

**SEMINOLE COUNTY GOVERNMENT
AGENDA MEMORANDUM**

SUBJECT: Natural Lands Program: Crockett Property Appraisal Update

DEPARTMENT: Planning & Development **DIVISION:** Community Resources

AUTHORIZED BY: Dan Matthys  **CONTACT:** Colleen Rotella  **EXT.** 7351

Agenda Date <u>2/14/06</u>	Regular <input checked="" type="checkbox"/>	Consent <input type="checkbox"/>	Work Session <input type="checkbox"/>	Briefing <input type="checkbox"/>
	Public Hearing – 1:30 <input type="checkbox"/>		Public Hearing – 7:00 <input type="checkbox"/>	

MOTION/RECOMMENDATION:

Request Board direction regarding exercising the County's Option to purchase the Crockett property located on the St. Johns River, (formerly known as the Lansing property) for \$2.8 million dollars including Seminole County being named a 25% beneficiary of the Crockett Family Charitable Remainder Trust.

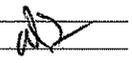
(District 5-Carey / District 2-Morris) Colleen Rotella, Community Resources

BACKGROUND:

On September 27, 2005, the Board of County Commissioners authorized staff to initiate due diligence and negotiations for acquisition of certain properties, including the Crockett Family Charitable Remainder Trust (Crockett Trust) property.

On December 20, 2005, the Board authorized staff to enter into an Option Contract for purchase of the 112 acre Crockett Trust property \$2.8 million dollars. Proceeds of the sale will be placed in the Crockett Family Charitable Remainder Trust with the owners offering to name Seminole County as a 25% beneficiary for the purpose of benefiting the County's Natural Lands Program. The County will have access to the funds of the Trust upon the death of the current owners, Mr. and Mrs. Crockett, who will receive 8% of the proceeds annually until disbursement. A financial institution selected by the Crocketts will manage the Trust.

Two appraisals have been completed with the appraised value ranging between \$2,100,000 to \$2,290,000. The appraisals reduced the 112 acre total indicated on the Property Appraiser information to 100-105 gross acres including a reduction of 4+/- acres located within the St. Johns river and 7+/- acres encompassing a drainage ditch granted to the United States for the Osceola Naval Station. In discussion with the appraisers it was pointed out that due to the unique characteristics of the site finding relevant comparables is difficult. Comps used were from

Reviewed by 
Co Atty: _____
DFS: _____
Other: _____
DCM: _____
CM: 
File No. <u>rpdc01</u>

sales in 2004/2005 and based upon a highest and best use of 5 acres home sites. The value was computed on a \$30,000 value per net acre with 76 net acres on site, (calculation of gross acre price is ~\$22,900/acre). Sales of five acre tracts used ranged from \$13,000 - \$30,000 per acre for inland tracts and \$38,000 - \$51,000 per acre for tracts with river frontage. Also pointed out was the non quantifiable aspect of an acquisition including the public good and use for the site, historic value, the location adjacent to the Flagler Trail and the limited availability of St. Johns River frontage. Finally, the appraised values do not take into consideration the County being named a beneficiary of the Trust.

The property owner has indicated they are not interested in negotiating the price based upon the appraisal information and requested the County come to a final decision.

Site Description The property is located on the east side of Seminole County bordering on St. Johns River and adjacent to the Flagler Trail. Unique features include access to the St. Johns River, oak hammock habitats, bald eagle nests, Indian middens and a small cabin. Most significantly, the property is bisected by the Flagler showcase trail that has its terminus at the St. Johns River. Acquisition of this site would substantially expand and enhance the minor trailhead that currently exists on the adjacent 247 acre Natural Lands property located on Lake Harney.

STAFF RECOMMENDATION:

Staff requests Board direction on moving forward with the acquisition of the Crockett Trust property. Should the Board authorize staff to execute the option, upon closing staff would prepare a grant application to the Florida Communities Trust for partial reimbursement of the acquisition costs.

