

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY**

Meeting Date: **March 13, 2018**      [ ] Consent      [X] Regular  
   [ ] Ordinance      [ ] Public Hearing

Submitted By:                         **Facilities Development & Operations**  
Submitted For:                       **Fire Rescue**

**I. EXECUTIVE BRIEF**

**Motion and Title:** Staff recommends motion to approve: the atypical development costs associated with the proposed acquisition of a 5.09 acre vacant parcel of land in unincorporated western Delray Beach for the development of a Fire Rescue Station.

**Summary:** On November 7, 2017 (R-2017 - 1708), the Board approved an Agreement for Purchase and Sale to acquire a 5.09 acre parcel of land in unincorporated western Delray Beach to satisfy the need to construct a Fire Station in the southeastern area of the Ag Reserve. The subject site lies approximately 1,600 feet east of the Lyons Road/Linton Boulevard intersection and is currently being used as a plant nursery. The Phase 2 Environmental Study of the property indicated the presence of agrochemicals in the soil which are below the Commercial/Industrial Direct Contact target clean-up levels, but higher than the Residential Direct Contact target clean-up level. While the Station would be classified as a commercial use, Staff believes it appropriate to be very conservative and reduce the presence of agrochemicals to the residential target level. The cost to remove soils on the portion of the property to be developed for the Station is estimated to between \$900,000 - \$1,200,000. This is approximately \$500,000-\$700,000 more than has been spent on other fire stations for the removal of unsuitable soils such as muck. Despite the additional cost resulting from the County's voluntary mitigation to residential target levels, Staff believes it appropriate to move forward at this time: 1) as all of the properties in Fire Rescue's search area appear to have historically been used in agricultural production and are likely to have similar levels of agrochemicals; 2) call volumes support the construction of the station in advance of anticipated new development which could provide a civic site; 3) due to the potential to sell approximately 2.5 acres of the property to a residential developer, thereby recovering a portion of the remediation costs; and 4) due to the possibility that the County could exchange the entire property with a developer for a civic site that has already been mitigated to residential standards thus eliminating the cost. The Study also identified groundwater contamination which will require that the County use potable water for landscape irrigation, which usage will be minimized through the implementation of xeriscaping so the additional operating cost is not material. Fire Rescue does not want to risk waiting for a civic site dedication in that projected call volumes in the service area may require the station prior to a potential civic site dedication becoming available. As such, Staff is recommending that the BCC approve proceeding to close per the terms of the Purchase and Sale Agreement with a \$10,000 reduction in price approved by the Seller. (PREM) District 5 (HJF)

**BACKGROUND AND POLICY ISSUES CON'T ON PAGE 3**

**Attachments:**

- 1. Location Map
- 2. Agenda Item Summary 4C-1 November 7, 2017 (R2017-1708)

---

Recommended By:                                                   2/13/18  
   Department Director                         Date

Approved By:                          3/2/18  
   County Administrator                         Date

**II. FISCAL IMPACT ANALYSIS**

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

<b>Fiscal Years</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Capital Expenditures</b>	_____	_____	_____	_____	_____
<b>Operating Costs</b>	_____	_____	_____	_____	_____
<b>External Revenues</b>	_____	_____	_____	_____	_____
<b>Program Income (County)</b>	_____	_____	_____	_____	_____
<b>In-Kind Match (County)</b>	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	* _____	_____	_____	_____	_____
<b># ADDITIONAL FTE POSITIONS (Cumulative)</b>	_____	_____	_____	_____	_____
<b>Is Item Included in Current Budget:</b>		Yes	_____	No	_____
<b>Does this item include the use of federal funds?</b>		Yes	_____	No	x _____
<b>Budget Account No:</b>	<b>Fund</b> _____	<b>Dept</b> _____	<b>Unit</b> _____	<b>Object</b> _____	
		<b>Program</b> _____			

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

\* There are no costs associated with this item at this time. Depending on the timing of development and various other factors, the additional costs are estimated to be in the range of \$900,000-\$1,200,000. All costs for soil remediation will come from Fire Rescue Capital Improvement Fund.

