



Legislation Text

File #: 20-0366, **Version:** 1

Agenda Item Name:

Austin Cary Flatwoods - Parcel E Tract Contract to Purchase Real Property

Presenter:

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Description:

Request for the Board of County Commissioners (BoCC) to approve and execute the Contract to purchase the Austin Cary Flatwoods - Parcel E Tract ($\pm 1,242.83$ acres) through the Alachua County Forever program. The execution of this Contract, and the associated License to Cut Timber are the final BoCC actions on the acquisition of this project. The purchase price is above our appraised values, so the approval by the BoCC would require a super majority.

Recommended Action:

1. Approve and authorize the Chair to execute the Contract to purchase the Austin Cary Flatwoods - Parcel E Tract (For this to pass, a supermajority must vote in the affirmative.); and
2. Approve and authorized the Chair to execute the Parcel E - License to Cut Timber; and
3. Authorize staff to execute additional documents as necessary to close the transaction; and
4. Approve any necessary budget transfers required for the Austin Cary Flatwoods - Parcel E Project acquisition.

Prior Board Motions:

On April 25, 2017, the BoCC placed Austin Cary Flatwoods - Parcel E Tract on the Active Acquisition List (Full-Price).

Fiscal Consideration:

Total acquisition costs are estimated to be \$3,349,998.55 for the land plus \$136,927.50 for due diligence and closing services. The basis for these estimates are detailed below. The final land purchase price will be based on \$2,695.46 per/acre multiplied by the surveyed acreage as defined in the Contract. A precise determination of the Austin Cary Flatwoods - Parcel E Tract total acres will not be known until a boundary survey is complete.

In order to provide sufficient spending authority to cover an unanticipated change in acreage and associated acquisition costs, staff is requesting authorization to expend an amount equal to the estimated acquisition costs plus 10%.

- Estimated purchase price: \$3,349,998.55 (1,242.83ac x \$2,695.46/ac)

- Survey: \$113,440.00
- Survey Markers & Posts: \$1,440.00
- Phase I ESA: \$7,252.00
- Attorney's Fees and Closing Costs: \$14,795.50
- 10% contingency on purchase price & due diligence: \$348,692.61

TOTAL EXPENDITURE AUTHORITY REQUESTED: **\$3,835,618.66**

WSPP - Land Acquisition (Capital Expense)

Fund#: 021.41.4160.537.61.00 - 6194101 Austin Cary Flatwoods - Parcel E

Appraisal Details:

- Appraisal 1: \$2,251.85/acre (Date of Evaluation 12/30/2018)
- Appraisal 2: \$2,634.37/acre (Date of Evaluation: 8/29/2018)
- Average Appraised Value: \$2,443.62/acre

- Sales & Purchase Contract Value: \$2,695.46/acre

The difference between average appraised value and the current accepted offer is \$251.84/acre or (\$312,994.31 total).

Loss of property tax revenues of \$8,301.21 annually.

Background:

The approximately 1,242.83-acre, Parcel E property consists of four contiguous parcels, located on the north side of State Road 26, approximately 1 mile west of Orange Heights. Specifically, the Parcel E Tract of land fills the gap between SJRWMD's Newnans Lake Conservation Area and Alachua County's Balu Forest, but at a larger scale Parcel E is an important piece of the larger ecological greenway that connects the Ocala and Osceola Nation Forests. Acquisition of this property would not only contribute to the existing conservation lands in the Austin Cary Flatwoods project area, but would also contribute to maintaining and/or improving water quality in Hatchet Creek and downstream into Newnans Lake. The entire property lies within the Austin Cary Flatwoods Strategic Ecosystem.

Parcel E is currently managed for timber production by Weyerhaeuser, and the majority of the Tract consists of mesic flatwoods that is bedded loblolly and slash pine plantation. The wetlands consist of dome swamps and bottom hardwood forests totaling about 250 acres. The bulk of the wetlands are in good to excellent ecological condition, but there has been some historic ditching on the site. Beetree Creek and its unnamed tributary that flow into Hatchet Creek are in excellent quality. If acquired, Alachua County Forever Program staff would manage the property as part of Balu Forest. In 2015, Alachua County and Plum Creek worked on a plan to exchange the Alachua County Fairgrounds, located on NE 39th Avenue, for the Parcel E Tract. Through lengthy negotiations, the original land swap plan was shelved and negotiations were suspended.

In 2017, communications with Weyerhaeuser commenced, focusing on purchasing Parcel E as a fee simple acquisition. On February 23, 2017, the Land Conservation Board (LCB) placed the Austin Cary Flatwoods - Parcel E Tract on the Full-Price, Priority Pool. Negotiation were restarted after the Board's action on April 25, 2017.

A reservation of certain timber by Weyhaeuser was discussed as a way to facilitate reaching a deal and meet several objectives. For Weyhaeuser, a reservation would allow the company to market the

growth and market the timber more profitably. The benefits of a reservation for the County include:

- Reducing the overall cost of the acquisition;
- Spreading the cost of site restoration and replanting over a 10 year period; and
- Facilitating restoration through Weyerhaeuser's removal of the loblolly pine overstory.

Staff obtained appraisals of the property that take into account the Weyerhaeuser's reservation of timber rights on 791.1 acres of pine plantation. Under the proposed agreement, the County will immediately take control of 310.74 acres of hardwood and premerchantable pine timber, while Weyerhaeuser will continue to manage the plantations established between 2001 and 2013. Weyerhaeuser will relinquish their rights in each stand as it is harvested or upon reaching the termination date listed in the License to Cut Timber (Exhibit 2). All rights will be relinquished by the end of the reservation period, regardless of the age of the timber.

The average of the appraisals was \$3,037,000 or \$2,443.62 per acre. County staff made an offer based on those appraisals which Weyerhaeuser rejected. In subsequent discussions, staff received a counter offer of \$3,350,000. The County Manager approved an offer at this price, subject to development of an acceptable contract and approval by the Board, on December 9, 2019.

Weyerhaeuser signed a Letter of Intent at that price on January 3, 2020.

While the proposed purchase price exceeds the appraised value, it was the opinion of staff that the key location of the property justifies the additional cost. Moving forward also avoids additional time and appraisal costs. Section 125.255 Florida Statutes allows an agreement to purchase at a price that exceeds the average of the appraisal, but requires approval by an extraordinary vote of the Board.

If parcel 17650-000-000 is acquired by Alachua County, this parcel is subject to a 20' wide perpetual ingress & egress easement to State Road 26 from the inholding parcel 7652-000-000. (Exhibit 5)

A boundary survey, phase I environmental site assessment and updated title commitment will be acquired prior to closing.

Comp Plan Reference:

Acquiring the Austin Cary Flatwoods - Parcel E Tract fulfils multiple objectives endorsed within the Alachua County Comprehensive Plan. Specifically, Policy 6.0 Land Conservation Program within the Conservation and Open Space Element, states "Establish and maintain a land conservation program for the purchase, preservation, and management of natural areas and open space to complement the regulatory approaches identified in other section of this element."