

## City of Corpus Christi Infill Housing Incentive Program (IHIP)

# Program Guidelines

## **Table of Contents**

## Contents

Table of Contents	.1
1. Purpose	.2
2. Benefits	.2
3. Definitions	.2
4. Eligibility Criteria	.2
5. Incentives	.3
6. Sale of City owned Lots by Bid	.3
7. Department Responsibilities	.3
8. Other Conditions	.4
CDBG Boundary Map	.5
APPLICATION	.6

## City of Corpus Christi Infill Housing Incentive Program (IHIP) Guidelines

## 1. Purpose

The purpose of the Corpus Christi Infill Housing Incentive Program (IHIP) is to promote and encourage new home construction in existing CDBG neighborhoods on privately owned vacant lots and City owned vacant lots. This program applies to targeted areas where existing street and utility infrastructure is available to promote the development of single-family residential homes.

The Housing & Community Development Department will administer the application process and determine eligibility of lots for the program. The Real Estate Division will administer the sale of land. The Development Services Department will ensure compliance with development requirements and track waived fees.

## 2. Benefits

- Utilizes abandoned and/or nonconforming vacant property
- Once established, properties are completely self-sufficient
- Helps fulfill housing needs in an affordable price range
- Revitalizes existing neighborhoods
- Adds to the assessed value rolls, increasing future City property tax revenue
- Improves maintenance of properties and potentially reduces crime
- Reduces Code Enforcement abatement expense

## 3. Definitions

"Infill lot" or "infill housing" is the insertion of additional housing units into an already approved subdivision or neighborhood. Specifically for this Infill Housing Incentive Program, this means the construction of new residential housing units built on site on a vacant lot or built on two non-conforming lots by re-platting through an administrative plat to remove the lot line, in Community Development Block Grant (CDBG) designated areas within the City of Corpus Christi.

## 4. Eligibility Criteria

For <u>all vacant</u> properties, private and city-owned:

- Must be within the City's Community Development Block Grant (CDBG) designated areas – see map below
- Must meet the definition of infill lots
- Must be in one of the following single family residential zones:
  - RS-15, RS-10, RS-6 and RS-4.5 (see Unified Development Code for definitions)
- Must not be in an airport overflight zone or the Navy's Air Installations Compatible Use Zones (AICUZ), which includes the Accident Potential Zones (APZ) and Clear Zones
- Home construction must begin within 120 days of sale.
- Home construction must be completed and receive Certificate of Occupancy within 6

months of construction start date.

- Must meet all building standards and Unified Development Code requirements
- Must result in a newly constructed, on site, single family home with finished floor plan of 900 to 1300 square feet
  - No mobile homes, no prebuilt homes moved onto the site
- Will be subject to all permit requirements
- Sales price or finished home value of \$50,000 \$100,000

Additional criteria for <u>City owned vacant</u> properties:

- Properties will be made available to builders through a competitive bid process with a defined minimum bid.
- Builder must demonstrate experience to complete the project in a professional manner and to a standard appropriate for the community.
- Builder must demonstrate financial capability.
- Builder must enter into an agreement with City accepting all program requirements and City rules and regulations.
- Builder must offer a limited builder's warranty to the homeowner acceptable to the City of Corpus Christi and compliant with State and Federal regulations.
- Home construction must begin within 120 days of sale.
- Home construction must be completed and receive Certificate of Occupancy within 6 months of construction start date.
- Lot sale will be completed upon closing of the home sale.

#### 5. Incentives

- Waiver of fees, which include building permit, platting and zoning fees.
- Waiver of Water, Wastewater and Gas tap fees.
- City will provide up to two roll-off containers at City's actual cost during construction

## 6. Sale of City owned Lots by Bid

- a. The selected City owned lots will be advertised and sold through a bid process with a minimum bid value.
- b. Bidders will be required to submit a \$100 option contract for each lot for an option period not to exceed 120 days from the date of sale.
- c. Bidders may bid on one or more lots.
- d. Monies collected through the sale will be deposited in a Fund to be used to pay Development Services permitting fees and lot maintenance prior to sale, if any.
- e. Buyers will be required to start the construction on one lot before the end of the option period (120 calendar days) or the lot(s) will revert to the City for resale or for sale to the second highest bidder.
- f. Buyers can extend the option period with approval of the City Manager or his designee.
- g. City will convey the lot through a subordination agreement.

## 7. Department Responsibilities

- a. Executive/Management is responsible to:
  - 1) Establish program objectives and develop implementation procedures.
  - 2) Report to City Council the results of the program on at least an annual basis.

Infill Housing Incentive Program

- b. Housing and Community Development (HCD) Department Director is responsible to:
  - 1) Manage the overall program to meet housing needs of the community.
  - 2) Administer the Infill Housing Incentive Program and procedures, and present a briefing to the City Council at least annually.
  - 3) Update website information about this program.
  - 4) Work with Finance to establish a General Fund special fund with accounts to track revenues from sale of city owned lots and expenditures to pay Development Services the amount of waived fees.
  - 5) Confirm applicant's eligibility for program, and work with Development Services to mark the permit as "Infill Housing" for appropriate permit review and waiver of fees.
- c. City Legal Department is responsible to:
  - 1) Prepare and review all documents to ensure compliance with Local Government Code, City ordinances, and the City Charter.
- d. Real Estate Division of Engineering is responsible to:
  - 1) Prepare bid documents for the sale of city owned lots individually or in packages, as appropriate. Multiple lots may be packaged based on appraised value and location.
  - 2) Receive and open bids at a specified time and place.
  - 3) Award bid based on best value and notify responsive bidders.
  - 4) Prepare a subordination agreement for the lot to the builder for closing.
  - 5) Set the minimum price of the lot in the bid.
- e. Development Services is responsible to:
  - 1) Ensure waiver of all permit fees to include platting, building, and inspection fees.
  - 2) Ensure waiver of all water, wastewater, and gas tap fees. All utilities will be installed at City expense.

## 8. Other Conditions

- a. This program will be monitored and assessed for viability and may be discontinued at the discretion of the City of Corpus Christi.
- b. The City will comply with the Tax Code Sec 34.051 Resale by taxing unit for the purpose of urban development.

## Corpus Christi Community Development Block Grant (CDBG) Boundaries, as of November 2015



#### City of Corpus Christi Infill Housing Incentive Program

#### APPLICATION

- 1. Application must be completely filled out by the applicant.
- 2. Proposed "Infill" lot must be a single family dwelling within existing the Community Development Block Grant Eligible Census Tracts in Corpus Christi.
- Applicant must submit the below Application along with a \$100.00 processing fee made payable to City of Corpus Christi. Deliver the completed form to Housing & Community Development for processing, City Hall 2<sup>nd</sup> Floor, 1201 Leopard Street, Corpus Christi, Texas 78401

Applicant Name:					
Applicant Mailing Address:		State:	Zip Code:		
Primary Phone #:	Secondary Phone #:	E-Mail:			
Proposed Infill Lot Address:					
Proposed Project Description:					
Attach proof of property ownership:					
Required Information:					
Lot Size: Property/Parcel ID: Proposed Level of Investment: \$ Property Zoning: Project Start Date: Project Completion Date:					
Applicant Signature:		Date	:		

<b>HCD STAFF ONLY:</b> Applicant meets all eligible criteria. Application fully completed.	
Residential housing unit to be built.	
Property is in appropriate Residential zone	
REVIEWED BY: COMMENTS:	