

# Mayor and Council Communication

**DATE:** 11/29/22

**M&C FILE NUMBER:** M&C 22-1006

**LOG NAME:** 21 LAKE ARLINGTON 29 ACRE US LAND GUILD ACQ

## **SUBJECT**

(CD 5) Authorize the Acquisition of a Fee Simple Interest in Approximately 29.361 Acres of Land Located at 2608 Quail Road, 6309 Elizabeth Road, 6216 Elizabeth Road, 6217 Elizabeth Road, 3849 South Cravens Road, and 6300 Willard Road, Fort Worth, Tarrant County, Texas from US Land Guild, LLC in the Amount of \$2,529,923.00 and Pay Estimated Closing Costs in an Amount Up to \$35,000.00 for the Open Space Conservation Program and Future Parkland Expansion and Adopt Appropriation Ordinance (2022 Bond Program)

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## **RECOMMENDATION:**

It is recommended that the City Council:

1. Authorize the acquisition of a fee simple interest in approximately 29.361 acres of land located at 2608 Quail Road, 6309 Elizabeth Road, 6216 Elizabeth Road, 6217 Elizabeth Road, 3849 South Cravens Road, and 6300 Willard Road from US Land Guild, LLC in the amount of \$2,529,923.00 and pay estimated closing costs in an amount up to \$35,000.00;
  2. Authorize the City Manager or designee to accept the conveyance, to execute the necessary contract of sale and purchase, and to execute and record the appropriate instruments;
  3. Adopt the attached appropriation ordinance adjusting appropriations in the 2022 Bond Program Fund by increasing appropriations in the OSAcq-Lake Arlington Project (City Project No. 104492) in the amount of \$1,289,661.50 and decreasing appropriations in the Open Space Appropriations Project (City Project No. PA0001) by the same amount;
  4. Dedicate approximately 14.7 acres of the property as parkland as an addition to Eugene McCray Park at Lake Arlington upon future master planning; and
  5. Conserve the remainder of the property as a natural area under the Open Space Conservation Program.
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## **DISCUSSION:**

The purpose of this Mayor and Council Communication (M&C) is to seek approval to acquire land located at 2608 Quail Road, 6309 Elizabeth Road, 6216 Elizabeth Road, 6217 Elizabeth Road, 3849 South Cravens Road, and 6300 Willard Road in a joint acquisition between the Park & Recreation Department (PARD) in accordance with the Neighborhood and Community Park Dedication Policy and the Park, Recreation and Open Space Master Plan, which calls for the provision of adequate park and recreational areas in the form of Neighborhood-Based Parks and Community-Based Parks, and the Open Space Conservation Program in accordance with the program's mission to preserve high quality natural areas in Fort Worth.

PARD conducted an assessment of potential properties in east Fort Worth for parkland acquisition. The proposed properties, totalling 29.361 acres, are located in Park Planning District 3, which is under-served in community-based parkland. Approximately 14.7 acres of the properties will be dedicated as an expansion of Eugene McCray Park at Lake Arlington with the precise boundaries of the additional parkland to be determined by a future master planning effort.

The Open Space Working Group assessed the properties utilizing the Open Space Tool (mapping) which identifies properties that are "very high priority for conservation" based on available data. Conservation of these properties supports several goal areas in the Open Space Conservation Program including the protection of floodplains and water quality, improving equitable access to open space, and ecosystem preservation.

US Land Guild, LLC (Seller) has agreed to sell the properties for \$86,000.00 per acre for a total purchase price of \$2,529,923.00. The purchase price is supported by an independent appraisal. The mineral estate will not be acquired and the deed will contain a surface use waiver for the exploration of the mineral estate. The real estate taxes will be pro-rated with the Seller being responsible for taxes due up to the closing date. The City will pay closing costs in an amount up to \$35,000.00.

Half of the purchase price in the amount of \$1,264,961.50 and a portion of the closing costs in the amount of \$17,500.00 will be provided from the Open Space Appropriations Project (City Project No. PA0001) to conserve half of the total site acreage as a natural area under the Open Space Conservation Program, with the exact boundaries to be determined at a later date in conjunction with a PARD master planning effort. The cost of the appraisal in the amount of \$7,200.00 will be moved from the Open Space Pre-Acquisition Project (City Project No. 103511) to the OSAcq-Lake Arlington Project (City Project No.104492).

Funding is budgeted in the 2022 Bond Program Fund and the PARD Dedication Fees Fund for the purpose funding land acquisition projects, OSAcq-Lake Arlington & EMPALA Expansion.

This acquisition is also included in the 2022 Bond Program. The City's Extendable Commercial Paper (ECP) (M&C 22-0607; Ordinance 25675-08-2022) provides liquidity to support the appropriation. Available resources will be used to make any interim progress payments until debt is issued. Once debt associated with a acquisition is sold, debt proceeds will reimburse the interim financing source in accordance with the statement expressing official Intent to Reimburse that was adopted as part of the ordinance canvassing the bond election (Ordinance 25515-05-2022).

The following table demonstrates the funding for the acquisition:

Fund	FY 2023 Appropriations	Budget Change (Increase/Decrease)	Revised FY2023 Appropriations
34027 – 2022 Bond Program Fund – 22050099 Prop E Open Spaces (City Project No. PA0001)	\$15,000,000.00	-\$1,289,661.50	\$13,710,338.50
34027 – 2022 Bond Program Fund – 22050099 Prop E Open Spaces (City Project No. 104492)	\$0.00	\$1,289,661.50	\$1,289,661.50
30110 - PARD Dedication Fees Fund (City Project No. 104393)	\$3,138,983.00	\$0.00	\$0.00

Project	Acquisition Expense
TPW - OSAcq-Lake Arlington (City Project No. 104492)	\$1,289,661.50
PARD - Empala Expansion (City Project No. 104393)	\$1,282,461.50
Total	\$2,572,123.00

Any unused funding upon project completion will be returned to the Open Space Appropriations Project (City Project No. PA0001) and the PARD New Enhancements Programmable Project (City Project No. P00132), respectively.

All 29.361 acres, consisting of both open space and dedicated parkland, will be maintained by PARD. As of September 30, 2022, the cumulative total of all previously approved M&Cs increased PARD's maintained acreage by an estimated 21.45 acres and estimated annual maintenance by \$265,605.00 beginning in Fiscal Year 2024. This acquisition is estimated to increase the department's acreage by 29.361 acres, more or less, and annual maintenance by \$15,418.00.

This property is located in COUNCIL DISTRICT 5.

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are currently available in the Open Space Appropriations programmable project within the 2022 Bond Program Fund and in the EMPALA Expansion project within the PARD Dedication Fees Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the 2022 Bond Program Fund for the OSAcq-Lake Arlington project (City Project No. 104492) and in the PARD Dedication Fees Fund for the EMPALA Expansion project to support the approval of the above recommendations and acquisition of land. Prior to an expenditure being incurred, the Park & Recreation Department and the Transportation & Public Works Department have the responsibility of verifying the availability of funds.

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Expedited

