



Meeting Date: 10/5/2016
From (Dept): City Manager
Signature: [Signature]
Department Director
Approved for
Agenda: [Signature]
City Manager

Official Use Only
Reviewed by _____
City Attorney: _____
Council Action: _____
Date: _____

SUBJECT: Surplus Property - 12008 Delaware Street
Request For Approval:

SUMMARY EXPLANATION & BACKGROUND:

At the request of Council, attached is a Resolution to declare the city property on 12008 Delaware Street as surplus. I have attached our city code for city initiated sales of surplus property and the state statute for disposal of CRA property. Remember this property was purchased with equal funds from both CRA and Gas Tax. The first step is to formally declare the property surplus. The CRA Advisory Board recommended Resolution RES2016-26 be approved at their meeting on 09/26/2016.

FISCAL INFORMATION: N/A until sales contract is accepted after appropriate 30 day public notice.

RECOMMENDED ACTION: Approve Resolution RES2016-26

Initiated by:

RESOLUTION #RES2016-26

A RESOLUTION OF THE CITY COUNCIL OF DUNNELTON, FLORIDA, DECLARING PROPERTY OWNED BY THE CITY, PROPERTY ID NO. 3380-0474-00, AS SURPLUS PROPERTY; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE REPEAL OF CONFLICTING RESOLUTIONS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Dunnellon owns a parcel of land assigned Property Id No. 3380-0474-00 by the Marion County Property Appraiser, which parcel is located at 12008 Delaware Street; and

WHEREAS, said property is located within the City's CRA and the CRA Advisory Board has recommended that said property be declared as "Surplus Property"; and

WHEREAS, the City Council of the City of Dunnellon is considering declaring said property as "Surplus Property."

NOW, THEREFORE, be it resolved by the City Council of the City of Dunnellon, Florida, that:

Section 1. Findings. The Whereas clauses cited herein are the legislative findings of the City Council.

Section 2. Declaration of Surplus Property. The City Council declares Property Id. No. 3380-0474-00 to be "Surplus Property."

Section 3. Severability. If any portion of this Resolution shall be declared unconstitutional or if the applicability of this Resolution or any portion thereof to any person or circumstances shall be held invalid, the validity of the remainder of this Resolution and the applicability of this Resolution, or any portion thereof to other persons or circumstances, shall not be affected thereby.

Section 4. Conflicts. All resolutions and parts of resolution in conflict with this Resolution are hereby repealed.

Section 5. Effective Date. This Resolution shall become effective upon adoption.

Upon motion duly made and carried, the foregoing Resolution was adopted by the City Council of the City of Dunnellon this 10th day of October, 2016.

ATTEST:

CITY OF DUNNELLON, FLORIDA

DAWN M. BOWNE, M.M.C.
CITY CLERK, INTERIM CITY MANAGER

NATHAN WHITT, MAYOR

Approved as to form and legality:

Andrew J. Hand, City Attorney

Sales of surplus property initiated by the city may be conducted in such fashion as determined by city council including, without limitation, public auction, sealed bids, real estate listings or otherwise.

(Ord. No. 2005-07, § 3, 8-8-2005)

Sec. 2-374. - Small or irregularly shaped parcels.

- (a) The city council may affect a private sale of a parcel of surplus property pursuant to this section when it finds:
 - (1) Either of the following:
 - a. A parcel is of insufficient size and shape to be issued a building permit; or
 - b. The value of the parcel is \$5,000.00 or less (as determined by a real estate appraiser, the county property appraiser or the city real estate officer);
 - (2) Due to the size, shape, and location of the parcel, the parcel is of use only to one or more adjacent property owners.
- (b) The city may, after sending notice of its intended action to owners of adjacent property by certified mail, effect a sale and conveyance of the parcel at private sale without receiving bids or publishing notice. If, however, within ten working days after receiving such mailed notice, two or more owners of adjacent property notify the city of their desire to purchase the parcel, the city shall accept sealed bids for the parcel from such property owners and shall either convey such parcel to the highest bidder or reject all offers and retain the property.