Attachments: Appraisal Summary Page / Map
Trust Information provided in prior agenda

COMPLETE APPRAISAL, SELF-CONTAINED REPORT

M-431-06/BHJ
CROCKETT PROPERTY
100.71± GROSS ACRES
LOCATED ON THE WESTERN SHORE OF ST. JOHNS RIVER
AT OSCEOLA FISH CAMP ROAD
SEMINOLE COUNTY, FLORIDA

PREPARED FOR

SEMINOLE COUNTY GOVERNMENT
ATTN.: MS. AMY RAUB
NATURAL LANDS PROGRAM, EYNC
3485 NORTH COUNTY ROAD 426
GENEVA, FLORIDA 32732

DATE OF VALUATION: JANUARY 4, 2006
DATE OF REPORT: JANUARY 16, 2006

PREPARED BY

PINEL & CARPENTER, INC.

WALTER N. CARPENTER, JR., MAI, CRE
PRESIDENT
STATE-CERTIFIED GENERAL APPRAISER
LICENSE NO. RZ 0001231

DUNCAN G. ROSE
STATE-CERTIFIED GENERAL APPRAISER
LICENSE NO. RZ 0002488

100.71± GROSS ACRES
LOCATED ON THE WESTERN SHORE OF ST. JOHNS RIVER AT OSCEOLA FISH CAMP ROAD
SEMINOLE COUNTY, FLORIDA

SUMMARY OF SALIENT FACTS AND FINAL OPINION OF VALUE

PROJECT: M-431-06/BHJ
Crockett Property

COUNTY: Seminole

OWNER: Crockett Family Charitable Remainder Trust of
Sept. 12 2005

LAND SIZE: 76.27± Upland Acres
24.44± Wetland Acres
100.71± Gross Acres

An additional 4.43± acres are located within St. Johns River and are potential sovereign lands.

IMPROVEMENTS: Single-family cabin, mobile home and sheds that are in poor condition and do not contribute to the highest and best use.

ZONING: A-5, Rural District

FUTURE LAND USE: Rural-5, 1DU/5 Acres

HIGHEST AND BEST USE: Single-family residential development

DATE OF VALUE: January 4, 2006

OPINION OF MARKET VALUE: \$2,290,000

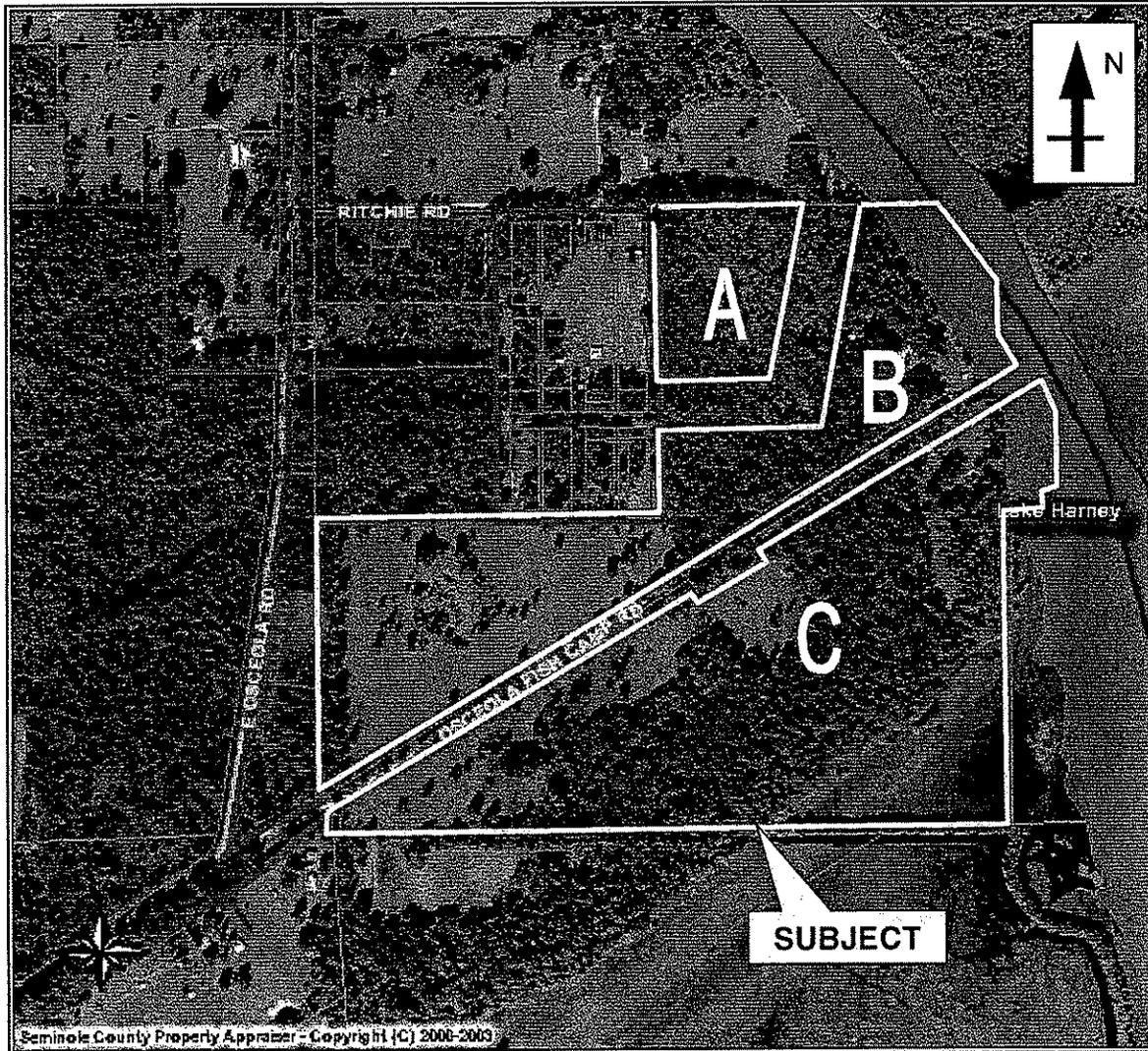
ASSESSED VALUE:

