

**AGENDA
BOARD OF TRUSTEES OF THE INTERNAL IMPROVEMENT TRUST FUND
MARCH 2, 2016**

**Attachment to the item below can be viewed at the following link:
http://www.dep.state.fl.us/secretary/cab/public_notices.htm**

Item 1 Minutes

Submittal of the Board of Trustees' Minutes from the August 5, 2015, September 1, 2015, September 29, 2015, October 27, 2015, and November 10, 2015 Cabinet Meetings.

VOTING REQUIREMENT FOR APPROVAL: Two members, one of whom is the Governor, when four members are voting; or any two members, when three members are voting.

(See Attachment 1 at http://www.dep.state.fl.us/secretary/cab/public_notices.htm)

RECOMMEND APPROVAL

Item 2 LYC Destin, LLC, Recommended Consolidated Intent/Lease Renewal/Modification

REQUEST: Consideration of an application for a renewal and modification of a five-year sovereignty submerged lands lease to (1) increase the preempted area from 49,498 square feet to 78,140 square feet, more or less, for an existing commercial docking facility; and (2) delete special lease condition 30.A., that prohibits mooring along the waterward side of a floating breakwater, and special lease condition 30.E., that prohibits overnight mooring at the docking facility.

VOTING REQUIREMENT FOR APPROVAL: Three votes

APPLICANT: LYC Destin, LLC (d/b/a Legendary Marine - Mid-Bay Marina)
a/k/a Legendary Yacht Clubs, LLC
Lease No. 460030521
Application No. 46-0158410-007-EI

LOCATION: 4601 Legendary Marina Drive, Destin
Choctawhatchee Bay, Okaloosa County

CONSIDERATION: \$13,118.39, representing (1) \$11,906.12 as the initial annual lease fee computed at the base rate of \$0.169299 per square foot, discounted 10 percent for participation in the Clean Marina Program, pursuant to rule 18-21.011(1)(b)13.a., F.A.C.; and (2) \$1,212.27 as the one-time 25 percent surcharge payment for the additional area of 28,642 square feet, pursuant to rule 18-21.011(b)3., F.A.C. Sales tax and county discretionary sales surtax will be assessed pursuant to sections 212.031 and 212.054, F.S., if applicable. The lease fee shall be adjusted based on six percent of the annual income if it proves to be greater than the fee computed at the base rate, pursuant to rule 18-21.011(1)(a)1., F.A.C.

Item 2, cont.

STAFF REMARKS: In accordance with rules adopted pursuant to sections 373.427(2) and 253.77(2), F.S., this "Recommended Consolidated Notice" contains a recommendation for issuance of both the permit required under part IV of chapter 373, F.S., and the authorization to use sovereignty submerged lands under chapter 253, F.S. The Board of Trustees is requested to act on those aspects of the activity which require authorization to use sovereignty submerged lands.

The project is required to demonstrate that it is “not contrary to the public interest,” pursuant to Article X, Section 11 of the Florida Constitution, chapter 253, F.S., and rule 18-21.004(1)(a), F.A.C. The applicant has provided reasonable assurance that the proposal will maintain essentially natural conditions; will not significantly impact fish and wildlife and other natural resources, including public recreation and navigation; is consistent with the goals and objectives of the “Conceptual State Lands Management Plan”; is consistent with the local government’s comprehensive plan; and will not interfere with the riparian rights of adjacent property owners. Therefore, the Department of Environmental Protection (DEP) is of the opinion that the proposal is “not contrary to the public interest” and otherwise meets all applicable requirements for a proprietary authorization to use sovereignty submerged lands.

Background

On September 13, 2000, under delegation of authority, DEP issued a lease to Marina Developers, Inc., for a five-year term from June 23, 2000 through June 23, 2005. The lease authorized the preemption of 43,064 square feet of sovereignty submerged lands to construct and operate courtesy docks to be used in conjunction with an upland boat storage facility.

On July 6, 2005, under delegation of authority, DEP issued a lease renewal/modification to Marina Developers, Inc., for a five-year term from April 4, 2005 through June 23, 2010. The modification was for the reconfiguration of an existing dock and the installation of a floating breakwater within the existing lease area.

On August 29, 2011, under delegation of authority, DEP issued a lease renewal/modification for a five-year term from April 13, 2011 through June 23, 2015. The modification was to reflect a change in upland ownership to LYC Destin, LLC, and to increase the preempted area for the installation of a floating dock. The lease renewal/modification authorized the preemption of 49,498 square feet for the operation of a 15-slip docking facility with a travel lift, boat ramp, and breakwater to be used in conjunction with the upland yacht club and 750-unit dry storage facility.

As the lease expired on June 23, 2015, DEP and the applicant entered into a Temporary Use Agreement (TUA) on January 28, 2016. TUA grants the applicant temporary authorization to operate the existing facility while pursuing Board of Trustees’ approval for the proposed lease expansion.

Item 2, cont.

Project Detail

The applicant is proposing to expand its existing docking facility by increasing the preempted area from 49,498 square feet to 78,140 square feet (an increase of 28,642 square feet). To enhance the efficiency of boat launching and recovery operations for the upland dry storage facility, the applicant is proposing to shift its offshore dock (breakwater) approximately 50 feet waterward, straighten and lengthen its existing internal staging docks, and install a haul-out well. In addition, the applicant is proposing to construct a marginal boardwalk along the shoreline on the east side of the facility as an amenity to the upland yacht club and restaurant. The proposed marginal boardwalk will be used by shallow-draft, non-motorized vessels such as kayaks and paddle boards.