(Ord. No. 2005-07, § 4, 8-8-2005)

Sec. 2-375. - Dispositions of property to charitable or other governmental entities.

- (a) This section applies to dispositions of surplus property for a public purpose to private nonprofit agencies or governmental entities other than the city.
- (b) Within the reasonable exercise of its discretion and having consideration for the best interests of the city, the value and condition of the property, and the probability of such property being desired by a private party, the city council may sell or donate surplus property, for a public purpose, to a private nonprofit agency or to another government entity. Such sale or donation shall be under such terms and conditions as city council deems appropriate.
- (c)

ARTICLE VIII. - SURPLUS PROPERTY

DIVISION 1. - GENERALLY

Secs. 2-351—2-370. - Reserved.

DIVISION 2. - REAL PROPERTY

Sec. 2-371. - Generally.

This division governs the sale of surplus real property by the city. It provides for different procedures to be followed depending upon the party initiating the procedure or acquiring the property, and the property's characteristics.

(Ord. No. 2005-07, § 1, 8-8-2005)

Sec. 2-372. - Definitions.

As used in this division, the following terms have the following meanings:

Private nonprofit agency means a nonprofit charitable organization, no part of the net earnings of which inures or may lawfully inure to the benefit of any private shareholder or individual, and that has been held to be tax exempt under the provisions of section 501 of the Internal Revenue Code of 1954, and that has as its principal mission;

- (1) Public health and welfare;
- (2) Education;
- (3) Environmental restoration and conservation;
- (4) Civil and human rights; or
- (5) The relief of human suffering and poverty.

Surplus property means real property that is obsolete, the continued use or ownership of which is uneconomical or inefficient, or that serves no useful function.

(Ord. No. 2005-07, § 2, 8-8-2005)



Sec. 2-373. - City-initiated sales.

All dispositions of surplus property pursuant to this subsection for less than fair market value shall contain a right of reverter providing that the property shall revert to the city, if it is no longer used for the purpose for which it was conveyed.

(Ord. No. 2005-07, § 5, 8-8-2005)

Sec. 2-376. - Requests by third parties.

- (a) This section applies to sales of surplus property initiated by a party other than the city, and in situations where neither the provisions of section 2-374 or 2-375 apply.
- (b) All requests to declare city-owned property as surplus must be in writing and directed to the city manager. Requests will be circulated among the various departments of the city to determine each department's need for the property. The results will then be sent to city council for its consideration in declaring the property surplus.
- (c) After the property has been declared surplus by city council, the city will obtain three cost estimates for the appraisal and shall select an appraiser to appraise the fair market value of the property. The initiating party shall submit to the city the cost of the appraisals and advertising fees prior to the city ordering the appraisal.
- (d) After the city council has approved the appraised value, a "For Sale" sign will be posted on the property and advertisements will be placed in one or more newspapers. The advertisement will state that the minimum acceptable bid price will be the appraised value, and will give the time, place and date the bids will be opened.
- (e) The sealed bids shall consist of a bid security in the form of a cashier's check or certified check equal to five percent of the bid amount. No conditional bids will be accepted. The city reserves the right to reject any or all bids and to waive any informalities.
- (f) After the highest bid has been determined, the city manager will submit a recommendation to the city council for its consideration. Should a valid bid be rejected by the city, the initiating party shall be reimbursed for the appraisal and the advertising fees.
- (g) If the bid is approved by city council, the successful bidder will be notified of the award and a contract for sale and purchase will be executed.
- (h) If the city council rejects all bids, the city may sell the property pursuant to section 2-373.
- (i) If a bidder has submitted a minimum acceptable bid price (i.e., a bid in the amount of the appraised value or higher) and the initiating party is not the successful bidder, the cost of the appraisal and advertising fees will be refunded to the initiating party.
- (j)

The bid security will be returned to all except the three highest qualified bidders within ten days after the opening of the bids. The remaining checks will be returned within ten days after the city has entered into a sale and purchase contract with the highest bidder.

