Council <u>District</u>	Amount of Non-Tax Liens
1. 2018 Custer	65C	4	\$11,992.34
2. 1955 E. Ann Arbor	65C	4	\$14,322.18
3. 2107 E. Ann Arbor	65D	4	\$20,465.02
4. 4227 Gladewater	65D	4	\$22,041.69

### MAPSCO 65C & 65D



#### April 27, 2016

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 under Subtitle A, Title 12, Local Government Code, Chapter 379C, by Resolution No. 04-0458; and

WHEREAS, Dallas Area Habitat for Humanity submitted a proposal and development plan to DHADC for 4 lots shown on Exhibit "A" and the DHADC Board has approved the development plan and sale, subject to City Council approval; and

WHEREAS, the City Council desires to approve the development plan shown on Exhibit "B" indicating the approximate square footage and sales price ranges of the proposed houses submitted by Dallas Area Habitat for Humanity and authorize the sale of the said 4 lots from DHADC to Dallas Area Habitat for Humanity to build affordable houses;

#### NOW, THEREFORE,

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

Section 1. That the development plan shown on Exhibit "B" indicating the approximate square footage and sales price ranges of the proposed houses submitted by Dallas Area Habitat for Humanity and the sale of 4 lots shown on Exhibit "A" from DHADC to Dallas Area Habitat for Humanity 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 shown on Exhibit "A".

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.

EXHIBIT "A"

LAND BANK PROPERTY					
PARCEL NUMBER	STREET ADDRESS L'EGAL DESCRIPTION	QUALIFIED PURCHASER	NUMBER OF HOMEOWNER UNITS	SALE AMOUNT	
r:	2018 Custer Part of Lot 1, Oak Cliff Gardens Addition Block 5/5019	Dallas Area Habuat for Humanity	1	\$5,000.00	
2	1955 E. Ann Arbor The West 60 Feet of Lot 9, Oak Cliff Gardens Addition Block 1:4340 1/2	Dallas Area Habitat for Humanity	1	\$5,000 00	
3	2107 E. Ann Arbor Part of Lot 5. Oak Cliff Gardens Addition Block 6/5020	Dallas Area Habstat for Humanity	1	\$5,000.00	
4	4227 Gladewater Part of Lot 9A, Oak Cliff Gardens Addition Block 6/5020	Dallas Area Habitat for Humanity	3	\$5,000 00	
AL				\$20,000.00	

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#### Exhibit B

#### SECTION II: DEVELOPMENT PLAN

#### A. DESCRIPTION OF THE LAND REQUESTED FOR DEVELOPMENT

(1) Number of lots requested in this proposal.

(2) Provide the property address and legal description of the land requested (attach extra sheets if necessary) (the "Property").

Na.	Street#	Street Name	lot	Block	Subdivision	DCAD Value	Plan
1	2018	Custor	18	5/5019	Oak Cliff Gardens	\$6,900.00	TBD
2	1955	E Ann Albor	9	1/4340	Osk Cliff Gardens	\$ 7,000.00	TBD
3	2107	E Ann Arbor		SWPT 5 85X117.3X100X135	Oak Cillf Gardens	\$ 10,350.00	T60
4	4227	Glaciowater		PT 9-SOCISO GLADEWATER	Oak Cliff Gardens	\$ 6,900.00	TBD

#### **B. DESCRIPTION OF PROPOSED HOUSES ENTITY WILL CONSTRUCT**

At least 25% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes not greater than 60% of AMFI. No more than 30% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes between 81% and 115% of AMFI. (At least 70% of the Land Bank properties sold during any fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes between 81% and 115% of AMFI. (At least 70% of the Land Bank properties sold during any fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes at 80% AMFI or less.)

Single Family Home (to be sold to low income households at 60% or less of AMFT):

Number of homes to be built on iots \_\_\_\_\_\_ Square Footage of each home \_\_\_\_\_\_ Number of Bedrooms/Baths in each home \_\_\_\_\_\_ Number of Garages i \_\_\_\_\_ Number of Carports \_\_\_\_\_\_ Detached \_\_\_\_\_\_ Attached \_\_\_\_\_\_ Type of Exterior Vencer \_\_\_\_\_ Which sides \_\_\_\_\_\_ Your Sales Price ranges without Subsidies to Qualified Low Income Buyer

Single Family Home (to be sold to low income households at 80% or less of AMFT):

Number of homes to be built on lots \_\_\_\_\_\_ Square Footage of each home \_\_\_\_\_\_ Number of Bedrooms/Baths in each home \_\_\_\_\_\_/ Number of Garages \_\_\_\_\_\_Number of Carports \_\_\_\_\_\_ Detached \_\_\_\_\_\_ Attached \_\_\_\_\_\_ Type of Exterior Veneer <u>Brick and/or hardiboard</u> Which sides \_ see elevations for details Your Sales Price ranges without Subsidies to Qualified Low Income Buyer \$93,500-110,000

Single Family Home (to be sold to low income households between 81% and 115% of AMFT):

Number of homes to be built on lots <u>l on each lot</u> Square Footage of each home <u>Approximately 1387 AC: 1804 total</u> Number of Bedrooms/Baths in each home <u>3</u> / 2 Number of Garages\_l\_ Number of Carports <u>Detached</u> Attached Type of Exterior Veneer <u>Brick and/or hardiboard</u> Which sides see elevations for details Your Sales Price ranges without Subsidies to Qualified Low Income Buyer \$93,500 -

Attach extra sheet(s) breaking out above information for each different model of home.

PROVIDE FLOOR PLANS AND ELEVATIONS.

<sup>\$115,000</sup> 

#### C. CONSTRUCTION TIMETABLE

State the number of days it will take you to complete construction and sale of improved Property from the date of obtaining the executed deed from DHADC. Attach a schedule, if you desire. The deed conveying property sold by DHADC will include a right of reverter so that if the Entity does not apply for a construction permit and close on any construction financing within a three year period following the date of conveyance of the property from the DHADC to the Entity, the property will revert to the DHADC for subsequent resale.

Commencement of Construction \_1095\_\_days Completion of Construction \_\_1215\_\_days Sale of first affordable housing unit to low income households \_1305\_\_\_days Sale of last affordable unit to low income households \_1305\_\_\_days

KEY FOCUS AREA:	Economic Vibrancy
AGENDA DATE:	April 27, 2016
COUNCIL DISTRICT(S):	7
DEPARTMENT:	Housing/Community Services
CMO:	Alan Sims, Chief of Neighborhood Plus, 670-1611
MAPSCO:	56V Z

### SUBJECT

Authorize (1) approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by Dallas Area Habitat for Humanity for the construction of affordable houses; (2) the sale of 2 vacant lots (list attached) from Dallas Housing Acquisition and Development Corporation to Dallas Area Habitat for Humanity; and (3) execution of a release of lien for any non-tax liens on the 2 properties 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. The City Council then established the Dallas Housing Acquisition and Development Corporation (DHADC or Land Bank) as its land bank for the purpose of acquiring, holding and transferring unimproved real property under Subtitle A, Title 12, Local Government Code, Chapter 379C on January 28, 2004.

Dallas Area Habitat for Humanity has submitted a proposal and development plan to DHADC for 2 lots shown on the attached list. The DHADC Board has approved the development plan and sale, subject to City Council approval. This item will authorize City Council approval of the development plan submitted by Dallas Area Habitat for Humanity to the City's Land Bank, the sale of those lots from DHADC to Dallas Area Habitat for Humanity 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. DHADC's Deed without Warranty to Dallas Area Habitat for Humanity will contain a reverter that returns the property to DHADC if a construction permit is not applied for by Dallas Area Habitat for Humanity and construction financing is not closed within three years of conveyance.

## BACKGROUND (continued)

Dallas Area Habitat for Humanity will build affordable houses on the lots. The approximate square footage and sales prices of the houses will be 1,387 square feet and from \$93,500 to \$110,000. The lots will be deed restricted for sale to a low income family and will require at least 25 percent of the developed homes (0 in this proposal) to be sold to households with gross household incomes not greater than 60 percent of the Area Median Family Income (AMFI) as determined annually by HUD. A maximum of 30 percent of the developed homes (0 in this proposal) may be sold to households with gross incomes from 81 percent to 115 percent of the AMFI as determined annually by HUD. If 30 percent of the homes are sold to buyers at 81 percent to 115 percent of the AMFI, the remaining homes (2 in this proposal) will be sold to buyers below 81 percent of the AMFI and in compliance with the minimum 25 percent requirement to sell to buyers below 60 percent of the AMFI. DHADC will receive \$10,000.00 for the sales price, as calculated from the 2015-16 Land Bank Plan approved by City Council.

## 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 September 21, 2015, the Housing Committee was briefed regarding the Urban Land Bank Demonstration Program which outlined the process and status of the program.

On March 24, 2016, DHADC approved the development plan and sale of 2 lots from DHADC to Dallas Area Habitat for Humanity.

Information about this item will be provided to the Housing Committee on April 18, 2016.

#### **FISCAL INFORMATION**

No cost consideration to the City

#### DEVELOPER

**Dallas Area Habitat for Humanity** 

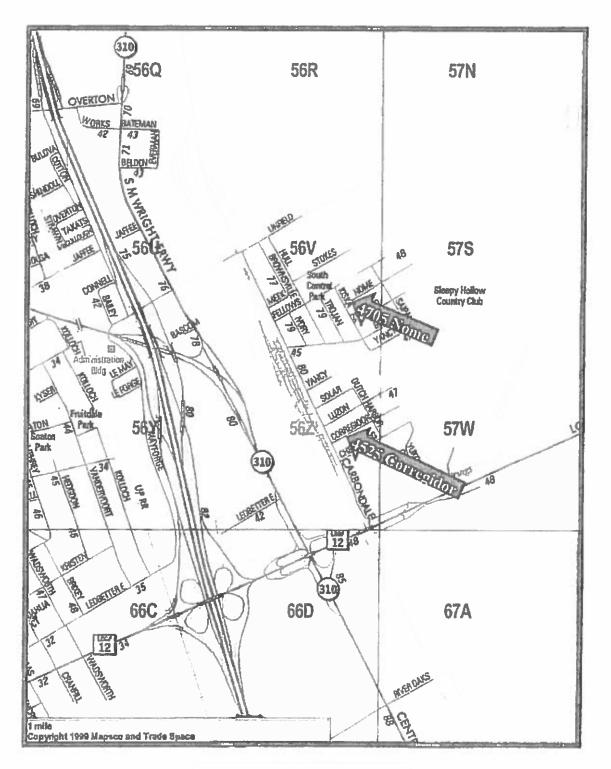
William D. Hall, Chief Executive Officer

MAP

Attached

# Land Bank (DHADC) Sale of Lots to Dallas Area Habitat for Humanity

Property Address	Mapsco	Council <u>District</u>	Amount of <u>Non-Tax Liens</u>
1. 4525 Corregidor	56Z	7	\$10,559.37
2. 4705 Nome	56V	7	\$  9,554.35





#### April 27, 2016

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 under Subtitle A, Title 12, Local Government Code, Chapter 379C, by Resolution No. 04-0458; and

WHEREAS, Dallas Area Habitat for Humanity submitted a proposal and development plan to DHADC for 2 lots shown on Exhibit "A" and the DHADC Board has approved the development plan and sale, subject to City Council approval; and

WHEREAS, the City Council desires to approve the development plan shown on Exhibit "B" indicating the approximate square footage and sales price ranges of the proposed houses submitted by Dallas Area Habitat for Humanity and authorize the sale of the said 2 lots from DHADC to Dallas Area Habitat for Humanity to build affordable houses;

#### NOW, THEREFORE,

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

Section 1. That the development plan shown on Exhibit "B" indicating the approximate square footage and sales price ranges of the proposed houses submitted by Dallas Area Habitat for Humanity and the sale of 2 lots shown on Exhibit "A" from DHADC to Dallas Area Habitat for Humanity 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 shown on Exhibit "A".

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.

