

EXECUTIVE BRIEF REGULAR MEETING

AGENDA DATE: July 7, 2020

DEPARTMENT: City Attorney

TITLE:

First Amendment to Settlement Agreement to extend the deadlines for the development of properties located at and 7 North B Street, 15 North B Street and 1602 Lake Avenue.

SUMMARY:

The First Amendment extends the deadlines in the Settlement Agreement for the Lake Worth Beach Community Redevelopment Agency (CRA) to issue the RFP for the development of the properties; for the CRA to enter an agreement with the selected developer; and, for the CRA to close on the development transaction.

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 and to facilitate development of three parcels: 15 North B Street, 7 North B Street, and 1602 Lake Avenue (the Property). 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 accordance with the mediation settlement agreement, the City entered into a Purchase and Sale Agreement with the new owner, 7 North B, LLC, to purchase 7 North B Street and the City assigned its interests to the CRA. However, under the terms of the mediation settlement agreement, the CRA had 60 days to issue an RFP for the development of the Property, enter an agreement with the developer before August 3, 2020, and sell the Property to the developer by February 3, 2021.

Everyone has been affected by COVID-19 (coronavirus); therefore, both 7 North B, LLC and city representatives have agreed to extend the deadlines as follows:

- CRA Issues RFP for Property: July 31, 2020
- CRA Awards RFP and Enters into Agreement: February 3, 2021
- CRA Closes on sale of Property: August 3, 2021

City Commission approval is needed to extend the dates in the mediation settlement agreement.

MOTION:

Move to approve/disapprove the First Amendment to the Settlement Agreement to extend the deadlines for the development of properties located at and 7 North B Street, 15 North B Street and 1602 Lake LLC.

ATTACHMENT(S):

Fiscal Impact Analysis: N/A
First Amendment
Mediation Settlement Agreement