As the docking facility is primarily used as a staging area for the existing 780-unit upland dry storage facility (which includes approximately 30 trailer parking spaces), approximately 26,042 square feet will be designated as temporary mooring for temporary staging of vessels ranging in length from 13 to 60 feet with drafts up to 4 feet. Approximately 3,810 square feet will be designated as permanent mooring for 5 pontoon boats and 20 jet skis.

The existing lease contains two special lease conditions that prohibit: (1) mooring along the waterward side of the offshore dock (breakwater); and (2) overnight mooring at the docking facility. The applicant is proposing to use the waterward side of the relocated offshore dock (breakwater) for temporary mooring and to permanently moor five pontoon boats and 20 jet skis at the docking facility. Therefore, the applicant is requesting that these two special lease conditions be deleted.

Submerged Aquatic Vegetation

Submerged Aquatic Vegetation (SAV) is present in the vicinity of the proposed project. Vessels will not need to traverse the SAV to access the docking facility and proposed lease expansion. Protection of the SAV, located outside of the project area, has been addressed in the permit by requiring a minimum of five "Caution Sea Grass" signs to be placed along the outside edge of the SAV to clearly mark the location of the SAV.

Noticing/Interested Parties

The lease modification request was noticed to property owners, within a 500-foot radius of the project, and other interested parties, pursuant to rule 18-21.004(1)(m), F.A.C., and no objections were received.

(See Attachment 2, Pages 1-32)

RECOMMEND APPROVAL SUBJECT TO THE SPECIAL LEASE CONDITIONS AND PAYMENT OF \$13,118.39

Substitute Item 3 Doctors Lake Marina, Inc., Lease/Conservation Easement Modification

REQUEST: Consideration of a request for a modification of (1) an existing conservation easement to allow for a maximum of 373 total vessels with authorized access to the water; and (2) an existing 25-year sovereignty submerged lands lease to modify special lease conditions 31.D. and 31.E. to recognize vessels associated with upland sales and service/repair activities that do not have water access.

VOTING REQUIREMENT FOR APPROVAL: Three votes

APPLICANT: Doctors Lake Marina, Inc.
Lease No. 100555972

LOCATION: 3108 Highway 17 South, Orange Park
Doctors Lake, Clay County

CONSIDERATION: \$23,116.42 as the initial annual lease fee computed at the base rate of \$0.169299 per square foot, discounted 30 percent because 90 percent of the slips are open to the public for rent on a first-come, first-served basis, pursuant to rule 18-21.011(1)(b)2., F.A.C., and discounted 10 percent for participation in the Clean Marina Program, pursuant to rule 18-21.011(1)(b)13.a., F.A.C. The extended term lease surcharge is waived because the facility is designated as a Clean Marina in the Clean Marina Program, pursuant to rule 18-21.011(1)(b)13.b., F.A.C. Sales tax and county discretionary sales surtax will be assessed pursuant to sections 212.031 and 212.054, F.S., if applicable. The lease fee shall be adjusted based on six percent of the annual income if it proves to be greater than the fee computed at the base rate, pursuant to section 18-21.011(1)(a)1., F.A.C.

STAFF REMARKS: The project is required to demonstrate that it is “not contrary to the public interest,” pursuant to Article X, Section 11 of the Florida Constitution, chapter 253, F.S., and rule 18-21.004(1)(a), F.A.C. The applicant has provided reasonable assurance that the proposal will maintain essentially natural conditions; will not significantly impact fish and wildlife and other natural resources, including public recreation and navigation; is consistent with the goals and objectives of the “Conceptual State Lands Management Plan”; is consistent with the local government’s comprehensive plan; and will not interfere with the riparian rights of adjacent property owners. Therefore, the Department of Environmental Protection (DEP) is of the opinion that the proposal is “not contrary to the public interest” and otherwise meets all applicable requirements for a proprietary authorization to use sovereignty submerged lands.

Background

On April 12, 1988, the Board of Trustees approved a 5-year lease for a 98-slip commercial marina preempting 116,930 square feet of sovereignty submerged lands for Inlet Marine Sales & Services, Inc. (Inlet Marine), subject to a conservation easement (CE) prohibiting any additional docking facilities and/or boat ramps along the shoreline. The CE was not granted until the applicant purchased the upland property.

Substitute Item 3, cont.

On December 28, 1992, the applicant purchased the upland property. On February 11, 1993, the applicant granted the required CE to the Board of Trustees. The purpose of the CE was to ensure no additional structures were constructed, placed, or maintained on the property or the adjacent submerged lands.

On March 12, 1993, the former Department of Natural Resources, under delegation of authority, assigned the lease to the applicant and modified the lease to increase the term to 25 years from March 12, 1993 through March 12, 2018.

On November 10, 1997, DEP observed boats at the facility moored outside of the existing lease area. On January 12, 1998, DEP and the applicant entered into a temporary use agreement (TUA) for the unauthorized preemption of approximately 4,000 square feet of sovereignty submerged lands. The TUA required payment of (1) \$656.20 in lease fees in arrears, which were assessed from June 5, 1997 to December 15, 1998; and (2) \$4,000 in administrative fines, for a total of \$4,656.20.

