REGULAR MEETING OF THE CITY COMMISSION
November 14, 2011

The meeting of the Winter Park City Commission was called to order by Mayor Kenneth Bradley at 3:30 p.m. in the Commission Chambers, 401 Park Avenue South, Winter Park, Florida.

The invocation was provided by Building Director George Wiggins, followed by the Pledge of Allegiance.

Members present:  
Mayor Kenneth Bradley  
Commissioner Steven Leary  
Commissioner Sarah Sprinkel  
Commissioner Carolyn Cooper  
Commissioner Tom McMacken

Also present:  
City Manager Randy Knight  
City Attorney Larry Brown  
City Clerk Cynthia Bonham  
Deputy City Clerk Michelle Bernstein

Approval of the agenda

Motion made by Commissioner McMacken to approve the agenda; seconded by Commissioner Sprinkel and approved by acclamation with a 5-0 vote.

Mayor's Report

a. Keep Winter Park Beautiful Award for the Post Office landscape improvements and Azalea Lane Volunteer Project Award

Mayor Bradley introduced Myriam Garzon Greenberg, Chairman of KWPB and Tim Maslow, KWPB Director/Sustainability Coordinator who presented awards to the following for their voluntary beautification efforts: Bill and Beth Neidlinger and SOS Landscaping for the new landscape improvements at the Post Office and Wendy Pham, Adventist Health System for 10 years of parks beautification projects.

b. Proclamation - "National Hospice and Palliative Care Month"

Mayor Bradley proclaimed the month of November 2011 as "National Hospice and Palliative Care Month" in Winter Park. Jackie Cashmere, Community Liaison Florida Hospital Hospice Care, was present to accept the proclamation.

c. Recognition of the Winter Park High School’s 500th Football Victory

The Winter Park High School Football team was unable to attend as they were practicing to compete in this year’s playoffs so this was rescheduled for the November 28, 2011 meeting.

d. Presentation of Winter 2011 Webisode produced in partnership with Full Sail’s SPARK program

Communications Director Clarissa Howard presented the Winter Webisode featuring the new Winter Park Community Center. Ms. Howard thanked all of the members of Full Sail who were involved in making it a success.
e. **Appointment of Martin Luther King, Jr. Task Force members**

**Motion made by Mayor Bradley to appoint Dr. Mitchell Dawkins representing the Ministerial Alliance, Joyce Swain and Mary Daniels to the Martin Luther King Jr. Task Force; seconded by Commissioner Sprinkel and approved unanimously with a 5-0 vote.**

Mayor Bradley noted that several positions still remain open and he will be bringing those forward at the next meeting.

f. **Board appointment: Board of Adjustment**

**Mayor Bradley nominated Jeffrey Jontz for the Board of Adjustment alternate vacancy; seconded by Commissioner Sprinkel and approved unanimously with a 5-0 vote.**

**Item not on the agenda**

Mayor Bradley announced that he presented a proclamation yesterday for “Catherine Ford Day” in Winter Park as Ms. Ford happily celebrated her 106th birthday at the AME Ward Chapel.

**City Manager's Report**

City Manager Knight thanked everyone for their hard work and effort in making the Veteran’s Day celebration a huge success.

City Manager Knight advised that the City Hall renovation project has started and should be completed in about two months. During this time, several departments and staff members will be relocated and since the Commission Chambers will also be renovated the following Commission meetings will be held at the Rachel D. Murrah Civic Center located at 105 W. Morse Boulevard (December 12, January 9 and 23, February 13 and 27). Mr. Knight advised that this information will be made public and apologized in advance for any inconveniences this may cause.

City Manager Knight followed up on rescheduling the Mead Garden work session. It was agreed to have the work session on December 12 from 2:00-3:15 p.m. at the Civic Center.

City Manager Knight noted that he received one of the four studies from the pension consultant and the final report is forthcoming. He acknowledged the request to email this information to the Commissioners. Commissioner Sprinkel requested City Manager Knight to put an action plan in place for the next meeting in case they do not receive the final report from the consultant and to also address how they are going to be updating the different contracts.

**City Attorney’s Report**

No items to report.
Non-Action Item


Finance Director Wes Hamil provided the September 2011 financial report.

Motion made by Commissioner Sprinkel to accept the Financial Report; seconded by Commissioner McMacken and approved unanimously with a 5-0 vote.

