Legislation Details (With Text)

File #:	22-0900		
Type:	Departmental	**Status:**	Passed
		In control:	Board of County Commissioners
On agenda:	6/21/2022	**Final action:**	6/21/2022
Title:	FINAL APPROVAL OF A CONTRACT TO PURCHASE AND SELL REAL ESTATE BETWEEN MARTIN COUNTY AND KL WATERSIDE LLC AND ADOPTION OF A RESOLUTION ACCEPTING AND APPROVING A WARRANTY DEED FOR RELOCATION OF COUNTY OPERATIONS AND MAINTENANCE FACILITIES		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. Location Map-KL_WATERSIDE, 2. Conditional Contract-Fully Executed with Joinder.pdf, 3. First Amendment to Contract (jph and county admin executed) 03.10.22.pdf, 4. Second Amendment to Contract FULLY EXECUTED 5-6-2022.pdf, 5. Second Amendment Exhibit B.pdf, 6. Resolution.pdf, 7. Resolution - Exhibit A Warranty Deed.pdf, 8. CIP Sheet 6009A_SW Waterside Way.pdf, 9. Appraisal Parcel 13-39-40-000-003-00000-1 - BOWERY.pdf, 10. ALTA Survey.pdf, 11. 2022-05-20 MC pf KL Waterside - REVISED TITLE COMMITMENT.pdf, 12. 2202-05-24 Martian Phase II ESA.pdf, 13. SUPP MEMO, 14. KL Waterside - Martin County - Third Amendment to PSA FULLY EXECUTED 6-10-2022(15559121.1).pdf		

Date	Ver.	Action By	Action	Result
6/21/2022	1	Board of County Commissioners	approved	Pass

PLACEMENT: Departmental

TITLE:

FINAL APPROVAL OF A CONTRACT TO PURCHASE AND SELL REAL ESTATE BETWEEN MARTIN COUNTY AND KL WATERSIDE LLC AND ADOPTION OF A RESOLUTION ACCEPTING AND APPROVING A WARRANTY DEED FOR RELOCATION OF COUNTY OPERATIONS AND MAINTENANCE FACILITIES

EXECUTIVE SUMMARY:

This is a request for final approval by the Board of County Commissioners (Board) of a Contract to Purchase and Sell Real Estate (Contract) between Martin County (County) and KL Waterside LLC (KL), along with the adoption of a resolution upon approval, accepting and approving a Warranty Deed, all related to the County's acquisition of a 29.803-acre parcel off of SW Kanner Highway, which will be used for the relocation of County operations facilities.

DEPARTMENT: Public Works

PREPARED BY: **Name:** Carla T. Segura, FRP
Title: Real Property Manager

REQUESTED BY: Don G. Donaldson, P.E., CFM, Deputy County Administrator

PRESET:

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PROCEDURES: None

BACKGROUND/RELATED STRATEGIC GOAL:

1. Documents prepared by: Martin County and KL Waterside LLC
2. Parties to the Documents: Martin County - Buyer
   KL Waterside LLC - Seller
3. Purpose of the Documents: Acquisition of property for relocation of County operations and maintenance facilities
4. New/Revised/Modified Documents: New
5. Duration: Perpetual
6. Benefits to Martin County: Additional space for various County operations and maintenance facilities to relocate and consolidate
7. Purchase Cost to Martin County: $3,576,360 purchase price, plus due diligence and closing costs (less than $75,000)

On February 12, 2019, the Board directed staff to return with options for potential site locations for the County operations and maintenance facilities (the Maintenance and Operations Facilities). The Board approved Resolution 19-6.17 on June 18, 2019 to allocate bond proceeds to provide $6,000,000 for the relocation of the Maintenance and Operations Facilities. At the October 5, 2021 meeting, the Board accepted staff's recommendation of KL Waterside's South Florida Gateway property, located west of SR-76 (SW Kanner Highway) and south of SW 96th Street (the Property). The Board directed staff to move forward with negotiations and preparations of a Contract and to return with an agenda item once due diligence was complete.