On April 23, 1999, DEP and the applicant entered into a second TUA because the first TUA expired during the review process. The second TUA covered the unauthorized preemption of 4,000 square feet, covered in the first TUA, and an additional 6,822 square feet along the terminal ends of the existing docks, for a total of 10,822 square feet. The TUA required payment of \$1,132.26 in lease fees for the additional area to cover a period from December 16, 1998 to April 1, 2000.

On August 12, 1999, the Board of Trustees approved a lease modification to (1) increase the preempted area by 10,822 square feet, covered in the second TUA, for a total of 127,752 square feet; and (2) allow liveaboards at the docking facility. This modification did not require construction of new in-water structures only an increase to the lease boundary.

On February 22, 2002, DEP, under delegation of authority, modified the lease to increase the preempted area from 127,752 square feet to 135,452 square feet to allow vessels to moor perpendicular, instead of parallel, to the northern-most dock because these vessels were subject to excessive wind and wave action from Doctors Lake, especially during nor'easters. This modification did not increase the number of slips (98); however, an additional 7,700 square feet of sovereignty submerged lands were preempted.

On October 27, 2006, DEP responded to an anonymous compliant that turbid water was observed in the man-made canal at the facility. No water quality violation was observed; however, a dock with two boat moorings, located outside of the lease area, was observed. On November 20, 2006, DEP issued a non-compliance letter to the applicant for the unauthorized dock and boat moorings.

Substitute Item 3, cont.

On April 28, 2009, DEP and the applicant entered into a Consent Order for the unauthorized dock and boat moorings (historic, but previously unnoticed) preempting approximately 600 square feet of sovereignty submerged lands. The Consent Order required payment of (1) \$159.83 for lease fees in arrears, which were assessed from October 3, 2006 to March 12, 2009; (2) \$1,000 for civil penalties; and (3) \$250 for costs and expenses, for a total of \$1,409.83. The dock was subsequently removed.

On April 13, 2010, the Board of Trustees approved a modification of the (1) existing CE to allow for the construction of additional docking structures; and (2) 25-year sovereignty submerged lands lease to increase the preempted area from 135,452 square feet to 227,570 square feet for a 158-slip commercial docking facility. To ensure that the modification to the CE and lease did not change the intent to limit the development at the site, the Florida Fish and Wildlife Conservation Commission (FWC) reviewed aerials and records of upland dry storage customers. FWC determined that a total of 373 vessel slips consisting of 275 dry storage slips and 98 wet slips existed prior to the modifications. The modifications authorized the conversion of 60 upland dry storage slips to wet slips, resulting in the increase in structures and preemption for a total of 158 wet slips. The modified CE prohibited any further construction of docking facilities or other such water access along the applicant's shoreline and limited the total number of boats on site, inclusive of all shoreline and upland storage, to 373.

On May 26, 2010, DEP issued Environmental Resource Permit No. 10-064662-008-E1 for the construction of the docking facilities approved by the Board of Trustees on April 13, 2010. On May 13, 2015, DEP issued a modification to this permit to extend the construction phase for an additional three years until May 26, 2018.

On November 16, 2015, DEP conducted a site inspection and documented missing manatee and open to the public signage. The applicant promptly resolved the signage issue, which brought the facility into compliance with the terms and conditions of the lease.

Project Detail

There are currently separate upland businesses, i.e. commercial marina, sales, and service/repair, operating at this site. The applicant has raised concerns that the strict interpretation of vessels on site as related to the 373 total allowed will inhibit business development with third party tenants who conduct boat sales and service/repair activities. In recognition of these separate businesses, the applicant is requesting that the vessels associated with the sales and service/repair businesses not be counted in the total number of boats allowed on site. According to the applicant, approximately 80 vessels associated with the sales and service/repair activities could be located on the uplands at any given time. However, the applicant reported there has only been an annual average of 35 vessels located on the uplands.

FWC has reviewed the applicant's request and has decided, due to the configuration of the separate businesses at this facility, to consider existing boats that are for sale or for service/repair in a different manner than typically done for leased boats in a recreational marina. Due to this decision, FWC is recommending modifications to the existing amended CE and special lease conditions to make a distinction between marina customers and third party tenants and to establish how wet and dry slips will be allocated between the two.

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Substitute Item 3, cont.

Noticing

The lease modification request was not noticed to property owners within a 500-foot radius of the project, pursuant to rule 18-21.004(1)(m), as the request will not result in any significant change in use, structural reconfiguration or addition, increase in preemption, or increased environmental impact.

(See Attachment 3, Pages 1-25)

RECOMMEND APPROVAL SUBJECT TO THE SPECIAL APPROVAL CONDITION, THE SPECIAL LEASE CONDITIONS, AND PAYMENT OF \$23,116.42

Item 4 Venture Four, LLC, Option Agreement (Camp Lonesome Ranch)/Conservation Easement/Big Bend Swamp/Holopaw Ranch Florida Forever Project

REQUEST: Consideration of an option agreement to acquire a conservation easement over approximately 1,189 acres within the Big Bend Swamp/Holopaw Ranch Florida Forever project from Venture Four, LLC.

