



**City of Bradenton  
CCRA Special Board Meeting Minutes  
January 4, 2007**

**Roll Call**

*CCRA Board:*

*Stephen Thompson, Chairman  
Irene Ingram, Vice Chair  
Ed Leonard, Treasurer  
Steven Lezman  
Mike Rosario*

*CCRA and City Staff:*

*William R. Lisch, City Attorney  
Sherod R.*

**Call to Order**

Mr. Thompson calls the special meeting of the CCRA Board to order at 5:09 PM and leads the pledge of allegiance.

**Lee Property – 2304 9<sup>th</sup> Avenue East**

The Lee Property is the last piece of property needed for the Norma Lloyd Park complex. For the board's review, in the board packets are a copy of the contract for the amount of \$368,000, which is consistent with the amount of the high appraisal. Inasmuch as the board has discussed this purchase at many previous meetings, and inasmuch as there have been multiple appraisals, Mr. Halliburton is looking for a motion for the final approval to purchase the property at this price. Mr. Rosario makes the motion to purchase the property at 2304 9<sup>th</sup> Avenue East and Mr. Lezman seconds the motion. Mr. Thompson inquires as to the addendum in the contract that allows the seller to stay in the home for 12 months. Mr. Halliburton explains that the sellers are going to build a home, and that this clause was put into the contract to allow them time to build, and if the CCRA should need the property before the 12 months expires the contract allows for the CCRA to request that the Lees find alternate lodging (with a 30 day notice), with the CCRA providing \$1000 per month housing reimbursement. Mr. Thompson affirms that this parcel of land is vital for the park, so he supports the purchase. Mr. Lezman asks if there will be a formal lease, and Mr. Halliburton states that there will be. The motion passes unanimously with no further discussion. The Lee Property acquisition will be paid for out of the \$750,000 budgeted for Norma Lloyd Park for this year.

**Martin Luther King Avenue East and 15<sup>th</sup> Street East**

A contract was drawn up with the seller in the amount of \$550,000, pending board approval, and pending an acceptable appraisal. The appraisal came back in the amount of \$510,000, and the CCRA has since requested a level one environmental study, which has revealed potential problems. A large manufacturing facility operated at that site, railroad tracks ran through the site, and a most recently a gas station operated there from 1970 to 1985. The EPA changed its regulations on what was required of gas stations in 1986, which makes the environmental health of the property uncertain. With this information, and the uncertainty of what contamination could be on the property, Mr. Halliburton is uncomfortable with the board moving forward with the purchase. He would recommend saying no to the contract—a full-blown level two evaluation would cost \$17,000. If the seller would like to do the level two evaluation and return with the findings, then he would recommend returning to consider the purchase, but for now, Mr. Halliburton's recommendation is to not purchase the property. Mr. Thompson clarifies the status of the contract. Mr. Halliburton states that currently, the contract amount is \$550,000, and that the contingencies are built into it: 1) the board must approve the contract 2) the contract can be voided by an appraisal less than \$550,000, and 3) it must be approved by the City Council. Therefore, in order to move forward, a new contract would have to be renegotiated. Mr. Thompson would like for Mr. Lisch to draft a letter stating that the CCRA is withdrawing from the contract, and stating the conditions under which they would reconsider the purchase. Mr. Leonard expresses concern that any communications with the seller would not mislead them from a budgetary standpoint: if they were to spend the money for the level two evaluation, the CCRA cannot guarantee that they have that amount of money in their budget. Ms. Ingram would like to see a summary report of the level one environmental study. Mr. Rosario recommends that the CCRA have the realtor check line 133 ("Feasibility Study") which would give the CCRA the absolute authority to decline a purchase because of issues such as this. The board is in agreement that the communications with the seller should be clear that obtaining a level two evaluation does not mean that the CCRA will automatically buy the property at the desired selling price. Ms. Ingram inquires as to the previously discussed possibility of selling three properties from outside of the footprint of the CCRA projects. The daycare property and one other scattered property have the potential to generate \$260,000, based on their purchase prices, and the library property has the potential to generate \$500,000 at minimum. Mr. Thompson agrees with Ms. Ingram, and expresses his continued interest in the property, if the issues brought up could be resolved. Mr. Thompson calls for a motion. Mr. Rosario makes a motion for Mr. Lisch to draft a letter to the sellers stating that the board does not approve the contract (thus making it void), but expressing the board's continued interest in purchasing the property if the seller obtains a level two environmental evaluation (at their expense), while making it clear that the desired price is a concern. Mr. Leonard seconds. The motion passes unanimously, with no further discussion.

### **Return to Lee Property Discussion**

Mr. Thompson asks Mr. Lisch to prepare the lease statement to be signed at the closing, and Mr. Lisch confirms that he will. Mr. Lisch also calls attention to the clause that provides for them to receive \$1000 per month, should they choose to leave early (should *they* choose to quit the property, or if the CCRA ask them to quit it). The contract also requires the CCRA to pay the 3 ½ % brokerage fee. Mr. Lisch asks if the board has a problem moving the close date back from

January 17<sup>th</sup>, because there may be a problem getting the title work back, and the board states that they do not object.

### **636 10<sup>th</sup> Avenue East Purchase**

The largest question for this acquisition is how this property will be paid for. There are \$430,000 in property acquisition carryovers from last year, so the purchase could be funded from those overages, and would not have to be financed. \$330,000 was committed to the Lee Property, and \$100,000 was for county frontage. The property is located within Washington Park, very close to property already owned by the CCRA. This property is in disrepair and code enforcement has approached them and recommended that it be knocked down. The owners of the property have approached the CCRA about buying it, so that they can retain some of its value. The owners of this property also own several other parcels that are directly in the CCRA focus area in Washington Park. With all of the properties that the CCRA already owns, all of the properties that this family owns, and some other properties in close proximity, there is the potential to assemble close to seven acres of property within the next few years, within Washington Park. Mr. Halliburton is recommending that the CCRA focus on the area where that the CCRA already has a foothold, acquire this lot for \$60,000, and move forward because of the opportunity to acquire the subsequent lots. Mr. Leonard inquires as to whether or not an appraisal is necessary. Several board members inquire about the lot size. Mr. Halliburton stated that due to the low price offered by the seller, his greatest concern was an amicable transaction, due to the potential for other property purchases within the same family. Mr. Halliburton would also like to move quickly, because a third party real estate speculator has entered into the equation, and if this third party is able to secure the property, the price to reclaim the property will be significantly more. Mr. Thompson calls for a motion. Mr. Leonard makes a motion to purchase the lot for the price of \$60,000 and Mr. Lezman seconds. Mr. Thompson asks if Mr. Leonard would like to add a clause to the contract that ties acceptance of the contract into an appraisal, and Mr. Leonard states that he is in favor of the purchase, without an appraisal. The motion carries unanimously, with no further discussion.

### **Next Meeting Dates**

- *Joint Committee Meeting 18<sup>th</sup>*
- *CCRA Board Meeting January 25, 2007*

### **Adjournment**

Ms. Ingram makes the motion to adjourn, Mr. Leonard seconds, the motion carries unanimously, and the meeting is adjourned at 5:49 PM.

**Minutes Submitted By:** \_\_\_\_\_

**Minutes Approved By:** \_\_\_\_\_