CITY OF FORT LAUDERDALE
City Commission Agenda Memo **#24-0681**
REGULAR MEETING

TO: Honorable Mayor & Members of the Fort Lauderdale City Commission

FROM: Susan Grant, Acting City Manager

DATE: August 20, 2024

TITLE: Public Hearing - Resolution Approving Purchase and Sale Agreement for Real Property Located at 2201 NE 19 Street Under the Parks Bond for a Purchase Amount Not to Exceed $1,740,000 plus Closing Costs - **(Commission District 1)**

Recommendation

Staff recommends that the City Commission approve the purchase and sale agreement for the property located at 2201 NE 19 Street, Fort Lauderdale, FL 33305 (Property ID 494225000060), to develop a park funded by the parks bond.

Background

On March 12, 2019, City of Fort Lauderdale voters approved a $200 million bond to improve city parks and recreation facilities. Approximately $30 million of this bond is earmarked for land acquisition. To identify future park sites, City Staff and Collier's International gathered input from neighbors and community stakeholders and used data published by the Trust for Public Land ("Trust"), which scores cities nationwide based on the percentage of residents within a ten-minute walk of a park. Currently, 84% of Fort Lauderdale residents are within this range.

On November 29, 2023, Calloway and Price appraised the property at $1,200,000 (Exhibit 1). On December 12, 2023, The Ernest Jones Company performed another appraisal, valuing the property at $1,160,000 (Exhibit 2). According to Section 166.045 of the Florida Statutes, two appraisals are required for properties valued over $500,000.

On July 1, 2024, the City entered into a Purchase and Sale Agreement ("PSA") with the seller (Exhibit 3). The property, which is approximately 19,287 square feet and zoned as B-1, Boulevard Business (Exhibit 4), includes a rectangular-shaped lot with a building that will be demolished by the buyer prior to closing, as outlined in the First Amendment to the PSA (Exhibit 5).

On June 26, 2024, the property was presented for approval before the Parks, Recreation, and Beaches Advisory Board (Exhibit 6). Staff communicated the intended plans with the Bal Harbour Homeowner's Association, the neighboring community (Exhibit 7).

Although the property was not listed on the market, the City sent a Letter of Intent to the owner to purchase the land for $1,740,000. This proposed purchase price is 47.46% above the average appraised value. In accordance with Section 166.045 of the Florida Statutes, if the purchase price exceeds the average appraised value, the City Commission must approve the purchase by an extraordinary vote, typically interpreted as more than a simple majority. Therefore, at least four City Commissioners must approve the proposed purchase.

Since the property being acquired was not listed on the market and the City initiated contact with the seller to purchase the property, the seller requested that the City cover the broker fees and closing costs. As a result, the City will pay Colliers International Florida, LLC ("Colliers") an advisory fee of $34,800. Additionally, appraisal fees associated with this purchase are $8,700.

Resource Impact

Funds for this purchase and sale agreement for real property located at 2201 NE 19 Street in the amount of $1,783,500 are inclusive of Colliers advisory fee, appraisals, environmental assessment. The property acquisition is for $1,740,000. This item is contingent upon approval of the associated Budget Amendment CAM #24-0324.

Funds available as of August 1, 2024					
ACCOUNT NUMBER	**INDEX NAME (Program)**	**CHARACTER CODE/SUB-OBJECT NAME**	**AMENDED BUDGET (Character)**	**AVAILABLE BALANCE (Character)**	**AMOUNT**
10-353-6999-572-60-6504-P12919	District 1 - 2201 NE 19 Street Property Purchase	Capital Outlay/ Construction	$0	$0	$1,783,500
			TOTAL AMOUNT ►		$1,783,500

Strategic Connections

This item is a FY 2024 Commission Priority, advancing the Public Places initiative.

This item supports the *Press Play Fort Lauderdale 2029* Strategic Plan, specifically advancing:

- The Public Places Focus Area, Goal 5: Build a beautiful and welcoming community.

This item advances the *Fast Forward Fort Lauderdale 2035* Vision Plan*:* We Are Community.

Related CAMs
24-0324
24-0743

Attachments
Exhibit 1 – Calloway and Price Appraisal
Exhibit 2 – Ernest Jones Company Appraisal
Exhibit 3 – Purchase and Sale Agreement
Exhibit 4 – Location Map
Exhibit 5 – First Amendment to Purchase and Sale Agreement
Exhibit 6 – Parks, Recreation and Beaches Advisory Board Meeting Draft Minutes from 6.26.2024
Exhibit 7 – Bal Harbour Homeowner's Association Letter of Support
Exhibit 8 – Resolution

Prepared by: Angela Salmon, City Manager's Office

Charter Officer: Susan Grant, Acting City Manager