

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

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Meeting Date: February 25, 2014       Consent       Regular  
    Workshop       Public Hearing

Submitted By: Westgate/Belvedere Homes Community Redevelopment Agency

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I. EXECUTIVE BRIEF

**Motion and Title: Staff recommends motion to approve:** The sale of one (1) Westgate/Belvedere Homes Community Redevelopment Agency (CRA)-owned property to Danza Group of Westgate, LLC (Danza) for Five Thousand Dollars (\$5,000) and other considerations subject to the terms of the CRA's Option Agreement with Danza.

**Summary:** Pursuant to Ordinance No. 89-6, Board of County Commissioner's (BCC) approval is required for disposition of any real property owned by the CRA. The property is a vacant 2,691 square foot triplex which was built in 1958 and located at 1348 Loxahatchee Drive. The property borders an adjacent privately owned 1.65 acre parcel. Danza proposes to acquire the two (2) parcels and redevelop them into a mixed use mixed income project in accordance with the Westgate Community Redevelopment Plan and the Unified Land Development Code. The property was recently appraised for Eighteen Thousand Dollars (\$18,000). The Danza Group offered to buy the property for Five Thousand Dollars (\$5,000). In return, the group will acquire the adjacent 1.65 acre vacant parcel, build at least 50,000 square feet of mixed use space and bring a quality anchor tenant to occupy the building. Danza will have a maximum of four (4) years to design, permit, build and complete the project. It is estimated that the project will create 261 jobs and have an economic impact of approximately \$36.3 Million over five (5) years. If for any reason, the group fails to complete the project in accordance with the terms of the Option Agreement, the property will revert back to the CRA. Funds received from the sale of the property will be put back in the CRA's general fund for future redevelopment activities. The CRA Board approved the sale at their November 4, 2013 meeting. Districts 2 and 7 (RB)

**Background and Justification:** The CRA issued a Request for Qualifications (RFQ) on July 16<sup>th</sup>, 2012, for a master developer to redevelop the Westgate Avenue Corridor. The goal is to seek a qualified developer to collaborate with the stakeholders for a corridor-wide redevelopment strategy and position Westgate Avenue as a mixed use, neighborhood commercial destination of a quality that not only serves the needs of the community and visitors, but also complements the adjacent West Palm Beach and unincorporated County employment base. Danza responded to the RFQ with a proposal consisting of a medical school, commercial uses, and veterans related supportive facilities and housing. On January 7, 2013, after reviewing the Review Committee's recommendations, the CRA Board selected Danza to be the designated master developer for the Westgate Avenue Corridor. The subject property was one of the CRA-owned properties in the RFQ that the CRA may consider selling, leasing, or exchanging as an incentive for the development of a catalyst project.

Continued on Page 3

**ATTACHMENTS:**

- 1. Location Map/PCN/Legal Description of Westgate/Belvedere Homes CRA Owned Lot
- 2. Ordinance No. 89-6
- 3. CRA and Danza Option Agreement

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Recommended By:	<i>Elisée Michel</i> _____ Westgate/Belvedere Homes CRA Executive Director	<i>2-11-14</i> _____ Date
Approved By:	<i>Shannon [Signature]</i> _____ Assistant County Administrator	<i>2-19-14</i> _____ Date

**II. FISCAL IMPACT ANALYSIS**

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	*				

# ADDITIONAL FTE POSITIONS (Cumulative)					
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Is Item Included In Current Budget?    Yes \_\_\_    No \_\_\_  
 Budget Account No.:

Fund \_\_\_ Unit \_\_\_ Org \_\_\_ Object \_\_\_ Program Code/Period BG \_\_\_-GY

B. Recommended Sources of Funds/Summary of Fiscal Impact:  
 Source:

\* Fiscal impact for the CRA will be \$5,000 in revenue.

C. Departmental Fiscal Review:

*Sharon R. Sheppard*  
 \_\_\_\_\_

**III. REVIEW COMMENTS**

A. OFMB Fiscal and/or Contract Development and Control Comments:

*Michelle*  
 \_\_\_\_\_  
 OFMB  
 2/12

*Dino J. Giacalone*  
 \_\_\_\_\_  
 Contract Development and Control  
 2-14-14  
 2/18/14

B. Legal Sufficiency:

*[Signature]*  
 \_\_\_\_\_  
 2/18/14

Senior Assistant County Attorney

C. Other Department Review:

\_\_\_\_\_  
 Department Director

This summary is not to be used as a basis for payment.

Danza is currently negotiating a contract for the adjacent 1.65 acre property to the east for this project. The subject property will be part of a mixed use mixed income development consisting of approximately 25,470 total square feet of ground floor commercial and 44 multi-family units on the second and third floors. Twenty-five percent (25%) of the units will be set aside for veterans housing. These units will be sold or rented to households within the very low income category earning a maximum household income of 50% of the County's Average Median Income (AMI).

Subsequent to the designation of Danza as the master developer for the corridor, the CRA Board also negotiated the attached Option Agreement with Danza. The Agreement states that the CRA will sell its property to Danza subject to compliance with the attached Option Agreement. The attached Option Agreement will be executed subsequent to the BCC land disposition approval.

The terms of the Option Agreement requires Danza to: (a) Demonstrate to the satisfaction of the WCRA that Danza has cash on hand, or proof of financing to acquire and redevelop the property at the time the Option Notice is delivered; (b) If required, execute a Development Agreement with the WCRA; (c) comply with land disposition requirements; and (d) obtain the approval of a Development Order from Palm Beach County which evidences that Danza has obtained all land use, zoning, and other entitlements necessary to develop a mixed-use project. Danza will have a maximum of two (2) years (12 months with additional 12 month extension) to comply with the terms above. Danza shall also have two (2) years to substantially complete construction of the approved project or the property will revert back to the CRA. The CRA will require a reverter clause in the deed for the property prior to land conveyance to Danza in the event that Danza cannot perform.

The CRA believes that the sale of the property for \$5,000 and other considerations, which includes the terms of the Option Agreement, serves as an appropriate incentive for the redevelopment of this block since the property can no longer be utilized for residential purposes due to the site's nonconformities and poor structural condition of the existing building. In addition, highest and best use for the property can only be realized with additional land assemblage. The redevelopment of the property as part of a larger mixed use project would be a redevelopment catalyst for the area.

