

**FAQs and Answers Concerning the Gulf Harbors Golf Course Purchase**

June 22, 2017

**1. Where in the acquisition process is this project?**

The MSBU Ordinance was challenged in state court, thus the closing on the purchase of the Property has been delayed, pending the outcome of the litigation. However, consistent with the terms and conditions of the Sale and Purchase Agreement, ELAMP is continuing to conduct its due diligence for the acquisition of the Property. The County is in the process of facilitating through the Seller's contractual requirements, the necessary Environmental Site Assessments.

**2. Why didn't the County conduct the environmental testing before entering into the Sale and Purchase Agreement?**

It is industry standard to conduct environmental tests after the buyer has a binding contract. The County's purchase agreement, which authorizes environmental testing after the purchase agreement is signed by the seller and the buyer, and during the due diligence phase, but before closing, is consistent with the Florida "FAR/BAR" form, which is prepared by the Florida Association of Realtors and the Florida Bar.

**3. Will the cost of the clean-up be paid for by the MSBU?**

No.

**4. How will the clean-up be funded?**

If it is determined that remediation is required, it will either be paid for by the seller, reduced from the purchase price, or the County won't close on the purchase of the property. The extent and/or presence of contamination will need to be determined prior to answering any additional questions relative to cleanup. As mentioned above, this testing is ongoing.

**5. What is the next step?**

It was determined that the Seller, in fulfilling their contractual obligations in the Sale and Purchase Agreement, will be coordinating with the DEP, under review of the County, to determine if any mitigation and/or remediation is required by the state.

**6. Will the County be conducting another public workshop?**

Yes. After we have the environmental testing completed, and a recommendation for remediation, if any, the County will schedule another workshop to share the results.

**7. Why is the purchase price of the property \$1,200,000, and why isn't the County paying less?**

The contracted purchase price is what the Seller is willing to accept. The County can't force the Seller to accept

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less. The two options that were presented to the County were to a) not purchase the property and leave it up to the owner to seek development approval, or b) purchase the property at the Seller's lowest asking price to date, which is \$1,200,000. From the beginning, the County advised residents that there was a large difference between the County's appraisal and the Seller's appraisal. Both the May 27, 2016 letter and the July 6, 2016 letter to the residents explained the difference:

*"The County has an appraisal valuing the Property at \$600,000, which would be paid by the County's ELAMP program. The seller has an appraisal valuing the Property at \$1,700,000, and the seller's asking price is \$1,200,000. The difference between ELAMP's \$600,000 contribution, and the final selling price would be funded by the MSBU."*

Despite the County describing the difference between the two appraisals, more than 50% of the ballots were in favor of the creation of the MSBU to fund half of the \$1,200,000 purchase price.

### **8. Why did the appraiser base the estimate of value on "hypothetical" zoning?**

The assumption that 80 units could be developed on the property was based on information that County staff obtained from the County's Planning and Development Department, which is the department that the County often defers to for such information when ordering appraisals. Where, as here, the Seller challenged the County's appraiser's assumptions in the first two appraisals, it is not unusual for the County to ask the Planning and Development Department for their input. The County's appraisal complied with the Appraisal Institute's Uniform Standards of Professional Appraisal Practice, which recognizes and authorizes the use of hypothetical conditions as a standard tool for appraising real property. They are specifically applicable to properties with a potential for rezoning, as is the case for the golf course property.

### **9. Why has the County not backed out of the purchase agreement?**

The majority of the residents in Gulf Harbors, who have contacted the County regarding the former Gulf Harbors Golf Course property have stated that they want the County to purchase the property. Additionally, more than 50% of the ballots received indicated the residents' desire to partner with the County to purchase the land. At this time, the County is still conducting its due diligence with regard to environmental matters.

### **10. Is it safe to walk on the course?**

Until the extent of the contamination has been determined, a definitive response would be premature. However, we would like to remind residents that it is still private property at this point in time.

### **11. Is there any groundwater contamination?**

From the initial Phase II reports, there does not appear to be any groundwater contamination.

### **12. Who will have access to the Preserve?**

The Ordinance states, "except for wildlife and ELAMP staff and their guests, access to the Park and Property will be limited to the owners of each Assessment Unit within the MSBU." The Advisory Committee may make recommendations on how the policy could be enforced.

**For additional information and inquires please contact: [gulfharbors@pascocountyfl.net](mailto:gulfharbors@pascocountyfl.net)  
For updates please refer to: <http://www.pascocountyfl.net/index.aspx?NID=2564>**

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