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Commissioner Ray Judah Lee County Government 2115 Second Street P.O. Box 398 Fort Myers, Florida 33902-0398

Dear Commissioner Judah,

Thank you for the courtesy that you extended to me, my neighbors in Lehigh Acres, and the East County Water Control District by appointing me to the Land Acquisition Strategy Planning Committee. As you know, a major source of local irritation over the Corps of Engineers Environmental Impact Study was the astonishing lack of Lehigh Acres' representation on the Alternative Development Group which advised the Corps on this matter. The people of Lehigh Acres deserved to have a voice in the initial planning and presentation of such a sweeping regional program, especially one that would, if implemented, dramatically alter our community and have a huge impact on our local economy. I'm grateful that you recognized this unacceptable omission and have given me this opportunity to formally present my views to the representatives of the government, and members of the local development industry and environmental community who serve on this committee.

I have always admired your balance and sensitivity in dealing with the complex and often contentious issues of growth management and conservation, and I agree with you on most major environmental issues. As you know, I am a conservative Republican business leader who makes a living in the real estate industry. I am also a staunch and vocal opponent of what I believe were the ill-conceived Lehigh Acres components of the EIS. However, I also recognize and appreciate the concerns that prompted the study, and I would like to proceed in a spirit of positive cooperation, which I trust will be based on mutual respect.

As Supervisors of the East County Water Control District my fellow board members and I have a responsibility to ensure the quality and quantity of our community's surface and subsurface water resources. I happen to live in a neighborhood that has suffered progressive well failures caused mostly by the tremendous growth of Lehigh Acres, and compounded by the current draught conditions. Obviously I agree that something must be done to acquire water storage and recharge areas in our community to handle present and future demand. One thing we cannot, and should not, consider is the enormous expense, dislocation and private property issues involved in restoring systems that were altered long ago, at a cost of hundreds of millions of dollars. With the proper, popularly supported program in place I believe we can create new conservation areas in Lehigh Acres that will obviate the

need or desire to restore old ones that should have been protected years ago, but are now altered beyond the point of no return.

I have another interest in seeing that adequate land in my community is set aside for public use. As you know I was the founding co-chairman of the Lehigh Acres Community Redevelopment Planning Committee. While I served on that committee my fellow members and I addressed a full range of community planning issues including the community's woefully inadequate supply of park lands and green space stemming from an unenlightened 1950's land use plan. Bill Spikowski's pioneering and highly regarded Lehigh Acres Community Land Use Study was a product of this committee. Recently, with your help, the community was able to acquire three park sites from that original plan, including a beautiful wetland near Lehigh's urban core. It was a good start, but we need much more, and it needs to be part of an overall plan that would link similar conservation areas in other parts of the county.

I am, therefore, obviously an interested party, and a good choice for membership on this committee. You can be assured that I will work diligently and cooperatively with the other members of the group to see that the concerns of the community of Lehigh Acres are addressed and respected.

I hope to work with the other members of the committee to find creative solutions to fairly, equitably and economically acquire conservation and water recharge areas in Lehigh Acres that will benefit everyone involved. The public/private solutions put forth here, in outline form, are based on economic incentives and private initiatives in a free market economy. Admittedly these concepts are somewhat "outside the envelope," and fly in the face of conventional government thinking, but I believe they will be successful, and can be emulated in other parts of the state and the country where a huge oversupply of developed, individually owned lots currently exists.

Let's examine the oversupply of lots in Lehigh Acres and the potential dangers and opportunities inherent in this unusual, but not unique, market condition:

In the Lee County Tax Collector's 1999 Annual Notice of Tax Certificate Sale published in the News-Press last week, 23,252 parcels of land were located in Lehigh Acres. That huge figure amounts to 44.67% of all the delinquent parcels in Lee County, and a considerable number from previous delinquencies are not even listed in that figure. When you consider that the minimum parcel is ¼ acre, and factor in easements and rights of way, the total amount of land is well over 10,000 acres, and that's just this year's evergreen "crop" of properties.

Most of these parcels were purchased in the 50's, 60's and 70's and are now in the hands of older retirees, or heirs, assigns and estates. These owners are simply letting these lots go to tax deed sale rather than continue to pay ad valorem taxes on them. To these owners the lots are more trouble and expense than they are worth.

These delinquencies have a ripple effect on the economy of our community, artificially devalue surrounding properties, and, not least of all, have a huge negative impact on the operating budget of the East County Water Control District. Our assessment revenue is fixed and is based on the same number of taxable parcels today as it was when the District was founded, so the only way we can increase revenue, or offset the loss of revenue, is to increase assessments. Trust me, that won't happen with the

current Board of Supervisors and the current political climate in Lee County, so an inevitable erosion in service will result. That in and of itself will have an adverse affect on regional water management.