Location Map



PCN and Legal Descriptions of Westgate/Belvedere Homes CRA Owned Property

1. **Address:** 1348 Loxahatchee Drive, West Palm Beach, FL 33409  
**Property Control Number:** 00-43-43-30-05-000-0050  
**Legal Description:** Tract E, Sharons Replat of Block 30, of West Gate Estates, according to the plat thereof as recorded in Plat Book 15, Page 64 of the Public Records of Palm Beach County, Florida

1 (CRA ORD 5/09/89)

2 ORDINANCE NO. 89-6

3 AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF  
4 PALM BEACH COUNTY, FLORIDA, RELATING TO AND CREATING  
5 THE WESTGATE/BELVEDERE HOMES COMMUNITY REDEVELOPMENT  
6 AGENCY; PROVIDING FOR APPOINTMENT OF THE MEMBERS;  
7 PROVIDING FOR THE ORGANIZATION OF THE AGENCY;  
8 PROVIDING FOR THE EXERCISE OF CERTAIN POWERS;  
9 PROVIDING THAT ALL OTHER POWERS CONTINUE TO VEST IN  
10 THE BOARD OF COUNTY COMMISSIONERS; PROVIDING FOR  
11 SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE;  
12 AND PROVIDING FOR AN EFFECTIVE DATE.

13 WHEREAS, the Legislature of the State of Florida has enacted  
14 the "Community Redevelopment Act of 1969"; and

15 WHEREAS, the Act authorizes any county or municipality to  
16 create a separate body corporate and politic to be known as a community  
17 redevelopment agency upon a finding of necessity; and

18 WHEREAS, the Board of County Commissioners of Palm Beach County  
19 has adopted a Resolution finding that the area known as the  
20 Westgate/Belvedere Homes area is a slum and blighted area that exists  
21 within Palm Beach County, and that the rehabilitation, conservation and  
22 redevelopment of such area is necessary to the public health, safety,  
23 morals and welfare of the residents of Palm Beach County; and

24 WHEREAS, the Board of County Commissioners has made a further  
25 finding that there is a need for a community redevelopment agency to  
26 function in Palm Beach County to carry out the community redevelopment  
27 purposes of the Community Redevelopment Act of 1969.

28 NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY  
29 COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA that:

1                   Section 1. AUTHORITY FOR ENACTMENT.

2                   This ordinance is enacted pursuant to the Community  
3 Redevelopment Act of 1969, as amended, Chapter 69-305, Laws of Florida.

4                   Section 2. CREATION OF THE WESTGATE/BELVEDERE HOMES COMMUNITY  
5   REDEVELOPMENT AGENCY

6                   There is hereby created a public body corporate and politic to  
7 be known as the Westgate/Belvedere Homes Community Redevelopment Agency,  
8 hereinafter referred to as the "Agency."

9                   Section 3. MEMBERSHIP

10                  3.01. The agency shall consist of seven (7) commissioners  
11 appointed by the Board of County Commissioners. Any person may be  
12 appointed as a commissioner if he or she resides or is engaged in  
13 business, which shall mean owning a business, practicing a profession, or  
14 performing a service for compensation, or serving as an officer or  
15 director of a corporation or other business entity so engaged, within the  
16 area of operation of the agency, which shall be coterminous with the area  
17 of operation of the county.

18                  3.02. Terms of office of the commissioners shall be for 4 years  
19 except that three of the members first appointed shall be designated to  
20 serve terms of 1, 2 and 3 years, respectively, from the date of their  
21 appointments, and four (4) members shall be designated to serve for terms  
22 of 4 years from the date of their appointments. A vacancy occurring  
23 during a term shall be filled for the unexpired term. A certificate of  
24 the appointment or reappointment of any commissioner shall be filed with  
25 the clerk of the county, and such certificate shall be conclusive  
26 evidence of the due and proper appointment of such commissioner.

27                  3.03. A commissioner shall receive no compensation for his  
28 services, but shall be entitled to the necessary expenses, including  
29 traveling expenses, incurred in the discharge of his duties, subject to  
30 prior approval by the Board of County Commissioners.

31                  3.04. The powers of a community redevelopment agency shall be  
32 exercised by the commissioners thereof. A majority of the commissioners  
33 shall constitute a quorum for the purpose of conducting business and  
34 exercising the powers of the agency and for all other purposes. Action  
35 may be taken by the agency upon a vote of a majority of the commissioners  
36 present, unless in any case the bylaws shall require a larger number.

1           3.05. The Board of County Commissioners shall designate a chair  
2 and vice chair from among the commissioners.

3           3.06. The agency may employ an executive director, technical  
4 experts, and such other agents and employees, permanent and temporary, as  
5 it may require, and determine their qualifications, duties, and  
6 compensation. For such legal service as it may require, an agency may  
7 employ or retain its own counsel and legal staff.

8           3.07. The agency shall file with the Board of County  
9 Commissioners and with the Auditor General, on or before March 31st of  
10 each year, a certified audit report of its activities for the preceding  
11 fiscal year, which report shall include a complete financial statement  
12 setting forth its assets, liabilities, income, and operating expenses as  
13 of the end of such fiscal year. At the time of filing the report, the  
14 agency shall publish in a newspaper of general circulation in the  
15 community a notice to the effect that such report has been filed with the  
16 county and that the report is available for inspection during business  
17 hours in the Office of the Clerk of the Board of County Commissioners and  
18 in the office of the Agency.

19           3.08. The Board of County Commissioners may remove a commissioner  
20 for inefficiency, neglect of duty, or misconduct in office only after a  
21 hearing and only if he has been given a copy of the charges at least ten  
22 (10) days prior to such hearing and has had an opportunity to be heard in  
23 person or by counsel.

24           3.09. The agency shall have the power and authority to make and  
25 issue such regulations, bylaws and rules as it deems necessary to  
26 implement its powers and functions.

27           3.10. The officers, commissioners and employees of the Agency  
28 shall be subject to the code of ethics as stated in the provisions and  
29 requirements of Part III of Chapter 112, Florida Statutes (1987) and  
30 Section 163.367, Florida Statutes (1987).

31           Section 4. POWERS

32           4.01. The agency shall have the following powers:

- 33           1. The power of eminent domain, subject to prior approval  
34           by the Board of County Commissioners.