EXHIBIT "A"

		LAND BANK PROPER	TY	
PARCEL NUMBER	STREET ADDRESS LEGAL DESCRIPTION	QUALIFIED PURCHASER	NUMBER OF BOMEOWNER UNITS	SALE AMOUNT
ា	4525 Corregidor Loi 22, Central Avenue Addiuon Block D/7617	Dallas Area Habitat for Humanity	3	\$5,000.00
2	4705 Nome Lot 16. Central Avenue Addition No. 3 Block A77648	Dallas Area Habitat for Humanity	9	\$5,000.00
AL			5 J 10 5 10 10 10 10 10 10 10 10 10 10 10 10 10	\$10,000.00

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#### EXHIBIT B

#### SECTION II: DEVELOPMENT PLAN

#### A. DESCRIPTION OF THE LAND REQUESTED FOR DEVELOPMENT

(1) Number of lots requested in this proposal. \_\_\_\_\_2

(2) Provide the property address and legal description of the land requested (attach extra sheets if necessary) (the "Property").

Straet#	Street Name	lot	Block	Subdivision	OCAD Value	Plan
4625	Corregidor	22	0/7647	Central Avenue	\$ 2,000.00	CBT
4705	Nome	16	Nome	Central Avenue	\$ 2,000.00	TBD

#### B. DESCRIPTION OF PROPOSED HOUSES ENTITY WILL CONSTRUCT

At least 25% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes not greater than 60% of AMFI. No more than 30% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes between 81% and 115% of AMFI. (At least 70% of the Land Bank properties sold during any fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes between 81% and 115% of AMFI. (At least 70% of the Land Bank properties sold during any fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes at 80% AMFI or less.)

Single Family Home (to be sold to low income households at 60% or less of AMFI):

Number of homes to be built on lots \_\_\_\_\_\_ Square Footage of each home \_\_\_\_\_\_ Number of Bedrooma/Baths in each home \_\_\_\_\_/ Number of Garages\_1\_\_\_Number of Carports \_\_\_\_\_Detuched \_\_\_\_\_Attached \_\_\_\_\_ Type of Exterior Vencer\_\_\_\_ Which sides \_\_\_\_\_ Your Sales Price ranges without Subsidies to Qualified Low Income Buyer

Single Family Home (to be sold to low income households at 80% or less of AMIFT):

Number of homes to be built on lots <u>1 on each lot</u> Square Footage of each home <u>Approximately 1387 AC: 1804 total</u> Number of Bedrooms/Baths in each home <u>3</u> / <u>2</u> Number of Garages <u>Number of Carports</u> <u>Detached</u> <u>Attached</u> Type of Exterior Veneer <u>Brick and/or hardiboard</u> Which sides <u>see elevations for details</u> Your Sales Price ranges without Subsidies to Qualified Low Income Buyer \$93,500-110,000

Single Family Home (to be sold to low income households between 81% and 115% of AMFI):

Number of homes to be built on lots
Square Footage of each home
Number of Bedrooms/Baths in each home /
Number of Garages Number of Carports Detached Attached
Type of Exterior Veneer Which aldes
Your Sales Price ranges without Subsidies to Qualified Low Income Buyer

Attach extra sheet(s) breaking out above information for each different model of home.

PROVIDE FLOOR PLANS AND ELEVATIONS.

#### C. CONSTRUCTION TIMETABLE

State the number of days it will take you to complete construction and sale of improved Property from the date of obtaining the executed deed from DHADC. Attach a schedule, if you desire. The deed conveying property sold by DHADC will include a right of reverter so that if the Entity does not apply for a construction permit and close on any construction financing within a three year period following the date of conveyance of the property from the DHADC to the Entity, the property will revert to the DHADC for subsequent resale.

Commencement of Construction \_\_1095\_\_ days Completion of Construction \_\_\_1215\_\_ days Sale of first affordable housing unit to low income households \_\_1305\_\_\_ days Sale of last affordable unit to low income households \_\_1305\_\_\_ days

CMO:	Alan Sims, Chief of Neighborhood Plus, 670-1611
DEPARTMENT:	Housing/Community Services
DEDADTIESIT.	
COUNCIL DISTRICT(S):	4, 5
AGENDA DATE:	April 27, 2016
KEY FOCUS AREA:	Economic Vibrancy

### **SUBJECT**

Authorize (1) approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by JDS-Q Services, LLC for the construction of affordable houses; (2) the sale of 2 vacant lots (list attached) from Dallas Housing Acquisition and Development Corporation to JDS-Q Services, LLC; and (3) execution of a release of lien for any non-tax liens on the 2 properties 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. The City Council then established the Dallas Housing Acquisition and Development Corporation (DHADC or Land Bank) as its land bank for the purpose of acquiring, holding and transferring unimproved real property under Subtitle A, Title 12, Local Government Code, Chapter 379C on January 28, 2004.

JDS-Q Services, LLC has submitted a proposal and development plan to DHADC for 2 lots shown on the attached list. The DHADC Board has approved the development plan and sale, subject to City Council approval. This item will authorize City Council approval of the development plan submitted by JDS-Q Services, LLC to the City's Land Bank, the sale of those lots from DHADC to JDS-Q Services, LLC 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. DHADC's Deed without Warranty to JDS-Q Services, LLC will contain a reverter that returns the property to DHADC if a construction permit is not applied for by JDS-Q Services, LLC and construction financing is not closed within three years of conveyance.

## BACKGROUND (Continued)

JDS-Q Services, LLC will build affordable houses on the lots. The approximate square footage and sales prices of the houses will be from 1,400 to 1,600 square feet and from \$115,000 to \$120,000. The lots will be deed restricted for sale to a low income family and will require at least 25 percent of the developed homes (2 in this proposal) to be sold to households with gross household incomes not greater than 60 percent of the Area Median Family Income (AMFI) as determined annually by HUD. A maximum of 30 percent of the developed homes (0 in this proposal) may be sold to households with gross incomes from 81 percent to 115 percent of the AMFI as determined annually by HUD. If 30 percent of the homes are sold to buyers at 81 percent to 115 percent of the AMFI, the remaining homes (0 in this proposal) will be sold to buyers below 81 percent of the AMFI and in compliance with the minimum 25 percent requirement to sell to buyers below 60 percent of the AMFI. DHADC will receive \$10,000.00 for the sales price, as calculated from the 2015-16 Land Bank Plan approved by City Council.

## 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 September 21, 2015, the Housing Committee was briefed regarding the Urban Land Bank Demonstration Program which outlined the process and status of the program.

On March 24, 2016, DHADC approved the development plan and sale of 2 lots from DHADC to JDS-Q Services, LLC.

Information about this item will be provided to the Housing Committee on April 18, 2016.

## **FISCAL INFORMATION**

No cost consideration to the City

## DEVELOPER

JDS-Q Services, LLC

La'Quonda Brewer, Managing Member

## MAPS

Attached

# Land Bank (DHADC) Sale of Lots to JDS-Q Services, LLC

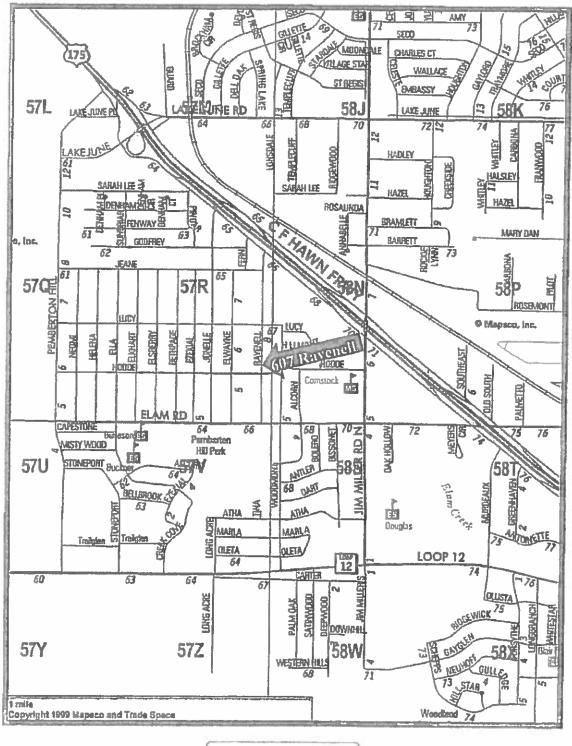
Property Address	Mapsco	Council <u>District</u>	Amount of <u>Non-Tax Liens</u>
1. 2521 Fernwood	55S	4	\$13,720.78
2. 607 Rayenell	57R	5	\$23,908.97

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MAPSCO 55S

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MAPSCO 57R

### April 27, 2016

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 under Subtitle A, Title 12, Local Government Code, Chapter 379C, by Resolution No. 04-0458; and

WHEREAS, JDS-Q Services, LLC submitted a proposal and development plan to DHADC for 2 lots shown on Exhibit "A" and the DHADC Board has approved the development plan and sale, subject to City Council approval; and

WHEREAS, the City Council desires to approve the development plan shown on Exhibit "B" indicating the approximate square footage and sales price ranges of the proposed houses submitted by JDS-Q Services, LLC and authorize the sale of the said 2 lots from DHADC to JDS-Q Services, LLC to build affordable houses;

#### NOW, THEREFORE,

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

Section 1. That the development plan shown on Exhibit "B" indicating the approximate square footage and sales price ranges of the proposed houses submitted by JDS-Q Services, LLC and the sale of 2 lots shown on Exhibit "A" from DHADC to JDS-Q Services, LLC 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 shown on Exhibit "A".

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.

EXHIBIT "A"

**\***3

PARCEL NUMBER	STREET ADDRESS LEGAL DESCRIPTION	QUALIFIED PURCHASER	NUMBER OF HOMEOWNER UNITS	SALE AMOUNT
6	2521 Fernwood Lot 7, Trany Heights #3 Addition Block 18/3688	JDS-Q Services, LLC	-1	\$5,000 00
2	607 Rayenell Lot 15, Pleasant Heights Addition 3rd Section Block #6252	IDS-Q Services, LLC	(10)	\$5,000.00

#### EXHIBIT B

### SECTION II: DEVELOPMENT PLAN

# A. DESCRIPTION OF THE LAND REQUESTED FOR DEVELOPMENT

(1) Number of lots requested in this proposal.

(2) Provide the property address and legal description of the land requested (attach extra sheets if necessary) (the "Property").

L) LI Fornwood
607 Rayenell

# B. DESCRIPTION OF PROPOSED HOUSES ENTITY WILL CONSTRUCT

At least 25% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes not greater than 60% of AMFI. No more than 30% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes between 81% and 115% of AMFI. (At least 70% of the Land Bank properties sold during any fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes between 81% and 115% of AMFI. (At least 70% of the Land Bank properties sold during any fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes at 80% AMFI or less.)

Single Family Home (to be sold to low income households at 60% or less of AMFI):

Number of homes to be built on lots
Square Footage of each home 1.400 - 1600
Number of Bedrooms/Baths in each home 4 / A
Number of Garages Number of Carports Detechard
Type of Exterior Veneer Brick Which sides
Your Sales Price ranges without Subsidies to Qualified Low Income Buyer

Single Family Home (to be sold to low income households at 80% or less of AMPI):

Number of homes to be built on lots
Square Footage of each home
Number of Bedrooms/Baths in each home /
Number of Garages Number of Carports Detached Attached
Type of Exterior Veneer Which sides
Your Sales Price ranges without Subsidies to Qualified Low Income Buyer

Single Family Home (to be sold to low income households between 81% and 115% of AMFI):

Number of homes to be built on lots
Square Footage of each home
Number of Bedrooms/Baths in each home /
Number of GaragesNumber of CarportsDetachedAttached
Type of Exterior Veneer Which sides
Your Sales Price ranges without Subsidies to Qualified Low Income Buyer

Attach extra sheet(s) breaking out above information for each different model of home.

PROVIDE FLOOR PLANS AND ELEVATIONS.

#### C. CONSTRUCTION TIMETABLE

State the number of days it will take you to complete construction and sale of improved Property from the date of obtaining the executed deed from DHADC. Attach a schedule, if you desire. The deed conveying property sold by DHADC will include a right of reverter so that if the Entity does not apply for a construction permit and close on any construction financing within a three year period following the date of conveyance of the property from the DHADC to the Entity, the property will revert to the DHADC for subsequent resale.

