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MEMORANDUM

TO: Village Council
FROM: Kyle Coleman, Assistant to the Village Manager
DATE: June 17, 2020
SUBJECT: Land Purchase and Sale Analysis

Greetings Council:

As you know, in the fall of 2018, the Village Council agreed to buy 62.2 acres of land along the Estero River. In the intervening period, much research has been completed in regards to Estero's parks and recreation assets and needs, as well as our development prospects. Our proposal adds land adjacent to Estero Community Park, where it can be utilized for parks, while returning value for property north of the Estero River, which does not provide substantial value to the Village.

Community Priority

Estero residents have listed the development and expansion of parks and recreation offerings in Estero as a priority in numerous community surveys, including the Estero Feasibility Study, Estero Community Needs and Assets Study, Estero Parks/Recreation/Education Coalition Report, Estero Parks and Recreation Master Plan Survey, and Estero Branding Survey. The purchase of the Estero on the River property was a substantial investment in environmental preservation and passive recreation, and was met with substantial enthusiasm by the community. However, this property was not intended for active recreation use. This proposal seeks to address the active recreation need expressed by residents in surveys and by our Parks and Recreation Master Planning effort.

Properties

The property to be purchased is the 9.2 acre parcel on Williams Road, adjacent to the west of the golf driving range. This property is currently owned by Christ Community Ministries. The property to be sold is the 2.7 acre parcel at 8681 County Road in Estero. This property is currently owned by the Village and leased by Christ Community Ministries.

Background Research & Values

Surveys and environmental and financial appraisals have been completed for both parcels. The environmental appraisal did not return any issues. The financial appraisals returned values of \$3 million and \$1 million for the Christ Community Ministries and Village properties, respectively. These values are reflected in the proposed purchase and sale agreements.

Usage

Both parties can receive value from these transactions, given our different objectives and resources. The Village, presently, rents the church on County Road to Christ Community Ministries. This property is in need of renovation, in order to maximize its usage and to bring it into alignment with Estero design standards. Christ Community Ministries has committed to using the proceeds from this swap to improve this property in the following ways:

- add an additional sanctuary space
- remove the mobile units on-site
- supplement landscaping on-site, particularly around the parking lot
- replace the facade, in accordance with Estero design standards

The Village would benefit from additional land adjacent to the Estero Community Park and Lee County schools parcels. This area will be the hub of active recreation in Estero, and this objective can be advanced by the addition of more open space (given the rapidly diminishing supply of such land in Estero). Alternatively, the church property does not advance the Village's preservation, recreation, or development objectives.

Timeline

If approved, these purchase and sale transactions would be completed in a short period of time. Both parties are incentivized to do so, as the church property is in need of repair and its renovation will benefit everyone. Additionally, as the Village progresses with broad parks and recreation planning, as well as specific Estero on the River planning, it would be beneficial to have secured our land footprint, as much as possible.

Summary

The Village would pay a net sum of \$2 million to Christ Community Ministries, while swapping our property on County Road with their property on Williams Road. The Village would receive valuable, future park land on the proposed active recreation campus. Christ Community Ministries would receive ownership of the church they presently rent on County Road and a cash infusion that they intend to use on much-needed improvements to the church. It is staff's opinion that this investment promotes the community's stated interest in more recreation facilities, while remaining cost and budget conscious.

Thank you for your time.

Kyle Coleman
Assistant to the Village Manager
Village of Estero, Florida

