



**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2009	2010	2011	2012	2013
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<u><u>-0-</u></u>	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>
<b># ADDITIONAL FTE POSITIONS (Cumulative)</b>	_____	_____	_____	_____	_____
<b>Is Item Included in Current Budget:</b>	Yes _____	No _____			
Budget Account No:	Fund _____	Dept _____	Unit _____	Object _____	
	Program _____				

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

There is no fiscal impact.

**C. Departmental Fiscal Review: \_\_\_\_\_**

**III. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Development Comments:**

Jan Dink 3-10-09  
OFMB  
*(NO) 3/10/09 CN 3/19/09*

Dr. J. J. J. 3/10/09  
Contract Development and Control

**B. Legal Sufficiency:**

H. J. 3/16/09  
Assistant County Attorney

**C. Other Department Review:**

\_\_\_\_\_  
Department Director

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

**Background and Justification:** The development of Parcel A within South County Regional Park is scheduled to be completed in September 2009, subject to permit approvals. The development of Parcel A left a 50-65' wide strip of land along the northern perimeter of the Park, which is also north of a lake within the Park and is not easily accessible by the County for maintenance. G.L. Homes is developing the Collier P.U.D. adjacent to a portion of the 50-65' wide strip on the north side of Parcel A. G.L. Homes requires a 30' drainage easement across the northern portion of Parcel A to gain drainage access to the LWDD L-40 Canal and provide legal positive outfall to their proposed development. The County will provide G.L. Homes with a 30' drainage easement over this northern portion of Parcel A and in exchange G.L. Homes will perpetually maintain the 50-65' strip of County owned land. Initially, an open ditch will be constructed and G.L. Homes will replace it with underground piping prior to turning over control of the Collier development to the homeowners association. Currently, the County has not finalized the SFWMD permit for the storm water management system for Parcel A. Once finalized however, G.L. Homes can make application to modify the SFWMD permit and allow G.L. Homes to tie into the storm water management system within Parcel A. If permits are obtained by G.L. Homes, these agreements require the County to grant G.L. Homes an alternate easement in the form attached to the Agreement for Conveyance, Use and Maintenance. The amended agreements, if required, would come back to the Board for execution once the legal description for the re-routed drainage easement area is finalized.

Further, in September 2007 a platted 30' road right-of-way separating Parcel A and the Collier PUD was abandoned under Resolution 2007-1584, thereby providing G.L. Homes with the northern 15 feet and the County with the southern 15 feet. The County intends to exchange the southern 15 feet (.86 acre) for 2.36 acres of G.L. Homes property lying adjacent to Samuel Friedland Park. The .86 acre of property will be conveyed to G.L. Homes by County Deed without reservation of mineral rights. G.L. Homes has requested that the conveyance be without any reservation of mineral rights under Florida Statute Section 270.11(3). This Statute allows the Board, at its discretion, to convey its interest without reservation of mineral rights upon request by the purchaser.

District Park "F", also known as Samuel Friedland Park, is a County owned 60 acre parcel of land located on the south side of Hamlin Boulevard, west of 180<sup>th</sup> Avenue in the Acreage. During the County's acquisition of the park property from Indian Trail Groves, Ltd. in 1996, the County also acquired an access easement from Indian Trail over a 50' wide by 2,060' long parcel of land (2.36 acres) located between the park property and Hamlin Boulevard. Indian Trail Groves has since sold the 2.36 acres and a much larger parcel of property to a subsidiary of G.L. Homes, Palm Beach West Associates I, LLLC. Palm Beach West Associates I has since conveyed the property to another G.L. Homes corporation, G.L. Homes of Boca Raton Associates V, Ltd., the same entity which holds title to the Collier PUD. This 2.36 acre G.L. Homes strip of land is being offered to Palm Beach County in exchange for the County's .86 acre property at South County Regional Park. The 2.36 acre G.L. Homes site is being conveyed by Quit-Claim Deed to the County and will be assembled into the acreage of Samuel Friedland Park.

Staff obtained appraisals of both the .86 acre County owned parcel and the 2.36 acre G.L. Homes parcel. The .86 acre County parcel is appraised at \$105,000. The 2.36 acre G.L. Homes parcel is appraised at \$85,000. The difference in values between the exchange properties is \$20,000. The appraisal does not take into account the value to the County of G.L. Homes' obligation to maintain the property lying north of the lake on the County's property, nor does it value the easement being granted to G.L. Homes. However, Staff believes the value of the easement is offset by the maintenance obligation assumed by G.L. Homes. The relatively small difference in values of the properties being exchanged is in Staff's opinion, well within the margin of error for appraisals of such properties. In addition, the property being exchanged by the parties has essentially no value to the owners. In essence, both parties are giving up something of no value to them, in exchange for receiving something which only has value for them. Therefore, Staff is recommending this exchange notwithstanding the difference in appraised values.

Under Florida Statute Section 286.23, a Disclosure of Beneficial Interests is required to be provided in connection with any conveyance of property to the County. As such, the County requested G.L. Homes provide a Disclosure for the 2.36 acre parcel being conveyed to the County. G.L. Homes of Boca Raton Associates V, Ltd. provided the attached Disclosure which identifies: (i) Itzhak Ezratti, individually; and (ii) Maya Ezratti-Rosenblum, Misha Ezratti, and Maxie Ezratti, each individually and/or through trusts for each individuals' interest, as holding a 5% or greater beneficial interest. **(Continued)**

It should be noted that Palm Beach West Associates I, LLLP, previously held title to the 2.36 acre parcel, which was transferred to G.L. Homes in order to facilitate this transaction. The general partner of Palm Beach West Associates I, LLP is Palm Beach West I Corporation, a company owned by G.L. Homes. Palm Beach West Associates I, LLLP, provided a Disclosure which identifies the following as each holding a 5% or greater beneficial interest in Palm Beach West Associates I, LLLP: (i) Itzhak Ezratti, individually; (ii) Maya Ezratti-Rosenblum, Misha Ezratti, and Maxie Ezratti, each individually and/or through trusts for each individuals' interest; (iii) General Motors Corporation; and (iv) FIM Holdings, LLC, a private equity company, with a consortium of investors including Cerberus, Citigroup Inc., Aozora Bank Limited and PNC Financial Services Group, Inc. FIM Holdings, LLC, as a private equity company, has a multitude of investors which are not reasonably and readily identifiable to provide disclosures. While Staff and G.L. Homes attempted to obtain a disclosure from FIM Holdings indentifying ownership down to the individual level, Staff and G.L. Homes concluded that it would be impossible to do so due to the nature of such private equity companies. Therefore, the transaction was restructured and Palm Beach West Associates I conveyed the property to G.L. Homes such that G.L. Homes would be the entity responsible for providing Disclosure. Staff does not believe that there is an attempt to hide anything. It is simply recognizing that obtaining disclosures from individual investors in these types of entities is not feasible.