

EXECUTIVE BRIEF REGULAR MEETING

AGENDA DATE: May 5, 2020

DEPARTMENT: Legal

TITLE:

Consideration of an Agreement for Purchase and Sale of Real Property with 7 North B, LLC for property located at 7 North B Street in Lake Worth Beach

SUMMARY:

Pursuant to a mediation settlement agreement entered into with 1511 Lucerne, LLC, and WENJO Partners, then owners of properties located at 1511 Lucerne Avenue and 7 North B Street in Lake Worth Beach, respectively, the City agreed to enter into a purchase and sale agreement with WENJO Partners to facilitate development of 7 North B Street. WENJO Partners sold its interest in the property to 7 North B, LLC, before an agreement to sell the property to the City could be facilitated. At this time, the Agreement for Purchase and Sale of Real Property with 7 North B, LLC is being presented to the commission for its consideration. Pursuant to the terms of the mediation settlement agreement, the sale price of 7 North B Street shall not be less than \$272,375.68, with the closing to take place after certain conditions have been met.

BACKGROUND AND JUSTIFICATION:

In August 2019, the City Commission entered into a mediation settlement agreement with then owner, 1511 Lucerne, LLC, to settle code enforcement liens on properties owned by 1511 Lucerne, LLC, and to facilitate development of three parcels: 15 North B Street, 7 North B Street, and 1602 Lake Avenue.

The City owns 15 North B Street and 1602 Lake Avenue. WENJO Partners owned 7 North B Street at the time of the mediation and shortly thereafter sold its interest to 7 North B, LLC, whose primary manager is Bhavin Shah.

In this transaction, 7 North B, LLC will be selling the 7 North B Street property to the City for not less than \$272,375.68, as was contemplated by, and in accordance with the mediation settlement agreement. The closing will not take place until after certain conditions have been met as outlined in the mediation settlement agreement.

If this agenda item is approved, then in a separate agenda item, the City will assign its interest in 7 North B Street to the Community Redevelopment Agency ("CRA").

In a third agenda item, the City Commission will consider entering into a Purchase and Sale Agreement with the CRA for properties the City owns at 1602 Lake Avenue and 15 North B Street.

Once the CRA has control of all three parcels, it will develop and issue a request for proposals for a qualified developer to develop a project and site plan for the three properties.

This Agreement for Purchase and Sale of Real Property is one of the three components necessary to bring a project to fruition.

MOTION:

Move to approve /approve with conditions an Agreement for Purchase and Sale of Real Property with 7 North B, LLC for property located at 7 North B Street in Lake Worth Beach.

ATTACHMENT(S):

Fiscal Impact Analysis – n/a

Agreement for Purchase and Sale of Real Property with 7 North B, LLC

Mediation Settlement Agreement approved by the Commission in Aug. 2019