



Legislation Text

File #: 002244, **Version:** 1

East Gainesville SPROUT Project - Alternative FCT Reimbursement Request (B)

Staff has already prepared and submitted a reimbursement request to Florida Communities Trust (FCT) for the portion of the former CSX properties that will become part of the proposed stormwater park and also in the FCT project. Staff is requesting authorization to prepare and potentially submit an alternative reimbursement request as a result of a lease signed with Rinker Materials Corporation (Rinker).

As background, Rinker, which operates a concrete batch plant on one of the former CSX parcels in the FCT project area, signed a lease with the City that expires on March 4, 2002. The lease provides that Rinker will vacate the property by March 1, 2002, if the City is unable to extend the terms of the FCT grant beyond March 4, 2002, because FCT will not reimburse for projects that include parcels encumbered by leases. If, contrary to the terms of the lease, Rinker does not vacate the property by March 1, 2002, and the City is unable to extend the terms of the FCT grant, the City will immediately begin eviction proceedings against Rinker.

If Rinker remains on site after March 1, 2002, an alternative reimbursement request which does not include the Rinker parcel must be submitted to FCT. FCT has indicated it will not extend the grant beyond the March 4th grant expiration date since FCT has previously granted several extensions to the City. FCT has recommended excluding the Rinker leased parcel from the reimbursement request if Rinker remains on the property when the request is due. If the property is excluded, FCT will decrease the City's reimbursement in the amount of 40% of the value of the excluded parcel and acquisition costs.

The City and FCT shares of the acquisition costs are 60% - 40%, respectively. Excluding the Rinker parcel will reduce the reimbursement amount from approximately \$167,000.00 to \$136,000.00.

The City Commission authorize staff to prepare and submit an alternative reimbursement request excluding the Rinker leased parcel and submit it to FCT if necessary.