

EXPLANATION OF CONSENT AGENDA ITEM E.2.c.(9) - February 22, 2017

ITEM:

Consideration of approving the sale of 271 acres of the SR 524 / I-95 site known as the Orlando-Port Canaveral Logistics Park, authorizing the execution of the Purchase and Sales Agreement and authorizing execution of the closing documents. (Scott Shepard)

EXPLANATION:

In December of 2014, the Canaveral Port Authority purchased a 271 acre +/- parcel located in the southwest quadrant of the intersection of State Road 524 and I-95. Then known as the Brevard Crossings project, the parcel has entitlements from the City of Cocoa for up to 1,000,000 sq ft of industrial/business park, 810,000 sq ft of commercial, 675 multi-family units and 270 hotel rooms with the flexibility to convert the entitlements to support the development of an inland logistics park. The acquisition price of the property in December 2014 was \$1,950,000 (\$7,222 per acre).

Initial discussions between the Canaveral Port Authority and the Purchaser (Wal-Mart Stores East, LP) began over a year ago regarding approximately 130 acres for development of an approximately 600,000 sq ft distribution center subsequently progressed to the sale of the entire 271 acres for a purchase price of \$5.75M.

After a review of the Purchaser's request to purchase the entire 271 acre site and the anticipated timing for the Port's need for a larger scale Inland Logistics Park, Staff concluded that a sale of the property is the Port's best strategy at this time. The sale of a portion of the property would require a substantial capital contribution from the Port for development infrastructure that would track the construction schedule of the Purchasers' development.

Staff Recommends Approval

Prepared by Scott Shepard

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**Port Canaveral Inland
Logistics Property
SR-524, Cocoa, FL**