The other taxing authorities, such as county government, are also affected by this wholesale dumping of lots on the tax sale market. Unlike other, more valuable tax deed properties, Lehigh Acres lots go unclaimed on the courthouse steps, only to escheat to the state after five years in limbo. In that case all the taxing authorities lose that revenue forever.

Why do we the people allow this valuable resource to go to waste? Why, especially when there is such an urgent need to acquire land in Lehigh Acres for public facilities, commercial areas, parks, recreation and conservation areas, green belts, greenways, flow ways, and water recharge and storage areas?

What if we could find a way to publicly acquire these lots; eventually assemble these and other lots in usable tracts, at little or no cost to the government, with no negative (only positive) impact on current property owners or their property values?

In brief, and subject to further refinement, here is my proposal:

#### 1. Form a Lehigh Acres Public Land Acquisition Trust (PLAT)

The function is far more important than the form, which could be anything from a public/private authority, to a publicly and privately funded tax exempt corporation, to a state or county agency. My preferred choice would be to use a mechanism that is already in place, such as the Lehigh Acres Community Redevelopment Planning Committee, with amended limitations and powers. (In other words this is not a stealth attempt to revive the valuable CRA program in its past form, although you know I favor that idea.).

The existing model that could be emulated without as much controversy is your Corkscrew Regional Ecosystem Watershed Trust (CREW), a non-profit corporation that provides land acquisition assistance to the South Florida Water Management District which, in turn manages lands owned by the CREW Trust.

The Lehigh Acres Trust, which might eventually be self-funded, would require at least one full time "asset manager," and might also contract out land management services. Offices and facilities could be shared with the East County Water Control District, which would perform certain restoration, construction and maintenance functions for the Trust.

This Trust would have the sole objective of acquiring surplus land in Lehigh Acres for public uses such as public facilities, commercial areas, parks, recreation and conservation areas, green belts, greenways, flow ways, and water recharge and storage areas.

### 2. Target for Acquisition Any Available Surplus Properties in Lehigh Acres Regardless of the Location

I agree that identifying target areas for public purchase, such as the recent, unpopular greenway proposal for Eastern Lehigh, sometimes creates an upward and unrealistic price spiral fostered by

greed, speculation and litigation.

My solution would be to accept and acquire virtually <u>any</u> surplus land parcel within the 100 square miles of Lehigh Acres for public ownership.

True, this will create a scattered inventory of all different types and configurations of land. The key is to think of these scattered lots as potential <u>exchange parcels and bargaining chips for the future</u> assembly of contiguous inventory in areas that make sense for public and conservation purposes.

Once the Trust begins to accumulate this scattered portfolio of properties it will become apparent that most of them will be concentrated far outside the urban core of Lehigh Acres where the values and the expectation of gain are lowest.

Many properties, such as the 2,000+ lots given up for tax deed sale by Lehigh Corporation, will already be contiguous and located in low lying areas where the cost of development is too high to make economic sense under current market conditions. Not coincidentally these properties would make excellent conservation, water storage and recharge areas.

### 3. Through Mailings to All Owners of Vacant Properties in Lehigh Acres Ask for Land Donations

It's a simple fact. Few people will give you anything of value unless you ask. No government agency that I know of has ever done that. However, if you asked nicely and explained that it was for the public good, hundreds, perhaps thousands of lot owners would respond positively.

Even if they weren't altruistic and civic-minded, the fact that these owners could <u>deduct the amount</u> <u>of the assessed value of that property off the top of their taxable income</u> would be incentive enough. It certainly makes more economic sense to someone than just letting the lot go for no return.

If the Trust wanted to sweeten the deal and secure even more donations, they could, with government approval, authority or legislation, forgive certain back taxes on the property, thereby eliminating any tax liens. This would be a relatively small indirect cost of acquisition. And it could cost the taxing authorities nothing if you follow this idea through its self-funding phase later in this proposal.

### 4. Seek State Legislation to Allow Parcels Unclaimed at Tax Deed Sale to Escheat Directly to the Trust Instead of to the State

This is an idea that should be exported to other counties with large platted subdivisions where huge numbers of unclaimed parcels escheat to the state each year.

Again, these parcels will more than likely be located well outside the core urban area of Lehigh in sparsely populated areas that the Trust would target eventually.

This acquisition strategy would cost the government nothing since no revenue was anticipated and therefore no future revenue lost.

## 5. Purchase Select Desirable Lots and Parcels at Market Value Through the 20/20 Program, Conservation 2000 (Florida Forever) and Other Existing Public Sources

Once the Trust begins to accumulate properties in Lehigh Acres, certain areas will stand out as targets for further acquisition. Within a year after the inception of the program an acquisition density map will indicate areas of lot concentrations that could be assembled into contiguous tracts with a few lot acquisitions to "connect-the-dots" or "fill-the-box" and make the land usable for certain stated conservation purposes.

