



100 YEARS of SERVICE | 1912-2012

City Commission Meeting

GRU Railspur Property Sale

April 19, 2012



Background

- GRU currently owns 19 parcels of land
- Nine parcels in Alachua County
 - The largest of which is 95 acres on the Santa Fe River
- The remaining 10 parcels are in Union County
- Originally purchased in the early 90s to create a rail spur from Deerhaven (DH) to Norfolk Southern Railroad in Lake Butler
- Due to difficulties in negotiations with CSX to deliver coal to DH
- Project was disbanded when GRU negotiated a favorable long term contract with CSX

GRU Concerns

- Ongoing issues with trespassers vandalizing the GRU property and adjoining properties - disposing of garbage, etc.
- Maintenance of the property
- GRU does not have resources to patrol the property
- Liability



GRU Goals

- Relief from maintenance and liability of the property
- Market value return on investment for customers
- Retention of rights to the property - should we require access for utility easements



Rail Spur Property Liquidation Project History

- Referred by City Commission to Recreation Cultural Affairs Public Works Committee (RCAPW) 1/08
- Presentations made to RCAPW in Feb. '08, Aug. '08, and Jan. '09. – recommendation made to seek CCOM approval for liquidation
- February 19, 2009 CCOM approved Rail Spur Liquidation
 - Declared the rail spur property as surplus
 - Authorized the General Manager to enter into a one year option agreement with Alachua Conservation Trust (ACT) with option to extend for one year
 - Authorized General Manger to enter into Purchase & Sale Agreements for sale of northern corridor parcels to adjacent land owners in Union County

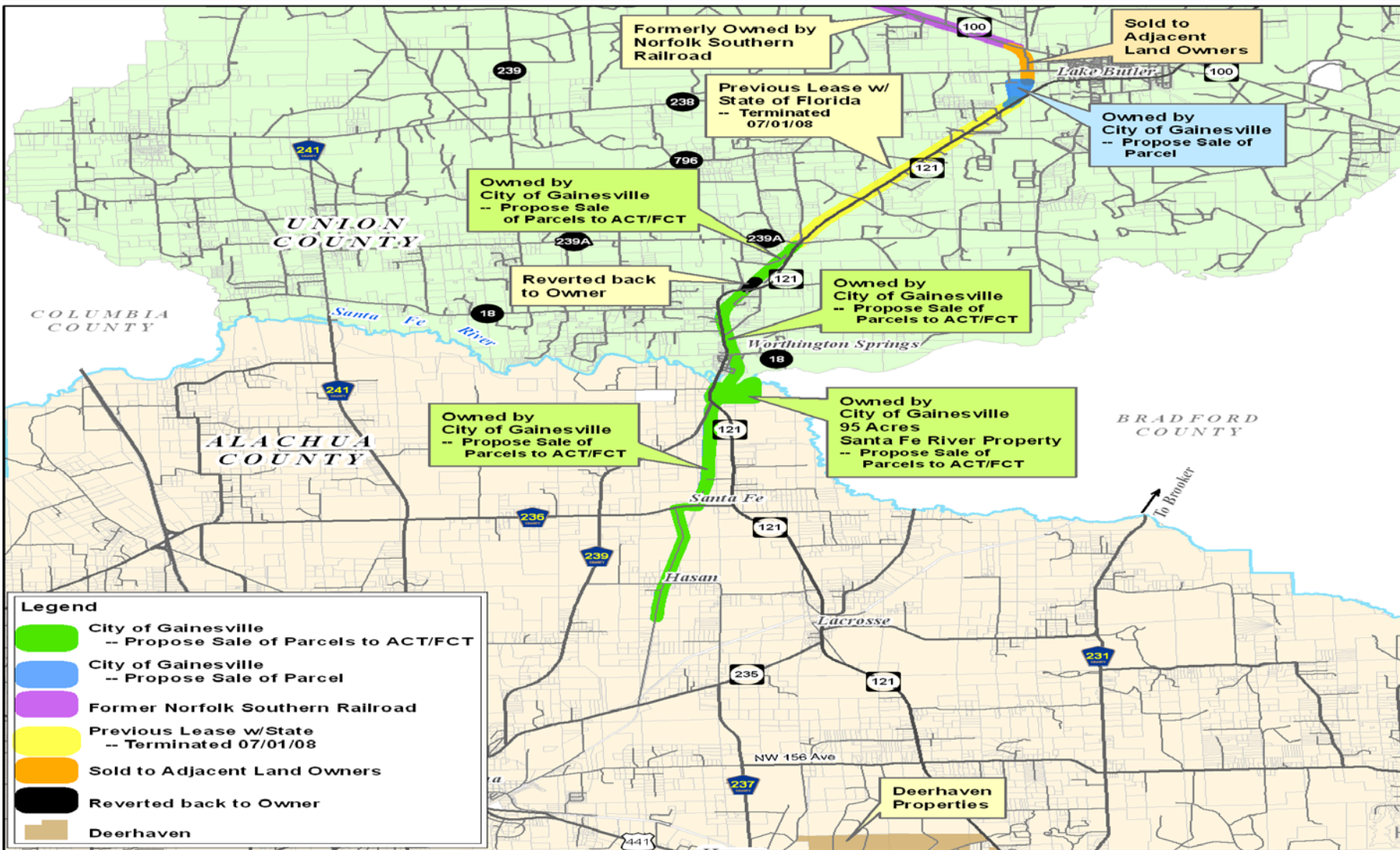
Rail Spur Property Liquidation Project History

- 2009 - No funding available for ACT to purchase rail corridor. Worked with Alachua County in proposed sale of 95 acre Santa Fe River property. County canceled request to purchase.
- 2010 - Several properties along northern rail spur corridor in Union County sold to adjacent land owners
- Feb. 2012 - Entered into Option Agreement with ACT & Florida Communities Trust (FCT) for Sale of rail spur and 95 acre Santa Fe River Property

Recommendation

- 1) Adopt a resolution certifying to ACT & FCT that the City is the record owner and has the authority to dispose of the rail corridor & 95 acre Santa Fe River property; and that no member of the City Commission will receive monetary compensation from the proceeds nor do they have any personal interest in the transaction.
- 2) Authorize the General Manager, or his designee, to execute a Special Warranty Deed and all documents necessary to complete the closing for the city's sale of the rail corridor and the 95 acre Santa Fe River property to ACT & FCT

Rail Spur Property Liquidation



Legend

- City of Gainesville -- Propose Sale of Parcels to ACT/FCT
- City of Gainesville -- Propose Sale of Parcel
- Former Norfolk Southern Railroad
- Previous Lease w/State -- Terminated 07/01/08
- Sold to Adjacent Land Owners
- Reverted back to Owner
- Deerhaven

0 1 2
Miles

GIS DATA SOURCE:
Parcel data obtained from the Alachua County Property Appraiser and the Union County Property Appraiser.

NOTE: LOCATIONS AND DIMENSIONS ARE GIVEN FOR UTILITIES' STAFF USE ONLY. ENGINEER/CONTRACTOR IS RESPONSIBLE FOR FIELD VERIFICATION