

MINUTES OF THE WORKSHOP MEETING OF THE BOARD OF CITY COMMISSIONERS FOR THE CITY OF PORT ST. JOE, FLORIDA, HELD IN THE COMMISSION CHAMBERS AT CITY HALL, August 23, 2011 AT 5:00 P.M.

The following were present: Mayor Magidson, Commissioners Gingell, Patterson and Kennedy. City Manager Charlie Weston, Attorney Tom Gibson and City Clerk Jim Anderson were also present. Commissioner Buzzett was absent.

Gulf Pines Hospital:

Mr. Weston noted that we are on a short time with only six days to decide if want to dismiss the lawsuit or take ownership of the property by September 2, 2011. The total estimated cost for removal today is \$264,700.

Mayor Magidson noted that we also would need to demo the parking lot.

Commissioner Kennedy indicated that we also would need an extension of the water & Sewer Lines as well as plan stormwater for a five lot subdivision.

Mr. Weston noted that there may be money left over from the Sunset Circle Drainage Project.

Commissioner Gingell asked, "Is there any flex in the amount of the IRS Lien owed?"

Attorney Gibson responded, "Not Really, the initial amount owed is several hundred thousand dollars."

Mayor Magidson noted that in the short term, \$75K want hurt us.

Commissioner Buzzett would like to payoff the IRS and look at our options.

Mayor Magidson noted that at some point the IRS may auction off the property and its currently zoned Public Use. Worst case scenario, we pay the IRS \$75K and the Real-estate Market doesn't improve. We would loss \$25K to 30K even so; we would be putting the property back on the tax role and removing an eyesore.

Commissioner Patterson asked, "Where will we get the \$265K to do this?"

Mayor Magidson responded, "We could borrow the money short term, sell the property to developers and/or use Contingency Funds."

Attorney Gibson noted that we have just determined that a substantial amount of Property Tax is showing outstanding. We need to determine the total amount of Property Tax owned.

Commissioner Patterson indicated that we definitely don't want any surprises.

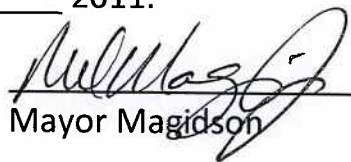
Commissioner Kennedy noted that soil needs to be tested, a lot of items were buried in the soil during construction of many buildings years ago.

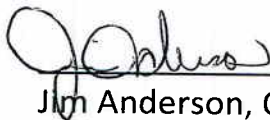
Mr. Weston indicated that the Phase I Environmental Study will be reviewed. He should be able to provide additional information on the Environmental Study and the Property Tax by August 25 or 26, 2011.

Attorney Gibson noted that Property Taxes are usually like a 1st Tax Lien, sooner or later the taxes always get paid. It also appears that someone has purchased the Tax Certificate.

The workshop was adjourned at 6:00 P.M.

Approved this 18th day of October 2011.


Mayor Magidson


Jim Anderson, City Clerk