

### MEMORANDUM

Date: April 20, 2022

To: Ms. Connie Morgenroth

Assistant Superintendent of Business and Operations

Galveston Independent School District

From: Mark E. Ciavaglia

Managing Partner of Galveston County Office Linebarger Goggan Blair & Sampson, LLP

Re: Offer to Purchase Tax Foreclosed Property Located on Bolivar Peninsula

The purpose of this memorandum is to submit to the Board of Trustees an offer to purchase a parcel of property that is owned jointly by Galveston Independent School District, Galveston County and Galveston College. Upon your review, please have this matter placed on the Board of Trustees agenda for formal consideration.

## Background Facts

The property at issue is described as 'Lots 134 and 135, in BAY-VUE ADDITION on Bolivar Peninsula Galveston County, Texas.' Per the attached map, the property is an undeveloped parcel being 0.2296 acres located on Bolivar Peninsula.

The taxing entities interest in the property was created by virtue of a lawsuit and sheriff sale for delinquent property taxes under cause number 122,530 on the docket of the 122<sup>ND</sup> District Court of Galveston County. Pursuant to the Texas Property Tax Code, the property was offered to the public at public auction conducted on June 4, 1996, but no offers were received. By operation of law under the Texas Property Tax Code, the property thus became owned jointly by the taxing entities.

#### Offer to Purchase

The taxing entities are in receipt of an offer from Randy and Kimberly Ptacek to purchase the property for the total sum of \$9,600.00. This is the second offer from Mr. and Ms. Ptacek. Their first offer of \$2,060.00 was declined by Galveston County Commissioners Court as being insufficient. As an offer to purchase a tax foreclosed property must be unanimously approved by the taxing entities, the first offer was thus rejected.

To provide some general guidance and context for this offer, the 2021 valuation of the property by Galveston Central Appraisal District is \$18,410.00. This valuation reflects a 32.21% increase from the 2020 valuation of \$13,720.00. I find no change in the nature or character of the property that would justify the substantial increase in value. The Ptaceck's offer of \$9,060.00 represents 70% of the 2020 value of the property of \$13,720.00.

## Sale of the Property

Texas Property Tax Code §34.05 provides that each taxing entity that was a party to the tax foreclosure must approve the offer to purchase the property in order for the offer to be accepted. As such, the offer is being submitted to the governing bodies of Galveston Independent School District, Galveston County and Galveston College for formal consideration.

At its April 18, 2022 meeting, Galveston County Commissioners Court approved the Ptacek's second offer of \$9,600.00. If approved by all parties, the taxing entities share of the sale proceeds of \$9,600.00 in proportion to amounts owed to each entity at the time of the sheriff sale, per the distribution form attached.

Please note that there are no attorney's fees or other costs to the taxing entities associated with this sale.

If each of the taxing entities accepts the offer, we ask that the presiding officer of the Board of Trustees executes the attached Trustee's Deed. If all of the taxing entities approve the offer and the Trustee's Deed is executed by each presiding officer, our office will arrange to have the Trustee's Deed recorded in the deed records.



[MAP VIEW]
This is the property made the subject of the offer to purchase.

[AERIAL VIEW]



This is the property made the subject of the offer to purchase. NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

#### TRUSTEE'S DEED

THE STATE OF TEXAS §

§ KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF GALVESTON §

WHEREAS, by Order of Sale, issued by the Galveston County District Court, 122<sup>nd</sup> Judicial District in Cause Numbered **122,530**, styled "Galveston Independent School District, et al. vs. Andrew M. Johnson, et al ", the Sheriff of Galveston County, on 5<sup>th</sup> of April, A.D., 1996, seized and levied upon the right, title and interest the defendants had in the premises hereinafter described; and

WHEREAS, the Sheriff on the first Tuesday of June, A.D., 1996 (the same being the 4<sup>th</sup> day of said month), sold and conveyed the premises to Galveston Independent School District, as Trustee for itself and for County of Galveston and Galveston College for the sum of Three Thousand Four Hundred Forty-four and 12/100 Dollars (\$3,444.12.12), it being the highest bidder therefore; and

WHEREAS, the GRANTEE named herein desires to purchase this property for the sum of **Nine Thousand Six Hundred and 00/100 Dollars (\$9,600.00)**;

WHEREAS, this sale is authorized pursuant to V.T.C.A., Tax Code §34.05(b);

