
CITY OF OCALA

CRA AGENCY REPORT

Meeting Date: 02/19/19

Subject: Purchase Agreement

Submitted By: Tye Chighizola

Department: Growth Management

STAFF RECOMMENDATION (Motion Ready): Approve CRA Agenda Item (ID # 13147) a Purchase and Sale Agreement with the Moxon Generational Trust, the Henry Moxon Living Trust and the Ocala Lumber Company for multiple properties located in the North Magnolia Redevelopment Subarea in the amount of \$285,000

OCALA'S RELEVANT STRATEGIC GOALS: Economic Hub

PROOF OF PUBLICATION: N/A

BACKGROUND:

In 2014, City Council approved the Imagine North Magnolia Capital Improvement Project. This was to be a five to seven-year phased property acquisition project with related demolition to create mixed-use retail, business and residential development opportunities within the North Magnolia area, north of NE 10th Street.

Over the past year, staff has been negotiating with a property owner (Henry Moxon) to purchase multiple vacant properties in the CRA. The properties, which are located on North Magnolia Ave, NW 3rd Avenue and NW 4th Avenue, are approximately 4.67 acres in size. The North Magnolia Avenue parcels (1.7 acres) south of the cemetery are zoned B-4 and are assessed at \$147,584. The negotiated price between the City and the property owner is \$175,000. The purchase price is 20 percent over the assessed values. The other parcels are zoned R-1A and are assessed at \$80,796. The negotiated price is \$110,000. The purchase price for these parcels are 35 percent over the assessed values. The City is interested in these parcels due to their prominent location, size and development potential.

FINDINGS AND CONCLUSIONS:

The purchase of these properties is consistent with the North Magnolia Redevelopment Plan. The North Magnolia CRA Advisory Committee gave its support to purchase these properties. Purchasing the properties for future redevelopment opportunities meets City Council's goal of becoming an economic hub by leveraging location and resources. Over the past three years the City has purchased several properties in the area or acquired properties through the code enforcement process (see attached map showing properties acquired or in the process of being acquired). In 2016, the City purchased 1.65 acres (Willoughby property along North Magnolia Avenue) for \$228,000.

FISCAL IMPACT:

The property will be purchased using funds from the Community Redevelopment Trust Fund North Magnolia Redevelopment subarea account, which is appropriate and consistent with the Community Redevelopment Area Plan. A total of \$350,000 was budgeted in the FY19 Imagine North Magnolia CIP to assemble land that can be redeveloped. These funds will be used to purchase the property. Account # 622-016-515-559-55-61010 has sufficient funds to cover this expense. After the purchase of the Moxon property, there will be a remaining balance of \$65,000 in the Imagine North Magnolia CIP project accounts.

PROCUREMENT REVIEW: N/A

LEGAL REVIEW: The agreement was reviewed and approved for form and legality by the Assistant City Attorney, Rob Batsel.

ALTERNATIVE:

- Approve
- Approve with changes
- Deny
- Table

SUPPORT MATERIALS:

Purchase and Sale Agreement(PDF)

Map (PDF)

This Instrument Prepared by/Return To:

Joseph Switt, Real Estate Coordinator
City of Ocala, Growth Management
201 SE 3rd Avenue, 2nd Floor
Ocala, FL 34471

CONTRACT FOR SALE AND PURCHASE

THIS AGREEMENT is entered into on the 7th day of February, 2019, by and between: The Moxon Generational Trust as to parcels 26297-000-00 & 25831-000-00, The Henry J.G. Moxon Living Trust as to parcels 26298-000-00 & 25832-000-00, Ocala Lumber Sales Company, a Florida Corporation as to parcels 25448-000-02 & 25818-000-00, whose mailing address is: PO box 1389, Ocala, FL 34478, hereinafter called the ("Seller")¹ and the City of Ocala, a Florida municipal corporation, whose mailing address is: 201 SE 3rd Avenue, 2nd Floor, Ocala, Florida 34471, hereinafter called the ("Buyer")¹.

