

RESOLUTION 21-91

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA, APPROVING A TASK ORDER WITH CHANDLER & ASSOCIATES, INC. FOR APPRAISALS FOR THE FBR RIGHT-OF-WAY SEGMENT 4.1 PROJECT IN THE AMOUNT OF \$21,000.

BE IT RESOLVED that the appropriate officers of the City are authorized to accept and deliver on behalf of the City that certain Task Order 2021-01 to the Master Services Agreement for Professional Appraisal Services dated August 13, 2020 between the City and Chandler & Associates, Inc., relating to the appraisal of 4 parcels for Front Beach Road Right-of-Way Project Segment 4.1 project, in the total amount of Twenty One Thousand Dollars and No Cents (\$21,000), in substantially the form attached and presented to the Council today, with such changes, insertions or omissions as may be approved by the City Manager and whose execution shall be conclusive evidence of such approval.

THIS RESOLUTION shall be effective immediately upon passage.

PASSED in regular session this 25 day of February, 2021.

CITY OF PANAMA CITY BEACH

By: 
Mark Sheldon, Mayor

ATTEST:


Lynne Fasone, City Clerk

Attachment A

CHANDLER AND ASSOCIATES

OF PANAMA CITY, INC.

REAL ESTATE APPRAISERS

11 West 23rd Street, Building D

Panama City, Florida 32405

(850) 769-9455 office

RANDALL C. CHANDLER, MAI

PRESIDENT

February 8, 2021

Mr. David O. Campbell
City Engineer / CRA Manager
City of Panama City Beach
116 South Arnold Road
Panama City Beach, Florida 32413

Re: Front Beach Road Right-of-Way Project
Segment 4.1

Dear Mr. Campbell:

As per your request, I am writing to submit a proposal for appraisals of partial takings for Segment 4.1 of the Front Beach Road Improvement Project. As you are aware, appraisals prepared for potential eminent domain proceedings are more complex than most appraisal assignments. The following is a summary of the scope of work which is required to prepare an appraisal for a partial taking:

1. The first step is to make a "larger parcel" determination. The larger parcel is that property or that portion of a property which features unity of highest and best use, contiguity, and unity of title or ownership.
2. Next, the larger parcel is appraised without consideration of the proposed right-of-way project, before the taking.
3. The appraiser then estimates the value of the part taken as part of the whole property.
4. The appraiser then estimates the value of the remainder property, exclusive of the part taken, under the assumption the right-of-way project has been fully completed.
5. If applicable, severance damages are calculated by comparing the value of the remainder as part of the whole property with the value of the remainder after the taking. Finally, the appraiser considers any cure plans which will offset damages and any special benefits which may offset damages.



PARCEL 106

Parcel 106 consists of a strip taking from Sterling Breeze Condominium Project. The strip taking is located along the north right-of-way of Front Beach Road next to the parking garage. After consulting with Jim Spalla, special counsel for eminent domain proceedings, the appraiser concluded that the larger parcel would involve the land utilized for the parking garage as well as the gulf front condominium site. The average per square foot price for the combined ownership would be applied to value the part acquired. At the present time, there does not appear to be any damages associated with the acquisition of parcel 106. Thus, the appraisal will only address the value of the vacant land and any improvements within the taking. Given the fact that this appraisal will address both the value of a gulf front site and interior land, it will require two sets of comparable sales. I have estimated the hours required to complete the assignment at 30 hours. Based on a fee of \$250 per hour, this yields a total fee of \$7,500.

PARCEL 107

Parcel 107 also involves community property owned by Sterling Breeze Condominium. It consists of a strip of land 47 feet wide, 120 feet deep, containing 0.1 acres or 5,640 square feet. This site is not currently being utilized by the condominium association. It appears to be a remnant which was acquired via the acquisition of the primary condominium site. As a result, it will be appraised as a separate larger parcel. Given the fact that a portion of this property appears to be within Lullwater Lake and/or wetlands and given the fact that the site is relatively small and narrow, it has limited marketability or functional utility. The appraiser estimated the number of man hours necessary to complete the project at 18 hours. Based on a fee of \$250 per hour, this yields a total cost of \$4,500.

