

AGENDA
BOARD OF TRUSTEES OF THE INTERNAL IMPROVEMENT TRUST FUND
AUGUST 16, 2011

Attachments to the items below can be viewed at the following link:
http://www.dep.state.fl.us/secretary/cab/public_notices.htm
Substitute Page

Item 1 Minutes

Submittal of the Minutes from the May 17, 2011 and June 16, 2011 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

Substitute Item 2 BOT/Watson Island Amended and Restated Partial Modification of Deed Restrictions/City of Miami/Flagstone Island Gardens, LLC

WITHDRAWN FROM THE APRIL 5, 2011 AGENDA

REQUEST: Consideration of a request from the City of Miami for an Amended and Restated Partial Modification of Restrictions Deed No. 19447-F to revise the schedule and structure for payments due to the Board of Trustees and to include Flagstone Island Gardens, LLC, as a party to the amended document.

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: Miami-Dade

APPLICANT: City of Miami (City)

LOCATION: Section 31, Township 53 South, Range 42 East, Biscayne Bay Aquatic Preserve, Class III waters, within the local jurisdiction of the City of Miami

CONSIDERATION: Semi-annual payments of 15 percent of the total preconstruction rents and construction rents from 2010, to be paid by Flagstone Island Gardens, LLC (Flagstone), and semi-annual payments of 15 percent of total base rent beginning on October 1, 2021, or upon the completion of the development, whichever occurs first, with a guaranteed minimum annual payment of \$300,000, to be paid by the City.

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Substitute Item 2, cont.

MINIMUM ANNUAL PAYMENTS TO BOARD OF TRUSTEES FROM FLAGSTONE AND CITY

<u>Flagstone Payments to Board of Trustees</u>			<u>City Payments to Board of Trustees</u>		
2010	\$45,000	(to be paid in 2011)	2021	\$300,000	*\$321,000
2011	\$75,000		2022	\$300,000	*\$337,500
2012	\$112,500		2023	\$300,000	*\$347,250
2013	\$150,000		2024	\$300,000	*\$347,250
2014	\$150,000		2025	\$300,000	*\$347,250
2015	\$150,000		2026	\$300,000	*\$347,250
2016	\$171,000		2027	\$300,000	*\$347,250
2017	\$197,250		2028	\$300,000	*\$347,250
2018	\$246,000	*\$283,500	2029	\$300,000	*\$347,250
2019	\$246,000	*\$283,500	2030	\$300,000	*\$347,250
2020	\$283,500	*\$321,000			

* This amount includes additional payment for extensions if applicable

Note: These amounts will be divided into semi-annual payments. Board of Trustees would also receive 15% of percentage rents or other rents received by Flagstone and paid to the City in addition to these amounts. CPI increases will be applicable on the first anniversary of the commencement of the Base Rent for each major project component as set forth in the Ground Lease(s).

STAFF REMARKS:

Background

On June 24, 2004, the Board of Trustees approved a Partial Modification of Restrictions Deed No. 19447-F (“Partial Modification”) for a 24.14-acre parcel of non-conservation lands located on and adjacent to Watson Island. This parcel consists of 10.79 acres of uplands and 13.35 acres of submerged lands. This Partial Modification allows the City to lease this parcel to Flagstone for a state-of-the-art mega yacht marina and mixed-use project on Watson Island. In consideration of the Board of Trustees modifying the public purpose restrictions to allow the City to enter into a public-private, profit making partnership with Flagstone, the City agreed to make semi-annual payments to the Board of Trustees based upon 15 percent of the total gross base rental payments received under the Ground Lease but no less than \$300,000 during each 12-month period after the full base rent is due. The City also agreed to guarantee that Flagstone will spend no less than \$1,000,000 to improve an undeveloped, open space area on the southeast side of Watson Island and the Japanese Garden on Watson Island. These improvements will include: a playground, parking area, security cameras, restroom facilities, observation area or platform, underground utilities, fencing, and open air pavilion which was part of the original approval of the partial modification of restrictions. The original Agreement to Enter into Ground Lease executed January 31, 2003, gave Flagstone 48 months to enter into the Ground Lease with the City. The City has provided Flagstone extensions to enter into a ground lease. The City is requesting an Amended and Restated Partial Modification of Restrictions, which supersedes the Partial Modification, to revise the payment schedule to change when these funds will be paid to the Board of Trustees and to add Flagstone as a party to the Amended and Restated Partial Modification of Restrictions because Flagstone is required to make semi-annual payments to the Board of Trustees until the development is completed or October 1, 2021, whichever occurs first.

