

# Mayor and Council Communication

**DATE:** 10/27/20

**M&C FILE NUMBER:** M&C 20-0813

**LOG NAME:** 21PMD TF DIRECT SALE 1611 NEW YORK AVE

**SUBJECT**

(CD 8) Authorize Direct Sale of a Tax-Foreclosed Property Located at 1611 New York Avenue, for a Total Cost of \$3,240.00, to Fort Worth Area Habitat for Humanity, Inc., d/b/a Trinity Habitat for Humanity, in Accordance with Section 34.05 of the Texas Property Tax Code and City Ordinance Number 13533

**RECOMMENDATION:**

It is recommended that the City Council:

1. Authorize the direct sale of a tax-foreclosed property located at 1611 New York Avenue, for a total cost of \$3,240.00, to Fort Worth Area Habitat for Humanity, Inc., d/b/a Trinity Habitat for Humanity, in accordance with Section 34.05 of the Texas Property Tax Code and City Ordinance Number 13533; and
2. Authorize the City Manager or his designee to execute and record the appropriate instrument conveying the property to complete the sale.

**DISCUSSION:**

Fort Worth Area Habitat for Humanity, Inc., d/b/a Trinity Habitat for Humanity (Buyer), submitted a direct sale request to the Property Management Department to purchase the tax-foreclosed property referenced below. The City of Fort Worth (City) received the property through a constable sale after a tax-foreclosure suit. The property has been offered on at least four previous sealed bid sales, but it did not sell. In accordance with Section 34.05 of the Texas Tax Code, the City is authorized to conduct a direct sale of tax-foreclosed properties to a buyer for the purpose of affordable housing. The total for the property is \$3,240.00, which includes administrative fees.

In 1998, the City Council approved an ordinance for the conveyance of tax-foreclosed properties to non-profit entities for the development of low-income housing (M&C G-12284; Ordinance No. 13533). The ordinance allows the City to sell tax-foreclosed properties to eligible non-profit entities for twenty percent (20%) of the Tarrant Appraisal District value as long as the property will be used for the development of low-income housing. Every taxing entity signed an Interlocal Agreement adopting the ordinance and granting its consent to sales made, pursuant to the ordinance.

Staff recommends the property be sold as outlined below:

TAD Account #	Property Address	Legal Description	20% of TAD Value	Court Cost	CFW Fee	Total Purchase Price	Zoning
01412787	1611 New York Ave	Lot 1197, Block 43, Hyde Park Addn	\$1,000.00	\$1,390.00	\$850.00	\$3,240.00	A-5

Buyer is responsible for all related costs, including providing proof of payment of the post-judgment taxes prior to the conveyance of the property. The total cost includes the purchase price, court costs and applicable fees. The Development Services Department reviewed the current zoning of the property and determined the zoning classification of the property is compatible with respect to the existing land use of the surrounding neighborhood and future land use designations indicated in the Comprehensive Plan.

Upon receipt, the amount of \$3,240.00 will be deposited into the General Fund Tax-Foreclosed Property Maintenance Fee and Tax Foreclosed Sales accounts for disbursement to the County for the purpose of distributing proceeds to the taxing entities and paying applicable fees.

The property is located in COUNCIL DISTRICT 8.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that upon approval of the above recommendations and the execution of the sale, the funds will be deposited into the General Fund for disbursement to the County for the purpose of distributing proceeds to the taxing entities and paying applicable fees. The Property Management Department (and Financial Management Services) is responsible for the collection, deposit and reimbursement of funds.

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