

## **RESOLUTION 2008-10**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POLK CITY, FLORIDA, AUTHORIZING THE CITY TO INITIATE THE PURCHASE OF REAL PROPERTY FROM POLK COUNTY PURSUANT TO THE AGREEMENT FOR THE SALE AND TRANSFER OF THE MOUNT OLIVE WATER AND WASTEWATER SYSTEMS; PROVIDING FOR AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, on February 12, 2008, the City Council of the City of Polk City (CITY) entered into an Agreement for the Sale and Transfer of the Mount Olive Water and Wastewater Systems (AGREEMENT) from Polk County (COUNTY), Florida; and

**WHEREAS**, pursuant to Section E of the Agreement the County agrees to sell and the City agrees to purchase two tracts of real property that are currently used for disposal of wastewater effluent. The legal descriptions and the locations of these tracts are indicated as Exhibit "A"; and

**WHEREAS**, pursuant to Section E of the Agreement the COUNTY and CITY agree that the real property will be a purchase and sale transaction based upon the current appraised land value; and

**WHEREAS**, A state-certified, licensed M.A.I., mutually agreed upon by the parties, has determined the current value of the properties and the appraiser has submitted his determination of current land value to both the CITY and COUNTY a copy of which is attached as Exhibit "B", this value being the basis for the purchase and sale transaction; and

**WHEREAS**, pursuant to Section E of the Agreement the appraiser's finding will be final and not subject to negotiation; AND

**WHEREAS**, the City's acquisition of the two sites will be accomplished by a lease-purchase structure, with the lease period to be for 10-years, and the lease payments to the County to be made by the CITY annually on the anniversary date of the Agreement; and

**WHEREAS**, the annual interest rate shall be the statutory rate in effect on the date of execution of the Agreement. The statutory rate of interest for 2007, as set by the State of Florida's Chief Financial Officer pursuant to F.S. 55.03(1), is eleven percent (11%); and

**WHEREAS**, the appraisal report includes the preparation of a lease payment schedule based upon the above lease terms, defining the annual payment dates and amounts by the CITY to the COUNTY and may be found on page 61 of the appraisal; and

**WHEREAS**, upon the completion of the ten lease installments, the COUNTY shall execute a county deed to transfer title to the properties to the CITY however in the event that the CITY fails to make any of the ten lease payments, the COUNTY shall provide a written notice to the CITY of the delinquent payment(s) and the CITY shall have up to 30 days to bring the lease payments current and in the event the CITY defaults on the lease payments and does not bring the lease payments current within 30 days of the demand for delinquent payments, the COUNTY may, without further notice, consider the lease agreement null and void, retain any amounts previously paid by the CITY to the COUNTY, evict the CITY from the property and prohibit any further use/occupancy of the property described on Exhibit "A" by the CITY; and

**WHEREAS**, the City may prepay the lease at anytime at the City's option without penalty.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Polk City, Florida, that:

**SECTION 1. Recitals Incorporated.** The above recitals are true and correct, and are incorporated herein.

**SECTION 2. Notification and Authorization to Initiate the Purchase of Real Property.** The City Council of the City of Polk City hereby notifies Polk County of the City's intention to purchase the real property as described in Exhibit "A". Further, the City Council hereby authorizes the City Staff of the City of Polk City to initiate discussions and subsequent transfer of the property and to continue said discussions with the County pending further directives by the City Council.

**SECTION 3. Offer.** The City Council of the City of Polk City hereby notifies Polk County of the City's offer for the purchase of the real property in Exhibit "A" in the amount of one million twenty-seven thousand dollars (\$1,027,000.00).

**SECTION 4. Authorization to seek alternative financing.** The City Council hereby authorizes the City Staff of the City of Polk City to initiate discussions with

alternative lending agencies to obtain the most prudent rates and terms for the financing of this property.

**SECTION 5. Directive to forward to County.** The City Council hereby directs the City Clerk to forward a copy of this resolution to the County immediately upon its passage.

**SECTION 6. Effective Date.** This Resolution shall take effect immediately upon its adoption.

**PASSED AND CERTIFIED AS TO PASSAGE** this 12th day of August 2008.

AYES \_\_\_\_\_ NAYS \_\_\_\_\_

**City Council of the City of Polk City**

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Donald L. Penton, Sr.

**ATTEST:**

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Sylvia S. Sims, City Clerk

**APPROVED AS TO CONTENT AND FORM:**

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Jeffrey Sullivan, City Attorney