Substitute Item 2, cont.

Current Request

The City is requesting the Partial Modification be amended to include the revised payment schedule and structure as indicated in Exhibit A to the City's Resolution R-10-0402 dated September 23, 2010. In addition, Flagstone will become a party to the Amended and Restated Partial Modification of Restrictions because it has agreed to pay the Board of Trustees semi-annual payments of 15 percent of the total preconstruction and construction rents paid to the City on January 1 and July 1 of each calendar year until the development is completed or October 1, 2021, whichever occurs first. After this date, the City will begin making payments to the Board of Trustees. The Amended and Restated Partial Modification of Restrictions will provide that if either Flagstone or the City, fails to make payments as required, the Board of Trustees may terminate the Amended and Restated Partial Modification of Restrictions after the cure period specified in the Amended and Restated Partial Modification of Restrictions expires. Flagstone will also certify in the Amended and Restated Partial Modification of Restrictions that Flagstone has no undischarged judgments entered against it, except for the following: Beach Tower LLC in the principal amount of \$236,203.95; Miller Legg in the principal amount of \$3,989.19; Lillian Ser in the principal amount of \$674,000.00; Stephen James Associates in the principal amount of \$33,155.82; Americas Media Group Worldwide in the principal amount of \$336,924.91; and Pandisco (New York judgment) in the principal amount of \$131,471.18. These judgments will either be discharged or funds delivered to the Miami-Dade County Clerk of the Courts' Registry on or before January 17, 2012, to be held in an escrow account in an amount not less than 125 percent of the total remaining outstanding principal balance of all undischarged judgments.

If approved, these revisions will provide additional revenue to the state of approximately \$1,050,750, to be paid directly by Flagstone, which was not part of the original 2004 Board of Trustees' approval. In addition, this project will create new jobs. The Department of Environmental Protection recommends that the Board of Trustees approve the Amended and Restated Partial Modification of Restrictions to revise the payment schedule to the Board of Trustees and to include Flagstone as a party to the Amended and Restated Partial Modification of Restrictions. The Amended and Restated Partial Modification of Restrictions also requires that any material amendments to the Ground Lease and/or the Agreement to Enter must first receive prior Board of Trustees' approval.

Comprehensive Plan

A local government comprehensive plan has been adopted for this area pursuant to section 163.3167, F.S. The Department of Community Affairs has determined that the plan is in compliance. The proposed action is consistent with the adopted plan according to a letter received by the City.

(See Attachment 2, Pages 1-65)

Substitute Item 2, cont.

RECOMMEND APPROVAL SUBJECT TO (i) THE CITY'S APPROVAL OF THE AMENDED AND RESTATED PARTIAL MODIFICATION OF RESTRICTIONS IN THE SAME FORM APPROVED BY THE BOARD OF TRUSTEES; AND (ii) FLAGSTONE'S DISCHARGE OF ALL UNDISCHARGED JUDGMENTS OR DELIVERY TO THE MIAMI-DADE COUNTY CLERK OF THE COURTS' REGISTRY ON OR BEFORE JANUARY 17, 2012, TO BE HELD IN AN ESCROW ACCOUNT, OF AN AMOUNT NOT LESS THAN 125% OF THE TOTAL REMAINING OUTSTANDING BALANCE OF ALL UNDISCHARGED JUDGMENTS.