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2. To make and execute contracts and other instruments necessary or convenient to the exercise of its powers under the Community Redevelopment Act of 1969; to disseminate slum clearance and community redevelopment information; and to undertake and carry out community redevelopment and related activities within the community redevelopment area, which redevelopment may include:

- a. Acquisition of a slum area or blighted area or portion thereof.
- b. Demolition and removal of buildings and improvements.
- c. Installation, construction, or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out in the community redevelopment area the community redevelopment objectives of the Community Redevelopment Act of 1969 in accordance with the community redevelopment plan.
- d. Disposition of any property acquired in the community redevelopment area at its fair value for uses in accordance with the community redevelopment plan.
- e. Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the community redevelopment plan.
- f. Acquisition of real property in the community redevelopment area which, under the community redevelopment plan, is to be repaired or rehabilitated for dwelling use or related facilities, repair or rehabilitation of the structures for guidance purposes, and resale of the property.



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g. Acquisition of any other real property in the community redevelopment area when necessary to eliminate unhealthful, unsanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities.

h. Acquisition, without regard to any requirement that the area be a slum or blighted area, of air rights in an area consisting principally of land in highways, railway or subway tracks, bridge or tunnel entrances, or other similar facilities which have a blighting influence on the surrounding area and over which air rights sites are to be developed for the elimination of such blighting influences and for the provision of housing (and related facilities and uses) designed specifically for, and limited to, families and individuals of low or moderate income.

1. Construction of foundations and platforms necessary for the provision of air rights sites of housing (and related facilities and uses) designed specifically for, and limited to, families and individuals of low or moderate income.

3. To provide, or arrange or contract for, the furnishing or repair by any person or agency, public or private, of services, privileges, works, streets, roads, public utilities or other facilities for or in connection with a community redevelopment project; to install, construct, and reconstruct streets, utilities, parks, playgrounds,

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and other public improvements; and to agree to any conditions that it may deem reasonable and appropriate which are attached to federal financial assistance and imposed pursuant to federal law relating to the determination of prevailing salaries or wages or compliance with labor standards, in the undertaking or carrying out of a community redevelopment project and related activities, and to include in any contract let in connection with such a project and related activities provisions to fulfill such of said conditions as it may deem reasonable and appropriate.

4. Within the community redevelopment area:

- a. To enter into any building or property in any community redevelopment area in order to make inspections, surveys, appraisals, soundings or test borings and to obtain an order for this purpose from a court of competent jurisdiction in the event entry is denied or resisted.
- b. To acquire by purchase, lease, option, gift, grant, bequest, devise, eminent domain subject to prior approval by the Board of County Commissioners, or otherwise, any real property (or personal property for its administrative purposes), together with any improvements thereon.
- c. To hold, improve, clear, or prepare for redevelopment any such property.
- d. To mortgage, pledge, hypothecate, or otherwise encumber or dispose of any real property subject to prior approval by the Board of County Commissioners.

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- e. To insure or provide for the insurance of any real or personal property or operations of the County against any risks or hazards, including the power to pay premiums on any such insurance.
- f. To enter into any contracts necessary to effectuate the purposes of this part.
- 5. To invest any community redevelopment funds held in reserves or sinking funds or any such funds not required for immediate disbursement in property or securities in which savings banks may legally invest funds subject to their control and to redeem such bonds as have been issued pursuant to Section 163.385, Florida Statutes (1987), at the redemption price established therein or to purchase such bonds at less than redemption price, all such bonds so redeemed or purchased to be cancelled.
- 6. To borrow money and to apply for and accept advances, loans, grants, contributions and any other form of financial assistance from the Federal Government or the state, county, or other public body, or from any sources, public or private, for the purposes of this part, and to give such security as may be required and to enter into and carry out contracts or agreements in connection therewith; and to include in any contract for financial assistance with the Federal Government for or with respect to a community redevelopment project and related activities such conditions imposed pursuant to federal laws as the county may deem reasonable and appropriate and which are not inconsistent with the purpose of this part.
- 7. Within its area of operation, to make or have made all surveys and plans necessary to the carrying out

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of the purposes of this part and to contract with any person, public or private, in making and carrying out such plans and to adopt or approve, modify and amend such plans, which plans may include, but not be limited to:

- a. Plans for carrying out a program of voluntary or compulsory repair and rehabilitation of buildings and improvements.
  - b. Plans for the enforcement of state and local laws, codes, and regulations relating to the use of land and the use and occupancy of buildings and improvements and to the compulsory repair, rehabilitation, demolition, or removal of buildings and improvements.
  - c. Appraisals, title searches, surveys, studies, and other plans and work necessary to prepare for the undertaking of community redevelopment projects and related activities.
8. To develop, test, and report methods and techniques, and carry out demonstrations and other activities, for the prevention and the elimination of slums and urban blight and developing and demonstrating new or improved means of providing housing for families and persons of low income.
9. To apply for, accept and utilize grants of funds from the Federal Government for such purposes.
10. To prepare plans for and assist in the relocation of persons (including individuals, families, business concerns, nonprofit organizations and others) displaced from a community redevelopment area, and to make relocation payment to or with respect to such persons for moving expenses and losses of property for which reimbursement or compensation is not otherwise made, including the

1 making of such payments financed by the Federal  
2 Government.

3 11. Subject to prior approval by the Board of County  
4 Commissioners, to appropriate such funds and make  
5 such expenditures annually as are necessary to  
6 carry out the purposes of this part and to enter  
7 into agreements with a housing authority.

8 12. Within its area of operation, to organize,  
9 coordinate, and direct the administration of the  
10 provisions of this part, as they may apply to such  
11 county, in order that the objective of remedying  
12 slum and blighted areas and preventing the cause  
13 thereof within such county may be most effectively  
14 promoted and achieved.

15 4.02. All other powers set forth and contemplated in Chapter 163  
16 of the Florida Statutes continue to vest in the Board of County  
17 Commissioners, including the following powers as set forth in Section  
18 163.358, Florida Statutes (1987):

- 19 1. The power to determine an area to be a slum or blighted  
20 area, or combination thereof; to designate such area as  
21 appropriate for community redevelopment and to hold any  
22 public hearings required with respect thereto.  
23 2. The power to grant final approval to community  
24 redevelopment plans and modifications thereof.  
25 3. The power to authorize the issuance of revenue bonds as  
26 set forth in Section 163.385, Florida Statutes (1987).  
27 4. The power to approve the acquisition, demolition,  
28 removal, or disposal of property as provided in Section  
29 163.370(3), Florida Statutes (1987) and the power to  
30 assume the responsibility to bear loss as provided in  
31 Section 163.370(3), Florida Statutes (1987).