NOW THEREFORE, in consideration of the mutual promises contained herein, and under the good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **BUYER** and **SELLER** agree as follows:

1. **Sale and Purchase.** **SELLER** agrees to sell, and **BUYER** agrees to buy, the following **PROPERTY ("PROPERTY")**: real **property** located in Marion County, Florida, and described as follows:

SEE ATTACHED EXHIBIT "A" BY THIS REFERENCE MADE A PART HEREOF
and all improvements to and structures in and on such real **property**.

2. **Purchase Price.** The purchase price shall be \$285,000.00 payable at closing.

3. **TIME FOR ACCEPTANCE AND CONTINGENCIES.** **THIS AGREEMENT IS CONTINGENT AND NOT BINDING UPON BUYER UNTIL RATIFIED AND ACCEPTED BY OCALA CITY COUNCIL, SIGNED BY ITS PRESIDENT, AND ATTESTED BY THE CITY CLERK, WITHIN 30 DAYS OF EXECUTION OF THIS AGREEMENT BY SELLER. IF NOT SO RATIFIED AND ACCEPTED WITHIN SUCH TIME PERIOD, THIS AGREEMENT SHALL BE DEEMED REJECTED BY BUYER AND OF NO FURTHER EFFECT. SELLER ACKNOWLEDGES AND AGREES THAT THIS PROVISION CANNOT BE WAIVED BY BUYER OR ANY AGENT OF BUYER.**

4. **Closing.**

a. **Date.** Closing shall be held at City of Ocala, Growth Management Department, 208 SE 3rd St., Ocala Florida 34478-1270, on a date selected by Buyer the longer of 90 days following **BUYER'S** acceptance of this **AGREEMENT** pursuant to Paragraph 3 or within 30 days of Seller's successful completion of the terms Paragraph 13. **BUYER** may select

¹Wherever the context so admits or requires, the terms "Seller" and "Buyer" are used for singular and plural, and respectively refer to the parties to this instrument and the heirs, legal representatives, and assigns for individuals, and the successors and assigns of corporations.

the closing agent to close the transaction and disburse the proceeds.

b. **Documents and Payments at the Closing.** SELLER shall execute and deliver to BUYER: a special warranty, trustee's, personal representative's or guardian's deed, as appropriate to the status of SELLER with warranty of title limited to the warranties contained in a Special Warranty Deed; an absolute bill of sale for the Personal PROPERTY with warranty of title; a construction lien affidavit; assignments of Leases; tenant and mortgagee estoppel letters; and corrective instruments. BUYER shall furnish a closing statement and pay the purchase price. **The purchase proceeds will be apportioned as per Exhibit "B" BY THIS REFERENCE MADE A PART HEREOF and the warranties of each Seller are limited to the property owned by that Seller.**

5. **Representations and Obligations of Seller.** SELLER represents and agrees as follows:

a. SELLER holds marketable, record fee simple title to the Real PROPERTY, and is the sole owner of and has good right, title and authority to convey and transfer all of the PROPERTY, free and clear of all liens and encumbrances, excepting only taxes which are not due and payable; covenants, restrictions and public utility easements of record; existing zoning and governmental regulations.

b. SELLER shall convey marketable title subject only to liens, encumbrances, exceptions, or qualifications specified in this AGREEMENT. Marketable title shall be determined according to applicable Title Standards adopted by the Florida Bar. BUYER will select the closing agent and pay for the title search and closing services. BUYER, at its expense and within 10 days after the effective date shall order a title insurance commitment by a Florida licensed title insurer setting forth those matters to be discharged by SELLER at or before closing and, upon BUYER recording the deed, an owner's policy in the amount of the purchase price for fee simple title subject only to exceptions stated above. If SELLER has an owner's policy, SELLER will deliver a copy to BUYER within 15 days of the effective date. If title is found defective, BUYER shall, within 15 days from receipt of the evidence of title notify SELLER in writing specifying the defects. If the defects render title unmarketable, SELLER shall have one hundred and eighty (180) days from receipt of notice within which to remove the defects failing which BUYER shall have the option of either accepting the title as it then is or canceling this AGREEMENT. SELLER shall, if title is found unmarketable, use diligent efforts to correct defects in the title within the time provided therefore, including the bringing of necessary suits. If SELLER is unable to timely correct the defects, BUYER shall either waive the defects or cancel this AGREEMENT.

