

# Mayor and Council Communication

DATE: 05/23/23

M&C FILE NUMBER: M&C 23-0425

LOG NAME: 21CFO FEBRUARY 2023 SEALED BID SALE

## **SUBJECT**

(CD 2, CD 3, CD 4, CD 5 and CD 8 / Future CD 2, CD 3, CD 5, CD 8 and CD 11) Authorize Acceptance of Property Located at 2622 Refugio Avenue, Fort Worth, Texas 76164 from Joanne Bowen and of Property Located at 2804 Vanhorn Avenue, Fort Worth, Texas 76111 from the Fort Worth Housing Finance Corporation, Authorize the Sale of the Properties Along with Twelve Other City Surplus Properties Located at Various Addresses to Various Buyers each for the Highest Bid Amount in Accordance with Section 272.001 of the Texas Local Government Code, and Authorize Acceptance of a Permanent Sewer Easement from the Property Located at 3013 Finley Street, Fort Worth, Texas 76111

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## **RECOMMENDATION:**

It is recommended that the City Council:

1. Authorize the acceptance of a quitclaim deed for property located at 2622 Refugio Avenue, Fort Worth, Texas 76164 from Joanne Bowen;
2. Authorize the acceptance of a quitclaim deed for property located at 2804 Vanhorn Avenue, Fort Worth, Texas 76111 from The Fort Worth Housing Finance Corporation;
3. Authorize the sale of the foregoing properties along with twelve other City surplus properties located at various addresses to various buyers, as shown on the attached list, each for the highest bid amount in accordance with Section 272.001 of the Texas Local Government Code;
4. Authorize the acceptance of a permanent sewer easement from the property located 3013 Finley Street, Fort Worth, Texas 76111; and
5. Authorize the City Manager or his designee to execute and record the appropriate instruments to complete the sale and convey the properties to the highest bidders in compliance with the bid form specifications.

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## **DISCUSSION:**

The City of Fort Worth owns the fee-simple interest in the surplus properties located at the addresses shown in the attached list. Local Government Code Section 272.001 authorizes the City to sell surplus property through a notice and sealed bid procedure to the highest bidder.

The quitclaim deed for the property located at 2622 Refugio Avenue was recorded on March 23, 1998 and the quitclaim deed for the property located at 2804 Vanhorn Avenue was recorded on September 29, 1998. The City has maintained the two properties since the deeds were recorded; however, the Property Management Department has been unable to find evidence of the City's formal acceptance of the properties. This Mayor and Council Communication will memorialize the City's acceptance of the properties.

Tarrant County Appraisal District values were used to determine the value of the properties prior to the sale. The properties were advertised for sale in the *Fort Worth Star-Telegram* and on the Property Management Department website for four consecutive Fridays from January 20, 2023 through February 10, 2023 and bids were opened on February 16, 2023. The bidders were advised to perform their due diligence on the properties and, as part of the real estate transaction, agreed to purchase the properties subject to any easements and encumbrances.

During the departmental review of the properties, it was determined that the Water Department needed a sewer easement on the property located at 3013 Finley Street and the property was advertised with the notation "easement required as condition of sale" to notify bidders that the City would reserve an easement.

A total of sixteen properties were advertised with one property not receiving any bids and another property being withdrawn by the Fire Department after the bid opening. The withdrawn property only received one bid, but that bid did not meet the minimum bid requirement. The remaining fourteen properties received bids with the highest qualifying bids cumulatively totaling \$1,000,170.08 as shown on the attached list. In the event full payment is not made on a property by the highest bidder, staff will contact the next highest bidder and proceed in that manner until full payment is received.

The City will convey title to the buyers reserving any needed easements and will retain all mineral interests owned, if any. The buyers have agreed to pay all costs related to closing these transactions including City administrative fees and any taxes that may be owed.

The Development Services Department has reviewed the current zoning of the properties and has determined that the zoning classifications are compatible with respect to existing land uses of the surrounding neighborhood and future land use designations indicated in the Comprehensive Plan.

The properties are located in COUNCIL DISTRICTS 2, 3, 4, 5 and 8 / FUTURE COUNCIL DISTRICTS 2, 3, 5, 8 and 11.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

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**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that upon approval of the above recommendations and the execution of the sale of property, the funds will be deposited into the General Fund, General Capital Projects Fund and Stormwater Capital Projects Fund. The Property Management Department (and Financial Management Services) is responsible for the collection and deposit of funds.

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Expedited