

EXECUTIVE SUMMARY

RECONSIDERATION OF ACTIVE ACQUISITION LIST IN LIGHT OF RISING PROPERTY VALUES AND CARIBBEAN GARDENS VALUATION

OBJECTIVE: Present updated information regarding yet-to-be acquired Active Acquisition List projects for reconsideration of these projects in light of rising property values and recent valuation numbers that have been released to the public regarding the Fleischmann/Caribbean Gardens property.

CONSIDERATION: The current Active Acquisition List (AAL) for conservation Collier lists properties approved for purchase. Some of these have not been purchased yet for various reasons and some have values that are rising substantially beyond what was provided at the time a decision was made to purchase. Conservation Collier currently has three individually owned properties and two multi-parcel projects that have been approved but are not yet under contract or purchased. These are identified in Table 1, with acreages and estimated values. The estimated values for the first 3 properties have not been updated.¹ The estimates for the two multi-parcel projects, Winchester Head and NGGE Unit 53, have been updated based on current appraisals and area sales. Table 2 further breaks down what has been purchased and what is pending in these projects. In late 2004, when the decision was being made to recommend and approve cycle 2 properties, staff estimated a cost of acreage in the Winchester Head multi-parcel project at \$25,600 per acre. At this time, the NGGE Unit 53 multi-parcel project was already underway, with an earlier approvals based on a 2003 estimated cost of \$11,180 per acre. Since that time, land values for both projects have risen dramatically. A recent appraisal for a 1.14-acre Winchester Head lot came in at \$45,000. A recent look at sales in NGGE Unit 53 shows parcels being purchased for \$40,000 an acre. Speculation buying in these areas may be driving costs upwards. The attached Multi-parcel Projects 5-year Projected Costs sheet was recently updated to provide additional information.

Table 1.

<u>Properties</u>	<u>Estimated Cost</u>	<u>Acreage</u>
Talon Land Group	\$1,870,000	80
Fleischmann - north of parkway	\$2,000,000	13
Collier Development Corp	\$1,121,000	48.93
Winchester Head multi-parcel	\$23,614,500	285
NGGE Unit 53 multi-parcel	\$10,179,000	141

¹ Talon Land Group may end up being donated under TDR bonus regulation; the Fleischmann north of parkway parcel is waiting for an upland/wetland determination to see exactly how much property is there before appraisal; the Collier Development Corporation appraisal is due shortly and may be higher than estimated.

Table 2.

Multi-parcel projects - Acreages	Winchester Head ²	NGGE Unit 53
Acres acquired	6.6	27.53
Acres under contract	1.14	3.89
Acres having open offers	4.32	0
Acres appraisals in but offers not made	2.28	0
Total remaining acres to be acquired	133.26	253.58
Core acres remaining to be acquired	59.13	91.77

Considering the value escalations in both multi-parcel projects, staff has re-estimated the amount of funds committed under the current AAL, reducing the earlier estimate of \$28.4 million uncommitted to approximately \$12.7 million in uncommitted funds.

In regard to the valuation of the Fleischmann / Caribbean Gardens property (166 acres), the County, as part of the effort to acquire the zoo property, had two appraisals done and made an offer of \$49 million for the property. The owners rejected that offer and have countered with an asking price of \$67.5 million. If Conservation Collier intends to be a partner in this purchase by acquiring selected parcels within the entire property, depending on a final appraisal amount for those portions, it may find that the necessary funds come close to or exceed the estimated remaining uncommitted \$12.7 million.

FISCAL IMPACT: Estimated costs in Winchester Head multi-parcel project have risen 20% since originally calculated in 2004. Costs in NGGE Unit 53 have risen close to 250% since originally calculated in 2003. Values for the other AAL projects not already acquired are certainly rising as well. If the program continues buying pursuant to the AAL, there may not be enough remaining funds to buy desired parcels within the Fleischmann / Caribbean Gardens property and/or funds for 3rd cycle property purchases will be limited. Staff currently estimates that Conservation Collier may have approximately \$12.7 million in uncommitted funds, down from an estimate of \$28.4 million uncommitted made earlier this year.

PROGRAM IMPACT: If the CCLAAC intends to partner in a purchase of a portion of the Fleischmann / Caribbean Gardens property, that may severely restrict remaining funds for cycle 3 purchases. Further, depending on final appraisal values, there may not be enough uncommitted funds remaining to purchase the desired Fleischmann / Caribbean Gardens parcels. The CCLAAC may decide to continue as planned with approved AAL purchases, or recommend that some of them, or portions of them, be removed from that list to free up funds for a potential Fleischmann / Caribbean Gardens partnership purchase. Additionally, the rising values in the multi-parcel projects may warrant a reconsideration of buying strategy for these projects, or even curtailment of purchases in a portion or all of one or both of these projects.

RECOMMENDATION: Staff recommends the CCLAAC review and reconsider the AAL, particularly in light of rising property values in the multi-parcel projects, and also in light of the Fleischmann / Caribbean Gardens appraisal values and make a recommendation to:

- Continue buying as currently planned,

² There is a plan to hire an intern to speed acquisitions in the Winchester Head area this fall, who will work for the Big Cypress Basin, but that internship has not been filled yet and there is no guarantee it will be filled.

- Remove one or more entire projects from the AAL,
- Reduce one or both of the multi-parcel projects to buying in the core only, or
- Some combination of the above.

SUBMITTED BY: _____ DATE: _____

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APPROVED BY: _____ DATE: _____

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