- (k) The successful bidder shall pay all closing costs including documentary stamps, title insurance, recording fees, and, if the successful bidder is not the initiating party, advertising fees and the cost of the appraisal. The city will furnish title insurance at the purchaser's expense.
- (l) Failure of the successful bidder to close the sale within 45 calendar days after the receipt of the notice of award shall be just cause for the annulment of the award and the forfeiture of the bid security to the city which forfeiture shall be considered not as a penalty but as liquidated damages. Upon such failure to close, the city may offer the property to the second-highest bidder (for the amount of its bid), schedule another round of bidding, or sell the property pursuant to section 2-373.

(Ord. No. 2005-07, § 6, 8-8-2005)

Secs. 2-377—2-379. - Reserved.

Dawn Bowne

From: Andrew Hand <ahand@shepardfirm.com>
Sent: Tuesday, September 20, 2016 2:06 PM
To: Dawn Bowne
Subject: FW: Sale of CRA property

Dawn,

I think my email below – immediately preceding yours below back in April, covers disposition – standing by for any further questions



DISCLAIMER:

The information transmitted is intended only for the person or entity to which it is addressed and contains confidential and/or privileged materials protected under the Attorney-Client Privilege. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and delete the material from any computer.

From: Dawn Bowne [mailto:dbowne@dunnellon.org]
Sent: Wednesday, April 27, 2016 3:14 PM
To: Andrew Hand <ahand@shepardfirm.com>; Eddie Esch <EEsch@dunnellon.org>
Cc: Teresa Malmberg <tmalmberg@dunnellon.org>; Lonnie Smith <lsmith@dunnellon.org>; Mandy Roberts <mroberts@dunnellon.org>; Lynn Wyland <lwyland@dunnellon.org>; Loretta Barton <LBarton@dunnellon.org>
Subject: RE: Sale of CRA property

Just my thoughts, a Resolution is always great and an additional record/documentation tool because it is always easier to locate than a motion in the minutes. I am thinking down the line when someone is inquiring on the process and requesting documentation.

Dawn M. Bowne

Dawn M. Bowne, MMC
City Clerk
City of Dunnellon
20750 River Drive
Dunnellon, FL 34431
352-465-8500, ext. 1002
352-465-8505 fax
dbowne@dunnellon.org
www.dunnellon.org

Please Note: Florida has a very broad public records law. Written communication to or from city officials regarding city business is public record and open to inspection including names, addresses, and email addresses. Therefore, your email communication may be subject to public disclosure.

From: Andrew Hand [mailto:ahand@shepardfirm.com]
Sent: Wednesday, April 27, 2016 12:01 PM
To: Eddie Esch
Cc: Teresa Malmberg; Dawn Bowne; Lonnie Smith
Subject: Sale of CRA property

Eddie,

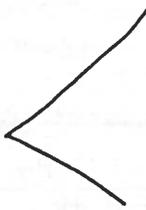
I am providing some best-fit advice to start the sale process Delaware/Delaware property. A number of legal requirements were not met at the purchase of the property that would affect disposition – which we can discuss by telephone. I advise as follows:

Article VIII of the City’s Code does not require a resolution to declare the property as “surplus” – declaration can be accomplished by resolution or by motion of Council with Council’s findings recorded in the minutes. The City Council can declare the property as “surplus” by motion with a finding that the property is “obsolete, the continued use or ownership is uneconomical or inefficient, or that it serves no function” per the definition of surplus property in Section 2-372 of the City’s Code. If you prefer a resolution, just let me know.

[The process for notice and disposition per 163.380 (3) is attached below. It is important to note, per 163.380(1) the CRA Board and Council may attach covenants, conditions, restrictions, including covenants running with the land to the sale of the property as CRA Board/Council deems necessary to carry out the purposes of the Community Redevelopment Act. If the CRA Board/Council wishes to attach restrictions – then this should all be made part of the notice.