Commencement of Construction <u>30</u> days Completion of Construction <u>45</u> days Sale of first affordable bousing unit to low income households <u>60</u> days Sale of last affordable unit to low income households <u>60</u> days

KEY FOCUS AREA:	Economic Vibrancy
AGENDA DATE:	April 27, 2016
COUNCIL DISTRICT(S):	2, 4, 6, 7
DEPARTMENT:	Housing/Community Services
CMO:	Alan Sims, Chief of Neighborhood Plus, 670-1611
MAPSCO:	42U 46G S 55T

### SUBJECT

Authorize (1) approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by KW New Vision Properties and Land, Inc. for the construction of affordable houses; (2) the sale of 5 vacant lots (list attached) from Dallas Housing Acquisition and Development Corporation to KW New Vision Properties and Land, Inc.; and (3) execution of a release of lien for any non-tax liens on the 5 properties 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. The City Council then established the Dallas Housing Acquisition and Development Corporation (DHADC or Land Bank) as its land bank for the purpose of acquiring, holding and transferring unimproved real property under Subtitle A, Title 12, Local Government Code, Chapter 379C on January 28, 2004.

KW New Vision Properties and Land, Inc. has submitted a proposal and development plan to DHADC for 5 lots shown on the attached list. The DHADC Board has approved the development plan and sale, subject to City Council approval. This item will authorize City Council approval of the development plan submitted by KW New Vision Properties and Land, Inc. to the City's Land Bank, the sale of those lots from DHADC to KW New Vision Properties and Land, Inc. 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.

## BACKGROUND (continued)

DHADC's Deed without Warranty to KW New Vision Properties and Land, Inc. will contain a reverter that returns the property to DHADC if a construction permit is not applied for by KW New Vision Properties and Land, Inc. and construction financing is not closed within three years of conveyance.

KW New Vision Properties and Land, Inc. will build affordable houses on the lots. The approximate square footage and sales prices of the houses will be from 1,400 to 1,900 square feet and from \$110,000 to \$175,000. The lots will be deed restricted for sale to a low income family and will require at least 25 percent of the developed homes (0 in this proposal) to be sold to households with gross household incomes not greater than 60 percent of the Area Median Family Income (AMFI) as determined annually by HUD. A maximum of 30 percent of the developed homes (2 in this proposal) may be sold to households with gross incomes from 81 percent to 115 percent of the AMFI as determined annually by HUD. If 30 percent of the homes are sold to buyers at 81 percent to 115 percent of the AMFI, the remaining homes (3 in this proposal) will be sold to buyers below 81 percent of the AMFI and in compliance with the minimum 25 percent requirement to sell to buyers below 60 percent of the AMFI. DHADC will receive \$25,000.00 for the sales price, as calculated from the 2015-16 Land Bank Plan approved by City Council.

## 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 September 21, 2015, the Housing Committee was briefed regarding the Urban Land Bank Demonstration Program which outlined the process and status of the program.

On March 24, 2016, DHADC approved the development plan and sale of 5 lots from DHADC to KW New Vision Properties and Land, Inc.

Information about this item will be provided to the Housing Committee on April 18, 2016.

## **FISCAL INFORMATION**

No cost consideration to the City

## DEVELOPER

## KW New Vision Properties and Land, Inc.

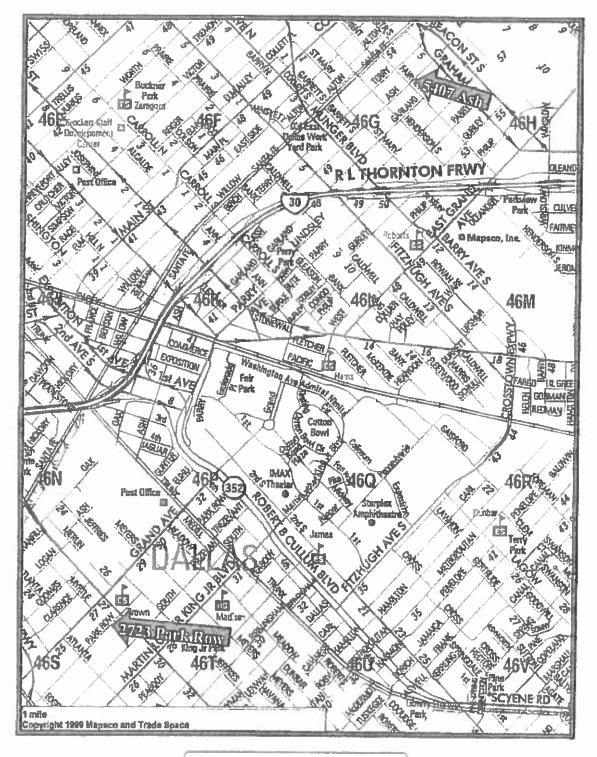
Kelvin Williams, President

## MAPS

Attached

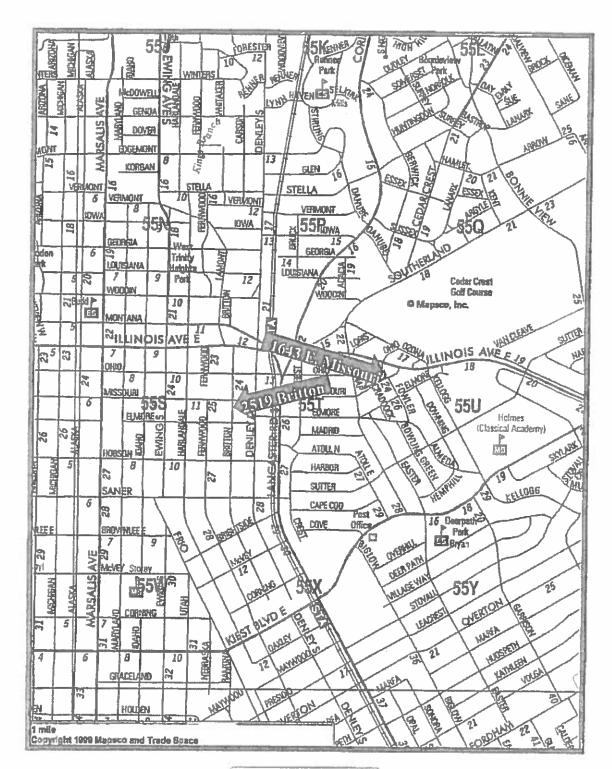
# Land Bank (DHADC) Sale of Lots to KW New Vision Properties and Land, Inc.

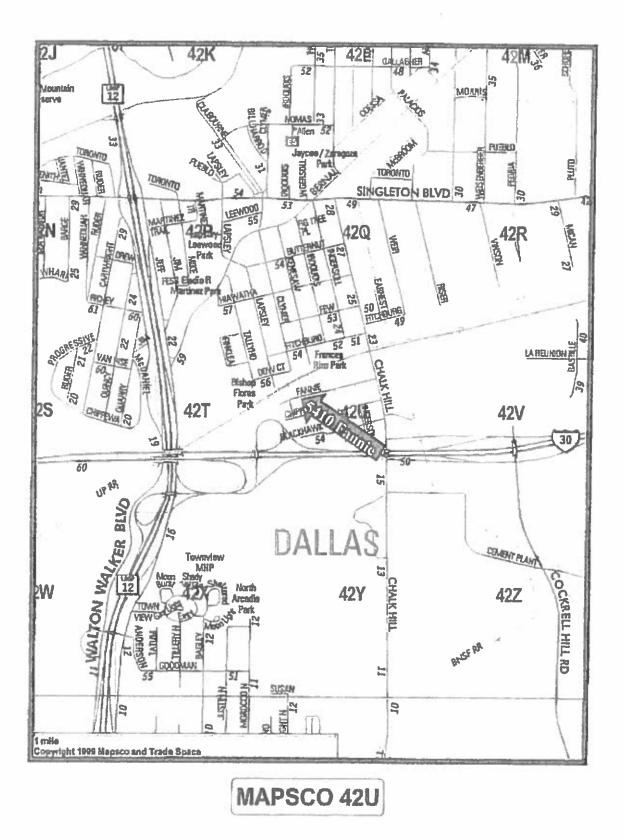
Property Address	Mapsco	Council <u>District</u>	Amount of <u>Non-Tax Liens</u>
1. 5407 Ash	46G	2	\$ 8,968.74
2. 1643 E. Missouri	55T	4	\$16,170.63
3. 2723 Park Row	46S	7	\$24,814.31
4. 2519 Britton	55T	4	\$15,624.04
5, 5410 Fannie	42U	6	\$10,008.85



**MAPSCO 46G & 46S** 

**MAPSCO 55T** 





#### April 27, 2016

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 under Subtitle A, Title 12, Local Government Code, Chapter 379C, by Resolution No. 04-0458; and

WHEREAS, KW New Vision Properties and Land, Inc. submitted a proposal and development plan to DHADC for 5 lots shown on Exhibit "A" and the DHADC Board has approved the development plan and sale, subject to City Council approval; and

WHEREAS, the City Council desires to approve the development plan shown on Exhibit "B" indicating the approximate square footage and sales price ranges of the proposed houses submitted by KW New Vision Properties and Land, Inc. and authorize the sale of the said 5 lots from DHADC to KW New Vision Properties and Land, Inc. to build affordable houses;

#### NOW, THEREFORE,

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

Section 1. That the development plan shown on Exhibit "B" indicating the approximate square footage and sales price ranges of the proposed houses submitted by KW New Vision Properties and Land, Inc. and the sale of 5 lots shown on Exhibit "A" from DHADC to KW New Vision Properties and Land, Inc. 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 shown on Exhibit "A".

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.

## EXHIBIT "A"

LAND BANK PROPERTY				
PARCEL NUMBER	STREET ADDRESS LEGAL DESCRIPTION	QUALIFIED PURCHASER	NUMBER OF HOMEOWNER UNITS	SALE AMOUNT
I	5407 Asti Loi 9, East We Go Addition Block NV1611	KW New Vision Propenies and Land, Inc	L. L.	\$5,000.00
2	1643 E. Missouri Lot II, Highlards Addsnon Block P 4246	KW New Vision Properties and Land, Inc.	3	\$5,000.60
3	2723 Park Row Let 15, Edgewood Addition Block 5 1287	KW New Vision Properties and Land, Inc	1	\$5,009.60
4	2519 Britton Lot 12, Braadmoor Addman Block 26/4225	KW New Vision Properties and Land, Inc.	1	\$\$.000 GD
5	S410 Fannie Lot 4, Frank M. Horton's Addition to Eagle Ford Block A/7183	KW New Vision Properties and Land, Inc	1	\$5,000.00
ÄL				\$25,000.00

#### EXHIBIT B

### SECTION II: DEVELOPMENT PLAN

## A. DESCRIPTION OF THE LAND REQUESTED FOR DEVELOPMENT

(1) Number of lots requested in this proposal. \_\_\_\_\_5

(2) Provide the property address and legal description of the land requested (attach extra sheets if necessary) (the "Property"). (See attached 5 property addresses ADDENDUM #1)

## B. DESCRIPTION OF PROPOSED HOUSES ENTITY WILL CONSTRUCT

At least 25% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes not greater than 60% of AMFI. No more than 30% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to bouseholds with gross annual incomes between 81% and 115% of AMFI. (At least 70% of the Land Bank properties sold during any fiscal year to be developed shall be deed restricted for sale to bouseholds with gross annual incomes between 81% and 115% of AMFI. (At least 70% of the Land Bank properties sold during any fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes at 80% AMFI or less.)

Single Family Home (to be sold to low income households at 60% or less of AMFT):

Number of homes to be built
Square Footage range of each home
Number of Bedrooms/Baths in each home /
Number of GaragesNumber of CarportsDetachedAttached
Type of Exterior Veneer Which sides
Your Sales Price range without Subsidies to Qualified Low Income Buyer

Single Family Home (to be sold to low income bouseholds at 80% or less of AMIFT):

Number of homes to be built 3
Square Footage range of each home 1400-1600
Number of Bedrooms/Baths in each home 3-4 / 2
Number of Garages_1-2 Number of Carports Detached Attached
Type of Exterior Veneer Brick Which sides Front
Your Sales Price range without Subsidies to Qualified Low Income Buyer 110-140K

Single Family Home (to be sold to low income households between 81% and 115% of AMIFI):

Number of homes to be built 2
Square Footage range of each home 1500-1900
Number of Bedrooms/Baths in each home 3-4 / 2
Number of Garages 2Number of CarportsDetachedAttached X
Type of Exterior Veneer Brick Which sides all
Your Sales Price range without Subsidies to Qualified Low Income Buyer_ 130-175K

Attach extra sheet(s) breaking out above information for each different model of home.

