



City of Hollywood

Hollywood City Hall
2600 Hollywood Blvd
Hollywood, FL 33020
<http://www.hollywoodfl.org>

Legislation Text

File #: R-2020-115, **Version:** 1

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The Appropriate City Officials To Execute A Certain Purchase And Sale Agreement For The Former Sunset Golf Course, A Property Located At 2727 Johnson Street, With Richgreens LP ("Seller") And The City ("Buyer").

Quality of Life & Strong Neighborhoods

Staff Recommends: Approval of the attached Resolution.

Explanation:

In response to requests from Hollywood residents to preserve as public open space, on December 5, 2018, the City Commission agreed to include the acquisition of 45.3 acres property located at 2727 Johnson Street ("Property") on a General Obligation Bond initiative question for voters.

The Property is one of the few large parcels of land in Hollywood that remains undeveloped and interest in development has made fewer opportunities for the preservation of open space.

Additionally, land prices are increasing at such a rate that acquisition of sites for open space may become prohibitive in the near future.

On March 12, 2019, City of Hollywood voters approved the \$165,000,000.00 General Obligation Bond initiative.

The acquisition of the subject property was a significant component of the 2019 GO Bond Initiative in order to preserve open public space. On Wednesday February 19th, the City Commission heard a presentation regarding the possible acquisition of the property located at 2727 Johnson Street, also known as the former Sunset Golf Course. Per direction by members of the Commission, staff was tasked with finalizing a Purchase and Sale Agreement. Additionally, staff has been coordinating with consultants on assessing current site conditions against future responsibilities. The Purchase and Sale Agreement contemplates roles and responsibilities for work associated with a usable condition of the property before conveyance.

In assessing, a Purchase and Sale Agreement (“Agreement”) is mutually beneficial to both parties as the City of Hollywood desires to purchase and Richgreens LP, the owner of the Property desires to sell the Property. The Agreement provides for an inspection and contingency period; post closing obligations for the seller in regards to certain environmental actions mandated by the County; closing on or before August 20, 2020; a purchase price of \$12,000,000.00; a down payment of \$100,000.00 upon execution of Agreement; and conveyance by a General Warranty Deed.

The City Charter Section 13.03 Purchase of Real Property by City requires one independent qualified appraisal for any purchase, a second appraisal if the first exceeds \$250,000.00 and approval by a 5/7th vote of the total commission membership. An appraisal obtained by the City of Hollywood provided a valuation of \$9,000,000.00. A second appraisal was conducted and provided a valuation of \$12,300,000.00.

Staff Recommends:

Approval of the Purchase and Sale Agreement upon the terms and conditions set forth in the Agreement.

Fiscal Impact:

Funding for the land purchase is included in the Adopted FY 2020 Capital Improvement Plan, and is available in account number 333.309901.57200.563010.001193.000.000. At this time, the operating impact of maintenance and potential capital costs associated with the purchase of this property are unknown and are not included in the operating budget. Staff is working to determine one-time and recurring costs which will be requested in a future budget amendment and/or included in subsequent fiscal years operating budget subject to the approval and adoption by the City Commission.

Recommended for inclusion on the agenda by:

Shiv Newaldass, Director of Development Services and Chief Development Officer
Gus Zambrano, Assistant City Manager for Sustainable Development