

JOHN G. FLOOD

Monday, October 1, 2018

Dear Mayor & Council:

Over the last several weeks people have asked about the \$9 million deal to buy the old dealership property. As you know, my company, Palmer Center owns adjacent properties, but has nothing to do with this transaction. For me it would be in my best interest for the sale to go through as it offers an excellent comparable sale for valuing my property should the city purchase or condemn it. However, it is difficult for me to sit and listen to the people being told things that are not even remotely true. I offer you the following verifiable facts:

- **There is no court order allowing 29 coastal cottages to be built.** The March 6, 2017 Decision remanded the 44 Coastal Cottage application back to the Planning board. Palmer Center was a part of that application and has since withdrawn its property from the project. I have not authorized any amendment to the application and verified last week that no such amendment has occurred. **Therefore, there is NO imminent threat of the dealership property getting developed into coastal cottages.**
- **The appraisals were based on “hypotheticals” derived from factually flawed information.** Both appraisers were told to assume Coastal Cottages were permitted conditional use in the zone even though the use was revoked in 2016. They cited a plan for 29 Coastal Cottages as if they “had approvals in hand” yet the application for 29 coastal cottages wasn’t filed until June of this year, two weeks AFTER the city had signed the agreement of sale and months AFTER the appraisal date.
- **Most people don’t realize that the \$9 Million purchase price is only for approximately 56% of the privately-owned land between Palmer Field and the Community Center.** The other roughly 40% is owned by Palmer Center and around 4% is owned by the Palermo Family. The City has offered Palmer Center considerably less than the prorated value of the Klause transaction. At the same time the city is going out of their way to justify the Klause’s “take it or leave it price.” They are essentially telling me take our considerably less offer or we’ll condemn (eminent domain) your property. How is this fair? If the city thinks they can get a better value for my property via eminent domain, why wouldn’t they get the same better value for the rest of the property?

The City has known since 2015 that the dealership was going to close and that the property was going to be sold or redeveloped. Yet, there have been no ward meetings, no public forums, no conceptual plans, no conversation as to how all this property could be repurposed for the public good. You have missed a great chance to lead and bring the community together; instead you are finding a way to tear it apart. Why not start now? Stop misrepresenting the facts.

Sincerely,

John G. Flood

Cc via email:

Ocean City Sentinel Ledger

OCNJDaily.com

Ocean City Patch

Press of Atlantic City