**Fixed Assets Number** N/A

**C. Departmental Fiscal Review:** Karyn Lykes

**III. REVIEW COMMENTS**

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

Lisa Ponce 2/21/18  
OFMB 2/21/18

Dr. J. Jacobson 2/23/18  
Contract Development and Control 2/23/18

*et al 2/20/18 SP 2/20/18*

**B. Legal Sufficiency:**

H. Jal 2/23/18  
Assistant County Attorney

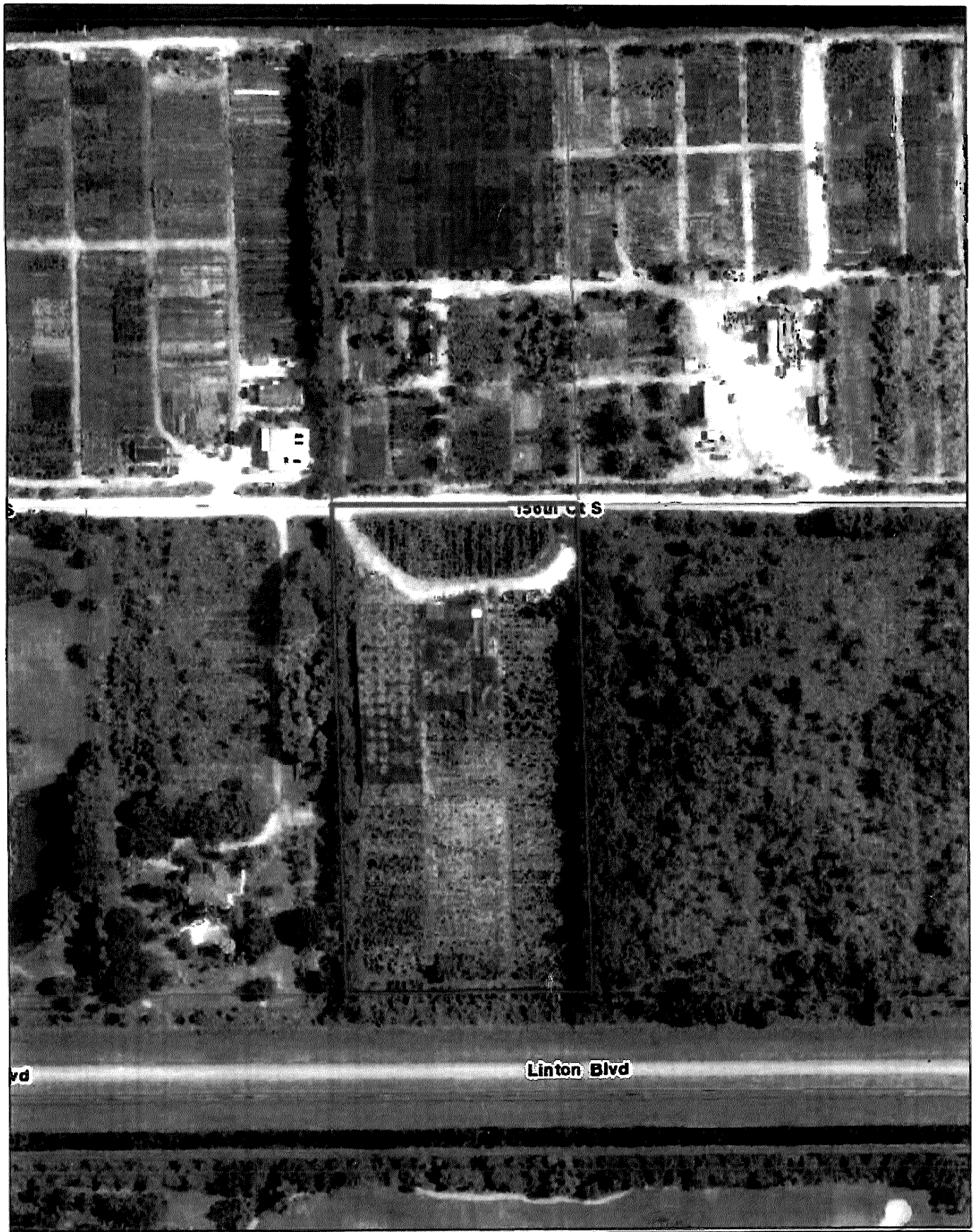
**C. Other Department Review:**

Michael C Mackay  
Department Director

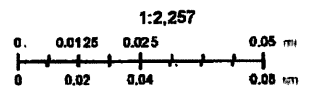
**This summary is not to be used as a basis for payment.**

**Background and Policy Issues**

**Background and Policy Issues:** The subject site lies approximately 1,600 feet east of the Lyons Road/Linton Boulevard intersection and is currently being used as a plant nursery. During the inspection of the property, the environmental assessment revealed the presence of agrochemicals in the soil, including toxaphene and dieldrin, in excess of Residential Direct Contact Target Cleanup levels.. While a Fire Rescue Station would be classified as a commercial use and would not be required to meet the more stringent standards for residential use, Staff believes it advisable to remediate the soils to meet the higher standards. The cost estimate for removal, disposal and replacement of the contaminated soil, ranges from \$900,000 to \$1,200,000, and includes the cost of removing non contaminated organic soils from under the building pad, parking areas and drive aisles. This expense would only be for the south half of the property needed to develop the proposed fire station. The first two (2) feet of fill on the south half of the property would be removed, transported and properly disposed of at a landfill. An additional two (2) feet of fill beneath the building structures and paved areas would be excavated, stockpiled and tested to determine whether the chemical properties would require the fill to also be transported to a landfill. The chemical contamination also impacts the groundwater of the property. As a result, Staff is recommending the use of potable water for irrigation purposes.



00424620010000860



**LOCATION MAP**

*Attachment 1  
1 of 1*

*Handwritten signature or initials*

Agenda Item #: 4C-1  
SA/MCB-7-0  
R-2017-1708

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

Meeting Date: November 7, 2017 [ ] Consent [X] Regular  