NOW, THEREFORE, in consideration of the sum of **Nine Thousand Six Hundred and 00/100 Dollars** (\$9,600.00) paid by the GRANTEE named below, the receipt and sufficiency of which is acknowledged, Galveston Independent School District, County of Galveston, and Galveston College ("GRANTOR"), have GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL and CONVEY to **Randy Ptacek and Kimberly Ptacek of 708 S. 8<sup>th</sup> Street, Nederland, TX 77627** ("GRANTEE"), the following described real property, to wit:

# LOTS 134 AND 135, BAY-VUE ADDITION, JONES SHAW SURVEY, ABSTRACT 179, PAGE 12, IN THE COUNTY OF GALVESTON, TEXAS.

GRANTOR excludes and excepts from this conveyance any warranties, express or implied, on the property, including, without limitation, any warranties arising by common law or Section 5.023 of the Texas Property Code.

#### GRANTOR conveys the property:

- a) "as is", "with all faults" and without any warranty as to condition or environmental hazard,
- b) subject to all restrictions, easements, rights-of-way leases, oil, gas and mineral leases, royalties, mineral conveyances, and mineral reservations of record, if any, in the office of the County Clerk of said County,
- c) subject to any right of redemption; and
- d) subject to rights of parties in possession.

#### GRANTOR disclaims any warranty, guaranty or representation, oral or written, on:

a) the nature and condition of the property or other items conveyed hereunder, including, without limitation, the water, soil and geology,

- b) the suitability of the property conveyed hereunder for any and all activities and uses which GRANTEE may elect to conduct thereon,
- c) the existence of any environmental hazards or conditions thereon (including but not limited to the presence of asbestos or other hazardous materials),
- d) compliance with applicable environmental laws, rules or regulations; and
- e) the compliance of the property with any laws, ordinances, or regulations of any governmental entity or body.

By acceptance of this deed, GRANTEE acknowledges and agrees:

- a) that GRANTOR acquired the property through foreclosure of a tax lien as Trustee and as such has little, if any, knowledge of the physical or economic characteristics of the property,
- b) GRANTEE has inspected the property and are relying solely on their own investigation of the same and not on any information provided or to be provided by on behalf of GRANTOR,
- c) that any information provided with respect to the property was obtained from a variety of sources,
- d) GRANTOR (1) has not made any independent investigation or verification of such information; and (2) does not make any representations as to the accuracy or completeness of such information; and
- e) that if there are any improvements on the property, GRANTOR shall not be responsible for or liable to GRANTEE for any construction defects, errors, omissions, of any other conditions affecting the property.

GRANTEE or anyone claiming by, through or under GRANTEE, hereby fully releases GRANTOR, its employees, officers, directors, representatives, attorneys and agents from any and all claims that it may now have or hereafter acquire against GRANTOR, its respective employees, officers, directors, representatives, attorneys and agents for any cost, loss, liability, damage, expense, demand, action or cause of action arising from or related to the conveyance of the premises herein as well as any construction defects, errors, omissions, or other conditions affecting the property and other items conveyed hereunder. GRANTEE further acknowledges and agrees that this release shall be given full force and effect according to each of its express terms and provisions, including, but not limited to, those relating to unknown and suspected claims, damages and causes of action. This covenant releasing GRANTOR shall be a covenant running with the property and shall be binding upon GRANTEE, their heirs, successors, beneficiaries and assigns. GRANTOR hereby assigns without recourse or representation of any nature to GRANTEE, effective upon the execution and delivery hereof, any and all claims that GRANTOR may have for any such errors, omissions or defects in the property an other items conveyed hereunder. As a material covenant and condition of this conveyance, GRANTEE agrees that in the event of any such construction defects, errors, omissions or on account of any other conditions affecting the property, GRANTEE shall look solely to GRANTOR's predecessors or to such contractors and consultants as may have contracted for work in connection with the property and other items conveyed hereunder for any redress or relief. Upon the assignment by GRANTOR of its claims, GRANTEE releases GRANTOR of all right, express or implied, GRANTEE may have against GRANTOR arising our of or resulting from any errors, omissions or defects in the property and other items conveyed hereunder. GRANTEE further understands that some of GRANTOR's predecessors in interest may be or become insolvent, bankrupt, judgment-proof or otherwise incapable of responding in damages, and GRANTEE may have no remedy against such predecessors, contractors or consultants.

