

MEMORANDUM

TO: MAYOR AND CITY COMMISSION

FROM: CITY ATTORNEY'S OFFICE

DATE: March 18, 2024

RE: **Vacant Land Sale Agreement with Industrial Brush Corporation**

For your consideration is a Vacant Land Sale Agreement with Industrial Brush Corporation (Industrial Brush) for a 0.69-acre industrial lot located north and adjacent to 3919 Air Park Drive on the north side of Lakeland Linder International Airport (Airport). Industrial Brush is a company that specializes in the design and manufacture of brushes for several different industries.

On October 14, 2022, the Airport requested a release from the Federal Aviation Administration (FAA) from specified conditions contained in the City's Surplus Property Quitclaim Deed dated September 26, 1947 in order to sell the 0.69-acre parcel. A release permitting the sale and disposal of real property transferred to an airport owner under the federal Surplus Property Act is only granted when it is clearly shown that such property is no longer needed to directly support an airport purpose, or the activity and sale of such property will benefit civil aviation by producing an equal or greater benefit to an airport rather than continued retention of the property.

As it relates to this 0.69-acre parcel, Airport staff determined that the sale of the real property asset resulting in cash or physical improvements, will better serve the future growth of the Airport. In this case the net sale proceeds based on the current fair market value of the property is realized and the proceeds are committed to Airport purposes.

On May 31, 2023, the FAA determined that the 0.69-acre parcel met the conditions for release and provided the Airport with a Deed of Release. The FAA also concluded that the release and use of this property for commercial purposes will not interfere with the operation, maintenance, or future development of the Airport. Accordingly, the Airport commissioned an appraisal report in August 2022 for the industrial lot, which concluded that the market value is \$120,000.00.

Upon approval by the City Commission, the parties will execute the Agreement and Industrial Brush will provide the City with a \$5,000.00 deposit within five (5) days of the effective date of the Agreement which will be held in escrow, as well as an additional \$5,000.00 on or prior to the inspection period. Industrial Brush will be granted ninety (90) days to conduct environmental assessments, surveys and inspections to ensure that the property is suitable for its use. Prior to the expiration of this due diligence period, Industrial Brush will be required to provide the City with written notice of its intent to purchase the property or terminate the Agreement. If Industrial Brush proceeds with the purchase the

closing date for the sale of the property will occur thirty (30) days thereafter. Industrial Brush has agreed to a purchase price of \$120,000.00 for the 0.69-acre parcel, which is market value.

It is recommended that the City Commission approve a Vacant Land Sale Agreement with Industrial Brush Corporation and authorize the appropriate City officials to finalize and execute all corresponding documents related to the sale.

LOCATION MAP

