

RESOLUTION NO. 23-161

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA, APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH DEAL CONSULTING, INC., RELATING TO PROPERTY APPRAISAL SERVICES GENERALLY, AND APPROVING A TASK ORDER RELATING TO FRONT BEACH ROAD SEGMENT 4.3 SPECIFICALLY IN THE AMOUNT OF \$35,600.

BE IT RESOLVED that:

1. The appropriate officers of the City are authorized to execute and deliver on behalf of the City that certain Professional Services Agreement with Deal Consulting, Inc. relating to Property Appraisal Services, in substantially the form **attached** as Exhibit A 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.
2. The appropriate officers of the City are authorized to accept and deliver on behalf of the City that certain Task Order 1 for appraisal services for the Front Beach Road Segment 4.3 Project, in the amount of Thirty-Five Thousand, Six Hundred Dollars and No Cents (\$35,600), in substantially the form **attached** as Exhibit B 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 27th day of April, 2023.

CITY OF PANAMA CITY BEACH

By: _____


Mark Sheldon, Mayor

ATTEST:


Lynne Fasone, City Clerk

DEAL CONSULTING, P.A.

April 17, 2023

Mr. Courtney Drummond
Interim CRA Manager
City of Panama City Beach
17007 Panama City Beach Parkway
Panama City Beach, Florida 32413

Re: Front Beach Road – Defilippis and Malki Properties
Appraisal Bid/Scope

Dear Mr. Drummond:

I appreciate the opportunity to work with you on this matter. The following pages contain the provisions of this agreement. If you need anything else, please let me know.

INTENDED USERS

City of Panama City Beach (Referred to Herein as “The Client”)

Primary Contractor: Keystone Field Services, Inc.

Subcontractor: Deal Consulting, PA

Note: No other users are intended by the appraiser. The appraiser shall consider the intended users when determining the level of detail to be provided in the appraisal report.

INTENDED USE

This appraisal is intended to assist the client in determining the market value of the properties for a potential purchase.

Note: No other use is intended by the appraiser. The intended use as stated shall be used by the appraiser in determining the appropriate scope of work for the assignment. The appraiser is not liable for any use, other than the intended use.

PROPERTY IDENTIFICATION

1. Nick Defilippis – 34355-000-000 – This is a 0.545-acre property improved with a 12,075-square-foot, commercial improvement. This is a whole acquisition. I will use the sales comparison approach as vacant and improved and the income approach as improved. **Absent a legal instruction to the contrary by May 31, 2023, I will appraise the property as vacant under the extraordinary assumption that MRTA eliminates the deed restrictions related to the prohibition of residential development.**
2. David Malki – 34356-000-000 & 34357-000-000 – This is a 0.259-acre property improved with a 1,608-square-foot commercial improvement and a 2,684-square-foot restaurant. There is also an outdoor advertising sign on the property. This is a whole acquisition. I will use the sales comparison approach as vacant and improved and the income approach as improved to value the land and buildings. Based on state case law (State of Florida Department of Transportation v. Heathrow Land and Development Corp., etal, 579 So 2d 183 (FLA) 5th DCA 1991 and State of Florida Department of Transportation v. Heathrow Land and Development Corp., etal, 93-602 FLA 5th DCA 1993), the value of the outdoor advertising sign and bonus rent accruing to the land are based on the highest indication of value by the applicable approaches.

All are in Bay County.

PROPERTY TYPE

With the provisions mentioned above, each property will be appraised as though vacant and as improved.

INTEREST VALUED

The rights being appraised are those associated with a fee simple estate. Fee Simple Estate is defined in the Appraisal Institute’s *The Appraisal of Real Estate, 14th Edition*, Page 5 as:

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by governmental powers of taxation, eminent domain, police power, and escheat.

TYPE OF VALUE

The following definition of market value is taken from **Florida State Road Department v. Stack, 231 So.2d 859 Fla., 1st DCA 1969** as cited in the Florida Department of Transportation’s Supplemental Standards of Appraisal.

“Value” as used in eminent domain statute, ordinarily means amount which would be paid for property on assessing date to willing seller not compelled to sell, by willing purchaser, not compelled to purchase, taking into consideration all uses to which property is adapted and might reasonably be applied.