VOTING REQUIREMENT FOR APPROVAL: Two members, one of whom is the Governor, when four members are voting; or any two members, when three members are voting.

COUNTY: Osceola

LOCATION: Sections 04, 05, 08, and 09, Township 28 South, Range 32 East

CONSIDERATION: \$2,353,500

<u>PARCEL</u>	<u>ACRES</u>	<u>APPRAISED BY</u>		<u>MAXIMUM VALUE</u>	<u>SELLER'S PURCHASE PRICE</u>	<u>TRUSTEES' PURCHASE PRICE</u>	<u>OPTION DATE</u>
		<u>Roper (08/25/15)</u>	<u>String (08/25/15)</u>				
Venture Four, LLC	1,189	\$2,615,000	\$2,620,000	\$2,620,000	\$11,219,600*	\$2,353,500** (90%)	120 days after BOT Approval

*The Seller, as part of a partnership, acquired a 7,056-acre ranch, known as Camp Lonesome, in March 2004. In 2007, the Seller conveyed 2,000 acres to Osceola County to create a public conservation area, which is currently known as Camp Lonesome Conservation Area. This area contains the headwaters to Lonesome Camp Swamp.

**\$1,979 per acre.

STAFF REMARKS: The subject property is located within the Big Bend Swamp/Holopaw Ranch Florida Forever project, ranked number 7 in the Florida Forever Less-Than-Fee project category, approved by the Board of Trustees on September 1, 2015. The project contains 56,710 acres, of which 9,026 acres have been acquired or are under agreement to be acquired. If the Board of Trustees approves this agreement, 47,684 acres, or 84 percent of the project, will remain to be acquired.

Item 4, cont.

Project Description

Many kinds of wildlife live in the expanses of palmetto prairies, pine flatwoods, and cypress swamps in Osceola County. The Big Bend Swamp project will acquire certain rights from landowners to maintain a link of natural lands between the Bull Creek and Three Lakes Wildlife Management Areas, and help to ensure the survival of crested caracara, red-cockaded woodpeckers, sandhill cranes, and other wildlife that require these large natural areas. This project may also help complete the Florida National Scenic Trail, a statewide non-motorized trail that crosses a number of Florida Forever project sites.

Property Information

The subject property is part of an approximately 4,638-acre ranch, known as Camp Lonesome. The ranch is located in central Osceola County, northeast of the Florida Turnpike and about 15 miles from St. Cloud.

The ranch is part of a multi-agency conservation easement acquisition partnership being introduced in the Everglades Headwater National Wildlife Refuge. The partnership includes the Department of Environmental Protection (DEP), Department of Agriculture and Consumer Services/Florida Forest Service (FFS), under its Rural and Family Lands Protection Program (RFLPP) and U.S. Fish and Wildlife Service (USFWS). This partnership allows multiple agencies to participate and stretches funding dollars further. Under this partnership, FFS/RFLPP acquired a 322-acre conservation easement and USFWS acquired a 1,285.83-acre conservation easement.

The ranch has been in operation for over 50 years and is managed as a cow-calf operation, with a focus on maintaining landscape sized ecosystem functionality. Venture Four has a strong desire to continue the historic ranching operation and pasture management program, while simultaneously improving the ranch with energy efficient technology and protecting the extensive native ecosystem. Venture Four's goal is to pass the ranch on to the next generation ensuring the continued success of the ranching operation for future generations.

The ranch is adjacent to Osceola County's Camp Lonesome Conservation Area and contains wetlands and sloughs that drain into Lake Marion and eventually the Kissimmee River System. The high quality basin, functioning hydrology of the wetlands, and intact dry prairie/pine flatwoods, combined with the high quality of the agriculture operations, are excellent examples of the types of conservation easements that are important to this area of the state.

Prohibited Uses

Under the proposed conservation easement, the subject property will be restricted in perpetuity by the provisions of the easement, a summary of which includes, but is not limited to, the following prohibited uses:

- Dumping of trash, waste, hazardous materials and soil will be prohibited;

Item 4, cont.

- Exploration by the grantor for and extraction of oil, gas, minerals, peat, muck, limestone, etc., by means of surface exploratory and extractors operations will be prohibited, except as reasonably necessary to combat erosion or flooding or except as necessary and lawfully permitted for the conduct of permitted activities;
- Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, or fish and wildlife preservation will be prohibited, unless needed for maintenance as provided in the easement under Article V. (A), (E) and (H);
- Acts or uses detrimental to the preservation of any historical or archaeological area will be prohibited;
- The removal, destruction, cutting, trimming, mowing, alteration or spraying with biocides of trees, shrubs or other natural vegetation will be prohibited, unless needed for conservation purposes, as provided in the easement under Article V. (G) and (H);
- There shall be no planting of nuisance exotic or non-native plants;
- Commercial and industrial activities will be prohibited, except as may be incidental to the exercise of grantor's reserved rights, as specifically provided for in Article V;
- New construction or placing of temporary or permanent structures or buildings on the property will be prohibited except as may be necessary for maintenance, normal operation or emergency situations or as permitted in Article V. (E) and (L);
- Construction of new roads or jeep trails will be prohibited except as associated with restoration activities allowed under the provisions of Article V. of the easement;
- The operation of motorized vehicles will be prohibited except on established trails and roads unless (1) necessary to protect or enhance the conservation values of the property; and (2) for emergency purposes;
- Current agricultural uses shall not be converted to more intense agricultural uses;
- Actions or activities that may be expected to adversely affect threatened or endangered species is prohibited;
- Subdivision of the property is prohibited, except as provided in the easement under Article V. (M);
- Signs, billboards or outdoor advertising is prohibited except signs designating the property as conservation lands protected by the State of Florida;
- Commercial water wells on the property are prohibited;
- There shall be no commercial timber harvesting; and
- There shall be no mitigation bank established on the property.