Substitute Item 3 Crown Castle GT Company, LLC Lease/E911 Wireless Communication Facility/ Lease Termination/Babcock Ranch

REQUEST: Consideration of (1) a request to terminate an existing wireless communication facility lease assumed by the Board of Trustees on July 31, 2006, as part of the Babcock Ranch acquisition; and (2) approval of a five-year lease, with four additional five-year renewal terms, for the existing wireless communication facility located on approximately 10 acres of state-owned land, between the Board of Trustees and Crown Castle GT Company, LLC.

VOTING REQUIREMENT FOR APPROVAL: Three votes

COUNTY: Charlotte

APPLICANT: Crown Castle GT Company, LLC (Crown Castle)

LOCATION: Section 06, Township 41 South, Range 26 East

CONSIDERATION: \$65,000 for the first year of the wireless communications facility lease (Lease). This amount is comprised of \$18,000 in base rents and approximately \$47,000 in sublease and/or license fees received from existing service providers co-located on the cell tower. The base rent amount will be escalated at four percent per annum for the remainder of the lease term, as provided for in the Lease, and 40 percent of sublease and/or license fees received from service providers co-located on the cell tower. Total income over the 25-year-term of the lease is approximately \$749,626 not including royalties derived from co-located providers, which are subject to increase or decrease. These rental fees will be collected quarterly by the Department of Environmental Protection (DEP) and the funds forwarded to the current lead manager, Babcock Ranch Management, LLC (Babcock), pursuant to the management agreement.

Substitute Item 3, cont.

STAFF REMARKS:

Background

On November 22, 2005, the Board of Trustees approved a purchase agreement for the acquisition of 73,476.5 acres within the Babcock Ranch Florida Forever project from MSKP III, Inc. The Board of Trustees was assigned and assumed the existing lease over approximately 10 acres of the lands purchased from MSKP III, Inc., located in Charlotte County. The assumed lease provided for minimal rents and bartered wireless equipment, with the maximum rent of \$3,500 per year. The existing lease is scheduled to expire in 2013, and Babcock is currently receiving these rents (\$3,500 per year) for management of the state-owned portion of Babcock Ranch, pursuant to the management agreement. The existing cell tower which was constructed in 1994 is approximately 300 feet tall and is free standing without guy wires which historically has had minimal impact on migratory birds according to federal and state wildlife agencies. The cell tower is located approximately 300 feet from the right-of-way of Bermont Road and the leased area includes a dirt road for access to the cell tower.

Current Request

Crown Castle currently collects sublease/license fees from MetroPCS Florida, LLC, Charlotte County Board of County Commissioners, and Verizon Wireless. Crown Castle is requesting a Lease prior to the 2013 expiration of the existing lease in order to attract new co-locators on the tower as well as to retain existing co-locators. Since the existing cell tower qualifies as an E-911 system pursuant to section 365.172, F.S., and rule 60H-9.001, F.A.C., the Department of Management Services negotiated the Lease with review and input from the owner agency (DEP as staff to the Board of Trustees) and the managing agencies (Babcock, Department of Agriculture and Consumer Services, Florida Forest Service, and Florida Fish and Wildlife Conservation Commission).

If approved, this Lease will significantly increase revenue for the operation and management of the state-owned portion of Babcock Ranch. DEP recommends that the Board of Trustees approve the termination of the existing lease, assumed by the Board of Trustees on July 31, 2006, and approve the five-year Lease, with four additional five-year renewal terms, between the Board of Trustees and Crown Castle which will increase the revenue for this site in just the first year from \$3,500 to \$65,000.

Comprehensive Plan

A consideration of the status of the local government comprehensive plan was not made for this item. DEP has determined that the proposed action is not subject to the local government planning process.

(See Attachment 3, Pages 1-94)

RECOMMEND APPROVAL

Item 4 Carol Foster/Rudy Ungerer Sale and Purchase Contract/Determination/Reclaimed River Bottom/Caloosahatchee River

REQUEST: Consideration of (1) a determination that, pursuant to Article X, section 11 of the Florida Constitution, section 253.12, F.S., and section 18-21.004(1)(a), F.A.C., it is in the public interest to convey a 0.34-acre parcel of state-owned reclaimed river bottom in Hendry County; and (2) approval of a contract for sale and purchase of the 0.34-acre parcel, more or less, to Carol Foster and Rudy Ungerer.