c. From the date of execution of this Agreement through the closing, Seller shall exercise diligent care in protecting the Property against waste or destruction of any kind, and shall not do or permit anything to be done to permit or cause any liens, encumbrances, liabilities, debts, or obligations on the Property except as exist as of the date of Seller's execution of this Agreement.

d. Seller shall, not less than ten (10) days after Seller's execution of this

Agreement, furnish to Buyer copies of all written Leases, if any, and estoppel letters from each tenant specifying the nature and duration of each tenant's occupancy, rental rates, advanced rent and security deposits paid by the tenant. If Seller is unable to obtain such letter from each tenant or if the Leases are not written, the same information shall be furnished by Seller to Buyer within such time period in the form of a Seller's affidavit, and Buyer may thereafter contact tenants to confirm such information. Seller shall, at closing, deliver and assign all original Leases to Buyer. If any lease is unacceptable to Buyer, Buyer may terminate this Contract by delivery of written notice to Seller with 20 days of receipt of the unacceptable lease.

e. There are no facts known to Seller materially affecting the value of the Property which are not readily observable by Buyer or which have not been disclosed to Buyer.

6. **Feasibility Study.** Buyer may, during the period commencing with the execution of this Agreement by Buyer's agent and concluding 90 days after Buyer's acceptance of this Agreement (the "Feasibility Study Period"), determine whether the Property is suitable, in Buyer's sole and absolute discretion, for Buyer's use. Buyer may conduct a Phase I environmental assessment and any other tests, analyses, surveys and investigations ("Inspections") that Buyer deems necessary to determine, to Buyer's satisfaction, the Property's engineering, architectural and environmental properties; zoning and land use restrictions; subdivision status; soil and grade; availability of access to public roads, water and other utilities; consistency with local, state and regional growth management plans; availability of permits, governmental approvals and licenses; and other Inspections that Buyer deems appropriate to determine the Property's suitability for the Buyer's intended use. Seller gives Buyer, its agents and other representatives, the right to enter the Property at any time during the Feasibility Study Period for the purpose of conducting Inspections; provided, however, that Buyer, its agents, contractors and assigns enter the Property and conduct Inspections at their own risk. Buyer will indemnify and hold Seller harmless from losses, damages, costs, claims and expenses of any nature, including attorneys' fees at all levels, and from liability to any person, arising from the conduct of any and all inspections or any work authorized by Buyer. Buyer will not engage in any activity that could result in a mechanic's lien being filed against the Property without Seller's prior consent. Seller shall fully cooperate with Buyer and its professionals in connection with the foregoing. Upon completion of such inspections, the Buyer, if necessary, shall restore the site to a condition as similar as possible to its previous condition. Buyer shall deliver written notice to Seller prior to the expiration of the Feasibility Study Period if Buyer determines the Property is not acceptable, in which event this Agreement shall be deemed canceled and of no further effect.

7. **Prorations.** Taxes, assessments, rent, interest, insurance, and other expenses and revenue of the Property shall be prorated through the date of the closing. Cash at closing shall be increased or decreased as may be required by prorations. Advance rent and security deposits will be credited to Buyer If closing occurs at a date or under circumstances where the current year's millage is not yet fixed, or the current year's assessments are otherwise unavailable, taxes will be prorated based on prior year's tax. A tax proration based upon an estimate shall, at request of either party, be readjusted upon receipt of a tax bill if a statement to that effect is signed at closing.

8. **Risk of Loss.** If the Property is damaged by fire or other casualty before closing, Buyer shall have the option of either taking the Property as is, together with any insurance

proceeds payable by virtue of such loss or damage, or of canceling this Agreement. Buyer acknowledges the Property is vacant land.