PROVIDE FLOOR PLANS AND ELEVATIONS.

#### **C. CONSTRUCTION TIMETABLE**

State the number of days it will take you to complete construction and sale of improved Property from the date of obtaining the executed deed from DHADC. Attach a schedule, if you desire. The deed conveying property sold by DHADC will include a right of reverter so that if the Entity does not apply for a construction permit and close on any construction financing within a three year period following the date of conveyance of the property from the DHADC to the Entity, the property will revert to the DHADC for subsequent resale.

Start of Construction: \_\_\_\_60\_\_\_\_\_ days after receiving the deed to the property

Completion of Construction: \_\_\_\_ 120\_\_\_\_ days after start of construction

Sale of first affordable housing unit to low income household: \_\_\_\_\_ 30\_\_\_\_\_ days after completion of construction

Sale of last affordable unit to low income households: \_\_\_\_ 30\_\_\_\_\_ days after completion of first house

ADDENDUM #1	– KW	New	Vision	Properties &	& Land, Inc.
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	Address	Legal Description	Census Tract
1	1643 E. Missouri Avenue	Lot 11, Block P/4246,	55.00
	Dallas, TX 75216	Highlands	
2	2723 Park Row Avenue	Lot 15, Block 5/1287	203.00
	Dallas, TX 75223	Edgewood	
3	5407 Ash Lane	Lot 9, Block M/1611	24.00
	Dallas, TX	East We Go	
4	2519 Britton Drive	Lot 12, Blk 26/4225	55.00
	Dallas, TX 75216	Broadmoor	
5	5410 Fannie Street	Lot 4, Blk A/7185	106.02
	Dallas, TX 75212	Frank M Horton	

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MAPSCO:	54Z
CMO:	Alan Sims, Chief of Neighborhood Plus, 670-1611
DEPARTMENT:	Housing/Community Services
COUNCIL DISTRICT(S):	4
AGENDA DATE:	April 27, 2016
KEY FOCUS AREA:	Economic Vibrancy

#### SUBJECT

Authorize (1) approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by Marcer Construction Company, LLC for the construction of affordable houses; (2) the sale of 2 vacant lots (list attached) from Dallas Housing Acquisition and Development Corporation to Marcer Construction Company, LLC; and (3) execution of a release of lien for any non-tax liens on the 2 properties 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. The City Council then established the Dallas Housing Acquisition and Development Corporation (DHADC or Land Bank) as its land bank for the purpose of acquiring, holding and transferring unimproved real property under Subtitle A, Title 12, Local Government Code, Chapter 379C on January 28, 2004.

Marcer Construction Company, LLC has submitted a proposal and development plan to DHADC for 2 lots shown on the attached list. The DHADC Board has approved the development plan and sale, subject to City Council approval. This item will authorize City Council approval of the development plan submitted by Marcer Construction Company, LLC to the City's Land Bank, the sale of those lots from DHADC to Marcer Construction Construction Company, LLC 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.

## BACKGROUND (continued)

DHADC's Deed without Warranty to Marcer Construction Company, LLC will contain a reverter that returns the property to DHADC if a construction permit is not applied for by Marcer Construction Company, LLC and construction financing is not closed within three years of conveyance.

Marcer Construction Company, LLC will build affordable houses on the lots. The approximate square footage and sales prices of the houses will be from 1,100 to 1,300 square feet and from \$110,000 to \$145,000. The lots will be deed restricted for sale to a low income family and will require at least 25 percent of the developed homes (0 in this proposal) to be sold to households with gross household incomes not greater than 60 percent of the Area Median Family Income (AMFI) as determined annually by HUD. A maximum of 30 percent of the developed homes (0 in this proposal) may be sold to households with gross incomes from 81 percent to 115 percent of the AMFI as determined annually by HUD. If 30 percent of the homes are sold to buyers at 81 percent to 115 percent of the AMFI, the remaining homes (2 in this proposal) will be sold to buyers below 81 percent of the AMFI and in compliance with the minimum 25 percent requirement to sell to buyers below 60 percent of the AMFI. DHADC will receive \$10,000.00 for the sales price, as calculated from the 2015-16 Land Bank Plan approved by City Council.

## 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 September 21, 2015, the Housing Committee was briefed regarding the Urban Land Bank Demonstration Program which outlined the process and status of the program.

On March 24, 2016, DHADC approved the development plan and sale of 2 lots from DHADC to Marcer Construction Company, LLC.

Information about this item will be provided to the Housing Committee on April 18, 2016.

## **FISCAL INFORMATION**

No cost consideration to the City

## **DEVELOPER**

# Marcer Construction Company, LLC

Raul Estrada, Managing Member

MAP

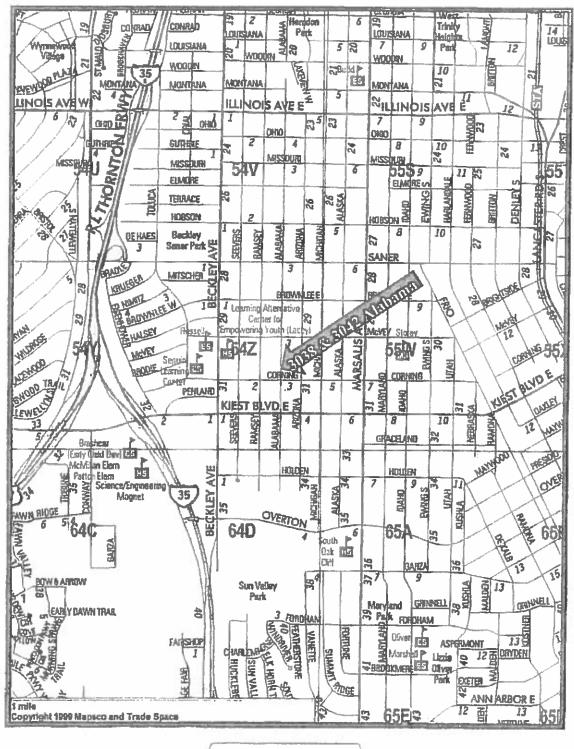
Attached

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# Land Bank (DHADC) Sale of Lots to Marcer Construction Company, LLC

Property Address	Mapsco	Council <u>District</u>	Amount of <u>Non-Tax Liens</u>
1. 3038 Alabama	54Z	4	\$24,697.95
2. 3042 Alabama	54Z	4	\$21,657.37

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**MAPSCO 54Z** 

#### April 27, 2016

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 under Subtitle A, Title 12, Local Government Code, Chapter 379C, by Resolution No. 04-0458; and

WHEREAS, Marcer Construction Company, LLC submitted a proposal and development plan to DHADC for 2 lots shown on Exhibit "A" and the DHADC Board has approved the development plan and sale, subject to City Council approval; and

WHEREAS, the City Council desires to approve the development plan shown on Exhibit "B" indicating the approximate square footage and sales price ranges of the proposed houses submitted by Marcer Construction Company, LLC and authorize the sale of the said 2 lots from DHADC to Marcer Construction Company, LLC to build affordable houses;

#### NOW, THEREFORE,

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

**Section 1.** That the development plan shown on Exhibit "B" indicating the approximate square footage and sales price ranges of the proposed houses submitted by Marcer Construction Company, LLC and the sale of 2 lots shown on Exhibit "A" from DHADC to Marcer Construction Company, LLC 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 shown on Exhibit "A".

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.

EXHIBIT "A"

LAND BANK PROPERTY						
PARCEL NUMBER	STREET ADDRESS LEGAL DESCRIPTION	QUALIFIED PURCHASER	NUMBER OF HOMEOWNER UNITS	SALE		
i	3038 Alabama Lot 10, Freemont Addition Revised Block 18/4114	Marcer Construction Company, LLC	1	\$5,000.00		
2	3042 Alabama Lot 11, Freemont Addition Block 18/4114	Marcer Construction Company, LLC	1	\$5.003.09		
AL				\$10,000.00		

#### EXHIBIT B

# SECTION II: DEVELOPMENT PLAN

# A. DESCRIPTION OF THE LAND REQUESTED FOR DEVELOPMENT

(1) Number of lots requested in this proposal. 2

(2) Provide the property address and legal description of the land requested (attach extra sheets if necessary) (the "Property" 3038 Edition City of Dallas ALARAMA hlork 18/4114 remont 30.40 ALABAMA LOT. 10 Block Addition at of Callas 18/4114 Freemot

# B. DESCRIPTION OF PROPOSED HOUSES ENTITY WILL CONSTRUCT

At least 25% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes not greater than 60% of AMFI. No more than 30% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes between 81% and 115% of AMFI. (At least 70% of the Land Bank properties sold during any fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes at 80% AMFI or less.)

Single Family Home (to be sold to low income households at 60% or less of AMFI):

1	Number of homes to be built
5	Square Footage range of each home
ľ	Number of Bedrooms/Baths in each home /
ז ד	Number of Garages Number of Carports Detached Attached Type of Exterior Veneer Which sides
	Your Sales Price range without Subsidies to Qualified Low Income Buyer
Single Famil	ly Home (to be sold to low income households at 80% or less of AMIFI):
S N	lumber of homes to be built quare Footage range of each home1100 1300 lumber of Bedrooms/Baths in each home3 /2
N Tr	Sumber of Garages 2. Number of Carports 2. Detached Attached Attached ype of Exterior Veneer 3. Woods Stde/I for hot star. Which sides our Sales Price range without Subsidies to Qualified Low Income Buyer 110,000 ~ 145,000
Single Family	y Home (to be sold to low income households between 81% and 115% of AMFI):
Nı Sq	umber of homes to be built
31.	

odrane Loorane Lanke of Gacu home
Number of Bedrooms/Baths in each home /
Number of GaragesNumber of CarportsDetachedAttached
Type of Exterior Veneer Which sides
Your Sales Price range without Subsidies to Qualified Low Income Buyer

Attach extra sheet(s) breaking out above information for each different model of home.

PROVIDE FLOOR PLANS AND ELEVATIONS.

# C. CONSTRUCTION TIMETABLE

State the number of days it will take you to complete construction and sale of improved Property from the date of obtaining the executed deed from DHADC. Attach a schedule, if you desire. The deed conveying property sold by DHADC will include a right of reverter so that if the Entity does not apply for a construction permit and close on any construction financing within a three year period following the date of conveyance of the property from the DHADC to the Entity, the property will revert to the DHADC for subsequent resale.

Start of Construction: \_\_\_\_\_ days after receiving the deed to the property

Completion of Construction: 60 days after start of construction

Sale of first affordable housing unit to low income household: ASAP days after completion of construction

Sale of last affordable unit to low income households: ASAP days after completion of first house

KEY FOCUS AREA:	Economic Vibrancy
AGENDA DATE:	April 27, 2016
COUNCIL DISTRICT(S):	7
DEPARTMENT:	Housing/Community Services
CMO:	Alan Sims, Chief of Neighborhood Plus, 670-1611
MAPSCO:	46U 47N

#### **SUBJECT**

Authorize (1) approval of the development plan submitted to the Dallas Housing Acquisition and Development Corporation by South Dallas Fair Park Innercity Community Development Corporation for the construction of affordable houses; (2) the sale of 2 vacant lots (list attached) from Dallas Housing Acquisition and Development Corporation to South Dallas Fair Park Innercity Community Development Corporation; (3) the exchange of deed restrictions from the 2 lots proposed to be purchased from the Land Bank to 2 comparable lots owned by the developer; and (4) 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. The City Council then established the Dallas Housing Acquisition and Development Corporation (DHADC or Land Bank) as its land bank for the purpose of acquiring, holding and transferring unimproved real property under Subtitle A, Title 12, Local Government Code, Chapter 379C on January 28, 2004.

South Dallas Fair Park Innercity Community Development Corporation (ICDC) has submitted a proposal and development plan to DHADC for the acquisition of 2 lots, as shown on the attached list, and also for the exchange of the deed restrictions from the 2 lots proposed to be purchased from the Land Bank to 2 comparable lots owned by the developer, as allowed under Section 379C.0105 of the Texas Local Government Code. The DHADC Board has approved the development plan, sale and exchange of deed restrictions, subject to City Council approval.

# **BACKGROUND** (continued)

This item will authorize City Council approval of the development plan submitted by ICDC to the City's Land Bank, the sale of those lots from DHADC to ICDC, the exchange of deed restrictions 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. DHADC's Deed without Warranty to ICDC will contain a reverter that returns the property to DHADC if a construction permit is not applied for by ICDC and construction financing is not closed within three years of conveyance.