Land	-	\$1,158,700
Improvements & Extra Features	-	\$ 18,477
Just/Market Value	-	\$1,177,177
Total Assessed Value	-	\$ 69,263

DATE OF INSPECTION: January 4, 2006

100.71± GROSS ACRES
LOCATED ON THE WESTERN SHORE OF ST. JOHNS RIVER AT OSCEOLA FISH CAMP ROAD
SEMINOLE COUNTY, FLORIDA

AERIAL PHOTOGRAPH



*Approximate representation
Source: Seminole County Property Appraiser, 2004*

100.71± GROSS ACRES
LOCATED ON THE WESTERN SHORE OF ST. JOHNS RIVER AT OSCEOLA FISH CAMP ROAD
SEMINOLE COUNTY, FLORIDA

SUBJECT PHOTOGRAPHS



An interior view of the subject.



View of an oak hammock.

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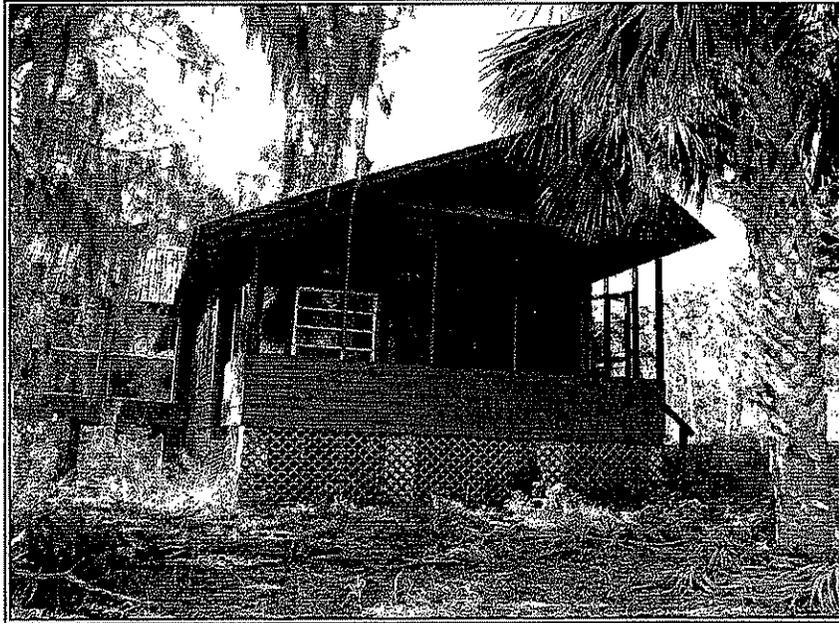


A view of the subject adjacent to St. Johns River.



A view of the subject's shoreline along St. Johns River. Land located in Volusia County can be seen in the distance.

100.71± GROSS ACRES
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View of the cabin.