32 **Section 5. REPEAL OF LAWS IN CONFLICT**

33 All local laws and ordinances applying to the unincorporated  
34 area of Palm Beach County in conflict with any provisions of this  
35 ordinance are hereby repealed.

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**Section 6. SEVERABILITY**

If any section, paragraph, sentence, clause, phrase, or word of this ordinance is for any reason held by the Court to be unconstitutional, inoperative or void, such holding shall not affect the remainder of this ordinance.

**Section 7. INCLUSION IN THE CODE OF LAWS AND ORDINANCES**

The provisions of this ordinance shall become and be made a part of the code of laws and ordinances of Palm Beach County, Florida. The Sections of the ordinance may be renumbered or relettered to accomplish such, and the word "ordinance" may be changed to "section," "article," or any other appropriate word.

**Section 8. EFFECTIVE DATE**

The provisions of this ordinance shall become effective upon receipt of acknowledgement by the Secretary of State.

APPROVED AND ADOPTED by the Board of County Commissioners of Palm Beach County, Florida, on the \_\_\_\_\_ day of MAY 9 1989, 1989.

PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS

By Carol Elquist  
Chair

JOHN B. DUNKLE, CLERK  
Board of County Commissioners

By Tina M. Blair  
RECORD CLERK

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

Michelle R. Hanke  
County Attorney

Acknowledgement by the Department of State of the State of Florida, on this, the 16th day of May, 1989.

EFFECTIVE DATE: Acknowledgement from the Department of State received on the 19th day of May, 1989, at 11:38 A.M., and filed in the Office of the Clerk of the Board of County Commissioners of Palm Beach County, Florida.

**OPTION AGREEMENT**

THIS OPTION AGREEMENT (Agreement), made this \_\_\_\_ day of \_\_\_\_\_, 2013, by and between the Westgate/Belvedere Homes Community Redevelopment Agency a dependent special district of Palm Beach County, Florida (hereinafter "WCRA"), and The Danza Group of Westgate, LLC, a New Jersey Limited Liability Corporation (hereinafter "DANZA").

**WITNESSETH**

**WHEREAS**, WCRA is the record title owner of that certain real property located in Palm Beach County, Florida, more particularly described in Exhibit 1 attached hereto and incorporated herein (the "Property"); and

**WHEREAS**, pursuant to a Request for Qualifications (RFQ) competitive selection process DANZA was selected by the WCRA's Board of Commissioners to be the "master developer" for the redevelopment of properties owned by the WCRA along the Westgate Avenue corridor; and

**WHEREAS**, in accordance with the terms of the RFQ, the WCRA proposes to convey to DANZA certain properties for re-development pursuant to a Purchase and Sale Agreement; and

**WHEREAS**, with respect to the Property, the WCRA agrees to grant to DANZA the right and option to purchase the Property from the WCRA, subject to DANZA meeting certain terms and conditions as are hereinafter set forth.

**NOW THEREFORE**, for other good and valuable consideration, the receipt an sufficiency of which are hereby acknowledged, WCRA does hereby grant DANZA the right and option to purchase the Property from WCRA, subject to the terms and conditions set forth herein (hereinafter the "Option").

## ARTICLE 1

### TERMS OF THE OPTION

1.1 **Term of Option.** The term of this Agreement shall commence upon its execution by the WCRA and DANZA (the "Effective Date") and shall expire on the 1<sup>st</sup> anniversary of the Effective Date (the "Option Period").

1.2 **Consideration for the Option.**

As consideration for this Agreement, DANZA shall pay the WCRA, \$10.00 (the "Option Fee") upon its execution and shall provide to WCRA reasonably satisfactory proof of financial ability to consummate the Option.

1.3 **Exercise of Option.**

1.3.1 Upon meeting the conditions listed in 1.3.4, below, DANZA may elect to exercise the Option by delivering written notice to the WCRA (the "Option Notice"). The Option Notice must be delivered to WCRA no later than the expiration of the Option Period and an extension of 12 months subject to WCRA Board approval may be permitted using due diligence to move forward the terms specified in Section 1.3.4.

1.3.2 The failure of DANZA to deliver the Option Notice for any reason whatsoever shall be deemed a waiver by DANZA of its right to exercise the Option.

1.3.3 Upon the exercise of this Option, the WCRA agrees to sell and convey to DANZA, and DANZA agrees to purchase, the Property under the general terms herein.

1.3.4 The conditions to be met by DANZA are: (a) Demonstration to the satisfaction of the WCRA that DANZA has cash on hand, or proof of financing to acquire and redevelop the property at the time the Option Notice is delivered; (b) If required, the execution of a Development Agreement with the WCRA; (c) WCRA's confirmation of compliance with § 163.380, Fla. Stat. and Palm Beach County Land Disposition requirements; and (d) the approval of a Development Order from Palm Beach County which evidences that DANZA has obtained all land use, zoning, and other entitlements necessary to develop a 2 to 3 story 50,000-80,000 square foot mixed-use building consisting of 20,000-30,000 square feet of commercial space on the ground floor and 20-50 Multi-family residential units on floors two and/or three.



## ARTICLE 2

### TERMS OF CONVEYANCE

**Purchase Price.** Upon exercising the Option, the purchase price ("Purchase Price") for WCRA's conveyance of the Property to DANZA shall be \$ 5,000.00

The Purchase Price shall be paid to WCRA at Closing by wire transfer to an account to be designated in writing by WCRA to DANZA. The WCRA shall convey the Property at closing by General Warranty Deed to DANZA.

2.1 **Closing Date.** The closing of the conveyance of the Property to DANZA (the "Closing") shall occur on the date (the "Closing Date") specified by DANZA in the Option Notice, which shall be no earlier than 45 days after the date of the Option Notice and no later than 120 days after the date of the Option Notice. The closing shall occur on the Closing Date, at the offices of Jones, Foster, Johnston & Stubbs, P.A., in Jupiter, Florida.

