

# Mayor and Council Communication

DATE: 06/02/20

M&C FILE NUMBER: M&C 20-0365

LOG NAME: 21PMD TF DIRECT SALE 1205 & 1325 JESSAMINE ST (E)

**SUBJECT**

Authorize Direct Sale of Two (2) Tax-Foreclosed Properties Located at 1205 E. Jessamine Street and 1325 E. Jessamine Street, to Housing Channel, for a Total Cost of \$5,276.00, for the Development of Low-Income Housing, in Accordance with Section 34.051 of the Texas Property Tax Code and City Ordinance No. 13533 (COUNCIL DISTRICT 8)

**RECOMMENDATION:**

It is recommended that the City Council:

1. Authorize the direct sale of two (2) tax-foreclosed properties located at 1205 E. Jessamine Street and 1325 E. Jessamine Street, to Housing Channel, for a total cost of \$5,276.00, for the development of low-income housing, in accordance with Section 34.051 of the Texas Property Tax Code and City Ordinance No. 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:**

Housing Channel, a Fort Worth non-profit, submitted direct sale requests to the Property Management Department to purchase the tax-foreclosed properties referenced below. The City of Fort Worth (City) received the properties through Constable Sales after tax-foreclosure suits. In accordance with Section 34.051 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 properties is \$5,276.00, 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 Costs	CFW Fee	Total Purchase Price	Zoning
03266001	1205 Jessamine St (E)	Lot 29, Block 5, Vickery Southeast Addition	\$1,000.00	\$787.00	\$850.00	\$2,637.00	A-5
03266850	1325 Jessamine St (E)	Lot 21, Block 8, Vickery Southeast Addition	\$1,000.00	\$789.00	\$850.00	\$2,639.00	A-5

The 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 \$5,276.00 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 properties are 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, funds will be deposited into the General Fund. The Property

Management Department (and Financial Management Services) is responsible for the collection and deposit of funds due to the City. Prior to any expenditure being incurred, the Property Management Department has the responsibility of verifying the availability of funds.

**Submitted for City Manager's Office by:** Dana Burghdoff 8018

**Originating Business Unit Head:** Steve Cooke 5134

**Additional Information Contact:** Roger Venables 6334