9. **Expenses.** BUYER shall pay for title insurance, doc stamps on the Deed, and for recording of the deed. SELLER shall pay all costs necessary to cure or satisfy any title defects, liens, or encumbrances and the costs of recording any corrective instruments.

10. **Brokerage Commissions.** Seller represents that it has listed the Property with "SVN Florida Commercial Real Estate" whose commission will be paid, by seller, under separate agreement between seller and said broker. Each party represents to the other that no other real estate brokers, salespersons, agents or finder fees are involved in this transaction, and each party agrees to indemnify and hold harmless the other party from and against any claims by real estate brokers or other persons claiming by, through or under them.

11. **Time of the Essence.** Time is of the essence with respect to each provision of this Agreement which requires that action be taken by either party within a stated time period, or within a specified date.

12. **Attorney's Fees and Costs.** In the event of any litigation arising out of this Agreement, the prevailing party shall be entitled to recover all expenses and costs incurred, including court costs, reasonable attorney's fees, paralegal, investigative and any other paraprofessional fees whether incurred in trial, appellate, post-judgment or Bankruptcy proceeding.

13. **Additional Terms.**

a) **Zoning Contingency.** Seller's obligation to close under this Agreement shall be conditioned upon the following (the "Zoning Contingency") occurring on or before the date (the "Contingency Deadline") which is six months after the Effective Date:

i.) Adoption by the City of an ordinance assigning a B2 zoning classification to Seller's remaining portion of Parcel # 25448-000-02 (i.e. PLAT BOOK A PAGE 166 THE CENTRAL LAND CO'S REVISED PLAT OF MARION HEIGHTS BLK 11 LOTS 7, 8, 9, & 10). City acknowledges that said Zoning Classification is consistent with the current underlying Future Land Use designation.

ii.) In the event that the Zoning Contingency does not occur by the Contingency Deadline, Seller shall provide written notice to Buyer, within 30 days of the expiration of the Contingency Deadline, that Seller elects to either: (a) waive the Zoning Contingency and close hereunder; or (b) terminate this Agreement. If Seller fails to provide such written notice as and when required, Seller shall be deemed to have elected to terminate this Agreement. If Seller terminates this Agreement neither party shall have any obligations hereunder except those that expressly survive termination.

iii.) City of Ocala shall waive the application and processing fees associated with the Zoning contingency.

iii.) Seller shall diligently pursue, immediately undertake and be responsible for taking all action reasonably necessary to cause, and for all expenses associated with causing, the satisfaction of the Zoning Contingency. Seller shall meet all time deadlines, and shall proceed to attempt to satisfy the Zoning Contingency in a reasonable and customary fashion.

b) **Prior Agreements recorded in ORB 05413/643 & 5413/661.** City of Ocala shall waive Paragraph 2, "Reimbursement by Property Owner" of both agreements and record a satisfaction document.

14. **Zoning Contingency.** Seller acknowledges and agrees that Buyer cannot agree to cause the Zoning Contingency to occur. Rather, the events that are necessary for the occurrence of the Zoning Contingency must be granted or denied in accordance with applicable law and after all required public hearings.

15. **Acknowledgement.** Buyer acknowledges that there are several graves located along the North boundary that encroach upon the subject property. Buyer agrees to accept title subject to an exception for the existence of these graves.

16. **Limitations of Representations of Sellers.** All representations of each Seller are limited to the property owned by that Seller.

17. **Entire Agreement.** This AGREEMENT and any exhibits attached hereto constitute the entire AGREEMENT between BUYER and SELLER, and there are no other covenants, agreements, promises, terms, provisions, conditions, undertakings, or understandings, either oral or written, between them concerning the PROPERTY other than those set forth herein. No subsequent alteration, amendment, change, deletion or addition to this AGREEMENT shall be binding upon BUYER or SELLER unless in writing and signed by both BUYER and SELLER.

