

The Florida Senate
PROFESSIONAL STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: General Government Appropriations Committee

BILL: CS/CS/SB 668

INTRODUCER: General Government Appropriations Committee, Agriculture Committee, and Senator Fasano

SUBJECT: Surplus State Lands/Reconveyance

DATE: April 13, 2007 REVISED: _____

| | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|---------|----------------|-----------|------------------|
| 1. | Jones | Poole | AG | Fav/CS |
| 2. | Bascom | Kiger | EP | Favorable |
| 3. | Kynoch | DeLoach | GA | Fav/CS |
| 4. | _____ | _____ | _____ | _____ |
| 5. | _____ | _____ | _____ | _____ |
| 6. | _____ | _____ | _____ | _____ |

I. Summary:

This bill requires that, notwithstanding the surplus requirements established in section 253.034, F.S., any parcel of surplus lands less than three acres in size which was acquired by the state before 1955 from a fair association incorporated under chapter 616, F.S., as a gift or other conveyance, or for which one dollar was paid as consideration; and for which a notice to surplus has been filed by the Department of Environmental Protection (DEP) by July 1, 2008, must be offered for reconveyance to such fair association at no cost. The agency that last held the lease for the land from the Board of Trustees of the Internal Improvement Trust Fund (BOT) may remove from the land any improvements, fixtures, goods, wares, and merchandise within 180 days after the effective date of the reconveyance.

This bill amends section 253.034, Florida Statutes.

II. Present Situation:

Pasco County Fair Association, Inc.

The Pasco County Fair Association, Inc., a Florida not-for-profit corporation, was chartered in 1947 to host an annual fair for the promotion of youth and other county resources. The association is not funded with tax revenues or other government funding but relies on memberships, fair revenues, and rental income from buildings on the fairgrounds to continue operations. The association currently has about 600 members and membership fees are \$22 for an individual and \$45 for families. Membership provides free parking and free admission to the fair.

Property History

In 1953, the Pasco County Fair Association agreed to lease land to the Agricultural Experiment Stations at the University of Florida to expand the West Coast Poultry Diagnostic Laboratory in Dade City. In order to fulfill the responsibilities of the laboratory, additions to the existing buildings were required and state funds were provided for construction.

In March 1954, the associate director of the Agricultural Experiment Stations requested that the Fair Association deed three to four acres of property to the State Board of Education (BOE) as a gift, so that the facility could be constructed with state funds. Also in March 1954, the Fair Association agreed to give the land to the BOE, but asked for a letter from the Experiment Stations officials stating that “should the Experiment Station cease to use the land for its own purposes, it will be returned to the Pasco County Fair Association through the Station’s influence.” On March 31, 1954, the associate director of the Experiment Stations wrote to the manager of the Fair Association that he had “no hesitancy in pledging to you that we would request the State Board of Education to return title of the land to your Board. We cannot speak with authority on behalf of the State Board of Education but we feel that they would agree to such a request.” The associate director requested a deed “without reversion clause” because the “Attorney General will not accept title of lands if the deed contains restrictive clauses of any kind.” On November 2, 1954, the Pasco County Fair Association deeded the property to the BOE, a public body corporate, for the consideration of \$1.

In November 1960, the BOE transferred the title to the property to the State of Florida for the use and benefit of the Florida Livestock Board. On January 15, 1961, the Florida Livestock Board transferred title to the Department of Agriculture and Consumer Services. Title to the property was transferred to the BOT when all properties titled in the name of various state agencies were combined and titled vested with the BOT. The property was leased by the state to the Division of Forestry within the Department of Agriculture and Consumer Services.

In October 2002, Clark Converse, the General Manager of the Pasco County Fair Association, drafted (but never mailed) a letter to the DEP, requesting that, since the diagnostics laboratory had not been functional for years and because the property had been vacant for at least six months, the property be returned to the Fair Association. However, in March 2005, the DEP notified Mr. Converse that, since the original conveyance to the BOE did not contain a reverter clause, the property could not be directly conveyed back to the Fair Association.

Surplus Lands

The disposal of state-owned lands is governed by s. 253.034(6), F.S., which provides that the BOT determine which lands, whose title is vested in the BOT, may be surplus. If the lands to be sold are conservation lands, the BOT must determine that the lands are no longer needed for conservation purposes and the property may be sold or exchanged by an affirmative vote of at least three of the four trustees. For all other lands, the BOT must make a determination that the lands are no longer needed by the state and may dispose of them by an affirmative vote of at least three trustees.

Under the provisions of s. 253.111, F.S., the BOT may not sell any land to which it holds title without first offering it to the county in which the property is located. Following notification by the BOT that the property is available, the county has forty days to determine whether or not they want to purchase the property. After that, the property may be sold on the open market.

Under the provisions of s. 253.115, F.S., any application the BOT receives to surplus property must be noticed. The notice, which must contain the name and address of the applicant, a description of the proposed activity, and other information, must be provided to each owner of land lying within 500 feet of the land which is the subject of the surplus request. The BOT must consider any comments or suggestions received before deciding to approve the request.

III. Effect of Proposed Changes:

The bill amends s. 253.034, F.S., to require that the BOT offer for reconveyance to a fair association any parcel of surplus land less than three acres in size which was conveyed, gifted, or for which one dollar was paid as consideration to the state by that fair association prior to 1955, if that fair association was incorporated under ch. 616, F.S., for the purpose of conducting and operating public fairs and expositions, and providing that DEP has filed a notice of intent to surplus by July 1, 2008. The agency that last held a lease for the land from the BOT may remove from the land any improvements, fixtures, goods, wares, and merchandise within 180 days after the effective date of the reconveyance. The bill allows for said land to be reconveyed back to the fair association for no consideration.

Section 2 provides an effective date of July 1, 2007.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The Pasco County Fair Association, Inc., will be reconveyed a parcel of land it conveyed to the State Board of Education in 1954 for no consideration.

C. Government Sector Impact:

Buildings and improvements on the property, including utility service, have added value to the land which did not exist at the time the property was conveyed to the State Board of Education.

The Bureau of Appraisal, Division of State Lands, has estimated the value of the property to be between \$130,000 and \$175,000, and the improvements located on the property are valued at up to \$30,000.

Though not an official appraisal, it is indicative of the potential value for the property and improvements, based on comparable sales in the area. If the state were to surplus this land, the state could expect revenue based on the fair market value of the appraised value of the property.

The fair association conveyed the property to the state for one dollar; the bill provides for the reconveyance to the fair association for no consideration. Additionally, the BOT may remove from the land any improvements, fixtures, goods, wares, and merchandise within 180 days after the effective date of the reconveyance.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Summary of Amendments:

None.

This Senate Professional Staff Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
