

Mayor and Council Communication

DATE: 02/14/23

M&C FILE NUMBER: M&C 23-0087

LOG NAME: 21NOSILLA/ROUTT - OPEN SPACE ACQUISITION

SUBJECT

(CD 5 / Future CD 5) Authorize the Acquisition of a Fee Simple Interest in Approximately 2.84 Acres of Land Being Lots 1 through 16, Block 1, East Dale Addition, an Addition to the City of Fort Worth, Tarrant County, Texas from Antoun J. Elandary for a Total Purchase Price of \$400,000.00 and Pay Estimated Closing Costs in an Amount Up to \$9,000.00 for the Open Space Conservation Program, Adopt Appropriation Ordinances, and Amend the Fiscal Years 2023-2027 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 2.84 acres of land being Lots 1 through 16, Block 1, East Dale Addition, an addition to the City of Fort Worth, Tarrant County, Texas in the amount of \$400,000.00 and pay estimated closing costs in an amount up to \$9,000.00 for the Open Space Conservation Program (City Project No. 104537);
2. Authorize expenditure of Open Space Conservation Program funds in an amount up to \$25,000.00 for pre-acquisition costs and staff time;
3. Authorize expenditure of Open Space Conservation Program funds in an amount up to \$50,000.00 for one-time projects at the property including land protection, signs, a trail, and parking improvements to make the property ready for open space purposes;
4. Adopt the attached appropriation ordinance adjusting appropriations in the 2022 Bond Program Fund by increasing appropriations in the OSAcq-Nosilla St Project (City Project No. 104537) in the amount of \$434,000.00 and decreasing appropriations in the Open Space Appropriations Project (City Project No. PA0001) by the same amount;
5. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the General Gas Lease Capital Project Fund by increasing estimate receipts and appropriations in the OSAcq-Nosilla St Project (City Project No. 104537) in the amount of \$50,000.00 and decreasing estimated receipts and appropriations in the Open Space Appropriations Project (City Project No. PA0001) by the same amount;
6. 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; and
7. Amend the Fiscal Years 2023-2027 Capital Improvement Program.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to authorize the acquisition of 2.84 acres of natural, undeveloped land to preserve it as open space through the Open Space Conservation Program and to authorize one-time projects to prepare the site for open space purposes.

The Open Space Working Group assessed the properties utilizing the Open Space Tool, which identifies properties that are a "very high priority for conservation" based on available data, as well as site visits performed by City Staff with Fort Worth Audubon Society (Audubon) members. These properties have been identified as a significant habitat for migratory birds by Audubon and Audubon is working with City staff on potentially constructing a bird blind on the site and for their volunteers to lead nature walks for public environmental education purposes. Conservation of these properties supports bird populations through ecosystem preservation and other Open Space Conservation Program goals including equitable access to open space and community health.

This M&C authorizes up to \$50,000.00 in funding for one-time projects to provide land protection, a natural surface trail, signs, and parking improvements.

This M&C also authorizes funding for pre-acquisition costs and staff costs associated with the acquisition process. It is estimated that funding from the OS Acq-Nosilla Project (City Project No. 104537) in the amount of \$25,000.00 is needed for initial site investigation activities, earnest money, staff time, Environmental Site Assessment Phase I, and other applicable costs associated with evaluating and acquiring the properties.

An independent appraisal established fair market value for the properties and the property owner has agreed to a negotiated amount of \$400,000.00 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 estimated closing costs in the amount of up to \$9,000.00. Funding for this acquisition will come from the Open Space Conservation Program.

Upon the completion of the acquisition, any unused funding for land acquisition, closing costs, and pre-acquisition costs will be returned to the 2022 Open Space Bond Fund. Upon project completion, any unused funding for one-time site preparation activities will be returned to the Open Space Appropriations Capital Project. Open Space funding was not included in the FY2023-2027 Capital Improvement Program. The action on this M&C will update the FY2023-2027 Capital Improvement Program.

Upon acquisition, and after initial site preparation, the estimated annual operation costs to maintain the properties in their natural condition will be \$3,407.92. The properties 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) 2024. As of October 31, 2022, the cumulative total of all previously approved M&C's increased the department's estimated annual maintenance by \$197,855.00 beginning in FY 2024.

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.

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:

Property Ownership	Legal Description	Details	Fund	Amount
Antoun J. Elandary	Lots 1 through 16, Block 1, East Dale Addition, Tarrant County, Texas	Fee Simple Interest in 2.84 Acres	34027 – 2022 Bond Program Fund – 22050099 Prop E Open Spaces (City Project No. PA0001)	\$400,000.00
		Pre-Acquisition & Staff Costs	34027 – 2022 Bond Program Fund – 22050099 Prop E Open Spaces (City Project No. PA0001)	25,000.00
		Estimated Closing Costs	34027 – 2022 Bond Program Fund – 22050099 Prop E Open Spaces (City Project No. PA0001)	\$9,000.00
		Capital Projects	33005 – General Gas Lease Capital Prj (City Project No. PA0001)	\$50,000.00
			TOTAL	\$484,000.00

These properties are 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 currently available in the Open Space Appropriations programmable project within the 2022 Bond Program Fund and the Open Space Appropriations Capital Projects Fund, and upon approval of the above recommendations and adoption of the attached appropriation ordinance funds will be available for the OS Acq-Nosilla 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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Additional Information Contact: