



**CHARLOTTE COUNTY**  
Economic Development

# WEEKEND WAVE

09-30-16



## Friday Economic Roundup

### Murdock deal in the works

#### Developer comes forward with \$11.6 million

By ANNE EASKER Charlotte Sun Staff Writer

After sitting vacant for more than a decade, Murdock Village may finally be revitalized with a new development project.

The developer, Private Equity Group, LLC, of Fort Myers, has offered \$11.6 million for 450 acres of land that would encompass a variety of for-sale and rental products, including 2,400 residential units, 200,000 square feet of commercial and retail space, and a hotel.

Charlotte County Economic Development Director Lucienne Pears said the project would fulfill many of Charlotte County's needs, filling the gap in housing, creating jobs through construction and retail, and giving the county a walkable, mixed-use community.

"I think that the proposal as made out in the letter of interest is a very good proposal," Pears said. "The vision is definitely in keeping with the redevelopment plan. I think it would be a great addition to Charlotte County and a great location at Murdock Village."

Donald Schrottenboer, president of Private Equity Group, said that while some view Charlotte County as a sleeper county, there's a sizable demand for workforce and market-rate housing.

Private Equity Group is proposing a public private partnership to provide for that need.

"We see a lot of promise for Charlotte County," Schrotenboer said.

According to the proposal, the project would relieve housing issues and provide connectivity between U.S. 41 and El Jobean Road west of Toledo Blade Boulevard.

"Coupled with resolving these key issues, we anticipate that the combination of new residential product and increased connectivity will stimulate and synergize demand in other sectors such as retail, commercial, office, industrial, institutional and educational on the remainder of Murdock Village to the east," the proposal states.

Housing units broken down in one-, two- and three-bedroom options would support the workforce of Port Charlotte, Charlotte County and North Port. The proposal cites a study by John Burns Real Estate Consulting, indicating a demand for 219 market rate apartments per year for the next five years, not taking into consideration 380 jobs that Cheney Brothers plans to create over the next five years, or the ongoing discussion with Western Michigan University regarding the possibility of a satellite campus in Charlotte County, which could both make additional demands for market rate rental housing in the area.

The development would be centered around North Charlotte Regional Park and linked by a network of green spaces, with more than 5 miles of designated paths for walking, jogging or cycling.

Retail stores would also be within walking distance of housing, and the developer's version includes a public kayak launch and a County Visitors Center.

Recently, the county exchanged a 41-acre parcel of land off Flamingo Road with 35 acres owned by the School Board, adjacent to the park. In August, Pears said the swap made the area more cohesive for development, with better access to U.S. 41.

Murdock Village was purchased by the county more than a decade ago for \$117 million to consolidate the land and sell it for development, but after the collapse of the real estate market, the land has sat idle, costing the county a total of \$140 million. It still owes \$39 million.

The new development would bring the property back onto the tax roll, which the developer describes as the "most significant and lasting benefit to the county."

"The goal here in the partnership is to get the property back on the tax rolls so the county can eventually see its return on its investment that it's made into the property in the last 12 years," Schrotenboer said.

According to requirements for Community Redevelopment Agencies, a 30-day notice must be given of the county's intent to dispose of the property, allowing any developers to offer competing bids. Responses will be accepted by the Charlotte County Economic Development Office until Oct. 31 at 5 p.m. A Murdock Village CRA meeting will be held on Nov. 8 at 10 a.m.

## Positive response to Murdock Village offer

By GARY ROBERTS Staff Writer Charlotte Sun

MURDOCK - Charlotte County Commission candidates and real estate experts are enthusiastic about a proposal to transform half of Murdock Village into a mixed-use development.

The Private Equity Group, LLC, of Fort Myers, wants to spend \$11.6 million for 450 acres to be developed into 2,400 residential units, 200,000 square feet of commercial and retail space, and a hotel. The site surrounds North Charlotte Regional Park, between U.S. 41 and State Road 776.

Murdock Village has remained dormant since the county bought 879 acres more than a decade ago to consolidate lots to make way for a major redevelopment. Charlotte is still waiting for that project to take shape.

Since then, loan interest payments have pushed the total purchase price up to \$128 million, with \$42.5 million still owed. But Joe Tiseo, vying for the District 5 commission seat, said critics should not expect to recoup the entire investment, at least not right away.

"On its face it may not look good, but you need to look at the long-term return to the taxpayer," he said.

