

**Lee County Board Of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20050256

1. REQUESTED MOTION:

ACTION REQUESTED: Approve the purchase of a +/- 2.30 acre parcel of land for the Olga Water Treatment Plant, Project No. 7117, in the amount of \$445,000, pursuant to terms and conditions as set forth in the Purchase Agreement, authorize payment of necessary fees to close; authorize the Division of County Lands to handle and accept all documentation necessary to complete this transaction. Also approve Budget Transfer in the amount of \$190,000 from Utilities Reserves for contingencies.

2. WHAT ACTION ACCOMPLISHES: The voluntary acquisition of a +/- 2.30 acre parcel of land adjacent to the existing Olga Water Plant. The owner of the +/- 2.30 acre parcel is the City of Fort Myers.

3. DEPARTMENTAL CATEGORY:

6

CLH

4. MEETING DATE:

03-15-2005

5. AGENDA:

- CONSENT
- ADMINISTRATIVE
- APPEALS
- PUBLIC
- WALK ON
- TIME REQUIRED:

6. REQUIREMENT/PURPOSE:
(Specify)

- STATUTE 125
- ORDINANCE
- ADMIN. CODE
- OTHER

7. REQUESTOR INITIATED:

- A. COMMISSIONER 5
 - B. DEPARTMENT Independent
 - C. DIVISION County Lands *CL 2-22-05*
- BY: Karen L. W. Forsyth, Director *KLF*

8. BACKGROUND: The Division of County Lands has been requested by the Utilities Department, to seek the acquisition of a +/- 2.30 acre parcel of land. This parcel is located adjacent to the existing Olga Water Treatment Plant and fronts on the Caloosahatchee River.

Negotiated for: Utilities Department

Interest to Acquire: Fee Simple

Property Details:

Owner: City of Fort Myers
Address: 1500 Werner Drive, Alva
STRAP No.: 23-43-26-00-00008.0030

Purchase Details:

Purchase Price: \$445,000
Costs to Close: Approximately \$6,000

Appraisal Information:

County - Company: Hanson Real Estate Advisor, Inc., City - Company: Maxwell & Hendry Valuation Services, Inc.
Appraised Value: \$435,000 Appraised Value: \$487,000

Staff Recommendation: County Staff recommends the Board approve the Requested Motion.

Account: 20711748730.506210

Attachments: Purchase Agreement, Request for Transfer, Title Date, Appraisal Data, Location Map, 5-Year Sales History

9. MANAGEMENT RECOMMENDATIONS:

10. RECOMMENDED APPROVAL:

A Department Director	B Purchasing or Contracts	C Human Resources	D Other	E County Attorney	F Budget Services <i>6/15/05</i>				G County Manager
					OA	OM	Risk	GC	
<i>[Signature]</i>			<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>

11. COMMISSION ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER

Rec. by CoAtty
Date: *3/15/05*
Time: *1:30*
Forwarded To:

RECEIVED BY
COUNTY ADMIN:
02/25/05
11:45am
COUNTY ADMIN
FORWARDED TO: *KL*
3/3/05
[Signature]

REQUEST FOR TRANSFER OF FUNDS

FUND NAME: LCU Capital Improvements DATE: 02/18/05 BATCH NO. _____

FISCAL YEAR: 04/05 FUND #: 48730 DOC TYPE: YB LEDGER TYPE: BA

TO: Lee County Utilities CIP Budget
 (DIVISION NAME) (PROGRAM NAME)

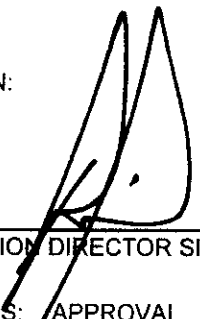
NOTE: PLEASE LIST THE ACCOUNT NUMBER BELOW IN THE FOLLOWING ORDER:
 FUND #-DEPT/DIV #-PROGRAM #-OBJECT CODE #-SUBFUND #-PROJECT#-COST CENTER #.
 (EXAMPLE: 8B5120100100.503450)