The approximate square footage and sales prices of the houses will be 1,330 square feet and from \$90,000 to \$100,000. The lots will be deed restricted for sale to a low income family and will require at least 25 percent of the developed homes (0 in this proposal) to be sold to households with gross household incomes not greater than 60 percent of the Area Median Family Income (AMFI) as determined annually by HUD. A maximum of 30 percent of the developed homes (0 in this proposal) may be sold to households with gross incomes from 81 percent to 115 percent of the AMFI as determined annually by HUD. If 30 percent of the homes are sold to buyers at 81 percent to 115 percent of the AMFI, the remaining homes (2 in this proposal) will be sold to buyers below 81 percent of the AMFI and in compliance with the minimum 25 percent requirement to sell to buyers below 60 percent of the AMFI. DHADC will receive \$10,000.00 for the sales price, as calculated from the 2015-16 Land Bank Plan approved by City Council.

#### 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 September 21, 2015, the Housing Committee was briefed regarding the Urban Land Bank Demonstration Program which outlined the process and status of the program.

On March 24, 2016, DHADC approved the development plan, the sale of 2 lots from DHADC to South Dallas Fair Park Innercity Community Development Corporation and the exchange of deed restrictions.

Information about this item will be provided to the Housing Committee on April 18, 2016.

#### FISCAL INFORMATION

No cost consideration to the City

# DEVELOPER

# South Dallas Fair Park Innercity Community Development Corporation

Lewis Rhone, Chairman

MAP

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Attached

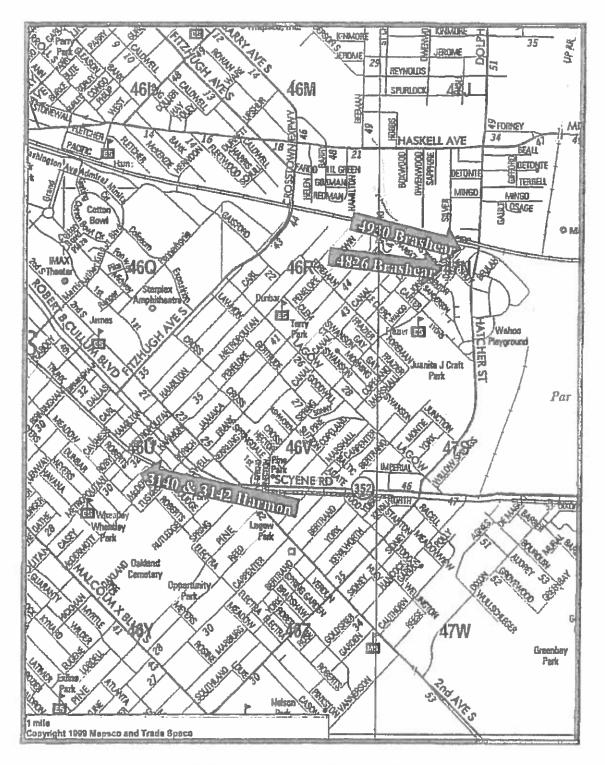
1

# Land Bank (DHADC) Sale of Lots to South Dallas Fair Park Innercity Community Development Corporation

Property Address	<u>Mapsco</u>	Council <u>District</u>	Amount of Non-Tax Liens
1. 4826 Brashear	47N	7	\$9,841.64
2. 4930 Brashear	47N	7	\$1,981.52

# Lots Owned by South Dallas Fair Park Innercity Community Development Corporation To be Exchanged for Land Bank Lots

Property Address	Mapsco	Council <u>District</u>
1. 3140 Harmon	46U	7
2. 3142 Harmon	46U	7



**MAPSCO 46U & 47N** 

WHEREAS, on January 28, 2004, by Resolution No. 04-0458, 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; and

WHEREAS, South Dallas Fair Park Innercity Community Development Corporation (ICDC) submitted a proposal and development plan to DHADC for the acquisition of 2 lots shown on Exhibit A and the exchange of the deed restrictions from the 2 lots proposed to be purchased from the Land Bank to 2 comparable lots owned by the developer, as permitted under Section 379C.0105 of the Texas Local Government Code and the DHADC Board has approved the development plan and the sale and exchange of the deed restrictions, subject to City Council approval; and

WHEREAS, the City Council desires to approve the development plan shown on Exhibit B indicating the approximate square footage and sales price ranges of the proposed houses submitted by ICDC and authorize the sale of the said 2 lots from DHADC to ICDC and exchange of the deed restrictions to build affordable houses;

NOW, THEREFORE,

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

Section 1. That the development plan shown on Exhibit B indicating the approximate square footage and sales price ranges of the proposed houses submitted by ICDC and the sale of 2 lots shown on Exhibit A from DHADC to ICDC and the exchange of the deed restrictions from the 2 lots proposed to be purchased from the Land Bank to 2 comparable lots owned by the developer.

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 shown on Exhibit A.

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.

EXHIBIT "A"

PARCEL NUMBER	STREET ADDRESS LEGAL DESCRIPTION	QUALIFIED PURCHASER	NUMBER OF HOMEOWNER UNITS	SALE AMOUNT
ł	4826 Broshear Lot 51, Parks and Friedman's Spring Avenus Addision Block 2421	South Dallas Fair Park Innercity Community Development Corporation	1	\$5,000 00
2	4930 Brashear Lot 14, Parks and Friedman's Spring Avenue Addition Block 2419	South Dallas Fair Park Intercity Community Development Corporation	()	\$5,000.00
TAL	Block 1419			\$10,000

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#### Exhibit b

#### SECTION IL: DEVELOPMENT PLAN

# A. DESCRIPTION OF THE LAND REQUESTED FOR DEVELOPMENT

(1) Number of lots requested in this proposal. \_\_\_\_2

(2) Provide the property address and legal description of the land requested (attach extra sheets if necessary) (the "Property").

1.4826 Brasbear St., Parks & Freedman, Spring, Avenue, BLK 2421 Lot 51, VOL 87013 PG2859 CO-DC 2421 000 05100 1002421 000.

2. 4930 Brashear St. Parks & Freedman Spring Avenue BLK 2914 LT 14, INT201600005710 DD 12312015, CO-DC 2419 00001400 1002419 000.

#### B. DESCRIPTION OF PROPOSED HOUSES ENTITY WILL CONSTRUCT

At least 25% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes not greater than 60% of AMFI. No more than 30% of the Land Bank properties sold during any given fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes between 81% and 115% of AMFI. (At least 70% of the Land Bank properties sold during any fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes between 81% and 115% of AMFI. (At least 70% of the Land Bank properties sold during any fiscal year to be developed shall be deed restricted for sale to households with gross annual incomes at 80% AMFI or leas.)

Single Family Home (to be sold to low income households at 60% or less of AMIFT);

Single Family Home (to be sold to low income households at 80% or less of AMIFI):

Number of homes to be built \_2 Square Footage range of each home \_1330sq ft\_\_\_\_\_\_ Number of Bedrooms/Baths in each home 3/2 Number of Garages\_\_\_\_\_\_Number of Carports 1 Detached \_\_\_\_\_\_ Attached 1 Type of Exterior Veneer\_<u>Hardi Siding</u>\_\_\_\_\_\_ Which sides \_\_\_\_\_\_ Your Sales Price range without Subsidies to Qualified Low Income Buyer\_<u>\$90,000 -</u> \$100,000.\_\_\_\_\_

Single Family Home (to be sold to low income households between 81% and 115% of AMFD:

Number of homes to be built _0
Square Footage range of each home
Number of Bedrooms/Baths in each home /
Number of Garages Number of Carports Detached Attached
Type of Exterior Veneer Which sides
Your Sales Price range without Subsidies to Qualify at T

Your Sales Price range without Subsidies to Qualified Low Income Buyer\_\_\_\_\_ Attach extra sheet(s) breaking out above information for each different model of home.

PROVIDE FLOOR PLANS AND ELEVATIONS.

#### C. CONSTRUCTION TIMETABLE

State the number of days it will take you to complete construction and sale of improved Property from the date of obtaining the executed deed from DHADC. Attach a schedule, if you desire. The deed conveying property sold by DHADC will include a right of reverter so that if the Entity does not apply for a construction permit and close on any construction financing within a three year period following the date of conveyance of the property from the DHADC to the Entity, the property will revert to the DHADC for subsequent resale.

Start of Construction: \_270\_ days after receiving the deed to the property

Completion of Construction: \_180\_ days after start of construction

Sale of first affordable housing unit to low income household: \_\_300\_\_ days after completion of construction

Sale of last affordable unit to low income households: \_\_330\_\_ days after completion of first house

MAPSCO:	45W
CMO:	Alan Sims, Chief of Neighborhood Plus, 670-1611
DEPARTMENT:	Housing/Community Services
COUNCIL DISTRICT(S):	1
AGENDA DATE:	April 27, 2016
KEY FOCUS AREA:	Clean, Healthy Environment

# **SUBJECT**

Authorize (1) the acceptance of a Continuum of Care Grant from the U.S. Department of Housing and Urban Development in the amount of \$288,401, to provide permanent supportive housing for homeless persons with HIV/AIDS at Hillcrest House located at 834 North Marsalis Avenue for the period May 1, 2016 through April 30, 2017; (2) a contract with Hillcrest House Partnership, Ltd. (as Owner) and PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas (as Subrecipient) in the amount of \$288,401 to provide permanent supportive housing for homeless persons with HIV/AIDS at Hillcrest House located at 834 North Marsalis Avenue for the period May 1, 2016 through April 30, 2017; (3) a cash match in the amount of \$72,101 from Housing Opportunities for Persons with AIDS grant funds; and (4) execution of any and all agreements and other documents required by the grant - Total not to exceed \$360,502 - Financing: U.S. Department of Housing and Urban Development Grant Funds

# BACKGROUND

Hillcrest House is a four-story residential facility with 64 single room occupancy (SRO) units serving homeless persons with HIV/AIDS. The facility is owned by Hillcrest House Partnership, Ltd., a Texas limited partnership with PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas (ASD) as sole general partner and, through a wholly owned subsidiary, sole limited partner.

In 1992, the City of Dallas as grantee, together with ASD as project sponsor, applied for and were awarded a Shelter Plus Care/SRO grant for ten years of rental assistance commencing in May 1995, in connection with the moderate rehabilitation of Hillcrest House located at 834 North Marsalis Avenue, Dallas, Texas. Beginning in May 2006, the Hillcrest House grant has been renewed annually by the U.S. Department of Housing and Urban Development (HUD) to provide ongoing support for the facility.

# BACKGROUND (Continued)

Under new HUD regulations issued June 2012, the grant was converted from Shelter Plus Care to Continuum of Care funding for project-based rental assistance effective May 2013, and was amended to reallocate funding for supportive services effective May 2014.

This FY2015 renewal grant (Grant No. TX0060L6T001508 and CFDA No. 14.267) continues funding for project-based rental assistance, supportive services, and project administration at Hillcrest House. The City of Dallas administers the rental assistance (including inspections) at Hillcrest House, with residents paying 30% of monthly adjusted income toward their own rent and the grant paying the remainder. ASD provides on-site supportive services (consisting of transportation) for residents funded through this grant, but residents also receive home health care, comprehensive case management, food services, volunteer support, employment services, and HIV disease management funded through other sources.

All recipients are required to match 25 percent of Continuum of Care grant funds with cash or in-kind contributions from other sources. Cash match in the amount of \$72,101 will be provided through Housing Opportunities for Persons with AIDS (HOPWA) grant funds, consisting of partial salary and benefits for a City of Dallas case worker stationed at Hillcrest House providing homeless outreach services for the facility, as well as HOPWA facility based housing assistance funds awarded and contracted to ASD for operations and supportive services at Hillcrest House.

# PERFORMANCE MEASURES

Number of Persons Assisted

	2015-16	2015-16	2016-17
	<u>Goal</u>	<u>Actual*</u>	<u>Goal</u>
Persons served at Hillcrest	77	81	77
Persons in stable housing at Hillcrest	67	71	67

\*YTD data through 1/31/16 (9 months)

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized the FY2013 renewal of a Continuum of Care Grant (formerly Shelter Plus Care Grant) to provide rental assistance funds for single room occupancy for homeless persons living with HIV/AIDS at Hillcrest House located at 834 North Marsalis Avenue on June 25, 2014, by Resolution No. 14-1000.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

Authorized the first amendment to the FY2013 renewal of the Continuum of Care Grant for Hillcrest House located at 834 North Marsalis Avenue, to establish a category for supportive services and shift funds from rental assistance to supportive services, on February 11, 2015, by Resolution No. 15-0276.