If the deal is closed, the property will immediately go back on the tax rolls with an assessed value of about \$15 million. When built out completely, as proposed, the project would generate about \$2.5 million in ad valorem tax annually, said Gordon Burger, county budget director.

Tiseo's opponent, Laurence Daniels, is even more anxious to look past the purchase price in order to rid the county of this albatross. He said just getting tax revenue from the property would be enough.

"I wish they would give it away," Daniels said.

Simply doing the math leads some to believe the county actually is giving the land away. Chuck Thomas, of Maxim Commercial Real Estate in Punta Gorda, said the difference between what Charlotte paid for the property and what it would receive under the current plan would

provide residents a lot of county services. Just as important, though, are the merits of the project itself.

"Any deal on Murdock Village needs to have a firm development plan with a firm completion schedule, not just a simple land sale," Thomas said. "The area still needs utility and road infrastructure."

Indeed, the developer's letter of intent calls for the county to reimburse the four-laning of O'Donnell Boulevard so it connects U.S. 41 to State Road 776. And the county is already discussing putting a fire station in Murdock Village. In turn, it is typically the developer's responsibility to extend utility service to a new site.

Jim Quinn, a commercial broker and past president of the Punta Gorda-Port Charlotte-North Port Association of Realtors, said the cost per acre of \$27,700 is at the low end of the scale, but probably represents the county's willingness to see construction begin.

"Under normal circumstances, I don't think a land owner would sell the property at that price unless they're under some kind of distress," he said. "But there are more pluses than minuses in getting something going. They should work pretty hard to make this happen."

Moreover, Quinn points to all the infrastructure needs associated with land that has sat vacant for so long, such as the existing roads that are broken and overgrown with weeds. "That's a pretty significant expense the developer would have to incur," he said.

In addition, the planned project would create more value, and could stimulate more development, in the other half of Murdock Village. With a major residential segment in place, he said the county should focus on bringing more commercial development along Toledo Blade Boulevard, which is also targeted for widening.

Lindsay Harrington, with Coldwell Banker Residential Real Estate, also sees advantages to finally developing the large parcel so close to the Murdock shopping district. Not only does it slow urban sprawl, placing less of a strain on providing services, but it is also convenient for the new residents.

"There are all kinds of advantages in increasing density in the core of the community," he said.

But he is concerned the sale price doesn't begin to cover what the county has invested.

"Government is known for paying too much to get too little," Harrington said.

Speaking as both a Realtor and taxpayer, Cynthia Logan, of Keller Williams Realty Peace River Partners in Port Charlotte, said the project is needed.

"Every time I drive by there, I think of it costing us millions of dollars in interest. We have to stop the bleeding," she said. "As long as it's a well-planned community, why not?"

Citing a shortage of new housing, she especially appreciates the variety of residences that will be available, including rental apartments, condos and single-family homes.

"We are in a housing crisis for affordable, workforce housing," Tiseo said. "I think the market will determine the success of this project."

However, he offers a reminder that the letter of intent from the developer is only a starting point. The county now must provide a 30-day notice of its intent to dispose of the property, allowing any developers to offer competing bids.

"This is just opening the conversation," Tiseo said.



## **FLORIDA ECONOMIC NEWS**

- Three proposals before City Council would bring close to 1,600 jobs to Jacksonville ([Florida Times-Union](#))
- Sarasota a finalist for Coastal Living's happiest seaside town ([Sarasota Herald-Tribune](#))
- Florida perfume company could build 104,000-square-foot headquarters ([South Florida Business Journal](#))
- Strong economy boosts Florida home prices ([South Florida Sun-Sentinel](#))
- Growth in personal income in Florida is one of the strongest in the country ([Tampa Bay Times](#))
- No slowdown seen in South Florida's commercial real estate ([Miami Herald](#))
- New Sarasota career center called a model for the nation ([Sarasota Herald-Tribune](#))



## **ENTREPRENEUR NEWS**

- Structure incentives to benefit the employee (and not abuse the customer) ([Jerry Osteryoung](#))



Join Our Mailing List!

Charlotte County Economic Development Office  
18501 Murdock Circle | Suite 302  
Port Charlotte, FL 33948 | 941-764-4941  
[FloridaEDO@CharlotteCountyFL.com](mailto:FloridaEDO@CharlotteCountyFL.com)  
<http://www.FloridasInnovationCoast.com>

