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October 5, 2011

Mike McSwain
Chief Financial Officer
Cedar Hill Independent School District
Cedar Hill, Texas

Re: Dallas County Expanded Resale Program

Dear Mr. McSwain:

The law firm of Linebarger, Goggan, Blair & Sampson, LLP (LGBS), the Dallas County Tax Office and the Dallas County Public Works Department desire to expand and strengthen Dallas County's current Tax Foreclosure Resale Program ("Program") implemented in 1994.

LGBS, in its April briefing to the Dallas County Commissioners Court, recommended an initiative to increase revenues by increasing the number of properties being offered by the Sheriff's Sale in suburban jurisdictions. LGBS also advised the County of several suburban jurisdictions that have received properties as a result of the Sheriff's Sale, which need Dallas County's assistance in selling these struck off properties (where city is the trustee). This initiative has been developed to proceed in two phases. Under Phase 1, LGBS will assist the cities in identifying specific properties, which County would agree to assume cities' trustee role. In Phase 2, the participating cities and school districts will enter into interlocal agreements with Dallas County authorizing Dallas County to take the lead and act as trustee in the resale of potential tax foreclosed properties.

The need for Dallas County to increase the number of properties that were offered for resale was identified in 2007 and again in 2010, when the Dallas County assisted the City of Balch Springs and the City of Hutchins by assuming the cities' role as trustee, and taking the lead in the disposition of 15 identified struck off properties. To date, 13 of the 15 properties have been sold. As a partner in this initiative to increase revenue, the Public Works Department has created a Matrix Team that uses existing staff resources to handle the increased workload. An inventory of properties will need to be built up and time allowed for resales before the outcome of this Program can be evaluated. Once that inventory is available, Public Works anticipates conducting public or private sales of approximately 60 properties annually, versus its current annual sale of 15-20 properties.

LGBS, the Public Works Property Division and the Tax Office recommend that the Cedar Hill Independent School District: (1) approve the expansion of the Tax Foreclosure Resale Program by assisting suburban jurisdictions in the sale and disposition of properties acquired by tax foreclosure, which are jointly vested in the name of taxing jurisdictions, and (2) to execute the Resolution and ILA (copy attached) between the County and the taxing jurisdictions interested in participating in the County's Tax Foreclosure Resale Program.

The attached items require action by the school board in October as the County and the City of Cedar Hill have identified properties that they desire to include in this initiative. Please let me know if you have any additional questions regarding this program.

Sincerely,

A handwritten signature in cursive script, reading "Sheila Fuqua Carter". The signature is written in dark ink and is positioned above the printed name.

Sheila Fuqua Carter
Attorney at Law