

June 25, 2025

**WHEREAS**, on January 28 2004, the City Council designated the Dallas Housing Acquisition and Development Corporation (DHADC) as its Land Bank for the purpose of acquiring, holding, and transferring unimproved real property by Resolution No. 04-0458 and pursuant to Chapter 379C of the Texas Local Government Code; and

**WHEREAS**, on April 12, 2023, the City Council adopted a Dallas Housing Policy 2033 (DHP33) to replace the Comprehensive Housing Policy (CHP) by Resolution No. 23-0443, and the Dallas Housing Resource Catalog (DHRC) to include the approved programs from the CHP by Resolution No. 23-0444; and

**WHEREAS**, the Department of Housing and Community Development continues operating its programs, previously authorized and adopted under the CHP, now as restated in the DHRC; and

**WHEREAS**, Murai Homes, LLC (Developer) submitted a proposal to purchase five vacant Land Bank Program lots to develop five single-family affordable housing units (the Project); and

**WHEREAS**, to assist in the affordable housing production goals established in the CHP and restated in the DHP33 and/or the DHRC, DHADC, subject to approval by the City Council, desires to enter into a development agreement with Murai Homes, LLC; and

**WHEREAS**, DHADC Board of Directors approved this Project at the DHADC board meeting held on February 27, 2025, by Resolution DHADC 25-004.

**Now, Therefore,**

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

**SECTION 1.** That the City Council hereby authorizes the **(1)** sale of up to five Land Bank Program lots from the DHADC to Murai Homes, LLC, and/or its affiliates (Developer) subject to restrictive covenants, a right of reverter, and execution of all necessary documents, pursuant to the City's Land Bank Program; and **(2)** execution of a developmental agreement with Developer for the construction of up to five single family homes on the Land Bank Program lots.

**SECTION 2.** That the DHADC is hereby authorized to execute all documents, including, but not limited to Deed Without Warranty (subject to right of reverter), restrictive covenants, Deed of Trust and any necessary documents to effectuate the sale of up to five vacant Land Bank Program lots shown in **Exhibit A** to Developer pursuant to the terms of development as described herein. All lots may revert to DHADC if the DHADC Board President or his/her designee determines that the Developer has:

1. failed to take possession of the land within 90 calendar days after receiving the deed to the parcels of real property;

**SECTION 2.** (continued)

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

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

**SECTION 3.** That DHADC will provide Developer with a 60-day right of entry and due diligence period. During this period, the Developer will identify lots with significant development challenges that may be undevelopable or may require significant remediation. Following the 60-day period, Developer must confirm that lots are acceptable and suitable to be developed for single-family affordable housing units. DHADC may extend the due diligence period, as determined in the DHADC's sole discretion.

**SECTION 4.** That each lot shall be sold to Developer for a fixed price of \$11,500.00 for the lot to be developed with a unit target homebuyers at an Area Median Income (AMI) of 60.00% and below, \$13,500.00 for those lots to be developed with units targeting homebuyers at an AMI of 61.00% - 80.00%, and \$20,500.00 for those lots to be developed with units targeting homebuyers at an AMI of 81.00% - 115.00%, as detailed in **Exhibit A**. DHADC will collect fees from Developer for the recording of documents related to the transfer of ownership. The proceeds from sale and associated fees will be deposited to DHADC Operating Fund account.

**SECTION 5.** That in addition to the conditions set out in the sections above, the development agreement shall include the following:

1. Developer is required to design, redevelop and construct a single-family home, for sale to eligible homebuyers, on each Land Bank Program lot obtained by Developer from DHADC. Developer has submitted a development plan to the DHADC, which the DHADC has approved.

**SECTION 5.** (continued)

2. Upon transfer of ownership of the lots from DHADC to the Developer, Developer must maintain all vacant lots in compliance with all applicable city, state and federal regulations including maintaining the lots free of high weeds.
3. No liens shall exist on the lots, except for liens related to the development of each lot. However, Developer shall ensure that each lot is free from liens or other encumbrances at the time of sale to each eligible homebuyer.
4. Developer shall ensure that all single-family homes (Units) have access to public sewer, public water, public road and any other necessary utilities.
5. All Project costs must be reasonable and customary and conform with the Land Bank Program, and any other applicable City regulations.
6. Each Unit must contain a minimum of 1,200 square feet with a minimum of three bedrooms and two baths.
7. Units must be equipped with the following Energy Star rated appliances in conformity with the development standards outlined in the Single-Family Homeownership Development Requirements/Underwriting section of the DHRC: refrigerator, range/oven, dishwasher. All units must also contain a garbage disposal.
8. Units must meet applicable Section 504 Rehabilitation Act and Uniform Federal Accessibility Standards requirements. If Units are presold, Developer must make the Unit accessible upon the request of the prospective buyer.
9. One unit must be sold to a homebuyer in an income range of 60.00% and below of the AMI, two Units must be sold to a homebuyer in an income range of 61.00% – 80.00% of the AMI, and two Units must be sold to a homebuyer in an income range of 81.00% – 115.00% of the AMI. Units must be sold to an income eligible homebuyer.
10. For Units targeting homebuyers in the 81.00% to 115.00% AMI range, maximum sales price shall not exceed 85.00% of the U.S. Department of Housing and Urban Development (HUD) HOME homeownership sales price for the Dallas, Texas HUD Metro Fair Market Rents Area for the year in which the affordable housing Unit is sold.
11. For Units targeting homebuyers in the 61.00% to 80.00% AMI range, maximum sales price shall not exceed 75.00% of the HUD HOME homeownership sales price for the Dallas, Texas HUD Metro Fair Market Rents Area for the year in which the affordable housing Unit is sold.

**SECTION 5.** (continued)

12. For Units targeting homebuyers in the 60.00% and below AMI range, maximum sales price shall not exceed 60.00% of the HUD HOME homeownership sales price for the Dallas, Texas HUD Metro Fair Market Rents Area for the year in which the affordable housing Unit is sold.
13. All income eligible homebuyers must meet the eligibility criteria set forth in the City of Dallas Homebuyer Assistance Program, or a successor program.
14. Developer shall construct and sell each Unit to eligible homebuyers within two years from the date of sale by the DHADC to Developer. Developer shall construct and sell at least one unit to an eligible homebuyer within seven months from the date of sale by the DHADC to the Developer. Developer may receive one one-year extension of any deadlines in the development agreement, subject to prior approval of the DHADC Board President or designee.
15. Developer shall submit a marketing plan to DHADC for review and approval prior to construction. The marketing plan must identify the steps it is proposing to take in marketing the housing Units to income-eligible homebuyers.
16. The term of affordability for each unit is five years from the filing date of the deed transferring the unit from Developer to homebuyer, which shall be enforced by the restrictive covenants recorded against each property.
17. The DHADC Board President may authorize minor modifications to the Project to reduce the number of lots sold to Developer and to modify the Unit sales price, so long as such modification complies with the DHRC.
18. Developer shall obtain a building permit for at least one unit within four months from the date of sale to Developer from DHADC.

**SECTION 6.** That this resolution does not constitute a binding agreement upon the City or the DHADC or subject the City or the DHADC to any liability or obligation with respect to this transaction, until such time as the documents are duly approved by all parties and executed.

**SECTION 7.** 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.