

February 28, 2007

**WHEREAS**, the City of Dallas, for itself and as trustee on behalf of the State of Texas, ("State"), the County of Dallas, ("County"), and/or the Dallas Independent School District, ("DISD"), acquired a Sheriff's Deed to the Property, ("Property"), at a sheriff's tax sale, ("the First Sale"), authorized by a District Court of Dallas County, Texas, by a Judicial Foreclosure ("the Judgment") in a tax foreclosure sale or a Seizure Warrant, ("Warrant") and the subsequent Sheriffs Deed was filed in the Real Property Records of Dallas County, Texas, and the City of Dallas has given thirty (30) days notice to the County and DISD that the Sheriff's Deed to the Property was acquired at the First Sale, all as described on "Exhibit A", attached hereto and made a part hereof; and

**WHEREAS**, in accordance with Attorney General Opinion No. JM-1232, the City, pursuant to the provisions of Chapter 34, section 34.05(a) of the Property Tax Code, may sell the Property at any time, (lithe Second Sale"), subject to any right of redemption existing at the time of the Second Sale; and

**WHEREAS**, pursuant to the provisions of Chapter 34, section 34.05 of the Property Tax Code, a taxing unit is authorized to resell the Property; and

**WHEREAS**, by accepting its pro rata proceeds from the Second Sale, the State concurs in the transfer of Property in which it has an interest; and

**WHEREAS**, the City Manager, acting on behalf of the County and DISD, has the authority to execute a quitclaim deed to the Property quitclaiming to the purchaser any right, title, and interest acquired or held by each taxing unit that was a party to the judgment foreclosing tax liens on the Property or the warrant authorizing Seizure of the Property; and

**WHEREAS**, the City recognizes certain "qualified nonprofit organizations" as those which: (1) are 501 (c)(3) corporations, as defined by the U.S. Internal Revenue Service, (2) are in good standing with the State of Texas, (3) are community based organizations as evidenced by at least one-third (1/3) of their boards being made up of area residents or low income persons, (4) have articles of incorporation, charter or bylaws which show the provision of safe, decent, affordable housing to low and moderate income persons is a stated purpose of the organization, and (5) owe no outstanding judgments, tax delinquencies, or fees to the City; and

**WHEREAS**, the City has received a written proposal which contains the proposed end use and time frame from a qualified nonprofit organization ("Grantee") to purchase the Property at the Second Sale through an exception to the private sale process, all as indicated on Exhibit A; and

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**WHEREAS**, the quitclaim deed to this Property will contain restrictions requiring the purchaser to: (1) agree to develop the Property within three (3) years of execution of the quitclaim deed as affordable housing for low income households, (2) develop the Property within three (3) years of execution of the quitclaim deed in accordance with the written proposal submitted to the City which contains the proposed end use and specifies time lines to meet the end use, (3) transfer title to or secure occupancy of the developed Property by low income households (households whose incomes are less than 80% of the area median income) within three (3) years of execution of the quitclaim deed, and (4) execute deed restrictions on the Property, acceptable to the City, requiring it to remain affordable to low income households for five years after initial occupancy; and

**WHEREAS**, the City Council has previously approved the resale of other properties where funds were not received and have not been disbursed prior to the April 1, 2001 Tax Collection Consolidation with Dallas County; and

**WHEREAS**, the distribution of the proceeds of the resale will be in accordance with Chapter 34, section 34.06 of the Property Tax Code; **NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**Section 1.** That upon receipt of the monetary consideration from the Qualified Nonprofit Organization Purchaser for the Property, as specified in Exhibit A, the City Manager is hereby authorized to execute a Quitclaim Deed, subject to the right of redemption, if any, and to the terms, conditions and release of the taxing entities therein, to be attested by the City Secretary upon approval as to form by the City Attorney.

**Section 2.** That the quitclaim deed to this Property will contain restrictions requiring the purchaser to: (1) agree to develop the Property within three (3) years of execution of the quitclaim deed as affordable housing for one low income household, (2) develop the Property within three (3) years of execution of the quitclaim deed in accordance with the written proposal submitted to the City which contains the proposed end use and specifies time lines to meet the end use, (3) transfer title to or permit occupancy of the developed Property by one low income household (household whose income is less than 80% of the area median income) within three (3) years of execution of the quitclaim deed, and (4) execute deed restrictions on the Property, acceptable to the City, requiring it to remain affordable to low income households for five years after initial occupancy.