2.2 **Evidence of Title.** Within 10 days following DANZA's exercise of the Option, WCRA shall obtain at its expense a title insurance commitment (the "Title Commitment") to be issued by a title insurer licensed to do business in the State of Florida (the "Title Company"), agreeing to issue upon Closing an owner's policy of title insurance in and amount of liability equal to Purchase Price. The Title Commitment shall be subject only to those matters hereinafter set forth, taxes and assessments for the year of closing if not yet due and payable, those exceptions listed Schedule B in Exhibit "2" attached hereto and subject to which the WCRA holds title, the "Reverter Clause" described in Section 2.6.2 below, and any subsequent matters that do not materially affect the value of the Property for residential purposes (the "Permitted Exceptions"). DANZA shall have 15 days from receipt of the title commitment within which to examine same. If the title commitment contains matters other than the Permitted Exceptions, the same shall be treated as a title defect, and DANZA, shall so notify WCRA within the aforesaid 15 day period (the "Title Notice"). The WCRA shall have a period of 60 days from receipt of the Title Notice within which to cure the title defect(s) set forth therein. WCRA will use good faith efforts to cure such title defect(s) set forth in the Title Notice and will spend such monies and take such actions as are reasonably required in order to cure such title defect(s) within such 60 day period. If the title defect(s) set forth in the Title Notice are not cured within such 60 day period, then DANZA may either (i) accept title to the Property as it then exists without reduction of the Purchase Price, or (ii) withdraw or cancel the Purchase Agreement, whereupon it shall become null and void, and both parties shall be relieved of all obligations.

2.3 **No Adverse Actions.** Neither WCRA nor DANZA shall take any action which would impair or otherwise affect title to the Property, and shall record no documents in the Public Records of Palm Beach County, Florida which would affect title to any portion of the Property, without the prior written consent of WCRA as to the

Property. This Agreement shall be recorded by WCRA in the Public Records of Palm Beach County, Florida.

2.4 **Cooperation.** WCRA and DANZA agree to cooperate with one another in order for DANZA to obtain all public and private approvals required for the construction of a development project as described in the attached Exhibit 3 upon the Property, including executing such approvals, consents, rezoning applications, covenants, etc. that DANZA may request in connection with obtaining such approvals, at no cost to WCRA.

2.5 **DANZA and WCRA's Representations and Warranties.**

2.5.1 For the purpose of inducing DANZA to enter into this Agreement and to consummate the conveyance of the Property, WCRA represents and warrants that the following, as of the Effective Date and as of the Closing Date, are or will be fully true and correct:

2.5.1.1 There are no parties in possession of the Property, or any part thereof, other than the WCRA, and persons or entities claiming by, through or under the WCRA.

2.5.1.2. The execution and delivery of this Option, the consummation of the transaction herein contemplated, and the compliance with the terms of this Option will not conflict with, with or without notice or the passage of time, or both, result in a breach of, any of the terms or provisions of, or constitute a default under, any agreement to which the WCRA is a party, or by which the Property is bound.

2.5.1.3 There are no mortgages or other monetary liens or encumbrances burdening the Property or any portion thereof, any matters caused by or resulting from the acts, omissions or instructions of WCRA that will allow the conveyance of the Property free and clear of any mortgages and encumbrances and real estate taxes and assessments for the year the property is conveyed and all subsequent years.

2.5.1.4 There are no attachments, executions, assignments for the benefit of creditors, or voluntary or involuntary proceedings in bankruptcy or under any other debtor relief laws contemplated by or pending or threatened against WCRA or the Property.

2.5.1.5 There is no action, suit, litigation, hearing or administrative proceeding pending or threatened relating to WCRA that, if adversely determined, would prevent or materially restrict WCRA's ability to convey the Property to DANZA in accordance with this Agreement.

2.5.2 For the purpose of inducing WCRA to enter into this Agreement and to consummate a conveyance of the Property, DANZA represents and warrants that the following as of the Effective Date and as of the Closing Date, are and will be fully true and correct.

2.5.2.1 DANZA is a New Jersey limited liability company duly organized and in good standing in the State of organization.

2.5.2.2 DANZA is authorized by its operating agreement and other organizational documents to enter into this Agreement and its manager or managers are authorized to execute, deliver and perform all of the documents contemplated by this Agreement, including this Agreement.

2.5.2.3 DANZA has obtained all required authorizations and permits necessary to consummate the transaction contemplated by this Agreement.

2.5.2.4 DANZA's execution and performance of its obligations under this Agreement do not violate any obligation or agreement to which it is a party.

2.5.2.5 DANZA's financial condition has not materially deteriorated in a way that will affect its ability to perform its obligations under this Agreement.

## 2.6 **Conveyance of Title.**

2.6.1 WCRA shall convey or cause to be conveyed at Closing fee simple title to the Property to DANZA by Special Warranty Deed (the "Deed"), subject only to the Permitted Exceptions or matters of record which are accepted by DANZA. In addition to the Deed, at Closing, WCRA shall execute and deliver: (i) a standard title affidavit sufficient for the title company to insure the "Gap," and delete the standard exceptions for construction liens, unrecorded easements and parties in possession to the extent arising through WCRA, (ii) an affidavit stating that WCRA is not a "foreign person" within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1986, and (iii) any and all other documentation reasonably required by DANZA or the title company in order to close the transaction contemplated hereunder.

2.6.2 Danza shall have a period of two (2) years from the Closing Date to substantially complete construction of the project contemplated in the approvals obtained for the development of the Property. In the event DANZA fails to meet this condition, the property shall automatically revert to WCRA upon WCRA's filing in the public records of Palm Beach County a "Notice of Noncompliance." Prior to filing said Notice of Noncompliance, WCRA shall provide written notice to DANZA, at its last known address, granting the opportunity to appear before the WCRA Board of Commissioners to appeal the decision to record the Notice of Noncompliance.

2.7 **Expenses of Closing.** DANZA shall pay the documentary stamp tax (and any surtax) required in connection with the Deed, the costs of recording any instruments necessary to cause title to the Property, as applicable, to conform to the provisions of this Option Agreement; the title insurance premium for the owner's policy of title insurance and all title search fees in connection with the Title Commitment on the

Property; and the cost of recording the Deed. Each party shall pay its own attorneys' fees incurred in connection with this transaction.

2.8 **Proration's.**

2.8.1 **Property Taxes.** Real Estate taxes and assessments shall be prorated as provided in the Agreement, the provisions of which are incorporated herewith.

