



## Legislation Text

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**File #: 211318., Version: 1**

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### **Contract for Purchase and Sale of Real Property - SiVance, LLC (B)**

This item seeks City Commission approval of a Contract for Purchase and Sale of Real Property adjacent to the SiVance, LLC existing facility and proximate to the City of Gainesville's Airport Industrial Park.

In June, 2021, staff was made aware that SiVance, LLC had expressed an interest regarding the proposed acquisition of property immediately adjacent to the company's existing facility located at 4044 NE 54<sup>th</sup> Avenue and adjacent to the City's Airport Industrial Park.

The proposed acquisition of the subject property, an approximate 6.71 acre portion of Tax Parcel #08161-000-000 currently on Airport lands, would be to facilitate the development of a warehouse and associated infrastructure.

Concurrently, Gainesville Regional Airport, Gainesville Area Chamber of Commerce, and City staff met with SiVance, LLC representatives to review the proposed project and the mechanics of moving forward on the proposed acquisition of property.

The Gainesville Alachua County Regional Airport Authority (GACRAA) reviewed and gave consent to the matter in September and December, 2021 and March, 2022 due to the fact that FAA approval is required to sell the property as it is currently considered federally encumbered for airport purposes and therefore various FAA requirements would need to be satisfied in order to sell the property.

The City Commission approved the surplus of the subject property per City Commission real estate policies at its June 2, 2022 meeting.

Proposed terms of the Contract are as follows:

- Purchase price of \$215,000 (per appraisal) for 6.71 acre to Gainesville Regional Airport
- \$10,000 initial deposit
- Acceptable Title/Survey by Buyer
- City/Airport approval of proposed site plan and building permits
- GRU easements to be determined prior to closing
- Buyer required to enter into Avigation Easement and receive FAA approval
- 150 day inspection period (with up to two 30 day extensions)
- Closing to occur 30 days following the inspection period

The subject property will need to be processed through the City's land regulatory process as a special use permit (SUP) and that is being reviewed concurrently with the consideration of this contract and is tentatively scheduled to be reviewed by the City Plan Board at its June meeting.

In terms of background, the Airport Industrial Park and development of Airport lands represents an economic

development partnership between the City of Gainesville and the Gainesville Regional Airport. Due to existing FAA restrictions on the property the proceeds of the sale go to the Airport with the City benefiting from proceeds derived from increases in ad valorem revenue over time associated with development of the property and the related creation of jobs.

In this case the economic development impacts would derive from an approximate \$75 million capital investment over 5 years and the creation of 40+ new jobs with competitive wages/benefits.

### **Strategic Connection**

Airport Leveraging...Outcomes, Options, Direction and City Actions.

The purchase price offered for a portion of Parcel ID # 08161-000-000 is \$215,000 or \$32,042 per acre which is generally in line with the industrial market for property in this area based upon a recent appraisal by Emerson Appraisal in November, 2021. These proceeds of the sale would go to the Gainesville Regional Airport.

The City Commission direct: 1) the City Manager to execute the Contract for Purchase and Sale of Real Property regarding a portion of Parcel ID #08161-000-000 and all related documents subject to approval of form by the City Attorney.