



Bayfront Community Redevelopment Agency

Palm Bay, Florida

PRIORITIES AND POLICIES
FOR
PROPERTY ACQUISITION AND DISPOSITION

As approved by the Board of Directors on March 11, 2008

Contents

	<u>Page</u>
1. Policies Governing the Acquisition of Properties	1
2. Priorities Concerning the Disposition of Properties	2
3. Factors in Determining Consideration Due Upon Transfers	4
4. Policies Governing the Disposition of Properties	5

1. Policies Governing the Acquisition of Properties

In determining which properties should be acquired by Bayfront Community Redevelopment Agency (BCRA), the agency shall give consideration to the following factors:

1. Proposals and requests by developers that identify specific properties for ultimate acquisition and redevelopment, as part of a development plan.
2. Proposals and requests by governmental entities that identify specific properties for ultimate use and redevelopment, including but not limited to infrastructure and parking projects. Inter-local agreements, if required for development or maintenance, must be in place prior to acquisition
3. Properties that are available for immediate occupancy without need for substantial rehabilitation and will generate operating resources for the functions of the Bayfront Community Redevelopment Agency.
4. Improved properties that are blighted and have a negative effect on surrounding areas targeted for redevelopment.
5. Non-conforming, undevelopable vacant properties for which the best use would be to combine the property with a current development project.
6. Properties that would form a part of a land assemblage development plan by the Bayfront Community Redevelopment Agency.
7. Properties near schools, senior centers, or high visibility areas that may pose safety issues to the community.
8. Properties that will be utilized for planned development that benefits the community, and are supported by the local government.
9. Properties for which title issues are preventing the property from being developed to its highest and best use.
10. Properties subject to mortgage or tax foreclosure that are targeted for redevelopment or can generate resources for the BCRA.
11. Any other properties deemed by the BCRA to be necessary and beneficial to the goals and objectives to the BCRA Plan.

2. Priorities Concerning the Disposition of Properties

The disposition of properties shall be based upon a combination of three different factors. The first factor involves the intended or planned use of the property. The second factor considers the nature and identity of the transferee of the property. The third factor addresses the impact of the property transfer on the short and long term neighborhood and community development plans. Within each factor is a ranking of priorities. The disposition of any given parcel will be based upon an assessment of the most efficient and effective way to maximize the aggregate policies and priorities. The Board and Staff of the BCRA shall at all times retain flexibility in evaluating the appropriate balancing of the priorities for the use of property, priorities as to the nature of the transferee of properties, and priorities concerning neighborhood and community development.

Priorities for Use of Property

1. Mixed use development
2. Parks (venue for events)
3. Waterfront properties
4. Land assembly
5. Public infrastructure
6. Parking
7. Development of a grocery store
8. Tax foreclosed properties
9. Economic development

Priorities as to the Nature of the Transferee

1. Developers for commercial or mixed-use projects.
2. Qualified Investors (Landlords)
3. Qualified Residential Builders
4. Qualified nonprofit corporations (such as Habitat for Humanity) that will hold title to the property for purposes of subsequent reconveyance to private third parties for homeownership.
5. Local government entities for public purpose use.
6. Individuals who will own and occupy property for a business purpose.
7. Individuals who own and occupy residential property
8. Tax exempt institutions such as academic institutions and religious institutions.

4. Factors in Determining Consideration Paid to the BCRA Upon Disposition of Property

The following factors shall constitute general guidelines for determination of the consideration to be received by the BCRA for the transfer of properties. In each and every transfer of real property the BCRA shall require consideration in an amount determined by the BCRA . The BCRA will consider both the fair value of the property and the costs incurred by the BCRA in its determination of consideration for each property. "Costs" shall mean the aggregate costs and expenses of the BCRA attributable to the specific property in question, including costs of acquisition, maintenance, repair, demolition, marketing of the property and indirect costs of the operations of the BCRA allocable to the property.

The consideration to be provided by the transferee to the BCRA may take the form of cash, deferred financing, performance of contractual obligations, imposition of restrictive covenants, or other obligations and responsibilities of the transferee, or any combination thereof.

1. To the extent that transfers of property to governmental entities are designed to be held by such governmental entities in perpetuity for governmental purposes, the consideration for the transfer may include deed restrictions for the use of the property.
2. To the extent that transfers of property to governmental entities are anticipated as conduit transfers by such governmental entities to third parties, the consideration shall consist of not less than actual costs plus administrative fees. The difference between the actual costs and the fair value may be included in the consideration paid to the BCRA.
3. Transfers of property for development and/or operation shall require consideration not less than the actual costs plus administrative fees and the fair market value.