Owner's Rights Retained

The proposed conservation easement will allow the owner to retain certain rights. The summary of owner's rights includes, but is not limited to, the following:

- The right to observe, maintain, photograph, fish, hunt and introduce and stock native fish or wildlife, to use the property for non-commercial, passive, resource-based recreation not inconsistent with the purpose of the easement. In addition, the owner reserves hunting and fishing rights related to the property and may lease and sell privileges of such rights;

Item 4, cont.

- The right to conduct controlled and prescribed burns with proper authorization;
- The right to mortgage the property;
- The right to contest property taxes, appraisals and assessments;
- The right to continue to use, maintain, repair and reconstruct but not relocate or enlarge all existing buildings as depicted on the Baseline Documentation Report (BDR);
- The right to exclusive use of improvements depicted on the BDR;
- The right to continue existing agricultural practices as depicted in the BDR and the use of commonly accepted fertilizers, pesticides and herbicides using best management practices (BMP);
- The right to host relocated endangered or threatened species or species of special concern that are native to the State of Florida;
- The right to maintain a commercial cattle operation in accordance with BMPs;
- The right to conduct eco-tours over the property;
- The easement runs with the land and will be included in any sale of the property;
- The right to construct one residential structure, limited to 5,000 square feet and 2,000 square feet for two outbuildings on a footprint of no more than 2.5 contiguous acres and at least 150 feet away from any wetland area; and
- The right to subdivide the property one time into two parcels of no less than 150 acres.

Mortgages and Liens

All mortgages and liens will be satisfied at the time of closing. On June 22, 1999, the Board of Trustees approved a staff recommendation to delegate to DEP the authority to review and evaluate marketability issues as they arise on all chapter 259, F.S., acquisitions and to resolve them appropriately. Therefore, DEP will review, evaluate, and implement an appropriate resolution for any title issues that arise prior to closing.

Closing Information

A title insurance commitment, environmental site assessment, and a baseline documentation report will be provided by the purchaser prior to closing. A survey will be provided by the seller and the purchaser will reimburse the seller up to \$25,000.

Management

This property will be monitored by DEP's Office of Environmental Services.

Comprehensive Statement

This acquisition is consistent with section 187.201(9), F.S., the Natural Systems and Recreational Lands' section of the State Comprehensive Plan.

(See Attachment 4, Pages 1-43)

RECOMMEND APPROVAL

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Substitute Item 5 Board of Trustees/Alford/Clapp Exchange Agreement/Determinations

REQUEST: Consideration of (1) a determination that an approximately 199-acre parcel of land owned by the Board of Trustees is (a) no longer needed for conservation purposes, pursuant to Article X, section 18 of the Florida Constitution and section 253.034(6), F.S.; and (b) surplus; (2) a determination that an exchange will (a) result in a net positive conservation benefit to the state, pursuant to section 253.034(6), F.S.; and (b) provide a greater benefit to the public than its retention in Board of Trustees' ownership, pursuant to rule 18-2.018(3)(b)1.c., F.A.C.; and (3) approval of an exchange agreement in which the Board of Trustees will convey the approximately 199-acre parcel, with retention of a conservation easement, in exchange for approximately 229 acres of land owned by Charles E. Alford, Jr. and Kathryn A. Clapp.

VOTING REQUIREMENTS FOR APPROVAL: Three votes

COUNTY: Putnam

APPLICANTS: Charles E. Alford, Jr. and Kathryn A. Clapp (Alfords)

LOCATION: Sections 12 and 14, Township 11 South, Range 24 East; Sections 12, 13, and 14, Township 11 South, Range 25 East; and Section 07, Township 11 South, Range 26 East

CONSIDERATION: Parcel-for-parcels, with no cash boot to be paid by the Board of Trustees.

<u>PARCEL</u>	<u>ACRES</u>	APPRAISED BY	APPROVED	EXCHANGE	CLOSING
		Benson (10/20/15)	<u>VALUE</u>	<u>VALUE</u>	<u>DATE</u>
ALFORDS	229	\$298,000	\$298,000	\$298,000	120 days after BOT approval
BOT	199	\$219,000 *	\$219,000	\$219,000	

* The state-owned parcel was appraised subject to a conservation easement which will be retained by the Board of Trustees.

STAFF REMARKS: The Department of Environmental Protection's (DEP) Division of State Lands (DSL) and Division of Recreation and Parks (DRP) are proposing to exchange the 199-acre parcel of state-owned land for 229 acres of land owned by the Alfords.

