

COUNTY ATTORNEY AGENDA MEMORANDUM FOR AUGUST 6, 2024

TO: Board of County Commissioners (BOCC)

FROM: Matthew G. Minter, County Attorney

DATE: July 30, 2024

SUBJECT: Disposition of Former County Parcel with Reverter Clause

The BOCC's guidance is requested re the disposition of a former County parcel containing a reverter clause.

Factual Background:

On October 2nd, 2007 Marion County conveyed by statutory deed its surplus **Parcel #30900-000-00** (located at 250 SW 22nd Place, Ocala, FL) to **The Samaritan Corporation**, a Florida non-profit, per Sec. 125.411, F.S. The property is located nearby, and to the south of Latinos Y Mas restaurant. The corner, rectangular-shaped lot is zoned R3 / residential multi-family, measures .69 acres in size and has a concrete block building (see attached **Property Appraiser's information**) that had been used in the past as a polling location. The parcel was to serve a public purpose as the non-profit's headquarters and education center. In making the conveyance, **the County included a reverter clause** which provided that in the event Samaritan or its successors and assigns failed to maintain and utilize the property for public purposes, **the County "may request and the party of second part shall execute and deliver to County a special warranty deed reconveying Parcel #30900-000-00 free and clear of all encumbrances..."**

On December 11th, 2009, The Samaritan Corporation received \$21,000 to transfer the subject Parcel to Narragansette Investments by Corporate Warranty Deed - **despite the reverter clause and without giving the County notice of the intended conveyance or providing it the opportunity to exercise its rights under the reverter clause - all in violation of the County's statutory deed.** Narragansette, a sophisticated investment entity, subsequently deeded the property to a series of interrelated corporate entities, all controlled by principals Gabe and Chad Doher, and **the parcel is now held by their company Colesco Partners LLC.** Samaritan was administratively dissolved in 2014 by the Secretary of State for failure to file its annual report after 2013.

The Doher's various corporate entities had been timely paying annual ad valorem taxes and assessments on the parcel from 2009 through 2019. In July of 2022 counsel for the Doher's informally asked the County to release the reverter clause and former Asst. County Attorney Ward advised counsel that if they wanted to bring the request to the BOCC for discussion, they should contact Shawn Hubbuck, which was done on July 22, 2022. Mr. Hubbuck was ill at the time and subsequently passed, and Doher counsel's request sat in limbo. **In the meantime, the Tax Collector issued a tax certificate to investors who paid the tax delinquencies**, with the current amount outstanding at \$5,496.57. The lienholder has since filed an application for tax deed, and the Tax Collector has placed it on hold, pending resolution of the reverter clause.

Mr. Doher's current position is that he has no problem paying the outstanding taxes – he "just wants to make sure that we (his company) legitimately own the property and do what we need to do to make it useful property for all of us."

In addition, MC Community Services has expressed its desire to reclaim the subject parcel for its stock of affordable housing.

Legal Considerations:

Clearly, **Samaritan violated the reverter clause by conveying the parcel to Narragansette without notifying the County and affording it the opportunity to request a reconveyance.** Thus, Samaritan's 2009 deed to Narragansette (prepared by SunBelt Title Services in Ocala) was tainted, as were all subsequent transfers. It would appear Narragansette, as a sophisticated investment entity, was aware of the reverter clause in its Grantor's chain of title, but chose to proceed with the transaction. In doing so, it had unclean hands and assumed the risk of the reverter blossoming downstream. However, **the reverter as drafted, was not determinable and automatic - as it did not return the property to the County by operation of law.** It was conditional in nature, and **required the County to request reconveyance of the property upon the event that it ceased to be used for public purposes.** However, as indicated above, the County's Grantee, the Samaritan Corporation, did not notify the County that it was going to sell the property and keep the proceeds of the sale for itself.

