

Operations, Lands and Resource Monitoring Committee
May 23, 2017

Discussion Agenda

Approve Sale of Surplus Lands – Tampa Bypass Canal (TBC-1), SWF Parcel No. 13-001-736S

Purpose

The District received an offer for the purchase of SWF Parcel No. 13-001-736S, known as surplus parcel TBC-1, was received from Bayshore Broadway Inc for \$75,000. This reflects an offer price of \$41,667 per acre for approximately 1.18 acres. The Contract for Sale and Purchase is attached as Exhibit 1. A general location map and aerial map are attached as Exhibits 2 and 3.

Background

The District acquired TBC-1 in 1967 as part of the Tampa Bypass Canal project at a prorated cost of \$89 per acre for 1.18 acres and was acquired through proceedings in eminent domain. TBC-1 consists of approximately 1.18 acres, 17 percent of which are uplands. The parcel has access by water only and is zoned IG, Industrial General, with a future land use designation of LI, Light Industrial. The District does not perform maintenance on this parcel. This parcel was declared surplus by the Governing Board on May 21, 2013.

The property was listed with Saunders Real Estate on October 24, 2016 and was advertised through multiple media and personal contacts for at least 30 days before the offers were presented. Two offers were received on this parcel and as a result the broker and District staff requested a final and best offer from both parties. The final and best offer process resulted in an offer of \$75,000. Below is a summary of the total and per acre cost information for the TBC-1 parcel.

	Total	Per Acre
Offer Amount	\$75,000	\$41,667
Appraised Value	\$66,100	\$56,017
Listing Price	\$95,000	\$80,508
Property Appraiser Just Value	N/A	N/A
Purchase Basis (1967)	\$105	\$89

Appraisal and Minimum Price

The property was appraised July 27, 2016 for \$66,100 by Frank A. Catlett, MAI, SRA and Kyle A. Catlett with Trigg, Catlett & Associates. A summary of comparable values used to calculate the final value is attached as Exhibit 4. The appraisers determined that the highest and best use as vacant, would be for assemblage with the adjacent property to the north or passive recreation. The market value of the property determined in the appraisal is based on the title being free and clear of interests and encumbrances that impact value. The District's title to the property 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, District appraisers 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.

On December 13, 2016, the Governing Board approved a minimum price of \$90,000 that if received the Contract for Sale and Purchase could be signed by the Governing Board Chair on behalf of the Board. However, the highest offer received at opening is below that amount.

Sale Terms

- The District will deliver title to the buyer by Quit Claim Deed.
- There will be no adjustment in price for actual acreage as determined by a survey, if obtained by the buyer.
- 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 environmentally significant. Funds derived from the sale of surplus land may only be used for the purchase of other lands meeting the criteria in Section 373.139, Florida Statutes and Governing Board, Land Acquisition Policy 610-1, resulting in more effectively meeting the District's core mission.

Staff Recommendation:

See Exhibits

- Accept the offer;
- Approve the Contract for Sale and Purchase and authorize the Executive Director to sign on the behalf of the District;
- Upon the request of the buyer authorize the conveyance of the District's interest in all phosphate, minerals, metals and petroleum in or on or under the land; and
- Authorize staff to execute any other documents necessary to complete the transaction in accordance with the approved terms.

Presenter: Carmen Sanders, Operations and Land Management Assistant Bureau Chief

cc: Ken Frink
Cheryl Hill

Jerry Mallams
Myke Morris

Will VanGelder

CONTRACT FOR SALE AND PURCHASE

THIS Contract for Sale and Purchase ("Contract") is made this April 27th day of, 2017, by and between the Southwest Florida Water Management District, a public corporation of the State of Florida, having an address of South of E. Washington Street and West of US 41, Tampa ("District"), Bayshore Broadway, Inc. and/or assigns to SPE (new LLC or 501C3) entity where Geoffrey Weber Trustee maintains ownership position ("Buyer"), as follows:

1. **AGREEMENT TO SELL:** The District hereby agrees to sell and Buyer hereby agrees to buy, in accordance with this Contract, the real property that is more particularly described in Exhibit "A", attached hereto and incorporated herein by this reference ("Property").

2. **EFFECTIVE DATE:** Upon execution of this Contract by Buyer, Buyer's offer shall be binding for twenty-two (22) days after such execution by Buyer. If this Contract is not executed by the District on or before May 31 (22) days after execution of this Contract by Buyer, Buyer's offer contained in this Contract is withdrawn and this Contract shall terminate. The effective date of this contract shall be the date of execution by the District.