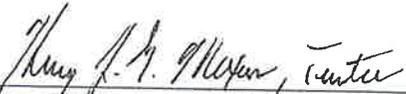
SELLER(S)

Parcels 26297-000-00 & 25831-000-00



The Moxon Generational Trust,
by Henry J. G. Moxon, as Trustee

Parcels 26298-000-00 & 257832-000-00



Henry J.G. Moxon Living Trust,
by Henry J. G. Moxon, as Trustee

Parcels 25448-000-02 & 25818-000-00

Henry J. G. Moxon, President
Ocala Lumber Sales Company,
by Henry J.G, Moxon, as its President

BUYER(S)

CITY OF OCALA

APPROVED BY:

This Contract is ratified and accepted by:
Ocala City Council on _____

Mary S. Rich, City Council President

ATTEST:

Angel B. Jacobs, City Clerk

APPROVED AS TO FORM AND LEGALITY:

Patrick G. Gilligan, City Attorney

EXHIBIT "A"

1. The Moxon Generational Trust as to parcels 26297-000-00 & 25831-000-00

26297-000-00

Lying in Section 9, Township 15 South, Range 22 East, Marion County, Florida: Lots 2, 3, 4, 5, 6, 7, 8 and 9, Block 2, FLORIDA CENTRAL LAND COMPANY SUBDIVISION, a Subdivision of Blocks 3 and 4, ALLRED'S ADDITION TO OCALA, as per plat thereof recorded in Plat Book A, Page 162, Public Records of Marion County, Florida.

ALSO BEING DESCRIBED AS:

Lying in Section 8, Township 15 South, Range 22 East, Marion County, Florida: Lots 2, 3, 4, 5, 6, 7, 8 and 9, Block 2, FLORIDA CENTRAL LAND COMPANY SUBDIVISION, a Subdivision of Blocks 3 and 4, ALLRED'S ADDITION TO OCALA, as per plat thereof recorded in Plat Book A, Page 162, Public Records of Marion County, Florida.

LESS AND EXCEPT:

That property described in Order of Taking dated March 23, 1999, as recorded on March 28, 1999, at Official Records Book 2770, Page 536 of the public records of Marion County, Florida.

25831-000-00

Lots 9, 10, 11, 12, ENGESSERS SUBDIVISION, as per plat thereof recorded in Plat Book "A", page 119, of the public records of Marion County, Florida, being a resubdivision of Block 10, Marion Heights, as per plat thereof recorded in Plat Book "A", page 166, of the public records of Marion County, Florida.

2. The Henry J.G. Moxon Living Trust as to parcels 26298-000-00 & 25832-000-00

26298-000-00

SEC 08 TWP 15 RGE 22 LOTS 10.11.12.13 BLK 2 SUB OF BLKS 3.4 ALLREDS EXC COM NW COR OF SW 1/4 TH S 00-16-38 W 325 FT TH S 89-46-19 E 20 FT TO POB TH S 89-46-19 E 10 FT TH S 00-16-38 W 84.57 FT TH S 44-52-51 E 35.26 FT TH S 89-57-40 W 35 FT TH N 00-16-38 E 109.62 FT TO POB

25832-000-00

Lot Thirteen (13) of ENGESSER'S SUBDIVISION, of Block Ten (10) of MARION HEIGHTS, as per plat thereof recorded in Plat Book "A" at Page 119, of the Public Records of Marion County, Florida.

3. Ocala Lumber Sales Company as to parcels 25448-000-02 & 25818-000-00

The following portion of 25448-000-02

SEC 07 TWP 15 RGE 22 PLAT BOOK A PAGE 166 THE CENTRAL LAND CO'S REVISED PLAT OF MARION HEIGHTS BLK 11 LOTS 3,4,5 & 6.

25818-000-00

Lying in Section 7, Township 15 South, Range 22 East, Marion County, Florida: Lots 1, 4, 5, 6, 7 and 8, Block 7, REVISED PLAT OF MARION HEIGHTS, as per plat thereof recorded in Plat Book A, Page 166, Public Records of Marion County, Florida.

