



20 N. Swinton Avenue
Delray Beach, FL 33444

Agenda Item # 9A
December 14, 2017

~ CRA BOARD SUMMARY ~
DIRECTION – PASADENA CAPITAL, INC.

On November 7, 2017, Pasadena Capital, Inc. notified the CRA that the Publix Real Estate Committee denied the approval of the project. On November 9, 2017, the CRA received a Letter of Termination from Pasadena Capital's attorney. On November 27, 2017, the Publix Real Estate Committee reconsidered the project and approved it with the caveat that the CRA's repurchase date be extended to December 31, 2022. On December 1, 2017, the CRA received a letter from Publix indicating that the Real Estate Committee approved the site contingent that the date of construction commencement be no sooner than December 31, 2022.

On December 6, 2017, the CRA received a letter from Pasadena Capital, Inc. reflecting the above and requesting that the CRA reinstate the agreement. Attached is the most recent correspondence related to the above.

Recommended Action:

Board direction is requested at this time.

Submitted By: Jeff Costello, Executive Director

Attachments: Publix Letter dated 12-1-17; Memorandum from DJ Doody dated 12-4-17 (with attachments); Letter from Randy Holihan dated 12-6-17

AK



John Harmon
Real Estate Department

December 1, 2017

Randy Holihan
Brandon Partners
200 Pasadena Place
Orlando, FL 32803

RE: SWC Atlantic Avenue & SW 6th Avenue
Delray Beach, Palm Beach County, FL

Dear Randy:

This letter is to confirm our conversation this week concerning the presentation of the above referenced site to our Real Estate Committee for their consideration of a possible Publix location.

The Real Estate Committee has approved this site contingent that the date of construction commencement be no sooner than December 31, 2022.

I want to thank you personally for your time and efforts in helping make this site an opportunity for our review. I also want to extend my sincerest appreciation to Mayor Glickstein, the City of Delray Beach, and the Delray Beach Community Redevelopment Agency and its Board of Commissioners as well for their involvement in this project. I look forward toward advancing this site toward closing on the property and securing this location for a future Publix store.

Sincerely,
PUBLIX SUPER MARKETS, INC.

John Harmon
Real Estate Manager

JH/

C: file

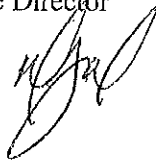
Donald J. Doody
ddoody@cityatty.com



**GOREN CHEROF
DOODY & EZROL P.A.**
ATTORNEYS AT LAW

MEMORANDUM

TO: Jeff Costello, Executive Director

FROM: Donald J. Doody, Esq. 

DATE: December 4, 2017

RE: Delray Beach Community Redevelopment Agency sale to Pasadena Capital, Inc.

You have sought an update of the status of the proposed sale of real property to Pasadena Capital, Inc. You are advised that Pasadena Capital, Inc. terminated the Purchase and Sale Agreement on November 9, 2017 (see attached letter). Accordingly, the deposit of \$50,000.00 was returned to Pasadena Capital, Inc. on November 13, 2017 (see attached letter).

The following is a chronological outline of the events:

1. Purchase and Sale Agreement effective date – June 13, 2017
2. First Amendment to Purchase and Sale Agreement dated September 7, 2017
3. Letter of Termination from counsel for purchaser dated November 9, 2017
4. Letter to counsel for purchaser returning deposit to purchaser dated November 13, 2017.

Accordingly, as of the date of this memorandum, the Delray Beach Community Redevelopment Agency has no contractual obligation to convey title to Pasadena Capital, Inc. There exists no contractual privity between Delray Beach Community Redevelopment Agency and Pasadena Capital, Inc.

{00208204.1 655-9503906}

Please reply to Fort Lauderdale Office

Fort Lauderdale Office
3099 E. Commercial Blvd., Suite 200, Fort Lauderdale, FL 33308. T 954-771-4500 | F 954-771-4923

Delray Beach Office
76 N.E. Fifth Avenue, Delray Beach, FL 33483. T 561-276-9400

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RICHARD N. SCHERMER
rschermer@pathmanlewis.com

November 9, 2017

Via FedEx

Delray Beach Community Redevelopment Agency
20 N. Swinton Ave.
Delray Beach, FL 33444
Attn: Jeff Costello, Executive Director

Donald J. Doody, Esq.
Goren, Cherof, Doody and Ezrol, P.A.
3099 E. Commercial Blvd., Suite 200
Ft. Lauderdale, FL 33308

Re: Purchase and Sale Agreement by and between Delray Beach Community Redevelopment Agency ("Seller") and Pasadena Capital, Inc. ("Purchaser") dated June 12, 2017, as amended (collectively, the "Agreement")

Gentlemen:

This letter shall serve as notice pursuant to the Agreement of the Purchaser's exercise of its right to terminate the Agreement and receive an immediate refund of the Earnest Money plus interest earned thereon. Accordingly, direction is hereby given to the escrow agent, Goren, Cherof, Doody, and Ezrol, P.A., to refund the Earnest Money plus interest earned thereon forthwith to the Purchaser.

Should you have any questions, with respect to the foregoing, please contact the undersigned at your earliest opportunity.

Very truly yours,

PATHMAN LEWIS, LLP



Richard N. Schermer

cc: Pasadena Capital, Inc.

Donald J. Doody
ddoody@cityatty.com



GOREN CHEROF
DOODY & EZROL P.A.
ATTORNEYS AT LAW

November 13, 2017

Richard N. Schermer, Esq.
Pathman Lewis, LLP
One Biscayne Tower, Suite 2400
2 South Biscayne Blvd.
Miami, FL 33131-11803

Re: Delray Beach CRA ("DBCRA") sale to Pasadena Capital, Inc.

Dear Mr. Schermer:

I have received and reviewed your letter to the DBCRA and my office dated November 9, 2017 wherein you provided notice that your client, Pasadena Capital, Inc., was exercising its right to terminate the Purchase and Sale Agreement dated June 12, 2017 with the DBCRA. Please be advised that the DBCRA accepts your notice of termination and therefore, enclosed is our trust account check in the amount of \$50,000.00 made payable to Pasadena Capital, Inc. representing a return of its initial earnest money deposit.

Please contact my office if you should have any questions regarding the enclosed. Thank you.

Sincerely,



DONALD J. DOODY

DJD/rll
Encls.

Cc: Jeff Costello, Executive Director

(00205641.1 655-9503906)

Please reply to Fort Lauderdale Office

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PASADENA  CAPITAL

December 6, 2017

Ms. Annette Gray
CRA-Delray Beach
20 North Swinton Avenue
Delray Beach, FL 33444

VIA ELECTRONIC MAIL

Re: Purchase contract between Delray Beach CRA and Pasadena Capital

Dear Ms. Gray:


There has been much speculation in the past weeks about the status of this project. Please allow me to clarify the status:

1. November 7, 2017-Publix Real Estate Committee denied the approval of the project
2. November 27, 2017- Publix Real Estate Committee reconsidered the project and approved it with the caveat that the CRA's buyback date be extended to December 31, 2022 (see attached letter)

We are all concerned about moving this project forward as quickly as possible, therefore we feel the FASTEST way to get this back on track would be to reinstate the original agreement, modify the dates and proceed forward with the site plan approval process as originally anticipated. Additionally we would immediately initiate the process of a contract assignment. This assignment would arrange for the transfer of the contract to Publix Supermarkets, Inc., who would be purchasing the property upon the site plan approval.

We look forward to moving this project to the completion with you and are ready to proceed, please let us know how you wish to proceed.

Sincerely,



Randy J. Holihan
President

cc: Jeff Costello