3. **APPROVAL:** This Contract is subject to approval by the District's Governing Board. If the District's Governing Board does not approve this Contract and all the terms and conditions hereof, the District will notify the Buyer in writing and this Agreement shall terminate. This offer is confidential and shall not be disclosed except to Seller and Buyer principals and attorneys until closing.

4. **PURCHASE PRICE:** The total purchase price for the Property shall be Seventy thousand dollars (~~\$70,000~~), which shall be paid in the following manner:

GW \$75,000
a. **Deposit:** Concurrent with the execution by Buyer of this Contract, Buyer shall deposit five percent (5%) of the purchase price in the form of a certified or cashier's check from a financial institution as defined in Section 655.005, Florida Statutes ("F.S."), made payable to the closing agent designated by the District, as earnest money ("Deposit"). In the event this Contract is terminated under Paragraphs 2, 3, 8, 10, or 11 of this Contract, the District shall return the Deposit to Buyer.

b. **Balance:** The balance of the purchase price shall be paid at the time of closing by wire transfer from a financial institution as defined in Section 655.005, F.S., to the closing agent designated by the District.

~~EXPIRATION OF THE DUE DILIGENCE PERIOD PERD~~
5. **CLOSING, EXPENSE AND POSSESSION:** This Contract shall be closed no later than five (5) days from the ~~effective date referenced in Paragraph 2;~~ unless this Contract is terminated pursuant to Paragraphs 2, 3, 8, 10, or 11. The following are additional details of closing:

a. **Time and Place:** The date, time and place of closing shall be set by the District.

b. **Conveyance:** At closing, the District will deliver to Buyer a fully executed quit claim deed, conveying the Property and improvements in "AS IS, WHERE IS CONDITION," without warranties or representations.

c. **Expenses:** Buyer shall be responsible for paying all closing costs associated with the Property including, but not limited to, Buyer's survey costs, documentary stamp tax on the deed, recording fees, abstract or title insurance fees, and Buyer's attorneys' fees. The District has designated Albert C.

reasonable

Kreischer Jr. at Fuentes and Kreischer Title Company, having an address of 1407 West Busch Boulevard Tampa, FL 33612, as the escrow agent for closing. The Buyer shall pay any costs charged by such company or agent for this closing service. If Buyer obtains a survey of the Property, nothing contained therein shall affect the purchase price or terms of this Contract.

d. Buyer shall also be responsible for paying Saunders Real Estate in the amount of Four thousand two hundred dollars (~~\$4,200~~ ^{\$4,500} *uw*), by separate certified or cashier's check made payable to, or wire transfer to, the escrow agent designated by the District. The commission for the District's sale of surplus property is calculated based on the following schedule:

Commission Schedule: Maximum Compensation Rate			
Purchase Price for the Property		Maximum Rate	
The first	\$ 0 - \$ 100,000	6.0%	
The next	\$ 100,001 - \$ 1,000,000	5.0%	
The next	\$ 1,000,001 - \$ 5,000,000	4.0%	
The next	\$ 5,000,001 - \$10,000,000	3.0%	
The next	\$10,000,001 and over	2.0%	

6. **REAL ESTATE TAXES, EASEMENTS, RESTRICTIONS, AND ENCUMBRANCES:** Buyer agrees to take title to the Property subject to any outstanding taxes, special liens or assessments including real estate taxes, if any; comprehensive land use plans, zoning, restrictions, prohibitions and other requirements imposed by governmental authority; restrictions, qualifications and matters appearing on the plat or otherwise common to the subdivision, restrictive covenants, public utility easements and all outstanding easements, reservations and other interests.

7. **CONDITION OF THE PROPERTY:** Buyer agrees to accept the Property in "AS IS, WHERE IS CONDITION." The District makes no warranties or representations whatsoever as to the condition of the Property or the improvements located thereon, or the fitness of either for any particular use or purpose.

