



ITEM NO. (ID # 4645)

DATE: 09/05/2017

AGENDA REQUEST

*REGULAR AGENDA\COUNTY ATTORNEY

TO: Board of County Commissioners

PRESENTED BY: JoAnn Riley, Property Acquisitions Manager

SUBMITTED BY: Property Acquisition Division

SUBJECT: DiMaria Property - Parcel ID 1430-231-0001-000-1 - 71 acres (+/-) adjacent to the Treasure Coast International Airport & Business Park

BACKGROUND:

The 71-acre (+/-) DiMaria property is located south of and adjacent to the west end of the Airport's main runway 10R-28L. The property is a former landfill site that was active from 1966 and was closed to the public in 1978. Mr. DiMaria purchased the property in 1991 for \$160,000. A Special Warranty Deed was issued with the property included "Long Term Care" provisions "as specified by the Department of Environmental Regulation of the State of Florida". In January 2005, the Florida Department of Environmental Protection issued a Site Rehabilitation Order that released Mr. DiMaria from any further obligation to conduct site rehabilitation at the site for contamination associated with the former landfill.

In February 2017, County staff issued a Notice to Proceed to Parrish & Edwards, Inc. and Fuller-Armfield-Wagner, the County's independent appraisers, to determine the market value of the DiMaria property. Parrish & Edwards, Inc. concluded a value of \$1,610,000 while Fuller-Armfield-Wagner concluded a value of \$1,080,000. In April 2017, both appraisals were reviewed by Callaway & Price, Inc. who determined the most credible report was prepared by Fuller-Armfield-Wagner with a value of \$1,080,000.

Given the proximity to the Airport the County has expressed an interested in purchasing the property. However, without additional environmental and geotechnical assessment information on the property, it is difficult to provide a reliable projection of potential landfill-driven mitigation costs to prepare the property for redevelopment. Through grant funding provided through the Treasure Coast Regional Planning Council and in concert with the property Owner, the County initiated preliminary environmental investigations completed by Geosyntec Consultants. A summary of their findings was prepared for the County with copies provided to the Owner and his legal counsel.

The detailed summary prepared by Geosyntec Consultants of the potential environmental and geotechnical issues associated with the redevelopment of the 71-acre former landfill is attached. Geosyntec's summary also includes four attachments: A) February 16, 2017 Property Appraisal prepared by Fuller-Armfield-Wagner Appraisal & research, Inc.; B) January 1991 Special Warranty Deed; C) January 2005 Florida Department of Environmental Protection Site Rehabilitation Order and D) 1969 through 1980

Aerial Photos of the property.

Mr. DiMaria has been advised of the County's interest in purchasing the property. On June 8, 2017, County staff received correspondence from Mr. DiMaria's legal counsel indicating Mr. DiMaria could not agree to a purchase price of \$1,080,000 but would be willing to sell to the County for \$1,375,000.

On August 4, 2017, Toby Overdorf of Crossroads Environmental, Inc. contacted County staff stating he represents Mr. DiMaria. Mr. Overdorf has previously provided environmental investigation and reporting for Mr. DiMaria and they are willing to share the findings with the County.

DISCUSSION:

As Geosyntec indicates in its report without additional environmental and geotechnical assessment it is difficult to provide a reliable projection of potential landfill-driven mitigation costs to prepare the site for redevelopment. Geosyntec's estimate of \$600,000 of these costs is a "known minimum value". The actual costs could be much higher. On the other hand, the cost of performing the additional studies is also significant. The estimated cost of the Phase II environmental audit is \$103,593. The estimated cost of the additional geotechnical services is \$100,000. Although the cost of the Phase II audit is potentially reimbursable through a grant through the Regional Planning Council (RPC), the cost of the geotechnical services is not reimbursable. For this reason, RPC staff is reluctant to proceed with the grant process in the absence of a signed purchase agreement.

If the Board desires to make an offer to purchase the DiMaria property at this time, based on the information currently available to staff, staff suggests that the purchase price offered should be \$380,000. The \$380,000 figure was arrived at as follows:

| | |
|-------------|---|
| \$1,600,000 | Appraisal #1 - Parrish & Edwards, Inc. |
| \$1,080,000 | Appraisal #2 - Fuller-Armfield-Wagner |
| \$1,080,000 | Review Appraisal - Callaway & Price, Inc. |
| -\$100,000 | Geotechnical Services |
| -\$600,000 | Estimated Mitigation Costs |
| \$380,000 | Purchase Price |

PREVIOUS ACTION:

N/A

FINANCIAL IMPACT:

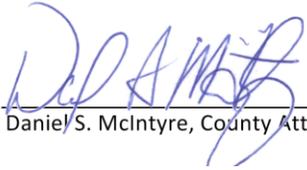
N/A

RECOMMENDATION:

If the Board desires to make an offer to purchase the DiMaria property at this time, staff recommends the Board authorize staff to provide Mr. DiMaria with the attached Contract for Sale and Purchase of his 71 acre property adjacent to the Treasure Coast International Airport & Business Park at a purchase price of \$380,000.00.

COMMISSION ACTION:

Coordination/Signatures



Daniel S. McIntyre, County Attorney

8/22/2017