

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

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Meeting Date:	April 02, 2019	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Regular
		<input type="checkbox"/> Workshop	<input type="checkbox"/> 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 five (5) Westgate/Belvedere Homes Community Redevelopment Agency (CRA)-owned properties to Danza Group, LLC (Danza) or its affiliate for Four Hundred Thousand Dollars (\$400,000) 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 properties consist of three vacant parcels, one home and one garage apartment representing 1.47 acres of land located at the corners of Westgate Avenue, Seminole Boulevard and Nokomis Avenue. Danza proposes to acquire the five parcels (5) 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 Danza Group offered to buy the property for Four Hundred Thousand Dollars (\$400,000). In return, the group plans to build 10,000 square feet of commercial space and 60 workforce housing units. Danza will have a maximum of four (4) years to design, permit, build and complete the project. The firm has projected that the development will create 60 full-time jobs, 356 indirect jobs and will have a 5-year economic impact of more than \$85,000,000 to the County and the regional economy. If for any reason, the group fails to complete the project in accordance with the Option Agreement, the property will revert back to the CRA and funds received from the sale of the property will be returned to Danza. The CRA Board approved the Danza proposal at their December 10, 2018 Board meeting. Districts 2 and 7 (RB)

**Background and Policy Issues:** The CRA issued a Request for Proposals (RFP) on October 7, 2018 to select a developer to redevelop the five (5) parcels in the Westgate Avenue Commercial Corridor. The CRA Redevelopment Plan envisions a mix of commercial, office and residential uses for the Westgate Avenue Corridor. Danza responded to the RFP with a proposal to develop an Urgent Care Facility, a restaurant, some retail space and 60 workforce housing units. On December 10, 2018, after reviewing Staff’s recommendations, the CRA Board awarded the sale of the properties to Danza for the mixed-use, mixed-income project.

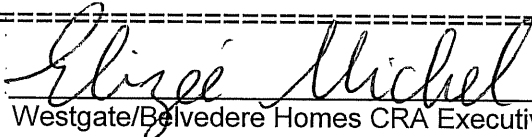
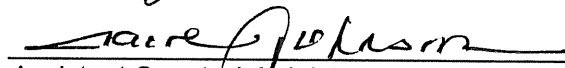
The Danza Group, LLC, is a large development firm with retail, medical and residential development experience based in New Jersey and has completed projects in New York, New Jersey, and Minnesota. Danza will be working with a doctor in Miami to develop the Urgent Care Clinic and will use a Florida Incorporated LLC to complete the 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:		3-5-19
	Westgate/Belvedere Homes CRA Executive Director	Date
Approved By:		3/14/19
	Assistant County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2019	2020	2021	2022	2023
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	*				

# ADDITIONAL FTE POSITIONS (Cumulative)					
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Does this item include the use of federal funds? Yes — No —  
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 \$400,000 in revenue.

C. Departmental Fiscal Review: \_\_\_\_\_

III. REVIEW COMMENTS

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

Reyn Lawrence 3/7/19  
OFMB 100 3/7  
3/3/19  
Contract Development and Control  
3/11/19 TW