VOTING REQUIREMENT FOR APPROVAL: Three votes

COUNTY: Hendry

APPLICANTS: Carol Foster and Rudy Ungerer

LOCATION: Section 05, Township 43 South, Range 29 East

CONSIDERATION: \$1,800 to be deposited in the Internal Improvement Trust Fund

<u>PARCEL</u>	<u>ACRES</u>	APPRAISED BY		<u>APPROVED VALUE</u>	<u>PURCHASE PRICE</u>	<u>CLOSING DATE</u>
		Devos (12/19/09)				
Hendry County Reclaimed River Bottom	0.34+/-	\$1,500		\$1,500	\$1,800	120 days after BOT approval

STAFF REMARKS:

Project Description

The subject parcel is located within an oxbow of the old Caloosahatchee River and is not managed. The river bed was drained and abandoned in the 1930's when the river was converted into a canal by the U.S. Army Corps of Engineers. In the 1950's and 60's, portions of the reclaimed riverbed were deeded to the individual landowners immediately to the east of the subject parcel.

Constitutional and Statute Requirements

Pursuant to Article X, section 11, of the Florida Constitution, section 253.12, F.S., and section 18-21.004(1)(a), F.A.C., the Board of Trustees may convey sovereignty lands if an evaluation of the benefits and costs of the request shows that conveyance is in the public interest. The Department of Environmental Protection (DEP) recommends the Board of Trustees find it is in the public interest to convey this parcel for the following reasons:

- the abandoned river bed is not managed;
- the parcel is too small and constrained to be effectively managed;
- there is no significant resource value for the parcel because the majority of the abandoned river bed has already been sold to adjacent land owners and as such, cannot be flooded and restored to its original state; and
- sale of this parcel will eliminate liability for the Board of Trustees.

Item 4, cont.

Noticing

Pursuant to section 253.111(5), F.S., the applicants are the upland riparian landowners; therefore, noticing was not required. Both the U.S. Army Corps of Engineers and the South Florida Water Management District were notified of the proposed sale and no objections were received.

Comprehensive Plan

A consideration of the status of the local government comprehensive plan was not made for this item. DEP has determined that land conveyances are not subject to the local government planning process.

(See Attachment 4, Pages 1-13)

RECOMMEND APPROVAL

Substitute Item 5 Chapters 18-14, 18-18, 18-20 and 18-21, F.A.C., Rule Repeals

REQUEST: Consideration of a request to enter into rulemaking to repeal rules 18-14.004, 18-18.011, 18-18.016, 18-20.008, 18-20.009, and 18-21.001, F.A.C., which substantially restate the language of the statute; and to repeal rules 18-21.00405 and 18-21.0081, F.A.C., which are no longer needed.

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: Department of Environmental Protection

LOCATION: Statewide

STAFF REMARKS: By Executive Order 11-72, Governor Scott directed each agency under his direction, to, among other things, submit a comprehensive review of existing rules and regulations, with recommendations as to whether any rule or regulation should be revised or repealed. The Department of Environmental Protection participated in the review of its rules on its own behalf as an agency under the direction of the Governor, and as staff to the Board of Trustees. The Office of Fiscal Accountability and Regulatory Reform (OFARR) has established a schedule for the repeal of rules identified during the review. The schedule requires the Board of Trustees to request OFARR authorization to publish Notices of Proposed Rule Repeal for each rule identified in the review during a two month window, beginning October 1, 2011.

Chapter 18-14, F.A.C., provides for the imposition of fines against a person who willfully damages state land, willfully damages or removes products from state land in violation of state or federal law, or knowingly refuses to comply with or willfully violates the provisions of Chapter

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Substitute Item 5, cont.