The market value opinion in this report is in terms of cash or terms equivalent to cash. The intended user’s attention should be directed to the fact that the market value estimated in this report is relevant as of the date of value. The market value estimated is also contingent on a reasonable exposure time in a competitive market. The reasonable exposure time will be estimated and defined in the following section of this report. It should be noted that any change in the date of value or exposure time identified in this report could significantly change the estimate of market value.

DATE OF VALUE

Current

ADDITIONAL PROPERTY TO BE VALUED

None

HYPOTHETICAL CONDITIONS, EXTRAORDINARY ASSUMPTIONS

It is my understanding that no title work will be provided to the appraiser. Therefore, I will employ an extraordinary assumption that there are title issues that could affect market value.

Regarding the Defilippis property: Absent a legal instruction to the contrary by May 31, 2023, I will appraise the property as vacant under the extraordinary assumption that MRTA eliminates the deed restrictions related to the prohibition of residential development.

It is my understanding that no right of way maps will be provided to the appraiser. Therefore, I will employ an extraordinary assumption that the dimensions and sizes derived from the Bay County GIS are correct.

APPLICABLE REQUIREMENTS OTHER THAN THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP)

- The Code of Professional Ethics of the Appraisal Institute
- The Uniform Standards of Professional Appraisal Practice of the Appraisal Institute
- Chapter 475, Part II, Florida Statutes
- FDOT Supplemental Standards

ANTICIPATED SCOPE OF WORK

Site Visit:

If possible, I will inspect the interior of each improvement. If this is not possible, I will use an extraordinary assumption regarding the condition and layout of the interior of the buildings and perform an exterior inspection only.

APPRAISAL REPORT

Report Option:

This is an assignment involving two appraisal reports in accordance with the Uniform Standards of Professional Appraisal Practice (consistent with the former “summary appraisal report” in Standards Rule 2-2(b) of (USPAP). As such, each report presents sufficient information to enable the client and other intended users, as identified, to understand it properly. Supporting documentation is contained in my work file and will be made available at the client’s request.

I will deliver one appraisal report per property. Both Malki properties (34356-000-000 & 34357-000-000) will be appraised in one report.

Format

Narrative

CONTACT FOR PROPERTY ACCESS, IF APPLICABLE

TBD

PROPOSED IMPROVEMENTS

N/A

PROPERTIES UNDER CONTRACT FOR SALE

N/A

ADDITIONAL DOCUMENTATION

N/A

DELIVERY DATE

I will deliver the reports by June 30, 2023 assuming I receive the notice to proceed on or before May 1, 2023, and assuming I receive any legal instructions by May 31, 2023. If I receive the legal instruction after May 31st, I will deliver the appraisals within 45 days of the date of the instruction.

DELIVERY METHOD

Signed PDF

NUMBER OF COPIES

ONE PER PROPERTY

PAYMENT TO APPRAISER

Defilippis Property (34355-000-000)	\$13,000
Malki Property (34356-000-000 & 34357-000-000)	<u>\$22,600</u>
Total	\$35,600

Invoice will be submitted to the client following the reviewer’s approval of each report.

WHEN APPRAISER’S OBLIGATIONS ARE COMPLETE

The appraiser’s obligations pursuant to this agreement are complete when the appraisal reports in the form specified in this agreement are delivered to the client pursuant to this agreement. The appraiser agrees to be responsive to the client’s legitimate inquiries regarding the contents of the report after delivery.

CONFIDENTIALITY

The appraiser shall not provide a copy of the written appraisal reports, nor disclose the results of the appraisals, to any party other than the client unless the client authorizes, except as stipulated in the Confidentiality Section of the Ethics Rule of the Uniform Standards of Professional Appraisal Practice (USPAP).

USE OF EMPLOYEES OR INDEPENDENT CONTRACTORS

The appraiser may use employees or independent contractors to complete the assignment at the appraiser’s discretion, unless otherwise agreed by the parties. Notwithstanding, the appraiser shall sign the written appraisal report and take full responsibility for the services provided as a result of this agreement.

SERVICES NOT PROVIDED

The fees set forth in this agreement apply to the appraisal services rendered by the appraiser as set forth in this agreement. Unless otherwise specified herein, the appraiser's services for which the fees in this agreement apply shall not include meetings with persons other than the client nor the client's agents or professional advisors; the appraiser's deposition(s) nor testimony before judicial, arbitration or administrative tribunals; nor any preparation associated with such depositions or testimony. Any additional services performed by the appraiser not set forth in this agreement will be performed on terms and conditions set forth in an amendment to this agreement or in a separate agreement.

