

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (hereinafter "Settlement Agreement") is made this 29th day of September, 2020, 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 RIVIERA COMMUNITY DEVELOPMENT LAND TRUST, with HRY DEVELOPMENT LLC as TRUSTEE, a Florida Limited Liability Company, (hereinafter "HRY").

This Settlement Agreement serves to resolve all issues in the four (4) interpleader cases of *Sharon R. Bock v. Brooks Subdivision, LLC, et al.*, 15th Judicial Circuit Case Nos.: 502019CA005944XXXXMBAI, 502019CC005452XXXXMBRF, 502019CC005870XXXXMBRB, and 502019CA005960XXXXMBAG.

WHEREAS, the four (4) interpleader cases involve tax deeds issued on four (4) parcels located in Brooks Subdivision in the City of Riviera Beach; and

WHEREAS, on July 18, 2018, the Palm Beach County Clerk & Comptroller conducted a tax deed sale of the subject four (4) parcels; and

WHEREAS, the subject four (4) parcels are 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), and
Brooks Subdivision Plat, Lot 13 (PCN: 56-43-42-29-65-000-0130) (the "Brooks Subdivision Parcels");

WHEREAS, at the tax deed sale, HRY paid a total of \$108,500 to obtain the tax deeds for the Brooks Subdivision Parcels; and

WHEREAS, the amount paid by HRY for the tax deeds exceeded the amount of taxes owed for each parcel (the "Surplus"); and

WHEREAS, the Surplus for each of the Brooks Subdivision Parcels is as follows:

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

WHEREAS, the City filed a claim (as amended) for the Surplus and HRY objected to the City's claims; and

WHEREAS, the Clerk and Comptroller filed the interpleader cases in order for the Court to resolve the dispute between the City and HRY; and

WHEREAS, the City and HRY along with the Clerk & Comptroller attended mediation on June 15, 2020 in an effort to resolve the interpleader cases; and

WHEREAS, Palm Beach County currently owns eighteen (18) of the twenty-two (22) parcels that make up Brooks Subdivision; and

WHEREAS, if the City obtains ownership of the four (4) Brooks Subdivision Parcels that HRY owns via tax deed, the City and County can move forward with a housing development in Brooks Subdivision consisting of twenty-two single family, affordable homes; and

WHEREAS, in addition to purchasing the tax deeds to the Brooks Subdivision Parcels, HRY as Trustee, for the Riviera Community Development Land Trust; the Riviera Hankin Homes Land Trust; and, the Riviera HankinHomes2 Land Trust, has been purchasing other vacant parcels in the City of Riviera Beach in order to develop single family, affordable housing on each (*see* **Exhibit “1”**, identifying the 16 parcels owned by HRY) (“**HRY Parcels**”); and

WHEREAS, the HRY Parcels are vacant lots which have yielded little to no ad valorem taxes for the City in several years and have been encumbered by City utility, code compliance, and lot clearing liens prior to HRY’s ownership (*see* **Exhibit “1”**); and

WHEREAS, HRY has paid \$13,888.16 towards the City utility liens that attach to the HRY Parcels with another \$9,290.69 remaining in unpaid utility liens for the HRY Parcels; and

WHEREAS, HRY has brought the HRY Parcels into compliance with the City’s code of ordinances and there are no open code violations on the HRY Parcels; and

WHEREAS, based on their discussions before, during and after mediation, the City and HRY are willing to resolve the interpleader cases in a manner that is beneficial to both parties; and

WHEREAS, HRY recognizes the City’s desire to obtain ownership of the four (4) Brooks Subdivision Parcels in order for the City to work with Palm Beach County on the redevelopment of all of Brooks Subdivision with affordable housing; and

WHEREAS, the City recognizes HRY’s development of affordable housing in the City of Riviera Beach and continued interest in providing affordable housing in the City of Riviera Beach and on the HRY Parcels; and

WHEREAS, based on the aforementioned recognitions, the City and HRY desire to enter this Settlement Agreement in order for the City to obtain ownership of the four (4) Brooks Subdivision Parcels and HRY to receive a release of certain City liens on the HRY Parcels and as otherwise set forth herein; and,