[ ] Ordinance [ ] Public Hearing

Department: Facilities Development & Operations

**I. EXECUTIVE BRIEF**

**Motion and Title:** Staff recommends motion to approve: an Agreement for Purchase and Sale to acquire a 4.98 acre vacant parcel of land in unincorporated western Delray Beach for \$1,050,000 from Haim Tepper, Trustee of the Haim Tepper Revocable Trust under Agreement dated October 30, 2015 and Mordechai Markowicz and Sarah Markowicz, husband and wife, (Sellers) for development of a Fire Rescue Station.

**Summary:** Fire Rescue has identified a need to construct a Fire Station in the Southeastern area of the Ag Reserve. Fire Rescue projects there will be sufficient call volumes between existing and approved, but not yet constructed development to support this new station. The subject site lies approximately 1,600 feet east of the Lyons Road/Linton Boulevard intersection and is currently being used as a plant nursery. It is larger than required for development of the station, but there are no smaller sites with good access available. Fire Rescue can use the excess land for an equipment storage building, or the site could be exchanged for a smaller site if the surrounding area is subsequently developed. Staff obtained two appraisals indicating values of \$1,000,000 and \$1,020,000 for an average of \$1,010,000. The \$1,050,000 purchase price exceeds the average of the appraised values by \$40,000 or 3.96%. The Agreement contains a 35 day Inspection Period and the County has the right to terminate if the inspections are unsatisfactory. Closing must occur within 15 days after expiration of the Inspection Period. The Agreement allows the Sellers through June 30, 2018 to remove any remaining plant inventory and personal property not sold off prior to closing. This acquisition is being funded with \$950,000 of Fire Rescue Impact Fees which must be encumbered by the first quarter of FY 18, with the balance funded from the Fire Rescue MSTU. **This purchase requires approval by a supermajority vote of the Board (5 commissioners). (PREM) District 5 (HJF)**

**Background and Policy Issues:** Fire Rescue has a need for a new Fire Rescue Station to be located near the intersection of Lyons Road and Linton Boulevard. Prices for raw land in this area have escalated substantially, particularly with direct frontage on Lyons Road.