A northeasterly view along Flagler Trail where it separates Parcels B & C.

100.71± GROSS ACRES
LOCATED ON THE WESTERN SHORE OF ST. JOHNS RIVER AT OSCEOLA FISH CAMP ROAD
SEMINOLE COUNTY, FLORIDA



A southwesterly view along Osceola Fish Camp Road.



A southerly view along Flagler Trail, adjacent to the subject.

Exhibit "B"

Daniel and Barbara Crockett Charitable Remainder Trust

~~November 2005~~

SEP 12, 2005

Investment Policy Statement

Goal: To create an investment portfolio capable of withstanding a withdrawal rate of 8% that has the ability and probability of growing over time to allow the income keep pace with inflation. A corollary goal is to preserve and grow the principal (corpus) of the trust for the charitable beneficiary.

Methodology: To utilize time and market tested money management teams with the focus on consistent, predictable long-term performance. Each manager will have the ability to manage Equity and/or Fixed income instruments. These managers will be hired at Net Asset Value (no commissions) due to available breakpoints. The management teams chosen must also have the breadth of offering to allow the portfolio to adapt with future changes necessary to maintain the goals of this trust. Mr. and Mrs. Crockett as Trustees of the trust will, with the help of their financial advisor, monitor and nurture this trust. They will be allowed to make changes in the Investments and or management teams as the feel prudent to maintain the stated goals of the trust.

Initial Investment Management Choices

Franklin Templeton (Founding Funds Strategy)

- Franklin – Founded in 1947. Industry leader in fixed income investing as well as growth style US Equity investing.
- Templeton- Founded in 1940. Pioneered international investing. Offices in over 25 countries. Broadest global reach in the industry.
- Mutual Shares- Founded 1949. Leader in Value investing specializing in undervalued stocks, arbitrage situations, and distressed securities.
- All managers work independently of each other and adhere to distinctly different investment approaches. They have a very low overlap of securities- providing truly diversified portfolios.
- All strategies have had positive annual returns in every 5 year rolling calendar period since inception.
- Strategy has outperformed the S&P in the 1-,3-,5-,10-, and 30-yr periods
- Worst 5yr period since 1972 (1997-2002) performance was +3.74%. During the same period, the S&P lost 0.58%
- Best 5 yr period since 1972 (1974-1979) performance was +26.96%. During the same period, the S&P made +14.82%

Lord Abbett (Affiliated)

- In operation since 1934
- Four senior managers averaging 30 yrs experience

- Dividends increased in 41 of last 50yrs
- Positive returns in 22 out of the last 25yrs and in 40 of the last 50
- Average returns of over 10% in last 1-, 10-, 15-, 20-, 25-, 30-, 35-, 40-, 45-, and 50-year calendar periods

American Funds Group, while not utilized in the initial hypotheticals, is also available to the Crockets at NAV due to the breakpoints afforded by their personal holdings. This will offer some very enticing additions especially in the areas of Large Cap growth both US and Europacific.

Potential Growth of Income and Portfolio Value

Past performance is no guarantee of future performance. The following scenario is provided for illustrative purposes only. No guarantees are either expressed or implied.

The following information is based on illustrations run based on actual investment performance and fees over the last 30 years based on an initial investment of \$1,250,000 and withdrawals of 8%/year of trust corpus.

	Lord Abbett	Frankli Templeton Total	
Year 1			
Income	\$100,000	\$100,000	\$200,000
Portfolio	\$1,250,000	\$1,250,000	\$2,500,000
Year 5			
Income	\$135,614	\$174,636	\$310,250
Portfolio	\$1,679,387	\$2,080,399	\$3,759,786
Year 10			
Income	\$212,285	\$249,321	\$451,606
Portfolio	\$2,670,595	\$3,294,201	\$5,964,796
Year 15			
Income	\$282,555	\$353,412	\$635,967
Portfolio	\$3,339,555	\$4,129,933	\$7,469,488
Year 20			
Income	\$329,273	\$397,279	\$726,552
Portfolio	\$4,003,356	\$4,555,589	\$8,558,945
Year 25			
Income	\$508,631	\$495,907	\$1,004,538
Portfolio	\$6,214,537	\$5,922,297	\$12,136,834
Year 30			
Income	\$435,356	\$519,756	\$955,112
Portfolio	\$5,591,894	\$6,324,719	\$11,916,613