ACCOUNT NUMBER	OBJECT NAME	DEBIT
20711748730.506540	Water Easement Acquisition	\$ 190,000
	TOTAL TO:	\$ 190,000

FROM: Lee County Utilities CIP Budget
 (DIVISION NAME) (PROGRAM NAME)

ACCOUNT NUMBER	OBJECT NAME	CREDIT
GC5890148730.509910	Reserve for Contingencies	190,000
	TOTAL FROM:	\$ 190,000

EXPLANATION:



2/18/05

DIVISION DIRECTOR SIGNATURE _____ DATE _____

DBS: APPROVAL DENIAL _____

APPROVAL DENIAL _____

CO. ADMIN.: APPROVAL _____ DENIAL _____

BCC APPROVAL DATE _____

DEPARTMENT DIRECTOR SIGNATURE _____ DATE _____

Colman H. Wiley 2-28-05
 OPERATIONS ANALYST SIGNATURE _____ DATE _____

Ann Lange 2/28/05
 BUDGET OPERATIONS MANAGER SIGNATURE _____ DATE _____

CO. ADMIN. SIGNATURE _____ DATE _____

BCC CHAIRMAN SIGNATURE _____

BA NO: _____ AUTH CODE: _____ TRANS DATE: _____

This document prepared by

Lee County
County Lands Division
Project: Olga Water Treatment Plant, No. 7117
STRAP No.: 23-43-26-00-00008.0030

BOARD OF COUNTY COMMISSIONERS

LEE COUNTY

AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE

THIS AGREEMENT for purchase and sale of real property is made this ____ day of _____, 20__ by and between City of Fort Myers, Florida, a municipal corporation existing under the laws of the State of Florida, hereinafter referred to as SELLER, whose address is P.O. Drawer 2217, Fort Myers, FL 33902, and Lee County, a political subdivision of the State of Florida, hereinafter referred to as BUYER.

WITNESSETH:

1. **AGREEMENT TO PURCHASE AND TO SELL:** SELLER agrees to sell and BUYER agrees to purchase, subject to the terms and conditions set forth below, a parcel of land consisting of 2.30 acres more or less, and located at 1500 Warner Drive, Alva, Florida 33920, and more particularly described in "Exhibit A" attached hereto and made a part hereof, hereinafter called "the Property" This property will be acquired for the Olga Water Treatment Plant Project, hereinafter called "the Project." **This purchase is inclusive of pump stations and piping, if any, upon, within and beneath the subject property's boundaries. This purchase does not include piping infrastructure and/or appurtenants outside subject's boundaries.**

2. **PURCHASE PRICE AND TIME OF PAYMENT:** The total purchase price ("Purchase Price") will be Four Hundred Forty-Five Thousand and 00/100 Dollars (\$445,000.00), payable at closing by County Warrant.

3.. **EVIDENCE OF TITLE:** BUYER will obtain at BUYER'S expense an American Land Title Association Form B Title Commitment and provide title insurance Owner's Policy in the amount of the Purchase Price, from a title company acceptable to BUYER. The commitment will be accompanied by one copy of all documents that constitute exceptions to the title commitment. The commitment will also show title to be good and marketable with legal

access, subject only to real estate taxes for the current year, zoning and use restrictions imposed by governmental authority, and restrictions and easements common to the area.

4. **CONDITION OF PROPERTY; RISK OF LOSS:** BUYER has inspected the Property and, except as is otherwise provided herein, accepts the Property in the condition inspected. Any loss and/or damage to the Property occurring between the date of this offer and the date of closing or date of possession by BUYER, whichever occurs first, will be at SELLER's sole risk and expense. However, BUYER may accept the damaged property ~~and deduct from the purchase price any expenses required to repair the damage,~~ or BUYER may cancel this Agreement without obligation.