GRANTEE hereby further agrees on behalf of himself and his heirs, successors, beneficiaries and assigns to indemnify, protect, defend, save and hold harmless GRANTOR and GRANTOR's elected and appointed officials, employees, officers, directors, representatives, attorneys and agents from and against any and all debts, duties, obligations, liabilities, suits, claims, demands, cause of action, damages, losses, costs and expenses (including, without limitation, attorneys' fees and expenses and court costs) in any way relating to, connected with or arising out of the property and other items conveyed hereunder or the ownership, leasing, use, operation, maintenance and management thereof from and after the date hereof, including, without limitation, the cost of any removal of hazardous substances or contaminants from the property and other items conveyed hereunder.

TO HAVE AND TO HOLD the above described premises together with all and singular the rights and appurtenances thereto in any wise belonging unto GRANTEE, their heirs, and assigns, forever.

thereto in any wise belonging unto GRANTE	E, their heirs, and assigns	, torever.	
Taxes for the current year are to be p	aid by GRANTEE.		
EXECUTED this the day of _		2.	
GA	ALVESTON INDEPEN	DENT SCHOOL DI	STRICT
	: Anthony Brown, Preside Board of Trustees	ent	
STATE OF TEXAS \$ \$ COUNTY OF GALVESTON \$			
BEFORE ME, the undersigned author Trustees of Galveston Independent School instrument, and acknowledged to me that he of	District, known to me to	be the person whose r	ame is subscribed to the foregoing
GIVEN under my hand and seal of o	ffice this the day	of,2	022.
NOTARY PUBLIC	, in and for the State of To	exas	
Printed or Typed Na	nme of Notary		

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EXECUTED this the _	day of	, 2022.		
	COUNTY O	F GALVESTON		
	Hon. Ma	nrk Henry on County Judge		
STATE OF TEXAS COUNTY OF GALVESTON	§ § §			
	he person whose name	e is subscribed to the foreg	red Mark Henry as County Judge going instrument, and acknowled	
GIVEN under my hand	and seal of office this	s the day of	, 2022.	
NOTA	ARY PUBLIC, in and t	for the State of Texas	_	
	Printed or T	Гуреd Name of Notary	_	

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EXECUTED this the _	day of	, 2022.		
	GALVES	STON COLLEGE		
		n F. Flowers, Chairperson d of Regents		
STATE OF TEXAS	<b>§</b> <b>§</b>			
COUNTY OF GALVESTON	§ §			
BEFORE ME, the under of Regents for Galveston Colle acknowledged to me that he exe	ge, known to me to		is subscribed to the foreg	
GIVEN under my hand	and seal of office th	nis the day of	, 2022.	
	NOTARY	Y PUBLIC, in and for the Sta	tte of Texas	
	Printed or	r Typed Name of Notary	_	
	[The remainder	of this page is intentionally i	left blank.]	

## Sale of Property Proceeds Distribution Worksheet Tax Acct. 214416 140500000134000 Tax Cause No. 122,530

Amount of Taxes Due at Original Sheriff Sale				\$	2,827.65	
Resale Offer				\$	9,600.00	
		С	osts Due at	Disbu	rsement From	
Payment of Costs Pursuant to Texas Property Tax Code \$34.02		Origi	nal Sheriff Sale	Pro	oposed Sale_	
(1) Advertising:						
to "Galveston County Sheriffs Dept." (publication costs)	*	\$	34.20	\$	-	
(2) Attorney Ad Litem Fees:						
to 'Gerise Kemp' *		\$	500.00	\$	-	
(3) Court Costs						
to "Galveston County District Clerk" *		\$	44.77	\$	-	
(4) Title Search Fees						
to "Yarbrough Jameson & Gray" *		\$	37.50	\$	-	
(5) Reimbursement - Costs, Fees						
none due		\$	-	\$	-	
				\$	-	
	Subtotal	\$	616.47		\$0.00	
	Proportionate	Ta	exes Due at	Propo	ortionate Share	
Taxing Entity Distribution	Share	Original Sheriff Sale o		of S	of Sale Proceeds	
to "COUNTY OF GALVESTON"	0.2777783672	\$	785.46	\$	2,666.67	
to "GALVESTON COLLEGE"	0.0705851148	\$	199.59	\$	677.62	
to "GALVESTON INDEPENDENT SCHOOL DISTRICT"	0.6516365180	\$	1,842.60	\$	6,255.71	
		\$	-	\$	-	
	Subtotal	\$	2,827.65	\$	9,600.00	
				\$	9,600.00	
				Ψ	3,233.30	
* the costs and fees from this lawsuit were paid from the previo	ous					
sales of other parcels in this lawsuit						