Consent Agenda

a. Approve the minutes of 10/24/11.
b. Approve the following contracts and purchase order:
   1. Piggybacking City of Sanford contract #RFP 09/10-23 with Florida Bearings, Inc. for repair of electric motors and pumps and authorize the Mayor to execute the Piggyback Contract; $30,000
   2. Piggybacking Pasco County contract #05-114 with Owens, Renz & Lee, Inc. for janitorial services and authorize the Mayor to execute the Piggyback Contract; $157,062.00
c. Approve the Civility Code as recommended by the Ethics Board. – PULLED FROM CONSENT AGENDA FOR DISCUSSION – SEE BELOW
d. Cancel the December 26, 2011 Commission meeting due to the holidays.
e. Approve the On-Site Energy Audit Services Program Master Agreement with Progress Energy Florida (PEF) and authorize the Mayor to execute the agreement.

Motion made by Commissioner McMacken to approve Consent Agenda Items ‘a’, ‘b.1-2’, ‘d’ and ‘e’; seconded by Commissioner Leary and approved by acclamation of the City Commission with a 5-0 vote.

Consent Agenda Item ‘c’ - Approve the Civility Code as recommended by the Ethics Board.

Motion made by Commissioner Sprinkel to approve the revised Civility Code as follows:

The City of Winter Park Civility Code is intended to clearly emphasize our commitment to maintain civility in the conduct of the public’s business within our community.

Citizens, Board members, Employees, City Commissioners and the Mayor will demonstrate dignity, respect, and courtesy towards others by promoting to:

- Respect the right of all citizens in our community to hold differing opinions;
- Avoid rhetoric intended to humiliate or question the wisdom of those whose opinions differ from ours;
- Strive to understand differing perspectives;
- Choose our words carefully;
- Speak truthfully without accusation and we will avoid distortion; and
- Speak out against violence, prejudice and incivility in all forms, whenever and wherever they occur.

We shall honor each other and our great city by practicing the Civility Code.
Motion seconded by Commissioner Cooper. Upon a roll call vote, Mayor Bradley and Commissioners Leary, Sprinkel, Cooper and McMacken voted yes. The motion carried unanimously with a 5-0 vote.

Action Items Requiring Discussion

No items.

Public Hearings

a. Requests of the City of Winter Park: To revise the public notice requirements for City-wide notices to streamline the zoning approval process:

- **ORDINANCE NO. 2860-11**: AN ORDINANCE OF THE CITY OF WINTER PARK, FLORIDA, AMENDING CHAPTER 58 "LAND DEVELOPMENT CODE" ARTICLE III, "ZONING" SO AS TO REVISE THE PUBLIC NOTICE REQUIREMENTS FOR ZONING AMENDMENTS AND CONDITIONAL USES AND THE EXTENSION OR RE-ESTABLISHMENT OF CONDITIONAL USES, PROVIDING FOR SEVERABILITY, CODIFICATION, CONFLICTS AND AN EFFECTIVE DATE
  Second Reading

- **ORDINANCE NO. 2861-11**: AN ORDINANCE OF THE CITY OF WINTER PARK, FLORIDA, AMENDING CHAPTER 58 "LAND DEVELOPMENT CODE" ARTICLE I, "COMPREHENSIVE PLAN" SO AS TO ADOPT NEW PUBLIC NOTICE AND ADOPTION PROCEDURES FOR AMENDMENTS TO THE CITY OF WINTER PARK COMPREHENSIVE PLAN SUBSTITUTING FOR THE CURRENT AMENDMENT PROCEDURES, PROVIDING FOR SEVERABILITY, CODIFICATION, CONFLICTS AND AN EFFECTIVE DATE  Second Reading

Attorney Brown read both ordinances by title. No public comments were made on either ordinance.

Motion made by Commissioner Sprinkel to adopt the first ordinance; seconded by Commissioner Leary.

Motion made by Commissioner Sprinkel to adopt the second ordinance; seconded by Commissioner Leary.

Motion amended by Commissioner Cooper to the first ordinance – Section 58-90 (d) (2), to add the following sentence: “If more than 3 years has passed since the conditional use expired and if that conditional use required city wide notice the first time that it receives the same level of notice if 3 years has passed since its expiration.”; seconded by Commissioner McMacken. Upon discussion, a roll call vote on the amendment was taken with Mayor Bradley and Commissioner Sprinkel voting no. Commissioners Leary, Cooper and McMacken voted yes. The motion carried with a 3-2 vote.