**Section 3.** That the quitclaim deed to this Property will contain a condition that the quitclaim is also subject to Grantee's representation and agreement that Grantee did not purchase the Property on behalf of a Prohibited Person, as hereinafter defined, and

that Grantee will not sell or lease the Property to a Prohibited Person. A "Prohibited Person" shall mean either any party who was named as a defendant in the legal proceedings at which the City obtained a final judgment in a District Court in Dallas County, Texas for delinquent taxes and an order to foreclose its tax lien on the Property or the person named in the Tax Warrant, issued in a District Court of Dallas County, Texas, or the Sheriffs Deed as the owner of the Property authorized seized and ordered sold for delinquent taxes and any municipal health and safety liens (as applicable). Grantee's agreement shall be for five (5) years from execution of the quitclaim deed, and any breach or violation thereof may be enforced by Grantor against Grantee at law or in equity to require the correction of the violation. Grantee further agrees that if Grantor substantially prevails in a legal proceeding to enforce these terms, conditions and restrictions, Grantor shall be entitled to recover damages, reasonable attorney fees, and court costs from Grantee. Grantee's agreement to these terms, conditions, and restrictions is a material representation and part of the consideration for this transaction.

**Section 4.** That the consideration received shall be distributed pursuant to Chapter 34, section 34.06 of the Property Tax Code and applied to payment of the judgment, court costs, interest, and cost of sale owed to the taxing entities by the delinquent taxpayer or the amount of delinquent taxes, penalties, the amount secured by any municipal health or safety liens on the Property included in the Warrant application, court costs, interest and cost of seizure and sale owed to the taxing entities as set forth in the Warrant; any such amount(s) still owed by the delinquent taxpayer to any of the taxing entities shall remain the personal obligation of the delinquent taxpayer, and any excess amounts shall be distributed in the manner described in Chapter 34, section 34.03 of the Property Tax Code.

**Section 5.** That the purchaser shall be responsible for the pro rata property taxes assessed from the date of closing for the remaining part of the then current calendar year. This Property shall be placed back on the tax rolls effective as of the date of execution of the deed.

**Section 6.** That to the extent authorized by law, the liens securing the taxes referenced in Section 4 above are hereby released.

**Section 7.** That any and all proceeds for the resale of the properties listed on Exhibit A and for the properties previously approved for resale by the City Council where funds were not received and have not been disbursed prior to the April 1, 2001 Tax Collection Consolidation with Dallas County be deposited to General Fund 0001, Agency DEV, Balance Sheet Account 0519.

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**Section 8.** That upon receipt of the consideration, the City Controller is authorized to disburse proceeds of the resale of the properties listed on Exhibit A, in accordance with Chapter 34, Section 34.06 of the Property Tax Code, which calculations for disbursement shall be provided by the Assistant Director of the Real Estate Division of the Development Services Department, to the City of Dallas Land Based Receivables, the Dallas County District Clerk and the Dallas County Tax Office from the account specified in Section 7 above.

**Section 9.** That upon receipt of the consideration, the City Controller is authorized to disburse proceeds pursuant to Chapter 34, section 34.06 of the Property Tax Code, which calculations for disbursement shall be provided by the Property Management Director, for properties previously approved for resale by the City Council where funds have not been disbursed prior to the April 1, 2001 Tax Collection Consolidation with Dallas County from the account specified in Section 7 above.

**Section 10.** That any procedures required by Section 2-24 of the Dallas City Code that are not required by state law are hereby waived with respect to this conveyance.

**Section 11.** That this resolution shall take effect immediately from and after its passage, in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

**DISTRIBUTION:**

Housing Department  
City Attorney's Office  
Office of Financial Services/Community Development, 4FN  
Development Services, Real Estate Division

APPROVED BY  
CITY COUNCIL

FEB 28 2007

*Deborah Wittoria*  
City Secretary

APPROVED *Charles Bird*  
HEAD OF DEPARTMENT

APPROVED *Suma Khary*  
CITY CONTROLLER

APPROVED *Jill J...*  
CITY MANAGER

**EXHIBIT A**

**TAX-FORECLOSED (TF) AND/OR SEIZURE WARRANT (SW) PROPERTY RESALE**

**February 28, 2007**

PARCEL NO.	STREET ADDRESS/ LEGAL DESCRIPTION	TF/SW	VACANT/ IMPROVED	DEED VOLUME PAGE	QUALIFIED NON-PROFIT PURCHASER	HOMEOWNER RENTAL LEASE PURCHASE	NUMBER OF DWELLING UNITS	SALE AMOUNT
1	<b>5408 BEXAR STREET</b> Lot 2, Southland Addition No. 2, Block 2509-2	TF	I	V.2004247 P.3618	East Dallas Community Organization	Homeowner	1	\$1,000.00