

Attorney's Matters 05/05/2020

## INDIAN RIVER COUNTY ATTORNEY

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

TO: Board of County Commissioners

THROUGH: Richard B. Szpyrka, P.E., Public Works Director

FROM: William K. DeBraal, Deputy County Attorney

DATE: April 30, 2020

SUBJECT: Approval of Agreement to Purchase and Sell with Gene Perry and

the Estate of Helen Johnson for 45th Street/US Highway 1

Intersection Improvements

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The County has plans to improve the US Highway 1 - 45<sup>th</sup> Street intersection to include an east bound right turn/through lane with a dedicated left turn lane. The boundaries of the project extend westward on 45<sup>th</sup> Street approximately 300 feet west of the railroad tracks and provide for an east bound right turn lane onto Old Dixie Highway and an east bound left turn/through lane. Gene Perry and the Estate of Helen Johnson own the parcel of property on the northeast corner of Old Dixie Highway and 45th Street as shown below as Figure 1.



Figure 1. Aerial view of Gene Perry's Property

The property is 0.74 acres in size and is zoned IL, light industrial. Improvements to the property include a 720 sq. ft. single family, wood frame home with two porches, one on the front of the house and the other on the back.

In order to complete the improvement project, the County must acquire a 301 sq. ft. corner clip (0.007 acres) from Mr. Perry and the Estate. The parcel needed is a 39.81' by 25' by 25' triangular shaped parcel on the southwest corner of the property. The part taken is unimproved with no landscaping and will be used for a mast arm signal. The sketch and legal description are shown below as Figures 2 and 3.

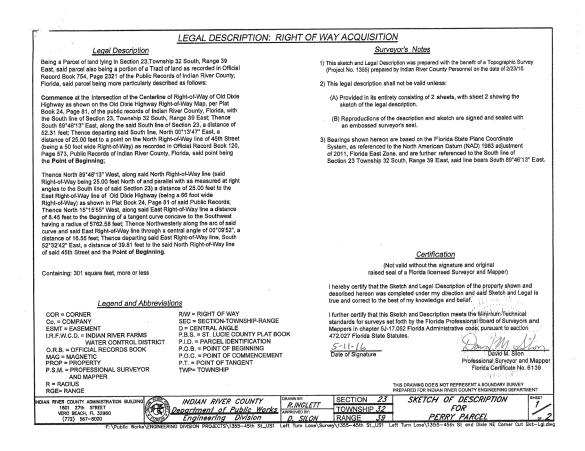


Figure 2. Legal description of the right-of-way parcel.

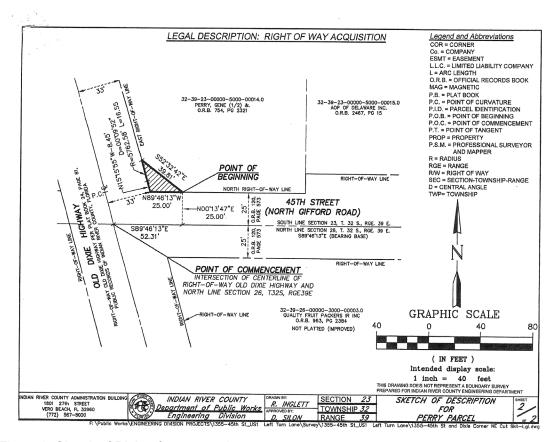


Figure 3. Sketch of Right-of-way parcel.

In order to arrive at a value for the property, the County obtained an appraisal from Armfield and Wagner. The initial appraisal report established a value of the whole 0.74 acre parcel of \$225,400, with the part to be taken valued at \$2,100. The appraisal did not include damages to the remainder parcel (severance). The County extended an offer to purchase to Mr. Perry and the Estate. An updated appraisal came in slightly higher at \$245,500 for the whole parcel and \$2,300 for the right-of-way needed.

After the offer was conveyed, staff was contacted by the firm of Neill Griffin from Ft. Pierce, the attorneys representing Mr. Perry. Staff learned that Helen Johnson had passed away and lived in Texas at the time of her death. This meant that her Estate would have to be probated in the State where she was domiciled at the date of her death. Probate of her Estate was necessary so the County could receive clear title to the needed right-of-way.

The Personal Representative of the Estate, Kenneth Johnson, was represented by Charles Holloman of Tampa, Florida. Mr. Perry and Mr. Johnson, through their attorneys, offered to sell the right of way for \$5,500 to be divided equally between the parties. The

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co-owners incurred appraisal costs of \$6,605.00 and engineering costs of \$1,950.00 in engineering fees. Due to the size of the parcel and its rather low value, Florida Statutes allows for an attorney to charge an hourly fee for his work rather than the usual percentage of the benefit derived for the client. Mr. Neill is seeking \$13,650 in fees and costs based on 40.3 hours of work performed by himself and his associate, Mr. Osking. The attorney's fees have been reduced by almost \$5,000. Mr. Holloman is asking for \$3,750 for his 12.5 hours of time spent representing the Estate. The Agreement for Purchase and Sale of Real Estate is attached to this memorandum as Exhibit A. The total cost of this acquisition to the County is \$31,455. Continued negotiation of this matter is not recommended by the County Attorney's Office as the attorneys and expert witness fees will continue to increase without a corresponding benefit to the County.

The County Administrator does not support the attorney's fees and costs charged by Mr. Neil and Mr. Osking due to the fact that they far exceed the amount of the purchase and that they seem excessive relative to the amount of work necessitated by the purchase in his opinion.

**Funding**: Funding for this expenditure is budgeted and available from Optional Sales Tax/ROW/45th Street/left Turn Lane at US 1, Account # 31521441-066120-13013.

**Recommendation**: Staff recommends the Board approve the purchase and sale for the right-of-way from Gene Perry and the Estate at a price of \$31,455, inclusive of all fees and costs and authorize the Chairman to execute any documents necessary to close the purchase of the property.

Copies to: Richard Neill, Esq. Attorney for Gene Perry

Charles Holloman, Esq., Attorney for the Estate