WHEREAS, the City of Riviera Beach City Council has determined that the terms and conditions of this Settlement Agreement serve a valid public purpose and are 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 HRY agree as follows:

1. The foregoing recitals are hereby incorporated into this Settlement Agreement as true and correct statements.

2. This Settlement Agreement is subject to approval by the City Council for the City of Riviera Beach.

3. The City and HRY have agreed with the Clerk & Comptroller for Palm Beach County to resolve the four (4) interpleaders as follows:

- a. The Clerk & Comptroller will accept \$14,500 as the Clerk & Comptroller's total attorney's fees and costs in the four (4) interpleader cases.
- b. The City will recover the remaining surplus in all four (4) interpleader cases which is a total amount of **\$51,881.74**.
- c. If this Settlement Agreement is approved by the City Council, the City will promptly file a motion to have the attached Agreed Final Judgments (**Composite Exhibit "2"**) approved in each of the four (4) interpleader cases.

4. If the City Council approves this Settlement Agreement, within five (5) days thereof, HRY shall 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 owned by HRY via tax deed. The form of the quit claim deed is attached hereto as **Exhibit "3"**. As stated in the quit claim deed, it is the intent of the City and HRY that the City's receipt of HRY's interest in the four (4) Brooks Subdivision Parcels does not merge with the City's current interest in the four (4) Brooks Subdivision Parcels and the City's mortgage and liens attached to the four (4) Brooks Subdivision Parcels shall survive. A copy of the executed quit claim deed sent for recording shall be sent to the City c/o Office of the City Attorney, City of Riviera Beach, 1481 W. 15th Street, Suite 232, Riviera Beach, FL 33404 with copy to Christy@torcivialaw.com. Except for City liens which may encumber or cross-attach to the four (4) parcels HRY owns in Brooks Subdivision, HRY represents and warrants that the quit claim deed conveys and transfers all of HRY's title, interest and estate in the Brooks Subdivision Parcels free and clear of all liens, taxes, assessments and encumbrances of all persons claiming by, through, and under HRY through and including the date of recording the quit claim deed. Except for the pending interpleaders, HRY warrants and represents that it is not aware of any other judicial or administrative actions, suits, contracts, condemnations or judgments affecting the Brooks Subdivision Parcels. HRY shall pay for all recording costs and other expenses including taxes related to the execution and recording of the quit claim deed. If the City or Palm Beach County files a quiet title action(s) regarding the four (4) Brooks Subdivision Parcels, HRY will file a disclaimer of all interest in such action(s).

5. If the City Council approves this Settlement Agreement, within five (5) days, HRY shall pay **\$9,290.69** to the City of Riviera Beach, c/o Office of the City Attorney, City of Riviera Beach, 1481 W. 15th Street, Suite 232, Riviera Beach, FL 33404, to pay off the remaining utility liens attached to the HRY Parcels.

6. If the City Council approves this Settlement Agreement, within forty (40) days, HRY shall donate a total of **\$25,000 (Twenty-Five Thousand Dollars)** to the Housing Trust Fund, a Florida not-for-profit affordable housing program. The donation amount represents a \$1,562.50 incentive for each of the HRY Parcels to assist qualified home buyers to purchase affordable homes within the City of Riviera Beach. Upon making the donation, HRY shall provide (via email) the City Attorney's Office at: DWynn@rivierabeach.org with copy to Christy@torcivialaw.com with documentary proof of the donation and the amount within five (5) days.

7. Within five (5) days of HRY's recording the quit claim deed and paying the utility lien amount as set forth above, the City shall record a release of all City liens for the HRY Parcels in the Official Records in and for Palm Beach County. The City shall pay for all recording costs associated with said release. The form of the release is attached hereto as **Exhibit "4"**.