EXHIBIT "B"

<u>Parcel ID #</u>	<u>Acreage</u>	<u>Seller</u>	<u>Allotted proceeds</u>
26297-000-00 26298-000-00	<u>1.7</u>	The Moxon Generational Trust The Henry JG Moxon Living Trust	<u>\$175,000.00</u>
25448-000-02	<u>1.02</u>	Ocala Lumber Sales Co.	\$27,500.00
25818-000-00	<u>1.18</u>	Ocala Lumber Sales Co	\$49,500.00
25832-000-00	<u>.33</u>	The Henry JG Moxon Living Trust	\$13,500.00
25831-000-00	<u>.44</u>	The Moxon Generational Trust	\$19,500.00

COMPOSITE CLOSING STATEMENT

PROJECT: Imagine Magnolia
 PROJECT PARCEL NO.: N/A
 PROPERTY APPRAISER'S PARCEL ID NO. 26297-000-00

SELLER: The Moxon Generational Trust
 ADDRESS: PO Box 1389, Ocala, Fl. 34478
 SOCIAL SECURITY / TAX #: 30-6221803
 PHONE #(S): HM: 352-266-5842

BUYER: City of Ocala, a Florida Municipal Corporation
 ADDRESS: P.O. Box 1270, Ocala Florida 34478-1270
 Fed Tax #: 59-6000-392
 PHONE #(S): 352-629-8254

SELLER			BUYER	
DEBIT	CREDIT		DEBIT	CREDIT
	\$ 117,000.00	PURCHASE PRICE	\$ 117,000.00	
		COUNTY TAXES		\$
\$ 1,377.60		2019 Pro-ration		\$ 1,377.60
2,085.73		2018 Certificate		2,085.73
	\$ 113,536.67	BALANCE DUE TO SELLER	\$ 113,536.67	

WE, THE PARTIES NAMED ABOVE, HEREBY ACKNOWLEDGE THAT WE HAVE EXAMINED AND ACCEPTED THIS STATEMENT AS AN ACCURATE REPRESENTATION OF THE MONIES PAID AND RECEIVED THIS DAY OF OCTOBER, 2019, IN ACCORDANCE WITH THE CONTRACT FOR SALE AND PURCHASE ACCEPTED BY CITY OF OCALA COUNCIL ON THE 19th DAY OF FEBRUARY, 2019 AND AS AMENDED AND ACCEPTED BY CITY OF OCALA COUNCIL ON THE 18th DAY OF JUNE, 2019

 City Representative Date

 SELLER DATE

 SELLER DATE

From the balance due to Seller, Seller is paying to The James G. Moxon Family Irrevocable Trust the sum of _____ for Partial Release of Mortgage.

 Henry G. Moxon, Trustee

 Marjorie A.M. Swearingen, Trustee

COMPOSITE CLOSING STATEMENT

PROJECT: Imagine Magnolia
 PROJECT PARCEL NO.: N/A
 PROPERTY APPRAISER'S PARCEL ID NO. 26298-000-00

SELLER: The Henry J.G. Moxon Living Trust
 ADDRESS: PO Box 1389, Ocala, Fl. 34478
 SOCIAL SECURITY / TAX #: 267-62-7892
 PHONE #(S): HM: 352-266-5842

BUYER: City of Ocala, a Florida Municipal Corporation
 ADDRESS: P.O. Box 1270, Ocala Florida 34478-1270
 Fed Tax #: 59-6000-392
 PHONE #(S): 352-629-8254

SELLER			BUYER	
DEBIT	CREDIT		DEBIT	CREDIT
	\$ 58,000.00	PURCHASE PRICE	\$ 58,000.00	
		COUNTY TAXES		
\$ 686.04		2019 Pro-ration	\$ 686.04	
\$ 1,049.62		2018 Certificate	\$ 1,049.62	
	\$ 56,264.34	BALANCE DUE TO SELLER	\$ 56,264.34	

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 City Representative Date

 SELLER DATE

 SELLER DATE