Background

The 199-acre parcel of state-owned land was conveyed to the Board of Trustees in 1993 by the Canal Authority of the State of Florida. The 199-acre parcel is currently managed by DRP as part of the Marjorie Harris Carr Cross Florida Greenway State Recreation and Conservation Area (Greenway). However, it is difficult for DRP to manage the 199-acre parcel as it is bifurcated from the main body of the Greenway by State Road 19 and County Road 310.

Project Detail

If this exchange is approved, the 229 acres being acquired by the Board of Trustees will increase the existing Greenway which will be managed for wildlife and ecological benefits. Approximately

Substitute Item 5, cont.

184 acres of the property is wetlands and is within 200 feet of the shores of Lake Ocklawaha (a/k/a Rodman Reservoir), which ultimately flows into the St. Johns River. This proposed exchange will also consolidate ownership within the platted Florida Park subdivision, located in the Greenway boundary, creating a more efficiently managed area.

The 199-acre parcel of state-owned land, which is adjacent to land owned by the Alford's, will be conveyed to the Alford's from the Board of Trustees with a conservation easement. The Alford's have agreed to: (1) donate a 1.7 mile by 100-foot-wide easement corridor for the Florida National Scenic Trail (FNST) that will be between State Road 19 and the Greenway; and (2) provide DEP with baseline documentation, from the Florida Natural Areas Inventory (FNAI), on all parcels involved in the exchange. The Alford's have also applied to Putnam County to vacate roads within the platted Florida Park subdivision. All of these items are special conditions which are a part of the exchange agreement between the Alford's and Board of Trustees.

Acquisition and Restoration Council

The proposed exchange request was recommended for approval by the Acquisition and Restoration Council on June 19, 2015.

Constitutional and Statutory Requirements

Pursuant to Article X, section 18 of the Florida Constitution, the fee interest in real property may be disposed of only if the members of the governing board of the entity holding title determine the property is no longer needed for conservation purposes and only upon a vote of two-thirds of the governing board. Pursuant to section 253.034(6), F.S., in order to surplus conservation lands, the Board of Trustees, by a vote of at least three members, must make a determination that the lands are no longer needed for conservation purposes and that the exchange will result in a net positive conservation benefit to the state. Pursuant to rule 18-2.018(3)(b)1.c., F.A.C., the surplus lands must provide a greater benefit to the public than its retention in Board of Trustees' ownership. DEP offers the following to assist the Board of Trustees in making the determination that the 199-acre parcel is no longer needed for conservation purposes:

- Due to its boundary configuration and relative isolation from the main body of the Greenway.

DEP also offers the following to assist the Board of Trustees in making the determination that the exchange will provide a net positive conservation benefit to the state and the 199-acre parcel will provide a greater benefit to the public than its retention in Board of Trustees' ownership:

- The acceptance of a conservation easement with conditions will protect the natural resources on the property;
- The platted Florida Park subdivision road vacation of approximately 4.6-acres will help create a more efficiently managed area;

Substitute Item 5, cont.

- The Alford's donation of a 1.7 mile by 100-foot-wide easement corridor for the FNST will be between State Road 19 and the Greenway and will help expand the FNST for trail users; and
- FNAI baseline documentation on all parcels involved in the exchange will be conducted, at an estimated cost of \$6,008.

Management Review

DRP as manager of the Greenway, supports the exchange because it removes land that could not be effectively managed due to its isolated location and allows acquisition of lands which further fulfill its goals and objectives for the Greenway.

Comprehensive Plan

DEP has determined that surplus land actions are not subject to the local government planning process. The acquisition of the Alford's lands is consistent with section 187.201(9), F.S., the Natural Systems and Recreational Lands' section of the State Comprehensive Plan.

(See Attachment 5, Pages 1-31)

RECOMMEND APPROVAL

Item 6 S.Y. Hartt #3 Conservation Easement/FDACS/Rural & Family Lands Protection Program

REQUEST: Consideration of (1) an option agreement to acquire a 2,526.4-acre perpetual conservation easement over lands lying within the S.Y. Hartt project of the Florida Department of Agriculture and Consumer Services' (FDACS) Florida Forest Service (FFS) Rural & Family Lands Protection Program (RFLPP) from S.Y. Hartt & Son, Inc.; and (2) designation of FDACS/FFS as the monitoring agency.

VOTING REQUIREMENT FOR APPROVAL: Two members, one of whom is the Governor, when four members are voting; or any two members, when three members are voting.

APPLICANT: Florida Department of Agriculture and Consumer Services' Florida Forest Service

COUNTY: Highlands

LOCATION: Part of Sections 17-21, 28-30, 32, and 33, Township 34 South, Range 30 East

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Item 6, cont.

CONSIDERATION: \$4,320,000

<u>PARCEL</u>	<u>ACRES</u>	APPRAISED BY		<u>APPROVED</u> <u>VALUE</u>	<u>SELLERS'</u> <u>PURCHASE</u> <u>PRICE</u>	<u>TRUSTEES'</u> <u>PURCHASE</u> <u>PRICE</u>	<u>OPTION</u> <u>DATE</u>
		String (8/20/15)	Wagner (8/20/15)				
S.Y. Hartt #3	2,526.4	\$5,045,000*	\$4,800,000*	\$5,045,000	**	\$4,320,000***	120 days after BOT approval

*Fee value for the String appraisal is \$10,100,000 and fee value for the Wagner appraisal is \$9,850,000

**Property was assembled over many years by S.Y. Hartt & Son, Inc.

***The purchase price for the conservation easement is \$1,709.94 per acre

STAFF REMARKS: This acquisition was negotiated by FDACS/FFS under its RFLPP. If approved, this will be the twenty-first perpetual conservation easement proposed for acquisition, with a total of 14,268.70 acres preserved under the Rural and Family Lands Protection Program. The S.Y. Hartt project is ranked in Tier One on the 2015 RFLPP Acquisition List. This will be the third RFLPP easement placed on lands within the S.Y. Hartt project. The two previous easements approved by the Board of Trustees are S.Y. Hartt North at 572 acres and S.Y. Hartt South at 431 acres, after final surveys were completed.