5. **SELLER'S INSTRUMENTS AND EXPENSES:** SELLER will pay for and provide:

- (a) A **City Municipal** statutory deed, and an affidavit regarding liens, possession, and withholding under FIRPTA in a form sufficient to allow "gap" coverage by title insurance;
- (b) documentary stamps on deed, if any;
- (c) utility services up to, but not including the date of closing;
- (d) taxes or assessments for which a bill has been rendered on or before the date of closing;
- (e) payment of partial release of mortgage fees, if any;
- (f) SELLER's attorney fees and real estate broker fees, if any;

6. **BUYER'S INSTRUMENTS AND EXPENSES:** BUYER will pay for:

- (a) Recording fee for deed;
- (b) survey, (if desired by BUYER).

7. **TAXES:** SELLER will be charged for Real Estate taxes and personal property taxes (if applicable) up to, but not including the date of closing.

8. **DEFECTS IN TITLE AND LEGAL ACCESS:** Prior to closing, BUYER will have a reasonable time to examine the title and documents establishing legal access to the property. If title or legal access is found to be defective, BUYER will notify SELLER in writing of the defects and SELLER will make a prompt and diligent effort to correct such defects. If SELLER fails to make corrections within 60 days after notice, BUYER may elect to accept the Property in its existing condition ~~with an appropriate reduction to the purchase price,~~ or may terminate this Agreement without obligation.

9. **SURVEY:** BUYER may order the Property surveyed at BUYER's expense. SELLER agrees to provide access to the Property for the survey to be performed. If the survey shows a discrepancy in the size or dimensions of the Property, or shows encroachments onto the Property or that improvements located on the Property encroach onto adjacent lands, or if the survey identifies violations of recorded covenants or covenants of this Agreement, upon notice to the SELLER, the BUYER may elect to treat those discrepancies, violations or encroachments as a title defect.

10. **ENVIRONMENTAL AUDIT:** BUYER may perform or have performed, at BUYER's expense, an environmental audit of the Property. If the audit identifies environmental problems unacceptable to the BUYER, BUYER may elect to accept the Property in its existing condition ~~with an appropriate abatement to the purchase price~~ or BUYER may terminate this Agreement without obligation.

~~11. **ABSENCE OF ENVIRONMENTAL LIABILITIES:** The SELLER hereby warrants and represents that the Property is free from hazardous materials and does not constitute an environmental hazard under any federal, state or local law or regulation. No hazardous, toxic or polluting substances have been released or disposed of on the Property in violation of any applicable law or regulation. The SELLER further warrants that there is no evidence that hazardous, toxic or polluting substances are contained on or emitting from the property in violation of applicable law or regulation. There are no surface impoundments, waste piles, land fills, injection wells, underground storage areas, or other man-made facilities that have or may have accommodated hazardous materials. There is no proceeding or inquiry by any governmental agency with respect to production, disposal or storage on the property of any hazardous materials, or of any activity that could have produced hazardous materials or toxic effects on humans, flora or fauna. There are no buried, partially buried, or above-ground tanks, storage vessels, drums or containers located on the Property. There is no evidence of release of hazardous materials onto or into the Property.~~

~~The SELLER also warrants that there have been no requests from any governmental authority or other party for information, notices of claim, demand letters or other notification that there is any potential for responsibility with respect to any investigation or clean-up of hazardous substance releases on the property. All warranties described herein will survive the closing of this transaction.~~

~~In the event the SELLER breaches the warranties as to environmental liability, SELLER agrees to indemnify and hold the BUYER harmless from all fines, penalties,~~

~~assessments, costs and reasonable attorneys' fees resulting from contamination and remediation of the property.~~