Authorized the FY2014 renewal of a Continuum of Care Grant (formerly Shelter Plus Care Grant) to provide rental assistance funds for single room occupancy for homeless persons living with HIV/AIDS at Hillcrest House located at 834 North Marsalis Avenue on April 22, 2015, by Resolution No. 15-0752.

Authorized the second amendment to FY2013 renewal of the Continuum of Care Grant for Hillcrest House located at 834 North Marsalis Avenue, to shift funds from supportive services to rental assistance, on August 12, 2015, by Resolution No. 15-1381.

Information about this item will be provided to the Housing Committee on April 18, 2016.

# FISCAL INFORMATION

\$360,502 - U. S. Department of Housing and Urban Development Grant Funds

# ETHNIC COMPOSITION

# PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas (Board)

Black Female	1	Black Male	1
White Female	2	White Male	15
Hispanic Female	2	Hispanic Male	1
Other Female	0	Other Male	2

# OWNER(S)

# PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas

# Board of Directors

Don Neubauer, Chair Donald Mercer, Vice Chair Karen Charleston, Secretary William Early, Treasurer Jacque Borel Debbie Ochoa Duncan Mark Edgeli Samuel W. Etheridge Dennis Kershner James Lightfoot Arlen Miller David Nelson Ashley Peña Rich Perry Budi Sutomo Wayne Thomas

# **OWNER(S)** (Continued)

Robert Helm Bruce Jaster Domingo Jimenez Matthew Jones Jonathan Thorne Jennifer Thornton Sharon Valenti Hon. Ernie White

**WHEREAS**, there is a need to assist the homeless population with HIV/AIDS by providing rental assistance in conjunction with supportive services; and

**WHEREAS,** the U.S. Department of Housing and Urban Development (HUD) provides Continuum of Care Grant funds to assist homeless persons living with HIV/AIDS with project-based rental assistance; and

**WHEREAS,** HUD has approved the City of Dallas FY2015 renewal application for Continuum of Care Grant funds to provide permanent supportive housing for homeless persons with HIV/AIDS at Hillcrest House located at 834 North Marsalis Avenue;

# NOW, THEREFORE,

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is hereby authorized to: (1) accept a Continuum of Care Grant from the U.S. Department of Housing and Urban Development in the amount of \$288,401 (Grant No. TX0060L6T001508 and CFDA No. 14.267), to provide permanent supportive housing for homeless persons with HIV/AIDS at Hillcrest House located at 834 North Marsalis Avenue for the period May 1, 2016 through April 30, 2017; (2) enter into a contract with Hillcrest House Partnership, Ltd. (as Owner) and PWA Coalition of Dallas, Inc. dba AIDS Services of Dallas (as Subrecipient) in the amount of \$288,401, to provide permanent supportive housing for homeless persons with HIV/AIDS at Hillcrest House located at 834 North Marsalis Avenue, for the period May 1, 2016 through April 30, 2017; (3) a cash match in the amount of \$72,101 from Housing Opportunities for Persons with AIDS grant funds; and (4) execute any and all agreements and other documents required by the grant.

**Section 2.** That the City Manager is hereby authorized to establish appropriations in Fund F486, Dept. HOU, Unit 1923, Object Code 3099, in an amount not to exceed \$288,401.

**Section 3.** That the Chief Financial Officer is hereby authorized to receive and deposit grant funds in Fund F486, Dept. HOU, Unit 1923, Revenue Source Code 6506, in an amount not to exceed \$288,401.

**Section 4.** That the Chief Financial Officer is hereby authorized to disburse funds from Fund F486, Dept. HOU, Unit 1923, in periodic payments in an amount not to exceed \$288,401, to Hillcrest House Partnership, Ltd., Vendor No. VC0000011725, and to PWA Coalition of Dallas, Inc., Vendor No. 268632, according to the following:

Section 4. (Continued)

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Object</u>	<u>Category</u>	MASC No.	<u>Vendor No.</u>	Amount
F486	HOU	1923	3099	Rent Asst	FY15Hillcrest1	VC0000011725	\$232,704
F486	HOU	1923	3099	Support Srvc	FY15Hillcrest2	268632	\$ 36,585
F486	HOU	1923	3099	Administration	FY15Hillcrest2	268632	<u>\$ 19,112</u>
						Total	\$288,401

**Section 5.** That the City Manager is hereby authorized to provide a cash match in the total amount of \$72,101, with \$34,130 from Fund HW15, Dept. HOU, Unit 672H (for HOPWA Facility Based Housing Assistance - at Hillcrest House, Operations & Supportive Services), and \$37,971 from Fund HW15, Dept HOU, Unit 673H for City of Dallas HOPWA Caseworker II - at Hillcrest House, Homeless Outreach (Partial Salary/Benefits).

**Section 6.** That the City Manager is hereby authorized to make non-significant changes to the grant/contract, in accordance with HUD regulations, including shifting not more than 10 percent of the total amount awarded under the grant/contract for one approved eligible activity category to another eligible activity category, and to provide additional information, make adjustments, and take other actions relating to these budgets as may be necessary in order to satisfy HUD requirements.

**Section 7.** That the City Manager is hereby authorized to reimburse to HUD any expenditures identified as ineligible. The City Manager shall notify the appropriate City Council Committee of expenditures identified as ineligible not later than 30 days after the reimbursement. Further, the City Manager shall keep the appropriate City Council Committee informed of all final HUD audit reports not later than 30 days after the receipt of the report.

**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.

MAPSCO:	55 <b>B</b>
CMO:	Alan Sims, Chief of Neighborhood Plus, 670-1611
DEPARTMENT:	Housing/Community Services
COUNCIL DISTRICT(S):	4
AGENDA DATE:	April 27, 2016
KEY FOCUS AREA:	Economic Vibrancy

#### SUBJECT

A resolution declaring two unimproved properties located at 410 Sparks Street and 411 Hart Street unwanted and unneeded and authorizing their conveyance to Dallas Housing Acquisition and Development Corporation, a qualified non-profit organization, through the Land Transfer Program (list attached) - Revenue: \$2,000

#### BACKGROUND

This item will declare two (2) unimproved properties located at 410 Sparks Street and 411 Hart Street unwanted and unneeded and authorize their conveyance to Dallas Housing Acquisition and Development Corporation (DHADC), 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. DHADC will construct two (2) single-family homes for purchase by low to moderate income homebuyers. The anticipated commencement date of construction is Fall 2016.

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

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Housing Committee on April 18, 2016.

#### FISCAL INFORMATION

Revenue - \$2,000

# <u>OWNER</u>

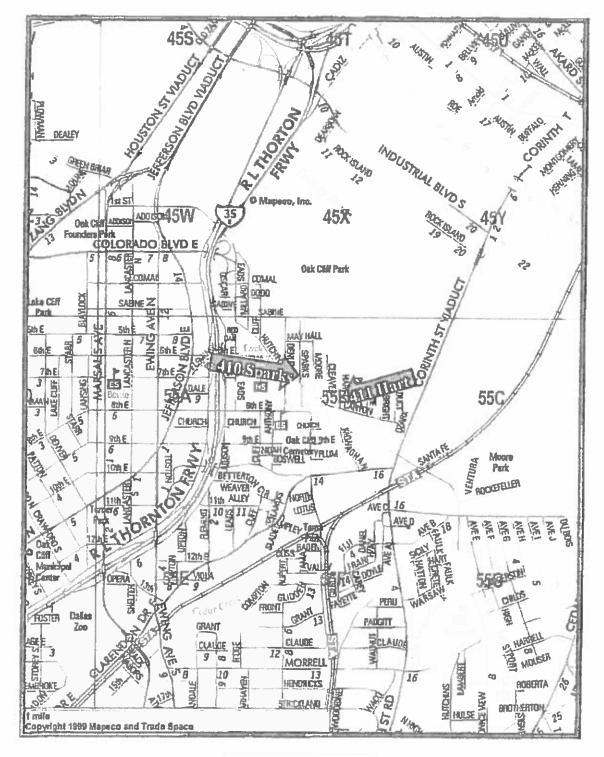
**Dallas Housing Acquisition and Development Corporation** 

MAP

Attached

# Surplus Property Resale

Parce <u>No.</u>	Address	Non-Profit Organization	<u>Mapsco</u>	DCAD <u>Amount</u>	Sale <u>Amount</u>	Vac/ <u>Imp</u>	<u>Zoning</u>
<b>1.</b> ∗≋	410 Sparks	Dallas Housing Acquisition and Development Corporation	55B	\$7,000	\$1,000	V	R-5(A)
2.	411 Hart	Dallas Housing Acquisition and Development Corporation	55B	\$7,000	\$1,000	V	R-5(A)



**MAPSCO 55B** 

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 Council desires to declare the Property shown on Exhibit "A" unwanted and unneeded and authorize its conveyance to Dallas Housing Acquisition and Development Corporation (DHADC); and

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

 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
 a right of reverter; and

WHEREAS, the Deed Restrictions will require 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 Deed without Warranty, and
 (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;

#### NOW, THEREFORE,

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

**Section 1.** That upon receipt of the monetary consideration from DHADC 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 DHADC 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.

Section 2. That the Deed without Warranty to this Property will contain:

 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
 a right of reverter.

Section 3. That the Deed Restrictions will require 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 Deed without Warranty, and
 (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.

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 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.

Section 6. That any and all proceeds for the resale of the Property listed on Exhibit A shall be deposited to General Fund 0001, Agency DEV, Balance Sheet Account 0519 and the Sustainable Development and Construction Department shall be reimbursed for administrative costs incurred (Fund 0001, Department DEV, Unit 1183, Object 5011). Any remaining proceeds shall be transferred to the General Capital Reserve Fund 0625, Department DEV, 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 the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

		SHR					
			April 27, 2				
PARCEL NUMBER	STREET ADDRESS LEGAL DESCRIPTION	VACANT/ IMPROVED	Instrument Number	QUALIFIED NONPROFIT PURCHASER	NUMBER OF DWELLING UNITS	TYPE OF DEED	SALE AMOUNT
1	410 Sparks South ½ of Lot 22 and Lot 23, Dewberry's Addition Block 2/7675	V	201400310244	Dallas Housing Acquisition and Development Corporation	1	Deed Without Warranty	\$1,000.00
2	411 Hart Lot 5, Meadowmere Addition Block 3/7677	V	201400310246	Dallas Housing Acquisition and Development Corporation	1	Deed Without Warranty	\$1,000.00
						TOTAL	\$2,000.0

KEY FOCUS AREA:	Economic Vibrancy
AGENDA DATE:	April 27, 2016
COUNCIL DISTRICT(S):	7
DEPARTMENT:	Housing/Community Services
CMO:	Alan Sims, Chief of Neighborhood Plus, 670-1611
MAPSCO:	45R

#### SUBJECT

Authorize an amendment to Resolution No. 15-1378, previously approved on August 12, 2015, for the conditional grant agreement in the amount of \$1,500,000 with Central Dallas Community Development Corporation to extend the completion date to September 30, 2016 for construction of the 50 permanent supportive housing units located at 1531 Malcolm X Boulevard - Financing: No cost consideration to the City

# BACKGROUND

On March 11, 2016, Central Dallas Community Development Corporation (CDC), requested to extend the completion date to September 30, 2016 for the conditional grant to Central Dallas Community Development Corporation in the amount of \$1,500,000 for the development of 50 permanent supportive housing units located at 1531 Malcolm X Boulevard for construction costs. Central Dallas Community Development Corporation will have a 10-year deed restriction on the units to maintain affordability at 140% Area Median Family Income.