TESTIMONY AT COURT OR OTHER PROCEEDINGS

Unless otherwise stated in this agreement, the client agrees that the appraiser's assignment pursuant to this agreement shall not include the appraiser's participation in or preparation for, whether voluntarily or pursuant to subpoena, any oral or written discovery; sworn testimony in a judicial, arbitration or administrative proceeding; or attendance at any judicial, arbitration or administrative proceeding relating to this assignment.

CHANGES TO AGREEMENT

Any changes to the assignment as outlined in this agreement shall necessitate a new agreement. The identity of the client, intended users, or intended use; the date of value; type of value; or property appraised cannot be changed without a new agreement.

CANCELLATION

The client may not cancel this agreement at any time after the notice to proceed without full payment of fee.

GOVERNING LAW AND JURISDICTION

This agreement shall be governed by the law of the state in which the appraiser's office is located as specified in this agreement, exclusive of that state's choice of law rules. The parties agree that any legal proceeding brought by either party in order to interpret or enforce this agreement, or to enforce an arbitration award entered pursuant to this agreement, shall be brought in a state or federal court having jurisdiction over the location of the appraiser's office as specified in this agreement. The parties hereby waive any objections to the personal jurisdiction of said court.

APPRAISER INDEPENDENCE

The appraiser cannot agree to provide a value opinion that is contingent on a predetermined amount. The appraiser cannot guarantee the outcome of the assignment in advance. The appraiser cannot ensure that the opinion of value developed as a result of this assignment will serve to facilitate any specific objective of the client or others or advance any particular cause. The appraiser's opinion of value will be developed competently and with independence, impartiality, and objectivity.

NOTICES

Any notice or request required or permitted to be given to any party shall be given in writing and shall be delivered to the receiving party by: a) registered or certified mail, postage prepaid; (b)

overnight courier, such as Federal Express, United Parcel Service or equivalent; or (c) hand delivery. The address for delivery of any notice shall be the address for the party as specified in this agreement, or at such other address as party may designate by written notice to the other party in conformance with this paragraph. Unless otherwise specified herein, notice shall be effective on the date it is postmarked or given to a third party for delivery to the receiving party, whether or not the receiving party signs for or accepts delivery of such notice.

NO THIRD-PARTY BENEFICIARIES

Nothing in this agreement shall create a contractual relationship between the appraiser or the client and any third party, or any cause of action in favor of any third party. This agreement shall not be construed to render any person or entity a third-party beneficiary of this agreement, including, but not limited to, any third parties identified herein.

ASSIGNMENT

Neither party may assign this agreement to a third party without the express written consent of the other party, which the non-assigning party may withhold at its sole discretion. In the event this agreement is assigned by mutual consent of the parties, it shall become binding on the assigning party's permitted assigns.

SEVERABILITY

In the event any provision of this agreement shall be determined to be void or unenforceable by any court of competent jurisdiction, then such determination shall not affect any other provision of this agreement and all such other provisions shall remain in full force and effect.

CLIENT'S REPRESENTATIONS AND WARRANTIES

The client represents and warrants to the appraiser that (1) the client has all right, power and authority to enter into this agreement; (2) the client's duties and obligations under this agreement do not conflict with any other duties or obligations assumed by the client under any agreement between the client and any other party; and (3) the client has not engaged the appraiser, nor will the client use the appraiser's appraisal report, for any purposes that violate any federal, state or local law, regulation or ordinance or common law.


EXTENT OF AGREEMENT

This agreement represents the entire and integrated agreement between the client and the appraiser and supersedes all prior negotiations, representations or agreements, either written or oral. This agreement may be amended only by a written instrument signed by both the client and the appraiser.

EXPIRATION OF AGREEMENT

This agreement is valid only if approved by the client on or before May 1, 2023.


By Appraiser:



Shannon Ross Deal, MAI
State-Certified General R.E. Appraiser RZ2529

April 17, 2023
Date

By Client:



(Print Name) Drew Whitman,
City Manager
By Resolution No. 23-161, dated 04/27/23

5-2-23
Date

By Client (If Applicable):

(Print Name)

Date

Summary

Defilippis Property (34355-000-000)	\$13,000
Malki Property (34356-000-000 & 34357-000-000)	<u>\$22,600</u>
Total	\$35,600