12. **TIME AND BINDING AGREEMENT:** Time is of the essence for closing this transaction. The BUYER's written acceptance of this offer will constitute an Agreement for the purchase and sale of the Property and will bind the parties, their successors and assigns. ~~In the event the BUYER abandons this project after execution of this Agreement, but before closing, BUYER may terminate this Agreement without obligation.~~
13. **DATE AND LOCATION OF CLOSING:** The closing of this transaction will be held at the office of the insuring title company on or before 90 days from the date this Agreement is made. The time and location of closing may be changed by mutual agreement of the parties.
14. **ATTORNEYS' FEES:** The prevailing party in any litigation concerning this Agreement will be entitled to recover reasonable attorneys' fees and costs.
15. **REAL ESTATE BROKERS:** SELLER hereby agrees to indemnify and hold the BUYER harmless from and against any claims by a real estate broker claiming by or through SELLER. BUYER hereby agrees to indemnify and hold the SELLER harmless from and against any claims by a real estate broker claiming by or through BUYER.
16. **POSSESSION:** SELLER warrants that there are no parties in possession other than SELLER unless otherwise stated herein. SELLER agrees to deliver possession of Property to BUYER at time of closing unless otherwise stated herein.
17. **TYPEWRITTEN/HANDWRITTEN PROVISIONS:** Typewritten and handwritten provisions inserted herein or attached hereto as addenda, and initialed by all parties, will control all printed provisions in conflict therewith.
18. **SPECIAL CONDITIONS:** Any and all special conditions will be attached to this Agreement and signed by all parties to this Agreement.

SELLER:

City of Fort Myers, Florida, a municipal corporation existing under the laws of the State of Florida.

By: _____
James Humphrey, Mayor (DATE)

Attest _____, City Clerk

CHARLIE GREEN, CLERK

BUYER:
LEE COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS

BY: _____
DEPUTY CLERK (DATE)

BY: _____
CHAIRMAN OR VICE CHAIRMAN

APPROVED AS TO LEGAL FORM
AND SUFFICIENCY

COUNTY ATTORNEY (DATE)

EXHIBIT "A"

West 200 feet of:

All that part of Government Lot 6, Section 23, Township 43 South, Range 26 East, Lee County, Florida lying southerly of the centerline of the right-of-way for the Caloosahatchee Canal and River as shown on plats of said right-of-way recorded in Plat Book 8 at Page 51 of the public records of Lee County; SUBJECT to the easement right-of-way for said Caloosahatchee Canal and River as described in final judgment recorded Final Judgment Book 3 at page 412 to 414 of said public records; AND EXCEPTING the lands conveyed to the Central and Southern Florida Flood Control District lying Southerly of said easement right-of-way by deed recorded in Official Record Book 114 at Page 434 of said public records; containing 9.2 acres more or less exclusive of the area lying within said rights-of-way.

Division of County Lands**Ownership and Easement Search**

Search No. 23-43-26-00-00008.0030

Date: February 21, 2005

Parcel:

Project: Olga Water Treatment Plant, Project
7117To: Robert G. Clemens, SRWA
Acquisition Program ManagerFrom: Kenneth Pitt *KMP*
Title Examiner

STRAP: 23-43-26-00-00008.0030

Effective Date: May 5, 2004, at 5:00 p.m.

Subject Property: The westerly 200 feet of the following described parcel:
All that part of Government Lot 6, Section 23, Township 43 South, Range 26 East, Lee County, Florida, lying southerly of the centerline of the right-of-way for the Caloosahatchee Canal and River as shown as plats of said right-of-way recorded in Plat Book 8 at Page 51 of the public records of Lee County; SUBJECT to the easement right-of-way for said Caloosahatchee Canal and River as described in final judgment recorded in Final Judgment Book 3 at page 412 to 414 of said public records; AND EXCEPTING the lands conveyed to the Central and Southern Florida Flood Control District, lying southerly of said easement right-of-way by deed recorded in Official Record Book 114 at page 434 of said public records; containing 9.2 acres more or less exclusive of the areas lying within said rights-of-way.

Title to the subject property is vested in the following:

City of Fort Myers, a municipal corporation existing under the laws of the State of Florida

By that certain instrument dated December 19, 1966, recorded January 3, 1967, in Official Record Book 389, Page 22, Public Records of Lee County, Florida.

Easements:

1. Reservation to Lee County of the South 60 feet of subject property for road right-of-way purposes and for the placing of water distribution and transmission lines, as described in instrument recorded in Official Record Book 389, Page 22, Public Records of Lee County, Florida.

