

RESOLUTION NO. 05-2017

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE SALE OF MULTIPLE TAX-FORECLOSED PROPERTIES LOCATED IN MESQUITE, TEXAS (THE "PROPERTIES"), ACCEPTING THE OFFERS FROM THE PURCHASERS TO PURCHASE THE PROPERTIES; RATIFYING AND APPROVING THE OFFER AND PURCHASE AGREEMENTS EXECUTED BY THE PURCHASERS SETTING FORTH THE TERMS AND CONDITIONS OF THE SALE OF THE PROPERTIES; AND AUTHORIZING THE CITY MANAGER TO EXECUTE QUITCLAIM DEEDS AND ALL OTHER DOCUMENTS NECESSARY OR REQUESTED TO COMPLETE THE CLOSING AND SALE OF THE PROPERTIES.

WHEREAS, the City of Mesquite, Texas ("City"), the Mesquite Independent School District ("MISD"), and Dallas County, Texas, on its behalf and on behalf of the Dallas County Community College District, the Parkland Hospital District and the Dallas County School Equalization Fund (collectively "Dallas County"), seek to work together in intergovernmental cooperation to return tax delinquent unproductive properties back to productive use and back to producing tax revenue; and

WHEREAS, the Texas Tax Code permits the foreclosure of a tax lien and the sale of real property in order to collect delinquent taxes; and

WHEREAS, at the tax foreclosure sales of the properties described in Exhibit "A" attached hereto and made a part hereof for all purposes (individually a "Property" and collectively the "Properties"), the Properties were "struck off" to the City to be held on the City's behalf and as trustee for MISD and Dallas County; and

WHEREAS, the existence of blighted, abandoned or vacant tax delinquent properties negatively impacts adjacent property values, citizen quality of life and the tax revenues of local taxing units; and

WHEREAS, a return of delinquent tax properties to productivity would encourage revitalization of deteriorating neighborhoods, improve adjacent property values, reduce governmental expenditures on these properties and provide an increased tax base that would thus enhance future tax revenues; and

WHEREAS, pursuant to Texas Tax Code §34.05(h), a tax foreclosed property may be sold at a private sale without the consent of each taxing unit entitled to receive proceeds of the sale if the property is sold for an amount equal to or greater than the lesser of:

- (1) the market value specified in the judgment; or
- (2) the total amount of the judgment; and

WHEREAS, pursuant to Texas Tax Code §34.05(i), a tax foreclosed property may be sold at a private sale for less than the amount required under Texas Tax Code §34.05(h) if each taxing unit entitled to receive proceeds of the sale under the judgment consents to the sale; and

WHEREAS, pursuant to Texas Tax Code §34.05(j), a tax foreclosed property may be sold at a private sale for an amount equal to or greater than its market value, as shown by the most recent certified appraisal roll, if:

- (1) the sum of the amount of the judgment plus post-judgment taxes, penalties, and interest owing against the property exceeds the market value; and
- (2) each taxing unit entitled to receive proceeds of the sale consents to the sale for that amount; and

WHEREAS, Properties sold pursuant to Texas Tax Code §34.05(h) and §34.05(i) will include the payment of post-judgment taxes, penalties and interest and will be subject to prorated taxes for the year of closing; and

WHEREAS, pursuant to Texas Tax Code §34.05(k), a sale pursuant to §34.05(j) will discharge and extinguish all liens foreclosed by the judgment and all post-judgment taxes, penalties and interest, except for prorated taxes for the year of closing; and

WHEREAS, offers to purchase the Properties for the prices more fully set forth in Exhibit A have been submitted to the City; and

WHEREAS, the parties submitting the offers more fully set forth in Exhibit A (individually, a “Purchaser” and collectively the “Purchasers”) have executed and delivered to the City Offer and Purchase Agreements (individually an “Offer and Purchase Agreement” and collectively the “Offer and Purchase Agreements”) setting forth the terms and provisions of the sale and purchase of the Properties; and

WHEREAS, the proposed sale of each of the Properties meets the conditions of either Texas Tax Code §34.05(h), §34.05(i) or §34.05(j) as more fully set forth in Exhibit “A”; and

WHEREAS, the sale of any Property pursuant to Texas Tax Code §34.05(h) does not require the consent of the other taxing units, however, the sale of any of the Properties pursuant to Texas Tax Code §34.05(i) or §34.05(j) does require the consent of all taxing units entitled to proceeds of the sale of such Properties; and

WHEREAS, on February 13, 2017, MISD’s Board of Trustees approved the sale of the Properties to be sold pursuant to Texas Tax Code §34.05(i) and §34.05(j) by Resolution; and

WHEREAS, on March 7, 2017, it is anticipated that the Dallas County Commissioner’s Court will consider the City’s request for Dallas County to consent to the sale of the Properties to be sold pursuant to Texas Tax Code §34.05(i) and §34.05(j); and

WHEREAS, it is in the public interest of the citizens of Mesquite that the sales of the Properties are approved by the City Council upon the terms and conditions more fully set forth herein.

