



COMMISSIONERS COURT COMMUNICATION

REFERENCE NUMBER _____

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DATE: 05/02/2023

SUBJECT: APPROVAL OF SALE OF FORECLOSURE PROPERTIES LOCATED AT 6851 EAST LANCASTER AVENUE AND 6855 EAST LANCASTER AVENUE, FORT WORTH, TEXAS, HELD IN TRUST BY THE CITY OF FORT WORTH, AT BELOW MARKET VALUE, JUDGMENT OR TAXES DUE, TO THE FORT WORTH LOCAL DEVELOPMENT CORPORATION

***** CONSENT AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court approve the attached resolution providing the County's consent to the sale of the following properties held in trust by the City of Fort Worth to the Fort Worth Local Development Corporation.

<u>Account #</u>	<u>Legal Description</u>	<u>Address of Property</u>	<u>TAD Market Value</u>	<u>Purchase Price</u>
04678125	Hyde-Jennings Subdivison Block 15, Lot 4	6851 E Lancaster Ave.	\$49,875.00	\$10,975.00
04678117	Hyde-Jennings Subdivision Block 5, Lot 1	6855 E Lancaster Ave.	\$225,199.00	\$46,039.80

BACKGROUND

Through the foreclosure process, the City of Fort Worth received the tracts of land as noted above and holds these properties in trust for all taxing entities to which taxes are owed. The properties total approximately 3.98 acres located along E. Lancaster Avenue in the Handley Revitalization Target Area. The sites originally contained dilapidated and unusable commercial buildings, including a motel. In 2005, the City of Fort Worth demolished the motel and abated asbestos on the sites, leaving both sites vacant.

The Tarrant Appraisal District currently lists the total appraised value of the properties located at 6851 and 6855 E. Lancaster Ave. at \$49,875.00 and \$225,199.00, respectively. To return the properties to their highest and best use, generate tax revenue, and bolster new urban development and investment in the area, the City of Fort Worth has requested the consent of the taxing entities to sell the properties to the Fort Worth Local Development Corporation at below market value, judgment or taxes due.

The Fort Worth Local Development Corporation intends to either redevelop the vacant land or utilize a community visioning process to attract and incentivize a development that could catalyze the Historic Handley Urban Village and Revitalization Target Area.

SUBMITTED BY:	Housing Assistance	PREPARED BY: APPROVED BY:	Maegan P. South
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The City of Fort Worth, Fort Worth Independent School District, and Tarrant Regional Water District have approved the sale of the properties at the purchase amounts noted above. It has been requested that the Commissioners Court consent to the sale of the properties to the Fort Worth Local Development Corporation, and to accept as payment of all taxes owed a proportional share of the proceeds of the sale of the properties remaining, if any, minus applicable court costs and fees.

The Criminal District Attorney's Office has approved the resolution as to form.

FISCAL IMPACT

Currently, the total back taxes owed to all entities on these properties, with penalties and interest, is approximately \$2,889,293.10. The amount owed to Tarrant County for both properties is estimated at \$245,364.59, and the amount owed to the Hospital District is estimated at \$215,779.43.

Following payment of all court costs and fees, the remaining balance from the \$57,014.80 purchase price of the properties will be divided among the taxing entities to which taxes are owed on a pro-rata basis. In addition to the purchase price, the Fort Worth Local Development Corporation will pay post-judgment taxes in the amount of \$169,676.33 for both properties. By allowing for the purchase of these properties by the Fort Worth Local Development Corporation, it is anticipated that the properties will be redeveloped to their highest and best use, generating higher value future tax revenues for the County than would have otherwise been received.