



MINUTES

City Commission Workshop: Fairgrounds

5:00 PM – Thursday, April 20, 2023 – City Hall

CALL TO ORDER: 5:00 P.M.

ACKNOWLEDGEMENT OF QUORUM AND PROPER NOTICE

PRESENT: Commissioner Willie Hawkins, Vice Mayor Emily Lee, Commissioner Gary Ashcraft, Commissioner Nan Cobb, and Mayor Michael Holland

1. WORKSHOP ITEM WITH DISCUSSION, PUBLIC INPUT AND DIRECTION

1.1 WORKSHOP DISCUSSION ON FAIRGROUNDS

Tom Carrino, City Manager, summarized the packet information presented to City Commission. He reviewed a few items, including map of property and history and venue information. He highlighted the initial discussions noting the following: property given to Lake County in 1967 and the event venue serves as home of the Lake County Fair. He commented that in April 2022, the County and Fair Board appeared to be considering relocation to another site and the County was in the process of evaluating another site for relocation just outside the City of Tavares. At which time, the City Commission sent a letter to the County Commission indicating an interest in ownership of the property.

Mr. Carrino commented on the current conditions of the property with buildings built in 1965, 1977, and 2010 with considerable deferred maintenance. He noted the findings of the March 2021 evaluation: largest building partially in floodplain, structurally in fair shape, no major electrical problems, no major plumbing problems, and air conditioning only in small portion of main building. Per the Building Official, any major improvements valued at more than half of the building's worth may trigger code requirements. He commented that none of buildings are thought to be built to the modern 140 mile per hour wind load. He highlighted that if building improvements are done at more than half the worth, then it is considered a major improvement which triggers building code requirements. He noted that the main building is valued at about \$400,000, per the Property Appraiser, so if improvements are done for more than half value, building requirements will apply and the flood plain status may also be affected..

Mr. Carrino discussed the value and potential offer, including, reference to the March 2022 County Appraisal of \$2,870,000 based solely on land not anticipating the value of the buildings because the Appraiser thought the highest and best use was not as an event center but as a redevelopment site. He noted the Appraiser referred to the buildings as outdated and a liability to redevelopment with the highest and best use as redevelopment. Mr. Carrino commented that the Lake County Property Appraiser (LCPA) value of \$1,302,544. He indicated that typically the Lake County Property Appraiser's value is on the low side when it comes to valuation specifically regarding government properties because the value does not equate to taxable value. He noted that the property was given to the County in 1967 at no cost, and the County noted that

the proceeds from the sale would be used to partially fund relocation so the County is not in a position to donate the property back to the City.

In addition, Mr. Carrino noted the unrelated sale of the Sprayfield property in the Sorrento area in 2021 for \$1,736,973 and the funds were put into a water and wastewater fund balance with the anticipation that one of the uses of the funding was for sale and renovation of the Fairgrounds. He noted that while the transaction was unrelated, the fund balance had the potential intent for use with this property.

Mr. Carrino asked for direction from City Commission. He asked if the City Commission was interested in acquiring this site, and if so, was is a reasonable offer to start negotiations. He also asked about the potential uses of the property. Mr. Carrino noted his goal to use only a portion of the \$1.7M for acquisition and hold back funds for improvements.

Mayor Holland asked for Commissioners to provide input regarding acquisition and offers.

Commissioner Cobb indicated an interest in acquiring the property and keeping it as an event center. She commented on surrounding towns with venues, and North Lake County should as well. She noted that the property is in the City of Eustis and the Commission owes it to the citizens to acquire this property. She highlighted that the appraisal was based on redevelopment value. She believed in the area having an event center and was not interested in developing it as homes or commercial properties. She commented on the option to receive the land back from the County and pay for the buildings. She proposed an offer of one million and to relate to the County the intent to utilize funds from the Sprayfield property to begin to make upgrades which will take time.

Commissioner Ashcraft agreed with many of Commissioner Cobb's comments. He asked about the County giving option of first right of refusal. Mayor Holland indicated that the County verbally commented on such. Mr. Carrino noted that the right of first refusal is not listed in any purchase agreement or contract, but he noted former City Clerk, Mary Montez, did an analysis of the documents in 2012. He highlighted a memo from Ms. Montez to Paul Berg which indicated Minutes that state how the County has to allow the City to use the Fairgrounds for reasonable use at no cost and the County must consult with the City when considering disposal of the property. Mr. Carrino commented that the memo is open to interpretations.

Commissioner Ashcraft asked if the County was amenable to negotiations, but unsure of offer.

Mr. Carrino noted talks with the County that the impression is that they are waiting to see if we are interested and if they will sell, but there has been no direct dialogue between Commissions. He commented that there has been an acknowledgement of the City giving the County the property and that there is a public benefit to sell back to the City. Commissioner Ashcraft suggested pursuing noting his concerns with the offer, but he was amenable to negotiations.

Mayor Holland noted discussion with County officials and interests in selling to the City.

Mr. Carrino commented that there would likely be a need to pursue a Future Land Use Change if sold to a buyer other than the City.

Commissioner Hawkins noted an interest in pursuing and thought the offer fair starting point \$850,000 to \$1M. He noted that the County has had the use of the property for 56 years and the City has not.

Commissioner Cobb noted a lack of investment in the property from the County through the years, and the City is willing to put time and money into the community to make it better.

Vice Mayor Lee indicated an agreement with previous comments and an interest in pursuing and re-purposing the property. She asked about the Eustis Community Center property. She would prefer an event center on the property.

Mayor Holland noted similar interests in pursuing and commented that Eustis needs a multi-use venue. He noted that he does not want development on the property but he envisions an enhanced ability and use of the property with an event center for the City. He specifically noted use for Parks and Recreation and the Events team. Mayor Holland confirmed that he does not want development on the property as the area cannot handle that use. He noted that all the surrounding property was owned by City, including mobile home parks, and the Master Plan will help determine needs and future uses.

Commissioner Cobb indicated conversations with County Commissioners regarding the property.

Mayor Holland indicated to Mr. Carrino that the Commissioners do wish to move forward with negotiations and meeting with Lake County to discuss with a starting point of \$850,000 to \$1M.

Commissioner Hawkins asked about partnership options.

Mr. Carrino noted potential partnership and possible interest in approaching the County to run the event venue. He noted the option for Eustis to buy the property and have an agreement with the Lake County Fair if the County chooses to relocate and is willing to negotiate.

Mayor Holland noted the County's limited events and marketing at the property.

Commissioner Cobb noted the County limited promotion of the property for event use.

Commissioner Hawkins asked about any benefit of the County keeping the property. He commented that the County would not lose the property if Eustis took over and managed the property with the Lake County Fair Board.

Mr. Carrino will keep communication open with the County.

Mayor Holland noted there would be no public input at this time due to it being a Commission workshop. He indicated that if this moves forward, the item will be brought back to the City Commission for public input.

2. ADJOURNMENT: 5:27 P.M.

**These minutes reflect the actions taken and portions of the discussion during the meeting. To review the entire discussion concerning any agenda item, go to www.eustis.org and click on the video for the meeting in question. A DVD of the entire meeting or CD of the entire audio recording of the meeting can be obtained from the office of the City Clerk for a fee.*

CHRISTINE HALLORAN
City Clerk

MICHAEL L. HOLLAND
Mayor/Commissioner