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

SECTION 1. That the City accepts the offer(s) on the Properties by the Purchaser(s) and for the price(s) set forth in Exhibit A, provided, however, with respect to the sale of any Property pursuant to Texas Tax Code §34.05(i) or §34.05(j), the acceptance of such offer shall be contingent upon and shall be effective only if the Dallas County Commissioners' Court consents to the sale of such Property in writing or before May 1, 2017.

SECTION 2. That the City Council ratifies and approves the terms and conditions of the Offer and Purchase Agreement(s) executed by the Purchaser(s) of the Properties provided, however, with respect to any Offer and Purchase Agreement relating to a Property to be sold pursuant to Texas Tax Code §34.05(i) or §34.05(j), such ratification and approval shall be contingent upon and shall be effective only if the Dallas County Commissioners' Court consents to the sale of such Property in writing on or before May 1, 2017.

SECTION 3. That the City is hereby authorized to sell the Properties to the Purchaser(s) and for the price(s) set forth in Exhibit A, provided, however, with respect to any sale pursuant to Texas Tax Code §34.05(i) and §34.05(j), such sale is only authorized if the Dallas County Commissioners' Court consents to such sale in writing on or before May 1, 2017.

SECTION 4. That the City Manager is hereby authorized to execute quitclaim deeds and all other documents necessary or requested to complete the closing and sale of the Properties provided, however, with respect to the sale of any Property to be sold pursuant to Texas Tax Code §34.05(i) or §34.05(j), such authorization shall be contingent upon and shall be effective only if the Dallas County Commissioners' Court consents to the sale of such Property in writing on or before May 1, 2017.

SECTION 5. That all Properties sold pursuant to the authority granted by this resolution shall be sold subject to: (i) the prior owners' remaining right of redemption, if any; (ii) prorated taxes for the year of closing; and, (iii) if the sale of the Property is pursuant to Texas Tax Code §34.05(h) or §34.05(i), the sale shall also be subject to post-judgment taxes, penalties and interest.

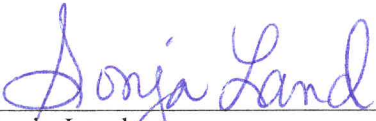
SECTION 6. That the proceeds from the sales of the Properties shall be paid first to the City to reimburse the City's reasonable costs, if any, pursuant to Texas Tax Code §34.06(c). After retaining the amount authorized by Texas Tax Code, §34.06(c), the remaining proceeds of the sale of the Properties, if any, shall be distributed pursuant to Texas Tax Code §§34.06(d) and (e).

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 6th day of March, 2017.



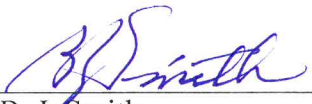
Stan Pickett
Mayor

ATTEST:



Sonja Land
City Secretary

APPROVED:



B. J. Smith
City Attorney

EXHIBIT "A" - TAX FORECLOSURE PROPERTIES STRUCK OFF TO THE CITY OF MESQUITE AS TRUSTEE FOR MESQUITE INDEPENDENT SCHOOL DISTRICT AND DALLAS COUNTY

