

RETURN TO:
CITY CLERK
City of Riviera Beach
600 West Blue Heron Blvd
Riviera Beach, FL 33404

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (hereinafter “Settlement Agreement”) is made this _____ day of August, 2018, by and between The CITY OF RIVIERA BEACH, a municipal corporation operating and existing under the laws of the State of Florida (hereinafter “City”), and Millennia Housing Management, Ltd., acting as agent for GMF-Stonybrook, LLC., a Tennessee Limited Liability Company, the owner of the property described herein (hereinafter “Millennia”).

This Settlement Agreement serves to resolve all code enforcement fines and liens recorded against the subject property located at 1555 Dr. Martin Luther King, Jr. Blvd, Riviera Beach, Florida (a/k/a: The Stonybrook Apartments; PCN 56-43-42-32-06-000-0090) (legally described as “TAYLORS WM SUB TR 9 LYG S OF & ADJ TO SR 710 R/W (LESS W 10 FT AVE S, 50 FT W 8TH ST & TRGLR PARS SR 710 R/WS)”, (hereinafter “Property”).

WHEREAS, the Property is currently owned by GMF-Stonybrook, LLC, (hereinafter “Owner”), and the Owner has entered into a contract for the sale and purchase of the Property with Millennia Housing Development, Ltd. to be assigned to its affiliate Stonybrook FL, LLC; and

WHEREAS, pursuant to Section 162.09(3), Florida Statutes, and Section 2-338, Code of Ordinances of the City of Riviera Beach, FL, the Code Enforcement Special Magistrate imposed the following code enforcement liens against the Property for violations committed by Owner and prior owners:

| <u>Lien No.</u> | <u>Daily Fine</u> | <u>Date</u> | <u>Lien Amount</u> | <u>O.R. Book/Page</u> |
|----------------------------|--------------------------|--------------------|---------------------------|------------------------------|
| CED 13-269 & CED 16-185 | \$250.00 | 08/15/13 | \$377,250 thru 8/20/18 | 26452/135 & 27255/1042 |
| | | | | |

(“Code Enforcement Lien”); and

WHEREAS, Stonybrook FL, LLC, and/or its successor affiliate (hereinafter “Purchaser”) wish to significantly rehabilitate the Property, to the extent of approximately \$13.0 million dollars; and

WHEREAS, both the City and the Purchaser desire to support and ensure the health, safety and welfare of the residents of the Property post acquisition by Purchaser and during the period of rehabilitation of the Property; and

WHEREAS, Purchaser is unable to obtain clear and marketable title with the City's Code Enforcement Liens in place, and therefore would be unable to purchase and substantially rehabilitate the Property; and

WHEREAS, the City Council of the City of Riviera Beach desires to support and encourage said rehabilitation in an expeditious manner; and

WHEREAS, the City has determined that resolution of all Code Enforcement fines and liens, which currently total \$377,250.00, in order to have the Property rehabilitated for low-income housing serves a valid public purpose and is in the best interests of the City based on fulfillment of the conditions described below.

NOW, THEREFORE, in consideration of the mutual promises and consideration set forth herein, the sufficiency of which is hereby acknowledged by each party, the City and Millennia agree as follows:

1. The foregoing recitals are hereby incorporated into this Settlement Agreement.
2. This Settlement Agreement is subject to approval by the City Council for the City of Riviera Beach.
3. If approved by the City Council, this Settlement Agreement shall be recorded in the public records of Palm Beach County, Florida, by the Purchaser.
4. A reduced administrative fine in the amount of \$286,000 shall be paid to the City of Riviera Beach, Florida within sixty (60) days following the date of Purchaser's closing of the acquisition loan (estimated to occur within 90 days of this Resolution).
5. The abovementioned fine amount is in recognition of the Purchaser's submittal of site plan application in August of 2017, which indicated their desire to rehabilitate the property, and reflects the amount due at that point in time.
6. The City shall execute and provide to Purchaser a full release of all code enforcement fines and liens existing against the Property as of the date of this Settlement Agreement.
7. Beginning with the effective date of this Agreement and throughout the construction and rehabilitation process, Purchaser shall maintain the units at Stonybrook in accordance with the City's Code of Ordinances and Florida Building Code and shall conduct monthly meetings at the Property for tenants of the Property, local stakeholders and City Officials to discuss ongoing maintenance efforts and the status of the rehabilitation of the Property.
8. The parties to this Settlement Agreement agree to bear their own attorney's fees and costs relating to or resolved by this Settlement Agreement.

9. If any legal action or other proceeding is brought for the enforcement of this Settlement Agreement, or because of an alleged dispute, the successful or prevailing party or parties shall be entitled to recover its reasonable attorney fees, court costs and all expenses.
10. This Settlement Agreement shall be interpreted in accordance with the laws of the State of Florida, and venue shall be in Palm Beach County, Florida.
11. If any term or provision of this Settlement Agreement, shall to any extent, be held invalid or enforceable, the remainder of this Settlement Agreement shall not be affected, and every other term and provision of this Settlement Agreement shall be deemed valid and enforceable to the extent permitted by law.

(THE REMAINDER OF THIS PAGE LEFT BLANK
SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, and in consideration of the mutual related promises and intending to be legally bound thereby, the parties have caused their hand and seal to be set on this Settlement Agreement on the date first written above.

Millennia Housing Management, Ltd.

Laura Anderson
Senior Vice President

STATE OF FLORIDA
COUNTY OF PALM BEACH

SWORN TO, SUBSCRIBED AND ACKNOWLEDGED before me this ____ day of August 2018, by Laura Anderson , who is personally known or has produced identification.

NOTARY PUBLIC

CITY OF RIVIERA BEACH

BY: _____
THOMAS A. MASTERS
MAYOR

ATTEST:

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

CITY CLERK

CITY ATTORNEY'S OFFICE