~~✗~~ **163.380 Disposal of property in community redevelopment area.**—The disposal of property in a community redevelopment area which is acquired by eminent domain is subject to the limitations set forth in s. 73.013.

...
(3)(a) Prior to disposition of any real property or interest therein in a community redevelopment area, any county, municipality, or community redevelopment agency shall give public notice of such disposition by publication in a newspaper having a general circulation in the community, at least 30 days prior to the execution of any contract to sell, lease, or otherwise transfer real property and, prior to the delivery of any instrument of conveyance with respect thereto under the provisions of this section, invite proposals from, and make all pertinent information available to, private redevelopers or any persons interested in undertaking to redevelop or rehabilitate a community redevelopment area or any part thereof. Such notice shall identify the area or portion thereof and shall state that proposals must be made by those interested within 30 days after the date of publication of the notice and that such further information as is available may be obtained at such office as is designated in the notice. The county, municipality, or community redevelopment agency shall consider all such redevelopment or rehabilitation proposals and the financial and legal ability of the persons making such proposals to carry them out; and the county, municipality, or community redevelopment agency may negotiate with any persons for proposals for the purchase, lease, or other transfer of any real property acquired by it in the community redevelopment area. The county, municipality, or community redevelopment agency may accept such proposal as it deems to be in the public interest and in furtherance of the purposes of this part. Except in the case of a governing body acting as the agency, as provided in s. 163.357, a notification of intention to accept such proposal must be filed with the governing body not less than 30 days prior to any such acceptance. Thereafter, the county, municipality, or community redevelopment agency may execute such contract in accordance with the provisions of subsection (1) and deliver deeds, leases, and other instruments and take all steps necessary to effectuate such contract.



(b) Any county, municipality, or community redevelopment agency that, pursuant to the provisions of this section, has disposed of a real property project with a land area in excess of 20 acres may acquire an expanded area that is immediately adjacent to the original project and less than 35 percent of the land area of the original project, by purchase as provided in this chapter, and negotiate a disposition of such expanded area directly with the person who acquired the original project without complying with the disposition procedures established in paragraph (a), provided the county, municipality, or community redevelopment agency adopts a resolution making the following findings:

1. It is in the public interest to expand such real property project to an immediately adjacent area.

2. The expanded area is less than 35 percent of the land area of the original project.

3. The expanded area is entirely within the boundary of the community redevelopment area.

(4) Any county, municipality, or community redevelopment agency may temporarily operate and maintain real property acquired by it in a community redevelopment area for or in connection with a community redevelopment plan pending the disposition of the property as authorized in this part, without regard to the provisions of subsection (1), for such uses and purposes as may be deemed desirable, even though not in conformity with the community redevelopment plan.

(5) If any conflict exists between the provisions of this section and s. 159.61, the provisions of this section govern and supersede those of s. 159.61.

(6) Notwithstanding any provision of this section, if a community redevelopment area is established by the governing body for the redevelopment of property located on a closed military base within the governing body's boundaries, the procedures for disposition of real property within that community redevelopment area shall be prescribed by the governing body, and compliance with the other provisions of this section shall not be required prior to the disposal of real property.

History.—s. 11, ch. 69-305; s. 9, ch. 77-391; s. 13, ch. 84-356; s. 1, ch. 92-162; s. 906, ch. 95-147; s. 1, ch. 96-254; s. 9, ch. 98-314; s. 12, ch. 2006-11.

Best Regards,



DISCLAIMER:

The information transmitted is intended only for the person or entity to which it is addressed and contains confidential and/or privileged materials protected under the Attorney-Client Privilege. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and delete the material from any computer.