Tax Status: Zero Tax.*(The end user of this report is responsible for verifying tax and/or assessment information.)*

The Division of County Lands has made a diligent search of the Public Record. However, this report contains no guarantees nor warranty as to its accuracy.

HANSON REAL ESTATE ADVISORS, INC.

Real Estate Valuation and Counseling

September 20, 2004

Robert G. Clemens
Acquisition Program Manager
Division of County Lands
P.O. Box 398
Fort Myers, FL 33902-0398

SUBJECT: Market Value Appraisal
Olga Water Treatment Plant
Project No.: 7117
Strap No.: 23-43-26-00-00008.0030
Property: 2.30 Acre Parcel, Alva
County: Alva, Lee County, Florida 33920
Complete Summary Appraisal
Hanson Real Estate Advisors, Inc. File No. 04-08-01

Dear Mr. Clemens:

We are pleased to transmit the summary report of a complete appraisal that was prepared on the referenced property. The purpose of this appraisal is to develop an opinion of the market value of the fee simple estate of the property as of September 20, 2004, the effective date of the appraisal. The attached report sets forth the data, research, analyses, and conclusions for this appraisal.

This report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the *Uniform Standards of Professional Appraisal Practice (USPAP)* for a summary appraisal report. As such, it presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in our file. The depth of discussion contained in this report is specific to the needs of the client and the intended use of the appraisal as noted herein.

The property is a trapezoid shaped parcel containing an area of 2.30 acres. It is located on the north side of Werner Drive at its easterly terminus and along the south side of the Caloosahatchee River in the Alva market area of Lee County, Florida. It is located approximately one quarter of a mile north of SR 80 (Palm Beach Boulevard). The site is zoned AG-2, Agriculture and is designated Rural on the Lee County Comprehensive Plan Future Land Use Map. The subject property is improved with a pumping station and related improvements that were formerly used for pumping water from the river into the City of Fort Myers owned wellfields. The appraisers have been instructed to disregard any contributory value related to the subject's improvements.

Robert G. Clemens
September 20, 2004
Page 2

Based on the analyses and conclusions in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed therein, it is our opinion that the market value of the fee simple estate of the property, as of September 20, 2004, is:

**FOUR HUNDRED THIRTY-FIVE THOUSAND DOLLARS
(\$435,000).**

**Special Assumption:* The market value estimate reported above is based upon a "land value" estimate only, and does not include any contributory value from those improvements located on the subject property, or any property value deductions for demolition or removal of said improvements. In addition, it is based on those general assumptions contained herein.

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,



Woodward S. Hanson, MAI, CRE, CCIM
St. Cert. Gen. REA RZ 1003



Andrew D. Anderson
Registered Trainee RI 14189

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Property	Olga Water Treatment Plant 1500 Werner Drive Alva, Lee County, Florida 33920
Property Tax Identification Number(s)	23-43-26-00-00008.0030
Owner of Record	City of Fort Myers
Date of the Report	September 20, 2004
Effective Date of the Appraisal	September 20, 2004
Land Area	2.30 Gross Acres
Zoning Designation	AG-2
Floodplain Map Panel Number and Date	125124-025B effective 09/19/84
Floodplain Designation	A7-EL8
Real Estate Taxes, Year 2003	\$0.00
Highest and Best Use	Residential
Property Rights Appraised	Fee simple estate
Estimated Exposure Time and Marketing Period	12 months; 12 months
Market Value Indications	
Cost Approach	Not Applicable
Sales Comparison Approach	\$435,000
Income Capitalization Approach	Not Applicable
Market Value Conclusion	\$435,000
Sales Comparison Approach	
Concluded Value per Acre	\$190,000/Acre
Concluded Property Value	\$435,000



MAXWELL & HENDRY VALUATION SERVICES, INC.