Upon a roll call vote on the first ordinance as amended, Mayor Bradley and Commissioners Leary, Sprinkel, Cooper and McMacken voted yes. The motion carried unanimously with a 5-0 vote.
Upon a roll call vote on the second ordinance, Mayor Bradley and Commissioners Leary, Sprinkel, Cooper and McMacken voted yes. The motion carried unanimously with a 5-0 vote.

b. Request of Bank First Realty, Inc. on behalf of McDonald’s Corporation for: Conditional use approval to construct a McDonald’s Restaurant with a drive-thru service at 1282/1288/1302 West Fairbanks Avenue and 1281/1289/1301 Gene Street, zoned C-3.

Planning Director Jeff Briggs explained the request and answered questions regarding the proposed project in terms of site and context, parking, traffic circulation and stacking, architecture and landscaping.

Commissioner McMacken disclosed his ex-parte communication and noted that he spoke with Attorney Rebecca Wilson, representing Bank First Realty, Inc. and City staff.

Ms. Rebecca Wilson, Lowndes Doster Kantor and Reed Law Firm, spoke on behalf of the applicant and explained the project upgrades including the building/landscape enhancements, new stormwater drains and fencing. Ms. Wilson advised that the applicant agrees to install an “on access” speaker system for the drive thru to control the sound, along with the two recommendations from Planning and Zoning.

Motion made by Commissioner McMacken to approve the conditional use request with the two following conditions: #1) the speaker system used at the drive thru is to be a directional speaker system; #2) the City receives a 10 foot easement for utilities, sidewalk and landscaping along Fairbanks Avenue and to also include the two conditions requested by Planning & Zoning (#1, That the landscape plan be augmented along the Fairbanks frontage with the addition of two ligustrum trees (30 gallon – 8 ft. min.) at the corner islands and with four sable palm trees (10-12 ft. min.) across the center landscape island; and #2, That conditioned upon acceptance by Florida Department of Transportation, the concrete median divider be extended to the western boundary of this site.); seconded by Commissioner Cooper.

Motion amended by Commissioner Leary to strike the sidewalk portion of Commissioner McMacken’s motion; seconded by Commissioner Sprinkel.

Upon a roll call vote on the amendment, Mayor Bradley and Commissioners Leary and Sprinkel voted yes. Commissioners Cooper and McMacken voted no. The motion carried with a 3-2 vote.

Upon a roll call vote on the motion as amended, Mayor Bradley and Commissioners Leary, Sprinkel, Cooper and McMacken voted yes. The motion carried unanimously with a 5-0 vote.

Public Comments

Patrick Chapin, Winter Park Chamber of Commerce, thanked everyone that was involved in making the Veterans Day event memorable. He also thanked City staff for supporting the upcoming Fall Business Saturday event on November 26 in which anyone who uses their
American Express card at the participating small businesses on Park Avenue will receive a $25 credit.

c. **Equalization Board Hearings – Dixie Parkway and Williams Drive:**

**RESOLUTION NO. 2095-11**: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WINTER PARK, FLORIDA, PURSUANT TO CHAPTER 170, FLORIDA STATUTES, DECLARING THAT THE CITY IS TO FUND CAPITAL IMPROVEMENTS IN AND FOR THE CITY, TO-WIT: UNDERGROUND ELECTRIC/CATV (BHN) FACILITIES ALONG DIXIE PARKWAY AND WILLIAMS DRIVE FURTHER DECLARING THAT THE COST OF SAID IMPROVEMENTS SHALL BE PAID BY SPECIAL ASSESSMENTS LEVIED AGAINST REAL PROPERTY SPECIALLY BENEFITED BY SAID IMPROVEMENTS; SPECIFYING THE MANNER OF AND TIME FOR PAYING THE SPECIAL ASSESSMENTS; AND INVITING THE PUBLIC TO REVIEW THE PROJECT PLANS AND SPECIFICATIONS AND THE ASSESSMENT PLAT, ALL OF WHICH ARE ON FILE AT THE OFFICE OF THE CITY CLERK OF THE CITY OF WINTER PARK, PROVIDING AN EFFECTIVE DATE.

Attorney Brown read the resolution by title. No public comments were made.

Electric Utility Director Jerry Warren answered questions of the Commission.

**Motion made by Commissioner Cooper to adopt the resolution; seconded by Commissioner McMacken.** Upon a roll call vote, Mayor Bradley and Commissioners Leary, Sprinkel, Cooper and McMacken voted yes. The motion carried unanimously with a 5-0 vote.