Prepared by and Return to:
James A. Fowler, Esquire
Empire Title Company of Florida, Inc.
28 W. Central Blvd., Suite 400
Orlando, Florida 32801



REC 18.50 DEED DS 490.00

CS

Parcel Id. No.: 3380-0474-00

For Recording Purposes Only

WARRANTY DEED

THIS WARRANTY DEED made and executed this 27th day of December, 2012, by Janet L. Ledsome, an unmarried woman, hereinafter "Grantor" to The City of Dunnellon, a public body and legal entity of the State of Florida, hereinafter "Grantee":

[Wherever used herein, the terms "Grantor" and "Grantee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations.]

WITNESSETH:

THAT the Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration, receipt whereof is hereby acknowledged, hereby grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee all that certain land situate in Marion County, Florida, to-wit:

Lots 473, 474 and 475, Town of Dunnellon, according to the map or plat thereof as recorded in Plat Book A, Page 174, Public Records of Marion County, Florida.

Grantor does hereby certify that she does not currently reside upon the above-described property, and such property is not her homestead.

Together with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining

TO HAVE AND TO HOLD, the same in fee simple forever.

AND the Grantor hereby covenants with said Grantee that the Grantor is lawfully seized of said land in fee simple; that the Grantor has good right and lawful authority to sell and convey said land; that the Grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free of all encumbrances. except:

- 1) Taxes and assessments for the year 2012 and subsequent years; and
- 2) Easements and restrictions of record, but reference thereto shall not serve to reimpose same.

IN WITNESS WHEREOF, the said Grantor has signed and sealed these presents the day and year first above written.

Signed, Sealed and Delivered in our Presence:

GRANTOR(S)

Marilyn Jo Kerkos
Witness Signature

Janet L. Ledsome
Janet L. Ledsome

MARILYN JO KERKOS
Print Witness Name

Hailee Fairbairn
Witness Signature:

Hailee Fairbairn
Print Witness Name:

STATE OF North Carolina)
COUNTY OF Rutherford)

The foregoing instrument was acknowledged before me this 27th day of December 2012, Janet L. Ledsome, an unmarried woman, who is personally known to me or produced FL DL# L325-432-40-806-0 as identification.



[NOTARY SEAL]

Brian H. Toney
Notary Public

Brian H. Toney
Printed Name of Notary:

April 10, 2016
My Commission Expires

CLOSING STATEMENT

SELLER: JANET L. LEDSONE

PURCHASER: THE CITY OF DUNNELLON, A
Florida Municipal Corporation

PROPERTY: ATTACHED HERETO AS EXHIBIT "A"

1.	PURCHASE PRICE:	\$70,000.00
2.	ESCROW DEPOSIT	\$5,000.00:
		\$65,000.00

SELLER'S EXPENSES:

1.	PAYOFF EXISTING MORTGAGE	\$25,005.70
2.	TITLE FEES:	
	A.) TITLE ABSTRACT AND SEARCH FEE: ATTORNEY'S TITLE FUND SERVICES, LLC	\$150.00
	B.) OWNER'S POLICY	
	AGENT:	
	EMPIRE TITLE COMPANY OF FLORIDA, INC.	\$281.75
	UNDERWRITER:	
	OLD REPUBLIC NATIONAL TITLE INSURANCE CO.	\$120.75
	TOTAL:	\$402.50
3.	SETTLEMENT-CLOSING FEE: EMPIRE TITLE COMPANY OF FLORIDA, INC.	\$350.00
4.	MARION COUNTY CLERK OF THE COURT RECORDING FEES: DEED DOC STAMPS Death Certificate & Affidavits	\$490.00 \$35.50
5.	PRORATIONS:	
	2012 County Taxes: 01/01/12 to 12/28/12	\$586.15
	Rental Income: 12/15/12 to 01/15/12	\$ 57.33
	TOTAL SELLER'S EXPENSES:	\$27,077.18

PURCHASER'S EXPENSES:

1.	SETTLEMENT-CLOSING FEE: EMPIRE TITLE COMPANY OF FLORIDA, INC.	\$350.00
2.	SURVEY EXACTA LAND SURVEYORS, INC.	\$395.00
3.	MARION COUNTY TAX COLLECTOR 2012 PROPERTY TAXES	\$591.01
4.	MARION COUNTY CLERK OF THE COURT RECORDING FEES Warranty Deed	\$18.50