APPRAISERS - CONSULTANTS

12600-1 World Plaza Lane
Building #63
Fort Myers, Florida 33907

(239)-337-0555
(239)-337-3747 - FAX

(e-mail)-appr@maxwellhendry.com
(web)-www.maxwellhendry.com

ASSOCIATE APPRAISERS

William E. McInnis
State-Certified General Appraiser
Certification 0002232

Timothy D. Rieckhoff
State-Certified General Appraiser
Certification 0002261

Andrea R. Terregrossa
Registered Trainee Appraiser
RI10787

Matthew H. Caldwell
Registered Trainee Appraiser
RI9277

W. MICHAEL MAXWELL, MAI, SRA
State-Certified General Appraiser
Certification 0000055

GERALD A. HENDRY, MAI
State-Certified General Appraiser
Certification 0002245

22 July 2004

City of Fort Myers
Economic Development Department
2200 Second Street
Fort Myers, Florida 33901

Attention: Ms. Judy Grippo

Re: Appraisal of property (as vacant) located at 1500
Werner Drive, Alva, Florida

Dear Ms. Grippo:

As you requested, an inspection and analysis have been made of the above property which is legally described in the attached appraisal report. The purpose of the assignment is to estimate the market value of the undivided fee simple interest in the land as if free and clear of all liens, mortgages, encumbrances, and/or encroachments, except as amended in the body of this report.

Market value for this purpose is understood to be the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus. A full definition of market value can be found in the body of this report.

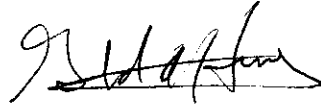
The subject property is currently improved with a functional pump station. As will be explained in this report, this parcel belongs to the City of Fort Myers and was formerly used as a pump station supplying fresh water to the city. A hypothetical condition of this appraisal is that this improvement would be removed prior to sale. Therefore, the market value for this appraisal is strictly the land, vacant of any improvements.

The function or intended use of the appraisal is understood to be for use as a basis of value for a possible sale of the property. This is a complete appraisal in summary report format which has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice. The subject property was inspected on 9 July 2004 by Mr. Matthew H. Caldwell, Registered Trainee Appraiser and subsequently by Mr. Gerald A. Hendry, MAI.

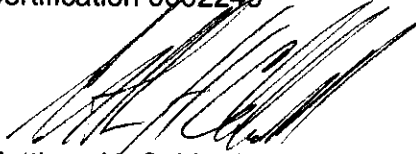
By reason of our investigation and analysis, data contained in this report, and our experience in the real estate appraisal business, it is our opinion that the "As Is" market value of the subject property, as of 9 July 2004, is:

FOUR HUNDRED EIGHTY SEVEN THOUSAND DOLLARS.....(\$487,000.00)

Respectfully submitted,



Gerald A. Hendry, MAI
State-Certified General Appraiser
Certification 0002245



Matthew H. Caldwell
Registered Trainee Appraiser
License # RI9277



W. MICHAEL MAXWELL, MAI, SRA
GERALD A. HENDRY, MAI

Sales Comparison Approach to Value

Diminution in Value Due to Adjacent Water Plant:

External Obsolescence, as defined by The Dictionary of Real Estate Appraisal, Fourth Edition (Page 106), is:

An element of depreciation; a defect, usually incurable, caused by negative influences outside of a site and generally incurable on the part of the owner, landlord, or tenant.