**ARTICLE 3**

**GENERAL PROVISIONS**

3.1 **Notices.** All notices or other required communications shall be in writing and shall be deemed duly given when delivered in person (with receipt therefor), or when sent by Federal Express or another overnight courier or when sent by certified or registered mail, return receipt requested, postage prepaid, or by telephone facsimile to the following addresses:

WCRA: Mr. Elizee Michel, Executive Director  
1280 N. Congress Avenue, Suite 215  
West Palm Beach, FL 33409  
(561) 640-8181  
(561) 640-8180 fax

DANZA: Law Office of  
Walter E. Hanley, LLC  
36 Mountain View Boulevard, 2<sup>nd</sup> Floor  
Wayne, NJ 07470-6731

Either party may change its address for the giving of notices by notice given in accordance with this Section. In such event, the Parties agree that no amendment to this Agreement is required.

3.2 **Default.**

3.2.1 In the event that DANZA fails to make any payment required hereunder, or otherwise breaches this Agreement, which breach is not cured within 5 days after written notice to DANZA for all breaches other than failure to make monetary payments as required for which there shall be no cure period, the WCRA shall, as its sole and exclusive remedy, have the right to terminate this Agreement and to retain the Option Fee.

3.2.2 In the event that the WCRA fails to perform any of the covenants or agreements or is in breach of any of the WCRA's warranties contained in this Option Agreement, DANZA shall have the right to specific performance of this Agreement or, at the WCRA's election, all sums paid by DANZA hereunder shall be returned without waiving the WCRA's rights for damages.

3.3 **Third Parties.** Nothing contained in this Agreement, whether express or implied, is intended to or shall confer any rights, benefits or remedies upon any persons other than the WCRA and DANZA, and their respective successors and assigns.

3.4 **Construction.** Wherever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender and the neuter, and vice versa. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. The parties hereby agree that each have played an equal part in the negotiations and drafting of this Agreement, and in the event any ambiguity shall be realized in the construction or interpretation of this Agreement, the result of those ambiguities shall be equally assumed and realized by each of the parties to this Agreement.

3.5 **Binding Effect; Assignment.** This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns. DANZA shall not assign this Agreement.

3.6 **Merger.** This Agreement set forth the entire understanding among the parties. This Agreement may not be amended, modified or terminated, except by written instrument executed by the parties hereto.

3.7 **Headings.** The captions, article numbers, section numbers and paragraph headings are inserted herein only as a matter of convenience, and in no way are intended to define, limit, construe or describe the scope or intent of such articles, sections or paragraphs of this Agreement, nor in any way affect this Agreement.

3.8 **Governing Law.** This Agreement shall be governed and interpreted under the laws of the State of Florida. The parties agree that venue of any action or proceeding regarding this Agreement shall be in Palm Beach County, Florida.

3.9 **Time is of the Essence.** Time shall be of the essence with respect to each provision of this Agreement that requires action to be taken by either party within a stated period of time, or upon a specified date. If the time period by which any right, option or election provided under this Agreement must be exercised, or by which any act required under this Agreement must be performed, or by which Closing must be held, expires on a Saturday, Sunday or a holiday, then such time period shall be automatically extended to the next business day.

3.10 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which is deemed an original and all of which constitute one and the same document.

3.11 **Attorneys' Fees.** Should either party employ an attorney or attorneys to enforce any of the provisions hereof, or to protect its interest in any matter arising under this Agreement, the party prevailing is entitled to receive from the other party all

reasonable costs, charges, and expenses, including attorneys' fees, expert witness fees, appeal fees, and the cost of paraprofessionals working under the supervision of an attorney, expended or incurred in connection therewith whether resolved by out-of-court settlement, arbitration, pre-trial settlement, trial or appellate proceedings.

3.12 **Radon Gas.** Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risk 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 and radon testing may be obtained from your county public health unit. [Note: This Section is provided for informational purposes.]

**[SIGNATURE PAGES TO FOLLOW]**

IN WITNESS WHEREOF, the parties have caused these presents to be executed on the day and year first written above.

Signed, sealed and delivered in the presence of:

WESTGATE/BELVEDERE HOMES COMMUNITY REDEVELOPMENT AGENCY "WCRA":

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Print Name: \_\_\_\_\_

STATE OF FLORIDA

COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, on behalf of the company. He/She is \_\_\_\_\_ personally known to me or has \_\_\_ produced \_\_\_\_\_ as identification.

(NOTARY SEAL)

Notary Public

Print Name: \_\_\_\_\_

My commission expires: \_\_\_\_\_

DANZA GROUP OF  
WESTGATE, LLC, a New Jersey  
Limited Liability Corporation

\_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, on behalf of the company. He/She is \_\_\_\_ personally known to me or has \_\_\_\_ produced \_\_\_\_\_ as identification.

(NOTARY SEAL)

\_\_\_\_\_  
Notary Public  
Print Name: \_\_\_\_\_  
My commission expires: \_\_\_\_\_



**EXHIBIT 1**

**PROPERTY INFORMATION**

**Legal Description:**

**Tract E, Sharons Replat of part of Block 30, of West Gate Estates, according to the plat thereof as recorded in Plat Book 15, Page 64 of the Public Records of Palm Beach County, Florida**

**Parcel Identification Number: 00-43-43-30-05-000-0050**

## EXHIBIT 2

**Attorneys' Title Insurance Fund, Inc.**  
**OWNER'S POLICY**  
**Schedule B**

Policy No.:  
OPM-2598277

Agent's File Reference:  
06B-1137

This policy does not insure against loss or damage by reason of the following exceptions:

1. Taxes for the year of the effective date of this policy, and thereafter, and taxes or special assessments which are not shown as existing liens by the public records.
2. Encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey and inspection of the premises.
3. Easements or claims of easements not shown by the public records.
4. Any adverse ownership claim by the State of Florida by right of sovereignty to any portion of the lands insured hereunder, including submerged, filled and artificially exposed lands, and lands accreted to such lands.
5. All matters contained on the Plat of Sharon's Replat Of Portions Of West Gate Estates, as recorded in Plat Book 15, Page 64 of the Public Records of Palm Beach County, Florida.
6. Reservations, easements and/or other matters contained in instruments recorded in Deed Book 677, Page 112 and Deed Book 677, Page 448, both of the Public Records of Palm Beach County, Florida.
7. Riparian and littoral rights are not insured.
8. Title to personal property is neither guaranteed nor insured.



