



City of Eustis

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TO: Eustis City Commission

FROM: Tom Carrino, City Manager

DATE: February 19, 2026

RE: Resolution Number 26-20: Approval of Purchase and Sale Agreement for Acquisition of Property Located at 100 North Bay Street and Related Parcels

Summary

On November 20, 2025, the City Commission considered Resolution 25-100 related to the purchase of the former Bank of America building and the associated drive-thru properties. The Commission decided to postpone a decision until after downtown priority discussions.

Now that those discussions have commenced, and the waterfront/Ferran Park has unanimously been identified as a priority, staff is asking the Commission to re-visit consideration of the purchase. Staff requests approval of a Purchase and Sale Agreement ("Agreement") with Eustis Properties Corp. for the acquisition of three parcels located at and around 100 North Bay Street in downtown Eustis. The negotiated purchase price is \$1,800,000.00, subject to statutory appraisals, due diligence, and approval by the City Commission. The acquisition will support municipal operations, downtown redevelopment, and long-term economic development goals.

Background

The subject properties consist of three parcels located within the City's downtown core. The parcels include the former Bank of America site and associated parcels identified by the Lake County Property Appraiser as:

- 11-19-26-0300-000-02600
- 11-19-26-0300-000-01200
- 11-19-26-0100-056-00002

The City has been evaluating opportunities to assemble these parcels for public-purpose redevelopment, expanded municipal facilities, and long-term strategic downtown revitalization efforts. Staff entered negotiations with Eustis Properties Corp. to secure the properties at a commercially reasonable price while ensuring compliance with statutory requirements and municipal protections.

Negotiated Terms

The key provisions of the Agreement include:

- Purchase Price: \$1,800,000.00
- Deposit: \$90,000.00 (refundable during due diligence)
- Inspection/Due Diligence Period: 90 days, with one 30-day extension by mutual approval
- Closing: Within 120 days of the Effective Date
- City Termination Right: City may terminate the Agreement in its sole discretion during the Inspection Period
- Closing Agent: Cona Law PLLC, with release of City funds subject to written authorization from the City Attorney
- No waiver of sovereign immunity; full Public Records and Sunshine Law compliance
- Title and survey approval fully at the City's discretion

Appraisal-Driven Price Adjustment (As Required by Section 166.045, F.S.)

Section 4.3 of the Agreement includes a statutory pricing mechanism tied to the two (2) MAI appraisals required under Section 166.045, Florida Statutes. This section allows the purchase price to increase above \$1,800,000.00, up to a maximum of \$2,000,000.00, depending on the average of the two appraisals. The adjustment works as follows:

- If the average of the two MAI appraisals equals or exceeds \$1,800,000.00: The purchase price automatically adjusts upward to match the average appraised value, capped at \$2,000,000.00.
- If the average is less than \$1,800,000.00 but not more than 10% below that number (i.e., at least \$1,620,000.00): The City may elect, in its sole discretion, to proceed at the negotiated price of \$1,800,000.00 without additional Commission action.
- If the average is between 10% and 20% below \$1,800,000.00 (i.e., between \$1,440,000.00 and \$1,620,000.00): Staff will return to the Commission to confirm that proceeding at the negotiated price continues to serve a valid public purpose.
- If the average appraisal is 20% or more below the negotiated price (below \$1,440,000.00): The City may not proceed at the negotiated price without an extraordinary vote of the Commission, as required by statute.

This structure ensures statutory compliance, preserves Commission oversight, and protects the City from overpaying relative to market value.

Statutory Requirements

This acquisition is governed by:

- Section 166.021, Fla. Stat. – Municipal home rule authority
- Section 166.045, Fla. Stat. – Appraisal and confidentiality requirements for municipal acquisitions
- Section 768.28, Fla. Stat. – Sovereign immunity limitations
- Chapter 119 & Chapter 286, Fla. Stat. – Public Records and Sunshine Law obligations

The Agreement is expressly contingent upon City Commission approval and lawful appropriation of funds. Appraisals obtained by the City will remain exempt from public

disclosure until the acquisition is completed or abandoned, consistent with Section 166.045, Fla. Stat.

The Agreement does not obligate the City to proceed unless all contingencies, including appraisal acceptance, are satisfied.

Legal/Policy Analysis

The City Attorney has reviewed the Agreement and confirmed:

- No waiver of sovereign immunity
- The City retains sole-discretion termination rights during due diligence
- Title, survey, and environmental contingencies fully protect the City
- Price-adjustment mechanism complies with Section 166.045, Fla. Stat.
- All obligations are conditioned on Commission approval and lawful appropriation
- Closing agent is acceptable with City Attorney control of fund disbursement

The Agreement imposes no undue obligations and reflects standard municipal acquisition protections.

One question that arose from the November 20 discussion was the potential municipal usage of the existing building. The City is experiencing a need for additional space, and the proposed purchase could help alleviate that need. Initially the building would be occupied by the Building Department, Fire Department Administration, and a portion of the Events and Communications Department. The building could also potentially be used for events and Clifford House storage. The Building Department conducted a building use analysis (attached), and they concluded that approximately 66% of the building would be occupied by active use and inherent building elements.

Fiscal Impact

The negotiated purchase price is \$1,800,000.00, subject to adjustment based on required appraisals (not to exceed \$2,000,000.00). Funds for the purchase will be drawn exclusively from the Building Department Fund. Future renovation and redevelopment activities could be funded by the Building Department Fund, Sales Tax Fund, and CRA Fund (or other lawful funds as appropriated by the City Commission). Due diligence and appraisal costs will be absorbed within existing allocations.

Recommendation

Based on the waterfront/Ferran Park being identified as a City priority, immediate space needs, and immense redevelopment potential, staff recommends City Commission adopt Resolution Number 26-20 approving the Purchase and Sale Agreement with Eustis Properties Corp. and authorizing the Mayor and City Clerk to execute the Agreement and related documents, subject to form and legality approval by the City Attorney.

Business Impact Estimate

Not applicable.

Attachments

Resolution Number 26-20

Purchase and Sale Agreement with Exhibit A – Legal Description

Building Use Summary

Prepared By

Sasha Garcia, City Attorney

Reviewed By

Tom Carrino, City Manager

Miranda Burrowes, Deputy City Manager