**RESOLUTION NO. 2096-11**: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WINTER PARK, FLORIDA, PURSUANT TO CHAPTER 170.03, FLORIDA STATUTES, CONFIRMING THE SPECIAL ASSESSMENTS FOR THE UNDERGROUNDING OF ELECTRIC/CATV (BHN) FACILITIES WITHIN THE MUNICIPAL BOUNDARIES OF THE CITY OF WINTER PARK, CONSISTING OF PROPERTIES ADJACENT TO DIXIE PARKWAY AND WILLIAMS DRIVE, GENERALLY DESCRIBED AS THOSE PROPERTIES ADJACENT TO DIXIE PARKWAY AND WILLIAMS DRIVE, PROVIDING AN EFFECTIVE DATE.

Attorney Brown read the resolution by title. No public comments were made.

**Motion made by Commissioner McMacken to adopt the resolution; seconded by Commissioner Leary.** Upon a roll call vote, Mayor Bradley and Commissioners Leary, Sprinkel, Cooper and McMacken voted yes. The motion carried unanimously with a 5-0 vote.

A recess was taken from 5:04 p.m. to 5:31 p.m.

d. **State Office Building property – Exchange Agreement and Ordinance**

CRA Director Dori DeBord provided a PowerPoint presentation and background regarding value, timing, opportunity of sale, terms, benefits and risks (see attached).

Angela Brown, Meridian Appraisal Group provided a third party opinion of the value report based on the three existing appraisal reports that were previously prepared on the State Office Building and Progress Point properties. Ms. Brown provided background regarding property
values, market values, best and highest use of the properties, timing and the methods she used to create her assessment/analysis report.

Paul Ellis, President of CNL Real Estate/Progress Point, summarized their contract offer and the benefits associated with the transaction.

Each Commissioner asked questions of staff, Ms. Brown and Mr. Ellis. After discussion by the Commission on whether they should move forward or not, motion made by Commissioner Cooper that they deny this application. Motion failed for lack of a second.

Motion made by Commissioner Sprinkel that they accept this application and move forward with more discussion and hear from the public; but, that they move forward with this application; seconded by Commissioner Leary.

Peter Weldon, 700 Via Lombardy, stated that during previous Commission discussions he believes the Commission never indicated that they were considering increasing the density on the State Office Building property to anything other than what it currently is.

The following spoke in favor:
Joe Terranova, 700 Melrose Avenue
Mark Hagle, 1220 Park Avenue N.
Patrick Chapin, Winter Park Chamber of Commerce
Mark Squire, 400 Park Avenue S.

The following spoke in opposition:
James Moreland, 1618 Neola Trail
David Winters, 1251 Palmer Avenue
Nancy Shutts, 2010 Brandywine Drive
John Webb, 925 S. Denning Drive
Gene Randall, 1285 Richmond Road

Upon a roll call vote on the above motion (that they accept this application and move forward with more discussion and hear from the public; but, that they move forward with this application), Mayor Bradley and Commissioners Leary, Sprinkel and McMacken voted yes. Commissioner Cooper voted no. The motion carried with a 4-1 vote.

A recess was taken from 7:48 p.m. to 8:00 p.m.

- Exchange agreement between the City of Winter Park and Progress Point LLC

Motion made by Commissioner Sprinkel to accept the exchange agreement; seconded by Commissioner Leary.

CRA Director Dori DeBord summarized the process and details involved with executing the exchange agreement, including the due diligence process and reverter clause.

Paul Ellis, President of CNL Real Estate/Progress Point, stated his objection with regards to the reverter clause and noted that it will impact the ability to obtain financing.

Upon discussion, motion by Commissioner McMacken to amend the agreement as stated before with the reverter clause: “The City would have one of the following options only if construction of an 80,000 sq ft Class A office building is not started on or before a certain date: 1. If the Orange Avenue site is desired to be retained by the City, the City would buy the Morse site at $4,575,000; 2. If the City does not want the Orange Ave site it would re-trade at even value”; seconded by Commissioner Cooper.
Attorney Brown clarified his understanding on the above motion as follows: The Commission would establish a date by which they would have to pull a building permit on the defined building in terms of square footage and class ‘A’, and if they do not pull the building permit on that date the City would have an option on the reverter. One option would be to purchase back the Morse property at $4,575,000 and then the City would keep both properties. If the City does not want the Orange Avenue site alternatively they could then do the original reverter language which is included in the agreement, which is to do a straight swap of the properties.

