



"The Best Waterfront City in Which to Live, Work And Play."

CITY OF RIVIERA BEACH

TO: HON. MAYOR, CHAIRPERSON, AND CITY COUNCIL

THROUGH: JONATHAN EVANS, CITY MANAGER, MPA, MBA, ICMA-CM

FROM: DAWN S. WYNN

SUBJECT: RESOLUTION SEEKING APPROVING OF A SETTLEMENT AGREEMENT BETWEEN RIVIERA COMMUNITY DEVELOPMENT LAND TRUST, WITH HRY DEVELOPMENT LLC AS TRUSTEE AND THE CITY OF RIVIERA BEACH FOR THE RESOLUTION OF SHARON R. BOCK V. BROOKS SUBDIVISION, LLC, ET AL., FIFTEENTH JUDICIAL CIRCUIT CASE NOS. 502019CA005944XXXXMBAI, 502019CC005452XXXXMBRF, 502019CC005870XXXXMBRB, AND 502019CA005960XXXXMBAG.

DATE: OCOTBER 7, 2020

CC: GENERAL PUBLIC

Background:

The City is motivated to support Palm Beach County's efforts to develop a 22 lot parcel of vacant land, currently known as "Brooks Subdivision", hereinafter referred to as the "Subdivision", for the purpose of affordable housing on the site.

The County currently owns 18 of the parcels within the Subdivision, and intends to acquire the remaining 4 parcels which are encumbered by a Mortgage and Municipal Liens, payable to the City and a Declaration of Restrictive Covenant that runs with the land, whose modification and/or extinguishment is controlled by the City.

The proposed Settlement Agreement (attached hereto) intends to resolve issues related to the remaining 4 parcels, in addition to four (4) interpleader cases of *Sharon R. Bock v. Brooks Subdivision, LLC*, et al, 15th Judicial Circuit Case Nos.: 502019CA005944XXXXMBAI, 502019CC005452XXXXMBRF, 502019CC005870XXXXMBRB, and 502019CA005960XXXXMBAG.

On July 18, 2018, the Palm Beach County Clerk & Comptroller conducted a tax deed sale of the four (4) subject parcels, legally described as:

Brooks Subdivision Plat, Lot 10 (PCN: 56-43-42-29-65-000-0100),
Brooks Subdivision Plat, Lot 11 (PCN: 56-43-42-29-65-000-0110),
Brooks Subdivision Plat, Lot 12 (PCN: 56-43-42-29-65-000-0120),
Brooks Subdivision Plat, Lot 13 (PCN: 56-43-42-29-65-000-0130), (the “Brooks Subdivision
Parcels”).

At the tax deed sale, the Riviera Community Land Trust with HRY DEVELOPMENT LLC. as Trustee, hereinafter referred to as “HR Y”, paid a total of One Hundred and Eight Thousand, Five Hundred Dollars (\$108,500) to obtain the tax deeds for the Brooks Subdivision Parcels, over the bid submitted by Palm Beach County to acquire said deeds.

The amount paid by HRY for the tax deeds exceeded the amount of taxes owed for each parcel (the “Surplus”) in the following amounts:

Parcel 0100:	\$14,865.42
Parcel 0110:	\$14,488.96
Parcel 0120:	\$17,183.93
Parcel 0130:	\$19,843.43

The City filed a claim for the Surplus and HRY objected to the City’s claims, resulting in the Clerk & Comptroller filing an interpleader in each of the four cases in order for the Court to resolve the dispute between the City and HRY.

The City and HRY, along with the Clerk & Comptroller, attended mediation on June 15, 2020 and further negotiations on September 21, 2020, in an effort to resolve the interpleader cases, and agreed to the terms of the Settlement Agreement (attached hereto) that would result in the City obtaining ownership of the four (4) Brooks Subdivision Parcels that HRY owns via the tax deed.

Pursuant to the terms of the Settlement Agreement, HRY would execute and record in the Official Records in and for Palm Beach County, a quit claim deed in favor of the City for all four (4) Brooks Subdivision Parcels.

HR Y shall also donate a total of Twenty Five Thousand (\$25,000) Dollars to the Housing Trust Fund, a Florida non-for-profit affordable housing program to assist qualified home buyers to purchase affordable homes within the City of Riviera Beach.

HR Y also agrees to pay the City \$9,290.69 for outstanding utility liens attached to the HRY parcels.

HR Y also agrees to forego any entitlement to the remaining surplus of \$51,881.74 in the four interpleader cases.

The City agrees to record a release of all City liens stipulated in the Settlement Agreement for those parcels owned by HRY within the municipal boundaries, hereinafter referred to as “HR Y Parcels” and attached hereto.

Within sixty (60) days of the quitclaim deed being recorded, Councilperson Tradrick McCoy for District 1 shall issue a Proclamation acknowledging HRY's past and continued efforts to provide affordable housing to the residents and citizens of the City of Riviera Beach.

HRY shall work with the City and the Riviera Beach Community Redevelopment Agency and use commercially reasonable efforts to ensure at least twenty percent (20%) or more participation of qualified apprentices registered with the Adult Reentry Center of Riviera Beach, On the Job Training (OJT) Program in the development and construction of the HRY parcels.

The City finds that the Settlement Agreement is in the best interest of the City and serves a valid public purpose.

City Goals:

The Citywide goal is to promote the health, safety, and general welfare of its residents and visitors.

Fiscal/Budget Impact:

N/A

Recommendation:

The Office of the City Attorney recommends approval of this Resolution.

Attachments:

1. Resolution Number 87-20
2. Settlement Agreement for Brooks Subdivision