

Operations, Lands and Resource Monitoring Committee
March 23, 2021

Discussion Agenda

Offer for Surplus Lands – Lake Panasoffkee (LP-1), SWF Parcel No. 19-528-154S

Purpose

Recommend the Governing Board approve the Contract for Sale and Purchase and First Addendum (collectively, the Contract), attached as **Exhibit 1**, for a surplus parcel identified as LP-1 (LP-1 Parcel). The District received an offer to purchase the LP-1 Parcel from Werner Enterprises, Inc., a Nebraska corporation, for \$1,500,000. The offer reflects an offer price of approximately \$30,000 per acre for approximately 50 acres. A general location map and a site map are attached as **Exhibits 2 and 3**, respectively.

Background

The District has acquired several parcels that border the northern and eastern sides and western outfall of Lake Panasoffkee in Sumter County, which were originally acquired to protect the water and natural resources around the lake. One such parcel is the approximately 8,599-acre Hanover Tract purchased by the District in 1993. The LP-1 Parcel is a portion of the Hanover Tract and was identified as surplus in the 2015 Surplus Lands Assessment. The LP-1 Parcel is located west of Interstate 75's Wildwood interchange and east of County Road 475, and has frontage along the south side of State Road 44, a four-lane median divided road. The LP-1 Parcel is mostly cleared consisting of 50 acres of which approximately 47 acres are uplands, has a future land use classification of Conservation and is zoned for agricultural use. The LP-1 Parcel was recommended to and declared by the Governing Board to be surplus on May 19, 2015.

The LP-1 Parcel was listed with Saunders Real Estate on August 23, 2018 and has been advertised through multiple media and personal contacts since that time. Several offers for the property have been reviewed that were between \$700,000 and just over \$1,000,000. The current offer being presented to the Governing Board is the highest received above the appraised value and is accompanied by a thirteen percent (13%) good faith deposit. The value details are below:

	Total	Per Acre
Offer Amount	\$1,500,000	\$30,000
Appraised Value	\$940,000	\$18,800
Listing Price	\$999,000	\$19,980

Appraisal and Minimum Price

The LP-1 Parcel was appraised on December 29, 2020 for \$940,000 by Mancuso Appraisal Services, Inc., Nicholas J. Mancuso, MAI. A sales summary and adjustment grid from the appraisal is attached as **Exhibit 4**. The appraisal determined that the highest and best use for the parcel would be for a distribution warehouse development and/or RV storage as allowed per the land use designation for the property. The District's title to the LP-1 Parcel includes the subsurface rights. Upon the request of a buyer and in accordance with Section 270.11(3), Florida Statutes the District may release its interest in all phosphate, minerals, metals and petroleum that may be in, on or under the property.

As part of this Sale and Purchase process, qualified District staff discussed the most recent appraised value and market conditions with the appraiser and independently considered market conditions affecting the property and did not recommend having a new appraisal conducted. The full appraisal is available upon request.

Sale Terms

- The District will deliver title to the buyer by Quit Claim Deed.
- The purchase price is based on \$30,000 per acre and acreage is subject to adjustment if the buyer obtains a survey.
- The Buyer will make a deposit of about 13 percent of the contract price or \$200,000 with a closing to occur no more than 120 days after the effective date of the Contract for Sale and Purchase.
- The buyer will pay the real estate commission of \$71,000 to Saunders Real Estate.
- The buyer will bear all expenses of the transaction except for the appraisal and advertising costs.

Benefits/Costs

The sale of surplus lands will allow the District to acquire lands that are more environmentally significant. Funds derived from the sale of this surplus parcel may only be used for the purchase of other lands meeting the criteria in Section 373.139, Florida Statutes, resulting in more effectively meeting the District's core mission.

Staff Recommendation:

See Exhibits

- Accept the offer of \$1,500,000.00, subject to confirmation by survey of total acreage;
- Approve the Contract for Sale and Purchase and First Addendum to Contract for Sale and Purchase and authorize the Executive Director to sign both on the behalf of the District;
- Authorize the Chairman and Secretary of the Governing Board to execute the Quit Claim Deed;
- Authorize the conveyance of the District's interest in all phosphate, minerals, metals and petroleum in or on or under the land upon the request of the buyer; and
- Authorize staff to execute any other documents necessary to complete the transaction in accordance with the approved terms.

Presenter: Ellen Morgan Morrison, J.D., Bureau Chief, Land Resources Bureau