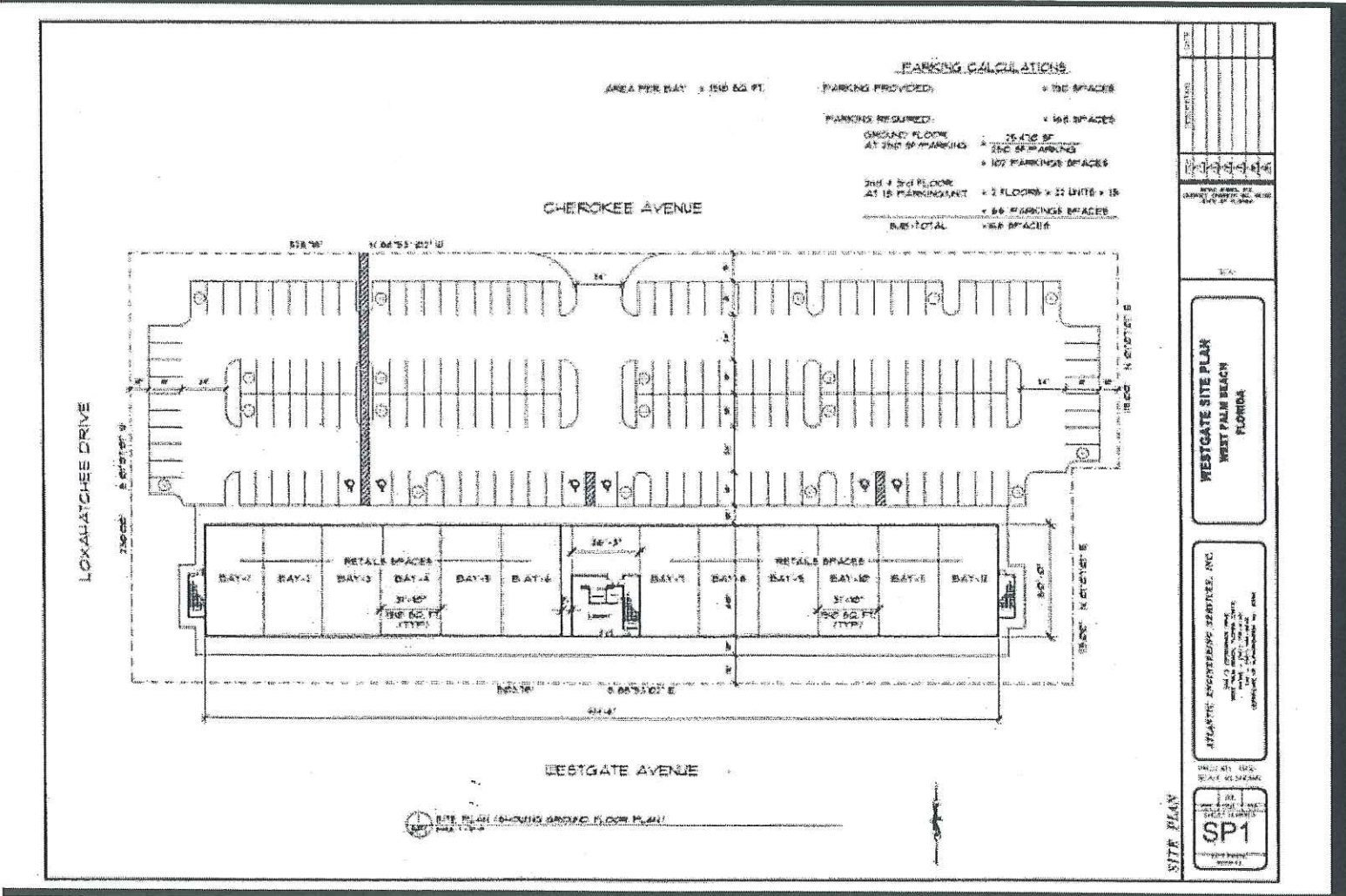
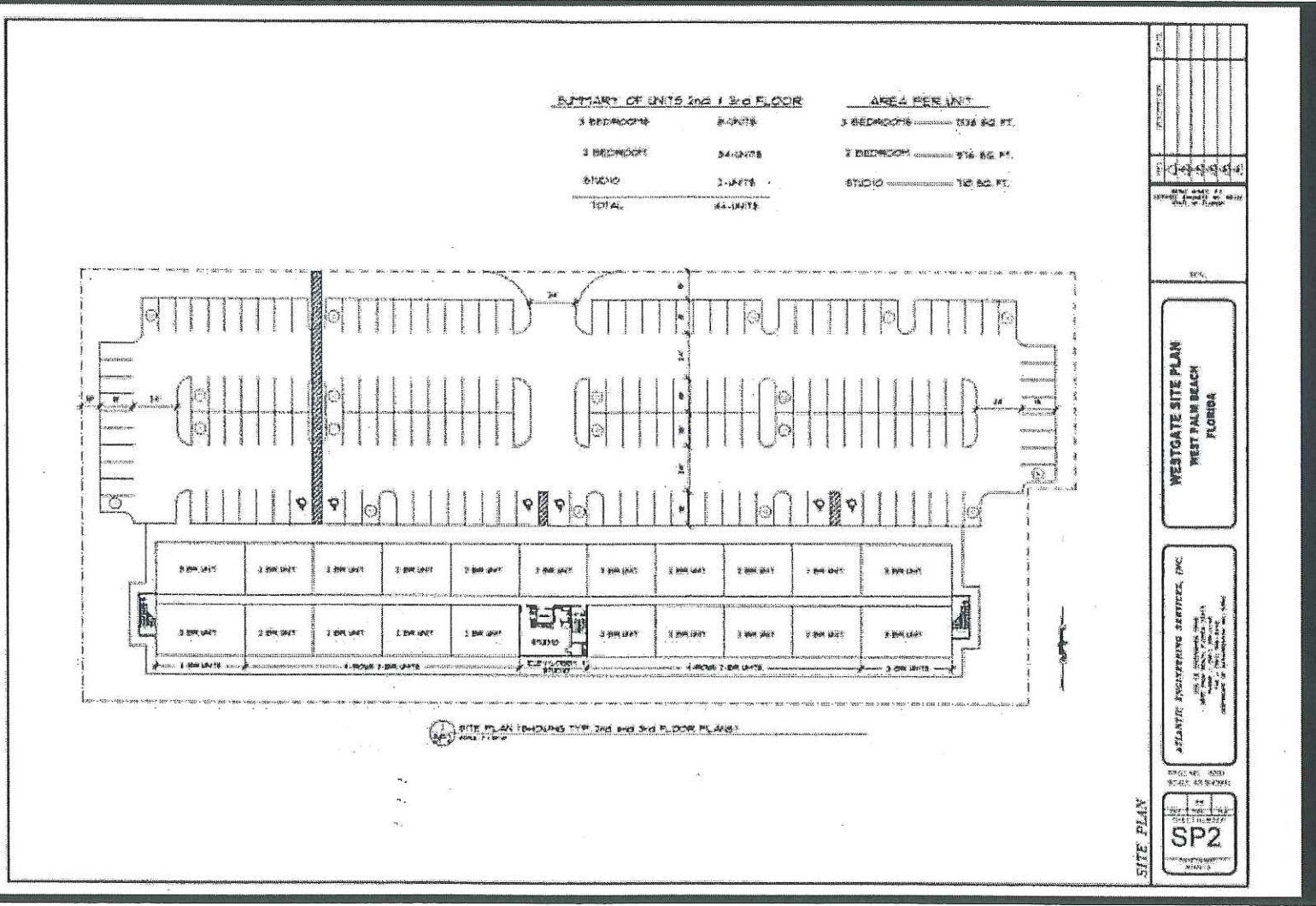


