



City of Hollywood

Hollywood City Hall
2600 Hollywood Blvd
Hollywood, FL 33020
<http://www.hollywoodfl.org>

Legislation Text

File #: R-2018-093, **Version:** 1

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Approving And Authorizing The Appropriate City Officials To Execute The Attached Settlement Agreement Implementing A Settlement With The City Of Hollywood Community Redevelopment Agency ("CRA"), Icon Office Building, LLC ("Developer"), And Berman Development Group, L.L.C. ("BDG").

Staff Recommends: Approval of the Resolution.

Explanation:

The City, the CRA and BDG entered into a Developer Agreement and Parking Lease Agreement dated October 21, 2003. The City, the CRA and BDG entered into a First Amendment to Developer Agreement and Parking Lease Agreement dated June 21, 2004. The City, the CRA, BDG, and Berman Land Investments, L.L.C., ("BLI"), entered into a Second Amendment to Developer Agreement and Parking Lease Agreement dated July 25, 2005. The City, the CRA, BDG, and BLI entered into a Third Amendment to Developer Agreement and Parking Lease Agreement dated March 21, 2006. The City, the CRA, BDG, Radius Office Building, L.L.C., ("ROB"), f/k/a BLI, Hollywood Office Building, L.L.C., and Radius Retail Condominium, L.L.C., ("RRC") entered into a Fourth Amendment to Developer Agreement and Parking Lease Agreement dated October 15, 2009 (the "Fourth Amendment").

On or about November 23, 2015, Developer, BDG, RRC, and SunTrust Parking Lot, LLC, f/k/a Hollywood Office Building, LLC, filed a lawsuit in the Circuit Court of the 17th Judicial Circuit in Broward County, Florida (the "Court"), Case No. CACE-15-020788, against the City and the CRA, in response to which the City and the CRA filed a counterclaim which was severed by the Court and by agreement of the parties on December 10, 2017 (hereinafter referred to as individually or if severed then collectively as the "Lawsuit"). On or about July 1, 2016, the City and the CRA filed an Answer and Affirmative Defenses, Counterclaims, and Third-Party Complaint. Subject to the terms of the attached Settlement Agreement, the parties have agreed to resolve all matters between them relating to the Lawsuit and Counterclaims, including those raised, or that could have been raised.

Among the terms and conditions of the Settlement Agreement are the following:

- A) City/CRA shall pay to Developer the following:
 - (i) \$500,000.00 upon execution of the Settlement Agreement,
 - (ii) \$500,000.00 upon obtaining a No Further Action with Controls from the Broward County Environmental Protection and Growth Management Department (the "EPGMD"),
 - (iii) \$500,000.00 upon completion of construction of the Icon Office Building.

B) Developer shall immediately apply for and pursue a No Further Action with Controls from EPGMD.

C) Subject to unavoidable delays, Developer shall achieve completion of construction of the Icon Office Building within 18 months of the commencement of construction.

D) City/CRA shall purchase environmental liability insurance for the Icon property, in the amount of \$5 million per occurrence, \$10 million in the aggregate, naming Developer as the insured party, for 20 years, with any deductible to be paid by City/CRA.

E) Developer shall construct the Icon Office Building consistent with the plans and specifications previously submitted to the City pursuant to permit #B13-101132.

F) The option granted to the City/CRA in the Fourth Amendment to construct a City-owned parking garage on the surface parking lot at the corner of 20th Avenue and Tyler Street shall be terminated.

Recommended for inclusion on the agenda by:

Douglas R. Gonzales, City Attorney

Dr. Wazir A. Ishmael, City Manager