B. Legal Sufficiency:

NOA 3/13/19  
Senior Assistant County Attorney

C. Other Department Review:

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

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

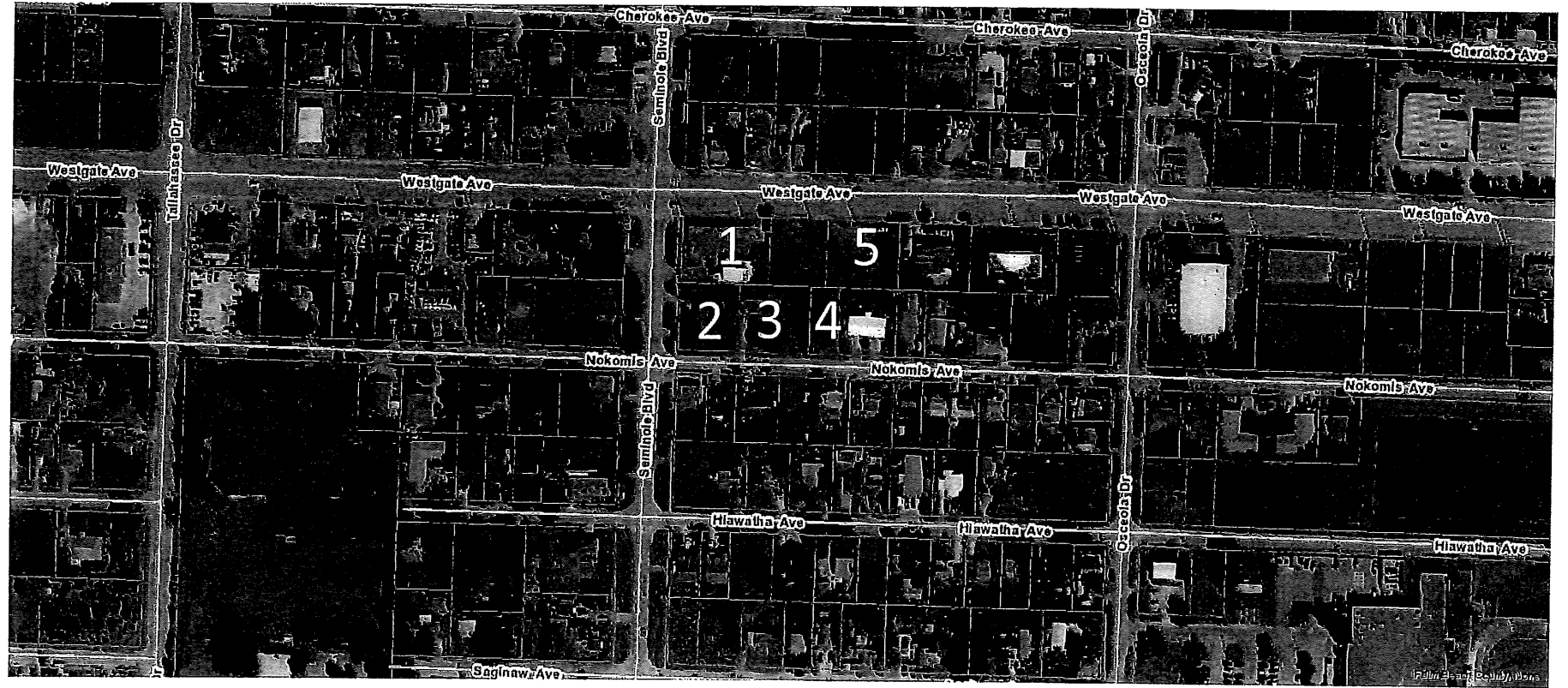
Subsequent to the selection of Danza to develop the mixed-use project, the CRA Board also negotiated the attached Option Agreement with Danza. The Agreement states that the CRA will sell the property to Danza subject to compliance with the negotiated terms. The attached Option Agreement will be executed subsequent to the BCC land disposition approval.

Before the titles are transferred to Danza, the terms of the Option Agreement require Danza to: (a) Demonstrate to the satisfaction of the WCRA that Danza has cash on hand, or proof of financing to redevelop the properties; (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. In addition, Danza will have a maximum of two (2) years (12 months with an additional 12-month extension) to comply with the terms above. After titles are transferred, 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. All transfer or assignment of the properties shall be subject to the term of the option agreement.

The CRA believes that the sale of the properties for \$400,000 and other considerations, which includes the terms of the Option Agreement, serves as an appropriate incentive for the redevelopment of this block. In addition, the redevelopment of these properties can serve as a catalyst for the redevelopment of the entire corridor.

Location Map

# Location Map Attachment 1



Address	PCN
12636 Westgate Ave	00-43-43-30-03-034-0010
21420 Seminole Blvd A	00-43-43-30-03-034-0310
31420 Seminole Blvd B	00-43-43-30-03-034-0350
43485 Nokomis Ave	00-43-43-30-03-034-0400
5 Westgate Ave	00-43-43-30-03-034-0110



(CRA ORD 5/09/89)

ORDINANCE NO. 89-6

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

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

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

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

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

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY  
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.

