



## Legislation Text

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**File #:** 180630., **Version:** 1

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### **Letter of Intent (LOI) - Airport Industrial Park (B)**

**This item seeks City Commission approval of a Letter of Intent (LOI) regarding the sale of property in the City's Airport Industrial Park to facilitate the relocation of a small package and sorting distribution center.**

On January 23, 2019 staff received an LOI regarding a platted parcel located in the City's Airport Industrial Park. The proposed acquisition of the subject property (Parcel ID # 08162-006-000) would be to facilitate the relocation and development of a new small package and sorting distribution center.

Proposed terms of the LOI are as follows;

- Purchase price of \$296,000 for the 8.45 acre lot (Lot #6) or \$35,000 per acre
- Acceptable Title/Survey
- City/Airport approval of proposed site plan and building permits
- Seller agrees to indemnify Buyer for pre-existing environmental condition
- 150 day due diligence period (with up to two 60 day extensions)
- Closing to occur 30 days following due diligence period

The intent of approval of the LOI would be for the City Commission to acknowledge the proposed acquisition and preliminary terms and to direct staff to prepare and bring back a Contract for Sale and Purchase for final consideration.

In terms of background, the City of Gainesville over time has sold property fee simple in the Airport Industrial Park to assist in retaining, expanding and attracting industrial development. The Airport Industrial Park property is posted for sale and therefore complies with the City's adopted Real Estate Policies and Procedures.

The Airport Industrial Park represents an economic development partnership between the City and Airport and per prior agreement proceeds of the sale of property go to the Airport with the City benefitting from proceeds derived from increases in ad valorem revenue over time associated with development of the property and the related creation of jobs. The proposed sale price is consistent with the appraised value of the property based upon the recent appraisal attached in the back-up.

The development of the subject property would be in keeping with the City's development review process/procedures and the recorded Airport Industrial Park Deed Restrictions and the Gainesville Alachua County Regional Airport Authority (GACRAA) would be asked to provide their consent.

The purchase price offered for Parcel ID # 08162-006-000 is \$296,000 or \$35,000 per acre which is generally in line with the industrial market for property in this area.

The City Commission direct staff to prepare a Contract for Sale and Purchase to be brought back for final City

Commission consideration.