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

9. HRY shall take commercially reasonable efforts consistent with applicable law to develop single family homes on eleven (11) of the HRY Parcels with at least four (4) of the remaining five (5) HRY Parcels to be developed with affordable multi-family dwelling units. HRY shall also take commercially reasonable efforts to sell the single family homes for no more than \$250,000 each as adjusted by market demand and construction pricing. HRY will participate in the City's affordable home buyers programs and outreach in an effort to sell the single family homes to City-qualified affordable home buyers who intend to live in the homes. HRY shall take commercially reasonable efforts to not sell the single family homes to buyers who intend to convert the homes to rental properties. HRY shall also take commercially reasonable efforts to landscape all of the developed HRY Parcels with landscaping that exceeds the City's basic requirements for new development.

10. 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.

11. HRY shall sign this Settlement Agreement in duplicate originals by no later than September 30, 2020, in order for the City of Riviera Beach City Council to consider the matter at its October 7, 2020 City Council Meeting. Along with signing this Settlement Agreement, HRY shall complete and execute the Disclosure of Beneficial Interests attached hereto as **Exhibit "5"** (the "Disclosure") disclosing the name and address of every person or entity having a 5% or greater beneficial interest in the ownership of the Brooks Subdivision Parcels as required by Section 286.23, Florida Statutes. The signed originals of this Settlement Agreement and the executed original of the Disclosure shall be provided to the City Attorney's Office, City of Riviera Beach, 1481 W. 15th Street, Suite 232, Riviera Beach, FL 33404 with copy via email to the City Attorney's Office at: DWynn@rivierabeach.org with copy to Christy@torcivialaw.com.

12. HRY, by signing this Settlement Agreement, warrants that it has not and will not take any action to lien, encumber, sell, dispose of or otherwise assign any right, title or interest in the Brooks Subdivision Parcels at any time prior to the City of Riviera Beach City Council's consideration of this Settlement Agreement. It being the expressed intent of the parties that the City receive HRY's ownership interest in the Brooks Subdivision Parcels free and clear of any third party interests, claims, suits or causes of action which accrued as a result of or in connection with HRY's ownership of the same.

13. HRY represents and warrants that HRY is not a "foreign person" as defined by the Federal Foreign Investment in Real Property Tax Act.

14. If this Settlement Agreement is approved, the City shall execute the originals provided by HRY and return a fully executed version to HRY at the Law Office of Paul A. Krasker, P.A., Attn: Marshall J. Osofsky, Esq., 1615 Forum Place, 5th Floor, West Palm Beach, FL 33401. A fully executed version shall also be emailed to: MOsofsky@kraskerlaw.com.

15. Time is of the essence with respect to the performance of each and every provision of this Settlement where a time is specified for performance.

16. The parties to this Settlement Agreement agree to bear their own attorney's fees and costs relating to or resolved by this Settlement Agreement.

17. 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 (including, without limitation all such fees, costs and expenses incident to appeals).

18. 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.

19. 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.

20. If this Settlement Agreement is not approved by the City of Riviera Beach City Council, the parties shall return to mediation in an attempt to resolve the interpleaders.

21. This Settlement Agreement shall not be construed more strongly against any party regardless of who was more responsible for its preparation.

22. Each party binds itself and its partners, successors, executors, administrators, future council members and assigns to the other parties of this Settlement Agreement and to the partners, successors, executors, administrators, future council members and assigns of such other parties, in respect to all covenants, provision or obligation of this Settlement Agreement. This Settlement Agreement may not be assigned without the express written consent of all parties.

23. This Settlement Agreement may only be amended by the parties by written agreement and fully executed by each party.

24. This Settlement Agreement represents the entire understanding between the parties and supersedes all other negotiations, representations, or agreements, written or oral, relating to this Settlement Agreement.

25. The parties' warranties, agreements, and representations in this Settlement Agreement shall not be merged and shall survive consummation of the transactions contemplated by this Settlement Agreement.

26. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon testing may be obtained from your county public health unit.

