

Ordinance authorizing the conveyance of 7 lots (0.46 acres total) of surplus land located at or near 2203 Morris Street and 715 19th Street to DSW Homes, LLC for \$10 per lot and development of affordable housing; and authorizing an option to purchase contract and related sale and conveyance with DSW Homes, LLC for the purchase of 10 lots (0.66 acres-total) of surplus land located at or near 2211, 2217 2219, 2307, 2309, and 2311 Morris Street for \$10 per lot and development of affordable housing.

WHEREAS, in accordance with Texas Local Government Code §272.001(g), the City may convey land to an entity for the development of low-income or moderate-income housing for less than fair market value to use the property in a manner that primarily promotes the municipality's public purpose without complying with the notice and bidding requirements of Texas Local Government Code § 272.001(a) or other law;

WHEREAS, the City owns vacant Lots 1-3 and 38-42, Block 6 Summit Addition Subdivision, which combined is 0.46-acres, of surplus land located at or near 2203 Morris Street and 715 19th Street, as shown in (Exhibit A) attached hereto and incorporated by reference;

WHEREAS, the City owns vacant Lots 8-13 and 18-21, Block 6 Summit Addition Subdivision, which combined is 0.66-acres, of surplus land located at or near at or near 2211, 2217 2219, 2307, 2309, and 2311 Morris Street, as shown in (Exhibit A) attached hereto and incorporated by reference;

WHEREAS, the conveyances are conditioned so that title in any lot described herein will revert to City if the grantee fails to construct a single-family dwelling on such lot for low-income or moderate-income housing and obtain a certificate of occupancy for such dwelling within two years from the date of the conveyance, unless construction of a single-family dwelling has started and a one-year extension is granted to obtain a certificate of occupancy;

WHEREAS, the conveyances include Cost Recapture, Reverter, and Covenant Running with the Land where a full lot reverts to the City of Corpus Christi if within 10 years (1) a dwelling and lot are sold for a price that exceeds the most recently issued New Homes HOME/HTF Purchase Price Limit for 1-Unit for the Corpus Christi, TX MSA as established and published by the U.S. Department of Housing and Urban Development per 24 C.F.R. § 92.254; or (2) a dwelling and lot are rented for an amount that exceeds the most recently issued Fair Market Rent as established and published by the U.S. Department of Housing and Urban Development per 24 C.F.R. § 888.115; and (3) the City of Corpus Christi is not paid a cost recapture for the land value of the lot at \$5.15 per square foot within 90 days of the sale or rental;

WHEREAS, the fair market value of each lot is \$5.15 per square foot;

WHEREAS, the construction of low and moderate-income housing will revitalize the neighborhood surrounding the former Lamar Elementary School; and

WHEREAS, where the terms and conditions of the transactions effectuate and maintain the public purpose of providing low-income or moderate-income housing per Texas Local Government Code §272.001(g) and/or §253.011.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS, THAT:

Section 1. The City Council specifically finds that the foregoing statements included in the preamble of this ordinance are true and correct and adopts such findings for all intents and purposes related to the authorization of this project.

Section 2. The City Manager or designee is authorized to execute all documents necessary to sell and convey approximately 0.46 acres of surplus land, being Lots 2 with a portion of Lot 1, 3, 38, 39, 40, 41, and 42, Block 6, Summit Addition Subdivision, City of Corpus Christi, Nueces County, Texas, located at or near 2203 Morris Street and 715 19th Street to DSW Homes, LLC in exchange for \$10 per lot and the development of the property for low-income or moderate-income housing. Only a portion of Lot 1, Block 6, Summit Addition, is being conveyed and is included with Lot 2, Block 6, Summit Addition.

Section 3. The City Manager or designee is authorized to execute an options contract with DSW Homes, LLC for the option to purchase approximately 0.66 acres of surplus land being Lots 8, 9, 10, 11, 12, 13, 18, 19, 20, and 21, Block 6, Summit Addition Subdivision, Corpus Christi, Nueces County, Texas, located at or near 2211, 2217, 2219, 2307, 2309, and 2311 Morris Street, in exchange for \$10 per lot and maintenance of the property, for a period of 24 months, with such option exercisable upon the construction of low-income or moderate-income housing on Lots 2-3 and 38-42, Block 6 Summit Addition Subdivision, City of Corpus Christi, Nueces County Texas.

Section 4. The City Manager or designee is authorized to execute all documents necessary to sell and convey approximately 0.66 acres of surplus land, being Lots 8, 9, 10, 11, 12, 13, 18, 19, 20, and 21, Block 6, Summit Addition Subdivision, Corpus Christi, Nueces County, Texas, located at or near 2211, 2217 2219, 2307, 2309, and 2311 Morris Street to DSW Homes, LLC in exchange for \$10 per lot and the development of the property for low-income or moderate-income housing.

Introduced and voted on the _____ day of _____, 2024.

PASSED and APPROVED on the _____ day of _____, 2024.

ATTEST:

Paulette Guajardo, Mayor

Rebecca Huerta, City Secretary