

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| Fiscal Years | 2008 | 2009 | 2010 | 2011 | 2012 |
|--|------------------------|-------|-------|-------|-------|
| Capital Expenditures | _____ | _____ | _____ | _____ | _____ |
| Operating Costs | _____ | _____ | _____ | _____ | _____ |
| External Revenues | (\$1,600,000) | _____ | _____ | _____ | _____ |
| Program Income (County) | _____ | _____ | _____ | _____ | _____ |
| In-Kind Match (County) | _____ | _____ | _____ | _____ | _____ |
| Reimbursement | _____ | _____ | _____ | _____ | _____ |
| NET FISCAL IMPACT | (<u>\$1,600,000</u>) | ===== | ===== | ===== | ===== |
| # ADDITIONAL FTE POSITIONS (Cumulative) | _____ | _____ | _____ | _____ | _____ |

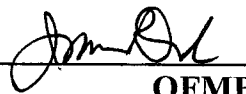
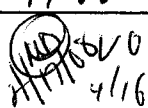
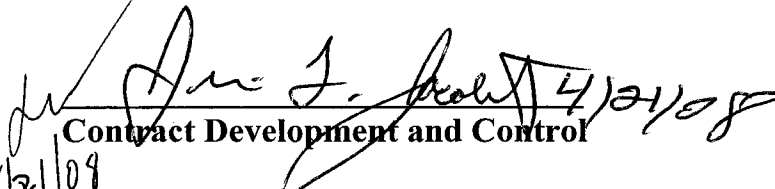
Is Item Included in Current Budget: Yes _____ No X _____
 Budget Account No: Fund _____ Dept _____ Unit _____ Object _____
 Program _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

C. Departmental Fiscal Review: _____

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:

 4-17-08
 OFMB  4/16
 4/21/08
 Contract Development and Control

B. Legal Sufficiency:

 4/22/08
 Assistant County Attorney

This item complies with current County policies.

C. Other Department Review:

 Department Director

This summary is not to be used as a basis for payment.

Background and Justification, continued

Staff has had the property appraised several times over the years. In 1995, when there were still significant questions as to legal access to the property, the property was appraised at \$92,000. In 2005, another appraisal valued the property at \$840,000 without legal access, and at \$2,400,000 assuming access could be obtained. A third appraisal was obtained in January of 2008, which valued the property at \$1,237,000 without legal access, and at \$1,994,000 assuming legal access could be obtained. Staff believes the greatest emphasis should be placed on the third appraisal with a range of values between \$1,237,000 to \$1,994,000.

While Staff believes that National Land Company would ultimately be required to provide legal access to the County's property through National Land Company's subdivision, there are no assurances that National Land Company will ultimately finalize its site plan approvals. At a minimum, National Land Company could delay such approvals indefinitely. National Land's bid price is only \$394,000 (20%) less than the appraised value with legal access. Staff believes this is a reasonable deduction for the fact that the property does not currently have legal access. In addition, due to economies of scale gained by including this property in their larger development, National Land's bid price of \$1,600,000 is likely more than would be received from bidders in the future one access is obtained.

The RFB was advertised in the Palm Beach Post on August 26, 2007 and September 2, 2007. The RFB included a minimum bid purchase price of \$1,500,000. National Land will be required at Closing to enter into a Restrictive Covenant Agreement and a Management Plan with the County that obligates National Land Company to create and maintain shoreline enhancement and littoral zones at its sole cost and expense. ERM required this shoreline restoration project to be performed on the property as a condition of agreeing to the sale. This project is estimated to cost between \$100,000 - \$150,000. The Restrictive Covenant Agreement and a Management Plan must be satisfactory to the County's Department of Environmental Management, and agreed to prior to Closing. Under Florida Statutes Section 286.23, a Disclosure of Beneficial Interests is required to be provided in connection with any purchase of property by the County. Such Disclosure is not required in connection with the sale of land by the County. Staff is requesting such Disclosures for all transactions with private entities. National Land Company, Inc. provided the Disclosure attached as Attachment 4, which identifies the ownership interest of National Land Company, Inc. as 100% owned by Victoria Paladino and David C. Paladino, II.