



ITEM SUMMARY

MEETING DATE: October 17, 2022

FROM: Andrea McCue, City Manager, Title, Department

SUBJECT: Resolution 2022-59 Acquisition of Property

BACKGROUND

The City has grown significantly over the last 20 years and to ensure that we are able to meet the needs of the community, expansion of services and supporting facilities is necessary.

ANALYSIS

The City entered a contract for the acquisition of two (2) contiguous unincorporated parcels of approximately 8.69 acres adjacent to the City's parcel at 5800 Melaleuca Lane, which is ideal for the expansion of City services and supporting facilities. The agreed to contract price for the two (2) parcels is \$3 million. Two appraisals were obtained consistent with section 166.045, Florida Statutes, which concluded that the average market value of the parcels is \$2.27 million. Both appraisals appear to have decreased the overall market value of the parcels due to concerns with a lack of direct legal access to the parcels and the presence of fuel storage tanks. Direct access is not an issue for the City as the City has direct access to the parcels through the City's parcel and the City also conducted Phase I and II environmental assessments which found no concerns with the soil or groundwater from the tanks. Acquiring the parcels above the market value is necessary given the current real estate market in Palm Beach County, the ideal location of the parcels, the City's direct access and having additional real property adjacent to the City Hall complex for the expansion of City services and supporting facilities will prove beneficial to the continuity and continuation of necessary City services as the community continues to grow.

FINANCIAL INFORMATION

Approval of the agreed to contract price of \$3 million for the two (2) parcels.

LEGAL

City Attorney has prepared and reviewed the Resolution and all supporting documents for legal sufficiency and compliance.

STAFF RECOMMENDATION

Staff is recommending approval of Resolution 2022-59.