Motion amended by Commissioner Sprinkel to the exchange agreement so that demolition of the Progress Point property is a part of what they are working with. Commissioner Sprinkel clarified that she wants Progress Point LLC to demolish both sites right away (the Progress Point site and the State Office Building site); seconded by Commissioner Cooper.

Motion amended by Commissioner Cooper that they define a new office project as a project of at least 70,000 s.f.; seconded by Commissioner McMacken.

Motion amended by Commissioner Cooper, Item 5: Inspection Period, that the 45 days be reverted back to 60 days that was in the agreement the last time they saw it. Motion failed for lack of a second.

Motion amended by Commissioner Cooper, Item 7: Access to the Properties: Records and Other Information, that all reports will be given concurrent with the signature of the exchange agreement (instead of within 10 days of the effective date). Motion failed for lack of a second.

Motion amended by Commissioner Cooper, Item 12: Additional Owner Obligations, that the requirement for the conditional letters of intent will be provided by CNL prior to closing (instead of after closing). Motion failed for lack of a second.

Motion amended by Commissioner Cooper, Item 12: Additional Owner Obligations, require the $30,000 annual payments to begin 1 year from the approval of the final conditional use by the City. Motion failed for lack of a second.

Motion amended by Commissioner Cooper, Item 13: Letter of Credit, Sections (A) & (B), that they change the 45 days for Commission action to 55 days; seconded by Commissioner McMacken.

Motion amended by Commissioner Cooper, Item 13: Letter of Credit, Section (D), that we define “force majeure” the same for both parties; seconded by Commissioner McMacken.

Motion amended by Commissioner Cooper, Item 15: Assignment of Sale, that documented costs be qualified as customary transaction costs; seconded by Commissioner McMacken.

Ms. Rebecca Wilson, Lowndes Law Firm spoke on behalf of the applicant regarding the proposed amendments and explained why the existing language needs to remain in the existing agreement.
Upon a roll call vote on the first amendment “The City would have one of the following options only if construction of an 80,000 sq ft Class A office building is not started on or before a certain date.....1. If the Orange Avenue site is desired to be retained by the City, the City would by the Morse site at $4,575,000. 2. If the City does not want the Orange Ave site it would retrade at even value.”); Mayor Bradley and Commissioners Leary and Sprinkel voted no. Commissioners Cooper and McMacken voted yes. The motion failed with a 3-2 vote.

Upon a roll call vote on the second amendment (Progress Point LLC to demolish both sites right away (the Progress Point site and the State Office Building site); Mayor Bradley and Commissioners Leary and McMacken voted no. Commissioners Sprinkel and Cooper voted yes. The motion failed with a 3-2 vote.

Upon a roll call vote on the third amendment (define a new office project as a project of at least 70,000 s.f.); Mayor Bradley and Commissioners Leary and Sprinkel voted no. Commissioners Cooper and McMacken voted yes. The motion failed with a 3-2 vote.

Upon a roll call vote on the fourth amendment (change Commission action days), Mayor Bradley and Commissioners Leary, Sprinkel and McMacken voted no. Commissioner Cooper voted yes. The motion failed with a 4-1 vote.

Upon a roll call vote on the fifth amendment (define “force majeure” the same for both parties), Mayor Bradley and Commissioners Leary and Sprinkel voted no. Commissioners Cooper and McMacken voted yes. The motion failed with a 3-2 vote.

Upon a roll call vote on the sixth amendment (that documented costs be qualified as customary transaction costs); Mayor Bradley and Commissioners Leary, Sprinkel and McMacken voted no. Commissioner Cooper voted yes. The motion failed with a 4-1 vote.

Upon a roll call vote on the exchange agreement as presented, Mayor Bradley and Commissioners Leary and Sprinkel voted yes. Commissioners Cooper and McMacken voted no. The motion carried with a 3-2 vote.

AN ORDINANCE OF THE CITY OF WINTER PARK, FLORIDA, AUTHORIZING THE CONVEYANCE OF THE CITY OWNED PROPERTY LOCATED AT 941 W. MORSE BLVD., WINTER PARK, FL 32789, REFERRED TO AS THE STATE OFFICE BUILDING PROPERTY, SUBJECT TO MINIMUM REQUIREMENTS AS SET FORTH HEREIN; PROVIDING FOR CONFLICTS AND AN EFFECTIVE DATE. First Reading.

Motion made by Commissioner Leary to adopt the ordinance on first reading; seconded by Commissioner Sprinkel.

