
MEMORANDUM

DATE: August 12, 2020
TO: Gabe Reaume, City Manager
FROM: Dolph Johnson, Assistant City Manager
RE: Property at 232 Hialeah

The property at 232 Hialeah was the subject of a judgement in favor of all of the taxing entities and the federal government on September 27, 2007. A tax sale was requested and the property was “struck off” to the City of Saginaw. Since that time the City has had to demolish the structure on the property and maintain it by mowing while trying to find a buyer for the property. We have had few inquiries on the property due to the amounts owed being more than the lot is worth and the inability to get a title policy.

We were approached last year by an individual wanting to purchase the lot for \$15,500 and build a house on it. Our tax attorney has been working with the other taxing entities to prepare a tax resale deed which does not provide any warranty of title and offers no warrants, express, or implied regarding the property. All liens from the judgement for the taxing entities would be waived by virtue of the conveyance. Proceeds from the sale would be divided between the taxing entities on a pro-rata basis of the amounts owed. The City’s share would be approximately \$3,300. The County and the EM-S ISD have agreed to this process and are awaiting a resolution from the City.

This will allow us to get the property back on the tax rolls, provide a new residence in the neighborhood, and stop the maintenance and administrative costs associated with this property that the City currently bears.

I recommend the City Council approve Resolution 2020-18.