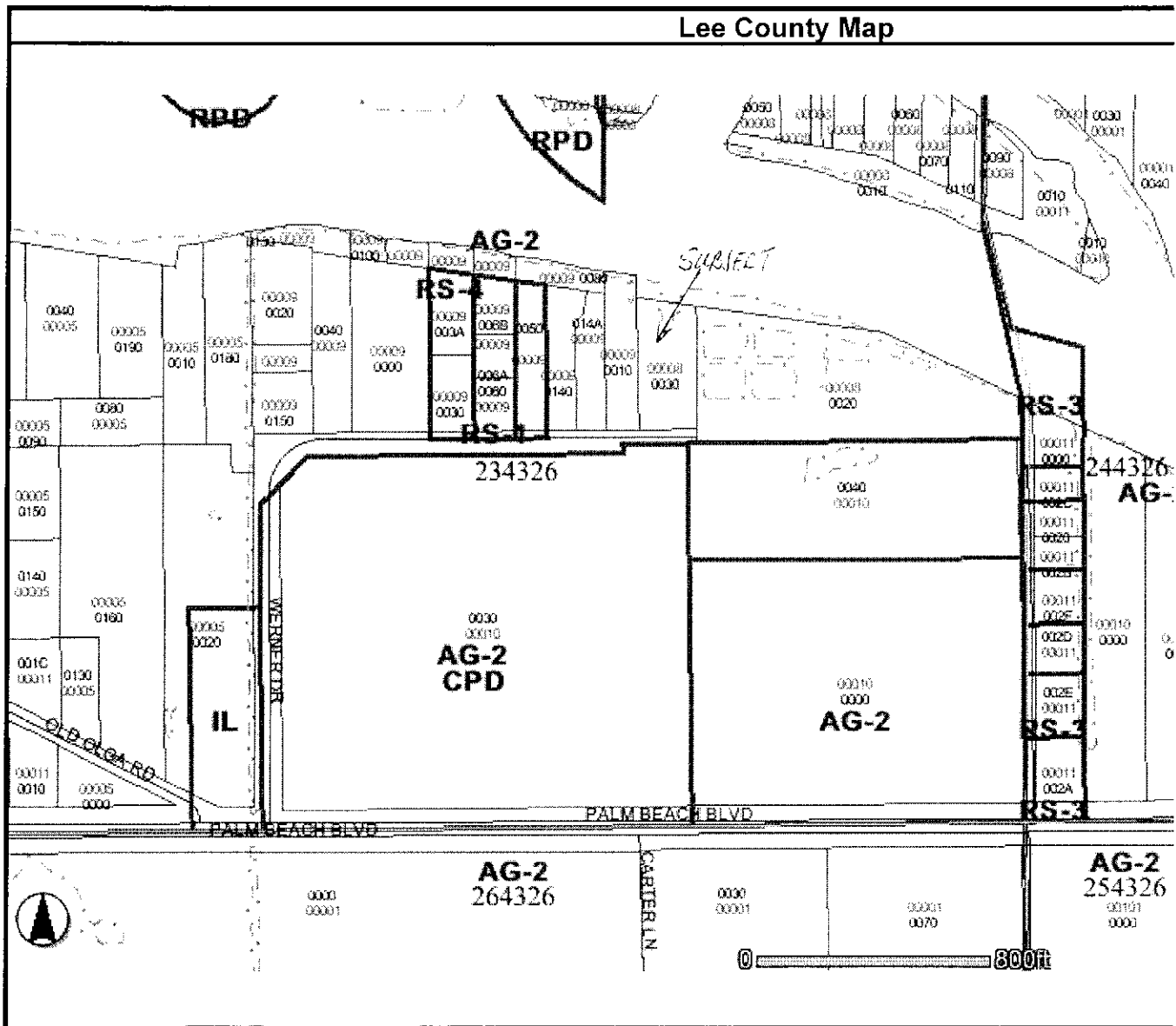
The subject parcel is located adjacent to a county water facility. We have researched similar situations in the past involving water plants, sewer plants, power lines, etc. These type of properties are typically valued at 5% to 20% less than the greater market. Based on our knowledge and experience, we estimate that the marketplace would generally value this type of property at 8% less than those without this obsolescence.

Therefore, the final estimate of value via the Sales Comparison Approach to Value can be shown as follows:

2.30 Acres @ \$230,000 Per Acre =	\$529,000
8% Diminution in Value	<u>- 42,320</u>
Final Estimate of Value	\$486,680
Rounded to, Say	<u>\$487,000</u>

RECONCILIATION OF VALUE ESTIMATES:

No correlation of value estimates is necessary, as only the Sales Comparison Approach to Value was considered applicable. The final market value estimate for the subject property, as of 9 July 2004, is estimated to be \$487,000.



5-Year Sales History

Parcel STRAP No. 23-43-26-00-00008.0030

Olga Water Treatment Plant
Project No. 7117

NO SALES in Past 5 Years