



Legislation Text

File #: 2020-13, **Version:** 2

MOTION TO ADOPT PROPOSED ORDINANCE NO. 2020-13 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 2.271 ACRES OF REAL PROPERTY GENERALLY LOCATED AT 18400 - 18490 JOHNSON STREET, PEMBROKE PINES, FLORIDA, TO CHABAD LUBAVITCH OF PEMBROKE PINES, INC., 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. The City of Pembroke Pines (Seller) has received an agreement for purchase and sale from Chabad Lubavitch of Pembroke Pines (Buyer) for +/-2.271 acres of improved land generally located at the southwest corner of NW 184th avenue and Johnson street, more specifically described in the attached exhibit. The purchaser proposed to use the parcel to develop a synagogue, preschool and/or child care facility. The property is the former site of a City owned and operated preschool. The parcel is adjacent to the Police Department's western offices.
2. The Buyer is proposing to pay \$2,041,349.60 for the property which includes monies due from the buyer to the seller from the current commercial lease in effect on the subject property.
3. On January 17, 2018 the City Commission adopted ordinance 1891 approving a purchase and sale agreement with the buyer for the aforementioned property.
4. On March 21, 2018, the City Commission passed the first amendment to the Purchase and Sale Agreement providing the buyer additional time to obtain financing to purchase the property.
5. In May 2018 the City returned the deposit as the buyer was not able to obtain the financing for the parcel.
6. The Buyer then inquired if the Seller would considering leasing the property for a period of five (5) years with an option to purchase the property for the previously approved value of \$2 million.
7. On October 17, 2018, the City Commission approved a lease agreement with the Buyer including the option to purchase the property for \$2,000,000.

8. In conjunction with the terms previously outlined, the buyer is seeking to purchase the property and has provided the City with an agreement for purchase and sale.

9. Pursuant to the City Charter, the sale 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.

10. As required by section 8.03, administration obtained three appraisals for the property that have expired; that values were as follows:

- (A) Autrey - \$2,250,000
- (B) Vance - \$2,000,000
- (C) Woolslair - \$2,160,000

11. Due to the timing of the purchase, administration ordered new appraisals, the values are as follows (staff has attached the summary letters to the agenda item):

- (A) Autrey - \$2,270,000
- (B) Vance - \$1,927,000
- (C) Gonzalez - \$2,276,000

12. The sale of City owned property must also be authorized by an ordinance approved by a 4/5th votes of the City Commission.

13. The property was formerly used by the City as a preschool and is currently being leased by the buyer; the property is being sold "as-is".

14. The City Commission at its October 21, 2020 meeting voted to pass Proposed Ordinance no. 2020-13 on first reading.

15. Administration recommends adoption of Proposed Ordinance no. 2020-13 on second reading.

FINANCIAL IMPACT DETAIL:

- a) **Initial Cost:** Sale proceeds will revert to the general fund.
- 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