



Legislation Text

File #: ID#17-3371, **Version:** 1

SUBJECT/RECOMMENDATION:

Approve a Contract for Purchase of Real Property with the Clearwater Marine Aquarium for 301 Pierce Street in the amount of \$4,250,000.00 and total expenditures not to exceed \$4,265,000; approve a lease agreement for the same real property to the Clearwater Marine Aquarium commencing April 2017; and authorize the appropriate officials to execute all documents necessary to complete the transactions and adopt Resolution 17-15.

SUMMARY:

The Clearwater Marine Aquarium (CMA) currently owns the property at 301 Pierce Street, which it purchased in anticipation of building a new facility on that property and the property currently occupied by City Hall.

CMA ultimately decided to make improvements on its current facility at 249 Windward Passage instead of constructing a new facility.

The property is located atop the Clearwater bluff and is vacant with a total land area of 60,325 square feet (1.38 acres). The City currently owns the adjacent land to the west fronting Clearwater Harbor. This acquisition will result in a contiguous city-owned tract of 91,705 square feet (2.1 acres). If acquired, the City will own all property fronting the north and south sides of Pierce Street between Osceola Avenue and the waterfront. This is a unique opportunity as this property is the only significant, developable land along the bluff that is available for purchase.

The Imagine Clearwater Master Plan identifies this property as one that the City should ensure contributes to Downtown activation by incorporating uses that attract residents and visitors to the area, as well as supporting the long-term growth of the Downtown tax-base, including critical funds to support CRA activities and potentially park operations.

The City would now like to purchase the property to facilitate redevelopment of downtown. CMA would like to lease the parking lot section of the property back for \$1.00 per month, commencing upon closing, which is anticipated to be no later than April 28, 2017, on a month to month basis to use as a parking facility during the construction of its improvements at its current facility, specifically the Parking Garage as approved by the Community Development Board on January 19, 2016.

Two independent appraisals were performed on the property. James Millsbaugh and Associates, Inc. valued the property at \$4,365,000 with a valuation date of March 23, 2015. This appraisal was updated on March 8, 2017 and the property was valued at \$4,500,000.00. Hupp Realty Advisors, Inc. valued the property at \$2,910,000 with a valuation date of April 2, 2015. This appraisal was updated by Stephan, Cole & Associates on March 10, 2017 and the property was valued at \$4,660,000.00.

Acquisition Costs:

Purchase Price	\$4,250,000
<u>Closing Costs</u>	<u>\$15,000</u>
TOTAL	\$4,265,000

APPROPRIATION CODE AND AMOUNT:

A mid-year budget amendment will increase cost code 010-07000-560100 (Land Purchase City Use) by \$4,265,000 to be funded with an allocation of General Fund reserves.

USE OF RESERVE FUNDS:

Funding will be provided by a mid-year budget amendment allocating General Fund reserves in the amount of \$4,265,000 to fund this land purchase. Inclusive of this item if approved, a net total of \$6,610,031 of General Fund reserves has been appropriated by Council to fund expenditures in the 2016/17 operating budget. The remaining balance in General Fund reserves is approximately \$26.6 million, or 20.2% of the current General Fund operating budget.