Central Dallas Community Development Corporation has completed construction on the underground electrical, plumbing, piers, foundations, framing and a portion of the exterior of the buildings. Remaining to be done are sheetrock, insulation, paint, cabinets, windows, trim, HVAC & flooring. Delays occurred due to weather, including ice and rain that created excessive mud conditions that hindered setting underground utilities and pouring the foundations.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 12, 2013, City Council approved the conditional grant to Central Dallas Community Development Corporation in the amount of \$1,500,000 for the development to include acquisition, demolition, relocation, predevelopment and construction costs of the project at 1531 Malcolm X Blvd., by Resolution No. 13-0993.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

On May 28, 2014, City Council approved an amendment to the conditional grant to Central Dallas Community Development Corporation, by Resolution No. 14-0850.

On August 12, 2015, City Council approved an amendment to the conditional grant to Central Dallas Community Development Corporation, by Resolution No. 15-1378.

Information about this item will be provided to the Housing Committee on April 18, 2016.

# **FISCAL INFORMATION**

No cost consideration to the City

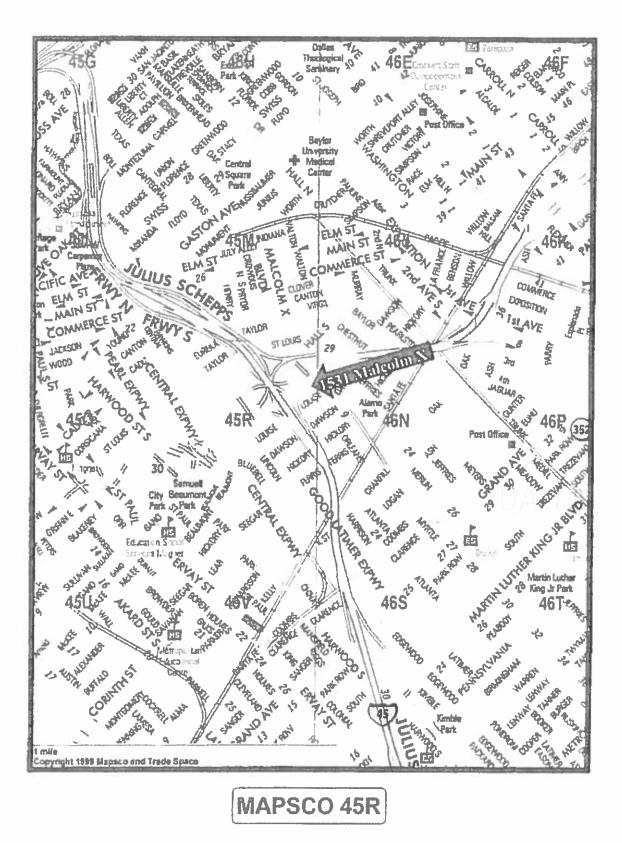
#### **OWNER/DEVELOPER**

**Central Dallas Community Development Corporation** 

John Greenan, Executive Director

MAP

Attached



WHEREAS, the City of Dallas seeks to support economic growth in the Southern area of the city and economic development; and

WHEREAS, Central Dallas Community Development Corporation wishes to partner with the City of Dallas to provide 50 permanent supportive housing units in the South Dallas area; and

WHEREAS, on June 12, 2013, City Council approved the conditional grant to Central Dallas Community Development Corporation in the amount of \$1,500,000 for the development to include acquisition, demolition, relocation, predevelopment and construction costs of the project at 1531 Malcolm X Blvd., by Resolution No. 13-0993; and

WHEREAS, on May 28, 2014, City Council approved an amendment to the conditional grant to Central Dallas Community Development Corporation, by Resolution No. 14-0850; and

WHEREAS, on August 12, 2015, City Council approved an amendment to the conditional grant to Central Dallas Community Development Corporation, by Resolution No. 15-1378; and

WHEREAS, the City requests a modification to the conditional grant agreement as part of the City's ongoing efforts to promote housing as a part of greater economic development plans in the city; 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 amend Resolution No. 15-1378, previously approved on August 12, 2015, for the conditional grant agreement in the amount of \$1,500,000 with Central Dallas Community Development Corporation to extend the completion date to September 30, 2016 for construction of the 50 permanent supportive housing units located at 1531 Malcolm X Boulevard.

**SECTION 2.** That the grant agreement is hereby expressly made subject to all of the following contingencies which must be performed or occur:

- a. Central Dallas Community Development Corporation consents to and files deed restrictions requiring 100% of the units to be rented to low income people for a period of ten (10) years.
- b. The City will subordinate first lien position to the interim construction lender.
- c. Central Dallas CDC shall complete construction and occupancy by September 30, 2016.

#### SECTION 2. (Continued)

- d. Central Dallas CDC must present documentation for all of the renters to have incomes at or below 140% Area Median Family Income through full lease-up.
- e. Central Dallas CDC shall make best efforts to promote the hiring of neighborhood residents for any new jobs created.
- f. Borrower will be released from liability on the Note at the same time the low-to-moderate income renters are approved.

**SECTION 3.** That the City Manager or designee may extend the start and completion dates for a period up to three months for just cause.

**SECTION 4.** That this resolution does not constitute a binding agreement upon the City or subject the City to any liability or obligation with respect to the loans, until such time as the Deed of Trust Lien and deed restrictions are duly approved by all parties and executed.

**SECTION 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA:	Clean, Healthy Environment
AGENDA DATE:	April 27, 2016
COUNCIL DISTRICT(S):	All
DEPARTMENT:	Housing/Community Services
CMO:	Alan Sims, Chief of Neighborhood Plus, 670-1611
MAPSCO:	N/A

#### SUBJECT

Authorize Supplemental Agreement No. 1 to the FY2014-15 contract with Health Services of North Texas, Inc. to provide Housing Opportunities for Persons with AIDS scattered site housing assistance for persons with HIV/AIDS, to revise the Statement of Services and budget to reallocate funding in the amount of \$3,362 from the Emergency/Tenant Based Rental Assistance (E/TBRA) – Housing Services budget category to the Emergency/Tenant Based Rental Assistance (E/TBRA) – Financial Assistance budget category, with no net change in the contract amount - Financing: No cost consideration to the City

#### BACKGROUND

On August 13, 2014, City Council by Resolution No. 14-1224 approved the contract with Health Services of North Texas, Inc. for the first twelve month renewal option to provide scattered site housing under the Housing Opportunities for Persons with AIDS (HOPWA) Program.

Under the HOPWA program, Health Services of North Texas, Inc. provides short-term emergency assistance and long-term tenant based rental assistance to low income persons living with HIV/AIDS primarily in Collin, Delta, Denton, Ellis, Hunt, Kaufman, and Rockwall counties. In addition to housing assistance, HOPWA clients also receive supportive services through case managers at each location who ensure that clients have access to other services in the Dallas area.

Health Services of North Texas, Inc. is a non-profit agency located in Denton, with offices also located in Plano, providing quality medical and support services to persons living with HIV/AIDS in the rural and outer urban communities of North Texas. The agency was founded in 1988, and has been providing HOPWA scattered site housing assistance through Tarrant County since 1995, and through Dallas County since 1996.

# BACKGROUND (Continued)

The agency's programs include outpatient medical care assistance; prescription and insurance assistance; HOPWA housing assistance; behavioral health counseling; medical and comprehensive case management assistance; food pantries; and transportation.

The agency had funds remaining in the E/TBRA - Housing Services budget category covering staff costs, and used a portion to meet rental assistance needs. Accordingly, the agency has requested to reallocate funding to the appropriate budget category. Approval of this item will reallocate funding as listed below, with no net change in the contract amount.

	Original	Change	Revised
E/TBRA – Financial Assistance	\$350,000	\$ 3,362	\$353,362
E/TBRA Housing Services	\$140,000	(\$ 3,362)	\$136,638
Program Admin/Project Sponsors	<u>\$ 34,300</u>	<u>\$0</u>	<u>\$ 34,300</u>
	\$524,300	\$ 0	\$524,300

----

00444

#### PERFORMANCE MEASURES

Number of Persons Assisted

	2014-15	2014-15
	<u>Goal</u>	<u>Actual</u>
Emergency-unduplicated clients served	37	51
Tenant-based-unduplicated clients served	43	52
Total-unduplicated clients served	80	103

# OUTCOME MEASURES

The intended outcome of HOPWA facility based housing assistance, as required by HUD, is: Housing Stability, measured by the percentage of clients who remain in stable housing at the end of each program year. 0044.40

	2014-15	2014-15
	<u>Goal</u>	<u>Actual</u>
Emergency - percent in stable housing	92%	100%
Tenant-based - percent in stable housing	92%	100%

In FY2014-15, the agency also reported data on access to care and support per HOPWA requirements.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized a twelve-month contract, with one twelve-month renewal option, with Health Services of North Texas, Inc. for scattered site housing assistance on September 28, 2011, by Resolution No. 11-2527.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

Authorized the twelve-month renewal option with Health Services of North Texas, Inc. for scattered site housing assistance on September 12, 2012, by Resolution No. 12-2254.

Authorized a twelve-month contract, with two twelve-month renewal options, with Health Services of North Texas, Inc. for scattered site housing assistance on September 11, 2013, by Resolution No. 13-1558.

Authorized the first twelve month renewal option to the contract with Health Services of North Texas, Inc. for scattered site housing assistance on August 13, 2014, by Resolution No. 14-1224.

Information about this item will be provided to the Housing Committee on April 18, 2016.

#### **FISCAL INFORMATION**

No cost consideration to the City

#### **ETHNIC COMPOSITION**

Health Services of North Texas, Inc. (Board)

Black Female	1	Black Male	1
White Female	2	White Male	9
Hispanic Female	2	Hispanic Male	0
Other Female	0	Other Male	1

# OWNER(S)

Health Services of North Texas, Inc.

**Board of Directors** 

Martin Mainja, President Jacqueline F. Jackson, Vice President Joe McCarley, Secretary Todd R. Gibson, Treasurer Louise Baldwin Derrell Bulls, Ph.D. Jerry Garrett Gloria Herron Cordelia Ikegwuoha Glen P. McKenzie Herman J. Osterwijk Christopher Redden Randy L. Robinson Clara Sanchez Danny J. Sullivan Chris Watts

WHEREAS, Housing Opportunities for Persons with AIDS (HOPWA) grant funds received from the U.S. Department of Housing and Urban Development (HUD) have been designated to provide services to low-income persons with HIV/AIDS and HIV-related illness and their families; and

WHEREAS, the FY2014-15 Consolidated Plan Budget included the Housing Opportunities for Persons with AIDS (HOPWA) grant from the U.S. Department of Housing and Urban Development (HUD) in the amount of \$5,375,659; and

WHEREAS, the City of Dallas entered into the FY2014-15 contract with Health Services of North Texas, Inc. to provide scattered site housing assistance services to eligible persons for the period October 1, 2014 through September 30, 2015 not to exceed \$524,300; and

WHEREAS, Health Services of North Texas, Inc. has requested to reallocate \$3,362 from the Housing Services category to the Financial Assistance category, with no net change in the contract amount;

#### NOW, THEREFORE,

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

**Section 1.** That following approval as to form by the City Attorney, the City Manager is hereby authorized to enter into Supplemental Agreement No. 1 to the FY2014-15 contract with Health Services of North Texas, Inc. to provide scattered site housing assistance for persons with HIV/AIDS, to revise the Statement of Services and budget to reallocate funding in the amount of \$3,362 from E/TBRA – Housing Services to E/TBRA – Financial Assistance, with no net change in the contract amount, and execute any and all documents required by the agreement.

**Section 2.** That the Chief Financial Officer is hereby authorized to reallocate funds as follows:

		Object	Encumbrance				
<u>Fund</u>	<u>Unit</u>	Code	<u>Number</u>	<b>Description</b>	Original	Change	Revised
HW14	480G	3099	CTGH184656	E/TBRA – Fin Asst	\$350,000	\$ 0	\$350,000
HW14	480G	3099		E/TBRA – Fin Asst	\$ 0	\$3,362	\$ 3,362
HW14	481G	3099	CTGH184657	E/TBRA – Hsg Serv	\$140,000	(\$3,362)	\$136,638
HW14	487G	3099	CTGH184658	Prog Admin/Proj Sp	\$ 34,300	<u>\$ 0</u>	\$ 34,300
				Total	\$524,300	\$ 0	\$524,300

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:	April 27, 2016
COUNCIL DISTRICT(S):	4
DEPARTMENT:	Housing/Community Services
CMO:	Alan Sims, Chief of Neighborhood Plus, 670-1611
MAPSCO:	55B

#### **SUBJECT**

A public hearing to receive comments on the proposed sale of one unimproved property acquired by the taxing jurisdictions from the Sheriff to Dallas Housing Acquisition and Development Corporation, a qualified non-profit organization; and, at the close of the public hearing, authorize the City Manager to: (1) quitclaim one unimproved property to Dallas Housing Acquisition and Development Corporation, under the HB110 process of the City's Land Transfer Program; and (2) release the City's s non-tax liens included in the foreclosure judgment and post-judgment non-tax liens, if any (list attached) - Revenue: \$1,000

#### BACKGROUND

The HB110 process of the City's Land Transfer Program, in accordance with Section 2-26 of the Dallas City Code ("Code") and with Section 253.010 of the Texas Local Government Code, permits the City to sell land, which the City has acquired as a trustee, for itself and the other taxing jurisdictions, from the Sheriff pursuant to the tax foreclosure process, to a qualified non-profit organization for the purpose of providing affordable housing, subject to the consent of the other taxing jurisdictions.