Motion amended by Commissioner McMacken to provide that a condition of the ordinance in addition to the Commission approval of the exchange agreement will be that Palmetto Drive abutting and bisecting the Progress Point parcel shall be abandoned and vacated by the City so that the parcels will be unified and contiguous; seconded by Mayor Bradley.
Upon a roll call vote on the amendment (that Palmetto Drive will be abandoned); Mayor Bradley and Commissioners Leary, Sprinkel and McMacken voted yes. Commissioner Cooper voted no. The motion carried with a 4-1 vote.

Upon a roll call vote on the ordinance as amended, Mayor Bradley and Commissioners Leary and Sprinkel voted yes. Commissioners Cooper and McMacken voted no. The motion carried with a 3-2 vote.

City Commission Reports:

a. Commissioner Leary – no report

b. Commissioner Sprinkel

Commissioner Sprinkel attended the Hall of Fame Full Sail event last week and said it was a great event and that Full Sail is a great asset to the community.

c. Commissioner Cooper

Commissioner Cooper attended the Stroll and Roll for the Center of Independent Living last week and thanked everyone for attending and for their donations.

Commissioner Cooper announced that the Missionary Baptist Church will be holding a missionary convention this week and encouraged all to attend.

d. Commissioner McMacken


e. Mayor Bradley

Mayor Bradley thanked everyone for the wonderful Veterans Day event and commended all of those who participated. He announced that there are over 60 City employees who are veterans with five on reserve duty and one that is on active duty.

Mayor Bradley announced that the City has been nominated by the Orlando Business Journal to receive the Healthy Employer Award and is looking forward to City Manager Knight attending the event and reporting the results. Mayor Bradley wished everyone a Happy Thanksgiving.

The meeting adjourned at 9:09 p.m.

[Signature]
Mayor Kenneth W. Bradley

ATTEST:

[Signature]
City Clerk Cynthia S. Bonham
The City of Winter Park Civility Code is intended to clearly emphasize our commitment to maintain civility in the conduct of the public’s business within our community.

Citizens, Board members, Employees, City Commissioners and the Mayor will demonstrate dignity, respect, and courtesy towards others by promising to:

- Respect the right of all citizens in our community to hold differing opinions;
- Avoid rhetoric intended to humiliate or question the wisdom of those whose opinions differ from ours;
- Strive to understand differing perspectives;
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We shall honor each other and our great city by practicing the Civility Code.
Exchange Agreement with Progress Point LLC
Winter Park City Commission
November 14, 2011

941 W. Morse Blvd.  

1150 N. Orange Ave.
COMMISSION REQUEST 10/10/11

✧ Value

✧ Jointly hired a third appraiser to complete a review of the existing appraisal documents
✧ Established new opinions of value for both properties
✧ Full appraisal provides backup to summary document that Commission has reviewed

✧ Values
  ✧ $4,575,000 - State Office Building site
  ✧ $4,400,000 - Orange Avenue site
COMMISSION REQUEST 10/10/11

Timing

+ Progress Point LLC to submit Letter of Credit for $217,000 (3 years of est. CRA increment) – payable to City if development doesn’t occur
+ Drawn down throughout development approval process
+ Sets up timeframes in Exchange Agreement
COMMISSION REQUEST 10/10/11

- Opportunity at Sale
  - After closing on properties, Progress Point LLC will not sell for 2 years without City approval
  - With City consent and if sold for a profit, City will receive \( \frac{1}{2} \) of excess proceeds, after costs
EXCHANGE AGREEMENT HIGHLIGHTS

- Due Diligence - 45 days with 15 day extension
- Closing - 30 days after inspection period
- Properties revert in one year if no application is submitted
- Progress Point LLC obligation of $30,000/year for 14 years beginning at CO
- Conservation Easement on ½ acre to preserve trees – recorded at Closing
- Letter of Credit provided to ensure continued timeliness of development
- No sale of State Office Building for 2 years without City consent – if sale is permitted, City may receive up to ½ profits
## TERMS

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*Conservation Easement is calculated at 75% of value = 21,780 sq. ft. × $21.01/sq.ft. = $458,000 × 75% = $343,000
BENEFITS AND RISKS

**Benefits**

- Puts underutilized parcel into play
- Maintains office use
- CRA and City revenues generated exceed $400K annually
- Potential 300+ new jobs/new corporate headquarters
- Maintain tree canopy
- Preserves city ownership of real property

**Risks**

- Private financing of new office construction is not available
- Unable to draw tenants
- Financial markets may not permit financing - construction could be postponed 3 years