

# Mayor and Council Communication

DATE: 09/14/21

M&C FILE NUMBER: M&C 21-0644

LOG NAME: 21PATINO ROAD OPEN SPACE ACQUISITION

## **SUBJECT**

(CD 5) Authorize the Acquisition of a Fee Simple Interest in 23.88 Acres of Land Situated in the Robert R. Ramey Survey, Abstract No. 1341, Located at 2950 Patino Road, in the City of Fort Worth, Tarrant County, Texas from Real Property Owned by Total E&P USA Real Estate LLC for the Open Space Conservation Program in the Amount of \$1,500,000.00, Authorize Up to \$50,000.00 for Pre-Acquisition Costs, Authorize Up to \$75,000.00 for One-Time Projects at the Site to Make it Ready for the Public, and Pay Estimated Closing Costs in an Amount Up to \$15,000.00

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## **RECOMMENDATION:**

It is recommended that the City Council:

1. Authorize the acquisition of a fee simple interest in 23.88 acres of land situated in the Robert R. Ramey Survey, Abstract No. 1341, located at 2950 Patino Road, in the City of Fort Worth, Tarrant County, Texas from real property owned by Total E&P USA Real Estate LLC for the Open Space Conservation Program (City Project No. 103625) in the amount of \$1,500,000.00;
2. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the 2950 Patino Road project (City Project No. 103625) within the General Gas Lease Capital Projects Fund in the amount of \$1,640,000.00, and decreasing estimated receipts and appropriations in the Open Space Appropriations project (City Project No. PA0001) by the same amount, hereby authorizing the use of Open Space funds to provide land protection and parking improvements for the 2950 Patino Road project;
3. Find that the total purchase price of \$1,500,000.00 for the subject property is just compensation;
4. Authorize funding for pre-acquisition costs in an amount up to \$50,000.00;
5. Authorize payment of estimated closing costs in an amount up to \$15,000.00;
6. Authorize the expenditure of an amount up to \$75,000.00 for one-time projects at the site to make it ready for open space purposes; and
7. Authorize the City Manager or his designee to accept the conveyance and record the appropriate instruments; and
8. Amend the Fiscal Year 2021-2025 Capital Improvement Program.

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## **DISCUSSION:**

The purpose of this Mayor and Council Communication (M&C) is to authorize the acquisition of 23.88 acres of natural, undeveloped land at 2950 Patino Road for the purpose of providing the Fort Worth community with open space through the Open Space Conservation Program and to authorize one-time projects to prepare the site for open space purposes.

The acquisition of this property will conserve high quality Eastern Cross Timber habitat and some remnant Cross Timbers Prairie, unique ecosystems in Fort Worth that are quickly decreasing across the City. By maintaining the existing natural habitat, the acquisition will provide the community with access to future environmental education and passive recreational opportunities while maintaining the beneficial functions currently provided by the habitat, such as air and water quality benefits, stormwater absorption, heat island reduction, and wildlife habitat. The City's Open Space Working Group has identified the acquisition of this property as a high priority based on program goals.

This M&C also authorizes up to \$75,000.00 to fund one-time projects to prepare the site for public use, including fence and gate installation, invasive species removal, and signage. These projects will also reduce long-term maintenance costs.

Upon acquisition, and after initial site preparation, the estimated annual operation costs to maintain the property in its natural condition will be \$7,730.00. The property will be general City property under the Open Space Conservation Program and not parkland; however, maintenance will be provided by the Park and Recreation Department. Funds for annual maintenance will be budgeted in the Park and Recreation Department annual operating budget. Funding for operations and maintenance will be allocated to the Park and Recreation Department's base budget beginning in Fiscal Year (FY) 2022. As of July 31, 2021, the cumulative total of all previously approved M&C's increased the department's estimated annual maintenance by \$308,857.00 beginning in FY 2022.

This M&C also authorizes funding for pre-acquisition costs spent prior to taking the property to Council for acquisition approval (City Project No. PA0001). It is estimated that \$50,000.00 of Open Space Appropriations project funding is needed for initial site investigation activities such as appraisal, earnest money, survey, staff time, Environmental Site Assessment Phase I, and other applicable costs associated with evaluating the property.

An independent appraisal established fair market value for the property and the property owner has agreed to a negotiated amount of \$1,500,000.00 for the fee simple interest in the land. 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 total estimated closing costs in the amount up to \$15,000.00. Funding for this acquisition will come from the Open Space Conservation Program.

As with all use of funding for Open Space Appropriations acquisition, any unused funding upon actual project completion will be returned to the Open Space project. Open Space funding was not included in the FY2021-2025 Capital Improvement Program. Open Space will continue to be appropriated via M&Cs as funding becomes available and each acquisition or use of funds is identified and requested for approval by Mayor and

Council. The action on this M&C will update the FY2021-2025 Capital Improvement Program.

Upon City Council approval, Staff will proceed with acquiring the fee simple interest in the property except for the mineral estate. The deed to the City will contain a surface waiver for the exploration of the mineral estate.

Property Ownership	Parcel	Property Address / Legal Description	ROW/Fee Simple	Amount
Total E&P USA Real Estate. LLC	1	2950 Patino Road / Robert R. Ramey Survey, Abstract No. 1341	23.88 Acres	\$1,500,000.00
			Pre-Aquisitions Cost	\$50,000.00
			One Time Public Preparatory Cost	\$75,000.00
			Total Estimated Closing Costs	\$15,000.00
			<b>Total</b>	<b>\$1,640,000.00</b>

This property is located in COUNCIL DISTRICT 5.

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 funds are available in the current capital budget, as previously appropriated, in the General Gas Lease Capital Prj Fund for the OSAsq - 2950 Patino Rd project to support the approval of the above recommendations and acquisition of land. Prior to any expenditure being incurred, the Property Management Department and the Transportation & Public Works Department have the responsibility to validate the availability of funds.

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

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

**Additional Information Contact:**  
Burt Gonzales 2311  
Ricardo Salazar 8379

Expedited