8. **DUE DILIGENCE PERIOD:** Buyer will, at Buyer's expense, determine whether the Property is suitable for the Buyer's intended use and development of the Property within forty-five (45) days from the effective date of this Contract ("Due Diligence Period"). During the Due Diligence Period, Buyer may conduct any tests, analyses, surveys, inspections, and investigations which Buyer deems necessary to determine to Buyer's satisfaction the suitability of the Property for Buyer's intended use and development. Buyer will deliver written notice to the District prior to the expiration of the Due Diligence Period of Buyer's determination of whether the Property is acceptable. If Buyer fails to comply with this notice requirement, Buyer will be deemed to have waived any objection to the suitability of the Property for the Buyer's intended use and development and to have accepted the Property in its present "as is" condition. If Buyer determines that the Property is not acceptable, Buyer must include the specific reasons therefore in its notice to the District. The District shall have thirty (30) days from receipt of Buyer's notice to cure the specified deficiencies. If the deficiencies are identified by a survey, the survey must meet the requirements outlined in Exhibit "B", attached hereto, and must be provided to the District for review. If the District fails to cure the deficiencies to the reasonable satisfaction of the Buyer, its attorney or the Buyer's title insurance

company within the 30-day cure period, Buyer may either terminate this Contract or proceed to closing in the same manner as if no deficiencies had been found. Buyer may contact the District to arrange access to the Property for Buyer, its agents, contractors and assigns for the purpose of conducting such tests, analyses, surveys, inspections, and investigations. Buyer will indemnify and hold the District harmless from losses, damages, costs, claims and expenses of any nature, including attorneys' fees at all levels, and from liability to any person, arising from the conduct of any and all inspections or any work authorized by Buyer. Buyer will not engage in any activity that could result in a mechanic's lien being filed against the Property.

9. **OPERATION OF PROPERTY DURING CONTRACT PERIOD:** Prior to closing, the District will continue to operate the Property and any business conducted on the Property in the manner operated prior to the date of the Contract and will take no action that would adversely impact the Property.

10. **RISK OF LOSS:** In the event of any substantial damage to the Property (in excess of \$5,000) between the date of this Contract and the date of closing, the District shall have the option of restoring the damaged Property to its condition immediately prior to the occurrence causing the damage, in which event, Buyer shall complete the transaction as originally planned. If these repairs are not completed prior to the closing date, closing will be extended until such time as the repairs are completed. If the District elects not to restore the damaged Property, Buyer's sole remedy shall be the right to terminate this Contract by giving written notice to the District or, alternatively, to proceed to closing on the Property, as damaged, without adjustment in the purchase price. In the event of any lesser damage (\$5,000 or less), the parties shall proceed to closing as though no damage had occurred.

11. **DEFAULT:** If Buyer fails to close within thirty (30) days from the effective date referenced in Paragraph 2, the District shall retain the Deposit, this Contract shall terminate, and the District and Buyer shall be relieved of all rights and obligations under this Contract. If the District fails to deliver the quit claim deed to Buyer within thirty (30) days from the effective date referenced in Paragraph 2, the District shall return the Deposit to Buyer, this Contract shall terminate, and Buyer and the District shall be relieved of all rights and obligations under this Contract. Notwithstanding the above, neither party shall be liable under this provision if the closing date is extended pursuant to Paragraph 10, Risk of Loss.

12. **ATTORNEYS' FEES AND COSTS:** Except as provided in Paragraph 8, Due Diligence Period, in any claim or controversy arising out of or relating to this Contract, each party agrees to bear its own attorney fees and costs.

13. **NOTICES:** All notices will be in writing and may be delivered by mail, overnight courier, or personal delivery. The parties agree to send all notices to the addresses specified in the introductory clause; and as to the District, such notice will be sent to the attention of its Office of General Counsel. Notice is effective upon receipt.

14. **SUCCESSORS:** Upon execution of this Contract by Buyer, this Contract shall be binding upon and inure to the benefit of Buyer, Buyer's heirs, successors, or assigns.

15. **RECORDING:** Neither this Contract nor any notice of it may be recorded in any county by any person.

16. **ASSIGNMENT:** This Contract shall not be assigned by Buyer without the prior written consent of the District.

17. **TIME OF ESSENCE:** Time is of the essence in the performance of this Contract.

18. **AMENDMENTS:** This Contract contains the entire agreement and all representations of the parties. No amendment will be effective except when reduced to writing signed by all parties. Notwithstanding the foregoing, the parties acknowledge that the description of the Property is without the benefit of a current survey. The parties agree that if, in the opinion of the District, it becomes necessary to amend the description to correct errors, to more properly describe the Property, or to otherwise revise the description of the Property, the description to be used in the survey (if any) and in the closing instruments required by this Contract for the Property shall be revised by or at the direction of the District, and shall be subject to the final approval of the District. Anything to the contrary hereinabove notwithstanding, such a revision of the description of the Property shall not require a written amendment to this Contract. In such event, the District's execution and delivery of the closing instruments containing the revised description and the Buyer's acceptance of said instruments and of the final survey (if any) containing the revised description shall constitute a full and complete ratification and acceptance of the revised description of the Property by the parties.

