County Attorney's Matters - B.C.C. 6.23.20



Office of INDIAN RIVER COUNTY ATTORNEY

Dylan Reingold, County Attorney William K. DeBraal, Deputy County Attorney Susan J. Prado, Assistant County Attorney

## MEMORANDUM

- **TO:** Board of County Commissioners
- FROM: Dylan Reingold, County Attorney

**DATE:** June 22, 2020

SUBJECT: 16<sup>th</sup> Street Ballfields and the Jimmy Graves Foundation

## **BACKGROUND**.

On March 14, 2017, the Indian River County Board of County Commissioners ("Board") voted to deed what has been known as the 16<sup>th</sup> Street Ballfields (the "Fields") to the Jimmy Graves Foundation, Inc., a not for profit corporation (the "Foundation") for \$250,000. Joseph Graves stated at the Board meeting that he wanted to continue his son's legacy by dedicating the Fields as an asset to the young people of the community and affirmed that the Fields would never be used for anything other than recreational, non-profit, or charitable uses. The purchase and sale agreement negotiated between Indian River County ("County") and the Foundation included the following provision:

Purchaser agrees that there shall be a deed restriction on property limiting the primary use of the property to recreational activities, youth related activities, or otherwise charitable activities. Nothing in the deed restrictions shall limit or prohibit the construction of any legally permitted buildings or structures which are in furtherance of the permitted primary uses of the Purchaser's charitable purpose.

Rebecca Emmons of Rossway Swan served as the escrow agent and prepared the necessary documents for the closing. Unfortunately, Ms. Emmons did not include the restriction in the deed, and the deed was recorded without the agreed upon language.

In August 2019, the Foundation deeded the Fields to the Jimmy Graves Sports Complex, LLC, a Florida limited liability company. The Indian River County Property Appraiser website indicates that the property was sold for \$157,300.00.

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County staff learned that the Foundation and the Jimmy Graves Sports Complex, LLC now wish to sell the property to a buyer to be used for purposes other than recreation such as residential housing. County staff has had conversations with Joseph Graves and representatives of the Foundation and the Jimmy Graves Sports Complex, LLC about the proposed sale.

In order to resolve the issues surrounding the use of the Fields, County staff proposed an agreement which would allow the Foundation and the Jimmy Graves Sports Complex, LLC to sell the Fields and keep \$250,000 from the sale along with any amount spent on construction, installation or removal of any physical permanent improvements to the Fields. Thus, Joseph Graves and the other entities would be reimbursed for the cost of buying the property and the costs of the physical improvements made to the Fields.

The remaining proceeds from the sale of the Fields would then go to the County. Those funds would be used for recreational improvements of County facilities. As part of the agreement, the County would agree to allow the Fields to be used for any legally permissible use. Finally, the County would rename part of the Hobart Ball Fields after Jimmy Graves, which would memorialize his memory, and the County would be responsible for constructing and maintaining such improvements. County staff believes that this was a very generous offer.

On the afternoon of June 19, 2020, the County received a counteroffer in which the County would only receive \$200,000 from the sale, which County staff believes is roughly \$1.1 million. Additionally, Joseph H. Graves or his law firm, would then be reimbursed for any out of pocket expenses, with any remaining funds going to the Foundation. The County would still rename part of the Hobart Ball Fields after Jimmy Graves with the County being responsible for constructing and maintaining such improvements.

County staff cannot accept this proposal and has already reached out to outside litigation counsel, Murphy & Walker, about filing litigation. County staff is disappointed that the parties could not come to a resolution of the matter. The County Attorney's Office is concerned that a sale is imminent and thus recommends that the Board authorize the filing of a lawsuit and the utilization of Murphy & Walker for such litigation.

## **<u>RECOMMENDATION</u>**.

The County Attorney's Office recommends that the Indian River County Board of County Commissioners authorize the filing of a lawsuit and the utilization of Murphy & Walker for such litigation.