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

- 9 a. Acquisition of a slum area or blighted area or  
10 portion thereof.  
11 b. Demolition and removal of buildings and  
12 improvements.  
13 c. Installation, construction, or reconstruction  
14 of streets, utilities, parks, playgrounds, and  
15 other improvements necessary for carrying out  
16 in the community redevelopment area the  
17 community redevelopment objectives of the  
18 Community Redevelopment Act of 1969 in  
19 accordance with the community redevelopment  
20 plan.  
21 d. Disposition of any property acquired in the  
22 community redevelopment area at its fair value  
23 for uses in accordance with the community  
24 redevelopment plan.  
25 e. Carrying out plans for a program of voluntary  
26 or compulsory repair and rehabilitation of  
27 buildings or other improvements in accordance  
28 with the community redevelopment plan.  
29 f. Acquisition of real property in the community  
30 redevelopment area which, under the community  
31 redevelopment plan, is to be repaired or  
32 rehabilitated for dwelling use or related  
33 facilities, repair or rehabilitation of the  
34 structures for guidance purposes, and resale of  
35 the property.

- 1 g. Acquisition of any other real property in the  
2 community redevelopment area when necessary to  
3 eliminate unhealthful, unsanitary or unsafe  
4 conditions, lessen density, eliminate obsolete  
5 or other uses detrimental to the public  
6 welfare, or otherwise to remove or prevent the  
7 spread of blight or deterioration, or to  
8 provide land for needed public facilities.
- 9 h. Acquisition, without regard to any requirement  
10 that the area be a slum or blighted area, of  
11 air rights in an area consisting principally of  
12 land in highways, railway or subway tracks,  
13 bridge or tunnel entrances, or other similar  
14 facilities which have a blighting influence on  
15 the surrounding area and over which air rights  
16 sites are to be developed for the elimination  
17 of such blighting influences and for the  
18 provision of housing (and related facilities  
19 and uses) designed specifically for, and  
20 limited to, families and individuals of low or  
21 moderate income.
- 22 1. Construction of foundations and platforms  
23 necessary for the provision of air rights sites  
24 of housing (and related facilities and uses)  
25 designed specifically for, and limited to,  
26 families and individuals of low or moderate  
27 income.
- 28 3. To provide, or arrange or contract for, the  
29 furnishing or repair by any person or agency,  
30 public or private, of services, privileges, works,  
31 streets, roads, public utilities or other  
32 facilities for or in connection with a community  
33 redevelopment project; to install, construct, and  
34 reconstruct streets, utilities, parks, playgrounds,

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

14 4. Within the community redevelopment area:

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

- 1 e. To insure or provide for the insurance of any  
2 real or personal property or operations of the  
3 County against any risks or hazards, including  
4 the power to pay premiums on any such  
5 insurance.
- 6 f. To enter into any contracts necessary to  
7 effectuate the purposes of this part.
- 8 5. To invest any community redevelopment funds held in  
9 reserves or sinking funds or any such funds not  
10 required for immediate disbursement in property or  
11 securities in which savings banks may legally  
12 invest funds subject to their control and to redeem  
13 such bonds as have been issued pursuant to Section  
14 163.385, Florida Statutes (1987), at the redemption  
15 price established therein or to purchase such bonds  
16 at less than redemption price, all such bonds so  
17 redeemed or purchased to be cancelled.
- 18 6. To borrow money and to apply for and accept  
19 advances, loans, grants, contributions and any  
20 other form of financial assistance from the Federal  
21 Government or the state, county, or other public  
22 body, or from any sources, public or private, for  
23 the purposes of this part, and to give such  
24 security as may be required and to enter into and  
25 carry out contracts or agreements in connection  
26 therewith; and to include in any contract for  
27 financial assistance with the Federal Government  
28 for or with respect to a community redevelopment  
29 project and related activities such conditions  
30 imposed pursuant to federal laws as the county may  
31 deem reasonable and appropriate and which are not  
32 inconsistent with the purpose of this part.
- 33 7. Within its area of operation, to make or have made  
34 all surveys and plans necessary to the carrying out

