

Mayor and Council Communication

DATE: 10/15/24

M&C FILE NUMBER: M&C 24-0908

LOG NAME: 21105801 - OS ROCK CREEK RANCH 58

SUBJECT

(CD 6) Authorize the Acquisition of a Fee Simple Interest in Approximately 58.865 Acres of Land Located in the Stephen B. Wilson Survey, Abstract 1676, and the J.M. Muhlinghaus Survey, Abstract 1157, Tarrant County, Texas From Crestview Farm 250, L.P. and ShennaCo Holdings, LLC for the Open Space Conservation Program in the Amount of \$1,590,100.00 and Pay Estimated Closing Costs in an Amount Up to \$47,000.00, Authorize Up to \$35,000.00 for Pre-Acquisition Costs, Adopt Appropriation Ordinance, and Amend the Fiscal Years 2025 – 2029 Capital Improvement Program (2022 Bond Program)

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the acquisition of a fee simple interest in approximately 58.865 acres of land located in the Stephen B. Wilson Survey, Abstract 1676, and the J.M. Muhlinghaus Survey, Abstract 1157, Tarrant County, Texas from Crestview Farm 250, L.P. and ShennaCo Holdings, LLC in the amount of \$1,590,100.00 and pay estimated closing costs in an amount up to \$47,000.00 for the OSAcq-Rock Creek Ranch 58 (City Project No. 105801);
2. Authorize the expenditure of Open Space Conservation Program funds in an amount up to \$35,000.00 for pre-acquisition costs and staff time;
3. Adopt the attached appropriation ordinance adjusting appropriations in the 2022 Bond Program Fund by increasing appropriations in OSAcq-Rock Creek Ranch 58 (City Project No. 105801) in the amount of \$1,672,100.00 and decreasing appropriations in the Open Space Appropriations Project (City Project No. PA0001) by the same amount;
4. Amend the Fiscal Years 2025 – 2029 Capital Improvement Program; and
5. Authorize the City Manager or designee to execute the necessary contract of sale and purchase, accept the conveyance, and to execute and record the appropriate instruments to complete the acquisition.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to seek approval to acquire land located in the Stephen B. Wilson Survey, Abstract 1676 and the J.M. Muhlinghaus Survey, Abstract 1157, Tarrant County, Texas in accordance with the Open Space Conservation Program's mission to preserve high quality natural areas in Fort Worth. This acquisition will add to the 40 acres of conserved open space at adjacent Rock Creek Ranch Park (M&C 21-0672).

The Open Space Working Group assessed the property utilizing the Open Space Tool, which identifies the property as "high" to "moderate" priority for conservation based on available data as well as site visits performed by City Staff. City staff have recognized that the Open Space Tool tends to assign lower priorities to prairie habitat, which are vital, endangered ecosystems, and this is accounted for in the decision-making process for acquisitions. The proposed site includes high-quality prairie and riparian ecosystems, and stream channels that drain into Benbrook Lake, a public drinking water source.

Conservation of this property supports the Open Space Conservation Program goals, including: ecosystem preservation; stream, river, and lake health; community health; and flood control. This acquisition will support Fort Worth Mayor Mattie Parker's Good Natured Greenspace Initiative goal of preserving 10,000 acres of greenspace across Fort Worth in the next five years while growing and enhancing the City's park system. This property will be included in the future Rock Creek Park Master Plan.

An independent appraisal established fair market value for the property and the property owner has agreed to a negotiated amount of \$1,590,100.00 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 \$47,000.00. This M&C also authorizes funding in an amount up to \$35,000.00 for pre-acquisition costs and staff costs associated with the acquisition process, including initial site investigation activities, earnest money, staff time, a Phase I Environmental Site Assessment, and other applicable costs associated with evaluating and acquiring the property. Funding for this acquisition will be provided from the 2022 Bond Program Fund in the Open Space Conservation Program (OSAcq-Rock Creek Ranch 58 City Project No. 105801).

Any unused funding upon project completion will be returned to the Open Space Appropriations Project (City Project No. PA0001).

Upon acquisition, the estimated annual operation costs to maintain the property in its natural condition will be \$17,600.00. This cost includes activities such as establishing fuel breaks on perimeters, annual maintenance to reduce wildfire hazard via prescribed burns, mowing fuel breaks, and controlling invasive species. The property will be general City property under the Open Space Conservation Program, not parkland; however, maintenance will be provided by the Park & Recreation Department (PARC). Funds for annual maintenance will be budgeted in the PARC annual operating budget. Funding for operations and maintenance will be allocated to the PARC's base budget beginning in FY2026. This is estimated to increase the department's acreage by 58.865 acres and annual maintenance by \$17,600.00 beginning in FY26. Initial improvements should be \$10,000.00 for fuel break installation; then annual maintenance of \$7,600.00.

This project is 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 project 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:

Activity	Fund	Amount
Fee Simple Interest in 58.865 Acres	34027 – 2022 Bond Program Fund – 22050199 Prop E Open Spaces (City Project No. PA0001)	\$1,590,100.00
Pre-Acquisition & Staff Costs	34027 – 2022 Bond Program Fund – 22050199 Prop E Open Spaces (City Project No. PA0001)	\$35,000.00
Estimated Closing Costs	34027 – 2022 Bond Program Fund – 22050199 Prop E Open Spaces (City Project No. PA0001)	\$47,000.00
	Total:	\$1,672,100.00

This property is located in COUNCIL DISTRICT 6 ETJ.

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 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-Rock Creek Ranch 58 project to support the approval of the above recommendations and acquisition of land. Prior to an expenditure being incurred, the Property Management Department and Transportation & Public Works Department have the responsibility of verifying the availability of funds.

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