253, F.S. Rule 18-14.004, F.A.C., provides that an activity authorized by the Board of Trustees and conducted in conformance with Board of Trustees' authorization is not a violation. Rule 18-14.004, F.A.C., is unnecessary as the rule chapter is predicated on a violation of chapter 253, F.S., or a violation of Board of Trustees' authority.

Rule 18-18.011, F.A.C., purports to authorize the Board of Trustees to enter into agreement with owners of private lands for management of those lands as a part of Biscayne Bay Aquatic Preserve. This rule is duplicative of existing statutory language in section 258.397(3)(e), F.S., (formerly section 258.397(4), F.S.), rendering the rule unnecessary.

Rule 18-18.016, F.A.C., provides for enforcement of the Biscayne Bay Aquatic Preserve rules pursuant to law. The rule is duplicative of section 258.397(7), F.A.C., which authorizes enforcement against violations of the Biscayne Bay Aquatic Preserve rules.

Rule 18-20.008, F.A.C., identifies the scope of the aquatic preserves and provides for the leasing or dedication of private bottomlands desired by their owners to be included in the preserves. The rule is duplicative of sections 258.40 and 258.41, F.S. As a result, the rule is unnecessary.

Rule 18-20.009, F.A.C., provides the manner in which aquatic preserves may be enlarged and, therefore, is duplicative of section 258.41, F.S., and unnecessary.

Rule 18-21.001, F.A.C., sets out the intent of rule chapter 18-21, F.A.C., repeating the Board of Trustees' role as fiduciary to manage and control state lands. This text duplicates sections 253.03 and 253.12, F.S., and is therefore unnecessary.

Rules 18-21.00405 and 18-21.0081, F.A.C., set out the program to register existing structures on sovereign submerged lands under the Grandfather Structure Registration program. Registration originally ended June 30, 1984, and was extended to April 1, 1991. All registered structures were required to obtain a lease by January 1, 1998. The program has ended. As a result, the rules are now unnecessary.

If the proposed repeal of these rule sections is approved by the Board of Trustees, the Department of Environmental Protection will submit a repeal request to the Office of Fiscal Accountability and Regulatory Reform and publish a Notice of Proposed Repeal in the *Florida Administrative Weekly*.

(See Attachment 5, Pages 1-5)

RECOMMEND APPROVAL

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Item 6 The Conservation Fund Option Agreement/Big Bend Wildlife Management Area/Jena Unit/Fish and Wildlife Conservation Commission’s Additions and Inholdings Program

REQUEST: Consideration of (1) an option agreement to acquire 63.58 acres within the Florida Fish and Wildlife Conservation Commission’s Big Bend Wildlife Management Area, Jena Unit, Florida Forever Additions and Inholdings project from The Conservation Fund; and (2) authorization to place restrictions on the conveyance document pursuant to the federal grant requirements.

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: Dixie

APPLICANT: Florida Fish and Wildlife Conservation Commission (FWC)

LOCATION: Section 26, Township 09 South, Range 09 East

CONSIDERATION: \$850,000 (If approved, the Board of Trustees’ consideration may be reduced by \$467,500 or 55 percent, by the U.S. Fish and Wildlife Service National Coastal Wetlands Conservation Grant. The Board of Trustees’ portion, paid from FWC’s Florida Forever Trust Fund, would then be \$382,500 or 45 percent.)

<u>PARCEL</u>	<u>ACRES</u>	<u>APPRAISED BY</u>		<u>MAXIMUM APPROVED VALUE</u>	<u>SELLER’S PURCHASE PRICE</u>	<u>TRUSTEES’ PURCHASE PRICE</u>	<u>OPTION DATE</u>
		<u>(12/07/10)</u> Ryan	<u>(01/20/11)</u> Marr				
Freeman	63.58*	\$850,000	\$730,000	\$850,000	\$1,055,000**	\$850,000*** (100%)	120 days after BOT approval

* The appraisal does not include 159.97 submerged land acres that are included in the legal description.

