

RESOLUTION NO. 674

A RESOLUTION OF THE CITY OF TERRELL, TERRELL, TEXAS, AMENDING THE POLICY (ADOPTED BY RESOLUTION 651) GOVERNING THE RESALE, SALE OR DISPOSITION OF PUBLICLY OWNED LAND WITHIN THE CITY OF TERRELL.

WHEREAS, the Terrell City Council desires that resale, sale or disposition of publicly owned land shall be made in accordance with written policies approved by the governing body; and

WHEREAS, resale, sale or disposition policies must be consistent, provide clear directions, address public purpose issues, coordinate sales between various agencies, such as, County, City, School District or other vested agencies, determine that future use by private parties is consistent with the goals and recommendations of the City Council, Future Land Use Plan and other regulatory ordinances and statutes; and

WHEREAS, the City of Terrell City Council finds that the City Policy for the Resale, Sale or Disposition of Publicly Owned Land attached hereto (Exhibit "A") is in the best interests of the citizens, property owners, businesses and visitors of the City of Terrell.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TERRELL, TEXAS:

Section 1. The Terrell City Council hereby adopts Exhibit "A" attached hereto as the official policy which shall govern the resale, sale or disposition of publicly owned land.

Section 2. That this resolution shall hereby authorize the Mayor to enter into Interlocal Agreements with Kaufman County, Terrell Independent School District and Trinity Valley Community College for the purpose of implementing the policy shown as Exhibit "A", in which the City of Terrell shall act as Trustee for certain tax foreclosed properties for the purpose of neighborhood revitalization.

Section 3. That this resolution shall take effect immediately from and after its passage.

PASSED, ADOPTED AND APPROVED by the City Council of the City Terrell this the 7TH day of December, 2010.

APPROVED:

Jack Jones, Mayor Pro tem

ATTEST:

John Rounsavall, City Secretary

APPROVED AS TO FORM:

Mary Gayle Ramsey, City Attorney

EXHIBIT “A”

CITY OF TERRELL

Resale, Sale, or Disposition Policy of Publicly Owned Land

PURPOSE: To establish guidelines for the resale, sale, or disposition (including abandonment of rights-of-way or easements) of publicly owned land located within the corporate city limits of Terrell and its Extraterritorial Jurisdiction (ETJ).

APPLICABILITY: This policy shall apply to the resale, sale or disposition of all publicly held lands owned by the City of Terrell or held in public trust by the City of Terrell (for Neighborhood Revitalization) or by the County including, but not limited to property foreclosed on for delinquent taxes or outstanding liens; surplus properties acquired by purchase, condemnation, eminent domain, dedication, donation, etc.

PROCESS: To initiate the application of this policy, certain tracts or lots of land will be identified as being considered for resale, sale or disposition by either the County or City. City staff will conduct research to determine if the City, County, School District or other agencies have an interest in retaining the property for a public purpose. City staff shall then prepare a report and present the recommendation to the City Council. Upon receiving the recommendation, the City Council will consider the resale, sale or disposition in accordance with the following criteria:

Part One: Checklist for Staff review of resale, sale or disposition request.

- 1.) Engineering Department Review:
 - a. Will all or part of the land be needed for future street improvements (as identified on Thoroughfare Plan), right-of-way, access, utility easements, or drainage and storm water management?
 - b. Does access to the property involve TxDOT controlled right-of-way and will any of the access points be required to get TxDOT approval?
 - c. Will all or part of the land be needed for future capital improvements such as, water towers, lift stations, pump stations, sewer treatment facilities, or government facilities such as libraries, fire or police stations, service centers, etc?
 - d. Is land needed for existing or future park facilities?
 - e. Is the property located in a flood plain or is it subject to drainage problems due to poor existing drainage?
 - f. Has the property had prior water and sewer services and are they still available?
 - g. Are new water and sewer services available to the property and do the existing mains have the capacity for new taps?
 - h. Is the sewer accessible by gravity flow or do pump systems have to be installed?
 - i. Will the property be subject to impact fees?
 - j. Has the land been subject to Phase I or Phase II environmental assessments?
 - k. Are there any known environmental contamination issues on the land?
- 2.) Municipal Development Review:
 - a. If the land is vacant what were the past land uses if any?
 - b. What are the current land uses on the subject property and are the uses nonconforming or substandard?
 - c. What is the current zoning on the land or will rezoning be required prior to development?
 - d. Is the proposed use in conformance with the Future Land Use Plan and Zoning Ordinance?

- e. Have there been or are there current liens against the property and what type are they?
 - f. Have code violations been assessed against the previous property owners and what types were they?
 - g. Has the land been platted, if not, will it be required to plat the property prior to development?
 - h. Do the lot dimensions meet current standards for development?
 - i. Does the lot have proper access for future or current development?
 - j. Are there large trees that would be required to be preserved by the landscape ordinance?
 - k. Is there adequate space for parking for current or future development?
 - l. Is it in the best interest of the City to divide and sell the property to adjacent property owners? Are the adjacent owners interested in acquiring the property?
 - m. Could the lot or property be land-banked for future residential development for neighborhood revitalization.
 - n. Who is responsible for any surveys or plats if needed to transfer the property?
 - o. Have any variances or specific use permits ever been granted for the property?
- 3.) Administration Review:
- a. Have all departments or other vested parties or agencies returned their reports to the City Secretary for preparation of Council reports?
 - b. Have the required notices or advertisements been posted?
 - c. Have any special licenses or permits been issued for the property, such as, game or dance hall, seasonal vendors, alcohol sales, private club, etc.?
 - d. Are there any outstanding unpaid utility bills or other fees on the property?
 - e. Have any citizens or adjacent property owners formally requested the sale of a certain lot or tract of land?
- 4.) Terrell Independent School District Review.
- a. Does the school district have an interest in acquiring the land for future expansion of school facilities?
 - b. Is the land adjacent to any existing or future school?
 - c. Is there an opportunity for the city and school district to jointly develop the land for recreational uses?
 - d. Can the land be used by the district for access to existing facilities to improve traffic safety in the vicinity of a school?
- 5.) Terrell Economic Development Corporation Review.
- a. Is the land located within or is it adjacent to any land controlled by the TEDC?
 - b. Could the land be used by the TEDC to further its mission of recruiting new businesses to Terrell?
 - c. Could the land be used in a public/private development partnership?
- 6.) City Attorney Review:
- a. Is all documentation or instruments available for the preparation of Title and Deed execution?
 - b. Have all of the requirements by State and Local Law been met?
 - c. Has a title search been initiated?

