

August 28, 2024

WHEREAS, the City of Dallas ("City") is the owner of a tract of unwanted and unneeded land containing approximately 17,646 square feet, together with approximately 22,500 square feet of building improvements, located at the intersection of Marilla and S St. Paul Streets in the City of Dallas, Dallas County, Texas as described on Exhibit "A", attached herein and incorporated by reference, and which properties are no longer wanted or needed for municipal use; and

WHEREAS, pursuant to Sections 253.008 and 272.001 of the Texas Local Government Code, as amended, in accordance with certain procedures the City may sell its properties by public auction, where the highest bid reflects the fair market value of the property; and

WHEREAS, said City property is currently developable and Section 2-24.1 of the Dallas City Code requires a minimum bid reserve amount be established for a sale by public auction under Sections 253.008 and 272.001 of the Texas Local Government Code, as amended, and unless the reserve requirement is otherwise waived by the City Council; and

WHEREAS, it is the recommendation of the Director of Public Works that the property be sold by public auction pursuant to Section 2-24.1 of the Dallas City Code and subject to the minimum bid reserve amounts established by City staff; and

WHEREAS, on February 8, 2023, the City Council approved Resolution No. 23-0247 authorizing a five-year contract with Hudson & Marshall, a Real Estate auction firm.

Now, Therefore,

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

SECTION 1. That the City-owned property listed on Exhibit "A", attached herein and incorporated by reference are declared unwanted and unneeded by the City Council and the property is to be advertised for sale and sold by public auction pursuant to state law and Dallas City Code Section 2-24.1, subject to minimum bid reserve amounts.

SECTION 2. That the reserve amounts established by City staff and recommended by the Director of Public Works are hereby authorized and established as the reserve amounts for the sale of the properties listed on Exhibit "A".

SECTION 3. That the Director of Public Works is authorized to advertise the property listed on Exhibit "A" for sale by public auction and upon conclusion of the advertising period conduct the public auction as authorized herein.

SECTION 4. That the advertisement of the properties shall state:

- (a) that the sale shall be by a Deed Without Warranty in a form approved by the City Attorney;

SECTION 4. (continued)

- (b) that the sale shall be subject to the terms, covenants, conditions, reservations, restrictions and exceptions of this authorizing resolution, including without limitation the following:
- i. a restriction prohibiting the placement of industrialized housing on the property;
 - ii. reservation by the City of Dallas of all oil, gas and other minerals in and under the property with a waiver of surface access rights relating to said minerals;
 - iii. any and all visible and apparent easements and encroachments, whether of record or not;
 - iv. any and all covenants, conditions, reservations, restrictions, exceptions, easements, rights-of-way, mineral interests, mineral leases, or other instruments of record and applicable to the property or any part thereof; and
 - v. standby fees, taxes and assessments, if any, by any taxing authority for the year of closing and subsequent years and assessments by any taxing authority for prior years due to changes in land usage or ownership, the payment of said standby fees, taxes, and assessments being assumed by **GRANTEE**.
- (c) that, to the maximum extent allowed by law, the sale shall be strictly on an “AS IS, WHERE IS, WITH ALL FAULTS” basis; and
- (d) that as a material part of the consideration for the sale, the grantee and the City shall acknowledge and agree and provided in any relevant instrument that, to the maximum extent allowed by law, (a) **GRANTEE** is taking the property “AS IS, WHERE IS, WITH ALL FAULTS”, (b) the City disclaims responsibility as to the accuracy or completeness of any information relating to the property, (c) **GRANTEE** assumes all responsibility to examine all applicable building codes and zoning ordinances to determine if the property can be used for the purposes desired and to check for outstanding or pending code enforcement actions including but not limited to repair or demolition orders, and (d) the City expressly disclaims and grantee expressly waives, any warranty or representation, express or implied, including without limitation any warranty of condition, habitability, merchantability or fitness for a particular purpose of the property. Without limiting

