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April 22, 2024

Noel Comeaux
City of Port St. Lucie Building and Zoning
121 SW Port St. Lucie Blvd.
Port St. Lucie, FL 34984

RE: P24-033

Dear Mr. Comeaux,

Parcel I, Rivella PUD, is on the corner of Morningside and Westmoreland. The underlying zoning was commercial. As Successor Declarant, Rivella Development LLC ("Declarant") concluded in 2017 that the commercial uses had been upstaged by the commercial development in the area of Port St. Lucie Boulevard and Westmoreland. Declarant determined that the highest and best use would be an Adult Living Facility ("ALF") because it would not generate near the traffic a commercial use would generate; and, because there is an aging population in the immediate vicinity.

This was the main thrust of the 9th Amendment to the PUD. In that regard, Declarant abandoned all other uses for Parcel I. The 9th Amendment was approved 10/19/2017.

Declarant commissioned a full blown feasibility study prepared by Pro Matura dated December, 2018, which showed positive results – then, Covid 19 hit. ALF operations had their hands full protecting their tenants. New ALF construction came to a standstill.

So, when Covid 19 subsided, Declarant had the study refreshed and engaged a brokerage team that included an architect, Christopher Adams. Mr. Adams had potential customers and experience in the ALF industry. He had a serious client and Declarant refreshed the study once more due to the passage of time; and, Mr. Adams did a proposed preliminary site plan which did prove up the reasonableness of density (150 room ALF). However, the potential buyer dropped out to refocus its efforts solely on senior living. Then Mr. Adams had a second buyer contingent on an ability to add an Independent Living ("IL") element which then and now is the best chance for success. This is the trend in the industry.

Fast forward to December, 2023, the Declarant executed an LOI and on 2/22/2024 the Declarant and Buyer executed a contract for purchase and sale of Parcel I. The Buyer is a lady who builds and owns ALF facilities and who is partners with a very capable operator.

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This contract is contingent upon 150 units of which up to 50% being Independent Living. The remainder would be assisted living and memory care.

Since Port St. Lucie goes by licensure, it is my understanding that if the entire project was licensed as an ALF and staffed like an ALF, no change would be needed; but, if the IL Units portion is not to be staffed per the ALF statutory requirements, then they would be residential and amendment to the Future Land Use Plan is required.

The Buyer to the pending contract, who is in the due diligence phase, has done her own feasibility study. She expects me to secure the approvals to add the IL element as essential to her business model boasting a continuum of care.

ALF staffing for IL is expensive and unnecessary.

The IL is a feeder to the ALF. A couple that foresee (either one of the spouses) that they might need the services offered by an ALF might like the location and do not want to relocate in the foreseeable future.

Attached is a proposal I prepared when Declarant was seeking a buyer. This was prepared about the time Mr. Adams indicated that his buyer wanted an IL element and I was willing to put in an application for an amendment to the Future Land Use Plan and I started to prepare same; but, then the potential buyer decided it was going to focus its business on over 55 projects for seniors. I stopped my work on the application thinking that if I did push it through the next potential buyer might not want it. I was wrong.

Declarant has paid substantial ad valorem taxes on Parcel I and all of the vacant lots it owns in Rivella. Except for developed lots, the lots when owned by Declarant, these lots are all vacant lots.

The tax base for Parcel I developed with a 150 unit property will increase the tax base substantially with significantly less effect than the uses which were proposed when Ginn first developed Rivella f/k/a Ravello f/k/a Tesoro Preserve.

It has taken a long time to turn the development around; but, Declarant is proud about the way it has evolved from a failed project to a vibrant community.

Your consideration is greatly appreciated.


Michael J. Ryan
Co-Manager, Rivella Development LLC