Part Two: Execution of Sale of Publicly Owned Property:

- 1.) After the city staff review is completed in accordance with the above criteria each department shall submit its recommendations to the Municipal Development Department for the preparation of the final report to be presented to the city council.

- 2.) The City Council, after reviewing the staff report, shall conduct a public meeting on the resale, sale or disposition of the subject properties, and other such consideration, shall exercise its prerogative to authorize the resale, sale, abandonment or other disposition of the property in accordance with established statutes and ordinances.
- 3.) If the subject property is held in trust by the County, the City Secretary shall forward the City Council's recommendation to the County for disposition.
- 4.) If the property is held by the City then the City Attorney shall prepare the documentation to execute the sale of the subject property and notify the City Secretary when the sale is complete for information distribution.
- 5.) Properties identified for Neighborhood Revitalization shall be processed for resale utilizing the following terms and conditions:
 - a. City staff shall request qualifications from residential builders, developers or non-profit entities for the purpose of developing and constructing houses on the selected tax foreclosed properties. The City shall qualify redevelopment partners for the resale and redevelopment of selected tax foreclosed properties for neighborhood revitalization. Additional RFQs may be solicited from time to time at the discretion of the Municipal Development Director in order to replenish or add to the list of redevelopment partners on resale lots.
 - b. Price points (initial sales price) of homes built under this policy shall meet the requirements based upon qualifying for moderate income, as verified by the City of Terrell Housing Director, in effect at the time the building permit application is submitted.
 - c. After a list of redevelopment partners has been established and approved by the City, they will be eligible to bid on any and all lots which become available for resale under this Agreement. All sales of lots under this Agreement shall be "private" sales to pre-qualified purchasers in accordance with Section 34.05 of the Texas Tax Code.
 - d. Purchaser means an individual, corporation, non-profit corporation, partnership, or other legal entity selected in the "Request For Qualifications" process and who has been awarded a bid to purchase and redevelop certain tax foreclosed lots within the City of Terrell.
 - e. Purchasers of properties under this Agreement shall covenant to commence construction of a new residential structure within 180 days of executing a contract with the City and to complete the construction within an additional 180 days of commencing construction. Properties in which construction has not commenced within the allotted time shall revert Title ownership back to the City free of any liens, encumbrances or damages. The purchaser shall hold the City and all Parties to this Agreement harmless in the execution of this Agreement and performance of development contracts entered into by the purchaser for failing to perform as agreed.
 - f. Additional terms and conditions as determined appropriate by the City may apply, such as, adopted building codes, ordinances and policies regarding construction of houses on selected tax foreclosed properties in order to effect the public purpose of neighborhood revitalization, improving property value and quality of housing in Terrell.
 - g. A performance bond shall be required for each property purchased to insure completion of the construction as required in the contract. The City shall have the right to redeem such bonds if a purchaser fails to complete the construction

of a home within one (1) year of executing the contract to complete the construction. A purchaser who buys multiple lots at the same time shall be granted additional time for construction at the discretion of the Municipal Development Director, however, commencement of construction shall still be required within six (6) months of the execution of the contract on at least one lot.

- h. The adopted Building Codes and Ordinances of the City of Terrell shall apply to all construction except that building permit and utility tap fees shall be waived. Lots in which prior utility services can be verified shall receive credit towards impact fees in accordance to the Impact Fee Ordinance.
- i. The initial home occupant (purchaser of the completed home) shall be an individual or family owner occupant, i.e. the initial occupation shall not be by rental or lease unless otherwise authorized by the City Council (see subsection (i) below).
- j. Building permit fees, liens and other judgments against the property may be waived, however, a performance lien shall be placed against the property in the amount of all fees and liens waived which shall be removed twelve months after the sale to an owner occupant. Homes that are subsequently rented or leased shall be subject to the above performance lien.
- k. Minimum construction standards are as follows:

NOTE: The Municipal Development Director shall reserve the right, as part of the RFQ and bid processes, to establish quality requirements, maintenance standards, platting requirements and other development standards above the following stated minimums listed below deemed necessary for the revitalization of individual blocks and neighborhoods as impacted by individual resale properties offered under this policy.

- i. All construction shall meet the minimum standards of the International Building Codes and National Electrical Code as adopted.
- ii. Minimum house size shall be 1,100 square feet of air conditioned space for SF-6 lots, 1,200 square feet for SF-7.5 lots, and 1,500 square feet for SF-10 lots or larger.
- iii. Masonry exterior façade materials shall be required on 75% of the first floor and 50% of the second floor excluding covered porch areas.
- iv. Parking requirements: SF-6 - minimum of two (2) off street spaces one of which must be enclosed, SF-7.5 or larger lot - minimum of two (2) off street spaces both of which must be enclosed.
- v. Concrete driveway shall be required.