PROPERTY DESCRIPTION:

Background

The Hartt family arrived in Florida in 1919, and S.Y. Hartt purchased this northern Highlands County property in 1939. For generations, the Hartt family has been involved in ranching and other various forms of agriculture. The S.Y. Hartt Ranch is a 7,912-acre working cow/calf operation in Highlands County, Florida, with the current easement representing 2,526.4 acres. If approved, this easement, along with S.Y. Hartt North and South easements, will cover 3,529.4 acres. Additionally, 2,059.7 acres of the ranch were recently protected under a United States Department of Agriculture, Natural Resources Conservation Service, Wetland Reserve Program (WRP) easement. The RFLPP and WRP easements do not overlap. Should this easement be approved, approximately 2,300 acres will remain in Tier I of the S.Y. Hartt project.

Property Description

Currently the ranch is operating with 5,600+/- acres of cattle and 1,100+/- acres of citrus along with 350 acres of sod, hay and feed grasses. The ranch is actively hunted for game species such as whitetail deer and turkey.

The ranch is located within the Northern Everglades Watershed and is composed of freshwater marshes, oak hammocks, swamps, wet and dry prairies, cypress domes, improved pasture, and citrus. It includes native pine flatwoods, several picturesque live oak hammocks, and a pristine cypress/hardwood forest buffering Arbuckle Creek, which flows through the ranch. The ranch borders the Lake Wales Ridge, adjoining the Lake Wales Ridge National Wildlife Refuge, and lies in near proximity to the Avon Park Air Force Range.

Item 6, cont.

Arbuckle Creek is the major natural feature of the ranch as it flows through the property for several miles. The Hartt's have worked to protect and preserve the natural shoreline of Arbuckle Creek as a buffer to the agricultural uses of the ranch. Several small drier "scrub" ridges remain with remnant native oak/pine vegetation.

The Arbuckle Creek Watershed Florida Forever Project encompasses the S.Y. Hartt property. As stated in the Florida Forever Project, *"Acquiring the Arbuckle Creek Watershed would preserve agricultural lands under threat of conversion to residential use by using a less-than-fee acquisition, and provide resource protection for Lake Istokpoga and the Greater Everglades Ecosystem. Arbuckle Creek is a major tributary into Lake Istokpoga, which is part of the watershed of the Greater Everglades Ecosystem. The proposed Arbuckle Creek Florida Forever project consists of multiple large tracts of land that are mostly complete and contiguous, border Arbuckle Creek and act as a wildlife and eco-corridor. Also of significance is that the properties are either contiguous to or near the southwestern boundary of Avon Park Air Force Range. Combined, they create an open space protection buffer to the military base."*

The entire S.Y. Hartt Ranch drains into Arbuckle Creek, which flows into Lake Arbuckle, then Lake Istokpoga, and eventually into Lake Okeechobee. This is all part of the Kissimmee River Watershed. The Lake Wales Ridge borders the property on the west side, providing a flow of water through the ranch almost every day of the year. The 2,059-acre WRP easement calls for wetland restoration with the retention of some water leaving the ridge prior to entering Arbuckle Creek.

The S.Y. Hartt #3 RFLPP Easement (Property) will place 4.5 miles of Arbuckle Creek (on both sides), 1.5 miles on the east side, and 1.5 miles of tributaries and ox bows that are connected to the main creek, under conservation.

The Property is home to a myriad of native plants and animals, some of which are listed as threatened and endangered species, which include: wild turkey, deer, hogs, indigo snakes, alligator, quail, coyotes, bald eagles, grasshopper sparrows, scrub jays, gopher tortoises, and black bear.

PROHIBITED USES:

- Dumping of non-biodegradable, toxic or hazardous substances, trash garbage, wastes, abandoned vehicles, appliances, machinery or similar material is prohibited.
- The exploration for and extraction of oil, gas, minerals, dolostone, peat, muck, marl, limestone, limerock, kaolin, fuller's earth, phosphate, common clays, gravel, shell, sand and similar substances either directly or indirectly.
- Activities that affect the hydrology of the land or that detrimentally affect water conservation, erosion control, soil conservation, or fish and wildlife habitat, etc.