EXHIBIT 3



SUMMARY OF UNITS 2nd & 3rd FLOOR		AREA PER UNIT	
3 BEDROOMS	8 UNITS	3 BEDROOMS	536 SQ. FT.
3 BEDROOMS	34 UNITS	2 BEDROOM	516 SQ. FT.
STUDIO	2 UNITS	STUDIO	120 SQ. FT.
TOTAL:	44 UNITS		

1 SITE PLAN INCLUDING 2ND AND 3RD FLOOR PLANS

DATE	
REVISION	
NO.	
BY	
CHKD.	
DATE	
BY	
CHKD.	
DATE	

**WESTGATE SITE PLAN**  
WEST PALM BEACH  
FLORIDA

ATLANTIC ENGINEERING SERVICES, INC.  
1001 N. MILITARY AVE., SUITE 200  
WEST PALM BEACH, FLORIDA 33411  
TEL: 561-833-1111  
FAX: 561-833-1112

PROJECT NO. 02-001  
SCALE AS SHOWN  
**SP2**  
DATE: 11/11/02

SITE PLAN

# CERTIFICATE OF COVERAGE

Certificate Holder

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS  
A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA ITS OFFICE EMPLOYEES AND AGENCY  
C/O DEPARTMENT OF ECONOMIC SUSTAINABILITY  
100 AUSTRALIAN AVENUE SUITE 500  
WEST PALM BEACH FL 33406

Administrator

Issue Date 2/10/14

Florida League of Cities, Inc.  
Department of Insurance and Financial Services  
P.O. Box 530065  
Orlando, Florida 32853-0065

COVERAGES  
THIS IS TO CERTIFY THAT THE AGREEMENT BELOW HAS BEEN ISSUED TO THE DESIGNATED MEMBER FOR THE COVERAGE PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE COVERAGE AFFORDED BY THE AGREEMENT DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH AGREEMENT.

COVERAGE PROVIDED BY:

**FLORIDA MUNICIPAL INSURANCE TRUST**

AGREEMENT NUMBER: FMIT 0637

COVERAGE PERIOD: FROM 10/1/13

COVERAGE PERIOD: TO 10/1/14 12:01 AM STANDARD TIME

## TYPE OF COVERAGE - LIABILITY

### General Liability

- Comprehensive General Liability, Bodily Injury, Property Damage and Personal Injury
- Errors and Omissions Liability
- Supplemental Employment Practice
- Employee Benefits Program Administration Liability
- Medical Attendants'/Medical Directors' Malpractice Liability
- Broad Form Property Damage
- Law Enforcement Liability
- Underground, Explosion & Collapse Hazard

### Limits of Liability

\* Combined Single Limit

Deductible N/A

### Automobile Liability

- All owned Autos (Private Passenger)
- All owned Autos (Other than Private Passenger)
- Hired Autos
- Non-Owned Autos

### Limits of Liability

\* Combined Single Limit

Deductible N/A

## TYPE OF COVERAGE - PROPERTY

- Buildings
  - Basic Form
  - Special Form
- Miscellaneous
  - Inland Marine
  - Electronic Data Processing
  - Bond
- Personal Property
  - Basic Form
  - Special Form
- Agreed Amount
- Deductible \$500
- Coinsurance N/A
- Blanket
- Specific
- Replacement Cost
- Stated Value
- Excluding: Theft, Vandalism and Malicious Mischief

Limits of Liability on File with Administrator

## TYPE OF COVERAGE - WORKERS' COMPENSATION

- Statutory Workers' Compensation
- Employers Liability
  - \$1,000,000 Each Accident
  - \$1,000,000 By Disease
  - \$1,000,000 Aggregate By Disease
- Deductible N/A
- 

## Automobile/Equipment - Deductible

- Physical Damage N/A - Comprehensive - Auto N/A - Collision - Auto N/A - Miscellaneous Equipment

## Other

The limit of liability is \$200,000 Bodily Injury and/or Property Damage per person or \$300,000 Bodily Injury and/or Property Damage per occurrence. These specific limits of liability are increased to \$500,000 (combined single limit) per occurrence, solely for any liability resulting from entry of a claims bill pursuant to Section 768.28 (5) Florida Statutes or liability/settlement for which no claims bill has been filed or liability imposed pursuant to Federal Law or actions outside the State of Florida

## Description of Operations/Locations/Vehicles/Special Items

Re: Neighborhood Stabilization Program

The certificate holder is hereby added as an additional insured, except for Workers' Compensation and Employers Liability, as respects the member's liability for the above described item.

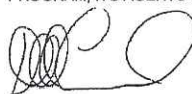
THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE AGREEMENT ABOVE.

DESIGNATED MEMBER

WESTGATE/BELVEDERE HOMES COMMUNITY REDEVELOPMENT AGENCY  
1280 N CONGRESS AVENUE SUITE 215  
WEST PALM BEACH FL 33409

## CANCELLATIONS

SHOULD ANY PART OF THE ABOVE DESCRIBED AGREEMENT BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 45 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED ABOVE, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE PROGRAM, ITS AGENTS OR REPRESENTATIVES.



AUTHORIZED REPRESENTATIVE