TOTAL PURCHASER'S EXPENSES: \$1,354.51

SUMMARY:

SELLER:	DUE TO SELLER	\$70,000.00
	LESS SELLER'S EXPENSES	\$27,077.18
	TOTAL SELLER'S PROCEEDS	<u>\$42,922.82</u>

PURCHASER:	DUE FROM PURCHASER	\$70,000.00
	PLUS PURCHASER'S EXPENSES	\$ 1,354.51

TOTAL DUE FROM PURCHASER \$71,354.51

LESS PRORATIONS

2012 County Taxes: 01/01/12 to 12/28/12	\$586.15
Rental Income: 12/15/12 to 01/15/12	\$ 57.33

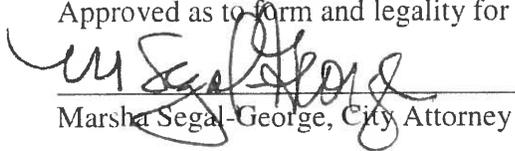
TOTAL DUE FROM PURCHASER: \$70,711.03

NOTES:

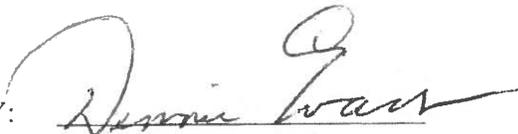
1. In the event this Closing Statement contains any errors, inaccuracies or mistakes, the parties shall promptly, upon receipt of written notice, rectify such matters and make such adjustments and reimbursements among themselves as required therefore.
2. The Closing Statement may be executed in multiple counterparts, each of which shall constitute an original and all of which when taken together shall constitute on and the same instrument. Furthermore, a receipt of an executed copy by facsimile shall constitute receipt of an original.
3. Escrow Agent is hereby authorized and directed to make disbursements as shown on this Closing Statement.

IN WITNESS WHEREOF, the undersigned have executed this Closing Statement on this the 27th day of December, 2012.

Approved as to form and legality for use and reliance by the City of Dunnellon

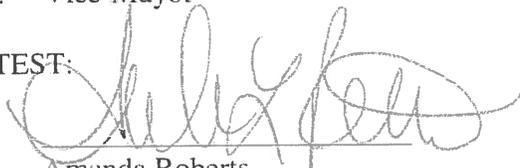

Marsha Segal-George, City Attorney

PURCHASER:
CITY OF DUNNELLON,
FLORIDA, a Florida municipal
Corporation

BY: 
Dennis Evans

ITS: Vice-Mayor

ATTEST:

BY: 
Amanda Roberts,
Assistant City Clerk

IN WITNESS WHEREOF, the undersigned have executed this Closing Statement on this the _____ day of _____, 2012.

SELLER:

BY: _____
Janet Ledsome

NOTES:

1. In the event this Closing Statement contains any errors, inaccuracies or mistakes, the parties shall promptly, upon receipt of written notice, rectify such matters and make such adjustments and reimbursements among themselves as required therefore.
2. The Closing Statement may be executed in multiple counterparts, each of which shall constitute an original and all of which when taken together shall constitute on and the same instrument. Furthermore, a receipt of an executed copy by facsimile shall constitute receipt of an original.
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Approved as to form and legality for use and reliance by the City of Dunnellon

Marsha Segal-George, City Attorney

PURCHASER:
CITY OF DUNNELLOON,
FLORIDA, a Florida municipal
Corporation

BY: _____
Nathan Whitt

ITS: Mayor

ATTEST:

BY: _____
Dawn Bowne, City Clerk

IN WITNESS WHEREOF, the undersigned have executed this Closing Statement on this the 27th day of December, 2012.

SELLER:

Notary Public
Brian H. Toney

Brian H. Toney

My Commission Expires: April 10, 2016

BY: Janet Ledson
Janet Ledson