

October 29, 2000

The Honorable Bonnie R. MacKenzie
Mayor of the City of Naples, Florida
& Naples City Council Members
Naples City Hall
735 8th Street South
Naples, Florida 34102

Please read the following information into the record
at the City Council Workshop on Monday, October 30.

Dear Mayor MacKenzie & City Council Members,

I understand there is some disagreement concerning what Council Members knew about the "Blomquist Agreement" at the time Council approved financing for the Wilkinson House on August 19, 1998. In an effort to clarify this issue, I would like to share with you my recollection of the events.

At the Council meetings on August 5 and August 19, 1998 there were wide-ranging discussions concerning an agreement between the Blomquists and the Historical Society. I do not believe Council was given a draft of the agreement and we could not have received the final document to review before approving the purchase of the house by the City because the agreement was not finalized until 12 days later on August 31, 1998.

In fact, it was only when I received a copy of the agreement just a few weeks ago that I understood the impact of this contract between the Historical Society & the Blomquists. I cannot speak for other Council Members, but I did not expect that the Blomquist Agreement would:

- Give a private party the "sole and absolute right" to purchase a property of escalating value at a fixed price below market value.
- Permit one contributor the right to a refund of donations, but not provide the same right to others.
- Result in the use of a low interest City loan to "hold" the house for two years and then allow acquisition by a private party at below current market value.
- Permit the use of Historical Society donations to reduce the sale price to the Blomquists.

RECEIVED
OCT 30 2000
OFFICE OF THE MAYOR

-2-

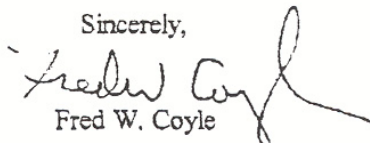
These terms might be justifiable if the City had absolute assurance the Wilkinson House would be maintained in perpetuity and used for historical (public service) purposes. With the transfer of the Blomquist Agreement to the Sypcys and then to a blind trust, there are serious questions concerning the fate of the Wilkinson House. Wherever there are questions, there are legal loopholes.

On August 19, 1998, the Council had to act quickly because of a deadline established by the owner of the property. We did not have the opportunity to review all relevant documents (e.g. the Blomquist Agreement) prior to approving financing.

The Council, once again, finds itself confronted by a deadline. I urge you to examine all agreements to assure our original goals are achieved. This is a complex and difficult task. Changes to the Comprehensive Plan and zoning can be reversed by a future Council. Deed restrictions could possibly be changed by mutual agreement of the City and property owners. Damage to the house by fire, storm, or deferred maintenance could make the retention of the house as a historic structure undesirable.

My objective is not to determine blame for the obvious miscommunications. Instead I only want to encourage the Council to examine the facts and take whatever actions are necessary to protect the interests of the City and the Historical Society donors and, if possible, preserve the Wilkinson House.

Sincerely,


Fred W. Coyle