(Cont. page 3)

**Attachments:**

- 1. Location Map
- 2. Agreement for Purchase and Sale
- 3. Budget Availability Statement
- 4. Disclosure of Beneficial Interests

Recommended By: Reh Armeny Wolf 9/30/17  
Department Director Date  
Approved By: [Signature] 10/12/17  
County Administrator Date

**II. FISCAL IMPACT ANALYSIS**

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

Fiscal Years	2018	2019	2020	2021	2022
Capital Expenditures	<u>1,050,249</u>	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<u>1,050,249</u>	_____	_____	_____	_____
<b># ADDITIONAL FTE POSITIONS (Cumulative)</b>	_____	_____	_____	_____	_____

Is Item Included in Current Budget: Yes  No

Budget Account No: Fund 3704 Dept 441 Unit F109 Object 6101 \$950,000  
 Fund 3700 Dept 441 Unit F109 Object 6101 \$100,249

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

Ad Valorem \$100,249 and Impact Fees \$950,000  
 Expenses are estimated to be \$249.60

Fixed Assets Number N/A

C. Departmental Fiscal Review: [Signature] 10/2/17

**III. REVIEW COMMENTS**

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

[Signature] 10/10/17  
 OFMB NC 10/4 10/10  
[Signature] 10/26/17  
 Contract Development and Control 10/11/17

**B. Legal Sufficiency:**

[Signature] 10/11/17  
 Assistant County Attorney

**C. Other Department Review:**

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

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

**Background & Policy Issues (Cont.):** Initially, PREM found a 4.98-acre plant nursery site approximately 600 feet east of the desired intersection, located directly on the north side of Linton Boulevard. However, this potential deal fell through forcing PREM to continue the search. Sometime later the subject 4.98-acre plant nursery property became available, which is located approximately 1,600 feet east of Lyons Road on the north side of Linton Boulevard. Although not quite as favorable as the first site, Fire Rescue feels the site will work. As developers actively pursue assemblages of land in this area for residential development, it is important for the County to secure a site now while land is still available. If the developers are successful and create new developments, then Fire Rescue might have the opportunity to secure a public civic site within those developments and sell/trade this site. Fire Rescue has \$950,000 of impact fees that must be encumbered by the first quarter of FY 2018

Two appraisals of the property were obtained indicating an average value of \$1,010,000. Pursuant to County PREM Ordinance 2009-052, if the purchase price exceeds the average appraised value by 10% or more, then a review by the County's Property Review Committee is required. The purchase price is only 3.96% above appraised value; therefore no review is required

The Sellers are currently using the site as an active plant nursery and have considerable inventory on site. The Sellers requested a post-closing liquidation period through June 30, 2018 to sell any plant/tree/nursery equipment inventory which remains on the property. Upon termination of the liquidation period, any plant/tree/nursery equipment that has not been sold will be disposed of by the County when the site is developed. The County will have 35 days after Board approval to complete survey work, do environmental studies and perform any other due diligence necessary to support the development of a Fire Rescue Station on this property. Southeast Guaranty & Title will close this transaction on behalf of the County. This transaction is funded with \$950,000 from Fire Rescue Impact Fees which must be encumbered by the first quarter of FY 2018.

The Sellers have provided a Disclosure of Beneficial Interest naming Katya Tepper and Alexander Tepper each holding a 50% interest in the Haim Tepper Revocable Trust under Agreement dated October 30, 2015, which owns a 40% interest in the property. Mordechai and Sarah Markowicz own a 60% interest in the property and are not required to provide a Disclosure of Beneficial Interest as individuals.