# 6. Develop a Comprehensive Lot Exchange Program Offering Scattered Lots of Greater Value Near the Urban Core to Owners of Lots in the Target Assembly Areas.

This community wide "board game" approach would fill in much of the remaining inventory and help the Trust assemble the necessary land units for public use.

Properties in sub target areas would be exchanged from the Trust's published inventory menu to affected landowners on a first come first served basis.

This Exchange Program could also be used within the same section or block to create contiguous, usable or marketable inventory.

#### 7. Sell Scattered Lots to the Public to Fund G&A and Future Acquisitions

I envision this program being funded with a portion of the tax increment financing that is collected through the CRA legislation, or some other government subsidy, such as the Southwest Florida Study Fund of the Comprehensive Everglades Resource Plan, until such time as the Trust is self-funded. At some point in time the self-funding would come primarily from the proceeds of the evergreen process of accumulating and selling scattered lots.

The lots could be sold through traditional means or at auctions at set times during the year, especially the week following the county's tax deed sale.

# 8. Condemn Properties in Target Areas, When Necessary, but Offer Exchanges of Property of Equal or Greater Value In Lieu of Cash, or Offer a Choice

The reason I brought up the CRA early on in this letter is the fact that you and the other commissioners wisely elected not to eliminate the statutory condemnation powers of the CRA. Through eminent domain the county government can condemn land for parks and open space, but only the CRA can condemn and then reconvey condemned lots for redevelopment purposes.

I would hope the condemnation process would be used only as a last resort for holdout property owners in areas where the Trust needs land to complete the checkerboard or connect the dots to make a tract work.

The key to the success of the Trust would be the public's perception of its fairness and its positive

affect on property values. Routine condemnation would be contrary to the entrepreneurial and free market spirit of the concept, would erode public support, and would, in my view, have an artificially negative affect on property values.

There are several ways this can be mitigated. This is my Republican business philosophy at work again, but I firmly believe the market forces will work to our advantage in a free market economy. All the boats in the harbor will rise evenly with the tide.

One idea would be to offer the owner of a condemned property either fair market value in cash, or a "Let's Make A Deal" offer of a lot from the Trust inventory of equal or greater value closer to the urban core.

# 9. Establish a Long Term Mechanism to Restore, Reconfigure and Maintain the Acquired Properties

Although most of the Lehigh acquisitions will be passive natural areas requiring less long term maintenance, some vehicle must be found to fund and administer the construction, restoration, reconfiguration and maintenance of these new public assets. Then there is the parallel concern of how the loss of former private owner assessments would affect the revenue base of the East County Water Control District.

My solution would be an advance agreement with the Corps of Engineers and/or the South Florida Water Management District to construct, restore and maintain these new public acquisitions by subcontracting the work to the East County Water Control District.

The end results of the entrepreneurial activities of this Lehigh Acres Public Land Acquisition Trust will be a win-win-win situation with some interesting side benefits. The real estate market in Lehigh Acres will stabilize, driving speculators and land sharks out. There will eventually be less tax delinquencies, which will stabilize the tax base, and it will provide future land planners an opportunity and necessary public property to retrofit and vastly improve the outmoded Lehigh Acres subdivision (land sales grid).

When preserves are acquired and lakes, ponds, wetlands and greenbelts are created in redesigned sections of Lehigh Acres, surrounding properties will become even more desirable, valuable and more suitable and attractive for development, building value by promoting sensible, sensitive and orderly growth.

Most of all it will give planners a mechanism to identify, acquire and assemble large concentrations of lots in areas of Lehigh Acres that make sense for public facilities, commercial areas, parks, recreation and conservation areas, green belts, greenways, flow ways, and water recharge and storage areas.

Commissioner, I believe that this program could have far reaching consequences for our community, our county and our state. My hope is that the Corps of Engineers and all other interested parties involved in the acquisition of public properties for environmental preservation and conservation will support this as a test program that, if successful, can be applied to all other areas where the same market forces and conditions exist.

Thank you again for your time, interest and thoughtful consideration of this proposal. I look forward to discussing it with you and other members of the committee in future meetings, and I welcome any suggestions or comments that you and anyone else on the circulation list might have.

Warmest Lehigh Acres Regards,

Jim Fleming

CC: Board of County Commissioners

Supervisors of the East County Water Control District
Members of the Land Acquisition Strategy Planning Committee
Members of the Lehigh Acres Community Council
Members of the Lehigh Acres Community Re-Development Agency
Paul O'Connor, Planning Commission
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