27. Palm Beach County has established the Office of the Inspector General in Palm Beach County Code, Section 2-421 - 2-440, as may be amended. The Inspector General is authorized with the power to review past, present and proposed City contracts, transactions, accounts and records. The Inspector General's authority includes, but is not limited to, the power to audit, investigate, monitor, and inspect the activities of

entities contracting with the City, or anyone acting on their behalf, in order to ensure compliance with contract requirements and to detect corruption and fraud. Failure to cooperate with the Inspector General or interfering with or impeding any investigation shall be a violation of Palm Beach County Code, Section 2-421 - 2-440.

28. HRY represents, warrants and covenants to the City that it has all requisite power to enter into this Settlement Agreement and that its execution hereof has been duly authorized and does not and will not constitute a breach or violation of any of HRY's organizational documents, any applicable laws or regulations, or any agreements with third parties. The individual executing this Settlement Agreement on behalf of HRY has full rights and ability and all necessary approvals to bind HRY to this Settlement Agreement.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK SIGNATURE PAGES FOLLOW

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.

HRY:

HRY DEVELOPMENT LLC, as Trustee for the
Riviera Community Development Land Trust

By: [Signature]
Print Name: Stuart Hankin
Title: Trustee

[Corporate Seal]

STATE OF Florida
COUNTY OF Palm Beach

The foregoing instrument was acknowledged before me this 29th day of September 2020, by Stuart Hankin, who was physically present, as owner (title), of HRY DEVELOPMENT LLC, as Trustee for the Riviera Community Development Land Trust, which is authorized to do business in the State of Florida, and who is personally known to me or who has produced the following as identification.

Notary Public:

[Signature]
Print Name: MARTINA NUNEZ
My commission expires: 7/7/2024



CITY:

(MUNICIPAL SEAL BELOW)

**CITY OF RIVIERA BEACH, a
Florida municipal corporation**

ATTEST:

By: _____
Claudene L. Anthony, City Clerk

By: _____
Ronnie Felder, Mayor

Approved as to Form and
Legal Sufficiency:

By: _____
Dawn S. Wynn, City Attorney
City of Riviera Beach

EXHIBIT "1"
HRY PARCELS & CITY LIENS

Address	PCN	Utility Lien Balance Paid	Interest (To be Paid)	Total Lot Clearing Liens (Not Paid)	Code Enforcement Fines (Not Paid)
1580 W 32ND ST	56434229020210220	-\$1,810.16	\$354.73	\$19,478.90	
W 31ST ST	56434229030150100			\$703.07	
1400 W 30TH ST	56434229030150490	-\$379.67	\$533.11	\$1,060.00	
1101 W 33RD ST	56434229090020010	-\$701.02	\$687.62	\$10,858.89	\$161,100.00
W 32ND ST	56434229090020430			\$8,044.42	
1132 W 31ST	56434229090030410	-\$507.90	\$454.89	\$5,328.45	
316 W 15TH ST	56434228080050030	-\$1,288.84	\$1,130.29	\$20,444.37	\$149,875.00
141 W 16TH ST	56434233040020060	-\$721.72	\$477.06	\$16,516.47	
1564 W 34TH ST	56434229020190380	-\$3,660.43	\$2,653.97	\$19,726.17	
W 28TH ST	56434229010000470			\$1,520.68	
1090 W 28TH ST	56434229050060190	-\$2,317.32	\$1,810.11	\$16,464.02	\$72,450.00
W 28TH ST	56434229100010030			\$3,365.08	
1129 W 26TH ST	56434229130070140	-\$2,213.41	\$841.15	\$3,622.86	
AVENUE S	56434229010000520			\$4,318.93	
55 W 11TH ST	56434233060220140	-\$287.69	\$347.76	\$14,858.63	\$194,800.00
587 W 7TH ST	56434232010390110			\$1,715.57	
		-			
		\$13,888.16	\$9,290.69	\$148,026.51	\$578,225.00

EXHIBIT "2"
(Agreed Final Judgments – Four Interpleaders)

EXHIBIT "3"
Quit Claim Deed

EXHIBIT "4"
City Lien Release

EXHIBIT "5"
Beneficial Interest Disclosure