19. **SURVIVAL:** Paragraphs 6, and 11 of this Contract will survive delivery and recording of deed and possession of the Property.

20. **ELECTRONIC SIGNATURE:** The District agrees that this Agreement may be executed by the Buyer by electronic signature in a manner that complies with Chapter 668, F.S.

21. **DOCUMENTS:** The following documents are attached and made a part of this Agreement. In the event of a conflict of contract terminology, priority will first be given to the language in the body of this Agreement.

Exhibit "A" Legal Description for District Parcel

Exhibit "B" Survey Requirements

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties have caused the Contract to be executed on the day and year set forth below.

DISTRICT:

**Southwest Florida Water Management District,
a public corporation of the State of Florida**

Witness

Printed Name

Witness

Printed Name

By: _____

Name: _____

Title: _____

Date: _____


Witness

Printed Name

Witness

Printed Name

BUYER:

By:  _____

Name: Geoffrey W. Zbor

Title: President

Date: May 8, 2017

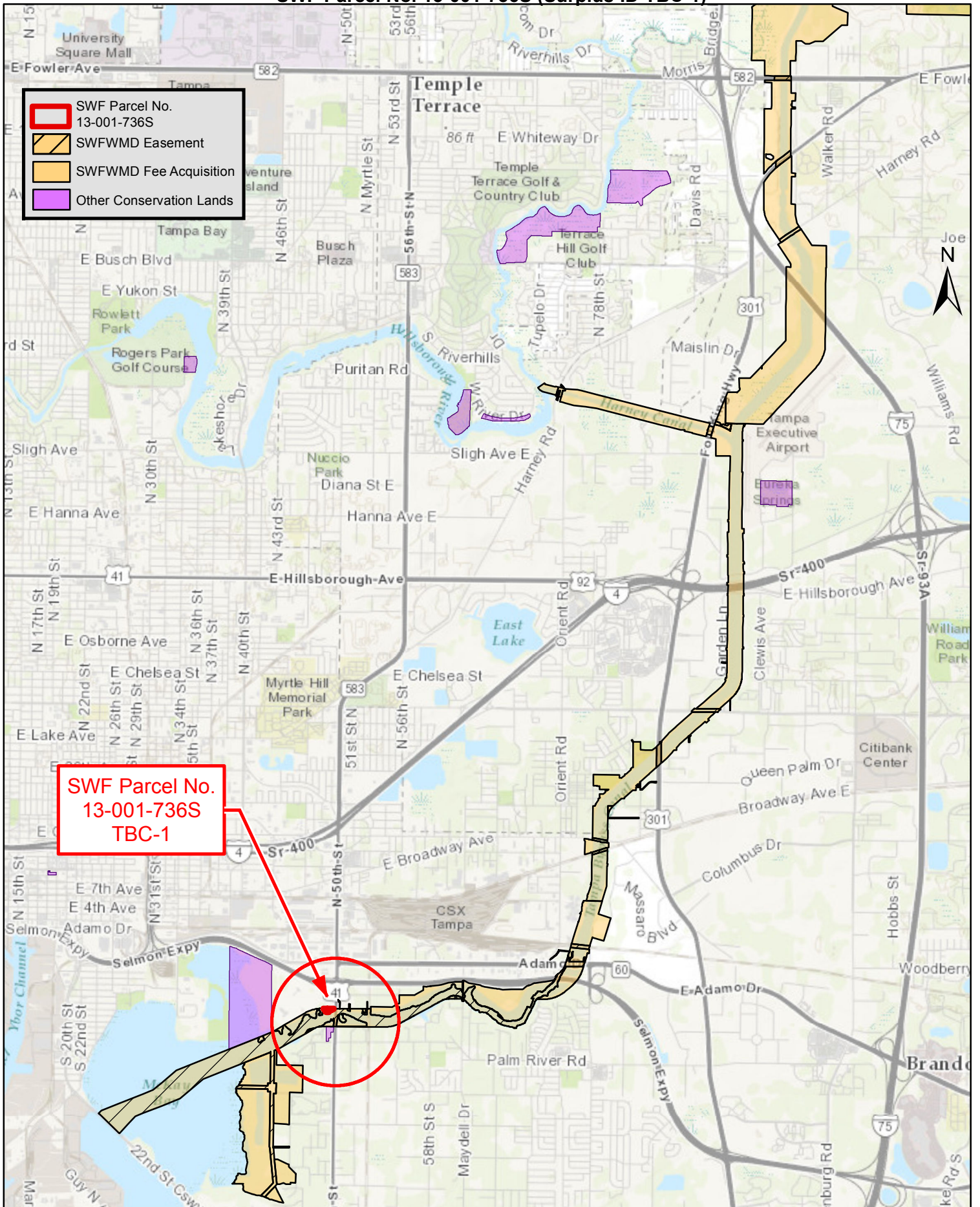
By: _____

Name: _____

Title: _____

Date: _____

Exhibit 2
TAMPA BYPASS CANAL
SWF Parcel No. 13-001-736S (Surplus ID TBC-1)



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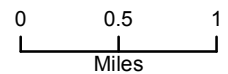


Exhibit 3
TAMPA BYPASS CANAL
SWF PARCEL NO. 13-001-736S (SURPLUS ID TBC-1)

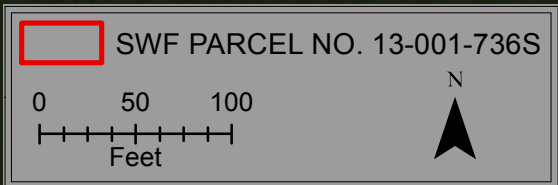






Exhibit 4

Summary of Comparable Sales

Land Sales Grid

Land Sale & Adjustment Grid				
	Private Sector Sales			Government Sale
Comparable	1	2	3	4
Aerial Photograph				
Address	7004 Adamo Dr Tampa, FL 33619	1532 McKay Bay Ct Tampa, FL 33619	4703 Garden Ln Tampa, FL 33610	Garden Ln Tampa, FL 33610