1 of the purposes of this part and to contract with  
2 any person, public or private, in making and  
3 carrying out such plans and to adopt or approve,  
4 modify and amend such plans, which plans may  
5 include, but not be limited to:  
6 a. Plans for carrying out a program of voluntary  
7 or compulsory repair and rehabilitation of  
8 buildings and improvements.  
9 b. Plans for the enforcement of state and local  
10 laws, codes, and regulations relating to the  
11 use of land and the use and occupancy of  
12 buildings and improvements and to the  
13 compulsory repair, rehabilitation, demolition,  
14 or removal of buildings and improvements.  
15 c. Appraisals, title searches, surveys, studies,  
16 and other plans and work necessary to prepare  
17 for the undertaking of community redevelopment  
18 projects and related activities.  
19 8. To develop, test, and report methods and  
20 techniques, and carry out demonstrations and other  
21 activities, for the prevention and the elimination  
22 of slums and urban blight and developing and  
23 demonstrating new or improved means of providing  
24 housing for families and persons of low income.  
25 9. To apply for, accept and utilize grants of funds  
26 from the Federal Government for such purposes.  
27 10. To prepare plans for and assist in the relocation  
28 of persons (including individuals, families,  
29 business concerns, nonprofit organizations and  
30 others) displaced from a community redevelopment  
31 area, and to make relocation payment to or with  
32 respect to such persons for moving expenses and  
33 losses of property for which reimbursement or  
34 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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CRA and Danza Option Agreement

**OPTION AGREEMENT**

THIS OPTION AGREEMENT (the "Agreement"), made this \_\_\_\_ day of \_\_\_\_\_, 2019, by and between the Westgate/Belvedere Homes Community Redevelopment Agency, a dependent special district of Palm Beach County, Florida (hereinafter "WCRA"), and Danza Group, LLC, a Florida limited liability company (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 "A" attached hereto and incorporated herein (the "Property"); and

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

**NOW THEREFORE**, for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, WCRA does hereby grant to DANZA the right and option to purchase the Property from the WCRA, subject to its meeting 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, \$ 1,000.00 (the "Option Fee") upon its execution.

1.3 **Exercise of Option.**

1.3.1 Upon meeting the conditions listed in 1.3.4, below, DANZA may exercise the Option by delivering written notice to the WCRA (the "Option Notice"). The Option Notice shall be delivered to WCRA no later than the expiration of the Option Period. An extension of 12 months to exercise the option is permitted subject to the WCRA's sole and absolute discretion provided DANZA demonstrates that it is acting in

good faith and the continued exercise of due diligence to move forward the terms specified in Section 1.3.4.

1.3.2 The failure of DANZA to timely deliver the Option Notice to the WCRA 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.

## **ARTICLE 2**

### **CONDITIONS TO BE MET PRIOR TO EXERCISING OPTION**

The conditions to be met by DANZA are:

2.1 Demonstration to the satisfaction of the WCRA that DANZA has cash on hand, or proof of financing, in the form of financing commitments from institutional lenders and financial sources and uses of funds from DANZA to acquire and redevelop the Property substantially as set forth in Exhibit "B", at the time the Option Notice is delivered.

2.2 If required, the execution of a Development Agreement with the WCRA.

2.3 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 6 story 10,000-15,000 square foot mixed-use building consisting of approximately 10,000 square feet of commercial space on the ground floor and 60 Multi-family residential units on the upper floors..

## **ARTICLE 3**

### **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 \$ 400,000.00. 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.

3.1 **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 P.A., in Jupiter, Florida.

3.2 **Evidence of Title.** Within 20 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 the fair market value of the Property. The Title Commitment shall be subject only to taxes and assessments for the year of closing if not yet due and payable and those exceptions listed Schedule B-II of the Title Commitment 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 the intended mixed-use development 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.

3.3 **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 may be recorded by WCRA in the Public Records of Palm Beach County, Florida.

3.4 **Cooperation.** WCRA and DANZA agree to cooperate with one another in order for DANZA to apply for and obtain all land use and zoning approvals and building permits required for the construction of the development project (the Project) described in the attached Exhibit "B" upon the Property. DANZA shall be responsible for all application and professional fees necessary to process its application and for the construction of the Project.

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

3.5.1 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:

3.5.1.1 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.

3.5.1.2. 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.

3.5.1.3 There are no mortgages or other monetary liens or encumbrances burdening the Property or any portion thereof, which have been caused by or resulting from the acts, omissions or instructions of WCRA that would prohibit the WCRA's 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.

3.5.1.4 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.

3.5.1.5 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.

3.5.2 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.

35.2.1 DANZA is a Florida limited liability company duly organized and in good standing in the State of organization.

3.5.2.2 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.

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

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

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

### 3.6 **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.

3.6.2 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 Non-compliance." Prior to filing said Notice of Non-compliance, WCRA shall provide written notice to DANZA, provided pursuant to Article IV of the Agreement, granting DANZA the opportunity to appear before the WCRA Board of Commissioners to appeal the decision to record the Notice of Non-compliance.

