



Legislation Text

File #: 2018-28, **Version:** 2

MOTION TO ADOPT PROPOSED ORDINANCE NO. 2018-28 ON SECOND AND FINAL READING.

AN ORDINANCE OF THE CITY OF PEMBROKE PINES, FLORIDA, PURSUANT TO SECTION 8.03 OF THE CITY OF PEMBROKE PINES CHARTER, AUTHORIZING THE SALE OF APPROXIMATELY 3.15 ACRES OF UNIMPROVED REAL PROPERTY GENERALLY LOCATED SOUTH OF PINES BOULEVARD ON THE WEST SIDE OF PALM AVENUE, TO PROVIDENCE I INVESTMENTS, LLC, SUBJECT TO THE TERMS AND CONDITIONS AS SET FORTH IN THE PURCHASE AND SALE AGREEMENT, ATTACHED HERETO AS EXHIBIT "A" AND INCORPORATED HEREIN BY REFERENCE; AUTHORIZING THE PROPER CITY OFFICIALS TO EXECUTE ALL NECESSARY DOCUMENTS; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

SUMMARY EXPLANATION AND BACKGROUND:

1. Providence One Investments, LLC (purchaser) has submitted an Agreement for Purchase and Sale for approximately 3.15 acres of unimproved real property generally located south of Pines Boulevard and west of Palm Avenue.
2. The purchaser is proposing to pay \$3,000,000.00 (\$952,380.95 per acre) for the vacant parcel of land as stated in the attached agreement.
3. The purchaser is proposing to develop an Assisted Living and Memory Care facility with a minimum of 126 beds and a maximum of 150 beds on the 3.15 acre site.
4. The Agreement for Purchase and Sale has been modified since first reading. The changes include the following:
 - A. A voluntary contribution for traffic mitigation.
 - B. Consideration by the City to record a declaration of restrictive covenants on the adjacent City owned property.
5. Based on discussion during the first reading of the ordinance, the purchaser has agreed to provide \$45,000 towards traffic signalization and/or mitigation on Palm Avenue. The funds will be provided by the purchaser to the City prior to the issuance of the Certificate of Occupancy for the Assisted Living Facility.
6. Additional language has been added to the updated agreement for purchase and sale to confirm

the voluntary contribution. Further the purchaser, has provided the methodology utilized to calculate how the amount of the contribution was determined.

7. During first reading of the agenda item, staff provided property values for the entire +/- 6.5 acre site based on appraisals conducted in 2017. Due to the age of the appraisals, staff requested updates to the values.

8. Pursuant to the charter, Chapter 8.03, the sale of real property must be valued by three independent appraisers and may not exceed 15% of the City's annual operating budget in the year of the sale.

9. The following values have been provided specifically for the 3.15 acre subject property:

- (A) Autrey- \$3,125,000
- (B) Vance - \$3,156,000
- (C) Woolslair - \$3,000,000

10. The sale of City owned property must also be authorized by ordinance and approved by a 4/5ths vote of the City Commission.

11. Administration recommends adopting proposed ordinance no. 2018-28 on second and final reading approving the sale of +/- 3.15 acres of City owned property as well as authorizing the proper City officials to execute all necessary documents to facilitate the sale.

12. Also on tonight's regular agenda (Item 19-0084), as a separate item, a Declaration of Restrictive Covenants is being requested by the purchaser. The Declaration of Restrictive Covenants would be placed on the adjacent 3.35 acre City owned property that would prohibit the development of an assisted living facility or similar care facility on the property. Administration does not oppose this request and the document would be executed as part of the real estate closing.

FINANCIAL IMPACT DETAIL:

- a) Initial Cost:** None, this transaction will generate approximately \$3 million of sales proceeds to the City. The transaction will also generate \$45,000 towards traffic signalization and/or mitigation on Palm Avenue.
- b) Amount budgeted for this item in Account No:** Not Applicable
- c) Source of funding for difference, if not fully budgeted:** Not Applicable
- d) 5 year projection of the operational cost of the project:** Not Applicable
- e) Detail of additional staff requirements:** Not Applicable