Folio Number	159676-0000	159872-0064	040472-0000	040477-0100
Grantor	KNJI, LLC, et al	Gerdau Ameristeel US Inc.	Lloyd & Brenda S. Langston, Trustees	Southwest Florida Water Management District
Grantee	Adamo Orient Plaza, LLC	Juan Cosca	Scott G. & Pilar C. Passmore	Muhammad Hasan, et al
OR Book/ Page	24128/1628	23669/1720	22810/1163	23928/565
Square Feet	71,851	122,318	42,188	33,390
Acres	1.65	2.81	0.97	0.77
Sale Price	\$150,000	\$315,000	\$70,000	\$55,000
Zoning	IH	IH	RSC-6	RSC-6
Future Land Use	HI	HI	CMU-12	CMU-12
Sale Date	May 26, 2016	November 3, 2015	September 23, 2014	October 27, 2015
ELEMENTS OF COMPARISON				
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment	0%	0%	0%	0%
Adjusted	\$150,000	\$315,000	\$70,000	\$55,000
Financing	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller
Adjustment	0%	0%	0%	0%
Adjusted	\$150,000	\$315,000	\$70,000	\$55,000
Conditions of Sale	Arm's Length	Arm's Length	Arm's Length	Arm's Length
Adjustment	0%	0%	0%	0%
Adjusted	\$150,000	\$315,000	\$70,000	\$55,000
Date of Sale	May 26, 2016	November 3, 2015	September 23, 2014	October 27, 2015
Adjustment	0%	0%	0%	0%
Adjusted	\$150,000	\$315,000	\$70,000	\$55,000
NORMALIZED UNITS OF COMPARISON				
Price \$ SF	\$2.09	\$2.58	\$1.66	\$1.65
ADJUSTMENTS				
Location	Superior	Superior	Similar	Similar
Access	Superior	Superior	Superior	Superior
Size/Utility	Superior	Superior	Superior	Superior
Topography	Inferior	Superior	Similar	Similar
Zoning/ Land Use	Slightly Superior	Slightly Superior	Inferior	Inferior
Overall Comparability	Superior -13%	Superior -23%	Superior -5%	Superior -5%
ADJUSTED UNITS OF COMPARISON				
Price \$ SF	\$1.82	\$1.98	\$1.58	\$1.56