For several months staff has worked with KL and its legal counsel on the terms of the transaction and a conditional Contract was agreed upon and executed on January 28, 2022. The Contract includes a purchase price of $120,000 per acre for up to 30 acres. Soon after, the County deposited ten (10%) percent of the purchase price into the escrow agent's account. On March 10, 2022, the County and KL executed the First Amendment to Contract, wherein the parties agreed upon the legal description of the Property. On May 6, 2022, the County and KL executed the Second Amendment to Contract, which (i) removed the eastern 17 feet from the legal description of the Property establishing the total acreage as 29.803 acres; (ii) extended the Investigation Period through June 30, 2022, (iii) extended the Closing Date on or before July 20, 2022, and (iv) included a provision obligating the County to design, permit, and pay for the construction of SW Waterside Way, which provides access to the parcel from SW Kanner Highway (as further described below). The County and KL are currently working on the Third Amendment to Contract (the executed version will be attached by supplemental memo), which will include the conceptual Site Plan and a conceptual Typical Section for SW Waterside Way in addition to addressing KL's removal of certain water valves and drip irrigation system discovered on the Property during the Investigation Period and the termination of an

agricultural lease affecting the Property.

During the Investigation Period, staff received satisfactory due diligence reports after investigation of the appraisal, survey, title commitment, and environmental site assessments, all of which are attached to this agenda item along with the Amendments discussed above. If accepted by the Board, the final purchase price for the Property will be $3,576,360 and closing of the transaction shall occur on or before July 20, 2022.

With respect to the County's proposed construction of SW Waterside Way, this road will provide access to the proposed Operations and Maintenance Facility via a two-lane divided road with lighting and landscaping. Upon expiration of the Investigation Period, the County will commence design and permitting of the road. Attached to this Board item is a draft CIP sheet outlining the costs associated with the proposed design and construction for the Board's consideration and adoption.

Sections 139.31 and 139.32, General Ordinances, Martin County Code, require that any conveyance of an interest in land to Martin County for any public purpose shall be accepted and approved by resolution of the Board of County Commissioners of Martin County.

ISSUES:

The subject parcel has a future land use designation of Industrial and is within the parcel of land that was described in Ordinance No. 1153 and established as a freestanding urban service district subject to the following restrictions (pursuant to Policy 4.1B.2.(2)):

[…]

(b) Uses on the property shall be consistent with the future land use designations for the property and the applicable land use policies of the Martin County Comprehensive Growth Management Plan (CGMP).

(c) The net inbound AM peak hour trips generated by all uses shall be limited to 950 trips, as demonstrated during the review of final site plans consistent with Article 5, Adequate Public Facilities, Division 3, Traffic Impact Analysis Land Development Regulations.

(d) All future applications for development approval shall be processed as a Planned Unit Development (PUD).

Upon final acquisition of the parcel, staff will return to the Board with a request to initiate amendments to the Comprehensive Growth Management Plan to: (i) change the future land use designation from Industrial to General Institutional; (ii) remove the net inbound AM peak hour trips generated by the County's use of the parcel from the limited 950 trips; and (iii) remove the criteria of developing the 29.803-acre parcel as a Planned Unit Development. Staff will also request a proposed amendment to the county zoning atlas to change the existing zoning district from the LI, Limited Industrial District to the PS-2, Public Service District, or the most appropriate zoning district.

LEGAL SUFFICIENCY REVIEW:

This item has been reviewed for legal sufficiency to determine if it is consistent with applicable law, has identified and addressed legal risks, and has developed strategies for legal defensibility.

RECOMMENDED ACTION:

RECOMMENDATION

1. Move that the Board approve the Contract to Purchase and Sell Real Estate, along with the First, Second, and Third Amendments, for purchase of the 29.803-acre parcel, with approval of the proposed construction of SW Waterside Way, located on the west side of SW Kanner Highway and south of SW 96th Street;
2. Move that the Board adopt a resolution approving and accepting the Warranty Deed and authorize the Chairman to execute any and all documents necessary to complete this transaction; and
3. Move that the Board adopt the draft CIP sheet for the construction of SW Waterside Way.

ALTERNATIVE RECOMMENDATIONS

Provide staff with alternative direction.

FISCAL IMPACT:

RECOMMENDATION

Bond Proceeds

Funding Source	County Funds	Non-County Funds
Purchase Price	$3,576,360	
Due Diligence	$45,000	
Closing Costs	$30,000	
Subtotal	$3,667,440	
Project Total		

ALTERNATIVE RECOMMENDATIONS

None

DOCUMENT(S) REQUIRING ACTION:

☐ Budget Transfer / Amendment ☐ Chair Letter ☒ Contract / Agreement

☐ Grant / Application ☐ Notice ☐ Ordinance ☒ Resolution

☒ Other: First, Second, and Third Amendments to Contract and CIP sheet for SW Waterside Way

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