

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE SALE OF TWO TAX-FORECLOSED PROPERTIES LOCATED AT 3637 BAHAMAS DRIVE AND 700 WEST COLLEGE STREET 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(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, 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 Texas Tax Code § 34.05(j) as more fully set forth in Exhibit “A” and requires the consent of all taxing entities entitled to proceeds of the sale of such properties; and

WHEREAS, on December 10, 2018, by resolution MISD’s Board of Trustees approved the sales of the properties located at 3637 Bahamas Drive and 700 West College Street in Mesquite, Texas, to be sold pursuant to Texas Tax Code § 34.05(j); and

WHEREAS, on January 8, 2019, with the passage of Court Order 2019-0032, the Dallas County Commissioners Court approved the sale of the same two properties to be sold pursuant to Texas Tax Code § 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.”

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.

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.”

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.

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; and (ii) prorated taxes for the year of closing.

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) and as otherwise provided by law.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 4th day of February 2019.

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Stan Pickett  
Mayor

ATTEST:

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Sonja Land  
City Secretary

APPROVED:



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David L. Paschall  
City Attorney

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

PROPERTY ADDRESS	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 with an anticipated February 2019 closing date	OFFER AMOUNT + POST-JUDGMENT TAXES, if applicable	% OF CURRENT DCAD VALUE	PROPOSED SALE TO BE TAX CODE	HIGH BIDDERS
3637 Bahamas Drive	TX-16-00476 combined with TX-04-4188-T-B, Judgment Dates 12/8/2016 and 11/7/2005, respectively	County: 1997-2015 City: 1997-2015 MISD: 1997-2015	4/4/2017	38202500120050000	U	7,091 SF	\$ 22,000.00	\$ 18,000.00	\$ 83,257.46	\$ 23,000.00	\$ -	\$ 23,000.00	105%	34.05(j)	Jose Mendoza Jr. and Oscar L. Castillo
700 West College Street	TX-14-30642 combined with TX-09-31403 / Judgment Dates 10/2/2015 and 10/6/2010, respectively	County: 1989-2014 City: 1989-2014 MISD: 1989-2014	3/1/2016	38228500010020000	U	11,666 SF	\$ 23,330.00	\$ 15,000.00	\$ 41,807.48	\$ 30,000.00	\$ -	\$ 30,000.00	129%	34.05(j)	Jason Vines and Kristen Vines