

MEMORANDUM

TO: Tom Ansbro, Esq.
FROM: Tim Ryan, Esq.
DATE: October 28, 2011
RE: Dania Beach Hotel Agreement

The City acquired title to the Dania Beach Hotel property at 180 East Dania Beach Boulevard on February 1, 2011 by a Certificate of Title issued in the City's foreclosure of a code enforcement lien. The property was acquired subject to a mortgage held by MUNB Loan Holdings, LLC (MUNB) in the original principal amount of \$2,275,000 with additional interest and fees for taxes, insurance and other costs. The City staff and MUNB have negotiated a settlement agreement for demolition of all structures on the property and transfer of the property title from the City to MUNB.

The settlement agreement between the City and MUNB, subject to City Commission approval is summarized as follows:

1. MUNB will pay the expense for demolition of all structures on the property. The City will enter into two demolition contractor agreements with an asbestos remediation contractor and a structural demolition contractor. As stated in Clause 5 of the settlement agreement, the City will advance the funds to pay the demolition contractors and MUNB will reimburse the City within thirty (30) days.
2. The City will transfer title of the property to MUNB thirty (30) days after the demolition has been completed.
3. MUNB will pay City \$15,000 in partial reimbursement for City's legal fees and expenses for the code enforcement and foreclosure action.
4. City will transfer title to MUNB by Special Warranty Deed and pay state documentary stamp tax and seller closing costs.
5. City will update the environmental inspection of property and warrant that no hazardous waste has been placed on property during City's ownership of the property. A Phase I environmental audit conducted in September 2011 does not reveal any environmental contaminants on the property other than the asbestos within the structure being removed.

The settlement agreement between the City and MUNB is attached.