SARASOTA COUNTY GOVERNMENT

Planning and Development Services

TO: Sarasota County Commission

THROUGH: Jonathan R. Lewis, County Administrator

FROM: Matthew Osterhoudt, Director, Planning and Development Services

DATE: September 8, 2026

SUBJECT: **Potential Acquisition of Gulf Gate Golf Course Property**

RECOMMENDED MOTION(S) OR ACTION(S):

To provide policy direction on the potential acquisition of the Gulf Gate Golf Course property.

BACKGROUND/ANALYSIS:

On July 9, 2026, the Board of County Commissioners (Board) received a report from the County Administrator providing an update on the County's evaluation and negotiations associated with the potential acquisition of the Gulf Gate Golf Course property consisting of Parcel Identification Numbers (PID) 0111030050 and 0111070035. The report summarized the County's appraisal efforts, the appraisal submitted by the current ownership group, ongoing negotiations, environmental due diligence activities, and valuation issues identified during staff's review. A copy of the July 9, 2026 report is attached for reference **(Attachment 1)**.

As outlined in the July 9 report, the County completed three independent valuation efforts that concluded values ranging from approximately $5.3 million to $9.5 million. The ownership group subsequently submitted its appraisal concluding a value of approximately $14.6 million. Following receipt of the ownership group's appraisal, staff conducted a detailed review of the report, met with the ownership group’s representatives to discuss the methodology and supporting information, and evaluated additional information provided by the ownership group.

The July 9, 2026 report also summarized staff's review of information presented during the Value Adjustment Board (VAB) proceedings, which reflected valuation analyses that appeared materially different from the valuation conclusions contained within the owner's appraisal. Those materials were reviewed by staff and discussed with the Office of the County Attorney and representatives of the ownership group as part of the ongoing negotiations.

Subsequent discussions with the ownership group indicate that, while the owner's appraisal of $14.6 million remains its benchmark valuation, the ownership representatives have expressed a willingness to negotiate below that amount. The ownership group has also requested that the County consider obtaining an updated appraisal utilizing more recent market activity.

Staff has also requested additional information from the ownership group regarding the cell phone tower located on PID 0111070035, including any current leases, easements, or other documentation associated with the tower and its use of the property. The requested information has not yet been provided to the County to date. Review of this information would be necessary as part of the County's continued due diligence should acquisition efforts proceed.

In addition to valuation considerations, staff has continued coordinating with the Stormwater Division regarding environmental conditions associated with the property and the estimated costs associated with remediation and development of a regional stormwater facility. Based on current estimates provided by Phillips Environmental, an environmental contractor with specialized experience in environmental remediation, contaminated soil and groundwater management, environmental remediation would require approximately $4.9 million to $7.3 million in capital costs and approximately $800,000± in remediation-related operations, maintenance, monitoring, and reporting costs, for an estimated remediation cost of approximately $8.1± million.

Separately, development of the property for regional stormwater purposes would range between $6.9 million to $10.5 million in capital costs, including contingency, with approximately $50,000± in annual operations and maintenance costs.

These costs would be in addition to the negotiated acquisition price for the property and represent a significant consideration in evaluating the overall financial implications of a potential acquisition.

The principal issue remains the significant difference between the County's valuation conclusions and those of the ownership group. Although negotiations have continued, no mutually acceptable purchase price has been established. Additionally, the estimated remediation-related costs represent a significant consideration beyond the property's negotiated acquisition price. Any future acquisition recommendation would therefore need to consider not only the purchase price, but also environmental remediation and ongoing operational costs, as well as any property interests or obligations associated with the cell phone tower. This discussion item is intended to provide the Board with an update regarding the current status of negotiations and due diligence efforts and to obtain policy direction regarding whether staff should continue pursuing acquisition of PID 0111030050 and PID 0111070035.

RELEVANT PRIOR BOARD ACTION:

1. July 9, 2026 - The Board received a report updating the Board on the status of negotiations, valuation findings, and environmental due diligence associated with the potential acquisition of the Gulf Gate Golf Course property.

OUTREACH:

Staff has continued coordinating with the property ownership group and its representatives, the Office of the County Attorney, and applicable County departments throughout the evaluation process.

PROCUREMENT ACTION:

N/A

FUNDING:

No fiscal impact is associated with this discussion item. Any future acquisition would require Board approval and identification of an appropriate funding source.

STRATEGIC PLAN ALIGNMENT:

Goal: World-Class Quality of Life Amenities

> **Objective:** Develop effective partnerships to deliver community and intergenerational facilities and programs

NEXT STEPS:

Following discussion and policy direction, staff will proceed accordingly implementing Board direction.

STAFF RECOMMENDATION(S):

To provide policy direction regarding continued evaluation and negotiation of the potential acquisition of the Gulf Gate Golf Course property.

ATTACHMENTS:

1. Gulf Gate Golf Course Report