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- Planting of nuisance exotic or non-native plants as listed by the Exotic Pest Plant Council (EPPC) or its successor and to the extent practical, control and prevent the spread of nuisance exotics or non-native plants on the Property.
- Concentrated and confined animal feed lot operations.
- New construction or placing of temporary or permanent buildings, mobile homes or other structures in, on or above the ground of the Property except as may be permitted hereinafter, or as necessary for maintenance or normal operations of the Property or during emergency situations.
- Construction or placing of roads, billboards or other advertising, utilities, or structures, except those structures and unpaved roads necessary for the agricultural operations on the land or structures necessary for other activities allowed under the Easement, and except for linear facilities described in section 704.06(11), F.S.
- Fertilizer use for agriculture activities not in accordance with agricultural Best Management Practices recommended by the Natural Resources Conservation Service or the Florida Department of Agriculture and Consumer Services, whichever is more stringent, as those Best Management Practices may be amended from time to time. No agricultural activities shall occur within a 100-foot buffer around sinkholes and other karst features that are connected to spring conduits, except as provided in the applicable Best Management Practices.
- Actions or activities that may reasonably be expected to adversely affect threatened or endangered species.
- Commercial water wells on the Property.
- Cutting of cypress trees anywhere on the Property.
- Mitigation banks pursuant to section 373.4135, et. seq., F.S.
- Conversion of Special Natural Areas to more improved areas.
- Activities detrimental to the preservation of historical, architectural, archaeological, or cultural resources on the Property.
- Conversion of forested areas to non-forested areas as shown in the Baseline Documentation Report within the Significant Natural Areas.

OWNER'S RIGHTS:

- Agriculture and Related Rights.

Item 6, cont.

- The underlying fee simple title absolute in the Property.
- The right to conduct prescribed burning on the Property; provided, however, that the owner shall obtain and comply with a prescribed fire authorization from the Florida Forest Service of the Florida Department of Agriculture and Consumer Services or its successor agency.
- The right to mortgage the Property; provided, however, that the Mortgagee's lien shall be inferior to and lower in priority than the Easement.
- The right to contest tax appraisals, assessments, taxes and other charges on the Property.
- The right to continue to use, maintain, repair, and reconstruct, all existing buildings, barns, animal pens, outbuildings, fences, roads, ponds, wells, utilities, drainage ditches and such other facilities on the Property as depicted in the Baseline Documentation Report, except on Special Natural Areas.
- The right to sell, devise or otherwise transfer ownership of the Property to a third party. This right, however, does not include the right to sell the remaining property rights on the Property for the purposes of a conservation easement or other restriction that would divest the Property of its use under the terms and conditions of this Easement.
- The right to exclusive use of the improvements on the Property.
- Grantor shall obtain and comply with all permits for management of stormwater, for water wells and consumptive uses as may be required by the water management district or any successor agency having jurisdiction over those activities.
- The right to construct, after giving notice to FFS, buildings or other structures incident to agricultural uses carried on in accordance with sound agricultural practices. Such buildings shall not be used as residences.
- Grantor may establish (by survey, fencing, or marking) and maintaining property lines around the perimeter of the Property to protect the Property from trespassing and to assist Grantor in the management of the Property in accordance with this Easement.
- The right to observe, maintain, photograph, introduce and stock native fish or wildlife on the Property, to use the Property for hiking and horseback riding. The Owner reserves, and shall continue to own, the hunting and fishing rights on or related to the Property and may lease and sell privileges of such rights.

Item 6, cont.

- Subdivision: Grantor reserves the right to subdivide the Property into not more than three individual parcels, of not less than 500 acres each. Grantor shall provide legal descriptions for the three parcels at the time of the subdivision(s). There shall be no further subdivision of the Property which is the subject of this Agreement. These terms were considered in determining the value of the Property.
- Building Envelopes: Grantor reserves the right to develop not more than 3 homesites, of not more than 45,000 contiguous square feet each of impervious surfaces on the Property. Impervious surfaces are defined as material that does not allow water to percolate into the soil on the Property; this includes, but is not limited to, residential buildings, agricultural buildings with or without flooring, paved areas, and any other surfaces that are covered by asphalt, concrete, or roofs. Any such development may not be constructed within the SNAs. Grantor shall provide legal descriptions for the building envelope(s) prior to development. These terms were considered in determining the value of the Property.
- Easements: The granting of easements or rights-of-way for power lines, gas lines, sewer lines, waterlines, telecommunications towers, and wind farms is prohibited. Notwithstanding this prohibition the Grantee may grant or modify easements for utility connections necessary to serve the permitted uses of the Property that are consistent with the Easement Purposes. Existing utilities may be replaced or repaired at their current location.

ENCUMBRANCES:

There are no known encumbrances on the property that adversely affect marketability or the ability to enforce the rights granted under the easement.

MORTGAGES AND LIENS:

All mortgages and liens will be satisfied or subordinated at the time of closing.

On June 22, 1999, the Board of Trustees approved a staff recommendation to delegate to the Department of Environmental Protection (DEP) the authority to review and evaluate marketability issues related to land acquisition as they arise on all Chapter 259, F.S., and to resolve them appropriately. Therefore, DEP staff will review, evaluate and implement an appropriate resolution for these and any other title issues that arise prior to closing.

CLOSING INFORMATION:

A title insurance commitment, a survey, environmental site assessment, and easement documentation report of the Property will be provided by FFS prior to closing.

EASEMENT MONITOR:

This perpetual conservation easement will be monitored by the FFS.

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COMPREHENSIVE PLAN:

This acquisition is consistent with section 187.201(22), F.S., the Agriculture Section of the State Comprehensive Plan.

(See Attachment 6, Pages 1-72)

RECOMMEND APPROVAL