

Mayor and Council Communication

DATE: 03/03/20

M&C FILE NUMBER: M&C 20-0124

LOG NAME: 21BROADCAST HILL

SUBJECT

Authorize a Distribution in the Amount of \$620,000.00 in Income from the City's Mineral Trust Fund, Authorize the Acquisition of Approximately 50 Acres of Land Located at 2, 10 and 11 Broadcast Hill Street from Total E&P USA Real Estate LLC in the Amount of \$610,000.00, Authorize the Payment of Estimated Closing Costs in an Amount up to \$10,000.00 and Adopt Appropriation Ordinances (COUNCIL DISTRICT 8)

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize a distribution in the amount of \$620,000.00 in income from the City's Mineral Trust Fund, the Fort Worth Permanent Fund, commensurate with the terms of the amended trust document, distributed from the General Endowment Gas Lease Fund;
 2. Authorize the acquisition of a fee simple interest of approximately 50 acres of land located at 2, 10 and 11 Broadcast Hill Street from Total E&P USA Real Estate LLC in the amount of \$610,000.00;
 3. Authorize the payment of estimated closing costs in an amount up to \$10,000.00;
 4. Authorize the City Manager, or his designee, to accept the conveyance and execute and record the appropriate instruments;
 5. Adopt the attached appropriation ordinance increasing receipts and appropriations in the General Endowment Gas Lease Fund in the amount of \$620,000.00; and
 6. Authorize a transfer to and adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Broadcast Hill - Acq project in General Gas Lease Capital Project Fund in the amount of \$620,000.00 by decreasing the same amount from General Endowment Gas Lease Fund.
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DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to acquire approximately 50 acres of natural, undeveloped land located at 2, 10 and 11 Broadcast Hill Street (Broadcast Hill property) for the purpose of providing open space within the City of Fort Worth in accordance with the Open Space Land Preservation Program for the City of Fort Worth.

In August, 2019, the City Manager established the cross-departmental City Open Space Stakeholder Group to evaluate options for long-range open space planning and prioritization to preserve select open space in the City of Fort Worth in accordance with City Council strategic goals.

On December 3, 2019, Staff presented an Open Space Land Preservation Program to City Council which identified potential areas of opportunity, including in the East Fort Worth/Trinity River Area. In January 2020, the Broadcast Hill property was identified as a potential acquisition in accordance with the stated goals and objectives of the Open Space Land Preservation Program.

The City and the property owners have agreed to the total purchase price of \$610,000.00. The mineral estate will not be acquired and the deed will contain language preventing surface use of any kind for mineral development. The City will pay closing costs which are estimated in an amount up to \$10,000.00.

Funding will be distributed from the City's Mineral Trust Fund, the Fort Worth Permanent Fund, commensurate with the terms of the amended trust document. The funds will be distributed from the General Endowment Gas Lease Fund. Other trust distributions will be forthcoming during the budget process for Fiscal Year 2021.

Upon acquisition of the property, the estimated annual operating costs to maintain the property in its natural condition will be \$19,130.00 annually. The property will be general City property under the Open Space Land Preservation Program and not parkland; however, maintenance will be provided by the Park & Recreation Department. Funds for annual maintenance will be budgeted in the Park & Recreation Department annual operating budget. Funding for operations and maintenance will be allocated to the Park & Recreation Department's base budget beginning in FY2021. As of January 31, 2020, the cumulative total of additional maintenance costs for FY2021 is \$54,046.00.

Citizens in the surrounding neighborhoods have been supportive of the City's Open Space Land Preservation Program and several have pledged funds for the purpose of acquiring the Broadcast Hill property. These donations will be accepted by the City per the City's Financial Management Department Donation Policy which provides for acceptance by the Assistant City Manager for cash donations equal to or less than \$100,000.00 and by the Department Director for donations equal to or less than \$5,000.00.

This property is located in COUNCIL DISTRICT 8, but will serve Citizens in all Council Districts.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations, funds will be available in the capital budgets, as appropriated,

of the General Endowment Gas Lease and General Gas Lease Capital Project (General Gas Lease Capital Prj) Funds, and that prior to an expenditure being made, Property Management Department has the responsibility to validate the availability of funds.

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