3. Policies Governing the Disposition of Properties

1. The transferee must not own any real property in Palm Bay that has any unremediated citation of violation of the state and local codes and ordinances, or is delinquent in the payment of taxes.
2. The BCRA will consider leasing land as a method of disposition.
3. All tax incentives and financing necessary for the development must be committed prior to actual disposition.
4. The transferee must not have been the prior owner of any real property in the City of Palm Bay that was transferred to a local government as a result of tax foreclosure proceedings.
5. Property shall be transferred for consideration in an amount not less than the actual costs incurred in, among other things, acquisition, demolition, maintenance and administrative fees related to the Property.
6. All development projects should be started and completed within a time frame negotiated with BCRA, in the development agreement.
7. Options to purchase real estate may be available for 10% of the purchase price for a negotiated time frame to be determined by the BCRA staff. This fee will be credited to the parcel price at closing. If closing does not occur, the option money is forfeited. All option agreements are subject to all policies and procedures of the BCRA pertaining to property transfers.
8. A precise narrative description of future use of the property is required. The future use must conform with BCRA district plans.
9. Transactions shall be structured in a manner that permits the BCRA to enforce recorded covenants or condition pertaining to development and use of the property.
10. If code or ordinance violations exist with respect to the property at the time of the transfer, the transfer agreements shall specify a maximum period of time for elimination or correction of such violations, with the period of time be established as appropriate to the nature of the violation of the anticipated redevelopment or reuse of the property.
11. The proposed use must be consistent with current zoning requirements.
12. Where rehabilitation of a property by the transferee is a condition of the transfer, the requirement for such rehabilitation shall be in accordance with rehabilitation standards as established by the BCRA and adequate completion of such rehabilitation shall be a condition to the release of any liens on the property.



BAYFRONT COMMUNITY REDEVELOPMENT AGENCY

PROCEDURES

ACQUISITION PROCEDURE

The BCRA may utilize a Realtor to acquire properties. No commission will be paid unless a sale is completed.

1. BCRA Administrator responds to acquisition opportunity by conducting initial analysis and research (prior use of land, economic analysis, determine if property is in a priority area, investigate environmental concerns, zoning uses, check any archeological issues with local and state authorities, determine status of title, etc.). BCRA Administrator may engage a real estate agent to assist in further steps. Initiate preliminary negotiation with current owner. Board notified of potential acquisition stating intended use and time frame for development at next available opportunity. Staff may enter into Purchase Agreement subject to Board approval.
2. BCRA Attorney will prepare proposed purchase agreement.
3. Board considers the proposed purchase, and either approves or denies the proposed agreement.
4. BCRA Administrator orders appraisal and conduct due diligence inspections of the property.
5. BCRA Administrator orders Phase I, inspection determines its necessity.
6. BCRA Attorney reviews title and survey of property.

7. BCRA Administrator conducts further technical review, if required.
8. BCRA gives final approval or denial of the Purchase Agreement.
9. City Council approves or denies the Purchase Agreement.
10. BCRA Executive Director closes on the Property.

In lieu of the above, a special meeting which considers information with a limited analysis can be called to approve prospective acquisition of tax lien sale properties.

Disposition Procedures for Property Sold by the BCRA

The BCRA may utilize a Realtor for the marketing of its properties. A commission will not be paid unless a sale is completed. All requirements of Chapter 163, Florida Statutes will be applicable to this process.

1. The BCRA shall solicit proposals to dispose of property in the BCRA by giving a 30 day public notice in a newspaper having a general circulation in the community.
2. Proposals will be received and analyzed by the BCRA Administrator.
3. The BCRA Administrator shall take the responsive proposals to the BCRA at a noticed public meeting. The BCRA shall consider the financial standing and status of the proposer.
4. The BCRA will direct the BCRA Administrator to negotiate with the proposer.
5. The BCRA considers the negotiated proposal and either recommends approval or denial of the negotiated proposal to City Council. The BCRA may accept any proposal it deems to be in the public interest and which furthers the goals and objectives of the Bayfront Redevelopment Plan.
6. City Council considers the negotiated proposal and either approves or denies the proposal.
7. If approved, purchase and sale agreement is drafted by the BCRA Attorney.
8. The BCRA and City Council review and either approve or deny the Purchase and Sale agreement.
9. If approved the BCRA Executive Director closes the transaction.