Thus, the question for the Board is **whether the Board wishes to recover the property for the County.** If so, we will provide notice to the current owner that the County is exercising its option to request reconveyance under the terms of the original deed. If the current owner refuses to do so, we would have to file a civil action in order to attempt to enforce the reverter clause. Therefore, if the Board directs us to seek re-conveyance of the Parcel, we request further authorization to file a civil action in the event the current owner refuses to comply with our request

CONCLUSION:

BOCC discussion and guidance is requested re next steps for the disposition of the referenced parcel.

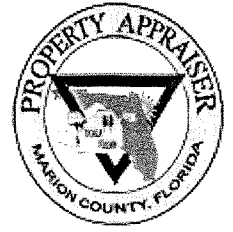
MGM/lz

Attachments

Cc: Cheryl Martin

Jimmy H. Cowan, Jr., CFA

Marion County Property Appraiser



501 SE 25th Avenue, Ocala, FL 34471 Telephone: (352) 368-8300 Fax: (352) 368-8336

2024 Property Record Card Real Estate

30900-000-00

[GOOGLE Street View](#)

Prime Key: 712841

[Beta MAP IT+](#)

Current as of 7/31/2024

Property Information

M.S.T.U.

COLESCO PARTNERS LLC
8 THE GRN 5867
DOVER DE 19901-3618

Taxes / Assessments:

Map ID: 179

Millage: 1001 - OCALA

PC: 77

Acres: .69

Situs: Situs: 250 SW 22ND PL OCALA

2023 Certified Value

Land Just Value	\$40,125		
Buildings	\$33,560		
Miscellaneous	\$319		
Total Just Value	\$74,004		
Total Assessed Value	\$55,298	Impact	
Exemptions	\$0	<u>Ex Codes:</u>	(\$18,706)
Total Taxable	\$55,298		
School Taxable	\$74,004		

History of Assessed Values

Year	Land Just	Building	Misc Value	Mkt/Just	Assessed Val	Exemptions	Taxable Val
2023	\$40,125	\$33,560	\$319	\$74,004	\$55,298	\$0	\$55,298
2022	\$24,075	\$29,437	\$319	\$53,831	\$50,271	\$0	\$50,271
2021	\$19,260	\$26,122	\$319	\$45,701	\$45,701	\$0	\$45,701

Property Transfer History

Book/Page	Date	Instrument	Code	Q/U	V/I	Price
7187/0893	02/2020	08 CORRECTIVE	0	U	I	\$100
7146/0953	02/2020	07 WARRANTY	0	U	I	\$100
5635/0873	02/2012	07 WARRANTY	0	U	I	\$100
5291/1795	12/2009	41 CORP	4 V-APPRAISERS OPINION	U	I	\$21,000
4929/1141	11/2007	02 DEED NC	0	U	V	\$100