SECTION 4. (continued)

the foregoing, the City makes no representations of any nature regarding the property and specifically disclaims any warranty, guaranty or representation, oral or written, express or implied, past, present, or future, concerning: (i) the nature and condition of the property, including without limitation, the water, soil and geology, and the suitability thereof and the property for any and all activities and uses which grantee may elect to conduct thereon, and the existence of any environmental substances, hazards or conditions or presence of any endangered or protected species thereon or compliance with all applicable laws, rules or regulations; (ii) the nature and extent of any right-of-way, lease, possession, lien, encumbrance, license, reservation, condition or otherwise; (iii) the compliance of the property or its operation with any law, ordinance or regulation of any federal, state, or local governmental authority; and (iv) whether or not the property can be developed or utilized for any purpose. For purposes hereof, "environmental substances" means the following: (a) any "hazardous substance" under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C.A. Section 9601 et. seq., as amended, (b) any "hazardous substance" under the Texas Hazardous Substances

- (e) Spill Prevention and Control Act, Tex. Water Code, Section 26.261, et. seq., as amended, (c) petroleum or petroleum based products (or any derivative or hazardous constituents thereof or additives thereto), including without limitation, fuel and lubrication oils, (d) any "hazardous chemicals" or "toxic chemicals" under the Occupational Safety and Health Act, 29 U.S.C.A. Section 651 et. seq., as amended, (e) any "hazardous waste" under the Resource Conservation and Recovery Act, 42 U.S.C.A. Section 6901 et. seq., as amended, (f) asbestos, (g) polychlorinated biphenyls, (h) underground storage tanks, whether empty, filled, or partially filled with any substance, (i) any substance, the presence of which is prohibited by federal, state or local laws and regulations, and (j) any other substance which by federal, state or local laws and regulations requires special handling or notification of governmental authorities in its collection, storage, treatment or disposal. References to particular acts or codifications in this definition include all past and future amendments thereto, as well as applicable rules and regulations as now or hereafter promulgated.
- (f) such other terms and requirements of the sale and/or disclaimers as the City deems necessary, convenient or appropriate.

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SECTION 5. That, upon the conclusion of the public auction that has been advertised and conducted pursuant to Section 2-24.1 and state law, as applicable, the highest qualified bid received at such auction that meets or exceeds the reserve amount established by the City for the surplus property shall be deemed the sales price and shall be conclusive of the fair market value of such property and shall be accepted by the City.

SECTION 6. That the City Manager or designee is authorized to execute a Purchase and Sales Agreement, approved as to form by the City Attorney, to be entered into with respect to the surplus property listed on Exhibit "A" between the City and the highest qualified bidder for such property at such advertised public auction.

SECTION 7. That, upon receipt of the consideration from the highest qualified bidder, the City Manager or designee is authorized to execute a deed in a form approved by City Attorney and to be attested by the City Secretary, and other miscellaneous closing documents upon approval as to form by the City Attorney.

SECTION 8. That the sale proceeds shall be deposited into the General Fund, Fund 0001, Dept PBW, Bal Sheet 0519 and Department of Public Works – Real Estate Division shall be reimbursed for the cost of obtaining legal description, appraisal and other administrative costs incurred. The reimbursement proceeds shall be deposited in General Fund, Fund 0001, Department PBW, Unit 1181, Object 5011 and any remaining proceeds shall be transferred to the General Capital Reserve Fund, Fund 0625, Department BMS, Unit 8888, Revenue Code 8118.

SECTION 9. That if a title policy is desired by **GRANTEE**, same shall be at the expense of the **GRANTEE**.

SECTION 10. That the sale shall be subject to standby fees, taxes and assessments, if any by any taxing authority for the year of the closing and subsequent years and assessments by any taxing authority for prior years due to changes in land usage or ownership, the payment of said standby fees, taxes and assessments being assumed by **GRANTEE**.

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

APPROVED AS TO FORM:
Tammy L. Palomino, City Attorney

BY: Molly P. Ward
Assistant City Attorney