Property eligible for the HB110 process of the City's Land Transfer Program may be sold by quitclaim deed and include a possibility of reverter and right of re-entry, triggered under certain conditions, including if construction of affordable housing is not completed on the property within three years of the non-profit's receipt of the quitclaim deed. The quitclaim deed must also include deed restrictions that ensure the desired development of the property and maintain the affordability of the property as required by the Code. Per the Code, the sales price of each property is \$1,000 for up to 7,500 square feet of land plus \$0.133 for each additional square foot of land, which amount is distributed by the City to both the City and the other taxing jurisdictions in accordance with Section 34.06 of the Texas Tax Code, plus an amount equal to the actual fees charged for recording the Sheriff's deed and the quitclaim deed in the real property records.

# BACKGROUND (continued)

Prior to the approval of any sale, the Code requires that the City Council hold a public hearing to receive comments on the proposed sale of land and provide certain notices to the public.

Dallas Housing Acquisition and Development Corporation (DHADC) will construct one (1) single-family home on the unimproved HB110 process-eligible, Land Transfer Program property, identified on Exhibit A, attached to the resolution, for purchase by a low to moderate income homebuyer with construction to begin in the Fall of 2016.

This item calls for a public hearing to allow the public an opportunity to comment on the proposed sale of the one unimproved property to DHADC and, at the close of the public hearing, authorizes the sale of the property to DHADC by quitclaim deed and the release of the City's non-tax liens included in the foreclosure judgment and the post-judgment non-tax liens, if any.

In conformance with the Code, at least ten calendar days prior to the public hearing, a sign indicating the time and place of the public hearing was placed on the property, notification of the public hearing was mailed to property owners within 200 feet of the property, and notice of the public hearing was published in the Dallas Morning News.

# PRIOR ACTION/REVIEW (Council, Boards, Commissions)

On March 23, 2016, City Council authorized a public hearing to receive comments on the proposed sale by quitclaim deed of one unimproved property acquired by the taxing jurisdictions from the Sheriff to Dallas Housing Acquisition and Development Corporation by Resolution No. 16-0490.

Information about this item will be provided to the Housing Committee on April 18, 2016.

# **FISCAL INFORMATION**

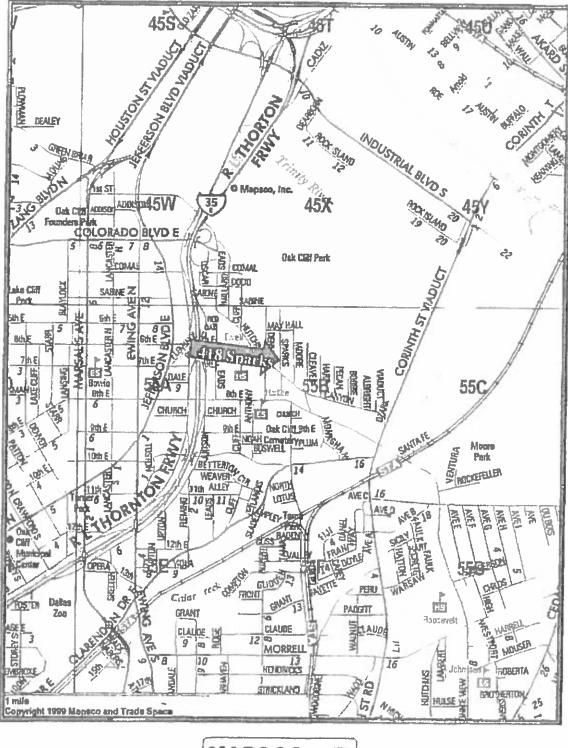
Revenue - \$1,000

MAP

Attached

# Tax Foreclosure and Seizure Property Resale

Parco <u>No.</u>	el <u>Address</u>	Non-Profit Organization	<u>Mapsco</u>	DCAD <u>Amount</u>	Sale <u>Amount</u>	Vac/ <u>Imp</u>	<u>Zoninq</u>
1.	418 Sparks	Dallas Housing Acquisition and Development Corporation	55B	\$7,000	\$1,000	V	R-5(A)



**MAPSCO 55B** 

WHEREAS, the City's Land Transfer Program, in accordance with Section 2-26 of the Dallas City Code ("Code") and with Section 253.010 of the Texas Local Government Code, permits the City to sell land, which the City has acquired as a trustee, for itself and the other taxing jurisdictions, from the Sheriff pursuant to the tax foreclosure process, to a qualified non-profit organization for the purpose of providing affordable housing, subject to the consent of the other taxing jurisdictions; and

WHEREAS, property eligible for the HB110 process of the City's Land Transfer Program may be sold by quitclaim deed and include a possibility of reverter and right of re-entry, triggered under certain conditions, including if construction of affordable housing is not completed on the property within three years of the non-profit's receipt of the quitclaim deed; and

WHEREAS, the quitclaim deed must also include deed restrictions that ensure the desired development of the property and maintain the affordability of the property as required by the Code; and

WHEREAS, per the Code, the sales price of each property is \$1,000 for up to 7,500 square feet of land plus \$0.133 for each additional square foot of land, which amount is distributed by the City to both the City and the other taxing jurisdictions in accordance with Section 34.06 of the Texas Tax Code, plus an amount equal to the actual fees charged for recording the Sheriff's deed and the quitclaim deed in the real property records; and

WHEREAS, prior to the approval of any sale, the Code requires that the City Council hold a public hearing to receive comments on the proposed sale of land and provide certain notices to the public; and

WHEREAS, Dallas Housing Acquisition and Development Corporation (DHADC) proposes to construct one (1) single-family home on the unimproved HB110 process-eligible, Land Transfer Program property, identified on Exhibit A, attached hereto and made a part hereof (hereinafter the "property"), for purchase by a low to moderate income homebuyer with construction to begin in the Fall of 2016; and

WHEREAS, at least ten calendar days prior to the public hearing, a sign indicating the time and place of the public hearing was placed on the property, notification of the public hearing was mailed to property owners within 200 feet of the property, and notice of the public hearing was published in the Dallas Morning News;

NOW, THEREFORE,

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

Section 1. That upon receipt of the requisite monetary consideration from DHADC, (hereinafter the "non-profit organization") and the approval of the governing bodies of the other affected taxing jurisdictions, the City Manager is hereby authorized to execute a quitclaim deed, approved as to form by the City Attorney and attested by the City Secretary, quitclaiming the property, acquired by the taxing jurisdictions from the Sheriff, to the non-profit organization, subject to the conditions contained in this resolution.

Section 2. That the City Manager is hereby authorized to execute instruments, approved as to form by the City Attorney, releasing the City's non-tax liens included in the foreclosure judgment and post-judgment non-tax liens, if any, on the property.

Section 3. That the quitclaim deed shall contain:

- (a) A possibility of reverter with right of re-entry if the director determines that the non-profit organization:
  - (i) has failed to take possession of the property within ninety calendar days after receiving the quitclaim deed;
  - (ii) has failed to complete construction of affordable housing on the property within three years after receiving the quitclaim deed or by the end of any extended development period approved by the City Council in accordance with Section 2-26.6(c) of the Code;
  - (iii) is unable to develop the land because a request for a zoning change has been denied;
  - (iv) has incurred a lien on the property because of violations of the Code or other City ordinances within three years after receiving the quitclaim deed; and
  - (v) has sold, conveyed, or transferred the property without the consent of the City and the other affected taxing jurisdictions within three years after receiving the quitclaim deed.
- (b) Deed restrictions requiring the purchaser to:
  - (i) restrict the sale and resale of owner-occupied property to low-income individuals or families for five years after the date the deed from the non-profit organization to the initial homebuyer is filed in the real property records of the county in which the property is located;

Section 3. (Continued)

- (ii) require the non-profit organization to develop all proposed housing units on the property in accordance with the Code and all applicable City ordinances and state and federal laws within three years after receiving the quitclaim deed or by the end of any extended development period approved by the City Council in accordance with Section 2-26.6(c) of the Code, and to obtain inspections and approval of the housing units by the City before initial occupancy; and
- (iii) require any low-income individual or family who purchases a housing unit on a property to maintain the housing unit in accordance with the Code and all applicable City ordinances and state and federal laws for a period of five years after the date the deed from the non-profit organization to the initial homebuyer is filed in the real property records of the county in which the property is located.
- (c) An indemnification by the non-profit organization of the City and other affected taxing jurisdictions.
- (d) A statement and acknowledgment that the property is quitclaimed subject to all redemption rights provided by state law.
- (e) The non-profit organization's representation and agreement that it did not purchase the property on behalf of a "prohibited person" and will not sell or lease the property to a "prohibited person" for five years from the date of the quitclaim deed. A "prohibited person" is any party who was named as a defendant in the legal proceedings where the City obtained a final judgment for delinquent taxes and an order to foreclose its tax lien on the property or person in the judgment or seizure tax warrant, or the Sheriff's deed as the owner of the property, authorized seized and ordered sold for delinquent taxes and any municipal health and safety liens.

Section 4. That the City Manager is authorized to execute instruments, 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 Section 2-26 of the Code and the quitclaim deed, including the deed restrictions and the proposal.

Section 5. That the non-profit organization shall be responsible for the pro-rata taxes assessed on the property from the date of closing for the remaining part of the then-current calendar year. The property shall be placed back on the tax rolls effective as of the date of execution of the quitclaim deed.

COUNCIL CHAMBER

#### April 27, 2016

Section 6. That any procedures required by Section 2-24 of the Code that are not required by state law are hereby waived with respect to conveyance of the property.

Section 7. That the monetary consideration received from the non-profit organization shall be distributed pursuant to the Section 34.06 of the Texas Tax Code.

Section 8. That any and all proceeds for the City's sale of the property to the non-profit organization be deposited to General Fund 0001, Agency DEV, Balance Sheet Account 0519.

Section 9. That upon receipt of the monetary consideration from the non-profit organization, the Chief Financial Officer is authorized to disburse proceeds of the sale of the property in accordance Section 34.06 of the Texas Tax Code, which calculations for disbursement shall be provided by the Director of Sustainable Development and Construction, to the City of Dallas Land Based Receivables, the Dallas County District Clerk and the Dallas County Tax Office from the account specified in Section 8 above.

Section 10. 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.

PARCEL	STREET ADDRESS	QUALIFIED	NUMBER OF	SALE
NUMBER	LEGAL DESCRIPTION	PURCHASER	HOMEOWNER UNITS	AMOUNT
1	418 Sparks South 18.73 Ft of Lot 19 & Lot 20, Dewberry's Addition Block 27675	Dallas Housing Acquisition and Development Corporation	E.	\$1,000-00

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EXHIBIT "A"

# Memorandum



DATE April 15, 2016

- Housing Committee Members: Scott Griggs, Chair, Carolyn King Amold, Vice-Chair, Mayor Pro-Tem Monica R. Alonzo, Tiffinni A. Young, Mark Clayton, and Casey Thomas, II
- SUBJECT Upcoming Addendum Item April 27, 2016 Authorize (1) the rejection of a single proposal received for a one-year service contract for a clinical dental care program; and (2) the re-advertisement for new proposals.

This addendum item authorizes (1) the rejection of a single proposal received for a oneyear service contract for a clinical dental care program; and (2) the re-advertisement for new proposals. This item has no cost consideration to the City.

Please let me know if you have any questions.

Alas &

Alan E. Sims Chief of Neighborhood Plus

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 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