Property Description

SEC 19 TWP 15 RGE 22
N 200 FT OF W 150 FT OF LOT 27 SUB OF W 1/2 SANCHEZ

GRANT

Land Data - Warning: Verify Zoning

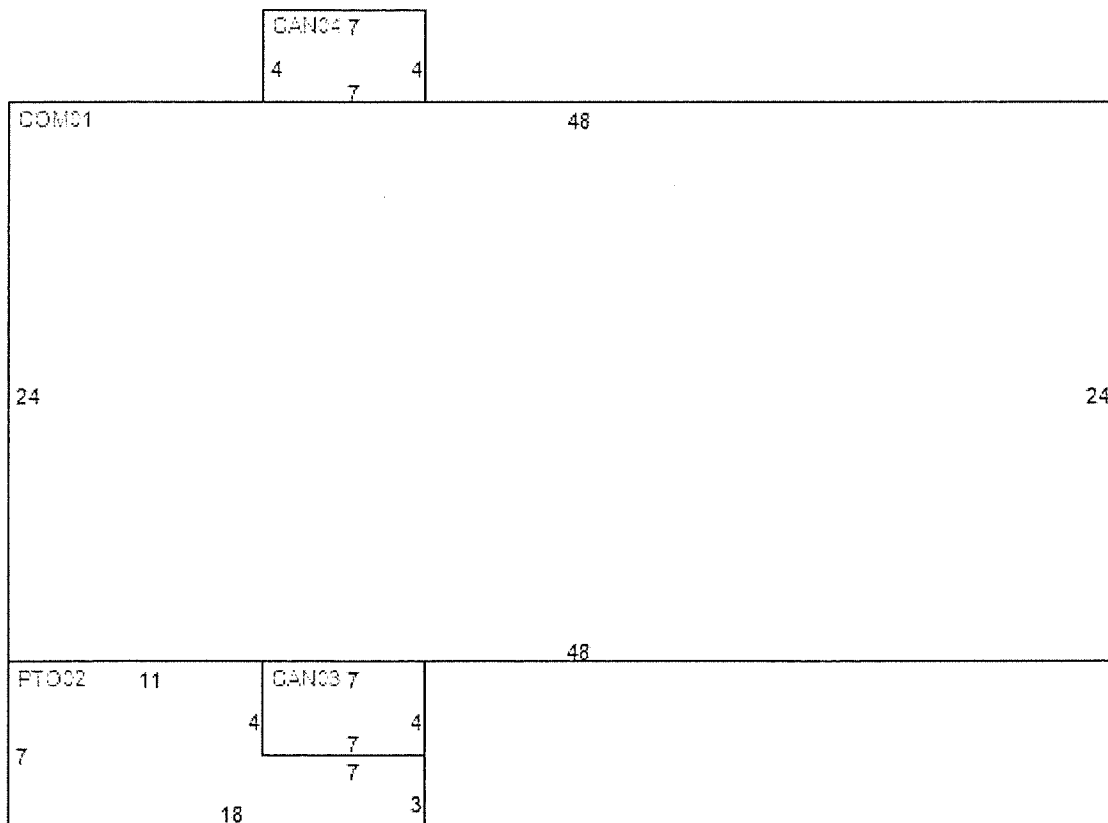
Use	CUse	Front	Depth	Zoning	Units	Type	Rate	Loc	Shp	Phy	Class	Value	Just Value
7700		150.0	200.0	R3	150.00	FF							

Neighborhood 1030 - RES POCKET OFF PINE & 17TH
Mkt: 8 70

Traverse

Building 1 of 1

COM01=R48U24L48D24.
 PTO02=D7R18U3L7U4L11.R11
 CAN03=R7D4L7U4.U24
 CAN04=U4R7D4L7.



Building Characteristics

Structure 4 - MASONRY NO PILAST
Effective Age 9 - 40-99 YRS

Year Built 1975
Physical Deterioration 0%

Condition 0
Quality Grade 300 - LOW
Inspected on 1/12/2018 by 181

Obsolescence: Functional 0%
Obsolescence: Locational 0%
Base Perimeter 144

Exterior Wall 24 CONC BLK-PAINT

Section	Wall Height	Stories	Year Built	Basement %	Ground Flr Area	Interior Finish	Sprinkler A/C		
1	8.0	1.00	1975	0	1,152	M86 COUNTY	100 %	N	N
2	8.0	1.00	1990	0	98	PTO PATIO	100 %	N	N
3	8.0	1.00	1975	0	28	CAN CANOPY-ATTACHD	100 %	N	N
4	8.0	1.00	1975	0	28	CAN CANOPY-ATTACHD	100 %	N	N

Section: 1

Elevator Shafts: 0 **Aprtments:** 0 **Kitchens:** 1 **4 Fixture Baths:** 0 **2 Fixture Baths:** 1
Elevator Landings: 0 **Escalators:** 0 **Fireplaces:** 0 **3 Fixture Baths:** 0 **Extra Fixtures:** 2

Miscellaneous Improvements

Type	Nbr Units	Type	Life	Year In	Grade	Length	Width
159 PAV CONCRETE	288.00	SF	20	1985	3	0.0	0.0

Appraiser Notes

OLD VOTING BOOTH
VACANT AT TIME OF INSPECTION

Planning and Building

**** Permit Search ****

Permit Number	Date Issued	Date Completed	Description
BLD17-1927	11/29/2017	-	BOARD UP
BLD09-0849	6/11/2009	-	RES REPAIRS