



Community
Redevelopment
Agency (CRA)

agenda item

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| item type Action Items | meeting date February 24, 2021 |
| prepared by Peter Moore | approved by Michelle Neuner, Randy Knight |
| board approval Completed | |
| strategic objective Investment in Public Infrastructure | |

subject

Purchase Agreement for 901 W. Fairbanks Avenue, Winter Park, FL 32789, and discussion of additional properties along Fairbanks Avenue.

motion / recommendation

Approval of sale and purchase agreement of 901 W. Fairbanks Avenue property and business for \$750,000.

background

The City Commission has discussed the possibility of improving traffic flow on Denning Drive and Fairbanks Avenue as well as expanding MLK Park by investigating potential acquisition of property along the north side of Fairbanks from Denning to Ward Avenue. Working with the brokerage agency, Jones Lang LaSalle (JLL), city staff has made a number of inquiries to property owners along the avenue to ascertain a willingness and price point for a sale. To date, staff has received interest from two property owners, 901 W. Fairbanks Avenue (Imperial Dry Cleaners) located at the corner of Denning and Fairbanks, and a larger parcel at 929 W. Fairbanks Avenue where Vines & Forks business is located. While negotiations are in progress for 929, the corner property at 901 W. Fairbanks is willing to sell. The purchase agreement is attached to this agenda item.

Acquiring the corner piece at Denning and Fairbanks is a critical component to any future road project that involves the rest of the properties in this area and acts as a cornerstone by adding space for a southbound right turn lane from Denning onto Fairbanks. This will relieve some vehicle stacking at the intersection by allowing approximately four vehicles to queue. Additional property acquisition over time will continue to benefit travel at the intersection.

Kimley-Horn ran a preliminary analysis for the addition of a 100' southbound right-turn

lane at the intersection of Fairbanks Avenue & Denning Drive and presented the following findings. The addition of the southbound right-turn lane on Denning Drive would reduce the overall delay at the intersection by two seconds per vehicle. The delay for the overall southbound approach would be reduced by 20 seconds per vehicle (on average). Since the 50th percentile queue for the adjacent southbound through movement is 300 feet in length, the southbound right-turn lane would be blocked at least half of the time. Occasionally, a vehicle making the southbound right-turn lane has the potential to access the southbound right-turn lane and turn right on red and save themselves as much as two minutes. Additional traffic improvements can be made with future land acquisitions but this acquisition is the cornerstone of the improvements.

The 1999 CRA Plan envisions property acquisition on the north side of Fairbanks Avenue, east of Orlando Avenue, for two purposes. The first is for improved road conditions. The second is for the potential expansion of Lake Island (MLK) Park. The purchase of 901 W. Fairbanks is in compliance with both of these items providing opportunities for enhanced traffic flow and future consideration of additional property adjacent to MLK Park.

The following is a summary of the purchase agreement:

- Purchase price of \$750,000. This includes a valuation of \$450,000 for the land, and \$300,000 for the business.
- Earnest money of \$25,000 will be fully refundable up till the end of the Inspection Period.
- Inspection Period of 90 days from date of execution of agreement by both parties.
- Closing will occur within 30 days of the expiration of the Inspection Period.

For discussion, staff has prepared conceptual sketches of what acquisition scenarios could look like along the northeast side of Fairbanks. One scenario assumes the acquisition of 901 and 929 and the other assumes we are also able to obtain 919 W. Fairbanks. Both scenarios show the addition of the southbound Denning right-turn lane. They also provide thought on how land purchases could add parking capacity and pedestrian and bicycle enhancement to the park.

alternatives / other considerations

Do not consider purchase.

fiscal impact

In Winter Park, recent sales have been closing between \$3-4 million per acre. The purchase property is 6,814 SF, or .16 of an acre. Attributing the land value (\$450,000) of the purchase agreement, values the property at \$2.9 million an acre or \$66 SF. The additional cost of acquiring the business was a condition of sale for the owner, which adds \$300,000 to the purchase price and an overall cost per acre valuation of \$4.8 million.

As the City Attorneys have explained at a prior Commission meeting, if a city chose to use eminent domain to acquire a property, it often has to pay a premium, valuing property at its highest and best use. Also, the law requires including the value of business damages in the acquisition when it comes to partial takings. While the city is not utilizing eminent domain in this case and is acquiring the entire site, staff is considering that an acquisition of this property would reasonably entail a premium. It should also be noted that the precedent for paying for a business was only reasonably considered as this is the corner lot and the lynchpin for further right-of-way enhancements.

The CRA had previously budgeted \$1 million to make enhancements to the Denning/Fairbanks intersection for the purpose of traffic and stormwater improvements. With CRA Agency approval, these funds can be utilized for that purpose.

ATTACHMENTS:

[Agreement for Sale and Purchase.pdf](#)

ATTACHMENTS:

[901 Fairbanks site specific map.pdf](#)

ATTACHMENTS:

[2021.02.03_Fairbanks & Denning_Conceptual Layout Two.pdf](#)

ATTACHMENTS:

[2021.02.03_Fairbanks & Denning_Conceptual Layout One.pdf](#)