PROPERTY ADDRESS and PROSPECTIVE PURCHASER	CAUSE # / JUDGMENT DATE	TAX YEARS INCLUDED IN JUDGMENT (CO/CITY/SCHOOL)	DATE OF SHERIFF'S SALE	DCAD TAX ACCOUNT #	"I" OR "U"	APPROX LAND SIZE	CURRENT DCAD VALUE	MARKET VALUE IN JUDGMENT	JUDGMENT STRIKE OFF AMOUNT (Total Amount in Judgment including Administrative Fees, Court Fees, Sheriff's Fees & Publication Fees)	OFFER AMOUNT	POST-JUDGMENT TAXES OWED (through March 2017, if applicable)	OFFER AMOUNT + POST JUDGMENT TAXES, if applicable	% OF CURRENT DCAD VALUE	PROPOSED SALE TO BE TAX CODE
1318 Athens Drive, Prospective Buyer Enrique Martinez	TX-13-30564 12/12/2013	County: 1998-2012 City: 1990-1993 City: 1995-1996 City: 1998-2012 MISD: 1990-1993 MISD: 1995-1996 MISD: 1998-2012	4/1/2014	38079500100130000	U	7,765 SF	\$ 15,000.00	\$ 51,740.00	\$ 72,352.73	\$ 15,000.00	Not Applicable	\$ 15,000.00	100.00	34.05(j)
430 Cresthill Drive, Prospective Buyer Enrique Martinez	TX-12-40283 1/30/2013	County: 2002-2011 City: 2003-2011 MISD: 2003-2011	8/6/2013	38108500070030000	U	7,227 SF	\$ 15,000.00	\$ 25,010.00	\$ 26,247.26	\$ 15,000.00	Not Applicable	\$ 15,000.00	100.00	34.05(j)
3503 Demaret Drive, Prospective Buyer Enrique Martinez	TX-14-30025 10/1/2014	County: 1993-1998 County: 2010-2013 DCSEF: 1993-1998 DCSEF: 2008 DCCCD: 2010-2013 DCCCD: 1993-1998 DCCCD: 2002-2013 PHD: 2008 PHD: 2010-2013 City: 1993-2013 MISD: 1993-2013	4/7/2015	38047500090170000	U	7,827 SF	\$ 16,000.00	\$ 16,000.00	\$ 58,037.65	\$ 16,000.00	Not Applicable	\$ 16,000.00	100.00	34.05(j)
1445 Eastside Drive, Prospective Buyer Enrique Martinez	TX-14-30632 3/30/2015 combined with TX-09-40867 9/2/2010	County: 1991-2009 City: 1991-2009 MISD: 1991-2009 County: 2010-2014 City: 2010-2014 MISD: 2010-2014	2/2/2016	38063500100020000	U	7,207 SF	\$ 20,000.00	\$ 20,000.00	\$ 47,744.01	\$ 20,000.00	Not Applicable	\$ 20,000.00	100.00	34.05(j)
912 Glenn Circle, Prospective Buyer Enrique Martinez	TX-10-40292 2/23/2011	County: 2003-2010 City: 2003-2010 MISD: 2003-2010	3/6/2012	38082500010050000	U	8,435 SF	\$ 16,200.00	\$ 61,380.00	\$ 32,293.54	\$ 16,200.00	Not Applicable	\$ 16,200.00	100.00	34.05(j)
809 Lilac Lane, Prospective Buyer Eduardo Alejandro Hernandez	TX-12-40268 1/30/2013	County: 2002-2011 City: 2003-2011 MISD: 2003-2011	8/6/2013	38224500040120000	U	8,862 SF	\$ 13,000.00	\$ 18,000.00	\$ 17,146.33	\$ 13,000.00	Not Applicable	\$ 13,000.00	100.00	34.05(j)

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1800 Orchard Avenue, Prospective Buyer Enrique Martinez	TX-13-30340 11/20/2013	County: 1993-2012 City: 1993-2012 MISD: 1993-2012	11/4/2014	38224500030050000	U	9,464 SF	\$ 13,000.00	\$ 11,980.00	\$ 43,655.51	\$ 13,000.00	Not Applicable	\$ 13,000.00	100.00	34.05(i)
500 Paddy Street, Prospective Buyer Enrique Martinez	TX-10-40179 1/11/2011	County: 2002-2009 City: 2001-2009 MISD: 2001-2009	8/4/2015	38149500040140000	U	7,672 SF	\$ 18,000.00	\$ 15,000.00	\$ 38,328.84	\$ 18,000.00	Not Applicable	\$ 18,000.00	100.00	34.05(i)
1409 Powell Road, Prospective Buyer Enrique Martinez	TX-11-31034 3/21/2013	County: 1998-2012 City: 1998-2012 MISD: 1998-2012	2/4/2014	65007455040150000	U	10,152 SF	\$ 13,000.00	\$ 11,980.00	\$ 30,220.29	\$ 13,000.00	Not Applicable	\$ 13,000.00	100.00	34.05(i)
1333 Rusk Drive, Prospective Buyer Enrique Martinez	TX-11-30436 7/3/2012	County: 2002-2011 City: 2003-2011 MISD: 2003-2011	11/5/2013	38079500120370000	U	7,803 SF	\$ 15,000.00	\$ 24,960.00	\$ 30,929.05	\$ 15,000.00	Not Applicable	\$ 15,000.00	100.00	34.05(i)
514 Willowbrook Drive, Prospective Buyer Enrique Martinez	TX-12-40250 2/13/2013	County: 2002-2011 City: 2003-2011 MISD: 2003-2011	7/2/2013	38108500040050000	U	7,101 SF	\$ 15,000.00	\$ 23,000.00	\$ 25,137.42	\$ 15,000.00	Not Applicable	\$ 15,000.00	100.00	34.05(i)
1224 Powell Road, Prospective Buyer Carlos Enrique Vasquez Corleto	TX-11-30223 2/27/2013 (Judgment Date prior to Judgment NUNC PRO TUNC is 10/31/2011) and combined with W/05-41229-T-J Judgment Date 3/29/2006	County: 1995-2010 City: 1995-2010 MISD: 1995-2010	5/5/2015	38122500000700000	I	8,225 SF	\$ 44,470.00	\$ 32,890.00	\$ 35,208.66	\$ 30,000.00	7,106.64	\$ 37,106.64	83.44%	34.05(i)

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911 Jardin Drive, Prospective Buyer Crestor Global Investments	TX-12-40223 1/23/2013	County: 2003-2011 City: 2003-2011 MISD: 2003-2011	7/2/2013	38126500100340000	I	7.222 SF	\$ 46,720.00	\$ 2,600.00	\$ 30,168.53	\$ 32,241.66	\$ 2,798.34	\$ 35,040.00	75.00%	34.05(h)