



Inspector General Insights

Background: The Clerk of Courts received an anonymous letter alleging the following complaints:

- “A large parcel of land owned by Collier County was leased to a developer for only \$1,000.00 per year to be used as additional parking for the developer’s business (Seed to Table).”
- “I’m advised that the original parking area and spaces were deemed adequate per the County’s site development plan approval. The leased parking area was not part of the original plan, and the parking area was leased prior to the store even opening.”
- “I’m advised that the leased land was not offered to the public. Why is the County leasing land to a developer to support the developer’s business at the nominal amount of \$1,000.00 per year when they could have leased it for more money or used the land for a public benefit?”

Objective: The Clerk’s Office of Inspector General (OIG) reviewed the history of this property to determine if the Board of County Commissioners (BCC) complied with their own policies, Florida Statute 125.35 (County authorization to sell or lease real and personal property), and Florida Statute 125.045 (County economic development powers).

Scope: Our scope included a review of:

- Economic Development Agreement and Ground Lease between BCC and Oakes Farms, Inc.,
- Executive Summaries and BCC meeting minutes relating to amending the Land Development Code and the Growth Management Plan related to the Seed to Table parking lot,
- BCC’s Growth Management department documents regarding parking and site development plan approvals for this property,
- Legal opinion regarding the lease of this property provided by Clerk’s in-house counsel, and
- Commissioner ex-parte communication relative to the parking lot agreement.

Observations: The OIG substantiated or partially substantiated the complaints as noted.

Allegation #1 - Complaint substantiated. Land was leased to Seed to Table for \$1,000.00 per year for a 20-year term.

- The BCC’s Real Property Management prepared an annual in-house rental rate valuation of \$8,000.00 per acre. At \$8,000.00 per acre x 3.65 acres, this would amount to an annual rate of \$29,200.00, over 29 times higher than the agreed-upon rental rate.

Allegation #2 – Complaint substantiated. The original parking spaces were adequate, the leased parking lot was not part of the original plan, and the land was leased prior to Seed to Table’s opening.

- The original parking area and spaces were deemed adequate and approved as part of the site development plan. The 286 parking spaces planned exceeded the required 260 spaces.
- The leased parking area was not included in the original site development plan.

PARKING CALCULATIONS - PER COLLIER COUNTY LDC 4.05.04(G)		
SUPERMARKET / GROCERY / FARM STAND = 1 SPACE PER 250 S.F.		
RESTAURANT (FAST FOOD) = 1 PER 70 SF - PUBLIC USE		
= 1 PER 200 SF - NON PUBLIC USE		
= 1 PER 2 SEATS - OUTDOOR DINING		
SUPERMARKET = 59,769 SF ÷ 250 = 239.1 SPACES		
RESTAURANT = 800 SF (PUBLIC) ÷ 70 = 11.4 SPACES		
= 1,136 SF (NON PUBLIC) ÷ 200 = 5.7 SPACES		
= 8 SEATS ÷ 2 = 4.0 SPACES		
	REQUIRED	PROVIDED
TOTAL PARKING SPACES	260	286
REGULAR SPACES	253	279
HANDICAPPED SPACES	7	7



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- The parking area was leased prior to the store opening. The BCC approved the ground lease on May 8, 2018. A Temporary Certificate of Occupancy was issued to Seed to Table on November 22, 2019, for stocking and training purposes.

Allegation #3 - Complaint partially substantiated. The land was leased to Seed to Table without being offered to the public, although some improvements and public benefits were noted.

- Due to extensive utility easements on the property, the Economic Development Agreement specifically noted that "Collier County is presently unaware of single inquiry from anyone since 1990 expressing an interest in purchasing or leasing the remainder of the parcel."
- Initially, staff e-mail communications stated that the County Attorney's Office (CAO) researched whether competitive procurement is required or could be waived by BCC action. The CAO later opined that competitive bidding to lease this property was required, and BCC Staff had discussions with the CAO on potential alternatives for this requirement.
- Ultimately, there was no competitive bidding to lease this parcel of land, as this was instead passed as an economic development initiative. The BCC is given broad latitude in Florida Statute 125.045 related to economic development, including leasing real property. As this item was approved on the consent agenda, there was no BCC discussion at the meeting.
- Immediate public benefits to Collier County included 24 parking spaces for Collier Area Transit/Park and Ride vehicles, fencing, landscaping, accommodation for CAT Buses to enter and exit, and a lengthy public sidewalk. The OIG confirmed that the tenant expended over \$2,400,000.00 improving the parcel in accordance with the ground lease.
- The below-market lease provided to Seed to Table was not included in the Annual Reporting of Economic Incentives to the Florida Office of Economic and Demographic Research. If the lease resulted in a \$25,000 annual value after considering the benefits received by the County, such as the above-mentioned parking and CAT access, reporting would have been required in the year the lease was signed. We did not determine that this reporting was necessary.

Recommendations & Actions: The OIG had the following recommendations related to this item.

- Multiple Executive Summaries submitted to the BCC regarding this parcel of land did not disclose either the nominal lease rate, or the financial requirements of the 20-year lease terms. Full disclosure of pertinent financial information in the Fiscal Impact section of Executive Summaries is imperative to the BCC making fully informed policy decisions and ensuring transparency to the public.
- Prior to selling or leasing County lands, the BCC should publicly advertise the availability of the property. Even in cases of economic incentives, there could be other opportunities that would have a greater impact or result in higher compensation to the County.

Conclusion: Given the BCC's broad discretionary authority regarding economic development powers, the BCC did not violate either Statute 125.35 or Statute 125.045.

Total # Transactions	Amounts Audited or Reviewed	Questioned Costs	Taxpayer Savings	# Recommendations
1	\$ 20,000.00	\$ 20,000.00	N/A	2

