



Legislation Text

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Purchase and Sale Agreement from J.A. Beguiristain Holdings, Inc. for Lot 22 in the Airport Industrial Park (B)

On July 12, 2005, J.A. Beguiristain Holdings, Inc. submitted a real estate Purchase and Sale Agreement in the amount of \$176,225 to purchase Lot 22 in the Airport Industrial Park. Lot 22 is located adjacent to the west of the existing Nordstrom's property and consists of approximately 5.3 acres.

The proposed Purchaser reports that he is currently owner and operator of B-Line Apparel, a Miami based corporate wearable and custom apparel company in operation for ten years, and owns property in the Airport Industrial Park identified as the former American Poly-Steel Building. B-Line offers custom apparel manufacturing; private labeling; in-house screen printing and embroidery; a creative art department; and a related staff of sales associates. A University of Florida alumnus and homeowner in the Duck Pond area, the proposed purchaser's stated intention is to develop multi-flex space light industrial inventory for his business and others.

This proposed purchase of property in the Airport Industrial Park and the Purchaser's stated intention to develop his business as well as additional light industrial space for other businesses meets the stated objective for the City regarding provision of Infrastructure (land and buildings) as contained in the Strategic Action Plan for Economic Development adopted by the City Commission. The proposal provides additional industrial inventory and in the future, greater economic opportunity.

Per prior agreement executed between the City of Gainesville and the Gainesville Regional Airport, the proceeds of the sale are transferred to the Airport. In addition, any difference between the purchase and sales price and the fair market value associated with the property will be reimbursed to the Airport over a period of ten years via 50% of ad valorem proceeds. Recently, an appraisal was performed on a similarly situated piece of property in the Airport Industrial Park indicating a fair market value of \$35,000 acre. At an offered purchase price of \$176,225.00 for lot 22 at 5.3 acres in the Airport Industrial Park the offered price per acre is \$33,250, a difference of \$1,750 or \$9,275 total. This is a very reasonable discount and the pay back based upon ad valorem proceeds will occur rapidly.

The City Commission: 1) approve the attached real estate contract for the purchase of Lot 22 in the Airport Industrial Park; 2) authorize the City Manager to sign the contract which has been approved by the City Attorney as to form and legality; and 3) authorize the Mayor and Clerk of Commission to execute the closing documents.