

Date: August 29, 2024

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Subject: Veterans Memorial Blvd. Extension Project and Exceptional Benefits Petition Update

The Transportation Management Services Department (TMSD) presented the Exceptional Benefits Petition (Petition) to the Conservation Collier Land Acquisition Advisory Committee (CCLAAC) during the April 3, 2024, meeting. The CCLAAC acknowledged that the Veterans Memorial Blvd. Ext. project was a documented and needed transportation improvement and that the acquisition of the northern parcel in September 2004 and the southern parcel in June 2007 were done with knowledge that the road would be constructed in this location and an exclusion for the right-of-way was included. TMSD emphasized that the road cannot be built without the necessary infrastructure, including stormwater management, thus the request to purchase a portion of the Railhead Scrub Preserve for use as a stormwater pond through the Exceptional Benefits process was prepared and presented at the CCLAAC. In their motion, the CCLAAC voted unanimously (7-0) to “recommend the Board of County Commissioners approve the Petition for an Exceptional Benefit for conservation lands in Railhead Scrub Preserve be approved as presented by Staff subject to Conservation Collier Staff continuing to work with the Transportation Management Services Department on the connectivity options for the north and south portions of the Preserve bisected by the proposed roadway extension.”

It has been several months since the CCLAAC made their motion. During this time TMSD has received two independent appraisals for the land value and has finalized the parcel size. This memo is provided to as an update to the CCLAAC on those two items.

1. **Value of the Property**

The Petition documented the original per-acre acquisition cost, the current land value based on the Collier County Property Appraiser website and that an appraisal of the property would be done to determine the current value of the property. Since that time, TMSD has received two independent appraisals of the property. The rounded average of the two appraisals is \$2,910,000 for the 7.51 acres. The value is based on the current market for developable land not encumbered by any conservation easement. The Program Lands, while owned by Collier County and managed by the Conservation Collier Program are intended to be preserved but are not restricted if the property is sold or developed. There are no easements or encroachments on the property that would affect its use or impact value even though it was purchased by Conservation Collier to be held and maintained as conservation land. The appraisers are required to look at the highest and best use of the vacant property which includes what is legally permissible, physically possible, financially feasible and maximally productive for the property. The appraisals therefore reflect a value on the open market for a parcel zoned for urban residential development and do not reflect the intent to conserve the property. The language in the petition at the time, was for the compensation to be approved and accepted by the Board of County Commissioners (BCC) in accordance with the Ordinance and the BCC direction.

The Petition has been amended to include the average of the two appraisals and the consideration that the parcel would be exempt from the Exceptional Benefits clause if it were acquired today. The rounded average of the two appraisals is \$2,910,000. The value of the site at the time of the acquisition was \$1,445,014. The additional financial contribution of \$35,000 to Conservation Collier for use in the Railhead Scrub Preserve and the discussion that the Project provides the additional benefit and value of public access to Conservation Collier lands which currently have no reasonable access were previously included in the petition and discussed with the CCLAAC. It is also noted that Section 5.01 of the Ordinance provides an exemption from the process and compensation in the following circumstance, when a “Conveyance of an interest in Program Lands where the affected Program Lands will benefit by providing access where there was previously no reasonable public access.”

The process requires that the BCC review the Petition based on Ordinance 2006-58, Exceptional Benefits, and determine the best interest of the public regarding this transaction. Compensation for the property is proposed and agreed to, however, TDMS intends to emphasize the difficulty in the valuation of the site based on the value of developable land when it is maintained as preserved land without public access.

2. **Parcel Acreage**

At the time the Petition was presented to the CCLAAC, it was anticipated that the pond would be 6.9 acres and the limits of the construction area would be 7.2 acres. This was based on engineering needs, but the approved legal description was not complete. The legal description dated 4/29/2024 included 7.32 acres for pond construction and maintenance area. Conservation Collier staff was provided the legal description and upon review, expressed concern over the width of the area on the eastern side of the pond parcel for access and maintenance of the remaining preserve area to the south. Conservation Collier staff requested a larger access area along the eastern boundary line. This necessitated a revision to the pond configuration which was elongated to maintain the needed volume for stormwater management. Conservation Collier staff was consulted with prior to revision of the legal description and was aware that the acreage may increase based on the request. The proposed revision was agreed to by Conservation Collier staff and the final legal description was reviewed and approved by staff. The request ultimately resulted in the 7.51-acre legal description included to the Petition which allows for a 45’ access pathway between the pond and the eastern boundary line.

In conclusion, TMSD has revised the Petition to include the average of the two appraisals received after the CCLAAC presentation and the clarification of the parcel size. The intent is to present these two items to the CCLAAC as an update and then bring the Petition to the BCC for approval, tentatively scheduled for September 24, 2024. The BCC will then consider the recommendation of the CCLAAC and determine if the Petition meets the requirements of the Exceptional Benefit Ordinance. Ultimately, the BCC will determine what is in the best interest of the public on this issue.