** Mr. Freeman acquired a portion of the property in 1985 and acquired the remaining amount in 2005.

*** Price per acre is \$13,369 for 63.58 acres.

STAFF REMARKS: This acquisition was negotiated by FWC and is eligible for funding under its Florida Forever Additions and Inholdings Program.

Project Description

Much of Florida’s Gulf coast from Levy County around Apalachee Bay to Franklin County is a wilderness of seagrass beds, salt marshes, oak and palm hammocks, and pine flatwoods instead of the sandy beaches so popular in tourist brochures. The Big Bend Wildlife Management Area (WMA) conserves miles of coastline, protecting the recreational fishery that depends on healthy seagrass beds. The region supports populations of wildlife such as Florida black bear, bald eagles, gopher tortoise and West Indian manatee. It also provides public areas for canoeing, kayaking, camping, hiking and hunting, as well as fishing. The WMA directly influences the water quality of the adjacent Big Bend Seagrasses Aquatic Preserve and several archaeological sites have been found.

Item 6, cont.

Federal Grant Information

This acquisition was approved for funding through the National Coastal Wetlands Grant Program, by the United States Department of the Interior, Fish and Wildlife Service, State Grant Award: FL-C-42, on July 1, 2011 and expires on June 30, 2012. The grant amount approved is 55 percent of the purchase price or a maximum of \$1,000,000.

The following language must be inserted on the recorded deed:

This property was acquired (in part) with funds provided by the U. S. Department of Interior, Fish and Wildlife Service, pursuant to the National Coastal Wetlands Conservation Grant Program, covered under grant award FL-C-42 and will be managed for the purpose of this Grant Award, in accordance with applicable federal and State law. Property may not be disposed of in any manner, or used for purposes inconsistent with the Program for which it was acquired, without the prior written approval of the Regional Director – Southeast Region, U. S. Fish and Wildlife Service.

Other Grant requirements are as follows:

- receipt of an appraisal and review appraisal report by State licensed appraisers;
- the land must be acquired and managed for the purposes identified in the Grant Award;
- the final performance report for acquisitions must include a copy of the recorded deed, title insurance policy and land survey; and
- the property should be identified with appropriate signage (Federal Assistance Logo).

Mortgages and Liens

All mortgages and liens will be satisfied at the time of closing. There is an outstanding undivided one-half interest oil, gas, and mineral reservation in favor of Brooks-Scanlon, Inc. According to the deed document dated October 4, 1951, the reservation shall expire at the end of ten years (October 4, 1961) unless oil or gas is then being produced in commercial quantities in any block of 5,000 acres (more or less). Brooks-Scanlon, Inc. has not been active since 1962 and its agent has not been active since 1973. The vesting deed dated March 25, 2005 placed a deed restriction on the property for the number of building units allowed. The reservation and deed restriction was considered by the appraisers when determining their final value.

The subject property is improved with a partially completed single-family residence. The living area is 1,024 square feet. There are two decks of 790 and 120 square feet, off the living area, and a deck of 1,024 square feet, below the living area. The home is stilt constructed approximately 20 feet above ground level elevation. The parcel legal description is comprised of 30.11 upland acres, 33.47 jurisdictional wetland acres and 159.97 submerged land acres.

Item 6, cont.

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 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 these and any other title issues that arise prior to closing.

Closing Information

A title insurance policy, a survey and an environmental site assessment of the property will be provided by FWC prior to closing.

Management

The parcel will be managed by FWC as an addition to the Big Bend Wildlife Management Area, Jena Tract. The future plan for the partially completed residence has not been determined. FWC is discussing the many possible uses and the costs to implement those uses before making a final determination.

Comprehensive Plan

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 6, Pages 1-51)

RECOMMEND APPROVAL

2nd Substitute Item 7 BOT/Seminole Boosters, Inc. Exchange Agreement/Determination

REQUEST: Consideration of (1) a determination that, pursuant to section 18-2.018(3)(b)1.c., F.A.C., an exchange of a 0.93-acre parcel of state-owned non-conservation land in Leon County provides a greater benefit to the public than its retention in Board of Trustees' ownership; and (2) approval of an exchange agreement to convey the 0.93-acre parcel of state-owned land in exchange for 2.02 acres owned by Seminole Boosters, Inc., a Florida nonprofit corporation.