3.7 **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.

### 3.8 **Proration's.**

3.8.1 **Property Taxes.** Real Estate property taxes and assessments shall be prorated as provided in the closing statement.

## ARTICLE 4

### **GENERAL PROVISIONS**

4.1 **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: Elizeé Michel, Executive Director  
1280 North Congress Avenue, Suite 215  
West Palm Beach, FL 33409

With Copy to: Thomas J. Baird, Esquire  
Jones Foster P.A.  
4741 Military Trail, Suite 200  
Jupiter, FL 33458

DANZA: Zalmy Danzinger, Manager  
19119 NE 8<sup>th</sup> Court  
Miami, FL 33179

With Copy to:

Should either party's address be changed, the party whose address is changing shall provide the other party with the new address. 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.

#### 4.2 **Default.**

4.2.1 In the event that DANZA breaches this Agreement, the WCRA shall, as its sole and exclusive remedy, have the right to terminate this Agreement and to retain the Option Fee.

4.2.2 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 as its sole and exclusive remedy, the right to terminate the Agreement; to the 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.

4.3 **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.

4.4 **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.

4.5 **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 without the written approval of the WCRA Board of Commissioners.

4.6 **Merger.** This Agreement sets 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.

4.7 **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.

4.8 **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.

4.9 **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.

4.10 **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.

4.11 **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 prevailing party 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.

4.12 **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.]

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 \_\_\_\_\_, 2019, by \_\_\_\_\_, as \_\_\_\_\_ of West/Belvedere Homes Community Redevelopment Agency, on behalf of the Agency. He is [ ☐ ] personally known to me or has [ ☐ ] produced \_\_\_\_\_ as identification.

(NOTARY SEAL)

\_\_\_\_\_  
Notary Public  
Print Name:\_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

DANZA GROUP, LLC, a Florida limited liability company

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

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

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

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

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

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_, as the \_\_\_\_\_ of Danza Group, LLC, a Florida limited liability company, on behalf of the company. He is [ ] personally known to me or [ ] has produced \_\_\_\_\_ as identification.

(NOTARY SEAL)

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

## EXHIBIT "A"

### [LEGAL DESCRIPTION OF THE PROPERTY]

#### **PARCEL 1**

2636 Westgate Avenue  
West Palm Beach, FL 33406  
PCN: 00-43-43-30-03-034-0010

Lots 1, 2, 3, 4, 5 and 6, Block 34, West Gate Estates, according to the plat thereof in Plat Book 8, Page 38 of the Public Records of Palm Beach County, Florida.

#### **PARCEL 2**

1420 Seminole Blvd A  
West Palm Beach, FL 33406  
PCN: 00-43-43-30-03-034-0310

Lots 31 thru 34, inclusive, Block 34, West Gate Estates, according to the plat thereof as recorded in Plat Book 8, Page 38 of the Public Records of Palm Beach County, Florida.

#### **PARCEL 3**

1420 Seminole Blvd B  
West Palm Beach, FL 33406  
PCN: 00-43-43-30-03-034-0310

Lots 35 thru 39, inclusive, Block 34, West Gate Estates, according to the plat thereof as recorded in Plat Book 8, Page 38 of the Public Records of Palm Beach County, Florida.

#### **PARCEL 4**

3485 Nokomis Avenue  
West Palm Beach, FL 33406  
PCN: 00-43-43-30-03-034-0400

Lots 40 and 41, Block 34, West Gate Estates, (Northern Section) according to the plat thereof, as recorded in Plat Book 8, Page 38, of the Public Records of Palm Beach County, Florida.

#### **PARCEL 5**

XXX Westgate Avenue  
West Palm Beach, FL 33406  
PCN: 00-43-43-30-03-034-0110

The East 10 feet of Lot 11 and all of Lots 12 to 15, inclusive, Block 34, West Gate Estates, according to the plat thereof as recorded in Plat Book 8, Page 38, of the Public Records of Palm Beach County, Florida.

And

The West 15 feet of Lot 11, Block 34, West Gate Estates, according to the plat thereof as recorded in Plat Book 8, Page 38, of the Public Records of Palm Beach County, Florida.

**EXHIBIT “B”**  
**[DEVELOPMENT PROJECT PLAN]**