PARCEL 103

Parcel 103 involves a strip taking of 0.020 acres or 854 square feet from a site located along the north right-of-way of Front Beach Road adjacent to the southeast boundary of Pier Park Shopping Center. This site is currently being developed with a hotel. The maximum width of the strip taking is 10.43 feet. The larger parcel consists of the entire hotel site which is under the ownership of Pier Park Resort Hotel, LLC. For the purpose of preparing this proposal, the appraiser has assumed that the owners of the proposed hotel were aware of the acquisition at the time they designed their project. Thus, we have assumed that the taking will not result in damages to the remainder and, as a result, the appraisal will only address the value of the vacant land and any improvements within the taking. If it is determined that the taking will result in damages to the remainder, the appraiser reserves the right to revise the value estimate set forth herein accordingly. We have estimated this assignment will require 18 hours and a total fee of \$4,500.

PARCEL 101

Parcel 101 involves a small taking along the north right-of-way of Front Beach Road at the intersection of the east entrance to Pier Park Shopping Center. Based on the definition of a larger parcel previously recited herein, the appraisal should address all of the land owned by Pier Park, LLC. Given the fact there are no damages, the appraisal could be abbreviated to address only the land without any consideration given the value of the improvements. The taking involves only 491.48 square feet of land area. This is a situation in which the cost of the appraisal would be excessive in relationship to the value of the land acquired, if the appraisal were prepared in strict compliance with Florida law. In this case, the appraiser recommends that the appraiser be allowed to deviate from these requirements and simply appraise the part taken as if it were part of a smaller outparcel. The client should recognize that this procedure would not be in compliance with Florida law and would not be suitable for the purpose of obtaining an Order of Taking. However, it would give the client guidance and support for a proposed voluntary acquisition. If the city is unable to negotiate a voluntary acquisition, a more expensive appraisal process could then be undertaken. Assuming the larger parcel were abbreviated to address only the vacant land as if it were a smaller outparcel, the appraisal can be prepared for \$4,500, based on 18 hours at \$250 per hour.

I sincerely appreciate the opportunity to submit this proposal. I am available at your convenience, to discuss the proposal and the appraisal process.

Respectfully Submitted,
CHANDLER AND ASSOCIATES OF PANAMA CITY, INC.

Randall Chandler

Randall C. Chandler, MAI
State-Certified General Real Estate Appraiser RZ156

COMBINED TASK ORDER AND
NOTICE TO PROCEED

TASK ORDER NO. 2021-01

DATE
2/25/21

Reference is made to that certain MASTER SERVICE AGREEMENT BETWEEN CITY OF PANAMA CITY BEACH AND CHANDLER AND ASSOCIATES OF PANAMA CITY, INC. RELATING TO PROFESSIONAL APPRAISAL SERVICES dated August 13, 2020, (the "Agreement"), the terms, conditions, and definitions of which are incorporated herein as if set forth in full. Neither party is in breach of the Agreement.

Pursuant to the Agreement, Engineer agrees to perform the specific tasks set forth upon incorporated Attachment A, Scope of Services, relating to Front Beach Road Right-of-Way Project Segment 4.1.

Engineer's total compensation shall be (check one):

a stipulated sum of \$ 21,000; or
 a stipulated sum of \$ _____ plus one or more specified allowances listed below which may be authorized in writing by the City Manager or his designee,
Allowance of \$ _____ for _____, and
Allowance of \$ _____ for _____; or
 a fee determined on a time-involved basis with a maximum cost of \$ _____;

as set forth upon incorporated Attachment B, Fee Breakdown, and shall be paid in monthly installments as specified in the Agreement.

Work shall begin on March 1, 2021, and shall be completed within 60 calendar days. The date of completion of all work is therefore April 30, 2021. Liquidated delay damages, if any, are set at the rate of \$ 0.00 per day. There are no additional rights and obligations related to this Task Order other than as specified in the Agreement.

Upon execution of this task order by both Engineer and City, Engineer is directed to proceed.

IN WITNESS WHEREOF the parties have caused these presents to be executed in their names on the date shown.

Witness:

CHANDLER AND ASSOCIATES OF PANAMA CITY, INC.

By: _____ Date: _____

Its:

CITY OF PANAMA CITY BEACH, FLA.

ATTEST:

Lynne Fusone
City Clerk

By: al hort Date: 3/1/21
City Manager