VOTING REQUIREMENT FOR APPROVAL: Three votes

COUNTY: Leon

APPLICANT: Florida State University (FSU)

LOCATION: Section 02, Township 01 South, Range 01 West (Parcel 1); and Section 35, Township 01 North, Range 01 West (Parcel 2)

2nd Substitute Item 7, cont.

CONSIDERATION: Value-for-value with FSU to pay \$85,000 cash boot to Seminole Boosters, Inc.

		APPRAISED BY		
<u>PARCEL</u>	<u>ACRES</u>	Dane	EXCHANGE	CLOSING
		<u>06/25/10</u>	<u>VALUE</u>	<u>DATE</u>
Parcel 1 (Boosters)	2.02	\$900,000	\$900,000	120 days after BOT approval
		Marr		
		<u>04/14/10</u>		
Parcel 2 (BOT)	0.93	\$815,000	\$815,000	

STAFF REMARKS:

Background

In 1992, the Board of Trustees purchased this 0.93-acre parcel located on West Madison Street as part of the FSU campus expansion. The parcel is currently being used as a transfer station for the recycling of white paper, aluminum and glass waste for FSU’s recycling center located across the street. The 2.02-acre parcel owned by the Seminole Boosters, Inc. (Boosters) was purchased on June 2, 2010, and is located west of Lake Bradford Road and it fronts on three roads, including Crate Street, Eppes Drive and Airport Drive. This parcel is improved with three buildings located on the property which total approximately 22,628 square feet. These buildings are over 45 years old and are in average condition. The site also is improved with covered concrete overhang areas which total 9,465 square feet. Other site improvements include asphalt parking lots, concrete slabs, and chain link fencing.

Current Request

FSU is requesting approval of an exchange that will allow FSU to relocate both the transfer station and recycling center to one location. In addition, FSU has advised that they will be able to use the existing buildings located on the proposed acquisition parcel, with minimal cost of renovation.

The acquisition of the state-owned parcel is important for the Boosters development of plans for College Town because it gives the Boosters nearly six contiguous acres of land stretching from Woodward Avenue, on the edge of campus, to Collier Street.

In response to the City of Tallahassee’s (City) long-time commitment to the Revitalization of the Gaines Street District, the Boosters are working together with FSU, the City, the Community Redevelopment Agency, as well as private investors to create a mixed-use development in the vicinity of FSU’s southern edge with places to live, work, shop, dine and visit. As an initial phase of a broader vision for the Gaines Street District, this project will serve as a catalyst for other development in the area. The project plans of Boosters include a 134,000-square-foot mixed-use development on approximately 5 acres of designated brownfield located along the south side of West Madison Street adjacent to its intersection with Woodward Avenue. This development project represents a \$19 million investment (over and above land costs) and will include approximately 60,000 square feet of retail space and 71 residential apartments. After

2nd Substitute Item 7, cont.

almost three years in the planning and design stage, the entitlement process is now near completion with construction scheduled to begin in the fourth quarter of 2011. The Tallahassee Chamber of Commerce and the Economic Development Council estimate this development will create 400 construction jobs and 200 permanent jobs.

Noticing

State agencies and state universities were noticed pursuant to section 253.034, F.S., and no interest was received. Pursuant to section 253.111, F.S., exchanges are exempt from county notice.

Mineral Interests

Both the Board of Trustees and Boosters will convey their respective lands without a reservation for phosphate, mineral, metal and petroleum interests as provided by section 253.62, F.S.

Comprehensive Plan

DEP has determined that conveyances of land are not subject to the local government planning process. The acquisition of the Boosters' parcel is consistent with section 187.201(17), F.S., the Public Facilities' section of the State Comprehensive Plan.

(See Attachment 7, Pages 1-39)

RECOMMEND PENDING